



AGENDA
CITY OF NORCO
CITY COUNCIL

April 16, 2014

City Council Chambers
2820 Clark Avenue, Norco, CA 92860



Berwin Hanna, Mayor
Herb Higgins, Mayor Pro Tem
Kathy Azevedo, Council Member
Kevin Bash, Council Member
Greg Newton, Council Member

CALL TO ORDER: 7:00 p.m.

ROLL CALL:

PLEDGE OF ALLEGIANCE: Council Member Newton

INVOCATION:

PRESENTATION: I-15 Express Lanes Project
*Eliza Echevarria, RCTC Community
Relations Manager, Riverside
County Transportation Commission*

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 April 2, 2014
Special Meeting of April 2, 2014
Recommended Action: Approve the City Council Minutes (City Clerk)
 - B. Procedural Step to Approve Ordinance after Reading of Title Only.
Recommended Action: Approval (City Clerk)
 - C. Recap of Actions Taken by the Planning Commission at its Meeting held on April 9, 2014. **Recommended Action: Receive and File.** (Planning Director)
 - D. Quarterly Investment Report for Quarter Ended March 31, 2014.
Recommended Action: Staff recommends that the City Council receive and file the Quarterly Investment Report for the Quarter Ended March 31, 2014. (City Manager)
 - E. Approval to Declare Various City Assets as Surplus Property.
Recommended Action: Declare Various City Assets as Surplus and authorize the City Manager/Director of Finance to dispose of surplus assets through auction, donation to charitable organizations or electronic recycling (e-cycle). (City Manager)
 - F. Approval of Additional Appropriation and Changes in Contract Amounts for the Hamner Avenue Widening Project. **Recommended Action: Adopt Resolution No. 2014-13, appropriating funds in the amount of \$200,000 to complete final payment to the Griffith Company for the Hamner Avenue Widening Project.** (Public Works Director)
 - G. Approval for an Extension to the Contract for Annual Audit Services with Rogers, Anderson, Malody and Scott, LLP. **Recommended Action: Approve the Contract extension for annual audit services with Rogers, Anderson, Malody and Scott, LLP.** (City Manager)
 - H. Resolution Approving City of Norco Participation in the County of Riverside Mortgage Credit Certificate Program. **Recommended Action: Adopt Resolution No. 2014-16.** (Planning Director)
3. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR:
 4. CITY COUNCIL DISCUSSION / ACTION ITEM:
 - A. Acceptance of Bids and Award of Contract for the Veterans Memorial Project.
Recommended Action: Award contract to Act I Construction, Inc. in the amount of \$445,373.75 to include Base Bid and Add Alternate "B" and Add Alternate "D"; authorize the City Manager to approve contract change orders up to 10 percent of the original contract amount; and, reject the bid protest submitted by Hamel Construction, Inc. (Parks, Recreation and Community Services Director)

5. CITY COUNCIL PUBLIC HEARING:

- A. **Tentative Tract Map 36676** (Lewis): A proposed subdivision of two parcels (approximately 4.22 acres) into six parcels for residential development on five of the parcels with a new cul-de-sac street and the maintenance of an existing residence on Valley View Avenue. The project site is located at 3498 and 3516 Valley View Avenue in the A-1-20 zone.

Proposed Tentative Tract Map (TTM) 36676 for six parcels meets all the subdivision and zoning requirements of Titles 17 and 18 of the Norco Municipal Code. Final approval by the City Council requires direction on whether the cul-de-sac should incorporate a wrap-around trail and if so, how that should be implemented.

Recommended Action: Adopt Resolution No. 2014-15, approving Tentative Tract Map 36676, subject to the conditions of approval set forth and as amended. (Planning Director)

- B. Public Hearing Amending the City's Comprehensive Fee Resolution to Update and Adjust the Development Impact Fee Schedule.

In October of 2012, the City Council approved a Professional Services Agreement with Revenue Cost Specialists, LLC, to complete a Development Impact Fee Calculation and Nexus Report. On January 27, 2014, the City Council held a Special Meeting Workshop at which time Scott Thorpe, representing Revenue Cost Specialists, LLC, presented the results from the completed Development Impact Fee Calculation and Nexus Report and the Master Facilities Plan for the City of Norco. Following meetings held between staff and Mr. Thorpe, the final Development Impact Fees are now recommended to be approved by the City Council through the public hearing process.

Recommended Action: Adopt Resolution No. 2014-14. (City Manager)

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 / CITY MANAGER / STAFF COMMUNICATIONS:

8. 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
SPECIAL MEETING
Wednesday, April 2, 2014
Norco City Hall Conference Rooms A & B
2870 Clark Avenue, Norco, CA 92860



CALL TO ORDER: Mayor Hanna called the meeting to order at 4:00 p.m.

ROLL CALL: Berwin Hanna, Mayor, **Present**
Herb Higgins, Mayor Pro Tem, **Present**
Kathy Azevedo, Council Member, **Present**
Kevin Bash, Council Member, **Present**
Greg Newton, Council Member, **Present**

PLEDGE OF ALLEGIANCE: Mayor Pro Tem Higgins

1. CITY COUNCIL/STAFF TRAINING:

A. Council/Manager Form of Government (Liebert Cassidy Whitmore)

Steve Berliner, representing Liebert Cassidy Whitmore, presented information regarding City Councils – values, conduct, communication and policy. The City Council and Management Staff were present for the presentation and discussion.

2. PUBLIC COMMENTS: **None**

3. ADJOURNMENT: There being no further business to come before the City Council, Mayor Hanna adjourned the meeting at 5:54 p.m.

BRENDA K. JACOBS, CMC
CITY CLERK



MINUTES
CITY OF NORCO
CITY COUNCIL

April 2, 2014

City Council Chambers
2820 Clark Avenue, Norco, CA 92860



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

ROLL CALL: Berwin Hanna, Mayor, **Present**
Herb Higgins, Mayor Pro Tem, **Present**
Kathy Azevedo, Council Member, **Present**
Kevin Bash, Council Member, **Present**
Greg Newton, Council Member, **Present**

PLEDGE OF ALLEGIANCE: Mayor Hanna

INVOCATION: Corona Church of the Open Doors
Pastor Fred Griffin

PRESENTATION: Proclamation - 2014 Day of the Child
April 12, 2014

CITY COUNCIL BUSINESS ITEMS AS FOLLOWS:

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

Council Member Newton:

- Reported on the March 26th Western Riverside County Regional Wastewater Authority meeting, noting the actions taken.

Mayor Hanna:

- Reported on the April 2nd RTA sub-committee meeting, noting the actions taken.
- Reported on Day of the Cowboy events.

2. CITY COUNCIL CONSENT ITEMS:

Council Member Azevedo pulled Item 2.D. for discussion. Council Member Newton pulled Item 2.B. for discussion.

M/S Bash/Higgins 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, NEWTON
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

- A. City Council Minutes:
Regular Meeting of March 19, 2014
Recommended Action: **Approve the City Council Minutes (City Clerk)**
- B. Approval of a Contract to Purchase and Install a Plymovent Vehicle Exhaust Removal System from Air Exchange-Clean Air Specialists Using the County of Riverside General Services Award Schedule for Riverside County Fire/Cal Fire Services. **Recommended Action: Staff recommends that the City Council authorize the City Manager to execute a contract in an amount not-to-exceed \$58,000 to purchase and install a Plymovent Vehicle Exhaust Removal System from Air Exchange-Clean Air Specialists using the County of Riverside General Services Award Schedule. (Parks, Recreation and Community Services Director) PULLED FOR DISCUSSION**
- C. Proposed Fourth of July Mayor's Community Equestrian Trail Ride and Picnic in the Park, Laser Show, Concert and Movie Night. **Recommended Action: Adopt Resolution No. 2014-12 to Approve the concept of a Mayor's community equestrian trail ride and picnic in the park, followed by a laser show, concert, and movie night on the Fourth of July. (Parks, Recreation and Community Services Director) PULLED FOR DISCUSSION**

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

Item 2.B. Approval of a Contract to Purchase and Install a Plymovent Vehicle Exhaust Removal System from Air Exchange-Clean Air Specialists Using the County of Riverside General Services Award Schedule for Riverside County Fire/Cal Fire Services.

Council Member Newton commented on the exhaust system and the discussions held previously regarding credit for the two old systems. In response, Chief Pemberton noted that there is little value left in the old models for resale. Parks, Recreation & Community Services Director Petree added information regarding salvage value of the systems. Council Member Newton asked if the City could go back and negotiate more money and continue this item. Director Petree responded that this is purchased through the County bid schedule, noting that we do not have the choice to go out to bid on this, as this company is the only one approved by the County.

M/S Higgins/Bash to authorize the City Manager to execute a contract in an amount not-to-exceed \$58,000 to purchase and install a Plymovent Vehicle Exhaust Removal System from Air Exchange-Clean Air Specialists using the County of Riverside General Services Award Schedule. The motion was carried by the following roll call vote:

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

Item 2.C. Proposed Fourth of July Mayor's Community Equestrian Trail Ride and Picnic in the Park, Laser Show, Concert and Movie Night.

Council Member Azevedo commented on the proposed events as discussed by the City's 50th Birthday Committee, especially highlighting the laser show. She further commented on the sponsorship opportunities available and all of the other opportunities proposed for this event. Director Petree commented on the daytime opportunities proposed to be available.

M/S Newton/Bash to adopt Resolution No. 2014-12 to approve the concept of a Mayor's community equestrian trail ride and picnic in the park, followed by a laser show, concert, and movie night on the Fourth of July. The motion was carried by the following roll call vote:

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

4. PUBLIC COMMENTS OR QUESTIONS:

Ted Hoffman. Mr. Hoffman reported on the success of the Norco Horsemen's Association's obstacle course where 55 contestants participated, most from outside of the area. He noted the compliments received on the facilities. Mr. Hoffman also commented on a water spring that was located at the George Ingalls Equestrian Event Center which could be made available to provide water for irrigation.

Pat Overstreet. Ms. Overstreet commented on the weeds in the medians from the Gateway area north on Hamner Avenue. She also commented on the weeds in the vacant car lot on Hamner Avenue. Ms. Overstreet further noted the two medians on Hamner and Market that look like they are not being watered.

Geoff Kahan. Mr. Kahan commented on the April 16th George Ingalls Day and invited everyone to attend the ceremony in front of City Hall beginning at 8:30 a.m. Mr. Kahan also requested that this meeting be closed in memory of the Fort Hood soldiers who were killed.

5. CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS:

Council Member Azevedo:

- Commented on complaints she received regarding the signal light at Hidden Valley and Hamner Avenue. In response, Public Works Director Askew noted that it is a CalTrans signal and staff has contacted them to ask for the timing to be revised. Council Member Azevedo also commented on the traffic signal located at southbound Hamner to Sixth Street. In response, Director Askew stated that it is the City's and they would check the signal.
- Commented on the annual ICSC Conference, noting that this is a good opportunity for promotion and recommended that it be considered in the next budget to send Economic Development Specialist Roger Grody to this event next year.
- Commented on a request made by Bob Hemborg, owner of Hemborg Ford, to have the signs taken down on Hamner Avenue that allows for one-hour parking.

M/S Azevedo/Higgins to agendaize the removal of the one-hour parking signs in the Auto Mall area on Hamner Avenue. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, HIGGINS, NEWTON

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

- Commented on the State of the City to be held on April 8th, at which time the City's 8 ft. x 8 ft. 50th Birthday Cake will debut.

Council Member Newton:

- Thanked Public Works staff for cleaning up and removing the mattresses on Corona Avenue.

Council Member Bash:

- Requested an update on the bid process for the Veterans Memorial Project.
- Requested follow-up on discussions held regarding adding a traffic cop. In response, City Manager Okoro stated that this will need to be addressed as part of the budget process.

City Manager Okoro:

- Reminded residents that applications are available to serve on the City's Future Infrastructure and Funding Needs Ad-Hoc Committee. He noted that presentations will be made to the EDAC and three of the City Commissions.

Parks, Recreation & Community Services Director Petree:

- Stated that the lowest bid for the Veterans Memorial Project was received from a local contractor and this item will be brought to the City Council at its next meeting.
- Stated that in response to Ms. Overstreet's complaint, the medians will be worked on tomorrow.

6. ADJOURNMENT: A moment of silence was held for the service members that lost their lives at Fort Hood. There being no further business to come before the City Council, Mayor Hanna adjourned the meeting at 7:40 p.m.

BRENDA K. JACOBS, CMC
CITY CLERK



**RECAP OF ACTIONS TAKEN
CITY OF NORCO
PLANNING COMMISSION
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE
REGULAR MEETING
APRIL 9, 2014**



CALL TO ORDER: 7:02 p.m.

ROLL CALL: Chair Hedges, Vice Chair Leonard, Commission Members Henderson, Hoffman and Jaffarian

STAFF PRESENT: Planning Director King, Senior Planner Robles, City Manager Okoro, Public Works Director Askew, Parks and Recreation Director Petree, Recreation Superintendent Anglin, and Deputy City Clerk Germain.

PLEDGE OF ALLEGIANCE: Vice Chair Leonard

1. **APPEAL NOTICE: Read by Planning Director King**
2. **PUBLIC COMMENTS: NONE**
3. **APPROVAL OF MINUTES:**
 - ❖ Minutes of Regular Meeting on March 12, 2014
 - Recommended Action: Approval (Deputy City Clerk) Action: Approved 5-0**
4. **PUBLIC HEARINGS:**
 - A. **Conditional Use Permit 2014-07/Variance 2014-03 (AT&T Mobility):** A request for approval to allow an unmanned wireless telecommunication facility to consist of a 78-foot tall freestanding pole designed as a ball field light that will hold wireless antennas, and the required ground level associated support equipment at Parmenter Park located at 2760 Reservoir Drive within the OS (Open Space) Zone. The variance is requested to allow the pole to exceed the maximum height of 50 feet permitted by the Norco Municipal Code. **Recommended Action: Approval (Senior Planner)**
Action: Approved 5-0. This action is final unless appealed to the City Council.
 - B. **Conditional Use Permit 2014-08 (First Southern Baptist of Anaheim):** A request for approval to allow a church within Unit "D" of an existing shopping center building located at 2395 Hamner Avenue located within the C-G (Commercial General) Zone. **Recommended Action: Approval (Senior Planner) Action: Continued 5-0**
 - C. **Conditional Use Permit 2014-09 (Sparks):** A request for approval to allow four additional dogs at 5053 Roundup Road located within the A-1-20 (Agricultural Low Density) Zone. **Recommended Action: Approval (Senior Planner)**
Action: Approved 5-0 to allow two additional dogs. This action is final unless appealed to the City Council.

AGENDA ITEM 2.C.

5. BUSINESS ITEMS:

A. Appoint one Planning Commission Member to the Ad-Hoc Committee to Review the City's Future Infrastructure and Funding Needs.
Recommended Action: Appoint one Member to the Ad-Hoc Committee (City Manager)

Action: Chair Hedges appointed – Approved 5-0

B. **Site Plan 2013-19 (S&S Venues) Modification 1:** Request to modify the approved elevations for a restaurant conversion of an existing building located at 2895 Hamner Avenue in the C-G (Commercial General) Zone.
Recommended Action: Approval (Planning Director)

Action: Approved 4-0-1 (Leonard abstained). This action is final unless appealed to the City Council.

C. **Appeal 2014-01 (Atlas Pet Hospital Sign):** An appeal of staff's denial of a sign permit to modify and replace an existing pole sign located at 1560 Hamner Avenue. (Planning Director)

Action: Appeal upheld 5-0. This action is final unless appealed to the City Council.

D. **Site Plan 2014-09 (American Home Remodeling Inc):** A request for approval to allow two accessory building consisting of a 162 square-foot freestanding solid patio cover and a 264 square-foot freestanding lattice patio cover at 1144 Thoroughbred Lane. located within the Norco Hills Specific Plan (NHSP). (Senior Planner)

Action: Approved 5-0. This action is final unless appealed to the City Council.

6. DISCUSSION ITEMS: **NONE**

7. CITY COUNCIL MINUTES: **Received and filed**

- City Council Regular Meeting Minutes of March 5, 2014
- City Council Special Meeting Minutes of March 7, 2014
- City Council Regular Meeting Minutes of March 19, 2014

7. PLANNING COMMISSION:

A. Oral Reports from Various Committees: **NONE**

B. Request for Items on Future Agenda (within the purview of the Commission):
Received and filed

8. ADJOURNMENT: **9:22 p.m.**

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

DATE: April 16, 2014

SUBJECT: Quarterly Investment Report for Quarter Ended March 31, 2014

RECOMMENDATION: Staff recommends that the City Council receive and file the Quarterly Investment Report for the Quarter Ended March 31, 2014.

SUMMARY: Staff is recommending that the City Council receive and file the City's quarterly investment report for the quarter ended March 31, 2014. This report has been prepared to meet the requirements of the City's Investment Policy and applicable sections of the State of California Government Code.

BACKGROUND/ ANALYSIS: The City's Investment Policy requires the Treasurer to render a quarterly report to the legislative body. The report is to be prepared in accordance with Government Code Section 53646 (b)(1) and should contain detailed information on all securities, investments, and monies of the local agency; a statement of compliance of the portfolio with the Statement of Investment Policy; and a statement of the City's ability to meet its cash flow requirements for the next six months. This report which is for the quarter ended March 31, 2014 meets the requirements of the Investment Policy and Government Code. It covers funds of the City and the Successor Agency to the former Norco Redevelopment Agency.

