

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, June 22, 2004, at 7:00 p.m.

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

ABSENT: (0) NONE

ALSO PRESENT: City Manager, Matthew Fertal; Administrative Services Director, Kathy Porter; Community Development Director, Susan Emery; Community Services Director, Cal Rietzel; Finance Director, Kingsley Okereke; Fire Chief, Keith Osborn; Personnel Services Director, Steve Larson; Police Chief, Joe Polisar; Public Works Director, Keith Jones; Deputy City Attorney, Doug Holland; and Deputy City Clerk, Priscilla Stierstorfer.

INVOCATION AND PLEDGE

Personnel Services Director Steve Larson gave the Invocation. Councilman Tran led the Pledge of Allegiance to the Flag of the United States of America.

A moment of silence was held to remember the South Korean businessman, Kim Sun-il, who was assassinated by the terrorists in Iraq.

PRESENTATION – COMMUNITY SPOTLIGHT

Mayor Broadwater called forward Melissa Byram and presented her with a Certificate of Appreciation and small gift for saving the life of a drowning victim. She was also presented a Certificate of Appreciation from the Red Cross. (F: 52.3)

ORAL COMMUNICATIONS – PUBLIC

Norman Ross and Linda Knott addressed the Council concerning the complaints they filed against the City, their alleged mistreatment by the

Police Department, and the City's denial of their claims. (F: 53.3)
(XR: 49.2)

Bea Jones thanked Mayor Broadwater and Councilman Rosen for attending the Juneteenth celebration this past weekend. (F: 53.3)

Gary Brown commented regarding co-sponsorship of the Friday night car show on Main Street and urged the Council to approve the request. He also discussed the recent vote that was taken regarding the Main Street Assessment District. (F: 53.3) (XR: 88.1) (XR: A-122.5) (XR: 31.4)
(XR: A-31.2)

J. J. Jaurequi commented regarding co-sponsorship of the Friday night car show on Main Street, noting that the event has been reviewed in newspapers, and it draws people from outside the community. (F: 53.3)
(XR: 88.1) (XR: A-122.5)

RECESS

At 7:40 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.

CLAIMS FOR DAMAGES (F: 49.2)

It was the consensus of the City Council that the claims submitted by State Farm Insurance Company for Cynthia Cowan, Serafin Vidovic, and Cynthia Cowan; claims submitted on behalf of Donald Cordill as a Successor in interest to Marie Cordell, and Donald Cordill; David Gunther; Thuy Ngo; Kee Quesenberry and Chung Kim; Anwar Alameddine and Lena Ayvazian; and claims submitted by James Rederburg and by Lynda Knott and Norman Ross be discussed in Closed Session.

AWARD OF CONTRACT FOR APPLICATION OF ELASTOMERIC ROOF COATINGS ON THE PUBLIC SAFETY AND GEM THEATER BUILDINGS (F: 55) (XR: 82.1) (XR: 87.3)

Staff report dated June 22, 2004, was introduced.

It was moved by Councilman Dalton, seconded by Councilman Rosen, and carried by unanimous vote, that Thompson Company, Inc., be and hereby is determined to be the lowest acceptable bidder in connection with the application of elastomeric roof coatings on the Public Safety and Gem Theater buildings; that contract for said project be and hereby is awarded

to said company in the sum of \$26,770.00, 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.

AWARD OF CONTRACT TO REPAIR AND IMPROVE THE SECURITY FENCING AT CENTRAL STORES (F: 55) (XR: 60.4) (XR: 24.1)

Staff report dated June 22, 2004, was introduced.

It was moved by Councilman Dalton, seconded by Councilman Rosen, and carried by unanimous vote, that A-1 Fence of Anaheim, be and hereby is determined to be the lowest and only bidder in connection with the repair and improvement of the security fencing at Central Stores; that contract for said project be and hereby is awarded to said company in the sum of \$34,744.00, in accordance with the terms of the City's plans and specifications; and the Mayor and City are authorized to execute said contract.

RENEWAL OF AGREEMENT WITH NORTHROP GRUMMAN PUBLIC SAFETY, INC. FOR THE MAINTENANCE OF SOFTWARE SYSTEMS FOR THE POLICE DEPARTMENT (F: 55) (XR: 82.1)

Staff report dated June 22, 2004, was introduced.

