

MINUTES

GARDEN GROVE CITY COUNCIL

A Regular Meeting of the City Council of the City of Garden Grove was called to order in the Council Chamber of the Community Meeting Center, 11300 Stanford Avenue, on Tuesday, April 13, 2004, at 6:57 p.m.

ROLL CALL: PRESENT: (5) MAYOR BROADWATER, COUNCILMEMBERS
DALTON, LEYES, ROSEN, TRAN

ABSENT: (0) NONE

ALSO PRESENT: City Manager, Matthew Fertal; Deputy City Manager, Les Jones; Administrative Services Director, Kathy Porter; Community Development Director, Susan Emery; Community Services Director, Cal Rietzel; Finance Director, Kingsley Okereke; Personnel Services Director, Steve Larson; Deputy Police Chief, Scott Jordan; Public Works Director, Keith Jones; City Attorney, John Shaw; and City Clerk, Ruth Smith.

INVOCATION AND PLEDGE

Deputy City Manager Les Jones gave the Invocation. Members of Camp Fire USA of Enders Elementary School led the Pledge of Allegiance to the Flag of the United States of America, following which they presented a cake to the City Council.

PRESENTATION – COMMUNITY SPOTLIGHT

Mayor Broadwater called forward Marlene Feikema and Patricia Martin, recipients of the 2003-04 Outstanding Crossing Guard of the Year award, and presented them with Certificates of Recognition and gifts for their exceptional commitment to the children in our community. (F: 83.1) (XR: 78.8)

PRESENTATION

Michael Hurst of Orange County Vector Control addressed the Council and presented a short video concerning the West Nile Virus, which

has made its way to Orange County. He urged residents to check for standing water in their yards, to which mosquitoes are attracted. (F: 52.2) (XR: 23.20)

ORAL COMMUNICATIONS – PUBLIC

Gary Brown, Main Street business owner and President of the Downtown Business Association, addressed the Council, requesting the City to co-sponsor the Friday Night Car Show on Main Street and provide insurance coverage for the event under its umbrella clause. He also asked that they be given a three-year permit. (F: 53.3) (XR: A-122.5) (XR: 88.1)

J.J. Jauregui and Faribort Farahmand, Main Street business owners, addressed the Council urging support of the City co-sponsorship of the Friday Night Car Show, noting that they depend on the foot traffic from the Car Show. (F: 53.3) (XR: A-122.5) (XR: 88.1)

Tony Flores, President of the West Garden Grove Residents Association, addressed the Council, concerning Community Development Block Grant funds being diverted into the Redevelopment Agency, noting that these funds should go for beautification along Lampson Avenue. He also noted that the Association would also like to talk to staff about getting the lights at the intersections of Manley and Lampson, Blackmer and Lampson, Valley View and Lampson, Topaz and Lampson, all the way east to Knott and Lampson on red flashes after a certain hour, which might cut down on the number of traffic accidents in that area. Thirdly, he showed Council a map of the Holder/Springdale area that designated the locations of schools in the Garden Grove area, suggesting the Council send a letter to the City of Cypress requesting that the extension of Holder Street be removed from their Master Plan. (F: 53.3) (XR: 100.1) (XR: 96.1) (XR: 130.17)

Chris Prevatt addressed the Council, commending the City for taking part in the March early voting and requesting that the City encourage the Registrar to actively educate the citizens about the use of the electronic voting machines. Secondly, he expressed concern that if the City provides the umbrella insurance coverage for the car show, the City will be setting a precedent. He also asked for clarification of the agenda item concerning the Amendatory Agreement with George L. Tindall. (F: 53.3) (XR: 58.1) (XR: A-122.5) (XR: 88.1) (XR: 43.1)

Ray Littrell addressed the Council, challenging a recent article that appeared in a newspaper that said the City is doing business on a

pay-as-you-go basis, noting that according to his calculations the City is \$160 million in debt. (F: 53.3)

Robin Marcario addressed the Council concerning the extension of Holder Street, suggesting that if a proper agreement cannot be reached with the City of Cypress, a barrier be placed to preserve the residential street on the Springdale side. (F: 53.3) (XR: 96.1)

Bob Owens addressed the Council about the budget. He also congratulated the new City Manager and spoke about contributions to Garden Grove candidates from outside the city, and the war in Iraq. (F: 53.3)

PROCLAMATION – FAIR HOUSING MONTH (F: 83.1)

It was moved by Councilman Rosen, seconded by Councilman Leyes, and carried by unanimous vote, that April 2004, be and hereby is designated as Fair Housing Month.

