

REGULAR MEETING
CYPRESS CITY COUNCIL
May 13, 2019
5:30 P.M.

A regular meeting of the Cypress City Council was called to order at 5:30 p.m. by Mayor Berry in the Executive Board Room, 5275 Orange Avenue, Cypress, California.

ROLL CALL

Cypress City Council, also acting as the Ex-Officio Governing Board of Directors of the Cypress Recreation and Park District

Mayor Stacy Berry
Mayor Pro Tem Rob Johnson
Council Member Paulo Morales (arrived at 5:31 p.m.)
Council Member Jon Peat
Council Member Mariellen Yarc

STAFF PRESENT

City Manager Peter Grant
City Attorney Anthony Taylor
Director of Finance and Administrative Services Matt Burton
Director of Community Development Doug Dancs
Director of Recreation and Community Services Cameron Harding
Police Commander Chris Revere
Assistant Director of Finance and Administrative Services Donna Mullally
City Engineer Kamran Dadbeh
Recreation Supervisor Jeff Draper
Recreation Supervisor Shelly Myers
Recreation Supervisor Jenni Worsham
Senior Administrative Analyst Jason Machado
Acting City Clerk Alisha Farnell

ORAL COMMUNICATIONS (Limited to 30 minutes – three minutes per speaker, unless extended by the City Council)

None.

WORKSHOP SESSION

The City Manager reported the City Council would be presented with a workshop on the Fiscal Year 2019-20 Proposed Budget.

The City Manager indicated the presentation includes a five-year General Fund forecast and summary of revenues and expenditures. He explained that a similar forecast has been presented to City Council with each proposed budget over the past three years.

The City Manager spoke regarding actions taken in response to projected operating deficits in future years.

The Director of Finance and Administrative Services provided an overview of the five-year General Fund forecast. He stated the forecast projects a surplus in FY 2019-20 and 2020-21, however projected operating deficits begin in FY 2021-22 largely due to rising pension costs.

The Director of Finance and Administrative Services indicated major assumptions used to create the General Fund forecast include modest economic growth, no new revenue sources or tax increases, and no changes to staffing or service levels. He further stated the forecast incorporates labor agreements, the latest PERS actuarial, non-personnel expenditures growth of 2 percent to 2.5 percent annually, and fully funded insurance and equipment replacement funds. He stated the forecast includes continued transfers of \$1.8 million for Capital Improvement Projects (CIP) and that a 25 percent contingency would be maintained.

Mayor Pro Tem Johnson asked if the pending fee study was incorporated into the forecast.

The Director of Finance and Administrative Services responded no.

The City Manager indicated the budget remains consistent with past years, with the exception of four fewer full-time positions. He stated the budget maintains current service levels and reserves, and the proposed budget incorporates the City Council adopted fiscal strategies and Strategic Plan objectives.

The City Manager spoke of economic trends that impact the budget including home appreciation, SB1 Gas Tax revenues, pension cost increases, and sales tax stagnation.

The Director of Finance and Administrative Services stated the budget includes approximately \$40.3 million in revenue and \$40.7 in expenditures. He indicated that while expenditures exceed revenues due to the use of accumulated reserves for capital projects, the budget is balanced.

The Director of Finance and Administrative Services indicated General Fund revenues are approximately \$31.6 million with an overwhelming majority coming from sales tax and property tax.

Council Member Peat asked if any revenue from the 13-acre site was included in the budget.

The Director of Finance and Administrative Services responded no.

The Director of Finance and Administrative Services reviewed the General Fund expenditures and stated the Police Department accounts for approximately 61 percent. He further detailed expenditures by type, stating that salaries and non-pension benefits account for 58 percent.

The Director of Finance and Administrative Services indicated Capital Outlay totals \$345,800 and includes equipment, technology replacements, and technology investments such as the development of a City mobile app.

The City Manager stated the proposed budget includes Decision Packages which had been implemented in the FY 2018-19 budget process.

The Director of Finance and Administrative Services provided an overview of the five Personnel Decision Packages that include City Planner, Traffic Engineer, Water Quality Management, Office Assistant (CRPD), and Facility Attendants (CRPD).

The City Manager provided an overview of other decision packages including code enforcement supplement, regional homelessness, police officer recruitment, and allocation of infrastructure reserve interest.

The City Manager discussed staffing levels and indicated there has been a 25 percent decrease over the last 11 years.

The Director of Finance and Administrative Services discussed sales tax revenue trends over the last 15 years.

