

**AGENDA  
REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
LEUCADIA WASTEWATER DISTRICT**

Wednesday, February 11, 2009 – 5:00 p.m.  
1960 La Costa Avenue, Carlsbad, CA 92009

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*NOTE: ITEMS ON THE AGENDA MAY BE TAKEN OUT OF SEQUENTIAL ORDER  
AS THEIR PRIORITY IS DETERMINED BY THE BOARD OF DIRECTORS*

**1. Call to Order**

**2. Roll Call**

**3. Pledge of Allegiance**

**4. Approval of Agenda**

In the case of an emergency, items may be added to the Agenda by a majority vote of the Board of Directors. Also, items that arise after posting of the Agenda may be added, per Government Code Section 54954.2, by a 2/3 or unanimous vote of the Board.

**5. Public Comment**

Anyone wishing to address the Board or bring an agenda item forward may do so.

**6. Presentations and Awards**

None.

**7. Consent Calendar**

Any member of the Board, staff or public may request that items from the Consent Calendar be removed for discussion. Items so removed shall be acted upon separately following approval of remaining items on the Consent Calendar.

A. Minutes of the following meeting:

January 14, 2009 Regular Board Meeting (Pages 1-5)

February 2, 2009 Engineering Committee Meeting (Pages 6-7)

February 3, 2009 Community Affairs Committee Meeting (Pages 8-10)

February 4, 2009 Investment & Finance Committee Meeting (Pages 11-12)

B. Demands for January - February. (Pages 13-30)

C. Operations Report. (Pages 31-33)

D. Finance Report. (Pages 34-40)

E. Quarterly Treasurer's Investment Report. (Pages 41-42, Enclosure 7E)

**8. Encina Wastewater Authority Reports**

Reports by Directors and staff concerning the Encina Wastewater Authority.

A. Encina Wastewater Authority Reports.

- Regular Board Meeting – January 28, 2008 (Pages 43-44)

- Member Agency Manager Meeting – February 14, 2009 (Oral Report)

**9. Committee Reports**

A. Engineering Committee – Report by Vice President Juliussen (Page 45)

B. Community Affairs Committee – Report by Director Sullivan (Pages 46-47)

C. Investment & Finance Committee – Report by Director Hanson (Page 48)

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

None.

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

A. Receive and file the LWD Actuarial Valuation as of July 1, 2008; and Authorize the General Manager to pre-fund GASB actuarial accrued liabilities through the California Employees' Retiree Benefit Trust (CERBT) in an amount of \$181,509; and Approve an additional appropriation of \$181,509 to the Fiscal Year 2009 budget to prefund the actuarial accrued liability. (Pages 49-53)

B. Authorize the General Manager to execute a two-year extension to the KATZ & Associates Professional Services Agreement for as needed public information services. (Pages 54-55)

C. Authorize the General Manager to execute Task Order No. 4 to the KATZ & Associates Public Information Services Agreement in an amount not to exceed \$49,980. (Pages 56-58)

D. Authorize the General Manager to execute an Agreement to transfer sewer service of 70 District served parcels to the City of Carlsbad to enable the demolition of the Meadows Number 3 Pump Station. (Pages 59-65)

E. Authorize the General Manager to execute an Agreement with Fischer Acoustics, Inc. to furnish and install acoustic panels in the Leucadia Pump Station Pump Room in an amount not to exceed \$37,521 as a sole source contractor. (Pages 66-67)

F. Authorize the General Manager to execute a contract with AVI-SPL for the purchase and installation of an audio visual system and equipment for the Site Improvement Project at a cost of \$91,913.63. (Pages 68-71)

G. Annual Review of LWD Reserve Policy. (Pages 72-80)

H. Review and discuss the draft LWD Teacher Grant Program. (Pages 81-84)

I. Call for Nominations to the Local Agency Formation Commission. (Pages 85-92)

#### **12. Information items**

A. North County Times editorial "Most natural thing to do: Recycle water". (Page 93)

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

A. CASA Annual 2009 Conference was held at the Hyatt Grand Champions in Indian Wells, CA from January 21-24, 2009. (Page 94)

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

This item is placed on the agenda to allow individual Board members to briefly convey information to the Board or public, or to request staff to place a matter on a future agenda and/or report back on any matter. There is no discussion or action taken on comments by Board members.