PROCLAMATION – FINANCIAL LITERACY MONTH (F: 83.1)

It was moved by Councilman Rosen, seconded by Councilman Leyes, and carried by unanimous vote, that April 2004, be and hereby is designated as Financial Literacy Month.

PROCLAMATION – NATIONAL CRIME VICTIMS' RIGHTS WEEK (F: 83.1)

It was moved by Councilman Leyes, seconded by Councilman Dalton, and carried by unanimous vote, that April 18-24, 2004, be and hereby is designated as National Crime Victims Rights Week.

PROCLAMATION – VETERAN APPRECIATION MONTH (F: 83.1)

It was moved by Councilman Rosen, seconded by Councilman Leyes, and carried by unanimous vote, that May 2004, be and hereby is designated as Veteran Appreciation Month.

RESOLUTION COMMENDING CAMP FIRE USA, LONG BEACH AREA COUNCIL
(F: 83.1)

It was moved by Mayor Broadwater, seconded by Councilman Tran, and carried by unanimous vote, that the Resolution commending Camp Fire USA, Long Beach Area Council on 94 years of outstanding service to the young people of the community, be and hereby is approved.

ACQUISITION OF AN EASEMENT OVER A PORTION OF REAL PROPERTY LOCATED AT 13000-13018 HARBOR BOULEVARD, FOR PROJECT NO. 7244, HARBOR BOULEVARD/GARDEN GROVE BOULEVARD INTERSECTION IMPROVEMENT (F: 96.PROJ.7244) (F: 84.1)

Staff report dated April 13, 2004, was introduced.

It was moved by Councilman Rosen, seconded by Councilman Leyes, and carried by unanimous vote, that the acquisition of an easement over a portion of real property located at 13000-13018 Harbor Boulevard, Parcels 6A and 6B, for Project No. 7244, Widening and Improvement of the Harbor Boulevard/Garden Grove Boulevard Intersection, be and hereby is approved; the City Manager and City Clerk are authorized to execute the pertinent documents; and the Finance Director is authorized to draw a warrant in the amount of \$148,225.00 to HRB Garden Grove Shopping Center, when appropriate to do so.

AWARD OF CONTRACT FOR RECARPETING OF THE FIRST FLOOR OF THE CITY HALL BUILDING (F: 55) (XR: 48.2)

Staff report dated April 13, 2004, was introduced.

It was moved by Councilman Rosen, seconded by Councilman Leyes, and carried by unanimous vote, that New Image Commercial Flooring, Inc., be and hereby is determined to be the lowest acceptable bidder in connection with the recarpeting of the first floor of the City Hall building; that contract for said project be and hereby is awarded to said company in the sum of \$72,785.89, in accordance with the terms of the City's plans and specifications and the bid submitted by said company; that all other bids be and hereby are rejected; and the Mayor and City Clerk are authorized to execute said contract.

PROJECT NO. 7113, TRAFFIC SIGNAL INSTALLATION AT WESTMINSTER AVENUE AND DEODORA DRIVE, AND RAISED MEDIAN ISLAND INSTALLATION ON WESTMINSTER AVENUE AT ATLANTIS WAY - PLANS AND SPECIFICATIONS (F: 100.Proj.7113)

Staff report dated April 13, 2004, was introduced.

It was moved by Councilman Rosen, seconded by Councilman Leyes, and carried by unanimous vote of those present, that plans and specifications for the above-titled project, be and hereby are approved; and the City Clerk is authorized to advertise for bids.

FUNDING AGREEMENTS WITH AMERICAN YOUTH SOCCER ORGANIZATION-
REGION 28 AND NORTHEAST GARDEN GROVE LITTLE LEAGUE (F: 97.4.03)
(XR: 87.1)

Staff report dated April 13, 2004, was introduced.

It was moved by Councilman Rosen, seconded by Councilman Leyes, and carried by unanimous vote, that the Funding Agreements by and between the City of Garden Grove and American Youth Soccer Organization-Region 28 and Northeast Garden Grove Little League, HPower Play Sports, LTD, for the operation and maintenance of the Pioneer Park hockey rink, be and hereby is approved; and the City Manager and City Clerk are authorized to execute the agreements.

