

TUESDAY, AUGUST 6, 2002

A regular meeting of the Council of the City of Burbank was held in the Council Chamber of the City Hall, 275 East Olive Avenue, on the above date. The meeting was called to order at 5:03 p.m. by Mr. Laurell, Mayor.

CLOSED SESSION

Present- - - - Council Members Golonski, Vander Borght and Laurell.
Absent - - - - Council Members Murphy and Ramos.
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 on Closed Session matters at this time.

5:03 P.M. Recess The Council recessed at this time to the City Hall Basement Lunch Room/Conference Room to hold a Closed Session on the following:

- a. Conference with Legal Counsel – Existing Litigation:
Pursuant to Govt. Code §54956.9(a)
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

Regular Meeting Reconvened in Council Chambers The regular meeting of the Council of the City of Burbank was reconvened at 6:45 p.m. by Mr. Laurell, Mayor.

Invocation The invocation was given by Council Member Vander Borght

Flag Salute The pledge of allegiance to the flag was led by Celenia Cruz.

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ROLL CALL

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

Absent - - - - Council Members None.

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

301-1
Providence
Health Systems
San Fernando
Valley Service
Area

Mr. Arnold Schaeffer, new Chief Executive Officer of Providence Health Systems San Fernando Valley Service Area, introduced himself to the Council and members of the community.

301-1
OTA Exchange
Students

Mayor Laurell greeted the exchange students from Burbank's Sister City of Ota, Japan visiting Burbank for a period of two weeks. He noted the students arrived on July 26, and will be returning to Japan on August 8. Darryl Forbes, Chair of the Sister City Committee, joined Mayor Laurell at the podium and introduced the students. Chaperone Takashi Sakazume expressed appreciation to the City and host families. The following chaperones and students introduced themselves individually: Osamu Motojima, Yuichiro Fukagawa, Nami Suzuki, Sayuri Matsuoka, Saori Tanazawa, Yu Nakayama, Yurie Kawada, Yuhei Fusejima, Yumie Itoi, Kaori Hirabayashi, Erika Sawaguchi, Chiaki Kuribara, and Ryo Nagaku. Certificates of recognition were presented to translators Susan Onuma and Yuko Ohata. A proclamation in honor of the Ota/Burbank Sister City Program and a gift to the Mayor of Ota were presented by Mayor Laurell. In conclusion, a Certificate of Recognition was presented to the Burbank Sister City Committee for their diligent efforts in promoting cultural relations between Ota and Burbank. Chair Forbes acknowledged the monetary donation made by the people of Ota to the people of New York after the September 11 attacks.

7:19 P.M.
Hearing
1411-2
Alley Vacation
1055 N. Victory
Place (V-343 –
Cooper)

Mayor Laurell stated that "this is the time and place for the hearing on the proposed conditional vacation of a public alley at 1055 North Victory Place (V-343). Staff has requested that this hearing be opened and continued to August 20, 2002."

Motion It was moved by Ms. Murphy, seconded by Mr. Vander Borght

and carried that "the public hearing for the proposed conditional vacation V-343 (Cooper) be continued to August 20, 2002."

Reporting on
Closed Session Mr. Barlow reported on the items considered by the City Council and Redevelopment Agency during the Closed Session meetings.

406
Airport
Authority
Report Commissioner Lombardo reported on the Airport Authority meeting of August 5, 2002. He reported that a change order for \$101,000 was approved which will provide a CAD operator to the engineering department, development of plans and specifications for a replacement paging system, integrated flow chart and connection diagram which coordinates the Transportation Security Administration's (TSA) supply, baggage control and inspection equipment, the fire life safety system, the access control system and the surveillance system. He stated that one other item which was tabled was the discussion of award of a contract for the 40,000 square foot security project as the Authority wants guidance from the TSA before awarding the contract.

He noted that June passenger activity was down 3.8 percent from last year and down 4.4 percent for the first half of 2002, cargo activity is up 10 percent year-to-date, airline flight operations in June were 4 percent for the year, and general aviation operations are down 1.9 percent.

The Council received the report.

First Period of
Oral
Communications Mr. Laurell called for speakers for the first period of oral communications at this time.

