CITY of LAGUNA WOODS
CITY COUNCIL
AGENDA

Regular Meeting
Wednesday, February 17, 2016
2:00 p.m.

Laguna Woods City Hall
24264 El Toro Road
Laguna Woods, California 92637

Noel Hatch
Mayor

Shari L. Horne
Mayor Pro Tem

Cynthia Conners
Councilmember

Bert Hack
Councilmember

Carol Moore
Councilmember

Welcome to a meeting of the Laguna Woods City Council!

This meeting may be recorded, televised, and made publically available.

Public Comments: Persons wishing to address the City Council are requested to complete and submit a speaker card to City staff. Speaker cards are available near the entrance to the meeting location. Persons wishing to address the City Council on an item appearing on this agenda will be called upon at the appropriate time during the item's consideration. Persons wishing to address the City Council on an item *not* appearing on the agenda will be called upon during the "Public Comments" item. Persons who do not wish to submit a Speaker Card, or who wish to remain anonymous, may indicate their desire to speak from the floor. Speakers are requested, but not required, to identify themselves.

Americans with Disabilities Act (ADA): It is the intention of the City to comply with the ADA. If you need assistance to participate in this meeting, please contact either the City Clerk's Office at (949) 639-0500/TTY (949) 639-0535 or the California Relay Service at (800) 735-2929/TTY (800) 735-2922. The City requests at least two business days' notice in order to effectively facilitate the provision of reasonable accommodations.

REGULAR MEETING SCHEDULE

The Laguna Woods City Council regularly meets on the third Wednesday of each month at 2 p.m.

AGENDA POSTING AND AVAILABILITY

Regular and Adjourned Regular Meetings: Pursuant to California Government Code Section 54954.2 of the Ralph M. Brown Act, the City of Laguna Woods posts agendas at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637; on the City's website (www.cityoflagunawoods.org); and, at other locations designated by Resolution No. 02-33, at least 72 hours in advance of regular and adjourned regular meetings. Agendas and agenda materials are available at Laguna Woods City Hall during normal business hours and on the City's website. Printed copies of agendas and agenda materials are provided at no charge in advance of meetings. After meetings have occurred, a per page fee is charged for printed copies.

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FOR ADDITIONAL INFORMATION

For additional information, please contact the City Clerk's Office at (949) 639-0500/TTY (949) 639-0535, cityhall@cityoflagunawoods.org, or 24264 El Toro Road, Laguna Woods, California 92637.

AFFIDAVIT OF POSTING

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

I, Yolie Trippy, Deputy City Clerk, City of Laguna Woods, hereby certify under penalty of perjury that this agenda was posted at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637; on the City's website (www.cityoflagunawoods.org); and, at other locations designated by Resolution No. 02-33, pursuant to California Government Code Section 54954.2 of the Ralph M. Brown Act.

Yolie Trippy
YOLIE TRIPPY, Deputy City Clerk

2-12-16
Date

I. CALL TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. PRESENTATIONS AND CEREMONIAL MATTERS

4.1 OC Human Relations Commission Annual Report

Recommendation: Receive and file.

V. PUBLIC COMMENTS

About Public Comments: This is the time and place for members of the public to address the City Council on items *not* appearing on this agenda. Pursuant to State law, the City Council is unable to take action on such items, but may engage in brief discussion, provide direction to City staff, or schedule items for consideration at future meetings.

VI. CONSENT CALENDAR

About the Consent Calendar: All items listed on the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless a member of the City Council, City staff, or the public requests that specific items be removed from the Consent Calendar for separate discussion and consideration of action.

6.1 City Council Minutes

Recommendation: Approve the City Council meeting minutes for the regular meeting on January 20, 2016.

6.2 City Treasurer's Report

Recommendation: Receive and file the City Treasurer's Report for the month of January 2016.

6.3 Warrant Register

Recommendation: Approve the warrant register dated February 17, 2016 in the amount of $272,914.29.

6.4 Measure M2 Expenditure Report

Recommendation: Approve a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING AND CONCERNING THE AMENDED MEASURE M2 EXPENDITURE REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2015

6.5 Sales and Use Tax Consulting and Development Services

Recommendation: Approve an agreement with Hinderliter, De Llamas and Associates for sales and use tax consulting and development services and authorize the City Manager to execute the agreement, subject to approval as to form by the City Attorney.

VII. PUBLIC HEARINGS

7.1 Commercial Zoning Code Uses and Parking Standards Update

Recommendation:

1. Receive staff report.

AND

2. Open public hearing.

AND

3. Receive public testimony.

AND

4. Close public hearing.

AND

5. Discuss and provide direction to staff.

VIII. CITY COUNCIL BUSINESS

8.1 United State House of Representatives Resolution (H.R.) 3643, The Interim Consolidated Storage Act of 2015 (agendized by Mayor Pro Tem Horne)

Recommendation: Approve a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, SUPPORTING UNITED STATES HOUSE OF REPRESENTATIVES RESOLUTION (H.R.) 3643, THE INTERIM CONSOLIDATED STORAGE ACT OF 2015, AND FUTURE SENATE BILL EQUIVALENT

IX. CITY COUNCIL REPORTS AND COMMENTS

About City Council Comments and Reports: This is the time and place for members of the City Council to provide reports on meetings attended including, but not limited to, meetings of regional boards and entities to which they have been appointed to represent the City and meetings attended at the expense of the City pursuant to California Government Code Section 53232.3. Members of the City Council may also make other comments and announcements.

9.1 Coastal Greenbelt Authority
Councilmember Conners; Alternate: Mayor Pro Tem Horne

9.2 Orange County Fire Authority
Mayor Hatch

9.3 Orange County Library Advisory Board
Councilmember Moore; Alternate: Mayor Pro Tem Horne

9.4 Orange County Mosquito and Vector Control District
Mayor Pro Tem Horne

9.5 San Joaquin Hills Transportation Corridor Agency
Councilmember Hack; Alternate: Councilmember Conners

9.6 South Orange County Watershed Management Area
Councilmember Moore; Alternate: Mayor Hatch

9.7 Other Comments and Reports

X. CLOSED SESSION

XI. CLOSED SESSION REPORT

XII. ADJOURNMENT

Next Regular Meeting: Wednesday, March 16, 2016 at 2 p.m.
Laguna Woods City Hall
24264 El Toro Road, Laguna Woods, California 92637

4.1
OC HUMAN RELATIONS COMMISSION ANNUAL REPORT
(NO REPORT)

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6.1-6.5
CONSENT CALENDAR SUMMARY

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City of Laguna Woods
Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager

FOR: February 17, 2016 Regular Meeting

SUBJECT: Consent Calendar Summary

Recommendation

Approve all proposed actions on the February 17, 2016 Consent Calendar by single motion and City Council action.

Background

All items listed on the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless a member of the City Council, staff, or the public requests that specific items be removed from the Consent Calendar for separate discussion and consideration of action.

Summary

The February 17, 2016 Consent Calendar contains the following items:

6.1 Approval of the City Council meeting minutes for the regular meeting on January 20, 2016.

6.2 Approval of a motion to receive and file the City Treasurer's Report for the month of January 2016.

6.3 Approval of the warrant register dated February 17, 2016 in the amount of $272,914.29. A list of warrants is included in the agenda packet; detailed information about individual warrants is available at City Hall.

6.4 Approval of a resolution adopting and concerning the amended Measure M2 Expenditure Report for the fiscal year ended June 30, 2015 (Attachment A). As required by Orange County Local Transportation Authority Ordinance No. 3 (Measure M2), the City Council approved an expenditure report for the fiscal year ended June 30, 2015 on December 16, 2015. Subsequently, necessary revisions were identified to increase the City's reported maintenance of effort expenditures from $83,501 to $90,713. The proposed, amended expenditure report (Exhibit A to Attachment A) would supersede and replace the expenditure report that was approved on December 16, 2015.

6.5 Approval of an agreement with Hinderliter, De Llamas and Associates for sales and use tax consulting and development services and authorization for the City Manager to execute the agreement, subject to approval as to form by the City Attorney. Hinderliter, De Llamas and Associates (HdL) has provided sales and use tax allocation audit, recovery, software, reports, and revenue forecasting services, to the City since March 2015. The proposed agreement would continue HdL's services through December 31, 2018 and also allow for the provision of as needed retail attraction services. With the exception of sales and use tax software, reports, revenue forecasting, and certain retail marketing tool development services, which would be provided for established fees, all other services would be performance-based with no payments due to HdL unless new or reallocated sales and use tax revenues are received by the City as a result of HdL's services. HdL is an industry leader in the field of sales and use tax consulting with accomplishments including developing California's first computerized sales tax management program, securing legislation that allows for the independent verification of the State's sales and use tax allocations, and recovering more than $1 billion in misallocated sales and use tax revenues for local agencies. HdL's access to data, experience, and services rendered to the City uniquely position them to assist with sales and use tax consulting and development services.

6.1
CITY COUNCIL MINUTES

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CITY OF LAGUNA WOODS CALIFORNIA
CITY COUNCIL MINUTES
REGULAR MEETING
January 20, 2016
2:00 P.M.
City Council Chambers
24264 El Toro Road
Laguna Woods, California 92637

I. CALL TO ORDER

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

II. ROLL CALL

COUNCILMEMBER:	PRESENT:	Conners, Hack, Moore, Horne, Hatch
	ABSENT:	-
STAFF PRESENT:	City Manager Macon, City Attorney Cosgrove, Assistant City Manager Reilly, Administrative Services Director/City Treasurer Cady, Deputy City Clerk Trippy	

III. PLEDGE OF ALLEGIANCE

Councilmember Moore led the flag salute.

IV. PRESENTATIONS AND CEREMONIAL MATTERS

4.1 100th Birthday – Bob Christians

Mayor Hatch presented the commendation to Bob Christians. Mr. Christians and Councilmembers made brief remarks.

Mayor Hatch noted that Mr. Christians also received a certificate from Congresswoman Mimi Walter's office that was dropped off earlier in the day.

Sheri Morrison, representative from Assemblyman Harper's office, presented a certificate to Mr. Christians.

Moved by Councilmember Conners, seconded by Councilmember Hack, and carried unanimously on a 5-0 vote, to approve and present the commendation to Bob Christians.

V. PUBLIC COMMENT – None

VI. CONSENT CALENDAR

Moved by Councilmember Hack, seconded by Councilmember Moore, and carried unanimously on a 5-0 vote, to approve Consent Calendar Items 6.1 – 6.6.

6.1 City Council Minutes

Approved the City Council meeting minutes for the regular meeting on December 16, 2015.

6.2 City Treasurer's Report

Received and filed the City Treasurer's Report for the second quarter of Fiscal Year 2015-16 (October through December 2015), inclusive of the month of December 2015.

6.3 Warrant Register

Approved the warrant register dated January 20, 2016 in the amount of $561,202.91.

6.4 Other Post-Employment Benefits (OPEB) Trust

1. Approved a resolution entitled:

> A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING AN AGREEMENT AND ELECTION TO PREFUND OTHER POST-EMPLOYMENT BENEFITS THROUGH THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS) USING AN INTERNAL REVENUE CODE SECTION 115 IRREVOCABLE TRUST AND AUTHORIZING THE EXECUTION OF THE AGREEMENT AND ELECTION, AS WELL AS OTHER RELATED DOCUMENTS AND CERTIFICATION

AND

2. Approved a resolution entitled:

> A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, DELEGATING AUTHORITY TO REQUEST DISBURSEMENTS FROM THE INTERNAL REVENUE CODE SECTION 115 IRREVOCABLE TRUST USED TO PREFUND OTHER POST-EMPLOYMENT BENEFITS THROUGH THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS)

6.5 CalRecycle Payment Programs Authorizations

Approved a resolution entitled:

> A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ESTABLISHING AUTHORIZATIONS RELATED TO THE APPLICATION FOR AND ADMINISTRATION OF CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY (CALRECYCLE) PAYMENT PROGRAMS

6.6 Energy Efficient Improvement Project: Installation or Replacement of Heat Pump Units FY 2015-2016 through FY 2017-2018

Awarded a contract agreement to Quality Heating & Air Conditioning for the Energy Efficient Improvement Project: Energy Efficient Improvement Project: Installation or Replacement of Heat Pump Units FY 2015-2016 through FY2017-2018, in an amount not to exceed $17,000 per fiscal year ($51,000 cumulatively), through Fiscal year 2017-18, and authorized the City Manager to execute a contract agreement, subject to approval of the contract agreement as to form by the City Attorney.

VII. PUBLIC HEARINGS

7.1 Amendment of Valencia Center Sign Program

City Manager Macon summarized the agenda report and made a presentation.

Mayor Hatch opened the public hearing.

With there being no requests to speak, the public hearing was closed.

Councilmembers discussed the item and staff answered related questions.

Al Almond, representative of Mother's Market, and Doug Odwyer, representative of Sign Source, provided information on Mother's Market and answered questions from the City Council.

Moved by Councilmember Conners, seconded by Mayor Pro Tem Horne, and carried unanimously on a 5-0 vote, to approve a resolution entitled:

> A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING AN AMENDMENT OF THE SIGN PROGRAM FOR THE VALENCIA CENTER LOCATED AT PASEO DE VALENCIA AND EL TORO ROAD, LAGUNA WOODS, CALIFORNIA 92637 RELATED TO THE MAJOR TENANT SPACE LOCATED AT 24165 PASEO DE VALENCIA,

LAGUNA WOODS, CALIFORNIA 92637

VIII. CITY COUNCIL BUSINESS

8.1 Medical Marijuana Cultivation Regulations

City Manager Macon summarized the agenda report.

Elizabeth Romano, resident, spoke in support of medical marijuana laboratory testing.

Councilmembers discussed the item and staff answered related questions.

Moved by Councilmember Hack, seconded by Councilmember Horne, and carried unanimously on a 5-0 vote, to approve second reading and adopt an ordinance – read by title with further reading waived – entitled:

> AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADDING SECTION 13.26.026 (COMMERCIAL MEDICAL MARIJUANA CULTIVATION) TO CHAPTER 13.26 (SPECIAL REGULATIONS) OF TITLE 13 (ZONING) OF THE LAGUNA WOODS, MUNICIPAL CODE TO REGULATE COMMERCIAL MEDICAL MARIJUANA CULTIVATION

8.2 Employee Positions, Compensation, and Benefits

City Manager Macon summarized the agenda report and made a presentation.

Councilmembers discussed the item and staff answered related questions.

Moved by Councilmember Hack, seconded by Councilmember Moore, and carried unanimously on a 5-0 vote, to approve the Management Analyst Series (Management Analyst and Senior Management Analyst) job classification.

Moved by Councilmember Moore, seconded by Mayor Pro Tem Horne, and carried unanimously on a 5-0 vote, to approve a resolution entitled:

> A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ESTABLISHING A COMPENSATION SCHEDULE AND BENEFITS FOR CITY EMPLOYEES

Moved by Councilmember Conners, seconded by Councilmember Moore, and carried unanimously on a 5-0 vote, to approve a resolution entitled:

> A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, MODIFYING THE AUTHORIZED

CITY EMPLOYEE POSITIONS FOR FISCAL YEAR 2015-16

8.3 City Council Regional Appointments

Mayor Pro Tem Horne discussed modifying appointments to the Orange County Library Board such that she would serve as the alternate and Councilmember Moore would serve as the member. Mayor Pro Tem Horne currently serves as the member and Councilmember Moore currently serves as the alternate.

Moved by Mayor Pro Tem Horne, seconded by Councilmember Conners, and carried unanimously on a 5-0 vote, to appoint Councilmember Moore as the member and Mayor Pro Tem Horne as the alternate on the Orange County Library Advisory Board, effective immediately through December 31, 2017.

IX. CITY COUNCIL REPORTS AND COMMENTS

9.1 Coastal Greenbelt Authority

Councilmember Conners stated that there had been no meeting since the last meeting. She discussed concerns regarding a wildlife corridor through Irvine.

Councilmember Hack commented on Councilmember Conners' comments.

9.2 Orange County Fire Authority

Mayor Hatch stated that there had been no meeting since the last meeting.

9.3 Orange County Library Advisory Board

Councilmember Moore stated that there had been no meeting since the last meeting.

9.4 Orange County Mosquito and Vector Control District

Mayor Pro Tem Horne provided a report.

9.5 San Joaquin Hills Transportation Corridor Agency

Councilmember Hack provided a report.

Councilmember Moore discussed the report.

