



# AGENDA of THE LAGUNA WOODS CITY COUNCIL

**Adjourned Regular Meeting  
June 6, 2012  
2:00 P.M.**

**Council Chambers  
Laguna Woods City Hall  
24264 El Toro Road  
Laguna Woods, CA 92637**

AGENDA DESCRIPTION: The Agenda descriptions are intended to give notice, to members of the public, of a general summary of items of business to be transacted or discussed. The listed Recommended Action represents staff or a particular Committee's recommendation. The City Council may take any action, which it deems to be appropriate on the agenda item and is not limited in any way by the recommended action. Any person wishing to address the City Council on any matter, whether or not it appears on this agenda, is requested to complete a "Request to Speak" form available at the door. The completed form is to be submitted to the City Clerk prior to an individual being heard by the City Council. Whenever possible, lengthy testimony should be presented to the City Council in writing (8 copies) and only pertinent points presented orally. Requests to speak to items on the agenda shall be heard at the appropriate point on the agenda; requests to speak about subjects not on the agenda will be heard during the Public Comment section of the meeting.

## **I. CALL TO ORDER**

## **II. FLAG SALUTE**

## **III. ROLL CALL**

COUNCILMEMBERS:  Hack  Rhodes  Robbins  
 Ring, Mayor Pro Tem  Conners, Mayor

#### IV. CONSENT CALENDAR

- 4.1 Approve the reading by title of all ordinances and resolutions. Said ordinances and resolutions that appear on the public agenda shall be determined to have been read by title only and further reading waived.

RECOMMENDED ACTION: Waive reading of ordinances and resolutions.

- 4.2 Newport Bay Watershed Total Maximum Daily Loads (TMDL) Agreement

RECOMMENDED ACTION: Approve an agreement with the County of Orange and other partners to fund nutrient, fecal, coliform and toxic metal maximum daily load programs in the Newport Bay Watershed; and authorize the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

- 4.3 Notice of Completion – Installation of Electrical Connections For City Hall HVAC System

RECOMMENDED ACTION:

- A. Accept project completion of a contract with American Electric Company for the installation of electrical connections for City Hall HVAC System.
- B. Release 5% contract retention in the amount of \$416.90 withheld per California Government Code 35 days following recordation of the Notice of Completion with the County of Orange.

- 4.4 Notice of Completion – Installation of Energy Efficiency Improvement City Hall HVAC System

RECOMMENDED ACTION:

- A. Accept project completion of a contract with Allied Mechanical Air Systems, INC. for the installation of the energy efficiency improvements City Hall HVAC System.

- B. Release 5% contract retention in the amount of \$498.55 withheld per California Government Code 35 days following recordation of the Notice of Completion with the County of Orange.

## V. PUBLIC HEARING

### 5.1 Medical Marijuana Dispensary Regulations

#### RECOMMENDED ACTION:

- A. Receive Staff Report
- B. Open Public Hearing
- C. Receive Public Comment
- D. Close Public Hearing
- E. Adopt an ordinance modifying medical marijuana dispensary regulations, entitled:

AN ORDINANCE OF THE CITY OF LAGUNA WOODS,  
CALIFORNIA, AMENDING SECTION 13.26.025 OF THE  
LAGUNA WOODS MUNICIPAL CODE AND MAKING  
MODIFICATIONS TO REGULATIONS GOVERNING  
MEDICAL MARIJUANA DISPENSARIES

## VI. CITY MANAGER

### 6.1 Fiscal Year 2012-13 Annual Budget

RECOMMENDED ACTION: Discuss and provide direction to staff.

### 6.2 Red Light Photo Enforcement Program

RECOMMENDED ACTION: Consider approving a memorandum of understanding between the City of Laguna Woods and Redflex Traffic Systems, Inc. related to the existing automated red light photo enforcement

systems agreement and authorizing the City Manager to execute the memorandum, subject to approval as to form by the City Attorney.

## **VII. PUBLIC COMMENTS**

## **VIII. CITY COUNCIL COMMENTS AND ANNOUNCEMENTS**

## **IX. CLOSED SESSION**

- 9.1 The City Council will meet in closed session to confer with legal counsel regarding one matter of potential litigation, pursuant to the provisions of Government Code Section 54956.9(c).

## **X. CITY COUNCIL**

- 10.1 Ethics Training - The City Council will be in session for approximately two hours for biannual ethics training required by California Government Code, Sections 53234 – 53235.2

RECOMMENDED ACTION: The training format is presentation and discussion; no action will be taken.

## **XI. ADJOURNMENT**

The meeting will be adjourned to a regular meeting of the City Council at 2:00 p.m. on Wednesday, June 20, 2012 at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

**AMERICANS WITH DISABILITIES ACT:** In compliance with Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the City Clerk at (949) 639-0500 (Voice) or, TDD (949) 639-0535 or the California Relay Service at (800) 735-2929 if you have a TDD or (800) 735-2922 if you do not have a TDD. Notification 48 hours prior to the meeting should enable the City to make reasonable arrangements to assure accessibility to the meeting.

