

# AGENDA of THE LAGUNA WOODS CITY COUNCIL

**Regular Meeting  
February 17, 2010  
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:  Conners  Rhodes  Ring  
 Hack, Mayor Pro Tem  Robbins, Mayor

#### **IV. PRESENTATIONS**

- 4.1 Orange County Human Relations Commission Annual Report: Commissioner Kenneth Inouye
- 4.2 2010 United States Census: Rich Dixon, U.S. Census Partnership Representative

#### **V. CITY PROCLAMATIONS**

None

All proclamations listed under this section will be enacted by one vote, unless Members of the City Council request specific items be removed for separate action. Proclamations will then be read and presented.

#### **VI. CONSENT CALENDAR**

All matters listed under the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless Members of the City Council, the public, or staff request specific items be removed from the Consent Calendar for separate action.

##### 6.1 City Council Minutes

RECOMMENDED ACTION: Approve the minutes from the January 20, 2010 regular meeting.

##### 6.2 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.

##### 6.3 Treasurer's Report

RECOMMENDED ACTION: Receive and File the January 2010 monthly and Fiscal Year 2009-10 Second Quarter Reports.

##### 6.4 Warrant Register

RECOMMENDED ACTION: Approve the February 17, 2010 Warrant Register in the amount of \$517,370.71.

6.5 City Centre Park Landscape Architect

RECOMMENDED ACTION: Award a contract to Lynn Capouya, Inc. for landscape architectural services for City Centre Park in an amount not to exceed \$58,476 plus 15% for change orders, and authorize the City Manager to execute a contract, subject to approval as to form by the City Attorney.

6.6 El Toro Road//Moulton Parkway Intersection Improvements

RECOMMENDED ACTION: Approve an agreement with the Golden Rain Foundation for acquisition of property for the El Toro Road/Moulton Parkway intersection improvements, and authorize the City Manager to execute an agreement, subject to minor wording modifications and approval as to form by the City Attorney.

**VII. PUBLIC HEARINGS**

None

**VIII. CITY COUNCIL**

8.1 Community Member Safety (agendized by Mayor Pro Tem Hack)

RECOMMENDED ACTION: Discuss and provide direction to staff and the Public Safety Committee.

**IX. CITY MANAGER**

9.1 Fiscal Year 2009-10 Mid-Year Budget Review

RECOMMENDED ACTION:

- A. Approve a resolution amending the Fiscal Year 2009-10 budget entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF LAGUNA WOODS, CALIFORNIA,  
AMENDING RESOLUTION 09-13 AND THE FISCAL  
YEAR 2009-2010 BUDGET

- B. Establish a capital improvement project budget for the completion of Woods End Nature Preserve in the amount of \$25,987.

**X. CITY ATTORNEY'S REPORT**

**XI. COMMITTEE REPORTS**

- 11.1 Transportation Corridor Agencies (Mayor Pro Tem Hack)  
11.2 Orange County Library Board (Mayor Robbins)  
11.3 Orange County Fire Authority (Councilmember Rhodes)  
11.4 Southern California Water Committee (Mayor Pro Tem Hack)  
11.5 Coastal Greenbelt Authority (Councilmember Conners)  
11.6 Laguna Canyon Foundation (Councilmember Rhodes)  
11.7 Vector Control District Board (Board Member Bouer)

**XII. PUBLIC COMMENTS**

**XIII. CITY COUNCIL COMMENTS AND ANNOUNCEMENTS**

- 13.1 Reports on Meetings Attended (Government Code §53232.3)

State law requires Councilmembers to provide a report on all meetings or events they attend for which the City pays fees, travel or other expenses. These are informational reports and no action is taken on the item.

- A. OC Division/League of California Cities Meeting, February 11, 2010  
(Robbins, Rhodes)  
B. CA League of Cities Policy Committee, January 22, 2010 (Hack)

C. OCFA Awards Dinner, February 4, 2010 (Rhodes)

13.2 Other Comments and Announcements

**XIV. CLOSED SESSION**

None

**XV. ADJOURNMENT**


The meeting will be adjourned to a meeting of the City Council at 2:00 p.m. on Wednesday, March 17, 2010 held 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 special 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.

**6.1-6.6  
CONSENT CALENDAR  
SUMMARY**

## City of Laguna Woods Agenda Report

**FOR:** February 17, 2010 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 February 17, 2010 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 February 17<sup>th</sup> Consent Calendar contains the following seven items:

- 6.1 Approval of the minutes from the January 20, 2010 regular meeting, as submitted.

## ITEMS 6.1 – 6.6

- 6.2 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.
- 6.3 Approval of a motion to receive and file January 2010 monthly and Fiscal Year 2009-10 Second Quarter Treasurer's Reports. These reports identify the City's current liquid assets and their location. At the end of January, the City had approximately \$10.6 million in cash on hand and in other liquid assets.
- 6.4 Approval of the February 17, 2010 Warrant Register, as submitted, in the total amount of \$517,370.71. A list of all warrants is included in the agenda packet; detailed information about individual warrants is available in the Finance Manager's office.
- 6.5 Award a contract to Lynn Capouya, Inc. for landscape architectural services for City Centre Park in an amount not to exceed \$58,476 plus 15% for change orders. The City has an approved list of landscape architects that was established several years ago through a request for qualifications process. The firm of Lynn Capouya, Inc. designed the Ridge Route Linear Park and will use a similar approach to the design of City Centre Park, including drought tolerant trees and shrubs.
- 6.6 Approve an agreement completing the acquisition of property from the Golden Rain Foundation for El Toro Road/Moulton Parkway intersection improvements. The property runs from Campo Verde to 1200 feet north of El Toro Road. The City deposited \$106,866 in an escrow account and took possession of the property through eminent domain last year so that the project could move forward. This agreement reconfirms the purchase price offered by the City and the City's commitment regarding mitigation measures for the Equestrian Center and Golf Course. A copies of Exhibits 1, 2, and 3 are available in the Office of the City Clerk.

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 February 17, 2010 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.

**6.1**  
**MINUTES**

**CITY OF LAGUNA WOODS, CALIFORNIA  
CITY COUNCIL MINUTES  
REGULAR MEETING  
January 20, 2010  
2:00 P.M.**

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**I. CALL TO ORDER**

Mayor Robbins called the Regular Meeting of the City Council of the City of Laguna Woods to order at 2:00 p.m.

**II. FLAG SALUTE**

Councilmember Rhodes led the flag salute.

Mayor Robbins requested that Item 9.3 be moved up in the agenda to immediately after the Consent Calendar so that staff dealing with flooding could return to the field.

**III. ROLL CALL**

COUNCILMEMBERS:   PRESENT:   Conners, Rhodes, Ring, Hack, Robbins  
                          ABSENT:   None

STAFF PRESENT:       City Manager Keane; Assistant City Manager Reilly; Deputy City Clerk Trippy; City Attorney McEwen

**IV. PRESENTATIONS**

4.1   Orange County Transportation Agency (OCTA): Will Kempton, Chief Executive Officer

Mr. Kempton introduced himself and stated that he is looking forward to working with the City on transportation issues. He also discussed OCTA's budget plans.

Councilmember Rhodes asked about the public reaction to reduced bus routes.

Mr. Kempton responded that while there has been negative reaction, OCTA has engaged the public throughout the process and made changes based on input received. The route reductions are unfortunate, but necessary at this time.

**V. CITY PROCLAMATIONS – None**

**VI. CONSENT CALENDAR**

Moved by Councilmember Ring, seconded by Mayor Pro Tem Hack and carried unanimously to approve Consent Calendar Items 6.1 – 6.6.

6.1   City Council Minutes

Approved the minutes from the December 2, 2009 adjourned regular meeting and the December 16, 2009 regular meeting.

- 6.2 Approved 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.

- 6.3 Treasurer's Report

Received and filed the December 2009 monthly Treasurer's Report.

- 6.4 Warrant Register

Approved the January 20, 2010 Warrant Register in the amount of \$1,026,269.73.

- 6.5 Floodplain Management Regulations

Adopted Ordinance No. 10-01 modifying current floodplain management regulations, entitled:

AN ORDINANCE OF THE CITY OF LAGUNA WOODS, CALIFORNIA,  
AMENDING CHAPTER 10.04 OF THE LAGUNA WOODS MUNICIPAL  
CODE PERTAINING TO FLOODPLAIN MANAGEMENT

- 6.6 Community Services Grants

Awarded a \$10,000 community service grant for calendar year 2010 to the Foundation of Laguna Woods.

**IX. CITY MANAGER**

- 9.3 Redflex Redlight Camera Agreement

Assistant City Manager Reilly summarized the agenda report.

City Manager Keane noted that the Orange County Sheriff's Department does not support using administrative citations to enforce redlight violations and that staff has not explored whether they would be willing to issue them if that is the City Council's direction.

Mayor Pro Tem Hack asked about the status of the California Supreme Court cases.

City Manager Keane responded that there are two cases pending and that indications are that there will be a decision by the end of the year.

Mayor Pro Tem Hack stated that if there are cases pending without resolution, he feels it would not be proper for the City Council to take a legislative act at this time.

City Manager Keane explained that the concern is that even though there have not been other cases where the Traffic Commissioner has invalidated a ticket because of the cost neutrality provision, he may do so in the future. The City Attorney has recommended we take some action to resolve this matter now.

Councilmember Conners spoke in favor of a short renewal of the Redflex contract, citing the possibility of changed traffic patterns after the Moulton Smart Street Project and that it would provide time for the City to learn the outcome of the Supreme Court cases.

City Manager Keane noted that the City of San Juan Capistrano has a similar redlight agreement and that they recently also deleted the cost neutrality provision from their agreement.

Mayor Pro Tem Hack asked about the financial impact of the cost neutrality provision.

Assistant City Manager Reilly responded that the City paid approximately \$25,000 per month during Fiscal Year 2008-09.

Mayor Pro Tem Hack asked about Redflex refunding money to the City when the total cost of tickets is less than the monthly rate.

City Manager Keane explained that Redflex does not issue refunds; they reduce the total amount of the next invoice.

Assistant City Manager Reilly added that the City typically pays Redflex \$328,000 per year. Last fiscal year, the City paid approximately \$305,000 due to invoice reductions.

City Manager Keane added that under the proposed agreement, Redflex would agree to reduce the monthly fee to be more representative of historical costs.

Assistant City Manager Reilly explained the Public Safety Committee's recommendation.

Councilmember Ring asked if most of the traffic tickets were at risk.

City Manager Keane agreed that if additional tickets are voided, there could be financial impacts. She reiterated that staff is also concerned that someone will raise the issue that was raised in Fullerton about voiding past tickets.

