



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

May 21, 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: 6:00 p.m.

ROLL CALL:

THE CITY COUNCIL/SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY ("SUCCESSOR AGENCY") WILL RECESS TO CLOSED SESSION (SECTION 54954) TO CONSIDER MATTERS:

§54956.8 Conference with Real Property -- Negotiator:

Property: 3.31 Acres of Vacant Land, APN 156-030-002
Agency Negotiator: City of Norco, City Manager Okoro
Under Negotiation: Terms of Sale

Property: 0.4-Acre Vacant Lot
APNs 122-070-023 & 026 Single Parcel
1.63-Acre Vacant Lot
APN 126-120-038

Agency Negotiator: Successor Agency, Executive Director Okoro
Under Negotiation: Terms of Sale

§54957.6 – Conference with Labor Negotiator

Negotiating Parties: City Manager Okoro
Human Resources Analyst Paakkonen

Employee Organizations: Management
Middle Management, Professional and
Confidential Service
Norco General Employees Association
Norco Public Works & Parks Maintenance
Workers Association

RECONVENE PUBLIC SESSION: 7:00 p.m.

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

PLEDGE OF ALLEGIANCE: Council Member Bash

INVOCATION: Calvary Chapel – Norco
Pastor Louie Monteith

INTRODUCTIONS: Captain Jason Horton
Riverside County Sheriff's Department

Cheryl Link
Newly Appointed City Clerk

PRESENTATION: Declaration of May as Lupus Awareness Month
Tricia Badowski

RECOGNITIONS: Dr. Lisa Simon, Norco High School Principal
*Awarded Secondary Principal of the Year
by the Association of California School
Administrators*

Robin Grundmeyer, Teacher, Norco High School
Agriculture Department,
*Receipt of Queen Latifah's Heroes of the
Community*

*Norco FFA Designation as a Three Star
Chapter*

CITY COUNCIL BUSINESS ITEMS AS FOLLOWS:

1. A. SILVERLAKES EQUESTRIAN & SPORTS PARK UPDATE:
- B. 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:
Special and Regular Meetings of May 7, 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 May 14, 2014. **Recommended Action: Receive and File** (Planning Director)
 - D. Resolution Setting the Regular Meeting Schedules for City Commissions and the Economic Development Advisory Council for Fiscal Year 2014-2015.
Recommended Action: Adopt Resolution No. 2014-18. (City Clerk)
 - E. City Council Appointment to the Leads on Manure-to-Energy Issues City Council Appointed Committee. **Recommended Action: Approve the appointment of Mayor Pro Tem Higgins to replace Mayor Hanna on the Leads on Manure-to-Energy Issues Committee.** (City Clerk)
 - F. Annual Adoption of the City Investment Policy. **Recommended Action: Approve and adopt the annual City Investment Policy.** (City Manager)
 - G. Approval and Adoption of the Annual Appropriation Limit for Fiscal Year 2014-2015. **Recommended Action: Adopt Resolution No. 2014-22, approving the annual appropriation limit for Fiscal Year 2014-2015.** (City Manager)
 - H. Third Amendment to the Annual Sanitary Sewer Maintenance Service Agreement. **Recommended Action: Approve the extension of the Annual Sanitary Sewer Maintenance Service Agreement with Empire Pipe Cleaning & Equipment, Inc. for one (1) year, through June 30, 2015.** (Director of Public Works)

- I. Third Amendment to the Building and Safety Plan Examination Professional Services Agreement. **Recommended Action: Approve the requested extension of the Professional Building and Safety Plan Examination Service Agreement with Wildan Engineering for one (1) year, through June 30, 2015.** (Director of Public Works)
 - J. Third Amendment to the Annual Street Sweeping Services Contract Agreement. **Recommended Action: Approve the extension of the Street Sweeping Service Agreement with CleanStreet for one (1) year, through June 30, 2015.** (Director of Public Works)
 - K. Approval of Service Agreement with Roger J. Grody to Provide Economic Development Consulting Services. **Recommended Action: Approve a Service Agreement with Roger J. Grody to serve as the City's Economic Development Consultant effective July 1, 2014 through June 30, 2015.** (City Manager)
 - L. Agreement to Form the Middle Santa Ana River Watershed Total Maximum Daily Load (TMDL) Task Force. **Recommended Action: Approve the Agreement to Form the Middle Santa Ana River Watershed TMDL Task Force.** (Public Works Director)
3. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR:
4. LEGISLATIVE MATTERS: **(No new evidence will be heard from the public as the public hearing has been closed regarding the item listed.)**
- A. Ordinance Amending the Norco Municipal Code Establishing the Number of Members on the Streets, Trails and Utilities Commission at Five Members. (Code Change 2014-02) **Recommended Action: Adopt Ordinance No. 973.** (City Clerk)
 - B. Ordinance Amending Chapter 3.50 of the Norco Municipal Code to Include a New Exemption for Newly Constructed Specially Adapted Homes for Severely Disabled Veterans Under the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program. (Code Change 2014-01) **Recommended Action: Adopt Ordinance No. 974.** (City Clerk)
5. CITY COUNCIL DISCUSSION / ACTION ITEMS:
- A. Appointments to the Ad-Hoc Committee on Infrastructure Needs and Funding Options. **Recommended Action: Appoint three (3) Norco residents from the applications received to serve on the Ad Hoc Committee.** (City Manager)

- B. Ordinance Amending Chapter 18.43 of the Norco Municipal Code to Modify the Procedures for Noticing Public Hearings and Appeals Therefrom. (Zone Code Amendment 2014-01). **Recommended Action: Introduce for First Reading Ordinance No. 975.** (Planning Director)
 - C. Discussion Regarding the Citizens' Initiative for the Preservation of La Sierra Hills and Restricted Development of La Sierra Lands. **Recommended Action: No staff recommendation.** (Planning Director)
 - D. Discussion Regarding the State of California Sewer Treatment Plant Property (Parcel F). **Recommended Action: No staff recommendation.** (Water & Sewer Manager)
6. SUCCESSOR AGENCY DISCUSSION / ACTION ITEM:
- A. Resolution Reapproving the Form of a Preliminary Official Statement, to Refund 2001 RDA Bonds for Savings. **Recommended Action: Adopt SA Resolution No. 2014-03, reapproving the Form of the Preliminary Official Statement to deem it final under Rule 15c2-12.** (Executive Director)
 - B. Resolution reapproving the Form of a Preliminary Official Statement, to refund 2001 and 2004 RDA Bonds (School District Pass Through) for Debt Service Savings. **Recommended Action: Adopt SA Resolution No. 2014-04, reapproving the Form of the Preliminary Official Statement to deem it final under Rule 15c2-12.** (Executive Director)
7. 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.
8. CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS:
9. ADJOURNMENT:

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

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

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



SPECIAL MEETING MINUTES
CITY OF NORCO
CITY COUNCIL

May 7, 2014

City Council Chambers
2820 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**

1. WORKSHOP PRESENTATION OF THE FISCAL YEAR 2014-2015 OPERATING BUDGETS.

City Manager Okoro presented information regarding the proposed Fiscal Year 2014-15 Operating Budgets. An overview of the FY 2014-2015 City Operating Budgets was presented as follows:

- Balanced budget for all Operating Funds except for NPDES.
- Balanced General Fund Budget achieves the following:
 - Maintains existing services levels.
 - Avoids use of one-time revenues or inter-fund borrowing.
 - Provides funding for an estimated 7% and 4.89% increase in Sheriff and County Fire contracts respectively.
 - Provides funding to pay down liability for post-retirement healthcare costs.
 - Provides funding to pay for pass-through pension rate increases.
 - Reduces overall operations and maintenance expenditures across departments.
 - Most major General Fund revenue categories showing positive upward trend.
 - Overall General Fund revenues are estimated to increase by 1.6% from FY 2013-2014 year-end estimate.
 - Excluding the impact of pass-thru cost increases from County Fire, County Sheriff and one-time expenditure reductions, remaining general expenditures are estimated to decrease by 2.2%.
 - Continuing progress to improve Water Fund Working Capital and contribute to Water Capital Projects Fund.

- Maintain current positive financial condition of the sewer fund and continue contribution to Sewer Capital Projects Fund.

Discussion took place in regards to the addition of a motor officer to the Sheriff's Department. City Manager Okoro noted that a big difference between a motor officer and a patrol motor is that the City would own the motor officer and the motor cycle and the City would buy the number of hours a patrol motor would work. Lt. Hedge confirmed that 9 out of 14 of the current Deputies are radar certified. In response to Mayor Pro Tem Higgins in regards to how much time a Deputy spends on speed enforcement, Lt. Hedge stated that it depends on the resources available. Mayor Pro Tem Higgins noted that the motor officers were the key to reducing speed and asked why the City can't get a motor officer as a part of the contract if they write 99% of the tickets and eliminates a lot of the liability. In response, City manager Okoro stated that the standard County contract does not include a motor officer and a motor officer needs to be contracted separately on a request basis with the City paying for the training costs for that motor officer. Mayor Pro Tem Higgins commented on negotiating a motor officer as part of the contract or go to the County Supervisors to discuss this. Council Member Azevedo commented on doubling the speeding fines on streets lined with horse trails. In response, Lt. Hedge noted that this has been petitioned in Sacramento as this affects the Vehicle Code.

Mayor Pro Tem Higgins commented on the NPDES Program, noting the fine the City received for not having best practices in place. In response, Public Works Director Askew commented on the importance of the program and Norco's participation efforts, adding that the City is up to standards and attends the meetings.

2. PUBLIC COMMENTS OR QUESTIONS:

Ted Hoffman. Mr. Hoffman commented on the Public Works/Engineering Budget, noting that there are several roads in disrepair and this is an area that should not be reduced. He further commented on patrol hours, noting that the City should look at discretionary hours on a limited basis. Mr. Hoffman further commented on the water increases, noting that increases should be evaluated annually.

Ed Dixon. Mr. Dixon asked how effective parked police cars are at the entrance to the City to reduce speeding. In response, Lt. Hedge noted that this is a deterrent to see a unit visually.

Linda Dixon. Ms. Dixon thanked the Council for encouraging the contracting of a motor officer. She further noted that the Exclusive Refuse Franchise Agreement Ad-Hoc Committee did not recommend that any of the franchise fees go to NPDES funding, but to the citizens who pay that fee, adding that she would like to see that happen. She further commented on the importance of economic development, noting the businesses that have been recruited and adding that this is one area that should be funded for more than a 2-day a week employee. She also encouraged additional staff for Planning.

3. **ADJOURNMENT:** There being no further business to come before the City Council, Mayor Hanna adjourned the meeting at 5:50 p.m.

BRENDA K. JACOBS, CMC
CITY CLERK



MINUTES
CITY OF NORCO
CITY COUNCIL

May 7, 2014

City Council Chambers
2820 Clark Avenue, Norco, CA 92860



CALL TO ORDER: Mayor Hanna called the meeting to order at 6:00 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**

§54957.6 – Conference with Labor Negotiator

Negotiating Parties: City Manager Okoro
Human Resources Analyst Paakkonen

Employee Organizations: Management
Middle Management, Professional and Confidential
Service
Norco General Employees Association
Norco Public Works & Parks Maintenance Workers
Association

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

REPORT OF ACTION(S) TAKEN IN CLOSED SESSION (§54957.1): City Attorney Harper stated that there were no reportable actions following closed session.

PLEDGE OF ALLEGIANCE: Council Member Azevedo

INVOCATION: Beacon Hill Assembly of Norco
Pastor Rene Parish

PRESENTATION: Ten Most Needed Trail Improvements
Norco Horsemen's Association

The Norco Horsemen's Association presented to the Council its list of "Ten Most Needed Trail Improvements"

RECOGNITIONS: Divita Dialysis
Ryan Christian and Staff

The staff at Divita Dialysis were presented with a certificate of recognition for its medical professionalism performed in an emergency response.

Capt. Danny Feltenberger
Riverside County Sheriff's Department

Capt. Danny Feltenberger was recognized for his service to the community since 2010.

Kenneth L. Chism
*Awarded Orange County Sheriff's Department
Medal of Merit*

Mr. Chism was recognized for receiving the Orange County Sheriff's Department Medal of Merit.

CITY COUNCIL BUSINESS ITEMS AS FOLLOWS:

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

Council Member Bash:

- Reported on the Riverside Conservation Authority meeting he attended.

Mayor Pro Tem Higgins:

- Reported on the Southern California Association of Governments (SCAG) conference he attended, noting the efforts of SCAG for the benefit of the region.

Council Member Newton:

- Reported on the Chino Basin Desalter Authority Board meeting he attended.

Council Member Azevedo:

- Reported on the Western Riverside Council of Governments Executive Committee meeting she attended.
- Reported on the City's 50th Birthday Committee efforts, noting the Norco Heritage Photo Day to be held on Saturday, May 10th and many of the other events that will be held in the future.

Mayor Hanna:

- Reported on the Riverside Transit Agency meeting he attended, noting that bus ridership is going up.
- Reported on the Riverside County Transportation Commission meeting he attended.

2. CITY COUNCIL CONSENT ITEMS:

City Manager Okoro removed item 2.D. from the Agenda, noting that it will not be discussed.

M/S Higgins/Newton 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 April 16, 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. Continuation of Annual Special Tax for Community Facilities District No. 93-1 for the Fiscal Year 2014-2015. **Recommended Action: Adopt Resolution No 2014-17. (City Manager)**
- D. Approval of a Professional Services Agreement between the City of Norco and Ricardo Breceda, Sculptor and Designer, to Design and Build Five (5) Public Art Projects for the George Ingalls Equestrian Event Center. **Recommended Action: Approve the Professional Services Agreement with Ricardo Breceda in an amount not-to-exceed \$130,000 for Public Art Projects. (Director of Parks, Recreation & Community Services) REMOVED FROM THE AGENDA**
- E. Acceptance of the Norco MDP Line N-1A, N-1B and N-1E Project as Complete. **Recommended Action: Accept the Norco MDP Line N-1A, N-1B and N-1E Project as complete and direct the City Clerk to file the Notice of Completion with the County of Riverside. (Public Works Director)**

3. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR: **NONE**

4. CITY COUNCIL DISCUSSION / ACTION ITEMS:

- A. Ordinance Amending the Norco Municipal Code Establishing the Number of Members on the Streets, Trails and Utilities Commission at Five Members. (Code Change 2014-02). **Recommended Action: Adopt Ordinance No. 973, for first reading. (City Clerk)**

M/S Bash/Higgins to adopt Ordinance No. 973, for first reading. The motion was carried by the following roll call vote:

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

- B. Consideration of the Removal of One Hour Parking Signs on Portions of Hamner Avenue. **Recommended Action: Provide direction to staff regarding the removal of "One Hour Parking" signs and the posting of "No Parking" signs on the west side of Hamner Avenue from Second Street north to Auto Mall Drive. Resolution No. 2014-21 has been prepared for adoption if the City Council votes to approve this item. (Director of Public Works)**

Council Member Azevedo stated that she had received a call from Mr. Hemborg regarding the signs resulting from concerns he had following communications he had received on ADA access. She further stated that she concurs with Mr. Hemborg that there should be no parking on Hamner Avenue.

Council Member Newton asked Public Works Director Askew about the cost to replace the signs. In response, she stated that the proposed cost includes any polls that would need to be replaced.

M/S Hanna/Bash to adopt Resolution No. 2014-21 removing the "One Hour Parking" signs on both sides of Hamner Avenue from Second Street north to Auto Mall Drive and replace them with "No Parking" signs. The motion was carried by the following roll call vote:

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

- C. Discussion to Consider Appointment of a Representative from the Historic Preservation Commission to the Ad-Hoc Committee on Infrastructure Needs and Funding Option. **Recommended Action: Discuss and provide direction to staff. (City Manager)**

Council Member Azevedo stated that at the time the Ad-Hoc Committee was formed, she was not aware that the Historic Preservation Commission was left out. She added that all of the commissions should have a representative on the Ad-Hoc Committee.

Council Member Newton commented that he assumed that the Ad-Hoc Committee included all of the commissions, adding that the City Manager was given the authority to form the Ad-Hoc Committee.

M/S Azevedo/Bash to include the appointment of one member of the Historic Preservation Commission on the Ad-Hoc Committee. The motion did not carry following the roll call vote:

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

5. CITY COUNCIL CONTINUED PUBLIC HEARING:

- A. 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)

City Manager Okoro presented the public hearing item and introduced Scott Thorpe, Senior Vice President of Revenue & Cost Specialists, LLC, who added some additional information regarding the Development Impact Fee Calculation and Nexus Report that was completed.

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

Nathan Miller. Mr. Miller commented representing the Building Industry Association, noting that there have been no building permits pulled in the last two years in Norco; adding opposition to the proposed DIF.

Mayor Hanna CLOSED the public hearing.

Council Member Bash commented on the Commercial and Office DIF and asked if those fees will foster commercial and industrial development. In response, Mr. Thorpe commented on the trip demand analysis, explaining how they are attained. Council Member Bash asked if our Commercial and Office DIF are like other cities. In response, Mr. Thorpe noted that they are close, adding that the very low density of Norco drives up the fees.

City Manager Okoro commented on the reasonableness of the proposed fees and how they were calculated.

Mayor Pro Tem Higgins commented on the fees for Single Family Dwelling/Subdivision and if there was a profit made from those fees. In response, Mr. Thorpe stated that there was no profit gained from the fees, adding that these fees are to accommodate future development. Mayor Pro Tem Higgins commented on his concerns regarding the reasoning for the increase in the fees.

Council Member Newton commented on the DIF, asking if they are at the minimum. In response, Mr. Thorpe noted that they are the maximum amount for the minimal needs. Council Member Newton further commented on why there are not DIF for public safety. In response, Mr. Thorpe stated that DIF are limited to one-time only capital projects.

Council Member Azevedo commented on the DIF not collected for a number of years. She added that she cannot support the fees at all until she sees what neighboring community DIFs are.

M/S Azevedo/Bash to table this item until information is provided regarding the DIF in neighboring communities. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, HIGGINS, NEWTON

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

6. CITY COUNCIL PUBLIC HEARINGS:

A. Public Hearing Ordering Abatement of Weeds on Vacant Lots.

The proposed resolution orders the abatement of weeds and authorizes the Fire Department's weed abatement contractor to begin abating weeds on vacant properties whose owners did not comply with the Notice to Abate Spring Weeds.

Recommended Action: Adoption of Resolution No. 2014-19, declaring that weeds and hazardous vegetation, upon or in front of vacant property in the City of Norco, constitute a public nuisance and ordering the abatement.
(Chief Pemberton)

Fire Chief Pemberton presented the public hearing item.

Mayor Hanna OPENED the public hearing, indicating that proper notification had been made and asked for the appearance of those wishing to speak. With no one wishing to speak, Mayor Hanna **CLOSED** the public hearing.

Council Member Newton commented on the properties that have been abated and are still listed. In response, Chief Pemberton stated that they would be addressed and removed if that is the case.

M/S Azevedo/Bash to adopt Resolution No. 2014-19. The motion was carried by the following roll call vote:

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

- B. Ordinance Amending Chapter 3.50 of the Norco Municipal Code to Include a New Exemption for Newly Constructed Specially Adapted Homes for Severely Disabled Veterans Under the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program. (Code Change 2014-01)

Pursuant to the Mitigation Fee Act (Gov. Code §§ 66000 et seq.), Western Riverside Council of Governments ("WRCOG"), upon recommendation of the WRCOG Executive Committee, desires to amend the TUMF Ordinance to include the following exemption: "Exempt non-profit 501(c)(3) organizations who build new, single-family homes, specifically constructed and adapted for qualifying severely disabled veterans injured in a theatre of combat operations."

Recommended Action: Adopt Ordinance No. 974 for first reading. (City Manager)

City Manager Okoro presented the public hearing item.

Mayor Hanna OPENED the public hearing, indicating that proper notification had been made and asked for the appearance of those wishing to speak. With no one wishing to speak. **Mayor Hanna CLOSED** the public hearing.

M/S Hanna/Bash to adopt Ordinance No. 974 for first reading. The motion was carried by the following roll call vote:

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

RECESS: Mayor Hanna recessed the meeting at 8:40 p.m.

RECONVENE: Mayor Hanna reconvened the meeting at 8:52 p.m.

- C. Consideration of all Protests and Objections Concerning the Proposed Rates for Solid Waste/Manure Removal and Disposal Services through a Contract with USA Waste of California, Inc.; and, Adoption of a Resolution Approving an Amended and Restated Agreement between the City of Norco and USA Waste of California, Inc. for the Provision of Integrated Waste Management Services.

Following successful completion of the work of the Ad-Hoc Committee appointed by the City Council to assist with final contract negotiation for the renewal of Exclusive Franchise Agreement with USA Waste of California, Inc. for the collection, transportation, recycling

and disposal of solid waste; staff conducted a Special City Council and Ad-Hoc Committee Joint Study Session on Tuesday, February 18, 2014, at which time the City Council voted (4-1 vote) to accept the recommendations of the Ad-Hoc Committee and directed the City Manager to proceed with Proposition 218 Hearing notices. Staff has complied with the noticing requirements of Proposition 218 and is recommending that the City Council adopt the resolution approving an Amended and Restated Franchise Agreement, and rates therein, between the City of Norco and USA Waste of California, Inc. for the collection, transportation, recycling and disposal of solid waste effective July 1, 2014.

