

TUESDAY, NOVEMBER 19, 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 5:02 p.m. by Mr. Laurell, Mayor.

CLOSED SESSION

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

Absent - - - - Council Members None.

Also Present - Mr. Ovrom, 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)
  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):** 2
- 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: 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; Unrepresented, and Appointed Officials.  
**Summary of Labor Issues to be Negotiated:** Current Contracts and Retirement Issues.

Regular Meeting Reconvened in Council Chambers      The regular meeting of the Council of the City of Burbank was reconvened at 6:35 p.m. by Mr. Laurell, Mayor.

Invocation      The invocation was given by Reverend Roby Correa, Magnolia Park United Methodist Church.

Flag Salute      The pledge of allegiance to the flag was led by Police Chief Hoefel.

**ROLL CALL**

Present- - - -      Council Members Golonski (arrived at 7:48 p.m.), Murphy (arrived at 7:48 p.m.), 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 Police K-9 Recognition      Chief Hoefel presented a tribute to Burbank Police Canine Ugli, who passed away the previous week.

Reporting on Closed Session      Mr. Barlow reported on the items considered by the City Council and the Redevelopment Agency during the Closed Session meetings, including the agreement to settle a potential litigation case against Granite Construction in the amount of \$40,000 for a construction dispute at the former five points intersection. Mr. Barlow indicated the Council may decide to continue the closed session later during this meeting.

406      Commissioner Brown reported on the Airport Authority

Airport  
Authority  
Report

meeting of November 18, 2002, as follows: the Authority received reports on meetings of the Finance Committee of October 29 and November 6; Operations & Development Committee meeting of November 4; Legal, Government & Environmental Affairs Committee meeting of November 6; approved the minutes of the meetings of November 4 and November 8; approved the extension of an Interim Occupancy Agreement with Ex-Media Aviation Tenants; awarded a contract to D M Construction for the residential acoustical treatment program, Module No. 6.8, (which includes 19 Burbank residences and 11 Sun Valley residences) in the amount of \$805,550, with a contingency fund of \$56,000; awarded a contract to Deja, Inc. in the amount of \$106,000, with a contingency not to exceed \$26,000, for the demolition of Hangar 3, scheduled to be completed within 60 calendar days; directed staff to proceed with a cost estimate for the Centennial Aviation Commemoration to promote awareness of the national centennial while portraying the Airport's presence, including the installation and unveiling of two or three large-scale models of Lockheed aircraft to be displayed in front of the terminal; and, consideration of the Airport Authority's policy statement on the terminal relocation. At the Authority meeting, the Authority voted 6-2, with the two Burbank commissioners (Bill Wiggins was out of town), voting no, to send a letter to members of the Burbank Airport community regarding the Authority's position on the Airport terminal relocation. He stated he did not think this letter had gone out.

Mr. Brown stated that about a week and a half prior, Airport Authority President Chris Holden sent a letter out explaining the reason that the Authority was no longer interested in actively participating in the location of a new terminal on the B-6 property and that they would open up and look at possible avenues to dispose of the B-6 property. The three Burbank Commissioners and one Glendale Commissioner opposed that letter which in part was to ask the Federal Aviation Administration (FAA) if this is a safe terminal. Everyone agrees that it's time the FAA responded to the question: Is it safe; should it be relocated because it's within 300 feet of the centerline of the runway? However, the Burbank Commissioners did not approve or want a letter going out to the community saying the Authority is ready to wash its hands of a new terminal.

Mr. Brown stated it would be a mistake to dispose of the B-6 property because he believes they should wait for an answer from the FAA with regard to safety issues. The Airport is going to grow and Mr. Brown feels the Authority will split the terminal and build another 4- or 5-gate facility on the

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southwest quadrant and the voluntary curfew will disappear. He further stated that, in his opinion, the Part 161 Study does not provide any incentive for the FAA to approve a curfew on a terminal that they have denied giving a permanent curfew to for over 20 years.

