



COUNCIL AGENDA - CITY OF BURBANK  
TUESDAY, AUGUST 31, 2004  
4:30 P.M.

**CITY COUNCIL CHAMBER – 275 EAST OLIVE AVENUE**

This agenda contains a summary of each item of business which the Council may discuss or act on at this meeting. The complete staff report and all other written documentation relating to each item on this agenda are on file in the office of the City Clerk and the reference desks at the three libraries and are available for public inspection and review. If you have any question about any matter on the agenda, please call the office of the City Clerk at (818) 238-5851. This facility is disabled accessible. Auxiliary aids and services are available for individuals with speech, vision or hearing impairments (48 hour notice is required). Please contact the ADA Coordinator at (818) 238-5021 voice or (818) 238-5035 TDD with questions or concerns.

CLOSED SESSION ORAL COMMUNICATIONS IN COUNCIL CHAMBER:

Comments by the public on Closed Session items only. These comments will be limited to **three** minutes.

For this segment, a **PINK** card must be completed and presented to the City Clerk.

CLOSED SESSION IN CITY HALL BASEMENT LUNCH ROOM/CONFERENCE ROOM:

- a. Conference with Legal Counsel – Existing Litigation:  
Pursuant to Govt. Code §54956.9(a)  
**Name of Case:** Solares v. City of Burbank.  
**Case No.:** BC304382  
**Brief description and nature of case:** Allegations of wrongful termination.
- b. 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 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.
- c. Public Employee Performance Evaluation:  
Pursuant to Govt. Code §54957 and 54957.6  
**Title of Employee's Position:** City Manager and City Attorney.
- d. Conference with Legal Counsel – Anticipated Litigation (City as potential defendant):  
Pursuant to Govt. Code §54956.9(b)(1)

**Number of potential case(s): 1**

When the Council reconvenes in open session, the Council may make any required disclosures regarding actions taken in Closed Session or adopt any appropriate resolutions concerning these matters.

**6:30 P.M.**

INVOCATION:

The Courts have concluded that sectarian prayer as part of City Council meetings is not permitted under the Constitution.

FLAG SALUTE:

ROLL CALL:

ANNOUNCEMENT:            WEDNESDAY NIGHT PRIME TIME PROGRAMS.

ANNOUNCEMENT:            DARK MEETING ON SEPTEMBER 7, 2004.

ANNOUNCEMENT:            PATRIOT DAY REMEMBRANCE.

ANNOUNCEMENT:            HOUSEHOLD HAZARDOUS WASTE ROUND UP.

RECOGNITION:                YOUTH EMPLOYMENT PROGRAMS SPONSOR.

COUNCIL COMMENTS: (Including reporting on Council Committee Assignments)

INTRODUCTION OF ADDITIONAL AGENDA ITEMS:

At this time additional items to be considered at this meeting may be introduced. As a general rule, the Council may not take action on any item which does not appear on this agenda. However, the Council may act if an emergency situation exists or if the Council finds that a need to take action arose subsequent to the posting of the agenda. Govt. Code §54954.2(b).

AIRPORT AUTHORITY MEETING REPORT:

1. AIRPORT AUTHORITY COMMISSIONER REPORT:

At the request of the Burbank representatives to the Airport Authority, an oral report will be made to the City Council following each meeting of the Authority.

The main focus of this report will be issues which were on the Airport Authority meeting agenda of August 30, 2004. Other Airport related issues may also be discussed during this presentation.

Recommendation:

Receive report.

6:30 P.M. PUBLIC HEARING:

2. ZONE MAP AMENDMENT FOR ROSEMARY LANE, FAIRVIEW STREET AND NIAGARA STREET, AND RELATED ZONE TEXT AMENDMENT (PROJECT NO. 2004-68):

On April 20, 2004, the Council directed staff to initiate a zone map amendment to change the zoning of Rosemary Lane, Fairview Street and Niagara Street between Verdugo Avenue and Clark Avenue from the R-3 Residential Multiple Low Density Zone (with an allowed density of one dwelling unit per 1,500 square feet of lot area) to the R-2 Residential Two Family (duplex) Zone (with an allowed density of one dwelling unit per 3,000 square feet of lot area). This direction followed the Council's consideration of a multi-family project proposed on a vacant lot at 637 North Fairview Street. The goal of the zone change would be to limit density and control future development so as to preserve the neighborhood character and help to ensure that future development is compatible with surrounding properties.

The most significant effect of the change from R-3 to R-2 would be lowering the permitted density on the properties by one half. The only other difference between the R-3 and R-2 zones is the amount of off-street parking required; all other development standards are identical between the two zones and the multi-family design standards apply to both zones. All of the affected properties are currently built at a lower density than what the existing R-3 zoning would allow. However, if the properties were rezoned to R-2, the majority of affected lots would then be developed to their maximum permitted density, and no additional units could be added. Three vacant lots on Fairview Street could be developed with two units each, consistent with other lots on the block.