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

Informational report by the General Manager on items not requiring Board action.

**16. General Counsel's Report**

Informational report by the General Counsel on items not requiring Board action.

**17. Closed Session**

Conference with District Legal Counsel to discuss anticipated litigation pursuant to California Government Code Sec. 54956.9(b)(3)(A) and (C): Kerr claim and enforcement action.

**18. Adjournment**

Note: Any writings or documents provided to a majority of the members of Leucadia Wastewater District regarding any item on this Agenda will be made available for public inspection in the Administration Office located at 1960 La Costa Avenue, Carlsbad, CA 92009 during normal business hours.

AFFADAVIT OF POSTING

I, Paul J. Bushee, Secretary of the Leucadia Wastewater District, hereby certify that I posted a copy of the foregoing agenda in the lobby of the District office at 1960 La Costa Avenue, Carlsbad California at least 72 hours prior to the meeting, in accordance with Govt. Code Section 54954.2(a).

Date: February 5, 2009

A handwritten signature in black ink, appearing to read "Paul J. Bushee", written over a horizontal line.

Paul J. Bushee, Secretary/General Manager

**LEUCADIA WASTEWATER DISTRICT**  
Minutes of a Regular Board Meeting  
January 14, 2009

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A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, January 14, 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, Omsted, and Sullivan  
DIRECTORS ABSENT: None  
OTHERS PRESENT: General Manager Paul Bushee, District Counsel Wayne Brechtel, Field Services Manager Leo Schempp, Administrative Services Manager Chuck LeMay, Executive Assistant Trisha Hill, Richard Duffey with Brownell and Duffey, and District Engineer Steve Deering, Utility Worker Ian Riffel, Ann Kulchin, Leslie Kulchin, Grant Kulchin, Zach Kulchin, and Kevin Hardy with Encina Wastewater Authority

**3. Pledge of Allegiance**

**4. Approval of Agenda**

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

**5. Public Comment**

There was no public comment. GM Bushee introduced the guests at tonight's meeting. In addition, he introduced LWD's new employee Ian Riffel. Mr. Riffel was hired as a Utility Worker. Mr. Riffel provided brief background information about himself.

**6. Presentations and Awards**

- A. LWD received the San Diego Society for Human Resources Management (SDSHRM) 2008 Medallion Excellence Award.

GM Bushee stated that LWD recently received the SDSHRM 2008 Medallion Excellence Award, which recognizes LWD's commitment to Human Resources practices. GM Bushee acknowledged ASM LeMay for submitting the application for the award. GM Bushee presented the award to President Kulchin.

The Board congratulated LWD staff for their efforts.

**7. Consent Calendar**

- A. Minutes for the following meetings:  
December 8, 2008 Investment & Finance Committee Meeting

December 10, 2008 Regular Board meeting  
January 7, 2009 Investment & Finance Committee meeting

- B. Demands for December 2008/January 2009  
Payroll Checks Numbered 14018 - 14061; General Checking – Checks numbered 37216 – 37332; General Managers Checks numbered 341-343.
- C. Operations Report (A copy was included in the original January 14, 2009 Agenda)
- D. Finance Report (A copy was included in the original January 14, 2009 Agenda)
- E. Fiscal Year 2009 (FY 09) LWD Tactics and Action Plan Status Report (A copy was included in the original January 14, 2009 Agenda)
- F. Disclosure of Reimbursements Report for July through December 2008 (A copy was included in the original January 14, 2009 Agenda)

Following discussion and 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 – December 17, 2008 Board meeting.

Vice President Juliussen reported on EWA's December 17, 2008 Board meeting.

- B. Member Agency Managers (MAM) Report – January 14, 2009 meeting.