Citizen
Comment Appearing to comment were R. C. "Chappy" Czapiewski, donating two books to the library, On Final Approach and Firefight at Yechon; Mark Barton, stating the one-minute first oral communications is too short and requesting the time be changed to two minutes; and Esther Espinoza, making disparaging comments regarding certain City officials.

Staff
Response
Second Period Members of the Council and staff responded to questions raised.
Mr. Laurell called for speakers for the second period of oral

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of
Oral
Communications

communications at this time.

Citizen
Comment

Appearing to comment were Heidi Hirsch, in support of the salary revision for the Animal Shelter Superintendent but opposed to the reason it is on the agenda as Burbank has not been able to fill the vacancy in-house and is seeking a candidate from outside the City, inquiring why the two employees who are currently performing the Superintendent's duties are not deemed qualified; R. C. "Chappy" Czapiewski, on comments made at a previous PERC meeting by Mr. Golonski, showing a tape of the PERC meeting of July 29 and disagreeing with a committee member who stated the Committee had heard virtually nothing from the public, and expressing disagreement with the purported relationship between the Airport and the FAA; Mark Barton, on the cost of lighting for the South San Fernando Streetscape Project being reasonable, on the importance of purchasing good lighting fixtures, and commending Ms. Davidson-Guerra for her work on the project; Dr. Theresa Karam, complimenting Mayor Laurell on mentoring young politicians in the community, on a lack of announcements of the PERC Committee meetings, and congratulating Mike Nolan for his work as the intervenor in the Measure A lawsuit;

David Piroli, on comments made by Dios Marrero at the PERC meeting of August 5 with regard to federal grants, on the number of corporate jets using the hangars at the Airport, on the majority of the old hangars being torn down and the cost of new hangars being too high causing corporate jets to go elsewhere, and on the urgency ordinance proposed by Mr. Golonski; Mike Nolan, inquiring what was discussed in closed session with Airport Authority Commissioners, on the proposed security enhancement project, on the Transportation Security Administration (TSA) not yet identifying what the Airport needs, on the price tag for the proposed Airport project going over \$24 million, and on enlarging the concourse or providing administrative space for the TSA not qualifying as security-related measures; Esther Espinoza, on Bid Schedule 1121 and inquiring whether her street has this type of signal communication system, and on speeding traffic on Buena Vista Street and Vanowen Street; and Howard Rothenbach, agreeing with Mr. Nolan on the security project including office space and amenities and only a portion being for security purposes, inquiring whether the closed session became a public meeting due to the attendance of the Airport Authority Commissioners, and asking for clarification of the agendized cases of anticipated litigation during closed session.

Staff Response	Members of the Council and staff responded to questions raised.
8:11 P.M. Recess	The Council recessed to permit the Redevelopment Agency, Parking Authority and Youth Endowment Services Fund Board to hold their meetings. The Council reconvened at 8:13 p.m. with all members present.
Motion	It was moved by Ms. Murphy and seconded by Mrs. Ramos that "the following items on the consent calendar be approved as recommended."
Minutes Approved	The minutes for the regular meetings of June 11, 2002 were approved as submitted.
1007-1 Revise Spec. for Permit Coordinator	<u>RESOLUTION NO. 26,295:</u> A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK REVISING THE SPECIFICATIONS OF PERMIT COORDINATOR (CTC NO. 0604).
1007-1 1009-1 Establish Title of Assistant CDD/License And Code Services Admin.	<u>RESOLUTION NO. 26,296:</u> A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK ESTABLISHING THE TITLE AND CLASSIFICATION OF ASSISTANT COMMUNITY DEVELOPMENT DIRECTOR/ LICENSE AND CODE SERVICES ADMINISTRATOR (CTC NO. 0059) AND PRESCRIBING CLASSIFICATION CODE NUMBER, SALARY AND SPECIFICATION THEREOF.
1009-1 801-2 Revise Salary For Animal Shelter Super.	<u>RESOLUTION NO. 26,297:</u> A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK REVISING THE SALARY SCHEDULE OF THE ANIMAL SHELTER SUPERINTENDENT (CTC#0027) AND AMENDING THE FISCAL YEAR 2002-2003 BUDGET FOR THE PURPOSE OF APPROPRIATING FUNDS FOR THE SALARY REVISION.
1301-3 Buena Vista St. Traffic Signal Interconnection	<u>RESOLUTION NO. 26,298:</u> A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK APPROVING AND ADOPTING CONTRACT DOCUMENTS, PLANS AND SPECIFICATIONS, AND DETERMINING THE

the selection committee reviewed the proposals and narrowed the field to five vendors who were invited back to elaborate on their qualifications and proposals in detail. He stated the committee unanimously agreed that Oracle is the most qualified vendor to perform the City's ERP Business Needs Assessment, outlining Oracle's qualifications and the reasons they were chosen.

