



CITY OF SAN CLEMENTE

ADJOURNED REGULAR CITY COUNCIL MEETING AGENDA

Community Center
Ole Hanson Room
100 N. Seville
San Clemente, California
www.san-clemente.org

February 25, 2014
4:00 p.m.

Information concerning City Council Meeting protocols and procedures is contained at the end of this agenda.

RULES FOR ADDRESSING COUNCIL

- Members of the public may address the City Council on matters within the jurisdiction of the City of San Clemente.
- If you wish to address Council, please complete one of the blue speaker cards located at the entrance to the Council Chambers and submit it to the City Clerk or Deputy City Clerk.
- Persons wishing to address Council concerning an **agendized** item will be invited to address Council during the time that Council is considering that particular agenda item. Persons wishing to address Council concerning a **non-agendized** issue will be invited to address Council during the "Oral Communications" portion of the meeting.
- When the Mayor calls your name, please step to the podium, state your name and your city of residence, and then give your presentation. Please limit your presentation to three minutes.

MISSION STATEMENT

The City of San Clemente, in partnership with the community we serve, will foster a tradition dedicated to:

Maintaining a safe, healthy atmosphere in which to live, work and play;

Guiding development to ensure responsible growth while preserving and enhancing our village character, unique environment and natural amenities;

Providing for the City's long-term stability through promotion of economic vitality and diversity...

Resulting in a balanced community committed to protecting what is valued today while meeting tomorrow's needs.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

1. **Strategic Priority Update**

Report from the City Manager concerning the FY 2014 strategic priorities.

Staff Recommendation

Reconfirm and update the FY 2014 strategic priority projects.

2. **2014 Long Term Financial Plan (LTFP)**

Report from the Assistant City Manager concerning the 2014 Long Term Financial Plan.

Staff Recommendations

Financial Trend Analysis

- 1. None

Financial Forecast

- 1. None.

Reserve Analysis

- 1. Maintain the General Fund Emergency Reserve at a level of 9% of operating expenditures.
- 2. Maintain the Sustainability Fund Balance Reserve at \$10 million.

3. Maintain the Enterprise funds emergency reserve level at 12% of operating expenses.
4. Transfer from the Vista Hermosa Sports Park (VHSP) Reserve an amount to subsidize the net cost of operating the VHSP during FY 2015, estimated at \$990,000.
5. Transfer \$130,000 from the General Fund unassigned fund balance to the Accrued Leave Reserve for FY 2014 (\$110,000 was the FY 2014 transfer).
6. Authorize the General Liability Self-Insurance Fund to charge funds in the amount of \$2.05 million based on anticipated premiums and operating costs of each fund (see Attachment "A" in the Reserve Paper for the fund charges).
7. Retain \$1.6 million of the proceeds from the future Bellota land sale to comply with the General Liability Fund's reserve policy.
8. Increase the existing workers' compensation rates by approximately 5% to maintain reserves at an adequate level (see Attachment "A" in the Reserve Paper for detail on the increase).
9. Maintain contributions for the replacement of the City fleet vehicles and equipment to keep the reserve at an adequate level.
10. Transfer \$100,000 from the General Fund to the Capital Equipment Replacement Reserve for FY 2015 and maintain current contributions for the replacement of capital equipment to keep the reserve at an adequate level.
11. Maintain current contributions for facilities maintenance costs to keep the reserve at an adequate level.
12. Transfer \$40,000 from the General Fund to the Park Asset Replacement Reserve for FY 2015 and contribute annual amounts for the replacement of park assets.
13. Maintain annual depreciation fund charges and asset model contributions to the Water Operating fund to achieve three years worth of future capital projects.
14. Maintain annual depreciation fund charges that will be charged to the Sewer Operating fund to maintain three years worth of future capital projects.
15. Maintain annual depreciation fund charges and contribution to the Storm Drain Depreciation Reserve to achieve funding for three years worth of future capital projects.
16. Maintain depreciation contributions to the reserve to keep the Golf Course Depreciation reserve at an adequate level.
17. Maintain depreciation contributions to the reserve to keep the Golf Course Capital Improvement reserve at an adequate level.

