



AGENDA  
CITY OF NORCO  
CITY COUNCIL  
SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY

November 6, 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 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: Mayor Azevedo

PLEDGE OF ALLEGIANCE: Mayor Pro Tem Hanna

INVOCATION: Beacon Hill Assembly of God  
*Pastor Rene Parish*

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 16, 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. Amendment No. 1 to the Chino Desalter Authority Operation and Maintenance Agreement. **Recommended Action: Approve Amendment No. 1 to the Chino Desalter Authority (“CDA”) Operation and Maintenance Agreement, subject to non-substantive changes, and approval by all CDA member agencies; and authorize the City Manager to execute the Amendment.** (Water & Sewer Manager)
  - D. Approval of the Supplemental Agreement for the 2013-2014 Community Development Block Grant Program Year. **Recommended Action: Approve the Supplemental Agreement for the 2013-2014 Community Block Grant Program Year.** (Parks, Recreation and Community Services Director)
  - E. Approval of an Agreement for the Repayment of a State Revolving Fund Loan between the City of Norco and Western Riverside County Regional Wastewater Authority (“WRCRWA”). **Recommended Action: Approve the Agreement between WRCRWA and its Member Agencies for the repayment of a State Revolving Fund Loan.** (Water/Sewer Manager)
3. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR:
  4. CITY COUNCIL DISCUSSION / ACTION ITEM:
    - A. Appointment to Fill One Unscheduled Vacancy on the Planning Commission. **Recommended Action: Staff recommends that the City Council make one appointment to the Planning Commission to fill the term through June 2015.** (City Clerk)
    - B. Discussion Regarding the Navy Sign and Storage Units Located on the Property of the Naval Surface Warfare Center. **Recommended Action: City Council direction.** (City Council)
    - C. Discussion Regarding Public Official Use of City Letterhead. **Recommended Action: Staff recommends that the City Council discuss this item and further recommends that an Administrative Policy be drafted addressing the use of public resources, including provisions and restrictions regarding City Council Member use of City Letterheads.** (City Manager)

5. CITY COUNCIL PUBLIC HEARINGS:

- A. **Code Change 2013-05:** Ordinance Replacing Title 15, Chapter 15.09 (Fire Code) of the Norco Municipal Code.

*The proposed ordinance will adopt and amend the 2013 edition of the California Fire Code, which is based on the 2012 International Fire Code and replace Chapter 15.09 (Fire Code) of the Norco Municipal Code in its entirety.*

**Recommended Action: Adopt Ordinance No. 696 for first reading.**  
(Fire Chief)

- B. **General Plan Amendment 2013-01A (City of Norco):** A City-initiated proposal to update the Housing Element for the 2014-2021 Housing Cycle.

**Zone Code Amendment 2013-15 (City):** A City-initiated proposal to amend the Housing Development Overlay (HDO) Zone Density Allowances in accordance with General Plan Amendment 2013-01A (Housing Element Update).

*The Housing Element is one of the seven state-mandated General Plan elements and is subject to detailed statutory requirements regarding its content. It must be updated regularly within cycles set by the State Department of Housing and Community Development (HCD) and is the only General Plan element subject to mandatory review by a state agency. The Planning Commission reviewed General Plan Amendment 2013-01A and Zone Code Amendment 2013-15 at its October 9<sup>th</sup> meeting and recommended approval.*

**Recommended Action: Adopt Resolution No. 2013-62, approving General Plan Amendment 2013-01A updating the General Plan Housing Element for the 2014-2021 housing cycle; and adopt Ordinance No. 697 for first reading approving Zone Code Amendment 2013-15 to adjust the density allowances within the Housing Development Overlay (HDO) zone in accordance with the General Plan Housing Element 2014-2021 update.** (Planning Director)

- C. **Code Change 2013-04 (S&S Venues, CA LLC):** A request to change Chapter 9.24 (Gaming) of Title 9 of the Norco Municipal Code to allow mini-satellite off-track pari-mutuel wagering for horse races as an ancillary use to an otherwise permitted full-service restaurant in accordance with the requirements of the California Horse Racing Act as regulated by the California Horse Racing Board.

*The project is a request for a Code Change to allow a mini-satellite off-track wagering facility as an ancillary facility to a restaurant that has already been approved by the Planning Commission. The Norco Municipal Code (NMC) currently does not allow wagering so the Code Amendment is needed for the restaurant project to move forward as approved.*

**Recommended Action: Adopt Ordinance No. 698 for first reading.**(Planning Director)

6. PUBLIC COMMENTS OR QUESTIONS - THIS IS THE TIME WHEN PERSONS IN THE AUDIENCE WISHING TO ADDRESS THE CITY COUNCIL REGARDING MATTERS NOT ON THE AGENDA MAY SPEAK. PLEASE BE SURE TO COMPLETE THE CARD IN THE BACK OF THE ROOM AND PRESENT IT TO THE CITY CLERK SO THAT YOU MAY BE RECOGNIZED.

7. CITY COUNCIL / SUCCESSOR AGENCY CONSENT ITEM:

- A. Approval of a Right of Entry and License Agreement with Riverside County Flood Control and Water Conservation District to Enter Upon and Use the Property Known as APNs 119-020-015 & 022 for the Purpose of Obtaining Access and Installing Sideslopes to Facilitate and Complete Construction of the North Norco Channel, Stage 10 Project.  
**Recommended Action: Approve the Right of Entry and License Agreement.** (Executive Director)

8. CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS:

9. ADJOURNMENT:

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

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

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



MINUTES  
CITY OF NORCO  
CITY COUNCIL

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: Mayor Azevedo called the meeting to order at 6:03 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 54956.8 – 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): **City Attorney Harper stated that there were no reportable actions resulting from the item discussed in Closed Session. Mayor Azevedo stated that the City Attorney performance review will be continued.**

PLEDGE OF ALLEGIANCE: Council Member Bash

INVOCATION:

Grace Fellowship Church  
*Pastor Vernie Fletcher*

PRESENTATIONS:

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

**A proclamation was presented to representatives of the Corona-Norco Unified School District and the individuals further provided information regarding the festivities held during Red Ribbon Week.**

American Cancer Society

**The Chairman of Norco Relay for Life 2014 was in attendance and provided information regarding the event. She requested a proclamation from the City Council for this year's event.**

Legislative Update

**Mario Herrera, representing Assemblyman Eric Linder, provided an update on AB401 and SB359, both relieving traffic and bringing jobs in to the Inland Empire. He further commented on the Inland Empire being a hub for trucking, noting that Sacramento has imposed regulations for these hubs to come into compliance.**

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 it was approved to begin the planning for rail service from the Coachella Valley to Riverside.
- Reported that on December 11, 2013, the ground breaking ceremony for the 91 Freeway Expansion Project will be held.
- Reported on the Northwest Mosquito Abatement District meeting he attended, noting that three (3) birds have tested positive for West Nile in Riverside County.
- Reported that NART has purchased new equipment, adding that there are two (2) new members.
- Reported that he attended a meeting with the County to discuss gourmet food trucks, noting that the County is proposing a resolution to control the food trucks. He added that Norco will also need to discuss this to prevent taking patrons away from the local businesses.

**Council Member Bash:**

- Reported on the November 2, 2013 Gala event that will be held celebrating the 125-year history of the Corona Norco Unified School District. He further encouraged support for the Districts educational foundation.
- Reported on the meeting to be held on October 24<sup>th</sup> at Norco High School regarding the Corona-Norco Unified School District Board of Education Trustee Area proposed maps.

- Commented on the ROTC program at Norco High School and requested a proclamation honoring Lt. Col. Kenneth M. Francis at the next meeting.

**Mayor Azevedo:**

- Reported on the WRCOG meeting she attended, noting the key note speaker from AT&T that spoke regarding accidents caused by using cell phones while driving. She further commented on the WRCOG HERO Program, noting the high participation in this Program, adding that Norco has over 300 homes that have participated in the Program.
- Reported on the City's 50<sup>th</sup> Birthday celebration meeting held, noting that there were approximately 50 persons in attendance representing City organizations.

CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS (Agenda Item moved by Mayor Azevedo):

City Manager Okoro presented information regarding the following updates:

**Silverlakes Equestrian & Sports Park:**

- The plan was to have the Balboa project developer at this meeting to provide an update, but because there is nothing substantial to report, they are not in attendance.
- The documents relevant to the project were approved by the City Council on July 6, 2011 between Balboa Management Group, LLC and the City.
- The Ground Lease lays out the terms and conditions for Balboa's lease from the City. The original term of the Lease calls for 30 years, with the option to renew for 13, 5-year additional terms, up to 99 years in total. The Lease payments are set initially at \$396,480 annually and paid monthly. The Lease payment escalates at the beginning of years 6, 16, 26 and every five years thereafter, depending on the CPI in the previous 5 year payment period. The Lease payments began on January 1, 2012 and have all been made through September of 2013. To this date, including the security deposit amount of \$198,240, and the \$33,040 in monthly payments received, a total of \$892,080 has been received from Balboa.
- The Funding, Construction & Acquisition Agreement outlines how the City's on-site improvements will be funded, constructed and reimbursed. Balboa is responsible for building the on-site city public infrastructure improvements which include sewer and water improvements. These improvements are funded by existing City bond proceeds in an amount not exceeding \$6 million. Balboa will repay the bonds in equal monthly installments over the remaining term of the existing bonds, which is October 1, 2039 (amortized based upon an interest rate of 5.9% per annum) and shall commence thirty (30) days from the date on which the City Council takes a final action to accept dedication of, or transfer of title, to the facilities constructed. To this date, \$5,575,884 has been made available to Balboa based on actual work completed.

**City Manager Okoro** stated that he has been in contact with Balboa on a weekly basis and is communicating with the appraiser that is working for the bank that Balboa is in the process of securing a loan from. As soon as the loan is secured, work on the project will commence again.

**Council Member Sullivan** asked about the appraiser, noting that if the City owns the land, what would an appraised value be worth to Balboa. In response, City Attorney Harper stated that Balboa pays proprietary tax, based on the value of the land.

**Council Member Bash** commented on the loan, noting how the invoices were reviewed and paid from actual expenses. City Attorney Harper added that there is no profit for Balboa on the construction project. Council Member Bash received confirmation on Balboa's Lease payments to the City coming out of its own pocket, which provide revenue to the General Fund. He also noted the fast-tracking and regional involvement in the Hamner Avenue Widening Project and the Hamner Avenue Bridge project. He further commented on the previous condition of the property, noting the cost to the City for maintaining the property and how it has been vastly improved. Council Member Bash commented on the funding to Balboa, noting that a conscious decision was made to move forward on the project, rather than step back, partly based on the public improvements.

**Mayor Azevedo** stated that all the decisions that have been made were all unanimous by the City Council

**Council Member Sullivan** noted that yes, when he signed the contract he believed at the time that the bond money drawn on the City was to be used to put in the water and sewer infrastructure at Silverlakes. He further commented on the language on the official bond statement regarding what the money is required to be used for, as guaranteed by the rate payers, adding that none of the water and sewer infrastructure has been completed. He noted that he does not agree with how the money was spent, as he believes it was mostly spent on dirt. He stated that he wants the business to be successful; noting that he does not believe the Funding, Construction and Acquisition Agreement was clear regarding how the loan should be administered and was not administered properly.

**Council Member Bash** stated that he has requested documents from Public Works Director Askew that should clear up this issue regarding the infrastructure and grading on the site.

**Council Member Sullivan** stated that he spoke with Public works Director Askew and looked at the plans noting that none of the water and sewer infrastructure has been completed on the site, only on Hamner Avenue.

**Public Works Director Askew** commented that she did speak with Council Member Sullivan, noting the discussions regarding the existing points of connection for the water and sewer lines and the infill dirt that was brought in on the Silverlakes property. She also confirmed that no onsite water and sewer infrastructure has been completed on the site. She also stated that there are wells on the property which will be owned by the City when Balboa vacates the property, noting that test wells have been dug and there is one existing well on the site.

**Navy Sign:**

- Commented on the complaints received from residents regarding the Navy sign and the signed petition by 27 residents. The Navy was surprised by the residents' reaction as they believed it was a patriotic action. The decision to remove the sign will be made by Captain Hardy, located at Seal Beach, and they are willing to take action if the City Council asks them to do so.

**Council Member Sullivan** stated that maybe the Council should wait to hear back from Seal Beach.

**Council Member Bash** stated that his concern is not just the sign, but also the storage units, noting that they need to be removed.

**M/S Bash/Higgins to agendaize a discussion regarding the Navy sign and the storage units on the Base. The motion was carried by the following roll call vote:**

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

**Broken Arrow Group Home:**

- As a result of public safety concerns, letters, accompanied by the audio of the August 7, 2013 City Council meeting were sent to the regulatory licensing agencies. Communications were received in response from the State Department of Social Services and the Inland Regional Center. As a result of the concerns, a complaint has been opened regarding lack of supervision to determine if sufficient supervision is being provided to the residents. The findings of the investigation will be sent to the City following the investigation.

**2. CITY COUNCIL CONSENT ITEMS:**

Council Member Higgins pulled Item 2.F. for discussion; Council Member Bash pulled Items 2.A. and 2.G. for discussion; and Mayor Pro Tem Hanna pulled Item 2.H. for discussion.

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

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

- A. City Council Minutes:  
Regular Meeting of October 2, 2013  
Special Meeting of September 25, 2013  
Recommended Action: **Approve the City Council Minutes** (City Clerk)  
**PULLED FOR DISCUSSION**
- 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)  
**PULLED FOR DISCUSSION**
- 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) **PULLED FOR DISCUSSION**
- 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) PULLED FOR DISCUSSION**

- 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:

**Item 1.A.** City Council Minutes:  
Regular Meeting of October 2, 2013  
Special Meeting of September 25, 2013

**Council Member Bash** requested that a statement he made “we can bale if we want to” be added to the Special Meeting minutes of September 25, 2013.

**M/S Bash/Higgins to approve the Regular Meeting Minutes of October 2, 2013 and the Regular Meeting Amended Minutes of September 25, 2013. The motion was carried by the following roll call vote:**

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

**Item 1.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.

**Council Member Higgins** asked for clarification regarding the job requirements of the staff person and how much of the salary is covered by the General Fund. He also inquired about the hours of operation at the Senior Center.

**Director Petree** stated that this is the position of the Senior Citizens Recreation and Community Services Leader, adding that approximately \$2,000 of the salary comes out of the general fund. Director Petree also confirmed that this position is currently being funded by CDBG funds and the hours at the Senior Center will remain the same.

**M/S Higgins/Bash to 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). The motion was carried by the following roll call vote:**

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

**Item 1.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.

**Council Member Bash** asked if we agree to this and don't go with Waste Management, are we still tied into this agreement. In response, City Manager Okoro noted that no, we are not tied to Waste Management; however, the State has reviewed its options and has found the best rates with Waste Management, rather than the option to select their own hauler.

**Mayor Azevedo** asked for confirmation on the billing. In response, City Manager Okoro stated that the City does the billing for Waste Management, adding that as part of the proposed contract, the City will receive an increased amount from Waste Management for doing the billing, which is an advantage to the City.

**M/S Bash/Hanna to 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. The motion was carried by the following roll call vote:**

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

**Item 1.H.** Memorandum of Understanding between the City of Norco and Western Municipal Water District.

**Mayor Pro Tem Hanna** asked Water & Sewer Manager Thompson to explain this item to the audience. In response, Mr. Thompson commented on the agreement which memorializes the transfer of a capacity right and conveys the water into the City for its use.

**M/S Hanna/Higgins to 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. The motion was carried by the following roll call vote:**

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

4. CITY COUNCIL DISCUSSION / ACTION ITEMS:

- A. Fiscal Year 2012-2013 Year-End Budget to Actual Report.  
**Recommendation: Receive and file.** (City Manager)

**City Manager Okoro** presented information regarding the Fiscal Year 2012-2013 Year-End budget to Actual report. He noted that this report provides information that compares how the City did on an actual basis. In general, the news is very good in regards to financial performance and is much better than the budget as approved. The revenue totaled \$15.9 million and exceeded the \$13.9 million expenditures by \$2 million. However, approximately \$1.2 million of the increase to the fund balance came from one-time revenues. Property tax revenues exceeded the budget by \$234,000 and increased as a result of the dissolution of the Redevelopment Agency. Sales tax continues to improve and increased by nearly \$500,000 since the last fiscal year. On the expenditure side, actual expenditures came in below budget by \$342,000 for various programs and services.

City Manager Okoro stated that the current Fiscal Year 2013-14 relied on borrowing from the fund balance to balance the budget, and he is hoping that this will not be necessary to use. In regards to the Special Asset Revenue Fund, it was anticipated borrowing \$500,000 from this Fund into the General Fund and it looks like this will not be necessary and will be recommended to transfer this amount back.

The Water and Sewer Funds performed well. In regards to the Water Fund, this is the first time in 10 years that the amount spent on purchased water went down from previous years resulting in a cash reserve. He noted that the unit cost of purchased water is still going up. In regards to the Sewer Fund, revenues exceeded expenditures and ended the year with \$2.1 million cash in the Fund.

City Manager Okoro commented on the practice of reporting on Landscape Maintenance Districts, noting that the revenue and expenditures numbers came in reasonably close to the amount of the City Engineer's estimates.

**Council Member Higgins** commented on the LMD budgets, asking if this will be distributed to the residents that live in the LMDs. In response, City Manager Okoro noted that this report is on the City's website and can also be mailed out, noting the expenses involved in the mailing. Council Member Higgins stated that it should be made available in the City Clerk's office to provide to the residents.

**Mayor Azevedo** commented on how well Norco has done, attributing this to staff and volunteers. She commented on the cost of letters sent and added that an email blast could be sent out for communication purposes.

**M/S Sullivan/Higgins to receive and file the report. The motion was carried by the following roll call vote:**

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

- B. Discussion regarding the Adopted Sheriff's Department / City Towing Company Tow Policy. **No staff recommendation.** (City Council)

**City Manager Okoro** provided information as presented in the staff report. He stated that based on a review by the Planning Director, there are only two (2) locations in the City where vehicle storage facilities could be located.

**Council Member Higgins** stated that the Council was under the assumption the last time this item was discussed that all the tow companies were in compliance, noting that based on this report, only one (1) out of five (5) tow companies are in compliance. He commented on his concerns regarding compliance issues with the CUPs and asked if these will be reviewed by the Planning Commission.

**Planning Director King** stated, in response, that each has different circumstances, noting that one was operating under a CUP that was approved a long time ago and one is operating with a site plan, as allowed at that time and not in compliance with conditions, which now would require a CUP. He noted another facility was held up due to City public improvements. He noted the different situations for each facility that is not in compliance.

**Council Member Sullivan** stated that if some of the tow companies are out of compliance, give them reasonable time to come into compliance.

**Council Member Bash** commented on his visit to one of the sites, noting that in talking with the tow company, he wants to make sure services are provided. He also commented on the needs of the City and what each tow company can provide.

**Mayor Azevedo** commented on Hamner Towing, noting that they did not have the opportunity to speak at the last meeting. She added that they are an outstanding tow company.

**Joe Fernandes.** Mr. Fernandes, owner of Norco Auto Towing, commented on Hamner Towing moving and noted that there is no need for five (5) or six (6) tow yards in the City.

**Casey Horvath.** Mr. Horvath commented on the history behind Hamner Towing's move from Norco to Corona. He noted that they are in compliance with the Administrative Policy, but are located outside of the City. He asked for the Tow Rotation Policy to be kept status quo with the five (5) original companies and amended to state that any new company need to be located in the City. He stated that he feels left out with any merit. In response to Mayor Pro tem Hanna, he stated that there are not many calls for big rigs in Norco and they are not a part of the Freeway Patrol. In response to Council Member Higgins, he stated they chose to buy land in Corona.

**Mayor Azevedo** stated that when a business has been doing business in town since 1996, it should be grandfathered in.

**Council Member Bash** noted that he has to protect the Norco brick and mortar businesses.

**Council Member Higgins** stated that originally he heard that Hamner Towing was forced to move to Corona and then heard that they chose to move, adding that is why he asked for clarification that they chose to move to Corona. He stated that this is why he recommends to receive and file the report.

**M/S Higgins/Sullivan to receive and file the report. The motion was carried by the following roll call vote:**

**Under Discussion:**

**Council Member Sullivan** stated that some decisions are difficult to make, but must be made based on what is best for the City. He added that Hamner Towing has been a great giver and participated in a lot of programs in the City.

**Mayor Azevedo** noted that the towing businesses in town are not a business that are encouraged to come into town.

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

5. PUBLIC COMMENTS OR QUESTIONS:

**Ken Farris.** Mr. Ferris commented on his opposition to the Navy sign and also his correspondence with the Seal Beach Commander. He recommended that a letter be sent asking that the sign be removed and trees be planted to hide the containers.

**Karen Leonard.** Ms. Leonard commented on some inconsistency regarding persons addressing the City Council exercising their first amendment rights. She added that the outburst at the last City Council meeting was embarrassing to her and others in attendance and it would be helpful and in everyone's best interest to have guidelines for everyone to follow.

**Julie Waltz.** Ms. Waltz thanked staff for removing the tree. She further commented on the abuse going on at the Broken Arrow Group Home.

**Linda Dixon.** Ms. Dixon announced the Oktoberfest fund raiser put on by the Lake Norconian Club Foundation on Tuesday, October 24<sup>th</sup> at the Sons of Liberty Aleworks where Assemblyman Eric Linder will be the guest speaker. She also invited everyone to the USO Canteen Dinner and Dance on November 16<sup>th</sup> at Nellie Weaver Hall, which will be the kick-off for the Veterans Memorial fundraising.

6. CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS:

**Mayor Azevedo** commented on a radio interview she participated in, noting that all 51 cities in the Inland Empire will be interviewed and was kicked off with the City of Norco.

7. ADJOURNMENT: There being no further business to come before the City Council, Mayor Azevedo adjourned the meeting at 9:35 p.m.

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BRENDA K. JACOBS, CMC  
CITY CLERK

## 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: November 6, 2013

SUBJECT: Amendment No. 1 to the Chino Basin Desalter Authority Operation and Maintenance Agreement

RECOMMENDATION: Approve Amendment No. 1 to the Chino Basin Desalter Authority ("CDA") Operation and Maintenance Agreement with the Chino Desalter Authority ("CDA"), subject to non-substantive changes and approval by all CDA Member Agencies; and authorize the Mayor to execute the Amendment.

**SUMMARY:** The City of Norco is a member of the CDA, which jointly exercises powers to own, operate and maintain water desalting facilities, commonly referred to as the Chino I and Chino II Desalters. The addition of the Chino Desalter Phase III expansion project facilities currently being constructed has resulted in the need for modifications and revisions to the original O&M Agreement. The CDA Board of Directors at their October 4, 2013 Board meeting approved the proposed Operation and Maintenance Amendment No. 1. The governing bodies of each of the Member Agencies must now approve proposed JPA Amendment No. 1 in order for it to become effective.

**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 original 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). Norco's existing CDA water capacity is 1,000 acre-feet per year and this obligation will not increase with the completion of the Desalter Phase III Expansion project (Desalter Expansion project).

On February 6, 2002, the City Council approved the original Operation and Maintenance Agreement which defines ownership and maintenance responsibilities of each member agency. The Phase III expansion project will construct additional facilities and will require

Amendment No. 1 to the CDA O&M Agreement

Page 2

November 6, 2013

assignment of operation and maintenance of the new facilities to the responsible member agency.

The CDA Board of Directors at their October 4, 2013 Board meeting approved Amendment No. 1 to the Operation and Maintenance Agreement.

**FINANCIAL IMPACT:** If approved, this action is not anticipated to have a significant impact on either the overall cost of purchased treated water or the Desalter Phase III Expansion project. There is no impact to the General Fund.

Attachments: Amendment No. 1 to the Chino Basin Desalter Authority Operation and Maintenance Agreement

**AMENDMENT NO. 1  
TO THE CHINO BASIN DESALTER AUTHORITY  
OPERATION AND MAINTENANCE AGREEMENT**

This **AMENDMENT NO. 1 TO THE CHINO BASIN DESALTER AUTHORITY OPERATION AND MAINTENANCE AGREEMENT** ("Amendment"), is made and entered into this day of \_\_\_\_\_, 20\_\_\_, by and among **CHINO BASIN DESALTER AUTHORITY**, a joint exercise of powers agency ("CDA"), **INLAND EMPIRE UTILITIES AGENCY**, a municipal water district ("IEUA"), **JURUPA COMMUNITY SERVICES DISTRICT**, a community services district ("JCSD"), **WESTERN MUNICIPAL WATER DISTRICT OF RIVERSIDE COUNTY**, a municipal water district ("Western"), **SANTA ANA RIVER WATER COMPANY**, a California nonprofit corporation ("SARWC"), and the cities of **CHINO**, **CHINO HILLS**, **NORCO**, and **ONTARIO**, each, a municipal corporation. The parties are sometimes hereinafter referred to individually or collectively as "the Party" or "the Parties," respectively.

**RECITALS**

WHEREAS, on January 1, 2002, CDA, JCSD and IEUA entered into that certain Operation and Maintenance Agreement ("Agreement") for the operation and maintenance of certain groundwater desalination plants and appurtenant facilities, wells, pipelines, and reservoirs, commonly and collectively known as the Chino I Desalter and the Chino II Desalter; and

WHEREAS, the Parties desire to amend the Agreement as set forth herein; and

WHEREAS, CDA is the owner of the CDA Facilities; and

WHEREAS, CDA is the holder of permits issued by California Department of Public Health ("CDPH") which permits CDA to deliver Product Water; and

WHEREAS, the Agreement provides for IEUA and JCSD to operate and maintain the CDA Facilities; and

WHEREAS, CDA has determined that Chino, Chino Hills, Ontario, SARWC, Western, and JCSD have the knowledge, expertise and staff to provide services for the day to day operation, maintenance and management of the Product Water Distribution Facilities; and

WHEREAS, CDA has determined that IEUA has the knowledge, expertise and staff to provide services for the day to day operation, maintenance and management of the Chino I Wells and related Raw Water Pipelines.

**NOW THEREFORE**, in consideration of the foregoing recitals, the Parties hereto agree as follows:

**1. Incorporation by Reference**

This Amendment hereby incorporates by reference all terms and conditions set forth in the Agreement, unless specifically modified by this Amendment. All terms and conditions set forth in the Agreement, which are not specifically modified by this Amendment, shall remain in full force and effect. Capitalized terms used herein and not herein defined shall have the definitions set forth in the Agreement.

**2. Definitions**

For purposes of this Amendment, the following terms shall have the meanings set forth in this Section 2.

**2.1** "Agreement" shall mean the Operation and Maintenance Agreement entered into by CDA, IEUA, and JCSD on January 1, 2002.

**2.2** "CDA" shall mean Chino Basin Desalter Authority, a joint exercise of powers authority.

**2.3** "CDA Facilities" shall mean the Chino I Desalter and the Chino II Desalter.

**2.4** "Chino" shall mean the City of Chino, a municipal corporation.

**2.5** "Chino Booster Station" shall mean the water pressure booster station and operated by Chino.

**2.6** "Chino Hills" shall mean the City of Chino Hills, a municipal corporation.

**2.7** "Chino I Desalter" shall mean the groundwater treatment plant located at 6905 Kimball Avenue, Chino, California 91710 together with all on-site and off-site appurtenant facilities, including but not limited to, Chino I Wells, pipelines, including Raw Water Pipelines, pump to waste pipelines, and brine disposal pipelines, pump stations, generators, and reservoirs.

**2.8** "Chino I Wells" shall mean the wells operated in connection with the Chino I Desalter.

**2.9** "Chino II Desalter" shall mean the groundwater treatment plant located at 11251 Harrel Street, Jurupa Valley, California 91752, together with all on-site and off-site appurtenant facilities, including but not limited to, Chino II Wells, pipelines, including Raw Water Pipelines, pump to waste pipelines, and brine disposal pipelines, pump stations, generators, and reservoirs.

**2.10** "Chino II Wells" shall mean the wells operated in connection with the Chino II Desalter.

**2.11** "Chino Monitoring Wells" shall mean the following Chino I and Chino II Wells: MW I-1, MW I-2, MW II-1, and MW II-2.

**2.12** "CDPH" shall mean the California Department of Public Health, successor entity to the California Department of Health Services.

**2.13** "Exhibit" or "Exhibits" shall mean, individually or collectively, Exhibits A through I attached hereto and incorporated herein.

