



AGENDA
CITY OF NORCO
CITY COUNCIL

June 19, 2013

City Council Chambers
2820 Clark Avenue, Norco, CA 92860

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

CALL TO ORDER: 6:00 p.m.

ROLL CALL:

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

Section 54957 – Public Employee Appointment

Employee: City Manager

RECONVENE PUBLIC SESSION: 7:00 p.m.

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

PLEDGE OF ALLEGIANCE: Mayor Azevedo

INVOCATION: Grace Fellowship Church, *Jeremy Williams – Youth Pastor*

PROCLAMATIONS: American Cancer Society Cancer Prevention Study - 3
Jessica Hodgeson, Community Health Initiatives Director

Parks Make Life Better Month

PRESENTATIONS: 100 Mile Club

SR 91 Project Status Update
Eliza Echevarria, RCTC

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 Meeting of June 12, 2013
Regular Meeting of June 5, 2013
Recommended Action: **Approve the City Council Minutes** (City Clerk)
 - B. Recap of Actions Taken of the Planning Commission meeting of June 12, 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. Order of Procedure and Resolutions Necessary for The Annual Assessment Levy Continuing Landscape Maintenance Districts No. 1 – Beazer, Tract 28765; No. 2 – Western Pacific, Tract 25779; No. 3 – Centex, Tract 28826; No. 4 – Norco Ridge Ranch, Tracts 29588 and 29589; and No. 5 – Hawk’s Crest, Tract 30230. **Recommended Actions: Adopt the following Resolutions:**
 - A.) **Resolution No. 2013-31, (Beazer); Resolution No. 2013-32, (Western Pacific); Resolution No. 2013-33, (Centex); Resolution No. 2013-34, (Norco Ridge Ranch); Resolution No. 2013-35, (Hawk’s Crest), approving the Engineer’s Preliminary Report for the Annual Levy of Assessments for the Fiscal Year 2013-2014 in said District; and**
 - B.) **Resolution No. 2013-36, (Beazer); Resolution No. 2013-37, (Western Pacific); Resolution No. 2013-38, (Centex); Resolution No. 2013-39, (Norco Ridge Ranch), Resolution No. 2013-40, (Hawk’s Crest), declaring the City’s intention to provide for an Annual Levy and Collection of Assessments for certain maintenance in an existing District, and setting a time and place for the Public Hearing.** (City Engineer)
 - E. Proposed Cancellation of the September 18, 2013 City Council Regular Meeting. **Recommended Action: That the City Council cancel the September 18, 2013 City Council regular meeting.** (City Clerk)

- F. Designation of Voting Delegate and Alternate for the 2013 League of California Cities Annual Conference. **Recommended Action: Appoint Mayor Azevedo as the Voting Delegate and Mayor Pro Tem Berwin Hanna as the Alternate Voting Delegate to represent the City of Norco at the 2013 League of California Cities Annual Conference.** (City Clerk)
- G. Approval to Increase Membership of the Economic Development Advisory Council (EDAC) by Creating One Non-Voting Standing Representative from the Norco Area Chamber of Commerce and Visitors Center's Board of Directors. **Recommended Action: Adopt Resolution No. 2013-41.** (Economic Development Specialist)
- H. Redesignation of Riverside County's Recycling Market Development Zone. **Recommendation Action: Adopt Resolution No. 2013-42, supporting the redesignation of Riverside County as a Recycling Market Development Zone due to an increase in boundaries and adoption of initial study and negative declaration.** (Economic Development Specialist)
- I. Approval of the Memorandum of Understanding for Norco General Employees Association for Fiscal Year 2013-2014. **Recommended Action: Approve the Memorandum of Understanding for the Norco General Employees Association for Fiscal Year 2013-2014.** (Deputy City Manager/Director of Finance)
- J. Approval of the Memorandum of Understanding for Public Works & Parks Maintenance Workers Association for Fiscal Year 2013-2014. **Recommended Action: Approve the Memorandum of Understanding for the Public Works & Parks Maintenance Workers Association for Fiscal Year 2013-2014.** (Deputy City Manager/Director of Finance)
- K. Ratification of an Amendment to the Fiscal Year 2012-2013 Western Riverside County Regional Wastewater Authority Operating Budget Establishing Rates to be Charged for Conveyance, treatment and Disposal of Wastewater, Located in Norco, California. **Recommended Action: Adopt Resolution No. 2013-43, adopting and approving the amendment to the Fiscal Year 2012-2013 Western Riverside County Regional Wastewater Authority Operating Budget in the amount of \$443,325..** (Director of Public Works)
- L. Ratification of the Fiscal Year 2013-2014 Western Riverside County Regional Wastewater Authority Budget. **Recommended Action: Adopt Resolution No. 2013-44, adopting and approving the Fiscal Year 2013-2014 Western Riverside County Regional Wastewater Authority Budget, establishing rates to be charged for conveyance, treatment and disposal of wastewater.** (Director of Public Works)

- M. Approval of Amendment No. 1 to the Agreement between the City of Norco and USA Waste of California, Inc. for the Collection, Transportation, Recycling and Disposal of Solid Waste. **Recommended Action: Approve Amendment No. 1 to the Agreement for the Collection, Transportation, Recycling and Disposal of Solid Waste with USA Waste of California, Inc.** (Deputy City Manager/Director of Finance)
 - N. Approval of the First Amendment to the Contract Services Agreement for Consulting City Engineering Services with RKA Consulting Group **Recommended Action: Approve the First Amendment to the Contract Service Agreement for Consulting City Engineering Services with RKA Consulting Group.** (Deputy Director of Public Works/Senior Engineer)
 - O. Extension of the service fee collected on behalf of the Riverside County Abandoned Vehicle Abatement Service Authority until May 2024. **Recommended Action: Adopt Resolution No. 2013-45, approving the extension of the service fee collected on behalf of the Riverside County Abandoned Vehicle Abatement Service Authority until May 2024.** (Deputy City Manager/Director of Finance)
 - P. Approval of Western Riverside County Regional Wastewater Authority Resolution 13-001 Establishing an Excess Capacity Management Service. **Recommended Action: Approve Western Riverside County Regional Wastewater Authority Resolution 13-001 Amending Rate Resolution 12-004 Establishing an Excess Capacity Management Service, subject to non-substantive changes and approval by all WRCRWA Member Agencies.**(Director of Public Works)
2. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR:
3. CITY COUNCIL DISCUSSION / ACTION ITEMS:
- A. Consideration of Appointments to the Historic Preservation Commission, Parks and Recreation Commission, Planning Commission and the Economic Development Advisory Council. **Recommended Actions: Staff recommends that the City Council make three appointments to the Historic Preservation Commission, two appointments to the Parks and Recreation Commission and one appointment to the Planning Commission from the applicants that applied and qualify for service on a City Commission; and make three appointments to the Economic Development Advisory Council.** (City Clerk)
 - B. Discussion Regarding the Installation of Speed Humps/Tables. **Recommended Action: Discuss and provide direction to staff if needed.** (Deputy Public Works Director/Senior Engineer)

- C. Proposed Fourth of July Mayor's Community Equestrian Trail Ride and Picnic.
Recommended Action: Approve the concept of a Mayor's community equestrian trail ride followed by a picnic on the Fourth of July. (Director of Parks, Recreation & Community Services)
- 4. 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.
- 5. CITY COUNCIL COMMUNICATIONS / REPORTS ON REGIONAL BOARDS AND COMMISSIONS:
- 6. CITY MANAGER / STAFF COMMUNICATIONS:
- 7. ADJOURNMENT:

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's office, (951) 270-5623. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II).

Staff reports are on file in the Office of the City Clerk. Any writings or documents provided to a majority of the City Council regarding any item on this agenda will be available for public inspection at the City Clerk's Counter in City Hall located at 2870 Clark Avenue.

Please note that this meeting is being recorded. In accordance with Roberts Rules of Order, Norco City Council meeting minutes are a record of the actions taken, not what was said. The names of persons who spoke during the public comments section and their topics will be listed on the Minutes. Recordings of meetings may be purchased for a minimal cost by contacting the office of the City Clerk.



MINUTES
CITY OF NORCO
CITY COUNCIL
REGULAR MEETING
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE
JUNE 5, 2013

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**
Council Member Harvey C. Sullivan, **Present**

City Attorney Harper recommended that the following items be added to the Closed Session portion of the Agenda:

Conference with Legal Counsel – Existing Litigation:

Case Name: Robbin Koziel vs City of Norco
Case Number: RIC 522773

Case Name: CACERF Norco, LLC vs. City of Norco
Case Number: RIC 10010637.

Personnel Matters:

City Manager

M/S Bash/Hanna to add the recommended items to the Closed Session portion of the Agenda. The motion was carried by the following roll call vote:

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

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

§54956.9 – Conference with Legal Counsel – Anticipated Litigation

§54956.9(d)(2) 2 Potential Cases
§54956.9(d)(4) 1 Potential Case

RECONVENE PUBLIC SESSION: 7:00 p.m.

REPORT OF ACTION(S) TAKEN IN CLOSED SESSION (§54957.1) REPORT OF ACTION(S) TAKEN IN CLOSED SESSION (§54957.1): City Attorney Harper stated that three items were added to closed session, noting the court ruled in favor of the City in the Case of CACERF Norco, LLC versus the City of Norco. He further stated that there were no reportable actions resulting from the remaining items discussed in Closed Session.

- PLEDGE OF ALLEGIANCE: Council Member Bash
- INVOCATION: Calvary Chapel – Norco
Pastor Louie Monteith
- PRESENTATIONS: Tony Baretto, representing the Horseweek Committee, presented the City with a check in the amount of \$4,766 for the City's Animal Shelter.
- Recognition of Norco College Student and Staff for Designing the Logo for Norco's 50th Birthday Celebration
- Artist - Luis Caudillo*
- Faculty - Cathy Brotherton
Beth Steffel*
- Department Chair - Judy Perry*

Mayor Azevedo recognized Mr. Caudillo and staff from Norco College for their efforts in designing the logo for Norco's 50th Birthday.

REGULAR CITY COUNCIL AGENDA AS FOLLOWS:

1. CITY COUNCIL CONSENT CALENDAR ITEMS:

M/S Bash/Hanna 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 May 15, 2013
Special Meeting of May 15, 2013
Recommended Action: **Approve the City Council Minutes** (City Clerk)
- B. Recap of Actions Taken of the Planning Commission Special Meeting of May 21, 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. Resolutions Calling the 2013 General Municipal Election. **Recommended Action: Adopt the following Resolutions: a) Resolution No. 2013-22, requesting the Board of Supervisors of the County of Riverside consent to the conduction of the November 5, 2013 General Municipal Election in the City of Norco by the County of Riverside Registrar of Voters; b) Resolution No. 2013-23, calling and giving notice of the General Municipal Election to be held on November 5, 2013; and c) Resolution No. 2013-24, adopting regulations for the candidates for elective office.** (City Clerk)
 - E. Approval of Salary and Benefits Resolutions for Management; and Middle Management, professional and Confidential Employees for Fiscal year 2013-2014. **Recommended Action: 1.) Adopt Resolution No. 2013-25, approving the annual salary and benefits for Management personnel; and 2.) Adopt Resolution No. 2013-26, approving the annual salary and benefits for Middle Management, Professional and Confidential service personnel.** (Deputy City Manager/Director of Finance)
 - F. Adoption of the Norco Local Hazard Mitigation Plan Annex from the Riverside County Operational Area Multi-Jurisdictional Local Hazard Mitigation Plan as Required by the Federal Disaster Mitigation and Cost Reduction Act of 2000.. **Recommended Action: Adopt Resolution No. 2013-27, adopting the Norco Local Hazard Mitigation Plan Annex.** (Fire Chief)
 - G. Approval to Declare Various City Assets as Surplus Property. **Recommended Action: Declare Various City Assets as Surplus and authorize the Deputy City Manager/Director of Finance to dispose of surplus assets through auction, donation to charitable organizations or electronic recycling (e-cycle).** (Deputy City Manager/Director of Finance)
2. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR:
3. LEGISLATIVE MATTERS: (No new evidence will be heard from the public as the public hearing has been closed regarding all items listed.)
- A. **Ordinance No. 960 Second Reading – Continued from April 3, 2013: Zone Code Amendment 2013-02; Specific Plan 85-1, Amendment 8; Specific Plan 90-01, Amendment 12; and, Specific Plan 91-02, Amendment 6 regarding the Allowance of Massage Businesses as Ancillary Uses in Commercial Zones. Recommended Action: Adopt Ordinance No. 960.** (City Clerk)

M/S Bash/Higgins to adopt Ordinance No. 960 for second reading. The motion was carried by the following roll call vote:

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

- B. **Ordinance No. 961 Second Reading.** 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. **Recommended Action: Adopt Ordinance No. 961.** (City Clerk)

M/S Hanna/Higgins to adopt Ordinance No. 961 for second reading. The motion was carried by the following roll call vote:

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

- C. **Ordinance No. 962 Second Reading.** 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. **Recommended Acton: Adopt ordinance No. 962.** (City Clerk)

M/S Bash/Higgins to adopt Ordinance No. 962 for second reading. The motion was carried by the following roll call vote:

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

4. CITY COUNCIL PUBLIC HEARINGS:

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

Most of the existing fees are being recommended for adjustment by changes in the Consumer Price Index of 2.2% between March 2012 and March 2013 for Los Angeles, which reflects changes in the cost of providing the services. Some fees are not recommended to be adjusted to ensure that the fees are competitive with other jurisdictions, while other fees are recommended to be adjusted by amounts exceeding the CPI to adequately reflect the true cost of providing services. New fees are being recommended to be added to the Master Fee Schedule based on new services being performed as a result of changes in City Ordinances and/or for services not previously charged.

Recommended Action: Adopt Resolution No. 2013-28, updating and adjusting fees for General City Services. (Deputy City Manager/Director of Finance)

Deputy City Manager/Director of Finance Okoro presented the public hearing item.

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

Ted Hoffman. Mr. Hoffman commented, as a member of the Streets, Trails & Utilities Commission, noting that he objected to the fact that the Commission did not have the opportunity to review the proposed fees.

Mayor Azevedo CLOSED the public hearing.

M/S Sullivan/Bash to adopt Resolution No. 2013-28, updating and adjusting fees for General City Services. The motion was carried by the following roll call vote:

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

- B. Approval and Adoption of the City of Norco Operating Budget for Fiscal Year 2013-2014 and Authorizing Appropriations Therefrom

The FY 2013-2014 Proposed Budget for the General Fund includes total estimated operating revenues of \$14,470,778 and total estimated operating expenditures of \$15,156,057. This reflects estimated structural budget gap of \$685,279 which will be made up by one-time revenue of \$304,132 and estimated FY 2012-2013 budget savings of \$381,147. The proposed budget estimates that General Fund's fund balance as of June 30, 2014 to be \$3,545,146. Water Fund total revenues are estimated to be \$9,644,257 while total expenditures are estimated to be \$9,185,011. Sewer Fund total revenues are estimated to be \$5,538,058 and total expenditures are estimated to be \$4,810,089. For the rest of the City Operating Funds, including Gas Tax, NPDES, AQMD and Miscellaneous Grant Funds, total estimated revenues along with available fund balance are sufficient to cover FY 2013-2014 total requested expenditure appropriations. For the Successor Agency of the former Norco Community Redevelopment Agency, total estimated expenditures of \$8,569,388 are presented for information purposes only. The Oversight Board is responsible for approving the Recognized Obligations Payment Schedule (ROPS).

Recommended Action: Receive public comments on the proposed Annual Operating Budgets for the City of Norco and adopt Resolution No. 2013-29, approving and adopting the City Operating Budget and for Fiscal Year 2013-2014 and authorizing appropriations therefrom. (City Manager/Executive Director and Deputy City Manager/Director of Finance)

City Manager Groves and Deputy City Manager/Director of Finance Okoro presented the public hearing item and provided an overview of the City's proposed Operating Budget and the changes made to that Operating Budget since the May 1, 2013 Budget Workshop.

Council Member Bash noted that he is pleased with direction the Budget is going, but is concerned that money is not put aside for infrastructure. He further thanked staff and the citizens of Norco.

Mayor Pro Tem Hanna thanked staff for their efforts and thanked the citizens for shopping Norco.

Council Member Higgins noted the fact that there is \$3.5 million in reserves, adding that the City is actually paying some of the bills it was not able to pay in the past.

Mayor Azevedo thanked the residents, staff and Council for their efforts, noting that the right decisions have been made. She asked about the stipend increase in Economic Development and who it is for. In response, City Clerk Jacobs stated that this is for meetings added for the Historic Preservation Commission.

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

Vern Showalter. Mr. Showalter asked what the total deficit is for retirement medical. In response, Deputy City Manager/Director of Finance Okoro stated that the medical portion liability is about \$13 million, with about \$4 million accumulated, resulting in a \$9 million liability.

Mayor Azevedo CLOSED the public hearing.

M/S Bah/Higgins to adopt Resolution No. 2013-29, approving and adopting the City Operating Budget and for Fiscal Year 2013-2014 and authorizing appropriations therefrom.

Under discussion. Mayor Azevedo thanked the Fire Department for its efforts.

The motion was carried by the following roll call vote:

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

- C. Approval of the Five Year Capital Improvement Program for Fiscal Years 2014-2018

A budget workshop was held to review the proposed FY 2014-2018 Capital Improvement Program (CIP) Budget for the City of Norco. Staff is now recommending that the City Council conduct a Public Hearing to receive input from the public and that at the conclusion of the hearing, that the City Council approve the CIP Budget for Fiscal Years 2014-2018.

Recommended Actions: Receive public comments on the proposed Capital Improvement Program Budget and adopt Resolution No. 2013-30, approving and adopting the City of Norco Capital Improvement Program Budget for fiscal Years 2014-2018. (Deputy City Manager/Director of Finance)

Mayor Azevedo and Deputy City Manager/Director of Finance Okoro presented the public hearing item and provided a summary of the CIP and its funding sources.

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

Pat Overstreet. Ms. Overstreet asked about the aquatic center and when it will it open again. Deputy City Manager/Director of Finance Okoro responded that this is clearly an example of one of the challenges faced, noting that there is not enough money in the CIP to fund and build the aquatic center facilities.

Mayor Azevedo CLOSED the public hearing.

M/S Bash/Higgins to adopt Resolution No. 2013-30, approving and adopting the City of Norco Capital Improvement Program Budget for fiscal Years 2014-2018. 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:

Pat Overstreet. Ms. Overstreet commented on the recent Ranch Tour statistics and requested that the Mayor draw from the ticket stubs from the event to choose a winner for that event.

Ted Hoffman. Mr. Hoffman commented on the need for a three-year public safety fee to add four traffic officers in the City.

Jennifer Gable. Ms. Gable introduced herself and commented on her interest in serving on the Parks and Recreation Commission.

Vern Showalter. Mr. Showalter inquired about the Waste Management negotiations.

Katie West. Ms. West commented on her home situation with the requirement to connect to the Sewer upon its sale. She noted that she has received quotes from \$16,000 to \$35,000, adding that the connection is 305 feet from the street.

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

Mayor Pro Tem Hanna:

- Reported on the Riverside County Transportation Commission recent legal rulings regarding the Perris Valley Line.
- Reported that Vector Control has expanded the district into a small portion of Riverside.
- Commented on the Day of the Cowboy event for 2014, noting that there will be a surprise at the event in recognition of the City's 50th Birthday.

Council Member Sullivan:

- Reported on the Western Riverside County Regional Wastewater Authority meeting held, noting the reclaimed water plans.

Mayor Azevedo:

- Reported on the Western Riverside County Council of Governments meeting held, noting that everyone is gearing up for the General Assembly.
- Reported that she and Council Member Bash attended the American Diabetes Association Father of the Year Awards event, at which time Bob Hemborg was honored.
- Noted that this Friday is the kick-off for the City's Concerts in the Park, to begin at 6:30 p.m.
- Reported on the City's 50th Birthday Celebration Committee meetings held, noting many of the events and dates planned, and adding that she will bring back an item in the future to discuss the budget.

7. CITY MANAGER / STAFF COMMUNICATIONS:

City Manager Groves:

- Commented on her appreciation to City staff for working on the budget.
- Announced that she has presented her letter of resignation to the City Council and will be leaving the City of Norco as of August 1, 2013.

8. ADJOURNMENT: There being no further business to come before the City Council, Mayor Azevedo adjourned the meeting at 8:30 p.m.

BRENDA K. JACOBS, CMC
CITY CLERK



MINUTES
CITY OF NORCO
NORCO CITY COUNCIL
SPECIAL MEETING
CITY HALL CONFERENCE ROOMS "A" AND "B"
2870 CLARK AVENUE
NORCO, CA 92860
JUNE 12, 2013

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

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

PLEDGE OF ALLEGIANCE: Mayor Pro Tem Hanna

1. PUBLIC COMMENTS:

Vern Showalter. Mr. Showalter commented in favor of appointing Andy Okoro as City Manager.

Karen Leonard. Ms. Leonard commented on her view of the role of the City Manager position.

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

Section 54957 – Public Employee Appointment

Employee: City Manager

3. RECONVENE PUBLIC SESSION: 8:00 p.m.

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

5. ADJOURNMENT: There being no further business to come before the City Council, Mayor Azevedo adjourned the meeting at 8:09 p.m.

BRENDA K. JACOBS, CMC
CITY CLERK



**RECAP OF ACTIONS TAKEN
CITY OF NORCO
PLANNING COMMISSION
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE
REGULAR MEETING
JUNE 12, 2013**

CALL TO ORDER: 7:00 p.m.

ROLL CALL: Chair Wright, Vice-Chair Henderson, Commission Members Hedges, Roberts; Jaffarian absent.

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

PLEDGE OF ALLEGIANCE: Chair Wright

1. **APPEAL NOTICE: Read by staff**
2. **PUBLIC COMMENTS: Received and Filed**
3. **APPROVAL OF MINUTES:**
 - ❖ Minutes of Regular Meeting on May 8, 2013
 - ❖ Minutes of Special Meeting on May 21, 2012**Recommended Action: Approval (Deputy City Clerk) Approved 4-0**
4. **PUBLIC HEARINGS:**
 - A. **Conditional Use Permit 2013-04 (Knopf):** A request for approval to allow an ambulance service office and staging area, a used RV sales and rentals dealership and other vehicle sales at 2000 Hamner Avenue in the Norco Auto Mall Specific Plan. **Recommended Action: Approval (Planning Director): Approved 4-0. This action is final unless appealed to City Council.**
 - B. **Zone Code Amendment 2013-03 (City of Norco):** A city-initiated proposal to amend Title 18 "Zoning" of the Norco Municipal code, Chapter 18.02 – Definitions", Section 18.31.08 - "Yard Requirements – Walls, Fences and Structures in Setback Areas" and Section 18.38.22 -"On-site Location of Parking Facilities", to address/revise the definitions of vehicles and trailers, and to address vehicle and trailer parking in residential zones. **Recommended Action: Approval (Senior Planner): Recommendation for approval 4-0. This item will be scheduled for a public hearing before the City Council at the next available meeting.**

5. BUSINESS ITEMS:

- A. Site Plan 2013-10 (Sanders): A request for approval to allow an accessory building consisting of a 553 square-foot detached workshop at 318 Silver Springs Lane located within the Norco Hills Specific Plan (NHSP, Amendment No.1) **Recommended Action: Approval (Senior Planner): Approved 3-1 (Hedges). This action is final unless appealed to City Council.**

6. CITY COUNCIL MINUTES: Available on the City of Norco website:
http://www.norco.ca.us/depts/city_council/minutes.asp

- City Council Special Meeting Minutes of May 1, 2013
- City Council Meeting Minutes of May 1, 2013
- City Council Special Meeting Minutes of May 6, 2013
- City Council Special Meeting Minutes of May 15, 2013
- City Council Meeting Minutes of May 15, 2013

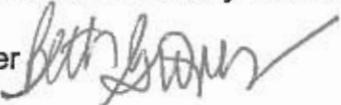
7. PLANNING COMMISSION: **Received and Filed**

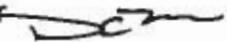
- a. Oral Reports from Various Committees
- b. Request for Items on Future Agenda (within the purview of the Commission)

8. ADJOURNMENT: **8:32 p.m.**

STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Dominic C. Milano, City Engineer 

DATE: June 19, 2013

SUBJECT: Order of Procedure and Resolutions Necessary for The Annual Assessment Levy Continuing Landscape Maintenance Districts No. 1 – Beazer, Tract 28765; No. 2 – Western Pacific, Tract 25779; No. 3 – Centex, Tract 28826; No. 4 – Norco Ridge Ranch, Tracts 29588 and 29589; and No. 5 – Hawk's Crest, Tract 30230

Resolution No. 2013-31, (Beazer); **Resolution No. 2013-32**, (Western Pacific); **Resolution No. 2013-33**, (Centex); **Resolution No. 2013-34**, (Norco Ridge Ranch); **Resolution No. 2013-35**, (Hawk's Crest), Approving the Engineer's Preliminary Report for the Annual Levy of Assessments for the Fiscal Year 2010-2011 in Said District;

Resolution No. 2013-36, (Beazer); **Resolution No. 2013-37**, (Western Pacific); **Resolution No. 2013-38**, (Centex); **Resolution No. 2013-39**, (Norco Ridge Ranch), **Resolution No. 2013-40**, (Hawk's Crest), Declaring City's Intention to Provide for an Annual Levy and Collection of Assessments for Certain Maintenance in an Existing District, and Setting a Time and Place for the Public Hearing

RECOMMENDATION: That the members of the City Council adopt the Resolutions approving the Preliminary Engineer's Reports and the Resolutions providing for an annual levy of assessments and setting the public hearing date.

SUMMARY: The "Landscaping and Lighting Act of 1972 requires that an Engineer's Report for existing landscape maintenance districts (LMDs) must be reviewed and approved annually to continue assessments for the districts. The formation of the five districts allow for an annual increase not to exceed the Consumer Price Index (CPI). The CPI ending March 31, 2013 adjustment per parcel assessment in all districts is 1.3%.

The Engineer's Reports this year have been slightly modified to add to Part B (Estimate of Cost) the estimated fund balance for Fiscal Year ending June 30, 2013 and the cash flow funding needs. Each district requires a 6 month cash flow reserve to sustain the District from the beginning of the fiscal year (July 1) until the City receives from the County of Riverside, its first assessment payment, 6 months later. If the City does not have this reserve, the general fund reserves must "carry" the District. In addition the "needs" includes those Districts that have trail fencing (Districts 2 thru 5) a line item establishing a dollar amount to reconstruct the majority of the trail fencing in each District. The "estimated unfunded needs" is the difference between the "fund balance" and the "needs".

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

LMD No. 1 - On February 3, 1999, City Council adopted Landscape Maintenance District No. 1 for Tract 28765 (Beazer Homes) comprised of 67 lots. The District was formed to maintain landscaping along the River Road frontage of the tract. The estimated cost to maintain the District is proposed to be increased from \$9,239.00 the 2012/13 level to \$9,730.00. With the application of previous year's surpluses and a CPI increase (\$1.68 per parcel), the net assessment will be \$8,789.00. The per parcel assessment for Fiscal Year 2013/14 is proposed to increase from \$129.50 to \$131.18.

LMD No. 2 - On January 27, 2000, City Council adopted Landscape Maintenance District No. 2 for Tract No. 25779 (Western Pacific) comprised of 219 lots. The District was formed to maintain landscaping along the Norco Hills Road and Hidden Valley Parkway frontages of the tract as well as selected interior slopes, wetland, equestrian trail, and parkway maintenance. The estimate of cost to maintain the District is proposed to decrease from \$124,792.00 to \$112,045.00. The maintenance level is proposed to be reduced to below the assessment amount to be collected (\$131,812.00). In previous years, a surplus in the fund was used to balance the budget with the assessment collected. This surplus has been exhausted a number of years ago with the City loaning the District \$50,900.00 to meet expenses. This City General Fund Loan has been reduced to \$28,229.00. The estimated "surplus" of assessment to be collected the next fiscal year will be used to further reduce the General Fund Loan. With the application of the CPI, the per parcel assessment is proposed to increase from \$594.16 to \$601.88.

LMD No. 3 - On June 6, 2001, City Council adopted Landscape Maintenance District No. 3 for Tract 28626 (Centex) comprised of 82 lots. The District was formed to maintain landscaping along Norco Hills Road and certain designated slopes within the District as well as all equestrian trails in the development. The proposed estimate of costs to maintain the District will increase from \$79,621.00 to \$79,737.00. With the

application of previous year's surpluses and the CPI increase (\$11.67 per parcel), the total net assessment is \$73,536.36. The per parcel assessment for Fiscal Year 2013/14 is proposed to increase from \$897.31 to \$908.98.

LMD No. 4 – On October 2, 2002, City Council adopted Landscape Maintenance District No. 4 for Tracts 29588 and 29589 (Norco Ridge Ranch) comprised of 557 single-family lots, of which 25 lots are not receiving benefits, and five other non-assessable lots, for a total of 537 assessable lots. The District was formed to maintain landscaping within certain slopes, irrigated and non-irrigated, fuel modification areas, parkway landscaping, equestrian trails, natural open space and wetlands area. The proposed maintenance budget for Fiscal Year 2013-14 is \$439,094.00 with a proposed trail replacement project of \$75,000 bringing the total budget to \$514,094.00. Fiscal Year 2012-13 budget was \$483,837.00 which did not include the Phase II Drainage Improvement Project of \$218,680.00. The reduction in the maintenance budget from \$483,837.00 to \$439,094.00 was due mostly to water usage saving of \$45,000.00. In order to fund the District as proposed with the Capital Trail Fence Replacement Project, and not use any reserves, the per lot levy must be raised to the maximum of \$958.40 per parcel which includes the 1.3% CPI. This levy generates a total district assessment of \$514,660.80, which is approximately equal to the budget. The per parcel levy for the upcoming Fiscal Year 2013-14 is thus proposed to increase from Fiscal Year 2012-13 of \$881.04 to \$958.40. The Phase II Drainage Improvements Project was completed at a cost of \$214,750.00 affecting 84 locations (83 homes) slightly below the contract amount of \$218,680.00. At the end of this Fiscal Year 2012/13, it is estimated that the Fund Balance will be approximately \$227,404.00.

LMD No. 5 – On January 7, 2004 City Council adopted Landscape District No. 5 for Tract 30230 (Hawks Crest) comprised of 50 lots. The District was formed to maintain certain exterior slopes, parkway landscaping, equestrian trails and the two park lots. The estimate of cost to maintain the District will decrease from \$46,438.00 to \$46,321.00. The assessment is proposed to increase by the March 2013 CPI of 1.3% (\$11.89 per parcel) from the previous year's level of \$896.60 per parcel to \$926.42 per parcel. With the addition previous years surplus, a balanced budget is achieved. The maximum allowed per parcel assessment of \$1,006.40 exceeds the levy necessary to balance expenses and is thus not applied. The unfunded needs in this District is \$5,148.00.

As stipulated in the "Landscaping and Lighting Act of 1972," the continuation of an existing maintenance district assessment has to be reviewed and approved each fiscal year. The attached resolutions provide for the proper continuation of the Districts as well as the assessments. The proposed CPI increases in Landscape Maintenance Districts will not require a majority protest vote of the property owners since the increase in assessments was allowed for in the formation of the Districts.

Order of Procedure and Resolutions Necessary for Beazer, Western Pacific, Centex,
Norco Ridge Ranch and Hawk's Crest
Page 4
June 19, 2013

Included for your information are the Preliminary Engineer's Reports including the District boundaries, the items of work included in each maintenance district, as well as costs and the per parcel assessments for each District.

Staff recommends that the members of the City Council preliminarily approve the Engineer's Report for the continuation of the Landscape Maintenance Districts to guarantee that landscaping within each district will remain attractive and well maintained and set the Public Hearing for the five districts for July 17, 2013. To do so, Council will need to adopt the attached Resolutions.

FINANCIAL IMPACT: None.

Attachments: Preliminary Engineer's Reports (5)
Resolutions (10)

RESOLUTION NO. 2013-31

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, APPROVING THE ENGINEER'S "PRELIMINARY REPORT" AND THE ANNUAL LEVY OF ASSESSMENTS FOR THE FISCAL YEAR 2012-2013 IN SAID DISTRICT.

WHEREAS, the City Council of the City of Norco, California, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the State of California, did, by previous Resolution, order the preparation of an Engineer's "Report" for the annual levy of assessments, consisting of plans and specifications, an estimate of the cost, a diagram of the district, and an assessment relating to what is now known and designated as:

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

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

WHEREAS, there has now been presented to this City Council the "Report" as required by said Division 15 of the Streets and Highways Code and as previously directed by Resolution; and

WHEREAS, this City Council has now carefully examined and reviewed the "Report" as presented, and is satisfied with each and all of the items and documents as set forth therein, and is satisfied that the assessments, on a preliminary basis, have been spread in accordance with the benefits received from the maintenance to be performed as set forth in said "Report."

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Norco, does hereby resolve, determine, and order as follows:

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

SECTION 2: That the "Report" as presented, consisting of the following:

- A. Plans and specifications;
- B. Estimate of cost;
- C. Diagram of the District;
- D. Assessment of the estimated cost;

is hereby approved on a preliminary basis, and is ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

SECTION 3: That the City Clerk shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the presentation of the Engineer's "Report."

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on June 20, 2012.

Mayor of the City of Norco, California

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on June 20, 2012, by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand affixed the official seal of the City of Norco, California, held on June 20, 2012.

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

ENGINEER'S REPORT

FOR

LANDSCAPE MAINTENANCE DISTRICT NO. 1 (BEAZER)

FISCAL YEAR 2013-2014

PREPARED FOR THE

CITY OF NORCO

RIVERSIDE COUNTY, CALIFORNIA

PREPARED BY:

DOMINIC C. MILANO, P.E.

CITY ENGINEER

**ENGINEER'S REPORT
CITY OF NORCO**

**LANDSCAPE MAINTENANCE DISTRICT NO. 1 (BEAZER)
FISCAL YEAR 2013-2014**

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

Date: _____, 2013

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

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was filed with me on _____, 2013.

City Clerk, City of Norco
Riverside County, California

By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of Norco, California, on _____, 2013.

City Clerk, City of Norco
Riverside County, California

By: _____

**FISCAL YEAR 2013-2014
CITY OF NORCO**

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

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

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

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

PART A

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

PART B

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

PART C

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

PART D

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

PART A

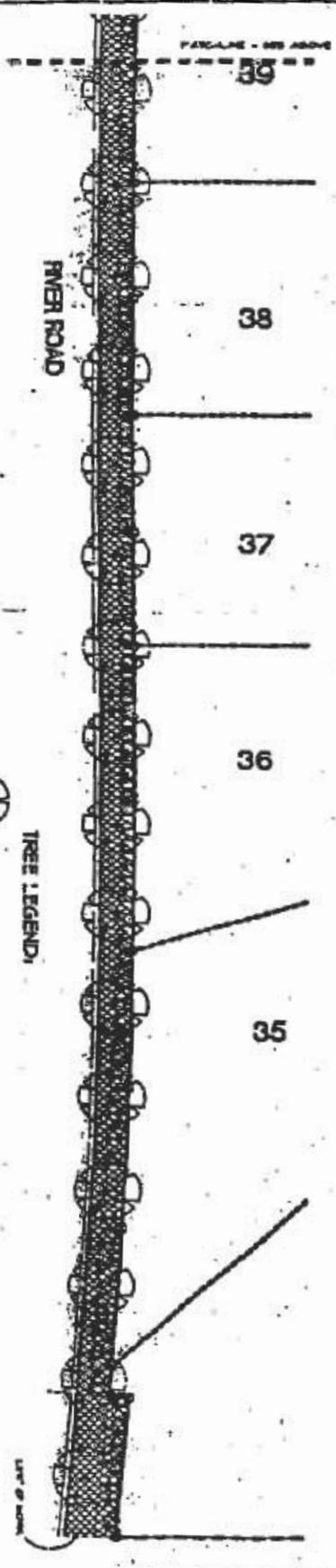
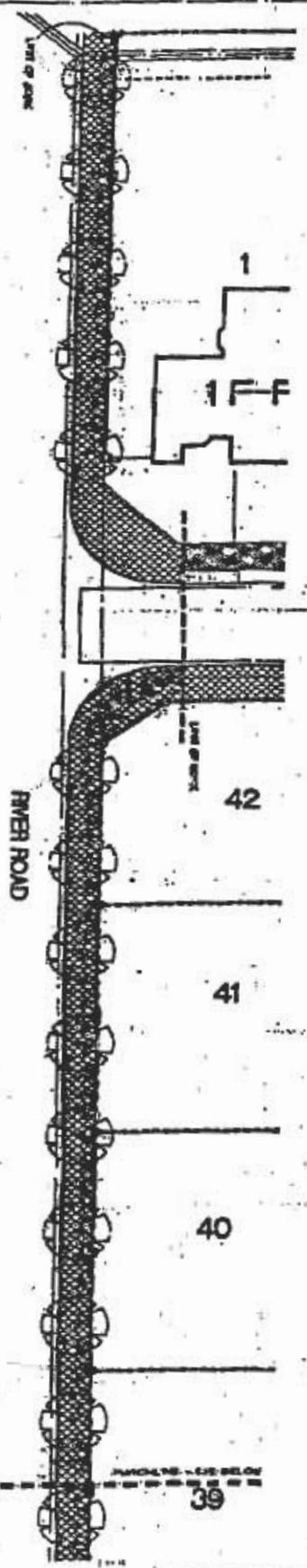
PLANS AND SPECIFICATIONS

**DESCRIPTION OF IMPROVEMENTS
FOR THE CITY OF NORCO
LANDSCAPE MAINTENANCE DISTRICT NO. 1 (BEAZER)
FISCAL YEAR 2013-2014**

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

LANDSCAPING

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



GENERAL LANDSCAPE NOTES:

1. All trees, shrubs, and plants shown on this plan are to be installed and maintained in accordance with the standards of the City of San Diego. The contractor shall provide all labor, materials and equipment.

