



AGENDA
CITY OF NORCO
CITY COUNCIL

October 15, 2014

City Council Chambers
2820 Clark Avenue, Norco, CA 92860



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

CALL TO ORDER: 7:00 p.m.

ROLL CALL

PLEDGE OF ALLEGIANCE: Mayor Pro Tem Herb Higgins

INVOCATION: Pastor Vernie Fletcher, *Grace Fellowship Church*

PROCLAMATION: Red Ribbon Week, *October 23 – 31, 2014*

CITY COUNCIL BUSINESS ITEMS AS FOLLOWS:

1. CITY COUNCIL COMMUNICATIONS / REPORTS ON REGIONAL BOARDS AND COMMISSIONS
2. CITY COUNCIL CONSENT ITEMS: *All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Council, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Council or the audience request specific items be removed from the Consent Calendar. Items removed from the Consent Calendar will be separately considered under Item No.3 of the Agenda.*
 - A. City Council Minutes: Regular Meeting of October 1, 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. Quarterly Investment Report for Quarter Ended September 30, 2014.
Recommended Action: Receive and file. (City Manager)

- D. Resolution Increasing Revenue, Appropriation and Expenditure from the FY14 Emergency Management Performance Grant (EMPG) in the Amount of \$21,288 for Emergency Operations Center (EOC) Upgrades. **Recommended Action: Adopt Resolution No. 2014-61, accepting EMPG funds in the amount of \$10,644 and agreeing to match with a contribution of \$10,644 for upgrades and enhancement to the Emergency Operations Center.** (Fire Chief)
 - E. Approval for Funding of the City of Norco Traffic Enforcement Plan. **Recommended Action: Adopt Resolution No. 2014-62, appropriating \$75,000 for the City of Norco Sheriff Staff Plan for Traffic Enforcement.** (Police Chief)
 - F. Approval for Funding of Norco Auto Mall Sign Improvements. **Recommended Action: Adopt Resolution No. 2014-63, approving an expenditure of \$187,340 for improvements to the Norco Auto Mall sign, and authorize the City Manager to execute an agreement with the Norco Automobile Merchants Association.** (Economic Development Consultant)
3. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR
4. CITY COUNCIL DISCUSSION / ACTION ITEMS:
- A. Acceptance of Bids and Award of Contract for the Norco MDP Line NB-2 and S-5A Project, Located on Temescal Avenue between Cole street and Wrangler Way and the end of Kingman Drive. **Recommended Action: Accept bids submitted for the construction of various storm drains and related appurtenances and award a contract to GRFCO, INC. of Moreno Valley, CA in the amount of \$513,298.00 and authorize the City Manager to approve contract change orders up to 10 percent of the bid contract amount.** (Director of Public Works)
 - B. Fiscal Year 2013-2014 Year-End Budget to Actual Report. **Recommended Action: Receive and file the Fiscal Year 2013-2014 Year-End Budget to Actual Report.** (City Manager)
5. CITY COUNCIL CONTINUED PUBLIC HEARING:
- A. **Ordinance No. 980, First Reading.** Code Change 2014-05 (City of Norco): A City-Initiated Code Amendment to Add Chapter 5.56 "Hookah and Smoking Lounges" Prohibiting Hookah and Smoking Lounges in All Zoning Districts within the City.

The proposed Ordinance would expressly prohibit indoor smoking and hookah lounges, whether as a stand-alone business or as an ancillary use to another business. The Ordinance does not prohibit outdoor smoking areas that are ancillary to bars and restaurants and that are currently allowed, however hookah smoking in an otherwise permitted outdoor smoking area would be prohibited.

Recommended Action: Adopt Ordinance No. 980 for first reading. (Planning Director).

6. CITY COUNCIL PUBLIC HEARINGS:

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

On May 7, 2014, the City Council conducted a public hearing to consider proposed changes to the City's development impact fees. After the public hearing, City Council voted to defer action and directed staff to conduct additional review to ensure that the proposed fees are reasonable in comparison to fees charged by other neighboring jurisdictions. Staff has completed the City Council's requested review and made minor modifications as appropriate. It is to be noted that in determining the reasonableness of development impact fees, one has to take into consideration the schedule of master facilities to be constructed to meet the demands created by new development and the impact fees paid by existing residents to construct and acquire existing infrastructure. The schedule of master facilities to be acquired and the proposed impact fees were first reviewed by the City Council at a Special Meeting Workshop on January 27, 2014.

Recommended Action: Continue the Public Hearing to the November 5, 2014 City Council Meeting. (City Manager)

- B. **Ordinance No. 981, First Reading.** Code Amendment 2014-06. A City-Initiated Proposal to Amend Chapter 6.42 "Municipal Refuse Collection Service" of the Norco Municipal Code by Amending Sections 6.42.020, 6.42.030, 6.42.070, 6.42.080, 6.42.107, and 6.42.110 to Ensure Proper Compliance with City Code, State, and Federal Waste Disposal and Recycling Laws.

Staff is recommending modification to Chapter 6.42 "Municipal Refuse Collection Service" Sections 6.42.020, 6.42.030, 6.42.070, 6.42.080, 6.42.107, and 6.42.110 of the Norco Municipal Code regarding Municipal Refuse Collection Service. The proposed changes will ensure proper compliance of city code, state and federal waste disposal and recycling laws while providing for the best interest of residents and city businesses.

Recommended Action: Adopt Ordinance No. 981 for first reading. (City Manager)

- C. **Ordinance No. 982, First Reading.** Code Amendment 2014-07. A City-initiated Code Change to Amend Chapter 15.09 "Swap Meets" and Other Related Cross-References in the Norco Municipal Code as Needed Regarding the Collection of Business License Fees for Special Events.

The definition of a "swap meet" in Chapter 5.28 of "Business Licenses and Regulations" in the Norco Municipal Code presents a scenario wherein a proposed event might have to pay both a special event business license and a swap meet business license which is not the intent. The proposed code amendment would correct the definition.

Recommended Action: Adopt Ordinance No. 982 for first reading. (Planning Director)

- D. Code Amendment 2014-08. A City-Initiated Code Change to Amend Chapter 15.09 "Fire Code" and Other Related Cross-References in the Norco Municipal Code as Needed Regarding the Maximum-Allowed Structure Size Including Material Types that Does Not Require Fire Sprinklers.

The City Council directed staff to bring a code amendment to change the maximum-allowed building square feet that does not need fire sprinklers to reflect what the Riverside County Code is since both agencies are served by Riverside County Fire Department. During efforts to draft the code amendment to match the Riverside County standard and to create an exemption for buildings constructed with non-flammable materials, it became clear that the code amendment is not needed because the Fire Chief already has the discretion to grant exemptions per the Fire Code.

Recommended Action: Cancel the requested code amendment. (Planning Director)

- 7. PUBLIC COMMENTS OR QUESTIONS - *This is the time when persons in the audience wishing to address the City Council regarding matters not on the agenda may speak. Please complete the speaker card in the back of the room and present it to the City Clerk so that you may be recognized.*
- 8. CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS

ADJOURNMENT

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

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

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



MINUTES
CITY OF NORCO
CITY COUNCIL

October 1, 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: 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**

§54956.9(c) – Conference with Legal Counsel – Anticipated Litigation:
One Potential Case

RECONVENE PUBLIC SESSION: 7:05 p.m.

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

The City Attorney stated that there was no reportable action from Closed Session.

PLEDGE OF ALLEGIANCE: Mayor Berwin Hanna

INVOCATION: Norco Foursquare Church, *Pastor Jared Vieyra*

CITY COUNCIL BUSINESS ITEMS AS FOLLOWS:

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

Council Member Bash:

- Attended the monthly senior meeting today. Commented on the great senior programs scheduled for rest of the year and thanked staff. Informed the seniors that the Oversight Board approved the creation of the Successor Housing Agency, which will reinstate senior and low-income programs.
- Commented on his visit to Ingalls Equestrian Center today to view the pillars being raised at the Veteran's Memorial and expressed that reality has exceeded expectations for the memorial. Also commented on Vietnam Veterans who died of Agent Orange are eligible to have their names on the wall.

Mayor Pro Tem Higgins:

- No report given.

Council Member Newton:

- No report given.

Council Member Azevedo:

- Attended the State of Riverside County event last week in Temecula regarding tourism and shared some tips she learned to make Norco a destination point.
- Attended the Boy Scouts of America 2014 Distinguished Citizen awards ceremony on September 30th. Corona-Norco Unified School District Board Member Cathy Sciortino and Council Member Kevin Bash were honored.

Mayor Hanna:

- Met with the Mayors of Corona, Eastvale, and Jurupa Valley regarding local issues. The group of local Mayors will be setting up a meeting with the Riverside County Transportation Commission to discuss the lack of toll lanes/interchange from the I-15 to the 91 freeway.

2. CITY COUNCIL CONSENT ITEMS:

Council Member Newton pulled Consent Calendar Items 2.C. and 2.D. Mayor Pro Tem Higgins stated he would abstain from voting on Consent Calendar Item 2.A.

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

AYES: AZEVEDO, BASH, HANNA, HIGGINS, NEWTON

NOES: NONE

ABSENT: NONE

ABSTAIN: HIGGINS (Item 2.A. only)

- A. City Council Minutes:
Regular Meeting of August 20, 2014
Regular Meeting of September 17, 2014
Action: Approved the City Council Minutes

- B. Procedural Step to Approve Ordinance after Reading of Title Only. **Action: Approved**
 - C. Acceptance of Bids and Award of Contract for the Purchase of Two ADA Electric Shuttle Vehicles with Solar Recovery Power. **PULLED FOR DISCUSSION.**
 - D. Award of Annual Service Maintenance Agreements for As-Needed Potable Water and Wastewater System Repairs and Installations. **PULLED FOR DISCUSSION.**
 - E. Approval to Declare Various City Assets as Surplus Property. **Action: Declared various City assets as surplus and authorized the City Manager to dispose of surplus assets through auction, donation to charitable organizations, or electronic recycling (e-cycle).**
3. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR:
- 2.C. Acceptance of Bids and Award of Contract for the Purchase of Two ADA Electric Shuttle Vehicles with Solar Recovery Power.

Council Member Newton pulled the item due to concerns from residents and requested that Director Brian Petree provide the public with some information about the shuttles. Director Petree stated that the City received funding from the Air Quality Management District (AQMD) to purchase energy efficient vehicles. The shuttles have a three-year warranty and although CitEcar Electric Vehicles is located out-of-state, the vendors providing service maintenance are located within 30 minutes of the City. City Manager Okoro indicated that if the funds are not used, AQMD will allocate them to another city.

M/S NEWTON/BASH to accept bids and award contract to CitEcar Electric Vehicles of Gainseville, Florida in the amount of \$47,393.12 for the purchase of two ADA electric shuttle vehicles with solar recovery power. The motion was carried by the following roll call vote:

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

- C. Award of Annual Service Maintenance Agreements for As-Needed Potable Water and Wastewater System Repairs and Installations.

Council Member Newton inquired whether or not the City should go out to bid since the recommendation is to accept a bid that is not the apparent low bidder from the City of Corona bid process. Director Askew stated that even though the City of Norco is piggybacking on the City of Corona's bid process, the City of Norco can choose any of the bidders. By piggybacking on the City of Corona's bids, the City of Norco is saving

approximately two-months time. Staff recommended piggybacking at the direction of Council to move forward quickly with the repairs and installations. Council Member Newton suggested going out to bid.

M/S NEWTON/HIGGINS to direct staff to prepare and proceed with a Notice Inviting Bids for the As-Needed Potable Water and Wastewater System Repairs and Installations maintenance agreement. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, HIGGINS, NEWTON

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

4. CITY COUNCIL CONTINUED PUBLIC HEARING:

- A. **Ordinance No. 980, First Reading.** Code Change 2014-05 (City of Norco): A City-Initiated Code Amendment to Add Chapter 5.56 "Hookah and Smoking Lounges" Prohibiting Hookah and Smoking Lounges in All Zoning Districts within the City.

Prior to presenting information on the ordinance, Planning Director Steve King noted to the Council that another continuance was being requested by the owner of a restaurant affected by this ordinance.

In response to Council Member Azevedo, Director King stated that currently hookah lounges are not a permitted use.

Council Member Newton stated that this is a city-wide ordinance and therefore the Council should move forward with the hearing since the restaurant owner has already been given the courtesy of one continuance. Mayor Hanna concurred.

M/S HIGGINS/AZEVEDO to continue the public hearing for Ordinance 980, first reading, to October 15, 2014. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HIGGINS

NOES: HANNA, NEWTON

ABSENT: NONE

ABSTAIN: NONE

5. PUBLIC COMMENTS:

Ted Hoffman commented that under the current contract with Waste Management, the City is supposed to receive quarterly progress reports regarding waste to energy projects. Mr. Hoffman commented on the Silverlakes Equestrian Sports Park and requested that the Council actively create a plan with or without RJ Brandes. He suggested that perhaps the City could form a committee comprised of Mr. Brandes, local business leaders, residents,

and City staff to find alternative solutions to Silverlakes. The committee could provide new ideas and the process could diminish resentment within the community.

JD Hill and Joseph Grunebach both spoke regarding the trail encroachments on Corona Avenue as their properties are adjacent. Mr. Hill stated he and his neighbor Mr. Grunebach could not attend the previous Council meeting in which the encroachments were discussed. Mr. Hill stated that his home was built in 1969 and he shares his driveway with Mr. Grunebach. Mr. Grunebach's driveways, on his two properties, were constructed before the City's incorporation. Mr. Hill indicated that since 1986, there have been no reports of injuries as a result of the driveways. Mr. Hill commented that engineers are having difficulty finding a safe alternative due to the steepness of the trail. Mr. Hill recommended that the trail be closed from Willow to Third Street due to the dangerous conditions. Mr. Grunebach concurred that he has not had issues on the trail sections fronting his properties. He indicated that if the encroachment is removed, there will be problems resulting from erosion.

Denise Sutherland commented on the tumbleweeds on the property behind hers. Ms. Sutherland will be submitting a report with the City regarding this issue.

Vern Showalter spoke about the trail encroachments on Corona Avenue. Mr. Showalter stated that the Streets, Trails, and Utilities Commission sent reports and recommendations to the City Council within the last three to four years regarding unsafe trails on Corona Avenue. Mr. Showalter commented that the Streets, Trails, and Utilities Commission was put in a position of not being able to use alternative trail materials as the City Council directed the use of decomposed granite only. The Commission has also sent reports regarding Crestview Avenue being unsafe and to-date, action has not been taken.

6. CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS:

Mayor Hanna commented on a letter he received from a resident on Reservoir Drive. Mayor Hanna requested to agendaize the discussion of rezoning the properties on Reservoir Drive to allow animal keeping.

M/S HANNA/HIGGINS to agendaize discussion allowing animal keeping on the properties on Reservoir Drive that are currently zoned Residential (R-1-10). The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, HIGGINS, NEWTON

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

Council Member Newton noted that at the previous Council Meeting, he requested to receive a status report and strategy plan for the encroachments on Corona Avenue. In response, Director of Public Works Lori Askew stated that letters were mailed to residents in that affected area indicating that they have until October 10th to remove the encroachments. Encroachments still in place after October 10th will be removed by the

City. Ms. Askew stated that decomposed granite will be used on the trails and for steeper graded trails, alternative materials will be considered.

Council Member Newton requested a status on the direction given for full trails for cul-de-sacs. In response, Planning Director Steve King indicated that the review of this issue will go before the Streets, Trails, and Utilities Commission on October 6, 2014. The recommendation from the Commission will go directly to the City Council.

Council Member Azevedo suggested that the Streets, Trails, and Utilities Commission could address encroachments on a street-by-street basis and recommend a plan of action.

Council Member Azevedo suggested creating a "Did You Know?"- type notice for residents which would be included in water billing mailings to notify residents of trail maintenance responsibility, clarification of City-owned trees, signs not permitted on utility poles, and other notifications. She also suggested putting the information on the website. City Manager Andy Okoro indicated that flyers with some of the information, such as the noise ordinance and trail maintenance responsibility have already been mailed. Mr. Okoro stated he will look into the distributing information on the other suggested items.

Mayor Hanna commented on the Council appropriating \$100,000 for trail encroachment removal on Crestview Avenue; however, the list was not completed.

Council Member Newton suggested better communication with residents by having Town Hall meetings on a quarterly basis as the meetings would be beneficial for everyone.

Council Member Bash stated that the Ad-Hoc Committee on Infrastructure Needs has been discussing trails at length. Council Member Bash requested to receive the Streets, Trails, and Utilities reports after every meeting. Council Member Bash also expressed his concurrence with Council Member Newton regarding Town Hall meetings.

Council Member Azevedo commented that Waste Management suggested discussing the quarterly reports in a Town Hall-type meeting. Council Member Azevedo suggested incorporating the Town Hall meeting regarding Waste Management with discussion on trail issues.

ADJOURNMENT

Mayor Hanna adjourned the meeting at 8:01 p.m.

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

DATE: October 15, 2014

SUBJECT: Quarterly Investment Report for Quarter Ended September 30, 2014

RECOMMENDATION: Staff recommends that the City Council receive and file the Quarterly Investment Report for the Quarter Ended September 30, 2014.

SUMMARY: Staff is recommending that the City Council receive and file the City's quarterly investment report for the quarter ended September 30, 2014. This report has been prepared to meet the requirements of the City's Investment Policy and applicable sections of the State of California Government Code.

BACKGROUND/ ANALYSIS: The City's Investment Policy requires the Treasurer to render a quarterly report to the legislative body. The report is to be prepared in accordance with Government Code Section 53646 (b)(1) and should contain detailed information on all securities, investments, and monies of the local agency; a statement of compliance of the portfolio with the Statement of Investment Policy; and a statement of the City's ability to meet its cash flow requirements for the next six months. This report which is for the quarter ended September 30, 2014 meets the requirements of the Investment Policy and Government Code. It covers the City and Successor Agency to the former Norco Redevelopment Agency.

The attached schedules (attachments 1 through 4) have been prepared to meet the detailed requirements of the Government Code and the City's Investment Policy as approved by the Council on May 21, 2014. It is to be noted that the Investment Policy excludes certain investments (bond proceeds) from these requirements. This means that bond proceeds are invested in accordance with the provisions of the bond indentures rather than the provisions of the Investment Policy. Consequently, in determining whether the operating portfolio holdings are in compliance with the Government Code and the approved Investment Policy, investments of bond proceeds have been excluded.

Attachment 1 provides a summary schedule of the City's operating portfolio holdings by type as of September 30, 2014. This summary also provides information on whether or not each investment category complies with the limitations imposed by law and the City's Investment Policy. Investments that are subject to the Statement of Investment Policy are operating/idle funds invested by the Treasurer within the provisions of the approved Investment Policy. During the quarter ended September 30, 2014, the operating portfolio decreased by a net amount of \$5.1 million from \$41.7 million to \$36.6 million due to cash disbursements exceeding cash receipts. The excess of disbursements over receipts is

anticipated during this quarter as semi-annual debt service payments of the Successor Agency and Water and Sewer Funds are made during this quarter. Revenue receipts during the first quarter of the fiscal year are usually low due to no revenues being received from property tax, vehicle license fees, sales tax in lieu or electric/gas franchise fees.

Attachment 2 provides a graphical breakdown of the operating portfolio holdings by investment type as of September 30, 2014. This chart is for investments that are subject to the Investment Policy. The operating portfolio consisted of 89.55% investment in the State of California Local Agency Investment Fund (LAIF). The remaining 10.45% comprises of cash and certificates of deposit.

A summary of investments not subject to the provisions of the Investment Policy (bond proceeds and debt service reserve funds) is also shown on Attachment 1. These funds are invested in accordance with applicable bond indenture provisions. During the quarter ended September 30, 2014, bond proceeds and debt service reserve fund portfolio decreased by a net amount of \$1.7 million from \$21.7 million to \$20.0 million due to bond proceeds expenditures for capital projects and reduction to debt service reserve accounts from the refinancing of RDA and School District Tax Allocation Bonds.

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

CASH FLOWS

During the first half of the fiscal year, General Fund cash receipts are usually below disbursements for expenditures due to the lag in the receipt of tax revenues. However, due to the better fiscal condition of the General Fund, cash balances have improved to cover the lag in revenue receipts. Along with anticipated cash receipts, staff estimates that there will be sufficient cash to cover disbursements for the City and Successor Agency for the next six months ending March 31, 2015.

FINANCIAL IMPACT: Not Applicable.