It was moved by Councilman Dalton, seconded by Councilman Rosen, and carried by unanimous vote, that the Agreement by and between the City of Garden Grove and Northrop Grumman Public Safety, Inc., for the maintenance of software systems for the Police Department, be and hereby is approved; and the Mayor and City Clerk are authorized to execute the agreement.

RENEWAL OF AGREEMENT WITH CRON & ASSOCIATES, INC. FOR TELEPHONE TRANSCRIPTION SERVICES FOR THE POLICE DEPARTMENT (F: 55) (XR: 82.1)

Staff report dated June 22, 2004, was introduced.

It was moved by Councilman Dalton, seconded by Councilman Rosen, and carried by unanimous vote, that the Agreement by and between the City of Garden Grove and Cron & Associates, Inc., for telephone transcription services for the Police Department, be and hereby is approved; and the Mayor and City Clerk are authorized to execute the agreement.

RENEWAL OF AGREEMENT WITH BOYS AND GIRLS CLUB OF GARDEN GROVE FOR YOUTH DIVERSION PROGRAM (F: 55) (XR: 82.1)

Staff report dated June 22, 2004, was introduced.

It was moved by Councilman Dalton, seconded by Councilman Rosen, and carried by unanimous vote, that the Agreement by and between the City of Garden Grove and Boys and Girls Club of Garden Grove for the Youth Diversion Program, be and hereby is approved; and the Mayor and City Clerk are authorized to execute the agreement.

RENEWAL OF AGREEMENT WITH CARL WARREN & COMPANY FOR CLAIMS ADMINISTRATION SERVICES (F: 55) (XR: 49.1)

Staff report dated June 22, 2004, was introduced.

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

AGREEMENT WITH KDF MALABAR, LP, FOR LEASE OF OFFICE SPACE FOR A NEIGHBORHOOD POLICE POST AT 9777 BIXBY AVENUE (F: 55) (XR: 82.1)

Staff report dated June 22, 2004, was introduced.

It was moved by Councilman Dalton, seconded by Councilman Rosen, and carried by unanimous vote, that the Agreement by and between the City of Garden Grove and KDF Malabar, LP, for lease of office space for a neighborhood police post at 9777 Bixby Avenue, be and hereby is approved; the City Manager and City Clerk are authorized to execute the agreement; and the Finance Director is authorized to draw warrants in the amount of One Dollar annually for rental fee, and payment of telephone service.

AGREEMENT WITH AMERINATIONAL COMMUNITY SERVICES, INC. FOR LOAN PORTFOLIO MANAGEMENT SERVICES (F: 55) (XR: A-55.195)

Staff report dated June 22, 2004, was introduced.

It was moved by Councilman Dalton, seconded by Councilman Rosen, and carried by unanimous vote, that the Agreement by and between the City of Garden Grove and AmeriNational Community Services, Inc. for loan portfolio management services, be and hereby is approved; and the City Manager and City Clerk are authorizes to execute the agreement.

AWARD OF PURCHASE ORDER FOR A USED HYDROFLUSHER TRUCK FOR THE PUBLIC WORKS DEPARTMENT (F: 60.4) (XR: 24.1)

Staff report dated June 22, 2004, was introduced.

It was moved by Councilman Dalton, seconded by Councilman Rosen, and carried by unanimous vote, that a purchase order for a used hydroflusher truck for the Public Works Department, be and hereby is awarded to the lowest qualified bidder, Wondries Fleet Group, in the amount of \$80,000.

WARRANTS (F: 60.5)

It was moved by Councilman Dalton, seconded by Councilman Rosen, and carried by unanimous vote, that regular warrants 314070 through 314545 and wires W145 and W146; and payroll warrants 135031 through 135248, Direct Deposits D92090 through D92635, and wires W855 through W858, which have been audited for accuracy and availability of funds by the Finance Director, be and hereby are approved.

