

TUESDAY, OCTOBER 21, 2003

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 4:00 p.m. by Ms. Murphy, Mayor.

CLOSED SESSION

Present- - - - Council Members Golonski, Ramos, Vander Borgh and Murphy.
Absent - - - - Council Member Campbell.
Also Present - Ms. Alvord, City Manager; Mr. Barlow, City Attorney; and, Mrs. Campos, City Clerk.

Oral Communications Mayor Murphy called for oral communications on Closed Session matters at this time.

Citizen Comment Appearing to comment was Mike Nolan, commenting on negotiations with employee unions.

4:00 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:** 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/Judie Sarquiz.
Name of Organization Representing Employee:
Represented: Burbank City Employees Association, Burbank Management Association, International Brotherhood of Electrical Workers, Burbank Firefighters

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Association, Burbank Firefighters Chief Officers Unit, and Burbank Police Officers Association; Unrepresented, and Appointed Officials.

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

5:22 P.M.
Reclaimed Water
Master Plan
Study Session

Following a brief introduction by Mr. Davis, Burbank Water and Power (BWP) General Manager, Mr. Lantz, Assistant General Manager/Water Systems, gave a brief background on water systems and noted that the Metropolitan Water District of Southern California (MWD) has projected, in its 2003 Draft Long-Range Finance Plan, that domestic water rates will increase at an average of 3.8 to 4.6 percent annually over the next 10 years. He stated that for Fiscal Year (FY) 2003-04, Burbank's water use constitutes 43 percent of water purchased from the MWD, 53 percent from local groundwater and four percent from reclaimed water. He also stated that Burbank's existing groundwater credits will soon be exhausted thereby necessitating the purchase of water for groundwater replenishment. He added that with future reclaimed water expansion, Burbank's water use will constitute 20 percent of local resources, 13 percent of reclaimed water, and 67 percent from MWD purchase to replenish the City's groundwater credits.

Mr. Lantz then explained the pros of reclaimed water, including: re-utilization of a limited resource; increase in groundwater credit which approximates \$76,000 per year; and the subsequent reduction of approximately \$360,000 in MWD water purchase expenses. He stated that reclaimed water could be used for landscape irrigation; in cooling towers for the Magnolia Power Plant; for fire suppression; ground water recharge; and, for system interconnections.

On the con side, Mr. Lantz noted the high cost of developing and operating two separate water systems; user discharge requirements by the Regional Water Quality Board; on-site conversion requirements between the domestic and reclaimed water system for residential properties; regulatory requirements such as Title 22 and 17 of the California Code of Regulations; and, negative public perception that has hindered the use of reclaimed water for recharging the groundwater basin.

Mr. Lantz explained the availability of reclaimed water prior to and after the construction of the Burbank Water Reclamation

Plant, noted the location of reclaimed water pumping stations in the City, and identified the facilities currently utilizing reclaimed water. He informed the Council that the current reclaimed water projects included the Empire Center crossing at Hollywood Way and Phase II Transmission Main, and the BWP air conditioning and landscaping services. He also stated that future plans include: the conversion plan for the Magnolia Power Project (MPP) Energy Storage Reservoir; extension of infrastructure to the Hollywood Way A-1 facilities; Valhalla Cemetery; Pacific Park; and, the design phase for the Gross Park Reservoir and Booster. He then explained the future build-out project plan and the associated costs, and stated that funding would be obtained from reclaimed water revenues with the MPP as the anchor project providing approximately \$700,000 per year, in addition to State loans and grants.

Mr. Campbell commended staff and inquired whether developers are required to use reclaimed water for dust control. Mr. Lantz responded that BWP had connections for water trucks by permit to draft reclaimed water but there were no specific requirements for developers. He added that the only dust control program that staff was aware of was at the landfill. He also elaborated on the possibility of future interconnections with the cities of Los Angeles and Glendale which would enable Burbank to provide reclaimed water to Pasadena which has no local resource but has invested in infrastructure connecting to Glendale.

Mr. Vander Borght inquired whether the Burbank Unified School District (BUSD) received a 50 percent subsidy on reclaimed water and Mr. Lantz responded that the BUSD paid the same tariff as the City for reclaimed water, to encourage conservation. At Mr. Vander Borght's request, he explained the challenges of extending reclaimed water infrastructure to residential areas.

