

LEUCADIA WASTEWATER DISTRICT
 Minutes of a Regular Board Meeting
 January 10, 2024

A regular meeting of the Board of Directors of the Leucadia Wastewater District was held Wednesday, January 10, 2024 at 5:00 p.m., at the District Administration Office at 1960 La Costa Avenue, Carlsbad, California.

1. Call to Order

President Roesink called the meeting to order at 5:00 p.m.

2. Roll Call

DIRECTORS PRESENT: Roesink, Saldana, Omsted, Pacilio, Sullivan

DIRECTORS ABSENT:

OTHERS PRESENT: General Manager Paul Bushee, General Counsel Wayne Brechtel, Director of Finance and Administration Ryan Green, Director of Technical Services Robin Morishita, Field Services Superintendent Marvin Gonzalez, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, District Engineer Dexter Wilson, and District resident Dawn Kubik

3. Pledge of Allegiance

Vice President Saldana led the pledge of allegiance.

4. General Public Comment Period

None.

5. Approval of Agenda

Upon a motion duly made by Director Omsted, seconded by Vice President Saldana, and unanimously carried, the Board of Directors approved the agenda by the following vote:

Director	Vote
President Roesink	Yes
Vice President Saldana	Yes
Director Omsted	Yes
Director Pacilio	Yes
Director Sullivan	Yes

6. Presentations and Awards

None.

CONSENT CALENDAR

7. Approval of Board and Committee Minutes

Minutes of the following meetings:

December 12, 2023 Community Affairs Committee Meeting

December 13, 2023 Board Meeting

8. Approval of Demands for December 2023 / January 2024

Payroll Checks numbered 231213-1 – 240102-5; General Checking Checks numbered 25120 - 25209

9. Operations Report (A copy was included in the original January 10, 2024 Agenda)

10. Finance Report (A copy was included in the original January 10, 2024 Agenda)

11. Disclosure of Reimbursements

This report discloses travel expense reimbursements for the month of December 2023.

12. Status Update on the Fiscal Year 2024 (FY24) LWD Tactics and Action Plan

Upon a motion duly made by Director Sullivan, seconded by Director Omsted, and unanimously carried, the Board of Directors approved the Consent Calendar by the following vote:

Director	Vote
President Roesink	Yes
Vice President Saldana	Yes
Director Omsted	Yes
Director Pacilio	Yes
Director Sullivan	Yes

EWA and COMMITTEE REPORTS

13. Encina Wastewater Authority (EWA) Reports

A. EWA Board Report – Meeting held on December 13, 2023.

President Roesink reported on EWA's December 13, 2023 Board meeting.

14. Committee Reports

None.

ACTION ITEMS

15. Award of Teacher Grants

ADS Hill introduced the item and provided background information noting that this item was reviewed by the Community Affairs Committee (CAC) at its December 12th meeting. ADS Hill stated the District received three applications by the deadline. She noted that all three schools qualified for the grants and the grants totaled \$5,600.00.

President Roesink asked if the pollinator garden at La Costa Canyon High School was an ongoing project. ADS Hill answered affirmatively.

Following discussion, upon a motion duly made by Director Omsted, seconded by Director Sullivan, and unanimously carried, the Board of Directors awarded three Teacher Grants totaling \$5,600.00 by the following vote:

Director	Vote
President Roesink	Yes
Vice President Saldana	Yes
Director Omsted	Yes
Director Pacilio	Yes
Director Sullivan	Yes

16. Proposed Resolution No. 2411 - Board of Directors Election of Board Officers, Establishment of Committees and Selection of Committee Members Policy

DFA Green stated that at the December 13, 2023 Board Meeting the Board directed staff to update the Policy for the Election of Board Officers, Establishment of Committee and Selection of Board Committee Members with an amendment which reflects that the LWD Board President and Vice President serve as LWD's representatives on the Encina Wastewater Authority (EWA) Board of Directors/Joint Advisory Committee (JAC) and, as such, shall serve staggered two-year terms.

DFA Green noted that during the development of the draft policy, staff realized that appointment of the EWA Board/JAC Alternate was not addressed in the Board's discussion. He then reviewed three options for the Board's consideration for determining the EWA Board/JAC Alternate.

Option 1: Designate the General Manager as the EWA/JAC Alternate.

Option 2: Designate the LWD Board member next in line for Vice President as the EWA/JAC Alternate.

Option 3: The President appoints a Board or staff member to EWA/JAC Alternate.

DFA Green stated that staff is requesting that the Board designate its preferred option, or hybrid thereof, for inclusion in the adopted policy.

Director Omsted stated that he thinks the EWA Board/JAC Alternate should be an elected official and should be someone with EWA knowledge and experience. He stated that he would like the previous LWD Board President to be the EWA Alternate which would be Director Sullivan.

Following a motion duly made by Vice President Saldana, seconded by Director Pacilio, and carried, the Board of Directors adopted Resolution No. 2411 - Board of Directors Election of Board Officers, Establishment of Committees, and the Selection of Board Committee Members Policy and selected the immediate past LWD Board President to be the EWA/JAC Alternate for inclusion in the Policy by the following vote:

Director	Vote
President Roesink	No
Vice President Saldana	Yes
Director Omsted	Yes
Director Pacilio	Yes
Director Sullivan	No

17. 2024 Board of Directors Committee Assignments

DFA Green presented the item noting that this a receive and file item. He stated that prior to this item, the Board considered and adopted Resolution No. 2411, which establishes the policy for the

election of Board officers, the identification of standing committees, and the selection of committee members. DFA Green stated the Policy calls for the annual selection of committee members at the Board's regularly scheduled meeting in January each year and since the Policy was just adopted the Leucadia committees will continue to rotate automatically each year while the Encina Wastewater Authority (EWA)/Joint Advisory Committee (JAC) appointments will also rotate each year with the Leucadia President and Vice President serving as representatives.