On Rosemary Lane, 18 properties are built at a density higher than that allowed by R-2, with each lot having one more unit than would be permitted. These properties would then become legal non-conforming with respect to the number of units on the properties. Staff is therefore recommending a Zone Text Amendment to address this issue. The Burbank Municipal Code currently allows legal non-conforming single-family homes to be rebuilt to their prior configuration (including size, height, lot coverage, floor area ratio and parking) following accidental destruction with approval of an Administrative Use Permit (AUP). The proposed amendment would expand this allowance to include multi-family structures. This would allow non-conforming structures resulting from the proposed zone change to be rebuilt in the event they are destroyed. The proposed amendment would also add a provision to the Code that would provide for structures to not be considered non-conforming solely on the basis of having too many units. This would allow property owners to improve and expand the existing units and enjoy other advantages of having the units considered as conforming rather than legal non-conforming.

While staff believes that decreasing the permitted density as proposed would be the most effective option to preserve the existing neighborhood character, it would not be a guarantee that the neighborhood character would remain unchanged. The R-2 zoning would still allow for new two-story structures to be built and for second stories to be added to existing structures. However, it would cap the density at its current level and provide a disincentive for the recycling of properties to larger structures that might be incompatible with the neighborhood. Lower density projects with fewer units could be more easily designed to be compatible with existing development patterns.

The Planning Board considered this item at a public hearing on July 12, 2004. Some Board members expressed concern regarding staff's recommended option as it would create non-conforming properties on Rosemary Lane and would affect property owners' ability to construct additional units or in some cases replace existing units. The Board ultimately voted to recommend an alternative option of downzoning Fairview and Niagara Streets to R-2 and rezoning Rosemary Lane to a new zone with a density of one unit per 2,500 square feet of lot area. This option would not create any non-conforming properties with regard to number of units and would allow for two properties on Rosemary Lane to construct one additional unit each. The Board also voted to recommend that non-conforming multi-family structures be allowed to rebuild to their pre-existing configuration with an AUP when destroyed by any means, including voluntary demolition. Staff does not recommend creating a new zoning density or allowing voluntarily destroyed non-conforming structures to be rebuilt with an AUP.

Some Board members also pointed out that the proposed downzoning would not guarantee that the current neighborhood character would remain intact and believed that the only way to truly guarantee preservation of neighborhood character would be to completely change the zoning including creating new development standards that reflect the desired character of the neighborhood. The ongoing study of multi-family densities and development standards will identify neighborhoods throughout the City that possess a particular character (including this neighborhood) and make recommendations about creating possible unique standards to help preserve that character when appropriate.

Recommendation:

1. Adoption of proposed resolution entitled:  
A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK ADOPTING A NEGATIVE DECLARATION (Zone Map Amendment and Zone Text Amendment – Rosemary Lane, Fairview Street, and Niagara Street between Verdugo Avenue and Clark Avenue).
2. Introduction of proposed ordinance entitled:  
AN ORDINANCE OF THE COUNCIL OF THE CITY OF BURBANK APPROVING A ZONE MAP AMENDMENT AND A ZONE TEXT AMENDMENT, PROJECT NO. 2004-68 (Rosemary Lane, Fairview Street, and Niagara Street between Verdugo Avenue and Clark Avenue).

REPORTING ON CLOSED SESSION:

**INITIAL OPEN PUBLIC COMMENT PERIOD OF ORAL COMMUNICATIONS:** (Two minutes on any matter concerning City Business.)

There are four segments of Oral Communications during the Council Meeting. The first precedes the Closed Session items, the second and third segments precede the main part of the City Council's business (but follow announcements and public hearings), and the fourth is at the end of the meeting following all other City business.

**Closed Session Oral Communications.** During this period of oral communications, the public may comment only on items listed on the Closed Session Agenda(s). A **PINK** card must be completed and presented to the City Clerk. Comments will be limited to **three** minutes.

**Initial Open Public Comment Period of Oral Communications.** During this period of Oral Communications, the public may comment on any matter concerning City Business. A **BLUE** card must be completed and presented to the City Clerk. NOTE: Any person speaking during this segment may not speak during the third period of Oral Communications. Comments will be limited to **two** minutes.

**Agenda Item Oral Communications.** This segment of Oral Communications immediately follows the first period, but is limited to comments on agenda items for this meeting. For this segment, a **YELLOW** card must be completed and presented to the City Clerk. Comments will be limited to **four** minutes.

**Final Open Public Comment Period of Oral Communications.** This segment of oral communications follows the conclusion of agenda items at the end of the meeting. The public may comment at this time on any matter concerning City Business. NOTE: Any member of the public speaking at the Initial Open Public Comment Period of Oral Communications may not speak during this segment. For this segment, a **GREEN** card must be completed and presented to the City Clerk. Comments will be limited to **two** minutes.

**City Business.** City business is defined as any matter that is under the jurisdiction of the City Council. Although other topics may be of interest to some people, if those topics are not under City Council jurisdiction, they are not City business and may not be discussed during Oral Communications.

