



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

June 4, 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 WILL RECESS TO CLOSED SESSION (SECTION 54954) TO CONSIDER MATTERS:

§54957 Public Employee Performance Evaluation:

Title: City Manager

RECONVENE PUBLIC SESSION: 7:00 p.m.

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

PLEDGE OF ALLEGIANCE: City Council Member Newton

INVOCATION: Grace Fellowship Church
Pastor Vernie Fletcher

RECOGNITIONS:

Norco Boy Scout Troop 33
Celebrating 50 Years

Norco Lions Club
*Sponsor of Norco Boy Scout Troop 33 for
50 Years*

CITY COUNCIL BUSINESS ITEMS AS FOLLOWS:

1. CITY COUNCIL COMMUNICATIONS / REPORTS ON REGIONAL BOARDS AND COMMISSIONS:
2. CITY COUNCIL CONSENT ITEMS: *(All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Council, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Council or the audience request specific items be removed from the Consent Calendar. Items removed from the Consent Calendar will be separately considered under Item No.3 of the Agenda.)*
 - A. City Council Minutes:
Regular Meeting of May 21, 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. Approval of a Lease Agreement between New Cingular Wireless PCS, LLC (AT&T), a Delaware Limited Liability Company, and the City of Norco to Construct a Telecommunications Facility at Parmenter Park. **Recommended Action: Approval** (Director of Park, Recreation and Community Services)
 - D. Approval of the Memorandum of Understanding for Norco General Employees Association for Fiscal Year 2043-2015. **Recommended Action: Approve the Memorandum of Understanding for the Norco General Employees Association for Fiscal Year 2014-2015.** (City Manager)
 - E. Approval of the Memorandum of Understanding for Public Works & Parks Maintenance Workers Association for Fiscal Year 2014-2015. **Recommended Action: Approve the Memorandum of Understanding for the Public Works & Parks Maintenance Workers Association for Fiscal Year 2014-2015.** (City Manager)

- F. Approval of Salary and Benefits Resolutions for Management, Middle Management, Professional and Confidential Employees for Fiscal Year 2014-2015. **Recommended Action: 1.) Adopt Resolution No. 2014-23, approving the annual salary and benefits for Management personnel; and 2.) Adopt Resolution No. 2014-24, approving the annual salary and benefits for Middle Management, Professional and Confidential service personnel.** (Deputy City Manager/Director of Finance)
 - G. Fiscal Year 2013-2014 Third Quarter Budget to Actual Report **Recommended Action: Receive and File** (City Manager)
 - H. Approval Granting Kosmont Realty Corporation Exclusive Authorization to Sell 3.31 Acres of Vacant Property Located North of the 60 Freeway and East of Milliken Avenue, APN 156-030-002. **Recommended Action: Approval of Exclusive Authorization.** (City Manager)
 - I. Proposed Cancellation of the July 2, 2014 City Council Regular Meeting. **Recommended Action: The City Council cancel the July 2, 2014 City Council regular meeting.** (City Clerk)
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 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: Adopt Ordinance No. 975.**
5. CITY COUNCIL DISCUSSION / ACTION ITEM:
- A. Discussion Regarding the Drafting of a Noise Ordinance. **Recommended Action. Provide direction to staff regarding the drafting of a City noise ordinance.** (Lt. Hedge)
 - B. Appointments to Various City Commissions and the Economic Development Advisory Council. **Recommended Actions: Staff recommends that the City Council make two appointments to the Historic Preservation Commission, one appointment to the Parks and Recreation Commission, two appointments to the Planning Commission, and one appointment to the Streets, Trails and Utilities Commission from the applicants that applied and qualify for service on a City Commission; and make four appointments to the Economic Development Advisory Council.** (City Clerk)

6. CITY COUNCIL PUBLIC HEARINGS:

- A. Amendments to the City's Comprehensive Fee Resolution to Update and Adjust Fees for General City Services.

Recommended Action: Continue this item to the June 18, 2014 regular City Council meeting. (City Manager)

- B. Approval and Adoption of the City of Norco Operating Budget for Fiscal Year 2014-2015 and Authorizing Appropriations Therefrom.

The FY 2014-2015 Proposed Budget for the General Fund includes total estimated operating revenues of \$14,499,926 and total estimated operating expenditures of \$14,467,579. This represents \$32,347 of estimated revenues over estimated expenditures. The proposed budget estimates the General Fund's balance as of June 30, 2015 to be \$5,287,249.

Recommended Action: Receive public comments on the proposed Annual Operating Budgets for the City of Norco and adopt Resolution No. 2014-25, approving and adopting the City Operating Budget and for Fiscal Year 2014-2015 and authorizing appropriations therefrom. (City Manager/Executive Director and Deputy City Manager/Director of Finance)

- C. Approval of the Five Year Capital Improvement Program for Fiscal Years 2015-2019.

A budget workshop was held to review the proposed FY 2015-2019 Capital Improvement Program (CIP) budget for the City of Norco. Staff is now recommending that the City Council conduct a Public Hearing to receive input from the public and that at the conclusion of the hearing, that the City Council approve the CIP Budget for Fiscal Years 2014-2019.

Recommended Actions: Receive public comments on the proposed Capital Improvement Program Budget and adopt Resolution No 2014-26, approving and adopting the City of Norco Capital Improvement Program Budget for fiscal Years 2015-2019. (Deputy City Manager/Director of Finance)

7. SUCCESSOR AGENCY CONSENT ITEM:

- A. Approval of an Agreement with Kosmont Realty Corporation and the Norco Successor Agency to the Norco Community Redevelopment Agency for Real Estate Services to Sell Successor Agency Properties, APNs 122-070-023, 122-070-026, and 126-120-038. **Recommended Action: Approval of Agreement.** (Executive Director)

8. 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.
9. CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS:
10. ADJOURNMENT:

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

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

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



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

May 21, 2014

City Council Chambers
2820 Clark Avenue, Norco, CA 92860



CALL TO ORDER: Mayor Hanna called the meeting to order at 6:13 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**

M/S Higgins/Bash to add a Closed Session item by urgency regarding potential litigation. The motion was carried by the following roll call vote:

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

THE CITY COUNCIL/SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY ("SUCCESSOR AGENCY") RECESSED 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

§54956.9(c) – Conference with Legal Counsel – Anticipated Litigation (Added by Urgency)

Significant Exposure to Litigation: One potential case

RECONVENE PUBLIC SESSION: Mayor Hanna reconvened the meeting at 7:07 p.m.

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

City Attorney Harper stated that one item was added by urgency regarding potential litigation and that there were no reportable actions following closed session.

PLEDGE OF ALLEGIANCE: Council Member Bash

INVOCATION: Pastor Louie Monteith, Calvary Chapel, Norco

INTRODUCTIONS: Captain Jason Horton, Riverside County Sheriff's Department

Lt. Daniel Hedge introduced Captain Jason Horton of the Jurupa Valley Station. Captain Horton expressed his honor in serving the City of Norco.

Cheryl Link, City Clerk

City Manager Andy Okoro introduced Cheryl Link, the newly appointed City Clerk. Mr. Okoro noted Ms. Link's education and work experience. Ms. Link thanked the City Council for the opportunity to serve the community.

PRESENTATION: Declaration of May as Lupus Awareness Month
Tricia Badowski

Mayor Hanna presented a proclamation to Ms. Badowski and thanked the Lupus Research Institute for their efforts. Ms. Badowski thanked the City Council for the proclamation.

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

Mayor Hanna presented Dr. Simon with a certificate of appreciation. Dr. Simon thanked the City Council, the Sheriff's Department, and the community for their support. Council Member Bash stated Dr. Simon is the top principal in the State of California.

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

Mayor Hanna presented Ms. Grundmeyer with a certificate of appreciation. Ms. Grundmeyer expressed her gratitude for being supported by the City Council, parents, and the community.

*Norco FFA Designation as a Three Star
Chapter*

Mayor Hanna presented Carole Lindsey with a certificate of appreciation for the Norco FFA. Mayor Hanna commented on the discipline of the Norco FFA members and their dependability. Ms. Lindsey stated the kids are the ones who make FFA successful.

CITY COUNCIL BUSINESS ITEMS AS FOLLOWS:

1. A. SILVERLAKES EQUESTRIAN & SPORTS PARK UPDATE:

City Manager Okoro presented a brief update. Mr. Okoro stated that since the City has been collecting rent since January 2012, Mr. Brandes has made total payments in the amount of \$958,160. In addition, Mr. Brandes has put on deposit six months rent totaling \$198,240. Mr. Okoro indicated that \$94,222.67 has been paid by Mr. Brandes for work relating to the Hamner Avenue widening project.

R.J. Brandes, representing Balboa Management Group, LLC, provided an update on the Silverlakes Equestrian & Sports Park. He stated that there is also a Letter of Credit in the amount of \$350,000 as another guarantee of his commitment to the project. Mr. Brandes noted that \$1.2 million has been committed to Silverlakes and that progress is still being made. Mr. Brandes indicated that he is keeping the City Manager updated on a regular basis. He stated that he is very well qualified to get financing but the conditions of the ground lease have made it difficult. Mr. Brandes thanked the City for being an extraordinary partner.

Sharon Higman expressed her concerns with the problems associated with the project. Ms. Higman requested a timeline of the project.

Council Member Newton noted that when the Planning Commission reviewed the development agreement four years ago, the focus was always on the success of the project. Council Member Newton commented on concerns from residents for the lack of progress and asked for suggestions on how the City can keep focused and provide support.

Council Member Bash commented on the general discouragement over time. Council Member Bash noted the monthly payments, which generates more money than all the property tax collected in the City. Council Member Bash stated that the Council must stay positive about the project.

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

Council Member Bash:

- Visited Scott Brothers Dairy, which is working on converting cow manure to water, diesel, fertilizer, and energy and could process all the manure in Norco. Stated that it is vital to find alternate solutions to manure issues within the next two to three years.
- Commented on the George A. Ingalls Memorial Plaza groundbreaking event on May 30, 2014 at 9:00 a.m.

Mayor Pro Tem Higgins:

- No report given.

Council Member Newton:

- Reminded residents of the Norco Founders Day Ride on Saturday, June 14, 2014.

Council Member Azevedo:

- Attended WRCOG meeting.
- Met with the Birthday Committee.
- Commented on the Founders Day Ride, ribbon cutting ceremony for the Corydon Staging area at 9:00 a.m. on Saturday, June 14, 2014, Fourth of July events, Day of the Cowboy on July 26, 2014.

Mayor Hanna:

- Commented on the Day of the Cowboy and the New Buffalo Soldiers
- Attended Vector Control meeting and noted the use of remote control helicopters to spray.
- Attended RTA meeting. Commented that ridership is up 8%, three more buses added from Eastvale to Corona, and there are 30 trips a day to Norco College.

2. CITY COUNCIL CONSENT ITEMS:

Council Member Higgins requested to remove Item 2.E. and Council Member Newton requested to remove Item 2.K.

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

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

- A. City Council Minutes:
Special and Regular Meetings of May 7, 2014
Action: Approved the City Council Minutes**

- B. Procedural Step to Approve Ordinance after Reading of Title Only. **Action: Approved.**
 - C. Recap of Actions Taken by the Planning Commission at its Meeting held on May 14, 2014. **Action: Received and Filed.**
 - D. Resolution Setting the Regular Meeting Schedules for City Commissions and the Economic Development Advisory Council for Fiscal Year 2014-2015. **Action: Adopted Resolution No. 2014-18.**
 - E. City Council Appointment to the Leads on Manure-to-Energy Issues City Council Appointed Committee. **Action: Pulled for discussion.**
 - F. Annual Adoption of the City Investment Policy. **Action: Approved and adopted the annual City Investment Policy.**
 - G. Approval and Adoption of the Annual Appropriation Limit for Fiscal Year 2014-2015. **Action: Adopted Resolution No. 2014-22, approving the annual appropriation limit for Fiscal Year 2014-2015.**
 - H. Third Amendment to the Annual Sanitary Sewer Maintenance Service Agreement. **Action: Approved the extension of the Annual Sanitary Sewer Maintenance Service Agreement with Empire Pipe Cleaning & Equipment, Inc. for one (1) year, through June 30, 2015.**
 - I. Third Amendment to the Building and Safety Plan Examination Professional Services Agreement. **Action: Approved the requested extension of the Professional Building and Safety Plan Examination Service Agreement with Wildan Engineering for one (1) year, through June 30, 2015.**
 - J. Third Amendment to the Annual Street Sweeping Services Contract Agreement. **Action: Approved the extension of the Street Sweeping Service Agreement with CleanStreet for one (1) year, through June 30, 2015.**
 - K. Approval of Service Agreement with Roger J. Grody to Provide Economic Development Consulting Services. **Action: Pulled for discussion.**
 - L. Agreement to Form the Middle Santa Ana River Watershed Total Maximum Daily Load (TMDL) Task Force. **Action: Approved the Agreement to Form the Middle Santa Ana River Watershed TMDL Task Force.**
3. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR:
- 2.E. City Council Appointment to the Leads on Manure-to-Energy Issues City Council Appointed Committee.

Mayor Pro Tem Higgins provided a brief update stating that he met with the operations manager for Waste Management as well as the public information officer. In the contract

with Waste Management, it is stated that the City owns the manure generated in the City, which is a key element when it refers to manure to energy issues. The amount of manure generated in the City has increased to 80 tons per day and the amount of green waste generated is 178 tons. The amounts generated are also key in regards to the multiple forms of energy the waste creates. Mayor Pro Tem Higgins indicated that Waste Management has sufficient land at the El Sobrante Landfill to build a manure-to-energy plant. Mayor Pro Tem Higgins also noted that all the manure and green waste from the City of Industry landfill is being diverted to El Sobrante. El Sobrante will receive tipping charges and energy credits and the City of Norco will receive benefits from keeping the rights to its manure. Mayor Pro Tem Higgins thanked the Mayor for the appointment to the committee.

M/S Higgins/Hanna to approve the appointment of Mayor Pro Tem Higgins to replace Mayor Hanna on the Leads on Manure-to-Energy Issues Committee. The motion was carried by the following roll call vote:

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

- 2.K. Approval of Service Agreement with Roger J. Grody to Provide Economic Development Consulting Services.

Council Member Newton thanked Mr. Grody for his work and noted that he is a vital part of the success of the City. Council Member Bash noted the new businesses in town as a result of Mr. Grody's efforts and expressed his appreciation. Mr. Grody thanked the City Council for their kind words and commented on his commitment to the City of Norco.

M/S Newton/Hanna to approve the Service Agreement with Roger J. Grody to serve as the City's Economic Development Consultant effective July 1, 2014 through June 30, 2015. The motion was carried by the following roll call vote:

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

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)

M/S Bash/Higgins to adopt Ordinance No. 973. 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)

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

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

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 Okoro gave a brief report about the Ad-Hoc Committee.

Jodie Webber stated that she has been a resident of Norco for five years. Ms. Weber spoke about her education, professional experience, and skills.

Ted Hoffman indicated that he is a Norco High School graduate and has lived in Norco since 1957. Mr. Hoffman stated that he is honored to be part of the eleven applicants and commented on his understanding of the City's lifestyle.

John Padilla stated that he has lived in Norco for 39 years. Mr. Padilla commented on his engineering background and his understanding of the financial issues as well as the need to keep the City rural.

The City Council expressed their appreciation to those who applied and noted the difficult decision to only choose three applicants. Council Members noted the high quality of applicants and encouraged those applicants not chosen to apply for other committees and commissions.

Following City Council action by ballot, Linda Dixon, John Padilla, and Jodie Webber were appointed to serve on the Ad-Hoc Committee.

- 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)

Planning Director King presented a brief report on the proposed ordinance. Mr. King indicated that 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.

In response to Council Member Newton, Mr. King indicated that the cost of posting on-site is the responsibility of the applicant. Council Member Newton also questioned if this requirement should be eliminated. Mr. King stated that, in some instances, when implementing new rules, there are unintended consequences. Posting on-site requires substantial staff time and costs, otherwise the applicant has to hire a sign company, which must meet City requirements. Additionally, the burden is on staff to take the signs down. In response to Council Member Newton, Mr. King stated that public awareness will not be impacted with the elimination of on-site posting.

M/S Higgins/Bash to adopt Ordinance No. 975 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

- 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)

Planning Director King presented information regarding the citizen's initiative that is being circulated in the City of Riverside. Mr. King stated that the petition being circulated is seeking to repeal the Rancho La Sierra Specific Plan.

Council Member Bash stated that in the 1970s, Proposition R passed to protect certain areas in Riverside. Riverside residents were upset with the Riverside City Council because they felt the City Council was not properly utilizing Proposition R; therefore, the residents of Riverside passed Measure C. Council Member Bash commented that the developers are proposing that the hills that are zoned five-acre parcels are in jeopardy, and therefore, want to develop 2,000 homes on the land across from Crestlawn Memorial. City Council Member Bash expressed his concerns about the possible development of homes and the adverse impact on the City of Norco. Council Member Bash suggested taking a stance in support of Riverside residents protecting their open space.

John Bernard indicated that he lives in La Sierra. Mr. Bernard noted that five houses per acre is a lot of density. He requested help from Norco residents because the initiative undermines Proposition R.

Jodie Webber spoke in concurrence with Council Member Bash. Ms. Webber stated that if this initiative is approved, it will have significant impact on Norco roads.

Nick Ferrari stated that he would like to see the City of Norco officially take a stand on this issue. Mr. Ferrari expressed his concerns with traffic and noted that the City does not have the infrastructure to support the added volume of traffic if the development in La Sierra should occur.

Wendie Stevens expressed her concerns about the effects this development would have on wildlife as well as the infrastructure in Norco.

Council Member Bash indicated that the goal of the supporters of the initiative was to obtain 28,000 signatures. Council Member Bash stated that it is very likely that the goal will be met because of the population of the City of Riverside and that many residents probably are not aware of the facts concerning this initiative.

Mayor Pro Tem Higgins spoke about circulation elements and the requirement to maintain a certain Level of Service (LOS), which is based on the amount of traffic, and expressed his concerns with the significance of a development of this size in La Sierra.

There was some discussion between Council Members about Norco residents needing to fully understand the project and the need to educate the public on the impact this will have on Norco streets and lifestyle. The City Council also discussed the need for the City to publicly oppose this initiative by issuing a press release.

M/S Azevedo/Bash to officially oppose the Citizens' Initiative for the Preservation of La Sierra Hills and Restricted Development of La Sierra Lands and to direct the City Manager to prepare a Press Release on behalf of the City Council stating its opposition. The motion was carried by the following roll call vote:

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

Mayor Hanna recessed the meeting at 9:02 p.m. and reconvened the meeting at 9:13 p.m.

D. Discussion Regarding the State of California Sewer Treatment Plant Property (Parcel F).

Water and Sewer Manager Thompson presented information as stated in the staff report for City Council discussion purposes.

In response to Mayor Pro Tem Higgins, Mr. Thompson stated that core samples were not taken off-site; however, property transfers require completed Phase I and II soils assessments. Mayor Pro Tem Higgins expressed his concerns with the length of time that the sewer treatment plant has been in existence.

Council Member Bash stated that the site is almost entirely intact since 1944. Council Member Bash expressed concerns about the dangers since all the fencing is down.

Mayor Pro Tem Higgins stated that the City has no jurisdiction over state and federal land unless it is transferred to the City.

Mr. Thompson indicated he will contact the State and provide an update to the City Council at a subsequent meeting.

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

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

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)**

Executive Director Okoro presented the Successor Agency item and noted it relates to a bond refund.

M/S Hanna/Bash to adopt SA Resolution No. 2014-03, reapproving the Form of the Preliminary Official Statement to deem it final under Rule 15c2-12. The motion was carried by the following roll call vote:

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

- 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)**

Executive Director Okoro presented the Successor Agency item and noted it relates to a bond refund.

M/S Azevedo/Bash to adopt SA Resolution No. 2014-04, reapproving the Form of the Preliminary Official Statement to deem it final under Rule 15c2-12. The motion was carried by the following roll call vote:

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

7. PUBLIC COMMENTS OR QUESTIONS:

Denise Sutherland noted that she submitted an application for the Historic Preservation Commission. Ms. Sutherland stated that she has lived in the City for sixteen years and cares about preserving the City's lifestyle.

Pat Overstreet stated that she knows Denise Sutherland personally and commented on her skills and good values. Ms. Overstreet talked about the Ranch Tour on Saturday, May 17th and asked the Mayor to draw the winning ticket for the Ranch Tour raffle prize. Ms. Overstreet stated the winner is Maria R. Black of Norco. Ms. Overstreet thanked Mayor Hanna and Council Member Azevedo for participating at the information booth at the Ranch Tour.

Teri Purdy spoke about the disruption in neighborhoods caused by loud music during the day and into the late hours. Ms. Purdy requested that this issue be placed on the City Council agenda to discuss an ordinance for amplified noise.

Kathleen Burnett commented in concurrence with Teri Purdy. Ms. Burnett stated that the problems with the noise from parties and music has escalated over the past several years.

Jacqui Tarpley spoke about the need for a noise ordinance. Ms. Tarpley stated that she has had to leave home because the noise from parties is unbearable.

Karen Leonard spoke about the issues relating to the Cash for Gold business and asked why it is taking so long for the business to come into compliance.

8. CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS:

Council Member Azevedo commented on the full half-acre zone change report she requested, and received consensus to be agendized, and asked to see it brought back for discussion soon.

Council Member Newton requested that an amplified noise ordinance be agendized.

M/S Newton/Bash to agendize for discussion by the City Council, an ordinance on amplified noise. The motion was carried by the following roll call vote:

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

Mayor Pro Tem Higgins commented on the need for Citizens on Patrol to have the ability to issue parking citations on horse trails and requested consensus to agendize.

M/S Higgins/Hana to agendize discussion by the City Council regarding the ability of Citizens on Patrol to issue parking citations on horse trails. 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 indicated that there are some issues occurring with the Navy Base, which he suggested need to be addressed by the City Council and requested consensus scheduling a City Council workshop within the upcoming weeks. City Council Member Azevedo requested to have the Historic Preservation Commission attend the workshop. Consensus was received and the City Council directed the City Manager to schedule a workshop.

In response to Mayor Hanna's questions regarding code violations relating to a hay company, City Attorney John Harper stated that the City has the authority to cite for violations but ultimately it is under the authority of the courts to shut the business down. City Manager Okoro stated he would report back on this specific code issue.