Mr. Golonski requested that the Council consider accelerating funding to complete the reclaimed water build-out plan in a timely manner.

Regular Meeting
Reconvened in
Council
Chambers

The regular meeting of the Council of the City of Burbank was reconvened at 6:30 p.m. by Ms. Murphy, Mayor.

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Invocation The invocation was given by Chaplain Jon Arnold, Providence Saint Joseph Medical Center.

Flag Salute The pledge of allegiance to the flag was led by Captain Koch.

ROLL CALL

Present- - - - Council Members Campbell, Golonski, Vander Borgh and Murphy.

Absent - - - - Council Member Ramos.

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

Reporting on
Closed Session Mr. Barlow reported on the items considered by the City Council during the Closed Session meeting.

406
Airport Authority
Meeting Commissioner Brown, reported on the Airport Authority meeting of October 20, 2003. He stated the Authority unanimously approved: 1) an agreement with Southwest Airlines for an additional 797 square feet in the terminal for office space, operations, counter space and storage on the ramp, bringing the total square footage to over 9,000, for a revenue increase of \$27,000 annually; 2) a drainage system maintenance agreement with Desmonds Studios; 3) a five-year firefighter's agreement negotiated by Pro Tec; and, 4) award of a contract to JNS Airport Conveyer to replace the 30-year-old baggage claim system in the United Airlines terminal. Commissioner Brown also noted that, for the first time, all airlines are in compliance with the voluntary curfew following the latest schedule changes by United Airlines and America West Airlines. He also reported that the ad hoc committee on renaming the Airport may be presenting its recommendation to the Authority on November 2, 2003. In conclusion, he informed the Council of the San Jose International Airport noise restriction recently approved by the Federal Aviation Administration and distributed copies of the restriction.

Initial Open
Public Comment
Period of Oral
Communications Ms. Murphy called for speakers for the initial open public comment period of oral communications at this time.

Citizen
Comment Appearing to comment were Howard Rothenbach, expressing appreciation to the City Attorney's Office for providing copies of the City's answer in the Measure A litigation; Stan Hyman,

on the City's negotiations with employee unions; David Piroli, on Airport Commissioner Brown's remark regarding comments made at Council meetings on renaming the Airport; and Mark Barton, on the supermarket strike and its impacts on Burbank senior citizens.

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

Agenda Item Oral Communications Ms. Murphy called for speakers for the agenda item oral communications at this time.

Citizen Comment Appearing to comment were Mark Barton, in support of renaming the Airport in memory of Bob Hope; Howard Rothenbach, inquiring about a power outage in his neighborhood, in opposition to discounting electric rates for the Burbank Unified School District (BUSD), and noting the potentially high cost for renaming the Airport; Stan Hyman, suggesting the elimination of incentives for the BUSD as a means of encouraging conservation, commenting on the adjournment to Utah, and noting the complexity of negotiating employee union contracts; Esther Espinoza, commenting on several agenda items; Mike Nolan, on employee negotiations, the supermarket and the Metropolitan Transportation Authority mechanics strikes, and in opposition to providing discount rates to the School District.

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

Motion It was moved by Mr. Vander Borcht and seconded by Mr. Campbell that "the following items on the consent calendar be approved as recommended."

Minutes Approved The minutes for the regular meeting of October 7, 2003 were approved as submitted.

804-3
907
Homeland
Security Grant RESOLUTION NO. 26,574:
A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AUTHORIZING THE ACCEPTANCE OF \$43,744 FROM THE STATE HOMELAND SECURITY GRANT PROGRAM 03, PART II CRITICAL INFRASTRUCTURE PROTECTION FUNDS.

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1004
Establish Bank
Account for
125 Plan Funds

RESOLUTION NO. 26,575:

A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AUTHORIZING THE CITY TO SET UP A ZERO BALANCE ACCOUNT WITH BANK OF AMERICA TO FACILITATE PAYMENT AND PROCESSING OF EMPLOYEES' SECTION 125 CONTRIBUTIONS BY SHEAKLEY UNISERVICE, INC.

Adopted

The consent calendar was adopted by the following vote:

Ayes: Council Members Campbell, Golonski, Vander Borgh and Murphy.

Noes: Council Members None.

Absent: Council Member Ramos.

