

**MINUTES  
CITY COUNCIL OF THE CITY OF MORENO VALLEY  
MORENO VALLEY COMMUNITY SERVICES DISTRICT  
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY**

**CLOSED SESSION – 6:00 P.M.  
FEBRUARY 1, 2011**

**CALL TO ORDER** – The Closed Session of the City Council of the City of Moreno Valley, Moreno Valley Community Services District and the Community Redevelopment Agency of the City of Moreno Valley was called to order at 6:00 p.m. by Mayor Stewart in the Council Chamber located at 14177 Frederick Street, Moreno Valley, California.

Council:	Richard A. Stewart	Mayor
	Jesse L. Molina	Mayor Pro Tem
	William H. Batey II	Council Member
	Marcelo Co	Council Member
	Robin N. Hastings	Council Member

Staff:	Jane Halstead	City Clerk
	Robert Hansen	City Attorney
	William Bopf	Interim City Manager

**PUBLIC COMMENTS ON MATTERS UNDER THE JURISDICTION OF THE CITY COUNCIL**

Mayor Stewart opened the agenda items for public comments; there being none, public comments were closed.

Closed Session was held in the City Manager’s Conference Room, Second Floor, City Hall pursuant to Government Code:

- 1 SECTION 54956.9(a) - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
  - a Case: *Kagan v. City of Moreno Valley*  
Court: Riverside Superior Court  
Case No: RIC 528105
  - b Case: *Tillman v. City of Moreno Valley*  
Court: Riverside Superior Court  
Case No: RIC 543447

- c Case: *Dillard v. City of Moreno Valley*  
Court: Riverside Superior Court  
Case No: RIC 528406
- d Case: *Constant v. City of Moreno Valley*  
Court: Riverside Superior Court  
Case No: RIC 535987
- e Case: *Arch Insurance Company v. City of Moreno Valley, Safeguard Insurance Company*  
Court: Riverside Superior Court  
Case No: RIC 513196
- f Case: *Norton v. City of Moreno Valley*  
Court: Riverside Superior Court  
Case No: RIC 533180
- g Case: *Residents for a Livable Moreno Valley II*  
Court: Riverside Superior Court  
Case No: 10003334
- h Case: *Desprez v. City of Moreno Valley*  
Court: Riverside Superior Court  
Case No: RIC 537756
- i Case: *RADOS v. City of Moreno Valley*  
Court: Riverside Superior Court  
Case No: RIC 425323
- j Case: *City of Moreno Valley v. County of Riverside; Office of the Riverside County Auditor-Controller; Robert E. Byrd, in his official capacity; and DOES 1-10, inclusive*  
Court: Riverside Superior Court  
Case No: RIC 514702
- k Case: *In Re General Growth Properties, Inc.*  
Court: U.S. Bankruptcy Court, Southern District of New York  
Case No: 09-11977
- l Case: *In Re Empire Land, LLC et al.*  
Court: U.S. Bankruptcy Court, Central District of California, Riverside Division  
Case No: 6:08:14592 MJ

- m Case: *Los Angeles Engineering v. City of Moreno Valley*  
Court: Riverside Superior Court  
Case No: RIC 524877
  
- n Case: *Navarro v. City of Moreno Valley*  
Court: Riverside Superior Court  
Case No: RIC 10007183
  
- o Case: *Residents for a Livable Moreno Valley, an unincorporated association, Petitioner v. CITY OF MORENO VALLEY, Respondent, WESTERN REALCO, LLC, Real Party in Interest, and DOES 1 through 100, inclusive, Real Parties in Interest.*  
Court: Riverside Superior Court  
Case No: RIC 536464
  
- p Case: *Goodwin v. City of Moreno Valley*  
Court: Riverside Superior Court  
Case No: RIC 10017990
  
- q Case: *Reams v. City of Moreno Valley, Mike McCarty*  
Court: Riverside Superior Court  
Case No: RIC 10017492
  
- r Case: *U.S. ex rel. Hendrix v. J-M Manufacturing, Inc. d/b/a JM Eagle*  
Court: United States District Court, Central District of California  
Case No: ED-CV06-0055-GW

2 SECTION 54956.9(b)(1) - CONFERENCE WITH LEGAL COUNSEL - SIGNIFICANT EXPOSURE TO LITIGATION

Number of Cases: 2

3 SECTION 54956.9(c) - CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION

Number of Cases: 2

## **REPORT OF ACTION FROM CLOSED SESSION, IF ANY, BY CITY ATTORNEY**

The City Attorney announced that in the matter of Arch Insurance Company vs. City of Moreno Valley, the City Council voted 5-0 in Closed Session to accept the terms of the settlement and authorize the mayor to execute the Settlement Agreement on behalf of the City. The terms of the settlement agreement are as follows:

Arch Insurance will build the Lasselle Sports Park using its own proceeds and

- within 60 days of the Settlement Agreement, Arch will submit plans to the City for plan check for the park
- will pay all permit fees and all plan check fees
- will secure all necessary permits and approvals
- will complete construction within 20 months
- will comply with all applicable laws, regulations, codes, plans & specs
- will give the City one year warranty for the park after the City/CSD accepts the park

The City will accept the park upon completion and upon satisfaction to the City that all work has been performed according to the plans and specs, the project has been paid for, and all terms of the Settlement Agreement have been met.

Within 7 days of the execution of the Settlement Agreement, Arch Insurance Company will additionally pay to the City \$500,000 for legal and administrative expenses.

**Motion to approve the terms of the settlement as outlined and authorize the Mayor to execute the Settlement Agreement by m/Council Member William H. Batey II, s/Council Member Robin N. Hastings**  
**Approved by a vote of 5-0.**

**Motion to adjourn by m/Council Member William H. Batey, s/Mayor Pro Tem Jesse L. Molina**  
**Approved by a vote of 5-0.**

## **ADJOURNMENT**

There being no further business to conduct, the meeting was adjourned at 6:45 p.m. by unanimous informal consent.

Submitted by:

---

Jane Halstead, City Clerk, CMC  
Secretary, Moreno Valley Community Services District  
Secretary, Community Redevelopment Agency of the City of Moreno Valley  
enl