9. **ADJOURNMENT:** There being no further business to come before the City Council, Mayor Hanna adjourned the meeting at 9:59 p.m.

CHERYL L. LINK
CITY CLERK

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of City Council

FROM: Andy Okoro, City Manager 

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

DATE: June 4, 2014

SUBJECT: Approval of Lease Agreement Between New Cingular Wireless PCS, LLC, a Delaware Limited Liability Company, and the City of Norco to Construct a Telecommunications Facility at Parmenter Park

RECOMMENDATION: Approve Lease Agreement between New Cingular Wireless PCS, LLC, a Delaware Limited Liability Company, and the City of Norco to construct a telecommunications facility at Parmenter Park.

SUMMARY: Over the past several months, staff has been working with representatives of New Cingular Wireless PCS, LLC, a Delaware Limited Liability Company, to discuss leasing property at Parmenter Park, commonly known as 2760 Reservoir Drive, Norco, CA 92860, for the construction of a telecommunications facility. Staff is recommending approval of a License Agreement with New Cingular Wireless PCS to lease the property at Parmenter Park.

BACKGROUND ANALYSIS: New Cingular Wireless PCS offers mobile phone services to consumers and businesses. New Cingular Wireless PCS is proposing to construct an antenna facility commonly referred to in the industry as a "Light Standard". They may install, place, use and operate on the property such antennas, radio transmitting and receiving equipment, conduits, wires, batteries, back-up generators, utility lines and facilities, supporting structures, storage facilities, telephone facilities, microwave equipment, and related equipment as they deem necessary for the operation of its wireless communications site on the property. The Light Standard, constructed for the purpose of concealing the cables and wires, and for attaching the antenna fixtures, will be constructed by New Cingular Wireless PCS, but will be owned and maintained by the City of Norco. Additionally, New Cingular Wireless PCS will construct a storage unit for City use.

Conditions for site development are identified in the General Regulations and Development Standards for Commercial Telecommunications Facilities (Exhibit "A"). Project site plans for development are identified at Parmenter Park (Exhibit "B").

The Land Lease Agreement (Exhibit "C") between the City and New Cingular Wireless PCS would provide valuable revenue to offset costs of park operations as well as provide a storage unit as capital improvement.

The proposed Land Lease Agreement contains the standard industry language for these types of installations. The term of this Lease Agreement ("Term") shall be five (5) years commencing on the effective date ("Initial Term"), and terminating at midnight on the last day of the month of the Initial Term. During the Initial Term, New Cingular Wireless PCS, LLC, at its expense, is required to obtain all licenses and permits or authorizations required, including a Conditional Use Permit (CUP), for its use of the premises.

The City will receive a monthly rental payment of \$2,500. The monthly rental rate will increase 3% each year if New Cingular Wireless PCS, LLC, chooses to extend the Term of the Lease Agreement. New Cingular Wireless PCS, LLC, has the right to extend the term of the lease for five (5) additional terms of five (5) years each. Additionally, New Cingular Wireless PCS, LLC, will pay the City a one-time Capital Contribution Fee of \$20,000 to be deposited to the Parks and Recreation Capital Improvement Development Fund to be used at the City's discretion.

New Cingular Wireless PCS is required to maintain insurance for bodily injury and property damage of at least one million dollars per occurrence, with the City of Norco named as additionally insured.

The City, acting as the Landlord, will be responsible to maintain the area around the facility. New Cingular Wireless PCS acting as the Tenant, will retain ownership of cell site equipment it places on the premises except for the athletic field light standards and lights and the storage unit, when and if the Lease Agreement expires or is terminated.

FINANCIAL IMPACT: The revenue stream associated with the Lease Agreement is estimated to be \$30,000 annually. Six months of revenues generated and deposited into the general fund will assist to offset costs associated with park operations within in the City.

Attachments: General Regulations and Development Standards for Commercial Telecommunication Facilities – Exhibit "A"
Project Photo Rendering and Site Plan – Exhibit "B"
Land Lease Agreement – Exhibit "C"

Exhibit A

Section 18.57.10 GENERAL REGULATIONS AND DEVELOPMENT STANDARDS FOR COMMERCIAL TELECOMMUNICATION FACILITIES.

The following regulations and development standards apply to commercial telecommunication facilities, normally installed by companies providing wireless telecommunication services to a wide range of customers.

1). On each commercial wireless antenna, space shall be made available at no cost to the City, if needed as determined by the City in its sound discretion, for emergency communication purposes, such as, but not limited to repeaters, boosters, antennas, etc. Any necessary ancillary equipment and/or utilities shall also be made available at no cost to the City, to ensure the viability of the communication site.

2). Freestanding Antennas and Associated Equipment Rooms

a) Freestanding antennas, and associated equipment rooms, shall be permitted in all zones, except residential and agricultural zones, subject to the approval of a conditional use permit provided that both the antennas and the equipment rooms comply with the regulations of this chapter and the underlying zone.

b) Co-location on an existing freestanding antenna structure is encouraged and may be subject to staff review.

c) Freestanding antennas shall not be allowed within front yard or street side yard setbacks for the underlying zone.

d) The maximum height of any wireless telecommunication antenna shall be 50 feet; an increase in height exceeding 50 feet shall require the approval of a variance. Freestanding antennas, which are designed for co-location, shall be given special consideration for an increase in maximum height allowed.

e) All freestanding antennas shall be sited on property to minimize visual impacts to adjacent properties and adjacent public right-of-way, and designed to blend into the surrounding environment. Designs used to blend in with the surrounding environment shall include: clock/bell towers, signs, light poles, or other structures. Landscaping may be required adjacent to the antenna for screening, to include trees and/or shrubs.

f) Wherever possible, antennas shall be integrated into other existing structures, such as light poles, utility poles, signs or other communication towers.

g) All antenna sites shall be enclosed with a six (6) foot high fence and posted with warning signs alerting people to keep their distance from the antenna site. The design and material of the fence must be compatible with the site. All wireless communication providers shall abide by ANSI standards.

h) Antennas shall not be allowed to have any type of advertising sign copy, unless signage is for on-site business and meets all code regulations.

i) The owner of the antenna shall pay an annual business license fee, in an amount as specified by resolution of the City Council.

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Myrna Paakkonen, Human Resource Analyst 

DATE: June 4, 2014

SUBJECT: Approval of the Memorandum of Understanding for Norco General Employees for Fiscal Year 2014-2015

RECOMMENDATION: Approve the Memorandum of Understanding for the Norco General Employees Association (NGEA).

SUMMARY: The current Memorandum of Understanding (MOU) between the City and the Norco General Employees Association (NGEA) expires June 30, 2014. The NGEA has met with management and conferred in good faith and have agreed on the terms of the new MOU effective July 1, 2014. The main change to the existing MOU includes agreement to provide salary adjustments of 1.6% to members of the NGEA.

BACKGROUND/ANALYSIS: Annually, representatives from the NGEA confer with the City's management representative to negotiate salaries and benefits. For fiscal year 2014-2015 all parties have agreed to a 1.6% salary range adjustment for classifications represented by the association.

FINANCIAL IMPACT: The additional costs related to the proposed changes in salaries have been included in the fiscal year 2014-2015 operating budget.

Attachment: Memorandum of Understanding – NGEA



**MEMORANDUM OF UNDERSTANDING
BETWEEN
CITY OF NORCO
AND
NORCO GENERAL EMPLOYEES ASSOCIATION**

JULY 1, 2014 – JUNE 30, 2015

**NORCO GENERAL EMPLOYEES ASSOCIATION
MEMORANDUM OF UNDERSTANDING**

TABLE OF CONTENTS

		<u>PAGE</u>
ARTICLE 1	Preamble	4
ARTICLE 2	Recognition	4
ARTICLE 3	Salaries	4
ARTICLE 4	PERS Benefits Employees Hired on/prior to December 31, 2012	4-5
ARTICLE 5	PERS Benefits Employees Hired on/after January 1, 2013	5
ARTICLE 6	Health Insurance	5
ARTICLE 7	Dental Insurance	5
ARTICLE 8	Vision Insurance	5
ARTICLE 9	Life Insurance	5
ARTICLE 10	Long Term Disability Insurance	5
ARTICLE 11	Continuous Service Bonus	6
ARTICLE 12	Sick Leave	6
ARTICLE 13	Employee on Leave Compensation	6
ARTICLE 14	Annual Sick Leave Buy Back	6
ARTICLE 15	Sick Leave Buy Back on Separation	7
ARTICLE 16	Bereavement	7
ARTICLE 17	Jury Duty	7
ARTICLE 18	Holidays	7-8
ARTICLE 19	Vacation	8

ARTICLE 20	Compensatory Time	8
ARTICLE 21	Standby	8-9
ARTICLE 22	Overtime	9
ARTICLE 23	Call Out	9
ARTICLE 24	Court Time Compensation	9
ARTICLE 25	Tuition Reimbursement	9
ARTICLE 26	Acting Pay	10
ARTICLE 27	Uniforms	10
ARTICLE 28	Deferred Compensation	10
ARTICLE 29	State Disability Insurance	10
ARTICLE 30	Injury on Duty - Worker's Compensation	10-11
ARTICLE 31	Layoff and Re-employment Procedure	11
ARTICLE 32	Severance Pay - Layoff	11
ARTICLE 33	Management Rights	11-12
ARTICLE 34	Provisions of Law	12
ARTICLE 35	General Provisions	12
	SIGNATURE PAGE	13

**MEMORANDUM OF UNDERSTANDING BETWEEN CITY OF NORCO AND
NORCO GENERAL EMPLOYEES ASSOCIATION**

ARTICLE 1 PREAMBLE

Representatives of the City of Norco and the Norco General Employees Association have met and conferred on salaries and benefits for the Fiscal Year beginning July 1, 2014. The following items have been agreed upon. The term of this Agreement shall be for one (1) year for the period beginning July 1, 2014 and ending June 30, 2015.

ARTICLE 2 RECOGNITION

1. The City recognizes the Norco General Employees Association as the exclusive representative of full-time employees in the following classifications:

- Account Clerk I
- Account Clerk II
- Account Clerk III
- Animal Control Officer
- Building Inspector
- Bus Driver
- Computer Information Systems Technician
- Permit Technician
- Senior Animal Control Officer
- Senior Code Enforcement Officer

2. The classifications listed above constitute all of the City employees that are represented by the Norco General Employees Association.

ARTICLE 3 SALARIES

There shall be a 1.6% salary range Consumer Price Index (CPI) adjustments for classifications represented by the Norco General Employees Association.

ARTICLE 4 PERS BENEFITS / EMPLOYEES HIRED ON/PRIOR TO DECEMBER 31, 2012

1. For employees hired on or prior to December 31, 2012 and new hires who are "Classic" Members, the City has a contract with CalPERS to provide employees with the 2.7% at 55 Full Formula (Section 21354.5).

Other benefits in the CalPERS agreement include:

- a. Section 20965: Credit for Unused Sick Leave. Unused accumulated sick leave at time of retirement may be converted to additional service credit at the rate of 0.004 year of service credit for each day of unused sick leave.
- b. Section 21574: Fourth Level 1959 Survivors Benefits. This benefit provides a higher level of 1959 Survivor Benefits to survivors of a member who dies prior to retirement.
- c. Three-year final compensation (36 highest paid consecutive months).

2. Employees hired on or prior to October 31, 2010: The City has agreed to pay 100% of the employer and 4% of the employee's contribution rates toward retirement through the CalPERS Retirement System. Employees will pay 4% of the employee's contribution rates.
3. Employees hired on or after November 1, 2010 and through December 31, 2012: The City has agreed to pay 100% of the employer contribution rates toward retirement and the employee will pay 8% of the employee contribution rates toward retirement through the CalPERS Retirement System.
4. City shall implement all other requirements mandated by the Public Employees' Pension Reform Act of 2013.

ARTICLE 5 PERS BENEFITS / EMPLOYEES HIRED ON/AFTER JANUARY 1, 2013

1. The new retirement formula for miscellaneous employees is 2% at 62, with a maximum benefit of 2.5% at 67.
2. Employees must contribute at least 50% of the normal cost rate for the defined benefit plan, rounded to the nearest quarter percent, currently 6.25%.
3. Employer may not pay any of the employee share of pension cost.
4. City shall implement all other requirements mandated by the Public Employees' Pension Reform Act of 2013.

ARTICLE 6 HEALTH INSURANCE

1. The City will participate with the State of California for health benefit programs available through CalPERS.
2. The City agrees to pay up to \$1250 a month for those employees and their dependents enrolled in any of the available CalPERS health plans.
3. Any eligible employee who elects to opt-out of health benefits will be paid a monthly cash amount equal to the lowest basic single rate premium in the CalPERS Other Southern California Region in lieu of health benefits, providing the following requirements are met:
 - a) An election form to opt-out of health benefits is completed.
 - b) Satisfactory proof of other coverage is provided.

ARTICLE 7 DENTAL INSURANCE

The City will provide a choice between a HMO dental insurance plan, fully paid by the City for both the employee and dependent coverage, and a PPO dental insurance plan with the City's contribution limited to the cost of the HMO dental insurance premium.

ARTICLE 8 VISION INSURANCE

The City will provide a vision care plan that is fully paid by the City for both employee and dependent coverage.

ARTICLE 9 LIFE INSURANCE

The City will provide term life insurance benefit equal to the employee's annual salary (rounded to the nearest thousand) and \$5,000 dependent life benefit, fully paid by the City for both employee and dependent coverage. The annual salary will be the monthly base salary times twelve.

ARTICLE 10 LONG TERM DISABILITY INSURANCE

The City of Norco offers an optional Long-Term Disability plan at the employee's expense.

ARTICLE 11 CONTINUOUS SERVICE BONUS

In recognition of years of service to the City, a Continuous Service Bonus shall be given on the anniversary date of the employee as follows:

- Five-year anniversary \$100
- Ten-year anniversary \$300
- Fifteen year anniversary \$500
- Twenty-year anniversary \$700
- Twenty-five year anniversary \$1,000
- Thirty-year anniversary \$1,250

ARTICLE 12 SICK LEAVE

1. Full-time general employees assigned to the 36-hour workweek shall accrue 8.1 hours of sick leave per month.
2. Accumulated sick leave may be used for doctor and/or dental appointments for the employee or an immediate member of the employee's family or domestic partner. See Article 16, Section 3, for definition of immediate family.
3. Employees may use up to half of their accumulated sick leave for immediate family or domestic partner illness or medical emergency and up to three days of accumulated sick leave in addition to the three days of bereavement leave for the death of an immediate family member or domestic partner.
4. Employees accrue sick leave but may not use sick leave until successful completion of probation.

ARTICLE 13 EMPLOYEE ON LEAVE COMPENSATION

An employee on leave without pay, excluding FMLA, CFRA, Military and Disability, shall receive no compensation, including pay for holidays, and shall accumulate no vacation or sick leave while on such leave but shall continue to receive the benefits of continuous service and insurance coverage. The employee's department head shall approve all leaves without pay. The City shall use any accrued sick or vacation accrual for payment of any elected benefit premiums.

ARTICLE 14 ANNUAL SICK LEAVE BUY-BACK

1. At the option of the employee, the City shall pay to each employee on the payroll immediately following December 1 of the year, 40 percent (40%) of the employee's unused sick leave for the previous 12 months with the time paid to be deducted from the employee's total sick leave accumulation.
2. If the employee is enrolled in any City of Norco deferred compensation program, the employee will have the option of contributing the money in their deferred compensation account. Employee must submit a deferral change form to payroll for processing.
3. In order to be eligible for a sick leave buy back, the employee must have been employed with the City for six months and have successfully completed his/her probationary period as of December of each year.
4. Individuals on probation due to promotions are eligible for the buy back.

ARTICLE 15 SICK LEAVE BUY BACK ON SEPARATION

After ten years of service, the City shall pay 50 percent (50%) of any sick leave accumulation to the employee at the time of death, retirement or separation from the City up to a maximum of ninety days.

ARTICLE 16 BEREAVEMENT

1. Bereavement leave shall be provided in the amount of three days in the event of the death of a member of the employee's immediate family. Such bereavement leave shall not be deducted from an employee's accumulated sick leave.
2. Employees may use up to three (3) days of accumulated sick leave in addition to the three (3) days bereavement for the death of an immediate family member.
3. Immediate family shall be defined as any relative who is a member of the employee's household, and any parent, grandparent, spouse, domestic partner, child, brother or sister of the employee. The parent, brother or sister of the employee's spouse, domestic partner, ex-spouse, or deceased spouse, regardless of residence or employee's current marital status, is also eligible.

ARTICLE 17 JURY DUTY

1. An employee of the City who is requested to serve on jury duty shall notify his/her supervisor who shall in turn notify his/her department head.
2. While serving on jury duty, an employee shall receive his/her regular salary from the City. The employee shall remit to the City all compensation received as a result of serving on jury duty, except mileage reimbursement.
3. Jury duty limit will be 72 paid hours per fiscal year. An employee must submit documentation of court attendance. Jury duty will be paid for regularly scheduled work days up to the maximum of 72 paid hours per fiscal year.

ARTICLE 18 HOLIDAYS

1. Employees shall receive the following paid days off for holidays each year:

- New Year's Day
- Martin Luther King's Birthday
- President's Day
- Memorial Day
- Independence Day
- Labor Day
- Veteran's Day
- Thanksgiving Day
- Christmas Eve Day
- Christmas Day
- Birthday

The birthday holiday must be taken within the pay period of the employee's birthday.

- 3 Floating Holidays

New hires' floating holidays will be pro-rated. If hired between July 1 – October 31 new hires will accrue three (3) floating holidays, if hired between November 1 – February 28 new hires will accrue two (2) floating holidays, if hired between March 1 – June 30 new hires will accrue one (1) floating holiday. New hires are not required to complete probation to use accrued floating holiday(s). Days off must have prior

approval by immediate supervisor. All floating holidays must be used or will be lost by June 30 each year.

2. In the event any holiday falls on a Friday or Saturday, the Thursday preceding shall be observed as the holiday, or if the holiday falls on a Sunday, the Monday following shall be observed as the holiday.
3. The City shall pay nine (9) hours for each holiday.

ARTICLE 19 VACATION

1. Full-time Norco General Employees shall receive vacation accruals as follows:

<u>Vacation Accumulation</u>	<u>Hours of Service</u>	<u>Maximum Accrual</u>
86.4 hours per year / 3.32 hours per pay period	Up to 7,488 ^(4 yrs)	192 hours
129.6 hours per year / 4.98 hours per pay period	7,489 – 16,847 ^(8 yrs)	288 hours
151.2 hours per year / 5.82 hours per pay period	16,848 - 26,207 ^(14 yrs)	336 hours
172.8 hours per year / 6.65 hours per pay period	26,208 – 99,999	384 hours

2. Employees will cease to accrue vacation hours when in any pay period they exceed their annual accrual as determined by their anniversary date.
3. Employees accrue vacation hours but may not use vacation hours until successful completion of probation.

ARTICLE 20 COMPENSATORY TIME

1. In lieu of overtime pay, employees may be granted compensatory time, if requested by the employee and approved in advance by the City Manager or designee. However, it is the City's intent to minimize compensatory time authorization. Therefore, employees should not expect to have compensatory time authorized.
2. Compensatory time granted will accrue at a rate of one and one half hours per overtime hour worked, except for overtime worked on holidays and the employee's seventh scheduled day of a work week.
5. Compensatory time granted will accrue at a rate of two hours per overtime hour worked on holidays and the employee's seventh scheduled day of a workweek.
4. Employees may accumulate up to 60 hours of compensatory time which can be used at the employee's discretion with the approval of the immediate supervisor.
6. The decision to allow compensatory time in lieu of overtime is solely a management decision.
7. Subject to the 60-hour limit above, management can be expected to approve an employee request for compensatory time in lieu of paid overtime if hours to be accumulated as compensatory time are not reasonably expected to result in the need to backfill resulting in lost productivity when the hours are taken off work, by necessitating a management decision to pay regular pay, overtime pay, or grant additional compensatory time to the requestor or another employee or require hiring temporary or consulting personnel.

ARTICLE 21 STANDBY

1. Assignment of personnel to standby shall be the prerogative of management and employees shall be subject to standby or call-out as deemed necessary.
2. Standby personnel must be able to respond within thirty minutes of being called.

3. Employees required to accept standby assignment will be compensated at the rate of one and one half hours per weekday and three hours per 24-hour shift for weekends and holidays.
4. The definition of weekends shall include employee's regularly scheduled days off.
5. Employees required to accept backup standby assignments will be compensated at the rate of one hour per day.
6. Employees who are not on assigned standby but are "called out" are required to respond if contacted and instructed to report to work.

ARTICLE 22 OVERTIME

1. For employees assigned to the 36-hour workweek, the City will compensate employees for overtime in excess of 36 hours per week paid at a rate of time and one-half, except for holidays and for overtime on the employee's seventh scheduled day of their workweek.
2. The City will compensate employees for overtime on holidays and employee's seventh day of their workweek at a rate of double time.
3. An employee's scheduled workweek may or may not be a traditional Monday through Friday workweek.
4. The regular 36-hour workweek is considered to be 36 hours of paid time, which will include holidays, sick leave, vacation and compensated time off.

ARTICLE 23 CALL OUT

1. Employees will be compensated for a minimum of two hours when performing call-out work.
2. Employee compensation rate is addressed in Article 21.

ARTICLE 24 COURT TIME COMPENSATION

City employees will be compensated for City of Norco duty-related and required court appearances in those cases where the employee is required to report to the court when he/she is not scheduled to work.

ARTICLE 25 TUITION REIMBURSEMENT

1. The City will provide tuition reimbursement in an amount not to exceed \$400 per quarter, not to exceed \$800 per year, for the purpose of offsetting costs of actual tuition and/or book expense incurred by such employee.
2. The benefit is intended only for courses related to the furtherance of employees' careers with the City.
3. To be eligible for reimbursement, the course must be pre-approved by the Department Head prior to enrollment.
4. Receipts will be required prior to reimbursement.
5. All persons participating in the tuition reimbursement program must maintain a passing grade of "C" and submit satisfactory proof to the Department Head.
6. A grade of "B" will be required for master's level class reimbursement.
7. Should an employee fail to obtain a passing grade of C (or B for master's level courses) or fail to complete the course, he/she shall be obligated to reimburse the City for his/her reimbursement if prepayment had been made.