**2.14** "IEUA" shall mean Inland Empire Utilities Agency, a municipal water district.

**2.15** "JCSD" shall mean Jurupa Community Services District, a community services district.

**2.16** "Member Agency" or "Member Agencies" shall mean, individually or collectively, IEUA, JCSD, Western, Chino Hills, Chino, Ontario, Norco, and SARWC.

**2.17** "Monitoring Well" or "Monitoring Wells" shall mean, individually or collectively, the Chino I and Chino II Wells drilled and operated to monitor ground water quality.

**2.18** "Norco" shall mean the City of Norco, a municipal corporation.

**2.19** "Ontario" shall mean the City of Ontario, a municipal corporation.

**2.20** "Party" or "Parties" shall have the meaning set forth in the preamble hereof.

**2.21** "Product Water" shall mean treated water produced by the CDA Facilities that may be sold to the Member Agencies and/or the public pursuant to CDA's CDPH permits.

**2.22** "Product Water Distribution Facilities" shall mean the facilities operated by CDA and its Member Agencies for the purpose of distributing Product Water to the Water Purchasers.

**2.23** "Purchasing Policy" shall mean the Chino Basin Desalter Authority Purchasing Policy adopted by the CDA Board of Directors, as it may be amended from time to time.

**2.24** "Raw Water" shall mean untreated water.

**2.25** "Raw Water Pipelines" shall mean the pipelines used to transport Raw Water to the Chino I Desalter and/or the Chino II Desalter for treatment.

**2.26** "SARWC" shall mean the Santa Ana River Water Company, a nonprofit corporation.

**2.27** "Technical Advisory Committee" means the CDA Technical Advisory Committee, which committee includes representatives of each Member Agency with technical knowledge relative to the operation and maintenance of the CDA Facilities.

**2.28** "Water Purchasers" shall include JCSD, Chino Hills, Chino, Ontario, Norco, SARWC, Western, and such other entities as may purchase water from CDA.

**2.29** "Western" shall mean the Western Municipal Water District of Riverside County, a municipal water district.

### **3. Facility Operations and Maintenance Assignments**

**3.1** Chino, Chino Hills, Ontario, JCSD, Western and SARWC shall assume the responsibility for the operation and maintenance of certain CDA Facilities, as identified in Exhibit A – CDA List of Facilities, Exhibit B – CDA Facility Location Map and Exhibits C through I which identify the facility assignments for each Party. The Exhibits are hereby incorporated herein by this reference. IEUA and/or JCSD shall be relieved of their responsibility for the operation and maintenance of the CDA Facilities to the extent such responsibility is now delegated to another Member Agency pursuant to this Amendment and the Exhibits.

**3.2** IEUA shall assume all primary operation and maintenance responsibilities set forth in the Agreement for the Chino I Wells and related Raw Water Pipelines.

**3.3** JCSD shall retain all primary operation and maintenance responsibilities for the CDA Facilities delegated to it under the Agreement except to the extent modified by this Amendment.

### **4. Clarification of Responsibilities**

**4.1** It shall be the responsibility of each Party to exercise prudent, industry-accepted measures to operate and maintain any and all CDA Facilities that are assigned to that Party in the Exhibits.

**4.2** The Parties shall be responsible for Underground Service Alert (USA) utility marking of assigned facilities as part of their respective operations and maintenance responsibilities.

**4.3** The Parties shall review all improvement plans submitted to them in order to determine the potential for impact of such improvement(s) on CDA Facilities. In the event that a potential impact may result from proposed improvements, such improvement plans shall be provided to CDA staff for review within ten (10) days of such Party's receipt of the same.

**4.4** Any and all expenditures shall be made in accordance with the Purchasing Policy.

**4.5** Compensation for services provided by the Parties shall be paid within thirty (30) days of submittal of invoices summarizing the work performed and the materials provided. Compensation shall include:

- a. Wages, burden and departmental overhead;
- b. The actual cost of necessary materials and supplies;
- c. The cost of items in inventory;
- d. The cost of equipment at current rental rates;
- e. The actual cost of outside services that were authorized by

CDA in accordance with this Agreement; and

- f. Any other budgeted cost directly related to the Desalters.

**5. Termination of Agreement for Non-Performance**

**5.1** In the event CDA determines, by majority vote of its Board of Directors, that any of the Member Agencies is not adequately performing its operation and/or maintenance obligations as set forth in the Agreement, as amended by this Amendment, CDA shall have the authority to terminate the Agreement, in whole or in part, as to such non-performing Member Agency and to take any and all actions as may be reasonably necessary to ensure the continued satisfactory operation and maintenance of the CDA Facilities, including entering into such new agreements with Member Agencies or third parties for the temporary or long term performance of the duties determined to be inadequately performed by the Member Agency as to which the Agreement was terminated.

**6. Clarification of CDA's Insurance Responsibilities**

**6.1** For each policy of insurance required to be secured and maintained by CDA pursuant to the Agreement, CDA shall add Chino, Chino Hills, Norco, Ontario, IEUA, JCSD, Western and SARWC and their respective officers, officials, employees, and agents as additional insureds.

**6.2** CDA shall, within sixty days after the date of this Amendment and periodically throughout the duration of the Agreement, submit to Chino, Chino Hills, Norco, Ontario, IEUA, JCSD, Western and SARWC all current Certificates of Insurance and endorsements for each policy of insurance naming such parties as additional insureds. Upon written request of any Party listed in this paragraph (but not more frequently than annually), CDA shall provide to each Party listed in this paragraph complete and certified copies of each policy of insurance.

7. **No Further Amendment**

7.1 Except as expressly set forth in this Amendment, including the Exhibits, all terms and conditions of the Agreement shall remain in full force and effect.

7.2 To the extent the terms set forth in this Amendment conflict with the terms set forth in the Agreement, the terms of this Amendment shall control.

**[Signatures appear on following page]**

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed as of the day and year first written above.

**CHINO BASIN DESALTER AUTHORITY:**

Dated: \_\_\_\_\_

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

**INLAND EMPIRE UTILITIES AGENCY:**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
General Manager

**JURUPA COMMUNITY SERVICES DISTRICT:**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
General Manager

**CITY OF ONTARIO:**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
City Manager

**CITY OF CHINO:**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
City Manager

**CITY OF CHINO HILLS:**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
City Manager

**CITY OF NORCO:**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
City Manager

**SANTA ANA RIVER WATER COMPANY:**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
General Manager

**WESTERN MUNICIPAL WATER DISTRICT:**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
General Manager

**CHINO DESALTER FACILITIES LIST OF FACILITIES EXHIBIT "A"**

	Ownership	Financial O&M Responsibility	O&M Responsibility	Contract Reference
<b>Chino I Desalter Facilities</b>				
1	Chino I Desalter	CDA	IEUA	CDA O&M Agreement
2	Chino I Wells [3]	CDA	IEUA	CDA O&M Agreement
3	Chino 1, Monitoring Well I-1 and Monitoring Well I-2	CDA	IEUA	CDA O&M Agreement
4	Chino I Raw Water Pipeline			
	From wells (1, 2, 3, 4)	CDA	IEUA	CDA O&M Agreement
	From wells (5, 6, 7, 8, 9, 10, 11 and 13, 14, 15)	CDA	IEUA	CDA O&M Agreement
	From wells (16, 17, 18, 20, 21)	CDA	IEUA	CDA O&M Agreement
	Waste Water Main from Chino I Desalter	CDA	IEUA	CDA O&M Agreement
	CDA/JCSD Product Water Pipeline			
5	From Chino I to Hellman Ave	CDA	JCSD	CDA O&M Agreement
	From Hellman Ave to Wineville Ave. JCSD upsized the 24" dia.. Water main to 30" dia.	CDA 63% and JCSD 37%	JCSD	Facilities Acquisition Agreement Exhibit C
	From Wineville Ave to Pedley Reservoir	CDA	JCSD	CDA O&M Agreement
6	56th Street 5 MG Reservoir	CDA owns the reservoir, JCSD owns the property	JCSD	CDA O&M Agreement and Facilities Acquisition Agreement, Exhibit "C"
7	Archibald Product Water Pipeline			
	Harrison Ave. to Archibald Pump Station. JCSD upsized water main from 12" dia. To 24" dia.	CDA owns the pipeline, JCSD has a 75% of water carrying capacity in the water main	JCSD	Cooperative Agreement Between CDA & JCSD for upsizing the Archibald Pipe Line
8	Archibald Pump Station to Ontario P.O.C (12-in)	CDA	Ontario	CDA O&M Agreement
9	Archibald Product Water Pump Station	CDA	Ontario	CDA O&M Agreement
10	Chino Hills Product Water Pipelines			
	Sequel Canyon Parkway (A)	CDA	Chino Hills	CDA O&M Agreement
	Chino I to El Prado Road (B)	CDA	Chino Hills	CDA O&M Agreement
11	Chino Hills Pump Station			
	Chino Hills has a Recycle water booster station & CDA has a Treated water Booster Station under same building [1]	Based on the Engineer's Estimate in Table 1 of the agreement, CDA owns 47% and Chino Hills owns 53% of the facilities	Chino Hills	Cooperative Agreement Between CDA & Chino Hills for Joint Booster Station
12	City of Chino Turnout	CDA	Chino	CDA O&M Agreement
13	City of Chino Pump Station [2]	CDA	Chino	CDA O&M Agreement
14	City of Chino Reservoir	CDA	Chino	CDA O&M Agreement
15	City of Chino Product Water Pipeline	CDA	Chino	CDA O&M Agreement

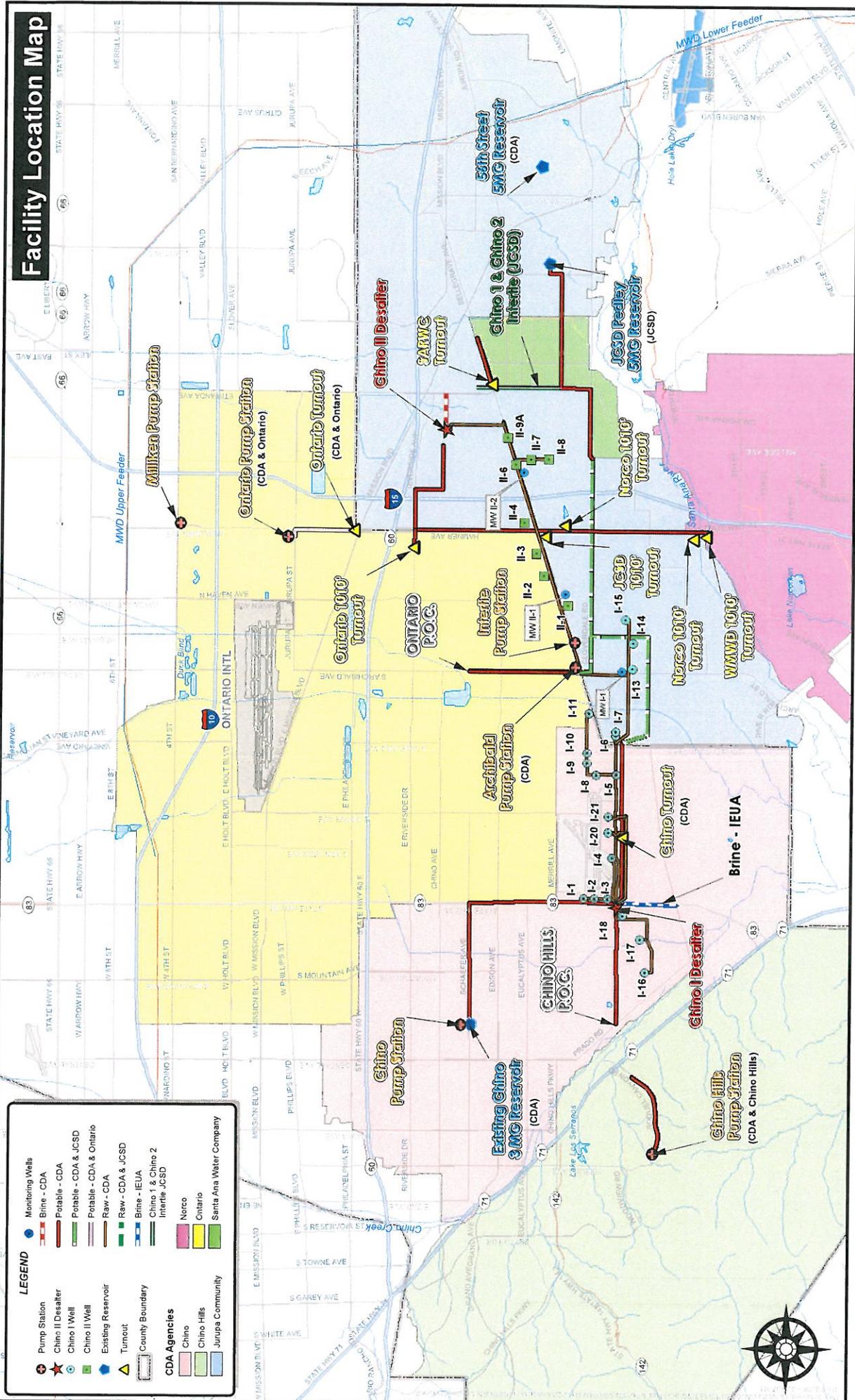
**CHINO DESALTER FACILITIES LIST OF FACILITIES EXHIBIT "A"**

	Ownership	Financial O&M Responsibility	O&M Responsibility	Contract Reference
<b>Chino II Desalter Facilities</b>				
16	Chino II Desalter	CDA	JCSD	CDA O&M Agreement
17	Chino II Wells [3]	CDA	JCSD	CDA O&M Agreement
	Well II-1	CDA/JCSD	JCSD	CDA O&M Agreement
18	Raw Water Pipeline			
	West of Day Creek Channel to wells II-1 and II-8	CDA	JCSD	CDA O&M Agreement
	Well pump to waste pipelines	CDA	JCSD	CDA O&M Agreement
19	Chino II Brine Line	CDA	JCSD	CDA O&M Agreement
20	SARWC Product Water Pipeline	CDA	SARWC	CDA O&M Agreement
21	Ontario Product Water Pipeline. Ontario upsized water main from 12" dia. To 42" dia.	CDA owns the pipeline. Ontario has a 82% of water carrying capacity in the water main	Ontario	CDA O&M Agreement & Cooperative agreement between CDA and Ontario for joint pipeline
22	Ontario Turnout - Philadelphia	CDA	Ontario	CDA O&M Agreement
23	Ontario Pump Station. Ontario upsized to booster station to meet its future needs	CDA owns 86% and Ontario owns 14%	Ontario	Cooperative Agreement Between CDA & Ontario for Joint Booster Station
24	1010/1110 Pump Station	CDA	JCSD	CDA O&M Agreement
25	Milliken Pump Station	CDA	Ontario	CDA O&M Agreement
26	Product Water/Hammer Ave Pipeline	CDA	JCSD	CDA O&M Agreement
27	Brine Concentrate Reduction Facility	CDA	JCSD	CDA O&M Agreement
28	Ontario Turnout	CDA	JCSD	CDA O&M Agreement
29	JCSD Turnout	CDA	JCSD	CDA O&M Agreement
30	Norco Turnout(s)	CDA	JCSDMMWD	CDA O&M Agreement
31	WMWD Turnout	CDA	WMWD	CDA O&M Agreement
32	Intertie Pump Station	CDA	JCSD	CDA O&M Agreement

[1] The cost related Chino Hills pump stations needs to be reconciled based on actual construction costs of Recycle and Treated water Booster stations  
 [2] City of Chino is responsible for O&M Costs related to the water pumped in excess of Chino I deliveries.  
 [3] O&M responsibilities for Wells I-13, I-14 and I-15 may change between IEUA, when water is supplied to Chino I Desalter, and JCSD, when water is supplied to Chino II Desalter, as determined by the Technical Advisory Committee and CDA General Manager/CEO.

# EXHIBIT B

## Facility Location Map



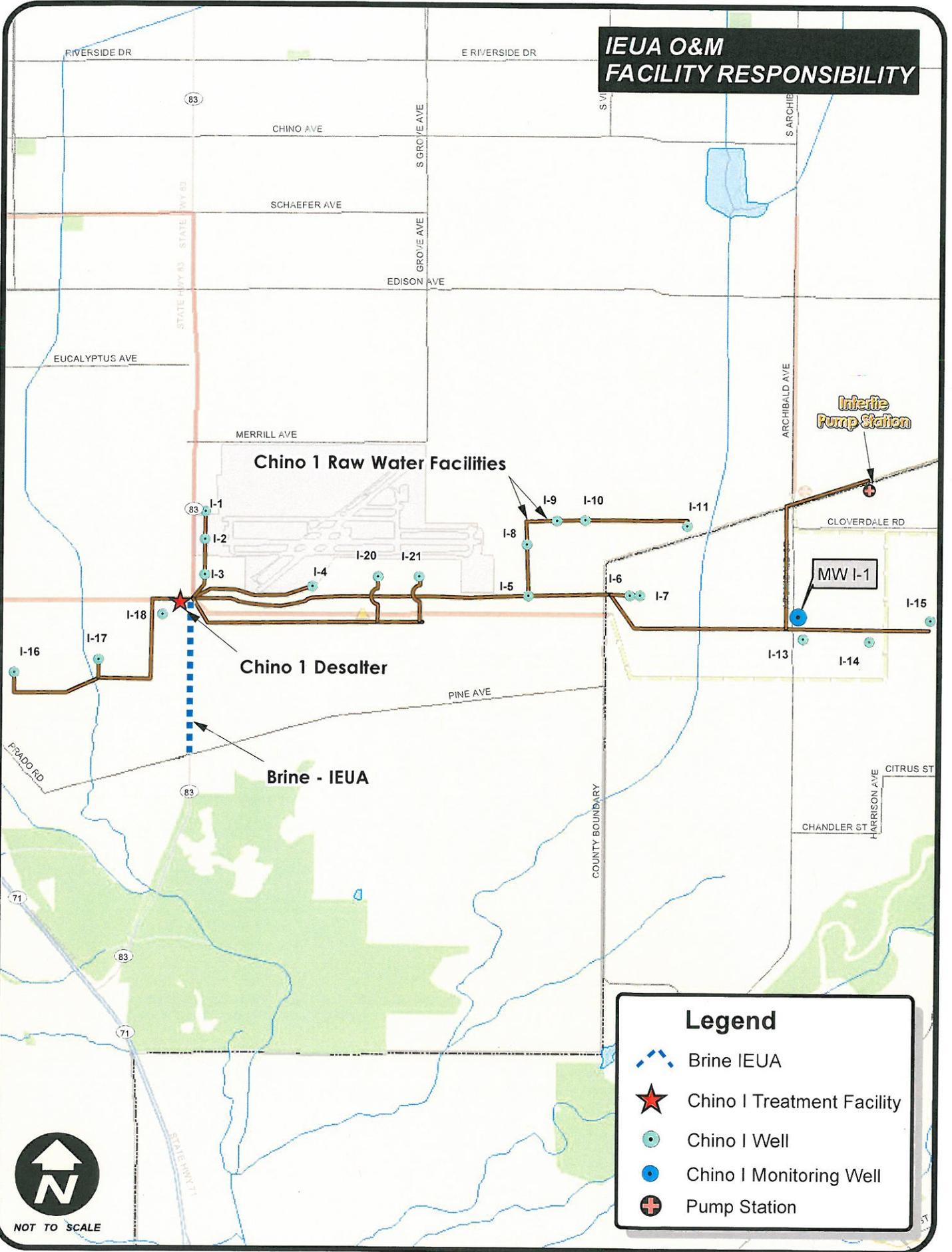
**LEGEND**

- Pump Station**
  - Chino II Desalter
  - Chino I Well
  - Chino II Well
  - Existing Reservoir
  - Turnout
- Monitoring Wells**
  - Brine - CDA
  - Potable - CDA
  - Potable - CDA & JCSD
  - Potable - CDA & Ontario
  - Raw - CDA
  - Raw - CDA & JCSD
  - Brine - IEUA
  - Intertie JCSD
- County Boundary**
- CDA Agencies**
  - Chino
  - Chino Hills
  - Jurupa Community
- Norco**
- Ontario**
- Santa Ana Water Company**



# EXHIBIT C

## IEUA O&M FACILITY RESPONSIBILITY



**Legend**

-  Brine IEUA
-  Chino 1 Treatment Facility
-  Chino 1 Well
-  Chino 1 Monitoring Well
-  Pump Station

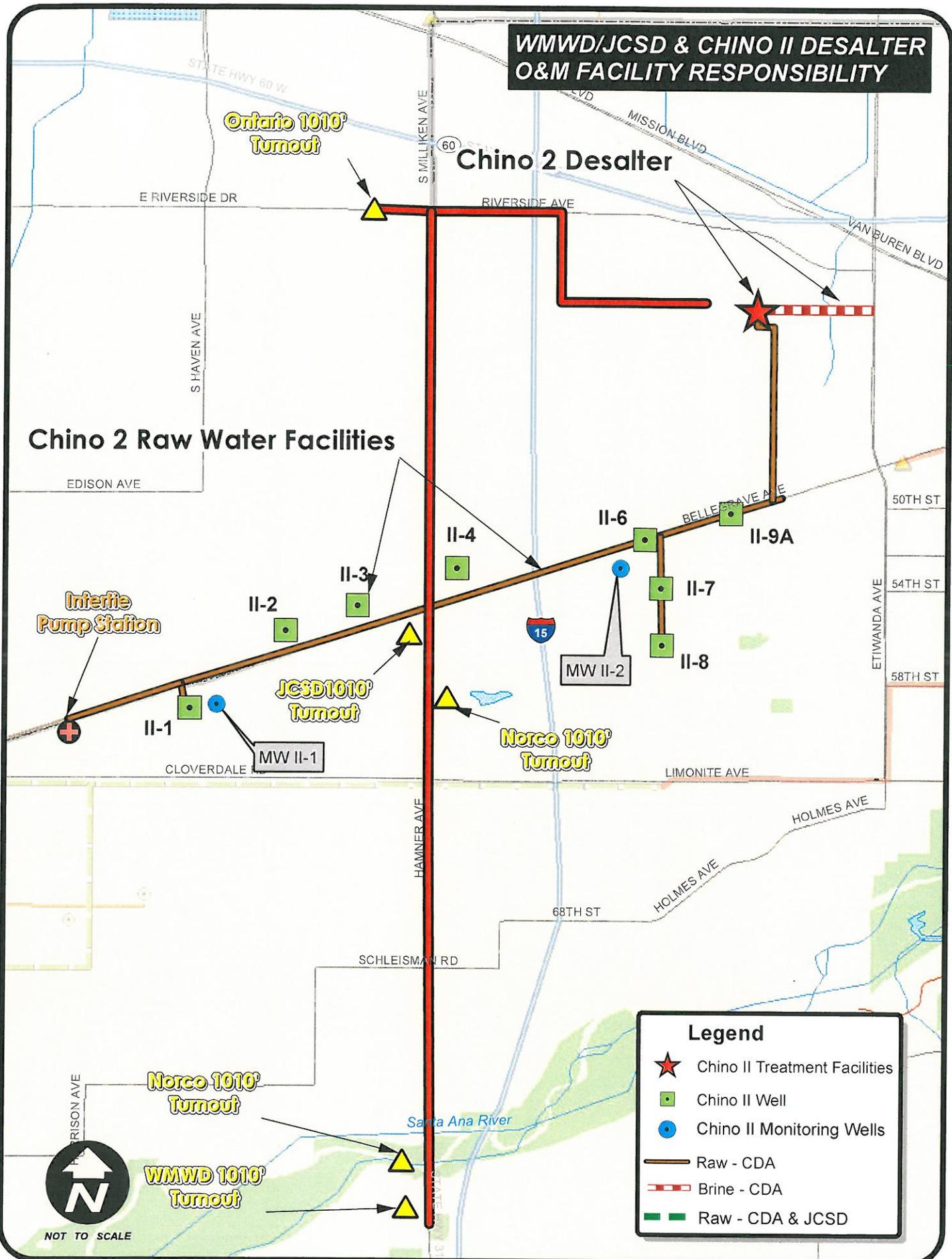
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NOT TO SCALE

# EXHIBIT D

## WMWD/JCSD & CHINO II DESALTER O&M FACILITY RESPONSIBILITY



**Legend**

- ★ Chino II Treatment Facilities
- Chino II Well
- Chino II Monitoring Wells
- Raw - CDA
- - - Brine - CDA
- Raw - CDA & JCSD

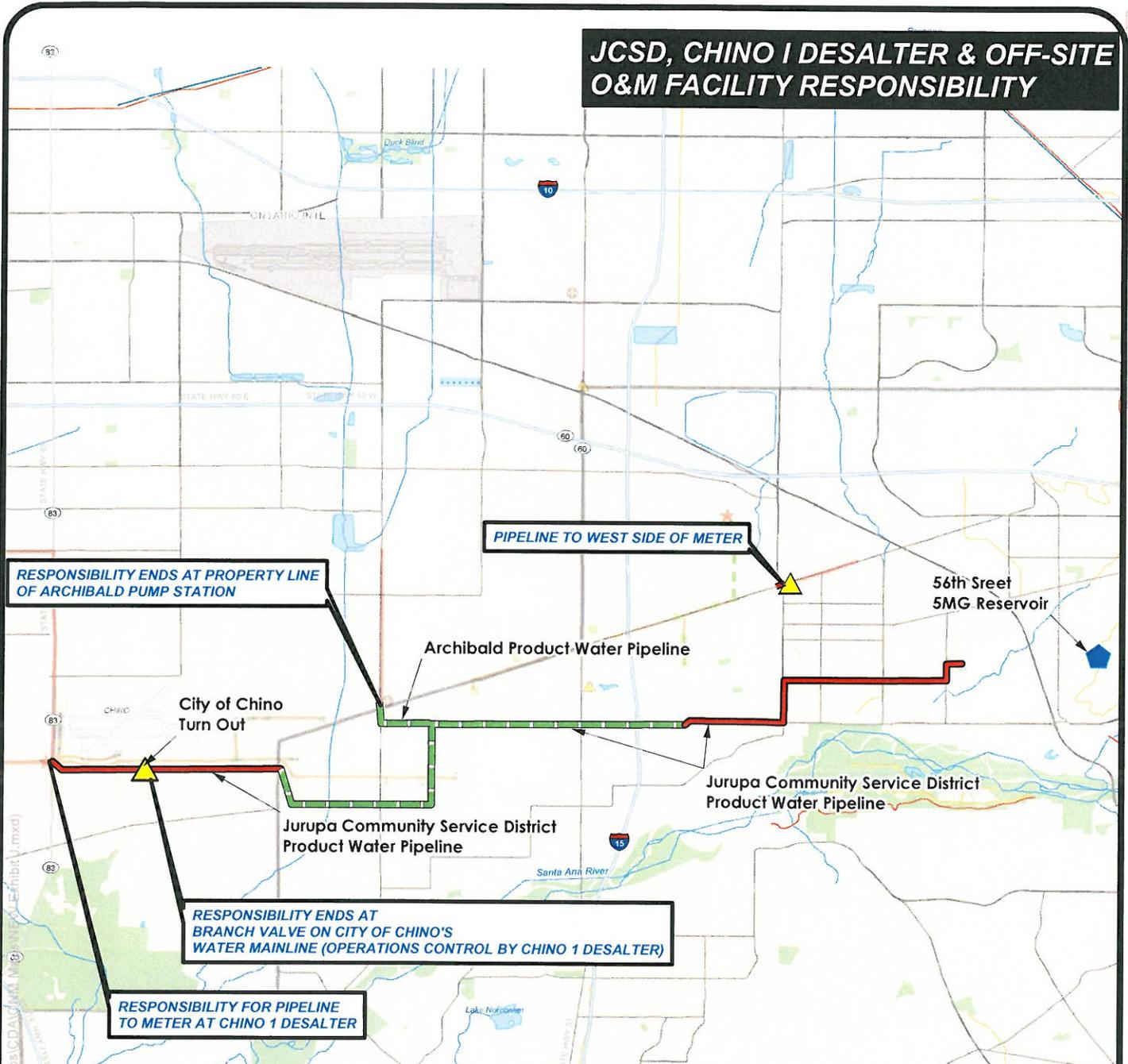


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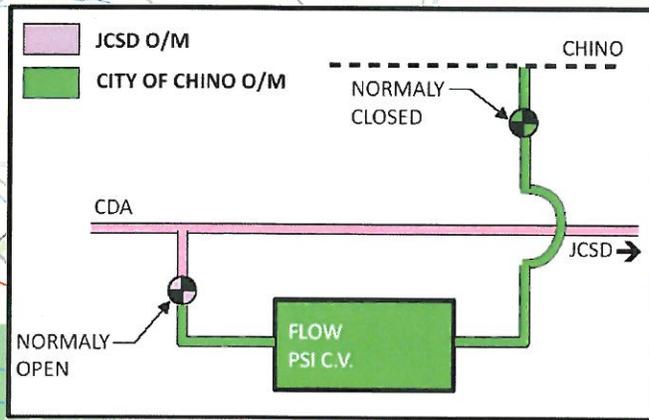
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# EXHIBIT E

