

SATURDAY, MAY 4, 2002

An adjourned meeting of the Council of the City of Burbank was called to order this date in the Academy Four Room at the Burbank Airport Hilton, 2500 Hollywood Way, at 9:00 a.m., by Mr. Laurell, Mayor.

ROLL CALL

Present- - - - Council Members Golonski, Murphy, Ramos, Vander Borgh and Laurell.

Absent - - - - Council Members None.

Also Present - Mr. Ovrom, City Manager; Ms. Alvord, Assistant City Manager; Mr. Barlow, City Attorney; and, Mrs. Campos, City Clerk.

Oral Communications There was no response to the Mayor's invitation for oral communications at this time.

Expectations of Staff The City Council received a report from Mr. Ovrom which identified their expectations of staff. The report included the following major expectations which were developed to give staff clear direction on the Council's needs in order to provide for an effective working relationship: effective communications; objective analysis; providing a professional recommendation; faithful compliance; no surprises, stressing the importance of keeping the Council apprised and forewarned of information; playing no favorites; availability of staff, and that Council Members should deal directly with designated key management staff; direction, meaning that staff will take direction from the Council as a body and not from individual Council Members; differences should be addressed with the entire Council for discussion/resolution; and implementation of the Council's decisions by the Management Team.

In response to a request by Council, the Department Managers gave input with regard to Council Members contacting members of their respective staffs rather than contacting the Department Manager directly. At the conclusion of the discussion, Mr. Ovrom indicated number 10 designated "Implementation" on the list entitled, Our Expectations of Staff, would be amended to reflect the consensus that if a Department Manager had a concern about how Council Member(s) were approaching their staff, the Department Manager should feel free to communicate that concern to the Council Member(s) in question.

How We Work Together The City Council received a report from Mr. Ovrom which identified a list of goals that were established and adopted by

the Council in 1996, entitled "How We Work Together." The Council discussed the guidelines and their desire to continue an effective working relationship.

The Council Members then discussed the need for procedures to amend motions. Mr. Ovrom stated he would rework some of the items to incorporate thoughts expressed, and that Mr. Barlow would come up with a primer on procedures (amending a motion, etc). In response to a question regarding discussion before there is a motion on the table, Mr. Barlow stated he believes that since there is a stated proposal (the item itself) then the Council feels comfortable discussing it. Ms. Murphy stated she believes it is helpful to discuss the item before a motion, because once the discussion takes place, the motion can be better articulated. Mr. Golonski stated he would like the Council to participate in additional goal setting sessions with Bill Lewis, as had been done with a previous Council. Mr. Laurell asked that the language in number 16 with regard to being a team on the list of "How We Work Together" be fine-tuned to be more positive than negative.

Mr. Laurell also addressed the issue of sub-committees not currently reporting back to the full Council, and asked that Council Members be more vigilant of keeping their colleagues apprised of the status of sub-committee issues before those issues come before them for decisions. Mr. Ovrom stated that for this reason, he has put information only items on the agenda. Mr. Golonski stated that rather than reading more draft staff reports from sub-committees, agendas or minutes, a verbal report from a Council Member would be sufficient to keep the Council apprised. Mr. Ovrom stated that the agenda item, "council comments", will now include reporting back from sub-committees or other meetings to the full Council. It was the consensus of the Council that they would be more diligent about reporting back at the next Council meeting when they have participated in any such meeting as Council liaisons.

Council/Agency
Liaisons to
Committees/
Task Forces/
Boards

Mrs. Wolfe presented the current Council and Agency Liaisons to Committees/Task Forces/Boards List and stated that the Council needed to appoint a member to the Child Care Demonstration Project Committee. Ms. Murphy asked that this be expanded to include research into what other cities are doing about the issue of child care, so the committee was renamed the Child Care Committee. Mr. Golonski volunteered to serve as the Council liaison to this committee, along with Mayor Laurell. Mr. Golonski asked whether Mr. Davis felt there was still a need for a Council liaison to the Burbank Water and Power Advisory Board, since Mr. Davis regularly keeps the

Council updated, and Mr. Davis agreed that there was no need for the liaison. It was the consensus of the Council to delete this subcommittee. Ms. Murphy asked she be deleted from the Southern California Association of Governments (SCAG) Regional Council as a Glendale Council Member is the new representative, and requested that Mrs. Wolfe contact SCAG with regard to the Truck Lanes Task Force as Ms. Murphy has not received any material to date.

Mr. Golonski asked whether Ms. Murphy would consider rotating the liaison assignment to the Burbank Chamber of Commerce, and that Mr. Ovrom be asked to serve once again as Ex-Officio representative. Mr. Laurell reported that he had discussed with the Chamber President the opportunity to have a standing invitation for the City Manager and sitting Mayor to attend their Board meetings as it was important to have both a staff member and a policy maker present. After discussion, it was the consensus of the Council that the sitting Mayor would serve as Chamber Liaison, if the Mayor so chose, and that Mr. Ovrom would attend Chamber Board meetings as an Ex-Officio Member.

