CITY COUNCIL REGULAR MEETING

JULY 10, 2012
7:00 PM

AGENDA

Melody Carruth, Mayor

Joel Lautenschleger, Mayor Pro Tempore | **Barbara Kogerman, Council Member**
Randal Bressette, Council Member | **L. Allan Songstad, Jr., Council Member**

Location: City Council Chamber, 24035 El Toro Road, Laguna Hills, California 92653

Any person wishing to address the City Council/Planning Agency on any matter, whether or not it appears on this Agenda, is asked to complete a pink “Request to Speak” form available on the table at the back of the Chamber. The completed form is to be submitted to the City Clerk prior to an individual being heard by the City Council/Planning Agency. Completion of the form is voluntary. All persons may attend the meeting regardless of whether this form is completed.

Members of the public wishing to address the City Council can do so during the Public Comments portion of the Agenda with a time limitation of three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes for Public Comments. If you are commenting on an Agenda item, your comments will be heard at the time that item is scheduled on the Agenda. If you are addressing the City Council on an item not listed on the Agenda, the City Council is prohibited by law from discussing or taking any action on that item.

CALL TO ORDER

Resolution No. 96-04-09-1 established rules of decorum for public meetings held by the City of Laguna Hills. Resolution No. 96-04-09-1 is available on the table at the back of the City Council Chamber.

PLEDGE OF ALLEGIANCE: COUNCIL MEMBER KOGERMAN

ROLL CALL OF CITY COUNCIL MEMBERS

1. PRESENTATIONS AND PROCLAMATIONS

1.1 PRESENTATION OF CERTIFICATE OF RECOGNITION FOR LAGUNA HILLS RESIDENT MIKE BLAND

RECOMMENDATION: THAT MAYOR CARRUTH PRESENT A CERTIFICATE OF RECOGNITION TO MIKE BLAND FOR HIS EFFORTS IN CHAIRING TEAM DARK HORSE BATTALION SUPPORT COMMITTEE.

2. PUBLIC COMMENTS

This is the time to address the City Council on any matter not listed on this Agenda that is within the subject matter jurisdiction of the City Council. Public Comments are limited to three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes.

3. MINUTES

3.1 REGULAR MEETING, JUNE 26, 2012

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE MINUTES OF THE JUNE 26, 2012, REGULAR MEETING.

4. CONSENT CALENDAR

All matters listed under "CONSENT CALENDAR" are considered to be routine and will be enacted by one motion approving the recommendation listed on the Agenda. There will be no separate discussion unless Members of the City Council or Staff request specific items be removed from the Consent Calendar.

4.1 MOTION TO APPROVE THE READING BY TITLE OF ALL ORDINANCES AND RESOLUTIONS, SAID TITLES, WHICH APPEAR ON THE PUBLIC AGENDA, SHALL BE DETERMINED TO HAVE BEEN READ BY TITLE AND FURTHER READING WAIVED

RECOMMENDATION: THAT THE CITY COUNCIL WAIVE READING OF ORDINANCES AND RESOLUTIONS.

4.2 APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED JULY 10, 2012

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE WARRANT REGISTER IN THE AMOUNT OF $586,537.87.

4.3 PASEO DE VALENCIA TRAFFIC SIGNAL SYNCHRONIZATION PROJECT, CIP NO. 168A

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE LETTER AGREEMENT NO. 3 TO M2 CTFP MASTER FUNDING AGREEMENT NO. C-1-2770 WITH THE ORANGE COUNTY TRANSPORTATION AUTHORITY,

AUTHORIZE THE MAYOR TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH HARTZOG AND CRABILL, INC., FOR THE DESIGN AND PROJECT MANAGEMENT OF THE PASEO DE VALENCIA TRAFFIC SIGNAL SYNCHRONIZATION PROJECT, CIP NO. 168A, AND THE CITY CLERK TO ATTEST THERETO, AND AUTHORIZE THE ALLOCATION OF GENERAL FUNDS TO CIP NO. 168.

4.4 2012-13 CIVIC CENTER BUDGET

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE 2012-13 CIVIC CENTER BUDGET.

4.5 LAGUNA HILLS CIVIC CENTER - LEASE WITH MICHAEL D. SHEA (GOLD KEY WEALTH MANAGEMENT) FOR SUITE 330

RECOMMENDATION: THAT THE CITY COUNCIL AUTHORIZE THE CITY MANAGER TO EXECUTE LEASE DOCUMENTS WITH MICHAEL D. SHEA OF GOLD KEY WEALTH MANAGEMENT FOR SUITE 330 AT 24031 EL TORO ROAD, LAGUNA HILLS, CALIFORNIA.

4.6 LAGUNA HILLS CIVIC CENTER - ACCOMMODATION LICENSE AGREEMENT WITH JULIA KNUTSON FOR EXECUTIVE OFFICE 320B

RECOMMENDATION: THAT THE CITY COUNCIL AUTHORIZE THE CITY MANAGER TO EXECUTE AN ACCOMMODATION LICENSE AGREEMENT WITH JULIA KNUTSON FOR EXECUTIVE OFFICE 320B AT 24031 EL TORO ROAD, LAGUNA HILLS, CALIFORNIA.

4.7 LAGUNA HILLS CIVIC CENTER - ACCOMMODATION LICENSE AGREEMENT WITH SENIORS HELPING SENIORS FOR EXECUTIVE OFFICE 320A

RECOMMENDATION: THAT THE CITY COUNCIL AUTHORIZE THE CITY MANAGER TO EXECUTE AN ACCOMMODATION LICENSE AGREEMENT WITH SENIORS HELPING SENIORS FOR EXECUTIVE OFFICE 320A AT 24031 EL TORO ROAD, LAGUNA HILLS, CALIFORNIA.

4.8 AMENDMENT TO RETAINER AGREEMENT FOR CITY ATTORNEY SERVICES

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING AMENDED EXHIBIT "A" TO THE RETAINER AGREEMENT FOR CITY ATTORNEY SERVICE RATES."

4.9 PROGRESS PAYMENT NO. 15 FOR LA PAZ ROAD WIDENING AT I-5 IMPROVEMENT PROJECT, CIP NO. 159

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE PROGRESS PAYMENT NO. 15, IN THE NET AMOUNT OF $320,698.23, TO SEMA CONSTRUCTION, INC., FOR THE LA PAZ ROAD WIDENING AT I-5 IMPROVEMENT PROJECT, CIP NO. 159.

ITEMS REMOVED FROM THE CONSENT CALENDAR

5. PLANNING AGENCY

5.1 ROLL CALL OF PLANNING AGENCY MEMBERS

5.2 PUBLIC COMMENTS

This is the time to address the Planning Agency on any matter not listed on this Agenda that is within the subject matter jurisdiction of the Planning Agency. Public Comments are limited to three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes.

5.3 MINUTES

5.3.1 REGULAR MEETING, JUNE 26, 2012

RECOMMENDATION: THAT THE PLANNING AGENCY APPROVE THE MINUTES OF THE JUNE 26, 2012, REGULAR MEETING.

5.4 PLANNING AGENCY PUBLIC HEARINGS

5.5 MATTERS AGENDIZED AND PRESENTED BY AGENCY MEMBERS AND CHAIR

5.5.1 REQUEST FOR RECONSIDERATION OF SITE DEVELOPMENT PERMIT/MASTER SIGN PROGRAM NO. 11-11-2114, TO AMEND THE NEW MASTER SIGN PROGRAM FOR THE HILLS HOTEL AT 25202 LA PAZ ROAD IN THE (FC) FREEWAY COMMERCIAL ZONING DISTRICT

RECOMMENDATION: THAT THE PLANNING AGENCY: (1) APPROVE THE RECONSIDERATION OF SITE DEVELOPMENT PERMIT/MASTER SIGN PROGRAM NO. 11-11-2114; AND (2) ADOPT A RESOLUTION ENTITLED: A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING SITE DEVELOPMENT PERMIT/MASTER SIGN PROGRAM NO. 11-11-2114, A REQUEST TO ESTABLISH A NEW MASTER SIGN PROGRAM FOR THE HILLS HOTEL AT 25205 LA PAZ ROAD

IN THE (FC) FREEWAY COMMERCIAL ZONING DISTRICT, AND RESCIND RESOLUTION NO. PA2012-06-12-2.

PLANNING AGENCY ADJOURNMENT

6. CITY COUNCIL PUBLIC HEARINGS

6.1 CONFIRMATION OF 2012 WEED ABATEMENT COST REPORT

RECOMMENDATION: THAT THE CITY COUNCIL: (1) CONDUCT A PUBLIC HEARING; AND (2) ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, CONFIRMING THE 2012 WEED ABATEMENT COST REPORT AND PROVIDING FOR THE COLLECTION OF WEED ABATEMENT ASSESSMENTS ON THE NEXT REGULAR TAX BILL LEVIED AGAINST THE SUBJECT PARCELS FOR MUNICIPAL PURPOSES."

7. ADMINISTRATIVE REPORTS

7.1 City Manager

7.2 Assistant City Manager

7.2.1 COYOTE MANAGEMENT UPDATE

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AND FILE THE REPORT

7.3 City Clerk

7.3.1 DESIGNATION OF VOTING DELEGATE FOR LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE

RECOMMENDATION: THAT THE CITY COUNCIL APPOINT MAYOR CARRUTH AS THE VOTING DELEGATE AND APPOINT MAYOR PRO TEMPORE LAUTENSCHLEGER AS THE VOTING ALTERNATE FOR THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE.

7.4 Deputy City Manager/Community Services

7.4.1 2012 MEMORIAL DAY RACE POST EVENT REPORT AND A RESOLUTION AUTHORIZING COMMUNITY ASSISTANCE FUNDING FOR THE 3/5 MARINE SUPPORT COMMITTEE

RECOMMENDATION: THAT THE CITY COUNCIL: (1) RECEIVE AND FILE THE REPORT; AND (2) ADOPT A RESOLUTION ENTITLED: "A RESOLUTION

OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AUTHORIZING COMMUNITY ASSISTANCE FUNDING FOR THE 3RD BATTALION, 5TH MARINES, 1ST DIVISION SUPPORT COMMITTEE, A CALIFORNIA NONPROFIT CORPORATION."

8. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS AND MAYOR

8.1 COUNCIL MEMBER KOGERMAN

8.1.1 ORANGE COUNTY GRAND JURY REPORT ISSUED JULY 5, 2012, ENTITLED "USE OF GOVERNMENTAL INFLUENCE ON A PRIVATE EDUCATIONAL INSTITUTION / INAPPROPRIATE GOVERNMENT INFLUENCE

RECOMMENDATION: THAT THE CITY COUNCIL: (1) APPOINT A THREE-MEMBER SUBCOMMITTEE CONSISTING OF TWO CITY COUNCIL MEMBERS, INCLUDING COUNCIL MEMBER KOGERMAN, AND THE CITY ATTORNEY, TO DRAFT A PROPOSED RESPONSE FROM THE CITY TO THE PRESIDING JUDGE OF THE SUPERIOR COURT OF ORANGE COUNTY IN COMPLIANCE WITH PENAL CODE 933.05(a) AND 933.05 (b); AND (2) CONSIDER ANY ADDITIONAL ACTIONS DEEMED APPROPRIATE IN RESPONSE TO THE FINDINGS AND RECOMMENDATIONS PROVIDED IN THE GRAND JURY REPORT.

9. CITY COUNCIL MEMBER COMMENTS

10. CLOSED SESSION

ADJOURNMENT

The July 24, 2012, and the August 14, 2012, Regular City Council meetings will not be held. The next Regular Meeting of the City Council will be August 28, 2012, at 7:00 PM, in the City Council Chamber, located at 24035 El Toro Road, Laguna Hills, California.

CERTIFICATION

I, PEGGY J. JOHNS, City Clerk of the City of Laguna Hills, do hereby certify that a copy of the foregoing Agenda was posted at Laguna Hills City Hall, Laguna Hills Community Center, and La Paz Center by July 6, 2012, at 5:00PM.

Peggy J. Johns

PEGGY J. JOHNS, CITY CLERK

July 6, 2012

DATE

***In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, you should contact the office of the City Clerk at (949) 707-2635. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting*.**

Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office at 24035 El Toro Road, Laguna Hills, California, during normal business hours.

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: JULY 10, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: PEGGY J. JOHNS
CITY CLERK

ISSUE: PRESENTATION OF CERTIFICATE OF RECOGNITION FOR LAGUNA HILLS RESIDENT MIKE BLAND

RECOMMENDATION: THAT MAYOR CARRUTH PRESENT A CERTIFICATE OF RECOGNITION TO MIKE BLAND FOR HIS EFFORTS IN CHAIRING TEAM DARK HORSE BATTALION SUPPORT COMMITTEE.

SUMMARY:

Laguna Hills resident Mike Bland, Chair of the Team Dark Horse Battalion Support Committee, will be honored with the presentation of a Certificate of Recognition by Mayor Carruth for his commitment and outstanding efforts in supporting the City's adopted 3/5 Battalion.

CITY OF LAGUNA HILLS, CALIFORNIA
CITY COUNCIL/PLANNING AGENCY REGULAR MEETING
MINUTES
JUNE 26, 2012

CALL TO ORDER

Mayor Carruth called the Regular Meeting of the City Council of the City of Laguna Hills, California, to order at 7:00 PM in the Laguna Hills City Council Chamber, 24035 El Toro Road, Laguna Hills.

PLEDGE OF ALLEGIANCE: Council Member Songstad

ROLL CALL OF CITY COUNCIL MEMBERS

Present: Mayor Carruth, Mayor Pro Tempore Lautenschleger, Council Member Bressette, Council Member Songstad

Absent: Council Member Kogerman

1. PRESENTATIONS AND PROCLAMATIONS

Bruce Channing, City Manager, was presented with a Presidential Commendation from Steve Geidt, CEO of Saddleback Memorial Medical Center, for his service and leadership while serving on the Saddleback Memorial Medical Center's Board of Directors.

Council Member Kogerman arrived at 7:09 PM.

2. PUBLIC COMMENTS

<u>HIGH SPEEDS OF NEIGHBORHOOD TRAFFIC</u>

Jim Hanes, Laguna Hills, had concerns regarding the speeding problem on McIntyre Street and Evergreen Road.

<u>LAGUNA HILLS GRAD NIGHT FUNDRAISER</u>

Meg Gorham, Laguna Hills, gave an update on Laguna Hills Grad Night Fundraiser, Win-Win-Wednesday and asked if the City Council would consider allowing a promotional message in the City View's brochure regarding Win-Win-Wednesday.

<u>POLICE SERVICES</u>

Billion Godson, Los Angeles, spoke on the death of Khalid M. Flimban, and had concerns regarding the investigation. Mr. Godson distributed flyers to the City Council.

Toni Battle, Buena Park, mother of Khalid M. Flimban, spoke on the death of her son and had concerns regarding the investigation.

3. MINUTES

3.1 REGULAR MEETING, JUNE 12, 2012

MOTION TO APPROVE THE MINUTES OF THE JUNE 12, 2012, REGULAR MEETING, BY M/MAYOR PRO TEMPORE LAUTENSCHLEGER, S/COUNCIL MEMBER BRESSETTE.
APPROVED BY A VOTE OF 5-0.

4. CONSENT CALENDAR

MOTION TO APPROVE THE CONSENT CALENDAR, BY M/COUNCIL MEMBER BRESSETTE, S/COUNCIL MEMBER SONGSTAD, WITH COUNCIL MEMBER KOGERMAN REMOVING ITEMS 4.6 AND 4.12.
APPROVED BY A VOTE OF 5-0.

4.1 MOTION TO APPROVE THE READING BY TITLE OF ALL ORDINANCES AND RESOLUTIONS, SAID TITLES, WHICH APPEAR ON THE PUBLIC AGENDA, SHALL BE DETERMINED TO HAVE BEEN READ BY TITLE AND FURTHER READING WAIVED

THE CITY COUNCIL WAIVED READING OF ORDINANCES AND RESOLUTIONS.

4.2 APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED JUNE 26, 2012

THE CITY COUNCIL APPROVED THE WARRANT REGISTER IN THE AMOUNT OF $966,077.29.

4.3 RESOLUTIONS CALLING FOR THE NOVEMBER 6, 2012, GENERAL MUNICIPAL ELECTION, AND REQUESTED CONSOLIDATION OF THE GENERAL MUNICIPAL ELECTION WITH THE STATEWIDE GENERAL ELECTION.

THE CITY COUNCIL ADOPTED RESOLUTION NO. 2012-06-26-1, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, CALLING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION ON TUESDAY, NOVEMBER 6, 2012, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES.

THE CITY COUNCIL ADOPTED RESOLUTION NO. 2012-06-12-2 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS,

CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF ORANGE TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 6, 2012, WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE PURSUANT TO SECTION 10403 OF THE ELECTIONS CODE.

4.4 SUPPORT RESOLUTION FOR STATE-LOCAL PARTNERSHIP PROGRAM FUNDING THROUGH THE ORANGE COUNTY TRANSPORTATION AUTHORITY

THE CITY COUNCIL ADOPTED RESOLUTION NO. 2012-06-26-3, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AUTHORIZING APPLICATION FOR FUNDS FOR THE STATE-LOCAL PARTNERSHIP PROGRAM FORMULA GRANT UNDER THE PROPOSITION 1B HIGHWAY SAFETY, TRAFFIC REDUCTION, AIR QUALITY, AND PORT SECURITY BOND ACT OF 2006 FOR MULTIPLE PROJECTS.

4.5 AMENDMENT NO. 1 TO MEMORANDUM OF UNDERSTANDING NO. C-9-0625 WITH THE ORANGE COUNTY TRANSPORTATION AUTHORITY FOR THE MOULTON PARKWAY TRAFFIC LIGHT SYNCHRONIZATION PROGRAM PROJECT

THE CITY COUNCIL APPROVED AMENDMENT NO. 1 TO MEMORANDUM OF UNDERSTANDING C-9-0625 WITH THE ORANGE COUNTY TRANSPORTATION AUTHORITY AND AUTHORIZED THE MAYOR TO SIGN AND THE CITY CLERK TO ATTEST THERETO.

4.7 FIRST AND FINAL PAYMENT TO G2 CONSTRUCTION, INC., FOR THE WATER QUALITY IMPROVEMENT CATCH BASIN DEBRIS GATE PROJECT, CIP NO. 412A

THE CITY COUNCIL APPROVED THE FIRST AND FINAL PAYMENT TO G2 CONSTRUCTION, INC., IN THE AMOUNT OF $61,950 FOR THE WATER QUALITY IMPROVEMENT CATCH BASIN DEBRIS GATE PROJECT, CIP NO. 412A.

4.8 REALLOCATION OF PROPOSITION 1B FUNDING

THE CITY COUNCIL APPROVED THE REALLOCATION OF PROPOSITION 1B FUNDS TO MULTIPLE STREET IMPROVEMENT PROJECTS AS DETAILED IN THE STAFF REPORT.

4.9 CONTINUATION OF THE COMMERCIAL FOOD WASTE DIVERSION PROGRAM

THE CITY COUNCIL ACCEPTED AND APPROVED CR&R'S OFFER TO CONTINUE WITH THE COMMERCIAL FOOD WASTE PROGRAM AT THE EXISTING RATE FOR COMMERCIAL RECYCLING CART SERVICE UNTIL

ANOTHER PROPOSAL IS RECEIVED.

4.10 FY 2012-2013 SCHOOL CROSSING GUARD AGREEMENT

THE CITY COUNCIL AUTHORIZED THE MAYOR TO EXECUTE THE CROSSING GUARD SERVICES AGREEMENT BETWEEN ALL CITY MANAGEMENT SERVICES AND THE CITY OF LAGUNA HILLS FOR SCHOOL CROSSING GUARD SERVICES FOR FY 2012-2013.

4.11 ADOPTION OF ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2012/13

THE CITY COUNCIL ADOPTED RESOLUTION NO. 2012-06-26-4, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DETERMINING AND ADOPTING AN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2012/13 IN ACCORDANCE WITH ARTICLE XIIIB OF THE CONSTITUTION OF THE STATE OF CALIFORNIA, AND SECTION 7910 OF THE GOVERNMENT CODE."

ITEMS REMOVED FROM THE CONSENT CALENDAR

4.12 PARTICIPATION IN THE COUNTYWIDE PUBLIC MASS NOTIFICATION SYSTEM - "ALERTOC"

Council Member Kogerman removed this item from the Consent Calendar to inquire about the City's participation in the program. City Manger Channing reported that Laguna Hills had not specifically designated someone to the Advisory Council, and indicated the OC Sheriff served in that capacity on behalf of all the participating cities. Council Member Kogerman believed it was a good idea to inform the citizens and consider that appointment at the City Council's next reorganization. Council Member Kogerman would like to see the City institute a program for public education. City Manager Channing indicated the City would continue to publicize the service and encourage residents to sign up through the City's website, and ensure the topic was discussed at the City's Neighborhood Watch Programs. Assistant City Manager White reported that the City has had articles on this topic in City Views in the past and would schedule an article for the next release.

THE CITY COUNCIL AUTHORIZED THE CITY MANAGER TO SIGN THE MEMORANDUM OF UNDERSTANDING BETWEEN THE COUNTY OF ORANGE AND THE CITY OF LAGUNA HILLS FOR USE OF THE COUNTYWIDE EMERGENCY PUBLIC MASS NOTIFICATION SYSTEM, "ALERTOC", BY M/COUNCIL MEMBER SONGSTAD, S/MAYOR PRO TEMPORE LAUTENSCHLEGER.
APPROVED BY A VOTE OF 5-0.

4.6 RENEWED MEASURE M (M2) ANNUAL COMPLIANCE REPORTING TO THE ORANGE COUNTY TRANSPORTATION AUTHORITY

Council Member Kogerman inquired about funding options for this item. Public Services Director Rosenfield stated the staff report included a discussion of the City's fair share turnback funds in the approximate amount of $500,000 per year which was allocated to the operating budget. Public Services Director Rosenfield reported that attached to the report was the City's 7-year Capital Improvement Program. It did not reflect the State Local Partnership Program funding, which the City was requesting but had not yet been granted. Public Services Director Rosenfield gave an update on the impact of the widening of the north and/or south side of La Paz Road, and reported on the status of funding for the design and environmental clearance for the widening of Paseo de Valencia.

THE CITY COUNCIL APPROVED THE ANNUAL MEASURE M2 COMPLIANCE SUBMITTAL TO THE ORANGE COUNTY TRANSPORTATION AUTHORITY, BY M/COUNCIL MEMBER KOGERMAN, S/COUNCIL MEMBER BRESSETTE. APPROVED BY A VOTE OF 5-0.

5. PLANNING AGENCY

Mayor Carruth recessed the City Council meeting and acting in the capacity of Chair, called the regular meeting of the Planning Agency of the City of Laguna Hills, California, to order at 7:35 PM.

5.1 ROLL CALL OF PLANNING AGENCY MEMBERS

Present: Chair Carruth, Vice Chair Lautenschleger, Agency Member Bressette, Agency Member Kogerman, and Agency Member Songstad

5.2 PUBLIC COMMENTS

There were no Public Comments.

5.3 MINUTES

5.3.1 REGULAR MEETING, JUNE 12, 2012

MOTION TO APPROVE THE MINUTES OF THE JUNE 12, 2012, REGULAR MEETING AS REFERENCED IN CITY COUNCIL MINUTES BEGINNING ON PAGE 5, BY M/AGENCY MEMBER BRESSETTE, S/VICE CHAIR LAUTENSCHLEGER.
APPROVED BY A VOTE OF 5-0.

5.4 PLANNING AGENCY PUBLIC HEARINGS

5.4.1 SITE DEVELOPMENT PERMIT/CONDITIONAL USE PERMIT/PARKING USE PERMIT NO. 4-12-2223, A REQUEST BY SOKA GAKKAI INTERNATIONAL-USA, TO ESTABLISH SGI-USA BUDDHIST CENTER, A RELIGIOUS FACILITY, IN AN EXISTING BUILDING AND PARKING USE PERMIT AT 23002 MOULTON PARKWAY IN THE MIXED USE ZONE.

Chair Carruth opened the Public Hearing.

Greg Martin, applicant spoke on Site Development Permit/Conditional Use Permit/Parking Use Permit No. 4-12-2223, a request by Soka Gakkai International-USA to establish SGI-USA Buddhist Center at 23002 Moulton Parkway. Mr. Martin indicated he had read and agreed to the Conditions of Approval.

Pamela Sapetto, representative of Sapetto Group, Inc., spoke on Site Development Permit/Conditional Use Permit/Parking Use Permit No. 4-12-2223, a request by Soka Gakkai International-USA to establish SGI-USA Buddhist Center at 23002 Moulton Parkway.

Chair Carruth closed the Public Hearing.

THE PLANNING AGENCY ADOPTED RESOLUTION NO. PA2012-06-26-1, A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING SITE DEVELOPMENT PERMIT/CONDITIONAL USE PERMIT/PARKING USE PERMIT NO. 4-12-2223, A REQUEST BY SOKA GAKKAI INTERNATIONAL-USA, TO ESTABLISH THE SGI-USA BUDDHIST CENTER, A RELIGIOUS FACILITY, IN AN EXISTING BUILDING AND PARKING USE PERMIT AT 23002 MOULTON PARKWAY IN THE MIXED USE ZONE," BY M/AGENCY MEMBER BRESSETTE, S/VICE CHAIR LAUTENSCHLEGER. APPROVED BY A VOTE OF 5-0.

PLANNING AGENCY ADJOURNMENT

Mayor Carruth reconvened the City Council meeting at 7:50 PM. All Council Members were present.

6. CITY COUNCIL PUBLIC HEARINGS

6.1 APPROPRIATION OF CITIZENS' OPTION FOR PUBLIC SAFETY FUNDS

Mayor Carruth opened the Public Hearing and upon seeing no one rise, closed the Public Hearing.

THE CITY COUNCIL APPROPRIATED MONIES FROM THE CITIZENS' OPTION FOR PUBLIC SAFETY TOWARDS THE COST OF FUNDING A FULL-TIME LIEUTENANT, BY M/COUNCIL MEMBER SONGSTAD, S/MAYOR PRO TEMPORE LAUTENSCHLEGER.
APPROVED BY A VOTE OF 5-0.

7. ADMINISTRATIVE REPORTS

7.1 City Manager

The City Manager made no reports.

7.2 City Clerk

7.2.1 RESOLUTION ADOPTING REGULATIONS FOR THE CANDIDATES' STATEMENTS FOR THE NOVEMBER 6, 2012, GENERAL MUNICIPAL ELECTION

THE CITY COUNCIL MADE A MOTION TO RETAIN THE 200-WORD OPTION FOR CANDIDATES' STATEMENTS; AND ADOPTED RESOLUTION NO. 2012-06-26-5, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATES' STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD ON TUESDAY, NOVEMBER 6, 2012, BY M/COUNCIL MEMBER BRESSETTE, S/MAYOR CARRUTH.
APPROVED BY A VOTE OF 5-0.

7.3 Chief of Police Services

7.3.1 2011 POLICE SERVICES ANNUAL REPORT

THE CITY COUNCIL RECEIVED AND FILED THE 2011 ANNUAL REPORT, BY M/MAYOR PRO TEMPORE LAUTENSCHLEGER, S/COUNCIL MEMBER KOGERMAN.
APPROVED BY A VOTE OF 5-0.

8. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS AND MAYOR

There were no matters agendized and presented by Council Members.

9. CITY COUNCIL MEMBER COMMENTS

COUNCIL MEMBER KOGERMAN

Council Member Kogerman indicated she had previously discussed the City's on-line Compensation Report and would like to suggest that the City Council consider appointing a committee to make changes to the on-line Compensation Report to conform to the Grand Jury recommendations; however, there was no consensus to agendize this item to a future City Council meeting.

COUNCIL MEMBER BRESSETTE

Council Member Bressette informed the City Council and the public about the dangers of summer time and swimming pools. Council Member Bressette indicated that there was some valuable information on the Orange County Fire Authority's website, and requested that a link be included on the City's website for information on safety tips.

Council Member Bressette indicated that he supported changes to the City's on-line Compensation Report.

Council Member Bressette stated that he requested a verbatim transcript of the request for a parking zone on the southerly side of La Paz Road westerly of Paseo de Valencia and requested a response from Community Development Director Chantarngsu, who indicated he had spoken to Mr. Hauschild and informed him that his request at the last City Council meeting was only for on street parking on La Paz Road and did not include commercial activities in respect to the barn.