PUBLIC HEARING TO CONSIDER ALLEY VACATION NO. AV-104-04 LOCATED WEST OF FLOWER STREET AND SOUTH OF PARK AVENUE (F: 110.AV-104-04)

Alley Vacation No. AV-104-04, initiated by Tzu Chiang Chen requesting that the City vacate a portion of an alley located west of Flower Street and south of Park Avenue.

Pursuant to publication of Resolution No. 8571-04, adopted on May 11, 2004, public hearing on the case was ordered by the City Council to be held this date.

Staff report dated June 22, 2004, was introduced, and staff reviewed the background information concerning this project.

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

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

RESOLUTION NO. 8578-04

It was moved by Councilman Rosen, seconded by Councilman Dalton, and carried by unanimous vote, that full reading of Resolution No. 8578-04 be waived, and said Resolution entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE APPROVING ALLEY VACATION NO. AV-

104-04 TO VACATE THE ALLEY LOCATED WEST OF FLOWER STREET AND SOUTH OF PARK AVENUE, AND THAT ACCESSES THE REAR OF THE PROPERTIES LOCATED AT 12811 AND 12851 FLOWER STREET AND 10282 PARK AVENUE, MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" AND SHOWN ON EXHIBIT "B" ATTACHED, AND DETERMINING THAT THE ALLEY VACATION IS CONSISTENT WITH THE CITY'S GENERAL PLAN, be and hereby is adopted.

PUBLIC HEARING TO CONSIDER ALLEY VACATION NO. AV-105-04 LOCATED AT THE REAR OF PROPERTY LOCATED ON THE SOUTH SIDE OF CHAPMAN AVENUE, EAST OF NUTWOOD STREET, AT 10612 CHAPMAN AVENUE

(F: 110.AV-105-04)

Alley Vacation No. AV-105-04, initiated by CHOCO Realty, requesting that the City vacate a portion of an alley located at the rear of property located on the south side of Chapman Avenue, east of Nutwood Street, at 10602 Chapman Avenue, as conditioned under Site Plan No. SP-326-03 for the development of a medical office building.

Pursuant to publication of Resolution No. 8572-04, adopted on May 11, 2004, public hearing on the case was ordered by the City Council to be held this date.

Staff report dated June 22, 2004, was introduced, and staff reviewed the background information concerning this project.

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

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

RESOLUTION NO. 8579-04

It was moved by Councilman Rosen, seconded by Councilman Dalton, and carried by unanimous vote, that full reading of Resolution No. 8579-04 be waived, and said Resolution entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE APPROVING ALLEY VACATION NO. AV-105-04 TO VACATE THE ALLEY LOCATED AT THE REAR OF THE PROPERTY LOCATED AT 10602 CHAPMAN AVENUE, DESCRIBED IN EXHIBIT "A" AND SHOWN ON EXHIBIT "B" ATTACHED, AND DETERMINING THAT THE ALLEY VACATION IS CONSISTENT WITH THE CITY'S GENERAL PLAN, be and hereby is adopted.

PUBLIC HEARING TO CONSIDER GENERAL PLAN AMENDMENT NO. GPA-1-04,
ENTITLED THE STORM WATER AND URBAN WATER RUNOFF ELEMENT
(F: 20.GPA-1-04) (XR: 112.15)

General Plan Amendment No. GPA-1-04, initiated by the City of Garden Grove, proposing to adopt a new element of the General Plan entitled the "Storm Water and Urban Water Runoff Element."

On May 6, 2004, the Planning Commission, pursuant to Resolution No. 5424 recommended approval of GPA-1-04. Pursuant to Legal Notice published June 10, 2004, public hearing on the case was ordered by the City Council to be held this date.

Staff report dated June 22, 2004, was introduced, and staff reviewed the background information concerning this project.

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

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

Councilman Leyes commented that even after the Orange County Sanitation District chose to go to full secondary treatment because of the worry of contamination on the beaches, it was shown that it had very little impact on the beaches.

Councilman Rosen commented that this is imposed upon the City by the Santa Ana Regional Water Control Board, and it is an unfunded mandate that the City has to comply with under the law. It led to an increase in the Sanitary District budget.