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 Barbara Kraft, in support of a view shed ordinance; R. C. "Chappy" Czapiewski, commenting on the Airport noise budget; Garen Yegparian, expressing appreciation for the vote cast by Burbank's Metropolitan Water District Commissioner to terminate the Cadiz Project; Christy Wright, in support of a view shed ordinance; Cecil Selman, commenting on the City of Berkeley's use of yellow flags by pedestrians to cross streets; Dr. Theresa Karam, commenting on the Airport Commissioner's statement that the Authority is no longer interested in a replacement terminal, on the terminal being in operation for 73 years and maintaining an excellent safety record; and Esther Espinoza, commenting on the lack of diversity in the City's workforce.

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

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

Citizen Comment Appearing to comment were Richard Tilton, commenting on the Sunset Canyon Drive Traffic Analysis; Don Elsmore, commenting on a contract for \$80,000 to build a new roof on the Airport, on the FAA having no jurisdiction over local land use, on the encroachment of the TRACON Building on the runway, and on the Negative Declaration on the Trust Property parking, emergency operations center, and relocation of the fire station; Esther Espinoza, in support of the Youth Endowment Services Fund and Positive Alternatives for Youth Grant Program; R. C. "Chappy" Czapiewski, commenting on the Variance Hearing being listed on the closed session agenda and on those who involved themselves in the process, inquiring who legal counsel was with regard to labor negotiation matters, and requesting a report by the City

Attorney as to action taken in the closed session held on November 7, 2002; Jeri Primm, commenting on the Sunset Canyon Drive Traffic Analysis; Irma Loose, commenting on the cost for the library bond to residents being misleading, and on the rising costs of construction; Dr. Theresa Karam, commenting on the Airport Commissioner's report, on the 73-year anniversary of the terminal, and on the Airport's desire to sell the B-6 Property; David Piroli, commenting on the absence of Council Members Murphy and Golonski, commenting on Commissioner Brown's statement regarding awaiting a response from the FAA as to the safety of the terminal, and in support of the Airport selling the B-6 Property; and Mike Nolan, requesting the City Attorney to report on the action taken at the closed session meeting of November 7, 2002, and commenting on the General Fund Financial Status.

Staff  
Response

Members of the Council and staff responded to questions raised.

7:48 P.M.  
Mr. Golonski  
and  
Ms. Murphy  
Arrived

Mr. Golonski and Ms. Murphy arrived at the meeting at this time.

Mr. Golonski reported that he and Ms. Murphy attended the Glendale City Council meeting to hear the Airport Authority's presentation on their proposed new policy, the capital improvements being done, and the progress of the 161 Study. He reported that President Holden stated the Authority was working with the stakeholders and were attempting to be understanding and responsive to the community; that they have been working toward a local solution and, feeling one could not be achieved, they are adopting this policy. It was Mr. Golonski's opinion that the Authority has not been working with the stakeholders, hadn't been responsive to the community, hadn't been working toward a local solution, and didn't believe that the conclusion reached was a responsible policy conclusion prior to actually building the consensus, building a true local solution that everyone could buy into, and then taking that to the FAA. Mr. Golonski stated the Council felt that it was irresponsible of Pasadena or Glendale to advocate a position where the federal government should determine the outcome of something when the federal government actually challenged the cities to come up with a local solution.

Ms. Murphy stated that it was her opinion that the Airport Authority is attempting to get the FAA to tell the cities what to do, which would be the worst possible scenario for Burbank.

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8:01 P.M.  
Jt. Mtg. with  
YES Fund Board  
811  
804-3  
YES and PAY  
Grant Programs

Mr. Flad, Park, Recreation and Community Services Director, stated that the Positive Alternatives for Youth (PAY) Program was created on June 22, 1999 and as part of that delegation of authority by the Council, the Youth Endowment Services (YES) Fund Board was authorized to oversee and administer the PAY Grant Program process. He stated that the City Attorney's Office has requested this delegation of authority from the City Council to the Youth Endowment Services Fund Advisory Committee be codified. Mr. Flad further stated approval is also being requested to authorize the YES Fund Advisory Committee to recommend PAY Grant awards to the City Manager and to authorize the City Manager, or his designee, to execute PAY Grant award agreements.