Council Member Bressette indicated that he believed some of the statistics on the 2011 Police Services Annual Report were glossed over and that those statistics needed to be carefully analyzed in the overall scheme of Police Services.

MAYOR PRO TEMPORE LAUTENSCHLEGER

Mayor Pro Tempore Lautenschleger indicated that there was no intention to gloss over the statistics of the Police Services Report presented this evening. Mayor Pro Tempore Lautenschleger indicated it was much more accurate to take a 5-year average of the statistics.

MAYOR CARRUTH

Mayor Carruth reported on her attendance of the Edison sponsored meeting at San Onofre on June 15, 2012. Mayor Carruth reported that she also attended a meeting that was organized by the Nuclear Regulatory Commission presenting their findings to the public.

10. CLOSED SESSION

Mayor Carruth recessed the meeting into Closed Session at 9:12 PM.

10.1 CONFERENCE WITH LABOR NEGOTIATOR

Pursuant to Government Code Section 54957.6(a)
City Designated Representative: Bruce Channing, City Manager, and
Don White, Assistant City Manager
Employee Organization: Laguna Hills City Employees Association
City Employee Organization

Mayor Carruth reconvened the meeting at 10:15 PM. All Council Members were present.

There was no reportable action taken in Closed Session.

ADJOURNMENT

There being no further business before the City Council at this session, Mayor Carruth declared the meeting adjourned at 10:17 PM.

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PEGGY J. JOHNS, CITY CLERK

ATTEST:

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MELODY CARRUTH, MAYOR

APPROVED AT MEETING OF ____________________________

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: JULY 10, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: DONALD J. WHITE, ASSISTANT CITY MANAGER

ISSUE: APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED JULY 10, 2012.

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE WARRANT REGISTER IN THE AMOUNT OF $ 586,537.87.

SUMMARY:

In accordance with Government Code Section 37202, the attached Warrant Register reflects the disbursements of the City of Laguna Hills for the period reported thereon. The Assistant City Manager certifies and attests to its accuracy and the availability of funds for the payment thereof. These warrants are hereby submitted to the City Council for approval of payment.

Prepared by:

JANICE MATEO REYES
Finance Manager

Certified:

DONALD J. WHITE
Assistant City Manager

6/29/12
DATE

FISCAL IMPACT:

The warrant register total is $ 586,537.87.

ATTACHMENTS:

1. **Warrant Register**

CITY OF LAGUNA HILLS
WARRANT REGISTER
July 10, 2012

VENDOR	DESCRIPTION	CHECK NO.	AMOUNT
PREPAID WARRANTS:			
AT&T	*Communication Expense, Administrative Services Fax Line, Jun '12*	8803532	$ 85.31
AU-YEUNG, MELISSA	*Mileage Reimbursement, Administrative Services, Jan - May '12*	8803534	65.21
BOGART CONSTRUCTION	*Refund, C&D Deposit, CR# 42631*	8803536	1,137.50
BROWN, MATTHEW	*Refund, SDPA Fees, CR# 44041*	8803523	162.50
CSMFO	*Employee Training, Administrative Services, Jul '12*	8803543	35.00
DMV	*Vehicle Registration Renewal, Jul '12*	8803544	347.00
EM LANDSCAPE POOLS & SPAS	*Refund, Pool Bond, CR# 44076*	8803524	250.00
EVERBANK COMMERCIAL FINANCE	*Lease - Copier, City Hall, Jun '12*	8803525	221.04
HOME DEPOT	*Program Supplies, Community Services, May '12*	8803548	34.17
JAVED, HUMZA	*Mileage Reimbursement, Public Works, May '12*	8803526	11.10
LA PAZ SHOPPING CENTER, L.P.	*Refund, EXTZ Fees, CR# 42042*	8803527	250.00
OROS CONSULTING SERVICES, LLC	*Professional Fees, Computer Consulting Services, Jun '12*	8803560	4,387.50
REFUND, FACILITY RENTAL DEPOSIT	*Advocates For Language Learning, V# 2002422.002*	8803562	250.00
REFUND, FACILITY RENTAL DEPOSIT	*K. Fox, V# 2002361.002*	8803563	250.00
REFUND, FACILITY RENTAL DEPOSIT	*D. Clavedetscher, V# 2002420.002*	8803564	500.00
REFUND, FACILITY RENTAL DEPOSIT	*PTA - Valencia Elementary, V# 2002411.002*	8803565	500.00
REFUND, FACILITY RENTAL DEPOSIT	*N. Sarraf, V# 2002413.002*	8803566	250.00
REFUND, FACILITY RENTAL DEPOSIT	*S. Erfanian, V# 2002419.002*	8803567	500.00
REFUND, FACILITY RENTAL DEPOSIT	*I. De Jesus, V# 2002423.002*	8803568	500.00
REFUND, FACILITY RENTAL DEPOSIT	*Winder Academy of Music, V# 2002425.002*	8803569	250.00
REFUND, FACILITY RENTAL DEPOSIT	*D. Franklin, V# 2002418.002*	8803570	250.00
REFUND, FACILITY RENTAL DEPOSIT	*J. Cho, V# 2002417.002*	8803571	500.00
REFUND, FACILITY RENTAL DEPOSIT	*D. Miller, V# 2002421.002*	8803572	380.00
REFUND, FACILITY RENTAL DEPOSIT	*Advocates For Language Learning, V# 2002408.002*	8803573	450.00

CITY OF LAGUNA HILLS
WARRANT REGISTER
July 10, 2012

VENDOR	DESCRIPTION	CHECK NO.	AMOUNT
REFUND, FACILITY RENTAL DEPOSIT	*Katirilli, V# 2002414.002*	8803574	250.00
REYES, JANICE MATEO	*Petty Cash Replenishment, Departmental Operating Expenditures, Jun '12*	8803575	796.77
SAN DIEGO GAS & ELECTRIC	*Electric Usage, Community Center, Traffic Control and Street Lights, May '12*	8803578	20,499.67
SOUTHERN CALIFORNIA EDISON	*Electric Usage, Street Lights and Traffic Control, May '12*	8803580	1,897.38
THE HILLS HOTEL	*Refund, SDPM Fees, CR# 43318*	8803528	576.25
U.S. POSTAL SERVICE	*Postage, Community Mailing, La Paz Widening @ I-5 Project CIP # 159*	8803583	467.46
WHITE, DONALD	*Travel Advance, Administrative Services, Jun '12*	8803522	150.00
WHITE, DONALD	*Travel Reimbursement, Administrative Services, Jun '12*	8803529	60.20
YAM, JUDY	*Refund, CUP Fees, CR# 44012*	8803530	7,230.50
	Total Prepaid Warrants:		**$ 43,494.56**
REGULAR WARRANTS:			
ALISO CREEK PRINTING	*Printing Expense, Public Works, Jun '12*	8803531	$ 1,653.96
ATHALYE CONSULTING ENGINEERING	*Professional Fees, La Paz Widening @ I-5 CIP # 159*	8803533	45,351.13
BEE MAN, THE	*Bee Removal, Parks, Jun '12*	8803535	315.00
BRAME, MARILYN	*Contract Instructor Fee, Drawing Spring Session, Community Services*	8803537	336.00
C2 REPROGRAPHICS	*Printing Expense, City Clerk, Jun '12*	8803538	40.84
CARL WARREN & COMPANY	*Processing Fee, Small Claims, May '12*	8803539	208.53
CDW GOVERNMENT, INC.	*Computer Hardware and Supplies, Jun '12*	8803540	1,112.42
CODE PUBLISHING COMPANY, INC.	*Online Municipal Code Update, City Clerk, Jun '12*	8803541	160.65
COMPLETE OFFICE OF CALIFORNIA	*Office, Program and Operating Supplies, Community Center, Jun '12*	8803542	1,187.34
ELKINS, CHRISTINA	*Contract Instructor Fee, Dancing Spring Session, Community Services*	8803545	205.80
FAUBEL PUBLIC AFFAIRS	*Professional Fees, Combined Issue, City Views/Community Services Summer 2012 Activity Guide*	8803546	13,976.68
HARTZOG & CRABILL, INC.	*Professional Fees, El Toro Rd @ Carlota Street Improvements CIP # 164*	8803547	10,421.96
JAMEY CLARK, INC.	*Miscellaneous Park Repairs and Graffiti Removal, Jun '12*	8803549	520.64

7/10/2012 ITEM NO. 4.2

CITY OF LAGUNA HILLS
WARRANT REGISTER
July 10, 2012

VENDOR	DESCRIPTION	CHECK NO.	AMOUNT
JCTEES.COM CORPORATION	*Program Supplies, Community Services, May '12*	8803550	284.09
JOE A. GONSALVES & SON	*Professional Fees, Legislative Services, Jul '12*	8803551	2,900.00
LIEBERT CASSIDY WHITMORE	*Professional Fees, Legal Services, May '12*	8803553	1,770.00
LINDY OFFICE PRODUCTS	*Operating Supplies, May '12*	8803554	82.17
LUCY, STEVEN	*Program Expense, Community Services, Jun '12*	8803555	650.00
MAILFINANCE, INC.	*Lease, Postage Meter, May - Jul '12*	8803556	582.13
MARTIN LOCK & SAFE CO.	*Parks Maintenance, Lock Services, Jun '12*	8803557	20.95
MARTIN-RUSK, DINA	*Contract Instructor Fee, Zumba Spring Session, Community Services*	8803558	246.40
OFFICE SOLUTIONS	*Office and Operating Supplies, Jun '12*	8803559	198.36
ORANGE COUNTY TREASURER	*Law Enforcement Services, 1/2 Marathon and 5K Event, Community Services, May '12*	8803552	10,771.91
ORANGE COUNTY TREASURER	*Road Maintenance, May '12*	8803576	48,954.74
ORANGE COUNTY TREASURER	*Traffic Signal Maintenance, Nov - Dec '11*	8803582	29,640.74
QUIKSILVER COURIER	*Delivery Service, Jun '12*	8803561	29.64
SAFECHECKS	*Printing Expense, Administrative Services, Jun '12*	8803577	278.99
SEMA CONSTRUCTION, INC.	*Progress Payment #15, La Paz Widening @ I-5 CIP # 159*	8803579	320,698.23
STUDIO TWO BLACK DIAMOND	*Printing Expense, Administrative Services, May '12*	8803581	113.14
WEST COAST ARBORISTS, INC.	*Tree Planting, Urban Reforestation, CIP # 320 and Tree Trimming, May '12*	8803584	1,190.00
WOODRUFF, SPRADLIN & SMART	*Professional Fees, Legal Services, May '12*	8803585	48,655.36
XEROX CORPORATION	*Lease - Copier, City Hall, Jun '12*	8803586	485.51
	Total Regular Warrants:		**$543,043.31**
	*****WARRANT REGISTER TOTAL*****		**$ 586,537.87**

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: JULY 10, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: KENNETH H. ROSENFIELD, P. E.
DIRECTOR OF PUBLIC SERVICES

ISSUE: PASEO DE VALENCIA TRAFFIC SIGNAL SYNCHRONIZATION PROJECT, CIP NO. 168A

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE LETTER AGREEMENT NO. 3 TO M2 CTFP MASTER FUNDING AGREEMENT NO. C-1-2770 WITH THE ORANGE COUNTY TRANSPORTATION AUTHORITY, AUTHORIZE THE MAYOR TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH HARTZOG AND CRABILL, INC., FOR THE DESIGN AND PROJECT MANAGEMENT OF THE PASEO DE VALENCIA TRAFFIC SIGNAL SYNCHRONIZATION PROJECT, CIP NO. 168A, AND THE CITY CLERK TO ATTEST THERETO, AND AUTHORIZE THE ALLOCATION OF GENERAL FUNDS TO CIP NO. 168.

SUMMARY:

Last year, City Council authorized applications to be submitted to the Orange County Transportation Authority (OCTA) for “Project P” eligible traffic signal synchronization projects under Renewed Measure M (M2). Recently, OCTA advised the City that all requested projects were being funded. The Paseo de Valencia Traffic Signal Synchronization project, being wholly within the City’s boundaries, will be administered by the City. The other traffic signal synchronization projects, including on Lake Forest Drive, Los Alisos Boulevard and Oso Parkway, being multi-jurisdictional, will be administered by OCTA. The total value of all four projects is approximately $1.5 million and a small City match of $73,118.58, covering for all four signal coordination projects, is required for project funding. The Capital Improvement Program Budget will require amendment to account for this funding.

To initiate the Paseo de Valencia Traffic Signal Synchronization project, a proposal was requested from the firm of Hartzog and Crabill, Inc., the City’s on-call Traffic Engineering firm. Staff has reviewed and found the proposal to fully meet the City’s needs to implement the project. Authorization to enter into a project specific Professional Services Agreement with Hartzog and Crabill, Inc., is recommended.

BACKGROUND:

Measure M2 includes funding for regional traffic signal synchronization projects under "Project P" of the Measure. Late last year, the City Council authorized staff to submit project proposals to OCTA for traffic signal synchronization projects on Paseo de Valencia, Oso Parkway, Los Alisos Boulevard and Lake Forest Drive. The latter three arterial highway projects involve multiple Agencies along the length of each respective roadway. Recently, OCTA announced that all four projects will be funded under M2 and that the multi-jurisdictional projects would be directly implemented by OCTA on behalf of all of the Agencies. The City will be responsible to implement the Paseo de Valencia Traffic Signal Synchronization project as the project limits are solely within the City boundary. The OCTA has requested the City acknowledge "Letter Amendment No. 3" to the "M2 CTFP Master Funding Agreement" with OCTA, Agreement No. C-1-2770, attached, in order to complete the grant funding process for the Paseo de Valencia Traffic Signal Synchronization Project. With City Council approval, staff will execute and return Letter Amendment No. 3.

A typical traffic signal synchronization project involves the upgrading of the traffic signal controller equipment, installation of new underground conduits and cabling, the addition of observation cameras at select locations, installation of communication equipment to improve communication between individual traffic signals and a master controller and the design and implementation of new traffic signal timing to reduce travel delay for motorists. Historically, such projects provide a 15 - 20% travel time savings over the length of the corridor depending upon a number of conditions. Each of the Traffic Signal Synchronization Projects described in this report will have some or all of the above-described elements.

To implement the Paseo de Valencia Traffic Signal Synchronization project, staff requested a proposal from the Traffic Engineering firm of Hartzog and Crabill, Inc. This firm specializes in traffic signal operations and is already on contract with the City for On-Call Services. A project specific Professional Services Agreement is proposed to implement the project. The proposal of Hartzog and Crabill, Inc., attached as Exhibit A to the Agreement, provides a detailed scope of work. The estimated professional fee for the scope of work is $107,248. Staff has reviewed and found the proposal to fully meet the City's needs to implement the project. In keeping with the requirements of OCTA, Hartzog and Crabill, Inc., will design the components necessary to implement the project, assist staff with project implementation and monitor and adjust the traffic signal timing patterns over a two-year period following completion of the field work to improve traffic flow along the full length of Paseo de Valencia.

Upon completion of the design of the Paseo de Valencia Traffic Signal Synchronization project, staff will return to the City Council with a recommendation to place the project out to bid and to directly purchase related traffic signal equipment. The initial phase of the project (design and field work) is expected to be complete in approximately one year. That same timeframe is also expected of the three other arterial highway projects being implemented by OCTA.

FISCAL IMPACT:

Traffic Signal Synchronization Projects are included in the Six-year Capital Improvement Program Budget in Fiscal Year 2014-15, under CIP No. 168. The recent OCTA call for projects provided the City with an opportunity to accelerate traffic signal coordination. As depicted on the attached “Project P Spreadsheet,” the four signal synchronization projects have a regional benefit of nearly $1.5 million. Within the City, the specific benefit is approximately $425,000. The Projects require a 20% City match, approximately one-half of the City match is designated to be a “soft match” from ongoing operations and maintenance and the remaining value is a cash outlay. The match from General Funds is estimated to be $73,118.58 for all four projects as detailed on the Spreadsheet. The Capital Improvement Program Budget does not currently allocate General Funds to these projects. Consequently, it will be necessary to modify the Capital Improvement Program Budget to account for the accelerated project schedule and the General Fund outlay for these projects.

CEQA FINDINGS:

The City Council hereby determines that the Paseo de Valencia Traffic Signal Synchronization Project, CIP No. 168A, is Categorically Exempt from the California Environmental Quality Act (CEQA) based upon a Class 1 exemption. (Cal. Code Regs., Title 14, Section 15301) The Class 1 exemption applies to the operation, repair, maintenance or minor alteration of public facilities involving negligible or no expansion of an existing use.

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE LETTER AGREEMENT NO. 3 TO M2 CTFP MASTER FUNDING AGREEMENT NO. C-1-2770 WITH THE ORANGE COUNTY TRANSPORTATION AUTHORITY, AUTHORIZE THE MAYOR TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH HARTZOG AND CRABILL, INC., FOR THE DESIGN AND PROJECT MANAGEMENT OF THE PASEO DE VALENCIA TRAFFIC SIGNAL SYNCHRONIZATION PROJECT, CIP NO. 168A, AND THE CITY CLERK TO ATTEST THERETO, AND AUTHORIZE THE ALLOCATION OF GENERAL FUNDS TO CIP NO. 168.

ATTACHMENTS:

- Project P Spreadsheet
- Letter Amendment No. 3 to M2 CTFP Master Funding Agreement C-1-2770
- Professional Services Agreement with Hartzog & Crabill, Inc.

City of Laguna Hills

Funding Summary for OCTA Project P Traffic Signal Synchronization Corridors

	Corridor	OCTA M2 Funding Grant	City Agency 20% Match	Total Project Value	Laguna Hills In-Kind Services	Laguna Hills Cash Match	Project Value to Laguna Hills
1)	**Lake Forest Drive** - 2.89 miles / 10 Signals - Irvine, Laguna Hills, Lake Forest, Caltrans - OCTA-Lead	$119,678.00	$29,919.50	$149,597.50	$9,896.09	$10,896.08	$59,839.00
2)	**Los Alisos Blvd** - 6.85 miles / 21 Signals - Laguna Hills, Lake Forest, Mission Viejo, Rancho Santa Margarita, Caltrans - OCTA-Lead	$415,773.00	$83,155.00	$498,928.00	$9,080.00	$9,081.00	$47,516.95
3)	**Oso Parkway** - 7.71 miles / 31 Signals - Aliso Viejo, Laguna Hills, Mission Viejo, Orange County, Caltrans - OCTA-Lead	$490,222.00	$122,555.50	$612,777.50	$27,173.75	$29,298.75	$79,068.06
4)	**Paseo de Valencia** - 3.30 miles / 12 Signals - Laguna Hills-Lead	$190,742.00	$47,685.50	$238,427.50	$23,842.75	$23,842.75	$238,427.50
	Totals:	**$1,216,415.00**	**$283,315.50**	**$1,499,730.50**	**$69,992.59**	**$73,118.58**	**$424,851.52**

7/10/2012 ITEM NO. 4.3

OCTA

May 11, 2012

City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

Subject: **Agreement No. C-1-2770, City of Laguna Hills, "M2 CTFP Master Funding Agreement" – Letter Agreement No. 3**

Dear Mr. Rosenfield:

This Letter Agreement serves as the Orange County Transportation Authority's (OCTA) approval to amend Master Funding Agreement No. C-1-2770, Attachment A "Projects List". OCTA is deleting Attachment A, in its entirety, as identified in Article 4 "Responsibilities of Agency", paragraph A, and in lieu thereof is inserting the revised "Project List", dated and effective April 23, 2012 attached hereto as Attachment A-2, which is incorporated and made a part of the Agreement. Attachment A-2 reflects the addition of newly approved project funding and is exclusive of Semi-Annual Review adjustments. All provisions set forth in Agreement No. C-1-2770 apply.

The following additional provisions apply to Project P project(s) approved by the Board of Directors on April 23, 2012:

1. In-kind or soft match shall be itemized by Lead Agency and or participating cities.
2. The Lead Agency agrees to ensure that technical representatives from the project's Traffic Forum meet and participate regularly during the entirety of the project.
3. The Lead Agency agrees to manage the project for all participating agencies.
4. The Lead Agency agrees to develop and execute an agreement with the participating agencies outlining the roles and responsibilities, flow-down contractual elements, and project match share for completion of the project consistent with the Measure M Comprehensive Transportation Funding Guidelines and referenced documents, the project application, and this letter.
5. The Lead Agency agrees to provide updated timing plans, traffic counts, and other appropriate data to OCTA in formats consistent with the ROADS database at the completion of the Primary Implementation phase of the project.
6. The Lead Agency agrees to cooperate with OCTA and coordinate outreach efforts for the Primary Implementation phase project.

Orange County Transportation Authority
550 South Main Street / P.O. Box 14184 / Orange / California 92863-1584 / (714) 560-OCTA (6282)

If you have any questions, you may contact Roger Lopez, Project Manager at 714-560-5438.

Please execute this letter agreement and return the signed original to the attention of Marvin Cruz, Senior Contract Administrator at 714-560-5568, mcruz@octa.net.

Accepted and Agreed

____
Kia Mortazavi
Executive Director, Planning
Orange County Transportation Authority

____
Kenneth H. Rosenfield
Director of Public Services/
City Engineer
City of Laguna Hills

____
Meena Katakia
Department Manager
Orange County Transportation Authority

Date:________________________

M2 CTFP MASTER FUNDING AGREEMENT

City of Laguna Hills - Project List
Effective April 23, 2012

Project Description	CTFP Amount	Programmed Fiscal Year	Board Date	Letter Agreement No.
Project O "Regional Capacity Program"				
Paseo de Valencia Improvements (Engineering)	$364,012.50	2011-12	6/27/2011	1
Paseo de Valencia Improvements (Right of Way)	$7,500.00	2011-12	6/13/2011	1
Cumulative Program Total	$371,512.50			
Project X "Environmental Clean Up"				
Catch Basin Debris Gates	$61,950.00	2011-12	8/8/2011	2
Cumulative Program Total	$61,950.00			
Project P "Regional Traffic Signal Synchronization Program"				
Paseo de Valencia Corridor	$190,742.00	2012-13	4/23/2012	3
Cumulative Program Total	$190,742.00			
Total (All Projects)	**$624,204.50**			

PROFESSIONAL SERVICES AGREEMENT
Hartzog & Crabill, Inc.
(Traffic Engineering Consulting Services for the
OCTA Regional Traffic Signal Synchronization Corridor on Paseo de Valencia)

THIS PROFESSIONAL SERVICES AGREEMENT (hereinafter "Agreement") is made and entered into, to be effective this 26th day of June 2012, by and between the CITY OF LAGUNA HILLS, a municipal corporation organized and existing under the laws of the State of California, (hereinafter referred to as "City") and HARTZOG & CRABILL, INC., a California corporation, (hereinafter referred to as "Consultant"). City and Consultant are sometimes hereinafter individually referred to as "Party" and are hereinafter collectively referred to as the "Parties."

RECITALS

A. City has determined that there is a need to retain the professional services of a licensed professional traffic engineering consulting firm to assist the City with design and project management services in completing the OCTA Project "P" Regional Traffic Signal Synchronization Corridor on Paseo de Valencia, which will synchronize twelve traffic signals over a 3.3 mile stretch along Paseo de Valencia in the City of Laguna Hills, as well as to provide other related and ancillary services (the "Project").

B. Consultant has submitted to City a proposal, dated June 14, 2012, to provide professional traffic engineering consultant services to City for the Project pursuant to the terms of this Agreement.

C. Consultant is qualified by virtue of its experience, training, education, reputation, and expertise to provide these services and has agreed to provide such services as provided herein.

D. City desires to retain Consultant to provide such traffic engineering professional services.

NOW, THEREFORE, in consideration of the promises and mutual obligations, covenants, and conditions contained herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. <u>SERVICES OF CONSULTANT</u>

1.1 <u>Scope of Services and Standard of Performance</u>. In compliance with all terms and conditions of this Agreement, Consultant agrees to perform the professional services set forth in the Proposal/Scope of Work, dated dated June 14, 2012, which is attached hereto as Exhibit "A" and is incorporated herein by reference (hereinafter referred to as the "Services" or

"Work") for the Project. As a material inducement to the City entering into this Agreement, Consultant acknowledges and understands that the Services and Work contracted for under this Agreement require specialized skills and abilities and that, consistent with this understanding, Consultant's services and work shall be performed in a skillful and competent manner and shall be held to a standard of quality and workmanship prevalent in the industry for such service and work and with the standards recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional discipline necessary to perform the Services and Work and that it holds the necessary skills and abilities to satisfy the standard of work as set forth in this Agreement. Consultant represents and warrants that it and all of its employees and subcontractors providing services under this Agreement shall have sufficient skill and experience to perform the Services and Work assigned to them. All Services and Work shall be completed to the reasonable satisfaction of the City.

1.2 **Contract Documents.** The Agreement between the Parties shall consist of the following: (1) this Agreement; and, (2) the Consultant's signed, original June 14, 2012 proposal submitted to the City ("Consultant's Proposal"), which shall all be referred to collectively hereinafter as the "Contract Documents." The Consultant's Proposal, attached hereto as Exhibit "A," is hereby incorporated by reference and is made a part of this Agreement. All provisions of the Contract Documents shall be binding on the Parties. Should any conflict or inconsistency exist in the Contract Documents, the conflict or inconsistency shall be resolved by applying the provisions in the highest priority document, which shall be determined in the following order of priority: (1^{st}) the terms of this Agreement; and, (2^{nd}) the provisions of the Consultant's Proposal.

1.3 **Compliance with Law.** Consultant shall comply with all applicable Federal, State, and local laws, statutes, and ordinances and all lawful orders, rules, and regulations promulgated thereunder, including without limitation all applicable fair labor standards and Cal/OSHA requirements.

1.4 **Licenses, Permits, Fees, and Assessments.** Prior to performing any services, Consultant shall obtain all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession and perform the Work and Services required by this Agreement. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement and any extension, any license, permit, qualification, or approval that is legally required for Consultant to perform the Work and Services under this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Consultant's performance of the Work and Services required by this Agreement, and shall indemnify, defend, and hold harmless City against any such fees, assessments, taxes penalties, or interest levied, assessed, or imposed against City hereunder.

1.5 **Familiarity with Work.** By executing this Agreement, Consultant warrants that it (a) has thoroughly investigated and considered the Scope of Work or Services to be performed, (b) has carefully considered how the Services should be performed and has carefully examined the location or locations at or with respect to where such Services or Work is to be performed, and (c) fully understands the facilities, difficulties, and restrictions attending performance of the Services under this Agreement. If the Services involve work upon any site, Consultant warrants that Consultant has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of any Services hereunder. Should the Consultant discover any latent or unknown conditions that will materially affect the performance of the Services hereunder, Consultant shall immediately inform the City of such fact and shall not proceed except at Consultant's risk until written instructions are received from the City.

1.6 Care of Work. Consultant shall adopt reasonable methods during the term of the Agreement to furnish continuous protection to the Work and the equipment, materials, papers, documents, plans, studies, and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the Work by the City, except such losses or damages as may be caused by City's own negligence.

1.7 Further Responsibilities of Parties. Both Parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both Parties agree to act in good faith to execute all instruments, prepare all documents, and take all actions as may be reasonably necessary to carry out the purposes of this Agreement.

1.8 Additional Services. City shall have the right at any time during the performance of the Services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Work or make changes by altering, adding to, or deducting from such Work. No such extra work may be undertaken unless a written order is first given by the City to the Consultant, incorporating therein any adjustment in (i) the Maximum Contract Amount, as defined below, and/or (ii) the time to perform this Agreement, which adjustments are subject to the written approval of the Consultant. It is expressly understood by Consultant that the provisions of this section shall not apply to the services specifically set forth in the Scope of Work or reasonably contemplated therein, regardless of whether the time or materials required to complete any work or service identified in the Scope of Work exceeds any time or material amounts or estimates provided therein.