Recommended Action: Adopt Resolution No. 2014-20, approving the Amended and Restated Franchise Agreement, and rates therein, between the City of Norco and USA Waste of California, Inc. for the Collection, Transportation, Recycling and Disposal of Solid Waste effective July 1, 2014.
(City Manager)

City Manager Okoro presented the public hearing item. He commented on what has taken place since March 25, 2013, noting the appointment of the Ad-Hoc Committee. He further commented on the contract enhancements and recommendations negotiated through the meetings held by the Ad-Hoc Committee.

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

Lisa Campbell. Ms. Campbell commented in opposition of the contract.

Mary Schroeder. Ms. Schroeder commented in opposition of the contract.

Ted Hoffman. Mr. Hoffman commented in support of the contract.

Linda Dixon. Ms. Dixon commented as a member of the Ad-Hoc Committee in support of the contract.

Julie Reyes. Ms. Reyes commented as a representative of Waste Management, noting their support for the formation of the Ad-Hoc Committee that worked with them to negotiate this contract based on the recommendations made.

Mayor Hanna CLOSED the public hearing.

Council Member Newton received clarification regarding solid waste and self-haul permits for mixed solid waste. He noted that he looks forward to moving ahead with Manure-to-energy discussions.

Council Member Bash noted that he is impressed with the transparency through the Ad-Hoc committee process. He further noted that his focus is on manure-to-energy. He stated that his decision is based on his personal decision on what he believes is best for Norco.

Mayor Pro Tem Higgins commented on the contract negotiations, noting that manure was the main issue. He added that other corporations were not able to handle the manure in Norco, adding that this is why he supports the contract.

Council Member Newton commented on the process, noting that the Ad-Hoc Committee did its due diligence and listened to all those that attended. He believes that the City is getting a fair deal, with the key issue for him being manure-to-energy.

Council Member Azevedo stated that the manure-to-energy plant has been important for many years, noting how much the technology has changed and Waste Management is a large enough company to work with the City on this process. She commented also as a member of the Ad-Hoc Committee in support of the contract.

Mayor Bash thanked everyone for their work on this contract, adding that he looks forward to moving forward with the manure-to-energy discussions.

M/S Azevedo/Higgins to adopt Resolution No. 2014-19. The motion was carried by the following roll call vote:

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

7. PUBLIC COMMENTS OR QUESTIONS:

John Rigler. Mr. Rigler commented on the application he submitted to serve on the Planning Commission.

Kun Yee. Mr. Yee commented on the "illegal material" he installed in front of his property, noting the citation he received. He further commented in regards to why the pavers are allowed on commercial property and not residential, noting the problems on the slopes in the Norco hills.

Pat Overstreet. Ms. Overstreet commented in regards to the Ranch Tour to be held on May 17th. She stated that she endorses Mr. John Rigler to serve on the Planning Commission.

8. CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS:

Mayor Pro Tem Higgins:

- Commented on his concerns regarding the process of working permits through the City desk.

M/S Higgins/Bash to refer to the Planning Commission to agendaize a discussion regarding two properties (the Huntly property located on Seventh Street and the Roy Hungerford property located on Fifth Street) and further provide a timeline of the approval process and any requirements that were added following approval. The motion was carried by the following roll call vote:

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

Council Member Bash:

M/S Bash/Higgins to agendize a discussion regarding the proposed housing project off of Arlington Avenue in Riverside. The motion was carried by the following roll call vote:

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

M/S Bash/Higgins to agendize a discussion regarding the City's role in the clean-up of the State-owned sewage treatment plant. The motion was carried by the following roll call vote:

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

Mayor Hanna:

- Inquired if there is any progress with the Cash 4 Gold businesses. In response, City Attorney Harper stated that they are going through the code enforcement process.
- Inquired if all of the food trucks at Horseweek had a sales tax license. In response, Parks and Recreation Director Petree stated that they were not allowed on the grounds without it.

Public Works Director Askew: Verbal Update on First Street/Temescal Avenue and Hamner Avenue/Fifth Street Grading Operations:

- Stated that regarding the Hamner Avenue/Fifth Street grading operation, they met the requirements of the Norco Municipal Code (NMC) and they were looking to get rid of some dirt, with some talk of the development of a hotel and to make the site more marketable. She noted that there is nothing in the NMC specifying a time limit for grading. She further stated that the slopes will be improved upon completion of the grading. In regards to First Street/Temescal Avenue, active grading is taking place following an approved rough grading plan in preparation for a proposed house. She added that both sites are over an acre with a SWPPP and active permits through the regional board.

Mayor Hanna commented on the need for an ordinance with requirements for clean-up to a useable site.

Council Member Bash inquired about selling the DG. In response, Public Works Director Askew stated that she is not aware of reason why they could not sell it.

Council Member Azevedo asked why they are allowed to grade in the residential areas. In response Public Works Director Askew noted that this is permitted in the A-1-20 zone for a house, adding that the City inspector is there on a regular basis to check on the operation.

Council Member Newton asked if the owners of the property on First Street/Temescal Avenue have submitted house plans and if the owners of the property at Hamner Avenue/Fifth Street have submitted plans for structures. In response, Planning Director King stated that neither has submitted. Council Member Newton stated that maybe an ordinance should be written to limit grading until building plans are submitted.

M/S Hanna/Higgins to refer this to the Planning Commission to agendize a draft ordinance limiting grading until building plans are submitted. The motion was carried by the following roll call vote:

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

9. **ADJOURNMENT:** There being no further business to come before the City Council, Mayor Hanna adjourned the meeting at 10:08 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
MAY 14, 2014**

CALL TO ORDER: 7:00 p.m.

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

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

PLEDGE OF ALLEGIANCE: Commission Member Henderson

- 1. APPEAL NOTICE: Read by Planning Director King**
- 2. PUBLIC COMMENTS: None**
- 3. APPROVAL OF MINUTES:**
 - ❖ Minutes of Regular Meeting on April 9, 2014
 - Recommended Action: Approval (Deputy City Clerk): Action: Approved 5-0**
- 4. PUBLIC HEARINGS:**
 - A. Zone Code Amendment 2014-02 (City of Norco):** An amendment to the Norco Municipal Code, Chapter 18.57 "Wireless Telecommunication Facility Regulations", to change the height requirement for freestanding antenna poles. **Recommended Action: Approval (Senior Planner)**
Action: Approved 5-0. This item will be scheduled for a public hearing before the City Council at the next available meeting.
 - B. Conditional Use Permit 2014-11 (Chandler):** A request for approval to allow a detached accessory building consisting of a 2,880 square-foot Mare Motel at 3749 Valley View Avenue located within the A-1-20 (Agricultural Low Density) Zone. **Recommended Action: Approval (Senior Planner)**
Action: Approved 4-0 (Leonard abstained). This action is final unless appealed to the City Council.

- C. **Conditional Use Permit 2014-12 (Bowers):** A request for approval to allow an accessory building consisting of a 1,680 square-foot barn at 3231 Cutting Horse Road located in the Norco Ridge Ranch Specific Plan (NRRSP). **Recommended Action: Approval** (Senior Planner)
Action: Public Hearing was canceled.

5. BUSINESS ITEMS:

- A. **Site Plan 2014-10** (Grigoryan): A request for approval to allow an accessory building consisting of a 308 square-foot shop at 3080 Crestview Drive located within the Norco Ridge Ranch Specific Plan (NRRSP). **Recommended Action: Approval** (Senior Planner)
Action: Approved 5-0. This action is final unless appealed to the City Council.
- B. Revised Architecture Review for Approved **Conditional Use Permit 204-05** (Wilson) that allowed an accessory building consisting of a 924 square-foot garage at 3141 Cavaletti Lane located within the Norco Ridge Ranch Specific Plan (NRRSP). **Recommended Action: Approval** (Senior Planner)
Action: Approved 5-0. This action is final unless appealed to the City Council.

6. CITY COUNCIL MINUTES: **Received and Filed**

- City Council Special Meeting Minutes of April 2, 2014
- City Council Regular Meeting Minutes of April 2, 2014
- City Council Regular Meeting Minutes of April 16, 2014

7. PLANNING COMMISSION:

- A. Oral Reports from Various Committees: **None**
- B. Request for Items on Future Agenda (within the purview of the Commission)

M/S Henderson/Hedges - that a request be made to the City Council that Staff be directed to agendize one or two standards for horse trails located on both sides of a cul-de-sac street.

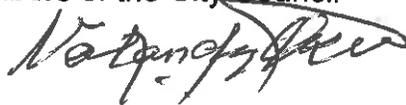
AYES: Unanimous

Motion Passed

8. ADJOURNMENT: 8:00 p.m.

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Brenda K. Jacobs, City Clerk

DATE: May 21, 2014

SUBJECT: Resolution Setting the Regular Meeting Schedules for City Commissions and the Economic Development Advisory Council (EDAC) for Fiscal Year 2014-2015

RECOMMENDATION: Adopt **Resolution No. 2014-18**, setting the regular meeting schedules for City Commissions and EDAC for FY 2014-2015.

SUMMARY: A resolution was adopted reducing the number of City Commission and EDAC meetings for Fiscal Years 2011-12, 2012-13, and 2013-14 in order to more efficiently and fiscally manage the City staffing requirements for preparing and conducting commission meetings. This schedule for regular meetings provided for a more efficient way to transact City business using the current available City staff. As the City continues to face the same financial and staffing challenges, staff is recommending that the City Council adopt a resolution to continue this regular meeting schedule for City Commissions and EDAC for FY 2014-2015.

BACKGROUND/ANALYSIS: The current regular meeting schedule for City Commissions and EDAC is as follows:

Planning Commission	One regular meeting per month
Historic Preservation Commission	One regular meeting every other month
Parks and Recreation Commission	One regular meeting every other month
Streets, Trails and Utilities Commission	One regular meeting every other month
Economic Development Advisory Council	One regular meeting per month

The Norco Municipal Code (NMC) establishes regular meetings for the Historic Preservation Commission at once per quarter. The NMC establishes regular meetings for the Parks and Recreation Commission and the Streets, Trails and Utilities Commission at once per calendar month. The purpose of this reduction in meetings for the two commissions was to provide a more efficient way to transact City business using the current available City staff. The regular meeting schedule for the Historic Preservation Commission was increased due to the amount of items that were necessary to address.

It is recommended that this regular meeting schedule be continued for Fiscal Year 2014-15. This recommendation does not limit the calling of special meetings or sub-committee meetings.

FINANCIAL IMPACT: None

Attachments: Resolution No. 2014-18

RESOLUTION NO. 2014-18

A RESOLUTION OF THE CITY OF NORCO, CALIFORNIA, TO SET THE REGULAR MEETING SCHEDULES FOR CITY COMMISSIONS AND THE ECONOMIC DEVELOPMENT ADVISORY COUNCIL FOR FISCAL YEAR 2014-2015

WHEREAS, the Norco Municipal Code ("NMC") states the number of regular meetings each City Commission shall hold; and

WHEREAS, the Parks, Recreation and Community Services Commission, the Streets, Trails and Utilities Commission, and the Planning Commission by NMC are required to hold not less than one regular scheduled meeting each calendar month; and

WHEREAS, the Historic Preservation Commission, by NMC, is required to hold not less than one regular scheduled meeting per quarter; and

WHEREAS, the number of regular meetings required for the Economic Development Advisory Council ("EDAC") is set by Resolution No. 2010-18 at not less than once per month; and

WHEREAS, in order to more efficiently and fiscally manage the City staffing requirements for preparing and conducting commission meetings, it is imperative that reductions in the number of regular scheduled meetings be continued for the Parks, Recreation and Community Services Commission, the Streets, Trails and Utilities Commission; and

WHEREAS, it has been determined that the reduction in the number of regular scheduled meetings held will not deter from, nor lessen the importance of the information discussed and approved by the Parks, Recreation and Community Services Commission, the Streets, Trails and Utilities Commission, but will instead provide for a more efficient way to transact City business using the current available City staff.

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

SECTION 1. The Historic Preservation Commission, the Parks, Recreation and Community Services Commission, and the Streets, Trails and Utilities Commission shall hold not less than one regular scheduled meeting every other month throughout Fiscal Year 2014-15 beginning July 1, 2014; and

SECTION 2. The Planning Commission shall hold not less than one regular scheduled meeting each calendar month throughout Fiscal Year 2014-15 beginning July 1, 2014; and

SECTION 3. The EDAC shall hold not less than one regular scheduled meeting each calendar month throughout Fiscal Year 2014-15 beginning July 1, 2014.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on May 21, 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 introduced and adopted by the City Council of the City of Norco at a meeting held on May 21, 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 May 21, 2014.

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

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Brenda K. Jacobs, City Clerk 

DATE: May 21, 2014

SUBJECT: City Council Appointment to the Leads on Manure-to-Energy Issues City Council Appointed Committee

RECOMMENDATION: Approve the appointment of Mayor Pro Tem Higgins to replace Mayor Hanna on the Leads on Manure-to-Energy Issues Committee.

SUMMARY: In December of 2013, the City Council made its annual appointments to various standing committees and other governmental agencies. The appointments to these standing committees and other governmental agencies became effective January 1, 2014.

Mayor Hanna has requested that he be replaced on the City Council appointed committee regarding "Leads on Manure-to-Energy Issues."

BACKGROUND/ANALYSIS: On December 18, 2013, the City Council voted to approve the Mayor-recommended City Council appointments to various standing committees and other governmental agencies for the 2014 calendar year.

There are three "Other City Council Appointed Committees" on which two City Council Members are appointed to serve on each committee (George Ingalls Veterans Memorial Plaza Committee – Kevin Bash and Berwin Hanna; City 50th Birthday Committee – Kathy Azevedo and Berwin Hanna; and Leads on Manure-to-Energy Issues – Berwin Hanna and Greg Newton).

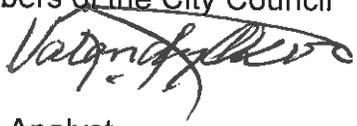
Mayor Hanna has requested that he be removed from the "Leads on Manure-to-Energy Issuers" committee and be replaced with Mayor Pro Tem Higgins. Therefore, the City Council is recommended to approve the following for the remainder of the 2014 calendar year:

OTHER CITY COUNCIL APPOINTED COMMITTEES

Leads on Manure-to-Energy Issues

Herb Higgins
Greg Newton

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council
FROM: Andy Okoro, City Manager 
PREPARED BY: Julie Houser Administrative Analyst
DATE: May 21, 2014
SUBJECT: Annual Adoption of the City Investment Policy.
RECOMMENDATION: Approve and adopt City Investment Policy

SUMMARY: This report provides for an annual review and adoption of the policy governing investment of surplus funds for the City as required by the City of Norco Investment Policy.

BACKGROUND/ANALYSIS: Section 53646(a)(2) of the Government Code states that the Treasurer or Chief Fiscal Officer of the local agency may annually render to the legislative body of that local agency a Statement of Investment Policy. Attached is the City's Investment Policy. While state law no longer requires annual review and approval of the Investment Policy or quarterly investment report to the legislative body, staff is recommending that the current process of annual review and quarterly reporting of the investment portfolio be continued.

Other than minor format changes, no changes have been recommended to this year's Investment Policy. Staff recommends approval of this Investment Policy.

FINANCIAL IMPACT: None.

J: AK/Council Reports/Staff Report/2014
Attachment: Investment Policy



CITY OF NORCO ADMINISTRATIVE POLICY STATEMENT

CATEGORY: FISCAL & SUPPORT SERVICES

POLICY NO. 8

SUBJECT: INVESTMENT POLICY

DATE ISSUED: June 7, 2000

LAST DATE MODIFIED: May 21, 2014

PURPOSE:

The purpose of this policy is to provide guidelines to the City Treasurer for the investment of surplus funds not required for immediate necessities of the City of Norco. All investment of such surplus funds is governed by state law and by this policy.

INTRODUCTION:

The City Treasurer is responsible for administering the City of Norco investments. State law and this policy shall determine the type of investments in which the City Treasurer may participate with idle City funds. The City Treasurer shall issue and administer detailed investment instructions which may change periodically and which will supplement, but conform to the provisions of, this Investment Policy. The investment of bond or Certificates of Participation (COP) proceeds will be further restricted by the provisions of relevant bond or COP documents.

POLICY:

It is the policy of the City of Norco, and the Successor Agency to the former Norco Redevelopment Agency, (together, the "CITY") to meet the short and long term cash flow demands of the City in a manner which will provide for the safety of principal and sufficient liquidity, while providing a reasonable return on the City's investment. The purpose of the Statement of Investment Policy ("Investment Policy") is to outline a process for the investment of City funds in a prudent manner in order to meet City objectives. This Investment Policy will also govern all funds held in trust by the City.

This Investment Policy applies to all investment activities and financial assets of the City, hereinafter, the "funds." Bond and Certificates of Participation (COP) proceeds shall be invested in accordance with the requirements and restrictions outlined in the bond and COP documents and are not considered part of the funds nor subject to this Investment Policy. However, bond and COP proceeds will be included in the monthly report to the City Council per California Government Code Section 53646(b).

PROCEDURE:

I. DELEGATION OF AUTHORITY

The City Treasurer is authorized to invest the City's funds in accordance with City of Norco Resolution 79-25 and California Government Code Sections 53600, 16429.1 and 53684 et seq.

II. PRUDENCE

Investments shall be made in the context of the "Prudent Investor Standard" which states:

"When investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City within the limitations of this section, and considering individual investments as authorized by law."

All investments purchased shall have daily liquidity or final stated maturity date, upon which the full principal value of the security will be received. Although the investment will mature at full principal value, it is recognized the market value will vary throughout the life of the security. In a diversified portfolio it must be further recognized that occasional measured losses are inevitable in a diversified portfolio due to economic, bond market, or individual security credit analysis. These occasional losses must be evaluated and considered within the context of the overall investment return.

The "Prudent Investor" standard shall be applied in the context of managing the funds. The Treasurer, acting within the intent and scope of the Investment Policy and other written procedures and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

III. INVESTMENT PORTFOLIO OBJECTIVES

The objective of the investment portfolio is to meet the short and long-term cash flow demands of the City. To achieve this objective, the portfolio will be structured to provide safety of principal and liquidity, while providing a return on investments.

- A. **Safety of Principal**: Investments of the City shall be undertaken in a manner that seeks to ensure that capital losses are minimized, whether from institution default, broker-dealer default, or erosion of the market value of securities. The Treasurer shall seek to preserve principal by mitigating two types of risk: Credit Risk and Market Risk.

1. Credit Risk – Credit risk, defined as the risk of loss due to failure of an issuer of a security, shall be mitigated by purchasing U.S. Treasury Securities, or high-grade securities. All investments beyond Treasury securities will be diversified so that the failure of any one issuer would not unduly harm the City's cash flow. Credit risk shall also be mitigated by pre-qualifying financial institutions, broker/dealers, intermediaries and advisors with which the City Conduct its business.

2. Market or Interest Rate Risk – Interest rate risk is the risk the market value of securities in the portfolio will decline due to changes in general interest rates. Interest rate risk may be mitigated by structuring the funds so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in shorter-term securities. The cash flow is updated on a daily basis and will be considered prior to the investment of securities, which will reduce the necessity to sell investments for liquidity purposes.

Long-term securities shall not be purchased for the sole purpose of short-term speculation. Securities shall not be sold prior to maturity with the following exceptions: 1) a declining credit security should be sold early to minimize loss of principal; 2) a security swap would improve the quality, yield, or target duration in the portfolio; or 3) liquidity needs of the portfolio require that the security be sold.

- B. Liquidity: The funds shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the funds will maintain a liquidity buffer and invest primarily in securities with active secondary or resale markets (dynamic liquidity).

- C. Return on Investments (Yield): The funds shall be designed to attain a return on investment through budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk assumed.

IV. ETHICS AND CONFLICTS OF INTEREST

The Treasurer shall refrain from personal business activity that could conflict with proper execution of the investment program or could impair his/her ability to make impartial investment decisions. The Treasurer shall disclose any material interests in financial institutions with which he/she conduct business. He/She shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio and shall refrain from undertaking personal investment transactions with the same individual or financial institution with whom business is conducted on behalf of the City.

The Treasurer is required to file an annual State of California Form 700 "Statement of Economic Interest Disclosure," as required by the Fair Political Practices Commission ("FPPC"). During the course of the year, if there is an event subject to disclosure that could impair the ability of the Treasurer to make impartial decisions, the City Manager will be notified in writing within 10 days of the event.

V. SAFEKEEPING OF SECURITIES

To protect against fraud, embezzlement, or losses caused by collapse of individual securities dealers, all securities owned by the City shall be held in safekeeping by the City's custodial bank or a third party bank trust department, acting as agent for the City under the terms of a custody agreement. This provision will not be applicable for certain investments held as a result of credit agreements entered into by the City. Such custodial bank must be a federal or state association (as defined by Section 5102 of the Financial Code), a trust company or a state or national bank located within this state or with the Federal Reserve Bank of San Francisco or any branch thereof within this state or with any Federal Reserve Bank or with any state or national bank located in any city designated as a reserve city by the Board of Governors of the Federal Reserve System.