Councilmember Rhodes asked if the City Council could delay signing a new agreement until closer to the expiration of the current agreement.

City Manager Keane stated that it was possible, however, she urged the City Council to act immediately due to the possibility of additional tickets being voided.

Moved by Mayor Pro Tem Hack, seconded by Councilmember Conners, and carried unanimously to:

A. Approve an amendment to the contract with Redflex Traffic Systems, Inc. to delete

the cost neutrality provision, extend the term for one year to July 2011, and establish a monthly fee of \$25,000 per month for red light camera services at the intersections of Moulton Parkway/El Toro Road and Moulton Parkway/Gate 12.

AND

B. Continue use of the California Vehicle Code to determine red light camera violations

**VII. PUBLIC HEARINGS – None**

**VIII. CITY COUNCIL**

**8.1 Sale of the Orange County Fairgrounds (agendized by Councilwoman Conners)**

Councilmember Conners summarized the agenda report.

Moved by Councilmember Conners and seconded by Councilmember Rhodes to send a letter to the State Assembly in support of AB 1590, stating that the City would like to keep the fairgrounds in local hands and stop its sale.

Mayor Pro Tem Hack discussed the State's financial situation as it relates to the sale of the fairgrounds and stated his opinion that the City of Costa Mesa would retain substantial local control over the property, even if ownership changed. He indicated that he is not comfortable with the City taking a position on the issue and would be voting against it.

Councilmember Rhodes stated that the owner of the fairgrounds will likely be dissatisfied with the revenue generated by the property and that economic pressures may result in a switch to a different use. He noted that Laguna Woods' residents, as attendees of the Orange County Fair, are affected by decisions that impact its future. He indicated that he would like to support the City of Costa Mesa in their actions.

Councilmember Ring stated that he had heard that the bid was rejected for being too low.

City Manager Keane had not heard that, but said that several organizations have made that claim. There was a newspaper article that stated that the bid was less than expected and less than the appraised value, but she believed a decision by the state had not yet been made.

Councilmember Conners responded to Mayor Pro Tem Hack's comments regarding local control and noted that it is common for individuals to sue cities over land use issues. The end result is not always favorable for the cities. She also noted that the City of Costa Mesa's City Council requested that the City consider supporting their position.

City Manager Keane stated that it is uncertain how much control the City of Costa Mesa would be able to exert over the property if it is sold. It is also unknown if the State will try to lock in the rights of the property owner prior to the actual confirmation of the sale.

Councilmember Ring asked if there was any downside to supporting Costa Mesa.

Mayor Pro Tem Hack reiterated his belief that the City Council should not vote on issues that do not impact the City.

Councilmember Rhodes reiterated that he is afraid to lose the current fairground location, which he believes is a benefit to Laguna Woods' residents.

Mayor Pro Tem Hack asked what other cities have taken a position on this issue.

Councilmember Conners stated that she spoke with the City of Costa Mesa's City Manager's Office earlier in the week and was told that a large number of Orange County cities have gone on record supporting their position. She added that it is not often that the City is asked to support another agency's agenda.

City Manager Keane estimated that half of Orange County cities have taken action.

Councilmember Ring stated that he would prefer to go on record supporting the City of Costa Mesa's request, rather than demanding that the property stay as a fairgrounds.

City Manager Keane explained the proposed recommendations and noted that the letter detailed in Item A could be reworded to state that the City Council supports the City of Costa Mesa's request, rather than opposes the sale of the fairgrounds. The letter detailed in Item B opposes the sale by supporting AB 1590.

Councilmember Conners read the sample letter provided by the City of Costa Mesa. She noted that she would be amenable to directing staff to send a simpler letter. Supervisor Bates' Office indicated to her that emphasizing local control, supporting AB 1590, and opposing the sale of the fairgrounds would be sufficient.

City Manager Keane suggested that, in order to address Councilmember Ring's concerns, the City could send a letter emphasizing local control rather than the actual sale.

Councilmember Ring stated he is more receptive to the City Manager's suggestion than the sample letter provided by the City of Costa Mesa.

Councilmember Conners withdrew her motion.

Moved by Councilmember Conners, seconded by Councilmember Ring and voted 4 to 1, to send a letter to the Governor and State Legislature supporting the position of the City of Costa Mesa as respect to the sale of the Orange County Fairgrounds.

AYES: Conners, Rhodes, Ring, Robbins

NOES: Hack

## 8.2 Greening the Woods Report (agendized by Councilwoman Conners)

Councilmember Conners discussed implementing a prohibition on the use of restaurant

carry out food containers made from polystyrene, effective a year from adoption.

City Manager Keane suggested that if the City Council would like to proceed with this item, that staff be directed to prepare a draft ordinance for consideration at a future meeting. Restaurants would be notified and given an opportunity to comment.

Mayor Pro Tem Hack asked for clarification on to whom the ordinance would apply.

City Manager Keane responded that the recommendation from the Greening of the Woods Committee was that it applies to food facilities that prepare food on-site.

Mayor Pro Tem Hack asked whether the ordinance would unfairly single out a certain class of businesses.

Councilmember Conners stated that she does not believe the City can require businesses to repackage items that are not prepared on-site, but that businesses can be prohibited from using Styrofoam for food that they prepare.

City Manager Keane noted that most fast food chains no longer use Styrofoam, except for coffee cups. Laguna Beach, Newport Beach, and Huntington Beach have taken this action. San Clemente is either considering or has taken this action. Those cities cited concerns that Styrofoam may reach the ocean and kill ocean life as part of their rationale.

Councilmember Rhodes asked if the language could be changed to say "origin of use" so that it wouldn't preclude businesses that ship to Laguna Woods from using Styrofoam.

Mayor Robbins responded that the Council would review language in a draft ordinance.

Councilmember Rhodes asked how Saddleback Golf Cars packs their products.

City Manager Keane responded that she thinks they will be purchasing things that are packed elsewhere. She reiterated that the Greening Committee's recommendation relates only to food eaten on site or taken-out and not other type of packaging

Councilmember Ring asked if the ordinance would put the City's small restaurant owners in a non-competitive position.

City Manager Keane indicated that the Greening the Woods Committee confirmed that restaurants such as Jack-in-the-Box, Vons, and Starbucks do not use Styrofoam products. She was uncertain whether Sushi Wok still uses Styrofoam and believes that the Olive Garden may, but that they would have an easier time conforming due to their size.

Councilmember Ring proposed acknowledging restaurants that do not use Styrofoam products with a plaque and public recognition.

City Manager Keane expressed that many restaurants would probably not care about the plaque and that the City's food facility awards are not typically displayed.

Councilmember Ring responded that he feels that is only because residents do not ask whether they have received the award and take their business elsewhere if they haven't.

Mayor Pro Tem Hack expressed support for Councilmember Ring's idea, saying he does not support placing new regulations on small businesses that may already be struggling.

Councilmember Conners stated that she does not think that the City Council has enough information to say that a prohibition is a bad idea. She would like to learn more about the relative cost of Styrofoam compared to other products and how many businesses would be affected. She is inclined to direct staff to draft an ordinance and conduct research, but is not committing herself to voting for it. She noted that the City Council must balance being earth friendly with being business friendly.

City Manager Keane stated that staff would provide additional information if the City Council directs her to draft an ordinance. She also noted that the City of Newport Beach had the support of their Chamber of Commerce when they enacted their prohibition. That has also been the case in many central and northern California cities.

Councilmember Ring hoped that there would be no need for an ordinance after staff surveys local restaurants and determines who is still using Styrofoam.

City Manager Keane stated that the City Council would be provided with the choice of either adopting an ordinance or moving forward with a voluntary program. The report would probably not come back to the City Council before March 2010.

Marilyn Sortino, resident, spoke in support of Councilmember Ring's suggestion for a voluntary program. She suggested that another way to look at it may be to allow people to purchase cardboard containers as an alternative to Styrofoam.

Moved by Councilmember Conners and seconded by Councilmember Rhodes, to direct staff to draft an ordinance to prevent the use of Styrofoam containers for locally prepared foods within the City and to design and implement a recognition program for businesses that have stopped using polystyrene.

Councilmember Ring spoke in support of a voluntary program only.

City Manager Keane noted that Greening the Woods Committee members spoke with local restaurants to gather the initial information. They did not get a feeling from some of the restaurants that there is any willingness to move away from Styrofoam.

Mayor Pro Tem Hack offered an alternative motion to ask the City Manager to begin to do the basic work to determine how many entities would be affected by a prohibition and the cost of Styrofoam products versus competitive products.

Mayor Robbins asked if there is a second to Mayor Pro Tem Hack's motion.

City Attorney McEwen clarified procedures for dealing with Councilmember Conner's earlier motion and Mayor Pro Tem Hack's current motion.

Councilmember Conners stated that she has no objection to deferring the issue until such time as staff can conduct their investigation. She was unable to withdraw her motion because it had been seconded, but she supported an amendment as outlined by Mayor Pro Tem Hack. She mentioned asking the Chamber of Commerce and Restaurant Association for input.

City Attorney McEwen clarified that the City Council should vote on Mayor Pro Tem Hack's motion, if there is a second, and then consider Councilmember Conner's motion.

Councilmember Ring seconded Mayor Pro Tem Hack's motion to ask the City Manager to begin to do the basic work to determine how many entities would be affected by a prohibition and the cost of Styrofoam products versus competitive products. The motion was carried unanimously.

City Manager Keane received clarification that the motion did not include initiating the voluntary program proposed by Councilmember Ring.

Councilmember Conners amended her motion to delete the request for a draft ordinance.

At City Manager Keane's suggestion, Councilmember Conners amended her motion to ask staff to implement a voluntary recognition program for those food facilities that are no longer using polystyrene products. The motion was seconded by Mayor Pro Tem Hack and carried unanimously.

At this time, City Manager Keane announced a flash flood watch and urged residents to stay in their homes if at all possible.

Mayor Pro Tem Hack asked staff to discuss the lane closures on El Toro Road.

City Manager Keane stated that two lanes have been closed on westbound El Toro Road, in the vicinity of Gate 5 to the Lutheran Church, due to possible roadway surface failure. The closure could stay in effect for a number of days, depending on the weather. The City cannot begin to resolve the problems with the roadway until the rain stops.

Councilmember Ring asked about the condition of Aliso Creek.

City Manager Keane responded that Laguna Woods Village staff is keeping watch on the creek which overflowed its regular banks, but has since dropped. The water would have to rise an additional 5-6 feet to pose a danger and it is not likely to happen with the current forecast.

Councilmember Ring asked City Manager Keane to clarify that 5-6 feet is measured in depth and not the distance of the water to a resident's door.