GM Bushee reported on the MAM January 14, 2009 meeting.

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

- A. Investment & Finance Committee meeting was held January 7, 2009 – report by Director Hanson

Director Hanson reported that the IFC met with staff and Ms. Marilyn Jones with the Epler Company to review LWD GASB Actuarial Valuation Report.

GM Bushee provided a brief explanation on GASB statements Nos. 43 and 45. These statements require agencies to accrue and expense liabilities with other post-employment benefits (OPEB).

The committee reviewed options that LWD could use to address the unfunded liability associated with other post-employment benefits.

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

None.

## 11. New Business

### A. Election of LWD Board Vice President

GM Bushee stated that at the December Board meeting, the Board voted David Kulchin as President. In addition, the Board requested that staff research which Director should be next in line for Vice President.

Staff has since researched this issue, and it was determined that Director Juliussen is next in line to become Vice President for 2009.

Following discussion, upon a motion duly made by Director Hanson and seconded by Director Sullivan, the Board of Directors unanimously elected Allan Juliussen as Vice President.

### B. Board of Directors 2009 Committee Assignments

President Kulchin stated that no changes to committee assignments were needed; therefore no action was taken.

### C. Encina Wastewater Authority (EWA) 2008 Outfall Inspection Report

GM Bushee introduced EWA's Assistant General Manager (AGM) Kevin Hardy to present EWA's 2008 Outfall Inspection. Mr. Hardy presented the following highlights of the report:

- Brief history of the Encina Oceans Outfall
- Description and properties of the 72' pipeline, such as; tie rods, joints
- The scope of work of the inspection and the outcomes of the maintenance
- The overall finding of the inspection was that the outfall pipe is in good condition.

This item was for informational purposes. No action was taken.

### D. Review of LWD's Financial Approach

ASM LeMay stated that at the December Board of Directors meeting, Director Kulchin requested a brief report on how the District is able to keep its strong financial position throughout these tough economic times.

ASM LeMay provided an overview of LWD key components in LWD's multi-pronged approach that keeps the District in its strong financial position. These components included, 1) incorporating replacement costs in our rate structure; 2) following our "pay as you go" policy for capital projects; 3) proactively maintaining and replacing LWD's assets and 4) conducting periodic long range planning studies.

In addition, ASM LeMay stated that LWD's key components are supported by other activities; such as, the CAMP investment program, routine monitoring of reserves and expenses, the annual review of the District Investment and Reserve Policies, and

our budget, and auditing activities. President Kulchin commended ASM LeMay for the report.

This item was for information purposes. No action was taken.

**E. LWD Reserve Status Report**

GM Bushee stated that the Investment and Finance Committee requested that staff develop a draft monthly reserve status report. GM Bushee introduced CPA Richard Duffey to provide an overview of the report.

CPA Richard Duffey stated that the report covers the activity of LWD's two primary reserves; the restricted Capital Improvement Reserve and the unrestricted of the Capital Replacement Reserve. CPA Duffey provided a brief summary of how the balances of the funds will be reflected in the table and graph within the report.

Director Omsted questioned whether the Reserve Status Report can incorporate the monthly Investment Summary information into one report. CPA Duffey explained that it would be difficult to incorporate the two reports as one, because the reserves incorporate financial factors beyond the daily cash flow.

Following discussion, the Board came to a consensus to include the Reserve Status Report into the monthly finance report.

**12. Information Items**

- A. CASA Washington DC Conference is scheduled for March 9-11, 2009 at the Hotel Monaco in Washington DC.

Vice President Juliussen stated he would like to attend the conference.

Director Sullivan requested that the March Board meeting be rescheduled because three of the five Board members will not be able to attend the March 11<sup>th</sup> Board meeting. The Board members came to a consensus to schedule the March Board for Wednesday, March 4, 2009.

**13. Directors' Meetings**

- A. CASA Annual 2009 Conference was held at the Hyatt Grand Champions in Indian Wells, CA from January 21-24, 2009.

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

None.