All securities will be received and delivered using standard delivery versus payment ("DVP") procedures which ensures that securities are deposited with the third party custodian prior to the release of funds. Securities will be held by a third party custodian as evidenced by safekeeping receipts. Investments in the State Pool or money market mutual funds are undeliverable and are not subject to delivery or third party safekeeping. The Treasurer shall not be responsible for securities delivered to and receipted for by a financial institution until they are withdrawn from the financial institution by the Treasurer.

VI. FINANCIAL REPORTING

The Treasurer shall render a report (the "Report") to the City Council and the City Manager containing detailed information on all securities, investments, and monies of the City. The Report will be submitted on a quarterly basis and be provided to the City Manager and City Council within 30 days following the end of the quarter.

The Report will contain the following information on the funds that are subject to this Investment Policy: 1) the type of investment, name of the issuer, date of maturity, par and cost of each investment, 2) the market value and source of the valuation, 3) a description of the compliance with the statement of investment policy, 4) a statement denoting the City's ability to meet its expenditure requirements for the next six months, and 5) if any City monies are invested in the County Pool, the investment report provided by the County Treasurer pursuant to Government Code Section 53684.

VII. INTERNAL CONTROLS

The Treasurer shall maintain a system of internal investment controls and a segregation of responsibilities of investment functions in order to assure an adequate system of internal control over the investment function. Internal control procedures shall address wire transfer controls, separation of duties, delivery of securities to a third party for custodial safekeeping, and written procedures for placing investment transactions.

VIII. EXTERNAL CONTROLS

The independent City auditor will review and verify the City's investment activity, holdings and compliance with this Investment Policy as part of the City's annual independent audit and submit a report to the City Council relating thereto as part of their annual report on internal controls.

IX. QUALIFIED DEALERS AND INSTITUTIONS

The City shall transact business only with banks, savings and loans, and registered investment securities dealers. The purchase of any investment, other than those purchased directly from the issuer, shall be purchased either from an institution licensed by the State as a broker-dealer, as defined in Section 25004 of the Corporation Code, who is a member of the National Association of Securities Dealers, or a member of a federally-regulated securities exchange, a national or state-chartered bank, a federal or state association (as defined by Section 5102 of the Financial Code), or a securities dealer designated as a Primary Government Dealer by the New York Federal Reserve Bank. Regional dealers may also qualify under the Securities and Exchange Commission Rule 15-3-1 (uniform net capital rule).

The Treasurer shall investigate all institutions that wish to do business with the City, in order to determine if they are adequately capitalized, make markets in securities appropriate to the City's needs, and agree to abide by the conditions set forth in this Investment Policy. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must provide a current audited financial statement. Public deposits shall be made in qualified public depositories as established by California Government Code. The purchase of an authorized investment subject to the limitations of this Policy can be purchased directly from issuers in compliance with California Government Code 53603 and 53635.5.

X. COLLATERAL REQUIREMENTS

California Government Code Sections 53652 through 53667 require depositories to post certain types and levels of collateral for public funds above the Federal Deposit Insurance Corporation ("FDIC") insurance amounts. The collateral requirements apply to bank deposits, both active (checking and savings accounts) and inactive (non-negotiable time certificates of deposit).

XI. AUTHORIZED INVESTMENTS

The investments set forth in this section are authorized investments pursuant to Section 53601 of the Government Code and are authorized investments for the City subject, however, to the prohibitions set forth in Section XII of this Investment Policy.

1. City Issued Debt: Bonds issued by the City, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the City or by a department, board, agency, or authority of the City.
2. United States Treasury Securities: United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
3. State of California or Municipal Debt: Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.
4. United States Government Agency Securities: Obligations issued by banks for cooperatives, federal land banks, federal intermediate credit banks, federal home loan banks, the Federal Home Loan Bank Board, the Tennessee Valley Authority, or in obligations, participation, or other instruments of, or issued by, or fully guaranteed as to principal and interest by, the Federal National Mortgage Association; or in guaranteed portions of Small Business Administration notes; or in obligations, participation, or other instruments of, or issued by, a federal agency or a United States government-sponsored enterprise.
5. Bankers Acceptances: Bills of exchange or time drafts drawn on and accepted by major commercial banks in California. Purchases of bankers' acceptances may not exceed 180 days maturity or 40 percent of the agency's surplus money that may be invested pursuant to this section. However, no more than 30 percent of the City's surplus funds may be invested in the banker's acceptances of any one commercial bank pursuant to this section.

6. Commercial Paper: Commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that are organized and operating within the United States and having total assets in excess of \$500,000,000 and having an "A" or higher rating for the issuer's debt, other than commercial paper, if any, as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation.

Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 25 percent of the agency's' surplus money that may be invested pursuant to this section and must be of the highest rating (A-1 or P-1) as rated by Moody's or Standard and Poor's Investors Service.

7. Negotiable Certificates of Deposit: Negotiable certificates of deposits issued by a U.S. national or state-chartered bank or a state or federal association (as defined by Section 5102 of the Financial Code) or by a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 30 percent of the City's surplus money that may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposits do not come within Article 2 (commencing with Section 53630), except that the amount so invested shall be subject to the limitations of Section 53638. Investments in negotiable certificates of deposits shall include investments made under the Certificate of Deposit Account Registry Service (CDARS) Program as approved by State law.
8. Medium Term Notes: Medium-term notes of a maximum of five years maturity issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in a rating category of "A" or its equivalent or better by a nationally recognized rating service. Purchases of medium-term notes may not exceed 30 percent of the City's surplus money that may be invested pursuant to this section.
9. Money Market Mutual Funds: Shares of beneficial interest issued by diversified management companies investing in the securities and obligations as authorized by Government Code Section 53601 subdivisions (a) to (j) or (m) or (n), and that comply with the investment restrictions of Government Code Section 53600 and Section 53630. To be eligible for investment pursuant to this subdivision, these companies must carry the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest nationally recognized rating services.

The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include any commission that these companies may charge and shall not exceed 20 percent of the City's surplus money that may be invested pursuant to this section. However, no more than 10 percent of the City's funds may be invested in shares of beneficial interest of any one mutual fund.

10. Receivable-Backed Securities: Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum of five years maturity. Securities eligible for investment under this subdivision shall be issued by an issuer having an "A" or higher rating for the issuer's debt as provided by a nationally recognized rating service and rated in a rating category of "AA" or its equivalent or better by a nationally recognized rating service. Purchase of securities authorized by this subdivision may not exceed 20 percent of the City's surplus money that may be invested pursuant to this section

11. Repurchase Agreements: Investments in repurchase agreements of any securities authorized by this section, so long as the agreements are subject to this subdivision, including, the delivery requirements specified in this section.

Investments in repurchase agreements may be made, on any investment authorized in this section, when the term of the agreement does not exceed one year. The market value of securities that underlay a repurchase agreement must be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly.

- A. "Repurchase agreement" means a purchase of securities by the City pursuant to an agreement by which the counter-party seller will repurchase the securities on or before a specified date and for a specified amount and the counter-party will deliver the underlying securities to the City by book entry, physical delivery, or by third party custodial agreement. The transfer of underlying securities to the counter-party bank's customer book-entry account may be used for book-entry delivery.

- B. "Securities," for purpose of repurchase securities of the same issuer, under this subdivision, means description, issue date, and maturity.

- C. Repurchase agreements shall only be made with primary dealers of the Federal Reserve Bank of New York.

12. Local Agency Investment Fund: The City may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer for the benefit of local agencies up to the maximum permitted by state law.
13. Riverside County Investment Fund: The City may invest in the Riverside County Investment Pool established by the County Treasurer for the benefit of cities.

XII. INVESTMENT RESTRICTIONS AND PROHIBITED TRANSACTIONS

The following types of transactions are restricted or prohibited:

1. Reverse Repurchase Agreements, as defined by California Government Code Sections 53601(5)(c) and 53635(i) or otherwise are prohibited.
2. Instruments known as "Structured Notes" (e.g. inverse floaters, leveraged floaters, structured certificates of deposit, equity-linked securities) and "Derivatives" (e.g. options, futures, swaps, caps, floors, collars) are prohibited. For the purpose of identifying ineligible securities, the definition of prohibited Structured Notes and Derivatives includes all floating-rate, adjustable-rate or variable-rate securities in which a change in interest rates or other variables that can reasonably be foreseen to occur during their term would result in their market value not returning to par at the time of each interest rate adjustment as defined by California Government Code Section 53601.6.

Simple "floating rate notes," whose periodic coupon adjustment is based on a short-term (one-year or less) rate index (such as Treasury bills, federal funds, prime rate of LIBOR) and which have a reasonable expectation of maintaining a value of par at each interest rate adjustment through final maturity, are considered an eligible investment. Eligible floating rate notes (U.S. Government Agencies, Certificates of Deposit, Medium-Term Notes, etc.), must meet all quality, maturity and percent limitations assigned to their respective security category.

Callable securities, which otherwise meet the quality, maturity and percent limitations assigned to their respective security category, are considered to be an acceptable investment. U.S. Treasury zero-coupon bonds, U.S. Treasury strips and Resolution Funding Corporation (REFCORP) strips are considered to be an acceptable investment. No investment prohibited by California Government Code Sections 53601.6 or 53631.5 shall be permitted herein.

3. The average maturity of all instruments, on a dollar-weighted basis, will not exceed 365 days.

4. The maximum maturity of any portfolio instrument will be 5 years or less. The maturity of a variable-rate security may be considered to be its next interest rate reset date, if there is a reasonable expectation that the security will maintain an approximate value of par upon each adjustment of the security's interest rate at any time until final maturity.
5. All investments will be U.S. dollar denominated.
6. Any investment transactions, credit risk criterion, or market valuation that are not in compliance with this Investment Policy must be documented and approved by the Treasurer in writing. Thereafter, action shall be taken by the Treasurer to advise the City Manager.
7. Securities that are downgraded below the minimum acceptable rating levels must be reviewed for possible sale within a reasonable amount of time.

It is acknowledged that investment pools in which the City invests may invest funds in any of the securities set forth in Government Coded Section 53601.

XIII. POLICY REVIEW

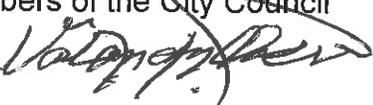
This Investment Policy shall be reviewed at least annually by the Treasurer, City Manager and City Council to ensure its consistency with the overall objectives of preservation of principal, liquidity, and return, and its relevance to current law, financial and economic trends, and to meet the needs of the City. The Investment Policy shall be presented to and annually reviewed and approved by the City Council in an open session.

XIV. LEGISLATIVE CHANGES

Any State of California legislative action that further restricts allowable maturities, investment type or percentage allocations will, upon effectiveness, be incorporated into the City's Investment Policy Statement and supersede any and all previous applicable language.

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Julie Houser, Administrative Analyst

DATE: May 21, 2014

SUBJECT: Approval and Adoption of the Annual Appropriation Limit for the Fiscal Year 2014-2015

RECOMMENDATION: **Adopt Resolution No. 2014-22**, approving the annual appropriation limit for Fiscal Year 2014-2015.

SUMMARY: The City is required by Article XIII of the State Constitution to adopt an annual appropriations limit which sets the maximum appropriation for the General Fund. Staff is recommending that Council adopt the attached resolution approving \$35,654,660. as the appropriation limit for Fiscal Year 2014-2015.

BACKGROUND/ANALYSIS: Attached is a resolution, as required by state law to approve the appropriation limit for the Fiscal Year 2014-2015 in the amount of \$35,654,990. Staff is still going through the budget process in order to establish General Fund's final appropriation for Fiscal Year 2013-2014. However, it is important to note that the FY 2014-2015 General Fund appropriations will be significantly less than the appropriations limit calculated under state law. The calculated appropriation amount is the maximum amount that the City Council can approve for the General Fund for FY 2014-2015

The appropriations limit for FY 2014-2015 has been calculated using the change in City population of 0.53% and the state change in per capita personal income of -0.23% as provided by the State of California Department of Finance. (See Exhibit "A") The information from the State is also attached.

FINANCIAL IMPACT: None

j/AO/council report/staff report/2014

Attachment: Resolution No. 2014-22

Dept. of Finance – Price and Population Information

RESOLUTION NO. 2014-22

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, APPROVING AND ADOPTING THE ANNUAL APPROPRIATION LIMIT FOR THE FISCAL YEAR 2014-2015

WHEREAS, the voters of California, on November 6, 1979, added Article XIII-B to the State Constitution placing various limitations on the appropriation of the state and local governments; and

WHEREAS, Article XIII-B provides that the appropriation limit for the Fiscal Year 2014-2015 is calculated by adjusting the base year appropriation of the Fiscal Year 1978-1979 for changes in state per capita personal income statistics and population (see Exhibit "A"); and

WHEREAS, the City has selected the change in state per capita personal income and the annual percentage change in population for the City of Norco supplied by the State Department of Finance to set the appropriation limit; and

WHEREAS, the City of Norco has complied with all the provisions of Article XIII-B in determining the appropriation limit for Fiscal Year 2014-2015.

NOW, THEREFORE, BE IT RESOLVED that the appropriations limit in Fiscal Year 2014-2015 shall be \$35,654,990 for the City of Norco.

APPROVED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on May 21, 2014.

Mayor of the City of Norco, California

ATTEST:

Brenda K Jacobs, City Clerk
City of Norco, California

Resolution No. 2014-22

Page 2

May 21, 2014

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 May 21, 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 May 21, 2014.

Brenda K Jacobs, City Clerk
City of Norco, California

j/AO/council report/staff report/2014
Attachment: Exhibit "A"

City of Norco, California
FY 2014 - 2015 Appropriations Limit Calculation

FY 2013-2014 Appropriations Limit (Per Resolution 2013-17)	\$ 35,548,699
Change in Per Capita Personal Income	-0.23%
Change in City Population	0.53%
Calculation Factor (.9977 x 1.0053)	1.00299
FY 2014-2015 Appropriations Limit	<u>\$ 35,654,990</u>



May 2014

Dear Fiscal Officer:

Subject: Price and Population Information

Appropriations Limit

The California Revenue and Taxation Code, section 2227, mandates the Department of Finance (Finance) to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2014, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2014-15. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2014-15 appropriations limit. Attachment B provides city and unincorporated county population percentage change. Attachment C provides population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. Consult the Revenue and Taxation Code section 2228 for further information regarding the appropriations limit. Article XIII B, section 9(C), of the State Constitution exempts certain special districts from the appropriations limit calculation mandate. The Code and the California Constitution can be accessed at the following website: <http://leginfo.legislature.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this issue should be referred to their respective county for clarification, or to their legal representation, or to the law itself. No state agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2014.**

Please Note: Prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

MICHAEL COHEN
Director
By:

KEELY M. BOSLER
Chief Deputy Director

Attachment

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2014-15 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2014-15	-0.23

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2014-15 appropriation limit.

2014-15:

Per Capita Cost of Living Change = -0.23 percent
 Population Change = 0.95 percent

Per Capita Cost of Living converted to a ratio: $\frac{-0.23 + 100}{100} = 0.9977$

Population converted to a ratio: $\frac{0.95 + 100}{100} = 1.0095$

Calculation of factor for FY 2014-15: $0.9977 \times 1.0095 = 1.0072$

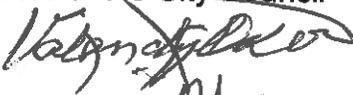
Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2013 to January 1, 2014 and Total Population, January 1, 2014

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total</u>
	2013-2014	1-1-13	1-1-14	1-1-2014
Riverside				
Banning	0.49	30,177	30,325	30,325
Beaumont	2.74	39,787	40,876	40,876
Blythe	0.55	13,458	13,532	18,992
Calimesa	1.67	8,096	8,231	8,231
Canyon Lake	0.51	10,771	10,826	10,826
Cathedral City	0.47	52,296	52,543	52,595
Coachella	1.96	42,795	43,633	43,633
Corona	1.45	156,864	159,132	159,132
Desert Hot Springs	0.60	27,835	28,001	28,001
Eastvale	3.35	57,266	59,185	59,185
Hemet	0.79	80,899	81,537	81,537
Indian Wells	1.06	5,083	5,137	5,137
Indio	1.21	81,415	82,398	82,398
Jurupa Valley	0.52	97,272	97,774	97,774
Lake Elsinore	2.30	55,299	56,573	56,718
La Quinta	1.61	38,412	39,032	39,032
Menifee	1.70	82,314	83,716	83,716
Moreno Valley	0.54	198,183	199,258	199,258
Murrieta	0.53	105,860	106,425	106,425
Norco	0.53	23,189	23,311	26,582
Palm Desert	0.91	49,962	50,417	50,417
Palm Springs	0.90	45,724	46,135	46,135
Perris	1.58	70,983	72,103	72,103
Rancho Mirage	0.58	17,643	17,745	17,745
Riverside	0.64	311,976	313,975	314,034
San Jacinto	0.74	45,229	45,563	45,563
Temecula	1.32	104,907	106,289	106,289
Wildomar	1.62	33,182	33,718	33,718
Unincorporated	1.29	358,570	363,186	363,590
County Total	1.12	2,245,447	2,270,576	2,279,967

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

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: May 21, 2014

SUBJECT: Third Amendment to the Annual Sanitary Sewer Maintenance Service Agreement

RECOMMENDATION: That City Council approves the requested extension of the Annual Sanitary Sewer Maintenance Service Agreement with Empire Pipe Cleaning & Equipment, Inc. for one (1) year, through June 30, 2015.

SUMMARY: Empire Pipe Cleaning & Equipment, Inc. has requested an extension of the current Annual Sanitary Sewer Collection Maintenance agreement for an additional one (1) year period through June 30, 2015. Empire Pipe Cleaning & Equipment, Inc. is requesting a slight increase in only one of their unit costs and will hold all other costs the same as last fiscal year.

BACKGROUND/ANALYSIS: On November 2, 2011, the City Council authorized the City Manager to execute an agreement with Empire Pipe Cleaning & Equipment, Inc. of Orange, CA for Annual Sanitary Sewer Maintenance services. The agreement stipulated that the initial term would be through June 30, 2012, but it also provided language allowing the City of Norco the option of extending the agreement on an annual basis. On June 6, 2012, the City Council approved a one-year extension of the agreement through June 30, 2013 and on May 15, 2013 a second extension was approved by City Council.

Empire has submitted a letter requesting an extension of the subject agreement for one more year with an increase in only one of their unit costs, this being the unit cost for sewer line cleaning. The increase is proposed from \$0.27 per linear foot to \$0.30 per linear foot. This equates to an approximate increase of 3% in their contract cost. All other unit costs are held at constant at last year's contract.

Staff has been satisfied with the performance of Empire Pipe Cleaning & Equipment, Inc. and would recommend that the City Council approve this Third Amendment extending the contract through June 30, 2015. The City will retain its right to terminate the contract for just cause if the contractor fails to perform adequately.

FINANCIAL IMPACT: Funds in the amount of \$95,000 are proposed in 2014/15 Sewer Operations Fund 126-809.

Attachments: Exhibit "A" – Letter of request, Empire Pipe Cleaning & Equipment Inc.

Agenda Item 3.H.

CONTRACTOR'S LICENCE NO. 363528



Empire Pipe Cleaning and Equipment, Inc.

P.O. Box 8035 • Anaheim, CA 92812
(714) 639-8352 • FAX (714) 283-8578

May 8, 2014

Lori Askew
Public Works Department
City of Norco/City Hall
2870 Clark Avenue
Norco, CA 92860

RE: Annual Sanitary Sewer Collection Maintenance 2014/2015

Dear Lori:

Empire Pipe Cleaning and Equipment, Inc is requesting an extension to the subject agreement for fiscal year 2014/2015. We have attached the unit and hourly prices which have been slightly modified due inflation and increased expenses associated with this type of service. We also added a line item for storm drain cleaning since we have performed this task the last two years.

I have listed the unit and hourly pricing in the attached document. These prices reflect those in the Agreement as well as additional hourly pricing as needed.

Thank you for the opportunity to work with your staff.

Regards,

Craig R. Van Thyne
Vice-President and General Manager

**THIRD AMENDMENT
TO THE MAINTENANCE SERVICE AGREEMENT
FOR SANITARY SEWER MAINTENANCE SERVICES
BETWEEN
THE CITY OF NORCO AND
EMPIRE PIPE CLEANING & EQUIPMENT, INC.**

The City of Norco, a municipal corporation, 2870 Clark Avenue, Norco, California 92860 ("City") and Empire Pipe Cleaning & Equipment, Inc., P.O. Box 8035, Anaheim, California 92812 ("Contractor") agree to amend the Agreement for Sanitary Sewer Maintenance Services for the City of Norco ("the Agreement") made and entered into by the parties on the 2nd day of November, 2011 through June 30, 2012.

RECITALS

WHEREAS, the City and Contractor previously entered into an Agreement on November 2, 2011 for Contractor to provide sanitary sewer maintenance services on behalf of the City; and

WHEREAS, the City and Contractor extended its Agreement for sanitary sewer maintenance services for one (1) year, through June 30, 2013; and

WHEREAS, the City and Contractor desire to modify/extend its agreement for sanitary sewer maintenance services for one (1) year, through June 30, 2014; and

WHEREAS, the City and Contractor desire to modify and extend its agreement for sanitary sewer services for one (1) year, through June 30, 2015; and

WHEREAS, the City and the Contractor have mutually agreed to the revisions as shown below, modifying the Agreement to meet the needs of the City as they currently stand.

