

**PRELIMINARY ACTION AGENDA
LAKE FOREST CITY COUNCIL**

**Regular Meeting of the City Council
June 17, 2008**

**Lake Forest City Hall
25550 Commercentre Drive
City Council Chamber
Lake Forest, California 92630**

PRELIMINARY ACTION AGENDA: The listed Action represents a brief synopsis of the Council action. The Council Minutes, when approved, stand as the official record of the meeting. This Preliminary Action Agenda is provided as quick reference only and is NOT intended to serve as any form of the official record and should not be relied upon in making important decisions. Before making important decisions, you should review the approved minutes.

CALL TO ORDER: 6:05 p.m.

ROLL CALL: Council Members:	Richard T. Dixon
	Kathryn McCullough
	Marcia Rudolph
Mayor Pro Tem:	Peter Herzog
Mayor:	Mark Tetterer
City Manager:	Robert C. Dunek
City Attorney:	Scott C. Smith
City Clerk:	Sherry A.F. Wentz

RECESS: City Council recessed at 6:05 p.m. for the purpose of conducting Closed Session business.

CLOSED SESSION (F: 16.3) 6:05 p.m.

CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8. (3 properties: A - C)

City Negotiators:	City Manager and City Attorney
Property Negotiators:	Property Owners on Record

Under Negotiation: Price and Terms of Payment

- A. Property: Approximately 13.2 acres on APN 612-022-10
- B. Property: 20 acres located on APN 104-143-25 and 104-143-27, located at Rocky Road, west of Portola Parkway, south of Foothill Transportation Corridor, Lake Forest, CA
- C. Property: 7 acres located on APN 104-132-36, 104-132-65, located at 20996 Marin, Lake Forest, CA

2. CONFERENCE WITH LEGAL COUNSEL REGARDING THE FOLLOWING:

A. Existing litigation pursuant to Government Code Section 54956.9(a): Three (3) Cases

- 1. Case Name: City of Lake Forest v. Lake Forest Body Centre
Case No. 07CC1155
- 2. Case Name: Julie Ho v. City of Lake Forest
Case No. 30-2008-00107142
- 3. Case Name: ATLF v. City of Lake Forest
Case No. SACV 07-250 DOC (ANx)

3. PUBLIC EMPLOYEE PERFORMANCE EVALUATION pursuant to Government Code Section 54957: City Manager.

ACTION: Conducted Closed Session.

RECESS: City Council recessed at 6:58 p.m. from Closed Session for the purpose of conducting regular City business.

RECONVENE: City Council reconvened at 7:05 p.m. with all Members present, to continue regular City business.

PUBLIC SESSION

7:05 p.m.

PLEDGE OF ALLEGIANCE: (F: 26.21)

Council Member Dixon led the pledge of Allegiance to the Flag of our Country.

CLOSED SESSION REPORT: (F: 16.3)

City Attorney Smith stated there were no reportable actions from Closed Session. He noted for the record, Mayor Tettermer's recusal from participation on the item relating to property negotiations on the Irvine Ranch Water District property.

PRESENTATIONS: (F: 55.1)

1. **INTRODUCTION OF NEW EMPLOYEE – FINANCE DEPARTMENT** submitted by Director of Finance/City Treasurer. (F: 48.8E)

ACTION: Received introduction of Accounting Manager Maggie De Mauro.

2. **REPORT BY INVESTMENT OVERSIGHT REVIEWER QUARTER ENDED MARCH 31, 2008**, submitted by Director of Finance/City Treasurer. (F: 30.10A)

ACTION: The City Council received and filed the report.

RECESS: City Council recessed at 7:10 p.m. for the purpose of conducting Redevelopment Agency business.

RECONVENE: City Council reconvened at 7:43 p.m. with all Members present, to continue regular City business.

PUBLIC COMMENTS: (F: 26.12)

The following members of the public offered comments: Dr. James Gardner and Bob Holtzclaw.