412
1503
Additional
Savings for the
BUSD

Mr. Simay, Assistant General Manager, Burbank Water and Power, reported that at the joint Council/School Board meeting held on July 16, 2003, the Council directed staff to review the Electric Service Agreement with the Burbank Unified School District for possible additional savings for the School District. He explained that staff refined the generation rate which allowed an additional discount value of \$42,000 over the seven years of the contract until June 2004. He added that a provision in the current Agreement allowed for the School Board to re-open negotiations if a reduction in the electric rates was not achieved as anticipated. He noted that the electric bill for the School District was approximately one percent of their operating expenses, and noted that every ten percent discount offered on the contract is equivalent to the salary of two full-time City employees. He also informed the Council that staff anticipated a decrease in electric rates to the benefit of the School District.

Mr. Simay recounted that the alternatives suggested at the July 16, 2003 joint meeting included: 1) maintaining the current contract, which would require the School District to pay a ten percent premium for the following seven-year period from July 2004 to June 2011; 2) waiving the premium but maintaining the current rates; or, 3) maintaining the ten percent discount which would equate to a 20 percent improvement on the contract, with the provision of discounts beyond 20 percent if tied to performance-based conservation standards.

Mr. Golonski indicated support for a new contract with performance-based discount rates, and suggested that the ten percent premium be reinstated if no conservation is realized.

Mr. Vander Borcht indicated support for providing incentives for energy conservation under the current agreement and for future contract negotiations. He suggested providing the School District with an additional 10 percent discount upon achievement of a 10 percent reduction in energy use.

Ms. Murphy expressed opposition to providing additional savings to the School District. She noted that the School District is completing the school rebuilding process, and stated that there were no foreseeable construction projects for several years. She reiterated the School District's decision against installing double pane windows for energy conservation, and noted the recent inconsistencies in remarks by a School Board member that double pane windows would be installed for all pending construction projects.

Motion It was moved by Mr. Golonski and seconded by Mr. Campbell that "the BUSD receive an additional \$42,000 as the result of an adjustment in the calculation of the dollar savings from the 10 percent discount currently specified by the Electric Service Agreement."

Carried The motion carried by the following vote:

Ayes: Council Members Campbell, Golonski, and Vander Borcht.

Noes: Council Member Murphy.

Absent: Council Member Ramos.

Motion It was also moved by Mr. Golonski and seconded by Mr. Campbell that "staff be directed to provide a report with regard to renegotiating the Electric Service Agreement with the BUSD and the implications of implementing the performance-based standards."

Carried The motion carried by the following vote:

Ayes: Council Members Campbell, Golonski, Vander Borcht and Murphy.

Noes: Council Members None.

Absent: Council Member Ramos.

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201-1
1503
IPP and West
Ridge Mine
Facilities Tour

Mr. Barlow, City Attorney, reported that Council Members and other City officials have been offered the opportunity of visiting the Intermountain Power Project (IPP) generating station in Delta, Utah, and the West Ridge Mine in Price, Utah, in a one-day tour on Thursday, October 23, 2003. He added that if three or more Council Members desired to take advantage of this opportunity, staff recommended that the regular Council meeting of October 21, 2003, be adjourned to 10:00 a.m. on October 23, 2003, at the IPP generating station in Delta, Utah and thereafter to 1:00 p.m. at the West Ridge Mine in Price, Utah. He explained that the Brown Act permits a meeting of a local legislative body to occur outside its jurisdictional boundaries to inspect real or personal property which cannot be conveniently brought within the territory over which the local agency exercises jurisdiction.

It was the Council's consensus to adjourn the meeting as recommended.

Final Open
Public Comment
Period of Oral
Communications

Ms. Murphy called for speakers for the final open public comment period of oral communications at this time.

Citizen
Comment

Appearing to comment were Mike Nolan, commenting on the adjournment to Utah, and in opposition to subsidies extended to the School District; Esther Espinoza, making derogatory racial remarks; Eden Rosen, commenting on books available at a local store which caters to teenagers; and C.L. Stack, in opposition to renaming the Airport in memory of Bob Hope.

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 8:06 p.m. to Thursday, October 23, 2003 at 10:00 a.m. at the IPP Generating Station in Delta, Utah, and thereafter to 1:00 p.m. at the West Ridge Mine in Price, Utah.

Margarita Campos, City Clerk