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

Attachment 1 provides a summary schedule of the City's operating portfolio holdings by type as of March 31, 2014. This summary also provides information on whether or not each investment category complies with the limitations imposed by state law and the City's Investment Policy. Investments that are subject to the Statement of Investment Policy are operating/idle funds invested by the Treasurer within the provisions of the approved Investment Policy. During the quarter ended March 31, 2014, the operating portfolio increased by a net amount of \$3.7 million from \$29.6 million to \$33.3 million due to cash receipts exceeding disbursements. The excess of receipts over cash

disbursements was anticipated during the quarter as revenue receipts during the third quarter of the fiscal year usually exceeds disbursements for expenditures. This is due to first installment property tax and vehicle license fees receipts. Additionally, the increase in operating portfolio includes a transfer of \$1.7 from bond proceeds to the Street Fund to reimburse the Street Fund for Hamner Avenue Widening project expenditures.

Attachment 2 provides a graphical breakdown of the operating portfolio holdings by investment type as of March 31, 2014. This chart is for investments that are subject to the Investment Policy. The operating portfolio consisted of 91.43% investment in the State of California Local Agency Investment Fund (LAIF). The remaining 8.57% comprises of cash and certificates of deposit.

A summary of investments not subject to the provisions of the Investment Policy (bond proceeds and debt service reserve funds) is also shown on Attachment 1. These funds are invested in accordance with applicable bond indenture provisions. During the quarter ended March 31, 2014, bond proceeds and debt service reserve fund portfolio decreased by a net amount of \$1.8 million from \$24.5 million to \$22.7 million due to transfer of \$1.7 million of bond proceeds to the Street Fund. The remaining decrease of \$0.1 million was to pay for capital project expenditures.

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

CASH FLOWS

Actual revenue receipts during the first three quarters of the fiscal year have been generally better than projections. This has resulted in increased cash balances. Along with anticipated cash receipts, staff estimates that there will be sufficient cash to cover disbursements for the City and Successor Agency for the next six months ending September 30, 2014.

FINANCIAL IMPACT: Not Applicable.

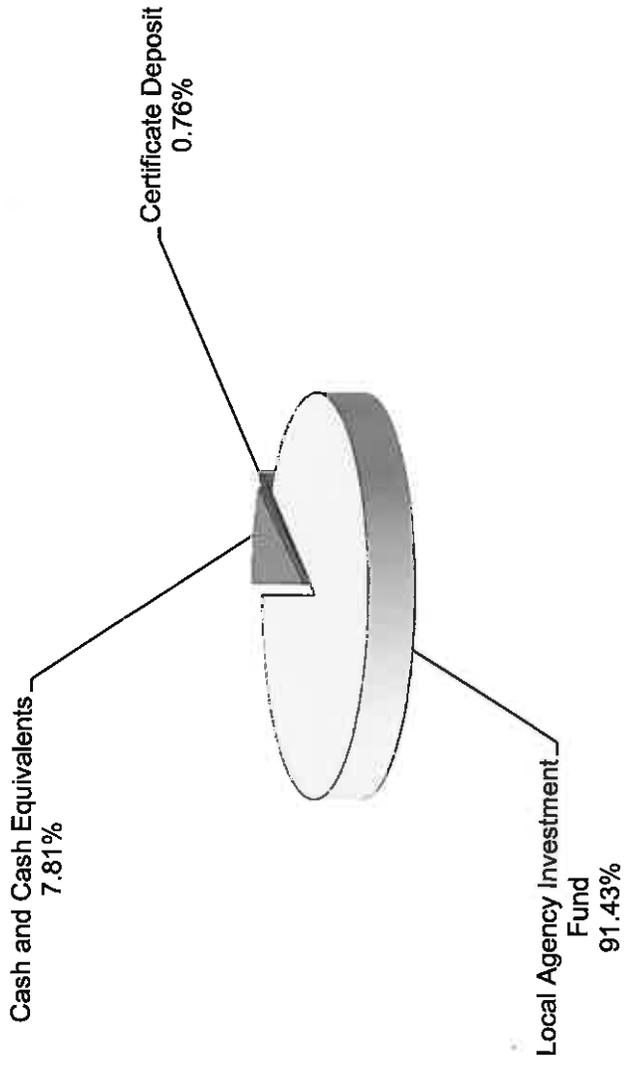
- Attachments: 1) Portfolio Summary
2) Summary Graph
3) Portfolio Details – "Investments Not Subject..."
4) Certification Form

**City of Norco, California
Portfolio Summary
As of March 31, 2014**

<u>City Investments Subject to Investment Policy</u>	<u>Market Value</u>	<u>Percentage</u>	<u>Policy Maximum</u>	<u>Compliance</u>
Cash and Cash Equivalents	\$ 2,601,619	7.81%	15.00%	In Compliance
Certificate Deposit	254,027	0.76%	30.00%	In Compliance
Local Agency Investment Fund	30,453,166	91.43%	\$50.0 Million	In Compliance
Total	\$ 33,308,812	100.00%		

<u>City Investments Not Subject to Investment Policy</u>	<u>Market Value</u>	<u>Percentage</u>
Community Facilities Districts	\$ 2,355,981	10.35%
Sewer and Water System	9,447,399	41.50%
Refunding Tax Allocation Bonds	10,962,374	48.15%
Total	\$ 22,765,754	100.00%

**Summary of City Portfolio
(Investments Subject to Investment Policy)
As of March 31, 2014**



City of Norco, California
 Portfolio Details
 As of March 31, 2014
 Investments Subject to Policy

Cash & Cash Equivalents

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	Checking Accounts	Wells Fargo	N/A	N/A	0.00%	N/A	2,601,619	2,601,619
			Subtotal	Wells Fargo					2,601,619	2,601,619
4/20/2013	4/20/2014	2329958022	Certificate Deposit	Citizen Business Bk	N/A	0.35%	0.35%	N/A	101,822	101,822
2/25/2014	11/5/2014	2329958065	Certificate Deposit	Citizen Business Bk	N/A	0.25%	0.25%	N/A	152,205	152,205
			Subtotal	Wells Fargo					254,027	254,027

Local Agency Investment Fund

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	Local Agency Investment Fund	State of California	N/A	N/A	N/A	N/A	30,453,166	30,453,166
			Subtotal						30,453,166	30,453,166
			Total Investments Subject to Policy						33,308,812	33,308,812

City of Norco, California
Portfolio Details
As of March 31, 2014

**Investments Not Subject to Policy (Bond Proceeds)
Community Facilities Districts**

Cash and Cash Equivalents

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	U.S. Bank N.A. Open, Commerical Paper	791884004 US Bank	N/A	N/A	0.00%	N/A	2,604	2,604
N/A	N/A	N/A	First American Government Obligation	794148000 US Bank	N/A	N/A	0.00%	N/A	1	1
N/A	N/A	N/A	First American Government Obligation	794148002 US Bank	N/A	N/A	0.00%	N/A	1,736,039	1,736,039
			Subtotal						1,738,644	1,738,644

Local Agency Investment Fund

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	Local Agency Investment Fund	CFD 93-1 State of California	N/A	N/A	N/A	N/A	97,571	97,571
			Subtotal						97,571	97,571

U.S. and Agency Securities

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
12/27/2013	12/27/2018 (3)	3134G4RC4	F H L M C M T N Step Up Coupon	791884004 US Bank	AAA*	1.15%	1.15%	520,000	520,000	519,766
			Subtotal					520,000	520,000	519,766
			Total Community Facilities Districts						2,356,215	2,355,981

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

Cash and Cash Equivalents

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	U.S. Bank N.A. Open, Commerical Paper	130584001 US Bank	N/A	N/A	0.00%	N/A	1,495,530	1,495,530
N/A	N/A	N/A	U.S. Bank N.A. Open, Commerical Paper	130584004 US Bank	N/A	N/A	0.00%	N/A	4,953,580	4,953,580
			Subtotal						6,449,109	6,449,109

U.S. and Agency Securities

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
12/27/2013	12/27/2016 (2)	3134G4QU5	F H L M C M T N Step Up Coupon	130584004 US Bank	AAA*	0.45%	0.45%	3,000,000	3,000,000	2,998,290
			Subtotal					3,000,000	3,000,000	2,998,290
			Total Sewer and Water System						9,449,109	9,447,399

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

Cash & Cash Equivalents

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	First American Government Obligation	94432430 US Bank	N/A	N/A	0.00%	N/A	1	
N/A	N/A	N/A	First American Government Obligation	94432431 US Bank	N/A	N/A	0.00%	N/A	62,402	62,402
N/A	N/A	N/A	First American Government Obligation	94432432 US Bank	N/A	N/A	0.00%	N/A	3	3
N/A	N/A	N/A	U.S. Bank N.A. Open, Commercial Paper	94432435 US Bank	N/A	N/A	0.00%	N/A	143	143
N/A	N/A	N/A	First American Government Obligation	94432441 US Bank	N/A	N/A	0.00%	N/A	56	56
N/A	N/A	N/A	U.S. Bank N.A. Open, Commercial Paper	94432445 US Bank	N/A	N/A	0.00%	N/A	319	319
N/A	N/A	N/A	U.S. Bank N.A. Open, Commercial Paper	94662507 US Bank	N/A	N/A	0.00%	N/A	68,790	68,790
N/A	N/A	N/A	First American Government Obligation	787891004 US Bank	N/A	N/A	0.01%	N/A	1,382	1,382
N/A	N/A	N/A	First American Government Obligation	792126001 US Bank	N/A	N/A	0.00%	N/A	1	1
N/A	N/A	N/A	First American Government Obligation	792126004 US Bank	N/A	N/A	0.00%	N/A	1,504	1,504
N/A	N/A	N/A	First American Government Obligation	129543000 US Bank	N/A	N/A	0.01%	N/A	3,573	3,573
N/A	N/A	N/A	First American Government Obligation	129543001 US Bank	N/A	N/A	0.00%	N/A	3	3
N/A	N/A	N/A	First American Government Obligation	129543002 US Bank	N/A	N/A	0.00%	N/A	1	1
N/A	N/A	N/A	U.S. Bank N.A. Open, Commercial Paper	129543003 US Bank	N/A	N/A	0.00%	N/A	973,681	973,681
N/A	N/A	N/A	US Bank Money Market	140828001 US Bank	N/A	N/A	0.00%	N/A	2	2
N/A	N/A	N/A	US Bank Money Market	140828004 US Bank	N/A	N/A	0.03%	N/A	1,480,418	1,480,418
N/A	N/A	N/A	US Bank Money Market	140828005 US Bank	N/A	N/A	0.00%	N/A	12	12
			Subtotal						2,592,291	2,592,291

Local Agency Investment Fund

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	Local Agency Investment Fund	2010 TABs State of California	N/A	N/A	N/A	N/A	22,635	22,635
N/A	N/A	N/A	Local Agency Investment Fund	2003 TABs State of California	N/A	N/A	N/A	N/A	49,287	49,287
			Subtotal						71,922	71,922

U.S. and Agency Securities

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
12/27/2013	12/27/2018 (3)	3134G4RC4	F H L M C M T N Step Up Coupon	792126003 US Bank	AAA*	1.200%	1.15%	1,555,000	1,555,000	1,554,300
12/16/2013	9/12/2014	3130A0GJ3	Federal Home Loan Bks	94662507 US Bank	AAA*	0.150%	0.15%	2,000,000	2,000,000	2,000,500
12/16/2013	12/31/2014	912828UD0	U S Treasury Note	94662507 US Bank	AAA*	0.125%	0.13%	1,500,000	1,500,000	1,500,345
			Subtotal					5,055,000	5,055,400	5,055,145

City of Norco, California
 Portfolio Details
 As of March 31, 2014

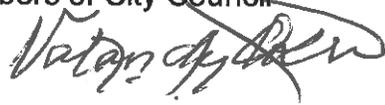
Investment Agreements

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	3/1/2030	N/A	Guaranteed Investment Contract	94432433 US Bank	N/A	N/A	5.71%	N/A	2,161,566	2,161,566
N/A	3/1/2030	N/A	Guaranteed Investment Contract	94432443 US Bank	N/A	N/A	5.16%	N/A	347,000	347,000
N/A	2/27/2015	N/A	Guaranteed Investment Contract	787891003 US Bank	N/A	N/A	3.41%	N/A	734,450	734,450
Subtotal									3,243,016	3,243,016
Total Refunding Tax Allocation Bonds									10,962,629	10,962,374
<u>Total Investments Not Subject to Policy</u>									22,767,953	22,765,754

- * On August 5, 2011 S&P Lowered US Debt Rating to AA+, Fitch and Moody's Ratings are Still AAA
- 2) Step up rates: .45% to 6/27/14, .55% to 12/27/14, .625% to 6/27/15, .75% to 12/27/15, 1.25% to 6/27/16, 2.00% to 12/27/16.
- 3) Step up rates: 1.15% to 12/27/15 and 2.5% to 12/27/18.

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Michael Daly, IT Manager 

DATE: April 16, 2014

SUBJECT: Approval to Declare Various City Assets as Surplus Property

RECOMMENDATION: Declare Various City Assets as Surplus and authorize the City Manager/Director of Finance to dispose of surplus assets through auction, donation to charitable organizations or electronic recycling (e-cycle).

SUMMARY: Staff has identified various obsolete pieces of equipment and other assets that are no longer needed for City operations. It is recommended that the City Council declare the assets as surplus and authorize staff to dispose of them through public auction, donation to charity or electronic re-cycling.

BACKGROUND/ANALYSIS: In the course of business, the City purchases new equipment to replace obsolete items. Other assets simply break down and cannot be repaired or maintained in a cost effective manner. These obsolete equipment/assets have served their useful lives and are either no longer in service or inadequate for City needs due to software upgrades, excessive maintenance cost and normal wear and tear.

FINANCIAL IMPACT: Minimal revenues may be generated through this process and will be credited to the Fund that owns the asset.

J: ao/council reports/staff reports/2014

Attachment: Surplus List

Computer

(6) Intel Pentium m processor 1.60 GHz (EOC laptops)
(6) Dual core E6600
Shoretel server Intel
Hp Proliant DL360 G5 (xeon)

Monitors

(4) Viewsonic Q71 CRT monitors
(9) Optquest q7 17 inches
(1) A170e1 17 inches
(1) Acer AL1711 17 inches

Printers

Hp 1505 Laser jet network
Hp Desk Jet 990cxi
Hp Desk Jet 940c
Brother laser jet
Konica Minolta EP1031F
Canon Copy PC-GRE
Xerox Copy machine Workcentre 24 color copier
Hp LaserJet 2200d
Hp design jet 500 large format plotter

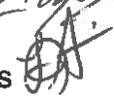
Miscellaneous

Power wear 9125 server battery backup
In focus projector Lp425z
Communications Equipment (Ex. Battery chargers, base radios heads, base radio mics, radio cables)
A/V Equipment (Ex. A/V Carts, VCR and misc. cables)
Engine Communications systems (Ex. Headsets, Controllers, Aux inputs, and misc. cables)
Computer Equipment (Printer, Computer Enclosures, type writer, misc. cables)

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

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

DATE: April 16, 2014

SUBJECT: Approval of Additional Appropriation and Changes in Contract Amounts for the Hamner Avenue Widening Project

RECOMMENDATION: Adopt **Resolution No. 2014-13**, appropriating funds in the amount of \$200,000 to complete final payment to the Griffith Company for the Hamner Avenue Widening Project.

SUMMARY: Staff is requesting additional appropriation of funds in the amount of \$200,000 to complete final payment to the Griffith Company for the Hamner Avenue Widening Project.

BACKGROUND/ANALYSIS: On February 5, 2014, the City Council appropriated additional funds in the amount of \$288,301 for the completion of the Hamner Avenue Widening Project. The additional funds paid for changes to contracts for the general contractor, geotechnical engineer and construction manager.

Prior to this request of additional funds, staff had spent considerable amount of time reviewing progress payment invoice requests and supporting documents submitted by the general contractor, Griffith Company. The changes to the contracts were incorporated into a staff prepared spreadsheet and work completed was continually tabulated. Unfortunately, a clerical error in the amount entered into the spreadsheet calculation was only discovered after staff prepared the request for additional appropriation. Staff had inadvertently entered a value of \$13,826.21 for additional unclassified earthwork when the actual value should have read \$213,826.21.

FINANCIAL IMPACT: The recommended changes will result in additional expenditure of \$200,000 from the Street Capital Improvement Fund.

/lja

RESOLUTION NO. 2014-13

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, APPROPRIATING ADDITIONAL FUNDS IN THE AMOUNT OF \$200,000 FROM STREET FUND 149 CAPITAL IMPROVEMENT FUND FOR THE HAMNER AVENUE WIDENING PROJECT

WHEREAS, the Norco City Council ("Council") approved the FY 2014-2018 Capital Improvement Program for the construction of public improvements for the benefit of the Community; and

WHEREAS, the improvements of the Hamner Avenue Widening Project will improve the overall traffic circulation; and

WHEREAS, the Hamner Avenue Widening Project will improve vehicular and equestrian safety and reduce congestion along this segment; and

WHEREAS, the Hamner Avenue Widening Project was awarded by the City Council on July 18, 2012 to Griffith Company in the amount of \$4,133,320.25 for the Base Bid and \$1,188,610.00 for Add Alternate Bid No. 1; and

WHEREAS, also awarded on July 18, 2012 by the City Council were contracts to three consultants to provide construction management, geotechnical services and survey, totaling \$238,031.00; and

WHEREAS, additional funding in the amount of \$288,301 was appropriated on February 5, 2014 to finalize payment to Griffith Company and the consultants that provided construction services and

WHEREAS, the construction of the Hamner Avenue Widening Project has been completed to the satisfaction of the City Engineer and a Notice of Completion has been filed; and

WHEREAS, staff discovered a calculation error in the final request of appropriation of additional funds in the amount of \$200,000 on the bid item of Unclassified Fill; and.

WHEREAS, additional funding in the amount of \$200,000 is being requested to pay the general contractor for the additional fill placed as part of the project.

NOW, THEREFORE, BE IT RESOLVED that the amount of \$200,000 shall be appropriated from the Street Capital Improvement Program Fund to fund the Hamner Avenue Widening Project.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on April 16, 2014.