Fiscal Policy

1. Revenue Policies: Add a new policy to restrict the commitment of on-going General Fund revenues to any specific recurring expenditure or program.
2. Risk Financing Policies: Add a new policy section in the Fiscal Policy to define the City's Risk Financing strategy

Capital Projects Analysis

1. **Beach Restroom Master Plan** – Fund the restroom improvements on a “pay-as-you-go” basis from the General Fund. Combine the design phase of the Boca del Canon and T-Street restroom to accelerate restroom improvements based on availability of funds.
2. **Steed Park Lighting Improvements** – Fund the lighting improvements from the General Fund. Program the project in the 6-year capital outlay based on the parks project priority ranking established as part of the Parks Master Plan proposed as part of the FY 2015 CIP budget.
3. **Bonito Canyon Park Rehabilitation** – Fund the park rehabilitation from the General Fund. Program the project in the 6-year capital outlay based on the parks project priority ranking established as part of the Parks Master Plan proposed as part of the FY 2015 CIP budget.
4. **Rail Corridor Pedestrian Beach Trail Extension** – Fund the Beach Trail extension from the General Fund with design in FY 2015 and construction in FY 2016.
5. **ADA Improvements** – Fund ADA improvements on an annual basis from the General Fund. Attain ADA compliance of City facilities during major rehabilitation projects.
6. **Ole Hanson Beach Club** – No gap closing required, the project is fully funded.
7. **USACE Sand Project** – Pursue grant funding from the CA Department of Boating and Waterways for initial construction phase of the project. Fund City share of initial construction from the General Fund in FY 2016.
8. **Municipal Pier Rehabilitation** – Fund the pier rehabilitation from the General Fund with design in FY 2016 and construction in FY 2017. Establish a Pier Reserve Fund to ensure funding availability needed for major maintenance on a 5-year basis with proceeds from Bellota sale.
9. **Reservoir No. 1 Expansion** – Fund the reservoir expansion from the Water Depreciation and Water Acreage Fee funds in FY 2016.

10. **Doheny Ocean Desalination** – Pilot plant and study is fully funded. Results of completed study will be used as a basis to determine construction costs and whether City continues participation in the project.
11. **Highland Light Ductile Iron Pipeline Replacements** – Fund the pipe replacements from the Water Depreciation Fund in FY 2016.

Retirement Systems Analysis

1. The City creates a reserve fund and sets aside \$500,000, proportionally paid from the fund balances across all City Funds that have personnel costs, which could be used to address large pension rate increases that could occur in a given year, essentially providing a means of “rate stabilization.”
2. The City makes arrangements with CalPERS to pay off the remaining side fund balance of approximately \$224,000 for active employees in the Safety Lifeguard Plan of the City of San Clemente.

Other Post-Employment Benefits (OPEB) Analysis

1. Direct Staff to establish an irrevocable OPEB trust with a third party agency that would offer the most cost effective solution, using \$600,000 currently set aside as seed money, and providing for the City to make required ARC payments into the trust and to pay related retiree benefit costs from the trust on a go-forward basis.

Insurance Coverage Alternatives

1. Affirm the Bickmore report recommendation to continue as a member with CJPIA for liability protection.
2. Direct staff to rescind the provisional notice of intent to withdraw provided to the CJPIA for the coverage period beginning July 1, 2014.
3. Direct staff to further evaluate CJPIA as an option for Workers’ Compensation coverage.

Civic Center Evaluation

1. Staff provides 3 alternatives for Council discussion.

Marblehead Coastal Parks & Trails

1. Staff recommends adding facilities to existing contracts as they are constructed, and once the entire system is completed, sending the maintenance of all Marblehead Coastal parks and trails to bid as one contract. Staff will continue to monitor all related costs as completion of the parks and trails occur. As appropriate, staff will provide decision packages if additional budget is required.

Sand Replenishment

1. Prioritize the restoration of the beaches in San Clemente and develop a comprehensive long-term strategy to address sand loss. Review existing and future replenishment projects, investigate partnerships with other agencies for a regionalized approach, and actively locate and pursue funding opportunities.

800 MHz System

1. Include a total of approximately \$437,000 in the Capital Improvement Program budget over the next four fiscal years, based on the proposed payment schedule provided by OCSD, to fund the backbone costs of the 800 MHZ upgrade from the Public Safety Construction Fund.
2. Include a total of approximately \$616,000 in FY 2017 Capital Improvement Program Budget to fund the cost of replacing and/or upgrading applicable public safety radio communications equipment from the General Fund's unassigned Fund Balance.

Marine Safety and Beach Maintenance Building Relocation Study

1. Conduct a relocation study of the Marine Safety and Beach Maintenance facility located on the beach, assessing operational and functional needs of a new building, and to identify preferred locations and estimated costs.

