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**CITY OF DANA POINT, CALIFORNIA  
CITY COUNCIL REGULAR MEETING MINUTES  
JUNE 14, 2006**

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**CALL TO ORDER**

The Regular Meeting of the City Council of the City of Dana Point, California, was called to order by Mayor Anderson at 5:02 p.m. in the Dana Point City Council Chamber, 33282 Golden Lantern, Suite 210, Dana Point.

**ROLL CALL**

PRESENT: Lara Anderson, Mayor  
Russell Chilton, Mayor Pro Tem (arrived at 5:06 p.m.)  
Diane L. Harkey, Council Member  
James V. Lacy, Council Member  
Wayne Rayfield, Council Member

STAFF PRESENT: Douglas Chotkevys, City Manager; Patrick Muñoz, City Attorney; Sharie Apodaca, Director of Administrative Services; Kathy Ward, Acting City Clerk; Cathy Catlett, Assistant City Clerk; Kyle Butterwick, Director of Community Development; Brad Fowler, Director of Public Works/City Engineer; Matt Sinacori, City Engineer; Lt. Mark Billings, Chief of Police; Jennifer Anderson, Management Analyst, Andy Glass, Accounting & Data Processing Manager, and Shanna Wolf, Public Works Administrative Manager.

**CLOSED SESSION**

City Attorney Muñoz indicated there was a need for a Closed Session as follows:

- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION, SIGNIFICANT EXPOSURE TO LITIGATION, Government Code § 54956.9 (b1), (2 cases)
  - 1. Headlands: CFD/Development Agreement
  - 2. Dicarli Property: Plan Approval
  
- B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION, Government Code § 54956.9 (a), (1 case)  

Name of Case: City of Dana Point vs. The Sunshine Group, LLC,  
Orange County Superior Court Case No. 05CC08592
  
- C. CONFERENCE WITH REAL PROPERTY NEGOTIATOR, Government Code § 54956.8 (1 case)

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Location: Lantern Bay Park, 25111 Dana Point Harbor Drive, Dana Point, California, APN # 682-311-04

Agency Negotiator: Douglas Chotkevys, City Manager

Negotiating Parties: City of Dana Point and Thomas G. Mauk, CEO, County of Orange, or other interested parties

Under Negotiation: Price and terms of agreement relating to property

Mayor Anderson recessed the meeting into a Closed Session at 5:05 p.m. pursuant to Government Code Section 54956 *et. seq.*

**RECONVENE CITY COUNCIL MEETING**

Mayor Anderson reconvened the meeting at 6:10 p.m. All Council Members were present.

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Council Member Rayfield.

**INVOCATION**

The Invocation was led by Father Steve Sallot of St. Edward's Catholic Church.

**PRESENTATIONS AND PROCLAMATIONS**

Presentation of \$75,000 Miocean Check

Director of Public Works/City Engineer Fowler presented a check for \$75,000 from Miocean for the City's Salt Creek Treatment Facility.

Certificate of Recognition – Gene Burrus

Mayor Anderson presented a Certificate of Recognition to Gene Burrus, the Voice of Dana Point, honoring him for his years of service at the Dana Point Senior Center and other City events.

Business of the Month – Girl in the Curl Surf Shop

Management Analyst Anderson gave a PowerPoint presentation of the Girl in the Curl Surf Shop. Owner Mary Hartmann opened a new location in Laguna Beach in 2005, and their new website will be available in July at [www.girlinthecurl.com](http://www.girlinthecurl.com).

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**CONSENT CALENDAR**

Council Member Harkey removed Item Nos. 2, 3, 14, and 15; City Attorney Muñoz removed Item No. 12; and a member of the public removed Item No. 16 from the Consent Calendar.

Council Member Lacy motioned to hear Item No. 19 before Item No. 18.

IT WAS MOVED BY COUNCIL MEMBER LACY, SECONDED BY COUNCIL MEMBER RAYFIELD, TO HEAR ITEM NO. 19 BEFORE ITEM NO. 18

The motion carried by the following vote:

AYES: Council Members Harkey, Lacy, Rayfield,  
Mayor Pro Tem Chilton and Mayor Anderson  
NOES: None  
ABSENT: None

IT WAS MOVED BY COUNCIL MEMBER RAYFIELD, SECONDED BY MAYOR PRO TEM CHILTON, THAT THE RECOMMENDATIONS BE ACCEPTED FOR ALL ITEMS LISTED ON THE CONSENT CALENDAR WITH THE EXCEPTION OF ITEM NOS. 2,3, 12,14,15 AND 16.