NOW, THEREFORE, the Agreement is amended as follows;

1. TERM

The term of the agreement is hereby amended to remain in effect until June 30, 2015, unless termination earlier pursuant to the Agreement.

2. COMPENSATION

Exhibit A of the original Agreement establishing the unit costs for sanitary sewer maintenance shall remain the same, with the addition of hourly pricing per attachment dated May 8, 2014.

3. REAFFIRMATION

Except as expressly stated herein, the Agreement shall remain in full force and effect.

4. ENTIRE AGREEMENT

The Agreement, as amended by this Third Amendment, and any attachments hereto, constitute the entire understanding between the City and Contractor concerning the subject matter contained herein.

5. EFFECTIVE DATE

This Third Amendment shall take effect July 1, 2014

6. COUNTERPARTS

This Third Amendment may be executed in counterparts and shall be deemed executed when signed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment to the Agreement as of the day and year first written above.

All terms, conditions, and provisions of the original agreement between the parties executed November 2, 2011, unless specifically amended above, are to apply to this amendment and are made a part of this amendment as though expressly rewritten, incorporated, and included herein.

This amendment to the agreement between the parties shall be binding on the heirs, successors and assigns of the parties.

Dated this May 21, 2014

IN WITNESS WHEREOF, the authorized representatives of the Parties hereto have fully executed this instrument on the day and year first above written.

FOR CITY OF NORCO

FOR CONSULTANT

Berwin Hanna, Mayor

Signature

ATTEST:

Print Name/Title

Brenda K. Jacobs, CMC, City Clerk

Agenda Date May 21, 2014

Item Number 2.H.

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: May 21, 2014

SUBJECT: Third Amendment to the Professional Agreement for Building and Safety Plan Examination Services

RECOMMENDATION: That City Council approves the request of a one year extension of the Professional Agreement for Building and Safety Plan Examination Services with Willdan Engineering for one (1) year through June 30, 2015.

SUMMARY: Willdan Engineering has agreed to extend the term of the Professional Agreement for Building and Safety Plan Examination Services for an additional twelve month period, through June 30, 2015, at the same rate as for FY 2013/14.

BACKGROUND/ANALYSIS: : On January 18, 2012, the City and Willdan Engineering entered into a non-exclusive agreement to perform building plan examinations and review for structural, plumbing, mechanical and electrical codes pursuant to City and State regulations through June 30, 2012. The original contract agreement provides the terms and conditions, scope of work and fee schedule for the performance of professional building and safety plans examination services.

At its meeting held on June 20, 2012, City Council approved the First Amendment to extend the professional services agreement through June 30, 2013. Subsequently, on May 15, 2013 City Council approved the Second Amendment to the Agreement to extend the plan check services through June 30, 2014.

Willdan Engineering also has the ability to provide fire prevention plan review, special inspections, surveying, construction management, engineering and Building Official services if required.

Staff has been very satisfied with the performance of Willdan Engineering and would recommend that the City Council authorize the contract extension. The existing agreement provides the City or the contractor the right to terminate the contract with proper notice.

Third Amendment to the Professional Agreement for Building and Safety Plan
Examination Services
Page 2
May 21, 2014

Willdan Engineering has submitted letter indicating their desire to continue to provide plan check services to the City of Norco with no increase in rates.

FINANCIAL IMPACT: Contract plan examination is paid by development generated through plan check fees.

Attachments: Contract Renewal Letter – Hourly Rate Schedule



April 29, 2014

Ms. Lori Askew
Public Works Director
City of Norco
2870 Clark
Norco, CA 92860

Subject: Contract Renewal

Dear Ms. Askew:

Willdan is looking forward to continuing to provide Building and Safety plan review services to the City of Norco. Percent of fee plan review rates shall continue as follows:

- **Fifty percent (50%)** for projects with a valuation greater than \$10 million
- **Fifty-five percent (55%)** for projects with a valuation greater than \$5 million
- **Sixty-five percent (65%)** for projects with a valuation greater than \$1million
- **Seventy (70%)** for projects with a valuation greater than \$50,000

Plan review for projects with a valuation less than \$50,000 and fire prevention plan review will be performed for an hourly rate equal to \$128 per hour.

Please feel free to contact me at 909.386.0204 should you have any questions or need additional information.

Sincerely,
WILLDAN ENGINEERING

Ronald L. Espalin, PE
Director of Building and Safety

**THIRD AMENDMENT
TO THE PROFESSIONAL AGREEMENT
FOR BUILDING AND SAFETY PLAN EXAMINATION SERVICES
BETWEEN
THE CITY OF NORCO AND WILDAN ENGINEERING**

The City of Norco, a municipal corporation, 2870 Clark Avenue, Norco, California 92860 ("City") and Willdan Engineering, with offices located at 650 E. Hospitality Lane, San Bernardino, California 92408-3317("Consultant") agree to amend the Agreement for Building and Safety Plan Examination Services for the City of Norco ("the Agreement") made and entered into by the parties on the 18th day of January, 2012, effective through June 30, 2012.

RECITALS

WHEREAS, the City and Consultant previously entered into an Agreement on January 18, 2012 for Consultant to provide building and safety examination services on behalf of the City; and

WHEREAS, the City and Consultant agreed to extend the agreement for building and safety plan examination services for one (1) year through June 30, 2013; and

WHEREAS, the City and Consultant desire to modify/extend its agreement for building and safety plan examination services for one (1) year through June 30, 2014; and

WHEREAS, the City and Consultant desire to extend the agreement for building and safety plan examination services for one (1) year through June 30, 2015; and

WHEREAS, the City and the Consultant have mutually agreed to the revisions as shown below, modifying the Agreement to meet the needs of the City as they currently stand.

NOW, THEREFORE, the Agreement is amended as follows;

1. TERM

The term of the agreement is hereby amended to remain in effect until June 30, 2015, unless termination earlier pursuant to Section 3.1.2 of the Agreement.

2. COMPENSATION

Exhibit A of the original Agreement establishing the unit costs for plan examination services shall remain the same.

3. REAFFIRMATION

Except as expressly stated herein, the Agreement shall remain in full force and effect.

4. ENTIRE AGREEMENT

The Agreement, as amended by this Third Amendment, and any attachments hereto, constitute the entire understanding between the City and Consultant concerning the subject matter contained herein.

5. EFFECTIVE DATE

This Third Amendment shall take effect July 1, 2014

6. COUNTERPARTS

This Third Amendment may be executed in counterparts and shall be deemed executed when signed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment to the Agreement as of the day and year first written above.

All terms, conditions, and provisions of the original agreement between the parties executed January 18, 2012, unless specifically amended above, are to apply to this amendment and are made a part of this amendment as though expressly rewritten, incorporated, and included herein.

This amendment to the agreement between the parties shall be binding on the heirs, successors and assigns of the parties.

Dated this May 21, 2014

IN WITNESS WHEREOF, the authorized representatives of the Parties hereto have fully executed this instrument on the day and year first above written.

FOR CITY OF NORCO

FOR CONSULTANT

Berwin Hanna, Mayor

Signature

ATTEST:

Print Name/Title

Brenda K. Jacobs, CMC, City Clerk

Agenda Date May 21, 2014

Item Number 2.I.

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: May 21, 2014

SUBJECT: Third Amendment to the Annual Street Sweeping Services Contract Agreement

RECOMMENDATION: That City Council approves the request of a one year extension of the Annual Street Sweeping Services Contract Agreement with CleanStreet for one (1) year through June 30, 2015.

SUMMARY: CleanStreet has requested a one-year extension of the Annual Street Sweeping Services contract agreement through June 30, 2015. Clean Street is requesting a CPI adjustment of 1.2% over the 2012/2013 pricing levels.

BACKGROUND/ANALYSIS: The City Council awarded a contract to CleanStreet to provide annual street sweeping services on October 6, 2010 as a result of their being the lowest responsible bidder following a request for proposal . On June 15, 2011, the City Council authorized the City Manager to execute a one year contract extension with CleanStreet. On June 6, 2012, the City Council approved the first amendment extending the street sweeping services contract with CleanStreet through June 30, 2013. On May 15, 2013, the City Council approved the second amendment to the annual street sweeping services contract. All these extensions were granted without any increase to service pricing levels.

The CleanStreet team has become familiar with and understands the unique challenges of providing contract services to streets located within the city. Staff has worked with this contractor over the past year and has been satisfied with their professionalism and commitment to maintain high performance standards.

Clean Street is requesting the City extend its contract for another year with a nominal CPI adjustment of 1.2% over last year's pricing levels (held constant since 2010). Staff recommends the City Council authorize the extension of the street sweeping contract with CleanStreet through June 30, 2015.

FINANCIAL IMPACT: Funds in the amount of \$27,600 are proposed in 2014/15 Storm Drain (Street Operations Budget 139)

Attachments: Letter of Request from CleanStreet



May 2, 2014

Ms. Lori Askew
Public Works Director
City of Norco
2870 Clark Avenue
Norco, CA 92860

Email: laskew@ci.norco.ca.us

RE: STREET SWEEPING CONTRACT EXTENSION

Dear Ms. Askew,

CleanStreet wishes to extend its current Street Sweeping contract with the City of Norco from July 1, 2014 to June 31, 2015.

CleanStreet is requesting a CPI adjustment of 1.2% based upon the CPI increase in the past year period. The new monthly billing would be \$3,238.40 for Citywide Sweeping. All other terms, conditions, and rates will remain the same.

Please feel free to give me a call if you have any questions or comments.

We appreciate your business very much and look forward to continuing our excellent business relationship for years to come.

Please feel free to give me a call if you have any questions or comments.

Sincerely,
CLEANSTREET

Rick Anderson
Rick Anderson
Director of Business Development

Cell: (310) 740-1601
Office: (800) 225-7316 x108

**THIRD AMENDMENT
TO THE MAINTENANCE SERVICE AGREEMENT
FOR STREET SWEEPING SERVICES
BETWEEN
THE CITY OF NORCO AND CLEANSTREET**

The City of Norco, a municipal corporation, 2870 Clark Avenue, Norco, California 92860 ("City") and CleanStreet, with offices located at 1937 West 169th Street, Gardena, California 90247 ("Contractor") agree to amend the Agreement for Street Sweeping Services for the City of Norco ("the Agreement") made and entered into by the parties on the 15th day of June, 2011, effective through June 30, 2012.

RECITALS

WHEREAS, the City and Contractor previously entered into an Agreement on June 15, 2011 for Contractor to provide street sweeping services on behalf of the City; and

WHEREAS, the City and Contractor agreed to extend its agreement for street sweeping services for one (1) year, through June 30, 2013; and

WHEREAS, the City and Contractor desire to modify/extend its agreement for street sweeping services for one (1) year, through June 30, 2014; and

WHEREAS, the City and Contractor desire to modify and extend its agreement for street sweeping services for one (1) year, through June 30, 2015; and

WHEREAS, the City and the Contractor have mutually agreed to the revisions as shown below, modifying the Agreement to meet the needs of the City as they currently stand.

NOW, THEREFORE, the Agreement is amended as follows;

1. TERM

The term of the agreement is hereby amended to remain in effect until June 30, 2015, unless termination earlier pursuant to the Agreement.

2. COMPENSATION

Exhibit A of the original Agreement establishing the unit costs for street sweeping services shall be increased by 1.2%..

3. REAFFIRMATION

Except as expressly stated herein, the Agreement shall remain in full force and effect.

4. ENTIRE AGREEMENT

The Agreement, as amended by this Third Amendment, and any attachments hereto, constitute the entire understanding between the City and Contractor concerning the subject matter contained herein.

5. EFFECTIVE DATE

This Second Amendment shall take effect July 1, 2014

6. COUNTERPARTS

This Third Amendment may be executed in counterparts and shall be deemed executed when signed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment to the Agreement as of the day and year first written above.

All terms, conditions, and provisions of the original agreement between the parties executed June 15, 2011, unless specifically amended above, are to apply to this amendment and are made a part of this amendment as though expressly rewritten, incorporated, and included herein.

This amendment to the agreement between the parties shall be binding on the heirs, successors and assigns of the parties.

Dated this May 21, 2014

IN WITNESS WHEREOF, the authorized representatives of the Parties hereto have fully executed this instrument on the day and year first above written.

FOR CITY OF NORCO

FOR CONSULTANT

Berwin Hanna, Mayor

Signature

ATTEST:

Print Name/Title

Brenda K. Jacobs, CMC, City Clerk

Agenda Date May 21, 2014

Item Number 2.J

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the ~~City Council~~

FROM: Andy Okoro, City Manager 

DATE: May 21, 2014

SUBJECT: Approval of Service Agreement with Roger J. Grody to Provide Economic Development Consulting Services

RECOMMENDATION: Approve a Service Agreement with Roger J. Grody to serve as the City's Economic Development Consultant effective July 1, 2014 through June 30, 2015.

SUMMARY: In an effort to continue a professional and productive economic development functions in the City, an agreement has been prepared to continue to retain Roger J. Grody as the City's Economic Development Consultant, a role he has been serving since 2010. By continuing this contract, the City will benefit from Mr. Grody's knowledge, skill sets and relationships as we continue our efforts to recruit new business activity to Norco.

BACKGROUND/ANALYSIS: Mr. Grody has been working as an independent contractor at City Hall since 2006, initially providing assistance with affordable housing programs. Since 2010, he has become a valuable asset to the City through the provision of economic development services. In light of the 2012 dissolution of the Norco Community Development Agency, Mr. Grody's assistance is particularly important in maintaining sound economic development policies.

Mr. Grody currently fulfills all of the traditional economic development functions; holds leadership roles with the Economic Development Advisory Council (EDAC) and the Historic Preservation Commission; and assists other City Departments on an as-needed basis. He has 30 years of experience in economic development and related fields, in both the public and private sectors, as well as expertise in communications and public relations.

FISCAL IMPACT: Funding for the Service Agreement for Mr. Grody will be appropriated in the 2014-2015 Fiscal Year Budget.

Attachment: Service Agreement for Economic Development Consulting Services

SERVICE AGREEMENT FOR ECONOMIC DEVELOPMENT CONSULTING SERVICES

This AGREEMENT made and entered into this ____ day of _____, 2014, between: **The City of Norco**, a municipal corporation ("**City**") and **Roger J. Grody, LLC**, an independent consultant ("**Contractor**") for economic development and communications/public relations consulting services.

ARTICLE 1. TERM OF CONTRACT

Section 1.01. This Agreement will become effective on July 1, 2014 and will continue in effect through June 30, 2015 unless terminated in accordance with the provisions of Article 7 of this Agreement.

ARTICLE 2. INDEPENDENT CONTRACTOR STATUS

Section 2.01. It is the express intention of parties that Contractor is an independent contractor and not an employee, agent, joint-venturer, or partner of City. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between City and Contractor or any employee or agent of Contractor. Both parties acknowledge that Contractor is not an employee for state or federal tax purposes. Contractor shall retain the right to perform services for others during the term of this Agreement.

ARTICLE 3. SERVICES TO BE PERFORMED BY CONTRACTOR

Section 3.01. Contractor will perform a variety of tasks for the City in the fields of economic development, communications, public relations, housing, city planning, and governmental affairs, among others, and will serve as the City's onsite Economic Development Consultant. Contractor's primary responsibilities will involve day-to-day oversight of near- and long-term economic development strategies, including the retention of local businesses and the attraction of new sales tax-generating enterprises, as well as positioning the City of Norco as a visitors' destination. Additional responsibilities shall include the preparation of marketing materials to heighten the visibility of Norco among retailers, restaurant and hotel operators. Contractor will meet with developers and coordinate the review of projects with City Departments such as Planning, Public Works and Parks & Recreation, and will participate in the review and formulation of hospitality and mixed-used developments. In addition, Contractor will coordinate the activities of the Historic Preservation Commission, Economic Development Advisory Committee (EDAC) and any other pertinent City Council or citizen-based committees. Specific work products of Contractor shall consist of, but not be limited to, research reports, analyses, white papers, grant applications or proposals, marketing materials, press releases, web site copy, and staff reports.

ARTICLE 4. COMPENSATION

Section 4.01. In consideration for the services to be performed by Contractor, the City agrees to pay Contractor an amount not-to-exceed \$4,825.16 per month, all inclusive, for eleven (11) of the twelve (12) months of the fiscal year, and an amount not-to-exceed \$3,712.24 for the remaining month. It is understood and agreed upon that Contractor will attend essential meetings at City Hall and elsewhere in the City of Norco, as needed, and will observe a minimum of seventeen (17) hours at Norco City Hall per week. Additional projects outside the scope of services described in Article 3 will be billed at an agreed-upon flat fee or a rate of \$60.00 per hour, subject to prior written approval of the City Manager.

Section 4.02. Contractor shall submit monthly invoices, and the City shall make payments to Contractor for services rendered on a monthly basis.

Section 4.03. Contractor shall be responsible for all costs and expenses incident to the performance of services for the City, including but not limited to, all costs of equipment provided by Contractor, all fees, fines, licenses, bonds or taxes required of or imposed against Contractor and all other of Contractor's costs of doing business. The City shall be responsible for no expenses incurred by Contractor in performing services for the Agency, unless otherwise authorized by the City.

ARTICLE 5. OBLIGATIONS OF CONTRACTOR

Section 5.01. Contractor agrees that the City will not provide workers' compensation insurance for Contractor's employees and agents and agrees to hold harmless and indemnify the City for any and all claims arising out of any injury, disability, or death of any of Contractor's employees or agents.

Section 5.02. The City shall defend, hold harmless and indemnify the Contractor and its agents against any tort professional liability claims or demand or any other legal action whether groundless or otherwise arising out of any alleged act or omission of the Contractor occurring in the course and scope of performance or functions and duties undertaken pursuant to the Agreement with the City. The City may compromise and settle any such claim or suit, and pay the amounts of all settlement or judgments rendered against the Contractor and for the City thereon and select counsel in the absolute discretion of the City.

Section 5.03. It is agreed upon and understood that the Contractor will maintain a policy of professional liability insurance in the minimum amount of one million dollars (\$1,000,000) per incident, naming the City as an additional insured to cover any liability imposed or claimed, including attorney's fees and any legal expenses, for acts or omissions of Contractor or Contractor's agents occurring outside the normal course and scope of performance and function of duties undertaken pursuant to this Agreement.

Section 5.04. Neither this Agreement nor any duties or obligations under this Agreement may be assigned by Contractor without the prior written consent of the City.

Section 5.05. As Contractor is not the City's employee, Contractor is responsible for paying all required state and federal taxes. In particular:

- City will not withhold FICA (Social Security) from Contractor's payments;
- City will not make state or federal unemployment insurance contributions on Contractor's behalf;
- City will not withhold state or federal income tax from payment to Contractor;
- City will not make disability insurance contributions on behalf of Contractor;
- City will not obtain workers' compensation insurance on behalf of Contractor.

ARTICLE 6. OBLIGATIONS OF THE CITY

Section 6.01. The City agrees to comply with all reasonable requests of Contractor and provide access to all documents reasonably necessary for the performance of Contractor's duties under this Agreement.

ARTICLE 7. TERMINATION OF AGREEMENT

Section 7.01. Contractor acknowledges, understands, agrees and warrants that he serves at the pleasure of the City, and have no vested rights whatsoever in continuation of the business relationship with the Agency, or in compensation which may be provided beyond the stated terms of this Agreement. The City shall have the right to terminate this Agreement without cause at any time.

ARTICLE 8. GENERAL PROVISIONS

Section 8.01. Any notices to be given hereunder by either party to the other may be effected either by personal delivery in writing or by U.S. mail to the following addresses;

AGENCY: City of Norco
 Attn: City Manager
 2870 Clark Avenue
 Norco, CA 92860

CONTRACTOR: Roger J. Grody, Principal
 Roger J. Grody, LLC
 P.O. Box 788
 Pasadena, CA 91102

Section 8.02. Contractor covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict or appear as a conflict in any manner or degree with the performance of services required to be performed under this Agreement. In the event that an activity of the Contractor may be construed to constitute a conflict of interest with his responsibilities hereunder, Contractor shall obtain permission for such activity from the City before proceeding further with such activity. In the event a conflict of interest is alleged, the City shall finally and conclusively determine if a conflict

of interest in fact exists, or can be foreseen. In such cases, where a conflict of interest is deemed to occur or is determined to occur, the City may terminate this Agreement in accordance with Section 7.01.

Section 8.03. The formation, construction and performance of this Agreement shall be construed in accordance with the laws of the State of California.

Section 8.04. This Agreement constitutes the sole and complete Agreement between the parties. This Agreement supersedes any and all written and oral agreements between the parties and any ordinance, rule, regulation, policy, or procedure of the City that is inconsistent with the Agreement. No amendments may be made to this Agreement except in writing and signed by the parties hereto.

Section 8.05. If any provision of this Agreement is held invalid or unenforceable, the remainder shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first written above.