CONSENT CALENDAR - WARRANT REGISTER: (Item No. 3)

3. **WARRANT REGISTER submitted by Director of Finance/City Treasurer in the amount of \$799,659.82. (F: 30.11)**

Council Member McCullough pulled the following warrant for purposes of clarification: RMF Arena Systems.

Council Member Rudolph pulled the following warrant for purposes of clarification: South Orange County Chamber of Commerce.

ACTION: On motion by Council Member Dixon and second by Mayor Pro Tem Herzog, the City Council approved the remainder of the warrant register as submitted. MOTION UNANIMOUSLY CARRIED.

ACTION: On motion by Council Member McCullough and second by Council Member Dixon, the City Council approved the warrant payable for RMF Arena Systems. MOTION UNANIMOUSLY CARRIED.

ACTION: On motion by Council Member Rudolph and second by Mayor Pro Tem Herzog, the City Council approved the warrant payable for South Orange County Chamber of Commerce. MOTION UNANIMOUSLY CARRIED.

CONSENT CALENDAR - MISCELLANEOUS: (Item Nos. 4-16) (Items No. 6, 7, and 16 were pulled from the Consent Calendar for separate consideration.)

4. **MOTION TO APPROVE THE READING BY TITLE OF ALL ORDINANCES AND RESOLUTIONS. SAID ORDINANCES AND RESOLUTIONS WHICH APPEAR ON THE PUBLIC AGENDA SHALL**

BE DETERMINED TO HAVE BEEN READ BY TITLE AND FURTHER READING WAIVED.

ACTION: On motion by Council Member Dixon and second by Council Member Rudolph, the City Council waived the reading of Ordinances and Resolutions. MOTION UNANIMOUSLY CARRIED.

5. MINUTES OF THE REGULAR MEETINGS OF THE CITY COUNCIL HELD ON MAY 6 AND MAY 20, 2008, submitted by City Clerk.

ACTION: On motion by Council Member Dixon and second by Council Member Rudolph, the City Council approved the Minutes of the regular meeting of the City Council held on May 6 and May 20, 2008, as submitted. MOTION UNANIMOUSLY CARRIED.

6. ADOPTION OF ORDINANCE NOS. 186-187 AND 190 submitted by City Attorney and City Clerk. (F: 50.11A) (50.11B3)

ACTION: On motion by Council Member Dixon and second by Mayor Pro Tem Herzog, the City Council continued the reading of Ordinances 186-187 and 190.

Ordinance No. 186 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, AMENDING THE LAKE FOREST MUNICIPAL CODE BY ADDING CHAPTER 7.19 TO TITLE 7 OF THE LAKE FOREST MUNICIPAL CODE REGARDING THE LAKE FOREST TRANSPORTATION MITIGATION PROGRAM.

Ordinance No. 187 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, APPROVING GENERAL PLAN AMENDMENT (GPA) 2008-02 TO ALLOW FOR RESIDENTIAL USES, PUBLIC FACILITIES, COMMERCIAL USES AND MIXED USES WITHIN THE OPPORTUNITIES STUDY AREA.

Ordinance No. 190 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, APPROVING ZONE

CHANGE 2008-03, IRVINE RANCH WATER DISTRICT, TO REZONE 82 ACRES FROM AGRICULTURE (A1) TO MULTI-FAMILY RESIDENTIAL WITH A PLANNED DEVELOPMENT (R2-PD) OVERLAY, WITHIN THE OPPORTUNITIES STUDY AREA.

2. Adopt Ordinances Nos. 186-187 and 190 as submitted. MOTION CARRIED WITH MAYOR TETTEMER ABSTAINING.

7. ADOPTION OF ORDINANCE NOS. 188-189 AND 191-194 submitted by City Attorney and City Clerk. (F: 50.11B4) (50.11B6) (50.11B2) (50.11B5) (50.11B6)

ACTION: On motion by Mayor Pro Tem Herzog and second by Council Member Dixon, the City Council continued the second reading of Ordinances 188-189, and 191-194.

