



MINUTES
CITY OF NORCO
CITY COUNCIL

July 17, 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: 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: Council Member Higgins

INVOCATION: Council Member Higgins

PRESENTATIONS: **Kylie Reed** -- Recipient of the 2013 Ms. Softball from CalHi Sports – **Ms. Reed was unable to attend the meeting.**

2011 California Law Enforcement Challenge Award to the Norco Sheriff's Department – Second Place State Wide.

Presented by Chief Bill Siegl with the California Highway Patrol

INTRODUCTION: **Director Petree commented on Sr. Animal Control Officer Melvin Sparks III, who was unable to attend the meeting and will be formally introduced at the August 7th meeting.**

REGULAR CITY COUNCIL AGENDA AS FOLLOWS:

1. CITY COUNCIL CONSENT CALENDAR ITEMS:

A member of the public pulled item 1.A. for discussion.

M/S Higgins/Bash to adopt the remaining items as recommended on the City Council Consent Calendar. The motion was carried by the following roll call vote:

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

- A. City Council Minutes:
Regular Meeting of June 19, 2013
Recommended Action: **Approve the City Council Minutes** (City Clerk)
PULLED FOR DISCUSSION
- B. Recap of Actions Taken of the Planning Commission meeting of July 10, 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. Quarterly Investment Report for Quarter Ended June 30, 2013.
Recommended Action: Receive and File (Deputy City Manager/Director of Finance)
- E. Approval of the City Manager Employment Agreement. **Recommended Action: Approve the City Manager Employment Agreement appointing Andy Okoro as City Manager effective July 18, 2013.** (City Attorney)
- F. Acceptance of the LMD No. 4 Equestrian Trail Drainage Improvements Phase II Project as Complete. **Recommended Action: That the City Council accept the LMD No. Equestrian Trail Drainage Improvements Phase II Project as complete and authorize the City Clerk to file the Notice of Completion with the County Recorder's office.** (City Engineer)
- G. Acceptance of Bids and Award of Contract for the 2013/2014 Equestrian Trail Fencing Project at Various Locations. **Recommended Action: Accept bids submitted for the installation of equestrian trail fencing and award a contract to Valley Cities/Gonzales Fence, Inc. in the amount of \$54,762.40, and authorize the City Manager to approve contract change orders up to 10 percent of the bid contract amounts.** (Public Works Director)

- H. Amendment to the Cooperative Agreement to Provide Fire Protection, Fire Prevention, Rescue and Medical Emergency Services for the City of Norco. **Recommended Action: Approval** (Fire Chief)

 - I. Acceptance of the Street Dedication at 1964 Corona Avenue. **Recommended Action: That the City Council accept the street dedication on the north side of Second Street, west of Corona Avenue, and located at 1964 Corona Avenue.** (Public Works Director)

 - J. Approval of the Quit Claim of Parcel G of Parcel Map 30469 to Norco Ridge Ranch, LLC (Suncal); Acceptance of Conservation Easement over a portion of Parcel G of Parcel Map 30469; and Acceptance of Dedication of Parcel G of Parcel Map 30469 and Parcel M of Parcel Map 30196. **Recommended Action: Adopt Resolution No. 2013-46, quitclaiming Parcel G of Parcel Map 30469 to Norco Ridge Ranch, LLC (Suncal); accept the offer of dedication from Norco Ridge Ranch, LLC (SunCal) of a conservation easement placed over portions of Parcel G of Parcel Map 30469; accept the offer of dedication of Parcel G of Parcel Map 30469 and Parcel M of Parcel Map 30196, and authorize the City Clerk to record the Deeds with the County Recorder's Office.** (Public Works Director)

 - K. Approval to Quitclaim a 15 Foot Wide Sewer Easement over a Portion of Lot 2, Block 6 of Riverside Orange Heights Tract – 2195 Hamner Avenue. **Recommended Action: Adopt Resolution No. 2013-47, quitclaiming a portion of the subject sanitary sewer pipeline easement.** (Public Works Director)

 - L. Acceptance of Bids and Award of Contract for the Corydon Staging Area Project. **Recommended Action: Accept bids submitted for the Corydon Staging Area Project and award a contract to Crown Contracting, Inc. in the amount of \$85,517; and authorize the City Manager to approve contract change orders up to 10 percent of the original contract amount.** (Director of Parks, Recreation & Community Services)
2. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR:
- 1.A. City Council Minutes:
Regular Meeting of June 19, 2013
Recommended Action: **Approve the City Council Minutes** (City Clerk)

Jodie Webber. Ms. Webber requested that the minutes accurately reflect her statement as follows: “She stated that the surplus could not be used for other purposes.”

