

***MINUTES***

**REGULAR MEETING OF THE CITY COUNCIL  
OF THE CITY OF EASTVALE  
Wednesday December 8, 2010  
6:30 P.M.**

**Rosa Parks Elementary School  
13830 Whispering Hills Drive  
Eastvale, CA 92880**

**1. *CALL TO ORDER:***

The Regular Meeting of the City Council of the City of Eastvale was called to order at 6:33 p.m. by Mayor Rush.

**2. *ROLL CALL:***

Interim City Clerk Haughney called the roll.

Present: Mayor Rush, Mayor Pro Tem DeGrandpre, Council Members Bootsma, Howell and Welch.

Staff Members Present: Interim City Manager Van Nort, Interim City Attorney Cavanaugh, Interim Finance Director Terry Shea, City Engineer Michael Kashiwagi, Planning Director Norris, IT Manager Doug Van Gelder, volunteer Demetrius L. Williams and Interim City Clerk Haughney.

**3. *PLEDGE OF ALLEGIANCE:***

The Pledge of Allegiance was led by Mayor Adam Rush.

**4. *PRESENTATIONS/ANNOUNCEMENTS***

**4.1 Glenn Baude, Director of County of Riverside Code Enforcement.**

Mr. Baude came before the City Council to offer the County of Riverside Code Enforcement's services, either with through a contract with the City or to assist the City in transitioning services.

Mayor Rush noted at this point that City Staff had indicated that there were Emergency Items that needed to be added to this agenda, an Urgency Ordinance for approval, a Regular Ordinance for first reading and a Resolution for approval. City Attorney Cavanaugh explained that WRCOG sent over the items to be considered and reviewed the day before the meeting. Mayor Rush called for a motion to added the item.

Moved by Jeff DeGrandpre, seconded by Ike Bootsma to add the items to Item 9.5.

Mayor Rush asked for a roll call vote to be conducted.

Ayes: Council Members Bootsma, Howell, Welch, Mayor Pro Tem DeGrandpre and Mayor Rush

Noes: None

Absent: None

Abstain: None

**5. PUBLIC COMMENT**

Dickie Simmons, a resident, wanted to remind the City Council that a Town Hall meeting would be held at Rosa Parks Elementary School on January 25<sup>th</sup> at 6:30 p.m. He requested that someone from the City Council attend to give an update to the Community. He mentioned that an Eastvale resident had been sworn into the Corona Norco Unified School District Board the day before the meeting and that he did not see anyone from the City in attendance. He asked that a representative of the City attend events that are being held for the County, local school districts, or local community services districts.

Chad Blais, a resident, made suggestions on the conduct of the meeting and wanted to have public comment on consent calendar items.

The Council clarified that anyone in the public could fill out a speaker card before the meeting and submit it to speak about any item on the consent calendar.

Angie McClister, President of Sunshine Foster/Kinship Support Group, stated that there are children and families in the group that are in need of assistance for the Christmas Holiday. She stated that the group was trying to make sure each child received toys for Christmas, and provided a drop off box at the meeting for collection. She provided information for anyone who wished to donate to the group.

John Kopp, a resident, asked if the City had considered the condition of Archibald approaching Limonite. He inquired as to whether or not the City had sent condolences to the City of Norco and Mayor Miller's family. He brought up the fact that now the top three vote getters at the Incorporation Election would receive a four year term.

The Council informed Mr. Kopp that a card had been sent to the family of Mayor Miller.

**6. APPROVAL OF MINUTES**

**6.1 Approval of the minutes of the meeting held on October 27, 2010**

Motion: Moved by DeGrandpre, seconded by Rush.

Motion carried 4-0-1, with Ric Welch abstaining.

John Kopp, a resident, stated that under Public Comments he asked that the word some be changed to three. He also stated that he had made another comment after the one that was written in the minutes, he did not see that comment included. He had stated that two of the four Council Members present at that meeting had received campaign contributions from Lewis.

Motion: Moved by DeGrandpre, seconded by Howell to reconsider the minutes.

Motion: Moved by Howell, seconded by Bootsma to approve the minutes with the suggested amendments.

Motion carried 4-0-1, with Ric Welch abstaining.

**6.2 Approval of the minutes of the meeting held on November 17, 2010**

Mayor Rush corrected that Item 4.1 in the minutes should have read Betty Anderson, not Jane Anderson addressing the Council.

Council Member Ric Welch stated that on page 14 he stated benefits, not the distinction of health care for himself.

John Kopp, a resident, stated that under public comments he brought to the attention of the Mayor, not allowing him additional time at the previous meeting, overly strict enforcement, not just strict enforcement. He went on to state that on Item 9.4 of the minutes, he stated moral and ethical obligations, not just moral obligations. He stated that his statement, that he really did not think that the Council would not have voted for the liquor license for the new shopping center if anyone had done anything wrong because of the anger that was generated by the negotiations with the Lewis Company for City Hall, was completely left off. He did not believe anyone had done anything wrong, except for not disclosing it.