RESOLUTION NO. 8580-04

It was moved by Councilman Leyes, seconded by Councilman Dalton, and carried by unanimous vote, that full reading of Resolution No. 8580-04 be waived, and said Resolution entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE APPROVING GENERAL PLAN AMENDMENT NO. GPA-1-04, ADOPTING A NEW GENERAL PLAN ELEMENT ENTITLED "STORM WATER AND URBAN WATER RUNOFF ELEMENT," be and hereby is adopted.

PUBLIC HEARING TO CONSIDER THE PROPOSED BUDGET FOR FISCAL YEAR 2004-05 (F: 34.1) (XR: A-34.1) (XR: H-34.1) (XR: S-34.1)

Staff report dated June 22, 2004, was introduced.

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

Ray Littrell commented that he had a concern regarding borrowing to take care of the Education Revenue Augmentation Fund (ERAF). He noted that the sewer charge for capital improvements will be going to ERAF. He indicated that the trash barrels are still being paid for, and he felt that they should have been paid for by now.

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

Councilman Leyes commented that the staff report talks about last year's budget having a balance of \$4 million. This budget we have increased, rather generously, some pay and benefits for current employees but in the process, there is a 25 position-hiring freeze. The City eliminated the DARE Program, and there is an increase of 8% in the public safety budget without adding a single police officer. The budget every year is an accounting document; however, it is a policy document. He indicated that the City should be gearing up for an increase in population, including an aging population. He commented that priorities are not right in this budget, and he could not support it. He indicated that the budget is being balanced with some fee increases, which does not make sense in a recession.

Councilman Rosen questioned what percentage of the General Fund is going to public safety. The Finance Director commented that 69.1% of the budget is for public safety.

Councilman Dalton commented that a few years ago the City lost a lot of police officers because the salaries were not competitive with those of other cities. He noted he was a 26-year employee at the Police Department at that time. This City has always done more with fewer employees. He indicated that our wages, compared to those of other cities, are in the average range. He commented that it would be ludicrous to be the lowest paid public safety employees in the county.

Mayor Broadwater commented that a lot of things have changed in this city. Harbor Boulevard has been cleaned up. The crime rate has dropped, and the Police Department is doing a good job. He indicated that staffing has been short; however, employees are doing a good job.

Councilman Tran commented that this is a balanced budget. He noted that all cities are facing financial stress. Garden Grove is doing all right given the fact that the development projects are progressing very well. He

noted that he would support this budget, not only for the numbers, but also for the activities included.

RESOLUTION NO. 8581-04

Councilman Rosen moved, seconded by Councilman Tran, that full reading of Resolution No. 8581-04 be waived, and said Resolution entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE ADOPTING A BASIC SERVICES, GRANT SERVICES, WATER SERVICES, CAPITAL IMPROVEMENTS, MOBILE HOME PRKS, SPECIAL ASSESSMENTS RELATING TO STREET LIGHTING, SPECIAL ASSESSMENTS RELATING TO MAIN STREET AND THE PARKING DISTRICT, AND SPECIAL ASSESSMENT RELATING TO PARK MAINTENANCE BUDGETS FOR FISCAL YEAR 2004-05 be and hereby is adopted upon the following vote:

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

RESOLUTION NO. 8582-04

It was moved by Councilman Leyes, seconded by Councilman Rosen, and carried by unanimous vote, that full reading of Resolution No. 8582-04 be waived, and said Resolution entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE ADOPTING AN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2004-05 IMPLEMENTING ARTICLE XIIB OF THE STATE CONSTITUTION PURSUANT TO SECTION 7900 ET SEQ. OF THE GOVERNMENT CODE, be and hereby is adopted.

RESOLUTION NO. 8583-04

It was moved by Councilman Leyes, seconded by Councilman Rosen, and carried by unanimous vote, that full reading of Resolution No. 8583-04 be waived, and said Resolution entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE APPROPRIATING FUND BALANCES AS OF JUNE 30, 2004, TO RESERVES FOR FUTURE YEAR REAPPROPRIATION, be and hereby is adopted.