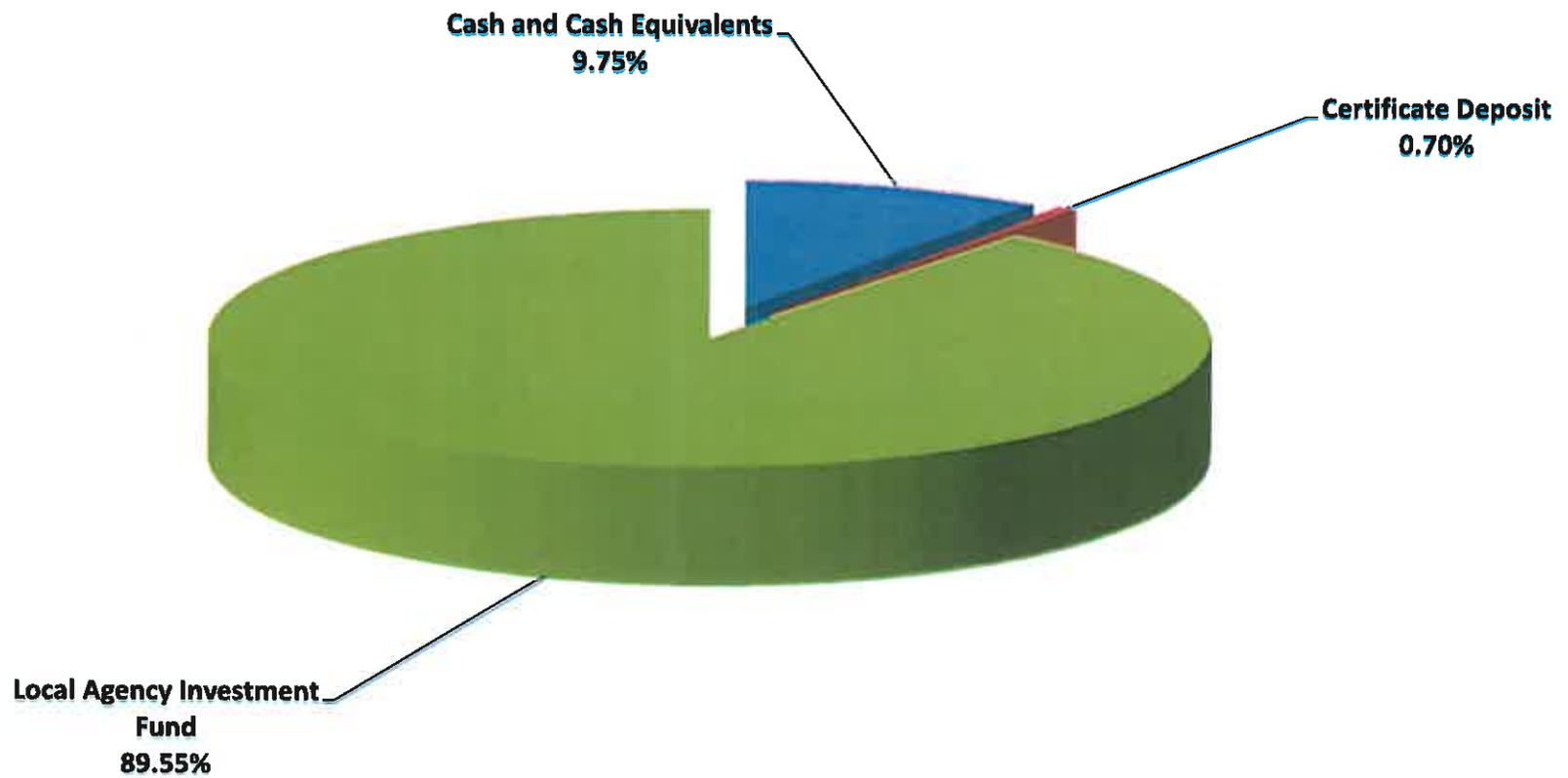
- Attachments: 1) Portfolio Summary
2) Summary Graph
3) Portfolio Details – "Investments Not Subject..."
4) Certification Form

**City of Norco, California
Portfolio Summary
As of September 30, 2014**

City Investments Subject to Investment Policy	Market Value	Percentage	Policy Maximum	Compliance
Cash and Cash Equivalents	\$ 3,568,360	9.75%	15.00%	In Compliance
Certificate Deposit	254,404	0.70%	30.00%	In Compliance
Local Agency Investment Fund	32,776,428	89.55%	\$50.0 Million	In Compliance
Total	\$ 36,599,192	100.00%		

City Investments Not Subject to Investment Policy	Market Value	Percentage
Community Facilities Districts	\$ 2,414,906	12.03%
Sewer and Water System	9,244,446	46.04%
Refunding Tax Allocation Bonds	8,419,157	41.93%
Total	\$ 20,078,509	100.00%

**Summary of City Portfolio
(Investments Subject to Investment Policy)
As of September 30, 2014**



City of Norco, California
 Portfolio Details
 As of September 30, 2014
 Investments Subject to Policy

Cash & Cash Equivalents

<u>Purchase Date</u>	<u>Maturity Date</u>	<u>CUSIP #</u>	<u>Description of Security</u>	<u>Account</u>	<u>Rating</u>	<u>Coupon Rate</u>	<u>Yield to Maturity</u>	<u>Face Value</u>	<u>Cost</u>	<u>Market Value</u>
N/A	N/A	N/A	Checking Accounts	Wells Fargo	N/A	N/A	0.00%	N/A	3,568,360	3,568,360
			Subtotal	Wells Fargo					3,568,360	3,568,360
4/20/2014	4/20/2015	2329958022	Certificate Deposit	Citizen Business Bk	N/A	0.35%	0.35%	N/A	102,005	102,005
2/25/2014	11/5/2014	2329958065	Certificate Deposit	Citizen Business Bk	N/A	0.25%	0.25%	N/A	152,399	152,399
			Subtotal	Wells Fargo					254,404	254,404

Local Agency Investment Fund

<u>Purchase Date</u>	<u>Maturity Date</u>	<u>CUSIP #</u>	<u>Description of Security</u>	<u>Account</u>	<u>Rating</u>	<u>Coupon Rate</u>	<u>Yield to Maturity</u>	<u>Face Value</u>	<u>Cost</u>	<u>Market Value</u>
N/A	N/A	N/A	Local Agency Investment Fund	State of California	N/A	N/A	N/A	N/A	32,776,428	32,776,428
			Subtotal						32,776,428	32,776,428
<u>Total Investments Subject to Policy</u>									36,599,192	36,599,192

City of Norco, California
 Portfolio Details
 As of September 30, 2014
Investments Not Subject to Policy (Bond Proceeds)
Community Facilities Districts

Cash and Cash Equivalents

Purchase		CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
Date	Maturity Date									
N/A	N/A	N/A	U.S. Bank N.A. Open, Commerical Paper	791884004 US Bank	N/A	N/A	0.00%	N/A	4,988	4,988
N/A	N/A	N/A	First American Government Obligation	794148002 US Bank	N/A	N/A	0.01%	N/A	1,727,504	1,727,504
Subtotal									1,732,492	1,732,492

Local Agency Investment Fund

Purchase		CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
Date	Maturity Date									
N/A	N/A	N/A	Local Agency Investment Fund	CFD 93-1 State of California	N/A	N/A	N/A	N/A	107,355	107,355
N/A	N/A	N/A	Local Agency Investment Fund	CFD 2002-1 State of California	N/A	N/A	N/A	N/A	54,206	54,206
Subtotal									161,561	161,561

U.S. and Agency Securities

Purchase		CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
Date	Maturity Date									
12/27/2013	12/27/2018 (3)	3134G4RC4	F H L M C M T N Step Up Coupon	791884004 US Bank	AAA*	1.15%	1.15%	520,000	520,000	520,853
Subtotal									520,000	520,853

Total Community Facilities Districts

2,414,053 2,414,906

Investments Not Subject to Policy (Bond Proceeds)

Sewer and Water System

Cash and Cash Equivalents

Purchase		CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
Date	Maturity Date									
N/A	N/A	N/A	U.S. Bank N.A. Open, Commerical Paper	130584001 US Bank	N/A	N/A	0.00%	N/A	1,432,462	1,432,462
N/A	N/A	N/A	U.S. Bank N.A. Open, Commerical Paper	130584004 US Bank	N/A	N/A	0.00%	N/A	4,810,274	4,810,274
Subtotal									6,242,736	6,242,736

U.S. and Agency Securities

Purchase		CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
Date	Maturity Date									
12/27/2013	12/27/2016 (2)	3134G4QU5	F H L M C M T N Step Up Coupon	130584004 US Bank	AAA*	0.45%	0.55%	3,000,000	3,000,000	3,001,710
Subtotal									3,000,000	3,001,710

Total Sewer and Water System

9,242,736 9,244,446

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

Cash & Cash Equivalents

Purchase		CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
Date	Maturity Date									
N/A	N/A	N/A	First American Government Obligation	94432430 US Bank	N/A	N/A	0.00%	N/A	8	8
N/A	N/A	N/A	First American Government Obligation	94432440 US Bank	N/A	N/A	0.00%	N/A	1	1
N/A	N/A	N/A	U.S. Bank N.A. Open, Commerical Paper	94662507 US Bank	N/A	N/A	0.00%	N/A	2,616,961	2,616,961
N/A	N/A	N/A	First American Government Obligation	787891003 US Bank	N/A	N/A	0.00%	N/A	2	2
N/A	N/A	N/A	First American Government Obligation	792126004 US Bank	N/A	N/A	0.01%	N/A	1,505	1,505
N/A	N/A	N/A	First American Government Obligation	129543002 US Bank	N/A	N/A	0.00%	N/A	1	1
N/A	N/A	N/A	U.S. Bank N.A. Open, Commerical Paper	129543003 US Bank	N/A	N/A	0.00%	N/A	973,724	973,724
N/A	N/A	N/A	US Bank Money Market	140828001 US Bank	N/A	N/A	0.00%	N/A	2	2
N/A	N/A	N/A	US Bank Money Market	140828002 US Bank	N/A	N/A	0.00%	N/A	1	1
N/A	N/A	N/A	US Bank Money Market	140828004 US Bank	N/A	N/A	0.03%	N/A	1,479,220	1,479,220
N/A	N/A	N/A	US Bank Money Market	140828005 US Bank	N/A	N/A	0.00%	N/A	14	14
N/A	N/A	N/A	US Bank Money Market	210857003 US Bank	N/A	N/A	0.03%	N/A	540,611	540,611
N/A	N/A	N/A	US Bank Money Market	210857004 US Bank	N/A	N/A	0.03%	N/A	52,532	52,532
N/A	N/A	N/A	US Bank Money Market	210858003 US Bank	N/A	N/A	0.03%	N/A	1,055,271	1,055,271
N/A	N/A	N/A	US Bank Money Market	210858004 US Bank	N/A	N/A	0.03%	N/A	69,861	69,861
Subtotal									6,789,715	6,789,715

Local Agency Investment Fund

Purchase		CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
Date	Maturity Date									
N/A	N/A	N/A	Local Agency Investment Fund	2010 TABs State of California	N/A	N/A	N/A	N/A	22,647	22,647
N/A	N/A	N/A	Local Agency Investment Fund	2003 TABs State of California	N/A	N/A	N/A	N/A	49,246	49,246
Subtotal									71,893	71,893

U.S. and Agency Securities

Purchase		CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
Date	Maturity Date									
12/27/2013	12/27/2018 (3)	3134G4RC4	F H L M C M T N Step Up Coupon	792128003 US Bank	AAA*	1.200%	1.15%	1,555,000	1,555,000	1,557,550
Subtotal									1,555,000	1,557,550

Total Investments Not Subject to Policy

20,073,396 20,078,509

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

Attachment 4

Quarterly Investment Portfolio

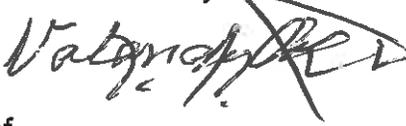
For the Quarter Ended September 30, 2014

As required by the Government Code, the Treasurer certifies that the investments reported in the accompanying schedules (Attachments 1 through 3) comply with the City of Norco Investment Policy and that sufficient liquidity along with anticipated revenues are available to meet the City and Successor Agency budgeted expenditure requirements for the next six months ending March 31, 2015.

Andy Okoro, City Manager/City Treasurer

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Geoff Pemberton, Fire Chief

DATE: October 15, 2014

SUBJECT: Resolution Increasing Revenue, Appropriation and Expenditure from the FY2014 Emergency Management Performance Grant (EMPG) Program in the Amount of \$21,288 for Emergency Operations Center (EOC) Upgrades.

RECOMMENDATION: Adoption of **Resolution No. 2014-61**, accepting EMPG funds in amount of \$10,644 and agreeing to match with a contribution of \$10,644 for upgrades and enhancements the EOC.

SUMMARY: The major focus of the Emergency Management Performance Grant (EMPG) Program is to improve and enhance the ability of local cities and governing bodies to respond to disasters. The Emergency Operations Center (EOC) allows the city to properly respond to emergency incidents within the city. The current EOC equipment is obsolete and in need of upgrades and enhancements. This grant will allow the city to update the current computer systems which will allow the collaboration between County Operational Area and the City of Norco.

BACKGROUND/ANALYSIS: The purpose of the Emergency Management Performance Grant (EMPG) Program is to provide federal funds to states to assist state, local, and tribal governments in preparing for all hazards. Funds provided under the EMPG must be used to support activities that contribute to the Operational Area's capability to prevent, prepare for, mitigate against, respond to, and recover from emergencies and disasters, whether natural or man-made.

Previous grants have been received by the Norco city that provided the ability to update and maintain the Emergency Operations Center (EOC). Many of these systems have become antiquated and are no longer operational. The EOC allows the city to organize emergency events or incidents and properly assign resources and/or ask for assistance from the County's Operational Area. This grant will allow the city to update current computer systems in the EOC to allow this collaboration.

FINANCIAL IMPACT: Acceptance of the grant will require matching funds of 50%. The total amount granted to the City was \$10,644.00. The matching amount will be funded from the City's Information Technology Fund.

Attachment: Resolution No. 2014-61
FY14 Emergency Management Performance Grant Agreement Articles

Agenda Item No. 2.D.

RESOLUTION NO. 2014-61

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA INCREASING REVENUE, APPROPRIATION AND EXPENDITURE IN THE AMOUNT OF \$21,288 FROM THE EMERGENCY MANAGEMENT PERFORMANCE GRANT FOR THE PURCHASE OF COMPUTERS TO IMPROVE THE EMERGENCY OPERATIONS CENTER (EOC)

WHEREAS, the City of Norco desires to participate with state and local governmental agencies in improving responses to natural or man-made disasters through the EOC; and

WHEREAS, the City of Norco will receive, and accepts, an Emergency Management Performance Grant (EMPG) from the Governor's Office of Homeland Security for Fiscal Year 2014 in the amount of \$10,644 and agrees to match with a contribution of \$10,644, funded from the City's Information Technology Fund, for the purchase of new computers in order to upgrade and enhance the operation of the City of Norco Emergency Operation Center (EOC).

NOW, THEREFORE, be it resolved that the City Council of the City of Norco, California, does hereby increase revenue in the amount of \$21,288 and increase appropriation and expenditure in the amount of \$21,288.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on October 15, 2014

Mayor of the City of Norco, California

ATTEST:

Cheryl L. Link, City Clerk
City of Norco, California

Resolution No. 2014-61

Page 2

October 15, 2014

I, Cheryl L. Link, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting held on October 15, 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 October 15, 2014.

Cheryl L. Link, City Clerk
City of Norco, California

FY14 Emergency Management Performance Grant Agreement Articles, Assurances, Certifications, Terms, and Conditions

FEDERAL AGREEMENT ARTICLES

Article I - Administrative Requirements

The administrative requirements that apply to most DHS award recipients through a grant or cooperative agreement arise from two sources:

- 1) Office of Management and Budget (OMB) Circular A-102, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments (also known as the "A-102 Common Rule"), found under DHS regulations at Title 44, Code of Federal Regulations (CFR) Part 13, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
- 2) OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations, relocated to 2 CFR Part 215.

The requirements for allowable costs/cost principles are contained in the A-102 Common Rule, OMB Circular A-110 (2 CFR § 215.27), DHS program legislation, Federal awarding agency regulations, and the terms and conditions of the award.

The four costs principles that apply to DHS award recipients through a grant or cooperative agreement originate from the following sources:

- OMB Circular A-21, Cost Principles for Educational Institutions, relocated to 2 CFR Part 220.
- OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, relocated to 2 CFR Part 225.
- OMB Circular A-122, Cost Principles for Non-Profit Organizations, relocated to 2 CFR Part 230.
- OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations; origination of audit requirements for State, Local and Tribal recipients of DHS awards.

Article II - DHS Specific Acknowledgements and Assurances

All recipients of financial assistance must acknowledge and agree-and require any subrecipients, contractors, successors, transferees, and assignees acknowledge and agree-to comply with applicable provisions governing DHS access to records, accounts, documents, information, facilities, and staff.

1. Recipients must cooperate with any compliance review or complaint investigation conducted by DHS.
2. Recipients must give DHS access to and the right to examine and copy records, accounts, and other documents and sources of information related to the grant and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by DHS regulations and other applicable laws or program guidance.
3. Recipients must submit timely, complete, and accurate reports to the appropriate DHS officials and maintain appropriate backup documentation to support the reports.
4. Recipients must comply with all other special reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.
5. If, during the past three years, the recipient has been accused of discrimination on the grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status, the recipient must provide a list of all such proceedings, pending or completed, including outcome and copies of settlement agreements to the DHS awarding office and the DHS Office of Civil Rights and Civil Liberties.
6. In the event any court or administrative agency makes a finding of discrimination on grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status against the recipient, or the recipient settles a case or matter alleging such discrimination, recipients must forward a copy of the complaint and findings to the DHS Component and/or awarding office.

The United States has the right to seek judicial enforcement of these obligations.

Initials _____

Article III - Lobbying Prohibitions

None of the funds provided under an award may be expended by the recipient to pay any person to influence, or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal action concerning the award or renewal of any Federal contract, grant, loan, or cooperative agreement. These lobbying prohibitions can be found at 31 U.S.C. §1352.

Article IV - Acknowledgement of Federal Funding from DHS

All recipients of financial assistance must comply with requirements to acknowledge Federal funding when issuing statements, press releases, requests for proposals, bid invitations, and other documents describing projects or programs funded in whole or in part with Federal funds.

Article V - Copyright

All recipients of financial assistance will comply with requirements that publications or other exercise of copyright for any work first produced under Federal financial assistance awards hereto related unless the work includes any information that is otherwise controlled by the Government (e.g., classified information or other information subject to national security or export control laws or regulations). For any scientific, technical, or other copyright work based on or containing data first produced under this award, including those works published in academic, technical or professional journals, symposia proceedings, or similar works, the recipient grants the Government a royalty-free, nonexclusive and irrevocable license to reproduce, display, distribute copies, perform, disseminate, or prepare derivative works, and to authorize others to do so, for Government purposes in all such copyrighted works. The recipient must affix the applicable copyright notices of 17 U.S.C. § 401 or 402 and an acknowledgement of Government sponsorship (including award number) to any work first produced under an award.

Article VI - Use of DHS Seal, Logo and Flags

All recipients of financial assistance must obtain DHS's approval prior to using the DHS seal(s), logos, crests or reproductions of flags or likenesses of DHS agency officials, including use of the United States Coast Guard seal, logo, crests or reproductions of flags or likenesses of Coast Guard officials.

Article VII - Activities Conducted Abroad

All recipients of financial assistance will comply with the requirements, and must ensure, that project activities carried on outside the United States are coordinated as necessary with appropriate government authorities and that appropriate licenses, permits, or approvals are obtained.

Article VIII - Fly America Act of 1974

All recipients of financial assistance must comply with the requirements of the Preference for U.S. Flag Air Carriers: Travel supported by U.S. Government funds requirement, which states preference for the use of U.S. flag air carriers (air carriers holding certificates under 49 U.S.C. § 41102) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. § 40118) and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B138942.

Article IX - GPD - Drug-Free Workplace Regulations

All recipients of financial assistance must comply with the requirements of the Drug-Free Workplace Act of 1988 (412 U.S.C. § 701 et seq.), which requires that all organizations receiving grants from any Federal agency agree to maintain a drug-free workplace. The recipient must notify the awarding office if an employee of the recipient is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment. These regulations are codified at 2 CFR 3001.

Initials _____

Article X - GPD - Trafficking Victims Protection Act of 2000

All recipients of financial assistance must comply with the requirements of the government-wide award term which implements Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. § 7104), located at 2 CFR Part 175. This is implemented in accordance with OMB Interim Final Guidance, Federal Register, Volume 72, No. 218, November 13, 2007. In accordance with the statutory requirement, each agency award under which funding is provided to a private entity, Section 106(g) of the TVPA, as amended, requires the agency to include a condition that authorizes the agency to terminate the award, without penalty, if the recipient or a subrecipient - (a) Engages in severe forms of trafficking in persons during the period of time that the award is in effect; (b) Procures a commercial sex act during the period of time that the award is in effect; or (c) Uses forced labor in the performance of the award or sub-awards under the award. Full text of the award term is provided at 2 CFR §175.15.

Article XI – Title VI of the Civil Rights Act of 1964

All recipients of financial assistance must comply with the requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.), codified at 6 CFR Part 21 and 44 CFR Part 7, which provides that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Article XII - Civil Right Act of 1968

All recipients of financial assistance must comply with Title VIII of the Civil Rights Act of 1968, which prohibits recipients from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (42 U.S.C. §3601 et seq.), as implemented by the Department of Housing and Urban Development at 24 CFR Part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units-i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators)-be designed and constructed with certain accessible features (see 24 CFR §100.201).

Article XIII - Americans with Disabilities Act of 1990

All recipients of financial assistance must comply with the requirements of Titles I, II, and III of the Americans with Disabilities Act, which prohibits recipients from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§12101-12213).

Article XIV - Age Discrimination Act of 1975

All recipients of financial assistance must comply with the requirements of the Age Discrimination Act of 1975 (42 U.S.C. §6101 et seq.), which prohibits discrimination on the basis of age in any program or activity receiving Federal financial assistance.

Article XV - Title IX of the Education Amendments of 1972 (Equal Opportunity in Education Act)

All recipients of financial assistance must comply with the requirements of Title IX of the Education Amendments of 1972 (20 U.S.C. §1681 et seq.), which provides that no person in the United States will, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving Federal financial assistance. These regulations are codified at 6 CFR Part 17 and 44 CFR Part 19.

Article XVI - Rehabilitation Act of 1973

Initials _____

All recipients of financial assistance must comply with the requirements of Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. §794, as amended, which provides that no otherwise qualified handicapped individual in the United States will, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. These requirements pertain to the provision of benefits or services as well as to employment.