Motion: Moved by Bootsma, seconded by Howell to approve the minutes with the suggested changes.

Motion carried 5-0.

**7. CONSENT CALENDAR**

Council Member Welch asked that Item 7.5 be pulled from the Consent Calendar for discussion.

Mayor Rush asked that Item 7.4 and 7.8 be pulled for discussion

- 7.1 Consideration of Landscaping and Lighting Maintenance District No. 89-1-Consolidated, Annexation of Zone 151, adopting Resolution No. 10-40, entitled:

A resolution of the City Council of the City of Eastvale, California, initiating proceedings for the Annexation of Zone 151 to Landscaping and Lighting Maintenance District No. 89-1-Consolidated of the City of Eastvale pursuant to the Landscaping and Lighting Act of 1972 and ordering preparation of Engineer's Report regarding said annexation

And

Adopting Resolution No. 10-41, entitled:

A resolution of the City Council of the City of Eastvale, declaring its intent to order the annexation of Zone 151 to Landscaping and Lighting Maintenance District No. 89-1-Consolidated of the City of Eastvale pursuant to the Landscaping and Lighting Act of 1972 for the Maintenance and Servicing of traffic signals; adopting the Preliminary Engineer's Report; giving Notice of and setting the time and place of the Public Hearing on the annexation of Zone 151; ordering an assessment proceeding; ordering a Mailed Ballot Election; and directing Notice of the Public hearing and the assessment ballot to be mailed pursuant to Article XIID of the California Constitution and Section 4000 of the Elections Code; and authorize the County of Riverside to administer the Landscaping and Lighting Maintenance District No. 89-1-Consolidated Budget for Fiscal Year 2011-12.

- 7.2 Consideration of Landscape and Lighting District No. 89-1-Consolidated, Annexation of Zone 156, adopting Resolution No. 10-42, entitled:

A resolution of the City Council of the City of Eastvale, California, initiating proceedings for the annexation of Zone 156 to Landscaping and Lighting Maintenance District No. 89-1-Consolidated of the City of Eastvale pursuant to the Landscaping and Lighting Act of 1972 and ordering the preparation of Engineer's Report regarding said annexation

And

Adopting Resolution No. 10-43, entitled:

A resolution of the City Council of the City of Eastvale, declaring its intent to order the annexation of Zone 156 to Landscaping and Lighting Maintenance District No. 89-1-Consolidated of the City of Eastvale pursuant to the Landscaping and Lighting Act of 1972 for the maintenance and servicing of traffic signals; adopting the preliminary Engineer's Report; giving notice of and setting the time and place of the Public Hearing on the annexation of Zone 156; ordering an assessment proceeding; ordering a mailed ballot election; and directing Notice of Public Hearing and the assessment ballot to be mailed pursuant to Article XIIIID of the California Constitution and Section 4000 of the Elections Code; and authorize the County of Riverside to administer the landscaping and Lighting Maintenance District No. 89-1-Consolidated Budget for Fiscal year 2011-12.

7.3 Consideration of Quitclaim of Portion of Public Utility and Emergency Vehicle Ingress/Egress Easement-Eastvale Gateway South – Project No. 10-0039 (WLPX Eastvale, LLC)

7.4 **Consideration of a Contract with Demetrius Williams. – PULLED FOR DISCUSSION**

7.5 **Consideration of holding second reading of and adopting Ordinance 2010-08, entitled:**

**An ordinance of the City council of the City of Eastvale, California, adopting the 2010 Editions of the California Building Code, California Residential Code, California Green Building Code, California Plumbing Code, California Mechanical Code, California Electrical Code and the 1997 edition of the Uniform Housing Code with appendices and amendments thereto. – PULLED FOR DISCUSSION**

7.6 Consideration of holding second reading and adopting Ordinance 2010-09, entitled:

An ordinance of the City Council of the City of Eastvale, California, adding Chapter 2.60 of Title 2 of the City of Eastvale Municipal Code relating to the Personnel System.

7.7 Consideration of documents necessary for membership in the Western Riverside County Regional Conservation Authority, adopting Resoution No. 10-48, entitled:

A resolution of the City Council of the City of Eastvale authorizing the Mayor to sign the Joint Powers Agreement with the Riverside Conservation Authority and the agreement with the U.S. Fish and Wildlife Service and California Department of Fish and Game relating to the implementation of the Western Riverside County Multiple Species Habitat Conservation Plan

And

Adopting Resolution No. 10-49, entitled:

A resolution of the City Council of the City of Eastvale establishing procedures and requirements for the implementation of the Western Riverside County Multiple Species Habitat Conservation Plan

**7.8 Consideration of the Warrants in the amount of \$239,525.42, and payroll in the amount of \$75,581.74 check numbers 10029 to 10048 and wire numbers W00001 to W00003. – PULLED FOR DISCUSSION**

Motion: Moved by Bootsma, seconded by Howell to approve the Consent Calendar with the exception of items 7.4, 7.5 and 7.8.