RESOLUTION NO. 8584-04

It was moved by Councilman Leyes, seconded by Councilman Rosen, and carried by unanimous vote, that full reading of Resolution No. 8584-04 be waived, and said Resolution entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE REAPPROPRIATING CERTAIN FY 2003-04 PROJECT BALANCES AND ENCUMBRANCES FOR THE FISCAL YEAR 2004-05, be and hereby is adopted.

RESOLUTION NO. 8585-04

It was moved by Councilman Leyes, seconded by Councilman Rosen, and carried by unanimous vote, that full reading of Resolution No. 8585-04 be waived, and said Resolution entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE ADOPTING AN ANNUAL BUDGET FOR THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT FOR FISCAL YEAR 2004-05, be and hereby is adopted.

RESOLUTION NO. 8586-04

It was moved by Councilman Leyes, seconded by Councilman Rosen, and carried by unanimous vote, that full reading of Resolution No. 8586-04 be waived, and said Resolution entitled A RESOLUTION OF THE GARDEN GROVE CITY COUNCIL AUTHORIZING THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT'S EXPENDITURE OF FUNDS FOR THE PROVISION OF CERTAIN ADMINISTRATIVE FUNCTIONS, be and hereby is adopted.

RESOLUTION NO. 8587-04

It was moved by Councilman Leyes, seconded by Councilman Rosen, and carried by unanimous vote, that full reading of Resolution No. 8587-04 be waived, and said Resolution entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE ADOPTING AN ANNUAL BUDGET FOR THE GARDEN GROVE HOUSING AUTHORITY FOR FISCAL YEAR 2004-05, be and hereby is adopted.

RESOLUTION NO. 8588-04

Councilman Rosen commented that he had a concern with some of the increases in consultant costs proposed in the Master Fee Resolution. He noted that he voted against one of the contracts, and since then has received additional complaints on the contractor. He noted that he had recommended that an in-house employee be hired rather than increase the cost of the consultant, inasmuch as paying a consultant for half the year is more than paying a full-time employee for one year.

The City Manager commented that the City is recruiting for an employee to check grading plans; however, there may be times when outside expertise is needed.

Councilman Rosen commented that if an employee were used as much as possible, it is unlikely the fees would need to be increased.

Councilman Tran questioned how the increases are calculated. The City Manager commented that fees are increased on an annual basis. Each department reviews the Master Fee Resolution; and if fees are not enough to cover costs, they are increased. The law requires that the City cannot collect more fees to make a profit. The City also wants to make sure it is competitive and will not increase the fees to cover the entire cost.

Councilman Tran commented that he would like to see a track record on when fees were increased and by how much.

Councilman Leyes commented that the staff report does give some history on the fees. What is missing is the actual amount that was increased.

Councilman Rosen moved, seconded by Mayor Broadwater, that full reading of Resolution No. 8588-04 be waived, and said Resolution entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE ESTABLISHING USER FESS FOR VARIOUS CITY SERVICES, be and hereby is adopted upon the following vote, as amended eliminating the increase in the grading plan check fees.

AYES: COUNCILMEMBERS: (3) DALTON, ROSEN, BROADWATER
NOES: COUNCILMEMBERS: (2) LEYES, TRAN
ABSENT: COUNCILMEMBERS: (0) NONE

FISCAL YEAR 2004-05 CONFERENCE AND TRAINING OPPORTUNITIES

It was moved by Councilman Rosen, seconded by Councilman Dalton, and approved by unanimous vote, that the Fiscal Year 2004-05 Conference and Training Opportunities, be and hereby are approved as submitted.

AMENDMENT NO. A-106-04 ALLOWING GROUND-MOUNTED MECHANICAL EQUIPMENT IN THE SIDE OR REAR SETBACKS ON PROPERTIES IMPROVED WITH A SINGLE-FAMILY HOME (F: 115.A-106-04) (XR: 50.3)

This item was continued from the meeting of June 8, 2004.