City of Norco
A Municipal Corporation

Roger J. Grody, LLC
Contractor

By: _____
Andy Okoro
City Manager

Roger J. Grody
Principal

Attest: _____
Brenda K. Jacobs
City Clerk

Approved as to Form:

John Harper, City Attorney

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: May 21, 2014

SUBJECT: Agreement to Form the Middle Santa Ana River Watershed Total Maximum Daily Load (TMDL) Task Force

RECOMMENDATION: That City Council authorize the Mayor to execute the Agreement to Form the Middle Santa Ana River Watershed TMDL Task Force.

SUMMARY: In order to execute the Agreement to Form the Middle Santa Ana River Watershed TMDL Task Force, staff is requesting that the City Council authorize the Mayor to sign the agreement on behalf of the City of Norco.

BACKGROUND/ANALYSIS: In August, 2001 the Santa Ana Regional Water Quality Control Board initiated Total Maximum Daily Load (TMDL) development to address the excess levels of pathogen indicators in Reach 3 of the Santa Ana River, among other water bodies. This effort included formation of the Middle Santa Ana River TMDL workgroup which included representatives from local cities, the Counties of Riverside and San Bernardino, agriculture and dairy operators, and environmental groups that worked in cooperation with Regional Board staff to assess pathogen indicator sources and identify potential mitigation measures.

In 2002, the Santa Ana Watershed Project Authority (SAWPA), a Joint Powers Authority, began administration of the TMDL Workgroup. The purpose of the TMDL Workgroup was to conduct studies necessary to analyze sources of impairments and identify potential mitigation measures, pursue grants, and coordinate activities among all of the various stakeholders. This effort was funded through the Regional Board and State Grant funds, which have been exhausted.

On August 26, 2005, the Middle Santa Ana River (MSAR) TMDL was adopted by the Santa Ana Regional Water Quality Control Board (Resolution R8-2005-01), naming the Santa Ana River Reach 3 as one of the impaired waterbodies. The impairing constituents for this TMDL are pathogen indicators. The TMDL identifies the City of Norco as one of the dischargers who must comply with the TMDL requirements including pathogen indicator Waste Load Allocations for Urban discharges and specific compliance schedules.

The MSAR TMDL includes an Implementation Plan with several tasks and corresponding implementation schedules. The purpose of this Agreement is to cooperatively complete these watershed-wide tasks and undertake all other plans, programs, and studies as

authorized by the parties to the Agreement in order to comply with the TMDL. The Agreement establishes the responsibilities and cost sharing criteria among the parties. The term of the agreement was 5 years.

On June 6, 2007, City Council authorized the Mayor to sign the first Agreement to Form the Middle Santa Ana River Watershed Total Maximum Daily Load Task Force. Subsequently, two amendments to the agreement were implemented adding other agencies and cities to the task force.

In 2012, with the expiration of the original agreement, a new Agreement to Form the Middle Santa Ana River Watershed TTMDL Task Force was written. This agreement incorporated all prior amendments and updated criteria requirements including several modifications to the Basin Plan which included alternative bacterial quality indicators and modifications to recreational beneficial use designations.

While the City of Norco has been participating in this program and paying its required costs, their signature indicating participation was not acquired for this 2012 agreement. Staff is requesting correction of this oversight at this time.

Withdrawal from or non-participation in the Agreement will require the City of Norco to separately comply with all requirements established for Urban discharges into the MSAR TMDL.

FINANCIAL IMPACT: The pro rata cost share for the City of Norco for Fiscal Year 2014/15 will be approximately \$11,944 and has been incorporated into the proposed FY 2014/15 Operations Budget in the NPDES Storm Drain Fund 139.

Attachments: Agreement.

**AGREEMENT TO FORM
THE MIDDLE SANTA ANA RIVER WATERSHED
TMDL TASK FORCE**

This Agreement, is made this **1st day of December, 2012**, between the SAN BERNARDINO COUNTY FLOOD CONTROL DISTRICT ("SB FLOOD CONTROL"), the RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT ("RIVERSIDE FLOOD CONTROL"), the CITY OF CORONA ("CORONA"), CITY OF NORCO ("NORCO"), CITY OF RIVERSIDE ("RIVERSIDE"), CITY OF EASTVALE ("EASTVALE"), CITY OF JURUPA VALLEY ("JURUPA VALLEY"), COUNTY OF RIVERSIDE, CITY OF CLAREMONT ("CLAREMONT"), CITY OF POMONA ("POMONA"), the SANTA ANA REGION REGIONAL WATER QUALITY CONTROL BOARD ("REGIONAL BOARD"), AGRICULTURAL OPERATORS (represented by CHINO BASIN WATERMASTER) and the SANTA ANA WATERSHED PROJECT AUTHORITY ("SAWPA"). SB FLOOD CONTROL, RIVERSIDE FLOOD CONTROL, CITIES of RIVERSIDE, CORONA, NORCO, EASTVALE, JURUPA VALLEY, CLAREMONT and POMONA, COUNTY OF RIVERSIDE, REGIONAL BOARD and SAWPA are individually and collectively referred to herein as "PARTY" and "PARTIES" respectively.

RECITALS

This Agreement is entered into on the basis of the following facts, understandings, and intentions of the PARTIES:

- A. SAWPA is a joint powers public agency, organized and existing pursuant to the laws of the State of California and that certain Joint Exercise of Powers Agreement ("JPA") dated January 1975, as amended, exercising powers common to its Member Agencies, which include Eastern Municipal Water District, Inland Empire Utilities Agency, Orange County Water District, San Bernardino Valley Municipal Water District, and Western Municipal Water District.
- B. SAWPA's mission is to initiate and to assist its Member Agencies in cooperative programs and projects to improve and protect water quality, including planning, financing, and implementation; and to coordinate such programs and projects with federal, state, regional, and local agencies.
- C. The Middle Santa Ana River Watershed (MSAR) is regulated by the REGIONAL BOARD, is within the Santa Ana River Watershed and within the jurisdictions of both the SB FLOOD CONTROL and RIVERSIDE FLOOD CONTROL.
- D. The Reach 3 Santa Ana River Bacterial Indicator Total Maximum Daily Loads ("TMDL") for six MSAR Waterbodies were incorporated into the Water Quality Control Plan – Santa Ana River Basin ("BASIN PLAN") by Resolution No. R8-2005-0001, adopted by the "REGIONAL BOARD" on August 26, 2005.
- E. The San Bernardino County Flood Control District, Orange County and Riverside County Flood Control and Water Conservation District formed the Storm Water Quality Standards Task Force ("Storm Water Task Force") to evaluate the REGIONAL BOARD's BASIN PLAN criteria for bacterial indicators and recreational beneficial use designations for waterbodies within the Santa Ana Watershed, including the MSAR.
- F. The Storm Water Task Force has recommended several modifications to the BASIN PLAN including alternative bacterial quality indicators and modifications to recreational beneficial use designations. These recommendations were approved by the Santa Ana Regional Board on June 15, 2012. The State Water Resource Control Board, Office of Administrative Law and U.S. Environmental Protection Agency have yet to review and approve the amendment. Adoption of these regulations will directly affect the implementation of the TMDL.

G. Coordinating TMDL Implementation Plan tasks contained within Chapter 5 of the Basin Plan with the work of the Storm Water Task Force will benefit the public by ensuring that beneficial uses of the Santa Ana River are protected appropriately and ensuring efficient use of government resources.

H. The TMDL identifies the County of San Bernardino, the County of Riverside, the Cities of Ontario, Chino, Chino Hills, Montclair, Rancho Cucamonga, Upland, Rialto, Fontana, Norco, Riverside, Corona, Pomona and Claremont and agricultural operators, including confined animal and feeding operations ("CAFOs") as dischargers who must comply with the TMDL requirements (hereinafter "DISCHARGERS"). The Cities of Eastvale and Jurupa Valley incorporated after the adoption of the TMDL. The cities of Eastvale and Jurupa Valley within the County of Riverside have incorporated since the adoption of the TMDL and the Riverside County MS4 Permit. The Cities of Eastvale and Jurupa Valley have submitted Letters of Intent dated March 27, 2012 and December 21, 2011, respectively, to the Regional Board indicating their intent to comply with the Riverside County MS4 Permit requirements, including applicable TMDL requirements. They are herein also considered DISCHARGERS for the purposes of this Agreement.

I. Both SB FLOOD CONTROL and RIVERSIDE FLOOD CONTROL serve as Principal Permittees for the National Pollutant Discharge Elimination System Municipal Separate Storm Sewer System Permits ("MS4 Permit") issued to their respective counties and cities within the Santa Ana Watershed by the REGIONAL BOARD. The San Bernardino County MS4 Permit (Board Order No. R8-2010-0036) and the Riverside County MS4 Permit (Board Order No. R8-2010-0033) are subject to revision based on studies and plans developed in compliance with the TMDL.

J. The COUNTY OF RIVERSIDE and CITIES OF RIVERSIDE, CORONA and NORCO are Co-Permittees to the Riverside County MS4 Permit. The County of San Bernardino and the Cities of Chino, Chino Hills, Fontana, Montclair, Ontario, Rancho Cucamonga, Rialto and Upland are Co-Permittees to the San Bernardino County MS4 Permit. The Cities of Claremont and Pomona are Co-Permittees to the Los Angeles County MS4 Permit (Board Order R4-2006-0074). The cities of Eastvale and Jurupa Valley within the County of Riverside incorporated after the adoption of the Riverside County MS4 Permit. The Cities of Eastvale and Jurupa Valley have submitted Letters of Intent dated March 27, 2012 and December 21, 2011, respectively, to the Regional Board indicating their intent to comply with the Riverside County MS4 and are herein considered Co-Permittees to the Riverside County MS4 Permit.

K. In the interest of ensuring that TMDL Implementation Plan compliance requirements are met, SB FLOOD CONTROL, as Principal Permittee for its respective NPDES MS4 Permit, and on behalf of its NPDES MS4 Permit Co-Permittees named individually and/or jointly in the TMDL under Resolution No. R8-2005-0001; and RIVERSIDE FLOOD CONTROL, the CITY OF RIVERSIDE, NORCO, CORONA, EASTVALE, JURUPA VALLEY the COUNTY OF RIVERSIDE, SAWPA, CITY OF CLAREMONT AND THE CITY OF POMONA, AGRICULTURAL OPERATORS, and REGIONAL BOARD have hereby agreed to enter into a cooperative agreement to form a task force ("TMDL TASK FORCE") to coordinate certain tasks identified in the TMDL Implementation Plan with the work of the Storm Water Task Force.

L. The participation of the Parties in this Agreement and the TMDL TASK FORCE is voluntary and for the mutual benefit of the Parties as a means of achieving the water quality goals set forth in the TMDL. Nothing contained in this Agreement shall be interpreted as an admission of liability or acceptance of responsibility for any tasks not explicitly assigned to the Parties or an individual Party by this Agreement, or an admission of liability or acceptance of responsibility for compliance with the TMDL.

M. The remaining DISCHARGERS identified in Recital H above which are not PARTIES to this Agreement may join this TMDL TASK FORCE at a later date. Pro Rata Cost shares for non-PARTY DISCHARGERS will be calculated as part of each Budget. Because those non-PARTY DISCHARGERS have not yet agreed to participate in the TMDL TASK FORCE, certain TMDL Implementation Plan requirements will not receive the full resources and funding contemplated by the REGIONAL BOARD at the time of the TMDL adoption.

N. The REGIONAL BOARD is appointed as a non-voting, non-funding PARTY of the TMDL TASK FORCE. As a non-voting, non-funding PARTY, the REGIONAL BOARD is authorized only to make recommendations upon the functioning of this TMDL TASK FORCE and the development of this program. The REGIONAL BOARD retains authority to regulate the TASK FORCE PARTIES to the extent that they are so authorized under state or federal law and do not relinquish any existing authority or responsibility as a result of participation in this Agreement.

O. In exchange for taking the lead in implementing the TMDL Implementation Plan through the TMDL TASK FORCE, the REGIONAL BOARD has agreed to work with TMDL TASK FORCE members to determine priorities and modified schedules necessary to accommodate the TMDL Implementation Task requirements within available and reasonable budgets and to ensure that TMDL Implementation Plan requirements are coordinated to the maximum extent practicable with the Storm Water Task Force work. The TMDL TASK FORCE and REGIONAL BOARD will take into consideration those DISCHARGERS that are PARTIES to this AGREEMENT in determining appropriate priorities and schedules for the TMDL TASK FORCE work.

P. It is expected that revisions to the BASIN PLAN proposed by the Storm Water Task Force may result in new or modified Recreational Beneficial Uses and Water Quality Objectives for stream segments regulated by the TMDL, including Reach 3 of the Santa Ana River, Cucamonga Creek and Chino Creek. If attainment of Water Quality Objectives, and thereby Beneficial Uses in Reach 3 of the Santa Ana River, Cucamonga Creek, or Chino Creek is achieved as a result of the Storm Water Task Force effort, BMPs implemented by watershed stakeholders, or other conditions that result in attainment of such Beneficial Uses, the PARTIES to this Agreement shall evaluate the continued need to evaluate and monitor those waterbodies under this Agreement. Removal of waterbodies from such evaluation and monitoring may also release such PARTIES to this Agreement from future participation in the TMDL TASK FORCE if those participants are no longer tributary to remaining impaired waterbodies identified in the TMDL.

NOW, THEREFORE, the parties hereto mutually agree as follows:

SECTION I - Delegation of Responsibilities

A. The PARTIES shall:

1. Jointly participate in the TMDL TASK FORCE, providing technical guidance and input to TMDL TASK FORCE tasks.
2. Review and comment on draft and final draft deliverables and reports.
3. Provide the TMDL TASK FORCE Administrator with information needed to satisfy the study and reporting requirements described in the TMDL Implementation Plan or other work of the TMDL Task Force.
4. Provide the TMDL TASK FORCE Administrator with staff support and resources to assist in completing work of the TMDL TASK FORCE, as required and as agreed to by PARTIES.

B. LOS ANGELES COUNTY PERMITTEES.

1. The City of Claremont and the City of Pomona shall participate as normal members of the TMDL TASK FORCE under Section 1.A, however, pursuant to Recital L., above, the participation of the Parties in this Agreement and the TMDL TASK FORCE is voluntary and for the mutual benefit of the Parties as a means of achieving the water quality goals set forth in the TMDL. Nothing contained in this Agreement shall be interpreted as an admission of liability or acceptance of responsibility for any tasks not explicitly assigned to the Parties or an individual Party by this Agreement, or an admission of liability or acceptance of responsibility for compliance with the TMDL.

2. The City of Claremont expressly reserves the right to withdraw from this Agreement and the Task Force at any time, for any reason, with appropriate notice as set forth in section VII.A., below.
3. Notwithstanding the requirements of Section VII, the City expressly reserves the right to withdraw from this Agreement and the Task Force upon thirty (30) days notice to the Parties in the event that the Los Angeles Regional Water Quality Control Board imposes requirements on the City of Claremont that contradict or render moot any Work of the Task Force as defined in Section II, below, or that would significantly increase the cost to the City of implementing any Work of the Task Force as defined in Section II, below.

C. SAWPA shall:

Function as the TMDL TASK FORCE Administrator and shall:

1. Organize and facilitate TMDL TASK FORCE meetings.
2. Perform secretarial, clerical and administrative services, including providing meeting summaries to TMDL TASK FORCE members.
3. Manage TMDL TASK FORCE funds and prepare annual reports of TMDL TASK FORCE assets and expenditures.
4. Act as the contracting party, for the benefit of the TMDL TASK FORCE, for contracts with all consultants, contractors, vendors, and other entities.
5. Seek funding grants to assist with achieving the work of the TMDL TASK FORCE and other goals and objectives of the TMDL TASK FORCE.
6. Coordinate with other agencies and organizations as necessary to facilitate TMDL TASK FORCE work.
7. Prepare quarterly and annual reports, as required by the TMDL Implementation Plan or as requested by the TMDL Task Force, and submit them as required by the TMDL Implementation Plan or as requested by the TMDL Task Force on behalf of the TMDL TASK FORCE.
8. Provide TMDL TASK FORCE members an opportunity to comment and approve any reports or other work product developed.
9. Coordinate and facilitate the addition of other DISCHARGERS to the TMDL TASK FORCE.

D. REGIONAL BOARD shall:

1. Function as an advisory member without financial obligation to the TMDL TASK FORCE, which may seek REGIONAL BOARD advice, input and support.
2. Work with the TMDL TASK FORCE to determine appropriate priorities and schedules for TMDL Implementation Plan tasks based on available resources and TMDL Implementation Plan DISCHARGER participation.

SECTION II – Work of the TASK FORCE

A. The TMDL TASK FORCE shall retain consulting services and provide staff support as necessary to review scientific and other assumptions contained within the TMDL, and perform other work as necessary to complete the tasks described below:

1. Investigate Long Term TMDL Implementation Structure, Cost Sharing Formula, and Funding Sources.
2. TMDL Implementation Task 3 –Implement, Report and Update a Watershed-Wide Bacterial Indicator Water Quality Monitoring Program.
3. TMDL Implementation Task 4 –Implement, Report and Update Bacterial Indicator Urban Source Evaluation Activities as authorized by the Task Force.
4. Undertake such other plans, programs, and studies as authorized by the TMDL TASK FORCE.
5. Develop and approve an annual workplan and budget (hereinafter “BUDGET”) prior to December 31st of each year.

SECTION III – Budget

A. Each annual BUDGET shall be adopted by a majority vote of the TMDL TASK FORCE and ratified by a majority of the PARTIES prior to January 31st of each year during which this Agreement remains in force. Each such approved annual BUDGET shall take effect during the next fiscal year following the adoption of that BUDGET, commencing on July 1st of each year and continuing through June 30th of the following year.

B. Each annual BUDGET shall not exceed a total of Three Hundred Thousand Dollars (\$300,000.00), excluding the value of in-kind services and aggregate grant funding, unless a majority of the PARTIES vote to authorize an amount in excess of the \$300,000.00 cap for any one proposed annual BUDGET.

C. The TMDL TASK FORCE Administrator shall prepare and submit a written proposed annual BUDGET for the subsequent fiscal year to the TMDL TASK FORCE and thereafter to the PARTIES prior to November 30th. The proposed BUDGET prepared by the TMDL TASK FORCE Administrator shall include a line-item explanation of proposed expenditures and anticipated costs for the subsequent fiscal year, according to the scope of work developed by the TMDL TASK FORCE for that fiscal year.

D. The TMDL TASK FORCE Administrator shall prepare and submit pro rata cost share invoices to each PARTY based on the approved annual BUDGET and the methodology described in Section IV of the Agreement prior to the date of July 1 in the fiscal year which the BUDGET takes effect.

E. Each of the PARTIES shall pay a pro rata cost share of each annual budget, based on the TMDL TASK FORCE Administrator’s pro rata cost share invoice, and which amount and any amount in arrears shall be due and payable to the TMDL TASK FORCE Administrator prior to the date of August 31st in the fiscal year for which it is due.

F. The BUDGET for the fiscal year 2012-2013 is attached hereto as Exhibit "A" and incorporated herein by this reference. Approval of this Agreement shall constitute approval of the BUDGET for fiscal year 2012-2013. Each of the PARTIES shall pay its pro-rata cost share of the BUDGET for fiscal year 2012-2013, as calculated in Section IV of this Agreement within 30 days of its approval of this Agreement. Pro rata cost shares for fiscal year 2012-2013 are attached hereto as Exhibit "A".

G. The TMDL TASK FORCE Administrator shall endeavor to minimize carry-over fund balances to those necessary to complete work of the TMDL TASK FORCE and shall limit contingencies to those necessary to ensure work of the TMDL TASK FORCE is not impeded. Excess not necessary to complete budgeted work of the TMDL TASK FORCE or maintain adequate reserves shall be credited back to the PARTIES in the BUDGET consistent with the pro rata cost share methodology described in Section IV below within 60 days after the accounting provided. The PARTIES shall agree to a reasonable reserve balance as part of each year's BUDGET.

H. After September 30 of each year, the TMDL TASK FORCE Administrator shall provide an accounting of all pro rata cost shares collected via cash or in-kind contributions collected per Section IV below. If pro rata cost shares collected are less than BUDGET, the TMDL TASK FORCE shall meet with Regional Board staff to determine appropriate priorities for scheduled TMDL TASK FORCE work and revise BUDGET based on available funds. The TMDL TASK FORCE and REGIONAL BOARD should take into account which DISCHARGERS are PARTIES to this AGREEMENT in determining appropriate priorities and schedules for the TMDL TASK FORCE.

Section IV – Pro Rata Cost Shares

The pro rata cost shares to fund the BUDGET shall be calculated as follows:

A. TMDL TASK FORCE administrative costs to develop plans and reports required under Tasks 3 and 4 (see Exhibit "A") shall be shared equally by the DISCHARGERS.

B. Pro rata cost shares assigned to DISCHARGERS who are not PARTIES to this Agreement shall be considered unfunded portions of the BUDGET and be addressed per Section III.H of this Agreement.

C. In addition, in the event that the TMDL TASK FORCE requires the services of a consultant or consultants to prepare manuals, develop programs, or perform studies relevant to the TMDL TASK FORCE work, the costs of said consultant services will be shared by the PARTIES, in such a manner as approved by the PARTIES. Each PARTY may choose to provide in-kind services in lieu of cash payment, if acceptable to the PARTIES. The value of the in-kind services shall be determined by TMDL TASK FORCE Administrator based on the approved BUDGET.

