

MINUTES
 REGULAR MEETING OF THE BOARD OF WATER COMMISSIONERS
 LONG BEACH, CALIFORNIA
 NOVEMBER 3, 2005

The Board of Water Commissioners of the City of Long Beach met in the Board Room of the Administration Building, 1800 E. Wardlow Road, Long Beach, California, on November 3, 2005.

The meeting was called to order at 9:15 a.m. by President Conley.

PRESENT:	Stephen T. Conley	Commissioner
	Frank Clarke	Commissioner
	William B. Townsend	Commissioner
	Helen Z. Hansen	Commissioner
	Donna F. Gwin	Senior Deputy City Attorney
	Kevin L. Wattier	General Manager
	Lynnette L. French	Secretary to the Board of Water Commissioners
	Robert C. Cheng	Deputy General Manager-Operations
	B. Anatole Falagan	Deputy General Manager-Business
	Matthew P. Lyons	Director, Planning & Conservation
	Paul T. Fujita	Director of Finance
	K. Eric Leung	Director of Water Resources
	Robert V. Swain	Division Engineer
	Robert Villanueva	Division Engineer
	John E. Wills	Administrative Analyst III
	Juan F. Garza	Administrative Analyst I
	Patricia A. Robinson	Administrative Analyst I
	Carolyn A. Hill	Senior Secretary
ABSENT:	Lillian Y. Kawasaki	Commissioner (Excused)

1. PLEDGE OF ALLEGIANCE

Helen Z. Hansen, Board of Water Commissioner, led the Board and audience in the Pledge of Allegiance.

Following the Pledge of Allegiance, Commissioner Hansen paid tribute to the late Dennis Underwood, Commissioner of the United States Bureau of Reclamation (USBR) from 1989 to 1993 and most recently the Chief Executive Officer and General Manager of the Metropolitan Water District (MWD) of Southern California. She noted that Mr. Underwood had a long and distinguished career in the water industry and was known as one of the key figures in the modern history of the Colorado River. Mr. Underwood was known and respected for his professional demeanor, leadership skills, and dedication to the water community.

**2. PUBLIC HEARING
LONG BEACH WATER DEPARTMENT 2005 EMERGENCY WATER
CONSERVATION PLAN**

President Conley opened the Public Hearing regarding the Long Beach Water Department (LBWD) 2005 Emergency Water Conservation Plan.

As there were no comments from the audience, President Conley closed the Public Hearing.

**3. ADOPT RESOLUTION NO. WD-1209, A RESOLUTION OF THE
BOARD OF WATER COMMISSIONERS RESTATING THE
EMERGENCY WATER CONSERVATION AND WATER SUPPLY
PLAN AND RESCINDING RESOLUTION NUMBERS WD-990, 994,
1005, 1020 AND 1071**

- **Matthew P. Lyons, Director of Planning & Water Conservation**

Executive Summary:

Matthew Lyons, Director of Planning and Water Conservation, explained that the Water Conservation and Water Supply Shortage Plan requires a public involvement process. Notice of today's Public Hearing was published in the Press Telegram from October 26, 2005, through November 3, 2005, and a draft copy of the plan was made available to the public at the LBWD Administration Building.

Mr. Lyons explained that the Board of Water Commissioners adopted a plan for managing water shortages in the early 1990's in response to a severe water crisis. The Board made the last of several revisions to the plan in 1995. Since that time, water conservation has increased in importance and significant advances in conservation policy and technology have been made.

Resolution No. WD-1209 will replace a strategy relying primarily on pricing to manage water supplies during shortages with one based on prohibiting certain uses of water as well as using price signals. The proposed strategy introduces two additional elements into the plan, strategies for 1) encouraging conservation in non-shortage years and 2) empowering the General Manager to take certain actions after sudden catastrophic events have affected, or threaten to affect, supply reliability quality.

Board Action:

It was moved by Commissioner Hansen and seconded by Commissioner Clarke, that the Board adopt Resolution No. WD-1209, a Resolution of the Board of Water Commissioners Restating the Emergency Water Conservation and Water Supply Shortage Plan and Rescinding Resolution Numbers WD-990, 994, 1020, and 1071.