2. COMPENSATION

2.1 Maximum Contract Amount. For the Services rendered pursuant to this Agreement, Consultant shall be compensated by City in accordance with the Schedule of Compensation/Fees, which is attached hereto as Exhibit "A" and is incorporated herein by reference, but not exceeding the total maximum contract amount of one hundred seven thousand two hundred forty-eight dollars ($107,248.00) (hereinafter referred to as the "Maximum Contract Amount"), except as may be provided pursuant to Section 1.8 above. The method of compensation shall be as set forth in Exhibit "A." Compensation for necessary expenditures for reproduction costs, telephone expenses, and transportation expenses must be approved in advance by the Contract Officer designated pursuant to Section 4.2 and will only be approved if such expenses are also specified in the Schedule of Compensation/Fees. The Maximum Contract Amount shall include the attendance of Consultant at all Project meetings reasonably deemed necessary by the City. Consultant shall not be entitled to any increase in the Maximum Contract

Amount for attending these meetings. Consultant hereby acknowledges that it accepts the risk that the services identified in the Scope of Work may be more costly and/or time-consuming than Consultant anticipates, that Consultant shall not be entitled to additional compensation therefore, and that the provisions of Section 1.8 shall not be applicable to the services identified in the Scope of Work. The maximum amount of City's payment obligation under this section is the amount specified herein. If the City's maximum payment obligation is reached before the Consultant's Services under this Agreement are completed, consultant shall nevertheless complete the Work without liability on the City's part for further payment beyond the Maximum Contract Amount.

2.2. Method of Payment. Unless some other method of payment is specified in the Schedule of Compensation/Fees (Exhibit "A"), in any month in which Consultant wishes to receive payment, no later than the tenth (10) working day of such month, Consultant shall submit to the City, in a form approved by the City's finance manager, an invoice for services rendered prior to the date of the invoice. Such requests shall be based upon the amount and value of the services performed by Consultant and accompanied by such reporting data including an itemized breakdown of all costs incurred and tasks performed during the period covered by the invoice, as may be required by the City. City shall use reasonable efforts to make payments to Consultant within forty-five (45) days after receipt of the invoice or a soon thereafter as is reasonably practical.

2.3 Changes in Scope. In the event any change or changes in the Scope of Services is requested by the City, the Parties shall execute a written amendment to this Agreement, setting forth with particularity all terms of such amendment, including, but not limited to, any additional professional fees. An amendment may be entered into: (a) to provide for revisions or modifications to documents or other work product or work when documents or other work product or work is required by the enactment or revision of law subsequent to the preparation of any documents, other work product, or work; and/or (b) to provide for additional services not included in this Agreement or not customarily furnished in accordance with generally accepted practice in Consultant's profession.

2.4 Appropriations. This Agreement is subject to and contingent upon funds being appropriated therefore by the Laguna Hills City Council for each fiscal year covered by the Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to the City.

3. SCHEDULE OF PERFORMANCE

3.1 Time of Essence. Time is of the essence in the performance of this Agreement. The time for completion of the services to be performed by Consultant is an essential condition of this Agreement. Consultant shall prosecute regularly and diligently the Work of this Agreement according to the agreed upon Schedule of Performance (Exhibit "A").

3.2 Schedule of Performance. Consultant shall commence the Services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all Services within the time period(s) established in the Schedule of Performance, which is attached hereto as Exhibit "A" and is incorporated herein by reference. When requested by Consultant, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer, but such extensions shall not exceed one hundred eighty (180) days cumulatively; however, the City shall not be obligated to grant such an extension.

3.3 **<u>Force Majeure</u>.** The time period(s) specified in the Schedule of Performance for performance of the Services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant (financial inability excepted), including, but not limited to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, and/or acts of any governmental agency, including the City, if Consultant, within ten (10) days of the commencement of such delay, notifies the City Manager in writing of the causes of the delay. The City Manager shall ascertain the facts and the extent of delay, and extend the time for performing the Services for the period of the enforced delay when and if in the judgment of the City Manager such delay is justified. The City Manager's determination shall be final and conclusive upon the Parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this section.

3.4 **<u>Term</u>.** Unless earlier terminated as provided elsewhere in this Agreement, this Agreement shall commence upon the effective date of this Agreement and shall continue in full force and effect until completion of the Services, except as otherwise provided in the Schedule of Performance (Exhibit "A") and pursuant to Section 3.2 above, unless extended by mutual written agreement of the Parties.

4. COORDINATION OF WORK

4.1 **<u>Representative of Consultant</u>.** The following principal of Consultant is hereby designated as being the principal and representative of Consultant authorized to act in its behalf with respect to the Services to be performed under this Agreement and make all decisions in connection therewith: **<u>TRAMMEL HARTZOG, PRESIDENT</u>**. It is expressly understood that the experience, knowledge, education, capability, expertise, and reputation of the foregoing principal is a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principal shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services performed hereunder. The foregoing principal may not be changed by Consultant without prior written approval of the Contract Officer.

4.2 **<u>Contract Officer</u>.** The Contract Officer shall be such person as may be designated by the City Manager of City, and is subject to change by the City Manager. It shall be the Consultant's responsibility to ensure that the Contract Officer is kept fully informed of the progress of the performance of the Services, and the Consultant shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.3 Prohibition Against Subcontracting or Assignments. The experience, knowledge, capability, expertise, and reputation of Consultant, its principals and employees, were a substantial inducement for City to enter into this Agreement. Therefore, Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, voluntarily or by operation of law, without the prior written consent of City. Consultant shall not contract with any other entity to perform the Services required without prior written consent of City. If Consultant is permitted to subcontract any part of this Agreement by City, Consultant shall be responsible to City for the acts and omissions of its subcontractor(s) in the same manner as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationships between any subcontractor and City. All persons engaged in the Work will be considered employees of Consultant. City will deal directly with and will make all payments to Consultant. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written consent of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release Consultant or any surety of Consultant from any liability hereunder without the express written consent of City.

4.4 Independent Contractor.

A. The legal relationship between the Parties is that of an independent contractor, and nothing herein shall be deemed to make Consultant a City employee. During the performance of this Agreement, Consultant and its officers, employees, and agents shall act in an independent capacity and shall not act as City officers or employees. The personnel performing the Services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of its officers, employees, or agents, except as set forth in this Agreement. Consultant, its officers, employees, or agents shall not maintain an office or any other type of fixed business location at City's offices. City shall have no voice in the selection, discharge, supervision, or control of Consultant's employees, servants, representatives, or agents, or in fixing their number, compensation, or hours of service. Consultant shall pay all wages, salaries, and other amounts due its employees in connection with this Agreement and shall be responsible for all reports and obligations respecting them, including but not limited to social security income tax withholding, unemployment compensation, workers' compensation, and other similar matters. City shall not in any way or for any purpose be deemed to be a partner of Consultant in its business or otherwise a joint venturer or a member of any joint enterprise with Consultant.

B. Consultant shall not incur or have the power to incur any debt, obligation, or liability against City, or bind City in any manner.

C. No City benefits shall be available to Consultant, its officers, employees, or agents in connection with any performance under this Agreement. Except for professional fees paid to Consultant as provided for in this Agreement, City shall not pay salaries, wages, or other compensation to Consultant for the performance of Services under this Agreement. City shall not be liable for compensation or indemnification to Consultant, its officers, employees, or agents, for injury or sickness arising out of performing Services hereunder. If for any reason any court or governmental agency determines that the City has financial obligations, other than pursuant to Section 2 and Subsection 1.8 herein, of any nature relating to salary, taxes, or benefits of Consultant's officers, employees, servants, representatives, subcontractors, or agents, Consultant shall indemnify City for all such financial obligations.

5. INSURANCE

5.1 <u>Types of Insurance</u>. Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, the insurance described herein for the duration of this Agreement, including any extension thereof, or as otherwise specified herein, against claims which may arise from or in connection with the performance of the Work hereunder by Consultant, its agents, representatives, or employees. Insurance required herein shall be provided by an authorized insurance company and admitted in the State of California and having a minimum A.M. Best's Guide Rating of A-, Class VII or better, unless such requirements are waived in writing by the City Manager or his designee due to unique circumstances. In the event the City Manager determines that the Work or Services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Consultant agrees that the minimum limits of the insurance policies may be changed accordingly upon receipt of written notice from the City Manager or his designee. Consultant shall immediately substitute any insurer whose A.M. Best rating drops below the levels specified herein. Except as otherwise authorized below for professional liability (errors and omissions) insurance, all insurance provided pursuant to this Agreement shall be on an occurrence basis. The minimum amount of insurance required hereunder shall be as follows:

A. <u>Errors and Omissions Insurance</u>. Consultant shall obtain and maintain in full force and effect throughout the term of this Agreement, professional liability (errors and omissions) insurance coverage in an amount of not less than two million dollars ($2,000,000.00) per claim or occurrence, in accordance with the provisions of this section.

(1) Consultant shall either: (a) certify in writing to the City that Consultant is unaware of any professional liability claims made against Consultant and is unaware of any facts which may lead to such a claim against Consultant; or (b) if Consultant does not provide the certification pursuant to (a), Consultant may be required by City to procure from the professional liability insurer an endorsement providing that the required limits of the policy shall apply separately to claims arising from errors and omissions in the rendition of services pursuant to this Agreement.

(2) If the policy of insurance is written on a "claims made" basis, the City may require that the policy be continued in full force and effect at all times during the term of this Agreement, and for a period of three (3) years from the date of the completion of the Services provided hereunder. In the event of termination of the policy during this period,

Consultant shall obtain continuing insurance coverage for the prior acts or omissions of Consultant during the course of performing Services under the terms of this Agreement. The coverage shall be evidenced by either a new policy evidencing no gap in coverage, or by obtaining separate extended "tail" coverage with the present or new carrier or other insurance arrangements providing for complete coverage, either of which shall be subject to the written approval by the City Manager.

(3) In the event the policy of insurance is written on an "occurrence" basis, the policy shall be continued in full force and effect during the term of this Agreement, or until completion of the Services provided for in this Agreement, whichever is later. In the event of termination of the policy during this period, new coverage shall immediately be obtained to ensure coverage during the entire course of performing the Services under the terms of this Agreement.

B. Workers' Compensation Insurance. Consultant shall obtain and maintain, in full force and effect throughout the term of this Agreement, workers' compensation insurance in at least the minimum statutory amounts, and in compliance with all other statutory requirements, as required by the State of California. Consultant agrees to waive and obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against the City and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

C. Commercial General Liability Insurance. Consultant shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of comprehensive general liability insurance with limits of at least one million dollars ($1,000,000.00) per occurrence, two million dollars ($2,000,000.00) in the general aggregate, and one million dollars ($1,000,000.00) for products and completed operations.

(1) The commercial general liability policy shall name the City of Laguna Hills as an additional insured in accordance with standard ISO additional insured endorsement form CG2010(1185) or equivalent language.

(2) Consultant either: (a) shall certify in writing to the City that Consultant is unaware of any liability claims made against Consultant, and is unaware of any facts which may lead to such a claim against Consultant; or (b) if Consultant does not provide the certification pursuant to (a), Consultant may be required by City to procure from the commercial general liability insurer an endorsement providing that the required limits of the policy shall apply separately to occurrences during the rendition of services pursuant to this Agreement.

D. Business Automobile Insurance. Consultant shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of business automobile liability insurance written on a per occurrence basis with a single limit liability in the amount of one million dollars ($1,000,000.00) bodily injury and property damage. The policy shall include coverage for owned, non-owned, leased, and hired cars.

E. Employer Liability Insurance. Consultant shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of employer liability insurance written on a per occurrence basis with a policy limit of at least one million dollars ($1,000,000.00) per accident for bodily injury or disease.

5.2 Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City Manager prior to commencing any work or services under this Agreement. Consultant guarantees payment of all deductibles and self-insured retentions. City reserves the right to reject deductibles or self-insured retentions in excess of $10,000, and the City Manager may require evidence of pending claims and claims history as well as evidence of Consultant's ability to pay claims for all deductible amounts and self-insured retentions proposed in excess of $10,000.

5.3 Other Insurance Requirements. The following provisions shall apply to the insurance policies required of Consultant pursuant to this Agreement:

5.3.1. The required commercial general and business automobile liability policies shall be endorsed to state that City and its officers, council members, officials, employees, agents, and volunteers shall be covered as additional insureds with respect to liability arising out of all work or services performed by Consultant pursuant to this Agreement. The coverage shall contain no special limitations on the scope of protection afforded to additional insureds. Additional insured endorsements are not required for the professional liability and workers' compensation policies.

5.3.2 For any claims related to this Agreement, Consultant's coverage shall be primary insurance as respects City and its officers, council members, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City and its officers, council members, officials, employees, agents, and volunteers shall be in excess of Consultant's insurance and shall not contribute with it. The insurer shall waive all rights of subrogation and contribution it may have against the City, its officers, council members, officials, employees, agents, and volunteers, and their respective insurers.

5.3.3 Any failure by Consultant to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to City and its officers, council members, officials, employees, agents, and volunteers.

5.3.4 Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided, cancelled, or modified by either Party, or reduced in coverage or in limits, except after thirty (30) days prior written notice by First Class U.S. Mail, postage-prepaid, has been provided to the City. Notwithstanding the foregoing in this subsection, if coverage is to be suspended, voided, or cancelled because of Consultant's failure to pay the insurance premium, the notice provided to City shall be by ten (10) days prior written notice.

5.3.5 All insurance coverage and limits provided by Consultant and available or applicable to this Agreement are intended to apply to each insured, including additional insureds, against whom a claim is made or suit is brought to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the City or its operations shall limit the application of such insurance coverage.

5.3.6 None of the insurance coverages required herein will be in compliance with these requirements if they include any limiting endorsement which substantially impairs the coverages set forth herein (e.g., elimination of contractual liability or reduction of discovery period), unless the endorsement has first been submitted to the City Manager and approved in writing.

5.3.7 The required insurance endorsements shall not contain any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, or that any party will "endeavor" (as opposed to being required) to comply with the requirements of the endorsements. Certificates of insurance will not be accepted in lieu of required endorsements, and submittal of certificates without required endorsements may delay commencement of the Project. It is Consultant's obligation to ensure timely compliance with all insurance submittal requirements as provided herein.

5.3.8 Consultant agrees to ensure that subcontractors, if any, and any other parties involved with the Project who are brought onto or involved in the Project by Consultant, provide the same minimum insurance coverage required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with subcontractors and others engaged in the Project will be submitted to the City for review.

5.3.9 Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any insurance requirement in no way imposes any additional obligations on the City nor does it waive any rights hereunder in this or any other regard.

5.3.10 Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. Endorsements as required in this Agreement applicable to the renewing or new coverage shall be provided to City no later than ten (10) days prior to expiration of the lapsing coverage.

5.3.11 Requirements of specific insurance coverage features or limits contained in this section are not intended as limitations on coverage, limits, or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue, and is not intended by any party or insured to be limiting or all-inclusive.

5.3.12 The requirements in this section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this section.

5.3.13 Consultant agrees to provide immediate notice to City of any claim or loss against Consultant arising out of the Work performed under this Agreement and for any other claim or loss which may reduce the insurance available to pay claims arising out of this Agreement.

5.3.14 Consultant agrees that the provisions of this section shall not be construed as limiting in any way the extent to which the Consultant may be held responsible for the payment of damages resulting from the Consultant's activities or the activities of any person or person for which the Consultant is otherwise responsible.

5.4 **Verification of Coverage.** Consultant shall furnish City original certificates of insurance and endorsements, including additional insured endorsements, in a form acceptable to the City, affecting all of the coverages required by this section. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. Consultant shall provide to City all certificates and endorsements required by this section before commencing any work on the Project. Consultant shall furnish, at City's request, copies of actual policies including all declaration pages, endorsements, exclusions and any other policy documents City requires to verify coverage.

6. INDEMNIFICATION

To the fullest extent permitted by law, Consultant shall indemnify, defend (at Consultant's sole cost and expense), protect and hold harmless City and its officers, council members, officials, employees, agents and volunteers and all other public agencies whose approval of the Project is required, (individually "Indemnified Party"; collectively "Indemnified Parties") against any and all liabilities, claims, judgments, arbitration awards, settlements, costs, demands, orders, and penalties (collectively "Claims"), including but not limited to Claims arising from injuries or death of persons (Consultant's employees included) and damage to property, which Claims arise out of, pertain to, or are related to the negligent acts or omissions, recklessness, or willful misconduct of Consultant, its agents, employees, or subcontractors, or arise from Consultant's failure to perform any term, provision, covenant, or condition of this Agreement ("Indemnified Claims"). Such obligation to defend, hold harmless, and indemnify any of the Indemnified Parties shall not apply to the extent that such Claims are caused by the sole negligence, active negligence, or willful misconduct of such Indemnified Parties.

Consultant shall reimburse the Indemnified Parties for any reasonable expenditures, including reasonable attorneys' fees, expert fees, litigation costs, and expenses that each Indemnified Party may incur by reason of Indemnified Claims. Upon request by an Indemnified Party, Consultant shall defend with legal counsel reasonably acceptable to the Indemnified Party all Claims against the Indemnified Party that may arise out of, pertain to, or relate to Indemnified Claims, whether or not Consultant is named as a party to the Claim proceeding. The determination whether a Claim "may arise out of, pertain to, or relate to Indemnified Claims" shall be based on the allegations made in the Claim and the facts known or subsequently discovered by the Parties. Consultant's indemnification obligation hereunder shall survive the expiration or earlier termination of this Agreement until all actions against the Indemnified Parties for such matters indemnified hereunder are fully and finally barred by the applicable statute of limitations or, if an action is timely filed, until such action is final.

7. REPORTS AND RECORDS

7.1 <u>Accounting Records</u>. Consultant shall keep complete, accurate, and detailed accounts of all time, costs, expenses, and expenditures pertaining in any way to this Agreement. Consultant shall keep such books and records as shall be necessary to properly perform the Services required by this Agreement and to enable the Contract Officer to evaluate the performance of such Services. The Contract Officer shall have full and free access to such books and records at all reasonable times, including the right to inspect, copy, audit, and make records and transcripts from such records.

7.2 <u>Reports</u>. Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the Services required by this Agreement as the Contract Officer shall require. Consultant hereby acknowledges that the City is greatly concerned about the cost of the Work and Services to be performed pursuant to this Agreement. For this reason, Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the Work or Services contemplated herein or, if Consultant is providing design services, the cost of the project being designed, Consultant shall promptly notify the Contract Officer of such fact, circumstance, technique, or event and the estimated increased or decreased cost related thereto and, if Consultant is providing design services, the estimated increased or decreased cost estimate for the project being designed.

7.3 <u>Ownership of Documents</u>. All drawings, specifications, reports, records, documents, memoranda, correspondence, computations, and other materials prepared by Consultant, its employees, subcontractors, and agents in the performance of this Agreement shall be the property of City and shall be promptly delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of the documents and materials hereunder. Any use of such completed documents for other projects and/or use of incomplete documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant, and the City shall indemnify the Consultant for all damages resulting therefrom. Consultant may retain copies of such documents for its own use. Consultant shall have an unrestricted right to use the concepts embodied therein. Consultant shall ensure that all its subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom.

7.4 Release of Documents. All drawings, specifications, reports, records, documents, and other materials prepared by Consultant in the performance of services under this Agreement shall not be released publicly without the prior written approval of the Contract Officer. All information gained by Consultant in the performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization.

7.5 Audit and Inspection of Records. After receipt of reasonable notice and during the regular business hours of City, Consultant shall provide City, or other agents of City, such access to Consultant's books, records, payroll documents, and facilities as City deems necessary to examine, copy, audit, and inspect all accounting books, records, work data, documents, and activities directly related to Consultant's performance under this Agreement. Consultant shall maintain such books, records, data, and documents in accordance with generally accepted accounting principles and shall clearly identify and make such items readily accessible to such parties during the term of this Agreement and for a period of three (3) years from the date of final payment by City hereunder.

8. ENFORCEMENT OF AGREEMENT

8.1 California Law and Venue. This Agreement shall be construed and interpreted both as to validity and as to performance of the Parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in such County, and Consultant covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Interpretation. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the Parties. The terms of this Agreement are contractual and the result of negotiation between the Parties. Accordingly, any rule of construction of contracts (including, without limitation, California Civil Code Section 1654) that ambiguities are to be construed against the drafting party, shall not be employed in the interpretation of this Agreement. The caption headings of the various sections and paragraphs of this Agreement are for convenience and identification purposes only and shall not be deemed to limit, expand, or define the contents of the respective sections or paragraphs.

8.3 Termination. City may terminate this Agreement for any reason, with or without cause, upon giving Consultant thirty (30) days written notice. Upon such notice, City shall pay Consultant for Services performed through the date of termination. Upon receipt of such notice, Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. Thereafter, Consultant shall have no further claims against the City under this Agreement. Upon termination of the Agreement pursuant to this section, Consultant shall submit to the City an invoice for work and services performed prior to the date of termination. In addition, the Consultant reserves the right to terminate this Agreement at any time, with or without cause, upon sixty (60) days written notice to the City, except that where termination is due to material default by the City, the period of notice may be such shorter time as the Consultant may determine.

8.4 Default of Consultant.

A. Consultant's failure to comply with any provision of this Agreement shall constitute a default.

B. If the City Manager, or his designee, determines that Consultant is in default in the performance of any of the terms or conditions of this Agreement, he shall notify Consultant in writing of such default. Consultant shall have ten (10) days, or such longer period as City may designate, to cure the default by rendering satisfactory performance. In the event Consultant fails to cure its default within such period of time, City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice of any remedy to which City may be entitled at law, in equity, or under this Agreement. Consultant shall be liable for any and all reasonable costs incurred by City as a result of such default. Compliance with the provisions of this section shall not constitute a waiver of any City right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit City's right to terminate this Agreement without cause pursuant to Section 8.3.

C. If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 8.4.B, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the Services required hereunder exceeds the Maximum Contract Amount (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated. The withholding or failure to withhold payments to Consultant shall not limit Consultant's liability for completion of the Services as provided herein.

8.5 Waiver. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought. Any waiver by the Parties of any default or breach of any covenant, condition, or term contained in this Agreement, shall not be construed to be a waiver of any subsequent or other default or breach, nor shall failure by the Parties to require exact, full, and complete compliance with any of the covenants, conditions, or terms contained in this Agreement be construed as changing the terms of this Agreement in any manner or preventing the Parties from enforcing the full provisions hereof.

8.6 Rights and Remedies Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

8.7 **Legal Action.** In addition to any other rights or remedies, either Party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

8.8 **Attorney Fees.** In the event any dispute between the Parties with respect to this Agreement results in litigation or any non-judicial proceeding, the prevailing Party shall be entitled, in addition to such other relief as may be granted, to recover from the non-prevailing Party all reasonable costs and expenses, including but not limited to reasonable attorney fees, expert consultant fees, court costs and all fees, costs, and expenses incurred in any appeal or in collection of any judgment entered in such proceeding. To the extent authorized by law, in the event of a dismissal by the plaintiff or petitioner of the litigation or non-judicial proceeding within thirty (30) days of the date set for trial or hearing, the other Party shall be deemed to be the prevailing Party in such litigation or proceeding.

9. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

9.1 **Non-liability of City Officers and Employees.** No officer or employee of the City shall be personally liable to the Consultant, or any successor-in-interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

9.2 **Conflict of Interest.** No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his financial interest or the financial interest of any corporation, partnership, or association in which he is, directly or indirectly, interested in violation of any state statute or regulation. Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration in exchange for obtaining this Agreement.

9.3 **Covenant Against Discrimination.** In connection with its performance under this Agreement, Consultant shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age, marital status, ancestry, or national origin. Consultant shall ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, religion, color, sex, age, marital status, ancestry, or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

10. MISCELLANEOUS PROVISIONS

10.1 **Patent and Copyright Infringement.**

A. To the fullest extent permissible under law, and in lieu of any other warranty by City or Consultant against patent or copyright infringement, statutory or otherwise, it is agreed that Consultant shall defend at its expense any claim or suit against City on account of any allegation that any item furnished under this Agreement, or the normal use or sale thereof arising out of the performance of this Agreement, infringes upon any presently existing U.S. letters patent or copyright and Consultant shall pay all costs and damages finally awarded in any such suit or claim, provided that Consultant is promptly notified in writing of the suit or claim and given authority, information and assistance at Consultant's expense for the defense of same, and provided such suit or claim arises out of, pertains to, or is related to the negligence, recklessness or willful misconduct of Consultant. However, Consultant will not indemnify City if the suit or claim results from: (1) City's alteration of a deliverable, such that City's alteration of such deliverable created the infringement upon any presently existing U.S. letters patent or copyright; or (2) the use of a deliverable in combination with other material not provided by Consultant when it is such use in combination which infringes upon an existing U.S. letters patent or copyright.

B. Consultant shall have sole control of the defense of any such claim or suit and all negotiations for settlement thereof, Consultant shall not be obligated to indemnify City under any settlement made without Consultant's consent or in the event City fails to cooperate in the defense of any suit or claim, provided, however, that such defense shall be at Consultant's expense. If the use or sale of such item is enjoined as a result of the suit or claim, Consultant, at no expense to City, shall obtain for City the right to use and sell the item, or shall substitute an equivalent item acceptable to City and extend this patent and copyright indemnity thereto.

10.2 Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered, sent by registered or certified mail, postage prepaid, return receipt requested, or delivered or sent by facsimile with attached evidence of completed transmission, and shall be deemed received upon the earlier of (i) the date of delivery to the address of the person to receive such notice if delivered personally or by messenger or overnight courier; (ii) five (5) business days after the date of posting by the United States Post Office if by mail; or (iii) when sent if given by facsimile. Any notice, request, demand, direction, or other communication sent by facsimile must be confirmed within forty-eight (48) hours by letter mailed or delivered. Other forms of electronic transmission such as e-mails, text messages, instant messages are not acceptable manners of notice required hereunder. Notices or other communications shall be addressed as follows:

To City:	City of Laguna Hills Attention: City Manager 24035 El Toro Road Laguna Hills, California 92653 Telephone: (949) 707-2600 Facsimile: (949) 707-2633
To Consultant:	Hartzog & Crabill, Inc. Attention: Trammell Hartzog, President 17772 E. 17th Street, Suite 101 Tustin ,California 92780 Telephone: (714) 731-9455

Facsimile: (714) 731-9498

10.3 **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties and supersedes all prior negotiations, arrangements, agreements, representations, and understandings, if any, made by or among the Parties with respect to the subject matter hereof. No amendments or other modifications of this Agreement shall be binding unless executed in writing by both Parties hereto, or their respective successors, assigns, or grantees.

10.4 **Severability.** Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be determined to be invalid by a final judgment or decree of a court of competent jurisdiction, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the reminder of that provision, or the remaining provisions of this Agreement unless the invalid provision is so material that its invalidity deprives either Party of the basic benefit of their bargain or renders this Agreement meaningless.

10.5 **Successors in Interest.** This Agreement shall be binding upon and inure to the benefit of the Parties' successors and assignees.

10.6 **Third Party Beneficiary.** Except as may be expressly provided for herein, nothing contained in this Agreement is intended to confer, nor shall this Agreement be construed as conferring, any rights, including, without limitation, any rights as a third-party beneficiary or otherwise, upon any entity or person not a party hereto.

10.7 **Recitals.** The above-referenced Recitals are hereby incorporated into the Agreement as though fully set forth herein and each Party acknowledges and agrees that such Party is bound, for purposes of this Agreement, by the same.

10.8. **Corporate Authority.** Each of the undersigned represents and warrants that (i) the Party for which he is executing this Agreement is duly authorized and existing, (ii) he is duly authorized to execute and deliver this Agreement on behalf of the Party for which he is signing, (iii) by so executing this Agreement, the Party for which he is signing is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the Party for which he is signing is bound.

10.9 **Counterparts**. This Agreement may be signed in counterparts, each of which shall constitute an original.

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[SIGNATURES ON NEXT PAGE]

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IN WITNESS WHEREOF, the Parties have executed and entered into this Agreement as of the date first written above.

"CITY"
CITY OF LAGUNA HILLS,
a California municipal corporation

____
MELODY CARRUTH,
Mayor

ATTEST:

______________________________ (SEAL)
PEGGY JOHNS,
City Clerk

APPROVED AS TO FORM:

____
GREGORY E. SIMONIAN,
City Attorney

"CONSULTANT"

HARTZOG & CRABILL, INC., a
California corporation

By: ______________________________
Trammell Hartzog, President

By: ______________________________
Gerald J. Stock, Executive Vice
President / Secretary

EXHIBIT “A”

June 14, 2012 PROPOSAL/ SCOPE OF WORK

INCLUDING,

SCHEDULE OF PERFORMANCE

AND

SCHEDULE OF COMPENSATION/ FEES

HARTZOG & CRABILL, Inc.