## JCSD, CHINO 1 DESALTER & OFF-SITE O&M FACILITY RESPONSIBILITY



## DETAIL AT CHINO TURN OUT



### Legend

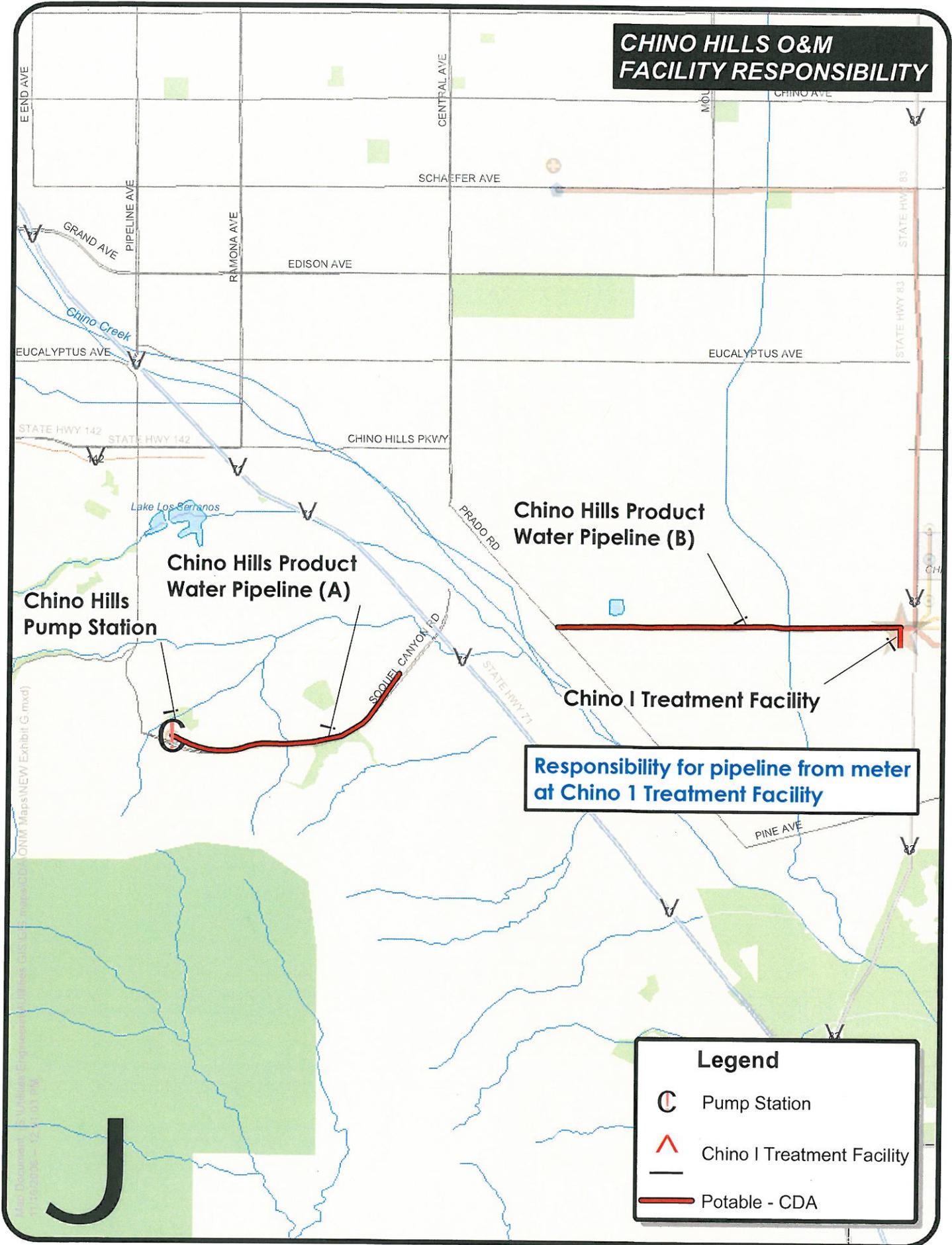
- Existing Reservoir (Blue pentagon)
- Agency Turnout (Yellow triangle)
- Potable - CDA (Red line)
- Potable - CDA & JCSD (Green line)



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# EXHIBIT F

## CHINO HILLS O&M FACILITY RESPONSIBILITY



Chino Hills Pump Station  
Chino Hills Product Water Pipeline (A)

Chino Hills Product Water Pipeline (B)

Chino 1 Treatment Facility

Responsibility for pipeline from meter at Chino 1 Treatment Facility

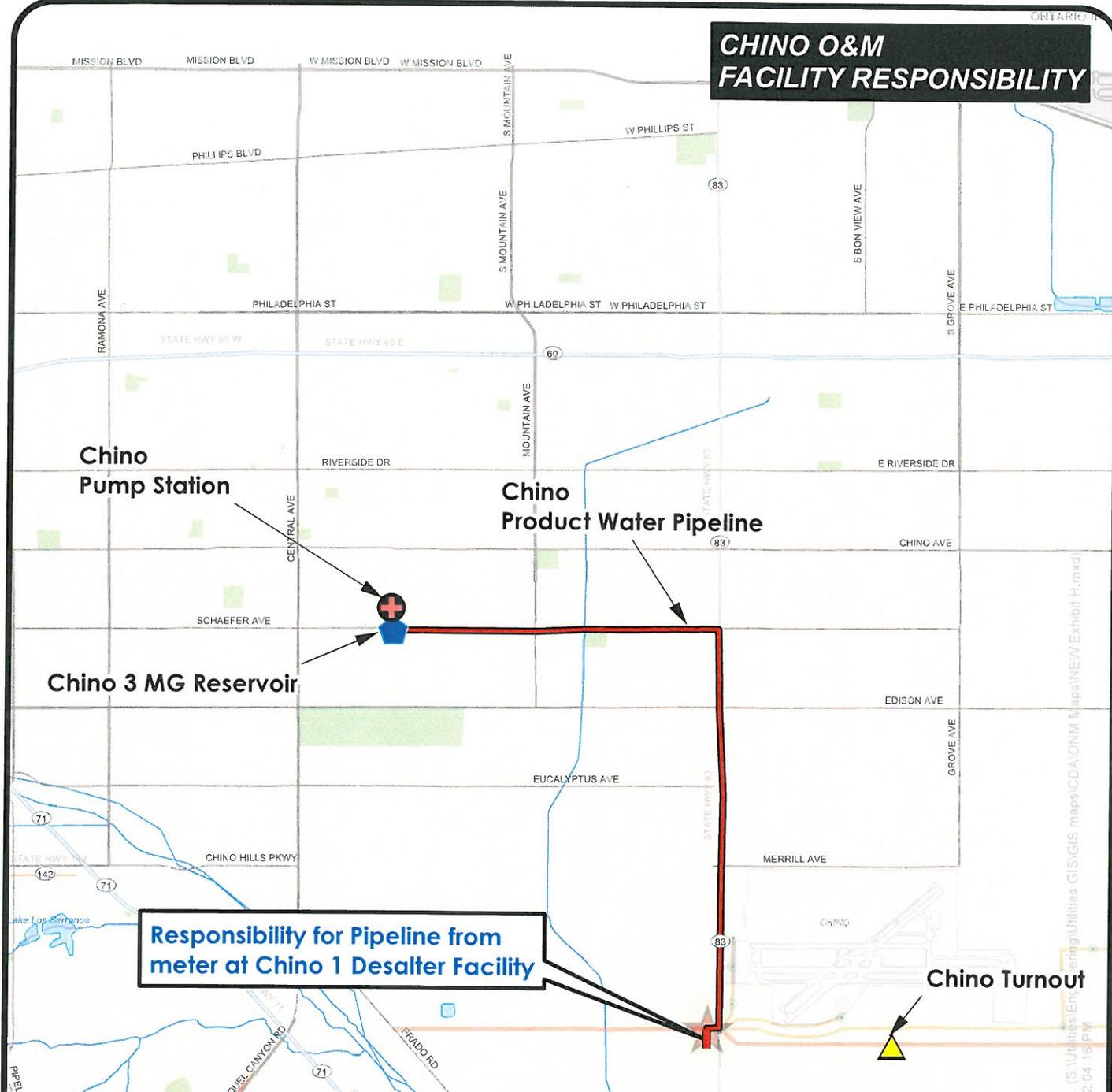
**Legend**

- Pump Station
- Chino 1 Treatment Facility
- Potable - CDA
- Potable - CDA

J

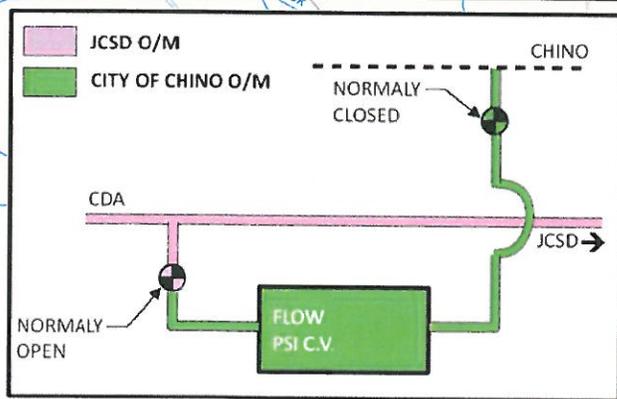
# EXHIBIT G

## CHINO O&M FACILITY RESPONSIBILITY



Responsibility for Pipeline from meter at Chino 1 Desalter Facility

## DETAIL AT CHINO TURN OUT



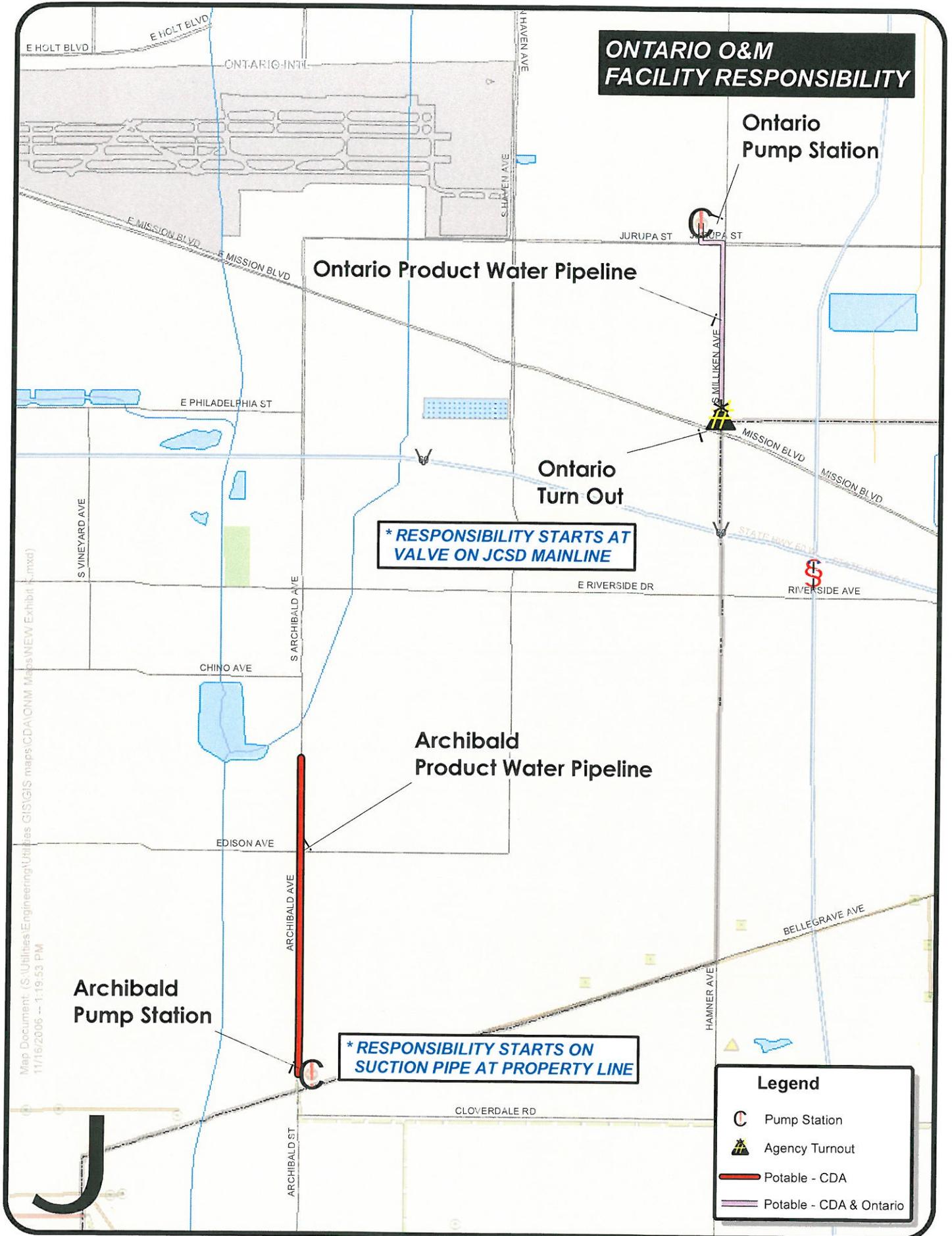
**Legend**

- ▲ Chino Turnout
- ⬠ Chino Reservoir
- ⊕ Pump Station
- Potable - CDA



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# EXHIBIT H

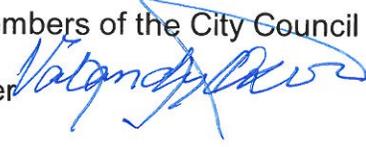


# EXHIBIT I



# 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  
Parks, Recreation and Community Services Director

DATE: November 6, 2013

SUBJECT: Approval of Supplemental Agreement for the 2013-2014  
Community Development Block Grant Program Year

RECOMMENDATION: Staff recommends approval of Supplemental Agreement for  
the 2013-2014 Community Development Block Grant  
Program year

**SUMMARY:** To receive Community Development Block Grant (CDBG) funds as a cooperating City in the County of Riverside, the City is required to approve a Supplemental Agreement to administer the approved programs and projects for Fiscal Year 2013 to 2014.

**BACKGROUND/ANALYSIS:** On October 17, 2012, the City Council approved specific programs and a public project using the City's 2013-2014 CDBG Program allocation, which was *estimated* by the Riverside County Economic Development Agency (EDA) to be \$130,000.

The *final* requested amount approved by the Federal Housing and Urban Development Agency to the County of Riverside Economic Development Agency for the City of Norco is \$94,200. Notice was received on June 19, 2013, that the Riverside County Board of Supervisors approved the City's proposed CDBG projects for the 2013-2014 Program Year. The attached County of Riverside Supplemental Agreements confirms funding is approved for the following projects:

	<u>REQUESTED</u>	<u>APPROVED</u>
Norco Sr. Center Recreation Aide	\$10,000	\$6,595
Norco Party Parners	\$10,000	\$6,595
Ingalls Park ADA Restroom Replacement	<u>\$110,000</u>	<u>\$81,010</u>
<b>Total requested/approved for funding:</b>	<b>\$130,000</b>	<b>\$94,200</b>

A fully-executed Supplemental Agreement will be forwarded to the City as well as the authorization to incur costs. Once completed, funds for program that are already in progress will be released, and pending invoices for service can be submitted for payment and brought current.

FINANCIAL IMPACT: Community Services CDBG fund request requiring supplemental General Fund are as follows: Norco Senior Center Recreation Aide will be approximately \$3,030 and has been appropriated in this fiscal year 2013/14 Senior Center Budget. Funds for the Norco Party Partners are funded with CDBG funds through the City of Corona and the City of Norco. The City of Corona has agreed to fund \$20,000 through FY 2014-2015 for the Party Partners program along with the City of Norco contribution. Public Service Project funds can be accumulated for up to 2 fiscal years before they must be spent. The proposed project ADA restroom replacement for the George Ingalls Equestrian Event Center has accumulated funds in the amount of \$45,777 for fiscal year 2012/13. The approved project funding for fiscal year 2013/14 of \$81,010 will be combined with the prior CDBG Public Project allocation along with funds allocated to the Capital Improvement Fund budget to start the project in this fiscal year. With this approved funding, the necessary accumulation of funds for an additional ADA restroom/shower facility at the George Ingalls Equestrian Event Center can be completed.

The U.S. Department of Housing and Urban Development will fund these programs and projects through the Riverside County Economic Development Agency on a reimbursement basis.

/rs

Attachment: Supplemental Agreement

**SUPPLEMENTAL AGREEMENT FOR THE USE OF  
2013-2014 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

The COUNTY OF RIVERSIDE of the State of California, herein called, "COUNTY," and the CITY OF NORCO, herein called "CITY," mutually agree as follows:

1. GENERAL. COUNTY and CITY have executed a Cooperation Agreement, dated July 2011, whereby CITY elected to participate with COUNTY, which has qualified as an "Urban County" for purposes of receiving Community Development Block Grant (CDBG) funds, and to assist and undertake essential community development and housing assistance activities pursuant to the Housing and Community Development Act of 1974, Title 1, as amended, Public Law 93-383 hereinafter referred to as "Act". Said Cooperation Agreement, dated July 2011, is incorporated herein by reference and made a part of this Agreement as if each and every provision was set forth herein.

2. PURPOSE. CITY promises and agrees to undertake and assist with the community development activities, within its jurisdiction, by utilizing the sum of **\$94,200**, CDBG Entitlement Funds, as specifically identified in Exhibits A, B, and C are attached hereto and by this reference are incorporated herein, for the projects:

- A. **2.NR.28-13 Senior Citizen Recreation and Community Services Aide, \$6,595**
- B. **2.NR.29-13 Norco Party Partners for Development Challenged, \$6,595**
- C. **2.NR.30-13 Ingalls Park ADA Restroom Project Phase II, \$81,010**

3. TERM OF AGREEMENT. The term of this Agreement for the projects shall be for a period of one (1) year from July 1, 2013 to June 30, 2014, and proceed consistent with the completion schedule set forth in Exhibits A, B, and C. In the event that the projects are not substantially completed by the time set forth in the completion schedule due to unforeseen or uncontrollable causes, the COUNTY may consider extending the schedule for the completion of the project. Times of performance for other activities may also be extended in writing by

1 COUNTY. If substantial progress toward completion in conformance with the completion  
2 schedule, as determined by COUNTY, of the projects are not made during the term of the  
3 Supplemental Agreement, COUNTY may suspend or terminate this agreement by the  
4 procedures set forth in the Section titled "Termination", of this agreement and the entitlement  
5 funds associated with the projects may be reprogrammed by COUNTY after appropriate notice  
6 is given.

7 4. DISPOSITION OF FUNDS.

8 A. COUNTY's Board of Supervisors shall determine the final disposition and  
9 distribution of all funds received by COUNTY under the Act consistent with the provisions of  
10 Paragraphs 2 and 3 of this Agreement. COUNTY, through its Economic Development Agency,  
11 shall: (1) Make payment of the grant funds to CITY as designated in Exhibits A, B, and C; and  
12 (2) It is the CITY's responsibility to monitor all project activities of Exhibits A, B, and C to  
13 ensure compliance with applicable federal regulations and the terms of this Agreement.

14 B. CITY shall comply with timely drawdown of CDBG funds by  
15 expeditiously implementing and completing County-approved, CDBG-funded projects. CITY  
16 acknowledges that CITY's drawdown performance directly impacts the COUNTY's overall  
17 program drawdown rate. If the CITY's unobligated CDBG fund balance, as of January 15, 2014,  
18 exceeds two-times (200%) the CITY's 2013-2014 CDBG allocation, the COUNTY may take the  
19 necessary administrative actions to reduce the CITY's CDBG fund balance. Necessary actions  
20 include reprogramming the excess CDBG fund balance to other eligible activities as selected by  
21 COUNTY. COUNTY may authorize CITY in writing, prior to January 15, 2014, to exceed the  
22 CDBG fund balance requirement.

23 C. CITY shall comply with timely drawdown of funds by submitting monthly  
24 requests for reimbursement or other County-approved reimbursement schedule. All  
25 disbursements of grant funds will be on a reimbursement basis and made within thirty (30) days  
26 after the CITY has submitted its letter identifying payments and documentation supporting  
27 expenditures.

1 D. All authorized obligations incurred in the performance of the Agreement  
2 for projects eligible under the following regulations must be reported to COUNTY no later than  
3 by June 15, 2013:

- 4 1. Public Services [24 CFR 570.201 (e)]
- 5 2. Acquisition [24 CFR 570.201 (a)]
- 6 3. Clearance Activities [24 CFR 570.201 (d)]
- 7 4. Interim Assistance [24 CFR 570.201 (f)]
- 8 5. Code Enforcement [24 CFR 570.202 (c)]

9 All other eligible activities under this Agreement must be implemented, completed, and  
10 obligations reported by the CITY no later than the completion schedules set forth in the Exhibits  
11 to this Agreement.

12 5. COOPERATION WITH HOUSING ACTIVITIES. CITY shall cooperate with  
13 COUNTY in undertaking essential community development and housing assistance activities,  
14 specifically urban renewal and public assistance housing, and shall assist COUNTY in carrying  
15 out its Strategic Plan of the Consolidated Plan and other requirements of the Community  
16 Development Block Grant Program.

17 6. LEAD AGENCY FOR COMPLIANCE WITH THE CALIFORNIA  
18 ENVIRONMENTAL QUALITY ACT (CEQA). Pursuant to Section 15051(d) of Title 14 of the  
19 California Administrative Code, CITY is designated as the lead agency for the projects that are  
20 the subject matter of this Agreement.

21 7. HOLD HARMLESS AND INDEMNIFICATION. In contemplation of the  
22 provisions of Section 895.2 of the California Government Code imposing certain tort liability  
23 jointly upon public entities solely by reason of such entities being parties to an agreement as  
24 defined by Section 895 of the Code, the Parties hereto, pursuant to the authorization contained in  
25 Section 895.4 and 895.6 of the Code, agree that each Party shall be liable for any damages  
26 including, but not limited to, claims, demands, losses, liabilities, costs and expenses including  
27 reasonable attorneys fees, resulting from the negligent or wrongful acts or omissions of their  
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1 employees or agents in the performance of this Agreement, and each Party shall indemnify,  
2 defend and hold harmless the other Parties from such claims, demands, damages, losses or  
3 liabilities for their negligence

4 8. INSURANCE. Without limiting or diminishing the CITY'S obligation to  
5 indemnify or hold the COUNTY harmless, CITY shall procure and maintain or cause to be  
6 maintained, at its sole cost and expense, the following insurance coverage's during the term of  
7 this Agreement.

8 A. Workers' Compensation:

9 If the CITY has employees as defined by the State of California, the CITY shall maintain  
10 statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State  
11 of California. Policy shall include Employers' Liability (Coverage B) including Occupational  
12 Disease with limits not less than \$1,000,000 per person per accident. The policy shall be  
13 endorsed to waive subrogation in favor of The County of Riverside, and, if applicable, to provide  
14 a Borrowed Servant/Alternate Employer Endorsement.

15 B. Commercial General Liability:

16 Commercial General Liability insurance coverage, including but not limited to, premises  
17 liability, contractual liability, products and completed operations liability, personal and  
18 advertising injury, and cross liability coverage, covering claims which may arise from or out of  
19 CITY 'S performance of its obligations hereunder. Policy shall name the County of Riverside, its  
20 Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board  
21 of Supervisors, employees, elected or appointed officials, agents or representatives as Additional  
22 Insureds. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined  
23 single limit. If such insurance contains a general aggregate limit, it shall apply separately to this  
24 agreement or be no less than two (2) times the occurrence limit.

25 C. Vehicle Liability:

26 If vehicles or mobile equipment are used in the performance of the obligations under this  
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1 Agreement, then CITY shall maintain liability insurance for all owned, non-owned or hired  
2 vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If  
3 such insurance contains a general aggregate limit, it shall apply separately to this agreement or  
4 be no less than two (2) times the occurrence limit. Policy shall name the County of Riverside, its  
5 Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board  
6 of Supervisors, employees, elected or appointed officials, agents or representatives as Additional  
7 Insureds.

8 D. General Insurance Provisions - All lines:

9 1) Any insurance carrier providing insurance coverage hereunder  
10 shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII  
11 (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the  
12 County's Risk Manager waives a requirement for a particular insurer such waiver is only valid  
13 for that specific insurer and only for one policy term.

14 2) The CITY'S insurance carrier(s) must declare its insurance self-  
15 insured retentions. If such self-insured retentions exceed \$500,000 per occurrence such  
16 retentions shall have the prior written consent of the County Risk Manager before the  
17 commencement of operations under this Agreement. Upon notification of self insured retention  
18 unacceptable to the COUNTY, and at the election of the Country's Risk Manager, CITY 'S  
19 carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement  
20 with the COUNTY, or 2) procure a bond which guarantees payment of losses and related  
21 investigations, claims administration, and defense costs and expenses.

22 3) CITY shall cause CITY'S insurance carrier(s) to furnish the  
23 County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and  
24 certified original copies of Endorsements effecting coverage as required herein, and 2) if  
25 requested to do so orally or in writing by the County Risk Manager, provide original Certified  
26 copies of policies including all Endorsements and all attachments thereto, showing such  
27 insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall  
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1 contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given  
2 to the County of Riverside prior to any material modification, cancellation, expiration or  
3 reduction in coverage of such insurance. In the event of a material modification, cancellation,  
4 expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County  
5 of Riverside receives, prior to such effective date, another properly executed original Certificate  
6 of Insurance and original copies of endorsements or certified original policies, including all  
7 endorsements and attachments thereto evidencing coverage's set forth herein and the insurance  
8 required herein is in full force and effect. *CITY shall not commence operations until the*  
9 *COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of*  
10 *endorsements and if requested, certified original policies of insurance including all*  
11 *endorsements and any and all other attachments as required in this Section.* An individual  
12 authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for  
13 each policy and the Certificate of Insurance.

14 4) It is understood and agreed to by the parties hereto that the CITY'S  
15 insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or  
16 deductibles and/or self-insured retention's or self-insured programs shall not be construed as  
17 contributory.

18 5) If, during the term of this Agreement or any extension thereof,  
19 there is a material change in the scope of services; or, there is a material change in the equipment  
20 to be used in the performance of the scope of work which will add additional exposures (such as  
21 the use of aircraft, watercraft, cranes, etc.); or, the term of this Agreement, including any  
22 extensions thereof, exceeds five (5) years the COUNTY reserves the right to adjust the types of  
23 insurance required under this Agreement and the monetary limits of liability for the insurance  
24 coverage's currently required herein, if; in the County Risk Manager's reasonable judgment, the  
25 amount or type of insurance carried by the CITY has become inadequate.

26 6) CITY shall pass down the insurance obligations contained herein  
27 to all tiers of subcontractors working under this Agreement.  
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1                   7)     The insurance requirements contained in this Agreement may be  
2 met with a program(s) of self-insurance acceptable to the COUNTY.

3                   8)     CITY agrees to notify COUNTY of any claim by a third party or  
4 any incident or event that may give rise to a claim arising from the performance of this  
5 Agreement.

6           9.     RECORDS AND INSPECTIONS.

7                   A.     CITY shall establish and maintain records in accordance with 24 CFR Part  
8 570, Part 85, OMB Circular A-87, A-133 and 24 CFR 91.105, as applicable, and as they relate to  
9 the acceptance and use of federal funds under this Agreement.

10                   B.     CITY shall obtain an external audit in accordance with the U.S.  
11 Department of Housing and Urban Development single audit regulations (24 CFR Part 44.6).  
12 Audits shall usually be performed annually but not less frequently than every two years.  
13 Nonprofit institutions and government agencies that expend less than \$500,000 a year in  
14 Federal awards are exempt from Federal audit requirements, but records must be available for  
15 review by appropriate officials of the Federal grantor agency or subgranting entity. The audit  
16 report shall be submitted to the COUNTY within 180 days after the end of the COUNTY'S  
17 fiscal year.

18                   C.     CITY shall maintain a separate account for CDBG Entitlement funds  
19 received as set forth in Exhibits (A, B, and C).

20                   D.     CITY shall, during the normal business hours, make available to  
21 COUNTY, the U.S. Department of Housing and Urban Development (HUD), or other authorized  
22 representative, for the examination and copying, all of its records and other materials with  
23 respect to matters covered by this Agreement.