The motion was carried by the following vote:

AYES:	COMMISSIONERS:	<u>STEPHEN CONLEY, FRANK CLARKE,</u> <u>WILLIAM TOWNSEND,</u> <u>HELEN HANSEN</u>
NOES:	COMMISSIONERS:	<u>NONE</u>
ABSENT:	COMMISSIONERS:	<u>LILLIAN KAWASAKI</u>
ABSTAIN:	COMMISSIONERS:	<u>NONE</u>

4. APPROVAL OF MINUTES

October 20, 2005

Upon motion by Commissioner Townsend, seconded by Commissioner Clarke, and unanimously carried, the Minutes of the Regular Meeting of October 20, 2005, were approved.

5. PUBLIC COMMENT

President Conley opened the public comment period. As there were no requests to address the Board, the public comment period was closed.

6. PRESIDENT'S REPORT

- **Stephen T. Conley, President, Board of Water Commissioners**

Seawater Desalination

President Conley announced that he has written a letter to former Congressman Stephen Horn thanking him for his support of the Water Desalination Act of 1996, legislation which became the keystone of the USBR's ability to obtain funding for research to develop processes for the conversion of saline water to drinking water. Long Beach now has the distinction of having the largest federally authorized seawater desalination research and development project in the nation.

7. GENERAL MANAGER'S REPORT

- **Kevin L. Wattier, General Manager**

Association of Metropolitan Water Agencies (AMWA) Annual Conference

Mr. Wattier and Commissioner Hansen attended the AMWA Annual Conference October 23rd – October 26th in Santa Fe, New Mexico. The symposium attracted water industry officials from across the country with a workshop schedule which included sessions on utility management, water resources, infrastructure funding, security, and future trends for water utilities. Mr. Wattier summarized several workshops he found of

particular interest and stated that a tour of the Explora Museum in Albuquerque was one of the highlights of the trip. The museum is currently showing an outstanding exhibit on water education that fosters thought, curiosity, and imagination.

Seawater Desalination – Proposed Under Ocean Floor Intake and Discharge Demonstration System

On Thursday, October 20th, the City of Long Beach Planning Commission approved the California Environmental Quality Act (CEQA) documentation for the Water Department's Under Ocean Floor Seawater Intake and Discharge Demonstration System. The proposed project is part of the Water Department's seawater desalination research program and is designed to study the potential for drawing seawater through beach sand to avoid the ecological impact of entrainment and impingement associated with traditional open seawater desalination systems.

Leo Vander Lans Water Treatment Facility

On Friday, November 4th, the Water Replenishment District will transfer operation of the newly constructed Leo Vander Lans Water Treatment Plant to the Long Beach Water Department. The facility provides advanced treatment to recycled water and will replace 50 percent of the imported water to the Alamitos Seawater Intrusion Barrier. This will preserve precious drinking water supplies for the Southern California region as well as protect the Central Basin groundwater area from seawater contamination.

Seawater Desalination

Mr. Wattier explained that as a result of securing \$1,000,000 in funding under Proposition 50 (Water Bond) to expand the research efforts of the Water Department's seawater desalination project, additional time and power are required to accomplish the research tasks. The Board of Water Commissioners approved the First Amendment to the Agreement with the Los Angeles Department of Water and Power (LADWP) on September 15, 2005, updating the LADWP's responsibilities and extending the term of the Agreement to March 31, 2010. The First Amendment was approved by the Board of Directors of the LADWP on Tuesday, November 1st, and Mr. Wattier stated that the LBWD looks forward to its continued partnership with Los Angeles in this endeavor.

Memorandum of Understanding (MOU) Between the City and the Water Department

Mr. Wattier explained that in 1996 an MOU was signed by the City and the Water Department which gave General Fund Departments payment relief from potable and reclaimed water charges. Mr. Wattier stated that he is currently reviewing the MOU with the City and the Boardmembers stressed the importance of making certain that such accounts are administered in a manner which is consistent with the Water Department's water conservation program.