Mr. Golonski expressed concern with Oracle doing the BWP section of the business needs assessment. Mr. Davis responded that the utility's new billing system was not purchased from Oracle and does not affect the business needs assessment.

The Council noted and filed the report.

701
New Central
Library and
Expanded North
West Branch
Library Update

Mr. Fuchs, Library Services Director, stated the purpose of this report is to update the Council on conceptual and design planning currently underway for a new Central Library and an expanded Northwest Branch Library. He stated that on January 22, 2002, the Council approved an agreement between Charles Walton Associates AIA, Inc. and the City for conceptual and design planning services for a proposed new Central Library and an expanded Northwest Branch Library in order to complete the numerous State-required tasks that would enable the City to apply for construction grants available through the State's Library Bond Act.

Mr. Fuchs noted that at this point, staff intends to apply for a State construction grant in March 2003 for a new Central Library project and in December 2003 for an expanded Northwest Branch Library project, stating that the grant program is the result of the passage of that bond act approved in March 2000 which will provide up to \$350 million for library construction. He further stated that the City's success with implementing the process developed for the new Buena Vista Branch Library offers a good model to follow as staff moves forward with planning for a new Central Library and an expanded Northwest Branch Library. Mr. Fuchs stated that the model involves a Steering Committee composed of appropriate City staff, including the City Manager and the Assistant City Manager and will coordinate all planning activities.

Mr. Fuchs stated that a citizen advisory committee, consisting of at least 12 members, will be formed and referred to as the Burbank United in Library Development (BUILD) Committee with Mayor Laurell and Council Member Ramos serving as Council liaisons to this Committee. He said that the BUILD

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committee members will be selected by the Library Services Director and their role will include identification of funding sources for the State-required 35 percent local funding match. Mr. Fuchs concluded by stating the BUILD committee's participation in the planning process would be augmented by a number of focus group meetings, targeting specific segments of our population, and will include individual interviews with selected community leaders and residents.

The Council noted and filed the report.

1504-1
BWP FY 02-03
Water Division
Connection Fee

Mr. Lantz, Assistant General Manager/Water Systems, Burbank Water and Power, stated that at the June 18, 2002 Council meeting, the Council requested staff to return with additional information on the water connection fee. He then presented a brief overview as follows: the connection fee has been based on a 1988 Rate Study conducted for the Water Division, the objective of which was that growth would not subsidize the existing customers; that in 1988, the City was essentially developed and that single-family housing was being replaced with multi-family units and that certain areas of the City were being redeveloped with new properties taking those particular services; that the rate fee varied according to the size of the service which is related to the amount of water or demand that the customer places on the system; and that this fee is in addition that charged for installation of a meter and valve box.

He stated that there are three basic rates used by agencies such as Burbank i.e., the historic cost method, in which the historic value of the existing system is determined and spread over a base of either capacity units or system capacity to determine unit costs; the marginal cost method which uses existing rationale and a somewhat easier cost basis but using values of utility factor; and the specific recovery method which looks at trying to define the actual capacity created by the addition of new capacity. He said the historic cost method was deemed appropriate for Burbank because the City is essentially built out and most of the major infrastructure facilities are in place. Mr. Lantz further stated that a simple method to determine Connection Fees is by using the retained earnings of the utility as the equity of existing users which is updated each year to reflect the equity of the existing users and to develop an appropriate fee; and, the underlying equity principle means that growth is paid for by new customers and not by existing customers.

He stated that because new customers benefit, in the form of lower rates, from the equity provided by previous customers in the form of retained earnings, it is appropriate that they

contribute to the retained earnings "pool" when service is initiated; this retained earnings method ensures that new growth pays for itself. Mr. Lantz noted that the approval of the Water Division's Fiscal Year 2002-03 Connection Fee ensures that new growth pays for itself and that the cost burden does not shift to existing customers.