ARTICLE 26 ACTING PAY

1. General Employees shall be eligible for acting pay for temporarily filling a position of a higher classification beyond a period of ten consecutive workdays or for filling a position of a higher classification for an interim period during a vacancy.
2. Employees shall be compensated one step or at a rate of five percent higher than his/her current salary if his/her current position is in a range that overlaps the range of the higher classification being filled, or be compensated two steps or at a rate of ten percent higher than his/her current salary, if the position being temporarily filled is beyond subject employee's pay range.
3. Eligibility for acting pay shall be determined by employee's Department Head with the approval of the City Manager.

ARTICLE 27 UNIFORMS

1. The City shall purchase all special equipment and uniforms required of an employee in relation to the employee's job duties.
2. All uniforms purchased by the City, and all identifying patches, badges, etc., must be returned to the City when an employee terminates his/her employment.
3. The City shall approve the store to be used for purchase of uniforms and boots.

ARTICLE 28 DEFERRED COMPENSATION

1. The City of Norco offers several deferred compensation plans.
2. Any City full time employee may elect to participate. The plans provide employees the ability to defer current income from state and federal taxes to provide future payments upon death, disability retirement or separation from the City.
3. Employees may defer a minimum of \$10 per payroll period up to a maximum that is determined by Internal Revenue Service Code 457(k).
4. The provisions of deferred compensation are subject to change in accordance with Internal Revenue Code Section 457(k).

ARTICLE 29 STATE DISABILITY INSURANCE

1. Employees of the City are covered under State Disability Insurance.
2. State Disability Insurance (SDI) shall provide benefits to employees consistent with state laws, and shall be paid per state law.
3. An employee may request to supplement his/her State Disability Insurance with his/her available sick leave or vacation time to maintain a regular salary while receiving disability benefits.

ARTICLE 30 INJURY ON DUTY – WORKERS COMPENSATION

1. An employee injured on the job must notify their supervisor and Human Resources immediately and submit claim form within one business day of injury and/or illness.
2. Unless an employee has completed a "Designation of Personal Physician" form prior to an injury and/or illness, an employee needing medical treatment should be referred to the City's authorized clinic to be provided with medical care.
3. The City Worker's Compensation Insurance Program shall provide compensation to employees injured on duty consistent with state laws and other worker's compensation laws. An injury must meet the test

of both arising out of employment and occurring during the course of employment to be compensable under worker's compensation.

4. An injured employee under Worker's Compensation may request to supplement his/her Worker's Compensation payments with his/her available sick leave or vacation time to maintain a regular salary while on Worker's Compensation.
5. Time for workers compensation doctor appointments and physical therapy will not be deducted from employees' sick leave accrual. Employees are encouraged to schedule follow up visits outside of work hours to minimally disrupt the work day.
6. In order to qualify for temporary disability benefits there must be a loss of earnings. There is a three (3) day waiting period before qualifying for wage loss benefits. Temporary disability pays 2/3 or .6667% of wages.
7. Temporary disability is paid through the City's workers compensation administrator.

ARTICLE 31 LAYOFF AND RE-EMPLOYMENT PROCEDURE

1. Individual layoffs within individual classifications shall be based on the affected job class.
2. In determining the order of layoff, the City shall take into account job performance, seniority, specialized skills, and the City's need to operate.
3. Employees subject to layoff for economic or budgetary reasons shall not have the right of appeal.
4. For the purpose of providing reemployment opportunities for individuals who may be laid off from their employment with the City of Norco, the City shall establish a "reemployment list."
5. General Employees shall remain on the reemployment list for a period of one year from the date of the receipt of notice of layoff.
6. The reemployment list shall be used for individuals who will be eligible for appointment to a position that he/she held at the time of layoff from the City, or to a specific classification previously held with the City should such a position become vacant.
7. The reemployment list shall have priority over open competitive examination employment lists established by the City for a position affected by the reemployment list.

ARTICLE 32 SEVERANCE PAY – LAYOFF

1. Severance pay will be provided upon layoff from the City.
2. The severance pay shall be one week of compensation at six months employment, two weeks compensation at eighteen months, three weeks compensation at thirty months employment, and four weeks compensation at forty-two months or more of employment.

ARTICLE 33 MANAGEMENT RIGHTS

It is understood and agreed that the City retains all of its powers and authority to manage municipal services and the work force performing those services.

It is agreed that during the term hereof, the City shall not be required to meet and confer on matters which are solely a function of management, including the right to:

1. Determine and modify the organization of City government and its constituent work units.
2. Determine the nature, standards, levels, and mode of delivery of services to be offered to the public.

3. Determine the methods, means and the number and kinds of personnel by which services are to be provided.
4. Determine whether goods or services shall be made or provided by the City, or shall be purchased, or contracted for.
5. Direct employees, including scheduling and assigning work, work hours, and overtime.
6. Establish employee performance standards and to require compliance therewith.
7. Discharge, suspend, demote, reduce in pay, reprimand, withhold salary increases and benefits, or otherwise discipline employees, subject to the requirements of applicable law.
8. Relieve employees from duty because of lack of work or lack of funds or for other legitimate reasons.
9. Implement rules, regulations, and directives consistent with law and the specific provisions of this MOU.
10. Take all necessary actions to protect and public and carry out its mission in emergencies.
11. Determine the content of job classifications.
12. Contract out and transfer work out of the bargaining unit.

Decisions under this Article shall not be subject to the grievance procedure herein.

Failure by the City to exercise and/or implement any rights expressly provided for in this Agreement shall in no way extinguish and/or diminish the City's right to do so in the future.

ARTICLE 34 PROVISIONS OF LAW

If any article or section of this agreement, or any addition thereto, should be held invalid by operation of law, or by a tribunal or office of competent jurisdiction, or if compliance with or enforcement of any article or section should be restrained by such tribunal or office, the remainder of this agreement shall not be affected thereby and all parties shall enter into immediate negotiations for the purpose of arriving at a mutually satisfactory replacement for such article or section.

ARTICLE 35 GENERAL PROVISIONS

1. The parties acknowledge that during the negotiations which resulted in this MOU, each had the right and opportunity to make demands and proposals with respect to subjects within the scope of representation. The understandings arrived at after the exercise of that right are set forth in this MOU and constitute the complete and total contract between the City and the NGEA with respect to wages, hours, and other terms and conditions of employment.
2. Any prior or existing Memoranda of Understanding between the parties regarding matters within the scope of representation are hereby superseded and terminated in their entirety.

CITY OF NORCO

NORCO GENERAL EMPLOYEES ASSOCIATION

Andy Okoro, City Manager

Julia Murray

Myrna Paakkonen, Human Resource Analyst

Shanon Anderson

Date: _____

Date: _____

**CITY OF NORCO
 NORCO GENERAL EMPLOYEES ASSOCIATION
 CLASSIFICATIONS & SALARY RANGES
 EFFECTIVE 02/01/2014 (CURRENT)**

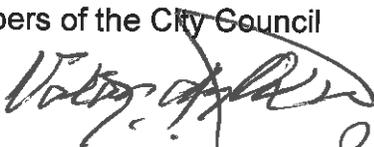
Range No.	Classification/Job Title	STEP A	STEP B	STEP C	STEP D	STEP E
51	Building Inspector	46,165	48,464	50,911	53,445	56,090
		3,847	4,039	4,243	4,454	4,674
		24.6606	25.8887	27.1960	28.5495	29.9624
44	Senior Code Enforcement Officer	43,776	45,960	48,252	50,676	53,196
		3,648	3,830	4,021	4,223	4,433
		23.3846	24.5513	25.7756	27.0705	28.4167
41C	Computer Information Systems Technician	41,417	43,488	45,662	47,945	50,342
		3,451	3,624	3,805	3,995	4,195
		22.1245	23.2308	24.3921	25.6116	26.8921
18	Senior Animal Control Officer	40,566	42,594	44,723	46,960	49,307
		3,380	3,549	3,727	3,913	4,109
		21.6697	22.7531	23.8907	25.0852	26.3395
39	Account Clerk III	39,663	41,653	43,730	45,917	48,229
		3,305	3,471	3,644	3,826	4,019
		21.1876	22.2506	23.3599	24.5285	25.7632
34	Permit Technician	37,760	39,651	41,616	43,693	45,893
		3,147	3,304	3,468	3,641	3,824
		20.1708	21.1810	22.2308	23.3401	24.5153
27	Account Clerk II	34,497	36,215	38,019	39,923	41,937
		2,875	3,018	3,168	3,327	3,495
		18.4278	19.3455	20.3095	21.3263	22.4025
16	Animal Control Officer	33,360	35,016	36,783	38,637	40,566
		2,780	2,918	3,065	3,220	3,380
		17.8203	18.7051	19.6492	20.6396	21.6696
6	Account Clerk I	29,998	31,493	33,063	34,719	36,462
		2,500	2,624	2,755	2,893	3,039
		16.0244	16.8233	17.6619	18.5466	19.4776
2	Bus Driver	24,510	25,734	27,031	28,379	29,800
		2,042	2,144	2,253	2,365	2,483
		13.0929	13.7465	14.4398	15.1595	15.9188

**CITY OF NORCO
 NORCO GENERAL EMPLOYEES ASSOCIATION
 CLASSIFICATIONS & SALARY RANGES
 EFFECTIVE 07/01/2014**

Range No.	Classification/Job Title	STEP A	STEP B	STEP C	STEP D	STEP E
51	Building Inspector	46,903	49,239	51,725	54,300	56,987
		3,909	4,103	4,310	4,525	4,749
		25.0552	26.3029	27.6311	29.0063	30.4418
44	Senior Code Enforcement Officer	44,476	46,695	49,024	51,487	54,047
		3,706	3,891	4,085	4,291	4,504
		23.7588	24.9441	26.1880	27.5036	28.8714
41C	Computer Information Systems Technician	42,080	44,184	46,393	48,712	51,147
		3,507	3,682	3,866	4,059	4,262
		22.4785	23.6025	24.7824	26.0214	27.3224
18	Senior Animal Control Officer	41,215	43,275	45,439	47,711	50,096
		3,435	3,606	3,787	3,976	4,175
		22.0164	23.1171	24.2730	25.4866	26.7609
39	Account Clerk III	40,298	42,320	44,429	46,652	49,000
		3,358	3,527	3,702	3,888	4,083
		21.5266	22.6067	23.7336	24.9210	26.1754
34	Permit Technician	38,364	40,285	42,282	44,392	46,627
		3,197	3,357	3,523	3,699	3,886
		20.4936	21.5199	22.5865	23.7135	24.9076
27	Account Clerk II	35,049	36,794	38,628	40,562	42,608
		2,921	3,066	3,219	3,380	3,551
		18.7226	19.6550	20.6344	21.6675	22.7609
16	Animal Control Officer	33,893	35,576	37,372	39,256	41,215
		2,824	2,965	3,114	3,271	3,435
		18.1054	19.0043	19.9636	20.9698	22.0163
6	Account Clerk I	30,478	31,997	33,592	35,275	37,045
		2,540	2,666	2,799	2,940	3,087
		16.2808	17.0925	17.9444	18.8433	19.7892
2	Bus Driver	24,902	26,145	27,464	28,833	30,277
		2,075	2,179	2,289	2,403	2,523
		13.3024	13.9665	14.6708	15.4020	16.1735

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Myrna Paakkonen, Human Resource Analyst 

DATE: June 4, 2014

SUBJECT: Approval of the Memorandum of Understanding for the Public Works and Parks Maintenance Workers Association for Fiscal Year 2014-2015

RECOMMENDATION: Approve the Memorandum of Understanding for the Public Works and Parks Maintenance Workers Association (PW&PMWA).

SUMMARY: The current Memorandum of Understanding (MOU) between the City and the Public Works and Parks Maintenance Workers Association (PW&PMWA) expires June 30, 2014. The PW&PMWA has met with management and conferred in good faith and have agreed on the terms of the new MOU effective July 1, 2014. The main change to the existing MOU includes agreement to provide a salary adjustment of 1.6% to members of the PW&PMWA. In addition, changes to the tuition reimbursement benefit have been negotiated.

BACKGROUND/ANALYSIS: Annually, representatives from the PW&PMWA confer with the City's management representative to negotiate salaries and benefits. For Fiscal Year 2014-2015 all parties have agreed to a 1.6% salary range adjustment for classifications represented by the association.

To meet the needs of the City and due to the nature of continuing education requirements for association members to maintain their water distribution and water treatment certifications, any Water Industry course offered by an accredited college as well as any California Department of Public Health (CDPH) recommended courses used towards a Water Distribution and/or Water Treatment Certification will be reimbursable through the tuition reimbursement program.

FINANCIAL IMPACT: The additional costs related to the proposed changes in salaries have been included in the FY 2014-2015 operating budget.

Attachment: Memorandum of Understanding – PW&PMWA



**MEMORANDUM OF UNDERSTANDING
BETWEEN
CITY OF NORCO
AND
PUBLIC WORKS & PARKS MAINTENANCE WORKERS
ASSOCIATION**

July 1, 2014-June 30, 2015

**PUBLIC WORKS & PARK MAINTENANCE WORKERS ASSOCIATION
MEMORANDUM OF UNDERSTANDING**

TABLE OF CONTENTS

	<u>PAGE</u>
ARTICLE 1 Preamble	4
ARTICLE 2 Recognition	4
ARTICLE 3 Salaries	4
a. Certification Pay	4-5
ARTICLE 4 PERS Benefits Employees Hired on/prior to December 31, 2012	5-6
ARTICLE 5 PERS Benefits Employees Hired on/after January 1, 2013	6
ARTICLE 6 Health Insurance	6
ARTICLE 7 Dental Insurance	6
ARTICLE 8 Vision Insurance	6
ARTICLE 9 Life Insurance	6
ARTICLE 10 Long Term Disability Insurance	6
ARTICLE 11 Continuous Service Bonus	7
ARTICLE 12 Sick Leave	7
ARTICLE 13 Employee on Leave Compensation	7
ARTICLE 14 Sick Leave Buy Back	7
ARTICLE 15 Sick Leave Buy Back on Separation	8
ARTICLE 16 Bereavement	8
ARTICLE 17 Jury Duty	8
ARTICLE 18 Holidays	8-9
ARTICLE 19 Vacation	9

ARTICLE 20	Compensatory Time	9
ARTICLE 21	Standby	9-10
ARTICLE 22	Overtime	10
ARTICLE 23	Emergency Call Out	10
ARTICLE 24	Court Time Compensation	10
ARTICLE 25	Tuition Reimbursement	10-11
ARTICLE 26	Motor Vehicle Reports – DMV Pull Notice	11
ARTICLE 27	Acting Pay	11
ARTICLE 28	Uniforms	11
ARTICLE 29	Deferred Compensation	12
ARTICLE 30	State Disability Insurance	12
ARTICLE 31	Injury on Duty - Worker's Compensation	12
ARTICLE 32	Fatigue Time Off	12-13
ARTICLE 33	Layoff Procedure	13
ARTICLE 34	Severance Pay - Layoff	13
ARTICLE 35	Management Rights	13-14
ARTICLE 36	Provisions of Law	14
ARTICLE 37	General Provisions	14
	SIGNATURE PAGE	15

**MEMORANDUM OF UNDERSTANDING BETWEEN CITY OF NORCO AND
PUBLIC WORKS & PARKS MAINTENANCE WORKERS ASSOCIATION**

ARTICLE 1 PREAMBLE

Representatives of the City of Norco and the Public Works and Parks Maintenance Workers Association have met and conferred on salaries and benefits for the Fiscal Year beginning July 1, 2014. The following items have been agreed upon. The term of this Agreement shall be for one (1) year for the period beginning July 1, 2014 and ending June 30, 2015.

ARTICLE 2 RECOGNITION

The City recognizes the Public Works & Parks Maintenance Workers Association as the exclusive representative of the following classifications:

Maintenance Worker Trainee
Maintenance Worker I/II
Maintenance Lead Worker
Meter Technician I/II
Inspector I/II
Water Quality Control Officer

Employees hired into the above classifications have a one year probationary period.

ARTICLE 3 SALARIES

1. There shall be a 1.6% salary range Consumer Price Index (CPI) adjustments for classifications represented by the Public Works & Parks Maintenance Workers Association.
2. Employees hired or promoted after June 30, 2013 will not be eligible to receive certification pay for any certification that is required for his/her position; except that promoted employees already employed by the City as of June 30, 2013 will continue to receive certification for one additional year for each required certification.
3. Water Certification Pay: Employees who successfully complete a State mandated certificated program for job related certifications in water distribution and treatment that is not a requirement of initial employment, shall receive a special pay differential of two and one-half percent (2½ %) above base salary for each certificate to a maximum of five percent (5%) during the period of this agreement. (A Water Distribution Grade 1 (D1) certificate is a requirement of employment and is not eligible for certification pay under this program.)

Upon implementation of this program, existing employees that possess current certification levels in water distribution and/or water treatment above the minimum requirement of D1 shall be entitled to payment for one (1) such certificate in each category.

Employees must maintain a valid certificate to be eligible for the special pay differential. Employees who have lapsed/expired certificates will not be eligible for special pay and pay will not be paid retroactively.

<u>Classification</u>	<u>Required Certifications</u>
Maintenance Worker Trainee	State of California Grade I Water Distribution Operators Certification (within one year of employment).
Maintenance Worker	State of California Grade I Water Distribution Operators Certification
Meter Reader	State of California Grade I Water Distribution Operators Certification
Maintenance Worker II	State of California Grade II Water Distribution Operators Certification State of California Water Treatment I Certification
Maintenance Lead Worker	State of California Grade III Water Distribution State of California Grade II Water Treatment and/or State of California Grade II Sewer Collections Certifications
Water Quality Control Technician	State of California Grade III Water Distribution and Treatment State of California Grade III Water Treatment Operator and Backflow Specialist Certifications.

The City will reimburse for the State of California Grade 1 Water Distribution Operators Certification and Class A License for new hires in the Trainee position upon completion of probation.
The City will reimburse all employees for maintenance of required certifications for their current positions. Obtaining required certifications, other than for the Maintenance Worker Trainee will be reimbursed pursuant to the provisions of Article 25 Tuition Reimbursement.
Employees will be eligible for promotion upon verification of position required certifications.

ARTICLE 4 PERS BENEFITS / EMPLOYEES HIRED ON/PRIOR TO DECEMBER 31, 2012

1. For employees hired on or prior to December 31, 2012 and new hires who are "Classic" Members, the City has a contract with CalPERS to provide employees with the 2.7% at 55 Full Formula (Section 21354.5).
Other benefits in the CalPERS agreement include:
 - a. Section 20965: Credit for Unused Sick Leave. Unused accumulated sick leave at time of retirement may be converted to additional service credit at the rate of 0.004 year of service credit for each day of unused sick leave.
 - b. Section 21574: Fourth Level 1959 Survivors Benefits. This benefit provides a higher level of 1959 Survivor Benefits to survivors of a member who dies prior to retirement.
 - c. Three-year final compensation (36 highest paid consecutive months).
2. Employees hired on or prior to October 31, 2010: The City has agreed to pay 100% of the employer and 4% of the employee's contribution rates toward retirement through the CalPERS Retirement System. Employees will pay 4% of the employee's contribution rates.

3. Employees hired on or after November 1, 2010 and through December 31, 2012: The City has agreed to pay 100% of the employer contribution rates toward retirement and the employee will pay 8% of the employee contribution rates toward retirement through the CalPERS Retirement System.
4. City shall implement all other requirements mandated by the Public Employees' Pension Reform Act of 2013.

ARTICLE 5 PERS BENEFITS / EMPLOYEES HIRED ON/AFTER JANUARY 1, 2013

1. The new retirement formula for miscellaneous employees is 2% at 62, with a maximum benefit of 2.5% at 67.
2. Employees must contribute at least 50% of the normal cost rate for the defined benefit plan, rounded to the nearest quarter percent, currently 6.25%.
3. Employer may not pay any of the employee share of pension cost.
4. City shall implement all other requirements mandated by the Public Employees' Pension Reform Act of 2013.

ARTICLE 6 HEALTH INSURANCE

1. The City will participate with the State of California for health benefit programs available through CalPERS.
2. The City agrees to pay up to \$1250 a month for those employees and their dependents enrolled in any of the available CalPERS health plans.
3. Any eligible employee who elects to opt-out of health benefits will be paid a monthly cash amount equal to the lowest basic single rate premium in the CalPERS Other Southern California Region in lieu of health benefits, providing the following requirements are met:
 - a) An election form to opt-out of health benefits is completed.
 - b) Satisfactory proof of other coverage is provided.

ARTICLE 7 DENTAL INSURANCE

The City will provide a choice between a HMO dental insurance plan, fully paid by the City for both the employee and dependent coverage, and a PPO dental insurance plan with the City's contribution limited to the cost of the HMO dental insurance premium.

ARTICLE 8 VISION INSURANCE

The City will provide a vision care plan that is fully paid by the City for both employee and dependent coverage.

ARTICLE 9 LIFE INSURANCE

The City will provide term life insurance benefit equal to the employee's annual salary (rounded to the nearest thousand) and \$5,000 dependent life benefit, fully paid by the City for both employee and dependent coverage. The annual salary will be the monthly base salary times twelve.

ARTICLE 10 LONG TERM DISABILITY INSURANCE

The City of Norco will offer an optional Long-Term Disability plan at the employee's expense.

ARTICLE 11 CONTINUOUS SERVICE BONUS

In recognition of years of service to the City, a Continuous Service Bonus shall be given on the anniversary date of the employee as follows:

- Five-year anniversary \$100
- Ten-year anniversary \$300
- Fifteen year anniversary \$500
- Twenty-year anniversary \$700
- Twenty-five year anniversary \$1,000
- Thirty-year anniversary \$1,250

ARTICLE 12 SICK LEAVE

1. Full-time employees assigned to the 36-hour workweek shall accrue 8.1 hours of sick leave per month.
2. Accumulated sick leave may be used for doctor and/or dental appointments for the employee or an immediate member of the employee's family or domestic partner. See Article 16, Section 3, for definition of immediate family.
3. Employees may use up to half of their accumulated sick leave for immediate family or domestic partner illness or medical emergency and up to three days of accumulated sick leave in addition to the three days of bereavement leave for the death of an immediate family member or domestic partner.
4. If an employee uses sick leave prior to or after a City paid holiday, employee must provide a doctor's notice.

