



**AGENDA**  
**CITY OF NORCO**  
CITY COUNCIL  
REGULAR MEETING  
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE  
MAY 15, 2013

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CALL TO ORDER:	7:00 p.m.
ROLL CALL:	Mayor Kathy Azevedo Mayor Pro Tem Berwin Hanna Council Member Kevin Bash Council Member Herb Higgins Council Member Harvey C. Sullivan
PLEDGE OF ALLEGIANCE:	Council Member Sullivan
INVOCATION:	Beacon Hill Assembly of God <i>Pastor Daniel Kitheka</i>
PRESENTATION:	Norco Cowgirls
INTRODUCTION:	Youth Equestrian Drill Team
COMMENDATION:	Town and Country Day School 50 <sup>th</sup> Anniversary

REGULAR CITY COUNCIL AGENDA AS FOLLOWS:

1. 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.2 of the Agenda.)*
  - A. City Council Minutes:  
Special Joint City Council/Planning Commission Meeting of April 10, 2013  
Special Meeting of May 1, 2013  
Regular Meeting of May 1, 2013  
Special Meeting of May 6, 2013  
Recommended Action: **Approve the City Council Minutes** (City Clerk)
  - B. Recap of Actions Taken of the Planning Commission meeting of May 8, 2013.  
**Recommended Action: Receive and File** (Planning Director)
  - C. Procedural Step to Approve Ordinance after Reading of Title Only.  
**Recommended Action: Approval** (City Clerk)

- D. Annual Adoption of the City Investment Policy. **Recommended Action: Approve and Adopt Investment Policy with a Minor Modification.** (Deputy City Manager/Director of Finance)
- E. Approval and Adoption of the Annual Appropriation Limit for Fiscal Year 2013-2014. **Recommended Action: Adopt Resolution No. 2013-17, approving the annual appropriation limit for Fiscal Year 2013-2014.** (Deputy City Manager/Director of Finance)
- F. Resolution Setting the Regular Meeting Schedules for City Commissions and the Economic Development Advisory Council for Fiscal Year 2013-2014. **Recommended Action: Adopt Resolution No. 2013-18.** (City Clerk)
- G. Approval to Purchase a 2013 Kubota Tractor M9960HDC **Recommended Action: Award bid to Glenn B. Dorning, Inc.** (Parks, Recreation and Community Services Director)
- H. Second Amendment to the Annual Sanitary Sewer Maintenance Service Agreement. **Recommended Action: Approve the extension of the Annual Sanitary Sewer Maintenance Service Agreement with Empire Pipe Cleaning & Equipment, Inc. for one (1) year, through June 30, 2014.** (Director of Public Works)
- I. Second Amendment to the Building and Safety Plan Examination Professional Services Agreement. **Recommended Action: Approve the requested extension of the Professional Building and Safety Plan Examination Service Agreement with Wildan Engineering for one (1) year, through June 30, 2014.** (Director of Public Works)
- J. Second Amendment to the Annual Street Sweeping Services Contract Agreement. **Recommended Action: Approve the extension of the Street Sweeping Service Agreement with CleanStreet for one (1) year, through June 30, 2014.** (Director of Public Works)
- K. Third Amendment to the Annual On-Call Street Maintenance Program 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, 2014.** (Director of Public Works)
- L. Third Amendment to the Traffic Signal Maintenance Services Agreement. **Recommended Action: Approve the requested extension of the Traffic Signal Maintenance Service Agreement with Siemens Industry, Inc. for one (1) year, through June 30, 2014.** (Director of Public Works)

- M. Approve additional funding for the Hamner Avenue Widening Project for Installation of Storm Drainage Connection and Gas Sleeve for the Benefit of the Silverlakes Project. **Recommended Action: Appropriate Additional Funding.** (Public Works Deputy Director/Senior Engineer)
  - N. Fiscal Year 2012-2013 Third Quarter Budget to Actual Report **Recommended Action: Receive and File** (Deputy City Manager/Director of Finance).
  - O. Approve Amendment to the Standard Agreement #5600000936 between the City of Norco and the California Department of Corrections and Rehabilitation Center (CDCR) for Solid Waste Collection Services at the California Rehabilitation Center (CRC) in Norco. **Recommended Action: Adopt Resolution No. 2013-19 approving amendment #1 to the Standard Agreement #5600000936 between the City of Norco and the California Department of Corrections and Rehabilitation Center (CDCR) for solid waste collection services at the California Rehabilitation Center (CRC) in Norco.**
  - P. Re-alignment of Reporting Relationship for City Historian Position. **Recommended Action: Realign the Volunteer Position of City Historian to Report to the City's Historic Preservation Commission** (City Manager)
  - Q. Acceptance of a Conditional Summary Vacation of Real Property at 1885 Valley View Avenue. **Recommended Action: Adopt Resolution No. 2013-20, accepting the Conditional Summary Vacation and authorize the City Clerk to record Resolution No. 2013-20 with the Riverside County Clerk-Recorder.** (Deputy Public Works Director/Senior Engineer)
2. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR:
3. CITY COUNCIL PRESENTATION ITEM:
- A. Sheriff's Department Annual Report Presentation for 2012. **Recommended Action: Receive and File** (Lt. Hedge)
4. CITY COUNCIL ACTION ITEM:
- A. Adoption of Revised Code of Ethics and Repealing the Existing Administrative Policy and Procedures. **Recommended Action: Adopt Resolution No. 2013-19, approving the revised Code of Ethics.** (City Attorney)
  - B. Authorization to Negotiate a Final Contract with Waste Management for Waste Collection, Transportation and Disposal Services. **Recommended Action: Authorize staff to negotiate a final contract with Waste Management for waste collection, transportation and disposal services, acknowledging it is in the best interest of the City to do so.** (Deputy City Manager/Director of Finance)

5. CITY COUNCIL PUBLIC HEARING:

- A. Zone Code Amendment 2013-01 and Code Amendment 2013-01 (City of Norco): Chapters 18.32 and 10.16 of the Norco Municipal Code regarding the Travel, Use, and Parking of Commercial Vehicles and Trailers in Residential Zones, and Along City Streets.

*Proposed changes to clarify how and when a Resident Exemption Permit issued for the purpose of parking a commercial vehicle in a residential zone (otherwise prohibited) can be used when a home occupation business exists in the same location. The amendment also addresses the parking of commercial vehicles along City streets*

**Recommended Action: Adopt Ordinance No. 961 for first reading.**  
(Planning Director)

- B. Appeal Hearing: An appeal of the relocation requirement in the Planning Commission's approval of Site Plan 2013-07 (Salley): A request for approval to allow an accessory building consisting of a 625 square-foot detached garage at 3023 Arapaho Street located within the A-1-20 (Agricultural Low-Density) Zone. (Planning Director King)

*Site Plan 2013-07 is a request for an accessory building consisting of a 625 square-foot detached garage at 3023 Arapaho Street. The Planning Commission approved the project with a condition that the building be moved to maximize potential animal-keeping area. The applicant is appealing this relocation condition.*

- C. Code Change 2013-02. An Ordinance of the City Council of the City of Norco Declaring Code Violations of the Municipal Code to be a Public Nuisance and Authorizing the Recovery of Attorney's Fees.

*This ordinance provides the City with an alternative that allows the City to use civil enforcement options and to recover attorney fees associated with such actions.*

**Recommended Action: Adopt Ordinance No. 962 for first reading.** (City Attorney)

6. 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.

7. CITY COUNCIL COMMUNICATIONS / REPORTS ON REGIONAL BOARDS AND COMMISSIONS:
8. CITY MANAGER / STAFF COMMUNICATIONS:
9. 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).*

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*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**  
**JOINT NORCO CITY COUNCIL/PLANNING COMMISSION**  
**SPECIAL MEETING**  
**CITY COUNCIL CHAMBERS**  
**2820 CLARK AVENUE**  
**NORCO, CA 92860**  
**APRIL 10, 2013**

**CALL TO ORDER:** Mayor Azevedo called the meeting to order at 7:00 p.m.

**ROLL CALL:**

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

**Planning Commission:**  
Chairman Robert Wright, **Absent**  
Vice Chairman Dave Henderson, **Present**  
Planning Commission Member Patricia Hedges, **Present**  
Planning Commission Member Philip Jaffarian, **Present**  
Planning Commission Member Robert Leonard, **Present**

**PLEDGE OF ALLEGIANCE:** Vice Chairman Henderson

**1. CITY COUNCIL DISCUSSION / PRESENTATION ITEM:**

- A. Land Use / Zoning Issues in the Industrial District of the Gateway Specific Plan (City Manager and Planning Director).**

**City Manager Groves** introduced the study session item, noting the City Council study session held on February 27, 2013, at which time the Council directed to hold the joint City Council/Planning Commission meeting.

**Planning Director King** presented information regarding the Gateway Specific Plan – Industrial Land Use Districts. The permitted uses, permitted uses with a CUP and uses not permitted were presented. The environmental process for changing the Industrial District was noted, including the costs involved in the process. The existing land use with changes in development standards were presented, including the issues to be considered (the City Manager stated that no decisions have been made regarding any of the samples noted). A business campus option was presented, including the issues to be considered and sample pictures. An A-1 residential option was presented, including issues to be considered. Planned Unit Development (PUD) – equestrian residential option was presented, including issues to be considered and sample pictures.

The next steps were presented regarding what would be required to take place, including if direction is to maintain existing land use designation and adjust development standards or if direction is to change the land use designation and development standards.

**AGENDA ITEM 1.A.**

**City Manager Groves** commented on the direction that is required in order to move forward.

**Planning Commission Member Jaffarian** commented on possible functional retail development that includes a clear way to tie in the existing horse trail and benefit businesses on Hamner Avenue. He also noted that given the scale of the property, there is potential for smaller scale affordable transitional housing consistent with Norco.

**Planning Commission Member Leonard** commented on his concerns regarding this type of housing development on that site. He noted that there is a lot that can be done with the site that is effective and lucrative and can bring in money and smaller scale businesses.

**Planning Commission Member Hedges** asked what office parks generate in revenue. In response, Planning Director King stated that generally they don't, but they do bring people in to the community. Commission Member Hedges stated that other ideas she has is housing with apartments above and business below, noting she leans towards less dense housing and it would be nice to have some equestrian housing.

**Mayor Pro Tem Hanna** stated that he agrees with Commission Member Hedges, commenting on density with live/work housing and noting that maybe Mountain Avenue would be a good frontage road for business. He further stated that he would consider the entire property developed into animal keeping properties, as that would be less impact on traffic.

**Council Member Sullivan** stated that he does not have a problem with how the site is zoned currently; adding that Alere has scaled back the intensity of the project, but nobody was willing to look at it. He further noted that the budget workshop should have been held prior to this meeting in order to first realize the City's revenue problems, adding that the City needs revenue generating businesses and jobs.

**Council Member Higgins** stated that he is concerned that any time rezoning occurs, there is a cost involved. He commented on different re-zoning scenarios, noting that whatever is proposed should be a benefit to the property owner and residents as well. He further stated that he would be willing to look at a modified version of what was presented before, and if it is compatible with the residents.

**Mayor Azevedo** stated that she concurs with Council Member Higgins, as it does not seem prudent to pay any fees for EIRs or studies at this time. As far as the dense housing, she stated that she is not an advocate for this. She also noted that industrial brings zero revenue to the City and affects roads and public safety. She stated that a short term fix would be to go with the existing land use with some changes made to the development standards.

## 2. PUBLIC COMMENTS:

**Greg Newton.** Mr. Newton recommended a no-cost option to redefine the Gateway Specific Plan, which is 20 years old. He added that warehouse distribution needs to be re-defined, noting the new definition of a "fulfillment center." He further noted that the bottom line is that the City needs to generate tax dollars.

April 10, 2013

**Ed Dixon.** Mr. Dixon asked Planning Director King if the existing EIR can be used. In response, Director King stated that if the project is consistent with the Gateway Specific Plan, it would not be required to have any additional studies completed. He added that if the studies were lacking in a comparison to today, an updated study would be required.

**Linda Dixon.** Ms. Dixon noted that before moving on, the City needs to address various permitted uses, then move to a new direction.

**Council Member Bash** noted that the City is working hard to attract businesses that are compatible with its lifestyle. He commented on his concerns regarding promises to residents, as well as development that would protect the residents. He stated that he would like to see mixed use, and is against dense housing.

**Planning Commission Member Henderson** commented on the Gateway Specific Plan, noting that some action needs to be taken to remove distribution centers and warehousing and maybe look at what the intended definition was of distribution centers and warehousing.

**M/S Jaffarian/Leonard to re-evaluate the permitted and non-permitted uses, building coverage and any associated planning elements of the Gateway Specific Plan. The motion was not carried.**

**M/S Higgins/Sullivan to review the permitted uses of the Gateway Specific Plan within the context of 2013 uses, and then come back as a joint City Council/Planning Commission to discuss. The motion was carried by the following roll call vote:**

**AYES:** (City Council) AZEVEDO, BASH, HANNA, HIGGINS, SULLIVAN  
(Planning Commission) HEDGES, HENDERSON, JAFFARIAN, LEONARD  
**NOES:** NONE  
**ABSENT:** WRIGHT  
**ABSTAIN:** NONE

**Clark Nenhoff.** Mr. Nenhoff spoke as a representative of Alere. He stated that Alere has contractual control of the property, noting that they are industrial developers, and noting that they have explored other opportunities including retail, warehousing and housing.

**3 UPDATES (City Manager):**

**A. Zoning-Related: City Manager Groves commented on one of the goals of the Strategic Plan, which is to pursue zone changes in the City, where appropriate, and where it could spur better use and economic development of a property. She cited the change to the Auto Mall Specific Plan to incorporate more commercial uses; the Hospitality Development Zone, adopted to encourage the development of hospitality-related uses; and the current review of the C-4 zone on Sixth Street for possible revisions to the permitted uses and changes in development standards to encourage better utilization of properties.**

- B. General Plan Status: **City Manager Groves commented on the required update to the Housing Element in October of 2013; the update to the Circulation Element, which required a City-wide traffic study; the update to the Noise element; the update to the Conservation Element; and the update to the Open Space Element. She noted the time and costs involved in each of the updates.**
4. ADJOURNMENT: There being no further business to come before the City Council, Mayor Azevedo adjourned the meeting at 8:50 p.m.

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BRENDA K. JACOBS, CMC  
CITY CLERK



**MINUTES**  
**CITY OF NORCO**  
CITY COUNCIL  
SPECIAL MEETING  
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE  
MAY 1, 2013

CALL TO ORDER: Mayor Azevedo called the meeting to order at 4:18 p.m.

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

1. WORKSHOP PRESENTATION OF THE FISCAL YEAR 2013-2014 OPERATING BUDGETS.

**City Manager Groves and Deputy City Manager/Director of Finance Okoro** presented an overview of the FY 2013-2014 Operating Budget as follows:

- A balanced budget is presented for all Operating Funds;
- General Fund Financial Outlook is improving as the economy is recovering;
- Most of major revenue categories have stabilized and sales tax continues to improve;
- Structural budget deficit gap still exists between total General Fund operating expenditures and revenues;
- One-time revenue from FY 2011-2012 and FY 2012-2013 budget saving will be used to cover FY 2013-2014 \$653,000 estimated structural deficit;
- Progress is being made to eliminate accumulated deficit in the Water Fund; but additional actions are required to ensure that revenues are timely aligned with changing cost of purchased water; and
- Sewer Fund financial condition is continuing to strengthen and contribution to Sewer Capital Fund for capital improvements would likely commence next Fiscal Year.

**Factors Affecting General Fund Revenues Projections:**

- Improving economy is helping sales tax revenues; projects 4% increase based on recent data and Department of Finance statewide estimates;
- Assessed values are projected to be flat and so does property tax revenues;
- Charges for services increasing due to full year revenue from Ingalls second arena rentals;
- Building, planning and engineering activities projected to show no significant changes;
- No new revenues included in the budget as a result of potential major sales tax generator coming to the City during the fiscal year;
- No additional franchise revenues from waste hauling and disposal franchise; and
- Includes no additional bed tax from potential new hotels.

**Factors Affecting General Fund Expenditure Estimates:**

- Maintains existing staffing levels in all functions and programs;
- Anticipates 5% increase in County Sheriff's contract rate;

- Projects increase of 2.2% in County Fire contract for fire and emergency medical services; Fire Prevention Specialist;
- Assumes 5% increase in retiree medical insurance premium; employee subsidy for health insurance capped at \$1,250 per month;
- Includes 8.4% increase in pension contribution rate; employees will contribute minimum of 4% of pay to fund pension retirement; and
- Assumes average cost of living adjustment for full-time employees.

**Key Budget Changes from FY 2012-2013:**

- No transfer from Special Asset Fund;
- Less reliance on one-time revenues;
- Provides funding for November 2013 municipal election;
- Increases funding for code compliance;
- Contracts out Fire Prevention Specialist Position to County Fire;
- Increases funding for building maintenance;
- Provides \$100,000 contribution to Information Technology Fund for equipment replacement; and
- Provides \$40,000 funding to update City housing element.

**Structural Budget Gap:**

- Estimated General Fund Operating Revenues \$14,438,779
- Estimated General Fund Operating Expenditures \$15,092,054
- Structural Budget Deficit \$ 653,275
- Estimated structural deficit will be funded by:
  1. FY 2011-2012 Successor Agency reimbursement \$ 304,132
  2. FY 2013-2014 budget savings \$ 349,143
- No draw from FY 2012-2013 estimated fund balance of \$3.5 million.

**Water Fund Revenue & Expenditures Highlights:**

- City Council approved rate adjustments to be phased in over 18 months in FY 2010-2011. Last phase of the rate was implemented in July 2012;
- Goal was to eliminate accumulated deficit estimated to be \$1.9 million; build working capital; and begin to set aside funds for capital improvements;
- Deficit has significantly been reduced but not completely eliminated; working capital still needs to be built and set-aside for capital improvements is yet to begin;
- Purchased water rates have increased more than the amount used to set rates; and
- Negative operating cash balance and low debt service coverage ratios resulted in S&P downgrade of outstanding bonds late last year.

**Summary of Water fund Revenue & Expenditures:**

- Total projected revenues of \$9,644,257 in FY 2013-2014 is the same as FY 2012-2013 due to no additional approved rate changes;
- Revenues are projected based on no anticipated change in consumption;
- Total projected expenditures of \$9,202,540 reflects a 5% increase from FY 2012-2013 due to projected increase in purchased water and utility costs;
- Cost of purchased water and utilities make up 64% of total expenditures; most of this cost

- is fixed;
- Debt service which is entirely fixed makes up 12% of total expenditures while salaries and benefits represent 11% of total expenditures;
- While projected FY 2013-2014 revenues exceed projected expenditures, significant progress is required to restore the fiscal condition of the fund and meet acceptable debt service coverage ratio; and
- Recommendation for action will be brought to City Council to ensure that rates are adjusted in a timely manner to recover increases in purchased water and utility costs.

**Summary of Sewer Fund Revenue & Expenditures:**

- Like the Water Fund, rate adjustments were approved by Council in FY 2010-2011;
- The rate adjustment has significantly improved the financial condition of the Fund;
- Increase in operating revenues has helped reverse the projected downward trend in working capital;
- If the positive trend continues in FY 2013-2014 as anticipated, there would be sufficient working capital to begin funding set-aside for Sewer Fund capital improvements;
- Total projected Sewer Fund revenues of \$5,538,058;
- Total projected Sewer Fund expenditures of \$4,827,616;
- Fixed debt service costs make up 37% of total Sewer Fund expenditures; and
- Third party sewer operations costs make up 36% of total expenditures.

**Highlights of Gas Tax Fund Revenue & Expenditures:**

- City share of state allocation of gas tax revenues;
- Restricted to eligible street and road work such as; street sweeping; signal maintenance; signal utilities; street maintenance and tree trimming;
- Total projected Gas Tax revenues is \$801,779; and
- Total projected expenditures is \$593,296.

2. PUBLIC COMMENTS OR QUESTIONS:

**Greg Newton.** Mr. Newton commented on his support for a purchased water agreement.

3. ADJOURNMENT: There being no further business to come before the City Council, Mayor Azevedo adjourned the meeting at 5:15 p.m.

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BRENDA K. JACOBS, CMC  
CITY CLERK



**MINUTES**  
**CITY OF NORCO**  
CITY COUNCIL  
REGULAR MEETING  
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE  
MAY 1, 2013

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

ROLL CALL: Mayor Kathy Azevedo, **Present**  
Mayor Pro Tem Berwin Hanna, **Present**  
Council Member Kevin Bash, **Present**  
Council Member Herb Higgins, **Present at 7 p.m.**  
Council Member Harvey C. Sullivan, **Present at 7 p.m.**

City Attorney Harper announced that an additional item will be discussed under §54956.9 – Conference with Legal Counsel – Existing Litigation, Case Number RIC 1303650, 1695 Mountain Avenue.

M/S Hanna/Bash to add the recommended item to the closed session agenda. The motion was carried by the following roll call vote:

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

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

**§54956.9 – Conference with Legal Counsel – Existing Litigation**

Case Name: Norco Firefighters Association vs. City of Norco  
Case Number: RIC 1114581

Case Name: City of Norco vs. 1695 Mountain Avenue  
Case Number: RIC 1303650

RECONVENE PUBLIC SESSION: 7:04 p.m.

REPORT OF ACTION(S) TAKEN IN CLOSED SESSION (§54957.1): City Attorney Harper stated that §54956.9 – Conference with Legal Counsel – Existing Litigation, Case Number RIC 1303650, 1695 Mountain Avenue, was added to the closed session agenda and further stated that there were no reportable actions resulting from the items discussed in Closed Session.

PLEDGE OF ALLEGIANCE: Mayor Azevedo

INVOCATION: Norco Foursquare Church  
Pastor Jared Vieyra

PRESENTATIONS: Proclamation for May as Asthma Awareness Month  
*Carey Poindexter*

**Council Member Higgins presented the proclamation to Carey Poindexter in recognition of May as Asthma Awareness Month.**

Proclamation for May as Mental Health Awareness  
Month -- *Caroline Martinez,*  
*Western Regional Mental Health Board Member*

**Mayor Azevedo presented the proclamation to Caroline Martinez in recognition of May as Mental Health Awareness Month.**

Proclamation for May as Poppy Month  
*American Legion Auxiliary*

**Council Member Sullivan presented a proclamation to representatives from the Norco American Legion Auxiliary Unit 328 in recognition of May as Poppy Month.**

Proclamation for May as National Preservation Month

**Council Member Bash presented a proclamation to Su Bacon, Chairperson of the Historic Preservation Commission, in recognition of May as National Preservation Month.**

Proclamation for May as Water Awareness Month

**Mayor Pro Tem Hanna presented a proclamation to Lori Askew, Deputy Public Works Director/Senior Engineer, in recognition of May as Water Awareness Month.**

COMMENDATION: Kris Parish  
*2013 Yale Distinguished Music Educator Award*

**Mayor Azevedo presented a Certificate of Commendation to Mr. Parish in recognition of his accomplishments and contributions to, and passion for, music education.**

REGULAR CITY COUNCIL AGENDA AS FOLLOWS:

1. CITY COUNCIL CONSENT CALENDAR ITEMS:

**M/S Hanna/Higgins to adopt the 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 April 17, 2013  
Recommended Action: **Approve the City Council Minutes** (City Clerk)
  - B. Recap of Actions Taken of the Planning Commission meeting of April 24, 2013.  
**Recommended Action: Receive and File** (Planning Director)
  - C. Procedural Step to Approve Ordinance after Reading of Title Only.  
**Recommended Action: Approval** (City Clerk)
  - D. Proposed Cancellation of the July 3, 2013 City Council Regular Meeting.  
**Recommended Action: That the City Council cancel the July 3, 2013 City Council regular meeting.** (City Clerk)
  - E. Continuation of Annual Special Tax for Community Facilities District No. 93-1 for the Fiscal Year 2013-2014. **Recommended Action: Adopt Resolution No 2013-15.** (Deputy City Manager/Director of Finance)
  - F. Approval to Purchase a 2013 Ford F150 Truck. **Recommended Action: Approve the purchase of a Ford F150 Truck from Hemborg Ford in the amount of \$18,708.95.** (Director of Public Works).
  - G. Acceptance of a Conservation Easement over Parcel M of Parcel Map 30196. **Recommended Action: Accept Conservation Easement.** (Deputy Director of Public Works/Senior Engineer).
2. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR:
3. CITY COUNCIL ACTION ITEMS:
- A. Review of the Proposed Brand Logo for the George Ingalls Equestrian Event Center -- the "GI". **Recommended Action: Approve the Brand Logo "GI" for the George Ingalls Equestrian Event Center.** (Director of Parks and Recreation)

**Parks, Recreation & Community Development Director Petree** introduced the item for discussion, noting the importance of logos to promote and recognize identity. The goal is to promote Norco and the George Ingalls Equestrian Event Center and the intent was never to rename the facility, but to market it. The Parks and Recreation Commission approved the logo and recommended that the City Council review and approve the brand logo "GI".

**Ted Hoffman.** Mr. Hoffman commented on the brand logo, noting that everyone knows what "Ingalls Park" is, and stating that it should remain as Ingalls Park, as that is the brand and would rather see the money go towards upgrading the facility.

**Pat Overstreet.** Ms. Overstreet commented on the logo, stating that she agrees with Mr. Hoffman.

**Judy Bonham.** Ms. Bonham commented on another option for the logo.

The City Council Members all commented on their concerns regarding the logo, noting that it looks great, but needs some work.

**Corinne Holder.** Ms. Holder thanked the Council for all the comments and asked for any feedback they might have to assist the sub-committee.

**M/S Azevedo/Higgins to send the logo back to the Parks and Recreation Commission sub-committee to revise the logo. The motion was carried by the following roll call vote:**

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

- B. Review of Administrative Policy 311 -- Code of Ethics and Procedures for City Council Members, Commission Members and City Employees and Resolution No. 2013-01 Amending the Code of Ethics for City Council Members, Commission Members and City Employees. **Recommended Action: That the City Council recommend and approve any changes to the Administrative Policy and/or Resolution No. 2013-01.** (Council Member Higgins)

**Council Member Higgins** commented on his concerns regarding the Code of Ethics, specifically noting legal discussions following its approval. He is recommending that it be revised.

**M/S Higgins/Bash to send the Code of Ethics resolution back to staff to work with the City Attorney on revisions.**

**Council Member Sullivan**, under discussion, stated that he was concerned about the City Attorney serving on the panel listening to the complaint filed.

**Mayor Pro Tem Hanna**, under discussion, commented on his concerns regarding a person wishing to speak as a private citizen, noting freedom of speech.

**Council Member Bash**, under discussion, commented on the reasoning for the Code of Ethics, noting that some will use this for political reasons.

**Su Bacon.** Ms. Bacon, speaking as a private citizen, commented on the Code of Ethics being miss-used for political reasons.

**Vern Showalter.** Mr. Showalter commented on Code of Ethics from the City of Industry.

**Council Member Sullivan**, under discussion, commented on the statement made regarding the Code of Ethics being miss-used for political reasons.

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. Public Hearing Ordering Abatement of Weeds on Vacant Lots

*The proposed resolution orders the abatement of weeds and authorizes the Fire Department's weed abatement contractor to begin abating weeds on vacant properties whose owners did not comply with the Notice to Abate Spring Weeds.*

**Recommended Action: Adopt Resolution No. 2013-16, declaring that weeds and hazardous vegetation, upon or in front of vacant property in the City of Norco, constitute a public nuisance and ordering the abatement.**  
(Fire Chief)

Fire Chief Pemberton presented the public hearing item.

Mayor Azevedo 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 Azevedo CLOSED the public hearing.

M/S Sullivan/Bash to adopt Resolution No. 2013-16. The motion was carried by the following roll call vote:

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

5. PUBLIC COMMENTS OR QUESTIONS:

**Ted Hoffman.** Mr. Hoffman commented on May 9<sup>th</sup> Norco Horsemen's Association "Red Day" event with Keller Williams. He also commented on his support for an amplified noise ordinance in the City.

**Judy Bonham.** Ms. Bonham commented on National Preservation Month, noting that she wants to preserve Norco as a rural community and would like to see the opposite side of the street from the horse trail side used for parking.

6. CITY COUNCIL COMMUNICATIONS / REPORTS ON REGIONAL BOARDS AND COMMISSIONS:

**Council Member Sullivan:**

- Reported that there is a Chino Basin Desalter Authority Board meeting scheduled to discuss the water situation.
- Commented on the Extreme Mustang Makeover that will take place on Friday, Saturday and Sunday (May 3 – 5).

**Council Member Higgins:**

- Commented on the recent Sheriff Report on citations, noting that the trail citations doubled and failure to display plates citations dropped.
- Stated that the access gate for the freeway on Fourth Street has been open for a few weeks and asked that staff address it.

**Mayor Pro Tem Hanna:**

- Reported that the Riverside County Transportation Commission sub-committee approved the contract for the 91 Freeway and it will now go to the main commission for its vote.
- Reported that the Vector Control held another vote regarding the expansion of the district into a small portion of Riverside, and they believe it will pass.
- Stated that he serves on the Advisory Board for Norco High School Agriculture Department, noting that they have the best farm and floral projects in California. He added that they fill flower orders and also sell fresh eggs and vegetables.

**Council Member Bash:**

- Reported that the Economic Development Advisory Council is expanding to hold additional meetings.
- Reported that the Norconian Strategic Plan Committee met.
- Commented on the 90<sup>th</sup> birthday of Norco on May 13, when it became a township.
- Commented on his new book coming out on May 13<sup>th</sup>, noting that the proceeds go to Lake Norconian Club Foundation

**Mayor Azevedo:**

- Commented on the UNLOAD Town Hall meeting to be held on May 8<sup>th</sup>, noting that it is put on by students in the region.
- Stated that the Norco Trading Post opened last weekend, adding that it was a great opening.
- Reported on the City's 50<sup>th</sup> birthday committee meeting held, noting that they chose a logo for the event and the artist will be invited to attend the City Council's first meeting in June.

7. CITY MANAGER / STAFF COMMUNICATIONS:

**City Manager Groves:**

- Stated that the City is accepting applications for City Commissions and the Economic Development Advisory Council.
- Reported on the Hamner Bridget project, noting that it is a cooperative effort with the County of Riverside and City of Eastvale, with the County taking the lead. She stated that this is a \$57 million project and has been accepted as a federal project, which will cover 80 percent of the funding, and the 20 percent local match funding remaining is being pursued.

8. ADJOURNMENT: There being no further business to come before the City Council, Mayor Azevedo adjourned the meeting at 8:51 p.m.

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BRENDA K. JACOBS, CMC  
CITY CLERK



**AGENDA**  
**CITY OF NORCO**  
**NORCO CITY COUNCIL**  
**SPECIAL MEETING**  
**CITY HALL CONFERENCE ROOMS "A" AND "B"**  
**2870 CLARK AVENUE**  
**NORCO, CA 92860**  
**MAY 6, 2013**

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CALL TO ORDER: Mayor Pro Tem Hanna called the meeting to order at 4:04 p.m.

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

PLEDGE OF ALLEGIANCE: Council Member Bash

1. CITY COUNCIL CONSENT ITEM:

- A. Approval of an Agreement between the City of Norco and Sparky's Electric for the Completion of Emergency Electrical Work and Pole Replacement at Wayne Makin/Shearer Sports Complex and other City Parks. **Recommended Action: Authorize the City Manager to execute an Agreement with Sparky's Electric in an amount not-to-exceed \$220,000.** (Director of Parks, Recreation & Community Services)

Parks and Recreation Director Petree presented the staff report on file in the City Clerk's Office. He explained the urgency of this item due to potential public safety concerns at City's parks.

**M/S SULLIVAN/BASH to adopt the item as recommended on the City Council Consent Calendar. The motion was carried by the following roll call vote:**

**AYES: BASH, HANNA, SULLIVAN**

**NOES: NONE**

**ABSENT: AZEVEDO, HIGGINS**

**ABSTAIN: NONE**

2. PRESENTATION ITEM:

- A. Presentation by Waste Management Regarding its Contract Proposal Status for Integrated Waste Management Services in the City of Norco.

City Manager Groves introduced the item for discussion and presentation regarding the City's solid waste contract with Waste Management. The current contract expires on June 30, 2013.

Council Member Bash suggested the continuance of this item as two Council Members were absent due to unforeseen situations; Mayor Azevedo was detained representing the City at a regional meeting which had started later than scheduled, and Council Member Higgins was traveling from Los Angeles and was caught in heavy traffic. He noted the importance for all Council Members to have the opportunity to hear the presentation.

Council Member Sullivan noted his concerns about delaying the presentation, adding that all Members should be present when a meeting is called.

**M/S BASH/HANNA to reschedule this item to the next available Council meeting to allow Waste Management to make the presentation to all Members.**

**AYES: HANNA, BASH**

**NOES: SULLIVAN**

**ABSENT: AZEVEDO, HIGGINS**

**ABSTAIN: NONE**

City Manager Groves suggested adding this item to the May 15, 2013 agenda. She asked for City Council input noting that there are two separate meetings scheduled on that date, a budget workshop at 4:00 p.m. and the regular meeting at 7:00 p.m.

Mayor Pro Tem Hanna suggested scheduling it during the regular meeting so that more of the public will have an opportunity to also hear the presentation.

**M/S HANNA/BASH to have the Waste Management presentation placed on the agenda for the regular meeting scheduled on May 15, 2013**

**AYES: HANNA, BASH, SULLIVAN**

**NOES: NONE**

**ABSENT: AZEVEDO, HIGGINS**

**ABSTAIN: NONE**

3. PUBLIC COMMENTS: NONE

4. CITY COUNCIL ACTION ITEM:

- A. Discussion Regarding the Next Steps in Contracting for the Collection, Transportation, Recycling and Disposal of Solid Waste in the City of Norco.  
**Recommended Action: That the City Council provide direction to staff.**

City Manager Groves stated that this item will also be considered at the City Council regular meeting of May 15, 2012, as no direction is needed at this time.

Mayor Pro Tem Hanna thanked the Waste Management staff and the public present for attending the meeting and apologized in having to delay the discussions.

5. ADJOURNMENT: There being no further business to come before the City Council, Mayor Pro Tem Hanna adjourned the meeting at 4:18 p.m.