City Manager Keane responded affirmatively.

Mayor Pro Tem Hack noted that the weather is a "replay" of the flooding in 1996-97. He

presumed that staff will continue to monitor problem areas and asked how the public will be informed of public safety issues.

City Manager Keane stated that the City could use its callout program, if necessary. The City also has a Twitter account. She noted that staff is working closely with PCM and discussed the forecast and recent incidents of flooding.

City Manager Keane expressed the City's appreciation to Fire Station 22 and Division Chief Ed Fleming for sandbagging City Hall.

Councilmember Conners asked if Division Chief Fleming had any updates or comments on the structure fire in Laguna Woods Village.

Division Chief Fleming noted that the fire response was a team effort and provided some information on the current status of the investigation.

Mayor Pro Tem Hack asked about the condition of the pit at the intersection of El Toro and Moulton. He recalled the single pipe drain being an issue during the 1996 floods.

City Manager Keane responded that she does not believe any changes have been made to the pipe. The problem is the capacity of the storm drains. She noted that PCM cleans the pit on a regular basis and is removing debris throughout the Village during the storm.

Councilmember Ring noted that street sweepers were visible today in the Village. He also saw the pit on the way to the City Council meeting and saw nothing unusual.

City Manager Keane noted that the City is also keeping an eye on the drainage channel on Moulton.

Division Chief Fleming commended the Orange County Sheriff's Department for their assistance in evacuating residents from the recent structure fire. He also announced that the Fire Authority will launch a program on cooking safety in the near future.

City Manager Keane asked what should be done if you are in your car on a flooded road.

Chief Fleming responded that it would be a judgment call, but ordinarily it would be best to stay inside the vehicle, unless it is being rolled or tipped over.

Councilmember Conners mentioned that she saw news footage of a vehicle rescue by the Orange County Fire Authority. She commended everyone who responded to the recent structure fire and briefly discussed the incident.

Councilmember Conners discussed requiring that all new residential units be separately metered for water consumption.

Moved by Councilmember Conners and seconded by Councilmember Ring to instruct staff to prepare an ordinance that would require all new residential units to be separately metered for water consumption.

City Manager Keane noted that staff has had discussions with the El Toro Water District and that they have indicated that while they are not ready to move forward on requiring individual meters, they had no problem with the City requiring it. She noted that staff discovered, after the fact, that the San Sebastian project was not separately metered.

Councilmember Rhodes asked if separate meters would result in separate billing.

City Manager Keane explained that the City cannot require any particular method of billing. If a homeowner's association wished to pay the bill for individual meters, they could. Separate meters would provide information on where water use was occurring.

Councilmember Rhodes stated that he sees problems with the proposal.

Mayor Pro Tem Hack stated that he has no problem with separate metering, however separate metering implies separate charging and separate collecting. He suspects that this may impose a burden on the El Toro Water District and would like to work with them.

City Manager Keane stated that the El Toro Water District would recover their costs to read each meter.

Mayor Pro Tem Hack asked if the El Toro Water District would be required to collect fees from residents.

City Manager Keane stated that they would use their established fee structure.

Mayor Pro Tem Hack expressed that the El Toro Water District would effectively need to concur with the City's action because it directly relates to their operations.

City Manager Keane stated that she does not believe they have to concur and that they suggested if the City wants to require this, the City should proceed.

Councilmember Conners reiterated that property owners would still get to determine who pays the bills. Separate meters would allow the bill payer to figure out where the water is going and make corresponding cuts. She stated that she believes information is important for conservation and that is why she supports the proposal.

Mayor Pro Tem Hack asked staff to gather information on the costs associated with such an ordinance.

City Manager Keane stated that staff will bring back that information and that the El Toro Water District will be asked to review the information before it is presented.

Mayor Robbins discussed the effect that requiring separate meters would have on water conservation and the ability to locate water waste.

Moved by Councilmember Conners, seconded by Councilmember Ring, and carried unanimously to instruct staff to prepare an ordinance that would require all new residential units to be separately metered for water consumption.

**IX. CITY MANAGER**

9.1 Orange County Taxi Administration Program (OCTAP) Regulations

City Manager Keane summarized the agenda report.

Moved by Mayor Pro Tem Hack, seconded by Councilmember Ring, and carried unanimously to approve Resolution No. 10-01 updating regulations for the Orange County Taxi Administration Program (OCTAP), entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNAWOODS, CALIFORNIA, ADOPTING REVISED ORANGE COUNTY TAXI ADMINISTRATION PROGRAM REGULATIONS

9.2 No Right Turn at Red Light

City Manager Keane summarized the agenda report and noted the difference the staff and Public Safety Committee recommendations.

Councilmember Rhodes supported the staff recommendations, including El Toro Road and Town Centre Drive westbound, off of El Toro onto Town Centre.

Councilmember Ring asked about the no right turn restriction at Gate 9.

City Manager Keane responded that the City's Traffic Engineer reviewed, but did not recommend changes to Gate 9. She noted that taking a position contrary to the Traffic Engineer's recommendations could pose a liability risk for the City.

Councilmember Ring noted that the traffic signal at Gate 9 has been more in sync lately.

Councilmember Conners requested clarification of the proposed locations in the agenda report and discussed her belief that right turn restrictions should be neither over-inclusive or under-inclusive of the Traffic Engineer's recommendations to avoid liability.

City Manager Keane provided clarification and reiterated that the Traffic Engineer supports staff's recommendations. There were additional locations that he suggested but did not feel strongly about.

Moved by Councilmember Conners, seconded by Councilmember Rhodes, and carried unanimously to install "no right turn at red light" signs at the following locations:

- A. El Toro Road and Avenida Sevilla westbound, off El Toro Road onto Avenida Sevilla
- B. El Toro Road and Calle Sonora eastbound, off El Toro Road onto Calle Sonora
- C. El Toro Road and Town Centre Drive westbound, off of El Toro onto Town Centre

**X. CITY ATTORNEY'S REPORT**

10.1 Common Law and Political Reform Act

City Attorney McEwen discussed common law conflict of interest.

**XI. COMMITTEE REPORTS**

11.1 Transportation Corridor Agencies (Mayor Pro Tem Hack)

Mayor Pro Tem Hack noted that a ribbon cutting took place for the new lane on the 73-North. Completion of the 73-South project has been delayed to April or May 2010.

11.2 Orange County Library Board (Mayor Robbins)

Mayor Robbins announced that due to term limits, he is no longer the chair of the Library Board. The report from the allocation formula consultant is still forthcoming and budget cuts will likely need to be made due to a shortfall in property tax revenue.

11.3 Orange County Fire Authority (Councilmember Rhodes)

Councilmember Rhodes noted that an urban search and rescue team was activated to provide assistance in Haiti, but never deployed. He discussed the recent structure fire and encouraged residents to make sure that they have adequate insurance. He also highlighted an upcoming Community Civic Association meeting on insurance.

11.4 Southern California Water Committee (Mayor Pro Tem Hack)

Mayor Pro Tem Hack discussed a proposed water bond and noted that the Federal Water Project has indicated that the southern regions will be receiving only 5% of their normal requirement. He also discussed court actions related to the All American Canal and the flow of water from the Colorado River.

11.5 Coastal Greenbelt Authority (Councilmember Connors)

Councilmember Connors stated that there was no meeting this month.

11.6 Laguna Canyon Foundation (Councilmember Rhodes)

Councilmember Rhodes discussed a recent Board retreat and how the Foundation is using the City's community service grant.

11.7 Vector Control District Board (Board Member Bouer)

Board Member Bouer was not present.

**XII. PUBLIC COMMENTS**

Marilyn Sortino, resident, asked if the City has any plans for eminent domain of property

that is located within Laguna Woods Village near San Sebastian.

Mayor Robbins stated that to the best of his knowledge the City has none.

City Manager Keane discussed the City's limited ability to use eminent domain.

Ms. Sortino asked for a comment on a zoning discussion that occurred at a recent Third Mutual meeting.

City Manager Keane responded that the City Council directed staff to clean up the Zoning Code and General Plan land use designations. She noted that this is an opportunity for any property owner in the City to ask for changes.

Councilmember Conners noted that what the City has done is invite property owners to let the City know if there are changes that they would like made.

Mayor Pro Tem Hack responded that the City will attempt to simplify the Zoning Code and that certain designations may be removed.

Ms. Sortino asked if the process was joint between property owners and the City.

City Manager Keane responded that the City will work with property owners to change designations for their properties. She noted that the City Council was given a schedule of activities when the project was approved.

Councilmember Conners and City Manager Keane discussed the impetus for this project.

Ms. Sortino asked if this was an opportunity for Laguna Woods Village to revisit future uses for their vacant property.

City Manager Keane noted that the Council had directed staff not include the Urban Activity Center specific plan in the work program for this project; however, if specific zone changes are proposed, they could be considered during the process.

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

#### 13.1 Reports on Meetings Attended (Government Code §53232.3)

A. January California League of Cities/OC Division Meeting –  
January 14, 2010 (Robbins, Hack, Conners, Ring, Rhodes)

#### 13.2 Other Comments and Announcements

Councilmember Conners discussed an OC Waste & Recycling Commission meeting. The City received a grant for \$54,000 for the purchase of commercial recycling bins. She also discussed the City's waste diversion rate.

Councilmember Conners discussed the recent structure fire and reiterated the importance

of having adequate insurance. She also discussed the upcoming US Census and water efficiency rebates that are available through the Metropolitan Water District.

**XIV. CLOSED SESSION – None**

**XV. ADJOURNMENT**

The meeting was adjourned at 4:27 p.m. The next meeting will be at 2:00 p.m. on February 17, 2010 at the Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California.

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YOLIE TRIPPY, Deputy City Clerk

Adopted: February 17, 2010

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MILT ROBBINS, Mayor

**6.2**  
**WAIVE READING OF ORDINANCES AND**  
**RESOLUTIONS**  
**(No Report)**

**6.3**  
**TREASURER'S REPORTS**

# City of Laguna Woods

## Treasurer's Report

January 31, 2010

### CASH ON HAND

#### 1. Investments/General Fund

Local Agency Investment Fund	\$	9,876,796
		<hr/>
Subtotal	\$	9,876,796

#### 2. Investments/Transportation Fund

Local Agency Investment Fund	\$	413,493
		<hr/>
Subtotal	\$	413,493

#### 3. Other Interest & Non-Interest Bearing/General & Transportation

Petty Cash Funds	\$	427
Analyzed Checking Account	\$	333,581
		<hr/>
Subtotal	\$	334,008

<b>TOTAL</b>	<b>\$</b>	<b>10,624,297</b>
		<hr/> <hr/>

Note: LAIF reports interest earnings quarterly.