GROUND COVER LEGEND:

- 1. Grass - 100% coverage
- 2. Ground cover - 100% coverage
- 3. Bare soil - 100% coverage

TREE LEGEND:

- 1. Mature tree - 100% coverage
- 2. Young tree - 100% coverage

SHRUB LEGEND:

- 1. Mature shrub - 100% coverage
- 2. Young shrub - 100% coverage
- 3. Bare soil - 100% coverage

DIG ALERT



PART B

ESTIMATE OF COST

**LANDSCAPE MAINTENANCE DISTRICT NO. 1
(BEAZER)
NORCO, CALIFORNIA
(FUND NO. 53100)**

The estimated costs for the operation, maintenance and servicing of the facilities, shown below, are the estimated costs of maintenance if the facilities were fully maintained for Fiscal Year 2013-2014. The 1972 Act provides that the total cost of the maintenance and services, together with incidental expenses, may be financed from the assessment proceeds. The incidental expenses may include engineering fees, legal fees, printing, mailing, postage, publishing, and all other related costs identified with district proceedings.

Direct Cost

Contractual Maintenance (34100)		
1 Landscape Maintenance: includes all pruning, weed and pest control, fertilization, turf care, trash and debris cleanup, irrigation to include maintenance and repair, water cost, electrical cost for controllers, tree trimming up to 15 feet, tree staking, backflow testing, rodent control and plant replacements.	\$ 2,815.00	
2 Hardscape Masonry: including graffiti removal, repair cracks, heaving and breakage.	\$ -	
3 Equestrian Trails: No Trails		N.A.
Utilities (33100)		
Water	\$ 2,294.00	
Electrical	\$ 170.00	
Phone	\$ 218.00	
Annual Tree Replacement (32405)	\$ -	
Subtotal Direct Cost	\$ 5,497.00	\$ 5,497.00
Operating Contingency (10 percent)		\$ 550.00
Replacement Reserve (2.9 percent)		\$ 159.00
Administrative Costs		
Observation: City Staff to Manage District (30105)	\$ 1,124.00	
Engineer's Report (34110)	\$ 1,400.00	
City Overhead/Administration (34135)	\$ 560.00	
Riverside County Admin. Fees (35210)	\$ 150.00	
Incidentals (30405)	\$ 290.00	
Subtotal Administrative Costs	\$ 3,524.00	\$ 3,524.00
Operating Reserve		\$ -
Annual Capital Project		\$ -
TOTAL ANNUAL BUDGET		\$ 9,730.00

The 1972 Act requires that a special fund to set up for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purpose as stated herein. The City may advance funds to the District, if needed, to ensure adequate cash flow, and will be reimbursed for any such advances upon receipt of assessments. Any surplus or deficit remaining on July 1 must be carried over to the next fiscal year. The estimated fund balance for fiscal year ending June 30, 2013 and cash flow funding needs are as follows:

Fund Balance

Estimated Beginning Fund Balance July 1, 2013	\$ 16,867.00
Add Back Assessment for Future Trail Fence Replacement	\$ 0.00
Estimated Current Year Revenue Surplus (Deficit)	\$ (941.00)
Estimated Fund Balance June 30, 2014	\$ 15,926.00

Estimated Fund Balance Needs:

Needed for Future Trail Fence Replacement - 10 Years of 15 Year Useful Life	\$ 0.00
2013-2014 Budgeted Trail Fence Replacement Capital Project	\$ 0.00
6 Months Operating Cash Flow	\$ 4,865.00
Estimated Needs	\$ 4,865.00

Estimated Surplus or (Unfunded Needs): \$ 11,061.00

Total Replacement Cost for Trail Fence (0 Lineal Ft @ \$9.00/LF)	\$ 0.00
Annual Set-Aside for Budgeted Trail Fence Replacement Should be (15 YR Cycle)	\$ 0.00

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

PART C

ASSESSMENT DIAGRAM

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

EXHIBIT A

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

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

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



BEAZER TR 28785

LEGEND

-  LOCATION OF IMPROVEMENTS
-  COMMON AREA

RKA
CONSULTING GROUP
 206 E. LEMON CHASE DRIVE SUITE E VOLUNT CA 91789
 (909) 294-7022 (909) 331-8323 FAX (909) 294-8888
 WWW.RKACONSGROUP.COM

LANDSCAPE MAINTENANCE DISTRICT
ZONE 1
CITY OF NORCO
 DATE: 6/8/13 SCALE: 1" = 300' DRAWN BY: FAULN SHEET: 1 OF 1

PART D

ASSESSMENT

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

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

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

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

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

	(1) As Filed	(2) As Preliminarily Approved	(3) As Finally Approved
Cost of Maintenance	\$ 5,497.00	\$ _____	\$ _____
Incidental Expenses	\$ 4,233.00	\$ _____	\$ _____
Total Cost	\$ 9,730.00	\$ _____	\$ _____
Surplus or (Deficit) from Previous Fiscal Year	\$ 941.00	\$ _____	\$ _____
NET TO BE ASSESSED FOR FISCAL YEAR 2013-2014	\$ 8,789.00	\$ _____	\$ _____

The total annual levy of assessments hereunder may be increased annually by an amount not to exceed the increase in the consumer price index applicable to the City of Norco. The Annual CPI ending March 31, 2013 was 1.3%. In no case may the increase exceed the actual cost of providing the services rendered within and pursuant to the District. The application of this CPI will increase the per parcel assessment from \$129.50 to \$131.18 for a total District levy of \$8,789.06.

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

next fiscal year. The estimated fund balance for fiscal year ending June 30, 2013 is \$16,887.00.

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

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

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

Each lot or parcel of land assessed is described in the assessment list by reference to its parcel number as shown on the Assessor's Maps of the County of Riverside for the Fiscal Year 2013-2014 and includes all of such parcel. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County.

City of Norco

Dated: JUNE 12, 2013


Dominic C. Milano, P.E.
City Engineer

EXHIBIT B

METHOD AND FORMULA OF ASSESSMENT SPREAD

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

IDENTIFYING THE BENEFIT

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

APPORTIONMENT OF COSTS

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

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

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

**LIST OF ASSESSMENTS
LANDSCAPE MAINTENANCE DISTRICT NO. 1 (BEAZER)
FISCAL YEAR 2013-2014**

<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>	<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>
1	\$131.18		45	\$131.18	
2	\$131.18		46	\$131.18	
3	\$131.18		47	\$131.18	
4	\$131.18		48	\$131.18	
5	\$131.18		49	\$131.18	
6	\$131.18		50	\$131.18	
7	\$131.18		51	\$131.18	
8	\$131.18		52	\$131.18	
9	\$131.18		53	\$131.18	
10	\$131.18		54	\$131.18	
11	\$131.18		55	\$131.18	
12	\$131.18		56	\$131.18	
13	\$131.18		57	\$131.18	
14	\$131.18		58	\$131.18	
15	\$131.18		59	\$131.18	
16	\$131.18		60	\$131.18	
17	\$131.18		61	\$131.18	
18	\$131.18		62	\$131.18	
19	\$131.18		63	\$131.18	
20	\$131.18		64	\$131.18	
21	\$131.18		65	\$131.18	
22	\$131.18		66	\$131.18	
23	\$131.18		67	\$131.18	
24	\$131.18		68	\$131.18	
25	\$131.18				
26	\$131.18				
27	\$131.18				
28	\$131.18				
29	\$131.18				
30	\$131.18				
31	\$131.18				
32	\$131.18				
33	\$131.18				
34	\$131.18				
35	\$131.18				
36	\$131.18				
37	\$131.18				
38	\$131.18				
39	\$131.18				
40	\$131.18				
41	\$131.18				
42	\$131.18				
43	\$131.18				
44	\$131.18				

TOTAL TO BE ASSESSED: \$ 8,789.06

RESOLUTION NO. 2013-32

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, APPROVING THE ENGINEER'S "PRELIMINARY REPORT" AND THE ANNUAL LEVY OF ASSESSMENTS FOR THE FISCAL YEAR 2013-2014 IN SAID DISTRICT.

WHEREAS, the City Council of the City of Norco, California, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the State of California, did, by previous Resolution, order the preparation of an Engineer's "Report" for the annual levy of assessments, consisting of plans and specifications, an estimate of the cost, a diagram of the district, and an assessment relating to what is now known and designated as:

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

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

WHEREAS, there has now been presented to this City Council the "Report" as required by said Division 15 of the Streets and Highways Code and as previously directed by Resolution; and

WHEREAS, this City Council has now carefully examined and reviewed the "Report" as presented, and is satisfied with each and all of the items and documents as set forth therein, and is satisfied that the assessments, on a preliminary basis, have been spread in accordance with the benefits received from the maintenance to be performed as set forth in said "Report."

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Norco, does hereby resolve, determine, and order as follows:

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

SECTION 2: That the "Report" as presented, consisting of the following:

- A. Plans and specifications;
- B. Estimate of cost;
- C. Diagram of the District;
- D. Assessment of the estimated cost;

is hereby approved on a preliminary basis, and is ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

SECTION 3: That the City Clerk shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the presentation of the Engineer's "Report."

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on June 19, 2013.

Mayor of the City of Norco, California

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on June 19, 2013, by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand affixed the official seal of the City of Norco, California, held on June 19, 2013.

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

ENGINEER'S REPORT

FOR

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

FISCAL YEAR 2013-2014

PREPARED FOR THE

CITY OF NORCO

RIVERSIDE COUNTY, CALIFORNIA

PREPARED BY:

DOMINIC C. MILANO, P.E.

CITY ENGINEER

**ENGINEER'S REPORT
CITY OF NORCO**

**LANDSCAPE MAINTENANCE DISTRICT NO. 2
(WESTERN PACIFIC – TRACT 25779)
FISCAL YEAR 2013-2014**

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

Date: _____, 2013

By:

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

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was filed with me on _____, 2013.

City Clerk, City of Norco
Riverside County, California

By:

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of Norco, California, on _____, 2013.

City Clerk, City of Norco
Riverside County, California

By:

**FISCAL YEAR 2013-2014
CITY OF NORCO**

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

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

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

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

PART A

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

PART B

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

PART C

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

PART D

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

PART A

PLANS AND SPECIFICATIONS

**DESCRIPTION OF IMPROVEMENTS
FOR THE CITY OF NORCO
LANDSCAPE MAINTENANCE DISTRICT NO. 2
(WESTERN PACIFIC – TRACT 25779)
FISCAL YEAR 2013-2014**

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

LANDSCAPING

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

PART B
ESTIMATE OF COST
LANDSCAPE MAINTENANCE DISTRICT NO. 2 (WESTERN PACIFIC)
NORCO, CALIFORNIA (FUND NO. 53105)

The estimated costs for the operation, maintenance and servicing of the facilities, shown below, are the estimated costs of maintenance if the facilities were fully maintained for Fiscal Year 2013-2014. The 1972 Act provides that the total cost of the maintenance and services, together with incidental expenses, may be financed from the assessment proceeds. The incidental expenses may include engineering fees, legal fees, printing, mailing, postage, publishing, and all other related costs identified with district proceedings.

Contractual Maintenance (34100)		
1 Landscape Maintenance: includes all pruning, weed and pest control, fertilization, turf care, trash and debris cleanup, irrigation to include maintenance and repair, water cost, electrical cost for controllers, tree trimming up to 15 feet, tree staking, backflow testing, rodent control and plant replacement.	\$	33,185.00
2 Slope Maintenance: includes same activities as Item 1 for exterior slopes along Hidden Valley Parkway and Norco Hills Road as well as private slopes adjacent to wetlands area at Lots 77, 78, 89, 90, 91. (Cost included in Item No. 1)		
3 Parkway Maintenance: includes all pruning, weed and pest control, fertilization, ground cover, trash and debris cleanup, irrigation to include maintenance and repair, backflow testing, rodent control and plant replacement. (Cost included in Item No. 1)		
4 Equestrian Trails: includes minor grading, replacement of wooden posts and rails, and addition of decomposed granite for trail surface.	\$	5,000.00
5 Maintenance of Wetland (Lot 71): trash and debris cleanup, plant replacement, pest and rodent control.	\$	1,030.00
6 Park Maintenance (Lot 2): trash and debris cleanup, mowing, fertilization, turf care, pest and rodent control, and observation.	\$	9,525.00
Utilities (33100)		
Water	\$	39,900.00
Electrical	\$	5,633.00
Phone	\$	230.00
Annual Tree Replacement (32405)	\$	-
Subtotal Direct Cost	\$	94,503.00
Operating Contingency (1.5 percent max)		\$ 1,418.00
Replacement Reserve (2.0 percent) (Not funded)		\$ -
Administrative Costs		
Observation: City Staff to Manage District (30100)	\$	5,619.00
Engineer's Report (34110)	\$	2,500.00
City Overhead/Administration (34135)	\$	7,559.00
Riverside County Admin. Fees (35210)	\$	230.00
Incidentals (30405)	\$	216.00
Subtotal Administrative Costs	\$	16,124.00
Operating Reserve		\$ -
Annual Capital Project		\$ -
TOTAL ANNUAL BUDGET		\$ 112,045.00

The 1972 Act requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purpose as stated herein. The City may advance funds to the District, if needed, to ensure adequate cash flow, and will be reimbursed for any such advances upon receipt of assessments. Any surplus or deficit remaining on July 1 must be carried over to the next fiscal year. The estimated fund balance for fiscal year ending June 30, 2013 and cash flow funding needs are as follows:

Fund Balance	
Estimated Beginning Fund Balance July 1, 2013	\$ (28,229.00)
Add Back Assessment for Future Trail Fence Replacement	\$ 0.00
Estimated Current Year Revenue Surplus	\$ 21,185.00
Estimated Fund Balance June 30, 2014	\$ (7,044.00)
Estimated Fund Balance Needs:	
Needed for Future Trail Fence Replacement - 10 Years of 15 Year Useful Life	\$ 91,800.00
2013-2014 Budgeted Trail Fence Replacement Capital Project	\$ 0.00
6 Months Operating Cash Flow	\$ 56,023.00
Estimated Needs	\$ 147,823.00
Estimated Surplus (Unfunded Needs):	\$ (154,867.00)

Total Replacement Cost for Trail Fence (15,300 Lineal Ft @ \$9.00/LF)	\$ 137,700.00
Annual Set-Aside for Budgeted Trail Fence Replacement Should be (15 YR Cycle)	\$ 9,180.00

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

PART C

ASSESSMENT DIAGRAM

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

EXHIBIT A

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

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

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

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

THIS IS A MAP FOR THE DISTRICT'S USE ONLY AND IS NOT TO BE USED FOR ANY OTHER PURPOSE. THE CITY OF NORCO ACCEPTS NO LIABILITY FOR ANY LOSS OR DAMAGE TO ANY PROPERTY OR PERSONS ARISING FROM THE USE OF THIS MAP.

LEGEND
 [Symbol] PROPERTY BOUNDARY
 [Symbol] STREET BOUNDARY



AN ASSESSMENT WAS MADE BY THE CITY COUNCIL OF THE CITY OF NORCO, STATE OF CALIFORNIA, ON PARCELS OF LAND SHOWN ON THE ATTACHED ASSESSMENT DIAGRAM MAP, AND WHEREBY THE LAND ON THE MAP IS DIVIDED INTO THE FOLLOWING DISTRICTS AND THE ASSESSMENT WILL BE MADE BY THE OFFICE OF THE SUPERVISOR OF RIVERSIDE COUNTY, CALIFORNIA, ON THE 15TH DAY OF MARCH, 1964. THE ASSESSMENT WILL BE MADE BY THE OFFICE OF THE SUPERVISOR OF RIVERSIDE COUNTY FOR THE EXACT AREA OF EACH ASSESSMENT LISTED AGAINST EACH PARCEL OF LAND SHOWN ON THE ATTACHED MAP.

CITY CLERK, CITY OF NORCO

RECORDED IN THE OFFICE OF THE SUPERVISOR OF RIVERSIDE COUNTY OF THE CITY OF NORCO AND BY ME OF _____

SUPERVISOR OF RIVERSIDE COUNTY OF NORCO

FILED IN THE OFFICE OF THE CLERK OF THE CITY OF NORCO, AND BY ME OF _____

CITY CLERK, CITY OF NORCO

PART D

ASSESSMENT

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

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

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

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

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

	(1) As Filed	(2) As Preliminarily Approved	(3) As Finally Approved
Cost of Maintenance	\$ 94,503.00	\$ _____	\$ _____
Incidental Expenses	\$ 17,542.00	\$ _____	\$ _____
Total Cost	\$ 110,627.00	\$ _____	\$ _____
Payment of G.F. Loan	\$ 21,185.00	\$ _____	\$ _____
NET TO BE ASSESSED FOR FISCAL YEAR 2013-2014	\$ 131,812.00	\$ _____	\$ _____

The total annual levy of assessments hereunder may be increased annually by an amount not to exceed the increase in the consumer price index (CPI) applicable to the City of Norco. In no case may the increase exceed the actual cost of providing the services rendered within and pursuant to the District. The Annual CPI ending March 31, 2013 was 1.3%. The application of this CPI will increase the per parcel assessment from \$594.16 to \$601.88, for a District wide levy of \$131,811.72.

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

next fiscal year. The estimated fund balance for fiscal year ending June 30, 2013 is a deficit of \$28,229.00.

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

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

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

Each lot or parcel of land assessed is described in the assessment list by reference to its parcel number as shown on the Assessor's Maps of the County of Riverside for the Fiscal Year 2012-2013 and includes all of such parcel. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County.

City of Norco

Dated: JUNE 12, 2013

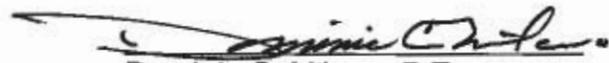

Dominic C. Milano, P.E.
City Engineer

EXHIBIT B

METHOD AND FORMULA OF ASSESSMENT SPREAD

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

IDENTIFYING THE BENEFIT

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

APPORTIONMENT OF COSTS

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

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

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

**LIST OF ASSESSMENTS
LANDSCAPE MAINTENANCE DISTRICT NO. 2 (WESTERN PACIFIC)
FISCAL YEAR 2013-2014**

<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>	<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>
3	\$601.88		46	\$601.88	
4	\$601.88		47	\$601.88	
5	\$601.88		48	\$601.88	
6	\$601.88		49	\$601.88	
7	\$601.88		50	\$601.88	
8	\$601.88		51	\$601.88	
9	\$601.88		52	\$601.88	
10	\$601.88		53	\$601.88	
11	\$601.88		54	\$601.88	
12	\$601.88		55	\$601.88	
13	\$601.88		56	\$601.88	
14	\$601.88		57	\$601.88	
15	\$601.88		58	\$601.88	
16	\$601.88		59	\$601.88	
17	\$601.88		60	\$601.88	
18	\$601.88		61	\$601.88	
19	\$601.88		62	\$601.88	
20	\$601.88		63	\$601.88	
21	\$601.88		64	\$601.88	
22	\$601.88		65	\$601.88	
23	\$601.88		66	\$601.88	
24	\$601.88		67	\$601.88	
25	\$601.88		68	\$601.88	
26	\$601.88		69	\$601.88	
27	\$601.88		70	\$601.88	
28	\$601.88		71	\$601.88	
29	\$601.88		72	\$601.88	
30	\$601.88		73	\$601.88	
31	\$601.88		74	\$601.88	
32	\$601.88		75	\$601.88	
33	\$601.88		76	\$601.88	
34	\$601.88		77	\$601.88	
35	\$601.88		78	\$601.88	
36	\$601.88		79	\$601.88	
37	\$601.88		80	\$601.88	
38	\$601.88		81	\$601.88	
39	\$601.88		82	\$601.88	
40	\$601.88		83	\$601.88	
41	\$601.88		84	\$601.88	
42	\$601.88		85	\$601.88	
43	\$601.88		86	\$601.88	
44	\$601.88		87	\$601.88	
45	\$601.88				

**LANDSCAPE MAINTENANCE DISTRICT NO. 2 (WESTERN PACIFIC)
FISCAL YEAR 2013-2014**

<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>	<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>
88	\$601.88		132	\$601.88	
89	\$601.88		133	\$601.88	
90	\$601.88		134	\$601.88	
91	\$601.88		135	\$601.88	
92	\$601.88		136	\$601.88	
93	\$601.88		137	\$601.88	
94	\$601.88		138	\$601.88	
95	\$601.88		139	\$601.88	
96	\$601.88		140	\$601.88	
97	\$601.88		141	\$601.88	
98	\$601.88		142	\$601.88	
99	\$601.88		143	\$601.88	
100	\$601.88		144	\$601.88	
101	\$601.88		145	\$601.88	
102	\$601.88		146	\$601.88	
103	\$601.88		147	\$601.88	
104	\$601.88		148	\$601.88	
105	\$601.88		149	\$601.88	
106	\$601.88		150	\$601.88	
107	\$601.88		151	\$601.88	
108	\$601.88		152	\$601.88	
109	\$601.88		153	\$601.88	
110	\$601.88		154	\$601.88	
111	\$601.88		155	\$601.88	
112	\$601.88		156	\$601.88	
113	\$601.88		157	\$601.88	
114	\$601.88		158	\$601.88	
115	\$601.88		159	\$601.88	
116	\$601.88		160	\$601.88	
117	\$601.88		161	\$601.88	
119	\$601.88		163	\$601.88	
120	\$601.88		164	\$601.88	
121	\$601.88		165	\$601.88	
122	\$601.88		166	\$601.88	
123	\$601.88		167	\$601.88	
124	\$601.88		168	\$601.88	
125	\$601.88		169	\$601.88	
126	\$601.88		170	\$601.88	
127	\$601.88		171	\$601.88	
128	\$601.88				
129	\$601.88				
130	\$601.88				
131	\$601.88				

**LANDSCAPE MAINTENANCE DISTRICT NO. 2 (WESTERN PACIFIC)
FISCAL YEAR 2013-2014**

<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>	<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>
172	\$601.88		216	\$601.88	
173	\$601.88		217	\$601.88	
174	\$601.88		218	\$601.88	
175	\$601.88		219	\$601.88	
176	\$601.88		220	\$601.88	
177	\$601.88		221	\$601.88	
178	\$601.88				
179	\$601.88				
180	\$601.88				
181	\$601.88				
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207	\$601.88				
208	\$601.88				
209	\$601.88				
210	\$601.88				
211	\$601.88				
212	\$601.88				
213	\$601.88				
214	\$601.88				
215	\$601.88				

TOTAL TO BE ASSESSED IS \$131,811.72

RESOLUTION NO. 2013-33

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, APPROVING THE ENGINEER'S "PRELIMINARY REPORT" AND THE ANNUAL LEVY OF ASSESSMENTS FOR THE FISCAL YEAR 2013-2014 IN SAID DISTRICT.

WHEREAS, the City Council of the City of Norco, California, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the State of California, did, by previous Resolution, order the preparation of an Engineer's "Report" for the annual levy of assessments, consisting of plans and specifications, an estimate of the cost, a diagram of the district, and an assessment relating to what is now known and designated as:

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

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

WHEREAS, there has now been presented to this City Council the "Report" as required by said Division 15 of the Streets and Highways Code and as previously directed by Resolution; and

WHEREAS, this City Council has now carefully examined and reviewed the "Report" as presented, and is satisfied with each and all of the items and documents as set forth therein, and is satisfied that the assessments, on a preliminary basis, have been spread in accordance with the benefits received from the maintenance to be performed as set forth in said "Report."

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Norco, does hereby resolve, determine, and order as follows:

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

SECTION 2: That the "Report" as presented, consisting of the following:

- A. Plans and specifications;
- B. Estimate of cost;
- C. Diagram of the District;
- D. Assessment of the estimated cost;

is hereby approved on a preliminary basis, and is ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

SECTION 3: That the City Clerk shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the presentation of the Engineer's "Report."

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on June 19, 2013.

Mayor of the City of Norco, California

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on June 19, 2013, by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand affixed the official seal of the City of Norco, California, held on June 19, 2013.

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

ENGINEER'S REPORT

FOR

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

FISCAL YEAR 2013-2014

PREPARED FOR THE

CITY OF NORCO

RIVERSIDE COUNTY, CALIFORNIA

PREPARED BY:

DOMINIC C. MILANO, P.E.

CITY ENGINEER

**ENGINEER'S REPORT
CITY OF NORCO**

**LANDSCAPE MAINTENANCE DISTRICT NO. 3
(CENTEX – TRACT 28626)
FISCAL YEAR 2013-2014**

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

Date: _____, 2013

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

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was filed with me on _____, 2013.

City Clerk, City of Norco
Riverside County, California

By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of Norco, California, on _____, 2013.

City Clerk, City of Norco
Riverside County, California

By: _____

**FISCAL YEAR 2013-2014
CITY OF NORCO**

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

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

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

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

PART A

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

PART B

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

PART C

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

PART D

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

PART A

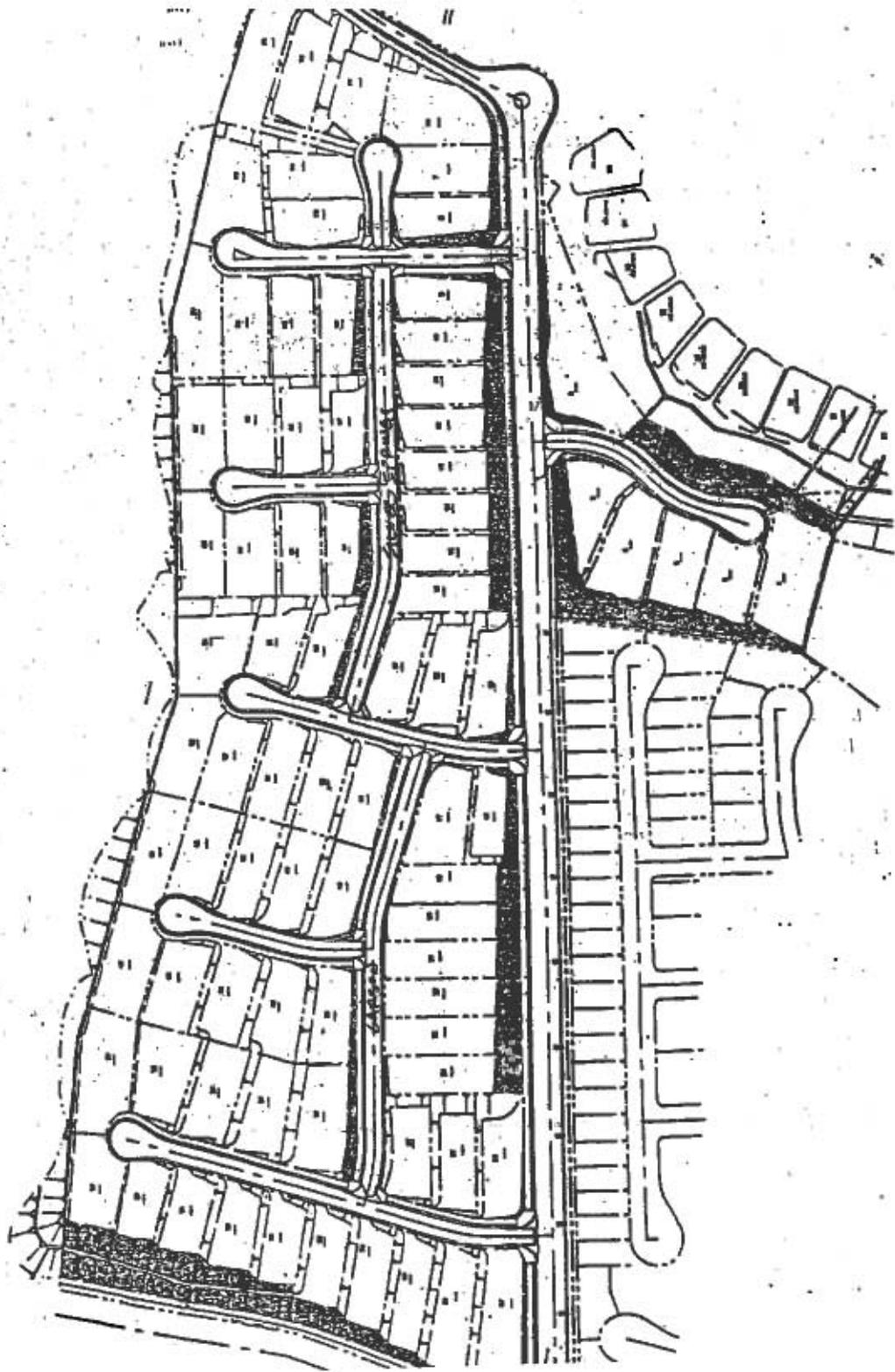
PLANS AND SPECIFICATIONS

**DESCRIPTION OF IMPROVEMENTS
FOR THE CITY OF NORCO
LANDSCAPE MAINTENANCE DISTRICT NO. 3
(CENTEX – TRACT 28626)
FISCAL YEAR 2013-2014**

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

LANDSCAPING

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



PART B

**ESTIMATE OF COST
LANDSCAPE MAINTENANCE DISTRICT NO. 3 (CENTEX – TRACT 28626)
NORCO, CALIFORNIA (FUND NO. 53110)**

The estimated costs for the operation, maintenance and servicing of the facilities, shown below, are the estimated costs of maintenance if the facilities were fully maintained for Fiscal Year 2013-2014. The 1972 Act provides that the total cost of the maintenance and services, together with incidental expenses, may be financed from the assessment proceeds. The incidental expenses may include engineering fees, legal fees, printing, mailing, postage, publishing, and all other related costs identified with district proceedings.

Direct Cost

Contractual Maintenance (34100)		
1 Landscape Maintenance: includes all pruning, weed and pest control, fertilization, turf care, trash and debris cleanup, irrigation to include maintenance and repair, water cost, electrical cost for controllers, tree trimming up to 15 feet, tree staking, backflow testing, rodent control and plant replacement.	\$ 28,219.00	
2 Equestrian Trails: includes minor grading, replacement of wooden posts and rails, and addition of decomposed granite for trail surfaces.	\$ 5,825.00	
3 Slope Maintenance: includes same activities as Item 1 for exterior slopes along Parkview Drive and Norco Hills Road as well as private slopes at Lots 1, 2, 3, and 4.	\$ -	
Utilities (33100)		
Water	\$ 30,450.00	
Electrical	\$ 2,205.00	
Phone	\$ 62.00	
Annual Tree Replacement (32405)	\$ -	
Subtotal Direct Cost	\$ 66,761.00	\$ 66,761.00
Operating Contingency (2.0 percent)		\$ 1,335.00
Replacement Reserve (2.0 percent)		\$0.00
Administrative Costs		
Observation: City Staff to Manage District (30105)	\$ 4,496.00	
Engineer's Report (34110)	\$ 2,000.00	
City Overhead/Administration (34135)	\$ 4,824.00	
Riverside County Admin. Fee (35210)	\$ 230.00	
Incidentals (30405)	\$ 91.00	
Subtotal Administrative Costs	\$ 11,641.00	\$ 11,641.00
Operating Reserve		\$ -
Annual Capital Project		\$ -
TOTAL ANNUAL BUDGET		\$ 79,737.00

The 1972 Act requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purpose as stated herein. The City may advance funds to the District, if needed, to ensure adequate cash flow, and will be reimbursed for any such advances upon receipt of assessments. Any surplus or deficit remaining on July 1 must be carried over to the next fiscal year. The estimated fund balance for fiscal year ending June 30, 2013 and cash flow funding needs are as follows:

Fund Balance

Estimated Beginning Fund Balance July 1, 2013	\$ 71,235.00
Add Back Assessment for Future Trail Fence Replacement	\$ 0.00
Estimated Current Year Revenue Surplus (Deficit)	\$ (5,201.00)
Estimated Fund Balance June 30, 2014	\$ 66,034.00

Estimated Fund Balance Needs:

Needed for Future Trail Fence Replacement - 10 Years of 15 Year Useful Life	\$ 27,840.00
2013-2014 Budgeted Trail Fence Replacement Capital Project	\$ 0.00
6 Months Operating Cash Flow	\$ 39,869.00
Estimated Needs	\$ 67,709.00

Estimated Surplus or (Unfunded Needs): \$ 1,675.00

Total Replacement Cost for Trail Fence (4,640 Lineal Ft @ \$9.00/LF)	\$ 41,760.00
Annual Set-Aside for Budgeted Trail Fence Replacement Should be (15 YR Cycle)	\$ 2,784.00

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

PART C

ASSESSMENT DIAGRAM

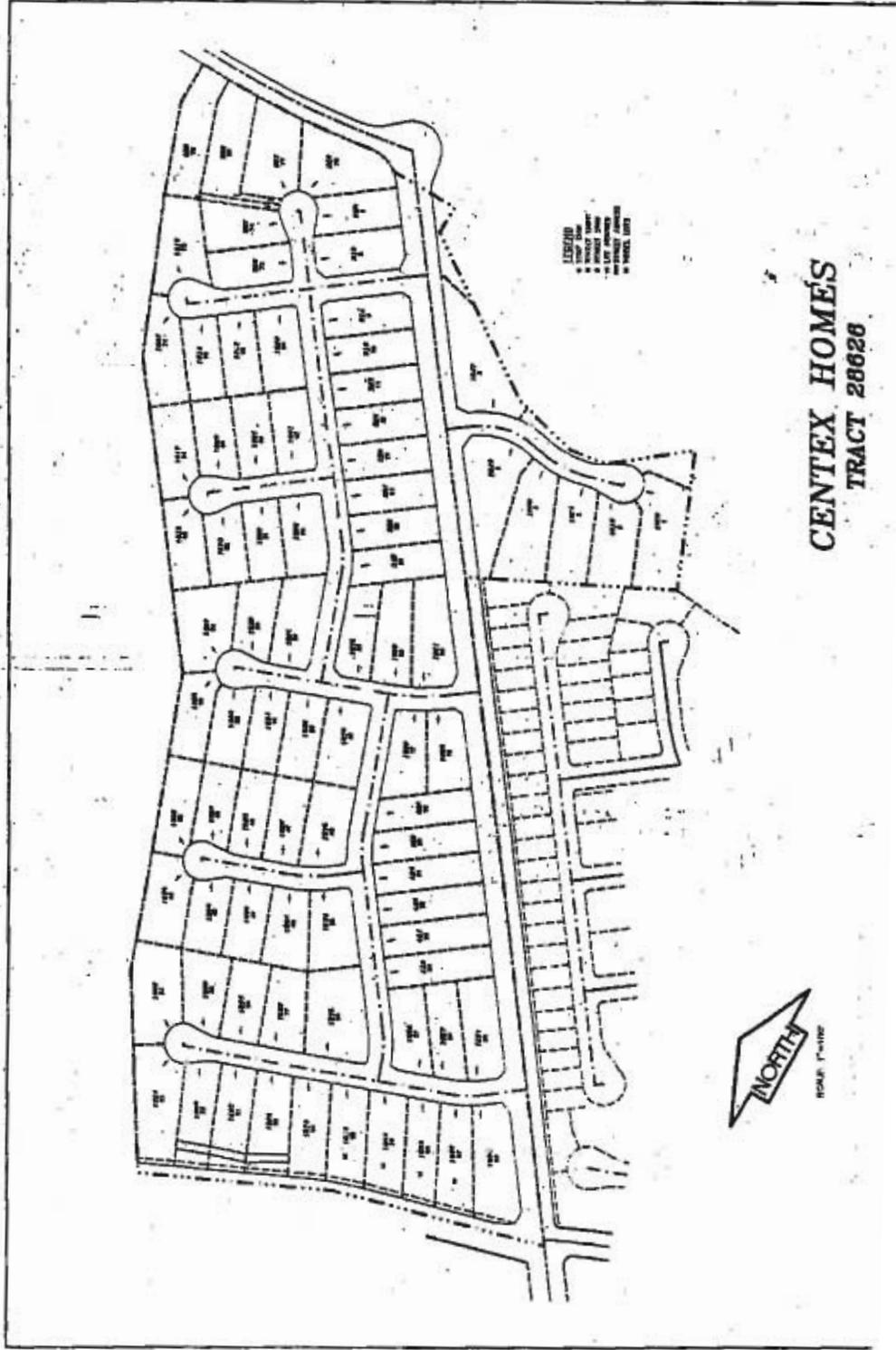
An Assessment Diagram for the Assessment District is on file in the office of the City Clerk. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions shown on the maps of the Assessor of the County of Riverside, for the year when this Report was prepared,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

EXHIBIT A

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

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

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



**CENTEX HOMES
TRACT 28626**



PART D

ASSESSMENT

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

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

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

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

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

	(1) As Filed	(2) As Preliminarily Approved	(3) As Finally Approved
Cost of Maintenance	\$ 66,761.00	\$ _____	\$ _____
Incidental Expenses	\$ 12,976.00	\$ _____	\$ _____
Total Cost	\$ 79,737.00	\$ _____	\$ _____
Surplus or (Deficit) from Previous Fiscal Year	\$ 5,201.00	\$ _____	\$ _____
NET TO BE ASSESSED FOR FISCAL YEAR 2012-2013	\$ 74,536.00	\$ _____	\$ _____

The total annual levy of assessments hereunder may be increased annually by an amount not to exceed the increase in the consumer price index applicable to the City of Norco. In no case may the increase exceed the actual cost of providing the services rendered within and pursuant to the District. The annual CPI ending March 31, 2013 was 1.3%. The application of this CPI will increase the per parcel assessment from \$897.31 to \$908.98 for a District wide levy of \$74,536.36.