Ordinance No. 188 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, APPROVING ZONE CHANGE 2008-01, SHEA/BAKER RANCH, TO REZONE 387 ACRES WITHIN THE BAKER RANCH PLANNED COMMUNITY FROM URBAN ACTIVITY TO RESIDENTIAL AND MIXED-USE IN THE BAKER RANCH PLANNED COMMUNITY, WITHIN THE OPPORTUNITIES STUDY AREA.

Ordinance No. 189 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, APPROVING ZONE CHANGE 2008-02, PORTOLA CENTER, TO REZONE 243 ACRES WITHIN THE PORTOLA HILLS PLANNED COMMUNITY TO ALLOW FOR RESIDENTIAL USES, PUBLIC FACILITIES, AND MIXED USES, WITHIN THE OPPORTUNITIES STUDY AREA.

Ordinance No. 191 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, APPROVING ZONE CHANGE 2008-04, WHISLER, TO REZONE 13 ACRES FROM AGRICULTURAL (A1) TO SINGLE-FAMILY RESIDENTIAL WITH PLANNED DEVELOPMENT OVERLAY (RS-PD), WITHIN THE OPPORTUNITIES STUDY AREA.

Ordinance No. 192 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, APPROVING ZONE

CHANGE 2008-05, PACIFIC HERITAGE/PEACHWOOD, TO REZONE 18 ACRES IN THE SERRANO HIGHLANDS PLANNED COMMUNITY TO ALLOW FOR MEDIUM-DENSITY RESIDENTIAL WITHIN THE OPPORTUNITIES STUDY AREA.

Ordinance No. 193 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF LAKE FOREST AND USA PORTOLA PROPERTIES, LLC FOR CERTAIN REAL PROPERTY LOCATED WITHIN THE CITY OF LAKE FOREST PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65864 ET SEQ.

Ordinance No. 194 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF LAKE FOREST, MADISON INVESTMENTS LP AND THE HEERS FAMILY TRUST FOR CERTAIN REAL PROPERTY LOCATED WITHIN THE CITY OF LAKE FOREST PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65864 ET SEQ.

2. Adopt Ordinance Nos. 188-189 and 191-194 as submitted. MOTION UNANIMOUSLY CARRIED.

8. ADOPTION OF RESOLUTIONS RELATING TO THE GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 4, 2008, submitted by City Clerk. (F: 28.2)

ACTION: On motion by Council Member Dixon and second by Council Member Rudolph, the City Council: 1. Adopted Resolution No. 2008-17 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, CALLING, ORDERING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION ON TUESDAY, NOVEMBER 4, 2008, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF CALIFORNIA LAW RELATING TO GENERAL LAW CITIES. 2. ADOPTED RESOLUTION NO. 2008-18 ENTITLED A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF

THE COUNTY OF ORANGE TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION WITH THE STATEWIDE GENERAL ELECTION ON NOVEMBER 4, 2008, PURSUANT TO CALIFORNIA ELECTIONS CODE SECTION 10403. 3. ADOPTED RESOLUTION NO. 2008-19 ENTITLED A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR THE NOVEMBER 4, 2008, ELECTION PERTAINING TO CANDIDATE STATEMENTS. MOTION UNANIMOUSLY CARRIED.

9. ARTICLE XIII B APPROPRIATIONS LIMIT submitted by Director of Finance/City Treasurer. (F: 30.9A)

ACTION: On motion by Council Member Dixon and second by Council Member Rudolph, the City Council adopted Resolution No. 2008-20 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, APPROVING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2008-2009 in the amount of \$84,268,191. MOTION UNANIMOUSLY CARRIED.

10. LOAN FROM CITY TO REDEVELOPMENT AGENCY submitted by Director of Finance/City Treasurer. (F: 30.14)

ACTION: On motion by Council Member Dixon and second by Council Member Rudolph, the City Council adopted Resolution No. 2008-21 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, AUTHORIZING THE LOAN OF CERTAIN FUNDS TO THE LAKE FOREST REDEVELOPMENT AGENCY. MOTION UNANIMOUSLY CARRIED.

