CITY OF PERRIS

MINUTES: Work Session of the City Council,

Redevelopment Agency,

Perris Public Finance Authority & Perris Public Utilities Authority

Date of Meeting: 29 March 2005

Time of Meeting: 4:00 p.m.

Place of Meeting: City Council Chambers

1. CALL TO ORDER:

The Honorable Mayor Busch called the Joint City Council, Redevelopment Agency, Perris Public Finance Authority and Perris Public Utilities Authority Meeting to order.

4:10 p.m. Called to Order

2. ROLL CALL:

Council Members Present: Motte, Yarbrough, Landers, Busch (Councilmember Rogers absent)

Staff Members Present: City Manager Apodaca, City Attorney Dunn, Community Development Director Barnes, City Engineer Motlagh, Assistant to City Manager Madkin, and City Clerk Rey.

Four Council Members present. (Councilmember Rogers absent)

Staff Members Present

3. WORK SESSION:

A. Crossings, flood conditions, drainage impacting City of Perris

Introduced by: Habib Motlagh, City Engineer

City Engineer Motlagh explained that there were two major drainage facilities within the City of Perris: the Perris Valley Channel running north and south, and the San Jacinto River, starting somewhere in the San Jacinto-Hemet Valley and running from the mountains down to Canyon Lake and eventually to Lake Elsinore. He said that before any major storm drain construction could be done in the City of Perris, the conflict over the improvements to the Perris Valley Channel and San Jacinto River would have to be resolved. Without those two drainage facilities, the City could not implement all the Master Plan facilities that this Council and previous Councils had adopted. So the focus was to get a resolution to San Jacinto River and Perris Valley Channel. After that, drainage issues could be decided and development could proceed.

Crossings, flood conditions, drainage impacting City of Perris.

City Engineer Motlagh explained there were two major drainage facilities within the City of Perris: the Perris Valley Channel and the San Jacinto River, and that improvements to both were imperative for future development.

Mr. Motlagh said the cost of implementing the San Jacinto River Project alternative that the Council had previously favored, Alternative 5, would be close to \$100 million.

Cost of implementing the San Jacinto River Project Alternative 5 would be about \$100 million.

Mr. Motlagh explained that the City was currently included within all or portions of three area drainage plans: Perris Valley Area Drainage Plan (covering 16,000 acres of property), San Jacinto River Plan, and Romoland Area Drainage Plan, and had developed a drainage fee of \$9,000 per acre. For any project within the 16,000 acres, \$9,000 per acre for that project would be collected by either the City or Flood Control. Of that amount, \$1,000 would be set aside for improvements to Perris Valley Channel, and the balance would be for doing side laterals and drainage pipe that eventually tie into Perris Valley Channel. Mr. Motlagh said it was going to take a lot of effort and a lot of money to do all the projects. When the Master Plan was adopted in 1991, the cost to complete the improvements was \$142 million. Today it would probably cost twice that amount. At some future date, he said, the City would have to update the Master Plan.

Three area drainage plans covering the City of Perris: Perris Valley Area Drainage Plan, San Jacinto River Plan, and Romoland Area Drainage Plan.

He further explained that these funds from the drainage fees are to be utilized only for master drainage facilities, not for interim facilities or reimbursing developers for those costs. Developers are conditioned to flood-proof their projects, dedicate retention basins and implement facilities, but there is basically zero credit for drainage because it is not in the guidelines adopted by Council or Flood Control, so that has become a big issue and challenge.

Mr. Motlagh explained the use of drainage fee funds.

CROSSINGS

Crossings

Mr. Motlagh stated that included in the cost of Perris Valley Channel were installation and upgrading of existing crossings at Oleander (\$1 million); Ramona Expressway (\$2-3 million); Rider (\$2 million), with KB Home paying the cost to upgrade the existing crossing to a 5-year crossing this summer; Orange (\$2 million), where four newly approved subdivisions were conditioned to upgrade the existing crossing to a 5-year and a 10-year crossing; Placentia (\$1.7 million); and Nuevo Road (\$2.2 million). Developers installing these facilities or other master planned facilities would receive appropriate drainage credits as determined by RCFC.

Mr. Motlagh gave a breakdown of the cost of the Perris Valley Channel.

MOU

MOU

Mr. Motlagh explained that the City was a party to a Memorandum of Understanding with developers, Riverside County Flood Control, and Riverside County. The purpose of the MOU was basically to start the process and give property owners assurance that the City would be the lead agency and would submit all the applications and paperwork necessary to obtain permits for the proposed San Jacinto River and Perris Valley

Mr. Motlagh explained the purpose of the MOU.