The City Manager spoke regarding the CalPERS pension expenditures in the proposed budget and through Fiscal Year 2023-24.

The Director of Finance and Administrative Services provided a brief overview of the Capital Improvement Program (CIP).

The Director of Finance and Administrative Services reviewed the Cypress Recreation and Park District (CRPD) Budget and stated revenue is largely based on property taxes and an earnings increase has been experienced.

The City Manager provided an overview of the Custodial Services Increases and Independence Day Celebration Decision Packages.

The Director of Finance and Administrative Services indicated CRPD full-time staffing levels are fairly consistent and stable. He stated the proposed CRPD budget reflects an increase in part-time staffing based on the Decision Package to transfer funding and responsibility for part-time facilities attendants from Community Development to Recreation and Community Services.

The City Manager indicated the Fiscal Year 2019-20 CIP and Technology Master Plan would be presented to the City Council for approval at its next regular meeting of May 28, 2019, and the Fiscal Year 2019-20 Budget would be presented to the City Council for adoption at its regular meeting of June 10, 2019.

It was moved by Mayor Pro Tem Johnson and seconded by Council Member Morales, to: 1) Receive and file the FY 2019-20 Proposed Budget; and 2) Schedule City Council consideration for adoption of the FY 2019-20 Budget on June 10, 2019; and 3) Publish a notice stating the public may comment on the adoption of the Budget at the meeting of June 10, 2019.

The motion was unanimously carried by the following roll call vote:

AYES: 5 COUNCIL MEMBERS: Morales, Peat, Yarc, Johnson and Berry
 NOES: 0 COUNCIL MEMBERS: None
 ABSENT: 0 COUNCIL MEMBERS: None

CLOSED SESSION

The City Attorney reported that the City Council would be meeting in Closed Session regarding Conference with Labor Negotiator, pursuant to Government Code Section 54957.6, Agency Negotiators: City Manager and Director of Finance and Administrative Services, Employee Groups:

- Executive Management
- Mid-Management
- Confidential
- Cypress Police Officers' Association

The City Attorney reported that the City Council would be meeting in Closed Session regarding Public Employee Performance Evaluation, pursuant to Government Code Section 54957, Title: City Attorney.

At 6:28 p.m., the Mayor recessed the meeting.

RECONVENE

The 7:00 p.m. session of the City Council meeting was called to order at 7:02 p.m. by Mayor Berry.

ROLL CALL

Cypress City Council, also acting as the Ex-Officio Governing Board of Directors of the Cypress Recreation and Park District

Mayor Stacy Berry
 Mayor Pro Tem Rob Johnson
 Council Member Paulo Morales
 Council Member Jon Peat
 Council Member Mariellen Yarc

STAFF PRESENT

City Manager Peter Grant
 City Attorney Anthony Taylor

Director of Finance and Administrative Services Matt Burton
Director of Community Development Doug Dancs
Director of Recreation and Community Services Cameron Harding
Police Commander Chris Revere
City Planner Doug Hawkins
City Planner Amy Stonich
City Engineer Kamran Dadbeh
Recreation Supervisor Jeff Draper
Public Works Superintendent Kirk Streets
Management Analyst Kirsten Graham
Senior Administrative Analyst Jason Machado
Acting City Clerk Alisha Farnell

PLEDGE OF ALLEGIANCE The Pledge of Allegiance was led by Council Member Peat.

INVOCATION The invocation was given by Pastor Sam Kim, Lord's Light Community Church.

REPORT OF WORKSHOP AGENDA/CLOSED SESSION

Mayor Berry asked for the report of the Workshop Session Agenda items discussed earlier in the evening.

The City Attorney reported that the City Council met in Workshop Session regarding the Fiscal Year 2019-20 Proposed Budget and consideration for approval would be at its regular meeting of June 10, 2019.

Mayor Berry asked for the report of the Closed Session Agenda items discussed earlier in the evening.

The City Attorney reported that the City Council met in Closed Session regarding Conference with Labor Negotiator, pursuant to Government Code Section 54957.6, Agency Negotiators: City Manager and Director of Finance and Administrative Services, Employee Groups: Executive Management, Mid-Management, Confidential, Cypress Police Officers' Association. He stated that no reportable action was taken.

The City Attorney reported that the City Council met in Closed Session regarding Public Employee Performance Evaluation, pursuant to Government Code Section 54957, Title: City Attorney. He stated that no reportable action was taken.