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DIANE GERMAIN  
DEPUTY CITY CLERK



**RECAP OF ACTIONS TAKEN  
CITY OF NORCO  
PLANNING COMMISSION  
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE  
REGULAR MEETING  
MAY 8, 2013**

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**CALLED TO ORDER: 7:00 p.m.**

**ROLL CALL: Chair Wright, Vice Chair Henderson, Commission Members Hedges and Leonard; Jaffarian - absent**

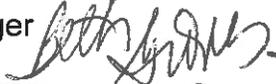
**STAFF PRESENT: Planning Director King, Senior Planner Robles and Deputy City Clerk Germain**

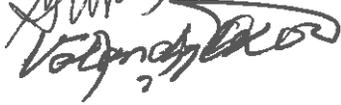
**PLEDGE OF ALLEGIANCE: Chair Wright**

1. **APPEAL NOTICE: Read by Planning Director King**
2. **PUBLIC COMMENTS: NONE**
3. **APPROVAL OF MINUTES:**
  - ❖ Minutes of April 24, 2013
  - Recommended Action: Approval (Deputy City Clerk). Action: **Approved 3-0-1 (Wright abstained)**
4. **PUBLIC HEARINGS:**
  - A. Conditional Use Permit 2013-03 (Calvary Ambulance): A request for approval of an ambulance transport service and a used RV dealership to locate at 2000 Hamner Avenue in the Norco Auto Mall Specific Plan. Recommended Action: Approval (*Planning Director*). Action: **Denied without prejudice, 4-0, this action is final unless appealed to City Council.**
  - B. Conditional Use Permit 2013-02 (Crossfit Pandemic): A request for approval to allow an indoor gymnasium (for Cross Fit Training) with a retail component and café to locate at 1950 Fifth Street in the M-1 (Heavy Commercial/Light Manufacturing) Zone. Recommended Action: Approval (*Senior Planner*). Action: **Continued to June 12, 2013 with direction that operation stop until project is approved, permits obtained, and penalty fees paid (4-0).**
5. **BUSINESS ITEMS: NONE**
6. **CITY COUNCIL MINUTES: Available on the City of Norco website:**  
[http://www.norco.ca.us/depts/city\\_council/minutes.asp](http://www.norco.ca.us/depts/city_council/minutes.asp)
  - City Council Meeting Minutes of April 17, 2013. **Received and Filed.**
7. **PLANNING COMMISSION:**
  - A. Oral Reports from Various Committees: **NONE**
  - B. Request for Items on Future Agenda (within the purview of the Commission): **NONE**
8. **ADJOURNED: 8:05 p.m.**

## 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: May 15, 2013

SUBJECT: Annual Adoption of the City Investment Policy.

RECOMMENDATION: Approve and adopt Investment Policy with a minor modification

**SUMMARY:** This report provides for an annual review and adoption of the policy governing investment of surplus funds for the City as required by the City of Norco Investment Policy.

**BACKGROUND/ANALYSIS:** Section 53646(a)(2) of the Government Code states that the Treasurer or Chief Fiscal Officer of the local agency may annually render to the legislative body of that local agency a Statement of Investment Policy. Attached is the City's Investment Policy. While state law no longer requires annual review and approval of the Investment Policy or quarterly investment report by the legislative body, staff is recommending that the current process of annual review and quarterly reporting of the investment portfolio be continued.

No changes have been recommended to this year's Investment Policy. Staff recommends approval of this Investment Policy.

**FINANCIAL IMPACT:** None.

J: AK/Council Reports/Staff Report/2013

Attachment: Investment Policy – Annual Adoption 2013



## CITY OF NORCO ADMINISTRATIVE POLICY STATEMENT

**CATEGORY: FISCAL & SUPPORT SERVICES**

**POLICY NO. 8**

**SUBJECT: INVESTMENT POLICY**

**DATE ISSUED: June 7, 2000**

**LAST DATE MODIFIED: May 16, 2012**

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### **PURPOSE:**

The purpose of this policy is to provide guidelines to the City Treasurer for the investment of surplus funds not required for immediate necessities of the City of Norco. All investment of such surplus funds is governed by state law and by this policy.

### **INTRODUCTION:**

The City Treasurer is responsible for administering the City of Norco investments. State law and this policy shall determine the type of investments in which the City Treasurer may participate with idle City funds. The City Treasurer shall issue and administer detailed investment instructions which may change periodically and which will supplement, but conform to the provisions of, this Investment Policy. The investment of bond or Certificates of Participation (COP) proceeds will be further restricted by the provisions of relevant bond or COP documents.

### **POLICY:**

It is the policy of the City of Norco, and the Successor Agency to the former Norco Redevelopment Agency, (together, the "CITY") to meet the short and long term cash flow demands of the City in a manner which will provide for the safety of principal and sufficient liquidity, while providing a reasonable return on the City's investment. The purpose of the Statement of Investment Policy ("Investment Policy") is to outline a process for the investment of City funds in a prudent manner in order to meet City objectives. This Investment Policy will also govern all funds held in trust by the City.

This Investment Policy applies to all investment activities and financial assets of the City, hereinafter, the "funds." Bond and Certificates of Participation (COP) proceeds shall be invested in accordance with the requirements and restrictions outlined in the bond and COP documents and are not considered part of the funds nor subject to this Investment Policy. However, bond and COP proceeds will be included in the monthly report to the City Council per California Government Code Section 53646(b).

## **PROCEDURE:**

### **I. DELEGATION OF AUTHORITY**

The City Treasurer is authorized to invest the City's funds in accordance with City of Norco Resolution 79-25 and California Government Code Sections 53600, 16429.1 and 53684 et seq.

### **II. PRUDENCE**

Investments shall be made in the context of the "Prudent Investor Standard" which states:

"When investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City within the limitations of this section, and considering individual investments as authorized by law."

All investments purchased shall have daily liquidity or final stated maturity date, upon which the full principal value of the security will be received. Although the investment will mature at full principal value, it is recognized the market value will vary throughout the life of the security. In a diversified portfolio it must be further recognized that occasional measured losses are inevitable in a diversified portfolio due to economic, bond market, or individual security credit analysis. These occasional losses must be evaluated and considered within the context of the overall investment return.

The "Prudent Investor" standard shall be applied in the context of managing the funds. The Treasurer, acting within the intent and scope of the Investment Policy and other written procedures and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

### **III. INVESTMENT PORTFOLIO OBJECTIVES**

The objective of the investment portfolio is to meet the short and long-term cash flow demands of the City. To achieve this objective, the portfolio will be structured to provide safety of principal and liquidity, while providing a return on investments.

- A. **Safety of Principal:** Investments of the City shall be undertaken in a manner that seeks to ensure that capital losses are minimized, whether from institution default, broker-dealer default, or erosion of the market value of securities. The Treasurer shall seek to preserve principal by mitigating two types of risk: Credit Risk and Market Risk.

1. Credit Risk – Credit risk, defined as the risk of loss due to failure of an issuer of a security, shall be mitigated by purchasing U.S. Treasury Securities, or high-grade securities. All investments beyond Treasury securities will be diversified so that the failure of any one issuer would not unduly harm the City's cash flow. Credit risk shall also be mitigated by pre-qualifying financial institutions, broker/dealers, intermediaries and advisors with which the City Conduct its business.
  
2. Market or Interest Rate Risk – Interest rate risk is the risk the market value of securities in the portfolio will decline due to changes in general interest rates. Interest rate risk may be mitigated by structuring the funds so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in shorter-term securities. The cash flow is updated on a daily basis and will be considered prior to the investment of securities, which will reduce the necessity to sell investments for liquidity purposes.

Long-term securities shall not be purchased for the sole purpose of short-term speculation. Securities shall not be sold prior to maturity with the following exceptions: 1) a declining credit security should be sold early to minimize loss of principal; 2) a security swap would improve the quality, yield, or target duration in the portfolio; or 3) liquidity needs of the portfolio require that the security be sold.

- B. Liquidity: The funds shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the funds will maintain a liquidity buffer and invest primarily in securities with active secondary or resale markets (dynamic liquidity).
  
- C. Return on Investments (Yield): The funds shall be designed to attain a return on investment through budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk assumed.

#### **IV. ETHICS AND CONFLICTS OF INTEREST**

The Treasurer shall refrain from personal business activity that could conflict with proper execution of the investment program or could impair his/her ability to make impartial investment decisions. The Treasurer shall disclose any material interests in financial institutions with which he/she conduct business. He/She shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio and shall refrain from undertaking personal investment transactions with the same individual or financial institution with whom business is conducted on behalf of the City.

The Treasurer is required to file an annual State of California Form 700 "Statement of Economic Interest Disclosure," as required by the Fair Political Practices Commission ("FPPC"). During the course of the year, if there is an event subject to disclosure that could impair the ability of the Treasurer to make impartial decisions, the City Manager will be notified in writing within 10 days of the event.

#### **V. SAFEKEEPING OF SECURITIES**

To protect against fraud, embezzlement, or losses caused by collapse of individual securities dealers, all securities owned by the City shall be held in safekeeping by the City's custodial bank or a third party bank trust department, acting as agent for the City under the terms of a custody agreement. This provision will not be applicable for certain investments held as a result of credit agreements entered into by the City. Such custodial bank must be a federal or state association (as defined by Section 5102 of the Financial Code), a trust company or a state or national bank located within this state or with the Federal Reserve Bank of San Francisco or any branch thereof within this state or with any Federal Reserve Bank or with any state or national bank located in any city designated as a reserve city by the Board of Governors of the Federal Reserve System.

All securities will be received and delivered using standard delivery versus payment ("DVP") procedures which ensures that securities are deposited with the third party custodian prior to the release of funds. Securities will be held by a third party custodian as evidenced by safekeeping receipts. Investments in the State Pool or money market mutual funds are undeliverable and are not subject to delivery or third party safekeeping. The Treasurer shall not be responsible for securities delivered to and receipted for by a financial institution until they are withdrawn from the financial institution by the Treasurer.

#### **VI. FINANCIAL REPORTING**

The Treasurer shall render a report (the "Report") to the City Council and the City Manager containing detailed information on all securities, investments, and monies of the City. The Report will be submitted on a quarterly basis and be provided to the City Manager and City Council within 30 days following the end of the quarter.

The Report will contain the following information on the funds that are subject to this Investment Policy: 1) the type of investment, name of the issuer, date of maturity, par and cost of each investment, 2) the market value and source of the valuation, 3) a description of the compliance with the statement of investment policy, 4) a statement denoting the City's ability to meet its expenditure requirements for the next six months, and 5) if any City monies are invested in the County Pool, the investment report provided by the County Treasurer pursuant to Government Code Section 53684.

## **VII. INTERNAL CONTROLS**

The Treasurer shall maintain a system of internal investment controls and a segregation of responsibilities of investment functions in order to assure an adequate system of internal control over the investment function. Internal control procedures shall address wire transfer controls, separation of duties, delivery of securities to a third party for custodial safekeeping, and written procedures for placing investment transactions.

## **VIII. EXTERNAL CONTROLS**

The independent City auditor will review and verify the City's investment activity, holdings and compliance with this Investment Policy as part of the City's annual independent audit and submit a report to the City Council relating thereto as part of their annual report on internal controls.

## **IX. QUALIFIED DEALERS AND INSTITUTIONS**

The City shall transact business only with banks, savings and loans, and registered investment securities dealers. The purchase of any investment, other than those purchased directly from the issuer, shall be purchased either from an institution licensed by the State as a broker-dealer, as defined in Section 25004 of the Corporation Code, who is a member of the National Association of Securities Dealers, or a member of a federally-regulated securities exchange, a national or state-chartered bank, a federal or state association (as defined by Section 5102 of the Financial Code), or a securities dealer designated as a Primary Government Dealer by the New York Federal Reserve Bank. Regional dealers may also qualify under the Securities and Exchange Commission Rule 15-3-1 (uniform net capital rule).

The Treasurer shall investigate all institutions that wish to do business with the City, in order to determine if they are adequately capitalized, make markets in securities appropriate to the City's needs, and agree to abide by the conditions set forth in this Investment Policy. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must provide a current audited financial statement. Public deposits shall be made in qualified public depositories as established by California Government Code. The purchase of an authorized investment subject to the limitations of this Policy can be purchased directly from issuers in compliance with California Government Code 53603 and 53635.5.

## **X. COLLATERAL REQUIREMENTS**

California Government Code Sections 53652 through 53667 require depositories to post certain types and levels of collateral for public funds above the Federal Deposit Insurance Corporation ("FDIC") insurance amounts. The collateral requirements apply to bank deposits, both active (checking and savings accounts) and inactive (non-negotiable time certificates of deposit).

## **XI. AUTHORIZED INVESTMENTS**

The investments set forth in this section are authorized investments pursuant to Section 53601 of the Government Code and are authorized investments for the City subject, however, to the prohibitions set forth in Section XII of this Investment Policy.

1. City Issued Debt: Bonds issued by the City, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the City or by a department, board, agency, or authority of the City.
2. United States Treasury Securities: United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
3. State of California or Municipal Debt: Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.
4. United States Government Agency Securities: Obligations issued by banks for cooperatives, federal land banks, federal intermediate credit banks, federal home loan banks, the Federal Home Loan Bank Board, the Tennessee Valley Authority, or in obligations, participation, or other instruments of, or issued by, or fully guaranteed as to principal and interest by, the Federal National Mortgage Association; or in guaranteed portions of Small Business Administration notes; or in obligations, participation, or other instruments of, or issued by, a federal agency or a United States government-sponsored enterprise.
5. Bankers Acceptances: Bills of exchange or time drafts drawn on and accepted by major commercial banks in California. Purchases of bankers' acceptances may not exceed 180 days maturity or 40 percent of the agency's surplus money that may be invested pursuant to this section. However, no more than 30 percent of the City's surplus funds may be invested in the banker's acceptances of any one commercial bank pursuant to this section.

6. Commercial Paper: Commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that are organized and operating within the United States and having total assets in excess of \$500,000,000 and having an "A" or higher rating for the issuer's debt, other than commercial paper, if any, as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation.

Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 25 percent of the agency's surplus money that may be invested pursuant to this section and must be of the highest rating (A-1 or P-1) as rated by Moody's or Standard and Poor's Investors Service.

7. Negotiable Certificates of Deposit: Negotiable certificates of deposits issued by a U.S. national or state-chartered bank or a state or federal association (as defined by Section 5102 of the Financial Code) or by a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 30 percent of the City's surplus money that may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposits do not come within Article 2 (commencing with Section 53630), except that the amount so invested shall be subject to the limitations of Section 53638. Investments in negotiable certificates of deposits shall include investments made under the Certificate of Deposit Account Registry Service (CDARS) Program as approved by State law.

8. Medium Term Notes: Medium-term notes of a maximum of five years maturity issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in a rating category of "A" or its equivalent or better by a nationally recognized rating service. Purchases of medium-term notes may not exceed 30 percent of the City's surplus money that may be invested pursuant to this section.

9. Money Market Mutual Funds: Shares of beneficial interest issued by diversified management companies investing in the securities and obligations as authorized by Government Code Section 53601 subdivisions (a) to (j) or (m) or (n), and that comply with the investment restrictions of Government Code Section 53600 and Section 53630. To be eligible for investment pursuant to this subdivision, these companies must carry the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest nationally recognized rating services.

The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include any commission that these companies may charge and shall not exceed 20 percent of the City's surplus money that may be invested pursuant to this section. However, no more than 10 percent of the City's funds may be invested in shares of beneficial interest of any one mutual fund.

10. Receivable-Backed Securities: Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum of five years maturity. Securities eligible for investment under this subdivision shall be issued by an issuer having an "A" or higher rating for the issuer's debt as provided by a nationally recognized rating service and rated in a rating category of "AA" or its equivalent or better by a nationally recognized rating service. Purchase of securities authorized by this subdivision may not exceed 20 percent of the City's surplus money that may be invested pursuant to this section
  
11. Repurchase Agreements: Investments in repurchase agreements of any securities authorized by this section, so long as the agreements are subject to this subdivision, including, the delivery requirements specified in this section.

Investments in repurchase agreements may be made, on any investment authorized in this section, when the term of the agreement does not exceed one year. The market value of securities that underlay a repurchase agreement must be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly.

- A. "Repurchase agreement" means a purchase of securities by the City pursuant to an agreement by which the counter-party seller will repurchase the securities on or before a specified date and for a specified amount and the counter-party will deliver the underlying securities to the City by book entry, physical delivery, or by third party custodial agreement. The transfer of underlying securities to the counter-party bank's customer book-entry account may be used for book-entry delivery.
  
- B. "Securities," for purpose of repurchase securities of the same issuer, under this subdivision, means description, issue date, and maturity.
  
- C. Repurchase agreements shall only be made with primary dealers of the Federal Reserve Bank of New York.

12. Local Agency Investment Fund: The City may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer for the benefit of local agencies up to the maximum permitted by state law.
13. Riverside County Investment Fund: The City may invest in the Riverside County Investment Pool established by the County Treasurer for the benefit of cities.

## **XII. INVESTMENT RESTRICTIONS AND PROHIBITED TRANSACTIONS**

The following types of transactions are restricted or prohibited:

1. Reverse Repurchase Agreements, as defined by California Government Code Sections 53601(5)(c) and 53635(i) or otherwise are prohibited.
2. Instruments known as "Structured Notes" (e.g. inverse floaters, leveraged floaters, structured certificates of deposit, equity-linked securities) and "Derivatives" (e.g. options, futures, swaps, caps, floors, collars) are prohibited. For the purpose of identifying ineligible securities, the definition of prohibited Structured Notes and Derivatives includes all floating-rate, adjustable-rate or variable-rate securities in which a change in interest rates or other variables that can reasonably be foreseen to occur during their term would result in their market value not returning to par at the time of each interest rate adjustment as defined by California Government Code Section 53601.6.

Simple "floating rate notes," whose periodic coupon adjustment is based on a short-term (one-year or less) rate index (such as Treasury bills, federal funds, prime rate of LIBOR) and which have a reasonable expectation of maintaining a value of par at each interest rate adjustment through final maturity, are considered an eligible investment. Eligible floating rate notes (U.S. Government Agencies, Certificates of Deposit, Medium-Term Notes, etc.), must meet all quality, maturity and percent limitations assigned to their respective security category.

Callable securities, which otherwise meet the quality, maturity and percent limitations assigned to their respective security category, are considered to be an acceptable investment. U.S. Treasury zero-coupon bonds, U.S. Treasury strips and Resolution Funding Corporation (REFCORP) strips are considered to be an acceptable investment. No investment prohibited by California Government Code Sections 53601.6 or 53631.5 shall be permitted herein.

3. The average maturity of all instruments, on a dollar-weighted basis, will not exceed 365 days.

4. The maximum maturity of any portfolio instrument will be 5 years or less. The maturity of a variable-rate security may be considered to be its next interest rate reset date, if there is a reasonable expectation that the security will maintain an approximate value of par upon each adjustment of the security's interest rate at any time until final maturity.
5. All investments will be U.S. dollar denominated.
6. Any investment transactions, credit risk criterion, or market valuation that are not in compliance with this Investment Policy must be documented and approved by the Treasurer in writing. Thereafter, action shall be taken by the Treasurer to advise the City Manager.
7. Securities that are downgraded below the minimum acceptable rating levels must be reviewed for possible sale within a reasonable amount of time.

It is acknowledged that investment pools in which the City invests may invest funds in any of the securities set forth in Government Coded Section 53601.

### **XIII. POLICY REVIEW**

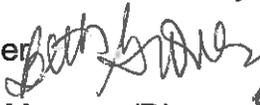
This Investment Policy shall be reviewed at least annually by the Treasurer, City Manager and City Council to ensure its consistency with the overall objectives of preservation of principal, liquidity, and return, and its relevance to current law, financial and economic trends, and to meet the needs of the City. The Investment Policy shall be presented to and annually reviewed and approved by the City Council in an open session.

### **XIV. LEGISLATIVE CHANGES**

Any State of California legislative action that further restricts allowable maturities, investment type or percentage allocations will, upon effectiveness, be incorporated into the City's Investment Policy Statement and supersede any and all previous applicable language.

## 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: May 15, 2013

SUBJECT: Approval and Adoption of the Annual Appropriation Limit for the Fiscal Year 2013-2014

RECOMMENDATION: **Adopt Resolution No. 2013-17**, approving the annual appropriation limit for Fiscal Year 2013-2014.

**SUMMARY:** The City is required by Article XIII of the State Constitution to adopt an annual appropriations limit which sets the maximum appropriation for the General Fund. Staff is recommending that Council adopt the attached resolution approving \$35,548,699 as the appropriation limit for Fiscal Year 2013-2014.

**BACKGROUND/ANALYSIS:** Attached is a resolution, as required by state law to approve the appropriation limit for the Fiscal Year 2013-2014 in the amount of \$35,548,699. Staff is still going through the budget process in order to establish General Fund's final appropriation for Fiscal Year 2013-2014. However, it is important to note that the FY 2013-2014 General Fund appropriations will be significantly less than the appropriations limit calculated under state law. The calculated appropriation amount is the maximum amount that the City Council can approve for the General Fund for FY 2013-2014

The appropriations limit for FY 2013-2014 has been calculated using the change in City population of 0.42% and the state change in per capita personal income of 5.12% as provided by the State of California Department of Finance. (See Exhibit "A") The information from the State is also attached.

**FINANCIAL IMPACT:** None

**Attachment:** Resolution No. 2013-17  
Dept. of Finance – Price and Population Information

j/AO/council report/staff report/2013

**AGENDA ITEM 1.E.**

## **RESOLUTION NO. 2013-17**

### **A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, APPROVING AND ADOPTING THE ANNUAL APPROPRIATION LIMIT FOR THE FISCAL YEAR 2013-2014**

WHEREAS, the voters of California, on November 6, 1979, added Article XIII-B to the State Constitution placing various limitations on the appropriation of the state and local governments; and

WHEREAS, Article XIII-B provides that the appropriation limit for the Fiscal Year 2013-2014 is calculated by adjusting the base year appropriation of the Fiscal Year 1978-1979 for changes in state per capita personal income statistics and population (see Exhibit "A"); and

WHEREAS, the City has selected the change in state per capita personal income and the annual percentage change in population for the City of Norco supplied by the State Department of Finance to set the appropriation limit; and

WHEREAS, the City of Norco has complied with all the provisions of Article XIII-B in determining the appropriation limit for Fiscal Year 2013-2014.

NOW, THEREFORE, BE IT RESOLVED that the appropriations limit in Fiscal Year 2013-2014 shall be \$35,548,699 for the City of Norco.

APPROVED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on May 15, 2013.

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

ATTEST:

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

Resolution No. 2013-17

Page 2

May 15, 2013

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 May 15, 2013, by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on May 15, 2013.

---

Brenda K Jacobs, City Clerk  
City of Norco, California

j/AO/council report/staff report/2013  
Attachment: Exhibit "A"

**City of Norco, California**  
**FY 2013 - 2014 Appropriations Limit Calculation**

FY 2012-2013 Appropriations Limit (Per Resolution 2012-36)	\$ 33,675,659
Change in Per Capita Personal Income	5.12%
Change in City Population	0.42%
Calculation Factor (1.0512 x 1.0042)	1.05562
FY 2013-2014 Appropriations Limit	<u>\$ 35,548,699</u>



May 2013

Dear Fiscal Officer:

**Subject: Price and Population Information**

**Appropriations Limit**

The California Revenue and Taxation Code, section 2227, mandates the Department of Finance to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2013, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2013-14. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2013-14 appropriations limit. Attachment B provides city and unincorporated county population percentage change. Attachment C provides population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

**Population Percent Change for Special Districts**

Some special districts must establish an annual appropriations limit. Consult the Revenue and Taxation Code section 2228 for further information regarding the appropriations limit. Article XIII B, section 9(C), of the State Constitution exempts certain special districts from the appropriations limit calculation mandate. The Code and the California Constitution can be accessed at the following website:

<http://leginfo.legislature.ca.gov/faces/codes.xhtml>

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this issue should be referred to their respective county for clarification, or to their legal representation, or to the law itself. No state agency reviews the local appropriations limits.

**Population Certification**

The population certification program applies only to cities and counties. Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2013.**

**Please Note:** Prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

ANA J. MATOSANTOS

Director

By:

MICHAEL COHEN  
Chief Deputy Director

Attachment

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2013-14 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2013-14	5.12

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2013-14 appropriation limit.

**2013-14:**

Per Capita Cost of Living Change = 5.12 percent  
 Population Change = 0.79 percent

Per Capita Cost of Living converted to a ratio:  $\frac{5.12 + 100}{100} = 1.0512$

Population converted to a ratio:  $\frac{0.79 + 100}{100} = 1.0079$

Calculation of factor for FY 2013-14:  $1.0512 \times 1.0079 = 1.0595$

**Attachment B**  
**Annual Percent Change in Population Minus Exclusions\***  
**January 1, 2012 to January 1, 2013 and Total Population, January 1, 2013**

County City	<u>Percent Change</u>	<u>Population Minus Exclusions</u>		<u>Total</u>
	2012-2013	1-1-12	1-1-13	1-1-2013
<b>Riverside</b>				
Banning	0.40	30,051	30,170	30,170
Beaumont	2.08	38,966	39,776	39,776
Blythe	0.64	13,370	13,455	19,606
Calimesa	0.90	8,022	8,094	8,094
Canyon Lake	0.44	10,721	10,768	10,768
Cathedral City	0.43	52,057	52,283	52,337
Coachella	1.79	42,030	42,784	42,784
Corona	1.19	154,985	156,823	156,823
Desert Hot Springs	0.39	27,721	27,828	27,828
Eastvale	2.66	55,770	57,251	57,251
Hemet	0.68	80,329	80,877	80,877
Indian Wells	0.61	5,050	5,081	5,081
Indio	3.95	78,298	81,393	81,393
Jurupa Valley	0.52	96,745	97,246	97,246
Lake Elsinore	4.24	53,038	55,285	55,430
La Quinta	0.55	38,190	38,401	38,401
Menifee	1.81	80,831	82,292	82,292
Moreno Valley	0.53	197,086	198,129	198,129
Murrieta	0.51	105,300	105,832	105,832
Norco	0.42	23,085	23,183	26,626
Palm Desert	0.67	49,619	49,949	49,949
Palm Springs	0.66	45,414	45,712	45,712
Perris	0.81	70,391	70,963	70,963
Rancho Mirage	0.47	17,556	17,639	17,639
Riverside	0.82	309,348	311,896	311,955
San Jacinto	0.62	44,937	45,217	45,217
Temecula	1.43	103,403	104,879	104,879
Wildomar	1.08	32,818	33,174	33,174
Unincorporated	0.32	357,335	358,473	358,827
<b>County Total</b>	<b>1.01</b>	<b>2,222,466</b>	<b>2,244,853</b>	<b>2,255,059</b>

\*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

# 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: May 15, 2013

SUBJECT: Resolution Setting the Regular Meeting Schedules for City Commissions and the Economic Development Advisory Council (EDAC) for Fiscal Year 2013-2014

RECOMMENDATION: Adopt **Resolution No. 2013-18**, setting the regular meeting schedules for City Commissions and EDAC for FY 2013-2014.

**SUMMARY:** A resolution was adopted reducing the number of City Commission and EDAC meetings for Fiscal Year 2011-12 and Fiscal Year 2012-13 in order to more efficiently and fiscally manage the City staffing requirements for preparing and conducting commission meetings. This reduction in regular meetings provided for a more efficient way to transact City business using the current available City staff. As the City continues to face the same financial and staffing challenges, staff is recommending that the City Council adopt a resolution to continue this regular meeting schedule for City Commissions and EDAC for FY 2013-2014.

**BACKGROUND/ANALYSIS:** The current regular meeting schedule for City Commissions and EDAC is as follows, as approved by City Council Ordinance/Resolution:

Planning Commission	One regular meeting per month
Historic Preservation Commission	One regular meeting per quarter
Parks and Recreation Commission	One regular meeting per quarter
Streets, Trails and Utilities Commission	One regular meeting per quarter
Economic Development Advisory Council	One regular meeting per quarter

The purpose of this reduction in meetings was to provide a more efficient way to transact City business using the current available City staff. As the City continues to face the same fiscal and staffing challenges, it is recommended that this regular meeting schedule be continued for Fiscal Year 2013-14, with the exception of the EDAC. The EDAC has proposed that they meet every month in order to more actively communicate on business attraction and retention efforts. This recommendation does not limit the calling of special meetings or sub-committee meetings.

**FINANCIAL IMPACT:** Stipends are budgeted based on the maximum compensation allowed at \$50 per meeting or \$100 per month/per commission member. The EDAC Members are not compensated for meeting attendance.

Attachments: Resolution No. 2013-18

## **RESOLUTION NO. 2013-18**

**A RESOLUTION OF THE CITY OF NORCO, CALIFORNIA, TO CONTINUE THE REGULAR MEETING SCHEDULES FOR CITY COMMISSIONS AND THE ECONOMIC DEVELOPMENT ADVISORY COUNCIL AS SET BY RESOLUTION IN FISCAL YEAR 2011-2012 FOR FISCAL YEAR 2012-13**

WHEREAS, the Norco Municipal Code ("NMC") states the number of regular meetings each City Commission shall hold; and

WHEREAS, the Parks, Recreation and Community Services Commission, the Streets, Trails and Utilities Commission, and the Planning Commission by NMC are required to hold not less than one regular scheduled meeting each calendar month; and

WHEREAS, the Historic Preservation Commission, by NMC, is required to hold not less than one regular scheduled meeting per quarter; and

WHEREAS, the number of regular meetings required for the Economic Development Advisory Council ("EDAC") is set by Resolution No. 2010-18 at not less than once per month; and

WHEREAS, in order to more efficiently and fiscally manage the City staffing requirements for preparing and conducting commission and EDAC meetings, it is imperative that reductions in the number of regular scheduled meetings be continued as set in fiscal year 2011-2012; and

WHEREAS, it has been determined that the reduction in the number of regular scheduled meetings held will not deter from, nor lessen the importance of the information discussed and approved by the City Commissions and the EDAC, but will instead provide for a more efficient way to transact City business using the current available City staff.

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

**SECTION 1.** The Historic Preservation Commission, the Parks, Recreation and Community Services Commission, and the Streets, Trails and Utilities Commission shall hold not less than one regular scheduled meeting per quarter throughout Fiscal Year 2013-14 beginning July 1, 2013; and

**SECTION 2.** The Planning Commission shall hold not less than one regular scheduled meeting each calendar month throughout Fiscal Year 2013-14 beginning July 1, 2013; and

**SECTION 3.** The EDAC shall hold not less than one regular scheduled meeting each calendar month throughout Fiscal Year 2013-14 beginning July 1, 2013.

SECTION 4. The compensation set forth for each commission member shall remain in effect.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on May 15, 2013.

---

Mayor of the City of Norco, California

ATTEST:

---

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California do hereby certify that the foregoing Resolution was introduced and adopted by the City Council of the City of Norco at a meeting held on May 15, 2013 by the following vote of the City Council:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on May 15, 2013.

---

Brenda K. Jacobs, CMC, 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: Brian K. Pietree, Director  
Parks, Recreation and Community Services

DATE: May 6, 2013

SUBJECT: Approval to Purchase a 2013 Kubota Tractor M9960HDC

RECOMMENDATION: Award the bid for the purchase of a 2013 Kubota Tractor M9960HDC to Glenn B. Dorning, Inc. in the amount of \$66,852.00

**SUMMARY:** Bids for the purchase of a tractor were opened on May 2, 2013 with Glenn B. Dorning, Inc. being the lowest responsible bidder. It is recommended that the City Council award a contract to Glenn B. Dorning, Inc. in the amount of \$66,852 to purchase a 2013 Kubota M9960HDC tractor, for the purpose of assisting in the maintenance of the City of Norco park system and the George Ingalls Equestrian Event Center.

**BACKGROUND/ANALYSIS:** The adopted 2012/2013 fiscal year budget provides funding in the Vehicle/Equipment Replacement Fund to replace an existing tractor purchased in 2001. Parks Department is requesting consideration to purchase a 2013 Kubota tractor Model M9960HDC. The Parks Department has become dependent on this type of equipment to perform grooming for Ingalls Park arenas, and arenas in our parks system as well as a number of daily maintenance functions. The new tractor would replace the Parks Department's existing 2001 John Deere scheduled for replacement this year.

On May 2, 2013, the Parks Department opened sealed bids. Two responses were received, with Glenn B. Dorning, Inc. providing the low bid in the amount of \$66,852.00.

Staff requests that Council authorize the purchase of the Kabota Tractor M9960HDC.

**FISCAL IMPACT:** Total cost of \$66,852.00, including tax and shipping, is available in the Vehicle/Equipment Replacement Fund 128.737.42105.

Attachments: Bid Summary

**TRACTOR PURCHASE BID RESULTS**

<b>Company</b>	<b>Bid Total</b>
Glenn B. Dorning, Inc	\$66,852.00
John Deere	\$71,582.82

## 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: May 15, 2013

SUBJECT: Second Amendment to the Annual Sanitary Sewer Maintenance Service Agreement

RECOMMENDATION: That City Council approves the requested extension of the Annual Sanitary Sewer Maintenance Service Agreement with Empire Pipe Cleaning & Equipment, Inc. for one (1) year, through June 30, 2014.

**SUMMARY:** Empire Pipe Cleaning & Equipment, Inc. has requested an extension of the current Street Maintenance agreement for an additional one (1) year period through June 30, 2014. The existing contract agreement between the City of Norco and Empire Pipe Cleaning & Equipment allows for justified annual cost increases within the Consumer Price Index (CPI) limits. Empire Pipe Cleaning & Equipment, Inc. has requested and agreed to amend the existing contract agreement without a cost increase during the 2013/2014 fiscal year.

**BACKGROUND/ANALYSIS:** On November 2, 2011, the City Council authorized the City Manager to execute an agreement with Empire Pipe Cleaning & Equipment, Inc. of Orange for Annual Sanitary Sewer Maintenance services. The agreement stipulated that the initial term would be through June 30, 2012, but it also provided language allowing the City of Norco the option of extending the agreement on an annual basis. On June 6, 2012, the City Council approved a one-year extension of the agreement through June 30, 2013.

Staff has been satisfied with the performance of Empire Pipe Cleaning & Equipment, Inc. and would recommend that the City Council approve this Second Amendment extending the contract through June 30, 2014. The City will retain its right to terminate the contract for just cause if the contractor fails to perform adequately.