Trammell Hartzog, President
Jerry Crabill, P.E., (Retired)
Gerald J. Stock, P.E., T.E.,
Executive Vice-President

17772 E. 17th Street
Suite 101
Tustin, CA 92780

Phone: (714) 731-9455
FAX: (714) 731-9498

www.hartzog-crabill.com

June 14, 2012

Mr. Kenneth H. Rosenfield, P.E.
Director of Public Services
City of Laguna Hills
24035 El Toro Road
Laguna Hills, California 92653

Subject: Proposal to Provide Traffic Engineering Services for the OCTA Regional Traffic Signal Synchronization (TSSP) Corridor on Paseo de Valencia

Dear Mr. Rosenfield:

Hartzog & Crabill, Inc. (HCI) is pleased to submit this proposal to the City of Laguna Hills for completing Traffic Signal Synchronization Services for the OCTA Project 'P' synchronization program corridor along Paseo de Valencia. As you know, HCI assisted the City with the OCTA Project 'P' application for this corridor; consequently, we are very familiar with the improvement details comprising this project.

STATEMENT OF QUALIFICATIONS

Our staff's "hands-on" traffic signal timing experience comprises all levels of timing applications; including timing input into signal system controllers manually in the field and remotely utilizing the City's Centracs ATMS, designing and installing special "custom" traffic signal operational circuitry, and maintaining signal interconnect operations.

If selected, Mr. Mark Esposito, PE, TE, PTOE, will be assigned as Project Manager to provide these signal timing services, with assistance and support provided by Mr. Trammell Hartzog, Mr. Greg Cabey, Mr. Michael Vallado, and Mr. Dennis Schmitz. As you may know, Mr. Esposito has successfully completed two similar signal synchronization projects for the OCTA, and has maintained excellent working relationships with local agency, Orange County, and Caltrans traffic signal design, operations, and maintenance personnel.

A distinct advantage for HCI over our competitors is that we offer our client cities on-going remote and local (*off-site/on-site*) management of their traffic signal systems. HCI has provided these traffic signal timing support services to the City of Laguna Hills for over ten years. As such, we are most familiar with the City's traffic signal system, and are uniquely and infinitely familiar with the City's signal controller equipment.

STATEMENT OF QUALIFICATIONS (*continued*)

As mentioned, HCI currently manages the traffic signals and signal systems for (16) local cities on a daily basis, including the City of Laguna Hills. HCI's ongoing traffic operations services for timing development and/or signal timing maintenance and monitoring in the Cities of Aliso Viejo, Cypress, La Palma, Laguna Niguel, Los Alamitos, Mission Viejo, Rancho Santa Margarita, Tustin, Yorba Linda, as well as Laguna Hills, will be a tremendous benefit to the City. This experience encompasses extensive knowledge on each local agency's signal controllers. HCI staff continuously (*daily*) interfaces with all of the signal controllers for our client cities that primarily utilize the Econolite ASC/2S or ASC/3 types of system controllers, the ASC/2M master controllers, and manage them via the corresponding Aries or Centracs Traffic Signal Management systems.

HCI's mission is to serve the needs of local government agencies with a full array of engineering services, including several of our client cities as contract City Traffic Engineer, contract City Engineer, and On-Call Traffic Engineer. Specific traffic engineering and transportation planning services that HCI provides are listed below:

- Master planning and design of traffic management and intelligent transporation systems;
- Preparation and review of traffic signal and striping plans, specifications, and estimates (PS&E);
- Operation and management of traffic signal systems—locally and remotely—including assistance with preventative and extraordinary signal maintenance activities and issues by coordinating with the agency's traffic signal maintenance contractor;
- Traffic control plans;
- Preparation and review of traffic impact analyses;
- Warrant analyses for traffic control devices, and,
- Engineering and traffic surveys for establishing speed limits.

HCI also provides construction management and inspection services on behalf of our client cities relative to the installation of new or upgraded traffic signals, lighting, copper/fiber optic interconnect communications, signing and striping.

PROJECT UNDERSTANDING

This project will synchronize twelve (12) traffic signals over a 3.3 mile stretch along the Paseo de Valencia corridor in the City of Laguna Hills (see Figure 1 below). HCI understands this particular corridor will be led and administered by the City of Laguna Hills. The project limits are from El Toro Road to Cabot Road. In addition to the synchronized timing, the improvements will include upgraded traffic signal controller and communications equipment, as well as the installation of PTZ cameras at several intersections.

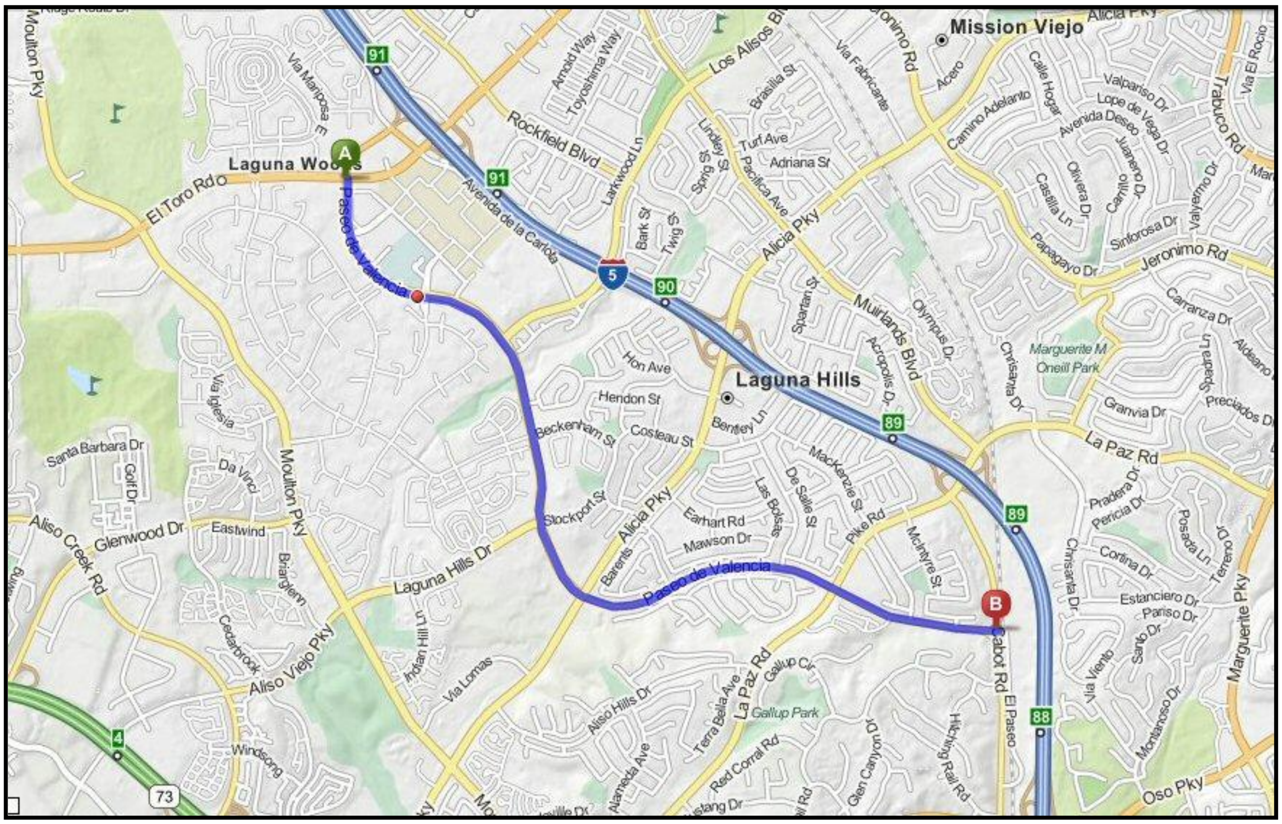


Figure 1 – Paseo de Valencia TSSP Project Limits

Our proposed Scope of Work, Project Team, Schedule, and Fees are presented below:

SCOPE OF WORK

Task 1 — Project Management

HCI understands this particular corridor will be led and administered by the City of Laguna Hills, in terms of complying with OCTA contract requirements.

As our staff is most familiar with this project corridor, in regards to the engineering tasks, we intend to perform the normal day-to-day project administration duties on behalf of the City of Laguna Hills. Our Project Manager and support engineering/administration staff will work closely with City staff on the following services, which include but are not limited to:

- ✓ Day-to-Day Project Management
- ✓ Meeting Attendance
- ✓ Progress Reporting
- ✓ Schedule Tracking
- ✓ Invoicing

Task 2 — Data Collection

In order to thoroughly understand current traffic conditions on the Paseo de Valencia corridor, HCI will collect the following data:

- HCI will request available corridor information from the City, such as traffic as-built drawings, aerial photos, maps, traffic collision data including collision diagrams for the analysis of existing intersection conditions and operations, and any Plans, Specifications, Special Provisions (PSS) for construction of facilities related to this project. As we currently monitor the signal timing operations for the City of Laguna Hills, HCI does not need to collect the existing timing sheets and coordination plans from the City.

  If the City prefers, HCI will provide staff to review available records/plans at City Hall, in order to provide minimum disruption to City staff.

- HCI will review signal timing and signal priority preferences with the City, including, but not limited to, those related to pedestrian and bicycle timing, left-turn phasing and phase sequencing such as fully-protected leading, lead-lag, lagging, split, and protected-permissive (PPLT) left-turn phasing, as well as additional coordination functions such as preferred or conditional phase re-service.

SCOPE OF WORK (*continued*)

- HCI will conduct seven-day 24-hour Average Daily Traffic (ADT) machine counts at four (4) locations along Paseo de Valencia.

- HCI will also collect 24-hour ADT directional vehicle classification counts at three (3) locations along the Paseo de Valencia project limits.

- HCI will conduct weekday and weekend peak period turning movement vehicle counts at all twelve (12) project intersections. The count data will include 72-hour video pedestrian and bicycle counts at six (6) locations. Weekday counts will be conducted for two hours of each peak period (AM, mid-day, and PM). Weekend counts will be conducted for a single four (4) hour mid-day peak period on a Saturday. For intersections with more than two through lanes in any of the approaches, a minimum of two count technicians per intersection will be required.

- HCI will also collect a minimum of (3) travel-time runs in each corridor direction per peak period over five (5) weekdays and one (1) Saturday.

HCI will use the collected data to develop optimal time-of-day traffic signal coordination plans. All traffic signal synchronization data collected and compiled by HCI for both existing (before) and optimized (after) conditions will be provided to the City in Synchro version 7 combined data UTDF format. This data will include the network layout, node, link, lane, volume, timing, and phase data for all coordinated times.

Task 3 — Field Review

HCI staff will review the geometric layout, verify and inventory existing traffic signal control and telemetry/ITS equipment, and identify any deficiencies at each project intersection and road segment along the Paseo de Valencia corridor. Our review will include an assessment of the existing intersection lane geometry, link lane geometries (add-drop), traffic conditions, and traffic signal or ITS/telemetry control equipment along the corridor and at each intersection.

Techniques utilized will include but not be limited to visual inspection, available as-built plans, agency consultation, and agency-provided aerial photos and PSS. HCI will inspect and inventory the interior of each traffic controller assembly and ITS/telemetry cabinets, identify and report deficiencies to the City. Photographic and written inventories will be submitted to the City as part of the final project report.

SCOPE OF WORK (*continued*)

Our corridor review of Paseo de Valencia will include the following:

- Existing corridor/street and lane geometries including lane widths and configurations curb to curb distances, and median dimensions, if any;

- Traffic signal control and telemetry device information at each project intersection, such as type of device, manufacturer and condition, provide visual documentation;

- HCI staff will observe special characteristics such as proximity to adjacent intersections, location of schools, bus stops, driveways, parking prohibitions, unusual traffic generating conditions, and other factors that may impact the operating efficiency at each intersection.

HCI will adhere to the City's policy on signal operations and characteristics of signal phasing and rotation or sequence (lead-lead, lead-lag, lag-lag, protected vs. protected/permissive, cycle lengths, PPLT, etc.). Our staff will note factors that impact or affect signal progression including, but not limited to: intersections with high pedestrian or bicyclist volumes; oversaturated intersections; closely-spaced signalized intersections, uneven lane distribution; high volume percentage of trucks and/or buses; existence of turnouts at bus stops, high side street volumes at intersecting un-signalized locations, interchanges, and parking maneuvers. HCI will identify any deficiencies of the existing traffic signal control equipment and geometric layout, and provide recommendations towards simple, low cost solutions that may be implemented to correct such deficiencies.

Task 4 — Corridor 'Before' Study

HCI will conduct a 'Before' field study report representative of the times and days for which signal synchronization plans will be developed. The report will identify Measures of Effectiveness (MOE) to evaluate the effects of the synchronization plans. MOE's will include traffic flow, actual real time travel, average speed, stops, fuel consumption reduction, pollution reduction, green house gas reductions, and other pertinent items. The identified MOE's will be compiled for the corridor using the floating car method (for instance, GPS interfaced Tru-Traffic runs) and from Synchro 7.0. For the 'Before' field study, a minimum of three (3) floating car 'runs' will be conducted in each direction and during all periods in which synchronization plans will be developed.

The report will address optimization strategies for improved signal synchronization, specifically focusing on how the corridor should be operated (i.e., end-to-end or in coordinated subsystems (zones or segments)). Special consideration will be given to existing operations on crossing arterial systems such as newer timing parameters on Paseo de Valencia at the intersections with Alicia Parkway and El Toro Road. The evaluation report will provide a very clear and accurate understanding of traffic patterns on the corridor throughout all times of the day and week.

SCOPE OF WORK (*continued*)

Task 5 — Signal Timing Optimization and Implementation

Our support staff will work closely with our experienced Project Manager, Mr. Mark Esposito, to develop a model of the study area as well as calibrate the model based on field observations of existing conditions. Signal synchronization optimization will be conducted in the Synchro 7.0 program. In addition, optimization will be augmented with Tru-Traffic software. HCI will calibrate the model based on travel-time, delay studies, field observations of queue lengths, and saturation flows for the heavier movements at key intersections.

HCI will develop an operational microscopic model using SimTraffic within the Synchro program. The SimTraffic model will identify those local areas or portions of the project that need special operational analysis of queue interactions, such as starvation or spillback. The operational analysis will be used to understand the effects of planned corridor improvements, fine-tune timing plans prior to implementation, and to analyze the additional operational improvements found in our field review.

HCI will then develop revised optimized signal timings and recommend any changes to the signal phasing at each signalized intersection that may improve the efficiency of operations. The recommended signal timing plans will be submitted and reviewed by City staff.

HCI will evaluate signal timing and coordination parameters considering the following:

- Optimum intersection cycle length and offset to maximize corridor throughput (bandwidth), harmonic background cycles at minor or major intersections, left-turn phasing rotation as deemed appropriate, non-coordinated phase re-service, and other such techniques;

- Timing parameters, which fully accommodate pedestrians within the split-time. HCI will take into consideration the pedestrian timing parameters used and adopted by the City. If the local intersection controller has the ability to modify or ignore coordination split during pedestrian crossing events and can fast-track transition to be in step with the local coordinator after exceeding the split time, that technique may be utilized where deemed appropriate and approved by the City.

- Appropriate cycle lengths consistent with the goals of this effort. Additionally, HCI will recommend time-of-day start and stop intervals for the various timing plans; and,

- HCI will prepare, at minimum, timing plans that consider the following peak periods: AM Peak, midday peak, PM peak and one weekend peak. Timing plans will be presented in both Synchro format and the preferred timing chart format of the City.

SCOPE OF WORK (*continued*)

Upon approval of the optimized signal timings by the City, HCI will implement the new signal timings through the City's central traffic signal management system. HCI will then calibrate the new settings and timings. More specifically, HCI staff will drive the corridor and fine-tune the timings in the field recording all changes. Fine-tuning will be conducted during periods that are representative of the times and days for which coordination plans were developed.

Task 6 — Traffic Signal Construction

In regards to the signal equipment improvements identified in the December 2, 2011 Project 'P' application and approved by the OCTA, these include upgraded traffic signal controller and communications equipment at all project locations, minor cabinet modifications, replacement of signal interconnect cable, and the installation of PTZ cameras at three intersections. The preparation of engineering plans is not expected to be required for each intersection; however, the need for plans will be discussed and determined early in the project by the Project Manager and the City of Laguna Hills. If necessary, HCI will prepare an overall corridor plan with sufficient details called out for the work at each intersection, as well as provide the City with the necessary technical provisions describing the work at each project location.

The following is included for clarity of project roles:

1. HCI will prepare detailed technical provisions (and plan, if applicable) for the approved equipment improvements on this corridor.

2. The City of Laguna Hills will contract for the equipment purchase and installation of approved work items directly with the suppliers/contractors, which includes the following items:

    - Econolite ASC/3-2100 Centracs system controller units with ethernet modules.
    - Actelis ML688 twisted-pair Ethernet switches plus patch cables.
    - Installation of duplex electrical outlets in the signal cabinets.
    - Installation of PTZ camera systems at designated intersections.
    - Rewiring of detector inputs at designated location.
    - Replace communication drop cables at designated locations.

3. Prior to and during installation of the improvements, HCI will be available to provide assistance and responses to the City and/or contractors for interpretation of the plan and/or technical provisions, either by in-person meeting, phone, or email.

4. City staff, with periodic assistance by HCI staff, will be responsible for day-to-day inspection services on the installation of new equipment and materials. HCI will inspect the installation of controller units and related communications equipment.

SCOPE OF WORK (*continued*)

5. HCI will provide on-site assistance for turn-on of any new equipment. New timing sheets for the signal controllers will also be provided by HCI at time of turn-on.

6. HCI will coordinate with Econolite who will be responsible for the necessary system integration of project controller units into the City's Centracs traffic management system.

Task 7 — Corridor 'After' Study

HCI will conduct an 'After' field study representative of the times and days for which synchronization plans are developed. The 'After' study will be conducted in the same manner and contain the same MOE's as the 'Before' study in order to evaluate the improvements of the synchronization plans. MOE's will be calculated for the optimized corridor from compiled data using the floating car method (for instance, GPS interfaced Tru-Traffic runs) and from the Synchro 7.0 output. For the 'After' field study, the same number of floating car 'runs' during the same time periods as was done in the 'Before' field study will be conducted in each direction.

HCI will prepare and submit a memorandum detailing the results of the signal timing optimization and implementation and fine-tuning components, and compare the results of the 'Before' and 'After' field study with reference to the specific MOE's. HCI will finalize the memorandum based on comments received from City staff.

Task 8 — Project Report

HCI will prepare a Final Timings and Evaluation Technical Report with an executive summary. The report will provide complete documentation of the project, including but not limited to, project objectives, project locations, project scope, findings, recommendations, implementation schedule, improvements accomplished, and procedures for continuing maintenance, surveillance, and evaluation of the coordinated signal system, work performed, data collected: 'before' and 'after' studies and project benefits achieved in terms of fuel savings, travel timing, travel time, and other measurable parameters. The report will include graphical and table formats for each type of documentation for clarity purposes. The report will also quantify savings in travel time, reduction in delay and emissions with type of emissions measured as a monetary figure.

The report will document all planned, programmed, and constructed improvements on the project corridor as well as recommendations for further infrastructure improvements that would likely improve the corridor signal coordination project results. For each intersection the report will include: lane configuration; signal phasing, turning movement data, and cycle lengths for existing and proposed timings for all peak periods. In addition, in a separate binder, all traffic signal phase sequences, signal timing plans, and pedestrian timings will be documented.

SCOPE OF WORK (*continued*)

Task 9 — Continuing Signal Timing Support

HCI will provide continuing signal timing support to monitor, observe, fine-tune, and optimize the signal timing and phasing operations of all the project intersections for a period of twenty-four (24) months upon completion of the timing implementation. During this period, HCI will proactively survey the corridor on a monthly basis, observe traffic, and fine-tune signal timing. HCI will also respond to traffic operations requests/complaints that the City provides.

PROJECT TEAM

The HCI team has the practical experience and technical knowledge to address all the issues associated with the proposed project and represents decades of specialized experience in traffic engineering. Our proposed project team is located in Orange County, has functioned in similar responsible positions and projects, and is available and committed to performing the required services for the duration of the contract.

Mr. Mark Esposito, PE, TE, PTOE, Project Manager
HCI recognizes that the successful delivery of a high-quality transportation improvement project starts with assigning a strong Project Manager who possesses superior technical, management and leadership skills and is responsive to the needs of the City and the assigned project. Mr. Mark Esposito, PE, TE, PTOE, is a licensed Civil and Traffic Engineer in the State of California, and will serve as Project Manager, as he clearly meets the necessary leadership role for this project.

Mark has nineteen (19) years of traffic engineering experience and will be the Project Team's leader and the single point of contact for the City. He has extensive experience in managing traffic and transportation related projects, specifically, projects involving traffic signal operations and design. His career focus has been exclusively in the area of traffic engineering with an emphasis on traffic signal operations. Over the years he has acquired a unique blend of skills relative to traffic signals and is proficient in both the office and field applications of signal timing and operations. Mark's certification as an International Municipal Signal Association (IMSA) Level II Traffic Signal Technician is a demonstration of his proficiency with all levels of the signal system.

Mark was the Project Manager for the OCTA Oso Parkway/Pacific Park Drive Traffic Signal Synchronization Demonstration Project, as well as the more recent OCTA Alicia Parkway Traffic Signal Synchronization Project. Mark has also managed other similar projects that included multi-agency timing coordination between the Cities of Garden Grove and Orange, the County of Orange, and Caltrans synchronizing 39 traffic signals on Chapman Avenue and Lampson Avenue. In addition to the managerial and administrative tasks, Mark will be directly involved in the timing effort and the technical decision making process. He will ensure that critical issues are quickly identified and the appropriate course of action is taken to resolve these issues.

PROJECT TEAM (*continued*)

Mr. Trammell Hartzog, Principal, QA/QC Manager
Mr. Hartzog will serve as the Quality Assurance/Quality Control reviewer for this project. As such, he will ensure that communication between yourself and HCI occurs at regular intervals. With over (40) years of experience, Mr. Hartzog is a recognized expert in the area of traffic signal design and operations. Mr. Hartzog has designed more than 1,600 traffic signals, numerous interconnect systems, and presently provides signal operations services to (16) Southern California Cities including the City of Laguna Hills.

Mr. Michael Vallado – Associate Engineer
Mr. Mike Vallado provides assistance to Mr. Esposito and Mr. Hartzog in the area of traffic engineering and will oversee most aspects of the development of the Synchro and SimTraffic model. Mr. Vallado brings over (13) years of civil engineering experience specifically related to traffic engineering and signals. Five of these years were devoted to running the City of Glendora's Traffic Engineering section, while the last (8) years have been with HCI. His responsibilities with HCI include conducting warrant studies, operational analysis reports and recommendations, and also project management including final preparation of project PS&E.

Mr. Greg Cabey - Traffic Signal Systems Supervisor
Mr. Cabey brings over (21) years of traffic signal experience to the HCI team and will remain available for implementing and fine-tuning the traffic signal timing. Prior to HCI, Mr. Cabey was a Lead Technician for Peek Traffic for over (12) years. This experience has allowed him to retain in-depth knowledge on the types of controllers in the area’s traffic signal system. His extensive field experience and familiarity with signal systems and timing will aid in the complete success of any requested traffic signal equipment and timing related services.

Mr. Dennis Schmitz, - Traffic Signal Systems Specialist
Mr. Schmitz brings over (37) years of traffic signal experience to the HCI project team and will remain available to provide any construction observation services as well as signal operations support tasks. Prior to HCI, Mr. Schmitz was employed by the City of Orange for (35) years and was the Senior Engineer in responsible charge of the Traffic Operations Section of the Department of Public Works. This experience included managing all design, operations, inspection and maintenance of traffic control devices and systems within the city.

Kris Campos, Counts Unlimited, Inc., Corona, CA
Counts Unlimited, Inc. will be the sole sub-consultant on HCI’s project team to collect all traffic data for this corridor project. Counts Unlimited, Inc. specializes in traffic data collection that includes: Turning Movement traffic counts, Average Daily Traffic (ADT) counts, Entering Volume counts, Classification counts, Speed counts, Radar Speed surveys, Parking Lot studies (inventory, occupancy, utilization, and turnover), Signal Warrants, GPS Travel Time studies, Vehicle Occupancy counts, Origin/Destination studies, and Video Documentation counts.

PROJECT TEAM (*continued*)

Counts Unlimited, Inc. was founded in 1990 and incorporated in 1997. Headquartered in Corona, CA, with support staff in Orange and Los Angeles Counties, they currently employ a full-time office staff and support staff in all the areas that they operate. Counts Unlimited, Inc. works in all of Southern California, including: Riverside County, San Bernardino County, Orange County, Los Angeles County, San Diego County, Imperial County, Kern County, Ventura County, and San Luis Obispo County. All of their staff members receive extensive training and testing before they begin collecting data to ensure they are meeting the high standards that Counts Unlimited is known for. As an institute affiliate member of ITE, they adhere to the professional standards of the industry.

TIME SCHEDULE

All members of the proposed HCI project team are available and ready to start these traffic signal synchronization services, as proposed in our Scope of Work, upon receipt of the City's notice-to-proceed. HCI will manage and complete this project within the time constraints approved by the OCTA and the City. As the approved project also includes on-going maintenance and operations services for (24) months after implementation, HCI will remain ready to continuously serve the City of Laguna Hills until final completion and OCTA acceptance of this corridor project.

PROFESSIONAL FEES

Since we operate and monitor the City's traffic signals remotely, HCI has an advantage over our competitors to access and utilize our corresponding Centracs Traffic Management System software in order to communicate with and implement the new signal timing. This advantage will provide a cost savings to the City for this corridor project. HCI proposes to complete all services as described in our Scope of Work above for a fixed fee cost of **$107,248.00**. A man-hour breakdown of costs per task is attached for the City's review.

Thank you for the opportunity to continue to serve the City of Laguna Hills on this important traffic signal synchronization project. We look forward to the City of Laguna Hills' acceptance and working with you and your staff on this project. If you have any questions or need more information please feel free to contact me at (714) 731-9455.

Very truly yours,
HARTZOG & CRABILL, INC.

Trammell Hartzog, President

HARTZOG & CRABILL, Inc.

CITY OF LAGUNA HILLS
PASEO DE VALENCIA TRAFFIC SIGNAL SYNCHRONIZATION PROJECT

		PROJECT MANAGER $135 per hour		ASSOCIATE ENGINEER $130 per hour		SYSTEMS SUPERVISOR $125 per hour		SYSTEMS SPECIALIST $115 per hour		ADMINISTRATION $52 per hour		SUBCONSULTANT Counts Unlimited		TOTAL	
TASK	**DESCRIPTION**	**Hours**	**$**	**Hours**	**$**	**Hours**	**$**	**Hours**	**$**	**Hours**	**$**	**Hours**	**$**	**Hours**	**$**
TRAFFIC SIGNAL SYNCHRONIZATION (TSS) TIMING PLANS															
1	Project Management	56	$7,560	24	$3,120		$0		$0	24	$1,248		$0	104	$11,928
2	Data Collection (Traffic Counts)	1	$135	6	$780		$0		$0		$0		$13,645	7	$14,560
3	Field Review	4	$540	64	$8,320		$0		$0		$0		$0	68	$8,860
4	Corridor "Before" Study	2	$270	16	$2,080		$0		$0		$0		$0	18	$2,350
5	Signal Timing Optimization & Implementation	24	$3,240	64	$8,320	84	$10,500	60	$6,900		$0		$0	232	$28,960
6	Traffic Signal Construction	4	$540	8	$1,040		$0	40	$4,600		$0		$0	52	$6,180
7	Corridor "After" Study	2	$270	16	$2,080		$0		$0		$0		$0	18	$2,350
8	Project Report	12	$1,620	48	$6,240		$0		$0	40	$2,080		$0	100	$9,940
9	Continuing Signal Timing Support (2 Years)	16	$2,160		$0	64	$8,000	104	$11,960		$0		$0	184	$22,120
TOTAL		**121**	**$16,335**	**246**	**$31,980**	**148**	**$18,500**	**204**	**$23,460**	**64**	**$3,328**	**0**	**$13,645**	**783**	**$107,248**

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: JULY 10, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: DONALD J. WHITE
ASSISTANT CITY MANAGER

ISSUE: 2012-13 CIVIC CENTER BUDGET

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE 2012-13 CIVIC CENTER BUDGET.

SUMMARY:

Prior to this City Council meeting, the Civic Center Management Committee reviewed the proposed 2012-13 Civic Center budget. If any amendments are made to the proposed budget by the Committee, the item will be pulled from the Consent Calendar for discussion. The budget projects net income of $81,774 and an overall positive net impact on the General Fund of $290,753.