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

to the next fiscal year. The estimated fund balance for fiscal year ending June 30, 2013 is \$71,235.00.

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

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

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

Each lot or parcel of land assessed is described in the assessment list by reference to its parcel number as shown on the Assessor's Maps of the County of Riverside for the Fiscal Year 2012-2013 and includes all of such parcel. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County.

City of Norco

Dated: JUNE 12 2013

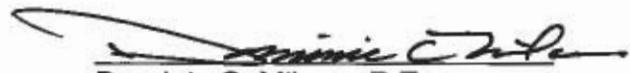

Dominic C. Milano, P.E.
City Engineer

EXHIBIT B

METHOD AND FORMULA OF ASSESSMENT SPREAD

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

IDENTIFYING THE BENEFIT

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

APPORTIONMENT OF COSTS

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

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

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

**LIST OF ASSESSMENTS
 LANDSCAPE MAINTENANCE DISTRICT NO. 3 (CENTEX – TRACT 28626)
 FISCAL YEAR 2013-2014**

<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>	<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>
1	\$908.98		45	\$908.98	
2	\$908.98		46	\$908.98	
3	\$908.98		47	\$908.98	
4	\$908.98		48	\$908.98	
5	\$908.98		49	\$908.98	
6	\$908.98		50	\$908.98	
7	\$908.98		51	\$908.98	
8	\$908.98		52	\$908.98	
9	\$908.98		53	\$908.98	
10	\$908.98		54	\$908.98	
11	\$908.98		55	\$908.98	
12	\$908.98		56	\$908.98	
13	\$908.98		57	\$908.98	
14	\$908.98		58	\$908.98	
15	\$908.98		59	\$908.98	
16	\$908.98		60	\$908.98	
17	\$908.98		61	\$908.98	
18	\$908.98		62	\$908.98	
19	\$908.98		63	\$908.98	
20	\$908.98		64	\$908.98	
21	\$908.98		65	\$908.98	
22	\$908.98		66	\$908.98	
23	\$908.98		67	\$908.98	
24	\$908.98		68	\$908.98	
25	\$908.98		69	\$908.98	
26	\$908.98		70	\$908.98	
27	\$908.98		71	\$908.98	
28	\$908.98		72	\$908.98	
29	\$908.98		73	\$908.98	
30	\$908.98		74	\$908.98	
31	\$908.98		75	\$908.98	
32	\$908.98		76	\$908.98	
33	\$908.98		77	\$908.98	
34	\$908.98		78	\$908.98	
35	\$908.98		79	\$908.98	
36	\$908.98		80	\$908.98	
37	\$908.98		81	\$908.98	
38	\$908.98		82	\$908.98	
39	\$908.98				
40	\$908.98				
41	\$908.98				
42	\$908.98				
43	\$908.98				
44	\$908.98				

TOTAL TO BE ASSESSED: \$ 74,536.36

RESOLUTION NO. 2013-34

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, APPROVING THE ENGINEER'S "PRELIMINARY REPORT" AND THE ANNUAL LEVY OF ASSESSMENTS FOR THE FISCAL YEAR 2013-2014 IN SAID DISTRICT.

WHEREAS, the City Council of the City of Norco, California, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the State of California, did, by previous Resolution, order the preparation of an Engineer's "Report" for the annual levy of assessments, consisting of plans and specifications, an estimate of the cost, a diagram of the district, and an assessment relating to what is now known and designated as:

CITY OF NORCO LANDSCAPING MAINTENANCE DISTRICT NO. 4 (NORCO RIDGE RANCH)

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

WHEREAS, there has now been presented to this City Council the "Report" as required by said Division 15 of the Streets and Highways Code and as previously directed by Resolution; and

WHEREAS, this City Council has now carefully examined and reviewed the "Report" as presented, and is satisfied with each and all of the items and documents as set forth therein, and is satisfied that the assessments, on a preliminary basis, have been spread in accordance with the benefits received from the maintenance to be performed as set forth in said "Report."

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Norco, does hereby resolve, determine, and order as follows:

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

SECTION 2: That the "Report" as presented, consisting of the following:

- A. Plans and specifications;
- B. Estimate of cost;
- C. Diagram of the District;
- D. Assessment of the estimated cost;

is hereby approved on a preliminary basis, and is ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

SECTION 3: That the City Clerk shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the presentation of the Engineer's "Report."

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on June 19, 2013.

Mayor of the City of Norco, California

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on June 19, 2013, by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand affixed the official seal of the City of Norco, California, held on June 19, 2013.

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

ENGINEER'S REPORT

FOR

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

FISCAL YEAR 2013-2014

PREPARED FOR THE

CITY OF NORCO

RIVERSIDE COUNTY, CALIFORNIA

PREPARED BY:

DOMINIC C. MILANO, P.E.

CITY ENGINEER

**ENGINEER'S REPORT
CITY OF NORCO**

**LANDSCAPE MAINTENANCE DISTRICT NO. 4
(NORCO RIDGE RANCH – TRACTS 29588 AND 29589)
FISCAL YEAR 2013-2014**

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

Date: _____, 2013

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

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was filed with me on _____, 2013.

City Clerk, City of Norco
Riverside County, California

By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of Norco, California, on _____, 2013.

City Clerk, City of Norco
Riverside County, California

By: _____

**FISCAL YEAR 2013-2014
CITY OF NORCO**

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

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

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

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

PART A – PLANS AND SPECIFICATIONS

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

PART B – ESTIMATE OF COST

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

PART C – METHOD OF APPORTIONMENT

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

PART D – ASSESSMENT ROLL

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

PART E – ASSESSMENT DIAGRAM

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

PART A

PLANS AND SPECIFICATIONS

**DESCRIPTION OF IMPROVEMENTS
FOR THE CITY OF NORCO
LANDSCAPE MAINTENANCE DISTRICT NO. 4
(NORCO RIDGE RANCH TRACTS 29588 AND 29589)
FISCAL YEAR 2013-2014**

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

Landscaping and Appurtenant Improvements:

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

Slopes, Parkway and Trails

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

Open Space and Wetlands Areas

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

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

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

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

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

PART B

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

The estimated costs for the operation, maintenance and servicing of the facilities, shown below, are the estimated costs of maintenance if the facilities were fully maintained for Fiscal Year 2013-2014. The 1972 Act provides that the total cost of the maintenance and services, together with incidental expenses, may be financed from the assessment proceeds. The incidental expenses may include engineering fees, legal fees, printing, mailing, postage, publishing, and all other related costs identified with district proceedings.

Direct Cost

Contractual Maintenance (34105)		
1 Landscape Maintenance	\$119,288.00	
Non-Irrigated Slope Landscaping		
Fuel Modification		
Zone B "Irrigated Zone"		
Zone C "Thinning Zone"		
Zone D "Thinning Zone"		
Parkway Landscaping - Park		
2 Natural Open Space	\$ 11,000.00	
3 Wetlands Area	\$ 5,000.00	
4 Equestrian Trails	\$ 71,667.00	
Utilities (33100)		
Water	\$ 90,000.00	
Electrical	\$ 52,500.00	
Phone	\$ 659.00	
Annual Tree Replacement (32405)	\$ 5,000.00	
Subtotal Direct Cost	\$ 355,114.00	\$ 355,114.00
Operating Contingency (5 percent)		\$ 17,757.00
Operating Reserve For Trail Maintenance*		\$ 25,000.00
Capital Project: Trail Fence Replacement		\$ 75,000.00
Administrative Costs		
Observation: City Staff to Manage District (30105)	\$ 7,867.00	
Engineer's Report (34110)	\$ 3,600.00	
City Overhead/Administration (34135)	\$ 29,244.00	
Riverside County Admin. Fees (35210)	\$ 382.00	
Incidentals (30405)	\$ 130.00	
Subtotal Administrative Costs	\$ 41,223.00	\$ 41,223.00
Operating Reserve		\$ -
Annual Capital Project		\$ -
TOTAL ANNUAL BUDGET		\$ 514,094.00

*The "Operating Reserve for Trail Maintenance" is a yearly line item in the budget (Estimate Of Cost) set-up to build a fund balance for capital improvements projects within the equestrian trail. The trail improvements include but are not limited to the construction of drainage improvements, to protect the trail from erosion, replacements of trail fencing and catastrophic trail failure.

The 1972 Act requires that a special fund to set up for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purpose as stated herein. The City may advance funds to the District, if needed, to ensure adequate cash flow, and will be reimbursed for any such advances upon receipt of assessments. Any surplus or deficit remaining on July 1 must be carried over to the next fiscal year. For fiscal year ending June 30, 2013 the fund balance and cash flow funding needs are as follows:

Fund Balance

Estimated Beginning Fund Balance July 1, 2013	\$ 227,404.00
Add Back Assessment for Future Trail Fence Replacement	\$ 25,000.00
Estimated Current Year Revenue Surplus	<u>\$ 567.00</u>
Estimated Fund Balance June 30, 2014	\$ 252,980.00

Estimated Fund Balance Needs:

Needed for Future Trail Fence Replacement - 10 Years of 15 Year Useful Life	\$ 505,440.00
2013-2014 Budgeted Trail Fence Replacement Capital Project	\$ (75,000.00)
6 Months Operating Cash Flow	<u>\$ 244,547.00</u>
Estimated Needs	<u>\$ 674,987.00</u>

Estimated Surplus or (Unfunded Needs): \$ (422,007.00)

Total Replacement Cost for Trail Fence (84,240 Lineal Ft @ \$9.00/LF)	\$ 758,160.00
Annual Set-Aside for Budgeted Trail Fence Replacement Should be (15 YR Cycle)	\$ 50,544.00

The City Council at a previous assessment public hearing authorized the construction of drainage improvements generally along driveways to intercept water runoff at locations causing moderate to severe erosion. In Fiscal Year 2011-12, Phase I of the project, was completed at those areas where runoff caused severe erosion. For Fiscal Year 2012-13, Phase II of the project, runoff where moderate erosion is occurring, was undertaken. This project affected 84 locations (83 homes) at a cost of \$214,750 (contract amount \$218,680). The life expectancy of the now ten year old fencing is twelve to fifteen years. This capital project, which may be broken up into phases, will consist of the replacement of approximately 84,240 lineal feet of trail fencing at a 2013 cost of \$9.00 per lineal foot for a total cost of \$758,160.

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

PART C

METHOD OF APPORTIONMENT

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

REASON FOR THE ASSESSMENT

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

APPORTIONMENT OF COSTS

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

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

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

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

	(1) As Filed	(2) As Preliminarily Approved	(3) As Finally Approved
Cost of Maintenance	\$ 455,114.00	\$ _____	\$ _____
Capital Project	\$ 75,000.00	\$ _____	\$ _____
Incidental Expenses	\$ 58,980.00	\$ _____	\$ _____
Total Cost	\$ 514,094.00	\$ _____	\$ _____
Surplus to			
Reserve Fund	\$ 567.00	\$ _____	\$ _____
NET TO BE ASSESSED FOR FISCAL YEAR 2013-2014	\$ 514,661.00	\$ _____	\$ _____

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

<u>Tract Nos.</u>	<u>Planned SFR Lots</u>	<u>Total Assessment Estimate</u>	<u>Maximum** Asmt. Rate per Planned SFR Lot</u>
Tr 29588,-2,-3,-4,-5	293	\$280,811.20	\$958.40/lot
Tr 29589-1,-2,-3	239	\$229,057.60	\$958.40/lot
Tr 29588-1*	25	\$ 0	\$ 0/lot
Other Assessable Lots	<u>5</u>	<u>\$ 4,792.00</u>	\$958.40/lot
	562	\$514,660.80	

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

**The maximum annual maintenance assessment rates may be increased each year by the annual change in the Consumer Price Index (CPI), during the preceding year ending in March, for All Urban Consumers, for the Los Angeles, Riverside and Orange County areas. The annual CPI ending March 31, 2013 was 1.3%, for a maximum assessment of \$958.40/lot.

The actual assessments levied in any fiscal year will be as approved by the City Council and may not exceed the maximum assessment rate without receiving property owner approval for the increase.

PART D

ASSESSMENT ROLL

The Assessment Roll is a listing of the proposed assessment for Fiscal Year 2012-2013 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of Riverside. The Assessment Roll is provided below and is incorporated herein.

The description of each lot or parcel is part of the records of the Assessor of the County of Riverside and these records are, by reference, made part of this Report.

The following list of parcels will be assessed for landscape maintenance:

PART E

ASSESSMENT DIAGRAM

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

**LIST OF ASSESSMENTS
LANDSCAPE MAINTENANCE DISTRICT NO. 4
(NORCO RIDGE RANCH - TRACTS 29588 & 29589)
FISCAL YEAR 2013-2014**

Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded	Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded
1235300182	\$958.40		1236500088	\$958.40	
1235300183	\$958.40		1236500087	\$958.40	
1235300203	\$958.40		1236600107	\$958.40	
1235300214	\$958.40		1236600118	\$958.40	
1235300225	\$958.40		1236600129	\$958.40	
1235300256	\$958.40		1236600130	\$958.40	
1235400017	\$958.40		1236600141	\$958.40	
1235400026	\$958.40		1236610012	\$958.40	
1235400039	\$958.40		1236610023	\$958.40	
1235400040	\$958.40		1236610034	\$958.40	
1235400051	\$958.40		1236610045	\$958.40	
1235400105	\$958.40		1236610066	\$958.40	
1235400113	\$958.40		1236610067	\$958.40	
1235400127	\$958.40		1236610076	\$958.40	
1235400135	\$958.40		1236610068	\$958.40	
1235400149	\$958.40		1236610030	\$958.40	
1235400159	\$958.40		1236610100	\$958.40	
1235400161	\$958.40		1236610111	\$958.40	
1235400172	\$958.40		1236700010	\$958.40	
1235400183	\$958.40		1236700021	\$958.40	
1235400184	\$958.40		1236700032	\$958.40	
1235400204	\$958.40		1236700043	\$958.40	
1235400215	\$958.40		1236700054	\$958.40	
1236500018	\$958.40		1236700065	\$958.40	
1236500029	\$958.40		1236700076	\$958.40	
1236500030	\$958.40		1236700087	\$958.40	
1236500041	\$958.40		1236700088	\$958.40	
1236500052	\$958.40		1236710013	\$958.40	
1236500063	\$958.40		1236710024	\$958.40	
1236500074	\$958.40		1236710035	\$958.40	
1236500085	\$958.40		1236710046	\$958.40	
1236500096	\$958.40		1236710057	\$958.40	
1236500106	\$958.40		1236710068	\$958.40	
1236500117	\$958.40		1236710079	\$958.40	
1236500128	\$958.40		1236710080	\$958.40	
1236500139	\$958.40		1236710091	\$958.40	
1236500140	\$958.40		1236710101	\$958.40	
1236510011	\$958.40		1236710112	\$958.40	
1236510022	\$958.40		1236710123	\$958.40	
1236510033	\$958.40		1236710134	\$958.40	
1236600019	\$958.40		1236710145	\$958.40	
1236600020	\$958.40		1236710156	\$958.40	
1236600031	\$958.40		1236710167	\$958.40	
1236600042	\$958.40		1235800209	\$0.00	Vacant-directly bill
1236600053	\$958.40		1235800210	\$0.00	Vacant-directly bill
1236600064	\$958.40		1682500031	\$0.00	undeveloped
1236600075	\$958.40		1682500042	\$0.00	undeveloped

**LIST OF ASSESSMENTS
LANDSCAPE MAINTENANCE DISTRICT NO. 4
(NORCO RIDGE RANCH – TRACTS 29588 & 29589)
FISCAL YEAR 2013-2014**

Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded	Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded
1682500053	\$0.00	undeveloped	1682700011	\$958.40	
1682500054	\$0.00	undeveloped	1682700022	\$958.40	
1682500075	\$0.00	undeveloped	1682700033	\$958.40	
1682500096	\$0.00	undeveloped	1682700044	\$958.40	
1682500037	\$0.00	undeveloped	1682700055	\$958.40	
1682500107	\$0.00	undeveloped	1682700066	\$958.40	
1682500116	\$0.00	undeveloped	1682700077	\$958.40	
1682500129	\$0.00	undeveloped	1682700088	\$958.40	
1682500130	\$0.00	Golf Course Lot	1682700099	\$958.40	
1682500141	\$0.00	undeveloped	1682700109	\$958.40	
1682500152	\$0.00	undeveloped	1682700110	\$958.40	
1682500163	\$0.00	undeveloped	1682700121	\$958.40	
1682500174	\$0.00	undeveloped	1682700132	\$958.40	
1682500185	\$0.00	Vacant-directly bill	1682700143	\$958.40	
1682500196	\$0.00	undeveloped	1682700154	\$958.40	
1682500203	\$0.00	undeveloped	1682700165	\$958.40	
1682500217	\$0.00	Golf Course Lot	1682710014	\$958.40	
1682500228	\$0.00	undeveloped	1682710025	\$958.40	
1682500239	\$0.00	undeveloped	1682710033	\$958.40	
1682500240	\$0.00	undeveloped	1682710047	\$958.40	
1682500251	\$0.00	Vacant-directly bill	1682710058	\$958.40	
1682500262	\$0.00	undeveloped	1682800012	\$958.40	
1682500273	\$0.00		1682800023	\$958.40	
1682500284	\$0.00		1682800034	\$958.40	
1682500295	\$0.00	undeveloped	1682800045	\$958.40	
1682600010	\$958.40		1682800055	\$958.40	
1682600021	\$958.40		1682800067	\$958.40	
1682600032	\$958.40		1682810016	\$958.40	
1682600043	\$958.40		1682810026	\$958.40	
1682600054	\$958.40		1682810037	\$958.40	
1682600055	\$958.40		1682810048	\$958.40	
1682600076	\$958.40		1682810059	\$958.40	
1682600087	\$958.40		1682810069	\$958.40	
1682600095	\$958.40		1682810071	\$958.40	
1682600106	\$958.40		1682810082	\$958.40	
1682600119	\$958.40		1682820018	\$958.40	
1682600120	\$958.40		1682820029	\$958.40	
1682600131	\$958.40		1682820030	\$958.40	
1682600142	\$958.40		1682820041	\$958.40	
1682600153	\$958.40		1682820013	\$958.40	
1682600164	\$958.40		1682900024	\$958.40	
1682600175	\$958.40		1682900035	\$958.40	
1682600186	\$958.40		1682900046	\$958.40	
1682600197	\$958.40		1682900057	\$958.40	
1682600207	\$958.40		1682900068	\$958.40	
1682600218	\$958.40		1682900079	\$958.40	
1682600229	\$958.40		1682900080	\$958.40	

**LIST OF ASSESSMENTS
LANDSCAPE MAINTENANCE DISTRICT NO. 4
(HORCO RIDGE RANCH - TRACTS 29588 & 29589)
FISCAL YEAR 2013-2014**

<u>Parcel No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>	<u>Parcel No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>
1682800091	\$958.40		1683000321	\$958.40	
1682800101	\$958.40		1683000332	\$958.40	
1682800112	\$958.40		1683000343	\$958.40	
1682810016	\$958.40		1683000354	\$958.40	
1682810027	\$958.40		1683000365	\$958.40	
1682810038	\$958.40		1683000376	\$958.40	
1682810049	\$958.40		1683000387	\$958.40	
1682810050	\$958.40		1683000398	\$958.40	
1682810061	\$958.40		1683100014	\$958.40	
1682820019	\$958.40		1683110017	\$958.40	
1682820020	\$958.40		1683110028	\$958.40	
1682820031	\$958.40		1683110039	\$958.40	
1682820042	\$958.40		1683110040	\$958.40	
1682820053	\$958.40		1683110051	\$958.40	
1682820064	\$958.40		1683110062	\$958.40	
1682820075	\$958.40		1683110073	\$958.40	
1683000013	\$958.40		1683110084	\$958.40	
1683000024	\$958.40		1683110095	\$958.40	
1683000035	\$958.40		1683110105	\$958.40	
1683000046	\$958.40		1683110116	\$958.40	
1683000057	\$958.40		1683110127	\$958.40	
1683000068	\$958.40		1683110136	\$958.40	
1683000079	\$958.40		1683110149	\$958.40	
1683000080	\$958.40		1683110150	\$958.40	
1683000091	\$958.40		1683110161	\$958.40	
1683000101	\$958.40		1683110172	\$958.40	
1683000112	\$958.40		1683110183	\$958.40	
1683000123	\$958.40		1683120010	\$958.40	
1683000134	\$958.40		1683120021	\$958.40	
1683000145	\$958.40		1683120032	\$958.40	
1683000156	\$958.40		1683120043	\$958.40	
1683000167	\$958.40		1683120054	\$958.40	
1683000178	\$958.40		1683120065	\$958.40	
1683000189	\$958.40		1683120076	\$958.40	
1683000190	\$958.40		1683120087	\$958.40	
1683000200	\$958.40		1683120098	\$0.00	
1683000211	\$958.40		1683200015	\$958.40	
1683000222	\$958.40		1683200026	\$958.40	
1683000233	\$958.40		1683200037	\$958.40	
1683000244	\$958.40		1683200048	\$958.40	
1683000255	\$958.40		1683200059	\$958.40	
1683000266	\$958.40		1683200060	\$958.40	
1683000277	\$958.40		1683200071	\$958.40	
1683000288	\$958.40		1683200082	\$958.40	
1683000299	\$958.40		1683200093	\$958.40	
1683000309	\$958.40		1683200103	\$958.40	
1683000310	\$958.40		1683200114	\$958.40	

**LIST OF ASSESSMENTS
 LANDSCAPE MAINTENANCE DISTRICT NO. 4
 (HORCO RIDGE RANCH – TRACTS 29586 & 29589)
 FISCAL YEAR 2013-2014**

<u>Parcel No.</u>	<u>As Preliminary Approved</u>	<u>As Finally Confirmed and Recorded</u>	<u>Parcel No.</u>	<u>As Preliminary Approved</u>	<u>As Finally Confirmed and Recorded</u>
1883200126	\$958.40				
1883200136	\$958.40				
1883200147	\$958.40				
1883200150	\$958.40				
1883200160	\$958.40				
1883200170	\$958.40				
1883210018	\$958.40				
1883210029	\$958.40				
1883210030	\$958.40				
1883210041	\$958.40				
1883210052	\$958.40				
1883210063	\$958.40				
1883210074	\$958.40				
1883210085	\$958.40				
1883210096	\$958.40				
1883210106	\$958.40				
1883210117	\$958.40				
1883210128	\$958.40				
1883210139	\$958.40				
1883500011	\$0.00				
1883500021	\$0.00				
1883500031	\$0.00				
1883500041	\$0.00				
1883500051	\$0.00				
1883500071	\$0.00				
1883500081	\$0.00				
1883500091	\$0.00				
1883500101	\$0.00				
1883500111	\$0.00				
1883500121	\$0.00				
1883500131	\$0.00				
1883500141	\$0.00				
1883500151	\$0.00				
1883500161	\$0.00				
1883500171	\$0.00				
1883500181	\$0.00				
1883500191	\$0.00				
1883500201	\$0.00				
1883500211	\$0.00				
1883500221	\$0.00				
1883500231	\$0.00				
1883500241	\$0.00				
1883500511	\$0.00				

TOTAL TO BE ASSESSED: \$514,660.80

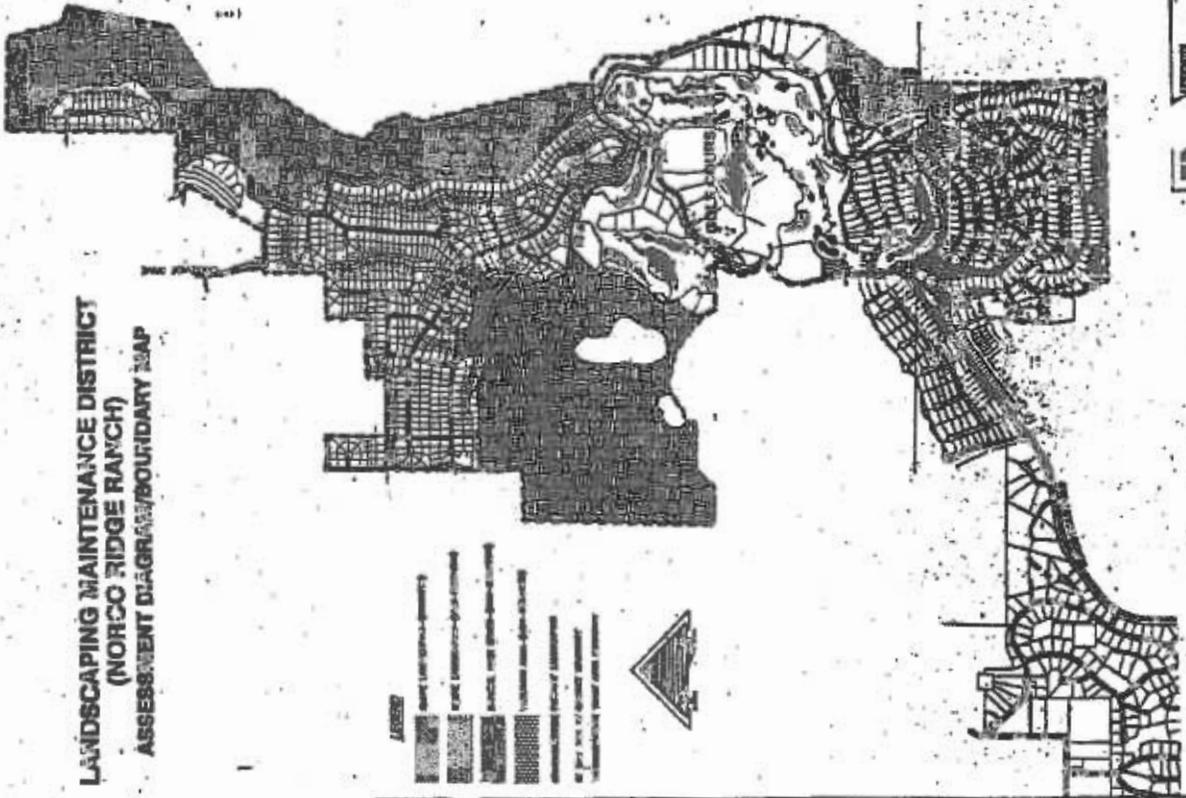
PART E

ASSESSMENT DIAGRAM

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

**LANDSCAPING MAINTENANCE DISTRICT
(NORCO RIDGE RANCH)
ASSESSMENT DIAGRAM/BOUNDARY MAP**

- LEGEND**
-  Areas with trees - quantity
 -  Areas with trees - quality
 -  Areas with trees - quantity
 -  Areas with trees - quality
 -  Areas with trees - quantity
 -  Areas with trees - quality
- ALL AREAS OF QUALITY MAINTENANCE DISTRICTS ARE TO BE MAINTAINED AS SUCH.**



RESOLUTION NO. 2013-35

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, APPROVING THE ENGINEER'S "PRELIMINARY REPORT" AND THE ANNUAL LEVY OF ASSESSMENTS FOR THE FISCAL YEAR 2013-2014 IN SAID DISTRICT.

WHEREAS, the City Council of the City of Norco, California, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the State of California, did, by previous Resolution, order the preparation of an Engineer's "Report" for the annual levy of assessments, consisting of plans and specifications, an estimate of the cost, a diagram of the district, and an assessment relating to what is now known and designated as:

CITY OF NORCO LANDSCAPING MAINTENANCE DISTRICT NO. 5 (HAWK'S CREST)

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

WHEREAS, there has now been presented to this City Council the "Report" as required by said Division 15 of the Streets and Highways Code and as previously directed by Resolution; and

WHEREAS, this City Council has now carefully examined and reviewed the "Report" as presented, and is satisfied with each and all of the items and documents as set forth therein, and is satisfied that the assessments, on a preliminary basis, have been spread in accordance with the benefits received from the maintenance to be performed as set forth in said "Report."

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Norco, does hereby resolve, determine, and order as follows:

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

SECTION 2: That the "Report" as presented, consisting of the following:

- A. Plans and specifications;
- B. Estimate of cost;
- C. Diagram of the District;
- D. Assessment of the estimated cost;

is hereby approved on a preliminary basis, and is ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

SECTION 3: That the City Clerk shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the presentation of the Engineer's "Report."

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on June 19, 2013.

Mayor of the City of Norco, California

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on June 19, 2013, by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand affixed the official seal of the City of Norco, California, held on June 19, 2013.

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

ENGINEER'S REPORT

FOR

LANDSCAPE MAINTENANCE DISTRICT NO. 5 (HAWK'S CREST)

FISCAL YEAR 2013-2014

PREPARED FOR THE

CITY OF NORCO

RIVERSIDE COUNTY, CALIFORNIA

PREPARED BY:

DOMINIC C. MILANO, P.E.

CITY ENGINEER

**ENGINEER'S REPORT
CITY OF NORCO**

**LANDSCAPE MAINTENANCE DISTRICT NO. 5
(HAWK'S CREST – TRACT 30230)
FISCAL YEAR 2013-2014**

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

Date: _____, 2013

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

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was filed with me on _____, 2013.

City Clerk, City of Norco
Riverside County, California

By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of Norco, California, on _____, 2013.

City Clerk, City of Norco
Riverside County, California

By: _____

**FISCAL YEAR 2013-2014
CITY OF NORCO**

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

Pursuant to Part 2 of Division 15 of the Streets and Highways Code of the State of California, and in accordance with the Resolution of Initiation, being Resolution No. 99-76, adopted by the Council of the City of Norco, State of California, in connection with the proceedings for:

**CITY OF NORCO
LANDSCAPING MAINTENANCE DISTRICT NO. 5
(HAWK'S CREST- TRACT 30230)**

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

PART A

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

PART B

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

PART C

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

PART D

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



TRACT 20000-0
 EQUESTRIAN TRAIL - 112,441 S.F.
 LMD SLOPE MAINTENANCE AREA - 8,225 S.F.
 LMD PARKWAY LANDSCAPING - 23,420 S.F.

TRACT 20000-1

LOT A

SLOPE AREA - 12,265 S.F.
 USEABLE AREA - 17,800 S.F.
 EQUESTRIAN TRAIL - 3,230 S.F.
 TOTAL AREA - 33,055 S.F.

LOT B

SLOPE AREA - 6,310 S.F.
 USEABLE AREA - 11,700 S.F.
 TOTAL AREA - 18,010 S.F.

7 20000-0

U:\2000\CHARTER\20000-0

PART A

PLANS AND SPECIFICATIONS

**DESCRIPTION OF IMPROVEMENTS
FOR THE CITY OF NORCO
LANDSCAPE MAINTENANCE DISTRICT NO. 5
(HAWK'S CREST – TRACT 30230)
FISCAL YEAR 2013-2014**

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

LANDSCAPING

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

PART B

**ESTIMATE OF COST
LANDSCAPE MAINTENANCE DISTRICT NO. 5 (KB HOME TRACT 30230)
NORCO, CALIFORNIA (FUND NO. 53120)**

The estimated costs for the operation, maintenance and servicing of the facilities, shown below, are the estimated costs of maintenance if the facilities were fully maintained for Fiscal Year 2013-2014. The 1972 Act provides that the total cost of the maintenance and services, together with incidental expenses, may be financed from the assessment proceeds. The incidental expenses may include engineering fees, legal fees, printing, mailing, postage, publishing, and all other related costs identified with district proceedings.

Direct Cost

Contractual Maintenance (34100)		
1 Landscape Maintenance (Park-Flat): includes all pruning, weed and pest control, fertilization, turf care, trash and debris cleanup, irrigation to include maintenance and repair, water cost, electrical cost for controllers, tree trimming up to 15 feet, tree staking, backflow testing, rodent control and plant replacement.	\$	10,700.00
2 Arena Maintenance: includes grading & replenishment of DG and maintenance of rail. (Cost included in Item No. 1)		
3 Equestrian Trails: includes minor grading, replacement of wooden posts and rails, and addition of decomposed granite for trail surface.	\$	7,092.00
4 Landscape Maintenance (Slope - Park & Arena): includes plant maintenance, weed, and pest control, and debris cleanup.	\$	4,773.00
5 Slope Maintenance: includes same activities as Item 1 but for exterior slopes along Fifth Street and California Ave. (Cost included in Item No. 4)		
6 Landscape Maintenance (Parkways): includes weeding, feeding of ground cover and maintenance & trimming of street trees. (Cost included in Item No. 4)		
Utilities (33100)		
Water	\$	8,925.00
Electrical	\$	420.00
Phone	\$	70.00
Annual Tree Replacement (32405)	\$	-
Subtotal Direct Cost	\$	31,980.00
Operating Contingency (7.7 percent)		\$ 2,462.00
Replacement Reserve (2.0 percent max)		\$ 640.00
Administrative Costs		
Observation: City Staff to Manage District (30105)	\$	3,372.00
Engineer's Report (34110)	\$	2,500.00
City Overhead/Administration (34135)	\$	2,813.00
Riverside County Admin. Fee (35210)	\$	139.00
Incidentals (30405)	\$	191.00
Subtotal Administrative Costs	\$	9,015.00
Operating Reserve		\$2,224.00
Annual Capital Project		\$0.00
TOTAL ANNUAL BUDGET		\$ 46,321.00

The 1972 Act requires that a special fund to set up for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purpose as stated herein. The City may advance funds to the District, if needed, to ensure adequate cash flow, and will be reimbursed for any such advances upon receipt of assessments. Any surplus or deficit remaining on July 1 must be carried over to the next fiscal year. The estimated fund balance for fiscal year ending June 30, 2013 and cash flow needs are as follows:

Fund Balance	
Estimated Beginning Fund Balance July 1, 2013	\$ 59,053.00
Add Back Assessment for Future Trail Fence Replacement	\$ 0.00
Estimated Current Year Revenue Surplus	\$ 0.00
Estimated Fund Balance June 30, 2014	\$ 59,053.00

Estimated Fund Balance Needs:

Needed for Future Trail Fence Replacement - 10 Years of 15 Year Useful Life	\$ 41,040.00
2013-2014 Budgeted Trail Fence Replacement Capital Project	\$ 0.00
6 Months Operating Cash Flow	\$ 23,161.00
Estimated Needs	\$ 64,201.00

Estimated Surplus or (Unfunded Needs): \$ (5,148.00)

Total Replacement Cost for Trail Fence (6,840 Lineal Ft @ \$9.00/LF)	\$ 61,560.00
Annual Set-Aside for Budgeted Trail Fence Replacement Should be (15 YR Cycle)	\$ 40,104.00

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

PART C

ASSESSMENT DIAGRAM

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

EXHIBIT A

**LEGAL DESCRIPTION
LANDSCAPE MAINTENANCE DISTRICT NO. 5 (HAWK'S CREST)**

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

Lots 1 through 50 inclusive, of Tract No. 30230 in the City of Norco, County of Riverside, State of California, as per map recorded in Book 344, Pages 40 through 45, inclusive, of Maps in the Office of the County Recorder of Said County.