**FINANCIAL IMPACT:** Annual expenditure of approximately \$75,000 from Sewer Operations Fund 126-809.

Attachments: Exhibit "A" – Letter of request, Empire Pipe Cleaning & Equipment Inc.

**SECOND AMENDMENT  
TO THE MAINTENANCE SERVICE AGREEMENT  
FOR SANITARY SEWER MAINTENANCE SERVICES  
BETWEEN  
THE CITY OF NORCO AND  
EMPIRE PIPE CLEANING & EQUIPMENT, INC.**

The City of Norco, a municipal corporation, 2870 Clark Avenue, Norco, California 92860 ("City") and Empire Pipe Cleaning & Equipment, Inc., P.O. Box 8035, Anaheim, California 92812 ("Contractor") agree to amend the Agreement for Sanitary Sewer Maintenance Services for the City of Norco ("the Agreement") made and entered into by the parties on the 2<sup>nd</sup> day of November, 2011 through June 30, 2012.

**RECITALS**

**WHEREAS**, the City and Contractor previously entered into an Agreement on November 2, 2011 for Contractor to provide sanitary sewer maintenance services on behalf of the City; and

**WHEREAS**, the City and Contractor extended its Agreement for sanitary sewer maintenance services for one (1) year, through June 30, 2013; and

**WHEREAS**, the City and Contractor desire to modify/extend its agreement for sanitary sewer maintenance services for one (1) year, through June 30, 2014; and

**WHEREAS**, the City and the Contractor have mutually agreed to the revisions as shown below, modifying the Agreement to meet the needs of the City as they currently stand.

**NOW, THEREFORE**, the Agreement is amended as follows;

**1. TERM**

The term of the agreement is hereby amended to remain in effect until June 30, 2014, unless termination earlier pursuant to the Agreement.

**2. COMPENSATION**

Exhibit A of the original Agreement establishing the unit costs for sanitary sewer maintenance shall remain the same, with the addition of hourly pricing per attachment dated May 17, 2012.

**3. REAFFIRMATION**

Except as expressly stated herein, the Agreement shall remain in full force and effect.

**4. ENTIRE AGREEMENT**

The Agreement, as amended by this Second Amendment, and any attachments hereto, constitute the entire understanding between the City and Contractor concerning the subject matter contained herein.

**5. EFFECTIVE DATE**

This Second Amendment shall take effect July 1, 2013

**6. COUNTERPARTS**

This Second Amendment may be executed in counterparts and shall be deemed executed when signed by both parties.

**IN WITNESS WHEREOF**, the parties hereto have executed this Second Amendment to the Agreement as of the day and year first written above.

All terms, conditions, and provisions of the original agreement between the parties executed November 2, 2011, unless specifically amended above, are to apply to this amendment and are made a part of this amendment as though expressly rewritten, incorporated, and included herein.

This amendment to the agreement between the parties shall be binding on the heirs, successors and assigns of the parties.

Dated this \_\_\_\_\_, 2013

**IN WITNESS WHEREOF**, the authorized representatives of the Parties hereto have fully executed this instrument on the day and year first above written.

**FOR CITY OF NORCO**

**FOR CONSULTANT**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Name/Title

**ATTEST:**

\_\_\_\_\_  
Brenda K. Jacobs, City Clerk

\_\_\_\_\_  
Print Name/Title

Agenda Date \_\_\_\_\_

Item Number \_\_\_\_\_

CONTRACTOR'S LICENCE NO. 363528



## Empire Pipe Cleaning and Equipment, Inc.

P.O. Box 8035 • Anaheim, CA 92812  
(714) 639-8352 • FAX (714) 283-8578

March 6, 2013

Mr. William R. Thompson  
Director of Public Works  
City of Norco/City Hall  
2870 Clark Avenue  
Norco, CA 92860

RE: Annual Sanitary Sewer Collection Maintenance

Dear Bill:

Empire Pipe Cleaning and Equipment, Inc are requesting an extension to the subject agreement for fiscal year 2013/2014. The prices will remain the same as the prices listed in the Contract awarded for year 2012/2013.

I have listed the unit and hourly pricing in the attached document. These prices reflect those in the Agreement as well as additional hourly pricing as needed.

Thank you for the opportunity to work with your staff.

Regards,

Craig R. Van Thyne  
Vice-President and General Manager



# 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: May 15, 2013

SUBJECT: Second Amendment to the Building and Safety Plan Examination Professional Services Agreement

RECOMMENDATION: That City Council approves the requested extension of a Professional Building and Safety Plan Examination Service Agreement with Willdan Engineering, through June 30, 2014.

**SUMMARY:** Willdan Engineering has agreed to extend the term of the Professional Building and Safety Plan Examination Service Agreement for an additional twelve month period through June 30, 2014. The contract agreement between the City of Norco and Willdan Engineering provides the terms and conditions, scope of work and fee schedule for the performance of professional building and safety plans examination services.

**BACKGROUND/ANALYSIS:** On January 18, 2012, the City and Willdan Engineering entered into a non-exclusive agreement to perform building plan examinations and review for structural, plumbing, mechanical and electrical codes pursuant to City and State regulations through June 30, 2012. The original contract agreement provides the terms and conditions, scope of work and fee schedule for the performance of professional building and safety plans examination services.

At its meeting held on June 20, 2012, City Council approved the First Amendment to extend the professional services agreement through June 30, 2013.

Willdan Engineering also has the ability to provide fire prevention plan review, special inspections, surveying, construction management, engineering and Building Official services if required.

Staff has been satisfied with the performance of Willdan Engineering and would recommend that the City Council authorize the contract extension. The existing agreement provides the City or the contractor the right to terminate the contract with proper notice.

**FINANCIAL IMPACT:** Contract plan examination paid by Development generated plan check fees.

Attachments: Contract Renewal Letter – Hourly Rate Schedule

April 30, 2013

Mr. Bill Thompson  
**City of Norco**  
Building Department  
2870 Clark  
Norco, CA 92860

**Subject: Contract Renewal**

Dear Mr. Thompson:

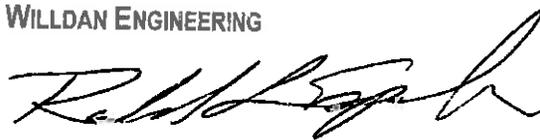
Willdan is looking forward to continuing to provide Building and Safety plan review services to the City of Norco. Percent of fee plan review rates shall continue as follows:

- **Fifty percent (50%)** for projects with a valuation greater than \$10 million
- **Fifty-five percent (55%)** for projects with a valuation greater than \$5 million
- **Sixty-five percent (65%)** for projects with a valuation greater than \$1million
- **Seventy (70%)** for projects with a valuation greater than \$50,000

Plan review for projects with a valuation less than \$50,000 and fire prevention plan review will be performed for an hourly rate equal to \$128 per hour.

Please feel free to contact me at 909.386.0204 should you have any questions or need additional information.

Sincerely,  
WILLDAN ENGINEERING



Ronald L. Espain, PE  
Director of Building and Safety

**SECOND AMENDMENT  
TO THE PROFESSIONAL AGREEMENT  
FOR BUILDING AND SAFETY PLAN EXAMINATION SERVICES  
BETWEEN  
THE CITY OF NORCO AND WILDAN ENGINEERING**

The City of Norco, a municipal corporation, 2870 Clark Avenue, Norco, California 92860 ("City") and Wildan Engineering, with offices located at 650 E. Hospitality Lane, San Bernardino, California 92408-3317("Consultant") agree to amend the Agreement for Building and Safety Plan Examination Services for the City of Norco ("the Agreement") made and entered into by the parties on the 18<sup>th</sup> day of January, 2012, effective through June 30, 2012.

**RECITALS**

**WHEREAS**, the City and Consultant previously entered into an Agreement on January 18, 2012 for Consultant to provide building and safety examination services on behalf of the City; and

**WHEREAS**, the City and Consultant agreed to extend the agreement for building and safety plan examination services for one (1) year through June 30, 2013; and

**WHEREAS**, the City and Consultant desire to modify/extend its agreement for building and safety plan examination services for one (1) year through June 30, 2014; and

**WHEREAS**, the City and the Consultant have mutually agreed to the revisions as shown below, modifying the Agreement to meet the needs of the City as they currently stand.

**NOW, THEREFORE**, the Agreement is amended as follows;

**1. TERM**

The term of the agreement is hereby amended to remain in effect until June 30, 2014, unless termination earlier pursuant to Section 3.1.2 of the Agreement.

**2. COMPENSATION**

Exhibit A of the original Agreement establishing the unit costs for plan examination services shall remain the same.

**3. REAFFIRMATION**

Except as expressly stated herein, the Agreement shall remain in full force and effect.

**4. ENTIRE AGREEMENT**

The Agreement, as amended by this Second Amendment, and any attachments hereto, constitute the entire understanding between the City and Consultant concerning the subject matter contained herein.

**5. EFFECTIVE DATE**

This Second Amendment shall take effect July 1, 2013

**6. COUNTERPARTS**

This Second Amendment may be executed in counterparts and shall be deemed executed when signed by both parties.

**IN WITNESS WHEREOF**, the parties hereto have executed this Second Amendment to the Agreement as of the day and year first written above.

All terms, conditions, and provisions of the original agreement between the parties executed January 18, 2011, unless specifically amended above, are to apply to this amendment and are made a part of this amendment as though expressly rewritten, incorporated, and included herein.

This amendment to the agreement between the parties shall be binding on the heirs, successors and assigns of the parties.

Dated this \_\_\_\_\_, 2013

**IN WITNESS WHEREOF**, the authorized representatives of the Parties hereto have fully executed this instrument on the day and year first above written.

**FOR CITY OF NORCO**

**FOR CONSULTANT**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Name/Title

**ATTEST:**

\_\_\_\_\_  
Brenda K. Jacobs, City Clerk

\_\_\_\_\_  
Print Name/Title

Agenda Date \_\_\_\_\_

Item Number \_\_\_\_\_

## 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: May 15, 2013

SUBJECT: Second Amendment to the Annual Street Sweeping Services Contract Agreement

RECOMMENDATION: That City Council approves the request of a one year extension of the Annual Street Sweeping Services Contract Agreement with CleanStreet for one (1) year through June 30, 2014.

**SUMMARY:** CleanStreet has requested a one-year extension of the Annual Street Sweeping Services contract agreement through June 30, 2013. Clean Street has indicated they are willing to provide street sweeping services without a cost increase in the 2011/2012 pricing levels.

**BACKGROUND/ANALYSIS:** On June 15, 2011, the City Council authorized the City Manager to execute a one year contract extension with CleanStreet. On June 6, 2012, the City Council approved the first amendment extending the street seeping services contract with CleanStreet through June 30, 2013.

The CleanStreet team has become familiar with and understands the unique challenges of providing contract services to streets located within the city. Staff has worked with this contractor over the past year and has been satisfied with their professionalism and commitment to maintain high performance standards.

Based on the request to provide street sweeping services without an increase, Staff recommends the City Council authorize the extension of the street sweeping contract with CleanStreet through June 30, 2014.

**FINANCIAL IMPACT:** Funds in the amount of \$20,000 are proposed in 2013/14 Storm Drain (Street Operations Budget 139)

Attachments: Letter of Request from CleanStreet



May 1, 2013

Mr. William Thompson  
City of Norco  
2870 Clark Avenue  
Norco, CA 92860

Email: [bthompson@ci.norco.ca.us](mailto:bthompson@ci.norco.ca.us)

**RE: STREET SWEEPING CONTRACT EXTENSION**

Dear Mr. Thompson,

CleanStreet wishes to extend its current Street Sweeping contract with the City of Norco from July 1, 2013 to June 31, 2014.

All terms, conditions, and rates will remain the same.

Please feel free to give me a call if you have any questions or comments.

We appreciate your business very much and look forward to continuing our excellent business relationship for years to come.

Sincerely,  
CLEANSTREET

*Rick Anderson*  
Director of Business Development

Cell: (310) 740-1601  
Office: (800) 225-7316 x108

**SECOND AMENDMENT  
TO THE MAINTENANCE SERVICE AGREEMENT  
FOR STREET SWEEPING SERVICES  
BETWEEN  
THE CITY OF NORCO AND CLEANSTREET**

The City of Norco, a municipal corporation, 2870 Clark Avenue, Norco, California 92860 ("City") and CleanStreet, with offices located at 1937 West 169<sup>th</sup> Street, Gardena, California 90247 ("Contractor") agree to amend the Agreement for Street Sweeping Services for the City of Norco ("the Agreement") made and entered into by the parties on the 15th day of June, 2011, effective through June 30, 2012.

**RECITALS**

**WHEREAS**, the City and Contractor previously entered into an Agreement on June 15, 2011 for Contractor to provide street sweeping services on behalf of the City; and

**WHEREAS**, the City and Contractor agreed to extend its agreement for street sweeping services for one (1) year, through June 30, 2013; and

**WHEREAS**, the City and Contractor desire to modify/extend its agreement for street sweeping services for one (1) year, through June 30, 2014; and

**WHEREAS**, the City and the Contractor have mutually agreed to the revisions as shown below, modifying the Agreement to meet the needs of the City as they currently stand.

**NOW, THEREFORE**, the Agreement is amended as follows;

**1. TERM**

The term of the agreement is hereby amended to remain in effect until June 30, 2014, unless termination earlier pursuant to the Agreement.

**2. COMPENSATION**

Exhibit A of the original Agreement establishing the unit costs for street sweeping services shall remain the same.

**3. REAFFIRMATION**

Except as expressly stated herein, the Agreement shall remain in full force and effect.

**4. ENTIRE AGREEMENT**

The Agreement, as amended by this Second Amendment, and any attachments hereto, constitute the entire understanding between the City and Contractor concerning the subject matter contained herein.

**5. EFFECTIVE DATE**

This Second Amendment shall take effect July 1, 2013

**6. COUNTERPARTS**

This Second Amendment may be executed in counterparts and shall be deemed executed when signed by both parties.

**IN WITNESS WHEREOF**, the parties hereto have executed this Second Amendment to the Agreement as of the day and year first written above.

All terms, conditions, and provisions of the original agreement between the parties executed June 15, 2011, unless specifically amended above, are to apply to this amendment and are made a part of this amendment as though expressly rewritten, incorporated, and included herein.

This amendment to the agreement between the parties shall be binding on the heirs, successors and assigns of the parties.

Dated this \_\_\_\_\_, 2013

**IN WITNESS WHEREOF**, the authorized representatives of the Parties hereto have fully executed this instrument on the day and year first above written.

**FOR CITY OF NORCO**

**FOR CONSULTANT**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Name/Title

**ATTEST:**

\_\_\_\_\_  
Brenda K. Jacobs, City Clerk

\_\_\_\_\_  
Print Name/Title

Agenda Date \_\_\_\_\_

Item Number \_\_\_\_\_

## 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: May 15, 2013

SUBJECT: Third Amendment to the Annual On-Call Street Maintenance Program Service Agreement

RECOMMENDATION: That City Council approves the requested extension of the Annual On-Call Street Maintenance Program Service Agreement with Caliber Paving, Inc. for one (1) year, through June 30, 2014.

**SUMMARY:** Caliber Paving, Inc. has requested an extension of the current Street Maintenance agreement for an additional one (1) year period through June 30, 2014. The existing contract agreement between the City of Norco and Caliber Paving allows for justified annual cost increases within the Consumer Price Index (CPI) limits. Caliber Paving, Inc. has requested and agreed to extend the contract with a 2.0% CPI cost increase during the 2013/114 fiscal year.

**BACKGROUND/ANALYSIS:** On February 3, 2010, the City Council authorized the City Manager to execute an agreement with Caliber Paving, Inc. of Santa Ana for Annual On-Call Street Maintenance Program services. The agreement stipulated that the initial term would be through June 30, 2010, but it also provided language allowing the City of Norco the option of extending the agreement on a year-to-year basis. On June 15, 2011, the City Council extended the current agreement without a cost increase through June 30, 2012. On June 6, 2012, the City Council extended the current agreement without a cost increase through June 30, 2013.

Staff has been satisfied with the performance of Caliber Paving, Inc. and would recommend that the City Council authorize the contract extension. The City will retain its right to terminate the contract for just cause if the contractor fails to perform adequately.

**FINANCIAL IMPACT:** Annual expenditure of \$75,000, Gas Tax Fund 133-801-42220 and Measure A Capital Improvement Fund 137.

Attachments: Exhibit "A" – Letter of request from Caliber Paving, Inc.



**CALIBER**  
PAVING COMPANY INC.

673 E. YOUNG, SANTA ANA, CA 92705 714/556-0484 FAX 714/556-1026 [www.caliberpaving.com](http://www.caliberpaving.com) LICENSE NO. 657602

May 7, 2013

**To:** City of Norco  
**Attn:** Bill Thompson  
2870 Clark Ave  
Norco, CA 92860

**Bus.** (951) 270-5607  
**Fax** (951) 270-5619  
**Email:** Bthompson@ci.norco.ca.us

Dear Mr. Thompson,

The purpose of this letter is to inform you of our intention to extend our Annual Maintenance contract for 2013 – 2014 effective July 1<sup>st</sup>, 2013.

We are requesting a 2% increase on the pricing to account for the CPI Increase.

If you have any questions at all, please don't hesitate to call us at (714) 556-0484.

Sincerely,

Darin Gilchriese, President  
Caliber Paving Company, Inc.

CITY OF NORCO

PRICING ADJUSTMENT

	QUANTITY	UNIT OF MEASURE	OLD UNIT CHARGE	CPI	NEW UNIT CHARGE
1	2000+	SF	\$3.50	2.1%	\$3.57
2	2000+	SF	\$1.50	2.1%	\$1.53
3	1 - 20	EA	\$350.00	2.1%	\$357.35
4	2000+	SF	\$2.50	2.1%	\$2.55
5	0 - 1000	LF	\$38.00	2.1%	\$38.80
	1001 - 3000	LF	\$24.00	2.1%	\$24.50
	3001+	LF	\$22.00	2.1%	\$22.46
6	0 - 1000	SF	\$5.65	2.1%	\$5.77
7	0 - 100	SF	\$24.00	2.1%	\$24.50
	101 - 300	SF	\$21.00	2.1%	\$21.44
	301+	SF	\$17.00	2.1%	\$17.36
8	1 - 100	SF	\$7.00	2.1%	\$7.15
	101 - 500	SF	\$6.00	2.1%	\$6.13
	501 - 1000	SF	\$4.50	2.1%	\$4.59
9	1000+	SF	\$4.00	2.1%	\$4.08
	0 - 1000	LF	\$22.00	2.1%	\$22.46
10	0 - 1000	LF	\$6.50	2.1%	\$6.64
11	0 - 3000	LF	\$1.00	2.1%	\$1.02

**THIRD AMENDMENT  
TO THE MAINTENANCE SERVICE AGREEMENT  
FOR ANNUAL ON-CALL STREET MAINTENANCE SERVICES  
BETWEEN  
THE CITY OF NORCO AND  
CALIBER PAVING, INC.**

The City of Norco, a municipal corporation, 2870 Clark Avenue, Norco, California 92860 ("City") and Caliber Paving, Inc., 673 E. Young Street, Santa Ana, California 92705 ("Contractor") agree to amend the Agreement for Annual On-Call Street Maintenance Services for the City of Norco ("the Agreement") made and entered into by the parties February 3, 2010 through June 30, 2011.

**RECITALS**

**WHEREAS**, the City and Contractor previously entered into an Agreement February 3, 2010 for Contractor to provide annual on-call street maintenance services on behalf of the City; and

**WHEREAS**, the City and Contractor on June 15, 2011 amended the Agreement to provide annual on-call street maintenance services for one (1) year, through June 30, 2012; and

**WHEREAS**, the City and Contractor desire to modify/extend its agreement for annual on-call street maintenance services for one (1) year, through June 30, 2013; and

**WHEREAS**, the City and Contractor desire to modify/extend its agreement for annual on-call street maintenance services for one (1) year, through June 30, 2014; and

**WHEREAS**, the City and the Contractor have mutually agreed to the revisions as shown below, modifying the Agreement to meet the needs of the City as they currently stand.

**NOW, THEREFORE**, the Agreement is amended as follows;

**1. TERM**

The term of the agreement is hereby amended to remain in effect until June 30, 2014, unless termination earlier pursuant to the Agreement.

**2. COMPENSATION**

Exhibit A attached will establish the unit costs for annual on-call street maintenance services; the approved rates include a 2.0 % CPI adjustment through June 30, 2014.

**3. REAFFIRMATION**

Except as expressly stated herein, the Agreement shall remain in full force and effect.

**4. ENTIRE AGREEMENT**

The Agreement, as amended by this Third Amendment, and any attachments hereto, constitute the entire understanding between the City and Contractor concerning the subject matter contained herein.

**5. EFFECTIVE DATE**

This Third Amendment shall take effect July 1, 2013.

**6. COUNTERPARTS**

This Third Amendment may be executed in counterparts and shall be deemed executed when signed by both parties.

**IN WITNESS WHEREOF**, the parties hereto have executed this Second Amendment to the Agreement as of the day and year first written above.

All terms, conditions, and provisions of the original agreement between the parties executed in December 2006, unless specifically amended above, are to apply to this amendment and are made a part of this amendment as though expressly rewritten, incorporated, and included herein.

This amendment to the agreement between the parties shall be binding on the heirs, successors and assigns of the parties.

Dated this \_\_\_\_\_, 2013

**IN WITNESS WHEREOF**, the authorized representatives of the Parties hereto have fully executed this instrument on the day and year first above written.

**FOR CITY OF NORCO**

**FOR CONSULTANT**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Name/Title

**ATTEST:**

\_\_\_\_\_  
Brenda K. Jacobs, City Clerk

\_\_\_\_\_  
Print Name/Title

Agenda Date \_\_\_\_\_

Item Number \_\_\_\_\_

# 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: May 15, 2013

SUBJECT: Third Amendment to the Traffic Signal Maintenance Services Contract Agreement

RECOMMENDATION: City Council approves a one (1) year extension of the Traffic Signal Maintenance Services Agreement with Siemens Industry, Inc., through June 30, 2014.

**SUMMARY:** Siemens Industry, Inc. has requested an extension of its current traffic signal maintenance services agreement through June 30, 2014. Siemens Industry, Inc., has indicated they are willing to provide traffic signal maintenance services with a 1.5% Consumer Price Index ("CPI") increase to the 2012/13 pricing levels. Staff is recommending City Council approve the requested one (1) year extension through June 30, 2014.

**BACKGROUND/ANALYSIS:** On December 2006 the City of Norco entered into a traffic signal maintenance service agreement with Republic ITS. The agreement stipulates that an annual CPI adjustment of costs including charges for labor and materials is warranted. On August 4, 2010 City Council approved a two (2) year extension with Republic ITS through June 30, 2012. On June 6, 2012 City Council approved a two (2) year extension with Siemens Industry, Inc. (Republic ITS purchased by Siemens) through June 30, 2013. Siemens Industry, Inc. has requested the existing signal maintenance agreement be extended with a 1.5% CPI service price increase through June 30, 2014.

Staff has worked with this contractor over the past few years and is satisfied with their prompt on-call response times and professional performance.

**FINANCIAL IMPACT:** Annual expenditure of \$60,000, Gas Tax Operations Fund (133)

**Attachments:** Letter of Request from Siemens Industry, Inc.

# SIEMENS

## Road and City Mobility

May 2, 2013

Mr. Bill Thompson  
City of Norco  
2870 Clark Avenue  
Norco, Ca. 92860

City Traffic Signal Maintenance and Extra Ordinary Call out Contract Extension July 1, 2013 to June 30<sup>th</sup> 2014

Mr. Thompson,

At this time we are offering extend our Traffic Signal Maintenance & Extra Ordinary Call out agreement. The current agreement will expire on June 30<sup>th</sup> 2013; I have attached a copy of the pricing schedule with our rates. Please note that there has been a CPI increase of 1.5 % from the past years contract rates. All emergency work is to be completed on a time & material bases at the prices listed, or by written and accepted proposals. Please feel free to contact me with any questions or concerns.

This offer shall expire 60 days from the date hereof and may be withdrawn by us at any time prior thereto with or without notice. This offer supersedes any prior offers, commitment or orders, contains all terms, conditions and warranties and when accepted, constitutes the entire contract between the parties. The resulting contract shall not be modified except by formal written amendment. This offer shall be accepted by delivery of a copy of this offer duly signed by the City of Norco Representative.

Respectfully,



Jill Petrie  
Service Operations Supervisor  
Southwest  
**Siemens Industry, Inc.**  
Infrastructure & Cities Sector  
Mobility and Logistics Division  
Road and City Mobility  
2240 Business Way Riverside, Ca. 92501  
(951) 784-6600 Riverside Office  
(951) 784-6700 Riverside fax  
(909) 376-5692 (mobile)  
[Jill.Petrie@Siemens.com](mailto:Jill.Petrie@Siemens.com)

**JULY 2013 CPI**

<b>NORCO CONTRACT ITEMS</b>	<b>CURRENT RATES</b>	<b>1.50%</b>	<b>NEW RATES</b>
Routine maintenace of traffic signal and highway lighting system to be performed monthly (per location)	\$85.03	\$1.28	\$86.31
Extraordinary Maintenance Certified Traffic Signal Technician	\$86.12	\$1.29	\$87.41
Extraordinary Maintenance Non-Certified Traffic Signal Technician	\$65.41	\$0.98	\$66.39
Extraordinary Maintenance: Pickup Truck	\$5.45	\$0.08	\$5.53
Extraordinary Maintenance: Bucket Truck	\$29.98	\$0.45	\$30.43
Extraordinary Maintenance: Markup for Material Cost	20%	0%	20%
Replace Type E (6' Diameter Loop Detector)	\$381.55	\$5.72	\$387.27

**THIRD AMENDMENT  
TO THE MAINTENANCE SERVICE AGREEMENT  
FOR TRAFFIC SIGNAL MAINTENANCE SERVICES  
BETWEEN  
THE CITY OF NORCO AND  
SIEMENS INDUSTRY, INC.**

The City of Norco, a municipal corporation, 2870 Clark Avenue, Norco, California 92860 ("City") and Siemens Industry, Inc., 2240 Business Way, Riverside, California ("Contractor") agree to amend the Agreement for Traffic Signal Maintenance Services for the City of Norco ("the Agreement") made and entered into by the parties December, 2006 through June 30, 2010.

**RECITALS**

**WHEREAS**, the City and Contractor previously entered into an Agreement in December 2006 for Contractor to provide traffic signal maintenance services on behalf of the City; and

**WHEREAS**, the City and Contractor on August 4, 2010 amended the Agreement to provide traffic signal maintenance services for two (2) years, through June 30, 2012; and

**WHEREAS**, the City and Contractor desire to modify/extend its agreement for traffic signal maintenance services for one (1) year, through June 30, 2013; and

**WHEREAS**, the City and Contractor desire to modify/extend its agreement for traffic signal maintenance services for one (1) year, through June 30, 2014; and

**WHEREAS**, the City and the Contractor have mutually agreed to the revisions as shown below, modifying the Agreement to meet the needs of the City as they currently stand.

**NOW, THEREFORE**, the Agreement is amended as follows;

**1. TERM**

The term of the agreement is hereby amended to remain in effect until June 30, 2014, unless termination earlier pursuant to the Agreement.

**2. COMPENSATION**

Exhibit A attached will establish the unit costs for traffic signal maintenance services; the approved rates include a 1.5% CPI adjustment through June 30, 2014.

**3. REAFFIRMATION**

Except as expressly stated herein, the Agreement shall remain in full force and effect.

**4. ENTIRE AGREEMENT**

The Agreement, as amended by this Third Amendment, and any attachments hereto, constitute the entire understanding between the City and Contractor concerning the subject matter contained herein.

**5. EFFECTIVE DATE**

This Third Amendment shall take effect July 1, 2013

**6. COUNTERPARTS**

This Third Amendment may be executed in counterparts and shall be deemed executed when signed by both parties.

**IN WITNESS WHEREOF**, the parties hereto have executed this Third Amendment to the Agreement as of the day and year first written above.

All terms, conditions, and provisions of the original agreement between the parties executed in December 2006, unless specifically amended above, are to apply to this amendment and are made a part of this amendment as though expressly rewritten, incorporated, and included herein.

This amendment to the agreement between the parties shall be binding on the heirs, successors and assigns of the parties.

Dated this \_\_\_\_\_, 2013

**IN WITNESS WHEREOF**, the authorized representatives of the Parties hereto have fully executed this instrument on the day and year first above written.

**FOR CITY OF NORCO**

**FOR CONSULTANT**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Name/Title

**ATTEST:**

\_\_\_\_\_  
Brenda K. Jacobs, City Clerk

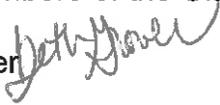
\_\_\_\_\_  
Print Name/Title

Agenda Date \_\_\_\_\_

Item Number \_\_\_\_\_

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Lori J. Askeew , Deputy Director of Public Works/Senior Engineer

DATE: May 15, 2013

SUBJECT: Approve additional funding for the Hamner Avenue Widening Project.

RECOMMENDATION: Appropriate additional funding in the amount of \$94,222.67 for the Change Orders associated with the Hamner Avenue Widening Project to construct utility connections to service the Silverlakes Project.

**SUMMARY:** Change Orders in the amount of \$94,222.67 have been received by the City of Norco for work associated with installation of a storm drainage connection and a gas line sleeve, both located within the limits of Hamner Avenue, but for the benefit of the Silverlakes Project.

**BACKGROUND/ANALYSIS:** The City Council awarded a construction contract to Griffith Company on July 18, 2012 in the amount of \$4,133,320.25 for the construction of the Hamner Avenue Widening Project. At that time it was anticipated that construction of the Silverlakes Project, located on the east side of Hamner Avenue, would be underway. Various utility improvements associated with the Silverlakes Project were planned to make their point of connection to existing utility sources located within Hamner Avenue or on the west side of Hamner Avenue right-of-way prior to completion of the Hamner Avenue Widening Project. The Hamner project is in its final stages of construction with fill material being brought in on the east side to prepare for the ultimate roadway width. Pavement reinforcing fabric, base rock and asphalt concrete will shortly follow.

With the delays of the Silverlakes Project, the points of connection are not going to be made prior to final roadwork. The City does not wish to have the newly constructed road trenched and repaved within a year of final work. Staff has requested of Griffith Company to provide estimates to construct the necessary improvements that Balboa Management Group, LLC would have needed to construct for utility service to Silverlakes. Balboa has indicated their desire to have the utility connections made by the City's contractor and will reimburse the City for the additional cost to the Hamner Project. Change orders in the amount of \$94,222.67 have been received by the City for connection of the storm drain system on Silverlakes to the detention basin located on the west side of Hamner Avenue and for an 8" gas sleeve to be installed at the intersection of Citrus Street for a future gas line to be placed in.

Approve Additional Funding for the Hamner Avenue Widening Project

Page 2

May 15, 2013

Staff is requesting funds in the amount of \$94,222.67 be allocated to the Hamner Avenue Widening Project from Capital Improvement Project Street Fund 149 to pay Griffith for the work associated with the change orders.

FINANCIAL IMPACT: Funds are available in Capital Improvement Project Street Fund 149. Balboa Management Group, LLC has agreed to pay for the cost of these changes and will pay the costs within 10 days of receipt of invoice from the City.

Attachments: Letter to Balboa Management Group, LLC  
Change Orders #006.1 and #017.2

/lja



# CITY of NORCO

CITY HALL • 2870 CLARK AVENUE • NORCO CA 92860 • (951) 735-3900 • FAX (951) 270-5822

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April 29, 2013

Richard J. Brandes  
Manager  
Balboa Management Group, LLC  
P. O. Box 609  
San Juan Capistrano, CA 92693

**Subject: Reimbursement for Silverlakes Utility Connections**

Dear Mr. Brandes:

As part of the development of the Silverlakes property, Balboa Management Group, LLC will be constructing various utility improvements. Included in these are storm drainage and natural gas. Connections for these various services are located either within Hamner Avenue or west of Hamner Avenue. Several weeks ago it was brought to Balboa's attention that if they were going to be utilizing these utilities for Silverlakes, it would be necessary to perform the construction prior to the completion of Hamner Avenue, as the City does not desire to have a newly constructed street undergo trenching and pavement repairs, in addition to further traffic delays due to lane closures. Full width repaving will be a requirement by the City if construction is done after the completion of work on Hamner Avenue.

An alternative to Balboa completing this utility connection construction at some later date, is to have the Hamner Avenue contractor perform the work located within Hamner Avenue as part of the Hamner Avenue Widening contract, with Balboa reimbursing the City for these extra costs. I am including the contractor generated change order cost proposals to perform this work for your review.

Please indicate your preference and agreement to the indicated conditions by signing and dating the appropriate response below. Expending funds for this work will require a Council action. That, in addition to the progression of Hamner Avenue towards a completion date of mid to late June, leads me to indicate that a prompt reply from Balboa is essential.

## CITY COUNCIL

KATHY AZEVEDO  
Mayor

BERWIN HANNA  
Mayor Pro Tem

KEVIN BASH  
Council Member

HEKB HIGSONG  
Council Member

HARVEY SULLIVAN  
Council Member

Please feel free to contact me if you have any questions.

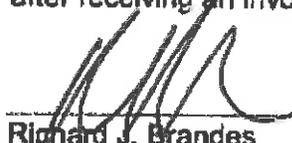
Respectfully,



Lori J. Askew  
Deputy Director of Public Works/Senior Engineer

lja  
enclosures

Balboa Management Group, LLC requests of the City of Norco to perform the necessary work to complete the storm drain and natural gas points of connection as indicated in the attached change orders from Griffith Company. Balboa will reimburse the City for all related expenses in an amount not to exceed \$94,222.67 within 10 days after receiving an invoice from the City of Norco for the aforementioned work.

 *Rebecca Ross COO*  
*for RJ Brandes* \_\_\_\_\_ *5/7/13*  
Richard J. Brandes Date  
Balboa Management Group, LLC

Balboa Management Group, LLC does not wish the City of Norco to construct the storm drain or natural gas points of connection as part of the Hamner Avenue Widening Project. These items will be constructed at a later date in conjunction with the development of Silverlakes. Balboa acknowledges the repairs to Hamner Avenue will be per the direction of the City of Norco.

