



AGENDA  
CITY OF NORCO  
CITY COUNCIL

October 16, 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

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CALL TO ORDER: 6:00 p.m.

ROLL CALL:

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

**Section 54956.8 – Conference with Real Property Negotiator**

Street Address / Parcel Number: 2000 Hamner Avenue, Norco, CA 92860  
APN 126-120-015

City Negotiator: Andy Okoro, City Manager

Points Under Negotiation: Price and Terms of Payment

**Section 54957(b)(4) – Evaluation of Performance** City Attorney

RECONVENE PUBLIC SESSION: 7:00 p.m.

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

PLEDGE OF ALLEGIANCE: Council Member Bash

INVOCATION: Grace Fellowship Church  
*Pastor Vernie Fletcher*

PRESENTATION: Proclamation for Red Ribbon Week  
*October 23 – 31, 2013*

CITY COUNCIL BUSINESS ITEMS AS FOLLOWS:

1. CITY COUNCIL COMMUNICATIONS / REPORTS ON REGIONAL BOARDS AND COMMISSIONS:
2. CITY COUNCIL CONSENT 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.3 of the Agenda.)*
  - A. City Council Minutes:  
Regular Meeting of October 2, 2013  
Special Meeting of September 25, 2013  
Recommended Action: **Approve the City Council Minutes** (City Clerk)
  - B. Procedural Step to Approve Ordinance after Reading of Title Only.  
**Recommended Action: Approval** (City Clerk)
  - C. Recap of the Planning Commission Meeting of October 9, 2013.  
**Recommended Action: Receive and File** (Planning Director)
  - D. Quarterly Investment Report for Quarter Ended September 30, 2013.  
**Recommended Action: Receive and File** (City Manager)
  - E. Contract for Design Services for the Bluff Street and Western Avenue Waterline Project. **Recommended Action: Award of Contract to RKA Consulting Group in the amount of \$47,750 for Engineering and Design Services for the Bluff Street 16" waterline from Bronco Lane to Vine Street; and Western Avenue 12" waterline from Appaloosa Street to Bluff Street.** (Public Works Director)
  - F. Approval of Projects for Use of Community Development Block Grant (CDBG) Funds (Program Year 2014-2015) Through the U. S. Department of Housing and Urban Development and the County of Riverside Economic Development Agency. **Recommended Action: Approve the following projects be submitted for funding through the CDBG Program for Program Year 2014-2015: 1. Norco Party Partners (\$10,000); 2. Senior Citizens Recreation and Community Service Leader (\$10,000); and 3. Ingalls Park ADA Restroom Project (\$110,000).** (Parks, Recreation and Community Services Director)
  - G. Approval of the Standard Agreement for Refuse Removal and Disposal Services Provided to the California Department of Corrections and Rehabilitation Center (CDCR), California Rehabilitation Center. **Recommended Action: Adopt Resolution No. 2013-61 approving Standard Agreement #5600004113 between the City of Norco and the California Department of Corrections and Rehabilitation Center (CDCR) for Solid Waste Collection Services at California Rehabilitation Center (CRC) Norco.** (City Manager)

- H. Memorandum of Understanding between the City of Norco and Western Municipal Water District. **Recommended Action: Approve the Memorandum of Understanding between the City of Norco and Western Municipal Water District (WMWD) for the assignment and exchange of water produced from the Arlington Desalter and the Chino Desalters; and, authorize the City Manager to execute the Agreement.** (Water & Sewer Manager)
- I. Approval of Amendment to the Implementation Agreement for the Santa Ana Region Municipal NPDES Permit – 2010. **Recommended Action: Approve the First Amendment to the NPDES Urban Runoff Discharge Permit Implementation Agreement, Santa Ana Region.** (Public Works Director)
- 3. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR:
- 4. CITY COUNCIL DISCUSSION / ACTION ITEMS:
  - A. Fiscal Year 2012-2013 Year-End Budget to Actual Report. **Recommendation: Receive and file.** (City Manager)
  - B. Discussion regarding the Adopted Sheriff's Department / City Towing Company Tow Policy. **No staff recommendation.** (City Council)
- 5. 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.
- 6. CITY COUNCIL / 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).*

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

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*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

October 2, 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

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CALL TO ORDER: Mayor Azevedo called the meeting to order at 6:05 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**

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

**Section 54956.9(d)(4) – Conference with Legal Counsel – To determine whether to initiate litigation (two matters)**

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

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

PLEDGE OF ALLEGIANCE: Council Member Sullivan

INVOCATION: Calvary Chapel – Norco  
*Pastor Louie Monteith*

PRESENTATIONS: Ron Snow  
*Honored for Designation as “Norco Historian Emeritus”*

**Ron Snow was honored for his service as City Historian since January of 1988 and was awarded a plaque designating him as Norco Historian Emeritus.**

*Polly's Pies  
Recognized for its Support and Contributions to Norco*

**Representatives from Polly's Pies were recognized for all of the contributions made in support of the City of Norco.**

**CITY COUNCIL BUSINESS ITEMS AS FOLLOWS:**

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

**Mayor Pro Tem Hanna:**

- Reported on the RCTC meeting he attended at which time an update regarding the Perris Valley Line was provided.
- Reported on the League of California Cities Annual Convention he attended, noting a class he attended on disaster preparedness for cities. He requested that Fire Chief Pemberton present information at some time in regards to emergency preparedness in the City of Norco.
- Reported on the NART fundraiser held, noting purchases made to support the NART rescues.

**Council Member Sullivan:**

- Reported on the RTA meeting attended, noting that the new busses have arrived.

**Mayor Azevedo:**

- Reported that on October 8<sup>th</sup> there will be a Norco 50<sup>th</sup> Birthday brainstorming meeting at City Hall regarding activities throughout the celebratory year.
- Noted that there is a need for persons to pull wagons for dignitaries at the upcoming Parade of Lights.
- Reported that she attended the League of California Cities Annual Convention, noting classes she attended regarding economic development in the future, specifically with online shopping. She added that she also attended a class on CEQA requirements and the benefits of fast-tracking.

**2. CITY COUNCIL CONSENT ITEMS:**

**Council Member Higgins, Council Member Bash and a member of the public pulled Item 2.C.**

**M/S Higgins/Hanna 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 September 4, 2013  
Recommended Action: **Approve the City Council Minutes** (City Clerk)**

- B. Procedural Step to Approve Ordinance after Reading of Title Only. **Recommended Action: Approval** (City Clerk)
- C. Recap of the Planning Commission Meeting of September 11, 2013. **Recommended Action: Receive and File** (Planning Director)
- D. Acceptance of Street Dedication at 3304 Hamner Avenue. **Recommended Action: the City Council accept for street purposes a 25 foot wide strip of frontage along Hamner Avenue, located at 3304 Hamner Avenue; and, authorize the City Clerk to file the Certificate of Acceptance with the County of Riverside Recorder.** (Public Works Director)

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

**Item 2.C. -- Recap of the Planning Commission Meeting of September 11, 2013.**

**Council Member Higgins** commented on Item 7.C. on the September 11, 2013 Recap of the Planning Commission meeting, noting the 3-2- vote and his concern that the Planning Commission did not have all of the available information provided to them prior to the meeting.

**City Attorney Harper** stated the 10-day time period to appeal this item has run out. He stated that he believes that this same item was proposed to the Council and rejected, adding that it seemed to him that the Planning Commission did not have the jurisdiction to consider it again. He further stated that the only difference in this proposal, from what he understands, is the potential of a lien placed on the property and based upon this; the appropriate action would be to send this back to the Planning Commission for reconsideration or other actions.

**Council Member Bash** noted that he believes that the Council was very clear regarding its decision.

**Karen Leonard.** Ms. Leonard commented on her opposition to this item.

**Mayor Azevedo** noted that the Chairman of the Planning Commission was not aware that the idea of the lien was already discussed by the Council and denied.

**Council Member Sullivan** commented on his concerns regarding this item going back to the Planning Commission.

**Council Member Hanna** stated that when the Council makes a determination pertaining to a Planning Commission item, the Planning Commission needs to become aware of what the determination was.

**M/S Higgins/Hanna to request a legal opinion from the City Attorney regarding the Planning Commission's decision on Site Plan 2013-07. The motion was carried by the following roll call vote:**

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

**Mayor Azevedo** commented on Item 5.A. of the recap of the Planning Commission meeting of September 11, 2013, noting the size of the building and size of the lot.

**M/S Bash/Higgins to approve the remaining items of the recap of the Planning Commission meeting of September 11, 2013. The motion was carried by the following roll call vote:**

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

4. **LEGISLATIVE MATTER: (No new evidence will be heard from the public as the public hearing has been closed regarding the item listed.)**
  - A. **Zone Code Amendment 2013-14 (City):** Ordinance Amending Section 18.64.10 (Density Bonus) regarding Incentives towards the Production of Affordable Housing within the "Housing Development Overlay (HDO) Zone as an Implementation Measure of the General Plan Housing Element (2008-2014 Housing cycle). **Recommended Action: Adopt Ordinance No. 965.** (City Clerk)

**M/S Bash/Higgins to adopt Ordinance No. 965. The motion was carried by the following roll call vote:**

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

5. **CITY COUNCIL CONTINUED PUBLIC HEARING:**

- A. Tentative Parcel Map (TPM) 36552 (Mehta): A request for approval of a subdivision of land that is 1.14 acres into two parcels for residential uses located at 4520 Center Street within the A-1-20 Zone.

*TPM 36552 is a request for approval of a subdivision of land that is approximately 1.14 acres into two parcels for residential uses. The property is located at 4520 Center Avenue within the A-1-20 Zone. The City's Historic Preservation Consultant completed an on-site analysis of the structure and concluded that there is no historical value in it.*

**Recommended Action: Adopt Resolution No. 2013-60, approving TPM 36552, subject to the conditions outlined in the resolution. (Planning Director)**

**Planning Director King** presented the public hearing item as presented in the staff report, noting the review completed by the City's Historic Preservation Consultant which concluded that there is no historical value in it

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

**Greg Newton.** Mr. Newton commented on street improvements and if they will be required or if they are cash in lieu of improvements. He noted that the cash in lieu option never gets done and would like to see street improvements completed on this project.

**Mayor Azevedo CLOSED the continued public hearing.**

**Council Member Sullivan** asked if this is in the area on Center Street where the storm drain project is. In response, staff noted that this area is not included in this year's project.

**Planning Director King** noted the required conditions, which include the option for cash in lieu.

**Public Works Director Askew** stated that cash in lieu is still accepted, based on an engineer's cost estimate. She noted the issues involved in approving the public improvements.

**M/S Bash/Higgins to adopt Resolution No. 2013-60, approving TPM 36552, subject to the conditions outlined in the resolution. The motion was carried by the following roll call vote:**

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

**6. PUBLIC COMMENTS OR QUESTIONS:**

**Casey Horvath.** Mr. Horvath commented on the Administrative Policy adopted for towing companies, noting that he represents Hamner Towing and addressed the fact that they will not be allowed to remain on the towing rotation list because they are located out of the City of Norco. He further commented on what Hamner Towing has to offer and contribute to the City.

**Karen Leonard.** Ms. Leonard commented on her opposition to a Council Member endorsing a City Council candidate.

**Tony Mauro.** Mr. Mauro commented on an injury he sustained, noting his concerns regarding major antibiotics he is now taking. He further commented on his concerns about Norco.

**Ken Farris.** Mr. Farris commented on his opposition to a new sign that was painted on the Navy Base in Norco.

**Marlene Counts.** Ms. Counts commented on her opposition to a new sign that was painted on the Navy Base in Norco.

**Melissa Burwell.** Ms. Burwell commented on her concerns regarding a walkway located at the end of Valley View next to the Starbucks at the end of the horse trail, noting a pole in the middle of the trail. She stated that she cannot get her stroller through the walkway, noting some possible ADA issues and asked if it can be removed.

**Ted Hoffman.** Mr. Hoffman commented on a matter of principal regarding the City's adopted Code of Ethics, noting why it was passed, adding that these are standards that are expected to be followed. He added that citizens want elected officials to follow the rules, noting recent actions by one elected official, adding that this is a clear violation.

**Robin Grundmeyer.** Ms. Grundmeyer commented on behalf of the CNUSD Foundation inviting the City Council to attend the 125-year celebration of the Corona-Norco Unified School District.

7. CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS:

**Council Member Higgins:**

**M/S Higgins/Azevedo to agendize the Sheriff's Department / City Towing Company Tow Rotation Administrative Policy No. 609 for discussion. The motion was carried by the following roll call vote:**

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

**NOES: NONE**

**ABSENT: NONE**

**ABSTAIN: NONE**

**Council Member Sullivan:**

- Asked Public Works Director Askew about the timeline in regards to a discussion on speed humps. In response, Director Askew noted that this will be discussed at the upcoming Streets, Trails and Utilities Commission meeting.

**Council Member Bash:**

- Commented on his concerns regarding the Navy sign recently painted.

**M/S Higgins/Azevedo to direct the City Manager to communicate with the Navy Base and report back on its response to the City's concerns regarding the newly painted Navy sign. The motion was carried by the following roll call vote:**

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

**NOES: NONE**

**ABSENT: NONE**

**ABSTAIN: NONE**

- Commented on the 125-year history of the Corona Norco Unified School District, noting the book he helped write which will be coming out in mid-November.
8. **ADJOURNMENT:** There being no further business to come before the City Council, Mayor Azevedo adjourned the meeting at 8:30 p.m.

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BRENDA K. JACOBS, CMC  
CITY CLERK



**MINUTES  
CITY OF NORCO  
NORCO CITY COUNCIL  
SPECIAL MEETING  
CITY COUNCIL CHAMBERS  
2820 CLARK AVENUE  
NORCO, CA 92860  
SEPTEMBER 25, 2013**

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**CALL TO ORDER:** Mayor Azevedo called the meeting to order at 4:08 p.m.

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

**PLEDGE OF ALLEGIANCE:** Council Member Bash

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

- A. Presentation and Discussion Regarding Refuse Rates and a New Franchise Agreement with USA Waste of California, Inc. for the Provision of Integrated Waste Management Services.

City Manager Okoro introduced the item for continued discussion regarding the City's solid waste contract with Waste Management. The current contract expired on June 30, 2013. Staff representing Waste Management (WM) in attendance included Darrell Kato – Director of Operations, Mark Stackle – Director of Community Relations, Robert Ricci – District Manager, and Julie Reyes – Public Sector Services Manager. Lori Askew, Director of Public Works and Bill Thompson, Water/Sewer Manager, also participated in the presentation.

Following is a brief synopsis of the presentation:

**Background:**

**Original Agreement Entered into on March 18, 1993**

**Amended on April 15, 1998**

- 15 years, with 5 year option
- Expired June 30, 2013
- Extended to December 31, 2013 for negotiations

**Workshops – March 25 and May 6, 2013**

- Addressed Scout Service
- Reviewed new program offerings
- Discussed how manure collection helps City to meet diversion requirements
- Council voted to continue negotiations and amend contract

**Legislation:**

**Assembly Bill 939 (1989)**  
**SCAQMD Fleet Rule 1193 (July 2010)**  
**Assembly Bill 341 – Mandatory Commercial Recycling**

**Uniqueness to Serving Norco:**

**Service Comparison Variances**

- Property lot sizes
- Dead end streets
- Excessive backing
- Low density

**Manure Service Variances**

- Eight additional trucks for manure
- Capital expense to replace eroding bins
- Low density
- Heavy waste - multiple trips to disposal sites

**Monthly Residential Rate Comparisons:**

Norco proposed rate at \$23.84

**Monthly Commercial Rate Comparisons:**

Norco proposed rate at \$150.00

**Scout Service:**

**Overview**

A minimal monthly fee is charged to customers with scout service, spread the remainder of the costs throughout the entire rate schedule; proposed that rates for scout service phased in over a 3-year period; and 75% of the current customers have one manure bin that is picked up one time a week.