AGREEMENT WITH ENGINEERING RESOURCES OF SOUTHERN CALIFORNIA,
INC., FOR ENGINEERING SERVICES (F: 55) (XR: 24.11)

Staff report dated April 13, 2004, was introduced.

Councilman Rosen commented that he has received many complaints about this company from individuals who complain about running into roadblock after roadblock, noting that one of the complaints is that since we outsource our engineering services, customers are told that a particular engineer cannot look at their project because that engineer has to be in San Diego the following week on some other job.

Councilman Rosen requested a written report as to how many hours they have actually put in over the last year, showing how much was paid for each particular job, and an evaluation of how they have performed.

It was moved by Councilman Rosen, seconded by Councilman Dalton, and carried by unanimous vote, that this matter be continued to April 27, 2004.

AGREEMENT WITH THE ORANGE COUNTY TRANSPORTATION AUTHORITY TO
CONVEY AN EASEMENT OVER A PORTION OF THE FLOOD CONTROL CHANNEL
FOR THE ALIGNMENT AND IMPROVEMENT OF THE STATE ROUTE 22
CORRIDOR (GARDEN GROVE FREEWAY) FROM TUSTIN ROAD TO VALLEY
VIEW (F: 23.18) (XR: 23.18C)(XR: 62.2) (XR: 84.1) (XR: 92.1)

Staff report dated April 13, 2004, was introduced.

It was moved by Councilman Rosen, seconded by Councilman Leyes, and carried by unanimous vote, that the Agreement by and between

the City of Garden Grove and the Orange County Transportation Authority to convey an easement over a portion of the flood control channel for the alignment and improvement of the State Route 22 Corridor (Garden Grove Freeway) from Tustin Road to Valley View, be and hereby is approved; and the City Manager and City Clerk are authorized to execute the appropriate documents.

AMENDATORY AGREEMENT WITH GEORGE L. TINDALL FOR PAID ADMINISTRATIVE LEAVE TO EFFECTUATE THE SMOOTH TRANSITION OF DUTIES TO THE NEW CITY MANAGER (F: 55) (XR: 43.1)

Councilman Dalton commented that this agreement would provide the City Manager with five weeks of administrative leave pay. He further commented that in light of the City's present financial crisis, he cannot support paying for one City Manager off the job and one on the job. He further commented that Mr. Tindall chose his retirement date, and a new City Manager should not have been appointed until that time.

Councilman Dalton further commented that when there was a push for restructuring, one of the things the Council was told, and he disputed, was that hundreds of thousands of dollars would be saved by keeping positions open for 90 days, and then filling it at a minimum of 15 percent less than what the retiring person was receiving.

Councilman Leyes noted that a decision was made to interview candidates in house and not go through a recruitment consultant, which would have cost thousands of dollars and would have taken a very lengthy time. This expedited the project, which brought on the new City Manager much earlier than was originally anticipated. He further noted that it needs to be understood who is in control. This is a reasonable transitional plan, and the Council will hopefully unanimously support the new City Manager.

Councilman Dalton noted that this has absolutely nothing to do with the new City Manager.

Mayor Broadwater noted that this is a transitional period and he will support the agreement.

Councilman Tran noted that the Council has been a victim of its own efficiency; however, there is no gift of public funds involved inasmuch as the former City Manager is staying on in a consultant capacity.

Councilman Rosen noted that Mr. Tindall will retire effective May 7, and regardless of what the Council does, he is entitled to be paid up to that date. It is better for the organization to have somebody clearly in charge who is going to take over and implement what he wants rather than having the previous City Manager hovering in the background, which is awkward for everyone.

Mayor Broadwater moved, seconded by Councilman Tran, that the Amendatory Agreement by and between the City of Garden Grove and George L. Tindall for paid administrative leave to effectuate the smooth transition of duties to the new City Manager, be and hereby is approved; and the Mayor and City Clerk are authorized to execute the agreement. Said motion carried by the following vote:

AYES: COUNCILMEMBERS: (4) LEYES, ROSEN, TRAN,
BROADWATER
NOES: COUNCILMEMBERS: (1) DALTON
ABSENT: COUNCILMEMBERS: (0) NONE

AGREEMENT WITH MATTHEW FERTAL FOR CITY MANAGER SERVICES (F: 55)
(XR: 43.1)

Staff report dated April 13, 2004, was introduced.