CITY of LAGUNA WOODS

Milt Robbins  
Mayor

January 29, 2010

Bert Hack  
Mayor Pro Tem

Cynthia Conners  
Councilmember

Bob Ring  
Councilmember

Marty Rhodes  
Councilmember

Leslie A. Keane  
City Manager

**TO:** Honorable Mayor and Councilmembers  
**FROM:** Ernestine Jones, Finance Manager and City Treasurer  
**SUBJECT:** Quarterly Treasurer's Report: 2<sup>nd</sup> Quarter,  
FY 2009/2010 (October 1 – December 31, 2009)

Attached is the 2<sup>nd</sup> Quarter, FY 2009/2010 Treasurer's Report for the period October 1 – December 31, 2009. The information provided includes a:

- ◆ Report showing quarter-ended Cash on Hand in the City's interest-bearing Local Agency Investment Fund (LAIF) account and in the City checking account and petty cash funds;
- ◆ Copy of the latest LAIF Remittance Advice showing quarter-ended principal balance and interest earned.

As City Treasurer, I certify that:

- ◆ All investment actions executed since the last report have been made in full compliance with the City of Laguna Woods Investment Policy; and
- ◆ The City of Laguna Woods will meet all expenditure obligations that might reasonably be anticipated for the next six months.

Ernestine Jones  
Finance Manager & City Treasurer

**City of Laguna Woods**  
**Quarterly Treasurer's Report**  
**October 1, 2009 - December 31, 2009**

**CASH ON HAND**1. Investments/General Fund

Local Agency Investment Fund	\$	9,876,796
		9,876,796
Subtotal	\$	9,876,796

2. Investments/Transportation Fund

Local Agency Investment Fund	\$	413,493
		413,493
Subtotal	\$	413,493

3. Other Interest & Non-Interest Bearing/General & Transportation

Petty Cash Funds	\$	573
Analyzed Checking Account	\$	143,581
		144,154
Subtotal	\$	144,154

<b>TOTAL</b>	<b>\$</b>	<b>10,434,443</b>
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Note: LAIF reports interest earnings quarterly.



JOHN CHIANG

California State Controller

LOCAL AGENCY INVESTMENT FUND  
REMITTANCE ADVICE

Agency Name	LAGUNA WOODS
Account Number	98-30-413

As of 01/15/2010, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 12/31/2009.

Earnings Ratio		.00001657120783286
Interest Rate		0.60%
Dollar Day Total	\$	944,947,406.58
Quarter End Principal Balance	\$	10,274,630.34
Quarterly Interest Earned	\$	15,658.92

**State of California  
Pooled Money Investment Account  
Market Valuation  
12/31/2009**

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch. Amortized Cost		
United States Treasury:				
Bills	\$ 18,180,532,754.95	\$ 18,202,021,798.70	\$ 18,210,321,950.00	NA
Notes	\$ 6,963,540,150.24	\$ 6,962,514,433.06	\$ 6,967,024,000.00	\$ 8,938,953.83
Federal Agency:				
SBA	\$ 555,758,748.19	\$ 555,749,180.58	\$ 546,479,189.67	\$ 594,632.84
MBS-REMICs	\$ 891,287,839.18	\$ 891,287,839.18	\$ 933,016,165.51	\$ 4,235,617.00
Debentures	\$ 1,610,214,125.73	\$ 1,610,214,125.73	\$ 1,622,739,980.00	\$ 543,017,884.38
Debentures FR	\$ 1,939,948,015.82	\$ 1,939,948,015.82	\$ 1,940,239,500.00	\$ 281,822.80
Discount Notes	\$ 8,312,516,085.84	\$ 8,319,293,088.71	\$ 8,324,225,500.00	NA
FHLMC PC	\$ -	\$ -	\$ -	\$ -
GNMA	\$ 105,784.31	\$ 105,784.31	\$ 117,914.35	\$ 1,042.17
IBRD Deb FR	\$ 300,000,000.00	\$ 300,000,000.00	\$ 300,456,000.00	\$ 283,181.08
CDs and YCDs FR	\$ -	\$ -	\$ -	\$ -
Bank Notes	\$ -	\$ -	\$ -	\$ -
CDs and YCDs	\$ 6,465,063,285.92	\$ 6,465,053,952.59	\$ 6,465,264,691.25	\$ 1,833,418.04
Commercial Paper	\$ 5,046,651,763.39	\$ 5,048,166,933.93	\$ 5,048,376,783.63	NA
Corporate:				
Bonds FR	\$ 188,887,715.04	\$ 188,887,715.04	\$ 188,680,551.28	\$ 69,149.73
Bonds	\$ -	\$ -	\$ -	\$ -
Repurchase Agreements	\$ -	\$ -	\$ -	NA
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 4,375,800,000.00	\$ 4,375,800,000.00	\$ 4,375,800,000.00	NA
NOW Account	\$ -	\$ -	\$ -	NA
AB 55 & GF Loans	\$ 12,346,812,173.81	\$ 12,346,812,173.81	\$ 12,346,812,173.81	NA
<b>TOTAL</b>	<b>\$ 67,177,118,442.42</b>	<b>\$ 67,205,855,041.47</b>	<b>\$ 67,269,554,399.50</b>	<b>\$ 559,255,701.87</b>

Fair Value Including Accrued Interest

\$ 67,828,810,101.37

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (**1.000947825**). As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$20,018,956.49 or \$20,000,000.00 x **1.000947825**.

**6.4**  
**WARRANT REGISTER**

**CITY OF LAGUNA WOODS**  
**WARRANT REGISTER - FY 2010**  
**2/17/2010**

CK #	WR #	Vendor	Account	Item/Purpose	Amount
108403	10-0719	D & E Electrical	001.6700.7236	Monthly Maintenance/January 2010	930.00
			001.6590.7234	Building Maintenance	65.00
108406	10-0720	MD Greenhill	010.0000.4501	Waste Diversion Deposit Refund	1,203.00
108416	10-0721	Larry Marino	010.0000.4501	Waste Diversion Deposit Refund	900.00
108430	10-0722	Transamerica	001.6400.8110	Employee Benefit Program/January-March 2010	97.79
108432	10-0723	TruGreen Landscape	001.6700.7342	Landscape Maintenance/Extra Work/November 2009	1,387.04
108435	10-0724	American General	001.6100.8110	Employee Benefit Program/January-March 2010	127.20
108438	10-0725	Captioning Unlimited	001.6100.7391	Captioning/City Council Meetings/January 2010	400.00
108439	10-0726	County of Orange/Sheriff	230.6600.7351	Payment of SLEF Deductions/August-September 2009	24,157.40
108440	10-0727	County of Orange/Signals	110.6700.7346	Traffic Signal Controllers/January-March 2009	20,291.44
108441	10-0728	County of Orange/Signals	110.6700.7346	Traffic Signal Controllers/April 2009	4,387.16
108442	10-0729	County of Orange/Signals	110.6700.7346	Traffic Signal Controllers/May 2009	3,951.46
108443	10-0730	County of Orange/Signals	110.6700.7346	Traffic Signal Controllers/June 2009	10,614.21
108444	10-0731	County of Orange/Streets	110.6700.7343	Street Maintenance/Balance/August 2009	4,408.93
108445	10-0732	County of Orange/Streets	110.6700.7347	Street Maintenance & Sweeping/September 2009	1,058.44
			110.6700.7343		20,561.96
108446	10-0733	El Toro Water District	001.6700.7341	Dog Park/Landscape Irrigation/January 2010	330.93
108447	10-0734		001.6700.7341		12.35
108448	10-0735		001.6590.7231	City Hall Utilities/December 2009	28.00
108449	10-0736		001.6590.7231		91.70
108450	10-0737	ICMA Retirement Corporation	001.6100.7303	Annual Plan Fee/3rd Quarter/FY 2009-10	125.00
108453	10-0738	Ernestine Jones	001.6100.8110	Employee Benefit Program/CPFIM Program/Jan. 2010	314.70
108454	10-0739	Madison Materials	361.6700.7349	Bulky Item Recycle/January 2010	80.58
108457	10-0740	Reilly, Douglas	001.6100.8110	Balance of 2009 Employee Benefit Program	27.29
108459	10-0741	Southern California Edison	001.6590.7231	Utilities/City Hall/January 2010	1,124.91
108460	10-0742		100.6700.7341	Irrigation Controllers/January 2010	84.09
108461	10-0743	Yolie Trippy	001.6100.7204	Mileage Reimbursement/December 2009	13.20
108463	10-0744	TruGreen Landscape	100.6700.7341	Irrigation Repair/Extra Work/December 2009	3,742.73

108468	10-0745	Aliso Creek Printing	001.6100.7222	Office Supplies	1,060.31
108469	10-0746	AT&T	001.6590.7232	Telephone/581-3974/December 2009	491.44
108470	10-0747	AT&T	001.6590.7232	Telephone/458-3487/January 2010	31.75
108471	10-0748	CIT Technology	001.6100.7222	Copier Lease/City Hall/February 2010	706.65
			001.6100.7222	Copier Lease/Historical Society/February 2010	59.59
108472	10-0749	County of Orange	120.6590.7600	Traffic Congestion Relief/Capital Project/El Toro Rd Rehab	3,399.00
108476	10-0750	Dennis Nelson, PE	155.6590.7600	ARRA/El Toro Road Rehabilitation/November 2009	3,694.55
108477	10-0751	Gary Gates	001.6100.8110	Employee Benefit Program/January 2010	291.84
			001.6590.7232	Cell Phone Reimbursement/January 2010	40.00
			001.6100.7204	Mileage Reimbursement/January 2010	140.50
108478	10-0752	Kristar	001.6400.7357	Storm Drain Filter Maintenance/January 2010	4,620.00
108479	10-0753	Office Depot	001.6100.7221	Office Supplies	510.37
108480	10-0754	Orange County Register	001.6100.7724	Public Notices/December 2009	302.26
108482	10-0755	Sierra Installations	001.6590.7906	Change-Out Banners	1,770.00
108483	10-0756	Southern California Edison	001.6700.7341	Ridge Route Dog Park/January 2010	22.24
108484	10-0757	The Gas Company	001.6590.7231	City Hall/January 2010	284.61
108485	10-0758	Yolie Trippy	001.6100.8110	Employee Benefit Program	449.99
108486	10-0759	Orange County Pest Control	001.6590.7234	City Hall/Termite Fumigation	7,529.49
108487	10-0760	AT&T	001.6590.7232	White Pages Listing/February 2010	3.43
108488	10-0761	Michael Balliet	001.6700.7350	Solid Waste & Recycling Consulting/January 2010	2,895.00
			300.6700.7349		180.00
108489	10-0762	El Toro Water District	001.6700.7341	City Hall/Landscape Irrigation/January 2010	3,450.48
108490	10-0763	Friends, The Foundation for the CA African American Museum	001.6500.7320	Community Bus Trip/Frbruary 25, 2010	159.00
108491	10-0764	Bert Hack	001.6000.7203	Meeting and Mileage Reimbursement	141.11
			001.6000.7204		85.30
108492	10-0765	Hogle-Ireland	010.6400.7321	Deposit Based/Inspection Services/November 2009	300.00
			001.6400.7321	Building & Safety Inspection/November 2009	8,612.50
			001.6400.7322	Structural Plan Check/November 2009	262.50
108493	10-0766	League of CA Cities/OC Division	001.6000.7203	January Meeting/Conners, Ring, Rhodes, Hack	250.00
			001.6100.7203	January Meeting/Keane	50.00
108494	10-0767	Madison Materials	361.6700.7349	Bulky Item Recycle/January 2010	159.00
					224.39