BACKGROUND:

Attached to this memorandum is the proposed budget for Fiscal Year 2012-13. This budget is based on the following leasing assumptions:

- Suite 100 will remain vacant.
- Suite 200 will lease effective January 1, 2013.
- Suite 201 will renew.
- Suite 205 will remain vacant.
- Suite 210 will vacate effective January 1, 2013 and remain vacant.
- Suite 230 will renew.
- Executive suite 320B will renew.
- Executive suite 320A will remain vacant.
- Suite 330 will renew.

These assumptions are significant since they can trigger not only the start of a revenue stream, but also tenant improvement and leasing commission costs. Budgeted tenant improvement costs and leasing commissions total $67,821 and $22,930, respectively.

There are two capital projects slated for this fiscal year. New carpet throughout common areas on floors 1-3, elevator cabs, and first floor City offices in the amount of $45,000. New paint throughout common areas on floors 1-3 and stairwells in the amount of $56,233. These capital projects are funded through the City's Civic Center reserve fund.

FISCAL IMPACT:

The budgeted net income is $81,774. It should be noted that the proposed 2012-13 budget does not require any contribution from the City's General Fund and also does not anticipate transferring any net income to the General Fund. In the past, the Civic Center enterprise operation is usually able to transfer monies to the General Fund. For 2011-12 and 2012-13, staff is proposing no such transfer due primarily to the impact on net operating income from lower lease rates. Even so, the net operating impact to the City's General Fund from Civic Center operations is projected to be a positive $290,753 in 2012-13.

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE 2012-13 CIVIC CENTER BUDGET.

ATTACHMENTS:

- 2012-13 Civic Center Budget

Laguna Hills Civic Center
2012-13 Budget

	Adopted Budget 2011-12	**Estimated Actuals 2011-12**	**Proposed Budget 2012-13**
Rental Income	1,096,102	1,067,443	1,049,046
Contra Revenue	(549,965)	(549,965)	(549,965)
CAM Income	54,606	53,243	56,193
Contra CAM	(50,594)	(60,646)	(49,765)
CAM Rec Revenue	-	12,369	-
Other	3,115	7,829	3,115
Total Revenue	553,264	530,273	508,624
Direct Operating Expenses	(429,557)	(431,067)	(407,784)
Net Operating Income	**123,707**	**99,206**	**100,840**
Indirect Operating Expenses	(16,280)	(27,378)	(19,066)
Net Income	**107,427**	**71,828**	**81,774**
Capital Expenses	(35,357)	(90,840)	(191,984)
Net Cash Flow After Capital	72,070	(19,012)	(110,210)
General Fund Contribution			
Capital Reserve Fund		65,000	101,233
Grant Monies			
Enterprise Fund Cash			
Distribution to General Fund	(75,000)	-	-
Civic Center Net Cash Flow	**(2,930)**	**45,988**	**(8,977)**
General Fund Impact			
Add Back Contra Revenue	600,559	610,611	599,730
Less Debt Service	(300,000)	(300,000)	(300,000)
Add Back GF Distribution	75,000	-	-
Net General Fund Impact + (-)	***$ 372,629***	***$ 356,599***	***$ 290,753***

6/28/2012

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: JULY 10, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: DONALD J. WHITE
ASSISTANT CITY MANAGER

ISSUE: LAGUNA HILLS CIVIC CENTER - FIRST AMENDMENT TO LEASE WITH MICHAEL D. SHEA (GOLD KEY WEALTH MANAGEMENT) FOR SUITE 330

RECOMMENDATION: THAT THE CITY COUNCIL AUTHORIZE THE CITY MANAGER TO EXECUTE THE FIRST AMENDMENT TO THE LEASE WITH MICHAEL D. SHEA OF GOLD KEY WEALTH MANAGEMENT FOR SUITE 330 AT 24031 EL TORO ROAD, LAGUNA HILLS, CALIFORNIA

SUMMARY:

Gold Key Wealth Management began leasing at the Civic Center on June 1, 2007. Their five year lease expired on May 31, 2012. Over the past several months, staff has been negotiating a lease renewal with Gold Key Wealth Management that includes a minor expansion and a first right of refusal on the adjacent suite 320. Staff has successfully negotiated an amendment to the existing lease and is recommending approval. The amendment to the lease will be effective as of June 1, 2012 and will generate total rental revenue of $82,278 over the extended lease term.

BACKGROUND:

The basic deal points for the first amendment of the lease with Gold Key Wealth Management are as follows:

1. Rentable Square Feet: 792 increased from 601. The tenant will be adding what is now Executive Suite 320C.

2. Usable Square Feet: 669

3. Term: 5 years

4. Tenant Improvement costs paid by City: $7,337

5. Annual Rental Rate: $1.80 first year with $.05 increases annually.

6. Early Out Provision: Upon 90 days written notice, tenant may terminate lease after twenty-four months. If tenant elects this provision, tenant will forfeit security deposit.

7. Free Rent: If tenant does not exercise early out provision, tenant will receive two months of free rent in months 25 and 26 of the lease.

8. First Right of Opportunity: Tenant shall have the first right of opportunity to lease suite 320.

FISCAL IMPACT:

The five year lease generates a net present value to the City of $36,190. In the event the tenant elects the early out provision, the net present value will be $12,793.

RECOMMENDATION: THAT THE CITY COUNCIL AUTHORIZE THE CITY MANAGER TO EXECUTE THE FIRST AMENDMENT TO THE LEASE WITH MICHAEL D. SHEA OF GOLD KEY WEALTH MANAGEMENT FOR SUITE 330 AT 24031 EL TORO ROAD, LAGUNA HILLS, CALIFORNIA

ATTACHMENTS:

- The Lease Document is on file in the City Clerk's Office.

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: JULY 10, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: DONALD J. WHITE
ASSISTANT CITY MANAGER

ISSUE: LAGUNA HILLS CIVIC CENTER - ACCOMMODATION LICENSE AGREEMENT WITH JULIA KNUTSON FOR EXECUTIVE OFFICE 320B

RECOMMENDATION: THAT THE CITY COUNCIL AUTHORIZE THE CITY MANAGER TO EXECUTE AN ACCOMMODATION LICENSE AGREEMENT WITH JULIA KNUTSON FOR EXECUTIVE OFFICE 320B AT 24031 EL TORO ROAD, LAGUNA HILLS, CALIFORNIA.

SUMMARY:

The City first entered into a one year Accommodation License Agreement with Julia Knutson one year ago. The user would like to stay in Executive Suite 320B and desires to enter into another one year Accommodation License Agreement. The standard monthly license fee for 320B is $800 per month. The Agreement gives the City the right to terminate the Agreement at any time by providing notice to the user.

The Accommodation License Agreement is a standard City document.

FISCAL IMPACT:

The user will pay the City $800 per month for the use of 320B.

ATTACHMENTS:

- The License Accommodation Agreement is on file with the City Clerk's Office.

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: JULY 10, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: DONALD J. WHITE
ASSISTANT CITY MANAGER

ISSUE: LAGUNA HILLS CIVIC CENTER - ACCOMMODATION LICENSE AGREEMENT WITH SENIORS HELPING SENIORS FOR EXECUTIVE OFFICE 320A

RECOMMENDATION: THAT THE CITY COUNCIL AUTHORIZE THE CITY MANAGER TO EXECUTE AN ACCOMMODATION LICENSE AGREEMENT WITH SENIORS HELPING SENIORS FOR EXECUTIVE OFFICE 320A AT 24031 EL TORO ROAD, LAGUNA HILLS, CALIFORNIA.

SUMMARY:

Seniors Helping Seniors has been operating at the Civic Center under a sublease with War Era Veterans in Suite 201. The City has been contacted by Lisa Saputo, principal of Seniors Helping Seniors about using Executive Office 320A. Staff is recommending that the City enter into a one year Accommodation License Agreement with Seniors Helping Seniors for 320A. The standard monthly license fee for 320A is $750 per month. The Agreement gives the City the right to terminate the Agreement at any time by providing notice to the user.

The Accommodation License Agreement is a standard City document.

FISCAL IMPACT:

The user will pay the City $750 per month for the use of 320A.

ATTACHMENTS:

- The Accommodation License Agreement is on file with the City Clerk's Office.

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: JULY 10, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: DONALD J. WHITE
ASSISTANT CITY MANAGER

ISSUE: AMENDMENT TO RETAINER AGREEMENT FOR CITY ATTORNEY SERVICES

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING AMENDED EXHIBIT "A" TO THE RETAINER AGREEMENT FOR CITY ATTORNEY SERVICE RATES."

SUMMARY:

Woodruff, Spradlin & Smart has been providing City Attorney services to the City of Laguna Hills since 1991. Professional hourly rates charged by the firm have been in effect since 2007. The Firm is proposing an increase in the hourly rate for attorneys from $190 to $205. For paralegals, they are proposing an increase from $95 to $115. A survey of area cities shows that the proposed rates are comparable with the market.

BACKGROUND:

Woodruff, Spradlin & Smart has proposed the approval of an amended Exhibit “A” to the retainer Agreement for City Attorney Services. The amended Exhibit “A” would adjust the firm’s professional hourly rate from $190 to $205 per hour for attorneys and from $95 to $115 per hour for paralegals. Current professional hourly rates for the firm have been in effect for the last five (5) years (since 2007).

In 2007 when Woodruff, Spradlin & Smart proposed their last increase, staff surveyed other contract City Attorney rates and found those proposed by Woodruff, Spradlin & Smart to be comparable. In response to the current proposal, staff has again reviewed the results of a recent telephone survey of other contract City Attorney rates (see attached survey) and has found the rate increase proposed by Woodruff, Spradlin & Smart to be comparable with the market.

Attached to this report is a letter from the firm to the City Council regarding the proposed adjustment. The retainer Agreement provides that Exhibit "A," which specifies the firm's hourly rate, may be changed from time to time without otherwise amending the Agreement by Resolution of the City Council. A proposed Resolution is also attached.

FISCAL IMPACT:

The proposed rate increase will cost the City $18,000 to $25,000 annually.

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING AMENDED EXHIBIT "A" TO THE RETAINER AGREEMENT FOR CITY ATTORNEY SERVICE RATES."

ATTACHMENTS:

- Letter from Firm regarding the proposed adjustment to City Attorney Service Rates
- City Attorney Rates – 2012 Survey
- Proposed Resolution

WOODRUFF, SPRADLIN & SMART
A Professional Corporation

GREGORY E. SIMONIAN
DIRECT DIAL: (714) 415-1021
DIRECT FAX: (714) 415-1121
E-MAIL: GSIMONIAN@WSS-LAW.COM

June 29, 2012

VIA E-Mail & U.S. Mail

Honorable Mayor and Members of the City Council
City of Laguna Hills
24035 El Toro Road
Laguna Hills, California 92653

Re: Proposed Adjustment to City Attorney Service Rates

Mayor and Members of the City Council:

As you know, Woodruff, Spradlin & Smart has maintained its commitment to the City Council by keeping our professional hourly rates fixed at $190 per hour for the past five (5) years. The last time the firm's rates were adjusted was in 2007. As you may be aware, many law firms adjust their rates on an annual basis. We are proposing to adjust our flat hourly rate from $190 to $205 per hour for attorneys and from $95 to $115 per hour for paralegals. This rate will continue to apply to litigation as well as to all transactional work. If approved, the proposed adjustment is requested to be effective August 1, 2012.

The proposed blended hourly rate of $205 per hour for attorney services is comparable to that being charged by other full-service city attorney firms in the County and in many instances is quite lower. For example, Best, Best & Krieger ("BB&K") provides city attorney services to Aliso Viejo and charges a range of between $213-$241 per hour. BB&K also provides legal services to Lake Forest and charges a range of between $207-$238 per hour.

Some other public law firms in the County such as Richards, Watson & Gershon, Rutan & Tucker, and Burke, Williams & Sorenson also have considerably higher rates for special transactional advice and litigation, ranging between $200 to over $300 per hour for many of the partners in the firm. Rutan & Tucker provides legal services to Dana Point and charges a fixed monthly retainer of $8,944 plus an additional rate of $229 per hour. Richards, Watson & Gershon provides legal services to Mission Viejo and charges a fixed monthly retainer plus additional menu-style rates from $150 - $235 per hour.

Our firm believes that a blended rate for all legal services is preferable to varying rates depending upon the attorney and type of work performed. We believe that this adds more predictability and stability to the city attorney operational budget. We have found in our experience that a blended rate for all attorney services is both fair to the client and to the attorney. The client is able to obtain the services of experienced and highly qualified principals of the firm at a reasonable cost and is not faced with "sticker shock" when a specialist in the firm is called in to assist. Those specialists in Woodruff, Spradlin & Smart are billed at the same basic blended rate.

We are extremely sensitive to keeping our rates reasonable, and we endeavor to keep within budget. Other public law firms often quote a very low billing rate for their designated attorney, but they recoup their profit by billing at a substantially higher rate for legal services provided by other attorneys in the firm. Other firms quote a low hourly rate for a set number of hours, but then bill numerous hours above this "retainer" rate. Still other firms propose a low rate for narrowly defined "basic services," but charge significantly higher rates for a wide array of other "specialized" legal services. We believe these billing practices are loss leader gimmicks that result in higher total costs for public agencies. Our clients have found that our single hourly rate approach produces bills that are straightforward and easy to understand and monitor.

It is a privilege and an honor to serve as your city attorney, and I as well as the firm's team of attorneys, paralegals and support personnel assigned to the City of Laguna Hills are committed to providing the City Council and City staff with continued high quality, efficient, and responsive legal service.

If you have any questions or concerns regarding this proposal, please feel free to contact me.

Sincerely,

WOODRUFF, SPRADLIN & SMART
A Professional Corporation

GREGORY E. SIMONIAN, Director

cc: Bruce E. Channing, City Manager
Donald J. White, Assistant City Manager

863538.1

CITY ATTORNEY RATES—2012 SURVEY

CITY	LAW FIRM	MONTHLY RETAINER	HOURLY RATES OUTSIDE OF RETAINER HOURS
Aliso Viejo	Best, Best & Krieger	No monthly retainer	\$213 - \$241 per hour for attorneys \$109 - \$137/hr. for paralegals
Dana Point	Rutan & Tucker	\$8,944 for office hrs. and attendance at public meetings, subject to annual CPI adjustment	\$229 per hour subject to annual CPI adjustment
Laguna Beach	Rutan & Tucker	\$7,100	\$225 per hour
Laguna Hills	Woodruff, Spradlin & Smart	No monthly retainer	\$190/hr. for all services \$110/hr. for paralegals
Laguna Niguel	Terry E. Dixon, Attorney at Law	No monthly retainer	\$165 per hour for all legal services
Laguna Woods	Burke, Williams & Sorensen	No monthly retainer	\$195 - \$300 per hour \$195 first 25 hours per mo. and \$225 thereafter; \$250 for litigation \$300 matters where City reimbursed
Lake Forest	Best, Best & Krieger	No monthly retainer	\$207 - \$238 per hour subject to 5% increase or the CPI (whichever is less)
Mission Viejo	Richards Watson & Gershon	\$2300 for first 20 hrs.	\$150- \$235 per hour subject to CPI adjustment (based on 2007 agreement--\$155 as of Dec. 2011)
Rancho Santa Margarita	Woodruff, Spradlin and Smart	No monthly retainer	\$190 per hour for all services \$110/hr. for paralegal
San Clemente	Rutan & Tucker	\$9,450	\$240 per hour
San Juan Capistrano	Woodruff, Spradlin and Smart	No monthly retainer	\$197/hr. for all services \$110/hr. for paralegal

RESOLUTION NO._________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING AMENDED EXHIBIT "A" TO THE RETAINER AGREEMENT FOR CITY ATTORNEY SERVICE RATES

WHEREAS, by Resolution No. 2005-11-22-2, adopted on November 22, 2005, the City Council authorized the execution of a retainer agreement with Woodruff, Spradlin & Smart for city attorney services; and

WHEREAS, that agreement provides that Exhibit "A," which contains Woodruff, Spradlin & Smart's professional hourly rates, may be changed from time to time without otherwise amending the agreement, by a resolution adopted by the City Council; and

WHEREAS, the City Council desires to approve an amended Exhibit "A," which shall be effective August 1, 2012.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

That amended Exhibit "A," attached hereto, to the Agreement for City Attorney Services, is hereby approved.

PASSED, APPROVED, AND ADOPTED this 10th day of July, 2012.

____
MELODY CARRUTH, MAYOR

ATTEST:

____
PEGGY J. JOHNS, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, PEGGY J. JOHNS, City Clerk of the City of Laguna Hills, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. 2012-07-10- adopted by the City Council of the City of Laguna Hills, California, at a regular meeting thereof, held on the 10th of July, 2012, by the following vote:

AYES:

NOES:

ABSENT:

(SEAL)

PEGGY J. JOHNS, CITY CLERK

864509.1

EXHIBIT "A"

WOODRUFF, SPRADLIN & SMART
Rates and Billing Practices

(Effective August 1, 2012)

Hourly Rates for Legal Personnel (Transactional and Litigation)

Attorneys	$205.00
Paralegals	$115.00

Billing Increment

Attorneys shall bill in increments of one-tenth of an hour (six minutes).

Attorneys shall not bill for secretarial time, including time spent for faxing, mailing, arranging for messengers, or calendaring.

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: JULY 10, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: KENNETH H. ROSENFIELD, P.E.
DIRECTOR OF PUBLIC SERVICES

ISSUE: PROGRESS PAYMENT NO. 15 FOR LA PAZ ROAD WIDENING AT I-5 IMPROVEMENT PROJECT, CIP NO. 159

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE PROGRESS PAYMENT NO. 15, IN THE NET AMOUNT OF $320,698.23, TO SEMA CONSTRUCTION, INC., FOR THE LA PAZ ROAD WIDENING AT I-5 IMPROVEMENT PROJECT, CIP NO. 159.

SUMMARY:

Work on the La Paz Road Widening at I-5 Improvement Project, CIP No. 159, began on April 7, 2011, and is being performed by SEMA Construction, Inc. Work performed in May 2012 included progress scheduling, site management, street sweeping, signage, traffic control, pavement marking, temporary railing, clearing and grubbing, excavation, irrigation, steel reinforcement, concrete pipe, utility adjustments, asphalt concrete, signal and lighting, and electrical. The contractor has submitted the fifteenth progress payment request for approval.

BACKGROUND:

A routine monthly action for capital improvement projects is the submission, review, and approval of the contractor's invoice. Procedurally, field staff verifies the contractor's quantities and matches them with the submitted invoice. The unit prices and total costs of the project are confirmed by the office staff and a progress payment is then processed. A ten (10) percent retention is withheld from each payment to assure final performance of the work. The contractor for the project, SEMA Construction, Inc., has submitted the fifteenth progress payment for the subject project as follows:

ITEM #	DESCRIPTION	QUANTITY	UNIT	$	AMOUNT
1	Progress Schedule	.01	LS	$ 3,000.00	$ 30.00
2	Time Related Overhead	20	WD	$ 2,000.00	$ 40,000.00
4	Construction Site Mgmt	.07	LS	$ 10,000.00	$ 700.00
11	Street Sweeping	.10	LS	$ 25,000.00	$ 2,500.00
18	Construction Area Sign	.10	LS	$ 40,400.00	$ 4,040.00
19	Traffic Control System	.10	LS	$ 55,700.00	$ 5,570.00
21	Temp Pavement Marking	216	SF	$ 3.30	$ 712.80
22	Temp Traffic Stripe	2,121	LF	$ 0.60	$ 1,272.60
23	Channelizer	42	EA	$ 35.00	$ 1,470.00
26	Portable Message Signs	.10	LS	$ 1,600.00	$ 160.00
27	Temp Railing (Type K)	1,700	LF	$ 7.50	$ 12,750.00
28	Temp Crash Cushion	14	EA	$ 100.00	$ 1,400.00
30	Remove Traffic Stripe	1,246	LF	$ 0.90	$ 1,121.40
31	Remove Pave Marking	204	SF	$ 3.30	$ 673.20
33	Remove Roadside Sign	29	EA	$ 50.00	$ 1,450.00
34	Remove Sign Structure	1	EA	$ 2,200.00	$ 2,200.00
35	Remove Drainage Facility	1	EA	$ 510.00	$ 510.00
36	Remove Pipe	59.30	LF	$ 21.00	$ 1,245.30
38	Relocate Roadside Sign	1	EA	$ 250.00	$ 250.00
42	Remove Concrete	62	CY	$ 66.00	$ 4,092.00
44	Clearing and Grubbing	.14	LS	$100,000.00	$ 14,000.00
45	Roadway Excavation	800	CY	$ 6.73	$ 5,384.00
47	Structure Excavation	90	CY	$ 20.00	$ 1,800.00
53	Imported Borrow	450	CY	$ 10.00	$ 4,500.00
62	Irrigation System	.08	LS	$176,581.34	$ 14,126.51
67	Class 2 Aggregate Base	634	CY	$ 35.00	$ 22,190.00
68	Hot Mix Asphalt (A)	728.73	TN	$ 78.50	$ 57,205.31
75	Class 1 Concrete	14	CY	$ 600.00	$ 8,400.00
78	Minor Concrete	11.80	CY	$ 800.00	$ 9,440.00
82	Bar Reinf Steel	1,100	LB	$ 0.85	$ 935.00
88	Aluminum Sign .063“ U	135.13	SF	$ 13.00	$ 1,756.69
89	Aluminum Sign .08”	33	SF	$ 14.00	$ 462.00
90	Aluminum Sign .063” F	53.19	SF	$ 16.00	$ 851.04
91	36” Concrete Pile	26	LF	$ 600.00	$ 15,600.00
93	Roadside Sign – 1 Post	20	EA	$ 350.00	$ 7,000.00
94	Roadside Sign – 2 Post	2	EA	$ 550.00	$ 1,100.00
95	Install Sign	2	EA	$ 200.00	$ 400.00
97	24” Concrete Pipe	273.82	LF	$ 52.00	$ 14,238.64
111	Minor Concrete (Misc)	115.26	CY	$ 517.02	$ 59,591.73
113	SD Manhole Cover	1	EA	$ 1,400.00	$ 1,400.00
130	Maintain TM System	.05	LS	$ 3,100.00	$ 155.00
131	Signal & Lighting (1)	.10	LS	$126,497.46	$ 12,649.75

132	Signal & Lighting (2)	.50	LS	$ 8,200.00	$ 4,100.00
133	Ramp Meter System (1)	.10	LS	$ 36,100.00	$ 3,610.00
136	Lighting & Sign Illumination	.05	LS	$ 90,400.00	$ 4,520.00
137	Interconnect & Fiber Comm	.03	LS	$ 61,900.00	$ 1,857.00
CCO No. 4	B1 – Electrical Irrigation	.04	LS	$ 27,543.12	$ 1,101.72
	E1 – Electrical Plans	.50	LS	$ 11,619.38	$ 5,809.69

Total To Date	$3,467,228.05	
Less Prior Billing	$3,110,896.68	
Total This Period	$ 356,331.37	$356,331.37
Less 10% Retention		$(35,633.14)
		$320,698.23

FISCAL IMPACT:

The progress payment is within the Capital Improvement Program Budget for the La Paz Road Widening at I-5 Improvement Project, CIP No. 159.

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE PROGRESS PAYMENT NO. 15, IN THE NET AMOUNT OF $320,698.23, TO SEMA CONSTRUCTION, INC., FOR THE LA PAZ ROAD WIDENING AT I-5 IMPROVEMENT PROJECT, CIP NO. 159.

4.6 RENEWED MEASURE M (M2) ANNUAL COMPLIANCE REPORTING TO THE ORANGE COUNTY TRANSPORTATION AUTHORITY

Council Member Kogerman inquired about funding options for this item. Public Services Director Rosenfield stated the staff report included a discussion of the City's fair share turnback funds in the approximate amount of $500,000 per year which was allocated to the operating budget. Public Services Director Rosenfield reported that attached to the report was the City's 7-year Capital Improvement Program. It did not reflect the State Local Partnership Program funding, which the City was requesting but had not yet been granted. Public Services Director Rosenfield gave an update on the impact of the widening of the north and/or south side of La Paz Road, and reported on the status of funding for the design and environmental clearance for the widening of Paseo de Valencia.

THE CITY COUNCIL APPROVED THE ANNUAL MEASURE M2 COMPLIANCE SUBMITTAL TO THE ORANGE COUNTY TRANSPORTATION AUTHORITY, BY M/COUNCIL MEMBER KOGERMAN, S/COUNCIL MEMBER BRESSETTE. APPROVED BY A VOTE OF 5-0.

5. PLANNING AGENCY

Mayor Carruth recessed the City Council meeting and acting in the capacity of Chair, called the regular meeting of the Planning Agency of the City of Laguna Hills, California, to order at 7:35 PM.

5.1 ROLL CALL OF PLANNING AGENCY MEMBERS

Present: Chair Carruth, Vice Chair Lautenschleger, Agency Member Bressette, Agency Member Kogerman, and Agency Member Songstad

5.2 PUBLIC COMMENTS

There were no Public Comments.

5.3 MINUTES

5.3.1 REGULAR MEETING, JUNE 12, 2012

MOTION TO APPROVE THE MINUTES OF THE JUNE 12, 2012, REGULAR MEETING AS REFERENCED IN CITY COUNCIL MINUTES BEGINNING ON PAGE 5, BY M/AGENCY MEMBER BRESSETTE, S/VICE CHAIR LAUTENSCHLEGER.
APPROVED BY A VOTE OF 5-0.

5.4 PLANNING AGENCY PUBLIC HEARINGS

5.4.1 SITE DEVELOPMENT PERMIT/CONDITIONAL USE PERMIT/PARKING USE PERMIT NO. 4-12-2223, A REQUEST BY SOKA GAKKAI INTERNATIONAL-USA, TO ESTABLISH SGI-USA BUDDHIST CENTER, A RELIGIOUS FACILITY, IN AN EXISTING BUILDING AND PARKING USE PERMIT AT 23002 MOULTON PARKWAY IN THE MIXED USE ZONE.

Chair Carruth opened the Public Hearing.

Greg Martin, applicant spoke on Site Development Permit/Conditional Use Permit/Parking Use Permit No. 4-12-2223, a request by Soka Gakkai International-USA to establish SGI-USA Buddhist Center at 23002 Moulton Parkway. Mr. Martin indicated he had read and agreed to the Conditions of Approval.

Pamela Sapetto, representative of Sapetto Group, Inc., spoke on Site Development Permit/Conditional Use Permit/Parking Use Permit No. 4-12-2223, a request by Soka Gakkai International-USA to establish SGI-USA Buddhist Center at 23002 Moulton Parkway.

Chair Carruth closed the Public Hearing.

THE PLANNING AGENCY ADOPTED RESOLUTION NO. PA2012-06-26-1, A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING SITE DEVELOPMENT PERMIT/CONDITIONAL USE PERMIT/PARKING USE PERMIT NO. 4-12-2223, A REQUEST BY SOKA GAKKAI INTERNATIONAL-USA, TO ESTABLISH THE SGI-USA BUDDHIST CENTER, A RELIGIOUS FACILITY, IN AN EXISTING BUILDING AND PARKING USE PERMIT AT 23002 MOULTON PARKWAY IN THE MIXED USE ZONE," BY M/AGENCY MEMBER BRESSETTE, S/VICE CHAIR LAUTENSCHLEGER. APPROVED BY A VOTE OF 5-0.

PLANNING AGENCY ADJOURNMENT

Mayor Carruth reconvened the City Council meeting at 7:50 PM. All Council Members were present.

6. CITY COUNCIL PUBLIC HEARINGS

6.1 APPROPRIATION OF CITIZENS' OPTION FOR PUBLIC SAFETY FUNDS

Mayor Carruth opened the Public Hearing and upon seeing no one rise, closed the Public Hearing.

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: JULY 10, 2012

TO: CHAIR AND AGENCY MEMBERS

FROM: AGENCY MEMBER BRESSETTE

ISSUE: REQUEST FOR RECONSIDERATION OF SITE DEVELOPMENT PERMIT/MASTER SIGN PROGRAM NO. 11-11-2114, TO AMEND THE NEW MASTER SIGN PROGRAM FOR THE HILLS HOTEL AT 25202 LA PAZ ROAD IN THE (FC) FREEWAY COMMERCIAL ZONING DISTRICT

RECOMMENDATION: THAT THE PLANNING AGENCY: (1) APPROVE THE RECONSIDERATION OF SITE DEVELOPMENT PERMIT/MASTER SIGN PROGRAM NO. 11-11-2114; AND (2) ADOPT A RESOLUTION ENTITLED: A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING SITE DEVELOPMENT PERMIT/MASTER SIGN PROGRAM NO. 11-11-2114, A REQUEST TO ESTABLISH A NEW MASTER SIGN PROGRAM FOR THE HILLS HOTEL AT 25202 LA PAZ ROAD IN THE (FC) FREEWAY COMMERCIAL ZONING DISTRICT, AND RESCIND RESOLUTION NO. PA2012-06-12-2.