24                   E.     CITY shall not retain any program income as defined in Section 570.500  
25 of Title 24 of the Federal Code of Regulations. Said program income shall be used only for the  
26 activities that are the subject of this Agreement. Further, all provisions of this Agreement shall  
27 apply to such activities.  
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1 F. The CITY shall ensure that at least fifty-one percent (51%) of the persons  
2 benefiting from all CDBG-funded activities or projects designated as serving limited clientele  
3 [570.208(a)(2)(i)] are of low and moderate-income and meet the program income guidelines  
4 attached as Exhibits (A, B, and C). The CITY and City's Sub-recipients must provide the  
5 required income certification and direct benefit documentation.

6 10. COMPLIANCE WITH LAWS. CITY shall comply with all applicable federal,  
7 state, and local laws, regulations, and ordinances and any amendments thereto and the federal  
8 regulations and guidelines now or hereafter enacted pursuant to the Act. More particularly, CITY  
9 is to comply with those regulations found in Part 85 and Part 570 of Title 24 of the Code of  
10 Federal Regulations. CITY is to comply with OMB Circular A-87, or any subsequent  
11 replacement. CITY is to abide by the provisions of the Community Development Block Grant  
12 Manual, prepared by COUNTY and cited in the above-mentioned Cooperation Agreement.  
13 CITY will comply with Section 3 of the Housing & Urban Development Act of 1968, as  
14 amended, attached hereto as Exhibit "S". CITY will comply with the provisions of 24 CFR Part  
15 570.200 (j), attached as Exhibit "R," pertaining to inherently religious activities.

16 11. INDEPENDENT CONTRACTOR. CITY and its agents, servants, and employees  
17 shall act at all times in an independent capacity during the term of this Agreement, and shall not  
18 act as, shall not be, nor shall they in any manner be construed to be agents, officers, or  
19 employees of the COUNTY.

20 12. TERMINATION.

21 A. CITY. CITY may not terminate this Agreement except upon express  
22 written consent of COUNTY.

23 B. COUNTY. Notwithstanding the provisions of Paragraph 12a, COUNTY  
24 may suspend or terminate this Agreement upon a thirty (30) day written notice to CITY of action  
25 being taken and the reason for such action:

26 (1) In the event CITY fails to perform the covenants herein contained  
27 at such times and in such manner as provided in this Agreement; and  
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1 (2) In the event there is a conflict with any federal, state or local law,  
2 ordinance, regulation or rule rendering any of the provisions of this Agreement invalid or  
3 untenable; or

4 (3) In the event the funding from the Department of Housing and  
5 Urban Development referred to in Paragraphs 1 and 2 above is terminated or otherwise becomes  
6 unavailable.

7 C. Upon suspension of this Agreement, CITY agrees to return any  
8 unencumbered funds which it has been provided by COUNTY. In accepting said funds,  
9 COUNTY does not waive any claim or cause of action it may have against CITY for breach of  
10 this Agreement.

11 D. Reversion of Assets

12 1. Upon expiration of this Agreement, the CITY shall transfer to the  
13 COUNTY any CDBG funds on hand at the time of expiration of the Agreement as well as any  
14 accounts receivable held by CITY which are attributable to the use of CDBG funds awarded  
15 pursuant to this Agreement.

16 2. Any real property under the CITY'S control that was acquired or  
17 improved in whole or in part with CDBG funds (including CDBG funds provided to the  
18 SPONSOR in the form of a loan) in excess of \$25,000 is either:

19 (i) Used to meet one of the National Objectives in Sec.  
20 570.208 until five years after expiration of this agreement, or for such longer period of time as  
21 determined to be appropriate by the COUNTY; or

22 (ii) Not used in accordance with Section (i) above, in which  
23 event the SPONSOR shall pay to the COUNTY an amount equal to the current market value of  
24 the property less any portion of the value attributable to expenditures of non-CDBG funds for the  
25 acquisition of, or improvement to, the property.

26 13. NONDISCRIMINATION. CITY shall abide by Sections 570.601 and 570.602 of  
27 Title 24 of the Federal Code of Regulations which requires that no person in the United States  
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1 shall on the grounds of race, color, national origin, or sex, be excluded from participation in, be  
2 denied the benefits of, or be subjected to discrimination under any program or activity funded in  
3 whole or in part with Community Development funds.

4 14. PROHIBITION AGAINST CONFLICTS OF INTEREST

5 A. CITY and its assigns, employees, agents, consultants, officers and elected  
6 and appointed officials shall become familiar with and shall comply with the CDBG regulations  
7 prohibiting conflicts of interest contained in 24 CFR 570.611, attached hereto as Exhibit "CI"  
8 and by this reference incorporated herein.

9 B. CITY and its assigns, employees, agents, consultants, officers, and elected  
10 and appointed officials shall become familiar with and shall comply with Section A-11 of the  
11 County's CDBG Policy manual, attached hereto as Exhibit "CI" and by this reference  
12 incorporated herein.

13 C. CITY understands and agrees that no waiver of exception can be granted  
14 to the prohibition against conflict of interest except upon written approval of HUD pursuant to  
15 24 CFR 570.611 (d). Any request by CITY for an exception shall first be reviewed by COUNTY  
16 to determine whether such request is appropriate for submission to HUD. In determining whether  
17 such request is appropriate for submission to HUD, COUNTY will consider the factors listed in  
18 24 CFR 570.611 (e).

19 D. Prior to any funding under this Agreement, CITY shall provide COUNTY  
20 with a list of all employees, agents, consultants, officers and elected and appointed officials who  
21 are in a position to participate in a decision making process, exercise any functions or  
22 responsibilities, or gain inside information with respect to the CDBG activities funded under this  
23 Agreement. CITY shall also promptly disclose to COUNTY any potential conflict, including  
24 even the appearance of conflict that may arise with respect to the CDBG activities funded under  
25 this Agreement.

26 E. Any violation of this section shall be deemed a material breach of this  
27 Agreement, and the Agreement shall be immediately terminated by the COUNTY.  
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1           15.    PROJECT ELIGIBILITY. As to CITY or its claimants, COUNTY shall bear no  
2 liability for any later determination by the United States Government, the Department of  
3 Housing and Urban Development or any other person or entity that CITY is or is not eligible  
4 under 24 CFR Part 570 to receive CDBG funds.

5           16.    USE OF PROPERTY. Whenever federal CDBG funds or program income are  
6 used, in whole or in part, for the purchase of equipment or personal property, the property shall  
7 not be transferred from its originally funded use, by CITY or sub-recipient, for a period of five  
8 (5) years from the close-out date of the grant from which CDBG assistance was provided. The  
9 CITY shall maintain a current inventory for COUNTY monitoring and review.

10          17.    EMPLOYMENT OPPORTUNITIES TO BE CAUSED BY PROJECT. CITY  
11 agrees to notify and to require any lessee or assignee to notify Riverside County Workforce  
12 Development Center of any and all job openings that are caused by this project.

13          18.    PUBLICITY. Any publicity generated by CITY for the project funded pursuant to  
14 this Agreement, during the term of this Agreement, will make reference to the Contribution of  
15 the County of Riverside, the Economic Development Agency, and the Community Development  
16 Block Grant Program in making the project possible.

17          19.    PROGRAM MONITORING AND EVALUATION. CITY and its sub-recipients  
18 shall be monitored and evaluated in terms of its effectiveness and timely compliance with the  
19 provisions of this Agreement and the effective and efficient achievement of the Program  
20 Objectives. Quarterly reports shall be due on the last day of the month immediately following the  
21 end of the quarter being reported. The quarterly written reports shall include, but shall not be  
22 limited to, the following data elements:

23                A.    Title of program, listing of components, description of  
24 activities/operations.

25                B.    The projected goals, indicated numerically, and also the goals achieved  
26 (for each report period). In addition, identify by percentage and description, the progress  
27 achieved towards meeting the specified goals and identify any problems encountered in meeting  
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1 goals.

2 C. If the CDBG-funded Activity meets a National Objective under 24 CFR  
3 570.208 (a)(2)(i), CITY will report the following:

4 1) Total number of direct beneficiaries (clientele served) with  
5 household incomes at:

- 6 • Above 80% MHI
- 7 • Between 50% and 80% MHI (Low-Income)
- 8 • Between 30% and 50% MHI (Very Low-Income)
- 9 • Less than 30% MHI (Extremely Low-Income)

10 2) Total number and percent (%) of the clientele served that have  
11 household incomes at or below 80% MHI

12 3) Racial ethnicity of clientele

13 4) Number of Female-Headed Households

14 D. CITY and its sub-recipients shall report beneficiary statistics monthly to  
15 EDA on the pre-approved *Direct Benefit Form* and *Self-Certification Form* (certifying income,  
16 family size, and racial ethnicity) as required by HUD. Updated forms are to be provided to CITY  
17 by EDA should HUD implement changes during the term of this agreement. CITY and sub-  
18 recipients will collect and provide all necessary data required by HUD pertaining to the Specific  
19 Outcome Indicators as identified in the CPD Outcome Performance Measurement System.

20 20. SOURCE OF FUNDING. CITY acknowledges that the source of funding  
21 pursuant to this Agreement is Community Development Block Grant (CFDA 14.218).

22 21. ENTIRE AGREEMENT. It is expressly agreed that this Agreement together with  
23 the cooperation Agreement between the parties, embodies the entire agreement of the parties in  
24 relation to the subject matter thereof, and that no other Agreement or understanding, verbal or  
25 otherwise, relative to this subject matter, exists between the parties at the time of execution.

26 22. MINISTERIAL ACTS. The Assistant County Executive Officer/EDA or  
27 designee(s) are authorized to take such ministerial actions as may be necessary or appropriate to  
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1 implement the terms, provisions, and conditions of this Agreement as it may be amended from  
2 time to time by COUNTY.

3 23. PRIOR AUTHORIZATION. CITY shall obtain COUNTY's written approval  
4 from the Economic Development Agency prior to implementing the following "high risk"  
5 activities funded with CDBG assistance:

- 6 A. Construction of public facilities (project plans and specifications);
- 7 B. Acquisition of real property;
- 8 C. Historic Preservation;
- 9 D. Relocation; and
- 10 F. Economic Development

11 23. MODIFICATION OF AGREEMENT. This Agreement may be modified or  
12 amended only by a writing signed by the duly authorized and empowered representative of  
13 COUNTY and CITY respectively.

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22 **SIGNATURES ON NEXT PAGE**  
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IN WITNESS WHEREOF, the COUNTY and the CITY have executed this Agreement as of the date listed below.

DATED: \_\_\_\_\_

COUNTY OF RIVERSIDE

By: \_\_\_\_\_  
Suzanne Holland  
Assistant Director of EDA

CITY OF NORCO

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

SH:JT:mmv

**EXHIBIT CI**

Prohibition Against Conflicts of Interest

Page 1 of 4

§ 570.611 Conflict of interest.

(a) Applicability.

(1) In the procurement of supplies, equipment, construction, and services by recipients, and by subrecipients (including those specified at § 570.204(c)), the conflict of interest provisions in 24 CFR 85.36 and OMB Circular A 110, respectively, shall apply.

(2) In all cases not governed by 24 CFR 85.36 and OMB Circular A-110, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient, by its subrecipients, or to individuals, businesses and other private entities under eligible activities which authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties or facilities pursuant to § 570.202, or grants, loans and other assistance to businesses, individuals and other private entities pursuant to § 570-203, § 570.204 or § 570.455).

(b) Conflicts prohibited. Except for the use of CDBG funds to pay salaries and other related administrative or personnel costs, the general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from a CDBG assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. For the UDAG program, the above restrictions shall apply to all activities that are a part of the UDAG project, and shall cover any such interest or benefit during, or at any time after, such person's tenure.

(c) Persons covered. The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or subrecipients which are receiving funds under this part.

(d) Exceptions: threshold requirements. Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it determines that such an exception will serve to further the purposes of the Act and the effective and efficient administration of the recipient's program or project. An exception may be considered only after the recipient has provided the following:

## EXHIBIT CI

### Prohibition Against Conflicts of Interest

Page 2 of 4

(1) A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and

(2) An opinion of the recipient's attorney that the interest for which the exception is sought would not Violate State or local law.

(e) Factors to be considered for exceptions. In determining whether to grant a requested exception after the recipient has satisfactorily met the requirements of paragraph (d) of this section, HUD shall consider the cumulative effect of the following factors, where applicable:

(1) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;

(2) Whether an opportunity was provided for open competitive bidding or negotiation;

(3) Whether the person affected is a member of a group or class of low or moderate income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;

(4) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific assisted activity in question;

(5) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (b) of this section;

(6) Whether undue hardship will result either to the recipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and

(7) Any other relevant considerations.

## Exhibit CI

Prohibition Against Conflicts of Interest  
Page 3 of 4

Community Development Block Grant  
Policy Manual  
I.D. # A-11  
(pg. 1 of 2)

TOPIC: CONFLICT OF INTEREST CODED  
RIVERSIDE COUNTY  
ECONOMIC DEVELOPMENT AGENCY

DATE: October 1989

This Conflict of Interest Code is written to comply with Federal Regulations (24 CFR Part 85). These Regulations. "Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments" require that grantees and sub-grantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts.

1) No employee, officer or agent of the grantee shall participate in the selection, in the award or in the administration of a contract supported by Federal Funds if a conflict of interest, real or apparent, would be involved.

2) Such a conflict will arise when:

- i) The employee, officer or agent;
- ii) Any member of the immediate family;
- iii) His/Her partners, or;
- iv) An organization which employs, or is about to employ any of the above has a financial or other interest in the firm's selection for award.

3) The grantee's or sub-grantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors or parties to sub-agreements except as noted in Section 4.

4) A grantee's or sub-grantee's officers, employees or agents will be presumed to have a financial interest in a business if their financial interest exceeds the following:

- i) Any business entity in which the official has a direct or indirect investment worth one thousand dollars (\$1,000) or more.
- ii) Any real property in which the official has a direct or indirect interest worth one thousand dollars (\$1,000) or more.

EXHIBIT CI

Prohibition Against Conflicts of Interest

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Community Development Block Grant  
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TOPIC: CONFLICT OF INTEREST CODE  
RIVERSIDE COUNTY  
ECONOMIC DEVELOPMENT AGENCY

DATE: October 1989

- iii) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating two hundred fifty dollars (\$250) or more in value provided to, received by or promised to the official within 12 months prior to the time when the decision is made.
  - iv) Any business entity in which the official is a director, officer, partner, trustee, employee, or holds any position of management.
  - v) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating two hundred fifty dollars (\$250) or more in value provided to, received by, or promised to the official within 12 months prior to the time when the decision is made.
- 5) For purposes of Section 4, indirect investment or interest means any investment or interest owned by the spouse or dependent child of an official, by an agent on behalf of an official, or by a business entity or trust in which the official, the official's agents, spouse, and dependent children own directly, indirectly, or beneficially a 10-percent interest or more.

## EXHIBIT "R"

CONSTITUTIONAL PROHIBITION  
Page 1 of 2

In accordance with First Amendment Church/State Principles, as a general rule, CDBG/ESG assistance may not be used for religious activities or provided to primarily religious entities for any activities, including secular activities. The following restrictions and limitations therefore apply to the use of CDBG/ESG funds.

(1) CDBG/ESG funds may not be used for the acquisition of property or the construction or rehabilitation (including historic preservation and removal of architectural barriers) of structures to be used for religious purposes or which will otherwise promote religious interests. This limitation includes the acquisition of property for ownership by primarily religious entities and the construction or rehabilitation (including historic preservation and removal of architectural barriers) of structures owned by such entities (except as permitted under paragraph (j) (2) of this section with respect to rehabilitation and under paragraph (j) (4) of this section with respect to repairs undertaken in connection with public services) regardless of the use to be made of the property or structure. Property owned by primarily religious entities may be acquired with CDBG/ESG funds at no more than fair market value for a non-religious use.

(2) CDBG/ESG funds may be used to rehabilitate buildings owned by primarily religious entities to be used for a wholly secular purpose under the following conditions:

(i) The building (or portion thereof) that is to be improved with the CDBG/ESG assistance has been leased to an existing or newly-established wholly secular entity (which may be an entity established by the religious entity);

(ii) The CDBG/ESG assistance is provided to the lessee (and not the lessor) to make the improvements;

(iii) The leased premises will be used exclusively for secular purposes available to persons regardless of religion;

(iv) The lease payments do not exceed the fair market rent of the premises as they were before the improvements are made;

(v) The portion of the cost of any improvements that also serve a non-leased part of the building will be allocated to and paid for by the lessor;

(vi) The lessor enters into a binding agreement that unless the lessee, or a qualified successor lessee, retains the use of the leased premises for a wholly secular purpose for at least the useful life of the improvements, the lessor will pay to the lessee an amount equal to the residual value of the improvements;

## EXHIBIT "R"

CONSTITUTIONAL PROHIBITION

Page 2 of 2

(vii) The lessee must remit the amount received from the lessor under subparagraph (2)(vi) of this section to the recipient or subrecipient from which the CDBG/ESG funds were derived.

The lessee can also enter into a management contract authorizing the lessor religious entity to use the building for its intended secular purpose, e.g., homeless shelter, provision of public services. In such case,

the religious entity must agree in the management contract to carry out the secular purpose in a manner free from religious influences in accordance with the principles set forth in paragraph (j)(3) of this section.

(3) As a general rule, CDBG/ESG funds may be used for eligible public services to be provided through a primarily religious entity, where the religious entity enters into an agreement with the recipient or subrecipient from which the CDBG/ESG funds are derived that, in connection with the provision of such services:

(i) It will not discriminate against any employee or applicant for employment on the basis of religion and will not limit employment or give preference in employment to persons on the basis of religion.

(ii) It will not discriminate against any person applying for such public services on the basis of religion and will not limit such services or give preference to persons on the basis of religion;

(iii) It will provide no religious instruction or counseling, conduct no religious worship or services, engage in no religious proselytizing, and exert no other religious influence in the provision of such public services;

(iv) The portion of a facility used to provide the public services shall contain no religious symbols or decorations, other than those permanently affixed to or part of the structure.

(4) Where the public services provided under paragraph (j)(3) of this section are carried out on property owned by the primarily religious entity, CDBG/ESG funds may also be used for minor repairs to such property which are directly related to carrying out the public services where the cost constitutes in dollar terms only an incidental portion of the CDBG/ESG expenditure for the public services.

EXHIBIT "S"

Page 1 of 2

Economic Opportunities for Section 3 Residents and Section 3 Business Concerns

Sec. 135.38 Section 3 clause.

All section 3 covered contracts shall include the following clause (referred to as the section 3 clause):

A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

**EXHIBIT "S"**

Page 2 of 2

D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

**SUPPLEMENTAL AGREEMENT  
SCOPE OF WORK  
(PUBLIC SERVICE)**

**I. GENERAL INFORMATION**

CITY NAME: City of Norco

ADDRESS: 2870 Clark Ave.

Norco, CA 92860

CITY PROGRAM CONTACTS: Brian Petree

SUBRECIPIENT NAME: \_\_\_\_\_

ADDRESS: 2870 Clark Ave., Norco, CA 92860

PHONE: (951) 270-5632 FAX : (951) 371-1553

E-MAIL: \_\_\_\_\_

PROJECT NAME: Senior Citizen Recreation and Community Services Aide

PROJECT LOCATION: 2690 Clark Ave., Norco, CA 92860

LEVEL OF ENVIRONMENTAL CLEARANCE: **EXEMPT [24 CFR 58.34 (a)(4)]**

CDBG ELIGIBILITY CODE: **24 CFR 570.201 (e) Public Services**

PROJECT FUNDING SUMMARY: **\$6,595**

**Project to be administered by County (EDA) on behalf of CITY:** YES  NO

**II. SCOPE OF SERVICE**

**A. Activities**

City will be responsible for administering a **2013-2014** Community Development Block Grant for the **Senior Citizen Recreation and Community Services Aide** in a manner satisfactory to the County of Riverside and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

Activity #1 *The City will provide various health, recreational, educational, and social programs to seniors in Norco. CDBG funds will be used to pay for staff salaries (direct cost).*

**B. National Objective**

All activities funded with CDBG funds must comply with one of more of the CDBG program's National Objective Criteria as required under 24 CFR 570.200(a)(2). CITY certifies that the activity (ies) carried out under this Agreement will meet the following National Objective:

National Objective Criteria: 570.208 (a)(2)(i)(A)

CFR Reference: Low Mod Limited Clientele Presumed

**C. Levels of Accomplishment – Goals and Performance Measures**

The City agrees to provide the following levels of program services:

Activity	Units <u>per Month</u>	Total <u>Units/Year</u>	Total <u>Unduplicated Persons</u>
Activity #1		35	35

Unit of Service is defined as: Persons served.

**CPD OUTCOME PERFORMANCE MEASUREMENT**

- Objectives (select one):**  Creating Suitable Living Environments  
 Providing Decent Affordable Housing  
 Creating Economic Opportunities

- Outcome (select one):**  Availability/Accessibility  
 Affordability  
 Sustainability (promoting livable or viable communities)

**D. City Capacity**

By executing this Supplemental Agreement, the City certifies that it and its subrecipients have the appropriate number of trained and knowledgeable staff, adequate facilities, proper equipment, required licensing and permitting, and sufficient amount of financial resources necessary to implement and carry out the activities funded with CDBG funds.

City will immediately notify County of any significant changes in organizational management, assigned staff, change in facilities, loss or change in matching funds, or any other event that could potentially impact City's performance under this Agreement. Any changes in the above items are subject to the prior approval of the County.

**E. Performance Monitoring**

The County of Riverside will monitor the performance of the City and its subrecipients against goals and performance standards as stated above. Substandard performance as determined by the County will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the City within a reasonable period of time after being notified by the County, contract suspension or termination procedures will be initiated.

**F. Program Budget**

It is expressly agreed and understood that the total amount to be paid by the County under this Agreement shall not exceed **\$6,595**. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in this Section and in accordance with performance. Payments may be contingent upon certification of the Subrecipient's financial management system in accordance with the standards specified in 24 CFR 84.21.

The County may require a more detailed budget breakdown than the one contained herein, and the City shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the County. Any amendments to the budget must be approved in writing by both the County and City.

Line Item	CDBG Granted Funds	Total Non-CDBG Funds	Total Activity/Project Budget	Notes
<b>Total Direct Program Expenses</b> Salaries Fringe Office Space (Program Only) Utilities Communications Reproduction/Printing Supplies and Materials Mileage Equipment (Program Only) Audit Transportation Other:	<b>\$ 9,332.51</b>			
<b>Total Indirect Program Expenses</b> Indirect Costs (Specify)*	<b>\$</b>			
<b>TOTAL CDBG BUDGET</b>	<b>\$9,332.51</b>			

\* All indirect costs must be pre-approved by the County. City must submit an Indirect Cost Allocation Plan to County, in a form specified by County, demonstrating the appropriate share of general and administrative costs.

**G. Total Amount of Non- CDBG Leveraging**

TYPE	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	TOTAL
FEDERAL							
STATE/LOCA							
PRIVATE							
OTHER							

**TOTAL: None**

**III. ADMINISTRATIVE REQUIREMENTS**

**A. Accounting Standards**

The City agrees to comply with 24 CFR 84 or 85 as applicable and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

**B. Cost Principles**

The City shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," A-21, "Cost Principles for Educational Institutions," or OMB Circular A-87, "Cost Principles for State, Local and Indian Tribal Governments as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

**C. Documentation and Record Keeping**

**1. Records to be Maintained**

The City and its subrecipients will maintain all records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- i. Records providing a full description of each activity undertaken;
- ii. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- iii. Records required to determine the eligibility of activities;
- iv. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- v. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- vi. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28; and
- vii. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Records Retention

The City shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of five (5) years. The retention period begins on the date of the submission of the County's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

3. Client Data

The City shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to County monitors or their designees for review upon request.

4. Disclosure

The City understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the County's or City's responsibilities with respect to services provided under this contract, is prohibited by applicable federal and State law unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

5. Close-outs

The City's obligation to the County shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the County), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the City has control over CDBG funds, including program income.

6. Audits & Inspections

All City records with respect to any matters covered by this Agreement shall be made available to the County, HUD, and the Controller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the City within 30 days after receipt by the City. Failure of the City to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The City hereby agrees to have an annual agency audit conducted in accordance with current County policy concerning subrecipient audits and OMB Circular A-133.

**IV. PROJECT IMPLEMENTATION AND SCHEDULE**

Unless pre-approved by County, CITY will perform and complete the activities described in Section II in conformance with the schedule of tasks and milestones listed below:

<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Complete Mandatory Online Training	July 2013	September 2013
Execute Subrecipient Agreements (EDA must approve)	July 1, 2013	---
Implement Program Activities	July 1, 2013	TBD
Execute Supplemental Agreement & Notice to Incur Cost	August 2013	September 2013
City Submit Quarterly Performance Reports to County		October 15, 2013 January 15, 2014 April 15, 2014 July 31, 2014
County Monitoring of City Performance	TBD	TBD
City submit Monthly Direct Benefit Reports	September 2013	July 2014
City Submits Reimbursement Requests		
Monthly Submittal <input type="checkbox"/>	September 2013	<b><u>June 13, 2014</u></b>
Other Schedule <input type="checkbox"/>	_____	_____
CDBG Program Services Complete		TBD

**V. SPECIAL CONDITIONS /PERFORMANCE REQUIREMENTS**

City must collect **eligibility self-certifications** from every participant in the CDBG-funded program. At a minimum, participants must certify that they are 62 years of age or older, and they must report their ethnicity. This documentation must be submitted to EDA on a monthly basis for new participants.

**SUPPLEMENTAL AGREEMENT  
SCOPE OF WORK  
(PUBLIC SERVICE)**

**I. GENERAL INFORMATION**

CITY NAME: City of Norco

ADDRESS: 2870 Clark Ave.

Norco, CA 92860

CITY PROGRAM CONTACTS: Brian Petree

SUBRECIPIENT NAME: \_\_\_\_\_

ADDRESS: 2870 Clark Ave., Norco, CA 92860

PHONE: (951) 270-5632 FAX : (951) 371-1553

E-MAIL: \_\_\_\_\_

PROJECT NAME: Norco Party Pardners for Developmentally Challenged

PROJECT LOCATION: 2690 Clark Ave., Norco, CA 92860

LEVEL OF ENVIRONMENTAL CLEARANCE: **EXEMPT [24 CFR 58.34 (a)(4)]**

CDBG ELIGIBILITY CODE: **24 CFR 570.201 (e) Public Services**

PROJECT FUNDING SUMMARY: **\$6,595**

**Project to be administered by County (EDA) on behalf of CITY:** YES  NO

**II. SCOPE OF SERVICE**

**A. Activities**

City will be responsible for administering a **2013-2014** Community Development Block Grant for the **Norco Party Pardners for Development Challenged** in a manner satisfactory to the County of Riverside and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

Activity #1 *The City provides recreational and social activities for developmentally-challenged adults (ages 18 and older) from low-income households. CDBG funds will be used for staff salaries (direct costs).*

**B. National Objective**

All activities funded with CDBG funds must comply with one of more of the CDBG program's National Objective Criteria as required under 24 CFR 570.200(a)(2). CITY certifies that the activity (ies) carried out under this Agreement will meet the following National Objective:

National Objective Criteria: 570.208 (a)(2)(i)(A)

CFR Reference: Low Mod Limited Clientele Presumed

**C. Levels of Accomplishment – Goals and Performance Measures**

The City agrees to provide the following levels of program services:

Activity	Units <u>per Month</u>	Total <u>Units/Year</u>	Total <u>Unduplicated Persons</u>
Activity #1		120	120

Unit of Service is defined as: Persons served.

**CPD OUTCOME PERFORMANCE MEASUREMENT**

- Objectives (select one):**  Creating Suitable Living Environments  
 Providing Decent Affordable Housing  
 Creating Economic Opportunities

- Outcome (select one):**  Availability/Accessibility  
 Affordability  
 Sustainability (promoting livable or viable communities)

**D. City Capacity**

By executing this Supplemental Agreement, the City certifies that it and its subrecipients have the appropriate number of trained and knowledgeable staff, adequate facilities, proper equipment, required licensing and permitting, and sufficient amount of financial resources necessary to implement and carry out the activities funded with CDBG funds.

City will immediately notify County of any significant changes in organizational management, assigned staff, change in facilities, loss or change in matching funds, or any other event that could potentially impact City's performance under this Agreement. Any changes in the above items are subject to the prior approval of the County.