**Phase in Pricing (One Pick Up per Week)**

Year 1 = \$6 (Per Bin/Service/Per Month)  
Year 2 = \$12 (Per Bin/Per Service/Per Month)  
Year 3 = \$18 (Per Bin/Per Service/Per Month)

**Agreement Features and Enhancements:**

**Contract Terms**

10 year fixed term, with a 5 year option to extend

**Programs**

**Senior Rates – Basic Service**

Discounted rates for 65 years or older with 64 gallon carts; recycling Revenue Sharing; WM will share revenue from the sale of recyclable materials; street Sweeping; and WM will provide street sweeping services within the City, including all main arterials on a monthly basis.

**Electronic Waste Collection**

Three times per year at no charge

**Residential SHARPS Collection & Disposal**

The first mail back container is free, additional containers may be requested for \$5.00; training for City employees; WM will conduct an annual solid waste and recycling service training at no cost to the City; battery & fluorescent light tube recycling; and City facilities will be provided with containers for recycling used batteries and light bulbs.

**Public Education Outreach Program – Bi-Annual**

Customers will receive updates and recycling information

**Eliminate Commingled Bins & Promote Recycling**

Bins are dumped as trash and taken to landfill; illegally dumped waste will be collected within 48 hours; special event rates; and WM will offer a 20% discount on roll-off rates for non-profit organizations hosting events at Ingalls Park or Silverlakes.

**Financial Incentives:**

- Increased Franchise Fees by \$500,000 Annually.
- Revenue from City Billing - \$78,000 Annually
- Street Sweeping by WM - \$30,000 Annually
- Recycle Revenue Sharing - \$4,000 Annually
- Public Education Outreach Program – Valued at \$7,500 Annually
- Battery & Fluorescent Light Bulb Disposal – Valued at \$7,000 Annually
- Low Scout Fee Compared to Other Cities

**Why Waste Management:**

**Established Service Record**

- Horse Friendly Service Provider
- Minimal Service Complaints
- Premium “Monday” Service
- Understands the Community

**Industry Leader**

- Financial Strength
- Competitive Rates
- Guaranteed Landfill Space at El Sobrante
- Partnership in Future Technologies

**Dedicated Community Partner**

- Christmas Parade
- Concerts in the Park
- Day of the Cowboy
- George Ingalls Veteran’s Memorial
- Horsetown USA Hall of Fame
- Horseweek Rodeo

- Horsemen's Association
- Norco Mounted Posse
- Norco Fair

**Next Steps:**

**Initiate Public Hearing Notice**

Proposition 218 – 45 Day Notice

**Approve Reinstated & Amended Agreement**

November 20, 2013 – Public Hearing

**Council Member Sullivan** commented on diversion rate requirements and asked if any cities in the Inland Empire have been fined for not meeting those requirements. In response, Ms. Reyes noted that she only knew of a few in Los Angeles County. Council Member Sullivan noted that he would have a hard time selling this to the residents. He also commented on the cost of a second bin at the senior rate. In response, Ms. Reyes noted that the cost would be nominal and the senior rate for a second bin would not be discounted.

**Mayor Azevedo** commented on affixing reflectors on the large bins. In response, Ms. Reyes noted that some language could be added to the agreement.

**2. PUBLIC COMMENTS:**

**Greg Newton.** Mr. Newton commented on his position on competitive bidding. He further commented on the monthly residential rate comparison and asked if the street sweeping component is built into the contract. In response, City Manager Okoro noted that the cost of street sweeping is included in the proposed rates at approximately \$.16 per resident. Ms. Reyes added that WM uses Dixon Sweeping.

**Karen Leonard.** Ms. Leonard commented on the use of co-mingle bins in the City. She further commented on the non-profits that receive money for holding e-waste disposals. She stated that it is not fair for residents to assume the expense for scout service if it is not used.

**Bob Leonard.** Mr. Leonard commented on the \$30,000 rebate to the City for street sweeping, noting that the residents are being charged for that service and nothing is being rebated. He further commented on the cost for extra pick-ups for his manure bin. He noted that the contract should be sent out to bid.

**Ted Hoffman.** Mr. Hoffman commented on the proposed scout service charges, noting that persons that do not even own a horse end up picking up the fee for a horse-keeping person, and adding that this is going to be difficult to sell to the residents that do not use the scout service. He also commented on the assembly bill regarding the diversion requirements.

**Katherine Grossman.** Ms. Grossman commented on the bins being dumped into one truck on her street, including the manure. She further asked why this was happening and what will be done in the future to prevent this. In response, City Attorney Harper briefly commented on the issue and stated that communication would be sent out from the City in the near future.

COUNCIL CONTINUED COMMENTS:

**Mayor Azevedo** commented on the scout service, noting that there will be an additional amount of \$.29 cents being charged.

**Council Member Bash** commented on the City being a recreation city and noted the large lots in the City. He stated that the scout service enables the City to have those large lots and preserve the lifestyle, adding that this is a key service. He added that he agrees with Council Member Sullivan that now is the time to begin the process to discuss a manure-to-energy project.

**Council Member Sullivan** commented on commercial bins, noting charges to a specific business on Sixth Street. Ms. Reyes responded that this would be addressed. Council Member Sullivan commented on the rates for the scout service, asking if the rates will be for all customers. In response, Ms. Reyes noted that the rate would be available for all customers.

**Council Member Bash** commented on the risk of being out of compliance for manure disposal, noting the value of diversion.

**Mayor Azevedo** commented on the excellent job staff has done with negotiating, adding that she believes it is the right choice to move ahead with Waste Management.

3. **ADJOURNMENT:** There being no further business to come before the City Council, Mayor Azevedo adjourned the meeting at 5:55 p.m.

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BRENDA K. JACOBS, CMC  
CITY CLERK



**RECAP OF ACTIONS TAKEN  
CITY OF NORCO  
PLANNING COMMISSION  
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE  
REGULAR MEETING  
OCTOBER 9, 2013**

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**CALL TO ORDER: 7:10 p.m.**

**ROLL CALL: Chair Hedges, Vice Chair Leonard, Commission Members Henderson, and Wright; Commission Member Jaffarian arrived at 8:07 p.m.**

**STAFF PRESENT: Planning Director King, Senior Planner Robles, Planning Intern Michaelis, Planning Consultant Alexa Washburn and Deputy City Clerk Germain.**

**PLEDGE OF ALLEGIANCE: Commission Member Henderson**

1. **APPEAL NOTICE: Read by staff**
2. **PUBLIC COMMENTS: None**
3. **APPROVAL OF MINUTES:**
  - ❖ **Minutes of Regular Meeting on September 11, 2013**
  - Recommended Action: Approval (Deputy City Clerk): Approved 4-0**
4. **CONTINUED PUBLIC HEARINGS:**
  - A. **General Plan Amendment 2013-01A (City of Norco):** A City-initiated proposal to update the Housing Element for the 2014-2021 Housing Cycle: **Recommended Action: Adopt Resolution 2013-36 Recommending that the City Council approves General Plan Amendment 2013-01A (Planning Director): Presented with Agenda Item 5.D.; Approved recommendation to the City Council 4-0. This item will be scheduled for public hearing before the City Council on November 6, 2013.**
  - 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 non-commercial vehicle and trailer parking in residential zones. **Recommended Action: Continued to November 13, 2013 (Planning Director)**
5. **PUBLIC HEARINGS:**
  - A. **Conditional Use Permit 2013-09 (Ayala):** A request for approval to allow a detached accessory building consisting of a 1,000 square-foot recreational vehicle garage at 1115 Big Pine Lane located within the Norco Hills Specific Plan. **Recommended Action: Approval (Senior Planner): Approved 4-0. This action is final unless appealed to the City Council within 10 calendar days.**
  - B. **Conditional Use Permit 2013-07 (S&S Ventures, CA LLC):** A request to allow the service of alcohol for on-site consumption in conjunction with a full-service restaurant at 2895 Hamner Avenue in the C-G (Commercial General) zone. **Recommended Action: Approval (Planning Director). Presented with Agenda Action 6.A.; Approved 4-0. This action is final unless appealed to the City Council within 10 calendar days.**

- C. **Conditional Use Permit 2012-10, Modification 1 (Sessions):** A request to allow for an increased height above 20 feet for an approved accessory building at 3535 California Avenue in the A-1-20 (Agricultural Low Density) zone. **Recommended Action: Approval (Senior Planner): Approved 4-0-1 for a maximum height of 20 feet. This action is final unless appealed to the City Council within 10 calendar days.**
- D. **Zone Code Amendment 2013-15 (City):** A City-initiated proposal to amend Title 18 (Zoning) Chapter 18.64 (Housing Development Overlay zone) to adjust the density allowances in accordance with General Plan Amendment 2013-01A (Housing Element Update): **Recommended Action: Adopt Resolution 2013-37 recommending that City Council approves Zone Code Amendment 2013-15 (Planning Director): Presented with Agenda Item 4.A.; Approved Recommendation to the City Council 4-0. This item will be scheduled for public hearing before the City Council on November 6, 2013.**
6. BUSINESS ITEMS:
- A. **Site Plan 2013-19 (S&S Ventures, CA LLC):** A request for approval of site plan and architecture improvements to convert a former bank/office building into a full-service restaurant in conjunction with Conditional Use Permit 2013-07: **Recommended Action: Approval (Planning Director): Approved 4-0. This action is final unless appealed to the City Council within 10 calendar days**
- B. **Site Plan 2013-17 (Omni Norco, LLC):** A request for approval of site plan and architecture improvements for the construction of 50,000 square-foot office building at 517 west Parkridge Avenue in the Commercial District of the Gateway Specific Plan: **Recommended Action: Approval (Planning Director): Presented with Agenda Item 5.B.; Approved 5-0. This action is final unless appealed to the City Council within 10 calendar days.**
- C. **Site Plan 2013-20 (Sanchez):** A request for approval to allow an accessory building consisting of a 256 square-foot freestanding patio cover at 4332 Pedley Avenue located within the A-1-20 (Agricultural Low-Density) zone. **Recommended Action: Approval (Senior Planner): Approved 5-0. This action is final unless appealed to the City Council within 10 calendar days.**
7. CITY COUNCIL MINUTES: Available on the City of Norco website:  
[http://www.norco.ca.us/depts/city\\_council/minutes.asp](http://www.norco.ca.us/depts/city_council/minutes.asp)
- City Council Minutes of September 4, 2013: **Received and filed**
8. PLANNING COMMISSION:
- a. Oral Reports from Various Committees: **None**
- b. Request for Items on Future Agenda (within the purview of the Commission): **Received and filed**
- c. Presentation to Commission Member Robert Wright for his service to the City of Norco on the Planning Commission and the Streets and Trails Commission.: **Received and filed**
9. ADJOURNMENT: **8:56 p.m.**

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

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

DATE: October 16, 2013

SUBJECT: Quarterly Investment Report for Quarter Ended September 30, 2013

RECOMMENDATION: Staff recommends that the City Council receive and file the Quarterly Investment Report for the Quarter Ended September 30, 2013.

**SUMMARY:** Staff is recommending that the City Council receive and file the City's quarterly investment report for the quarter ended September 30, 2013. This report has been prepared to meet the requirements of the City's Investment Policy and applicable sections of the State of California Government Code.

**BACKGROUND/ ANALYSIS:** The City's Investment Policy requires the Treasurer to render a quarterly report to the legislative body. The report is to be prepared in accordance with Government Code Section 53646 (b)(1) and should contain detailed information on all securities, investments, and monies of the local agency; a statement of compliance of the portfolio with the Statement of Investment Policy; and a statement of the City's ability to meet its cash flow requirements for the next six months. This report which is for the quarter ended September 30, 2013 meets the requirements of the Investment Policy and Government Code. It covers the City and Successor Agency to the former Norco Redevelopment Agency.

The attached schedules (attachments 1 through 4) have been prepared to meet the detailed requirements of the Government Code and the City's Investment Policy as approved by the Council on May 15, 2013. It is to be noted that the Investment Policy excludes certain investments (bond proceeds) from these requirements. This means that bond proceeds are invested in accordance with the provisions of the bond indentures rather than the provisions of the Investment Policy. Consequently, in determining whether the operating portfolio holdings are in compliance with the Government Code and the approved Investment Policy, investments of bond proceeds have been excluded.

Attachment 1 provides a summary schedule of the City's operating portfolio holdings by type as of September 30, 2013. This summary also provides information on whether or not each investment category complies with the limitations imposed by law and the City's Investment Policy. Investments that are subject to the Statement of Investment Policy are operating/idle funds invested by the Treasurer within the provisions of the approved Investment Policy. During the quarter ended September 30, 2013, the operating portfolio

decreased by a net amount of \$6.2 million from \$36 million to \$29.8 million due to cash disbursements exceeding cash receipts. The excess of disbursements over receipts is anticipated during this quarter as semi-annual debt service payments of the Successor Agency are made during this quarter. The funds needed to make these payments were received in the second quarter of the fiscal year. Additionally, revenue receipts during the third quarter of the fiscal year are usually low due to no revenues being received from property tax, vehicle license fees, sales tax in lieu or electric/gas franchise fees.

Attachment 2 provides a graphical breakdown of the operating portfolio holdings by investment type as of September 30, 2013. This chart is for investments that are subject to the Investment Policy. The operating portfolio consisted of 93.67% investment in the State of California Local Agency Investment Fund (LAIF). The remaining 6.33% comprises of cash and certificates of deposit.

A summary of investments not subject to the provisions of the Investment Policy (bond proceeds and debt service reserve funds) is also shown on Attachment 1. These funds are invested in accordance with applicable bond indenture provisions. During the quarter ended September 30, 2013, bond proceeds and debt service reserve fund portfolio decreased by a net amount of \$0.5 million from \$25.1 million to \$24.6 million due to bond proceeds expenditures for capital projects and reduction to debt service reserve accounts from the refinancing of CFD 93-1 and 2002-1.

Attachment 3 provides a detailed listing of the City's portfolio holdings as required by the Government Code. In this listing, "N/A" is used to denote that the information is either not available or applicable. The market value of investments in LAIF has been reported to equal cost because the City's investments in the pool are readily liquid and the market value of these investments approximates cost. Agency Securities issued by United States Government Sponsored Entities (GSEs) are rated "AA+" by Moody's rating service and "AAA" by Fitch rating service.

## *CASH FLOWS*

The first half of the fiscal year usually presents a challenging cash flow situation for the General Fund due largely to the lag in the receipt of tax revenues. However, the fiscal condition of the General Fund has improved over the past two years as fund and cash balances have improved. Along with anticipated cash receipts, staff estimates that there will be sufficient cash to cover disbursements for the City and Successor Agency for the next six months ending March 31, 2014.

FINANCIAL IMPACT: Not Applicable.