108495	10-0768	Southern California Edison	001.6700.7236	Residential Streetlights/United/January 2010	1,898.10
108496	10-0769		110.6700.7346	Traffic Signal Controllers/January 2010	773.10
	10-0770	All American Asphalt	120.6590.7600	Traffic Congestion Relief/Capital Project/EI Toro Rd Rehab	10,711.71
	10-0771	AT&T	120.0000.2501	Retainer	-1,071.17
	10-0772		001.6590.7232	Telephone/639-0500/January 2010	188.66
	10-0773		001.6590.7232	Telephone/452-0600/January 2010	225.24
	10-0774	Bank of America - Credit Card	001.6590.7232	Telephone/770-9359/January 2010	15.95
	10-0775	Office Depot	2601	See Below	510.00
	10-0776	County of Orange/Water Quality	001.6100.7221	Office Supplies	81.46
	10-0777	Burke, Williams & Sorensen, LLP	001.6400.7357	City Cost Share/FY 2010 Newport Bay TMDL	9,835.20
	10-0778		001.6100.7301	Legal Services/Retainer/December 2009	3,879.27
	10-0779	California Yellow Cab	140.6590.7600	Legal Services/Moulton Smart Street/December 2009	2,012.16
	10-0780	County of Orange/Sheriff	001.6590.7260	Legal Services/City Hall Acquisition/December 2009	40.46
	10-0781		010.6500.7301	Legal Services/Deposit-Based/December 2009	2,166.00
	10-0782	County of Orange/Signals	140.6590.7600	Legal Services/Deposit-Based/January 2010	563.70
	10-0783	Curbside	010.6500.7301	Legal Services/Deposit-Based/January 2010	2,315.80
	10-0784	Data Ticket, Inc.	260.6700.7369	NEMT Services/January 2010	4,766.00
	10-0785	Great Cleaning Services, Inc.		Taxi Voucher Services/January 2010	19,507.00
	10-0786	Hogle-Ireland	001.6600.7351	Sheriff Services/Directed Enforcement/November 2009	4,176.80
	10-0787	Kristar	001.6600.7351	Sheriff Services/February 2010	98,192.42
	10-0788	Los Angeles Times	230.6600.7351		10,000.00
	10-0789	Petty Cash	110.6700.7346	Signal Maintenance/July-September 2009	18,376.48
			001.6700.7349	Door-to-Door Collections/December 2009	2,345.25
			001.6700.7349	Household Hazardous Waste Collection/E-Waste/Nov 2009	3,192.96
			001.6700.7349	Household Hazardous Waste Collection/Medical/Dec 2009	194.29
			001.6700.7349	Battery Collections/Fluorescent/December 2009	366.70
			001.6600.7391	Citation Processing Services/December 2009	15.68
			001.6590.7234	Janitorial Supplies	174.00
			001.6400.7311	Current Planning Services/November 2009	5,705.00
			010.6400.7311	Deposit-Based/Current Planning Services/November 2009	1,505.00
			001.6400.7357	Catch Basin Maintenance/January 2010	4,620.00
			001.6100.7221	Newspaper Delivery/February 2010	22.60
			001.0000.0010	Replenish Petty Cash	572.74

10-0790	Sierra Installations	001.6590.7906	Change-Out Banners	1,805.00
10-0791	Southern California Edison	100.6700.7237	Right of Way/January 2010	2,113.58
10-0792		001.6700.7236	Residential Streetlights/Third/January 2010	4,273.49
10-0793		100.6700.7237	Safety Lights Over Traffic Signals/January 2010	387.47
10-0794	Ware Disposal	361.6700.7349	Waste Collection/Large Item Pickup	600.00
10-0795	WLC Architects	001.6590.7259	Library Assessment Study/December 2009	1,892.00
10-0796	Yolie Trippy	001.6100.8110	Employee Benefit Program/February 2010	500.00
10-0797	Great Cleaning Services, Inc.	001.6590.7234	Janitorial Service/February 2010	495.00
10-0798	Sonitrol	001.6590.7234	City Hall/Alarm System Maintenance/February 2010	51.41
10-0799	Redflex	001.6600.7371	Redlight Photo Enforcement/February 2010	27,350.00
10-0800	Commpro	001.6100.7391	Website Hosting Services/February 2010	295.00
10-0801	Orkin	001.6590.7234	City Hall/Building Maintenance/February 2010	76.64
10-0802	KONE, Inc.	001.6590.7234	City Hall/Elevator Maintenance/February 2010	158.16
10-0803	TruGreen Landscape	001.6700.7341	Landscape Maintenance/February 2010	8,962.00
10-0804	Leslie Keane	001.6100.7204	Automobile Allowance/March 2010	450.00
10-0805	Douglas Reilly	001.6100.8110	Employee Benefit Program/March 2010	51.00
		001.6590.7232	Cell Phone Reimbursement/March 2010	79.50
10-0806	Sandra Verrall	001.6590.7232	Cell Phone Reimbursement/March 2010	25.00
10-0807	Ernestine Jones	001.6100.8110	Employee Benefit Program/February 2010	266.34
10-0808	CitiStreet/CalPers 457 Plan	001.6100.8110	Employee Benefit Program/February 2010	291.37
		001.6400.8110		300.00
10-0809	CA Soc. of Muni Finance Officers	001.6100.8110	CMTA & CSMFO Joint Meeting/March 2010/Jones	33.00
10-0810	CalPers/Health	001.6100.8110	Employee Benefit Program/March 2010	2,353.39
		001.6400.8110		454.99
		001.6100.7391		12.08
10-0811	Vantage Point/ICMA 457 Plan	001.0000.2601	Employee Contributions/February 2010	800.00
		001.6100.8110	Employee Benefit Program/February 2010	1,065.48
		001.6400.8110	Employee Benefit Program/February 2010	3,512.66
10-0812	AFLAC	001.6100.8110	Employee Benefit Program/March 2010	278.70
		001.6400.8110		93.10
10-0813		001.6100.7303	Program Fees/March 2010	25.00
10-0814	Managed Health Network	001.6100.8110	Employee Benefit Program/March 2010	17.29
		001.6400.8110		4.94

10-0815	Delta Dental	001.6100.8110	Employee Benefit Program/March 2010	519.72
		001.6400.8110		45.09
10-0816	Principal Financial Group	001.6100.8110	Employee Benefit Program/March 2010	362.16
		001.6400.8110		73.48
10-0817	Vision Service Plan	001.6100.8110	Employee Benefit Program/March 2010	147.23
		001.6400.8110		20.30
10-0818	Cynthia Conners	001.6000.8102	February Compensation	300.00
10-0819	Bert Hack	001.6000.8102	February Compensation	300.00
10-0820	Martin Rhodes	001.6000.8102	February Compensation	300.00
10-0821	Robert Ring	001.6000.8102	February Compensation	300.00
10-0822	Milt Robbins	001.6000.8102	February Compensation	300.00
10-0823	ADP	001.6100.8101	Payroll Ending 01/01/10 Full-time Staff	21,879.84
		001.6100.8102	Payroll Ending 01/01/10 Part-time Staff	438.00
		001.0000.2601	Deferred Comp/Payroll Ending 01/01/10	-400.00
		001.0000.2180	FSA Payable/Payroll Ending 01/01/10	-200.00
		001.6400.8101	Payroll Ending 01/01/10 Full-time Staff	4,603.00
		001.6100.8111	Payroll Taxes- Employer	2,908.23
		001.6400.8111	Payroll Taxes- Employer	344.48
		001.6100.2601	Deferred Comp/Payroll Ending 01/01/10	-1,219.80
		190.6500.8101	Payroll Ending 01/01/10 Full-time Staff	540.00
		190.6500.8102	Payroll Ending 01/01/10 Part-time Staff	206.25
		190.6500.8111	Payroll Taxes- Employer	57.08
10-0824	ADP	001.6100.7303	Payroll Processing	109.62
10-0825	ICMA Retirement Corporation	001.6100.8101	Deferred Comp/Payroll Ending 01/01/10	374.23
		001.0000.2601	Deferred Comp/Payroll Ending 01/01/10	1,219.80
10-0826	ADP	001.6100.8101	Payroll Ending 01/15/10 Full-time Staff	21,879.84
		001.6100.8102	Payroll Ending 01/15/10 Part-time Staff	1,123.00
		001.0000.2601	Deferred Comp/Payroll Ending 01/15/10	-400.00
		001.0000.2180	FSA Payable/Payroll Ending 01/15/10	-200.00
		001.6400.8101	Payroll Ending 01/15/10 Full-time Staff	5,443.00
		001.6100.8111	Payroll Taxes- Employer	2,718.58
		001.6400.8111	Payroll Taxes- Employer	416.39
		001.6100.2601	Deferred Comp/Payroll Ending 01/15/10	-1,219.80