M/S Bash/Hanna to approve the City Council Minutes as amended. The motion was carried by the following roll call vote:

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

3. CITY COUNCIL DISCUSSION / ACTION ITEMS:

- A. Resolution Authorizing the Issuance of Special Tax Refunding Bonds for CFD No. 93-1, for Debt Service Savings. **Recommended Action: Adopt Resolution No. 2013-48 authorizing the issuance of Special Tax Refunding Bonds of the City of Norco Community Facilities District No. 93-1, approving and directing the execution of the Fiscal Agent Agreement, and approving other related documents and actions (City Attorney)**

City Attorney Harper presented the item for discussion.

M/S Bash/Sullivan to adopt Resolution No. 2013-48 authorizing the issuance of Special Tax Refunding Bonds of the City of Norco Community Facilities District No. 93-1, approving and directing the execution of the Fiscal Agent Agreement, and approving other related documents and actions. The motion was carried by the following roll call vote:

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

- B. Resolution Authorizing the Issuance of Special Tax Refunding Bonds for CFD No. 2002-1, for Debt Service Savings. **Recommended Action: Adopt Resolution No. 2013-49, authorizing the issuance of Special Tax Refunding Bonds of the City of Norco Community Facilities District No. 2002-1, approving and directing the execution of the Fiscal Agent Agreement, and approving other related documents and actions (City Attorney)**

City Attorney Harper presented the item for discussion.

Ted Hoffman. Mr. Hoffman asked for clarification on the number of homes affected by this item. In response, City Attorney Harper noted that the name of the district is Norco 50, which is the number of homes affected.

M/S Hanna/Higgins to adopt Resolution No. 2013-49, authorizing the issuance of Special Tax Refunding Bonds of the City of Norco Community Facilities District No. 2002-1, approving and directing the execution of the Fiscal Agent Agreement, and approving other related documents and actions. The motion was carried by the following roll call vote:

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

- C. Update on the Silverlakes Equestrian & Sports Park Project. (Deputy City Manager/Director of Finance)

Deputy City Manager/Director of Finance Okoro presented the update as stated in the staff report.

R.J. Brandes, representing Balboa Management Group, LLC, presented updated information on the Silverlakes Equestrian & Sports Park Project. He noted that since the last update, the settlement agreement he referred to has been settled and should be finalized in the next week or so. Mr. Brandes stated that this opens up the possibility to finalize the funding agreement with his lender. He further stated that the first thing to do is to immediately start finishing up the sewer and infrastructure work, which should begin two (2) weeks after the funding is in place. Mr. Brandes noted that the project should take approximately nine (9) months to finish and open, adding that he believes that the problems are all solved that were keeping them from moving forward.

Barry Scott. Mr. Scott commented on his concern regarding this project moving forward.

David Bradley. Mr. Bradley submitted a letter to the City Council for its review regarding the Silverlakes Project.

Mayor Azevedo received confirmation from Mr. Brandes that he would come each month to provide updates on the project.

- D. Power Outage Discussion. **Recommended Action: Receive and file.** (Deputy City Manager/Director of Finance)

Louis Davis, representing Southern California Edison, commented on Edison's response to the power outage that occurred on June 14 in the City of Norco. He explained that the pole line had 2 types of electrical infrastructure (transmission and distribution). He commented on the concerns regarding the length of time of the outage and thanked the Fire Department and Sheriff Department for assistance, noting that safety is the number one concern for customers and employees. He stated that Public Works Director Lori Askew is the contact for the City, who will then contact the City Council and City Manager. He further commented on the procedures that will be followed. Mr. Davis stated that SCE does not contact the press unless it is a major catastrophic situation. He further commented on his commitment to the City of Norco.