SUMMARY:

On June 12, 2012, the Laguna Hills Planning Agency approved Resolution No. PA2012-06-12-2, changing Term and Condition No. 13 to read: “No flashing, moving, animated, or intermittently lighted signs are permitted in accordance with §9-42.260.A of the Laguna Hills Municipal Code. The LED reader board message copy shall not change more than five times within a 24-hour period.” I am proposing to change the Term and Condition to read: “… shall not change more than twelve times in a 24-hour period.”

BACKGROUND:

On June 12, 2012, the Laguna Hills Planning Agency approved Resolution No. PA2012-06-12-2, changing Term and Condition No. 13 to read, “No flashing, moving, animated, or intermittently lighted signs are permitted in accordance with §9-42.260.A of the Laguna Hills Municipal Code. The LED reader board message copy shall not change more than five times within a 24-hour period.” The Term and Condition was discussed at length between the Planning Agency and the applicant. During the discussion, the applicant agreed to the language approving only five changes to his sign in a 24-hour period. On further reflection and investigation, five changes seem to be too small to accommodate the applicant's objective for the new LED lighted sign. After a discussion with the applicant and staff, and after careful consideration, the applicant believes that 12 changes in a 24-hour period would be more appropriate for his needs. I agree that 12 changes in one, 24-hour period is a more appropriate limitation for the sign and request that the Planning Agency agree to the attached amendment to the Resolution.

It should be noted that the sign will have four lines of white LED lighted text. This change allows the applicant to makes changes to the content an average of three times per day per line. An example of sign content, as discussed with the applicant, may be:

SMITH/JONES WEDDING – 11:00
HARRISON/FORD WEDDING – 2:00
BUSINESS OWNER MEETING – 8:00
SUNDAY BRUNCH 8:00 – 2:00

The message lines could be changed between the morning and evening events and also be set up for the following day (8 so far). One or two of the message lines could change over the course of the day getting the number of changes to 9 (and above).

All other Terms and Conditions remain the same. The applicant is in agreement with this change.

FISCAL IMPACT:

Other than a modest amount of staff time, none.

RECOMMENDATION: THAT THE PLANNING AGENCY: (1) APPROVE THE RECONSIDERATION OF SITE DEVELOPMENT PERMIT/MASTER SIGN PROGRAM NO. 11-11-2114; AND (2) ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING SITE DEVELOPMENT PERMIT/MASTER SIGN PROGRAM NO. 11-11-2114, A REQUEST TO ESTABLISH A NEW MASTER SIGN PROGRAM FOR THE HILLS HOTEL AT 25205 LA PAZ ROAD IN THE (FC) FREEWAY COMMERCIAL ZONING DISTRICT, AND RESCIND RESOLUTION NO. PA2012-06-12-2."

ATTACHMENTS:

- Resolution
- Photo

RESOLUTION NO. PA2012-07-10-

A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING SITE DEVELOPMENT PERMIT/MASTER SIGN PROGRAM NO. 11-11-2114, A REQUEST TO ESTABLISH A NEW MASTER SIGN PROGRAM FOR THE HILLS HOTEL AT 25202 LA PAZ ROAD IN THE (FC) FREEWAY COMMERCIAL ZONING DISTRICT, AND RESCIND RESOLUTION NO. PA2012-06-12-2.

The Planning Agency of the City of Laguna Hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, an application (Site Development Permit/Master Sign Program No. 11-11-2114) was received from Mickey Wu of Future Sign Inc. representing The Hills Hotel (collectively referred to as "Applicant") for establishment of a new master sign program for The Hills Hotel located at 25202 La Paz Road in the (FC) Freeway Commercial Zoning District; and

WHEREAS, Site Development Permit/Master Sign Program No. 11-11-2114 was found to be Categorically Exempt from the requirements of the California Environmental Quality Act based upon Class 1, existing facilities (CEQA Guidelines Section 15301) and Class 11, accessory structures (CEQA Guidelines Section 15311) exemptions; and

WHEREAS, the Planning Agency approved Site Development Permit/Master Sign Program No. 11-11-2114 on June 12, 2012; and

WHEREAS, the Planning Agency voted to reconsider Site Development Permit/Master Sign Program No. 11-11-2114 on July 10, 2012, to amend Condition No. 13 of Planning Agency Resolution No. PA2012-06-12-2 relative to the number of times the approved LED reader board message copy may change within a 24-hour period after determining that said condition, which limits the applicant's LED reader board message copy to no more than five changes in a 24-hour period, did not meet the applicant's objective or needs in constructing a new LED lighted sign.

NOW, THEREFORE, THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. The above recitals are true and correct, and are incorporated herein.

SECTION 2. Resolution No. PA2012-06-12-2 is hereby rescinded in its entirety.

SECTION 3. That pursuant to Section 9-92.080 of the Laguna Hills Development Code, the required findings by the City for approval of Site Development Permit/Master Sign Program No. 11-11-2114 have been met and made as follows:

1. That the site design complies with standards of the development code:

   The proposed sign program encompasses a number of signs that were established under County jurisdiction and are now considered existing non-conforming. The sign program proposes modernization of one such sign, the changeable copy reader board, which the development code allows as maintenance since the change will not increase the size of the non-conforming sign. All other existing signs are unaffected by this sign program. One new sign is proposed, the LED roofline lighting, and it is being added to the site in compliance with all applicable development code standards.

2. That the site is suitable for the proposed development:

   All signage included in the proposed master sign program is existing with the exception of the LED roofline lighting which will be securely mounted on the freeway facing side of the building. All signs are located in areas of the project site that are considered appropriate for advertising devices.

3. That the proposed use is consistent with the General Plan and applicable design guidelines:

   The site has a General Plan land use designation of Freeway Commercial (FC) which is intended to provide for an environment that takes advantage of the superior access and visibility of the I-5 Freeway. The proposed master sign program is consistent with this designation in that it seeks to increase the hotel's visibility from the freeway using roofline LED lighting on the freeway facing side of the hotel.

4. That the site design and structural components are appropriate for the site and function of the proposed uses:

   The addition of LED roofline lighting at this site is appropriate as proposed because it accomplishes the function of enhancing visibility of the hotel from the I-5 Freeway while remaining considerate of nearby residences. Modernization of the changeable copy reader board is appropriate because it updates an outdated sign with an improved aesthetic while remaining true to the original purpose of the sign—advertising on-site events and functions.

5. That the design and application of the sign criteria required by the development code are satisfied by the proposed sign program:

   The development code allows the use of LED roofline lighting through approval of a master sign program. Design standards are outlined in §9-42.240 pertaining to aesthetics, color, and distance from residences, and this application has satisfied these criteria. In regards to the electronic reader board, the development code allows existing non-conforming signs to be maintained and aesthetically improved, which is accomplished in this sign program proposal without expanding the sign in any way.

6. That the sign program provides a compatible and harmonious design between advertising, landscaping, and building design:

   The proposed sign program has been designed with the goal of achieving a harmonious relationship between advertising, landscaping, building design, and surrounding land uses. The LED roofline lighting is designed to highlight the form of the hotel building at night to enhance its visibility from the I-5 Freeway and white was chosen as the LED color to further enhance the black and white color scheme of the Hills Hotel. The electronic reader board sign will replace an existing changeable copy reader board and not alter the overall structure of the hotel's monument sign.

NOW, THEREFORE, based upon the above findings, the Planning Agency of the City of Laguna Hills does hereby approve Site Development Permit/Master Sign Program No. 11-11-2114 subject to the following conditions:

1. This approval constitutes approval of the proposed project only to the extent that it complies with the City Development Code and any other applicable zoning regulations. Approval does not include any action or findings as to compliance or approval of the project regarding any other applicable ordinance, regulation, or requirement.

2. Failure to abide by and faithfully comply with any and all conditions of approval shall constitute grounds for revocation of said Changed Plan by the Laguna Hills Planning Agency.

3. As a condition of issuance of this approval, the Applicant hereby agrees, at its sole cost and expense and to the fullest extent permitted by law, to defend, indemnify, and hold harmless the City,

its officers, employees, agents, and consultants, from any claim, action, or proceeding brought by a third party against the City, its officers, employees, agents, and consultants, which seeks to attack, challenge, set aside, void, or annul an approval of the City Council, Planning Agency, or other decision-making body, or staff action concerning this project. The City agrees to promptly notify the Applicant/owner of any such claim filed against the City and to fully cooperate in the defense of any such action. The City may, but is not obligated to, at its sole cost and expense, elect to participate in the defense of any such action under this condition.

4. This application may be modified or revoked by the Planning Agency should the Agency determine, after a duly noticed hearing held in compliance with all applicable laws that the proposed use or conditions under which it is being operated or maintained are detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.

5. The Applicant shall agree in writing to these conditions of approval within 30 days of the Planning Agency's action.

6. The Applicant shall reimburse the City for any outstanding staff time spent on the processing of Site Development Permit/Master Sign Program No. 11-11-2114 within 60 days of Planning Agency action.

7. This application shall expire and be of no further force or effect if the permit is not established within two years from June 12, 2012.

8. Within 48 hours from project approval, the Applicant shall submit to the City a check in the amount of $50, made out to the Orange County Clerk-Recorder, for filing a Notice of Exemption.

9. The approved color for LED roofline lighting included in this master sign program is white. Should the Applicant wish to change the color of the LED roofline lighting from white to an alternative color, a master sign program amendment shall be required.

10. The LED roofline lighting shall comply with all other requirements outlined in §9-42.240 of the Laguna Hills Municipal Code regarding LED and neon signs.

11. The Applicant shall comply with all lighting limitations outlined in §9-42-060 of the Laguna Hills Municipal Code regarding excessive illumination, distance from residences, glare being directed towards sensitive land uses, and light intensity.

12. The use of the electronic reader board included in the master sign program shall be limited to hotel functions and events. No off-site advertising is permitted as outlined in §9-42.260.F of the Laguna Hills Municipal Code.

13. No flashing, moving, animated, or intermittently lighted signs are permitted in accordance with §9-42.260.A of the Laguna Hills Municipal Code. The LED reader board message copy shall not change more than twelve times within a 24-hour period.

14. All signs shall be maintained to prevent deterioration, disrepair, and shall be legible and in good condition.

15. The Applicant/owner shall secure all applicable building permits, as required by Section 105 of the 2010 California Building Code (see also work exempt from permits).

16. Plans shall be accurately labeled and reflect all work, as required by Section 107 of the 2010 California Building Code regarding construction documents.

17. The Applicant shall comply with all California Energy requirements as required by the California Energy Commission.

18. All construction shall comply with the 2010 California Building Code and California Electrical Codes in regards to mixed occupancies.

(The remainder of this page intentionally left blank)

PASSED, APPROVED, AND ADOPTED this 10th day of July 2012.

____
MELODY CARRUTH, CHAIR

ATTEST:

____
PEGGY J. JOHNS, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Peggy J. Johns, City Clerk of the City of Laguna Hills, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. PA2012-07-10- by the Planning Agency of the City of Laguna Hills, California, at a Regular Meeting thereof held on the 10th day of July 2012, by the following vote:

AYES:

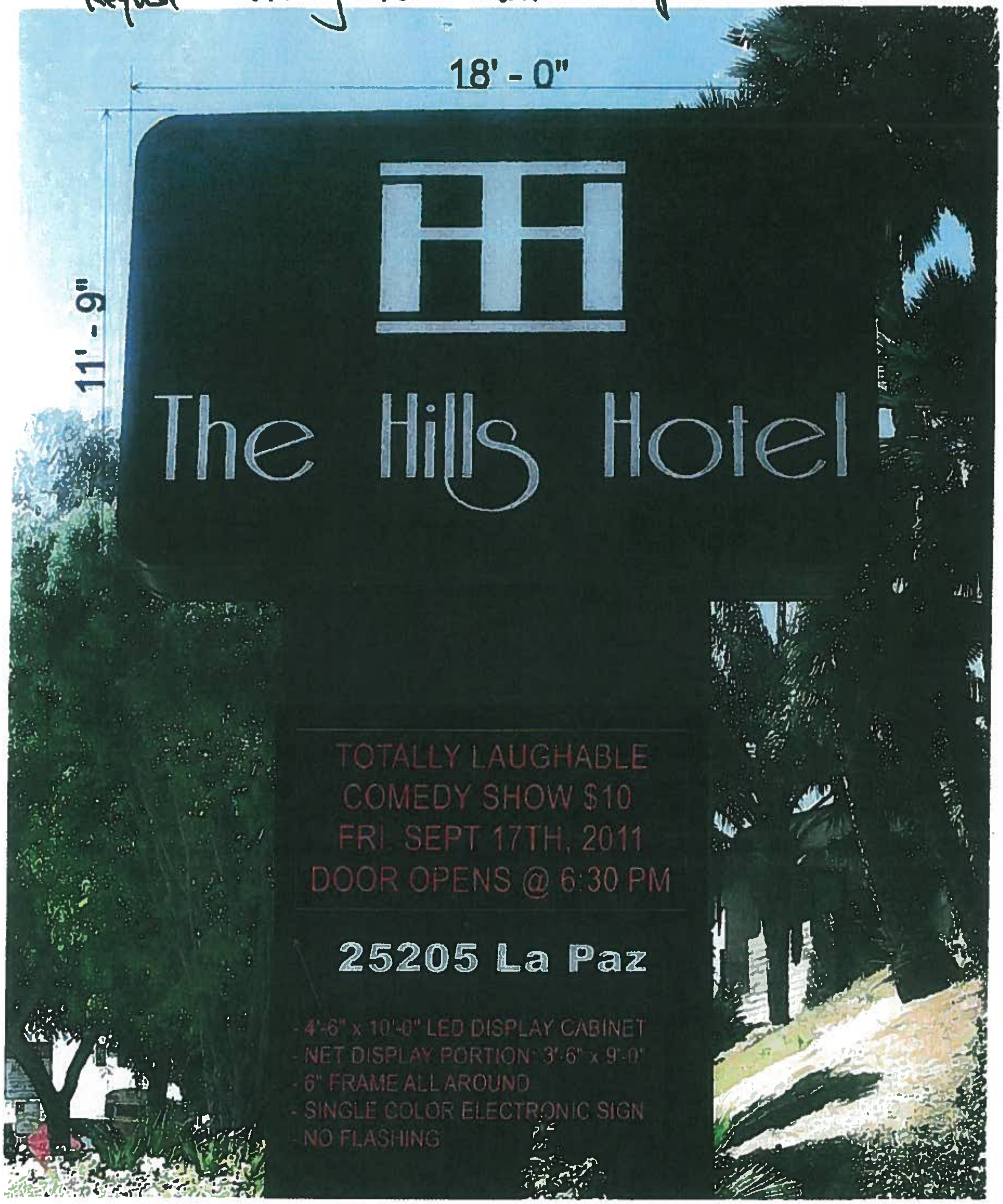
NOES:

ABSENT:

ABSTAIN:

____
PEGGY J. JOHNS, CITY CLERK

#② Request adding new electronic sign



NEW SINGLE SIDES ELETRONIC SIGN FACING EAST

SIGNAGE DIMENSION:

11'-9" H x 18'-0" W
and 17'-7" Overall height

PROJECT NAME: THE HILLS HOTEL
PROJECT LOCATION: 25205 LA PAZ ROAD LAGUNA HILLS, CA

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: JULY 10, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: KENNETH H. ROSENFIELD, P.E.
DIRECTOR OF PUBLIC SERVICES

ISSUE: PUBLIC HEARING AND CONFIRMATION OF 2012 WEED ABATEMENT COST REPORT

RECOMMENDATION: THAT THE CITY COUNCIL: (1) CONDUCT A PUBLIC HEARING; AND (2) ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, CONFIRMING THE 2012 WEED ABATEMENT COST REPORT AND PROVIDING FOR THE COLLECTION OF WEED ABATEMENT ASSESSMENTS ON THE NEXT REGULAR TAX BILL LEVIED AGAINST THE SUBJECT PARCELS FOR MUNICIPAL PURPOSES."

SUMMARY:

In accordance with Government Code Section 39560, et seq., this is the time and place that has been fixed by Resolution of the City Council of a noticed Public Hearing to receive and consider an accounting of the costs associated with weed abatement on each separate parcel of land where removal work has been performed, which report is required by law to be submitted to the City Council for confirmation of all itemized abatement costs. The City Council must conduct a Public Hearing to receive any public comments, complaints, or objections from property owners liable to be assessed for the abatement in connection with the Fiscal Year 2011-2012 Weed Abatement Program prior to adopting a Resolution accepting the cost report associated with the clearing of properties as authorized. It is recommended that the City Council conduct the Public Hearing and confirm the Cost Report.

BACKGROUND:

The objective of the Weed Abatement Program is to declare by Resolution as a public nuisance and abate all weeds, rubbish, refuse, and dirt upon the streets, sidewalks, parkways, or private property in the City, as identified and described in the 2012 Weed Abatement List. This is done for the purpose of health and safety, management of fire hazards, and to provide a reasonable degree of fire safety to both improved and unimproved properties. The Weed Abatement Program is administered by the Public Services Department under the direction of the Director of Public Services/City Engineer. The City

Council adopted Resolution No. 2012-04-24-1 and No. 2012-05-22-2 in April and May of this year, respectively, which authorized the annual Weed Abatement Program.

Property owners of properties that were identified as containing materials needing abatement under this program were notified by letter in April 2012, to clear their properties by June 1, 2012. Extensive public relations efforts were made by staff to reduce the number of properties to be cleared by the City contractor. All affected properties were also contacted by either an additional reminder letter and/or door hangers to further encourage voluntary abatement compliance. Two property owners did not abate their weeds and the City was forced to perform the necessary weed abatement on these parcels.

The contractor-incurred costs, along with an administrative charge, will be added to the owner's property tax bill when the City Council adopts the attached Resolution. The administrative charge is used towards the cost of the inspector's time during the Weed Abatement Program, computer time, printing and mailing costs, and related expenditures associated with the Weed Abatement Program.

Weed abatement on public parcels has also been performed by the City Contractor. In addition, removal of a section of pampas grass groves along the north side of the La Paz Road open space easterly of Alameda Avenue is in process. It is anticipated that these pampas grass removals will occur incrementally with each annual weed abatement program through Fiscal Year 2013-2014 under the contract with the City's current weed abatement contractor, Igi's Landscape Services, Inc.

FISCAL IMPACT:

The cost to be assessed for the properties abated is $743.50 for APN # 627-212-06 and $457.27 for APN # 627-461-03. This cost is comprised of direct contractor charges and a $352 per parcel administrative charge. The City will be reimbursed for the total $1,200.77 in costs through property tax collection procedures. The total Weed Abatement Program costs are budgeted in Fiscal Year 2011-2012 in the amount of $40,000.00 to cover both the abatement of private and public properties.

RECOMMENDATION: THAT THE CITY COUNCIL: (1) CONDUCT A PUBLIC HEARING; AND (2) ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, CONFIRMING THE 2012 WEED ABATEMENT COST REPORT AND PROVIDING FOR THE COLLECTION OF WEED ABATEMENT ASSESSMENTS ON THE NEXT REGULAR TAX BILL LEVIED AGAINST THE SUBJECT PARCELS FOR MUNICIPAL PURPOSES."

ATTACHMENTS:

- Resolution
- Weed Abatement Cost Report

RESOLUTION NO. 2012-07-10-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, CONFIRMING THE 2012 WEED ABATEMENT COST REPORT AND PROVIDING FOR THE COLLECTION OF WEED ABATEMENT ASSESSMENTS ON THE NEXT REGULAR TAX BILL LEVIED AGAINST THE SUBJECT PARCELS FOR MUNICIPAL PURPOSES

WHEREAS, on April 24, 2012, the City Council adopted Resolution No. 2012-04-24-1, thereby commencing the Weed Abatement Program for 2012 in accordance with the requirements and procedures set forth in Government Code Section 39560 et seq.; the objective of the Weed Abatement Program is to declare by Resolution as a public nuisance and abate all weeds growing upon the streets, sidewalks, or private property in the City, and all rubbish, refuse, and dirt upon parkways, sidewalks, or private property in the City, as identified and described in the 2012 Weed Abatement List, for health and safety purposes, for management of fire hazards, and to provide a reasonable degree of fire safety to both improved and unimproved properties; and

WHEREAS, Resolution No. 2012-04-24-1 commenced the 2012 Weed Abatement Program by declaring the weeds, rubbish, refuse and/or dirt on specified parcels of land identified in the 2012 Weed Abatement List to be a public nuisance and authorized the City Clerk to send written notice of the proposed public nuisance abatement to all persons owning property identified and described in the 2012 Weed Abatement List and advising them to remove any and all weeds, rubbish, refuse and/or dirt that, when dry, become a fire hazard; and

WHEREAS, on April 26, 2012, the City sent the legally required notice to destroy weeds and remove rubbish, refuse, and dirt to all affected property owners identified on the 2012 Weed Abatement List; the notice provided that if the public nuisance is not abated and removed by the owners of the affected parcels of land by June 1, 2012, such nuisances will be abated and removed by City authorities in accordance with the abatement procedures set forth in Government Code Section 39560 et seq., in which case the cost of such removal shall be assessed upon the parcel of lands from which or in front of which such weeds, rubbish, refuse, and/or dirt are removed and that upon confirmation such cost will constitute a lien upon such parcel or lands until paid; and

WHEREAS, the legally required mailed notice sent to the affected property owners provided that the City Council would hear and consider all property owner objections and protests to the proposed public nuisance abatement as part of a Public Hearing process conducted on May 22, 2012; and

WHEREAS, during the May 22, 2012 Public Hearing, the City Council was to have heard and considered all objections and protests presented by property owners and other interested parties to the proposed public nuisance abatement and removal of all weeds, rubbish, refuse, and/or dirt on specified parcels identified and described in the 2012 Weed Abatement List; however, no public testimony was received; and

WHEREAS, on May 22, 2012, the City Council adopted Resolution No. 2012-05-22-2, thereby: (1) determining not to allow any objections; (2) issuing an abatement order and authorizing the Director of Public Services/City Engineer to abate and remove by use of City authorities all weeds, rubbish, refuse, and/or dirt on specified parcels as identified and described in the 2012 Weed Abatement List; (3) acquiring jurisdiction to proceed and perform the work of weed, rubbish, refuse, and/or dirt removal on specified parcels; (4) declaring that it is the intention of the City Council to assess the amount of the City's cost for the abatement of the public nuisances upon the specified parcels of land identified and described on the 2012 Weed Abatement List, which assessments against the respective parcels of land shall constitute a lien; and (5) ordering the Director of Public Services/City Engineer to keep an accounting of the cost of abatement on each separate parcel of land where removal work is performed and to submit to the City Council for confirmation an itemized written report showing such abatement costs.

WHEREAS, pursuant to Resolution No. 2012-04-24-1 and No. 2012-05-22-2, the Director of Public Services/City Engineer did abate such nuisances and/or caused the same to be abated by having such weeds removed; and

WHEREAS, the Director of Public Services/City Engineer kept an accounting of the cost of such abatement in front of and on each separate parcel of land in the form of an itemized cost report submitted this date to the City Council showing the cost of removing the weeds on or in front of each separate lot, parcel, or piece of land, or both, said report having been posted in the manner and for the time required by law; and

WHEREAS, the 2012 Weed Abatement Cost Report was duly considered by the City Council on this 10th day of July 2012.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. The City Council has received and considered the 2012 Weed Abatement Cost Report prepared by the Director of Public Services/City Engineer, which is attached hereto as Exhibit "A," and hereby confirms the report without modification.

SECTION 2. The City Clerk is hereby directed for each subject parcel, to record this Resolution in the office of the County Recorder and also to promptly forward a certified copy of this Resolution confirming the 2012 Weed Abatement Cost Report along with a certified copy of the 2012 Weed Abatement Cost Report to the Orange County Auditor-Controller and County Tax Collector, who shall add the amount of the assessments to the next regular tax bill levied against the subject parcels for municipal purposes.

PASSED, APPROVED, AND ADOPTED this 10th day of July 2012.

____
MELODY CARRUTH, MAYOR

ATTEST:

____
PEGGY J. JOHNS, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE)
CITY OF LAGUNA HILLS)

I, Peggy J. Johns, City Clerk of the City of Laguna Hills, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. ________________ adopted by the City Council of the City of Laguna Hills, California, at a regular meeting thereof, held on the 10th day of July 2012, by the following vote:

AYES:

NOES:

ABSENT:

(SEAL)

____
PEGGY J. JOHNS, CITY CLERK

2012 Weed Abatement Cost Report
Exhibit A
(Privately Owned Parcels)

AP Number:	Address:	Area Size:	Work Date:	Hand Work Cleared (sf):	Mow Work Cleared (sf):	Admin. Fee:	Mowing Charges:	Hand Charges:	**Total Charged:**	City/District Code:
627-212-06	25122 Buckboard	E	6/26/12	13,500	0	$352.00	$ -	$391.50	**$743.50**	081
627-461-03	25771 Highplains	B	6/26/12	3,630	0	$352.00	$ -	$105.27	**$457.27**	081

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: JULY 10, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: DONALD J. WHITE
ASSISTANT CITY MANAGER

ISSUE: COYOTE MANAGEMENT UPDATE

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AND FILE THE REPORT.

SUMMARY:

At the September 27, 2011, City Council meeting, staff provided the City Council with a report on coyote response efforts. The purpose of this report is to provide an update on these efforts and future plans to inform the public of correct coyote-management behavior. The current public education campaign and outreach efforts will continue through the use of City Views, the City website, and, as the opportunity arises, homeowners associations' newsletters throughout the City. In addition, staff will offer a hazing class for residents through the Community Services Department this fall designed to teach residents various hazing strategies and techniques.

BACKGROUND:

Large portions of the City of Laguna Hills serve as natural habitat for coyotes. As coyotes in urban and suburban areas continue to associate people with an easy and dependable source of food, the number of reported coyote encounters and incidents will continue, or even increase. The purpose of this report is to update the City Council as to the work that has been done recently to address coyote management and what future plans have been made to aid this effort.

<u>Public Education Campaign</u>

Public education remains one of the most important and effective ways a community can address coyote activity. Because complete eradication is not feasible, nor desired, the City seeks to continually strive to educate the community on coyote behavior and how to reduce interactions with coyotes in a safe manner.

As in the past, staff anticipates utilizing City publications to present important coyote information. Specifically, the upcoming City Views issue will feature information on living with coyotes, as well as a variety of hazing strategies. Staff will also use this opportunity to announce a hazing class for residents that will be offered through the Community Services Department in the fall. Hazing is the process of motivating a behavioral change in coyotes. As coyotes receive food or other goods from humans, they then grow to become dependent on humans, and therefore, become more comfortable around them. This can lead to more sightings, encounters, and incidents. In order to deter coyotes from returning to a home or neighborhood, residents can "haze" the coyote. Hazing employs immediate use of deterrents to move an animal out of an area or discourage undesirable behavior or activity. Hazing can maintain a coyote's fear of humans and discourage them from entering back yards or play areas. Hazing does not harm or damage animals, humans, or property.

Although written information is available in City Views and the website, residents may not feel comfortable implementing hazing techniques. As such, a hazing class will create an opportunity for residents to actively learn various hazing strategies and techniques, and practice them in a controlled environment. Initial discussions with residents and homeowners associations' representatives regarding the prospective class have been very positive and we anticipate a good turnout. Staff is currently investigating potential contract instructors.

Additionally, by request, the City continues to coordinate on an on-going basis with interested homeowners associations to provide educational information on coyote behavior in HOA newsletters.

The final component of the public education campaign includes the City website. The City website contains a link on the homepage related to coyote management. Currently, it contains information on coyote reporting procedures, as well as tips to properly interact with coyotes. There is also a collection of helpful links to additional educational material.

Trapping

In conjunction with the expanded public education campaign, the City continues to partner with interested homeowners associations to implement trapping programs. Currently, only the Nellie Gail Ranch Owners Association has chosen to conduct trapping efforts. The program includes two possible trapping sessions per year, both occurring during peak activity seasons when most reports occur (spring and fall). If there is a specific area with higher than normal activity, an additional trapping session may occur.