ORDINANCE NO. 2631 was introduced for first reading and the title read in full, entitled AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN

GROVE APPROVING AMENDMENT NO. A-106-04, AN AMENDMENT OF TITLE 9 OF THE CITY OF GARDEN GROVE MUNICIPAL CODE SECTION 9.16.040G TO ALLOW GROUND-MOUNTED MECHANICAL EQUIPMENT IN THE SIDE OR REAR SETBACKS ON PROPERTIES IMPROVED WITH A SINGLE-FAMILY HOME AND DELETING THE REQUIREMENT OF APPROVAL OF A DIRECTOR'S REVIEW FOR ENCROACHING INTO THE REQUIRED SETBACK WITH MECHANICAL EQUIPMENT

It was moved by Councilman Leyes, seconded by Councilman Tran, and carried by unanimous vote, that full reading of Ordinance No. 2631 be waived, and said Ordinance be and hereby is passed to second reading.

MODIFIED ENGINEER'S REPORT FOR MAIN STREET ASSESSMENT DISTRICT NO. 1
FISCAL YEAR 2004-05 ASSESSMENTS, AND ADOPTION OF RESOLUTION
CONFIRMING PROCEEDINGS

Staff report dated June 22, 2004, was introduced, noting that the proposed assessment increase for Main Street Assessment District No. 1 did not pass at the public hearing held on June 8, 2004. Staff recommends that the Council approve the status quo Main Street budget, the modified Engineer's Report, and the assessment resolution.

Gary Brown, President of the Downtown Business Association and member of the Parking and Main Street Commission, commented that water, trash, and sewer are exempt from the requirements of Proposition 218. He noted that one half of the budget is for trash fees.

The City Manager commented that the assessment was not set up for only trash. It is for maintenance.

Mr. Brown commented that the assessment does not need to be increased, but the trash fees do. The City Manager commented that there is no mechanism to collect the trash fees. He noted that the district will be modified in the next few months.

RESOLUTION NO. 8589-04

It was moved by Councilman Rosen, seconded by Councilman Tran, and carried by unanimous vote, that full reading of Resolution No. 8589-04 be waived, and said Resolution entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE MAKING DETERMINATIONS AND CONFIRMING THE DIAGRAM AND ASSESSMENTS IN THE MATTER OF MAIN STREET ASSESSMENT DISTRICT NO. 1, be and hereby is adopted.

CONSIDERATION OF CITY CO-SPONSORSHIP OF THE MAIN STREET CAR SHOW
(F: 88.1) (XR: A-122.5)

This item was continued from the meeting of June 8, 2004, for further information concerning the \$1 and \$2 million insurance deductible.

Mayor Broadwater commented that when the City changed the insurance policy requirement to \$2 million deductible, it affected everyone who does business with the City when insurance coverage is required. It hurts the quality of life in Garden Grove, and could actually make the festivals, or Little League teams go away. The City has been asked to co-sponsor the Main Street Car Show, which would take the insurance problem away from them.

The City Manager commented that staff will prepare a detailed analysis on why the City's deductible was increased and what the ramifications of reducing it back to \$1 million would be for the City.

Mayor Broadwater commented that the side effects could be horrendous. It will affect the festivals, baseball teams, fireworks stands, and bingo organizers.

The City Manager noted that staff has provided options to address the co-sponsorship. One option is to let them maintain their \$1 million coverage. The City's deductible is \$2 million, and the City would then be at risk for an event that occurred that resulted in a claim for more than \$1 million. He indicated that another option is that the City could co-sponsorship the car show by providing them some contribution in the difference in obtaining a \$1 million and a \$2 million policy.

Councilman Leyes commented that the staff report states that since 1994, the City has been self-funded for the first \$2 million of each occurrence, and until 6 months ago we didn't bother to bridge the difference.

Councilman Rosen commented that what the City does about insurance is something that must be addressed across the board. A decision cannot be made about the car show and let the problem fester for everything else. He commented that a number of Council Members received calls prior to the Strawberry Festival because the organizers were in a panic because of the insurance requirement. At some point, they thought they would not be able to have the festival, the parade, or any of the vendors. He noted that the issue of co-sponsorship of the car show is a separate issue from the insurance. Another issue is whether the City should change the permit to a three-year time period.

The City Manager commented that it is up to the Council as to whether it would like to grant a three-year permit for the car show; however, the purpose of the co-sponsorship is an avenue of alleviating the insurance requirement.