**AGENDA:** The City Council agenda and agenda back-up materials are available from the Office of the City Clerk, after 4:30 p.m., on the Friday prior to the City Council meeting. The office of the City Clerk is located at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637. Copies of the agenda are provided at no cost. Agenda back-up materials are available at City Hall for inspection and copies are available at no charge prior to the meeting. A per page copy cost does apply after the meeting. If you wish to be added to the e-mail or regular mail list to receive a copy of the agenda, a request must be made to the City Clerk in writing. Copies of the agenda are mailed only if stamped, self-addressed envelopes are provided. The City of Laguna Woods mailing address is 24264 El Toro Road, Laguna Woods, CA 92637. Phone: (949) 639-0500, FAX (949) 639-0591.

**4.1-4.4**  
**CONSENT CALENDAR SUMMARY**

## City of Laguna Woods Agenda Report

**FOR:** June 6, 2012 City Council Meeting

**TO:** Honorable Mayor and Councilmembers

**FROM:** Leslie A. Keane, City Manager 

**Agenda Item:** Consent Calendar

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### **Recommendation:**

Approve all proposed actions on the June 6, 2012 Consent Calendar by single motion and Council action.

### **Discussion:**

In general, the Consent Calendar contains routine matters or matters that have already been discussed by Council. It is adopted in total with a single motion and Council action. However, if any councilmember or member of the public has questions or wishes to discuss an item further, it may be removed from the Consent Calendar and placed later in the agenda for discussion and action. The way to remove an item from the Consent Calendar is to request its removal, by agenda item number, immediately prior to the adoption of the Consent Calendar. Members of the public may fill out a request to speak on the item they wish removed and the City Clerk will note the item. No reason need be given with the request. Items pulled from the Consent Calendar are not discussed at the time they are pulled; they are scheduled for discussion immediately after action on the balance of the Consent Calendar.

The June 6<sup>th</sup> Consent Calendar contains the following four items:

- 4.1 Approval of a motion to allow reading proposed ordinances and resolutions by title only – this is a standard practice in cities. If this motion is not approved, all ordinances and resolutions must be read out loud in their entirety during the Council Meeting.

- 4.2 Approval of an agreement with the County of Orange, Orange County Flood Control District, Irvine Ranch Water District, Irvine Company, Lennar Homes of California, Inc. and the Cities of Costa Mesa, Irvine, Laguna Hills, Lake Forest, Newport Beach, Orange, Santa Ana and Tustin, for the purpose of funding and performing program activities related to the adopted Total Maximum Daily Loads (TMDLs) for nutrients, fecal coliform, and toxics and current and future Clean Water Act §303(d) listings in the Newport Bay Watershed. A portion of the City of Laguna Woods drains to the Newport Bay Watershed and, as a result, the City has participated in compliance-related cost-share agreements since 2003. The proposed agreement is for a term July 1, 2012 through June 30, 2015, with an option for an additional three year extension. The cost to each agency is a function of the total project budget and its funding formula percentage. Funding formula percentages vary from year to year based on land area and population and the number of funding partners. In Fiscal Year 2011-12, Laguna Woods' funding percent was .9% for a \$12,891.72 cost.
- 4.3 Acceptance of the project completion of a contract with American Electric Company for the installation of electrical connections for the City Hall HVAC system. This project has been successfully completed; Council action will allow staff to file the notice of completion and release project retention funds.
- 4.4 Acceptance of the project completion of a contract with Allied Mechanical Air Systems, Inc. for the installation of energy efficiency improvements City Hall HVAC system. This project has been successfully completed; Council action will allow staff to file the notice of completion and release project retention funds.

The above matters are routine and/or have been reviewed by the Council on other occasions. Staff recommends that they be approved as part of the June 6, 2012 Consent Calendar.

If you have questions about any of the above items, feel free to call me prior to the meeting so that I may provide additional information.

**4.1**  
**WAIVE READING OF ORDINANCES AND**  
**RESOLUTIONS**  
**(No Report)**

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**4.2**  
**NEWPORT BAY WATERSHED TOTAL**  
**MAXIMUM DAILY LOADS AGREEMENT**

AGREEMENT TO FUND NUTRIENT, FECAL COLIFORM AND TOXICS TOTAL MAXIMUM DAILY  
LOAD ("TMDL") PROGRAMS IN THE NEWPORT BAY WATERSHED

THIS AGREEMENT, for purposes of identification numbered D11-066, referred to hereinafter as "AGREEMENT", is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 201\_, by and between the County of Orange ("COUNTY"), the Orange County Flood Control District ("DISTRICT"), the City of Costa Mesa ("COSTA MESA"), the City of Irvine ("IRVINE"), the City of Laguna Hills ("LAGUNA HILLS"), the City of Laguna Woods ("LAGUNA WOODS"), the City of Lake Forest ("LAKE FOREST"), the City of Newport Beach ("NEWPORT BEACH"), the City of Orange ("ORANGE"), the City of Santa Ana ("SANTA ANA"), the City of Tustin ("TUSTIN"), the Irvine Ranch Water District ("IRWD") and the Irvine Company ("TIC"), and Lennar Homes of California, Inc. ("LENNAR"). The fourteen entities are hereinafter sometimes jointly referred to as the "PARTIES" and individually as "PARTY." The cities are hereinafter sometimes jointly referred to as the "CITIES." The CITIES, COUNTY and DISTRICT are hereinafter sometimes jointly referred to as the "MUNICIPAL PARTIES." Thirteen entities (all entities except for LENNAR) are sometimes jointly referred to as the "ORIGINAL PARTIES."