Councilman Rosen commented that it was a good choice to hire Matthew as City Manager. He was formerly the Community Development Director and really is one of the godfathers of the redevelopment efforts that have taken place in the city, such as the development of Harbor Boulevard. He further commented that Matthew Fertal richly deserves to be City Manager for Garden Grove, and he believes he will do a great job as City Manager.

It was moved by Councilman Rosen, seconded by Councilman Dalton, and carried by unanimous vote, that the Agreement by and between the City of Garden Grove and Matthew Fertal, for City Manager services, be and hereby is approved; and the Mayor and City Clerk are authorized to execute the agreement.

CANCELLATION OF COMMITMENT OF HOME FUNDS AGREEMENT WITH THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT COMMITTING FUNDS FOR A MULTI-FAMILY PROJECT AND APPROVAL OF AFFORDABLE HOUSING LOAN AGREEMENT WITH TAMERLANE ASSOCIATES FOR THE PURCHASE OF PROPERTY LOCATED AT 12212 TAMERLANE DRIVE
(F: 117.16Q) (XR: 117.16) (XR: 57.3)

Staff report dated April 13, 2004, was introduced.

It was moved by Councilman Rosen, seconded by Councilman Leyes, and carried by unanimous vote, that the cancellation of the 2001 agreement with the Garden Grove Agency for Community Development committing \$600,000.00 to the Agency for a multi-family project, be and hereby is approved, the return of funds from the Agency be accepted and utilized for the purchase of 12212 and 12222 Tamerlane Drive; the Loan Agreement by and between the City of Garden Grove and Tamerlane Associates for the purchase of 12212 Tamerlane Drive be and hereby is approved; and the Mayor and City Clerk are authorized to execute the pertinent documents.

CANCELLATION OF COMMITMENT OF HOME FUNDS AGREEMENT WITH THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT COMMITTING FUNDS FOR A MULTI-FAMILY PROJECT AND APPROVAL OF AFFORDABLE HOUSING LOAN AGREEMENT WITH TAMERLANE ASSOCIATES FOR THE PURCHASE OF PROPERTY LOCATED AT 12222 TAMERLANE DRIVE
(F: 117.16Q) (XR: 117.16) (XR: 57.3)

Staff report dated April 13, 2004, was introduced.

It was moved by Councilman Rosen, seconded by Councilman Leyes, and carried by unanimous vote, that the cancellation of the 2001 agreement with the Garden Grove Agency for Community Development committing \$600,000.00 to the Agency for a multi-family project, be and hereby is approved, the return of funds from the Agency be accepted and utilized for the purchase of 12212 and 12222 Tamerlane Drive; the Loan Agreement by and between the City of Garden Grove and Tamerlane Associates for the purchase of 12222 Tamerlane Drive be and hereby is approved; and the Mayor and City Clerk are authorized to execute the pertinent documents.

AWARD OF PURCHASE – UPGRADE OF CITY’S ARCHIVAL SYSTEM – FINANCE DEPARTMENT (F: 60.4)

Staff report dated April 13, 2004, was introduced.

It was moved by Councilman Rosen, seconded by Councilman Leyes, and carried by unanimous vote, that a purchase order for the upgrade of the City’s archival system, be and hereby is awarded to the lowest acceptable bidder, Consolidated Office Systems, in the amount of \$54,534.24.

RESOLUTION UPHOLDING THE APPEAL AND OVERTURNING THE PLANNING COMMISSION'S DENIAL OF CONDITIONAL USE PERMIT NO. CUP-127-03 FOR PROPERTY LOCATED AT 9520 GARDEN GROVE BOULEVARD, UNIT #9
(F: 51.CUP-127-03)

Staff report dated April 13, 2004, was introduced.

RESOLUTION NO. 8550-04

It was moved by Councilman Rosen, seconded by Councilman Leyes, and carried by unanimous vote, that full reading of Resolution No. 8550-04 be waived, and said Resolution entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE APPROVING THE APPEAL AND OVERTURNING THE PLANNING COMMISSION'S DENIAL OF CONDITIONAL USE PERMIT NO. CUP-127-03 FOR PROPERTY LOCATED ON THE SOUTHEAST CORNER OF GARDEN GROVE BOULEVARD AND GILBERT STREET, AT 9520 GARDEN GROVE BOULEVARD #9, PARCEL NO. 098-222-23, be and hereby is adopted.

MINUTES (F: Vault)

It was moved by Councilman Rosen, seconded by Councilman Leyes, and carried by unanimous vote, that the minutes of the Regular City Council Meetings held March 9, March 23, and March 30, 2004, be and hereby are approved.