Mr. Fuchs requested that a new Library Committee be formed and Mayor Laurell volunteered to serve, along with Mrs. Ramos. With respect to committees whose meetings are convened by a Council Member, Mr. Laurell requested that staff remind Council Members to convene meetings at least twice a year when the committee has no regularly-scheduled meetings. With respect to the City Treasurer's Office Sub-Committee, Mr. Golonski expressed concern that the Council needs expert help on reviewing the City's financial policies, and requested that this be brought back on the agenda for discussion pursuant to the two-step procedure.

Discussion of
Decorum at City
Council
Meetings

Mr. Barlow stated the subject of decorum and oral communications matters came up last week, and his opinion is that people ought to have the opportunity to speak to the Council on specific items listed for the oral communications period, but not an excessive number of times. He suggested that we limit the oral communications to the coming agenda items, and not go back to the closed session items, unless there is an Airport Authority commissioner report, as the time to do this is during the oral communications period before closed session.

Mr. Barlow stated the second issue pertains to the racist, discriminatory, and inflammatory language used by some speakers. He noted this is a very difficult area to handle, and that the Mayor can stop the speaker only if the comments are

not within the subject matter jurisdiction of the Council. Mr. Vander Borcht and Ms. Murphy supported maintaining the current policy. Mrs. Ramos expressed some concern about speakers straying from the agenda items. Mayor Laurell stated its difficult to do that because speakers weave in and out of the realm of appropriate items, and he appreciates it when other Council Members voice their objections to items which are not on the agenda. Mr. Golonski supported the City Attorney's recommendation to not allow oral communications on closed session items after the closed session oral communications period is over. Mr. Laurell expressed concern over being put in a judicial role when the topic of a speaker's comments are questioned, and Mr. Golonski stated that he could request the opinion of the other Council Members, who have the right to disagree. After Council discussion, it was the consensus of the Council to maintain the status quo.

Mr. Golonski requested that the policy concerning profanity be changed so that it is not broadcast on Channel 6 via a delayed signal. Council directed the City Attorney to research the legality of questions/issues pertaining to broadcasting and rebroadcasting profanity, and Mr. Ovrom stated he would ask the Public Information Office to research the technology issues related to a delayed signal. Mr. Laurell stated he disagreed with this as he doesn't believe any elected body has the right to censor the speech of speakers during oral communications.

Goals and
Priorities of
Individual
Council
Members

Mayor Laurell asked each Council Member to state their goals and priorities for the upcoming Fiscal Year:

Mr. Vander Borcht listed the following items:

1. Address Airport issues
2. Enforce Planned Developments and Conditional Use Permits
3. Downtown San Fernando or Burbank Village vacancies – complete revitalization of the Village
4. Parking in R-1 areas adjacent to commercial zones
5. Monuments/parks which can define the City's personality
6. Review/improve Youth Park programs
7. Undergrounding all utilities
8. School issues with regard to guidance/funding
9. Silent majority communication
10. Eliminate chain-link fencing in the City of Burbank

Ms. Murphy listed the following items:

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1. Development of the Old Police Block
2. Development of a Teen Center
3. Attract business to South San Fernando area
4. Old Buena Vista Library site
5. Determine a direction to go forward on Airport issues post September 11
6. Community newsletter
7. Magnolia Park parking issues
8. Budget shortfall contingency
9. Joint use of school facilities in exchange for financial support

Mrs. Ramos listed the following items:

1. Communications, including on Airport issues, neighborhood watch, educating the public on safety issues, a resource guide to deal with neighborhood problems such as parking, business services, use website more effectively, linking relationships and network to create a cohesive community
2. Traffic, which can be addressed partly with communication
3. Airport, seeking direction and communicating to the public that direction
4. Affordable housing
5. Budget, concerned more with future State budgets
6. Economic Development, enhancing the relationship, the RFP process for attracting businesses to the City, and doing business with the City
7. South San Fernando Development
8. Downtown, its relationship to the Media Center
9. Youth and families, to continue the focus on youth but to integrate the families, supporting a collaborate effort for a Teen Center which will also provide family services
10. Stough Canyon Nature Center and hillside preservation issues, outreach to youth and families on programs available

Mr. Golonski listed the following items:

1. Youth, develop a Master Plan that identifies needs and lays out strategy for the future
2. Affordable housing, developing a strategy to deal with the issue and setting a goal
3. Economic development, return to focusing on the economic environment, identify challenges such as health insurance, including possibly resurrecting the Economic Round Table