General Plan

1. Confirm the first phase of Implementation Measures for the General Plan and integration of the SIP into the annual LTFP/Budget process as outlined. The first phase will consist of:
 1. Five-Year Strategic Implementation Plan
 2. Update of the Zoning Ordinance
 3. Update of Specific Plans
 4. Coastal Commission certification of the Local Coastal Program
 5. Update of the Housing Element

County Library Analysis

1. Staff requests that the City Council provide direction on exploring alternative models for Library services.

3. **Oral Communications**

Members of the audience who wish to address Council on matters that are within the jurisdiction of the City of San Clemente, but not separately listed on the agenda, may do so during the Oral Communications portion of the meeting. A total time limitation of 30 minutes is allocated for Oral Communications, with each speaker being allotted 3 minutes in which to give his or her presentation. Speaker order is determined by the order in which speaker cards are provided to the City Clerk or Deputy City Clerk at the meeting. When the Mayor calls your name, please step to the podium, state your name and the City in which you reside, and make your presentation. Subject to very limited exceptions, Council is not permitted to discuss or take action on items that do not appear on the agenda.

4. **Adjournment**

The next Regular Council Meeting will be held on March 4, 2014 in the Council Chambers, located at 100 Avenida Presidio, San Clemente, California. Closed Session items will be considered at 5:00 p.m. The General Session will commence at 6:00 p.m.

CITY COUNCIL MEETING PROCEDURES

PRESENTATION OF WRITTEN MATERIALS TO COUNCIL

In order to ensure that Councilmembers have adequate time to consider written materials concerning agenda items, it is strongly recommended that such materials be submitted to the City Clerk by noon the date preceding the Council meeting.

MEETINGS RECORDED AND TELEVISED

City Council meetings are broadcast live and are replayed periodically on Cox Communications Local Access Channel 30 (or Channel 854 for high-definition televisions). Meetings are also recorded via audio CD and DVD and retained as a City record in accordance with the City's records retention schedule.

USE OF ELECTRONIC VISUAL AIDS BY PUBLIC AT MEETINGS

To allow staff adequate time to confirm software compatibility, individuals wishing to utilize electronic visual aids to supplement their oral presentations at the meeting, must submit the electronic files to the City Clerk by no later than 12:00 p.m. on the day of the meeting. Only compatible electronic formats will be permitted to be used on City audio/visual computer equipment. Staff makes no guarantee that such material will be compatible, but will use its best efforts to accommodate the request.

LENGTH OF MEETINGS

At 11:00 p.m., the City Council will determine which of the remaining agenda items can be considered and acted upon at this meeting and will continue all other agenda items to a future meeting.

AMERICANS WITH DISABILITIES ACT

Pursuant to the Americans with Disabilities Act, persons with a disability who require a disability-related modification or accommodation in order to participate in a meeting, including auxiliary aids or services, may request such modification or accommodation from the City Clerk at (949) 361-8200. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to the meeting.

COMMUNICATION DEVICES

To minimize meeting distractions and sound system interference, please be sure all personal communication devices are turned off or on silent mode.

MEETING SCHEDULE

Regular Council Meetings are held on the first and third Tuesdays of each month in the Council Chambers, located at 100 Avenida Presidio, San Clemente. Closed Session items are considered at 5:00 p.m. and the Business Meeting begins at 6:00 p.m. Additional meetings of the City Council may be called as needed.

AGENDAS, ADMINISTRATIVE REPORTS AND SUPPLEMENTAL WRITTEN MATERIALS

Agendas and Administrative Reports are available for review and/or copying at the City Clerk's Department as soon as agendas are posted (a minimum of 72 hours prior to the meeting). Agendas and Administrative Reports can also be viewed at the San Clemente Library, located at 242 Avenida Del Mar, or by accessing the City's website at www.san-clemente.org. An "Inspection Copy" of agenda materials is also located at the entrance to the Council Chambers during meetings for public review. All written material distributed to a majority of the Council after the original agenda packet was distributed is available for public inspection in the City Clerk's Department, located at 100 Avenida Presidio, San Clemente, during normal business hours.

The City Clerk's Department also offers an agenda packet subscription service free of charge. If you wish to receive email copies of City Council agendas, which include hyperlinks to staff reports and other back-up material, please send an email to cityclerk@san-clemente.org or call 949-361-8200.