

MINUTES OF A REGULAR MEETING OF THE BOARD OF HARBOR COMMISSIONERS OF THE CITY OF LONG BEACH, HELD IN THE BOARD ROOM OF THE HARBOR DEPARTMENT ADMINISTRATION BUILDING AT 925 HARBOR PLAZA, LONG BEACH, CALIFORNIA, ON MONDAY, AUGUST 2, 2004, AT 1 P.M.

Present: Commissioners: Hancock, Cordero, Hankla, Topsy-Elvord, Calhoun
 Absent: " None

Also present:

| | |
|-----------------|------------------------------------|
| R. D. Steinke | Executive Director |
| S. B. Rubin | Managing Director |
| G. T. Hein | Executive Secretary |
| D. A. Thiessen | Chief Harbor Engineer |
| T. K. Whitesell | Director of Administration |
| Y. R. Smith | Director of Communications |
| M. J. Slavin | Director of Finance |
| D. L. Albrecht | Director of Information Management |
| K. D. Allen | Director of Maintenance |
| R. G. Kanter | Director of Planning |
| K. J. McDermott | Director of Properties |
| W. C. Ellis | Interim Director of Security |
| D. B. Snyder | Marketing Manager |
| C. M. Gale | Deputy City Attorney |

PRESIDENT CALHOUN PRESIDED AS CHAIRMAN.

APPROVAL OF MINUTES.

Upon motion by Commissioner Hankla, seconded by Commissioner Topsy-Elvord and unanimously carried, the minutes of the regular meeting of July 26, 2004, were declared read and approved as read.

SERVICE PIN RECOGNITION.

The following were presented to the Board in recognition of their service to the City:

| | | |
|----------------|---|----------|
| Margo Berdanis | Geographic Information System Analyst III | 20 years |
| Sue Vachon | Geographic Information System Technician II | 10 years |

President Calhoun congratulated the service pin recipients on their years of service.

CONSENT CALENDAR – ITEMS NOS. 1-8.

1. SOUTHERN CALIFORNIA EDISON COMPANY – EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE MEMORANDUM OF AGREEMENT – DOCUMENT NO. HD-6835.

Communication from Kathryn McDermott, Director of Properties, dated July 27, 2004, recommending authorization of a Memorandum of Agreement with Southern California Edison Company for renegotiated rent on a substation located north of Pier A Way, was presented to the Board. The recommendation was approved by the Executive Director.

2. CWO NO. 1192 - EXPENDITURES APPROVED AND PROJECT CLOSED TO ALL FUTURE CHARGES.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated July 28, 2004, submitting the following project for closing action:

| | | <u>BHC Approval</u> | <u>Expenditures</u> |
|--------------|---------------------------------------|---------------------|---------------------|
| CWO No. 1192 | North Harbor Acquisition Improvements | \$ 227,000 | \$ 226,972 |

and requesting that the expenditures made to said project be approved and that it be closed to all future charges, was presented to the Board. The request was approved by the Executive Director.

3. CWO NO. 1252 - EXPENDITURES APPROVED AND PROJECT CLOSED TO ALL FUTURE CHARGES.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated July 28, 2004, submitting the following project for closing action:

| | | <u>BHC Approval</u> | <u>Expenditures</u> |
|--------------|--|---------------------|---------------------|
| CWO No. 1252 | Pier F, Berths F205-F206, Entry Gate Reconfiguration | \$ 200,000 | \$ 90,290 |

and requesting that the expenditures made to said project be approved and that it be closed to all future charges, was presented to the Board. The request was approved by the Executive Director.

4. SIALIC CONTRACTORS CORPORATION DBA SHAWNAN – EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE, UPON SATISFACTION OF CERTAIN CONDITIONS BY CONTRACTOR, CONTRACT FOR RENTAL OF CONSTRUCTION

EQUIPMENT AND OTHER RELATED SERVICES UNDER SPECIFICATION NO. HD-S2256 – CITY ATTORNEY REQUESTED TO PREPARE CONTRACT – DOCUMENT NO. HD-6836.

Communication from D. A. Thiessen, Chief Harbor Engineer, dated July 28, 2004, requesting conditional authorization of a Contract with Sialic Contractors Corporation dba Shawnan for rental of construction equipment and other related services under Specification No. HD-S2256, in the amount of \$1,381,390, was presented to the Board. The request was approved by the Executive Director.

5. LEVEL I HARBOR DEVELOPMENT PERMIT – RECEIVED AND FILED.

Communication from Robert Kanter, Director of Planning, dated July 28, 2004, requesting that the following Level I Harbor Development Permit be received and filed:

HDP #04-082 Oil Operators – Valve Extension

was presented to the Board. The request was approved by the Executive Director.

6. MEC ANALYTICAL SYSTEMS, INC. - EXECUTIVE DIRECTOR AUTHORIZED TO EXECUTE FIRST AMENDMENT TO CONTRACT FOR COASTAL MARINE MONITORING SERVICES – DOCUMENT NO. HD-6509A.

Communication from Robert Kanter, Director of Planning, dated July 27, 2004, requesting approval of an amendment to Contract with MEC Analytical Systems, Inc., for coastal marine monitoring services, extending the contract term to March 31, 2005, was presented to the Board. The request was approved by the Executive Director.

7. HARBOR REVENUE FUND – APPROVAL OF FUND TRANSFER JOURNALS AND AUTHORIZATION OF TRANSFER OF FUNDS.

Communication from Michael J. Slavin, Director of Finance, dated July 27, 2004, submitting the following Fund Transfer Journals received from the Department of Financial Management:

| <u>AMOUNT</u> | <u>DESCRIPTION</u> |
|---------------|---|
| \$ 143,615.00 | Police Department – police services for June 2004 |
| 385.00 | Police Department – Port traffic assistance services provided on May 13, 2004 |
| 1,696.34 | Public Works Department – maintenance of streetlights for May and June 2004 |

| | |
|--------|--|
| 806.22 | Health Department – vector control & laboratory charges for June 2004 |
| 96.30 | Fleet Services – reimburse for use of fuel pumps (gas dispensing) for June 2004 |
| 288.00 | Fingerprinting for June 2004 |
| 372.48 | Water Department – share of maintenance cost of storm drain station SD-23 from April through June 2004 |

was presented to the Board. The Fund Transfer Journals were approved by the Executive Director.

8. ANNUAL MEETINGS OF PORT AUTHORITY ASSOCIATIONS – EXECUTIVE DIRECTOR AUTHORIZED TO DESIGNATE DELEGATES AND ALTERNATES.

Communication from Gustav T. Hein, Executive Secretary, dated July 27, 2004, recommending that the Executive Director be authorized to designate the delegates and alternates to the annual meetings of the American Association of Port Authorities, California Association of Port Authorities, and the biennial meetings of the IAPH, was presented to the Board. The recommendation was approved by the Executive Director.

Commissioner Hankla moved, seconded by Commissioner Hancock that the communications be received and filed and that Items Nos. 1-8 be approved as recommended. Carried by the following vote:

| | | |
|---------|--------|---|
| AYES: | Comms: | Hancock, Cordero, Hankla, Topsy-Elvord, Calhoun |
| NOES: | “ | None |
| ABSENT: | “ | None |

REGULAR AGENDA.