ARTICLE 13 EMPLOYEE ON LEAVE COMPENSATION

An employee on leave without pay, excluding FMLA, CFRA, Military and Disability, shall receive no compensation, including pay for holidays, and shall accumulate no vacation or sick leave while on such leave but shall continue to receive the benefits of continuous service and insurance coverage. The employee's department head shall approve all leaves without pay. The City shall use any accrued sick or vacation accrual for payment of any elected benefit premiums.

ARTICLE 14 SICK LEAVE BUY-BACK

1. At the option of the employee, the City shall pay to each employee on the payroll immediately following December 1 of year, 40% of the employee's unused sick leave for the previous 12 months with the time paid to be deducted from the employee's total sick leave accumulation.
2. If the employee is enrolled in any City of Norco deferred compensation program, the employee will have the option of contributing the money in their deferred compensation account. Employee must submit a deferral change form to payroll for processing.
3. In order to be eligible for a sick leave buy back, the employee must have been employed with the City for six months and have successfully completed his/her probationary period as of December 1 of each year.
4. Individuals on probation due to promotions will be eligible for the buy back.

ARTICLE 15 SICK LEAVE BUY BACK ON SEPARATION

After ten years of service, the City shall pay 50 percent of any sick leave accumulation to the employee at the time of death, retirement or separation from the City up to a maximum of ninety days.

ARTICLE 16 BEREAVEMENT

1. Bereavement leave shall be provided in the amount of three days in the event of the death of a member of the employee's immediate family. Such bereavement leave shall not be deducted from an employee's accumulated sick leave.
2. Employees may use up to three (3) days of accumulated sick leave in addition to the three (3) days bereavement for the death of an immediate family member.
3. Immediate family shall be defined as any relative who is a member of the employee's household, and any parent, grandparent, spouse, domestic partner, child, brother or sister of the employee. The parent, brother or sister of the employee's spouse, domestic partner, ex-spouse, or deceased spouse, regardless of residence or employee's current marital status, is also eligible.

ARTICLE 17 JURY DUTY

1. An employee of the City who is requested to serve on jury duty shall notify his/her supervisor who shall in turn notify his/her department head.
2. While serving on jury duty, an employee shall receive his/her regular salary from the City. The employee shall remit to the City all compensation received as a result of serving on jury duty, except mileage reimbursement.
3. Jury duty limit will be 72 paid hours per fiscal year. An employee must submit documentation of court attendance. Jury duty will be paid for regularly scheduled work days up to the maximum of 72 paid hours per year. Documentation must be attached to corresponding time sheet for payment.

ARTICLE 18 HOLIDAYS

1. Employees shall receive the following paid days off for holidays each year:

1. New Year's Day
2. Martin Luther King's Birthday
3. President's Day
4. Memorial Day
5. Independence Day
6. Labor Day
7. Veteran's Day
8. Thanksgiving Day
9. Christmas Eve Day
10. Christmas Day
11. Birthday

The birthday holiday must be taken within the pay period of the employee's birthday.

12. 3 Floating Holidays

New hires' floating holidays will be pro-rated. If hired between July 1 – October 31 new hires will accrue three (3) floating holidays, if hired between November 1 – February 28 new hires will accrue two (2) floating holidays, if hired between March 1 – June 30 new hires will accrue one (1) floating holiday. New hires are not required to

complete probation to use accrued floating holiday(s). Days off must have prior approval by immediate supervisor. All floating holidays must be used or will be lost by June 30 each year.

2. In the event when any holiday falls on a Friday or Saturday the Thursday preceding shall be observed as the holiday, or if the holiday falls on a Sunday, the Monday following shall be observed as the holiday.
3. The City shall pay nine (9) hours for each holiday.

ARTICLE 19 VACATION

1. Full-time employees shall receive vacation accruals as follows:

<u>Vacation Accumulation Accrual</u>	<u>Hours of Service</u>	<u>Maximum</u>
86.4 hours per year / 3.32 hours per pay period	Up to 7,488 ^(4 yrs)	192 hours
129.6 hours per year / 4.98 hours per pay period	7,489 – 16,847 ^(9 yrs)	288 hours
151.2 hours per year / 5.82 hours per pay period	16,848 - 26,207 ^(14 yrs)	336 hours
172.8 hours per year / 6.65 hours per pay period	26,208 – 99,999	384 hours

2. Employees will cease to accrue vacation hours when in any pay period they exceed their annual accrual as determined by their anniversary date.

ARTICLE 20 COMPENSATORY TIME

1. In lieu of overtime pay, employees may be granted compensatory time, if requested by the employee and approved in advance by the City Manager or designee. However, it is the City's intent to minimize compensatory time authorization. Therefore, employees should not expect to have compensatory time authorized.
2. Compensatory time granted will accrue at a rate of one and one half hours per overtime hour worked, except for overtime worked on holidays and weekend emergency call outs.
4. Compensatory time granted will accrue at a rate of two hours per overtime hour worked on holidays and weekend emergency call outs.
4. Employees may accumulate 72 hours of compensatory time used at the employee's discretion with the approval of the immediate supervisor.
6. The decision to allow compensatory time in lieu of overtime is solely a management decision.
7. Subject to the 72-hour limit above, management can be expected to approve an employee request for compensatory time in lieu of paid overtime if hours to be accumulated as compensatory time are not reasonably expected to result in the need to backfill resultant lost productivity when the hours are taken off work, by necessitating a management decision to pay regular pay, overtime pay, or grant additional compensatory time to the requestor or another employee or require hiring temporary or consulting personnel.

ARTICLE 21 STANDBY

1. Assignment of personnel to standby shall be the prerogative of management and employees shall be subject to standby or call-out as deemed necessary.
2. First standby personnel must be able to respond within thirty minutes of being called. Second standby must report within one hour.

3. Employees required to accept standby assignment will be compensated at the rate of one and one half hours per weekday and three hours per 24-hour shift for weekends and holidays.
4. The definition of weekends is Saturday 12:01 a.m. thru Sunday 12:00 p.m.
5. Employees required to accept backup standby assignments will be compensated at the rate of one hour per day.
6. Employees who are not on assigned standby but are "called out" are required to respond if contacted and instructed to report to work.

ARTICLE 22 OVERTIME

1. For employees assigned to the 36-hour workweek, the City will compensate employees for overtime in excess of 36 hours per week paid at a rate of time and one-half, except for holidays and emergency call outs on Saturday and Sunday.
2. Scheduled overtime work on weekends, Saturday 12:01a.m. thru Sunday 12:00p.m., will be compensated at a rate of time and one –half.
3. The City will compensate employees for overtime on holidays and weekend emergency call outs at a rate of double time. If the emergency call out extends into Monday morning, the entire call out period will be paid at double time until the call out ends or thru 6:00a.m. Monday morning, whichever is first.
4. An employee's scheduled workweek may or may not be a traditional Monday through Friday workweek. The City will not arbitrarily change an employee's work schedule to make Sunday a regular work day and thus, avoid paying overtime to the employee. Notwithstanding the preceding sentence, the Association understands that the City has management rights to set the work schedule of any new hires from the date of amendment dated May 24, 2007 and that such schedule may include Sunday as a regularly scheduled workday and thus will not be subject to overtime compensation under the Federal Labor Standards Act (FLSA).
5. The regular 36-hour workweek is considered to be 36 hours of paid time, which will include holidays, sick leave, vacation and compensated time off.

ARTICLE 23 EMERGENCY CALL OUT

1. Employees will be compensated for a minimum of two hours when performing emergency call out work.
2. Employee compensation rate is addressed in Article 21.

ARTICLE 24 COURT TIME COMPENSATION

City employees will be compensated for City of Norco duty-related and required court appearances in those cases where the employee is required to report to the court when he/she is not scheduled to work.

ARTICLE 25 TUITION REIMBURSEMENT

1. The City will provide tuition reimbursement in an amount not to exceed \$400.00 per semester or quarter, not to exceed \$800.00 per year, for the purpose of offsetting the costs of actual tuition, course cost and/or book expense incurred by such employee.
2. The benefit is intended only for courses related to the furtherance of employees' careers in the water industry.

3. To be eligible for reimbursement the course must be on a pre-approved list and must be pre-approved by the Department Head and City Manager prior to enrollment.
 Pre-Approved List
 - (1) Any Water Industry course offered by an accredited college.
 - (2) Any course offered by an accredited college that would apply and be necessary toward an Associate of Science, Associate of Arts, Bachelor of Science or Bachelor of Arts degree.
 - (3) Any California Department of Public Health (CDPH) recommended courses which may be used towards a Water Distribution and/or Water Treatment Certification.
4. Receipts and a passing score for courses and certification tests are required prior to reimbursement.
5. Courses are to be completed on the employee's own time.
6. Mileage incurred for education or testing are not reimbursable.
7. All persons participating in the tuition reimbursement program must maintain a passing grade of "C" and submit satisfactory proof with the reimbursement request. A grade of "B" is required for master's level class reimbursement.
8. There will be no reimbursement if employee fails to obtain a passing grade or complete a course.
9. Should an employee fail to obtain a passing grade or fail to complete the course, he/she shall be obligated to reimburse the City for his/her reimbursement if prepayment had been made.

ARTICLE 26 MOTOR VEHICLE REPORTS - DMV PULL NOTICE

Public Works employees are included in the Department of Motor Vehicles (DMV) Pull Notice program.

Driver license reports are released to the City from the DMV annually and upon a vehicle violation. Employees in the Pull Notice Program are responsible for maintaining and keeping in good standing their driver license and any driver certificate requirement.

Employees are responsible to immediately notify their supervisor whenever there is a motor vehicle violation which would have a negative impact on the required driver license.

ARTICLE 27 ACTING PAY

1. Employees shall be eligible for acting pay for temporarily filling a position of a higher classification beyond a period of ten consecutive workdays or for filling a position of a higher classification for an interim period during a vacancy.
2. Employees shall be compensated one step or at a rate of five percent higher than his/her current salary if his/her current position is in a range that overlaps the range of the higher classification being filled, or be compensated two steps or at a rate of ten percent higher than his/her current salary, if the position being temporarily filled is beyond subject employee's pay range.
3. Eligibility for acting pay shall be determined by employee's Department Head with the approval of the City Manager.

ARTICLE 28 UNIFORMS

1. The City shall purchase all special equipment and uniforms required of an employee in relation to the employee's job duties.
2. All uniforms purchased by the City, and all identifying patches, badges, etc., must be returned to the City when an employee terminates his/her employment.
3. The City shall approve the store to be used for purchase of uniforms and boots.

ARTICLE 29 DEFERRED COMPENSATION

1. The City of Norco offers several deferred compensation plans.
2. Any City employee may elect to participate. The plans provide employees the ability to defer current income from state and federal taxes to provide future payments upon death, disability retirement or separation from the City.
3. Employees may defer a minimum of \$10 per payroll period up to a maximum that is determined by Internal Revenue Service Code 457k.
4. The provisions of deferred compensation are subject to change in accordance with Internal Revenue Code Section 457k.

ARTICLE 30 STATE DISABILITY INSURANCE

1. Employees of the City are covered under State Disability Insurance.
2. The State Disability Insurance (SDI) shall provide benefits to employees consistent with state laws, and shall be paid per state law.
3. An employee may request to supplement his/her State Disability Insurance with his/her available sick leave or vacation time to maintain a regular salary while receiving disability benefits.

ARTICLE 31 INJURY ON DUTY – WORKERS COMPENSATION

1. An employee injured on the job must notify their supervisor and Human Resources immediately and submit claim form within one business day of injury and/or illness.
2. Unless an employee has completed a "Designation of Personal Physician" form prior to an injury and/or illness, an employee needing medical treatment should be referred to the City's authorized clinic to be provided with medical care.
3. The City Worker's Compensation Insurance Program shall provide compensation to employees injured on duty consistent with state laws and other worker's compensation laws. An injury must meet the test of both arising out of employment and occurring during the course of employment to be compensable under worker's compensation.
4. An injured employee under Worker's Compensation may request to supplement his/her Worker's Compensation payments with his/her available sick leave or vacation time to maintain a regular salary while on Worker's Compensation.
5. Time for workers compensation doctor appointments and physical therapy will not be deducted from employees' sick leave accrual. Employees are encouraged to schedule follow up visits outside of work hours to minimally disrupt the work day.
6. In order to qualify for temporary disability benefits there must be a loss of earnings. There is a three (3) day waiting period before qualifying for wage loss benefits. Temporary disability pays 2/3 or .6667% of wages.
7. Temporary disability is paid through the City's workers compensation administrator.

ARTICLE 32 FATIGUE TIME OFF

Under the Occupational Safety and Health Act of 1970, employers are responsible for providing a safe and Healthful workplace. The City takes into consideration that long or unusual shifts are often required during response to an emergency or other special circumstance which may require an employee to work during

the hours between 10:00 p.m. and 6:00 a.m. Long work hours can lead to tragic mistakes endangering workers and the public. Due to the safety sensitive nature of public works, driving and working after extended wakefulness may contribute to fatigue. Fatigue adversely affects performance. Effects of fatigue may lead to an increased risk of operator error, injuries and/or accidents. The symptoms of fatigue are both mental and physical, such as weariness, sleepiness, irritability, reduced alertness, lack of concentration and memory. If any of the above symptoms are apparent in an employee who has worked at least three consecutive hours between 10:00 p.m. and 6:00 a.m. and has a regularly scheduled shift later that same day, the City will require employee to delay reporting for his/her shift by the equivalent amount of hours employee worked between 10:00 p.m. and 6:00 a.m. Delayed report time will allow affected employees time for adequate rest and recovery. Employee may use sick or vacation accrued leave for hours not worked. Employee may not extend the reporting time more than the equivalent amount of hours worked between 10:00 p.m. and 6:00 a.m.

ARTICLE 33 LAYOFF AND RE-EMPLOYMENT PROCEDURE

1. Individual layoffs within individual classifications shall be based on the affected job class.
2. In determining the order of layoff, the City shall take into account job performance, seniority, specialized skills, and the City's need to operate.
3. Employees subject to layoff for economic or budgetary reasons shall not have the right of appeal.
4. For the purpose of providing reemployment opportunities for individuals who may be laid off from their employment with the City of Norco, the City shall establish a "reemployment list."
5. General Employees shall remain on the reemployment list for a period of one year from the date of the receipt of notice of layoff.
6. The reemployment list shall be used for individuals who will be eligible for appointment to a position that he/she held at the time of layoff from the City, or to a specific classification previously held with the City should such a position become vacant.
7. The reemployment list shall have priority over open competitive examination employment lists established by the City for a position affected by the reemployment list.

ARTICLE 34 SEVERANCE PAY – LAYOFF

Severance pay will be provided upon layoff from the City. The severance pay shall be one week of compensation at six months employment, two weeks compensation at eighteen months, three weeks compensation at thirty months employment, and four weeks compensation at forty-two months or more of employment.

ARTICLE 35 MANAGEMENT RIGHTS

It is understood and agreed that the City retains all of its powers and authority to manage municipal services and the work force performing those services.

It is agreed that during the term hereof, the City shall not be required to meet and confer on matters which are solely a function of management, including the right to:

1. Determine and modify the organization of City government and its constituent work units.
2. Determine the nature, standards, levels, and mode of delivery of services to be offered to the public.

3. Determine the methods, means and the number and kinds of personnel by which services are to be provided.
4. Determine whether goods or services shall be made or provided by the City, or shall be purchased, or contracted for.
5. Direct employees, including scheduling and assigning work, work hours, and overtime.
6. Establish employee performance standards and to require compliance therewith.
7. Discharge, suspend, demote, reduce in pay, reprimand, withhold salary increases and benefits, or otherwise discipline employees, subject to the requirements of applicable law.
8. Relieve employees from duty because of lack of work or lack of funds or for other legitimate reasons.
9. Implement rules, regulations, and directives consistent with law and the specific provisions of this MOU.
10. Take all necessary actions to protect and public and carry out its mission in emergencies.
11. Determine the content of job classifications.
12. Contract out and transfer work out of the bargaining unit.

Decisions under this Article shall not be subject to the grievance procedure herein.

Failure by the City to exercise and/or implement any rights expressly provided for in this Agreement shall in no way extinguish and/or diminish the City's right to do so in the future.

ARTICLE 36 PROVISIONS OF LAW

If any article or section of this agreement, or any addition thereto, should be held invalid by operation of law, or by a tribunal or office of competent jurisdiction, or if compliance with or enforcement of any article or section should be restrained by such tribunal or office, the remainder of this agreement shall not be affected thereby and all parties shall enter into immediate negotiations for the purpose of arriving at a mutually satisfactory replacement for such article or section.

ARTICLE 37 GENERAL PROVISIONS

1. The parties acknowledge that during the negotiations which resulted in this MOU, each had the right and opportunity to make demands and proposals with respect to subjects within the scope of representation. The understandings arrived at after the exercise of that right are set forth in this MOU and constitute the complete and total contract between the City and the PW & PMWA with respect to wages, hours, and other terms and conditions of employment.
2. Any prior or existing Memoranda of Understanding between the parties regarding matters within the scope of representation are hereby superseded and terminated in their entirety.

CITY OF NORCO

**PUBLIC WORKS & PARKS
MAINTENANCE WORKERS ASSOCIATION**

Andy Okoro, City Manager

Derek Lacombe, President

Myrna Paakkonen, Human Resource Analyst

Abel Garcia, Vice President

Michael Kulick, Vice President

Date: _____

Date: _____

**CITY OF NORCO
PUBLIC WORKS & PARKS MAINTENANCE WORKERS ASSOCIATION
CLASSIFICATIONS SALARY RANGES
EFFECTIVE 12/01/2013 (CURRENT)**

Range No.	Classification/Job Title	STEP A	STEP B	STEP C	STEP D	STEP E
46	Inspector II	46,857	49,205	51,665	54,249	56,961
		3,905	4,100	4,305	4,521	4,747
		25.0303	26.2848	27.5990	28.9789	30.4278
45	Maintenance Lead Worker Inspector I	40,467	42,494	44,620	46,857	49,205
		3,372	3,541	3,718	3,905	4,100
		21.6168	22.6996	23.8353	25.0303	26.2848
40	Water Quality Control Officer	39,540	41,517	43,594	45,769	48,056
		3,295	3,460	3,633	3,814	4,005
		21.1216	22.1780	23.2872	24.4493	25.6708
32	Maintenance Worker II	36,709	38,551	40,467	42,494	44,620
		3,059	3,213	3,372	3,541	3,718
		19.6096	20.5934	21.6168	22.6996	23.8353
26	Maintenance Worker Meter Technician I	34,151	35,869	37,673	39,564	41,542
		2,846	2,989	3,139	3,297	3,462
		18.2429	19.1606	20.1246	21.1348	22.1912
11	Maintenance Worker Trainee	29,491	30,974	32,519	34,151	35,869
		2,458	2,581	2,710	2,846	2,989
		15.7537	16.5460	17.3713	18.2429	19.1606

**CITY OF NORCO
PUBLIC WORKS & PARKS MAINTENANCE WORKERS ASSOCIATION
CLASSIFICATIONS SALARY RANGES
EFFECTIVE 7/01/2014**

Range No.	Classification/Job Title	STEP A	STEP B	STEP C	STEP D	STEP E
46	Inspector II	47,606	49,992	52,492	55,116	57,872
		3,967	4,166	4,374	4,593	4,823
		25.4308	26.7054	28.0406	29.4426	30.9146
45	Maintenance Lead Worker Inspector I	41,114	43,174	45,334	47,606	49,992
		3,426	3,598	3,778	3,967	4,166
		21.9627	23.0628	24.2166	25.4308	26.7054
40	Water Quality Control Officer	40,172	42,182	44,291	46,501	48,825
		3,348	3,515	3,691	3,875	4,069
		21.4595	22.5329	23.6598	24.8405	26.0815
32	Maintenance Worker II	37,297	39,168	41,114	43,174	45,334
		3,108	3,264	3,426	3,598	3,778
		19.9234	20.9229	21.9627	23.0628	24.2166
26	Maintenance Worker Meter Technician I	34,697	36,443	38,276	40,197	42,207
		2,891	3,037	3,190	3,350	3,517
		18.5348	19.4672	20.4466	21.4730	22.5463
11	Maintenance Worker Trainee	29,963	31,470	33,039	34,697	36,443
		2,497	2,622	2,753	2,891	3,037
		16.0058	16.8108	17.6493	18.5348	19.4672

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Myrna Paakkonen, Human Resource Analyst

DATE: June 4, 2014

SUBJECT: Approval of Salary and Benefits Resolutions for Management and Middle Management, Professional and Confidential Employees for Fiscal Year 2014-2015.

RECOMMENDATION: Adopt **Resolution No. 2014-22**, approving the Annual Salary and Benefits for Management Personnel; and, adopt Resolution No. 2014-23, approving the Annual Salary and Benefits for Middle Management, Professional and Confidential Service Personnel.

SUMMARY: The proposed Resolutions establish compensation and benefit levels for Management and Middle Management, Professional and Confidential Service employees for fiscal year 2014-2015. The resolutions include a proposed 1.6% Consumer Price Index (CPI) salary adjustment for Management, Middle Management, Professional and Confidential Service employees.

BACKGROUND/ANALYSIS: Annually, the City adopts salary and benefits resolutions for non-represented employee units consisting of Management, Middle Management, Professional, and Confidential employees. For fiscal year 2014-2015, Management, Middle Management, Professional and Confidential resolutions reflect a proposed salary adjustment of 1.6% with no added benefits.

FINANCIAL IMPACT: The additional costs related to the proposed changes in salaries have been included in the FY 2014-2015 operating budget.

Attachments: Resolution 2014-22
Resolution 2014-23
Management Salary Schedule, Current
Management Salary Schedule, Effective July 1, 2014
Middle Management, Professional and Confidential Salary Schedule, Current
Middle Management, Professional and Confidential Salary Schedule, Effective July 1, 2014

RESOLUTION NO. 2014-22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, ESTABLISHING ANNUAL SALARY RANGES AND BENEFITS FOR MANAGEMENT CLASSIFICATIONS OF THE CITY OF NORCO

WHEREAS, the following Management classifications of the City of Norco ("City") are unrepresented in the employer-employee relationship and, therefore receive consideration from the City Council in recognition of the management nature and responsibility of the positions and contributions to the efficient and effective operations of the City; and

WHEREAS, individuals serving in these Management classifications are "at will" employees who serve at the pleasure of the City Manager; and

WHEREAS, employees in these classifications are exempt under the provisions of the Federal Fair Labor Standards Act.

