

Harry Saltzgaver, President
Frank Martinez, Vice President
Arthur Levine, Secretary



Robert Shannon, Commissioner
Gloria Cordero, Commissioner

Christopher J. Garner, General Manager

Richard Anthony, Deputy City Attorney

FINISHED AGENDA & DRAFT MINUTES

REGULAR MEETING - 9:00 A.M.

The Water Commission minutes are prepared and ordered to correspond to the Water Commission agenda. Agenda items can be taken out of order during the meeting.

The agenda items were considered in the order presented.

CALL TO ORDER

The Board of Water Commission regular meeting was called to order by President Saltzgaver at 9:00 A.M. This special meeting was held via teleconference pursuant to Executive Order N-29-20 issued by Governor Gavin Newsom.

ROLL CALL

Executive Assistant to the Board, Sandra Fox took the roll call and confirmed a quorum.

Also present: Christopher J. Garner, General Manager; B. Anatole Falagan, Assistant General Manager; Tai Tseng, Assistant General Manager - Operations; Sean Crumby, Deputy General Manager - Engineering; Sandra Fox, Executive Assistant to the Board.

Commissioners Harry Saltzgaver, Frank Martinez, Art Levine, Robert Shannon
Present: and Gloria Cordero

PUBLIC COMMENT

1. [20-091WA](#) May 28, 2020 Board of Water Commission Regular Meeting Public Comments

President Saltzgaver opened the public comment period and asked if any

written public comment had been received. Ms. Fox advised no written public comment had been received for the May 28, 2020 Board meeting. President Saltzgaver then inquired if there was any public on the line who would like to speak. Hearing none, he closed the public comment period.

PRESIDENT'S REPORT

President Saltzgaver reported he had received an email from Alison Brueshoff at Rancho Los Cerritos praising Dean Wang for his assistance in assisting them in applying and receiving a Metropolitan Water District grant for their water project.

President Saltzgaver advised the Board that there was a bill before the State legislature to move the Central Basin Municipal Water District into receivership. He noted he had asked staff to follow this issue closely in case any action was required related to this activity.

GENERAL MANAGER'S REPORT

Mr. Garner provided an update to the Board regarding the department's latest employee newsletter that had just been distributed. He thanked staff for assembling this important document to help keep staff updated on department issues during the COVID crisis.

REVIEW BOARD MEETING SCHEDULE FOR JUNE 2020

President Saltzgaver reviewed the proposed June 2020 Board meeting calendar with the Commissioners.

He noted the regular June meetings are currently scheduled for June 11th and June 25th. He advised that further on in the meeting there might be a discussion to schedule another rate workshop for June 18th where the budget and rates would be considered for adoption. He asked the Commission to advise what they think of this proposed schedule.

All Commissioners advised they would be available these dates, except Commissioner Martinez advised he might be absent from the June 25th meeting date.

Commissioner Cordero suggested possibly holding another budget workshop on June 4th. President Saltzgaver advised they should know at the end of the upcoming budget presentation whether that additional workshop would be necessary.

REGULAR AGENDA

2. [20-092WA](#) Approval of February 27, 2020 Special Board meeting & March 12, 2020 Special Board meeting minutes

A motion was made by Commissioner Cordero, seconded by Commissioner Shannon, to approve recommendation. The motion carried by the following vote:

Yes: 5 - Harry Saltzgaver, Frank Martinez, Art Levine, Robert Shannon and Gloria Cordero

3. [20-093WA](#) Recommendation to approve the Water Supply Assessment prepared for Century Villages at Cabrillo Project pursuant to California Water Code Sections 10910 through 10914.

BUREAU: Water Resources

Ms. Heather Rhee provided the staff report for - agenda item 3. - Water Supply Assessment.

President Saltzgaver called for any Commissioner questions or comments. Hearing none he called for a motion.

Commissioner Cordero commented on the possibility that the Long Beach Unified School District would need to be prepared to absorb these additional students. President Saltzgaver noted that the majority of these units would be reserved for veterans.

Commissioner Levine was not on the call for the vote for agenda item 3.

Commissioner Cordero thanked Ms. Rhee for the comprehensive report associated with this agenda item.