The motion carried by the following vote:

AYES: Council Members Harkey, Lacy, Rayfield,  
Mayor Pro Tem Chilton and Mayor Anderson  
NOES: None  
ABSENT: None

**1. WAIVE THE READING OF ORDINANCES AND APPROVE READING BY TITLE ONLY**

APPROVED THE READING BY TITLE ONLY OF ALL ORDINANCES ON THE CONSENT CALENDAR AND THAT FURTHER READING OF SUCH ORDINANCES BE WAIVED.

**2. REGULAR MEETING MINUTES, MAY 10, 2006**

This item was removed from the Consent Calendar by Council Member Harkey.

IT WAS MOVED BY MAYOR PRO TEM CHILTON, SECONDED BY COUNCIL MEMBER RAYFIELD, TO APPROVE THE MINUTES AS AMENDED TO INCLUDE STATEMENTS PROVIDED BY COUNCIL MEMBER HARKEY.

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The motion carried by the following vote:

AYES: Council Members Harkey, Lacy, Rayfield,  
Mayor Pro Tem Chilton and Mayor Anderson  
NOES: None  
ABSENT: None

**3. REGULAR MEETING MINUTES, MAY 24, 2006**

This item was removed from the Consent Calendar by Council Member Harkey.

IT WAS MOVED BY MAYOR PRO TEM CHILTON, SECONDED BY MAYOR ANDERSON, TO APPROVE THE MINUTES AS AMENDED TO CLARIFY A STATEMENT UNDER COUNCIL COMMENTS.

The motion carried by the following vote:

AYES: Council Members Harkey, Lacy, Rayfield,  
Mayor Pro Tem Chilton and Mayor Anderson  
NOES: None  
ABSENT: None

**4. PLANNING COMMISSION MEETING MINUTES, MAY 17, 2006**

RECEIVED AND FILED.

**5. PLANNING COMMISSION ACTIONS, MEETING OF JUNE 7, 2006**

RECEIVED AND FILED.

**6. YOUTH BOARD MINUTES, MEETING OF MAY 4, 2006**

RECEIVED AND FILED.

**7. CITY TREASURER'S REPORT, APRIL 2006**

RECEIVED AND FILED THE CITY TREASURER'S REPORT FOR THE MONTH OF APRIL 2006

**8. CLAIMS AND DEMANDS**

RECEIVED AND FILED THE CLAIMS AND DEMANDS.

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9. **SECOND READING AND ADOPTION OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, AMENDING SECTION 14.01.140 OF THE MUNICIPAL CODE TO ADDRESS ALLOWABLE WORK HOURS ON PUBLIC STREETS**

**ADOPTED ORDINANCE NO. 06-03,**

*AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA AMENDING SECTION 14.01.140 OF THE DANA POINT MUNICIPAL CODE.*

10. **CALLING FOR A GENERAL MUNICIPAL ELECTION ON NOVEMBER 7, 2006 TO FILL THREE CITY COUNCIL SEATS AND TO PLACE MEASURE CONCERNING EMINENT DOMAIN ON THE BALLOT**

ADOPTED THE FOLLOWING RESOLUTIONS:

- A. **RESOLUTION NO. 06-06-14-01,** *A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, CALLING AND GIVING NOTICE OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 7, 2006 FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES; and*
- B. **RESOLUTION NO. 06-06-14-02,** *A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF ORANGE TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 7, 2006 WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE DATE PURSUANT TO SECTION 10403 OF THE ELECTIONS CODE; and*
- C. **RESOLUTION NO. 06-06-14-03,** *A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATES' STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD ON TUESDAY, NOVEMBER 7, 2006; and*
- D. **RESOLUTION NO. 06-06-14-04,** *A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, ORDERING THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY OF A CERTAIN MEASURE RELATING TO EMINENT DOMAIN AT THE GENERAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 7, 2006 AS CALLED BY RESOLUTION NO. 06-06-14-01; and*

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E. **RESOLUTION NO. 06-06-14-05**, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, SETTING PRIORITIES FOR FILING WRITTEN ARGUMENTS REGARDING A CITY MEASURE AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS FOR A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 7, 2006; and

F. **RESOLUTION NO. 06-06-14-06**, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS FOR CITY MEASURES SUBMITTED AT MUNICIPAL ELECTIONS.