Article XVII - Limited English Proficiency (Civil Rights Act of 1964, Title VI)

All recipients must comply with the Civil Right Act of 1964 (Title VI), prohibition against discrimination on the basis of national origin, which requires that recipients of Federal financial assistance must take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP) to their programs and services. Providing meaningful access for persons with LEP may entail providing language assistance services, including oral interpretation and written translation. In order to facilitate compliance with Title VI, recipients are encouraged to consider the need for language services for LEP persons served or encountered both in developing budgets and in conducting programs and activities. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency (August 11, 2000), requires federal agencies to issue guidance to recipients, assisting such organizations and entities in understanding their language access obligations. DHS published the required recipient guidance in April 2011, DHS Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons, 76 Fed. Reg. 21755-21768, (April 18, 2011). The Guidance provides helpful information such as how a recipient can determine the extent of its obligation to provide language services; selecting language services; and elements of an effective plan on language assistance for LEP persons. For additional assistance and information regarding language access obligations, please refer to the DHS Recipient Guidance <https://www.dhs.gov/guidance-published-help-department-supported-organizations-provide-meaningful-access-people-limited> and additional resources on <http://www.lep.gov>.

Article XVIII - Animal Welfare Act of 1966

All recipients of financial assistance will comply with the requirements of the Animal Welfare Act, as amended (7 U.S.C. §2131 et seq.), which requires that minimum standards of care and treatment be provided for vertebrate animals bred for commercial sale, used in research, transported commercially, or exhibited to the public. Recipients must establish appropriate policies and procedures for the humane care and use of animals based on the Guide for the Care and Use of Laboratory Animals and comply with the Public Health Service Policy and Government Principles Regarding the Care and Use of Animals.

Article XIX - Clean Air Act of 1970 and Clean Water Act of 1977

All recipients of financial assistance will comply with the requirements of 42 U.S.C. §7401 et seq. and Executive Order 11738, which provides for the protection and enhancement of the quality of the nation's air resources to promote public health and welfare and for restoring and maintaining the chemical, physical, and biological integrity of the nation's waters.

Article XX - Protection of Human Subjects

All recipients of financial assistance will comply with the requirements of the Federal regulations at 45 CFR Part 46, which requires that recipients comply with applicable provisions/law for the protection of human subjects for purposes of research. Recipients must also comply with the requirements in DHS Management Directive 026-04, Protection of Human Subjects, prior to implementing any work with human subjects. For purposes of 45 CFR Part 46, research means a systematic investigation, including research, development, testing, and evaluation, designed to develop or contribute to general knowledge. Activities that meet this definition constitute research for purposes of this policy, whether or not they are conducted or supported under a program that is considered research for other purposes. The regulations specify additional protections for research involving human fetuses, pregnant women, and neonates (Subpart B); prisoners (Subpart C); and children (Subpart D). The use of autopsy materials is governed by applicable State and local law and is not directly regulated by 45 CFR Part 46.

Initials _____

Article XXI - National Environmental Policy Act (NEPA) of 1969

All recipients of financial assistance will comply with the requirements of the National Environmental Policy Act (NEPA), as amended, 42 U.S.C. §4331 et seq., which establishes national policy goals and procedures to protect and enhance the environment, including protection against natural disasters. To comply with NEPA for its grant-supported activities, DHS requires the environmental aspects of construction grants (and certain non-construction projects as specified by the component and awarding office) to be reviewed and evaluated before final action on the application.

Article XXII - National Flood Insurance Act of 1968

All recipients of financial assistance will comply with the requirements of Section 1306(c) of the National Flood Insurance Act, as amended, which provides for benefit payments under the Standard Flood Insurance Policy for demolition or relocation of a structure insured under the Act that is located along the shore of a lake or other body of water and that is certified by an appropriate State or local land use authority to be subject to imminent collapse or subsidence as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels. These regulations are codified at 44 CFR Part 63.

Article XXIII - Flood Disaster Protection Act of 1973

All recipients of financial assistance will comply with the requirements of the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. § 4001 et seq.), which provides that no Federal financial assistance to acquire, modernize, or construct property may be provided in identified flood-prone communities in the United States, unless the community participates in the National Flood Insurance Program and flood insurance is purchased within one year of the identification. The flood insurance purchase requirement applies to both public and private applicants for DHS support. Lists of flood-prone areas that are eligible for flood insurance are published in the Federal Register by FEMA.

Article XXIV - Coastal Wetlands Planning, Protection, and Restoration Act of 1990

All recipients of financial assistance will comply with the requirements of Executive Order 11990, which provides that federally funded construction and improvements minimize the destruction, loss, or degradation of wetlands. The Executive Order provides that, in furtherance of Section 101(b)(3) of NEPA (42 U.S.C. §4331(b)(3)), Federal agencies, to the extent permitted by law, must avoid undertaking or assisting with new construction located in wetlands unless the head of the agency finds that there is no practicable alternative to such construction, and that the proposed action includes all practicable measures to minimize harm to wetlands that may result from such use. In making this finding, the head of the agency may take into account economic, environmental, and other pertinent factors. The public disclosure requirement described above also pertains to early public review of any plans or proposals for new construction in wetlands. This is codified at 44 CFR Part 9.

Article XXV - USA Patriot Act of 2001

All recipients of financial assistance must comply with the requirements of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act), which amends 18 U.S.C. §§175-175c. Among other things, it prescribes criminal penalties for possession of any biological agent, toxin, or delivery system of a type or in a quantity that is not reasonably justified by a prophylactic, protective, bona fide research, or other peaceful purpose. The act also establishes restrictions on access to specified materials. "Restricted persons," as defined by the act, may not possess, ship, transport, or receive any biological agent or toxin that is listed as a select agent.

Article XXVI – Best Practices for Collection and Use of Personally Identifiable Information (PII)

All recipients of financial assistance who collect PII are required to have a publically-available privacy policy that describes what PII they collect, how they use the PII, whether they share PII with third parties, and how individuals may have their PII corrected where appropriate. Useful resources are the DHS Privacy Impact

Initials _____

Assessments: http://www.dhs.gov/xlibrary/assets/privacy/privacy_pia_guidance_june2010.pdf, and http://www.dhs.gov/xlibrary/assets/privacy/privacy_pia_template.pdf.

Article XXVII – Duplication of Benefits

State, Local, and Tribal Recipients must comply with 2 CFR Part §225, Appendix A, paragraph (C)(3)(c), which provides that any cost allocable to a particular Federal award or cost objective under the principles provided for in this authority may not be charged to other Federal awards to overcome fund deficiencies.

Article XXVIII – False Claims Act and Program Fraud Civil Remedies

All recipients of financial assistance must comply with the requirements of 31 U.S.C §3729 which set forth that no recipient of Federal payments shall submit a false claim for payment. See also 38 U.S.C §3801-3812 which details the administrative remedies for false claims and statements made.

Article XXIX – Federal Debt Status

All recipients of financial assistance are required to be non-delinquent in their repayment of any Federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments. See OMB Circular A-129 and form SF-424B, item number 17 for additional information and guidance.

Article XXX – Hotel and Motel Fire Safety Act of 1990

In accordance with Section 6 of the Hotel and Motel Fire Safety Act of 1990, 15 U.S.C. §2225(a), all recipients must ensure that all conference, meeting, convention, or training space funded in whole or in part with Federal funds complies with the fire prevention and control guidelines of the Federal Fire Prevention and Control Act of 1974, 15 U.S.C. §2225.

Article XXXI – Non-supplanting Requirement

All recipients who receive awards made under programs that prohibit supplanting by law must ensure that Federal funds do not replace (supplant) funds that have been budgeted for the same purpose through non-Federal sources. Where Federal statutes for a particular program prohibits supplanting, applicants or award recipients may be required to demonstrate and document that a reduction in non-Federal resources occurred for reasons other than the receipt of expected receipt of Federal funds.

Article XXXII – Debarment and Suspension

All recipients must comply with Executive Orders 12549 and 12689, which provide protection against waste, fraud and abuse by debarring or suspending those persons deemed irresponsible in their dealings with the Federal government.

Article XXXIII – Environmental Planning and Historic Preservation (EHP) Compliance

All recipients of financial assistance proposing projects that have the potential to impact the environment, including but not limited to construction of communication towers, modification or renovation of existing buildings, structures and facilities, or new construction including replacement of facilities must participate in the FEMA EHP review process. The EHP review process involves the submission of a detailed project description that explains the goals and objectives of the proposed project along with supporting documentation so that FEMA may determine whether the proposed project has the potential to impact environmental resources and/or historic properties. The EHP review process must be completed before funds are released to carry out the proposed project.

EHP Policy Guidance can be found in FP 108-023-01, Environmental Planning and Historic Preservation Policy Guidance, at <http://www.fema.gov/media-library/assets/document/85376>.

Article XXXIV – SAFECOM

Initials _____

All recipients who receive awards made under programs that provide emergency communication equipment and its related activities must comply with the SAFECOM Guidance for Emergency Communication Grants, including provisions on technical standards that ensure and enhance interoperable communications. All recipients investing in broadband-related investments should review Information Bulletin (IB) 386: Clarification on Use of DHS/FEMA Public Safety Grant Funds for Broadband-Related Expenditures and Investments before developing applications.

The SAFECOM Guidance on Emergency Communication Grants can be found at: [FY 2014 SAFECOM Guidance on Emergency Communications Grants](#).

ASSURANCES

The applicant hereby assures and certifies compliance with all applicable Federal statutes, regulations, policies, guidelines, and requirements. See Article I above. The applicant also specifically assures and certifies that it:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial, and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management, and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States, and if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the assistance or award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives. See Article II above.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the nineteen statutes or regulations specified in Appendix A of Office of Personnel Management's (OPM) Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Right Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental, or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the

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requirements of any other nondiscrimination statute(s) which may apply to the application. See Articles XI, XII, XIII, XIV, XV, XVI, and XVII.

7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and/or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§ 276a to 276a-7), the Copeland Act (40 U.S.C. § 276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more; and the National Flood Insurance Act of 1968. See Articles XXII and XXIII.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under National Environmental Protection Act (NEPA) of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clear Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, (P.L. 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended, (P.L. 93-205). See Articles XIX, XXI, and XXIV.
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).

All proposed construction and renovation activities must undergo an Environmental Planning and Historic Preservation (EHP) review, including approval of the review from FEMA, prior to undertaking any action related to the project. Any applicant that is proposing a construction project should pay special attention to the EHP requirements. See Article XXXIII

14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance. See Article XX.

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15. Will comply with the Laboratory Animal welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance. See Article XVIII.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act of 1996 or OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations and policies governing this program. This includes all requirements, restrictions and regulations identified in the California Governor's Office of Emergency Services (Cal OES) Fiscal Year 2014 Emergency Management Performance Grants (EMPG) Program - California Supplement to the Federal Program Funding Opportunity Announcement; or, The State Guidance.
19. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award. See Article X.
20. Will comply with Homeland Security Presidential Directive (HSPD)-5, *Management of Domestic Incidents*. The adoption of the NIMS is a requirement to receive Federal preparedness assistance, through grants, contracts, and other activities. The NIMS provides a consistent nationwide template to enable all levels of government, tribal nations, nongovernmental organizations, and private sector partners to work together to prevent, protect against, respond to, recover from, and mitigate the effects of incidents, regardless of cause, size, location, or complexity.
21. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal interest in the title of real property in accordance with awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
22. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
23. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or State.
24. Will comply with Public Law (PL) 109-282 (Federal Funding Accountability and Transparency Act of 2006), as amended by Section 6202(a) of the Government Funding Transparency Act of 2008 (PL 110-252), which is outlined in FEMA GPD Information Bulletin NO. 350. If the subgrantee in the preceding year did not get 80% or more of its annual gross revenues from Federal Awards, and \$25M or more in annual gross revenues from Federal Awards, and the public does have access to information about the compensation of the senior executives of the entity, then the subgrantee is not subject to the FFATA Financial Disclosure requirements.

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25. Will comply with the following: (a) All recipients of financial assistance must acknowledge and agree—and require any subrecipients, contractors, successors, transferees, and assignees acknowledge and agree—to comply with applicable provisions governing Cal OES access to records, accounts, documents, information, facilities, and staff; (b) Recipients must cooperate with any site visit, compliance monitoring review or complaint investigation conducted by Cal OES; (c) Recipients must give Cal OES access to and the right to examine and copy records, accounts, and other documents and sources of information related to the grant and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by Cal OES regulations and other applicable laws or program guidance; (d) Recipients must submit timely, complete, and accurate reports to the appropriate Cal OES officials and maintain appropriate backup documentation to support the reports; and (e) Recipients must comply with all other special reporting, data collection, and evaluation requirements, as prescribed by law or detailed in the program guidance.
26. Will comply with the EMPG-Funded Personnel Training and Exercise Requirement. All recipients of financial assistance must acknowledge and agree—and require any subrecipients, to acknowledge and agree—to comply with the EMPG-funded personnel training and exercise requirement, as detailed in both the Federal and State program guidance. Failure to comply with this requirement, by individuals whose salary is funded in part or whole with EMPG, may result in the incurred salary costs associated with the non-compliant EMPG-funded personnel from being eligible for reimbursement and/or result in the recipient's repayment of already disbursed grant funding associated with the non-compliant EMPG-funded personnel's salary-related costs.

CERTIFICATIONS

1. CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS:

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. See Article III.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

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If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

2. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS (DIRECT RECIPIENT):

As required by Executive Orders 12549 and 12589, Debarment and Suspension, and implemented at 44 CFR, Part 17 (See Article XXXII):

A. The applicant certifies that it and its principals:

- (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, sentenced to a denial of Federal benefits by a State or Federal court, or voluntarily excluded from covered transactions by any Federal department or agency;
- (2) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or Local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or Local) with commission of any of the offenses enumerated in paragraph (A)(2) of this certification; and
- (4) Have not within a three-year period preceding this application had one or more public transactions (Federal, State, or Local) terminated for cause or default; and

B. Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

3. CERTIFICATIONS REGARDING DRUG-FREE WORKPLACE REQUIREMENTS: This certification commits the applicant to compliance with the certification requirements under 44 CFR, Part 17 *Government-wide Requirements for Drug-Free Workplace (Grants)*. See Article IX.

A. The grantee certifies that it will or will continue to provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing an ongoing drug-free awareness program to inform employees about—
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;

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- (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - (e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
 - (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted—
 - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

4. SWEATFREE CODE OF CONDUCT:

- a. All applicants contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the subgrant have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The applicant further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.
- b. The applicant agrees to cooperate fully in providing reasonable access to the applicant's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

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5. DOMESTIC PARTNERS: For subgrants executed or amended after July 1, 2004, the applicant may elect to offer domestic partner benefits to the applicant's employees in accordance with Public Contract Code section 10295.3. However, the applicant cannot require an employee to cover the costs of providing any benefits which have otherwise been provided to all employees regardless of marital or domestic partner status.

TERMS AND CONDITIONS

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Applicant needs to be aware of the following provisions regarding current or former state employees. If subgrantee has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Public Contract Code §10410):

- 1) No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2) No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Public Contract Code §10411):

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

If applicant violates any provisions of above paragraphs, such action by applicant shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Applicant needs to be aware of the provisions which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions, and applicant affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)
3. AMERICANS WITH DISABILITIES ACT: Applicant assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

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4. **APPLICANT NAME CHANGE:** An amendment is required to change the applicant's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.
5. **RESOLUTION:** A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.
6. **AIR OR WATER POLLUTION VIOLATION:** Under the State laws, the applicant shall not be:
- (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district;
 - (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or
 - (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.
7. **SYSTEM FOR AWARD MANAGEMENT (SAM) AND UNIVERSAL IDENTIFIER REQUIREMENTS:**
- A. Requirement for System for Award Management (SAM)
Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the SAM until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that applicants and recipients review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.
- B. Requirement for Data Universal Numbering System (DUNS) Numbers
If recipients are authorized to make subawards under this award, they:
1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.
 2. May not make a subaward to an entity unless the entity has provided its DUNS number to you.
- C. Definitions
For purposes of this award term:
1. System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at <http://www.sam.gov>).
 2. Data Universal Numbering System (DUNS) number means the nine digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).
 3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR §25.320, subpart C:
 - a. A Governmental organization, which is a State, Local government, or Indian Tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;
 - d. A domestic or foreign for-profit organization; and
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
 4. Subaward, as defined in 2 CFR §170.325:
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

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- b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. 210 of the attachment to OMB Circular A-133, "Audits of States, Local Government, and Non-Profit Organizations").
 - c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.
5. Subrecipient, as defined in 2 CFR §25.360, means an entity that:
- a. Receives a subaward from you under this award; and
 - b. Is accountable to you for the use of the Federal funds provided by the subaward.

8. **FINANCIAL GUIDELINES:** The recipient and any subrecipient shall comply with the most recent version of the Administrative Requirements, Cost Principles, and Audit Requirements. A non-exclusive list of regulations commonly applicable to FEMA grants are listed below:

A. Administrative Requirements

- 1. 44 CFR 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments
- 2. 2 CFR Part 215, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (OMB Circular A-110)
- 3. 44 CFR part 10, Environmental Considerations

B. Cost Principles

- 1. 2 CFR Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87)
- 2. 2 CFR Part 220, Cost Principles for Educational Institutions (OMB Circular A-21)
- 3. 2 CFR Part 230, Cost Principles for Non-Profit Organizations (OMB Circular A-122)
- 4. 48 CFR 31.2, Federal Acquisition Regulations (FAR), Contracts with Commercial Organizations

C. Audit Requirements

- 1. OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations

9. **PROHIBITION ON USING FEDERAL FUNDS:** The recipient understands and agrees that it cannot use any Federal funds, either directly or indirectly, in support of the enactment, repeal, modification or adoption of any law, regulation or policy, at any level of government, without the express prior written approval of FEMA.

10. **COMPLIANCE WITH PROGRAM GUIDANCE:** The recipient agrees that all allocations and use of funds under this grant will be in accordance with the Program guidance and application kit.

11. **CLASSIFIED SECURITY CONDITION:**

- A. Classified national security information, as defined in Executive Order (EO) 12958, as amended, means information that has been determined pursuant to EO 12958 or any predecessor order to require protection against unauthorized disclosure and is marked to indicate its classified status when in documentary form.
- B. No funding under this award shall be used to support a contract, subaward, or other agreement for goods or services that will include access to classified national security information if the award recipient has not been approved for and has access to such information.
- C. Where an award recipient has been approved for and has access to classified national security information, no funding under this award shall be used to support a contract, subaward, or other agreement for goods or services that will include access to classified national security information by the contractor, subawardee, or other entity without prior written approval from the DHS Office of Security, Industrial Security Program Branch (ISPB), or an appropriate official within the Federal department or agency with whom the classified effort will be performed.
- D. Such contracts, subawards, or other agreements shall be processed and administered in accordance with the DHS "Standard Operating Procedures, Classified Contracting by States and Local Entities," dated July 7,

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2008; EOs 12829, 12958, 12968, as amended; the National Industrial Security Program Operating Manual (NISPOM); and/or other applicable implementing directives or instructions. All security requirement documents are located at: <http://www.dhs.gov/xopnbiz/grants/index.shtm>

- E. Immediately upon determination by the award recipient that funding under this award will be used to support such a contract, subaward, or other agreement, and prior to execution of any actions to facilitate the acquisition of such a contract, subaward, or other agreement, the award recipient shall contact ISPB, or the applicable Federal department or agency, for approval and processing instructions.

DHS Office of Security ISPB contact information:

Telephone: 202-447-5346

Email: DD254AdministrativeSecurity@dhs.gov

Mail: Department of Homeland Security

Office of the Chief Security Officer

ATTN: ASD/Industrial Security Program Branch

Washington, D.C. 20528

12. REPORTING SUBAWARD AND EXECUTIVE COMPENSATION:

A. Reporting of first-tier subawards.

1. **Applicability.** Unless you are exempt as provided in paragraph D. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph E. of this award term).
2. **Where and when to report.**
 - a. You must report each obligating action described in paragraph A.1. of this award term to <http://www.fsrs.gov>.
 - b. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2012, the obligation must be reported by no later than December 31, 2012.)
3. **What to report.** You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

B. Reporting Total Compensation of Recipient Executives.

1. **Applicability and what to report.** You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if-
 - a. The total Federal funding authorized to date under this award is \$25,000 or more;
 - b. in the preceding fiscal year, you received-
 - i. 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - c. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

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2. Where and when to report. You must report executive total compensation described in paragraph B.1. of this award term:
 - a. As part of your registration profile at <http://www.sam.gov>.
 - b. By the end of the month following the month in which this award is made, and annually thereafter.

C. Reporting of Total Compensation of Subrecipient Executives.

1. Applicability and what to report. Unless you are exempt as provided in paragraph D. of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year if-
 - a. in the subrecipient's preceding fiscal year, the subrecipient received-
 - i. 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - b. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15 (d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/excomp.htm>.)
2. Where and when to report. You must report subrecipient executive total compensation described in paragraph C.1. of the award term:
 - a. To the recipient.
 - b. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

D. Exemptions.

1. If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:
 - a. Subaward, and
 - b. The total compensation of the five most highly compensated executives of any subrecipient.

E. Definitions. For purposes of the award terms:

1. Entity means all of the following, as defined in CFR §25.320:
 - a. A Governmental organization, which is a State, Local government, or Indian Tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;
 - d. A domestic or foreign for-profit organization;
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity
2. Executive means officers, managing partners, or any other employees in management positions, as defined in 2 CFR § 170.315.
3. Subaward, as defined in 2 CFR § 170.325:

Initials _____

- a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. __ 210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations").
 - c. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.
4. Subrecipient, as defined in 2 CFR §25.360 means an entity that:
- a. Receives a subaward from you (the recipient) under this award;
 - b. Is accountable to you for the use of the Federal funds provided by the subaward.
5. Total compensation, as defined in 2 CFR §170.330 means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
- a. Salary or bonus.
 - b. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - c. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - d. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
 - e. Above-market earnings on deferred compensation which is not tax-qualified.
 - f. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and applicant may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the applicant has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective jurisdiction to the assurances and certifications listed above.