**E. Performance Monitoring**

The County of Riverside will monitor the performance of the City and its subrecipients against goals and performance standards as stated above. Substandard performance as determined by the County will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the City within a reasonable period of time after being notified by the County, contract suspension or termination procedures will be initiated.

**F. Program Budget**

It is expressly agreed and understood that the total amount to be paid by the County under this Agreement shall not exceed **\$6,595**. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in this Section and in accordance with performance. Payments may be contingent upon certification of the Subrecipient's financial management system in accordance with the standards specified in 24 CFR 84.21.

The County may require a more detailed budget breakdown than the one contained herein, and the City shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the County. Any amendments to the budget must be approved in writing by both the County and City.

Line Item	CDBG Granted Funds	Total Non-CDBG Funds	Total Activity/Project Budget	Notes
<b>Total Direct Program Expenses</b> Salaries Fringe Office Space (Program Only) Utilities Communications Reproduction/Printing Supplies and Materials Mileage Equipment (Program Only) Audit Transportation Other:	<b>\$ 2,671.56</b>	<b>\$2,000</b>		
<b>Total Indirect Program Expenses</b> Indirect Costs (Specify)*	<b>\$</b>			
<b>TOTAL CDBG BUDGET</b>	<b>\$2,671.56</b>			

\* All indirect costs must be pre-approved by the County. City must submit an Indirect Cost Allocation Plan to County, in a form specified by County, demonstrating the appropriate share of general and administrative costs.

**G. Total Amount of Non- CDBG Leveraging**

TYPE	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	TOTAL
FEDERAL							
STATE/LOCA							
PRIVATE							
OTHER	Community Donations	\$2,000					\$2,000

**TOTAL: \$2,000**

**III. ADMINISTRATIVE REQUIREMENTS**

**A. Accounting Standards**

The City agrees to comply with 24 CFR 84 or 85 as applicable and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

**B. Cost Principles**

The City shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," A-21, "Cost Principles for Educational Institutions," or OMB Circular A-87, "Cost Principles for State, Local and Indian Tribal Governments as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

**C. Documentation and Record Keeping**

**1. Records to be Maintained**

The City and its subrecipients will maintain all records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- i. Records providing a full description of each activity undertaken;
- ii. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- iii. Records required to determine the eligibility of activities;
- iv. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- v. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- vi. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28; and
- vii. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Records Retention

The City shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of five (5) years. The retention period begins on the date of the submission of the County's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

3. Client Data

The City shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to County monitors or their designees for review upon request.

4. Disclosure

The City understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the County's or City's responsibilities with respect to services provided under this contract, is prohibited by applicable federal and State law unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

5. Close-outs

The City's obligation to the County shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the County), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the City has control over CDBG funds, including program income.

6. Audits & Inspections

All City records with respect to any matters covered by this Agreement shall be made available to the County, HUD, and the Controller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the City within 30 days after receipt by the City. Failure of the City to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The City hereby agrees to have an annual agency audit conducted in accordance with current County policy concerning subrecipient audits and OMB Circular A-133.

**IV. PROJECT IMPLEMENTATION AND SCHEDULE**

Unless pre-approved by County, CITY will perform and complete the activities described in Section II in conformance with the schedule of tasks and milestones listed below:

<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Complete Mandatory Online Training	July 2013	September 2013
Execute Subrecipient Agreements (EDA must approve)	July 1, 2013	---
Implement Program Activities	July 1, 2013	TBD
Execute Supplemental Agreement & Notice to Incur Cost	August 2013	September 2013
City Submit Quarterly Performance Reports to County		October 15, 2013 January 15, 2014 April 15, 2014 July 31, 2014
County Monitoring of City Performance	TBD	TBD
City submit Monthly Direct Benefit Reports	September 2013	July 2014
City Submits Reimbursement Requests		
Monthly Submittal <input type="checkbox"/>	September 2013	<b><u>June 13, 2014</u></b>
Other Schedule <input type="checkbox"/>	_____	_____
CDBG Program Services Complete		TBD

**V. SPECIAL CONDITIONS /PERFORMANCE REQUIREMENTS**

Sponsor must collect eligibility self-certifications from every participant in the CDBG-funded program. At a minimum, participants must certify that they are severely disabled adults. The participants must report their ethnicity as well. All of this documentation must be submitted to EDA on a monthly basis.

**SUPPLEMENTAL AGREEMENT  
SCOPE OF WORK  
(NON-PUBLIC SERVICE)**

**I. GENERAL INFORMATION**

CITY NAME: City of Norco

ADDRESS: 2870 Clark Ave.  
Norco, CA 92860

PROGRAM CONTACTS: Brian Petree

PHONE: (951) 270-5632 FAX: (951) 270-5681

E-MAIL: \_\_\_\_\_

PROJECT NAME: Ingalls Park ADA Restroom Project Phase II

PROJECT LOCATION: 3737 Crestview Dr., Norco, CA 92860

LEVEL OF ENVIRONMENTAL CLEARANCE: \_\_\_\_\_

CDBG ELIGIBILITY CODE: \_\_\_\_\_

PROJECT FUNDING SUMMARY: **\$81,010**

Project to be administered by County (EDA) on behalf of City: YES  NO

**II. SCOPE OF SERVICE**

**A. Activities**

City will be responsible for administering a **2013-2014** Community Development Block Grant for the **Ingalls Park ADA Restroom Project Phase II** in a manner satisfactory to the County of Riverside and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

Activity #1 ***Ingalls Park ADA Restroom Project Phase II***  
*CDBG funds will be used to purchase and install an additional pre-fabricated, fully-equipped, ADA-accessible restroom at Ingalls Park in the City of Norco to improve access for disabled individuals.*

**B. National Objective**

All activities funded with CDBG funds must comply with one of more of the CDBG program's National Objective Criteria as required under 24 CFR 570.200(a)(2). City certifies that the activity(ies) carried out under this Agreement will meet the following National Objective:

National Objective Criteria: 570.208 (a)(2)(i)(A)

CFR Reference: Low Mod Limited Clientele Presumed

**C. Levels of Accomplishment – Goals and Performance Measures**

The City agrees to implement and complete the following activity(ies):

Activity #1 Purchase and install a pre-fabricated fully equipped ADA compliant accessible restroom.

**CPD OUTCOME PERFORMANCE MEASUREMENT**

**Objectives (select one):**  Creating Suitable Living Environments  
 Providing Decent Affordable Housing  
 Creating Economic Opportunities

**Outcome (select one):**  Availability/Accessibility  
 Affordability  
 Sustainability (promoting livable or viable communities)

**D. City Capacity**

By executing this Supplemental Agreement, the City certifies that it has the appropriate number of trained and knowledgeable staff, adequate facilities, proper equipment, required licensing and permitting, and sufficient amount of financial resources necessary to implement and carry out the activities funded with CDBG funds.

City will immediately notify County of any significant changes in organizational management, assigned staff, change in facilities, loss or change in matching funds, or any other event that could potentially impact the City or subrecipient's performance under this Agreement.

Any changes in the above items are subject to the prior approval of the County.

**E. Performance Monitoring**

The County of Riverside will monitor the performance of the City and its subrecipients against goals and performance standards as stated above. Substandard performance as determined by the County will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the City within a reasonable period of time after being notified by the County, contract suspension or termination procedures will be initiated.

**F. Program Budget**

It is expressly agreed and understood that the total amount to be paid by the County under this Agreement shall not exceed **\$81,010**. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in this Section and in accordance with performance. Payments may be contingent upon certification of the Subrecipient's financial management system in accordance with the standards specified in 24 CFR 84.21.

The County may require a more detailed budget breakdown than the one contained herein, and the City shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the County. Any amendments to the budget must be approved in writing by both the County and City.

Line Item	CDBG Granted Funds	Total of Non-CDBG Funds	Total Activity/Project Budget	Notes
Design/Engineering Costs				
Project Administration Costs				
Construction Costs				
Acquisition Costs				
Relocations Costs				
Capital Equipment Costs				
Code Enforcement				
Clearance				
Interim Assistance				
Other: <b>ADA Restroom</b>				
<b>TOTAL CDBG BUDGET</b>	<b>\$81,010</b>			

**G. Total Amount of Non- CDBG Leveraging**

TYPE	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	TOTAL
FEDERAL							
STATE/LOCAL							
PRIVATE							
OTHER							

**TOTAL: None**

**III. ADMINISTRATIVE REQUIREMENTS**

**A. Accounting Standards**

The City agrees to comply with 24 CFR 84 or 85 as applicable and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

**B. Cost Principles**

The City shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," A-21, "Cost Principles for Educational Institutions," or OMB Circular A-87, "Cost Principles for State, Local and Indian Tribal Governments as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

**C. Documentation and Record Keeping**

**1. Records to be Maintained**

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- i. Records providing a full description of each activity undertaken;
- ii. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- iii. Records required to determine the eligibility of activities;
- iv. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- v. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- vi. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28; and
- vii. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Records Retention

The City shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of five (5) years. The retention period begins on the date of the submission of the County's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

3. Client Data

The City shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to County monitors or their designees for review upon request.

4. Disclosure

The City understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the County's or City's responsibilities with respect to services provided under this contract, is prohibited by applicable federal and State law unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

5. Close-outs

The City's obligation to the County shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the County), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the City has control over CDBG funds, including program income.

6. Audits & Inspections

All City records with respect to any matters covered by this Agreement shall be made available to the County, HUD, and the Controller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the City within 30 days after receipt by the City. Failure of the City to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The City hereby agrees to have an annual agency audit conducted in accordance with current County policy concerning subrecipient audits and OMB Circular A-133.

**IV. PROJECT IMPLEMENTATION AND SCHEDULE**

Unless pre-approved by County, City will perform and complete the activities described in Section II in conformance with the schedule of tasks and milestones listed below:

<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Complete Mandatory Online Training	July 2013	October 2103

Implement Project Activities	Upon Notification from EDA	
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Execute Supplemental Agreement & Notice to Incur Cost	September 2013	September 2013
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<u>Tasks / Milestone</u>	<u>Start Date</u>	<u>Completion Date</u>
Submit Quarterly Performance Reports to County		October 15, 2013
		January 15, 2014
		April 15, 2014
		July 31, 2014

County Monitoring of City Program/Performance	To be determined by Program Manager
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Specific Project Activities	To be determined by Program Manager
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1. City executes Supplemental Agreement; receives authorization to incur cost letter
2. City prepares final construction bid documents for EDA review and approval
3. EDA authorizes City to advertise for bids
4. EDA reviews and approves bidding process
5. City awards construction contract(s)
6. City and EDA conduct "pre-construction meeting"
7. EDA authorizes City to issue "Notice to Proceed"

City Submits Reimbursement Requests

Monthly Submittal

Other Schedule

CDBG-funded Project Complete

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June 6, 2015

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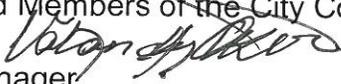
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**V. SPECIAL CONDITIONS /PERFORMANCE REQUIREMENTS**

This public facility project meets a National Objective of the CDBG program by primarily serving persons with low and moderate incomes (NOTE: at least 51% of the persons benefiting from the facility must be low/moderate income). Upon project completion, Sponsor must collect and report annual Direct Benefit data to EDA for a five (5) year period.

# 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: November 6, 2013

SUBJECT: Approval of an Agreement for the Repayment of a State Revolving Fund Loan between the City of Norco and Western Riverside County Regional Wastewater Authority ("WRCRWA")

RECOMMENDATION: Approve the Agreement between WRCRWA and its Member Agencies for the repayment of State Revolving Fund Loan.

**SUMMARY:** The City of Norco is a member of WRCRWA, which jointly exercises powers to own, operate, convey, treat and maintain wastewater treatment facilities. The City of Norco has committed to purchasing an additional 0.5 million gallons per day ("MGD") of treatment capacity as part of the plant expansion from 8.0 MGD to 14.0 MGD. In order for the Agreement to be effective it must also be approved and executed by each of the Member Agencies.

**BACKGROUND/ANALYSIS:** At its December 5, 2012 meeting, the City Council approved the Project and Capacity Agreement 2 for the Expansion of the WRCRWA Treatment Plant. It is stipulated in Amendment No. 2 that if the cost per gallon for the proposed expansion exceeds \$10 per gallon as a result of added odor control facilities, excluding change orders, the actual cost of added odor control facilities will be shared by all Members. The City of Norco has requested an additional 0.5 MGD of capacity at an estimated cost of approximately \$5,000,000.

The WRCRWA, of which the City is a Member Agency, has been authorized by its Board of Directors to apply for a State Revolving Fund (SRF) Loan to pay for the expansion of the Authority's treatment plant from its existing capacity of 8.0 million gallons per day ("MGD") to 14.0 MGD and to construct certain odor control infrastructure and improve centrifuge equipment for the benefit of the entire 14.0 MGD treatment plant.

In order to apply for the SRF Loan funding, the State Water Resources Control Board requires that the Member Agencies of the WRCRWA agree to pledge and dedicate their revenues and funds for the repayment of the SRF Loan through the Authority. Such a requirement includes the attached Agreement between Western Riverside County Regional Wastewater Authority and its Member Agencies for the Repayment of State Revolving Fund Loan.

The Agreement between WRCRWA and its Member Agencies for the Repayment of State Revolving Fund Loan provides that the Member Agencies pledge and dedicate their revenues and funds for repayment of the State Revolving Fund Loan through the Authority. In order for the Agreement to be effective it must also be approved and executed by each of the Member Agencies.

Based on the most recent projections, the Planning Department has determined that there are approximately 1,380 acres available for new residential and commercial development within the City of Norco boundaries. Staff has established an equivalent dwelling ("EDU") unit to be 260 gallons per day per residential lot (1/2 acre). With 1,380 acres available, multiplied by 2 lots per acre we would have a potential for 2,760 new lots. This would equate to 2,760 times 260 gallons per lot to an ultimate need of an additional 700,000 gallons per day of wastewater treatment capacity. The proposed expansion would provide the City with an additional 500,000 gallons per day of treatment capacity; this combined with the existing available capacity of 300,000 gallons per day would provide the City with a total ultimate capacity of 800,000 gallons per day for future growth. It is to be noted that the treatment plant is not likely to be expanded further in the future.

**FISCAL IMPACT:** The City's \$5,000,000 share of the proposed SRF loan will require annual estimated debt service payment of \$308,341 over 20 years. The City's source of revenue to make the annual debt service will come from the Sewer Fund and will consist of impact fee revenues to be collected from future development and revenues from sewer use fees.

Attachment: SRF Loan Agreement

WRCRWA - PLANT EXPANSION TO 14 MGD  
 PAYMENT SCHEDULE  
 SRF LOAN  
 20 YEAR AMORTIZATION

Principal Balance	\$	61,092,109.59
Interest Rate		1.9%
Term - Years		20
Inception Date		8/1/2016
Payment Schedule		Yearly

Project cost for expansion to 14.0 mgd	
Construction	\$ 45,000,000.00
Planning & Admin Costs	1,000,000.00
Engineering & CM Services	6,000,000.00
Contingency	8,000,000.00
Interest during construction - adds to prin	1,092,109.59
Amount to Finance	\$ 61,092,109.59

Payment Date	Payment	Principal	Interest	Loan Balance
Beginning Balance				\$ 61,092,109.59
8/1/2017	(\$3,700,234.79)	\$ 2,539,484.71	\$ 1,160,750.08	58,552,624.88
8/1/2018	(\$3,700,234.79)	\$ 2,587,734.92	\$ 1,112,499.87	55,964,889.96
8/1/2019	(\$3,700,234.79)	\$ 2,636,901.88	\$ 1,063,332.91	53,327,988.08
8/1/2020	(\$3,700,234.79)	\$ 2,687,003.02	\$ 1,013,231.77	50,640,985.06
8/1/2021	(\$3,700,234.79)	\$ 2,738,056.07	\$ 962,178.72	47,902,928.99
8/1/2022	(\$3,700,234.79)	\$ 2,790,079.14	\$ 910,155.65	45,112,849.85
8/1/2023	(\$3,700,234.79)	\$ 2,843,090.64	\$ 857,144.15	42,269,759.21
8/1/2024	(\$3,700,234.79)	\$ 2,897,109.37	\$ 803,125.42	39,372,649.84
8/1/2025	(\$3,700,234.79)	\$ 2,952,154.44	\$ 748,080.35	36,420,495.40
8/1/2026	(\$3,700,234.79)	\$ 3,008,245.38	\$ 691,989.41	33,412,250.02
8/1/2027	(\$3,700,234.79)	\$ 3,065,402.04	\$ 634,832.75	30,346,847.98
8/1/2028	(\$3,700,234.79)	\$ 3,123,644.68	\$ 576,590.11	27,223,203.30
8/1/2029	(\$3,700,234.79)	\$ 3,182,993.93	\$ 517,240.86	24,040,209.37
8/1/2030	(\$3,700,234.79)	\$ 3,243,470.81	\$ 456,763.98	20,796,738.56
8/1/2031	(\$3,700,234.79)	\$ 3,305,096.76	\$ 395,138.03	17,491,641.80
8/1/2032	(\$3,700,234.79)	\$ 3,367,893.60	\$ 332,341.19	14,123,748.21
8/1/2033	(\$3,700,234.79)	\$ 3,431,883.57	\$ 268,351.22	10,691,864.63
8/1/2034	(\$3,700,234.79)	\$ 3,497,089.36	\$ 203,145.43	7,194,775.27
8/1/2035	(\$3,700,234.79)	\$ 3,563,534.06	\$ 136,700.73	3,631,241.21
8/1/2036	(\$3,700,234.79)	\$ 3,631,241.21	\$ 68,993.58	
	(\$74,004,695.81)	\$61,092,109.59	\$12,912,586.22	

% of DS	%	Annual Debt Service	Total Interest Cost	Total Cost to Maturity
JCSD	45.834%	1,695,965.61	5,918,354.77	33,919,312.28
Corona	39.500%	1,461,592.74	5,100,471.56	29,231,854.85
HGSD	6.333%	234,335.87	817,754.09	4,686,717.39
Norco	8.333%	308,340.57	1,076,005.81	6,166,811.30
WMWD	0.000%			
	100.000%	\$ 3,700,234.79	\$ 12,912,586.22	\$ 74,004,695.81

**AGREEMENT BETWEEN WESTERN RIVERSIDE  
COUNTY REGIONAL WASTEWATER  
AUTHORITY AND ITS MEMBER AGENCIES FOR  
THE REPAYMENT OF STATE REVOLVING FUND  
LOAN**

This Agreement is made and entered into this 25<sup>th</sup> day of September 2013 between and among the Western Riverside County Regional Wastewater Authority ("Authority") and all of its Member Agencies comprised of City of Corona, Home Gardens Sanitary District, Jurupa Community Services District, City of Norco and the Western Municipal Water District of Riverside County, (sometimes collectively referred to as the "Parties" or the "Member Agencies").

**RECITALS**

WHEREAS, the Authority proposes to expand its wastewater treatment facilities from its existing capacity of 8.0 million gallons per day ("MGD") to 14.0 MGD and construct Odor Control Infrastructure and improve Centrifuge Equipment for the benefit of the entire, 14.0 MGD plant (the "Project"); and

WHEREAS, the Member Agencies of the Authority in need of the 6.0 MGD expansion are the City of Corona, Home Gardens Sanitary District, Jurupa Community Services District and the City of Norco (the "Expanders"); and

WHEREAS, the Member Agency not in need of the 6.0 MGD expansion but a participant in the Odor Control Infrastructure construction and Centrifuge Equipment improvement is the Western Municipal Water District of Riverside County (the "Non-Expander"); and

WHEREAS, the Expanders and the Non-Expander have entered into the Project and Capacity Agreement for the Expansion of the Western Riverside County Regional Wastewater Authority Treatment Plant ("Project Agreement") originally dated March 8, 2012, as subsequently amended, to define allocation of capacity rights and construction funding obligations; and

WHEREAS, Member Agencies currently holding capacity rights in the existing 8.0 MGD plant have pledged excess capacity in certain plant assets such as the buildings, fee title land, and outfall pipeline as a portion of their cost share in the Project; and

WHEREAS, it has been agreed that a total unit Project cost of \$10 per gallon is the threshold for determining whether pledged excess capacity in existing assets is adequate to fulfill the obligation of the Member Agencies' share of Odor Control Infrastructure and Centrifuge Equipment; and

WHEREAS, Project costs in excess of \$10 per gallon due to the cost of Odor Control Infrastructure and Centrifuge Equipment shall be the responsibility of all Members as described in detail in the Project Agreement; and

WHEREAS, the Authority has applied for a State Revolving Fund ("SRF") loan from the State of California, State Water Resources Control Board, Division of Financial Assistance for the purpose of funding the capital costs of the Project; and

WHEREAS, as a condition of obtaining the SRF loan, the Authority adopted Resolution No. 13-006 committing a source or sources of funds for the repayment of the SRF loan; and

WHEREAS, the Authority has applied for SRF loan forgiveness grant funds on behalf of one or more of its Member Agencies; and

WHEREAS, the principal purpose of this Agreement is to inform and advise the Board of Directors of the Authority that the following Member Agencies of the Authority being the City of Corona, Home Gardens Sanitary District, Jurupa Community Services District, City of Norco and the Western Municipal Water District, hereby represent, warrant and commit to the Authority for the timely repayment of the SRF loan.

**AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual promises and covenants contained herein, the Parties agree as follows:

1. The foregoing Recitals, and each of them, are true and correct and are hereby incorporated into this Agreement as if set forth in full.
2. The Project shall expand the Authority's treatment plant capacity from the existing 8.0 MGD to the proposed 14.0 MGD, a Total Expansion Capacity of 6.00 MGD, and construct Odor Control Infrastructure and improve Centrifuge Equipment for the entire 14.0 MGD plant. Each Expander's cost obligations and loan repayment obligations are as follows:

**REVENUE OBLIGATIONS of the EXPANDERS**

Expanders	Total Expansion Capacity	Percentage of SRF Loan Repayment Obligation for Expanders
City of Corona	2.37 MGD	39.500 %
Home Gardens Sanitary District	0.38	6.333
Jurupa Community Services District	2.75	45.834
City of Norco	<u>0.50</u>	<u>8.333</u>
Total Expansion Capacity	6.00 MGD	100.000 %

3. Each of the Expanders individually shall timely repay, through the Authority, the SRF Loan and related expenses in the percentages referenced in Section 2 above. Each of the Expanders individually shall annually budget and appropriate funds necessary to repay its share of the SRF Loan.

4. Excepting the financial liability described in Sections 5, 6 and 7 below, Expanders hereby specifically agree to fully assume and solely bear all financial liability in accordance with the percentages referenced in Section 2 above, including but not limited to, all costs, expenses, debt repayment obligations and any and all other claims, demands, lawsuits, liabilities, and/or damages arising from or pertaining to the SRF loan.

5. The part of the Project that provides Odor Control Infrastructure and Centrifuge Equipment shall be the responsibility of all Member Agencies (both Expanders and the Non-Expander) for that portion of the total cost of Odor Control Infrastructure and Centrifuge Equipment that causes the Project to exceed a unit cost of \$10 per gallon within the limit established by the Project Agreement (the limit being the total estimated cost of Odor Control Infrastructure and Centrifuge Equipment) as follows:

REVENUE OBLIGATIONS of the NON-EXPANDER and EXPANDERS

Expanders and Non-Expander	Total Treatment Plant Capacity	Percentage of SRF Loan Repayment Obligations for all Members
City of Corona	2.37 MGD	16.929 %
Home Gardens Sanitary District	1.00	7.143
Jurupa Community Services District	6.00	42.856
City of Norco	2.70	19.286
Western Municipal Water District	<u>1.93</u>	<u>13.786</u>
Total Plant Capacity after Project Completion	14.00 MGD	100.000 %

6. In the event that the total Project Cost exceeds a unit cost of \$10/gallon, all Members (Expanders and Non-Expander) hereby individually shall timely repay, through the Authority, that portion of the SRF Loan and appurtenant expense obligations associated with Odor Control Infrastructure and Centrifuge Equipment improvement in the percentages referenced above in Section 5, within the limits established by the Project Agreement. Each of the Members individually shall annually budget and appropriate funds necessary to repay its share of the SRF Loan.

7. In the event that the total Project Cost exceeds a unit cost of \$10/gallon, all Members (Expanders and Non-Expander) hereby specifically agree to fully assume and solely bear all financial liability associated with that portion of the SRF loan used to construct Odor Control Infrastructure and Centrifuge Equipment in the percentages referenced above in Section 5, within the limits established by the Project Agreement, including but not limited to, all costs, expenses, debt repayment obligations and any and all other claims, demands, lawsuits, liabilities, and/or damages arising from or pertaining to the SRF loan.

8. In the event the Authority receives an award of SRF loan forgiveness grant funds as a result of one or more of its Member Agencies qualifying for such a grant, the Authority shall reduce the total pro-rata payment contribution in Sections 2 and 5 above for each qualifying Member Agency by the

amount of the grant funding awarded or allocated to the qualifying Member Agency. The Member Agency receiving the benefit of such grant funding shall reimburse the Authority for any incidental expenses incurred by the Authority for the receipt and administration of such grant funds. Such incidental expenses, if any, shall be invoiced separately.

9. Each Member Agency shall make its respective pro-rata payment contributions in accordance with Sections 2, 5 and 8 above to the Authority upon receipt of invoice but no later than 20 days in advance of the due date of each installment payment due on the SRF Loan so that the Authority is able to make timely installment payments on the SRF Loan.

10. The Authority's Member Agencies, and each of them, shall indemnify and hold harmless the Authority from all costs, expenses, debt repayment obligations, contract and tort liabilities, including attorneys' fees and litigation costs, fines and penalties associated with the SRF Loan and any default by the Authority in the repayment of the SRF Loan caused or contributed to, by the indemnifying Member Agency's failure to provide the funds necessary for the repayment of the SRF Loan.

11. In the event that a dispute arises under this Agreement, and before any litigation or arbitration is commenced, the Parties shall submit the dispute to nonbinding mediation before a neutral mediator of either a retired judge or justice paid for by each of the Parties equally.

12. Nothing herein is intended to create, nor shall anything herein be construed as creating, any rights in, benefits for or obligations to, any person or entity other than the Parties to this Agreement.

13. This Agreement may be executed in counterparts, each of which shall be deemed an original, but which together shall constitute a single Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date hereinafter indicated.

HOME GARDENS SANITARY DISTRICT

Dated: \_\_\_\_\_

By \_\_\_\_\_  
President

Dated: \_\_\_\_\_

By \_\_\_\_\_  
Secretary

CITY OF CORONA

Dated: \_\_\_\_\_

By \_\_\_\_\_  
Mayor

Dated: \_\_\_\_\_

By \_\_\_\_\_

City Clerk

CITY OF NORCO

Dated: \_\_\_\_\_

By \_\_\_\_\_  
Mayor

Dated: \_\_\_\_\_

By \_\_\_\_\_  
City Clerk

JURUPA COMMUNITY SERVICES DISTRICT

Dated: \_\_\_\_\_

By \_\_\_\_\_  
President

Dated: \_\_\_\_\_

By \_\_\_\_\_  
Secretary

WESTERN MUNICIPAL WATER DISTRICT  
OF RIVERSIDE COUNTY

Dated: \_\_\_\_\_

By \_\_\_\_\_  
President

Dated: \_\_\_\_\_

By \_\_\_\_\_  
Secretary

WESTERN RIVERSIDE COUNTY REGIONAL  
WASTEWATER AUTHORITY

Dated: \_\_\_\_\_

By \_\_\_\_\_  
Jane Anderson, Chair

Dated: \_\_\_\_\_

By \_\_\_\_\_  
Al Lopez, Secretary-Treasurer

WRCRWA - PLANT EXPANSION TO 14 MGD  
 PAYMENT SCHEDULE  
 SRF LOAN  
 20 YEAR AMORTIZATION

Principal Balance	\$	61,092,109.59
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Payment Schedule		Yearly

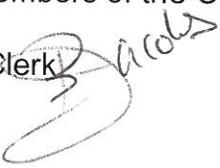
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8/1/2029	(\$3,700,234.79)	\$ 3,182,993.93	\$ 517,240.86	24,040,209.37
8/1/2030	(\$3,700,234.79)	\$ 3,243,470.81	\$ 456,763.98	20,796,738.56
8/1/2031	(\$3,700,234.79)	\$ 3,305,096.76	\$ 395,138.03	17,491,641.80
8/1/2032	(\$3,700,234.79)	\$ 3,367,893.60	\$ 332,341.19	14,123,748.21
8/1/2033	(\$3,700,234.79)	\$ 3,431,883.57	\$ 268,351.22	10,691,864.63
8/1/2034	(\$3,700,234.79)	\$ 3,497,089.36	\$ 203,145.43	7,194,775.27
8/1/2035	(\$3,700,234.79)	\$ 3,563,534.06	\$ 136,700.73	3,631,241.21
8/1/2036	(\$3,700,234.79)	\$ 3,631,241.21	\$ 68,993.58	
	(\$74,004,695.81)	\$61,092,109.59	\$12,912,586.22	

% of DS	%	Annual Debt Service	Total Interest Cost	Total Cost to Maturity
JCS D	45.834%	1,695,985.61	5,918,354.77	33,919,312.28
Corona	39.500%	1,461,592.74	5,100,471.56	29,231,854.85
HGSD	6.333%	234,335.87	817,754.09	4,686,717.39
Norco	8.333%	308,340.57	1,076,005.81	6,166,811.30
WMWD	0.000%	-	-	-
	100.000%	\$ 3,700,234.79	\$ 12,912,586.22	\$ 74,004,695.81

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Brenda K. Jacobs, City Clerk 

DATE: November 6, 2013

SUBJECT: Appointment to Fill One Unscheduled Vacancy Seat on the Planning Commission

RECOMMENDATION: Staff recommends that the City Council make one appointment to the Planning Commission.