**Videotapes/Audiotapes.** Videotapes or audiotapes may be presented by any member of the public at any period of Oral Communications or at any public hearing. Such tapes may not exceed the time limit of the applicable Oral Communications period or any public comment period during a public hearing. The playing time for the tape shall be counted as part of the allowed speaking time of that member of the public during that period.

Videotapes must be delivered to the Public Information Office by no later than 10:00 a.m. on the morning of the Council meeting in a format compatible with the City's video equipment. Neither videotapes nor audiotapes will be reviewed for content or edited by the City prior to the meeting, but it is suggested that the tapes not include material that is slanderous, pornographic, demeaning to any person or group of people, an invasion of privacy of any person, or inclusive of material covered by copyright.

Printed on the videocassette cover should be the name of the speaker, the period of oral communication the tape is to be played, and the total running time of the segment. The Public Information Office is not responsible for "cueing up" tapes, rewinding tapes, or fast forwarding tapes. To prevent errors, there should be ten seconds of blank tape at the beginning and end of the segment to be played. Additionally, the speaker should provide the first sentence on the tape as the "in cue" and the last sentence as the "out cue".

As with all Oral Communications, videotapes and audiotapes are limited to the subject matter jurisdiction of the City and may be declared out of order by the Mayor.

**Disruptive Conduct.** The Council requests that you observe the order and decorum of our Council Chamber by turning off or setting to vibrate all cellular telephones and pagers, and that you refrain from making personal, impertinent, or slanderous remarks. Boisterous and disruptive behavior while the Council is in session, and the display of signs in a manner which violates the rights of others or prevents others from watching or fully participating in the Council meeting, is a violation of our Municipal Code and any person who engages in such conduct can be ordered to leave the Council Chamber by the Mayor.

Once an individual is requested to leave the Council Chamber by the Mayor, that individual may not return to the Council Chamber for the remainder of the meeting. BMC §2-216(b).

Individuals standing in the Council Chamber will be required to take a seat. Also, no materials shall be placed in the aisles in order to keep the aisles open and passable. BMC §2-217(b).

Your participation in City Council meetings is welcome and your courtesy will be appreciated.

COUNCIL AND STAFF RESPONSE TO INITIAL OPEN PUBLIC COMMENT PERIOD OF ORAL COMMUNICATIONS:

**AGENDA ITEM ORAL COMMUNICATIONS:** (Four minutes on Agenda items only.)

COUNCIL AND STAFF RESPONSE TO AGENDA ITEM ORAL COMMUNICATIONS:

RECESS for the Redevelopment Agency meeting.

RECONVENE for the City Council meeting.

CONSENT CALENDAR: (Items 3 through 6)

The following items may be enacted by one motion. There will be no separate discussion on these items unless a Council Member so requests, in which event the item will be removed from the consent calendar and considered in its normal sequence on the agenda. A **roll call** vote is required for the consent calendar.

3. **PROPOSED PROJECT AREA MERGER APPROVAL FOR CIRCULATION AND PUBLIC REVIEW OF THE DRAFT PRELIMINARY REPORT, DRAFT AMENDMENTS AND DRAFT OWNER PARTICIPATION RULES:**

The purpose of this report is to request authorization to circulate the Draft Preliminary Report for the Burbank Merged and Amended Project Area, Draft Amended and Restated Golden State Redevelopment Plan (Amendment No. 5), Draft Text of the Amendment for South San Fernando Redevelopment Plan (Amendment No. 2) and City Centre Redevelopment Plan (Amendment No. 6), and Draft Agency Owner Participation and Business Reentry Preference Rules. In addition, staff is requesting City Council and Redevelopment Agency Board (Board) consent to set a joint public hearing on the proposed amendments to the Golden State, City Centre and South San Fernando Redevelopment Plans to financially merge the project areas.

The Redevelopment Agency (Agency) has taken steps to merge the Golden State, City Centre and South San Fernando Redevelopment Plans to alleviate financial constraints within the City Centre and South San Fernando Redevelopment Project Areas. Section 33485 – 33489 of the Community Redevelopment Law requires the Agency to process an amendment to each of the redevelopment plans (Amendments). The proposed Amendments to financially merge the three project areas, collectively to be known as the “Burbank Merged and Amended Project Area” will:

- Not alter the boundaries of the project areas;
- Not extend the Agency’s ability in the three project areas to establish additional project area debt;
- Not raise the cap on the amount of tax increment the Agency may receive; and,
- Not reestablish lapsed Agency eminent domain authority.

On February 24, 2004, the Board approved the Preliminary Plan that outlined the basic concept for redevelopment of the merged area. The Preliminary Plan described the boundaries of the merged area and contained a statement on land uses, layout of principal streets, and population and building intensities. The Preliminary Plan also explored how the purpose of redevelopment will be attained; how the proposed redevelopment conforms to the General Plan; and, briefly described the impact of the project areas on area residents and adjacent neighborhoods. Finally, the Plan stated that the land uses, building intensities and building standards contained in the Preliminary Plan are in conformance with the General Plan.