Motion

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

811  
804-3  
YES and PAY  
Grant Programs

RESOLUTION NO. 26,362:  
A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AUTHORIZING THE YES FUND ADVISORY COMMITTEE TO RECOMMEND PAY GRANT AWARDS TO THE CITY MANAGER AND AUTHORIZING THE CITY MANAGER TO EXECUTE PAY GRANT AWARD AGREEMENTS.

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.

YES Reso.  
Adopted

YES Resolution No. Y-30 Authorizing Recommendation of PAY Grant Awards to the City Manager and Authorizing the City Manager to Execute PAY Grant Award Agreements was adopted.

8:06 P.M.  
Recess

The Council recessed to permit the Redevelopment Agency and YES Fund Board to hold their meetings. The Council reconvened at 8:23 p.m. with all members present.

Motion

It was moved by Ms. Murphy and seconded by Mr. Vander Borght that "the following item on the consent calendar be

approved as recommended.”

Minutes Approved The minutes for the regular meetings of October 22 and October 29, 2002 were approved as submitted.

Adopted The consent calendar was adopted by the following vote:

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

Noes: Council Members None.

Absent: Council Members None.

701  
804-4  
Improvements  
and Financing  
through  
Issuance  
of General  
Obligation  
Bonds

Mrs. Cohen, Interim Library Services Director, stated it is the intent of the City to apply for a State Library Construction Grant to fund up to 65 percent of the cost of the construction of a new Central Library and Northwest Branch Library. She noted the Burbank United In Library Development (BUILD) Committee recommended that the 35 percent local match should be financed through the authorization of general obligation bonds, and that these bonds would be used for the local match toward the construction costs of the two libraries. She emphasized that issuance of the general obligation bonds was contingent upon receipt of the State Library Construction Grant.

Mrs. Cohen reported that staff, the BUILD Committee, and architect Steve Finney have refined the total cost estimates and calculations based on a Central Library at 65,500 square feet and a Northwest Branch Library at 18,000 square feet, summarizing that the revised bond sizing reflects construction costs of \$13,500,000 for the Central Library match and the full cost associated with the construction of the Northwest Branch Library. Mrs. Cohen emphasized that the bonds would not be issued if the City does not receive the state grant funding and stated that a determination will need to be made as to whether the debt service should be on a 20- or 25-year basis, and noting that considering 83 percent of homes in Burbank have an assessed value of \$300,000 or less, the cost would be less than a dollar per month per \$100,000 assessed valuation with approval of the proposed ballot measure. She concluded by stating that staff is requesting the Council to determine that municipal improvements for the construction of a new Central Library and new Northwest Branch Library are in the public's interest.

Motion It was moved by Mr. Golonski and seconded by Mrs. Ramos

that "the following resolution be passed and adopted:"

701  
804-4  
Improvements  
and Financing  
through  
Issuance  
of General  
Obligation  
Bonds  
Adopted

RESOLUTION NO. 26,363:  
A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY DEMAND THE ACQUISITION, CONSTRUCTION AND COMPLETION OF CERTAIN MUNICIPAL IMPROVEMENTS AND THEIR FINANCING THROUGH THE ISSUANCE OF GENERAL OBLIGATION BONDS.

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.

804-3  
412  
Approval of  
Middle School  
Grant

Mr. Flad, Park, Recreation, and Community Services Director, stated that this request is the final step in the approval of the Mayor's Youth Task Force's award recommendations for one-time Middle School Grant Program funding and implementation of the Peace Colors Programs and to fund recommendations related to violence prevention programs that were outlined in the Youth Solutions Summit report. He stated that on July 20, 2002, the Council authorized the one-time appropriation of \$150,000 to fund this program and reviewed the overall plan and grant process. Mr. Flad then discussed the applications submitted by each school which were reviewed by the Mayor's Youth Task Force. He concluded by stating the Task Force recommended each middle school receive up to \$50,000 in funding to implement the programs outlined in the grant applications.