11. AGREEMENT FOR BANKING SERVICES submitted by Director of Finance/City Treasurer. (F: 30.5)

ACTION: On motion by Council Member Dixon and second by Council Member Rudolph, the City Council approved the Agreement with U.S. Bank for banking services. **MOTION UNANIMOUSLY CARRIED.**

12. **AGREEMENT FOR SALES AND PROPERTY TAX AUDIT AND REPORTING SERVICES** submitted by Director of Finance/City Treasurer. (F: 30.17C)

ACTION: On motion by Council Member Dixon and second by Council Member Rudolph, the City Council 1. Approved the Agreement with Hinderliter, de Llamas and Associates (“HdL”) for sales tax audit and reporting services. 2. Approved the Agreement with MuniServices for property tax audit and reporting services. **MOTION UNANIMOUSLY CARRIED.**

13. **2008-09 RENEWAL AGREEMENT FOR LAW ENFORCEMENT SERVICES** submitted by Chief of Police Services. (F: 11.2)

ACTION: On motion by Council Member Dixon and second by Council Member Rudolph, the City Council approved and authorized the Mayor to sign the Agreement with the County of Orange for Law Enforcement Services for Fiscal Year 2008-09. **MOTION UNANIMOUSLY CARRIED.**

14. **FIRST AMENDMENT TO AGREEMENT FOR CONSULTANT SERVICES WITH PCR SERVICES CORPORATION** submitted by Director of Development Services. (F: 50.11)

ACTION: On motion by Council Member Dixon and second by Council Member Rudolph, the City Council: 1. Approved First Amendment for Consultant Services with PCR Services Corporation substantially in the form attached. 2. Authorized the Mayor to sign the First Amendment with PCR Services Corporation. **MOTION UNANIMOUSLY CARRIED.**

15. **REQUEST FOR PROPOSAL FOR TRAFFIC MANAGEMENT PROJECT PLANNING REPORT (PW 2007.18) submitted by Director of Public Works/City Engineer. (F: 66.9A)**

ACTION: On motion by Council Member Dixon and second by Council Member Rudolph, the City Council: 1. Approved the Request for Proposal for the Traffic Management Project Planning Report (PW 2007.18). 2. Authorized staff to solicit proposals for these services. **MOTION UNANIMOUSLY CARRIED.**

16. **MEASURE M SEVEN-YEAR CAPITAL IMPROVEMENT PROGRAM AND RESOLUTION CONCERNING THE STATUS OF THE CIRCULATION ELEMENT submitted by Director of Public Works/City Engineer. (F: 71.12D8) (X: 31.2A)**

ACTION: On motion by Council Member Dixon and second by Mayor Pro Tem Herzog, the City Council: 1. Approved the Measure M Seven-Year Capital Improvement Program for Fiscal Years (FY) 2008-09 through 2014-15. 2. Adopted Resolution No. 2008-22 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, CONCERNING THE STATUS OF THE CIRCULATION ELEMENT FOR THE CITY OF LAKE FOREST, CALIFORNIA. 3. Authorized the Director of Public Works to forward the approved Measure M Seven-Year Capital Improvement Program to the Orange County Transportation Authority. **MOTION UNANIMOUSLY CARRIED.**

PUBLIC HEARING:

17. **AN ORDINANCE AMENDING THE LAKE FOREST MUNICIPAL CODE AND PLANNED COMMUNITY TEXTS REGARDING MESSAGE ESTABLISHMENT ZONING RESTRICTIONS AND ENACTING AN AMORTIZATION PERIOD FOR NON-CONFORMING MESSAGE ESTABLISHMENTS submitted by Director of Development Services. (F: 50.10)**

ACTIONS: On motion by Council Member Dixon and second by Council Member McCullough, the City Council continued the first reading of the Ordinance entitled AN ORDINANCE AMENDING THE LAKE FOREST MUNICIPAL CODE AND PLANNED COMMUNITY TEXTS REGARDING MASSAGE ESTABLISHMENT ZONING RESTRICTIONS AND ENACTING AN AMORTIZATION PERIOD FOR NON-CONFORMING MASSAGE ESTABLISHMENTS. MOTION CARRIED WITH COUNCIL MEMBERS HERZOG AND RUDOLPH DISSENTING.