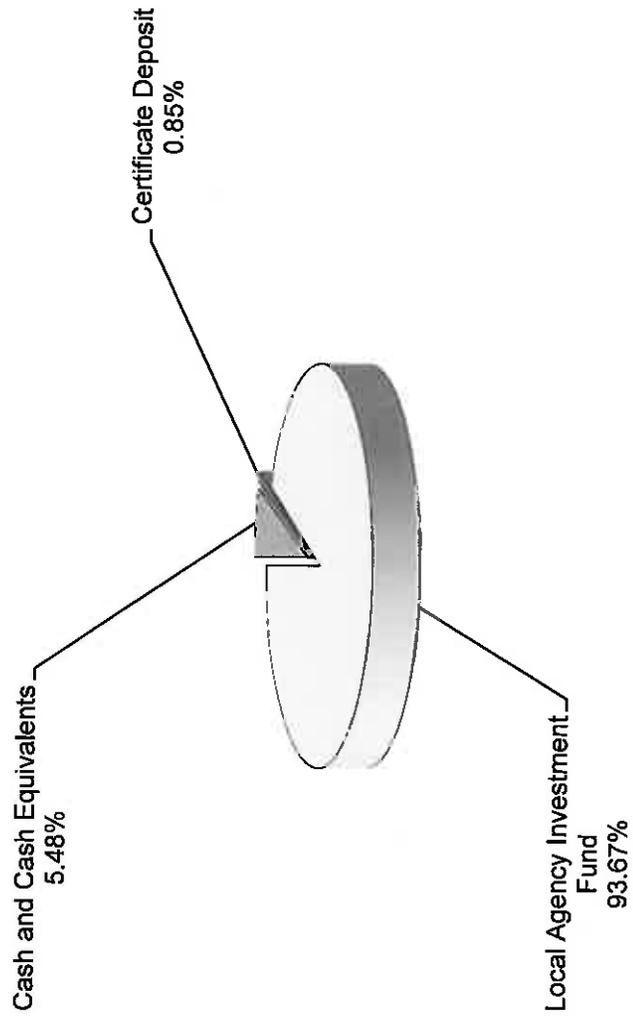
J:AO/Council Reports/Staff Reports/2014

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

	W/C is estimate
<b>Wells Fargo</b>	
PERMA (AdminSure)	20,548
Workers Compensation	-
Due from US Bank TAB 2001	-
Overnight Investment Account	-
Checking	1,616,483
Payroll	-
Flexible Benefit	-
Debt service for 94644000	-
DS for 791884000	-
DS for 130584000	-
<b>Total</b>	<b>1,637,030</b>

Print Andy this too.

**Summary of City Portfolio  
(Investments Subject to Investment Policy)  
As of September 30, 2013**



## **Attachment 4**

### **Quarterly Investment Portfolio**

**For the Quarter Ended September 30, 2013**

As required by the Government Code, the Treasurer certifies that the investments reported in the accompanying schedules (Attachments 1 through 3) comply with the City of Norco Investment Policy and that sufficient liquidity along with anticipated revenues are available to meet the City and Successor Agency budgeted expenditure requirements for the next six months ending March 31, 2014.

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Andy Okoro, City Manager/City Treasurer

City of Norco, California  
 Portfolio Details  
 As of September 30, 2013  
 Investments Subject to Policy

<u>Cash &amp; Cash Equivalents</u>										
Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	Checking Accounts	Wells Fargo	N/A	N/A	0.00%	N/A	1,637,030	1,637,030
			<b>Subtotal</b>	<b>Wells Fargo</b>					<b>1,637,030</b>	<b>1,637,030</b>
4/20/2013	4/20/2014	2329958022	Certificate Deposit	Citizen Business Bk	N/A	0.40%	Various	N/A	101,643	101,643
6/17/2013	2/25/2014	2329958065	Certificate Deposit	Citizen Business Bk	N/A	0.25%	Various	N/A	152,013	152,013
			<b>Subtotal</b>	<b>Wells Fargo</b>					<b>253,657</b>	<b>253,657</b>
<u>Local Agency Investment Fund</u>										
Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	Local Agency Investment Fund	State of California	N/A	N/A	N/A	N/A	27,957,352	27,957,352
			<b>Subtotal</b>						<b>27,957,352</b>	<b>27,957,352</b>
<b>Total Investments Subject to Policy</b>									<b>29,848,039</b>	<b>29,848,039</b>

City of Norco, California  
 Portfolio Details  
 As of September 30, 2013  
**Investments Not Subject to Policy (Bond Proceeds)**  
**Community Facilities Districts**

Cash and Cash Equivalents

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	U.S. Bank N.A. Open, Commercial Paper	94496805 US Bank	N/A	N/A	0.00%	N/A	7	7
N/A	N/A	N/A	U.S. Bank N.A. Open, Commercial Paper	94644004 US Bank	N/A	N/A	0.00%	N/A	9	9
N/A	N/A	N/A	U.S. Bank N.A. Open, Commercial Paper	791884004 US Bank	N/A	N/A	0.00%	N/A	522,630	522,630
N/A	N/A	N/A	First American Government Obligation	794148000 US Bank	N/A	N/A	0.00%	N/A	2	2
N/A	N/A	N/A	First American Government Obligation	794148002 US Bank	N/A	N/A	0.01%	N/A	478	478
<b>Subtotal</b>									<b>523,127</b>	<b>523,127</b>

Local Agency Investment Fund

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	Local Agency Investment Fund (CFD)	93-1 State of California	N/A	N/A	N/A	N/A	166,952	166,952
<b>Subtotal</b>									<b>166,952</b>	<b>166,952</b>

U.S. and Agency Securities

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
7/17/2012	7/17/2017 **	3136G0SH5	F N M A M T N Step Up Coupon	794148002 US Bank	AAA*	0.50%	0.50%	1,727,000	1,727,000	1,715,412
<b>Total Community Facilities Districts</b>									<b>2,417,079</b>	<b>2,405,491</b>

**Investments Not Subject to Policy (Bond Proceeds)**  
**Sewer and Water System**

Cash and Cash Equivalents

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	First American Prime Obligations	130594000 US Bank	AAA	N/A	0.00%	N/A	3,720	3,720
N/A	N/A	N/A	U.S. Bank N.A. Open, Commercial Paper	130594001 US Bank	N/A	N/A	0.00%	N/A	3,721	3,721
N/A	N/A	N/A	U.S. Bank N.A. Open, Commercial Paper	130594004 US Bank	N/A	N/A	0.00%	N/A	3,037,453	3,037,453
<b>Subtotal</b>									<b>3,044,893</b>	<b>3,044,893</b>

Local Agency Investment Fund

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	Local Agency Investment Fund (Sewer/Water)	2009 State of California	N/A	N/A	N/A	N/A	88,819	88,819
<b>Subtotal</b>									<b>88,819</b>	<b>88,819</b>

City of Norco, California  
 Portfolio Details  
 As of September 30, 2013

U.S. and Agency Securities

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value	
7/17/2012	7/17/2017	** 3136G0SH5	F N M A M T N Step Up Coupon	130584001 US Bank	AAA*	0.50%	0.50%	1,488,000	1,488,000	1,478,016	
12/19/2012	12/19/2013	3133ECAT1	Federal Farm Credit Banks	130584004 US Bank	AAA*	0.19%	0.19%	5,000,000	5,000,000	5,001,200	
			<b>Subtotal</b>					<b>6,488,000</b>	<b>6,488,000</b>	<b>6,479,216</b>	
<b>Total Sewer and Water System</b>										<b>9,621,713</b>	<b>9,612,926</b>

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

Cash & Cash Equivalents

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value	
N/A	N/A	N/A	First American Government Obligation	94432430 US Bank	N/A	N/A	0.00%	N/A	1	1	
N/A	N/A	N/A	First American Government Obligation	94432431 US Bank	N/A	N/A	0.02%	N/A	62,400	62,400	
N/A	N/A	N/A	First American Government Obligation	94432432 US Bank	N/A	N/A	0.00%	N/A	2	2	
N/A	N/A	N/A	U.S. Bank N.A. Open, Commercial Paper	94432435 US Bank	N/A	N/A	0.00%	N/A	143	143	
N/A	N/A	N/A	First American Government Obligation	94432440 US Bank	N/A	N/A	0.02%	N/A	8,904	8,904	
N/A	N/A	N/A	First American Government Obligation	94432443 US Bank	N/A	N/A	0.02%	N/A	149	149	
N/A	N/A	N/A	U.S. Bank N.A. Open, Commercial Paper	94432445 US Bank	N/A	N/A	0.00%	N/A	319	319	
N/A	N/A	N/A	U.S. Bank N.A. Open, Commercial Paper	94662507 US Bank	N/A	N/A	0.00%	N/A	5,169,008	5,169,008	
N/A	N/A	N/A	First American Government Obligation	787891000 US Bank	N/A	N/A	0.01%	N/A	278	278	
N/A	N/A	N/A	First American Government Obligation	787891001 US Bank	N/A	N/A	0.02%	N/A	12,315	12,315	
N/A	N/A	N/A	First American Government Obligation	787891003 US Bank	N/A	N/A	0.01%	N/A	70	70	
N/A	N/A	N/A	First American Government Obligation	787891004 US Bank	N/A	N/A	0.02%	N/A	1,381	1,381	
N/A	N/A	N/A	First American Government Obligation	792126000 US Bank	N/A	N/A	0.00%	N/A	2	2	
N/A	N/A	N/A	First American Government Obligation	792126001 US Bank	N/A	N/A	0.00%	N/A	1	1	
N/A	N/A	N/A	First American Government Obligation	792126003 US Bank	N/A	N/A	0.02%	N/A	18,362	18,362	
N/A	N/A	N/A	First American Government Obligation	792126004 US Bank	N/A	N/A	0.02%	N/A	1,504	1,504	
N/A	N/A	N/A	First American Government Obligation	129543000 US Bank	N/A	N/A	0.02%	N/A	3,573	3,573	
N/A	N/A	N/A	First American Government Obligation	129543001 US Bank	N/A	N/A	0.00%	N/A	2	2	
N/A	N/A	N/A	First American Government Obligation	129543002 US Bank	N/A	N/A	0.00%	N/A	1	1	
N/A	N/A	N/A	U.S. Bank N.A. Open, Commercial Paper	129543003 US Bank	N/A	N/A	0.00%	N/A	984,205	984,205	
N/A	N/A	N/A	US Bank Money Market	140828001 US Bank	N/A	N/A	0.00%	N/A	9	9	
N/A	N/A	N/A	US Bank Money Market	140828004 US Bank	N/A	N/A	0.04%	N/A	7,366	7,366	
N/A	N/A	N/A	US Bank Money Market	140828005 US Bank	N/A	N/A	0.00%	N/A	12	12	
<b>Subtotal</b>										<b>6,270,008</b>	<b>6,270,008</b>

Local Agency Investment Fund

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value	
N/A	N/A	N/A	Local Agency Investment Fund	2010 TABs State of California	N/A	N/A	N/A	N/A	22,623	22,623	
N/A	N/A	N/A	Local Agency Investment Fund	2003 TABs State of California	N/A	N/A	N/A	N/A	49,262	49,262	
<b>Subtotal</b>										<b>71,885</b>	<b>71,885</b>

City of Norco, California  
 Portfolio Details  
 As of September 30, 2013

U.S. and Agency Securities

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
4/12/2011	11/29/2013	313373F49	Federal Home Loan Bks	792126003 US Bank	AAA*	1.20%	1.20%	1,530,000	1,530,000	1,532,754
7/27/2012	7/17/2017	** 3136G0SH5	F N M A M T N Step Up Coupon	140828004 US Bank	AAA*	0.50%	0.50%	1,473,000	1,473,000	1,463,116
<b>Subtotal</b>										<b>2,995,870</b>

Investment Agreements

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	3/1/2030	N/A	Guaranteed Investment Contract	94432433 US Bank	N/A	N/A	5.71%	N/A	2,161,566	2,161,566
N/A	3/1/2030	N/A	Guaranteed Investment Contract	94432443 US Bank	N/A	N/A	5.16%	N/A	347,000	347,000
N/A	2/27/2015	N/A	Guaranteed Investment Contract	787891003 US Bank	N/A	N/A	3.41%	N/A	734,450	734,450
<b>Subtotal</b>										<b>3,243,016</b>

**Total Refunding Tax Allocation Bonds**

12,587,909 12,580,779

Total Investments Not Subject to Policy

24,626,700 24,599,198

\* On August 5, 2011 S&P Lowered US Debt Rating to AA+, Fitch and Moody's Ratings are Still AAA  
 \*\* Step up rates: 0.50% to 7/17/13, 1.00% to 7/17/14, 1.25% to 7/17/15, 1.5% to 7/17/16, and 2.0% to 7/17/17.

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Lori J. Askew, Director of Public Works 

DATE: October 16, 2013

SUBJECT: Contract for Design Services for the Bluff Street and Western Avenue Waterline Project

RECOMMENDATION: Award of Contract to RKA Consulting Group for Engineering and Design Services for the Bluff Street 16" waterline from Bronco Lane to Vine Street; and Western Avenue 12" Waterline from Appaloosa Street to Bluff Street.

**SUMMARY:** Award a contract in the amount of \$47,750.00 to RKA Consulting Group for Engineering and Design Services for the Bluff Street and Western Avenue waterline project.

**BACKGROUND/ANALYSIS:** On August 20, 2013 a Request for Proposal for Professional Engineering and Design Services for Bluff Street 16" waterline from Bronco Lane to Vine Street and Western Avenue 12" waterline from Appaloosa Street to Bluff Street was sent to seven engineering local firms. The deadline for proposals to be submitted to the City was September 19, 2013. A total of five proposals were submitted to the City. Staff members, consisting of the Director of Public Works, Water and Sewer Manager and the Public Works Superintendent reviewed the proposals and found them all to be qualified with knowledge of the City of Norco, prior design experience with waterlines of this nature, adequate staff to do the work and schedules that fit the City's timeline. Staff then reviewed the costs associated with the requested design services and had estimates ranging from \$47,750.00 to \$84,950.00.

Staff is recommending that RKA be awarded a contract to perform the design services as they present the best overall value based on technical qualifications, experience and cost. It is to be noted that RKA is also designing the 4 million gallon reservoir for the treatment plant on Bluff Street. The two projects are inherently related and would benefit from having one engineering firm perform the design for both. RKA has committed to meeting the design schedule submitted of 3 ½ months once issued the notice to proceed.

**FINANCIAL IMPACT:** \$47,750.00 from Water Fund 144. Project 4706-13 16" Transmission Pipeline – Bronco Lane to Corydon Avenue is included in the FY 13/14 CIP.

lja  
Attachment: Contract Scope of Work

# SCOPE OF WORK PROGRAM



## SCOPE OF WORK

The Scope of Work will follow and combine the primary categories as defined in the Request for Engineering Design Services and Fees. The intention of our team's proposal is to highlight the important and critical tasks that we have come to understand with the years of experience that we have gained from projects similar to this one.

### Phase 1 – Preliminary Engineering Services

#### *Task 1 – Project Kick-off, Research and Project Management*

Under general direction of the City, RKA's team shall be responsible for coordinating and conducting the project kickoff meeting to introduce project team members which will foster partnering and establish lines of communication through the project development. In addition, following are some key items to include:

- RKA will come to the table prepared to discuss the critical items that can be encountered for water line projects in the early stages of the life of a project.
- The schedule of the project will be further discussed to address the critical path for the design of the water lines.
- The submittal schedule will be further discussed to confirm the review procedures and the lines.
- In conjunction with the City, schedule a time to perform the necessary research of the record drawings that include the waterlines, sanitary sewer and storm drain lines within the project locations.
- Once the proper format and time line is agreed upon, RKA will provide regular updates on the project status including an "action list" for all parties. This will ensure that the project communication will continue throughout the design to effectively eliminate any potential surprises.

#### *Task 2 - Utility Research and Investigation*

The following procedures will be adhered to for performing the necessary utility research as well as conducting a thorough field check of the existing services throughout the design process.

- Identify and coordinate with the utility companies for verification of existing utilities, potential conflicts, utility upgrades, etc.



