

**CITY OF DANA POINT**  
**AGENDA REPORT**

Reviewed By:	
DH	_X_
CM	_X_
CA	_X_

**DATE: NOVEMBER 20, 2006**

**TO: HONORABLE MAYOR AND CITY COUNCIL/CITY MANAGER**

**FROM: SHARIE APODACA, DIRECTOR OF ADMINISTRATIVE SERVICES  
CITY COUNCIL POLICY TASK FORCE**

**SUBJECT: CITY COUNCIL POLICIES**

**RECOMMENDED ACTION:**

That the City Council approve and adopt the following:

- A. Ethics Training Policy No. 221 (AB1234)
- B. Travel Expense Reimbursement Policy No. 222 (AB1234)
- C. Revisions to City Council Policy No. 216 – City Council Agenda Format

**ISSUE:**

Shall certain Council Policies be revised and new policies be adopted in order to reflect current law and or Council policy?

**BACKGROUND:**

The Policy Review Task Force was established for the purpose of reviewing existing City Council Policies and to formulate new policies as deemed necessary by new legislation or Council policy. Since the Task Force's formation in 2005, the entire Council Policy Manual has been reviewed resulting in the City Council approving several new policies and revisions to numerous existing policies. These policies provide operational guidelines to ensure compliance with existing City codes, state legislation and or administrative Council policy. Mayor Anderson and Councilmember Lacy serve as the City Council representatives on the Task Force.

**DISCUSSION:**

The Policy Review Task Force recommends approval of the following new policies and policy amendments:

A. Ethics Training Policy No. 221 (AB1234)

Assembly Bill 1234 (AB1234) which became effective January 1, 2006 imposes ethics training requirements upon cities, counties and special districts. AB1234 requires elected and appointed city officials who receive any type of compensation, salary, or stipend or reimbursement for actual and necessary expenses incurred in the performance of official duties, to receive two hours of training in ethics principles and laws every two years. Officials already in service as of January 1, 2006 must receive this training by December 31, 2006 and every two years thereafter. For officials who terms begin on or after January 1, 2006, this requirement must be met within one year after taking office and requires two hour of ethics training every two years thereafter. However, officials whose term of office ends before January 1, 2007 are not subject to this training requirement.

The proposed Ethics Training Policy No. 221 outlines the requirements set forth in AB1234 (Chaptered as Government Code Section 53234 -53235.2). Policy No. 221 shall apply to all City Council Members, Planning Commissioners and City staff as designated by the City Manager. To satisfy the requirements of this policy, the ethics course attended by the City official shall comply with the standards set forth by the Fair Political Practices Commission and the Attorney General with respect to the sufficiency and accuracy of course content as required under AB1234. It is the City official's responsibility to provide proof of the training to the City. This information is deemed a public record and must be maintained by the City for a period of at least five years.

The City Attorney provided in-house ethics training on August 9, 2006 at City Hall for City Council Members, Planning Commissioners and Department Heads. Those that were unable to attend have received training at other workshops or are scheduled to do so.

B. Travel Expense Reimbursement Policy No. 222 (AB1234)

AB1234 also provides that for a City Council Member to be reimbursed for expenses incurred for travel, meals, lodging and other actual and necessary expenses that they incur in the performance of their official duties, a written policy must be adopted by the City Council that sets forth the types of activities for which expense reimbursement will be paid. This policy, if adopted, would comply with the requirements of AB1234.

The following is a summary of the provisions contained in the proposed policy:

The policy identifies the types of occurrences for which reimbursement may occur, as required by AB1234, such as conferences and other instances in which expenses are incurred as part of City business. It then establishes policies for reimbursements for specific expenses, such as transportation, lodging and meals. As also required by AB1234, the policy requires the use of a form for submitted

expense reimbursement requests, and requires that expenses be documented prior to reimbursement. Finally, it imposes a requirement that Council Members make a brief report at the Council meeting following an occurrence for which reimbursement is sought.

C. Policy No. 216 – City Council Agenda Format

Past practice has been to include placeholders on the Council Agenda in order for the Council to be able to participate in Closed Session discussions should issues concerning existing litigation or anticipated litigation arise after the posting of the agenda. Council Policy No. 216 has been revised to indicate that no placeholders shall be placed on the agenda for any Closed Session or open session item.

A second “Public Comments-Continued” section has been added to the order of business to reflect current practice, and to allow the Mayor to continue public comments until later in the agenda in order to hear noticed agenda items in a timely fashion.