PART D
ASSESSMENT

WHEREAS, on November 5, 2003, the City Council of the City of Norco, California, pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 (commencing with Section 22500) of Division 15 of the California Streets and Highways Code (the "Act") adopted its Resolution of the City Council of the City of Norco Initiating Proceedings for the Formation for a Maintenance Assessment District and thereafter formed Landscape Maintenance District No. 5 (Hawk's Crest) (the "District") as more particularly described in said proceedings; and

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

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

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

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

	(1) As Filed	(2) As Preliminarily Approved	(3) As Finally Approved
Cost of Maintenance	\$ 31,980.00	\$ _____	\$ _____
Incidental Expenses	\$ 14,341.00	\$ _____	\$ _____
Total Cost	\$ 46,321.00	\$ _____	\$ _____
Surplus or (Deficit) from Previous Fiscal Year	\$ 0.00	\$ _____	\$ _____
NET TO BE ASSESSED FOR FISCAL YEAR 2012-2013	\$ 46,321.00	\$ _____	\$ _____

The total annual levy of assessments hereunder may be increased annually by an amount not to exceed the increase in the consumer price index applicable to the City of Norco. In no case may the increase exceed the actual cost of providing the services rendered within and pursuant to the District. The annual CPI ending March 31, 2013 was 1.3%. The application of this CPI will increase the per parcel assessment from \$914.53 to \$926.42 for a District wide levy of \$46,321.50.

The 1972 Act requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purposes as stated herein. A contribution to the District by the City may be made to reduce assessments, as the City

Council deems appropriate. Any balance remaining on July 1 must be carried over to the next fiscal year. The estimated fund balance for fiscal year ending June 30, 2013 is \$59,053.00.

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

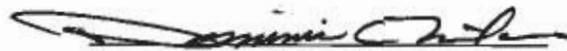
I do hereby assess the net amount to be assessed upon all assessable lots or parcels of land within said District by apportioning that amount among the several lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the maintenance of said improvements,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

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

Each lot or parcel of land assessed is described in the assessment list by reference to its parcel number as shown on the Assessor's Maps of the County of Riverside for the Fiscal Year 2012-2013 and includes all of such parcel. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County.

City of Norco

Dated: JUNE 12, 2013



Dominic C. Milano, P.E.
City Engineer

EXHIBIT B

METHOD AND FORMULA OF ASSESSMENT SPREAD

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

IDENTIFYING THE BENEFIT

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

APPORTIONMENT OF COSTS

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

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

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

**LIST OF ASSESSMENTS
 LANDSCAPE MAINTENANCE DISTRICT NO. 5 (HAWK'S CREST – TRACT 30230)
 FISCAL YEAR 2013-2014**

<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>	<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>
1	\$926.42		45	\$926.42	
2	\$926.42		46	\$926.42	
3	\$926.42		47	\$926.42	
4	\$926.42		48	\$926.42	
5	\$926.42		49	\$926.42	
6	\$926.42		50	\$926.42	
7	\$926.42				
8	\$926.42				
10	\$926.42				
11	\$926.42				
12	\$926.42				
13	\$926.42				
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36	\$926.42				
37	\$926.42				
38	\$926.42				
39	\$926.42				
40	\$926.42				
41	\$926.42				
42	\$926.42				
43	\$926.42				
44	\$926.42				

TOTAL TO BE ASSESSED: \$ 46,321.00

RESOLUTION NO. 2013-36

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, DECLARING CITY'S INTENTION TO PROVIDE FOR AN ANNUAL LEVY AND COLLECTION OF ASSESSMENTS FOR CERTAIN MAINTENANCE IN AN EXISTING DISTRICT, AND SETTING A TIME AND PLACE FOR THE PUBLIC HEARING.

WHEREAS, the City Council of the City of Norco, California, desires to continue a Landscaping Maintenance District pursuant to the terms and provisions of the "Landscaping and Street Lighting Act of 1972," being Division 15, Part 2 of the Streets and Highways Code of the State of California, known and designated as:

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

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

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

WHEREAS, at this time there has been presented and approved this City Council, the Engineer's "Report" as required by law, and this City Council is desirous of proceeding with the proceedings for said annual levy.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Norco, California, does resolve, determine, and order as follows:

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

PUBLIC INTEREST

SECTION 2: That the public interest and convenience requires, and it is the intention of this City Council, to undertake proceedings for the annual levy and collection of special assessments for the continual maintenance of certain improvements, all to serve and benefit said District as said area is shown and delineated on a map as previously approved by this City Council and on file in the Office of the City Clerk, open to public inspection, and herein so referenced and made a part hereof, and proposed changes thereto are set forth in the "Report" of the Engineer, incorporated herein as a part hereof.

REPORT

SECTION 3: That the "Report" of the Engineer regarding the annual levy for said District, which "Report" is for maintenance for the Fiscal Year 2013-2014 is hereby approved and is directed to be filed in the Office of the City Clerk.

ASSESSMENT

SECTION 4: That the public interest and convenience requires, and it is the intention of this City Council to order the annual assessment levy for the District as set forth and described in said Engineer's "Report," and further it is determined to be in the best public interest and convenience to levy and collect annual assessments to pay the costs and expense of said maintenance and improvement as estimated in said "Report."

DESCRIPTION OF MAINTENANCE

SECTION 5: The assessments levied and collected shall be for the maintenance of certain landscaping and street lighting improvements, as set forth in the Engineer's "Report," referenced and so incorporated herein.

COUNTY AUDITOR

SECTION 6: The County Auditor shall enter on the County Assessment Roll the amount of the assessments, and shall collect said assessments at the time and in the same manner as County taxes are collected. After collection by the County, the net amount of the assessments, after the deduction of any compensation due to the County for collection, shall be paid to the Treasurer for purposes of paying for the costs and expenses of said District.

SPECIAL FUND

SECTION 7: That all monies collected shall be deposited in a special fund known as:

**“SPECIAL FUND, CITY OF NORCO
LANDSCAPING MAINTENANCE DISTRICT NO. 1 (BEAZER)”**

Payment shall be made out of said fund only for the purpose provided for in this Resolution, and in order to expedite the making of this maintenance and improvement, the City Council may transfer into said funds as it may deem necessary to expedite the proceedings. Any funds shall be repaid out of the proceeds of the assessments provided for in this Resolution.

BOUNDARIES OF DISTRICT

SECTION 8: Said contemplated maintenance work is, in the opinion of this City Council, of direct benefit to the properties within the boundaries of the District, and this City Council makes the costs and expenses of said maintenance chargeable upon a district, which district said City Council hereby declares to be the district benefited by said improvement said maintenance, and to be further assessed to pay the costs and expenses thereof. Said District shall include each and every parcel of land within the boundaries of said District, as said District is shown on a map as approved by this City Council and on file in the Office of the City Clerk, and so designated by the name of the District.

SECTION 9: NOTICE IS HEREBY GIVEN THAT ON JULY 17, 2013 AT THE HOUR OF 7 P.M., IN CITY COUNCIL CHAMBERS LOCATED AT 2870 CLARK AVENUE, NORCO, CALIFORNIA, IS THE TIME AND PLACE FIXED BY THE CITY COUNCIL FOR THE HEARING OF PROTESTS OR OBJECTIONS IN REFERENCE TO THE ANNUAL LEVY OF ASSESSMENTS, TO THE EXTENT OF THE MAINTENANCE, AND ANY OTHER MATTERS CONTAINED IN THIS RESOLUTION BY THOSE PROPERTY OWNERS AFFECTED HEREBY. ANY PERSONS WHO WISH TO OBJECT TO THE PROCEEDINGS SHOULD FILE A WRITTEN PROTEST WITH THE CITY CLERK PRIOR TO THE TIME SET AND SCHEDULED FOR SAID PUBLIC HEARING.

NOTICE

SECTION 10: The City Clerk is directed to publish this Resolution of Intention pursuant to Government Code Section 6061, said publication to be completed no later than ten days prior to the date set for the Public Hearing.

EFFECTIVE DATE

SECTION 11: This Resolution shall take effect immediately upon its adoption.

PROCEEDINGS INQUIRIES

SECTION 12: For any and all information relating to the proceedings, protest procedure, any documentation and/or information of a procedural or technical nature, your attention is directed to the below listed person at the local agency or department so designated:

Mr. Dominic C. Milano, City Engineer
CITY OF NORCO
2870 Clark Avenue
Norco, California 92860

Resolution No. 2013-36, Beazer
Page 5
June 19, 2013

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on June 19, 2013.

Mayor of the City of Norco, California

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on June 19, 2013, by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand affixed the official seal of the City of Norco, California, held on June 19, 2013.

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

RESOLUTION NO. 2013-37

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, DECLARING CITY'S INTENTION TO PROVIDE FOR AN ANNUAL LEVY AND COLLECTION OF ASSESSMENTS FOR CERTAIN MAINTENANCE IN AN EXISTING DISTRICT, AND SETTING A TIME AND PLACE FOR THE PUBLIC HEARING.

WHEREAS, the City Council of the City of Norco, California, desires to continue a Landscaping Maintenance District pursuant to the terms and provisions of the "Landscaping and Street Lighting Act of 1972," being Division 15, Part 2 of the Streets and Highways Code of the State of California, known and designated as:

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

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

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

WHEREAS, at this time there has been presented and approved this City Council, the Engineer's "Report" as required by law, and this City Council is desirous of proceeding with the proceedings for said annual levy.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Norco, California, does resolve, determine, and order as follows:

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

PUBLIC INTEREST

SECTION 2: That the public interest and convenience requires, and it is the intention of this City Council, to undertake proceedings for the annual levy and collection of special assessments for the continual maintenance of certain improvements, all to serve and benefit said District as said area is shown and delineated on a map as previously approved by this City Council and on file in the Office of the City Clerk, open to public inspection, and herein so referenced and made a part hereof, and proposed changes thereto are set forth in the "Report" of the Engineer, incorporated herein as a part hereof.

REPORT

SECTION 3: That the "Report" of the Engineer regarding the annual levy for said District, which "Report" is for maintenance for the Fiscal Year 2013-2014 is hereby approved and is directed to be filed in the Office of the City Clerk.

ASSESSMENT

SECTION 4: That the public interest and convenience requires, and it is the intention of this City Council to order the annual assessment levy for the District as set forth and described in said Engineer's "Report," and further it is determined to be in the best public interest and convenience to levy and collect annual assessments to pay the costs and expense of said maintenance and improvement as estimated in said "Report."

DESCRIPTION OF MAINTENANCE

SECTION 5: The assessments levied and collected shall be for the maintenance of certain landscaping and street lighting improvements, as set forth in the Engineer's "Report," referenced and so incorporated herein.

COUNTY AUDITOR

SECTION 6: The County Auditor shall enter on the County Assessment Roll the amount of the assessments, and shall collect said assessments at the time and in the same manner as County taxes are collected. After collection by the County, the net amount of the assessments, after the deduction of any compensation due to the County for collection, shall be paid to the Treasurer for purposes of paying for the costs and expenses of said District.

SPECIAL FUND

SECTION 7: That all monies collected shall be deposited in a special fund known as:

**“SPECIAL FUND, CITY OF NORCO
LANDSCAPING MAINTENANCE DISTRICT NO. 2 (WESTERN PACIFIC)”**

Payment shall be made out of said fund only for the purpose provided for in this Resolution, and in order to expedite the making of this maintenance and improvement, the City Council may transfer into said funds as it may deem necessary to expedite the proceedings. Any funds shall be repaid out of the proceeds of the assessments provided for in this Resolution.

BOUNDARIES OF DISTRICT

SECTION 8: Said contemplated maintenance work is, in the opinion of this City Council, of direct benefit to the properties within the boundaries of the District, and this City Council makes the costs and expenses of said maintenance chargeable upon a district, which district said City Council hereby declares to be the district benefited by said improvement said maintenance, and to be further assessed to pay the costs and expenses thereof. Said District shall include each and every parcel of land within the boundaries of said District, as said District is shown on a map as approved by this City Council and on file in the Office of the City Clerk, and so designated by the name of the District.

SECTION 9: NOTICE IS HEREBY GIVEN THAT ON JULY 17, 2013 AT THE HOUR OF 7 P.M., IN CITY COUNCIL CHAMBERS LOCATED AT 2870 CLARK AVENUE, NORCO, CALIFORNIA, IS THE TIME AND PLACE FIXED BY THE CITY COUNCIL FOR THE HEARING OF PROTESTS OR OBJECTIONS IN REFERENCE TO THE ANNUAL LEVY OF ASSESSMENTS, TO THE EXTENT OF THE MAINTENANCE, AND ANY OTHER MATTERS CONTAINED IN THIS RESOLUTION BY THOSE PROPERTY OWNERS AFFECTED HEREBY. ANY PERSONS WHO WISH TO OBJECT TO THE PROCEEDINGS SHOULD FILE A WRITTEN PROTEST WITH THE CITY CLERK PRIOR TO THE TIME SET AND SCHEDULED FOR SAID PUBLIC HEARING.

NOTICE

SECTION 10: The City Clerk is directed to publish this Resolution of Intention pursuant to Government Code Section 6061, said publication to be completed no later than ten days prior to the date set for the Public Hearing.

EFFECTIVE DATE

SECTION 11: This Resolution shall take effect immediately upon its adoption.

PROCEEDINGS INQUIRIES

SECTION 12: For any and all information relating to the proceedings, protest procedure, any documentation and/or information of a procedural or technical nature, your attention is directed to the below listed person at the local agency or department so designated:

Mr. Dominic C. Milano, City Engineer
CITY OF NORCO
2870 Clark Avenue
Norco, California 92860

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on June 19, 2013.

Mayor of the City of Norco, California

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on June 19, 2013, by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand affixed the official seal of the City of Norco, California, held on June 19, 2013.

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

RESOLUTION NO. 2013-38

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, DECLARING CITY'S INTENTION TO PROVIDE FOR AN ANNUAL LEVY AND COLLECTION OF ASSESSMENTS FOR CERTAIN MAINTENANCE IN AN EXISTING DISTRICT, AND SETTING A TIME AND PLACE FOR THE PUBLIC HEARING.

WHEREAS, the City Council of the City of Norco, California, desires to continue a Landscaping Maintenance District pursuant to the terms and provisions of the "Landscaping and Street Lighting Act of 1972," being Division 15, Part 2 of the Streets and Highways Code of the State of California, known and designated as:

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

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

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

WHEREAS, at this time there has been presented and approved this City Council, the Engineer's "Report" as required by law, and this City Council is desirous of proceeding with the proceedings for said annual levy.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Norco, California, does resolve, determine, and order as follows:

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

PUBLIC INTEREST

SECTION 2: That the public interest and convenience requires, and it is the intention of this City Council, to undertake proceedings for the annual levy and collection of special assessments for the continual maintenance of certain improvements, all to serve and benefit said District as said area is shown and delineated on a map as previously approved by this City Council and on file in the Office of the City Clerk, open to public inspection, and herein so referenced and made a part hereof, and proposed changes thereto are set forth in the "Report" of the Engineer, incorporated herein as a part hereof.

REPORT

SECTION 3: That the "Report" of the Engineer regarding the annual levy for said District, which "Report" is for maintenance for the Fiscal Year 2013-2014 is hereby approved and is directed to be filed in the Office of the City Clerk.

ASSESSMENT

SECTION 4: That the public interest and convenience requires, and it is the intention of this City Council to order the annual assessment levy for the District as set forth and described in said Engineer's "Report," and further it is determined to be in the best public interest and convenience to levy and collect annual assessments to pay the costs and expense of said maintenance and improvement as estimated in said "Report."

DESCRIPTION OF MAINTENANCE

SECTION 5: The assessments levied and collected shall be for the maintenance of certain landscaping and street lighting improvements, as set forth in the Engineer's "Report," referenced and so incorporated herein.

COUNTY AUDITOR

SECTION 6: The County Auditor shall enter on the County Assessment Roll the amount of the assessments, and shall collect said assessments at the time and in the same manner as County taxes are collected. After collection by the County, the net amount of the assessments, after the deduction of any compensation due to the County for collection, shall be paid to the Treasurer for purposes of paying for the costs and expenses of said District.

SPECIAL FUND

SECTION 7: That all monies collected shall be deposited in a special fund known as:

**“SPECIAL FUND, CITY OF NORCO
LANDSCAPING MAINTENANCE DISTRICT NO. 3 (CENTEX)”**

Payment shall be made out of said fund only for the purpose provided for in this Resolution, and in order to expedite the making of this maintenance and improvement, the City Council may transfer into said funds as it may deem necessary to expedite the proceedings. Any funds shall be repaid out of the proceeds of the assessments provided for in this Resolution.

BOUNDARIES OF DISTRICT

SECTION 8: Said contemplated maintenance work is, in the opinion of this City Council, of direct benefit to the properties within the boundaries of the District, and this City Council makes the costs and expenses of said maintenance chargeable upon a district, which district said City Council hereby declares to be the district benefited by said improvement said maintenance, and to be further assessed to pay the costs and expenses thereof. Said District shall include each and every parcel of land within the boundaries of said District, as said District is shown on a map as approved by this City Council and on file in the Office of the City Clerk, and so designated by the name of the District.

SECTION 9: NOTICE IS HEREBY GIVEN THAT ON JULY 17, 2013 AT THE HOUR OF 7 P.M., IN CITY COUNCIL CHAMBERS LOCATED AT 2870 CLARK AVENUE, NORCO, CALIFORNIA, IS THE TIME AND PLACE FIXED BY THE CITY COUNCIL FOR THE HEARING OF PROTESTS OR OBJECTIONS IN REFERENCE TO THE ANNUAL LEVY OF ASSESSMENTS, TO THE EXTENT OF THE MAINTENANCE, AND ANY OTHER MATTERS CONTAINED IN THIS RESOLUTION BY THOSE PROPERTY OWNERS AFFECTED HEREBY. ANY PERSONS WHO WISH TO OBJECT TO THE PROCEEDINGS SHOULD FILE A WRITTEN PROTEST WITH THE CITY CLERK PRIOR TO THE TIME SET AND SCHEDULED FOR SAID PUBLIC HEARING.

NOTICE

SECTION 10: The City Clerk is directed to publish this Resolution of Intention pursuant to Government Code Section 6061, said publication to be completed no later than ten days prior to the date set for the Public Hearing.

EFFECTIVE DATE

SECTION 11: This Resolution shall take effect immediately upon its adoption.

PROCEEDINGS INQUIRIES

SECTION 12: For any and all information relating to the proceedings, protest procedure, any documentation and/or information of a procedural or technical nature, your attention is directed to the below listed person at the local agency or department so designated:

Mr. Dominic C. Milano, City Engineer
CITY OF NORCO
2870 Clark Avenue
Norco, California 92860

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on June 19, 2013.

Mayor of the City of Norco, California

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on June 19, 2013, by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand affixed the official seal of the City of Norco, California, held on June 19, 2013.

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

RESOLUTION NO. 2013-39

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, DECLARING CITY'S INTENTION TO PROVIDE FOR AN ANNUAL LEVY AND COLLECTION OF ASSESSMENTS FOR CERTAIN MAINTENANCE IN AN EXISTING DISTRICT, AND SETTING A TIME AND PLACE FOR THE PUBLIC HEARING.

WHEREAS, the City Council of the City of Norco, California, desires to continue a Landscaping Maintenance District pursuant to the terms and provisions of the "Landscaping and Street Lighting Act of 1972," being Division 15, Part 2 of the Streets and Highways Code of the State of California, known and designated as:

CITY OF NORCO LANDSCAPING MAINTENANCE DISTRICT NO. 4 (NORCO RIDGE RANCH)

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

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

WHEREAS, at this time there has been presented and approved this City Council, the Engineer's "Report" as required by law, and this City Council is desirous of proceeding with the proceedings for said annual levy.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Norco, California, does resolve, determine, and order as follows:

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

PUBLIC INTEREST

SECTION 2: That the public interest and convenience requires, and it is the intention of this City Council, to undertake proceedings for the annual levy and collection of special assessments for the continual maintenance of certain improvements, all to serve and benefit said District as said area is shown and delineated on a map as previously approved by this City Council and on file in the Office of the City Clerk, open to public inspection, and herein so referenced and made a part hereof, and proposed changes thereto are set forth in the "Report" of the Engineer, incorporated herein as a part hereof.

REPORT

SECTION 3: That the "Report" of the Engineer regarding the annual levy for said District, which "Report" is for maintenance for the Fiscal Year 2013-2014 is hereby approved and is directed to be filed in the Office of the City Clerk.

ASSESSMENT

SECTION 4: That the public interest and convenience requires, and it is the intention of this City Council to order the annual assessment levy for the District as set forth and described in said Engineer's "Report," and further it is determined to be in the best public interest and convenience to levy and collect annual assessments to pay the costs and expense of said maintenance and improvement as estimated in said "Report."

DESCRIPTION OF MAINTENANCE

SECTION 5: The assessments levied and collected shall be for the maintenance of certain landscaping and street lighting improvements, as set forth in the Engineer's "Report," referenced and so incorporated herein.

COUNTY AUDITOR

SECTION 6: The County Auditor shall enter on the County Assessment Roll the amount of the assessments, and shall collect said assessments at the time and in the same manner as County taxes are collected. After collection by the County, the net amount of the assessments, after the deduction of any compensation due to the County for collection, shall be paid to the Treasurer for purposes of paying for the costs and expenses of said District.

SPECIAL FUND

SECTION 7: That all monies collected shall be deposited in a special fund known as:

**“SPECIAL FUND, CITY OF NORCO
LANDSCAPING MAINTENANCE DISTRICT NO. 4 (NORCO RIDGE RANCH)”**

Payment shall be made out of said fund only for the purpose provided for in this Resolution, and in order to expedite the making of this maintenance and improvement, the City Council may transfer into said funds as it may deem necessary to expedite the proceedings. Any funds shall be repaid out of the proceeds of the assessments provided for in this Resolution.

BOUNDARIES OF DISTRICT

SECTION 8: Said contemplated maintenance work is, in the opinion of this City Council, of direct benefit to the properties within the boundaries of the District, and this City Council makes the costs and expenses of said maintenance chargeable upon a district, which district said City Council hereby declares to be the district benefited by said improvement said maintenance, and to be further assessed to pay the costs and expenses thereof. Said District shall include each and every parcel of land within the boundaries of said District, as said District is shown on a map as approved by this City Council and on file in the Office of the City Clerk, and so designated by the name of the District.

SECTION 9: NOTICE IS HEREBY GIVEN THAT ON JULY 17, 2013 AT THE HOUR OF 7 P.M., IN CITY COUNCIL CHAMBERS LOCATED AT 2870 CLARK AVENUE, NORCO, CALIFORNIA, IS THE TIME AND PLACE FIXED BY THE CITY COUNCIL FOR THE HEARING OF PROTESTS OR OBJECTIONS IN REFERENCE TO THE ANNUAL LEVY OF ASSESSMENTS, TO THE EXTENT OF THE MAINTENANCE, AND ANY OTHER MATTERS CONTAINED IN THIS RESOLUTION BY THOSE PROPERTY OWNERS AFFECTED HEREBY. ANY PERSONS WHO WISH TO OBJECT TO THE PROCEEDINGS SHOULD FILE A WRITTEN PROTEST WITH THE CITY CLERK PRIOR TO THE TIME SET AND SCHEDULED FOR SAID PUBLIC HEARING.

NOTICE

SECTION 10: The City Clerk is directed to publish this Resolution of Intention pursuant to Government Code Section 6061, said publication to be completed no later than ten days prior to the date set for the Public Hearing.

EFFECTIVE DATE

SECTION 11: This Resolution shall take effect immediately upon its adoption.

PROCEEDINGS INQUIRIES

SECTION 12: For any and all information relating to the proceedings, protest procedure, any documentation and/or information of a procedural or technical nature, your attention is directed to the below listed person at the local agency or department so designated:

Mr. Dominic C. Milano, City Engineer
CITY OF NORCO
2870 Clark Avenue
Norco, California 92860

Resolution No. 2013-39, Norco Ridge Ranch
Page 5
June 19, 2013

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on June 19, 2013.

Mayor of the City of Norco, California

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on June 19, 2013, by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand affixed the official seal of the City of Norco, California, held on June 19, 2013.

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

RESOLUTION NO. 2013-40

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, DECLARING CITY'S INTENTION TO PROVIDE FOR AN ANNUAL LEVY AND COLLECTION OF ASSESSMENTS FOR CERTAIN MAINTENANCE IN AN EXISTING DISTRICT, AND SETTING A TIME AND PLACE FOR THE PUBLIC HEARING.

WHEREAS, the City Council of the City of Norco, California, desires to continue a Landscaping Maintenance District pursuant to the terms and provisions of the "Landscaping and Street Lighting Act of 1972," being Division 15, Part 2 of the Streets and Highways Code of the State of California, known and designated as:

CITY OF NORCO LANDSCAPING MAINTENANCE DISTRICT NO. 5 (HAWK'S CREST)

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

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

WHEREAS, at this time there has been presented and approved this City Council, the Engineer's "Report" as required by law, and this City Council is desirous of proceeding with the proceedings for said annual levy.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Norco, California, does resolve, determine, and order as follows:

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

PUBLIC INTEREST

SECTION 2: That the public interest and convenience requires, and it is the intention of this City Council, to undertake proceedings for the annual levy and collection of special assessments for the continual maintenance of certain improvements, all to serve and benefit said District as said area is shown and delineated on a map as previously approved by this City Council and on file in the Office of the City Clerk, open to public inspection, and herein so referenced and made a part hereof, and proposed changes thereto are set forth in the "Report" of the Engineer, incorporated herein as a part hereof.

REPORT

SECTION 3: That the "Report" of the Engineer regarding the annual levy for said District, which "Report" is for maintenance for the Fiscal Year 2013-2014 is hereby approved and is directed to be filed in the Office of the City Clerk.

ASSESSMENT

SECTION 4: That the public interest and convenience requires, and it is the intention of this City Council to order the annual assessment levy for the District as set forth and described in said Engineer's "Report," and further it is determined to be in the best public interest and convenience to levy and collect annual assessments to pay the costs and expense of said maintenance and improvement as estimated in said "Report."

DESCRIPTION OF MAINTENANCE

SECTION 5: The assessments levied and collected shall be for the maintenance of certain landscaping and street lighting improvements, as set forth in the Engineer's "Report," referenced and so incorporated herein.

COUNTY AUDITOR

SECTION 6: The County Auditor shall enter on the County Assessment Roll the amount of the assessments, and shall collect said assessments at the time and in the same manner as County taxes are collected. After collection by the County, the net amount of the assessments, after the deduction of any compensation due to the County for collection, shall be paid to the Treasurer for purposes of paying for the costs and expenses of said District.

SPECIAL FUND

SECTION 7: That all monies collected shall be deposited in a special fund known as:

**"SPECIAL FUND, CITY OF NORCO
LANDSCAPING MAINTENANCE DISTRICT NO. 5 (HAWK'S CREST)"**

Payment shall be made out of said fund only for the purpose provided for in this Resolution, and in order to expedite the making of this maintenance and improvement, the City Council may transfer into said funds as it may deem necessary to expedite the proceedings. Any funds shall be repaid out of the proceeds of the assessments provided for in this Resolution.

BOUNDARIES OF DISTRICT

SECTION 8: Said contemplated maintenance work is, in the opinion of this City Council, of direct benefit to the properties within the boundaries of the District, and this City Council makes the costs and expenses of said maintenance chargeable upon a district, which district said City Council hereby declares to be the district benefited by said improvement said maintenance, and to be further assessed to pay the costs and expenses thereof. Said District shall include each and every parcel of land within the boundaries of said District, as said District is shown on a map as approved by this City Council and on file in the Office of the City Clerk, and so designated by the name of the District.

SECTION 9: NOTICE IS HEREBY GIVEN THAT ON JULY 17, 2013 AT THE HOUR OF 7 P.M., IN CITY COUNCIL CHAMBERS LOCATED AT 2870 CLARK AVENUE, NORCO, CALIFORNIA, IS THE TIME AND PLACE FIXED BY THE CITY COUNCIL FOR THE HEARING OF PROTESTS OR OBJECTIONS IN REFERENCE TO THE ANNUAL LEVY OF ASSESSMENTS, TO THE EXTENT OF THE MAINTENANCE, AND ANY OTHER MATTERS CONTAINED IN THIS RESOLUTION BY THOSE PROPERTY OWNERS AFFECTED HEREBY. ANY PERSONS WHO WISH TO OBJECT TO THE PROCEEDINGS SHOULD FILE A WRITTEN PROTEST WITH THE CITY CLERK PRIOR TO THE TIME SET AND SCHEDULED FOR SAID PUBLIC HEARING.

NOTICE

SECTION 10: The City Clerk is directed to publish this Resolution of Intention pursuant to Government Code Section 6061, said publication to be completed no later than ten days prior to the date set for the Public Hearing.

EFFECTIVE DATE

SECTION 11: This Resolution shall take effect immediately upon its adoption.

PROCEEDINGS INQUIRIES

SECTION 12: For any and all information relating to the proceedings, protest procedure, any documentation and/or information of a procedural or technical nature, your attention is directed to the below listed person at the local agency or department so designated:

Mr. Dominic C. Milano, City Engineer
CITY OF NORCO
2870 Clark Avenue
Norco, California 92860

Resolution No. 2013-40, Hawk's Crest
Page 5
June 19, 2013

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on June 19, 2013.

Mayor of the City of Norco, California

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on June 19, 2013, by the following vote of the City Council:

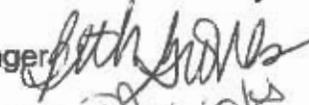
AYES:
NOES:
ABSENT:
ABSTAIN:

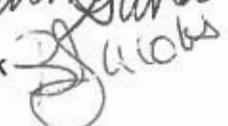
IN WITNESS WHEREOF, I have hereunto set my hand affixed the official seal of the City of Norco, California, held on June 19, 2013.

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

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Brenda K. Jacobs, City Clerk 

DATE: June 19, 2013

SUBJECT: Proposed Cancellation of the September 18, 2013 City Council Regular Meeting

RECOMMENDATION: Cancel the September 18, 2013 City Council regular meeting.

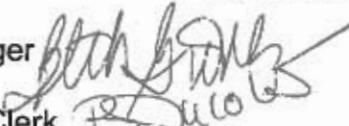
SUMMARY: It is being proposed to the City Council that the September 18, 2013 regular meeting be cancelled due to the absence of City Council Members who will be attending the Annual League of California Cities Conference.

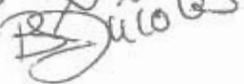
BACKGROUND/ANALYSIS: Mayor Azevedo and Mayor Pro Tem Hanna are scheduled to attend the 2013 Annual League of California Cities Conference in Sacramento, which begins on Wednesday, September 18, 2013. Therefore, it is recommended that the City Council cancel its regular meeting scheduled for Wednesday, September 18, 2013.

If there are any time-sensitive items that necessitate City Council action, a special City Council meeting will be called and noticed.

**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: June 19, 2013

SUBJECT: Designation of Voting Delegate and Alternate for the 2013 League of California Cities Annual Conference

RECOMMENDATION: Appoint Mayor Azevedo as the Voting Delegate and Mayor Pro Tem Hanna as the Alternate Voting Delegate to represent the City of Norco at the 2013 League of California Cities Annual Conference.

SUMMARY: The League of California Cities will be hosting its Annual Conference in September of 2013. An important part of the Annual Conference is the Annual Business Meeting. In order to vote at that meeting, the City Council must designate a voting delegate, along with up to two alternate voting delegates, one of whom may vote in the event that the designated voting delegate is unable to serve in that capacity.

BACKGROUND/ANALYSIS: The League of California Cities will be hosting its Annual Conference from September 18 through 20 in Sacramento. One important aspect of the Annual Conference is the Annual Business Meeting when the membership takes action on resolutions. Annual resolutions guide cities and the League in combined efforts to improve the quality, responsiveness and vitality of local government in California.

Consistent with League bylaws, a city's voting delegate and up to two alternates must be designated by the City Council. This designation must be done by Council action and cannot be accomplished by individual action or the mayor or city manager alone.

Mayor Azevedo and Mayor Pro Tem Hanna are scheduled to attend the League Conference. Therefore, the Council is recommended to appoint Mayor Azevedo as the City's voting delegate and Mayor Pro Tem Hanna as the City's alternate voting delegate.

FINANCIAL IMPACT: No financial impact as a result of this action.

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Roger Grody, Economic Development Specialist

DATE: June 19, 2013

SUBJECT: Approval to Increase Membership of the Economic Development Advisory Council (EDAC) by Creating One Non-Voting Standing Representative from the Norco Area Chamber of Commerce and Visitors Center's Board of Directors

RECOMMENDATION: Adopt **Resolution No. 2013-41**, increasing the membership of the EDAC by adding one non-voting standing representative from the Norco Area Chamber of Commerce and Visitors Center's Board of Directors.

SUMMARY: At its special meeting on May 23, 2013, the Economic Development Advisory Council (EDAC) voted to increase its membership from nine (9) to ten (10), creating a standing seat from the Board of Directors of the Norco Area Chamber of Commerce and Visitors Center (NACC). Presently, the current Chair of the Chamber is an EDAC member, which has made it easier for the EDAC, staff and NACC to collaborate on a wide range of economic development efforts. The EDAC members believe it is highly beneficial to ensure that the Chamber is formally represented at all times.

BACKGROUND/ANALYSIS: In 2009, the Norco City Council approved to restructure the EDAC from 15 members to nine (9), including two existing City Council Members as appointed annually by the Mayor. During the past several years, a NACC Board Member (currently its Chair) has sat on the EDAC, which has ensured that Chamber activities and events are discussed, while fostering a spirit of collaboration with the NACC and its diverse member businesses. By establishing a designated Chamber seat, filled by a member of its Board of Directors, these valuable synergies can continue uninterrupted. The EDAC voted unanimously to recommend this change to the EDAC's composition.

Staff is recommending the added position be a non-voting member. In this way, the NACC will be a participating member; however, the voting members remain as Council appointed.

FINANCIAL IMPACT: None

Attachment: Resolution No. 2013-41
/di/rg

RESOLUTION NO. 2013-41

A RESOLUTION OF THE CITY OF NORCO, CALIFORNIA, INCREASING THE MEMBERSHIP OF THE ECONOMIC DEVELOPMENT ADVISORY COUNCIL BY ADDING ONE NON-VOTING STANDING REPRESENTATIVE OF THE NORCO AREA CHAMBER OF COMMERCE AND VISITORS CENTER'S BOARD OF DIRECTORS

WHEREAS, the City Council of the City of Norco passed and adopted the formation of the Economic Development Advisory Council (EDAC) on May 16, 1990; and

WHEREAS, the City Council of the City of Norco (City Council) desires to encourage and promote the economic development in the City of Norco (the City); and

WHEREAS, the City Council finds and declares that a vast and largely untapped reservoir of talent exists among certain segment of the population of the City whose particular strengths, backgrounds, experience, perspective and talents might contribute significantly to the efficient and representative policy development and administration of the City Council's economic development goals; and

WHEREAS, a four-year term of office has been set for the members serving on the EDAC; and

WHEREAS, the EDAC recommends the City Council increase EDAC membership from nine (9) to ten (10) members in order to add a non-voting standing representative of the Norco Area Chamber of Commerce and Visitors Center's Board of Directors; and

WHEREAS, it has been determined that this is to be highly beneficial to ensure that the Chamber is formally represented which will assist with a continued collaboration on a wide range of economic development efforts.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Norco, California, does hereby find, determine, order and resolve as follows:

SECTION 1. The City Council hereby increases the membership of the EDAC, which shall serve solely in an advisory capacity at the pleasure of the City council for purposes of advising the City Council on economic development matters.

SECTION 2. It shall be the purpose of the EDAC to propose, prepare, and adopt recommendations to the City Council for the improvement of the economy within the City, which will result in the creation of new jobs, and other benefits, to all the residents of the City so as to help make the City a better place to live and work, while retaining the City's rural lifestyle. Specifically, the EDAC will help coordinate an ongoing development strategy aimed at increasing sales tax revenues received by the City and generally improving the economic viability of the City, encouraging relationships between commerce and the consumer and enhancing the business fabric of the City.

SECTION 3. EDAC membership shall be defined and appointed as follows:

- EDAC members will be recommended by the EDAC and appointed by the City Council;
- Ten (10) members will serve on the EDAC, including one non-voting member of the Norco Area Chamber of Commerce and Visitors Center's Board of Directors and two (2) members of the City Council;
- New members appointed to the EDAC will be selected from the business community. Members are not required to live in Norco; however, members should have a significant stake in the success of the business community;
- EDAC members shall service four (4) year terms of office to begin on July 1.