4. Libraries, development of the Central Library, taking advantage of potential grant funding
5. Airport, a consensus based plan which had local support
6. Public outreach/communication across the board
7. Development a Senior Services Master Plan which is updated annually, in preparation of shifting demographics, satellite senior facility in South San Fernando Area
8. Infrastructure Plan (streets/sidewalks/alleys), being cognizant of the infrastructure as assets which depreciate and need maintenance
9. Development of a long-term plan for the utility, expanding their role in the telecommunications area
10. Neighborhood revitalization, due to the fact that sometimes we become too project-focused

Mr. Laurell listed the following items:

1. Continue to move forward with the Airport dispute, and strengthening relationships
2. Youth Program on Channel 6, produced/staffed by youth
3. Improve community outreach
4. Proactive arts/cultural promotion, build an Arts Coalition to package a youth program which allows youth to attend a play at the Colony Theater, or a performance of the Burbank Philharmonic with an opportunity to investigate career opportunities within the arts
5. Formation of an Art and Cultural Commission
6. Formation of standing committee on media-related activities in general
7. Continued commitment to the Burbank Village, So. San Fernando and the Old Police Block, including the effectiveness of the BID
8. Development of the Civic Center
9. Development of a Teen Center
10. Magnolia Park issues, including parking/identity issues

Mr. Golonski stated that he believes the City's position on environmental matters should also be added to the list.

Mr. Ovrom stated that there was not sufficient time to mesh everyone's items at this meeting, but staff will compile a combined list.

11:50 A.M.
Recess

The Council recessed at this time. The meeting reconvened at 12:00 p.m. with all members present.

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Discussion of
Projected Fiscal
Year 2002-03
Budget/5-year
Financial Plan

Mr. Hanway, Financial Services Director, reported that the purpose of this report was to introduce the Budget in summary form, including the significant changes, to give a third quarter update for the Council's review, as well as to present the Five-Year Financial Forecast. He stated the Proposed Budget brochure would be available for the meeting on Tuesday, May 7, and staff would prepare a tri-fold budget summary for the budget adoption. He added that in past projections, a budget savings factor, was assumed which will not be done this year until October when the State acts on their budget. He said that the City was expected to end Fiscal Year (FY) 2001-02 with a net projected total amount available of \$1,510,435, and discussed the components which reduced the fund balance. Mr. Hanway mentioned that the City's largest revenue source, Sales Tax, is up 4.6 percent over the prior year's quarter and that, despite the current economic recession, the City is financially stable.

Mr. Hanway stated that the Proposed Budget included increases totaling \$396,066 over and above the one percent allowed to departments; expected and anticipated personnel costs; a total of \$722,336 for new positions and position upgrades requested by departments; \$366,690 in capital outlay purchases with \$306,690 of that amount funded from non-recurring resources; and \$66,700 in Capital Improvement Program (CIP) purchases, which is all funded from non-recurring resources. He said that a number of items remain unfunded and that these items will be presented to the Council in the form of Discussion Papers presented by each department during the Budget Study Session of May 23, 2002. He also made reference to the sizable State deficit and the possibility that the Legislature may attempt to balance the State budget through several options, including the shift of the Vehicle License Fee and other local revenues to make their budget whole.

With regard to projected expenditures, Mr. Hanway stated that staff expects the total recurring revenue growth for FY 2002-03 will be 3.7 percent versus a recurring expenditure growth of 3.2 percent. He then identified the following recurring items included in the FY 2002-03 Proposed Budget: \$1,502,000 approximate increase in salary and benefit costs related to approved Memorandums Of Understanding (MOU); \$1,672,000 approximate decrease to adjust benefit costs to reflect employer PERS rates; \$536,000 increase in Materials, Supplies & Services budgets; \$1.816 million increase in Internal Service Fund rental rates; \$31,000 increase in Citywide utilities; and \$110,000 to maintain a \$400,000 revolving fund for

information technology projects. Next, he discussed the non-recurring items included in the FY 2002-03 Proposed Budget as follows: \$998,938 in projected ramp-up savings (mostly for the Development and Community Services Building and the Buena Vista Library); \$673,000 in projected PERS savings (6.2 percent) for Fire; \$315,000 for Police PERS ramp-up savings; \$603,277 in one-time revenues to offset excepted budgetary expenses; and \$3,753,831 in one-time appropriations for new computers and books for the new Buena Vista Library, Hillside Protection Plan measures, new youth programs, seismic strengthening of City facilities, an increase in the Communications Replacement Fund to replace radios Citywide, Police overtime costs at the Airport, and various non-recurring appropriations.