SECTION V – Term of the Agreement

This Agreement shall become effective on the date the last PARTY of the TMDL TASK FORCE executes it or December 1, 2012 (whichever occurs later). The term of the Agreement shall be for five (5) years unless terminated by a PARTY as provided in Section VII below. This Agreement may be renewed or extended for an additional term(s) in up to 5-year increments by written mutual consent of the PARTIES.

SECTION VI – Additional Parties

Any agency, entity or person recognized by the TMDL TASK FORCE as a DISCHARGER responsible for TMDL Implementation Plan Tasks 3 or 4 may be added as a PARTY to this Agreement by a written amendment signed by all of the current PARTIES.

SECTION VII – Withdrawal

A. Any PARTY may withdraw from the TASK FORCE effective 60 days after giving written notice to TASK FORCE Administrator. The withdrawing PARTY shall not be entitled to a refund of any unspent contribution that that PARTY made toward the current, future or preceding BUDGET. The withdrawing PARTY shall be responsible for all lawfully assessed penalties as a consequence of that PARTY's withdrawal from the TASK FORCE. The costs allocations to the remaining PARTIES will be recalculated in the following BUDGET year.

B. As a non-voting, non-funding PARTY of the TASK FORCE, the REGIONAL BOARD may withdraw from the TASK FORCE effective 30 days after giving written notice to the TASK FORCE Administrator. Notwithstanding withdrawal from the TASK FORCE, at all times, the REGIONAL BOARD retains authority to regulate TASK FORCE PARTIES only to the extent that they are so authorized under state and federal law and do not relinquish any existing authority or responsibility as a result of non-participation as a TASK FORCE PARTY under this Agreement.

C. Notwithstanding the foregoing, any PARTY may withdraw from the TMDL TASK FORCE upon 60 days written notice in the event that all waterbodies to which it is tributary are delisted from the Clean Water Act 303(d) List of Water Quality Limited Segments ("303(d) List") or otherwise removed from the Middle Santa Ana River Pathogen TMDL Implementation Plan requirements via Basin Plan Amendment. Upon providing such notice to the TMDL TASK FORCE Administrator, the PARTY or PARTIES shall no longer be responsible for paying a pro rata share of the BUDGET until and unless a waterbody or waterbodies to which it is tributary is added to the 303(d) List for impairment of Recreational Beneficial Uses via pathogen indicators. Within 60 days of receiving notice of the withdrawal pursuant to this sub-paragraph B, the TMDL TASK FORCE Administrator shall provide the withdrawing PARTY with an accounting of the funds allocated for evaluation or monitoring of the delisted or otherwise removed waterbody or waterbodies, which are no longer needed by reason of such delisting, and shall credit any unused excess to the withdrawing PARTY on a pro rata cost share basis.

SECTION VIII – Non-compliance with TMDL Requirements

Any PARTY found in non-compliance by the REGIONAL BOARD with conditions of the TMDL within its jurisdictional boundaries shall be solely liable for any enforcement actions and assessed penalties.

SECTION IX – Amendments to this Agreement

This AGREEMENT may be amended in writing signed by all of the PARTIES.

SECTION X – Authorized Signatories

Except for Agreements and documents authorized by the TMDL TASK FORCE to be signed by the TMDL TASK FORCE Administrator, the General Manager-Chief Engineer of the RIVERSIDE FLOOD CONTROL and the Flood Control Engineer of SB FLOOD CONTROL, the Chief Executive Officers of the COUNTY OF RIVERSIDE, and the City Managers of the CITIES OF CORONA, NORCO, EASTVALE, JURUPA VALLEY, RIVERSIDE, AGRICULTURAL OPERATORS CLAREMONT and POMONA are hereby authorized to execute all documents related to this TMDL TASK FORCE. The aforementioned authorized signatories may also designate in writing alternative representatives to sign such documents.

SECTION XI – Notices

All notices shall be deemed effective when personally delivered or five (5) days after deposit in the U.S. Mail, postage prepaid.

Any notices sent or required to be sent to any PARTY shall be mailed to the following addresses:

SAN BERNARDINO COUNTY
FLOOD CONTROL DISTRICT
825 East Third Street
San Bernardino, CA 92415

RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT
1995 Market Street
Riverside, CA 92501

CITY OF CORONA
400 S. Vicentia Avenue
Corona, CA 92882

CITY OF NORCO
2870 Clark Avenue
Norco, CA 91760

CITY OF RIVERSIDE
3900 Main Street
Riverside, CA 92522

COUNTY OF RIVERSIDE
Executive Office
4080 Lemon Street, 4th Floor
Riverside, CA 92501

CITY OF EASTVALE
12363 Limonite Ave., Ste. 910
Eastvale, CA 91752

CITY OF JURUPA VALLEY
8304 Limonite Ave., Ste. M
Jurupa Valley, CA

CITY OF CLAREMONT
207 Harvard Avenue
Claremont, CA 91711

CITY OF POMONA
505 S. Garey Avenue
Pomona, CA 91766

AGRICULTURAL OPERATORS
Chino Basin Watermaster Agricultural Pool
13545 South Euclid, Unit B
Ontario, CA 91762

SANTA ANA REGION REGIONAL WATER QUALITY CONTROL BOARD
3737 Main Street, Suite 500
Riverside, CA 92501

SANTA ANA WATERSHED PROJECT AUTHORITY
11615 Sterling Avenue
Riverside, CA 92503

SECTION XII – Governing Law

This Agreement will be governed and construed in accordance with the laws of the State of California. If any provision or provisions of this agreement shall be held to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired hereby.

SECTION XIII – Consent to Waiver or Breach

No term or provision hereof shall be deemed waived and no breach excused, unless a waiver or breach is consented to in writing and signed by the other PARTIES. Consent by the PARTIES to a waiver or breach by any other PARTY shall not constitute consent to any different or subsequent waiver or breach.

SECTION XIV – Execution in Counterparts

This Agreement may be executed and delivered in any number of counterparts or copies (“counterpart”) by the PARTIES hereto. When each PARTY has signed and delivered at least one counterpart to the other PARTIES hereto, each counterpart shall be deemed an original and, taken together, shall constitute one and the same Agreement, which shall be binding and effective as to the PARTIES hereto.

SECTION XV – Deliverables

All work, documents or things produced, including originals prepared by anyone in connection with, or pertaining to, the work under this Agreement shall become the property in whole and in part of all PARTIES, jointly and severally.

SECTION XVI – Indemnification

Each PARTY agrees to indemnify, defend, and hold harmless the remaining PARTIES, including their special districts, officials, agents, officers and employees from and against any and all liabilities, claims, expenses, damages, fines, penalties arising from any act or omission of the indemnifying PARTY, its officials, agents, officers, and employees, in connection with this Agreement, including but not limited to defense costs, legal fees, claims, actions, and causes of action for damages of any nature whatsoever, including but not limited to bodily injury, death, personal injury, or property damage; provided, however, that no PARTY shall indemnify another PARTY for that PARTY'S own negligence or willful misconduct.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the day and year first above written.

SANTA ANA WATERSHED PROJECT AUTHORITY

BY _____

TITLE _____

DATE _____

SAN BERNARDINO COUNTY FLOOD CONTROL DISTRICT

RECOMMENDED FOR APPROVAL:

By _____

By _____

JOSIE GONZALES, Chair
San Bernardino County Flood Control District

APPROVED AS TO FORM

ATTEST:

JEAN-RENE BASLE
County Counsel

LAURA H. WELCH
Clerk to the Board

By _____

SCOTT M. RUNYAN
Deputy County Counsel

By _____

Deputy

(SEAL)

RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

RECOMMENDED FOR APPROVAL:

By _____
WARREN D. WILLIAMS
General Manager-Chief Engineer

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

APPROVED AS TO FORM

PAMELA J. WALLS
County Counsel

ATTEST:

KECIA HARPER-IHEM
Clerk to the Board

By _____
DAVID H.K. HUFF
Deputy County Counsel

By _____
Deputy

(SEAL)

COUNTY OF RIVERSIDE

RECOMMENDED FOR APPROVAL:

By _____
GEORGE JOHNSON
County Executive Officer

By _____
JOHN F. TAVAGLIONE, Chairman
Riverside County Flood Control and Water
Conservation District Board of Supervisors

APPROVED AS TO FORM

PAMELA J. WALLS
County Counsel

ATTEST:

KECIA HARPER-IHEM
Clerk to the Board

By _____
DAVID H.K. HUFF
Deputy County Counsel

By _____
Deputy
(SEAL)

CITY OF CORONA

BY _____
Mayor

DATE _____

APPROVED AS TO FORM

By _____
City Attorney

CITY OF RIVERSIDE

RECOMMENDED FOR APPROVAL:

BY _____
City Manager

DATE _____

APPROVED AS TO FORM _____

ATTEST:

By _____
Deputy City Attorney

By _____
City Clerk

CITY OF NORCO

BY _____
Mayor

DATE _____

APPROVED AS TO FORM

By _____
City Attorney

CITY OF EASTVALE

BY _____
Mayor

DATE _____

APPROVED AS TO FORM

By _____
City Attorney

CITY OF JURUPA VALLEY

BY _____
Mayor

DATE _____

APPROVED AS TO FORM

By _____
City Attorney

CITY OF CLAREMONT

BY _____
Mayor

DATE _____

APPROVED AS TO FORM

By _____
City Attorney

CITY OF POMONA

BY _____
Mayor

DATE _____

APPROVED AS TO FORM

By _____
City Attorney

IN WITNESS WHEREOF, the Parties have executed this Agreement entitled
"AGREEMENT TO FORM THE MIDDLE SANTA ANA WATERSHED TMDL TASK FORCE"

SANTA ANA REGIONAL WATER QUALITY CONTROL BOARD

BY _____
Kurt V. Berchtold
Executive Officer

DATE _____

APPROVED AS TO FORM

By _____
Eric Spiess
Legal Counsel

AGRICULTURAL OPERATORS (represented by CHINO BASIN WATERMASTER)

BY _____

TITLE _____

DATE _____

APPROVED AS TO FORM

By _____
Attorney

Approved FY 2014-15 Budget: Middle Santa Ana River Pathogen TMDL Task Force

Summary: TMDL Task Force Implementation Schedule and Budget	Task Force Budget 2014-15	Tier 2 Monit Budget 2014-15	Total Budget 2014-15
Summary Expenses			
TASK FORCE: Administration (assumes quarterly meetings) Grant Preparation	\$ 30,000		\$ 30,000
TASK FORCE: TMDL Compliance Expert	\$ 20,000		\$ 20,000
TMDL Implementation: Task 3 - Watershed-wide Monitoring Program	\$ 25,000		\$ 25,000
TMDL Implementation: Tasks 4 & 5 - Source Evaluation / Management <small>San Bernardino County MS4 Program (estimated in-kind contribution)</small>	\$ 80,000		\$ 80,000
	\$ 60,000		\$ 60,000
Estimated Total Annual TMDL Implementation Budget	\$ 215,000	\$ -	\$ 215,000
Applied Task Force Carryover Funds:			
Estimated Total Stakeholder Cash Contribution	\$ 155,000	\$ -	\$ 155,000
Contingency Reserve (estimated):	\$ 90,000	\$ 40,000	\$ 130,000
Detailed: Named TMDL Party Pro Rata Budget Cost Shares			
MSAR TMDL Task Force Participants Cost Shares:			
A. San Bernardino County MS4 Program *	\$ 47,500	\$ -	\$ 47,500
B. County of Riverside	\$ 11,944	\$ -	\$ 11,944
C. City of Riverside	\$ 11,944	\$ -	\$ 11,944
D. City of Corona	\$ 11,944	\$ -	\$ 11,944
E. City of Norco	\$ 11,944	\$ -	\$ 11,944
F. City of Eastvale	\$ 11,944	\$ -	\$ 11,944
G. City of Jurupa Valley	\$ 11,944	\$ -	\$ 11,944
H. Agriculture	\$ 11,944	\$ -	\$ 11,944
I. Forest Service	\$ -	\$ -	\$ -
J. City of Pomona	\$ 11,944	\$ -	\$ 11,944
K. City of Claremont	\$ 11,944	\$ -	\$ 11,944
Applied Task Force Carryover Funds:			
Subtotal:	\$ 155,000	\$ -	\$ 155,000

Notes:

* San Bernardino County MS4 Program includes in-kind contribution for staff time to conduct watershed compliance monitoring estimated at \$60,000

Description of Draft 2014-15 Task Force Budget

Annual Task Force Administration

1. Organize and facilitate TMDL TASK FORCE meetings.
2. Perform secretarial, clerical and administrative services, including providing meeting summaries to TMDL TASK FORCE members.
3. Manage TMDL TASK FORCE funds and prepare annual reports of TMDL TASK FORCE assets and expenditures.
4. Act as the contracting party, for the benefit of the TMDL TASK FORCE, for contracts with all consultants, contractors, vendors and other entities.
5. Seek funding grants to assist with achieving the work of the TMDL TASK FORCE and other goals and objectives of the TMDL TASK FORCE.
6. Coordinate with other agencies and organizations as necessary to facilitate TMDL TASK FORCE work.
7. Administer the preparation of quarterly and annual reports, as required by the TMDL Implementation Plan, and submit them as required by the TMDL Implementation Plan on behalf of the TMDL TASK FORCE.
8. Provide TMDL TASK FORCE members an opportunity to comment and approve any reports or other work product developed.
9. Coordinate and facilitate the addition of other DISCHARGERS to the TMDL TASK FORCE.

TMDL Compliance Expert

Task #1: Support stakeholders as a Regulatory Strategist and Compliance Expert.

Task #2: Assist Task Force with development of regional surface water monitoring program for pathogen indicator bacteria.

Task #3: Prepare statistical analysis of previous watershed-wide monitoring data to estimate Components of Variance.

Task #4: UAA Implementation Plan.

TMDL Task 3 - Annual Watershed-wide Monitoring Program.

Watershed-Wide Monitoring Program to assess compliance with REC-1 use water quality objectives for fecal coliform and evaluate numeric targets established for E. coli.

Constituents:

Field Analysis: Temperature, conductivity, pH, dissolved oxygen, and turbidity

Laboratory Water Quality Analysis: Fecal coliform, E. coli, and total suspended solids (TSS)

Sample sites (5): Chino Creek at Central Avenue, Santa Ana River at Pedley Avenue, Santa Ana River at MWD Crossing, Prado Park Lake at Lake Outlet, Mill Creek at Chino-Corona Road

Dry Season (April 1 – October 31):

15 continuous weeks – July to October

5 continuous weeks – May to June (2008)

Wet Season (November 1 – March 31):

11 continuous weeks – December to February

4 samples from one storm event

TMDL Task 4 - Urban Source Evaluation / Management

Additional Characterization of Pathogen Indicator Pollution using available water quality data
Additional Bacteroides Analysis

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Brenda K. Jacobs, City Clerk 

DATE: May 21, 2014

SUBJECT: Ordinance Amending the Norco Municipal Code Establishing the Number of Members on the Streets, Trails and Utilities Commission at Five Members

RECOMMENDATION: Adopt **Ordinance No. 973** for second reading.

SUMMARY: The first reading of Ordinance No. 973 was held on May 7, 2014 and adopted by the City Council with a 5-0 vote. Ordinance No. 973 amends Chapter 2.23, Section 2.23.010 of the Norco Municipal Code establishing the number of members on the Streets, Trails & Utilities Commission at five members.

Attachment: Ordinance No. 973

ORDINANCE NO. 973

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORCO AMENDING CHAPTER 2.23, SECTION 2.23.010, ESTABLISHING THE NUMBER OF MEMBERS ON THE STREETS, TRAILS AND UTILITIES COMMISSION

WHEREAS, Chapter 2.23, Section 2.23.010 of the Norco Municipal Code established the number of members to serve on the Streets, Trails and Utilities Commission; and

WHEREAS, to be consistent with the other City commissions, the City Council has recommended that the number of members serving on the Streets, Trails and Utilities Commission be reduced from seven to five members.

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

SECTION 1: Chapter 2.23, Section 2.23.010 of the Norco Municipal Code shall be amended to read as follows:

Chapter 2.23

2.23.010 Established—Number of members.

There is established for the City a Streets, Trails and Utilities Commission of five members appointed from the community.

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

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

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

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held May 21, 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 Ordinance was introduced at a regular meeting of the City Council of the City of Norco, California, duly held on May 7, 2014 and thereafter at a regular meeting of said City Council duly held on May 21, 2014, it was duly passed and adopted by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on May 21, 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: Brenda K. Jacobs, City Clerk

DATE: May 21, 2014

SUBJECT: Ordinance Amending Chapter 3.50 of the Norco Municipal Code to Include a New Exemption for Newly Constructed Specially Adapted Homes for Severely Disabled Veterans Under the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program. (Code Change 2014-01)

RECOMMENDATION: Adopt **Ordinance No. 974** for second reading.

SUMMARY: The first reading of Ordinance No. 974 was held on May 7, 2014 and adopted by the City Council with a 5-0 vote. Ordinance No. 974 amends Chapter 3.50 of the Norco Municipal Code to include the following exemption: "Exempt non-profit 501(c)(3) organizations who build new, single-family homes, specifically constructed and adapted for qualifying severely disabled veterans injured in a theatre of combat operations."

Attachment: Ordinance No. 974

ORDINANCE NO. 974

AN ORDINANCE OF THE CITY OF NORCO, CALIFORNIA, AMENDING CHAPTER 3.50 OF THE NORCO MUNICIPAL CODE TO INCLUDE NEW EXEMPTIONS FOR NEWLY CONSTRUCTED SPECIALLY ADAPTED HOMES FOR SEVERELY DISABLED VETERANS UNDER THE WESTERN RIVERSIDE COUNTY TRANSPORTATION UNIFORM MITIGATION FEE (TUMF) PROGRAM

WHEREAS, This Ordinance shall be known as Amendment No. 1 to the "Western Riverside County Transportation Uniform Mitigation Fee Program Ordinance of 2009" ("Ordinance"); and

WHEREAS, the City is a member agency of the Western Riverside Council of Governments ("WRCOG"), a joint powers agency comprised of the County of Riverside, the March Joint Powers Authority, and 17 cities located in Western Riverside County. Acting in concert, the WRCOG Member Agencies developed a plan whereby the shortfall in funds needed to enlarge the capacity of the Regional System of Highways and Arterials in Western Riverside County (the "Regional System") could be made up in part by a Transportation Uniform Mitigation Fee ("TUMF") on future residential, commercial and industrial development; and

WHEREAS, WRCOG, upon the recommendation of the WRCOG Executive Committee, now desires to adopt one new exemption under the Western Riverside County Transportation Uniform Mitigation Fee Program Ordinance of 2009. The exemption is for newly constructed, specially adapted homes for severely disabled veterans designed for maximum freedom movement and the ability to live more independently at no cost to qualifying disabled veterans.

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

- A. The City Council finds and determines that the new exemption because of its small number of estimated properties, will not threaten the reasonable and rational relationship between the use of the TUMF and the type of development projects on which the fees are imposed because the fees will be used to construct the transportation improvements that are necessary for the safety, health and welfare of the residential and non-residential users of the development in which the TUMF will be levied.
- B. The City Council has also estimated the cost of the new exemption and understands that the TUMF fees will not be used to cover the fair share of these exempted properties on the Regional System.

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

SECTION 1: AMENDMENT. Chapter 3.50 – “Western Riverside Co. Transportation Uniform Mitigation Fee Program” shall be amended as follows:

Definitions.

Section 3.50.020 shall be amended to add the following new definitions:

“Disabled Veteran” means any veteran who is retired or is in process of medical retirement from military service who is or was severely injured in a theatre of combat operations, and has or received a letter of eligibility for the Veterans Administration Specially Adapted Housing (SAH) Grant Program.”

“Non-Profit Organization” means an organization operated exclusively for exempt purposes set forth in section 501(c)(3) of the Internal Revenue Code, and none of its earnings may inure to any private shareholder or individual. In addition, it may not be an action organization, i.e., it may not attempt to influence legislation as a substantial part of its activities and it may not participate in any campaign activity for or against political candidates. For the purposes of the TUMF Program the non-profit must be a 501(c)(3) charitable organization as defined by the Internal Revenue Service.

Exemptions:

Section 3.50.030 – G. shall be amended to add the following exemption:

11. “New single-family homes, constructed by non-profit organizations, specially adapted and designed for maximum freedom of movement and independent living for qualified Disabled Veterans.”

SECTION 2. EFFECT: No provisions of this Ordinance shall entitle any person who has already paid the TUMF to receive a refund, credit, or reimbursement of such payment because of this new exemption.

SECTION 3: EFFECTIVE DATE: This Ordinance shall become effective 30 days after final passage thereof.

SECTION 4: SEVERABILITY: If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid, and/or voidable or unconstitutional for any reason by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Ordinance. The Council hereby declares that it would have passed this Ordinance, and each section, subsection, sentence, clause, and phrase, hereof, irrespective of the fact that any one or more of the sections, subsections, sentences, clauses, or phrases hereof be declared invalid or unconstitutional.