**SUMMARY:** There is one unscheduled vacancy on the Planning Commission due to the resignation of Bob Wright. The City Clerk posted and published a public notice on September 24, 2013 advertising the vacancy and requesting that persons wishing to serve on the Planning Commission submit an application no later than Thursday, October 24, 2013. Five (5) applications were received by the closing time and date.

**BACKGROUND/ANALYSIS:** The City Clerk received written notice from Bob Wright that he has resigned from the Planning Commission effective October 10, 2013. The resignation created an unscheduled vacancy on the Planning Commission to fill the term through June of 2015. A press release for immediate release was posted and published on September 24, 2013 soliciting applications to fill the vacancy. The deadline for receipt of applications was 6 p.m. on Thursday, October 24, 2013. No applications were accepted after the posted deadline.

Service on the Planning Commissions is a 4-year term; you must be a permanent resident of Norco, 21 years of age, a citizen of the U.S., take the oath of office, and never convicted of a felony. An appointment to a commission is an honor and a responsibility. The City Council has confidence in the judgment and integrity of its appointees and relies on them for information and recommendations on specific matters.

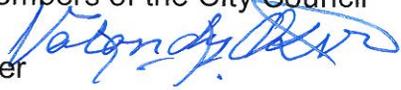
The following applications (in alphabetical order) were received from which the Council will make its recommendation and appointment:

Brandon Barnett  
Raul Gurrola  
Ted Hoffman  
James M. Wilson  
Christopher Douglas Young

*Applications are on file in the Office of the City Clerk*

# CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

DATE: November 6, 2013

SUBJECT: Discussion Regarding the Navy Sign and Storage Units Located on the Property of the Naval Surface Warfare Center

RECOMMENDATION: City Council direction is recommended.

**SUMMARY:** At its meeting held on October 16, 2013, the City Council heard public comments noting complaints from residents regarding the Navy sign and storage containers located on the Naval Surface Warfare Center (NSWC). The City Council voted to place this issue on the Agenda for further discussions and direction.

**BACKGROUND/ANALYSIS:** The City Council first heard complaints from concerned residents regarding the newly installed giant "NAVY" sign at the Naval Surface Warfare Center in Norco on October 2, 2013. The City Council then directed the City Manager to contact the Navy to obtain more information and to relay the concerns of some residents to the Navy. On October 16, 2013, the City Manager provided a verbal report to the City Council on the outcome of his discussion with Navy staff. The City Manager reported that he had twenty-seven (27) residents who have signed petition in opposition of the Navy sign. The list was forwarded to the NSWC. The City Manager further reported that based on his conversation with Navy staff, the Navy was surprised by the negative reaction from some residents as they thought that the sign was a way to express patriotism and show their presence in the community. It was also noted that Navy Captain Hardy, from Naval Weapons Station Seal Beach, has the ultimate decision of deciding whether to remove the sign or not. During the October 16, 2013 Council meeting, additional petitions and complaints were also received.

To date, a petition holding forty-four (44) signatures from Norco residents has been sent to Captain Hardy. The petition statement is "remove the painted Navy sign on the building above the base and remove the 25 plus storage containers or plant trees to surround and block their view." The petition further states that "the recently placed signage and containers affect the rural atmosphere of Norco. The only people able to see the signage are those who live below the hill and it is an eyesore to see. The sign serves no purpose and should be placed on the front of a building where the Navy personnel can see it. The containers make the area look like a junkyard and will be detrimental to property values."

Since the October 16, 2013 meeting, the Navy has advised staff that while the containers on the hill are necessary to support their mission, they will be gradually reducing the number of containers and will ultimately hide or cover the remainder from public view. Regarding the Navy sign, they contend that it was part of a beatification effort and they are still quite surprised about the level of public concern. Captain Ver Hage, the Commanding Officer of the Naval Surface Warfare Center, will attend this meeting to represent and speak on behalf of the Navy.

FISCAL IMPACT: None

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council  
FROM: Andy Okoro, City Manager   
DATE: November 6, 2013  
SUBJECT: Discussion Regarding Public Official Use of City Letterhead  
RECOMMENDATION: Staff recommends that an Administrative Policy be drafted addressing the use of City Letterheads and other public resources.

**SUMMARY:** The City currently does not have any written policy regarding the use of City Letterheads and other public resources by City Council Members. Staff is recommending that this issue be discussed by the City Council and that an Administrative Policy be drafted addressing City rules on the use of City Letterheads and other public resources by members of the City Council.

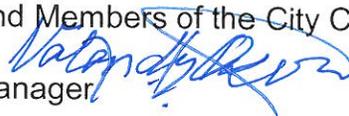
**BACKGROUND/ANALYSIS:** It has come to the City Manager's attention that there is concern from both staff and Council Members regarding the fact that there is currently no policy regarding City Council Member use of City Letterheads and other public resources.

Staff recommends that that the City Council discusses this issue and further recommends that an Administrative Policy be drafted addressing City rules on the use of City Letterheads by City Council Members. That same Administrative Policy can also address the use of other public resources including City facilities, equipment, vehicles, supplies, on-duty personnel, etc.

Fiscal Impact: None.

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Geoff Pemberton, Fire Chief

DATE: November 6, 2013

SUBJECT: Ordinance Replacing Title 15, Chapter 15.09 (Fire Code) of the Norco Municipal Code

RECOMMENDATION: Adopt **Ordinance No. 696 for first reading**, replacing Title 15, Chapter 15.09 of the Norco Municipal Code.

SUMMARY: The proposed ordinance will adopt and amend the 2013 edition of the California Fire Code (CFC) which is based on the 2012 International Fire Code (IFC) and replace Chapter 15.09 (Fire Code) of the Norco Municipal Code in its entirety.

BACKGROUND/ANALYSIS: A new California Fire Code has been adopted by the State Building Standards Commission which will become effective January 1, 2014. State law allows local governments to amend California Codes, provided that the amendments are more restrictive and are necessary in order to provide a higher level of life safety. Every three years the State of California adopts new Model Codes based on the latest codes published by the International Code Council (ICC). These codes are reviewed and recommended by the State Building Standards Commission. After publication of the codes, local governments are encouraged by the State of California to adopt and amend these codes to address local climatic, geographical and topographical conditions as well as administrative provisions. Staff has analyzed these codes and has prepared amendments to ensure that this code meets the specific needs of the City of Norco.

FINANCIAL IMPACT: No fiscal impact

Attachment: Ordinance for first reading

## ORDINANCE NO. 696

### AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, REPLACING TITLE 15, CHAPTER 15.09 OF THE NORCO MUNICIPAL CODE

WHEREAS, at the regular meeting on November 6, 2013, the Norco City Council conducted a public hearing and received and considered oral and written testimony concerning the proposed code change; and

WHEREAS, the California Health and Safety Code requires cities and counties to adopt building standards that are consistent with those contained in the California Code of Regulations Title 24 ; and

WHEREAS, modifications and/or changes to Chapter 15.09 of the Norco Municipal Code requires findings stating that they are found reasonably necessary because of climatic, geological or topographical conditions in the City of Norco; and

WHEREAS, State law allows local governments to amend California Model Codes, providing the amendments are more restrictive and are necessary in order to provide the highest level of life-safety standards and requires that local governments enforce these code editions.

NOW, THEREFORE, the City Council of the City of Norco does hereby make the following FINDINGS:

A. California Health & Safety Code, Section 17958.5 and 18941.5 authorize cities and counties to modify the California Building Standards Code by adopting more restrictive standards and modifications if such standards and modifications are accompanied by express findings that they are reasonably necessary because of local climatic, geological or topographical conditions.

B. The City Council of the City of Norco finds that these local climatic, geological or topographical conditions include, but are not limited to, the following:

1. The City is subject to relatively low amounts of precipitation, very low humidity levels and extremely high temperatures. These climatic conditions are conducive to the spread of drought conditions and fires. For example, during July, August and September, temperatures often exceed 100 degrees Fahrenheit. During the same months humidity is usually less than 40% and measurements of less than 10% are not uncommon. These recordings have been documented by the Riverside County Flood Control District and the National Climatic Data Center.

2. The City is subject to extremely strong winds, commonly referred to as "Santa Ana Winds," which can reach speeds of up to 95 miles per hour. In addition, the convergence of the marine shore air flow and the desert air flow create steady winds on a daily basis. Finally, the City is bordered on the south

by steep, rugged, brush-covered mountains and parts of the City contain hilly terrain and mounds, which either contribute to or create gusty wind conditions by causing a natural funneling effect and increasing wind speeds over the City.

3. The City is also subject to moderately strong shaking and surface ruptures from seismic activity in the area. The geologic and seismic setting of the City is dominated by the Chino and Elsinore earthquake faults along the southwest portion of the City and a diversity of bedrock and alluvial soils that may significantly affect the intensity of earthquake shaking. The Elsinore fault is located a short distance southwest of the City, while the Chino fault, which is sub-parallel to the Elsinore fault, is located just inside the City's southwestern boundary. Of the two faults, the Chino fault has the greater potential for surface rupture leading to structural damage of structures in the City. Moreover, the thin alluvial soils found in parts of the City contribute to a moderately high potential for liquefaction in certain areas.

C. The aforementioned geologic and climatic conditions have also contributed to the loss or damage of 450 homes in the Bel Air Fire of 1961, 187 homes in the Chatsworth Fire of 1970, 50 homes in the Mandeville Canyon Fire of 1978, 262 homes in the Anaheim Fire of 1982, 71 homes in the Baldwin Hills Fire of 1985, 33 homes in the Porter Ranch Fire of 1988, 162 homes in the Santa Barbara Fire of 1990, 3300 homes in the Oakland Fire of 1991, hundreds of acres in the nearby Chino Hills State Park Fire of 1997 and most recently, the Corona Triangle / Freeway Complex Fire November 15, 2008 burned 318 properties, burned 30,305 plus acres, destroyed 187 single/multiple family homes, damaged 127 homes, damaged or destroyed four commercial properties.

D. These fires, as well as the Whittier Earthquake of 1987 and Northridge Earthquake of 1994, have resulted in the tragic loss of lives along with enormous property losses.

E. For practicality and cost reasons, many new structures are built of wood (Type V) construction. Many existing structures also have wood shake roofs. The potential for a conflagration exists due to the design and density of current structures.

F. Electrical supply and telephone communication failures occur due to high winds as well as other reasons. Water supply pumps and early notification of a fire cannot always be counted on.

G. Based upon the recommendations of the Fire Chief, the City Council finds that the proposed amendments to the 2013 California Fire Code ("amendments") are more restrictive than the standards adopted by the California Building Standards Commission, would decrease the potential incidence of property damage, injury and death due to fires and earthquakes, and are reasonable and necessary to mitigate the aforementioned local climatic, geologic or topographical conditions.

NOW THEREFORE, the City Council of the City of Norco does hereby DETERMINE, ORDER, AND RESOLVE as follows:

SECTION 1. Chapter 15.09 (FIRE CODE) of the City of Norco Municipal Code is hereby repealed and replaced in its entirety to read as attached in Exhibit "A".

SECTION 2. Modifications and/or changes to Chapter 15.09 are found reasonably necessary because of climatic, geological or topographical conditions in the City of Norco.

SECTION 3: SEVERABILITY: If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, sentence, clause, subsections, sentences, clauses, or phrases hereof irrespective of the fact that any one or more of the sections, subsections, sentences, clauses, or phrases hereof be declared invalid or unconstitutional.

SECTION 4: POSTING: The Mayor shall sign this Ordinance and the City Clerk shall attest hereto and shall cause the same within 15 days of its passage to be posted at no less than five public places within the City of Norco.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on November 20, 2013.

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Mayor of the City of Norco, California

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Norco, California, duly held on November 6, 2013 and thereafter at a regular meeting of said City Council duly held on November 20, 2013, it was duly passed and adopted by the following vote of the City Council.

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on November 20, 2013.

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

Attachment: Exhibit "A"

**Chapter 15.09  
FIRE CODE**

15.09.010	Adoption of the California Fire Code
15.09.020	Findings
15.09.030	Title
15.09.040	Department of Fire Prevention
15.09.050	General Authority and Responsibilities
15.09.060	Permits
15.09.070	Violations
15.09.080	Definitions
15.09.090	Combustible Waste Material
15.09.100	Open Burning and Recreational Fires
15.09.110	Open Flames
15.09.120	Fuel Modification Requirements for New Construction
15.09.130	Emergency Planning and Preparedness
15.09.140	Fire Apparatus Access Roads
15.09.150	Access to Building Openings and Roof
15.09.160	Premises Identification
15.09.170	Fire protection Water Supplies
15.09.180	Fire Department Breathing Apparatus Air System
15.09.190	Mechanical Refrigeration
15.09.200	Commercial Kitchen Hoods
15.09.210	Systems out of Service
15.09.220	Automatic Sprinkler Systems
15.09.230	Alternative Automatic Fire Extinguishing Systems
15.09.240	Construction Requirements for Existing Buildings
15.09.250	Designation of High Piled Storage
15.09.260	Requirements for Wildland-Urban Interface Areas
15.09.270	Explosives and Fireworks
15.09.280	Appendices

**15.09.010 Adoption of the Fire Code**

A. Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as the 2013 California Fire Code, and that certain document being marked and designated as the 2012 International Fire Code, with errata, and including the following appendices, are hereby adopted as the Fire Code for the City of Norco:

1. Appendices B and C

B. One certified copy of each of the 2013 California Fire Code and 2012 International Fire Code are on file in the office of the City Clerk, and any and all references thereto, are adopted as the Fire Code and each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

**15.09.020 Findings**

The City Council finds that the requirements set out here are reasonable and necessary modifications because of climatic, geological and topographical conditions within the City of Norco. The City of Norco in co-operation with the Riverside County Fire Department may establish more restrictive standards reasonably necessary to provide fire protection for life and property due to these conditions..

**15.09.030 Title**

This chapter shall be cited as the "Fire Code" of the City of Norco and any references to the "California Fire Code" or "Fire Code" shall be deemed to refer to and apply to this chapter.

**15.09.040 Addition**

**Section 103 Department of Fire Prevention.**

Section 103.4.2 is hereby added to the California Fire Code to read as follows:

Fire suppression, investigation, rescue or emergency medical costs are recoverable in accordance with Health and Safety Code Sections 13009 and 13009.1, as amended. Additionally, any person who negligently, intentionally or in violation of law causes an emergency response, including, but not limited to, a traffic accident, spill of toxic or flammable fluids or chemicals is liable for the costs of securing such emergency, including those costs pursuant to Government Code Section 53150, et seq, as amended. Any expense incurred by the Riverside County Fire Department for securing such emergency shall constitute a debt of such person and shall be collectable by Riverside County in the same manner as in the case of an obligation under contract, express or implied.

**15.09.050 Addition**

**Section 104 General Authority and Responsibilities**

Section 104.3.2 and 104.6.5 are hereby added to Section 104.3 of the California Fire Code to read as follows:

1. The Fire Chief is authorized to administer, interpret and enforce this ordinance. Under the Fire Chief's direction, the Riverside County Fire Department is authorized to enforce this section of the Norco Municipal Code pertaining to the following:
  - a. The prevention of fires.
  - b. The extinguishment of dangerous or hazardous fires.
  - c. The storage, use and handling of hazardous materials.
  - d. The installation and maintenance of automatic, manual and other private fire alarm systems and fire extinguishing equipment
  - e. The maintenance and regulation of fire escapes.

- f. The maintenance of fire protection and the elimination of fire hazards on land in buildings, structures and other property, including those under construction.
  - g. The maintenance of means of egress.
  - h. The investigation of the cause, origin and circumstances of fire and unauthorized releases of hazardous materials.
2. The following persons are hereby authorized to interpret and enforce the provisions of this municipal code and to make arrests and issue citations as authorized by law:
- a. The Unit Chief, Peace Officers and Public Officers of the California Department of Forestry and Fire Protection.
  - b. The Fire Chief, Peace Officers and Public Officers of the Riverside County Fire Department.
  - c. The Riverside County Sheriff and any deputy
  - d. The Police Chief and any Police Officer of any city served by the Riverside County Fire Department.
  - e. Officers of the California Highway Patrol.
  - f. Peace Officers of the California Department of Parks and Recreation.
  - g. The law enforcement officer of the Federal Bureau of Land Management.
  - h. City of Norco Code Enforcement Officers

3. Section 104.6.5 is hereby added to section 104.6 of the California Fire Code to read as follows:

Requests for copies of public and legal documents, photographs, etc., relating to department activities are available as authorized by law through the Fire Department's Custodian of Records. All document requests shall be in writing.

**15.09.060 Amendment**

**Section 105 Permits**

Section 105.6 of the California Fire Code is hereby amended by deleting subsections 105.6.15 and 105.6.35 to read as follows:

**Subsection 105.6.15 Fire Hydrants and Valves.** Delete without substitution

**Subsection 105.6.35 Private Fire Hydrants.** Delete without substitution.

**15.09.070 Amendment**

**Section 109 Violations**

Section 109.4 of the California Fire Code is hereby amended to read as follows:

**Section 109.4 Violation Penalties.** Persons who shall violate a provision of this Code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter, repair or do work in violation of the approved construction documents or directive of the Fire Code official, or of a permit or certificate used under provisions of this code, shall be guilty of either a misdemeanor, infraction or both as prescribed in Section 109.3.2 and 109.3.3. Penalties shall be as prescribed in local ordinance. Each day that a violation continues after due notice has been served shall be deemed a separate offense.

#### **15.09.080 Amendment**

##### **Chapter 2 Definitions**

Section 202 of the California Fire Code, General Definitions, is hereby amended by adding the following definitions:

**Dry / Fire Season:** Time of the year during which, based on seasonal weather pattern and precipitation averages, the typical rainfall is expected to be minimal. For the purpose of weed and rubbish abatement, the "dry / fire season" is typically May 15<sup>th</sup> to November 15<sup>th</sup>, and is also characterized by lower humidity, lower fuel moisture, and higher daily temperatures, resulting in increase of fire danger.

**Firebreak:** An area / section of property / lot that is cleared of all combustible material creating a safety buffer to decrease the progression of fire.

**Fire Chief:** The Fire Chief of the City of Norco or his/her authorized Representative.

**Fire Nuisance:** Is anything or act which is annoying, unpleasant, offensive or obnoxious because of fire.

**Fire and Life Hazard:** Means any condition, arrangement, or act which will increase, or may cause an increase of, the hazard or menace of fire or a hazardous materials release (spill, leak, etc.) to a greater degree than customarily recognized as normal by persons in the public service of preventing, suppressing or extinguishing fire and responding to hazardous materials release; or which may obstruct, delay or hinder egress from a facility or building, or may become the cause of obstruction, delay or hindrance to the prevention, suppression, or extinguishment of fire or hazardous material release.

**Hazardous Vegetation:** Are defined as grass, weeds, shrubs, trees, tumbleweeds or other vegetation which are in such condition and location, or by the unique characteristics of a species, as to provide a ready fuel supply to augment the spread or intensity of a fire.

**Rubbish:** Combustible waste or refuse, debris, dirt and worthless or useless articles of property.

**Sky Lantern:** An unmanned device that incorporates an open flame in order to make the device airborne.

#### **15.09.090 Addition**

##### **Section 304 Combustible Waste Material**

Section 304.1.2.1 and 304.1.2.2 are hereby added to the California Fire Code to read as follows:

##### **Section 304.1.2.1 Clearance of brush or vegetation growth from roadways.**

The Fire Code official is authorized to cause areas within 10 feet (3048 mm) on each side of portions of highways and private streets which are improved, designed or ordinarily used for vehicular traffic to be cleared of flammable vegetation and other combustible growth. The Fire Code official is authorized to enter upon private property to do so.

Exception: Single specimens of trees, ornamental shrubbery or cultivated ground cover such as green grass, ivy, succulents or similar plants used as ground covers, provided that they do not form a means of readily transmitting fire.

**Section 304.1.2.2 Unusual Circumstances.** The Fire Code official may suspend enforcement and require reasonable alternative measures designed to advance the purposes of this article if the Fire Code official determines in any specific case that any of the following conditions exist:

1. Difficult terrain.
2. Danger of erosion.
3. Presence of plants included in any state and federal resources agencies, California Native Plant Society and county-approved list of wildlife, plants, rare, endangered and/or threatened species.
4. Stands or groves of trees or heritage trees.
5. Other unusual circumstances that make strict compliance with the clearance of vegetation provisions of Section 304 of the fire code undesirable or impractical.

#### **15.09.100 Addition**

##### **Section 307 Open Burning, Recreational Fires and Outdoor Fireplaces**

Section 307.4.3.1 of the California Fire Code is hereby added to read as follows:

**Section 307.4.3.1 Outdoor / Permitted Fires.** Outdoor / permitted fires shall comply with Riverside County Fire-Norco City Standards.

#### **15.09.110 Addition**

##### **Section 308 Open Flames**

Section 308.1.6.3 is hereby added to the California Fire Code to read as follows:

**Section 308.1.6.3 Sky Lanterns.** No person shall release or cause to be released an untethered sky lantern.

**15.09.120 Addition**

**Section 319 Fuel Modification Requirements for New Construction:**

Section 319 is hereby added to the California Fire Code to read as follows:

**Section 319 Fuel Modification Requirements for New Construction:** All new buildings to be built or installed in areas containing combustible vegetation shall comply with the following:

1. Preliminary fuel modification plans shall be submitted to and approved by the Fire Code official concurrent with the submittal for approval of any tentative map.
2. Final fuel modification plans shall be submitted to and approved by the Fire Code official prior to the issuance of a grading permit.
3. The fuel modification plan may be altered if conditions change. Any alterations to the fuel modification shall be approved by the Fire Code official.
4. All elements of the fuel modification plan shall be maintained in accordance with the approved plan and are subject to the enforcement process outlined in the Fire Code.

**15.09.130 Deletion and Amendment**

**Chapter 4 Emergency Planning and Preparedness**

Chapter 4 of the California Fire Code is hereby deleted in its entirety with the exception of Section 404.2 Fire Safety and Evacuation Plans which is hereby amended to read as follows:

16. Windowless buildings having an occupant load of fifty (50) or more.

**15.09.140 Amendment**

**Section 503 Fire Apparatus Access Roads**

Section 503 of the California Fire Code is adopted in its entirety with the following Amendments:

Section 503.1.1 of the California Fire Code is amended to add the following exception:

**Exception 4.** Where approved by the fire code official, fire apparatus access roads shall be permitted to be exempted or modified for solar photovoltaic power generation facilities.

1. Section 503.2.2 of the California Fire Code is hereby amended to read as follows:

**503.2.2 Authority.** The fire code official shall be the only authority authorized to designate *fire apparatus access roads, fire lanes*

*and modify* the minimum widths where they are inadequate for fire or rescue operations.

3. Section 503.3 of the California Fire Code is deleted in its entirety and replaced with the following:

**503.3 Marking.** Fire apparatus access roads, where required, shall be identified by curbs painted red on both the top and face along the entire length of the fire apparatus access road. Where no curbs exists or a rolled curb is installed, a six (6) inch wide red strip shall be applied the full length of the fire apparatus access road or approved posted signs shall be installed in accordance with the Riverside County Fire Department Standards.

Exception: On school grounds this requirement shall be implemented as approved by the *fire code official*.

4. A new Section 503.7 is added to Section 503 of the California Fire Code to read as follows:

**503.7 Loading areas and passenger drop-off areas.** On private properties, where fire apparatus access roads are utilized for loading or unloading or utilized for passenger drop-off or pick-up, an additional eight (8) feet of width shall be added to the minimum required width for the fire apparatus access road.

#### **15.09.150 Amendment**

##### **Section 504 Access to Building Openings and Roofs**

Section 504.1 of the California Fire Code is amended with additional language to the first paragraph to read as follows:

Where ground ladder access is the only means to reach the highest point on the building, the finished grade on all exterior sides of buildings shall be flat and free of any obstructions that would interfere with ground ladder placement. This distance from the building to finished grade shall be determined by the Fire Chief.

#### **15.09.160 Amendment**

##### **Section 505 Premises Identification**

Section 505.1 of the California Fire Code is amended to read as follows:

**505.1 Address Identification.** New and existing buildings shall have approved address numbers, building numbers or approved building identification placed in a position that is plainly legible and visible from the street or road fronting the property. These numbers shall contrast with their background. Number, size, location and means of illumination shall comply with the Riverside County Fire Department-Norco City Standard for Premises Identification unless an alternative means or method is approved by the Fire Code official. Where access is by means of a private road and the building cannot be viewed from the public way, a monument, pole or other sign or means shall be used to identify the structure. The height / size of premise identification shall comply with Riverside County Fire-Norco City Standards Premises Identification.

**15.09.170 Amendment and Addition**

**Section 507 Fire Protection Water Supplies**

Section 507.5.5 is amended and Section 507.5.7 and 507.5.8 of the California Fire Code are hereby added to read as follows:

**507.5.5 Clear Space Around Hydrants.** A 3-foot (914 mm) clear space shall be maintained around the circumference of fire hydrants, Fire Department connections, exterior fire protection system control valves, or any other exterior fire protection system component that may require immediate access, except as otherwise required or approved.

2. A new Section 507.5.7 is added to Section 507 of the California Fire Code to read as follows:

**507.5.7 Fire hydrant size and outlets.** Fire hydrant size and outlets shall be required as determined by the fire code official.

- a. Residential Standard—one (1) four (4) inch outlet, and one (1) two and one half (2 ½) inch outlet.
- b. Super Hydrant Standard—one (1) four (4) inch outlet, and two (2) two and one half (2 ½) inch outlet.
- c. Super Hydrant Enhanced—two (2) four (4) inch outlet, and one (1) two and one half (2 ½) inch outlet.

3. A new Section 507.5.8 is added to Section 507 of the California Fire Code to read as follows:

**507.5.8 Fire Hydrant Street Marker.** Fire hydrant locations shall be visually indicated in accordance with Riverside County Fire Department Std. 06-11. Any hydrant marker damaged or removed during the course of street construction or repair shall be immediately replaced by the contractor, developer, or person responsible for the removal or damage.

**15.09.180 Addition**

**Section 511 Fire Department Breathing Apparatus Air System**

Section 511 is hereby added to the California Fire Code to read as follows:

**511 Fire Department Breathing Apparatus Air System.** All buildings having floors used for human occupancy located 75 feet or more above or below the lowest level of Fire Department vehicular access shall be equipped with an approved breathing apparatus air refilling system. Such system shall be provided for adequate pressurized air supply through a permanent piping system for the replenishment of self-contained breathing apparatus carried by fire suppression, rescue and other personnel in the performance of their duties. Location, specifications of access stations and the installation of such breathing apparatus

air refilling system shall be made in accordance with Riverside County Fire Department Standards.

**15.09.190 Amendment**

**Section 606 Mechanical Refrigeration**

Section 606.10.1.2 of the California Fire Code is hereby amended to read as follows:

**606.10.1.2 Manual Operation.** When required by the Fire Code official, automatic crossover valves shall be capable of manual operation. The manual valves shall be located in an approved location immediately outside of the machinery room, in a secure metal box or equivalent and marked as Emergency Controls.

**15.09.200 Amendment**

**Section 609 Commercial Kitchen Hoods**

Section 609.2 of the California Fire Code is hereby amended to add the following:

Exception: Fire Stations where the use of the commercial appliance is by station personnel and not for the intention of a commercial cooking facility as defined by the California Mechanical Code.