NOW THEREFORE, BE IT RESOLVED that effective July 1, 2014, there will be a 1.6% change to the salary ranges and no changes to any other benefits for the classifications covered by this Resolution:

Section 1 **SALARY RANGES**

SALARY SCHEDULE

Effective July 1, 2014 there shall be a 1.6% Consumer Price Index (CPI) salary range adjustment for the following classifications:

City Clerk/Assistant to the City Manager
Director of Finance
Director of Public Works
Director of Parks, Recreation & Community Services
Director of Planning

Section 2 **BENEFITS**

I **SICK LEAVE**

Accrual Rate. Employees in Management classifications shall accrue sick leave at the rate of 8.1 hours of sick leave per month. One half of an employee's yearly accrual of sick leave may be used for illness or injury to a parent, child, spouse, or domestic partner.

After five (5) years of service, the City shall pay fifty percent (50%) of any accumulated sick leave to the employee at the time of separation from the City up to a maximum of ninety (90) paid days.

Buy-Back. At the option of the employee, the City shall pay to each employee on the payroll immediately following December 1 of each year, 40% of the employee's unused sick leave for the previous 12 months with the time paid to be deducted from the employee's total sick leave accumulation.

If the employee is enrolled in the City of Norco deferred compensation program, the employee will have the option of having the money placed in a deferred compensation account.

II ADMINISTRATIVE LEAVE

In recognition of the fact that Management employees are not entitled to receive overtime compensation despite devoting hours beyond the normal workweek, employees shall be allowed to take administrative leave at the discretion of the City Manager.

Management employees shall be allowed to take up to fifty-six (56) hours administrative leave per year. Administrative leave will not be accumulative; any remaining balance shall expire at 2400 hours June 30 of each year. Approval to take administrative leave must be requested and obtained in the same manner as vacation leave.

New hires' administrative leave will be pro-rated.

III HOLIDAYS

1. Employees shall receive the following paid days off for holidays each year:

- New Year's Day
- Martin Luther King's Birthday
- President's Day
- Memorial Day
- Independence Day
- Labor Day
- Veteran's Day
- Thanksgiving Day
- Christmas Eve Day
- Christmas Day
- Birthday

The birthday holiday must be taken within the fiscal year.

- 3 Floating Holidays

New hires' floating holidays will be pro-rated. If hired between July 1 – October 31 new hires will accrue three (3) floating holidays, if hired between November 1 – February 28 new hires will accrue two (2) floating holidays, if hired between March 1 – June 30 new hires will accrue one (1) floating holiday. New hires are not required to complete

probation to use accrued floating holiday(s). Days off must have prior approval by immediate supervisor. All floating holidays must be used or will be lost by June 30 each year.

2. In the event when any holiday falls on a Friday or Saturday the Thursday preceding shall be observed as the holiday, or if the holiday falls on a Sunday, the Monday following shall be observed as the holiday.
3. The City shall pay nine (9) hours for each holiday.

IV VACATION

Employees shall be eligible for bi-weekly vacation accrual as follows:

<u>Annual Increment</u>	<u>Hours Increment</u>	<u>Bi-Weekly Accrual Rate</u>	<u>Annual Accrual Rate</u>	<u>Maximum Accumulation</u>
0 – 4 th yr	Up to 7,488 (4 yrs)	3.32 hrs	86.4 hrs	240 hrs
5 th – 9 th yr	7,489 – 16,847 (9yrs)	4.98 hrs	129.6 hrs	360 hrs
10 th – 14 th yr	16,848 – 26,207 (14 yrs)	5.82 hrs	151.2 hrs	420 hrs
15 th + yrs	26,208 - + (15+ yrs)	6.65 hrs	172.8 hrs	480 hrs

Employees will cease to accrue vacation hours when in any pay period they exceed their annual accrual as determined by their anniversary date.

V PERS BENEFITS / EMPLOYEES HIRED ON/PRIOR TO DECEMBER 31, 2012

1. For employees hired on or prior to December 31, 2012 and new hires who are "Classic" Members, the City has a contract with CalPERS to provide employees with the 2.7% at 55 Full Formula (Section 21354.5).

Other benefits in the CalPERS agreement include:

- a. Section 20965: Credit for Unused Sick Leave. Unused accumulated sick leave at time of retirement may be converted to additional service credit at the rate of 0.004 year of service credit for each day of unused sick leave.
 - b. Section 21574: Fourth Level 1959 Survivors Benefits. This benefit provides a higher level of 1959 Survivor Benefits to survivors of a member who dies prior to retirement.
 - c. Three-year final compensation (36 highest paid consecutive months).
2. Employees hired on or prior to October 31, 2010: The City has agreed to pay 100% of the employer and 4% of the employee's contribution rates toward retirement through the CalPERS Retirement System. Employees will pay 4% of the employee's contribution rates.
 3. Employees hired on or after November 1, 2010 and through December 31, 2012: The City has agreed to pay 100% of the employer contribution rates toward

retirement and the employee will pay 8% of the employee contribution rates toward retirement through the CalPERS Retirement System.

4. City shall implement all other requirements mandated by the Public Employees' Pension Reform Act of 2013.

VI PERS BENEFITS / EMPLOYEES HIRED ON/AFTER JANUARY 1, 2013

1. The new retirement formula for miscellaneous employees is 2% at 62, with a maximum benefit of 2.5% at 67.
2. Employees must contribute at least 50% of the normal cost rate for the defined benefit plan, rounded to the nearest quarter percent, currently 6.25%.
3. Employer may not pay any of the employee's share of pension cost.
4. City shall implement all other requirements mandated by the Public Employees' Pension Reform Act of 2013.

VII HEALTH INSURANCE

1. The City will participate with the State of California for health benefit programs available through CalPERS.
2. The City agrees to pay up to \$1250 a month for those employees and their dependents enrolled in any of the available CalPERS health plans.
3. Any eligible employee who elects to opt-out of health benefits will be paid a monthly cash amount equal to the lowest basic single rate premium in the CalPERS Other Southern California Region in lieu of health benefits, providing the following requirements are met:
 - a) An election form to opt-out of health benefits is completed.
 - b) Satisfactory proof of other coverage is provided.

VIII DENTAL INSURANCE

The City will provide a choice between a HMO dental insurance plan, fully paid by the City for both the employee and dependent coverage, and a PPO dental insurance plan with the City's contribution limited to the cost of the HMO dental insurance premium.

IX VISION INSURANCE

The City will provide a vision care plan that is fully paid by the City for both employee and dependent coverage.

X LIFE INSURANCE

The City will provide term life insurance in the amount of \$125,000, for employees and \$5,000 for dependents, which is fully paid by the City for both employee and dependent coverage.

XI CONTINUOUS SERVICE BONUS

In recognition of years of service to the City, a Continuous Service Bonus shall be given on the anniversary date of the employee as follows:

Five-year anniversary	\$100
Ten-year anniversary	\$300
Fifteen-year anniversary	\$500
Twenty-year anniversary	\$700
Twenty-five year anniversary	\$1,000
Thirty-year anniversary	\$1,250

XII MEDICAL SAVINGS ACCOUNT

The City shall deposit \$25 per month into a medical savings account for each Management employee.

New Hires are enrolled effective the first of the month, after six months of employment. To be eligible for the benefit, employees must enroll in the Medical Savings Plan.

XIII BEREAVEMENT

1. Bereavement leave shall be provided in the amount of three days in the event of the death of a member of the employee's immediate family. Such bereavement leave shall not be deducted from an employee's accumulated sick leave.
2. Employees may use up to three (3) days of accumulated sick leave in addition to the three (3) days bereavement for the death of an immediate family member.
3. Immediate family shall be defined as any relative who is a member of the employee's household, and any parent, grandparent, spouse, domestic partner, child, brother or sister of the employee. The parent, brother or sister of the employee's spouse, domestic partner, ex-spouse, or deceased spouse, regardless of residence or employee's current marital status, is also eligible.

XIV JURY DUTY

1. An employee of the City who is requested to serve on jury duty shall notify his/her supervisor who shall in turn notify his/her department head.
2. While serving on jury duty, an employee shall receive his/her regular salary from the City. The employee shall remit to the City all compensation received as a result of serving on jury duty, except mileage reimbursement.
3. Jury duty limit will be 72 paid hours per fiscal year. An employee must submit documentation of court attendance. Jury duty will be paid for regularly scheduled work days up to the maximum of 72 paid hours per year.

XV TUITION REIMBURSEMENT

The City will provide tuition reimbursement in an amount not to exceed \$400 per quarter, not to exceed \$800 per year, for the purpose of offsetting costs of actual tuition and/or book expense incurred by the employee. This benefit is intended only for courses related to the furtherance of employees' careers with the City.

To be eligible for reimbursement, the course must be pre-approved by the City Manager prior to enrollment. Receipts will be required prior to reimbursement.

All employees participating in the tuition reimbursement program must maintain a passing grade of "C" and submit satisfactory proof to the City Manager. A grade of "B" will be required for master's level class reimbursement.

Should an employee fail to obtain a passing grade of "C" (or "B" for master's level courses) or fail to complete the course, he/she shall be obligated to reimburse the City for his/her reimbursement if prepayment had been made.

XVI LONG TERM DISABILITY INSURANCE

The City of Norco offers an optional Long-Term Disability plan at the employee's expense.

XVII DEFERRED COMPENSATION

The City of Norco offers several deferred compensation plans. Any City full time employee may elect to participate. The plans provide employees the ability to defer current income from state and federal taxes to provide future payments upon death, disability retirement or separation from the City.

Employees may defer a minimum of \$10 per payroll period up to a maximum that is determined by Internal Revenue Service Code 457(k).

The provisions of deferred compensation are subject to change in accordance with Internal Revenue Code Section 457(k).

XVIII STATE DISABILITY INSURANCE

Employees of the City are covered under State Disability Insurance. The State Disability Insurance (SDI) shall provide benefits to employees consistent with state laws, and shall be paid per state law.

An employee may request to supplement his/her SDI with his/her available sick leave or vacation time to maintain a regular salary while receiving disability benefits.

XIX INJURY ON DUTY – WORKERS COMPENSATION

The City's Worker's Compensation Insurance Program shall provide compensation to employees sustaining injury or illness at work consistent with state workers compensation laws.

XX AUTO ALLOWANCE

Employees shall receive \$400 per month auto allowance or a City owned automobile may be assigned for employee use to facilitate emergency call-back duties at the discretion of the City Manager.

XXI SEVERANCE PAY – LAYOFF

Severance pay shall be one (1) week of compensation at six (6) months employment, two (2) weeks compensation at eighteen (18) months, three (3) weeks compensation at thirty (30) months employment, and four (4) weeks compensation at forty-two (42) months or more of employment.

XXII EMPLOYEE ON LEAVE COMPENSATION

An employee on leave without pay, excluding FMLA, CFRA, Military and Disability, shall receive no compensation, including pay for holidays, and shall accumulate no vacation or sick leave while on such leave but shall continue to receive the benefits of continuous service and insurance coverage. The employee's department head shall approve all leaves without pay. The City shall use any accrued sick or vacation accrual for payment of any elected benefit premiums.

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 Resolution was introduced and adopted by the City Council of the City of Norco at a regular meeting held on June 4, 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 June 4, 2014.

Cheryl Link, City Clerk
City of Norco, California

RESOLUTION NO. 2014-23

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, ESTABLISHING ANNUAL SALARY RANGES AND BENEFITS FOR CLASSIFICATIONS IN THE MIDDLE MANAGEMENT, PROFESSIONAL, AND CONFIDENTIAL SERVICE OF THE CITY OF NORCO

WHEREAS, the following classifications in Middle Management, Professional, and Confidential Service of the City of Norco ("City") are unrepresented in the employer-employee relationship and, therefore receive consideration from the City Council in recognition of the management, supervisory, professional and/or confidential nature of their positions and contributions to the efficient and effective operations of the City; and

WHEREAS, employees in these classifications are exempt under the provisions of the Federal Fair Labor Standards Act; and

WHEREAS, the City Council desires to establish the compensation levels for classifications in Middle Management, Professional, and Confidential Service

NOW THEREFORE, BE IT RESOLVED that effective July 1, 2014, there will be a 1.6% change to the salary ranges and no changes to any other benefits for the classifications covered by this Resolution:

Section 1 SALARY RANGES

I. SALARY SCHEDULE

Effective July 1, 2014 there shall be a 1.6% Consumer Price Index (CPI) salary range adjustment for the following classifications:

CLASSIFICATIONS

Accountant
Accounting Manager
Administrative Analyst
Administrative/Facilities Coordinator
Animal Control/Equestrian Superintendent
Associate Civil Engineer
Deputy City Clerk
Executive Secretary
Human Resources Analyst
Information Technology Manager
Parks & Public Buildings Maintenance Supervisor
Public Works Superintendent
Recreation & Community Services Superintendent
Recreation & Community Services Supervisor
Senior Planner

Section 2 **BENEFITS**

Employees in the Middle Management, Professional, and Confidential Service classifications covered under this Resolution are covered by, and subject to, the Personnel Rules and Regulations of the City.

Benefits that are not included in, or are not specified adequately in the Personnel Rules and Regulations that are applicable to employees in the Middle Management, Professional, and Confidential Service classifications detailed are as follows:

I. SICK LEAVE

Accrual Rate. Employees in Middle Management, Professional, and Confidential Service classifications shall accrue sick leave at the rate of 8.1 hours of sick leave per month. One half of an employee's yearly accrual of sick leave can be used for illness or injury to a parent, child, spouse, or domestic partner.

After five (5) years of service, the City shall pay fifty percent (50%) of any accumulated sick leave to the employee at the time of separation from the City up to a maximum of ninety (90) paid days.

Buy-Back. At the option of the employee, the City shall pay to each employee on the payroll immediately following December 1 of each year, 40% of the employee's unused sick leave for the previous 12 months with the time paid to be deducted from the employee's total sick leave accumulation.

If the employee is enrolled in the City of Norco deferred compensation program, the employee will have the option of having the money placed in a deferred compensation account.

II. ADMINISTRATIVE LEAVE

In recognition of the fact that Middle Management, Professional, and Confidential Service employees are not entitled to receive overtime compensation despite devoting hours beyond the normal workweek, employees shall be allowed to take administrative leave at the discretion of their department head.

Middle Management, Professional, and Confidential Service employees shall be allowed to take up to forty-eight (48) hours administrative leave per year. Administrative leave will not be accumulative; any remaining balance shall expire at 2400 hours June 30 of each year. Approval to take administrative leave must be requested and obtained in the same manner as vacation leave.

New hires' administrative leave will be pro-rated.

III. PROBATIONARY PERIOD

All original or promotional appointments for Middle Management, Professional, and Confidential Service employees shall be subject to a probationary period of one (1) year.

IV. HOLIDAYS

1. Employees shall receive the following paid days off for holidays each year:

- New Year's Day
- Martin Luther King's Birthday
- President's Day
- Memorial Day
- Independence Day
- Labor Day
- Veteran's Day
- Thanksgiving Day
- Christmas Eve Day
- Christmas Day
- Birthday

The birthday holiday must be taken within the fiscal year.

- 3 Floating Holidays

New hires' floating holidays will be pro-rated. If hired between July 1 – October 31 new hires will accrue three (3) floating holidays, if hired between November 1 – February 28 new hires will accrue two (2) floating holidays, if hired between March 1 – June 30 new hires will accrue one (1) floating holiday. New hires are not required to complete probation to use accrued floating holiday(s). Days off must have prior approval by immediate supervisor. All floating holidays must be used or will be lost by June 30 each year.

2. In the event when any holiday falls on a Friday or Saturday the Thursday preceding shall be observed as the holiday, or if the holiday falls on a Sunday, the Monday following shall be observed as the holiday.

3. The City shall pay nine (9) hours for each holiday.

V. VACATION

Employees shall be eligible for bi-weekly vacation accrual as follows:

<u>Annual Increment</u>	<u>Hours</u>	<u>Bi-Weekly Accrual Rate</u>	<u>Annual Accrual Rate</u>	<u>Maximum Accumulation</u>
0 – 4 th yr	Up to 7,488 (4 yrs)	3.32 hrs	86.4 hrs	240 hrs
5 th – 9 th yr	7,489 – 16,847 (9yrs)	4.98 hrs	129.6 hrs	360 hrs
10 th – 14 th yr	16,848 – 26,207 (14 yrs)	5.82 hrs	151.2 hrs	420 hrs
15 th + yrs	26,208 - + (15+ yrs)	6.65 hrs	172.8 hrs	480 hrs

Employees will cease to accrue vacation hours when in any pay period they exceed their annual accrual as determined by their anniversary date.

VI PERS BENEFITS / EMPLOYEES HIRED ON/PRIOR TO DECEMBER 31, 2012

1. For employees hired on or prior to December 31, 2012 and new hires who are "Classic" Members, the City has a contract with CalPERS to provide employees with the 2.7% at 55 Full Formula (Section 21354.5).

Other benefits in the CalPERS agreement include:

- a. Section 20965: Credit for Unused Sick Leave. Unused accumulated sick leave at time of retirement may be converted to additional service credit at the rate of 0.004 year of service credit for each day of unused sick leave.
 - b. Section 21574: Fourth Level 1959 Survivors Benefits. This benefit provides a higher level of 1959 Survivor Benefits to survivors of a member who dies prior to retirement.
 - c. Three-year final compensation (36 highest paid consecutive months).
2. Employees hired on or prior to October 31, 2010: The City has agreed to pay 100% of the employer and 4% of the employee's contribution rates toward retirement through the CalPERS Retirement System. Employees will pay 4% of the employee's contribution rates.
 3. Employees hired on or after November 1, 2010 and through December 31, 2012: The City has agreed to pay 100% of the employer contribution rates toward retirement and the employee will pay 8% of the employee contribution rates toward retirement through the CalPERS Retirement System.
 4. City shall implement all other requirements mandated by the Public Employees' Pension Reform Act of 2013.

VII PERS BENEFITS / EMPLOYEES HIRED ON/AFTER JANUARY 1, 2013

1. The new retirement formula for miscellaneous employees is 2% at 62, with a maximum benefit of 2.5% at 67.
2. Employees must contribute at least 50% of the normal cost rate for the defined benefit plan, rounded to the nearest quarter percent, currently 6.25%.
3. Employer may not pay any of the employee share of pension cost.
4. City shall implement all other requirements mandated by the Public Employees' Pension Reform Act of 2013.

VIII HEALTH BENEFITS

1. The City will participate with the State of California for health benefit programs available through CalPERS.
2. The City agrees to pay up to \$1250 a month for those employees and their dependents enrolled in any of the available CalPERS health plans.
3. Any eligible employee who elects to opt-out of health benefits will be paid a monthly cash amount equal to the lowest basic single rate premium in the CalPERS Other Southern California Region in lieu of health benefits, providing the following requirements are met:
 - a) An election form to opt-out of health benefits is completed.
 - b) Satisfactory proof of other coverage is provided.

IX DENTAL INSURANCE

The City will provide a choice between a HMO dental insurance plan, fully paid by the City for both the employee and dependent coverage, and a PPO dental insurance plan with the City's contribution limited to the cost of the HMO dental insurance premium.

X VISION INSURANCE

The City will provide a vision care plan that is fully paid by the City for both employee and dependent coverage.

XI LIFE INSURANCE

The City will provide term life insurance benefit equal to the employee's annual salary (rounded to the nearest thousand) and \$5,000 dependent life benefit, fully paid by the City for both employee and dependent coverage. The annual salary will be the monthly base salary times twelve.

XII CONTINUOUS SERVICE BONUS

In recognition of years of service to the City, a Continuous Service Bonus shall be given on the anniversary date of the employee as follows:

Five-year anniversary	\$100
Ten-year anniversary	\$300
Fifteen-year anniversary	\$500
Twenty-year anniversary	\$700
Twenty-five year anniversary	\$1,000
Thirty-year anniversary	\$1,250

XIII MEDICAL SAVINGS ACCOUNT

The City shall deposit \$20 per month into a medical savings account for Middle Management, Professional, and Confidential Service employees.

New Hires are enrolled effective the first of the month, after six months of employment. To be eligible for the benefit, employees must enroll in the Medical Savings Plan.

XIV BEREAVEMENT

1. Bereavement leave shall be provided in the amount of three days in the event of the death of a member of the employee's immediate family. Such bereavement leave shall not be deducted from an employee's accumulated sick leave.
2. Employees may use up to three (3) days of accumulated sick leave in addition to the three (3) days bereavement for the death of an immediate family member.
3. Immediate family shall be defined as any relative who is a member of the employee's household, and any parent, grandparent, spouse, domestic partner, child, brother or sister of the employee. The parent, brother or sister of the employee's spouse, domestic partner, ex-spouse, or deceased spouse, regardless of residence or employee's current marital status, is also eligible.

XV TUITION REIMBURSEMENT

The City will provide tuition reimbursement in an amount not to exceed \$400 per quarter, not to exceed \$800 per year, for the purpose of offsetting costs of actual tuition and/or book expense incurred by the employee. This benefit is intended only for courses related to the furtherance of employees' careers with the City.

To be eligible for reimbursement, the course must be pre-approved by the City Manager prior to enrollment. Receipts will be required prior to reimbursement.

All employees participating in the tuition reimbursement program must maintain a passing grade of "C" and submit satisfactory proof to the City Manager. A grade of "B" will be required for master's level class reimbursement.

Should an employee fail to obtain a passing grade of "C" (or "B" for master's level courses) or fail to complete the course, he/she shall be obligated to reimburse the City for his/her reimbursement if prepayment had been made.

XVI SEVERANCE PAY – LAYOFF

Severance pay shall be one (1) week of compensation at six (6) months employment, two (2) weeks compensation at eighteen (18) months, three (3) weeks compensation at thirty (30) months employment, and four (4) weeks compensation at forty-two (42) months or more of employment.

XVII. JURY DUTY

1. An employee of the City who is requested to serve on jury duty shall notify his/her supervisor who shall in turn notify his/her department head.
2. While serving on jury duty, an employee shall receive his/her regular salary from the City. The employee shall remit to the City all compensation received as a result of serving on jury duty, except mileage reimbursement.
3. Jury duty limit will be 72 paid hours per fiscal year. An employee must submit documentation of court attendance. Jury duty will be paid for regularly scheduled work days up to the maximum of 72 paid hours per year. Documentation must be attached to corresponding time sheet for payment.

XV. LONG TERM DISABILITY INSURANCE

The City of Norco offers an optional Long-Term Disability plan at the employee's expense.

