

CITY OF DANA POINT

**CITY COUNCIL
REGULAR
MEETING**



**TUESDAY
JUNE 4, 2019
5:00 P.M.**

MINUTES

Location: City Council Chamber, 33282 Golden Lantern, Suite 210, Dana Point, California 92629

Next City Council Ordinance No. 19-03

CALL TO ORDER

The Regular Meeting of the City Council of the City of Dana Point, California, was called to order by Mayor Muller at 5:00 p.m. in the City Council Chambers, 33282 Golden Lantern, Dana Point.

ROLL CALL OF CITY COUNCIL MEMBERS:

Joseph L. Muller, Mayor
Paul N Wyatt, Mayor Pro Tem (Absent)
Jamey M. Federico, Council Member
Debra Lewis, Council Member
Richard A. Viczorek, Council Member

CLOSED SESSION

- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION, Government Code § 54956.9 (d)(1), (1 case)

Name of Case: Housing is a Human Right v. Dana Point, United States District Court for the Central District of California – Southern Division; Case No. 18-cv-00155 DOCKES

- B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION, Government Code § 54957

Title: City Manager

Mayor Muller recessed the meeting into a Closed Session at 5:01 p.m. pursuant to Government Code Section 54956 et seq.

RECESS OF CITY COUNCIL MEETING UNTIL 6:00 P.M.

RECONVENE CITY COUNCIL MEETING

Mayor Muller reconvened the meeting at 6:17 p.m. All Council Members were present except for Mayor Pro Tem Wyatt.

STAFF PRESENT: Mark Denny, City Manager; Patrick Munoz, City Attorney; Mike Killebrew, Assistant City Manager; Lieutenant Margie Sheehan; Kathy Ward, City Clerk; Matthew Schneider, Director of Community Development; Matthew Sinacori, Director of Public Works and Engineering; Robert Sedita, Director of General Services; Rachel Johnson, Management Analyst, and Shayna Sharke, Deputy City Clerk

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Jamey M. Federico.

INVOCATION

The invocation was provided by Rabbi Eli Goorevitch of Chabad of Dana Point.

PRESENTATIONS AND PROCLAMATIONS

There were no presentations.

READING OF ORDINANCE TITLES

Kathy Ward, City Clerk, read one (1) ordinance title.

CONSENT CALENDAR

Item No. 6 was removed by a member of the public.

IT WAS MOVED BY MAYOR JOSEPH L. MULLER, SECONDED BY COUNCIL MEMBER RICHARD A. VICZOREK THAT THE RECOMMENDATIONS BE ACCEPTED FOR ALL ITEMS ON THE CONSENT WITH THE EXCEPTION OF ITEM NO. 6.

The motion carried by the following vote:

AYES: Council Member Jamey M. Federico, Council Member Debra Lewis, Council Member Richard A. Viczorek, and Mayor Joseph L. Muller

NOES: None

ABSENT: Mayor Pro Tem Paul N Wyatt

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

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

2. REGULAR MEETING MINUTES, MAY 21, 2019

APPROVED THE MINUTES.

3. MEETING CALENDAR / COMMUNITY SPECIAL EVENTS CALENDAR

RECEIVED AND FILED.

4. MONTHLY FINANCIAL ACTIVITY REPORT, APRIL

RECEIVED AND FILED THE MONTHLY FINANCIAL ACTIVITY REPORT, APRIL 2019.

5. CLAIMS AND DEMANDS

RECEIVED AND FILED.

6. ORDINANCE OF THE CITY COUNCIL OF DANA POINT, CALIFORNIA AMENDING DANA POINT MUNICIPAL CODE CHAPTER 6.46 (EXPANDED POLYSTYRENE FOOD SERVICE WARE)

Mayor Joseph L. Muller opened Public Comment.

Hoiyin Ip (Dana Point) presented a slide and spoke in favor of the ordinance and provided information regarding polystyrene coolers.

Mayor Joseph L. Muller closed Public Comment.

IT WAS MOVED BY MAYOR JOSEPH L. MULLER, SECONDED BY COUNCIL MEMBER RICHARD A. VICZOREK THAT THE CITY COUNCIL ADOPT **ORDINANCE 19-03** ENTITLED:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, AMENDING SECTIONS 6.46.010 AND 6.46.030 OF THE DANA POINT MUNICIPAL CODE RELATING TO THE BAN ON POLYSTYRENE

The motion carried by the following vote:

AYES: Council Member Jamey M. Federico, Council Member Debra Lewis, Council Member Richard A. Viczorek, and Mayor Joseph L. Muller

NOES: None

ABSENT: Mayor Pro Tem Paul N Wyatt

PUBLIC COMMENTS

Anthony Small (Dana Point) introduced the non-profit, Music Serves, and stated that their mission is to inspire creative art patrons through school and community programs.

Wayne Yost (Dana Point) thanked the City for their support with the Memorial Day Ceremony, specifically the Recreation staff, and he commended the City on the sponsorship of the Art Walk.