SECTION 5: JUDICIAL REVIEW. In accordance with State law, any judicial action or proceeding to attack, review, set aside, void or annul this Ordinance shall be commenced within ninety (90) days of the date of adoption of this Ordinance.

SECTION 6: POSTING: The Mayor shall sign this Ordinance and the City Clerk shall attest thereto and shall cause the same within 15 days of its passage to be posted at no less than five public places within the City of Norco.

SECTION 7: FULL FORCE AND EFFECT: Except to the extent specifically modified or amended hereunder, all of the terms, covenants, and conditions of Ordinance No. 974 shall remain in full force and effect between the Parties hereto.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on May 21, 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 Ordinance was introduced at a regular meeting of the City Council of the City of Norco, California, duly held on May 7, 2014 and thereafter at a regular meeting of said City Council duly held on May 21, 2014, it was duly passed and adopted by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on May 21, 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 

DATE: May 21, 2014

SUBJECT: Appointments to the Ad-Hoc Committee on Infrastructure Needs and Funding Options

RECOMMENDATION: Appoint three (3) residents to serve on the Ad-Hoc Committee.

SUMMARY: At its meeting held on March 19, 2014, the City Council approved the process to appoint three (3) residents to serve on an Ad-Hoc Committee to review the City's future infrastructure needs and funding options. The City Council is recommended to make its appointments from the eleven (11) applications received.

BACKGROUND/ANALYSIS: At a regular meeting held on March 19, 2014, the City Council approved the staff recommendation for the selection of members to serve on an Ad-Hoc Committee to review the City's future infrastructure needs and funding options. The following was approved:

Ad-Hoc Committee Members:

The Ad-Hoc Committee will consist of two (2) members from the City Council selected by the Mayor; one (1) member each from the Planning Commission, Streets, Trails & Utilities Commission, Parks and Recreation Commission and the Economic Development Advisory Council; and three (3) residents appointed by the City Council at a future meeting.

Applications were solicited for resident appointment to the Ad-Hoc Committee and were received through Thursday, May 1, 2014. The following residents submitted applications by the closing date from which the City Council is recommended to appoint three:

Kris Askew
Linda Dixon
Carolyn Giannelli
Raul Gurrola
Theodore R Hoffman
Patrick Malone
Dan Ostrosky
John Padilla
Shane Porter
Vernon Showalter
Jodie P. Filkins Webber

This will complete the process to appoint members to serve on the Ad-Hoc Committee. In addition to the three (3) residents to be appointed, the following members have been appointed to this date:

Bill Schwab, appointed by the Economic Development Advisory Council
Corrine Holder, appointed by the Parks and Recreation Commission
Patricia Hedges, appointed by the Planning Commission
Cathey Burt, appointed by the Streets, Trails and Utilities Commission

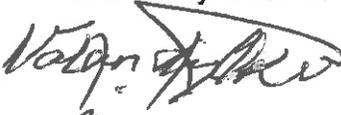
The first meeting of the Ad-Hoc Committee is anticipated to be held in June of 2014 and the City Manager and/or designated will call its first meeting and will provide subsequent support to the Committee.

FINANCIAL IMPACT: Not applicable.

Applications received are available by request in the Office of the City Clerk

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Steve King, Planning Director 

DATE: May 21, 2014

SUBJECT: **Ordinance No. 975:** Amending Chapter 18.43 of the Norco Municipal Code to Modify the Procedures for Noticing Public Hearings and Appeals Therefrom. (Zone Code Amendment 2014-01).

RECOMMENDATION: Adopt for First Reading Ordinance No. 975, approving Zone Code Amendment 2014-01.

SUMMARY: Zone Code Amendment 2014-01 proposes to eliminate on-site posting of public notices on affected properties since it is not a state requirement.

BACKGROUND: In 2005 the Norco Municipal Code was amended adding a provision that public notices be posted on-site for affected properties. Minimum state law requirements are that projects requiring a public notice be noticed the following ways:

1. Published in at least one newspaper of general circulation within the jurisdiction of the local agency at least 10 days prior to the hearing.
2. Provided or delivered at least 10 days prior to the hearing to each local agency providing water, sewer, streets, roads, schools, or other essential facilities or services to the project.
3. Mailed or delivered at least 10 days prior to the hearing to all owners of property as shown on the latest equalized assessment roll within 300 feet of the exterior boundary of the property that is subject of the hearing. In lieu of the assessment roll, the agency may use the records of the county assessor or tax collector containing more recent information.

The City has always met the minimum state requirements. In addition to the state requirements, notice may be given by an agency through any other method it finds to be necessary or appropriate. The City of Norco expanded requirement No. 3 such that public notices are mailed to property owners within 300 feet *"or within the minimum radius that is required such that a minimum of 25 property owners will be notified."*

In addition to expanding the mailing radius (as needed) the following provision was added:

Ordinance No. 975: Zone Code Amendment 2014-01

May 21, 2014

Page 2

“The Notice be posted on the subject property, at a minimum, on all property lines directly adjacent to a public right-of-way, on sign(s) large enough to contain project information, contact information, and the location and date of the hearing in lettering that is large enough so as to be legible to passers-by, and which sign shall also include a copy of the mailed Notice of public hearing.”

Posting on-site is not a state requirement and this zone code amendment would eliminate it from the Norco Municipal Code due to limited staffing and resources to be able to implement and monitor the program effectively.

Attached: Ordinance No. 975

ORDINANCE NO. 975

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORCO APPROVING ZONE CODE AMENDMENT 2014-01 AMENDING CHAPTER 18.43 AND OTHER CROSS-REFERENCES AS NEEDED OF THE NORCO MUNICIPAL CODE. ZONE CODE AMENDMENT 2014-01.

WHEREAS, the CITY OF NORCO initiated Zone Code Amendment 2014-01 to Norco Municipal Code Title 18, Chapter 18.43 regarding the posting of public notices; and

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

WHEREAS, the Zone Code Amendment was scheduled on May 21, 2014 on or about 7 p.m. in the Council Chambers at 2820 Clark Avenue, Norco, California 92860; and

WHEREAS, at the time set, the City Council received both oral and written testimony pertaining to the Zone Code Amendment; and

WHEREAS, the City of Norco acting as the Lead Agency has determined that the project is exempt from the California Environmental Quality Act (CEQA) and the City of Norco Environmental Guidelines as a ministerial project.

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

- A. The proposed Zone Code Amendment is consistent with minimum state public noticing requirements for projects that require a public hearing.
- B. The project has been determined to exempt from the California Environmental Quality Act and the City of Norco Environmental as a ministerial project.

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

SECTION 1:

Section 18.43.06 Procedure for hearings and appeal therefrom.

- (3) The Commission Secretary shall cause Notice of the public hearing to be published at least once in a newspaper of general circulation, published and circulated in the City, or if there is none, it shall be posted in at least three (3) public places within the City, not less than ten (10) calendar days before the date of said hearing and cause said Notice to be mailed, postage prepaid, not less than ten (10) calendar

days before the date of said hearing to owners of real property within a minimum radius of 300 feet of the exterior boundaries of the property which is the subject of the application, or within the minimum radius that is required such that a minimum of 25 property owners will be notified. The names and addresses of property owners for mailing the Notice of public hearing shall be taken from the last equalized assessment roll, or alternatively, from such other records as contain more recent information in the opinion of the Planning Commission.

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

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

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

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on June 4, 2014.

Mayor of the City of Norco, California

ATTEST:

Cheryl Link, City Clerk
City of Norco, California

I, CHERYL LINK, City Clerk of the City of Norco, California, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Norco, California, duly held on May 21, 2014 and thereafter at a regular meeting of said City Council duly held on June 4, 2014, it was duly passed and adopted by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on June 4, 2014.

Cheryl Link, 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:  Steve King, Planning Director

DATE: May 21, 2014

SUBJECT: **Citizens' Initiative for the Permanent Preservation of La Sierra Hills and Restricted Development of La Sierra Lands.**

SUMMARY: A report to the City Council on what is being proposed with a petition that is currently circulating in the City of Riverside regarding future land use in the La Sierra Lands region of Riverside City.

BACKGROUND: This is a petition that is currently being circulated in the City of Riverside seeking to place on a future City of Riverside ballot a measure that would among other things: "Repeal the Rancho La Sierra Specific Plan so Riverside's citizens will have a voice in the use of La Sierra Lands by removing outdated planning policies and providing a platform for open space preservation and a new, restricted residential development. Such development plan will limit residential development of La Sierra Lands to no more than 400 of approximately 650 acres of La Sierra Lands. Such development plan will allow not more than 3.0 dwelling units per acre on average on La Sierra Lands (which is approximately 650 acres in size), resulting in no more than 1,950 residential homes being built."

La Sierra Lands as indicated above is approximately 650 acres. The area is generally located west of Tyler Street at the northern boundary of the City of Riverside, north of an existing single-family residential neighborhood north of Arlington Avenue east of the intersection with La Sierra Avenue. The area then continues north across hills that are mostly vacant to the Santa Ana River and then westward to just east of Crestlawn Mortuary on the south side of Arlington Avenue. Arlington Avenue becomes North Street further west in the City of Norco (ref. Exhibit "A" – Location Map).

The current General Plan Land Use Designation for La Sierra Lands is "Agricultural/Rural Residential" that has a recommended residential density of one dwelling per five acres which is consistent with Proposition R and Measure C of the City of Riverside, both adopted to preserve open spaces and greenbelts within Riverside. The current zoning is dictated by the adopted Rancho La Sierra Specific Plan that was approved for 162 single-family residential uses along with a mix of other uses shown in the table below.

The General Plan Land Use Designation being proposed by the petition is "Medium Density Residential" which allows an average of 5.5 dwelling units per acre and can go up to 8 dwelling units per acre with a PRD (Planned Residential Development) however the proposed ballot measure would limit residential density to no more than 3.0 dwelling units on average with no more than 1,950 dwelling units across the entirety of La Sierra Lands.

The proposed zoning is a new zoning designation being proposed with the petition called "Residential/Open Space (ROS)." The intent of the ROS zone is "to provide flexible zoning areas where open space is required to be set aside; but which open space can be intermixed with an assortment of housing types in order to provide healthy, safe, livable, diverse, and attractive neighborhoods within the City of Riverside along with associated education, recreational, and infrastructure facilities. In this zone, for each 1.6 acres which is developed, 1 acre shall be set aside for open space. This zone limits development to no more than an average of 3.0 dwelling units per acre density spread across the entirety of each area zoned ROS."

The ballot measure as proposed would amend the City of Riverside's Proposition R and Measure C by completely removing La Sierra Lands from those documents and thereby remove La Sierra Lands from that open space and greenbelt protection. There is an adopted specific plan to implement the policies of Measure C that incorporated the following land uses (ref. Exhibit "B" – Ranch La Sierra Specific Plan Summary):

RANCHO LA SIERRA SPECIFIC PLAN LAND USE SUMMARY	
LAND USE	ACRES
Golf Course	383
Natural Open Space	170.5
Residential	145 (162 single-family units)
Constructed Wetlands, Lakes, Arroyos	65.5 (included in Golf Course acreage)
Agriculture	26.5
Community Park	15
Equestrian Center	5.5
Elementary School	10
TOTAL	755.5

All of the residential areas of the Rancho La Sierra Specific Plan (ref. Exhibit "C" – Rancho La Sierra Specific Plan Land Use Plan) have recorded lots on them with the exception of the area bordered in red. Final maps for the rest of the lots (156) were recorded in 2006. No residential development has occurred.

The proposed new zoning (if approved) would allow a density of no more than 3.0 units per acre over the entire La Sierra Lands area, but it does not limit the type of housing to

single-family residential and it does not state a minimum lot size. A possible scenario with this could be a clustering of units into high densities with a large amount of open space that would still meet the overall density of 3.0 units per acre across the entire 650 acres of La Sierra Lands.

Attached: Exhibit "A" – Location Map, La Sierra Lands
 Exhibit "B" – Rancho La Sierra Specific Plan Summary
 Exhibit "C" – Rancho La Sierra Specific Plan Land Use Plan

La Sierra Property in Riverside

La Sierra Lands
Approx. 650 Acres

La Sierra Lands is the area proposed in the petition for zone changes to allow development at higher densities.

La Sierra Hills
Approx. 650 Acres

La Sierra Hills would be maintained as permanent open space by the petition in exchange for higher density development rights in La Sierra Lands.

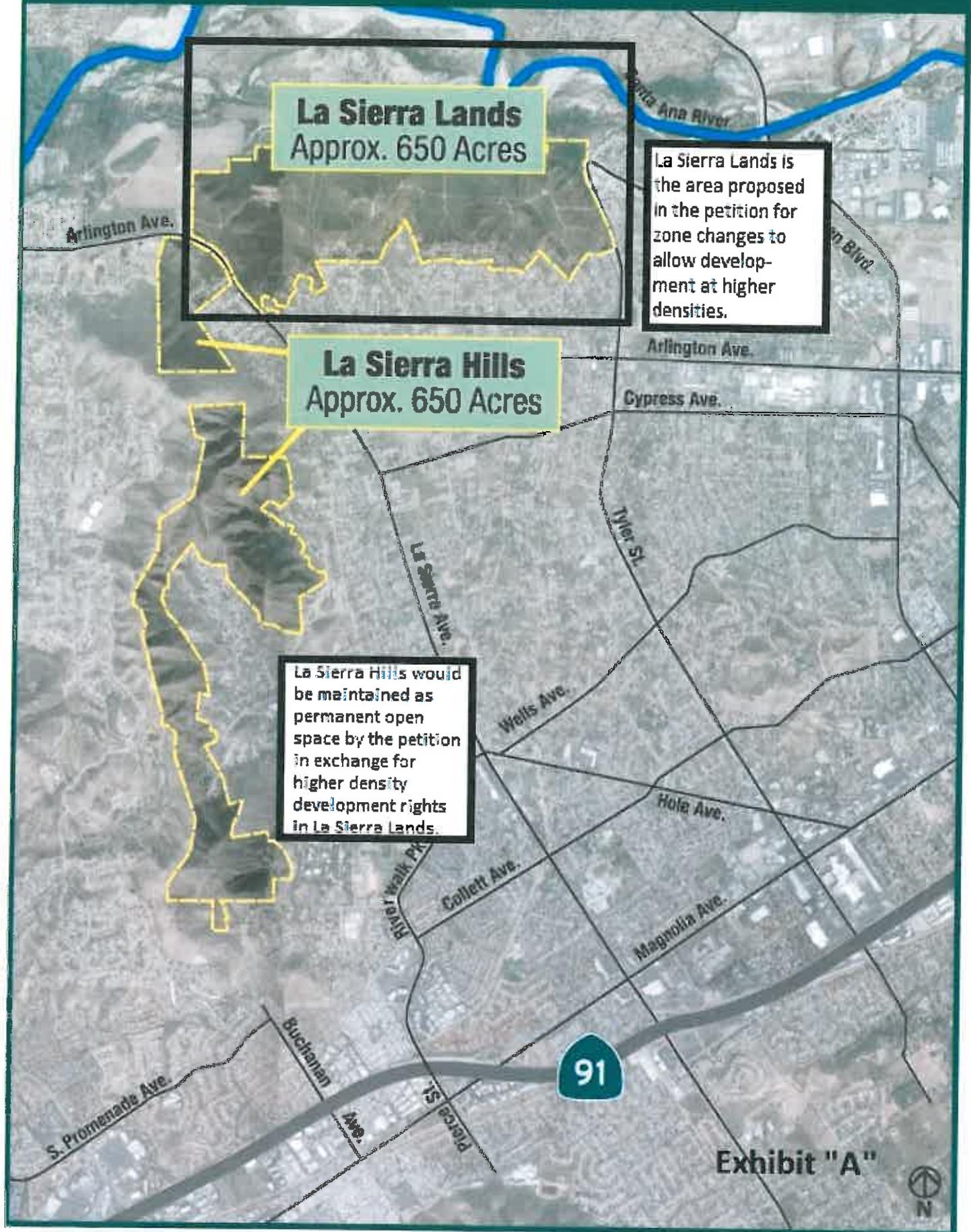


Exhibit "A"



RANCHO LA SIERRA SPECIFIC PLAN SUMMARY

PLANNING OBJECTIVES

- ! Implement the land use and development policies expressed in Measure C and the City of Riverside General Plan.
- ! Implement the design criteria approved by the City Council in its approval of the Championship Golf Concept Plan on April 26, 1994.
- ! Preserve significant natural landforms, drainages, and wildlife habitat on-site and provide an effective buffer between the Hidden Valley Wildlife Refuge and the developed portion of the site.
- ! Establish valuable public recreational opportunities and high quality single family residential uses, which enhance both the surrounding La Sierra community and the city as a whole.
- ! Ensure that permitted residential development is sensitive to the natural topography by avoiding obtrusive ridgetop, skyline development.
- ! Achieve a well-defined and unique community image through appropriate grading, landscaping and other design techniques.
- ! Provide compatible land uses and recreational trail linkages with the existing residential neighborhoods to the south.
- ! Preserve and enhance the scenic qualities of the planning area.
- ! Provide a locally oriented circulation system which precludes through traffic across the site and minimizes access from existing residential neighborhoods to the south.
- ! Recognize Arlington Avenue as an important gateway into the City of Riverside and the community of Rancho La Sierra.

LAND USE CONCEPT

The intent of the Rancho La Sierra Specific Plan is to accommodate diverse land uses while maintaining the property's open space character and protecting the Santa Ana River corridor. The Plan provides for recreational and open space uses, community facilities, single family residential development, and agriculture.

The recreational focus will be the high quality golf opportunities provided by the proposed golf courses which will be open to the public. Open space areas incorporate major topographic features of the site and natural open space reserved for wildlife habitat and movement pathways between the Norco Hills to the south and the Santa Ana Regional Park to the north. Lands in the westerly Plan area are proposed to

accommodate agricultural uses. A recreational trail network is planned throughout the open space areas, including numerous feeder equestrian trails and a segment of the Santa Ana River Bikeway. Other planned community facilities include a community park, an elementary school site, and a neighborhood equestrian center. No more than 162 single family residences are permitted, clustered to preserve important natural features and the open space character of the site.

A statistical summary of the approximate acreage devoted to each land use is provided below.

**Table 1
Land Use Summary**

<u>Land Use</u>	<u>Acreage</u>
Golf Course	383
Natural Open Space (including Trails and Wildlife Corridor)	170.5
Residential	145
Constructed Wetlands, Lakes, Arroyos	(65.5)*
Agriculture	26.5
Community Park	15
Equestrian Center	5.5
Elementary School	<u>10</u>
Total	755.5

* this acreage included in the Golf Course total

PLAN COMPONENTS

Several distinct land use components are included in the Plan, as described below. Boundaries shown on the land use plan are illustrative in nature, and will be precisely defined through more detailed site planning processes.

Golf Course

Championship golf in the form of a maximum 45 holes (up to two 18 hole courses and a 9 hole course) is proposed, covering approximately 383 acres. The golf courses will be open to the public. One 18-hole course will be situated generally west of the centrally-located clubhouse, with the remaining holes planned easterly of this facility. The conceptual layout includes a fairway routing visible from Arlington Avenue, near the main project entrance. Arlington Avenue is identified as a major gateway into the City of Riverside, and this treatment will provide an attractive "green" entryway into both Rancho La Sierra and the city as a whole.

The golf courses have not yet been designed. It is the intent of this Plan that they be of championship caliber, designed by golf course architects of international stature. The courses are intended to serve local golfers as well as visitors from other parts of Southern California. They will also be marketed to both foreign and domestic tourists. The golf courses will be open to the public, and will include associated facilities such as a clubhouse and a driving range. To minimize biological and visual impacts, the driving range will not be lighted. Golf course design will minimize turfed areas and grading and emphasize retention of natural topographic features. The design will further provide habitat for local wildlife species, minimize irrigation needs and incorporate pest management techniques to minimize the effects of pollution associated with pesticides, herbicides and fertilizers.

Single Family Residential

The policies of Measures R and C serve as the basis for the density and design standards of the residential areas, allowing for a maximum of 162 single family residential units. Homes will be sited in clusters designed to preserve significant landforms and other important open space areas. Two residential designations are included in the Plan to reflect the distribution of densities on the site; these designations are defined below. Unit allocations are summarized in Table 2.

**Table 2
Residential Density Allocations**

Residential Estate	135 units
Residential Conservation	27 units*
TOTAL	162 units

*27 units reflects the maximum density bonus; in practice the maximum bonus may not be achieved. In accordance with Title 19 of the Municipal Code, permitted units cannot be transferred between Residential Conservation and Residential Estate designations.

Natural Open Space

Approximately 170.5 acres will be preserved as natural open space. These open space areas protect the important natural features of the site, such as significant natural hills, steep slopes, rock outcroppings and arroyos. They further provide wildlife habitat and foraging areas, and function as wildlife movement pathways connecting significant habitat and foraging areas located on and off-site. A wildlife corridor is designated in the western portion of the site, as a segment of a larger corridor intended to link the Santa Ana River and the Norco Hills. An extensive recreational trail network is also included within the open space system, consisting of a segment of the regional Santa Ana River Bikeway and a series of local feeder trails.