9. FORMER MANUFACTURED GAS PLANT III – EXECUTIVE DIRECTOR AUTHORIZED TO SIGN SETTLEMENT AGREEMENT AND A COVENANT TO RESTRICT USE OF PROPERTY – FIRST READING OF ORDINANCE.

Communication from Robert Kanter, Director of Properties, dated July 28, 2004, recommending the Executive Director be authorized to sign a Settlement Agreement and Covenant to restrict use of former manufactured Gas Plant III property at the corner of Pier B Street and Edison Avenue, was presented to the Board together with the authorizing ordinance therefore. The recommendation was approved by the Executive Director.

Commissioner Topsy-Elvord moved, seconded by Commissioner Hankla that the communication be received and filed and that the ordinance entitled, "AN ORDINANCE OF THE BOARD OF HARBOR COMMISSIONERS OF THE CITY OF LONG BEACH AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AND RECORD A COVENANT TO RESTRICT THE USE OF APPROXIMATELY FIVE ACRES IN THE NORTH HARBOR DISTRICT, AND MAKING A DETERMINATION RELATING THERETO," be declared read for the first time and laid over for its second and final reading. Carried by the following vote:

| | | |
|---------|--------|--|
| AYES: | Comms: | Hancock, Cordero, Hankla, Topsy-Elvord, Calhoun |
| NOES: | " | None |
| ABSENT: | " | None |

10. W. DEAN MARTIN – RESOLUTION IN RECOGNITION TO HIS SERVICE WITH THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY AND TO THE PORTS OF LONG BEACH AND LOS ANGELES – RESOLUTION NO. HD-2206 - ADOPTED.

Communication from Gustav T. Hein, Executive Secretary, dated July 28, 2004, recommending approval of a resolution in recognition of W. Dean Martin for his service with to the Alameda Corridor Transportation Authority and to the Ports of Long Beach and Los Angeles, was presented to the Board together with the authorizing resolution therefore. The recommendation was approved by the Executive Director.

Commissioner Hankla stated Mr. Martin served as Chief Financial Officer of the Alameda Corridor Transportation Authority and provided leadership critical to the financing, development, and ultimate success of the Alameda Corridor. Additionally, he was instrumental in the restructuring and pay-off of the Department of Transportation loan of \$573 million, twenty-eight years ahead of schedule.

Commissioner Hankla moved, seconded by Commissioner Hancock that the communication be received and filed and that the resolution entitled "A RESOLUTION OF THE BOARD OF HARBOR COMMISSIONER OF THE CITY OF LONG BEACH HONORING W. DEAN MARTIN, CHIEF FINANCIAL OFFICER OF THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY," be declared read and adopted as read. Carried by the following vote:

| | | |
|---------|--------|--|
| AYES: | Comms: | Hancock, Cordero, Hankla, Topsy-Elvord, Calhoun |
| NOES: | " | None |
| ABSENT: | " | None |

11. PIER J SOUTH TERMINAL DEVELOPMENT – FINAL ENVIRONMENTAL IMPACT REPORT, STATEMENT OF OVERRIDING CONSIDERATIONS,

MITIGATION MONITORING PLAN AND REPORTING PROGRAM, APPLICATION SUMMARY REPORT, PORT MASTER PLAN AMENDMENT #18 - RESOLUTION NO. HD-2207 - ADOPTED.

Communication from Robert Kanter, Director of Planning, by Thomas Johnson, dated July 28, 2004, requesting adoption of the resolution certifying the Final Environmental Impact Report, adopting the Statement of Overriding Considerations, adopting the Mitigation Monitoring Plan and Reporting Program, adopting the Application Summary Report, adopting the Port Master Plan Amendment #18, approving the project for the Pier J South Terminal Development, and authorize the Executive Director to submit to the California Coastal Commission for certification, was presented to the Board together with the authorizing resolution therefore. The recommendation was approved by the Acting Executive Director.

In response to a request by President Calhoun, Dr. Kanter reviewed the report and gave an overview of the project.

Mr. John DiBernardo, Vice President of SSA Marine Terminal addressed the Board and stated his support for the Pier J expansion project. He stated they are committed to working with the Port as well as with their steamship customers in addressing the mitigation measures that are outlined in the report.

Mr. Noel Park, President of the San Pedro & Peninsula Homeowners Coalition addressed the Board and stated opposition to the project and spoke of his concerns regarding air quality and the Environmental Impact Report which understates the amount of emissions that will come from this terminal, both in the short and long run as well as health impacts of air pollutants cited in the literature.

Mr. Todd Campbell, Policy Director of the Coalition for Clean Air and City Councilmember for the City of Burbank, addressed the Board and stated the Coalition was concerned over what the emission impacts will be from this project. Additionally, he stated that there are meaningful mitigation measures that the Commissioners could dictate and improve upon to ensure the community adjacent suffers from the least amount of impact as possible. Mr. Campbell urged the Board to delay the approval of the EIR and to direct staff to correct the baseline used in the report, reinforce the document with meaningful mitigation measures, and revise the health risk assessment to reflect actual risks to workers and communities adjacent to the project.

Ms. Melissa Lin Perrella from the National Resources Defense Council addressed the Board and stated the environmental review for this project is deficient in many areas, including underestimating the impacts of the project by using year 2015 as a baseline. She stated the Board should use this opportunity to demonstrate its commitment to cold-ironing and a no-net increase in Port emissions by not approving the project as is and not certifying the final EIS/EIR in its current form.

Mr. Don May representing California Earth Core addressed the Board and stated he found the report inadequate in two major respects, the baseline and the health risk assessment. He requested the Board hold over their decision until areas identified as inadequate are corrected.

In response to a question by Commissioner Hankla, Dr. Johnson responded that the baseline with respect to analyzing traffic impacts is a different baseline from other impacts and it is common practice to use the base at the time when the project opens in recognition that there will be an increase of traffic level on area roads whether we build the project or not. He stated the proper way to analyze the impact of the project is not to place it in today's traffic but to place it in the traffic that it will be in when it opens.

In response to a question by Commissioner Hancock, Dr. Kanter responded that we believe we have applied appropriate mitigation measures and some of the mitigation measures were implemented one year ago that affect this terminal and other terminals, for instance, on the yard equipment. Additionally, he stated that staff feels the recommended mitigation measures are appropriate and cost effective, particularly with the cold-ironing requirements and the identification of candidate vessels.

In response to a question by Commissioner Cordero, Dr. Kanter stated what was envisioned was a project that would meet the projected future cargo demands and efficiency demands of this terminal. In addition, he stated the appropriate baseline was used.

Commissioner Cordero stated we have and are continuing to address and monitor these mitigation factors.

Commissioner Hancock stated he looked at this as a long-term plan and it is going to increase efficiency and accommodate growth and that we have made thorough and effective mitigation efforts over the years.