Council Member Bash asked if there was any damage to appliances that was reported. Mr. Davis replied that he received one specific complaint, noting that Edison is dealing with it through the appropriate channels. Council Member Bash stated that one of the things he was not prepared for was how dark it was, noting his concerns for the invalids and seniors in the community.

Council Member Sullivan thanked Mr. Davis his explanation of the event. He noted that there are lights that can be purchased that stay charged and light up when the lights go off.

4. CITY COUNCIL PUBLIC HEARINGS:

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

The “Landscaping and Lighting Act of 1972 requires 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”.

Recommended Actions: That the City Council open the Public Hearing and if no more than 50 percent of the property owners within the District protest, it would be appropriate to adopt Resolution No. 2013-50, (Beazer); Resolution No. 2013-51, (Western Pacific); Resolution No. 2013-52, (Centex); Resolution No. 2013-53, (Norco Ridge Ranch); Resolution No. 2013-54, (Hawk’s Crest), ordering the continuation of a Landscaping Maintenance District and confirming a Diagram and Assessment and providing for Annual Assessment Levy. (City Engineer)

City Engineer Milano presented the public hearing item. He noted that if approved tonight, the planning for the LMD No. 4 trail fence project will begin.

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

Stephanie Gwinn. Ms. Gwinn stated that the maintenance in the hills is fine, but spoke against any increase in the assessments. City Engineer Milano responded that the CPI increase does not even cover the utility increases.

Ted Hoffman. Mr. Hoffman stated that he lives in LMD No. 4, noting the increase to his assessment and his frustrations with the maintenance (pictures submitted regarding a fire hydrant that cannot be seen). In response, City Engineer Milano noted that the increase will cover about the first 6 months in expenditures and if the assessment is not raised, the trail fence project will not be able to be completed.

Jodie Webber. Ms. Webber commented on the LMDs and how and when they were formed. She further commented on the money taxed and used for the drain project and the current reserve. She stated that it is improper to identify funds originally for the drain project. Ms. Webber noted that there is no plan for the trail fence project, adding that she would like assurance from Council to direct staff to provide notice to the home owners in the District regarding that plan. She further noted her concerns that the home owners were not noticed regarding the public hearing.

Don Bowker. Mr. Bowker commented on the trail conditions, noting that he has come yearly to ask for help on the trails. He added that he is in favor of fund balance in the case of an emergency.

Lance Gregory. Mr. Gregory commented on LMD No. 4, noting he has been working with staff to resolve some trail fence issues. He noted that funds are not available in the other LMDs for maintenance, which will need to be addressed at some time. He further noted that he would like to see maintenance completed in a timelier manner.

Mayor Azevedo CLOSED the public hearing.

Mayor Pro Tem Hanna noted his concerns that the people were not notified. In response, City Attorney Harper noted that there are not requirements for notification. Mayor Pro Tem Hanna stated that public hearing notifications should be sent to the residents.

Deputy City Manager/Director of Finance Okoro clarified the LMD No. 4 budget, noting that the amount on hand is necessary to fund the next six (6) months of expenditures for the District. He further noted that the costs have been reduced and the only disputed amount is the amount for trail fencing. He stated that the money needs to be collected prior to coming up with the plan regarding how to spend the funds. He added that staff will come back to the Council with specifically what trail fence will be replaced and the award of bid for the project.

Council Member Bash noted that he is upset that there is not a plan included with the budgets. He further commented on the split in the City and if there is not a plan, it is hard to vote for this.

Mayor Azevedo stated that there are 7,000 rooftops in the City, noting the low property tax received. She further commented on how the property tax is spent.

City Engineer Milano clarified that all increases bring each LMD to its cap, adding that all but LMD No. 4 have paid the maximum every year.

Mayor Azevedo addressed the need to hold a study session prior to the consideration of the LMD assessments in order to prepare for the public hearing.