XVI. DEFERRED COMPENSATION

The City of Norco offers several deferred compensation plans. Any City full time employee may elect to participate. The plans provide employees the ability to defer current income from state and federal taxes to provide future payments upon death, disability retirement or separation from the City.

Employees may defer a minimum of \$10 per payroll period up to a maximum that is determined by Internal Revenue Service Code 457(k).

The provisions of deferred compensation are subject to change in accordance with Internal Revenue Code Section 457(k).

XVII. STATE DISABILITY INSURANCE

Employees of the City are covered under State Disability Insurance. The State Disability Insurance (SDI) shall provide benefits to employees consistent with state laws, and shall be paid per state law.

An employee may request to supplement his/her SDI with his/her available sick leave or vacation time to maintain a regular salary while receiving disability benefits.

XVIII. INJURY ON DUTY – WORKERS COMPENSATION

The City's Worker's Compensation Insurance Program shall provide compensation to employees sustaining injury or illness at work consistent with state workers compensation laws.

XXI. EMPLOYEE ON LEAVE COMPENSATION

An employee on leave without pay, excluding FMLA, CFRA, Military and Disability, shall receive no compensation, including pay for holidays, and shall accumulate no vacation or sick leave while on such leave but shall continue to

receive the benefits of continuous service and insurance coverage. The employee's department head shall approve all leaves without pay. The City shall use any accrued sick or vacation accrual for payment of any elected benefit premiums.

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 Resolution was introduced and adopted by the City Council of the City of Norco at a regular meeting held on June 4, 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 June 4, 2014.

Cheryl Link, City Clerk
City of Norco, California

**CITY OF NORCO SALARY SCHEDULE
MANAGEMENT
EFFECTIVE 07/01/2013 (CURRENT)**

Range No.	Job Title		STEP A	STEP B	STEP C	STEP D	STEP E
86	Deputy City Manager/Director of Finance	Annualized	114,908	120,653	126,686	133,020	139,671
		Monthly	9,576	10,054	10,557	11,085	11,639
		Hourly	61.3823	64.4514	67.6740	71.0577	74.6106
82A	Director of Public Works	Annualized	95,500	100,275	105,289	110,792	116,081
		Monthly	7,958	8,356	8,774	9,233	9,673
		Hourly	51.0151	53.5659	56.2441	59.1839	62.0093
74B	Director of Parks, Recreation & Community Services	Annualized	86,841	91,183	95,742	100,529	105,555
		Monthly	7,237	7,599	7,978	8,377	8,796
		Hourly	46.3892	48.7088	51.1441	53.7013	56.3864
74A	Planning Director	Annualized	84,940	89,187	93,647	98,329	103,245
		Monthly	7,078	7,432	7,804	8,194	8,604
		Hourly	45.3741	47.6428	50.0249	52.5261	55.1524
58A	City Clerk	Annualized	66,276	69,590	73,069	76,723	80,559
		Monthly	5,523	5,799	6,089	6,394	6,713
		Hourly	35.4038	37.174	39.0328	40.9843	43.0335

**CITY OF NORCO SALARY SCHEDULE
MANAGEMENT
EFFECTIVE 07/01/2014**

Range No.	Job Title		STEP A	STEP B	STEP C	STEP D	STEP E
82A	Director of Public Works Director of Finance	Annualized	97,028	101,880	106,974	112,565	117,939
		Monthly	8,086	8,490	8,914	9,380	9,828
		Hourly	51.8313	54.4230	57.1440	60.1308	63.0014
74B	Director of Parks, Recreation & Community Services	Annualized	88,230	92,642	97,274	102,137	107,244
		Monthly	7,353	7,720	8,106	8,511	8,937
		Hourly	47.1314	49.4881	51.9624	54.5605	57.2886
74A	Planning Director	Annualized	86,299	90,614	95,145	99,902	104,897
		Monthly	7,192	7,551	7,929	8,325	8,741
		Hourly	46.1001	48.4051	50.8253	53.3665	56.0348
58A	City Clerk/Assistant to City Manager	Annualized	67,336	70,703	74,239	77,950	81,848
		Monthly	5,611	5,892	6,187	6,496	6,821
		Hourly	35.9703	37.7688	39.6573	41.6400	43.7220

CITY OF NORCO
MIDDLE MANAGEMENT, PROFESSIONAL & CONFIDENTIAL
CLASSIFICATIONS & SALARY RANGES
EFFECTIVE 07/01/2013 (CURRENT)

Range No.	Classification/Job Title		STEP A	STEP B	STEP C	STEP D	STEP E
58C	Information Technology Manager	Annualized	70,835	74,382	78,103	82,009	86,112
		Monthly	5,903	6,199	6,509	6,834	7,176
		Hourly	37.8393	39.7342	41.7216	43.8081	46.0001
70C	Public Works Superintendent	Annualized	69,105	72,541	76,175	79,982	83,986
		Monthly	5,759	6,045	6,348	6,665	6,999
		Hourly	36.9149	38.7505	40.6916	42.7252	44.8644
72	Accounting Manager	Annualized	64,420	67,646	71,020	74,580	78,301
		Monthly	5,368	5,637	5,918	6,215	6,525
		Hourly	34.4126	36.1358	37.9383	39.8399	41.8273
73D	Associate Civil Engineer <small>(added 02/01/2014)</small>	Annualized	61,653	64,740	67,980	71,376	74,940
		Monthly	5,138	5,395	5,665	5,948	6,245
		Hourly	32.9342	34.58333	36.3141	38.1282	40.0321
65	Senior Planner	Annualized	61,256	64,321	67,535	70,909	74,457
		Monthly	5,105	5,360	5,628	5,909	6,205
		Hourly	32.7223	34.3598	36.0764	37.8789	39.7739
60	Animal Control/Equestrian Superintendent Rec. & Comm. Services Superintendent	Annualized	59,167	62,134	65,236	68,499	71,923
		Monthly	4,931	5,178	5,436	5,708	5,994
		Hourly	31.6065	33.1911	34.8483	36.5914	38.4203
49CD	Human Resource Analyst	Annualized	55,187	57,944	60,848	63,889	67,078
		Monthly	4,599	4,829	5,071	5,324	5,590
		Hourly	29.4805	30.9528	32.5044	34.1286	35.8322
43C	Accountant	Annualized	50,157	52,678	55,311	58,080	60,984
		Monthly	4,180	4,390	4,609	4,840	5,082
		Hourly	26.7932	28.1401	29.5465	31.0255	32.5770
49	Parks and Public Buildings Maintenance Supervisor	Annualized	48,328	50,750	53,284	55,954	58,747
		Monthly	4,027	4,229	4,440	4,663	4,896
		Hourly	25.816	27.1101	28.4636	29.8898	31.3819
43	Rec. & Comm. Services Supervisor	Annualized	43,532	45,707	47,994	50,392	52,913
		Monthly	3,628	3,809	3,999	4,199	4,409
		Hourly	23.2542	24.4163	25.6377	26.9186	28.2656
41	Deputy City Clerk	Annualized	41,814	43,915	46,103	48,414	50,837
		Monthly	3,484	3,660	3,842	4,035	4,236
		Hourly	22.3365	23.4589	24.6276	25.8623	27.1564
35C	Executive Secretary Administrative Analyst	Annualized	39,713	41,703	43,779	45,979	48,278
		Monthly	3,309	3,475	3,648	3,832	4,023
		Hourly	21.2141	22.2770	23.3863	24.5616	25.7897
61	Administrative/Facilities Coordinator	Annualized	37,735	39,626	41,591	43,680	45,868
		Monthly	3,145	3,302	3,466	3,640	3,822
		Hourly	20.1576	21.1678	22.2176	23.3334	24.5022

**CITY OF NORCO
MIDDLE MANAGEMENT, PROFESSIONAL & CONFIDENTIAL
CLASSIFICATIONS & SALARY RANGES
EFFECTIVE 07/01/2014**

Range No.	Classification/Job Title		STEP A	STEP B	STEP C	STEP D	STEP E
58C	Information Technology Manager	Annualized	71,969	75,573	79,352	83,321	87,490
		Monthly	5,997	6,298	6,613	6,943	7,291
		Hourly	38.4447	40.3699	42.3891	44.5090	46.7361
70C	Public Works Superintendent	Annualized	70,210	73,702	77,393	81,261	85,330
		Monthly	5,851	6,142	6,449	6,772	7,111
		Hourly	37.5055	39.3705	41.3427	43.4088	45.5822
72	Accounting Manager	Annualized	65,451	68,729	72,157	75,774	79,554
		Monthly	5,454	5,727	6,013	6,314	6,629
		Hourly	34.9632	36.7140	38.5453	40.4773	42.4965
73D	Associate Civil Engineer	Annualized	62,639	64,740	67,980	71,376	74,940
		Monthly	5,220	5,395	5,665	5,948	6,245
		Hourly	33.4611	35.1367	36.8951	38.7383	40.6726
65	Senior Planner	Annualized	62,236	64,321	68,616	72,044	75,648
		Monthly	5,186	5,360	5,718	6,004	6,304
		Hourly	33.2459	34.9096	36.6536	38.4850	40.4103
60	Animal Control/Equestrian Superintendent Rec. & Comm. Services Superintendent	Annualized	60,114	63,128	66,280	69,595	73,074
		Monthly	5,010	5,261	5,523	5,800	6,089
		Hourly	32.1122	33.7222	35.4059	37.1769	39.0350
49CD	Human Resource Analyst	Annualized	56,070	58,871	61,822	64,911	68,151
		Monthly	4,673	4,906	5,152	5,409	5,679
		Hourly	29.9522	31.4480	33.0245	34.6747	36.4055
43C	Accountant	Annualized	50,959	53,521	56,196	59,009	61,960
		Monthly	4,247	4,460	4,683	4,917	5,163
		Hourly	27.2219	28.5903	30.0192	31.5219	33.0982
49	Parks and Public Buildings Maintenance Supervisor	Annualized	49,101	51,562	54,136	56,849	59,687
		Monthly	4,092	4,297	4,511	4,737	4,974
		Hourly	26.2291	27.5439	28.9190	30.3680	31.8840
43	Rec. & Comm. Services Supervisor	Annualized	44,228	46,439	48,762	51,198	53,760
		Monthly	3,686	3,870	4,063	4,266	4,480
		Hourly	23.6263	24.8070	26.0479	27.3493	28.7178
41	Deputy City Clerk	Annualized	42,483	44,618	46,841	49,189	51,650
		Monthly	3,540	3,718	3,903	4,099	4,304
		Hourly	22.6939	23.8342	25.0216	26.2761	27.5909
35C	Executive Secretary Administrative Analyst	Annualized	40,348	42,370	44,480	46,715	49,051
		Monthly	3,362	3,531	3,707	3,893	4,088
		Hourly	21.5535	22.6334	23.7605	24.9546	26.2023
61	Administrative/Facilities Coordinator	Annualized	38,339	40,260	42,257	44,379	46,602
		Monthly	3,195	3,355	3,521	3,698	3,884
		Hourly	20.4801	21.5065	22.5731	23.7067	24.8942

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

DATE: June 4, 2014

SUBJECT: Fiscal Year 2013-2014 Third Quarter Budget-to-Actual Report

RECOMMENDATION: Staff recommends that the City Council receive and file the Fiscal Year 2013-2014 third quarter budget-to-actual report.

SUMMARY: This report provides a budget-to-actual update of the various Operating Funds for the first three quarters of Fiscal Year 2013-2014. As additional information, final summary fiscal year-end revenue and expenditure projection for the General Fund is also provided. Staff recommends that the City Council receive and file this report.

BACKGROUND/ANALYSIS: This report provides the City Council with current financial information on the City's Operating Budget for various Funds through the end of March 31, 2014. Attachment 1 provides a summary data of budget-to-actual revenues and expenditures for each Operating Fund. Using the data available through March 31, 2014, staff has also projected year-end revenues, expenditures and fund balance for the General Fund. Attachment 2 provides the year-end projections for the General Fund. For the benefit of residents in various Landscape Maintenance Districts (LMD), this quarterly report also provides budget to actual report for each LMD.

General Fund Revenues

Total General Fund revenues (see attachment 2), is estimated to be \$15,249,870 compared to the approved budget amount of \$14,948,872 for an estimated favorable revenue budget variance of \$300,998. Several major General Fund revenue categories including property tax, sales tax, and franchise fees are projected to finish the year with positive variances. Sales tax is tracking better than budget due to better than anticipated receipts from auto dealerships and new businesses. In the other taxes category, business license, public safety sales tax and transient occupancy taxes are also performing above budget projections. Community development fees are ahead of budget projections due to better than anticipated receipts from building permits. On the other hand, community services and recreation revenues are running below budget due to lower than anticipated receipts from facilities rentals and Wee People program revenues.

General Fund Expenditures

Based on year-end projections (see attachment 2), total General Fund expenditures for FY 2013-2014 is estimated to be \$14,998,550 compared to approved budget amount of

\$15,692,060 for an estimated favorable budget variance of \$693,510. Most departments are projected to spend less than their budget appropriation. The significant savings in the City Manager's budget is due to the Finance Director's position not being filled. The City Manager's salary is still being charged to the Finance Department budget. Significant savings are also projected for Code Compliance Division due to lower than anticipated use for contracted legal services and salary savings from a vacancy during the early part of the fiscal year. The projected savings in non-departmental are from lower than anticipated spending in contractual services and retiree medical insurance. The anticipated budget overage for public buildings and engineering are due to higher expenditures for contractual services.

Fund Balance – General Fund

Attachment 2 also provides projected year-end fund balance information. Fund balance amount is estimated using actual beginning fund balance at June 30, 2013; adding total FY 2013-2014 estimated year-end revenues and subtracting total FY 2013-2014 estimated year-end expenditures. Fund balance is estimated to grow from \$5.0 million at the end of FY 2012-2013 to \$5.3 million at the end FY 2013-2014. However, it is to be noted that an estimated amount of \$3.9 million is designated for emergencies pursuant to City Council Resolution.

Water Fund

Total Water Fund revenues of \$6.7 million as of March 31, 2014 are tracking within the approved budget. While expenditures typically lag behind, total expenditures of \$5.8 million as of March 31, 2014 indicate that total expenditures will come in line with the approved budget. Overall, total Water Fund operating revenues are expected to exceed total expenditures. This FY 2013-2014 projected favorable budget performance is expected to reduce prior years' accumulated operating deficit and enable approved transfer of \$300,000 to Water Capital Project Fund.

Sewer Fund

Total Sewer Fund operating revenues of \$3.8 million as of March 31, 2014, are tracking within budget; total expenditures of \$2.7 million are also tracking in line to the budget. The projected excess of revenues over expenditures will continue to strengthen working capital and will ensure that the \$250,000 transfer to Sewer Capital Project Fund for future capital replacement will continue.

Other Funds

Other miscellaneous operating Funds including Gas Tax, NPDES and Miscellaneous Grant Funds are projected to end the year in line with the approved budget.

Landscape Maintenance Districts

Over the last three fiscal years, staff has been presenting quarterly budget to actual reports on the LMDs to help residents to better understand how LMD assessment receipts are being expended. Attachment 3 provides a budget to actual comparison of each District's revenues and expenditures through March 31, 2014. The quarterly budget to actual report is also

intended to assist staff to better monitor and control costs to ensure that expenditures are within amounts approved and covered by levies to homeowners.

As of March 31, 2014, the first installment of the annual assessments has been received for each District. Based on the amounts received from the first installment for each of the Districts, staff believes that budgeted revenue numbers would likely be achieved by the end of the fiscal year. Actual expenditure amounts shown for each District represent costs that have been paid through March 31, 2014. These costs are typically lower than actual costs incurred due to the time lag between when services are provided by contractors and the time their invoices are submitted and paid. Attachment 3 provides expenditure data by category for each district through March 31, 2014. Except for District #1 where actual expenditures are exceeding budget, expenditures for the other Districts appears to be tracking within the Engineer's budget estimate.

More complete information, including fund and cash balances, will be provided with the year-end report when all assessment receipts and expenditures for the fiscal year are fully accounted.

FISCAL IMPACT: This report is for information only.

Attachments: Summary of Budget to Actual Report
Summary of General Fund Year-End Projections
LMD Revenues and Expenditures through March 31, 2014

City of Norco, California
Budget to Actual Report
For the Three Quarters Ended March 31, 2014

	Adopted Budget	Amended Budget	Year to Date Actual	Remaining Budget	% Achieved
GENERAL FUND REVENUES					
Property Taxes	1,385,763	1,445,763	819,327	626,436	57%
Sales Taxes	4,973,276	5,203,276	3,120,419	2,082,857	60%
Motor Vehicle License Fees	1,968,906	2,028,000	1,025,898	1,002,102	51%
Other Taxes	800,179	820,179	651,049	169,130	79%
Franchise Fees	1,012,500	1,012,500	422,873	589,627	42%
Intergovernmental	47,833	47,833	26,625	21,208	56%
Fines and Penalties	59,450	89,450	90,709	(1,259)	101%
Interest income/Lease	531,759	500,759	382,285	118,474	76%
Community Development fees	368,619	398,619	480,578	(81,959)	121%
Community Services/Recreation	810,923	810,923	541,742	269,181	67%
Other revenues	1,105,395	1,185,395	1,042,806	142,589	88%
Administrative Overhead/Operating Transfers	1,710,307	1,406,175	1,135,218	270,957	81%
Total revenues	14,774,910	14,948,872	9,739,529	5,209,343	65%
GENERAL FUND EXPENDITURES					
City Council	100,424	100,424	70,472	29,952	70%
City Attorney	220,000	220,000	122,414	97,586	56%
City Clerk	268,351	268,351	199,175	69,176	74%
City Manager	265,663	265,663	41,650	224,013	16%
Economic Development	77,105	77,105	81,901	(4,796)	106%
Code Enforcement	170,543	170,543	63,717	106,826	37%
Recreation	739,906	739,906	512,561	227,345	69%
Youth & Teen	289,132	289,132	157,882	131,250	55%
Park Maintenance	519,922	519,922	352,385	167,537	68%
Senior Citizens	166,016	166,016	95,860	70,156	58%
Public Buildings	694,645	694,645	505,217	189,428	73%
Animal Control	575,835	575,835	379,899	195,936	66%
Community Development	348,366	348,366	219,673	128,693	63%
Building & Safety	227,397	227,397	166,332	61,065	73%
Engineering	193,622	193,622	148,282	45,340	77%
Inspection	35,173	35,173	24,123	11,050	69%
Parkway Maintenance	61,649	61,649	34,521	27,128	56%
C&L Fire	3,339,357	3,339,357	1,578,134	1,761,223	47%
Norco Animal Rescue Team	2,456	2,456	2,823	(367)	N/A
Sheriff	4,391,160	4,391,160	2,428,833	1,962,327	55%
Citizens on Patrol	15,356	15,356	31,719	(16,363)	207%
Crossing Guards	55,666	55,666	39,125	16,541	70%
Administrative	648,338	648,338	461,989	186,349	71%
Non-Departmental	1,749,978	2,285,978	1,561,006	724,972	68%
Total Expenditures	15,156,060	15,692,060	9,279,693	6,412,367	59%
CDBG					
Revenues	150,909	150,909	70,300	80,609	47%
Expenditures	150,909	150,909	-	150,909	0%
WATER FUND					
Revenues	9,644,257	9,644,257	6,749,182	2,895,075	70%
Expenditures	9,185,012	9,485,012	5,759,467	3,725,545	61%
SEWER FUND					
Revenues	5,538,058	5,538,058	3,848,715	1,689,343	69%
Expenditures	4,810,090	5,213,090	2,701,727	2,511,363	52%
GAS TAX					
Revenues	801,779	801,779	492,840	308,939	61%
Expenditures	564,475	564,475	384,809	179,666	68%
NPDES FUND					
Revenues	89,200	89,200	53,272	35,928	60%
Expenditures	120,505	120,505	68,374	52,131	57%
MISCELLANEOUS GRANTS					
Revenues	184,915	184,915	105,192	79,723	57%
Expenditures	184,916	184,916	141,078	43,838	76%
LANDSCAPE MAINTENANCE DISTRICTS					
Revenues	761,927	761,927	392,874	369,053	52%
Expenditures	733,904	733,904	436,156	297,748	59%

Summary of General Fund Year-End Projections

	FY 2014 Amended Budget	Actuals at 3/31/2014	Estimated FYE 6/30/14	Estimated Variance
Revenue Summary				
Property Taxes	\$ 1,445,763	819,327	1,460,554	1.02%
Sales Taxes	5,203,276	3,120,419	5,419,707	4.16%
Motor vehicle License Fees	2,028,000	1,025,898	2,040,184	0.60%
Other Taxes	820,179	651,049	876,195	6.83%
Franchise Fees	1,012,500	422,873	1,044,349	3.15%
Intergovernmental	47,833	26,625	47,833	0.00%
Fines & Penalties	89,450	90,709	115,338	28.94%
Interest Income/Lease	500,759	382,285	500,759	0.00%
Community Development Fees	398,619	480,578	498,206	24.98%
Community Services/Recreation	810,923	541,742	723,915	-10.73%
Other Revenues	1,185,395	1,042,806	1,145,905	-3.33%
Administrative O/H and Transfers	1,406,175	1,135,218	1,376,925	-2.08%
Total	\$ 14,948,872	9,739,529	15,249,870	2.01%

Expenditure Summary				
City Council	\$ 100,424	70,472	96,125	4.28%
City Attorney	220,000	122,414	220,000	0.00%
City Clerk	268,351	199,175	262,076	2.34%
City Manager	265,663	41,650	47,440	82.14%
Economic Development	77,105	81,901	76,670	0.56%
Code Enforcement	170,543	63,717	96,393	43.48%
Recreation	739,906	512,561	716,249	3.20%
Youth & Teen	289,132	157,882	241,856	16.35%
Park Maintenance	519,922	352,385	520,785	-0.17%
Senior Citizens	166,016	95,860	163,609	1.45%
Public Buildings	694,645	505,217	737,199	-6.13%
Animal Control	575,835	379,899	558,067	3.09%
Community Development	348,366	219,673	302,194	13.25%
Building and Safety	227,397	166,332	209,613	7.82%
Engineering	193,622	148,282	204,749	-5.75%
Inspection	35,173	24,123	33,386	5.08%
Parkway Maintenance	61,649	34,521	51,210	16.93%
CAL Fire	3,339,357	1,578,134	3,243,866	2.86%
Animal Rescue Team	2,456	2,823	2,823	-14.94%
Sheriff	4,391,160	2,428,833	4,391,638	-0.01%
Citizens on Patrol	15,356	31,719	15,482	-0.82%
Crossing Guards	55,666	39,125	55,666	0.00%
Fiscal and Support Services	648,338	461,989	632,825	2.39%
Non-Departmental	2,285,978	1,561,006	2,118,629	7.32%
	\$ 15,692,060	9,279,693	14,998,550	4.42%