The Preliminary Plan was transmitted to the auditor, assessor, tax collector and all

affected taxing agencies for the proposed Burbank Merged and Amended Project Area. Subsequent to the transmittal of the Preliminary Plan, staff held two community meetings to inform the public of the proposed project area merger. The meetings were held in May and June 2004 and approximately 15 to 20 people attended each meeting. There were no concerns expressed with the proposed project area merger; however, staff spent several hours answering questions on the different projects and programs being undertaken by Housing and Redevelopment staff. The public was informed that there will be a joint public hearing by the City Council and Agency to consider the proposed project area merger before final action is taken.

The next step in the process is for the Board to approve for circulation the Draft Preliminary Report, the Draft Amendment Text to the Golden State, City Centre and South San Fernando Redevelopment Plan and the Draft Owner Participation Rules.

Prior to the City Council's consideration of the ordinance approving the Amendments, a public hearing must be held to hear all testimony for and against the proposed Amendments and related Negative Declaration. Redevelopment Law provides that when the City Council serves as the governing board of the Agency, both bodies may hold a joint public hearing to receive testimony on a redevelopment plan amendment. Further, Redevelopment Law stipulates that: the notice of the joint public hearing be published in a newspaper of general circulation not less than once a week for three successive weeks prior to the hearing; the notice be mailed to all affected taxing agencies via certified mail, return receipt requested; and, the notice be mailed to all affected property owners, businesses and residents at least 30 days prior to the hearing via first-class mail. It is proposed that the joint public hearing on the proposed Amendments and related Negative Declaration be scheduled for Tuesday, October 19, 2004, at 6:30 p.m.

Recommendation:

Adoption of proposed resolution entitled:

A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK CONSENTING TO A PUBLIC HEARING WITH THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK ON THE PROPOSED AMENDMENTS TO THE GOLDEN STATE, CITY CENTRE, AND SOUTH SAN FERNANDO REDEVELOPMENT PLANS TO FINANCIALLY MERGE THE PROJECT AREAS AND RELATED NEGATIVE DECLARATION.

4. RESCINDING TEMPORARY ANGLED PARKING AND PREFERENTIAL PARKING ON THIRD STREET AND HARVARD ROAD ADJACENT TO BURBANK HIGH SCHOOL; AND INSTALLING A CLASS II BIKEWAY ON A PORTION OF THIRD STREET:

Staff is requesting Council approval of a resolution rescinding temporary angled parking and preferential parking on portions of Third Street, rescinding preferential parking on Harvard Road adjacent to Burbank High School, and approving the installation of a Class II Bikeway on Third Street between McCambridge Park and Harvard Road.



In early 2001, the Burbank Unified School District requested that staff evaluate the possibility of angled parking and preferential parking on portions of Third Street and Harvard Road to help alleviate teacher and student parking issues while significant construction was taking place at Burbank High School. In February 2001, angled parking and preferential parking on both sides of Third Street between Burbank Boulevard and Delaware Road were established, as well as on the north side of Harvard Road between Third Street and Glenoaks Boulevard. In August 2001, the parking on Third Street was modified to remove the angled parking from the west side of Third Street for safety reasons. The angled parking increased the available parking spaces, and the preferential parking zone was established to allow exclusive use of the on-street parking by teachers. Angled on-street parking and a preferential parking zone are currently in place on the east side of Third Street and on the north side of Harvard Road adjacent to Burbank High School.

The new off-street parking facilities for Burbank High School are completed and available for the students and teachers. The angled parking on Third Street and the preferential parking on Third Street and Harvard Road are no longer needed.

A Class II (marked, on-street) bikeway is planned for Third Street between McCambridge Park and Verdugo Avenue in the Burbank Bikeways Master Plan, approved by the Council in December 2003. The Third Street bikeway will connect the park, high school and downtown area with other bikeways throughout Burbank. Elimination of the angled parking on Third Street will allow for the installation of the marked bikeway. The angled parking on Harvard Road will be retained to serve increased parking needs of the Burbank High School library and for on-street parking for Harvard Plaza. The Burbank High School Administration is in support of the removal of angled parking and the preferential parking zone on Third Street.

Recommendation:

Adoption of proposed resolution entitled:

A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK ELIMINATING ANGLED PARKING AND PREFERENTIAL PARKING NEAR BURBANK HIGH SCHOOL.

5. SENIOR CITIZEN NUTRITION AND SUPPORTIVE SERVICES GRANT PROPOSAL:

The purpose of this report is to obtain Council authorization to file a grant application with the Los Angeles County Department of Community and Senior Citizen Services. The grant application will allow the City to receive Federal grant monies for Nutrition and Supportive Services which is part of the Park, Recreation and Community Services Department, Senior and Human Services Division.