With regard to fiscal impact, Mr. Lantz stated that this fee constitutes about one percent of total revenues and in the prior year, revenue collected was \$134,979. He stated that water rates have not been revised in the last two years; and this was the year to catch up on certain fees, and it is recommended that the increase be based on the historical method since new customers coming onto the system after September 1, 2002, rather than existing customers, pay for the improvements to the system.

Motion It was moved by Ms. Murphy and seconded by Mr. Vander Borght that "the following resolution be passed and adopted:"

1504-1 RESOLUTION NO. 26,300:
 BWP FY 02-03 A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK
 Water Division AMENDING SECTION 3 OF ARTICLE XI, OF RESOLUTION NO.
 Connection Fee 26,258, THE BURBANK FEE RESOLUTION, RELATING TO
 WATER RATES AND CHARGES FOR NEW SERVICE
 INSTALLATIONS.

Adopted The resolution was adopted by the following vote:

Ayes: Council Members Golonski, Murphy, Ramos, Vander Borght and Laurell.

Noes: Council Members None.

Absent: Council Members None.

9:15 P.M. The Council recessed at this time. The meeting reconvened at
 Recess 9:29 p.m. with all members present.

201-2 Mr. Hanway, Financial Services Director, highlighted the
 FY 02-03 Annual following Work Program items for the Financial Services
 Work Program Department: issuance of the City's first GASB Statement No.
 And 34 financial statements; develop an alternate method to
 Performance project budgetary salaries and benefits; coordinate the
 Indicators issuance of bonds to finance the Development and Community
 Services Building; coordinate the City's internal audit program,
 noting staff plans to audit the transient parking tax, transient
 occupancy tax, citywide billing procedures, animal shelter,
 Performing Arts Grants, tennis center contract and Clubhouse

Restaurant concession agreement; and, explore the feasibility of a joint purchasing program with the Burbank Unified School District.

Mr. Hanway stated that at the last audit meeting, three additional audits were discussed that are not currently funded, but staff would like to pursue: wholesale power trading activities which involves large dollar volume and risk; the municipal services billing system; and purchasing review. He noted that staff will bring these items to the City Council at mid-year and request funding.

With regard to Performance Indicators, Mr. Hanway stated the Financial Services Department will be surveying different service areas to set benchmarks for next year and highlighted four indicators including: providing efficient and effective purchasing services to customers using the following indicators: percentage of requisitions created into purchase orders within 30 days – 85 percent, and percentage of requisitions over 60 days - 5 percent; collecting on Citywide delinquent accounts; coordinate audits in a timely and accurate manner with a 95 percent completion rate; and maintain timely closing of the books at 13 days from the end of the month.

Mr. Davis, Burbank Water and Power General Manager, discussed the following Electric Fund Work Program items: exploring free/discounted shade trees to promote energy conservation and remove pollution from the air; ensure that the current Lifeline rate program meets current community needs while remaining consistent with State and industry standards; continue to manage and improve roadway lighting, including completion of the street lighting upgrade in the Ben Mar Hills area; develop and implement a street light master plan; continued reduction of visual clutter, including carrying out undergrounding projects, and development of an electric Undergrounding Master Plan that gradually eliminates overhead lines; improvement of communication with residents to provide the community with City services and support, which will include the preparation and distribution of a quarterly newsletter to business and residential customers; development and implementation of an energy audit program for residential and small commercial customers and repeating the Torchiere Exchange Program; assure the Geographical Information System is functional for engineering, planning and operations activities; on-going activities related to the Magnolia Power Project; complete the Alan E. Capon Switching Station; select the design/builder, and begin construction of the relocated Hollywood Way Distribution Station; complete installation of the electric control system; retrofit Olive 1 and 2 Power Plants

to reduce Nox emissions by 95 percent; research the feasibility of using power lines for telecommunications; develop policy and implement a plan for the assessment of late fees on municipal services bills; implementation of a new municipal services billing system; develop and implement formal policies and practices for energy risk management; develop utility financial reserve policy and future electric rate plan; reestablish utility financial accounting and reporting; reorganization to improve power supply coordination to generate additional cost savings.