Councilman Rosen commented that one of the dumbest things he heard was that the car show people gave up their fireworks stand because there was a little grumbling about fireworks. They made money from the sale of fireworks and should get another stand. He indicated that as the permit issuer, the City has a number of immunity protections under the government code. If the City becomes a co-sponsor, all those immunity provisions go out the window and the City becomes liable for anything. He was in favor of limiting the City's involvement to being the agency that issues permits for the car show.

Mayor Broadwater moved, seconded by Councilman Leyes, to extend the permit for three years and to reduce the insurance requirement to \$1 million for a year.

Councilman Rosen questioned what it would mean to the City to reduce it to \$1 million. The Finance Director commented that it means that the City will be liable for that additional \$1 million. He indicated that from the risk management point of view, it might be better to contribute the equivalent of the difference in the amount of the premium from \$1 million to \$2 million.

Mayor Broadwater questioned whether the City did that for the Strawberry Festival. The Finance Director commented that the City did not because they did get the \$2 million deductible coverage.

Mayor Broadwater commented that they indicated that they had problems getting that coverage because a lot of companies don't carry it.

Councilman Leyes noted that he seconded the Mayor's motion. However, he recommended that the motion be changed to make the Downtown Business Association only liable for the first million, and the City could either cover it or pays the difference.

Mayor Broadwater concurred with the change in the motion.

Councilman Tran commented that by doing that it will open the door for every other event to request that the City contribute to reach that \$2 million threshold.

Mayor Broadwater commented that his motion will only be effective for one year until a report is provided on how many events it will affect and the ramifications.

The Deputy City Attorney commented that he does not want it on the record that the City will be liable for anything over \$1 million. He noted that as Councilman Rosen has stated, the City has certain immunities that are available.

RECESS

At 9:57 p.m., the Mayor declared a recess.

RECONVENE

At 10:05 p.m., the meeting was reconvened with Mayor Broadwater and all Councilmembers in attendance.

CONSIDERATION OF CITY CO-SPONSORSHIP OF THE MAIN STREET CAR SHOW (CONTINUED) (F: 88.1) (XR: A-122.5)

It was moved by Councilman Dalton, seconded by Mayor Broadwater, and carried by unanimous vote, a substitute motion that the insurance be for a maximum of \$1 million for up to one year pending the review of the recommendation from staff.

Councilman Dalton moved, seconded by Mayor Broadwater, that a three-year permit be issued for the car show.

Councilman Rosen commented it is contrary to staff's recommendation. He noted that there are more people on the street opposing the car show, and giving them a three-year permit goes in the opposite direction.

Councilman Tran offered a substitute motion that the permit be granted for two years. He noted that he had issues with a three-year permit because that would take away some accountability on the part of the car show, car show applications, or organizers, given the fact that the insurance has been lowered to \$1 million.

Mayor Broadwater commented that the objective of having the permit for three years is only for convenience. He seconded the substitute motion to grant the permit for two years.

The substitute motion carried by the following vote:

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

NOES: COUNCILMEMBERS: (1) ROSEN
ABSENT: COUNCILMEMBERS: (0) NONE

PARAMEDIC TAX OVERRIDE RATE FOR FISCAL YEAR 2004-05 (F: 60.11)

Staff report dated June 22, was introduced.

ORDINANCE NO. 2632 was introduced for first reading and the title read in full, entitled AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE ESTABLISHING THE AMOUNT OF MONEY FOR PARAMEDIC SERVICES THAT MUST BE RAISED BY AN AD VALOREM TAX OVERRIDE AND THE SETTING OF THE TAX RATE OF SAID OVERRIDE

It was moved by Councilman Leyes, seconded by Councilman Dalton, and carried by unanimous vote, that full reading of Ordinance No. 2632 be waived, and said Ordinance be and hereby is passed to second reading.

ADOPTION OF MEASURE M SEVEN-YEAR CAPITAL IMPROVEMENT PROGRAM CERTIFYING THAT THE GARDEN GROVE CIRCULATION ELEMENT IS CONSISTENT WITH THE COUNTY OF ORANGE MASTER PLAN OF ARTERIALS (F: 23.18c)

Staff report dated June 22, 2004, was introduced.