<i>Jurisdiction (Printed)</i>
<i>By (Authorized Signature)</i>
<i>Printed Name and Title of Person Signing</i>
<i>Date Executed</i>

Initials _____

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Eric Briddick, Lieutenant

DATE: October 15, 2014

SUBJECT: Approval for Funding of the City of Norco Traffic Enforcement Plan

RECOMMENDATION: Adopt **Resolution No. 2014-62**, approving an additional expenditure and appropriation in the amount of \$75,000 for the City of Norco Sheriff Staff Plan for Traffic Enforcement

SUMMARY: The City of Norco has requested the Riverside County Sheriff's Department provide a dedicated traffic enforcement position for additional traffic enforcement. A dedicated traffic position is defined as a Sheriff's Deputy performing exclusive traffic related enforcement. Because Norco patrol personnel are assigned to other patrol related duties, they do not provide exclusive traffic related enforcement. Therefore, a specialized enforcement and deployment plan exclusive to traffic enforcement laws was explored. This specific traffic enforcement plan was presented and discussed at a special meeting of the City Council on October 8, 2014. The City Council reached a consensus to allocate funds for this plan.

The deployment of traffic enforcement should be based on the traffic collision and driver violation statistics mentioned below. Additionally, the enforcement should be directed toward the days of the week and the hours of the day, when collisions are most likely to occur.

BACKGROUND: The City of Norco contracts with the Riverside County Sheriff's Department for police services, which includes enforcement of all traffic laws. The current Norco police services contract includes Sheriff's Department Personnel who are responsible for working routine patrol, which includes traffic enforcement responsibilities. However, these routine patrol duties are not exclusive to traffic enforcement only.

In order to reduce traffic collisions, the Sheriff's Department continually reviews traffic enforcement methodology, statistics and best practices. By reviewing the information available, the Department can then implement a deployment plan to target specific

collision factors in specific locations, in an attempt to reduce traffic collisions and increase public safety. The continual review of this information and subsequent deployment planning is vital to the success of any traffic enforcement.

The City of Norco has requested the Riverside County Sheriff's Department provide a recommendation pertaining to additional specific traffic enforcement operations in the City of Norco. Additional specific traffic enforcement is not within scope of the existing Riverside County Sheriff's police services contract with the City of Norco.

This specific traffic enforcement plan would be facilitated through the use of existing Department personnel. Any agreed upon traffic enforcement would have to be funded outside of the contract. In order for any enforcement to proceed, the amount of hours dedicated to this specialized traffic enforcement would be agreed upon between the Department and the City of Norco.

Details:

Analysis for Deployment: In order to provide a strategic enforcement plan dedicated to reducing traffic collisions, traffic collision data and vehicle code violation statistics were reviewed from June 2013 through June 2014. The statistical information included the locations, days of the week, and timeframe when collisions were the highest. The statistics provided the following information:

- a. The primary collision factor for the majority of collisions was speed.
- b. The primary driver related offense for citations was speed.
- c. The highest percentage of collisions occurred Monday through Friday, during "rush hour," between 5:00 p.m. and 6:00 p.m.
- d. The top three locations for traffic collisions were:
 - i. Second Street and Hamner Avenue
 - ii. Hamner Avenue and Hidden Valley Parkway
 - iii. Sixth Street and Hamner Avenue
 1. All of the above locations are main arteries connected to the I-15 Freeway

Enforcement Deployment:

Based on the compiled statistics, it is believed the specialized traffic enforcement would be most beneficial during the weekdays, between the hours most common to evening rush hour traffic, at the three locations noted above. Any other traffic enforcement concerns or needs would be identified and discussed on a case by case basis.

Enforcement Logistics:

Enforcement will be conducted by a trained Deputy Sheriff, wearing the Riverside Sheriff's Department tan and green uniform, accented with the City of Norco patch. The Deputy Sheriff will be utilizing a Riverside County Sheriff's black and white patrol car, marked with the City of Norco graphics, and the words "Traffic Enforcement," affixed to the top of the front fenders.

RECOMMENDATION: On Monday, August 25, the Riverside Sheriff's Department, Jurupa Valley Station Commander, Captain Horton and Lieutenant Briddick, met with City Manager Andy Okoro, Mayor Berwin Hanna, and Mayor Pro Tem Herb Higgins, to discuss potential traffic enforcement deployment plan. During this meeting, Mayor Hanna and Mayor Pro Tem Higgins conceptually agreed to a deployment plan that would allocate \$75,000 of funding to additional traffic enforcement for the remainder of FY 2014-2015. This funding amount would provide approximately 1,000 hours of traffic enforcement. This additional traffic enforcement will be accomplished by increasing contracted overtime budget. At its Special meeting on October 8, 2014, the City Council reached consensus to allocate funds for this plan.

FINANCIAL IMPACT: The recommended extra traffic enforcement and deployment plan will be appropriated from the City's General Fund in the amount of \$75,000 for FY 2014-2015.

Attachment: Resolution No. 2014-62

RESOLUTION NO. 2014-62

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, APPROVING AN ADDITIONAL EXPENDITURE AND APPROPRIATION OF \$75,000 TO FUND THE NORCO SHERIFF STAFF PLAN FOR TRAFFIC RNFORCEMENT

WHEREAS, the City of Norco contracts with the Riverside County Sheriff's Department for police services, which includes enforcement of all traffic laws; and

WHEREAS, the current Norco police services contract includes Sheriff's Department personnel who are responsible for working routine patrol, which includes traffic enforcement responsibilities; and

WHEREAS, additional specific traffic enforcement is not within the scope of the existing Riverside County Sheriff's police services contract with the City of Norco; and

WHEREAS, the specific traffic enforcement plan would be facilitated through the use of existing department personnel and funded outside of the contract; and

WHEREAS, the City has duly considered the City of Norco Sheriff Staff Plan for Traffic Enforcement and believes it serves the public interest of the City of Norco and its residents.

NOW THEREFORE, be it resolved by the City Council of the City of Norco that the City approve an additional expenditure and appropriation in the amount of \$75,000 from the General Fund for the City of Norco Sheriff Staff Plan for Traffic Enforcement.

PASSED AND ADOPTED by the City Council of the City of Norco at a meeting held on October 15, 2014.

Berwin Hanna, Mayor
City of Norco, California

ATTEST:

Cheryl L. Link, City Clerk

Resolution No. 2014-62

Page 2

October 15, 2014

City of Norco, California

I, CHERYL L. 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 meeting held on October 15, 2014 by the following vote of the City Council:

AYES:

NOES:

ABSENT:

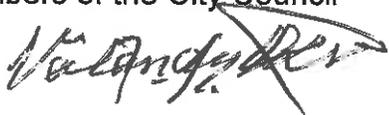
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on October 15, 2014.

Cheryl L. 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: Roger Grody, Economic Development Consultant

DATE: October 15, 2014

SUBJECT: Approval for Funding of Norco Auto Mall Sign Improvements

RECOMMENDATION: Adopt **Resolution No. 2014-63**, approving an expenditure of \$187,340 for improvements to the Norco Auto Mall Sign, and authorize the City Manager to execute an agreement with the Norco Automobile Merchants Association.

SUMMARY: The Norco Auto Mall Sign, visible from the I-15 Freeway, is an essential marketing tool for the Norco Automobile Merchants Association (NMA), currently consisting of Hemborg Ford and Browning Dodge Chrysler Jeep Ram. It would also benefit any future member(s) of the NMA. The sign, which has not been updated since 2003, requires a complete renovation to bring the sign's electronic components to current standards and to enhance its overall aesthetics. At its workshop on October 8, 2014, the City Council reached a consensus to allocate funds for these improvements.

BACKGROUND/ANALYSIS: The Norco Auto Mall Sign was originally constructed in 1990 by Electra-Media, Inc. (EMI) and received its first renovation in 1995 by the same company. In 2003, the sign's electronic screen was converted from 18,000 traditional light bulbs to the new Light-Emitting Diode (LED) technology by EMI, which continues to operate and maintain the sign on behalf of the NMA. The type of LED lighting installed in 2003 typically lasts about a decade before requiring replacement, and LED technology has advanced considerably since that time. EMI has proposed that the auto dealerships and City of Norco split the cost of improvements equally.

Both the City and the auto dealers felt the overall design of the sign appeared dated, and that the existing structure could accommodate a larger, more highly visible, electronic screen. In addition, the City insisted that the Horsetown USA logo appear somewhere on the sign. Staff worked closely with EMI's design team to arrive at a new sign with a larger screen, a more streamlined appearance and the Horsetown USA logo prominently displayed. The comprehensive redesign—above and beyond a simple switching out of the obsolete LED components—increased the cost of the sign from an originally anticipated \$230,000 to \$374,680, with the City's 50 percent contribution calculated at \$187,340. The proposed agreement entitles the City to 15 percent of all screen time (the equivalent of nine (9) minutes of every hour) to present community

announcements or to sell to commercial advertisers. The City's contribution is contingent to the NMA agreeing amongst themselves for their 50 percent contribution.

The City's recommended contribution represents a major financial commitment, but Norco's two existing new car dealerships contribute an unrivaled amount of sales tax revenue to the City. Therefore, it is prudent to invest in the prosperity of these dealerships, as their performance directly impacts the City's General Fund. Furthermore, an updated Auto Mall Sign enhances the image of the Norco Auto Mall and improves the City's chances of attracting an additional dealership in the future. It is anticipated that upgrading the sign will result in additional sales and sales tax revenue to the City.

FISCAL IMPACT: \$187,340 appropriated from the City's General Fund.

Attachments: Resolution No. 2014-63
EMI Sales Agreement
Rendering of new Norco Auto Mall sign

RESOLUTION NO. 2014-63

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, APPROVING AN EXPENDITURE OF \$187,340 TO FUND IMPROVEMENTS TO THE NORCO AUTO MALL SIGN

WHEREAS, the sales tax revenue generated by members of the Norco Automobile Merchants Association are critical to the City of Norco's economic vitality; and

WHEREAS, prominent, state-of-the-art signage is an effective means of drawing customers into the Norco Auto Mall; and

WHEREAS, the City desires to fund the improvements proposed for the Norco Auto Mall Sign in the amount of \$187,340; and

WHEREAS, the City's contribution to the total cost of improvements is a fair and equitable 50 percent, and the Norco Automobile Merchants Association agreeing on contributing the other 50 percent; and

WHEREAS, the proposed agreement between the City and the Norco Automobile Merchants Association provides for 15 percent of all screen time to be allocated for community announcements or sold by the City to commercial advertisers; and

WHEREAS, the proposed agreement stipulates that the City has no obligation to maintain or repair the Auto Mall Sign; and

WHEREAS, the City has duly considered all terms and conditions of the proposed agreement and believes it serves the public interest of the City of Norco, its business community and its residents.

NOW THEREFORE, be it resolved by the City Council of the City of Norco that the City enter into an agreement committing an expenditure of \$187,340 for improvements to the Norco Auto Mall Sign contingent upon the Norco Automobile Merchants Association contributing the other 50 percent.

BE IT FURTHER RESOLVED, that the City Council of the City of Norco approves additional General Fund appropriation in the amount of \$187,340.

PASSED AND ADOPTED by the City Council of the City of Norco at a meeting held on October 15, 2014.

Berwin Hanna, Mayor
City of Norco, California

ATTEST:

Cheryl L. Link, City Clerk
City of Norco, California

I, CHERYL L. 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 meeting held on October 15, 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 October 15, 2014.

Cheryl L. Link, City Clerk
City of Norco, California

EMI

ELECTRA-MEDIA, INC.

SALES AGREEMENT

Customer
 Norco Auto Dealers Association
 2075 Hamner Avenue
 Norco, CA 91760

Equipment Address:
 1321 Auto Center Drive
 Norco, CA

I/We hereby order for purchase under the terms and conditions of this agreement, incorporated herein by reference, the following product(s):

25MM Resolution

Product Description: Remove top logo, decorative trim, existing "NORCO AUTO MALL" channel letters and old LED displays and dispose of all elements, keeping main ID cabinet structure. Fabricate and install one (1) new arch on top of existing upper ID cabinet and manufacture and install new 4'6" "NORCO AUTO MALL" internally illuminated (with white LEDs) channel letters. Provide and install two (2) new single face full color YESCO LED displays in V'd configuration (152 pixels high by 496 pixels wide – 25MM Resolution). Each pixel to be comprised of premium diodes (red, blue and green) of the highest quality. Each pixel to be shaded by a consistent linear, 1.5" louver. Display to have night-time dimming capability to 1% of full brightness, still maintaining 100% of the color spectrum. The LED circuit boards and modules to be conformal coated, and enclosed in a sealed, water-tight enclosure. All electrical components are to be wired into central distribution panel which then will connect to existing primary disconnects. YESCO and EMI technicians will complete all wiring, turn-on and test display. Also includes time and temperature, remote computer in marquee, automatic dimming circuit, modem and ventilation system. Manufacture and install two (2) new single face, internally illuminated (with white LEDs) City logo cabinets, 14' x 17' mounted to existing pole covers. Faces to have digitally printed graphics. Remove the two (2) decorative metal trim pieces from existing pole covers and repaint pole covers to match new top I.D. cabinet paint color. See EMI / YESCO Design #806871-4. Structural Engineering Included in price. **Note: All fabrication, installation and permits to be performed by California Licensed Contractor "Young Electric Sign Company" (YESCO), State Contractors License C-45 #250739 and EMI State Contractors License C-45 #815508.**

EMI Maintenance Contract (Paid by Dealers): Five (5) year factory warranty on parts, **\$807.00 per month** (following activation) for all labor and crane labor for monthly service to change out LED modules, power supplies, interface cards, line drivers, DVI cards, transformers, fuses, rectifier boards, modem, controller, software, etc., along with preventative maintenance calls once per month over and above emergency weekend and holiday calls. Also includes parts and labor for servicing illuminated identification displays, including lamps, LEDs, ballasts and transformers.

EMI Programming Contract (Paid by Dealers): \$315.00 per month (following activation). Includes daily updates, unlimited changes, video graphic transfer, Internet downloads, e-mail confirmations, holiday graphics, and weekly frame reviews. Also includes our proactive EMI team periodically reviewing sign content to ensure that frames stay up to date.

Delivery: 90 days from date permits are obtained and down payment is received.

Electrical & Phone: Reuse existing electrical and phone line/DSL, EMI/YESCO to hookup using EMI/YESCO technicians and cranes.

City Permits: Includes coordinating and processing City building permit. **Note:** Actual cost of City application fees, inspection fees, acquisition labor and final building permit fees are to be billed separately to Norco Auto Dealers Association.

Contingency: Agreement contingent upon EMI obtaining 50% funding from the City of Norco with final terms and conditions of funding agreement between the Dealers Association and the City of Norco being approved by Hemborg Ford and Browning Dodge. EMI to coordinate the City funding process and provide sample funding agreements used recently at other cities.

Loan Option for Dealers Association (50%):

- 0 down, **\$1,335.00 per month per dealer** for 84 months (4.75% interest) contingent upon bank approval.
- 0 down, **\$1,937.00 per month per dealer** for 60 months (4.75% interest) contingent upon bank approval.

<u>Price (Based on Prevailing Wage)</u>	<u>Payment Terms</u>
Equipment & Labor: \$ 374,680.00	\$ 187,340.00 Down Payment (from Dealers Association)
Applicable Tax: Included	
Total With Tax: \$ 374,680.00	\$ 187,340.00 Upon Completion (from City of Norco)

IN WITNESS WHEREOF, Owner and EMI have executed this agreement this 30th day of September, 2014.

Owner: Norco Auto Dealers Association
 2075 Hamner Avenue
 Norco, CA 91760

Electra Media, Inc.
 4737 W. 156th Street
 Lawndale, CA 90260

By _____

By 
 Rod Wilson

Date _____

Date 9/30/14

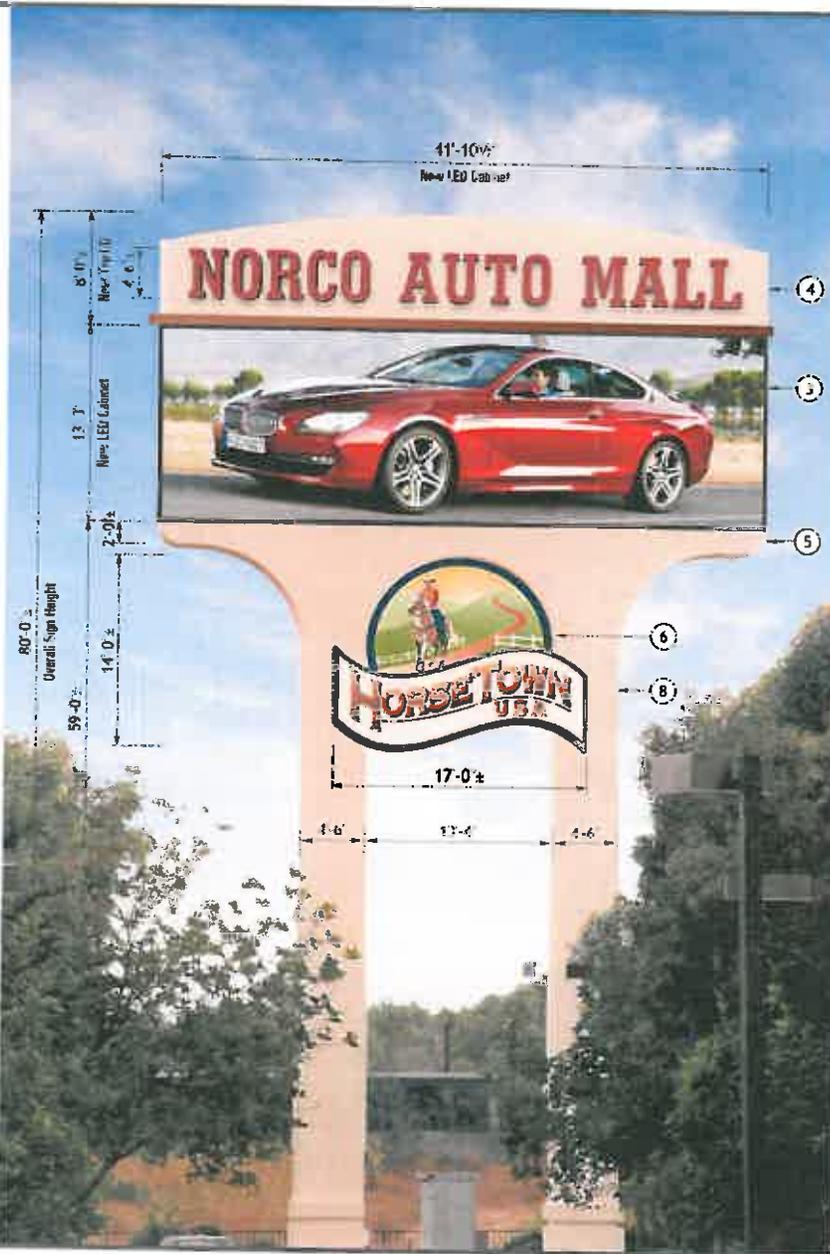
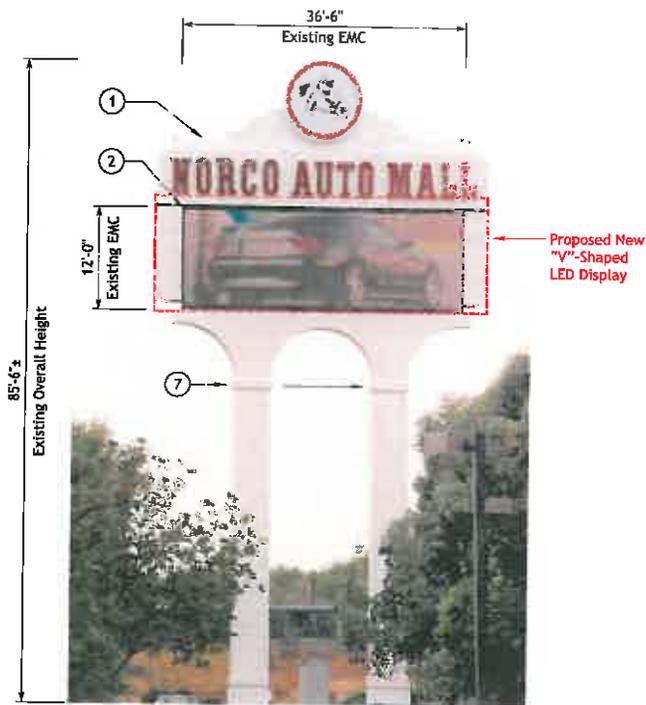
New Higher Resolution "V"-Shaped LED Display to Replace Existing EMC

Not to Scale

1. Remove entire top I.D. logo and cabinet, including "NORCO AUTO MALL" letters.
2. Remove existing electronic message center.
3. Provide and install new full color LED display, installed in same location, but with a "V" configuration for better viewing angles (only the LED display to be installed at an angle).
Two (2) single face units:
25 mm
152 x 496 matrix
Cabinet: 13'-3" x 41'-10.3"
Active Area: 12'-8" x 41'-4"
4. Fabricate and install new double face top I.D. cabinet with new "NORCO AUTO MALL" internally illuminated channel letters.
5. Fabricate and install additional flashing/pole cover trim under LED display.
6. Fabricate and install two (2) new single face illuminated logo cabinets, mounted flush to face of existing pole cover. Faces to be white flexible sign facing, digitally printed both sides of material for more accurate graphics in day time and night time.
7. Existing decorative trim on legs of pole cover to be removed.
8. Existing pole covers to be repainted.