**15.09.210 Addition**

**Section 901.7 Systems Out of Service**

Section 901.7.1 is hereby added the California Fire Code to read as follows:

**901.7.1 Problematic Systems and Systems Out-of-Service.** In the event of temporary failure of the alarm system or an excessive number of false alarm activations, the Fire Chief is authorized to require the building owner or occupant to provide standby personnel until the system is restored.

After repeated alarm malfunctions resulting in a Fire Department response, in number deemed by the Fire Chief to be excessive to the Fire Department, the Fire Chief may schedule a hearing to provide the alarm owner and/or company the opportunity to show cause why the system should not be removed from service. Following said hearing, if it is determined that the problems in the alarm system have not been corrected to the Fire Chief's satisfaction, after providing written notice, the Fire Chief may order that the alarm service be discontinued, the occupancy cease its use and fines be imposed until such time as the system is repaired and properly maintained, and unnecessary responses are mitigated.

**15.09.220 Amendment and Addition**

**Section 903 Automatic Sprinkler Systems**

Section 903.2 of the California Fire Code is hereby deleted in its entirety and replaced with the following:

**903.2 Where required.** In all new buildings and structures which are 2,500 square feet or greater an approved automatic sprinkler system shall be provided regardless of occupancy classification. In existing buildings, an automatic

sprinkler system shall be required if the addition of floor area creates a total square footage exceeding 2,500 square feet. Where the California Fire Code is requiring more restrictive requirements in Sections 903.2.1, 903.2.1.1, 903.2.1.2, 903.2.1.3, 903.2.1.4, 903.2.1.5, 903.2.2, 903.2.3, 903.2.4, 903.2.5, 903.2.5.2, 903.2.6, 903.2.7, 903.2.8, 903.2.9, 903.2.10, 903.2.11.6, 903.2.16, 903.2.18, the more restrictive requirement shall take precedence. The following exceptions in the California Fire Code shall not be allowed:

- a. Exception in Section 903.2.3
- b. Exception in Section 903.2.6.2
- c. Exception in Section 903.2.8
- d. Exception in Section 903.2.11.3

One- and two-family dwellings shall have an automatic fire sprinkler system regardless of square footage in accordance with the California Residential Code. Fire sprinkler systems shall be installed in mobile homes, manufactured homes and multi-family manufactured homes with two dwelling units in accordance with Title 25 of the California Code of Regulations.

Section 903.3.5.3 is hereby added to the California Fire Code to read as follows:

**903.3.5.3 Hydraulically calculated systems.** The design of hydraulically calculated fire sprinkler systems shall not exceed 90% of the water supply capacity

#### **15.09.230 Amendment**

##### **Section 904 Alternative Automatic Fire Extinguishing Systems**

Section 904.3.5 of the California Fire Code is hereby amended to read as follows:

**904.3.5 Monitoring.** Where a building fire alarm or monitoring system is installed, automatic fire-extinguishing systems shall be monitored by the building fire alarm or monitoring system in accordance with NFPA 72.

#### **15.09.240 Amendment**

##### **Chapter 11 Construction Requirements for Existing Buildings**

Only the following sections and sub-sections of Chapter 11 of the California Fire Code shall be adopted:

1. 1103.7
2. 1103.7.3
3. 1103.7.3.1
4. 1103.7.8 thru 1103.7.8.2
5. 1103.7.9 thru 1103.7.9.10
6. 1103.8 thru 1103.8.5.3
7. 1106

**15.09.250 Addition**

**Section 3204 Designation of High-Piled Storage Areas**

Section 3204.2.1 is hereby added to the California Fire Code to read as follows:

**3204.2.1 Minimum requirements for client leased or occupant owned warehouses.** Designs of an automatic sprinkler system for client leased or occupant owned buildings containing high pile storage shall be based on the requirements of NFPA 13. A licensed Fire Protection Engineer shall perform a survey of the building to determine commodity classification, storage configuration, building height and other information related to the development of an appropriate sprinkler system design. The fire protection engineer shall also make reasonable efforts to meet with the building owner or operator to understand seasonal or customer related fluctuations to the stored commodities, storage height, and configuration. The sprinkler design shall be based on the most demanding requirements determined through the onsite survey and discussions with the building owner or operator. The technical report shall describe the basis for determining the commodity and sprinkler design selection, how the commodities will be isolated or separated, and include referenced design document(s), including NFPA 13 or the current applicable factory mutual data sheets. If a specific fire test is used as the basis of design, a copy of the fire test report shall be provided at the time of plan review.

**15.09.260 Addition**

**Section 4904 Requirements for Wildland-Urban Interface Areas**

Section 4904.3 and Section 4908 are hereby added to the California Fire Code to read as follows:

**4904.3 High Fire Hazard Severity Zone Maps.** In accordance with Government Code Sections 51175 through 51189, Very High Fire Hazard Severity Zones are designated as shown on a map titled Very High Fire Hazard Severity Zones, dated April 8, 2010 and retained on file at the office of the Fire Chief and supersedes other maps previously adopted by Riverside County designating high fire hazard areas.

**4908 Hazardous Vegetation Mitigation Requirements.** Shall comply with the Norco City Fire Hazardous Vegetation Mitigation Requirement Standard, CCR Title 19 3.07 (b) and Sections 9.65.09, 9.65.10 and 9.54.11 of the Norco Municipal Code.

**15.09.270 Addition**

**Chapter 56 Explosives and Fireworks**

Section 5601.2 and Section 5608.2 of the California Fire Code are hereby added to read as follows:

**Section 5601.2 Retail Fireworks.** The storage, use, sale, possession, and handling of fireworks including those classified as Safe & Sane fireworks are prohibited.

Exception: Fireworks may be part of an electrically fired public display when permitted and conducted by a licensed pyrotechnic operator.

## **15.09.280 Amendment**

### **Appendices**

The appendices to the California Fire Code are adopted in their entirety except as to the following:

#### **Appendix B**

Exception 1 of section B105.2 is amended to read as follows:

**Exception 1:** A reduction in required fire-flow of up to 50 percent, as approved, is allowed when the building is provided with an approved automatic sprinkler system installed in accordance with Section 903.3.1.1 or 903.3.1.2. The resulting fire-flow shall not be less than 1,500 gallons per minute (5678 L/min) for the prescribed duration as specified in Table B105.1.

#### **Appendix C**

Section C102.1 Fire hydrant locations is amended to read as follows:

Fire hydrants shall be provided *at* street intersections and along required fire apparatus access roads and adjacent public streets.

**Appendix D.** Appendix D is not adopted.

**Appendix I.** Appendix I is not adopted.

**Appendix J.** Appendix J is not adopted.

**Appendix K.** Appendix K is not adopted

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council  
FROM: Andy Okoro, City Manager   
PREPARED BY: Steve King, Planning Director   
DATE: November 6, 2013  
SUBJECT: General Plan Amendment 2013-01A (City of Norco): Norco  
General Plan 2014-2021 Housing Element Update.  
  
Zone Code Amendment 2013-15 (City of Norco): A Request  
to Amend the Housing Development Overlay (HDO) Zone  
Density Allowances.

RECOMMENDATION: Adopt **Resolution No. 2013-62**, approving General Plan  
Amendment 2013-01A updating the General Plan Housing  
Element for the 2014-2021 housing cycle; adopt **Ordinance  
No. 697** for first reading approving Zone Code Amendment  
2013-15 to adjust the density allowances within the Housing  
Development Overlay (HDO) zone in accordance with the  
General Plan Housing Element 2014-2021 update.

SUMMARY: The Housing Element is one of the seven state-mandated General Plan elements and is subject to detailed statutory requirements regarding its content. It must be updated regularly within cycles set by the State Department of Housing and Community Development (HCD) and is the only General Plan element subject to mandatory review by a state agency. The Planning Commission reviewed General Plan Amendment 2013-01A and Zone Code Amendment 2013-15 at its October 9<sup>th</sup> meeting and recommended approval.

BACKGROUND: State law requires that the City's Housing Element consist of "an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement and development of housing" (Section 65583). In addition, the Housing Element "shall identify adequate sites for housing, including rental housing, factory-built housing, and temporary mobile homes for the elderly, and shall make adequate provision for the existing and projected needs of all economic segments of the community."

Government Code Section 65581 states that it is the intent of the Legislature:

- To assure that counties and cities recognize their responsibilities in contributing to the attainment of the State housing goal.
- To assure that counties and cities will prepare and implement housing elements which, along with Federal and State programs, will move toward attainment of the State housing goal.
- To recognize that each locality is best capable of determining what efforts are required by it to contribute to the attainment of the State housing goal, provided such a determination is compatible with the State housing goal and regional housing needs.
- To ensure that each local government cooperates with other local governments in order to address regional housing needs.

State law also defines what Housing Element components need to be addressed. Minimally, each component listed below needs to be clearly identified and addressed:

- An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs.
- A statement of the community's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing.
- A program which sets forth a schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element.

The purpose of the Housing Element is to examine the housing needs of residents, create and guide housing policy in the City, and identify locations to accommodate the City's Regional Housing Needs Assessment (RHNA). It establishes the policies, procedures, incentives, and implementation measures to maintain existing housing stock and expand the supply for future household needs.

The Housing Element Updates for the 2014-2021 housing cycle for jurisdictions in the Southern California Association of Governments (SCAG) region must be submitted to HCD for certification by October 15, 2013. The Draft Housing Element Update for the City of Norco was submitted to HCD for an initial review on August 1, 2013. Since HCD recently certified the 2008-2014 Housing Element in 2012, only minor changes to the document were made for the 2014-2021 housing cycle such as an updated progress report.

For the 2014-2021 cycle, because the October 15, 2013 deadline was so near, and the last Housing Element update was so recently certified, Staff submitted the updated 2008-2014 Element with minor, redlined edits for a streamlined review by HCD before taking it to the Planning Commission and City Council for approval. After its review, HCD issued a pre-certification letter stating that the Housing Element will be certified once the City has adopted the Housing Element update as corrected (ref. Exhibit B – Pre-Certification Letter from HCD).

### **RHNA**

State law requires that jurisdictions provide their fair share of regional housing needs. Per Government Code Section 65584, HCD is mandated to determine the state-wide housing need broken down to the state's sub-regional council areas. In turn, these councils (SCAG for Southern California) assign housing assessments for each jurisdiction within its planning area. Local jurisdictions are not required to construct housing units, but are mandated to provide opportunities for the development of units.

For the entire SCAG region, HCD has estimated the projected regional housing need for the 2014-2021 planning period at 412,137 units of which Norco has been identified with a projected housing need of 818 units distributed among the following income categories:

<b>Income Category</b>	<b>Number of Units</b>
Very Low Income	205
Low Income	136
Moderate Income	151
Above Moderate Income	326
<b>Total Units</b>	<b>818</b>

**DOCUMENT DESCRIPTION:** The draft Housing Element is formatted into seven sections (ref. Exhibit "A" – Draft 2014-2021 Housing Element). Section 1 is an introduction of the Housing Element, its purpose, its content, and State law governing its preparation. Sections 3 through 6 provide an overview of: housing and population conditions in the City; the housing needs of special needs groups; governmental, market, infrastructure, and environmental factors that may constrain the provision of housing in the City; and land, financial, and available administrative resources for the development and preservation of housing in Norco. Section 7 is a required progress report from the 2008-2014 Housing Element. The issues discussed in the above sections are reflected in the objectives, policies, and programs in Section 2, which is the actual housing plan.

**ANALYSIS:** The Housing Resources section (Section 6) focuses on opportunities available to the City to provide housing as required by State law. The most critical component is the sites inventory, which examines locations available to support new housing for persons of all income categories. Similar to the 2008-2014 Housing

Element, the 2014-2021 update identifies the same five sites that could potentially accommodate future housing through mixed use development. In its certification of the 2008-2014 Housing Element, HCD required that before the next housing cycle and the corresponding Housing Element (2014-2021) update, that those sites be rezoned to establish the Housing Development Overlay (HDO) zone. That was accomplished in 2012.

The five sites rezoned with the HDO zone are located at:

- Northwest corner Hamner Ave. and Fourth St. (Site 1)  
18.6 acres
- Southwest corner Hamner Ave. and Third St. (Site 2)  
18.4 acres
- East side Norconian Dr. and south side Norco Dr. (Beacon Hill) (Site 3)  
19.4 acres
- Southwest corner of Fifth St. and Horseless Carriage Dr. (Site 4)  
22.9 acres
- East side of Mountain Ave. north of First St. and south of Second St. (Site 5)  
22.4 acres

To achieve certification of the 2014-2021 Housing Element the City had also committed to the adoption of a density bonus ordinance, which is a state requirement. This has also been accomplished (2013).

A review of the sites for the previous Housing Element cycle, taking into account the maximum allowed density and lot coverage, revealed that the identified sites could accommodate 1,017 housing units. This was sufficient to meet the City's RHNA requirement for 2008-2014 housing cycle. As none of the identified sites have been developed to date, they were once again included in the inventory for the 2014-2021 planning period and are sufficient to accommodate the RHNA allocation since the number was lower for this cycle (818 units).

The 2008-2014 Housing Element was certified by HCD based on the sites provided and assuming a default density of 20 units per acre. Subsequently, that density was adopted for the HDO zone.

**DENSITY ANALYSIS:** One of the main considerations in the HCD certification process is how a jurisdiction intends to accommodate its RHNA numbers and whether a City has residential zones that allow densities appropriate to accommodate the development of a variety of housing types. There are two approaches to determining what density is appropriate to meet the City's housing needs. The first approach is a thorough analysis of market conditions for the region, market demand, financial feasibility and development experience within the region to determine what density has already accomplished those goals. The second approach is to use a state approved "default

density” which is based on the City’s population and what type of metropolitan region the city is located in.

HCD has established these “default densities” that by definition are considered sufficient to provide market-based incentives for the development of housing for a variety of households. For jurisdictions with a population greater than 25,000, that are located within a Metropolitan Statistical Area (MSA) with a population of more than 2 million the default density is 30 dwelling units per acre. These jurisdictions are known as metropolitan jurisdictions. In contrast, for jurisdictions with a population of less than 25,000, that are located within a Metropolitan Statistical Area (MSA) with a population of more than 2 million, the default density is 20 dwelling units per acre. These jurisdictions are considered to be suburban jurisdictions.

With this criteria Norco is classified as a metropolitan jurisdiction and therefore subject to the higher default density of 30 dwelling units per acre. In consultation with HCD during the preparation, review, and certification of the 2008-2014 Housing Element it was explained to HCD that Norco’s population included a prison population of almost 4,500 which if taken out reduced the City’s population to less than 25,000. HCD agreed and determined that the population figure for the City minus the prison qualified it for the lower default density and the Housing Element was certified based on that.

In its review of the draft update for the 2014-2021 Housing Element, HCD has decided not to allow the prison population to be subtracted out of the Norco’s population. Consequently, the City’s default density has increased to 30 dwelling units per acre for the 2014-2021 planning period. HCD believes this is appropriate as the U.S. Census currently counts prisoners as part of the jurisdiction’s population. The fact that prisoners are not participating citizens can be used to help justify a request for a lower density, but HCD would require the jurisdiction to provide the extensive studies noted above to prove that the lower densities are sufficient to meet the affordable housing demand in the City.

To date, market studies on housing affordability in Norco have never been done and the City has a relatively high median household income (further reducing the affordability factor). And while there has been a lower-density project within the City (Clark Terrace) that was built and is affordable because of being subsidized by redevelopment funds, the market area that would be analyzed includes Eastvale and Corona which have newer projects that have been built at higher densities as a measure to help achieve affordability. Based on this, it is unlikely that any studies that would be done would support the lower density conclusion for Norco. Furthermore to meet the state-mandated deadline of October 15, 2013 there was not sufficient time (or money) to complete the studies needed to prove the City’s case.

As HCD has been inconsistent, first excluding and now including the prisoners in the City population, HCD agreed that for the 2014-2021 Housing Element update, a density range could be used instead of a strict default density of 30 dwelling units per acre. The attached draft Housing Element update and related Zone Code Amendment to the HDO zone changes the minimum density of 20 units per acre to a density range of 20 to 30 dwelling units per acre.

This does not result in a significant change since the current Housing Element already has a provision to allow up to 30 dwelling units per acre with the inclusion of approved equestrian facilities; and the recently adopted density bonus ordinance, which is required by state law, also allows up to 30 units per acre. Ultimately, the HDO parcels will face the same land use constraints to accommodate more parking and open space requirements for more units, so whether the allowed density is 20 or 30 units per acre, it is not expected that there will be any significant increase in the overall numbers of units allowed with the 2014-2021 Housing Element update.

Attachments: Resolution No. 2013-62, General Plan Amendment 2013-01A  
Ordinance No. 697, Zone Code Amendment 2013-15  
Exhibit "A" – Draft 2014-2021 Housing Element  
Exhibit "B" – Pre-Certification Letter from HCD

## **RESOLUTION NO. 2013-62**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO APPROVING THE 2014-2021 HOUSING ELEMENT UPDATE FOR SUBMITTAL TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR FINAL CERTIFICATION. GENERAL PLAN AMENDMENT 2013-01A**

WHEREAS, the Norco City Council in its Strategic Plan included the goal to: “Develop a plan to expand the diversity of housing options in the community in an effort to comply with State regulations and obtain certification of the City’s Housing Element” and “Consider applications to build affordable housing in specific commercial locations that will not adversely impact the animal-keeping lifestyle of existing residential neighborhoods”; and

WHEREAS, the City of Norco initiated a general plan amendment to amend the Housing Element of the City of Norco General Plan; and

WHEREAS, said amendment to the general plan has been duly submitted to said City’s Planning Commission for decision at a public hearing for which proper notice was given; and

WHEREAS, said amendment to the general plan was scheduled for a public hearing with the Planning Commission on October 9, 2013 at 7 p.m. within the Council Chambers at 2820 Clark Avenue, Norco, California, 92860, and said Commission held a public hearing and received oral and written testimony pertaining to said amendment; and

WHEREAS, based on findings of fact, the Planning Commission adopted Planning Commission Resolution No. 2013-36, recommending to the City Council approval of the draft 2014-2021 Housing Element for submittal to the California Department of Housing and Community Development for final certification; and

WHEREAS, the 2008-2014 Housing Element was certified by the Department of Housing and Community Development as being compliant with State law and State housing goals; and

WHEREAS, as required by State law, the City is required to update the Housing Element for each state housing development cycle and the Fifth Cycle (2014-2021) Housing Element for cities in the Southern California Association of Governments region is required to be certified by October 15, 2013 and adopted by the respective agencies within 120 days after October 15, 2013; and

WHEREAS, the draft 2014-2021 Housing Element update was submitted to the Department of Housing and Community Development on August 1, 2013; and

WHEREAS, the Department of Housing and Community Development submitted a Pre-Certification Letter on October 1, 2013 stating that the Housing Element for the 2014-2021 cycle meets the statutory requirements of the State housing law, with amendments that need to be incorporated into the final document which has to be approved by the City Council within 120 days of October 15, 2013; and

WHEREAS, the amendments to the draft document as stated by the Department of Housing and Community Development have been incorporated into the draft 2014-2021 Housing Element; and

WHEREAS, hearing of General Plan Amendment 2013-01A was noticed and scheduled for public hearing by the City Council at its meeting of November 6, 2013 at 7 p.m. in the Council Chambers at 2820 Clark Avenue, Norco, California, 92860; and

WHEREAS, the City Council held a public hearing and received oral and written testimony pertaining to the proposed amendment to the General Plan; and

WHEREAS, the City of Norco acting as the Lead Agency, has determined that the proposed amendment to the General Plan is within the project description and parameters of the Negative Declaration adopted for General Plan Amendment 2008-01 and an Addendum to the Negative Declaration is approved.

NOW, THEREFORE, the City Council of the City of Norco does hereby make the following FINDINGS AND DETERMINATION:

I. FINDINGS:

A. The proposed general plan amendment to update the Housing Element is a requirement of the State.

B. The proposed general plan amendment is necessary and desirable for the development of housing opportunities in the City of Norco.

C. The City of Norco, acting as Lead Agency, has prepared an initial study to analyze the environmental impacts associated with the project, and has determined that an Addendum to the Negative Declaration adopted for General Plan Amendment 2008-01 is approved.

II. DETERMINATION:

NOW, THEREFORE, the City Council of the City of Norco, California, in session assembled November 6, 2013 does hereby approve General Plan Amendment 2013-01A, approving the 2014-2021 Housing Element update for submittal to the California Department of Housing and Community Development for final certification.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on November 6, 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 November 6, 2013 by the following vote of the City Council:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California November 6, 2013

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

## ORDINANCE NO. 697

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA APPROVING ZONE CODE AMENDMENT 2013-15 AMENDING CHAPTER 18.63 (HOUSING DEVELOPMENT OVERLAY ZONE) WITH ANY RELATED CROSS-REFERENCES IN OTHER CHAPTERS AS NEEDED TO ADJUST THE DENSITY ALLOWANCES TO BE CONSISTENT WITH HOUSING ELEMENT 2014-2021. ZONE CODE AMENDMENT 2013-15**

WHEREAS, the CITY OF NORCO initiated Zone Code Amendment 2013-15, an amendment to Norco Municipal Code Title 18 (Zoning Code), Chapter 18.63 (Housing Development Overlay Zone); and

WHEREAS, the Zone Code Amendment was duly submitted to said City's Planning Commission for decision at a public hearing for which proper notice was given; and

WHEREAS, the Zone Code Amendment was scheduled for public hearing at a regular adjourned meeting on October 9, 2013 on or about 7 p.m. in the Council Chambers at 2820 Clark Avenue, Norco, California 92860; and

WHEREAS, at the time set, the Planning Commission held a public hearing and received both oral and written testimony pertaining to the Zone Code Amendment; and

WHEREAS, based on findings of fact the Planning Commission adopted Resolution 2013-37 recommending that the City Council approve Zone Code Amendment 2013-15; and

WHEREAS, Zone Code Amendment was duly submitted to the City of Norco City Council for decision at a public hearing for which proper notice was given; and

WHEREAS, said Zone Code Amendment was scheduled for public hearing on November 6, 2013 on or about 7 p.m. in the City Council Chambers, 2820 Clark Avenue, Norco, California; and

WHEREAS, at the regular meeting, said City Council held a public hearing and considered both oral and written testimony pertaining to said Code Change; and

WHEREAS, the City of Norco acting as the Lead Agency has determined that the project is consistent with the environmental determination of the Negative Declaration for the Housing Element 2008-2014 and an Addendum to the Negative Declaration is adopted.

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

- A. The proposed Zone Code Amendment is consistent with, and not contrary to, the Norco General Plan or the Zoning Code since the project amends the Housing Development Overlay (HDO) Zone to be consistent with the Housing Element 2014-2021 of the General Plan.
- B. The HDO zone is necessary as it is intended to facilitate and encourage the development of affordable housing consistent with the requirements of State Government Code Article 10.6 (65580) and the Norco General Plan Housing Element.
- C. The HDO zone is intended to facilitate the development of affordable housing within a mixed-use context while taking into account the community's small plot agricultural/animal-keeping/equestrian lifestyle.
- D. The City of Norco, acting as Lead Agency, has determined that the project is within the parameters of the Negative Declaration adopted for General Plan Housing Element 2008-2014 and an Addendum to the Negative Declaration is adopted.

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

SECTION 1: Chapter 18.63 "Housing Development Overlay Zone", is hereby amended as follows:

#### Chapter 18.63

#### HOUSING DEVELOPMENT OVERLAY (HDO) ZONE

Sections:

- 18.63.02 Intent and Purpose.
- 18.63.04 Applicability.
- 18.63.06 Uses.
- 18.63.08 Density Bonus
- 18.63.10 Existing Development.
- 18.63.12 HDO Specific Plan Requirement.
- 18.63.14 Establishment of HDO Zone

#### 18.63.02 Intent and Purpose.

The Housing Development Overlay (HDO) zone is intended to facilitate and encourage the development of affordable housing consistent with the requirements of State Government Code Article 10.6 (65580) and the Norco General Plan Housing Element. The HDO zone will apply to specific properties within the City as shown on the official City of Norco Zoning Map and will require a HDO Site Plan to guide development on

each site. The HDO zone is intended to facilitate the development of affordable housing within a mixed-use context while taking into account the community's small plot agricultural/animal-keeping/equestrian lifestyle.

#### 18.63.04 Applicability.

The regulations and general rules set forth in Chapter 18.47 (Amendments and Zone Changes) shall apply to the HDO zone. The regulations provide for a review of the proposed uses and the comprehensive development plans on existing lots. When the HDO zone is applied to a property through the zone change process, the property so zoned shall be so named and consecutively numbered with the underlying zone in parenthesis added as a suffix on the official zoning map. For example: HDO-1 (C-G) would be the first HDO zone with an underlying zoning of Commercial General (C-G).

Where a conflict occurs between the requirements of this chapter and other City requirements, this Chapter shall apply. Any proposed project including, but not limited to, the division of land, site plan or any grading wholly or partially within a HDO zone shall be subject to the provisions of this Chapter.

#### 18.63.06 Establishment of an HDO Zone.

A HDO zone may be initiated upon motion by the Planning Commission, City Council, or at the request of the property owner in accordance with the procedures set forth in Chapter 18.47 (Amendments and Zone Changes).

#### 18.63.08 Uses.

Upon approval of an HDO Site Plan, the following category of uses may be permitted:

##### (1) Residential Development:

(a) Residential development may include the development of single family homes, multi-family homes, condominiums, townhomes, courtyard housing and other similar forms of housing and shall be developed at a density of 20-30 dwelling units per acre.

(b) At least fifty (50) percent of the City's lower income Regional Housing Needs Allocation (RHNA) must be accommodated on land designated exclusively for residential uses. To meet this State requirement, at least fifty (50) percent of the acreage identified within a HDO Site Plan area must be used for exclusively residential uses at a density of 20-30 dwelling units per acre.

(c) Residential development up to a maximum 35 dwelling units per acre may be permitted if a density bonus is awarded as described in Section 18.63.10.

(2) Non-Housing Development:

(a) After the City's lower income Regional Housing Needs Allocation (RHNA) requirement has been met per requirements of 18.63.08.1(b), any remaining acreage may be identified for the development of mixed use, additional residential uses, and/or non-residential uses as permitted by the underlying zone.

When the HDO zone is applied to a property, mixed use development is permitted and residential development at 20-30 dwelling units per acre is required on acres specified in the HDO Site Plan. All parcels approved as a HDO zone must meet the requirements for residential development before non-residential uses, as permitted in the underlying zoning, are allowed. City staff reserves the right to review all non-residential uses for compatibility with the required residential densities and uses as part of the site plan review process.

If a project is proposed to be developed in phases, the required residential development must be developed prior to proposed mixed use and/or non-residential development.

18.63.10 Density Bonus.

To encourage and facilitate the development of affordable housing, a density bonus may be awarded to projects that provide equestrian facilities in conjunction with development of a HDO zone. If an applicant chooses to provide such facilities, a density bonus allowing residential development of up to a maximum thirty-five (35) dwelling units per acre may be awarded. A proposed density bonus will be evaluated by the Planning Commission as part of the HDO Site Plan review process.

The intent of the density bonus is to expand the animal-keeping lifestyle to all economic segments of the regional population. The inclusion of equestrian facilities will help preserve and maintain the equestrian character and rural nature of the City while accommodating the affordable housing needs of the community.

18.63.12 Existing Development.

Legal uses, lots, and structures existing prior to the adoption of the HDO zone for a property in question which are not consistent with the standards and requirements of the HDO zone shall be deemed non-conforming and subject to the provisions of Chapter 18.39 (General Provisions – Non-Conforming Uses, Lots, and Structures).

18.63.14 HDO Site Plan Requirement.

Any development in an HDO zone shall be subject to approval of an HDO Site Plan numbered consistently with the HDO zone and subject to the same review process as a Site Plan per Chapter 18.40 (Site Plan

Review). To assure that the requirements of this chapter are properly met and HDO zoned properties are comprehensively planned and affordable housing encouraged, a HDO Site Plan must be in effect prior to the approval of any subdivision of land, any grading of property that would require a grading permit, and any construction that would require a building permit, excepting therefrom any work done by the City or other public agency for the protection of public health, safety, or general welfare.