Motion carried 5-0.

Mayor Rush asked Interim City Manager Van Nort to give a brief report on Item 7.4. Mr. Van Nort stated that the Comprehensive Analysis did not identify another employee in the City Manager's Office. Currently there is a volunteer, Demetrius Williams, who is seeking a Ph.D. in Public Administration, who has demonstrated his exceptional abilities in the past several months working with the Interim City Manager. The Interim City Manager was recommending the City now contract with the volunteer to pay him for his services in the future.

Council Member Welch asked where the funds for the contracted employee would come from, because it had not been originally budgeted.

Interim City Manager Van Nort stated that he proposed that his own salary be reduced in the amount needed to cover the salary of the Assistant to the City Manager. There would be no additional costs to the City.

Mayor Rush inquired how the reduction of the Interim City Manager's salary would occur.

Interim City Manager Van Nort stated that the amount would be deducted from his next check, it would be arranged for in writing with the City Finance Director and the City Council could receive a copy showing the deduction.

Motion: Moved by Howell, seconded by Welch to approve Item 7.4.

Motion carried 5-0.

Mayor Rush asked Interim City Manager Van Nort or City Engineer Kashiwagi to give a synopsis of Item 7.5.

Interim City Manager Van Nort stated that there had been some concern about the new Ordinance's Construction Start Time conflicting with the current noise ordinance. After some discussion, staff was recommending to amend the new Ordinance to read 7:00 a.m. instead of 6:30 a.m. to make it compatible with the current noise ordinance. The Ordinance would be up for first reading at this meeting, and would be considered for second reading and approval at the January 12, 2011 meeting due to the amendment.

Motion: Moved by Welch, seconded by Howell to approve the first reading of Ordinance 2010-08 with the mentioned amendment, Item 7.5.

Motion carried 5-0.

Mayor Rush asked Interim City Manager Van Nort to give a description of Item 7.8.

Interim City Manager Van Nort stated that the City Warrant included payments for all bills to date, including the \$100,000 loan from the County of Riverside. Mr. Van Nort went on to state that on January 1, 2011, the City would have money in the bank and no outstanding debts.

Mayor Rush commended staff for their work with the County and the State to get the information to make the current situation happen. Mayor Rush inquired about how the developer fees that had been paid to the City related to the amount that the City was paying Interwest Consulting Group.

City Engineer Kashiwagi explained that a portion paid included work that was done previously, and that revenues were not shown, but were a part of the budget.

Interim City Manager Van Nort stated that the Finance Committee would meet and discuss the issue to identify each item being reimbursed by the developers and the costs to provide services to those projects. This would allow the City to identify how the City's General Fund was being impacted by Planning and Engineering Services. Mr. Van Nort hoped to have that information in the next 30 to 45 days. He went on to say that it may take a little while to set up the system but that the issue was very important to staff.

Council Member Welch pointed out that the Interim City Manager was not sitting back waiting for checks to be delivered, instead he was being active with the County tracking down the money owed to the City. As a resident, Council Member Welch appreciated Mr. Van Nort's efforts.

Mayor Pro Tem DeGrandpre echoed the statement by Council Member Welch, and thought that it was outstanding to be able to repay the \$100,000 loan from the County within three months. He went on to say that he thought the City had a good team and appreciated the good job City Staff was doing.

Motion: Moved by Bootsma, seconded by Howell to approve Item 7.8 as presented.

Motion carried 5-0.

## **8. PUBLIC HEARINGS**

There were no Public Hearings.

## **9. NEW BUSINESS ITEMS**

- 9.1 Consideration of Department Reports for City Attorney, City Clerk, Finance Director, Interwest (Planning, Engineering and Building), Sheriff's Department, and City Manager.

Interim City Manager Van Nort stated that written reports had been prepared for the City Council, and suggested that the written reports be accepted unless the City Council had questions.

John Kopp, a resident, directed a question to the Interim City Attorney. He stated that towards the end of the last meeting he had stated something about morality and ethics and so forth. He pointed out that in the Rules of Decorum Item C-7 on Page 5 it read that the rule shall not apply to the proponents of applications at public hearings, and that he believed it should read that the rule shall not apply to the proponents or opponents of



applications at public hearings. He asked if the City Attorney would be proposing modifying the Rules of Decorum to include that.

Interim City Attorney Cavanaugh confirmed that he would be looking into the suggestion.