Commissioner Hancock moved, seconded by Commissioner Topsy-Elvord that the communication be received and filed and that the resolution entitled "A RESOLUTION OF THE BOARD OF HARBOR COMMISSIONERS OF THE CITY OF LONG BEACH CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE PORT OF LONG BEACH PIER J SOUTH TERMINAL DEVELOPMENT PROJECT IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND STATE AND LOCAL GUIDELINES, MAKING CERTAIN FINDINGS AND DETERMINATIONS THERETO, ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS, ADOPTING A MITIGATION MONITORING AND REPORTING PROGRAM, APPROVING THE PROJECT, APPROVING PORT MASTER PLAN

AMENDMENT NO. 18, AND AUTHORIZING THE EXECUTIVE DIRECTOR TO SUBMIT THE AMENDMENT TO THE CALIFORNIA COASTAL COMMISSION FOR CERTIFICATION," be declared read and adopted as read. Carried by the following vote:

| | | |
|---------|---------|--|
| AYES: | Commrs: | Hancock, Cordero, Hankla, Topsy-Elvord, Calhoun |
| NOES: | " | None |
| ABSENT: | " | None |

ADJOURNED.

At 2:30 p.m., Commissioner Topsy-Elvord moved, seconded by Commissioner Hancock that the meeting be adjourned sine die. Carried by the following vote:

| | | |
|---------|---------|---|
| AYES: | Commrs: | Hancock, Cordero, Hankla, Topsy-Elvord, Calhoun, |
| NOES: | " | None |
| ABSENT: | " | None |

C I T Y P L A N N I N G C O M M I S S I O N M I N U T E S**M A Y 2 0 , 2 0 0 4**

A study session was held at 12:00pm in the City Council Lounge to discuss the Douglas Park Design Guidelines and Planned Development Ordinance, and Development Agreement.

The regular meeting of the City Planning Commission reconvened Thursday, May 20, 2004, at 1:35pm in the City Council Chambers, 333 W. Ocean Boulevard.

PRESENT: COMMISSIONERS: Charles Greenberg, Nick Sramek, Morton Stuhlbarg, Charles Winn, Lynn Moyer

ABSENT: COMMISSIONERS: Matthew Jenkins

CHAIRMAN: Charles Greenberg

STAFF MEMBERS PRESENT: Fady Mattar, Acting Director
Greg Carpenter, Zoning Officer
Jamilla Vollmann, Planner

OTHERS PRESENT: Mike Mais, Assistant City Attorney
Beth Stochl, Housing Services
Barbara Kaiser, Redevelopment Board
Marcia Gold, Minutes Clerk

P L E D G E O F A L L E G I A N C E

Commissioner Sramek led the pledge of allegiance.

S W E A R I N G O F W I T N E S S E S**R E G U L A R A G E N D A (out of order)**

- 4. Case No. 0208-18, Amendment to the Land Use Element of the General Plan, Amendments to the Alamitos Land Planned Development District (PD-17), Site Plan Review, Vesting Tentative Tract Map, EIR 35-01-03**

Applicant: Frawn Granados, Le Plastrier Management Company, Inc.

Subject Site: 2080 Obispo (Council District 4)

Description: Amendment to the Land Use Element of the General Plan; Amendment to the Alamitos Land Planned Development District (PD-17); Site Plan Review, and

approval of Vesting Tentative Tract Map No. 52702 to allow a 106-unit single family house development.

Mr. Carpenter stated that the applicant had requested a continuation.

Commissioner Winn moved to continue the item to the June 3, 2004 meeting. Commissioner Stuhlbarg seconded the motion, which passed 5-0. Commissioner Jenkins was absent.

C O N S E N T C A L E N D A R

The Consent Calendar was approved as presented, on a motion by Commissioner Sramek, seconded by Commissioner Moyer, and passed 5-0. Commissioner Jenkins was absent.

1A. Case No. 0403-22, Modification to existing Conditional Use Permit

Applicant: Harold L. Richardson
Subject Site: 3120 Airport Way (Council District 5)
Description: Modification of existing Conditional Use Permit (allowing a church in an Industrial Zone District with Code Exceptions for off-site parking distance and no deed restriction) to allow a church to remain at the Industrially Zoned location indefinitely.

Approved, subject to conditions.

1B. Case No. 0402-23, Conditional Use Permit, CE 04-64

Applicant: Seth Sor
Subject Site: 5330 Atlantic Avenue (Council District 8)
Description: Request for a Conditional Use Permit to establish a check cashing business in the CCA District.

Approved the Conditional Use Permit, subject to conditions.

1C. Case No. 0402-16, Standards Variance, Conditional Use Permit, CE 04-39

Applicant: Jim Najah
Subject Site: 149 Linden Avenue (Council District 2)
Description: Conditional Use Permit to allow the on-site consumption of beer, wine and distilled spirits for a proposed restaurant and bar with live entertainment.

Standards Variance to provide off-site parking that is over 600' away without a deed restriction.

Approved the Conditional Use Permit and Standards Variance request, subject to conditions.

R E G U L A R A G E N D A

2. Converta-Belle

Subject Site: Citywide

Description: Converta-Belle housing concept and potential zoning amendments.

Jamilla Vollmann presented the staff report recommending clarification of the Zoning Code on the duplex concept in order to remove confusion regarding square footage of secondary units. Staff also recommended that City Council not proceed with the multi-unit condominium proposal because of the overwhelming negative public feedback from the idea, and due to difficulty in enforcing owner occupancy.

Alex Bellehumeur, 6424 Napoli Drive, applicant, stated he would respond to public testimony.

Angela Kimble, 3826 Gondar Ave., representing the Carson Park Community Group, stated that they agreed with staff that the best-case occupancy scenario was not realistic, and that with density a critical issue, they thought the idea should only be targeted for redevelopment areas. Ms. Kimble also stated that they thought the demo idea would be too limited to ascertain long term impacts.

Paul de Jung, 310 Carroll Park East, also spoke against the idea, saying he felt it would have an overall negative impact on local economics.

Joshua Butler, 2750 E. Spring Street #100, representing the Disabled Resource Center, said that they were in favor of the project because it would provide affordable, accessible housing for the disabled near transportation corridors.

Linda Ivers, 5565 Linden, stated she felt the project was too dense for single-family areas, and that the idea should be referred to the five neighborhood clusters for discussion.

Bry Myown, 776 Raymond Avenue, said she felt the Land Use Element process should be completed prior to dealing with this issue, and that this type of project should be in a planned development, not in existing areas that could be destabilized by this type of housing.

Carol McCafferty, 1060 Main Avenue, agreed with Ms. Myown and added that there wasn't enough information about the project presented at community meetings, especially regarding parking and maintenance issues.

Lew Nelson, 1040 Burling Hall Drive, Bixby Knolls, said he felt that the zoning clarification was inadequate to address crowded secondary units citywide, and that it would hard to control and enforce the proposed rules of occupancy.

Beth Stochl, 110 Pine, Suite 1200, Long Beach Housing Services, said that this idea was a creative way to provide affordable housing, but that it was underparked especially if converted. Ms. Stochl also said they felt the idea would increase density and create overwhelming enforcement issues for the City regarding management and liability. She added that she felt even a pilot program would create more problems than it would solve.

Barbara Kaiser, Manager, Redevelopment Bureau, noted that the RDA Board had not yet taken the staff report into consideration, but that if the demonstration project was viable, they would like to see the idea applied citywide, not just restricted to RDA areas. Ms. Kaiser acknowledged the possibility of enforcement problems, but said they'd like to support a demonstration project in other areas of the City.

Mr. Mais said that it was not possible to impose deed restrictions to mandate owner-occupancy except in limited circumstances like government-subsidized housing, since public policy was against such restraints. Mr. Mais suggested looking at more enforceable land use issues like parking and open space.

