

MINUTES

Special Public Meeting of the Los Cerritos Wetlands Authority (LCWA)

held on

Thursday, August 24, 2023

at

12:30pm

At the following location:

340 Nieto Ave
Long Beach, CA 90814
Conference Room

AGENDA

1. Call to Order

Chair Duggan called the meeting to order at approximately 12:30pm.

2. Roll Call

Board Members Present

Kristina Duggan,
Joe Kalmick, Mayor for the City of Seal Beach
Amy Hutzal, Executive Officer for the California Coastal Conservancy

Staff Present

Mark Stanley, Executive Officer
Elizabeth St. John, Deputy Attorney General
Dinah Felipe, Serving for Budgets and Administration Officer
Aimee Nguyen, Office Technician

3. Public Comment

There was no public comment.

4. Chair's Report

There was no Chair's Report.

5. Approval of the Minutes, May 4, 2023

Vice Chair Kalmick moved to approve. Board member Hutzal seconded. Approved. Roll call vote—Ayes=3; Nays = 0; Abstentions =0.

6. Approval of the Minutes, May 31, 2023

Vice Chair Kalmick moved to approve. Board member Hutzel seconded. Approved. Roll call vote—Ayes=3; Nays = 0; Abstentions =0.

Regular Calendar

7. Status Report on Work Plan Implementation

a. Land Management Update

Eric Zahn, MS Principal Restoration Ecologist from Tidal Influence, stated the land management report has updates from May, June, and July 2023. Zahn stated staff continue to work their way through the weeds that have grown throughout the Authority's properties. Zahn stated staff has had help from the Conservation Corps of Long Beach and has made major progress with weed removal and repairing erosion. Zahn stated staff continues to track a portion of Calloway Marsh which has become an attractive place for local youth to ride their electric bikes. Zahn noted the bike ramps have not been rebuilt since being removed.

b. Los Cerritos Wetlands Stewardship Program Coordinator Update

Eric Zahn stated this report covers the months of May through August 2023. Zahn stated the events held by the Authority have produced about \$26,000 worth of in-kind services. Zahn stated the Authority has partnered with the Los Cerritos Land Trust to host educational field trips. Zahn stated 210 staff hours have been used to help repair a degraded trail and remove non-native vegetation to clear a path for the Raptor Ramble nature tour.

c. Homeless Relocation Program Update

Lenny Arkinstall provide a encampment removal report.

d. El Dorado Audubon Update

Mary Parsell provided a El Dorado Audubon bird walk report.

e. Expenditures Report

Dinah Felipe provided a brief report for Item 7e. Felipe stated key elements of the Expenditure Report for FY 2022/2023 (Exhibit A) are summarized as follows: As the Authority is approximately three-quarters through the current fiscal year, activity has been slightly below budget overall with Revenue and Expense on par. General Liability and Umbrella Insurance expense item is 15% higher than budgeted; however, no additional expenses will occur to the line item. Administration has minimal activity. However, several expenditures in this category, such as Audit Services, generally do not occur until the third or last quarter of the current fiscal year. Though the Security expense item reflects zero expenditures, the Authority

expects invoices from the consultant will be received by the end of the year. Overall Capital Outlay Expenses in relation to grant funding sources are in line with projections; however, individual funding sources such as State Coastal Conservancy and Rivers and Mountains Conservancy are higher than budgeted. The Authority expends grants nearing agreement expiration dates, subsequently, spending them sooner than other funding sources. Staff are generating invoices and awaiting reimbursement from several grants and contracts. Felipe stated the revenue will be reflected when submitted costs expended under the grant have been approved for reimbursement and the reimbursement is received

8. Receive and File the LCWA Annual Audit and Related Reports for FY 2021/20229.

Dinah Felipe stated staff recommends the Los Cerritos Wetlands Authority (LCWA) Governing Board receive and file the Fiscal Year 2021/2022 LCWA Annual Audit and Related Reports as submitted and detailed in the attached Exhibit A. Felipe stated the report includes the results of the FY 2021/22 LCWA Annual Financial Report for the Fiscal Year Ended September 30, 2022 (Exhibit A) and its respective Management Report (Exhibit B). Felipe stated the C.J. Brown & Company CPAs (formerly Fedak & Brown LLP) conducted the audit with the cooperation of the City of Long Beach and LCWA staff. During the FY 2021/2022, the Authority's net position increased by 2.12% or \$239,937 to \$11,573,740 as a result of the Authority's ongoing operations. Felipe stated total revenues increased by 49.81% or \$296,844 to \$892,740 primarily due to increased project, grant, and land management activity as the pandemic waned. Subsequently, total expenses increased by 57.46% or \$238,211 to \$652,803 primarily due to the increase in consulting and grant management expenditures from the prior year. Felipe stated capital assets amount to \$11,000,000 with no change from the previous fiscal year. The Authority continues to have no long-term debt. Material weaknesses or deficiencies in internal control were not identified during the audit. Felipe stated no findings were noted in the current fiscal year. Receive and file of the Fiscal Year 2021/2022 audit has no financial impact.

