

LEUCADIA WASTEWATER DISTRICT

Minutes of a Regular Board Meeting

November 9, 2009

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Monday, November 9, 2009 at 5:00 p.m., at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

1. Call to Order

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

2. Roll Call

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

DIRECTORS ABSENT: None.

OTHERS PRESENT: General Manager Paul Bushee, District Counsel Wayne Brechtel, Administrative Services Manager Chuck LeMay, Field Services Manager Leo Schempp, Project Manager Robin Morishita, Executive Assistant Trisha Hill, Richard Duffey with Brownell and Duffey, Steve Deering with Dudek, and Richard Babbe with PFM.

3. Pledge of Allegiance

4. Approval of Agenda

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

5. Public Comment

There was no public comment.

6. Presentations and Awards

None.

7. Consent Calendar

A. Minutes for the following meetings:

October 14, 2009 Regular Board Meeting

October 30, 2009 Community Affairs Committee Meeting

November 3, 2009 Employee Recognition Committee Meeting

B. Demands for October/November 2009

Payroll Checks Numbered 14530 – 14572; General Checking – Checks numbered 38495 – 38612; Manager's checks numbered 350-351

C. Operations Report. (A copy was included in the original November 9, 2009 Agenda)

D. Finance Report. (A copy was included in the original November 9, 2009 Agenda)

E. Quarterly Treasurer's Report (A copy was included in the original November 9, 2009)

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

8. Encina Wastewater Authority (EWA) Reports

A. Encina Wastewater Authority Report – October 28, 2009 Board meeting.

Vice President Juliussen reported on EWA's October 28, 2009 Board meeting.

9. Committee Reports

A. Community Affairs Committee meeting was held on October 30, 2009.

Director Sullivan reported that the CAC reviewed and commented on the draft layout of the winter newsletter. The CAC suggested that more detailed information be included in the lateral grant article and no other changes were recommended. The CAC also reviewed and commented on LWD's Open House Video, open house photo boards and the open house site layout.

B. Employee Recognition Committee (ERC) meeting was held on November 3, 2009.

Director Hanson reported that the ERC reviewed the Employee of Year Award nomination forms and selected a recipient of the Employee of the Year Award. This item will be reviewed later in the agenda.

Director Hanson also reported that the ERC discussed the Entertainment options for the 2009 Holiday Party. The Committee and staff agreed not to schedule entertainment, but to focus on celebrating LWD's 50th Anniversary, and include additional social time with light music. Director Hanson also stated that local musician, Peter Sprague may be able to provide music for the Holiday Party. She will provide EA Hill with his contact information.

10. Old Business

None.

11. New Business

A. California Asset Management Program (CAMP) Individual Portfolio Program Status Report.

ASM LeMay stated that the Board of Directors had authorized the investment of up to \$20 million of LWD's reserves in the CAMP Portfolio Program. ASM LeMay noted that staff works with Mr. Richard Babbe of PFM for advice on investments. Mr. Babbe is here today to present an update on LWD's Investment Program.

Mr. Babbe presented an overview of the status of the CAMP Individual Portfolio. He discussed how the economy has affected the District's investments over the past year, noting that the key goals while investing the District's funds are maintaining the safety of the investments, liquidity, and yield. Mr. Babbe answered questions by the Board of Directors as they discussed the status of LWD's investments. This was an information

item and there was no action taken.

- B. Recommend that the Board of Directors adopt Resolution No. 2205 Fixing the dates, time and place for the regular meetings of the Leucadia Wastewater District Board of Directors.

ASM LeMay presented background information on the recommended subject. ASM LeMay stated that at the October Board meeting, GC Brechtel suggested that the Board of Directors adopt a new resolution for setting the meeting date and time for regular Board meetings to avoid any ambiguity.

Staff has prepared a new resolution that includes a section which allows the Board to change a meeting date, time and/or place when it deems necessary by adopting a motion during a regularly scheduled meeting. ASM LeMay noted and corrected an administration error on Resolution No. 2205.

Director Omsted questioned the action of moving a regular scheduled Board meeting prior to the original meeting date. GC Brechtel explained that the new resolution would clarify that a regular schedule Board of Directors meeting can be rescheduled by a motion during a regularly scheduled Board meeting.

Following discussion, Resolution No. 2205 was passed and adopted by the following vote:

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

- C. Approve award of \$1,000 to the recipient of the 2009 Employee of the Year Award without naming the recipient.

EA Hill stated that the Employee Recognition Committee met with management staff and last year's Employee of Year recipient on November 3, 2009 to review the nominations. The committee and staff selected the nominee for the 2009 Employee of the Year Award.

Following discussion and upon a motion duly made by Director Hanson, seconded by Vice President Juliussen, and carried, the Board of Directors approved the \$1,000 award to the 2009 Employee of the Year recipient without naming the recipient.

- D. Batiquitos Lagoon Foundation (BLF) Board Members 2009 Election.

Director Omsted provided his recommendations for the BLF Board members 2009 election.

Following discussion, and upon a motion duly made by Director Sullivan, seconded by Director Omsted, and carried, the Board of Directors casted LWD's vote for the following individuals: Jim Brown, Don Connors, and Rick Ransburg.