	ADP	190.6500.8101	Payroll Ending 01/15/10 Full-time Staff	540.00
		190.6500.8102	Payroll Ending 01/15/10 Part-time Staff	536.25
		190.6500.8111	Payroll Taxes- Employer	82.33
10-0827	ADP	001.6100.7303	Payroll Processing	111.15
10-0828	CalPERS Retirement	001.6100.8112	Retirement System/Payroll Ending 01/15/10	3,909.34
		001.6400.8112		802.63
10-0829	ICMA Retirement Corporation	001.6100.8101	Deferred Comp/Payroll Ending 01/15/10	374.23
		001.0000.2601	Deferred Comp/Payroll Ending 01/15/10	1,219.80
10-0830	ADP	001.6100.8101	Payroll Ending 01/29/10 Full-time Staff	21,879.84
		001.6100.8102	Payroll Ending 01/29/10 Part-time Staff	1,048.25
		001.0000.2601	Deferred Comp/Payroll Ending 01/29/10	-400.00
		001.0000.2180	FSA Payable/Payroll Ending 01/29/10	-200.00
		001.6400.8101	Payroll Ending 01/29/10 Full-time Staff	5,443.00
		001.6100.8111	Payroll Taxes- Employer	2,384.33
		001.6400.8111	Payroll Taxes- Employer	416.39
		001.6100.2601	Deferred Comp/Payroll Ending 01/29/10	-1,219.80
		190.6500.8101	Payroll Ending 01/29/10 Full-time Staff	540.00
		190.6500.8102	Payroll Ending 01/29/10 Part-time Staff	491.25
		190.6500.8111	Payroll Taxes- Employer	78.89
10-0831	ADP	001.6100.7303	Payroll Processing	111.15
10-0832	CalPERS Retirement	001.6100.8112	Retirement System/Payroll Ending 01/29/10	3,889.34
		001.6400.8112		802.63
10-0833	ICMA Retirement Corporation	001.6100.8101	Deferred Comp/Payroll Ending 01/29/10	374.23
		001.0000.2601	Deferred Comp/Payroll Ending 01/29/10	1,219.80
	TOTAL			517,370.71

Void Check(s): 108346, 108466

January

Debit	Debit	Overnight Express	001.6100.7223	Delivery Services	77.39
Debit	Debit	Federal Express	001.6100.7223	Delivery Services	71.32
Debit	Debit	Southwest Airlines	001.6000.7203	League of Cities Committee Meeting/Sacramento/Hack	255.40
Debit	Debit	Mr. Video	001.6100.7221	Office Supplies	105.89

**6.5**  
**CITY CENTRE PARK LANDSCAPE**  
**ARCHITECT**  
**(No Report)**

**6.6**

**EL TORO ROAD/MOULTON PARKWAY  
INTERSECTION IMPROVEMENTS**

## SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“Agreement”) is made by and between the Golden Rain Foundation of Laguna Woods (“GRF”), a California non-profit, mutual benefit corporation, on the one hand, and the City of Laguna Woods (the “City”), a municipal corporation, on the other hand. GRF and the City shall be referred to collectively as the “Parties.”

### RECITALS

Whereas, the City has worked cooperatively with the County of Orange in order to accomplish certain roadway and traffic improvements including the widening of Moulton Parkway at its intersection with El Toro Road (“Moulton Smart Street Project” or “Project”);

Whereas, the Moulton Smart Street Project requires the acquisition of temporary construction easements and fee interests in portions of properties owned by GRF;

Whereas, GRF is the owner of certain real property located at 24312 El Toro Road, Laguna Woods, California, bearing Assessor Parcel Number 621-131-02 and 621-131-36 (the “Equestrian Center Property”), and 24112 Moulton Parkway, Laguna Woods, California, bearing Assessor Parcel Number 616-021-26 (the “Golf Course Property”). The Equestrian Center Property and the Golf Course Property are collectively referred to as the “GRF Properties”; and

Whereas, the City is authorized by California Code of Civil Procedure section 1240.010 and other applicable law to acquire real property by eminent domain; and

Whereas, on or about February 6, 2009, the City filed a condemnation action in the Orange County Superior Court entitled City of Laguna Woods v. Golden Rain Foundation of Laguna Woods, et al., Case No. 30-2009-00118338 (the “Court Action”), seeking to acquire portions of the GRF Properties for Phase 1 of the Moulton Smart Street Project; and

Whereas, on or about February 13, 2009, the City made a deposit of just compensation in the amount of \$106,866 pursuant to Code of Civil Procedure section 1255.010 with the California State Treasurer; and

Whereas, on April 17, 2009, the Court issued an Order of Possession that provided the City with possession of specified portions of the GRF Properties on or about April 27, 2009; and

Whereas, the Parties desire to enter into this Agreement to resolve the claims and issues in the Court Action and to provide the terms and conditions for the purchase and sale of the property interests described below;

### **IT IS HEREBY MUTUALLY AGREED BETWEEN THE PARTIES AS FOLLOWS:**

**1. No Admission of Liability.** This Agreement is a compromise and is not intended to be, nor shall it be construed as, an admission of liability by any party to any other party. The

Parties are agreeing to the purchase and sale of certain interests in the GRF Properties as provided herein in order to promote and facilitate the Moulton Smart Street Project.

**2. Agreement to Sell, Purchase, and Settle.** GRF agrees to sell to the City, and the City agrees to purchase from GRF, the following properties and interests, all of which are owned by GRF, for the purchase price and upon the terms and conditions hereinafter set forth:

- (a) in fee simple absolute, Parcel Number 182, which is an approximately .139 acre portion of the Equestrian Center Property and is depicted in the diagram/map attached as Exhibit 1 to this Agreement;
- (b) in fee simple absolute, Parcel Number 510, which is an approximately .165 acre portion of the Equestrian Center Property and is depicted in the diagram/map attached as Exhibit 1 to this Agreement;
- (c) in fee simple absolute, Parcel No. 174, which is an approximately 4,777 square foot portion of the Golf Course Property and is depicted in the diagram/map attached as Exhibit 1 to this Agreement;
- (d) temporary construction easements in parcel numbers 182.1, 182.2, 510.1, and 510.2, lasting up to 24 months from the start of construction of Phase 1 of the Moulton Smart Street Project, and which are generally located at the Equestrian Center Property and depicted in the diagram/map attached as Exhibit 1 to this Agreement; and
- (e) temporary construction easements in parcel numbers 174.1, and 174.2, lasting a minimum of 24 months from the start of construction of Phase 1 of the Moulton Smart Street Project, and which are generally located at the Golf Course Property and depicted in the diagram/map attached as Exhibit 1 to this Agreement.
- (f) For purposes of this Agreement, the Project will be deemed to have started upon GRF's receipt of written notice from the City of commencement of construction activity.

The specific property interests in the GRF Properties to be sold by GRF and purchased by the City will be referred to hereinafter as the "Project Properties" and are summarized in the chart below:

Equestrian Center Property (24312 El Toro Road)

<u>Parcel</u>	<u>Estate</u>	<u>Size</u>
182	Fee	0.139 acres
182.1	TCE	890 square feet
182.2	TCE	2,109 square feet
510	Fee	0.165 acres
510.1	TCE	1,036 square feet
510.2	TCE	0.141 acres

Golf Course Property (24112 Moulton Parkway)

<u>Parcel</u>	<u>Estate</u>	<u>Size</u>
174	Fee	4,777 square feet
174.1	TCE	1,717 square feet
174.2	TCE	2,005 square feet

**3. Purchase Price.** The City agrees to pay to GRF the following amounts (collectively, the “Purchase Price”), which the Parties acknowledge to be the just compensation for the Project Properties:

- a. \$68,255 for fee simple title to Parcel Nos. 182 and 510 at the Equestrian Center Property.
- b. \$3,435 for the temporary construction easements over Parcel Nos. 182.1, 182.2, 510.1, and 510.2 at the Equestrian Center Property.
- d. \$38,250 for fee simple title to Parcel No. 174 and for the temporary construction easements over Parcel Nos. 174.1 and 174.2 at the Golf Center Property.
- e. \$10,000 in reimbursement for the cost of appraisals of the Property pursuant to Code of Civil Procedure § 1263.025.
- f. \$1,500 for street signage replacement at the Equestrian Center Property and removal of temporary fencing.

The payment of the Purchase Price shall be accomplished through the withdrawal by GRF of the \$106,866 amount on deposit with the State Treasurer and the City’s payment by separate check made out to “\_\_\_\_\_” and delivered to \_\_\_\_\_ in the amount of \$14,574. Additionally, the City shall secure the installation of the mitigation measures described in paragraphs 5 and 6 below.

**4. Withdrawal of Funds on Deposit.** The Parties will cooperate on securing a Court order for the withdrawal of the funds on deposit with the State Treasurer and payment of said funds to GRF. In that regard, the Parties will submit a Stipulation and [Proposed] Order to the Court and, if necessary, a motion to secure a Court Order directing the payment of the funds on deposit to GRF. Upon transfer of these funds to GRF, the amount of these funds shall be credited against the Purchase Price. The City shall be entitled to withdraw all accrued interest on the \$106,866 amount deposited with the State Treasurer.

**5. Mitigation Measures for the Equestrian Center Property.**

a. **Temporary Fencing.** The City will install temporary fencing at the Equestrian Center Property along both Moulton Parkway and El Toro Road during the Moulton Smart Street Project construction process. The temporary fencing will be chain-link fencing with opaque sheeting in substantial conformance with the plans and specifications for the El Toro Landscaping, which are set forth in Exhibits 2 and 3 to this Agreement. The temporary fencing along El Toro Road will be maintained by the City during construction and by GRF for a period of time no longer than 24 months following the recording of the Notice of Completion in order

for the new landscaping, referenced below in paragraph 5.b below to grow into place. The temporary fencing along Moulton Parkway will be maintained by the City until construction of the permanent wall and installation of landscaping described in paragraphs 5.c and 5.d below have been completed. GRF will be responsible for removing the temporary fencing installed pursuant to this subsection. Following construction, GRF must apply on an annual basis to the City for permits for the temporary fencing installed pursuant to this subsection and the City may not withhold approval of such permits unreasonably.

b. El Toro Landscaping. The City will install and furnish landscaping at the Equestrian Center Property along El Toro Road (“El Toro Landscaping”), in substantial conformance with the plans and specifications for the El Toro Landscaping, which are set forth in Exhibits 2 and 3 to this Agreement. Any and all of the City’s right, title, and interest to, and maintenance obligations for, the El Toro Landscaping on GRF-owned property transfers to GRF 180 days after the recording of the Notice of Completion.

c. Moulton Parkway Block Wall. The City will install a block wall on the Equestrian Center Property adjacent to Moulton Parkway (“Moulton Block Wall”), in substantial conformance with the plans and specifications for the Moulton Block Wall, which are set forth in Exhibits 2 and 3 to this Agreement. Upon the recording of the Notice of Completion, any and all of the City’s rights, title, and interest to, and maintenance obligations for, the Moulton Block Wall transfers to GRF.

d. Moulton Parkway Landscaping. The City will furnish and install landscaping on the Equestrian Center Property adjacent to Moulton Parkway (“Moulton Landscaping”), in substantial conformance with the plans and specifications for the Moulton Landscaping, which are set forth in Exhibits 2 and 3 to this Agreement. Any and all of the City’s rights, title, and interest to, and maintenance obligations for, the Moulton Landscaping transfers to GRF 180 days after the recording of the Notice of Completion. Any landscaping and irrigation facilities installed on the street side of the Moulton Block Wall shall be owned and maintained by the City.

e. Equestrian Center Parking Lot. The City will prepare plans, at its cost, for the slurry seal and re-striping of the parking lot at the Equestrian Center adjacent to El Toro Road (“Equestrian Center Parking Lot”), in substantial conformance with the plans and specifications for the slurry seal and re-striping of the Equestrian Center Parking Lot, which are set forth as Exhibits 2 and 3 to this Agreement. These plans shall maintain the same number of parking spaces as currently exist at the Equestrian Center Parking Lot. The City will pay for all of the work to be performed according the City’s plans, including the costs of design, construction, and permitting.

f. GRF-Owned Utilities. In the event that the City must relocate GRF-owned utilities in the course of meeting its obligations under Section 5, the City shall provide GRF with not less than 10 days notice of any interruption in service and will take all reasonable steps minimize delays in operation.