**15. General Manager's Report**

The following items were reported:

- ❖ PM Morishita presented a PowerPoint Presentation on the status of Site Improvement Project. PM Morishita stated that there was one change order in December in an amount of \$9,124. The change order percentage of the original



contract cost is 1.58%; therefore the revised contract amount is \$8,890,776.

- ❖ GM Bushee and FSM Schempp met with a Jared Criscuolo from the Surf Rider Foundation and provided him a tour of LWD facilities on January 7<sup>th</sup>.
- ❖ GM Bushee noted the CWEA Awards Banquet is scheduled for Saturday, February 7<sup>th</sup> in San Diego. GM Bushee offered to carpool with interested Board members.
- ❖ GM Bushee noted the CWEA Annual conference is scheduled for April 28 – May 1, 2009. Staff provided a copy of the program at your seat for your review.
- ❖ LWD received the CSDA Quarterly Dinner program today, and staff provided a copy of the program at your seat for your review.

#### **16. General Counsel's Report**

General Counsel Brechtel reported that he is still participating on CASA Lateral Committee and the committee will provide a presentation at the upcoming CASA conference. The Committee decided not to pursue legislation this year. Base on the survey information that was received from other districts, some districts do not want to be mandated to regulate homeowners private laterals. General Counsel Brechtel noted he will continue to participate on the committee.

#### **17. Adjournment**

President Sullivan adjourned the meeting at 6:13 p.m.

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David Kulchin, President

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Paul J. Bushee  
Secretary/General Manager  
(SEAL)

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of an Engineering Committee Meeting  
 February 2, 2009

A meeting of the Engineering Committee (EC) of Leucadia Wastewater District (LWD) was held Monday, February 2, 2009 at 3:30 p.m., at the LWD Administration Office located at 1960 La Costa Ave., Carlsbad, California.

**1. Call to Order**

Chairperson Juliussen called the meeting to order at 3:30 p.m.

**2. Roll Call**

DIRECTORS PRESENT: Juliussen and Kulchin

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager (GM) Paul Bushee; Field Services Manager Leo Schempp; Project Manager Robin Morishita; District Engineer Steve Deering; and Eric Honour of Dudek

**3. Public Comment**

No public comment was received.

**4. Old Business**

None.

**5. New Business**

- A. Authorize the General Manager to execute an Agreement to transfer sewer service of 70 District served parcels to the City of Carlsbad to enable the demolition of the Meadows Number 3 Pump Station.

PM Morishita presented the subject recommendation. PM Morishita stated that the recommended agreement would allow the detachment of 69 LWD sewer customers (and one vacant property) into the Carlsbad Municipal Water District. The agreement also stipulates that Carlsbad will be the lead agency for the project. The construction would include the demolition of the Meadows 3 Pump Station and LWD would reimburse Carlsbad for its pro-rata share of the costs.

Following discussion, the EC concurred with staff to bring this recommendation before the Board of Directors for consideration at its February 11, 2009 meeting.

- B. Authorize the General Manager to execute an Agreement with Fischer Acoustics, Inc. to furnish and install acoustic panels in the Leucadia Pump Station Pump Room in an amount not to exceed \$37,521.

PM Morishita presented the subject recommendation. PM Morishita explained that the pump station dry well has concrete walls and the atmosphere in the room is extremely noisy. The goal of this recommendation is to install acoustic panels in the dry well to reduce the noise level.

The EC discussed the acoustic panels and the related cost. The EC expressed

concern that the cost of the acoustic panels was high compared to the cost of hearing protection. The EC also questioned how often LWD staff works in the dry well. FSM Schempp and District Engineer Deering responded that staff enters the dry well daily for approximately an hour and from time to time will work in the area for extended hours to perform repairs. FSM Schempp noted that the acoustic panels will enhance communication while working in the dry well and during most periods the panels will allow the noise level to be within the Occupational Safety and Health Administration's (OSHA) safety limits.

Following discussion, the EC concurred with staff to bring this recommendation before the Board of Directors for consideration at its February 11, 2009 meeting.