#### 9.2 Consideration of Planning Commission Appointments.

Interim City Attorney Cavanaugh stated that the City had been required by law to advertise the openings on the Commission for 30 days. The 30 day period had closed previously and now the City Council was able to do one of two things. Either they could choose someone from the applications, or choose someone else, who had not applied. Any choice for appointment would need to be confirmed by the City Council collectively. At this point the Council was able to make their appointments and ratify them as a whole. He went on to say there was nothing by law that stated the candidates had to be interviewed publicly, they just had to be confirmed by the City Council.

John Kopp, a resident, stated that what the agenda item was about was not clear on the agenda. He asked that the City Council Members explain why they chose each person that they were choosing to appoint, if they chose to do so.

Mayor Rush asked if the City Council would like to make their appointments at the meeting. There was no opposition to making the appointments.

Council Member Bootsma stated that he would like to appoint Joseph Tessari.

Council Member Welch stated that he would like to appoint Mr. Fred Valentine, Jr.

Mayor Pro Tem DeGrandpre stated that he would like to appoint William Link.

Council Member Howell stated that she would like to appoint Michele Nissen.

Mayor Rush stated that he would like to appoint Ms. Karen Patel, due to her experience and knowledge of the City of Eastvale.

Mayor Rush confirmed with the Interim City Attorney that the Council could move on the appointments as a whole.

Interim City Attorney Cavanaugh suggested that the Council make a motion to confirm the nominations to the Planning Commission, and then the new commissioners would be seated at the first meeting of the new year.

Interim City Manager Van Nort suggested that an item be placed on the January 12<sup>th</sup> agenda to have the appointees attend the meeting to be formally sworn in and presented.

Interim City Attorney Cavanaugh stated that he would be providing training to the new commissioners regarding the AB1234 requirements and the planning process.

Interim City Manager Van Nort also suggested that the City Council provide direction to staff to send letters to the applicants that were not successful.

Mayor Rush called for a motion to confirm the appointments and to direct staff as suggested.

Motion: Moved by Bootsma, seconded by Howell.

Motion carried 5-0.

### 9.3 Consideration of City Logo.

Planning Director Eric Norris stated that Staff was looking for general direction from the City Council on what they would like the process of developing a logo to include. Mr. Norris pointed out the differences between a seal and a logo, and stated that the City already had a seal that was imprinted on official documents. He went on to say that Staff was looking to send out Requests for Proposals to bring in a professional to help design the logo. He had provided Riverside's Graphics Manual to give an example about how far the process could go, and explained that a consultant could come up with a logo and the variety of uses that logo could have.

Council Member Howell stated that she would like to have both a seal and a logo done. She stated that the current seal is just a generic business seal, and she would like to see it reflect the pride the community members have in Eastvale and its great school system and parks. She thought the logo should be the more generic graphics, that could easily be put on billboards and could easily be seen. She was for a more formal seal and a generic logo. She stated that she thought a couple of the Council Members should be involved in the process directly, and community members could send information to those Council Members. Council Member Howell thought

that branding was a bigger thing that needed to be well thought out and suggested holding off on the actual branding of what the City is.

Council Member Bootsma expressed how important he thought it was to have the community involved in the design of the seal and logo.

Mayor Rush stated that he thought branding at this point would be premature from financial and logistical standpoints. He agreed with Council Member Howell on the point of having two Council Members designated, for possibly an ad hoc committee, after the Request for Proposals was sent out. He expressed that the cost should be \$20,000 or less. Included in the cost should be a community meeting, or two, to gather comments. He also stated that the bidders on the project should include more community involvement, possibly through a website or something of that nature.

Mayor Pro Tem DeGrandpre stated that he thought \$20,000 was a lot to pay for a logo and wouldn't mind if that number was reduced.

Mayor Rush stated that the project should not exceed \$20,000 but that they would be looking at the lowest bid. The \$20,000 was to provide some flexibility.

Council Member Welch stated that the bids would be for a professional services agreement and that the total package would be looked at, not just the amount of the bid.

Planning Director Norris clarified that \$20,000 was the price estimate for the creation of an entire manual, if the City Council did not want that extensive amount of detail, the bids should be much less than \$20,000.

Mayor Rush stated that the City needed to create the standards, such as the logo which will to be used for a variety of uses, and should be reproducible in all uses.

Council Member Howell stated that the Request for Proposals should ask the companies submitting to provide the costs for a variety of options, and then the City Council could chose from those options.

9.4 Consideration to hold the first reading of Ordinance No. 2010-11, entitled:

An Ordinance of the City Council of the City of Eastvale adding Chapter 3.12 entitled "Purchasing; Professional Services; Disposition of Surplus Supplies and Equipment" in the Eastvale Municipal Code

Mayor Rush announced the item and read the title of Ordinance No. 2010-11.