DFA Green then reviewed the following Leucadia committee and EWA/JAC appointments.

Engineering Committee

Director Donald Omsted, Chair (Div. 3)
 Director Bob Pacilio (Div. 5)

Investment & Finance Committee

Director Bob Pacilio, Chair (Div. 5)
 Director Elaine Sullivan (Div. 2)

Community Affairs Committee

Vice President Rolando Saldana, Chair (Div. 4)
 Director Don Omsted (Div. 3)

Human Resource Committee

President Chris Roesink, Chair (Div. 1)
 Director Elaine Sullivan (Div. 2)

Encina Wastewater Authority (EWA) Board of Directors/Joint Advisory Committee (JAC)

- President Chris Roesink (Div. 1)
- Vice President Rolando Saldana (Div. 4)
- Alternate – Director Elaine Sullivan (Past Board President)

Following a motion duly made by Director Omsted, seconded by Vice President Saldana, and unanimously carried, the Board of Directors received and filed the 2024 Board Committee Assignments, by the following vote:

Director	Vote
President Roesink	Yes
Vice President Saldana	Yes
Director Omsted	Yes
Director Pacilio	Yes
Director Sullivan	Yes

18. Recycled Water Follow-up

GM Bushee presented the item and provided background information noting that at the October 11, 2023 Special Meeting, the Board of Directors reviewed the District's and EWA's Recycled Water programs. However, due to time constraints, the review of EWA's program was not completed. GM Bushee then provided a brief recap of the October 11, 2023 Special Board meeting.

GM Bushee stated that the goal of this discussion to determine whether the LWD Board wanted

to take an official position on EWA's water recycling plans. He then presented a summary of the findings from EWA's 2018 Water Reuse Feasibility Study, highlighting the top three preferred potable reuse options. The estimated capital cost for all three options was in excess of \$500 million in 2018 and the costs in today's dollars would likely be much higher. The annualized capital and operating costs were estimated between \$48 million and \$56 million depending on the option.

GM Bushee stated that LWD has been authorized by the state to provide retail wastewater treatment services and that all EWA's options are designed to develop potable water. EWA's estimated cost for developing potable reuse water presents a potential financial risk to LWD especially if the potable water cannot be sold for the cost to produce it. If this were the case, LWD would be subsidizing the potable water supply which is outside LWD's service function and would potentially be a violation of state Proposition 218. GM Bushee added that EWA staff has established a loose coalition of potential stakeholders called One Water North County, however, none of the stakeholders have committed to purchasing the potable reuse water to date. He added LWD could support a potable reuse project if it were cost neutral for LWD ratepayers.

GM Bushee noted that EWA is currently undertaking a potable reuse pilot project and study with an associated cost of \$1.6 million. This cost is partially offset by a federal grant in the amount of \$800,000. Through its membership at EWA, LWD has already committed to its share of the funding for the 2018 Feasibility Study and pilot project in the amount of \$320,000. GM Bushee then reviewed potential positions LWD could take pertaining to EWA's Potable Reuse Plans moving forward.

The Board discussed LWD's options at length. Several questions and comments were made regarding whether LWD should continue to fund EWA's potable reuse efforts, whether a new and lower ownership share could be negotiated for these facilities, and how LWD should approach this issue at EWA. Following discussion, the Board reached unanimous consensus to take an agency-wide position that LWD would support EWA's Potable Reuse Project as long as it is cost neutral to LWD and all future expenses beyond the current pilot project be paid by other parties who would benefit from the potable water produced. This position can be revisited if circumstances change such as change in regulations, commitments to purchase the water produced, etc.

INFORMATION ITEMS

19. Project Status Updates and Other Informational Reports

The 2024 CWEA San Diego Section Awards Banquet is scheduled for February 3, 2024 from 4pm - 9pm at Harrah's Resort & Casino in Valley Center, CA.

EA Baity announced the date and time of the 2024 CWEA San Diego Section Awards Banquet.

20. Directors' Meetings and Conference Reports

None.

21. General Manager's Report

GM Bushee reported on the following:

- The Employee Satisfaction Survey was completed in early December and Mr. Jeff Bills will present the results at the February Board Meeting; and
- The Board Strategic Planning Workshop is on March 7, 2024.

22. General Counsel's Report

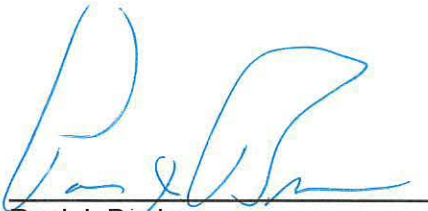
None.

23. Board of Directors' Comments

Director Sullivan thanked GM Bushee for his presentation on the EWA Potable Reuse Project.

24. Adjournment

President Roesink adjourned the meeting at approximately 6:52 p.m.



Paul J. Bushee
Secretary/General Manager
(SEAL)



Chris Roesink, President