

LEUCADIA WASTEWATER DISTRICT

Minutes of a Special Board Meeting

February 16, 2016

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Tuesday, February 16, 2016 at 10:00 a.m., at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

1. Call to Order

President Omsted called the meeting to order at 10:00 a.m.

2. Roll Call

DIRECTORS PRESENT: Omsted, Hanson, Sullivan, Kulchin, and Juliussen

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager Paul Bushee, General Counsel Wayne Brechtel, Administrative Services Manager Richard Duffey, Technical Services Manager Robin Morishita, Field Services Superintendent Jeff Stecker, Executive Assistant Tianne Baity, Administrative Services Supervisor Trisha Hill, District Engineer Steve Deering.

3. Pledge of Allegiance

President Omsted led the pledge of allegiance.

4. General Public Comment Period

None.

5. Approval of Agenda

President Omsted asked the Board of Directors if there were any objections to the approval of the agenda, and seeing none, the Board approved the agenda by the following vote:

Director	Vote
President Omsted	Aye
Vice President Hanson	Aye
Director Sullivan	Aye
Director Kulchin	Aye
Director Juliussen	Aye

ACTION ITEMS**6. Status of LWD's Recycled Water Program**

GM Bushee gave a presentation on the status of LWD's Recycled Water Program. He outlined the following: Background on LWD's water recycling program, the North San Diego Water Recycling Coalition (NSDWRC) status, LWD's recycled water contract, and possible ideas for the future.

GM Bushee described the two most viable options for the District's recycled water program noting that option one would be to connect to the Olivenhain Municipal Water system or option two would be to connect to the City of Carlsbad's system.

GM Bushee also provided the background on the NSDWRC and the reason why the coalition was formed in 2010. He also reviewed the two funding legs of the coalition, State Funding and Federal Funding.

In addition, he reviewed LWD's contract status including the existing contract, Carlsbad negotiations, and Olivenhain negotiations, as well as LWD's current costs.

Director Sullivan asked why can LWD only retail water to the south course at La Costa. GM Bushee responded that recycled water is required to be retailed by a water purveyor, however, LWD has been "grandfathered" into purveying water to the south course only due to the longevity of the operation. He added that LWD is in a 5 year agreement with Carlsbad for the sale of water to the south course and that the contract expires in September 2018.

Vice President Hanson asked if it is possible for LWD to get rebates directly. GM Bushee explained that LWD cannot get rebates without having a sponsor since LWD is not a member of the San Diego County Water Authority.

President Omsted asked how much does the City of Carlsbad sell the water to the golf course for. GM Bushee responded it is about \$1,536 per acre foot.

Director Juliussen expressed his support for LWD focusing on providing water to Omni La Costa. He stated that Olivenhain is the best option for the District and LWD should concentrate on working with them.

GM Bushee discussed two potential long-term future options which included: 1) expanding the Gafner Facility; and 2) building a Direct Potable Reuse (DPR) facility at the EWA South Parcel. He also discussed the pros and cons of each option.

GM Bushee summarized the presentation noting the following:

- The current program is viable for the foreseeable future;
- There is still potential for local contract expansion;
- NSDWRC is still viable; and
- There is potential for exciting reuse opportunities in the future.

President Omsted asked what if Encina goes to DPR and how will this affect LWD. GM Bushee answered his question.

The Board thanked GM Bushee for his presentation.

This item was presented for information purposes and no action was taken.

INFORMATION ITEMS

7. General Manager's Report

The following items were reported on:

- CSDA Quarterly Dinner Meeting is scheduled for Thursday, February 18, 2016. ASM Duffey will be carpooling from the District office at 5:30 p.m.

- GM Bushee will be out of the office beginning Wednesday, February 17 visiting family and also attending the CASA Washington, D.C. Conference February 22-24, 2016.
- GM informed the Board of Directors of two Public Records Act (PRA) requests that the Union Tribune submitted to the District last week.


8. Board of Directors' Comments

None.

9. Adjournment

President Omsted adjourned the meeting at 11:16 a.m.


Don Omsted, President


Paul J. Bushee
Secretary/General Manager
(SEAL)