Interim City Manager Van Nort stated that the City Council had previously discussed a purchasing ordinance that included addressing the issue of the amount of money a department head could authorize to be spent. Staff reviewed the ordinance and suggested that department heads be allowed to approve between \$2,000 and \$5,000 and the City Manager be allowed to approve up to \$25,000. Mr. Van Nort stated that each item would be brought to the City Council before it would be purchased if it was not in the budget. The steps would be, first coming to Council for approval to purchase the item, then the department head or the City Manager would approve the spending for the item, and each item would have 3 bids received before the purchase.

Mayor Rush asked the Interim City Manager for clarification of what the previous purchasing limits were and what they had been changed to.

Interim City Manager Van Nort stated that the limit of \$50,000 had been reduced to \$25,000.

Council Member Welch stated that under professional service contracts, in Section 3.12.080, it stated that they could enter into contracts of \$25,000 or less, he had questions on whether that was for each contract, or if it was cumulative for a firm over a year. He was asking for clarification because it was typical to use a firm's service more than once throughout the year.

Interim City Manager Van Nort stated that the limits would be what had been authorized by the City Council on that line item in the budget. He added that as a general rule, all official contracts would be brought before the Council for approval.

Council Member Welch stated that he would like it to be amended in the ordinance to read less than \$25,000 per fiscal year.

There was discussion regarding the language to be added.

Interim City Attorney Cavanaugh suggested the language that he would add for it to read, \$25,000 or less in any fiscal year.

Council Member Howell stated that in Section 3.12.040, Number 4, it specified the Finance Director for the approval, but not the City Manager. She inquired if that was something that was typical, or if the City should look into adding the City Manager as well.

There was discussion on the reasoning behind the way it was written.

Council Member Howell asked that Section 3.12.040, Number 4 be amended to include the City Manager.

Mayor Rush inquired about what type of involvement the Finance Subcommittee would have in the future on purchases over \$5,000.

Interim City Manager Van Nort stated that he had hoped the Finance Committee would be involved on a regular basis. He thought the Finance Committee provided good checks and balance.

Mayor Rush agreed with Interim City Manager Van Nort and stated that he would like to see the Finance Committee's review and recommendation on staff reports.

Motion: Moved by Welch, seconded by Bootsma to hold the first reading of Ordinance No. 2010-11 with the suggested amendments.

Motion carried 5-0.

#### 9.5 Consideration of TUMF Fees.

City Engineer Kashiwagi stated that the fee was to mitigate the impact a new development would have on the transportation system. He noted it was established in 2002 and was for all residential and non-residential development. 50% of the fee went to Riverside County Transportation to support the regional transportation system and the other 50% of the fee stayed within the geographical zone of the development. He explained that TUMF money was used for specific projects. He went on to say that Eastvale was in the North West Zone, along with the cities of Norco, Corona and Riverside and other unincorporated areas of Riverside County. In November 2009, Western Riverside Council of Governments (WRCOG) provided an opportunity for jurisdictions to consider a temporary 50% reduction to stimulate the economy. The temporary reduction became effective January 1, 2010 and expires December 31, 2010. While allowing the temporary reduction in the fees, the jurisdictions were obligated to back fill the lack of revenue caused by the reduction. Ten of the 17 jurisdictions adopted the reduction, seven did not. All jurisdictions in the North West Zone adopted the reduction, and at that time Eastvale was in the unincorporated area of the County of Riverside. Because the fee reduction was expiring on December 31<sup>st</sup>, WRCOG met on December 6<sup>th</sup> and determined that to maintain the integrity of the program, it should sunset on December 31, 2010 but allowed individual jurisdictions to elect to reduce the fee by either 25% or 50% up to December 31, 2011. The Committee had placed a \$20 million cap on the reduction, the cap would apply to the fees collected in 2010 and 2011. To

give an example, Mr. Kashiwagi stated that from the beginning of the program through September 2010, the City reduced the fees by \$7.2 million. WRCOG was also directed to provide recommendations to the Executive Committee by March 1<sup>st</sup> on how the jurisdictions who do reduce the fee can back fill and collect the TUMF revenues to move the program forward. The Executive Committee also requested that within six-months a report on how the reduction has impacted sustainable jobs and housing. In the agenda report on the item, City Council was presented with a couple different options. He explained that if the City Council decided to continue the 50% reduction, there was no information available at the time to do a financial analysis for the City. Another option was to extend the reduction to the end of March 2011, to allow Staff to do some sort of analysis and also to see what other agencies were doing. City Engineer Kashiwagi repeated that a 50% reduction would be a benefit to development, but emphasized that the City would be responsible for the back fill of TUMF revenues.

Mayor Pro Tem DeGrandpre was the City's representative for WRCOG. Mayor Pro Tem DeGrandpre stated that City Engineer Kashiwagi was correct and that it was important for the City to have a comprehensive fiscal analysis in order for the City to figure out what it should do. He agreed that each municipality should be able to make up their own minds about whether to continue the reduction or not, but he was very concerned about the back fill of the revenue that the City would be responsible for. There had been discussion about the lower construction costs on the projects WRCOG had previously budgeted for and how that could affect the amount of back fill that was needed. He agreed with the suggestion to keep the reduced fees for three months (until March) and use those three months to evaluate it.