During Fiscal Year (FY) 2003-04, the City was granted funding approval from the Los Angeles County Department of Community Services 2004-07 allocation cycle. On July 7,

2004, the Los Angeles County Department of Community Services requested that all agencies receiving Title III Older American's Act funding for senior citizen nutrition and supportive services submit a grant proposal for the continuation of funding during FY 2004-05. The City has received this grant annually and the funding is an approved budgeted item.

The Supplemental Nutrition Services Program is responsible for the congregate and home delivered meals programs. Approximately 104,000 meals are prepared in the central kitchen located at McCambridge Park. The meals are distributed to the Joslyn Adult Center, Tuttle Center, home delivered recipients and are also served at the McCambridge nutrition site. In addition, the program is responsible for providing some recreation programs and activities offered in conjunction with the congregate meal program.

The Supportive Services Program provides the critical services of collecting and disseminating information about senior adult services and directs callers to an agency or organization that can extend the assistance necessary to resolve the individual's problem or need. In some cases, staff works directly with supportive service agencies to ensure that needy clients receive proper attention. During FY 2004-05, Los Angeles County will fund the City's contractor to provide in-home and personal care for the frail and elderly population.

If the City's application is accepted at the amount submitted, the City will receive \$276,359 in Older Americans Act funding for the congregate and home delivered meal program. Home delivered meals are provided five days a week, with some clients receiving individual frozen meals to meet their weekend needs. This program will also receive additional United States Department of Agriculture funding based upon the number of meals served. This additional allocation of funds is not part of this grant proposal. The City will also receive \$906 for supportive services programs if the application is accepted at its requested level for funding the telephone reassurance program.

In accordance with the County and Federal proposal guidelines, the City of Burbank's proposal has been prepared to include the following:

Title III-B	Supportive Services	\$ 906
Title III-C1	Congregate Meals	138,165
Title III-C2	Home Delivered Meals	138,194
	TOTAL	<u>\$277,265</u>

Recommendation:

Adoption of proposed resolution entitled:

A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AUTHORIZING THE EXECUTION AND FILING OF A PROPOSAL FOR A FURTHER GRANT UNDER TITLE III OF THE OLDER AMERICANS ACT OF 1965, AS AMENDED, FOR SUPPLEMENTAL NUTRITION PROGRAMS AND SUPPORTIVE SERVICES.

6. APPLICATION FOR FISCAL YEAR 2003-04 TRANSPORTATION DEVELOPMENT ACT BICYCLE AND PEDESTRIAN FACILITY FUNDS:

Staff requests Council authorization to apply for State funding under Article 3 of the Transportation Development Act (TDA), Senate Bill 821 for the project amount of \$50,044 from Fiscal Year 2003-04. Staff proposes to use the funds to support the local matches for two different projects (totaling \$37,700) and to use the remainder of the funding for various pedestrian and bicycle route improvements. This would include installation of bicycle loop detectors and striping to upgrade some of the pedestrian and bicycle routes.

The TDA funds are administered by the Los Angeles County Metropolitan Transportation Authority (MTA). Article 3 funds are not automatically distributed to the local jurisdictions. To receive funds each fiscal year, a jurisdiction must file a TDA Article 3 Bicycle and Pedestrian Funds Claim Form which identifies the project to be funded. There are no matching funds or future funding commitments by the City associated with filing for these funds.

Recommendation:

Adoption of proposed resolution entitled:

A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AUTHORIZING THE COMMUNITY DEVELOPMENT DEPARTMENT TO APPLY TO DRAW DOWN TRANSPORTATION DEVELOPMENT ACT (TDA) BICYCLE AND PEDESTRIAN FACILITY FUNDS IN THE AMOUNT OF \$50,044 FOR FISCAL YEAR 2003-2004.

END OF CONSENT CALENDAR            \*\*\*            \*\*\*            \*\*\*

REPORTS TO COUNCIL:

7. FEE UPDATE AND AGREEMENT FOR ELECTRONIC CHECKS:

The City began using Official Payments Corporation (OPC) to act as the City's third party administrator for the acceptance of credit card payments on April 1, 2004. The agreement was that customers would pay \$4.95 for each \$100 payment increment for Master Card or American Express over the internet or telephone municipal service bill payments.

The Council expressed concern about the fee and customers expressed dissatisfaction because Visa was not being accepted under the agreement. Based on this input, staff contacted OPC to negotiate a new agreement and OPC agreed to a reduced fee of \$4.95 for each \$300 payment increment. Therefore, the fee for a \$300 payment would be \$4.95 instead of \$15.95.

Recommendation:

Adoption of proposed resolution entitled:

A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK APPROVING AND AUTHORIZING EXECUTION OF AN ELECTRONIC CHECK PAYMENT PROCESSING AGREEMENT BETWEEN THE CITY OF BURBANK AND OFFICIAL PAYMENTS CORPORATION.