Mayor of the City of Norco, California

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on April 16, 2014, by the following vote of the City Council:

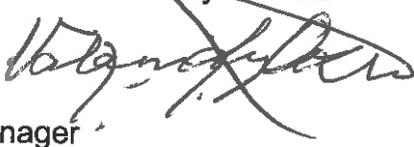
AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on April 16, 2014.

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

MEMORANDUM

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Olivia Hoyt, Accounting Manager

DATE: April 16, 2014

SUBJECT: Approval for and Extension of the Contract for Annual Audit Services with Rogers, Anderson, Malody and Scott, LLP

RECOMMENDATION: Approve a contract extension for annual audit services with Rogers, Anderson, Malody and Scott, LLP.

SUMMARY: Staff is recommending that the Council approve a one-year contract extension with Rogers, Anderson, Malody and Scott, LLP (RAMS) to perform the required annual independent audit of the City of Norco for fiscal year ending June 30, 2014. The total cost to perform the required scope of services will not exceed \$44,600 for fiscal year 2014.

BACKGROUND/ANALYSIS: The first contract award with the Certified Public Accounting firm of Rogers, Anderson, Malody and Scott, LLP (RAMS) was for fiscal years ended June 30, 2001 through 2003. This contract was extended by the City Council for three additional years through fiscal year 2005-2006. After a competitive selection process in 2007, Council awarded a new three-year contract for audit services to RAMS. The three-year contract was for the fiscal years ended June 30, 2007, 2008 and 2009. In 2010 this contract was extended for additional three years which ended June 30, 2012; on March 20, 2013, contract was extended for an additional year for audit year ending June 30, 2013. The recommended contract extension will be for the fiscal year ending June 30, 2014.

Through the audit contract, RAMS provides the following services to the City of Norco and the Successor Agency:

1. Audit of the basic financial statements of the City in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in the Government Auditing Standards.
2. Assistance with the preparation of City Comprehensive Annual Financial Report (CAFR). and Successor Agency's basic financial statements
3. Compliance with the requirements of the Single Audit Act of 1996 and OMB Circular A-133

4. Audit procedures required by Proposition 111 relative to the City's Appropriations Limit.
5. Audit of the basic financial statements of the Successor Agency to the former Norco Community Redevelopment Agency.
6. Assistance with preparation of State Controller's Report.

Over the years, RAMS has done an outstanding job for the City especially in assisting staff in the areas of implementing new technical accounting pronouncements as well as assessing compliance with internal controls. RAMS also has assisted the City in maintaining the GFOA's Certificate of Achievement of Excellence in Financial Reporting over the last ten consecutive years. The firm has demonstrated a very good understanding of the City's financial structure and operations which results in an efficient and effective audit process. Attached to this staff report is a copy of the engagement letter which outlines City and auditor responsibilities for the services to be provided to the City.

While there may be some benefits to changing auditors from time to time, staff believes that at this time, it is in the best interest of the City to extend the audit contract with RAMS for one additional year. A competitive RFP for auditing services for fiscal years beginning after June 30, 2014 has been completed and will be released later this year to interested audit firms.

FINANCIAL IMPACT: The overall fee for audit services in fiscal year 2014 will increase by \$600. The total not-to-exceed annual cost of \$44,600 for the proposed contract extension will be included in the operating budget and the City will be reimbursed for the costs of auditing the Successor Agency.

Attachment: RAMS Contract Extension Proposal



ROGERS, ANDERSON, MALODY & SCOTT, L.L.P.
 CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

735 E. Carnegie Dr. Suite 100
 San Bernardino CA 92408
 909 889 0871 T
 909 889 5361 F
 ramscpa.net

March 26, 2014

To the Honorable City Council
 City of Norco
 2870 Clark Avenue
 Norco, California 92860

PARTNERS

Drenda L. O'Connell, MSF
 Terry P. Sklar, CPA
 Kevin J. Franks, CPA
 Matthew S. Wilson, CPA, MS, CMA
 Scott M. Johnson, CPA, CGMA
 Brent Christophel, CPA, MS, CMA
 Jay R. Ziegler, CPA, FRM, FSA
 Thomas J. Walker, CPA, Partner Emeritus

MANAGERS - STATE

Zachary A. Tolson, CPA, MBA
 John E. O'Connell, CPA, MS
 Robert M. Taylor, CPA, MS
 Paul S. D'Amico, CPA, MBA
 Douglas S. Lee, CPA, MBA
 Charles D. Simon, CPA
 Brian F. Jones, CPA
 David J. Turner, CPA, MS
 David D. Hendrix, CPA
 Christopher J. Van Dyke
 Jennifer S. Smith, CPA
 Sandra M. Dumas, CPA
 Michael J. Jones, CPA
 Juan Gonzalez, CPA, MS

MEMBERS

American Institute of
 Certified Public Accountants

ICPA / AICPA Alliance
 for CPA Firms

Governmental Audit
 Quality Center

California Society of
 Certified Public Accountants

We are pleased to confirm our understanding of the services we are to provide the City of Norco (the City) for the year ended June 30, 2014. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City as of and for the year ended June 30, 2014. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) PERS/OPEB schedules of funding progress.
- 3) Major fund budgetary comparison schedules.

We have also been engaged to report on supplementary information other than RSI that accompanies the City's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

- 1) Schedule of expenditures of federal awards, if applicable.
- 2) Combining fund schedules.
- 3) Budgetary comparison schedules.

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

- 1) Statistical data.
- 2) Introductory Section.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the City and other procedures we consider necessary to enable us to express such opinions. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The reports on internal control and compliance will each include a paragraph that states that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, and that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the City is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. As part of the audit, we will assist with preparation of your financial statements and related notes. You will be required to acknowledge in the written representation letter our assistance with preparation of the financial statements and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. You agree to assume all management responsibilities for any nonaudit services we provide; oversee the services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for ensuring that management is reliable and financial information is reliable and properly recorded. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that

we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants for taking timely and appropriate steps to remedy any fraud, violations of contracts or grant agreements, or abuse that we may report.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing*

Standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Rogers, Anderson, Malody and Scott, LLP and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to various regulators or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Rogers, Anderson, Malody and Scott, LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the any regulator. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately May 05, 2014. Terry Shea, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be detailed in attachment B. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the City and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

ROGERS, ANDERSON, MALODY & SCOTT, LLP



Terry Shea, CPA

RESPONSE:

This letter correctly sets forth the understanding of the City of Norco.

By: _____

Title: _____

Date: _____

**CITY OF NORCO
SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE JUNE 30, 2014 FINANCIAL STATEMENTS**

Base Services:	<u>Total</u>
City Audit & Related Reports	\$ 29,500
Successor Agency Audit	4,000
Preparation of CAFR	5,500
Single Audit & Related Reports (if applicable)	<u>3,500</u>
Sub-total Base Costs	<u>42,500</u>
 Optional Services:	
State Controller's Report - Cities Financial Transactions Report	2,100
Sub-total Optional Costs	<u>2,100</u>
Annual Maximum Fees	<u><u>\$ 44,600</u></u>

System Review Report

May 31, 2012

To the Owners of
Rogers, Anderson, Malody & Scott, LLP
and the Peer Review Committee of the
California Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Rogers, Anderson, Malody & Scott, LLP (the firm) in effect for the year ended November 30, 2011. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a *System Review* are described in the standards at www.aicpa.org/prsummary.

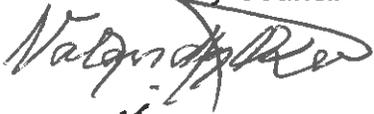
As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Rogers, Anderson, Malody & Scott, LLP in effect for the year ended November 30, 2011, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Rogers, Anderson, Malody & Scott, LLP has received a peer review rating of *pass*.

Timpson Garcia, LLP

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Any Okoro, City Manager 

PREPARED BY: Steve King, Planning Director 

DATE: April 16, 2014

SUBJECT: Resolution Approving the City of Norco Participation with the County of Riverside in the Mortgage Credit Certificate Program

RECOMMENDATION: Adopt **Resolution No. 2014-16**

SUMMARY: The Mortgage Credit Certificate Program, administered by Riverside County Economic Development Agency, is a program available to qualified home buyers of a participating city to reduce their monthly mortgage rates so as to qualify easier for a mortgage loan and have greater buying power. Currently the City of Norco is not a participating city. The attached Resolution along with proof of Housing Element Certification will allow Norco to become one.

BACKGROUND: The Riverside County Economic Development Agency (EDA) is the organization appointed by the Board of Supervisors to oversee the Mortgage Credit Certificate (MCC) Program established with the Tax Reform Act of 1986. The program entitles qualified home buyers to reduce the amount of federal income tax liability for an amount equal to 20% of the mortgage interest paid during the year on their primary mortgage loan. This helps first-time homebuyers reduce their tax liability and thereby qualify more easily for the mortgage loan with that savings factored into the loan application.

One requirement for a resident of a City to be able to participate in the MCC Program is that the Housing Element has been certified by the state. With that now achieved, along with the adopted attached Resolution, the City's citizens will be able to apply for credit through the MCC Program. The County EDA applies for funds from the state once it has all of the resolutions and proof of Housing Element Certification from the participating cities. Norco's citizens have not qualified for participation in the past because of the status of the Housing Element.

ANALYSIS: There are three basic criteria for determining a home buyer's eligibility for the MCC tax credits:

1. The borrower must be a first time Home Buyer defined as a person who has not had an ownership interest in improved-upon residential real property for the previous three (3) years.
2. The borrower's annual income must fall within the program income limits as follows:
 - Max income outside Target Area
 - Household w/1-2 persons: \$68,000
 - Household w/3+ persons: \$78,315
 - Max income inside Target Area
 - Household w/1-2 persons: \$81,000
 - Household w/3+ persons: \$95,340
3. The home being purchased must fall within the program purchase price limits as follows:
 - Max home purchase price
 - Outside Target Area: \$461,538
 - Inside Target Area: \$564,103

A Target Area is a census tract designated by the federal government to encourage investment. There are two tracts within Norco that are identified as Target Areas. If the home is located in a Target Area then the first-time buyer requirement in No. 1 above does not apply and the income and purchase price limits are higher.

The residence purchased in conjunction with an MCC must be the borrower's principal residence and may not be used as a business, rental or vacation home. The home may be a new or re-sale, detached or attached single-family home, condominium unit, a co-op unit, or a manufactured home on a permanent foundation. The home must be located in unincorporated Riverside County or within the City limits of a participating city.

The application process for a home owner is as follows:

1. Borrowers must apply for a MCC through a Participating Lender.
2. The Participating Lender will perform an initial qualification and assist the borrower in completing the MCC submission forms.
3. Buyer makes offer on home and goes into escrow.
4. The Lender then submits the MCC application to the County.
5. The County reviews Borrower and property qualifications and, if they meet the program guidelines, issues a letter of commitment to the Lender.

6. The Commitment Letter must be issued prior to the close of the loan.
7. The loan must close within 60 days of the commitment.
8. Upon loan closing, the Lender submits the MCC Closing Package to the County and the County issues the MCC, with the Lender and borrower each receiving a copy.
9. The borrower may then claim the tax credit on their Federal Income Tax Returns.
10. Borrowers can realize the tax credit annually as a tax refund or adjust their W-4 withholding form to receive the benefit via an increased pay check.

The following table illustrates how an MCC may increase a borrower's effective home buying power:

EFFECTIVE HOME BUYING POWER		
	Without MCC	With MCC
First mortgage amount.	\$300,000	\$300,000
Mortgage interest rate.	4%	4%
Monthly mortgage (principle and interest only)	\$1,432	\$1,432
MCC Rate	N/A	20%
Monthly credit amount	N/A	\$200
Effective monthly mortgage payment	\$1,432	\$1,232
Annual income needed to purchase	\$61,371	\$52,800

Attachment: Resolution No. 2014-16

RESOLUTION NO. 2014-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA APPROVING THE PARTICIPATION OF THE CITY WITH THE COUNTY OF RIVERSIDE FOR THE MORTGAGE CREDIT CERTIFICATE (MCC) PROGRAM.

WHEREAS, the Tax Reform Act of 1986 established the Mortgage Credit Certificate Program ("MCC Program") as a means of assisting qualified individuals with the acquisition of new and existing single family housing; and

WHEREAS, pursuant to Division 31, Part 1, Chapter 3.5, Article 3.4 of the California Health and Safety Code Sections 50197 et seq, local issuers are authorized to issue Mortgage Credit Certificates ("Certificates") and administer MCC Program; and

WHEREAS, the Board of Supervisors of the County of Riverside adopted Resolution No 87-564 on December 22, 1987 establishing a Mortgage Credit Certificate Program; and

WHEREAS, the Board of Supervisors of the County of Riverside has authorized the Riverside County Economic Development Agency ("EDA") to administer the MCC Program pursuant to the applicable federal, state and local policies and procedures, and to enter into those agreements necessary for efficient administration of the MCC Program; and

WHEREAS, the County of Riverside ("County") will be applying to the California Debt Limit Allocation Committee ("CDLAC") for a mortgage credit certificate allocation in July 16, 2014 or thereabouts; and

WHEREAS, the adoption of this resolution is necessary to include the City of Norco as a participating unit of general government under the County's MCC Program; and

WHEREAS, the City of Norco ("City") wishes to participate in the MCC Program administered by the EDA in connection with mortgage loans it will make available for the acquisition of new and existing single-family housing in Riverside County; and

WHEREAS, the City agrees to cooperate with the County of Riverside to undertake the MCC program within City jurisdiction to assist persons or households of limited income to purchase new and existing single family residences located in the city; and

WHEREAS, the City by adopting this Resolution, hereby gives notice of its election to participate in the Riverside County MCC program:

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

1. to participate in the MCC Program administered by the EDA in connection with mortgage loans it will make available for the acquisition of new and existing single-family housing in Riverside County;
2. to assist the County of Riverside to market the MCC Program within the city's jurisdictional boundary by publishing a general public notice in the local newspaper at least twice a year.

PASSED AND ADOPTED by the City Council at a regular meeting held on April 16, 2014.

Mayor of the City of Norco, California

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting held on April 16, 2014 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 April 16, 2014.

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

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

DATE: April 16, 2014

SUBJECT: Acceptance of Bids and Award of Contract for the George Ingalls Veterans Memorial Project

RECOMMENDATION: Award contract to Act 1 Construction, Inc. in the amount of \$445,373.75 to include Base Bid and Add Alternate "B" and Add Alternate "D"; authorize the City Manager to approve contract change orders up to 10 percent of the original contract amount; and, reject bid protest submitted by Hamel Construction, Inc.

SUMMARY: Bids for the George Ingalls Veterans Memorial Project were opened on April 1, 2014 with Act 1 Construction, Inc. of Norco, CA being the lowest responsible bidder. It is recommended that the City Council award a contract to Act 1 Construction, Inc. in the amount of \$445,373.75 and authorize the City Manager to approve contract change orders up to 10 percent of the original contract amount.

BACKGROUND/ANALYSIS: The City Council, at its March 5, 2014, meeting, approved the Mid-Year Capital Improvement budget which included funding for the George Ingalls Veterans Memorial Plaza. Notice to Invite Bid was advertised starting March 12, 2014. A total of 9 bids were received with the base bid ranging from \$256,611.75 to \$510,576.50, with the lowest responsible bid submitted by Act 1 Construction, Inc. The bid summary sheet has been attached for the City Council's review. The total contract amount for the project, including the 10 percent contingency allowed, results as follows:

Base Bid	\$256,611.75
Add Alt. "B"	\$166,390.00
Add Alt. "D"	<u>\$ 22,372.00</u>
Total Base Bid	\$445,373.75
10 Percent Contingency	<u>\$ 44,537.38</u>
TOTAL NOT-TO-EXCEED CONTRACT AMOUNT	<u>\$489,911.13</u>

BID PROTEST

The City received a timely bid protest (See Exhibit "A") on Monday April 7, 2014, from the second low bidder; Hamel Construction, Inc. The protest claimed the bid by Act 1 Construction, Inc. was non-responsive and non-responsible for two reasons.

April 16, 2014

- 1) Prime contractor does not qualify. Hamel Construction, Inc. claims that the summation of the unit price does not equal the base bid posted.
- 2) The summation error of the percent listing on the subcontractor's list sheet appears to be incorrect. Based on the proposal we received from Homeland Engineering and Valley Cities Fence, the respective percentages should be 17% and 12%.

Regarding Claim #1, the City Attorney has reviewed the protest and has determined that this claim is not meritorious and there is no evidence that Act I Construction, Inc. neglected to include the unit cost in its price. The unit cost is correct, however, the total is in error by \$1,320 not affecting the outcome or the apparent low bidder in comparison to the other bids submitted. As for Claim #2, the City Engineer has determined that this claim is without merit and the respective percentages by Hamel Construction are based on speculation and does not provide any evidence that would deem the bid as unresponsive. The City Attorney concurs with the City Engineer's determination.

FINANCIAL IMPACT: Funding for this project is included in the 2013/2017 Amended Capital Improvement Program Budget and Ingalls Park donation fund trust account in the amount of \$562,040 141.940.43150 Project 4105.6.

BP/rs

Attachment: Hamel Construction, Inc. Protest Letter (Exhibit A)
Bid Results Matrix

HAMEL

CONTRACTING, INC.

April 7, 2014

City of Norco
Department of Parks, Recreation, and Community Services
2870 Clark Avenue
Norco, CA. 92860
Attn: Brian Petree

RE: Bid Protest: Ingalls Park – Veterans Memorial
Bid Date: 04/01/2014

Dear Mr. Petree:

This letter shall serve as our formal protest against the bid proposals submitted by Act 1 Construction for the Ingalls Park – Veterans Memorial Project which bid on April 1st, 2014.