Response Guidelines

At this point, staff felt it important to formalize the general hierarchy of interactions with coyotes:

- Sighting—a visual observation of a coyote(s); this may occur at any time, day or night.
- Encounter—an unexpected, direct meeting between a human and a coyote, without incident.
- Incident—a conflict between a human and a coyote where the coyote exhibits the following behavior: coyote approaches a human and growls, bares teeth, or lunges; injures or kills an escorted/on-leash pet. This includes attended pet loss, but not human injury.
- Attack—an aggressive action that involves physical contact with a human and/or a human is injured by a coyote.

Common sense dictates that different interactions with coyotes require different levels of response. For example, if a coyote is simply heard in an open space area, it is not necessary to contact City staff. However, if a coyote attacks or injures a pet, City staff should be notified and made aware. The general response guidelines for coyote interactions are included as Attachment A of this report.

It should be noted that the response guidelines chart is merely a guideline for staff's response to certain coyote behaviors and interactions. Should the need arise, responses will be modified to address specific situations. In other words, this chart serves as a guideline; each report of coyote activity will be evaluated on a case by case basis. The information from this chart will be provided during the hazing class, as well as made available on the City website.

FISCAL IMPACT:

The costs associated with the public education campaign and trapping efforts have been included in the 2011-2013 Biennial Budget.

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AND FILE THE REPORT.

ATTACHMENTS:

- Attachment A: Coyote Response Guidelines

ATTACHMENT A

Coyote Response Guidelines

Coyote Action	Classification	Contact	Response
Coyote seen moving in area	Sighting	Staff	Distribute educational materials and info on coyote behavior
Coyote following or approaching a person & pet	Sighting Encounter	Staff	Educate on potential hazing techniques, what to do tips and pet management
Coyote following or approaching a person w/out pet	Encounter	Staff (trapper will be contacted), OC Animal Care	Educate on potential hazing techniques, what to do tips
Coyote entering a yard without pets	Sighting	Staff	Educate on coyote attractions, yard audit, hazing info
Coyote entering a yard with pets	Encounter	Staff	Educate on coyote attractions, yard audit, hazing info, pet management
Coyote entering yard and injuring or killing pet	Incident	Staff	Gather info on specific animals involved, report on circumstances, educate on coyote attractants, yard and neighborhood audits, hazing, pet management
Coyote entering yard with people & pets, no injury occurring	Encounter	Staff	Gather info on specific animals involved, report circumstances, educate on coyote attractants, yard/neighborhood audits, hazing, pet management

Coyote biting or injuring pet on leash	Incident	Staff (trapper will be contacted), OC Animal Care	Gather info on specific animals involved, report circumstances, educate on coyote attractants, yard/neighborhood audits, hazing, pet management
Coyote aggressive, showing teeth, back fur raised, lunging, nipping w/o contact	Incident	Staff (trapper will be contacted), Police Services, and OC Animal Care	Gather info on specific animals involved, report circumstances, educate on coyote attractants, yard. Neighborhood audits, hazing, pet management.
Coyote biting or injuring person	Attack	Call 911-Police Services, OC Animal Care, Staff (trapper will be contacted)	ID & gather info on specific animal involved, report circumstances, educate on coyote attractants, yard/neighborhood audits, and hazing, pet management, determine if plan for lethal removal must be implemented. Inform other city officials; engage DFG to implement targeted trapping.

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: JULY 10, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: PEGGY J. JOHNS
CITY CLERK

ISSUE: DESIGNATION OF VOTING DELEGATE FOR LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE

RECOMMENDATION: THAT THE CITY COUNCIL APPOINT MAYOR CARRUTH AS THE VOTING DELEGATE AND APPOINT MAYOR PRO TEMPORE LAUTENSCHLEGER AS THE VOTING ALTERNATE FOR THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE.

SUMMARY:

The Annual Conference for the League of California Cities is scheduled for Wednesday, September 5, 2012, through Friday, September 7, 2012, in San Diego. An important part of the Annual Conference is the Annual Business Meeting, scheduled for noon on Friday, September 7th at the San Diego Convention Center. At this meeting, the League membership will consider and take action on resolutions that establish League policy. The attached memo from the League of California Cities describes the process and provides procedures for voting at the Annual Conference.

In order to vote at this Annual Business Meeting, the City Council must designate a Voting Delegate and a Voting Delegate alternate, who may vote in the event that the designated voting delegate is unable to serve in that capacity. The Voting Delegate Form must be returned to the League of California Cities no later than Wednesday, August 15, 2012. The League By-Laws provide that each City is entitled to one vote in matters affecting municipal or League policy. At its December 13, 2011, meeting the City Council reconfirmed the appointment of the Mayor as the Voting Delegate and the Mayor Pro Tempore as the alternate. Mayor Carruth and Mayor Pro Tempore Lautenschleger have indicated that they plan to attend the Annual Conference; therefore, the City Council should appoint Mayor Carruth as the Voting Delegate and Mayor Pro Tempore Lautenschleger as Voting Delegate alternate.

RECOMMENDATION: THAT THE CITY COUNCIL APPOINT MAYOR CARRUTH AS THE VOTING DELEGATE AND APPOINT MAYOR PRO TEMPORE LAUTENSCHLEGER AS THE VOTING ALTERNATE FOR THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE.

ATTACHMENTS:

- May 3, 2012, League of California Cities Memo

1400 K Street
Sacramento, CA 95814
ph: (916) 658-8200
fx: (916) 658-8240

LEAGUE OF CALIFORNIA CITIES

www.cacities.org

LGHCC MAY07'12 AM10:32

Council Action Advised by August 3, 2012

May 3, 2012

TO: Mayors, City Managers and City Clerks

RE: DESIGNATION OF VOTING DELEGATES AND ALTERNATES
League of California Cities Annual Conference – September 5 - 7, San Diego

The League's 2012 Annual Conference is scheduled for September 5 - 7 in San Diego. An important part of the Annual Conference is the Annual Business Meeting *(at the General Assembly)*, scheduled for noon on Friday, September 7, at the San Diego Convention Center. At this meeting, the League membership considers and takes action on resolutions that establish League policy.

In order to vote at the Annual Business Meeting, your city council must designate a voting delegate. Your city may also appoint up to two alternate voting delegates, one of whom may vote in the event that the designated voting delegate is unable to serve in that capacity.

Please complete the attached Voting Delegate form and return it to the League's office no later than Wednesday, August 15, 2012. This will allow us time to establish voting delegate/alternates' records prior to the conference.

Please note the following procedures that are intended to ensure the integrity of the voting process at the Annual Business Meeting.

- **Action by Council Required.** Consistent with League bylaws, a city's voting delegate and up to two alternates must be designated by the city council. When completing the attached Voting Delegate form, please attach either a copy of the council resolution that reflects the council action taken, or have your city clerk or mayor sign the form affirming that the names provided are those selected by the city council. Please note that designating the voting delegate and alternates **must** be done by city council action and cannot be accomplished by individual action of the mayor or city manager alone.

- **Conference Registration Required.** The voting delegate and alternates must be registered to attend the conference. They need not register for the entire conference; they may register for Friday only. To register for the conference, please go to our website: www.cacities.org. In order to cast a vote, at least one person must be present at the Business Meeting and in possession of the voting delegate card. Voting delegates and alternates need to pick up their conference badges before signing in and picking up

-over-

the voting delegate card at the Voting Delegate Desk. This will enable them to receive the special sticker on their name badges that will admit them into the voting area during the Business Meeting.

- **Transferring Voting Card to Non-Designated Individuals Not Allowed.** The voting delegate card may be transferred freely between the voting delegate and alternates, but *only* between the voting delegate and alternates. If the voting delegate and alternates find themselves unable to attend the Business Meeting, they may *not* transfer the voting card to another city official.

- **Seating Protocol during General Assembly.** At the Business Meeting, individuals with the voting card will sit in a separate area. Admission to this area will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate. If the voting delegate and alternates wish to sit together, they must sign in at the Voting Delegate Desk and obtain the special sticker on their badges.

The Voting Delegate Desk, located in the conference registration area of the San Diego Convention Center, will be open at the following times: Wednesday, September 5, 9:00 a.m. – 6:30 p.m.; Thursday, September 6, 7:00 a.m. – 4:00 p.m.; and September 7, 7:30–10:00 a.m. The Voting Delegate Desk will also be open at the Business Meeting on Friday, but not during a roll call vote, should one be undertaken.

The voting procedures that will be used at the conference are attached to this memo. Please share these procedures and this memo with your council and especially with the individuals that your council designates as your city's voting delegate and alternates.

Once again, thank you for completing the voting delegate and alternate form and returning it to the League office by Wednesday, August 15. If you have questions, please call Mary McCullough at (916) 658-8247.

Attachments:
- 2012 Annual Conference Voting Procedures
- Voting Delegate/Alternate Form

LEAGUE OF CALIFORNIA CITIES

1400 K Street, Suite 400 • Sacramento, California 95814
Phone: 916.658.8200 Fax: 916.658.8240
www.cacities.org

Annual Conference Voting Procedures
2012 Annual Conference

1. **One City One Vote.** Each member city has a right to cast one vote on matters pertaining to League policy.

2. **Designating a City Voting Representative.** Prior to the Annual Conference, each city council may designate a voting delegate and up to two alternates; these individuals are identified on the Voting Delegate Form provided to the League Credentials Committee.

3. **Registering with the Credentials Committee.** The voting delegate, or alternates, may pick up the city's voting card at the Voting Delegate Desk in the conference registration area. Voting delegates and alternates must sign in at the Voting Delegate Desk. Here they will receive a special sticker on their name badge and thus be admitted to the voting area at the Business Meeting.

4. **Signing Initiated Resolution Petitions**. Only those individuals who are voting delegates (or alternates), and who have picked up their city's voting card by providing a signature to the Credentials Committee at the Voting Delegate Desk, may sign petitions to initiate a resolution.

5. **Voting.** To cast the city's vote, a city official must have in his or her possession the city's voting card and be registered with the Credentials Committee. The voting card may be transferred freely between the voting delegate and alternates, but may not be transferred to another city official who is neither a voting delegate or alternate.

6. **Voting Area at Business Meeting.** At the Business Meeting, individuals with a voting card will sit in a designated area. Admission will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate.

7. **Resolving Disputes**. In case of dispute, the Credentials Committee will determine the validity of signatures on petitioned resolutions and the right of a city official to vote at the Business Meeting.

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: JULY 10, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: DAVID REYNOLDS
DEPUTY CITY MANAGER/COMMUNITY SERVICES

ISSUE: 2012 MEMORIAL DAY RACE POST EVENT REPORT AND A RESOLUTION AUTHORIZING COMMUNITY ASSISTANCE FUNDING FOR THE 3/5 MARINE SUPPORT COMMITTEE

RECOMMENDATION: THAT THE CITY COUNCIL: (1) RECEIVE AND FILE THE REPORT; AND (2) ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AUTHORIZING COMMUNITY ASSISTANCE FUNDING FOR THE 3RD BATTALION, 5TH MARINES, 1ST DIVISION SUPPORT COMMITTEE, A CALIFORNIA NONPROFIT CORPORATION."

SUMMARY:

The 14th annual City of Laguna Hills Memorial Day Half Marathon, 10K and 5K, honoring the USMC Dark Horse Battalion took place on Monday, May 28, 2012. Two thousand, seven hundred and sixty runners (2,760) participated in the event. Approximately 100 Marines ran in the race. The highlight of the community expo for 2012 was the presence of the Marines from the 3/5 Battalion, the Marines' displays, and the presence of the O.C. Sheriff Cadets running in formation in the 5K race. Total 2012 event expenditures, including staff time, were $169,622 and event revenues totaled $142,285. At its November 22, 2011, meeting, the City Council selected a formula of $3 per paid participant for the continued funding assistance of the 3rd Battalion, 5th Marines, 1st Division Support Committee, dba Laguna Hills Team Dark Horse. Based on this formula, $7,767 can be awarded to Laguna Hills Team Dark Horse. Adoption of the attached community assistance funding Resolution by the City Council will provide staff with the requisite documentation in support of the payment.

BACKGROUND:

The 14th annual City of Laguna Hills Memorial Day Half Marathon, 10K and 5K took place on Monday, May 28, 2012. Two thousand, seven hundred and sixty (2,760) participants registered for the 2012 event, with fifty-six percent (56%) utilizing the internet to pre-register. Approximately four hundred and seventy-five (475) registrations were accepted in person during the pre-registration and packet pick-up that took place at Road Runner Sports on Saturday, May 26 and Sunday, May 27 between the hours of 12:00 p.m. and 4:00 p.m. Another three hundred and forty-eight (348) runners registered in person on the morning of the event.

The City of Laguna Hills and South County Outreach again partnered in a food drive over the Memorial Day weekend. Race participants and spectators were encouraged to bring canned goods and non-perishable food items to benefit South County Outreach. Collection stations were available at the race start line, in the community expo, and at Road Runner Sports during registration and pre-race packet pick-up on Saturday, May 26 and Sunday, May 27 from noon - 4:00 pm. One hundred-thirty pounds of food were collected. In addition, the proceeds from the sales of beer garden tickets, a total of $1,690, were donated to South County Outreach.

As the City Council may recall, at its November 22, 2011 meeting, the City Council selected the option of an assistance formula based on the Memorial Day Race registration revenues for the purpose of providing future financial assistance to the 3rd Battalion, 5th Marines, 1st Division Support Committee, dba Laguna Hills Team Dark Horse. The assistance formula approved by the City Council was $3.00 per paid 5K, 10K, and half marathon race participant. Applying this formula to the total of 2,589 paid race participants for this year's event, the available community assistance funding for Laguna Hills Team Dark Horse is $7,767. Direction from the City Council at the November 22, 2011 meeting was to also require Laguna Hills Team Dark Horse to provide a report to the City Council on the anticipated use of the funds. Attached to this staff report is a letter from Laguna Hills Team Dark Horse stating its intentions on the use of the funds.

A draft resolution is attached to this staff report for the City Council's consideration and approval to authorize community assistance funding in the amount of $7,767 for Laguna Hills Team Dark Horse.

Also attached to the staff report is a one page event summary page provided to staff by the race timing company, Time Management. The summary page shows event participation totals per race, registration by city and state, along with registration taken on line, by mail, or in person.

A highlight of the community expo for 2012 was the presence of the Marines from the 3/5 Battalion. At the request of the 3/5 Support Committee, a number of static displays were brought to the event. The public was able to sit in the vehicles and interact with the Marines. In addition, a USMC Humvee was the lead vehicle at the start of the races. The Color Guard from the 3/5 Battalion was also on hand to present the nation's colors prior to the start of the races.

Another highlight of the event was the 100 Orange County Sheriff's cadets who ran the 5K race in formation.

A medal was again given to all half marathon finishers. A “tech shirt,” designed to wick away perspiration, was also provided to half marathon participants. Medals were awarded to age division winners for the 10K, 5K and half marathon, and in addition, all children participating in the “Diaper Dash” and “Kid’s Run” were awarded medals.

FISCAL IMPACT:

The 2012 Memorial Day Race event budget in the City’s current budget cycle for direct expenditures is $145,000 with a budget forecast for event sponsorships and registration revenue totaling $162,050. Provided below is a table that presents the actual direct expenses of the event at $138,605 with the actual revenue at $142,285. Direct expenses were under actual event revenue by $3,680. Also, staff costs are included in the table below for the event which brings the overall expenses for the event to $169,622.

Table 1: 2012 Event Expense and Revenue Summary

	$ Amount
A) Event Revenue:	
Race Registrations	119,275
Sponsors	18,810
Expo Vendors	4,200
Total Revenue	**142,285**
B) Event Direct Expenses:	
Permits	1,100
Advertising	1,935
Graphics	5,548
Miscellaneous (*Truck rentals, Scaffolding)*	12,852
Race Shirts/Awards/Bibs	26,292
Services	84,736
Expo	6,142
Total Event Direct Expenses	**138,605**
C) Direct Expenses (over)/under Revenue	**3,680**
D) Event Staff Expenses:	
Planning (pre-event)	23,030
Pre-packet Pickup	1,244
Event Day	6,743
Total Staff Expenses	**31,017**
E) Total Event Expenses	**169,622**
F) Total Event Expenses (over)/under Revenue	**(27,337)**

Upon approval of the attached Resolution, $7,767 will be provided to the 3rd Battalion, 5th Marines, 1st Division Support Committee from the City's General Fund for community assistance funding. As a result, the 2012 Total Event Direct Expenditures as depicted in Table 1 would be revised to $146,372.

RECOMMENDATION: THAT THE CITY COUNCIL: (1) RECEIVE AND FILE THE REPORT; AND (2) ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AUTHORIZING COMMUNITY ASSISTANCE FUNDING FOR THE 3RD BATTALION, 5TH MARINES, 1ST DIVISION SUPPORT COMMITTEE, A CALIFORNIA NONPROFIT CORPORATION."

ATTACHMENTS:

- Resolution
- Race Totals Summary
- Laguna Hills Team Dark Horse Letter

RESOLUTION NO. 2012-07-10-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AUTHORIZING COMMUNITY ASSISTANCE FUNDING FOR THE 3RD BATTALION, 5TH MARINES, 1ST DIVISION SUPPORT COMMITTEE, A CALIFORNIA NONPROFIT CORPORATION

The City Council of the City of Laguna Hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, at the discretion of the City Council, the City may provide community assistance funding to certain community groups and nonprofit organizations that provide community service, support, and/or programming efforts intended to enhance the quality of life of the City's residents, provided the City Council finds and determines that the expenditure of such community assistance funding fulfills a public purpose and provides a direct public benefit within the City of Laguna Hills; and,

WHEREAS, at the November 22, 2011, City Council meeting, the City Council directed staff to prepare an authorizing resolution for community assistance funding for the 3rd Battalion, 5th Marines, 1st Division Support Committee, a California nonprofit corporation, based on a $3.00 per paid 5K, 10K, and half marathon event participant after the conclusion of the 2012 City of Laguna Hills Memorial Day Half Marathon, 10K, and 5K Event, which was conducted this year in honor of the USMC Dark Horse Battalion; and,

WHEREAS, applying the foregoing community assistance formula to the total of 2,589 runners that participated in the 2012 City of Laguna Hills Memorial Day Half Marathon, 10K, and 5K Event brings the proposed community assistance funding total to $7,767; and,

WHEREAS, through the adoption of this Resolution, a majority of the City Council desires to make public purpose findings in order to authorize the expenditure of community assistance funding to the 3rd Battalion, 5th Marines, 1st Division Support Committee in consideration of the work and services the Support Committee provided to enhance the quality of the 2012 City of Laguna Hills Memorial Day Half Marathon Event.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct and are incorporated herein by reference.

SECTION 2. The City Council hereby authorizes and directs that the City provide community assistance funding in the amount of $7,767 to the 3rd Battalion, 5th Marines, 1st Division Support Committee, a California nonprofit corporation.

SECTION 3. The City Council hereby finds and determines that the expenditure of community assistance funding in the Fiscal Year 2012/13 Operating Budget to the 3rd Battalion, 5th Marines, 1st Division Support Committee as authorized herein fulfills a public purpose and provides a direct public benefit to the residents of the City of Laguna and surrounding community.

PASSED, APPROVED, AND ADOPTED this 10th day of July 2012.

MELODY CARRUTH, MAYOR

ATTEST:

PEGGY J. JOHNS, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Peggy J. Johns, City Clerk of the City of Laguna Hills, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. 2012-07-10- adopted by the City Council of the City of Laguna Hills, California, at a Regular Meeting thereof held on the 10th day of July 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

PEGGY J. JOHNS, CITY CLERK

Laguna Hills Half Marathon & 5K 2012 as of 06/01/2012 11:16:48

Totals Summary

27 Total Regions

Alaska	1
Arizona	22
Arkansas	2
California	2608
Colorado	7
Florida	3
Georgia	3
Hawaii	2
Illinois	3
Kansas	1
Maryland	1
Michigan	3
Missouri	8
Nevada	47
New Jersey	1
New York	4
North Carolina	1
Oklahoma	1
Oregon	1
Pennsylvania	1
South Carolina	1
Texas	4
Utah	6
Virginia	2
West Virginia	2
Washington	2
Wisconsin	1

Top Cities

Laguna Hills	280
Aliso Viejo	236
Mission Viejo	169
Laguna Niguel	161
Irvine	129
Lake Forest	123
Rancho Santa Margari	84
San Clemente	79
San Diego	56
Orange	51

Spec Div Type

LEISURE WORLD	30	1.09%

Totals by sex

Females	1457	52.87%
Males	1303	47.13%
Total	2760	100.00%

0 Countries

2760

Entry Type

Mail early	357	12.95%
BATCH 8	14	0.51%
Sat. EXPO	202	7.33%
Sun. EXPO	273	9.91%
Race day	352	12.63%
Late Mail	12	0.44%
Web	1550	56.24%

Race Type	Entry		Finish
5K Run/Walk	829	30.04%	799
10K Run	477	17.27%	333
Half Marathon	1251	45.32%	1121
Kids 1/2 Mile	28	1.02%	28
Kids 1/2 Mile	49	1.78%	48
Kids 1/2 Mile	83	3.01%	75
Diaper Dash	43	1.56%	0

Shirts

Kids Sm.	78	2.83%
Kids Med	71	2.58%
Small...	738	26.78%
Medium..	802	29.10%
Large...	591	21.44%
XLarge..	299	10.85%
XXLarge.	45	1.63%
None....	129	4.68%

3rd Battalion, 5th Marines, 1st Division Support Committee

dba Laguna Hills Team Dark Horse July 5, 2012

To: Laguna Hills City Council Members and Staff

Ref: November 22, 2011 Council Meeting – Item 7.5.2 "Request to utilize Laguna Hills Memorial Day Race for Long Term financial support to the City's Adopted 3/5 Marines Support Committee".

It was suggested during the discussion on the above agenda item by Council Member Mayor Songstad and Council Member Bressette that Team Dark Horse should submit an annual report, detailing how the committee uses its funds, for the Council to review. On November 11, 2011 Team Dark Horse did submit our business plan for the Council's review. Below is a list of some but not all activities and material support for the 3/5 during this year, and support activities we expect to continue while the 3/5 are deployed to the Middle East later this year.

- Built a 16' x 24' Memorial Deck to the fallen of the 3/5 located at the Lt. Vincent r. Capodanno Chaplain Corps, USNR Memorial Chapel plus surrounding hardscape, steps and wounded warrior ramp.
- Purchased 3 sets of tables, chairs & umbrellas for the Memorial Deck
- Purchased much needed office equipment for the 3/5 to operate—projector, screen, copier/printer
- Donated funds to the Gary Sinise Foundation specifically for the house being built in Temecula for 3/5 triple amputee Wounded Warrior Cpl Juan Dominguez who was wounded October, 2010.
- Donation to send 3/5 Wounded Warriors to Marine Corps annual Birthday Ball
- Purchase of items to gain public support-I love 3/5 stickers, hats, shirts, flags, etc.
- Purchase of new 3/5 Banner to hang at LH Community Center when 3/5 is deployed
- Support of 3/5 Baby Showers
- Support of 3/5 Departures and Homecomings
- Continued support of annual Holiday Party in December
- Sending holiday cards to the 3/5 during their deployment

- Sending supplies when deployed-This can be a very large expense for the items plus the postage for delivery. Some of the items for this deployment are personal care products, snacks, phone cards, notebooks, stationary, journals, pens/pencils/loose leaf paper, current magazines, books

  from the Marine Corps Professional Reading List, mini versions of popular board games. Items needed can change due to a change in their mission. Deployment is scheduled for approximately 7 months.

- Regular business expenses-legal fees-CPA fees-Insurance-Postage

Going forward, as per our Mission Statement, our goal is always to lend support and encouragement to the Marines/Sailors and their families as needed. We also seek to raise awareness among our community of the daily sacrifices made by our military. Marine Commanding General states "Active interaction between Marines and Citizens in the local community is of great value to both parties."

Thank you for your support

Respectfully yours,

Michael J Bland

Michael J. Bland

President, 3rd Battalion, 5th Marines, 1st Division Support Committee

dba Laguna Hills Team Dark Horse

27251 Lost Colt Drive, Laguna Hills, CA 92653

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: JULY 10, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: COUNCIL MEMBER KOGERMAN

ISSUE: ORANGE COUNTY GRAND JURY REPORT ISSUED JULY 5, 2012, ENTITLED "USE OF GOVERNMENTAL INFLUENCE ON A PRIVATE EDUCATIONAL INSTITUTION/INAPPROPRIATE GOVERNMENT INFLUENCE"

RECOMMENDATION: THAT THE CITY COUNCIL: (1) APPOINT A THREE-MEMBER SUBCOMMITTEE CONSISTING OF TWO CITY COUNCIL MEMBERS, INCLUDING COUNCIL MEMBER KOGERMAN, AND THE CITY ATTORNEY, TO DRAFT A PROPOSED RESPONSE FROM THE CITY TO THE PRESIDING JUDGE OF THE SUPERIOR COURT OF ORANGE COUNTY IN COMPLIANCE WITH PENAL CODE 933.05(A) AND 933.05 (B); AND (2) CONSIDER ANY ADDITIONAL ACTIONS DEEMED APPROPRIATE IN RESPONSE TO THE FINDINGS AND RECOMMENDATIONS PROVIDED IN THE GRAND JURY REPORT.

BACKGROUND:

On July 5, 2012, the Orange County Grand Jury issued a report entitled the "Use of Governmental Influence on a Private Educational Institution." The report made the following four findings:

F1. City officials apparently misused their membership in a non-profit corporation established on behalf of public entities to promote their own political agenda by using their status with that organization in an effort to influence the officials at a local university.

F2. City officials arranged a meeting with the office of a university president indicating they were to introduce the executive director of the non-profit entity, when their intentions were to influence the university to investigate and discredit the report where students were assigned as interns to a political campaign by the Masters in Public Administration department.

F3. The influence wielded by city officials appears to have been an attempt to cause the officials of a local university, to exert influence on a member of their faculty.

F4. City officials may not have been forthcoming with the Orange County Grand Jury in their testimony about the primary purpose in meeting with university officials and the facts and circumstances related thereto.

In addition, the report makes the following three recommendations:

R1. The Laguna Hills, California, City Council and the Tustin, California, City Council should review the conduct of their city officials and determine what action should be taken so as to prevent future acts of misfeasance.

R2. Elected officials in Laguna Hills, California, and Tustin, California, should refrain from attempting to exercise influence over public and private educational institutions.

R3. Additional efforts, including additional hours of study and training, regarding continuing ethical training should be required of those elected officials delineated in Recommendation No. R1.

In accordance with California Penal Code Sections §933 and §933.05, the 2011-2012 Orange County Grand Jury requires responses from each agency affected by the Findings/Conclusions and Recommendations presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

> "***Not later than 90 days after the grand jury submits a final report on the operations of any public agency subject to its reviewing authority, the governing body of the public agency shall comment to the presiding judge of the superior court on the findings and recommendations pertaining to matters under the control of the governing body, and every elected county officer or agency head for which the grand jury has responsibility pursuant to Section §914.1 shall comment within 60 days to the presiding judge of the superior court, with an information copy sent to the board of supervisors, on the findings and recommendations pertaining to matters under the control of that county officer or agency head and any agency or agencies which that officer or agency head supervises or controls. In any city and county, the mayor shall also comment on the findings and recommendations…."***

As to each Grand Jury finding, the responding person or entity shall indicate one of the following:

(1) The respondent agrees with the finding.

(2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.

As to each Grand Jury recommendation, the responding person or entity shall report one of the following actions:

(1) The recommendation has been implemented, with a summary regarding the implemented action.
(2) The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.
(3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a time frame for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall not exceed six months from the date of publication of the Grand Jury report.
(4) The recommendation will not be implemented because it is not warranted or is not warranted or is not reasonable, with an explanation therefore.

RECOMMENDATION: THAT THE CITY COUNCIL: (1) APPOINT A THREE-MEMBER SUBCOMMITTEE CONSISTING OF TWO CITY COUNCIL MEMBERS, INCLUDING COUNCIL MEMBER KOGERMAN, AND THE CITY ATTORNEY, TO DRAFT A PROPOSED RESPONSE FROM THE CITY TO THE PRESIDING JUDGE OF THE SUPERIOR COURT OF ORANGE COUNTY IN COMPLIANCE WITH PENAL CODE 933.05(A) AND 933.05(B); AND (2) CONSIDER ANY ADDITIONAL ACTIONS DEEMED APPROPRIATE IN RESPONSE TO THE FINDINGS AND RECOMMENDATIONS PROVIDED IN THE GRAND JURY REPORT.

