

## LEUCADIA WASTEWATER DISTRICT

### Minutes of a Regular Board Meeting

January 11, 2012

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A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, January 11, 2012 at 5:00 p.m., at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

#### 1. Call to Order

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

#### 2. Roll Call

DIRECTORS PRESENT: Hanson, Sullivan, Kulchin and Juliussen

DIRECTORS ABSENT: Omsted.

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

#### 3. Pledge of Allegiance

#### 4. Approval of Agenda

Upon a motion duly made by Vice President Sullivan, seconded by Director Juliussen, and carried, the Board of Directors approved the agenda.

#### 5. Public Comment

None.

#### 6. Presentations and Awards

None.

#### 7. Consent Calendar

A. Minutes for the following meetings:

December 14, 2011 Regular Board Meeting

December 20, 2011 Community Affairs Committee Meeting

B. Demands for December 2011/January 2012

Payroll Checks numbered 15821-15864; General Checking – Checks numbered 41848-41969

C. Operations Report. (A copy was included in the original January 11, 2012 Agenda)

D. Finance Report. (A copy was included in the original January 11, 2012 Agenda)

E. Disclosure of Reimbursements Report for July through December 2011. (A copy was included in the original January 11, 2012 Agenda)

Director Juliussen pulled item 7A to address a typo in the December Board minutes. GM

Bushee stated that Director Omsted contacted him and noted this error. EA Hill has already made the correction to the December Board minutes.

Upon a motion duly made by Director Juliussen, seconded by Director Kulchin, and carried, the Board of Directors approved the consent calendar.

#### **8. Encina Wastewater Authority (EWA) Reports**

- A. Encina Wastewater Authority Report – None to report.
- B. Member Agency Manager (MAM) Meeting – None to report.

#### **9. Committee Reports**

- A. Community Affairs Committee meeting was held on December 20, 2011.

Vice President Sullivan stated that CAC met on December 20, 2011 to discuss what went well during the Open House event and what areas could be improved. She noted the areas that could be improved. She indicated that the Committee stated that the event was successful based on the number of attendees.

- B. Human Resource Committee meeting was held on January 10, 2012.

Director Kulchin stated that the HRC met on January 10, 2012 to review the option to conduct an independent compensation study for FY 12. He stated that the estimated cost to conduct the study was \$28,000 and a mid-year appropriation would be necessary.

He stated that the HRC reviewed the last independent study results conducted by Rewards Strategy Group in 2008. The HRC also discussed LWD's compensation philosophy and reviewed staff's most recent internal compensation study. He indicated that the HRC determined that an independent compensation study was not necessary this fiscal year or next fiscal year.

#### **10. Old Business**

None.

#### **11. New Business**

- A. Authorize the General Manager to pre-pay the CalPERS side fund and appropriate \$618,212 in the Fiscal Year 2012 budget for pre-payment of CalPERS side fund.

ASM LeMay presented this item noting that the IFC reviewed this item at its December 6<sup>th</sup> meeting. ASM LeMay explained how the side fund balance was determined. He stated that the District's current employer rate is 18.894%, of which 4.068% is the side funds portion. ASM LeMay introduced CPA Duffey who presented a cost analysis for paying off the side fund obligation of \$618,212.

CPA Duffey presented the side fund pre-payment analysis. He stated that the District would benefit from paying off the side fund obligation in full, rather than paying it off over the remaining 13 years based on the interest expense and the future interest earnings on investments.

Following discussion, upon a motion duly made by Director Kulchin, seconded by Vice President Sullivan, and carried, the Board of Directors authorized the General Manager to appropriate \$618,212 in the Fiscal Year 2012 budget and pre-pay the CalPERS side fund.

B. Board of Directors 2012 Committee Assignments.

President Hanson asked the Board members if they are satisfied with their committee assignments. Directors Kulchin, Juliussen, and Sullivan indicated that they were satisfied with their committee assignments. The committee assignments remained unchanged and no action was taken.

C. Discuss agenda items for the February Board Planning Session.

GM Bushee presented this item stating that at the December Board meeting the Board agreed to schedule a half-day planning session meeting on February 21, 201 with facilitator Jeff Bills. He noted that Director Kulchin requested that this item be placed on the January agenda to discuss which topics will be discussed at the planning session. GM Bushee noted the list of potential topics for the planning session. In addition, Director Omsted suggested that Board member schedule an interview with Jeff Bills prior to the planning session. The Board concurred with Director Omsted that the interview would be beneficial.

He stated that he scheduled a tentative interview day with Jeff Bills on Thursday, February 16<sup>th</sup> and staff will follow up on the times. In addition, GM Bushee stated he received an email from Director Omsted requesting that the planning session be held in a less formal setting, such as the Board closed session room. The Board discussed this option, indicating that the closed session room would be too small and it was noted that this session is open to the public. GM Bushee confirmed with the Board that the planning session will be held in the Board room.

Vice President Sullivan requested to move information item 12A to review Director Omsted's Board Executive Committee list to add potential topics to the planning session agenda.

## **12. Information Items**

A. LWD Board Executive Committee.

Vice President Sullivan stated that there are a few topics that should be considered by the entire Board of Directors rather than a committee. She noted that the following topics; Annual Planning, Review Compensation and Benefits of CEO and Review and Update Code of Ethics and Policies should be discussed or reviewed by the entire Board of Directors.

General Counsel Brechtel reminded the Board that this item is for information only and that the Board cannot take action on this item.

GM Bushee noted that Director Omsted requested that this item be the agenda as an information item, in order to provide the opportunity for the Board members to consider and discuss his list of Executive Committee topics at the February Board meeting.

No action was taken and this item will be considered as an action item at the February Board meeting.

B. Open House Review.

GM Bushee stated that Director Sullivan discussed this item during her CAC report. This item was a report of the CAC's meeting and was for information only.

C. Thank you email from a customer for the District's Lateral Grant program.

GM Bushee noted the email was received from a customer thanking the District for our Lateral Grant program and assistance.

D. Thank you email from a customer for helping them with their lateral stoppage.

GM Bushee noted the email was received from a customer thanking the District for help with their lateral stoppage.

E. Thank you email from the City of Encinitas.

GM Bushee acknowledged field services staff members for assisting the City of Encinitas with a sewage spill and preventing sewage from entering the nearby lagoon.

### **13. Directors' Meetings**

None.

### **14. Comments, Questions or Requests by Directors**

None.

### **15. General Manager's Report**

The following items were reported:


- The CWEA Award's committee toured the District's facilities last week and staff presented the committee with an overview of the District's operations.
- CASA conference is next week and staff is presenting on the Teacher Grant program.
- EA Hill reported on the upcoming CWEA Annual conference is scheduled for April in Sacramento.
- EA Hill reported that the 2012 Board Meeting date list will be updated in the February agenda binder.
- TSM Morishita has advertised for District Engineering Design Services proposals. Staff will present their recommendation for the Engineering Design Services contract to the Board in March.

**16. General Counsel's Report**

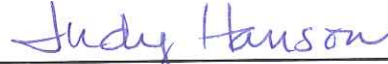
General Counsel Brechtel reported on new legislation affecting the Brown Act and posting the agenda electronically. He noted that the District already practices these requirements.

**17. Adjournment**

President Hanson adjourned the meeting at 5:41 p.m.



Paul J. Bushee  
Secretary/General Manager  
(SEAL)



Judy Hanson, President