WITNESSETH

WHEREAS, the California Regional Water Quality Control Board, Santa Ana Region ("REGIONAL BOARD") has adopted Resolution No. 98-9, as amended by Resolution No. 98-100 amending the Water Quality Control Plan for the Santa Ana River Basin to incorporate a Nutrient TMDL for the Newport Bay/San Diego Creek Watershed on April 17, 1998 and Resolution 99-10 amending the Water Quality Control Plan for the Santa Ana River Basin to incorporate a TMDL for Fecal Coliform in Newport Bay on April 9, 1999 pursuant to the provisions of section 303(d) of the Clean Water Act; and,

WHEREAS, the United States Environmental Protection Agency (USEPA) has established TMDLs for toxic pollutants, for San Diego Creek and Newport Bay, California on June 14, 2002, and the REGIONAL BOARD is developing implementation plans for each of the toxic pollutants; and,

WHEREAS, the adopted TMDLs contain requirements for studies, monitoring, and the development of programs to attain TMDL reduction targets over a multi-year period; and,

WHEREAS, these TMDLs are included in the National Pollutant Discharge Elimination System (“NPDES”) Municipal Permit Order No. R8-2009-0030 that require a cooperative watershed program; and,

WHEREAS, the ORIGINAL PARTIES entered into Agreement No. D99-128 on September 18, 2003 and subsequent amendments on July 5, 2006, March 29, 2008 and July 8, 2010 to provide funding for the Nutrient, Fecal Coliform, and Toxics Total Maximum Daily Load (TMDL) studies in the Newport Bay Watershed; and,

WHEREAS, the PARTIES intend this AGREEMENT as a successor to Agreement No. D99-128 to provide for the performance of studies, research, monitoring, development and/or revision of programs related to the adopted TMDLs for nutrients, fecal coliform and toxics and current and future Clean Water Act §303(d) listings, as well as planning, permitting, design, construction, and maintenance of TMDL pilot projects (“PILOT PROJECTS”); and

WHEREAS, the PARTIES have reached agreement on a funding formula which is shown in Exhibit A; and

WHEREAS, in the event that long-term watershed funding is secured prior to AGREEMENT expiration, the PARTIES intend to amend the AGREEMENT to incorporate this funding through revised cost share allocations; and,

WHEREAS, it is recognized that regulatory compliance gained through the activities herein apply to all PARTIES equally, and

WHEREAS, it is recognized that additional compliance efforts may be necessary and the PARTIES may choose to fund projects under separate agreements; and

NOW, THEREFORE, in consideration of the foregoing, the PARTIES agree as follows:

Section 1. PURPOSE. This AGREEMENT is entered into for the purpose of funding and performing program activities related to the adopted TMDLs for nutrients, fecal coliform, and toxics and current and future Clean Water Act §303(d) listings in the Newport Bay Watershed.

Section 2. TERM. The term of this AGREEMENT shall commence upon approval and execution of this AGREEMENT by all PARTIES or July 1, 2012, whichever is later, and shall continue until June 30, 2015. The AGREEMENT may be renewed for an additional three (3) year term running July 1, 2015 to June 30, 2018 with approval of the PARTIES.

Section 3. PROGRAM WORK PLAN. The COUNTY shall work in concert with all PARTIES to develop a work plan for the following fiscal year. The work plan for the upcoming fiscal year shall be submitted to each of the PARTIES by December 15 of each year. The work plan may designate a PARTY as a lead other than the COUNTY for a work plan task(s).

Section 4. BUDGET AND COSTS. The COUNTY shall work in concert with all the PARTIES to develop a budget for the following fiscal year. Budgeted amounts for PILOT PROJECT(S) shall not exceed \$200,000 for all pilot projects in any one fiscal year. The budget for the upcoming fiscal year shall be submitted to each of the PARTIES by December 15 of each year. The budget shall contain an explanation of any recommended program changes, an estimate of all planned expenditures and an estimate of the payment required from each PARTY for the following fiscal year.

The COUNTY shall be entitled to charge to the program all costs for direct labor, materials, equipment, and outside contract services for costs associated with carrying out the approved scope of work. Recoverable costs will also include an overhead charge.

Section 5. WORK PLAN TASK LEAD REIMBURSEMENT. If a PARTY is designated as a task lead, upon written authorization from COUNTY, the PARTY shall invoice the COUNTY for authorized expenses up to the approved budget amount for the work plan task.