A motion was made by Commissioner Cordero, seconded by Commissioner Martinez, to approve recommendation. The motion carried by the following vote:

Yes: 4 - Harry Saltzgaver, Frank Martinez, Robert Shannon and Gloria Cordero

Absent: 1 - Art Levine

4. [20-094WA](#) Recommendation to authorize the General Manager to initiate a Change Order to Purchase Order Agreement 22001803 in the amount of \$75,000 with CDWG under the purchase conditions specified in the OMNIA Public Sector partners (previously known as the TCPN Cooperative Purchasing Network Agreement) contract for the purchase of computer equipment to cumulatively not exceed \$275,000 exclusively in the current contract year.

BUREAU: Business Administration

Mr. Bott provided the staff report for agenda item 4. - change order for CDWG.

President Saltzgaver called for any Commissioner questions or comments. He then called for any public comment. Hearing none he called for a motion.

A motion was made by Commissioner Martinez, seconded by Commissioner Shannon, to approve recommendation. The motion carried by the following vote:

Yes: 4 - Harry Saltzgaver, Frank Martinez, Robert Shannon and Gloria Cordero

Absent: 1 - Art Levine

5. [20-095WA](#) Review of Water Department Proposed Budget for Fiscal Year 2020-2021

Mr. Garner reviewed the contents of a To/For/From memo (to Mr. Garner for the Board) prepared by Mr. Falagan in response to questions resulting from the Board Workshop on May 21, 2020, regarding the Board Reserve Policy and Reserve targets. He advised the memo also had as an attachment a graph that provided alternate rate scenarios and fund balance projections for a 4% - 6% - 8% sequence as requested by Commissioner Martinez at the May 21, 2020 budget workshop.

Mr. Crumby provided an overview of the proposed Capital Improvement Budget and responded to questions regarding the CIP from the May 21, 2020 budget workshop.

President Saltzgaver inquired how long it typically takes to prepare a new well.

Mr. Crumby provided this explanation.

Mr. Crumby then reviewed the list of proposed deferred CIP projects.

Commissioner Shannon spoke.

Commissioner Martinez spoke.

Commissioner Cordero spoke.

Commissioner Levine inquired if any of these deferrals would cause risk to the sanctity of the department's water and sewer system.

Mr. Crumby responded.

President Saltzgaver made closing comments on this budget review segment.

Mr. Sorensen provided the second review of the proposed budget for Fiscal Year 2020-2021.

Mr. Sorensen paused at slide 8. in the presentation for Board comments.

President Saltzgaver recommended eliminating CSULB advertising and movie theater advertising noting he did not feel these venues would be available until possibly after the first of the year due to the COVID crisis. He also recommended elimination of any outdoor advertising.

President Saltzgaver then called on the Commissioners for comments regarding slide 8.

Commissioner Martinez recommended cutting the Board budget travel expenditure in half to \$5,000. He recommended that Board sponsorship

expenditures also be cut in half to \$25,000.

Commissioner Levine made comments regarding Board sponsorships, and urged continued support for the Rancho Los Alamitos Cottonwood luncheon event. Commissioner Levine also commented on advertising; and noted that some travel may need to be considered.

Commissioner Cordero noted she agreed with President Saltzgaver's recommendations regarding eliminating CSULB advertising; movie theater advertising and outdoor advertising. She called for suspension of Board travel for 2020/2021 but inquired if this could be reconsidered at some future time depending on the conditions related to the COVID crisis. She also commented on Board sponsorships and noted she was conflicted regarding this budget item.

Commissioner Shannon pointed out the Board is working to cut back on a lot of budget items. He made comments regarding the difficulty in cutting individual sponsorships. He recommended eliminating all sponsorships from the FY20/21 budget, and noted if circumstances change for the better these items could be revisited at a later date.

He also made comments regarding Board travel budget items, and noted eliminating this budget item at this time might send the appropriate message to other Commissions.

Commissioner Shannon inquired about digital and print advertising. He also inquired how does the Gas Department handle their advertising.

Mr. Garner responded.

Commissioner Shannon recommended taking a closer look at the entire advertising budget (including digital and print).

Mr. Garner advised that staff could provide the Board with a breakdown on all advertising expenditures.