8. APPROVAL OF FISCAL YEAR 2004-05 MEMORANDUM OF UNDERSTANDING WITH THE BURBANK CITY EMPLOYEES ASSOCIATION AND COMPENSATION PACKAGES FOR THE UNREPRESENTED MANAGERS AND EXECUTIVES, INCLUDING THE APPOINTED OFFICIALS:

Staff is requesting Council consideration of the compensation packages for the Burbank City Employee's Association (BCEA), as well as the Unrepresented Managers and the Executives, including the Appointed Officials. Staff has adhered to the City's compensation policy, including the condition of the economy as reflected by the Consumer Price Index (CPI); capacity in the City's approved budget; commitment to pay for performance; and, equity in the marketplace.

Highlights of the BCEA Memorandum of Understanding

Staff has been negotiating for several months with the BCEA. Due to the on-going budget constraints, these negotiations have been very challenging. Both the City and the Union have been willing to make concessions in order to reach a reasonable consensus.

The BCEA has accepted the City's offer of a 2.40 percent salary increase for BCEA positions. In addition to this CPI adjustment, the group agreed to a reduction in the out-of-pocket medical pool from \$130 to \$75 dollars per month for qualified employees. The total percent increase for the BCEA package is 2.52 percent. However, the out-of-pocket medical premium contribution will end on September 30, 2004. Thus, the recurring cost of the Fiscal Year (FY) 2004-05 package is 2.40 percent.

Unrepresented and Executive Compensation

In FY 2003-04, a 12-city survey was completed for both Unrepresented Managers and Executives. Due to budgetary considerations, these employees were brought to approximately 40 percent of the total average market survey. As such, a marketplace survey for FY 2004-05 was not conducted, as the City continues to work on bringing salaries closer to the FY 2003-04 survey. In FY 2004-05, a 2.50 percent General Fund impact would bring these groups to approximately 98 percent of the FY 2003-04 survey. These survey adjustments would only be in the ranges and any employee adjustments

would be based on performance and require a performance evaluation. In addition to these adjustments, the Professional Development funds of the Unrepresented Managers and Executives would be incorporated into the respective cafeteria plans. This conversion would have no negative fiscal impact, but would result in the elimination of Professional Development and reduce costs associated with the administration of this program. It is further proposed that the assignment pay for a Police Captain performing the duties of the Deputy Police Chief be increased from \$400 to \$500 a month. In addition to the economic portion of these packages, there are some proposed changes to language (i.e. eliminating the carryover of seniority upon promotion and setting subsequent salary adjustments after promotion at one year, eliminating the Volunteer Employees Beneficiary Association for all Unrepresented Managers and Executives except for the Police Captains and Police Chief. The total General Fund impact for these compensation packages is 2.50 percent.

The adoption of the proposed resolution will conclude negotiations for FY 2004-05 with the BCEA and provide reasonable compensation packages for both the Unrepresented Managers and Executives.

Recommendation:

Adoption of proposed resolutions entitled:

(4/5 vote required)

1. A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF BURBANK AND THE BURBANK CITY EMPLOYEES ASSOCIATION AND AMENDING THE ANNUAL BUDGET FOR FISCAL YEAR 2004-05.

(4/5 vote required)

2. A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AMENDING RESOLUTION NO. 22,795 RELATING TO THE COMPENSATION PLAN FOR UNREPRESENTED MID-MANAGEMENT EMPLOYEES, RESOLUTION NO. 26,582 RELATING TO DIFFERENTIAL PAY FOR POLICE CAPTAINS, AND AMENDING THE FISCAL YEAR 2004-05 BUDGET.

(4/5 vote required)

3. A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AMENDING RESOLUTION NO. 21,732 RELATING TO THE EXECUTIVE COMPENSATION PLAN FOR DEPARTMENT MANAGERS AND APPOINTED OFFICERS AND AMENDING THE FISCAL YEAR 2004-05 BUDGET.

9. CONSIDERATION OF SALARIES FOR ELECTED OFFICIALS AND CITY COUNCIL:

The elected positions of City Clerk and City Treasurer are both an integral part of the Executive Team. Since the Executives' compensation package is being considered for an increase, the compensation package for the City Clerk and City Treasurer is also

being brought to the Council for consideration. A similar methodology used for the Executive compensation package would amount to a 5.12 percent increase for each of these positions. Depending on which Fiscal Year (FY) 2003-04 survey methodology is used, these positions are still between 5.11 percent and 17.35 percent under survey. In addition to the above salary issue, it is proposed that like the Executives, the annual Professional Development funds (\$900) for the City Clerk and City Treasurer be converted to cafeteria dollars (\$75/month) in order to help offset rising medical premiums over the past several years. This conversion would not impact the General Fund, but would reduce costs associated with the administration of this program. As Elected Officials, the compensation for the City Clerk and City Treasurer can only be discussed and determined in public session.

Similar to the City Clerk and the City Treasurer, the City Council compensation can only be discussed and determined in public session. The issue of City Council compensation was last brought before the Council in February 2004. At that time, the survey showed that the Council positions were 15.21 percent below survey average. Subsequently, the Council compensation was increased by 2.50 percent. As such, comparing the current compensation of \$ 975 per month to the FY 2003-04 survey reveals that the Council compensation is still 12.47 percent below survey. However, it should be noted that pursuant to California Government Code § 36516 (c), the Council compensation can only be increased up to a maximum of five percent from the previous year. A five percent increase would raise the City Council salary from \$975 to \$1,024 per month.