Motion

It was moved by Mr. Golonski and seconded by Mrs. Ramos that "the City Council approve the expenditure of \$150,000 from the Non-Departmental Holding Account for implementation of the Middle School Grant Program for the purpose of implementing the programs outlined in the Middle School Grant Applications."

Carried

The motion carried by the following vote:

Ayes: Council Members Golonski, Murphy, Ramos, Vander Borght and Laurell.  
Noes: Council Members None.  
Absent: Council Members None.



412  
 JAG Recomm.  
 From BUSD for  
 Financial  
 Assistance from  
 The City

Mrs. Sarquiz, Deputy Financial Services Director, stated that the purpose of this report was to present the recommendation from the City Council Joint Action Group (JAG) Members to the entire Council regarding the Burbank Unified School District's (BUSD) request for financial assistance from the City. On March 5, 2002, at the request of Council Member Golonski, staff presented a report to the Council of several options for providing financial assistance to BUSD due to their budget shortfall.

She stated a decision was deferred so that the Council and School Board representatives could meet on June 17, 2002 to explore potential areas of support from the City and the School Board was to return with specific requests for assistance that would help the District with their budget constraints while at the same time be beneficial to the Burbank community. On August 30, the School Board presented funding options for the City's consideration that would result in conservation of electric, water, and natural gas resources as well as provide savings to the taxpayers by lowering present utility costs as well as future costs. The District's proposal was presented to JAG Members on October 25 and included three levels of possible funding: Level 1 - \$275,000 for a District-wide centralized automated irrigation system and a solar heating system for the John Burroughs swimming pool; Level 2 - \$500,000 for the installation of an energy management system at both John Burroughs and Burbank High Schools; Level 3 - \$825,000 which would cover all of the projects noted in Levels 1 and 2. The BUSD also recommended that the City consider installing a solar heating system at Burbank High School once the school is completed for an estimated cost of \$120,000.

Mrs. Sarquiz stated that the Council JAG Members concurred that the projects were beneficial to the community and the District and recommended the District begin applying for Burbank Water and Power (BWP) Benefit Charge funding and that BWP staff work with the District to identify the best projects to pursue in the future. Realizing that the District, as well as the City, will continue to face budget shortfalls in the next fiscal year, she stated staff recommends that financial assistance to the District be considered during the 2003-04 budget cycle process.

In response to questions from the Council, Mr. Davis, BWP General Manager, stated that the City provides a 50 percent subsidy to the School District on all utilities, except power which is a 10 percent subsidy plus extra public benefit dollars,

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and noted this is the last year for the electric subsidy. Mr. Davis further stated that the City is required by the State to spend an amount equal to 2.85 percent of electric revenues on public benefit eligible items and the Council decided when the City's public benefit was implemented the City would see that one percent would be provided by normal General Fund commitments to qualifying technologies such as electric vehicles or insulation. The remainder one percent would come from BWP revenues, and the subsidy for power to the schools would qualify as a public benefit.

Motion It was moved by Mr. Vander Borght and seconded by Ms. Ramos that "this item be noted and filed and that staff be directed to have the matter of financial assistance to the District revisited by the Council during the Fiscal Year 2003-04 budget process.

Carried The motion carried by the following vote:

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

Noes: Council Members None.

Absent: Council Members None.

9:03 P.M. The Council recessed at this time to hold a closed session on  
Recess to the following:  
Closed Session

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: 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; Unrepresented, and Appointed Officials.

**Summary of Labor Issues to be Negotiated:** Current Contracts and Retirement Issues.

9:33 P.M. The Council reconvened at this time with all members present.  
Reconvene

Reporting on  
Closed Session

Mr. Barlow reported that during closed session the Council discussed labor negotiations.