Council Member Welch was confused as to why the City had no analysis on what the next six months to a year would be, nor any analysis on what the past year is because the City was aware of how many permits were issued.

City Engineer Kashiwagi stated that Staff had numbers based on zip codes, so they could not determine how many permits were issued within the City limits. He stated that Staff had suggested extending the reduction for three months to give them time to research things, and Staff could bring something back to the Council in January. He added that if the City Council decided to extend the reduction and not allow it to lapse, they would have to take action tonight on the Ordinances and Resolution that had been added at the meeting.

Council Member Welch asked if the legal obligation to repay the fees, mentioned in Staff's memo, is per Zone. The answer was unknown.

Council Member Welch went on to ask if it was possible to gather more information and hold a Special Meeting before December 31, 2010. He stated that he did not want to stifle development, but he was uncomfortable making a decision based off of no information.

City Engineer Kashiwagi stated that he did not think Staff would have much more information than they had now. He stated that by December 31, 2010 they would know what other cities had decided to do, but probably not much else.

Mayor Rush stated that he had attended the meeting, as well as the BIA and six major developers and home builders, and the comments made at that meeting were impassioned with the benefits of the reduction.

Council Member Bootsma inquired about what would happen if the City Council allowed the TUMF reduction to expire and then decided to start it back up again.

City Engineer Kashiwagi stated that the fee would only apply to projects that are getting their permit. If the Council let the reduction expire, some developers could choose to wait until the Council brought the reduction back.

Council Member Bootsma expressed that it would be better to make the decision with more information.

Bryan Goodman, a representative for the Lewis Companies, stated the Lewis Companies were in tough times and not out of the woods yet. He stated that the building industry was still on the edge and that a few thousand dollars makes a difference. He stated that the timing of March was not good for the building industry because the planning process was long, and he encouraged the Council to get the reduction in place as soon as possible. He had looked at the Nexus study done and saw that cost cutting measures apply to help backfill any uncollected fees. Mr. Goodman provided examples of projects in the City that the TUMF fees were used for and thought that cost cutting would help the backfill of the fees. He hoped that the City would help support the building industry.

Mayor Rush stated that there was discussion that the fee reduction program did not create jobs, he stated that it was explained more to the effect that jobs were saved, not created. He asked Mr. Goodman to shed some more light on that subject and explain what the Lewis Companies operations had been.

Mr. Goodman stated they looked at the building permits that had been pulled in 2009 and compared that to 2010 in the City's that had adopted

the fee reduction and found that it was hard to look at in that perspective because the difference could have been from a project winding down before another one started. He stated that un-incorporated areas from 2009 to 2010 saw a significant increase in permits pulled. He reiterated that builders were on edge and would cut costs where ever they could. He stated that any assistance in cost savings could help the decision to build or not build.

Mark Knorringa, a representative of the Building Industry Association, Riverside Chapter, came before the City Council to ask that they adopt the proposed ordinance and resolution to extend the reduction until March 31, 2011. He stated that the extension of the reduction was unanimously approved by the WRCOG board of directors. He went on to state that the City of Eastvale has benefitted from the reduction. Mr. Knorringa stated that he feared a negative reaction if the City did not extend the reduction. He stated that the County of Riverside unincorporated areas in the western portion of the County had a job creation increase over 2009, there had been 428 single family building permits issued, that was approximately a 66% increase. He went on to state that those additional permits would create jobs. He asked that the City extend the reduction to assist the building industry and to help create more jobs. Mr. Knorringa pointed out that he had been very involved in the past year with the TUMF Fees program and that the dollar for dollar repayment of the reduced TUMF fees was not accurate. He stated that if the City was able to provide the road improvements that the TUMF fees were designated for, at a reduced cost, those savings were applied to what was owed.

Council Member Welch asked what Staff's recommendation on the issue was.

City Engineer Kashiwagi stated that Staff did not have a recommendation, they were only providing options to the City Council.

Council Member Howell wanted clarification from Staff regarding if the City did not use all the funds in the TUMF account, if those funds could be used to backfill.

City Engineer Kashiwagi was unsure if that would apply for the City of Eastvale. In order to have those savings, there would need to be construction occurring, and the City did not have any projects planned for the next two years. He went on to say that the Northwest Zone had projects planned, but he was unsure if those projects would be going out to bid in the next year in order to take advantage of the lower construction costs. He stated that there had been significant projects done in the Southwest Zone with TUMF funds that had gotten very good bids. He thought that TUMF needed to stay whole, but that certain projects were



designated and a certain amount of money was assigned to those projects, and if those same projects were being done with less money, than TUMF would be considered whole.