**11. EMERGENCY AND SUPPORT SERVICES PROGRESS REPORT AND PROGRAM UPDATE**

RECEIVED AND FILED THE PROGRESS REPORT AND PROGRAM UPDATE ON THE EMERGENCY AND SUPPORT SERVICES DIVISION WORK OVER THE LAST 12 MONTHS.

**12. APPROVAL OF A SEVEN YEAR CAPITAL IMPROVEMENT PROGRAM AND AUTHORIZATION TO FORWARD THE SEVEN YEAR CAPITAL IMPROVEMENT PROGRAM TO THE ORANGE COUNTY TRANSPORTATION AUTHORITY (OCTA)**

This item was removed from the Consent Calendar by City Attorney Munoz for clarification purposes.

IT WAS MOVED BY COUNCIL MEMBER RAYFIELD, SECONDED BY MAYOR PRO TEM CHILTON, TO ADOPT THE SEVEN YEAR CAPITAL IMPROVEMENT PROGRAM (CIP) FOR FISCAL YEARS 2006-2007 THROUGH 2012-2013 AND AUTHORIZE THE DIRECTOR OF PUBLIC WORKS AND ENGINEERING SERVICES TO FORWARD THE SEVEN YEAR CIP DOCUMENT TO THE ORANGE COUNTY TRANSPORTATION AUTHORITY (OCTA).

The motion carried by the following vote:

AYES: Council Members Harkey, Lacy, Rayfield,  
Mayor Pro Tem Chilton and Mayor Anderson  
NOES: None  
ABSENT: None

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**13. AMENDMENT TO AGREEMENT BETWEEN ALL CITY MANAGEMENT SERVICES, INC. AND THE CITY OF DANA POINT FOR PROVIDING SCHOOL CROSSING GUARD SERVICES**

AUTHORIZED THE CITY MANAGER TO APPROVE THE AMENDMENT TO AGREEMENT BETWEEN ALL CITY MANAGEMENT SERVICES, INC. AND THE CITY OF DANA POINT PROVIDING SCHOOL CROSSING GUARD SERVICES FOR FISCAL YEAR 2006-2007 AND AUTHORIZED TRANSFER FROM RESERVE FOR SERVICE ENHANCEMENTS IN FY06-07.

**14. ADOPTION OF BUDGET AMENDMENT, POSITION TITLE, SALARY RANGE AND CLASS SPECIFICATION FOR SENIOR CIVIL ENGINEER (TRAFFIC)**

This item was removed from the Consent Calendar by Council Member Harkey. A staff report was provided by City Manager Chotkevys and Director of Administrative Services Apodaca.

IT WAS MOVED BY COUNCIL MEMBER HARKEY, SECONDED BY MAYOR PRO TEM CHILTON TO:

*ADOPT RESOLUTION NO. 06-06-14-08, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, AMENDING THE BUDGET AND ADOPTING THE POSITION TITLE, SALARY RANGE AND CLASS SPECIFICATION FOR THE POSITION OF SENIOR CIVIL ENGINEER (TRAFFIC).*

The motion carried by the following vote:

AYES: Council Members Harkey, Lacy, Rayfield,  
Mayor Pro Tem Chilton and Mayor Anderson

NOES: None

ABSENT: None

**15. APPROVAL OF A CONTRACT AMENDMENT WITH THE RJM DESIGN GROUP FOR DESIGN SERVICES FOR THE BEAUTIFICATION OF EXISTING ASPHALT MEDIANS ON PACIFIC COAST HIGHWAY**

This item was removed from the Consent Calendar by Council Member Harkey. City Manager Chotkevys provided a staff report.

Ingrid McGuire, Dana Point, spoke in favor of landscaping the medians.

IT WAS MOVED BY COUNCIL MEMBER RAYFIELD, SECONDED BY COUNCIL MEMBER HARKEY TO APPROVE A CONTRACT AMENDMENT WITH THE RJM DESIGN GROUP TO PROVIDE DESIGN SERVICES FOR BEAUTIFICATION OF EXISTING ASPHALT MEDIANS ON PACIFIC COAST

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HIGHWAY, PROVIDING ADDITIONAL AUTHORITY NOT TO EXCEED TEN PERCENT FOR CONTINGENCIES, IF NEEDED; AUTHORIZE THE CITY MANAGER TO EXECUTE THE AMENDMENT; APPROVE A NEW CAPITAL IMPROVEMENT PROGRAM PROJECT ENTITLED "PCH MEDIAN AND SIDEWALK ENHANCEMENT PROJECT"; AND AUTHORIZE THE TRANSFER OF FUNDS FROM THE CIP RESERVES TO THE NEWLY ESTABLISHED PROJECT ACCOUNT TO FUND THE DESIGN SERVICES.