## SCOPE OF WORK PROGRAM



- The first Utility Notices will be prepared and distributed to all affected agencies as identified through “Dig-Alert” and other field investigations.
- Provide preliminary notification and plans to the affected utility agencies for their review and comment.
- Monitor response of utility notices received for the project and provide recommendations for mitigating conflicts through the use of a detailed utility coordination log.
- Provide notice and approved plans to affected utility agencies requesting them to coordinate for potential upgrades, adjustments, and/or relocations.
- Conduct a thorough field review of the project streets to verify as-built plans provided by the City against field conditions. Concurrence between as-built plans and field conditions of water meters and other service points are critical as discrepancies between these two situations often arise.
- During the investigation, the optimum placement of the new waterlines will be identified to minimize any additional work resulting from “high lining” or reconstruction of improvements. The reduction in these items can conserve valuable project resources.

### *Task 3 – Field Topography*

The field topography is being provided to supplement the as-built plans provided by the City and is intended to aid in the field investigation. The following procedures will be adhered to for conducting the field topography.

- Locate readily available centerline monuments along proposed pipeline route as needed to calculate centerline location from record data.
- Perform field survey to locate visible evidence of existing utilities (valves, manholes, fire hydrants, etc.) along the proposed pipeline route.

### **Phase 2 – Engineering Design**

#### *Task 4 - Preliminary Design (35% Concept Submittal)*

Upon compiling the data received from research of existing information, understanding the City’s goals, and completion of the field survey, RKA will prepare the preliminary alignments for the water lines (for the preliminary design, 20 scale plan view only will be submitted). Following are some of the included tasks:



## SCOPE OF WORK PROGRAM



- The preliminary plans will describe the proposed horizontal alignments, which account for possible conflicts with existing features (sanitary sewer, gas lines, and overhead power lines/utility poles).
- Placement of the 16" replacement line within Bluff Street will be finalized to determine if existing line will require removal.
- This submittal will include the full alignment study, consider traffic circulation during construction, and will address the tie-ins to the existing system and abandonment of the old pipelines. We intend to meet with the engineering and operational staff to discuss the logic and the pros and cons of the proposed pipeline alignment.
- Through the field survey and preliminary design, all of the existing services will be located to ensure all customers are accounted for.

### *Task 5 - Engineering Design*

- RKA's approach to complete this project successfully includes preparing a good and well thought out engineering plan as well as a design that is cost effective, fully executable in the field and has the least impact on water shut downs. The sequence of executing the plan during construction and switching of the water services to the newly constructed pipeline will play a major role in timely completion and reduced impact on the water shut downs. It is critical that the focus is on the accuracy of a good design from both the constructability as well as operationally. All submittals of plans throughout the project will be 20 scale plan.
- The 85% design submittal will expand upon the preliminary design (35% concept submittal) and will incorporate comments received from the City, as well as thorough in-house review. The 85% submittal will be presented with the idea of sequence of the work in a manner acceptable to the City's field operational staff to ensure all cautionary measures are taken into consideration for minimum impact on the water distribution system, fire protection and the water customers. We plan to meet with City staff to present the 85% submittal and discuss issues which are critical at the time of chlorination / disinfection, bacteriological testing and tie-ins to the existing water distribution system as well as transferring of the existing water connections to the new pipeline.
- In order to accurately depict the location of all critical crossings and connection points to the new water lines, RKA will coordinate and conduct the necessary potholing of the existing utilities and accurately depict the horizontal and vertical locations on the plans based upon the established project control. For proposal purposes, RKA has estimated the need for fifteen locations throughout the project limits.



## SCOPE OF WORK PROGRAM



- The potholes will include permanent asphalt concrete repair through a grind and cap placement extending twelve (12) inches beyond the width of the hole. At locations of P.C.C. walk, the same repair will be made and any water line construction will account for the additional area of the P.C.C. removals done for potholing.
- At the completion of the 35% and 85% review by the City, RKA will schedule review meetings with the City to discuss any critical design issues. This will also ensure that additional submittals will be eliminated.
- The 100% submittal will be the full project design with all aspects of construction, sequence of work, consideration for the tie-ins during the least critical time period of the day, availability of the operational personnel, consideration of the traffic circulation, hydrostatic pressure testing, bacteriological testing, details and engineering cost estimates.

### *Task 6 - Engineer's Quantity and Cost Estimate/Construction Specifications & Bid Documents*

- As part of the final bid package, RKA will incorporate all comments from previous project submittals and provide one set of signed Mylars, a final engineer's quantity and cost estimate and technical specifications to be incorporated into the City's standard boilerplate specifications.
- The final submittal will be a 100% complete and biddable package for the two water mains.
- Traffic control requirements and detour information required will be included in the Special Provisions of the specifications. A full traffic control plan is not believed to be necessary for this project, however, the contractor will be required to adhere to the guidelines set forth in the California Manual of Uniform Traffic Control Devices (latest edition), while devising the necessary construction plan.

### **Phase 3 – Engineering Support During Bidding and Construction**

RKA will assist the City with ensuring smooth bidding and construction phases. A further itemized scope of services that will provide the detail of work expected to be provided in the task of the project follows.

#### *Task 7– Bid and Construction Support*

- During the project bidding, RKA will provide interpretation to the plans and technical specifications that may arise.



## SCOPE OF WORK PROGRAM



- If addenda are deemed necessary by the City, RKA will provide revisions to the affected documents and assist the City with clearly conveying the revisions.
- RKA will attend the pre-construction meeting conducted by City staff to provide answers to any design related questions on the project.
- During construction, RKA will review RFIs and submittals and provide a written response within three (3) business days of receipt. For proposal purposes, it is assumed that there will be eight (8) submittals for this project.

### *Task 8— Record Drawing and Preparation*

- RKA will incorporate all red-line comments prepared by the Contractor and project inspector and prepare final ink on Mylar “as-built” record plans. In addition, RKA will provide electronic as-built plans on CD or DVD in an acceptable format to the City. The as-built drawings shall be approved by the City’s Construction Manager prior to the project completion.

### **Project Deliverables**

The following are deliverables for Phase 1 - Preliminary Engineering Services:

- Copies of utility notices.
- Base Map
- Preliminary alignment

The following are deliverables for Phase 2 - Engineering Design:

- Design development plans, specifications and cost estimates for both water line projects.
- 100% improvement plan preparation, including final specifications and cost estimates (one set of reproducible mylars, one bond copy of the signed plans, one copy of the approved specifications, one copy of the final construction cost estimate, and one electronic copy of the completed design products).

The following are the deliverables for the Phase 3 - Engineering Support During Bidding and Construction:

- Preparation of bid notices for construction.
- Preparation of “as-built” plans from the red line mark ups.



# SCOPE OF WORK PROGRAM



## Optional Tasks

The following tasks are not requested in the RFP prepared by the City, however, based upon the experience RKA has gained in performing these projects, should be considered by the City.

### *Optional Task A - SWPPP Preparation*

***This is a Contractor task and is not included unless specifically requested by the City***

A Storm Water Pollution Prevention Plan (SWPPP) is normally not required for projects that are less than one acre, per the State General Construction Activity Permit, however, the practice of preparing a "Linear" SWPPP for street and utility improvement projects is necessary when trying to reduce and prevent storm water runoff pollution. Therefore, the preparation of a State SWPPP (WP Type 1) is suggested for this project, which will necessitate the preparation of a Notice of Intent to be filed with the California State Water Resources Control Board. At the termination of the project, a Notice of Termination will be filed with the same agency to signify the completion of the project. The SWPPP will be based upon the Construction General Permit Order 2009-0009-DWQ (Amended by 2010-0014-DW). The preparation of the SWPPP will include the document report (based upon the information provided by CASQA.org) and an erosion control plan, based upon the street improvement plans.

**The fee for the preparation of the SWPPP is included as an optional fee.**

### *Optional Task B- Construction Staking*

If requested, construction staking will be provided as follows:

- Provide water line stakes at 50' intervals and at all BCs, ECs, angle points, and grade breaks.
- Provide two stakes for each hydrant and service locations.

### *Optional Task C- Potholing*

In order to accurately depict the location of all critical crossings and connection points to the new water lines, RKA will coordinate and conduct the necessary potholing of the existing utilities and accurately depict the horizontal and vertical locations on the plans based upon the established project control. For proposal purposes, RKA recommends eight (8) locations along the two alignments.



## SCOPE OF WORK PROGRAM



### *Optional Task D– Geotechnical Investigation*

It is understood that the proposed pipelines will be relatively shallow (approximately three to five feet). Therefore, the City's knowledge of the subgrade soils should be adequate for the design. However it is recommended to perform approximately eight to ten exploratory, hollow-stem auger borings. The borings would be followed by a Geotechnical Report summarizing the findings, conclusions and recommendations.



## APPENDIX 1

This is **Appendix 1, Engineer's Standard Hourly Rates**, referred to in and part of the Short Form of Agreement between Owner and Engineer for Professional Services dated October 17, 2013

### Engineer's Standard Hourly Rates

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A. *Standard Hourly Rates:*

1. Standard Hourly Rates are set forth in this Appendix 1 and include salaries and wages paid to personnel in each billing class plus the cost of customary and statutory benefits, general and administrative overhead, non-project operating costs, and operating margin or profit.
2. The Standard Hourly Rates apply only as specified in Paragraphs 7.01 and 7.02, and are subject to annual review and adjustment.

B. *Schedule of Hourly Rates:*

Hourly rates for services performed on or after the Effective Date are:

Project Principal	\$ <u>170.00</u> /hour
Project Manager	<u>150.00</u> /hour
Project Engineer	<u>125.00</u> /hour
Engineering Technician	<u>85.00</u> /hour

Appendix 1

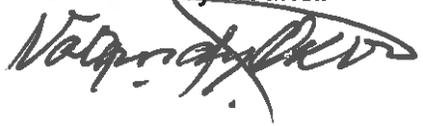


City of Norco  
 Bluff Street 16" Waterline and  
 Western Avenue 12" Waterline  
 September 19, 2013

	Project Principal \$170/hr	Project Manager \$150/hr	Project Engineer \$125/hr	Engineering Tech \$85/hr	Survey	Total Fee
<b>Phase 1 - Preliminary Engineering Services</b>						
Task 1 - Project Kick-off, Research and Project Management	2	12	8	12	0	
Task 2 - Utility Research and Investigation	0	4	6	20	0	
Task 3 - Field Topography	0	2	4	6	\$6,800	
<b>Phase 1 Subtotal Hours</b>	<b>2</b>	<b>18</b>	<b>18</b>	<b>38</b>	<b>0</b>	
<b>Phase 1 Subtotal Fee</b>	<b>\$ 340</b>	<b>\$ 2,700</b>	<b>\$ 2,250</b>	<b>\$ 3,230</b>	<b>\$6,800.00</b>	<b>\$ 15,320</b>
<b>Phase 2 - Engineering Design</b>						
Task 4 - Preliminary Design (35% Concept Submittal)	2	16	32	28	0	
Task 5 - Engineering Design	2	24	48	40	0	
Task 6 - Engineer's Quantity and Cost Estimate/Construction Specification and Bid Documents	2	8	12	6	0	
<b>Phase 2 Subtotal</b>	<b>6</b>	<b>48</b>	<b>92</b>	<b>74</b>	<b>0</b>	
<b>Phase 2 Subtotal Fee</b>	<b>\$ 1,020</b>	<b>\$ 7,200</b>	<b>\$ 11,500</b>	<b>\$ 6,290</b>	<b>\$0</b>	<b>\$ 26,010</b>
<b>Phase 3 - Engineering Support During Bidding and Construction</b>						
Task 8 - Bid and Construction Support	1	12	16	0	0	
Task 9 - Record Drawing Preparation	1	4	8	8	0	
<b>Phase 3 Subtotal</b>	<b>2</b>	<b>16</b>	<b>24</b>	<b>8</b>	<b>0</b>	
<b>Phase 3 Subtotal Fee</b>	<b>\$ 340</b>	<b>\$ 2,400</b>	<b>\$ 3,000</b>	<b>\$ 680</b>	<b>\$0.00</b>	<b>\$ 6,420</b>
<b>Total Labor Hours</b>	<b>10</b>	<b>82</b>	<b>134</b>	<b>120</b>	<b>0</b>	
<b>Total Fee (not including optional task)</b>						<b>\$47,750.00</b>

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Brian K. Petree, Director  
Department of Parks, Recreation and Community Services

DATE: October 16, 2013

SUBJECT: Approved Projects for Use of Community Development Block Grant Funds (Program Year 2014-2015) Through the U. S. Department of Housing and Urban Development and the County of Riverside Economic Development Agency

RECOMMENDATION: Staff recommends the following projects be submitted for funding through the Community Development Block Grant Program for Program Year 2014-2015:

- 1. Norco Party Partners (\$10,000)**
- 2. Senior Citizens Recreation and Community Service Leader (\$10,000)**
- 3. Ingalls Park ADA Restroom Project (\$110,000)**

**SUMMARY:** Applications for 2014-2015 Community Development Block Grant (CDBG) funds are due to the Riverside County Economic Development Agency (EDA) no later than December 12, 2013. The City has been asked to estimate funding needs based on funding received for current Program Year 2013-2014, and is presenting funding applications for Council consideration based on an estimate. Final adjustments will be made to selected programs and projects once the actual allocation amount is known.

**BACKGROUND/ANALYSIS:** The City of Norco participates in the CDBG funding program and receives grant funding as a "cooperating city" through the County of Riverside. Recipients of CDBG funds may only use 15% of their annual allocation for Public Service programs. Public Service programs are social service programs and activities that improve the community's social services network such as crime prevention, child care, health care, education, recreational needs, and others.

Staff has not yet received an estimate of available funding for CDBG Program Year 2014-2015; however the City will likely receive \$18,000-\$20,000 for Public Service programs. The remaining funds (estimated to be \$110,000) must be used for Public Facilities projects.

To be eligible for consideration the projects, programs and activities must meet one of the following national objectives:

1. The project or activity will benefit low- and/or moderate-income persons; or
2. The project will prevent or eliminate slum or blight; or
3. The project will meet a need having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community.

Staff is submitting three applications for consideration. All applications meet the CDBG Program funding requirements for either Public Service or Public Facilities. Of the three applications, two request Public Service funds and one seeks Public Facilities funds.

Applications for Public Service programs total \$20,000 which will probably slightly exceed the amount that will be allocated to the City. The amount of \$110,000 is requested for Public Facilities projects. Projects recommended for funding are:

**PUBLIC SERVICE PROGRAMS:**

**NORCO PARTY PARTNERS - DEVELOPMENTALLY CHALLENGED PROGRAM**

2014-2015 Project Budget: \$30,000                      **Funding Recommendation: \$10,000**

This program provides planned recreational and social activities for developmentally challenged adults 18 and older, and receives part of its funding through the City of Corona CDBG Program. *Staff submitted an application to the Corona for continued funding through its CDBG Program and expects to receive funding again for program year 2014-2015.*

**SENIOR CITIZENS RECREATION AND COMMUNITY SERVICE LEADER**

2014-2015 Project Budget: \$10,000                      **Funding Recommendation: \$10,000**

This program provides a part-time staff person at the Norco Senior Center to coordinate senior activities and special events. The balance of funding will come from the City's General Fund.

**PUBLIC FACILITIES PROJECTS:**

**INGALLS PARK ADA RESTROOM PHASE II**

2014-2015 Project Budget: \$110,000                      **Funding Recommendation: \$110,000**

Restrooms at City parks had seriously deteriorated and had become a health and safety concern. Restroom/shower renovations have started at George Ingalls Equestrian Event Center in Phase I of the project. For Program Year 2014-2015, we are seeking funding to bring restrooms up to user capacity with ADA compliance at Ingalls Park where an old restroom has been removed due to deterioration and an unsafe condition.

**TENTATIVE SCHEDULE FOR APPROVAL OF PROJECTS:**

City Council Approval	October 16, 2013
Deadline for submittal of applications to County	December 12, 2013
Project/Program start date	July 1, 2014

**FINANCIAL IMPACT:** If funding is approved for the listed projects, there will be no impact to the City Budget for these programs and services. If the EDA does not approve the projects as recommended, Staff will return to Council with any changes suggested by the EDA.