PUBLIC HEARINGS

- 7. CONDUCT PUBLIC HEARING AND TAKE ACTIONS NECESSARY TO ADOPT THE FISCAL YEAR 2019-2020 (FY20) AND 2020-2021 (FY21) BUDGETS INCLUDING ADOPTION OF A RESOLUTION TO ADOPT THE PROPOSED OPERATING AND CAPITAL IMPROVEMENT BUDGETS FOR FISCAL YEARS 2019-2020 (FY20) AND 2020-2021 (FY21), ADOPTION OF A RESOLUTION IMPLEMENTING USER FEE STUDY PHASE II (FY20) AND PHASE III (FY21) FOR SERVICE FEE CHARGES; ADOPTION OF A RESOLUTION ESTABLISHING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2019-2020 (FY20); ADOPTION OF A RESOLUTION ESTABLISHING SALARY RANGES AND ADDITIONAL NON-REPRESENTED TITLES AND CLASS SPECIFICATIONS; AND OTHER ACTIONS AS LISTED IN THE RECOMMENDED ACTIONS**

The City Council conducted a Public Hearing to review the City of Dana Point Proposed Operating and Capital Improvement Budgets for Fiscal Years 2019-2020 (FY20) and 2020-2021 (FY21), and Implementing User Fee Study Phase II (FY20) and Phase III (FY21) for Service Fee Charges.

The Mayor opened and closed the Public Hearing. There were no Public Comments.

IT WAS MOVED BY MAYOR JOSEPH L. MULLER, SECONDED BY COUNCIL MEMBER JAMEY M. FEDERICO THAT THE CITY COUNCIL:

- 1) CONDUCT A PUBLIC HEARING TO REVIEW THE CITY OF DANA POINT PROPOSED OPERATING AND CAPITAL IMPROVEMENT BUDGETS FOR FISCAL YEARS 2019-2020 (FY20) AND 2020-2021 (FY21), AND IMPLEMENTING USER FEE STUDY PHASE II (FY20) AND PHASE III (FY21) FOR SERVICE FEE CHARGES;
- 2) APPROVE FINANCIAL POLICIES (ACTION DOCUMENT A), INCLUDING A NEW GENERAL FUND RESERVE POLICY AND COMMUNITY INVESTMENT ACCOUNT POLICY; AND, RESCIND 8/23/2006 GENERAL FUND RESERVE POLICY #224 AND CAPITAL IMPROVEMENT POLICY #225) (SUPPORTING DOCUMENT 1);
- 3) DIRECT THAT THE NEW GENERAL FUND RESERVE POLICY TAKE EFFECT AS OF JUNE 30, 2019;
- 4) DIRECT THE ESTABLISHMENT OF A NEW GENERAL FUND DESIGNATED RESERVE TITLED "UNFUNDED PENSION LIABILITY RESERVE" (NEW ACCOUNT #01-2550) AND MOVE \$5,000,000 OF THE GENERAL FUND EXCESS UNASSIGNED FUND BALANCE INTO THE ACCOUNT; AND, DIRECT STAFF TO CONTINUE RESEARCH INTO SECTION 115 PENSION TRUST ACCOUNT FUNDING OPTIONS AND RETURN TO CITY COUNCIL WITH RECOMMENDATIONS DURING FY20;

- 5) AMEND THE FY19 BUDGET TO TRANSFER GENERAL FUND EXCESS UNASSIGNED FUND BALANCE BY INCREASING BOTH THE TRANSFER OUT OF THE GENERAL FUND (ACCOUNT #01-99-90-0000-9010) AND THE TRANSFER IN TO THE FACILITIES FUND (ACCOUNT #12-90-6901) IN THE AMOUNT OF \$2,075,000;
- 6) AMEND THE FY19 BUDGET TO TRANSFER GENERAL FUND EXCESS UNASSIGNED FUND BALANCE BY INCREASING THE TRANSFER OUT OF THE GENERAL FUND (ACCOUNT #01-99-90-0000-9050) AND THE TRANSFER IN TO THE CAPITAL IMPROVEMENT FUND (ACCOUNT #11-90-6901) IN THE AMOUNT OF \$3,598,849; FURTHER, ALLOCATE THE AMOUNT TRANSFERRED TO A NEW DESIGNATED RESERVE TITLED COMMUNITY INVESTMENT ACCOUNT (NEW ACCOUNT #11-2450);
- 7) **ADOPT RESOLUTION 19-06-04-01 TITLED:**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, ADOPTING AN OPERATING AND CAPITAL IMPROVEMENT BUDGET FOR THE CITY OF DANA POINT FOR FISCAL YEARS 2019-20 AND 2020-2021 (ACTION DOCUMENT B);
- 8) **ADOPT RESOLUTION 19-06-04-02 TITLED:**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, IMPLEMENTING USER FEE STUDY PHASE II (FY20) AND PHASE III (FY21) FOR SERVICE FEE CHARGES (ACTION DOCUMENT C), AND RESCIND RESOLUTION 18-06-19-01 (SUPPORTING DOCUMENT 2);
- 9) **ADOPT RESOLUTION 19-06-04-03 TITLED:**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, ESTABLISHING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2019-2020 (ACTION DOCUMENT D; SUPPORTING DOCUMENT 3);
- 10) **ADOPT RESOLUTION 19-06-04-04 TITLED:**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, ESTABLISHING SALARY RANGES FOR REPRESENTED AND NON-REPRESENTED CLASSIFICATIONS ESTABLISHING ADDITIONAL NON-REPRESENTED POSITION TITLES AND CLASS SPECIFICATIONS (ACTION DOCUMENT E); AND,
- 11) **APPROVE THE CALENDAR OF BUDGET-RELATED ACTIVITY TO OCCUR IN FISCAL YEAR 2019-20 (ACTION DOCUMENT F)**

Discussion ensued.