**6. Information Items**

A. Smoke Testing Results

FSM Schempp presented a brief overview of LWD's recent smoke testing efforts in the northwest corner of the service area. FSM noted that the smoke testing found only minor discrepancies and LWD's sewer system in that area appears to be relatively free of inflow and infiltration.

B. Site Improvement Project Update

PM Morishita reviewed the status of the Site Improvement Project. He noted that the project is on schedule and, to date; change orders have totaled \$140,776 or 1.61% of the total contract amount. PM Morishita presented a PowerPoint overview of the construction progress.

C. Batiquitos Gravity Sewer Construction Project

PM Morishita reviewed the status of the Batiquitos Gravity Sewer Construction Project.

**7. Director's Comments**

None.

**8. General Manager's Comments**

GM Bushee stated that he would be driving to the CWEA's Annual Awards Banquet on February 7<sup>th</sup>. Those interested in carpooling to the event should meet at the District office at 5:45 pm.

**9. Adjournment**

Chairperson Juliussen adjourned the meeting at 4:15 p.m.

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Paul J. Bushee,  
Secretary/Manager  
(Seal)

**LEUCADIA WASTEWATER DISTRICT**  
Minutes of a Community Affairs Committee Meeting  
February 3, 2009

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A meeting of the Community Affairs Committee (CAC) of the Leucadia Wastewater District (LWD) was held February 3, 2009 at 9:00 a.m. at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

**1. Call to Order**

Chairperson Sullivan called the meeting to order at 9:14 a.m.

**2. Roll Call**

DIRECTORS PRESENT: Sullivan and Omsted

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager Paul Bushee, Administrative Services Manager Chuck LeMay, Executive Assistant Trisha Hill, and Jennifer Dill of Katz & Associates, LLC

**3. Public Comment**

No public comment was received.

**4. Old Business**

None.

**5. New Business**

- A. Authorize the General Manager to execute a two-year extension to the KATZ & Associates Professional Services Agreement for as needed public information services.

ASM LeMay presented the subject recommendation indicating that staff recommended that the two-year contract extension option in the Katz and Associated professional services agreement be approved.

During discussion, Director Omsted indicated that he opposed the two-year extension. He indicated that he preferred that LWD advertise a Request for Proposals (RFP) for Public Information Services.

Director Sullivan indicated that she was pleased with Katz' performance and was in favor of authorizing the General Manager to execute a two-year extension to the KATZ & Associates Professional Services Agreement.

Based on the CAC's discussion, GM Bushee indicated that staff will forward the recommendation, with each committee member's recommendation, to the Board of Directors for consideration.

- B. Authorize the General Manager to execute Task Order No. 4 to the KATZ & Associates Public Information Services Agreement in an amount not to exceed \$49,980.

GM Bushee indicated that this agenda item was contingent upon Board approval of the Katz and Associates Professional Services Agreement extension. Accordingly, staff will forward this recommendation to the Board with a brief summary of each committee members' position on the issue.

C. Review and discuss the spring 2009 newsletter story ideas and schedule.

GM Bushee introduced Jennifer Dill of KATZ to discuss the 2009 newsletter story ideas and schedule.

The CAC suggested that under the construction news there should be information regarding the road/pipe work in front of the administration building. Citizens using this shopping center should be aware of why there have been delays.

The CAC prioritized the list of "Did You Know Articles." Director Sullivan also stated she would like the newsletter to include an article that explains the differences between recycled water and potable water.

The CAC also suggested that "No Drugs Down the Drain" section should always remain in the newsletter, in addition this should include information on how and where residents can properly dispose of medication. GM Bushee noted that staff will include this information in the newsletter.

The CAC discussed the Speakers' Bureau Program. GM Bushee noted that staff has given a few tours of the District to members of the public. Ms. Dill suggested the newsletter article should include an update on the program.

The CAC suggested that the newsletter should include a field shot of the employee for the Employee Spotlight article.

