

MINUTES

GARDEN GROVE SANITARY DISTRICT

An Adjourned Regular meeting of the Garden Grove Sanitary District Board of Directors was called to order in the Council Chamber of the Community Meeting Center, 11300 Stanford Avenue, on Tuesday, September 13, 2005, at 7:40 p.m.

ROLL CALL: PRESENT: (5) PRESIDENT DALTON, MEMBERS KREBS, LEYES, NGUYEN, ROSEN

ABSENT: (0) NONE

ORAL COMMUNICATIONS – PUBLIC

David Twiss commented that the City needs new sewer lines, and one way to save money and pay for it would be to have street sweeping only once a month. (F: S-53.3) (XR: S-60.1)

Charles Mitchell commented that he has spoken against the proposed rate increase, although he is aware that it needs to be done. He commended staff for the breakdown on the fees, but he wants more work done before it is approved. He wants developers to pay their fair share. He objected to borrowing the money. (F: S-53.3) (XR: S-60.1)

Richard Princler commented that there is no doubt that the sewer needs to be done, but he felt that the rates still were not fair. (F: S-53.3) (XR: S-60.1)

RECESS

At 8:25 p.m., the President declared a recess.

RECONVENE

At 10:15 p.m., the meeting was reconvened with President Dalton and all Board members in attendance.

REQUEST FROM THE RAMADA PLAZA HOTEL FOR WAIVER OF \$3,795.92
SEWAGE SPILL CLEAN-UP FEE (F: S-88.1) (XR: A-55.107)

The General Manager advised that this item will be continued to September 27 at the request of the applicant.

CONSIDERATION OF ADOPTION OF AN ORDINANCE ESTABLISHING REVISED
SEWER USER FEES FOR SEWER SERVICES (F: S-60.1)

The General Manager noted that this item was continued from the meeting of August 23, 2005, so that staff could (1) create additional subcategories within the Commercial classification, (2) create a separate Hotel classification, and (3) lower the fee for hospitals.

In response to Member Leyes, Legal Counsel advised that when you establish a rate with the CPI index, you do not need to go through any additional procedures because the enabling legislation is in place.

The Legal Counsel also noted that the ordinance could be amended to read that if the inflation adjustment in any year exceeds six percent under the inflation index set forth above, the amount of the inflation adjustment shall be presented by the General Manager to the Sanitary District Board for final determination.

Member Nguyen requested that there be a cap on the inflation increase to protect the residents.

Member Rosen commented that the CPI is a fixed increase and it cannot be increased beyond the CPI. He noted that if the CPI goes too high, the fees could be revisited.

ORDINANCE NO. 7 was introduced and the title read in full, entitled AN
ORDINANCE OF THE GARDEN GROVE SANITARY DISTRICT
ESTABLISHING REVISED SEWER USER FEES FOR SEWER SERVICES
WITHIN GARDEN GROVE SANITARY DISTRICT SERVICE AREA

It was moved by Member Krebs, seconded by Member Rosen, that full reading of Ordinance No. 7 be waived as amended by the Legal Counsel.

Member Leyes commented that he is not confident with inflation adjustments that are automatic and do not come to the Board for approval. He noted that although it does comply with Proposition 218, he does not think that it complies with the spirit of the law. He indicated that he could not vote for the increase.

The foregoing motion carried by the following vote:

AYES: MEMBERS: (4) KREBS, NGUYEN, ROSEN, DALTON
NOES: MEMBERS: (1) LEYES
ABSENT: MEMBERS: (0) NONE

PROPOSED BUDGET FOR FISCAL YEAR 2005-06 (F: S-34.1)

Staff report dated September 13, 2005, was introduced, noting that this item was continued from the meeting of June 28, 2005.

RESOLUTION NO. 3682

Member Krebs moved, seconded by Member Rosen, that full reading of Resolution No. 3682 be waived, and said Resolution entitled A RESOLUTION OF THE GARDEN GROVE SANITARY DISTRICT ADOPTING AN ANNUAL BUDGET FOR FISCAL YEAR 2005-06 be and hereby is adopted upon the following vote:

AYES: MEMBERS: (4) KREBS, NGUYEN, ROSEN, DALTON
NOES: MEMBERS: (1) LEYES
ABSENT: MEMBERS: (0) NONE

RESOLUTION NO. 3683

It was moved by Member Leyes, seconded by Member Rosen, and carried by unanimous vote, that full reading of Resolution No. 3683 be waived, and said Resolution entitled A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GARDEN GROVE SANITARY DISTRICT ESTABLISHING THE AMOUNT OF INCREASE IN APPROPRIATIONS IN ACCORDANCE WITH XIII B OF THE CALIFORNIA CONSTITUTION AS AMENDED BY PROPOSITION 111, be and hereby is adopted.

RESOLUTION NO. 3684

It was moved by Member Leyes, seconded by Member Rosen, and carried by unanimous vote, that full reading of Resolution No. 3684 be waived, and said Resolution entitled A RESOLUTION OF THE GARDEN GROVE SANITARY DISTRICT REAPPROPRIATING CERTAIN FY 2004-05 PROJECT BALANCES AND ENCUMBRANCES FOR THE FISCAL YEAR 2005-06, be and hereby is adopted.

ADOPTION OF RESOLUTION TO INITIATE DETACHMENT PROCEEDINGS WITH RESPECT TO THAT LAND AREA PROPOSED TO BE ANNEXED BY THE CITY OF ANAHEIM AS DESCRIBED IN LAFCO RESOLUTION RO 05-14
(F: S-28.1) (XR: 23.13)

The General Manager commented that since the posting of this agenda a request was received from LAFCO for the Garden Grove Sanitary District to adopt the Resolution that is before you.

It was moved by Member Rosen, seconded by Member Leyes, and carried by unanimous vote, that the Resolution be brought forward for discussion.

The General Manager noted that the City of Anaheim and the County of Orange are involved in an annexation process. Anaheim did not include a provision to transfer the sewer services that are currently provided by the Garden Grove Sanitary District to the City of Anaheim. He indicated that when Garden Grove became aware of the proceedings, it was requested that a condition be included in the proposed resolution that Anaheim would present a signed MOU on how this transfer would take place. At the hearing, a LAFCO Board member requested that this condition be removed. The Board approved the resolution without this condition. Garden Grove submitted a request for reconsideration of its request. This resolution would commence a process to have the proposed area detached from the Garden Grove Sanitary District and transferred to the City of Anaheim.

RESOLUTION NO. 3685

It was moved by Member Leyes, seconded by Member Rosen, and carried by unanimous vote, that full reading of Resolution No. 3685 be waived, and said Resolution entitled A RESOLUTION OF THE GARDEN GROVE SANITARY DISTRICT, A RESOLUTION OF THE BOARD OF DIRECTORS OF AUTHORIZING DISTRICT STAFF TO INITIATE DETACHMENT PROCEEDINGS WITH RESPECT TO THAT LAND AREA PROPOSED TO BE ANNEXED BY THE CITY OF ANAHEIM AS DESCRIBED IN LAFCO RESOLUTION RO 05-14, be and hereby is adopted.

ADJOURNMENT

At 11:20 p.m., the meeting was declared adjourned.

PRISCILLA STIERSTORFER
DEPUTY SECRETARY