

LEUCADIA WASTEWATER DISTRICT
Minutes of a Regular Board Meeting
January 22, 2008

A Regular Meeting of the Board of Directors of Leucadia Wastewater District (LWD) was held Tuesday, January 22, 2008 at 5:00 p.m., at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

1. Call to Order

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

2. Roll Call

DIRECTORS PRESENT: Sullivan, Juliussen Kulchin, Hanson, and Omsted
DIRECTORS ABSENT: None
OTHERS PRESENT: General Manager Paul J. Bushee, District Counsel Wayne Brechtel, Administrative Services Manager Chuck LeMay, Executive Assistant Trisha Miranda, Richard Duffey with Brownell and Duffey, District Engineer Steve Deering, Paul Kaymark with Charles Z. Fedak & Co and Utility Worker Jose Gonzalez.

3. Pledge of Allegiance

4. Approval of Agenda

Upon motion duly made, seconded and carried, the Board of Directors approved the agenda.

5. Public Comment

There was no public comment.

GM Bushee introduced Paul Kaymark with Charles Z. Fedak & Co. GM Bushee also introduced Jose Gonzalez. The District recently hired Mr. Gonzalez as a Utility Worker.

6. Presentations and Awards

A. Cost Sharing of CSRMA Retrospective Dividends.

GM Bushee stated that the District recently received CSRMA retrospective dividends in the amount of \$2,772. The dividend reflects LWD's excellent safety record and an ongoing commitment to safety. The District's incentive program authorizes a 50% cost sharing of the dividend amount with the employees. Therefore, each employee is eligible for an incentive compensation award of \$81.53.

B. CSRMA Loss Control Program of the Year Award.

GM Bushee stated that LWD was awarded the CSRMA Loss Control Program of the Year Award. The CSRMA award program has been in place for a while and this is the first time, LWD has received this award. This award reflects the District's outstanding safety program and the policies and procedures that LWD has in place. The CSRMA award qualifies for a

\$300 compensation award to each employee under LWD's Incentive Program.

The Board of Directors congratulated staff for winning the CSRMA Loss Control Program of Year Award.

7. Consent Calendar

- A. Minutes for the following meetings:
 - December 12, 2007 Regular Board meeting
 - December 19, 2007 Community Affairs Committee meeting
 - December 20, 2007 Special Board meeting
 - January 7, 2008 Investment & Finance Committee meeting
- B. Demands for December 2007/January 2008
 - Payroll Checks Numbered 13380 - 13441; General Checking – Checks numbered 35644 – 35780; Manager's Account check number 329; Voided checks 35694-35731.
- C. Operations Report (A copy was attached to the original January 22, 2008 Agenda)
- D. Finance Report (A copy was attached to the original January 22, 2008 Agenda)

Following discussion and upon a motion duly made by Vice President Kulchin, seconded by Director Juliussen, and carried, the Board of Directors approved the consent calendar.

8. Encina Wastewater Authority (EWA) Reports

President Sullivan reported on EWA's December 12, 2007 Board meeting.
GM Bushee reported on the MAM's January 9, 2008 meeting.

9. Committee Reports

Community Affairs Committee Meeting – December 19, 2007 – Reported by Director Omsted

Director Omsted stated that the CAC discussed the new "Snugsite" platform for LWD's website. The CAC concurred with staff that the LWD website should be updated and this item will be discussed later in tonight's agenda.

Investment & Finance Committee Meeting – January 7, 2008 – Reported by Director Omsted

Director Omsted stated that the IFC was presented with a detail presentation of the District's FY 2007 audit and this item will be reviewed by the Board later in tonight's agenda.

10. Old Business

None

11. Public Hearing

- A. President Sullivan opened the Public Hearing to consider the following:

1. An Ordinance setting compensation and confirming meetings that qualify for director compensation.

No public input was received at the Public Hearing. President Sullivan closed the Public Hearing.

12. New Business

- A. Adoption of Ordinance No. 118 – Setting Director Compensation and Confirming Meetings that Qualify for Director Compensation.

ASM LeMay presented the subject recommendation. Following discussion, Resolution No. 2178 was passed and adopted by the following vote:

AYES: Directors Sullivan, Juliussen, Kulchin, and Omsted
NOES: None
ABSENT: Hanson
ABSTAIN: None

- B. Fiscal Year 2007 Comprehensive Annual Financial Report (CAFR).

CPA Duffey presented an overview of the FY 2007 CAFR. The audit illustrated that LWD is in a strong financial position no management letter was issued by the auditor.

Mr. Paul Kaymark provided an overview of the Management Discussion and Analysis (MD & A).

Following discussion, and upon a motion duly made by Director Juliussen, seconded by Director Omsted, and carried, the Board of Directors unanimously voted to receive and file the FY 07 Comprehensive Annual Financial Report as presented.

- C. Adopt Resolution No. 2189 Amending the Integrated Travel Authorization and Expense Reimbursement Policy.

ASM LeMay provided an overview of the subject recommendation. ASM LeMay stated the Integrated Travel Authorization and Expense Reimbursement Policy was amended to add the Batiquitos Lagoon Foundation (BLF) to the list of organizations that authorize reimbursement to Board and staff for attending BLF meetings, conferences and seminars.