## **6. Mitigation Measures for the Golf Course Property.**

a. Temporary Fencing. The City will install temporary fencing at the Golf Course Property during the Moulton Smart Street Project construction process. The temporary fencing will be chain-link fencing with opaque sheeting. The temporary fencing will be maintained until construction of the Golf Course Retaining Wall described in paragraph 6(c) below has been completed.

b. Protective Screening/Netting. The City will install protective screening/netting on the Golf Course Property in order to protect vehicles and pedestrians on Moulton Parkway from stray and/or errant golf balls, in substantial conformance with the plans and specifications for the protective screening/netting, which are set forth in Exhibits 2 and 3 to this Agreement. Upon recording of the Notice of Completion, any and all of the City's rights, title, and interest in and to the protective screening/netting transfers to GRF.

c. Golf Course Retaining Wall. The City will replace the existing block wall at the Golf Course Property along Moulton Parkway with a retaining wall with tubular steel fencing and masonry pilasters ("Golf Course Retaining Wall"), in substantial conformance with the plans and specifications for the Golf Course Retaining Wall, which are set forth in Exhibits 2 and 3 to this Agreement. Upon recording of the Notice of Completion, any and all of the City's rights, title, and interest to the Golf Course Retaining Wall transfers to GRF.

d. Golf Course Landscaping. The City will furnish and install landscaping on the Golf Course Property ("Golf Course Landscaping"), in substantial conformance with the plans and specifications for the landscaping, which are set forth in Exhibit 3 to this Agreement. The City will relocate or replace all trees that are in the path of the project easements. The trees will be relocated or replaced in the same general area in which they currently exist, pursuant to Exhibits 2 and 3. If trees are replaced, they will be replaced pursuant to Laguna Woods Municipal Code Chapter 4.26 and subject to GRF's approval, which GRF may not withhold unreasonably. Any and all of the City's rights, title, and interest to, and maintenance obligations for, the Golf Course Landscaping transfers to GRF 180 days after recording of the Notice of Completion. Any landscaping and irrigation facilities installed on the street side of the Golf Course Retaining Wall shall be owned and maintained by the City.

f. GRF-Owned Utilities. In the event that the City must relocate GRF-owned utilities in the course of meeting its obligations under Section 6, the City shall provide GRF with not less than 10 days notice of any interruption in service and will take all reasonable steps minimize delays in operation.

## **7. City's Right of Entry.**

a. In addition to the Project Properties, and in consideration of all of the promises contained herein, Permission is hereby granted to the City, or its authorized agents, to enter upon any additional portions of the GRF Properties as necessary for the purposes of the construction of the Moulton Smart Street Project as well as any temporary maintenance obligations that the City may have concerning improvements to be constructed on GRF-owned property. This right shall hereinafter be referred to as the "Right of Entry." The Right of Entry

herein granted is subject to the City defending and indemnifying GRF against, and holding GRF harmless from, any loss of or damage to any property, or injury or death of any person whomsoever, arising out of the exercise of the Right of Entry granted herein.

b. It is understood that when the City's need for use of this Right of Entry ceases, the City shall discontinue all use of the property and return the property to a neat, clean condition equal to or better than the condition that existed prior to the start of construction.

c. GRF hereby agrees to voluntarily grant this Right of Entry to the City in exchange for the CITY's performance under this document. GRF hereby agrees to waive its right to receive just compensation, if any, for the value of the Right of Entry being granted.

**8. Good Faith.** GRF and the City will work together cooperatively, reasonably, and in good faith to address and, if necessary, make any changes in the plans and specifications attached as Exhibits 2 and 3 to the extent such changes become necessary as a result of mistakes in the plans and specifications and/or to reflect changed conditions in the field. To the extent that any GRF-owned facilities become located on City-owned property as a result of this Agreement, GRF will not need to obtain an easement to access such facilities.

**9. Title and Title Policy.** It shall be a condition to the delivery of the Purchase Price and a covenant of GRF that title to the Project Properties shall be conveyed to the City by GRF and that a title company approved by the City has issued, or be irrevocably committed to issue, its CLTA Standard Form Policy or Binder of Title Insurance ("Title Policy") in the amount of the Payment showing title to the Project Properties vested in the City.

**10. Representations and Warranties of GRF.** GRF makes the following representations and warranties, which shall survive the transfer of title of the Project Properties from GRF to the City:

(a) GRF holds title to an indefeasible estate in fee simple in the Equestrian Center Property and Golf Center Property. GRF is the sole owner of the Equestrian Center Property and Golf Center Property, has good, absolute and marketable title to the Equestrian Center Property and Golf Center Property and has full power and authority to own and sell and convey the Project Properties described above in Paragraph 2 to the City and to enter into and perform its obligations pursuant to this Agreement;

(b) The execution and delivery of this Agreement by GRF, GRF's performance hereunder, and the consummation of this transaction will not constitute a violation of any order or decree or result in the breach of any contract or agreement to which GRF is at present a party, or by which GRF is bound;

(c) GRF will not enter into any agreements or undertake any new obligations prior to the execution of the deeds required by this Agreement which will in any way burden, encumber or otherwise affect the Project Properties described above in Paragraph 2 without the prior written consent of the City;

(d) To GRF's knowledge, no litigation and no governmental, administrative or regulatory act or proceeding regarding the environmental, health and safety aspects of the Project Properties described above in Paragraph 2 is pending, proposed or threatened;

(e) According to GRF's knowledge, the Project Properties described above in Paragraph 2 are not in violation of any federal, state or local statute, regulation or ordinance relating to industrial hygiene or to environmental conditions on, under or about the Equestrian Center Property and Golf Course Property, including, but not limited to, the underlying soil and groundwater conditions which could affect the Project Properties or their use, and neither GRF nor any other person or predecessor in interest have used, generated, manufactured, stored or disposed of on, under or about the Project Properties, or transported to or from the Project Properties, any flammable materials, explosives, radioactive materials, hazardous or contaminated materials or substances, toxic or noxious materials, substances or related materials or substances ("Hazardous Materials"). For the purpose of this Section, Hazardous Materials shall include, without limitation, substances defined as "hazardous substances," "hazardous materials," "toxic substances," "hazardous wastes," "extremely hazardous wastes," or "restricted hazardous wastes," or stated to be known to cause cancer or reproductive toxicity, under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. sections 9601, *et seq.*; the Hazardous Materials Transportation Act, 49 U.S.C. sections 1801, *et seq.*; the Resource Conservation and Recovery Act, 42 U.S.C. sections 6901, *et seq.*; the Federal Water Pollution Control Act, 33 U.S.C. sections 1317, *et seq.*; sections 25115, 25117, 25122.7, 25140, 25249.5, 25249.8, 25281, 25316 or 25501 of the California Health & Safety Code; or any substances so defined or stated in any of the regulations adopted and publications promulgated pursuant to said laws as they may be amended from time to time;

(f) GRF has and shall have paid before the effective date of this Agreement any and all current and past due taxes, assessments, penalties and interest levied and assessed against the Project Properties described above in Paragraph 2. If not paid prior to the effective date of this Agreement, GRF hereby authorizes the City to disburse to the taxing authority from funds otherwise due to GRF an amount sufficient to discharge said taxes, assessments, penalties and interest.

## **11. Representations and Warranties of the City.**

A. The City shall repair and restore any improvements or land (other than Parcel Nos. 174, 182, and 510 and any improvements located thereon) belonging to GRF that may be damaged by the City or the City's contractor during construction of the works of improvement for which the Project Properties described above in Paragraph 2 are conveyed, or, at the City's option, pay to GRF the market value of such improvements, provided that this Section shall not be construed to require the City to pay for the use for which the Project Properties described above in Paragraph 2 are intended.

B. The City shall save and hold harmless, defend and indemnify GRF against any and all claims, demands, suits, judgments, expenses, and costs on account of injury to, or death of, persons, or loss of, or damage to, property of others, incurred during or proximately caused

by acts or omissions of the City or the City's contractor in the performance of any work by the City or the City's contractor in performing the mitigation measures described in paragraphs 5 and 6 above and in constructing any improvements on the Project Properties.

C. Should any of the facilities installed on GRF-owned property pursuant to Sections 5 and 6 of this Agreement prove to be defective due to faulty workmanship, material furnished or methods of installation, or should such facilities or any part thereof fail to operate properly, as planned and in accordance with the applicable plans and specifications, due to faulty workmanship, material furnished or methods of installation, all within one year of the recording of the Notice of Completion applicable to such facility, the City agrees that the repairs shall be made and such materials as are necessary shall be furnished and installed within 45 days after receipt of a demand from GRF. The rights provided under this section are not exclusive and shall be in addition to any other rights that GRF has at law and shall be cumulative.

