

CITY COUNCIL/ REDEVELOPMENT AGENCY
MINUTES OF AN ADJOURNED REGULAR MEETING

WESTMINSTER, CALIFORNIA
October 21, 2003

The City Council/Redevelopment Agency Board of the City of Westminster, California convened on October 21, 2003 at 6:00 p.m. in an Adjourned Regular Meeting in the Council Chambers, 8200 Westminster Blvd, Westminster, California.

6:00 P.M.

OPENING

CALL TO ORDER: Mayor/Chair Rice called the meeting to order at 6:05 p.m.

SALUTE TO THE FLAG: Mayor Pro Tem/Agency Chair Paris

ROLL CALL: Rice, Paris, Fry (arrived at 6:10 p.m.), Marsh, Quach

ORAL COMMUNICATIONS

Darrell Nolta, resident of Westminster, reported that the City of Irvine voted to transfer authority to the Orange County Fire Authority (OCFA) Board of Directors to select the ambulance provider on behalf of the City, noting that there is a trend that OCFA wants to consolidate ambulance services in the County. Mr. Nolta said that money collected for Advanced Life Support (ALS) services is fed back to OCFA, and he is opposed to it. It is morally wrong to make profit from human suffering.

Phil Hodgetts, resident of Westminster, reported that he was unsuccessful in finding other sources of funding for the Community Cultural Center. He spoke regarding the opening of the Audubon Green Nature Center in Los Angeles on November 6, 2003 and invited Council Members to ride with him if they would like to attend.

Vivian Kirkpatrick-Pilger, resident of Westminster, said she had been hearing about \$90 million unfunded liability for employee retirements and hadn't heard about how it is being solved. City Manager Vestal responded that he has never heard of this amount and that there is no unfunded retirement liability.

1. 2003-2004 Budget Adjustments

The City Manager/Executive Director provided a brief background and update since the June budget was adopted and an overview of proposed reductions in the 2003/04 budget.

In response to Mayor/Chair Rice, the City Manager/Executive Director said there is no proposal for lay-offs, in that the proposed frozen positions are or will be vacant positions.

Mayor/Chair Rice reported that Judy Elmore from Elmore Toyota would be donating \$10,000 for the Civic Center Christmas Tree.

City Manager/Executive Director Vestal recommended that staff come back immediately after any State action is taken on VLF (unless there is a backfill provision), or on any other revenue reductions either at mid-year or sooner, if necessary.

Mayor/Chair Rice requested that in addition to the departmental reductions, City cars should be eliminated. She stated that the Council/Agency Board should only travel when it benefits the City and generates more revenue. The City Manager/Executive Director said a report would be brought back on their budget, providing actuals from last year, and year to date.

2. Report on financing options for the Community Cultural Center and Police Facility

Chuck Smith, Ad Hoc Financing Committee Chair, gave a PowerPoint presentation on financing options for the Community Cultural Center and Police Facility on behalf of Ad Hoc Committee Members Timothy O'Reilly, Philip Anthony, B. J. Savage, and Philip Hodgetts.

Discussion ensued relative to the various options presented. Council Member Marsh expressed concern with the \$5 million dollar spread in costs for the police station. He would like to have more concrete numbers. He is fiercely opposed to borrowing money for future projects, and believes financing for the Community Cultural Center needs to be done in three years. It was noted that three years was the commitment that was made when the Infrastructure Revitalization Plan (IRP) was adopted in 2000 for streets and infrastructure. He pointed out that the three-year financing can be done without shortchanging the streets, since the IRP brought in far more money in the first three years than was ever expected.

Mayor Rice stated that over \$1 million a year has gone into street improvements. She said she would like Council to pledge to go forward with the police facility because it is a definite need. Council Member Marsh agreed with her but said it is not critical to finance this year, to which Mayor Rice concurred. Council Member Marsh said he disagrees with the assumption in the report that the Community Cultural Center will generate enough income to support its operating costs. He said a more accurate statement would be that the borrowing done for purposes of construction of the Community Center would not be borrowing funds for purposes of covering operating costs. He supports staff being directed to look at the three-year option based on the IRP, feeling confident that it leaves enough cushion to continue street work.

City Manager Vestal noted that Council has authorized staff to issue a Request for Proposals for a firm to do a study on the police facility and should have results after the first of the year.

Council Member Quach suggested that Council Member Marsh's suggested Option No. 4 for separate financing (3-Yr. Tax Allocation Bond (TAB)) for Community Center; be considered as well as Option No. 1 - 30-Yr. Certificates of Participation (COP); obligation of General Fund and requested that these two options should go back to the committee for a further report.

Mayor Pro Tem Paris concurred with Council Member Marsh on the 3-Year financing.