*Due to the length of applications and repetition of material, applications are on file for review in the Department of Parks, Recreation and Community Services.*

# CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Julie Houser, Administrative Analyst

DATE: October 16, 2013

SUBJECT: Approval of the Standard Agreement for Refuse Removal and Disposal Services provided to the California Department of Corrections and Rehabilitation Center (CDCR), California Rehabilitation Center in Norco

RECOMMENDATION: Adopt **Resolution No. 2013-61**, approving the Standard Agreement No. 5600004113 between the City of Norco and the California Department of Corrections and Rehabilitation Center for solid waste collection services at the California Rehabilitation Center in Norco.

**SUMMARY:** Staff is recommending that the Council approve a proposed contract with California Department of Corrections and Rehabilitation Center (CDCR) to have the City's franchise waste hauler provide garbage collection, removal, and disposal services from October 1, 2013 through September 30, 2015. As part of the franchise agreement with the City's current waste hauler, Waste Management, the City bills all of the City of Norco Residents including the California Department of Corrections and Rehabilitation Center (CDCR) for wet/dry garbage services.

**BACKGROUND/ANALYSIS:** There is an existing three year contract between the City and CDCR for the collection and disposal by the City's waste hauler of wet/dry garbage services at the California Rehabilitation Center in Norco that expired on June 30, 2013. Said contract was extended on May 15, 2013 through October 31, 2013 to have the City's waste hauler provide garbage collection, removal, and disposal services. The City will be billing CDCR the prevailing service rates charged by the City's waste hauler as approved by City Council during the term of the contract.

**FINANCIAL IMPACT:** The City receives a franchise fee and reimbursement of billing fee from Waste Management.

Attachment: Resolution No. 2013-61  
Contract No. 5600004113

j/ao/council report/staff reports/2014

## RESOLUTION NO. 2013-61

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, APPROVING STANDARD AGREEMENT #5600004113 BETWEEN THE CITY OF NORCO AND THE CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION Center (CDCR) FOR SOLID WASTE COLLECTION SERVICES AT CALIFORNIA REHABILITATION CENTER (CRC) NORCO**

WHEREAS, the current Amended Agreement #5600000936 between the City of Norco and the California Department of corrections and Rehabilitation Center (CDCR) to provide garbage collection, removal, and disposal services by the City's waste hauler at the California Rehabilitation Center (CRC) expires October 31, 2013; and

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

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Norco hereby approves the Standard Agreement No. 5600004113 with the California Department of Corrections and Rehabilitation to provide for the collection, removal and disposal of wet/dry garbage by the City's waste hauler from October 1, 2013 to September 30, 2015.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on October 16, 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 regular meeting held on October 16, 2013 by the following vote of the City Council:

AYES: NONE  
NOES: NONE  
ABSENT: NONE  
ABSTAIN: NONE

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on October 16, 2013.

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

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

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

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

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

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

**2. Confidentiality of Data**

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

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

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

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

**3. Accounting Principles**

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

**4. Taxes**

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

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

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

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

**6. Contract Suspension**

Notwithstanding any other provisions of this Agreement, pursuant to a Governor's Executive Order or equivalent directive, such as a court order or an order from a federal or state regulatory agency, mandating the suspension of state contracts, the State may issue a Suspension of Work Notice. The Notice shall identify the specific Executive Order or directive and the Agreement number(s) subject to suspension. Unless specifically stated otherwise, all performance under the Agreement(s) must stop immediately upon receipt of the Notice. During the period of contract suspension, Contractor is not entitled to any payment for the suspended work. Once the order suspending state contracts has been lifted, a formal letter from the Department will be issued to the Contractor to resume work.

**7. Extension of Term**

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

**8. Contractor Employee Misconduct**

During the performance of this Agreement, it shall be the responsibility of the Contractor whenever there is an incident of use of force or allegation(s) of employee misconduct associated with and directly impacting inmate and/or parolee rights, to immediately notify the CDCR of the incident(s), to cause an investigation to be conducted, and to provide CDCR with all relevant information pertaining to the incident(s). All relevant information includes, but is not limited to: a) investigative reports; b) access to inmates/parolees and the associated staff; c) access to employee personnel records; d) that information reasonably

necessary to assure CDCR that inmates and/or parolees are not or have not been deprived of any legal rights as required by law, regulation, policy and procedures; and e) written evidence that the Contractor has taken such remedial action, in the event of unnecessary or excessive force, or employee misconduct with inmates and/or parolees, as will assure against a repetition of incident(s) or retaliation. To the extent that the information provided by the Contractor fails to so assure CDCR, CDCR may require that any implicated Contractor staff be denied access to and the supervision of CDCR inmates and/or parolees at the facility and access to inmate and/or parolee records. Notwithstanding the foregoing, and without waiving any obligation of the Contractor, CDCR retains the power to conduct an independent investigation of any incident(s). Furthermore, it is the responsibility of the Contractor to include the foregoing terms within any and all subcontracts, requiring that subcontractor(s) agree to the jurisdiction of CDCR to conduct an investigation of their facility and staff, including review of subcontractor employee personnel records, as a condition of the Agreement.

**9. Subcontracting**

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

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

**10. Subcontractor/Consultant Information**

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

**11. Liability for Nonconforming Work**

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

**12. Temporary Nonperformance**

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

### **13. Contract Violations**

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

### **14. Employment of Ex-Offenders**

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

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

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

### **15. Conflict of Interest**

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

#### **a. Contractors and Their Employees**

Consultant contractors shall file a Statement of Economic Interests, Fair Political Practices Commission (FPPC) Form 700 prior to commencing services under the Agreement, annually during the life of the Agreement, and within thirty (30) days after the expiration of the Agreement. Other service contractors and/or certain of their

employees may be required to file a Form 700 if so requested by the CDCR or whenever it appears that a conflict of interest may be at issue. Generally, service contractors (other than consultant contractors required to file as above) and their employees shall be required to file an FPPC Form 700 if one of the following exists:

- (1) The Agreement service has been identified by the CDCR as one where there is a greater likelihood that a conflict of interest may occur;
- (2) The Contractor and/or Contractor's employee(s), pursuant to the Agreement, makes or influences a governmental decision; or
- (3) The Contractor and/or Contractor's employee(s) serves in a staff capacity with the CDCR and in that capacity participates in making a governmental decision or performs the same or substantially all the same duties for the CDCR that would otherwise be performed by an individual holding a position specified in the CDCR's Conflict of Interest Code.

**b. Current State Employees**

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

**c. Former State Employees**

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

In addition to the above, the Contractor shall avoid any conflict of interest whatsoever with respect to any financial dealings, employment services, or opportunities offered to inmates or parolees. The Contractor shall not itself employ or offer to employ inmates or parolees either directly or indirectly through an affiliated company, person or business unless specifically authorized in writing by CDCR. In addition, the Contractor shall not (either directly, or indirectly through an affiliated company, person or business) engage in financial

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

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

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

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

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

#### **16. Notification of Personnel Changes**

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

#### **17. Security Clearance/Fingerprinting**

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

**18. Computer Software**

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

**19. Expendable Equipment**

Expendable equipment is defined as expendable items which change with use and have a unit acquisition cost of less than \$5,000 per unit (i.e. fax machines, computers, printers, etc.). Title to any expendable equipment purchased or built with State funds as part of this agreement will vest in the State. The Contractor must retain a listing of expendable equipment purchases that are considered "theft-sensitive" items, such as cameras, calculators, two-way radios, computer equipment, etc., for audit purposes. Upon completion or termination of the agreement, Contractors are required to leave all expendable equipment for use by subsequent contractors or for the State to dispose of accordingly. The State may authorize the continued use of such equipment for work to be performed under a different agreement.

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

**20. Electronic Waste Recycling**

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

**21. Liability for Loss and Damages**

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

**22. Disclosure**

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

**23. Workers' Compensation**

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

CDCR's obligation to pay for services provided under this agreement.

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

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

#### **24. Indemnification**

The Contractor shall indemnify, defend and hold harmless the State, its officers, agents, and employees from any and all claims for damages arising out of occurrences, accidents, or misuse by the Contractor or its purchasers resulting from waste collected from the State and the Contractor recycling the waste for production of by-products for third-party use.

#### **25. Insurance Requirements**

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

Contractor agrees that any liability insurance required in the performance of this Agreement shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires or is canceled during the term of this Agreement, Contractor shall provide the State within five (5) business days of receipt by contractor a copy of any notice of cancellation or non-renewal of insurance required by the contract. Evidence of coverage required in the performance of this Agreement shall not be for less than the remainder of the term of this Agreement or for a period of not less than one year. The State and the Department of General Services (DGS) reserve the right to verify the Contractor's evidence of coverage; evidence of coverage is subject to the approval of the DGS. In the event the Contractor fails to keep insurance coverage as required herein in effect at all times, the State reserves the right to terminate this Agreement and to seek any other remedies

afforded by the laws of the State of California.

Contractor hereby represents and warrants they (and any subcontractors) are currently and shall for the duration of this Agreement be insured. Contractor shall provide proof of self-insurance against:

Commercial General Liability - \$1,000,000 per occurrence for bodily injury and property damage liability combined.

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

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

Contractors and their employees shall be required to furnish to CDCR, at no cost to CDCR, a form CDCR 7336, "Employee Tuberculin Skin Test (TST) and Evaluation," prior to assuming their contracted duties and annually thereafter, showing that the Contractor and their employees have been examined and found free of TB in an infectious stage. The form CDCR 7336 will be provided by CDCR upon Contractor's request.

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

## **27. Blood borne Pathogens**

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

## **28. Primary Laws, Rules, and Regulations Regarding Conduct and Association with State Prison Inmates and Division of Juvenile Justice Wards**

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

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

- a. Persons who are not employed by CDCR, but are engaged in work at any institution/facility or camp must observe and abide by all laws, rules and regulations governing the conduct of their behavior in associating with prison inmates or wards.

Failure to comply with these guidelines may lead to expulsion from CDCR institutions/facilities or camps.

SOURCE: California Penal Code (PC) Sections 5054 and 5058; California Code of Regulations (CCR), Title 15, Sections 3285 and 3415, and California Welfare and Institutions Code (WIC) Section 1712.

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

SOURCE: PC Sections 5054 and 5058; CCR, Title 15, Section 3304 and 4603; WIC Section 1712.

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

SOURCE: PC Sections 2601, 5054 and 5058; CCR, Title 15, Sections 3173, 3177, 3288, 4696, and 4697; WIC 1712.

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

SOURCE: PC Sections 5054 and 5058; CCR, Title 15, Section 3176 (a) and 4696; WIC Section 1712.

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

SOURCE: PC Sections 602, 4570.5 and 4571; CCR, Title 15, Sections 3173 and 3289; WIC Section 1001.7.

- f. Encouraging and/or assisting prison inmates to escape, is a crime. It is illegal to bring firearms, deadly weapons, explosives, tear gas, drugs or drug paraphernalia on CDCR institutions/facilities or camp premises. It is illegal to give prison inmates or wards firearms, explosives, alcoholic beverages, narcotics, or any drug or drug paraphernalia, including cocaine or marijuana. It is illegal to give wards sex oriented objects or devices, and written materials and pictures whose sale is prohibited to minors.

SOURCE: PC Sections 2772, 2790, 4533, 4535, 4550, 4573, 4573.5, 4573.6 and 4574; WIC Section 1152, CRR, Title 15, sections 4681 and 4710; WIC Section 1001.5.

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

SOURCE: PC Sections 2540, 2541 and 4570; CCR, Title 15, Sections 3010, 3399, 3401, 3424, 3425 and 4045; WIC Section 1712.

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

SOURCE: PC Section 2601; CCR, Title 15, Section 3383, 4002.5 and 4696.

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

SOURCE: CCR, Title 15, Section 3174 (b) (1) and 4696.

- j. Interviews with SPECIFIC INMATES are not permitted. Conspiring with an inmate to circumvent policy and/or regulations constitutes a rule violation that may result in appropriate legal action. Interviews with individual wards are permitted with written consent of each ward if he is 18 years of age or older, or with written consent of a parent, legal guardian, or committing court, if 17 years of age or younger.

SOURCE: CCR, Title 15, Sections 3261.5, 3315 (a) (3) (X), and 3177 and 4700(a)(1).

### **29. Clothing Restrictions**

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

### **30. Tobacco-Free Environment**

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

### **31. Prison Rape Elimination Policy**

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

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

### **32. Security Regulations**

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

### **33. Gate Clearance**

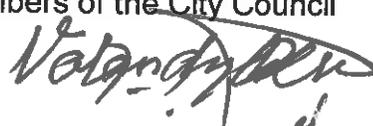
Contractor and Contractor's employee(s) and/or subcontractor(s) must be cleared prior to providing services. The Contractor will be required to complete a Request for Gate Clearance for all persons entering the facility a minimum of ten (10) working days prior to commencement of service. The Request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

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

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

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: William R. Thompson, Water/Sewer Manager 

DATE: October 16, 2013

SUBJECT: Memorandum of Understanding between the City of Norco and Western Municipal Water District

RECOMMENDATION: Approve the Memorandum of Understanding between the City of Norco and Western Municipal Water District (WMWD) for the Assignment and Exchange of water produced from the Arlington Desalter and the Chino Desalters, subject to non-substantive changes and authorize the City Manager to execute the Agreement.

**SUMMARY:** The City of Norco annually purchases reverse osmosis treated potable water from WMWD (Arlington Desalter) and the Chino Desalter Authority (CDA). The City of Norco and Western Municipal Water District desire to enter into this mutually beneficial MOU for purposes of increasing water supply reliability while maintaining local and regional water quality in accordance with the Arlington Desalter Agreement.

**BACKGROUND/ANALYSIS:** The City of Norco is a member of the CDA, which jointly exercises powers to own, operate and maintain water desalting facilities (Chino I and II Desalters). The members of the CDA include the Jurupa Community Services District (JCSD), Inland Empire Utilities Agency (IEUA), Santa Ana River Water Company (SARWC), and the cities of Norco, Chino, Chino Hills, and Ontario, including recently added member Western Municipal Water District (WMWD). The CDA facilities include two treatment plants, twenty-one groundwater wells, over thirty miles of pipeline and various product water distribution facilities (pump stations, reservoirs and interconnections).

WMWD, the City of Ontario and Jurupa Community Services District are considered the "Expanding Agencies" funding Phase III of the CDA expansion project. Norco's current CDA water capacity (ownership) is 1,000 acre-feet per year and this obligation will not increase with the completion of the Desalter Phase III Expansion project or the execution of the proposed MOU.

WMWD will own 3,534 acre feet of treated CDA water capacity when the expansion project is completed. The purpose of the proposed MOU will provide the City of Norco with the ability to receive their treated water deliveries from the Chino II Desalter and WMWD's 3,534 acre feet of Phase III Expansion water in exchange for a like quantity from the Arlington Desalter annually.

When the City of Norco accepts water production from the CDA facilities, WMWD will receive a proportional amount (bucket for bucket) from the Arlington Desalter facility. The proposed project will not reduce the City of Norco current production quantities or water quality levels.

The MOU will memorialize specific provisions and conditions of understanding regarding the exchange of CDA and Arlington Desalter water between agencies, water costs, payments, delivery points, water quality, standard operating procedures, reconciliation of delivery shortfalls, and the assignment of capacity rights.

The proposed assignment of water production rights is in accordance with the provisions of the Chino Basin Watermaster Resolution 2010-04 designating the City of Norco to receive CDA water production. Section 16 (page 10) of Resolution No. 2010-04 provides language explaining as the assignee of WMWD's production, under the Chino Basin Judgment, Peace Agreement and the Peace II Measures, the City of Norco's obligations or benefits will not increase.