Section 6. APPROVALS AND ADJUSTMENTS. The PARTIES shall be permitted to review and approve the budget and program work plan for the forthcoming year, review work products, and provide direction for performance of the work plan. The PARTIES shall be notified of the intent to issue

contracts to perform the program work plan, shall be permitted to participate in the preparation and review of the scope of work for such contracts, and to serve on the committee evaluating consultant qualifications/proposals subject to the requirements of the County of Orange Contract Policy Manual. Criterion for approval of the work plan and budget shall be affirmative responses from PARTIES representing ninety percent (90%) of the Cost Share Percentage in Exhibit A and 12 of the 13 PARTIES. The COUNTY and DISTRICT will constitute one approving PARTY. Any PARTY not providing a response by July 15 of each year shall be considered as rendering an affirmative response.

Criterion for approval of adjustments to scopes of work shall be the same as for the approval of the work plan and budget.

Section 7. FUNDING COST SHARE ALLOCATIONS. Exhibit A, which is attached to this AGREEMENT and by this reference is made a part hereof, presents the funding formula and the fiscal year 2012-13 cost share percentages for the PARTIES. Land area calculations will be reviewed and revised as needed. A request for information documenting changes in land area will be made to the PARTIES each year by November 1.

Section 8. PAYMENTS. The COUNTY shall invoice each PARTY for its annual deposit at the beginning of each fiscal year. Each PARTY shall pay the deposit within 45 calendar days of the date of the invoice. Each PARTY'S deposit shall be based on its prorated share of the approved annual budget, reduced by the sum of (a) its prorated share of any surplus identified in the prior fiscal year end accounting, and (b) its prorated share of any funding provided for programs in the approved budget from entities not party to this AGREEMENT.

Interest earned on the PARTIES' deposits will not be paid to the PARTIES, but will be credited against the PARTIES' share of the program costs.

The COUNTY shall notify each of the PARTIES if it appears that costs may exceed the budget approved by the PARTIES in any fiscal year. The COUNTY shall prepare a fiscal year end accounting within 60 calendar days of the end of the fiscal year. If the fiscal year end accounting results in costs (net of interest earnings) exceeding the sum of the deposits, and the COUNTY has notified and obtained

approval from the PARTIES of potential cost overruns, the COUNTY shall seek approval of the excess cost from the PARTIES in the form of a revised budget and, upon approval, shall invoice each PARTY for its prorated share of the excess cost up to the amount of the revised approved budget. Each PARTY shall pay the billing within 45 calendar days of the date of the invoice. If the fiscal year end accounting results in the sum of the deposits exceeding costs (net of interest earnings), the excess deposits will carry forward to reduce the billings for the following year. The fiscal year end accounting results and associated invoices for each PARTY will take into consideration any outside funding provided for programs in the approved budget from entities not party to this AGREEMENT.

Upon termination of the program, a final accounting shall be performed by the COUNTY. If costs remaining after the deduction of interest costs exceed the sum of the deposits, the COUNTY shall invoice each PARTY for its prorated share of the deficit. Each PARTY shall pay the invoice within 45 calendar days of the date of the invoice. If the sum of the deposits, including interest, exceeds the costs, the COUNTY shall reimburse to each PARTY its prorated share of the excess, within 45 calendar days of the final accounting.

Section 9. ADDITIONAL PARTIES. It is recognized that there may be other parties who wish to participate in and provide funding for the activities described in this AGREEMENT. Nothing in this AGREEMENT is intended to preclude additional participants being added by written amendment as parties to this AGREEMENT pursuant to Section 10. Cost allocations for the additional parties and PARTIES will be revised based on the funding formula in Exhibit A.

Section 10. AMENDMENT. This AGREEMENT may be amended in writing only with the unanimous written approval of the parties.

Section 11. LIABILITY. It is mutually understood and agreed that, merely by the virtue of entering into this AGREEMENT, each PARTY neither relinquishes any rights nor assumes any liabilities for its own actions or the actions of other PARTIES. It is the intent of the PARTIES that the rights and liabilities of each Party shall remain the same, while this AGREEMENT is in force, as it was before this AGREEMENT was made, except as otherwise specifically provided in this agreement.

Section 12. TERMINATION. Any PARTY wishing to terminate its participation in this AGREEMENT shall so notify all other PARTIES in writing by March 1 of any year. Such termination shall be effective the following June 30. The terminating PARTY shall be responsible for financial obligations hereunder to the extent incurred in accordance with this agreement by the PARTY prior to the effective date of termination. The balance of the PARTIES may continue in the performance of the terms and conditions of this AGREEMENT on the basis of a revised allocation of cost based on the funding formula in Exhibit A.

Section 13. AVAILABILITY OF FUNDS. The obligation of each PARTY is subject to the availability of funds appropriated for this purpose, and nothing herein shall be construed as obligating the PARTIES to expend or as involving the PARTIES in any contract or other obligation for the future payment of money in excess of appropriations authorized by law.

Section 14. NO THIRD PARTY BENEFICIARIES. Nothing expressed or mentioned in this AGREEMENT is intended or shall be construed to give any person, other than the PARTIES hereto and any entity in which a PARTY has a legal interest (such as, but not limited to, a limited liability membership interest or a partnership interest), and any permitted successors or assigns of a PARTY, any legal or equitable right, remedy or claim under or in respect of this AGREEMENT or any provisions herein contained. This AGREEMENT and any conditions and provisions hereof is intended to be and is for the sole and exclusive benefit of the PARTIES and the entities in which they have a legal interest and their successors or assigns and for the benefit of no other person, agency or entity.