9.6 South Orange County Watershed Management Area

Councilmember Moore provided a report.

Councilmembers discussed the report.

9.7 Other Comments and Reports

Mayor Pro Tem Horne commented on waste storage issues regarding the San Onofre Nuclear Generating Station.

Bob Ring, resident and former Councilmember, announced that he is moving to the City of Thousand Oaks and expressed his appreciation for the City's work.

Councilmembers thanked Mr. Ring for his years of service to the City.

Mayor Hatch discussed a recent altercation a resident had with a coyote.

Councilmembers briefly discussed Mayor Hatch's comments and staff answered related questions.

X. CLOSED SESSION – None

XI. CLOSED SESSION REPORT – None

XII. ADJOURNMENT

The meeting was adjourned at 3:39 p.m. The next regular meeting will be at 2:00 p.m. on Wednesday, February 17, 2016 at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

_____

YOLIE TRIPPY, Deputy City Clerk

Adopted: February 17, 2016

_____

NOEL HATCH, Mayor

6.2
CITY TREASURER'S REPORT

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Item 6.2

Noel Hatch
Mayor

Shari L. Horne
Mayor Pro Tem

Cynthia Conners
Councilmember

Bert Hack
Councilmember

Carol Moore
Councilmember

Christopher Macon
City Manager

CITY of LAGUNA WOODS

February 17, 2016

TO: Honorable Mayor and Councilmembers

FROM: Margaret A. Cady, City Treasurer

SUBJECT: Monthly Treasurer's Report: January 2016

Attached is the Treasurer's Report for the month of January 2016. The information provided includes:

- Report reflecting $10,601,636 Cash on Hand at January 31, 2016, including $10,352,344 in the City's interest-bearing Local Agency Investment Fund (LAIF) account, $247,292 in the City's checking account, and $1,350 in petty cash funds.

- Copy of the latest LAIF Remittance Advice showing principal balance at January 31, 2016. Interest is accrued and reported quarterly. $9,076 in investment earnings for the period October 2015 through December 2015 were deposited to the account this month.

As City Treasurer, I certify that:

- All investment actions executed since the last report have been made in full compliance with the City of Laguna Woods Investment Policy; and

- The City of Laguna Woods will meet all expenditure obligations that might reasonably be anticipated for the next twelve months.

for

Margaret A. Cady
Administrative Services Director/City Treasurer

City of Laguna Woods

Monthly Treasurer's Report

Balances As of January 31, 2016

CASH ON HAND

Investments - Local Agency Investment Fund (LAIF) (Note 1)

1.	Investments/General Fund	$	9,910,549
2.	Investments/Special Funds		441,795
3.	Interest Earned and Receivable (Notes 2 and 3)		-
	Subtotal Investments	$	10,352,344

Other Funds - Interest & Non-Interest Bearing/General & Special

4.	Petty Cash Funds		1,350
5.	Analyzed Checking Account		247,942
	Subtotal Other Funds	$	249,292
	TOTAL ALL FUNDS	$	10,601,636

Notes:

Note 1 - In January 2016, $650,000 was transferred from the Analyzed Checking Account into the LAIF General Fund Investment Account.

Note 2 - LAIF reports interest earnings quarterly. Interest earnings of $9,076 earned and receivable for the quarter ended December 31, 2015 were credited on January 15, 2016 and reflected in the totals above. There are no accrued interest earnings to report this period.

Note 3 - The average interest yield for the quarter ended December 31, 2015 was 0.37%, an increase over the average yield of 0.32% for the previous quarter ended September 30, 2015.

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia-laif/laif.asp
February 05, 2016

CITY OF LAGUNA WOODS

CITY TREASURER
24264 EL TORO ROAD
LAGUNA WOODS, CA 92653

PMIA Average Monthly Yields

Account Number:
98-30-413

Tran Type Definitions

January 2016 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
1/8/2016	1/7/2016	RD	1488617	MARGARET A. CADY	650,000.00
1/15/2016	1/14/2016	QRD	1491400	SYSTEM	9,076.03

Account Summary

Total Deposit:	659,076.03	Beginning Balance:	9,693,267.71
Total Withdrawal:	0.00	Ending Balance:	10,352,343.74

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6.3
WARRANT REGISTER

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CITY OF LAGUNA WOODS
WARRANT REGISTER
2/17/2016

Number	Date	Vendor Name	Description	Amount
		Automatic Bank Debits		
Debit	1/13/2016	ADP PAYROLL SERVICES	Payroll / Pay Period Ended 1/8/2016	$29,604.32
Debit	1/13/2016	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 1/8/2016	2,376.42
Debit	1/14/2016	ADP PAYROLL SERVICES	Payroll / Year End Taxes - Employee Fringe Benefit Program	5,543.59
Debit	1/22/2016	ADP PAYROLL SERVICES	Payroll Processing Fees / Pay Period Ended 1/8/2016	149.68
Debit	1/22/2016	ADP PAYROLL SERVICES	Payroll Processing Fees / Third Quarter Tax Filing Amendment	390.00
Debit	1/22/2016	ADP PAYROLL SERVICES	Payroll Processing Fees / Year End W-2 Adjustments	113.75
Debit	1/28/2016	ADP PAYROLL SERVICES	Payroll / Pay Period Ended 1/22/2016	28,883.07
Debit	1/28/2016	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 1/22/2016	2,379.56
Debit	02/05/2016	ADP PAYROLL SERVICES	Payroll Processing Fees / Pay Period Ended 1/22/2016	145.97
Debit	02/03/2016	CALPERS - HEALTH	Employee Benefit Program / February 2016	3,124.83
		Warrants:		
117501	01/13/2016	AAA AWARDS & MONOGRAMMING	Plaque - Community Services Manager / Engraving - City Council	167.40
117502	01/13/2016	ALISO CREEK PRINTING	Signature Stamps for Mayor and Mayor Pro Tem	32.40
117503	01/13/2016	AT&T	White Pages / January 2016	4.53
117504	01/13/2016	CIVIL SOURCE	Engineering & Traffic Services / November 2015	9,815.00
117505	01/13/2016	CYNTHIA CONNERS	Auto Allowance / January 2016	300.00
117506	01/13/2016	COPYFORCE	Building Permit Application Forms	797.04
117507	01/13/2016	EL TORO WATER DISTRICT	Landscape Irrigation / December 2015	4,199.87
117508	01/13/2016	EL TORO WATER DISTRICT	Ridge Route Dog Park Irrigation / December 2015	20.76
117509	01/13/2016	EL TORO WATER DISTRICT	Ridge Route Linear Park Irrigation / December 2015	638.92
117510	01/13/2016	DAWN FROESCHNER	Waste Diversion Deposit Refund	250.00
117511	01/13/2016	GENERAL DATA CO	Office Printer Maintenance	240.00
117512	01/13/2016	GOLDEN STATE OVERNIGHT	Courier Services / November-December 2015	42.77
117513	01/13/2016	HACK, BERT	Auto Allowance / January 2016	300.00
117514	01/13/2016	ROBERT NOEL HATCH	Auto Allowance / January 2016	300.00
117515	01/13/2016	SHARI HORNE	Auto Allowance / January 2016	300.00
117516	01/13/2016	ICMA RETIREMENT CORPORATION	Annual 457 Plan Fee / 1st Qtr 2016	125.00
117517	01/13/2016	KONE, INC.	City Hall Elevator Maintenance / January 2016	245.58
117518	01/13/2016	KONICA MINOLTA	Copier Lease / January 2016	483.84
117519	01/13/2016	LEAGUE OF CALIFORNIA CITIES	City Annual Membership Dues / 2016	6,469.00
117520	01/13/2016	MACEACHERN COMPANY	Waste Diversion Deposit Refund	250.00
117521	01/13/2016	MARYELLEN MARSH	Waste Diversion Deposit Refund	250.00
117522	01/13/2016	NIEVES LANDSCAPE, INC.	City Hall Landscape Maintenance / January 2016	325.00
117523	01/13/2016	OFFICE TEAM	Temporary Administrative Services / Weeks Ending 12/18/2015 thru 01/01/2016	980.07
117524	01/13/2016	ORANGE COUNTY REGISTER-NOTICES	Public Notices / December 2015	456.23
117525	01/13/2016	SOUTHERN CALIFORNIA EDISON	Irrigation Controllers / December 2015	103.65
117526	01/13/2016	SOUTHERN CALIFORNIA EDISON	Irrigation Controllers / December 2015	27.23

CITY OF LAGUNA WOODS
WARRANT REGISTER
2/17/2016

Number	Date	Vendor Name	Description	Amount
117527	01/13/2016	SOUTHERN CALIFORNIA EDISON	Residential Streetlights / December 2015	2,213.87
117528	01/13/2016	SOUTHERN CALIFORNIA EDISON	Traffic Signal Control / November-December 2015	955.84
117529	01/13/2016	SOUTHERN CALIFORNIA EDISON	Ridge Route Dog Park / December 2015	52.34
117530	01/13/2016	STAPLES	General Office Supplies	71.48
117531	01/13/2016	THE GAS COMPANY	City Hall Utilities / December 2015	109.33
117532	01/13/2016	THE GVILI TRUST	Waste Diversion Deposit Refund	250.00
117533	01/13/2016	WARE DISPOSAL, INC.	Sharps Disposal Program / November 2015	1,239.72
117534	01/13/2016	WEST COAST REMODELING EXPERTS	Waste Diversion Deposit Refund	250.00
117535	01/13/2016	DEBBIE WILLIAMS	Taxi Voucher Refund	50.00
117536	01/20/2016	A & B HOME REMODELING & DESIGN	Waste Diversion Deposit Refund	250.00
117537	01/20/2016	ADAS, LLC	Waste Diversion Deposit Refund	250.00
117538	01/20/2016	ANDERSONPENNA PARTNERS, INC.	Code Enforcement & Landscape Inspection / December 2015	6,761.25
117539	01/20/2016	AT&T	Telephone / 581-3974 / January 2016	94.10
117540	01/20/2016	AT&T	Telephone / 583-1105 / January 2016	18.51
117541	01/20/2016	BALLIET, MICHAEL	Waste & Recycling Consulting Services / November-December 2015	4,356.25
117542	01/20/2016	CAA	Water Quality Consulting Services / December 2015	2,724.00
117543	01/20/2016	CALIFORNIA CHAMBER OF COMMERCE	2016 California and Federal Required Labor Law Notices	115.84
117544	01/20/2016	CALIFORNIA YELLOW CAB	Taxi Voucher & NEMT Taxi Voucher Services / December 2015	20,001.00
117545	01/20/2016	CITY OF LAGUNA BEACH	Animal Control & Shelter Services / January 2016	8,156.25
117546	01/20/2016	COUNTY OF ORANGE	800MHz Communication Charges / 3rd Quarter / FY 2015-16	361.00
117546	01/20/2016	COUNTY OF ORANGE	Communication Charges - 800 MHz Flat Rate / October-December 2015	426.45
117547	01/20/2016	CSG CONSULTANTS, INC.	Plan Check Services / December 2015	3,357.50
117548	01/20/2016	DELL MARKETING L.P.	Extended Warranty Renewals - Dell Onsite Diagnosis Service	1,329.90
117549	01/20/2016	ELLIOT BAY DESIGNS	Waste Diversion Deposit Refund	250.00
117550	01/20/2016	GOVERNMENT FINANCE OFFICERS ASSOCIATION	Membership Dues / 2016 / Administrative Services Director/City Treasurer	190.00
117551	01/20/2016	ALIDA GULDALIAN	Taxi Voucher Refund	13.00
117552	01/20/2016	KONICA MINOLTA BUSINESS	Copier Services / 4th Quarter 2015	270.82
117553	01/20/2016	LILLEY PLANNING GROUP	Building Official Services / December 2015	8,892.00
117554	01/20/2016	MICHAEL BAKER INTERNATIONAL	General Plan Comprehensive Update Project / November-December 2015	12,877.50
117555	01/20/2016	MUNICIPAL WATER DISTRICT OF ORANGE COUNTY	Water Policy Forum - Councilmember Hack / 1/22/2016	80.00
117556	01/20/2016	MYKATON CONSTRUCTION	Waste Diversion Deposit Refund	250.00
117557	01/20/2016	NIEVES LANDSCAPE, INC.	Right of Way Landscape Maintenance / January 2016	10,725.41
117558	01/20/2016	INESA NORDLETH	Taxi Voucher Refund	50.00
117559	01/20/2016	OFFICE TEAM	Temporary Administrative Services / Week Ending 01/08/2016	402.08
117560	01/20/2016	ORKIN	Pest Control Services / January 2016	105.01
117561	01/20/2016	PATRIOT ENVIRONMENTAL LAB	City Hall Asbestos Survey and Related Work	3,266.00
117562	01/20/2016	PEAK LIGHTING & ELECTRIC, INC.	Residential Streetlight Repairs and Monthly Maintenance / January 2016	1,032.38

CITY OF LAGUNA WOODS
WARRANT REGISTER
2/17/2016

Number	Date	Vendor Name	Description	Amount
117563	01/20/2016	PV MAINTENANCE, INC.	Street Maintenance Services / December 2015	10,461.12
117564	01/20/2016	VIVIAN RONKIN	Taxi Voucher Refund	12.00
117565	01/20/2016	RUTAN & TUCKER, LLP	Legal Services / September-November 2015	24,641.38
117566	01/20/2016	HOSSEIN SALEHI	Waste Diversion Deposit Refund	250.00
117567	01/20/2016	SOUTHERN CALIFORNIA EDISON	Irrigation Controllers / December 2015	26.99
117568	01/20/2016	SOUTHERN CALIFORNIA EDISON	Right of Way / December 2015	2,235.13
117569	01/20/2016	SOUTHERN CALIFORNIA EDISON	Traffic Signal Control / December 2015	366.01
117570	01/20/2016	THE GVILI TRUST	Waste Diversion Deposit Refund	250.00
117571	01/20/2016	WARE DISPOSAL, INC.	Sharps Disposal Program & Extra Hauling Fee / December 2015	1,406.08
117572	01/20/2016	MARSHALL YAGAN	Waste Diversion Deposit Refund	250.00
117573	01/27/2016	CA-NV DISTRICT EXCHANGE CLUBS	Orange County Fire Authority Best & Bravest Dinner / Mayor Pro Tem Horne, City Manager, and Administrative Services Director/City Treasurer	135.00
117574	01/27/2016	BRANDON CHAE	Waste Diversion Deposit Refund	250.00
117575	01/27/2016	DAYLE MCINTOSH CENTER	Community Services Grant / Final Payment / Calendar Year 2015	2,500.00
117576	01/27/2016	DELTA DENTAL OF CALIFORNIA	Employee Benefits Program / February 2016	340.61
117577	01/27/2016	EL TORO WATER DISTRICT	City Hall Water & Sewer Services / January 2016	115.51
117578	01/27/2016	EL TORO WATER DISTRICT	Fire Code Requirement - Backflow - City Hall / January 2016	28.00
117579	01/27/2016	FOUNDATION OF LAGUNA WOODS	Community Services Grant / Final Payment / Calendar Year 2015	3,750.00
117580	01/27/2016	IK H KIM	Waste Diversion Deposit Refund	250.00
117581	01/27/2016	YOUNG H LEE	Cancelled Permit Refund	385.45
117582	01/27/2016	VLADIMIR MANYAK	Waste Diversion Deposit Refund	250.00
117583	01/27/2016	PACIFIC BUILDER	Release of Retention / City Hall Bollard Replacement Project	1,440.00
117584	01/27/2016	PRINCIPAL FINANCIAL GROUP	Long-Term Disability Insurance / February 2016	437.59
117585	01/27/2016	SCP PLUMBING, INC.	Cancelled Permit Refund	37.95
117586	01/27/2016	SOUTHERN CALIFORNIA WATER COMMITTEE	Southern California Water Committee Quarterly Meeting / Councilmember Hack	70.00
117587	01/27/2016	YVONNE SWUN	Cancelled Permit Refund	387.95
117588	01/27/2016	TRAUMA INTERVENTION PROGRAM	Community Services Grant / Final Payment / Calendar Year 2015	625.00
117589	02/03/2016	AT&T	Telephone / 458-3487 / January 2016	38.79
117590	02/03/2016	AT&T	Telephone / 452-0600 / January 2016	728.15
117591	02/03/2016	AT&T	Telephone / 639-0500 / January 2016	204.98
117592	02/03/2016	BLUE RIBBON TROPHY	Name Badge for Mayor Pro Tem	23.96
117593	02/03/2016	IRWIN B BORNSTEIN, CPA	Financial Consulting Services / January 2016	382.50
117594	02/03/2016	CITY CLERKS ASSOCIATION OF CALIFORNIA	Membership Dues / FY 2015-16 Balance / Deputy City Clerk	75.00
117595	02/03/2016	COLLINS BUILDERS, INC.	EP-800 / Refund of Permit Deposit Balance	1,236.75
117596	02/03/2016	CYNTHIA CONNERS	Auto Allowance / February 2016	300.00
117597	02/03/2016	COUNTY OF ORANGE	South Orange County Watershed Management / Cost Share FY 2015-16	3,636.60
117597	02/03/2016	COUNTY OF ORANGE	Aliso Creek Watershed / Cost-Share FY 2015-16	6,637.86