The motion carried by the following vote:

AYES: Council Members Harkey, Lacy, Rayfield,  
Mayor Pro Tem Chilton and Mayor Anderson

NOES: None

ABSENT: None

**16. APPROVAL OF PLAN TO REPLACE TREES IN THE LANDSCAPED PARKWAY ON GOLDEN LANTERN BETWEEN DEL PRADO AND DANA POINT HARBOR DRIVE**

This item was removed from the Consent Calendar by a member of the public. City Manager Chotkevys and Director of Public Works/City Engineer Fowler provided a staff report.

Chris Tarman-Mayor, Dana Point, spoke against removal of the Sycamore trees in the landscaped parkway on Golden Lantern between Del Prado and Dana Point Harbor Drive.

IT WAS MOVED BY MAYOR PRO TEM CHILTON, SECONDED BY MAYOR ANDERSON, TO APPROVE THE PLAN TO REMOVE THE SYCAMORE TREES FROM THE LANDSCAPED CITY PARKWAY ON GOLDEN LANTERN BETWEEN DEL PRADO AND DANA POINT HARBOR DRIVE AND REPLANT THE PARKWAY WITH 14 MEXICAN FAN PALMS TO MATCH THOSE IN THE CENTER MEDIAN.

The motion carried by the following vote:

AYES: Council Members Harkey, Lacy, Mayor Pro Tem Chilton and Mayor Anderson

NOES: None

ABSENT: None

ABSTAIN: Rayfield



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**17. SAN DIEGO GAS & ELECTRIC SUNRISE POWERLINE PROJECT  
RESOLUTION OF SUPPORT**

*ADOPTED RESOLUTION NO. 06-06-14-07, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, IN SUPPORT OF THE SAN DIEGO GAS & ELECTRIC SUNRISE POWERLINE PROJECT.*

**PUBLIC COMMENTS**

Mayor Anderson opened the meeting for public comments.

John Chaffetz, Dana Point, appreciated the approval of the Police Services contract at the last meeting and hopes their presence will intensify at the beaches.

Donna Faass, Capistrano Beach, spoke in opposition to a Council Member's behavior at the last Council meeting.

Patrick Evans, Huntington Beach, spoke about Closed Session litigation matters and other City lawsuits.

Judy Rice, Laguna Hills, indicated that June 14<sup>th</sup> is Flag Day and asked about the flag mentioned at the last Council meeting. She also asked for an update on our Sister City Slidell. Police Chief Billings provided a report on the desecrated flag, and indicated this flag will be forwarded to a Veterans group for proper disposal. City Manager Chotkevys provided an update on our efforts with Slidell and offered to provide an updated press release to provide a summary of the City's efforts to date.

Mary Jeffries, Dana Point, found an old blueprint of Dana Point in the 1920's and will present it to the Dana Point Historical Society. Ms. Jeffries also had a 1993 City Zoning Plan blueprint.

Greg Powers, Dana Point, spoke about the public policy decision process.

**UNFINISHED BUSINESS**

**19. STREET SWEEPING MAINTENANCE SERVICES AGREEMENT RENEWAL**

This item was taken out of order before Item No. 18.

Director of Public Works/City Engineer Fowler provided a staff report on the street sweeping services that has been provided by the City's current provider R.F. Dickson Co. Inc.

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IT WAS MOVED BY COUNCIL MEMBER HARKEY, SECONDED BY COUNCIL MEMBER RAYFIELD, TO DIRECT THE CITY MANAGER TO CONTRACT WITH CLEANSTREET FOR STREET SWEEPING SERVICES.

The motion carried by the following vote:

AYES: Council Members Harkey, Lacy, Rayfield,  
Mayor Pro Tem Chilton and Mayor Anderson  
NOES: None  
ABSENT: None

**PUBLIC HEARINGS**

**18. PUBLIC HEARING TO CONSIDER FORMATION OF HEADLANDS RESERVE LLC COMMUNITY FACILITIES DISTRICT NO. 2006-1**

Council Member Lacy provided a statement on the reasons why he needed to recuse himself from voting on this item. He will wait for a final decision by the Fair Political Practices Commission to see if he will be able to vote on this subject in the future. He left the Council Chambers.

