

CITY OF FOUNTAIN VALLEY
REGULAR COUNCIL MEETING

FEBRUARY 6, 2007

MINUTES

STUDY SESSION – 5:30 p.m.

Mayor Ayer called the meeting to order at 5:37 p.m. All Council Members were in attendance.

Mayor Ayer then introduced Virginia Grebbien P.E., General Manager for the Orange County Water District (OCWD) who presented a PowerPoint presentation regarding the Annexation of the Anaheim and Irvine Ranch Water Districts (IRWD). Also present from the OCWD were John C. Kennedy Assistant General Manager, and Directors West Bannister and Jan Debay.

Ms. Grebbien provided details as outlined in the PowerPoint presentation including the following: current and additional water demands; the OCWD Annexation Policy; original and current annexation boundaries; the process in considering annexations; the Annexation Term Sheet; proposed IRWD annexation; basin production percentages; and estimated annexation financial impacts. Ms. Grebbien commented that in the City's recent lawsuit against the Orange County Water District, the court ruled that they were not required to do an environmental review for a planning study. During the presentation Council Members requested clarification and had discussions with Ms. Grebbien regarding the material provided.

After the presentation topic regarding the annexation preparation process and requirements, City Attorney, Alan Burns clarified that the District's lawyers made representations to the court in the litigation that it would do an Environmental Impact Report (EIR) prior to an annexation and that process has now been implemented.

Mayor Ayer asked for clarification regarding the Estimated Annexation Financial Impacts as it pertains to rate payers. There was a discussion among the Council Members and Mayor Ayer estimated that based on the calculations presented, the rate payers would see an increase of approximately \$50 million.

In response to Mayor Ayer's statement of the increase to rate payers, Ms. Grebbien mentioned that such an increase is consistent with the other 46 annexations. After referencing the estimated impact to a typical monthly water bill, she concluded her presentation.

Mayor Pro Tem Collins thanked Ms. Grebbien for the presentation. He then stated his concerns related to the proposed IRWD annexation, emphasizing the cost increases to constituents, including Fountain Valley residents.

Ms. Grebbien responded that the benefits of the annexation includes the continuance of regional collaboration and capturing land that has local runoff and water supply that drains into the basin, stating that there is a value to capturing and owning this water.

Council Member Crandall expressed his concerns regarding the water bill increases that would be realized by Fountain Valley residents. He further commented that the OCWD Board should

consider increasing the proposed annexation fee for IRWD, and that the surrounding areas should not be required to supplement the housing production in Irvine.

After questions from Mayor Ayer, Ms. Grebbien clarified that the linear modeling relates to information from the Municipal Water District of Orange County (MWDOC), which works with the Center for Demographics at Cal State Fullerton. She further provided details of regional conservation projects.

Mayor Ayer inquired about the water recapturing in the proposed annexation areas. Ms. Grebbien clarified that the OCWD is currently capturing the water in the proposed annexation areas however, there is a risk that said water could be claimed by other entities. There was discussion regarding how the water is currently recaptured.

Mayor Pro Tem Collins questioned where the water for the IRWD would come from if the annexation is not approved.

After clarification from Ms. Grebbien that the water would need to be piped in from other resources such as the Colorado River along with use of water recycling, there was further discussion regarding the cost and risks involved for the IRWD if the annexation did not occur.

Council Member Brothers made the observation that this is the largest annexation in OCWD history and that as such any inaccuracies in assumptions will be intensified. She further commented that the opportunity to make any adjustments should be made prior to the annexation. Council Member Brothers concurred with Council Member Crandall's comments, expressing her concerns that Fountain Valley would see only the negatives of the this substantial development, and none of the benefits.

Council Member Carrozzo stated that based on the information provided he is not convinced that there is a benefit to the City of Fountain Valley regarding the proposed annexation.

Mayor Ayer thanked Ms. Grebbien and the Orange County Water District for their efforts regarding this presentation and continuing leadership both locally and nationally.

REGULAR MEETING

Mayor Ayer called to order the regular council meeting of February 6, 2007 at 7:03 p.m.

INVOCATION

Rev. Dr. John McFarland gave the invocation.

SALUTE TO THE FLAG

Council Member Brothers led the salute to the flag of the United States.

ROLL CALL

Council Members Present: Carrozzo, Collins, Ayer, Crandall, Brothers
Council Members Absent: None

Also Present: City Manager Ray Kromer, City Attorney Alan Burns, Administrative Services Manager Don Heinbuch, Community Services Manager Mark Nix, Environmental Services Administrator Steve Hauerwaas, Field Services Manager Bob Kellison, Fire Chief Bill Walker, Fire Marshall Randy Anno, Finance Director Liz Fox, Personnel Manager Jean Hirai, Planning Director Andy Perea, Planner Robert Franklin, Police Chief Paul Sorrell, Public Works Director/City Engineer Mark Lewis, Acting Deputy City Clerk Kathy Heard, and City Clerk Robin Roberts.