A 2.50 percent increase for the City Clerk, City Treasurer and City Council Members (which would be consistent with the Burbank City Employee's Association as well as the Unrepresented Managers and Executives) in FY 2004-05 would have a total annual impact on the General Fund of \$6,766. Although these increases were anticipated in the FY 2004-05 Budget, they were not officially appropriated. As such, the current budget will need to be amended to appropriate the necessary funds from the Unappropriated Fund balance to cover these costs.

Recommendation:

Staff recommends that the Council discuss the matter, and if desired, adopt a resolution and an ordinance for compensation package adjustments to be effective July 1, 2004 for the City Clerk, City Treasurer and City Council, respectively.

1. Adoption of proposed resolution entitled:  
(4/5 vote required)  
A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AMENDING RESOLUTION NO. 21,732 RELATING TO THE EXECUTIVE COMPENSATION PLAN FOR CITY CLERK AND CITY TREASURER AND AMENDING THE FISCAL YEAR 2004-05 BUDGET.

2. Introduction of proposed ordinance entitled:  
AN ORDINANCE OF THE COUNCIL OF THE CITY OF BURBANK AMENDING  
SECTION 2-202 OF THE BURBANK MUNICIPAL CODE RELATING TO  
COMPENSATION OF COUNCIL MEMBERS.

10. WORK PROGRAM AND PERFORMANCE INDICATOR PRESENTATIONS –  
BURBANK WATER AND POWER, COMMUNITY DEVELOPMENT DEPARTMENT  
AND FIRE DEPARTMENT:

The purpose of this report is to provide the Council with the proposed Fiscal Year (FY) 2004-05 Annual Work Program and Departmental Performance Indicators. The Annual Work Program is used as a management tool to identify, prioritize and monitor the City's projects and activities. The proposed FY 2004-05 Annual Work Program contains over 350 work items that have been identified by each department and suggested by the Council during the past year and the annual Budget Study Sessions.

The FY 2004-05 Departmental Performance Indicators are used by the City to assess how efficiently and effectively programs and activities are provided and determine whether organizational goals are being met. Each Department Manager will present their proposed FY 2004-05 Annual Work Program and Performance Indicators for the Council's review.

Recommendation:

Review and provide direction as desired.

11. BURBANK WATER AND POWER MONTHLY OPERATION REPORT:

Staff has prepared the Burbank Water and Power Water and Electric Monthly Report regarding water quality and power issues for July 2004.

**WATER UPDATE**

**Water Quality**

Water quality during May met or exceeded State and Federal drinking water standards.

Fiscal Year (FY) 2004-05 Year-To-Date preliminary Water Fund Financial Results as of July 31, 2004:

	Year - to - Date			
	Actual	Budget	Variance	% Variance
Potable water sales (CCF)	986,644	955,837	30,806	3%
Reclaimed water sales (CCF)*	32,996	34,131	(1,135)	(3%)
Potable Revenues	1,733	1,682	51	3%
Reclaimed and Power Plant Revenues	43	48	(5)	(11%)
<b>Total Operating Revenues</b>	<b>1,776</b>	<b>1,730</b>	<b>46</b>	<b>3%</b>
WCAC	783	780	(3)	(0%)
<b>Gross Margin</b>	<b>994</b>	<b>950</b>	<b>43</b>	<b>5%</b>
Operating Expenses **	685	685	0	0%
<b>Operating Income</b>	<b>309</b>	<b>266</b>	<b>43</b>	<b>16%</b>
Other Income/(Expenses) **	28	28	0	0%
<b>NI before Contr. &amp; Transfers</b>	<b>337</b>	<b>294</b>	<b>43</b>	<b>15%</b>
Transfers (In Lieu) **	(84)	(84)	0	0%
Contributed Capital (A.I.C) **	55	55	0	0%
<b>Change in Net Assets (Net Income)</b>	<b>308</b>	<b>265</b>	<b>43</b>	<b>16%</b>

( ) = Unfavorable

\* Excluding Power Plant sales.

\*\* Source: Budget 2004-05.