Mr. Bellehumeur stated that he felt the community response was more positive than negative, and he refuted various statements in the staff report regarding lot sizes, lot coverage and management issues. He added that a study had been done by the City which he claimed was not in the staff report, in which it was noted that the proposed project met parking requirements.

Mr. Bellehumeur also said he thought a demo project should be in a dense transportation corridor to require even less parking, and he read a letter from an owner of an original Converta-Belle in support of the multi-purpose long-term design.

In response to concerns about owner occupation, Mr. Bellehumeur stated that the affordability of the units would discourage rentals, and agreed that they should be restricted to redevelopment areas that need to be upgraded, not citywide.

Chairman Greenberg said that since no one knew how this program would play in the City, he still wanted to see a special ordinance created specifically to construct a demonstration project in an area to be determined, and to have it monitored with no time limit until the Commission was satisfied about the idea's viability.

Commissioner Moyer agreed that a demonstration project should be placed somewhere in the City before a final decision was made as to the idea's feasibility.

In response to a query from Commissioner Sramek, Mr. Carpenter said staff was looking at the broader issues of development, location and zoning to implement those recommendations. Commissioner Sramek commented that there were too many unknown impacts of the idea on parking, open space and enforcement.

Commissioner Stuhlbarg recalled being in favor of a trial project, and said he'd prefer to move forward with that before passing the project on to the City Council.

Commissioner Winn said he was impressed with the concept, but had hoped to hear definitive recommendations for a pilot project from staff, and that he agreed this would not be a good fit in non-redevelopment areas.

Mr. Carpenter said that staff had examined the legal aspects of the idea and had come to the conclusion that it was not practical and would create community compatibility problems.

Commissioner Moyer said although she liked the concept in general, she couldn't recommend anything to the City Council, but would support sending this back to staff with the direction to find a location for the trial project. Ms. Moyer added that because the idea was too general and ethereal at this point it was impossible to focus on possible potential impacts.

Commissioner Sramek suggested that the idea be sent to the Redevelopment Agency for their input and recommendations for a demo site.

Commissioner Winn moved to push forward with a pilot project on both the duplex and condo concepts, on a site to be identified by the applicant.

Commissioner Sramek objected to the condo part of the concept, saying he felt there would be a high rental turnover.

Commissioner Winn said there would be huge problems with enforcement but noted that the concept had worked elsewhere.

Commissioner Stuhlberg said he believed the concept worthy of a try, and he seconded the motion on the floor.

Commissioner Moyer suggested that the applicant work with the RDA to identify a demo site.

Fady Mattar acknowledged the tremendous amount of time and money staff had spent to put their recommendation together, and he verified that this project would come before staff eventually as a new project, with code exceptions attached and monitoring suggestions.

Commissioner Winn agreed that it would be helpful if Mr. Bellehumeur could return with an application for a specific pilot project.

The question was called, and the motion passed 5-0. Commissioner Jenkins was absent.

3. Case No. 0403-23, Local Coastal Development Permit, Conditional Use Permit, CE 04-69

Applicant: Craig Hofman, Hof's Hut Restaurants, Inc.
Subject Site: 4828 E. 2nd Street (Council Dist. 38)
Description: Request for a Conditional Use Permit to allow a liquor license upgrade for on-site consumption of distilled spirits for an existing restaurant (Lucille's).

Greg Carpenter presented the staff report recommending denial of the request, since the use has no on-site parking, and is located in an area with an over-concentration of ABC licenses and a high crime rate.

Craig Hoffman, 2601 E. Willow, owner, Hof's Hut, said that many other restaurants in the area already had full liquor licenses, and he presented a petition with over 4000 signatures in support of the license upgrade.

Tom Stark 225 St. Joseph, said he was against the request, because it would impact parking too much.

Kate Karp, 156 Ximeno, said she supported the applicant because she felt the restaurant was well-run with a high-caliber clientele who wanted to enjoy all types of liquor.

Jeanette Gavin, 60 Pomona, President, Belmont Short Residents' Association, spoke against the request, saying that her Board had voted unanimously against the license upgrade because of potential significant parking impacts.

Harold Sturgeon, 183 St. Joseph, also spoke against the application, saying the restaurant's negative effect on parking was already constant and widespread.

Pat Fricke, 181 Park Avenue, added that parking was very impacted by the restaurant's employees, who used street parking in front of residents' homes.

Melinda Cotton, 158 Park Avenue, Past President, Belmont Shores Residents' Association, spoke in opposition to the request, noting that the applicant had never participated in any community efforts to find more parking. Ms. Cotton said that any intensification of the use would only further strain parking resources, and she suggested that the applicant work harder to urge employees to use public transportation.

Donald Dame, 183 St. Joseph, agreed that the growth of this business had had a devastating effect on the parking load in the neighborhood. Mr. Dame claimed the applicant had promised the community he would never add a bar at the time he received his beer and wine license.

Jeff Miller, 158 Park Avenue, also spoke against the request, saying that the business already had a significant impact on parking and traffic between the employees, customers and deliveries with no attempt at mitigation by the applicant. Mr. Miller said he felt the business no longer served the community as specifically as it used to, and he claimed Mr. Hofman's petition was mostly signed by customers from out of the area.

Nancy Buchanan, 36 Laverne, spoke against the request because of current parking problems the business was experiencing as a legal non-conforming use.

Henry Schwartz, 163 Park Avenue, spoke against the application saying the addition of the bar would create untenable parking impacts with no benefit to the surrounding community.

Bud Lorbeer, 5320 2nd Street, said he supported the request because the applicant was a good business operator, and that the increased use would help area security.

Mr. Hofman claimed that area residents had converted their garages into rental units which increased parking loads, and that his petition did have local signatures.

Commissioner Winn expressed concern about the claims that the applicant was not working to get his employees on public transportation, and he moved to deny the Conditional Use Permit and Local Coastal Development Permit request. Commissioner Moyer seconded the motion.

Ms. Moyer stated for the record that she had formerly been partners with Mr. Hofman's legal counsel.

Commissioner Moyer acknowledged the high quality of the applicant's operation, but said she respected the concerns of the neighbors regarding parking, and was concerned that Mr. Hoffman didn't make concessions for employees to park elsewhere. Ms. Moyer agreed that the license upgrade would bring in more business and employees.

Chairman Greenberg expressed support for the motion, and noted the business' long-time non-conforming use designation, pointing out that such uses can continue as is but can't intensify or expand without meeting code requirements, especially regarding parking.

The question was called, and the motion passed 5-0. Commissioner Jenkins was absent.

M A T T E R S F R O M T H E A U D I E N C E

There were no matters from the audience.

**M A T T E R S F R O M T H E D E P A R T M E N T O F
P L A N N I N G A N D B U I L D I N G**

Mr. Mattar noted that the City Council had sent back the EIR on the oil operating property.

**M A T T E R S F R O M T H E P L A N N I N G
C O M M I S S I O N**

There were no matters from the Planning Commission.

A D J O U R N

The meeting adjourned at 4:29pm.