8. LEGAL COUNSEL REPORT

- **Donna F. Gwin, Senior Deputy City Attorney**

No report was given.

9. CONSENT CALENDAR

9a. Approval of Transfer of Funds by Journal Entry Dated November 3, 2005

Transfers No. 1 through No. 2 in the total amount of \$2,064.50 covering the Water Revenue Fund, were submitted to the Board for approval.

9b. Receive and File the List of Vendor Payments for the Month of September 2005

A communication was presented to the Board from Paul Fujita which is on file at the Long Beach Water Department.

Action Requested:

- That the Board receive and file the list of Vendor Payments made during the month of September 2005.

The payments were made in accordance with City and Water Department policies and have been reviewed and approved by the City Auditor's office.

9c. Request Authorization for the General Manager to Execute the First Amendment to Agreement No. WD-2663 with United States Pipe and Foundry, Co., Inc., to Furnish and Deliver Ductile Iron Pipe and Related Materials

A communication was presented to the Board from Robert Cheng which is on file at the Long Beach Water Department.

Action Requested:

- That the Board authorize the General Manager to execute the First Amendment to Agreement No. WD-2663 with United States Pipe and Foundry Co., Inc., to furnish and deliver ductile iron pipe and related materials, fittings for ductile iron pipe, resilient seated gate valves and to extend the contract for one year.

The United States Pipe and Foundry Company has agreed to extend its contract with a price increase not to exceed 7.9% of the original Agreement. Funds for the extension of the Agreement are included in the Fiscal Year 2005-2006 (FY 06) annual budget (Water Fund).

9d. Request Authorization for the General Manager to Execute the First Amendment to Agreement No. WD-2665 with American AVK Company to Furnish and Deliver Ductile Iron Pipes, Fittings for Ductile Iron Pipes, and Resilient Seated Gate Valves

A communication was presented to the Board from Robert Cheng which is on file at the Long Beach Water Department.

Action Requested:

- That the Board authorize the General Manager to execute the First Amendment to Agreement No. WD-2665 with American AVK Company to furnish and deliver ductile iron pipe and related materials, fitting for ductile iron pipe, resilient seated gate valves and to extend the contract for one year.

The American AVK Company has agreed to extend the contract with a price increase not to exceed five percent of the original Agreement. Funds for the extension of the Agreement are included in the FY 06 annual budget (Water Fund).

9e. Request Authorization to Increase Disposal Charges in Agreement No. WD-2709 with Chandler's Sand and Gravel as a Sole Source Vendor for a Landfill Site

A communication was presented to the Board from Robert Cheng which is on file at the Long Beach Water Department.

Action Requested:

- That the Board authorize the General Manager to increase the amount, not to exceed \$375,000, of Agreement No. WD-2709 with Chandler's Sand and Gravel as a sole source vendor for a landfill site with the option to renew for one year.

Funds for the contract are included in the Fiscal Year 06 annual budget (Water Fund).

9f. Request Authorization for the General Manager to Sign an Agreement with GRW & Son, Inc., to Provide Construction Management Services for the Magnolia Avenue Trunk Sewer and S-25 Sewer Lift Station Modifications Project

A communication was presented to the Board from Isaac Pai which is on file at the Long Beach Water Department.

Action Requested:

- That the Board authorize the General Manager to sign an Agreement with GRW & Son, Inc., to provide construction management services for the Magnolia Avenue Trunk Sewer and the S-25 Sewer Lift Station Modifications Project in an amount not to exceed \$210,478 for the period ending February 28, 2007.

Funds for the project are included in the FY 06 Capital Improvement Program (CIP) budget (Sewer Fund).