CITY OF LAGUNA WOODS
WARRANT REGISTER
2/17/2016

Number	Date	Vendor Name	Description	Amount
117598	02/03/2016	COX COMMUNICATIONS	EP-850 / Refund of Permit Deposit Balance	1,861.55
117599	02/03/2016	CRITTER BUSTERS, INC.	Animal Trapping Services / January 2016	2,200.00
117600	02/03/2016	DATA TICKET, INC.	Citation Processing / December 2015	0.70
117601	02/03/2016	DICKINSON ELECTRIC	City Hall Maintenance Services	184.00
117602	02/03/2016	PATRICK FOLEY	CDBG Project Administration and Implementation Services / January 2016	3,937.50
117603	02/03/2016	GOLDEN RAIN FOUNDATION	CUP-1071 / Refund of Permit Deposit Balance	1,950.85
117603	02/03/2016	GOLDEN RAIN FOUNDATION	GP-753, SP-818, GP-916 / Refund of Net Permit Deposits Balance	1,287.39
117604	02/03/2016	GOLDEN STATE OVERNIGHT	Courier Services / January 2016	14.03
117605	02/03/2016	HACK, BERT	Auto Allowance / February 2016	300.00
117606	02/03/2016	EVELYN HANDWEILER	NEMT Voucher Refund	24.00
117607	02/03/2016	ROBERT NOEL HATCH	Auto Allowance / February 2016	300.00
117608	02/03/2016	SHARI HORNE	Auto Allowance / February 2016	300.00
117609	02/03/2016	ANNE HOWARD	Taxi Voucher Refund	104.50
117610	02/03/2016	M & S EQUIPMENT, INC.	EP-910 / Refund of Permit Deposit Balance	1,140.90
117611	02/03/2016	MANAGED HEALTH NETWORK	Employee Benefits Program / February 2016	14.63
117612	02/03/2016	OFFICE DEPOT	General Office Supplies	176.99
117613	02/03/2016	OFFICE TEAM	Temporary Administrative Services / Week Ending 01/15/2016	402.08
117614	02/03/2016	SONITROL	City Hall Fire Monitoring / February 2016	64.38
117615	02/03/2016	SOUTH COAST RESTORATION	City Hall Repair Services	754.00
117616	02/03/2016	SOUTHERN CALIFORNIA EDISON	City Hall Utilities / January 2016	1,079.51
117617	02/03/2016	STAPLES	General Office Supplies	245.82
117618	02/03/2016	TONY'S LOCKSMITH & SAFE SERVICES	Locksmith Services	15.23
117619	02/03/2016	VISION SERVICE PLAN OF AMERICA	Employee Benefits Program / February 2016	142.99
117620	02/03/2016	WAGE WORKS	Benefit Administration / December 2015	50.00
			Total Warrants:	**$272,351.72**

Credit Card Statement Detail / December 6 - January 5, 2016

ACE Parking	City Clerks New Law & Elections Seminar - Parking / Macon & Trippy	20.00
GoDaddy.Com	Three-Year UCC SSL Certificate - Domain (lagunawoodscity.org)	404.97
GoDaddy.Com	Five-Year Domain Name Renewal - Domain (cityoflagunawoods.org)	90.85
FedEx	Delivery Charges	46.75
	Total Credit Cards:	**$562.57**

TOTAL **$272,914.29**

6.4
MEASURE M2 EXPENDITURE REPORT

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RESOLUTION NO. 16-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING AND CONCERNING THE AMENDED MEASURE M2 EXPENDITURE REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2015

WHEREAS, Orange County Local Transportation Ordinance No. 3 requires local jurisdictions to adopt an annual expenditure report to account for net revenues, developer/traffic impact fees, and funds expended by local jurisdictions that satisfy the maintenance of effort requirements; and

WHEREAS, the Measure M2 Expenditure Report must include all net revenue fund balances, interest earned, and expenditures identified by type and program or project; and

WHEREAS, the Measure M2 Expenditure Report is required to be adopted and submitted to the Orange County Transportation Authority (OCTA) each year within six months of the end of the local jurisdiction's fiscal year to be eligible to receive net revenues as part of Measure M2; and

WHEREAS, on December 16, 2015, the City Council approved the Measure M2 Expenditure Report for the Fiscal Year ending June 30, 2015; and

WHEREAS, revisions to the previously approved Measure M2 Expenditure Report for the Fiscal Year ending June 30, 2015 are required to increase the City's reported maintenance of effort expenditures from $83,501 to $90,713.

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

SECTION 1. That the Measure M2 Expenditure Report for the Fiscal Year ending June 30, 2015, attached hereto as Exhibit A, is in conformance with the M2 Expenditure Report Template provided in the Measure M2 Eligibility Guidelines and accounts for net revenues, including interest earned, expenditures during the fiscal year, and balances at the end of the fiscal year.

SECTION 2. That the Measure M2 Expenditure Report for the Fiscal Year ending June 30, 2015, attached hereto as Exhibit A, is hereby adopted by the City

of Laguna Woods. This resolution, including Exhibit A, shall supersede and replace Resolution No. 15-28 and the Measure M2 Expenditure Report that were approved by the City Council on December 16, 2015.

SECTION 3. That the City of Laguna Woods' City Manager is hereby authorized to sign and submit the amended Measure M2 Expenditure Report to OCTA for the fiscal year ended June 30, 2015. The conferral of such authority shall ratify the earlier submission of the amended Measure M2 Expenditure Report to OCTA, as requested by OCTA staff.

SECTION 4. The Deputy City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2016.

_____
NOEL HATCH, Mayor

ATTEST:

_____
YOLIE TRIPPY, Deputy City Clerk

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

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 16-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2016, by the following vote:

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

_____
YOLIE TRIPPY, Deputy City Clerk

M2 Expenditure Report

Fiscal Year Ended June 30, 2015

Beginning and Ending Balances

Description	Line No.	Amount
Balances at Beginning of Fiscal Year		
M2 Fairshare	1	$ 68,465
M2 Fairshare Interest	2	$ 411
M2 CTFP	3	
M2 CTFP Interest	4	
Other M2 Funding	5	
Other M2 Interest	6	
Other*	7	
Balances at Beginning of Fiscal Year (Sum Lines 1 to 7)	8	$ 68,876
Monies Made Available During Fiscal Year	9	$ 280,511
Total Monies Available (Sum Lines 8 & 9)	10	$ 349,387
Expenditures During Fiscal Year	11	$ 251,876
Balances at End of Fiscal Year		
M2 Fairshare	12	$ 99,234
M2 Fairshare Interest	13	$ 437
M2 CTFP	14	$ -
M2 CTFP Interest	15	$ -
Other M2 Funding	16	$ (2,160)
Other M2 Interest	17	$ -
Other*	18	$ -

* Please provide a specific description

CTFP - Comprehensive Transportation Funding Programs

City of Laguna Woods

M2 Expenditure Report

Schedule 2

Fiscal Year Ended June 30, 2015

Sources and Uses

Description	Line No.	Amount
Revenues:		
M2 Fairshare	1	$ 200,242
M2 Fairshare Interest	2	$ 26
M2 CTFP (Project O)	3	
M2 CTFP Interest	4	
Other M2 Funding**	5	$ 80,164
Other M2 Interest	6	$ 79
Other*	7	
TOTAL REVENUES (Sum lines 1 to 7)	8	$ 280,511
Expenditures:		
M2 Fairshare	9	$ 169,472
M2 Fairshare Interest	10	
M2 CTFP (Project O)	11	
M2 CTFP Interest	12	
Other M2 Funding**	13	$ 82,324
Other M2 Interest	14	$ 79
Other*	15	
TOTAL EXPENDITURES (Sum lines 9 to 15)	16	$ 251,876
TOTAL BALANCE (Subtract line 16 from 8)	17	$ 28,635

* Please provide a specific description

** Please provide breakdown of "**Other M2 Funding**". Other M2 Funding includes funding received and/or funds expended by Local Agencies from any other M2 program besides Project O (Regional Capacity Program) and Project Q (Local Fair Share Program).

Revenues

Project Description	Project	Amount	Interest	Total
Freeway Environmental Mitigation	A-M	$ -	$ -	$ -
Regional Traffic Signal Synchronization Program	P	$ -	$ -	$ -
High Frequency Metrolink Service	R	$ -	$ -	$ -
Transit Extensions to Metrolink	S	$ -	$ -	$ -
Convert Metrolink Station(s) to Regional Gateways that connect Orange County with High-Speed Rail Systems	T	$ -	$ -	$ -
Senior Mobility Program or Senior Non-Emergency Medical Program	U	$ 80,164.42	$ 79.40	$ 80,243.82
Community Based Transit/Circulators	V	$ -	$ -	$ -
Safe Transit Stops	W	$ -	$ -	$ -
Water Quality Program	X	$ -	$ -	$ -
	Total	$ 80,164.42	$ 79.40	$ 80,243.82

Expenditures

Project Description	Project	Amount	Interest	Total
Freeway Environmental Mitigation	A-M	$ -	$ -	$ -
Regional Traffic Signal Synchronization Program	P	$ 2,160.00	$ -	$ 2,160.00
High Frequency Metrolink Service	R	$ -	$ -	$ -
Transit Extensions to Metrolink	S	$ -	$ -	$ -
Convert Metrolink Station(s) to Regional Gateways that connect Orange County with High-Speed Rail Systems	T	$ -	$ -	$ -
Senior Mobility Program or Senior Non-Emergency Medical Program	U	$ 80,164.42	$ 79.40	$ 80,243.82
Community Based Transit/Circulators	V	$ -	$ -	$ -
Safe Transit Stops	W	$ -	$ -	$ -
Water Quality Program	X	$ -	$ -	$ -
	Total	$ 82,324.42	$ 79.40	$ 82,403.82

* Please provide a specific description

M2 Expenditure Report

Fiscal Year Ended June 30, 2015

Streets and Roads Detailed Use of Funds

Type of Expenditure	Line No.	*MOE	+ Developer / Impact Fees	M2 Fairshare	M2 Fairshare Interest	M2 CTFP	M2 CTFP Interest	Other M2	Other M2 Interest	Other	TOTAL
Administration (Indirect & Overhead)	1			$ 1,535							$ 1,535
Construction & Right-of-Way											
New Street Construction	2										$ -
Street Reconstruction	3										$ -
Signals, Safety Devices, & Street Lights	4										$ -
Pedestrian Ways & Bikepaths	5										$ -
Storm Drains	6										$ -
Storm Damage	7										$ -
Total Construction[1]	8	-	-	-	-	-	-	-	-	-	$ -
Right of Way Acquisition	9										$ -
Total Construction & Right-of-Way	10	-	-	-	-	-	-	-	-	-	$ -
Maintenance											
Patching	11										$ -
Overlay & Sealing	12										$ -
Street Lights & Traffic Signals	13			$ 167,937							$ 167,937
Storm Damage	14										$ -
Other Street Purpose Maintenance	15	90,713									$ 90,713
Total Maintenance[1]	16	90,713	-	167,937	-	-	-	-	-	-	$ 258,650
Other	17							82,324	79		$ 82,404
GRAND TOTALS (Sum Lines 1, 10, 16, 17)	18	$ 90,713	$ -	$ 169,472	$ -	$ -	$ -	$ 82,324	$ 79	$ -	$ 342,589

* Local funds used to satisfy maintenance of effort (MOE) requirements

\+ Transportation related only

[1] Includes direct charges for staff time

M2 Expenditure Report

Fiscal Year Ended June 30, 2015

Fairshare Project List

PROJECT NAME	AMOUNT EXPENDED
Contract- Traffic Signal Maintenance	35,502
Contract- Traffic Engineering	119,429
Street Lighting - Public ROW	22,501
Administration (Indirect & Overhead)	1,535
Vendor Reimbursement for FY1314 Expenditure	(9,495)
	169,472

M2 Expenditure Report

Fiscal Year Ended June 30, 2015

I certify that the interest earned on Net Revenues allocated pursuant to the Ordinance shall be expended only for those purposes for which the Net Revenues were allocated and all the information attached herein is true and accurate to the best of my knowledge:

Christopher Macon
City Manager (Print Name)

2/9/2016
Date

City Manager Signature

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6.5
SALES AND USE TAX CONSULTING AND DEVELOPMENT SERVICES

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AGREEMENT FOR CONSULTANT SERVICES BETWEEN THE CITY OF LAGUNA WOODS AND HINDERLITER, DE LLAMAS AND ASSOCIATES FOR SALES AND USE TAX CONSULTING AND DEVELOPMENT SERVICES

This AGREEMENT FOR CONSULTANT SERVICES ("AGREEMENT"), is made and entered into this 17th day of February 2016 ("EFFECTIVE DATE"), by and among the City of Laguna Woods, a California municipal corporation ("CITY"), Hinderliter, De Llamas and Associates, a California corporation ("CONSULTANT").

In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

SECTION 1. TERM OF AGREEMENT.

Subject to the provisions of SECTION 19 "TERMINATION OF AGREEMENT" of this AGREEMENT, the term of this AGREEMENT shall be for a period beginning on the date of execution of this AGREEMENT, as first shown above, and ending at 11:59 p.m. on December 31, 2018. Such term may be extended upon written agreement of both parties to this AGREEMENT.

SECTION 2. SCOPE OF SERVICES.

CONSULTANT shall perform the services set forth in EXHIBIT "A" "SCOPE OF SERVICES" and made a part of this AGREEMENT. All work to be performed by CONSULTANT shall be coordinated with, and approved by City Manager of CITY or his or her designee. CONSULTANT shall not begin work on any individual task or assignment until authorized by the City Manager of CITY or his or her designee to proceed.

SECTION 3. ADDITIONAL SERVICES.

CONSULTANT shall not be compensated for any services rendered in connection with its performance of this AGREEMENT which are in addition to or outside of those set forth in this AGREEMENT or listed in EXHIBIT "A" "SCOPE OF SERVICES", unless such additional services are authorized in advance and in writing by the City Council or the City Manager of CITY or his or her designee. CONSULTANT shall be compensated for any such additional services only in the amounts and in the manner agreed to by the City Council or City Manager of CITY or his or her designee.

SECTION 4. COMPENSATION AND METHOD OF PAYMENT.

(a) Subject to any limitations set forth in this AGREEMENT, CITY agrees to pay CONSULTANT the amounts specified in EXHIBIT "B" "COMPENSATION" and made a part of this AGREEMENT. CONSULTANT shall perform work only as requested by CITY.

This AGREEMENT does not state, convey, imply or infer a specific, minimum or expected amount of work or compensation for as needed services or reimbursables. Compensation for services shall not exceed the amounts specified in EXHIBIT "B" "COMPENSATION".

(b) For Allocation Audit and Recovery Services and Retail Attraction Services, CONSULTANT shall furnish to CITY an **original** quarterly invoice for all work performed and expenses incurred during the applicable period within thirty (30) days of the close of each calendar quarter. For Software, Reports, and Revenue Forecasting Services, CONSULTANT shall furnish to CITY an **original** annual invoice for all work performed and expenses incurred during the applicable period within (30) days of the date that annual deliverables are provided to CITY. The invoice shall detail charges by the categories required by CITY, which are subject to change at the discretion of CITY. CITY shall independently review each invoice submitted by the CONSULTANT to determine whether the work performed and expenses incurred are in compliance with the provisions of this AGREEMENT. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event that any charges or expenses are disputed by CITY, the original invoice shall be returned by CITY to CONSULTANT for correction and resubmission.

(c) Except as to any charges for work performed or expenses incurred by CONSULTANT which are disputed by CITY, CITY will use its best efforts to cause CONSULTANT to be paid within thirty (30) days of receipt of CONSULTANT's invoice.