RESOLUTION NO. 8590-04

It was moved by Councilman Leyes, seconded by Councilman Dalton, and carried by unanimous vote, that full reading of Resolution No. 8590-04 be waived, and said Resolution entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE CONCERNING THE STATUS OF THE CIRCULATION ELEMENT FOR THE CITY OF GARDEN GROVE, be and hereby is adopted.

SECOND READING OF ORDINANCES NO. 2628, NO. 2629, AND NO. 2630

It was moved by Councilman Dalton, seconded by Councilman Rosen, and carried by unanimous vote, that full reading of Ordinances No. 2628, No. 2629, and No. 2630 be waived.

ORDINANCE NO. 2628 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-107-04, AN AMENDMENT OF TITLE 9 OF THE CITY OF GARDEN GROVE MUNICIPAL CODE, PARAGRAPH 9 OF SUBSECTION B, SECTION 9.08.080 RELATING TO ALCOHOLIC BEVERAGE SALES AND CHANGES IN OWNERSHIP (F: 115.A-107-04) (XR: 50.3)

It was moved by Councilman Dalton, seconded by Councilman Rosen, and carried by unanimous vote, that Ordinance No. 2628 be and hereby is declared passed.

ORDINANCE NO. 2629 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-108-04, AN AMENDMENT OF TITLE 9 OF THE CITY OF GARDEN GROVE MUNICIPAL CODE, SECTION 9.12.080 FLOOD HAZARD OVERLAY ZONE (F: 115.A-108-04) (XR: 50.3)

It was moved by Councilman Dalton, seconded by Councilman Rosen, and carried by unanimous vote, that Ordinance No. 2629 be and hereby is declared passed.

ORDINANCE NO. 2630 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 MICHAEL M. DAO, M.D. (PROPERTY OWNER) AND THE CITY OF GARDEN GROVE FOR PROPERTY LOCATED AT THE NORTHWEST CORNER OF WESTMINSTER AVENUE AND ATLANTIS WAY, AT 9191 WESTMINSTER AVENUE, PARCEL NO. 089-401-22(F: 106.151) (XR: 116.SP-320-03)

It was moved by Councilman Dalton, seconded by Councilman Rosen, and carried by unanimous vote, that Ordinance No. 2630 be and hereby is declared passed.

MATTERS FROM THE MAYOR AND CITY COUNCILMEMBERS

Councilman Leyes commented that an item will be listed on the July 13 agenda regarding the City's vote on the tax assessment for the Orange County Vector Control District. (F: 53.1) (XR: 23.20)

Councilman Leyes also commented regarding the candlelight vigil in honor of former President Ronald Reagan that was held on June 10, 2004, at Calvary Chapel. People who attended signed a book that will be sent to the Reagan family. He requested that the book be placed in the lobby of City Hall for one week to provide the opportunity for people to sign it. (F: 53.1)

Councilman Dalton commented that he and Councilman Tran attended the Garden Grove Firefighters check presentation to the Firefighters Quest for Burn Survivors event that was held Tuesday morning. He noted that this organization goes from city to city collecting donations for firefighter burn survivors. The Garden Grove Fire Department presented a check to the Grossman Burn Center. (F: 53.1) (XR: 61.1)

Councilman Tran commented that on Monday he met with President Bush's Homeland Security Secretary Tom Ridge. The Homeland Security Department has increased to 180,000 people including airports and ports security. The Federal Government cannot do it alone, and they need the help and cooperation of everyone to maintain vigilance. (F: 53.1) (XR: 117.2c)

Mayor Broadwater commented that on Wednesday there will be a candlelight service held in the Korean Business District in memory of Kim Sun-il, who was brutally killed by terrorists in Iraq. (F: 53.1)

ADJOURN TO CLOSED SESSION

At 10:20 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 54956.9, the City Council would confer with its Legal Counsel regarding the status of Garden Grove v. Orange County Transportation Authority.

RECONVENE IN OPEN SESSION

At 10:59 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 11:00 p.m., the meeting was declared adjourned.

PRISCILLA STIERSTORFER
DEPUTY CITY CLERK