Section 15. REFERENCE TO CALENDAR DAYS. Any reference to the word "day" or "days" herein shall mean calendar day or calendar days, respectively, unless otherwise expressly provided.

Section 16. ATTORNEYS FEES. In any action or proceeding brought to enforce or interpret any provision of this AGREEMENT, or where any provision hereof is asserted as a defense, each PARTY shall bear its own attorneys' fees and costs.

Section 17. ENTIRE AGREEMENT. This AGREEMENT is intended by the PARTIES as a final expression of their agreement and intended to be a complete and exclusive statement of the agreement

and understanding of the PARTIES hereto in respect of the subject matter contained herein. There are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein. This AGREEMENT supersedes all prior agreements and understandings between the PARTIES with respect to such matter.

Section 18. SEVERABILITY. If any part of this AGREEMENT is held, determined or adjudicated to be illegal, void, or unenforceable by a court of competent jurisdiction, the remainder of this AGREEMENT shall be given effect to the fullest extent reasonably possible.

Section 19. SUCCESSORS AND ASSIGNS. The terms and provisions of this AGREEMENT shall be binding upon and inure to the benefit of the PARTIES hereto and their successors and assigns.

Section 20. NOTICES. All notices required or desired to be given under this AGREEMENT shall be in writing and (a) delivered personally, or (b) sent by certified mail, return receipt requested or (c) sent by electronic mail followed by a mailed copy, to the addresses specified below, provided each PARTY may change the address for notices by giving the other PARTIES at least ten (10) days written notice of the new address. Notices shall be deemed received when actually received in the office of the addressee or when delivery is refused, as shown on the receipt of the U.S. Postal service, or other person making the delivery, except that notices sent by electronic mail shall be deemed received on the first business day following transmission.

Director of Public Services  
City of Costa Mesa  
P.O. Box 1200  
Costa Mesa, CA 92628-1200  
Facsimile: (714) 754-5028

Director of Community Development  
City of Irvine  
P.O. Box 19578  
Irvine, CA 92623-9578  
Facsimile: (949) 724-6440

Director of Public Services  
City of Laguna Hills  
24035 El Toro Road  
Laguna Hills, CA 92653  
Facsimile: (949) 707-2633

Director of Community Development  
City of Laguna Woods  
24264 El Toro Road  
Laguna Woods CA 92637  
Facsimile: (949) 639-0591

Director of Public Works  
City of Lake Forest  
25550 Commercentre Dr. Suite 100  
Lake Forest, CA 92630  
Facsimile: (949) 461-3511

Director of Public Works  
City of Newport Beach  
3300 Newport Blvd.  
Newport Beach, CA 92658  
Facsimile: (949) 718-1840

Director of Public Works  
City of Orange  
300 E. Chapman Ave  
Orange, CA 92866  
Facsimile: (714) 744-5573

Director of Public Works  
City of Santa Ana  
101 W. 4<sup>th</sup> St.  
Santa Ana, CA 92701  
Facsimile: (714) 647-5635

Director of Public Works  
City of Tustin  
300 Centennial Way  
Tustin, CA 92780  
Facsimile: (714) 734-8991

Director, OC Public Works  
County of Orange  
300 N. Flower Street  
Santa Ana, CA 92702-4048  
Facsimile: (714) 834-2395

Executive Director of Water Policy  
Irvine Ranch Water District  
15600 Sand Canyon Avenue  
Irvine, CA 92618  
Facsimile: (949) 453-0228

Vice President of Environmental Affairs  
The Irvine Company  
550 Newport Center

Newport Beach, CA 92658-8904  
Facsimile: (949) 720-2448

Vice President of Community Development  
Lennar  
25 Enterprise, Ste 400  
Aliso Viejo, CA 92656  
Facsimile: (949) 349-0394

Section 21. EXECUTION OF AGREEMENT. This AGREEMENT may be executed in counterpart and the signed counterparts shall constitute a single instrument.

Section 22. GOVERNING LAW AND VENUE. This AGREEMENT has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this AGREEMENT, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the PARTIES hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure section 394. Furthermore, the PARTIES have specifically agreed, as part of the consideration given and received for entering into this AGREEMENT, to waive any and all rights to request that an action be transferred for trial to another county under Code of Civil Procedure Section 394 or any other provision of law.

IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT the day and year first above written:

COUNTY OF ORANGE,  
a political subdivision of the State of  
California

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Chairman of the Board of Supervisors

ORANGE COUNTY FLOOD CONTROL DISTRICT  
a body corporate and politic

By: \_\_\_\_\_  
Chairman of the Board of Supervisors

SIGNED AND CERTIFIED THAT A COPY OF THIS  
AGREEMENT HAS BEEN DELIVERED TO THE  
CHAIR OF THE BOARD.