Next, Mr. Hanway stated that the Proposed Budget reflects adjustments to salaries that will be in effect on July 1, 2002, pursuant to MOU's for the International Brotherhood of Electrical Workers and Burbank Police Officers Association, and that an anticipated cost has been included in the budget to account for the MOU's yet to be negotiated. He discussed that the budgetary PERS rate included for Police is 9.198 percent, as the Police Safety rate will be ramped up for three percent at 50 until FY 2011-12 when it is expected the PERS rate will be 17.504 percent; that the budgetary PERS employer rate for the Fire Safety group is the actual employer PERS rate, which is zero percent plus 6.2 percent, that the anticipated savings related to this rate of \$673,000 is available for the City to fund one-time expenditures, and that the budgetary employer PERS rate for the Miscellaneous group is zero percent, and the policy decision was made to use the savings from the Miscellaneous groups as a recurring item. Mr. Hanway added that funding has been included in the Proposed Budget for new positions and position upgrades requested by the departments.

Mr. Hanway discussed the Internal Service Fund charges and stated that of these, the Risk Management Self-Insurance Fund saw the largest increase totaling \$1,129,000, typical of what has happened throughout the industry, and that the Computer Equipment Replacement Fund has increased by \$482,000 which includes ramping up for the Police CAD/RMS system. He added that approximately \$2.7 million will be remaining in the Airport appropriation as of June 30, 2002, and that staff is not requesting any additional funding in the Proposed FY 2002-03 Budget.

Next, Mr. Hanway summarized the Third Quarter Report by discussing the City's major revenue sources: Sales Tax, Property Tax, and the Utility Users Tax. He stated that the

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projected revenue growth includes the projected increase in both Sales Tax and Transient Occupancy Tax dollars captured by the Burbank Empire Center retailers and newly-opened hotels, that it is anticipated the FY 2002-03 Property Tax revenues will experience a four percent growth factor for secured and unsecured property taxes and noted a \$42,850 decrease in the Transient Parking Tax due in large part to the impacts September 11th has had on the airline/tourism industry, and that these revenues have been increased due to staff's assumption that they will return to pre-September 11 levels. Mr. Hanway then identified and briefly described each of the six Attachments to the Proposed Budget.

Finally, Mr. Hanway presented the update to the Five-Year Financial Forecast and stated that this is only a forecast and staff has made certain assumptions, that this is a planning tool to give the Council a better sense of where the City's going, that it's no surprise that the expenditures grow faster than revenues, which is called the structural imbalance in the budget, and that up to the last fiscal year, the growth factors were extremely healthy, but this will not be the case next year.

He stated that, by policy, staff will bring back a balanced budget but the forecast anticipates a difficult budget year just from our normal drivers, as well as the State shortfall and that the main message in the forecast is that staff is trying to continue to ramp-up the debt service on the Development and Community Services Building. Mr. Ovrom emphasized that the greatest vulnerability with the budget is the State's \$22 billion budget shortfall, and in regards to property tax, discussed the assessed valuation of airplanes kept at the Burbank Airport.

Mr. Hanway concluded by thanking the Budget staff and all the departments for their collaborative efforts in the preparation of the FY 2002-03 Proposed Budget.

Adjournment
12:50 P.M.

The City Council Goal Setting Workshop ended at this time and the City Council met in the Producer A and B Room to conduct a Closed Session on the following matters:

- a. Conference with Legal Counsel – Existing Litigation:
Pursuant to Govt. Code §54956.9(a)
 1. **Name of Case:** In the matter of the application of Burbank-Glendale-Pasadena Airport Authority – Administrative (Variance) Hearing conducted by Cal Trans.
Case No.: OAH No. L2001-110412
Brief description and nature of case: Administrative review of Airport noise variance standards.

2. **Name of Case:** City of Burbank v. Burbank-Glendale-Pasadena Airport Authority.
Case No.: BC259852
Brief description and nature of case: Declaratory Relief.
- b. Conference with Legal Counsel – Anticipated Litigation (City as possible plaintiff):
Pursuant to Govt. Code §54956.9(c)
Number of potential case(s): 1
- c. Conference with Legal Counsel – Anticipated Litigation (City as potential defendant):
Pursuant to Govt. Code §54956.9(b)(1)
Number of potential case(s): 1
- d. Conference with Labor Negotiator:
Pursuant to Govt. Code §54957.6
Name of the Agency Negotiator: Management Services Director/John Nicoll
Name of Organization Representing Employee: Represented, Unrepresented, and Appointed City Employees, Burbank City Employees Association, Burbank Management Association, International Brotherhood of Electrical Workers, Burbank Firefighters Association, Burbank Firefighters Chief Officers Unit, and Burbank Police Officers Association.
Summary of Labor Issues to be Negotiated: Labor Proposals/Policies on Retirement and Compensation.
- e. Public Employee Performance Evaluation:
Pursuant to Govt. Code §54957
Title of Employee’s Position: City Manager.

APPROVED MAY 28, 2002

Margarita Campos, City Clerk

Mayor of the Council
of the City of Burbank