\_\_\_\_\_  
Richard J. Brandes Date  
Balboa Management Group, LLC

CHANGE ORDER REQUEST NO. 006.1

GRIFFITH COMPANY

HAMNER AVE. WIDENING  
10456.10



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SUMMARY OF WORK:

SILVERLAKES 42" RCP  
AND HEADWALL

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Date: October 23, 2012  
October 29, 2012

AND SUBS

PRICE

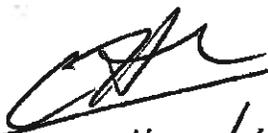
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Per Quote Dated 10/23/12  
and email attached. \$57,972.99

---

L, E, M, and Subcontractor: \$57,972.99

COR #006.1 TOTAL: \$57,972.99

X   
HUNT LLOYD.



**GRIFFITH  
COMPANY**

Los Angeles Division  
12200 Bloomfield Ave  
Santa Fe Springs, CA  
90670-0160  
(562) 929-1225  
Fax (562) 929-8870  
Licenses 789



<b>To:</b> City Of Norco	<b>Contact:</b> David Coper
<b>Address:</b> 2870 Clark Avenue Norco, CA 92860 USA	<b>Phone:</b> (951) 270-5607
	<b>Fax:</b>
<b>Project Name:</b> 42. Silverlakes - Off-Site Storm Drain Plan (42" RCP)	<b>Bid Number:</b> COR 006
<b>Project Location:</b> Hamner Ave., Norco, CA	<b>Bid Date:</b> 10/23/2012

Item #	Item Description	Estimated Quantity	Unit	Unit Price	Total Price
1	RCP, Headwall, And Rip Rap Per Sheets 1 And 2	1.00	LS	\$57,972.99	\$57,972.99
<b>Total Price for above Items:</b>					<b>\$57,972.99</b>

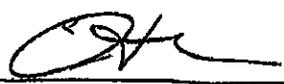
**Total Bid Price: \$57,972.99**

**Notes:**

Please note the project plan sheets do not call out for a handrail to be installed. This price does not include a handrail on top of the proposed headwall.

This work to be done in conjunction with the Hamner Avenue Improvements.

Survey to be performed by Agency.

<p><b>ACCEPTED:</b> The above prices, specifications and conditions are satisfactory and are hereby accepted.</p> <p><b>Buyer:</b> _____</p> <p><b>Signature:</b> _____</p> <p><b>Date of Acceptance:</b> _____</p>	<p><b>CONFIRMED:</b> <b>GRIFFITH COMPANY</b></p> <p><b>Authorized Signature:</b> </p> <p><b>Estimator:</b> Hunt Lloyd (562) 477-6188 hloyd@griffithcompany.net</p>
---	---

# Griffith Company- Underground Division

3050 East Birch Street  
Brea, CA 92821

Phone: (714) 984-5500  
Fax: (714) 854-0226

*Building a Better California Since 1902*

<b>Tot</b>	District 1	<b>Contact:</b>	Mr. Hunt Lloyd
<b>Address:</b>	12200 Bloomfield Avenue Santa Fe Springs, CA 90670	<b>Phone:</b>	562-929-1126
<b>Project Name:</b>	Hamner Avenue- Silverlakes 42" RCP REV1	<b>Fax:</b>	
<b>Project Location:</b>		<b>Bid Number:</b>	
		<b>Bid Date:</b>	10/22/2012

Item #	Item Description	Estimated Quantity	Unit	Unit Price	Total Price
<b>Storm Drain</b>					
2	Construct Pipe Culvert Headwall Type I Per Caltrans Std. Plan D89	1.00	EACH	\$12,215.00	\$12,215.00
1	Install 42-Inch RCP (2500D)	162.00	LF	\$249.25	\$40,378.50
<b>Total Price for above Storm Drain Items:</b>					<b>\$52,593.50</b>

**Total Bid Price: \$52,593.50**

**Notes:**

- All Bonds, Permits, applications, Toilets, ALL Survey, Construction Water and Water Meter, Soil and Concrete Testing, Quality Control and Testing, 2 sets of Construction Plans, Storm Water Pollution Prevention Plan and implementation, Clearing and Grubbing, Saw Cutting, Removals, Temporary and Final AC/PCC Repairs, Maintenance of Temporary AC Repairs, Landscaping Repairs, spoil removals, Removal of ALL existing improvements, adjustment of existing improvements, striping, Removal and Replacement of any Hazardous Materials, Traffic Control, Traffic Control Equipment, Traffic Control Plans, Flag men, and K-Rail Is by District 1.

ALL work Is to be received at subgrade and prior to fill placement.

All spoils shall be left at trenchside to be removed by District 1. (+/- 228 Tons)

All Rip Rap and Fencing at Headwalls Is by District 1.

Pricing based on Hamner being closed, and prior to fill.

Excludes any import backfill materials.

Blasting and Rock Removal Is by District 1.

All Hazardous materials are to be removed and replaced by District 1.

GPS Models for the underground improvements are to be provided by district 1.

<p><b>ACCEPTED:</b> The above prices, specifications and conditions are satisfactory and are hereby accepted.</p> <p><b>Buyer:</b> _____</p> <p><b>Signature:</b> _____</p> <p><b>Date of Acceptance:</b> _____</p>	<p><b>CONFIRMED:</b> <b>Griffith Company- Underground Division</b></p> <p><b>Authorized Signature:</b> _____</p> <p><b>Estimator:</b> Jason Dennis jdennis@griffithcompany.net</p>
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# Griffith Company- Underground Division

3050 East Birch Street  
Brea, CA 92821

Phone: (714) 984-5500  
Fax: (714) 854-0226

## Job Cost Report

<b>Project Name:</b> Hamner Avenue- Silverlakes 42" RCP REV1	<b>Customer:</b> District 1
<b>Job Number:</b>	<b>Billing Address:</b> 12200 Bloomfield Avenue
<b>Bid As:</b> Subcontractor	Santa Fe Springs, CA 90670
<b>Estimator:</b> Jason Dennis	<b>Phone:</b> 562-929-1128
<b>Project Address:</b>	<b>Contact:</b> Mr. Hunt Lloyd
<b>Completion Date:</b>	

### Pay Items

Description	Quantity	UM	Unit Direct Cost	Total Direct Cost	Job Cost ID	Task JC ID
2 - Construct Pipe Culvert Headwall Type I. Per Caltrans Std. Plan D89	1.00	EACH	\$11,103.98	\$11,103.98		
Construct Headwall	1.00	EACH	\$11,103.98	\$11,103.98		
3 Man Crew (24.00 PH/EACH, 3.00 DY)	1.00	EACH	\$6,214.23	\$6,214.23		
Truck Ford F-450 Utility [2]	24.00	HR	\$24.00	\$1,152.00		
Carpenter [2]	24.00	HR	\$64.95	\$3,117.38		
Carpenter: Foreman	27.00	HR	\$72.03	\$1,944.85		
Lumber	5.00	CY	\$54.13	\$270.63		
PCC	5.00	CY	\$135.31	\$676.56		
Rebar By CY	5.00	CY	\$308.51	\$1,542.56		
Concrete Pump	2.00	DY	\$1,200.00	\$2,400.00		
1 - Install 42-Inch RCP (2500D)	162.00	LF	\$226.39	\$36,678.48		
Install 42" Storm Drain	162.00	LF	\$202.39	\$32,787.30		
Excavate Cat 345B (81.00 LF/DY, 2.00 DY)	162.00	LF	\$26.02	\$4,215.57		
Excavator Cat 345	16.00	HR	\$112.00	\$1,792.00		
Operator: GRP 8	16.00	HR	\$75.74	\$1,211.78		
Operator: GRP 8	16.00	HR	\$75.74	\$1,211.78		
4 Man Lay Crew (81.00 LF/DY, 2.00 DY)	162.00	LF	\$43.92	\$7,114.48		
Truck Ford F-450 Utility	16.00	HR	\$24.00	\$384.00		
Laborer: GRP VI Foreman	18.00	HR	\$75.27	\$1,354.79		
Laborer: GRP IV [3]	16.00	HR	\$60.08	\$2,883.91		
Loader Cat 950	16.00	HR	\$80.00	\$1,280.00		
Operator: GRP 8	16.00	HR	\$75.74	\$1,211.78		
Backfill Cat 330L (81.00 LF/DY, 2.00 DY)	162.00	LF	\$31.59	\$5,118.01		
Truck Water	16.00	HR	\$29.70	\$475.20		
Teamster: GRP V	16.00	HR	\$60.44	\$967.02		
Excavator Compaction Wheel	16.00	HR	\$30.00	\$480.00		
Excavator Cat 330L (No Oiler)	16.00	HR	\$124.00	\$1,984.00		
Operator: GRP 8	16.00	HR	\$75.74	\$1,211.78		
Pothole	4.00	EACH	\$450.00	\$1,800.00		
42" RCP (STD) (Rialto Concrete Products)	162.00	LF	\$71.49	\$11,581.10		

Description	Quantity	UM	Unit Direct Cost	Total Direct Cost	Job Cost ID	Task JC ID
<i>(Item 1 - Install 42-Inch RCP (25000) continued)</i>						
✂ S.E. 30 Fill Sand (FST Sand & Gravel)	166.52	TON	\$6.91	\$1,150.62		
✂ Detection Tape	162.00	LF	\$0.12	\$19.29		
✂ Shoring Shores	2.00	DY	\$162.38	\$324.75		
✂ Shoring Plates	2.00	DY	\$108.25	\$216.50		
✂ Shoring Shields	2.00	DY	\$541.25	\$1,082.50		
✂ Spoil Removals (Ton)	228.38	TON	\$0.01	\$2.47		
✂ ST&S	162.00	EACH	\$1.00	\$162.00		
⑩ Connect To Existing SD (Manhole)	1.00	EACH	\$3,888.16	\$3,888.16		
✂ SD Manhole/ CB Connection (1.00 EACH/DY, 1.00 DY)	1.00	EACH	\$1,942.74	\$1,942.74		
✂ Compressor	8.00	HR	\$26.34	\$210.72		
✂ Truck Ford F-450 Utility	8.00	HR	\$24.00	\$192.00		
✂ Laborer: GRP VI Foreman	8.00	HR	\$72.34	\$578.72		
✂ Laborer: GRP IV [2]	8.00	HR	\$60.08	\$961.30		
⑩ Construct Monolithic Connection	1.00	EACH	\$1,945.42	\$1,945.42		
✂ 2 Man Crew (8.00 PH/EACH, 1.00 DY)	1.00	EACH	\$1,359.85	\$1,359.85		
✂ Truck Ford F-450 Utility	8.00	HR	\$24.00	\$192.00		
✂ Carpenter	8.00	HR	\$64.95	\$519.56		
✂ Carpenter: Foreman	9.00	HR	\$72.03	\$648.28		
✂ Concrete	2.00	CY	\$125.00	\$250.00		
✂ Lumber	2.00	CY	\$54.13	\$108.25		
✂ Rebar By CY	2.00	CY	\$113.66	\$227.33		

### Direct Cost Totals

	Amount	Percent of Direct Cost
Labors:	\$18,422.96	38.56%
Equipment Owned:	\$8,741.92	18.30%
Equipment Rented:	\$2,400.00	5.02%
Materials Owned:	\$0.00	0.00%
Materials Purchased:	\$18,052.56	37.78%
Subcontracted:	\$0.00	0.00%
Trucking Owned:	\$0.00	0.00%
Trucking Hired:	\$0.00	0.00%
Miscellaneous:	\$162.00	0.34%
Plugs:	\$0.00	0.00%
<b>Direct Cost:</b>	<b>\$47,779.44</b>	

### Pay Item Summary

	Amount	Percent of Bid Price
Total Direct Costs:	\$47,779.44	90.85%
Total DC Adds/Cuts:	\$0.00	0.00%
Total Indirect Costs:	\$0.00	0.00%
Total Bonds:	\$0.00	0.00%
<b>Total Overall Costs</b>	<b>\$47,779.44</b>	<b>90.85%</b>
Total Overhead:	\$3,822.36	7.27%
Total Profits:	\$991.70	1.89%
Total Margin:	\$4,814.06	9.15%
<b>Total Bid Price:</b>	<b>\$52,593.50</b>	



# CHANGE ORDER REQUEST NO. 017.2

## GRIFFITH COMPANY

HAMNER AVE. WIDENING  
10456.10



### SUMMARY OF WORK:

GASLINE SLEEVE INSTALLATION

Date: April 9, 2013  
April 16, 2013  
April 17, 2013

<u>LABOR, EQUIPMENT, MATERIALS, AND SUBS</u>	<u>PRICE</u>
Per Attached Breakdown	\$31,521.46
L, E, M, and Subcontractor:	\$31,521.46
Markup @ 15%:	\$4,728.22
<b>COR #017.2 TOTAL:</b>	<b>\$36,249.68</b>

x   
Hunt Lloyd

Griffith Company will perform this work in one move with steel plates where/when needed.



**GRIFFITH  
COMPANY**

LOS ANGELES DISTRICT  
12200 Bloomfield Ave.  
Santa Fe Springs, CA  
90670-0150  
(562) 928-1128  
Fax (562) 864-8970  
License #88



## Cost Detail

<b>Project Name:</b> Hamner Ave. - Gasline Sleeve Installation Per Sheet 1 Of 4	<b>Customer:</b> City Of Norco
<b>Job Number:</b> Bid Number: COR 017	<b>Billing Address:</b> 2870 Clark Avenue
<b>Bid As:</b>	Norco, CA 92860 USA
<b>Estimator:</b> Hunt Lloyd	<b>Phone:</b> (951) 270-5607
<b>Project Address:</b>	<b>Contact:</b>
<b>Completion Date:</b>	

## Pay Items

Description	Quantity	UM	Unit Direct Cost	Total Direct Cost
<b>1 - Gasline Sleeve Installation Per Sheet 1 Of 4</b>	<b>264.00</b>	<b>LF</b>	<b>\$119.40</b>	<b>\$31,521.46</b>
Gasline Sleeve Installation Per Sheet 1 Of 4	264.00	LF	\$119.40	\$31,521.46
Traffic Control, Days (0.25 LS/DY, 4.00 DY)	1.00	LS	\$3,673.60	\$3,673.60
Laborer, Grp 1 Flagman [2]	32.00	HR	\$57.40	\$3,673.60
Plates, Steel 1"	5.00	UNIT	\$300.00	\$1,500.00
Sawcut For Removals (528.00 LF/DY, 0.50 DY)	264.00	LF	\$2.97	\$783.81
Truck, Saw Truck & Saw	4.00	HR	\$65.36	\$261.44
Laborer, Grp 4 Sawcutting [2]	4.00	HR	\$65.30	\$522.37
Removals, Stomp AC (594.00 SF/DY, 0.50 DY)	297.00	SF	\$2.83	\$839.25
Truck, Foreman's P/U	4.00	HR	\$14.00	\$56.00
Stomper - Operated	4.00	HR	\$109.00	\$436.00
Operator, Foreman	4.00	HR	\$86.81	\$347.25
Removals AC, Backhoe 18" Trench (20.00 CY/DY, 0.40 DY)	8.00	CY	\$187.36	\$1,498.88
Truck, Foreman's P/U	3.20	HR	\$14.00	\$44.80
Backhoe, Cat 446 - Operated	3.20	HR	\$150.00	\$480.00
Truck, Super Ten [2]	3.20	HR	\$78.00	\$499.20
Operator, Foreman	3.20	HR	\$86.81	\$277.80
Laborer, Grp 1 General	3.20	HR	\$61.59	\$197.08
Trucking (0.50 DY, 0.38 Trucks, 2.50 CY/HR)	10.00	CY	\$0.00	\$0.00
Dump Fees - AC	2.00	LOAD	\$175.00	\$350.00
Removals Dirt, Backhoe 12"+12"+6"+4" = 2.83' (42.00 CY/DY, 0.50 DY)	21.00	CY	\$89.22	\$1,873.60
Truck, Foreman's P/U	4.00	HR	\$14.00	\$56.00
Backhoe, Cat 446 - Operated	4.00	HR	\$150.00	\$600.00
Truck, Super Ten [2]	4.00	HR	\$78.00	\$624.00
Operator, Foreman	4.00	HR	\$86.81	\$347.25
Laborer, Grp 1 General	4.00	HR	\$61.59	\$246.34
Trucking (1.00 DY, 0.15 Trucks, 2.63 CY/HR)	21.00	CY	\$0.00	\$0.00
Dump Fees - Dirt Free At Hamner	11.00	LOAD	\$0.00	\$0.00
Compact Trench Bottom (396.00 SF/DY, 1.00 DY)	396.00	SF	\$2.88	\$1,139.38

Description	Quantity	UM	Unit Direct Cost	Total Direct Cost
<i>(Item 1 - Gasline Sleeve Installation Per Sheet 1 Of 4 continued)</i>				
Wacker [2]	1.00	DY	\$77.00	\$154.00
Laborer, Grp 1 General [2]	8.00	HR	\$61.59	\$985.38
Place 4" Bedding Sand To Bottom Of Pipe (20.00 TON/DY, 0.50 DY)	10.00	TON	\$116.16	\$1,161.60
Truck, Foreman's P/U	4.00	HR	\$14.00	\$56.00
Loader, Skiploader 4X4 - Operated	4.00	HR	\$128.00	\$512.00
Operator, Foreman	4.00	HR	\$86.81	\$347.25
Laborer, Grp 1 General	4.00	HR	\$61.59	\$246.34
Wash Sand, Bedding Sand	10.00	TON	\$27.06	\$270.63
Install 6", Sch 40, 0.280" Wall Thickness Yellow Pipe (264.00 LF/DY, 1.00 DY)	264.00	LF	\$9.14	\$2,412.57
Truck, Foreman's P/U	8.00	HR	\$14.00	\$112.00
Truck, Crew Truck F-450 With Rack	8.00	HR	\$16.00	\$128.00
Operator, Foreman	8.00	HR	\$86.81	\$694.51
Laborer, Grp 1 General [3]	8.00	HR	\$61.59	\$1,478.06
4" PVC Sch 40 - Solid Yellow	264.00	LF	\$6.50	\$1,714.68
Place 18" Bedding Sand Over Pipe (88.00 TON/DY, 0.50 DY)	44.00	TON	\$26.40	\$1,161.60
Truck, Foreman's P/U	4.00	HR	\$14.00	\$56.00
Loader, Skiploader 4X4 - Operated	4.00	HR	\$128.00	\$512.00
Operator, Foreman	4.00	HR	\$86.81	\$347.25
Laborer, Grp 1 General	4.00	HR	\$61.59	\$246.34
Wash Sand, Bedding Sand	44.00	TON	\$27.06	\$1,190.75
Place Aggregate Base (Skip) (54.00 TON/DY, 0.50 DY)	27.00	TON	\$61.80	\$1,668.61
Truck, Foreman's P/U	4.00	HR	\$14.00	\$56.00
Loader, Skiploader 4X4 - Operated	4.00	HR	\$128.00	\$512.00
Grade Roller, SD 100 10-25 Ton	4.00	HR	\$45.13	\$180.52
Operator, Foreman	4.00	HR	\$86.81	\$347.25
Operator, Grp 4 Grade Roller	4.00	HR	\$80.85	\$323.42
Laborer, Grp 2 Guinea Hop	4.00	HR	\$62.36	\$249.42
Aggregate Base, CAB	28.35	TON	\$22.00	\$623.70
Finegrade Base (Backhoe) (792.00 SF/DY, 0.50 DY)	396.00	SF	\$3.80	\$1,503.52
Truck, Foreman's P/U	4.00	HR	\$14.00	\$56.00
Backhoe, 710 JD - Operated	4.00	HR	\$128.00	\$512.00
Grade Roller, Walk Behind	0.50	DY	\$185.00	\$92.50
Laborer, Grp 1 General	4.00	HR	\$61.59	\$246.34
Operator, Foreman	4.00	HR	\$86.81	\$347.25
Laborer, Grp 2 Guinea Hop	4.00	HR	\$62.36	\$249.42
Asphalt Tack Crew (264.00 LF/DY, 0.50 DY)	132.00	LF	\$12.80	\$1,689.60
Truck, Foreman's P/U	4.00	HR	\$14.00	\$56.00
Truck, Oil Spreader - Operated	4.00	HR	\$260.00	\$1,040.00
Operator, Foreman	4.00	HR	\$86.81	\$347.25
Laborer, Grp 1 General	4.00	HR	\$61.59	\$246.34
Asphalt Tack, SS1H (SF)	198.00	SF	\$15.00	\$2,970.00
Asphalt Paving Skip Crew (18.00 TON/DY, 0.50 DY)	9.00	TON	\$309.41	\$2,784.69
Truck, Foreman's P/U	4.00	HR	\$14.00	\$56.00
Truck, Ten Wheeler	4.00	HR	\$74.00	\$296.00
Loader, Skiploader 4X4 - Operated	4.00	HR	\$128.00	\$512.00

Description	Quantity	UM	Unit Direct Cost	Total Direct Cost
<i>(Item 1 - Gasline Sleeve Installation Per Sheet 1 Of 4 continued)</i>				
 Roller, AC DD110 12-22 Ton	4.00	HR	\$57.20	\$228.80
 Operator, Foreman	4.00	HR	\$86.81	\$347.25
 Operator, Grp 4 AC Roller	4.00	HR	\$80.85	\$323.42
 Laborer, Grp 2 Shoveler [2]	4.00	HR	\$62.36	\$498.85
 Laborer, Grp 4 Raker [2]	4.00	HR	\$65.30	\$522.37
 Asphalt Concrete - Base Course (Vulcan Materials Company)	9.00	TON	\$79.00	\$711.00

# CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager   
Andy Okoro, Deputy City Manager/Director of Finance 

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

DATE: May 15, 2013

SUBJECT: Fiscal Year 2012-2013 Third Quarter Budget-to-Actual Report

RECOMMENDATION: Staff recommends that the City Council receive and file the Fiscal Year 2012-2013 third quarter budget-to-actual report.

**SUMMARY:** This report provides a budget-to-actual update of the various Operating Funds for the first three quarters of Fiscal Year 2012-2013. As additional information, final summary fiscal year-end revenue and expenditure projection for the General Fund is also provided. Staff recommends that the City Council receive and file this report.

**BACKGROUND/ANALYSIS:** This report provides the City Council with current financial information on the City's Operating Budget for various Funds through the end of March 31, 2013. Attachment 1 provides a summary data of budget-to-actual revenues and expenditures for each Operating Fund. Using the data available through March 31, 2013, staff has also projected year-end revenues, expenditures and fund balance for the General Fund. Attachment 2 provides the year-end projections for the General Fund. For the benefit of residents in various Landscape Maintenance Districts (LMD), this quarterly report also provide budget to actual report for each LMD.

## **General Fund Revenues**

Total General Fund revenues (see attachment 2), is estimated to be \$15,363,715 compared to the approved budget amount of \$15,144,668 for an estimated favorable revenue budget variance of \$219,047. The "Property Tax" revenue category is the only major revenue category with significant variance between the approved budget and year-end estimated actual. The projected favorable budget variance is due to the "one-time" receipt of the City's share of the available fund balance in the dissolved Redevelopment Agency (at the time it was dissolved) and reimbursement of property tax administration overcharge by the County of Riverside. These two items were not included in the amended budget because they became available after the mid-year budget adjustments.

## **General Fund Expenditures**

Based on year-end projections (see attachment 2), total General Fund expenditures for FY 2012-2013 is estimated to be \$14,147,254 compared to approved budget amount of

\$14,241,210 for an estimated favorable budget variance of \$94,056. Most departments are projected to spend less than their budget appropriation. The anticipated budget overage for Citizens on Patrol is due to unbudgeted workers compensation expenditures.

### **Fund Balance – General Fund**

Attachment 2 also provides projected year-end fund balance information. Fund balance amount is estimated using actual beginning fund balance at June 30, 2012; adding total FY 2012-2013 estimated year-end revenues and subtracting total FY 2012-2013 estimated year-end expenditures. Fund balance is estimated to grow from \$2.7 million at the end of FY 2011-2012 to \$3.9 million at the end FY 2012-2013. However, it is to be noted that an estimated amount of \$350,000 has been designated to balance FY 2013-2014 General Fund Budget. This leaves estimated fund balance of \$3.6 million which is designated for emergency under City Council approved resolution.

### **Water Fund**

Total Water Fund revenues of \$6.7 million as of March 31, 2013 are tracking slightly within the approved budget. While expenditures typically lag behind, total expenditures of \$5.6 million as of March 31, 2013 are expected to come in line with the approved budget. Overall, total Water Fund operating revenues are expected to exceed total expenditures. This FY 2012-2013 projected favorable budget performance is expected to reduce prior years' accumulated operating deficit.

### **Sewer Fund**

Total Sewer Fund operating revenues of \$3.8 million as of March 31, 2013, are tracking within budget; total expenditures of \$2.5 million are also tracking in line to the budget. The projected excess of revenues over expenditures will continue to strengthen working capital and will ultimately make it possible for the annual transfer of \$250,000 for future capital replacement from the Sewer Operating Fund to Sewer Capital Fund.

### **Other Funds**

Other miscellaneous operating Funds including Gas Tax, NPDES and Miscellaneous Grant Funds are projected to end the year in line with the approved budget.

### **Landscape Maintenance Districts**

Through meetings and other discussions with residents of Landscape Maintenance Districts (LMDS), it was agreed between staff and residents that quarterly budget to actual reports on the LMDS would help residents to better understand how LMD assessment receipts are being expended. Attachment 3 provides a budget to actual comparison of each district's revenues and expenditures through March 31, 2013. The quarterly budget to actual report is also intended to assist staff to better monitor and control costs to ensure that expenditures are within amounts approved and covered by levies to homeowners.

As of March 31, 2013, the first installment of the annual assessments has been received for each district. Based on the amounts received from the first installment for each of the

districts, staff believes that budgeted revenue numbers would likely be achieved by the end of the fiscal year. Actual expenditure amounts shown for each district represent costs that have been paid through March 31, 2013. These costs are typically lower than actual costs incurred due to the time lag between when services are provided by contractors and the time their invoices are submitted and paid. Attachment 3 provides expenditure data by category for each district through March 31, 2013.

Attachment 3 also provides information regarding the cash and fund balance of each district at the beginning of the fiscal year and as of March 31, 2013. This information is necessary in understanding the fiscal condition of each district and each district's ability to pay for operating expenditures as they become due; as well as to provide funding for future trails and other capital asset replacements.

Based on the fund balance information, district number 2 is in poor fiscal condition due to negative fund and cash balances. Future expenditures would need to be significantly reduced and/or assessments would need to be increase in order to eliminate current cash and fund balance deficits and begin building a cushion for future positive cash flows and for infrastructure replacement. Given the limitations as to the amount of assessment that can be levied on property owners, the only real way to continue this district would be to significant re-structure the districts assessment. This would require the approval of property owners. It is not feasible that the district can continue to be maintained at any meaningful level while eliminating the current deficits without significant increase in assessments.

Regarding district number 4 (Norco Ridge Ranch), phase two of drain improvement project estimated to cost \$240,000 is now nearing completion. This project requires a draw from existing fund balance which would likely create a deficit cash flow situation during the first half of Fiscal Year 2013-2014. To avoid this situation in subsequent fiscal years, the upcoming assessment would likely have to be increased to the maximum amount allowed. Districts 1, 3 and 5 appear to be in better financial position to provide for adequate cash flows during the first half of each fiscal year when no cash is received from assessments. All districts have a need to increase assessments and/or reduce expenditures in order to accumulate funds for future infrastructure replacements. These issues would be taken into consideration in setting the assessment levies for FY 2013-2014.

**FISCAL IMPACT:** This report is for information only.

J: AO/Council Reports/Staff Report/2013

Attachments: Summary of Budget to Actual Report  
Summary of General Fund Year-End Projections  
LMD Revenues and Expenditures through 3-31-2013

**City of Norco, California**  
**Budget to Actual Report**  
**For the Three Quarters Ended March 31, 2013**

	Adopted Budget	Amended Budget	Year to Date Actual	Remaining Budget	% Achieved
<b><u>GENERAL FUND REVENUES</u></b>					
Property Taxes	\$ 1,178,588	1,663,786	1,051,313	612,473	63%
Sales Taxes	4,346,220	4,772,211	2,465,098	2,307,113	52%
Motor vehicle License Fees	1,957,000	1,974,291	994,161	980,130	50%
Other Taxes	730,700	803,470	580,520	222,950	72%
Franchise Fees	1,009,000	1,009,000	423,443	585,557	42%
Intergovernmental	38,295	144,461	127,817	16,644	88%
Fines and Penalties	58,500	55,000	64,039	(9,039)	116%
Interest income/Lease	461,623	551,959	416,184	135,775	75%
Community Development fees	459,223	382,711	327,240	55,471	86%
Community Services/Recreation	628,862	683,564	503,634	179,930	74%
Other revenues	1,126,437	1,124,136	928,822	195,314	83%
Administrative Overhead/Operating Transfers	1,885,871	1,980,079	1,559,752	420,327	79%
Total revenues	\$ 13,880,319	15,144,668	9,442,023	5,702,645	62%
<b><u>GENERAL FUND EXPENDITURES</u></b>					
City Council	\$ 97,466	97,466	69,958	27,508	72%
City Attorney	205,000	220,000	140,369	79,631	64%
City Clerk	212,503	212,503	152,260	60,243	72%
City Manager	251,941	251,941	176,902	75,039	70%
Economic Development	81,857	81,857	50,394	31,463	62%
Code Enforcement	76,070	76,070	33,714	42,356	44%
Recreation	738,323	738,323	488,376	249,947	66%
Youth & Teen	282,417	282,417	154,527	127,890	55%
Park Maintenance	641,793	641,793	431,790	210,003	67%
Senior Citizens	135,684	135,684	88,124	47,560	65%
Public Buildings	288,287	336,287	212,312	123,975	63%
Animal Control	596,794	596,794	468,212	128,582	78%
Community Development	250,374	250,374	170,911	79,463	68%
Building & Safety	185,760	185,760	121,817	63,943	66%
Engineering	153,678	153,678	112,979	40,699	74%
Inspection	32,105	32,105	23,280	8,825	73%
Parkway Maintenance	53,999	53,999	30,832	23,167	57%
CAL Fire	3,216,681	3,263,701	1,631,158	1,632,543	50%
Norco Animal Rescue Team	-	-	28	(28)	N/A
Sheriff	4,403,848	4,303,848	2,473,691	1,830,157	57%
Citizens on Patrol	15,356	15,356	16,959	(1,603)	110%
Crossing Guards	56,589	56,589	40,359	16,230	71%
Administrative	594,686	594,686	446,998	147,688	75%
Non-Departmental	1,307,454	1,660,079	1,067,037	593,042	64%
Total Expenditures	\$ 13,878,665	14,241,310	8,602,987	5,638,323	60%
<b><u>CDBG</u></b>					
Revenues	377,014	377,014	7,170	369,844	2%
Expenditures	377,014	377,014	-	377,014	0%
<b><u>WATER FUND</u></b>					
Revenues	9,555,916	9,555,916	6,738,384	2,817,532	71%
Expenditures	8,749,588	8,757,776	5,565,955	3,191,821	64%
<b><u>SEWER FUND</u></b>					
Revenues	5,339,590	5,339,590	3,826,501	1,513,089	72%
Expenditures	4,660,846	4,669,033	2,499,720	2,169,313	54%
<b><u>GAS TAX</u></b>					
Revenues	719,124	719,124	367,933	351,191	51%
Expenditures	843,137	868,977	376,384	492,593	43%
<b><u>NPDES FUND</u></b>					
Revenues	89,200	89,200	18,751	70,449	21%
Expenditures	113,807	113,807	73,936	39,871	65%
<b><u>MISCELLANEOUS GRANTS</u></b>					
Revenues	159,374	341,461	114,246	227,215	33%
Expenditures	159,374	341,461	157,714	183,747	46%
<b><u>LANDSCAPE MAINTENANCE DISTRICTS</u></b>					
Revenues	742,792	742,792	371,146	371,646	50%
Expenditures	958,101	958,101	418,346	539,755	44%

**Summary of General Fund Year-End Projections**

	<b>FY 2013</b>			
	<b>Amended Budget</b>	<b>Actuals at 3/31/2013</b>	<b>Estimated FYE 6/30/13</b>	<b>Estimated Variance</b>
<b>Revenue Summary</b>				
Property Taxes	\$ 1,863,786	1,051,313	1,869,909	12.39%
Sales Taxes	4,772,211	2,485,098	4,781,996	0.21%
Motor vehicle License Fees	1,974,291	984,161	1,971,031	-0.17%
Other Taxes	803,470	580,520	799,303	-0.52%
Franchise Fees	1,009,000	423,443	1,009,503	0.05%
Intergovernmental	144,461	127,817	154,461	6.92%
Fines & Penalties	55,000	64,039	72,000	30.91%
Interest Income/Lease	551,959	416,184	547,859	-0.72%
Community Development Fees	382,711	327,240	352,762	-7.83%
Community Services/Recreation	683,584	503,634	667,747	-2.31%
Other Revenues	1,124,136	928,822	1,151,308	2.42%
Administrative O/H and Transfers	1,980,079	1,559,752	1,985,738	0.29%
<b>Total</b>	<b>\$ 15,144,668</b>	<b>9,442,023</b>	<b>15,363,715</b>	<b>1.45%</b>

<b>Expenditure Summary</b>				
City Council	\$ 97,466	69,958	93,180	-4.40%
City Attorney	220,000	140,389	211,000	-4.09%
City Clerk	212,503	152,280	212,410	-0.04%
City Manager	251,941	176,902	252,068	0.05%
Economic Development	81,857	50,394	73,201	-10.57%
Code Enforcement	76,070	33,714	50,381	-33.77%
Recreation	738,323	488,376	725,778	-1.70%
Youth & Teen	282,417	154,527	254,810	-9.78%
Park Maintenance	641,793	431,790	638,078	-0.58%
Senior Citizens	135,684	88,124	148,210	9.23%
Public Buildings	336,287	212,312	359,640	6.94%
Animal Control	596,794	468,212	631,597	5.83%
Community Development	250,374	170,911	239,238	-4.45%
Building and Safety	185,760	121,817	173,650	-6.52%
Engineering	153,678	112,979	154,009	0.22%
Inspection	32,105	23,280	31,308	-2.48%
Parkway Maintenance	53,999	30,832	52,144	-3.44%
CAL Fire	3,263,701	1,631,158	3,280,256	0.51%
Animal Rescue Team	-	28	-	0.00%
Sheriff	4,303,848	2,473,691	4,301,872	-0.05%
Citizens on Patrol	15,356	16,959	23,541	53.30%
Crossing Guards	56,589	40,359	56,589	0.00%
Fiscal and Support Services	594,686	446,998	584,446	-1.72%
Non-Departmental	1,660,079	1,067,037	1,599,850	-3.63%
	<b>\$ 14,241,310</b>	<b>8,602,987</b>	<b>14,147,254</b>	<b>-0.66%</b>