Mayor Rush stated that the recommendation to WRCOG's Executive Committee was a "pass the buck" mentality. Their legal counsel was concerned because in the program if you do not spend the money you are collecting for certain projects on those specific projects, you are open to legal challenge. He felt that if there was a shortfall, the program should be ended, but WRCOG left it for the Cities to not only take it forward, but to work out the details. He wanted confirmation that it was unknown if it was a Zone by Zone repayment plan or the entire program as a whole.

City Engineer Kashiwagi confirmed that it was currently unknown.

Mayor Rush stated that he thought it was great that there was interest in Eastvale, and that there were three projects going in Eastvale. He felt that not continuing the decrease would hurt the City, but he was concerned about where the money would come from and how much their allocation would be. Mayor Rush wanted to know if the City was going to be held responsible for the City's apportionment of the fees that were not realized by the County, for the entire year.

City Attorney Cavanaugh stated that the City would be responsible for the fees as of the date of incorporation.

Mayor Rush clarified that the City was responsible for the backfill on every permit the City had issued after October 1<sup>st</sup> at the reduced rate. He inquired what the amount would be to date.

City Engineer Kashiwagi stated that there had only been about ten permits issued for new construction, there was no exact number.

Mayor Rush inquired about the status of the KB project and when they would be pulling permits.

City Engineer Kashiwagi stated that KB would probably be pulling permits in mid to late January, and the permits for the model homes were being pulled in December.

Mayor Rush asked Brian Goodman to shed some more light on the project. The project was on the South West Corner of Archibald and Schleisman.

Mr. Goodman stated that typically production would start occurring right after the models were finished and that the timing could cause them an

issue. He noted that the improvements done on Schleisman were done independent of TUMF, although the TUMF program had that listed as a project, and he felt that Eastvale should get credit for that. He encouraged the City to continue the reduction, at least until March 2011.

Council Member Welch stated that if they were talking about lots of fees, and therefore lots of savings to developers, then they were talking about lots of potential risk to the City. If they were talking about very little risk to the City, then there would be very little savings to the developer.

Staff agreed. Interim City Manager Van Nort clarified that the City has collected approximately \$16,000 in TUMF Fees since October 1<sup>st</sup>.

Mayor Rush stated that it had been clarified that the City has collected approximately \$16,000 in TUMF deposits so far. He stated that he was for the extension and thought that it would send a message to the development community that the City of Eastvale is here and wanting to work with the developers. He stated that the City needed to develop a fiscal strategy going 12 months out, if the Council were to adopt the 50% reduction for the entire calendar year of 2011, with the cost to the City of Eastvale in that, and where it could draw from for backfill. Mayor Rush stated that he did not disagree with the theory of cost savings, and that he had seen a project's bids come in well below the estimate, but did not believe that it was a variable that the City could estimate with hard numbers.

Mayor Pro Tem DeGrandpre agreed with the Mayor, and stated that there are some issues that needed to be resolved, such as does the City collect the TUMF Fees at the time a permit is pulled, or at the time of occupancy, and are the fees paid half up front and half later, etc. Mayor Pro Tem DeGrandpre stated that some good questions had been raised that needed to be directed to WRCOG Staff. He suggested setting up a meeting with WRCOG because there were a lot of unanswered questions. However, he believed that if the City let the reduction sunset, the permits being issued would come to a halt for the first three months of 2011. He also thought that the City should continue the reduction for the first quarter of the year.

Mayor Rush asked the Interim City Attorney to explain the differences between Ordinances 2010-12 and 2010-13.

Interim City Attorney Cavanaugh stated that the difference between the two ordinances was that one was an urgency ordinance and the other was a regular ordinance. The Ordinances were identical but the Urgency Ordinance would take effect immediately and would require a 4/5<sup>th</sup> vote. The Regular Ordinance would require two readings and would take effect 30 days after the second reading. The scenario proposed would be the Council approving the Urgency Ordinance with a 4/5<sup>th</sup> vote to take effect

immediately, then Council could consider the regular ordinance with only 3 affirmative votes. If the Council did not have a 4/5<sup>th</sup> vote on the Urgency Ordinance, it would fail, then if the regular ordinance was approved, there would be a lapse in the reduction. City Attorney Cavanaugh was not sure why the resolution was included by WRCOG. If any of the items were approved, the City Council would have to determine whether the reduction would be 25% or 50% and the term of how long the reduction would last. He was concerned about the language in the ordinance, in Section 3, that compels the City Council to submit monthly reports to WRCOG in a format determined by WRCOG about the uncollected revenue resulting from the reduction. He felt that the language was more of something you would see in a contract, not necessarily something you would see in an ordinance. He recommended that the City Council not adopt that language if they chose to adopt the Ordinance. City Attorney Cavanaugh went on to say that his preliminary decision about whether or not the City would be responsible for uncollected fees due to the reduction prior to October 1<sup>st</sup> was based on the fact that the City was not incorporated at that time, but he suggested that the City get that clarified and get a final decision.

