

From: Linda Scholl [mailto:lscholl2011@gmail.com]

Sent: Tuesday, June 14, 2022 1:52 PM

To: CityClerk <CityClerk@longbeach.gov>; Cc: district1@longbeach.gov <district1@longbeach.gov>; district2@longbeach.gov <district2@longbeach.gov>; district3@longbeach.gov <district3@longbeach.gov>; district4@longbeach.gov <district4@longbeach.gov>; district5@longbeach.gov <district5@longbeach.gov>; district6@longbeach.gov <district6@longbeach.gov>; district7@longbeach.gov <district7@longbeach.gov>; district8@longbeach.gov <district8@longbeach.gov>; district9@longbeach.gov <district9@longbeach.gov>; mayor@longbeach.gov <mayor@longbeach.gov>; chris.; Chris Garner <Chris.Garner@lbwater.org>

Cc: Linda Scholl <lscholl2011@gmail.com>

Subject: Agenda item 22-0657 061422-CAC/CC-Water/Gas Consolidation

-EXTERNAL-

Agenda item 22-0657 061422-CAC/CC-Water/Gas Consolidation

Dear City Clerk,

Please provide the attached comments to the members of the committee for the Water Gas Consolidation (our City Council) for their meeting today and to the members of the Water Board Naomi Rainey, Robert Shannon, President, Gloria Cordero, Vice President Christopher J. Garner, General Manager, Secretary Frank Martinez, Commissioner Richard Anthony, Principal Deputy City Attorney

Thank you,

Linda Scholl
Downtown Long Beach resident

Dear Charter Amendment Committee,

I oppose a **Charter Amendment to merge Long Beach Water Department and Gas Department - 061422-CAC/CC-Water/Gas Consolidation.**

The amendment is misleading, omits important information, and will lead to more illegal utility fund transfers, lawsuits and legal costs. Instead of increasing efficiency, it will increase costs!

- It does not address how the revenue will be prevented from transfer to the General Fund, and is silent about possible illegal transfers from the combined Departments to the General Fund.

—It does not mention if the proposed New Charter or even the Existing Charter language for LBWD and Gas Department will be modified to eliminate any sort of mention of transfers to the City General Fund.

—This proposed Charter Amendment sets up the exact conditions that allow for further violation of the law that prohibits transfer of utility fees to the general fund. Because the City ignored this legal requirement previously, the City is now required to return all illegally gotten monies to rate payers, nearly \$30 M dollars, because it was an “unseen tax” that effectively raised the prices of one of the most essential resources: our water. Not only that, the City campaigned and defended the illicit action with tax payer funds. The same could certainly happen with the consolidation of the utilities. **This alone is reason to oppose this charter amendment.**

Respectfully,

Linda Scholl
Downtown Long Beach

June 14, 2022

TO: Long Beach City Council and Mayor & Charter Amendment Committee
City of Long Beach, CA, & Members of the Water Committee Naomi Rainey, Robert Shannon,
President, Gloria Cordero, Vice President Christopher J. Garner, General Manager, Secretary Frank
Martinez, Commissioner Richard Anthony, Principal Deputy City Attorney

FROM: Corliss Lee 3072 Knoxville Ave. Long Beach Ca 90808

Dear Charter Amendment Committee,

I am writing to you to express my opposition to the **The Placement of a Charter Amendment to merge Long Beach Water Department and Gas Department – 061422.CAC-CC.Item3.**

Prior to Measure M, the City made a demand that the Water Dept provide cash to the General Fund. At that time, the Water Dept was providing a quality product at reasonable rates. They were a model of what a utility should be – run with financial prudence. Our City made a conscious move to violate the law (Prop 218) when they began transferring the funds from the Water Dept to the General Fund. Via a lawsuit, they were ordered to stop that transfer that violated Prop 218.

In an attempt to get around the Law a second time, our City proposed Measure M, convinced the voters they would have to accept a lower set of services if they did not approve it and managed to get it passed. The result was that over 3 years, the Water Dept raised our water rates by approximately 20% claiming there was a budget shortfall. At the same time the City went on skimming 12% of the funds by claiming there was a budget surplus. I will never understand how the City Water Dept could have had a **budget shortfall** that required a raise in water rates while at the same time they had a **budget surplus** that allowed them to transfer millions of dollars to the Long Beach City General Fund.

It is still not clear if ratepayers will ever get all the money back for the years of illegal budget management.

Now we are told there is a plan to combine the Water and Gas Departments to realize economies of scale. I'm told many of these plans are already actuated, by having combined clerical and administrative labor for both departments. This was done without the charter amendment in place? So I have to assume the benefits of combining the work are already realized and will not further benefit the public.

I'm also told there is a future plan to combine job descriptions to allow employees from both departments to be cross trained. If there is 3 hours of work on water and 3 hours of work on

gas, that is 6 hours of work, no matter who performs it. There is no inherent savings in that scenario.

I'm told Water employees make more than Gas employees so in reality, you will have to raise the Gas employee's wages to do the water work. How does any of that save money? Will Water employees cease getting raises until Gas employees' wages are commensurate?

This merger appears to be just another method of attempting to continue the skimming of funds – once again cleverly marketed as a potential rate savings ploy.

My greatest concern tends to the fact that these are utilities **that support basic needs** and that the poorest among us are affected by rate changes. These people do not have discretionary funds. Every time you take more money from them, they must adjust by lowering their use of the product – gas and water. You are causing them to suffer when you reach into their pocket.

The skepticism that causes me to object to this plan is based on recent history and a belief that beneath the proposal there is a thinly veiled scheme to continue the transfer of money from utilities to the General Fund, where our city council may use those funds not for the city's basic needs (streets, public safety, homeless programs) but for unnecessary projects and to cover the costs of poor financial management (e.g. the Queen Mary, Civic Center, wages and pensions, Community Hospital etc.).

I urge you to reject the proposal to merge the Gas and Water Departments.

Regards,

Corliss Lee
President Eastside Voice
(714) 401 7063

REFERENCES:

Press Telegram Article: **Long Beach Water reduces rates 2.5% in response to Measure M ruling**
<https://www.presstelegram.com/2022/05/05/long-beach-water-reduces-rates-2-5-in-response-to-measure-m-ruling/>

LEGISTAR Joint Meeting of the Charter Amendment Committee

File #:	22-0657	Version: 1	Name:	061422- CAC/CC- Water/Gas Consolidation
Type:	Agenda Item		Status:	In Committee

File created: 6/9/2022 In control: [Joint Meeting of the Charter Amendment Committee and City Council](#)

On agenda: 6/14/2022 Final action:

Title: Recommendation to receive and file comments from the community, receive and file supporting documentation into the record, and move to a second public hearing on the proposed amendment to the Long Beach City Charter to consolidate the administration of the City's natural gas utility with the Long Beach Water Department. (Citywide)

Sponsors: [City Manager](#)

Attachments: 1. [061422.cac-cc.item3.pdf](#)

Related files: [22-0563](#)