**12. Waiver and Release by GRF.** In return for the terms and conditions in this Agreement, and except as otherwise set forth herein, GRF, and its employees, agents, directors, officers, attorneys, assigns, representatives, predecessors, and successors, and each of them, agree to fully and forever waive and release the City and its employees, agents, insurance carriers, officers, attorneys, assigns, representatives, predecessors, and successors, and each of them, from any and all claims which GRF may have, have had, or may in the future have, against the City arising from the City's acquisition of the Project Properties, whether known or unknown, including but not limited to, the following:

- (a) Compensation for real property and all other interests in the Project Properties;
- (b) Any right to seek or obtain an award of litigation expenses or costs pursuant to Code of Civil Procedure sections 1250.410 and 1268.710;
- (c) Any right to challenge the City's right to take any interests in the GRF Properties.
- (d) Any right to a trial or appeal;
- (e) Any right to claim attorney's fees, expert fees, or any litigation expenses and/or court costs;
- (f) Any right to seek any compensation related to the City's acquisition of the Project Properties in any amount greater than set forth in this Agreement;
- (g) Any right to claim severance damages (i.e., damages to the remainder not taken resulting from the City's construction and/or use of Phase 1 of the Moulton Smart Street Project);
- (h) Any right to claim any damages for loss of machinery, fixtures, and/or equipment;

- (i) Any right to claim loss of rents;
- (j) Any right to claim relocation assistance;
- (k) Any right to claim precondemnation damages;
- (l) Any right to claim compensation for improvements relating to realty;
- (m) any right to repurchase, leaseback from the City, or receive any financial gain from, the sale of any portion of the Project Properties, or challenge the City's adoption of a resolution of necessity, pursuant to Code of Civil Procedure sections 1245.245;
- (n) any right to receive notices pursuant to Code of Civil Procedure section 1245.245;
- (o) any right to enforce any other obligation placed upon City pursuant to Code of Civil Procedure sections 1245.245 and 1263.615, as well as any other rights conferred upon GRF pursuant to Code of Civil Procedure sections 1245.245 and 1263.615 and 1263.025;
- (p) Any other right, claim, cause of action, or demand of any kind or nature, whether known or unknown, arising out of the City's acquisition of the Project Properties or construction and use of the Moulton Smart Street Project, including but not limited to a claim for inverse condemnation.

With respect to each of the releases set forth in this Agreement, GRF acknowledges that it is familiar with the provisions of California Civil Code Section 1542, which is expressly understood by each party hereto to provide as follows:

\* \* \* \* \*

“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.”

\* \* \* \* \*

GRF being aware of said code section hereby expressly waives any and all rights it may have thereunder, as well as under any other statute or common law principles of similar effect.

GRF HAS READ AND UNDERSTANDS THE FOREGOING WAIVER OF RIGHTS UNDER CIVIL CODE SECTION 1542

\_\_\_\_\_/\_\_\_\_\_  
GRF's INITIALS

The waivers and releases set forth above, and each of them, shall survive the transfer of title of the Project Properties from GRF to the City.

**13. Waiver and Release by the City.** The City and its employees, agents, officers, attorneys, assigns, representatives, predecessors, and successors, and each of them, agree to fully and forever waive and release GRF, and its employees, agents, insurance carriers, directors, officers, attorneys, assigns, representatives, predecessors, and successors, and each of them, from any and all claims which the City may have, have had, or may in the future have, against GRF arising from the City's acquisition of the Project Properties, whether known or unknown.

With respect to each of the releases set forth in this Agreement, City acknowledges that it is familiar with the provisions of California Civil Code Section 1542, which is expressly understood by each party hereto to provide as follows:

\* \* \* \* \*

“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.”

\* \* \* \* \*

City being aware of said code section hereby expressly waives any and all rights it may have thereunder, as well as under any other statute or common law principles of similar effect.

CITY HAS READ AND UNDERSTANDS THE FOREGOING WAIVER OF RIGHTS UNDER CIVIL CODE SECTION 1542

\_\_\_\_\_/\_\_\_\_\_  
CITY's INITIALS

The waivers and releases set forth above, and each of them, shall survive the transfer of title of the Project Properties from GRF to the City.

**14. Acknowledgment of Full Benefits and Release.**

A. By execution of this Agreement, GRF, on behalf of itself and its respective heirs, executors, administrators, successors and assigns, hereby acknowledge that this Agreement provides full and final payment for the acquisition of the specified portions of the Project Properties by the City, and GRF hereby expressly and unconditionally waives any and all claims for damages, relocation assistance benefits, severance damages, interest, loss of goodwill, claims for inverse condemnation or unreasonable pre-condemnation conduct, or any other compensation or benefits, other than as expressly provided for in this Agreement, it being understood that this

is a complete and full settlement of all acquisition claims, liabilities, or benefits of any type or nature whatsoever relating to or in connection with the acquisition of the Project Properties.

B. This Agreement arose out of the City’s efforts to acquire the Project Properties through its municipal authority. The parties agree that this Agreement is a settlement of claims in order to avoid litigation and shall not in any manner be construed as an admission of the fair market value of the Project Properties or of the GRF Properties or of liability by any party to this agreement.

**15. Deeds.** GRF shall execute and deliver to the City for recordation the deeds and Temporary Construction Easements in the form of the documents attached to this Agreement collectively as Exhibit 4.

**16. Miscellaneous.**

A. Notice. Any notice to be given or other document or documents to be delivered to either party by the other hereunder may be delivered in person or may be deposited in the United States Mail in the State of California, duly registered or certified, with postage prepaid, and addressed as follows:

Golden Rain Foundation of Laguna Woods	Robert J. Mulvihill, Esq. HART, KING & COLDREN 200 Sandpointe, Fourth Floor Santa Ana, CA 92707
City of Laguna Woods	Leslie Keane City Manager City of Laguna Woods 24264 El Toro Road Laguna Woods, CA 92637

Any party hereto may, from time to time, by written notice to the other parties, designate a different address and/or a different person, which shall be substituted for the one specified above. Any notice or other documents sent by registered or certified mail as aforesaid shall be deemed to have been effectively served or delivered at the expiration of twenty-four (24) hours following the deposit of said notice or other documents in the United States mail.

B. Time of Essence. Time is of the essence with respect to each and every provision hereof.

C. Assignment. Neither this Agreement, nor any interest herein, shall be assignable by any party without prior written consent of the other party.

D. Governing Law. This Agreement will be interpreted, construed and governed according to the laws of the State of California. Each party has had the opportunity to review this Agreement with legal counsel. The Agreement will be construed simply, as a whole, and in accordance with its fair meaning. It will not be interpreted strictly for or against either party.

E. Inurement. This Agreement shall inure to the benefit of, and shall be binding upon, the assigns, successors in interest, personal representatives, estates, heirs and legatees of each of the parties hereto.

F. Attorneys Fees. If any legal action, arbitration or other proceeding is brought for the interpretation or enforcement of this Agreement, or because of any alleged dispute, breach, default or misrepresentation in connection with the Agreement, the successful or prevailing party shall be entitled to recover actual attorneys fees and other costs it incurs in that action or proceeding, in addition to any other relief to which it may be entitled.

G. Entire Agreement. This Agreement contains the entire Agreement of the parties hereto, and supersedes any prior written or oral agreements between them concerning the subject matter contained herein. There are no representations, agreements, arrangements, or understandings, oral or written, between the parties hereto, relating to the subject matter contained in this Agreement which are not fully expressed herein.

H. Additional Documents. The parties hereto agree to execute any and all additional documents and instruments necessary to carry out the terms of this Agreement.

I. Confidentiality. GRF will keep confidential the terms of this Agreement and refrain from disclosing or causing same to be disclosed to any person or entity not specifically released herein. In no event, however, shall GRF be required to refrain from disclosing the terms of this Agreement where GRF reasonably determines that: (i) it is legally required to do so, whether by statute, court order, process or otherwise; or (ii) disclosure is required or necessary to enforce any right, duty, obligation or release arising under the terms of this Agreement; or (iii) disclosure is required or necessary in order for GRF, or any of its agents or employees, to maintain or compile its personal or business books or records; (iv) disclosure to members of GRF's Board of Directors is necessary and required; or (iv) disclosure is necessary or required in order for GRF, or any of its agents or employees, to prepare and file income tax returns or any other forms required by any governmental, administrative or regulatory entities, boards or authorities.

J. No Admissions. This Agreement is a compromise and settlement of outstanding claims between the parties relating to the City's acquisition of the Project Properties and shall never be treated as an admission by either party to the Agreement for any purpose in any judicial, arbitration or administrative proceeding between the parties. This paragraph shall not apply to any claim that one may have against the other for breach of any provision or covenant of this Agreement.

K. No Merger. All representations, warranties, acknowledgments, releases, covenants and obligations contained in this Agreement shall survive transfer of title of the Project Properties from GRF to the City, including the delivery and recordation of the deeds and Temporary Construction Easements in the form of the documents attached to this Agreement collectively as Exhibit 4.

L. Ratification. This Agreement is subject to approval and ratification by the City Council of the City of Laguna Woods and the Board of Directors of GRF.

M. Broker. GRF and the City each represent and warrant to the other that no broker, agent or finder has been engaged by it in connection with the transaction contemplated by this Agreement and that all negotiations relative to these instructions and this transaction have been carried out by such party directly with the other party without the intervention of any persons in such a manner as to give rise to any valid claim against either of the parties for a broker's commission, finder's fee or other like payment. Each of the parties shall indemnify and defend the other party and hold it harmless from any and all loss, damage, liability or expense, including costs and reasonable attorneys' fees, which the other party may incur or sustain by reason of or in connection with any misrepresentation or breach of warranty by the indemnifying party with respect to the foregoing.

N. Counterparts. This Agreement may be executed in several counterparts, each of which will be deemed an original, and all of which, when taken together, constitute one and the same instrument. Amendments to this Agreement will be considered executed when the signature of a party is delivered by facsimile transmission. Such facsimile signature will have the same effect as an original signature.

O. Severability. If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement will not be affected and the Agreement will be read and construed without the invalid, void or unenforceable provision.

P. Waiver. Waiver by any Party of any term, condition, or covenant of this Agreement will not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement will not constitute a waiver of any other provision, or a waiver of any subsequent breach or violation of any provision of this Contract.

Q. Modification of Agreement. No amendment to or modification of this Agreement will be valid unless made in writing and approved by the Parties to be bound thereby. The Parties agree that this requirement for written modifications cannot be waived and that any attempted waiver will be void.

R. Authority to Execute. Each Party represents and warrants that all necessary action has been taken by such Party to authorize the undersigned to execute this Agreement and to bind it to the performance of its obligations.

S. Recorded Grant Deeds. City will provide a copy of the recorded Grant Deeds to GRF in care of its managing agent, Professional Community Management, Inc.

GOLDEN RAIN FOUNDATION OF LAGUNA WOODS

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

\_\_\_\_\_

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

\_\_\_\_\_

**APPROVED AS TO FORM**

HART, KING & COLDREN

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

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

Robert J. Mulvihill

CITY OF LAGUNA WOODS

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

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

Leslie Keane

Its: City Manager

**APPROVED AS TO FORM**

BURKE, WILLIAMS & SORENSEN, LLP

Dated: \_\_\_\_\_

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

Stephen A. McEwen

**8.1**  
**COMMUNITY MEMBER SAFETY**  
**(No Report)**

**9.1**  
**FISCAL YEAR 2009-10 MID-YEAR BUDGET**  
**REVIEW**  
**(Report to be distributed separately)**