9. Consideration of a resolution to approve the LCWA FY 2023/2024 Budget

Dinah Felipe stated staff recommends adoption of the LCWA Budget Fiscal Year 2023/2024 as submitted and detailed in the attached Exhibit A of the Board Packet. Felipe stated that in accordance with the provisions of the Joint Powers Agreement, approval of the LCWA budget by the LCWA Board is required. Felipe stated the Consolidated Budget for Fiscal Year (FY) 2023/2024 (Exhibit A) includes three revenues and expenditure components: 1) Administration, 2) Operational, and 3) Capital Outlay. Total budgeted revenue for FY 23/24 is \$810,190 and expenditures are balanced with revenues. Total revenues for FY 23/24 have increased by \$13,173 from budgeted FY 22/23 revenues of \$797,017. While grant agreements are ending during the new fiscal year, the end in these grant revenues are offset by increased activity land management and mitigation activities in the Southern LCW Restoration area, in addition to new and continuing project management activities related to the Memorandum of Agreement (MOA) with AES Redondo Beach. Subsequently, the LCWA expects a slight year-to-year increase in Expenses, plus incremental budget changes in line items such as consultant services and administrative expenditures. Felipe stated the revenues, in combination with grants from the Rivers and Mountains Conservancy, State Coastal Conservancy, and MOA with AES, will allow public programming to continue as part of the Los Cerritos Wetlands Authority Stewardship Program (LCWASP) through and beyond September 2024. The Authority also benefits from bird walks led by the El Dorado Audubon that

contributes the total hours of in-kind stewardship participation and homeless relocation services provided by the Los Cerritos Wetlands Stewards. Administration expenses in the amount of \$31,750 are detailed by line item in the attached budget summary. The expenses under general administrative costs include legal services, website maintenance, and annual audit services with the City of Long Beach. Felipe stated operational expenses consist of the LCWASP and Property Management expenditures. Felipe stated the FY 23/24 budget for this category is \$272,596 and it is consistent with the annualized revenues and expenditures at a minimum to operate, manage, and maintain the LCWA properties. The current budget for the LCWASP includes expenses related to the Zedler Marsh with reimbursement from Los Angeles County Regional Parks and Open Space District through Measure A and the MOA with AES. The Capital Outlay budget is in the amount of \$505,844 with the majority of expenditures related to the Southern LCW Planning and Restoration project.

Felipe stated the LCWA FY 2023/2024 Budget has a balanced budget of \$810,190. As the LCWA enters into new grants and contracts, the budget will be updated and reported to the LCWA Governing Board via expenditure reports

Board member Hutzel moved to approve. Vice Chair Kalmick seconded. Approved. Roll call vote—Ayes=3; Nays = 0; Abstentions =0.

10. Consideration of a resolution certifying the Final Initial Study/Mitigated Negative Declaration prepared for the Southern Los Cerritos Wetlands Restoration Project and adopting a Mitigation Monitoring and Reporting Program pursuant to the California Environmental Quality Act (State Clearinghouse No. 2023040250)

Eric Zahn stated staff recommends the Los Cerritos Wetlands Authority (LCWA) certify the Final Initial Study/Mitigated Negative Declaration prepared for the Southern Los Cerritos Wetlands Restoration Project and adopt a Mitigation Monitoring and Reporting Program.

Zahn stated the LCWA, as the Lead Agency pursuant to CEQA, is proposing to implement an individual restoration project within the 503-acre Los Cerritos Wetlands Restoration Plan Program Area (Program Area). Zahn stated the Program Area contains large expanses of open space, including wetland habitat, as well as other uses, as described in more detail in the Los Cerritos Wetlands Restoration Plan Program Environmental Impact Report (PEIR). As a first-tier environmental document, the PEIR serves as the foundation for this subsequent project-level CEQA analysis. The PEIR states that future phases of the restoration would involve identifying individual projects, performing required analyses and field surveys (e.g., wetland delineation reports, habitat surveys, archaeological and cultural surveys, soil samplings, etc.), engaging stakeholders, and developing more detailed, project-level designs (e.g., engineering designs, grading plans). As each individual restoration project is proposed, it will be evaluated for consistency with the PEIR Goals and Objectives and the Los Cerritos Wetlands Habitat Restoration Plan. Individual restoration projects would be developed with input from public agencies, tribal representatives, stakeholders, landowners, and the community, and adopted by the LCWA Governing Board. Zahn stated the proposed Southern Los Cerritos Wetlands Restoration Project (Project) is located within the City of Seal Beach within the northwestern portion of Orange County, California. The proposed project boundary totals approximately 103.5 acres of land and water and falls completely within the South Area of the PEIR. This project includes portions of two individual sites (South LCWA