Hamel Contracting, Inc. is protesting the above referenced bid, on the basis of the summation of the unit cost in accordance with the provisions of the General Conditions, Instructions to Bidders and Specifications:

1. The Summation of the unit price does not equal the Base Bid Posted.
2. In addition to the summation error the percent listing on the subcontractors List sheet appears to be incorrect. Based on the proposals we received from Homeland Engineering and Valley Cities Fence the respective percentages should be 17% and 12%. I have attached the proposals from the respective subcontractors for your reference.

Due to the irregularities of this contractor, Hamel Contracting, Inc. requests that the City of Norco deem them as non-responsive and ineligible for award of the contract. It is in our opinion that an award to this contractor would violate the laws, standards, and practices applicable to competitive bidding on public works projects in California.

Hamel Contracting, Inc. requests under California Government Code Section 5494.1 for mailed notice of all meetings of the awarding authority of this contract at which any issues pertaining to the award of the contract are on the agenda for the meeting, we would like to address the awarding authority for this contract before or during its consideration of any issues pertaining to the award of the contract, which opportunity is guaranteed by California Government Code Section 54954.3 (a).

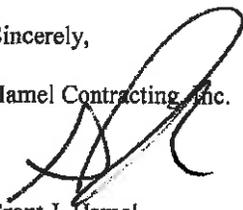
Please contact the undersigned immediately if this letter is not sufficient to accomplish any of the request of purposes stated above. If any other information is required, Hamel Contracting, Inc. will promptly comply, when notified. If we do not hear from you, we will proceed on the basis that this letter is sufficient.

HAMEL

CONTRACTING, INC.

Sincerely,

Hamel Contracting, Inc.



Grant J. Hamel
President

pc: Grant J. Hamel – President, Hamel Contracting, Inc.

Valley Cities / Gonzales Fence Co.

1338 6 th St.
Norco, CA 92860

Phone: (951) 735-1145
Fax: (951) 735-9683

License No. 575325

Proposal & Contract

Estimator: DAVE GONZALES Non-Union Date: 4/1/2014
Cell: 951-830-6092 SBE & MBE Certified Email: davevcf@gmail.com
To: _____ Job Name: INGALLS PARK
ATTN: _____ Address: CITY OF NORCO
Phone: _____ Map Page: _____

Labor and Material to Install:

BASE BID

ITEM # 26- 545 LIN. FT. OF 6 FT. HIGH VINYL COATED CHAINLINK FENCING @ \$ 25.00 PER LIN. FT.
\$13,625.00

ITEM # 27- 1- 6 FT. WIDE X 6 FT. HIGH VINYL COATED CHAINLINK GATE = \$ 450.00

ITEM # 28- 1- 3 FT. WIDE X 6 FT. HIGH VINYL COATED CHAINLINK GATE @ \$ 400.00

ITEM # 29- 91 LIN. FT. OF 6 FT. HIGH TUBE STEEL FENCING @ \$ 67.00 PER LIN. FT. = \$ 6097.00

ITEM # 30- 1- 6 FT. WIDE X 6 FT. HIGH TUBE STEEL WALK GATE @ \$ 600.00

ITEM # 34- 150 LIN. FT. ADA OF HAND RAILING PER SPPWC STD. PLAN 606-3 & TO INCLUDE
HANDRAIL GUARDS
\$9,800.00

ADDITIVE ALTERNATE "A"

476 LIN. FT. OF ADA HAND RAILING PER SPPWC STD PLAN 606-3 & TO INCLUDE HANDRAIL GUARDS

\$35,000.00

PREVAILING WAGE RATES TO APPLY

QUOTE VALID FOR 30 DAYS

Exclusions

Grading, staking, clearing, grubbing, coring, locksets, permits, demolition, mow strip,
"V" track installation, spoils removal, backfilling, concrete patching, concrete flatwork,
asphalt patching, bonding fees, engineering, temp fence, electrical, grounding, surveying,
existing underground pipes & electrical, waiver of subrogation & excess liability policies

Homeland Engineering
General Engineering Contractor
CA. License A889822

PROPOSAL

Date: April 1, 2014

Project: Ingalls Park Veterans Memorial
Norco, CA.

Scope of Proposal: Furnish and install an **Keystone Century** retaining wall system. Proposed according to the design documents, terms, conditions, inclusions and exclusions noted herein.

Base Bid Items 4 and 5:	1,152 square feet at \$29.64 per square foot	= \$34,143.00
Base Bid Items 6 and 7:	160 square feet at \$60.80 per square foot	= \$ 9,728.00
Add Alternate A:	1,570 square feet at 39.66 per square foot	= \$62,266.00
Add Alternate B:	1,755 square feet at 39.79 per square foot	= \$69,831.00

SPECIAL CONDITIONS RELATED TO THE PROJECT:

1. All backfill at toe of wall by others.
2. Moisture conditioning of stockpiled material to optimum is to be provided by others.
3. This is a lump proposal for all bid items noted above per following scope and attached sections.

Design Documents:

Based on bid set site plans and Keystone design sheets 10 through 14 by ABI Engineering dated February 26, 2014.

Standard Inclusions:

1. This proposal is valid for 30 days from the date hereon unless extended by written agreement.
2. Terms of this proposal must be included in any subcontract agreement.
3. Payment terms: Monthly progress payments, net 30 days, including materials on site. Retention will be payable within 30 days from completion of the retaining wall work.
4. Wage rates: Price is based on non-union/ prevailing labor rates.
5. Move-in: Bid based on one move-in. Each additional move in \$2,500.
6. Color: Price is based on stock tan or blend Keystone Century block per design.
7. Labor, equipment, and material for installation of wall and geogrid, with 3/4" crushed rock base, 6" deep, 4" perforated SDR 35 pipe sub-drain within 3/4" rock, pipe wrapped in filter fabric, stubbed at ends of walls (connection by others) and 3/4" rock drain zone 12" behind back of block and within block.
8. Labor and equipment to place owner furnished backfill material, compacted to 90 percent modified proctor as determined by ASTM D1557, within the geogrid system, to top of wall, level and to a vertical back-cut starting at the length of the geogrid behind face of wall. Add alternates A and B include backfilling and benching to temporary excavation.
9. Seat walls: backfilled with 3/4" crushed rock and install cap units.
10. Areas of responsibility shown on attached sections for each bid item.

Proposal cont.

Standard Exclusions:

1. All excavation for leveling pad and reinforced fill zone: All excavation for retaining wall shall be per engineered design. Back-cut depth requirements to be determined after final design. Provide grade to within a tenth of a foot, 6" below footing coarse ready for placement of gravel and reinforcing geogrid at base. Subgrade preparation for wall members and backfill zone by others.
2. Backfill material: Prior to mobilization of Homeland Engineering crews, backfill material shall be tested to confirm that soil properties are equal to or greater than the approved wall design parameters. Owner to supply backfill material, moistened to optimum, in conformance with approved retaining wall design and wall manufacturer guidelines loosely stockpiled within 50 feet of wall location at least 20 feet in front of wall face or at top of back-cut as directed by Homeland Engineering.
3. Engineering calculations and design signed and stamped by a registered professional engineer.
4. Permits/Fees: Securing building and all other permits required by government agencies and payment for all fees related thereto.
5. Drainage: Any drainage systems other than those specifically noted in Standard Inclusions
6. Surveying: All engineered staking for location of wall and control points including offset to face of wall; cut to bottom of block/fill to top of wall with stakes in front of wall face.
7. Testing: During wall construction a qualified individual, supplied by others, is required to perform continuous inspection of the grid placement, grid strength and provide all soil and compaction testing or provide a written waiver.
8. Shoring, SWPPP, potholing, utility location and protection, dewatering that may be required.
9. Access: Good access and working area in front of and or behind wall location. Access ramp to upper walls.
10. Reconstructing slopes above walls or backfilling in front of and at toe of wall.
11. Traffic control: All barricades, flagging and other labor and material to control public traffic.
12. Responsibility for damage to the improvements or repair of same, defacement, graffiti, acts of God or others. All equipment on site must be kept at least 3 feet from wall during and after wall construction per retaining wall product guidelines.
13. Liability insurance based on \$1M per occurrence ; \$2M aggregate.
14. Installation of Laser Edge guard on walls.
15. Any items not specifically assumed by Homeland Engineering in this proposal or attached sections.
16. This proposal supercedes all previous proposals.

Accepted:

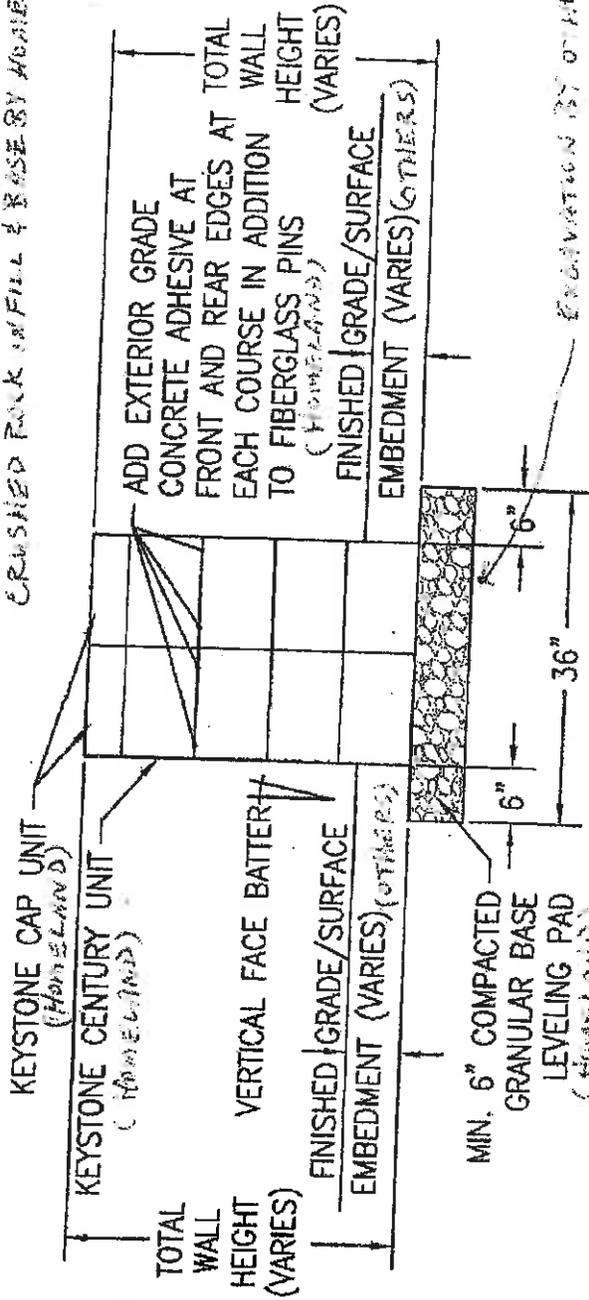
Bob LaVigne

Bob LaVigne

date

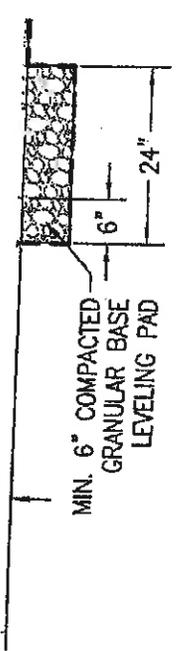
BASE BID ITEMS 4 AND 5

ALL CUTTING OF CAP UNITS BY HIGHLAND
CRUSHED ROCK INFILL & BASE BY HIGHLAND



TYPICAL SECTION - SEAT KEYSTONE WALLS #1 TO #5
NOT TO SCALE

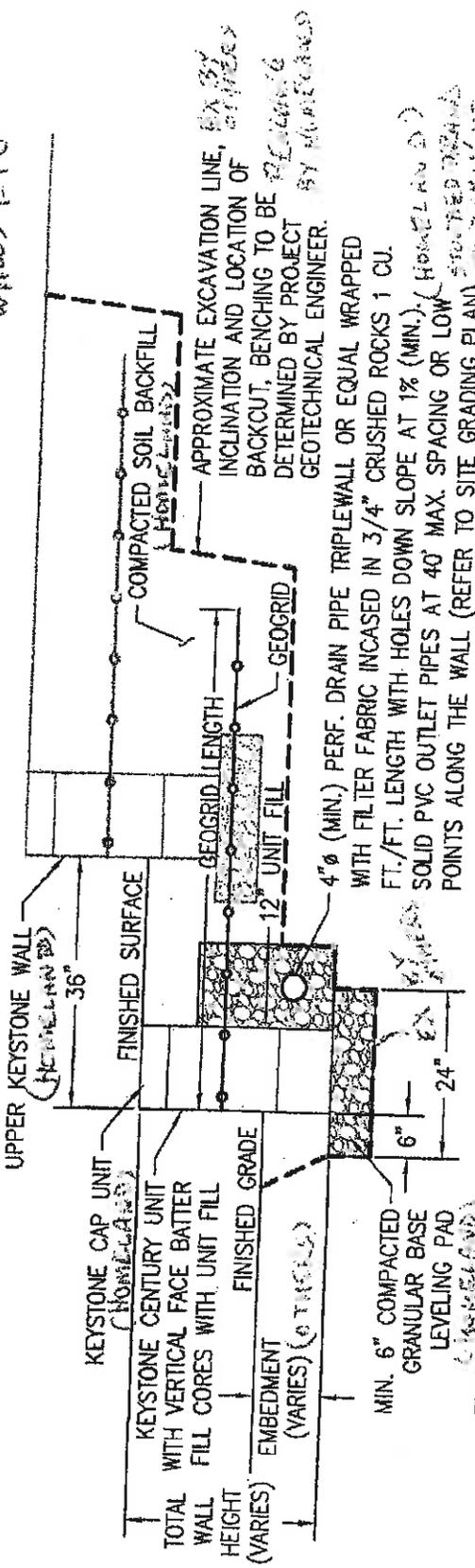
NOTE (3) LARGER MODERN EDGE AT TOP OF WALL BY OTHERS



TYPICAL SECTION - AMPHITHEATER KEYSTONE WALL #1

NOT TO SCALE

BASE BID ITEMS 6 AND 7 (AND ADD ALT B) W/MS 1-10

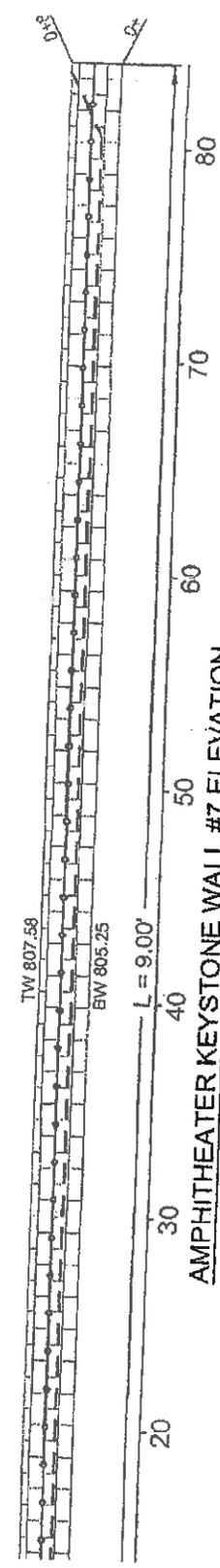


TYPICAL SECTION - AMPHITHEATER KEYSTONE WALLS #2 TO #11

NOT TO SCALE

NOTE LENGTH OF GEORRID REINFORCED AREA BEHIND WALL #1 IS 14 FEET BEHIND FACE OF WALL.

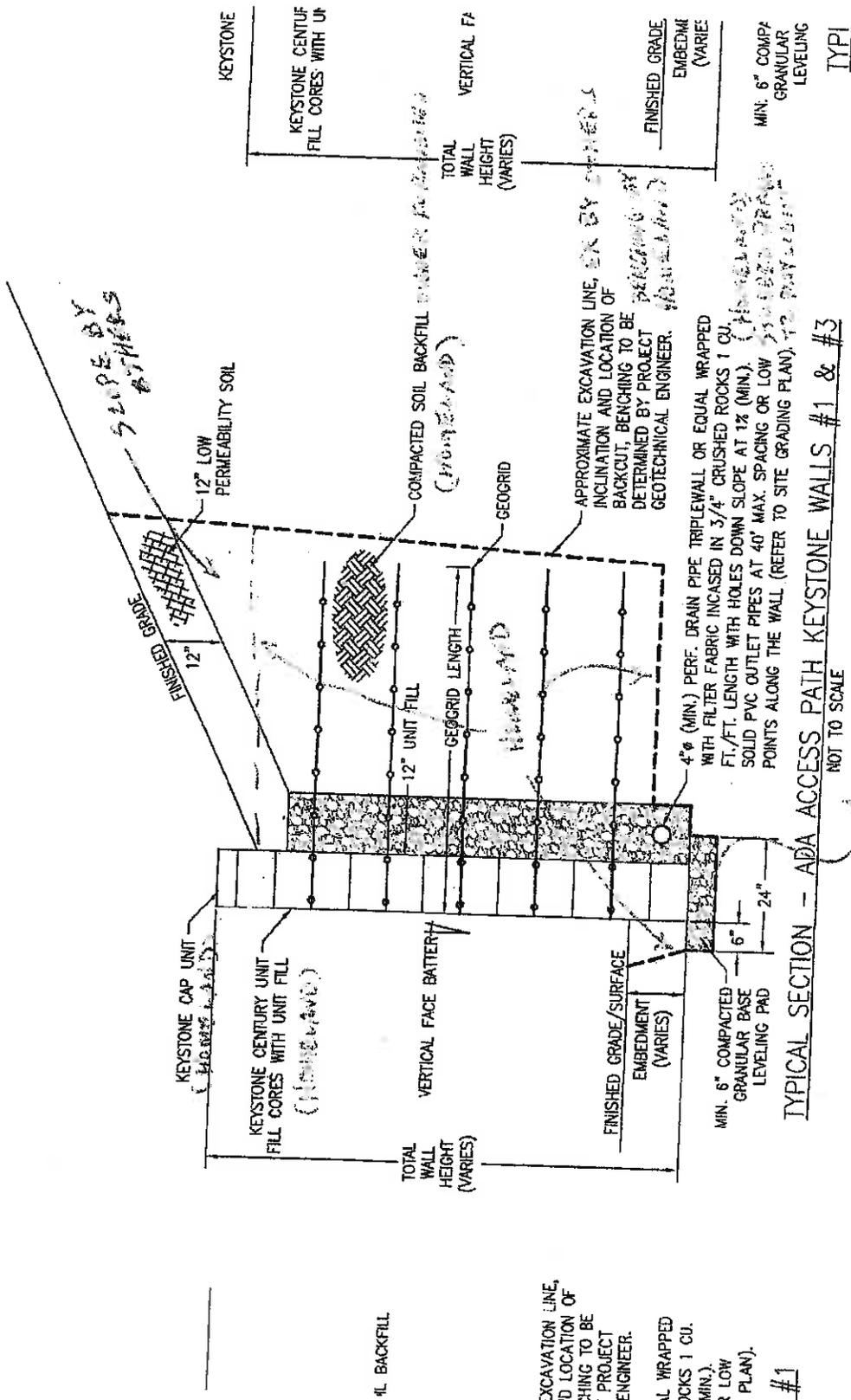
HOME-LAND HAS INCLUDED BACKFILLING FROM A PROPOSED HOME-LAND WILL NEED TEMP ACCESS ON BOTH ENDS OF ROAD FOR BACKFILLING



AMPHITHEATER KEYSTONE WALL #7 ELEVATION

SCALE: 1" = 8'

ADDITIVE ALTERNATIVE A



4L BACKFILL

EXCAVATION LINE, INCLINATION AND LOCATION OF BACKCUT, BENCHING TO BE DETERMINED BY PROJECT GEOTECHNICAL ENGINEER.