(d) Payment to CONSULTANT for work performed pursuant to this AGREEMENT shall not be deemed to waive any defects in work performed by CONSULTANT, nor to constitute any waiver of any type of relief or remedy, legal or equitable, arising out of any breach or nonperformance of any aspect of the AGREEMENT by CONSULTANT.

SECTION 5. INSPECTION AND FINAL ACCEPTANCE.

CITY may inspect and accept or reject any of CONSULTANT's work under this AGREEMENT, either during performance or when completed. CITY shall reject or finally accept CONSULTANT's work in its discretion within sixty (60) days after submitted to CITY. Any rejection of work by CITY shall be by written explanation. Acceptance of any of CONSULTANT's work by CITY shall not constitute a waiver of any of the provisions of this AGREEMENT including, but not limited to, sections 15 and 16, pertaining to indemnification and insurance, respectively.

SECTION 6. OWNERSHIP OF DOCUMENTS.

(a) All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by CONSULTANT in the course of providing any services pursuant to this AGREEMENT shall become the sole property of CITY and may be used, reused or otherwise disposed of by CITY without the permission of the CONSULTANT. Upon completion, expiration or termination of this AGREEMENT, CONSULTANT shall turn over to CITY all such original maps, models,

designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents, notwithstanding any billing or compensation disputes that may then exist between CITY and CONSULTANT.

(b) CONSULTANT hereby provides authorization to CITY to access its custom web-based software program containing CITY's State Board of Equalization seller's registration and sales and use tax allocation data ("WEBSITE/SOFTWARE"). The WEBSITE/SOFTWARE shall only be used by authorized CITY staff. No access shall be granted to any third party without explicit written authorization by CONSULTANT. CITY shall not sublet, duplicate, modify, decompile, reverse engineer, disassemble, or attempt to derive the source code of said WEBSITE/SOFTWARE. The WEBSITE/SOFTWARE use granted hereunder shall not imply ownership by CITY of said WEBSITE/SOFTWARE use or rights of CITY to sell said WEBSITE/SOFTWARE use or rights to use said WEBSITE/SOFTWARE for the benefit of others. This WEBSITE/SOFTWARE information is not transferable. Upon termination of this AGREEMENT, the WEBSITE/SOFTWARE use authorization shall expire and all CITY staff WEBSITE/SOFTWARE logins shall be deactivated by CONSULTANT.

(c) As used herein, the term "proprietary information" means any information which relates to CONSULTANT's computer or data processing programs; data processing applications, routines, subroutines, techniques, or systems; desktop or web-based software; or, business processes. To the extent permitted by law, CITY shall hold in confidence and shall not disclose to any other party CONSULTANT's proprietary information in connection with this AGREEMENT or otherwise learned or obtained by CITY in connection with this AGREEMENT. The obligations of this section shall survive any expiration or termination of this AGREEMENT, but shall not apply to any information that is public information or ordered to be disclosed by a court of law.

SECTION 7. CONSULTANT'S BOOKS AND RECORDS.

(a) CONSULTANT shall maintain any and all documents and records demonstrating or relating to CONSULTANT's and any of CONSULTANT's subcontractors' performance of services pursuant to this AGREEMENT. CONSULTANT shall maintain any and all drafts of studies or planning documents, correspondence, notices, ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to CITY pursuant to this AGREEMENT. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by CONSULTANT pursuant to this AGREEMENT. Any and all such documents or records shall be maintained for five (5) years from the end of the term of this AGREEMENT and to the extent required by laws relating to audits of public agencies and their expenditures.

(b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, at any time during regular business hours, upon written request by CITY, Federal government, State of California, or their

designated representatives. Copies of such documents or records shall be provided directly to the requesting party for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at CONSULTANT's address indicated for receipt of notices in this AGREEMENT.

(c) Where CITY has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination of CONSULTANT's business, CITY may, by written request, require that custody of such documents or records be given to the requesting party and that such documents and records be maintained by the requesting party. Access to such documents and records shall be granted to CITY, as well as to its successors-in-interest and authorized representatives.

(d) CONSULTANT shall prepare and submit to CITY reports concerning the performance of the work in this AGREEMENT as CITY shall require.

SECTION 8. STATUS OF CONSULTANT.

(a) CONSULTANT is and shall at all times remain a wholly independent contractor and not an officer, official, employee or agent of CITY. CONSULTANT shall have no authority to bind CITY in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against CITY, whether by contract or otherwise, unless such authority is expressly conferred under this AGREEMENT or is otherwise expressly conferred in writing by CITY.

(b) 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 elected or appointed boards, officers, officials, employees or agents of CITY, shall have control over the conduct of CONSULTANT or any of CONSULTANT's officers, officials, employees or agents, except as set forth in this AGREEMENT. CONSULTANT shall not at any time or in any manner represent that CONSULTANT or any of CONSULTANT's officers, officials, employees or agents is in any manner officials, officers, employees or agents of CITY.

(c) Neither CONSULTANT, nor any of CONSULTANT's officers, officials, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to CITY'S employees. CONSULTANT expressly waives any claim CONSULTANT may have to any such rights.

(d) This AGREEMENT shall in no way prohibit the CITY from entering into other agreements or contracts, hiring staff or making other such arrangements with other persons and/or entities relative to the services set forth in EXHIBIT "A" "SCOPE OF SERVICES".

SECTION 9. STANDARD OF PERFORMANCE.

CONSULTANT represents and warrants that it has the qualifications, experience, personnel, and facilities necessary to properly perform the services required under this

AGREEMENT in a thorough, competent and professional manner. CONSULTANT shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. In meeting its obligations under this AGREEMENT, CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to those required of CONSULTANT under this AGREEMENT.

SECTION 10. COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES.

(a) CONSULTANT shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this AGREEMENT, including but not limited to regulations and rules pertaining to any grant awards or third-party funding with which this AGREEMENT is funded in whole or in part. CONSULTANT shall obtain any and all licenses, permits and authorizations necessary to perform the services set forth in this AGREEMENT. CITY shall not be responsible for monitoring CONSULTANT's compliance with federal, state, and local laws, statutes, codes, ordinances, or regulations. Neither CITY, nor any elected or appointed boards, officers, officials, employees or agents of CITY, shall be liable, at law or in equity, as a result of any failure of CONSULTANT to comply with this section.

(b) CONSULTANT shall not be debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs, or from receiving Federal contracts, subcontracts, or financial or nonfinancial assistance or benefits, under Executive Order 12549, "Debarment and Suspension" (24 CFR 85.35) or other Federal laws, statutes, codes, ordinances, regulations or rules, at any time during the term of this AGREEMENT.

SECTION 11. NONDISCRIMINATION.

CONSULTANT shall not discriminate, in any way, against any person on the basis of race, color, religious creed, national origin, ancestry, sex, age, physical handicap, medical condition, sexual orientation or marital status in connection with or related to the performance of this AGREEMENT.

SECTION 12. UNAUTHORIZED ALIENS.

CONSULTANT shall comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, et seq., as amended from time to time or replaced by a successor statute, and in connection therewith, shall not employ unauthorized aliens as defined therein. The term "unauthorized aliens" means and includes "undocumented foreign nationals" as defined in the proposed Federal Correcting Hurtful and Alienating Names in Government Expression (CHANGE) Act (H.R. 3785, introduced October 21, 2015). Should CONSULTANT so employ such unauthorized aliens for the performance of work and/or services covered by this AGREEMENT, and should the any liability or sanctions be imposed against CITY for such use of unauthorized aliens, CONSULTANT shall reimburse CITY for the cost of all such liabilities

or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by CITY.

SECTION 13. CONFLICTS OF INTEREST.

(a) CONSULTANT covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of CITY or which would in any way hinder CONSULTANT's performance of services under this AGREEMENT. CONSULTANT further covenants that in the performance of this AGREEMENT, no person having any such interest shall be employed by it as an officer, official, employee, agent or subcontractor without the express written consent of the City Manager of CITY or his or her designee. CONSULTANT agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of CITY in the performance of this AGREEMENT.

(b) CITY understands and acknowledges that CONSULTANT is, as of the date of execution of this AGREEMENT, independently involved in the performance of non-related services for other governmental agencies and private parties. CONSULTANT is unaware of any stated position of CITY relative to such projects. Any future position of CITY on such projects shall not be considered a conflict of interest for purposes of this section.

SECTION 14. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.

(a) All information gained or work product produced by CONSULTANT in performance of this AGREEMENT shall be considered confidential, unless such information is in the public domain or already known to CONSULTANT. CONSULTANT shall not release or disclose any such information or work product to persons or entities other than CITY without prior written authorization from the City Manager of CITY or his or her designee, except as may be required by law.

(b) CONSULTANT, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager of CITY or his or her designee or unless requested by the City Attorney of CITY, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this AGREEMENT. Response to a subpoena or court order shall not be considered "voluntary" provided CONSULTANT gives CITY notice of such court order or subpoena.

(c) If CONSULTANT, or any officer, employee, agent or subcontractor of CONSULTANT, provides any information or work product in violation of this AGREEMENT, then CITY shall have the right to reimbursement and indemnity from CONSULTANT for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of CONSULTANT's conduct.

(d) CONSULTANT shall promptly notify CITY should CONSULTANT, its officers, officials, employees, agents or subcontractors be served with any summons, complaint,

subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this AGREEMENT or the work performed thereunder. CITY retains the right, but has no obligation, to represent CONSULTANT or be present at any deposition, hearing or similar proceeding. CONSULTANT agrees to cooperate fully with CITY and to provide CITY with the opportunity to review any response to discovery requests provided by CONSULTANT. However, this right to review any such response does not imply or mean the right by CITY to control, direct, or rewrite said response.

(e) CONSULTANT shall not disclose to others any confidential or proprietary information of CITY, whether written, spoken or otherwise communicated or obtained, except as may be specifically authorized in writing by CITY, or as otherwise required by applicable law or legal tribunal. CONSULTANT shall use any such confidential or proprietary information solely for the purpose of performing its duties in accordance with the terms and provisions of this AGREEMENT. CONSULTANT shall, upon the termination of this AGREEMENT, promptly return to CITY all originals and all copies in all formats of any and all such confidential or proprietary information in CONSULTANT's possession and under its control and shall certify the full and complete return in writing to CITY.

(f) Section 7056 of the State Revenue and Taxation Code specifically limits the disclosure of confidential taxpayer information contained in the records of the State Board of Equalization. This section specifies the conditions under which CITY may authorize persons other than CITY officers and employees to examine state sales and/or use tax data:

(1) The following conditions specified in Section 7056(b)(1) of the State Revenue and Taxation Code are hereby made part of this agreement.

i. CONSULTANT is authorized by this AGREEMENT to examine sales or transactions and use tax records of the State Board of Equalization provided to CITY pursuant to contract under the Bradley-Burns Uniform Sales and Use Tax Law.

ii. CONSULTANT is permitted to disclose information contained in, or derived from, those sales or transactions and use tax records only to an officer or employee of CITY who is authorized by resolution to examine the information.

iii. CONSULTANT is prohibited from performing consulting services for a retailer, as defined in Section 6015 of the State Revenue and Taxation Code, during the term of this AGREEMENT.

iv. CONSULTANT is prohibited from retaining the information contained in, or derived from those sales or transactions and use tax records, after this AGREEMENT has expired. Information obtained by examination of State Board of Equalization records shall be used only for purposes related to collection of local sales and use tax or for other governmental functions of CITY as set forth by resolution adopted pursuant to Section 7056(b) of the State Revenue and Taxation Code. The resolution shall designate CONSULTANT as a person

authorized to examine sales and use tax records and certify that this AGREEMENT meets the requirements set forth above and in Section 7056(b)(1) of the State Revenue and Taxation Code.

SECTION 15. INDEMNIFICATION.

(a) CITY and its respective elected and appointed boards, officials, officers, agents, employees and volunteers (individually and collectively, "INDEMNITEES") shall have no liability to CONSULTANT or any other person for, and CONSULTANT shall indemnify, defend and hold harmless INDEMNITEES from and against, any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs and expenses of whatever nature, including reasonable attorneys' fees and disbursements (collectively "CLAIMS"), which INDEMNITEES may suffer or incur or to which INDEMNITEES may become subject by reason of or arising out of any injury to or death of any person(s), damage to property, loss of use of property, economic loss or otherwise occurring as a result of the CONSULTANT's performance of or failure to perform any services under this AGREEMENT or by the negligent or willful acts or omissions of CONSULTANT, its agents, officers, directors, subcontractors or employees, committed in performing any of the services under this AGREEMENT, including without limitation the violation of any federal, state, and local law, statute, code, ordinance, regulation, or rule.

(b) If any action or proceeding is brought against INDEMNITEES by reason of any of the matters against which CONSULTANT has agreed to indemnify INDEMNITEES as provided above, CONSULTANT, upon notice from CITY, shall defend INDEMNITEES at CONSULTANT's expense by counsel acceptable to CITY, such acceptance not to be unreasonably withheld. INDEMNITEES need not have first paid for any of the matters to which INDEMNITEES are entitled to indemnification in order to be so indemnified. The insurance required to be maintained by CONSULTANT under Section 16 shall insure CONSULTANT's obligations under this section, but the limits of such insurance shall not limit the liability of CONSULTANT hereunder. The provisions of this section shall survive the expiration or earlier termination of this AGREEMENT.

(c) The provisions of this section do not apply to CLAIMS occurring as a result of the CITY's sole negligence or willful acts or omissions.

SECTION 16. INSURANCE.

CONSULTANT agrees to obtain and maintain in full force and effect during the term of this AGREEMENT the insurance policies set forth in EXHIBIT "C" "INSURANCE" and made a part of this AGREEMENT. All insurance policies shall be subject to approval by CITY as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the City Manager of CITY or his or her designee. CONSULTANT agrees to provide CITY with copies of required policies upon request.

SECTION 17. ASSIGNMENT.

The expertise and experience of CONSULTANT are material considerations for this AGREEMENT. CITY has an interest in the qualifications of and capability of the persons and entities who will fulfill the duties and obligations imposed upon CONSULTANT under this AGREEMENT. In recognition of that interest, CONSULTANT shall not assign or transfer this AGREEMENT or any portion of this AGREEMENT or the performance of any of CONSULTANT's duties or obligations under this AGREEMENT without the prior written consent of the City Council. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this AGREEMENT entitling CITY to any and all remedies at law or in equity, including summary termination of this AGREEMENT. CITY acknowledges, however, that CONSULTANT, in the performance of its duties pursuant to this AGREEMENT, may utilize subcontractors. CONSULTANT shall be solely liable and responsible for the actions, conduct, and performance of subcontractors, including but not limited to ensuring their compliance with SECTION 10 of this AGREEMENT (Compliance with Applicable Laws; Permits and Licenses).

SECTION 18. CONTINUITY OF PERSONNEL.

CONSULTANT shall make every reasonable effort to maintain the stability and continuity of CONSULTANT's staff assigned to perform the services required under this AGREEMENT. CONSULTANT shall obtain approval, in writing, from CITY of any changes in CONSULTANT's staff assigned to perform the services required under this AGREEMENT, prior to any such performance.

SECTION 19. TERMINATION OF AGREEMENT.

(a) CITY may terminate this AGREEMENT, with or without cause, at any time by giving thirty (30) days written notice of termination to CONSULTANT. In the event such notice is given, CITY may require CONSULTANT to cease immediately all work in progress.

(b) CONSULTANT may terminate this AGREEMENT at any time upon sixty (60) days written notice of termination to CITY. In the event such notice is given, CITY may require CONSULTANT to cease immediately all work in progress.

(c) If CONSULTANT fails to perform any material obligation under this AGREEMENT, then, in addition to any other remedies, CITY may terminate this AGREEMENT immediately upon written notice.

(d) Upon termination of this AGREEMENT by either CONSULTANT or CITY, all property belonging exclusively to CITY which is in CONSULTANT's possession shall be returned to CITY immediately upon demand by CITY, notwithstanding any billing disputes that may then exist under this AGREEMENT. CONSULTANT shall furnish to CITY a final invoice for work performed and expenses incurred by CONSULTANT, prepared as set forth in SECTION 4 of this AGREEMENT. This final invoice shall be reviewed and paid in the same

manner as set forth in SECTION 4 of this AGREEMENT (Compensation and Method of Payment).

SECTION 20. DEFAULT.