WARRANTS (F: 60.5)

It was moved by Councilman Rosen, seconded by Councilman Leyes, and carried by unanimous vote, that regular warrants 308600 through 310246 and wires W139 through W140, and payroll warrants 134024 through 134234, Direct Deposits D89371 through D89912, and wires W835 through W838, which have been audited for accuracy and availability of funds by the Finance Director, be and hereby are approved.

PUBLIC HEARING – AMENDMENT NO. A-105-04 (F: 115.A-105-04)
(XR: 50.3) (XR: 121.2G)

Amendment No. A-105-04, initiated by the City of Garden Grove, proposing to amend Title 9 of the Garden Grove Municipal Code to create Section 9.08.100, Wireless Telecommunications Facilities. This amendment will establish a review process and specific development standards for telecommunication wireless facilities within the City of Garden Grove.

On January 15, 2004, the City Planning Commission, pursuant to Resolution No. 5401, recommended approval of A-105-04 and the associated Wireless Telecommunications Master Plan. Pursuant to Legal Notice published on February 5 and February 12, 2004, public hearing on the case was ordered by the City Council to be held on February 24, 2004, at which time the hearing was opened and continued to this date.

Staff report dated April 13, 2004, was introduced, and staff reviewed the background information concerning the proposed ordinance and Wireless Telecommunications Master Plan. Also submitted for the record was a revised staff report conveying comments received from Nextel regarding the proposed ordinance; and a communication from MacKenzie & Albritton, counsel to AT&T Wireless, presenting their concerns with some of the provisions.

Issues raised by wireless providers were reviewed. It was noted that to address some of these concerns, the draft ordinance presented at this time was revised to allow attached wireless facilities to be placed on Edison Transmission facilities. Photo simulation requirements were reduced and setback requirements were reduced to their current levels, rather than requiring setbacks equal to antenna height. Because attached facilities above the building parapet are not currently allowed, staff did not recommend accommodating that concern. Additionally, staff recommends retaining the current language providing for expert review of CUP-requiring facilities and in the event of technical problems such as interference issues, but not requiring expert review of Director Review only permits. And lastly, the proposed revised ordinance reflects revised interference language that has been accepted by the carrier, and deletion of the potentially ambiguous intensity requirements.

In response to an inquiry from Councilman Rosen, staff noted that relative to the 60-foot height limit, an applicant could ask for a variance and go through that process.

Mayor Broadwater declared the public hearing opened and asked if anyone wished to address the Council on this matter.

Barbara Saito, representing Nextel Communications, addressed the Council. She expressed concern about the 60-foot height issue, noting that the variance has to have specific findings mandated by the State of California, which has to do with the land itself, and their facilities have to do with the use. It is next to impossible to make the finding for a variance based on use. She requested the potential to be able to provide arguments for going taller than 60 feet.

Ms. Saito also referenced the replacement of existing poles, noting concerns with particular ASCE codes specified, noting most cities rely on the UBC and not the ASCE code for their building criteria.

Ms. Saito referenced the landscaping section, suggesting that the carriers be required to submit an appropriate landscape plan as opposed to a mandate on exactly what those plants should be.

Lastly, Ms. Saito referenced the noticing requirement, noting that it seems to be greater than the normal noticing requirement of normal CUP's.

Doug Kearney, representing SpectraSite Communications, addressed the Council, noting they own several towers within the city. He noted a concern regarding the abandonment section of the ordinance, requesting that this section become part of the conditions of approval for a wireless facility, that the property owner, as well as the tower owner, would sign the acceptance of conditions of approval rather than having it as a separate portion.

Ben Savill addressed the Council, expressing concern about health impacts from mobile phone towers.

Councilman Rosen noted that it is his recollection that Federal law prohibits us from taking that into account.

There being no further comments from the audience, the public hearing was declared closed.

In response to the concern about the Abandonment section of the ordinance, staff noted that a form could be designed, in conjunction with the City Attorney's office, which would be provided to the applicant for execution by the property owner and the tower owner and returned to the City. The City Attorney concurred with this.

In response to the height and variance issue raised by Ms. Saito, the City Attorney noted there is some merit to her point. He indicated that in certain selected situations, the variance procedure could be used to approve a height greater than 60 feet. However, her comments do have some validity, noting that the variance procedure under state law has very fixed criteria. He suggested that an exception provision be added that would not use the traditional variance procedure but would provide some criteria relating to this unique type of facility. He further suggested that the Ordinance be brought back with these changes at the next Council meeting for introduction and first reading.