** NOTE: All measurements to be field verified prior to manufacturing.
*** NOTE: All modifications to sign are pending engineering verification.

Existing Double Face Pylon Sign EMC to be Upgraded



EMI
ELECTRA-MEDIA, INC.
LAMHURDLE, CALIFORNIA
Phone Number: (310) 725-0316

YESCO

LOS ANGELES DIVISION
18234 O. De Groot Avenue, Suite 200, Van Nuys, CA 91411
Tel: (818) 705-7668 Fax: (818) 705-7315
www.yesco.com
P.O. Box 10000, Los Angeles, CA 90001

CLIENT INFORMATION

Name: NORCO Auto Mall
Address: 11-xxxxx Avenue
Norco, CA

Sales Exec: ---

SCALE	REV	BY
AS NOTED	001	KERRY

REVISIONS

REV	DESCRIPTION	BY
01	11/12/14	E. KERRY
1	Different design options	
2	06/11/14	E. KERRY
3	Different options	
4	03/23/14	E. KERRY
5	Extend 1" end caps down	
6	04/27/14	E. KERRY
7	Extend LED display	

CUSTOMER APPROVAL

ACCEPTED WITH NO CHANGES
 ACCEPTED WITH CHANGES AS NOTED
 REVISIONS NOTED AND RE-QUOTE

Date: _____

PRODUCTION APPROVAL

Name: _____ (Date)
Phone: _____ (Unit)

Design: **806871-4**

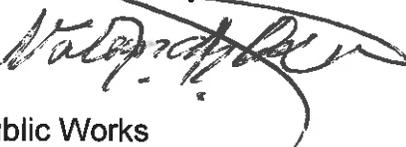
Sheet: **1 of 1**

This sheet is intended to be used as a guide only. It is not to be used as a contract. The actual design and construction of the sign shall be the responsibility of the client. The client shall verify all dimensions and specifications of the sign prior to manufacturing. The client shall verify the sign is installed correctly and in accordance with the design. The client shall verify the sign is maintained in accordance with the design. The client shall verify the sign is replaced in accordance with the design. The client shall verify the sign is removed in accordance with the design. The client shall verify the sign is installed in accordance with the design. The client shall verify the sign is maintained in accordance with the design. The client shall verify the sign is replaced in accordance with the design. The client shall verify the sign is removed in accordance with the design.

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CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

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

DATE: October 15, 2014

SUBJECT: Acceptance of Bids and Award of Contract for the Norco MDP Line NB-2 and S-5A Project, Located on Temescal Avenue between Cole Street and Wrangler Way, and the End of Kingman Drive, Respectively

RECOMMENDATION: Accept bids submitted for the construction of various storm drains and related appurtenances and award a contract to GRFCO, Inc. of Moreno Valley, CA in the amount of \$513,298.00, and authorize the City Manager to approve contract change orders up to 10 percent of the bid contract amount.

SUMMARY: Bids for the Norco MDP Line NB-2 and S-5A Project were opened on September 17, 2014 with GRFCO, Inc. of Moreno Valley, CA being the lowest responsible bidder. Therefore, it is recommended that a contract be awarded to GRFCO, Inc. in the amount of \$513,289.00.

BACKGROUND/ANALYSIS: The City of Norco contracted with Armstrong and Brooks Consulting Engineers, Inc. of Corona, to prepare plans and specifications for the construction of various storm drains and related appurtenances for these two Riverside County Flood Control and Water Conservation District Master Drainage Plan lines. The projects are Line NB-2 which is closed conduit in Temescal Avenue between Cole Street and Wrangler Way; and Lateral S-5A, a closed conduit is contained in a storm drain easement, traversing private property at the end of Kingman Drive to an existing drainage structure located on Norco Jr. High School. The plans include construction of various size reinforced concrete pipes, catch basins, local depressions and related road improvements. The plans and specifications were advertised on August 20, 2014 with a bid opening date of September 17, 2014. A total of 8 bids were received with proposals ranging in value from \$513,298.00 to \$963,875.00. The low bid of \$513,298 was 14% higher than the engineer's estimate of \$450,000. The bid summary sheet has been attached for Council's review.

Staff received one letter of protest from the Center for Contract Compliance citing several alleged contractor violations and requested the City consider that information when making the decision on awarding this contract to GRFCO, Inc. Staff has checked with the listed surety to confirm good standing and ability to bond this size project. In addition, several references were contacted and positive responses were given on GRFCO, Inc. Staff has also consulted with the City Attorney on the matter and has received the advice that the

Acceptance of Bid and Award of Contract for Norco MDP Line NB-2 and S-5A Project
Page 2
October 15, 2014

protest did not warrant the bid to be rejected as non-responsive. Staff is therefore requesting City Council to accept the low bid and award the contract to GRFCO, Inc.

FINANCIAL IMPACT: Funds for this project, in the amount of \$595,911, are included in the FY 2014-2015 Storm Drain Capital Improvement Budget Fund 129.

Attachments: Bid Summary
Protest Letter



BID SUMMARY SHEET

Norco MDP Line NB-2 and S-5A Project

GRFCO, Inc.

Universal Pipeline, Inc.

Borden Excavating, Inc.

Weka, Inc.

ITEM	QUANTITY	UNITS	DESCRIPTION	UNIT BID	TOTAL	UNIT BID	TOTAL	UNIT BID	TOTAL	UNIT BID	TOTAL
BASE BID											
1	1	LS	Mobilization	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$5,000.00	\$5,000.00	\$24,357.00	\$24,357.00
2	1	LS	Traffic Control Plans & Construction Devices (Includes Engineered Traffic Control Plans)	\$6,000.00	\$6,000.00	\$7,500.00	\$7,500.00	\$5,000.00	\$5,000.00	\$10,000.00	\$10,000.00
3	1	LS	Water Pollution Control Plan Compliance	\$3,000.00	\$3,000.00	\$2,500.00	\$2,500.00	\$1,000.00	\$1,000.00	\$1,500.00	\$1,500.00
4	165	LF	Remove Existing Variable Height AC Berm	\$5.00	\$825.00	\$30.00	\$4,950.00	\$1.00	\$165.00	\$2.00	\$330.00
5	40	LF	Relocate Existing Horsetrail Fence per Norco Std. Dwg. No. 705	\$60.00	\$2,400.00	\$50.00	\$2,000.00	\$20.00	\$800.00	\$28.00	\$1,120.00
6	2	EA	Relocate Existing 6" CML & C Waterline per Detail 55A on Plans	\$7,000.00	\$14,000.00	\$18,000.00	\$36,000.00	\$14,000.00	\$28,000.00	\$11,500.00	\$23,000.00
7	1	EA	Relocate Existing 6" CML & C Waterline per Detail 55C on Plans	\$6,000.00	\$6,000.00	\$15,000.00	\$15,000.00	\$12,500.00	\$12,500.00	\$11,500.00	\$11,500.00
8	2	EA	Relocate Existing 10" CML & C Waterline	\$7,000.00	\$14,000.00	\$15,000.00	\$30,000.00	\$15,000.00	\$30,000.00	\$12,000.00	\$24,000.00
9	250	LF	Remove and Replace Existing Chain Link Fence & Appurtenances	\$40.00	\$10,000.00	\$50.00	\$12,500.00	\$30.00	\$7,500.00	\$20.00	\$5,000.00
10	95	SF	Remove & Dispose of Existing Concrete Channel	\$10.00	\$950.00	\$35.00	\$3,325.00	\$1.00	\$95.00	\$4.00	\$380.00
11	36	LF	Remove & Dispose of Existing 18" RCP Storm Drain	\$30.00	\$1,080.00	\$35.00	\$1,260.00	\$1.00	\$36.00	\$18.00	\$648.00
12	1	EA	Relocate Existing Horse Corral	\$2,000.00	\$2,000.00	\$3,500.00	\$3,500.00	\$1,000.00	\$1,000.00	\$1,200.00	\$1,200.00
13	1	EA	Remove & Dispose of Existing 24" x 24" PCC Catch Basin	\$1,000.00	\$1,000.00	\$1,500.00	\$1,500.00	\$100.00	\$100.00	\$400.00	\$400.00
14	21	LF	Sawcut & Remove Existing 6" PCC Curb	\$20.00	\$420.00	\$50.00	\$1,050.00	\$2.00	\$42.00	\$5.00	\$105.00
15	2,800	LF	Sawcut & Remove Existing AC Pavement and Base Course	\$1.00	\$2,800.00	\$5.00	\$14,000.00	\$0.50	\$1,400.00	\$0.65	\$1,820.00
16	20	SF	Sawcut & Remove Interfering Portions of Existing PCC Ribbon Gutter	\$30.00	\$600.00	\$50.00	\$1,000.00	\$40.00	\$800.00	\$10.00	\$200.00
17	14	SF	Sawcut & Remove Interfering Portions of PCC Driveway	\$35.00	\$490.00	\$50.00	\$700.00	\$1.00	\$14.00	\$5.00	\$70.00
18	36	TON	Construct 2" Asphalt Pavement Base Course	\$125.00	\$4,500.00	\$120.00	\$4,320.00	\$100.00	\$3,600.00	\$124.00	\$4,464.00
19	54	CY	Construct 6" Class II Aggregate Base	\$50.00	\$2,700.00	\$60.00	\$3,240.00	\$50.00	\$2,700.00	\$55.00	\$2,970.00
20	11,850	SF	Construct AC Grind In Place & Place AC Overlay (0.2' Min.)	\$3.00	\$35,550.00	\$3.00	\$35,550.00	\$3.00	\$35,550.00	\$2.94	\$34,839.00
21	40	SF	Construct AC Grind & Place AC Overlay (0.2' Min.)	\$15.00	\$600.00	\$3.00	\$120.00	\$22.00	\$880.00	\$4.00	\$160.00
22	14	SF	Construct 4" PCC Pavement (Driveway)	\$50.00	\$700.00	\$75.00	\$1,050.00	\$32.00	\$448.00	\$13.00	\$182.00
23	2	LF	Construct Concrete Ribbon Gutter	\$200.00	\$400.00	\$200.00	\$400.00	\$270.00	\$540.00	\$120.00	\$240.00
24	170	LF	Construct 6" AC Berm (City of Corona Std. 140)	\$20.00	\$3,400.00	\$15.00	\$2,550.00	\$17.00	\$2,890.00	\$13.00	\$2,210.00
25	1	EA	Adjust Sewer Manhole to Grade	\$500.00	\$500.00	\$500.00	\$500.00	\$600.00	\$600.00	\$500.00	\$500.00
26	1,740	SF	Construct Street Pavement Repair per City of Norco Std. 155 (includes AC Pvmt)	\$7.00	\$12,180.00	\$10.00	\$17,400.00	\$3.00	\$5,220.00	\$5.00	\$8,700.00
27	686	LF	Install Double Solid 4" Yellow Line Per Caltrans Std. Plan A20A, Detail 21	\$3.00	\$2,058.00	\$6.00	\$4,116.00	\$4.00	\$2,744.00	\$3.00	\$2,058.00
28	114	LF	Construct 18" RCP Storm Drain (2000D-Load)	\$125.00	\$14,250.00	\$85.00	\$9,690.00	\$100.00	\$11,400.00	\$249.00	\$28,386.00
29	245	LF	Construct 42" RCP Storm Drain (2000D-Load)	\$155.00	\$37,975.00	\$135.00	\$33,075.00	\$344.00	\$84,280.00	\$290.00	\$71,050.00
30	422	LF	Construct 2' x 3' RCB per Caltrans Std. D80	\$300.00	\$126,600.00	\$310.00	\$130,820.00	\$370.00	\$156,140.00	\$390.00	\$164,580.00
31	224	LF	Construct 2' x 5' RCB per Caltrans Std. D80	\$480.00	\$107,520.00	\$375.00	\$84,000.00	\$420.00	\$94,080.00	\$430.00	\$96,320.00
32	14	LF	Construct 6" PVC (SCH 40) Storm Drain Pipe	\$200.00	\$2,800.00	\$100.00	\$1,400.00	\$140.00	\$1,960.00	\$40.00	\$560.00
33	4	EA	Construct Catch Basin No. 1 per RCFC & WCD Std. Dwg. No. CB100	\$7,000.00	\$28,000.00	\$5,500.00	\$22,000.00	\$6,200.00	\$24,800.00	\$4,500.00	\$18,000.00
34	1	EA	Construct Catch Basin No. 4 per RCFC & WCD Std. Dwg. No. CB101	\$7,000.00	\$7,000.00	\$5,500.00	\$5,500.00	\$7,500.00	\$7,500.00	\$5,600.00	\$5,600.00
35	4	EA	Construct Local Depression No. 2 per RCFC & WCD Std. Dwg. No. LD201	\$1,000.00	\$4,000.00	\$3,200.00	\$12,800.00	\$2,900.00	\$11,600.00	\$1,700.00	\$6,800.00
36	1	EA	Construct Junction Structure No. 3 (Case "C") per RCFC & WCD Std. Dwg. No. LD202	\$2,000.00	\$2,000.00	\$3,500.00	\$3,500.00	\$6,800.00	\$6,800.00	\$2,500.00	\$2,500.00
37	1	EA	Construct Junction Structure No. 1 per RCFC & WCD Std. Dwg. No. JS226	\$2,000.00	\$2,000.00	\$3,500.00	\$3,500.00	\$6,300.00	\$6,300.00	\$11,000.00	\$11,000.00
38	1	EA	Construct Junction Structure Caltrans Std. D91A & D91B	\$2,000.00	\$2,000.00	\$4,300.00	\$4,300.00	\$11,100.00	\$11,100.00	\$10,000.00	\$10,000.00
39	1	EA	Construct Storm Drain Manhole No. 1 per RCFC & WCD Std. MH 251-Modified per Plan	\$4,000.00	\$4,000.00	\$4,500.00	\$4,500.00	\$6,900.00	\$6,900.00	\$5,000.00	\$5,000.00
40	1	EA	Construct Storm Drain Manhole No. 2 per RCFC & WCD Std. MH 252-Modified per Plan	\$6,000.00	\$6,000.00	\$4,500.00	\$4,500.00	\$7,400.00	\$7,400.00	\$6,800.00	\$6,800.00
41	1	EA	Construct Manhole No. 3 per RCFC & WCD Std. MH 253	\$5,000.00	\$5,000.00	\$4,500.00	\$4,500.00	\$4,600.00	\$4,600.00	\$3,400.00	\$3,400.00
42	2	EA	Construct Drop Inlet per RCFC & WCD Std. CB 110	\$6,000.00	\$12,000.00	\$2,500.00	\$5,000.00	\$3,800.00	\$7,600.00	\$1,800.00	\$3,600.00
									\$3,800.00		\$1,800.00
44	5	EA	Construct Sanitary Sewer Protection per RCFC & WCD Std. M807	\$1,000.00	\$5,000.00	\$2,500.00	\$12,500.00	\$500.00	\$2,500.00	\$1,000.00	\$5,000.00
45	1	EA	Construct Concrete Bulkhead per RCFC & WCD Std. M816	\$4,000.00	\$4,000.00	\$1,000.00	\$1,000.00	\$600.00	\$600.00	\$600.00	\$600.00
46	1	LS	City Encroachment Permit for Public Works Inspection	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$2,500.00	\$2,500.00	\$8,100.00	\$8,100.00
BID TOTAL FOR BASE BID					\$513,298.00		\$563,616.00		\$600,484.00		\$611,049.00
						vs.		vs.		vs.	
<i>Sub-Contractors</i>				No Subs Listed		AC Grind/Cap:	All American Asphalt, Corona	Striping:	Superior Pavement Markings		
								Structures:	R. Dugan Construction, Mira Loma		



BID SUMMARY SHEET

Norco MDP Line NB-2 and S-5A Project

TBU, Inc.

Norstar Plumbing and Engineering, Inc.

Atlas-Allied, Inc.

Pro-Craft Construction, Inc.

ITEM	QUANTITY	UNITS	DESCRIPTION	UNIT BID	TOTAL	UNIT BID	TOTAL	UNIT BID	TOTAL	UNIT BID	TOTAL
BASE BID											
1	1	LS	Mobilization	\$100,000.00	\$100,000.00	\$2,000.00	\$2,000.00	\$20,000.00	\$20,000.00	\$180,000.00	\$180,000.00
2	1	LS	Traffic Control Plans & Construction Devices (Includes Engineered Traffic Control Plans)	\$1,800.00	\$1,800.00	\$5,000.00	\$5,000.00	\$8,000.00	\$8,000.00	\$20,000.00	\$20,000.00
3	1	LS	Water Pollution Control Plan Compliance	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$3,500.00	\$3,500.00
4	165	LF	Remove Existing Variable Height AC Berm	\$5.00	\$825.00	\$10.00	\$1,650.00	\$18.00	\$2,970.00	\$10.00	\$1,650.00
5	40	LF	Relocate Existing Horsetrail Fence per Norco Std. Dwg. No. 705	\$22.50	\$900.00	\$70.00	\$2,800.00	\$85.00	\$3,400.00	\$40.00	\$1,600.00
6	2	EA	Relocate Existing 6" CML & C Waterline per Detail 55A on Plans	\$9,950.00	\$19,900.00	\$8,000.00	\$16,000.00	\$39,600.00	\$79,200.00	\$12,500.00	\$25,000.00
7	1	EA	Relocate Existing 6" CML & C Waterline per Detail 55C on Plans	\$10,250.00	\$10,250.00	\$8,000.00	\$8,000.00	\$39,000.00	\$39,000.00	\$12,500.00	\$12,500.00
8	2	EA	Relocate Existing 10" CML & C Waterline	\$12,500.00	\$25,000.00	\$10,000.00	\$20,000.00	\$42,000.00	\$84,000.00	\$17,000.00	\$34,000.00
9	250	LF	Remove and Replace Existing Chain Link Fence & Appurtenances	\$38.00	\$9,500.00	\$58.00	\$14,500.00	\$15.00	\$3,750.00	\$24.00	\$6,000.00
10	95	SF	Remove & Dispose of Existing Concrete Channel	\$165.00	\$15,675.00	\$28.00	\$2,660.00	\$6.00	\$570.00	\$5.00	\$475.00
11	36	LF	Remove & Dispose of Existing 18" RCP Storm Drain	\$50.00	\$1,800.00	\$40.00	\$1,440.00	\$33.00	\$1,188.00	\$25.00	\$900.00
12	1	EA	Relocate Existing Horse Corral	\$3,500.00	\$3,500.00	\$3,500.00	\$3,500.00	\$3,300.00	\$3,300.00	\$2,000.00	\$2,000.00
13	1	EA	Remove & Dispose of Existing 24" x 24" PCC Catch Basin	\$1,200.00	\$1,200.00	\$500.00	\$500.00	\$1,600.00	\$1,600.00	\$500.00	\$500.00
14	21	LF	Sawcut & Remove Existing 6" PCC Curb	\$35.00	\$735.00	\$35.00	\$735.00	\$26.00	\$546.00	\$40.00	\$840.00
15	2,800	LF	Sawcut & Remove Existing AC Pavement and Base Course	\$0.75	\$2,100.00	\$3.00	\$8,400.00	\$2.60	\$7,280.00	\$4.00	\$11,200.00
16	20	SF	Sawcut & Remove Interfering Portions of Existing PCC Ribbon Gutter	\$80.00	\$1,600.00	\$75.00	\$1,500.00	\$50.00	\$1,000.00	\$25.00	\$500.00
17	14	SF	Sawcut & Remove Interfering Portions of PCC Driveway	\$125.00	\$1,750.00	\$75.00	\$1,050.00	\$50.00	\$700.00	\$25.00	\$350.00
18	36	TON	Construct 2" Asphalt Pavement Base Course	\$150.00	\$5,400.00	\$300.00	\$10,800.00	\$165.00	\$5,940.00	\$300.00	\$10,800.00
19	54	CY	Construct 6" Class II Aggregate Base	\$45.00	\$2,430.00	\$125.00	\$6,750.00	\$100.00	\$5,400.00	\$65.00	\$3,510.00
20	11,850	SF	Construct AC Grind In Place & Place AC Overlay (0.2' Min.)	\$3.25	\$38,512.50	\$3.00	\$35,550.00	\$3.30	\$39,105.00	\$5.00	\$59,250.00
21	40	SF	Construct AC Grind & Place AC Overlay (0.2' Min.)	\$32.50	\$1,300.00	\$100.00	\$4,000.00	\$3.30	\$132.00	\$35.00	\$1,400.00
22	14	SF	Construct 4" PCC Pavement (Driveway)	\$50.00	\$700.00	\$225.00	\$3,150.00	\$132.00	\$1,848.00	\$55.00	\$770.00
23	2	LF	Construct Concrete Ribbon Gutter	\$350.00	\$700.00	\$600.00	\$1,200.00	\$500.00	\$1,000.00	\$250.00	\$500.00
24	170	LF	Construct 6" AC Berm (City of Corona Std. 140)	\$40.00	\$6,800.00	\$50.00	\$8,500.00	\$45.00	\$7,650.00	\$13.00	\$2,210.00
25	1	EA	Adjust Sewer Manhole to Grade	\$750.00	\$750.00	\$2,800.00	\$2,800.00	\$800.00	\$800.00	\$500.00	\$500.00
26	1,740	SF	Construct Street Pavement Repair per City of Norco Std. 155 (Includes AC Pvmnt)	\$11.50	\$20,010.00	\$4.00	\$6,960.00	\$6.00	\$10,440.00	\$9.00	\$15,660.00
27	686	LF	Install Double Solid 4" Yellow Line Per Caltrans Std. Plan A20A, Detail 21	\$4.50	\$3,087.00	\$2.00	\$1,372.00	\$4.00	\$2,744.00	\$5.00	\$3,430.00
28	114	LF	Construct 18" RCP Storm Drain (2000D-Load)	\$84.00	\$9,576.00	\$200.00	\$22,800.00	\$140.00	\$15,960.00	\$220.00	\$25,080.00
29	245	LF	Construct 42" RCP Storm Drain (2000D-Load)	\$190.00	\$46,550.00	\$330.00	\$80,850.00	\$270.00	\$66,150.00	\$330.00	\$80,850.00
30	422	LF	Construct 2' x 3' RCB per Caltrans Std. D80	\$385.00	\$162,470.00	\$460.00	\$194,120.00	\$500.00	\$211,000.00	\$500.00	\$211,000.00
31	224	LF	Construct 2' x 5' RCB per Caltrans Std. D80	\$425.00	\$95,200.00	\$595.00	\$133,280.00	\$604.00	\$135,296.00	\$700.00	\$156,800.00
32	14	LF	Construct 6" PVC (SCH 40) Storm Drain Pipe	\$32.00	\$448.00	\$165.00	\$2,310.00	\$66.00	\$924.00	\$25.00	\$350.00
33	4	EA	Construct Catch Basin No. 1 per RCFC & WCD Std. Dwg. No. CB100	\$5,500.00	\$22,000.00	\$4,300.00	\$17,200.00	\$6,200.00	\$24,800.00	\$5,000.00	\$20,000.00
34	1	EA	Construct Catch Basin No. 4 per RCFC & WCD Std. Dwg. No. CB101	\$7,500.00	\$7,500.00	\$7,000.00	\$7,000.00	\$7,800.00	\$7,800.00	\$6,000.00	\$6,000.00
35	4	EA	Construct Local Depression No. 2 per RCFC & WCD Std. Dwg. No. LD201	\$500.00	\$2,000.00	\$3,800.00	\$15,200.00	\$1,240.00	\$4,960.00	\$2,500.00	\$10,000.00
36	1	EA	Construct Junction Structure No. 3 (Case "C") per RCFC & WCD Std. Dwg. No. LD202	\$2,000.00	\$2,000.00	\$2,800.00	\$2,800.00	\$1,000.00	\$1,000.00	\$1,500.00	\$1,500.00
37	1	EA	Construct Junction Structure No. 1 per RCFC & WCD Std. Dwg. No. JS226	\$2,000.00	\$2,000.00	\$12,000.00	\$12,000.00	\$3,300.00	\$3,300.00	\$5,000.00	\$5,000.00
38	1	EA	Construct Junction Structure Caltrans Std. D91A & D91B	\$5,900.00	\$5,900.00	\$9,000.00	\$9,000.00	\$11,500.00	\$11,500.00	\$8,000.00	\$8,000.00
39	1	EA	Construct Storm Drain Manhole No. 1 per RCFC & WCD Std. MH 251-Modified per Plan	\$4,600.00	\$4,600.00	\$5,000.00	\$5,000.00	\$4,200.00	\$4,200.00	\$4,000.00	\$4,000.00
40	1	EA	Construct Storm Drain Manhole No. 2 per RCFC & WCD Std. MH 252-Modified per Plan	\$0.00	\$0.00	\$5,000.00	\$5,000.00	\$5,500.00	\$5,500.00	\$4,500.00	\$4,500.00
41	1	EA	Construct Manhole No. 3 per RCFC & WCD Std. MH 253	\$5,250.00	\$5,250.00	\$3,000.00	\$3,000.00	\$1,450.00	\$1,450.00	\$2,000.00	\$2,000.00
42	2	EA	Construct Drop Inlet per RCFC & WCD Std. CB 110	\$4,800.00	\$9,600.00	\$3,800.00	\$7,600.00	\$4,000.00	\$8,000.00	\$3,500.00	\$7,000.00
44	5	EA	Construct Sanitary Sewer Protection per RCFC & WCD Std. M807	\$350.00	\$1,750.00	\$1,800.00	\$9,000.00	\$1,200.00	\$6,000.00	\$2,250.00	\$11,250.00
45	1	EA	Construct Concrete Bulkhead per RCFC & WCD Std. M816	\$500.00	\$500.00	\$1,500.00	\$1,500.00	\$2,000.00	\$2,000.00	\$500.00	\$500.00
46	1	LS	City Encroachment Permit for Public Works Inspection	\$4,800.00	\$4,800.00	\$10,000.00	\$10,000.00	\$1,200.00	\$1,200.00	\$11,000.00	\$11,000.00
BID TOTAL FOR BASE BID					\$663,368.50		\$713,477.00		\$847,603.00		\$963,875.00
<i>Sub-Contractors</i>											