No other action was taken in Closed Session, nor was any solicited.

PRESENTATIONS

Mayor Berry and Council Members presented a Proclamation to Amy Chi, Western Youth Services, in recognition of "Mental Health Month."

Mayor Berry and Council Members presented Certificates of Special Recognition to GES, Hyatt House, Yamaha, and Cypress Land Company in recognition of their recycling programs.

The Director of Community Development introduced City Planner Amy Stonich.

Mayor Berry and Council Members presented a Proclamation to the Director of Community Development and his staff in recognition of "National Public Works Week."

ORAL COMMUNICATIONS (Limited to 30 minutes – three minutes per speaker, unless extended by the City Council)

Mayor Berry asked anyone who wished to speak on any topic not included on the meeting Agenda to come forward.

Pat O'Toole, Cypress, spoke regarding the West Orange County CERT Academy.

PUBLIC HEARINGS

Public comments – five minutes per speaker, unless extended by the City Council.

Council Members should disclose communications with anyone relevant to a Public Hearing item.

Item No. 1: Approve an Office Addition – Amendment to Conditional Use Permit No. 92-15

The Planning Manager provided background information on this item.

The public hearing was opened.

The applicant, David Chun, Chun Studio, stated he agreed to the conditions of approval.

The public hearing was closed.

It was moved by Mayor Pro Tem Johnson and seconded by Council Member Peat, to approve the Amendment to Conditional Use Permit No. 92-15, subject to the attached conditions.

The motion was unanimously carried by the following roll call vote:

AYES:	5	COUNCIL MEMBERS:	Morales, Peat, Yarc, Johnson and Berry
NOES:	0	COUNCIL MEMBERS:	None
ABSENT:	0	COUNCIL MEMBERS:	None

Resolution No. 6728

A Resolution of the City Council of the City of Cypress Approving
Amendment to Conditional Use Permit No. 92-15 - With Conditions

Item No. 2: Approve a Subdivision at the Northeast Corner of Katella Avenue and Enterprise Drive - Vesting Tentative Parcel Map No. 2017-180

The City Planner provided background information on this item.

Council Member Yarc asked if the two retail commercial buildings would be on the separate lot.

The City Planner responded in the affirmative, and clarified the retail commercial buildings would be on Lot 1 and the assisted living/memory care buildings would be on Lot 2.

Council Member Yarc asked what would be housed in the retail commercial buildings.

The Planner Manager responded the buildings are currently being marketed.

Council Member Yarc asked if the lots are separate for the benefit of being sold.

The Planning Manager responded in the affirmative.

Council Member Yarc asked if either retail commercial building would house fine dining.

The Planning Manager responded he is unsure.

Mayor Pro Tem Johnson asked if the City would lose authority with the project.

The Planning Manager responded no, and clarified it is a subdivision of the property.

Council Member Peat asked if one lot would be unused should the other be sold.

The Planning Manager responded both assisted living facilities and the parking lot would be developed. He stated the actual buildings would not be developed until tenants are secured and there would be temporary landscaping.

The public hearing was opened.

The applicant, Andy Loos, SRM Development, stated he agreed to the conditions of approval.

Council Member Morales asked about potential tenants.

Mr. Loos stated there may be food use.

Council Member Yarc asked if the purpose of the parcel subdivision is to sell the lots.

Mr. Loos responded no, and spoke regarding vacant building financing concerns.

Council Member Yarc asked if there are plans for a tenant in Lot 1.

Mr. Loos responded no, and spoke regarding his development experience.

The public hearing was closed.

Council Member Yarc spoke in opposition to the project and indicated she would not vote in favor of this item.

Mayor Berry spoke regarding the need for commercial retail restaurants on Katella Avenue.

It was moved by Council Member Peat and seconded by Mayor Pro Tem Johnson, to adopt a resolution approving Vesting Tentative Parcel Map No. 2017-180.

The motion was carried by the following roll call vote:

AYES:	3	COUNCIL MEMBERS:	Morales, Peat, and Johnson
NOES:	2	COUNCIL MEMBERS:	Yarc and Berry
ABSENT:	0	COUNCIL MEMBERS:	None

Resolution No. 6729

A Resolution of the City Council of the City of Cypress, California, Approving Vesting Tentative Parcel Map No. 2017-180 Subject to Conditions

CONSENT CALENDAR

All matters listed on the Consent Calendar are to be approved with one motion unless a Council Member requests separate action on a specific item.