Per AB1234 described above, this policy has been amended to include language that indicates that Council Members are required to provide a brief report under “Council Reports” regarding any meetings he/she attended at the expense of the City. These reports must take place at the Regular Council Meeting that falls subsequent to the City-related meeting attended.

Due to requirements of a specific meeting, it may be necessary to deviate from the City Council agenda format. This policy has been revised so that the Mayor may change the agenda format if needed.

**NOTIFICATION AND FOLLOW-UP:**

Distribute amended policies to City Council Policy Manual holders.

**STRATEGIC PLAN INITIATIVE:**

Achieve total excellence in municipal services and City administration/planning with excellent customer service and cost-effectiveness.

**FISCAL IMPACT:**

None.

**ALTERNATIVE ACTIONS:**

Other actions as deemed appropriate by the City Council.

**ACTION DOCUMENTS** **PAGE NO.**

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A. [Ethics Training Policy No. 221](#).....5  
B. [Travel Expense Reimbursement Policy No. 222](#)..... 8  
C. [Policy 216 with Revisions](#).....14

**ACTION DOCUMENT A****CITY OF DANA POINT  
COUNCIL POLICY**

<b>SUBJECT:</b>	<b>PAGE:</b>	<b>EFFECTIVE DATE:</b>	<b>POLICY NO.:</b>
<b>Ethics Training Policy (AB1234)</b>	<b>1 of 3</b>	<b>11/20/07</b>	<b>221</b>

**PURPOSE:**

To adopt an Ethics Training Policy that complies with AB1234.

**BACKGROUND:**

As of January 1, 2006, the state legislature required ethics training criteria for all officials who receive compensation. This policy is intended to set forth ethics training criteria consistent with the requirements of AB1234.

**POLICY:****I. APPLICABILITY**

- A.** This Ethics Training Policy for the City of Dana Point is applicable to each of the following individuals (hereinafter "City officials") and meets the requirements of AB1234 which became effective January 1, 2006.
- (1) Elected City officials;
  - (2) Appointed City officials who receive any type of compensation, salary, or stipend or reimbursement for actual and necessary expenses incurred in the performance of official duties; and
  - (3) City employees as designated by the City Manager.

**II. REQUIRED FREQUENCY OF TRAINING**

- A.** City officials in City service as of January 1, 2006, except for such individuals whose term of office or employment ends before January 1, 2007, shall receive the training required by this Policy before January 1, 2007. Thereafter, each such City official shall receive the training required at least once every two years.

## CITY OF DANA POINT COUNCIL POLICY

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- B.** Each City official who commences service with the City on or after January 1, 2006, shall receive the training required no later than one year from the first day of service with the City. Thereafter, each such City official shall receive the training required at least once every two years.
- C.** Each City official who serves on more than one local agency shall satisfy the requirements of this article once every two years without regard to the number of local agencies with which he or she serves.

### **III. TRAINING REQUIREMENTS**

- A.** Each City official shall receive at least two hours of training in general ethics principles and ethics laws relevant to his or her public service as required by Section II of this Policy.
- B.** The City or an association of local agencies may offer one or more training courses to meet the requirements of this Policy.
- C.** To satisfy the requirements of this Policy, the ethics course attended by City officials shall comply with standards set forth by the Fair Political Practices Commission and the Attorney General with respect to the sufficiency and accuracy of course content as required under AB1234. It is the obligation of each City official to ensure that the training chosen by that individual satisfies this Policy and State law.
- D.** An in-person ethics training session is preferable whereby City officials are provided an opportunity to have their questions discussed.
- E.** To qualify under this Policy, the provider of the training course chosen shall provide participants with proof of participation to meet the requirements of Section 111C of this Policy. It shall be the responsibility of each City official to provide such proof to the City.

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#### **IV. CITY OBLIGATIONS**

- A.** The City shall provide information on training available to meet the requirements of this Policy to its City officials at least once annually.
- B.** The City shall maintain records indicating both of the following:
  - (1) The dates that local officials satisfied the requirements of this Policy;  
and
  - (2) The entity that provided the training.
- C.** Notwithstanding any other provision of law, the City shall maintain these records for at least five years after the City official receives the training. These records are public records subject to disclosure under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1).

**ACTION DOCUMENT B**  
**CITY OF DANA POINT**  
**COUNCIL POLICY**

<b>SUBJECT:</b>	<b>PAGE:</b>	<b>EFFECTIVE DATE:</b>	<b>POLICY NO.:</b>
Travel Expense Reimbursement Policy (AB1234)	1 of 6	November 20, 2006	222

**PURPOSE:**

Adopt a Travel Expense Reimbursement Policy that complies with AB1234.