**Estimated General Fund Balance**

Beginning Balance July 1, 2012	\$ 2,723,125
FY 2013 Estimated Revenues/Transfers	15,363,715
FY 2013 Estimated Expenditures/Transfers	14,147,254
Ending Fund Balance 6/30/13	<u>3,939,586</u>

**Designations of Fund Balance**

Designated for Emergency (25% of budget)	3,589,586
Designated for FY 2013-2014 Appropriation	350,000
Estimated Total General Fund Designations	<u>\$3,939,586</u>

**City of Norco, California**  
**Landscape Maintenance District Revenues & Expenses**  
**For the Quarter Ended March 31, 2013**

	<b>FY 2013 Amended Budget</b>	<b>Actuals Thru March 31, 2013</b>
<b>District #1 - Beazer Homes</b>		
LMD #1 Assessments	9,239	4,551
Interest Income	-	6
<b>Total Revenues</b>	<b>9,239</b>	<b>4,557</b>
Observation	900	584
Utilities	1,870	1,753
Landscape Maintenance	2,779	1,816
Contractual	1,400	1,139
Administrative Overhead	1,400	1,049
Admin Fees-Property Taxes	150	138
Incidentals	290	-
Operating Contingency	315	-
<b>Total Expenditures</b>	<b>9,104</b>	<b>6,479</b>
<b>Net Revenues Over (Under) Expenditures</b>	<b>135</b>	<b>(1,922)</b>
<b>District #2 - Norco Estates</b>		
LMD #2 Assessments	124,772	66,390
Interest Income (Expense)		(71)
<b>Total Revenues</b>	<b>124,772</b>	<b>66,319</b>
Observation	3,179	2,917
Trail Maintenance	17,000	1,197
Utilities	43,219	33,083
Landscape Maintenance	32,759	26,468
Wet Lands Area	1,000	-
Park Maintenance	9,248	-
Contractual	2,500	393
Administrative Overhead	14,133	10,599
Admin Fees-Property Taxes	230	215
Incidentals	216	-
Operating Contingency	1,288	-
<b>Total Expenditures</b>	<b>124,772</b>	<b>74,872</b>
<b>Net Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>(8,553)</b>

**City of Norco, California**  
**Landscape Maintenance District Revenues & Expenses**  
**For the Quarter Ended March 31, 2013**

	<b>FY 2013 Amended Budget</b>	<b>Actuals Thru March 31, 2013</b>
<b>District #3 - Centex</b>		
LMD #3 Assessments	79,621	38,775
Interest Income	-	59
<b>Total Revenues</b>	<b>79,621</b>	<b>38,834</b>
Observation	2,830	2,333
Trail Maintenance	5,750	1,382
Utilities	31,159	22,621
Landscape Maintenance	27,857	19,730
Contractual	2,000	585
Administrative Overhead	8,639	6,479
Admin Fees-Property Taxes	155	145
Incidentals	91	-
Operating Contingency	1,140	-
<b>Total Expenditures</b>	<b>79,621</b>	<b>53,275</b>
<b>Net Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>(14,441)</b>
<b>District #4 - Norco Ridge Ranch</b>		
LMD #4 Assessments	482,722	241,239
Interest Income	-	265
<b>Total Revenues</b>	<b>482,722</b>	<b>241,504</b>
Observation	5,000	4,083
Trail Maintenance	70,747	25,930
Tree Replacement	5,000	285
Utilities	192,492	89,864
Landscape Maintenance	117,757	104,981
Natural Open Space	11,000	1,800
Wet Lands Area	5,000	-
Contractual	3,600	6,377
Administrative Overhead	26,647	19,984
Admin Fees-Property Taxes	382	377
Incidentals	130	-
Operating Contingency	19,967	-
Storm Sewer Lines	240,444	1,063
<b>Total Expenditures</b>	<b>698,166</b>	<b>254,744</b>
<b>Net Revenues Over (Under) Expenditures</b>	<b>(215,444)</b>	<b>(13,240)</b>

**City of Norco, California**  
**Landscape Maintenance District Revenues & Expenses**  
**For the Quarter Ended March 31, 2013**

	<b>FY 2013 Amended Budget</b>	<b>Actuals Thru March 31, 2013</b>
<b>District #5 - KB Homes</b>		
LMD #5 Assessments	46,438	21,034
Interest Income	-	47
<b>Total Revenues</b>	<b>46,438</b>	<b>21,081</b>
Observation	1,800	1,750
Trail Maintenance	7,080	2,313
Utilities	8,967	6,368
Landscape Maintenance	15,274	11,782
Contractual	2,500	475
Administrative Overhead	8,214	6,159
Admin Fees-Property Taxes	139	129
Incidentals	191	-
Operating Contingency	2,273	-
<b>Total Expenditures</b>	<b>46,438</b>	<b>28,976</b>
<b>Net Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>(7,895)</b>

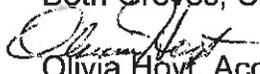
**Cash and Fund Balance Information**

<b>District #1 - Beazer Homes</b>	<b>Cash</b>	<b>Fund Balance</b>
June 30, 2012	19,086	17,965
March 31, 2013	16,045	16,045
<b>District #2 - Norco Estates</b>		
	<b>Cash</b>	<b>Fund Balance</b>
June 30, 2012	(45,657)	(45,807)
March 31, 2013	(54,360)	(54,360)
<b>District #3 - Centex</b>		
	<b>Cash</b>	<b>Fund Balance</b>
June 30, 2012	73,892	75,713
March 31, 2013	61,273	61,273
<b>District #4 - Norco Ridge Ranch</b>		
	<b>Cash</b>	<b>Fund Balance</b>
June 30, 2012	343,360	336,854
March 31, 2013	328,765	323,614
<b>District #5 - KB Homes</b>		
	<b>Cash</b>	<b>Fund Balance</b>
June 30, 2012	55,899	57,053
March 31, 2013	49,158	49,158

# MEMORANDUM

TO: Honorable Mayor and Members of the City Council

FROM: Beth Greves, City Manager 

PREPARED BY:  Olivia Hoyt, Accounting Manager

DATE: May 15, 2013

SUBJECT: **Resolution No. 2013-19**, Approving Amendment to the Standard Agreement #5600000936 between the City of Norco and the California Department of Corrections and Rehabilitation Center (CDCR) for Solid Waste Collection Services at the California Rehabilitation Center (CRC) in Norco.

RECOMMENDATION: Adopt **Resolution No. 2013-19** approving amendment #1 to the Standard Agreement #5600000936 between the City of Norco and the California Department of Corrections and Rehabilitation Center (CDCR) for solid waste collection services at the California Rehabilitation Center (CRC) in Norco.

SUMMARY: Staff is recommending that the Council approve a four month extension to the Standard Agreement #5600000936 between the City and California Department of Corrections and Rehabilitation Center (CDCR) to provide garbage collection, removal, and disposal services at the California Rehabilitation Center (CRC) in Norco. The requested extension will be for the period of June 30, 2013 through October 31, 2013. The total not to exceed amount of \$1,686,196 and all other terms and conditions of the current agreement will remain the same.

BACKGROUND/ANALYSIS: There is an existing three year contract between the City and CDCR that expires June 30, 2013 for the disposal and collection by the City's waste hauler of wet/dry garbage services at the California Rehabilitation Center in Norco. Staff is recommending that the City approve a four month extension with CDCR from June 30, 2013 through October 31, 2013 to have the City's waste hauler provide garbage collection, removal, and disposal services. The City will be billing CDCR the prevailing service rates charged by the City's waste hauler which as approved by City Council during the term of the contract.

CDCR is requesting a short-term extension instead of a new three year contract due to the pending expiration of the City's existing franchise agreement for waste collection and disposal services.

**AGENDA ITEM 1.0.**

Contract Amendment with California Department of Corrections and Rehabilitation  
(CDCR)

Page 2

May 15, 2013

FINANCIAL IMPACT: The current contract with CDCR has an unencumbered balance remaining of \$251,854 as of April 30, 2013, which will sufficiently provide for waste hauling services for the period ending October 31, 2013. The City currently receives a 10% franchise fee on the services provided to CDCR.

Attachment: Resolution No. 2013-19  
Contract 5600000936  
Contract Amendment #1

/oh

## **RESOLUTION NO. 2013-19**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, APPROVING CONTRACT AMENDMENT #1 TO THE STANDARD AGREEMENT #5600000936 BETWEEN THE CITY OF NORCO AND THE CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION CENTER (CDCR) FOR SOLID WASTE COLLECTION SERVICES AT THE CALIFORNIA REHABILITATION CENTER (CRC) IN NORCO.**

WHEREAS, the current Standard Agreement #5600000936 between the City of Norco and the California Department of corrections and Rehabilitation Center (CDCR) to provide garbage collection, removal, and disposal services by the City's waste hauler at the California Rehabilitation Center (CRC) expires June 30, 2013; and

WHEREAS, amendment #1 to the Standard Agreement #5600000936 extends the term of the contract from June 30, 2013 to October 31, 2013; and

WHEREAS, the unencumbered balance remaining of \$251,854 as of April 30, 2013 on the current contract with CDCR will be sufficient to provide waste hauling services for the period ending October 31, 2013 to the California Rehabilitation Center; and

WHEREAS, the City will be billing CDCR the prevailing service rates charged by the City's waste hauler; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Norco that it desires to extend the Standard Agreement #5600000936 with California Department of Corrections and Rehabilitation to provide for the collection, removal and disposal of wet/dry garbage by the City's waste hauler from June 30, 2013 to October 31, 2013.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on May 15, 2013.

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Mayor of the City of Norco, California

Resolution No. 2013-19

Page 2

May 15, 2013

ATTEST:

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Brenda K Jacobs, City Clerk  
City of Norco, California

I, BRENDA K JACOBS, City Clerk of the City of Norco, California do hereby certify that the foregoing Resolution was introduced and adopted by the City Council of the City of Norco at a regular meeting held on May 15, 2013 by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on May 15, 2013.

---

Brenda K Jacobs, City Clerk  
City of Norco, California

/ao

STATE OF CALIFORNIA  
**STANDARD AGREEMENT**  
 STD 213 (Rev 05/03)

AGREEMENT NUMBER <b>5600000936</b>
REGISTRATION NUMBER <b>1056591</b>

- This Agreement is entered into between the State Agency and the Contractor named below:  
 STATE AGENCY'S NAME  
**California Department of Corrections and Rehabilitation (CDCR)**  
 CONTRACTOR'S NAME  
**City of Norco**
- The term of this Agreement is: **July 1, 2010** through **June 30, 2013**
- The maximum amount of this Agreement is: **\$1,686,196.00**  
*One Million Six Hundred Eighty-Six Thousand One Hundred Ninety-Six Dollars and Zero Cents*
- The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.
 

Exhibit A- Scope of Work	<b>3 pages</b>
Exhibit A-1 Equipment List	1 page
Exhibit B- Budget Detail and Payment Provisions	<b>2 pages</b>
Exhibit B-2 Rate Sheet	1 page
Exhibit C*- General Terms and Conditions	<b>GTC 307</b>
Exhibit D- Special Terms and Conditions	<b>12 pages</b>

\* Exhibit C is incorporated by reference as a part of this agreement. It may be viewed at [www.cdcr.ca.gov/StandardLanguage](http://www.cdcr.ca.gov/StandardLanguage).  
 IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR	
CONTRACTOR'S NAME (Please list an individual, state whether a corporation, partnership, etc.) <b>City of Norco</b>	
BY (Signature) <i>Beth Groves</i>	DATE SIGNED (in full type) <b>5/12/2010</b>
PRINTED NAME AND TITLE OF PERSON SIGNING <b>Beth Groves, City Manager</b>	
ADDRESS <b>2870 Clark Avenue, Norco, CA 92860</b>	
STATE OF CALIFORNIA	
AGENCY NAME <b>California Department of Corrections and Rehabilitation</b>	
BY (Signature) <i>Linda K. Patterson</i>	DATE SIGNED (in full type) <b>6/23/10</b>
PRINTED NAME AND TITLE OF PERSON SIGNING <b>Linda K. Patterson, Chief, Institutions/Facilities Service Contracts Section</b>	
ADDRESS <b>10000 Goethe Road, Sacramento, CA 95827</b>	

California Department of General Services Use Only
<div style="border: 1px solid black; padding: 5px; margin: 10px auto; width: 80%;"> <p style="text-align: center; margin: 0;"><b>APPROVED</b></p> <p style="text-align: center; margin: 0; font-size: 1.2em;"><b>JUN 25 2010</b></p> </div> <p style="text-align: center; margin: 5px 0;"><b>DEPT OF GENERAL SERVICES</b></p> <p style="text-align: center; margin: 20px 0;"><i>Kjato</i></p>
<input type="checkbox"/> Exempt per:

## DISPOSAL OF WET/DRY GARBAGE SERVICE

### 1. INTRODUCTION

Contractor shall provide all labor, materials, supplies, tools, equipment, permits/licenses and transportation as necessary to provide non-hazardous wet/dry garbage collection, removal and disposal services for the California Department of Corrections and Rehabilitation (CDCR), California Rehabilitation Center (CRC) located at 5<sup>th</sup> Street and Western Avenue, Norco, CA 91760.

Public Resources Code 41780 mandates all State Agencies to divert waste from landfills and to minimize waste and increase recycling efforts. In order for CDCR to show compliance with these mandates, Contractor must provide the Institution's Contract Liaison, in writing by the 7<sup>th</sup> of each month, with a receipt verifying the actual weighted amount of waste disposed at the landfill by the Institution.

### 2. ESTIMATED QUANTITIES

Contractor shall furnish and maintain one (1), forty (40) cubic yard, roll-off container, and twenty-six (26), three (3) cubic yard, rollable, steel wheeled containers. All containers are to have lid covers made of steel or double walled plastic (i.e. duraflex or equivalent thereof) that are easily opened and closed. Containers and lids may not have excess metal on or inside which could be removed. In the event any lid or container becomes damaged, the Contractor shall, within forty-eight (48) hours of notification, repair or replace lids or containers. Containers shall be sealed and liquid tight to prevent spillage and drippings. The State reserves the right to inspect containers to determine suitability prior to placement.

Contractor shall deliver containers to the locations indicated below prior to the commencement of services. A location can be changed at any time at the discretion of the Institution. The Institution will provide 24-hour notice to Contractor of any location changes.

The State reserves the right to add or subtract containers, as needed, to accommodate any unforeseen increase or decrease in volume of wet/dry garbage generated. Additional containers shall be provided at the same rate set forth in Contractor's Rate Sheet, Exhibit B-2.

### 3. SERVICES TO BE PROVIDED DAILY

Contractor shall perform garbage pick-up services according to the following container size:

- *Three Cubic Yard* - One pick-up daily between 6:00 a.m. and 11:00 a.m., Monday through Saturday.
- *Forty Cubic Yard* - One pick-up daily between 6:00 a.m. and 8:00 a.m., Monday through Friday.

The City of Norco does not provide garbage collection on New Years Day, Memorial Day, Labor Day, Thanksgiving and Christmas Day. Garbage pick up affected by these holidays for the 3 cubic yard container, will be picked up on the next scheduled day. Garbage pick up affecting the forty cubic yard containers will be made up the subsequent Saturday.

Contractor shall complete services within the time frames specified herein. The time specified for garbage pickup may be extended, at the State's discretion, for a reasonable period of time when there is a delay in Contractor's performance of the work caused by unavoidable delay such as acts of God, fire, flood, epidemics, quarantines, restrictions, strikes, freight embargoes, or unusual action of the elements, provided that the Contractor shall notify the State within two (2) hours from the beginning of any delay.

In the event Contractor fails to provide services within the time specified without prior approval of the State, the State reserves the right to have services provided by another vendor at Contractor's expense. Any amounts owed to the State as a result of this action will be deducted from Contractor's monthly invoice.

#### 4. RECEIPTS

Contractor shall deliver the wet/dry garbage to a county/city-approved landfill in accordance with the State of California, Environmental Health Laws. Contractor shall provide receipts verifying disposal, weight and date of wet/dry garbage to an approved landfill when submitting invoices.

#### 5. CONTAINER UNLOADING

Contractor shall ensure that the three cubic yard containers are to be emptied on-site into a sealed truck that is liquid tight to prevent spillage and drippings. Forty cubic yard roll-off containers shall be exchanged empty for full, the full container sealed to prevent spillage and drippings, and removed in accordance with the schedule of service specified herein.

Due to clearance restrictions of the Institution's gates and tunnels, vehicles used to perform services under this contract cannot exceed 12' - 10 1/2" high by 13' - 10 1/2" wide.

#### 6. CONTAINER MAINTENANCE

Contractor shall ensure containers are in good mechanical condition and repair or replace wheels, locking devices, lids or container within forty-eight (48) hours of notification. Containers must be steam cleaned quarterly and painted annually or more often as necessary as determined by the Institution Contract Liaison. Steam cleaning and painting shall not be performed on State property unless specifically requested by the State and shall be completed at Contractor's expense.

Contractor shall furnish additional containers on an exchange basis while the maintenance of containers is performed.

## 7. CONTAINER LOCKING DEVICES

Contractor must secure locking devices to all containers inside and outside the perimeter of the fence. The locking devices shall consist of a single lock bar extending the full width of the lid and lockable by padlock, to be supplied by institution.

## 8. LICENSES/PERMITS

Contractor shall possess a valid city/county issued Commercial Refuse Haulers Permit, and a Motor Carrier permit issued by the California Department of Motor Vehicles, if applicable. Contractor must also submit their current County Franchise Agreement to the California Department of Corrections and Rehabilitation.

## 9. CITY/COUNTY RATE INCREASE

It is understood that the city/county may regulate some or all of Contractor's rates for this service. In the event the city/county increases rates that directly affect the services provided in this contract, Contractor may, once per year during the term of the contract, request from the State an increase in the rates to be paid Contractor in this contract. Contractor's request must be submitted, in writing, with a copy of the Resolution from the city/county stating the prior rates and the new rates, showing the effective date of the new rates.

## 10. DEPARTMENT OF CORRECTIONS CONTACT INFORMATION

Should questions or problems arise during the term of this agreement, the contractor should contact the following offices:

### Billing/Payment Issues:

- Southern California Regional Accounting Office  
Phone Number: (909) 483-1543  
FAX Number: (909) 483-1545

### Scope of Service/Performance Issues:

- California Rehabilitation Center - Norco  
Phone Number: (951) 737-2883 x 4414  
FAX Number: (951) 273-2342

The Institution Contract Liaison shall be solely responsible for determining acceptability of satisfactory completion of any services provided by Contractor

### General Contract Issues:

- Contracts Management Branch  
Phone Number: (916) 255-6624  
FAX Number: (916) 255-6187

**DISPOSAL OF WET/DRY GARBAGE SERVICE**

The Contractor shall deliver containers to the following locations:

<b>CONTAINER SIZE</b>	<b>NUMBER OF CONTAINERS</b>	<b>LOCATION OF CONTAINERS</b>
40 Cubic Yard	1	Corporate Yard
3 Cubic Yard	1	Men's R&R
3 Cubic Yard	8	Main Kitchen
3 Cubic Yard	1	Main Visiting
3 Cubic Yard	5	Facility IV Kitchen
3 Cubic Yard	5	Facility I Kitchen
3 Cubic Yard	1	Administration - South East Side
3 Cubic Yard	1	Administration - North Side
3 Cubic Yard	1	Laundry
3 Cubic Yard	1	Maintenance Warehouse/Tool Control
3 Cubic Yard	1	Plant Operations Maintenance Yard
3 Cubic Yard	1	Medical

**DISPOSAL OF WET/DRY GARBAGE SERVICE**

**1. Invoicing and Payment**

- a. For services satisfactorily rendered, and upon receipt and approval of Contractor's invoices, the State agrees to compensate Contractor for actual expenditures incurred in accordance with rates specified herein on Exhibit B-2, Rate Sheet, which are attached hereto and made a part of this Agreement.
- b. Invoices shall include the Agreement Number and Purchase Order Number and shall be submitted in triplicate not more frequently than monthly in arrears to:

California Department of Corrections and Rehabilitation  
Southern California Regional Accounting Office  
California Rehabilitation Center - Norco  
Attention: Accounts Payable  
P.O. Box 6000  
Rancho Cucamonga, CA 91729

**2. Budget Contingency Clause**

- a. It is mutually agreed that if the California State Budget Act for the current fiscal year and/or any subsequent fiscal years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor, or to furnish any other considerations under this Agreement; and Contractor shall not be obligated to perform any provisions of this Agreement.
- b. If funding for the purposes of this program is reduced or deleted for any fiscal year by the California State Budget Act, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an Agreement amendment to Contractor to reflect the reduced amount.

**3. Prompt Payment Clause**

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927. Payment to small/micro businesses shall be made in accordance with and within the time specified in Chapter 4.5, Government Code 927 et seq.

**4. City/County Rate Increase**

It is understood that the city/county may regulate some or all of Contractor's rates for services. In the event the city/county increases the rates that directly affect the services provided in this Agreement, Contractor may, once a year during the term of the Agreement, request from the State an increase in the rates stated in this Agreement.

Contractor must submit a written request to the State with a copy of the resolution from the city/county listing the prior rates and new rates and effective date of the new rates.

5. Subcontractors

For all Agreements, with the exception of Interagency Agreements and other governmental entities/auxiliaries that are exempt from bidding, nothing contained in this Agreement, or otherwise, shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve Contractor of Contractor's responsibilities and obligations hereunder. Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

**WET/DRY GARBAGE COLLECTION, REMOVAL AND DISPOSAL SERVICES**

**I. 3 CUBIC YARD CONTAINERS - BILLED MONTHLY**

**A. PICK-UP - 8 DAYS PER WEEK**

CONTAINER SIZE	MONTHLY RATE PER CONTAINER	x	NO. OF CONTAINERS	x	NO. OF MONTHS	=	TOTAL
3 Cubic Yard	\$861.63	x	28	x	36	=	\$808,488.00

**B. ADDITIONAL CONTAINERS (On An As Needed Basis)**

CONTAINER SIZE	MONTHLY RATE PER CONTAINER	x	NO. OF CONTAINERS	x	NO. OF MONTHS	=	TOTAL
3 Cubic Yard	\$861.63	x	8	x	36	=	\$248,149.00

**II. 40 CUBIC YARD CONTAINERS - BILLED PER PICK-UP**

**A. PICK-UP - 5 DAYS PER WEEK**

CONTAINER SIZE	RATE PER PICK-UP	x	NO. OF CONTAINERS	x	NO. OF PICK-UPS	=	TOTAL
40 Cubic Yard	\$494.18	x	1	x	780	=	\$385,460.00

**B. ADDITIONAL CONTAINERS (On An As Needed Basis)**

CONTAINER SIZE	RATE PER PICK-UP	x	NO. OF CONTAINERS	x	NO. OF PICK-UPS	=	TOTAL
40 Cubic Yard	\$494.18	x	1	x	30	=	\$14,825.00

**III. 10 CUBIC YARD CONTAINERS - BILLED MONTHLY**

**A. PICK-UP - 1 DAYS PER WEEK**

CONTAINER SIZE	RATE PER PICK-UP	x	NO. OF CONTAINERS	x	NO. OF PICK-UPS	=	TOTAL
10 Cubic Yard	\$494.18	x	3	x	150	=	\$231,275.00

<b>TOTAL CONTRACT AMOUNT (I AND II) =</b>	<b>\$1,856,196.00</b>
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The above rates have been adjusted by 15% to account for the CPI increases that are made by the waste hauler on a yearly basis. Actual charges by the City to CDCR will be based on the effective rate for each of the three years of the contract.

## DISPOSAL OF WET/DRY GARBAGE SERVICE

### 1. Contract Disputes with Public Entities (Supersedes provision number 6, Disputes, of Exhibit C)

As a condition precedent to Contractor's right to institute and pursue litigation or other legally available dispute resolution process, if any, Contractor agrees that all disputes and/or claims of Contractor arising under or related to the Agreement shall be resolved pursuant to the following processes. Contractor's failure to comply with said dispute resolution procedures shall constitute a failure to exhaust administrative remedies.

Pending the final resolution of any such disputes and/or claims, Contractor agrees to diligently proceed with the performance of the Agreement, including the delivering of goods or providing of services. Contractor's failure to diligently proceed shall constitute a material breach of the Agreement.

The Agreement shall be interpreted, administered, and enforced according to the laws of the State of California. The parties agree that any suit brought hereunder shall have venue in Sacramento, California, the parties hereby waiving any claim or defense that such venue is not convenient or proper.

A county, city, district or other local public body, state board or state commission, another state or federal agency, or joint-powers authority shall resolve a dispute with CDCR, if any, through a meeting of representatives from the entities affected. If the dispute cannot be resolved to the satisfaction of the parties, each entity may thereafter pursue its right to institute litigation or other dispute resolution process, if any, available under the laws of the State of California.

### 2. Confidentiality of Data

All financial, statistical, personal, technical and other data and information relating to State's operation, which are designated confidential by the State and made available to carry out this Agreement, or which become available to the Contractor in order to carry out this Agreement, shall be protected by the Contractor from unauthorized use and disclosure.

If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used with the written consent of the State. The Contractor shall not be required under the provisions of this paragraph to keep confidential any data already rightfully in the Contractor's possession that is independently developed by the Contractor outside the scope of the Agreement or is rightfully obtained from third parties.

No reports, information, inventions, improvements, discoveries, or data obtained, repaired, assembled, or developed by the Contractor pursuant to this Agreement shall be released, published, or made available to any person (except to the State) without prior written approval from the State.

Contractor by acceptance of this Agreement is subject to all of the requirements of California Government Code Section 11019.9 and California Civil Code Sections 1798, et seq., regarding the collection, maintenance, and disclosure of personal and confidential information about individuals.

**3. Accounting Principles**

The Contractor will adhere to generally accepted accounting principles as outlined by the American Institute of Certified Public Accountants. Dual compensation is not allowed; a contractor cannot receive simultaneous compensation from two or more funding sources for the same services performed even though both funding sources could benefit.

**4. Taxes**

Unless required by law, the State of California is exempt from federal excise taxes.

**5. Right to Terminate (Supersedes provision number 7, Termination for Cause, of Exhibit C)**

The parties hereto agree that either party may cancel this Agreement by giving the other party written notice thirty (30) days in advance of the effective date of such cancellation. In the event of such termination, the State agrees to pay Contractor for actual services rendered up to and including the date of termination.

The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

**6. Extension of Term**

If it is determined to be in the best interest of the State, upon agreement, the State may extend this contract, with no increase in service cost, for a period of one (1) year or less.

**7. Contractor Employee Misconduct**

During the performance of this Agreement, it shall be the responsibility of the Contractor whenever there is an incident of use of force or allegation(s) of employee misconduct associated with and directly impacting inmate and/or parolee rights, to immediately notify the CDCR of the incident(s), to cause an investigation to be conducted, and to provide CDCR with all relevant information pertaining to the incident(s). All relevant information includes, but is not limited to: a) investigative reports; b) access to inmates/parolees and the associated staff; c) access to employee personnel records; d) that information reasonably necessary to assure CDCR that inmates and/or parolees are not or have not been deprived of any legal rights as required by law, regulation, policy and procedures; and e) written evidence that the Contractor has taken such remedial action, in the event of unnecessary or excessive force, or employee misconduct with inmates and/or parolees, as will assure against a repetition of incident(s) or retaliation. To the extent that the information Contractor staff be denied access to and the supervision of CDCR inmates and/or parolees at the facility and access to inmate and/or parolee records. Notwithstanding the foregoing, and without waiving any obligation of the Contractor, CDCR retains the power to conduct an independent

investigation of any incident(s). Furthermore, it is the responsibility of the Contractor to include the foregoing terms within any and all subcontracts, requiring that subcontractor(s) agree to the jurisdiction of CDCR to conduct an investigation of their facility and staff, including review of subcontractor employee personnel records, as a condition of the Agreement.

#### **8. Subcontracting**

Services provided are to be performed primarily with the staff of the public entity or, in the case of educational institutions, auxiliaries or foundations, by the faculty, staff or students associated with the particular institution. Agreements are not to be used by state agencies to circumvent the competitive bidding requirements of Public Contract Code Section 10340.

If more than twenty-five (25) percent of the total contract amount or \$50,000.00, whichever is less, is subcontracted, non-competitive bid approval must be obtained from the Secretary of CDCR and the Department of General Services prior to the commencement of services, unless the subcontract was competitively bid or the subcontractor(s) also qualifies as a state agency, governmental agency, or joint power.

#### **9. Subcontractor/Consultant Information**

Contractor is required to identify all subcontractors and consultants who will perform labor or render services in the performance of this Agreement. Additionally, the Contractor shall notify the Department of Corrections and Rehabilitation, Office of Business Services, in writing, within ten (10) working days, of any changes to the subcontractor and/or consultant information.

#### **10. Liability for Nonconforming Work**

The Contractor will be fully responsible for ensuring that the completed work conforms to the agreed upon terms. If nonconformity is discovered prior to the Contractor's deadline, the Contractor will be given a reasonable opportunity to cure the nonconformity. If the nonconformity is discovered after the deadline for the completion of the project, CDCR, in its sole discretion, may use any reasonable means to cure the nonconformity. The Contractor shall be responsible for reimbursing CDCR for any additional expenses incurred to cure such defects.

#### **11. Temporary Nonperformance**

If, because of mechanical failure or for any other reason, the Contractor shall be temporarily unable to perform the work as required, the State, during the period of the Contractor's inability to perform, reserves the right to accomplish the work by other means and shall be reimbursed by the Contractor for any additional costs above the Agreement price.

#### **12. Contract Violations**

The Contractor acknowledges that any violation of Chapter 2, or any other chaptered provision of the Public Contract Code (PCC), is subject to the remedies and penalties contained in PCC Sections 10420 through 10425.

**13. Employment of Ex-Offenders**

Contractor cannot and will not either directly, or on a subcontract basis, employ in connection with this Agreement:

- a. Ex-Offenders on active parole or probation, who have been on active parole or probation during the last three years preceding their employment;
  1. Contractor shall only employ ex-offenders who can provide written evidence of having satisfactorily completed parole or probation, and who have remained off parole or probation, and have had no arrests or convictions within the past three years.
- b. Ex-offenders convicted of drug trafficking in a prison/jail; escape or aiding/abetting escape; battery on a Peace Officer or Public Official; arson offenses; or, any violations of Penal Code Sections 4570-4574 (Unauthorized Communications with Prisons and Prisoners Offenses).
- c. Ex-Offenders are required to register as a sex offender pursuant to Penal Code Section 290.
- d. Any ex-offender who has an offense history involving a "Violent felony" as defined in subparagraph (c) of Penal Code Section 667.5; or
- e. Any ex-offender in a position which provides direct supervision of parolees.

An ex-offender whose assigned duties involve administrative or policy decision-making, accounting, procurement, cashiering, auditing, or any other business-related administrative function shall be fully bonded to cover any potential loss to the State or contractor. Evidence of such bond shall be supplied to CDCR prior to employment of the ex-offender.

**14. Conflict of Interest**

The Contractor and their employees shall abide by the provisions of Government Code (GC) Sections 1090, 81000 et seq., 82000 et seq., 87100 et seq., and 87300 et seq., Public Contract Code (PCC) Sections 10335 et seq. and 10410 et seq., California Code of Regulations (CCR), Title 2, Section 18700 et seq. and Title 15, Section 3409, and the Department Operations Manual (DOM) Section 31100 et seq. regarding conflicts of interest.

**a. Contractors and Their Employees**

Consultant contractors shall file a Statement of Economic Interests, Fair Political Practices Commission (FPPC) Form 700 prior to commencing services under the Agreement, annually during the life of the Agreement, and within thirty (30) days after the expiration of the Agreement. Other service contractors and/or certain of their employees may be required to file a Form 700 if so requested by the CDCR or whenever it appears that a conflict of interest may be at issue. Generally, service contractors (other than consultant contractors required to file as above) and their employees shall be required to file an FPPC Form 700 if one of the following exists:

- (1) The Agreement service has been identified by the CDCR as one where there is a greater likelihood that a conflict of interest may occur;
- (2) The Contractor and/or Contractor's employee(s), pursuant to the Agreement, makes or influences a governmental decision; or

- (3) The Contractor and/or Contractor's employee(s) serves in a staff capacity with the CDCR and in that capacity participates in making a governmental decision or performs the same or substantially all the same duties for the CDCR that would otherwise be performed by an individual holding a position specified in the CDCR's Conflict of Interest Code.

**b. Current State Employees**

- (1) No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- (2) No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.
- (3) In addition to the above, CDCR officials and employees shall also avoid actions resulting in or creating an appearance of:
- (a) Using an official position for private gain;
  - (b) Giving preferential treatment to any particular person;
  - (c) Losing independence or impartiality;
  - (d) Making a decision outside of official channels; and
  - (e) Affecting adversely the confidence of the public or local officials in the integrity of the program.
- (4) Officers and employees of the Department must not solicit, accept or receive, directly or indirectly, any fee, commission, gratuity or gift from any person or business organization doing or seeking to do business with the State.

**c. Former State Employees**

- (1) For the two year (2-year) period from the date he or she left state employment, no former state officer or employee may enter into an Agreement in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the Agreement while employed in any capacity by any state agency.
- (2) For the twelve-month (12-month) period from the date he or she left state employment, no former state officer or employee may enter into an Agreement with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed Agreement within the 12-month period prior to his or her leaving state service.