Channel projects.

Mr. Motlagh asked for direction from the Council regarding the nine points identified in the interim development guidelines that would allow Staff to assist the development community and ensure compliance with the overall plan. In conclusion, he emphasized that he believed this was the only chance the City had to implement this project, and that the City needed to make a decision and support this project, giving Staff the guidelines so that the project could be brought back to Council formally to adopt the interim criteria and alternatives.

Mr. Motlagh asked the Council's direction regarding the interim development guidelines and stressed the importance of supporting this project.

SPEAKERS

Mr. Motlagh introduced the first speaker, Rick Hoffman from County Supervisor Ashley's office, who relayed greetings from Supervisor Ashley. Mr. Hoffman said the Supervisor had been involved with the San Jacinto River Plan for more than 20 years and very much agreed that this was the best, and probably the last, chance to put together a plan that would work. Because of the current development climate, the demand for land, and the prices for land, it was felt this was probably economically feasible at present. He said the development community had been working with the County and City to try and make this work, and that the interim development guidelines were designed to protect the project and provide the best shot in making this San Jacinto River Plan work. With a Multi-Species Plan in place, and presently having great support from the Corps of Engineers, they believed this was a great window of opportunity.

Speakers

Rick Hoffman from County Supervisor Ashley's office spoke in support of going ahead with the San Jacinto River Plan.

Mr. Motlagh then introduced Scott Hildebrandt of Albert A. Webb Associates to address flood conditions and drainage impacts to the City of Perris in relation to the San Jacinto River and the Perris Valley Storm Drain. Mr. Hildebrandt stated that the City of Perris has some unique drainage features. Not only is it very flat, but it is impacted by three major drainage courses: the San Jacinto River, the Perris Valley Storm Drain, and the Ethanac Wash Channel (Romoland Channel Line A).

Scott Hildebrandt of Albert A. Webb Associates addressed flood conditions and drainage impacts to the City of Perris in relation to the San Jacinto River and the Perris Valley Storm Drain.

Mr. Hildebrandt presented slides of historical flooding and current flooding (with this year's total rainfall making it the third highest year on record) and discussed the historical efforts to solve the problems for the River and Channel, the latest being the San Jacinto River Coalition in 2003 and the introduction of the MOU in 2004. Mr. Hildebrandt listed the key players of the San Jacinto River Coalition (Property Owners Group, Riverside County Flood Control and Water Conservation District, County of Riverside, and City of Perris) and the key points of the MOU for the property owners and for the City of Perris. The City of Perris serves as lead agency for all CEQA processing and environmental permits. He also listed the following objectives of the San Jacinto

Mr. Hildebrandt discussed historical and current flooding and historical efforts to solve the problems for the San Jacinto River and the Perris Valley Channel, as well as the MOU and the San Jacinto River Coalition.

River Coalition and showed slides of each of the five alternatives, pointing out the MDW crossing issues.

OBJECTIVES

- Develop Jurisdictional Delineation (JD)
- Establish Interim Development Criteria
- Develop Alternatives Analysis
- Develop Environmental Impact Report (EIR)
- Obtain Necessary Permits
- Establish Funding Mechanism

City Engineer Motlagh introduced the City's lobbyist, Thane Young, who will be looking for funds for the City from the Army Corps and other resources.

Thane Young, the City's lobbyist, was introduced by Mr. Motlagh.

Mayor Busch called for public comment.

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PUBLIC COMMENT:

Public Comment

Ed Salz, Project Manager and Consultant to the Landowner Coalition, the group funding a lot of the effort and studies necessary to do this project right, stated that the Coalition was supportive of the project and would appreciate the Council's support as well.

Ed Salz, Project Manager and Consultant to the Landowner Coalition, spoke in support of the project.

COUNCIL QUESTIONS AND DISCUSSION:

Council Questions and Discussion

In response to Councilmember Landers' question regarding the assessment, the basic response was that someone who bought a house in this area would pay \$450 a year for 25 years, while the owner of a large portion of land that was not subdivided would have to pay the equivalent of \$450 per unit, spread throughout his acreage.

Response to Councilmember Landers' question regarding the assessment.

Mayor Pro Tem Motte asked if the County had adopted the resolution regarding interim criteria. Stuart McKibbin of Riverside County Flood Control said they had not yet adopted it, but were in process of fine-tuning the language.

Mayor Pro Tem Motte asked about the County's resolution regarding interim criteria.

Councilmember Yarbrough thanked everyone for their interest and stressed the importance of this project getting done for the sake of safety as well as saving real and personal property threatened by these flooding conditions. He encouraged the public to express any concerns they might have and get involved in making this happen.