Mayor Anderson recessed the meeting at 7:35 p.m. and reconvened the meeting at 7:45 p.m.

Mayor Anderson opened the Public Hearing and asked Council Member Rayfield to provide a staff report as Chair of the Investment Review Committee (IRC). Council Member Rayfield explained how the IRC operates and provided an overview of the Community Facilities District (CFD) process as it relates to the Headlands Reserve LLC development. He noted the City is obligated to cooperate in the formation of the CFD per the terms of the Development Agreement. He stressed that the actions before the City Council are to form the CFD and set the maximum level of special tax against property in the CFD, and not to issue bonds.

Director of Administrative Services Apodaca provided an overview in the sequence of events thus far in the preformation CFD process. She reported the IRC has diligently reviewed all of the legal documentation before the Council, and is recommending the Council establish the CFD.

Mayor Anderson read some questions and answers from a *Frequently Asked Questions* document. This document was developed from questions posed by the public and will be provided on the City's website.

Mayor Anderson introduced Larry Rolapp, City's financial advisor who introduced the various other consultants available for questions: Stan Wolcott, Rutan & Tucker, Bond Counsel; a Special Tax Consultant from Muni Financial; Joe Janczyk, Absorption and Economic Consultant from Empire Economics; and John

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Gibson, Investment Banker from UBS. Representing the developer was Kevin Darnell from Headlands Reserve LLC, and John Yeager, Headlands Reserve LLC Counsel, from Hewitt & O'Neil LLP.

Mayor Anderson called on the Public Comment speakers for this item.

Linda Brame, Dana Point, would like the lowest amount of tax possible and recommended postponing the vote on this item, and that the City ensure the project will have no liability on the adjacent properties.

Jim Kettler, Dana Point, as a member of the IRC for approximately ten years, spoke in favor of approving the documents for the CFD process. He stated the documentation is outstanding and the due diligence process has been sufficient to approve the CFD.

Erik Perkowski, Dana Point, spoke in favor of the CFD process. He stated the project will provide public access while placing financial burden on the property owners in the Headlands.

Patrick Evans, Huntington Beach, representing Dr. Seitz and other residents, spoke about the conflict of interest situation with Council Member Lacy and the City Attorney and recommended postponing the vote on this item.

Daniel Heredia, Dana Point, recommended postponing the vote on this item as he still has various questions about the CFD process and public amenities. Mayor Anderson indicated that the answers to his questions will be listed on the City's website. Council Member Rayfield responded to his questions.

Kevin Darnell, Del Mar, representing the Headlands Reserve LLC, addressed a few items: the proposed tax does not have an escalator, the geology of the Headlands property has been studied and is similar to Niguel Shores and Ritz Cove, and the Headlands has a \$52 million dollar General Liability insurance policy on this property indemnifying the City. He asked for approval of the actions to approve the CFD items.

Mary Jeffries, Dana Point, recommends that the Council postpone the vote for various reasons such as how an extreme emergency would affect our credit rating, the special tax limit is too high, and is worried about the certificate of occupancy to landowners before the public amenities are completed.

Mayor Anderson closed the Public Hearing.

Council Member Harkey provided a PowerPoint presentation to the Council, staff and public. This document is provided as [Exhibit A](#).

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Mayor Anderson recessed the meeting at 9:10 p.m. and reconvened the meeting at 9:15 p.m.

Council Member Harkey indicated that she had questions for the consultants, staff, legal counsel and the developer. These questions were provided as part of Council Member Harkey's PowerPoint presentation. These questions are provided beginning on Page 22 of [Exhibit A](#). Transcribed responses to these questions will be available on the City's website upon approval of these minutes and are provided in Exhibit B. [Exhibit B](#) was transcribed by Ubiquis/Nation-Wide Reporting & Convention Coverage in Irvine, California.

The consultants, staff and developer provided answers to Council Member Harkey's questions. The City Council discussed the various issues with the consultants and staff and deliberated on the matter.