and State Lands Parcel) and borders two additional individual sites (Haynes Cooling Channel and Item 10 Hellman Retained) identified in the PEIR. Zahn stated the project would restore wetland, wetland-upland transition zone, and upland habitats throughout the Project Area (Exhibit B). This would involve addressing any contaminated soil and groundwater, grading, revegetation, construction of new public access opportunities (including trails, a Stewardship Site, and viewpoints), construction of flood management facilities (including earthen berms), and modification of existing infrastructure and utilities. The goals and objectives of the proposed Project are consistent with the goals and objectives identified the Final PEIR.

Zahn stated the CEQA filing fee for a Mitigated Negative Declaration is \$2,764.00 and County Clerk processing fees may apply.

Vice Chair Kalmick moved to approve. Board member Hutzel seconded. Approved. Roll call vote–Ayes=3; Nays = 0; Abstentions =0.

11. Consideration of a resolution to authorize the Executive Officer to negotiate and enter into a Memorandum of Agreement with AES Alamitos, LLC to accept funds from the AES Voluntary Environmental Benefits Grants Program

Mark Stanley stated staff recommends the Los Cerritos Wetlands Authority (LCWA) authorize the Executive Officer to negotiate and enter into a Memorandum of Agreement with AES Alamitos, LLC to accept \$750,000 in grant funds from their Voluntary Coastal Enhancement Grants Program. On May 5, 2022, the LCWA Board approved a resolution authorizing the Executive Officer to negotiate and execute a Memorandum of Agreement (MOA) with AES Alamitos, LLC. (Resolution 2022-4). On May 26, 2022, the LCWA agreed to an MOA with AES Redondo Beach, LLC to receive grant funds in the amount of \$1,000,000 to support planning, engineering, restoration, and rehabilitation of the Los Cerritos Wetlands. Since then, staff has coordinated the appropriation of those funds to a variety of projects and tasks in accordance with an annual work plan that is developed in coordination with AES staff. Stanley stated AES Corporation staff have indicated an interest in developing another MOA between the LCWA and AES Alamitos, LLC (AES), a subsidiary of AES Corporation. Stanley stated staff and legal counsels from both the LCWA and AES are reviewing the Draft MOA, and all details about the implementation of the grant program have been resolved. Details regarding timing of funds dispersion, expenditure period, and annual reporting details to AES were clarified in the May 2022 MOA and those terms are replicated in the MOA with AES Alamitos, LLC. Stanley stated staff recommends the LCWA Board authorize the Executive Officer to execute the MOA. This funding, if approved, would greatly support the LCWA's mission to protect and restore the Los Cerritos Wetlands. Funding will be reflected in the FY 23/24 budget and included in the following fiscal years' budgets as negotiated in the MOA.

Board member Hutzel moved to approve. Vice Chair Kalmick seconded. Approved. Roll call vote–Ayes=3; Nays = 0; Abstentions =0.

12. Closed Session: Pursuant to Government Code section 54956.8, LCWA may hold a closed session to consider the Draft Appraisal Report and the Draft Land Transfer Agreement, and related items, between Los Cerritos Wetlands Authority and Los Cerritos Wetlands, LLC for

the APN 7237-019-809; 7237-017-010 thru 014; 018; 019; LCWA Negotiators: Mark Stanley and Property Owner Negotiator: John McKeown. Under Consideration: Price and Terms.

The Board held Closed Session. Elizabeth St. John stated that pursuant to Government Code section 54956.8, LCWA may hold a closed session to consider the Draft Appraisal Report and the Draft Land Transfer Agreement, and related items, between Los Cerritos Wetlands Authority and Los Cerritos Wetlands, LLC for the APN 7237-019-809; 7237-017-010 thru 014; 018; 019; LCWA Negotiators: Mark Stanley and Property Owner Negotiator: John McKeown. Under Consideration: Price and Terms.

13. Oral Communications

- a. a.Statements, responses, questions or directions to staff pursuant to Section54954.2(a) of the Government Code.**
- b. Future agenda items.**

13. Adjournment upon completion of business.

Chair Duggan adjourned the meeting at approximately 2:00pm.