Respectfully submitted,

Marcia Gold
Minutes Clerk

C I T Y P L A N N I N G C O M M I S S I O N M I N U T E S**J U N E 1 7, 2 0 0 4**

The regular meeting of the City Planning Commission convened Thursday, June 17, 2004, at 1:37pm in the City Council Chambers, 333 W. Ocean Boulevard.

PRESENT: COMMISSIONERS: Charles Winn, Morton Stuhlbarg, Nick Sramek, Lynn Moyer, Matthew Jenkins

ABSENT: COMMISSIONERS: Charles Greenberg

ACTING CHAIRMAN: Morton Stuhlbarg

STAFF MEMBERS PRESENT: Fady Mattar, Acting Director
Greg Carpenter, Zoning Officer
Angela Reynolds, Advance Planning
Joe Recker, Planner I
Derek Burnham, Planner

OTHERS PRESENT: Mike Mais, Assistant City Attorney
Susan Price, Homeless Services
Dennis Eschen, Parks and Recreation
Marcia Gold, Minutes Clerk

P L E D G E O F A L L E G I A N C E

Commissioner Winn led the pledge of allegiance.

M I N U T E S

The minutes of April 15, 2004 were approved on a motion by Commissioner Sramek, seconded by Commissioner Winn and passed 5-0. Commissioner Greenberg was absent.

S W E A R I N G O F W I T N E S S E S

P R E S E N T A T I O N

Susan Price, Homeless Services Coordinator, City of Long Beach, gave an overview of how Long Beach is dealing with the homeless, including estimated numbers of homeless and mental health vs. substance abuse issues, outreach efforts, services in and around the area and how they plan to comply with the existing Administrative Use Permit.

Dan Berns, 1250 W. 17th Street, Chair, Westside PAC, stated that he supports the City's program but is concerned with the negative effect of the shelters on surrounding neighborhoods, expressing concern that the AUP currently in place was not being complied with.

Don Darnauer, 801 Pine Avenue, Chair, Central PAC, noted that in their last meeting, five community organizations expressed group opposition to the homeless services in the area, which they felt did not improve and upgrade the neighborhoods.

Alan Tolkoff, 2851 Chestnut, asked about the AUP's conditions, and Mr. Carpenter stated that the entitlement ran with the land.

Gary Shelton, 1243 E. Ocean Blvd., former Vice Chair, Homeless Services, said he had presented a report to the City Council containing various recommendations, including zoning, to refurbish existing housing stock.

Laura Sanchez, 3759 Orange Avenue, Member, Long Beach Coalition of Homeless, invited the Commissioners to visit their multi-service homeless center, which she felt had a positive effect on the surrounding community.

Jane Kelleher, 3929 E. Anaheim, Vice President, Westside PAC, agreed with some previous speakers that the homeless issue was a serious citywide problem because of shelter operator inexperience and lack of code enforcement.

James Brown, 302 W. 7th Street, Long Beach Community Action Network representative, asked the City to keep supporting homeless services.

C O N S E N T C A L E N D A R

The Consent Calendar was approved as presented by staff on a motion by Commissioner Jenkins, seconded by Commissioner Winn, and passed 5-0. Commissioner Greenberg was absent.

1A. Case No. 0404-15, Standards Variance, Tentative Parcel Map No. 61249, CE 04-85

Applicant: Randy Morris
Subject Site: 633 E. 4th Street (Council District 1)
Description: Tentative Parcel Map to allow the development of a four-unit condominium complex and Standards Variance related to parking.

Approved Tentative Parcel Map No. 61249 and Standards Variance, subject to conditions of approval.

C O N T I N U E D I T E M S

2. Case No. 0310-07, CE 03-188

Applicant: William Kosin
Subject Site: 1470 Pine Avenue (Council Dist. 1)
Description: Appeal of the Zoning Administrator's decision to conditionally approve a Standards Variance for fence height and carport setback.

Joe Recker presented the staff report recommending denial of the appeal since the fence height would be inconsistent with the purpose of zoning regarding front yards and would negatively affect the perception of the neighborhood.

Roger Peter Porter, 3837 E. 7th Street, applicant representative, submitted a petition in support of the request, saying they accepted all the conditions of approval except the one requiring removal of the wrought-iron portion of the fence. Mr. Porter showed photos of fences of similar height and fashion from the surrounding area, noting that it was a high crime area and his client needed the extra protection.

Mr. Carpenter noted that their code enforcement officer had been sent to the site in response to neighborhood complaints, and had discovered that the fence in question was over-height and had been built without permits.

Dennis Eschen, Manager, Planning and Development Department of Parks, Recreation and Marine, 2760 Studebaker, gave an overview of the park, its landscaping, and the benefit to the community.

In response to a query from Commissioner Sramek, Mr. Eschen explained that the sidewalks will be wide enough to be used as a walking path.

Commissioner Jenkins said he felt this was a great idea, providing outdoor activities for the area.

Commissioner Jenkins moved to certify Mitigated Negative Declaration 02-04, with the minor language changes; to approve the Standards Variance for provision of less than code-required off-street parking spaces; and to recommend that the City Council approve the rezoning from R-1-N (Single Family Residential) and I (Institutional) to P (Park). Commissioner Sramek seconded the motion, which passed 5-0. Commissioner Greenberg was absent.

4. Case No. 0403-31, Standards Variance, Local Coastal Development Permit

Applicant: Paul Chandler c/o Brent Sears
Subject Site: 233 Nieto Avenue (Council Dist. 8)
Description: Appeal of the Zoning Administrator's decision to deny variance requests for a garage turning radius of 18 feet (instead of not less than 23 feet), and to maintain nonconforming rights to an existing driveway approach.

Derek Burnham presented the staff report recommending denial of the appeal since the site had adequate lot depth and alley width to provide for the code-required turning radius, and that granting a variance to maintain non-conforming rights would be inconsistent with the code and prevent an additional public parking space from being available in a parking-impacted area.

Paul Chandler, 233 Nieto Avenue, applicant, said he thought his property was unique because he could only fit one car in the garage due to the small turning radius, and the larger space would increase airflow to his backyard. Mr. Chandler also claimed there were similar situations in his neighborhood with hard-to-access garages, and he added that closing the curb cut would not add public parking because it was too short, and denial of this request would negatively impact his property value.

Jeannette Gavin, 60 Pomona Avenue, President, Belmont Shores Homeowners Association, stated that the applicant was trying to provide for his own parking needs and that he can keep his own cars off the street with the curb cut and with the correct turning radius.

Commissioner Winn expressed concern that many of the garages in the area were being used for storage, which impacted parking further.

Mr. Carpenter noted that other smaller turning radius variances had been approved elsewhere in the area, but that in each case, the applicant had used all the available space, whereas in this case, the applicant had space to meet code requirements. Mr. Carpenter added that if there was a car parked in the front yard setback, it would be in violation of parking requirements, and by approving the request, it could create an illegal parking situation for the applicant.

Commissioner Moyer said she felt this would also create a bad precedent if the driveway was allowed to stay with no garage attached.

Commissioner Stuhlbarg expressed familiarity with and sensitivity to the parking situation as a Belmont Shore resident, and said he supported the staff's recommendation.

Commissioner Winn agreed that this could be precedent-setting, although he personally didn't feel it was a problem, it was now against the existing law to grant such a request.