APPROVAL OF MINUTES

Motion by Mayor Pro Tem Collins, seconded by Council Member Carrozzo, to approve the minutes of the regular City Council meeting held on January 16, 2007.

Ayes: Carrozzo, Collins, Ayer, Crandall, Brothers
Noes: None
Motion Carried

PRESENTATIONS

Mayor Ayer presented Richard Renna and Alicia Young certificates for their service on City boards, commissions, and committees. Also recognized but not present were Mary LoSasso, Emerson "Bud" Davis, and Kathleen Watt.

PUBLIC APPEARANCES – ORAL COMMUNICATIONS – (Scheduled Matters Only)

Mayor Ayer announced that those wishing to speak on Agenda Items 1 through 8 should identify themselves by providing a speaker card to the City Clerk.

PUBLIC HEARINGS

None

READING OF ORDINANCES

Motion by Council Member Carrozzo, seconded by Mayor Pro Tem Collins, to waive the reading in full of all ordinances under consideration and direct the Mayor to read by titles only.

Ayes: Carrozzo, Collins, Ayer, Crandall, Brothers
Noes: None
Motion Carried

ORDINANCES FOR INTRODUCTION

Adopt An Ordinance Amending The Right-Of-Way Encroachment Chapter Of The Fountain Valley Municipal Code Regarding Utilities And Public Entities

Ordinance 1393 Of The City Council Of The City Of Fountain Valley Amending The Right Of Way Encroachment Chapter Of The Fountain Valley Municipal Code Regarding Utilities And Public Entities

A report was provided by City Attorney, Alan Burns summarizing the staff report presented to Council, including the reasons why encroachment permits are necessary for access to right of way areas.

Mayor Ayer read the title of Ordinance No. 1393.

Council Member Carrozzo moved to introduce Ordinance No. 1393 and pass to a second reading and adoption, seconded by Mayor Pro Tem Collins.

Ayes: Carrozzo, Collins, Ayer, Crandall, Brothers

Noes: None

Motion Carried

ORDINANCES FOR ADOPTION

An Ordinance To Consider Amendment of Fountain Valley Municipal Code Chapter 18.06 – Grading

Ordinance No. 1392 An Ordinance Of The City Council Of The City Of Fountain Valley Amending The Grading Ordinance To Transfer Responsibilities To the City Building Official

Mayor Ayer read the title of Ordinance No. 1392.

Motion by Mayor Pro Tem Collins, seconded by Council Member Crandall, to adopt Ordinance No. 1392.

Ayes: Carrozzo, Collins, Ayer, Crandall, Brothers

Noes: None

Motion Carried

CONSENT CALENDAR

Motion by Council Member Crandall, seconded by Mayor Pro Tem Collins, to approve the Consent Calendar Items 2 through 8.

Ayes: Carrozzo, Collins, Ayer, Crandall, Brothers

Noes: None

Motion Carried

2. Approve A Resolution Of The City Council Of The City Of Fountain Valley Relating To The Classification And Compensation Plan For Part-Time And Hourly Employees Of The City And Superseding All Provisions Contained In Resolution No. 8858 Which Pertain To Part-Time And Hourly Employees

Approve Resolution 9110 - A Resolution Of The City Council Of The City Of Fountain Valley Relating To The Classification And Compensation Plan For Part-Time And Hourly Employees Of the City And Superseding All Provisions contained In Resolution No. 8858 Which Pertain To Part-Time And Hourly Employees.

3. Approve The Annual Software Maintenance Support Agreement With Tyler Technologies For The Incode Software In the Amount Of \$28, 689

Approve the Annual Software Maintenance Agreement with Tyler Technologies in the amount of \$ 28,689.

4. 1) Approve Of Contract Change Order No. 1; 2) Approve Of The Final Closeout Agreement And Release Of All Claims; And 3) Accept Of Final Report For The Residential Roadway Rehabilitation, Project No. GT-229 (CONTRACT 06-19)

Approve the contact change order, final closeout agreement and release of all claims, and accept the final report for Residential Roadway Rehabilitation Project No GT-229.

5. Amend The Fiscal Year 2006-07 General Fund Budget And Appropriate \$44,000 For The Completion Of The Harbor Boulevard Median Landscaping

Amend the Fiscal Year 2006-07 General Fund Budget and appropriate \$44,000 for the completion of the Harbor Boulevard Median Landscaping.

6. Approve To Extend The Agreement With The Municipal Water District Of Orange County To Participate In The Weather Based Irrigation Controller Rebate Program For Single Family Residential and Small Commercial Properties (CONTRACT 04-34)

Approve the extension of the Municipal Water District of Orange County Agreement and participate in the Weather Based Irrigation Controller Rebate Program.