Councilman Rosen noted his agreement with Ms. Saito's comments relative to the variance, noting he can see in this business that if Nextel got some variance to build something over 60 feet, one of its competitors might file a lawsuit. He suggested some language such as if someone can show a compelling reason scientifically for having something higher than 60 feet, the Council should have the discretion to allow that through some means other than a variance process.

Councilman Leyes noted that an exception process rather than the specific land use related variance process is a good approach.

In response to an inquiry by Councilman Rosen, staff indicated it is important to maintain the ASCE standard as part of the ordinance.

It was the consensus of the members that the introduction and first reading of the proposed ordinance be continued to April 27, 2004, for incorporation of identified changes.

RECESS

At 8:27 p.m., the Mayor declared a recess.

RECONVENE

At 8:40 p.m., the meeting was reconvened with Mayor Broadwater and all Councilmembers in attendance for consideration of the following item concurrently with the Public Finance Authority.

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING TO THE SALE AND DELIVERY OF REFUNDING REVENUE CERTIFICATES OF PARTICIPATION (WATER SERVICES CAPITAL IMPROVEMENT PROGRAM), SERIES 2004 (F: A-34.9) (XR: 60.1) (XR: P-60.1)

Staff report dated April 13, 2004, was introduced, and staff reviewed the salient points of this transaction.

Based on the current interest rate environment, significant savings will be obtained from this refunding. The bond refunding analysis prepared by the City's financial advisor shows that the 1993 Water Revenue bonds would be refinanced over the same maturity period ending in 2023 at a lower interest rate ranging from 1.05% to 4.35%. The refinancing would result in average annual debt service savings of about \$125,000.00, which represents a net present value

savings of approximately \$1.685 million and about 10.5% of the refunded principal.

The estimated total cost of completing the refunding is about \$175,000.00, which would go to compensate the various financing team members, including the Financial Advisor, Bond Counsel, Disclosure Counsel, Underwriter, and Verification agent. The bond closing will take place on May 13, 2004, in San Francisco.

Staff introduced members of the financing team, being: Kurt Yeager, Bond Counsel; Bill Reynolds, Financial Advisor; and Terry Maas, Investment Banker.

PUBLIC FINANCE AUTHORITY RESOLUTION NO 7

It was moved by Member Leyes, seconded by Member Dalton, and carried by unanimous vote, that full reading of Resolution No. 7 be waived, and said Resolution entitled A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GARDEN GROVE PUBLIC FINANCING AUTHORITY APPROVING AN INSTALLMENT PURCHASE AGREEMENT WITH THE CITY OF GARDEN GROVE AND CERTAIN OTHER DOCUMENTS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE REFUNDING REVENUE CERTIFICATES OF PARTICIPATION (WATER SERVICES CAPITAL IMPROVEMENT PROGRAM), SERIES 2004 IN A PRINCIPAL AMOUNT NOT TO EXCEED \$19,000,000, be and hereby is adopted.

CITY COUNCIL RESOLUTION NO. 8551-04

It was moved by Councilman Leyes, seconded by Councilman Dalton, and carried by unanimous vote, that full reading of Resolution No. 8551-04 be waived, and said Resolution entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING TO THE SALE AND DELIVERY OF NOT TO EXCEED \$19,000,000 REFUNDING REVENUE CERTIFICATES OF PARTICIPATION (WATER SERVICES CAPITAL IMPROVEMENT PROGRAM), SERIES 2004, AND AUTHORIZING CERTAIN DOCUMENTS AND DIRECTING CERTAIN ACTIONS IN CONNECTION THEREWITH, be and hereby is adopted.

RECESS

At 8:45 p.m., the Mayor declared a recess.

RECONVENE

At 8:47 p.m., the meeting was reconvened with Mayor Broadwater and all Councilmembers in attendance.

AWARD OF CONTRACT FOR PROJECT NO. 7115, CONSTRUCTION OF FIVE PEDESTRIAN ACTUATED TRAFFIC SIGNALS AND SPEED SIGNS

(F: 100.Proj.7115)

Staff report dated April 13, 2004, was introduced.