CENTER FOR CONTRACT COMPLIANCE
Riverside Office • 1168 E. La Cadena Dr. #202, Riverside, CA 92507
TEL. (951) 686-3328 • FAX (951) 686-8470



RECEIVED
CITY OF NORCO

September 24, 2014

SEP 24 2014

Lori Askew (Director of Public Works)
City of Norco
2870 Clark Ave.
Norco, Ca 92860

CITY CLERK
TIME: _____

Re: Norco MDP Line NB-2 S-5a Improvements

General Contractor: GRFCO Inc
P.O. Box 7689
Moreno Valley, Ca 92552
License #: 291013

Dear Mrs. Askew

The Center for Contract Compliance (CCC) is a nonprofit Labor/Management Trust that specializes in the monitoring of public works projects, to ensure that all laws governing public construction are observed by CONTRACTORS AND AWARDDING AGENCIES alike. As a matter of routine procedure, records are checked for any irregularities.

With the above-mentioned in mind the CCC would like to inform the City of Norco of the past history of Garcia Juarez Construction as it pertains to GRFCO Inc with regard to public works projects. Please use this information to assist the City of Norco in its decision to award the Norco MDP Line to the lowest responsive bidder.

GRFCO is owned by George Frost. George Frost and Jim Jackson the owner of Garcia Juarez Construction owed a company call Southern California Underground together. The company, George Frost and Jim Jackson were permanently debarred from the City of San Diego, for 1) Falsifying traffic control permits; 2) working in the public right-of-way without traffic control plans or appropriate traffic control permits; 3) taking water from city fire hydrants without having water meters, and using meters that were either inoperable or had been reported missing(so the use of water could not be billed); 4) misrepresenting that work had been completed, and attempting to cover up the misrepresentation; 5)submitting numerous false claims for extra work, at significantly inflated rates; 6) submitting false claims for inflated rates on equipment(by physically altering equipment model numbers) and 7)submitting false worker's compensation claims from City's owner-controlled insurance program. Jim Jackson started

Garcia Juarez Construction leaving George Frost off the license. I have interviewed workers from Garcia Juarez who have advised me George Frost is the boss. During the Riverside project done by Garcia Juarez, George Frost showed up and threatened the inspector. On the Garcia Juarez project done for the City of Fountain Valley George Frost was removed from the project by the inspector for being non-compliant. George Frost sent the City of Pomona a letter describing his relationship with Garcia Juarez Construction and GRFCO and wanted Garcia Juarez Construction work history used as references for GRFCO. With that in mind all of Garcia Juarez Construction history of violations in public works. Show that GRFCO is a non-responsive bidder. George Frost has a direct relationship with Garcia Juarez Construction. George Frost has an open case that the Orange County District Attorney's office is investigating. Garcia Juarez Construction just settled civil litigation for violation of prevailing wage laws on public works. George Frost is mentioned in the court documents.

The CCC has made contact with several workers who had worked public works projects for Garcia Juarez Construction. The CCC was given copies of workers pay stubs with various date ranges.

Worker working as laborer date range on pay stubs 3-2009 to 1-2012. Was paid \$10.00 an hour no fringe benefits. Labor prevailing wage rate \$40.42 an hour.

Worker working as a group 4 operator date range on pay stubs 10-2007 to 11-2009. Was paid \$10.00 an hour no fringe benefits. Operator group 4 prevailing rate \$56.78.

Worker working as a teamster (truck driver), date range on pay stubs 2-2008 to 11-2009 Was paid \$18.00 an hour no fringe benefits. Truck driver group 3 prevailing rate \$45.30.

(See Attached paystubs)

I have done several bid protest on GRFCO Inc. Agencies that award GRFCO the project advise that GRFCO submitted references and that the Agencies responded that GRFCO met the contract obligations and finished the project on time. Well I would say 90% of your bidders met that criteria. The bid protested shows a history that George Frost and his related companies have violated California law when working on a public work, regarding prevailing, apprenticeship & Cal Osha Violations. Most agencies do a cursory check at best when checking for prevailing wage. The certified payroll might be checked however I have checked closed to 40 certified payroll submitted by George Frost / Jim Jackson and their related companies they all checked ok regarding prevailing wage however the workers paystubs show they were paid much less then the state prevailing wage requirements. Certified payroll is signed and submitted as correct with a crime of perjury if falsified. The San Diego debarment was in 2004. I was given pay stubs by workers date 2007 to 2012 that show they were not paid prevailing wage. The civil suit against George Frost / Jim Jackson and their related companies for nonpayment of prevailing was settled in June 2014. These documentation show a clear history of violating California Public Works Laws.

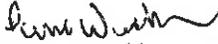
We believe the public interest is best served when public contracts are awarded to responsible and responsive bidder, those employers that comply with the law. Employers that victimize their workers by not paying the proper prevailing wage does not pay proper taxes and become a drain on the entire system.

Also, they compete unfairly against law abiding contractors and their employees when they are awarded

project based upon a low bid which does not include payment of wages established by the State of California.

For the aforementioned violations and the attached documents, the CCC is respectfully request the City of Norco, to find GRFCO bid non- responsive and award the contract to the lowest next responsive bidder.

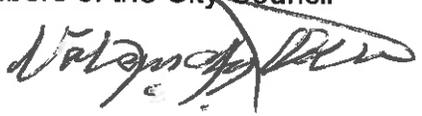
Sincerely,



Pierre Weakley Email pierrew@socalccc.org
Investigator

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

DATE: October 15, 2014

SUBJECT: Fiscal Year 2013-2014 Year-End Budget to Actual Report

RECOMMENDATION: Staff recommends that the City Council receive and file the Fiscal Year 2013-2014 Year-End Budget to Actual Report.

SUMMARY: The Fiscal Year 2013-2014 actual revenues and expenditures performed better than final year-end budget projections for the City's main Operating Funds - General Fund, Water Fund and Sewer Fund. This means that actual revenues exceeded budget amounts while actual expenditures came in below budgets. The combination of improving revenues and better expenditure control resulted in better than expected increase in fund balance for the General Fund and improved working capital for the Water and Sewer Enterprise Funds.

For the Fiscal Year, total actual General Fund revenues of \$16,003,371 exceeded final budget projection amount of \$15,249,870 by \$753,501. Total actual expenditures of \$14,864,317 were less than final budget projection amount of \$15,017,368 by \$153,051. This favorable revenue and expenditure performance resulted in a net increase of \$906,552 to fund balance. This brings FY 2013-2014 year-end fund balance to \$6,161,454 compared to final budget projection of \$5,254,902 (Attachment 2). It is to be noted that a significant portion of the favorable revenue performance is from one-time revenue receipts which is further explained in the detailed portion of this report.

Similar to the General Fund, total actual Water Fund revenues of \$9,829,043 also exceeded total actual expenditures of \$9,313,700 by \$515,343. The Sewer Fund financial performance during the year was also positive as total revenues of \$5,554,317 exceeded total expenditures of \$4,849,906 by \$710,411. A summary report of all Funds is presented as Attachment 1. A schedule of revenues, expenditures and fund balance for the Landscape Maintenance Districts has also been presented as additional information (Attachment 5)

BACKGROUND/ANLYSIS: The City's independent auditors have completed their field-work on the City audit for the Fiscal Year ended June 30, 2014. The Comprehensive Annual Financial Report (CAFR) prepared in accordance with Generally Accepted Accounting Principles (GAAP) will be submitted to the Council at a later date. If Council desires, a Study Session will be scheduled with the independent auditors to further

review and discuss the CAFR with the City Council. At this time, staff is presenting this important report as information to show how the various Operating Funds performed relative to the final budget projections for the Fiscal Year 2013-2014.

FY 2013-2014 General Fund Revenue Performance

Attachment 1 is a schedule showing General Fund budget to actual data for the Fiscal Year ended June 30, 2014. For the Fiscal Year, total actual revenues were higher than final budget estimates by \$753,501. This net favorable revenue performance was mainly from the following:

1. **Property Tax:** Actual property tax receipts during the fiscal year were higher than budget by \$127,674 primarily due to one-time receipt of un-budgeted additional revenue of \$97,641 from the distribution residual tax increment from the County after payment of Recognized Obligations and Pass-through to other taxing agencies.
2. **Community Development Fees:** Community development fees include planning, building and engineering fees. During the year, actual revenue receipts from these sources exceed budget by \$143,675. The bulk of the increase was due to better than anticipated increase in building and planning fees.
3. **Other Revenues:** Other revenues consists mainly of animal control revenues, EMS and other fire revenues, penalties, reimbursement for services and other miscellaneous revenues. During the year total revenue receipts of \$1,310,992 exceeded final budget estimate of \$1,135,905 by \$175,087. Most of this favorable performance was from receipt of one time revenues. During the year, the City received \$60,167 from the closure of San Bernardino-Riverside Finance Agency of which the City was a member. Additional receipt of \$99,979 in one-time revenues came from reimbursement of one time return of contribution from Public Entity Risk Management Authority and administrative reimbursement from CFD refinancing and CDBG.
4. **Overhead Reimbursements:** This category of revenue consists of cost reimbursements to the General Fund by other Funds and third parties to reimburse the General Fund for their share of overhead costs paid by the General Fund. During the year, actual reimbursements exceeded final budget by \$228,404. The excess receipt was due largely from one-time administrative overhead reimbursement in the amount of \$170,091 from County Flood Control District to support County projects managed by City staff.

General Fund Expenditures

Total General Fund expenditures for the Fiscal Year were below final budget estimate by \$153,051. This net savings were achieved through successful expenditure control throughout the Fiscal Year. Noticeable savings above the final budget estimates were realized in Sheriffs and Fire departments as well as Wee People division. Savings from these divisions/departments were offset by slight budget over expenditure in Building Safety and Community Development.

Savings in the Sheriff's Department came from lower than anticipated expenditures for law enforcement contract overtime and contract rates. Similarly, savings in the Fire Department came from lower than expected spending for fire protection and medical emergency contract services. Expenditure savings were also realized in the Youth and Teen Program due to lower demand for services. On the other hand, additional contract services were needed in Community Development and Building divisions to handle increased activities.

General Fund (Fund Balance)

The audited fund balance at the beginning of the fiscal year was \$5,022,400 (see Attachment 2). During the fiscal year, total revenues exceeded total expenditures by \$1,139,054 resulting in ending fund balance of \$6,161,454 as of June 30, 2014. It is to be noted that existing City Council Resolution requires a minimum emergency fund balance representing 25% of total General Fund expenditures. For Fiscal Year 2014-2015, total estimated General Fund expenditures are \$15,492,579. This would translate into \$3,873,145 required to be maintained as emergency reserve.

Special Asset Revenue Fund: The City established the Special Asset Revenue Fund to accumulate revenues generated from one-time asset sales and special revenue receipts. In FY 2012-2013, \$500,000 was transferred from this Fund to balance the General Fund budget. During FY 2013-2014; as the fiscal condition of the General Fund improved, \$500,000 was transferred back to the Special Asset Revenue Fund to replenish the \$500,000 transfer from the Special Asset Revenue Fund to the General Fund in FY 2013-2013. The fund balance of the Special Asset Revenue Fund as of June 30, 2014 was \$1,510,212.

Other Operating Funds

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

Water Fund

During the Fiscal Year, total actual Water Fund revenues were \$9,829,043 compared to budget amount of \$9,644,257 for a favorable revenue performance of \$184,786. Total

actual operating expenses were \$9,313,700 compared to budget amount of \$9,485,012 for a budget savings of \$171,312. Overall, total actual Water Fund revenues exceed total actual expenditures by \$515,343. Total Water Fund expenditures include \$300,000 transfer to Water Capital Fund for future capital projects. This good financial result of the Water Fund is directly attributable to less expense for purchased water and salary and benefits savings due to vacancies. The savings realized from these items were partially offset by more than anticipated spending for claims settlements due to water pipe failures. Savings in purchased water costs came from less purchases as some water that the City was otherwise obligated to purchase were sold to the City of Corona. Thus, the City was able to increase its less expensive domestic water production. Additional information on the Water Fund is presented as Attachment 3.

Notwithstanding the positive results achieved, the financial future of the Water Fund still remains challenging. The average per acre foot cost of purchased water is continuing to rise and there are needs to increase set aside funding for future capital improvements and to improve debt service coverage ratios.

Sewer Fund

For the Sewer Fund, total actual revenues were \$5,554,317 compared to budget amount of \$5,538,058 for a favorable revenue performance of \$16,259. Total actual expenses were \$4,849,906 compared to budget amount of \$5,213,090 for a favorable expenditure savings of \$363,184. Most of the Sewer Fund savings came from salaries and benefits, contracted sewer treatment costs, and claims settlements. Unlike the Water Fund, the City did not pay out any claims from the Sewer Fund during the fiscal year. Total Sewer Fund expenditures include \$250,000 transfer to Sewer Capital Projects Fund for future capital improvements. Overall, the Sewer Operating Fund ended the fiscal year with total operating revenues exceeding total operating expenses by \$704,411. For more details regarding Sewer Fund budget to actual revenues and expenses, please refer to Attachment 4.

Other Funds

Gas Tax Fund actual revenues were \$858,951 while actual expenditures were \$572,739. NPDES total revenues were \$87,521 compared to actual expenditures of \$106,979. Please refer to Attachment 2 page 2.

Landscape Maintenance Districts (LMD)

As information for the benefits of residents whose property are assessed to pay for the cost of maintaining Landscape Maintenance Districts, this year-end budget to actual report provides revenues and expenditures information for each District. For all Districts, actual revenues and expenditures for the Fiscal Year were reasonably within the amount in the Engineer's Estimate at the beginning of the fiscal year except for LMD

No. 4 where certain budgeted trail replacement project is still pending. Also included in the schedule is each District's beginning and ending fund balance. For additional details, please see Attachment 5.

FINANCIAL IMPACT: Not applicable.

Attachments: Budget and Actual Report FY 2013-2014 – Attachment 1

Summary of General Fund Balance – Attachment 2

Water Fund Statement of Revenues and Expenses – Attachment 3

Sewer Fund Statement of Revenues and Expenses – Attachment 4

Schedule of LMD Revenues and Expenses – Attachment 5

City of Norco
Budget to Actual Report
For the Fiscal Year Ended June 30, 2014

	Amended Budget	Year-end Projection	FY 2014 Actual	Variance Actual to Year-end Projection
<u>GENERAL FUND</u>				
<u>REVENUES</u>				
Property Taxes	\$ 1,445,763	1,460,554	1,588,228	127,674
Sales taxes	5,203,276	5,419,707	5,418,231	(1,476)
Motor Vehicle License Fees	2,028,000	2,040,184	2,040,184	-
Other Taxes	820,179	876,195	892,334	16,139
Franchise Fees	1,012,500	1,044,349	1,056,967	12,618
Intergovernmental	57,833	57,833	63,775	5,942
Fines and Penalties	89,450	115,338	127,496	12,158
Interest/Lease Income	500,759	500,759	516,650	15,891
Community Development Fees	398,619	498,206	641,881	143,675
Community Services/Recreation	810,923	723,915	741,304	17,389
Other Revenues	1,175,395	1,135,905	1,310,992	175,087
Administrative Overhead/Operating Transfers	1,406,175	1,376,925	1,605,329	228,404
Total Revenues	<u>\$ 14,948,872</u>	<u>15,249,870</u>	<u>16,003,371</u>	<u>753,501</u>
<u>EXPENDITURES</u>				
City Council	\$ 100,424	96,125	95,248	877
City Attorney	220,000	220,000	192,809	27,191
City Clerk	268,351	262,076	280,265	(18,189)
City Manager	265,663	47,440	40,162	7,278
Economic Development	77,105	76,670	80,212	(3,542)
Code Enforcement	170,543	96,393	87,777	8,616
Recreation	739,906	734,467	726,401	8,066
Youth & Teen	289,132	241,856	211,414	30,442
Park Maintenance	519,922	520,785	516,840	3,945
Senior Citizens	166,016	163,609	144,685	18,924
Public Buildings	694,645	737,199	720,198	17,001
Animal Control	575,835	558,067	536,557	21,510
Community Development	348,366	302,194	332,754	(30,560)
Building & Safety	227,397	209,613	259,264	(49,651)
Engineering	193,622	204,749	204,510	239
Inspection	35,173	33,386	33,458	(72)
Parkway Maintenance	61,649	51,210	51,126	84
CAL Fire	3,339,357	3,247,289	3,199,898	47,391
Norco Animal Rescue Team	2,456	-	2,823	(2,823)
Sheriff	4,391,160	4,391,638	4,299,601	92,037
Citizens on Patrol	15,356	15,482	38,875	(23,393)
Crossing Guards	55,666	55,666	55,984	(318)
Fiscal and Support Services	648,338	632,825	632,520	305
Non-Departmental	2,285,978	2,118,629	2,120,936	(2,307)
Total Expenditures	<u>\$ 15,692,060</u>	<u>15,017,368</u>	<u>14,864,317</u>	<u>153,051</u>
Revenues Over (Under) Expenditures	<u>\$ (743,188)</u>	<u>232,502</u>	<u>1,139,054</u>	<u>906,552</u>