Council Member Marsh feels the committee should meet again to look at financing options for the police facility after the Request for Proposals process is completed. Although he would rather move immediately for three-year IRP monies, he concurred with looking at the Certificates of Participation (COP) option, both within the 3-year

timeframe. It was the consensus of the Council to go with the 3-year financing. Council Member Fry added that the City should take advantage of the current low interest rates.

Finance Director Peasley suggested staff prepare the information on the TAB's and COP's options with focus on 3-year financing. Once the information has been gathered, she will have the committee meet again.

City Manager Vestal pointed out that the Five Year Plan for street and water system improvements anticipates the IRP revenue flow. If 3-year financing is done, it will shrink some of the projects and push them out to a future time, unless the monies come in higher.

3. Council Travel Policy

Mayor Rice asked that this matter be on the next agenda with a breakdown on all items covered in their budget, so they can see where they can do their share to save money. Council Member Marsh commended Mayor Rice for her responsible action. City Manager Vestal indicated that the information would be provided at the November 5, 2003 meeting.

Mayor Rice requested a list of all City automobiles driven to and from work and how much it costs to maintain them.

4. Bolsa Corridor Median Project Progress and Undergrounding Electrical Utilities

Director of Public Works Fowler gave an overview of the project. Three issues have arisen, two that affect the construction schedule. The TET Parade Association has requested that construction not begin until after the TET celebration is complete. The parade is scheduled for January 24, 2004. He said construction could begin in February 2004. This might delay the construction start by one month. In addition, because \$720,000 in Federal funds under the Hazard Elimination System (HES) program was awarded to the Magnolia to Bushard segment of the medians, Caltrans approval is now required prior to project advertisement. All required documents to get the "authorization to advertise" from Caltrans have been submitted to their local office awaiting approval, but it is uncertain when they will be returned. For these reasons, and the fact that the Federal 2004 Transportation Appropriation has been delayed past the September 30, 2003 date, staff recommends the TET parade Associations' request be accepted.

It was the consensus of the Council that construction will begin after the TET parade.

Mr. Fowler continued that the third issue is the under grounding of the overhead power and communications lines along Bolsa Avenue. Southern California Edison (SCE) administers a funded program to underground power and communication lines. This is the Rule 20A Fund, used exclusively for relocating overhead power lines underground. With this funding source, the overhead distribution lines along Bolsa between Purdy and Ward Streets could be relocated underground using these Rule 20A funds. Staff believes that use of these funds along Bolsa will provide the most positive impact to an arterial street in Westminster at this time. Further, there are some positive cost benefits overall to both this project and the current Bolsa Corridor median lighting installation project. By

coordinating them simultaneously (i.e., a single trench for underground wiring for both the pedestrian lights and the electrical distribution lines), only one trench need be excavated, rather than two. Staff is recommending the Council favorably endorse staff's proposal to proceed with preparing a full Rule 20A undergrounding district proposal for Council review and adjusting the Bolsa Corridor Median design now to accommodate this potential future project.

Undergrounding the power distribution lines could be scheduled for late 2005. Rule 20A funds have recently become available again since SCE has financially recovered this year. SCE has verified that fund balance would be available to cover the estimated cost of the project at \$3.8 million.

Jerry Dominguez, Southern California Edison, said the City would need to adopt a resolution establishing an underground district. The project from start to finish should take between eight and ten months.

5. Banner Hanging Fee

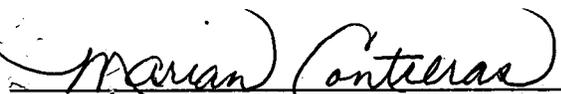
Mayor Rice said this came about because she had asked if the City charged the School District for a banner hanging across the Boulevard. Community Services Manager Dobbert said the District was charged and explained the banners were part of a grant the School District had to encourage early education. In response to Mayor Rice, Ms. Dobbert explained that for city sponsored programs, there is no fee charged to the department, but it does cost to hang banners. She noted that Junior All American Football and Westgrove Pony League pay for the banner hanging fee. Mayor Rice said that she is comfortable with the suggested fee, as long as a profit is not being made on it.

6. MATTERS FROM CITY COUNCIL/AGENCY MEMBERS

Council/Agency Member Paris spoke regarding park signs that say Gray Davis Governor. Community Services Manager Dobbert explained that when the resolution was adopted to receive Park Bond Act funds, the requirement was that the sign be posted for 2 years.

Mayor Rice said she will be sending letters, on behalf on Council, to Ad Hoc Financing Committee members thanking them for serving, and a commendation to Finance Director Sheri Peasley for her Personnel file. Council Member Fry would like for them to be recognized at a Council meeting with a special commendation or souvenir.

COUNCIL/AGENCY ADJOURNMENT: At 7:45 p.m. to Wednesday, October 22, 2003 at 7:00 p.m. in the Council Chambers, 8200 Westminister Boulevard, Westminister.


Marian Contreras, City Clerk/Agency Secretary