7. Approve To (1) Amend The 2006/2007 General Fund Budget In The Amount Of \$640,000 To Purchase The Currently Leased Fire Apparatus From DaimlerChrysler Services North America, (2) Sell the Fire Apparatus To Fire Trucks Plus, Inc. For \$706,631

Amend the 2006/2007 General Fund Budget in the amount of \$640,000, and purchase the leased fire apparatus from DaimlerChrysler Services North America, and sell said apparatus to Fire Trucks Plus for \$ 706,631.

8. Amend The FY 2006/07 General Fund Budget In The Amount Of \$8,453 For Police Station Underground Storage Tank Remediation, Project No. GF776 And Approve Contract Change Order No. 2 In The Amount Of \$9,250 For Police Station Underground Storage Tank Remediation, Project No. GF776

Amend the Fiscal Year 2006/2007 General Fund Budget in the amount of \$ 8,453 for Police Station Underground Storage Tank Remediation, Project No. GF776, and approve contract change order No. 2 in the amount of \$9,250 for Police Station Underground Storage Tank Remediation, Project No. GF776

ADMINISTRATIVE ITEMS

None

PRESENTATION OF DEMANDS

- (1) Ratification of Payroll: 258639, 263676-263689, 258637-258638, 263507, 263666-263675

Motion by Council Member Crandall, seconded by Council Member Carrozzo, to ratify the payroll as listed above, by the following roll call vote:

Ayes: Carrozzo, Collins, Ayer, Crandall, Brothers
Noes: None
Motion Carried

- (2) Consideration of Register of Demands: 158249-158284, 158285-158294, 158295-158347, 158348-158401, 158402-158413, 158414-158577, 158578, including electronic bank transfers

Motion by Council Member Crandall, seconded by Council Member Carrozzo, to approve the Register of Demands as listed above, including the electronic bank transfers, by the following roll call vote:

Ayes: Carrozzo, Collins, Ayer, Crandall, Brothers
Noes: None
Motion Carried

RECESS

Mayor Ayer recessed the regular Council meeting at 7:10 p.m. to an Agency for Community Development meeting.

RECONVENE

Mayor Ayer reconvened the regular Council meeting at 7:12 p.m. with all Council Members present.

WRITTEN COMMUNICATIONS

None

PUBLIC APPEARANCES -- ORAL COMMUNICATIONS -- (Unscheduled Matters Only)

Redondo Beach resident John Carlisle gave an update on the appeal for his conviction, and his complaints against the Police Department. He made various allegations of fraudulent activity and provided City Attorney, Alan Burns with a copy of the Superior Court Minute Order reflecting the appeal date of March 29, 2007.

James Harrison, a resident of Fountain Valley, spoke regarding street resurfacing in the housing development of Parkside Estates. He expressed safety concerns related to the street resurfacing project and described an incident involving a motorcycle in the vicinity of the previously stated housing development. He provided Council with a copy of his statement regarding this matter.

Mayor Ayer requested that staff research the matter brought forth by Mr. Harrison.

APPOINTMENTS None

COUNCIL COMMENTS

A. Outside Committee Activities

Council Member Carrozzo reported that he had previously provided notes to Council regarding his attendance of the Flood Control Committee meeting.

Mayor Pro Tem Collins also reported on the Flood Control Committee meeting and stated his concerns regarding Senate Bill 5 (SB 5) that threatens to take the flood protection zone to a 500 year flood zone. He further stated that a dance for the disabled was held last Friday at the Recreation Center.

Council Member Brothers reported that the Orange County League of California Cities should be reporting on the hiring of a new director in approximately two weeks.

Council Member Crandall reported on the schedule for upcoming meetings for the Ground Water Replenishment, Orange County Sanitation District, and the Engineering and Operations Committee meetings.

Mayor Ayer spoke regarding his tour of the Orange County Sanitation District facilities, mentioning the large scale of the water recycling program.

B. General Comments

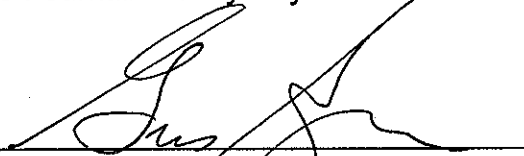
Council Member Brothers reminded the audience of the 50th Anniversary 5K Run/Walk scheduled for Saturday, February 10th, and stated that Mayor Ayer will be providing a guided tour during the Mayor's Walk.

Council Member Crandall apologized to Fountain Valley residents for the derogatory remarks made regarding the City of Fountain Valley by a public speaker.

Mayor Ayer thanked Mr. Harrison for the information regarding the potential safety problem regarding the street resurfacing project.


ADJOURNMENT

Mayor Ayer adjourned the regular meeting of the Fountain Valley City Council at 7:30 p.m.



Gus Ayer, Mayor
City of Fountain Valley

ATTEST:



Robin Roberts
City Clerk