**BACKGROUND:**

As of January 1, 2006, the state legislature, thru AB1234, has required all local agencies which compensate officials for services to have a policy for reimbursement of expenses incurred in connection with their duties. The policy must meet certain criteria as set forth in AB1234.

**POLICY:****I. Applicability**

This Expense Reimbursement Policy is applicable to all members of the City Council, all appointed City officials, and all City employees, including contract employees (referred to herein as “City official(s)”, or “official(s)”.)

**II. Policies****A. Authorized Occurrences For Which Reimbursement May Occur:**

City funds, equipment, supplies (including letterhead), titles, and staff time must only be used for authorized City business. Expenses for travel, meals, lodging, and other actual and necessary expenses incurred in connection with the following types of activities generally constitute authorized expenses which shall be paid by the City or reimbursed to an official by the City if incurred by an official so long as the provisions of this Policy are satisfied:

1. Communicating with representatives of local, county, regional, state, and national government on City adopted policy positions and/or matters affecting the City;
2. Attending educational seminars designed to improve officials’ skill and information levels;

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3. Participating in local, county, regional, state, and national organizations whose activities affect the City's interests;
4. Attending meetings involving City business, including breakfast, lunch and dinner meetings;
5. Attending City sponsored events; and
6. Attending events sponsored by other public agencies or community organizations that provide services available to or which benefit City residents.

Reimbursement for expenditures incurred by an official for activities not noted above require prior written approval by the City Manager; provided, however, travel-related expenses not covered by the above, any expense exceeding budgeted dollars, and all expenses incurred in connection with international travel require prior approval by the City Manager/City Council.

Any questions regarding the propriety of a particular type of expense should be resolved by the designated approving authority before the expense is incurred. Examples of personal expenses that the City will not reimburse, subject to exceptional circumstances approved by the City Council in a public meeting before the expense is incurred include, but are not necessarily limited to, the following:

1. The personal portion of any trip;
2. Political or charitable contributions or events;
3. Family expenses, including partner's expenses when accompanying official on City-related business, as well as children or pet-related expenses;
4. Personal entertainment expenses, including theater, movies (either in-room or at the theater), sporting events (including gym, massage and/or golf related expenses), or other cultural events not directly related with a City business function or activity;

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COUNCIL POLICY**

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- 5. Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline; and
- 6. Personal losses incurred while on City business.

**B. Application of Guidelines:**

For expenses for travel, meals, lodging and other actual and necessary expenses incurred in connection with the above noted occurrences for which the City may either pay directly or reimburse an official, there must be compliance with the following guidelines. In event that expenses are incurred which exceed these guidelines, the City will only pay for or reimburse an official the amount of the expenses that fall within the guidelines.

**1. Transportation.**

The most economical mode and class of transportation reasonably consistent with the official's scheduling needs and cargo space requirements must be utilized, using the most direct and time-efficient route when feasible. Government and group rates must be used when available.

Automobile mileage is reimbursable at the Internal Revenue Service rates in effect at the time the mileage expense is incurred. These rates are designed to compensate the driver for gasoline, insurance, maintenance, and other expenses associated with operating the vehicle. This amount does not include bridge and road tolls, which are also reimbursable.

Rental vehicles may be used during City travel outside of Orange County, when the efficient conduct of City business precludes the use of other means of transportation or when car rental is the most economical mode available.

Reasonable and necessary charges for public transportation, including taxi or shuttle fares may be reimbursed, including a 15 percent gratuity per fare.

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### 2. Lodging.

Lodging expenses will be reimbursed or paid for when travel on official City business reasonably requires an overnight stay. If such lodging is in connection with a conference or organized educational activity, lodging costs shall not exceed the group rate published by the conference or activity sponsor, provided that such rates are available at the time of booking. Government or group rates must be used when available. In the event that government or group rates are not available, lodging rates that do not exceed \$250 per night, excluding taxes and fees, are presumed reasonable and hence reimbursable. This rate shall be adjusted annually to reflect the cost of living for Orange County. The City Manager and/or City Council may approve lodging that exceeds the above rates in advance of travel occurring upon determining good cause exists to do so.

### 3. Meals.

Meal expenses should be moderate, taking into account the community standards and the prevailing restaurant costs of the area. The City will pay/reimburse for the actual cost of meals and gratuities, at a combined maximum of \$75/day, adjusted annually to reflect the cost of living in Orange County. The City will not pay/reimburse for alcohol expenses. For travel to major metropolitan cities or for out-of-country destinations, higher meal expense limits may be approved in writing by the City Manager and/or City Council prior to such expense being incurred.