FISCAL IMPACT: None

Attachment: Memorandum of Understanding

**MEMORANDUM OF UNDERSTANDING BY AND BETWEEN WESTERN  
MUNICIPAL WATER DISTRICT AND THE CITY OF NORCO PROVIDING  
FOR THE ASSIGNMENT AND EXCHANGE OF WATER PRODUCED FROM  
THE ARLINGTON DESALTER AND THE CHINO DESALTERS**

This Memorandum of Understanding (MOU), dated October \_\_\_\_\_, 2013, is entered into by and between Western Municipal Water District (WMWD) and the City of Norco (Norco), sometimes individually or collectively referred to herein as "Party" or "Parties", respectively.

**RECITALS**

- A. As provided in the Integrated Chino-Arlington Desalters System Term Sheet, dated March 2001, which contemplated the formation of the Chino Basin Desalter Authority (CDA), and the "*Water Purchase Agreement By, Between and Among City Of Norco and Western Municipal Water District of Riverside County*", dated July 1, 2003, attached hereto as Exhibit "A" (Arlington Desalter Agreement), Norco has the right to receive 4,400 Acre-Feet per Year (AFY) of potable water (less the Home Gardens 400 AFY priority option) from the Arlington Desalter. Among other things, these agreements intend that the Chino-Arlington Desalters System be integrally operated for purposes including the exchange of water between the desalter facilities.
- B. WMWD and Norco respectively own 3,534 and 1,000 AFY of capacity in CDA facilities. WMWD's capacity ownership is part of the Chino Desalter Phase 3 Expansion Project. Following full execution of this MOU by the Parties, Norco will continue to physically receive Potable Water from the Arlington Desalter and physically receive approximately 3,534 AFY from CDA in exchange for WMWD physically receiving approximately 3,534 AFY from the Arlington Desalter instead of CDA.
- C. WMWD has facilitated the preparation of approved plans and specifications that include Turnouts "A" and "B" as shown on those plans for the purpose of connecting the CDA transmission waterline to be constructed in Hamner Avenue to Norco's potable water system to facilitate blending to enable Norco to utilize its water supplies and meet water quality standards.
- D. The Parties desire to enter into this mutually beneficial MOU for purposes of increasing water supply reliability while maintaining water quality in accordance with the Arlington Desalter Agreement (which currently produces 5,400 acre-feet per year of potable water) and avoiding the unnecessary expenditure of capital funds to construct capital facilities otherwise required to physically deliver water to the Parties.

**NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING RECITALS AND FOLLOWING PROVISIONS, THE PARTIES ENTER INTO THE FOLLOWING UNDERSTANDINGS:**

**Section 1. Exchange Water.** Subject to the terms and conditions set forth in this MOU and the provisions of the WMWD/CDA Water Purchase Agreement, WMWD will assign its CDA production right to Norco which will accordingly take delivery of up to 3,534AFY of CDA water in lieu of receiving Potable Water<sup>1</sup> from the Arlington Desalter, and WMWD will take delivery of up to 3,534 AFY of Potable Water from the Arlington Desalter in lieu of receiving 3,534 AFY of water from CDA (collectively, the “Exchange Water”).

**Section 2. Water Price and Payment.** Norco shall pay for the delivery of CDA water at the delivery point specified in this MOU pursuant to the terms and methodology set forth in the Arlington Desalter Agreement as if Norco were continuing to receive water from the Arlington Desalter.

**Section 3. Delivery Point.** Norco shall take delivery of CDA water at existing Arlington Desalter Turnouts (“Delivery Point”). WMWD shall be responsible for the entire cost of constructing additional metering facilities necessary to enable Norco to take its share of Exchange Water at the Delivery Point and as may otherwise be necessary for the respective delivery of Exchange Water to the Parties.

**Section 4. Water Quality and Delivery Schedule.** It is anticipated, based on the operational characteristics of the CDA facilities, that the quality of water delivered to Norco will be equal to or exceed current deliveries, however, in any event the quality of water and schedule for delivery of Exchange Water to Norco shall be subject to the provisions of the WMWD/CDA Water Purchase Agreement.

**Section 5. Arlington Desalter Agreement.** WMWD and Norco commit to exercise best efforts to negotiate a revision to the Arlington Desalter Agreement with the objectives of developing a mutually agreed to administrative overhead budget calculation, capital facilities replacement schedule, accompanying funding plan, and enabling the expansion of the Arlington Desalter to meet regional water demands while fairly allocating the costs therefore based on the respective benefits to the Parties.

**Section 6. Continued Delivery of Arlington Desalter Water to Norco.** Supplemental to its share of Exchange Water, Norco shall continue to receive Potable Water from the Arlington Desalter so that the combined amount of 3,534 AFY of Exchange Water plus supplemental water at least meets the amount Norco is entitled to receive under the Arlington Desalter Agreement.

**Section 7. Exchange Water Delivery Shortfalls.** The Parties shall not be required to provide make-up water to each other in the event of temporary or ongoing shortfalls in their respective deliveries of Exchange Water and neither Party shall be a guarantor to the

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<sup>1</sup> “Potable Water” is defined in the Arlington Desalter Agreement.

other with respect to the quantity or reliability of Exchange Water deliveries. The Parties may, however, elect to enter into understandings for the purpose of increasing or decreasing their respective amounts of Exchange Water, whether in connection with delivery shortfalls, operational considerations or water demands, including for purposes of meeting peak water demands. The Parties shall annually reconcile the amount of Exchange Water and other water deliveries to maximize operational flexibility. The reconciliation process will be used in-lieu of invoicing for the shortfall of water deliveries.

**Section 8. No Revision of Arlington Desalter and CDA-Related Agreements.** Nothing herein shall operate to revise the provisions of the Arlington Agreement or CDA-related agreements involving the Parties, including the rights and obligations of CDA or other parties.

**Section 9. WMWD Assignment of CDA Production.** In accordance with the provisions of Chino Basin Watermaster Resolution No. 2010-04 (Resolution No. 2010-04), WMWD hereby exercises its election to designate Norco for the purpose of assigning WMWD's production of CDA water attributable to the Expansion Project to Norco, which is an Appropriative Pool member of CDA. In accordance with Section 16 (page 10) of Resolution No. 2010-04, the designation of Norco by WMWD as the assignee of WMWD's production will not increase Norco's obligations or benefits to Watermaster or under the Judgment, Peace Agreement and the Peace II Measures.

**Section 10. Promulgating Agreements.** The Parties may determine to enter into one or more agreements for purposes of promulgating provisions of this MOU, or related assignment or other agreements with CDA or other parties in connection with furthering the understandings set forth herein.

By: \_\_\_\_\_

John V. Rossi, General Manager  
Western Municipal Water District

By: \_\_\_\_\_

Andy Okoro, City Manager  
City of Norco

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Lori J. Askew, Director of Public Works 

DATE: October 16, 2013

SUBJECT: Approval of Amendment to the Implementation Agreement for the Santa Ana Region Municipal NPDES Permit - 2010

RECOMMENDATION: Approve the First Amendment to the NPDES Urban Runoff Discharge Permit Implementation Agreement, Santa Ana Region.

**SUMMARY:** The First Amendment to the National Pollutant Discharge Elimination System Urban Runoff Discharge Permit Implementation Agreement Santa Ana Region requires signature by the Mayor in order to have the Agreement executed.

**BACKGROUND/ANALYSIS:** The federal Clean Water Act (CWA) established a national policy designed to help maintain and restore the physical, chemical and biological integrity of the nation's waters. In 1972, the CWA established the National Pollutant Discharge Elimination System (NPDES) permit program to regulate the discharge of pollutants from point sources to receiving waters. In 1987, the CWA was amended directing the United States Environmental Protection Agency (USEPA) to develop permitting regulations for storm water discharges from municipal separate storm sewer systems (MS4) and from industrial facilities, including construction sites. Final regulations were promulgated in November 1990. Prior to that date, the USEPA delegated its regulating authority to states with an approved environmental regulatory program of which California was one. This regulatory authority was delegated to the state's Regional Water Quality Control Boards. The counties of Orange, Riverside and San Bernardino and their incorporated cities, located within the Santa Ana Regional Board's jurisdiction requested and were granted area-wide NPDES MS4 permits. Within the County of Riverside, the Riverside County Flood Control and Water Conservation District (RCFC & WCD) was named as the principal permittee and Riverside County and the incorporated cities were named as co-permittees.

The permit gives guidance and outlines requirements the permittees must follow to promote water quality within their jurisdiction. This includes new development and significant redevelopment for public and private projects in addition to capital improvement projects.

On January 29, 2010 the Regional Board issued the current MS4 Permit to RCFC & WCD, Riverside County and the incorporated Cities. On August 4, 2010 the City of Norco entered into the Agreement to facilitate the administration and implementation of the NPDES Permit. Since that date, the cities of Murrieta and Wildomar have requested and received authority to be removed from the Santa Ana Region and be added to the San Diego Region for all

matters pertaining to MS4 permitting; and the city of Menifee has requested and received authorization to be removed from the San Diego Region and be added to the Santa Ana Region for all matters pertaining to MS4 permitting. In addition, the Cities of Eastvale and Jurupa Valley have been added to the MS4 Permit as additional co-permittees.

It is now required that all co-permittees sign the First Amendment to the Implementation Agreement to memorialize the changes that have taken place regarding the MS4 Permit

FINANCIAL IMPACT: N/A.

lja

Attachment: Implementation Agreement

## FIRST AMENDMENT TO AGREEMENT

National Pollutant Discharge Elimination System  
Urban Runoff Discharge Permit  
Implementation Agreement  
Santa Ana Region  
(Santa Ana Drainage Area)

This First Amendment ("Amendment") to that certain agreement ("Agreement") entered into by and between the RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT ("DISTRICT"), the COUNTY OF RIVERSIDE ("COUNTY"), and the CITIES OF BEAUMONT, CALIMESA, CANYON LAKE, CORONA, EASTVALE, HEMET, LAKE ELSINORE, MENIFEE, MORENO VALLEY, MURRIETA, NORCO, PERRIS, RIVERSIDE, SAN JACINTO and WILDOMAR (individually, "CITY" and collectively, "CITIES") (each of the DISTRICT, COUNTY and CITIES shall be a "PARTY", and collectively, "PARTIES") with respect to establishing the responsibilities of each PARTY concerning compliance with the National Pollutant Discharge Elimination System Urban Runoff Discharge Permit issued by the California Regional Water Quality Control Board - Santa Ana Region ("RWQCB-SAR") pursuant to Order No. R8-2010-0033 ("NPDES Permit"), is entered into by and between the PARTIES and the CITY of JURUPA VALLEY with respect to the following:

### RECITALS

WHEREAS, the RWQCB-SAR issued the NPDES Permit to DISTRICT, COUNTY and CITIES on January 29, 2010; and

WHEREAS, the NPDES Permit designates DISTRICT as the "Principal Permittee", and COUNTY and CITIES as "Co-Permittees"; and

WHEREAS, cooperation between the PARTIES in the administration and implementation of the NPDES Permit is in the best interests of the PARTIES; and

WHEREAS, the PARTIES entered into the Agreement to facilitate the administration and implementation of the NPDES Permit; and

WHEREAS, on July 20, 2010 and July 21, 2010 the CITIES of MURRIETA and WILDOMAR, respectively, pursuant to California Water Code section 13228, requested that the RWQCB-SAR designate the California Regional Water Quality Control Board – San Diego Region ("RWQCB-SDR") as the regulating authority for all portions of those CITIES, regardless of RWQCB jurisdictional boundaries for matters pertaining to MS4 permitting; and

WHEREAS, on July 22, 2010, the CITY of MENIFEE requested that the RWQCB-SDR designate the RWQCB-SAR as the regulating authority for all portions of the CITY, regardless of RWQCB jurisdictional boundaries for matters pertaining to MS4 permitting; and

WHEREAS, on September 28, 2010, the Executive Officers of the RWQCB-SAR and RWQCB-SDR signed Designation Agreements, pursuant to Water Code Section 13228(a), providing (1) the RWQCB-SDR authority to regulate municipal stormwater runoff from the CITIES of MURRIETA and WILDOMAR, including those portions of the CITIES that fall within the RWQCB-SAR geographic jurisdiction; and (2) the RWQCB-SAR the authority to regulate municipal stormwater runoff from all portions of the CITY of MENIFEE, including those portions that are within the RWQCB-SDR geographic jurisdiction; and

WHEREAS, in accordance with the RWQCB-SDR Permit, Order No. R9-2010-0016, the CITIES of MURRIETA and WILDOMAR are required to comply with the applicable provisions of the Santa Ana NPDES MS4 Permit, Order R8-2010-0033, pertaining to implementation of the Nutrient Total Maximum Daily Load (TMDL) for Lake Elsinore and Canyon Lake; and

WHEREAS, Order R8-2010-0033 requires the CITY of MENIFEE to comply

with TMDLs and associated MS4 permit requirements issued by the RWQCB-SDR which include the CITY of MENIFEE as a responsible PARTY; and

WHEREAS, on June 7, 2013 the RWQCB-SAR NPDES Permit Order No. R8-2010-0033 was amended with Order No. R8-2013-0024 to provide for the removal of the CITIES of MURRIETA and WILDOMAR and the addition of the newly incorporated CITIES of EASTVALE and JURUPA VALLEY; and

WHEREAS, the entire jurisdictional areas of the CITIES of MURRIETA and WILDOMAR are now regulated by the RWQCB-SDR with respect to MS4 stormwater discharges ' and are no longer subject to the RWQCB-SAR NPDES Permit except with respect to those CITIES' compliance with the Nutrient TMDL for Lake Elsinore and Canyon Lake; and

WHEREAS, portions of the jurisdictional area of the CITY of MENIFEE were previously under the jurisdiction of the RWQCB-SDR and the entire jurisdictional area of the CITY of MENIFEE is now under the jurisdiction of the RWQCB-SAR.

NOW, THEREFORE, the PARTIES do mutually agree as follows:

1. Removal of CITIES of MURRIETA and WILDOMAR. Upon the Effective Date of this Amendment, the CITIES of MURRIETA and WILDOMAR are no longer subject to the terms of this Agreement except as necessary to meet their respective TMDL obligations (including cost shares for regional TMDL programs paid for through this agreement, timely implementation of Comprehensive Nutrient Reduction Plan programs and requirements, and timely submittal of information needed to satisfy TMDL reporting requirements) and except for where the CITIES of MURRIETA and WILDOMAR wish to participate in other related reports, studies or programs that may be necessary to address the Lake Elsinore and Canyon Lake Nutrient TMDL or other future TMDLs regulating the portion of the CITIES of MURRIETA and WILDOMAR within the RWQCB-SAR jurisdiction.

2. Addition of CITY of JURUPA VALLEY. Upon the Effective Date of this Amendment, the CITY of JURUPA VALLEY is a PARTY under the Agreement and shall be considered a "CITY" for purposes of all duties and responsibilities assigned, and all benefits accruing, to CITIES under the Agreement.

3. Permit Area Amendment. As used in the Agreement, the term "Permit Area" shall include the entire jurisdictional area of the CITY of MENIFEE.

4. Effective Date of Amendment. This Amendment shall become effective on the last date that both (a) duly authorized representatives of PARTIES representing a majority of the percentage contribution set forth in Section 4 of the Agreement and (b) the CITIES of JURUPA VALLEY, MENIFEE, MURRIETA and WILDOMAR sign the Amendment. Each PARTY's vote shall be calculated according to the percentage contribution of each PARTY as described in Section 4 of the Agreement.