In the event that CONSULTANT is in default under the terms of this AGREEMENT, the CITY shall not have any obligation or duty to continue compensating CONSULTANT for any work performed after the date of default and may terminate this AGREEMENT immediately by written notice to the CONSULTANT.

SECTION 21. EXCUSABLE DELAYS.

CONSULTANT shall not be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of CONSULTANT. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state or local governments, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this AGREEMENT shall be equitably adjusted for any delays due to such causes.

SECTION 22. COOPERATION BY CITY.

(a) All public information, data, reports, records, and maps as are existing and available to CITY as public records, and which are necessary for carrying out the work as outlined in EXHIBIT "A" "SCOPE OF SERVICES", shall be furnished to CONSULTANT in a reasonable way to facilitate, without undue delay, the work to be performed under this AGREEMENT.

(b) CITY shall adopt a resolution in a form acceptable to the State Board of Equalization and in compliance with Section 7056 of the State Revenue and Taxation Code authorizing CONSULTANT to examine the confidential sales and use tax records of CITY. To the extent permitted by law, CITY further agrees to provide any information or assistance that may be readily available. CITY further agrees to continue CONSULTANT's authorization to examine the confidential sales and use tax records of CITY by maintaining CONSULTANT's name on CITY resolution or by providing copies of future allocation reports on computer readable magnetic media until such time as all allocation audit adjustments have been completed by the State Board of Equalization and all AUDIT FEES due to CONSULTANT have been paid. AUDIT FEES are defined in EXHIBIT "B" "COMPENSATION".

SECTION 23. NOTICES.

All notices required or permitted to be given under this AGREEMENT shall be in writing and shall be personally delivered, or sent by telecopy or certified mail, postage prepaid and return receipt requested, addressed as follows:

To CITY: City of Laguna Woods
Attn: City Manager
24264 El Toro Road
Laguna Woods, CA 92637

To CONSULTANT: Hinderliter, De Llamas and Associates
ATTN: President
1340 Valley Vista Drive, Suite 200
Diamond Bar, CA 91765

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

SECTION 24. AUTHORITY TO EXECUTE.

The person or persons executing this AGREEMENT on behalf of CONSULTANT represents and warrants that he/she/they has/have the authority to so execute this AGREEMENT and to bind CONSULTANT to the performance of its obligations hereunder.

SECTION 25. BINDING EFFECT.

This AGREEMENT shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

SECTION 26. MODIFICATION OF AGREEMENT.

No amendment to or modification of this AGREEMENT shall be valid unless made in writing and approved by the CONSULTANT and by the City Council or City Manager of CITY. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

SECTION 27. WAIVER.

Waiver by any party to this AGREEMENT of any term, condition, or covenant of this AGREEMENT shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this AGREEMENT shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this AGREEMENT. Acceptance by CITY of any work or services by CONSULTANT shall not constitute a waiver of any of the provisions of this AGREEMENT.

SECTION 28. LAW TO GOVERN; VENUE.

This AGREEMENT shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial

courts shall lie exclusively in the County of Orange. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the District of California in which CITY is located.

SECTION 29. ATTORNEYS FEES, COSTS AND EXPENSES.

In the event litigation or other proceeding is required to enforce or interpret any provision of this AGREEMENT, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

SECTION 30. ENTIRE AGREEMENT.

This AGREEMENT, including the attached EXHIBITS "A" through "D", is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between CONSULTANT and CITY prior to the execution of this AGREEMENT, including the previous agreement between CONSULTANT and CITY dated March 6, 2015. No statements, representations or other agreements, whether oral or written, made by any party which is not embodied herein shall be valid and binding. No amendment to this AGREEMENT shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

SECTION 31. SEVERABILITY.

If a term, condition or covenant of this AGREEMENT is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this AGREEMENT shall not be affected thereby and the AGREEMENT shall be read and construed without the invalid, void or unenforceable provision(s).

SECTION 32. NO THIRD PARTY BENEFICIARIES.

This AGREEMENT, its provisions, and its covenants, are for the sole and exclusive benefit of CITY and CONSULTANT. No other parties or entities are intended to be, nor shall be considered, beneficiaries of the performance by either party of any of the obligations under this AGREEMENT.

[SIGNATURES ON FOLLOWING PAGE]

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

CITY OF LAGUNA WOODS:

By_____ _____
Christopher Macon, City Manager Date

CONSULTANT:

By_____ _____
Andrew Nickerson, President Date

APPROVED AS TO FORM:

_____ _____
David B. Cosgrove, City Attorney Date

EXHIBIT "A"

SCOPE OF SERVICES

CONSULTANT shall provide the following services:

a) Allocation Audit and Recovery

a. CONSULTANT shall conduct initial and on-going sales and use tax audits to identify and correct "point-of-sale" distribution errors. Common errors that will be monitored and corrected by CONSULTANT on CITY's behalf include, but are not limited to:

   i. Transposition errors resulting in misallocations;
   ii. Erroneous consolidation of multiple outlets;
   iii. Misreporting of "point-of-sale" to the wrong location;
   iv. Misallocating use tax payments to the allocation pools;
   v. Erroneous fund transfers and adjustments;
   vi. Failure to properly allocate out-of-state purchases exceeding $500,000; and,
   vii. Failure to designate warehouses as "point-of-sale" for out-of-state orders.

b. CONSULTANT shall initiate contacts with the appropriate sales management and accounting officials in companies that have businesses in the City of Laguna Woods where a probability of error exists to verify whether current tax receipts accurately reflect the local sales activity. Such contacts shall be conducted in a professional and courteous manner so as to enhance CITY's relations with the business community.

c. CONSULTANT shall prepare and submit to the State Board of Equalization all of the information necessary to correct any identified "point-of-sale" distribution errors and shall follow-up with the individual businesses and the State Board of Equalization to ensure that all back quarter payments due to CITY are properly recovered.

d. If during the course of its audits, CONSULTANT finds businesses located in the City of Laguna Woods that are properly reporting sales and use tax, but have the potential to modify their operation to provide an even greater share to CITY, CONSULTANT shall so advise CITY and, upon request, shall work with those businesses and CITY to encourage such changes. Such contacts shall be conducted in a professional and courteous manner so as to enhance CITY's relations with the business community.

b) Software, Reports, and Revenue Forecasting

a. CONSULTANT shall provide CITY with access to its custom web-based software program containing CITY's State Board of Equalization seller's registration and sales and use tax allocation data. CONSULTANT shall update its information quarterly and provide access to CITY's sales tax history from 1999 to present. CITY shall be able to search businesses by street address, account number, business name, business type, and by keyword in the business and address fields, as well as arrange data by

geographic area. CITY shall also be able to print a variety of reports by business type, sales volume, and geographic area, as well as export other applicable data sets for use in applicable business license and planning activities.

b. At the beginning of each calendar quarter after applicable data is available from the State Board of Equalization, CONSULTANT shall prepare reports for CITY showing regional, county, and CITY sales and use tax trends for the quarter; top sales and use tax generators and business types; and, a cash flow analysis showing State Board of Equalization payments by major business group, administrative fees, triple flip take aways, and compensation fund allocations. This service shall also include a five-fiscal year sales and use tax revenue projection provided by February 29 of each year.

c) Retail Attraction

a. As requested by CITY, CONSULTANT shall assist CITY with retail attraction, including through marketing with trade area composition and sales performance analysis, as well as outreach to potential users for Laguna Woods retail sites ("ATTRACTION EFFORTS"). CONSULTANT shall fully collaborate with property owners, leasing agents, and real estate representatives in ATTRACTION EFFORTS.

b. As requested by CITY, CONSULTANT shall develop and update marketing tools for retail attraction, including consumer demographic profiles, consumer demand/market supply assessments, household segmentation profiles, and retail void analysis reports ("ATTRACTION TOOLS"). ATTRACTION TOOLS shall also include CONSULTANT's participation in one in-person or teleconference meeting of CITY's choosing for the purpose of reviewing and discussing findings and trends.

EXHIBIT "B"

COMPENSATION

Allocation Audit and Recovery

CONSULTANT shall obtain CITY's written approval on the form included in EXHIBIT "D" prior to beginning the work of correcting sales and/or use tax reporting methodology or "point-of-sale" for specific businesses where said payment of the fees included in this EXHIBIT "B" will be expected.

CONSULTANT shall be paid 15% of all new sales and/or use tax revenue received by CITY as a direct result of its allocation audit and recovery services ("AUDIT FEES"), including any reimbursement from the State Sales & Use Tax Compensation Fund as outlined in Section 97.68 of the State Revenue and Taxation Code. AUDIT FEES shall be limited to state fund transfers received for back quarter reallocations and monies received in the first eight (8) consecutive reporting quarters following completion of the applicable allocation audit by CONSULTANT and confirmation of corrections by the State Board of Equalization.

New sales and/or use tax revenue shall not include any amounts determined by CITY or CONSULTANT to be increment attributable to causes other than CONSULTANT's services performed pursuant to this AGREEMENT. In the event that CONSULTANT is responsible for an increase in the sales and/or use tax reported by businesses that are already properly making tax payments to CITY, it shall be CONSULTANT's responsibility to separate and support the incremental amount attributable to its services prior to the application of AUDIT FEES.

CITY shall pay AUDIT FEES on a quarterly basis upon CONSULTANT's submittal of evidence of new sales and/or use tax revenue received by CITY as a direct result of its allocation audit and recovery services. CONSULTANT shall provide CITY with an itemized quarterly invoice showing all formula calculations and amounts due for AUDIT FEES.

No other charges shall be made by CONSULTANT for direct or indirect expenses incurred by CONSULTANT in performing allocation audit and recovery services under this AGREEMENT, including for administrative overhead, salaries of CONSULTANT's employees, travel expenses, equipment, supplies, meals, or similar matters.

Software, Reports, and Revenue Forecasting

The fee for software, reports, and revenue forecasting shall be $3,000 per fiscal year.

No other charges shall be made by CONSULTANT for direct or indirect expenses incurred by CONSULTANT in performing software, reports, and revenue forecasting services under this AGREEMENT, including for administrative overhead, salaries of CONSULTANT's employees, travel expenses, equipment, supplies, meals, or similar matters.

Retail Attraction

CONSULTANT shall obtain CITY's written approval prior to beginning retail attraction work where said payment of the fees included in this EXHIBIT "B" will be expected.

CONSULTANT shall be paid the percentages of new sales and/or use tax revenue received by CITY as a direct result of ATTRACTION EFFORTS as listed in Table 1 below ("ATTRACTION FEES"). ATTRACTION FEES shall be limited to monies received by CITY in the first twelve (12) consecutive reporting quarters of each business attracted as a direct result of ATTRACTION EFFORTS. In no event shall CITY be responsible for the payment of ATTRACTION FEES for any reporting quarter following the first twelve (12) consecutive reporting quarters including, but not limited to, in the case of late reporting or corrections/recovery of sales and/or use tax revenue attributable to prior reporting periods. CITY shall also not be responsible for the payment of ATTRACTION FEES when sales and/or use tax revenue has ceased due to any business closure, relocation, or change in operations.

Table 1: ATTRACTION FEES Rates

Quarterly Sales Tax Revenue	Compensation Rate
$1-$7,500	7%
$7,501-$15,000	5%
$15,001+	3%

"Quarterly Sales Tax Revenue" for the purpose of Table 1 is the new sales and/or use tax revenue received by CITY for a reporting quarter, less any new sales and/or use tax revenue received by CITY as a direct result of CONSULTANT's allocation audit and recovery services during such times as AUDIT FEES are charged (i.e., CONSULTANT shall not charge ATTRACTION FEES on the increment of additional revenue on which AUDIT FEES are charged). "Quarterly Sales Tax Revenue" shall not include any amounts determined by CITY or CONSULTANT to be attributable to causes other than ATTRACTION EFFORTS.

CITY shall pay ATTRACTION FEES on a quarterly basis upon CONSULTANT's submittal of evidence of new sales and/or use tax revenue received by CITY as a direct result of ATTRACTION EFFORTS. CONSULTANT shall provide CITY with an itemized quarterly invoice showing all formula calculations and amounts due for ATTRACTION FEES.

CITY shall pay CONSULTANT $4,000 for ATTRACTION TOOLS, or lesser rates based on the specific scope of services, when mutually agreed to, in writing, by CITY and CONSULTANT.

No other charges shall be made by CONSULTANT for direct or indirect expenses incurred by CONSULTANT in performing retail attraction services under this AGREEMENT, including for administrative overhead, salaries of CONSULTANT's employees, travel expenses, equipment, supplies, meals, or similar matters.

EXHIBIT "C"

INSURANCE

A. Insurance Requirements. CONSULTANT shall provide and maintain insurance, acceptable to the City Manager of CITY or his or her designee or City Attorney, in full force and effect throughout the term of this AGREEMENT, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by CONSULTANT, its agents, representatives or employees. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII. CONSULTANT shall provide the following scope and limits of insurance:

1. Minimum Scope of Insurance. Coverage shall be at least as broad as:

(1) Insurance Services Office form Commercial General Liability coverage (Occurrence Form CG 0001).

(2) Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, including code 1 "any auto" and endorsement CA 0025, or equivalent forms subject to the written approval of CITY.

(3) Workers' Compensation insurance as required by the Labor Code of State of California and Employer's Liability insurance and covering all persons providing services on behalf of the CONSULTANT and all risks to such persons under this AGREEMENT.

(4) Errors and omissions liability insurance appropriate to the CONSULTANT's profession.

2. Minimum Limits of Insurance. CONSULTANT shall maintain limits of insurance no less than:

(1) General Liability: $1,000,000 per occurrence for all covered losses and no less than $2,000,000 general aggregate for bodily injury, personal injury and property damage.

(2) Automobile Liability: $1,000,000 per accident for bodily injury and property damage.

(3) Workers' Compensation and Employer's Liability: Workers' Compensation as required by the Labor Code of the State of California and Employers Liability limits of $1,000,000 per accident.

B. Other Provisions. Insurance policies required by this AGREEMENT shall contain the following provisions:

1. All Policies. Each insurance policy required by this AGREEMENT shall be endorsed and state that the coverage shall not be suspended, voided, cancelled by the insurer or either party to this AGREEMENT, reduced in coverage or in limits except after 30 days' prior written notice by Certified mail, return receipt requested, has been given to the City Manager of CITY or his or her designee.

2. General Liability and Automobile Liability Coverages.

(1) CITY, and its respective elected and appointed officers, officials, and employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities CONSULTANT performs; products and completed operations of CONSULTANT; premises owned, occupied or used by CONSULTANT; or automobiles owned, leased, hired or borrowed by CONSULTANT. The coverage shall contain no special limitations on the scope of protection afforded to CITY, and their respective elected and appointed officers, officials, or employees.

(2) CONSULTANT's insurance coverage shall be primary insurance with respect to CITY, and its respective elected and appointed, its officers, officials, employees and volunteers. Any insurance or self insurance maintained by CITY, and its respective elected and appointed officers, officials, employees or volunteers, shall apply in excess of, and not contribute with, CONSULTANT's insurance.

(3) CONSULTANT's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(4) Any failure to comply with the reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to CITY, and its respective elected and appointed officers, officials, employees or volunteers.

3. Workers' Compensation and Employer's Liability Coverage. Unless the City Manager of CITY or his or her designee otherwise agrees in writing, the insurer shall agree to waive all rights of subrogation against CITY, and its respective elected and appointed officers, officials, employees and agents for losses arising from work performed by CONSULTANT.

C. Other Requirements. CONSULTANT agrees to deposit with CITY, at or before the effective date of this contract, certificates of insurance necessary to satisfy CITY that the insurance provisions of this contract have been complied with. The City Attorney may require that CONSULTANT furnish CITY with copies of original endorsements effecting coverage required by this Section. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. CITY reserves the right to inspect

complete, certified copies of all required insurance policies, at any time.

1. CONSULTANT shall furnish certificates and endorsements from each subcontractor identical to those CONSULTANT provides.

2. Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects CITY or its respective elected or appointed officers, officials, employees and volunteers or the CONSULTANT shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.

3. The procuring of such required policy or policies of insurance shall not be construed to limit CONSULTANT's liability hereunder nor to fulfill the indemnification provisions and requirements of this AGREEMENT.