Councilmember Yarbrough thanked everyone for their interest and stressed the importance of the project.

Mayor Busch stated that because of the importance of the San Jacinto River and the Perris Valley Storm Drain, the City of Perris had been one of the few cities allowed to sit in on the earlier Multi-Species Habitat Conservation Plan discussions with the

Mayor Busch stated that the City wanted to see the issue resolved and had entered into the MOU in support of the project.

resource agencies, so the City had been involved in this for many years now and wanted to see it resolved, and had entered into the MOU in support of the project.

City Attorney Dunn asked if County Resolution 2004-31 regarding interim guidelines had actually been adopted, or if it was just a draft. The response was that it was a draft that was being finalized.

City Attorney Dunn asked if County Resolution 2004-31 had been adopted or if it was a draft.

City Manager Apodaca asked if Alternatives 5 and 5A were the only ones that addressed improvements in the area of the Perris Valley Storm Drain Channel. The response was that these alternatives would include not only the construction of the basin, but the actual construction of the channel, so that all the laterals that were not yet constructed, but were needed per the Master Plan, could be built to the ultimate depth based upon what was adopted back in 1991. He said they were the only two alternatives that would include the deepening and widening of the channel.

City Manager Apodaca asked if Alternatives 5 and 5A were the only ones that addressed improvements to the Perris Valley Storm Drain Channel. The response was that they were the only ones that included the deepening and widening of the channel.

Mayor Busch stated that the City had gone on record as supporting the improvements to the Perris Valley Storm Drain Channel because without it, the system would not all work properly.

Mayor Busch said the City supported the improvements to the channel.

City Manager Apodaca asked if the \$450 annual assessment per dwelling would cover Alternative 5 and 5A. The response was that even if the total cost went to \$150 million, the assessments would still only be \$750 a year per dwelling year. Mr. Apodaca asked if that would include all units in the area, or just those that had joined the MOU. Mr. Hoffman said that was why they were asking the interim development criteria to be adopted by the cities, so they could make sure they got those who were outside the coalition membership as well. He said a boundary needed to be established soon, and that those outside the floodplain would possibly be at a lesser level of assessment.

City Manager Apodaca had questions regarding assessment.

City Attorney Dunn asked if they had spoken with some of the people who were not at this meeting. He said their absence made one wonder what their stance was. Mr. Hildebrandt said some were present and some had not yet been approached. He said they didn't actually expect everyone to voluntarily agree to having an assessment district.

City Attorney Dunn asked about the stance of others in area regarding an assessment district. Mr. Hildebrandt responded.

Mr. McKibbin said they would condition the projects as they moved forward. Once the program had been adopted, the area drainage fee would be amended, so that anyone within that area drainage plan would have to pay that fee. It would be done, first, by voluntary compliance, by the people represented at this meeting who were willing to pledge their land and put up the upfront money and build it, and later by those who would participate Mr. McKibbin said projects would be conditioned as they moved forward. It would either be done by voluntary compliance now or later by means of an area drainage fee. in paying by means of the area drainage fee. Mr. Hildebrandt said they could also sell bonds, in addition to the developers putting up the cash.

Councilmember Yarbrough said it was extremely important to have a couple of workshops and keep this subject before the press so that the public would know what was going on, and to collectively work to gain the participation of others.

Councilmember Yarbrough stressed the importance of keeping this before the press and soliciting the participation of others.

City Engineer Motlagh added that, regarding Mr. Apodaca's question about fees, to make the fee less painful he believed that an assessment engineer could make the finding that the entire Master Plan area, including the City of Moreno Valley and part of the County, was part of this and benefited from the improvements to the San Jacinto River and the Perris Valley Channel because without these improvements, they were not going to be able to develop as they had, so that the burden would be not just on the 20,000 units, but spread throughout a much larger area.

City Engineer Motlagh commented regarding Mr. Apodaca's earlier question about fees.

Mr. Motlagh said that what he would like to do, with Council's approval and pending County's review and approval of the interim guidelines, was to bring their final version to the Council for formal adoption sometime in April, bringing the five alternatives with a recommendation for the Council to officially adopt Alternative 5, so that Staff could proceed with conditioning projects.

Mr. Motlagh outlined his plan of action.

14. ADJOURNMENT:

By unanimous consent, the Joint City Council, Redevelopment Agency, PPFA and PPUA Work Session was adjourned at 5:40 p.m.

5:40 p.m. Joint City Council, Redevelopment Agency, PPFA and PPUA Work Session was adjourned.

Margaret Rey, City Clerk	

Respectfully Submitted,