In addition to the above, the Contractor shall avoid any conflict of interest whatsoever with respect to any financial dealings, employment services, or opportunities offered to inmates or parolees. The Contractor shall not itself employ or offer to employ inmates or parolees either directly or indirectly through an affiliated company, person or business unless specifically authorized in writing by CDCR. In addition, the Contractor shall not (either directly, or indirectly through an affiliated company, person or business) engage in financial dealings with inmates or parolees, except to the extent that such financial dealings create no actual or potential conflict of interest, are available on the same terms to the general public, and have been approved in advance in writing by CDCR. For the purposes of this paragraph, "affiliated company, person or business" means any company, business, corporation, nonprofit corporation, partnership, limited partnership, sole proprietorship, or other person or business entity of any kind which has any ownership or control interest whatsoever in the Contractor, or which is wholly or partially owned (more than 5% ownership) or controlled (any percentage) by the Contractor or by the Contractor's owners, officers, principals, directors and/or shareholders, either directly or indirectly. "Affiliated companies, persons or businesses" include, but are not limited to, subsidiary, parent, or sister companies or corporations, and any company,

corporation, nonprofit corporation, partnership, limited partnership, sole proprietorship, or other person or business entity of any kind that is wholly or partially owned or controlled, either directly or indirectly, by the Contractor or by the Contractor's owners, officers, principals, directors and/or shareholders.

The Contractor shall have a continuing duty to disclose to the State, in writing, all interests and activities that create an actual or potential conflict of interest in performance of the Agreement.

The Contractor shall have a continuing duty to keep the State timely and fully apprised in writing of any material changes in the Contractor's business structure and/or status. This includes any changes in business form, such as a change from sole proprietorship or partnership into a corporation or vice-versa; any changes in company ownership; any dissolution of the business; any change of the name of the business; any filing in bankruptcy; any revocation of corporate status by the Secretary of State; and any other material changes in the Contractor's business status or structure that could affect the performance of the Contractor's duties under the Agreement.

If the Contractor violates any provision of the above paragraphs, such action by the Contractor shall render this Agreement void.

Members of boards and commissions are exempt from this section if they do not receive payment other than payment for each meeting of the board or commission, payment for preparatory time and payment for per diem.

#### **15. Notification of Personnel Changes**

Contractor must notify the State, in writing, of any changes of those personnel allowed access to State premises for the purpose of providing services under this Agreement. In addition, Contractor must recover and return any State-issued identification card provided to Contractor's employee(s) upon their departure or termination.

#### **16. Security Clearance/Fingerprinting**

The State reserves the right to conduct fingerprinting and/or security clearance—through the Department of Justice, Bureau of Criminal Identification and Information (BCII)—prior to award and at any time during the term of the Agreement, in order to permit Contractor (and/or Contractor employee) access to State premises. The State further reserves the right to terminate the Agreement should a threat to security be determined.

#### **17. Computer Software**

Contractor certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

#### **18. Expendable Equipment**

Expendable equipment is defined as expendable items which change with use and have a unit acquisition cost of less than \$5,000 per unit (i.e. fax machines, computers, printers, etc.). Title to any expendable equipment purchased or built with State funds as part of this agreement will vest in the State. The Contractor must retain a listing of expendable equipment purchases that are

considered "theft-sensitive" items, such as cameras, calculators, two-way radios, computer equipment, etc., for audit purposes. Upon completion or termination of the agreement, Contractors are required to leave all expendable equipment for use by subsequent contractors or for the State to dispose of accordingly. The State may authorize the continued use of such equipment for work to be performed under a different agreement.

The cost of expendable equipment purchased should be comparable to the prevailing price for similar items in the surrounding area.

#### **19. Electronic Waste Recycling**

The Contractor certifies that it complies with the requirements of the Electronic Waste Recycling Act of 2003, Chapter 8.5, Part 3 of Division 30, commencing with Section 42460 of the Public Resources Code, relating to hazardous and solid waste. Contractor shall maintain documentation and provide reasonable access to its records and documents that evidence compliance.

#### **20. Liability for Loss and Damages**

Any damages by the Contractor to the State's facility including equipment, furniture, materials or other State property, will be repaired or replaced by the Contractor to the satisfaction of the State at no cost to the State. The State may, at its option, repair any such damage and deduct the cost thereof from any sum due Contractor under this Agreement.

#### **21. Disclosure**

Neither the State nor any State employee will be liable to the Contractor or its staff for injuries inflicted by inmates or parolees of the State. The State agrees to disclose to the Contractor any statement(s) known made by any inmate or parolee which indicate violence may result in any specific situation, and the same responsibility will be shared by the Contractor in disclosing such statement(s) to the State.

#### **22. Workers' Compensation**

Contractor hereby represents and warrants that Contractor is currently and shall, for the duration of this agreement, carry workers' compensation insurance, at Contractor's expense, or that it is self-insured through a policy acceptable to CDCR, for all of its employees who will be engaged in the performance of this agreement. Such coverage will be a condition of CDCR's obligation to pay for services provided under this agreement.

Prior to approval of this agreement and before performing any work, Contractor shall furnish to the State evidence of valid workers' compensation coverage. Contractor agrees that the workers' compensation insurance shall be in effect at all times during the term of this agreement. In the event said insurance coverage expires or is canceled at any time during the term of this agreement, Contractor agrees to give at least thirty (30) days prior notice to CDCR before said expiration date or immediate notice of cancellation. Evidence of coverage shall not be for less than the remainder of the term of the agreement or for a period of not less than one year. The State reserves the right to verify the Contractor's evidence of coverage. In the event the Contractor fails to keep workers' compensation insurance coverage in effect at all times, the State reserves the right to terminate this agreement and seek any other remedies afforded by the laws of this State.

Contractor also agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all of Contractor's workers' compensation claims and losses by Contractor's officers, agents and employees related to the performance of this agreement.

### **23. Loss Leader**

It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. A "loss leader" is any article or product sold at less than cost: (a) Where the purpose is to induce, promote or encourage the purchase of other merchandise; or (b) Where the effect is a tendency or capacity to mislead or deceive purchasers or prospective purchasers; or (c) Where the effect is to divert trade from or otherwise injure competitors.

### **24. Insurance Requirements**

Insurance as required herein shall be a condition of the State's obligation to pay for services provided under this Agreement. Prior to approval of this Agreement and before performing any work, Contractor and any subcontractor shall furnish to the State evidence of valid coverage. The following shall be considered evidence of coverage: A certificate of insurance, a "true and certified" copy of the policy, or any other proof of coverage issued by Contractor's insurance carrier. Binders are not acceptable as evidence of coverage. Providing evidence of coverage to the State conveys no rights or privileges to the State, nor does it insure any State employee or insure any premises owned, leased, used by or otherwise or under the control of the State. It does, however, serve to provide the State with proof that the Contractor and any subcontractors are insured at the minimum levels required by the State of California.

Contractor agrees that any liability insurance required in the performance of this Agreement shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires or is canceled during the term of this Agreement, Contractor's insurance provider must agree to give at least thirty (30) days prior notice to the State before said expiration date or notice of cancellation. Evidence of coverage required in the performance of this Agreement shall not be for less than the remainder of the term of this Agreement or for a period of not less than one year. The State and the Department of General Services (DGS) reserve the right to verify the Contractor's evidence of coverage; evidence of coverage is subject to the approval of the DGS. In the event the Contractor fails to keep insurance coverage as required herein in effect at all times, the State reserves the right to terminate this Agreement and to seek any other remedies afforded by the laws of the State of California.

### **25. Tuberculosis (TB) Testing**

In the event that the services required under this Agreement will be performed within a CDCR institution/parole office/community-based program, prior to the performance of contracted duties, Contractors and their employees who are assigned to work with inmates/parolees on a regular basis shall be required to be examined or tested or medically evaluated for TB in an infectious or contagious stage, and at least once a year thereafter or more often as directed by CDCR. Regular basis is defined as having contact with inmates/parolees in confined quarters more than once a week.

Contractors and their employees shall be required to furnish to CDCR, at no cost to CDCR, a form CDCR 7336, "Employee Tuberculin Skin Test (TST) and Evaluation," prior to assuming their

contracted duties and annually thereafter, showing that the Contractor and their employees have been examined and found free of TB in an infectious stage. The form CDCR 7336 will be provided by CDCR upon Contractor's request.

*The following provisions apply to services provided on departmental and/or institution grounds:*

**26. Blood borne Pathogens**

Provider shall adhere to California Division of Occupational Safety and Health (CAL-OSHA) regulations and guidelines pertaining to blood borne pathogens.

**27. Primary Laws, Rules, and Regulations Regarding Conduct and Association with State Prison Inmates**

Individuals who are not employees of CDCR, but who are working in and around inmates who are incarcerated within California's institutions/facilities or camps, are to be apprised of the laws, rules and regulations governing conduct in associating with prison inmates. The following is a summation of pertinent information when non-departmental employees come in contact with prison inmates.

By signing this Agreement, the Contractor agrees that if the provisions of the Agreement require the Contractor to enter an institution/facility or camp, the Contractor and any employee(s) and/or subcontractor(s) shall be made aware of and shall abide by the following laws, rules and regulations governing conduct in associating with prison inmates:

- a. Persons who are not employed by CDCR, but are engaged in work at any institution/facility or camp must observe and abide by all laws, rules and regulations governing the conduct of their behavior in associating with prison inmates. Failure to comply with these guidelines may lead to expulsion from CDCR institutions/facilities or camps.

SOURCE: California Penal Code (PC) Sections 5054 and 5058; California Code of Regulations (CCR), Title 15, Sections 3285 and 3415

- b. CDCR does not recognize hostages for bargaining purposes. CDCR has a "NO HOSTAGE" policy and all prison inmates, visitors, and employees shall be made aware of this.

SOURCE: PC Sections 5054 and 5058; CCR, Title 15, Section 3304

- c. All persons entering onto institution/facility or camp grounds consent to search of their person, property or vehicle at any time. Refusal by individuals to submit to a search of their person, property, or vehicle may be cause for denial of access to the premises.

SOURCE: PC Sections 2801, 5054 and 5058; CCR, Title 15, Sections 3173, 3177, and 3288

- d. Persons normally permitted to enter an institution/facility or camp may be barred, for cause, by the CDCR Director, Warden, and/or Regional Parole Administrator.

SOURCE: PC Sections 5054 and 5058; CCR, Title 15, Section 3176 (a)

- e. It is illegal for an individual who has been previously convicted of a felony offense to enter into CDCR institutions/facilities or camps without the prior approval of the Warden. It is also illegal for an individual to enter onto these premises for unauthorized purposes or to refuse to leave said premises when requested to do so. Failure to comply with this provision could lead to prosecution.

SOURCE: PC Sections 602, 4570.5 and 4571; CCR, Title 15, Sections 3173 and 3289

- f. It is a crime to encourage and/or assist a prison inmate to escape. It is illegal to bring firearms, deadly weapons, explosives, tear gas, drugs or drug paraphernalia on CDCR institutions/facilities or camp premises. It is illegal to give prison inmates firearms, explosives, alcoholic beverages, narcotics, or any drug or drug paraphernalia, including cocaine or marijuana.

SOURCE: PC Sections 2772, 2790, 4533, 4535, 4550, 4573, 4573.5, 4573.6 and 4574

- g. It is illegal to give or take letters from inmates without the authorization of the Warden. It is also illegal to give or receive any type of gift and/or gratuities from prison inmates.

SOURCE: PC Sections 2540, 2541 and 4570; CCR, Title 15, Sections 3010, 3399, 3401, 3424 and 3425

- h. In an emergency situation the visiting program and other program activities may be suspended.

SOURCE: PC Section 2601; CCR, Title 15, Section 3383

- i. For security reasons, visitors must not wear clothing that in any way resembles state issued prison inmate clothing (blue denim shirts, blue denim pants).

SOURCE: CCR, Title 15, Section 3171 (b) (3)

- j. Interviews with SPECIFIC INMATES are not permitted. Conspiring with an inmate to circumvent policy and/or regulations constitutes a rule violation that may result in appropriate legal action.

SOURCE: CCR, Title 15, Sections 3261.5, 3315 (3) (W), and 3177.

## 28. Clothing Restrictions

While on institution grounds, Contractor and all its agents, employees, and/or representatives shall be professionally and appropriately dressed in clothing distinct from that worn by inmates at the institution. Specifically, blue denim pants and blue chambray shirts, orange/red/yellow/white/chartreuse jumpsuits and/or yellow rainwear shall not be worn onto institution grounds, as this is inmate attire. Contractor should contact the institution regarding clothing restrictions prior to requesting access to the institution to assure the Contractor and their employees are in compliance.

**28. Tobacco-Free Environment**

Pursuant to Penal Code Section 5030.1, the use of tobacco products by any person on the grounds of any institution or facility under the jurisdiction of the Department of Corrections and Rehabilitation is prohibited.

**30. Prison Rape Elimination Policy**

CDCR is committed to providing a safe, humane, secure environment, free from sexual misconduct. This will be accomplished by maintaining a program to ensure education/prevention, detection, response, investigation and tracking of sexual misconduct and to address successful community re-entry of the victim. The CDCR shall maintain a zero tolerance for sexual misconduct in its institutions, community correctional facilities, conservation camps and for all offenders under its jurisdiction. All sexual misconduct is strictly prohibited.

As a contractor with the CDCR, you and your staff are expected to ensure compliance with this policy as described in Department Operations Manual, Chapter 5, Article 44.

**31. Security Regulations**

- a. Unless otherwise directed by the entrance gate officer and/or Contract Manager, the Contractor, Contractor's employees and subcontractors shall enter the institution through the main entrance gate and park private and nonessential vehicles in the designated visitor's parking lot. Contractor, Contractor's employees and subcontractors shall remove the keys from the ignition when outside the vehicle and all unattended vehicles shall be locked and secured while on institution grounds.
- b. Any State- and Contractor-owned equipment used by the Contractor for the provision of contract services, shall be rendered temporarily inoperative by the Contractor when not in use, by locking or other means unless specified otherwise.
- c. In order to maintain institution safety and security, periodic fire prevention inspections and site searches may become necessary and Contractor must furnish keys to institutional authorities to access all locked areas on the worksite. The State shall in no way be responsible for Contractor's loss due to fire.
- d. Due to security procedures, the Contractor, Contractor's employees and subcontractors may be delayed at the institution vehicle/pedestrian gates and egress ports. Any loss of time checking in and out of the institution gates and egress ports shall be borne by the Contractor.
- e. Contractor, Contractor's employees and subcontractors shall observe all security rules and regulations and comply with all instructions given by institutional authorities.
- f. Electronic and communicative devices such as pagers, cell phones and cameras/microcameras are not permitted on institution grounds.
- g. Contractor, Contractor's employees and subcontractors shall not cause undue interference with the operations of the institution.

- h. No picketing is allowed on State property.

### **32. Gate Clearance**

Contractor and Contractor's employee(s) and/or subcontractor(s) must be cleared prior to providing services. The Contractor will be required to complete a Request for Gate Clearance for all persons entering the facility a minimum of ten (10) working days prior to commencement of services. The Request for Gate Clearance must include the person's name, social security number, valid state driver's license number or state identification card number and date of birth. Information shall be submitted to the Contract Liaison or his/her designee. CDCR uses the Request for Gate Clearance to run a California Law Enforcement Telecommunications System (CLETS) check. The check will include Department of Motor Vehicles check, Warrants and Warrants check, and Criminal History check.

Gate clearance may be denied for the following reasons: Individual's presence in the institution presents a serious threat to security, individual has been charged with a serious crime committed on institution property, inadequate information is available to establish positive identity of prospective individual, and/or individual has deliberately falsified his/her identity.

All persons entering the facilities must have a valid state driver's license or photo identification card on their person.

**AGREEMENT SUMMARY**  
STD 215 (Rev. 4/2002)

AGREEMENT NUMBER <b>5600000936</b>	AMENDMENT NUMBER <b>1</b>
---------------------------------------	------------------------------

CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED

1. CONTRACTOR'S NAME <b>City of Norco</b>		2. FEDERAL I.D. NUMBER <b>95-2373837</b>
3. AGENCY TRANSMITTING AGREEMENT <b>California Department of Corrections and Rehabilitation</b>	4. DIVISION, BUREAU, OR OTHER UNIT <b>California Rehabilitation Center - Norco (CRC)</b>	5. AGENCY BILLING CODE <b>17120</b>
6. NAME AND TELEPHONE NUMBER OF CONTRACT ANALYST FOR QUESTIONS REGARDING THIS AGREEMENT <b>Suzanne Livingston (916) 255-6136 suzanne.livingston@cdcr.ca.gov</b>		
7. HAS YOUR AGENCY CONTRACTED FOR THESE SERVICES BEFORE? <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES (If YES, enter prior contractor name and Agreement Number) <b>CRC.15004 City of Norco</b>		

8. BRIEF DESCRIPTION OF SERVICES - LIMIT 72 CHARACTERS INCLUDING PUNCTUATION AND SPACES  
**Wet/Dry Garbage Collection, Removal and Disposal Services**

9. AGREEMENT OUTLINE (Include reason for Agreement; Identify specific problem, administrative requirement, program need or other circumstances making the Agreement necessary; include special or unusual terms and conditions.)

Agreement 5600000936 approved on June 25, 2010 for Wet/Dry Garbage Collection, Removal and Disposal Services is amended to extend the original end term date from June 30, 2013 to October 31, 2013 and to do an Encumbrance Adjustment to add funds for FY 13/14.

This amendment is for time only.

10. PAYMENT TERMS (More than one may apply.)

MONTHLY FLAT RATE  QUARTERLY  ONE-TIME PAYMENT  PROGRESS PAYMENT

ITEMIZED INVOICE  WITHHOLD \_\_\_\_\_ %  ADVANCED PAYMENT NOT TO EXCEED \$ \_\_\_\_\_ or \_\_\_\_\_ %

REIMBURSEMENT/REVENUE

OTHER (Explain) **No more often than monthly, in arrears.**

11. PROJECTED EXPENDITURES FUND TITLE	ITEM	F.Y.	CHAPTER	STATUTE	PROJECTED EXPENDITURES
General Fund	5225-001-0001-5238	10/11	712	2010	\$562,065.00
General Fund	5225-001-0001-5238	11/12	35	2011	\$562,065.00
General Fund	5225-001-0001-5238	12/13	21	2012	\$310,212.00
General Fund	5225-001-0001-5238	13/14	Pending	2013	\$251,854.00
OBJECT CODE <b>9032334840</b>	AGREEMENT TOTAL				<b>\$1,686,196.00</b>
OPTIONAL USE <b>0780000000/2710030</b>	AMOUNT ENCUMBERED BY THIS DOCUMENT				<b>0.00</b>
I CERTIFY upon my own personal knowledge that the budgeted funds for the current budget year are available for the period and purpose of the expenditure stated above.					PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT <b>\$1,686,196.00</b>
ACCOUNTING OFFICER'S SIGNATURE <i>[Signature]</i>			DATE SIGNED <b>4-16-13</b>	TOTAL AMOUNT ENCUMBERED TO DATE <b>\$1,686,196.00</b>	

12. AGREEMENT	From	Through	TOTAL COST OF THIS TRANSACTION	BID, SOLE SOURCE, EXEMPT
Original	7/1/10	6/30/13	\$1,686,196.00	Exempt
Amendment No. 1	7/1/10	10/31/13	\$00.00	Exempt
Amendment No. 2			\$	
TOTAL			<b>\$1,686,196.00</b>	

(Continue)

## AGREEMENT SUMMARY

STD. 215 (Rev 04/2002)

13. BIDDING METHOD USED.		
<input type="checkbox"/> REQUEST FOR PROPOSAL (RFP) <i>(Attach justification if secondary method is used)</i>	<input type="checkbox"/> INVITATION FOR BID (IFB)	<input type="checkbox"/> USE OF MASTER SERVICE AGREEMENT
<input type="checkbox"/> SOLE SOURCE CONTRACT <i>(Attach STD. 821)</i>	<input checked="" type="checkbox"/> EXEMPT FROM BIDDING <i>(Give authority for exempt status)</i>	<input type="checkbox"/> OTHER <i>(Specify)</i> <b>SCM 5.80 B.3.b.</b> <b>Amendment</b>

NOTE: Proof of advertisement in the State Contracts Register or an approved form STD. 821, Contract Advertising Exemption Request, must be attached

14. SUMMARY OF BIDS <i>(List of bidders, bid amount and small business status) (If an amendment, sole source, or exempt, leave blank)</i>
N/A - Amendment, refer to original STD 215

15. IF AWARD OF AGREEMENT IS TO OTHER THAN THE LOWER BIDDER, PLEASE EXPLAIN REASON(S) <i>(If an amendment, sole source, or exempt, leave blank)</i>
N/A - Amendment, refer to original STD 215

16. WHAT IS THE BASIS FOR DETERMINING THAT THE PRICE OR RATE IS REASONABLE?
N/A - Amendment, refer to original STD 215

17. JUSTIFICATION FOR CONTRACTING OUT <i>(Check one)</i>	
<input type="checkbox"/> Contracting out is based on cost savings per Government Code 19130(a). The State Personnel Board has been so notified. <i>Justification:</i>	<input type="checkbox"/> Contracting out is justified based on Government Code 19130(b)(3). <i>Justification for the Agreement is described below.</i>
N/A - Amendment, refer to original STD 215	

18. FOR AGREEMENTS IN EXCESS OF \$5,000, HAS THE LETTING OF THE AGREEMENT BEEN REPORTED TO THE DEPARTMENT OF FAIR EMPLOYMENT AND HOUSING?	19. HAVE CONFLICT OF INTEREST ISSUES BEEN IDENTIFIED AND RESOLVED AS REQUIRED BY THE STATE CONTRACT MANUAL SECTION 7.10?	20. FOR CONSULTING AGREEMENTS, DID YOU REVIEW ANY CONTRACTOR EVALUATIONS ON FILE WITH THE DGS LEGAL OFFICE?
<input type="checkbox"/> NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> N/A	<input type="checkbox"/> NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> N/A	<input type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> NONE ON FILE <input checked="" type="checkbox"/> N/A

21. IS A SIGNED COPY OF THE FOLLOWING ON FILE AT YOUR AGENCY FOR THIS CONTRACTOR?	22. REQUIRED RESOLUTIONS ARE ATTACHED
A. CONTRACTOR CERTIFICATION CLAUSES <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> N/A	<input type="checkbox"/> NO <input type="checkbox"/> YES <input checked="" type="checkbox"/> N/A
B. STD. 204, VENDOR DATA RECORD <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> N/A	

23. ARE DISABLED VETERANS BUSINESS ENTERPRISE GOALS REQUIRED? <i>(If an amendment, explain changes, if any)</i>
<input type="checkbox"/> NO <i>(Explain below)</i> <input type="checkbox"/> YES <i>(If YES complete the following)</i>
DISABLED VETERAN BUSINESS ENTERPRISES: _____ % OF AGREEMENT
<i>Explain:</i> This is an Public Entity Agreement and is exempt from DVBE requirements
<input type="checkbox"/> Good faith effort documentation attached if 3% goal is not reached. <input type="checkbox"/> We have determined that the contractor has made a sincere good faith effort to meet the goal.

24. IS THIS A SMALL BUSINESS CERTIFIED BY OSBCR?	SMALL BUSINESS REFERENCE NUMBER
<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES <i>(Indicate Industry Group)</i>	

25. IS THIS AGREEMENT (WITH AMENDMENTS) FOR A PERIOD OF TIME LONGER THAN ONE YEAR? <i>(If YES, provide justification)</i>
<input type="checkbox"/> NO <input checked="" type="checkbox"/> YES
N/A - Amendment, refer to original STD 215

*I certify that all copies of the referenced Agreement will conform to the original Agreement sent to the Department of General Services.*

SIGNATURE/TITLE AS <i>Agencia Corporation</i>	DATE SIGNED 4/10/13
--	------------------------

**CITY OF NORCO  
STAFF REPORT**

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

DATE: May 15, 2013

SUBJECT: Re-alignment of reporting relationship for City Historian Position

RECOMMENDATION: That the City Council Realign the Volunteer Position of City Historian to Report to the City's Historic Preservation Commission

**SUMMARY:** On February 1, 2012, the City Council granted sole authority for the preservation of historic documents, photographs and artifacts to the Historic Preservation Commission. The Commission was formed in 2008. Since 1987, The City has had an honorary, volunteer City Historian. The historian is not a member of the Commission, however, serves as a resource for the Commission. This action will clarify reporting relationships and roles by having the Commission provide direction to the City Historian.

**BACKGROUND/ANALYSIS:** The City's Historic Preservation Commission was established in 2008 to designate the community's cultural resources, including individual properties, archaeological sites, historic districts and trails; as well as to oversee the preservation of historic documents, photographs and artifacts, sharing such knowledge with the public. Through the efforts of the Commission, the City of Norco became the State of California's 57<sup>th</sup> Certified Local Government in 2009, which brought the opportunity for projects funded with state preservation grants. On February 1, 2012, the City Council granted sole authority for the preservation of historic documents, photographs and artifacts to the Historic Preservation Commission. Since 1987, the City has had an honorary, volunteer City Historian. The historian is not a member of the Commission, however, serves as a resource for the Commission. This action will clarify reporting relationships and roles by having the Commission provide direction to any activities undertaken by the City Historian.

**FINANCIAL IMPACT:** None.

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of City Council

FROM: Beth Groves, City Manager

PREPARED BY: Lori J. Askew, Deputy Public Works Director/Senior Engineer

DATE: May 15, 2013

SUBJECT: Acceptance of a Conditional Summary Vacation of Real Property at 1885 Valley View Avenue

RECOMMENDATION: Adopt **Resolution No. 2013-20**, accepting the Conditional Summary Vacation and authorizing the City Clerk to record with the Riverside County Clerk-Recorder.

**SUMMARY:** As part of the Second Street Widening Project, Valley View Avenue was realigned resulting in excess right-of-way that requires vacation to satisfy conditions in an agreement between a property owner and the former Norco Community Redevelopment Agency (the "former RDA"). The property owner of 1885 Valley View Avenue has entered into escrow to sell his property and wishes to have the conditions of a November 18, 2009 agreement fulfilled prior to close of escrow.

**BACKGROUND/ANALYSIS:** On December 1, 2004, the City Council authorized the execution of a contract for professional design services to DMC Design Group, Inc. for preparation of plans and specifications for the construction of the Second Street improvements between the I-15 Freeway and Hillside Avenue. From the I-15 Freeway to Corona Avenue, Second Street was to be widened on both its north and south sides. This required that the City acquire property from the adjacent property owners along the property's frontage with Second Street. In addition, Valley View Avenue was realigned at its intersection with Second Street to create a more traditional intersection. This realignment created excess right-of-way at the southeast corner of Valley View Avenue and Second Street. Agreements for acquiring the necessary right-of-way along Second Street were processed through the former RDA. Daniel Schlossberg, owner of the property located at 1885 Valley View Avenue (southeast corner), entered into an agreement on November 18, 2009 with the former RDA to dedicate to the City approximately 17 feet of frontage along Second Street (approximately 1,202 square feet) for the widening of Second Street. In return, the City agreed to construct improvements for Mr. Schlossberg including fencing, driveway, and an irrigation system and provide reimbursement for existing landscaping improvements. In addition, the City agreed to convey the vacated portion of Valley View Avenue (approximately 7,012 square feet) to Mr. Schlossberg once the Second Street project was finished. A Notice

of Completion on the Second Street Widening Project was filed with the County Recorder on August 10, 2012.

Mr. Schlossberg is now in the process of selling his property. During the escrow period it was discovered that the grant deed for transfer of the 17 feet of frontage along Second Street had not been recorded. It is Mr. Schlossberg's intent to file the grant deed when the vacation of Valley View Avenue is recorded.

Section 8334 of the Streets and Highways Code allows the legislative body of a local agency to summarily vacate excess right-of-way of a street or highway not required for street or highway purposes. This portion of Valley View Avenue is deemed to fit this description.

Staff is requesting of City Council to approve a conditional summary vacation of the portion of Valley View Avenue as shown in Exhibit B by adopting Resolution 2013-20. Approval is based on the following conditions being met: 1.) That the vacation takes place once the grant deed for the approximate 17 feet of frontage along Second Street gets filed with the County Recorder; and 2.) That, in accordance with Streets and Highways Code Section 8340, the City will reserve and except from the vacation an easement and right necessary to maintain, operate, replace, remove or renew the public utility facilities (this condition is necessary due to the existence of a City sewer and other public utility lines still being located within the proposed vacated property).

FINANCIAL IMPACT: N/A

/lja

Attachments: Resolution No. 2013-20

Exhibit "A" – Dedication Legal Description

Exhibit "B" – Vacation Legal Description

## **RESOLUTION NO. 2013-20**

### **A RESOLUTION OF THE CITY OF NORCO, CALIFORNIA, APPROVING A CONDITIONAL SUMMARY VACATION OF A PORTION OF VALLEY VIEW AVENUE (1885 VALLEY VIEW AVENUE)**

WHEREAS, on December 1, 2004, City of Norco entered into an agreement with DMC Design Group, Inc. for preparation of plans and specification for road improvements of Second Street from the I-15 Freeway to Hillside Avenue; and

WHEREAS, the approved plans required widening Second Street from the I-15 Freeway to Corona Avenue which resulted in the need to have adjacent property owners fronting Second Street dedicate various widths of frontage to the City of Norco; and

WHEREAS, Valley View Avenue was realigned at its intersection with Second Street, as part of the street project, to create a more traditional intersection; and

WHEREAS, the realignment of Valley View created excess right-of-way at the southeast corner; and

WHEREAS, the former Norco Community Redevelopment Agency entered into an acquisition agreement with Daniel Schlossberg for the exchange of real property for future excess street right-of-way at 1885 Valley View Avenue, on November 18, 2009; and

WHEREAS, the City of Norco ("City") awarded a contract to construct street improvement on Second Street on January 19, 2011; and

WHEREAS, a notice of completion for the Second Street Widening Project was filed with the County Recorder on August 10, 2012; and

WHEREAS, the property owner of 1885 Valley View Avenue has entered into escrow to sell his property and wishes to have the conditions of the November 18, 2009 agreement fulfilled prior to close of escrow; and

WHEREAS, staff has reviewed the legal descriptions for the Grant Deed for dedication of Second Street right-of-way to the City, and the Right of Way Vacation by the City of Norco for that portion of Valley View Avenue which are a part hereof; and

WHEREAS, the portion to be vacated meets the condition of Streets and Highways Code Section 8334 for a summary vacation pursuant to that it is excess right-of-way and is not required for street or highway purposes; and

WHEREAS, pursuant to Streets and Highways Code Section 8340(a) the City reserves and excepts from vacation the easement and right at any time, or from time to time, to construct, maintain, operate, replace, remove, and renew sanitary sewers and appurtenant structures in, upon, over, and across a street or highway proposed to be vacated and pursuant to any existing franchise or renewals thereof, or otherwise, to construct, maintain, operate, replace, remove, renew, and enlarge lines of pipe,

conduits, cables, wires, poles, and other convenient structures, equipment, and fixtures for the operation of gas pipelines, telegraphic and telephone lines, and for the transportation of distribution of electric energy, and for incidental purposes, including access to protect these works from all hazards in, upon, and over the street or highway proposed to be vacated; and

WHEREAS, the Grant Deed for dedication of 17.66 feet of frontage along Second Street for the property known as 1885 Valley View containing approximately 1,202 square feet shall be recorded with the County Recorder prior to the Resolution adopting the vacation of Valley View Avenue being recorded.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Norco does hereby approve the Conditional Summary Vacation of a portion of Valley View Avenue.

BE IT FURTHER RESOLVED, that the City Council does hereby direct the City Clerk to certify approval of the Conditional Summary Vacation and direct staff to submit the documents to the County Recorder for recordation.

PASSED AND ADOPTED by the City Council at a regular meeting held on May 15, 2013.

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Mayor of the City of Norco

ATTEST:

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

I, Brenda K. Jacobs, City Clerk of the City of Norco, do hereby certify that the foregoing Resolution was regularly introduced and adopted by the Norco City Council at a regular meeting thereof held on May 15, 2013 by the following vote of the Norco City Council Members:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco on May 15, 2013.

---

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

/lja

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Daniel Hedge, Lieutenant

DATE: May 15, 2013

SUBJECT: Sheriff's Department Annual Report Presentation for 2012

RECOMMENDATION: Receive and file

**SUMMARY:** The 2012 Annual Report Presentation will include a comparative overview of the Norco Sheriff's Office, which includes statistical information on Part 1 crimes, based on the Uniform Crime Reporting Program (UCR). In addition, the report will include a review of the response and performance of patrol operations, traffic enforcement and community oriented policing and problem solving deputies.

### BACKGROUND/ANALYSIS:

The Uniform Crime Reporting Program collects data on certain offenses, termed Part 1 offenses, reported to law enforcement. These are categorized as violent offenses and property offenses. This includes murder, forcible rape, robbery, aggravated assault, burglary, larceny-theft, motor vehicle theft and arson.

In part, the 2012 Annual Report Presentation will include the following statistical information.

In 2012, the City of Norco realized an overall decrease of 13.0% in reportable crime (violent/property combined) compared with 2011 statistics. During a comparison of 2006-2012 for UCR reportable offenses, 2007 was identified as having the highest crime numbers. In comparison with 2007, 2012 realized an overall 42.7% decrease in reportable crime.

In 2012, the average response times for calls for service increased in comparison with 2011. In addition, deputies responded to a total of 21.8% more traffic collisions, investigated 30.0% more injury traffic collisions and 70.7% more non-injury traffic collisions.

**FINANCIAL IMPACT:** None

# CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: John R. Harper, City Attorney

PREPARED BY: John R. Harper, City Attorney 

DATE: May 15, 2013

SUBJECT: Adoption of revised Code of Ethics and repealing the existing Administrative Policy and Procedures.

RECOMMENDATION: That the City Council adopt Resolution No. 2013-19 revising the existing Code of Ethics and repealing the existing Administrative Policy and Procedures.

**SUMMARY:** On November 6, 2013, the City Council adopted a Resolution approving a revised Code of Ethics for the City Council, City Commissions and City employees. On February 20, 2013, the City Council approved an Administrative Policy and Procedures related thereto. Following discussion at its meeting on May 1, 2013, the City Council requested revisions be made to the Code of Ethics and Administrative Policy and Procedure.

**BACKGROUND:** Given both the complexity of legal issues and concerns over misuse of the Enforcement and Sanctions process, the City Council directed staff to review the Code of Ethics and the processes.

Based upon that review, and considering the legal authority of the City Council relative to enforcement, it is recommended that the Code of Ethics be revised to eliminate the Enforcement and Sanctions provisions in the Code of Ethics and repeal the Administrative Policy and Procedures.