President Saltzgaver made closing comments regarding budget cuts. He also noted that sponsorships already approved should go forward even if the event needs to be postponed into next year.

At this point in the meeting President Saltzgaver asked the Deputy City Attorney how the Board could proceed at this point in the budget process.

Mr. Anthony advised the Board could choose to provide staff with direction by consensus, or if some Board members disagreed a motion could be made regarding specific budget components.

Commissioner Shannon made a motion to eliminate all Board travel in the FY-20/21 budget. Commissioner Cordero seconded the motion.

Commissioner Levine inquired about the travel budget specifics.

President Saltzgaver responded.

Commissioner Martinez advised he agreed in honoring previously approved sponsorships for FY 19/20.

Commissioner Shannon expressed concern with President Saltzgaver's previous statement regarding the Board paying for their own Board travel. He advised that registration costs should be paid through the budget. He reminded the Board that these types of decisions could always be revisited should conditions change.

There was general discussion/inquiries regarding seminar/conference registrations.

Mr. Sorensen and Ms. Fox confirmed that registrations are a separate budget item from travel expenses.

President Saltzgaver called for any additional Board comments; he then called for any public comment. Hearing none he called for a roll call vote.

The motion carried unanimously with a 5-0 vote (Commissioner Martinez; Commissioner Levine; Commissioner Shannon; Commissioner Cordero and President Saltzgaver).

Commissioner Shannon made a motion to eliminate all sponsorships for the FY-20/21 budget. Commissioner Cordero seconded the motion.

President Saltzgaver called for any Commission comments.

Commissioner Martinez asked for clarification on the budget year that sponsorships are being eliminated in.

President Saltzgaver confirmed it was for FY 20/21.

President Saltzgaver called for any additional Board comments; he then called for any public comment. Hearing none he called for a roll call vote.

The motion carried unanimously with a 5-0 vote (Commissioner Martinez; Commissioner Levine; Commissioner Shannon; Commissioner Cordero and President Saltzgaver).

Commissioner Shannon made a motion to eliminate all advertising as noted on slide 8. of the presentation (CSULB Advertising; Movie Theater Advertising; and Outdoor Advertising, and that after Mr. Garner has provided the Board with additional details regarding the remaining advertising items the Board may make additional cuts if necessary. Commissioner Cordero seconded the motion.

President Saltzgaver called for any Board comments; he then called for any public comment. Hearing none he called for a roll call vote.

The motion carried unanimously with a 5-0 vote (Commissioner Martinez; Commissioner Levine; Commissioner Shannon; Commissioner Cordero and President Saltzgaver).

Mr. Sorensen continued with his presentation starting with slide 9. - 15.

Mr. Sorensen then reviewed potential future budget workshops and dates for budget and rate adoption.

President Saltzgaver reviewed the options with the Board and noted he did not feel that an additional budget workshop was necessary. He called for Commissioner questions or comments.

Commissioner Shannon advised he agreed with Commissioner Shannon. But he noted he had a question regarding the To/For/From memo, but advised he would follow-up with Mr. Falagan outside of the budget discussion.

Commissioner Shannon made a motion to adopt an 8% increase in rates for FY20/21, with no reference to outlying years as they will be considered separately. The motion died for lack of a second.

Commissioner Shannon made a motion to direct staff to bring back to the Board a 6% increase in water rates for FY20/21, with no reference to outlying years as they will be considered separately. He noted this motion would include an adoption of a cap of a \$10.6 million transfer to the City for Measure M.

Mr. Garner clarified the transfer amount requested by the City at \$12.6 million. With a 2% decrease in rates from 8% to 6% this would equate to a \$10.6 million transfer.

Commissioner Levine seconded the motion.

Commissioner Cordero provided her support for this motion.

Mr. Anthony clarified the motion for staff and the public, that this motion provides staff with direction, and does not approve a rate increase at this meeting.

Commissioner Martinez advised he supports the motion as well.

President Saltzgaver provided closing comments regarding the motion on the floor.

He then called for a roll call vote.

The motion carried unanimously with a 5-0 vote (Commissioner Martinez; Commissioner Levine; Commissioner Shannon; Commissioner Cordero and

President Saltzgaver).