5. Budget Responsibility of CITY of JURUPA VALLEY. Upon the Effective Date of the Amendment, the CITY of JURUPA VALLEY shall be responsible for the shared costs discussed in Section 4 of the Agreement for the current and any subsequent budget year.

6. Effectiveness of Agreement. Except as amended herein, all provisions in the Agreement remain in full force and effect.

7. Applicability of Prior Agreements. This Amendment, the Agreement and the exhibits attached hereto constitute the entire Agreement between the PARTIES with respect to the subject matter; all prior agreements, representations, statements, negotiations, and undertakings are superseded hereby.

8. Execution in Counterparts. This Amendment may be executed and delivered in any number of counterparts or copies ("counterpart") by the PARTIES hereto. When each PARTY has signed and delivered at least one counterpart to the other PARTIES

hereto, each counterpart shall be deemed an original and, taken together, shall constitute one and the same agreement, which shall be binding and effective as to the PARTIES hereto.

IN WITNESS WHEREOF, the PARTIES have executed this Amendment on the dates set forth below.

RECOMMENDED FOR APPROVAL:

**RIVERSIDE COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT**

By \_\_\_\_\_  
WARREN D. WILLIAMS  
General Manager-Chief Engineer

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

Date: \_\_\_\_\_

APPROVED AS TO FORM:

ATTEST:

PAMELA J. WALLS  
County Counsel

KECIA HARPER-IHEM  
Clerk of the Board

By \_\_\_\_\_  
Karin Watts-Bazan  
Principal Deputy County Counsel

By \_\_\_\_\_  
Deputy

Date: \_\_\_\_\_

(SEAL)

# CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Andy Okoro, City Manager

DATE: October 16, 2013

SUBJECT: Fiscal Year 2012-2013 Year-End Budget to Actual Report

RECOMMENDATION: Staff recommends that the City Council receive and file the Fiscal Year 2012-2013 Year-End Budget to Actual Report.

**SUMMARY:** Fiscal Year 2012-2013 ended with significant positive financial results for all of the City's Major Operating Funds. Actual revenues exceeded budget amounts while actual expenditures came in below budgets. The combination of improving revenues and better expenditure control resulted in better than expected increase in fund balance for the General Fund and improved working capital for the Water and Sewer Enterprise Funds.

For the Fiscal Year, total actual General Fund revenues of \$15.9 million exceeded the final adopted budget amount of \$15.2 million. Total actual expenditures of \$13.9 million were less than the total adopted budget amount of \$14.2 million. This favorable revenue and expenditure performance resulted in a net increase to overall General Fund balance from \$2.7 million at the beginning of the year to \$4.7 million at the end of the Fiscal Year. Similar to the General Fund, total actual Water Fund revenues of \$9.9 million also exceeded total actual expenditures of \$8.7 million by \$1.2 million. The Sewer Fund financial performance during the year was also positive as total revenues of \$5.5 million exceeded total expenditures of \$4.4 million by \$1 million. For the benefits and information of residents living in Landscape Maintenance District Areas, a schedule of revenues and expenditures for each District is presented.

**BACKGROUND/ANLYSIS:** The City's independent auditors have completed their field-work on the City audit for the Fiscal Year ended June 30, 2013. The Comprehensive Annual Financial Report (CAFR) prepared in accordance with Generally Accepted Accounting Principles (GAAP) will be submitted to the Council at a later date. If Council desires, a Study Session will be scheduled with the independent auditors to further review and discuss the CAFR with the City Council. At this time, staff is presenting this important report as information to show how the various Operating Funds performed relative to the adopted budget for the Fiscal Year 2012-2013.

## **FY 2012-2013 General Fund Revenue Performance**

Attachment 1 is a schedule showing General Fund budget to actual data for the Fiscal Year ended June 30, 2013. For the Fiscal Year, total actual revenues were higher than budget by \$729,433. This net favorable revenue performance was mainly from the following:

1. **Property Tax:** Actual property tax receipts during the Fiscal Year were higher than budget by \$234,682 primarily due to un-budgeted additional receipt of \$172,359 from the distribution of the redevelopment fund balance and higher than anticipated pass-through receipts from the County. The receipt of \$172,359 is a one-time revenue item.
2. **Sales Tax:** City's actual sales tax receipts during the Fiscal Year exceeded budget by \$73,192 due to better than anticipated growth in sales tax. Total Fiscal Year 2012-2013 sales tax receipts of \$4,845,403 were \$492,357 higher than \$4,353,046 collected in Fiscal Year 2011-2012. This trend appears to show that the City's sales tax revenue is continuing to recover from the effects of the recent recession.
3. **Community Development Fees:** Community development fees include planning, building and engineering fees. During the year, actual revenue receipts from these sources exceed budget by \$214,699. The bulk of the increase was due to better than anticipated increase in building activities.
4. **Community Services and Recreation Fees:** Community Services and Recreation revenue, which primarily consists of fees charged for recreational activities and facilities use, is another revenue category where actual receipts exceeded budget. The positive budget variance of \$41,114 was mainly from charges for services associated with youth sports and the rental of various facilities.

#### **General Fund Expenditures**

Total General Fund expenditures for the Fiscal Year were below budget by \$342,144. This net savings was achieved through successful expenditure control throughout the Fiscal Year beyond the reductions that were already incorporated into the Fiscal Year 2012-2013 adopted budget. Noticeable savings were realized in Sheriffs', Non-Departmental, Youth & Teen, Code Enforcement and Fire divisions/departments. Savings from these divisions were offset by slight budget over expenditure in Building Safety, Engineering, Animal Control and Fiscal and Support Services.

Savings in the Sheriff's Department came from lower than anticipated expenditures for law enforcement contract overtime and contract rates. Similarly, savings in the Fire Department came from lower than expected spending for fire protection and medical emergency contract services. Non-Departmental expenditure savings came from lower spending for contractual services needed to support the Successor Agency. Expenditure savings were also realized in the Youth and Teen Program due to lower demand for services.

#### **General Fund (Fund Balance)**

The fund balance at the beginning of the Fiscal Year was \$2.7 million (see attachment 2). During the Fiscal Year, total revenues exceeded total expenditures by \$2.0 million resulting in ending fund balance of \$4.7 million as of June 30, 2013. It is to be noted that the Fiscal Year 2013-2014 adopted budget relies on the use of \$381,147 of this fund

balance to balance the budget. The existing City resolution requires that 25 percent of total General Fund expenditures be maintained as reserve for emergency. For Fiscal Year 2013, total General Fund expenditures were about \$14 million. This would translate into \$3.5 million being maintained as emergency reserve. Even after adjusting the \$4.7 million for the \$381,147 estimated amount to balance the current year's budget; the fund balance would be \$4.3 million.

**Special Asset Revenue Fund:** At the time the Fiscal Year 2012-2013 budget was being put together, there were many unanswered questions regarding the direction of the economy and the impact of the dissolution of the Redevelopment Agency on the City's General Fund. Consequently, General Fund revenues were projected very conservatively. In order to balance the budget, staff requested that \$500,000 be transferred to the General Fund to help balance the budget. With the General Fund's significant positive financial performance aided by one-time revenues from the dissolution of the Redevelopment Agency, staff would suggest that the \$500,000 transferred from the Special Asset Revenue Fund be returned back to that Fund. If there is no objection by the City Council, a formal recommendation will be included in the Mid-Year Budget Amendment report.

### **Other Operating Funds**

Attachment 1 also provides a summary of revenues and expenditures for other Operating Funds. Other Operating Funds included in this report are Water, Sewer, Gas Tax, NPDES and Miscellaneous Grants.

### ***Water Fund***

During the Fiscal Year, total actual Water Fund revenues were \$9.9 million compared to a budget amount of \$9.6 million for a favorable revenue performance of \$0.4 million. Total actual operating expenses were \$8.7 million compared to budget amount of \$8.8 million. Overall, total actual Water Fund revenues exceed total actual expenditures by \$1.2 million. This good financial result of the Water Fund is directly attributable to less expense on purchased water. For the first time in more than 10 years, the total cost of purchased water went down from the previous year even though the unit cost of purchased water has continued to rise. This remarkably achievement was made possible by less reliance on imported water. During the year, the City was able to produce more well water which allowed for the sale of some of the City's required allocation of imported to the City of Corona. As a result of this \$1.2 million favorable budget performance during Fiscal Year 2012-2013; the Water Fund working capital cash balance as of June 30, 2013 was \$463,605. This is the first time in more than 10 years that the City's Water Fund ended the fiscal year with a positive cash balance. For more details regarding the Water Fund, please refer to Attachment 3.

Notwithstanding the positive results achieved in Fiscal Year 2012-2013, the financial future of the Water Fund still remains challenging. The average per acre foot cost of purchased water is continuing to rise and there are needs to set aside fund for future capital improvements. Even though past rate resolutions require annual set aside for capital improvements, it is still not possible to do so due the need to first build working capital cash.



**City of Norco  
Budget to Actual Report  
For the Fiscal Year Ended June 30, 2013**

	Amended Budget	Year-end Projection	FY 2013 Actual	Variance Budget to Actual	Variance Actual to Year-end Projection
<b>GENERAL FUND</b>					
<b>REVENUES:</b>					
Property Taxes	\$ 1,663,786	1,869,909	1,898,468	234,682	28,559
Sales taxes	4,772,211	4,781,996	4,845,403	73,192	63,407
Motor Vehicle License Fees	1,974,291	1,971,031	1,974,292	1	3,261
Other Taxes	803,470	799,303	828,120	24,650	28,817
Franchise Fees	1,009,000	1,009,503	1,021,833	12,833	12,330
Intergovernmental	144,461	154,461	158,265	13,804	3,804
Fines and Penalties	55,000	72,000	101,287	46,287	29,287
Interest/Lease Income	551,959	547,959	550,354	(1,605)	2,395
Community Development Fees	382,711	352,762	597,410	214,699	244,648
Community Services/Recreation	683,564	667,747	724,678	41,114	56,931
Other Revenues	1,124,136	1,151,308	1,197,915	73,779	46,607
Administrative Overhead/Operating Transfers	2,002,704	1,995,236	1,998,701	(4,003)	3,465
<b>Total Revenues</b>	<b>\$15,167,293</b>	<b>15,373,215</b>	<b>15,896,726</b>	<b>729,433</b>	<b>523,511</b>
<b>EXPENDITURES:</b>					
City Council	\$ 97,466	93,180	96,289	1,177	(3,109)
City Attorney	220,000	211,000	214,071	5,929	(3,071)
City Clerk	212,503	212,410	212,245	258	165
City Manager	251,941	252,068	247,055	4,886	5,013
Economic Development	81,857	73,201	76,244	5,613	(3,043)
Code Enforcement	76,070	50,381	46,220	29,850	4,161
Recreation	738,323	725,776	719,858	18,465	5,918
Youth & Teen	282,417	254,810	224,946	57,471	29,864
Park Maintenance	641,793	638,078	629,144	12,649	8,934
Senior Citizens	135,684	148,210	137,389	(1,705)	10,821
Building Maintenance	319,043	359,640	336,891	(17,848)	22,749
Animal Control	613,538	631,597	638,144	(24,606)	(6,547)
Community Development	250,374	239,238	236,274	14,100	2,964
Building & Safety	185,760	173,650	210,190	(24,430)	(36,540)
Engineering	153,678	176,804	178,080	(24,402)	(1,276)
Inspection	32,105	52,144	32,266	(161)	19,878
Parkway Maintenance	53,999	31,308	50,044	3,955	(18,736)
Fire Department	3,263,701	3,280,256	3,207,888	55,813	72,368
Norco Animal Rescue Team	-	-	6,055	(6,055)	(6,055)
Sheriff Department	4,303,848	4,301,872	4,139,008	164,840	162,864
Citizens on Patrol	15,356	23,541	28,688	(13,332)	(5,147)
Crossing Guards	56,589	56,589	55,617	972	972
Fiscal and Support Services	594,686	584,446	607,366	(12,680)	(22,920)
Non-Departmental	1,660,079	1,599,850	1,568,694	91,385	31,156
<b>Total Expenditures</b>	<b>\$14,240,810</b>	<b>14,170,049</b>	<b>13,898,666</b>	<b>342,144</b>	<b>271,383</b>
Revenues Over (Under) Expenditures	\$ 926,483	1,203,166	1,998,060	1,071,577	794,894
<b>WATER FUND (See Attachment 3)</b>					
Revenues	\$ 9,555,916	9,644,257	9,927,560	371,644	283,303
Expenditures	8,757,776	8,720,853	8,707,667	50,109	13,186
Revenues Over (Under) Expenditures	\$ 798,140	923,404	1,219,893	421,753	296,489
<b>SEWER FUND (See Attachment 4)</b>					
Revenues	\$ 5,339,590	5,540,296	5,476,970	137,380	(63,326)
Expenditures	4,644,033	4,572,201	4,431,514	212,519	140,687
Revenues Over (Under) Expenditures	\$ 695,557	968,095	1,045,456	349,899	77,361
<b>GAS TAX</b>					
Revenues	\$ 719,124	633,835	622,028	(97,096)	(11,807)
Expenditures	863,397	508,435	511,912	351,485	(3,477)
Revenues Over (Under) Expenditures	\$ (144,273)	125,400	110,116	254,389	(8,330)
<b>NPDES FUND</b>					
Revenues	\$ 89,200	89,200	88,710	(490)	(490)
Expenditures	106,010	97,011	95,093	10,917	1,918
Revenues Over (Under) Expenditures	\$ (16,810)	(7,811)	(6,383)	10,427	1,428
<b>MISCELLANEOUS GRANTS</b>					
Revenues	\$ 341,461	327,452	335,623	(5,838)	8,171
Expenditures	341,461	327,452	335,623	5,838	(8,171)

City of Norco, California  
General Fund - Fund Balance  
As of June 30, 2013

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Audited Beginning Balance, June 30, 2012	\$ 2,723,125
Actual Revenues, Fiscal Year 2012-2013	15,896,726
Actual Expenditures, FY 2012-2013	<u>(13,898,666)</u>
Subtotal	4,721,185
Amount Applied to Balance FY 2013-2014 Budget	<u>(381,147)</u>
Fund Balance	<u>\$ 4,340,038</u>

**City of Norco, California**  
**Water Fund Statement of Revenues & Expenses**  
**For the Fiscal Year Ended June 30, 2013**

	<b>FY 2013 Amended Budget</b>	<b>FY 2013 Actuals</b>	<b>Variance</b>
<b>Operating Revenues:</b>			
Charges for Water Services	\$ 9,502,916	\$ 9,897,642	394,726
Interest Income	18,000	12,464	(5,536)
Miscellaneous	35,000	17,454	(17,546)
Total Revenues	9,555,916	9,927,560	371,644
<b>Expenses:</b>			
Salaries and Benefits	\$ 1,002,570	886,479	(116,091)
Operating Supplies, Services, Maintenance & Rentals	294,209	348,387	54,178
Water Purchases, Production and Utilities	5,605,000	5,494,989	(110,011)
Overhead & Reimbursements to Other Funds	489,439	497,768	8,329
Contractual Services	133,068	140,411	7,343
Debt Service Payments	1,070,986	983,909	(87,077)
Miscellaneous	-	33,528	33,528
Computer, Vehicle Operations & Replacement Charges	137,504	137,504	-
Self Insurance Settlements	25,000	184,692	159,692
Total Expenses	8,757,776	8,707,667	(50,109)
Revenues Over (Under) Expenses	\$ 798,140	\$ 1,219,893	421,753

**City of Norco, California**  
**Sewer Fund Statement of Revenues & Expenses**  
**For the Fiscal Year Ended June 30, 2013**