IT WAS MOVED BY MAYOR PRO TEM CHILTON, SECONDED BY COUNCIL MEMBER RAYFIELD, TO APPROVE AND ADOPT:

- A. ACQUISITION AGREEMENT BY AND BETWEEN CITY OF DANA POINT AND HEADLANDS RESERVE LLC RELATING TO CFD 2006-1; AND AUTHORIZED CITY MANAGER TO EXECUTE AGREEMENT

The motion carried by the following vote:

AYES: Council Member Rayfield, Mayor Pro Tem Chilton and Mayor Anderson  
NOES: Council Member Harkey  
ABSENT: None  
ABSTAIN: Council Member Lacy

- B. **RESOLUTION NO. 06-06-14-09, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT APPROVING A JOINT COMMUNITY FACILITIES AGREEMENT WITH THE COUNTY OF ORANGE AND HEADLANDS RESERVE LLC; AND AUTHORIZED CITY MANAGER TO EXECUTE AGREEMENT**

The motion carried by the following vote:

AYES: Council Member Rayfield, Mayor Pro Tem Chilton and Mayor Anderson  
NOES: Council Member Harkey  
ABSENT: None  
ABSTAIN: Council Member Lacy

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- C. **RESOLUTION NO. 06-06-14-10**, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT APPROVING A JOINT COMMUNITY FACILITIES AGREEMENT WITH THE SOUTH COAST WATER DISTRICT AND HEADLANDS RESERVE LLC; AND AUTHORIZED CITY MANAGER TO EXECUTE AGREEMENT

The motion carried by the following vote:

AYES: Council Member Rayfield, Mayor Pro Tem Chilton and Mayor Anderson  
NOES: Council Member Harkey  
ABSENT: None  
ABSTAIN: Council Member Lacy

- D. CITY OF DANA POINT COMMUNITY FACILITIES DISTRICT REPORT FOR CFD NO. 2006-1

The motion carried by the following vote:

AYES: Council Member Rayfield, Mayor Pro Tem Chilton and Mayor Anderson  
NOES: Council Member Harkey  
ABSENT: None  
ABSTAIN: Council Member Lacy

- E. **RESOLUTION NO. 06-06-14-11**, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT AUTHORIZING FORMATION OF COMMUNITY FACILITIES DISTRICT NO. 2006-1 OF THE CITY OF DANA POINT, AUTHORIZING THE LEVY OF SPECIAL TAXES THEREIN, PRELIMINARILY ESTABLISHING AN APPROPRIATIONS LIMIT THEREFOR AND SUBMITTING LEVY OF THE SPECIAL TAXES AND THE ESTABLISHMENT OF THE APPROPRIATIONS LIMIT TO THE QUALIFIED ELECTORS THEREOF

The motion carried by the following vote:

AYES: Council Member Rayfield, Mayor Pro Tem Chilton and Mayor Anderson  
NOES: Council Member Harkey  
ABSENT: None  
ABSTAIN: Council Member Lacy

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- F. **RESOLUTION NO. 06-06-14-12, A RESOLUTION OF COMMUNITY FACILITIES DISTRICT NO. 2006-1 OF THE CITY OF DANA POINT DETERMINING THE NECESSITY TO INCUR BONDED INDEBTEDNESS AND SUBMITTING A PROPOSITION TO THE QUALIFIED ELECTORS THEREOF**

The motion carried by the following vote:

AYES: Council Member Rayfield, Mayor Pro Tem Chilton and Mayor Anderson  
NOES: Council Member Harkey  
ABSENT: None  
ABSTAIN: Council Member Lacy

- G. 1. **ACCEPTED EXECUTED CONCURRENCE OF THE CLERK EX-OFFICIO OF CFD NO. 2006-1 AND WAIVER OF LANDOWNER OF TIME PERIOD FOR ANALYSIS AND ARGUMENTS;**

The motion carried by the following vote:

AYES: Council Member Rayfield, Mayor Pro Tem Chilton and Mayor Anderson  
NOES: Council Member Harkey  
ABSENT: None  
ABSTAIN: Council Member Lacy

2. **RESOLUTION NO. 06-06-14-13, A RESOLUTION OF COMMUNITY FACILITIES DISTRICT NO. 2006-1 OF THE CITY OF DANA POINT CALLING A SPECIAL ELECTION FOR THE PURPOSE OF APPROVING SPECIAL TAXES THEREIN, THE ISSUANCE OF BONDS BY SAID DISTRICT AND ESTABLISHMENT OF AN APPROPRIATION LIMIT;**