The CAC also requested that the Encina Corner article discuss Encina's Energy Facility.

D. Review and discuss LWD's Collection System Fact Sheet.

GM Bushee presented the proposed fact sheet to the CAC indicating that it would be used as one of our public relations hand-outs. GM Bushee indicated that staff had been working with Katz over the past year to develop the fact sheet which emphasizes how LWD's collection system works. Director Omsted suggested that the picture on page 1 include an arrow from the text to the clean-out. Ms. Dill indicated she will add the arrow. Following discussion, the CAC approved the Collection System Fact Sheet.

E. Review and discuss draft layouts of the cover fold for LWD's newsletter.

ASM LeMay presented draft layouts of the cover fold for LWD's

newsletter. During previous discussions, Director Omsted indicated that the newsletter cover should be re-designed to better separate it from "junk" mail. Katz and Associates presented three proposed layouts which better highlighted the LWD newsletter. During discussion, the committee reviewed the proposed layouts and provided comments on each identifying strengths and weaknesses of each design. Following discussion, Katz was asked to prepare new cover layouts based on the committee's discussion.

F. Scholarship Program review.

GM Bushee provided a verbal report on the status of the District's proposed teacher grant program indicating that he and Executive Assistant Hill had contacted several local schools and found all to be interested in the proposed program.

Although specific program requirements need to be developed, Chairperson Sullivan and Director Omsted urged staff to proceed quickly and recommended that the program be announced to all district schools during the current school year.

GM Bushee indicated that he will continue working on the teacher grant program with the intent of announcing it to schools during February 2009.

**6. Information Items**

None.

**7. Directors' Comments**

Director Omsted stated that he would like to be a committee member on the State Water Resources Control Board's Blue Ribbon Committee for emerging contaminants in recycled water. GM Bushee agreed and responded that he would investigate membership requirements for the panel.

**8. General Manager's Comments**

GM Bushee stated that he will carpool to the CWEA Awards Banquet dinner on Saturday, February 7, 2009. He is planning on leaving the District office at 5:45 pm. GM Bushee also stated that he is unable to attend the CSDA Quarterly dinner meeting on February 19, 2009.

GM Bushee reminded the Committee members of their interview times with consultant Jeff Bills on February 18, 2009.

**9. Adjournment**

Chairperson Sullivan adjourned the meeting at 10:10 a.m.

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Paul J. Bushee  
Secretary/Manager  
(Seal)

**LEUCADIA WASTEWATER DISTRICT**  
Minutes of an Investment & Finance Committee Meeting  
February 4, 2009

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A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Wednesday, February 4, 2009 at 12:00 p.m. at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

**1. Call to Order**

Chairperson Hanson called the meeting to order at 12:07 p.m.

**2. Roll Call**

DIRECTORS PRESENT: Hanson and Omsted

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager Paul Bushee, Administrative Services Manager Chuck LeMay, Executive Assistant Trisha Hill, and CPA Richard Duffey with Brownell

**3. Public Comment**

No public comment was received.

**4. Old Business**

None.

**5. New Business**

A. Annual Review of LWD Reserve Policy

ASM LeMay stated that the strike-out version of the revised Reserve Policy was not included in the agenda; therefore, the strike-out version has been handed out for the Committee's review.

ASM LeMay presented an overview of the Revised Reserve Policy. ASM LeMay explained the changes to the Reserve Policy. ASM LeMay stated that the changes to the policy reflect the outcome of the Asset Management Master Plan and an updated Comprehensive Financial Plan.

ASM LeMay also provided a PowerPoint presentation that included a summary of the flow of funds into and out of the various reserve designations.

Directors Hanson and Omsted requested that staff explain the changes to the Reserve Policy in detail by each strike-out and new language added to the policy. GM Bushee agreed to do so, and provided a detail explanation of each change made to the Reserve Policy.

Following discussion, the IFC concurred with staff to forward the annual review and adoption of the LWD Revised Reserve Policy to the Board of Directors at its February 14, 2009 meeting.