It was moved by Councilman Rosen, seconded by Councilman Leyes, and carried by unanimous vote, that Macadee Electrical Construction be and hereby is determined to be the lowest acceptable bidder in connection with Project No. 7115, Construction of Five Pedestrian Actuated Traffic Signals and Speed Signs, and that contract for said project be and hereby is awarded to said company in the sum of \$322,228.00, in accordance with the terms of the City's plans and specifications and the bid submitted by said company; that all other bids be and hereby are rejected; and the Mayor and City Clerk are authorized to execute said contract.

SECOND READING OF ORDINANCE NO. 2623 AND NO. 2624

It was moved by Councilman Rosen, seconded by Councilman Leyes, and carried by unanimous vote, that full reading of Ordinance No. 2623 and No. 2624 be waived.

ORDINANCE NO. 2623 was presented for second reading and adoption and the title read in full, being AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE APPROVING AMENDMENT NO. A-104-04, AN AMENDMENT TO TITLE 9 OF THE CITY OF GARDEN GROVE MUNICIPAL CODE, SUBSECTION E OF SECTION 9.16.260 RELATING TO COMPACT CAR PARKING SPACE ALLOWANCES (F: 106.150) (XR: 116.SP-334-03)

It was moved by Councilman Leyes, seconded by Councilman Dalton, and carried by unanimous vote, that Ordinance No. 2623 be and hereby is declared passed.

ORDINANCE NO. 2624 was presented for second reading and adoption and the title read in full, being AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE ADOPTING A DEVELOPMENT AGREEMENT BETWEEN DE HUA JR. (PROPERTY OWNER) AND THE CITY OF GARDEN GROVE FOR PROPERTY LOCATED ON THE WEST SIDE OF BROOKHURST STREET, NORTH OF BIXBY AVENUE, AT

12171 AND 12181 BROOKHURST STREET, PARCEL NOS. 133-111-24, 33 (F: 106.150) (XR: 116.SP-334-03)

Councilman Tran moved, seconded by Councilman Dalton, that Ordinance No. 2624 be and hereby is declared passed. Upon the following vote:

AYES: COUNCILMEMBERS: (4) DALTON, ROSEN, TRAN,
BROADWATER

NOES: COUNCILMEMBERS: (1) LEYES

ABSENT: COUNCILMEMBERS: (0) NONE

that Ordinance No. 2624 be and hereby is declared passed.

DISCUSSION CONCERNING EXTENSIVE PERMITS AND CO-SPONSORSHIP OF THE MAIN STREET CAR SHOW, AS REQUESTED BY MAYOR BROADWATER (F: 88.1) (XR: A-122.5)

Mayor Broadwater commented that insurance costs are a large expense to those merchants involved, which could be eliminated if the City co-sponsors the Main Street Car Show for at least a year or two. The event has been going on for seven years and has proven to be a large success. Furthermore, the car show has not had a single incident on their policy.

Councilman Dalton noted that the car show is being run in an outstanding manner and the event brings people to Garden Grove who help support the businesses on the street, and it is a positive event. He expressed his agreement with Mayor Broadwater.

Councilman Rosen asked how much are we talking about in dollars if we co-sponsor the event, and is the car show profitable. He also inquired how much the car show pays toward the Main Street assessments. He inquired when the permit is up, to which Mr. Gary Brown responded that it is up in July.

Mayor Broadwater noted that he would like to give them a three-year permit rather than a single year; however, he would have no problem coming back with a full report on the issues raised.

Councilman Rosen noted that he would like a full report, and he would like the merchants who don't support the car show to be notified that the City is contemplating extending the permit for three years.

Councilman Tran requested information on the cost to the City and what coverage is involved.

Mayor Broadwater requested that staff provide the report to the Councilmembers before the permit needs to be renewed and bring it back to Council for a determination.

Gary Brown noted that they carry \$1 million liability, which costs them about \$2850 a year. He further noted that when the car show was started eight years ago it was not made to be a moneymaker. It was started to generate foot traffic for the merchants, so there was no admission charge. It does not cost them any money, and brings about a thousand people to the area every week.

Councilman Tran noted that the car show is a source of pride for the city and he supports it. He further noted that it is important to have documentary and policy reasons as to why the City should co-sponsor the car show, and it would behoove the applicants to provide the City with some documentation.

Councilman Leyes requested information concerning options on the term of the permit and why three years is preferable.