SECTION 4. The position of any member appointed by the City Council who misses five meetings in a twelve-month period, including adjourned and special meetings, with or without excuses, shall be deemed vacated unless otherwise determined by the City Council.

SECTION 5. The duties of the EDAC members are of a high civic nature and all members shall serve without compensation. Members may, however, receive reimbursement for necessary travel and other actual expenses incurred in performing the duties of the EDAC.

SECTION 6. The EDAC shall meet regularly, not less than once each month, at a time and location within the City of Norco as determined by the EDAC. The EDAC may, as it deems necessary or appropriate, call for special meetings. The EDAC shall elect from its membership a Chairperson and Vice Chairperson to serve for a one-year term. The elected Chairperson shall preside over the meetings and be responsible for setting agendas through coordination with Economic Development staff.

SECTION 7. The EDAC shall comply with all applicable state and local laws, ordinances and regulations.

SECTION 8. Resolution No. 2010-18 is hereby repealed.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on June 19, 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 June 19, 2013 by the following vote of the City Council:

AYES:

NOES:

ABSENT:

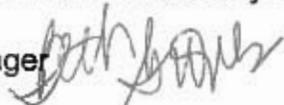
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on June 19, 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: Roger Grody, Economic Development Specialist

DATE: June 19, 2013

SUBJECT: Redesignation of Riverside County's Recycling Market Development Zone.

RECOMMENDATION: Adopt **Resolution No. 2013-42**, supporting the redesignation of Riverside County as a Recycling Market Development Zone due to an increase in boundaries and adoption of initial study and negative declaration.

SUMMARY: The Riverside County Recycling Market Development Zone (RMDZ), encompassing designated portions of Riverside County, is designed to divert waste from landfills and stimulate the manufacturing of new, recycled products through low-interest loans to private businesses and non-profit organizations. The County is now expanding the Zone to include all municipalities and unincorporated areas.

BACKGROUND/ANALYSIS: On April 23, 2013, the Board of Supervisors authorized the Economic Development Agency (EDA) to prepare an application to submit to the California Department of Resources Recycling and Recovery (CalRecycle) to redesignate the entire county as an RMDZ, including all 28 municipalities.

Norco's participation in the RMDZ, which provides financial incentives to recycling businesses and non-profit organizations, would demonstrate support for recycling and "green" waste diversion practices. There is no cost to participate and no obligation to locate additional recycling facilities in the City. As part of the process for expanding the RMDZ, CalRecycle requested that a CEQA analysis be completed by the County of Riverside, which is responsible for submitting a Negative Declaration.

To complete the Countywide redesignation of the RMDZ, CalRecycle requires each city to adopt the attached resolution with no modifications.

FINANCIAL IMPACT: None.

Attachment: Resolution No. 2013-42

RESOLUTION NO. 2013-42

A RESOLUTION OF THE CITY OF NORCO SUPPORTING THE REDESIGNATION OF RIVERSIDE COUNTY AS A RECYCLING MARKET DEVELOPMENT ZONE DUE TO AN INCREASE IN BOUNDARIES AND ADOPTION OF INITIAL STUDY AND NEGATIVE DECLARATION

WHEREAS, California Public Resources Code Section 42010, et al. provides for the establishment of the Recycling Market Development Zone (RMDZ) program throughout the State which provides incentives to stimulate development of post-consumer and secondary materials markets for recyclables; and

WHEREAS, all California jurisdictions must meet a 50% reduction in landfill waste disposal as mandated by the California Integrated Waste Management Act; and

WHEREAS, the Riverside County RMDZ includes the cities of Blythe, Cathedral City, Coachella, Hemet, Indio, Moreno Valley, Perris and San Jacinto and parts of unincorporated Riverside County; and

WHEREAS, the Riverside County RMDZ is dedicated to establishing, sustaining and expanding recycling-based manufacturing businesses, which is essential for market development and to assist these jurisdictions in meeting the established landfill waste reduction goals; and

WHEREAS, the cities of Banning, Beaumont, Calimesa, Canyon Lake, Corona, Desert Hot Springs, Eastvale, Indian Wells, Jurupa Valley, Lake Elsinore, La Quinta, Menifee, Murrieta, Norco, Palm Desert, Palm Springs, Rancho Mirage, Riverside, Temecula, Wildomar and all of unincorporated Riverside County desire existing and new recycling-based manufacturing businesses located within their jurisdictions to be eligible for the technical and financial incentives associated with the RMDZ program; and

WHEREAS, the addition of these jurisdictions to the Riverside County RMDZ is necessary to facilitate local and regional planning, coordination, and support existing recycling-based manufacturing businesses, as well as assist in attracting private sector recycling investments to the RMDZ; and

WHEREAS, the continued development of local markets for recycled materials would reduce the need to transport them out of the region in the future; and

WHEREAS, the current and proposed waste management practices and conditions are favorable to the development of post-consumer and secondary waste materials markets; and

WHEREAS, the California Legislature has defined environmental justice as "the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies" [Government Code section 65040.12(e)], and has directed the California Environmental Protection Agency to conduct its programs, policies, and activities that substantially affect human health or the environment in a manner that ensures the fair treatment of people of all races, cultures, and income levels, including minority populations and low-income populations of the state [Public Resources Code section 71110(a)]; and

WHEREAS, CalRecycle has adopted a goal to continuously integrate environmental justice concerns into all of its programs and activities; and

WHEREAS, the cities of Banning, Beaumont, Blythe, Calimesa, Canyon Lake, Cathedral City, Coachella, Corona, Desert Hot Springs, Eastvale, Hemet, Indian Wells, Indio, Jurupa Valley, La Quinta, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Palm Desert, Palm Springs, Perris, Rancho Mirage, Riverside, San Jacinto, Temecula and Wildomar and the unincorporated part of Riverside County have agreed to submit an application to CalRecycle requesting the redesignation of the Riverside County RMDZ due to a change in boundaries; and

WHEREAS, County of Riverside has agreed to act as Lead Agency for the proposed redesignation; and

WHEREAS, in accordance with the California Environmental Quality Act (CEQA), the County of Riverside has prepared or caused to be prepared and has adopted a Negative Declaration which evaluates the potential adverse environmental effects that might occur as a result of the redesignation of the Riverside County RMDZ; and

WHEREAS, the City of Norco has considered the environmental effects of the redesignation of Riverside County RMDZ as shown in the Negative Declaration; and

WHEREAS, the City of Norco finds there are no grounds for the City of Norco to assume the Lead Agency role or to prepare a subsequent or supplemental environmental document; and

WHEREAS, the record of the proceedings on which the City of Norco bases its decision to adopt the Negative Declaration is available from the custodian of records: County Clerk of Riverside County, 2724 Gateway Drive, P.O. Box 751, Riverside, CA 92502.

NOW THEREFORE: the City of Norco hereby adopts the Negative Declaration and further resolves:

SECTION 1. The City of Norco, as Responsible Agency, approves the redesignation of Riverside County as a RMDZ and directs the County of Riverside Economic Development Agency to submit an application to CalRecycle requesting redesignation of Riverside County as a RMDZ which includes the cities of Banning, Beaumont, Blythe, Calimesa, Canyon Lake, Cathedral City, Coachella, Corona, Desert Hot Springs, Eastvale, Hemet, Indian Wells, Indio, Jurupa Valley, La Quinta, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Palm Desert, Palm Springs, Perris, Rancho Mirage, Riverside, San Jacinto, Temecula, and Wildomar and the unincorporated part of Riverside County.

SECTION 2. The County of Riverside will administer the RMDZ program in a manner that seeks to ensure the fair treatment of people of all races, cultures and incomes, including but not limited to soliciting public participation in all communities within the RMDZ, including minority and low-income populations.

SECTION 3. The County of Riverside Economic Development Agency shall file a Notice of Determination respecting this Project with the State Clearinghouse pursuant to CEQA Guidelines Section 15096(i).

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on June 19, 2013.

Mayor of the City of Norco, California

ATTEST:

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

APPROVED:

John Harper, City Attorney
City of Norco, California

Resolution No. 2013-42

Page 2

June 19, 2013

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 June 19, 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 June 19, 2013.

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

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

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

DATE: June 19, 2013

SUBJECT: Approval of the Memorandum of Understanding for Norco General Employees Association for Fiscal Year 2013-2014

RECOMMENDATION: Approve the Memorandum of Understanding (MOU) for the Norco General Employees Association (NGEA) for Fiscal Year 2013-2014.

SUMMARY: The current MOU between the City and the Norco General Employees Association (NGEA) expires June 30, 2013. The NGEA and management has met and conferred in good faith and have agreed on the terms of new MOU effective July 1, 2013. The main changes to the existing MOU include agreement to provide salary adjustment of 3% to members of the NGEA and to implement changes that are mandated under the Public Employees' Pension Reform Act (PEPRA) of 2013.

BACKGROUND/ANALYSIS: Annually, representatives from the NGEA confer with the City's management representative to negotiate salaries and benefits. For Fiscal Year (FY) 2013-2014 both parties have agreed to a 3% salary range adjustments for classifications represented by the NGEA. It is important to note that NGEA members have not received any salary adjustment since FY 2007-2008.

The PEPRA of 2013 made several changes regarding public employee pension laws in California. These changes among other things capped pensionable income; established new retirement formulas and increased retirement ages; changed method for calculating final compensation; established "sit out" period prior to a retiree working for member of the same retirement system; restricted types of pay included in determining pensionable compensation; denied pension benefits upon felony conviction related to the performance of official duties; and eliminated retroactive benefit increases;. These changes have been included in the proposed FY 2013-2014 MOU. Regarding new retirement formulas and employee pension contributions, employees hired on or after January 1, 2013 will have a PERS retirement formula of 2% at 62 and are required to contribute at least 50% of the normal cost rate for the defined pension benefit plan. The City may not pay any of the employee share of the pension cost.

FINANCIAL IMPACT: The additional costs and/or savings related to the proposed changes in salaries and benefits have been included in the FY 2013-2014 operating budget.

J:ao/council reports/staff reports/2013
Attachment: MOU



**MEMORANDUM OF UNDERSTANDING
BETWEEN
CITY OF NORCO
AND
NORCO GENERAL EMPLOYEES ASSOCIATION**

JULY 1, 2013 – JUNE 30, 2014

**NORCO GENERAL EMPLOYEES ASSOCIATION
MEMORANDUM OF UNDERSTANDING**

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**MEMORANDUM OF UNDERSTANDING BETWEEN CITY OF NORCO AND
NORCO GENERAL EMPLOYEES ASSOCIATION**

ARTICLE 1 PREAMBLE

Representatives of the City of Norco and the Norco General Employees Association have met and conferred on salaries and benefits for the Fiscal Year beginning July 1, 2013. The following items have been agreed upon. The term of this Agreement shall be for one (1) year for the period beginning July 1, 2013 and ending June 30, 2014.

ARTICLE 2 RECOGNITION

1. The City recognizes the Norco General Employees Association as the exclusive representative of full-time employees in the following classifications:
 - Account Clerk I
 - Account Clerk II
 - Account Clerk III
 - Animal Control Officer
 - Building Inspector
 - Bus Driver
 - Permit Technician
 - Senior Animal Control Officer
2. The classifications listed above constitute all of the City employees that are represented by the Norco General Employees Association.

ARTICLE 3 SALARIES

There shall be a 3% salary range adjustments for classifications represented by the Norco General Employees Association.

ARTICLE 4 PERS BENEFITS / EMPLOYEES HIRED ON/PRIOR TO DECEMBER 31, 2012

1. For employees hired on or prior to December 31, 2012 and new hires who are "Classic" Members, the City has a contract with CalPERS to provide employees with the 2.7% at 55 Full Formula (Section 21354.5).

Other benefits in the CalPERS agreement include:

 - a. Section 20965: Credit for Unused Sick Leave. Unused accumulated sick leave at time of retirement may be converted to additional service credit at the rate of 0.004 year of service credit for each day of unused sick leave.
 - b. Section 21574: Fourth Level 1959 Survivors Benefits. This benefit provides a higher level of 1959 Survivor Benefits to survivors of a member who dies prior to retirement.
 - c. Three-year final compensation (36 highest paid consecutive months).
2. Employees hired on or prior to October 31, 2010: The City has agreed to pay 100% of the employer and 4% of the employee's contribution rates toward retirement through the CalPERS Retirement System. Employees will pay 4% of the employee's contribution rates.

3. Employees hired on or after November 1, 2010 and through December 31, 2012: The City has agreed to pay 100% of the employer contribution rates toward retirement and the employee will pay 8% of the employee contribution rates toward retirement through the CalPERS Retirement System.
4. City shall implement all other requirements mandated by the Public Employees' Pension Reform Act of 2013

ARTICLE 5 PERS BENEFITS / EMPLOYEES HIRED ON/AFTER JANUARY 1, 2013

1. The new retirement formula for miscellaneous employees is 2% at 62, with a maximum benefit of 2.5% at 67.
2. Employees must contribute at least 50% of the normal cost rate for the defined benefit plan, rounded to the nearest quarter percent, currently 6.25%.
3. Employer may not pay any of the employee share of pension cost.
4. City shall implement all other requirements mandated by the Public Employees' Pension Reform Act of 2013.

ARTICLE 6 HEALTH INSURANCE

1. The City will participate with the State of California for health benefit programs available through CalPERS.
2. The City agrees to pay up to \$1250 a month for those employees and their dependents enrolled in any of the available CalPERS health plans.
3. Any eligible employee who elects to opt-out of health benefits will be paid a monthly cash amount equal to the lowest basic single rate premium in the CalPERS Other Southern California Region in lieu of health benefits, providing the following requirements are met:
 1. An election form to opt-out of health benefits is completed.
 2. Satisfactory proof of other coverage is provided.

ARTICLE 7 DENTAL INSURANCE

The City will provide a choice between a HMO dental insurance plan, fully paid by the City for both the employee and dependent coverage, and a PPO dental insurance plan with the City's contribution limited to the cost of the HMO dental insurance.

ARTICLE 8 VISION INSURANCE

The City will provide a vision care plan that is fully paid by the City for both employee and dependent coverage.

ARTICLE 9 LIFE INSURANCE

The City will provide term life insurance benefit equal to the employee's annual salary (rounded to the nearest thousand) and \$5,000 dependent life benefit, fully paid by the City for both employee and dependent coverage. The annual salary will be the monthly base salary times twelve.

ARTICLE 10 LONG TERM DISABILITY INSURANCE

The City of Norco offers an optional Long-Term Disability plan at the employee's expense.

ARTICLE 11 CONTINUOUS SERVICE BONUS

In recognition of years of service to the City, a Continuous Service Bonus shall be given on the anniversary date of the employee as follows:

- Five-year anniversary \$100
- Ten-year anniversary \$300
- Fifteen year anniversary \$500
- Twenty-year anniversary \$700
- Twenty-five year anniversary \$1,000
- Thirty-year anniversary \$1,250

ARTICLE 12 SICK LEAVE

1. Full-time general employees assigned to the 36-hour workweek shall accrue 8.1 hours of sick leave per month.
2. Accumulated sick leave may be used for doctor and/or dental appointments for the employee or an immediate member of the employee's family or domestic partner. See Article 16, Section 3, for definition of immediate family.
3. Employees may use up to half of their accumulated sick leave for immediate family or domestic partner illness or medical emergency and up to three days of accumulated sick leave in addition to the three days of bereavement leave for the death of an immediate family member or domestic partner.
4. Employees accrue sick leave but may not use sick leave until successful completion of probation.

ARTICLE 13 EMPLOYEE ON LEAVE COMPENSATION

An employee on leave without pay, excluding FMLA and Disability, shall receive no compensation and shall accumulate no vacation or sick leave while on such leave but shall continue to receive the benefits of continuous service and insurance coverage. The employee's department head shall approve all leaves without pay.

ARTICLE 14 ANNUAL SICK LEAVE BUY-BACK

1. At the option of the employee, the City shall pay to each employee on the payroll immediately following December 1 of the year, 40 percent (40%) of the employee's unused sick leave for the previous 12 months with the time paid to be deducted from the employee's total sick leave accumulation.
2. If the employee is enrolled in the City of Norco deferred compensation program, the employee will have the option of having the money placed in a deferred compensation account.
3. In order to be eligible for a sick leave buy back, the employee must have been employed with the City for six months and have successfully completed his/her probationary period as of December of each year.
4. Individuals on probation due to promotions are eligible for the buy back.

ARTICLE 15 SICK LEAVE BUY BACK ON SEPARATION

After ten years of service, the City shall pay 50 percent (50%) of any sick leave accumulation to the employee at the time of death, retirement or separation from the City up to a maximum of ninety days.

ARTICLE 16 BEREAVEMENT

1. Bereavement leave shall be provided in the amount of three days in the event of the death of a member of the employee's immediate family. Such bereavement leave shall not be deducted from an employee's accumulated sick leave.
2. Employees may use up to three (3) days of accumulated sick leave in addition to the three (3) days bereavement for the death of an immediate family member.
3. Immediate family shall be defined as any relative by blood or marriage who is a member of the employee's household, domestic partner, and any parent, grandparent, spouse, child, brother or sister of the employee. The parent, brother or sister of the employee's spouse, ex-spouse, or deceased spouse, regardless of residence or employee's current marital status, is also eligible.

ARTICLE 17 JURY DUTY

1. An employee of the City who is requested to serve on jury duty shall notify his/her supervisor who shall in turn notify his/her department head.
2. While serving on jury duty, an employee shall receive his/her regular salary from the City. The employee shall remit to the City all compensation received as a result of serving on jury duty, except mileage reimbursement.
3. Jury duty limit will be 72 paid hours per fiscal year. An employee must submit documentation of court attendance. Jury duty will be paid for regularly scheduled work days up to the maximum of 72 paid hours per year.

ARTICLE 18 HOLIDAYS

1. Employees shall receive the following paid days off for holidays each year:

- New Year's Day
- Martin Luther King's Birthday (third Monday in January)
- Washington's Birthday (third Monday in February)
- Memorial Day (fourth Monday in May)
- Independence Day
- Labor Day
- Veteran's Day
- Thanksgiving Day
- Christmas Eve Day
- Christmas Day
- Birthday

The birthday holiday must be taken within the pay period of the employee's birthday.

- 3 Floating Holidays

New hires' floating holidays will be pro-rated. If hired between July 1 – October 31 new hires will accrue three (3) floating holidays, if hired between November 1 – February 28 new hires will accrue two (2) floating holidays, if hired between March 1 – June 30 new hires will accrue one (1) floating holiday. New hires are not required to

complete probation to use accrued floating holiday(s). Days off must have prior approval by immediate supervisor. All floating holidays must be used or will be lost by June 30 each year.

2. In the event any holiday falls on a Friday or Saturday, the Thursday preceding shall be observed as the holiday, or if the holiday falls on a Sunday, the Monday following shall be observed as the holiday.
3. The City shall pay nine (9) hours for each holiday.

ARTICLE 19 VACATION

1. Full-time Norco General Employees shall receive vacation accruals as follows:

<u>Vacation Accumulation</u>	<u>Hours of Service</u>	<u>Maximum Accrual</u>
86.4 hours per year / 3.32 hours per pay period	Up to 7,488	192 hours
129.6 hours per year / 4.98 hours per pay period	7,489 – 16,847	288 hours
151.2 hours per year / 5.82 hours per pay period	16,848 - 26,207	336 hours
172.8 hours per year / 6.65 hours per pay period	26,208 – 99,999	384 hours

2. Employees will cease to accrue vacation hours when in any pay period they exceed two times their annual accrual as determined by their anniversary date.
3. Employees accrue vacation hours but may not use vacation hours until successful completion of probation.

ARTICLE 20 COMPENSATORY TIME

1. In lieu of overtime pay, employees may be granted compensatory time, if requested by the employee and approved in advance by the City Manager or designee. However, it is the City's intent to minimize compensatory time authorization. Therefore, employees should not expect to have compensatory time authorized.
2. Compensatory time granted will accrue at a rate of one and one half hours per overtime hour worked, except for overtime worked on holidays and the employee's seventh scheduled day of a work week.
3. Compensatory time granted will accrue at a rate of two hours per overtime hour worked on holidays and the employee's seventh scheduled day of a workweek.
4. Employees may accumulate up to 60 hours of compensatory time which can be used at the employee's discretion with the approval of the immediate supervisor.
5. The decision to allow compensatory time in lieu of overtime is solely a management decision.
6. Subject to the 60-hour limit above, management can be expected to approve an employee request for compensatory time in lieu of paid overtime if hours to be accumulated as compensatory time are not reasonably expected to result in the need to backfill resulting in lost productivity when the hours are taken off work, by necessitating a management decision to pay regular pay, overtime pay, or grant additional compensatory time to the requestor or another employee or require hiring temporary or consulting personnel.

ARTICLE 21 STANDBY

1. Assignment of personnel to standby shall be the prerogative of management and employees shall be subject to standby or call-out as deemed necessary.
2. Employees required to accept standby assignment will be compensated at the rate of one and one half hours per weekday and three hours per 24-hour shift for weekends and holidays.
3. The definition of weekends shall include employee's regularly scheduled days off.
4. Employees required to accept backup standby assignments will be compensated at the rate of one hour per day.
5. Employees who are not on assigned standby but are "called out" are required to respond if contacted and instructed to report to work.

ARTICLE 22 OVERTIME

1. For employees assigned to the 36-hour workweek, the City will compensate employees for overtime in excess of 36 hours per week paid at a rate of time and one-half, except for holidays and for overtime on the employee's seventh scheduled day of their workweek.
2. The City will compensate employees for overtime on holidays and employee's seventh day of their workweek at a rate of double time.
3. An employee's scheduled workweek may or may not be a traditional Monday through Friday workweek.
4. The regular 36-hour workweek is considered to be 36 hours of paid time, which will include holidays, sick leave, vacation and compensated time off.

ARTICLE 23 CALL OUT

1. Employees will be compensated for a minimum of two hours when performing call-out work.
2. Employee compensation rate is addressed in Article 21.

ARTICLE 24 COURT TIME COMPENSATION

City employees will be compensated for City of Norco duty-related and required court appearances in those cases where the employee is required to report to the court when he/she is not scheduled to work.

ARTICLE 25 TUITION REIMBURSEMENT

1. The City will provide tuition reimbursement in an amount not to exceed \$400 per quarter, not to exceed \$800 per year, for the purpose of offsetting costs of actual tuition and/or book expense incurred by such employee.
2. The benefit is intended only for courses related to the furtherance of employees' careers with the City.
3. To be eligible for reimbursement, the course must be pre-approved by the Department Head prior to enrollment.
4. Receipts will be required prior to reimbursement.
5. All persons participating in the tuition reimbursement program must maintain a passing grade of "C" and submit satisfactory proof to the Department Head.
6. A grade of "B" will be required for master's level class reimbursement.

7. Should an employee fail to obtain a passing grade of C (or B for master's level courses) or fail to complete the course, he/she shall be obligated to reimburse the City for his/her reimbursement if prepayment had been made.

ARTICLE 26 ACTING PAY

1. General Employees shall be eligible for acting pay for temporarily filling a position of a higher classification beyond a period of ten consecutive workdays or for filling a position of a higher classification for an interim period during a vacancy.
2. Employees shall be compensated one step or at a rate of five percent higher than his/her current salary if his/her current position is in a range that overlaps the range of the higher classification being filled, or be compensated two steps or at a rate of ten percent higher than his/her current salary, if the position being temporarily filled is beyond subject employee's pay range.
3. Eligibility for acting pay shall be determined by employee's Department Head with the approval of the City Manager.

ARTICLE 27 UNIFORMS

1. The City shall purchase all special equipment and uniforms required of an employee in relation to the employee's job duties.
2. All uniforms purchased by the City, and all identifying patches, badges, etc., must be returned to the City when an employee terminates his/her employment.
3. The City shall approve the store to be used for purchase of uniforms and boots.

ARTICLE 28 DEFERRED COMPENSATION

1. The City of Norco offers a deferred compensation plan.
2. Any City full time employee may elect to participate. The plan provides employees the ability to defer current income from state and federal taxes to provide future payments upon death, disability retirement or separation from the City.
3. Employees may defer a minimum of \$10 per payroll period up to a maximum that is determined by Internal Revenue Service Code 457K.
4. The provisions of deferred compensation are subject to change in accordance with Internal Revenue Code Section 457K.

ARTICLE 29 STATE DISABILITY INSURANCE

1. Employees of the City are covered under State Disability Insurance.
2. State Disability Insurance (SDI) shall provide benefits to employees consistent with state laws, and shall be paid per state law.
3. An employee may request to supplement his/her State Disability Insurance with his/her available sick leave or vacation time to maintain a regular salary while receiving disability benefits.

ARTICLE 30 INJURY ON DUTY – WORKERS COMPENSATION

1. An employee injured on the job must notify their supervisor and Human Resources immediately and submit claim form within one business day of injury and/or illness.
2. Unless an employee has completed a "Designation of Personal Physician" form prior to an injury and/or illness, an employee needing medical treatment should be referred to the City's authorized clinic to be provided with medical care.

3. The City Worker's Compensation Insurance Program shall provide compensation to employees injured on duty consistent with state laws and other worker's compensation laws. An injury must meet the test of both arising out of employment and occurring during the course of employment to be compensable under worker's compensation.
4. An injured employee under Worker's Compensation may request to supplement his/her Worker's Compensation payments with his/her available sick leave or vacation time to maintain a regular salary while on Worker's Compensation.
5. Time for workers compensation doctor appointments and physical therapy will not be deducted from employees' sick leave accrual. Employees are encouraged to schedule follow up visits outside of work hours to minimally disrupt the work day.
6. In order to qualify for temporary disability benefits there must be a loss of earnings. There is a three (3) day waiting period before qualifying for wage loss benefits. Temporary disability pays 2/3 or .6667% of wages.
7. Temporary disability is paid through the City's workers compensation administrator.

ARTICLE 31 LAYOFF AND RE-EMPLOYMENT PROCEDURE

1. Individual layoffs within individual classifications shall be based on the affected job class.
2. In determining the order of layoff, the City shall take into account job performance, seniority, specialized skills, and the City's need to operate.
3. Employees subject to layoff for economic or budgetary reasons shall not have the right of appeal.
4. For the purpose of providing reemployment opportunities for individuals who may be laid off from their employment with the City of Norco, the City shall establish a "reemployment list."
5. General Employees shall remain on the reemployment list for a period of one year from the date of the receipt of notice of layoff.
6. The reemployment list shall be used for individuals who will be eligible for appointment to a position that he/she held at the time of layoff from the City, or to a specific classification previously held with the City should such a position become vacant.
7. The reemployment list shall have priority over open competitive examination employment lists established by the City for a position affected by the reemployment list.

ARTICLE 32 SEVERANCE PAY – LAYOFF

1. Severance pay will be provided upon layoff from the City.
2. The severance pay shall be one week of compensation at six months employment, two weeks compensation at eighteen months, three weeks compensation at thirty months employment, and four weeks compensation at forty-two months or more of employment.

ARTICLE 33 MANAGEMENT RIGHTS

It is understood and agreed that the City retains all of its powers and authority to manage municipal services and the work force performing those services.

It is agreed that during the term hereof, the City shall not be required to meet and confer on matters which are solely a function of management, including the right to:

1. Determine and modify the organization of City government and its constituent work units.

2. Determine the nature, standards, levels, and mode of delivery of services to be offered to the public.
3. Determine the methods, means and the number and kinds of personnel by which services are to be provided.
4. Determine whether goods or services shall be made or provided by the City, or shall be purchased, or contracted for.
5. Direct employees, including scheduling and assigning work, work hours, and overtime.
6. Establish employee performance standards and to require compliance therewith.
7. Discharge, suspend, demote, reduce in pay, reprimand, withhold salary increases and benefits, or otherwise discipline employees, subject to the requirements of applicable law.
8. Relieve employees from duty because of lack of work or lack of funds or for other legitimate reasons.
9. Implement rules, regulations, and directives consistent with law and the specific provisions of this MOU.
10. Take all necessary actions to protect and public and carry out its mission in emergencies.
11. Determine the content of job classifications.
12. Contract out and transfer work out of the bargaining unit.

Decisions under this Article shall not be subject to the grievance procedure herein.

Failure by the City to exercise and/or implement any rights expressly provided for in this Agreement shall in no way extinguish and/or diminish the City's right to do so in the future.

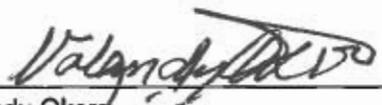
ARTICLE 34 PROVISIONS OF LAW

If any article or section of this agreement, or any addition thereto, should be held invalid by operation of law, or by a tribunal or office of competent jurisdiction, or if compliance with or enforcement of any article or section should be restrained by such tribunal or office, the remainder of this agreement shall not be affected thereby and all parties shall enter into immediate negotiations for the purpose of arriving at a mutually satisfactory replacement for such article or section.

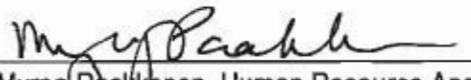
ARTICLE 35 GENERAL PROVISIONS

1. The parties acknowledge that during the negotiations which resulted in this MOU, each had the right and opportunity to make demands and proposals with respect to subjects within the scope of representation. The understandings arrived at after the exercise of that right are set forth in this MOU and constitute the complete and total contract between the City and the NGEA with respect to wages, hours, and other terms and conditions of employment.
2. Any prior or existing Memoranda of Understanding between the parties regarding matters within the scope of representation are hereby superseded and terminated in their entirety.

CITY OF NORCO



Andy Okoro,
Deputy City Manager/Director of Finance



Myrna Paakkonen, Human Resource Analyst

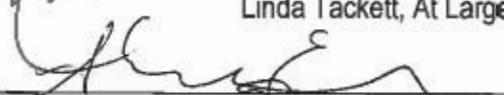
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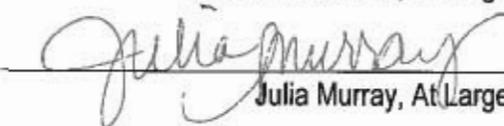
NORCO GENERAL EMPLOYEES ASSOCIATION



Linda Tackett, At Large



Shanon Anderson, At Large



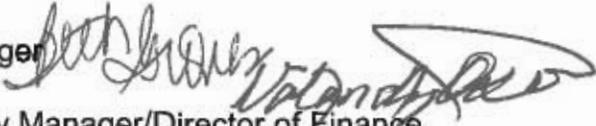
Julia Murray, At Large

Date: _____

6/6/13

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: June 19, 2013

SUBJECT: Approval of the Memorandum of Understanding for Public Works & Parks Maintenance Workers Association for Fiscal Year 2013-2014

RECOMMENDATION: Approve the Memorandum of Understanding (MOU) for the Public Works & Parks Maintenance Workers Association (PW&PMWA) for Fiscal Year 2013-2014.

SUMMARY: The current MOU between the City and the Public Works and Parks Maintenance Workers Association (PM&PMWA) expires June 30, 2013. The PW&PMWA and management has met and conferred in good faith and have agreed on the terms of new MOU effective July 1, 2013. The main changes to the existing MOU include agreement to provide salary adjustment of 3% to members of the PM&PMWA; modify certification pay language and to implement changes that are mandated under the Public Employees' Pension Reform Act (PEPRA) of 2013.

BACKGROUND/ANALYSIS: Annually, representatives from the PW&PMWA confer with the City's management representative to negotiate salaries and benefits. For Fiscal Year (FY) 2013-2014 both parties have agreed to a 3% salary range adjustments for classifications represented by the PW&PMWA. It is important to note that association members have not received any salary adjustment since FY 2007-2008.

The PEPRA of 2013 made several changes regarding public employee pension laws in California. These changes among other things capped pensionable income; established new retirement formulas and increased retirement ages; changed method for calculating final compensation; established "sit out" period prior to a retiree working for member of the same retirement system; restricted types of pay included in determining pensionable compensation; denied pension benefits upon felony conviction related to the performance of official duties; and eliminated retroactive benefit increases;. These changes have been included in the proposed FY 2013-2014 MOU. Regarding new retirement formulas and employee pension contributions, employees hired on or after January 1, 2013 will have a PERS retirement formula of 2% at 62 and are required to contribute at least 50% of the normal cost rate for the defined pension benefit plan. The City may not pay any of the employee share of the pension cost.

Approval of FY 2013-2014 NGEA MOU

Page 2

June 19, 2013

Certification pay language has also been modified to reflect that employees hired on or promoted after June 30, 2013 will not be eligible to receive certification pay for any certification that is required for his/her position.

FINANCIAL IMPACT: The additional costs and/or savings related to the proposed changes in salaries and benefits have been included in the FY 2013-2014 operating budget.

Attachment: MOU



**MEMORANDUM OF UNDERSTANDING
BETWEEN
CITY OF NORCO
AND
PUBLIC WORKS & PARKS MAINTENANCE WORKERS
ASSOCIATION**

July 1, 2013-June 30, 2014

**PUBLIC WORKS & PARK MAINTENANCE WORKERS ASSOCIATION
MEMORANDUM OF UNDERSTANDING**

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**MEMORANDUM OF UNDERSTANDING BETWEEN CITY OF NORCO AND
PUBLIC WORKS & PARKS MAINTENANCE WORKERS ASSOCIATION**

ARTICLE 1 PREAMBLE

Representatives of the City of Norco and the Public Works and Parks Maintenance Workers Association have met and conferred on salaries and benefits for the Fiscal Year beginning July 1, 2013. The following items have been agreed upon. The term of this Agreement shall be for one (1) year for the period beginning July 1, 2013 and ending June 30, 2014.

ARTICLE 2 RECOGNITION

The City recognizes the Public Works & Parks Maintenance Workers Association as the exclusive representative of the following classifications:

Maintenance Worker Trainee
Maintenance Worker I/II
Maintenance Lead Worker
Meter Technician I/II
Inspector I/II
Water Quality Control Officer

ARTICLE 3 SALARIES

1. There shall be a 3% salary range adjustments for classifications represented by the Public Works & Parks Maintenance Workers Association.
2. Employees hired or promoted after June 30, 2013 will not be eligible to receive certification pay for any certification that is required for his/her position. Employees currently receiving certification pay will continue to receive it provided they remain in their current position.
3. Water Certification Pay: Employees who successfully complete a State mandated certificated program for job related certifications in water distribution and treatment that is not a requirement of initial employment, shall receive a special pay differential of two and one-half percent (2½ %) above base salary for each certificate to a maximum of five percent (5%) during the period of this agreement. (A Water Distribution Grade 1 (D1) certificate is a requirement of employment and is not eligible for certification pay under this program.)

Upon implementation of this program, existing employees that possess current certification levels in water distribution and/or water treatment above the minimum requirement of D1 shall be entitled to payment for one (1) such certificate in each category.

Employees must maintain a valid certificate to be eligible for the special pay differential. Employees who have lapsed/expired certificates will not be eligible for special pay and pay will not be paid retroactively.

Classification

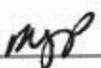
Maintenance Worker Trainee

Required Certifications

State of California Grade I Water Distribution Operators
Certification (within one year of employment).

Maintenance Worker

State of California Grade I Water Distribution Operators
Certification

City  PW&PMWA 

Meter Reader	State of California Grade I Water Distribution Operators Certification
Maintenance Worker II	State of California Grade II Water Distribution Operators Certification State of California Water Treatment I Certification
Maintenance Lead Worker	State of California Grade III Water Distribution State of California Grade II Water Treatment and/or State of California Grade II Sewer Collections Certifications
Water Quality Control Technician	State of California Grade III Water Distribution and Treatment State of California Grade III Water Treatment Operator and Backflow Specialist Certifications.

ARTICLE 4 PERS BENEFITS / EMPLOYEES HIRED ON/PRIOR TO DECEMBER 31, 2012

1. For employees hired on or prior to December 31, 2012 and new hires who are "Classic" Members, the City has a contract with CalPERS to provide employees with the 2.7% at 55 Full Formula (Section 21354.5).

Other benefits in the CalPERS agreement include:

- a. Section 20965: Credit for Unused Sick Leave. Unused accumulated sick leave at time of retirement may be converted to additional service credit at the rate of 0.004 year of service credit for each day of unused sick leave.
 - b. Section 21574: Fourth Level 1959 Survivors Benefits. This benefit provides a higher level of 1959 Survivor Benefits to survivors of a member who dies prior to retirement.
 - c. Three-year final compensation (36 highest paid consecutive months).
2. Employees hired on or prior to October 31, 2010: The City has agreed to pay 100% of the employer and 4% of the employee's contribution rates toward retirement through the CalPERS Retirement System. Employees will pay 4% of the employee's contribution rates.
 3. Employees hired on or after November 1, 2010 and through December 31, 2012: The City has agreed to pay 100% of the employer contribution rates toward retirement and the employee will pay 8% of the employee contribution rates toward retirement through the CalPERS Retirement System.
 4. City shall implement all other requirements mandated by the Public Employees' Pension Reform Act of 2013

ARTICLE 5 PERS BENEFITS / EMPLOYEES HIRED ON/AFTER JANUARY 1, 2013

1. The new retirement formula for miscellaneous employees is 2% at 62, with a maximum benefit of 2.5% at 67.
2. Employees must contribute at least 50% of the normal cost rate for the defined benefit plan, rounded to the nearest quarter percent, currently 6.25%.
3. Employer may not pay any of the employee share of pension cost.