EXHIBIT "D"

SALES AND USE TAX AUDIT AUTHORIZATION FORM

Sales and Use Tax Audit
Work Authorization No. _____

The following business or businesses located in the City of Laguna Woods ("CITY") have been identified as having the potential for generating additional sales and/or use tax revenue to CITY. Hinderliter, De Llamas and Associates ("CONSULTANT") is hereby authorized to contact the specified business or businesses and the State Board of Equalization to verify the accuracy of the current reporting methodology and obtain the necessary documentation for the State Board of Equalization to modify allocation formulas and to return previous misallocated revenue that may be due to the CITY.

CONSULTANT's compensation shall be 15% of all new sales and/or use tax revenue received by CITY as a direct result of its allocation audit and recovery services as set forth by the AGREEMENT between CITY and CONSULTANT for sales and use tax consulting services, entered into on the _____ day of _____ XXXX.

<LIST BUSINESSES BY NAME AND ADDRESS>

CITY OF LAGUNA WOODS:

By_____ _____
Christopher Macon, City Manager Date

CONSULTANT:

By_____ _____
Date

Print Name: _____

Print Title: _____

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7.1
COMMERCIAL ZONING CODE USES AND PARKING STANDARDS UPDATE

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City of Laguna Woods
Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager

FOR: February 17, 2016 Regular Meeting

SUBJECT: Commercial Zoning Code Uses and Parking Standards Update

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Recommendation

1. Receive staff report.

AND

2. Open public hearing.

AND

3. Receive public testimony.

AND

4. Close public hearing.

AND

5. Discuss and provide direction to staff.

Background

The Fiscal Year 2015-16 Budget & Work Plan includes a significant work plan item to "review and update the City's commercial zoning code to clarify and better align zoning districts with permitted uses and associated off-street parking

standards." Doing so is consistent with the City's goal of providing residents with access to high quality goods and services close to home.

Discussion

Today's meeting is an opportunity for City Council discussion and direction, as well as public input, on the Commercial Zoning Code Uses and Parking Standards Update. Staff is specifically seeking direction and input on the proposed zoning code amendments attached hereto as Attachment A, in advance of the preparation of California Environmental Quality Act (CEQA) documentation. No zoning code amendments or zone changes will be approved or adopted at today's meeting.

The proposed zoning code amendments can be generally characterized as seeking to ensure that the purpose and intent of each existing zoning district (see Section 13.10.010 of Attachment B) corresponds to each district's table of permitted uses (see Section 13.10.020 of Attachment B). For example, proposed amendments affecting the Neighborhood Commercial (NC) district are intended to ensure that its permitted uses fulfill the purpose and intent of providing "for the development and preservation of low intensity commercial uses which serve the immediate needs of the surrounding neighborhood" [Laguna Woods Municipal Code Section 13.10.010(a)]. Amendments are also proposed in the interest of regulatory clarity, as well as to promote environmental protection and improvement.

In addition to zoning code amendments, staff anticipates that zone changes would be required to align existing properties with the proposed, modified permitted uses. Staff would begin to prepare potential zone changes following today's meeting.

Environmental Review

The City is treating the Commercial Zoning Code Uses and Parking Standards Update as a project under the requirements of CEQA. An initial study will be prepared, as well as any other CEQA documentation determined to be necessary as a result of the initial study.

Fiscal Impact

Funds to support this project are included in the City's budget.

Attachments: A – Summary of Proposed Zoning Code Amendments, February 2016
B – Existing Laguna Woods Municipal Code Chapter 13.10 (Commercial Districts)
C – Existing Zoning Map

COMMERCIAL ZONING CODE USES AND PARKING STANDARDS UPDATE
SUMMARY OF PROPOSED ZONING CODE AMENDMENTS – FEBRUARY 2016

<table>
<tr><th>Reference</th><th>Existing Land Use Type</th><th>Proposed Modification</th></tr>
<tr><td>1</td><td>Administrative/Professional Office</td><td>Administrative/Professional Offices are currently permitted as a principal use in all three commercial districts (neighborhood commercial, community commercial, and professional and administrative office). In order to better align the existing districts with the purposes and intents set forth in Section 13.10.010 of the Laguna Woods Municipal Code, the proposed modification is to permit Administrative/Professional Offices as only an accessory use in the community commercial district. The professional and administrative office district is specifically intended for Administrative/Professional Offices, which are generally inconsistent with the “high intensity commercial uses” intended for the community commercial district. Administrative/ Professional Offices would continue to be permitted as a principal use in the neighborhood community district as they are generally consistent with “low intensity commercial uses.”
<table>
<tr><th></th><th>NC</th><th>CC</th><th>PA</th></tr>
<tr><td>Current</td><td>P</td><td>P</td><td>P</td></tr>
<tr><td>Proposed</td><td>P</td><td>A</td><td>P</td></tr>
</table></td></tr>
<tr><td>2</td><td>Clinics, Medical or Dental</td><td>Clinics, Medical or Dental are currently permitted as a principal use in all three commercial districts (neighborhood commercial, community commercial, and professional and administrative office). In order to better align the existing districts with the</td></tr>
</table>

<table>
<tr><th>Reference</th><th>Existing Land Use Type</th><th>Proposed Modification</th></tr>
<tr><td>2
2-2</td><td>Clinics, Medical or Dental (continued)</td><td>purposes and intents set forth in Section 13.10.010 of the Laguna Woods Municipal Code, the proposed modifications are to permit Clinics, Medical or Dental subject only to a conditional use permit in all three commercial districts. Clinics, Medical or Dental can range in intensity from low to high (e.g., a small walk-in clinic to a large urgent care center) and have potential noise, traffic, parking, and other impacts, which make the conditional use permit requirement necessary.
<table>
<tr><th></th><th>NC</th><th>CC</th><th>PA</th></tr>
<tr><td>Current</td><td>P</td><td>P</td><td>P</td></tr>
<tr><td>Proposed</td><td>U</td><td>U</td><td>U</td></tr>
</table></td></tr>
<tr><td>3</td><td>Day Care Nursery</td><td>Day Care Nursery is currently permitted, subject to a conditional use permit, in all three commercial districts (neighborhood commercial, community commercial, and professional and administrative office). In order to better align the existing districts with the purposes and intents set forth in Section 13.10.010 of the Laguna Woods Municipal Code, the proposed modifications are to (1) retitle the land use type from “Day Care Nursery” to “Day Care Nurseries,” and (2) prohibit Day Care Nurseries in the community commercial district. Day Care Nurseries are generally inconsistent with the “high intensity commercial uses” intended for the community commercial district. Day Care Nurseries are best situated in the neighborhood commercial district, which is intended to “serve the immediate needs of the surrounding neighborhood,” as well</td></tr>
</table>

<table>
<tr><th>Reference</th><th>Existing Land Use Type</th><th>Proposed Modification</th></tr>
<tr><td>3
3-2</td><td>Day Care Nursery
(continued)</td><td>as in the professional and administrative office district as a related amenity for office workers.

<table>
<tr><th></th><th>NC</th><th>CC</th><th>PA</th></tr>
<tr><td>Current</td><td>U</td><td>U</td><td>U</td></tr>
<tr><td>Proposed</td><td>U</td><td>X</td><td>U</td></tr>
</table></td></tr>
<tr><td>4</td><td>Educational Institutions, Adults
Educational Institutions</td><td>Educational Institutions, Adults are currently prohibited in the neighborhood community district; prohibited in the community commercial district; and, permitted as a principal use in the professional and administrative office district. Due to the potentially significant and variable noise, traffic, parking, and other impacts of any type of educational institution, the proposed modifications are to (1) retitle the land use type from “Educational Institutions, Adults” to “Educational Institutions”; (2) consolidate the existing definitions for Educational Institutions and Educational Institutions, Adults; and, (3) permit Educational Institutions, subject only to a conditional use permit, in the professional and administrative office district.

• Current Definition – Educational Institutions: “Private or public elementary or secondary schools, colleges or universities qualified to give general academic instruction.”

• Current Definition – Educational Institutions, Adults: “Business, trade or technical school serving adults.”</td></tr>
</table>

<table>
<tr><th>Reference</th><th>Existing Land Use Type</th><th>Proposed Modification</th></tr>
<tr><td>4
4-2</td><td>Education Institutions, Adult Educational Institutions (continued)</td><td>

- Proposed Definition – *Educational Institutions* (delete existing *Educational Institutions, Adults* definition) [this definition would apply to Title 13 (Zoning) of the Laguna Woods Municipal Code]: “Private or public elementary or secondary schools, colleges or universities qualified to give general academic instruction, as well as business, trade, or technical schools.”

<table>
<tr><th></th><th>NC</th><th>CC</th><th>PA</th></tr>
<tr><td>Current</td><td>X</td><td>X</td><td>P</td></tr>
<tr><td>Proposed</td><td>X</td><td>X</td><td><u>U</u></td></tr>
</table>

</td></tr>
<tr><td>5</td><td>Fast-Food Establishment</td><td>

Fast-Food Establishment is currently prohibited in the neighborhood commercial district, permitted as a principal use in the community commercial district, and prohibited in the professional and administrative office district. In the interest of clarity, the proposed modifications are to (1) retitle the land use type from “*Fast-Food Establishment*” to “*Fast Food Establishments*,” and (2) revise the definition for *Fast-Food Establishments* (*Fast Food Establishments*). The revised definition would further differentiate *Fast Food Establishments* from *Restaurants*, which are separately defined (see number 7 on page 6 of this document).

- Current Definition – *Fast-Food Establishments*: “An establishment whose principal business is the sale of preprepared or rapidly prepared food directly to the customer

</td></tr>
</table>

Reference	Existing Land Use Type	Proposed Modification
5 5-2	Fast-Food Establishment (continued)	in a ready-to-consume state for consumption either within the restaurant building or off the premises. Food is ordered by patrons at a counter." • Proposed Definition – *Fast Food Establishment* [this definition would apply to Title 13 (Zoning) of the Laguna Woods Municipal Code]: "A retail establishment whose principal business is the sale of pre-prepared, "take-out," or rapidly prepared food and beverages directly to customers in a ready-to-consume state for consumption either at the establishment or off-premises. Food and beverages are primarily ordered by customers at a counter or from vehicles at a window. The licensed on-site provision of alcoholic beverages for consumption on the premises is also included in this definition when accessory to the food service."
6	Hospitals	*Hospitals* are currently prohibited in the neighborhood commercial district; permitted, subject to a conditional use permit, in the community commercial district; and, prohibited in the professional and administrative office district. In order to better align the existing districts with the purposes and intents set forth in Section 13.10.010 of the Laguna Woods Municipal Code, the proposed modification is to prohibit *Hospitals* in the community commercial district. *Hospitals* are best situated in the community facilities-public/institutional and community facilities-private districts, which were specifically established in

<table>
<tr><th>Reference</th><th>Existing Land Use Type</th><th>Proposed Modification</th></tr>
<tr><td>6
6-2</td><td>Hospitals
(continued)</td><td>2011 to accommodate institutional and service-oriented land uses, including Hospitals (subject to a conditional use permit).

<table>
<tr><th></th><th>NC</th><th>CC</th><th>PA</th></tr>
<tr><td>Current</td><td>X</td><td>U</td><td>X</td></tr>
<tr><td>Proposed</td><td>X</td><td><u>X</u></td><td>X</td></tr>
</table></td></tr>
<tr><td>7</td><td>Restaurants</td><td>Restaurants are currently permitted as a principal use in the neighborhood commercial district; permitted as a principal use in the community commercial district; and, permitted, subject to a conditional use permit, in the professional and administrative office district. In the interest of clarity, the proposed modification is to revise the definition for Restaurant. The revised definition would further differentiate Restaurants from Fast Food Establishments, which are separately defined.

• Current Definition – Restaurant: “A retail establishment engaged in the preparation and sale of food and beverages. This use includes cafes, coffee shops, sandwich shops, and kitchens engaged in preparing food. The licensed on-site provision of alcoholic beverages for consumption on the premises is also included in this definition when accessory to the food service.”

• Proposed Definition – Restaurant [this definition would apply to Title 13 (Zoning) of the Laguna Woods Municipal Code]: “A retail establishment whose principal business is</td></tr>
</table>

Reference	Existing Land Use Type	Proposed Modification
7 7-2	Restaurants (continued)	the preparation and sale of food and beverages directly to customers in a ready-to-consume state for consumption either at the establishment or off-premises. Food and beverages are primarily ordered by customers while seated at tables or counters. The licensed on-site provision of alcoholic beverages for consumption on the premises is also included in this definition when accessory to the food service. Retail establishments at which food and beverages may be ordered by customers from vehicles at a window shall be considered a fast food establishment."
8	Tobacco, Magazine/Periodical Sales	*Tobacco, Magazine/Periodical Sales* are currently prohibited in the neighborhood commercial district; permitted, subject to a conditional use permit, in the community commercial district; and, prohibited in the professional and administrative office district. As staff is unable to identify a clear rationale for requiring a conditional use permit prior to the sale of magazines or periodicals, and as the placement of news racks are separately regulated by the Laguna Woods Municipal Code, the proposed modification is to (1) retitle the land use type from "*Tobacco, Magazine/Periodical Sales*" to "*Tobacco and Cigarette Sales*" and (2) add a new definition for *Cigarette*. In light of the significant health impacts associated with cigarettes, the new definition for *Cigarette* would expand land use regulations from regulating only tobacco sales to also regulating electronic cigarette and other smoking-type product sales.

Reference	Existing Land Use Type	Proposed Modification
8 8-2	Tobacco, Magazine/Periodical Sales (continued)	• Proposed Definition – *Cigarette* [this definition would apply to Title 13 (Zoning) of the Laguna Woods Municipal Code]: "Any product that contains nicotine, is intended to be burned or heated under ordinary conditions of use, and consists of or contains (1) any roll of tobacco wrapped in paper or in any substance not containing tobacco; (2) tobacco, in any form, that is functional in the product, which because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette; or (3) any roll of tobacco wrapped in any substance containing tobacco which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in this section. "Cigarette" also includes "roll-your-own" tobacco, meaning any tobacco which, because of its appearance, type, packaging, or labeling is suitable for use and likely to be offered to, or purchased by, consumers as tobacco for making cigarettes. For purposes of this definition of "cigarette," 0.09 ounces of "roll-your-own" tobacco shall constitute one individual "cigarette." "Cigarette" also includes "Electronic cigarettes" which means a device that can provide an inhalable dose of nicotine or tobacco by delivering a vaporized solution. "E-Cigarette" includes any such device, whether manufactured, distributed, marketed, or sold as an electronic cigarette, an electronic cigar, an electronic cigarillo, an electronic pipe, an electronic hookah,

Reference	Existing Land Use Type	Proposed Modification
8 8-3	Tobacco, Magazine/Periodical Sales (continued)	a vapor cigarette, or any other item that can provide for the smoking or ingestion of tobacco or products prepared from tobacco. This does not include any product specifically approved or recognized by the State of California for use in the mitigation, treatment, or prevention of disease.”
9	Vehicle Washing Facilities	*Vehicle Washing Facilities* are currently prohibited in the neighborhood commercial district; permitted, subject to a conditional use permit, in the community commercial district; and, prohibited in the professional and administrative office district. In order to better align the existing districts with the purposes and intents set forth in Section 13.10.010 of the Laguna Woods Municipal Code, and due to (1) widespread private community limitations on vehicle washing in residential areas and (2) drought considerations (including the water use efficiencies of *Vehicle Washing Facilities* as compared to individual car washing), the proposed modification is to permit *Vehicle Washing Facilities*, subject to a conditional use permit, in the neighborhood commercial district. *Vehicle Washing Facilities* are consistent with the intent of the neighborhood commercial district to “serve the immediate needs of the surrounding neighborhood.” The conditional use permit requirement is necessary in order to ensure that drought, water supply, water quality, traffic, and other issues are adequately considered in the design, construction, and operation of *Vehicle Washing Facilities*.

Reference	Existing Land Use Type	Proposed Modification
9 9-2	Vehicle Washing Facilities (continued)	

	NC	CC	PA
Current	X	U	X
Proposed	U	U	X

Reference	Description
10	In order to promote regulatory clarity, particularly with respect to the types of retail and service businesses permitted in commercial districts, while also aligning the same with the purposes and intents of the existing districts set forth in Section 13.10.010 of the Laguna Woods Municipal Code, the following additions are proposed:

Land Use Type	NC	CC	PA	Code References
Commercial Medical Marijuana Cultivation	X	X	X	13.26.026
Drug Stores	P	P	P	
Fortunetelling and Psychic Establishments	X	P	X	6.38
Massage Businesses and Establishments	P	P	X	6.40

Commercial Medical Marijuana Cultivation is addressed by Ordinance No. 16-01, which was adopted by the City Council on January 20, 2016. *Commercial Medical Marijuana Cultivation*, as defined therein, is expressly prohibited in all zoning districts. In the interest of clarity, this action would add *Commercial Medical Marijuana Cultivation* to the commercial table of permitted uses.