**FINANCIAL IMPACT:** None.

Attachment: Resolution No. 2013-19

**AGENDA ITEM 4.A.**

## **RESOLUTION NO. 2013-19**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, AMENDING THE CODE OF ETHICS FOR CITY COUNCIL MEMBERS, COMMISSION MEMBERS AND CITY EMPLOYEES**

WHEREAS, the proper operation of democratic government requires that public officials and employees be independent and impartial in their judgment and actions, that government decisions and policy be made in the proper channels of the governmental structure, that public office not be used for personal gain and that the public have confidence in the integrity of its government and public officials; and

WHEREAS, the realization of these ends is impaired whenever there exists, or appears to exist, an actual or potential conflict between the private interests of a governmental official and employee, and his or her public duties; and

WHEREAS, a Code of Ethics serves:

1. To increase public confidence in city government; and
2. To assist with decision-making; and
3. To encourage high standards of behavior; and
4. To represent a commitment to uphold a standard of integrity beyond that required by law.

WHEREAS, the City Council of the City of Norco desires to review and revise its Code of Ethics to include all members of the City Council, City commissions and City employees to assure public confidence in the integrity of local government and its effective and fair operation.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Norco that it desires to adopt the following Code of Ethics:

### **CODE OF CONDUCT OF THE NORCO CITY COUNCIL, CITY COMMISSION MEMBERS AND CITY EMPLOYEES**

#### **PURPOSE AND SCOPE:**

In order to best serve the citizens and customers of the City of Norco, the elected and appointed officials, commission members, and employees of the City must act individually and collectively to create a City government that is responsible, equitable, honest and open. They are further expected to demonstrate the highest standards of personal integrity, honesty and conduct in all activities.

The City Council members, commission members, and employees must be independent, impartial and responsible in the performance of their duties and acting in the public interest. The purpose of this Code of Ethics is to establish policy and guidelines, reflecting expected values and behaviors for use by and applicable to the City Council, commission members, and employees. Individuals employed by the City under contractual agreement must also observe the provisions of this policy for the term of their contract or as the contract may stipulate.

The City Council members, commission members, and employees of the City of Norco at all levels are guardians of the public trust and are required to be impartial and responsible in the fulfillment of their duties. The citizens and customers of the City of Norco expect and must receive the highest standard of ethics from all those in public service, regardless of personal consideration.

**ETHICAL CONSIDERATIONS:**

1. *Comply with Law.* City Council members, commission members, and employees are obligated to uphold the Constitution of the United States and the Constitution of the State of California and to comply with Federal, State, and local laws and City policies. Recognizing the special responsibilities of serving the City and its citizens and customers, they are required to maintain the highest standards of integrity and honesty, and they are expected to treat all members of the public and fellow City employees with respect, courtesy, concern and responsiveness. Their conduct in both their official and private affairs should be above reproach to assure that their City position is not used for personal gain.

2. *Work for the Common Good.* City Council members, commission members, and employees shall represent and work for the common good of the people of Norco and not for private interest, assuring equitable treatment of all persons, claims, and transactions coming before the Norco City Council and City commissions.

3. *Conduct of City Council Members, City Commission Members, and City Employees.* The professional and personal conduct of officials and employees must avoid the appearance of impropriety. City Council members, commission members, and employees shall refrain from abusive conduct, personal charges or verbal attacks upon the character or motives of other officials, employees or the public.

City Council members, commission members, and employees shall not take any special advantage of services or opportunities for personal gain, by virtue of their public office that is not available to the public in general. They shall refrain from accepting gifts or favors or promises of future benefits which might compromise or tend to impair their independence of judgment or give the appearance of being compromised. All California Fair Political Practices Commission rules and regulations shall be followed in regards to gifting and ticket distribution policies.

4. *Respect for Process.* The professional and personal conduct of City Council members, commission members, and employees must be above reproach and members must avoid even the appearance of impropriety. They shall perform their duties in accordance with the processes and rules of order established governing the deliberation of public policy issues.

5. *Use of City Employment and Facilities for Personal Gain.* City Council members, commission members, and employees shall not use City time, City funds or City facilities, equipment or supplies for personal use or personal gain or for campaign related political activities; nor shall they use or attempt to use their position to secure unwarranted privileges or exemptions for themselves or others.

6. *Decisions Based on Merit.* City Council members, commission members, and employees shall prepare themselves for public issues; listen courteously and attentively to all public discussions before the body and focus on the business at hand. They shall base all decisions on the merits and substance of the matter at hand, rather than on unrelated considerations.

7. *Confidential Information.* City Council members, commission members, and employees shall not use confidential information acquired by or available to them in the course of their employment with the City for personal gain or for personal, non-City business related reasons. They shall respect the confidential information concerning litigation, personnel, property, or other affairs of the City, without proper legal authority, nor use such information to advance their financial or other private interests.

City Council members, commission members, and employees shall uphold the public's right to know, and in accordance with the Brown Act, uphold the public's right to know not only the decisions taken, but also the deliberations which shape public policies. Confidential information means all information, whether transmitted verbally or in writing, which is of a nature that it is not, at that time, a matter of public record or public knowledge, including those items described in the California Public Records Act and items subject to the attorney-client privilege. Any City Council member, commission member, or employee who is aware of a breach of confidentiality is expected to bring forth that information in a timely manner.

8. *Conflict of Interest.* City Council members, commission members, and employees are expected to avoid any conflicts of interest. Further, they should avoid the appearance of conflicts of interest in order to ensure that City decisions are made in an independent and impartial manner.

All City Council members, commission members, and employees are prohibited from making, participating in making, or attempting in any way to use his or her official position to influence a City decision in which the City of Norco employee knows, or has reason to know, he or she has a financial interest as defined by law. If, however, persons in the public service have financial interests in matters coming before them, or before the department in which they are employed, they shall remove themselves from making,

participating in the making, or seeking to influence any decision regarding such matter. All City Council members, commission members, and employees who are designated in the City's Conflict of Interest Code, shall file the appropriate disclosure statements required under State Law. A conflict of interest may arise when dealing with a current or prospective vendor, supplier, or other business.

9. *Advocacy.* City Council members, commission members, and employees shall represent the official policies or positions of the City Council or City Commission to the best of their ability when designated as delegates for this purpose.

10. *Positive Work Environment.* City Council members, commission members, and employees shall faithfully perform their duties by attending all meetings of which they are a member, unless unable to do so for some compelling reason or disability. They will make every attempt to be punctual and ready for City business and shall support the maintenance of a positive and constructive work place environment for City employees, private citizens and businesses dealing with the City.

11. *Discrimination and Harassment.* City Council members, commission members, and employees shall not, in the performance of their duties, discriminate against any person on the basis of race, color, religion, national origin, ancestry, age, sex, gender, pregnancy, childbirth or related medical condition, sexual orientation, marital status, disability, medical condition and actual or perceived gender identity and they will reinforce the City of Norco's commitment to equal employment opportunity and a work environment free of discrimination and harassment, including sexual harassment.

12. *Self-Enforcement of the Code.* As an expression of the standards of conduct for City Council members, commission members, and employees, the City of Norco Code of Ethics is intended to be self-enforcing. It therefore becomes most effective when members are thoroughly familiar with and embrace its provisions. For this reason, the Code of Ethics shall be included in the orientation materials given to candidates for City Council, shall be placed in the City of Norco Commissioner's Handbook, and provided to all City employees. City Council members (as well as City Council candidates filing for office), commission members, and City employees shall sign a statement affirming that they have read and understood the City of Norco Code of Ethics.

BE IT FURTHER RESOLVED that Resolution No. 2013-01 and the Code of Ethics Administrative Policy and Procedures are hereby repealed.

Resolution No. 2013-19  
May 15, 2013

PASSED AND ADOPTED by the City Council of the City of Norco at a meeting held on May 15, 2013.

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

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California do hereby certify that the foregoing Resolution was introduced and adopted by the City Council of the City of Norco at a regular meeting held on May 15, 2013 by the following vote of the City Council:

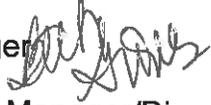
AYES:  
NOES:  
ABSENT:  
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on May 15, 2013.

\_\_\_\_\_  
Brenda K. Jacobs, CMC, 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: Andy Okoro, Deputy City Manager/Director of Finance 

DATE: May 15, 2013

SUBJECT: Authorization to Negotiate a Final Contract with Waste Management for Waste Collection, Transportation and Disposal Services

RECOMMENDATION: Authorize staff to negotiate a final contract with Waste Management for waste collection, transportation and disposal services, acknowledging it is in the best interest of the City to do so.

**SUMMARY:** The current exclusive franchise agreement with Waste Management for waste collection, transportation and disposal services is set to expire on June 30, 2013. On March 25, 2013 staff conducted a study session during which presentations were made by staff and Waste Management regarding past performance by Waste Management; proposed service changes and enhancements; unique issues related to manure collections and disposal; scout service; changes in legislation; community partnership; long-term disposal capacity issues; and potential rates that provide the City with additional revenues. Based on the City's customer service experience with Waste Management; financial strength and stability; commitment to meeting the needs of the City and its residents and businesses, while maintaining competitive and stable rates; staff believes it is in the best interest of the City for Council to direct staff to negotiate a final exclusive franchise agreement with Waste Management for waste collection, transportation and disposal services.

**BACKGROUND:** On March 18, 1993, the City Council approved a solid waste collection, transportation and disposal agreement with Western Waste. The contract was amended on April 15, 1998 for additional 15 years with a 5 year renewal option. The 15 year term expires on June 30, 2013. The City and Waste Management by mutual consent can extend the existing agreement by 5 years to June 30, 2018.

### **New Franchise Option with Waste Management:**

Throughout the term of the existing contract, Waste Management has performed to the satisfaction of the City and offered competitive rates. Customer service complaints have been less than 1% and Waste Management drivers have become very aware and are sensitive to the rural lifestyle of the community and the presence of horses. Waste Management has also complied with all legislative and other regulatory requirements imposed on the industry since the initial contract was awarded.

As incentive to a new franchise agreement, Waste Management will be assuring availability of disposal facilities; continuing to be a strong partner in all community events; implementation of new programs and enhancements; additional and/or optional services and rate structure. Over the last three years, many neighboring jurisdictions have re-negotiated franchise agreements with Waste Management in lieu of solicitation for potential new franchise haulers. Any new franchise agreement with the City of Norco will incorporate best practices that have already been included in franchise agreements with similar jurisdictions.

**Request for Proposals Solicitation Option:**

While staff believes that it is in the best interest of the City, its residents and businesses to negotiate a new franchise agreement with Waste Management, the unknown potential outcome of soliciting for Request for Proposals (RFP) presents both risks and opportunities. While staff's recommendation to negotiate a new franchise agreement with Waste Management is based on the City's positive experience with the level of services provided and the rates charged, there is no absolute way of quantifying what potential competitors to Waste Management would offer in a new contract. This unknown element presents the risk that the City could end up with lower service standards at costs that exceeds what Waste Management is willing to offer under the same terms and conditions. Additionally, there is always a chance that the City could enter into a long-term contract with a potential service provider who may not be around to fulfill the length of the contract. On the other hand, an RFP process offers the opportunity for all potential providers to compete against each other. This could offer substantially lower rates to the residents. If City Council elects to go ahead with the RFP process, staff would recommend that Council seek the services of a professional to manage the RFP process and craft evaluation criteria to ensure completeness and consistency. This process is estimated to take six months and cost up to \$25,000 before a new franchise hauler is brought on board.

**Conclusion:**

Waste Management is a known to staff, residents and businesses in terms of its understanding of the community; service standards; financial strength and stability; legal compliance; community partnership; capacity to fulfill the terms of any contract; and ability to deliver competitive rates and flexible services. Based on these attributes, staff recommends that it is in the best interest of the City, residents and businesses to negotiate a new franchise agreement with Waste Management for waste collection, transportation and disposal services. Once Council direction received, staff will bring an item to the Council to extend the current agreement for a limited time to avoid a lapse in service.

**FINANCIAL IMPACT:** Currently, the City receives about \$460,000 annually from the franchise agreement. Staff will be recommending additional revenues to the General Fund regardless of which franchise provider the City Council elects to select.

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Steve King, Planning Director

DATE: May 15, 2013

SUBJECT: Zone Code Amendment 2013-01 and Code Amendment 2013-01 for Chapters 18.32 and 10.16 of the Norco Municipal Code regarding the travel, use, and parking of commercial vehicles and trailers in residential zones, and along City streets.

RECOMMENDATION: Introduce for First Reading Ordinance No. 961, to approve Zone Code Amendment 2013-01 and Code Amendment 2013-01 as amended.

**SUMMARY:** On March 13, 2013 the Planning Commission recommended to the City Council that Zone Code Amendment 2013-01 and Code Amendment 2013-01 be approved. At its meeting on April 3, 2013 the City Council recommended further review by the Planning Commission with some additional discussion points. On April 24, 2013 the Planning Commission reviewed the proposed amendments as directed by the City Council and adopted Resolution 2013-14 recommending approval.

The original proposed changes to the Norco Municipal Code (NMC) were to Chapters 10 (Vehicles and Traffic) and to the "Home Occupations" section of the Zoning Code (Chapter 18). The purpose for the changes was to clarify how and when a Resident Exemption Permit issued for the purpose of parking a commercial vehicle in a residential zone (otherwise prohibited) can be used when a home occupation business exists in the same location.

On April 24, 2013 the Planning Commission maintained its original recommendation and included an additional change to text that is described below based on City Council's direction. The Commission also addressed other discussion items as requested by the City Council and a report of its recommendations is described below.

**BACKGROUND:** Chapter 18.32 (ref. Exhibit "A"), under conditions for a home occupation use, states that no motor vehicle in excess of 11,000 pounds gross weight (commercial vehicle) shall be used in the conduct of the home occupation:

*18.32 HOME OCCUPATIONS*

*18.32.06 Conditions.*

*No person shall conduct a home occupation use, in any zone where such use is permitted, unless said home occupation use is conducted in conformity with all of the following criteria:*

*(7) No motor vehicles in excess of 11,000 pounds gross weight shall be used in the conduct of a home occupation.*

Chapter 10.16 states that commercial vehicles are prohibited from traveling in residential zones with some exceptions (ref. Exhibit "B"):

*10.16 COMMERCIAL VEHICLES/TRUCKS*

*10.16.040 Prohibition on Commercial Vehicles Traveling off Truck Routes.*

*When truck routes are established pursuant to this chapter and designated by appropriate signs, the operator of any vehicle exceeding a maximum gross weight limit of eleven thousand pounds (five and one-half tons) shall drive said vehicle only on such routes and none other except for the following (summarized):*

- (1) For pick-up or delivery of goods or equipment to a restricted street;*
- (2) Vehicles owned by a public utility for the purpose of making repairs to facilities;*
- (3) For the purpose of transporting farm provisions, or trailers or boats for recreational use;*
- (4) An owner/operator that resides in the City and has a Resident Exemption Permit including payment of the fee.*

The allowance for a Resident Exemption Permit is explained in Chapter 10.16, along with a waiver from having to pay the application fee, if the owner already has a home occupation permit:

*10.16 COMMERCIAL VEHICLES/TRUCKS*

*10.16.050 Resident Exemption Permit.*

*In addition to the vehicles excepted in Section 10.16.040, the City Code Enforcement Officer (being changed to Planning Director or designee) may issue a maximum of 90 exemption permits per year, on a first-serve basis, to commercial vehicle owner/operators residing within the city for the purpose of traveling on restricted streets to and from their residence, if the following conditions are met:*

*(9) A permit fee as established by City Council resolution is paid. If the owner/operator has a current business license and home occupation permit (excluding PUC certificate) the fee shall be waived. The renewal of an exemption permit required by the provisions of this chapter shall occur on a year-to-year basis, due on the first day of July each year.*

ANALYSIS: The intent of the Code is that a commercial vehicle cannot be used in the operation of a home occupation. It is also the intent that a limited number commercial vehicles can be parked in residential zones, at the home of a resident that owns the vehicle. But the fee schedule for a Resident Exemption Permit application waives the fee if a home occupation permit already exists seemingly to "marry" the two together when actually they have nothing to do with each other. The proposed Zone Code Amendment and Code Amendment eliminates any confusion and will eliminate the

waiver of the Resident Exemption Permit fee based on the existence of a home occupation permit.

To make sure there is no confusion the proposed changes to Chapters 18.32 and 10.16 also add the following clarifying statements for residences with a Residential Exemption Permit (deletions shown as ~~cross-outs~~ and additions shown as underlines):

18.32 HOME OCCUPATIONS

18.32.06 Conditions.

No person shall conduct a home occupation use, in any zone where such use is permitted, unless said home occupation use is conducted in conformity with all of the following criteria:

*(7) No motor vehicles in excess of 11,000 pounds gross weight shall be used in the conduct of a home occupation. For residences where a Residence Exemption Permit has been issued, said vehicle shall not be used in the conduct of a home occupation. Said vehicle shall also not be loaded, or off-loaded for purposes of storing or transferring materials at the residence for which the Permit was issued (ref. Section 10.16.50(10)).*

10.16 COMMERCIAL VEHICLES/TRUCKS

10.16.050 Resident Exemption Permit.

In addition to the vehicles excepted in Section 10.16.040, the ~~city code enforcement officer~~ Planning Director or assignee may issue a maximum of 90 exemption permits per year, on a first-serve basis, to commercial vehicle owner/operators residing within the city for the purpose of traveling on restricted streets to and from their residence, if the following conditions are met:

*(9) A permit fee as established by city council resolution is paid. If the owner/operator has a current business license and home occupation permit (excluding PUC certificate) the fee shall be waived. The renewal of an exemption permit required by the provisions of this chapter shall occur on a year-to-year basis, due on the first day of July each year.*

*(10) Vehicles in excess of 11,000 pounds gross weight, for which a Permit has been issued, shall not be loaded, or off-loaded for purposes of storing or transferring materials at the residence to which the Permit is issued (ref. Section 18.32.06(7)).*

The attached resolution includes the amendments described above, and includes an additional amendment described in the "FOLLOW-UP ANALYSIS" below.

FOLLOW-UP ANALYSIS: On April 3, 2013 the City Council remanded discussion of Zone Code Amendment 2013-01 and Code Amendment 2013-01 to the Planning Commission to include discussion and possible recommendation for the following:

- **"There should be no parking of any commercial vehicles or trailers on any street."**

The NMC currently prohibits street parking for commercial vehicles on all streets except on established truck routes. Ordinance 961 (draft first reading attached) incorporates the following change to prohibit parking of commercial vehicles on any street:

*10.16 COMMERCIAL VEHICLES/TRUCKS*

*10.16.060 Commercial Vehicle Parking Prohibition.*

*In order to maintain the rural residential neighborhood atmosphere within the community and in the interest of public safety and welfare, commercial vehicles having a manufacturer's gross vehicle weight, per California Vehicle Code, Section 390, rating of eleven thousand pounds (five and one-half tons) or more, are prohibited from parking on any street or portion thereof ~~not designated as a truck route~~, except with respect to making pickups or deliveries from or to any building or structure, or for the purpose of delivering materials to be used in the actual and bona fide repair, alteration, remodeling, or construction of any building or structure located off the designated truck route.*

This prohibition applies to all vehicles registered as commercial vehicles including un-attached trailers used for agricultural or recreational purposes. It needs to be noted, however, temporary parking for day use and overnight parking of trailers attached to a vehicle is still allowed in accordance with other vehicle code requirements. The Planning Commission was satisfied with the additional change to prohibit the parking of commercial vehicles on any street and did not recommend any other changes. Additional changes would have to be processed under a separate code amendment process.

- **"The list of designated truck routes included Second Street and Hidden Valley Parkway from the freeway west to Mountain Avenue."**

On December 4, 2002 the City Council adopted Resolution No. 2002-83 (ref. Exhibit "C") that eliminated both of those street segments from the list of established truck routes. Below is an excerpt from the staff report for General Plan Amendment 2000-01B that shows the change:

*The established commercial vehicle truck routes in the City of Norco ~~are~~ shall be:*

- *Hamner Avenue in its entirety through the City;*
- *Sixth Street from Hamner Avenue to California Avenue;*
- *California Avenue from Sixth Street to North Drive;*
- *North Drive in its entirety;*
- *River Road in its entirety;*
- *~~Hidden Valley Parkway east of the Hamner Avenue to Norco Hills Road;~~*
- *~~Mountain Avenue between Second Street and Hamner Avenue;~~*
- *~~Second Street east of Mountain Avenue to the I-15 Freeway.~~*

After discussion the Planning Commission recommended that the list of established truck routes not be amended. To add these segments back onto the list would require a separate process for a general plan amendment.

- **“Contractor supply vehicles, trailers, skip loaders, forklifts, and building supplies should be screened from view from the public right-of-way.”**

When associated with a home occupation permit the storage of materials, supplies and equipment is already required to be either within a garage or screened so as not to be viewed by neighbors to either side, and also screened from public view.

18.32 HOME OCCUPATIONS

18.32.06 Conditions.

- (5) There shall be no storage of materials, supplies, or equipment related directly or indirectly to a home occupation use outside the dwelling or garage, if the use is conducted in any Residential Zone of the City. If the use is conducted in any agricultural zone, there shall be no such storage outside the dwelling or garage, unless said materials, supplies and equipment are entirely screened from view by any occupant of property adjacent to any side of the property on which the home occupation use is being conducted, and from public view at any point.

After discussion the Planning Commission recommended no additional changes to the current regulations. To amend the NMC for any additional regulations would need to be done under a separate code amendment.

- **“The selling of goods from a home occupation business should be limited to one delivery per day from a delivery service.”**

The NMC currently does not address how many deliveries can be allowed per day in association with a home occupation permit. There is a regulation that restricts greater pedestrian or vehicular traffic, but it does not define a threshold to make that determination:

18.32 HOME OCCUPATIONS

18.32.06 Conditions.

- (10) A home occupation use shall not cause greater pedestrian or vehicular traffic to the dwelling and garage in which it is conducted than is normal for the zone in which it is being conducted.

A threshold would be difficult to set and enforce as it would be hard to determine what the standard number of deliveries is per day for a residence without a home occupation permit. After discussion the Planning Commission recommended no additional changes to the current regulations. To amend the NMC for any additional regulations would need to be done under a separate code amendment.

**SUMMARY OF THE FOLLOW-UP ACTIONS TAKEN BY PLANNING COMMISSION:**

- 1) Adopted Resolution 2013-14 with the additional change to prohibit the parking of commercial vehicles on any street.
- 2) Made the recommendation to not add Second Street and Hidden Valley Parkway between Mountain Avenue and the freeway to the list of designated truck routes.
- 3) Made the recommendation to not change existing regulations regarding the screening of contractor equipment, materials, and supplies.
- 4) Made the recommendation to not change the regulations regarding the number of deliveries to be allowed with a home occupation permit.

Attached: Ordinance No. 961  
Exhibit "A" – NMC Chapter 10.16 (Commercial Vehicles/Trucks)  
Exhibit "B" – NMC Chapter 18.32 (General Provisions-Home Occupations)  
Exhibit "C" – CC Resolution No. 2002-83

## **ORDINANCE NO. 961**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA APPROVING ZONE CODE AMENDMENT 2013-01 AMENDING CHAPTER 18.32 "GENERAL PROVISIONS: HOME OCCUPATIONS" AND CODE AMENDMENT 2013-01 AMENDING CHAPTER 10.16 "COMMERCIAL VEHICLES/TRUCKS" WITH ANY RELATED CROSS-REFERENCES IN OTHER CHAPTERS AS NEEDED REGARDING THE USE AND PARKING OF COMMERCIAL VEHICLES IN RESIDENTIAL ZONES. ZONE CODE AMENDMENT 2013-01; CODE AMENDMENT 2013-01.**

WHEREAS, the City of Norco initiated Zone Code Amendment 2013-01 to amend Chapter 18.32 "General Provisions: Home Occupations" and Code Amendment 2013-01 to amend Chapter 10.16 "Commercial Vehicles/Trucks" with any related cross references in other Chapters as needed, to amend and update regulations regarding the use and parking of commercial vehicles in residential zones: and,

WHEREAS, Zone Code Amendment 2013-01 and Code Amendment 2013-01 were duly submitted to the City of Norco Planning Commission for decision at a public hearing for which proper notice was given; and

WHEREAS, said Zone Code Amendment and Code Amendment were scheduled for public hearing on the February 27, 2013 on or about 7 p.m. in the City Council Chambers, 2820 Clark Avenue, Norco, California; and

WHEREAS, at the hearing the Planning Commission held a public hearing and did receive both oral and written testimony pertaining to said Zone Code Amendment and Code Amendment; and

WHEREAS, after closing the public hearing said items were continued to March 13, 2013; and

WHEREAS, based on the information and testimony received, the Planning Commission adopted Resolution 2013-06 recommending approval of Zone Code Amendment 2013-01 and Code Amendment 2013-01 to the City Council; and

WHEREAS, Zone Code Amendment 2013-01 and Code Amendment 2013-01 were duly submitted to the City of Norco City Council for decision at a public hearing, based on the recommendation of the Planning Commission, and for which proper notice was given; and

WHEREAS, Zone Code Amendment 2013-01 and Code Amendment 2013-01 were scheduled for public hearing on April 3, 2013 on or about 7 p.m. in the City Council Chambers, 2820 Clark Avenue, Norco, California; and

WHEREAS, at the regular meeting, said City Council held a public hearing and considered both oral and written testimony pertaining to said Zone Code Amendment and Code Amendment; and

WHEREAS, said City Council remanded discussion of said project to the Planning Commission for further discussion and consideration; and

WHEREAS, Zone Code Amendment 2013-01 and Code Amendment 2013-01 were duly re-submitted to the City of Norco Planning Commission for decision at a public hearing for which proper notice was given; and

WHEREAS, said Zone Code Amendment and Code Amendment were re-scheduled for public hearing on April 24, 2013 on or about 7 p.m. in the City Council Chambers, 2820 Clark Avenue, Norco, California; and

WHEREAS, at the hearing the Planning Commission held a public hearing and did receive both oral and written testimony pertaining to said Zone Code Amendment and Code Amendment; and

WHEREAS, based on the information and testimony received, the Planning Commission adopted Resolution 2013-14 recommending approval of Zone Code Amendment 2013-01 and Code Amendment 2013-01, as amended, to the City Council; and

WHEREAS, Zone Code Amendment 2013-01 and Code Amendment 2013-01 were duly re-submitted to the City of Norco City Council for decision at a public hearing, based on the recommendation of the Planning Commission, and for which proper notice was given; and

WHEREAS, Zone Code Amendment 2013-01 and Code Amendment 2013-01 were re-scheduled for public hearing on May 15, 2013 on or about 7 p.m. in the City Council Chambers, 2820 Clark Avenue, Norco, California; and

WHEREAS, at the regular meeting, said City Council held a public hearing and considered both oral and written testimony pertaining to said Zone Code Amendment and Code Amendment; and

WHEREAS, the City of Norco, acting as the Lead Agency, has determined that the requested Zone Code Amendment and Code Amendment are exempt from the California Environmental Quality Act (CEQA) and the City of Norco Environmental Guidelines as a Ministerial Project.

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

- A. The proposed Zone Code Amendment (Code Amendment) will not be inconsistent with, or contrary to, the General Plan or the Zoning Code since the project clarifies and updates existing regulations regarding the use and parking of commercial vehicles in residential zones.

- B. The project (proposed amendment) has been determined to be exempt from the California Environmental Quality Act and the City of Norco Environmental Guidelines as a Ministerial Project.

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

SECTION 1: Chapter 18.32 "Home Occupations", Section 18.32.06 "Conditions" of the Norco Municipal Code is hereby amended as follows:

Section 18.32.06 Conditions:

No person shall conduct a home occupation use, in any zone where such use is permitted, unless said home occupation use is conducted in conformity with all of the following criteria:

- (7) No motor vehicles in excess of 11,000 pounds gross weight shall be used in the conduct of a home occupation. For residences where a Residence Exemption Permit has been issued, said vehicle shall not be used in the conduct of a home occupation. Said vehicle shall also not be loaded, or off-loaded for purposes of storing or transferring materials at the residence for which the Permit was issued (ref. Section 10.16.050(10)).

Chapter 10.16 "Commercial Vehicles/Trucks", Section 10.16.050 "Resident Exemption Permit" of the Norco Municipal Code is hereby amended as follows:

10.16.050 Resident exemption permit.

In addition to the vehicles excepted in Section 10.16.040 , the Planning Director or assignee may issue a maximum of 90 exemption permits per year, on a first-serve basis, to commercial vehicle owner/operators residing within the city for the purpose of traveling on restricted streets to and from their residence, if the following conditions are met:

- (9) A permit fee as established by City Council resolution is paid. The renewal of an exemption permit required by the provisions of this chapter shall occur on a year-to-year basis, due on the first day of July each year.
- (10) Vehicles in excess of 11,000 pounds gross weight, for which a Permit has been issued, shall not be loaded, or off-loaded for purposes of storing or transferring materials at the residence to which the Permit is issued (ref. Section 18.32.06(07)).

Chapter 10.16 "Commercial Vehicles/Trucks", Section 10.16.060 "Commercial Vehicle Parking Prohibition" of the Norco Municipal Code is hereby amended as follows:

In order to maintain the rural residential neighborhood atmosphere within the community and in the interest of public safety and welfare, commercial vehicles having a manufacturer's gross vehicle weight, per California Vehicle Code, Section 390, rating of eleven thousand pounds (five and one-half tons) or more, are prohibited from parking on any street or portion thereof, except with respect to making pickups or deliveries from or to any building or structure, or for the purpose of delivering materials to be used in the actual and bona fide repair, alteration, remodeling, or construction of any building or structure located off the designated truck route.

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

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

**SECTION 4: POSTING:** The Mayor shall sign this Ordinance and the City Clerk shall attest thereto and shall cause the same within 15 days of its passage to be posted at no less than five public places within the City of Norco.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on June 5, 2013.

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

ATTEST:

\_\_\_\_\_  
Brenda K. Jacobs, CMC, 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 May 15, 2013 and thereafter at a regular meeting of said City Council duly held on June 5, 2013, 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 June 5, 2013.

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

**Chapter 10.16**  
**COMMERCIAL VEHICLES/TRUCKS\***

Sections:

- 10.16.010 Enactment.
- 10.16.020 Definitions.
- 10.16.030 Truck routes--Designated.
- 10.16.040 Prohibition on commercial vehicles traveling off truck routes.
- 10.16.050 Resident exemption permit.
- 10.16.060 Commercial vehicle parking prohibition.
- 10.16.070 Unattached trailer and semi-trailer parking prohibition.
- 10.16.080 Violation--Penalty.

\* Prior ordinance history: Ords. 97, 179 and 425.

**10.16.010 Enactment.**

This chapter is enacted pursuant to the California Vehicle Code, Division 11, Chapters 9 and 10, commencing with Section 22500 and Division 15, Chapter 5, Article 4 commencing with Section 35700. (Ord. 547 Sec. 1 (part), 1985)

**10.16.020 Definitions.**

The following definitions are based on the state of California Vehicle Code and are to be used in administering this chapter. All other definitions as contained in the state of California Vehicle Code are included by reference:

- (1) "Commercial vehicle" means a vehicle of a type required to be registered under the California Vehicle Code and used or maintained for the transportation of persons for hire, compensation or profit, or designed, used, or maintained primarily for the transportation of property.
- (2) "Semi-trailer" means a vehicle designed for carrying persons or property used in conjunction with a motor vehicle and so constructed that some part of its weight and that of its load rests upon, or is carried by another vehicle.
- (3) "Trailer" means a vehicle designed for carrying persons or property on its own structure and being drawn by a motor vehicle and so constructed that no part of its weight rests upon any other vehicle.
- (4) "Truck tractor" means a motor vehicle designed and used primarily for drawing another vehicle and not so constructed as to carry a load other than a part of the weight of the vehicle and load so drawn.
- (5) "Vehicle" means a device by which any person or property may be propelled, moved, or drawn upon a highway. Trailers, semi-trailers and truck tractors are considered vehicles. (Ord. 547 Sec. 1 (part), 1985)

**10.16.030 Truck routes--Designated.**

- (a) The following streets and portions of streets are designated and established as commercial vehicle truck routes:
  - (1) Hamner Avenue (designated as State Highway 31 and temporary Interstate 15) in its entirety through the city;
  - (2) Sixth Street from Hamner Avenue to California Avenue;
  - (3) California Avenue from Sixth Street to North Drive;
  - (4) North Drive in its entirety.
  - (5) River Road in its entirety.
- (b) Appropriate signs shall be erected indicating the streets that have been designated by ordinance as an official truck route. Such signs shall meet the requirements of the California Vehicle Code and shall read "TRUCK ROUTE" in letters not less than four inches in height. Signs shall be posted at all intersections of designated truck routes with the boundary of the City, at off-ramps from the Interstate 15 freeway, and at any intersection where a turning movement is necessary on a designated truck route.(Ord. 800, 2002: Ord. 556 Sec. 1, 1986: Ord. 547 Sec. 1 (part), 1985)

**EXHIBIT "A"**

#### **10.16.040 Prohibition on commercial vehicles traveling off truck routes.**

When truck routes are established pursuant to this chapter and designated by appropriate signs, the operator of any vehicle exceeding a maximum gross weight limit of eleven thousand pounds (five and one-half tons) shall drive said vehicle only on such routes and none other except for the following:

- (1) Commercial vehicles coming from a truck route having ingress and egress by direct route to and from a restricted street when necessary for the purpose of providing a direct service requiring the utilization of such vehicles or making pickups and deliveries of goods, wares and merchandise from or to any building or structure located on the restricted street or for the purpose of delivering materials to be used in the actual and bona fide repair, alteration, remodeling or construction of any building or structure upon the restricted street for which a building permit has previously been obtained;
- (2) Any vehicle owned by a public utility or a licensed contractor while necessarily in use in the construction, installation or repair of any public utility;
- (3) Vehicles as may be reasonably necessary:
  - (A) For the purpose of transporting farm or ranch supplies, produce, or animals to and from ranches or farms situated along a street otherwise forbidden to be used by such vehicles, and
  - (B) For the purpose of transporting a trailer used for recreation or noncommercial purposes and/or boat to and from locations along a street otherwise forbidden to be used by such vehicles;
- (4) Owner/operator residing in the city and having a resident exemption permit as detailed in Section 10.16.050. (Ord. 547 Sec. 1 (part), 1985)

#### **10.16.050 Resident exemption permit.**

In addition to the vehicles excepted in Section 10.16.040, the city code enforcement officer may issue a maximum of 90 exemption permits per year, on a first-serve basis, to commercial vehicle owner/operators residing within the city for the purpose of traveling on restricted streets to and from their residence, if the following conditions are met:

- (1) The granting of such permit will not result in damage to city streets or cause a pedestrian or traffic hazard or adversely affect adjacent properties.
- (2) The permit shall be limited to one commercial vehicle truck and trailer or tractor and trailer combination per legal lot.
- (3) Such vehicle shall be parked on private property adjacent to the residence of the applicant. Said vehicle shall be parked to the side or rear of the residence in such a manner so as to minimize visibility from the street.
- (4) The parking area for such vehicle shall not be less than twenty-five feet from any residential structure on adjoining property; however, if not practical, this condition may be waived upon written consent from the occupant of the adjoining residence.
- (5) The applicant shall warrant that there will be no continuous operation of commercial vehicle engines or accessory generators or compressors prior to six a.m. or after nine p.m. "Continuous operation" shall be defined as operating in excess of five minutes. Violation of this section shall be grounds for revocation of this permit at the discretion of the City Code Enforcement Officer. (Ord. 836, Sec. 14, 2005)
- (6) Repair activity shall not commence before 6:30 a.m., except on Sunday and any national holiday when it shall not commence before 8:00 a.m., and after 10:00 p.m., unless repair work is done in an enclosed structure.
- (7) Vehicles used for the transportation of hazardous materials shall not be left unattended or parked overnight in a residential district (per Section 31303(d) of State of California Vehicle Code).
- (8) Applicant shall be the property owner or renter with written consent of property owner. The permit shall be issued to applicant, with the permit tied to subject property and vehicle. The permit is not transferable, with the exception of the vehicle itself.
- (9) A permit fee as established by city council resolution is paid. ~~If the owner/operator has a current business license and home occupation permit (excluding PUC certificate) the fee shall be waived.~~ The renewal of an exemption permit required by the provisions of this chapter shall occur on a year-to-year basis, due on the first day of July each year. (Ord. 659, Sec. 2, 1992; Ord. 550 Secs. 1--3, 1985; Ord. 547 Sec. 1 (part), 1985) (836, Amended, 08/03/2005)

(10) Vehicles in excess of 11,000 pounds gross weight, for which a Permit has been issued, shall not be loaded, or off-loaded for purposes of storing or transferring materials at the residence to which the Permit is issued (ref. Section 18.32.06(07)).