4. City shall implement all other requirements mandated by the Public Employees' Pension Reform Act of 2013

ARTICLE 6 HEALTH INSURANCE

1. The City will participate with the State of California for health benefit programs available through CalPERS.
2. The City agrees to pay up to \$1250 a month for those employees and their dependents enrolled in any of the available CalPERS health plans.
3. Any eligible employee who elects to opt-out of health benefits will be paid a monthly cash amount equal to the lowest basic single rate premium in the CalPERS Other Southern California Region in lieu of health benefits, providing the following requirements are met:
 1. An election form to opt-out of health benefits is completed.
 2. Satisfactory proof of other coverage is provided.

ARTICLE 7 DENTAL INSURANCE

The City will provide a choice between a HMO dental insurance plan, fully paid by the City for both the employee and dependent coverage, and a PPO dental insurance plan with the City's contribution limited to the cost of the HMO dental insurance.

ARTICLE 8 VISION INSURANCE

The City will provide a vision care plan that is fully paid by the City for both employee and dependent coverage.

ARTICLE 9 LIFE INSURANCE

The City will provide term life insurance benefit equal to the employee's annual salary (rounded to the nearest thousand) and \$5,000 dependent life benefit, fully paid by the City for both employee and dependent coverage. The annual salary will be the monthly base salary times twelve.

ARTICLE 10 LONG TERM DISABILITY INSURANCE

The City of Norco will offer an optional Long-Term Disability plan at the employee's expense.

ARTICLE 11 CONTINUOUS SERVICE BONUS

In recognition of years of service to the City, a Continuous Service Bonus shall be given on the anniversary date of the employee as follows:

- Five-year anniversary \$100
- Ten-year anniversary \$300
- Fifteen year anniversary \$500
- Twenty-year anniversary \$700
- Twenty-five year anniversary \$1,000
- Thirty-year anniversary \$1,250

ARTICLE 12 SICK LEAVE

1. Full-time employees assigned to the 36-hour workweek shall accrue 8.1 hours of sick leave per month.
2. Accumulated sick leave may be used for doctor and/or dental appointments for the employee or an immediate member of the employee's family or domestic partner. See Article 16, Section 3, for definition of immediate family.
3. Employees may use up to half of their accumulated sick leave for immediate family or domestic partner illness or medical emergency and up to three days of accumulated sick leave in addition to the three days of bereavement leave for the death of an immediate family member or domestic partner.
4. If an employee uses sick leave prior to or after a City paid holiday, employee must provide a doctor's notice.

ARTICLE 13 EMPLOYEE ON LEAVE COMPENSATION

An employee on leave without pay, excluding CFRA, FMLA, Military and Disability, shall receive no compensation and shall accumulate no vacation or sick leave while on such leave but shall continue to receive the benefits of continuous service and insurance coverage. The employee's department head shall approve all leaves without pay.

ARTICLE 14 SICK LEAVE BUY-BACK

1. At the option of the employee, the City shall pay to each employee on the payroll immediately following December 1 of year, 40% of the employee's unused sick leave for the previous 12 months with the time paid to be deducted from the employee's total sick leave accumulation.
2. If the employee is enrolled in the City of Norco deferred compensation program, the employee will have the option of having the money placed in a deferred compensation account, provided the IRS limit is not exceeded and appropriate change form is completed and submitted to payroll for processing.
3. In order to be eligible for a sick leave buy back, the employee must have been employed with the City for six months and have successfully completed his/her probationary period as of December 1 of each year.
4. Individuals on probation due to promotions will be eligible for the buy back.

ARTICLE 15 SICK LEAVE BUY BACK ON SEPARATION

After ten years of service, the City shall pay 50 percent of any sick leave accumulation to the employee at the time of death, retirement or separation from the City up to a maximum of ninety days.

ARTICLE 16 BEREAVEMENT

1. Bereavement leave shall be provided in the amount of three days in the event of the death of a member of the employee's immediate family. Such bereavement leave shall not be deducted from an employee's accumulated sick leave.
2. Employees may use up to three (3) days of accumulated sick leave in addition to the three (3) days bereavement for the death of an immediate family member.
3. Immediate family shall be defined as any relative by blood or marriage who is a member of the employee's household, domestic partner, and any parent, grandparent, spouse, child, brother or

sister of the employee. The parent, brother or sister of the employee's spouse, ex-spouse, or deceased spouse, regardless of residence or employee's current marital status, is also eligible.

ARTICLE 17 JURY DUTY

1. An employee of the City who is requested to serve on jury duty shall notify his/her supervisor who shall in turn notify his/her department head.
2. While serving on jury duty, an employee shall receive his/her regular salary from the City. The employee shall remit to the City all compensation received as a result of serving on jury duty, except mileage reimbursement.
3. Jury duty limit will be 72 paid hours per fiscal year. An employee must submit documentation of court attendance. Jury duty will be paid for regularly scheduled work days up to the maximum of 72 paid hours per year. Documentation must be attached to corresponding time sheet for payment.

ARTICLE 18 HOLIDAYS

1. Employees shall receive the following paid days off for holidays each year:
 1. New Year's Day
 2. Martin Luther King's Birthday (third Monday in January)
 3. Washington's Birthday (third Monday in February)
 4. Memorial Day (fourth Monday in May)
 5. Independence Day
 6. Labor Day
 7. Veteran's Day
 8. Thanksgiving Day
 9. Christmas Eve Day
 10. Christmas Day
 11. Birthday
The birthday holiday must be taken within the pay period of the employee's birthday.
 12. 3 Floating Holidays
New hires' floating holidays will be pro-rated. If hired between July 1 – October 31 new hires will accrue three (3) floating holidays, if hired between November 1 – February 28 new hires will accrue two (2) floating holidays, if hired between March 1 – June 30 new hires will accrue one (1) floating holiday. New hires are not required to complete probation to use accrued floating holiday(s). Days off must have prior approval by immediate supervisor. All floating holidays must be used or will be lost by June 30 each year.
2. In the event when any holiday falls on a Friday or Saturday the Thursday preceding shall be observed as the holiday, or if the holiday falls on a Sunday, the Monday following shall be observed as the holiday.
3. The City shall pay nine (9) hours for each holiday.

ARTICLE 19 VACATION

1. Full-time employees shall receive vacation accruals as follows:

<u>Vacation Accumulation Accrual</u>	<u>Hours of Service</u>	<u>Maximum</u>
86.4 hours per year / 3.32 hours per pay period	Up to 7,488	192 hours
129.6 hours per year / 4.98 hours per pay period	7,489 – 16,847	288 hours
151.2 hours per year / 5.82 hours per pay period	16,848 - 26,207	336 hours
172.8 hours per year / 6.65 hours per pay period	26,208 – 99,999	384 hours

2. Employees will cease to accrue vacation hours when in any pay period they exceed two times their annual accrual as determined by their anniversary date.

ARTICLE 20 COMPENSATORY TIME

1. In lieu of overtime pay, employees may be granted compensatory time, if requested by the employee and approved in advance by the City Manager or designee. However, it is the City's intent to minimize compensatory time authorization. Therefore, employees should not expect to have compensatory time authorized.
2. Compensatory time granted will accrue at a rate of one and one half hours per overtime hour worked, except for overtime worked on holidays and weekend emergency call outs.
4. Compensatory time granted will accrue at a rate of two hours per overtime hour worked on holidays and weekend emergency call outs.
4. Employees may accumulate 72 hours of compensatory time used at the employee's discretion with the approval of the immediate supervisor.
6. The decision to allow compensatory time in lieu of overtime is solely a management decision.
7. Subject to the 72-hour limit above, management can be expected to approve an employee request for compensatory time in lieu of paid overtime if hours to be accumulated as compensatory time are not reasonably expected to result in the need to backfill resultant lost productivity when the hours are taken off work, by necessitating a management decision to pay regular pay, overtime pay, or grant additional compensatory time to the requestor or another employee or require hiring temporary or consulting personnel.

ARTICLE 21 STANDBY

1. Assignment of personnel to standby shall be the prerogative of management and employees shall be subject to standby or call-out as deemed necessary.
2. Employees required to accept standby assignment will be compensated at the rate of one and one half hours per weekday and three hours per 24-hour shift for weekends and holidays.
3. The definition of weekends is Saturday 12:01 a.m. thru Sunday 12:00 p.m.
4. Employees required to accept backup standby assignments will be compensated at the rate of one hour per day.
5. Employees who are not on assigned standby but are "called out" are required to respond if contacted and instructed to report to work.

ARTICLE 22 OVERTIME

1. For employees assigned to the 36-hour workweek, the City will compensate employees for overtime in excess of 36 hours per week paid at a rate of time and one-half, except for holidays and emergency call outs on Saturday and Sunday.
2. Scheduled overtime work on weekends, Saturday 12:01a.m. thru Sunday 12:00p.m., will be compensated at a rate of time and one –half.
3. The City will compensate employees for overtime on holidays and weekend emergency call outs at a rate of double time. If the emergency call out extends into Monday morning, the entire call out period will be paid at double time until the call out ends or thru 6:00a.m. Monday morning, whichever is first.
4. An employee's scheduled workweek may or may not be a traditional Monday through Friday workweek. The City will not arbitrarily change an employee's work schedule to make Sunday a regular work day and thus, avoid paying overtime to the employee. Notwithstanding the preceding sentence, the Association understands that the City has management rights to set the work schedule of any new hires from the date of amendment dated May 24, 2007 and that such schedule may include Sunday as a regularly scheduled workday and thus will not be subject to overtime compensation under the Federal Labor Standards Act (FLSA).
5. The regular 36-hour workweek is considered to be 36 hours of paid time, which will include holidays, sick leave, vacation and compensated time off.

ARTICLE 23 EMERGENCY CALL OUT

1. Employees will be compensated for a minimum of two hours when performing emergency call out work.
2. Employee compensation rate is addressed in Article 21.

ARTICLE 24 COURT TIME COMPENSATION

City employees will be compensated for City of Norco duty-related and required court appearances in those cases where the employee is required to report to the court when he/she is not scheduled to work.

ARTICLE 25 TUITION REIMBURSEMENT

1. The City will provide tuition reimbursement in an amount not to exceed \$400 per quarter, not to exceed \$800 per year, for the purpose of offsetting costs of actual tuition and/or book expense incurred by such employee.
2. The benefit is intended only for courses related to the furtherance of employees' career with the City.
3. To be eligible for reimbursement, the course must be pre-approved by the Department Head and City Manager prior to enrollment.
4. Receipts will be required prior to reimbursement.
5. All persons participating in the tuition reimbursement program must maintain a passing grade of "C" and submit satisfactory proof to the Department Head. A grade of "B" will be required for master's level class reimbursement.

6. Should an employee fail to obtain a passing grade of C (or B for master's level courses) or fail to complete the course, he/she shall be obligated to reimburse the City for his/her reimbursement if prepayment had been made.

ARTICLE 26 MOTOR VEHICLE REPORTS - DMV PULL NOTICE

Public Works employees are included in the Department of Motor Vehicles (DMV) Pull Notice program.

Driver license reports are released to the City from the DMV annually and upon a vehicle violation. Employees in the Pull Notice Program are responsible for maintaining and keeping in good standing their driver license and any driver certificate requirement.

Employees are responsible to immediately notify their supervisor whenever there is a motor vehicle violation which would have a negative impact on the required driver license.

ARTICLE 27 ACTING PAY

1. Employees shall be eligible for acting pay for temporarily filling a position of a higher classification beyond a period of ten consecutive workdays or for filling a position of a higher classification for an interim period during a vacancy.
2. Employees shall be compensated one step or at a rate of five percent higher than his/her current salary if his/her current position is in a range that overlaps the range of the higher classification being filled, or be compensated two steps or at a rate of ten percent higher than his/her current salary, if the position being temporarily filled is beyond subject employee's pay range.
3. Eligibility for acting pay shall be determined by employee's Department Head with the approval of the City Manager.

ARTICLE 28 UNIFORMS

1. The City shall purchase all special equipment and uniforms required of an employee in relation to the employee's job duties.
2. All uniforms purchased by the City, and all identifying patches, badges, etc., must be returned to the City when an employee terminates his/her employment.
3. The City shall approve the store to be used for purchase of uniforms and boots.

ARTICLE 29 DEFERRED COMPENSATION

1. The City of Norco offers a deferred compensation plan.
2. Any City employee may elect to participate. The plan provides employees the ability to defer current income from state and federal taxes to provide future payments upon death, disability retirement or separation from the City.
3. Employees may defer a minimum of \$10 per payroll period up to a maximum that is determined by Internal Revenue Service Code 457K.
4. The provisions of deferred compensation are subject to change in accordance with Internal Revenue Code Section 457.

ARTICLE 30 STATE DISABILITY INSURANCE

1. Employees of the City are covered under State Disability Insurance.
2. The State Disability Insurance (SDI) shall provide benefits to employees consistent with state laws, and shall be paid per state law.
3. An employee may request to supplement his/her State Disability Insurance with his/her available sick leave or vacation time to maintain a regular salary while receiving disability benefits.

ARTICLE 31 INJURY ON DUTY – WORKERS COMPENSATION

1. An employee injured on the job must notify their supervisor and Human Resources immediately and submit claim form within one business day of injury and/or illness.
2. Unless an employee has completed a "Designation of Personal Physician" form prior to an injury and/or illness, an employee needing medical treatment should be referred to the City's authorized clinic to be provided with medical care.
3. The City Worker's Compensation Insurance Program shall provide compensation to employees injured on duty consistent with state laws and other worker's compensation laws. An injury must meet the test of both arising out of employment and occurring during the course of employment to be compensable under worker's compensation.
4. An injured employee under Worker's Compensation may request to supplement his/her Worker's Compensation payments with his/her available sick leave or vacation time to maintain a regular salary while on Worker's Compensation.
5. Time for workers compensation doctor appointments and physical therapy will not be deducted from employees' sick leave accrual. Employees are encouraged to schedule follow up visits outside of work hours to minimally disrupt the work day.
6. In order to qualify for temporary disability benefits there must be a loss of earnings. There is a three (3) day waiting period before qualifying for wage loss benefits. Temporary disability pays 2/3 or .6667% of wages.
7. Temporary disability is paid through the City's workers compensation administrator.

ARTICLE 32 FATIGUE TIME OFF

Under the Occupational Safety and Health Act of 1970, employers are responsible for providing a safe and Healthful workplace. The City takes into consideration that long or unusual shifts are often required during response to an emergency or other special circumstance which may require an employee to work during the hours between 10:00 p.m. and 6:00 a.m. Long work hours can lead to tragic mistakes endangering workers and the public. Due to the safety sensitive nature of public works, driving and working after extended wakefulness may contribute to fatigue. Fatigue adversely affects performance. Effects of fatigue may lead to an increased risk of operator error, injuries and/or accidents. The symptoms of fatigue are both mental and physical, such as weariness, sleepiness, irritability, reduced alertness, lack of concentration and memory. If any of the above symptoms are apparent in an employee who has worked at least three consecutive hours between 10:00 p.m. and 6:00 a.m. and has a regularly scheduled shift later that same day, the City will require employee to delay reporting for his/her shift by the equivalent amount of hours employee worked between 10:00 p.m. and 6:00 a.m. Delayed report time will allow affected employees time for adequate rest and recovery. Employee may use sick or vacation accrued leave for hours not worked. Employee may not extend the reporting time more than the equivalent amount of hours worked between 10:00 p.m. and 6:00 a.m.

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ARTICLE 33 LAYOFF AND RE-EMPLOYMENT PROCEDURE

1. Individual layoffs within individual classifications shall be based on the affected job class.
2. In determining the order of layoff, the City shall take into account job performance, seniority, specialized skills, and the City's need to operate.
3. Employees subject to layoff for economic or budgetary reasons shall not have the right of appeal.
4. For the purpose of providing reemployment opportunities for individuals who may be laid off from their employment with the City of Norco, the City shall establish a "reemployment list."
5. General Employees shall remain on the reemployment list for a period of one year from the date of the receipt of notice of layoff.
6. The reemployment list shall be used for individuals who will be eligible for appointment to a position that he/she held at the time of layoff from the City, or to a specific classification previously held with the City should such a position become vacant.
7. The reemployment list shall have priority over open competitive examination employment lists established by the City for a position affected by the reemployment list.

ARTICLE 34 SEVERANCE PAY – LAYOFF

Severance pay will be provided upon layoff from the City. The severance pay shall be one week of compensation at six months employment, two weeks compensation at eighteen months, three weeks compensation at thirty months employment, and four weeks compensation at forty-two months or more of employment.

ARTICLE 35 MANAGEMENT RIGHTS

It is understood and agreed that the City retains all of its powers and authority to manage municipal services and the work force performing those services.

It is agreed that during the term hereof, the City shall not be required to meet and confer on matters which are solely a function of management, including the right to:

1. Determine and modify the organization of City government and its constituent work units.
2. Determine the nature, standards, levels, and mode of delivery of services to be offered to the public.
3. Determine the methods, means and the number and kinds of personnel by which services are to be provided.
4. Determine whether goods or services shall be made or provided by the City, or shall be purchased, or contracted for.
5. Direct employees, including scheduling and assigning work, work hours, and overtime.
6. Establish employee performance standards and to require compliance therewith.
7. Discharge, suspend, demote, reduce in pay, reprimand, withhold salary increases and benefits, or otherwise discipline employees, subject to the requirements of applicable law.
8. Relieve employees from duty because of lack of work or lack of funds or for other legitimate reasons.

City  PW&PMWA 

9. Implement rules, regulations, and directives consistent with law and the specific provisions of this MOU.
10. Take all necessary actions to protect and public and carry out its mission in emergencies.
11. Determine the content of job classifications.
12. Contract out and transfer work out of the bargaining unit.

Decisions under this Article shall not be subject to the grievance procedure herein.

Failure by the City to exercise and/or implement any rights expressly provided for in this Agreement shall in no way extinguish and/or diminish the City's right to do so in the future.

ARTICLE 36 PROVISIONS OF LAW

If any article or section of this agreement, or any addition thereto, should be held invalid by operation of law, or by a tribunal or office of competent jurisdiction, or if compliance with or enforcement of any article or section should be restrained by such tribunal or office, the remainder of this agreement shall not be affected thereby and all parties shall enter into immediate negotiations for the purpose of arriving at a mutually satisfactory replacement for such article or section.

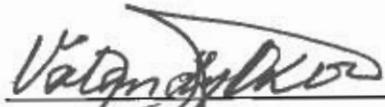
ARTICLE 37 GENERAL PROVISIONS

1. The parties acknowledge that during the negotiations which resulted in this MOU, each had the right and opportunity to make demands and proposals with respect to subjects within the scope of representation. The understandings arrived at after the exercise of that right are set forth in this MOU and constitute the complete and total contract between the City and the PW & PMWA with respect to wages, hours, and other terms and conditions of employment.
2. Any prior or existing Memoranda of Understanding between the parties regarding matters within the scope of representation are hereby superseded and terminated in their entirety.

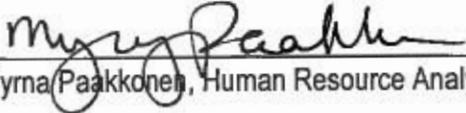
City  PW&PMWA 

CITY OF NORCO

PUBLIC WORKS & PARKS
MAINTENANCE WORKERS ASSOCIATION



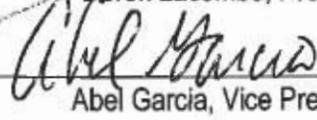
Andy Okoro,
Deputy City Manager/Director of Finance



Myrna Paakkonen, Human Resource Analyst



Derek Lacombe, President



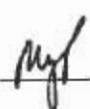
Abel Garcia, Vice President



Michael Kulick, Vice President

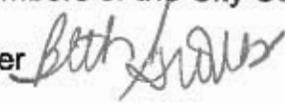
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City  PW&PMWA 

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: June 19, 2013

SUBJECT: Ratification of an Amendment to the Fiscal Year 2012-2013 Western Riverside County Regional Wastewater Authority Operating Budget Establishing Rates to be Charged for Conveyance, treatment and Disposal of Wastewater, Located in Norco, California

RECOMMENDATION: Adopt **Resolution 2013-43**, adopting and approving the amendment to the Fiscal Year 2012-2013 Western Riverside County Regional Wastewater Authority Operating Budget in the amount of \$443,325.

SUMMARY: The City of Norco is a member agency of the Western Riverside County Regional Wastewater Authority (WRCRWA). Each member agency is required by Section 6.A of the Joint Exercise of Powers Agreement to present any budget or rate increase to their governing body for approval. The 2012/13 operating budget requires an increase in the amount of \$443,325, and it is appropriate for City Council to ratify the additional appropriation.

BACKGROUND/ANALYSIS: According to Section 6.A. of the Joint Exercise of Powers creating the Western Riverside County Regional Wastewater Authority (WRCRWA), any adjustment to a budget document that may increase rates must be ratified by each member's governing body. The 2012/13 operating budget increase was approved by the WRCRWA Board at their June 3, 2013 meeting.

This fiscal year 2012-2013 operating budget would be amended as follows:

Item#	Account	Description	Adopted Budget	Budget Increase	Amended Budget
1	51755	Facility Maintenance	\$ 195,000	\$ 100,000	\$ 295,000
2	53115	UV Maintenance	\$ 75,000	\$ 15,000	\$ 90,000
3	55230	Chemicals	\$ 320,000	\$ 100,000	\$ 420,000
4	51232	Legal Expense	\$ 40,000	\$ 83,325	\$ 123,325
		Subtotal	\$ 630,000	\$ 298,325	\$ 928,325
5	51100	Labor Expense*	\$1,100,000	\$ 145,000	\$1,245,000
			<u>\$1,730,000</u>	<u>\$ 443,325</u>	<u>\$2,173,325</u>

*Includes Labor, Overhead, Overtime, and Call Time

The requested amendment to the budget and purchase orders is necessary to purchase additional chemicals for process control as a result of increased flows to the WRCRWA facility. In addition, unexpected equipment repairs to the centrifuges, tertiary filters, and the UV disinfections required additional maintenance funds. The amendment to the budget and purchase orders for legal expense is primarily due to the Meritage lawsuit.

The budget increase to labor is necessary because of staff time spent on extra maintenance, modifications to the digester, Western's collection and construction crews for extra tertiary efforts, and to implement recommendations made by consultants.

Previously the WMWD staff reported on April 25, 2013 and May 9, 2013 to the Executive Committee a combined amended PO total of \$653,959. Based on new information, the amended PO amount needed is \$681,396. The following are the vendors' purchase orders requiring an increase and a brief description of the materials and/or service provided:

Vendor Name	PO No.	PO Amount	PO Increase	Total PO
Aklufi and Wysocki	3236	\$80,000	\$24,000	\$104,000
Jamison Engineering	3213	\$32,300	\$10,000	\$42,300
Brenntag Pacific, Inc.	3216	\$32,325	\$15,000	\$47,325
Ashland Hercules	3218	\$265,000	\$75,200	\$340,200
Center Electric	3229	\$30,983	\$25,000	\$55,983
DC Frost Associates	3241	\$75,000	\$16,588	\$91,588
		\$515,608	\$165,788	\$681,396

FINANCIAL IMPACT: Increase of approximately \$121,915 to the City of Norco FY 2012/13 sewer operations budget (126-809). Upon the Council's favorable consideration and approval of the WRCRWA FY 2013/14 budget, staff will provide the Authority with a copy of the resolution and a Minute excerpt of Council's action to satisfy the ratification requirement.

Attachment: Resolution No. 2013-43

RESOLUTION NO. 2013-43

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA TO ADOPT AN AMENDMENT TO THE 2012/2013 WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY OPERATING BUDGET, ESTABLISHING RATES TO BE CHARGED FOR CONVEYANCE, TREATMENT AND DISPOSAL OF WASTEWATER, LOCATED IN NORCO CALIFORNIA

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

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

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

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

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

WHEREAS, the City of Norco and the member agencies have agreed to amend the 2012/13 operating budget, increasing the amount by \$443,325.

NOW THEREFORE, BE IT RESOLVED that the City of Norco City Council hereby adopts the amendment to the Western Riverside County Regional Wastewater Authority Fiscal Year 2012/2013 Operating Budget.

PASSED AND ADOPTED by the City Council at a regular meeting held on June 19, 2013

Mayor of the City of Norco

ATTEST:

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

Resolution No. 2013-43

Page 2

June 19, 2013

I, Brenda K. Jacobs, City Clerk of the City of Norco, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California at a regular meeting thereof held on June 19, 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 June 19, 2013.

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

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

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

DATE: June 19, 2013

SUBJECT: Ratification of the Fiscal Year 2013-2014 Western Riverside County Regional Wastewater Authority Budget

RECOMMENDATION: Adopt **Resolution 2013-44**, approving the Fiscal Year 2013-2014 Western Riverside County Regional Wastewater Authority Budget, establishing rates to be charged for conveyance, treatment and disposal of wastewater.

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

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

Attached is a copy of the WRCRWA FY 2013-14 Operating and Capital Improvement Budget, establishing rates and charges effective July 1, 2013. The budget document was approved by the WRCRWA Board at their June 3, 2013 meeting. The WRCRWA Capital Improvement Budget includes \$2,442,857 as Norco's share for the construction of plant expansion. The funding source and timing for this expenditure item has not been finalized. When it is finalized, staff will bring a recommendation to the City Council to amend the City's Sewer Fund Capital Improvement Program budget.

The budget data was first reviewed by the Executive Committee with a unanimous recommendation for approval by the Board of Directors. The Fiscal Year 2013/2014 Budget shows an increase of \$653,837 over the prior year budget. Plant operations reflect to most significant increase due to the planned addition of two treatment operators (\$263,840). Additional treatment chemicals for odor control, administrative, and legal costs account for the remaining increases. Compared to FY 2012-13 rates, the fixed charge component per million gallons a day treated (MGD) per month is increasing \$4,375 from \$20,271 to \$24,646 or 21.6% and the variable charge per million gallons will decrease \$22 from \$1,081 to \$1,059 or 2.0%. This data is described in more detail on Page 11 of the budget document. The budget document describes the

wastewater treatment capacity and conveyance system costs as well as the member agency bond debt and Capital Improvement responsibilities.

During the treatment plant upgrade and expansion project the Consultant reviewed the existing fixed and variable cost allocation costs. Upon presentation of a modification to the cost allocation methodology the Executive Committee recommended the WRCRWA Board of Directors approve the new cost strategy. The new allocation further defines those costs that are fixed costs versus variable, and is reflected in the 2013/14 adopted budget. The proposed budget document also recognizes the recent admission of the City of Corona as a member agency.

FINANCIAL IMPACT: City staff has included the cost for treatment and collection as well as outstanding debt service requirements in our preparation of the City's FY 2013/14 sewer operations budget (126-809). Capital Improvements outlined in the WRCRWA budget have been included in the City's FY 2013/14 Sewer Capital Improvement Fund budget (149) except for \$2,442,857 for the construction of the plant expansion. The funding source and timing for this expenditure item has not been finalized. When it is finalized, staff will bring a recommendation to the City Council to amend the City's Sewer Fund Capital Improvement Program budget. Upon the Council's favorable consideration and approval of the WRCRWA FY 2013/14 budget, staff will provide the Authority with a copy of the resolution and a Minute excerpt of Council's action to satisfy the ratification requirement.

Attachments: Resolution No. 2013-44
WRCRWA FY 2013-14 Budget

RESOLUTION NO. 2013-44

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA TO ADOPT THE 2013/2014 WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY BUDGET, ESTABLISHING RATES TO BE CHARGED FOR CONVEYANCE, TREATMENT AND DISPOSAL OF WASTEWATER, LOCATED IN NORCO CALIFORNIA

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

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

WHEREAS, the City of Norco owns and operates a public sanitary sewer collection system that discharges directly to the WRCRWA treatment facility; and

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

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

NOW THEREFORE, BE IT RESOLVED that the City of Norco City Council hereby adopts the Western Riverside County Regional Wastewater Authority Fiscal Year 2013/2014 Budget.

PASSED AND ADOPTED by the City Council at a regular meeting held on June 19, 2013.

Mayor of the City of Norco, California

ATTEST:

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

Resolution No. 2013-44

Page 2

June 19, 2013

I, Brenda K. Jacobs, City Clerk of the City of Norco, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California at a regular meeting thereof held on June 19, 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 June 19, 2013.

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

**WESTERN RIVERSIDE
COUNTY REGIONAL
WASTEWATER
AUTHORITY**

**Fiscal Year 2013-
2014 Budget**

DRAFT

**WESTERN RIVERSIDE COUNTY REGIONAL
WASTEWATER AUTHORITY**

Fiscal Year 2013-2014 Budget

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SUMMARY BY FUND

WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2013-2014 Budget

Summary by Fund

	<u>Operations</u>	<u>Debt Service</u>	<u>Capital</u>	<u>Total</u>
Estimated Beginning Balances 7-1-13	2,150,895	-	-	2,150,895
Revenues				
Agency Contributions from Rates	5,000,887	-	221	5,000,887
Interest Income	332	-	-	553
Agency Debt Service Contributions		746,505		746,505
Agency Capital Contributions			27,075,000	27,075,000
Darco Construction Lease			6,893	6,893
Syann Lease				-
Total Revenues	<u>5,001,219</u>	<u>746,505</u>	<u>27,082,114</u>	<u>32,829,838</u>
Expenditures				
Treatment Operations	4,162,340			4,162,340
Conveyance System	144,000			144,000
Administration & General	444,547			444,547
Debt Service		746,505		746,505
Capital Expenditures			27,075,000	27,075,000
Total Expenditures	<u>4,750,887</u>	<u>746,505</u>	<u>27,075,000</u>	<u>32,572,392</u>
Projected Balances 6-30-14	(a) \$ 2,401,227	\$ -	\$ 7,114	\$ 2,408,341

**MEMBER AGENCY
FUNDING BY
CATEGORY**

WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2013-2014 Budget

Member Contribution Summary

Expenditure Category	SAWPA	WMWD	JCSD	Norco	HGSD	Corona	Total
<u>Operations:</u>							
Treatment Plant	-	702,986	1,913,130	1,195,939	350,284	-	4,162,340
Conveyance System	-	88,487	-	73,457	22,057	-	184,000
General & Administration	-	64,753	201,304	90,587	20,801	67,101	444,547
Reserve for Asset Replacement	-	26,537	44,687	30,250	8,525	-	110,000
Reserve for Capital Improvements and Special Studies	-	24,125	40,625	27,500	7,750	-	100,000
Total Operating Contributions	-	906,888	2,199,746	1,417,733	409,417	67,101	5,000,887
<u>Debt Service:</u>							
SRF Loans	533,924	33,834	-	146,694	32,053	-	746,505
Total Debt Service Contributions	533,924	33,834	-	146,694	32,053	-	746,505
Total Capital Expenditures	-	343,779	14,014,620	2,834,732	110,440	9,771,429	27,075,000
Total Proposed Member Contributions	\$ 533,924	\$ 1,284,501	\$ 16,214,366	\$ 4,399,159	\$ 551,910	\$ 9,838,530	\$ 32,822,392

WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2013-2014 Budget

Calculation of Operating Expenses By Member

<u>Proposed Rates</u>	<u>Amount</u>	<u>Treatment</u>	<u>Conveyance</u>
	<u>Per MGD</u>	<u>MGD</u>	<u>MGD</u>
Fixed (8 MGD Capacity)			
Treatment	\$ 18,467	0.750	0.750
Conveyance	1,195	3.250	-
Res for Asset Replacement	1,146	1.930	1.930
Res Cap Improvements	1,042	0.580	0.580
Total 8 MGD	\$ 21,850	6.510	3.260

<u>Estimated Flows</u>	<u>Treatment</u>	<u>Conveyance</u>
	<u>MGD</u>	<u>MGD</u>
SAWPA	-	-
WMWD	0.750	0.750
JCSD	3.250	-
NORCO	1.930	1.930
HGSD	0.580	0.580
Total	6.510	3.260

Fixed (13.25 MGD Capacity)	2,796
Administration	2,796
Grand Total Fixed	\$ 24,646

<u>Variable</u>	<u>Amount</u>
	<u>Per MG</u>
Treatment	\$ 1,006
Conveyance	53
Res Maj Maint	-
Total	\$ 1,059

Estimated Member Contributions to Operating Expenses for FY 2013-2014

	Capacity		Treatment		Conveyance		New Capacity		G&A		Reserve for		Total
	Treatment	Conveyance	Fixed	Variable	Fixed	Variable	G & A	Fixed	Fixed	Replacement	Cap. Improv.	Fixed	
SAWPA	1.930	5.150	\$ 427,698	\$ 275,288	\$ 73,878	\$ 14,609	1.930	64,753	24,125	26,537	24,125	906,888	
WMWD	3.250	-	720,216	1,192,914	-	-	6.000	201,304	40,625	44,687	40,625	2,199,746	
JCSD	2.200	2.500	467,531	708,406	35,863	37,594	2.700	90,587	27,500	30,250	27,500	1,417,733	
NORCO	0.620	0.750	137,395	212,889	10,759	11,298	0.620	20,801	7,750	8,525	7,750	409,417	
HGSD							2.000	67,101				67,101	
CORONA							13.250	\$ 444,547	\$ 110,000	\$ 100,000	\$ 100,000	\$ 5,000,887	
Total	8.000	8.400	\$ 1,772,840	\$ 2,389,500	\$ 120,500	\$ 63,500	13.250	\$ 444,547	\$ 110,000	\$ 100,000	\$ 100,000	\$ 5,000,887	

**OPERATIONS
FUND
EXPENDITURES**

**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2013-2014 Operations Fund Budget**

Operating Fund Summary

<u>Budget Element</u>	<u>Amount</u>
Treatment Operations	
Treatment Plant	4,088,340
Pre-treatment	74,000
Total Treatment Operations	<u>4,162,340</u>
Conveyance System	184,000
General and Administrative	444,547
Reserve for Asset Replacement	110,000
Reserve for Capital Improvements and Special Studies	100,000
Total Operating Costs	<u><u>5,000,887</u></u>

**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2013-2014 Operations Fund Budget**

Treatment Operations

Treatment Plant

Description:

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

Labor Cost

Labor and Overhead		1,363,840
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Laboratory

Laboratory - In-house	4,500	
Laboratory - Outside Services	<u>95,000</u>	
Total Laboratory		99,500

Facility Maintenance

Maintenance - System Repairs (Facility Maint.)		229,000
--	--	---------

Other Direct Costs

Vehicles/Equipment Usage	25,000	
Utilities (Electric, Gas, Water, Phone)	1,155,000	
Chemicals	425,000	
U.V. Bulbs & Ballasts	90,000	
Disposal Charges - Solids/Sludge	600,000	
Permits, Licenses and Fees	60,000	
Maintenance - Buildings and Yard	36,000	
Material, Supplies	<u>5,000</u>	
Total Other Direct Costs		2,396,000

Total Treatment Plant

4,088,340

**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2013-2014 Operations Fund Budget**

Treatment Operations - continued

Pre-treatment

Description:

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

Labor Cost

Labor and Overhead	50,000
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Laboratory

Laboratory - Outside Services	20,000
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Other Direct Expenses

Vehicles/Equipment Usage	3,000	
Outside Services	0	
Material, Supplies	1,000	
Total Other Direct Expenses	4,000	

Total Pre-treatment	74,000
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Total Treatment Operations	4,162,340
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**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2013-2014 Operations Fund Budget**

Conveyance System Operations

Description:

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

Labor Cost

Labor and Overhead	65,000
--------------------	--------

Facility Maintenance

Maintenance - System Repairs (Facility Maint.)	15,000
--	--------

Major Repair/Replacement

Major Repair Replacement Reserve	40,000
----------------------------------	--------

Other Direct Expenses

Vehicle/Equipment Usage	6,000	
Utilities (Electric, Gas, Water, Phone)	55,000	
Maintenance - Buildings and Yard	2,000	
Material, Supplies	1,000	
	64,000	
Total Other Direct Expenses		64,000

TOTAL CONVEYANCE SYSTEM

184,000

**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2013-2014 Operations Fund Budget**

General and Administrative

Description:

G & A Expenses Charged Directly to WRGRWA

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

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

Administration

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

Finance

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

Consulting Cost

Outside Services (See page 9)	200,000
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Other Indirect Costs

Insurance Expense	70,875	
Audit Expense	14,170	
Mercury Monitoring - SARDA	5,500	
Basin Monitoring Program	15,152	
Cyanide Sampling	1,850	
EC Monitoring Program	2,500	
Bank Charges	1,000	
Data Management Software		
General Supplies	500	
Total Other Indirect Costs		111,547

Legal Cost

General	60,000
Meritage Homes - BB&K	73,000

TOTAL GENERAL ADMINISTRATION

444,547

**Western Riverside County Regional Wastewater Authority
Fiscal Year 2013-2014 Capital Fund Budget
Outside Service Descriptions**

General and Administrative Outside Services

John Dahlke Consulting

Technical support on various regulatory compliance issues and technical expertise related to various agreements and leases.