DISCUSSION/ACTION ITEMS:

- 18. ADOPTION OF THE FISCAL YEAR 2008-09 OPERATING BUDGET AND AMENDMENT OF THE 2007-09 CAPITAL IMPROVEMENT PROJECTS BUDGET submitted by Director of Finance/City Treasurer. (F: 30.9)**

ACTION: On motion by Council Member McCullough and second by Council Member Dixon, the City Council: 1. Adopted Resolution No. 2008-23 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, ADOPTING THE OPERATING BUDGET FOR FISCAL YEAR 2008-09. 2. Adopted Resolution No. 2008-24 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, AMENDING THE CAPITAL IMPROVEMENT PROJECTS BUDGET FOR 2007-09. MOTION UNANIMOUSLY CARRIED.

- 19. CARRYOVER POLICY submitted by Director of Finance/City Treasurer. (F: 51.2A30)**

ACTION: On motion by Council Member Dixon and second by Council Member McCullough, the City Council approved the Carryover Policy. MOTION UNANIMOUSLY CARRIED.

20. **STEP ONE GO LOCAL GRANT PROGRAM: TRANSIT NEEDS ASSESSMENT** submitted by Assistant City Manager. (F: 32.24)

ACTION: On motion by Council Member Dixon and second by Council Member Rudolph, the City Council: 1. Provided comments on Draft Final Reports for two proposed shuttle projects and authorized staff to submit Final Reports to the Orange County Transportation Authority for funding under Step Two Go Local Grant Program. 2. If selected for funding under Step Two Go Local, authorized staff to identify funds for payment to the Orange County Transportation Authority of ten percent of Step Two study costs. 3. Authorized staff to maintain a dialogue with City of Mission Viejo staff regarding Mission Viejo's Go Local submittal, a proposed fixed-route bus/shuttle that travels through Lake Forest and connects to the Irvine Metrolink Station. 4. Approved Amendment No. 1 to Cooperative Agreement No. C-7-0993, extending the term of the Cooperative Agreement with the Orange County Transportation Authority to June 30, 2008, and authorized the Mayor to execute the Amendment. 5. Directed City Staff to send a letter to OCTA regarding a potential train station. **MOTION UNANIMOUSLY CARRIED.**

21. **ACTIONS REGARDING MEMORANDUM OF UNDERSTANDING FOR THE SERRANO CREEK RESTORATION** submitted by Director of Public Works/City Engineer. (F: 60.7A2)

ACTION: Received and filed the report as submitted.

22. **LEGISLATIVE MATTERS** submitted by Assistant to the City Manager. (F: 72.2B)

ACTION: On motion by Mayor Pro Tem Herzog and second by Council Member McCullough, the City Council received and filed report with minute action to adopt positions on various legislative proposals as recommended. **MOTION UNANIMOUSLY CARRIED.**

23. REQUESTS FOR APPOINTMENT TO AGENCIES, BOARDS,
COMMISSIONS AND/OR COMMITTEES THROUGH THE LEAGUE
OF CALIFORNIA CITIES submitted by City Clerk. (F: 43.4B)

ACTION: The City Council made no appointments.

CITY MANAGER'S REPORT: (F: 26.17)

City Manager Dunek offered no comments.

CITY COUNCIL COMMENTS: (F: 26.9)

Council Member Dixon presented no comments.

Council Member McCullough presented comments.

Council Member Rudolph presented comments.

Mayor Pro Tem Herzog presented comments.

Mayor Tettermer presented no comments.

CLOSED SESSION: (F: 16.3)

ACTION: There was no continued Closed Session.

ADJOURNMENT: (F: 26.8) 9:50 p.m.