The motion carried by the following vote:

AYES: Council Member Rayfield, Mayor Pro Tem Chilton and Mayor Anderson  
NOES: Council Member Harkey  
ABSENT: None  
ABSTAIN: Council Member Lacy

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3. *CITY CLERK CONDUCTED ELECTION*

Mayor Anderson asked Acting City Clerk Ward to conduct the election. Acting City Clerk Ward read the declaration signed by President Sanford Edward of Headlands Reserve LLC executed on June 2, 2006. Acting City Clerk Ward opened the Official Ballot of the Community Facilities District No. 2006-1 of the City of Dana Point, read the Ballot Measure question, and indicated that there were 38 votes cast in favor of the ballot measure signed by Sanford Edward, President, Headlands Reserve LLC. Acting City Clerk Ward proceeded to complete the Canvass and Statement of Result of Election form and check marked "yes" as to the 38 votes cast and signed her name as part of the official record. (There were no votes cast in opposition.)

The motion carried by the following vote:

AYES: Council Member Rayfield, Mayor Pro Tem Chilton and Mayor Anderson  
NOES: Council Member Harkey  
ABSENT: None  
ABSTAIN: Council Member Lacy

H. Notice of Special Taxes Lien:

**RESOLUTION NO. 06-06-14-14, A RESOLUTION OF COMMUNITY FACILITIES DISTRICT NO. 2006-1 OF THE CITY OF DANA POINT DECLARING THE RESULTS OF A SPECIAL ELECTION THEREIN AND DIRECTING RECORDING OF A NOTICE OF SPECIAL TAXES LIEN**

The motion carried by the following vote:

AYES: Council Member Rayfield, Mayor Pro Tem Chilton and Mayor Anderson  
NOES: Council Member Harkey  
ABSENT: None  
ABSTAIN: Council Member Lacy

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I. INTRODUCED AND HELD FIRST READING:

**WAIVE THE READING OF ORDINANCES AND APPROVE READING BY TITLE ONLY**

IT WAS MOVED BY MAYOR PRO TEM CHILTON, SECONDED BY COUNCIL MEMBER RAYFIELD TO APPROVE THE READING BY TITLE ONLY OF ALL ORDINANCES AND THAT FURTHER READING OF SUCH ORDINANCES BE WAIVED.

The motion carried by the following vote:

AYES: Council Member Rayfield, Mayor Pro Tem Chilton and Mayor Anderson  
NOES: Council Member Harkey  
ABSENT: None  
ABSTAIN: Council Member Lacy

IT WAS MOVED BY MAYOR PRO TEM CHILTON, SECONDED BY COUNCIL MEMBER RAYFIELD, TO INTRODUCE AND HOLD FIRST READING OF:

*AN ORDINANCE OF COMMUNITY FACILITIES DISTRICT NO. 2006-1 OF THE CITY OF DANA POINT LEVYING SPECIAL TAXES WITHIN COMMUNITY FACILITIES DISTRICT NO. 2006-1 OF THE CITY OF DANA POINT.*

The motion carried by the following vote:

AYES: Council Member Rayfield, Mayor Pro Tem Chilton and Mayor Anderson  
NOES: Council Member Harkey  
ABSENT: None  
ABSTAIN: Council Member Lacy

**NEW BUSINESS**

There was no New Business.

**PUBLIC COMMENTS (Continued)**

There were no additional Public Comments.

**STAFF REPORTS**

There were no Staff Reports.



**CITY OF DANA POINT, CALIFORNIA  
CITY COUNCIL REGULAR MEETING MINUTES  
JUNE 14, 2006**

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**COUNCIL REPORTS**

There were no Council Reports.

**ADJOURNMENT**

Mayor Anderson adjourned the meeting in memory of Terry McCann.

There being no further business before the City Council at this session, Mayor Anderson declared the meeting adjourned at 10:45 p.m.

The next Adjourned Regular Joint Meeting of the City Council and the Planning Commission will be June 28, 2006 at 6:00 p.m. in the City Council Chamber located at 33282 Golden Lantern, Suite 210, Dana Point, California.

The next Regular Meeting of the City Council will be July 12, 2006 at 5:00 p.m. in the City Council Chamber located at 33282 Golden Lantern, Suite 210, Dana Point, California.

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KATHY M. WARD  
CITY CLERK

APPROVED AT THE MEETING OF JULY 12, 2006.