\$20,000

K. S. Dunbar

CEQA and biological surveys as needed to support Petition for Change of Use.

\$20,000

Best, Best and Krieger

Legal advice related to Petition for Change of Use (Jill Willis)

\$10,000

Norm Thomas (T & K Engineering)

Consulting Support to WRCRWA for WRCRWA Ordinance update, and consulting support to WRCRWA for agency agreements and programs (i.e. such as Excess Capacity Management Services); and update WRCRWA Ordinance and associated multi-jurisdictional agreements.

\$80,000

Wyatt Troxel

Review and audit current operational SOP's and training to refine and enhance WRCRWA operations. Review commissioning and SOP for new equipment with Expansion.

\$35,000

Consultant (TBD)

Assist WRCRWA Local Limits Technical Committee in the development of updated Local Limits and processing through the Regional Board.

\$35,000

WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2013-2014 Operations Fund Budget
Comparison to Prior Year

	2012-2013 Budget	2013-2014 Budget	2014 Budget Over (Under) 2013 Budget	
			Amount	% Change *
Treatment Plant				
Labor Costs	1,100,000	1,363,840	263,840	6.1%
In-house Laboratory	4,500	4,500	-	0.0%
Outside Services (Laboratory)	65,000	95,000	30,000	0.7%
Facility Maintenance	195,000	229,000	34,000	0.8%
Vehicles/Equipment Rental	15,000	25,000	10,000	0.2%
Utilities (Electric, Gas, Water)	1,100,000	1,155,000	55,000	1.3%
Chemicals	320,000	425,000	105,000	2.4%
U.V. Bulbs & Ballasts	75,000	90,000	15,000	0.3%
Solids Disposal/Sludge	625,000	600,000	(25,000)	-0.6%
Permits and Fees	60,000	60,000	-	0.0%
Facility Maintenance - Bldg & Yard	25,000	36,000	11,000	0.3%
Supplies	5,000	5,000	-	0.0%
Total Treatment Costs	3,589,500	4,088,340	498,840	11.5%
Pre-treatment				
Labor Costs	25,000	50,000	25,000	0.6%
Equipment Rental	2,500	3,000	500	0.0%
Laboratory - Quality Testing	30,000	20,000	(10,000)	-0.2%
Outside Services	45,000	-	(45,000)	-1.0%
Supplies	1,000	1,000	-	0.0%
Total Pre-treatment Costs	103,500	74,000	(29,500)	-0.7%
Total Treatment Operations	3,693,000	4,162,340	469,340	10.8%
Conveyance System				
Labor Costs	65,000	65,000	-	0.0%
Facility Maintenance	15,000	15,000	-	0.0%
Major Repair/Replacement	40,000	40,000	-	0.0%
Vehicle/Equipment Rental	5,000	6,000	1,000	0.0%
Utilities	65,000	55,000	(10,000)	-0.2%
Outside Services - Landscape	2,000	2,000	-	0.0%
Misc. Supplies/Operating Expenses	1,000	1,000	-	0.0%
Total Conveyance System Costs	193,000	184,000	(9,000)	-0.2%
General and Administration				
Outside Services (Consulting)	105,000	200,000	95,000	2.2%
Insurance Expense	67,500	70,875	3,375	0.1%
Audit Expense	13,500	14,170	670	0.0%
Mercury Monitoring - SARDA	4,725	5,500	775	0.0%
Basin Monitoring Program	13,825	15,152	1,327	0.0%
Cyanide Sampling	1,850	1,850	-	0.0%
EC Sampling	3,150	2,500	(650)	0.0%
Bank Charges	1,000	1,000	-	0.0%
Data Management Software	-	-	-	0.0%
General Supplies	500	500	-	0.0%
Legal Costs - General	40,000	60,000	20,000	0.5%
Legal Costs - BB&K	-	73,000	73,000	1.7%
Total General and Administration	251,050	444,547	193,497	4.5%
Reserve for Asset Replacement	110,000	110,000	-	0.0%
Reserve for Capital Improve. & Special Studies	100,000	100,000	-	0.0%
Total Operating Costs	4,347,050	5,000,887	653,837	15.0%

RATE CALCULATION

WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2013-2014 Operations Fund Budget
Calculation of 2013-2014 Wastewater Rates
Allocation of Fixed and Variable Costs
Per Carollo Cost Allocation Report Dated September 2010

	2013-2014 Budget		
	Total	Fixed Costs	Variable Costs
Treatment Operations			
<u>Treatment Plant</u>			
Labor	1,363,840	1,363,840	-
Laboratory	99,500	99,500	-
Facility Maintenance	229,000	114,500	114,500
Vehicle/Equipment Rental	25,000	25,000	-
Utilities	1,155,000	-	1,155,000
Chemicals	425,000	-	425,000
U.V. Bulbs & Ballasts	90,000	-	90,000
Solids Disposal/Sludge	600,000	-	600,000
Permits and Fees	60,000	60,000	-
Landscape	36,000	36,000	-
Supplies	5,000	-	5,000
Subtotal Treatment Plant	4,088,340	1,698,840	2,389,500
<u>Pre-treatment</u>			
Labor	50,000	50,000	-
Vehicle/Equipment Rental	3,000	3,000	-
Laboratory - Quality Testing	20,000	20,000	-
Outside services	-	-	-
Supplies	1,000	1,000	-
Total Treatment Operations	4,162,340	1,772,840	2,389,500
Conveyance System			
Labor	65,000	65,000	-
Facility Maintenance	15,000	7,500	7,500
Major Repair/Replacement	40,000	40,000	-
Vehicle/Equipment Rental	6,000	6,000	-
Utilities	55,000	-	55,000
Outside Services-Landscape	2,000	2,000	-
Supplies	1,000	-	1,000
Total Conveyance System	184,000	120,500	63,500
General and Administrative			
	444,547	444,547	-
Reserve for Asset Replacement	110,000	110,000	-
Reserve for Capital Improvements and Special Studies	100,000	100,000	-
Total Operating Budget used for Rate Calculation	5,000,887	2,647,887	2,453,000
<u>Fixed and Variable Rates per MGD</u>			
	Fixed Per MGD Per Month	Variable Per MG	
Proposed 2013-2014 Rates			
Treatment	18,467	1,006	
Conveyance	1,195	53	
Administrative	2,796	-	
Reserve for Asset Replacement	1,146	-	
Reserve for Capital Improvements and Special Studies	1,042	-	
Total	24,646	1,059	
Existing Rates From Fiscal Year 2012-2013 Budget			
Treatment	15,318	1,015	
Conveyance	1,186	66	
Administrative	1,579	-	
Reserve for Asset Replacement	1,146	-	
Reserve for Capital Improvements and Special Studies	1,042	-	
Total	20,271	1,081	
Amount of Increase/(Decrease) From 2012-2013 Rates			
Treatment	3,149	(9)	
Conveyance	9	(13)	
Administrative	1,217	-	
Reserve for Asset Replacement	-	-	
Reserve for Capital Improvements and Special Studies	-	-	
Total	4,375	(22)	
Percent Increase/(Decrease)	21.6%	-2.0%	

**DEBT SERVICE
FUND
EXPENDITURES**

WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2013-2014 Debt Service Fund Budget
Debt Service Expenditures

<u>SRF LOANS</u>		<u>Due</u>	<u>Member</u>	<u>Res. 95-20 Allocation Percentage</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance 6-30-2014</u>
Loan #1	Home Gardens Trunk Sewer		HGSD	100.0%	Paid off in February 2010			
Loan #2	Non-Reclaimable Sewer	2/13/14	SAWPA	100.0%	316,730	40,848	275,882	1,458,851
Loan #3	So. Regional Force Main (Conveyance)	6/1/14	HGSD	8.9%	21,106	2,722	18,384	97,196
			NORCO	29.8%	70,645	9,109	61,536	328,744
			WMWD	9.4%	22,272	2,872	19,400	102,565
			SAWPA	51.9%	122,991	15,859	107,132	567,779
	Subtotal Section 1			100.0%	237,014	30,562	206,453	1,096,284
Section 2	Corona Trunk Sewer Norco Trunk Sewer &		SAWPA	100.0%	30,364	3,915	26,449	138,448
Section 3	Pumping Station		NORCO	100.0%	39,394	5,080	34,314	178,005
	TOTAL LOAN #3				306,773	39,557	267,216	1,412,738
Loan #4	So. Regional Pumping Station (Conveyance)	6/1/14	HGSD	8.9%	10,947	1,671	9,276	59,689
			NORCO	29.8%	36,655	5,596	31,059	199,859
			WMWD	9.4%	11,562	1,765	9,797	63,043
			SAWPA	51.9%	63,838	9,746	54,092	348,076
	TOTAL LOAN #4			100.0%	123,002	18,779	104,223	670,667
TOTAL SRF LOANS					\$746,505	\$99,183	\$647,322	\$3,542,255

TOTAL LONG TERM DEBT DEBT

\$3,542,255

<u>MEMBER</u>	<u>AMOUNT</u>	<u>Loan#</u>	<u>Final Payment Due</u>
HGSD	32,053	SRF #2	2/13/2018
NORCO	146,694	SRF #3	6/1/2018
SAWPA	533,924	SRF #4	6/1/2018
WMWD	33,834		
JCSD	-		
	\$746,505		

CAPITAL FUND EXPENDITURES

WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2013-2014 Capital Fund Budget

Capital Expenditures

Description	To be Expended in 2013-2014					
	Total	SAWPA	WMWD	JCSD	Norco	Corona
Repair and Replacement						
<u>Tertiary Treatment</u>						
Tertiary Pump Station Repairs/Replacement	25,000	6,031	6,031	10,156	6,875	1,938
UV Disinfection/Equipment Replacement	85,000	20,506	20,506	34,531	23,375	6,588
Solids Handling						
Centrifuge Feed Pumps	30,000	7,237	7,237	12,188	8,250	2,325
Digester Recirculation Pumps/air	45,000	10,856	10,856	18,281	12,375	3,488
Centrifuge Replacement and New Polymer Storage	1,200,000	289,500	289,500	487,500	330,000	93,000
<u>General</u>						
Slurry Seal Roads at Facility	25,000	6,031	6,031	10,156	6,875	1,938
Motor Operated Front Gate	15,000	3,618	3,618	6,094	4,125	1,163
Plant Expansion						
Construction Phase	25,650,000			13,435,714	2,442,857	9,771,429
Total Capital Expenditures	\$27,075,000	\$ -	\$ 343,779	\$ 14,014,620	\$ 2,834,732	\$ 110,440
						\$ 9,771,429

**Western Riverside County Regional Wastewater Authority
Fiscal Year 2013-2014 Capital Fund Budget
Capital Project Descriptions**

Total Equipment Replacement/Rehabilitation Cost

This funding is being requested to purchase new equipment or for mechanical rehabilitation that extends the life of a piece of equipment due to mechanical wear or equipment age. These items include the following:

General Items

Slurry Seal Roads at Facility

The roads at the facility have received a lot of wear over the past years and sealing of the main entry roads is to be conducted.

\$25,000

Motor Operated Front Gate

For facility security reasons, the front gate is to be motorized and controlled using a key pad. The electrical and instrumentation conduits currently exist and expenditures will be for the gate actuator and access key pad installation.

\$15,000

Tertiary Treatment

Tertiary Station Pump

This is for the purchase of a spare tertiary pump station submersible pump. This station is critical to the tertiary filter operation and requires this redundancy due to lead time for delivery of pumps.

\$25,000

UV System Safety Repair Work

It has been identified by Trojan System Technicians that the current UV system needs repair work conducted to ensure safety of operators during use. This involves the replacement of the rigging hooks used to retrieve lamp banks during the cleaning and maintenance activities. Per discussions with City of Corona staff, Corona has indicated they may have parts from their surplus U.V. System that would be adequate for WRCRWA's needs. Prior to expending funds for new parts for the existing system that will be replaced with the Expansion Project, staff will coordinate with City of Corona to verify that their parts will work and negotiate a price, if appropriate.

\$85,000

Solids Handling

Centrifuge Feed Pump

Replacement of a feed pump for centrifuge dewatering operation will be needed due to extensive hours on the equipment.

\$30,000

Digester Transfer Pump

In anticipation of having more concentrated solids in the digester units, a progressive cavity pump may be needed to replace the current centrifugal pumps. This purchase will be made, if needed, should operational parameters change with the operation of the Aerobic Digestion units.

\$45,000

Centrifuge Replacement

The existing centrifuges are aged, experiencing ongoing reliability problems, and undersized for the expanded plant. As the centrifuges play an important function in biosolids handling reliability, staff recommends proceeding with replacement of the centrifuges. If the Expansion Project proceeds during Fiscal Year (FY) 2013-2014, the centrifuge replacement would be added to the overall bid as an additive item. Should the Expansion Project not proceed during FY 2013-2014, the centrifuge replacement project should proceed as a stand-alone project. Costs for the centrifuge in either option would be funded partially as a replacement expense and balance as an Expansion Project expense. Exact allocation would be determined prior to award of contract.

\$1,170,000

New Polymer Storage

Polymer is for solids handling and staff recommends the installation of a large storage tank.

\$30,000

Plant Expansion

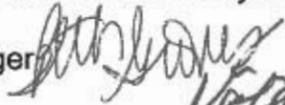
This project will expand the existing treatment plant from a capacity of 8.0 Million Gallons per Day (MGD) to 13.25 MGD. The expanded capacity will be allocated as follows: 2.75 MGD for Jurupa Community Service District; 2.0 MGD for the City of Corona; and 0.5 MGD for the City of Norco. The project will construct: a new flow channel in the headworks, new primary clarifiers, modifications to the equalization basin, new bio-reactors, a new secondary clarifier, new tertiary filtration, upgrades to the UV Disinfection systems, conversion of digesters from aerobic to anaerobic, new solar drying solids handling facilities, new odor control, aesthetic improvements⁽¹⁾, and electrical and instrumentation upgrades. It is projected that 50% of project costs will occur during Fiscal Year 2013-2014.

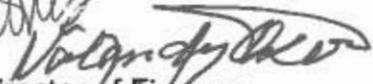
\$25,650,000

(1) Includes \$52,200 for planting of trees and groundcover along perimeter and revision to irrigation.

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: June 19, 2013

SUBJECT: Approval of Amendment No. 1 to the Agreement between the City of Norco and USA Waste of California, Inc. for the Collection, Transportation, Recycling and Disposal of Solid Waste

RECOMMENDATION: Approve Amendment No. 1 to the Agreement for the Collection, Transportation, Recycling and Disposal of Solid Waste with USA Waste of California, Inc.

SUMMARY: The City of Norco and USA Waste of California, Inc. entered into an agreement for the collection, transportation, recycling and disposal of solid waste on April 15, 1998. This agreement is set to expire on June 30, 2013. Staff is recommending that the City Council extend this agreement up to and including December 31, 2013 in order to allow time for the City and USA Waste of California, Inc. to finalize the modifications of terms and conditions of a new agreement.

BACKGROUND/ANALYSIS: On April 15, 1998, the City of Norco and USA Waste Management of California, Inc. entered into a 15 year agreement with a 5 year renewal option for the collection, transportation, recycling and disposal of solid waste. The 15 year term expires June 30, 2013. The City and USA Waste by mutual consent can extend the existing agreement by 5 years to June 30, 2018. The City and USA Waste have expressed their desire to extend the arrangements to provide solid waste handling services and to modify the terms and conditions of the agreement; however, completion of the arrangements for such extension and modifications is not expected to be completed prior to the current expiration date of June 30, 2013.

Throughout the term of the existing agreement, USA Waste has performed to the satisfaction of the City and has offered competitive rates. Customer service complaints have been less than 1%. Consequently, City staff and USA Waste are currently working on the terms and conditions of a new agreement. A new agreement will require a Proposition 218 Protest Hearing prior to any new rates being implemented. In order to allow time to complete negotiations on the terms and conditions of a new agreement and allow sufficient time to conduct the required Proposition 218 Protest Hearing process, staff and USA Waste are requesting that the City Council approve a six-month extension to the agreement through December 31, 2013.

FISCAL IMPACT: None as result of this extension.

Attachments: Amendment No. 1 to Solid Waste Handling Agreement

AMENDMENT NO. 1 TO AGREEMENT BETWEEN THE
CITY OF NORCO AND USA WASTE OF CALIFORNIA,
INC. FOR THE COLLECTION, TRANSPORTATION,
RECYCLING AND DISPOSAL OF SOLID WASTE

This Amendment No. 1 to the Agreement between the City of Norco and USA Waste of California, Inc. for the Collection, Transportation, Recycling and Disposal of Solid Waste is made and entered into this 19th day of June, 2013, by and between the City of Norco ("City"), and USA Waste of California, Inc., a Delaware corporation, a Waste Management company dba Waste Management of the Inland Empire ("Grantee").

RECITALS

City and Grantee entered into an Agreement for the Collection, Transportation, Recycling and Disposal of Solid Waste, dated April 15, 1998 ("Agreement").

City and Grantee desire to extend their arrangements to provide solid waste handling services and to modify the terms and conditions of the Agreement; however, completion of the arrangements for such extension and modification will not be completed prior to the current expiration date of the Agreement, which is June 30, 2013.

As a result, the parties desire to enter into a short extension of the Agreement, in order to provide adequate time to complete arrangements for the desired extension and modification.

AGREEMENT

In consideration of the promises and mutual covenants and agreements hereinafter contained, and for good and valuable consideration, receipt of which is hereby acknowledged, City and Grantee agree as follows:

Section 1. The term of the Agreement is hereby extended up to and including December 31, 2013.

Section 2. Except as provided herein, the terms and conditions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, City and Grantee have executed this Amendment No. 1 as of the date set first herein above.

CITY:
CITY OF NORCO

By: _____
Kathy Azevedo, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM

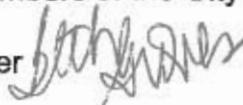
John Harper
City Attorney

GRANTEE:
USA WASTE OF CALIFORNIA, INC.

By: _____
Name: _____
Title: _____

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

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

DATE: June 19, 2013

SUBJECT: First Amendment to the Contract Services Agreement for Consulting City Engineering Services with RKA Consulting Group

RECOMMENDATION: Approve the First Amendment to the Contract Service Agreement for Consulting City Engineering Services with RKA Consulting Group.

SUMMARY: The current Contract Services Agreement for Consulting City Engineering Services with RKA Consulting Group requires an amendment to the Scope of Services to include water and sewer utilities consulting services and building plan check services.

BACKGROUND/ANALYSIS: On July 18, 2012, City Council entered into an agreement with RKA Consulting Group to perform Consulting City Engineering Services. Services provided by RKA include capital project design, plan checking of SWPPP and WQMP submittals and other engineering documents, and annual LMD assessment reports. Included in the service agreement is the ability of an RKA employee to provide Building Official and plan check services. The term of this agreement is three (3) years with option for negotiated extensions.

The City has requested of RKA to amend the agreement to include water and sewer utilities consulting services and building plan check services. The water and sewer consulting services are necessary while the City recruits and trains a new Water and Sewer Utilities Manager. These services terms would run with the original agreement.

FINANCIAL IMPACT: Funds have been allocated within the FY 2013/14 operations budget to provide funding for these two contract employee positions.

Attachment: Amended Contract Agreement with RKA
/lja



June 10, 2013

Ms. Beth Groves
City Manager
City of Norco
2870 Clark Avenue
Norco, CA 92860

Re: Amendment to Contract Services Agreement for Consulting City Engineering Services

Dear Ms. Groves:

RKA is pleased to present to you for your approval this letter agreement amending RKA Consulting Group's current Professional Services Agreement for Consulting City Engineering Services.

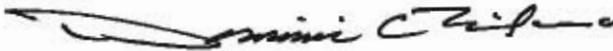
On July 18, 2012, an agreement was executed by and between the City of Norco and RKA Consulting Group for City Engineering Services and Building Official and plan checking services as related to new development projects. The contract period was executed for a period of three (3) years with an option for negotiated extensions.

At this time RKA has included a line item amending the current Scope of Services, Exhibit "A", of the Contract Services Agreement, which reflects the addition of a "Water/Sewer Manager" and a "Building Plan Checker" on RKA's Hourly Rate Schedule. The position of Water/Sewer Manager would be filled by Mr. Bill Thompson *exclusively* at a rate of \$110.00 per hour with the number of hours per week as directed by the City of Norco. The position of Building Plan Checker would be filled by Mr. Craig Welch *exclusively* at a rate of \$65.00 per hour with the number of hours per week as directed by the City of Norco. If at such time that either of these two individuals are not available to fill their respective positions, the position would automatically be eliminated from RKA Consulting Group's Professional Services Agreement.

RKA is also suggesting that bullet point number one in Exhibit "A" of the Scope of Services requiring a minimum of nine hours per week of Mr. Milano's office hours at City Hall be reduced to four hours per week to coincide with the City's budget for the City Engineer's position. In order to provide the most flexibility, RKA is suggesting that a provision be added that the City may increase the minimum office hours back to nine hours per week at their discretion.

Should you have any questions concerning this letter agreement, please do not hesitate to contact me at (909) 594-9702. If this letter agreement is acceptable to you, please sign and acknowledge your acceptance below.

Sincerely,



Dominic C. Milano
President

Acknowledgement and Acceptance:

Signature

Title

Printed Name

Date

EXHIBIT "A"

SCOPE OF SERVICES

The Contractor shall fulfill the duties of City/Consulting Engineer on behalf of the City of Norco. The Contractor shall have the resources to provide a full-range of municipal engineering services including, but not limited to, those services described below. In addition, it is anticipated that the City may utilize the selected firm to provide other municipal engineering services on a project-by-project basis under a separate purchase orders or agreements.

Dominic C. Milano shall serve as the City Engineer (Project Principal) and be the sole point of contact with regard to any and all contractual matters and David Gilbertson shall serve as the Deputy City Engineer (Project Manager). RKA shall not designate any other person to perform such services without the prior approval of the City. William R. Thompson shall serve as the Water/Sewer Manager. Craig J. Welch shall serve as the Building Plan Checker. RKA shall not designate any other person to perform these services.

- Provide regular weekly office hours (minimum of four hours per week) at Norco City Hall by Mr. Milano. Minimum hours may be increased up to nine hours per week at the request of the City.
- Provide regular weekly office hours at Norco City Hall by Mr. Gilbertson as directed by City Manager.
- Provide office hours at Norco City Hall by Mr. Thompson as directed by the City of Norco.
- Provide office hours at Norco City Hall by Mr. Welch as directed by the City of Norco.
- Assist in the review of design standards used in recently completed capital projects.
- Participate in the selection and evaluation of the other consulting engineering services; prepare requests for proposals; coordinate activities and provide technical assistance.
- Review and sign subdivision maps and legal descriptions, grading plans and plans for public works improvement projects, both private and public.
- Assist in the coordination of engineering activities with other city departments and with outside agencies.
- Assist in the mentoring of engineering staff.
- Assist in the planning and review of all public works engineering activities, including design, survey and inspection.

- Participate in the development and implementation of the capital improvement program and budget.
- Participate in the review of private land development projects.
- Confer with and advise public works staff on problems related to the design and construction of public works systems, the interpretation and enforcement of construction specifications, and the design and operation of traffic systems.
- Review plans, engineering reports, budget estimates, and proposed ordinances submitted by department staff and consulting engineers.
- Assist in the determination for the need of new facilities, major repair and rebuilding projects.
- Assist in the coordination of engineering activities with other city departments and with outside agencies.
- Assist in developing specifications for use in soliciting bids for public works projects. May assist with Contractor selection.
- Make presentations to the City Council as necessary for public works, engineering, and water projects.
- Facilitate the design of public works, engineering, traffic, and water projects with the use of Contractor's staff or other City approved civil, water, or traffic engineering firms.

EXHIBIT "B"

HOURLY RATE SCHEDULE***

City Engineer/Deputy City Engineer	\$	125.00/140.00*
Water/Sewer Manager	\$	110.00
Project Principal	\$	140.00
Project Manager	\$	125.00
Project Engineer	\$	110.00
Plan Check Engineer	\$	125.00
Building Plan Checker	\$	65.00
Engineering CAD Technician	\$	85.00
Clerical	\$	40.00
Public Works Inspector	\$	80.00
Sub-Consultants**		Cost + 15%

- All costs of printing, mileage, telephone, mailing, and other expenses incidental to the performance of the engineering services will be billed at a rate of cost plus 15%.

*Norco City Hall office hours, in four hour or greater time blocks are to be billed at \$125.00 per hour with no mileage or travel time charges.

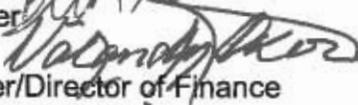
**These sub-consultants are those hired by Contractor to perform work directly related to design work where Contractor is the primary design firm.

***Hourly rates subject to CPI increase on the yearly anniversary of this contract.

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of City Council

FROM: Beth Groves, Interim City Manager 

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

DATE: June 19, 2013

SUBJECT: Extension of the service fee collected on behalf of the Riverside County Abandoned Vehicle Abatement Service Authority until May 2024

RECOMMENDATION: Adopt **Resolution No. 2013-45**, approving the extension of the service fee collected on behalf of the Riverside County Abandoned Vehicle Abatement Service Authority until May 2024.

SUMMARY: Staff has been notified by the Riverside County Abandoned Vehicle Abatement Service Authority that the service fee collected as a part of the Abandoned Vehicle Abatement Program is set to expire in May 2014. These fees are used to reimburse local government agencies for a portion of their cost incurred as a result of the abatement, removal and disposal as public nuisances of any abandoned, wrecked, dismantles, or inoperative vehicles or parts thereof. Legislation allows the local service authorities to extend the program every 10 years with the approval of the county and a majority of the cities comprising a majority of the population of the incorporated areas. Adoption of a resolution is required to continue the City of Norco's participation in the program.

BACKGROUND/ANALYSIS: The Riverside County Abandoned Vehicle Abatement Service Authority was formed on or about June 1, 1994, pursuant to the provisions of the California Vehicle Code 9250.7 and 22710 enacted by the Legislature in 1990 which authorized the establishment of a service authority and imposition of a service fee on all registered motor vehicles located within a county. Beginning in June 1994 and continuing to the present, the Riverside County Abandoned Vehicle Abatement Service Authority has been the recipient of services fees collected on its behalf by the California Department of Motor Vehicles. The Riverside County Abandoned Vehicle Abatement Service Authority apportions and distributes service fee proceeds to each member agency according to the formula set forth in California Vehicle Code 22710. Since the establishment of the Abandoned Vehicle Abatement Program in June 1994 it has disbursed \$22,952,216 in service fee proceeds to member agencies and caused the abatement of approximately 146,561 abandoned, wrecked, dismantles, or inoperative vehicles located in various cities and the unincorporated area of Riverside County.

FINANCIAL IMPACT: Over the last ten years, the City has received over \$148,000 to the General Fund through this program.

j:ao/council reports/staff reports/2013
Attachments: Resolution No. 2013-45

RESOLUTION NO. 2013-45

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, AUTHORIZING THE EXTENSION OF THE SERVICE FEE COLLECTED ON BEHALF OF THE RIVERSIDE COUNTY ABANDONED VEHICLE ABATEMENT SERVICE AUTHORITY UNTIL MAY 2024

WHEREAS, the Riverside County Abandoned Vehicle Abatement Service Authority was formed on or about June 1, 1994, pursuant to the provisions of the California Vehicle Code 9250.7 and 22710 enacted by the Legislature in 1990 which authorized the establishment of a service authority and imposition of a service fee on all registered motor vehicles located within a county; and

WHEREAS, beginning in June 1994 and continuing to the present, the Riverside County Abandoned Vehicle Abatement Service Authority has been the recipient of services fees collected on its behalf by the California Department of Motor Vehicles; and

WHEREAS, the service fees received by the Riverside County Abandoned Vehicle Abatement Service Authority are used to reimburse local government agencies for a portion of their cost incurred as a result of the abatement, removal and disposal as public nuisances of any abandoned, wrecked, dismantles, or inoperative vehicles or parts thereof; and

WHEREAS, the Riverside County Abandoned Vehicle Abatement Service Authority apportions and distributes service fee proceeds to each member agency according to the formula set forth in California Vehicle Code 22710; and

WHEREAS, since the establishment of the Abandoned Vehicle Abatement Program in June 1994 it has disbursed \$22,952,216 in service fee proceeds to member agencies and caused the abatement of approximately 146,561 abandoned, wrecked, dismantles, or inoperative vehicles located in various cities and the unincorporated area of Riverside County; and

WHEREAS, the service fee collected as a part of the Abandoned Vehicle Abatement Program is set to expire in May 2014; and

WHEREAS, the legislature recently amended California Vehicle Code 9250.7 to allow for an extension of the service fee collected as part of the Abandoned Vehicle Abatement Program in increments of up to ten years each if the Board of Supervisors of the County, by a two-thirds vote, and a majority of the cities comprising a majority of the population of the incorporated areas within the county adopt resolutions providing for the extension of the service fee; and

WHEREAS, it is the desire of the City of Norco to have the Abandoned Vehicle Abatement Program continue beyond its current termination date of May 2014.

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

SECTION 1: The City of Norco approves the extension of the service fee collected on behalf of the Riverside County Abandoned Vehicle Abatement Service Authority until May 2024.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on June 19, 2013,

Mayor of the City of Norco, California

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California do hereby certify that the foregoing Resolution was introduced and adopted by the City Council of the City of Norco at a meeting held on June 19, 2013 by the following vote of the City Council:

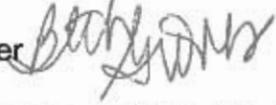
AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on June 19, 2013.

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

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

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

DATE: June 19, 2013

SUBJECT: Approval of the Western Riverside County Regional Wastewater Authority Joint Exercise Resolution No. 13-003 Establishing an Excess Capacity Management Service

RECOMMENDATION: Approve the Western Riverside County Regional Wastewater Authority ("WRCRWA") Resolution No.13-003 Establishing an Excess Capacity Management Service, subject to non-substantive changes and approval by all WRCRWA Member Agencies.

SUMMARY: The City of Norco is a member of WRCRWA, which jointly exercises powers to own, operate, convey, treat and maintain wastewater treatment facilities, commonly referred to as the Western Riverside County Wastewater Authority. The WRCRWA Board of Directors at their March 27, 2013 Board meeting approved the proposed Resolution No. 13-003, Excess Capacity Management Service. The governing bodies of each of the Member Agencies must now also approve proposed Resolution No. 13-003 in order for it to become effective.

BACKGROUND/ANALYSIS: The City of Norco is a member of WRCRWA, which jointly exercises powers to own, operate, convey, treat and maintain wastewater treatment facilities, commonly referred to as the Western Riverside County Wastewater Authority. The treatment facility was constructed to operate as a regional wastewater conveyance, treatment and disposal system to serve its member agencies: Home Gardens, Jurupa Community Services District (JCSD), Western Municipal Water District (WMWD), the City of Corona, and the City of Norco. The WRCRWA wastewater facility was originally designed to treat 8 million gallons of wastewater per day (MGD). Norco's existing WRCRWA conveyance capacity is 2.5 mgd and the treatment capacity is 2.2 mgd.

On March 27, 2013, the WRCRWA Board of Directors approved Resolution 13-003 establishing an Excess Capacity Management Service to provide member agencies with a mechanism to utilize unused capacity and maximize the treatment process. The proposed service develops operational guidelines for increased short term wastewater discharges by the member agencies. Unused excess capacity is defined as the rated design capacity of the treatment facility and the daily discharge of discharge of the member agencies. The service also provides the ability to help neighboring wastewater entities, creating mutual aide arrangements. The proposed service is intended to be budget neutral.

FINANCIAL IMPACT: This action is anticipated to have minimal impact on the overall cost of wastewater collection or treatment.

Attachment: Western Riverside County Regional Wastewater Authority Resolution 13-003

RESOLUTION 13-001

A RESOLUTION OF THE BOARD OF
DIRECTORS OF THE WESTERN RIVERSIDE
COUNTY REGIONAL WASTEWATER AUTHORITY
ESTABLISHING AN EXCESS CAPACITY
MANAGEMENT SERVICE

WHEREAS, the Western Riverside County Regional Wastewater Authority ("the Authority") owns and operates a wastewater conveyance, treatment and disposal system for the reclamation of wastewater and the use of reclaimed wastewater for any beneficial purpose; and

WHEREAS, the Authority's Member Agencies ("Members") having the right to discharge to the Authority's system are the Authority's Members Agencies: Home Gardens Sanitary District, Jurupa Community Services District, City of Corona, City of Norco and the Western Municipal Water District of Riverside County; and

WHEREAS, each of the Authority's facilities for the collection, transmission, treatment and disposal of wastewater has a finite capacity described in million gallons per day ("MGD"); and

WHEREAS, ownership of the Authority's conveyance and treatment facilities is for the benefit of its Members; and

WHEREAS, each Member holds a capacity right in the Authority's conveyance and treatment facilities in proportion to each Member's agreed percentage of capacity rights, as documented in capacity agreements between Members and the Authority and as modified by the March 8th, 2012 Project and Capacity Agreement For The Expansion Of The Western Riverside County Regional Wastewater Authority Treatment Plant, and its Amendments thereto; and

WHEREAS, the Authority has the power in its own name to make and enter into contracts and agreements; and

WHEREAS, the Board of Directors of the Authority adopts an annual budget prior to the beginning of each fiscal year, documenting revenues, expenses, fixed rates, variable rates, and capacity rights held by each Member in the Authority's conveyance and treatment facilities and total estimated capacity needed by each Member in such conveyance and treatment facilities for each fiscal year; and

WHEREAS, the total available capacity in the Authority's conveyance and treatment facilities generally exceeds the aggregate needs of the Members each fiscal year; and

WHEREAS, there may be occasions when a given Member has a need to temporarily discharge quantities of wastewater greater than its capacity ownership right, and

WHEREAS, there is currently no convenient means for a Member to temporarily exceed its capacity ownership right (herein, Exceedance of Capacity), and

WHEREAS, a mechanism called an Excess Capacity Management Service would provide the Authority with the means to allow a Member to temporarily exceed its capacity ownership right and also allow a non-member wastewater entity to temporarily borrow unused Excess Capacity for an emergency and planned maintenance, and

WHEREAS, Member participation in the Authority's Excess Capacity Management Service will provide direct monetary value to the Members holding excess capacity and overall provides value to all Members by maximizing use of capacity for conveyance and treatment; and

WHEREAS, the establishment of mutual aid practices and agreements with Members and non-member wastewater agencies for

the temporary utilization of Excess Capacity will benefit all Members and the Authority; and

WHEREAS, the operations staff needs a factor of safety such that actual flow to the conveyance and treatment facilities is less than total available capacity; and

WHEREAS, it is the purpose of this Resolution and the intent of the Authority's Board of Directors to establish an Excess Capacity Management Service for the temporary use of Excess Capacity for Members and non-member wastewater agencies when the use of such Excess Capacity is allowed by those Members possessing such Excess Capacity.

NOW, THEREFORE, be it resolved by the Board of Directors of the Western Riverside County Regional Wastewater Authority that the Authority's Excess Capacity Management Service is hereby established as follows:

Section 1. Member participation in the Excess Capacity Management Service ("Service") is voluntary but automatic; provided, however, a Member holding capacity rights in excess of its current needs may limit its participation in the Service by providing the Administrator written notice that it is withholding a portion or all of its Excess Capacity from the Service.

Section 2. Unused Excess Capacity (a.k.a. Total Excess Capacity) is defined as total available capacity as published in the most current Fiscal Year Budget document, less a maximum 5 percent of total capacity as a safety factor for operation as determined by the Chief Plant Operator, less the sum of excess capacity withheld by Members' written notice, less actual measured flow being discharged by the Members to the facility at any given time.

Section 3. The Authority's Administrator is hereby authorized to administer this Service.