4" (MIN.) PERFORATED DRAIN PIPE TRIPLEWALL OR EQUAL WRAPPED WITH FILTER FABRIC INCASSED IN 3/4" CRUSHED ROCKS 1 CU. FT./FT. LENGTH WITH HOLES DOWN SLOPE AT 12" (MIN.) SOLID PVC OUTLET PIPES AT 40" MAX. SPACING OR LOW POINTS ALONG THE WALL (REFER TO SITE GRADING PLAN).

#1

TYPICAL SECTION - ADA ACCESS PATH KEYSTONE WALLS #1 & #3
NOT TO SCALE

TIPI

MIN. 6" COMPACTED GRANULAR LEVELING

FINISHED GRADE EMBEDMENT (VARIES)

TOTAL WALL HEIGHT (VARIES)

VERTICAL FACE

KEYSTONE CENTURY UNIT FILL CORES WITH UNIT FILL

KEYSTONE

KEYSTONE CAP UNIT

KEYSTONE CENTURY UNIT FILL CORES WITH UNIT FILL

TOTAL WALL HEIGHT (VARIES)

VERTICAL FACE BATTERY

FINISHED GRADE/SURFACE EMBEDMENT (VARIES)

MIN. 6" COMPACTED GRANULAR BASE LEVELING PAD

24"

6"

4" (MIN.) PERFORATED DRAIN PIPE TRIPLEWALL OR EQUAL WRAPPED WITH FILTER FABRIC INCASSED IN 3/4" CRUSHED ROCKS 1 CU. FT./FT. LENGTH WITH HOLES DOWN SLOPE AT 12" (MIN.) SOLID PVC OUTLET PIPES AT 40" MAX. SPACING OR LOW POINTS ALONG THE WALL (REFER TO SITE GRADING PLAN).

APPROXIMATE EXCAVATION LINE, INCLINATION AND LOCATION OF BACKCUT, BENCHING TO BE DETERMINED BY PROJECT GEOTECHNICAL ENGINEER.

GEOGRID

COMPACTED SOIL BACKFILL (FROM EXCAVATION)

12" UNIT FILL

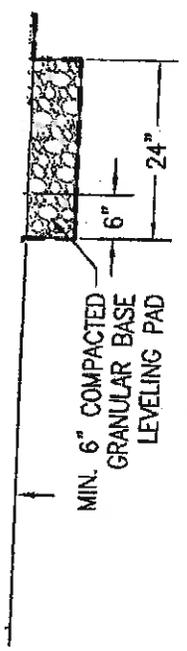
GEOGRID LENGTH

12" LOW PERMEABILITY SOIL

FINISHED GRADE

SLOPE BY OTHERS

EXCLUDED



MIN. 6" COMPACTED GRANULAR BASE LEVELING PAD

24"

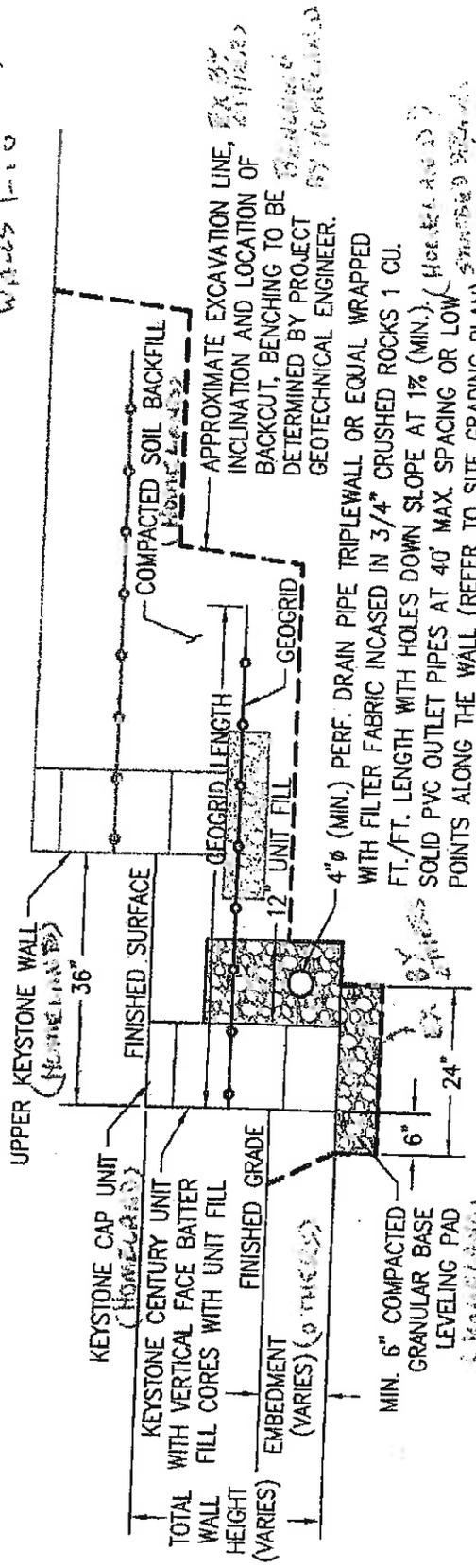
6"

WITH FILTER FABRIC INCISED IN 3/4" CRUSHED ROCKS 1 CU. FT./FT. LENGTH WITH HOLES DOWN SLOPE AT 1% (MIN). SOLID PVC OUTLET PIPES AT 40' MAX. SPACING OR LOW POINTS ALONG THE WALL (REFER TO SITE GRADING PLAN).

TYPICAL SECTION - AMPHITHEATER KEYSTONE WALL #1

NOT TO SCALE

BASE BID ITEMS 6 AND 7 (AND ADD ALT B) WITH 1-10



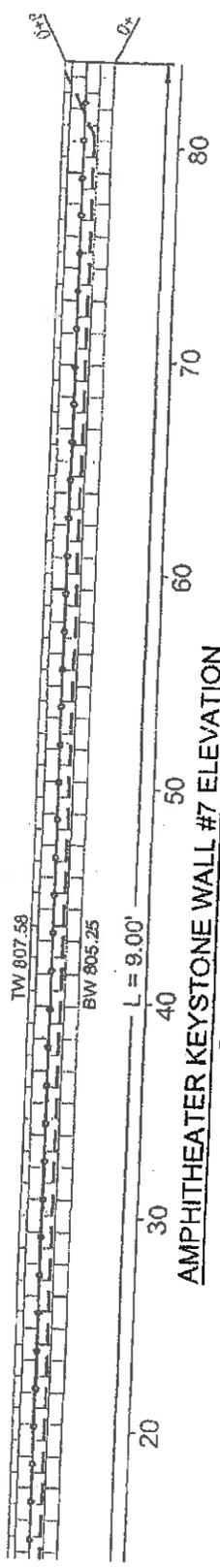
APPROXIMATE EXCAVATION LINE, INCLINATION AND LOCATION OF BACKCUT, BENCHING TO BE DETERMINED BY PROJECT GEOTECHNICAL ENGINEER.

4" (MIN.) PERFORATED DRAIN PIPE TRIPLE WALL OR EQUAL WRAPPED WITH FILTER FABRIC INCISED IN 3/4" CRUSHED ROCKS 1 CU. FT./FT. LENGTH WITH HOLES DOWN SLOPE AT 1% (MIN). SOLID PVC OUTLET PIPES AT 40' MAX. SPACING OR LOW POINTS ALONG THE WALL (REFER TO SITE GRADING PLAN)

TYPICAL SECTION - AMPHITHEATER KEYSTONE WALLS #2 TO #11

NOT TO SCALE

NOTE: LENGTH OF GEOGRID REINFORCED AREA BEHIND WALL #11 IS 14 FEET BEHIND FACE OF WALL. HORIZONTAL HAS INCLUDED BACKFILLING FROM A STOCKPILE HORIZONTAL HAS VED RAMP ACCESS ON BOTH ENDS FOR BACKFILLING



L = 9.00'

AMPHITHEATER KEYSTONE WALL #7 ELEVATION

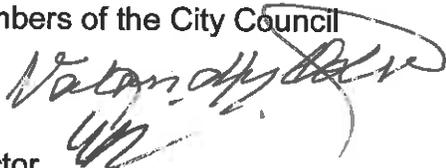
SCALE: 1" = 8'

Bid Results
 Prevailing Wage
 Ingalls Veterans Memorial

Company	Base Bid	Add Alt. "A"	Add Alt. "B"	Add. Alt. "C"	Add. Alt. "D"
ACT 1 Construction	\$256,611.75	\$155,500.00	\$166,390.00	\$33,558.00	\$22,372.00
Hamel Contracting	\$321,171.00	\$131,262.00	\$117,610.00	\$11,645.00	\$14,610.00
CA Construction	\$339,000.00	\$169,000.00	\$153,000.00	\$15,980.00	\$27,166.00
CLS Constructors, Inc.	\$349,958.00	\$70,831.97	\$115,092.77	\$8,757.04	\$7,191.00
Aghapy Group, Inc	\$352,922.00	\$123,000.00	\$55,000.00	\$7,990.00	\$15,980.00
KASA Construction	\$398,803.55	\$170,000.00	\$126,000.00	\$20,774.00	\$17,578.00
C.S. Legacy Construction, Inc	\$402,560.00	\$184,615.00	\$194,961.00	\$23,970.00	\$19,176.00
Malibu Pacific Tennis Courts	\$462,312.00	\$90,000.00	\$110,000.00	\$19,176.00	\$33,558.00
The Richards Group	\$510,576.50	\$74,000.00	\$81,000.00	\$31,960.00	\$15,660.40

**CITY OF NORCO
STAFF REPORT**

TO: Honorable Mayor and Members of the City Council

FROM: Any Okoro, City Manager 

PREPARED BY: Steve King, Planning Director 
Lori Askew, Public Works Director

DATE: April 16, 2014

SUBJECT: Tentative Tract Map 36676 (Lewis): A proposed subdivision of two parcels into six parcels on approximately 4.22 acres for residential development on five of the parcels with a new cul-de-sac and the maintenance of an existing residence on Valley View Avenue located at 3498 and 3516 Valley View Avenue in the A-1-20 zone (APN's 131-330-016 and 131-330-017)

RECOMMENDATION: Adopt **Resolution 2014-15**, approving Tentative Tract Map 36676, subject to the conditions of approval set forth, and as amended, in the attached resolution.

SUMMARY: Proposed Tentative Tract Map (TTM) 36676 for six parcels meets all the subdivision and zoning requirements of Titles 17 and 18 of the Norco Municipal Code. Final approval by the City Council requires direction on whether the cul-de-sac should incorporate a wrap-around trail and if so, how that should be implemented.

SITE DESCRIPTION: The project site is an irregular-shaped area consisting of about 4.22 acres/183,823 square feet, and consists of two legal parcels (ref. Exhibit "A" – Location Map and Exhibit "B" – APN Map). The project site (two parcels) has a combined frontage of about 225 feet on the west side of Valley View Avenue, and a maximum depth of about 630 feet, and is surrounded by A-1-20 zoning on all sides.

One of the two lots (3498 Valley View) is already developed with a residence and related accessory structures. The other lot (3516 Valley View) is vacant (ref. Exhibit "C" – Site Photos). The project site is relatively flat having a slope of less than 4%, and drains westerly towards the northwest corner of the property.

To the south the project site borders residences that have access to Fifth Street. To the west are developed lots that take access to Mulberry Lane, a private street. A Riverside County Flood Control and Water Conservation District (RCFC) flood control channel exists less than 200 feet from the northwest corner of the site, and there is an existing ten-foot wide private storm drain easement that runs parallel to the west property line of the subject property, beginning at the east end of Mulberry Lane and terminating at the flood control channel. This easement contains a storm drain pipe to carry runoff from Mulberry Lane to the RCFC channel. Mulberry Lane also contains a City sewer line that

terminates at the project boundary with a manhole approximately 55 feet from the project site, which may serve the project site. The final sewer plan will be determined in accordance with City standards. A 12-inch waterline is situated in Valley View Avenue and available to serve the proposed project.

A dedicated equestrian trail exists on the west side of Valley View Avenue fronting the project site, and all necessary right-of-way along Valley View Avenue exists but full street improvements do not.

PROJECT DESCRIPTION: The proposed subdivision would combine two existing parcels and subdivide the resulting 4.22 acres into six parcels (ref. Exhibit "D" – Tentative Tract Map 36676 and Exhibit "E" – Tract Map with Aerial Exhibit). The existing home would remain on one of the proposed parcels maintaining its frontage onto Valley View Avenue. The remaining five lots would front onto a proposed cul-de-sac street.

All lots as proposed are over 20,000 square feet and include a primary animal keeping area (PAKA) at the rear of each lot as required in the A-1-20 zone for new lots:

LOT SUMMARY TABLE

Lot Number	Lot Area (sq. ft.)	Pad Size (sq. ft. min)	PAKA Area (sq. ft.)	Minimum Lot Width/ Frontage	Minimum Lot Depth	Meets Code?
1	21,617	20,173	3,366	80.05'	270.21'	Yes
2	21,593	20,873	3,366	80.38'	267.29'	Yes
3	20,061	19,421	3,366	91.56'	230.52'	Yes
4	20,285	19,645	3,366	80.08'	230.52'	Yes
5	28,333	26,119	3,366	80' average width/ 75.97' frontage due to cul-de-sac	299.37'	Yes
6	37,552	37,552	3,366	165.08'	224.61'	Yes

New homes are not being proposed at this time for Lots 1 thru 5. For drainage the tentative map shows one option (Option 1, no retaining wall) with Lots 1 thru 5 being raised so that most drainage goes to the new cul-de-sac street. The remaining minor amount of drainage would go to the south through a private drainage easement along the rear portions of lots 1 through 5, the west portion of Lot 5, and east portion of Lot 1 that would take drainage to the existing private easement currently owned by residents of Mulberry Lane on the west side of the project site and then north to the RCFC channel. This easement accommodates minor cross lot drainage to the rear as a result of the slope that is created to eliminate the need for a retaining wall.

Another option (Option 2), and the one that the map is conditioned for based on the neighborhood meeting, would place a retaining wall at the rear. With this option all drainage goes to the proposed cul-de-sac street eliminating the need for a drainage easement to the rear of Lots 1 through 5. The drainage would be carried to the RCFC channel via the street and through an improved storm drain line located along the west

property line of the project site. In this option the existing private drainage easement owned by residents of Mulberry Lane will be quitclaimed with a new storm drain easement dedicated to the City that would accommodate drainage from the project site and the residents of Mulberry Lane (see Neighborhood Meeting discussion below). The ultimate design will be worked out between the developer and the Public Works Division

The applicant is proposing to tie into the existing sewer line located within an existing easement in Mulberry Lane. Perimeter fencing for the project is proposed to consist of a six-foot high chain link fence along the south property lines of Lots 1 thru 5 and along the west property line of Lot 5 and on the north and west side of Lot 6. The fence would be at the top of the slope for Option 1 with the drainage easement and rear slope between the fence and retaining wall. In Option 2 the fence would be on top of the retaining wall.

Streets, Trails, and Utilities Commission (STUC): At its meeting on October 7, 2013 the STUC recommended approval of the project with the horse trail only on the south side of the new street and a privacy barrier/wall on the north side and that all properties drain towards the front and then to the west in the new cul-de-sac towards the flood control channel. It was also recommended that street improvements be made fronting the entire length of the project on Valley View Avenue including asphalt, curb and gutter, directing water flow to the existing storm drain if possible.