Drug Stores are proposed to be permitted as a principal use in all three commercial districts (neighborhood commercial, community commercial, and professional and administrative office). *Drug Stores* "serve the immediate needs of the surrounding neighborhood," are generally consistent with higher intensity commercial uses, and are a related use to medical offices. The following new

Reference	Description
10 10-2	definition is also proposed: • Proposed Definition – *Drug Store* [this definition would apply to Title 13 (Zoning) of the Laguna Woods Municipal Code]: "A retail establishment typically offering over-the-counter medications, cosmetics, toiletries, magazines, light refreshments, and other similar products that also includes a pharmacy regulated under California Pharmacy Law, which operates for at least 32 regularly scheduled hours per calendar week. Flu shots, vaccines, smoking cessation, and other prophylactic wellness services may also be provided. Treatment of sick or injured persons is excluded from this definition (see *Clinics, Medical or Dental*; *Hospitals*)." *Fortunetelling and Psychic Establishments* are proposed to be prohibited in the neighborhood commercial district, permitted as a principal use in the community commercial district, and prohibited in the professional and administrative office district. As *Fortunetelling and Psychic Establishments* cannot be seen to "serve the immediate needs of the surrounding neighborhood" and are not administrative in nature, *Fortunetelling and Psychic Establishments* would be prohibited in the neighborhood commercial and professional and administrative office districts. Commercial fortunetelling and psychics are separately regulated by Laguna Woods Municipal Code Chapter 6.38. *Massage Businesses and Establishments* are proposed to be permitted as a principal use in the neighborhood commercial district, permitted as a principal use in the community commercial district, and prohibited in the professional and administrative office district. *Massage Businesses and Establishments* are best situated in more traditional, retail-oriented districts (neighborhood commercial and community commercial), as opposed to the professional and administrative office district. *Massage Businesses and Establishments* are generally inconsistent with the intended uses of the professional and administrative office district as they are not "moderate intensity professional and administrative office uses" nor reasonably related uses. Massage therapy is separately regulated by Laguna Woods Municipal Code Chapter 6.40.

<table>
<tr><th>Reference</th><th>Description</th></tr>
<tr><td>11</td><td>In order to promote regulatory clarity, particularly with respect to the treatment of similar land use types, the following minor modifications of identified land use types are proposed:
<table>
<tr><th>Existing Land Use Type</th><th>Proposed Land Use Type</th></tr>
<tr><td>Archery Range</td><td>Archery Ranges *correction of singular vs. plural</td></tr>
<tr><td>Automobile Parking Lots/Structures</td><td>Automobile Parking Structures, Multi-Level</td></tr>
<tr><td>Automobile Service Station</td><td>Automobile Service Stations *correction of singular vs. plural</td></tr>
<tr><td>Bus, Railroad and Taxi Stations</td><td>Bus and Taxi Terminal Buildings</td></tr>
<tr><td>Dance Hall</td><td>Dance Halls *correction of singular vs. plural</td></tr>
<tr><td>Dry Cleaning, Dyeing and Laundry Plants</td><td>Dry Cleaning, Dyeing, and Laundry Businesses</td></tr>
<tr><td>Financial Institutions</td><td>Banks and Automated Teller Machines</td></tr>
<tr><td>Medical Marijuana Dispensary</td><td>Medical Marijuana Dispensaries *correction of singular vs. plural</td></tr>
<tr><td>Transfer/Materials Recovery Facility</td><td>Transfer/Materials Recovery Facilities *correction of singular vs. plural</td></tr>
</table></td></tr>
<tr><td>12</td><td>In order to promote regulatory clarity, the following deletions of unnecessary and duplicative land use types are proposed:
<table>
<tr><th>Existing Land Use Type</th><th>Proposed Modification</th></tr>
<tr><td>Agricultural and Produce Stands</td><td rowspan="7">Delete; identification of solely temporary use/special events in the Table of Permitted Land Uses is unnecessary due to regulation elsewhere in the Laguna Woods Municipal Code</td></tr>
<tr><td>Commercial Coaches</td></tr>
<tr><td>Construction Trailer</td></tr>
<tr><td>Outdoor Charitable Collection</td></tr>
<tr><td>Outdoor Sales, Various</td></tr>
<tr><td>Outdoor Storage</td></tr>
<tr><td>Special Events</td></tr>
</table></td></tr>
</table>

<table>
<tr><th>Reference</th><th>Description</th></tr>
<tr><td>12
12-2</td><td>
<table>
<tr><th>Existing Land Use Type</th><th>Proposed Modification</th></tr>
<tr><td>Stationary Food Cart</td><td rowspan="2">Delete; identification of solely temporary use/special events in the Table of Permitted Land Uses is unnecessary due to regulation elsewhere in the Laguna Woods Municipal Code</td></tr>
<tr><td>Temporary Parking Lot</td></tr>
<tr><td>Ice Cream Parlor</td><td>Delete; identification of Ice Cream Parlor separate from Fast Food Establishments and Restaurants is unnecessary</td></tr>
</table>
</td></tr>
<tr><td>13</td><td>
Current Commercial Uses Legend (used to interpret the table of commercial permitted uses):
<table>
<tr><td>P</td><td>=</td><td>The use is permitted as the principal use within the district.</td></tr>
<tr><td>A</td><td>=</td><td>The use is permitted only as an accessory to a principal use on a site.</td></tr>
<tr><td>U</td><td>=</td><td>The use is permitted with an approved use permit.</td></tr>
<tr><td>T/SE</td><td>=</td><td>The use is permitted with an approved Temporary Use/Special Event permit.</td></tr>
<tr><td>RP</td><td>=</td><td>The use is permitted with an approved regulatory use permit.</td></tr>
<tr><td>X</td><td>=</td><td>The use is prohibited in the district.</td></tr>
</table>
Proposed Commercial Uses Legend (used to interpret the table of commercial permitted uses):
<table>
<tr><td>P</td><td>=</td><td>The use is permitted as a principal use within the district.</td></tr>
<tr><td>A</td><td>=</td><td>The use is permitted only as an accessory to a principal use on a site within the district.</td></tr>
<tr><td>U</td><td>=</td><td>The use is permitted with an approved use permit.</td></tr>
<tr><td>T/SE</td><td>=</td><td>The use is permitted with an approved Temporary Use/Special Event permit.</td></tr>
<tr><td>RP</td><td>=</td><td>The use is permitted with an approved regulatory use permit.</td></tr>
<tr><td>X</td><td>=</td><td>The use is prohibited within the district.</td></tr>
</table>
</td></tr>
</table>

Reference	Description
14	The purpose and intent of the professional and administrative office district currently calls for amenities including "large landscaped open spaces." In light of California's drought and the City's commitment to environmental improvement, the purpose and intent would be revised to eliminate the requirement for "large landscaped open spaces." In the interest of clarity, low intensity professional and administrative office uses and related uses would also be explicitly allowed. • Current Purpose and Intent – *Professional and Administrative Office (PA)*: "To provide for the development and preservation of an optimal environment for moderate intensity professional and administrative office uses and related uses on sites with large landscaped open spaces and off-street parking facilities. This district is intended to be located on heavily traveled streets or adjacent to commercial or industrial districts, and may be used to buffer residential areas." • Proposed Purpose and Intent – *Professional and Administrative Office (PA)*: "To provide for the development and preservation of an optimal environment for low to moderate intensity professional and administrative office uses and related uses on sites with off-street parking facilities. This district is intended to be located on heavily traveled streets or adjacent to commercial or industrial districts, and may be used to buffer residential areas."

ITEM 7.1 - Attachment B

EXISTING LAGUNA WOODS MUNICIPAL CODE CHAPTER 13.20 (COMMERCIAL DISTRICTS)

CHAPTER 13.10. - COMMERCIAL DISTRICTS

Sec. 13.10.010. - Purpose and intent of districts.

(a) *Neighborhood Commercial (NC).* To provide for the development and preservation of low intensity commercial uses which serve the immediate needs of the surrounding neighborhood. Such uses are to be grouped in small areas of three to eight acres and designed so that adverse impacts on residential properties are minimized.

(b) *Community Commercial (CC).* To provide for the development and preservation of high intensity commercial uses which serve the local community and regional area and are compatible with surrounding residential uses.

(c) *Professional and Administrative Office (PA).* To provide for the development and preservation of an optimal environment for moderate intensity professional and administrative office uses and related uses on sites with large landscaped open spaces and off-street parking facilities. This district is intended to be located on heavily traveled streets or adjacent to commercial or industrial districts, and may be used to buffer residential areas.

(Ord. No. 03-03, § 5(18.20.205), 4-16-2003; Ord. No. 11-01, § 4(Exh. 4), 1-19-2011)

Sec. 13.10.020. - Table of permitted uses.

The Permitted Commercial Uses Table, which follows, specifies whether a use or structure is permitted within the respective district and denotes the type of application process required to establish said use or structure. See Section 13.24.020 for those principally permitted uses that may be exempt from the site development permit process.

PERMITTED COMMERCIAL USES LEGEND:

P	=	The use is permitted as the principal use within the district.
A	=	The use is permitted only as an accessory to a principal use on a site.
U	=	The use is permitted with an approved use permit.
T/SE	=	The use is permitted with an approved Temporary Use/Special Event permit.
RP	=	The use is permitted with an approved regulatory use permit.
X	=	The use is prohibited in the district.

	Districts			
Land Use Types	NC	CC	PA	Code References

Accessory Building/Use	A	A	A	13.16.200
Administrative/Professional Offices	P	P	P	
Adult Entertainment Business	X	RP	X	13.26.020
Agricultural and Produce Stands	T/SE	T/SE	T/SE	13.26.180
Alcoholic Beverage Sales	U	U	X	
Animal Clinics	P	P	X	13.26.050
Archery Range	U	U	X	13.26.220
Automobile Parking Lots/Structures	X	P	P	
Automobile Repair Specialty Shops	X	P	X	
Automobile Service Station	U	U	X	
Automobile/Truck Maintenance and Repair	X	X	X	
Automobile Wrecking, Junk/Salvage Yards	X	X	X	
Bottling Plants	X	X	X	
Bus, Railroad and Taxi Stations	X	U	X	
Churches, Temples, and Places of Worship	U	U	U	
Civic and Government Uses	P	P	P	
Clinics, Medical or Dental	P	P	P	

Commercial Coaches	T/SE	T/SE	T/SE	13.26.180
Commercial Recreation	X	P	X	
Congregate Care Facilities	X	U	X	13.26.090
Construction Trailer	T/SE	T/SE	T/SE	13.26.180
Contractor's Yards	X	T/SE	X	
Dance Hall	X	U	X	
Day Care Nursery	U	U	U	
Dry Cleaning, Dyeing and Laundry Plants	X	X	X	
Educational Institutions, Adults	X	X	P	
Emergency and Transitional Housing Shelters	X	P	X	13.23
Fast-Food Establishment	X	P	X	
Fences and Walls	A	A	A	13.16.230
Financial Institution	P	P	P	
Grocery Store	U	P	X	
Heavy Equipment Rental/Sales Yards	X	X	X	
Helistops	X	U	X	13.26.110
Hospitals	X	U	X	
Hotels and Motels	X	U	X	
Ice Cream Parlor	P	P	U	
Impound/Storage Yards	X	X	X	

Libraries and Museums	P	P	P	
Medical Marijuana Dispensary	X	RP	X	13.26.025
Ministorage Facilities	X	U	X	
Mortuaries and Crematories	X	U	X	
Outdoor Charitable Collection	T/SE	T/SE	T/SE	13.26.180
Outdoor Sales, Various	T/SE	T/SE	T/SE	13.26.180
Outdoor Storage	T/SE	T/SE	T/SE	13.26.180
Police and Fire Stations	X	P	X	
Public/Private Utility Buildings/Structures	P	P	P	
Recycling Collection Site	T/SE	U	T/SE	13.26.180
Residential Uses	X	X	X	
Restaurants	P	P	U	
Retail/Service Businesses	P	P	A	
Special Events	T/SE	T/SE	T/SE	13.26.180
Stationary Food Cart	T/SE	T/SE	T/SE	13.26.180
Temporary Parking Lot	T/SE	T/SE	T/SE	13.26.180
Theatres	X	U	X	
Tobacco, Magazine/Periodical Sales	X	U	X	
Transfer/Materials Recovery facility	X	X	X	13.26.190

Vehicle Washing Facilities	X	U	X	
Vehicle/Vessel Sales/Rentals	X	X	X	
Welding and Metal Plating	X	X	X	
Wireless Communication Facilities	U	U	U	13.26.120

(Ord. No. 03-03, § 5(18.20.210), 4-16-2003; Ord. No. 08-01, § 5, 9-17-2008; Ord. No. 11-01, § 4(Exh. 4), 1-19-2011; Ord. No. 11-02, § 5, 1-19-2011; Ord. No. 14-01, § 4, 4-16-2014)

Sec. 13.10.030. - Development standards.

The Commercial Development Standards Table, which follows, specifies standards for the development of property within commercial districts.

Commercial Development Standards

	Districts		
Development Standard	NC	CC	PA
Maximum Building Height (ft.)	35	65	35
Minimum Building Site Area (sq. ft.)	none	none	10,000
Minimum Building Site Width (ft.)	none	none	75
Minimum Perimeter Setback (ft.)			
From Street ROW	20	5	10
From Alley	20	5	10
From Residential Districts	20	20	10

From Nonresidential Districts	0	0	10[2]
Maximum FAR	0.30	0.30	0.30
Maximum Building Site Coverage	35 percent	none	35 percent
Parking	See Code Section 13.18		
Landscaping	See Code Section 13.16.190		
Screening	See Code Section 13.16.180		
Signs	See Code Section 13.20		
Waste Management/Hazardous Materials	See Code Section 13.26.200		

Notes:

[1] Required for one side of building site only.

(Ord. No. 03-03, § 5(18.20.215), 4-16-2003; Ord. No. 11-01, § 4(Exh. 4), 1-19-2011)

Sec. 13.10.040. - Supplemental commercial district regulations.

(a) *Lighting.* All lighting, exterior and interior, shall be designed and located so as to confine direct rays to the premises.

(b) *Loading.* All loading operations shall be performed on the site, and loading areas shall be screened by a landscape or architectural feature.

(c) *Trash and storage area.* All storage of cartons, containers and trash shall be enclosed by a roofed structure.

(d) *Enclosed uses.* All commercial uses and their related products shall be contained entirely within a completely enclosed structure, except for parking and loading areas, and except for outdoor uses expressly permitted by an approved site development plan or use permit.

(e) *Business hours in the Neighborhood Commercial District.* Business hours shall be limited to the hours between 6:00 a.m. and 10:30 p.m. unless otherwise provided for by an approved use permit.

(f)

Parking provided in the Professional and Administrative Office District. Parking on the front half of the lot shall have no direct access to the street and shall be roofed unless adequate screening of open parking can be provided by berming, fencing, or landscaping as shown on an approved site development plan or use permit.

(g) *Sidewalks.* New development shall provide sidewalks along side vehicular entrance points with a grade not to exceed plus eight percent from the public right-of-way, and/or demonstrate to the satisfaction of the Director the site accessibility to persons with disabilities.