Commissioner Winn moved to deny the appeal and to uphold the Zoning Administrator's decision to deny the variance request. Commissioner Moyer seconded the motion, which passed 5-0. Commissioner Greenberg was absent.

M A T T E R S F R O M T H E A U D I E N C E

There were no matters from the audience.

M A T T E R S F R O M T H E D E P A R T M E N T O F P L A N N I N G A N D B U I L D I N G

Mr. Carpenter announced that this was Commissioner Moyer's last meeting, and he introduced newly-selected Planning Commissioners Leslie Gentile and Mitch Rouse.

Mr. Carpenter also presented Commissioner Moyer with some parting gifts from the staff.

Mr. Mattar gave a Coastal Commission update, noting that they had approved the Bluff Place home, but as a smaller residence, and not in the setback.

**M A T T E R S F R O M T H E P L A N N I N G
C O M M I S S I O N**

The Commissioners all lauded Commissioner Moyer for her years of devoted service, and she accepted their felicitations, saying it had been an honor and a pleasure to work with the Commission and the staff for ten years.

A D J O U R N

The meeting adjourned at 3:44pm.

Respectfully submitted,

Marcia Gold
Minutes Clerk

MINUTES
 REGULAR MEETING OF THE BOARD OF WATER COMMISSIONERS
 LONG BEACH, CA
 JULY 15, 2004

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 July 15, 2004.

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

| | | |
|----------|--------------------|--|
| PRESENT: | Bennett A. Long | Commissioner |
| | Helen Z. Hansen | Commissioner |
| | Stephen T. Conley | Commissioner |
| | Frank Clarke | Commissioner |
| | C.J. Mike Walter | Commissioner |
| | Donna F. Gwin | Senior Deputy City Attorney |
| | Kevin L. Wattier | General Manager |
| | Lynnette L. French | Secretary to the Board of Water Commissioners |
| | Diem X. Vuong | Assistant General Manager |
| | John R. Kruse | Deputy General Manager |
| | Kenneth A. Walker | Manager, Administration |
| | Matthew P. Lyons | Manager of Planning |
| | Paul T. Fujita | Director of Finance |
| | Robert C. Cheng | Manager, Water Quality & Process |
| | Isaac C. Pai | Manager, Engineering |
| | K. Eric Leung | Manager, Engineering |
| | Robert Villanueva | Division Engineer |
| | Reymundo Trejo | Capital Projects Coordinator III |
| | Carolyn A. Hill | Senior Secretary |
| | Juan F. Garza | Public Affairs Assistant |

ABSENT: None

1. PLEDGE OF ALLEGIANCE

Phillip D. Hawkins, Member, Board of Directors, Central Basin Municipal Water District, led the Board and audience in the Pledge of Allegiance.

2. PUBLIC HEARING - LONG BEACH WATER DEPARTMENT'S WATER QUALITY RELATIVE TO PUBLIC HEALTH GOALS

- **Robert C. Cheng, Manager, Water Quality and Process**

President Long opened the Public Hearing relative to the Long Beach Water Department's (LBWD) Public Health Goals and called upon Dr. Robert Cheng.

Dr. Cheng explained that the purpose of the Public Hearing is to inform the Board of Water Commissioners about the results obtained from a comparison of the LBWD's drinking water quality and Public Health Goals (PHGs) as mandated by SB 1307 (Calderon-Sher). PHGs are non-enforceable, however, the results must be disclosed in a Public Hearing to be held after July 1, 2004, but as close to this date as possible. He explained that of the constituents considered, only coliform bacteria and copper were determined to exceed the PHG, but not the regulatory enforceable maximum contaminant level (MCL).

Coliform bacteria are an indicator organism that are ubiquitous in nature and are not generally considered harmful. If a positive sample is found, it indicates that a potential problem may exist, at which time further investigation and follow-up sampling is performed. In order to assure the LBWD's customers that the water is free from any potential microbiological contamination, the LBWD has implemented a careful balance of treatment processes which includes an effective cross-connection control program and monitoring program.

No MCL presently exists for copper, and the LBWD's water system is in full compliance with the Federal and State Lead and Copper rule. The LBWD monitors water quality parameters related to corrosivity, such as hardness, alkalinity, and total dissolved solids, and will take action as necessary to maintain the system in an "optimized corrosion control" state. This is the strategy prescribed by the California Department of Health Services and is generally considered to be the best available technology for dealing with lead and copper issues.

The LBWD's drinking water quality meets or betters all California and United States Environmental Protection Agency drinking water standards set for the protection of public health. To further reduce the levels of the constituents identified in this report, already significantly below the health-based MCLs established to provide "safe drinking water", additional costly treatment processes would be required. The effectiveness of the treatment processes to provide any significant reductions in constituent levels at the already low values is uncertain. The health protection benefits of these further hypothetical reductions are not clear and may not be quantifiable. Therefore, no further action is proposed at this time.

President Long requested comments from the public; there being none, the Public Hearing was closed.

3. APPROVAL OF MINUTES

July 1, 2004

Upon motion by Commissioner Walter, seconded by Commissioner Clarke, and unanimously carried, the Minutes of the Regular Meeting of July 1, 2004, were approved.

4. PUBLIC COMMENT

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

5. PRESIDENT'S REPORT

- **Bennett A. Long, President, Board of Water Commissioners**

Retirement of David J. Rennegarbe, Sewer Operations Superintendent, with 27 Years and 6 Months of Service to the City of Long Beach and the Long Beach Water Department

This agenda item was deferred until future notice.

6. REPORT OF THE METROPOLITAN WATER DISTRICT (MWD) BOARD MEETING ON JULY 13, 2004

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

Supreme Court Decision in Preferential Rights

Commissioner Hansen asked Donna Gwin, Senior Deputy City Attorney, to comment on the July 14th Supreme Court Decision in the Preferential Rights Case.

Ms. Gwin explained that the California Supreme Court denied the San Diego County Water Authority's (Authority) petition to that Court to review lower court rulings in *San Diego County Water Authority v. Metropolitan Water District (MWD)*. The Authority's action alleged that the MWD incorrectly calculates the member agencies' preferential rights under Section 135 of the MWD Act. Metropolitan, together with 24 of its member agencies, successfully demurred to the Authority's complaint and the trial court dismissed the complaint without leave to amend. The Authority appealed that dismissal to the California Court of Appeals, but that court fully affirmed the trial court's decision in a unanimous decision. The Court of Appeals' opinion was the subject of the Authority's petition to the Supreme Court for review. The Supreme Court's denial of the Authority's petition is the final resolution of this matter.

MWD Board Report – July 13, 2004

Commissioner Hansen, in her capacity as the City of Long Beach MWD Director, called the Board's attention to the agenda for the MWD Board of Directors' meeting on July 13, 2004, and provided the following summary:

- Integrated Resource Plan

The Board of Directors adopted an updated water resource plan that extends the region's supply reliability through 2025 with continued investments in conservation; local surface and groundwater storage; investments in recycling; groundwater recovery; seawater desalination; imported supplies and water transfers. The plan updates the 1996 Integrated Resources Plan, a national blueprint for regional supply diversification which changed the way Southern California meets its water needs. Besides maintaining the balance between imported and local supplies, the update increases the regional goal for seawater desalination to 150,000 acre-feet per year and adds a 500,000 acre-foot planning buffer— split equally between local and imported sources—to offset concerns related to water quality and the chance that planned projects are not realized.