Neighborhood Meeting: Initial drainage improvements for the project were proposed to utilize the existing storm drain line along the west property line. Research performed by the developer found the easement was held by the Mulberry Lane residents and in order to do any work within this easement, all property owners' permission was necessary. All owners were contacted and a neighborhood meeting was held to present the project. Input from the residents indicated their desire to have drainage improvements constructed to address runoff issues they experience in large rain events in exchange for their cooperation regarding their drainage easement. The City's Public Works Department is working with the developer to come up with an acceptable drainage solution to mitigate the drainage issues on Mulberry Lane and also carry the runoff from the project site to the flood control channel. To date, all affected property owners are tentatively in agreement with the proposed drainage concept, As already stated, if the map is approved as conditioned, the Mulberry Lane easement will be vacated and a storm drain easement will be dedicated to the City of Norco on the tract map.

Two additional issues were brought up at the neighborhood meeting: 1) a request for single story homes on Lots 1 thru 5; and 2) that there be mitigation for vehicle headlights shining onto the property at the end of Mulberry lane on the north side. The Planning Commission did not add conditions for these two issues.

EVALUATION: As the Lot Summary Table shows all lots in TTM 36676 will meet the requirements of the A-1-20 zone. For lots with a pad size less than 20,000 square feet, a minimum PAKA of 2,728 square feet is required, and for lots with a pad area greater than 20,000 square feet, a minimum PAKA of 3,304 square feet is required. PAKA's must be located toward the rear of the lot, consist of flat usable land (with a slope of 4% or less), have a minimum width of 30 feet, be rectangular in shape, and be a minimum of 35 feet away from any habitable structure located on adjacent lots. The PAKA proposed for each lot in TTM 36676 will meet these requirements.

Also, lots must be designed to accommodate a minimum 15-foot wide access way to the PAKA on each lot. All lots are wide enough to accommodate a house structure with at minimum 15-foot with access on one side of a new home, being a minimum of 80 feet wide. A minimum 15-foot side yard setback is required on at least on one side of a new home in the A-1-20 zone, which will ensure a PAKA access is provided.

The project has been conditioned for all required street dedications and improvements, and drainage improvements in accordance to City Standards.

Planning Commission: The Planning Commission reviewed TTM 36676 on February 12, 2014 and recommended approval subject to the conditions in the attached resolution, which includes the following:

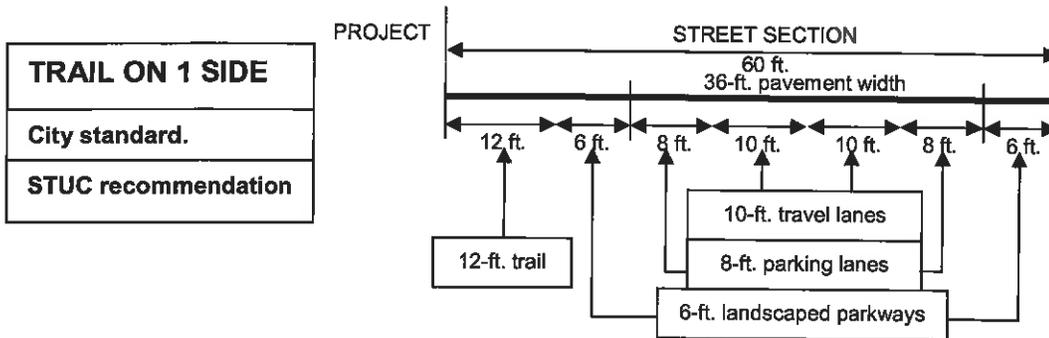
- The applicant shall provide a screen wall on the north property line of the project site;
- That only one street light shall be installed on the cul-de-sac, to be located at the end of the cul-de-sac.

In addition the Planning Commission also added the following two conditions to provide and maintain a circular horse trail around the cul-de-sac as opposed to just on one side as was recommended by the STUC:

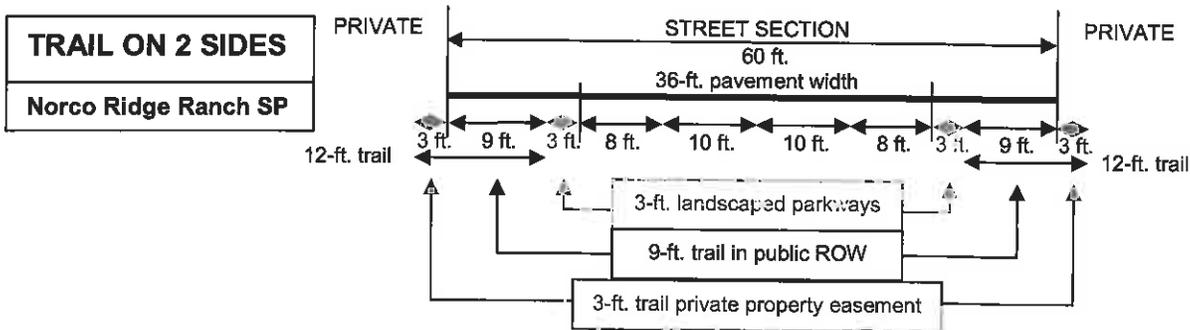
- That a circular horse trail (horse trail on both sides of the street) be provided around the cul-de-sac;
- That a Landscape Maintenance District (LMD) be created to maintain: 1) the circular horse trail; 2) any landscaping associated with the screen wall on the north property line; 3) possible drainage easements and slopes/ v - ditches created with this subdivision; and 4) graffiti removal on any walls created with the development.

There are issues that come with a wrap-around horse trail that the City Council needs to give direction on. First, the circular trail is opposite of what the STUC recommended (see discussion above) with the trail only on the side where the new lots would front. Second, the City does not have a street standard that incorporates a trail on both sides

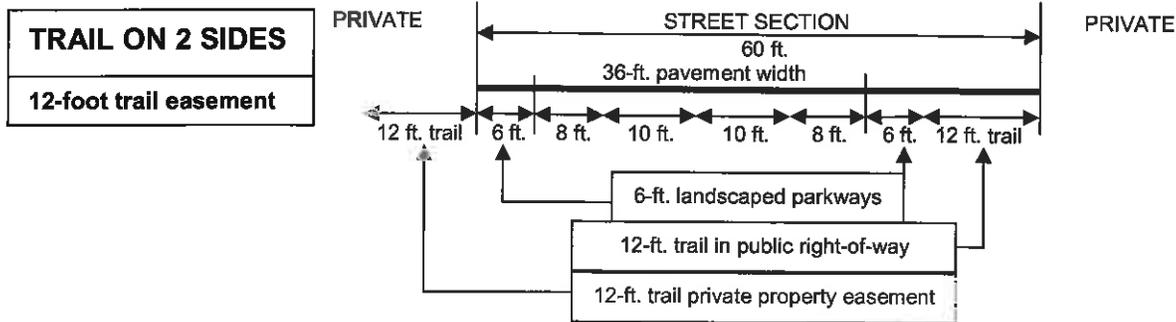
of a cul-de-sac without sacrificing some other segment of the street. The standard street section for a local street (60-foot right-of-way) in this situation would be:



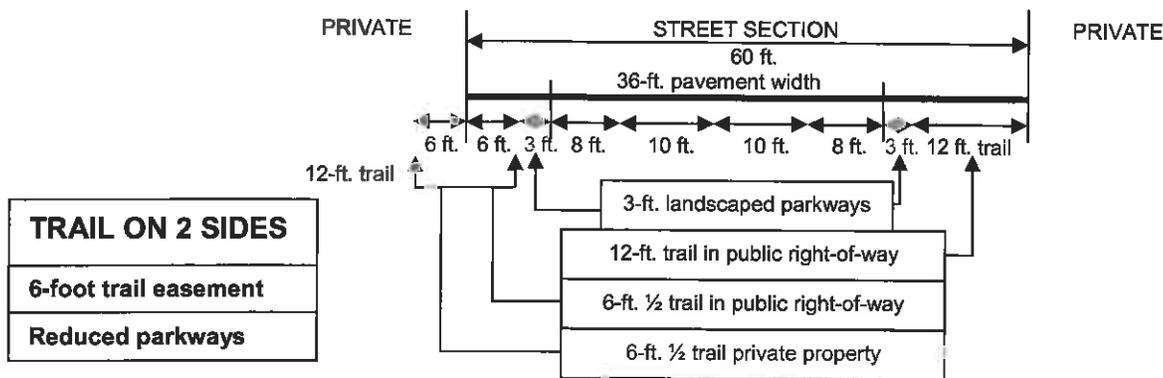
To have a trail on both sides within a 60-foot right-of-way something else has to go (e.g. street parking, parkways, or parts of all). Again, the City does not have a standard local street section with trails on both sides and a different right-of-way dedication from the developer cannot be required. The only development previously that incorporated trails on both sides of the street was Norco Ridge Ranch which was accomplished with a 3-foot easement on adjacent property and a reduced parkway width to 3 feet on each side of the street:



The same scenario cannot work in this case because the property on the north side of the proposed street is under different ownership. If the landscape parkway width is left at the standard 6-foot width then there would have to be a 12-foot trail easement on the south side of the street where the lots are proposed:



To reduce the amount of trail easement on private property it would be possible to again reduce the landscape parkways down to three feet on each side which would only require six feet of trail easement on private property:



If it is the City Council's desire to not have trail easements on private property the additional 12 feet for a wrap-around trail would have to be subtracted out of other portions of the street with the only reasonable option being to eliminate street parking and reduce the pavement width down to 24 feet which is not desirable.

Another issue with trails on both sides of the street is that it doubles the amount of trail area that has to be maintained. This has been one of the arguments against trails on both sides of a street, or in this case wrap around the cul-de-sac, because the City already has to determine how to maintain existing trails and trail fencing city-wide. Doubling trails will only make the problem worse in the future.

The Planning Commission made its recommendation for the wrap-around trail on a desire to ultimately have a trail circulation system that minimizes the need to cross streets. As an answer to the lack of funding for double trail maintenance it was suggested that a landscape maintenance district (LMD) be formed for the purpose of maintaining the trails in this tract.

The feasibility of setting up an LMD for six lots is problematic only because of the cost to set one up, and then the on-going maintenance fee plus the cost of an annual report. According to the City Engineer the cost to set up an LMD is roughly \$15,000 and the cost for preparing the annual report is roughly \$1,200. The \$15,000 would be an up-front cost from the developer but the annual report would be the burden of the six homeowners and that would be approximately \$200 per residence annually on top of what the annual assessment would be.

The City Engineer has suggested that if the City Council determines that it does want the wrap-around trail, that a perpetual fund is set up instead that would be designated only for trail maintenance in this tract and that the deposit be based from the costs already described and what the cost would be for on-going maintenance and replacement for a certain amount of time into the future (30 years). That account could then collect interest until such a time as the work is needed.

The attached City Council Resolution includes the conditions as recommended by the Planning Commission. The STUC and Public Works Department are not in favor of a wrap-around trail as recommended by the Planning Commission. For that to occur, the City Council is requested to give direction on the following:

- a. Is it the desire of the City Council to have trails on both sides of the street, or in this case, to wrap around the entire cul-de-sac?
- b. If that is the desire of City Council, then how should the street be designed to accommodate trails on both sides within the 60-foot right-of-way (options already discussed above, or other options)?
- c. And, should a separate fund be set up, and how, to pay for future maintenance and trail replacement into the future?

The total cost to maintain the wrap-around trail system, the storm drain easement, and to replace portions of the trail system as needed over a 30-year period is \$91,500 calculated as follows:

- \$.0075/square-foot of trail (13,352 square feet) for trail, fence, and landscaping maintenance, and graffiti removal (\$1,202 annually).
- \$8.00 per linear foot fence replacement (3 times in 30 years) (approx. 1,060 feet of trail fencing).
- \$1,000 per year for maintenance of the storm drain easement.

If the City Council determines that an LMD be set up as opposed to the perpetual fund above, the assessment would also have to include the set-up and reporting costs discussed earlier.

It should be noted that if the City Council determines that there should only be a trail on south side of the street, then a separate funding mechanism for trail maintenance/replacement is not needed as that cost would already be mitigated through the impact fees adopted by the City. There still would need to be a fund, however, for maintenance of the storm drain easement.

A letter from the adjacent property owner to the south was submitted to the Planning Commission expressing their concerns over the map (ref. Exhibit "F" – Letter Dated March 4, 2014).

Attachments: Resolution No. 2014-15
 Exhibit "A" – Location Map
 Exhibit "B" – APN Map
 Exhibit "C" – Site Photos
 Exhibit "D" – Tentative Tract Map 36676
 Exhibit "E" – Tract Map with Aerial Exhibit
 Exhibit "F" – Letter Dated March 4, 2014
 Exhibit "G" – Letter Dated March 11, 2104

RESOLUTION NO. 2014-15

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA GRANTING WITH CONDITIONS A REQUEST TO SUBDIVIDE 4.22 ACRES INTO 6 PARCELS FOR RESIDENTIAL DEVELOPMENT LOCATED ON THE WEST SIDE OF VALLEY VIEW AVENUE, WEST OF HAMNER AVENUE IN THE A-1-20 (AGRICULTURAL RESIDENTIAL) ZONE. TENTATIVE TRACT MAP 36676

WHEREAS, LEWIS OPERATING GROUP filed an application with the City of Norco, California, for a tentative tract map to subdivide 4.22 acres into six lots under the provisions of Title 17 of the Norco Municipal Code, on property generally described as:

Parcel 1: The northerly 99 feet and the westerly 400 feet of the southerly 231 feet of Lot 13, Block 32, Norco Farms Tract No.1, in the City of Norco, County of Riverside, State of California, as shown by Map on File in Book 11, Page 3 of Maps, Records of Riverside County, California (APN 131-330-016);

Parcel 2: The northerly 126.00 feet of the southerly 231.00 feet of the easterly 230.00 feet of Lot 13, Block 32, Norco Farms Tract No.1, in the City of Norco, County of Riverside, State of California, as shown by Map on File in Book 11, Page 3 of Maps, Records of Riverside County, California, computed to the center line of Valley View Avenue (APN 131-330-017);

More generally described as an irregular-shaped area of about 4.22 acres, consisting of two legal parcels, having a frontage on the west side of Valley View Avenue of about 225 feet, having a maximum depth of about 630 feet, and being further described as 3515 and 3498 Valley View Avenue (Assessor's Parcel Number's 131-330-016 and -017); and

WHEREAS, said application for a tentative tract map was noticed for public hearing in the manner and for times required by law; and

WHEREAS, at the time set, at 7 p.m. on February 12, 2014 within the Council Chambers at 2820 Clark Avenue, Norco, California, 92860, said petition was heard by the Planning Commission for the City of Norco; and

WHEREAS, at said time and place, said Planning Commission heard and considered both oral and written evidence; and

WHEREAS, the City of Norco, acting as the Lead Agency, has determined that the proposed tentative tract map is exempt from further review in accordance with the California Environmental Quality Act and the City of Norco Environmental Guidelines.

WHEREAS, based on findings of fact the Planning Commission adopted Resolution 2014-11 recommending that the City Council approve Tentative Tract Map 36676 for reasons set forth in the Resolution; and

WHEREAS, hearing of the Tentative Tract Map was duly noticed and scheduled for public hearing by the City Council at their meeting of March 19, 2014, at or about 7 p.m. in the Council Chambers at 2820 Clark Avenue, Norco, California, 92860; and

WHEREAS, prior to opening the public hearing said item was continued to April 2, 2014; and

WHEREAS, on April 2, 2014 said hearing was cancelled; and,

WHEREAS, hearing of the Tentative Tract Map was duly re-noticed and scheduled for public hearing by the City Council at their meeting of April 16, 2014, at or about 7 p.m. in the Council Chambers at 2820 Clark Avenue, Norco, California, 92860; and

WHEREAS, at the time set, said petition was heard by the City Council for the City of Norco; and

WHEREAS, at said time and place, said City Council heard and considered both oral and written evidence.

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

A. The map is consistent with the Norco General Plan. The site is designated Residential Agricultural and zoned A-1-20 (Agricultural-Low Density, Residential). The proposed lots as designed and conditioned to meet all A-1-20 zoning requirements related to lot area and dimension standards.

B. None of the conditions for mandatory denial as set forth in Subsections (a) through (g) of Section 66474, Article 1, Chapter 4, Division 2, Title 7, of the California Government Code exist with respect to said subdivision.

C. The proposed subdivision together with provisions for its design and improvement is consistent with applicable general plans of the City pursuant to Section 66473.5, Article 1, Chapter 4, Division 2, Title 7, of the California Government Code.

D. The City of Norco, acting as the Lead Agency, has determined that the project is categorically exempt from environmental assessment per CEQA and the provisions of the Norco Environmental Guidelines pursuant to Section 3.13, Class 32 (Infill Development Projects).

NOW, THEREFORE, the City Council of the City of Norco, California, does hereby resolve that Tentative Tract Map 36676 is approved for a period of 24 months, subject to Title 17 of the Municipal Code of Norco, and subject to the following conditions:

1. Approval is based on Exhibit "D", dated February 5, 2014 and incorporated herein by reference and on file with the Planning Department. Development shall occur as shown unless otherwise noted in these conditions.
2. The recorded owner of the property shall submit to the Planning Department, for record purposes, written evidence of agreement with all conditions of this approval before said permit shall become effective.
3. The project shall be in compliance with all City of Norco Municipal Codes, Ordinances and Resolutions. Non-compliance with any provisions of the Norco Municipal Code (NMC) not specifically waived in compliance with City procedures shall constitute cause for revocation and/or termination of the approvals granted under authority of permit.
4. The applicant shall pay all applicable fees associated with this proposal and the subdivision of land. Furthermore, the applicant shall pay all development fees in accordance with the NMC prior to approval of the final map.
5. All provisions of Chapters 17 and 18 of the NMC shall be met as it relates to the division of land.
6. The submittal, approval, and recordation of a subdivision map in accordance with the provisions of the State Subdivision Map Act and the City Subdivision Ordinance prior to the issuance of any permits is required.
7. Approval of the tentative map shall expire if the subject map has not been recorded within a two-year period from the date of City Council approval.
8. Extension of the tentative map approval shall only be considered if the applicant filing said map submits a written request for extension to the City Planning Department stating the response for the request, **at least 30 days before the map approval is due to expire**, pursuant to and in compliance with Section 17.16.170 of the City Subdivision Ordinance.