(Ord. No. 03-03, § 5(18.20.220), 4-16-2003; Ord. No. 11-01, § 4(Exh. 4), 1-19-2011)

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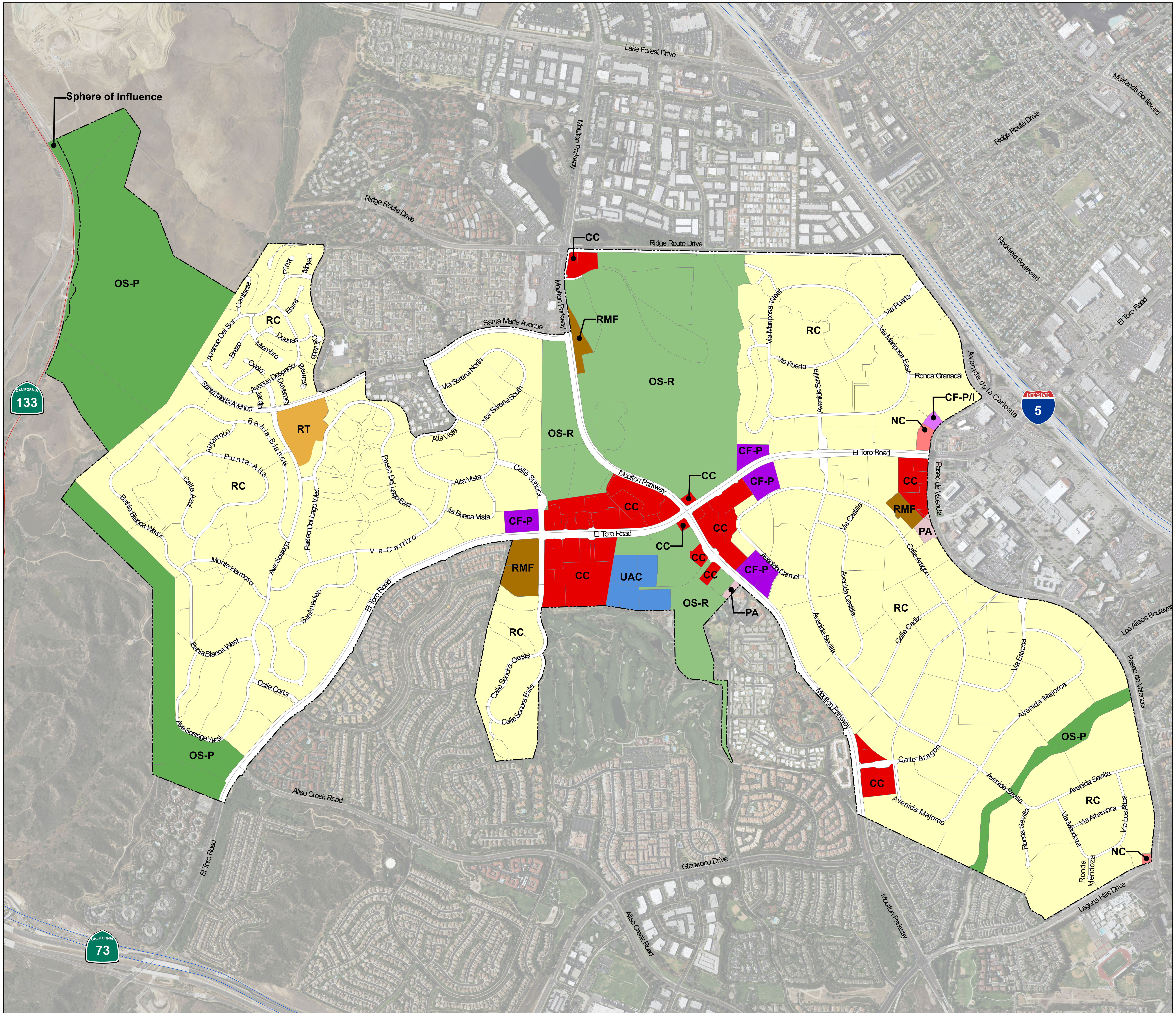
CITY OF LAGUNA WOODS



ITEM 7.1 - Attachment C

ZONING MAP

Effective: September 18, 2015

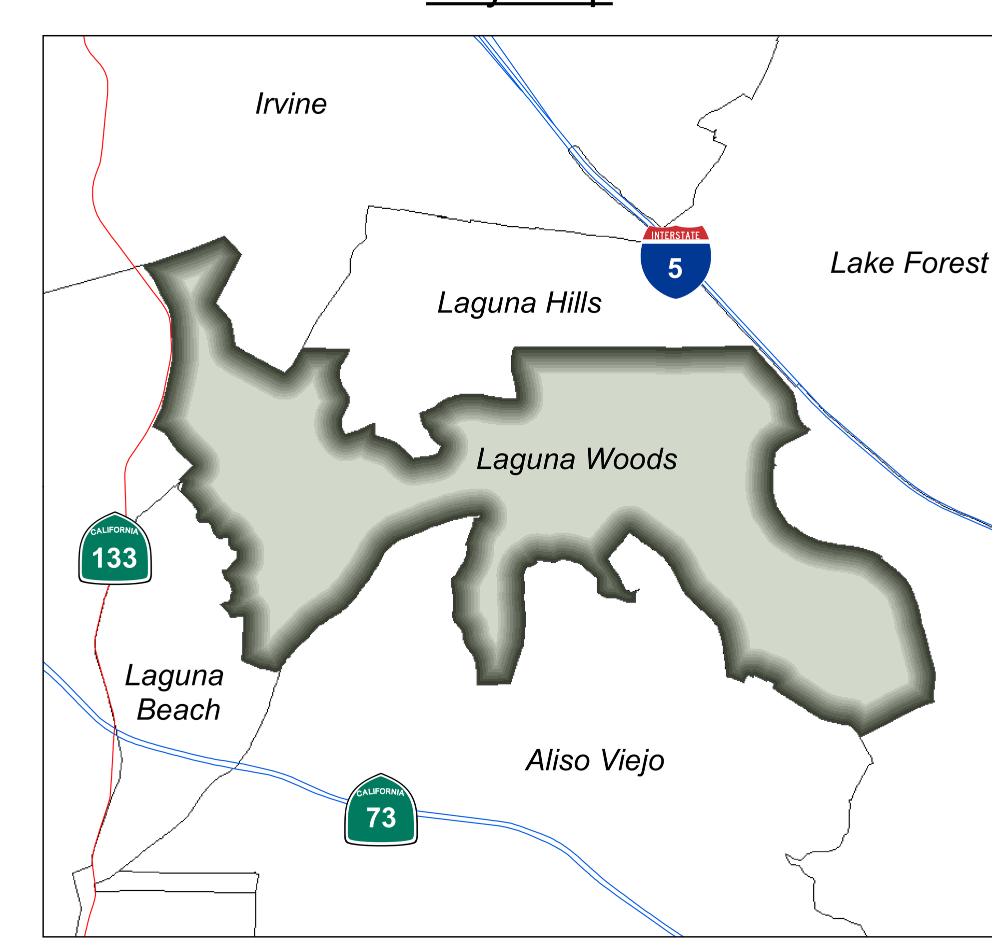
Legend

City Boundaries

Zoning Designations

- Residential Community District (RC)
- Residential Towers District (RT)
- Residential Multifamily District (RMF)
- Professional and Administrative Office District (PA)
- Neighborhood Commercial District (NC)
- Community Commercial District (CC)
- Community Facilities - Public/Institutional (CF-P/I)
- Community Facilities - Private (CF-P)
- Open Space - Recreation District (OS-R)
- Open Space - Passive District (OS-P)
- Urban Activities Center (UAC)

Key Map



DISCLAIMER
This map is a public resource of general information. The feature data provided on this map represents the most accurate zoning and parcel information available at the most recent date of revision. In the event of a conflict between information on this map and adopted City Resolutions or Ordinances, the City's Resolutions or Ordinances shall govern.

0 0.25 0.5 Miles

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8.1
UNITED STATES HOUSE OF REPRESENTATIVES RESOLUTION (H.R.) 3643, THE INTERIM CONSOLIDATED STORAGE ACT OF 2015 (AGENDIZED BY MAYOR PRO TEM HORNE)

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RESOLUTION NO. 16-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, SUPPORTING UNITED STATES HOUSE OF REPRESENTATIVES RESOLUTION (H.R.) 3643, THE INTERIM CONSOLIDATED STORAGE ACT OF 2015, AND FUTURE SENATE BILL EQUIVALENT

WHEREAS, the City of Laguna Woods is located approximately 20 miles from the San Onofre Nuclear Generating Station in a densely populated area of Orange County, California; and

WHEREAS, the City of Laguna Woods' Emergency Operations Plan and Local Hazard Mitigation Plan identify nuclear accidents at the San Onofre Nuclear Generating Station as a potential public safety hazard to Laguna Woods; and

WHEREAS, in 2013, Southern California Edison announced its decision to permanently decommission the San Onofre Nuclear Generating Station; and

WHEREAS, operators for the San Onofre Nuclear Generating Station decommissioning indicate that there will eventually be 1,609 metric tons of spent nuclear fuel stored at the San Onofre Nuclear Generating Station site until a federal repository is available to accept the spent nuclear fuel; and

WHEREAS, notwithstanding assurances of safety, spent nuclear fuel leaks have occurred at nuclear facilities, which create concern that accidental leaks of spent nuclear fuel are possible with resulting harm and imperilment to public safety; and

WHEREAS, spent nuclear fuel may also be the target of acts of terrorism or other intentional acts meant to cause harm and imperil public safety; and

WHEREAS, the United States Congress assigned the Department of Energy with the task of creating an underground repository for nuclear waste as a result of the Nuclear Waste Policy Act of 1982, which has yet to be completed; and

WHEREAS, the Department of Energy concluded in 2013 that a geologic repository for the permanent disposal of spent nuclear fuel and high level radioactive waste will not be available until 2048, at the earliest; and

WHEREAS, President Obama's Blue Ribbon Commission on America's Nuclear Future recommended that federal legislation allow for the construction of one or more interim consolidated storage facilities for spent nuclear fuel and high level nuclear waste, independent of the current federal requirement for a permanent nuclear repository be licensed in advance of any such construction; and

WHEREAS, United States House of Representatives Resolution (H.R.) 3643 (the "Interim Consolidated Storage Act of 2015"), which was introduced in the United States Congress on September 29, 2015, would "amend the Nuclear Waste Policy Act of 1982 to authorize the Secretary of Energy to enter into contracts for the storage of certain high-level radioactive waste and spent nuclear fuel, take title to certain high-level radioactive waste and spent nuclear fuel, and make certain expenditures from the Nuclear Waste Fund."

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

SECTION 1. The City of Laguna Woods supports H.R. 3643 and its future Senate Bill equivalent, and calls upon its federal representatives to do the same.

SECTION 2. On behalf of the City of Laguna Woods, the Mayor is hereby authorized to cause to be prepared, prepare, and submit correspondence related to the efforts described in this resolution.

SECTION 3. The Deputy City Clerk shall certify to the passage of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2016.

_____

NOEL HATCH, Mayor

ATTEST:

_____

YOLIE TRIPPY, Deputy City Clerk

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

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 16-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2016, by the following vote:

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

_____
YOLIE TRIPPY, Deputy City Clerk

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AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

I

114TH CONGRESS
1ST SESSION

H. R. 3643

To amend the Nuclear Waste Policy Act of 1982 to authorize the Secretary of Energy to enter into contracts for the storage of certain high-level radioactive waste and spent nuclear fuel, take title to certain high-level radioactive waste and spent nuclear fuel, and make certain expenditures from the Nuclear Waste Fund.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 29, 2015

Mr. CONAWAY (for himself, Mr. ISSA, Mr. COURTNEY, Mr. SAM JOHNSON of Texas, Mr. NEUGEBAUER, Mr. FARENTHOLD, Ms. MATSUI, Ms. PINGREE, Ms. GRANGER, Mr. GENE GREEN of Texas, Mr. MARCHANT, Mr. CULBERSON, Mr. SMITH of Texas, and Mr. CARTER of Texas) introduced the following bill; which was referred to the Committee on Energy and Commerce

---

A BILL

To amend the Nuclear Waste Policy Act of 1982 to authorize the Secretary of Energy to enter into contracts for the storage of certain high-level radioactive waste and spent nuclear fuel, take title to certain high-level radioactive waste and spent nuclear fuel, and make certain expenditures from the Nuclear Waste Fund.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Interim Consolidated Storage Act of 2015''.

SEC. 2. DEFINITION OF INTERIM CONSOLIDATED STORAGE FACILITY.

Section 2 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101) is amended by adding at the end the following new paragraph:

''(35) The term 'interim consolidated storage facility' means a facility that possesses a specific license issued by the Commission that authorizes storage of high-level radioactive waste or spent nuclear fuel received from the Secretary or from two or more persons that generate or hold title to high-level radioactive waste or spent nuclear fuel generated at a civilian nuclear power reactor.''.

SEC. 3. INTERIM CONSOLIDATED STORAGE OF HIGH-LEVEL RADIOACTIVE WASTE AND SPENT NUCLEAR FUEL.

(a) STORAGE OF SPENT NUCLEAR FUEL.—Section 135(h) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10155(h)) is amended by striking ''Notwithstanding any other provisions of law'' and inserting ''Except as provided in section 302, and subtitle I of title I''.

(b) INTERIM CONSOLIDATED STORAGE.—Title I of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10121 et seq.) is amended by adding at the end the following:

"Subtitle I—Interim Consolidated Storage

"SEC. 190. INTERIM CONSOLIDATED STORAGE.

"(a) IN GENERAL.—The Secretary may enter into contracts for the storage of high-level radioactive waste or spent nuclear fuel with any person that holds a license for an interim consolidated storage facility.

"(b) DEFINITION OF HIGH-LEVEL RADIOACTIVE WASTE.—For purposes of this subtitle and section 302, the term 'high-level radioactive waste' includes Greater than Class C waste as defined in section 72.3 of title 10, Code of Federal Regulations. Nothing in this section or section 191 shall be interpreted to affect existing judicial interpretation of the term high-level radioactive waste or to require the disposal of Greater than Class C waste in a repository.

"SEC. 191. CONTRACTS.

"(a) IN GENERAL.—The Secretary may enter into new contracts or modify existing contracts with any person who generates or holds title to high-level radioactive waste or spent nuclear fuel of domestic origin for the acceptance of title and subsequent storage of such waste or fuel at

an interim consolidated storage facility, with priority for storage given to high-level radioactive waste and spent nuclear fuel located on sites without an operating nuclear reactor.

"(b) CONTRACT TERMS.—A contract entered into or modified under this section shall provide that acceptance by the Secretary, and transfer of title under subsection (d), of any high-level radioactive waste or spent nuclear fuel for an interim consolidated storage facility satisfies the Secretary's responsibility under a contract entered into under section 302(a) to accept title to such waste or fuel for disposal, with respect to such accepted waste or fuel.

"(c) LIMITATION.—The Secretary shall not require a person to settle claims against the United States for the breach of a contract entered into under section 302(a) for the disposal of high-level radioactive waste or spent nuclear fuel as a condition precedent of entering into or modifying a contract under this section.

"(d) TITLE TO MATERIAL.—Delivery, and acceptance by the Secretary, of any high-level radioactive waste or spent nuclear fuel for an interim consolidated storage facility shall constitute a transfer to the Secretary of title to such waste or fuel.".

(c) NUCLEAR WASTE FUND.—Section 302(d) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(d)) is amended—

(1) in paragraph (4), by striking ''in a monitored, retrievable storage site'' and inserting ''in an interim consolidated storage facility or monitored retrievable storage site,'';

(2) in paragraph (5)—

(A) by striking ''a monitored, retrievable storage site'' and inserting ''an interim consolidated storage facility site, a monitored retrievable storage site,'';

(B) by striking ''such repository, monitored, retrievable storage facility'' and inserting ''such repository, interim consolidated storage facility, monitored retrievable storage facility,''; and

(C) by striking ''; and'' and inserting a semicolon;

(3) by redesignating paragraph (6) as paragraph (7);

(4) by inserting after paragraph (5) the following:

''(6) the fees and costs in connection with the storage of high-level radioactive waste or spent nu-

clear fuel in an interim consolidated storage facility; and''; and

(5) by inserting ''For purposes of the preceding sentence, fees and costs described in paragraph (6) shall not be considered amounts for the construction or expansion of any facility.'' after ''this or subsequent legislation.''.

(d) APPROPRIATIONS FROM THE WASTE FUND.—Section 302(e)(2) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(e)(2)) is amended—

(1) by inserting ''(A)'' before ''The Secretary shall submit''; and

(2) by adding at the end the following:

''(B) Notwithstanding subparagraph (A), subject to subparagraph (C), necessary amounts shall be available to the Secretary from the Waste Fund without additional appropriations to pay for the following:

''(i) Costs described in subsection (d)(4) in connection with storage in an interim consolidated storage facility.

''(ii) Costs described in subsection (d)(5) in connection with an interim consolidated storage facility.

''(iii) Fees and costs described in subsection (d)(6).

"(C) The Secretary shall not expend, on fees for dry modes of storage of high-level radioactive waste or spent nuclear fuel, amounts totaling more than the cumulative amount of interest generated by the Waste Fund each fiscal year, beginning in fiscal year 2016.".

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