	<b>FY 2013 Amended Budget</b>	<b>Actuals at June 30, 2013</b>	<b>Variance</b>
<b>Operating Revenues:</b>			
Charges for Sewer Services	\$ 5,318,590	\$ 5,465,707	147,117
Interest Income	20,500	10,263	(10,237)
Miscellaneous	500	1,000	500
Total Revenues	5,339,590	5,476,970	137,380
<b>Operating Expenses:</b>			
Salaries and Benefits	600,762	540,163	(60,599)
Operating Supplies, Services and Rentals	75,909	41,313	(34,596)
Utilities	38,000	33,777	(4,223)
Contractual Services	1,696,341	1,555,707	(140,634)
Debt Service Payments	1,797,529	1,793,580	(3,949)
Overhead & Reimbursement to Other Funds	327,223	333,343	6,120
Computing, Vehicle Operations and Replacement	108,269	108,269	-
Miscellaneous	-	25,362	25,362
Total Operating Expenses	4,644,033	4,431,514	(212,519)
Revenues Over (Under) Expenses	\$ 695,557	\$ 1,045,456	349,899

**City of Norco, California**  
**Landscape Maintenance District Revenues & Expenses**  
**For the Fiscal Year Ended June 30, 2013**

	FY 2013 Amended Budget	FY 2013 Actuals	Variance
<b>Landscape Maintenance District #1</b>			
Revenues:			
Assessments	\$ 9,239	8,549	(690)
Interest Income	-	6	6
Total Revenues	<u>9,239</u>	<u>8,555</u>	<u>(684)</u>
Expenditures:			
Observation	900	951	51
Water Charges	1,700	2,451	751
Electricity Charges	170	-	(170)
Telephone Charges	-	207	207
Landscape Maintenance	2,779	2,724	(55)
Contractual	1,400	1,436	36
Administrative Overhead	1,400	1,400	-
Admin Fees-Property Taxes	150	138	(12)
Incidentals	290	-	(290)
Operating Contingency	315	-	(315)
Total Expenditures	<u>9,104</u>	<u>9,307</u>	<u>203</u>
Revenues Over (under) Expenditures	<u>\$ 135</u>	<u>(752)</u>	<u>(887)</u>
<b>Beginning Fund Balance July 1, 2012</b>		<b>\$ 17,795</b>	
<b>Ending Fund Balance June 30, 2013</b>		<b>17,213</b>	
<b>Landscape Maintenance District #2</b>			
Revenues:			
Assessments	\$ 124,772	131,451	6,679
Interest Income	-	(30)	(30)
Total Revenues	<u>124,772</u>	<u>131,421</u>	<u>6,649</u>
Expenditures:			
Observation	3,179	4,757	1,578
Trail Maintenance	17,000	276	(16,724)
Water Charges	38,000	47,968	9,968
Electricity Charges	5,000	5,357	357
Telephone Charges	219	262	43
Landscape Maintenance	32,759	45,632	12,873
Wet Lands Area	1,000	-	(1,000)
Park Maintenance	9,248	-	(9,248)
Contractual	2,500	980	(1,520)
Administrative Overhead	14,133	14,133	-
Admin Fees-Property Taxes	230	215	(15)
Incidentals	216	-	(216)
Operating Contingency	1,288	-	(1,288)
Total Expenditures	<u>124,772</u>	<u>119,580</u>	<u>(5,192)</u>
Revenues Over (under) Expenditures	<u>\$ -</u>	<u>11,841</u>	<u>11,841</u>
<b>Beginning Fund Balance July 1, 2012</b>		<b>\$ (45,807)</b>	
<b>Ending Fund Balance June 30, 2013</b>		<b>(33,967)</b>	

**City of Norco, California**  
**Landscape Maintenance District Revenues & Expenses**  
**For the Fiscal Year Ended June 30, 2013**

	FY 2013 Amended Budget	FY 2013 Actuals	Variance
<b>Landscape Maintenance District #3</b>			
Revenues:			
Assessments	\$ 79,621	74,495	(5,126)
Interest Income	-	27	27
Total Revenues	79,621	74,522	(5,099)
Expenditures:			
Observation	2,830	3,806	976
Trail Maintenance	5,750	4,145	(1,605)
Water Charges	29,000	30,866	1,866
Electricity Charges	2,100	2,067	(33)
Telephone Charges	59	53	(6)
Landscape Maintenance	27,857	28,674	817
Contractual	2,000	883	(1,117)
Administrative Overhead	8,639	8,639	-
Admin Fees-Property Taxes	155	145	(10)
Incidentals	91	-	(91)
Operating Contingency	1,140	-	(1,140)
Total Expenditures	79,621	79,278	(343)
Revenues Over (under) Expenditures	\$ -	(4,756)	(4,756)

Beginning Fund Balance July 1, 2012	\$	75,713
Ending Fund Balance June 30, 2013		70,958

**Landscape maintenance District #4**

Revenues:			
Assessments	\$ 482,722	477,769	(4,953)
Interest Income	-	150	150
Total Revenues	482,722	477,919	(4,803)
Observation	5,000	6,660	1,660
Trail Maintenance	70,747	49,051	(21,696)
Tree Replacement	5,000	285	(4,715)
Water Charges	135,000	88,414	(46,586)
Electricity Charges	57,000	51,882	(5,118)
Telephone Charges	492	614	122
Landscape Maintenance	117,757	133,502	15,745
Natural Open Space	11,000	2,986	(8,014)
Wet Lands Area	5,000	-	(5,000)
Contractual	3,600	7,652	4,052
Administrative Overhead	26,647	26,647	-
Admin Fees-Property Taxes	382	377	(5)
Incidentals	130	-	(130)
Operating Contingency	19,967	-	(19,967)
French Drain Project	240,444	218,436	(22,008)
Total Expenditures	698,166	586,506	(111,660)
Revenues Over (Under) Expenditures	(215,444)	(108,587)	106,857

Beginning Fund Balance July 1, 2012	\$	336,854
Ending Fund Balance June 30, 2013		228,267

**City of Norco, California**  
**Landscape Maintenance District Revenues & Expenses**  
**For the Fiscal Year Ended June 30, 2013**

	<b>FY 2013 Amended Budget</b>	<b>FY 2013 Actuals</b>	<b>Variance</b>
<b>Landscape maintenance District #5</b>			
<b>Revenues:</b>			
Assessments	\$ 46,438	45,358	(1,080)
Interest Income	-	27	27
<b>Total Revenues</b>	<b>46,438</b>	<b>45,385</b>	<b>(1,053)</b>
<b>Expenditures:</b>			
Observation	1,800	2,854	1,054
Trail Maintenance	7,080	4,627	(2,453)
Water Charges	8,500	9,521	1,021
Electricity Charges	400	-	(400)
Telephone Charges	67	61	(6)
Landscape Maintenance	15,274	14,688	(586)
Contractual	2,500	773	(1,727)
Administrative Overhead	8,214	8,214	-
Admin Fees-Property Taxes	139	129	(10)
Incidentals	191	-	(191)
Operating Contingency	2,273	-	(2,273)
<b>Total Expenditures</b>	<b>46,438</b>	<b>40,867</b>	<b>(5,571)</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$ -</b>	<b>4,518</b>	<b>4,518</b>
 <b>Beginning Fund Balance July 1, 2013</b>		<b>\$ 57,053</b>	
<b>Ending Fund Balance June 30, 2013</b>		<b>61,573.00</b>	

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

DATE: October 16, 2013

SUBJECT: Discussion Regarding the Sheriff's Department / City Towing Company Tow Rotation Policy

RECOMMENDATION: No staff recommendation.

**SUMMARY:** On August 7, 2013, the City Council of the City of Norco adopted Administrative Policy Statement No. 609 which outlines the rules that all tow companies must meet in order to be added or retained in the Sheriff's Department's Tow Services Rotation List for use within the City of Norco (the "Tow Services Rotation List"). At its meeting held on October 2, 2013, the City Council unanimously voted to place a discussion on the agenda regarding the adopted Sheriff's Department / City Towing Company Tow Rotation Policy.

**BACKGROUND/ANALYSIS:** On August 7, 2013, the City Council of the City of Norco adopted Administrative Policy Statement No. 609 which outlines the rules that all tow companies must meet in order to be added or retained in the Sheriff's Department's Tow Services Rotation List for use within the City of Norco ("the Tow Services Rotation List"). The provisions of the Administrative Policy are in addition to the provisions of the approved Tow Service Agreement with the California Highway Patrol and approved Tow Service Agreement with the Riverside County Sheriff Department/Jurupa Valley Station.

Following the adoption of the Policy, staff reviewed City records for each tow company to identify any actions required from them in order to meet the requirements of the Administrative Policy. Letters (along with a copy of the Administrative Policy Statement) were then sent to, and received by, six (6) towing companies that are currently on the Sheriff's Department Tow Services Rotation List. The purpose of the letter was to inform each company on the Rotation List the provisions of the new Council Policy and the specific action they were required to take in order to remain on the Tow Services Rotation List. The provisions of the Administrative Policy will be effective 90 days from the date they were approved by the City Council. The City and the Sheriff's Department will begin enforcing these rules on November 6, 2013.

Outlined below are some of the key provisions of Administrative Policy No. 609:

1. Tow companies must have a signed and approved Tow Service Agreement with the California Highway Patrol and must be in good standing.
2. Tow companies must have a signed and approved Tow Service Agreement with the Riverside County Sheriff's Department / Jurupa Valley Station and must be in good standing.

3. Tow companies added to the rotation will maintain an office within the City limits of Norco, open to the public and a storage yard likewise within the City limits, where, unless otherwise directed by the owner or person in charge of the vehicle, they will store vehicles which were towed from within the City.
4. Tow companies must be in compliance with local ordinances, regulations, conditions of applicable Conditional Use Permits, and possess a valid City of Norco business license to remain on the Tow Rotation List.

Based on the review of City records, the following findings were noted;

1. One tow company does not have a properly approved City Council Conditional Use Permit. However, this tow company is allowed to operate in the City due to other mitigating circumstances. This company was notified that their continued operation in the City will be subject to compliance with the Norco Municipal Code or other restrictions that they City may impose.
2. Two tow companies were determined as not having office or storage facilities in Norco. They were told that they will be removed from the Sheriff's Rotation List unless they comply with the provisions of the Administrative Policy.
3. One tow company was determined as not being in compliance with the Site Plan approved by the City because this company stored unauthorized large vehicles at the site.
4. One tow company was determined as not having complied with requirements of the Conditional Use Permit (CUP) issued by the City because this company has not completed all of the on-site and off-site improvements required by their CUP.
5. One tow company was determined as being in compliance with all of its CUP requirements.

As City Council re-considers the provisions of the Administrative Policy it adopted on August 7, 2013, it is important to note that the City has very limited locations available that meet the City's requirements for use as vehicle storage facilities. This presents a challenge for any new tow company wishing to locate in the City.

FISCAL IMPACT: None.

Attachment: Administrative Policy No. 609



## CITY OF NORCO ADMINISTRATIVE POLICY STATEMENT

**SUBJECT:** SHERIFF'S DEPARTMENT / CITY TOWING COMPANY TOW ROTATION POLICY

**POLICY NUMBER:** 609

**DATE ISSUED:** August 7, 2013

**PURPOSE:** The purpose is to establish a policy for the City of Norco's Tow Rotation List.

**GENERAL POLICY:** The City of Norco has established an Administrative Policy for the City's Tow Rotation List. This policy will outline how City staff and Sheriff's staff utilize the Tow Rotation List. This policy will also include provisions that the City of Norco requires for a tow company to be added to the Tow Rotation List.

In order for a tow company to be added onto the City's Tow Rotation List, tow companies must adhere to and accept the terms outlined in this Administrative Policy.

The overall processes for a tow company to be selected for the Tow Rotation List, is the sole responsibility of the Riverside County Sheriff's Department's Jurupa Valley Station. Any tow company requesting to be added to the City of Norco's Tow Rotation List, must first meet all of the requirements set forth by the Jurupa Valley Station's Commander or his/her designee. If at any time during the contract period, any tow company fails to meet all provisions of all applicable Tow Service Agreements (TSA), the Commander of the Jurupa Valley Station or his/her designee, reserves the right to remove or suspend the tow company or storage facility from the Tow Rotation List.

The tow company and all employees are bound by the provisions set forth in the Tow Service Agreements. The tow company understands that to be placed on and remain on the Tow Rotation List, the tow company accepts the conditions of the Tow Service Agreements, and the tow company accepts responsibility for the actions of its owner(s), agent(s), employees, and tow truck passengers as they relate to the Tow Service Agreements and do so with the full understanding that inclusion on the Tow Rotation List is voluntary and a discretionary privilege extended by the Commander of the Jurupa Valley Station or his/her designee and is not a legal right. Failure of the tow company, the owner(s), employees or staff members to comply with all provisions of the Tow Service Agreements with the California Highway Patrol, the Riverside County Sheriff's Department / Jurupa Valley Station and the City of Norco are cause for the tow company to be removed from the Tow Rotation List. Being placed on the Tow Rotation List is a privilege and not a right.

The provisions listed in this Administrative Policy are to be added as an addendum Tow Service Agreement to the Riverside County Sheriff's Department/Jurupa Valley Station's Tow Service Agreement. The provisions are as follows:

- a. Tow companies must have a signed and approved Tow Service Agreement with the California Highway Patrol and must be in good standing.
- b. Tow companies must have a signed and approved Tow Service Agreement with the Riverside County Sheriff's Department / Jurupa Valley Station and must be in good standing.

- c. Tow companies added to the rotation will maintain, within the City limits of Norco, an office open to the public and a storage yard where, unless otherwise directed by the owner or person in charge of the vehicle, they will store vehicles which were towed from within the City.
- d. Tow companies must be in compliance with local ordinances, regulations, conditions of applicable Conditional Use Permits, and possess a valid City of Norco business license to remain on the Tow Rotation List.
- e. When any vehicle has been ordered towed or impounded by a City or Sheriff's employee during the course and scope of their duties and it is later learned that the vehicle should not have been towed or stored, the tow company will be entitled to reimbursement from the City or Sheriff's Department for 50% of the tow rate as listed in the California Highway Patrol Tow Service Agreement. The tow company will not be entitled to reimbursement of storage or any other costs.
- f. Tow companies are subject to all fines, penalties, suspensions, and revocations as set forth in the California Highway Patrol's Tow Service Agreement, the Riverside County Sheriff's Department / Jurupa Valley Station's Tow Service Agreement and the City of Norco's Tow Service Agreement.
- g. If at any time the tow company fails to meet all the requirements of all applicable Tow Service Agreements, the Commander of the Jurupa Valley Station or his/her designee reserve the right, to remove or suspend the tow company or storage facility from the Tow Rotation List.
- h. The City of Norco will be notified when a tow company submits an application requesting to be added onto the City of Norco's Tow Rotation List. No action shall be taken until the City Manager has reviewed the proposed action by the Commander of the Jurupa Valley Station.
- i. The City of Norco will be notified if a tow company is going to be suspended or removed from the City of Norco's Tow Rotation List. No action shall be taken until the City Manager has reviewed the proposed action by the Commander of the Jurupa Valley Station.

In addition; the City has an Abandon Vehicle Abatement Program and will be requesting towing and storage services. City staff will utilize the Tow Rotation List established by Sheriff's staff. The Tow Rotation List will be completed annually by Sheriff's staff and will be provided for City use. The Tow Rotation list will be effective from July 1<sup>st</sup> through June 30<sup>th</sup> of the following year.

At the discretion of the Commander of the Jurupa Valley Station, or his/her designee, there will be times when the Tow Rotation List will not be used in the order stated on the Tow Rotation List. For example, such as special events or programs that may require the towing of numerous vehicles in a specific time allotment.

City Manager \_\_\_\_\_

Date August 12, 2013