9. The project shall have a dedicated "primary animal-keeping area" (PAKA) on each lot created within the subdivision map. The size of the PAKA shall be as set forth and shown on the Tentative Tract Map and in compliance with all requirements in Section 18.13.11 of the NMC. Furthermore, the dedicated PAKA shall be recorded on each lot.

10. Each lot shall be designed and future homes shall be plotted on each lot to have a minimum 15-foot wide, flat and clear, vehicular access to the PAKA as measured from the eave line of a future residential home.

11. Each lot created within the subject map shall have a minimum area of 20,000 square feet and a minimum 18,000 square-foot pad area.

12. All lots in the map must meet the minimum lot depth, width, and frontage of the zone, exclusive of right-of-way dedication, open space easements and equestrian trails.

13. The applicant must pay off any and all special assessments on the property to be subdivided prior to recordation of the final map. Instead of the payment of said special assessment, the applicant must pay to have the special assessment "split" for each proposed parcel.

14. The applicant must obtain written authorization granting permission for any work to be completed on property in which he is not the sole owner. A copy of this written authorization must be submitted to the City Engineer's office prior to start of work.

15. All lots within this subdivision shall be served by underground utilities. All utility locations shall be incorporated into the public improvements plans and shall be prepared on standard size sheets by a registered civil engineer for approval by the City Engineer. A plan check deposit of \$250 per sheet shall be posted prior to checking and standard fees paid prior to plan approval.

16. Separate water and sewer connections are required for each lot.

17. This project shall be connected to the City's sewer system; and the applicant shall pay all associated connection fees to the City of Norco prior to building permit issuance.

18. The project shall be connected to the City's water system; and the applicant shall pay all associated connection fees to the City of Norco prior to building permit issuance.

19. Existing water meters are required to be upgraded to current City standards.
20. Use of existing storm drain and sewer easements on private property requires all private property owners' permission.
21. Storm drainage plans are required to be submitted for the project. Plans shall mitigate runoff from the proposed site while not negatively impacting adjoining properties. The developer shall work with adjoining property owners to consider their requests to incorporate improvements into this project. Hydrology and hydraulic calculation shall be included. Drainage easements across adjacent properties shall be secured prior to beginning any construction.
22. Permission is required from Riverside County Flood Control (RCFC) for any connection the flood control.
23. Irrigation lines require reduce pressure backflow preventors to be installed to City Standards.
24. The applicant shall submit separate on-site utility plans for the installation of on-site sewer, water and any necessary storm drain systems in a manner meeting the approval of the City Engineer.
25. The applicant shall complete/construct public improvements to the required half street width fronting the project site on both Valley View Avenue, to include adding street trees.
26. The new cul-de-sac street (Street "A") proposed with this subdivision shall be constructed to City standards as modified by the City Council to include adding street trees and safety light (s), and a horse trail on both sides of the Street and around the cul-de-sac. This street shall be dedicated to the City.
27. Dedication of the necessary public right-of-way shall be offered to the City of Norco in accordance with City standards, and on City standard forms prepared by a registered civil engineer or licensed land surveyor for approval by the City Engineer.
28. Fire hydrants are required every 300 feet on a street.
29. A registered civil engineer shall prepare street improvement plans on 24" x 36" mylar for approval by the City Engineer. Striping and signing shall be included as part of these plans, when required. Striping and legends shall be thermo-plastic paint. A plan check deposit may be required prior to plan checking and standard fees shall be paid prior to plan approval.

30. The applicant shall construct public improvements as prepared on approved plans.

31. A bond or surety device shall be posted and an agreement executed to the satisfaction of the City Engineer and City Attorney, guaranteeing completion of all public improvements. NOTE: Upon acceptance by the City Council of the public improvements, the City will release the Labor and Materials bond within 180 days, and reduce the Faithful Performance Bond to 10 percent of the original amount and release it after a period of one year if no liens have been filed and the work remains in satisfactory condition. The Monumentation Bond will be released immediately upon receipt of certification that all monuments have been set.

32. Driveway approaches shall be constructed in accordance with City Standards as approved by the City Engineer.

33. Street tree planting, parkway landscaping, and irrigation plans shall be prepared on standard size sheets by a registered civil engineer or landscape architect for approval by the City Engineer and Planning Director, and shall be submitted at the time of initial submission of all improvement plans. All street tree installations shall conform to the Street Tree Master Plan as approved by the Parks and Recreation Commission and City Council.

34. All drainage facilities for this project shall conform to the requirements and standards of the City of Norco and as per plans approved by the City Engineer. All drainage options shall accept and accommodate historical drainage flows and shall not concentrate the amount of flow onto any adjoining properties over that which historically occurred.

35. Except for minor cross lot drainage that may be allowed through Condition 36 to accept historical flows, cross lot drainage shall not be allowed.

36. Prior to development on each lot within the subject map, an on-site grading and drainage plan shall be prepared for this project by a registered civil engineer for approval by the City Engineer. Plans shall be on 24"x36" mylar sheets with mass grading and drainage shown at a maximum scale of 1" = 40'. Precise grading information, such as house plots, drainage swales and hardscape may be included if the plan is prepared at 1"= 30' or larger. The applicant's engineer shall submit a rough grade certification stipulating completion of all grading operations in conformance with the approved plan prior to the issuance of building permits

37. Prior to the issuance of a grading permit, the applicant's engineer shall prepare and submit an erosion control plan covering all construction. Maintenance of the necessary erosion control devices shall be the responsibility of the applicant. Any emergency repair to these devices performed by City crews shall be billed to the applicant and paid for prior to the release of certificate of occupancy.

38. Prior to issuance of a grading permit, a complete hydrology and hydraulic study shall be prepared by a registered civil engineer for approval by the City Engineer. Those recommendations of the report, as approved by the City Engineer, shall be incorporated into the public improvement plans and site development plans prior to their approval.

39. The applicant shall submit a preliminary soils report, prepared by a California-licensed soils engineer, prior to issuance of grading permit.

40. The applicant shall submit a current title report (no more than 30 days old) for the project site showing all existing property ownership, easements and rights of title.

41. A City of Norco Public Works encroachment permit shall be taken out for all work in the public right-of-way prior to the start of work. All work shall be done in accordance with City Standards, and/or otherwise specified to the satisfaction of the City Engineer and completed prior to certificate of occupancy.

42. No construction activity work shall be permitted after 6 p.m. or dusk, or before 7 a.m. or on Saturdays, Sundays or holidays without prior written approval from the City Engineer.

43. A final map shall be recorded prior to the issuance of a building permit and within 24 months from the date of tentative map approval.

44. A final map shall be prepared on 18" x 24" sheets and approved by the City Engineer prior to recordation. A plan check deposit shall be paid prior to plan check.

45. Prior to the issuance of a grading permit, the applicant shall apply for a National Pollution Discharge Elimination Systems (NPDES). Proof of compliance (a copy of the Notice of Intent and application fee) shall be submitted to the Engineering Department prior to start of work. No work completed shall cause a violation of the City-wide NPDES Permit.

46. A preliminary Water Quality Management Plan (WQMP) shall be submitted prior to site grading plan submittal. A Final WQMP shall be submitted and approved by the City Engineer. Prior to issuance of a grading permit, the property

owner shall record a Covenant and Agreement, or other approved instrument, with the County-Clerk Recorder to inform future property owners of the requirement to implement the approved WQMP.

47. A Storm Water Pollution Prevention Plan (SWPPP) shall be prepared for the project and submitted for approval to the Regional Board. An approved copy shall be kept on site at all times and one shall be delivered to the City.

48. The applicant shall meet all standards and conditions of the Planning, Fire, Engineering, Building and Safety Departments, and all other applicable departments and agencies.

49. The proposed project lies within an area subject to an area-wide Transportation Uniform Mitigation Fee (TUMF). The City has adopted the TUMF program, and this project shall be subject to the payment of these fees prior to the issuance of any building permits unless exempted by ordinance.

50. The proposed project lies within the Western Riverside Council of Governments (WRCOG) area-wide Multi-Species Habitat Conservation Plan (MSHCP). The City has adopted the MSHCP program and if applicable, this project shall be subject to the payment of these fees prior to the issuance of building permits.

51. This subdivision of property shall satisfy all conditions of the Subdivision Map Act relating to the "Quimby Act" prior to the recordation of the final map. The applicant shall contact the City of Norco Parks and Recreation Department for payment of required fees. Proof of compliance/payment of required fees shall be required and provided for final recordation of the subject map.

52. The applicant shall provide a screen wall on the north property line of the project site.

53. A Landscape Maintenance District (LMD), or an established perpetual fund, shall be created to maintain: 1) the circular horse trail; 2) any landscaping associated with the screen wall on the north property line; 3) possible drainage easements and slopes/ v - ditches created with this subdivision; and 4) graffiti removal from any walls developed with the project.

54. Only one street light shall be installed on the cul-de-sac, which shall be located at the end of the cul-de-sac.

PASSED AND ADOPTED by the City Council at a regular meeting held on April 16, 2014.

Mayor of the City of Norco, California

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting held on April 16, 2014 by the following vote of the City Council:

AYES:

NOES:

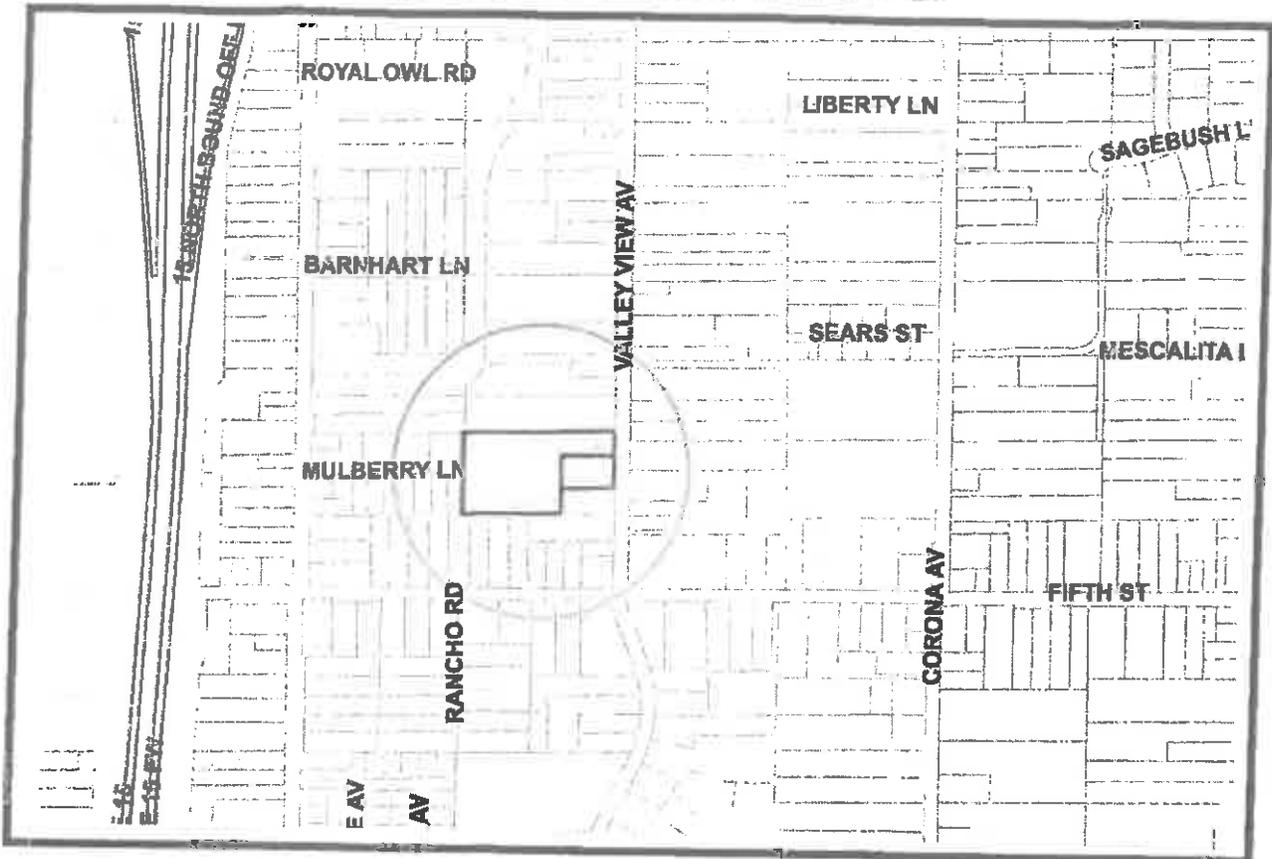
ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on April 16, 2014.

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

LOCATION MAP



Not to Scale



PROJECT: Tentative Tract Map 36676
APPLICANT: Bryan Goodman, Lewis Operating Corp.
LOCATION: 3498 and 3516 Valley View Avenue

Exhibit "A"

ASSESSOR'S PARCEL MAP

CITY OF NORCO
FOR CITY OF NORCO

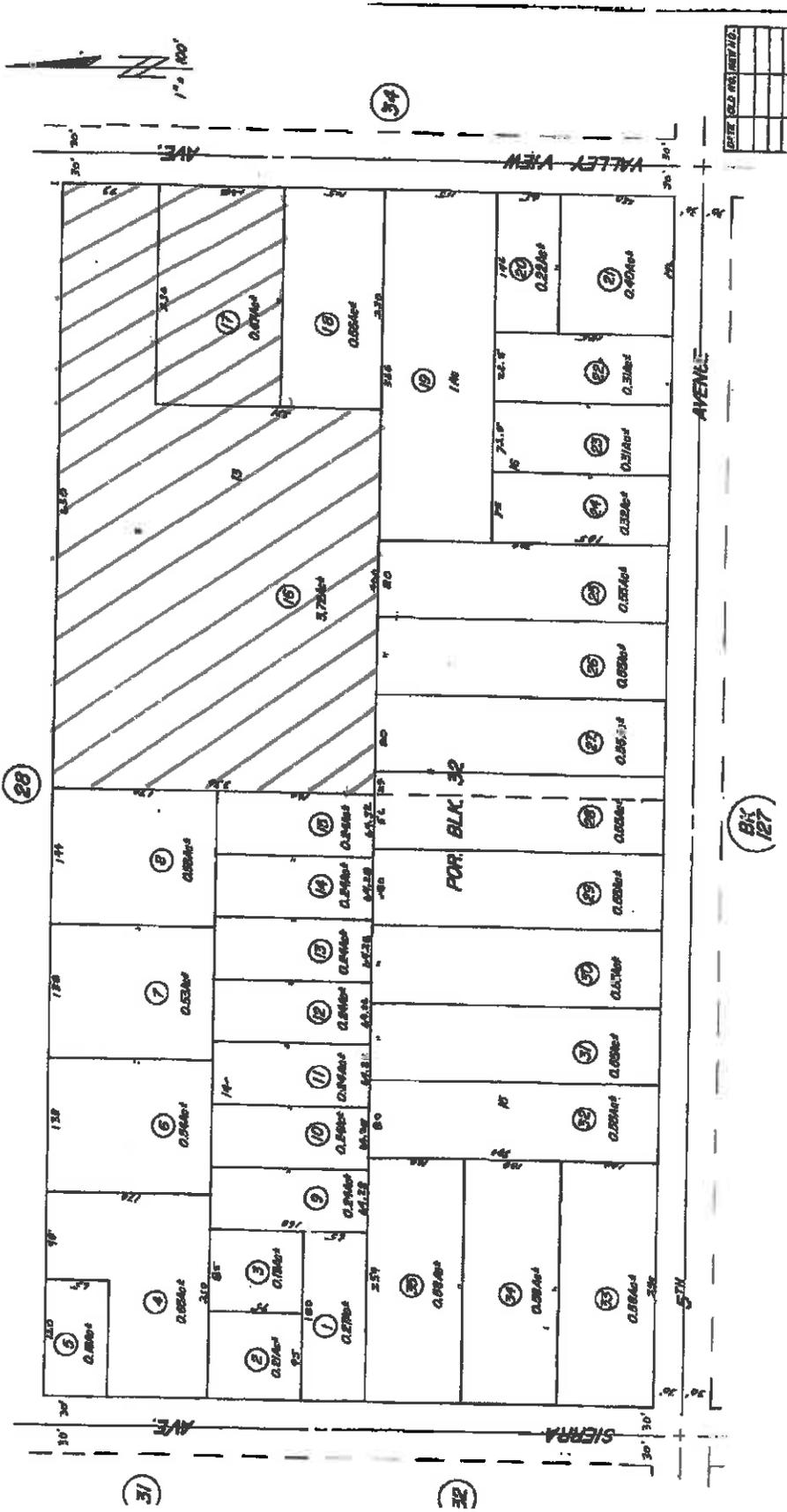


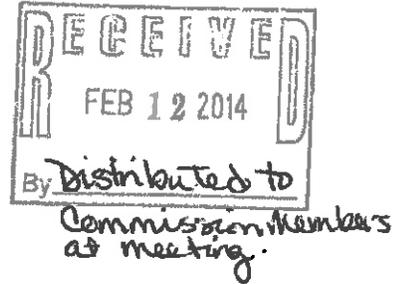
Exhibit "B"

3498 and 3516 Valley View Avenue

**Existing house to remain on lot 6
of proposed subdivision**



COMMENTS on TENTATIVE TRACT MAP 36676
(Goodman/Lewis Operating Corp.)