Board Action

It was moved by Commissioner Hansen and seconded by Commissioner Clarke that the Board approve Consent Calendar Items 9a-9f. The motion was carried by the following vote:

AYES:	COMMISSIONERS:	<u>STEPHEN CONLEY, FRANK CLARKE,</u> <u>WILLIAM TOWNSEND,</u> <u>HELEN HANSEN</u>
NOES:	COMMISSIONERS:	<u>NONE</u>
ABSENT:	COMMISSIONERS:	<u>LILLIAN KAWASAKI</u>
ABSTAIN:	COMMISSIONERS:	<u>NONE</u>

10. REQUEST AUTHORIZATION FOR THE GENERAL MANAGER TO SIGN AN AGREEMENT WITH BLACK & VEATCH TO PROVIDE ENGINEERING DESIGN SERVICES FOR AN UNDER OCEAN FLOOR SEAWATER INTAKE AND DISCHARGE DEMONSTRATION PROJECT

- Eric Leung, Director of Water Resources

Executive Summary:

Mr. Leung explained that the purpose of the Under Ocean Floor Seawater Intake and Discharge Demonstration Project is to demonstrate a unique, environmentally-sensitive intake and discharge method utilizing the ocean floor and slow-sand filtration concept as a

viable pretreatment method for seawater desalination. Staff solicited proposals from five consulting engineering firms and is recommending Black & Veatch based on their extensive experience in similar projects, project understanding, and reasonableness of fee.

Board Action:

It was moved by Commissioner Clarke and seconded by Commissioner Hansen that the Board authorize the General Manager to sign an agreement with Black & Veatch to provide engineering design services for an Under Ocean Floor Seawater Intake and Discharge Demonstration Project in an amount not to exceed \$865,000 for a period ending December 31, 2008. The motion was carried by the following vote:

AYES:	COMMISSIONERS:	<u>STEPHEN CONLEY, FRANK CLARKE,</u> <u>WILLIAM TOWNSEND,</u> <u>HELEN HANSEN</u>
NOES:	COMMISSIONERS:	<u>NONE</u>
ABSENT:	COMMISSIONERS:	<u>LILLIAN KAWASAKI</u>
ABSTAIN:	COMMISSIONERS:	<u>NONE</u>

11. METROPOLITAN WATER DISTRICT (MWD) AGENDA ITEMS AND RECOMMENDATIONS FOR THE NOVEMBER 8, 2005, BOARD MEETING

- **Helen Z. Hansen, MWD Director**

In her capacity as the City of Long Beach MWD Director, Commissioner Hansen called the Board's attention to the MWD agenda for the Board of Directors' meeting on November 8, 2005. She requested input from the Board and stated that she will report back during the Board's Committee of the Whole meeting on November 10, 2005.

Commissioner Hansen noted that the dates of the LBWD's inspection tour for the Colorado River Aqueduct have been changed from May 5-7, 2006, to May 11-13, 2006, and asked the Board to mark their calendars.

Departure of Commissioner: Commissioner Townsend left the meeting at 10: 15 a.m.

12. LEGISLATIVE ISSUES/ACTIONS/BILLS

- **Kevin L. Wattier, General Manager**

Energy and Natural Resources – Full Committee Hearing on Water Technology Related Legislation, October 20, 2005

Mr. Wattier provided an overview of the Congressional hearing on October 20th considering S. 1016 (Senator Martinez) and S. 1860 (Senator Domenici). S. 1016 would provide subsidies for energy costs associated with desalination facilities while S. 1860

would establish a program with the Department of Energy to research and develop cost-effective technologies to help meet water needs.

Federal Budget Update

The federal government will remain in business through November 18th under a Continuing Resolution passed in late September. The Water Department staff continues to monitor the status of our FY 2006 appropriations requests for the reclaimed water system expansion program and the seawater desalination program.

13. NEW BUSINESS

None.

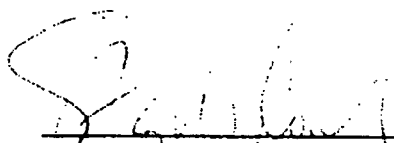
14. ADJOURNMENT

There being no further business to come before the Board, it was moved by Commissioner Clarke, seconded by Commissioner Hansen, and unanimously carried, that the meeting be adjourned at 10:25 a.m. to the next Regular Meeting of the Water Commission to be held on Thursday, November 17, 2005, at 9:15 a.m., in the Board Room of the Administration Building, 1800 E. Wardlow, in Long Beach, California.



William B. Townsend, Secretary

Attest:



Stephen T. Conley, President