**City of Norco
Budget to Actual Report
For the Fiscal Year Ended June 30, 2014**

	Amended Budget	Year-end Projection	FY 2014 Actual	Variance Actual to Year-end Projection
<u>CDBG</u>				
Revenues	150,909	87,550	82,304	(5,246)
Expenditures	150,909	87,550	82,304	5,246
<u>WATER FUND</u>				
Revenues	9,644,257	9,835,133	9,829,043	(6,090)
Expenditures	9,485,012	9,230,213	9,313,700	(83,487)
<u>SEWER FUND</u>				
Revenues	5,538,058	5,508,409	5,554,317	45,908
Expenditures	5,213,090	5,061,320	4,849,906	211,414
<u>GAS TAX</u>				
Revenues	801,779	802,549	858,951	56,402
Expenditures	564,475	552,165	572,739	(20,574)
<u>NPDES FUND</u>				
Revenues	89,200	88,500	87,521	(979)
Expenditures	120,505	118,529	106,979	11,550
<u>MISCELLANEOUS GRANTS</u>				
Revenues	184,915	182,659	212,887	30,228
Expenditures	184,916	182,659	212,887	(30,228)

City of Norco California
General Fund - Fund Balance
As of June 30, 2014

Audited Beginning Balance, June 30, 2013	\$ 5,022,400
Actual Revenues, FY 2013-2014	16,003,371
Actual Expenditures FY 2013-2014	<u>(14,864,317)</u>
Revenues Over (Under) Expenditures FY 2013-2014	<u>1,139,054</u>
Fund Balance, June 30, 2014 (Unaudited)	<u><u>\$ 6,161,454</u></u>

City of Norco, California
Water Fund Statement of Revenues & Expenses
For the Fiscal Year Ended June 30, 2014

	FY 2014 Amended Budget	FY 2014 Actuals	Variance
Operating Revenues:			
Charges for Water Services	\$ 9,616,257	9,788,116	171,859
Interest Income	16,000	24,400	8,400
Miscellaneous	12,000	16,527	4,527
Total Revenues	<u>\$ 9,644,257</u>	<u>9,829,043</u>	<u>184,786</u>
Expenses:			
Salaries and Benefits	\$ 993,018	883,568	(109,450)
Operating Supplies and Services	275,369	317,475	42,106
Water Purchases, Production and Utilities	5,907,930	5,644,965	(262,965)
Administrative Overhead & Reimbursements to Other Funds	789,439	793,101	3,662
Contractual Services	201,402	259,209	57,807
Debt Service Payments	1,067,062	1,067,061	(1)
Miscellaneous/Small Equipment	20,000	5,948	(14,052)
Computer, Vehicle Operations & Replacement Charges	120,792	120,792	-
Self Insurance Settlements	60,000	171,581	111,581
Post Retirement Health Contributions	50,000	50,000	-
Total Expenses	<u>9,485,012</u>	<u>9,313,700</u>	<u>(171,312)</u>
Revenues Over (Under) Expenses	<u>\$ 159,245</u>	<u>515,343</u>	<u>356,098</u>

City of Norco, California
Sewer Fund Statement of Revenues & Expenses
For the Fiscal Year Ended June 30, 2014

	FY 2014 Amended Budget	FY 2014 Actuals	Variance
Operating Revenues:			
Charges for Sewer Services	\$ 5,517,058	5,519,049	1,991
Interest Income	20,500	33,941	13,441
Miscellaneous	500	1,327	827
Total Revenues	\$ 5,538,058	5,554,317	16,259
Operating Expenses:			
Salaries and Benefits	\$ 639,218	532,596	(106,622)
Operating Supplies & Services	63,059	55,750	(7,309)
Utilities	39,000	33,720	(5,280)
Contractual Services	1,910,844	1,698,619	(212,225)
Debt Service Payments	1,793,454	1,793,454	-
Administrative Overhead & Reimbursement to Other Funds	577,223	579,914	2,691
Computing, Vehicle Operations and Replacement	100,292	100,292	-
Self Insurance Settlements	25,000	-	(25,000)
Post Retirement Health Contributions	50,000	50,000	-
Small Equipment/Miscellaneous	15,000	5,561	(9,439)
Total Operating Expenses	\$ 5,213,090	4,849,906	(363,184)
Revenues Over (Under) Expenses	\$ 324,968	704,411	379,443

City of Norco, California
Landscape Maintenance District Revenues & Expenses
For the Fiscal Year Ended June 30, 2014

	FY 2014 Budget	FY 2014 Actuals	Variance
Landscape Maintenance District #1			
Revenues:			
Assessments	\$ 9,730	9,007	(723)
Interest Income	-	16	16
Total Revenues	\$ 9,730	9,023	(707)
Expenditures			
Observation	\$ 1,124	1,350	226
Water Charges	2,294	3,289	995
Electricity Charges	170	-	(170)
Telephone Charges	218	197	(21)
Landscape Maintenance	2,815	2,941	126
Contractual	1,400	1,650	250
Administrative Overhead	560	560	-
Admin Fees-Property Taxes	150	138	(12)
Incidentals	290	-	(290)
Operating Contingency	550	-	(550)
Total Expenditures	\$ 9,571	10,125	554
Revenues Over (Under) Expenditures	159	(1,102)	(1,261)
Beginning Fund Balance July 1, 2013		\$ 17,213	
Ending Fund Balance June 30, 2014		16,112	

City of Norco, California
Landscape Maintenance District Revenues & Expenses
For the Fiscal Year Ended June 30, 2014

	FY 2014 Budget	FY 2014 Actuals	Variance
Landscape Maintenance District #2			
Revenues:			
Assessments	\$ 112,045	130,580	18,535
Interest Income	-	(37)	(37)
Miscellaneous Revenue	-	2,343	2,343
Total Revenues	\$ 112,045	132,886	20,841
Expenditures:			
Observation	\$ 5,619	6,748	1,129
Trail Maintenance	5,000	5,973	973
Water Charges	39,900	48,511	8,611
Electricity Charges	5,633	5,416	(217)
Telephone Charges	230	216	(14)
Landscape Maintenance	33,185	36,601	3,416
Wet Lands Area	1,030	-	(1,030)
Park Maintenance	9,525	-	(9,525)
Contractual	2,500	2,683	183
Administrative Overhead	7,559	7,559	-
Admin Fees-Property Taxes	230	215	(15)
Incidentals	216	-	(216)
Operating Contingency	1,418	-	(1,418)
Total Expenditures	\$ 112,045	113,922	1,877
Revenues Over (Under) Expenditures	\$ -	18,964	18,964
Beginning Fund Balance July 1, 2013		\$ (33,967)	
Ending Fund Balance June 30, 2014		(15,003)	

City of Norco, California
Landscape Maintenance District Revenues & Expenses
For the Fiscal Year Ended June 30, 2014

	FY 2014 Budget	FY 2014 Actuals	Variance
Landscape Maintenance District #3			
Revenues:			
Assessments	\$ 79,737	73,773	(5,964)
Interest Income	-	60	60
Miscellaneous Revenue	-	2,695	2,695
Total Revenues	\$ 79,737	76,528	(3,209)
Expenditures:			
Observation	\$ 4,496	5,398	902
Trail Maintenance	5,825	6,553	728
Water Charges	30,450	32,369	1,919
Electricity Charges	2,205	1,823	(382)
Telephone Charges	62	58	(4)
Landscape Maintenance	28,219	28,113	(106)
Contractual	2,000	2,055	55
Administrative Overhead	4,824	4,824	-
Admin Fees-Property Taxes	230	145	(85)
Incidentals	91	880	789
Operating Contingency	1,335	-	(1,335)
Total Expenditures	\$ 79,737	82,218	2,481
Revenues Over (Under) Expenditures	\$ -	(5,690)	(5,690)
Beginning Fund Balance July 1, 2013		\$ 70,958	
Ending Fund Balance June 30, 2014		65,268	

City of Norco, California
Landscape Maintenance District Revenues & Expenses
For the Fiscal Year Ended June 30, 2014

	FY 2014 Budget	FY 2014 Actuals	Variance
Landscape Maintenance District #4			
Revenues:			
Assessments	\$ 514,094	509,786	(4,308)
Interest Income	-	233	233
Miscellaneous Revenue	-	10,356	10,356
Total Revenues	<u>\$ 514,094</u>	<u>520,375</u>	<u>6,281</u>
Expenditures:			
Observation	\$ 7,867	9,447	1,580
Trail Maintenance	71,667	76,598	4,931
Tree Replacement	5,000	-	(5,000)
Water Charges	90,000	83,726	(6,274)
Electricity Charges	52,500	68,308	15,808
Telephone Charges	659	678	19
Landscape Maintenance	119,288	128,866	9,578
Natural Open Space	11,000	-	(11,000)
Wet Lands Area	5,000	-	(5,000)
Contractual	3,600	8,636	5,036
Administrative Overhead	29,244	29,244	-
Admin Fees-Property Taxes	382	377	(5)
Incidentals	130	57	(73)
Operating Contingency	17,757	-	(17,757)
Storm Sewer Lines	75,000	-	(75,000)
Total Expenditures	<u>\$ 489,094</u>	<u>405,937</u>	<u>(83,157)</u>
Revenues Over (Under) Expenditures	<u>\$ 25,000</u>	<u>114,438</u>	<u>89,438</u>
Beginning Fund Balance July 1, 2014		228,267	
Ending Fund Balance June 30, 2014		342,706	

City of Norco, California
Landscape Maintenance District Revenues & Expenses
For the Fiscal Year Ended June 30, 2014

	FY 2014 Budget	FY 2014 Actuals	Variance
Landscape Maintenance District #5			
Revenues:			
Assessments	\$ 46,321	45,987	(334)
Interest Income	-	65	65
Miscellaneous Revenue	-	1,464	1,464
Total Revenues:	\$ 46,321	47,516	1,195
Expenditures:			
Observation	\$ 3,372	4,049	677
Trail Maintenance	7,092	6,962	(130)
Water Charges	8,925	8,049	(876)
Electricity Charges	420	-	(420)
Telephone Charges	70	66	(4)
Landscape Maintenance	15,473	10,257	(5,216)
Contractual	2,500	2,620	120
Administrative Overhead	2,813	2,813	-
Admin Fees-Property Taxes	139	129	(10)
Incidentals	191	-	(191)
Operating Contingency	2,462	-	(2,462)
Total Expenditures	\$ 43,457	34,945	(8,512)
Revenues Over (Under) Expenditures	\$ 2,864	12,571	9,707
Beginning Fund Balance July 1, 2013		\$ 61,573	
Ending Fund Balance June 30, 2014		74,145	

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager

PREPARED BY: Steve King, Planning Director 

DATE: October 15, 2014

SUBJECT: **Ordinance No. 980, First Reading.** Code change 2014-05 (City of Norco): A City-Initiated Code Amendment to Add Chapter 5.56 "Hookah and Smoking Lounges" to prohibit hookah and smoking lounges in all Zoning Districts within the City.

RECOMMENDATION: Adopt **Ordinance No. 980** for first reading.

SUMMARY: The proposed Ordinance would expressly prohibit indoor smoking and hookah lounges, whether as a stand-alone business, or as an ancillary use to another business. The Ordinance does not prohibit outdoor smoking areas that are ancillary to bars and restaurants and that are currently allowed, however hookah smoking in an otherwise permitted outdoor smoking area would be prohibited.

BACKGROUND: This item was continued by the City Council from the September 17, 2014 meeting before the public hearing was opened at the request of a restaurant owner who wanted to speak on the item but had to leave the meeting unexpectedly. The item was once again continued from the October 1, 2014 meeting at the second request of the restaurant owner. At its meeting on August 20, 2014, the City Council directed staff to process a Code Change to the Norco Municipal Code to prohibit hookah lounges. The attached ordinance is written to accomplish that and at the same time prohibit smoking lounges since the uses are very similar and one could argue that the allowance of one is an allowance of the other. Currently smoking and hookah lounges are not permitted uses by exclusion.

The preamble text regarding permitted and conditionally-permitted uses the C-G zone (primarily Hamner Avenue) currently reads:

It is the intent that if a specific use is consistent with a use category listed as determined by staff the specific use shall be treated as part of the corresponding use category, even if not specifically listed.

So if a use is not specifically listed and does not correspond to a use category it is not a permitted use in the C-G zone. The preamble to the C-4 zone (Sixth Street) states:

Agenda Item: 5.A.

*The following uses are permitted and the land shall be used and buildings and structures shall hereafter be erected, altered, enlarged or otherwise modified for the following uses **only**.*

Like the C-G zone if a use is not specifically listed in the C-4 zone then it is not a permitted use. There is one category in the C-4 zone that allows for retail uses not specifically listed titled "Convenience Sales, which typically include, but is not limited to: convenience markets, drug stores, beauty and barber shops, and dry cleaning establishments." While this category is a broad category it has not been interpreted to be broad enough to allow smoking and hookah lounges.

In the Gateway Specific Plan, Commercial District, again, the use is not listed specifically, but there is a land use title "Specialty Retail" that could be interpreted to allow a smoking or hookah lounge but it requires approval of conditional use permit. The draft Ordinance removes any potential misinterpretation by specifically prohibiting smoking and hookah lounges in all commercial zones.

ANALYSIS: State law prohibits smoking in most enclosed workplaces (including retail and restaurants), with two exemptions that relate to smoking inside hookah lounges and cigar bars. The exemptions are for businesses whose primary purpose is the sale of tobacco and there are no employees other than the owner and for private smokers lounges which is an enclosed area within a business where the business is dedicated to the use of tobacco. Cities can impose more restrictions.

As written, the draft Ordinance prohibits smoking and hookah lounges whether as a primary use or as an ancillary use to another otherwise permitted use. The Ordinance does not preclude the use of outdoor enclosed patios that are ancillary to a restaurant or bar for smoking cigarettes. The use of hookah in outdoor spaces is prohibited. The Ordinance as drafted also does not preclude "vaper" stores that sell electronic cigarettes where some have lounges for testing flavors since there is no heating or burning of tobacco involved. The Ordinance also does not prohibit such uses in private homes for personal use.

The proposed Ordinance to add Chapter 5.56 is presented directly to the City Council since it is a Code Change to NMC Title 5, which does not require a recommendation from Commissions.

FINANCIAL IMPACT: None with the exception of code or law enforcement hours as may come up in the future.

Attachment: Ordinance No. 980.

ORDINANCE NO. 980

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA APPROVING A CITY-INITIATED PROPOSAL TO AMEND THE NORCO MUNICIPAL CODE BY ADDING CHAPTER 5.56 "SMOKING AND HOOKAH LOUNGES" PROHIBITING INDOOR SMOKING AND HOOKAH LOUNGES IN ALL COMMERCIAL ZONING DISTRICTS WITHIN THE CITY. CODE CHANGE 2014-05

WHEREAS, the City of Norco initiated Code Change 2014-05, a proposal to add a new chapter, 5.56, to Title 5 of the Norco Municipal Code adding regulations for the prohibition of indoor smoking and hookah lounges, and outdoor hookah lounges in all commercial zones of the City; and

WHEREAS, the proposed amendment was duly submitted to the City Council for decision at a public hearing for which proper notice was given; and

WHEREAS, hearing of said Code Change was duly noticed and scheduled for public hearing by the City Council at their meeting of September 17, 2014, on or about 7:00 p.m. in the Council Chambers of the Norco City Hall, 2820 Clark Avenue, Norco, California, 92860; and

WHEREAS, said City Council held a public hearing and received oral and written testimony pertaining to said Code Change; and

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

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

- A. The proposed Code Change is consistent with minimum state public noticing requirements for projects that require a public hearing.
- B. The project has been determined to be categorically exempt from the California Environmental Quality Act and the City of Norco Environmental guidelines as a minor alteration to land use. (California Code of Regulations, Title 14, Chapter 3, Article 19, §15305)
- C. Hookah smoking of tobacco presents additional safety issues to the user that warrants prohibition in an otherwise allowed outdoor smoking area for cigarettes and cigars that is ancillary to a restaurant or bar. These additional safety issues include, but are not limited to: the additional harmful agents in the smoke caused from heating the tobacco by burning charcoal; the longer duration of the act of smoking tobacco from a hookah pipe as opposed to the smoking of a cigarette or cigar which is relatively short; and the harmful effects

from secondhand smoke from the hookah tobacco, being enhanced by the burning charcoal that is used to heat it.

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

SECTION 1: Norco Municipal Code Title 5 "Business Licenses and Regulations" is hereby amended to add Chapter 5.56 "Hookah and Smoking Lounges Prohibited" as follows:

Sections:

5.56.02 Definitions

- (1) *"Hookah Lounge" shall mean any structure, or location or facility within an enclosed structure that is used for the purpose of smoking tobacco from a hookah water pipe or shisha.*
- (2) *"Smoking Lounge" shall mean any structure, or location of facility within an enclosed structure that is used for the purpose of smoking tobacco.*
- (3) *"Smoking Area" shall mean any outdoor enclosed patio that is ancillary to a bar or restaurant for the purpose of smoking tobacco and that does not include smoking tobacco from a hookah water pipe or shisha.*

5.56.04 Uses

- (1) *A "Hookah lounge" or "smoking lounge" shall not include the following uses, as long as the locations of such uses are otherwise regulated by this Code or applicable law:*
 - (a) *A lounge devoted to the testing of vaper flavors for electronic cigarettes or other similar devices that do not include the burning or warming of tobacco;*
 - (b) *The indoor use of hookah or tobacco at a private residence for personal use including parties but does not include scheduled periodic parties for the purpose of selling tobacco, hookah tobacco, or related paraphernalia.*

5.56.06 Prohibition: The City Council of the City of Norco finds and determines that smoking lounges and hookah lounges are prohibited within all commercial zoning districts within the City of Norco. This prohibition does not apply to outdoor smoking area ancillary to a bar or restaurant.

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

SECTION 3: SEVERABILITY: If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Ordinance. The Council hereby declares that it would have

passed this Ordinance, and each section, subsection, sentence, clause, and phrase, hereof, irrespective of the fact that any one or more of the sections, subsections, sentences, clauses, or phrases hereof be declared invalid or unconstitutional.

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

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on November 5, 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 October 15, 2014 and thereafter at a regular meeting of said City Council duly held on November 5, 2014, it was duly passed and adopted by the following vote of the City Council:

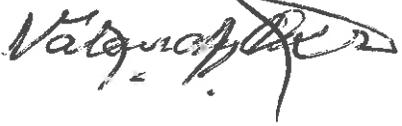
AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on November 5, 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 

DATE: October 15, 2014

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

RECOMMENDATION: Continue the Public Hearing to the City Council Meeting of November 5, 2014.

SUMMARY: On May 7, 2014, City Council conducted a public hearing to consider proposed changes to the City's development impact fees. After the public hearing, City Council voted to defer action and directed staff to conduct additional review to ensure that the proposed fees are reasonable in comparison to fees charged by other neighboring jurisdictions. Staff completed the City Council's requested review and made modifications as appropriate. At its September 17, 2014 regular meeting, the City Council approved to continue the hearing to address concerns presented by the Building Industry Association, Riverside Chapter (BIA). At this time, in order to effectively address the concerns and to allow BIA time to review a summary of materials provided by the City's fee study consultant, Scott Thorpe, staff is recommending that the City Council continue the public hearing to November 5, 2014.

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

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

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

DATE: October 15, 2014

SUBJECT: **Ordinance No. 981, First Reading.** Code Amendment 2014-06. A City-Initiated Proposal to Amend Chapter 6.42 "Municipal Refuse Collection Service" of the Norco Municipal Code by Amending Sections 6.42.020, 6.42.030, 6.42.070, 6.42.080, 6.42.106, 6.42.107, 6.42.108, and 6.42.110.

RECOMMENDATION: Adopt **Ordinance No. 981** for first reading.

SUMMARY: Staff is recommending modification to Chapter 6.42, Sections 6.42.020, 6.42.030, 6.42.070, 6.42.080, 6.42.106, 6.42.107, 6.42.108, and 6.42.110 of the Norco Municipal Code regarding Municipal Refuse Collection Service. The proposed amendments will update the identified code sections that reflect recently approved changes to the solid waste franchise agreement. The proposed ordinance language has been updated to address non-franchise haulers, in regards to business license and reporting requirements.

BACKGROUND/ ANALYSIS: The City of Norco recently executed an exclusive solid waste franchise agreement with USA Waste of California, Inc. The final agreement contained modifications to specific fees and services creating a need to update Chapter 6.42 of the City's Municipal Code. After careful review staff has recommended the following changes to Chapter 6.42, Section 6.42.020, 6.42.030, 6.42.070, 6.42.080, 6.42.106, 6.42.107, 6.42.108 and 6.42.110 of the Norco Municipal Code (Municipal Refuse Collection Service). A summary of the proposed changes are outlined below.

Franchise Fee

To defray the costs of maintaining and repairing City-owned rights-of-way affected by heavy equipment used by the franchisee, the franchise fee will increase from 10% to 17.9%. Said increase will be phased in over three (3) years for commercial accounts and five (5) years for residential accounts.

Business License

To ensure consistency with the updated Municipal Code Chapter 5 (Business License and Regulations), all waste haulers doing business within the boundaries of Norco are required to have a current business license.

Refuse Containers and Quantity

Waste containers shall be provided by the City's Franchise waste hauler and shall consist of container sizes approved in the current franchise agreement. Customers may schedule two (2) bulky waste pick-ups per year at no additional cost.

Payments, Penalties, Nonpayment

The Finance Department has provided language modifications for specific dates relating to payments, penalties, and discontinuance of service.

Compliance

To meet regulations and avoid penalties, any person, firm, or corporation that provides waste services and/or transports refuse or recyclables within the incorporated area of the City shall provide monthly, quarterly, and annual tonnage reports in compliance with AB 839.