Mayor Rush stated that the City Council was being asked to make a very important decision on the fly with very little information. Despite that, he felt that for the future of the City and to create a business friendly environment, a decision should be made.

Motion: Moved by DeGrandpre, seconded by Rush to approve Urgency Ordinance 2010-12, with the amendment of removing the last sentence in Section 3, designating a 50% reduction, and for the first quarter of 2011.

Mayor Rush asked for a roll call vote on the item.

AYES: Council Member Howell, Mayor Pro Tem DeGrandpre, and Mayor Rush

NOES: Council Members Bootsma and Welch

ABSENT: None

ABSTAIN: None

Motion failed for a lack of 4/5<sup>th</sup> vote.

The process for the regular ordinance was discussed. It was stated that if the City Council approved the first reading of the regular ordinance, it would come back for its second reading on Jan. 12<sup>th</sup> and would go into effect on February 11<sup>th</sup>. There would be a lapse in the reduction of the fees. However, the Interim City Attorney thought the Resolution that was

presented by WRCOG for consideration may go into effect immediately with only a 3/5<sup>th</sup> vote.

Mayor Rush stated that he did not agree with voting the item down, but he also did not agree with working around what the City Council had already spoken on.

Council Member Welch stated that he was not going to vote for something that was not understood and was presented at the last minute.

Council Member Howell asked if the City Council was required to vote on each one of the items.

Interim City Attorney Cavanaugh stated that the Council was not required to take any action or vote on the items.

Motion: Moved by Howell, seconded by DeGrandpre to approve Resolution 10-50 with the amendments previously mentioned for Ordinance 2010-12.

Mayor Rush asked for a roll call vote on the item.

AYES: Council Member Howell, Mayor Pro Tem DeGrandpre, and Mayor Rush

NOES: Council Members Bootsma and Welch

ABSENT: None

ABSTAIN: None

Motion carried 3-2.

Interim City Manager Van Nort asked the Interim City Attorney to clarify if the Resolution also needed a 4/5<sup>th</sup> vote to be approved because all three of the items had been brought on as an emergency item.

Interim City Attorney Cavanaugh stated that the Resolution did not need a 4/5<sup>th</sup> vote, only a 3/5<sup>th</sup> vote to be approved.

Mayor Rush entertained a motion to approve Ordinance 2010-13.

Ordinance 2010-13 died for lack of a motion.

**10. OLD BUSINESS ITEMS**

There was no Old Business.

**11. COUNCIL COMMUNICATIONS/CORRESPONDENCE**

Mayor Pro Tem DeGrandpre stated that he had a meeting with the Interim City Manager, the City Engineer and a couple of other people regarding Shamrock Foods moving into a 220,000 square foot facility in the City of Eastvale. He stated that they were looking to do the improvements immediately and would be hiring between 45 and 60 employees at a job fair.

Council Member Welch congratulated the Planning Commission and he hoped to see everyone at the holiday showcase at Roosevelt High School.

Council Member Howell stated that in the previous meeting there had been discussion about agendaizing the cafeteria plan for the Council after Staff had received direction from the City Attorney. She asked that the item be on the next agenda so it could be voted on and finalized.

Mayor Rush clarified that the City Council voted to approve the plan for employees, with the provision that a separate item for the City Council would be brought back if it was legally okay to do so.

There was discussion about the item. The City Attorney had issued a statement that it was not legally feasible. Council Member Howell wanted to be sure that the Council did not need to take any actions on the item because the public had not been made aware of the final solution. It was announced that it was not legal to offer different options or rules for the cafeteria plan for the Council.

Mayor Rush asked Interim City Manager Van Nort and City Engineer Kashiwagi to start brainstorming and coming up with ideas for the RCTC Plans for the I-15 Corridor Improvement Project. He stated that he had met earlier with them and there was really no direction on the Project yet and he would like the City to move forward and set some of the specifics. He provided information on the history and reason for the project and stated that he would like to see a more focused strategy for the Project, he suggested that it be worked on and then presented to the City Council. Mayor Rush went on to say that he would attend the Blue Light Ceremony to honor Riverside County Officers who had fallen in the line of duty, and he would be a judge at the Holiday Showcase. Mayor Rush also announced that the Corona Norco Unified School District would like two representatives from the City Council to attend their quarterly meeting, the following day at Roosevelt High School. It was discussed and Council Member Welch and Mayor Pro Tem DeGrandpre would attend.

**12. CITY MANAGER'S REPORT**

None

**13. ADJOURNMENT**

There being no further business, Mayor Rush adjourned the meeting at 8:27 p.m.

Respectfully submitted,

  
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Judy L. Haughney, CMC  
Interim City Clerk