802  
Review of the  
General Fund's  
Financial Status  
as of September  
30, 2002

Mr. Hanway, Financial Services Director, recapped the financial status of the General Fund for the first quarter of the year, noting the General Fund closed last fiscal year (June 30, 2002) with \$4,642,748 which was higher than anticipated because no budgetary savings were anticipated when the balances were projected. Non-recurring revenues were identified in the amount of \$2,818,215; one-time appropriations of \$4,323,481 and an additional \$63,286 appropriated by Council, leaving \$4 million available for non-recurring issues; a surplus existed in recurring revenues of \$122,853, however, several negative trends have decreased the estimated revenue, leaving an available balance of \$3.5 million

Mr. Hanway then discussed that the three primary revenue sources are from Sales Tax, Property Tax, and Utility Users Tax (UUT), which represents over 50 percent of the General Fund revenue. He noted the difference between the conclusion of last fiscal year with the original budget estimates and the current projections. He stated that Sales Tax is on target with the budget, the Property Tax revenue is positive. A four percent growth factor was projected which, he said, translated to an eight percent growth factor equating to an additional \$975,000 in revenues. The UUT is comprised of four components: electricity, natural gas, telephone, and cellular and Mr. Hanway discussed the dynamics of each of those segments.

He then discussed the Transient Occupancy Tax (TOT) and Transient Parking Tax (TPT), noting that it was assumed that the City would be back to the pre-9/11 production along with three new hotel properties. This, he said, has not happened and one property has delayed construction, resulting in no change to the TOT revenues.

Regarding State budget impacts on the General Fund, Mr. Hanway stated the actual loss to the City was \$294,522 which was actually less than projected for Fiscal Year (FY) 2001-02.

He noted some areas that are driving the expenditure side of the budget faster than revenue growth include: The under-performance of the TOT and UUT; Memorandum of Understanding (MOU) costs regarding labor negotiations may increase; the risk that the State will take City revenues to

balance its budget; and, future retirement costs with the Public Employment Retirement System rates escalating in the next few budget cycles. Mr. Hanway then discussed possible revenue enhancements including the following: Increase TPT rate in the 2003 General Municipal Election; Update the existing Fee Schedule rates; Consider increasing the General Fund transfers from Enterprise Funds; Establish equity sharing from BWP's fiber optic network in FY 2003-04; Consider allowing the West Olive and South San Fernando AB 1290 tax sharing portion to flow to the City; Establish a repayment schedule for the \$1.8 million advanced to Fund 127 (Development Impact Fees); Consider charging for public parking; Consider increasing the TOT rate in the 2005 General Municipal Election; and, Consider pursuing corporate sponsorships of City facilities.

He then concluded by discussing possible expense reductions, including the following: Continue the freeze on new/upgraded positions approved for FY 2002-03; contingency plan for a 10 percent reduction to each General Fund operating department's FY 2003-04 budget which could affect services; eliminate the City's annual \$475,000 sales tax transfer to the Media Centre Mall including a potential merger of the project areas; consider joint operations with neighboring cities; explore the feasibility of contracting out City services such as janitorial and landscape maintenance; conduct a study to ascertain whether a true 4/10 or 9/80 work schedule would produce significant cost savings.

Mr. Golonski requested that staff also look into the potential for leasing capital equipment rather than purchasing it since the City does not receive any tax advantage for depreciating the equipment.

The Council noted and filed the report.

9:51 P.M.  
Reconvene  
Redev. Agency  
And YES Fund  
Board Meetings

The Redevelopment Agency and YES Fund Board 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 Irma Loose, on the Airport Authority piecemealing a new terminal; Don Elsmore,

commenting on the sale of the B-6 Property, and in opposition to the development of "big box" stores; Eden Rosen, commenting on jokes about senility and on the difficult duties of caregivers; Mike Nolan, on the outstanding response of the Burbank Police Department to a situation which occurred over the weekend, and in opposition to the planned development process as it pertains to the licensing of night club establishments; Howard Rothenbach, commenting on the November 7, 2002 letter from Mayor Laurell to Airport Authority President Chris Holden; and David Piroli, commenting on the need for dealing openly and honestly, and on the unavailability of the Airport Authority's Policy Statement on Terminal Relocation.

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

301-2 Memorial Adjournment                      There being no further business to come before the Council, the meeting was adjourned at 10:18 p.m. in memory of Catherine Frascatore.

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Margarita Campos, City Clerk

APPROVED JANUARY 21, 2003

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Mayor of the Council  
of the City of Burbank