At this point in the meeting President Saltzgaver asked the Board if they wanted to schedule the budget and rate adoption for June 11th or June 18th.

Mr. Sorensen provided some clarification on the transfer to the city noting that the \$10.6 million portion was from the water fund. Further discussion confirmed that the entire transfer would come from the water fund, and none from the sewer fund.

There was additional clarification regarding advertising budget items other than those mentioned on slide 8. Commissioner Shannon asked Mr. Garner how he would like this portion of the balance of the advertising budget (print and digital/social media) to be handled.

Mr. Garner advised staff would follow the Board's direction regarding this.

President Saltzgaver advised this item would need to come back to the Board for consideration at a separate meeting.

Mr. Garner advised he could e-mail the information regarding the balance of the advertising budget to the Board, and they could take a short recess to review the information.

Commissioner Shannon suggested this item could be brought back to the Board for review at a meeting in September. He then noted that Mr. Garner could provide this information to the Board after the meeting, and then this item could be agendaized for a meeting in July or August.

At this point in the meeting President Saltzgaver again asked the Board if they wanted to adopt the budget and rates at a June 11th or June 18th meeting.

President Saltzgaver asked if staff would be prepared by June 11th if the adoption was set for that date.

Staff advised that the June 11th date would work.

Commissioner Cordero wanted to make sure that this date would allow the public time to review the budget documents on the Water Department website. President Saltzgaver made additional comments regarding the

proposed meeting date. Commissioner Martinez commented.

President Saltzgaver advised he felt the Board was requesting that a press release be prepared to alert the public that the Board will be planning to adopt the budget and rates (with a 6% water rate increase). Commissioner Shannon commented.

Mr. Garner advised that pushing the adoption to June 18th would allow a longer time to get the message out to the public.

Commissioner Martinez agreed to deferring the budget/rate adoption to June 18th.

President Saltzgaver advised the budget/rate adoption would take place on June 18th with a proposed 6% water rate increase, and requested that staff only schedule budget/rate items for that meeting.

There was general discussion regarding what information should be included in the press release. President Saltzgaver commented; Commissioner Shannon commented

President Saltzgaver called for any further comments related to the budget; he called for any public comment. Hearing none he moved on in the agenda.

Commissioner Martinez thanked his fellow Commissioners for their work on the budget, and thanked staff for a great presentation and work on the budget.

CONSIDER STANDING COMMITTEE REFERRALS

President Saltzgaver called for any Standing Committee referrals. Hearing none he moved on in the agenda.

NEW BUSINESS

President Saltzgaver referred the Board to the council item they had received regarding commissions.

He announced there was no need for the agendized closed session to take place.

ADJOURNMENT

President Saltzgaver adjourned the Board meeting at 10:33 A.M. to the next regular meeting, Thursday, June 11, 2020, at 9:00 A.M. that will be held via teleconference/web.

A digital recording of this meeting will be available at the Long Beach Water Department. The Long Beach Water Department provides reasonable accommodation in accordance with the Americans with Disabilities Act of 1990. If a special accommodation is required, or if an agenda is needed in an alternative format, please call the Board of Water Commissioner Executive Assistant, 48 hours prior to the meeting at (562) 570-2302 or (562) 570-6626 (telecommunications for the deaf). The Board of Water Commission email: watercommission@lbwater.org is available for correspondence purposes.

NOTE:

If written language translation of the Commission agenda and minutes for non-English speaking persons is desired, please make your request by phone to the Office of the City Clerk at (562) 570-6101, 72 business hours prior to the Commission meeting.

Kung nais ang pagsasalin ng nakasulat na wika ng agenda ng Komisyon at ang minutes para sa mga taong hindi nagsasalita ng Ingles, mangyaring isagawa ang iyong hiling sa pamamagitan ng telepono sa Opisina ng Clerk ng Lungsod sa (562) 570-6101, 72 oras ng negosyo bago ang pagpupulong ng Commission.

Si desea obtener la traducción escrita en otro idioma de la agenda y actas de la comisión para personas que no hablan inglés, haga su solicitud por teléfono a la Oficina de la Secretaría Municipal al (562) 570-6101, 72 horas hábiles antes de la reunión de la comisión.

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