MAYOR JOSEPH L. MULLER MADE AN AMENDED MOTION, ADDING TO HIS ORIGINAL MOTION, SECONDED BY COUNCIL MEMBER JAMEY M. FEDERICO, THAT THE CITY COUNCIL DIRECT STAFF TO INCLUDE VERBIAGE IN COUNCIL POLICY NO. 233 SPECIFYING THAT THE CITY MANAGER SHALL PROPOSE A PLAN WITHIN 180 DAYS TO REPLENISH THE RESERVES, SHOULD THEY FALL BELOW CITY TARGET AMOUNTS.

The amended motion, carried by the following vote:

AYES: Council Member Jamey M. Federico, Council Member Debra Lewis, Council Member Richard A. Viczorek, and Mayor Joseph L. Muller

NOES: None

ABSENT: Mayor Pro Tem Paul N Wyatt

UNFINISHED BUSINESS

There were no Unfinished Business items.

NEW BUSINESS

8. ANNUAL REVIEW OF INVESTMENT POLICY

RECOMMENDED ACTION: That the City Council approve the City's Statement of Safekeeping and Investment of Public Funds Policy ("Investment Policy").

IT WAS MOVED BY MAYOR JOSEPH L. MULLER, SECONDED BY COUNCIL MEMBER JAMEY M. FEDERICO, THAT THE CITY COUNCIL APPROVE THE CITY'S STATEMENT OF SAFEKEEPING AND INVESTMENT OF PUBLIC FUNDS POLICY ("INVESTMENT POLICY").

The motion carried by the following vote:

AYES: Council Member Jamey M. Federico, Council Member Debra Lewis, Council Member Richard A. Viczorek, and Mayor Joseph L. Muller

NOES: None

ABSENT: Mayor Pro Tem Paul N Wyatt

COUNCIL REPORTS, INCLUDING CITY RELATED MEETINGS ATTENDED

Council Member Jamey M. Federico stated that he turned in his list of meetings attended to the City Clerk and thanked staff for the well prepared budget.

Council Member Debra Lewis asked that the Financial Review Committee report out and be available to answer questions.

Council Member Richard A. Viczorek stated that he turned in his list of meetings attended to the City Clerk.

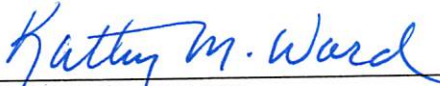
Mayor Joseph L. Muller spoke regarding his moving experience at the Memorial Day Ceremony and will turn in his list of meetings.

STAFF REPORTS

City Manager Mark Denny stated that the Dana Point Trolley service started on May 24th and thanked staff for their work on the budget. He added that the Waterman's Plaza and PCH Plaza fencing will be taken down Friday, June 7th and the Hobie Surf Board swap will also be held this weekend in La Plaza Park.

ADJOURNMENT

There being no further business before the City Council at this session, Mayor Muller adjourned the meeting at 7:02 p.m. He announced that the next Regular Meeting of the City Council will be June 18, 2019, at 5:00 p.m. in the City Council Chamber located at 33282 Golden Lantern, Suite 210, Dana Point, California.



KATHY M. WARD
CITY CLERK

APPROVED AT THE MEETING OF JUNE 18, 2019.

Meetings attended since May 22, 2019:

Mayor Joseph L. Muller

05/22/2019 TCA
05/22/2019 Ribbon Cutting Beach Front Inn
05/22/2019 FRC
05/23/2019 TCA
05/23/2019 OCFA
05/24/2019 OCTA
05/27/2019 Memorial Day Celebration
05/28/2019 Strands HOA
05/29/2019 OCTA
05/29/2019 Special Olympics Torch Run
05/30/2019 State of the City
06/03/2019 OCA

Mayor Pro Tem Paul N Wyatt

05/22/2019 Ribbon Cutting for Beachfront Inn and Suites
05/22/2019 Dana Point Financial Review Committee Meeting
05/23/2019 League of California Cities Legislative Update Webinar
05/23/2019 Friendship Shelter regarding Permanent Supportive Housing Opportunities

Council Member Jamey M. Federico

05/22/2019 Neighborhood Watch Meeting
05/24/2019 Lillian Boyd, Dana Point Times
05/27/2019 VFW Memorial Day Ceremony
05/30/2019 City Selection Committee
05/30/2019 State of the City
06/02/2019 ArtFest
06/03/2019 Meeting with Council Members from San Clemente and San Juan Capistrano

Council Member Richard A. Viczorek

05/23/2019 SJHTCA Budget Workshop
05/30/2019 State of the City Address