Following discussion, Resolution No. 2189 was passed and adopted by the following vote:

AYES: Directors Hanson, Sullivan, Juliussen, Kulchin, and Omsted
NOES: None
ABSENT: None
ABSTAIN: None

D. Adoption of Resolution No. 2190 – Requesting LAFCO to Take Proceedings for the Proposed Brunswick Change of Organization.

District Engineer Deering presented the subject recommendation. District Engineering Deering stated that the annexation involves 4.13 acres, located on the western edge of the island area of Leucadia. The development project is within the District's sphere of influence and will include 10 single family homes. The alignment of sewer facilities to be constructed by Brunswick varies from the adopted Island Area Plan; however, it is consistent with negotiations that occurred prior to the Plan's adoption in May 2007. The construction will expedite sewer service and will not exclude any other residents within the Island Area.

Following discussion, Resolution No. 2190 was passed and adopted by the following vote:

AYES: Directors Sullivan, Hanson Juliussen, Kulchin, and Omsted
NOES: None
ABSENT: None
ABSTAIN: None

E. Review the FY 2008 LWD Tactics and Action Plan Status Report.

GM Bushee presented an overview of the subject recommendation. GM Bushee stated that the Board approved the FY 08 Tactics and Action Plan in July 2007. GM Bushee provided a detailed status report on the FY 08 Tactics and Action Plan.

This item was presented to the Board of Directors for information purposes. No action was taken.

F. Review the 2008 Board of Directors Committee Assignments.

President Sullivan stated there will be no changes to the Board of Directors Committee Assignments.

G. Receive and file the Disclosure of Reimbursements Report for July through December 2007.

GM Bushee presented the subject recommendation.

The Board of Directors reviewed the Reimbursement Report for July 2007 through December 2007. Following discussion and upon a motion duly made, seconded, and carried, the Board of Directors unanimously voted to receive and file the Board of Directors Disclosure of Reimbursement Report for July 2007 thru December 2007.

H. Discuss the CASA Washington DC Conference – Potential Change to March 2008 LWD Board Meeting Date.

GM Bushee presented the subject recommendation. GM Bushee stated that last year the District sent a representative to attend the conference. President Sullivan and Director Juliussen stated they would like to attend this conference. The conference is scheduled the same week as the March Board meeting; therefore staff suggests changing the next Board meeting to March 19, 2008.

Following discussion the Board of Directors rescheduled the March Board meeting to Wednesday, March 19, 2008 at 5:00 p.m.

13. Information Items

GM Bushee reported on the following information items:

A. Updates to the LWD Website.

ASM LeMay presented the subject recommendation. ASM LeMay stated the purpose of this item is to provide an update of LWD's website. Staff met with the Community Affairs Committee (CAC) on December 19th and discussed this item.

ASM LeMay stated the District's tactics & action plan includes a goal to evaluate and implement a new website platform to facilitate document uploading and enhance the District's public outreach efforts. The District recently evaluated a website platform system called SnugSites that meets our goals by significantly modernizing the website platform and enhancing staff's ability to make webpage changes. The District received an estimate of \$13,000 from Ideaworks Advertising to design a new webpage template and coordinate development of the new SnugSites platform.

B. Resolution of LAFCO – Approving the San Diego County Special Districts Municipal Service Review and Sphere of Influence Data Summary for the County Water Districts: Canebrake, Coachella Valley, Leucadia Wastewater District, and Vallecitos Water District.

GM Bushee stated this item was presented for informational purposes and to provide the Board with an update status on the LAFCO Municipal Service Review. GM Bushee indicated that the LAFCO resolution reaffirms the District's sphere of influence.

14. Directors' Meetings

- A. CASA 2008 Annual Conference was held at the Hyatt Grand Champions in Indian Wells, CA from January 9 – 12, 2008.

Directors Kulchin, Juliussen, Hanson, and Omsted attended the CASA 2008 Annual Conference that included various sessions regarding water and wastewater issues.

15. Comments, Questions or Requests by Directors

Vice President Kulchin congratulated President Sullivan on becoming President of the Board of Directors.

16. General Manager's Report

GM Bushee reported that Mr. Jeff Bills will attend February's Board of Directors meeting to provide the Board with a summary report on the employee opinion survey.

EA Miranda reported the next CSDA Quarterly dinner meeting is scheduled for February 21st in San Diego.


GM Bushee stated the CWEA Awards Banquet is this Saturday at 6:00 p.m. and if anyone would like to carpool, please meet him at the District at 5:00 p.m.

17. General Counsel's Report

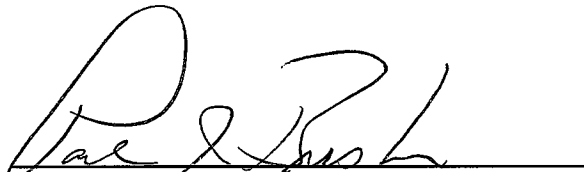
General Counsel Brechtel reported that he attended the attorney's meeting during the CASA Conference. Mr. Brechtel volunteered to be part of a committee that discusses the proposed legislation that relates to private laterals.

18. Adjournment

President Sullivan adjourned the meeting at 7:00 p.m.



Elaine Sullivan, President



Paul J. Bushee
Secretary/General Manager
(SEAL)