Consistent with Chapter 18.40 (Site Plan Review) a HDO Site Plan submittal shall depict and contain, but is not limited to, the following:

- (1) Lot Dimensions.
- (2) All existing and proposed buildings and structures, including their location, size, height, proposed use, design and construction material.
- (3) All existing and proposed yards and spaces between buildings and structures.
- (4) All existing and proposed walls, fences and landscaping including the location, height, area, nature and type of design and material composition for the walls and fences and the type landscaping vegetation and irrigation system proposed for such.
- (5) All existing and proposed off-street parking, including the location, number of parking spaces, dimensions of the entire parking area and individual parking spaces, the arrangement of spaces, internal circulation pattern for pedestrian, equestrian, and vehicular traffic, and the landscaping thereof.
- (6) All existing and proposed access to the lot, including pedestrian, equestrian, and vehicular access; the points of ingress and egress to the lot, the width, location and description of the access areas and of the streets from which access and ingress is proposed.
- (7) All existing and proposed loading, including the location, area dimensions, number of loading spaces and the internal vehicular traffic circulation on the site for loading vehicles.
- (8) All existing and proposed lighting, including the location and general nature of both offsite and onsite lighting; the proposed intensity thereof and diffusion thereof.
- (9) All existing and proposed street or trail dedications, and improvements thereon, including the location, and nature of street or trail improvements.
- (10) All existing and proposed outdoor and indoor storage activities, including but not limited to the nature of such storage, its location, proposed height and type of screening for such including the design and material composition thereof.

(11) All existing and proposed drainage and grading onsite and offsite, including the location of the drains, their type and dimensions.

(12) A land use plan is required to illustrate the proposed location of uses on each HDO site and must specifically demonstrate where the required residential uses will be located on the site, the proposed densities, housing product types, and the relationship to the other uses on the site.

(13) A detailed list with descriptions of individually uses permitted or conditionally permitted within the proposed HDO zone. When a use is not permitted by the underlying zone, including residential and/or mixed uses, development and design standards must be provided by the applicant. Proposed standards for residential and mixed uses should facilitate the development of housing to meet the required densities and to encourage a variety of housing types.

(14) Elevations and illustrative drawings of the proposed development.

(15) If applicable, a phasing plan must be submitted showing how project development will occur.

(16) Such other data as may be required by the Planning Director to enable the Planning Commission to make a proper review and take action thereon.

SECTION 2: EFFECTIVE DATE: This Ordinance shall become effective 30 days after final passage thereof.

SECTION 3: SEVERABILITY: If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Ordinance. The Council hereby declares that it would have passed this Ordinance, and each section, subsection, sentence, clause, and phrase, hereof, irrespective of the fact that any one or more of the sections, subsections, sentences, clauses, or phrases hereof be declared invalid or unconstitutional.

SECTION 4: POSTING: The Mayor shall sign this Ordinance and the City Clerk shall attest thereto and shall cause the same within 15 days of its passage to be posted at no less than five public places within the City of Norco.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on November 20, 2013.

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

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Norco, California, duly held on November 6, 2013 and thereafter at a regular meeting of said City Council duly held on November 20, 2013, it was duly passed and adopted by the following vote of the City Council:

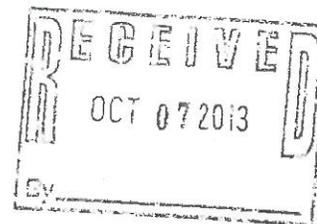
AYES:  
NOES:  
ABSENT:  
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on November 20, 2013.

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

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500  
Sacramento, CA 95833  
(916) 263-2911 / FAX (916) 263-7453  
[www.hcd.ca.gov](http://www.hcd.ca.gov)



October 1, 2013

Mr. Steve King  
Planning Manager  
City of Norco  
2870 Clark Avenue  
Norco, CA 92860

Dear Mr. King:

**RE: Review of the City of Norco 5<sup>th</sup> Cycle (2014-2021) Draft Housing Element Update**

Thank you for submitting the City of Norco draft housing element update received for review on August 2, 2013 and revisions received September 4 and September 18, 2013. Pursuant to Government Code Section 65585(b), the Department is reporting the results of its review.

The Department conducted a streamlined review of the draft housing element based on the City meeting eligibility criteria detailed in the Department's Housing Element Update Guidance. The review was facilitated by communication on August 7 and September 5, 2013 with Ms. Alexa Washburn and Ms. Sarah Walker, the City's consultants. The draft element meets the statutory requirements of State housing element law.

We are pleased to find the draft element meets the statutory requirements of State housing element law (Article 10.6 of the Government Code). However, the Department cannot find the element in full compliance until Norco amends its zoning ordinance to permit year-round emergency shelter(s) without discretionary action pursuant to GC Section 65583(a)(4)(A), amended by Senate Bill 2 (Chapter 633, Statutes of 2007). Based on communication, the Department understands various zoning amendments are pending, including zoning for emergency shelters. The element will comply with housing element law once the City has completed these zoning amendments and submitted the adopted element to the Department pursuant to GC Section 65585(g).

Please note, the Department's finding is based on the City's commitment to amend its "Affordable Housing Overlay" to allow multifamily and mixed-use development at densities of 20 to 30 units per acre by right to accommodate the City's regional need for lower-income households.

Mr. Steve King  
Page 2

The City must monitor and report on the implementation of this action as well as other programs through the annual progress report, required pursuant to GC Section 65400. If existing incentives and programs are not effective in encouraging and facilitating the development of identified sites to provide sufficient opportunities to accommodate the City's share of the regional housing need for lower-income households throughout the planning period, the City should identify additional sites and/or additional incentives, as appropriate.

Senate Bill 375 (Chapter 728, Statutes of 2008) added Section 65588(e)(4) regarding timely adoption of the housing element. Localities on an eight-year planning period that do not adopt the housing element within 120 calendar days from the statutory due date (October 15, 2013 for SCAG localities) are required to revise the housing element every four years until adopting at least two consecutive revisions by the statutory deadline. For more information on adoption requirements, please visit the Department's website at: [http://www.hcd.ca.gov/hpd/hrc/plan/he/he\\_review\\_adoptionsteps110812.pdf](http://www.hcd.ca.gov/hpd/hrc/plan/he/he_review_adoptionsteps110812.pdf).

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City should continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and considering and incorporating comments where appropriate.

The Department is pleased to inform the City that prior 4<sup>th</sup> cycle housing element compliance makes the City eligible to meet one of the threshold requirements of the Housing Related Parks (HRP) Program that rewards local governments for approving housing affordable to lower-income households. The HRP Program, funded by Proposition 1C, provides grant funds to eligible local governments for every qualifying unit permitted since 2010. Grant awards can be used to fund park-related capital asset projects. More specific information about the Program is available on the Department's website at <http://www.hcd.ca.gov/hpd/hrpp/>.

The Department looks forward to receiving the City of Norco adopted housing element. If you have any questions or need additional technical assistance, please Janet Myles, of our staff, at (916) 263-7423.

Sincerely,



Jennifer Seeger  
Housing Policy Manager

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Steve King, Planning Director 

DATE: November 6, 2013

SUBJECT: Code Change 2013-04 for Chapter 9.24 of the Norco Municipal Code to allow for mini-satellite, pari-mutuel wagering on horse racing to operate as an ancillary use to a full-service restaurant.

RECOMMENDATION: Introduce for First Reading Ordinance No. 698, to approve Code Change 2013-04.

**SUMMARY:** The project is a request for a Code Change to allow a mini-satellite off-track wagering facility as an ancillary facility to a restaurant that has already been approved by the Planning Commission. The Norco Municipal Code (NMC) currently does not allow wagering so the Code Amendment is needed for the restaurant project to move forward as approved.

**BACKGROUND:** At its meeting on October 9, 2013 the Planning Commission approved Site Plan 2013-19 to convert a former bank/office building at 2895 Hamner Avenue into a full-service restaurant and sports bar. Conditional Use Permit 2013-07 was also approved to allow the service of alcohol for on-site consumption. The applicant is proposing the restaurant along with a mini-satellite pari-mutuel wagering facility, ancillary to, and within the restaurant building.

Wagering is currently prohibited in Norco Municipal Code Title 9 (Peace, Safety, and Morals) Chapter 24. The mini-satellite facility will bring customers from a broader area than a typical restaurant does by itself and the applicants want to use this broader customer base to support a high-quality steakhouse. Without the mini-satellite facility the steakhouse and the higher price-point menu being considered would not be feasible at this location. There are minimum-distancing requirements between mini-satellite facilities set by, and controlled by, the California Horse Racing Board (CHRB). If approved there could not be another such facility in Norco, or in the region surrounding Norco. The current NMC restrictions against bookmaking-related businesses would still be in place for the rest of the City.

**ANALYSIS:** The proposed NMC changes are as follows. The new proposed text (underlined and italicized) would be added to the existing Code Sections as shown:

9.24.030 Pool rooms--Bookmaking.

No person either as principal, agent, employee or otherwise, shall let or lease any telegraph or telephone line or wire knowing that it is to be used for the purpose of conducting or carrying on a pool room, or for the purpose of conducting the business of making books or selling pools on races or other contests, or of betting or laying of wagers upon the result of any race or contest. No person shall transmit any message over any telephone or telegraph line or wire owned, controlled or leased by any person engaged in conducting or carrying on a pool room or in conducting the business of making books or selling pools on races or other contests, or of betting or laying of wagers upon the result of any race or contests, knowing that such message is to be used in conducting or carrying on such pool room or business. Section 9.24.030 shall not apply to any activity related to the operations of a mini-satellite facility for pari-mutuel wagering on horse racing operating as an ancillary use to a full-service restaurant that is otherwise permitted by the City Zoning Code, and for which all required City permits have been issued. For purposes of this Section, ancillary shall be defined as not more than 30 percent of the total floor area open to the general public.

9.24.040 Horse racing lists.

It is unlawful for any person, firm or corporation to have in his or its possession in the city any written or printed form, chart, table, list, sheet, circular or publication of any kind, giving or purporting to give, or represented as giving, any list or probable or possible list, of entries for any horse race or other contest thereafter anywhere to take place or which is anywhere taking place, if there be written or printed or published as part thereof, or in connection therewith, or in any other publication, printing or writing accompanying the same or referring thereto or connected therewith, any tip, information, prediction, or selection of, or advice as to, or any key, cipher, or cryptogram indicating, containing or giving any tip, information, publication or selection of, or advice as to the winner or probable winner, or a loser or probable loser, or the result or probable result of any such race or other contest or the standing or probable standing of any horse or other contestant, or the actual, probable or possible state, past, present, or future, of the betting, wagering or odds upon or against any horse or other contestant named in such list, or probable or possible list, of entries unless the names of such horses or other contestants shall be arranged in such list, in alphabetical order, and shall all be printed in type of the same size and face and of identical appearance, and shall all be printed flush with the left side of the column in which the same are printed, or all an equal distance therefrom. Section 9.24.040 shall not apply to any activity related to the operations of a mini-satellite facility for pari-mutuel wagering on horse racing operating as an ancillary use to a full-service restaurant that is otherwise permitted by the City Zoning Code, and for which all required City permits have been issued. For purposes of this Section, ancillary shall be defined as not more than 30 percent of the total floor area open to the general public.

ANALYSIS: The Planning Commission has already approved the Site Plan and Elevations for the restaurant conversion. For the project to go forward, the City Council will need to approve the Code Change to allow mini-satellite off-track wagering as an ancillary facility to the restaurant. If the City Council approves the Code Change the application for consideration of the mini-satellite facility will then be submitted to the CHRB for approval.

The principal issues for discussion with the proposed Code Change are: 1) what are the potential public safety concerns; and 2) does the ancillary facility put more demand on the parking supply of the restaurant. The Sheriff's Department conducted a survey of three cities with similar facilities (San Clemente, Santa Clarita, and Santa Maria) and each of the three (OC Sheriff's Dept., LA Co. Sheriff's Dept., Santa Maria Police) reported that the existence of mini-satellites did not increase the number of calls to the establishment over what would be the normal for that facility. The Santa Clarita facility is located in a bowling alley. The Santa Maria facility is in an "Original Roadhouse Grill" restaurant, and the San Clemente facility is in a sports bar called the OC Tavern. There are other sites that have been approved but not yet constructed that include a restaurant in the Gaslamp District of San Diego and at a restaurant in Lake Forest.

The parking for the facility is based on the restaurant requirement per the NMC of one space per 100 square-feet. Because off-track wagering is mostly a daytime activity due to many of the races occurring in the eastern United States it is mostly done by the time the peak hours of the restaurant begin (evening, night). Based on this the applicant proposed a shared parking arrangement between the restaurant and the wagering facility which the NMC does allow upon approval by the Planning Commission. The Planning Commission ultimately concurred with the request but added a condition that if parking does become an issue that the approved site plan is brought back to the Planning Commission for reconsideration of an approved outdoor seating area for possible closure until the parking issue is resolved.

Another issue brought up by the Planning Commission in its approval of the site plan was the impact of lighting on residences to the east. The project has been conditioned to provide a lighting and photometric plan to make sure that adequate lighting exists on-site for safety purposes but is designed and equipped in such a way that only minimal spillage occurs off-site. The Planning Commission also asked that a proposed corral be moved from Hamner Avenue to Fourth Street where the trail is located.

Attached: Ordinance No. 698

## ORDINANCE NO. 698

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA APPROVING CODE CHANGE 2013-04 AMENDING CHAPTER 9.24 "PEACE, SAFETY, AND MORALS" WITH ANY RELATED CROSS-REFERENCES IN OTHER CHAPTERS AS NEEDED TO ALLOW MINI-SATELLITE OFF-TRACK PARI-MUTUEL WAGERING FOR HORSE RACES AS AN ANCILLARY USE TO AN OTHERWISE PERMITTED PRIMARY USE IN ACCORDANCE WITH THE REQUIREMENTS OF THE CALIFORNIA HORSE RACING ACT AS REGULATED BY THE CALIFORNIA HORSE RACING BOARD. CODE AMENDMENT 2013-01.**

WHEREAS, S&S VENUES, CA LLC initiated Code Change 2013-04 to amend Chapter 9.24 "Gaming" with any related cross references in other Chapters as needed, to amend and update to allow mini-satellite off-track pari-mutuel wagering for horse races as an ancillary use to an otherwise permitted primary use in accordance with the requirements of the California Horse Racing Act as regulated by the California Horse Racing Board: and,

WHEREAS, Code Change 2013-04 was duly submitted to the City of Norco City Council for decision at a public hearing for which proper notice was given; and

WHEREAS, said Code Change was scheduled for public hearing on November 6, 2013 on or about 7 p.m. in the City Council Chambers, 2820 Clark Avenue, Norco, California; and

WHEREAS, at the regular meeting, said City Council held a public hearing and considered both oral and written testimony pertaining to said Code Change; and

WHEREAS, the City of Norco, acting as the Lead Agency, has determined that the requested Code Amendment is exempt from the City of Norco Environmental Guidelines pursuant to Section 3.13 and the California Environmental Quality Act (CEQA) and the City of Norco Environmental Guidelines.

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

- A. The proposed Code Change will not be inconsistent with, or contrary to, the General Plan or the Municipal Code since the project updates existing regulations regarding mini-satellite off-track pari-mutuel wagering facilities as ancillary facilities.
- B. The project (proposed amendment) has been determined to be exempt from the California Environmental Quality Act and the City of Norco Environmental Guidelines.

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

SECTION 1: Chapter 9.24 "Gaming", Section 9.24.30 "Poolrooms-Bookmaking" of the Norco Municipal Code is hereby amended as follows:

Section 9.24.030 Pool rooms--Bookmaking.

No person either as principal, agent, employee or otherwise, shall let or lease any telegraph or telephone line or wire knowing that it is to be used for the purpose of conducting or carrying on a pool room, or for the purpose of conducting the business of making books or selling pools on races or other contests, or of betting or laying of wagers upon the result of any race or contest. No person shall transmit any message over any telephone or telegraph line or wire owned, controlled or leased by any person engaged in conducting or carrying on a pool room or in conducting the business of making books or selling pools on races or other contests, or of betting or laying of wagers upon the result of any race or contests, knowing that such message is to be used in conducting or carrying on such pool room or business. Section 9.24.030 shall not apply to any activity related to the operations of a mini-satellite facility for pari-mutuel wagering on horse racing operating as an ancillary use to a full-service restaurant that is otherwise permitted by the City Zoning Code, and for which all required City permits have been issued. For purposes of this Section, ancillary shall be defined as not more than 30 percent of the total floor area open to the general public.

Chapter 9.24 "Gaming", Section 9.24.40 "Horse Racing Lists" of the Norco Municipal Code is hereby amended as follows:

9.24.040 Horse racing lists.

It is unlawful for any person, firm or corporation to have in his or its possession in the city any written or printed form, chart, table, list, sheet, circular or publication of any kind, giving or purporting to give, or represented as giving, any list or probable or possible list, of entries for any horse race or other contest thereafter anywhere to take place or which is anywhere taking place, if there be written or printed or published as part thereof, or in connection therewith, or in any other publication, printing or writing accompanying the same or referring thereto or connected therewith, any tip, information, prediction, or selection of, or advice as to, or any key, cipher, or cryptogram indicating, containing or giving any tip, information, publication or selection of, or advice as to the winner or probable winner, or a loser or probable loser, or the result or probable result of any such race or other contest or the standing or probable standing of any horse or other contestant, or the actual, probable or possible state, past, present, or future, of the betting, wagering or odds upon or against any horse or other contestant named in such list, or probable or possible list, of entries unless the names of such horses or other contestants shall be arranged in such list, in alphabetical order, and shall all be printed in type of the same size and face and of identical

appearance, and shall all be printed flush with the left side of the column in which the same are printed, or all an equal distance therefrom. Section 9.24.040 shall not apply to any activity related to the operations of a mini-satellite facility for pari-mutuel wagering on horse racing operating as an ancillary use to a full-service restaurant that is otherwise permitted by the City Zoning Code, and for which all required City permits have been issued. For purposes of this Section, ancillary shall be defined as not more than 30 percent of the total floor area open to the general public.

SECTION 2: EFFECTIVE DATE: This Ordinance shall become effective 30 days after final passage thereof.

SECTION 3: SEVERABILITY: If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Ordinance. The Council hereby declares that it would have passed this Ordinance, and each section, subsection, sentence, clause, and phrase, hereof, irrespective of the fact that any one or more of the sections, subsections, sentences, clauses, or phrases hereof be declared invalid or unconstitutional.

SECTION 4: POSTING: The Mayor shall sign this Ordinance and the City Clerk shall attest thereto and shall cause the same within 15 days of its passage to be posted at no less than five public places within the City of Norco.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on November 20, 2013.

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

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Norco, California, duly held on November 6, 2013 and thereafter at a regular meeting of said City Council duly held on November 20, 2013, it was duly passed and adopted by the following vote of the City Council:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on November 20, 2013.

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

**CITY COUNCIL/  
SUCCESSOR AGENCY TO THE  
NORCO COMMUNITY REDEVELOPMENT AGENCY  
STAFF REPORT**

TO: Mayor/Chairperson and City Council Members/Board Members of  
the Successor Agency 

FROM: Andy Okoro, City Manager/Executive Director

PREPARED BY: Brenda K. Jacobs, CMC, City Clerk/Secretary

DATE: November 6, 2013

SUBJECT: Approval of a Right of Entry and License Agreement with Riverside  
County Flood Control and Water Conservation District to Enter  
Upon and Use the Property Known as APNs 119-020-015 & 022  
for the Purpose of Obtaining Access and Installing Sideslopes to  
Facilitate and Complete construction of the North Norco Channel,  
Stage 10 Project

RECOMMENDATION: Approve the Right of Entry and License Agreement.

SUMMARY: The Riverside County Flood control and Water Conservation District (the "District") has drafted a Right of Entry and License Agreement in order to obtain access to property owned by the former Norco Community Redevelopment Agency in order to complete the North Norco Channel, Stage 10 project. Staff is recommending that the Agreement be approved in order to facilitate the completion of the project.

BACKGROUND/ANALYSIS: The District is seeking permission through a Right of Entry and License Agreement to access and use property owned by the former Norco Community Redevelopment Agency, known as APNs 119-020-015 & 022, for the purpose of installing sideslopes to facilitate and complete construction of the District's North Norco Channel, Stage 10 project. The District will perform all of the necessary activities required to install 2:1 sideslopes, including, but not limited to grading. The District will have the right for the sideslopes to remain on the property until the sideslopes are no longer needed and when any conditions of approval imposed on the property have been satisfied to match the elevation to the North Norco Channel storm drain facility surface elevation.

This project will not compromise the property, as it will be disposed of in a yet-to-be-determined manner in the future, as this property is listed as an asset of the Housing Successor Agency. As the Successor Agency Board is aware, no determination has been made to this date regarding who will complete the functions required to serve as the City's Housing Successor Agency.

Attachment: Right of Entry and License Agreement

**RIVERSIDE COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT**  
(Herein referred to as "DISTRICT"), and

**SUCCESSOR AGENCY TO THE  
NORCO COMMUNITY REDEVELOPMENT  
AGENCY,  
THEIR SUCCESSORS AND ASSIGNS**  
(Herein referred to as "GRANTOR")

Project: North Norco Channel Stage 10  
Project No. 2-0-00140-10  
APN: 119-020-015 and 119-020-022

RIGHT OF ENTRY AND LICENSE AGREEMENT

This Right of Entry and License Agreement ("AGREEMENT") is made and entered into on November 6, 2013, between the Successor Agency to the Norco Community Redevelopment Agency ("GRANTOR"), its successors and assigns, and Riverside County Flood Control and Water Conservation District ("DISTRICT"), a body politic. GRANTOR and DISTRICT are sometimes collectively referred to as "Parties".

RECITALS

- A. GRANTOR is the owner of certain real property located on Second Street, Norco, CA 92860, with Assessor's Parcel Numbers 119-020-015 and 119-020-022, and shown on Attachment 1, attached hereto and incorporated herein by reference, ("PROPERTY") and has the right to grant to DISTRICT permission to enter upon and use the PROPERTY as described herein.
- B. DISTRICT is the owner of certain real property identified as Parcel 2140-5 with Assessor's Parcel Number 119-020-002 as shown on Attachment 2 ("ROW").
- C. The PROPERTY is located within and under the jurisdiction of the City of Norco whereby the City of Norco has the authority to impose conditions of approval for any development within its boundaries.
- D. DISTRICT desires to obtain GRANTOR'S permission to enter upon and use the PROPERTY for the purpose of obtaining access and installing sideslopes upon GRANTOR'S PROPERTY to facilitate and complete construction of the DISTRICT'S North Norco Channel, Stage 10 project ("PROJECT").
- E. GRANTOR desires to accommodate DISTRICT'S request for permission to enter upon GRANTOR'S PROPERTY for obtaining access and installing sideslopes upon GRANTOR'S PROPERTY to facilitate and complete construction of the Project within the limits and scope of which are shown on Attachment 3.
- F. DISTRICT intends to construct improvements pursuant to North Norco Channel, Stage 10 Drawing No. 2-0431, herein after referred to as PLANS and GRANTOR has been provided an opportunity to view the PLANS where said PLANS contain the installation of sideslopes upon GRANTOR'S PROPERTY.

- G. DISTRICT desires and GRANTOR agrees that the sideslopes to be installed upon the GRANTOR'S PROPERTY shall remain until that sideslopes are no longer needed and when any conditions of approval imposed by the governing jurisdiction upon said PROPERTY have been satisfied to match the elevation to the North Norco Channel storm drain facility surface elevation.

NOW, THEREFORE, for good and valuable consideration the receipt and adequacy of which are hereby acknowledged, pursuant to the terms and conditions contained herein this Agreement, GRANTOR and DISTRICT do hereby agree as follows:

#### AGREEMENT

1. The Parties acknowledge that the above recitals are true and correct and are hereby incorporated hereinto this Agreement by reference.
2. The term of this Agreement shall commence upon full execution by the Parties and shall remain in force until the event described in Section 3.c. has occurred.
3. GRANTOR hereby grants to DISTRICT, its agents, employees and contractors, the right and license to enter upon and use GRANTOR'S PROPERTY described in Exhibit "A" and the PLANS for all purposes necessary to facilitate and accomplish the construction of the North Norco Channel, Stage 10 project, including the right to:
  - a) Enter and have access to all means of ingress and egress upon GRANTOR'S PROPERTY where appropriate or designated for the purpose of moving equipment and materials to and from the DISTRICT'S ROW to construct the PROJECT and to inspect the sideslopes until such time as described in Section 3c.
  - b) Perform all activities necessary to install 2:1 sideslopes on GRANTOR'S PROPERTY as shown on the PLANS, including but not limited to grading as described in Attachment 3, attached hereto and by this reference incorporated herein.
  - c) Have the right for the said sideslopes to remain on the GRANTOR'S PROPERTY until such time that sideslopes are no longer needed and when any conditions of approval imposed on said PROPERTY have been satisfied to match the elevation to the North Norco Channel storm drain facility surface elevation.
4. Prior to any entry upon the PROPERTY for any of the purposes hereinabove set forth, DISTRICT shall notify the individual in charge named below by written and/or oral notice at least forty-eight (48) hours prior to commencement of entry and work.
 

Name:	Lori J. Askew
Address:	2870 Clark Avenue, Norco, CA 92860
Phone:	(951) 270-5678
Fax:	(951) 270-5640
5. Debris generated by DISTRICT'S use will be removed and the surface will be left in a neat condition.
6. GRANTOR hereby warrants that it is the owner of the property described above and that it has the right to grant DISTRICT permission to enter upon and use the land.

- 7. This Agreement shall not be construed as conveying a permanent public dedication of any portion of the PROPERTY. It is expressly understood that this Agreement is not exclusive and does not in any way whatsoever grant or convey any permanent easement, lease, fee or other real property interest in the PROPERTY to DISTRICT.
- 8. This Agreement will be governed and construed by the laws of the State of California and the venue for any disputes shall be in the County of Riverside.
- 9. This Agreement is the result of negotiations between the Parties hereto. This Agreement is intended by the Parties as a final expression of their understanding with respect to the matters herein and is a complete and exclusive statement of the terms and conditions thereof. This Agreement supersedes any and all other prior agreements or understandings, oral or written, in connection therewith. Any ambiguity in the Agreement or any of its provisions shall not be interpreted against the Party drafting the Agreement.
- 10. This Agreement shall not be changed, modified, or amended except upon the written consent of the Parties hereto.
- 11. GRANTOR, its assigns and successors-in-interest, shall be bound by all the terms and conditions contained in this Agreement, and GRANTOR, its assigns and successors-in-interest, shall be jointly and severally liable thereunder.

IN WITNESS WHEREOF, this Agreement is effective on the day and year first written above.

Date: \_\_\_\_\_  
(date to be filled in by General Manager-Chief Engineer)

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

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

APPROVED AS TO FORM:  
PAMELA J. WALLS  
County Counsel

By: \_\_\_\_\_  
SYNTHIA M. GUNZEL  
Deputy County Counsel

**SUCCESSOR AGENCY TO THE NORCO  
COMMUNITY REDEVELOPMENT AGENCY**

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

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

Name: Kathy Azevedo

Title: Chairman

ATTEST: \_\_\_\_\_  
Brenda K. Jacobs, City Clerk/Secretary

RIGHT OF WAY / PERMISSION TO GRADE

Project: North Norco Channel, Stage 10  
Project No. 2-0-00140-10

I. Kathy Azevedo, on behalf of the Successor Agency to the Norco Community Redevelopment Agency, its successors and assigns, hereby state that we are the legal owners of the property located on 2<sup>nd</sup> Street, Norco, CA 92860, (property address) within Section 3S, Township 7W, Range 14, having the legal description of SEE EXHIBITS "A" & "B" and/or Assessor's Parcel Numbers 119-020-015 and 119-020-022.

I also state that we have seen and received a copy of the construction drawings for North Norco Channel, Stage 10, which shows the proposed grading and construction of a slope within said property.

The proposed construction has been shown on the construction drawings; dated June 6, 2012 referenced to by Drawing Number 2-0431, and it was explained to me/us.

I hereby give our consent and permission for the right of entry and grade on the above-identified property and to perform the above stated construction to Riverside County Flood Control and Water Conservation District.

This permission shall continue in force only until the above-described work has been completed and a Notice of Completion is issued on this project. It is expressly understood that upon completion of the work, this Right of Entry is terminated and said property will be left in a neat and orderly condition.

I hereby give our consent also that we will not at any time block or divert any drainage into or out of the proposed drainage facility as shown on the plans.

Signed: \_\_\_\_\_

Date: November 6, 2013

Kathy Azevedo

Chairman, Successor Agency to the Norco Community Redevelopment Agency

**ATTEST:** \_\_\_\_\_  
Brenda K. Jacobs, City Clerk/Successor Agency Secretary