DISCUSSION CONCERNING EXTENSION OF HOLDER STREET TO SPRINGDALE STREET, AS REQUESTED BY COUNCILMAN LEYES (F: 96.1)

Councilman Leyes noted that there has been a great deal of attention on this issue and some genuine concern expressed. He suggested that an official City communication, signed by either the Mayor or the Traffic Engineer, and addressed to the City of Cypress with copies to OCTA and the County, be drafted regarding the issue of the extension of Holder Street, the potential negative impacts in Garden Grove, our serious concern about them, alerting them not only of our awareness of the issue but of our intention to react appropriately if the issue goes forward and our concerns are not mitigated.

He noted that the diagram that was handed around by Mr. Tony Flores earlier during public comments was basically an aerial photograph with four schools right on Springdale highlighted and a fifth school very near by. He added that Pacifica High School is also in that area, which is a sixth school. He further noted that anything that increases traffic on Springdale would cause us some concern, and we need to be at least convinced of the benefits to ourselves and maybe the surrounding communities before we concede to this.

Mayor Broadwater suggested a letter be sent to the City of Cypress asking what their real intentions are and what their calendar is before we react.

Councilman Dalton commented that he believes the project was moved under Master Plan of Arterial Highways to 2009-2010, and we should look into that. He further commented that he still would like to know if this project goes through, could we legally change the speed limit in front of all the schools to 25 miles an hour and what we would have to do to make that change.

Councilman Rosen referenced remarks made by Robin Marcario concerning placing a barrier on the street as it comes into Garden Grove and perhaps place speed bumps there to slow people down coming south. Or maybe install barriers so traffic could only go north on Springdale when it turns into Holder.

Councilman Leyes noted that there may be obstacles to doing that, including the loss of funding if we interfere with something that is on the Arterial Master Plan of Highways. He also noted that he heard the citizens group in Cypress has asked that the project be delayed until 2009, and that the City of Cypress was actually trying to move it forward.

It was the consensus that Mayor Broadwater send the City of Cypress a letter asking them what their intentions are.

MATTERS FROM THE MAYOR AND CITY COUNCILMEMBERS

Councilman Leyes noted that the Eli Broad Foundation has again selected Garden Grove Unified School District as one of the top five urban school districts in the country to compete for the top award, which is a half a million dollars in scholarships. They are guaranteed a consolation prize of a minimum of \$125,000 in scholarships. This is the third year that they have been selected. (F: 53.1) (XR: 90.5)

Councilman Leyes also noted that Orange County Vector Control is proposing a tax increase, and he requested information on this. (F: 53.1) (XR: 23.20)

Additionally, Councilman Leyes commented that staff has determined that due to electricity rate reductions, the formation of a new street lighting district now is not necessary and we do not need to proceed with a ballot election. Lastly, he referenced a Community Visionary Survey scheduled to be mailed to the residents with their water bills, noting that it references an increase in a utility user's tax, which Garden Grove does not have. He requested that every effort be made to stop the survey because of this false information. He also noted that it was in an envelope marked "confidential," and he

commented that staff should be careful not to abuse the privilege of confidentiality. (F: 53.1)

Councilman Dalton wished his granddaughter Makayla Dalton a Happy Birthday. (F: 53.1)

Councilman Rosen referenced the Garden Grove Community Foundation's Schedule of Events brochure, commenting that it is a good schedule. He suggested that the Community Foundation schedule quarterly reports before the City Council, with the first one being scheduled for the next Council meeting. Additionally, he would like the Chamber of Commerce to also present quarterly reports before the Council. (F: 53.1) (XR: 130.15)

RECESS

At 9:18 p.m., the Mayor declared a recess.

RECONVENE AND ADJOURN TO CLOSED SESSION

At 9:29 p.m., the meeting was adjourned to Closed Session, under the Ralph M. Brown Act, and it was announced that pursuant to Government Code section 54957.6, the City Council will meet with its negotiator (City Manager) regarding the status of labor negotiations with the Employee Association, Employee League, and non-represented Management and Central Management employees. And, pursuant to Government Code section 54957.6, the City Council will meet with its negotiator (City Manager) regarding the status of labor negotiations with the Garden Grove Police Association, Police Middle Management, and Garden Grove Fire Fighters Local 2005.

RECONVENE IN OPEN SESSION

At 10:14 p.m., the meeting was reconvened in Open Session, and it was announced that the matters previously disclosed were discussed and no others.

ADJOURNMENT

At 10:15 p.m., the meeting was declared adjourned

RUTH E. SMITH
CITY CLERK