Council Member Morales stated that Agenda Item No. 9, the Warrant Register, includes warrant no. 49953 for \$533.75 for a reimbursement he receives as a retired employee of the City of Cypress. He indicated that in voting for any motion to approve the Warrant Register, he would not be voting on warrant no. 49953 for the reason disclosed.

It was moved by Mayor Pro Tem Johnson and seconded by Council Member Peat, to approve Consent Calendar Items No. 1 through 9.

The motion was unanimously carried by the following roll call vote:

AYES:	5	COUNCIL MEMBERS:	Morales, Peat, Yarc, Johnson and Berry
NOES:	0	COUNCIL MEMBERS:	None
ABSENT:	0	COUNCIL MEMBERS:	None

Item No. 3: Approve Minutes – Meetings of April 22 and May 2, 2019

Recommendation: Approve as submitted.

Item No. 4: Introduce and/or Adopt All Ordinances and Resolutions Presented for Consideration by Title Only and to Waive Further Reading

Item No. 5: Proclaim the Week of May 2019 as “Mental Health Month”

Recommendation: Proclaim the month of May 2019 as “Mental Health Month.”

Item No. 6: Proclaim the Week of May 19-25, 2019 as “National Public Works Week”

Recommendation: Proclaim the week of May 19-25, 2019 as “National Public Works Week.”

Item No. 7: Approve Plans and Specifications and Award Contracts for the Senior Center Roof Repairs, Project 203

Recommendation:

1. Approve plans and specifications for the Senior Center Roof Repairs, Project 203; and
2. Award a contract to Bishop, Inc., Orange, CA, for \$169,257, and authorize a contingency of \$26,000.

Item No. 8: Approve Recreation Class Specifications and Pay Ranges

Recommendation:

1. Adopt a resolution establishing the Class Specification for Recreation and Community Services Manager and amending Resolution No. 6721 establishing pay ranges for Mid-Management positions; and
2. Adopt a resolution revising the Class Specification for Recreation Specialist, establishing the Class Specifications for Part-Time Recreation Specialist and Recreation Facilities Attendant, and amending Resolution No. 6716 establishing hourly ranges for Temporary Part-Time and Seasonal Positions.

Resolution No. 6730

A Resolution of the City Council of the City of Cypress, and Acting as Ex-Officio Board of Directors of the Cypress Recreation and Park District, Amending Resolution No. 6721 to Establish the Classification of Recreation and Community Services Manager to the Mid-Management Pay and Benefits Plan

Resolution No. 6731

A Resolution of the City Council of the City of Cypress, and Acting as Ex-Officio Board of Directors of the Cypress Recreation and Park District, Revising the Class Specification of Recreation Specialist, Establishing the Classification of Part-Time Recreation Specialist and Recreation Facilities Attendant, and Amending Resolution No. 6716 Establishing Hourly Pay Ranges for Temporary Part-Time and Seasonal Positions

Item No. 9: Approve Register of Warrants, Transfers, and Wires Issued for the Period of April 13, 2019 through April 26, 2019

Recommendation: Approve the attached payment register summarized below for the period of April 13, 2019 through April 26, 2019:

- Electronic Funds Transfers 5788 through 5893
- Warrants 49863 through 50020
- Payroll Transfers W1389

NEW BUSINESS**Item No. 10: Approve the Fourth Amendment to the City Manager Employment Agreement**

The City Manager left the Council Chambers.

The City Attorney provided background information on this item.

Council Member Yarc indicated she would be voting no on this item.

Mayor Berry spoke in opposition to this item.

It was moved by Mayor Pro Tem Johnson and seconded by Council Member Morales, to approve the Fourth Amendment to the City Manager Employment Agreement.

The motion was carried by the following roll call vote:

AYES: 3 COUNCIL MEMBERS: Morales, Peat, and Johnson
 NOES: 2 COUNCIL MEMBERS: Yarc and Berry
 ABSENT: 0 COUNCIL MEMBERS: None

The City Manager returned to the Council Chambers.

Item No. 11: Non-Profit Grant Awards for Fiscal Year 2019-20 and 2020-21

Mayor Berry disclosed that she is on the Board of Directors for the Woman's Club of Cypress, Soroptimist International Cypress, and Cypress Children's Advocacy Council.

The Recreation Supervisor provided background information on this item.

Mayor Berry asked about new non-profit organizations.