- Water Quality

The Board voted to spend \$750,000 to improve chlorination filters at the Weymouth and Diemer filtration plants. This project would reduce the formation of disinfection byproducts; maintain disinfection reliability; and ease blending restrictions of State project and Colorado River. Completion of Metropolitan's Oxidation Retrofit Program in 2009 will provide the long-term solution, but this is an interim measure to reduce trihalomethanes and increase the allowable blend of State project water supplies throughout the year.

- Supply Reliability

The Board voted to spend \$1.38 million for a detailed evaluation of all the mechanical, electrical, and structural components throughout Metropolitan's distribution system. While Metropolitan already has in place an aggressive internal inspection program to assess the structural integrity of pipelines, these inspections are unable to assess the condition of associated mechanical and electrical equipment and their surrounding structures, which are crucial to overall distribution system reliability.

The Board appropriated \$500,000 in matching funds and adopted a resolution to accept two Proposition 13 grants that will advance Metropolitan's effort to improve its access to stored water at Lake Perris. Increased access to stored water would increase Metropolitan's supply reliability and enhance its operational flexibility. The Proposition 13 grants will support projects that will investigate the need for and, if warranted, design water quality improvements to reduce the risks of pathogens associated with body-contact recreation at the lake. This funding will expand the ability to withdraw water for drinking water purposes from the full range of lake depths during summer and fall periods when the lower level of the lake has historically been anoxic (lacking oxygen).

- New Board of Director

Thomas F. Tait, Anaheim city councilman, businessman, and attorney, was seated today as the city's representative on the Board of Directors of the MWD of Southern California. He replaces S. Dale Stanton, who had served on the Metropolitan Board since April 1998.

7. GENERAL MANAGER'S REPORT

- Kevin L. Wattier, General Manager

MWD

Mr. Wattier offered further comment on the July 13th MWD Board meeting. He noted that the MWD Board's approval of the Integrated Resource Plan (IRP) is of particular importance to the LBWD as increased investment in seawater desalination is one of the key ingredients of the water plan.

Mr. Wattier also noted Metropolitan's action with regards to Proposition 13 funding for increased access to stored water at Lake Perris. He explained that the lake is contaminated from human body contact resulting from the recreation that is permitted at this reservoir. He also discussed the current inability to access the lower level of the lake depths during the summer due to a lack of oxygen. He noted that the grants will provide funding for the study of options to address both of these issues.

Long Beach City Budget Summit

On July 10, 2004, Mr. Wattier and Commissioner Walter attended the City's Budget Summit, a one-day workshop designed to inform citizens about the City of Long Beach's Fiscal Year 2005 budgetary process and the implementation of the City's three-year financial strategic plan. During the summit, the Department Heads from various City offices met with the public in break-out forums to provide community members with an opportunity to ask questions about budget information and day-to-day operations in the City.

Long Beach Fire Department

On Tuesday, July 13th, Mr. Wattier met with Dave Ellis, the City's newly appointed Fire Chief. The meeting was very productive and the Water Department looks forward to continuing its positive working relationship with the Fire Department. One of the possibilities that was discussed involved showcasing water conservation measures at one or more of the fire stations with the implementation of drought resistant landscaping and interior water conservation devices such as ultra low flow shower heads and high efficiency clothes washers.

Current Events

Mr. Wattier called the Board's attention to several upcoming events including the Water Department's scheduled individual budget briefings with the Mayor and members of the City Council. He noted that the Water Department is scheduled to present its Fiscal Year 2004-2005 (FY 05) budget to the Mayor and entire City Council on August 24th.

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 July 15, 2004

Transfers No. 199 through No. 209 in the total amount of \$193,996.29 covering the Water and Sewer Revenue Funds, were submitted to the Board for approval.

9b. Approval of Retirement Order No. 6052 for Trade-In of Retired Water Meters

Retirement Order No. 6052, covering retired water meters, was distributed to the Board. Staff recommends that the items be used on the trade-in on the purchase of new water meters .

9c. Approval of Retirement Order No. 6053 for Fire Hydrants and Miscellaneous Equipment and Materials

Retirement Order No. 6053, covering fire hydrants and miscellaneous equipment and materials, was distributed to the Board. The items have become obsolete or unrepairable through the current year and staff recommends that the items be removed from the Department's records.

9d. Request Authorization for the General Manager to Execute the First Amendment to Agreement No. WD-2603 with David Gomes Enterprises, LLC, dba A to Z Metals

A communication was presented to the Board from Eric Leung 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-2603 with David Gomes Enterprises, LLC, dba A to Z Metals, extending the contract for one year at the current prices.

Funds for the contract extension are included in the Fiscal Year 2004-2005 annual budget (Water Fund).

9e. Request Authorization for the General Manager to Execute the First Amendment to Agreement No. WD-2606 with Chandler's Palos Verdes Sand & Gravel Company

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

- That the Board authorize the General Manager to execute the First Amendment to Agreement No. 2606 extending the contract with Chandler's Palos Verdes Sand & Gravel for one year for an amount not to exceed \$215,000, annually, and to include an option to renew said contract for two additional one-year periods.

Funds for the extension are included in the Fiscal Year 2004-2005 annual budget (Water Fund).

9f. Request Approval for Fiscal Year 2004-2005 Board Conference and Travel Schedule

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

Action Requested:

- That the Board approve the Fiscal Year 2004-2005 Board Conference and Travel Schedule pursuant to Board Policy Statement 1996-28.

Board Policy Statement 1996-28 was amended by the Board on March 18, 2004, establishing guidelines for the Board to attend pre-approved important, reoccurring conferences for the year ahead rather than approving individual conferences individually throughout the year. Conferences/events not covered by this action will be considered by the Board on a case-by-case basis.

Board Discussion

The Board briefly discussed the FY 05 travel schedule with particular attention to the American Water Works Association (AWWA) Public Officials Summit in the fall. Commissioners Hansen, Conley, and Long have all attended the annual meeting for water industry officials; Commissioner Walter attended the Public Officials breakfast and morning session at this year's AWWA annual conference in June. The Commissioners expressed interest in expanding the scope of the summit by having it serve as a national forum to model leadership roles for public officials in the water industry. At the end of the discussion, the consensus of the Board was to communicate this position to the AWWA.

Board Action

After discussion, it was moved by Commissioner Hansen and seconded by Commissioner Walter that the Board approve Consent Calendar Items 9a-9f.

The motion was carried by the following vote:

| | | |
|----------|----------------|--|
| AYES: | COMMISSIONERS: | <u>BENNETT LONG, HELEN HANSEN,</u> <u>STEPHEN CONLEY, FRANK CLARKE</u> <u>C.J. MIKE WALTER</u> |
| NOES: | COMMISSIONERS: | <u>NONE</u> |
| ABSENT: | COMMISSIONERS: | <u>NONE</u> |
| ABSTAIN: | COMMISSIONERS: | <u>NONE</u> |

10. REQUEST ADOPTION OF CRITICAL OBJECTIVES FOR FISCAL YEAR 2004-2005

- **Matthew P. Lyons, Manager of Planning**

Action Requested:

That the Board authorize the adoption of the Critical Objectives as stated in the document "Fiscal Year 2004-2005 Critical Objectives."