### 4. Other Expenses.

- (a) Officials will be reimbursed for actual telephone and fax expenses incurred on City business. Telephone bills should identify which calls were made on City business.
- (b) Long-term parking must be used when available for travel exceeding 24-hours.
- (c) Baggage handling fees of up to \$1 per bag and gratuities of up to 15 percent will be reimbursed.

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(d) Expenses for which City officials receive reimbursement from another agency are not reimbursable.

### **C. Cash Advance Policy:**

From time to time, it may be necessary for a City official to request a cash advance to cover anticipated expenses while traveling or doing business on the City's behalf. Such request for an advance should be submitted to the Department Head of the requesting party, or the City Manager, no later than 10 business days prior to the need for the advance with the following information:

1. The purpose of the expenditure(s);
2. The benefits of such expenditure to the residents of the City;
3. The anticipated amount of the expenditure(s) (for example, hotel rates, meal costs, and transportation expenses); and
4. The dates of the expenditure(s).

Any unused advance must be returned to the Director of Finance and Administration within 5 business days of the official's return, along with an expense report and receipts documenting how the advance was used in compliance with this Policy.

In the event Director of Finance and Administration is uncertain as to whether a request complies with this Policy, he/she shall seek a determination from the City Manager.

### **D. Expense Report Content and Submission Deadline**

All cash advance expenditures and expense reimbursement requests must be submitted on an expense report form which shall be developed by the City Manager. Expense reports must document that each claimed expense meets the requirements of this Policy.

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Travel Expense Reimbursement Policy (AB1234)	6 of 6	November 20, 2006	222

Officials must submit their expense reports within 10 business days upon returning from event, accompanied by receipts, bills or similar documentation evidencing each expense. When receipts, bills or similar documentation evidencing a given expense are not available, a signed declaration of expenditure may be utilized, but the acceptance of such a declaration shall be at the discretion of the City Manager. Receipts for gratuities, tolls and other authorized expenses of less than \$5 are not required.

The inability to provide any required documentation in a timely fashion may result in the expense being borne by the official.

The City Manager shall have the discretion to approve or deny any expense reimbursement claim, and his/her decision shall be final.

### **III. Reports to the City Council**

Each member of the City Council shall briefly report orally or in writing on meetings attended at City expense at the City Council meeting following such meeting. If multiple Council members attended such a meeting, a joint report may be made.

**ACTION DOCUMENT C****CITY OF DANA POINT  
COUNCIL POLICY**

<b>SUBJECT:</b>  City Council Agenda Format	<b>PAGE:</b>  1 of 2	<b>EFFECTIVE DATE:</b>  07/13/93  <b>AMENDED DATE:</b>  1/23/01  11/09/05  11/20/06	<b>POLICY NO.:</b>  216
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**PURPOSE:**

To establish a policy regarding the format of the City Council Meeting Agenda.

**BACKGROUND:**

It is appropriate for the City of Dana Point to have a policy defining the format of the City Council Meeting Agendas.

**POLICY:**

A. The following format shall be followed for the City Council Meeting Agendas:

- CALL TO ORDER
- ROLL CALL
- CLOSED SESSION
- RECONVENE MEETING
- PLEDGE OF ALLEGIANCE
- INVOCATION
- PRESENTATIONS AND PROCLAMATIONS
- CONSENT CALENDAR
- PUBLIC COMMENTS
- PUBLIC HEARINGS
- UNFINISHED BUSINESS
- NEW BUSINESS

**CITY OF DANA POINT  
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- PUBLIC COMMENTS - CONTINUED
- STAFF REPORTS
- COUNCIL REPORTS, INCLUDING CITY RELATED MEETINGS ATTENDED
- ADJOURNMENT

- B. Council Reports shall be limited to 3 minutes per Council Member. Per Government Code Section 53232.3(d) (AB1234) Council Members shall provide a brief report on meetings attended at the expense of the City at the subsequent Regular City Council Meeting.
- C. No placeholders are to be placed on the agenda for any Closed Session or Open Session agenda item.
- D. Strategic Plan Initiatives shall not be listed under each item of business appearing on the City Council Meeting Agenda. Each Agenda Report should identify the Strategic Plan Initiative for which the subject matter pertains.
- E. The Mayor will have the ability to deviate from this format should the need arise to meet the requirements of a specific meeting.

**Cross Reference:     Ethics Training Policy No. 221**  
**Travel Expense Reimbursement Policy No. 222**