M/S Sullivan/Azevedo to adopt Resolution No. 2013-50, (Beazer); Resolution No. 2013-51, (Western Pacific); Resolution No. 2013-52, (Centex); Resolution No. 2013-53, (Norco Ridge Ranch); Resolution No. 2013-54, (Hawk's Crest), ordering the continuation of a Landscaping Maintenance District and confirming a Diagram and Assessment and providing for Annual Assessment Levy.

Under Discussion:

Council Member Higgins commented on the public hearing notification discussed in 2002 or 2004 as a request by the Council to send notices. He further commented on the word "surplus" used, noting that it was discussed previously by the Council to use a different term.

Council Member Bash noted his concerns regarding the lack of notification.

Mayor Azevedo rescinded her second to the previous motion.

Council Member Sullivan commented in support of the proposed LMD budgets.

M/S Azevedo/ to approve a CPI increase for all of the LMDs. The motion died with the lack of a second to that motion.

M/S Sullivan/Bash to adopt Resolution No. 2013-50, (Beazer); Resolution No. 2013-51, (Western Pacific); Resolution No. 2013-52, (Centex); Resolution No. 2013-53, (Norco Ridge Ranch); Resolution No. 2013-54, (Hawk's Crest), ordering the continuation of a Landscaping Maintenance District and confirming a Diagram and Assessment and providing for Annual Assessment Levy. The motion was carried by the following roll call vote:

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

PUBLIC COMMENTS WERE HEARD AT THIS TIME (see comments below)

RECESS: Mayor Azevedo recessed the meeting at 9:15 p.m.

RECONVENE: Mayor Azevedo reconvened the meeting at 9:24 p.m.

- B. **Appeal Hearing: 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.

This is an appeal hearing regarding the Planning Commission's approval of a conditional use permit, approved for one year, to allow accessory auto-related uses to operate in existing buildings at a new vehicle dealership site in the Auto Mall Specific Plan (former Mazda dealer), without a new vehicle dealership being present on-site. The action of the Planning Commission was appealed by the City Council.

Recommended Actions: That the City Council hear the item and make its final determination. (Planning Director)

Planning Director King presented the public hearing item. He noted the change since the Planning Commission decision with the receipt of a tentative plan from a new recreational dealership to locate on the site, adding that there is no guarantee yet. He further stated the requirements for a conditional use permit. He noted one change in Condition No. 16, which should read "front 45 feet". He stated that the Planning Commission was very thorough in reviewing this application, noting its concern for loss of revenue if it is left vacant and the potential for a future dealership.

Mayor Azevedo stated that she recommended that this item be appealed by the Council because the City is dependent on car sales in the City, noting over 1,000 acres in the City that are unable to be used to generate sales tax. She commented that she is not certain that the Auto Mall is the right place for this and the possibility of the business finding another location.

Mayor Pro Tem Hanna commented about the one-year CUP expiring in October and asked what would happen if another dealership came in and wanted to locate on this site. In response, Director King noted that this would need to be negotiated between the potential dealership and the property owner.

Council Member Sullivan commented on the Planning Commission's decision for only a one-year CUP with the option to renew, noting that at that time it could be reviewed for renewal. He further noted that Tractor Supply would help to make this site more valuable and at this time, this purpose would help to keep the site cleaned up.

Director King noted that the site will continue to be marketed for a dealership.

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

Kent Knoff. Mr. Knoff commented as the applicant (not the owner), noting that they are on the same page to increase sales tax, noting that they will invest in the site and bring it up to code to make it viable and attractive. He noted that if a CUP is not granted, the property will remain vacant.

Ben Louk. Mr. Louk commented as the owner of 2100 Hamner, the former Mitsubishi dealership, noting the timeframe for the Planning Commission's review of this item. He commented on code violations on the referenced site that hurt the surrounding businesses. He spoke in opposition of approving this item.

Annette Louk. Ms. Louk spoke in opposition of approving this item.

Debbie Ruiz. Ms. Ruiz commented on the applicant's desire to clean up the site. She noted that the sale of RVs will bring tax revenue to the City.

Council Member Sullivan received confirmation that there were restrictions to the parking on the site.