FY 2004-05 preliminary Water Fund Financial Reserve balances as of July 31, 2004 are summarized in the following table:



Water (In thousands)	Balance		Recommended Reserves
	6/30/2004	7/31/2004	
<b>Unrestricted Cash</b>			
General Operating Reserve	\$4,644	\$4,826	\$4,430
Capital Reserve	\$2,807	\$2,807	\$3,580
<b>Sub-Total Unrestricted Cash</b>	<b>\$7,451</b>	<b>\$7,633</b>	<b>\$8,010</b>
<b>Restricted Cash</b>			
Water Replenishment Reserve	\$650	\$650	
WCAC	\$1,323	\$1,323	
Distribution Main Reserve	\$1,100	\$1,100	
Debt Service Fund	\$176	\$268	
Parity Reserve Fund	\$794	\$794	
<b>Sub-Total Restricted Cash</b>	<b>\$4,043</b>	<b>\$4,135</b>	<b>\$0</b>
<b>Total Cash</b>	<b>\$11,494</b>	<b>\$11,768</b>	<b>\$8,010</b>

## ELECTRIC UPDATE

### Electric Reliability

The following table shows the systemwide reliability statistics for FY 2004-05 as compared to FY 2003-04:

Reliability Measure	Fiscal Year 2003-04	Fiscal Year 2004-05
Average Outages Per Year	0.4206	0.0012
Average Outage Duration	50.89 minutes	128.40 minutes
Average Service Availability	99.9959%	99.9996%

## Financial and Operations Update

Fiscal Year 2004-05 Year-To-Date preliminary Power Financial Results as of July 31, 2004:

	Year - to - Date			
	Actual	Budget	Variance	% Variance
NEL MWh	110,371	111,490	(1,119)	(1%)
Weather Normalized NEL MWh	112,860	111,490	1,370	1%
Sales MWh *	98,182	107,337	(9,155)	(9%)
Retail Revenues	13,253	13,586	(333)	(2%)
Other Revenues	172	172	0	0%
Retail Power Supply & Transmission	7,187	7,736	549	7%
<b>Retail Gross Margin</b>	<b>6,238</b>	<b>6,022</b>	<b>216</b>	<b>4%</b>
Wholesale Revenues	12,949	4,167	8,782	211%
Wholesale Power Supply	12,289	3,875	(8,414)	(217%)
<b>Wholesale Gross Margin</b>	<b>660</b>	<b>292</b>	<b>368</b>	<b>126%</b>
<b>Gross Margin</b>	<b>6,898</b>	<b>6,314</b>	<b>584</b>	<b>9%</b>
Operating Expenses **	2,815	2,815	0	0%
<b>Operating Income</b>	<b>4,084</b>	<b>3,499</b>	<b>584</b>	<b>17%</b>
Other Income/ (Expense) **	(175)	(175)	0	0%
<b>NI before Contr. &amp; Transfers</b>	<b>3,909</b>	<b>3,325</b>	<b>584</b>	<b>18%</b>
Transfers In/(Out) - (In lieu) **	(849)	(849)	0	0%
<b>NI before Contributions</b>	<b>3,060</b>	<b>2,476</b>	<b>584</b>	<b>24%</b>
Contributed Capital (A.I.C) **	230	230	0	0%
<b>Change in Net Assets (Net Income)</b>	<b>3,289</b>	<b>2,705</b>	<b>584</b>	<b>22%</b>

( ) = Unfavorable

\* Actual MWh sales differ from budget MWh due to timing of customer billing.

\*\* Source: Budget 2004-05.

FY 2004-05 preliminary Power Fund Financial Reserve as of July 31, 2004 is summarized in the following table:

Electric (In thousands)	Balance		Recommended Reserves
	6/30/2004	7/31/2004	
<b>Unrestricted Cash</b>			
General Operating Reserve	\$31,983	\$35,150	\$41,000
Capital and Debt Reduction Fund	\$7,473	\$7,473	\$15,100
Fleet Replacement Reserve	\$300	\$300	\$4,500
General Plant Reserve	\$200	\$200	\$1,170
Bond Cash	\$6,583	\$6,583	
<b>Sub-Total Unrestricted Cash</b>	<b>\$46,539</b>	<b>\$49,705</b>	<b>\$61,770</b>
Debt Service Fund & Other Restricted Cash	\$939	\$1,981	
Parity Reserve Fund	\$10,889	\$10,888	
<b>Sub-Total Restricted Cash</b>	<b>\$11,828</b>	<b>\$12,869</b>	<b>\$0</b>
<b>Total Cash</b>	<b>\$58,367</b>	<b>\$62,574</b>	<b>\$61,770</b>

Recommendation:

Note and file.

RECONVENE the Redevelopment Agency meeting for public comment.

**FINAL OPEN PUBLIC COMMENT PERIOD OF ORAL COMMUNICATIONS:** (Two minutes on any matter concerning the business of the City.)

This is the time for the Final Open Public Comment Period of Oral Communications. Each speaker will be allowed a maximum of **TWO** minutes and may speak on any matter concerning the business of the City. However, any speaker that spoke during the Initial Open Public Comment Period of Oral Communications may not speak during the Final Open Public Comment Period of Oral Communications.

For this segment, a **GREEN** card must be completed, indicating the matter to be discussed, and presented to the City Clerk.

COUNCIL AND STAFF RESPONSE TO THE FINAL OPEN PUBLIC COMMENT PERIOD  
OF ORAL COMMUNICATIONS:

ADJOURNMENT.

**For a copy of the agenda and related staff reports,  
please visit the  
City of Burbank's Web Site:  
[www.ci.burbank.ca.us](http://www.ci.burbank.ca.us)**