Staff will mail the ballot to the BLF by the due date.

E. Review and discuss LWD's Meeting Room Use Policy.

GM Bushee stated that Director Omsted requested that this item be placed on the agenda for discussion.

Director Omsted suggested that the Board of Directors reconsider revising the Meeting Room Use Policy to reflect that groups other than those affiliated with LWD may use the District's meeting rooms.

Director Sullivan stated that there are some non-profit groups that can't meet during the day, and would need to meet during the evening. Those evening meeting will have personnel expense for having a meeting after hours. The policy states that the meetings must occur during normal business hours.

GM Bushee provided a brief summary of the previous draft of the meeting room policy that included text stating that non-profit agencies, other local cities, and/or local neighborhood and community organizations were allowed to use LWD's facilities based on availability during normal working hours. GM Bushee noted that staff is comfortable with allowing the public to have meetings at the District during normal business hours. GM Bushee stated that the only concern, with opening the facilities to the public for meetings is the potential for an agency to want to meet after hours on a regularly scheduled basis.

GC Brechtel explained the limitations for the public to use a meeting room after business hours indicating that it would be difficult to justify the personnel expense associated with night meetings, if they do not relate to LWD's core business.

Director Hanson expressed her concerned for the liability issue. She requested that staff research the liability expense if the public was allowed to use LWD's meeting rooms. GM Bushee agreed to do so.

In addition, Director Omsted requested that staff provide a cost estimate associated with a night meeting. GM Bushee agreed to do so.

GC Brechtel provided a legal explanation of the language in the policy that allows the General Manager to make exceptions to the policy. GC Brechtel suggested that another policy be drafted for the Board's review and adoption.

GM Bushee indicated that staff will draft a new meeting room use policy and present the policy to the Community Affairs Committee for review prior to the next Board meeting. Following discussion, the Board of Directors directed staff to draft a new meeting room use policy for the CAC's review.

12. Information Items

A. Upcoming 2010 Member Agency's Conferences.

EA Hill stated that she researched several member agencies' websites and developed a list of upcoming 2010 conferences for the Board's information.

B. CSDA Quarterly Dinner Meeting is scheduled for Thursday, November 19, 2009 at 6:00 p.m. at the Courtyard by Marriott in Kearney Mesa.

GM Bushee stated he will be leaving the District at 5:45 p.m. if any of the Board members would like to car pool with him.

C. Site Improvement Project Update.

PM Morishita presented the status of the Site Improvement Project (SIP). To date, change orders have totaled approximately \$549,258.32 which represents 5.91% of the original contract amount. PM Morishita also noted that the District will be releasing 5% of the 10% retention to Jaynes.

D. Letter from Senator Dianne Feinstein recognizing and congratulating the District on its 50th Year Anniversary and opening of the new facilities.

13. Directors' Meetings

A. CSDA Board's Role in Human Resources Seminar was held at the Marriott Hotel in Irvine on October 9, 2009.

Director Omsted reported he attended the seminar. He stated that one of the topics at the seminar was the General Manager's performance review. He suggested that the Board develop a process to start reviewing the General Manager's performance three months prior to his review.

B. WEFTEC Annual Conference was held at the Orange County Convention Center in Orlando, FL from October 11-14, 2009.

Director Omsted reported that he attended the Conference. He noted that the conference was very large and had many vendors. He also stated that, in his opinion, this conference is best for staff to attend because of many vendors and technical classes.

14. Comments, Questions or Requests by Directors

Director Hanson stated that Open House was a good event. Director Sullivan stated the Open House went great and it was a gratifying experience. President Kulchin stated he drafted a thank you letter to staff from the Board of Directors for each Director to sign.

General Manager's Report

The following items were reported:

- GM Bushee thanked staff for helping and participating at the Open House.
- The District received a Proclamation from Senator Mark Wyland's office.
- GM Bushee noted that the Groundwater study RFP was advertised and they are due on November 20, 2009.
- The District will be hosting a LAFCO Special District Advisory Committee meeting on Friday, November 20, 2009 at 9:30 a.m. He noted the District is a member and Director Hanson is a member of the committee.
- The Batiquitos Lagoon Foundation will host its long range planning session meeting at the District on December 4, 2009. The District is a member of the BLF.

15. General Counsel's Report

General Counsel (GC) Brechtel stated that staff from his office enjoyed the Open House event. He also stated that his office provided a water color painting from a local Carlsbad artist for LWD.

GC Brechtel also noted that the legislature has approved a water bond package available for water recycling projects.

16. Closed Session

- A. Conference with Legal Counsel to discuss anticipated litigation pursuant to California Government Code Sec. 54956.9(b)(1): Khavari Construction Contract Dispute.


There was no action taken.

- B. Conference with Legal Counsel to discuss anticipated litigation pursuant to California Government Code Sec. 54956.9(b)(3)(C): Linda Holder claim

The Board of Directors authorized the General Manager to reject the Holder claim.

17. Adjournment

President Kulchin adjourned the meeting at 6:10 p.m.



David Kulchin, President



Paul J. Bushee
Secretary/General Manager
(SEAL)