Constructed Wetlands/Lakes/Enhanced Arroyos

Approximately 65.5 acres of constructed wetlands/lakes/enhanced arroyos shall be accommodated in the proposed golf courses. These constructed wetlands provide the

opportunity to filter site runoff and store water for irrigation needs. They further create a wetland environment compatible with the nearby Santa Ana River ecosystem.

Agriculture

Agriculture is proposed on approximately 26.5 acres located at the westerly end of the site. It is anticipated row crop farming, vineyards or plant nurseries operated by small commercial interests could be accommodated.

Community Facilities

This Specific Plan provides facilities intended to serve both Rancho La Sierra and the larger La Sierra community. Planned facilities are described below.

Community Park

A 15 acre community park is planned at the southeasterly edge of the Plan area, fronting on Tyler Street and bordered by a proposed new public street. This site is near existing single family residential neighborhoods to the east and south which are not presently served by a nearby community park facility. Both these neighborhoods and the Rancho La Sierra community will benefit from the active recreational facilities such as lighted sport fields, playground equipment, and play fields proposed for the site.

Neighborhood Equestrian Center

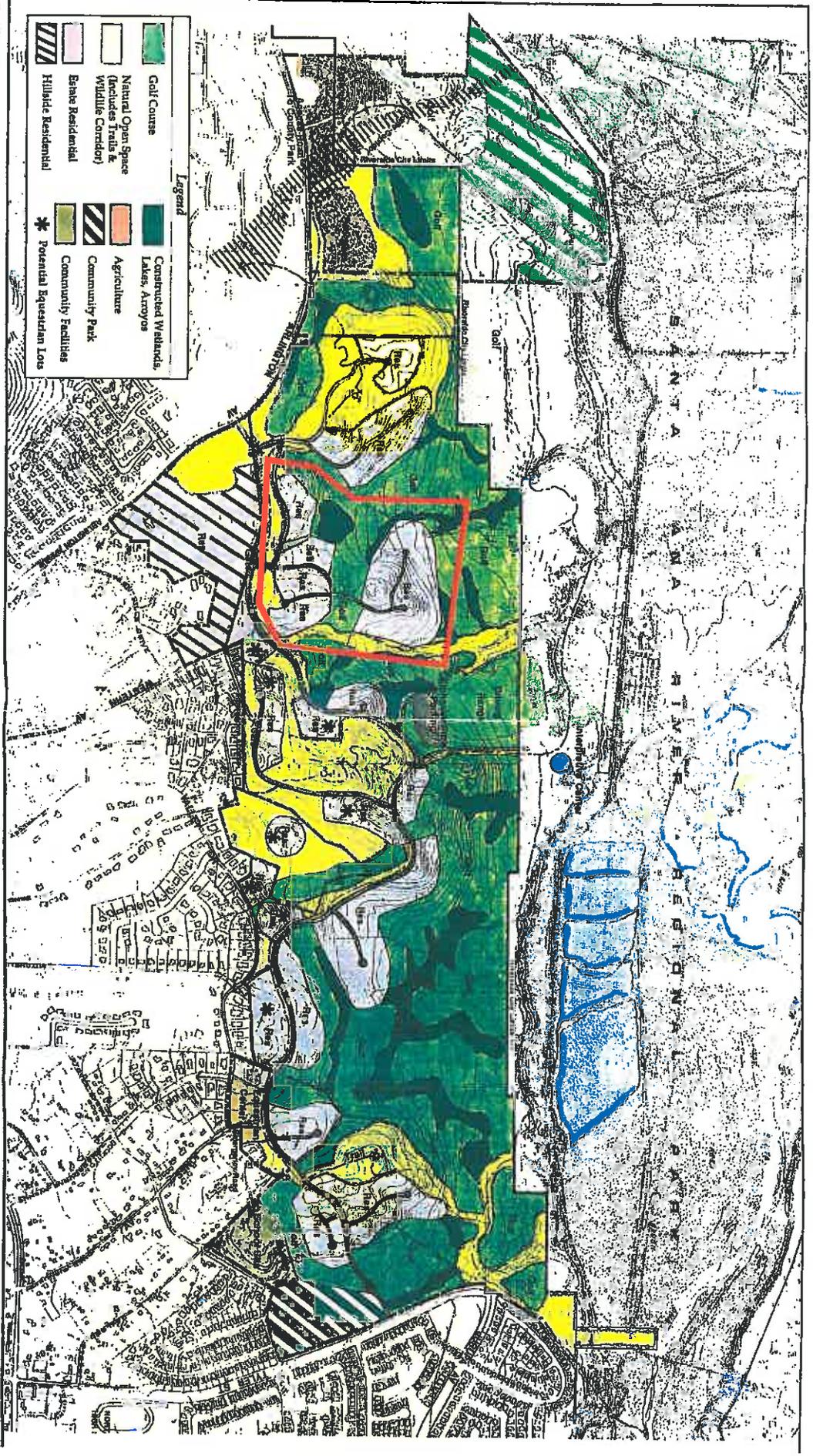
Situated on approximately 5.5 acres located northerly of the Jones Avenue/Valley Drive intersection, this facility would consist of a full-size riding arena and limited parking, with access provided from the existing public street system. The center is planned as a neighborhood amenity, open to the general public and primarily intended for use by neighboring residents within riding distance. It is not intended as a regional facility, which will be reflected through its design.

Elementary School

A 10 acre site for an elementary school is designated at the southeastern end of the site, adjacent to the planned community park. The planned school will serve adjacent neighborhoods as well as Rancho La Sierra.

As a matter of information, the majority property owners are negotiating with Alford Unified School District regarding the possible deletion of the school site from the Plan.

LAND USE PLAN



CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

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

DATE: May 21, 2014

SUBJECT: State of California Sewer Treatment Plant Property (Parcel F)

RECOMMENDATION: No Staff Recommendation.

SUMMARY: The State of California owns a 4.46-acre property (Parcel F) containing a sewer treatment plant that is no longer operational. The property is located adjacent to the intersection of Corydon Avenue and Fifth Street, along the bluff of the Santa Ana River flood plain. The City Council has requested that staff provide an update on the current condition and overall status of the property.

BACKGROUND/ANALYSIS: Parcel F is a 4.46-acre parcel containing a sewer treatment plant that is no longer in use. The property is located adjacent to the intersection of Corydon Avenue and Fifth Street, along the bluff of the Santa Ana River flood plain. Following is a brief summary of the history of Parcel F:

- In 1970, the sewage treatment plant property was originally operated by the California Rehabilitation Center (CRC) staff and discharged secondary treated wastewater to the Santa Ana River.
- In 1972 the City of Norco entered into an agreement to purchase 1.0 mgd (million gallons per day) of sewer treatment capacity from the City of Corona. The agreement had a provision to allow the CRC to discharge 250,000 gallons per day into the City of Norco collection system. This agreement would close down the CRC sewage treatment facility.
- The CRC began to have an increase in their daily wastewater discharge creating a need for additional capacity and entered into an agreement with the City of Norco to reopen the CRC treatment plant to treat excess CRC wastewater flows.
- In 1978, Senator Presley approved funding and in early 1979 the City of Norco began operating the sewage treatment plant. Secondary treatment was discharged into the Santa Ana River.
- In April of 1980, the Regional Water Quality Control Board issued Cease and Desist Order No. 80-54 to the City of Norco. The order would require the City of Norco to upgrade the plant to tertiary treatment.
- A study was conducted to determine the feasibility of upgrading the treatment process. The study concluded that the best approach was for the CRC to construct a lateral to the Santa Ana Regional Interceptor (SARI) line. The proposal to allow CRC to discharge to the brine line was accepted, based on the quality of the well water used for domestic purposes.

- In 1984, the CRC was approved funding to construct a lateral from the CRC property to a connection point located on the SARI line in the City of Corona.
- Also in 1984, the Regional Water Quality Control Board issued a new Cease and Desist Order restricting all secondary wastewater discharges into the Santa Ana River.
- The State of California, Department of General Services, Real Estate Services Division, started initial preparations to surplus Parcel F. In September of 2006, a Phase II Subsurface Soil Assessment was performed by AMEC Earth and Environmental, Inc. on the property. There were 65 soil samples submitted for analysis, seventeen of the samples indicated concentrations above the reporting limit. The findings and conclusions of the Executive Summary reported the presence of detectable levels of PCBs (motor oil). The final recommendation was to have the affected soil removed from the property and disposed of by a state certified company to a soil recycling facility.
- Parcel F is currently not in operation and is classified as a vacant property. The exterior of the property is secured with a chain link type fence material, with barbed wire attached to the top. The Phase II Soil report documented dumping of construction debris, poly-vinyl chloride pipe materials (PVC), concrete and asphalt generated from the CRC property.
- The State of California has offered to convey the property to the City of Norco.

Attachment: 2006 Parcel F Phase II Soil Assessment - Executive Summary



EXECUTIVE SUMMARY

AMEC Earth and Environmental, Inc. (AMEC) conducted a subsurface soil assessment on behalf of the Department of General Services, Real Estate Services Division (RESO) for an area of Imported fill, covering approximately 160 feet north-south by 120 feet east-west and up to approximately 18 feet deep that required sampling and testing for polychlorinated biphenyls (PCBs) and other potential contaminants of concern. The above-referenced site (approximately 19,200 square-foot area) is part of a larger area, referred to as Parcel "F", located at the southwest corner of Corydon Avenue and Fifth Street in Norco, Riverside County, California. Details of the sampling program, as conducted on July 20 and 21, 2006, are as follows:

Soil Boring Type	# of Borings	# of Samples Collected	Laboratory Analyses	Sample Depth
Direct-Push Drilling Method	16	65	PCBs (all samples); selected analysis for TPH-carbon chain, metals, VOCs and SVOCs.	3-foot Intervals (fill only was sampled)

The direct-push soil borings were advanced in an effort to collect subsurface soil samples of the fill for characterization purposes.

Findings and Conclusions

AMEC has performed a subsurface soil assessment for the site in general conformance with the scope of services provided to the RESO and current environmental industry standards for projects of similar scope. The findings and conclusions are summarized as follows:

- The results of the subsurface soil sampling and analysis program indicate the presence of impacts by PCBs (Aroclor 1260) and petroleum hydrocarbons (TPH-diesel and TPH-motor oil). Of the 65 soil samples submitted for analysis, a total of seventeen samples indicated detectable concentrations of PCBs above the laboratory reporting limit. One of the above-referenced 17 samples (B-5/12') indicated a concentration above the Preliminary Remediation Goal (PRG) value for industrial land use (0.74 mg/kg PCBs). Specifically, the highest PCB laboratory result was indicated in sample B-5/12' (4.80 mg/kg Aroclor 1260) which correlates with the highest TPH-carbon chain analytical result (B-5/12' indicated a concentration of 930 mg/kg TPH). The TPH-carbon chain analyses confirmed that the hydrocarbon-affected soil has a distinct profile analogous to motor oil (i.e., heavier carbon chain range).
- For the CAM 17 metal analysis, the metal concentrations for the soil samples submitted are below the Total Limit Threshold Concentration (TTL) and PRG values (Industrial and residential) and are within range of background values for typical southern California soils and, hence, require no further action. The results of the soil sampling and analysis program do not indicate the presence of soil impacts by SVOCs (no chemical compounds detected) or VOCs (detectable concentrations of methylene chloride are a laboratory artifact).

State of California, Department of General Services
Phase II Subsurface Soil Assessment
Vacant Parcel "F" - Naval Weapons Annex
Southwest Of The Intersection Between Corydon Avenue And Fifth Street
Norco, California 92860



- It is AMEC's opinion that the vertical and lateral limits of impacted soils at the site have been adequately defined by the Geoprobe direct-push drilling program for the purpose of considering remedial actions (i.e., excavate and dispose).

Recommendations

- The PCB- and hydrocarbon-affected soil should be considered for removal and off-site disposal as a California regulated non-hazardous waste (transported by a state-certified hazardous waste disposal/haulage company to a soil recycling facility). A qualified environmental consultant should be present to oversee all aspects of the soil cleanup activities.

**SUCCESSOR AGENCY TO THE
NORCO COMMUNITY REDEVELOPMENT AGENCY
STAFF REPORT**

TO: Chairman and Members of the Successor Agency

FROM: Andy Okoro, Executive Director 

PREPARED BY: Doug Anderson, Financial Advisor to the Agency

DATE: May 21, 2014

SUBJECT: Resolution Reapproving the Form of a Preliminary Official Statement, to Refund 2001 RDA Bonds for Savings

RECOMMENDATION: Adopt **SA Resolution No. 2014-03**, reapproving the Form of the Preliminary Official Statement to deem it final under Rule 15c2-12.

SUMMARY: The Preliminary Official Statement is the offering document that will be presented to potential investors in the 2014 Tax Allocation Refunding Bonds. The initial form of the Preliminary Official Statement was approved by the Successor Agency at its meeting on February 19, 2014, by Resolution No. 2014-01. Now that the State Dept. of Finance has approved the issuance of the 2014 Bonds, the substantially final form of the Preliminary Official Statement must be approved to deem it final under Rule 15c2-12 of the Securities Exchange Act of 1934.

BACKGROUND/ANALYSIS: The former Norco Community Redevelopment Agency issued its 2001 Refunding Tax Allocation Bonds in December of 2001 (the "2001 Bonds"), which have a term date of March 1, 2030. In order to create an annual debt service savings over the remaining sixteen years, the 2014 Bonds will refund the 2001 Bonds. The existing interest rate for the longest term 2001 Bonds is 5.125%, and the interest rate for the proposed 2014 Bonds is expected to be approximately 4.50%.

The 2014 Bonds will have a final maturity date of March 1, 2030, to match the current term date of the 2001 Bonds. The total debt service savings created by the issuance of the 2014 Bonds will be approximately \$850,000 over the remaining sixteen year term. Pursuant to the Redevelopment Property Tax Trust Fund (RPTTF) distribution procedures called for in the RDA Dissolution Law, the projected debt service savings amount from the bond refunding will contribute to residual revenues which must be shared by all taxing entities. Based on its share of residual tax revenues distributed by the County, the City's general fund will receive approximately \$120,000 of the total estimated debt service savings over the remaining sixteen years.

FINANCIAL IMPACT: The 2014 Bonds are not a debt of the City of Norco, State of California, or any of its political subdivisions and neither said City or State are liable for repayment of the 2014 Bonds. The repayment of the 2014 Bonds will be payable solely from Pledged Tax Revenues, which are the net tax revenues generated in the redevelopment project area.

Attachment: SA Resolution No. 2014-03

SA RESOLUTION NO. 2014-03

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY REAPPROVING THE FORM OF THE PRELIMINARY OFFICIAL STATEMENT TO DEEM IT FINAL UNDER RULE 15c2-12

WHEREAS, the Successor Agency has previously adopted its SA Resolution 2014-01 "Resolution of the Board Of Directors of the Successor Agency to the Norco Community Redevelopment Agency Approving The Forms Of And Authorizing The Execution And Sale Of An Indenture Of Trust, A Bond Purchase Contract, Escrow Agreement, Continuing Disclosure Agreement, Official Statement, And Authorizing Certain Other Actions In Connection Therewith Relating To The Issuance Of The Successor Agency's Refunding Tax Allocation Refunding Bonds" at its meeting on February 19, 2014 and wishes at this time to reapprove the Preliminary Official Statement and to deem it final within the meaning of Rule 15c2-12.

NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1. The Preliminary Official Statement relating to the Bonds (the "Preliminary Official Statement"), in the form presented at this meeting and on file with the Secretary, is hereby approved and deemed final for the purposes of Rule 15c2-12 of the Securities and Exchange Act of 1934 ("Rule 15c2-12"). The Underwriter is hereby authorized to distribute the Preliminary Official Statement to prospective purchasers of the Bonds in substantially the form hereby approved, together with such additions thereto and changes therein as are determined necessary by the Executive Director to make the Preliminary Official Statement final as of its date for purposes of Rule 15c2-12, including, but not limited to, such additions and changes as are necessary to make all information set forth therein accurate and not misleading.

PASSED AND APPROVED by the Successor Agency to the Norco Community Redevelopment Agency at a regular meeting held on May 21, 2014.

Chairman of the Successor Agency to the
Norco Community Development Agency

ATTEST:

Secretary of the Successor Agency to the
Norco Community Development Agency

I, Brenda K. Jacobs, Secretary of the Successor Agency to the Norco Community Development Agency, DO HEREBY CERTIFY that the foregoing Resolution was duly adopted by the Board of Directors at a special meeting of the Successor Agency held on May 21, 2014 and that the same was passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Secretary of the Successor Agency to the
Norco Community Development Agency

**SUCCESSOR AGENCY TO THE
NORCO COMMUNITY REDEVELOPMENT AGENCY
STAFF REPORT**

TO: Chairman and Members of the Successor Agency

FROM: Andy Okoro, Executive Director 

PREPARED BY: Doug Anderson, Financial Advisor to the Agency

DATE: May 21, 2014

SUBJECT: Resolution reapproving the Form of a Preliminary Official Statement, to refund 2001 and 2004 RDA Bonds (School District Pass Through) for Debt Service Savings

RECOMMENDATION: Adopt **SA Resolution No. 2014-04**, reapproving the Form of the Preliminary Official Statement to deem it final under Rule 15c2-12.

SUMMARY: The Preliminary Official Statement is the offering document that will be presented to potential investors in the 2014 Tax Allocation Refunding Bonds (School District Pass Through). The initial form of the Preliminary Official Statement was approved by the Successor Agency at its meeting on February 19, 2014, by Resolution No. 2014-02. Now that the State Dept. of Finance has approved the issuance of the 2014 Bonds, the substantially final form of the Preliminary Official Statement must be approved to deem it final under Rule 15c2-12 of the Securities Exchange Act of 1934.

BACKGROUND/ANALYSIS: The former Norco Community Redevelopment Agency issued its 2001 Tax Allocation Refunding Bonds (School District Pass-Through) in December of 2001 (the "2001 Bonds"), which have a term date of March 1, 2030. In December of 2004, the former Norco Community Redevelopment Agency again issued bonds on behalf of the School District (the "2004 Bonds"), and the 2004 Bonds have a final term date of March 1, 2032. In order to create an annual debt service savings over the remaining respective terms of the 2001 and 2004 Bonds, the 2014 Bonds will refund the 2001 and 2004 Bonds. The existing interest rate for the longest term 2001 Bonds is 5.50%, and the existing interest rate for the longest term 2004 Bonds is 5.00%. The interest rate for the proposed 2014 Bonds is expected to be approximately 4.50%.

The 2014 Bonds will have a final maturity date of March 1, 2032, to match the current term date of the 2004 Bonds. The School District will benefit from the total debt service savings created by the issuance of the 2014 Bonds, which is expected to be approximately \$435,000 over the remaining eighteen year term.

FINANCIAL IMPACT: The 2014 Bonds are not a debt of the City of Norco, State of California, or any of its political subdivisions and neither said City or State are liable for repayment of the 2014 Bonds. The repayment of the 2014 Bonds will be payable solely from Pledged Tax Revenues, which are the pass through revenues generated in the redevelopment project area for the benefit of the School District.

Attachment: SA Resolution No. 2014-04

SA RESOLUTION NO. 2014-04

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY REAPPROVING THE FORM OF THE PRELIMINARY OFFICIAL STATEMENT TO DEEM IT FINAL UNDER RULE 15c2-12 (SCHOOL DISTRICT-PASS THROUGH)

WHEREAS, the Successor Agency has previously adopted its SA Resolution 2014-02 "Resolution of the Board Of Directors of the Successor Agency to the Norco Community Redevelopment Agency Approving The Forms Of And Authorizing The Execution And Sale Of An Indenture Of Trust, A Bond Purchase Contract, Escrow Agreement, Continuing Disclosure Agreement, Official Statement, And Authorizing Certain Other Actions In Connection Therewith Relating To The Issuance Of The Successor Agency's Refunding Tax Allocation Refunding Bonds (School District-Pass Through)" at its meeting on February 19, 2014 and wishes at this time to reapprove the Preliminary Official Statement and to deem it final within the meaning of Rule 15c2-12.

NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1. The Preliminary Official Statement relating to the Bonds (the "Preliminary Official Statement"), in the form presented at this meeting and on file with the Secretary, is hereby approved and deemed final for the purposes of Rule 15c2-12 of the Securities and Exchange Act of 1934 ("Rule 15c2-12"). The Underwriter is hereby authorized to distribute the Preliminary Official Statement to prospective purchasers of the Bonds in substantially the form hereby approved, together with such additions thereto and changes therein as are determined necessary by the Executive Director to make the Preliminary Official Statement final as of its date for purposes of Rule 15c2-12, including, but not limited to, such additions and changes as are necessary to make all information set forth therein accurate and not misleading.

PASSED AND APPROVED by the Successor Agency to the Norco Community Redevelopment Agency at a regular meeting held on May 21, 2014.

Chairman of the Successor Agency to the
Norco Community Development Agency

ATTEST:

Secretary of the Successor Agency to the
Norco Community Development Agency

I, Brenda K. Jacobs, Secretary of the Successor Agency to the Norco Community Development Agency, DO HEREBY CERTIFY that the foregoing Resolution was duly adopted by the Board of Directors at a special meeting of the Successor Agency held on May 21, 2014, and that the same was passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Secretary of the Successor Agency to the
Norco Community Development Agency