Date: \_\_\_\_\_

By \_\_\_\_\_  
Susan Novak  
Clerk of the Board of Supervisors of  
Orange County, California

APPROVED AS TO FORM  
COUNTY COUNSEL

By \_\_\_\_\_  
Deputy

Date: \_\_\_\_\_

CITY OF COSTA MESA

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney of Costa Mesa

CITY OF IRVINE

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney of Irvine

CITY OF LAGUNA HILLS

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney of Laguna Hills

CITY OF LAGUNA WOODS

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Cynthia S. Conners, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Yolie Trippy, Deputy City Clerk

\_\_\_\_\_  
David B. Cosgrove, City Attorney of Laguna Woods

CITY OF LAKE FOREST

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney of Lake Forest

CITY OF NEWPORT BEACH

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney of Newport Beach

CITY OF ORANGE

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney of Orange

CITY OF SANTA ANA

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney of Santa Ana

CITY OF TUSTIN

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney of Tustin

THE IRVINE RANCH WATER DISTRICT

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

THE IRVINE COMPANY

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Lennar Homes of California,**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

EXHIBIT A  
FUNDING FORMULA AND FISCAL 2012-13 COST SHARE PERCENTAGES

JURISDICTION	TOTAL SQUARE MILES <sup>1</sup>	SQ. MILES WITHIN WATERSHED <sup>1</sup>	NET LAND AREA <sup>2</sup>	PERCENTAGE OF CITY LAND AREA IN WATERSHED <sup>3</sup>	TOTAL POPULATION <sup>4</sup>	ESTIMATED POPULATION IN WATERSHED <sup>5</sup>	WEIGHTED LAND AREA & POPULATION SHARE <sup>6</sup>	WEIGHTED NET LAND AREA SHARE <sup>7</sup>	FISCAL YEAR 2012-13 COST SHARE PERCENTAGES <sup>8</sup>
Costa Mesa	15.83	7.65	7.54	48.33	110,146	53,229	2.22	2.06	4.28
County of Orange	175.23	16.68	14.25	9.52	121,488	11,564	3.16	3.89	7.05
Irvine	65.98	65.80	50.82	99.73	219,156	218,558	12.58	13.89	26.46
Laguna Hills	6.64	1.18	1.16	17.77	30,410	5,404	0.27	0.32	0.59
Laguna Woods	3.31	1.88	1.88	56.80	16,224	9,215	0.45	0.51	0.96
Lake Forest	16.78	11.58	9.18	69.01	77,490	53,476	2.68	2.51	5.19
Newport Beach	24.74	17.63	14.58	71.26	85,376	60,840	3.56	3.98	7.55
Orange	25.78	1.88	1.73	7.29	136,995	9,990	0.47	0.47	0.94
Santa Ana	27.35	16.40	16.17	59.96	325,228	195,018	6.35	4.42	10.77
Tustin	11.14	11.14	10.49	100.00	75,781	75,781	3.19	2.87	6.06
OCFC District	---	---	---	---	---	---	---	---	10.00
IRWD	---	---	---	---	---	---	---	---	10.00
Irvine Co.	---	---	---	---	---	---	---	---	10.00
Lennar	---	---	---	---	---	---	---	---	0.15
	355.49	151.82	127.80	---	1,198,294	693,076	34.925	34.925	100.00

<sup>1</sup> Source: OC Public Works, OC Survey Section May 2011

<sup>2</sup> NET LAND AREA = Square miles within Watershed-Extractions for NPDES, Federal, State, County, IRWD, Irvine Company and Lennar

<sup>3</sup> PERCENTAGE OF CITY LAND AREA IN WATERSHED = Square miles within Watershed/Total Square Miles \* 100

<sup>4</sup> Source: State of California, Department of Finance, E-1 Population Estimates for Cities, Counties and the State with Annual Percentage Change (May 2011 as updated)

<sup>5</sup> ESTIMATED POPULATION IN WATERSHED = Total Population \* Percentage of City Land Area in Watershed/100

<sup>6</sup> WEIGHTED LAND AREA & POPULATION SHARE = ((Square Miles within Watershed/Total Square Miles of Watershed)\*0.5) + ((Estimated Population in Watershed/Total Estimated Population in Watershed)\*0.5) x 34.925

<sup>7</sup> WEIGHTED NET LAND AREA SHARE = Net Land Area/Total Net Land Area \* 34.925

<sup>8</sup> COST SHARE PERCENTAGE = Weighted Land Area & Population Share + Weighted Net Land Area Share

**4.3**


**NOTICE OF COMPLETION - INSTALLATION  
OF ELECTRICAL CONNECTIONS FOR CITY  
HALL HVAC (NO REPORT)**

**4.4**

**NOTICE OF COMPLETION – INSTALLATION  
OF ENERGY EFFICIENCY IMPROVEMENT  
CITY HALL HVAC SYSTEM (NO REPORT)**

**5.1**  
**MEDICAL MARIJUANA DISPENSARY**  
**REGULATIONS**

**City of Laguna Woods  
Agenda Report**

**FOR:** June 6, 2012 City Council Meeting  
**TO:** Honorable Mayor and Councilmembers  
**FROM:** Leslie A. Keane, City Manager   
**AGENDA ITEM:** Medical Marijuana Dispensary Regulations