Executive Summary:

Mr. Lyons explained that each year, as part of the process of developing a budget for the upcoming fiscal year, the Board of Water Commissioners adopts a set of Critical Objectives (previously known as "Strategic Objectives"). The Critical Objectives encompass the major Change Objectives and Maintenance Objectives and their corresponding benchmarks. The budget reflects these objectives.

The proposed FY 2004-2005 Critical Objectives were reviewed by the Board during the Committee of the Whole meeting on March 25, 2004, and the Regular Meeting of July 1, 2004. The revisions suggested by the Board have been incorporated into the document titled "Fiscal Year 2004-2005 Critical Objectives" which articulates a set of Change and Maintenance Objectives for the upcoming fiscal year. Board approval is requested.

Board Action:

After discussion, it was moved by Commissioner Conley and seconded by Commissioner Walter that the Board authorize the adoption of the Critical Objectives as stated in the "Fiscal Year 2004-2005 Critical Objectives."

The motion was carried by the following vote:

| | | |
|----------|----------------|---|
| AYES: | COMMISSIONERS: | <u>BENNETT LONG, HELEN HANSEN,</u> <u>STEPHEN CONLEY, FRANK CLARKE,</u> <u>C.J. MIKE WALTER</u> |
| NOES: | COMMISSIONERS: | <u>NONE</u> |
| ABSENT: | COMMISSIONERS: | <u>NONE</u> |
| ABSTAIN: | COMMISSIONERS: | <u>NONE</u> |

11. **ADOPTION OF RESOLUTION NO. WD-1195, A RESOLUTION OF THE BOARD OF WATER COMMISSIONERS FIXING RATES AND CHARGES FOR WATER AND SEWER SERVICES TO ALL CUSTOMERS, SUBJECT TO THE APPROVAL OF THE CITY COUNCIL BY ORDINANCE**
- John R. Kruse, Deputy General Manager

Executive Summary:

Mr. Kruse explained that Resolution No. WD-1195 includes a rate increase of 4.5% for water rates but no rate increase for sewer rates. The average monthly water bill consisting of a volumetric and daily service charge for a single family resident will increase by approximately \$1.32 per month. Factors beyond the Water Department's control establish the basis for the increase and include increased contributions to the employee's retirement funds; an increase in the Water Replenishment District pump tax; an increase in

the cost of purchasing water from the MWD; and costs associated with the City's pipeline fee.

Board Action:

After discussion, it was moved by Commissioner Clarke and seconded by Commissioner Hansen that the Board adopt Resolution No. WD-1195, A Resolution of the Board of Water Commissioners Fixing Rates and Charges for Water and Sewer Services to All Customers, subject to the approval of the City Council by Ordinance.

The motion was carried by the following vote:

| | | |
|----------|----------------|---|
| AYES: | COMMISSIONERS: | <u>BENNETT LONG, HELEN HANSEN,</u> <u>STEPHEN CONLEY, FRANK CLARKE,</u> <u>C.J. MIKE WALTER</u> |
| NOES: | COMMISSIONERS: | <u>NONE</u> |
| ABSENT: | COMMISSIONERS: | <u>NONE</u> |
| ABSTAIN: | COMMISSIONERS: | <u>NONE</u> |

12. **ADOPTION OF RESOLUTION NO. WD-1196, A RESOLUTION OF THE BOARD OF WATER COMMISSIONERS ADOPTING THE ANNUAL BUDGET FOR THE LONG BEACH WATER DEPARTMENT FOR FISCAL YEAR 2004-2005**
- John R. Kruse, Deputy General Manager

Executive Summary:

The Fiscal Year 2004-2005 budget presents the planned resources and expenditures necessary for the execution of the Water Department's mission for the next fiscal year. The budget includes both the operating and capital improvement components. Over the past few months, all sections of the budget have been brought forward to the Board for information and discussion through a series of workshops. The final recommended budget is now before the Board.

Board Action:

After discussion, it was moved by Commissioner Conley and seconded by Commissioner Clarke that the Board adopt Resolution No. WD-1196, A Resolution of the Board of Water Commissioners adopting the annual budget for the Long Beach Water Department for Fiscal Year 2004-2005 and authorizing staff to transmit Resolution WD-1196 and the budget to the City Manager, Mayor, and City Council.

The motion was carried by the following vote:

| | | |
|----------|----------------|---|
| AYES: | COMMISSIONERS: | <u>BENNETT LONG, HELEN HANSEN,</u> <u>STEPHEN CONLEY, FRANK CLARKE,</u> <u>C.J. MIKE WALTER</u> |
| NOES: | COMMISSIONERS: | <u>NONE</u> |
| ABSENT: | COMMISSIONERS: | <u>NONE</u> |
| ABSTAIN: | COMMISSIONERS: | <u>NONE</u> |

13. LEGISLATIVE ISSUES/ACTIONS/BILLS

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

CalFed

On July 9, 2004, the U.S. House of Representatives unanimously passed H.R. 2828, the CalFed Reauthorization bill. The measure is intended to improve water quality throughout the California Delta, the State's most important watershed, and authorizes water quality projects in San Francisco, San Joaquin, and Sacramento counties. The measure also authorizes continued federal assistance to water recycling and desalination projects, assists local and regional communities in implementing regional water improvement plans, and expedites projects that will ensure a long-term reliable water supply.

A CalFed bill by Senator Dianne Feinstein passed the Senate Committee on Energy and Natural Resources in April. Legislators will now negotiate to work out the differences between the two bills; the schedule for a Senate floor vote is pending at this time.

Federal Budget Process

On June 25th, the U.S. House of Representatives passed H.R. 4614, the House bill on FY 2005 Energy and Water Development Appropriations. It contains \$2.5 million in funding that will support Long Beach Water Department projects in water reclamation and reuse and seawater desalination research and development. The schedule for the Senate to consider its version of the bill is uncertain and may be postponed until August.

National Water Technology Program

On July 14th, U.S. Senator Pete Domenici, Chairman of the Senate Energy and Natural Resources Committee, introduced the Department of Energy National Laboratory Water Technology Research and Development Act of 2004, a bill which would authorize \$200 million annually for basic and applied research and development in water supply technologies. The Domenici bill creates a new mission within the Department of Energy (DOE), tapping Sandia National Laboratories as the lead DOE institution to coordinate the

national water research technology program. Eight DOE national laboratories, in partnership with universities, will head eight regional centers.

14. NEW BUSINESS

Board Meeting

President Long announced that the Committee of the Whole meeting scheduled on Thursday, July 29th, has been cancelled.

MWD Northern California Inspection Tour

Commissioner Hansen announced that the Board of Water Commissioners and invited guests will have an opportunity to participate in an inspection tour of the State Water Project facilities October 7-9, 2004. The tour will be hosted by the MWD.


15. ADJOURNMENT

There being no further business to come before the Board, it was moved by Commissioner Clarke, seconded by Commissioner Conley, and unanimously carried, that the meeting be adjourned at 10:45 a.m. to the next Regular Meeting of the Water Commission to be held on Thursday, August 5, 2004, at 9:15 a.m., in the Board Room of the Administration Building, 1800 E. Wardlow, in Long Beach, California.



Stephen T. Conley, Secretary

Attest:


Bennett A. Long, President