In summary, the proposed ordinance has been modified to include the most recent changes to the current solid waste franchise agreement and deletion of container language that is no longer applicable. It is the recommendation of Staff that City Council adopt this ordinance

FINANCIAL INPACT: The recommended changes to Norco Municipal Code, Chapter 6.42 are not anticipated to have any material financial impact on General Fund.

Attachment: Ordinance No. 981

ORDINANCE NO. 981

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORCO AMENDING CHAPTER 6.42 "MUNICIPAL REFUSE COLLECTION", SECTIONS 6.42.020, 6.42.030, 6.42.070, 6.42.080, 6.42.106, 6.42.107, 6.42.108, AND 6.42.110 UPDATING REQUIREMENTS FOR REFUSE COLLECTION AND WASTE DISPOSAL.

WHEREAS, Title 6, Chapter 6.42 of the Norco Municipal Code establishes the requirements of municipal collection services; and

WHEREAS, a code amendment is needed in order to be in compliance with state laws and regulations regarding refuse collection and to be consistent with the City's new franchise fee rates.

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

Chapter 6.42, Sections 6.42.020, 6.42.030, 6.42.070, 6.42.080, 6.42.106, 6.42.107, 6.42.108 and 6.42.110 of the Norco Municipal Code shall be amended to read as follows:

SECTION 1:

6.42.020 License—Required Exceptions.

It shall be unlawful for any person to collect or transport refuse or recyclable materials in the incorporated area of the City without an unrevoked current license issued by the City. Applications for a license shall be made to the City upon an approved form. Persons hauling refuse or garbage from their residences or refuse or garbage produced in the course of their own business or occasional hauling for others where there is no charge for such service shall not be required to comply with the equipment standards set forth in this chapter. In the event that the City determines pursuant to Public Resources Code, Section 40059, to award an exclusive franchise to provide for refuse collection, recycling and disposal in residential and/or commercial/industrial areas of the City, it shall be unlawful for any person or entity other than the franchisee to collect, recycle or dispose of refuse, including recyclable materials generated within the City.

In the event that the City, pursuant to Public Resources Code, Section 40059, awards an exclusive franchise to provide for refuse collection, recycling and disposal services, a franchise fee equivalent to ~~10~~ based on a percent of franchisee's gross revenues from all services shall be imposed by the City to defray the costs of maintaining and repairing City rights-of-way affected by heavy equipment used by the franchisee. **The franchise fee shall be charged as follows:**

Dates	Commercial	Residential
July 1, 2014	12.63%	11.58%
July 1, 2015	15.27%	13.16%
July 1, 2016	17.90%	14.74%
July 1, 2017	17.90%	16.32%
July 1, 2018	17.90%	17.90%

To the extent that any provision of the franchise agreement is inconsistent with this chapter, the provision of the franchise agreement shall prevail. Notwithstanding the above, this provision shall specifically not preclude individual residential property owners from recycling personally any of their own refuse; nevertheless, all persons and entities shall be required to participate in any franchise program enacted by the City pursuant to the California Integrated Waste Management Act of 1989. In the event that an eligible property owner, such as a government entity, lawfully contracts with a waste hauler other than the exclusive franchisee for refuse collection, recycling and disposal services, a franchise fee equivalent to ~~10 percent~~ **as listed above** of hauler's gross revenues from all services ~~may~~ **shall** be imposed by the City to defray the costs of maintaining and repairing City rights-of-way affected by heavy equipment used by the private contractors. Any waste hauler not bound to an exclusive franchise agreement shall provide detailed quarterly reports on its activities in a form approved by the City. (Ord. 918 Sec. 1, 2010; Ord. 633, 1993; Ord. 433 Sec. 2, 1979)

6.42.030 License—Issuance—Fees—Tags.

All licenses shall be issued to expire at the end of the fiscal year. The fees therefor shall be \$50.00 per year for the first truck, and \$25.00 per year for each additional truck operated by the permittee. The fee for a fraction of a year shall be prorated on a monthly basis. No fees shall be refunded, but the city manager may authorize transfer of the license for one vehicle to another upon surrender of the license for appropriate amendment, and payment of a transfer fee of \$5.00. A license may be revoked by the City Manager upon 10 days' notice to the permittee for failure to conform to the provisions of this chapter. Notice may be served personally or by registered or certified mail addressed to the last place of business or residence by the permittee as shown in the City records.

(1) The City shall provide for each truck operated by the permittee a distinctive and durable tag which shall be securely fastened and maintained by the permittee on each vehicle so as to be clearly visible from the rear.

(2) The City Manager may revoke the tag of any truck that fails to meet the requirements of this chapter and such truck shall not be used for the collection or transportation of garbage or refuse until a tag is reissued.

(3) Exceptions for Outside Collectors. This chapter shall not prohibit collectors of refuse from outside of the City from hauling such refuse over City streets; provided, such collectors comply with the provisions of this chapter and with any other governing law or ordinances. (Ord. 433 Sec. 3, 1979)

(4) All persons, firms, partnerships, associations, companies, and organizations of any kind doing business within the City of Norco corporate boundaries are required to obtain a City Business License.

6.42.070 Refuse containers.

(a) Duty to Provide and Maintain in Sanitary Condition. Refuse containers shall be provided by the ~~owner, tenant, lessee, or occupant of the premises~~ **City's waste hauler**. Refuse containers shall be maintained in good condition. Any container that does not conform to the provisions of this chapter, or that may have ragged or sharp edges or any other defect liable to hamper or injure the person collecting the contents thereof, shall be promptly replaced. The city shall have the authority to refuse collection services for failure to comply herewith.

(b) Garbage. Garbage containers shall be of metal, plastic or otherwise impervious material, equipped with suitable handles and tight-fitting covers, and shall be water tight.

(1) Capacity. ~~Garbage containers shall have a capacity of not more than twenty gallons .~~ All containers shall be sized pursuant to the approved franchise agreement and supplied by City's waste hauler.

(2) Sanitation. Garbage containers shall be of a type approved by the city and shall be kept in a clean, neat and sanitary condition at all times.

(c) Refuse and Rubbish. Refuse and rubbish containers shall be made of metal, plastic, or otherwise impervious material, and have a capacity of not more than 96 gallons or a two yard bin.

~~(d) Ash Containers. Ashes shall be deposited only in metal containers of a capacity not in excess of twenty gallons. (Ord. 525 Sec. 1 (part), 1984; Ord. 433 Sec. 7, 1979)~~

6.42.080 Collection practices.

(a) Frequency of Collection. All refuse accumulated from all single-family units, duplexes and triplexes shall be collected at least once each week. All refuse accumulated from apartments shall be collected at least twice a week.

(b) Limitation on Time Containers May Remain Out Before and After Collection. In no event shall refuse and garbage containers remain in the vicinity of any right-of-way either before or after collection for a total time period of over twenty-four hours.

(c) Limitation on Quantity. A reasonable accumulation of refuse shall be collected from each household and the refuse containers shall have a capacity ~~of not to exceed thirty-six gallons or not to exceed twenty gallons, for garbage and ash containers, and when filled not to exceed sixty-five pounds in gross weight~~ and sized, as supplied by the waste hauler per the approved franchise agreement. ~~Loose materials must be securely tied in bundles and not weigh in excess of sixty pounds each, and shall not exceed the size of eighteen inches in diameter and three feet in length. Each collection shall not exceed seven containers and/or bundles of loose materials.~~ Customers may call Waste Management and schedule (3) three bulky waste pick-ups per year.

(d) Dumping Trash on Street. No person shall dispose of or dump upon any public property, street, or alley of the city, or upon any property of another, except such property as may be provided and set apart for such use by the city, any tin cans, bottles, junk, trash or rubbish or any waste matter of any kind or composition. The city council may enter into a contract for the collection and disposal of said material and rubbish, and may provide such rules for the regulation thereof as it may from time to time deem best and necessary.

(e) Dumping Trash on Private Property. No person shall dispose of or dump upon any private property within the city any tin cans, bottles, junk, trash or rubbish or any waste material or any kind or composition.

(f) Collection.

(1) Requirements for Vehicles. Collectors of refuse and/or garbage who desire to haul over the streets of the city of Norco shall use a watertight vehicle provided with a tight cover and so operated as to prevent offensive odors escaping therefrom, and refuse from being blown, dropped or spilled.

(2) Disposal. Disposal of refuse or garbage by persons so permitted under subsection (a) above shall be made outside the city limits, unless otherwise specifically authorized by the city. (Ord. 433 Sec. 8, 1979)

6.42.106 Payment of Bills

Refuse collection charges billed by the city are due and payable upon deposit by the city in the United States mail. On each bill the following language shall be printed thereon: "If payment in full of this bill is not received by the City's ~~Water~~ Finance Department at 2870 Clark Avenue, Norco, California on or before the ~~fortieth~~ forty-fifth day after said bill was deposited by the City in the United States mail, water service may be discontinued. If service is discontinued for nonpayment, a reconnection charge, collection fee and penalties pursuant to Section 14.04.325 of the City's Municipal Code shall be paid to the City prior to City restoring said services (Ord. 887, Sec. 2; 2008; Ord. 574 Sec. 2 (part), 1987)

6.42.107 Penalty

Any refuse collection billing which is unpaid in whole or in part ~~thirty days~~ **after the twenty-fifth day** after the bill is deposited in the United States mail pursuant to Section 6.42.106 is declared delinquent. A penalty in the amount of ten percent of the unpaid balance of such bill, including any charges stated therein shall be imposed thereon. The city manager or finance director shall have the authority to waive or remove penalty charges for reasonable causes. (Ord. 574 Sec. 2 (part), 1987)

6.42.108 Disconnection of water service for nonpayment of refuse collection charges

The city may discontinue water service to any person who has not paid in full any bill for refuse collection service including all penalties and late charges thereon on or before the ~~tenth~~ **fifteenth** day after the date of delinquency as provided in Section 6.42.107. At least ten days prior to such discontinuance the delinquent debtor shall be sent a final notice informing him that his water service will be discontinued if payment is not made within the time specified in the notice. The final notice shall include notice to the customer of his right to a hearing as provided by Section 14.04.321 of the Norco Municipal Code. **The 10-day period does not commence until five days after the final notice is mailed.** A customer's water service may be discontinued if charges for services furnished at a previous location within the city are not paid within the time herein fixed for the payment of bills. If a customer received refuse collection service or benefit at more than one location and a bill at any one location is not paid within the time provided for payment, water service at all locations may be turned off. The customer will be charged for both water and refuse collection service during the period in which water service is shut off. (Ord. 574 Sec. 2 (part), 1987)

6.42.110 Violation—Penalty.

Any person, firm or corporation who shall violate any provision of this chapter shall be deemed guilty of an infraction. (Ord. 527 Sec. 4 (part), 1984; Ord. 525 Sec. 1 (part), 1984; Ord. 433 Sec. 11, 1979) **Any person, firm or corporation that provides waste services and/or transports refuse or recyclables within the incorporated area of the City shall provide monthly, quarterly, and annual tonnage reports in compliance with AB 839 ([California Public Resources Code Section 41000, et. seq., as amended](#)).**

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,

Ordinance No. 981

Page 6

November 5, 2014

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 November 5, 2014.

Mayor of the City of Norco, California

ATTEST:

Cheryl L. Link, City Clerk
City of Norco, California

I, CHERYL L. 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 October 15, 2014 and thereafter at a regular meeting of said City Council duly held on, November 5, 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 November 5, 2014.

Cheryl L. Link, City Clerk
City of Norco, California

MEMORANDUM

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Steve King, Planning Director 

DATE: October 15, 2014

SUBJECT: **Ordinance No. 982, First Reading.** Code Amendment 2014-07. A City-Initiated Code Change to amend Chapter 5.28 "Swap Meets" and other related cross-references in the Norco Municipal Code as needed regarding the collection of business license fees for special events.

RECOMMENDATION: Adopt **Ordinance No. 982** for first reading.

SUMMARY: The definition of a "swap meet" in Chapter 5.28 of "Business Licenses and Regulations" in the Norco Municipal Code presents a scenario wherein a proposed event might have to pay both a special event business license and a swap meet business license which is not the intent. This proposed Code Amendment would correct the definition.

BACKGROUND: In 2012 the City Council approved a new format for determining Swap Meet Permit and business license fees for swap meets that are re-occurring events. This was needed because the Norco Municipal Code fees that were established at the time were based on one-time events only and the extrapolation of those fees over the number of events per year in re-occurring events was costly and cumbersome for the applicant:

SWAP MEET FEES ASSUMPTION: 12 EVENTS PER YEAR (ONE PER MONTH)		
	OLD FEES	CURRENT FEES
	12 days/year (1/mo.)	12 days/year (1/mo.)
SWAP MEET PERMIT (paid by operator)	\$480 (\$40.00 per day) \$40.00 fee paid monthly	N/A (already paid)
BUSINESS LICENSE: (annual fees)		
Tax (paid by operator) (out of town operator)	\$60	\$60+ \$30 (for exhibitors)*
Tax (paid by exhibitor)	\$60	none*
Processing Fee (operator)	\$28 (1 st), \$15 (renewal)	\$28 (1 st), \$15 (renewal)
Processing Fee (exhibitor)	\$28 (1 st), \$15 (renewal)	none*
State License Fee (all)	\$1	\$1

* Operator pays one annual fee to cover exhibitors

The way a "Swap Meet" is defined in Chapter Five of the NMC presents a scenario wherein an event already covered by a Special Event Permit and the related business license fee, would also have to pay a swap meet business license fee even though a Swap Meet Permit was not required:

NMC Title 5: BUSINESS LICENSES AND REGULATIONS

Chapter 5.28: SWAP MEETS

Section 5.28.010: Definitions

- (2) "Swap meet" means any event which meets all of the following requirements:
- (A) *The place or location at which the event is held has been advertised by any means whatsoever as a place or location to which members of the public, during a specified period of time, may bring identifiable, tangible personal property and exhibit it for sale or exchange, barter or trade,*
 - (B) *A fee is charged, payable to the operator of the event, either in the form of a charge for general admission to the place or location where the event is held or a charge for the privilege of exhibiting identifiable, tangible personal property at such event. The charge for exhibiting identifiable, tangible personal property may be a fixed amount or a percentage of all sales made or of the value of all property exchanged.*

The problem arises when an event that is approved with a Special Event Permit also meets the definition of a swap meet and is thereby subject to the payment of two business license fees. To avoid a duplication of business license fees the following change is proposed to the definition section shown above:

- (2) "Swap meet" means any event which meets all of the following requirements:
- (A) *The proposed event is not an event that is otherwise approved with a Special Event Permit.*
 - (B) *The place or location at which the event is held has been advertised by any means whatsoever as a place or location to which members of the public, during a specified period of time, may bring identifiable, tangible personal property and exhibit it for sale or exchange, barter or trade,*
 - (C) *A fee is charged, payable to the operator of the event, either in the form of a charge for general admission to the place or location where the event is held or a charge for the privilege of exhibiting identifiable, tangible personal property at such event. The charge for exhibiting identifiable, tangible personal property may be a fixed amount or a percentage of all sales made or of the value of all property exchanged.*

The proposed Ordinance to change Section 5.28.010 comes straight to the City Council since it is a Code Change to NMC Title 5 which does not require a recommendation from Commissions.

FINANCIAL IMPACT: None.

Attachment: Ordinance No. 982

ORDINANCE NO. 982

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORCO APPROVING CODE AMENDMENT 2014-07 AMENDING CHAPTER 5.28 "SWAP MEETS" AND OTHER CROSS-REFERENCES AS NEEDED OF THE NORCO MUNICIPAL CODE REGARDING THE COLLECTION OF BUSINESS LICENSE FEES FOR SPECIAL EVENTS. CODE AMENDMENT 2014-07.

WHEREAS, the CITY OF NORCO initiated Code Amendment 2014-07 to Norco Municipal Code Title 5, Chapter 5.28 regarding the definition of swap meets; and

WHEREAS, the 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 Code Amendment was scheduled on October 15, 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 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 Code Amendment proposes to eliminate a double business license fee for an event that already has an approved Special Event Permit and the related business license for that event.
- 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 5.28.10 Definitions.

- (2) "Swap meet" means any event which meets all of the following requirements:
 - (A) The proposed event is not an event that is otherwise approved with a Special Event Permit.

(B) The place or location at which the event is held has been advertised by any means whatsoever as a place or location to which members of the public, during a specified period of time, may bring identifiable, tangible personal property and exhibit it for sale or exchange, barter or trade,

(C) A fee is charged, payable to the operator of the event, either in the form of a charge for general admission to the place or location where the event is held or a charge for the privilege of exhibiting identifiable, tangible personal property at such event. The charge for exhibiting identifiable, tangible personal property may be a fixed amount or a percentage of all sales made or of the value of all property exchanged.

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

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

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

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on November 5, 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 October 15, 2014 and thereafter at a regular meeting of said City Council duly held on November 5, 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 November 5, 2014.

Cheryl Link, City Clerk
City of Norco, California

MEMORANDUM

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Geoff Pemberton, Fire Chief
Steve King, Planning Director 

DATE: October 15, 2014

SUBJECT: Code Amendment 2014- 08. A City-Initiated Code Change to amend Chapter 15.09 "Fire Code" and other related cross-references in the Norco Municipal Code as needed regarding the maximum-allowed structure size, and building material types, that do not require fire sprinklers.

RECOMMENDATION: Cancel the requested code amendment.

SUMMARY: During efforts to draft a code amendment based on City Council direction to change the threshold for the need for fire sprinklers in accessory buildings to match what the standard is in Riverside County, and to create an exemption for buildings constructed with non-flammable materials, it became clear that the code amendment is not needed because the Fire Chief already has discretion to grant exemptions per the Fire Code.

BACKGROUND: The City Council directed staff to bring a code change to the maximum-allowed building square-footage that does not require fire sprinklers similar to what the Riverside County Code is, since both agencies are served by Riverside County Fire Department. While it is the same agency that provides fire service, each jurisdiction has different Codes that govern the enforcement of building and fire standards. The City of Norco requirement for fire sprinklers in an accessory building is for any building that exceeds 2,500 square feet:

*NMC Title 15: BUILDINGS AND CONSTRUCTION
Chapter 15.09: FIRE CODE
15.09.010 Adoption of the fire code:*

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

*Section 15.09.220 Amendment and addition—
Section 903, Automatic sprinkler systems.*

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

903.2 Where required. In all new buildings and structures which are 2,500 square feet or greater an approved automatic sprinkler system shall be provided regardless of occupancy classification. In existing buildings, an automatic sprinkler system shall be required if the addition of floor area creates a total square footage exceeding 2,500 square feet. Where the California Fire Code is requiring more restrictive requirements in Sections 903.2.1, 903.2.1.1, 903.2.1.2, 903.2.1.3, 903.2.1.4, 903.2.1.5, 903.2.2, 903.2.3, 903.2.4, 903.2.5, 903.2.5.2, 903.2.6, 903.2.7, 903.2.8, 903.2.9, 903.2.10, 903.2.11, 903.2.16, 903.2.18, the more restrictive requirement shall take precedence.

In Riverside County the threshold for the fire sprinkler requirement is 3,600 square feet:

**ORDINANCE NO. 787
AN ORDINANCE OF THE COUNTY OF RIVERSIDE ADOPTING THE
2013 CALIFORNIA FIRE CODE AS AMENDED
Section 5. AMENDMENTS TO CALIFORNIA FIRE CODE.**

L. AUTOMATIC SPRINKLER SYSTEMS.

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

903.2 Where required. In all new buildings and structures which are 3,600 square feet or greater an approved automatic sprinkler system shall be provided regardless of occupancy classification. Where the California Fire Code is requiring more restrictive requirements in Sections 903.2.1, 903.2.1.1, 903.2.1.2, 903.2.1.3, 903.2.1.4, 903.2.1.5, 903.2.2, 903.2.3, 903.2.4, 903.2.5, 903.2.5.2, 903.2.6, 903.2.7, 903.2.8, 903.2.9, 903.2.10, 903.2.11.6, 903.2.16, 903.2.18, the more restrictive requirement shall take precedence.

There was also direction from the City Council to look at whether or not there could be an exemption from fire sprinklers if the building materials met certain non-flammable requirements. Currently there are no exemptions to fire sprinkler standards based on building material type in either jurisdiction, or anywhere in the state.

ANALYSIS: The concern from the Fire Department over increasing the threshold where fire sprinklers are required is the number of flag lots that exist in the City of Norco as opposed to areas in County jurisdiction. With a flag lot if the access portion of the "flag" to the street is too narrow it hinders the ability to fight accessory structure fires in the rear. And many of the lots in Norco are so deep that the two engine companies do not have adequate hose length to get all the way to the rear on many of them. Also, in order to adopt the 3,600 square-foot threshold, the county had to also include maximum distancing requirements from the street and general access requirements that are not a part of the Norco Municipal Code.

The 2013 California Building Code categorizes construction into five different category types depending on the building materials used and their respective fire-resistance ratings. Types I and II Construction are those in which the primary building elements are of non-combustive materials. The primary building elements that are required to be fire-resistant are the structural frame, the bearing walls, floor construction, and roof construction. The issue of concern with the Fire Department, however, is that building material is only one facet of the determination as to what level of fire protection is needed for a building. The Fire Department also needs to take into consideration building use and interior storage. As an example, an exemption from fire sprinkler requirements based solely on building materials does not account for the flammability of materials inside. Nowhere in the Fire Code does the construction type dictate the use, or negate fire protection, and this is true in the Fire Code as adopted by Riverside County, and the State Fire Code regardless of building size.

The Fire Code already grants authority to the Fire Chief to allow exemptions to Fire Code requirements provided that adequate fire safety standards are still achieved. Any changes to the Fire Code would require approval by the California Building Standards Commission and if the same affiliated requirements such as maximum distance from the street are not included as they were in the County Code, there is a good chance that the changes would not be allowed.

FINANCIAL IMPACT: None.