Estimated General Fund Balance

Beginning Balance July 1, 2013	\$ 5,022,400
FY 2014 Estimated Revenues/Transfers	15,249,870
FY 2014 Estimated Expenditures/Transfers	14,998,550
Ending Fund Balance 6/30/14	<u>5,273,720</u>

Designations of Fund Balance

Reserve for Emergency (25% of budget)	\$3,923,015
Undesignated Fund Balance	1,350,705
Estimated Total General Fund Designations	<u>\$5,273,720</u>

City of Norco, California
Landscape Maintenance District Revenues & Expenses
For the Quarter Ended March 31, 2014

	FY 2014 Amended Budget	Actuals at March 31, 2014
<u>Landscape Maintenance District #1</u>		
LMD # 1 Assessments	9,730	4,663
Interest	-	8
Total Revenues	<u>9,730</u>	<u>4,671</u>
Observation	1,124	924
Utilities	2,682	2,625
Landscape Maintenance	2,815	1,946
Contractual	1,400	1,400
Administrative Overhead	560	419
Admin Fees-Property Taxes	150	138
Incidentals	290	-
Operating Contingency	550	-
	<u>9,571</u>	<u>7,452</u>
Net Revenues Over (Under) Expenditures	<u>159</u>	<u>(2,781)</u>
<u>Landscape Maintenance District #2</u>		
LMD # 2 Assessments	112,045	67,082
Interest Income	-	(28)
Miscellaneous	-	2,343
Total Revenues	<u>112,045</u>	<u>69,397</u>
Observation	5,619	4,620
Trail Maintenance	5,000	295
Utilities	45,763	37,668
Landscape Maintenance	33,185	23,309
Wet Lands Area	1,030	-
Park Maintenance	9,525	-
Contractual	2,500	2,363
Administrative Overhead	7,559	5,669
Admin Fees-Property Taxes	230	215
Incidentals	216	-
Operating Contingency	1,418	-
	<u>112,045</u>	<u>74,139</u>
Net Revenues Over (Under) Expenditures	<u>-</u>	<u>(4,742)</u>

City of Norco, California
Landscape Maintenance District Revenues & Expenses
For the Quarter Ended March 31, 2014

	FY 2014 Amended Budget	Actuals at March 31, 2014
Landscape Maintenance District #3		
LMD # 3 Assessments	79,737	38,777
Interest Income	-	27
Total Revenues	79,737	38,804
Observation	4,496	3,696
Trail Maintenance	5,825	4,622
Utilities	32,717	23,139
Landscape Maintenance	28,219	18,409
Contractual	2,000	1,805
Administrative Overhead	4,824	3,618
Admin Fees-Property Taxes	230	145
Incidentals	91	880
Operating Contingency	1,335	-
	79,737	56,314
Net Revenues Over (Under) Expenditures	-	(17,510)
Landscape Maintenance District #4		
LMD # 4 Assessments	514,094	253,782
Interest Income	-	76
Miscellaneous	-	2,494
Total Revenues	514,094	256,352
Observation	7,867	6,468
Trail Maintenance	71,667	48,214
Tree Replacement	5,000	-
Utilities	143,159	107,552
Landscape Maintenance	119,288	81,693
Natural Open Space	11,000	-
Wet Lands Area	5,000	-
Contractual	3,600	5,523
Administrative Overhead	29,244	21,933
Admin Fees-Property Taxes	382	377
Incidentals	130	-
Operating Contingency	17,757	-
Storm Sewer Lines	75,000	-
	489,094	271,760
Net Revenues Over (Under) Expenditures	25,000	(15,408)

City of Norco, California
Landscape Maintenance District Revenues & Expenses
For the Quarter Ended March 31, 2014

	FY 2014 Amended Budget	Actuals at March 31, 2014
Landscape Maintenance District #5		
LMD # 5 Assessments	46,321	23,624
Interest Income	-	26
Total Revenues	46,321	23,650
Observation	3,372	2,772
Trail Maintenance	7,092	4,627
Utilities	9,415	6,344
Landscape Maintenance	15,473	8,138
Contractual	2,500	2,370
Administrative Overhead	2,813	2,111
Admin Fees-Property Taxes	139	129
Incidentals	191	-
Operating Contingency	2,462	-
	43,457	26,491
Net Revenues Over (Under) Expenditures	2,864	(2,841)

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

DATE: June 4, 2014

SUBJECT: Approval Granting Kosmont Realty Corporation Exclusive Authorization to Sell 3.31 Acres of Vacant Property Located on the 60 Freeway and East of Milken Avenue, APN 156-030-002

RECOMMENDATION: Approve granting Kosmont Realty exclusive authorization to sell vacant property APN 156-030-002.

SUMMARY: The subject property was declared surplus by the City Council on February 21, 2007. Several efforts were made to sell the property soon thereafter. However, due to lack of access to the property, no buyers were identified. Now, there appears to be promising leads with the potential to sell the property and staff is recommending that the City Council grant exclusive authorization to Kosmont Realty Corporation to represent the City in the sale or lease of this City owned vacant property.

BACKGROUND/ANALYSIS: Assessor Parcel Number (APN) 156-030-002, which is approximately 3.31 acres, was declared surplus by the City Council on February 21, 2007. The City subsequently conducted a Public Hearing on March 27, 2007 stating its intent to sell this surplus property. Following these City Council actions, several unsuccessful attempts were made to sell the vacant land. The main obstacle to selling the property was lack of public access to the property. Recently, staff has been contacted that there might be new interest by adjacent property owners and/or investors to buy the property, notwithstanding the lack of public access. Kosmont Realty Corporation has previously represented the City in its attempt to sell the property and is very familiar with this property and the issues surrounding it. Staff is recommending that the City Council grant Kosmont Realty Corporation exclusive authorization to sell or lease the property. If the property is sold, Kosmont will receive 4% commission or 8% commission if the property is leased.

FINANCIAL IMPACT: This property was appraised at \$940,000 in 2007. The current value of the property is unknown. If real interest is established, the City will obtain a new appraisal. The City Attorney has previously opined that any proceeds derived from the sale of this property can be used as determined by the City Council for delivery of general services. Staff is recommending that any proceeds derived from this sale be deposited in the City's Special Asset Revenue Fund.

Attachment: Exclusive Authorization to Sell.

EXCLUSIVE AUTHORIZATION TO SELL

The City of Norco ("Owner") hereby grants to Kosmont Realty Corporation ("Broker") the exclusive right to sell the subject property (the "Property") for a period commencing on May 1, 2014 and ending at midnight on April 30, 2015. The Property is located North of the 60 Freeway and East of Milliken Avenue in the Northwest quadrant of the intersection of the 15 and 60 Freeways, in the unincorporated community of Mira Loma, adjacent to the City Ontario, Riverside County, California and further described as 3.31 acres of vacant land, APN# 156-030-002. The price and terms of the sale shall be as follows:

In consideration of this Authorization and Broker's Agreement to diligently pursue the procurement of a purchaser for the Property, Owner agrees to pay Broker a commission as set forth in the attached SCHEDULE OF COMMISSIONS.

Owner shall pay said commission to Broker if: (a) the Property or any interest therein is sold, transferred or conveyed by or through a Broker, Owner or any other party prior to the expiration of this Authorization or any extension hereof; or (b) a purchaser is procured by or through Broker, Owner or any other party who is ready, willing and able to purchase the Property or any interest therein on the terms above stated or other terms reasonably acceptable to Owner prior to the expiration of this Authorization or any extension hereof; or (c) any contract for the sale, transfer or conveyance of the Property or any interest therein is made directly or indirectly by Owner prior to the expiration of this Authorization or any extension hereof; or (d) the Property is withdrawn from sale without the written consent of Broker or made unmarketable by Owner's voluntary act during the term of this Authorization or any extension hereof; or (e) within one hundred eighty (180) days after the expiration of this Authorization or any extension hereof, the Property or any interest therein is sold, transferred, or conveyed to any person or entity with whom Broker has negotiated or to whom Broker has submitted the Property prior to such expiration in an effort to effect a transaction and whose name appears on any list of such persons or entities which Broker shall have mailed to Owner at the address below: stated within thirty (30) days following such expiration, provided that if Broker has submitted a written offer to purchase or lease it shall not be necessary to include the offeror's name on the list.

If a lease is made by Broker, Owner or any other party prior to the expiration of this Authorization or any extension hereof, or during the one hundred eighty (180) day period thereafter, Owner shall pay Broker a commission as set forth in the attached SCHEDULE OF COMMISSIONS.

If during the terms of this authorization or any extension hereof an escrow is opened or negotiations involving the sale, transfer, conveyance or leasing of the Property have commenced and are continuing, then the term of this Authorization shall be extended for a period through the closing of such escrow; the termination of such negotiations of the consummation of such transaction, provided this authorization would otherwise have expired during such period.

Owner agrees that Broker shall be included as a party to any escrow opened for the sale or lease of the Property and the terms of said escrow shall provide that Broker shall have the right to request the escrow holder to make payment to Broker in the amount of Broker's commission as set forth on the SCHEDULE OF COMMISSIONS attached hereto from any sale proceeds and/or deposits held in escrow.

Owner agrees to cooperate with Broker in effecting a sale of the Property and immediately to refer to Broker all inquiries of any party interested in the Property. All negotiations are to be through Broker. Owner agrees to pay all customary escrow, title and revenue charges and to execute such documents as may be necessary to affect a sale of the Property. Broker is authorized to accept a deposit from any prospective purchaser. Broker is further authorized to advertise the Property and shall have the exclusive right to place a sign or signs on the Property if, in Broker's opinion, such would facilitate the sale and leasing thereof.

It is understood that it is illegal for either Owner or Broker to refuse to present, sell or lease to any person because of race, color, religion, national origin, sex, marital status or physical disability.

Owner warrants that he/she is the owner of record of the Property or has the legal authority to execute this Authorization. Owner agrees to hold Broker harmless from any liability or damages arising from any incorrect information supplied by Owner or any information which Owner fails to supply. Owner acknowledges receipt of a copy of this Authorization and the attached SCHEDULE OF COMMISSIONS, which Owner has read and understands.

ARBITRATION OF DISPUTES

Broker and Owner agree that any claim or controversy will be resolved by submission to binding arbitration at the offices of Judicial Arbitration & Mediation Services, Inc. (JAMS) in the county where the property is located. The parties may agree on a retired judge from the JAMS panel. If they are unable to agree, JAMS will provide a list of three available judges and each party may strike one. The remaining judge will serve as the arbitrator. The award of the arbitrator shall be a final and non-appealable result. The arbitration award may be entered as a judgment in any court or competent jurisdiction. Such binding arbitration shall be conducted by JAMS in accordance with the California Code of Civil Procedures Section 1280 ET SEQ. and California Rules of Court Sections 1600 to 1617.

The parties further agree that the prevailing party of such arbitration shall be entitled to be awarded its costs of suit including, but not limited to, reasonable attorney's fees, expenses and the costs of arbitration.

NOTICE: By initialing in the space below, you are agreeing to have any dispute arising out of the matters included in the "Arbitration of Disputes" provision decided by neutral arbitration as provided by California Law and you are giving any rights you may possess to have the dispute litigated in a court or by jury trial. By initialing in the space below, you are giving up your judicial rights of discovery and appeal unless those rights are specifically included in the "Arbitration of Disputes" provision. If you refuse to submit to arbitration after agreeing to this provision, you may be compelled to arbitrate under the authority of the California Code of Civil Procedure. Your agreement to this arbitration provision is voluntary.

We have read the foregoing and the foregoing and agree to submit disputes arising out of the matter included in the "Arbitration of Disputes" provision to neutral arbitration.

OWNER

BROKER

Initials

Initials

If either Owner or Broker commences any litigation to enforce the terms of this Authorization, the prevailing party shall be entitled to receive a reasonable attorney's fee from the other party hereto.

This Agreement may not only be amended, supplemented or otherwise altered with the express written consent of all parties hereto and this Agreement embodies the entire understanding of the parties with regard to the subject matter hereof.

Receipt of a copy hereof is acknowledged.

SCHEDULE OF COMMISSIONS

Kosmont Realty Corporation ("Broker") is hereby employed as the agent for **The City of Norco** (hereinafter referred to as "Client") in connection with the:

- Sale
- Lease
- Sublease
- Other

of that certain property generally described as **3.31 acres of vacant land, North of the 60 Freeway and East of Milliken Avenue in the Northwest quadrant of the intersection of the 15 and 60 Freeways, in the unincorporated community of Mira Loma, adjacent to the City Ontario, Riverside County, California** and further described as **APN# 156-030-002**.

In the event a transaction is consummated relative to the above-referenced property, Client agrees to pay Broker, in consideration for their brokerage services, a commission computed as follows:

A. SALES, EXCHANGES, AND OTHER TRANSFERS

1. Vacant Property: 4% of the gross sales price, 8% of the gross value of a lease
2. Commissions shall be paid through escrow upon the closing of sales and exchange transactions; absent an escrow; commissions shall be paid upon recordation of a deed or upon delivery of such deed or other conveyance if recordation is deferred more than one month thereafter. In the event of a contract or agreement of sales, joint venture agreement, business opportunity or other transaction not involving the delivery of a deed, commissions shall be paid upon execution and delivery of the instrument of conveyance or establishment of the entitlement of ownership.

Miscellaneous:

The provisions hereof are subject, however, to the terms and provisions of any Authorization of Sale to which this Schedule may be attached and which is executed by the parties hereto.

The parties hereto intend for this Commission Agreement and Schedule to satisfy the requirements of the Civil Code, Business and Professions Code, and regulatory requirements relative to verifying Broker's authority to act on behalf of Client and Client's obligation to pay Broker commissions therefore, in accordance herewith.

In the event Seller fails to make payments within the time limits called for herein, then from the date due until paid the delinquent payment shall bear interest at the maximum legal rate of the State of California. In addition, should it become necessary to litigate or arbitrate hereunder the prevailing party shall be entitled to all reasonable attorney fees and court costs incurred in connection therewith. Broker and Seller agree in advance to binding arbitration by the Judicial Arbitration and Mediation Services, Inc., pursuant to the terms and provisions of the Exclusive Authorization to Sell to which this Schedule of Commissions is attached.

Seller hereby acknowledges receipt of a copy of this Schedule and further agrees that it shall be binding upon the heirs, successors and assigns of the undersigned. The term Seller when used herein shall mean the Owner of real property.

Additional terms and conditions: Kosmont Realty Corporation shall provide non-legal services including guidance to Client in conjunction with assistance from the City Attorney of the City of Norco related to the sale of surplus property by a public entity in the State of California. Compensation to Kosmont Realty Corporation for these professional services shall be included and not in addition to the commission paid by Client.

Kosmont Realty Corporation

Client: City of Norco

By: _____

By: _____

Date: _____

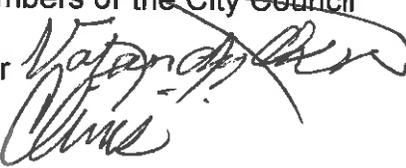
Date: _____

Address: 1601 N. Sepulveda Blvd., #382
Manhattan Beach, CA 90017

Address: 2870 Clark Ave
Norco, CA 92860

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Cheryl L. Link, City Clerk 

DATE: June 4, 2014

SUBJECT: Proposed Cancellation of the July 2, 2014 City Council Regular Meeting

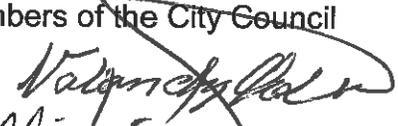
RECOMMENDATION: Cancel the July 2, 2014 City Council regular meeting.

SUMMARY: It is being proposed to the City Council that the July 2, 2014 regular meeting be cancelled due to the Independence Day holiday celebrations taking place the same week.

BACKGROUND/ANALYSIS: The City Council is being recommended to cancel its regular meeting scheduled for Wednesday, July 2, 2014. Most recently, the City Council has cancelled its meetings near the Independence Day holiday in 2012 and 2013. If there are any time-sensitive items that necessitate City Council action, a special City Council meeting will be called and noticed.

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Cheryl L. Link, City Clerk 

DATE: June 4, 2014

SUBJECT: Ordinance Amending Chapter 18.43 of the Norco Municipal Code to Modify the Procedures for Noticing Public Hearing and Appeals Therefrom. (Zone Code Amendment 2014-01).

RECOMMENDATION: Adopt **Ordinance No. 975** for second reading.

SUMMARY: The first reading of Ordinance No. 975 was held on May 21, 2014 and adopted by the City Council with a 5-0 vote. Ordinance No. 975 amends Chapter 18.43, Section 18.43.06, of the Norco Municipal Code, eliminating on-site posting of public notices on affected properties since it is not a state requirement.

Attachment: 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: Daniel Hedge, Lieutenant

DATE: June 4, 2014

SUBJECT: Discussion Regarding the Drafting of a Noise Ordinance

RECOMMENDATION: Provide direction to staff regarding the drafting of a City noise ordinance.

SUMMARY: On May 21, 2014, City Council placed a discussion item on the agenda regarding the drafting of a noise ordinance.

BACKGROUND/ANALYSIS: On May 21, 2014, City Council approved a motion to agendaize a discussion on the topic of preparing a City noise ordinance. Specific concerns were addressed, such as the ability to prepare a city specific noise ordinance that would exempt noise related to city sanctioned events, livestock, school events, and facilities owned and operated by the City of Norco.

At certain levels, sound becomes noise and may jeopardize the health, safety or general welfare of City of Norco residents and degrade their quality of life. It is the recommendation of staff to establish a city-wide standard regulating noise as outlined in a City of Norco noise ordinance.

In recent years, the Norco Sheriff's Office has noticed a trend of increased calls associated with noise complaints. In 2012, deputies responded to a total of 390 noise complaints. In 2013, deputies responded to a total of 422 noise complaints.¹ Although this is an overall statistic that includes a variety of noise complaints; experience indicates a portion of these calls involved loud parties and/or loud music, where numerous complaints were received involving the same violators.

It is not uncommon for the complainants who report loud noise disturbances to be neighbors, or known to the violators. As such, a large percentage of complainants request to remain anonymous for fear of retribution or being labeled a difficult neighbor. Currently, recourse is minimal without a victim requesting or willing to make a private person arrest for the misdemeanor criminal violation. A City noise ordinance would allow deputies, after receiving a complaint, to use the City's established administrative process and issue an administrative citation for the violation after a violation has been identified. The

¹ Based on calendar year, January-December.

complainant would no longer be involved in the process.

Staff surveyed five local jurisdictions that currently have a noise ordinance. The majority of noise ordinances reviewed, identified sound level standards two ways; as being measured in decibels (dB), using a sound level meter; and those that are not, which are identified by time constraints (acceptable time period) or distance heard.

Those measured in decibels, include any sound, on any property, that causes the exterior sound level on any other occupied property to exceed the sound level decibel standard. Typically, this includes a maximum decibel level between 45 (dB) and 75 (dB) (lowest level in a rural land designation; highest level in heavy industrial locations). The acceptable decibel level is also associated with the time of incident, higher levels between 7am-10pm and lower levels between 10pm-7am (refer to attachment for example).

Although each ordinance varied, all were tailored to meet the needs of the community, with most incorporating various exemptions. In part, exemptions included facilities owned or operated by or for a government agency, community events on public or private property hosted or sponsored by the city, public safety personnel in the course of official duties, public or private schools and school-sponsored activities, and property maintenance (allowing between specific hours). Although three of the five cities did not include mention of animal keeping (as a violation or exemption), two cities included disturbing animal noises for extended periods of time as a violation of the noise ordinance (figure 1).

Figure 1

Noise Ordinance Research						
	Jurupa Valley	Riverside	Temecula	County of Riverside	Corona	Norco
Ordinance	Y	Y	Y	Y	Y	N/A
Exemptions	Y	Y	Y	Y	N	N/A
Animals Incl.	N	Y	Y	N	N	N/A

Source: Individual City Ordinance Documents

In summary, a well prepared City noise ordinance, tailored to the needs of the community, will enhance quality of life for the citizens and provide an additional resource for sheriff's staff to keep the peace. It is the recommendation of staff to establish a city-wide standard regulating noise as outlined in a noise ordinance.

FINANCIAL IMPACT: None

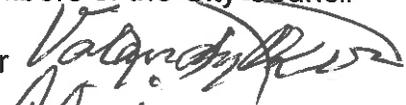
ATTACHMENTS: Example Sound Level Standards

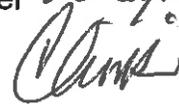
ATTACHMENT

TABLE 1 SOUND LEVEL STANDARDS (Db Lmax)					
GENERAL PLAN FOUNDATION COMPONENT	GENERAL PLAN LAND USE DESIGNATION	GENERAL PLAN LAND USE DESIGNATION NAME	DENSITY	MAXIMUM DECIBEL LEVEL	
				7am-10pm	10pm-7am
Community Development	EDR	Estate Density	2 AC	55	45
	VLDR	Very Low density	1 AC	55	45
	LDR	Low Density	1/2 AC	55	45
	MDR	Medium Density	2-5	55	45
	MHDR	Medium High Density	5-8	55	45
	HDR	High Density	8-14	55	45
	VHDR	Very High Density	14-20	55	45
	HTDR	Highest Density	20+	55	45
	CR	Retail Commercial		65	55
	CO	Office Commercial		65	55
	CT	Tourist Commercial		65	55
	CC	Community Center		65	55
	I	Light Industrial		75	55
	HI	Heavy Industrial		75	75
	BP	Business Park		65	45
	PF	Public Facility		65	45
	SP	Specific Plan-		55	45
Specific Plan-			65	55	
Specific Plan-Light			75	55	
Specific Plan-Heavy			75	75	
Rural Community	HDR	Estate Density	2 ac	55	45
	VLDR	Very Low Density	ac	55	45
	LDR	Low Density	1/2 ac	55	45
Rural	RR	Rural Residential	5 ac	45	45
	RM	Rural Mountainous	10 ac	45	45
	RD	Rural Desert	0 ac	45	45
Agriculture	AG	Agriculture	10 AC	45	45
Open Space	C	Conservation		45	45
	CH	Conservation Habitat		45	45
	RBC	Recreation		45	45
	RUR	Rural	20 AC	45	45
	W	Watershed		45	45
	MR	Mineral Resources		75	45

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Cheryl L. Link, City Clerk 

DATE: June 4, 2014

SUBJECT: Appointments to Various City Commissions and the Economic Development Advisory Council

RECOMMENDATION: Staff recommends that the City Council make the following four-year term appointments:

- Two persons to the Historic Preservation Commission;
- One person to the Parks and Recreation Commission;
- Two persons to the Planning Commission;
- One person to the Streets, Trails and Utilities Commission; and,
- Four persons to the Economic Development Advisory Council (EDAC).