Section 4. Unused Excess Capacity may also be used for mutual aid with non-member wastewater entities pursuant to written agreements approved by the Authority's Board of Directors, provided the agreements include terms that stipulate Members will always have a right of first refusal to use such unused Excess Capacity.

Section 5. Unused Excess Capacity may be used by a Member for unforeseen, rare, random or emergency daily Exceedance of Capacity without prior written agreement; however, any Member using Unused Excess Capacity herewith agrees to indemnify and hold harmless the Authority including any event wherein the Exceedance of Capacity causes the Authority to violate its NPDES Permit or State Order 2006-003 (or any amendment or successor thereto) or any Federal, State or Local regulation or law and agrees to protect the Member(s) providing such excess capacity and the Authority from detrimental reliance by agreeing to purchase additional capacity as described below in Section 6.

Section 6. In the event a Member routinely causes an Exceedance of Capacity every month for twelve (12) consecutive months, the Administrator shall place the matter on the agenda for the next regular or special meeting of the Executive Committee in order to consider the need for an agreement between the Authority and the Member. If the Executive Committee believes an agreement is appropriate to meet the needs of the Member and the Authority, and after review of the agreement by the Executive Committee, the agreement shall be considered by the Board of Directors. Any agreement for use of Excess Capacity shall provide indemnification and hold harmless for the Authority in the event the Exceedance of Capacity causes the Authority to violate its NPDES Permit or State Order 2006-003 (or any amendment or successor thereto) or any Federal, State or

Local regulation or law and shall contain language to protect the Member and the Authority from detrimental reliance by requiring the Member to acquire additional capacity. The Member agreement shall contain terms to assure the Authority that the Exceedance of Capacity will be short term but if long term the Member has or will have the funds to permanently accommodate the Exceedance of Capacity by constructing additional facilities and purchasing additional capacity from the Authority when total flow through the facility reaches the lesser of (1) the flow rate allowed by the State or Regional Water Quality Control Board, or (2) 90 percent of the facility's hydraulic rated capacity.

Section 7. The Member using Excess Capacity whether by unforeseen, rare, random or emergency Exceedance of Capacity or by agreement shall pay the Excess Capacity Conveyance Surcharge Rate and/or Excess Capacity Treatment Surcharge Rate set forth in Resolution 13-003 (or its successor), establishing rates to be charged for conveyance, treatment and disposal of wastewater.

Section 8. Methodology for the Excess Capacity Treatment Surcharge and the Excess Capacity Conveyance Surcharge together with operational guidelines for administering Unused Excess Capacity are shown in the report entitled "Excess Capacity Management Service Report," as may be amended from time-to-time and approved by the Board of Directors. That Report is hereby approved and attached hereto as Exhibit A and incorporated herein by this reference.

Section 9. Rates and fees for mutual aid shall be memorialized in any agreement for mutual aid and shall be known as the Mutual Aid Rate (MAR). The Authority's MAR shall be consistent with the rates established in the Authority's Resolution 13-003 (or its amendment or successor). When preparing a monthly invoice for a mutual aid event the invoice

shall be prepared by the party providing aid, using the rate schedule producing the highest MAR regardless of the party receiving aid and the party providing aid.

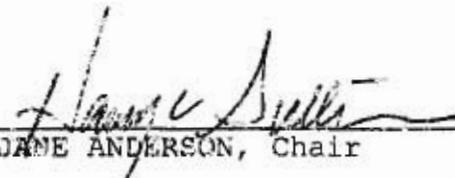
Section 10. Excess Capacity Surcharge revenue collected by the Authority shall be distributed to Members having available excess capacity in accordance with the "Excess Capacity Management Service Report," after deducting the Authority's expenses associated with this Excess Capacity Management Service, herein established as 15 percent of the monthly revenue amount derived from the Capital and Carry (Cap/Carry) portion of the Surcharge Rate.

Section 11. Agreements for use of Unused Excess Capacity by non-members shall provide Members a right of first refusal and include other terms described in the approved "Excess Capacity Management Service Report."

Section 12. The Administrator shall have a financial report prepared near the end of each fiscal year to memorialize revenue collected from and distributed to Members for use of Unused Excess Capacity over the past 12 months.

ADOPTED AND EFFECTIVE this 27 day of March, 2013.

WESTERN RIVERSIDE COUNTY REGIONAL
WASTEWATER AUTHORITY



JANE ANDERSON, Chair

I hereby certify that the foregoing is a full, true and correct copy of Resolution No. 13-001 adopted by the Board of Directors of WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY at a special meeting held March 27, 2013.


S.R. "AL" LOPEZ, Secretary-Treasurer

EXHIBIT A
to
RESOLUTION 13-001

WESTERN RIVERSIDE COUNTY
REGIONAL WASTEWATER AUTHORITY

Excess Capacity
Management Service Report

FEBRUARY 2013

Excess Capacity Management Service Report

For the Establishment of
Excess Capacity Surcharge Rates
and
Distribution of Excess Capacity Surcharge Revenue
for the
Western Riverside County Regional Wastewater Authority
Excess Capacity Management Service

Prepared Under the Direction of
The Board of Directors

Jane Anderson, Chair
Harvey Sullivan, Vice Chair
S.R. "Al" Lopez, Secretary/Treasurer
Robert Seymour, Director
Jonathan Daly, Director

The Executive Committee

Todd Corbin, Chair
Jonathan Daly, Vice Chair
Janey Gress, Member
John V. Rossi, Member
Bill Thompson, Member

The Administrator

Jeffrey D. Sims

February 2013

Part 1

Methodology for Establishing Excess Capacity Surcharge Rates for the Western Riverside County Regional Wastewater Authority Excess Capacity Management Service

Excess Capacity Surcharge Rates for conveyance and for treatment are memorialized in the Authority's resolution establishing rates to be charged for the conveyance, treatment and disposal of wastewater (herein Rate Resolution) as determined from the following methodology. Rate Resolution 13-003 contains the Excess Capacity Surcharge Rates determined by methodology described in this report.

Unused Excess Capacity (a.k.a. Total Excess Capacity) is defined as the total available capacity as published in the most current Fiscal Year Budget document less up to 5 percent of total capacity for an operational factor of safety (as determined by the Chief Plant Operator), less excess capacity rights withheld in writing by Members, less actual measured flow being discharged to the facility at any given time. Excess Capacity Surcharge Rates shall be applied to that portion of a Member's discharge exceeding the Member's capacity right. When a Member's discharge exceeds its capacity right it is called an Exceedance of Capacity.

The Excess Capacity Surcharge Rates have been developed with three elements as listed in Rate Resolution 13-003, or its successor, as follows:

- (1) Fixed
- (2) Variable
- (3) Capital and Carrying Costs ("Cap/Carry")

The Authority's current Budget (Fiscal Year (FY) 2012-2013) is hereby used for rate calculations, as follows:

Fixed: The fixed rate component (Element 1) shall be obtained from the most current fiscal year Budget as may be amended from time to time throughout the year. The fixed rate can be found in the Budget document under the heading "Calculation of Operating Expense by Member" and the subheading "Proposed Rates".

As shown on page 3 of the FY 2012-2013 Budget document the "Grand Total Fixed" rate is \$20,271.

Fixed Treatment: The fixed rate component for treatment (Element [1] of the Excess Treatment Capacity Surcharge Rates) is the "Grand Total Fixed" less Fixed Conveyance. The Fixed Rate for treatment in this example is Grand Total Fixed of \$20,271 minus Fixed Conveyance of \$1,186 which is equal to \$19,085 per month, per Million Gallons per Day (MGD). The fixed treatment component, when converted to dollars per volume of discharge is \$627 per Million Gallons (MG) discharged (\$19,085/30.417 days per average month).

Fixed Treatment: \$19,085 per average month per MGD
Or: \$627 per MG discharged

Fixed Conveyance: The fixed rate component for Conveyance (Element [1] of the Excess Conveyance Capacity Surcharge Rates) shall be obtained from the most current Budget document as may be amended from time to time throughout the year. The Fixed Rate for conveyance in this example is as shown in the FY 2012-2013 Budget document under "Proposed Rates," or \$1,186 per month per MGD. The fixed conveyance component, when converted to dollars per volume of discharge, is \$39 per MG discharged (\$1,186/30.417 days per average month).

Fixed Conveyance: \$1,186 per average month per MGD
Or: \$39 per MG discharged

Variable: The variable rate component (Element 2) shall be obtained from the most current fiscal year Budget as may be amended from time to time throughout the year. The variable rate can be found in the Budget document under the heading "Calculation of Operating Expense by Member" and the subheading "Proposed Rates."

Variable Treatment: The variable rate component for Treatment (Element [2] of the Excess Treatment Capacity Surcharge Rates) shall be obtained from the most current Budget document as may be amended from time to time throughout the year. As shown on page 3 of the FY 2012-2013 Budget, the variable rate for treatment is \$1,015 per Million Gallons discharged

Variable Treatment: \$1,015 per MG

Variable Conveyance: The variable rate component for Conveyance (Element [2] of the Excess Conveyance Capacity Surcharge Rates)

is as listed in the most current Budget document. As shown on page 3 of the FY 2012-2013 Budget, the variable rate for conveyance is \$66 per Million Gallons discharged.

Variable Conveyance: \$66 per MG

Cap/Carry: Cap/Carry (Element 3) is short for the sum of Capital based on Asset Value (Basis) and Carrying Costs multiplied by an investment percentage. Asset Value is defined herein as Asset Value without any deduction for depreciation as opposed to book value, a term used to describe asset value after depreciation has been deducted. Asset Value includes original capital cost of the facility, plus the cost of any upgrades, plus those being designed and/or constructed (WIP) but not yet added to the Asset Value. Estimates shall be used for current work in progress until actual costs are known. Cap/Carry represents that portion of the Excess Capacity Surcharge Rates that will become revenue for the Member allowing use of its excess capacity rights (Element [3] of the Excess Capacity Surcharge Rates).

Rationale for Cap/Carry: The use of Capital based on Asset Value and Carrying Costs is just one way to value the investment a Member has made in Authority facilities. Another method would be to use the capital Asset Value multiplied by a relevant construction cost index where the resulting increment from the construction cost index would effectively replace the need to use Carrying Costs. Another method would be to ignore Capital and Carrying Costs and instead have the facilities appraised each year and a current value set based on replacement cost estimates. The decision was made to use Capital based on Asset Value and Carrying Costs because both are:

- o directly related to Authority facilities,
- o traceable costs using Authority records,
- o updated annually; and
- o readily available for use in calculating the Excess Capacity Surcharge Rates.

Cap/Carry can be thought of as a way to replace a portion of lost investment earnings whenever a Member agency's governing body decides to purchase excess capacity instead of keeping the money in its investment (savings) portfolio. Unused Excess Capacity would not be available to those Members in need but for the excess capacity rights purchased by other Members.

The capital portion of Cap/Carry is based on Asset Value and Work in Progress (WIP). Asset Value and WIP as of June 30, 2012 is as follows:

Asset Value	Treatment Plant
Conveyance System	
Basis Value 6-30-12	\$ 41,175,769
\$14,916,804	
Work in Process (WIP)	\$ 4,138,000
\$3,148,917	
Total Asset Value-herein	\$ 45,313,769
<u>\$18,065,721</u>	

The carrying cost portion of Cap/Carry has been developed from those fixed costs paid monthly by a Member holding excess capacity. Each Member pays its fixed costs monthly, in accordance with the Rate Resolution, for capacity owned in MGD whether or not any wastewater was delivered to the facility.

The investment percentage (a.k.a. Return on Investment) has been established as an interest rate above typical borrowing rates to provide an above average rate as incentive for Members with unused capacity to participate in the Authority's Excess Capacity Management Service; and a deterrent to those needing capacity from depending long term on the use of Unused Excess Capacity instead of purchasing capacity rights - i.e. creating detrimental reliance.

As mentioned above, the following example shows the methodology for Excess Capacity Surcharge Rates using data from the FY 2012-2013 Budget document.

The Excess Capacity Surcharge Rate calculations on the next pages are derived from an interactive Excel spreadsheet containing the following information:

- o 2012-2013 Proposed Rates to cover Operating Expenses,
- o June 30, 2012 Asset Value (Basis) for Treatment Plant and Conveyance System,
- o Current Work in Progress; and
- o A table of fixed carrying costs beginning Fiscal Year 1998-1999

The resulting 2013 Excess Capacity Surcharge Rate for Treatment is as follows:

WRCRWA fixed treatment costs based on the latest budget
\$ 627 (to pay WRCRWA for its fixed operating costs)

WRCRWA variable treatment costs based on the latest budget
\$ 1,015 (to pay WRCRWA for its variable operating costs)

Cap/Carry Surcharge Rate for Treatment
(to pay Members for use of their excess, unused capacity)
\$ 478

Treatment Rates: \$ 2,120

The resulting 2013 Excess Capacity Surcharge Rate for Conveyance
is as follows:

WRCRWA fixed conveyance costs based on the latest budget
\$ 39 (to pay WRCRWA for its fixed operating costs)

WRCRWA variable conveyance costs based on the latest budget
\$ 66 (to pay WRCRWA for its variable operating costs)

Cap/Carry Surcharge Rate for Conveyance
(to pay Members for use of their excess unused capacity)
\$ 161

Conveyance Rates: \$ 266

**TABLE A - CALCULATIONS FOR THE EXCESS CAPACITY SURCHARGE
1 THE AUTHORITY'S EXCESS CAPACITY MANAGEMENT SERVICE**

1/30/13

1 RWA EXCESS CAPACITY SURCHARGE METHODOLOGY

ASSET VALUE (Basis) - TREATMENT

Treatment Plant Capital Costs			
Asset value of the treatment plant as of	6/30/2012	\$41,175,769	
Work in Process		4,138,000	Note 1
Total Capital Cost used for Surcharge Rate Calculation		\$45,313,769	
Total Capital Cost divided by Total Capacity of 8.0 MGD =		\$5,664,221	per MGD
Note 1: Work in process from finance email dated 1-28-13.			

ASSET VALUE (Basis) - CONVEYANCE

Conveyance System Capital Costs			
Asset value of the conveyance system as of	6/30/2012	\$14,916,804	
River Road Bridge Relocation Obligations Obligation 2012-2013		\$3,148,917	Note 2
Total Capital Cost used for Surcharge Rate Calculation		\$18,065,721	
Total Capital Cost divided by Total Capacity of 8.4 MGD =		\$2,150,681	per MGD
Note 2: River Road expenditures \$2 M and proposed settlement \$1 M for a total of \$3 M from finance email dated 1-28-13.			

Table A
continued

CURRENT BUDGET WRCRWA TREATMENT & CONVEYANCE				
Fiscal Year	Fixed	Fixed	Fixed	Variable
2012-2013				
Budget	Amount	Amount	Amount	Amount
Proposed Rates	per MGD	Assigned	Assigned	per MG
Fixed	per month	to Treatment	to Convey	Discharged
Treatment	\$15,318	\$15,318		\$1,015
Conveyance	\$1,186		\$1,186	\$66
Administration	\$1,579	\$1,579	\$0	Note 3
Res for Asset Replacement	\$1,146	\$1,146	\$0	
Res Cap Improvements	\$1,042	\$1,042	\$0	
	\$20,271	\$19,085	\$1,186	

Note 3: Admin spread to Treatment only since Conveyance is only 5.9 percent of total

BUDGET CONVERSIONS:

Conversion from MGD to MG discharged for Fixed Treatment using an average month of 30.417 days

Fixed amount assigned to Treatment: $\$19,085 / 30.417 =$ \$627 per MG discharged

Conversion from MGD to MG discharged for Fixed Conveyance using an average month of 30.417 days

Fixed amount assigned to Conveyance: $\$1,186 / 30.417 =$ \$39 per MG discharged

TABLE A continued

Fixed Carrying Costs

Each member agency has made annual "Member Contributions" for fixed costs based on capacity right owned.

Fixed costs for unused capacity become a cost of carrying the unused asset.

Fiscal Year Budget	Monthly Fixed Treatment per MGD	Annual Fixed Treatment	Monthly Fixed Convey per MGD	Annual Fixed Convey	Monthly Fixed Admin per MGD	Annual Fixed Admin	Annual Treatment Admin per MGD	Annual Convey Admin per MGD
1998-99	7,176	86,112	1,786	21,432	2,290	27,480	22,004	5,476
1999-00	7,932	95,184	1,776	21,312	2,596	31,152	25,453	5,699
2000-01	5,371	64,452	1,163	13,956	1,723	20,676	16,996	3,680
2001-02	4,491	53,892	779	9,348	1,013	12,156	10,359	1,797
2002-03	4,780	57,360	794	9,528	1,448	17,376	14,901	2,475
2003-04	5,067	60,804	600	7,200	1,164	13,968	12,489	1,479
2004-05	5,401	64,812	570	6,840	1,255	15,060	13,622	1,438
2005-06	5,482	65,784	546	6,552	1,265	15,180	13,605	1,375
2006-07	5,846	70,152	573	6,876	1,233	14,796	13,475	1,321
2007-08	5,825	69,900	594	7,128	1,627	19,524	17,717	1,807
2008-09	6,191	74,292	599	7,188	1,789	21,468	19,574	1,894
2009-10	6,763	81,156	565	6,780	1,870	22,440	20,710	1,730
2010-11	8,318	99,816	561	6,732	2,628	31,536	29,543	1,993
2011-12	15,469	185,628	1,283	15,396	2,642	31,704	29,276	2,428
2012-13	15,318	183,816	1,186	14,232	1,579	18,948	17,586	1,362
2013-14								
Totals to Date:		\$1,313,160	per MGD	\$160,500	per		\$277,511	\$35,953

EXCESS CAPACITY SURCHARGE CALCULATIONS

Fixed "Reserve" costs are not a part of Fixed Carrying Costs but instead become a part of Asset Value.

Reserves are unspent funds set aside for capital improvements or asset replacement.

When spent, the funds will become part of the capital valuation of the plant, as Asset Value.

A share of Fixed Administration Cost has been assigned to Carrying Costs for Treatment and for

Conveyance using a prorata distribution $\{Trt/(Trt+Convey)\}$ and $\{Convey/(Trt+Convey)\}$.

Table A continued

EXCESS CAPACITY SURCHARGE RATE - TREATMENT			
Total Capital Improvements for Surcharge Rate		\$5,664,221	per MGD
Total Fixed Treatment Costs from 1998/99 to date		\$1,313,160	per MGD
Total Fixed Admin Costs assigned to treatment from 1998/99 to date		\$277,511	per MGD
Date	Total Capital and Carry Costs to	\$6,977,381	per MGD
	Using 2.50% per year , the Cap/Carry rate =	\$14,536	per MGD per month
	The Surcharge rate in mg of discharge =	\$478	per MG discharged
Fixed from Budget	\$627		per MG discharged
Variable from Budget	\$1,015		per MG discharged
Cap/Carry Surcharge Rate	\$478		per MG discharged
Total Surcharge Treatment:	\$2,120		per MG discharged

EXCESS CAPACITY SURCHARGE RATE - CONVEYANCE			
Total Conveyance Capital Improvements for Surcharge Rate		\$2,150,681	per MGD
Total Fixed Conveyance Costs from 1998/99 to date		\$160,500	per MGD
Total Fixed Admin Costs assigned to conveyance from 1998/99 to date		\$35,953	per MGD
Date	Total Capital and Carry Costs to	\$2,347,134	per MGD
	Using 2.50% per year , the lease rate =	\$4,890	per MGD per month
	The Surcharge rate in mg of discharge =	\$161	per MG discharged
Fixed from Budget	\$39		per MG discharged
Variable from Budget	\$66		per MG discharged
Cap/Carry Surcharge Rate	\$161		per MG discharged
Total Surcharge Conveyance:	\$266		per MG discharged

Part 2

Methodology for Distributing Excess Capacity Surcharge Revenue
for the
Western Riverside County
Regional Wastewater Authority
Excess Capacity Management Service

The basic premise for Excess Capacity Surcharge revenue distribution is to return a portion of the carrying costs to the Authority's Members having capacity rights excess to their current needs. Unused Excess Capacity would not be available to those Members in need if not for the investment in excess capacity rights by other Members. The investment percentage (a.k.a. Return on Investment) has been established with an interest rate above typical borrowing rates to provide an above average rate as an incentive for Members with excess capacity to participate; and a deterrent to Members in need of capacity from depending long term on the use of Unused Excess Capacity instead of purchasing capacity rights.

Unused Excess Capacity (a.k.a. Total Excess Capacity) is defined as the total available capacity as published in the most current Fiscal Year Budget document less an operational factor of safety up to 5 percent of total plant capacity as determined by the Chief Plant Operator, less unused excess capacity rights withheld in writing by Members, less actual measured flow being discharged to the facility at any given time.

Unless a Member notifies the authority in writing that its excess capacity rights are unavailable for use by the Administrator in accordance with the Authority's Resolution Establishing an Excess Capacity Management Service, as amended or superseded, from time to time, all Unused Excess Capacity will be available for the Authority's Excess Capacity Management Service (Service) at any given time (reserving an operational factor of safety as determined by the Chief Plant Operator).

Excess Capacity Surcharge revenue will be distributed to all Members having excess capacity rights during the month, unless a Member has notified the Authority that it has withdrawn a portion or all of its excess capacity from the Service or has committed its excess capacity rights to another entity. For purposes of distributing the Excess Capacity Surcharge revenue, the individual Member's excess capacity shall be the individual

Member's capacity right, shown by the most current Capacity Right Agreement with the Authority less its actual flow, less any excess capacity it has withdrawn, less any excess capacity it has not withdrawn but nevertheless used by leasing or loaning to another Member, less an operational safety of up to 5 percent as determined by the Chief Plant Operator.

Distribution of Excess Capacity Surcharge revenue shall be calculated multiplying each Member's percentage of Total Excess Capacity (Member's excess capacity divided by Total Excess Capacity in percent) by the total Cap/Carry surcharge amount invoiced that month. An administration fee of 15 percent shall be deducted from the Cap/Carry Surcharge Rate revenue amounts in order to reimburse the Authority's G & A account for costs associated with the administration of the Service. Any unused portion of the administration fee will be added revenue to the Authority's G & A account for the benefit of all Members.

The information in the following tables demonstrates revenue distribution from Cap/Carry Surcharge Rate for use of treatment facilities and conveyance facilities. The examples use the current Cap/Carry Capacity Surcharge Rate (Element 3 of the Excess Capacity Surcharge Rate) as published in the most recently approved Rate Resolution.

The examples on the following pages have been published from an interactive Excel Spreadsheet that allows data entry for meter readings and other variables to calculate monthly excess capacity revenue distribution.

Excess Capacity Revenue to be paid Members with excess capacity available during the FY 2012-2013 budget year to the nearest dollar:

Treatment Revenue:	\$	478/MG
Administration funding (15%):	(\$	<u>72/MG</u>)
	\$	406/MG
Conveyance Revenue:	\$	161/MG
Administration funding (15%):	(\$	<u>24/MG</u>)
	\$	137/MG

[Administration funding not used by the Service will remain in the administration account to lower General & Administration (G&A) costs for all Members.]

TABLE B EXCESS CAPACITY REVENUE DISTRIBUTION FROM TREATMENT

Surcharge Rate from Rate Resolution 5478
 Number of days since last meter reading 26,417 days

WRCWA's Administration Cost from Resolution 13-001
 for Management Service in a 153

MG	Quantity from Meter Readings	Flow rate calculated from meters	MGD	Capacity Rights Owned	Total Capacity with held	Adjusted Capacity less held	Month's Excess Capacity Available	This Month's Excess Capacity Used	Surcharge Rate Times Excess Capacity	Percent Excess Capacity Available	Surcharge Revenue Collected before Admin	Surcharge Revenue Distribution After Admin
WRWD	24	0.79	3.53	0.00	0.00	1.50	1.14	0.000	\$0	02.50%	\$11,665	\$8,516
JCEC	206	3.48	3.25	0.00	0.00	3.25	0.00	0.235	\$3,415	0.00%	\$0	\$0
NORCO	82	2.70	2.50	0.00	0.00	2.20	0.00	0.436	\$7,509	0.00%	\$0	\$0
AGSP	12	0.39	0.52	0.00	0.00	0.60	0.22	0.000	\$0	16.50%	\$3,303	\$1,960
CORONA	7	0.23	0.50	0.00	0.00	0.00	0.00	0.230	\$3,246	0.00%	\$0	\$0
TOTAL	231	7.59	0.00	0.00	0.00	8.00	1.37	0.961	\$13,971	100.00%	\$13,971	\$11,876

TABLE B EXCESS CAPACITY REVENUE DISTRIBUTION FROM CONVEYANCE

Surcharge Rate from Rate Resolution \$161 MCRWA's Administration Cost from Resolution 13-001 15%
 Number of days since last meter reading 20 days for Management Service 13.4

Quantity from Meter Readings	Flow rate calculated from meters	Capacity Rights Owned	Total Capacity with-hold	Adjusted Capacity less with-holds	This Month's Excess Capacity Available	This Month's Excess Capacity Used	Surcharge Rate Times Excess Capacity	Percent of Excess Capacity Available	Surcharge Revenue Collected Before Admin	Surcharge Revenue Admin	Surcharge Revenue Distribution
34	0.83	5.15	6.03	5.15	4.34	0.00	\$0	92.55%	\$2,086	\$0	\$1,773
5	0.00	0.00	0.00	0.00	0.00	0.00	\$0	0.00%	\$0	\$0	\$0
82	2.73	2.50	0.69	2.50	0.00	0.27	\$1,127	0.00%	\$0	\$0	\$0
12	0.40	0.75	0.00	0.75	0.35	0.00	\$0	7.55%	\$168	\$147	\$147
7	0.23	0.00	0.00	0.00	0.23	0.23	\$1,327	0.00%	\$0	\$0	\$0
123	4.17	8.40	3.00	8.40	4.70	0.67	\$2,354	100.00%	\$2,254	\$0	\$1,916

Part 3

Operational Guidelines for Managing Excess Capacity
for the
Western Riverside County
Regional Wastewater Authority
Excess Capacity Management Service

Unused Excess Capacity (a.k.a. Total Excess Capacity) is defined as the total available capacity as published in the most current Fiscal Year Budget document less an operational factor of safety as determined by the Chief Plant Operator up to 5 percent of total capacity, less capacity rights withheld in writing by Members, less actual measured flow being discharged to the facility at any given time.

The Member's excess capacity will be available for the Authority's Excess Capacity Management Service (Service) at any given time (reserving an operational factor of safety as determined by the Chief Plant Operator) unless a Member notifies the Authority in writing that its excess capacity rights are unavailable.

The Administrator may use Unused Excess Capacity to assist Members at any time barring regulatory and operational constraints. When Unused Excess Capacity is limited and inadequate to assist more than one Member, the Administrator or Administrator's designee will meet with Authority's and Member's operators to allocate Unused Excess Capacity. If unresolved by the operators the Administrator will seek assistance from Member management and if unresolved by management, will place the subject on the agenda for discussion and resolution by the Authority's Executive Committee and Board of Directors.

The Administrator may use Excess Capacity to assist non-member wastewater entities but Members will always be given right of first refusal before the Administrator commits the Service to a non-member. Mutual aid agreements with non-members or other agreements with non-members for use of Unused Excess Capacity will be approved by the Authority's Board of Directors.

If a non-member experiences an emergency and an agreement for dealing with emergencies has been approved by the Authority's Board of Directors, the Administrator or Administrator's designee will contact the Authority's Chief Plant Operator and Member wastewater managers to confirm the availability of Unused Excess Capacity before committing Unused

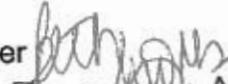
Excess Capacity to the non-member's emergency. Member emergencies will be honored before non-member emergencies.

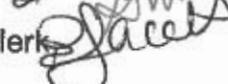
If the non-member is planning maintenance activities that require the use of Unused Excess Capacity in the future and an agreement for dealing with maintenance activities has been approved by the Authority's Board of Directors, the Administrator or Administrator's designee will contact the Authority's Chief Plant Operator and Member wastewater operators to determine the availability of Unused Excess Capacity that could be committed to the non-member. Member-planned maintenance activities will be honored before non-member planned maintenance activities but Member operators and non-member operators will work together in an attempt to schedule all maintenance activities.

Agreements with non-members for use of Unused Excess Capacity shall include language that provides Members a right of first refusal to use Unused Excess Capacity. Commitment of Unused Excess Capacity to non-members shall only be for emergencies, short duration planned maintenance activities and other short term uses based on allocation planning among Authority, Member and non-member operators. Any agreement with a non-member shall be conditioned upon availability of Unused Excess Capacity at any given time before and during a non-member's event, with the non-member indemnifying and holding the Authority and its Members harmless from an Authority decision to curtail the use of Unused Excess Capacity. In addition, such indemnification and hold harmless shall include any legal or regulatory actions, damages, fines and penalties asserted by a third party and any regulatory agency.

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: June 19, 2013

SUBJECT: Appointments to Various City Commissions and the Economic Development Advisory Council

RECOMMENDATION: Staff recommends that the City Council make the following four-year term appointments:

- Three persons to the Historic Preservation Commission;
- One person to serve on the Parks and Recreation Commission;
- One person to the Planning Commission; and
- Melissa Villapando, William F. Schwab, and Ronak Desai to the Economic Development Advisory Council (EDAC), as recommended by the EDAC.

SUMMARY: The City of Norco has four commissions that advise the City Council on one or more aspects of City government. The Council has reviewed applications submitted for vacancies on the Historic Preservation Commission (3 vacancies); the Parks and Recreation Commission (1 vacancy); and the Planning Commission (1 vacancy); and is recommended to make appointments to serve 4-year terms on the respective commissions. The Council is also recommended to appoint members to the EDAC, as recommended by the EDAC, to fill three vacated seats.

BACKGROUND/ANALYSIS: Any resident of the City of Norco may serve on a City commission. No member is selected on the basis of representing a specific business, district, organization, or cause. Requirements to serve on a commission are as follows:

Service on City Commissions is a 4-year term; you must be a permanent resident of Norco, 21 years of age, a citizen of the U.S., take the oath of office, and never convicted of a felony.

Historic Preservation Commission members shall be persons who, as a result of their education, training, knowledge, and experience are qualified to analyze and interpret architectural and site planning information, including but not limited to, licensed landscape architects and architects, urban planners, engineers, and licensed general contractors. At least two

of the members shall have professional experience in urban planning, architectural history or historic preservation, archeology, American studies, cultural geography, cultural anthropology and shall have general knowledge of architectural styles prevalent in the Historic Old Town of Norco.

The EDAC membership is defined and members are appointed as follows:

- **EDAC members will be recommended by the EDAC and appointed by the City Council;**
- **Ten members will serve on the EDAC, including one non-voting member of the Norco Area Chamber of Commerce and two members of the City Council; and**
- **New members appointed to the EDAC will be selected from the business community. Members are not required to live in Norco; however, members should have a significant stake in the success of the business community.**

An appointment to a commission or the EDAC is an honor and a responsibility. The City Council has confidence in the judgment and integrity of its appointees and relies on them for information and recommendations on specific matters. As advisors to the Council, commission members and the EDAC members are expected to regularly attend meetings, understand their duties and roles, and work to contribute to the betterment of the community.

Applications for the Historic Preservation Commission, Parks and Recreation Commission; Planning Commission and the EDAC were solicited through the release of a public notice on April 11, 2013 and were due to be submitted by the Thursday, May 9, 2013 deadline. Three applications were received following the deadline and it is the City Council's decision whether or not to accept and consider those applications at this time.

The following Applications were received from which the Council will make its recommendations for four-year terms of service:

Historic Preservation Commission (3 Vacancies – Su Bacon, Terri Jacquemain and Mark Sawyer)

Received by the May 9th Deadline:

Diana Stiller (Educational and Professional Qualifications)

~~Mark S. Sawyer~~ Withdrew Application on June 5, 2013

Received following the May 9th Deadline:

Su Bacon (Professional Qualifications)

Terri Jacquemain (Educational and Professional Qualifications)

Parks and Recreation Commission (1 Vacancy – Jeanine Adams)

Received by the May 9th Deadline:

Jennifer Gable

Douglas Wozny

Planning Commission (1 Vacancy – Philip Jaffarian)

Received by the May 9th Deadline:

Philip L. Jaffarian

Kathy C. Stevens

Douglas Wozny

EDAC (3 Vacancies – Bill Schwab, Pamela Smith and Melissa Villapando)

Received by the May 9th Deadline:

Ronak Desai

William (Bill) F. Schwab

Melissa Villapando

Douglas Wozny

Received following the May 9th Deadline:

Pamela Smith

At its May 23, 2013 special meeting, the EDAC reviewed the applications for three seats to be vacated on the EDAC and recommended that the City Council appoint Melissa Villapando, William F. Schwab, and Ronak Desai to the EDAC.

Applications are on file in the Office of the City Clerk

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

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

DATE: June 19, 2013

SUBJECT: Discussion Regarding the Installation of Speed Humps/Tables

RECOMMENDATION: Discuss and provide direction to staff if needed.

SUMMARY: Councilman Sullivan requested of staff to investigate the installation of speed tables as a method to slow vehicular traffic speeds.

BACKGROUND/ANALYSIS: At the May 15, 2013 City Council meeting, Councilman Sullivan requested to agendize a discussion regarding installation of speed tables as a means to slow vehicular traffic speeds.

A speed table is a traffic calming device designed as a long speed hump with a flat section in the middle. Speed tables are generally long enough for the entire wheelbase of a passenger car to rest on top. The long flat design allows cars to pass without slowing as significantly as with speed humps. Typical speeds resulting from 22 foot speed tables are 20-30 miles per hour. Speed humps are generally 12-14 feet in length and range in height from 3-4 inches. They are typically designed to reduce the speed of vehicles to about 15 miles per hour.

Staff last presented a report regarding installing speed humps as a traffic calming measure to the City Council on March 1, 2006. At that time, a detailed memorandum from Fire Chief Jack Frye was submitted to City Engineer Dominic Milano that addressed concerns and impacts of the installation of speed humps related to safety of residents and equestrians. The staff recommendation to Council did not support installation of speed humps. The City Council, by a 3-1-1 vote, received and filed the report.

Consistent with the report done in 2006, installation of speed humps/tables has its pros and cons. Prior to installation, there are various factors to consider. Summarized below are some of those factors:

- Installation of speed humps/tables requires an engineer's report to support installation location(s);
- Speed humps/tables are not practical on arterial or collector streets – should only be installed on local/residential streets;
- Speed humps/tables are typically not recommended for streets without curbs as drivers tend to circumnavigate around them;
- Speed humps/tables require high visibility pavement markings and signage which require active maintenance;

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- Speed humps/tables typically reduce traffic volumes on streets where they are installed so parallel streets may see increased traffic.

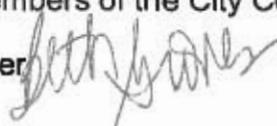
The City's Streets, Trails and Utilities Commission would typically review issues such as this. Staff is looking for direction from the Council if further research/recommendations are requested.

FINANCIAL IMPACT: N/A.

/lja

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Brian K. Petree, Director
Parks, Recreation and Community Services Department

DATE: June 19, 2013

SUBJECT: Proposed Fourth of July Mayor's Community Equestrian Trail Ride and Picnic

RECOMMENDATION: Approve the concept of a Mayor's community equestrian trail ride followed by a picnic on the Fourth of July

SUMMARY: Discussions have taken place regarding the Mayor leading a Fourth of July community equestrian trail ride, followed by a community picnic. The proposed event could be held at Pikes Peak Park and Parking Lot 2 at the George Ingalls Equestrian Event Center and would bring the community together on the day of celebrating our Nation's freedom.

BACKGROUND ANALYSIS: Since the cancelation of Norco's Fourth of July Jamboree in 2008, the community has been looking for a modified event that would replace the Jamboree, but not place a strain on City resources. Mayor Azevedo approached staff with a concept of a patriotic equestrian trail ride in the morning followed by a community picnic and activities at Pikes Peak Park. Participants of the patriotic ride would meet at the George Ingalls Equestrian Event Center Parking Lot 2 at 10:00 a. m. and enjoy a ride through the trails in town dressed in red, white and blue. Once the ride is complete, there could be a community picnic at Pikes Peak Park beginning at noon. Everyone would be invited to attend and bring their own picnic provisions. Staff could work with an organization in town that may be willing to set up at the park to barbeque items to sell at a low cost. Volunteers would be asked to organize games for the children such as the sack race, three-legged race, watermelon eating contest, egg toss and a horseshoe tournament could be planned for anyone who would like to participate.

Staff is recommending the City Council approve the concept of the Fourth of July Mayor's community equestrian trail ride, followed by a community picnic.

FINANCIAL IMPACT: The event is proposed to be run mainly by volunteers, with the City's financial participation in a not-to-exceed amount of \$750.