**10.16.060 Commercial vehicle parking prohibition.**

In order to maintain the rural residential neighborhood atmosphere within the community and in the interest of public safety and welfare, commercial vehicles having a manufacturer's gross vehicle weight, per California Vehicle Code, Section 390, rating of eleven thousand pounds (five and one-half tons) or more, are prohibited from parking on any street or portion thereof ~~not designated as a truck route~~, except with respect to making pickups or deliveries from or to any building or structure, or for the purpose of delivering materials to be used in the actual and bona fide repair, alteration, remodeling, or construction of any building or structure located off the designated truck route. In addition, commercial vehicles having a gross vehicle weight in excess of eleven thousand pounds are prohibited from parking on private property in residential or agricultural zones or in commercial and industrial zones where the site is within two hundred feet of a residential or agricultural zone unless a valid resident owner/operator permit is displayed in said vehicle in accordance with Section 10.16.050 of this code, unless otherwise permitted by use permit or site plan approval. This section shall not be effective with respect to any city street until appropriate signs have been erected by the city in accordance with the California Vehicle Code, at the entryways to the city along the truck routes indicating the vehicles weight limitations discussed herein. (Ord. 552 Sec. 1, 1985; Ord. 550 Sec. 4, 1985; Ord. 547 Sec. 1 (part), 1985)

**10.16.070 Unattached trailer and semi-trailer parking prohibition.**

A person shall not park any trailer or semitrailer upon any highway, street, alley, public way or public place unless the trailer or semi-trailer is, at all times while so parked, attached to a vehicle capable of moving the trailer or semi-trailer in a normal manner upon the highway, street, alley, public way or public place. This section shall not apply to trailers or semi-trailers in the process of being loaded or unloaded, nor shall it apply to any trailer or semi-trailer which is disabled in such a manner and to such an extent that it is impossible to avoid stopping and temporarily leaving the disabled trailer or semi-trailer on that portion of the highway, street, alley, public way or public place ordinarily used for vehicular parking. A disabled trailer or semi-trailer shall not be temporarily parked along a public right-of-way for more than twenty-four hours. (Ord. 547 Sec. 1 (part), 1985)

**10.16.080 Violation--Penalty.**

(Repealed Ord. 634, 1991) (Ord. 547 Sec. 1 (part), 1985)

## Chapter 18.32 (GENERAL PROVISIONS--HOME OCCUPATIONS)

Sections: 18.32.02 Intent and Purpose; 18.32.04 Applicability; 18.32.06 Conditions.

### 18.32.02 Intent and Purpose.

The purpose of these regulations is to provide for the conduct of home occupations in the residential zones, in such a manner as to be compatible with and not disrupt residential neighborhoods.

### 18.32.04 Applicability.

- (1) The provisions of this section shall not be applicable to persons selling agricultural products from a dwelling or private garage attached thereto, if such sale is being conducted in an A-1 zone or any zone wherein agricultural uses are permitted.
- (2) None of the provisions of this section or any sections of the zoning regulations related to home occupations shall permit a home occupation to be conducted in association with a non-conforming residential use. A home occupation associated with a non-conforming residential use is expressly prohibited.

### 18.32.06 Conditions.

No person shall conduct a home occupation use, in any zone where such use is permitted, unless said home occupation use is conducted in conformity with all of the following criteria:

- (1) Said use must be conducted solely within the confines of one dwelling or a private garage on the same lot. When said use is conducted within a private garage on the same lot, the required parking spaces within the garage shall be preserved at all times for the parking of vehicles. When said use is conducted within a garage, the door thereof shall be continually and fully closed at all times. (Amended by Ord. 560 Sec. 1, 1986)
- (2) A home occupation shall not be conducted with the assistance of any persons, who are employed or retained for such by contract or otherwise; provided, however, members of the family residing in the dwelling may so assist.
- (3) Persons such as maids, janitors, and gardeners who provide domestic services in the form of maintenance and repair of the dwelling and private garage shall not be considered as engaged in a Home Occupation.
- (4) No signs associated with such a use shall be allowed, except one sign not greater than 16 square feet in area and subject to all the applicable provisions of Chapter 18.37 (Signs). (Amended by Ord. 491, Exhibit A Sec. 3, 1983)
- (5) There shall be no storage of materials, supplies, or equipment related directly or indirectly to a home occupation use outside the dwelling or garage, if the use is conducted in any Residential Zone of the City. If the use is conducted in any agricultural zone, there shall be no such storage outside the dwelling or garage, unless said materials, supplies and equipment are entirely screened from view by any occupant of property adjacent to any side of the property on which the home occupation use is being conducted, and from public view at any point.
- (6) In conducting said home occupation, no mechanical equipment shall be used if such equipment makes a noise so loud, unusual or penetrating as to cause discomfort or annoyance to a reasonable person of normal sensitivity and hearing.
- (7) No motor vehicles in excess of 11,000 pounds gross weight shall be used in the conduct of a home occupation. (Amended by Ord. 560 Sec. 1, 1986) *For residences where a Residence Exemption Permit has been issued, said vehicle shall not be used in the conduct of a home occupation. Said vehicle shall also not be loaded, or off-loaded for purposes of storing or transferring materials at the residence for which the Permit was issued (ref. Section 10.16.50(10)).*
- (8) The home occupation use shall not be such as to require the dwelling or garage in which it is being conducted to be serviced by a greater amount of City of Norco Utility Services than is required to service said dwelling or its use as a residence by the family conducting said home occupation herein.
- (9) At the commencement of the home occupation use and during its continuance, there shall be no entrance or exit way specifically provided in the dwelling, garage, or on the premises, for the conduct of the home occupation thereon.
- (10) A home occupation use shall not cause greater pedestrian or vehicular traffic to the dwelling and garage in which it is conducted than is normal for the zone in which it is being conducted.

## **RESOLUTION NO. 2002- 83**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA APPROVING GENERAL PLAN AMENDMENT 2000-01B (MODIFICATION 1) – AN AMENDMENT TO THE CIRCULATION ELEMENT (CITY OF NORCO) UPDATING SECTION 3.1.2 “TRUCK ROUTES,” TO MAKE THE GENERAL PLAN CONSISTENT WITH REGIONAL TRUCK ROUTE PATTERNS**

WHEREAS, the City of Norco initiated a general plan amendment to update Section 3.1.2 “Truck Routes” of the Circulation Element of the City of Norco General Plan; and

WHEREAS, the final draft of General Plan Amendment - “Modification 1” to the Circulation Element has been duly submitted to said City’s Planning Commission for decision at a public hearing for which proper notice was given; and

WHEREAS, said General Plan Amendment was scheduled for public hearing on November 13, 2002 on or about 7 p.m., in the City Council Chambers, 2820 Clark Avenue, Norco, California; and

WHEREAS, based on findings of fact for approval, said Planning Commission did recommend to the City Council of the aforesaid City that proposed General Plan Amendment 2000-01B (Modification 1) be approved; and

WHEREAS, hearing of said amendment was duly noticed and scheduled for public hearing by the City Council at their meeting of December 4, 2002 on or about 7 p.m. in the Council Chambers of the Norco City Hall, 2820 Clark Avenue, Norco, California 92860.

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

I. FINDINGS:

- A. The proposed General Plan Amendment (Circulation Element, Modification 1) is consistent with the goals and policies of the City’s General Plan.
- B. The proposed changes will better define the City’s goals and policies with regards to the travel of commercial vehicles on designated routes.

December 4, 2002

- C. The proposed amendment is only for purposes of clarifying the current version of the Circulation Element with respect to the implementation of the City's established truck routes.
- D. The City of Norco acting as Lead Agency has determined the project to be categorically exempt from the City of Norco Environmental Guidelines, pursuant to Section 3.13, Category 21.

II. DETERMINATION:

NOW, THEREFORE, in light of the evidence and testimony presented at the hearing on this application, and in conformity with the findings set forth hereinbefore and with the requirements necessary for the approval of Modification 1 to the Updated Circulation Element of the Norco General Plan, the City Council of the City of Norco does hereby approve General Plan Amendment 2000-01B (Modification 1), thereby clarifying Section 3.1.2 "Truck Routes."

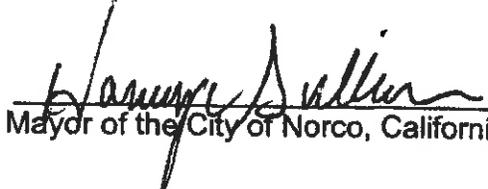
3.1.2 TRUCK ROUTES

*The City of Norco has designated and established commercial vehicle truck routes throughout the City. These routes indicate arterial streets that should be used for truck movements that exceed the established weight limits of local streets. Local and state laws do not allow trucks to be on local streets where they exceed established weight limits except for the purpose of making deliveries. These deliveries are only allowed provided that the trucks use the most direct route between a particular delivery/pick-up location and the closest arterial (or freeway) that is designated as a truck route. The established commercial vehicle truck routes in the City of Norco shall be:*

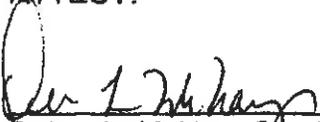
- *Hamner Avenue in its entirety through the City;*
- *Sixth Street from Hamner Avenue to California Avenue;*
- *California Avenue from Sixth Street to North Drive;*
- *Norco Drive/Corydon Avenue;*
- *River Road in its entirety*

*Appropriate signs shall be erected indicating the streets that have been designated by ordinance as an official truck route. Such signs shall meet the requirements of the California Vehicle Code and shall read "TRUCK ROUTE" in letters not less than four inches in height. Signs shall be posted at all intersections of designated truck routes with the boundary of the City, at off-ramps from the Interstate 15 freeway, and at any intersection where a turning movement is necessary on a designated truck route.*

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on December 4, 2002.

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

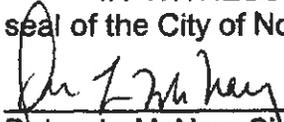
ATTEST:

  
\_\_\_\_\_  
Debra L. McNay, City Clerk  
City of Norco, California

I, DEBRA L. MCNAY, 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 December 4, 2002 by the following vote of the City Council:

AYES: CARMICHAEL, CLARK, HALL, HIGGINS, SULLIVAN  
NOES: NONE  
ABSENT: NONE  
ABSTAIN: NONE

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on December 4, 2002.

  
\_\_\_\_\_  
Debra L. McNay, City Clerk  
City of Norco, California

/sk-43203

**CITY OF NORCO  
STAFF REPORT**

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Alma Robles, Senior Planner 

DATE: May 15, 2013

SUBJECT: Appeal Hearing 2013-01: An appeal of the relocation requirement in the Planning Commission's approval of Site Plan 2013-07 (Salley): A request for approval to allow an accessory building consisting of a 625 square-foot detached garage at 3023 Arapaho Street located within the A-1-20 (Agricultural Low-Density) Zone.

**SUMMARY:** Site Plan 2013-07 is a request for an accessory building consisting of a 625 square-foot detached garage at 3023 Arapaho Street. The Planning Commission approved the project with a condition that the building be moved to maximize potential animal-keeping area. The applicant is appealing this relocation condition.

**BACKGROUND/ANALYSIS:** The subject property is located within the A-1-20 (Agricultural Low-Density) Zone, and consists of .46 acres/20,037 square feet (ref. Exhibit "A" – Location Map and Exhibit "B" – APN Map and Exhibit "E" – Aerial Photo and Site Photos).

Accessory buildings 864 square-feet or less require site plan approval by the Planning Commission. The site plan and building elevations for the proposed garage are attached (ref. Exhibit "C" – Site Plan and Exhibit "D" – Building Elevations). The proposed garage is wood framed construction with textured stucco exterior to match the existing house, and was proposed about 12 feet from the side (west) property line and about 6 feet from the rear (north) property line as noted on the attached site plan.

In analyzing accessory buildings, the following is required:

- A minimum of 5 feet from property lines and pools and 10 feet from any other structure is required for accessory buildings. **The proposed building will meet these requirements.**
- The maximum height of any accessory structure 864 square feet or smaller is 14 feet, or as approved by the Planning Commission. **The proposed structure will have a maximum height of 14 feet.**
- The maximum lot coverage of all structures shall be not more than 40% of the total pad area. The pad area is defined as the "flat" part of the lot (4% grade or less). **The subject property is approximately 20,037 square feet and consists of a pad of at least 17,671 square feet. The lot/pad coverage for the property is about 23%, which takes into account the existing and proposed structures).**
- A contiguous open animal area must be shown on the site plan which must be rectangular in shape with a minimum of 24 feet on any side. The total open area must be equal to the allowed number of animal units multiplied by 576 square feet. **Based on the**

**size of the property, a total of 5 animal units would be allowed which would require an open area of at least 2,880 square feet. An open area consisting of 1,850 square feet is being shown in between the proposed structure and an existing pool noted on the site plan. The remaining required 1,030 square feet (to total 2,880 square feet) would have to be accounted for with other open areas on the property (i.e. the area behind the house and in front of the proposed structure and existing pool)**

In an effort to maximize a potential animal-keeping area, the Planning Commission approved (on a 3-1 vote) the project with the condition that the building be moved seven feet closer to the side property line, and forward at least 22 feet to be about 28 feet away from the rear property line. This was based on the determination that the area behind the proposed structure would be more conducive to animal keeping.

The Planning Commission determined that any other area on the property (within and around the uncovered patio area behind the existing house, in front of the proposed structure and existing pool), was not conducive to animal-keeping, in its current condition.

The applicant has appealed the relocation requirement noted above, requesting that the proposed structure be allowed in the area proposed, being 12 feet from the side (west) property line and 6 feet from the rear (north) property line, for reasons listed in the attached letter (ref Exhibit "F" – Appeal Letter dated May 1, 2012).

Action to concur with the Planning Commission's relocation condition would only require a vote to concur. Action to remove the relocation condition would require approval of the attached City Council Resolution.

/adr

Attachments:           CC Resolution 2013-\_\_\_\_  
                              Exhibit "A" – Location Map  
                              Exhibit "B" – APN MAP  
                              Exhibit "C" – Site Plan  
                              Exhibit "D" – Building Elevations  
                              Exhibit "E" – Aerial Photo and Site Photos  
                              Exhibit "F" – Appeal Letter dated May 1, 2012

## **RESOLUTION NO. 2013-\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO GRANTING WITH CONDITIONS, SITE PLAN APPROVAL TO ALLOW AN ACCESSORY BUILDING CONSISTING OF A 625 SQUARE-FOOT DETACHED GARAGE AT 3023 ARAPAHO STREET LOCATED WITHIN THE A-1-20 (AGRICULTURAL LOW-DENSITY) ZONE. SITE PLAN 2013-07.**

WHEREAS, JIM SALLEY submitted an application for a site plan review to the City of Norco, California under the provisions of Chapter 18.40, Title 18 of the Norco Municipal Code, on property located at 3023 Arapaho Street (129-152-006).

WHEREAS, at the time set, at 7 p.m. on April 24, 2013 within the Council Chambers at 2820 Clark Avenue, Norco, California, 92860, said petition was heard by the Planning Commission for the City of Norco; and

WHEREAS, at said time and place set, said Planning Commission considered the aforesaid site plan and received both oral and written testimony pertaining to said application; and

WHEREAS, the City of Norco, acting as the Lead Agency, has determined that the proposed project is categorically exempt from environmental assessment; and

WHEREAS, said Planning Commission adopted Resolution 2013-13 approving Site Plan 2013-07 with the condition that the proposed structure be relocated/moved to a minimum of five feet from the side (west) property line, and that the structure be moved up 22 feet, to be about 28 feet away from the rear (north) property line, to allow for more open area that is conducive to animal-keeping; and

WHEREAS, said relocation condition was appealed to the City Council by the applicant; and

WHEREAS, at the time set; at 7 p.m. on May 15, 2013 within the Council Chambers at 2820 Clark Avenue, Norco, California, 92860, said appeal was heard by the City Council for the City of Norco; and

WHEREAS, at said time and place set, said City Council considered the aforesaid site plan and received both oral and written testimony pertaining to said application; and

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

I. FINDINGS:

- A. The proposal does comply with all applicable requirements of the Norco Municipal Zoning Ordinance and the General Plan.
- B. The overall site and architectural design is consistent with the intent and purpose of the Norco General Plan and Norco Municipal Zoning Ordinance.
- C. The proposal is reasonably compatible with the area immediately surrounding the site.
- D. The proposal is not detrimental and will be desirable to the overall public convenience or general welfare of the persons residing or working in the neighborhood.
- E. The City of Norco, acting as lead agency, has determined that the project is categorically exempt from environmental assessment per Section 3.13, Class 3 of the City of Norco Environmental Guidelines.

**DETERMINATION:**

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of Norco, California, in session assembled April 24, 2013 that the application for Site Plan 2013-07 is approved, subject to the conditions provided in Section 18.40.10 of the Municipal Code of Norco, and including, but not limited to the following conditions:

1. Approval is based on Exhibit "C" – Site Plan, and Exhibit "D" – Building Elevations dated April 8, 2013 and incorporated herein by reference and on file with the Planning Division. Development shall occur as shown unless otherwise noted in these conditions.
2. The recorded owner of the property shall submit to the Planning Division for record purposes, written evidence of agreement with all conditions of this approval before said permit shall become effective.
3. The project shall be in compliance with all City of Norco Municipal Codes, Ordinances and Resolutions. Non-compliance with any provisions of the Norco Municipal Code (NMC) not specifically waived in compliance with City procedures shall constitute cause for revocation and/or termination of the approvals granted under authority of permit.
4. In the event conditions for approval by the Planning Commission or City Council (as the case may be) require the revision of plans as submitted, the applicant shall submit four copies of the approved plan (revised to incorporate conditions for approval) to the Planning Division for record purposes for approval of any grading and/or building permits.

5. No occupancy and/or use of any building and/or structure shall be permitted which is not in compliance with approved plans and excepting upon specific review and approval of any "as built" modifications by the Planning Director as appropriate. Provided further, that no expansion of use beyond the scope and nature described in this application which would tend to increase the projected scale of operations shall be permitted except upon application for, and approval of, modification of this application in compliance with all procedures and requirements thereof.
6. The applicant shall obtain building permits and pay all applicable fees for the subject building.
7. The applicant shall comply with all requirements from the Planning, Engineering, and Building Divisions; and the Fire and Sheriff's Departments; and all other applicable departments and agencies.
8. A home occupation business shall not be permitted from the subject building.
9. The subject building shall complement the existing house in color.
10. Building permits for this accessory building are issued within the confines of this permit/site plan approval. Any violation of a condition resulting in a revocation of this permit/site plan approval may result in an order to remove the accessory building at the owner's expense.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on May 15, 2013.

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

ATTEST:

\_\_\_\_\_  
Brenda K. Jacobs, CMC, 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 May 15, 2013 by the following vote of the City Council:

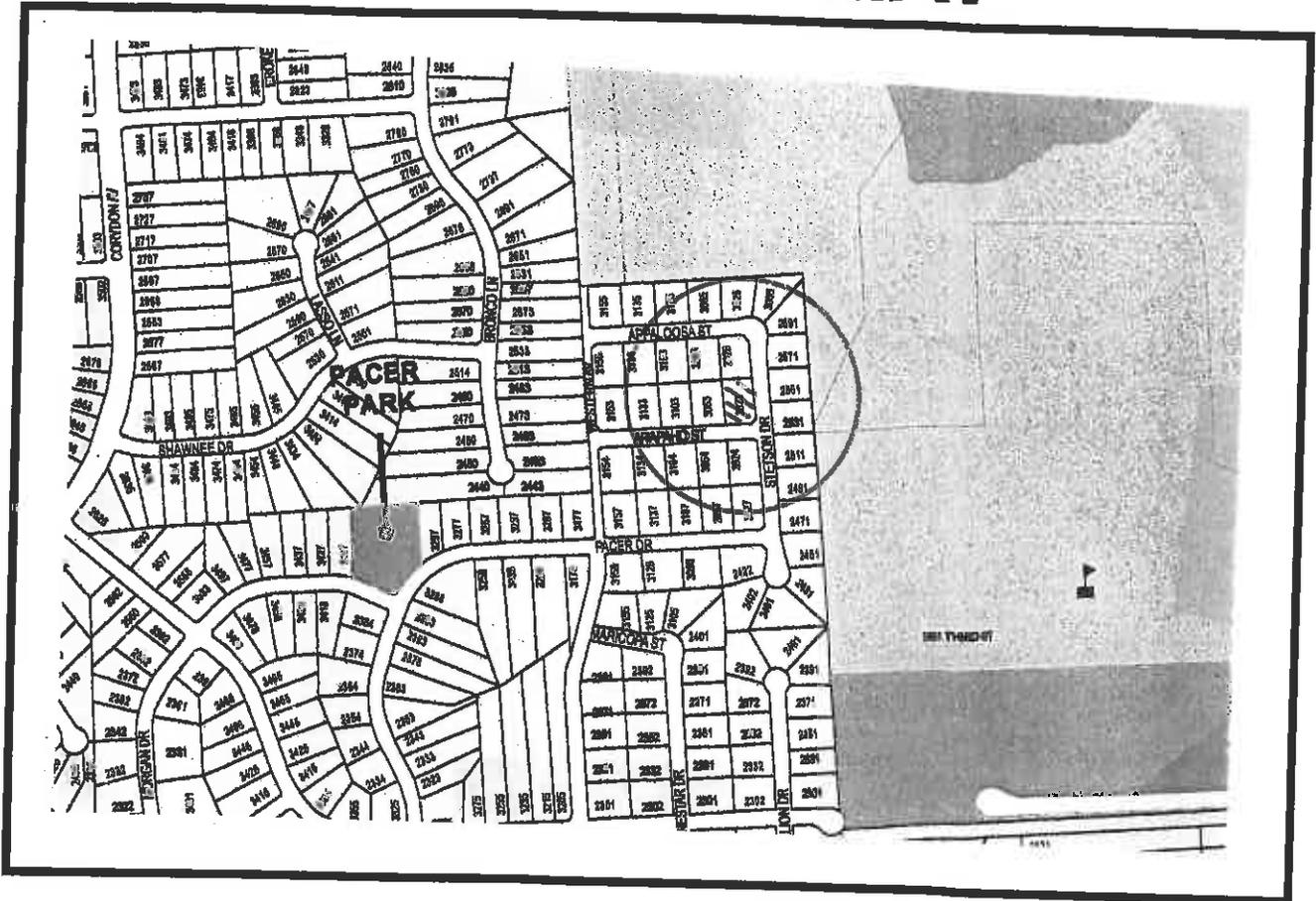
AYES:  
NOES:  
ABSENT:  
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on May 15, 2013.

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

/adr

# LOCATION MAP



Not to Scale



**PROJECT:** Site Plan 2013-07  
**APPLICANT:** David and Chela Salley  
**LOCATION:** 3023 Arapaho St

## Exhibit "A"



RECEIVED  
CITY OF NORCO

MAY 01 2013

TIME: \_\_\_\_\_  
CITY CLERK

Jim Salley

1432 Carlsbad Street

Placentia, CA 92870

Alma Robles, Senior Planner

City of Norco – City Hall

2870 Clark Avenue

Norco, CA 92860

Dear Alma,

Sorry I missed your call on Thursday, April 25. I was riding my motorcycle on the Freeway and had not restored my cell phone after setting it on vibrate for the meeting Wednesday night. It is hard to tell one vibration from another at sixty miles an hour.

First, let me thank you for going the extra mile with my application. I could not have asked for more. After visiting the property and observing for yourself, you were able to apply commonsense and reality to an uncompromising ordinance. I saw these same qualities in the Chairman of the Planning Commission. Regrettably the gentleman to his right expressed that there are no shades of grey, only black and white mentality. We sometimes see this in appointed officials. I was rather surprised when he implied that I was out-of-line to seek more back yard play area for my grandchildren than he had provided for his own children? His stating, that it would be far easier to remove concrete than to tear down a building in order to comply with the ordinance stopped well short of a better and more commonsense solution. In fact if the building had been located as I planned, you could remove the concrete from around the building, wood plank the floor and you would not only meet the space requirements you would have a great barn or stable.

Regrettably when I tried to answer these comments I was told I had no right too. This meeting was not an exchange of intelligent ideas. It was in the strongest sense, **My Way or No Way** procedure. I, in no way apologize for my emotional response, "That what had been a family dream had now turned into a nightmare!" In my eighty-two years I have never felt more trampled over!

Even though I was not able to state my reasons that moving the building twelve (12) feet west and twenty-two (22) feet south was unacceptable. I do feel obligated to explain those reasons to you. My son and I discussed the location and decided by providing twelve(12) feet on the west side he would have room to park his car trailer and any future RV or boat he might buy thus keeping these items

EXHIBIT "F"

sheltered from public view. If I were to accept the changes made by the commission there would be a twenty-four (24) by twenty-two (22) – ~~504~~<sup>238</sup> square foot concrete slab accessible only by foot. My son and I both consider this a tremendous waste. For this reason alone I am appealing the commission's decision. I hope to find some council members of the same mindset as the planning commission chairman.

I would be remiss if I did not mention some of the other reasons one might object to the commission's decision.

1. The property was in violation of the ordinance at the time of purchase. How did this happen?
2. Standing in the back yard of the subject property you can see at least three (3) buildings far out of line with the goals of the ordinance. And not compatible with the neighborhood. Sitting at a desk behind a name plate is not the best place to judge real property problems.
3. There are fewer than ten percent of the home-owners in the neighborhood who have horses. I have not trespassed to verify, but most homes appeared to have violated the ordinance.
4. And last but not least, why was the fact that the required space for three (3) horses already exists on the subject property not mentioned during the planning commission meeting? Even after the new garage is built there would still be enough room for three (3) horses.

In closing I again want to thank you for all your help. I shall speak highly of you in all future contacts with the city of Norco.

Sincerely

Jim Salley

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: John R. Harper, City Attorney

PREPARED BY: John R. Harper, City Attorney 

DATE: May 15, 2013

SUBJECT: Adoption of an Ordinance of the City Council of the City of Norco Declaring Code Violations of the Municipal Code to be a Public Nuisance and Authorizing the Recovery of Attorney's Fees (Code Change 2013-02).

RECOMMENDATION: Adopt as a First Reading the attached Ordinance of the City Council of the City of Norco Declaring Code Violations of the Municipal Code to be a Public Nuisance and Authorizing the Recovery of Attorney's Fees (Code Change 2013-02).

SUMMARY: From time to time, the City will encounter a situation where a resident, property owner, or business owner habitually violates the Municipal Code and, despite numerous attempts to obtain voluntary compliance, refuses to comply voluntarily. In such cases, for the City to enforce its Code, it has been required to file a criminal code enforcement action. This ordinance provides the City with an alternative that allows the City to use civil enforcement options and to recover attorney fees associated with such actions.

Specifically, the proposed ordinance: (1) declares that all conditions that violate the Code constitute a public nuisance and (2) allows attorney fee and cost recovery by the prevailing party in any nuisance abatement action.

BACKGROUND: The City has three basic options to compel compliance with its laws when the violator refuses to comply voluntarily. It can prosecute the offender criminally, use administrative remedies, or file a civil action. Criminal prosecutions work well with drinking in public, urinating in public, and similar public decency offenses. Administrative citations work well with persons maintaining property or business related violations that are generally responsible but want a hearing because they believe they are in the right. Unfortunately, if an administrative citation is appealed to court, it costs the City significant money to defend and, in the end, only a minimum fine is imposed. I am therefore recommending that the City Council adopt an updated nuisance ordinance that incorporates the authority to file a civil public nuisance action for any condition that violates the code and obtain attorney's fees for bringing those cases; cases in which neither a criminal citation nor an administrative citation will produce compliance.

The City Council is authorized by law to pass ordinances. (§ 37100) Under state law, the violation of a city ordinance is criminal--a misdemeanor unless the city declares it an infraction. (Gov. Code § 36900) In accordance with those state laws, the City declared that violations of its ordinances are misdemeanors unless made an infraction. (NMC § 1.04.010).

Also pursuant to state law, the City Council may, by ordinance, declare what constitutes a nuisance. (Cal. Const. Art. XI, 7) (Gov. Code § 38771; Amusing Sandwich, Inc. vs. City of Palm Springs). In the Kruse vs. City of Claremont, the Court Of Appeal approved a section of the Claremont Municipal Code that declared that any condition that violated the municipal code constituted a public nuisance per se. Given that violations of city ordinances are already criminal misdemeanors under state law, there is no reason that the City Council should not be able to declare that conditions that violate the code are also public nuisances.

The advantage of declaring conditions to constitute a public nuisance is that public nuisances may be abated by a civil injunction. (CCP § 731.) The reason that such enforcement method is effective is because an injunction is an order of the court that can be enforced by numerous methods, including the appointment of a receiver to take control of property in the event of the property owner chooses to violate the injunction. Thus, it is more effective than an administrative citation, which only permits the City to issue a fine. While effective, it also permits the City to obtain compliance without the necessarily of a criminal prosecution.

Further, recovery of attorney fees by the prevailing party in a nuisance abatement action is permitted when the city elects, at the beginning of the action, to seek fees. (Gov. Code § 38773.5.) Government Code Section 38773.5(b) provides that, "in no action, administrative proceeding, or special proceeding shall an award of attorneys' fees to a prevailing party exceed the amount of reasonable attorneys' fees incurred by the city in the action or proceeding."

The adoption of this ordinance will provide the city with another tool to obtain compliance and will be the preferred method when it is expected that there will be significant court time involved in obtaining compliance.

**FINANCIAL IMPACT:** None. (Although the potential exists for reimbursement of attorney's fees and costs).

Attachment: Ordinance No. 962 – First Reading

## **ORDINANCE NO 962**

### **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORCO DECLARING CODE VIOLATIONS OF THE MUNICIPAL CODE TO BE A PUBLIC NUISANCE AND AUTHORIZING THE RECOVERY OF ATTORNEY'S FEES. CODE CHANGE 2013-02.**

WHEREAS, the City of Norco initiated Code Change 2013-02 to amend Chapter 1.04 "General Penalties" to add regulations regarding Code Violations of the Municipal Code to be a public nuisance and authorize the recovery of Attorney's fees; and

WHEREAS, Code Change 2013-02 was duly submitted to the City of Norco City Council for a decision at a public hearing for which proper notice was given; and

WHEREAS, Code Change 2013-02 was scheduled for public hearing on May 15, 2013 on or about 7 p.m. in the City Council Chambers, 2820 Clark Avenue, Norco California; and

WHEREAS, at the regular meeting, said City Council held a public hearing and considered both oral and written testimony pertaining to said Code Change.

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

The following Sections are added to Chapter 1.04 GENERAL PENALTIES:

#### Section 1.04.01 (E)

In addition to the penalties provided in this section, any condition caused or permitted to exist in violation of any of the provisions of this code is a public nuisance and may be, by this city, abated as such. Each day such condition continues shall be regarded as a new and separate offense.

(F) Recovery of attorneys' fees authorized for certain nuisances upon election by city. In any action, administrative proceeding or special proceeding commenced by the city to abate a public nuisance, if the city elects at the initiation of that individual action or proceeding to seek recovery of its own attorneys' fees and costs, the prevailing party shall be entitled to recover its attorneys' fees. In no action, administrative proceeding or special proceeding shall an award of attorneys' fees and costs to a prevailing party exceed the amount of reasonable attorneys' fees and actual costs incurred by the city in the action or proceeding.

(G) Prevailing Party. In addition to any other determination of prevailing party authorized pursuant to applicable law, the city shall be considered a prevailing party entitled to its costs under subsection (A) when it can demonstrate that:

(1) Its lawsuit was the catalyst motivating the defendant to provide the primary relief sought;

(2) The lawsuit was meritorious and achieved its result by "threat of victory"; and

(3) The city reasonably attempted to settle the litigation before filing the lawsuit.

(H) Remedies cumulative. The remedies contained in this section are cumulative to one another and to any other remedy available by law or in equity to the city.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on June 5, 2013.

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Mayor of the City of Norco, California

ATTEST:

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

APPROVED AS TO FORM:

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John R. Harper, City Attorney

I, BRENDA K. JACOBS, CMC, 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 May 15, 2013, and thereafter at a regular meeting of said City Council duly held on June 5, 2013, 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 June 5, 2013.

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