Mayor Azevedo asked the applicant about conditioning the site with no RVs. In response, the applicant stated that they have a CUP through October and they would like to clean up the property and generate some retail sales. The applicant further stated that they are looking into selling new vehicles, noting that if they purchase the site, they will have control over them and the lease will be assigned to the applicant.

Council Member Bash commented on his concerns regarding the adjacent business that filed complaints and how the code violations are enforced. He noted other concerns about the business use.

Vern Showalter. Mr. Showalter commented on the statement by the applicant regarding the agreement, noting the sales tax received from RVs.

City Attorney Harper commented on his concerns regarding who the current owner is.

Mayor Azevedo CLOSED the public hearing.

M/S Higgins/Hanna to overturn the recommendation of the Planning Commission.

Amended M/S Sullivan/ to uphold the Planning Commission decision. The motion died with the lack of a second to that motion.

M/S Higgins/Hanna to overturn the recommendation by the Planning Commission. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, HIGGINS

NOES: SULLIVAN

ABSENT: NONE

ABSTAIN: NONE

- C. **Appeal Hearing: 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.)

On June 17, 2013, the Planning Commission approved Site Plan 2013-10 as meeting the minimum standards for an accessory building on a 3-1 vote. The dissenting vote was based on the concern that the approved location of the accessory building was in the one location that still could keep this lot an animal-keeping lot and that with the accessory building as approved the lot would no longer be conducive to animal-keeping. The action of the Planning Commission to approve the project was appealed by the City Council.

Recommended Actions: That the City Council hear the item and make its final determination. (Planning Director)

Planning Director King presented the public hearing item.

Mayor Pro Tem Hanna asked how the swimming pool was approved in this area. In response, Director King noted that this is in the Norco Hills Specific Plan, which did not have the same requirements for animal keeping at the time of approval.

Council Member Bash noted that this is very similar to a prior situation that was brought before the Council. He added that he is trying to protect animal keeping in the City.

Council Member Higgins commented on his concerns because of the configuration of the pool and the concrete.

Mayor Azevedo noted that she is familiar with the street, noting that these are the original ones that were not required to have a PAKA.

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

The owners of the property spoke in support of the project and commented that they will never have horses, as they are not horse people, adding that they made it the way they wanted it, noting the concern with the coyotes that presented the need to build a workshop.

Mayor Azevedo CLOSED the public hearing.

M/S Azevedo/Sullivan to uphold the Planning Commission recommendation.

Under Discussion:

Council Member Higgins commented on the prior decision made by the Council.

The motion was carried by the following roll call vote:

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

5. PUBLIC COMMENTS OR QUESTIONS:

Greg Newton. Mr. Newton noted that it was a pleasure to work with City Manager Beth Groves.

Mark Fernandes. Mr. Fernandes, from Norco Towing, commented that the City should only use towing companies that are located within the City of Norco.

Jimmy Monugian. Mr. Monugian, from J & M Towing, commented on an additional company added to the towing company rotation in the City.

Ramin Arabshaw. Mr. Arabshaw, from Advanced Towing, Inc., commented on his support of only using towing companies that are located within the City of Norco.

Brandon Morales. Mr. Morales, from Brother's Towing, commented on his support of only City towing companies used in the City.

Julie Waltz. Ms. Waltz commented on her attendance at the June 19th meeting, noting the Sheriff incidents regarding the occurrences at the group home on Broken Arrow, adding that she did not receive a response and asked that this issue be addressed by the Council. She also commented on the tree she requested to be removed.

Doris Higgins. Ms. Higgins commented that the RURAL barbeque and election July meeting has been cancelled.

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

Mayor Pro Tem Hanna:

M/S Hanna/Sullivan to agendaize a future discussion regarding towing companies. The motion was carried by the following roll call vote:

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

Mayor Azevedo:

M/S Azevedo/Higgins to agendaize an update regarding the incidents/issues at the group home located on Broken Arrow, as stated by Ms. Waltz. The motion was carried by the following roll call vote:

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

7. CITY MANAGER / STAFF COMMUNICATIONS: **None**
8. ADJOURNMENT: There being no further business to come before the City Council, Mayor Azevedo adjourned the meeting at 11:05 p.m.

BRENDA K. JACOBS, CMC
CITY CLERK