ATTACHMENTS:

1. Facsimile copy of the Grand Jury Report as transmitted on July 2, 2012
2. California Penal Code Sections 933 and 933.05
3. Grand Jury News Release

ATTACHMENT 1

THE USE OF GOVERNMENT INFLUENCE ON A PRIVATE EDUCATIONAL INSTITUTION

SUMMARY:

On November 1, 2011, a formal and confidential complaint was sent to the Orange County Grand Jury requesting that they investigate allegations that leaders of a taxpayer funded organization had attempted to quash information and debate on issues of public concern and that these leaders had inappropriately attempted to interfere in a local city council election.

Thereafter, the Grand Jury began the accumulation of documents and conducted interviews related to the subject matter of the complaint, i.e. that certain elected officials had exerted, or attempted to exert, pressure upon an independent educational institution and a member of its faculty. This investigation led to the conclusion that various parties had misled educators and misled the Grand Jury. The Grand Jury recommends that all elected public officials be reeducated in the ethics of their offices and those organizations that they represent as a part of their public service.

PURPOSE

CONFIDENTIAL

The purpose of this study was to investigate and respond to a citizen's complaint alleging what can be summarized as misfeasance of office.

METHODOLOGY

The 2011-2012 Orange County Grand Jury took the following steps to investigate the citizen's complaint letter.

- Compiled and read documents related to the complaint;
- Interviewed by telephone and in person individuals related to the complaint;
- Obtained recorded testimony under oath;
- Researched public documents relating to the ethical obligations of public officials;
- Evaluated the compiled information; and
- Generated this report.

HISTORY:

The Compensation Report

In May of 2009, a private citizen and resident of Laguna Hills, Ca. began organizing a campaign effort for a position as a member of their local city council. Part of the motivation behind this effort was a news story regarding the levels of compensation for various city officials throughout Orange County and the subject city in particular.

Following interest in this subject, the prospective candidate filed a public records request in June, 2009 with the local city as well as all of the cities in Orange County in February, 2010. The responses from the cities were considerably less than was expected and lacked much of the particular information requested.

In February, 2010, some nine (9) months prior to the anticipated date of the local election, the candidate approached a local university professor as to the availability of students to assist in obtaining the balance of the information requested from the cities and to complete an analysis of the data obtained.

A professor of governmental studies at the local university recommended two students from the university's Public Administration graduate program. He believed they could benefit from the practical experience of assisting in such a study. This type of independent study, or internship, is considered a standard practice by the university system. Students are usually awarded academic credits in an amount determined by the academic supervisor in return for the practical education that is experienced.

Two students from this university's Masters in Public Administration program were subsequently assigned to the candidate's campaign with the specific understanding that they were to assist in the gathering of financial data from cities in Orange County, Ca. and in the assessment and analysis of the information obtained. A third student, from another university, joined the study group for the distinct purpose of providing assistance in graphing and charting the data.

On May 10, 2010, a report based upon the data received from the cities was generated and released to the general public[1]. This report, that cited the salaries and compensation of local city managers, drew the attention of local news outlets and numerous news and public interest stories resulted from the information contained in the report.

The report was strongly critical of the compensation programs for city managers throughout Orange County but concentrated primarily on the compensation program of the city manager in the city in which the candidate was seeking a city council seat.

The report was entitled *"Orange County California City Managers Compensation Report, The Cost of Local Government: A Comparative Analysis of Orange County Municipalities Expenditures for City Managers."* On the cover page, authorship was credited to the two students who were identified by name and as *"Public Administrative Graduate Students"*. A further credit was given for the graphic design to yet the third student identified as a "Business Administration Graduate Student".

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[1] *Orange County, California, City Managers Compensation Report;* May 10, 2010

The cover page stated that the report included a *"forward"* (sic) by the *"candidate"* for the city council position in question. This two page foreword describes the candidate's difficulty in obtaining the requested information from the city in question as well as other Orange County cities. It describes the manner in which assistance was sought from the professor, who responded and what assistance was provided. *"When responses from the municipalities proved insufficient, the interns (students) used all manner of communication to acquire the compensation information necessary for the completion of this comprehensive analysis"*.[2]

The foreword thereafter makes campaign like statements regarding governmental *"transparency"* and public accessibility to *"municipal expenditures"*.

The report states on page three (3) of the foreword that *"the Orange County City Managers Compensation Report was commissioned by (the candidate) in March of 2010 incidental to (the candidate's) analysis (emphasis added) of information received as a result of the Public Records Act requests...."*

Under a section entitled *"Commissioning the Study"* (page 4) the report states the candidate *"sought and received support for the independent commissioning of the Orange County City Managers Compensation Report"* from the university. *"University Public Administration Graduate students were assigned to the project and were quickly activated to receive, sort, and compile the data received. When responses from the municipalities were insufficient, the graduate students used all manner of communicating to acquire the compensation information necessary for the completion of the comprehensive analysis."* The balance of the report is a discussion of the methodology used, along with attendant charts, as well as the analysis conducted to arrive at the report's conclusion.

After the report regarding city managers compensation was released, the report became the frequent topic of discussion at various public and private forums. A copy of the report was re-printed in its entirety on the web site of the Orange County Register newspaper.

The Professor

The university professor who was approached and asked to provide students to assist in the study is well known throughout the university systems as well as throughout the offices of local governments. He is a tenured professor in the university system, who is assigned to the developing graduate program of an affiliate university. He is the author of a number of publications where he has made his opinions known, some of which have suggested the consolidation of some Orange County cities. Some of his opinions were, and are, disagreeable to a number of local city officials. He has been a frequent lecturer and advisor in various governmental circles and has written numerous publications regarding governmental trends and

[2] *Orange County, California, City Managers Compensation Report;* May 10, 2010

practices. Frequently, local politicians and governmental officials were guest lecturers in his classes.

On the same date as the release of the report, a complaint by the city manager of the subject city was lodged with the professor. The complaint was a concern that the cover page of the report stated that it was *"by"* the students from the university, thereby indicating that it was authored by the students and gave the report undeserved and unsanctioned credibility. This concern was raised in spite of the explanation and clarifications contained in the foreword immediately following the title page.

The professor submitted a request to the candidate that the authorship of the report be clarified so as to alleviate any possible confusion as to the origination of the report.

A subsequent *"amended"* report was thereafter issued with a *"new"* title page which credited authorship to the candidate for the city council seat, *with "Research and Technical Assistance Provided by…"* the students, who were also identified by their respective university affiliation.

The sum and substance of the balance of the report remained substantially the same.

The City Councilmen

On Wednesday, May 19, 2010, a publically funded non- profit corporation organized on behalf of public entities met for their regular meeting. Present were duly elected local city councilmen who serve on the local board, the staff of the local division, as well as their regional director. Minutes were taken and recorded.

A city councilman from Tustin, CA. called the meeting to order and various items of business were discussed.

Under the heading *"Matters from the City Managers Association"*, a past president and a current director of the non-profit, who was also a current councilman from Laguna Hills, CA, the city which was the primary subject of the Compensation Report, brought to the attention of the board, a news article regarding *"City Managers Compensation"*. The minutes further indicate: *"A controversial report was released by council candidates and graduate students…. The* (city where the election was taking place) *is extremely upset that* (the university) *could be so irresponsible and that the Orange County Register would put a Watchdog column on the front page of the Orange County Register.* The councilman and current director *"suggested that a response is necessary in significant fashion, as the article indicates first of a series."*[3]

The minutes further show that a local city manager, *"responded by stating this type of issue happens regularly, and the need to be cautious about how to approach and avoid making this issue bigger.* A decision was made that there will be a "follow-up" with the university and the

[3] League of California Cities – Orange County Minutes, May 19, 2010

professor to address their concerns. The city councilman from Tustin, CA. agreed that the matter needed to be addressed but that they would not request a "further study".

A meeting was scheduled for July 8, 2010, with the president of the local university, said meeting to include the councilman from Laguna Hills, CA. which was the subject of the report, the city councilman from Tustin, CA., and the existing executive director of the local division of the non-profit corporation.

In a subsequent board meeting of the non-profit corporation on Wednesday, July 21, 2010, the city councilman from Tustin, CA., *"shared that he had a productive meeting"* with the president as to the *"University Salary Survey.* The university president *"said he would look into the matter further. It was a congenial meeting."*[4]

COMMUNICATIONS

A series of communications ensued after the release of the original report on May 10, 2010. These communications are informative as to the various actions taken by the involved individuals.

The professor stated in a letter to the Orange County Register that for purposes of clarification, the source for the graph in the original report was the candidate. He further indicated that the graduate students were working in the campaign as unpaid interns who gathered data for the report and that the report was not a product of or sanctioned by the university.

Thereafter a series of electronic communications took place between and among the various individuals. The university president communicated his displeasure with the professor related to the events that were described to him in the visit with the city councilmen.

The professor indicated in communications that he was making efforts to correct any misunderstanding regarding the authorship of the original report, but also refused to disclose personal information regarding the students as requested by one of the city officials.

Communications from the city councilman of Laguna Hills, CA. directed to university officials reflected his intentions to see that the local newspaper reject the original report as not being scholarly.

Some of the language used in these communications was included by the professor in his subsequent communications. It was represented to the Orange County Grand Jury that this particular language was "dictated" to the professor by the councilman from Laguna Hills, CA.

These demands being made upon the professor escalated, requesting that he continue to make efforts questioning the credibility of the original report regarding city compensation.

[4] League of California Cities – Orange County Minutes, July 21, 2010

The candidate who released the compensation report also entered the conversation by acknowledging that the "origination of the report was exclusively mine", and that the criticisms were thinly veiled political schemes.

Additional communications indicated that university officials were requesting that the university professor communicate directly with the local politicians so that a warmer relationship could be reestablished.

Thereafter, a flurry of e-mail communications began between the professor and university officials regarding the storm of publicity which was resulting from the report and the attendant explosion of notoriety associated with disclosure of the financial affairs taking place in nearby Bell, Ca.

PUBLICITY

National news networks began a series of interviews with the students, with the candidate and others. The universities' public relations officials became involved in an effort to establish the appropriate "talking points" for the various appearances, along with suggestions on how to capitalize on the use of the name of the university during these appearances.

The California State Legislature requested testimony from the students and the professor. A state senator congratulated the students and the professor and indicated an intention to sponsor legislation related to the subjects raised in the report.

The California State Attorney General announced an indication that his office was preparing to investigate any and all local governments that were paying city officials in excess of three hundred thousand ($300,000) per year.

Local newspapers continued to publish articles related to the subject of the report along with recommendations for additional oversight regarding matters of compensation for various city officials.

Congratulations and accolades to the students, the professor, and the university were extensive. Demands for more transparency by the cities were being made. Plaques were being awarded.

On November 2, 2010, the election was held in Laguna Hills, CA and the candidate who originated the report was elected.

Thereafter, circumstances surrounding this matter appeared to languish for approximately ten (ten) months until information was publically circulated to the effect that the professor had been terminated from his position, and that that action was related to city officials being upset over the various political positions voiced by the professor.

INTERVIEWS

During the course of this study, the Grand Jury conducted numerous interviews.

Officials of the non-profit organization indicated that any actions or efforts in this regard by the local public or elected officials were taken without approval or sanction by the state organization.

The executive director of the local division, as well as both councilmen, gave differing versions as to the events which took place before, during, and after the meeting with the university president. The information they provided to the Grand Jury also varied from the written documentation obtained.

Thereafter, the Orange County Grand Jury conducted interviews on a formal record.

The Executive Director

The former Executive Director of the publically funded non-profit corporation was interviewed under oath and verified the agendas and recorded minutes of the local division, validated their accuracy, and acknowledged that there is a City Managers organization in Orange County and that they hold a non-voting position on the local board.

In summary of that interview, the director recalled the meeting where the matter of the compensation study was discussed and what actions if any were to be taken. Ultimately, the chairman of the city managers association was contacted and he agreed that a meeting with the president of the university be held. Thereafter, an appointment with the president of the university was made for a meeting that was to include the city councilman from Laguna Hills, CA. the city councilman from Tustin, CA. as well as the executive director of the local division of the non-profit corporation.

The director acknowledged attendance at that meeting, and that the city councilman from Laguna Hills, CA. brought with him a marked and flagged copy of the compensation report and provided it to the president and made it clear what areas of the report were of concern.

Councilman from Tustin, CA.

A similar interview under oath was conducted with the councilman of Tustin, CA. as to the circumstances leading up to the meeting with the university president, its purpose, and the matters discussed.

The councilman indicated that the compensation report was under considerable discussion at various meetings including the meeting of the non-profit corporation and that the councilman from Laguna Hills, CA. was unhappy with it.

He acknowledged that prior discussions took place at the meeting of the non-profit as well as the decision to meet with the university president. He further acknowledged that the subject of the compensation report arose during the meeting with the president and that the professor's name arose as well. The councilman from Laguna Hills, CA. alleged that the professor was working with the candidate on the campaign and that the students were being misused by using them as campaign activists.

The Tustin city councilman also acknowledged speaking with other university officials and in those conversation discussed the universities possible involvement with local political officials in the future.

The Tustin, CA. city councilman acknowledged that the subject of city manager compensation arose because the city councilman from Laguna Hills, CA. came along and he was exercised about the report.

Councilman from Laguna Hills, CA.

The Orange County Grand Jury also conducted an interview under oath with the city councilman from the City of Laguna Hills, CA. The inquiry was directed at the events which led to the meeting with the university president, the subject of the meeting, and any results thereafter.

He acknowledged that the purpose of the meeting which took place with the president was to inform the president of the compensation report.

He further indicated to the Orange County Grand Jury that as to the future impact of these circumstances on the students of the university, that it was obvious to all concerned that it was not the best thing for them to do, i.e. to be criticizing city managers when they are the ones that do the hiring. And that the university president and the professor were bright individuals who could see the relationship and that it wouldn't be smart to slam city managers. He acknowledged that there wasn't any threat but it was just sort of self evident.

THE RESULTS

The executive officer of the local division of the publically funded non-profit corporation acknowledged that the subject of the compensation study was discussed as part of the formal meeting of the non-profit board and that the proposed action of meeting with the university president was part of that discussion. It also appeared that the city councilman from Laguna Hills, CA. was very upset with the report, and that he came to the meeting with the university president with a copy of the compensation study, and that the study was marked with considerable particularity as to those areas with which he took issue.

The university president acknowledged that the meeting took place and under what auspices. The visiting public officials questioned the accuracy of the report in question and had statistical issues with the data. They alleged that their ethical issue was that the report was written by the candidate, was a political diatribe by her and she put the university's seal on it.

After the meeting with the city councilmen and the executive director, the university president interceded in this matter and began efforts to direct the professor to correct any misunderstandings that may have taken place. He did communicate to others that the feedback from this meeting with the city councilmen and the executive director was very negative; with much resentment and that this circumstance would have an effect on students' job opportunities.

On Oct. 12, 2011, the professor resigned from his position as director of the MPA (Masters of Public Administration) at the university. A copy of his resignation was provided to the Orange

County Grand Jury wherein he stated that his motive in doing so was *"I resigned because it was clear to me that a breakaway group from the (non-profit corporation) and other disgruntled elected leaders had convinced (university) administrators that I could no longer be an effective public face for the program."*

CONFIDENTIAL

GRAND JURY RESPONSIBILITIES

Californian Penal Code section 925a states:

> *The Grand Jury may at any time examine the books and records of any incorporated city or joint powers agency located in the county. In addition to any other investigatory powers granted by this chapter, the grand jury may investigate and report upon the operations, accounts, and records of the officers, department functions, and the method or system of performing the duties of any such city or joint powers agency and make such recommendations as it may deem proper and fit.*
>
> *The grand jury may investigate and report upon the needs of all joint powers agencies in the county, including the abolition or creation of agencies and the equipment for, or the method or system of performing the duties of, the several agencies. It shall cause a copy of any such report to be transmitted to the governing body of any affected agency.*

Section 933.6 states:

> *A grand jury may at any time examine the books and records of any nonprofit corporation established by, or operated on behalf of a public entity, the books and records of which it is authorized by law to examine, and, in addition to any other investigatory powers granted by this chapter, may investigate and report upon the method or system for performing the duties of such nonprofit corporation.*

Upon the receipt of a formal complaint in regard to the foregoing information, the 2011-2012 Orange County Grand Jury investigated and came to the opinion that these circumstances warranted further review accompanied by appropriate recommendations as to any future conduct of a similar nature which may be considered.

California Government Code section #3204 is entitled "Use of office, authority or influence to obtain change in position or compensation upon corrupt condition or consideration", and states:

> *No one who holds, or who is seeking election or appointment to, any office or employment in a state or local agency shall, directly or indirectly, use, promise, threaten or attempt to use any office, authority, or influence, whether then possessed or merely anticipated, to confer upon or secure for any individual person, or to aid or obstruct any individual person in securing, or to prevent any individual person from securing, any position, nomination, confirmation, promotion, or change in compensation or position, within the state or local agency, upon consideration or condition that the vote or political influence or action of such person or another shall be given or used in behalf of, or withheld from, any candidate, officer, or party, or upon any other corrupt condition or*

consideration. This prohibition shall apply to urging or discouraging the individual employee's action.

The Institute for Local Government is the nonprofit research affiliate of the League of California Cities and the California State Association of Counties. "Its mission is to promote good government at the local level". In their publication entitled "Understanding the Basics of Public Service Ethics, Fair Process Laws and Merit-Based Decision-Making", (2009), they ask what is an ethics law?

> *For those involved in public service, "ethics laws" tend to be those laws whose central purpose is to protect the public's trust in its public institutions and those who serve in them." Many of these ethics laws are prohibitions: they forbid certain actions that would undermine the public's trust that decisions are being made to benefit the public's interests (as opposed to the personal or political interests of the decision-maker). These laws are to prevent a decision-maker "from being involved in a decision if the decision-maker has a real or perceived conflict of interest." "Because public trust and confidence is vital to the strength of a democratic system, ethics laws sometimes set very high standards for public official conduct." "Just because a given course of conduct is legal does not mean that it is ethical.*

ANALYSIS:

From the wording in these communications, it appeared that the city councilman from Laguna Hills, CA. was influencing certain actions of the professor in that some of the exact language that was to be used in the professor's letter was the same as that which was communicated by the councilman. It is equally apparent that the professor felt compromised and was attempting to defend the actions of himself and the students in raising public interest in the political process. The issue of crediting the students with the authorship of the report on the cover page, notwithstanding the rather elaborate explanation in the attending foreword, was magnified beyond its significance, apparently for political reasons.

The history of the communications is evidence of the existence of the pressure being brought to bear upon the university and the professor.

If, by express statement or by implication, it was stated or implied to the university officials that their students may or may not have altered employment expectations based upon the outcome of those concerns as represented by the elected city officials and the representations which were made regarding the compensation report, then an ethical breach was certainly taking place. And if not, there still remains a significant cloud of impropriety and circumspection over the entire affair.

The Orange County Grand Jury is concerned that these efforts were an attempt to interfere with the academic freedom and the curriculum of an educational institution, and that these elected officials misused their position as directors of a publically funded, non-profit political organization, and their political offices, to attempt to influence the operation of an independent university, its governing officials, and its faculty and students. Equally important, their conduct

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inadvertently or otherwise, may have brought negative influences to bear on the continuing career of an education professional.

In addition, it appears that the university, its governing officials, faculty, and students were being influenced by the public officials for the purpose of manipulating circumstances related to a local election. If, for example, the report in question could be discredited, it would reflect badly upon the candidate who generated the report and who was using its results as the cornerstone of her campaign efforts.

There are many reasons why the curriculum and operations of educational institutions are considered sacrosanct, and many reasons why ethical considerations by public officials must be followed. This is certainly one.

FINDINGS AND CONCLUSIONS:

In accordance with California Penal Code Sections 933 and 933.05, the 2011-2012 Grand Jury requires responses from each city affected by the **findings** presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation the 2011-2012 Orange County Grand Jury has four findings:

F1. City officials apparently misused their membership in a non-profit corporation established on behalf of public entities to promote their own political agenda by using their status with that organization in an effort to influence the officials at a local university.

F2. City officials arranged a meeting with the office of a university president indicating they were to introduce the executive director of the non-profit entity, when their intentions were to influence the university to investigate and discredit the report where students were assigned as interns to a political campaign by the Masters in Public Administration department.

F3. The influence wielded by city officials appears to have been an attempt to cause the officials of a local university, to exert influence on a member of their faculty.

F4. City officials may not have been forthcoming with the Orange County Grand Jury in their testimony about the primary purpose in meeting with university officials and the facts and circumstances related thereto.

RECOMMENDATIONS:

In accordance with California Penal Code Sections 933 and 933.05, the 2011-2012 Grand Jury requires responses from each agency affected by the **recommendations** presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation of the agencies in Orange County, the 2011-2012 Orange County Grand Jury makes the following three recommendations:

R1. The Laguna Hills, CA. City Council and the Tustin, CA. City Council should review the conduct of their city officials and determine what action should be taken so as to prevent future acts of misfeasance.

R2. Elected officials in Laguna Hills, CA. and Tustin, CA should refrain from attempting to exercise influence over public and private educational institutions.

R3. Additional efforts, including additional hours of study and training, regarding continuing ethical training should be required of those elected officials delineated in recommendation No.1.

CONFIDENTIAL

REQUIREMENTS AND INSTRUCTIONS:

In accordance with *California Penal Code* Sections §933 and §933.05, the 2011-2012 Orange County Grand Jury requires responses from each agency affected by the **Findings/Conclusions** and **Recommendations presented** in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

> *"Not later than 90 days after the grand jury submits a final report on the operations of any public agency subject to its reviewing authority, the governing body of the public agency shall comment to the presiding judge of the superior court on the findings and recommendations pertaining to matters under the control of the governing body, and every elected county officer or agency head for which the grand jury has responsibility pursuant to Section §914.1 shall comment within 60 days to the presiding judge of the superior court, with an information copy sent to the board of supervisors, on the findings and recommendations pertaining to matters under the control of that county officer or agency head and any agency or agencies which that officer or agency head supervises or controls. In any city and county, the mayor shall also comment on the findings and recommendations..."*

(a.) As to each Grand Jury finding, the responding person or entity shall indicate one of the following:

(1) The respondent agrees with the finding

(2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.

(b.) As to each Grand Jury recommendation, the responding person or entity shall report one of the following actions:

(1) The recommendation has been implemented, with a summary regarding the implemented action.

(2) The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.

(3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a time frame for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall not exceed six months from the date of publication of the Grand Jury report.

(4) The recommendation will not be implemented because it is not warranted or is not warranted or is not reasonable, with an explanation therefore.

(c.) If a finding or recommendation of the Grand Jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the Board of Supervisors shall respond if requested by the Grand Jury, but the response of the Board of Supervisors shall address only those budgetary or personnel matters over which it has some decision making aspects of the findings or recommendations affecting his or her agency or department.

RESPONSE MATRIX:

	F1	F2	F3	F4	F5	R1	R2	R3
City of Laguna Hills	X	X	X	X				
City of Tustin	X	X	X	X				
City of Laguna Hills						X	X	X
City of Tustin						X	X	X

ATTACHMENT 2

California Penal Code Sections §933 and §933.05

[Note: to reduce grand jury requests for additional response information, the grand jury has **bolded** those words in §933.05 which should be appropriately included in a response]

§933 (a) Each grand jury shall submit to the presiding judge of the superior court a final report of its findings and recommendations that pertain to county government matters during the fiscal or calendar year. Final reports on any appropriate subject may be submitted to the presiding judge of the superior court at any time during the term of service of a grand jury. A final report may be submitted for comment to responsible officers, agencies, or departments, including the county board of supervisors, when applicable, upon finding of the presiding judge that the report is in compliance with this title. For 45 days after the end of the term, the foreperson and his or her designees shall, upon reasonable notice, be available to clarify the recommendations of the report.
(b) One copy of each final report, together with the responses thereto, found to be in compliance with this title shall be placed on file with the clerk of the court and remain on file in the office of the clerk. The clerk shall immediately forward a true copy of the report and the responses to the State Archivist who shall retain that report and all responses in perpetuity.
(c) No later than 90 days after the grand jury submits a final report on the operations of any public agency subject to its reviewing authority, the governing body of the public agency shall comment to the presiding judge of the superior court on the findings and recommendations pertaining to matters under the control of the governing body, and every elected county officer or agency head for which the grand jury has responsibility pursuant to Section 914.1 shall comment within 60 days to the presiding judge of the superior court, with an information copy sent to the board of supervisors, on the findings and recommendations pertaining to matters under the control of that county officer or agency head and any agency or agencies which that officer or agency head supervises or controls. In any city and county, the mayor shall also comment on the findings and recommendations. All of these comments and reports shall forthwith be submitted to the presiding judge of the superior court who impaneled the grand jury. A copy of all responses to grand jury reports shall be placed on file with the clerk of the public agency and the office of the county clerk, or the mayor when applicable, and shall remain on file in those offices. One copy shall be placed on file with the applicable grand jury final report by, and in the control of the currently impaneled grand jury, where it shall be maintained for a minimum of five years.
(d) As used in this section "agency" includes a department.

§933.05 (a) For purposes of subdivision (b) of Section 933, as to each grand jury finding, the responding person or entity shall indicate one of the following:

(1) The respondent **agrees** with the finding.
(2) The respondent **disagrees wholly** or **partially** with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefor.

(b) For purposes of subdivision (b) of Section 933, as to each grand jury recommendation, the responding person or entity shall report one of the following actions:

(1) The recommendation h**as been implemented**, with a summary regarding the implemented action.
(2) The recommendation **has not yet been implemented, but will be implemented** in the future, with a **timeframe** for implementation.
(3) The recommendation **requires further analysis**, with an explanation and the scope and parameters of an analysis or study, and a **timeframe** for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.
(4) The recommendation **will not be implemented** because it is not warranted or is not reasonable, with an explanation therefor.

(c) However, if a finding or recommendation of the grand jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the board of supervisors shall respond if requested by the grand jury, but the response of the board of supervisors shall address only those budgetary or personnel matters over which it has some decision making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

(d) A grand jury may request a subject person or entity to come before the grand jury for the purpose of reading and discussing the findings of the grand jury report that relates to that person or entity in order to verify the accuracy of the findings prior to their release.

(e) During an investigation, the grand jury shall meet with the subject of that investigation regarding the investigation, unless the court, either on its own determination or upon request of the foreperson of the grand jury, determines that such a meeting would be detrimental.

(f) A grand jury shall provide to the affected agency a copy of the portion of the grand jury report relating to that person or entity two working days prior to its public release and after the approval of the presiding judge. No officer, agency, department, or governing body of a public agency shall disclose any contents of the report prior to the public release of the final report.

ATTACHMENT 3
NEWS RELEASE
July 5, 2012

ORANGE COUNTY GRAND JURY

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THE USE OF GOVERNMENT INFLUENCE ON A PRIVATE EDUCATIONAL INSTITUTION

Santa Ana, California--- The 2011-2012 Orange County Grand Jury has issued a report on July 5, 2012, entitled: The Use Of Government Influence On A Private Educational Institution.

The Grand Jury report, including Findings and Recommendations, can be found on the Grand Jury's website, www.ocgrandjury.org. This report will also be included as part of the Final Report of the 2011-2012 Grand Jury, to be published later this year.

On November 1, 2011, a formal and confidential complaint had been sent to the Orange County Grand Jury requesting that they investigate allegations that leaders of a taxpayer funded organization had attempted to quash information and debate on issues of public concern and that these leaders had inappropriately attempted to interfere in a local city council election. On November 3, 2011, the 2011-2012 Orange County Grand Jury also learned of these circumstances through a presentation.

Thereafter, the Grand Jury began the accumulation of documents and conducted interviews related to the subject matter of the complaint, i.e. that certain elected officials had exerted, or attempted to exert, pressure upon an independent educational institution and a member of its faculty. This investigation led to the conclusion that various parties have been less than forthcoming with the public, less than forthcoming with educators, and less than forthcoming with the Orange County Grand Jury. The Grand Jury recommends that these elected public officials be reeducated in the ethics of their offices and of those organizations that they represent as a part of their public service.

2011-2012 Orange County Grand Jury

Roy B. Baker III, Foreman