To the Planning Commission for the City of Norco,

We, Robert & Darlene Davis, live at & own 3544 Valley View Avenue (APN 131-280-014) & without doubt, are the residents that will be the most affected by the proposed development due to the extent of exposure based on the size of our property bordering the possible building site.

Please consider our points of concern with the proposed development which include, but are not necessarily limited to, the following:

1. Flooding is a major issue. Rain water accumulates on the ranch to the north & adjacent to our property, flows through the fence & in between our barns then moves into our driveway covering an area of approximately 150' x 200' in size until it reaches several inches in depth. At that point, the flow of rainwater moves south into the parcel of proposed development & it is this southward flow of water that reliefs our flooding which in turn helps to prevent our barns from flooding. This has been the natural movement of water for decades & changes will definitely & possibly negatively, affect our property. We have documented the rainwater movement with photographs.

The idea of using an easement through our ranch to address future rain flooding for a new street & homes has been raised. Currently, this is a wide open topic with an array of questions that have yet to be answered.

2. Will the new proposed street be public or private?

Problems with private include unmaintained street & surrounding areas. We have seen many blighted private streets. Trash & weeds are un-addressed. Non-running cars may be parked indefinitely. The proposed street is only a very narrow 6 feet off our property line & having a privately controlled street running nearly the full length of that stretch, 630 feet, is extremely undesirable & may negatively affect our property value.

Also, would a private street include access for us?

Alternatively, with a public street, the 630 feet of our ranch would then be opened to public access & could increase the chances for theft & vandalism. This extends to the very back of our property which has always been adjacent to a single neighboring ranch & offered a certain amount of security. Would the developer be asked to place a fence of perhaps 6' in height along a new street, at our property line, to help security?

EXHIBIT "F" 1

How would our property be affected by a street as far as future subdividing, should we be so inclined?

PLEASE NOTE: at this time, we would definitely favor a public, city maintained street.

3. Question on homes to be built: two story or single?

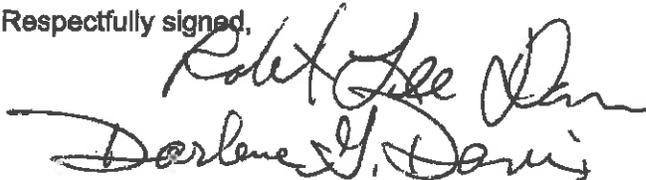
Two story homes would not conform to the immediate area; no homes of that elevation border or even face the lot of proposed development.

Also, two story homes cause privacy concerns, especially for us. Having five new neighbors that have the potential to look down on nearly our entire ranch is very intrusive & destroys the very country feel Norco has always provided us.

Perhaps if the developer were to consider the possibility of building less homes on slightly larger lots it would be much less intrusive & would actually conform better, at least with the larger ranches to the north. The City of Norco needs to maintain a healthy balance of lot sizes encouraging developers not to split into the smallest possible lots but to build larger ranches. The bigger ranches in Norco contribute tremendously to the rural feel & our animal keeping lifestyle while adding value & appeal for the affluent hobby ranchers & equestrian buyers.

Thank you for reading & allowing us to share our views. The above statements should not be considered conclusive. Please consider very carefully, as this will have a major impact on our lives.

Respectfully signed,



Robert L. Davis
Darlene G. Davis
APN 131-280-014
951-371-8140

2-12-2014

Ron & Denise Sutherland
1395 5th St., Norco, CA 92860
951-545-4312
deniselsutherland@yahoo.com

March 11, 2014

Steve King
City of Norco
2820 Clark Avenue Avenue
Norco, CA 92860

RE: Tentative Tract Map 36676 (Goodman/Lewis Operating Corp)

Good Day Steve,

Thanks for the help the other night at the City Council meeting and recommendation that I send a letter with my request regarding this new tract of homes that is being built behind me.

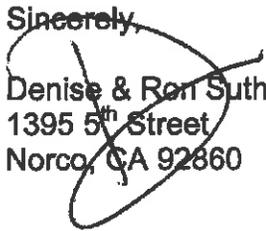
I would like to ask that the Planning Commission to please consider my request to *require* the developer to place the fence along the south back of their property that abuts up against my property, parcel #131-330-028, at 1395 5th Street, to be erected for the *entire length of my property of 80'* versus the 21' of new proposed fencing they are planning.

The developers plans have changed several times and I believe now they are planning on raising their lots 5' and now putting up a 5' block retaining wall on the back south of the 5 of the 6 lots, and then chain link on top of that. So I could actually be looking at maybe 10' of fencing. If there is no chain link on the top of this 5' retaining wall, they can just walk right over to my property and I'm not sure where the run off of water & dirt will go either except on my property.

Our parcel is in the southwest corner that I have circled on the plat map that shows approximately 21' for their proposed new fencing. Our lot is 80' wide which would leave 59' of our remaining 6' chain link and create a mishmash of fencing instead of one congruent aesthetically looking fence line.

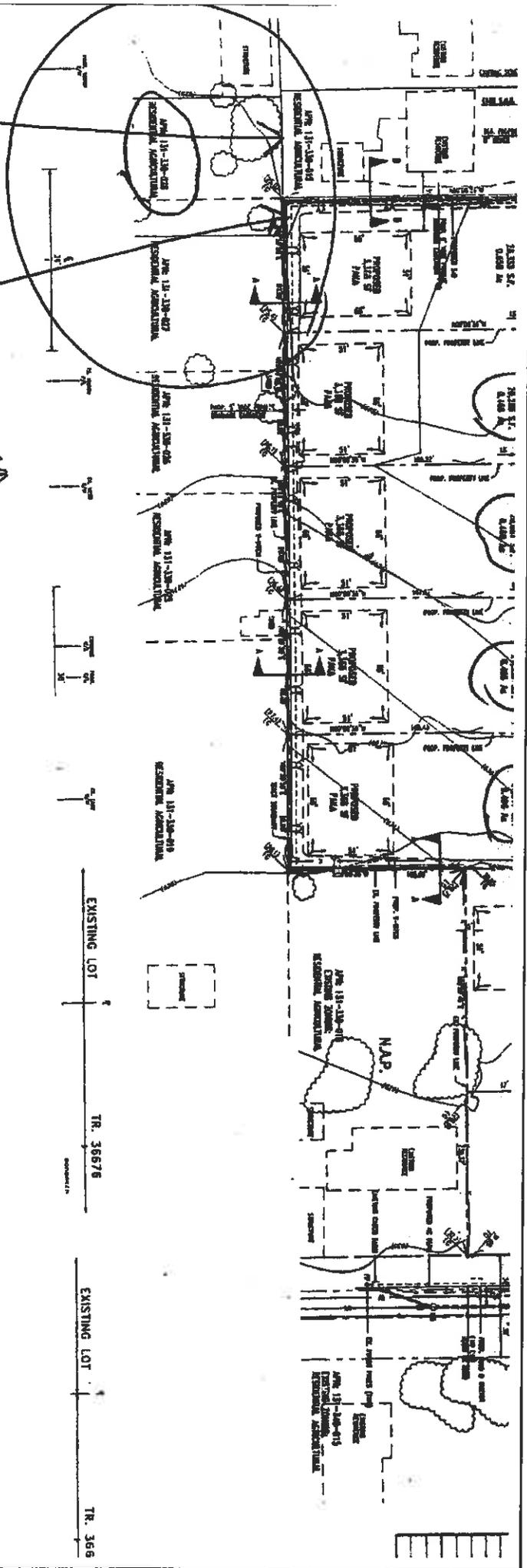
Please advise if you need anything else from us to provide to you or the Planning Commission and I thank you in advance for your assistance and see you at the Planning & Council meeting.

Sincerely,


Denise & Ron Sutherland
1395 5th Street
Norco, CA 92860

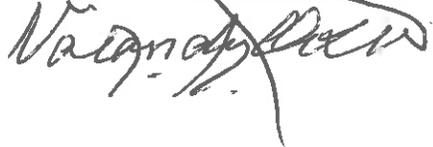
Remainder
of property
to be fenced
to match
fence

2 1/2" new fencing
proposed by
Lewo



CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

DATE: April 16, 2014

SUBJECT: Public Hearing Amending the City's Comprehensive Fee Resolution to Update and Adjust the Development Impact Fees

RECOMMENDATION: Adopt **Resolution No. 2014-14**, amending the City's Comprehensive Fee Resolution to update and adjust the Development Impact Fees.

SUMMARY: In October of 2012, the City Council approved a Professional Services Agreement with Revenue Cost Specialists, LLC to complete a Development Impact Fee Calculation and Nexus Report. On January 27, 2014, the City Council held a Special Meeting Workshop at which time Scott Thorpe, representing Revenue Cost Specialists, LLC, presented the results from the completed Development Impact Fee Calculation and Nexus Report and the Master Facilities Plan for the City of Norco. Following meetings held between staff and Mr. Thorpe, the final Development Impact Fees are now recommended to be approved by the City Council through the public hearing process.

BACKGROUND/ANALYSIS: On October 17, 2012, the City Council approved a Professional Services Agreement with Revenue Cost Specialists, LLC (RCS) to complete a Development Impact Fee Calculation and Nexus Report. RCS specializes in cost of services studies including impact fee calculation for local governments. They have assisted the City in developing general user fee schedule over the last ten years and in 2004, they completed the first Comprehensive Impact Fee calculation for the City. They have performed similar services for many cities in the state.

The first step in the calculation of Development Impact Fee (DIF) is the identification of capital assets additions (Master Facilities Plan) that are necessary to serve new residential and business development at the same levels of service currently offered and enjoyed by the existing community. Based on the estimated cost of the Master Facilities Plan (MFP) through build out, DIF is calculated for different land uses. The purpose of this calculation is to determine the cost impact of new development on City infrastructure. Development impact fee does not apply to existing development but is a fee paid on new development to fund the impact of such developments on City capital

Public Hearing Amending the City's Comprehensive Fee Resolution to Update and Adjust the Development Impact Fee Schedule

Page 2

April 16, 2014

infrastructure. The fees collected will be used to fund projects related to the following broad infrastructures:

- Animal Control Facilities, Vehicles and Equipment
- Fire Suppression/Medic Facilities, Vehicles and Equipment
- Circulation (Streets, Signals, and Bridges) System
- Local Storm Drainage Collection Facilities
- General Facilities (City Hall, City Fleet, and Fleet)
- Water Distribution Systems
- Wastewater Collection and Treatment Systems
- Equestrian Trail Acquisition and Development Systems
- Community Use Facilities
- Parks and Open Space

History:

On May 5, 2004, the City Council approved the City's Development Impact Fee and Nexus Report prepared by RCS as supported by the Master Facilities Plan. The 2004 study by RCS did not include utility systems infrastructure. Impact fee calculation for water and sewer infrastructure facilities was last performed in 2003 by Reiter Lowry Consultants. Following the approval of general City infrastructure Development Impact Fees in 2004, the City Council in 2005, approved a reduction to the surface transportation improvements component (streets, bridges and traffic signals) after it was determined that the Hamner Avenue Bridge improvement project will be funded from sources other than development impact fee. Since then, no additional changes have been made to the fees adopted in 2004. With respect to water and sewer systems infrastructure, no changes have been made to the fees that were approved in 2003.

Therefore, the City Council is recommended to complete the public hearing process and approve the recommended Development Impact Fees.

FINANCIAL IMPACT:

Attachment: Resolution No. 2014-14

The completed 2013-14 Development Impact Fee Calculation and Nexus Report and the Master Facilities Plan for the City of Norco are available at the Office of the City Clerk.

RESOLUTION NO. 2014-14

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, AMENDING THE CITY'S COMPREHENSIVE FEE RESOLUTION TO UPDATE AND ADJUST THE DEVELOPMENT IMPACT FEE SCHEDULE

WHEREAS, in 2014, Revenue & Cost Specialists, LLC conducted an extensive analysis through its technical expertise to identify the capital needs of the City and completed a Development Impact Fee (DIF) calculation and Nexus Report; and

WHEREAS, the Development Impact Fees were adopted in 2004 and were amended to reflect changes in the Consumer Price Index in 2007; and

WHEREAS, the schedule of amended Development Impact Fees needs to be adopted so that the City can identify the capital projects and acquisitions necessary to finance the proportional share of development-generated capital needs; and

WHEREAS, a notice of public hearing has been provided in accordance with Government Code Section 6062a, oral and written presentations were made and received, and the required public notice was held; and

WHEREAS, all requirements of California Government Code Section 54994.1 are hereby found to have been complied with.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORCO, HEREBY RESOLVES AS FOLLOWS:

SECTION 1. The Development Impact Fees contained in Resolution Nos. 2007-24 and 2012-43 are hereby updated.

SECTION 2. The Development Impact Fees are hereby approved as listed in Exhibit "A".

SECTION 3. The fees set forth in this Resolution shall become effective immediately.

PASSED AND ADOPTED by the City Council of the City of Norco as a regular meeting held on April 16, 2014,

Mayor of the City of Norco, California

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California do hereby certify that the foregoing Resolution was introduced and adopted by the City Council of the City of Norco at a meeting held on April 16, 2014 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 April 16, 2014.

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

Attachment: Exhibit "A"

City of Norco
Development Impact Fee Schedule
Exhibit "A"

Land Use Category	Current Fee	Proposed Fee
COMMERCIAL / OFFICE		
Parks	\$0.598 / sq. ft.	No Fee
Open Space Acquisition	Combined with Parks	\$0.463 / sq. ft.
Fire	\$0.544 / sq. ft.	\$0.561 / sq. ft.
General Government Facilities	\$0.118 / sq. ft.	\$0.195 / sq. ft.
Streets	\$3.683 / sq. ft.	\$7.342 / sq. ft.
Storm Drains	\$0.293 / sq. ft.	\$0.404 / sq. ft.
Animal Control	\$0.009 / sq. ft.	\$0.031 / sq. ft.
Sewer	\$2,120 / EDU	\$1.653 / sq. ft.
Water	\$2,400.00 / 1"meter	\$2.586 / sq. ft.
	\$7,500.00 / 2" meter	
COMMERCIAL LODGING		
Parks	\$116.00 / Guest Unit	No Fee
Open Space Acquisition	Combined with Parks	\$118.00 / Guest Unit
Fire	\$374.00 / Guest Unit	\$358.00 / Guest Unit
General Government Facilities	\$28.00 / Guest Unit	\$50.00 / Guest Unit
Streets	\$1,070.00 / Guest Unit	\$2,142.00 / Guest Unit
Storm Drains	\$59.00 / Guest Unit	\$98.00 / Guest Unit
Animal Control	\$2.08 / Guest Unit	\$8.00 / Guest Unit
Sewer	\$2,120 / EDU	\$5,864.00 / Guest Unit
Water	\$2,400.00 / 1"meter	\$1,959.00 / Guest Unit
	\$7,500.00 / 2" meter	
INDUSTRIAL		
Parks	\$0.358 / sq. ft.	No Fee
Open Space Acquisition	Combined with Parks	\$0.329 / sq. ft.
Fire	\$0.011 / sq. ft.	\$0.116 / sq. ft.
General Government Facilities	\$0.118 / sq. ft.	\$0.139 / sq. ft.
Streets	\$1.177 / sq. ft.	\$2.516 / sq. ft.
Storm Drains	\$0.190 / sq. ft.	\$0.277 / sq. ft.
Animal Control	\$0.0052 / sq. ft.	\$0.022 / sq. ft.
Sewer	\$2,120 / EDU	\$1.955 / sq. ft.
Water	\$2,400.00 / 1"meter	\$1.810 / sq. ft.
	\$7,500.00 / 2" meter	

City of Norco
Development Impact Fee Schedule
Exhibit "A"

Land Use Category	Current Fee	Proposed Fee
SINGLE FAMILY DWELLING/SUBDIVISION		
Parks	\$11,742.00 / Res. Unit	\$11,821.00 / Res. Unit
Open Space Acquisition	Combined with Parks	\$3,557.00 / Res. Unit
Fire	\$1,036.00 / Res. Unit	\$1,010.00 / Res. Unit
General Government Facilities	\$515.00 / Res. Unit	\$1,199 / Res. Unit
Trails	\$729.00 / Res. Unit	Combined with street
Sewer	\$2,120 / EDU	\$6,134.00 / Res. Unit
Water	\$2,400.00 / 1"meter only	\$4,662.00 / Res. Unit
Streets	\$2,084.00 / Res. Unit	\$4,062.00 / Res. Unit
Storm Drains	\$1,560.00 / Res. Unit	\$2,545.00 / Res Unit
Animal Control	\$146.00 / Res. Unit	\$251.00 / Res. Unit
Public Library	\$471.00 / Res. Unit	Included with Public Meeting Facilities
Public Meeting Facilities	\$1,312.00 / Res. Unit	\$3,318.00 / Res. Unit
Aquatics Center	\$251.00 / Res. Unit	No Fee - Eliminated
MULTI FAMILY		
Parks	\$6,192.00 / Res. Unit	\$9,639.00 / Res. Unit
Open Space Aquisition	Combined with Parks	\$2,900.00 / Res. Unit
Fire	\$1,683.00 / Res. Unit	\$1,009.00 / Res. Unit
General Government Facilities	\$515.00 / Res. Unit	\$106.00 / Res. Unit
Sewer	\$2,120 / EDU	\$5,727.00 / Res. Unit
Water	\$2,400.00 / 1"meter only	\$2,559.00 / Res. Unit
Streets	\$1,373.00 / Res. Unit	\$2,712.00 / Res. Unit
Storm Drains	\$162.00 / Res. Unit	\$210.00 / Res. Unit
Animal Control	\$146.00 / Res. Unit	\$251.00 / Res. Unit
Public Library	\$248.00 / Res. Unit	No Fee
Public Meeting Facilities	\$691.00 / Res. Unit	\$2,706.00 / Res. Unit
Aquatics Center	\$132.00 / Res. Unit	No Fee