SUMMARY: The City of Norco has four commissions that advise the City Council on one or more aspects of City government. The Council is requested to review applications submitted for vacancies on the Historic Preservation Commission (2 vacancies); the Parks and Recreation Commission (1 vacancy); the Planning Commission (2 vacancies); and the Streets, Trails and Utilities Commission (1 vacancy); and is recommended to make appointments to serve 4-year terms on the respective commissions. The Council is also recommended to appoint members to the EDAC to fill four vacancies.

BACKGROUND/ANALYSIS: Any resident of the City of Norco may serve on a City commission. No member is selected on the basis of representing a specific business, district, organization, or cause. Requirements to serve on a commission are as follows:

Service on City Commissions is a 4-year term; you must be a permanent resident of Norco, 21 years of age, a citizen of the U.S., take the oath of office, and never convicted of a felony.

Historic Preservation Commission members shall be persons who, as a result of their education, training, knowledge, and experience are qualified to analyze and interpret architectural and site planning information, including but not limited to, licensed landscape architects and architects,

urban planners, engineers, and licensed general contractors. At least two of the members shall have professional experience in urban planning, architectural history or historic preservation, archeology, American studies, cultural geography, cultural anthropology and shall have general knowledge of architectural styles prevalent in the Historic Old Town of Norco.

The Economic Development Advisory Council (EDAC) membership is defined and members are appointed as follows:

- **EDAC members will be recommended by the EDAC and appointed by the City Council;**
- **Ten members will serve on the EDAC, including one non-voting member of the Norco Area Chamber of Commerce and two members of the City Council; and**
- **New members appointed to the EDAC will be selected from the business community. Members are not required to live in Norco; however, members should have a significant stake in the success of the business community.**

An appointment to a commission or the EDAC is an honor and a responsibility. The City Council has confidence in the judgment and integrity of its appointees and relies on them for information and recommendations on specific matters. As advisors to the Council, commission members and EDAC members are expected to regularly attend meetings, understand their duties and roles, and work to contribute to the betterment of the community.

Applications for the Historic Preservation Commission, Parks and Recreation Commission, Planning Commission, Streets, Trails and Utilities Commission, and the EDAC were solicited through the release of a public notice on April 17, 2014 and were due by the deadline of Thursday, May 22, 2014 at 6:00 p.m. The following applications were received from which the Council will make its recommendations for four-year terms of service:

Historic Preservation Commission (2 unscheduled vacancies – Linda Dixon, Su Bacon)

Terri Jacquemain (Educational and Professional Qualifications)
Mark S. Sawyer (Professional Qualifications)
Denise Sutherland

Parks and Recreation Commission (1 vacancy – Corinne Holder)

Susan Carol Jackson
Corinne Holder

Planning Commission (2 vacancies – Robert C. Leonard, Jr., Dave Henderson)

Robert C. Leonard, Jr.
John D. Rigler

Streets, Trails and Utilities Commission (1 vacancy – Cathey Burt, Tony Mauro)

Cathey Burt
Karen Leonard

Economic Development Advisory Council (4 vacancies – Patrick Malone, Kim Calabrano, Wanda Crowson, Ed Dixon)

Patrick K. Malone
Ed Dixon
Wanda Crowson
Michael H. Bell
James Bradford (Brad) Renfree
Victoria Leonard

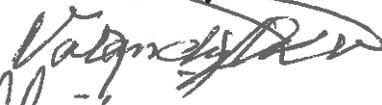
Two seats are expiring on the Streets, Trails and Utilities Commission. However, there is only one vacancy as a result of the City Council's adoption of Ordinance No. 973 at its regular meeting on May 21, 2014 reducing the number of members on the Streets, Trails and Utilities Commission from seven to five.

The Economic Development Advisory Council's Special Meeting on May 27, 2014 was cancelled due to lack of a quorum. Therefore, the Economic Development Advisory Council was unable to review the applications and provide a recommendation to the City Council.

Applications are on file in the Office of the City Clerk

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Cheryl L. Link, City Clerk 

DATE: June 4, 2014

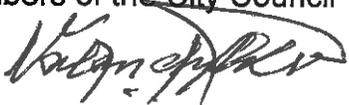
SUBJECT: Amendments to the City's Comprehensive Fee Resolution to Update and Adjust Fees for General City Services.

RECOMMENDATION: Continue this item to the June 18, 2014 regular City Council meeting.

SUMMARY: It is recommended that the City Council continue this item to the next regular City Council meeting of June 18, 2014. This public hearing had already been properly and legally noticed, including in the Press-Enterprise, for this meeting. However, staff is in need of more time to review the fees and prepare the report.

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

DATE: June 4, 2014

SUBJECT: Approval and Adoption of the City of Norco Operating Budget for Fiscal Year 2014-2015 and Authorizing Appropriations Therefrom

RECOMMENDATION: Adopt **Resolution No. 2014-25**, approving and adopting the City Operating Budget and for Fiscal Year 2014-2015 and authorizing appropriations therefrom.

SUMMARY: The FY 2014-2015 Proposed Budget for the General Fund includes total estimated operating revenues of \$14,499,926 and total estimated operating expenditures of \$14,467,579. This represents \$32,347 of estimated revenues over estimated expenditures. The proposed budget estimates the General Fund's balance as of June 30, 2015 to be \$5,287,249. Water Fund total revenues are estimated to be \$9,868,376 while total expenditures are estimated to be \$9,671,405 including transfer of \$300,000 to Water Capital Projects Fund. Sewer Fund total revenues are estimated to be \$5,497,556 and total expenditures are estimated to be \$5,283,854 including transfer of \$250,000 to Sewer Capital Projects Fund. For the rest of the City Operating Funds, including Gas Tax, NPDES, AQMD and Miscellaneous Grant Funds, total estimated revenues are sufficient to cover FY 2014-2015 total requested expenditure appropriations. For the Successor Agency of the former Norco Community Redevelopment Agency, total estimated expenditures of \$7,558,741 are presented for information purposes only. The Oversight Board and the state Department of Finance have the authority for approving the Recognized Obligations Payment Schedule (ROPS).

BACKGROUND/ ANALYSIS: On May 7 and 21, 2014 staff conducted budget workshops to review the proposed budget for FY 2014-2015. During the workshop on May 7, 2014, staff presented a General Fund budget with total estimated revenues exceeding total estimated expenditures by \$127,699. This final recommended budget reflects estimated General Fund budget surplus of \$32,347 due to certain changes that have been made to estimated expenditures since the budget workshop on May 21, 2014. Since the budget workshops, total expenditures have been increased by \$95,352.

The changes consist of the following:

- The cost for fire protection and emergency medical services contract was increased by \$19,222 due to a pass-through cost increase received from County Fire Department after the May 7, 2014 budget workshop;
- In order to maintain minimum required funding for the NPDES Fund, the General Fund will be contributing an additional \$25,000, which was not included in the numbers presented on May 7, 2014 (total General Fund contribution is \$50,000);
- Pursuant to City Council direction, \$10,000 has been added to the budget to fund Historic Preservation Commission's historic records collection, archiving and retrieval efforts;
- The budget line item for decomposed granite (DG) has been increased by \$6,500 to accommodate additional DG purchases anticipated during the fiscal year; and
- Salaries and benefits have been increased by \$34,630 to recognize a 1.6% cost of living adjustment for employees.

Among other things, the proposed FY 2014-2015 General Fund budget accomplishes the following:

1. Maintains public safety services at existing levels while providing funding for projected county contract cost increase of 7% for police and 5.5% for fire services;
2. Avoids use of one-time revenues or inter-fund borrowing;
3. Provides \$100,000 contribution to Information Technology Fund as set-aside for future equipment and necessary technology upgrades;
4. Contributes \$300,000 towards the funding for post-retirement healthcare liability;
5. Provides funding to pay for Annual Required Contribution (ARC) as determined by CalPERS actuary for pension benefits; and
6. Reduced operations and maintenance expenditures across most departments.

Fund Balance and Cash Flows – General Fund

The estimated fund balance of the General Fund at the end of FY 2013-2014 is \$5,254,902. The FY 2014-2015 recommended General Fund budget is balanced with a projected surplus of \$32,347. With this balanced budget along with the estimated fund balance at the beginning of the fiscal year, it is anticipated that there will be adequate cash flows during the fiscal year to cover cash flow demands.

Other Funds

The proposed budget for other Funds including Water, Sewer, Gas Tax, NPDES and Miscellaneous Grant Funds project sufficient revenues during the fiscal year to cover recommended expenditure appropriations. For more details, please refer to the City's adopted budget for FY 2014-2015.

FISCAL IMPACT: Attachment "A" of the resolution provides a summary of estimated beginning fund balance, estimated revenues, transfers, expenditures and estimated ending fund balance for each Operating Fund. The total operating budget for all City Funds for FY 2014-2015 is \$31,502,837.

Attachment: Resolution No. 2014-25

RESOLUTION NO. 2014-25

A RESOLUTION OF THE CITY OF NORCO APPROVING AND ADOPTING THE CITY OPERATING BUDGET FOR FISCAL YEAR 2014-2015 AND AUTHORIZING APPROPRIATIONS THEREFROM

WHEREAS, the Fiscal Year 2014-2015 Operating Budget for the City of Norco includes total appropriations in the amount of \$31,502,837 as summarized in Attachment "A" for all Operating Funds and as listed in the budget detail on file in the Office of the City Clerk of the City of Norco; and

WHEREAS, budget workshops were held on May 7, 2014 and May 21, 2014 to review the Proposed Fiscal Year 2014-2015 Budget; and

WHEREAS, a public hearing was held as required in order to adopt the Proposed Fiscal Year 2014-2015 Budget;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Norco, does hereby authorize the recommended appropriations and expenditure of monies as set forth in said Budget subject to budgetary control.

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, do hereby certify that the foregoing Resolution was regularly introduced and adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on June 4, 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 June 4, 2014

Cheryl Link, City Clerk
City of Norco, California

Attachment: Attachment A

**City of Norco
FY 2014-2015 Operating Budget
Appropriation Schedule**

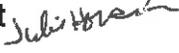
<i>Fund #</i>	<i>Fund Name</i>	<i>Beg. Balance July 1, 2014</i>	<i>Estimated Revenues</i>	<i>Transfers In</i>	<i>Transfers Out</i>	<i>Estimated FY 2015 Expenditures</i>	<i>Estimated Ending Balance</i>
121	General	\$ 5,254,902	15,048,275	451,651	150,000	15,317,579	5,287,249
123	CDBG Funds	-	149,566	-	-	149,566	-
122, 160-65	Miscellaneous Grants	-	160,618	-	-	160,618	-
124	Water	892,341	9,868,376	-	427,223	9,244,182	1,089,312
126	Sewer	2,249,206	5,497,556	-	377,223	4,906,931	2,462,608
133	Gas Tax	832,550	692,900	-	-	648,270	877,180
139	NPDES	6,279	63,500	50,000	-	119,746	34
156	AQMD	45,150	32,000	-	1,500	-	75,650
	Subtotal	9,280,428	31,512,792	501,651	955,946	30,546,891	9,792,033

Attachment A

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor, Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Julie Houser, Administrative Analyst 

DATE: June 4, 2014

SUBJECT: Approval of the Five-Year Capital Improvement Program for Fiscal Years 2015-2019

RECOMMENDATION: Adopt **Resolution No. 2014-26** , approving and adopting the City of Norco Capital Improvement Program Budget for Fiscal Years 2015-2019.

SUMMARY: A budget workshop was held to review the proposed FY 2015-2019 Capital Improvement Program (CIP) Budget for the City of Norco. Staff is now recommending that the City Council conduct a Public Hearing to receive input from the public and that at the conclusion of the hearing, that the City Council approves the CIP Budget for Fiscal Years 2014-2019.

BACKGROUND/ ANALYSIS: A Budget Workshop was held May 21, 2014 to review the proposed five-year Capital Improvement Program Budgets for Fiscal Years 2015-2019.

During the Budget Workshop, staff reviewed key projects funded in the following Capital Project Funds:

- Park Improvement Fund
- Trails Improvement Fund
- Water Improvement Fund
- Street Improvement Fund
- Storm Drain Fund
- Sewer Facilities Fund
- Measure A Projects Fund
- Successor Agency

FISCAL IMPACT: All City funded projects included in the first year of the five-year CIP budget will be funded with cash on hand as of June 30, 2014. Future projects beyond the first year are funded based on funds availability.

Attachments: Resolution No. 2014-26

RESOLUTION NO. 2014-26

A RESOLUTION OF THE CITY OF NORCO APPROVING AND ADOPTING THE FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM BUDGET FOR FISCAL YEARS 2015-2019, AND AUTHORIZING APPROPRIATIONS THEREFROM

WHEREAS, a budget workshop was held on May 21, 2014 and a public hearing was held on June 4, 2014 to review the proposed Fiscal Years 2015-2019 Capital Improvement Program Budget; and

WHEREAS, estimated revenues to finance projects beyond the first year of the five- year CIP are tentative and subject to City Council changes.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Norco, does hereby authorize expenditure of monies as set forth in said Budget and subject to budgetary controls.

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, do hereby certify that the foregoing Resolution was regularly introduced and adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on June 4, 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 June 4, 2014.

Cheryl Link, City Clerk
City of Norco, California

Attachment: Budget Summary

City of Norco, California
FY 2014-2015 Capital Improvement Program
Budget Summary

Fund Name	Estimated Beginning Fund Balance July 1, 2014	FY 2015 Estimated Revenues/ Transfers	FY 2015 Estimated Expenditures/ Transfers	Estimated Ending Fund Balance June 30, 2015
Park Projects	\$ 1,051,935	474,940	1,071,964	454,911
Fire Projects	562,833	43,128	-	605,961
General Government Projects	520,906	22,048	150	542,804
Trail Projects	267,183	30,496	165,955	131,724
Water Projects	6,657,108	429,286	4,515,541	2,570,853
Street Projects	1,293,550	495,882	1,174,069	615,363
Storm Drain Projects	825,969	1,591,110	2,234,863	182,216
Sewer Projects	3,382,788	3,040,581	3,385,536	3,037,833
Animal Control Projects	33,381	5,940	-	39,322
Measure A Projects	2,821,891	488,466	1,167,000	2,143,357
Library Facilities	15,088	18,885	-	33,973
Public Meeting	43,271	52,610	-	95,881
Aquatics Center Facilities	9,728	10,069	-	19,797
Successor Agency	1,056,729	3,170	250,000	809,899
Total	\$ 17,485,631	6,703,440	13,715,078	10,473,993

Budget Summary

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

TO: Chairman and Members of the Successor Agency

FROM: Andy Okoro, Executive Director 

DATE: June 4, 2014

SUBJECT: Approval of an Agreement with Kosmont Realty Corporation for Real Estate Services to Sell Successor Agency Properties; APNs 122-070-023, 122-070-026, and 126-120-038

RECOMMENDATION: Approve the Agreement with Kosmont Realty Corporation for real estate services to sell Successor Agency Properties.

SUMMARY: As part of the dissolution of redevelopment agencies in California, each Successor Agency is required to inventory all assets owned by the former Redevelopment Agency and to develop a Long-Range Property Management Plan (PMP) for the approval of the Oversight Board and the State of California Department of Finance (DOF). The PMP addressed the disposition and use of real properties of the former RDA, including whether certain properties will be sold to a third party pursuant to PMP disposition process. The Successor Agency's PMP was approved by the DOF on October 23, 2013.

BACKGROUND/ANALYSIS: The Norco Community Redevelopment Agency (RDA) was dissolved effective February 1, 2012. As part of the dissolution, the Successor Agency was required to develop a Long-Range Property Management Plan for the approval of the Oversight Board and the State of California Department of Finance. The Successor Agency's PMP includes three (3) vacant land parcels which must now be sold pursuant to the provisions of the PMP.

APNs 122-070-023 and 122-070-026 is a single parcel, 0.4- acre vacant lot located adjacent to 1695 Hidden Valley Parkway and zoned Commercial. The property was acquired by the former RDA on February 21, 2001 at a cost of \$65,000. The most recent appraisal on May 3, 2013 valued the parcel at \$130,000. This parcel was acquired for the purpose of encouraging redevelopment. APN 126-120-038 is a 1.63-acre vacant lot located in the Norco Auto Mall next to the former Mitsubishi dealership. The property was approved to be acquired by the former RDA on November 5, 2008 at a cost of \$1,330,000. The most recent appraisal on May 3, 2013 valued the parcel at \$780,000. The property was acquired by the former RDA for potential expansion of the Auto Mall.

Staff is recommending that the Successor Agency approve the attached agreement for real estate services with Kosmont Realty Corporation (KRC) to sell the vacant land parcels described above. The DOF has recently approved the sale of Successor Agency owned parcels through electronic auction process using Auction.com. This is not a disposition process outlined in the Successor Agency's PMP. Consequently, the Oversight Board must also approve the dissolution sales using this process. If the parcels are not sold through the auction process, Kosmont Realty Corporation will sell them using regular brokerage services. The

sales commission for properties sold through the auction process is paid by the purchaser as a buyer's premium. To the extent that regular brokerage service is necessary, KRC will be compensated based on an approved commission agreement.

FISCAL IMPACT: All monies derived from the sale of Successor Agency owned parcels will be submitted to the County Auditor Controller for distribution to affected taxing entities which includes the City of Norco.

Attachment: Agreement for Real Estate Services

AGREEMENT FOR REAL ESTATE SERVICES

This Agreement for Real Estate Services ("Agreement"), effective as of this ___ day of ____, 2014 ("Effective Date"), is entered into by and between KOSMONT REALTY CORPORATION, a California corporation, ("KRC"), and the NORCO SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY ("Norco SA"). Norco SA and KRC are hereby individually referred to as a "party" or collectively as the "parties".

WHEREAS, as a result of the passage of Assembly Bill 26 from the 2011-2012 First Extraordinary Session of the California Legislature ("ABx1 26"), the Norco Community Redevelopment Agency (RDA) was dissolved on February 1, 2012.

WHEREAS, pursuant to Assembly Bill 1484 of the 2011-2012 California Legislative Session ("AB 1484") which amended ABx1 26 (ABx1 26 and AB 1484, collectively the "Dissolution Act"), the Successor Agency for the former RDA ("SA") is a separate public agency now charged with winding down the RDA's affairs.

WHEREAS, the Dissolution Act requires that each SA have an Oversight Board ("OB") to oversee and direct certain activities of the SA. The OB plays a direct role in determining how RDA assets, including real property, will be disposed, in order to distribute the proceeds to designated taxing entities.

WHEREAS, pursuant to Health and Safety Code section 34179.5, within six months after receiving a Finding of Completion from the State of California Department of Finance ("DOF"), the SA is required to submit for approval to the government-appointed local Oversight Board and to DOF a Long-Range Property Management Plan ("LRPMP" or "PMP") that addresses the disposition and use of real properties of the RDA, including whether certain properties will be sold to a third party pursuant to such PMP disposition process.

WHEREAS, DOF approved Norco SA's PMP on October 23, 2013.

WHEREAS, Auction.com is in the business of acting as an auctioneer on behalf of various clients who desire to sell properties through an auction process.

WHEREAS, pursuant to that PMP, the Norco SA wishes to consider use of an auction process with Auction.Com to auction for sale in conformance with applicable requirements of DOF, the Norco SA-owned properties listed on Exhibit A.

WHEREAS, Norco SA and KRC desire to set forth the business terms related to the above process, and whereas the Department of Finance has authorized the auction process for RDA dissolution sales.

NOW, THEREFORE, in consideration of the covenants and obligations contained herein, KRC and Norco SA agree as follows:

1. Services.

1.1 KRC shall work with Norco SA to help determine and submit Norco SA's recommendation to the Norco OB related to the use of the auction process or brokerage services to sell

SA real estate assets pursuant to the approved PMP and applicable provisions of AB 1484 and DOF regulations.

2. Compensation.

2.1. If the auction process through Auction.Com is approved by Norco OB as recommended by the Norco SA, then KRC shall be compensated through a portion of a buyer's premium paid to Auction.Com by the purchaser of the property ("Buyer's Premium"). As the Seller, neither the Norco SA nor the Norco OB will pay any portion of the Buyer's Premium to Auction.Com or to KRC. To the extent brokerage services are desired by the Norco SA or Norco OB as part of a real property sales transaction, KRC will be compensated as the designated Norco SA broker through an approved commission agreement.

As part of the Auction.Com process, the actual total purchase price by the purchaser is equal to the winning bid amount plus the Buyer's Premium (the "Total Purchase Price") but does not include other amounts payable during closing, such as a seller's broker, escrow/closing fees (such as a current Preliminary Title Report, a current Phase I environmental) and other typical escrow fees, which shall be the responsibility of the Norco Successor Agency unless otherwise arranged.

3. Term and Termination.

3.1 The term of this Agreement shall expire on May 21, 2015.

3.2 Either party may terminate this Agreement upon the material breach by the other party if such breach remains uncured for ten (10) days, or such longer period as may be reasonably necessary to cure such default, following written notice to the breaching party describing the breach in reasonable detail.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement as of the date first written above.

Kosmont Realty Corporation,
a California corporation
California BRE license #01770428

Norco Successor Agency
to the Norco Community Redevelopment Agency

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Address: 1601 N. Sepulveda
#382
Manhattan Beach CA 90266

Address: _____
Attn: _____

Phone: (213) 507-9000 / (213) 417-3333
Fax: (213) 417-3311

Phone: _____
Fax: () -

EXHIBIT A

Successor Agency Properties

ASSESSOR PARCEL NUMBERS	CITY, STATE, ZIP
122-070-023	Norco, CA 92860
122-070-026	Norco, CA 92860
126-120-038	Norco, CA 92860