Mr. Davis then discussed the following Water Fund Work Program items: exploring potential improvements to the Bel Aire frontage of Palm Reservoir; continuing water quality reporting; numerous goals regarding continuing to maintain and redevelop the water system; design and install a reclaimed water art piece as part of Art in Public Places; installation of water main replacements, modernization of fire hydrants, and replacement of water meters; replace the Groton Water Tanks; remove and replace the interior coatings of two reservoirs with new epoxy-based coatings; install utility system security enhancements; installation of reclaimed water line to Chandler Boulevard parkway.

Mr. Davis then discussed the following Performance Indicators for Burbank Water and Power: Maintain reliability of the electrical distribution system at 99.99 percent; less than 70 minutes of service outage once every 2.5 years; electric safety goals: no single lost time hour by BWP crews or outside contractors on a major project; tracking customer service including the cost of power, and the uncollectable rate at 0.2 percent of sales which is very low; answer more than 80 percent of customer calls to the Call Center in less than 30 seconds; return street lighting to service in less than 24 hours of a reported outage; maintain police, fire and general government radio system reliability equal to or greater than 99.99 percent; maintain a ratio of preventative maintenance to corrective maintenance at 75 percent to 25 percent.

Mr. Davis concluded by stating that the Fountain at the Valley Pumping Plant which was built in 1941 has been restored and returned to service.

Ms. Anderson, City Treasurer, presented the following Work Program items for the City Treasurer's Office: attain an average monthly portfolio of market rate of return of 4.5 percent based on the current market; ability to accept payments for certain City services on the web; submit the monthly cash reconcilements to Finance within seven business days after Finance submits closing documents to the Treasurer.

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Ms. Anderson then discussed the Performance Indicators for the City Treasurer's Office as follows: maintain a current market rate of return with an emphasis on safety and liquidity; Initiate E-Commerce with at least ten percent of City departments on the web; i.e., Building Division, Park, Recreation, and Community Services Department, and Burbank Water and Power; maintain a cash reconciliation turnaround to Finance from 50 percent to 75 percent within a 30-day timeframe following the close of the previous month.

Mrs. Campos, City Clerk, discussed the single Work Program item for the City Clerk's Office: explore the options for conducting a mail ballot election for the City's Primary Nominating and General Municipal Elections, noting the item was placed on the Work Program at the request of the Council following the record-breaking voter turnout for the Measure A Election in October 2001.

Mrs. Campos then discussed the following Performance Indicators for the City Clerk's Office: maintain excellent customer service to requesting departments with regards to the Records Center, noting a response to 85 requests per month from other City departments within the timeframe specified by the department; maintain timely files in the Document Imaging System by scanning all qualifying documents into the system within the week the document was created; maintain an updated Burbank Municipal Code by distributing changes within two weeks of adoption of an ordinance.

The Council reviewed the proposed FY 2002-03 Work Programs and Departmental Performance Indicators as recommended.

10:36 P.M.
Reconvene
Redev. Agency,
Parking
Authority, and
YES Fund Board
Meetings

The Redevelopment Agency, Parking Authority and Youth Endowment Services meetings were reconvened at this time.

Third Period of
Oral
Communication

Mr. Laurell called for speakers for the third period of oral communications at this time.

Citizen Comment Appearing to comment were Mike Nolan, on federal mandates and the Transportation Security Administration (TSA) determination of which items are security-related, requesting the Council demand the credentials of the TSA Administrator in the name of security; Eden Rosen, in support of Mr. Golonski's suggestion that they increase the powers of the Police Commission, on lack of knowledge, unprofessional behavior and lack of interpersonal skills of a specific Landlord/Tenant Commission member, suggesting sensitivity training for the entire Commission; and David Piroli, commenting on the Airport's need for space and suggesting certain functions could be moved to the TRACON Building, questioning the amount of space needed for office v. public needs, on the TRACON Building sitting about half empty today, questioning the need for dog runs in the security needs plan, and inquiring why Mr. Golonski wants to bypass the Planning Board in the appeals process.

Staff Response Members of the Council and staff responded to questions raised.

Adjournment There being no further business to come before the Council, the meeting was adjourned at 10:36 p.m.

Margarita Campos, City Clerk

APPROVED SEPTEMBER 24, 2002

Mayor of the Council
of the City of Burbank