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**Recommendation**

- A. Receive Staff Report
- B. Open Public Hearing
- C. Receive Public Comment
- D. Close Public Hearing
- E. Adopt an ordinance modifying medical marijuana dispensary regulations, entitled:

AN ORDINANCE OF THE CITY OF LAGUNA WOODS,  
CALIFORNIA, AMENDING SECTION 13.26.025 OF THE  
LAGUNA WOODS MUNICIPAL CODE AND MAKING  
MODIFICATIONS TO REGULATIONS GOVERNING  
MEDICAL MARIJUANA DISPENSARIES

**Background**

In 2008, the City Council adopted regulations (Municipal Code Section 13.26.025) governing medical marijuana dispensaries in the City. At its May 16, 2012 meeting, the Council approved introduction and first reading of an ordinance that would modify some of the existing operating condition requirements for dispensaries.

## **Discussion**

The Laguna Woods' Municipal Code contains a permitting process, which allows medical marijuana dispensaries in certain zoning districts (community commercial and professional office) under specified operating conditions. Permit applications must include a written acknowledgement from the property owner that the facility will engage in medical marijuana dispensing.

Operating conditions for medical marijuana dispensaries include hours of operation, records maintenance and verification, storage of products and dispensing requirements, a separate ventilation system in multi-unit building (to avoid inconvenience to other tenants) and the inability to obstruct windows or doors (this is a general requirement for all buildings in community commercial and professional office zones). In addition, medical marijuana dispensaries must surrender security tapes on demand and can only dispense product to Laguna Woods' residents.

To date, the City has received hundreds of inquiries, but no actual permit applications. Potential applicants have informed staff that Laguna Woods' property owners are unwilling to lease space for this purpose. Although staff expected to have concerns raised about the requirement that distribution be limited to Laguna Woods' residents, no potential applicant raised this as a significant issue.

In an effort to simplify the application review and monitoring impact on the City and the Orange County Sheriff's Department, staff is recommending that the requirements for the surrender of security tapes and limit on patient distribution be eliminated. These last two requirements are unique to medical marijuana dispensaries and would be time-consuming and costly to enforce with only limited benefit to the oversight of the permits.

## **Fiscal Impact**

Since the City currently has no medical marijuana dispensaries, there is no quantifiable information available regarding the costs to monitor medical marijuana dispensaries. Elimination of the recommended requirements is expected to reduce City costs should a dispensary open.

## **Conclusion**

Approval of the proposed modifications to current medical marijuana dispensary permit regulations will simplify the staff and Orange County Sheriff's Department

review and monitoring of permits; and is not expected to have any effect on the number of dispensaries that might apply for or receive a permit. If, at the conclusion of the public hearing, the City Council adopts the proposed amendments, they would become effective in mid-July 2012.

Attachment: Proposed Ordinance

**ORDINANCE NO. 12-XX**

AN ORDINANCE OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING SECTION 13.26.025 OF THE LAGUNA WOODS MUNICIPAL CODE AND MAKING MODIFICATIONS TO REGULATIONS GOVERNING MEDICAL MARIJUANA DISPENSARIES

**WHEREAS**, in November 1996, the voters of California passed Proposition 215, the Compassionate Use Act (CUA), which has been codified as California Health and Safety Code Section 11362.5; and

**WHEREAS**, Section 11362.83 of the California Health and Safety Code provides that localities are free to adopt laws that are consistent with State law, and as such, it is up to each jurisdiction to decide if they will allow medical marijuana dispensaries, in what zones, and under what regulations; and

**WHEREAS**, in 2008, the City of Laguna Woods adopted regulations permitting the location and operation of medical marijuana dispensaries in community commercial zoning districts, subject to certain specified conditions; and

**WHEREAS**, the City finds it now appropriate to modify existing regulations.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, DOES ORDAIN AS FOLLOWS:**

**SECTION 1.** The City Council finds that the actions contemplated by this ordinance are exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061 (b) 3 and 15305 of the Guidelines, in that the amendment does not have the potential for causing a significant effect on the environment.

**SECTION 2.** Sections 13.26.025 (k) (4) and 13.26.025 (l) (1) of the Laguna Woods Municipal Code are hereby deleted.

**SECTION 3.** This Ordinance shall take effect and be in full force and effect thirty (30) days from and after the date of its final passage and adoption, or until otherwise superseded by action of the City Council or by operation of State Law.

**SECTION 4.** The City Clerk shall certify to the passage of this Ordinance and shall cause this Ordinance to be published or posted as required by law.

PASSED, APPROVED AND ADOPTED THIS \_\_\_ DAY OF \_\_\_\_\_, 2012.