The Recreation Supervisor responded new non-profit organizations include American Legion Post 295 with a request for waiver of Temporary Use Permit (TUP) fees and Alzheimer's Orange County with a request for once per month meeting space.

It was moved by Council Member Peat and seconded by Council Member Morales, to approve \$1,040,663 of grant funding to 21 Cypress non-profit organizations for Fiscal Years 2019-20 and 2020-21.

The motion was unanimously carried by the following roll call vote:

AYES: 5 COUNCIL MEMBERS: Morales, Peat, Yarc, Johnson and Berry
 NOES: 0 COUNCIL MEMBERS: None
 ABSENT: 0 COUNCIL MEMBERS: None

ORAL COMMUNICATIONS (Five minutes per speaker, unless extended by the City Council)

None.

COUNCIL MEMBER REPORTS AND REMARKS

Mayor Berry requested reports from the Council Members on their respective committee assignments.

Council Member Morales:

Attended an O.C. Eagle Scout Recognition. Attended the retirement celebration for City Clerk Denise Basham. Attended Tip-A-Cop at Red Robin. Participated in the City Commission interviews. Participated in the Cypress Chamber of Commerce Golf Tournament. Attended the O.C. Scout-A-Rama.

Council Member Peat:

Attended the retirement celebration for City Clerk Denise Basham. Attended Tip-A-Cop at Red Robin. Worked with the Boys and Girls Club of Cypress on securing playground equipment with their Kaboom grant. Participated in the City Commission interviews.

Attended the Cypress School District Chorale and Band Concert on the Civic Center Green.

Council Member Yarc:

Attended a Coyote Management Plan meeting at the Cypress Community Center. Attended an O.C. Sanitation District Board meeting. Attended the retirement celebration for City Clerk Denise Basham. Attended an Orange District Woman's Club Convention. Attended the Cypress Village Homeowner's Association Emergency Preparedness. Attended a Woman's Club of Cypress General Membership meeting. Toured the O.C. Sanitation District plants. Attended the Grand Opening of the Boys and Girls Club of Cypress Bandai Teen Center. Participated in the City Commission interviews.

Mayor Pro Tem Johnson:

Attended the H2GO Car Wash Grand Reopening. Emceed the Rising Stars and Juried Arts Awards. Attended the retirement celebration for City Clerk Denise Basham. Attended an O.C. Fire Authority Board meeting. Attended the Donate Life Run/Walk at California State University Fullerton. Participated in the City Commission interviews. Thanked the VIP's for conducting a home check while he was on vacation. Spoke regarding the waste hauler franchise contract.

Mayor Berry:

Attended the H2GO Car Wash Grand Reopening. Attended the Rising Stars and Juried Arts Awards. Attended the Cypress College Holocaust Day of Remembrance event. Attended an OCCOG Board meeting. Attended the retirement celebration for City Clerk Denise Basham. Attended Tip-A-Cop at Red Robin. Attended the La Palma State of the City. Attended the Donate Life Run/Walk at California State University Fullerton. Attended a Cypress Library program hosted by Girl Scouts Troop 4134. Attended the Cypress Art League Juried Arts Awards and Show. Attended a Mayor's Prayer Breakfast planning meeting and announced event would be held on Thursday, October 17, 2019. Served as Installation Officer for the Woman's Club of Cypress Board. Attended a SCAG General Assembly and Regional Council meeting in Palm Desert. Attended a Woman's Conference Planning meeting and announced event would be held Wednesday, October 9, 2019, at the Cypress Community Center. With the Woman's Club of Cypress, served dinner and played bingo at the Long Beach Veterans Administration Hospital. Participated in the City Commission interviews. Attended the Soroptimist of Cypress Scholarship reception. Attended mandatory Sexual Harassment training at the O.C. Sanitation District. Attended the Grand Opening of the Boys and Girls Club of Cypress Bandai Teen Center.

CITY MANAGER REMARKS

The City Manager announced: 1) National Police Week, May 12-18, 2019; 2) The Police Department Open House, Saturday, May 18, 2019; and 3) The Police Department Appreciation Luncheon, Tuesday, May 21, 2019.

ADJOURNMENT

Mayor Berry adjourned the meeting in memory of San Clemente Mayor Steven Swartz at 8:01 p.m. to an adjourned Regular Meeting, to be held on Tuesday, May 28, 2019, beginning at 5:30 p.m. in the Executive Board Room.

MAYOR OF THE CITY OF CYPRESS

ATTEST:

ACTING CITY CLERK OF THE CITY OF CYPRESS