\_\_\_\_\_  
CYNTHIA S. CONNERS, Mayor

ATTEST:

\_\_\_\_\_  
YOLIE TRIPPY, Deputy City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
DAVID B. COSGROVE, City Attorney

STATE OF CALIFORNIA )  
COUNTY OF ORANGE ) ss.  
CITY OF LAGUNA WOODS )

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing Ordinance No. 12-XX was duly introduced and placed upon its first reading at a Regular Meeting of the City Council on the 16<sup>th</sup> of May 2012, and that thereafter, said Ordinance was duly adopted and passed at a Regular Meeting of the City Council on the \_\_\_ day of \_\_\_\_\_ 2012 by the following vote to wit:


AYES: COUNCILMEMBERS:  
NOES: COUNCILMEMBERS:  
ABSENT: COUNCILMEMBERS:

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YOLIE TRIPPY, Deputy City Clerk

**6.2**  
**RED LIGHT PHOTO ENFORCEMENT**  
**PROGRAM**

**City of Laguna Woods  
Agenda Report**

**FOR:** June 6, 2012 City Council Meeting  
**TO:** Honorable Mayor and Councilmembers  
**FROM:** Leslie A. Keane, City Manager   
**AGENDA ITEM:** Red Light Photo Enforcement Program

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**Recommendation**

Consider approving a memorandum of understanding between the City of Laguna Woods and Redflex Traffic Systems, Inc. related to the existing automated red light photo enforcement systems agreement and authorizing the City Manager to execute the memorandum, subject to approval as to form by the City Attorney.

**Background**

In 2005, the City Council approved an agreement with Redflex Traffic Systems, Inc. for red light photo enforcement at the intersections of El Toro Road/Moulton Parkway and Laguna Woods Village Gate 12/Moulton Parkway. The most recent amendment to the agreement was approved in 2011 and extended the term through June 30, 2013 with the option of one additional 12-month extension.

On May 2, 2012, the City Council reached consensus to terminate the agreement with Redflex effective on July 1, 2012. Subsequently, staff provided Redflex with a notice of termination and began to make arrangements for removal of the camera equipment and completion of the red light photo enforcement program. Without further action by the City Council, the agreement will terminate on July 1, 2012.

**Discussion**

Redflex has submitted a memorandum of understanding for consideration by the City Council that reduces the monthly fees paid by the City to Redflex for a period of nine months. The memorandum does not modify any other provision of the existing agreement including, but not limited to, the City's ability to terminate the agreement, without cause, with 45-days notice. Execution of the memorandum would rescind the City's May 4, 2012 notice of termination.

**Fiscal Impact**

The City's existing agreement with Redflex includes a monthly fee of \$3,000 for each of the five red light photo enforced approaches (\$15,000 per month). Redflex is proposing to lower the fee by \$7,500 per month for the months of July 2012 through March 2013. This equates to a one-time savings of \$67,500.

Staff projects that the red light photo enforcement program will operate at a deficit of \$62,841 to \$162,841 during the 2012-13 fiscal year. There remains a significant level of uncertainty regarding the availability of grant funds to offset the cost of the program, legal requirements, and other uncontrollable factors.

**Conclusion**

Without further action, the agreement with Redflex Traffic Systems, Inc. for red light photo enforcement will terminate on July 1, 2012. Redflex has submitted a memorandum of understanding for the City Council's consideration which would reduce expenses in exchange for rescission of the City's notice of termination.

Report prepared by: Christopher Macon, Director of Public Safety 

Attachment: Proposed Memorandum of Understanding

**Memorandum of Understanding  
between  
Redflex Traffic Systems, Inc.  
and the  
City of Laguna Woods**

This Memorandum of Understanding ("MOU") is made and entered into this \_\_\_\_ day of June 2012 ("Effective Date") by and among Redflex Traffic Systems, Inc. ("Redflex"), a Delaware corporation, and the City of Laguna Woods, a California municipal corporation ("City"). Redflex and the City are collectively referred to as the "Parties."

1. On July 11, 2005, the Parties entered into an Agreement for automated red light photo enforcement systems. The Agreement was amended in 2010, 2011, and 2012 (collectively the "Agreement").
2. On May 4, 2012, the City provided Redflex with written notice of the City's intent to terminate the Agreement effective on July 1, 2012.
3. Redflex desires to assist the City with temporarily reducing the financial cost of operating the red light photo enforcement systems due to unique conditions that exist currently for the City.

NOW THEREFORE, with no other changes to the terms or conditions of the Agreement, Redflex and the City hereby agree:

1. Upon the Effective Date, the City's May 4, 2012 notice of termination shall be rescinded. Such rescission shall pertain only to the notice provided by City of termination on May 4, 2012, and shall be without prejudice to any of City's otherwise applicable termination rights under the Agreement.
2. Redflex will decrease the amount the City would otherwise owe Redflex under the Agreement by \$7,500 per month for nine months beginning on July 1, 2012 and ending on March 31, 2013.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed the day and year first above written.

**CITY OF LAGUNA WOODS:**

By \_\_\_\_\_  
Leslie A. Keane, City Manager

\_\_\_\_\_  
Date

**REDFLEX TRAFFIC SYSTEMS, INC.:**

By \_\_\_\_\_  
Karen Finley, President & CEO

\_\_\_\_\_  
Date

**APPROVED AS TO FORM:**

\_\_\_\_\_  
David B. Cosgrove, City Attorney

\_\_\_\_\_  
Date