B. Review and discuss LWD GASB Actuarial Valuation Report as of July 1, 2008

ASM LeMay presented the subject recommendation. ASM LeMay noted that staff presented the LWD GASB Actuarial Valuation Report to the IFC at its January 7, 2009 meeting.

Following discussion, the IFC concurred with staff to recommend to the Board of Directors at its February 11, 2009 meeting to: 1) receive and file the LWD Actuarial Valuation as of July 1, 2008; 2) and authorize the General Manager to pre-fund GASB actuarial accrued liabilities through the California Employees' Retiree Benefit Trust (CERBT) in an amount of \$181,509; and 3) approve an additional appropriation of \$181,509 to the Fiscal Year 2009 budget to prefund the actuarial accrued liability.

**6. Information Items**

None.

**7. Directors' Comments**

None.

**8. General Manager's Comments**

None.

**9. Adjournment**

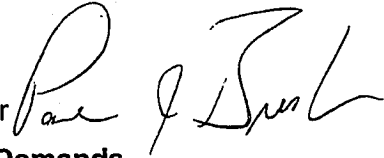
Chairperson Hanson adjourned the meeting at 12:47 p.m.

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Paul J. Bushee  
Secretary/General Manager  
(Seal)



**MEMORANDUM**

**DATE:** February 5, 2009  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Approval of January/February Demands

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**RECOMMENDATION:**

Staff requests that the Board of Directors:

1. Approve checks and electronic payments totaling **\$1,089,118.66**
2. Discuss and take other action as appropriate.

**DISCUSSION:**

Attached are check registers describing all payments made by LWD for the months January 9, 2009 – February 5, 2009.

Operating expenses totaled **\$296,313.01** while Capital Improvement Program expenses totaled **\$716,183.11**.

Payroll for employees and the Board totaled **\$76,622.54**.

Attached please find a year to date Employee and Board Payroll Report from January 2007 to February 2009 for your review. The report includes a monthly breakdown of employee and Board payroll expenses for the prior 12 months.

Attachment 1	Summary of Demands by Account, January/February 2009
Attachment 2	Managers Accounts Payable Check Register dated January 13, 2009
Attachment 3	Payroll Check Register dated January 14, 2009
Attachment 4	Accounts Payable Check Register dated January 15, 2009
Attachment 5	Payroll Check Register dated January 28, 2009
Attachment 6	Accounts Payable Check Register dated February 1, 2009
Attachment 7	Board Payroll Check Register dated February 4, 2009
Attachment 8	Year to Date Employee and Board Payroll Report

**DEMANDS SUMMARY**

February 11, 2009

**1. Demands**

<u>Category</u>	<u>Check #'s</u>	<u>Amount</u>	<u>Total</u>
Payroll Checks -1/14/2009	14062 - 14079	\$36,240.23	
Payroll Checks - 1/28/2009	14080 - 14099	\$36,351.40	
Brd Payroll Check - 2/4/2009	14100 - 14104	<u>\$4,030.91</u>	
	<b>Total</b>	<b>\$76,622.54</b>	
General Checking -1/15/2009	37333 - 37379	\$248,643.02	
General Checking -2/1/2009	37380 - 37421	<u>\$763,803.10</u>	
	<b>Total</b>	<b>\$1,012,446.12</b>	
MGRS CHECKS	344	\$50.00	
VOIDED CHECK	37309 37375		
	<b>Grand Total</b>	<b>\$1,089,118.66</b>	<b>\$1,089,118.66</b>

Run date: 01/14/2009 @ 16:39  
Bus date: 01/15/2009

Leucadia Waste Water District  
Check - Complete Detail

UNION BANK-MRGS

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
344- 2374	0	1/13/2009	12722 CALIF. SOCIETY OF MUNICIPAL FI		
	0		37596 FINANCIAL REPORT APPLICATION-0	50.00	
344- 2374	0	1/13/2009	Logged	*** Total ***	50.00
				.00	
** Total check discount **				.00	
** Total check amount **				50.00	
** Total void discount **				.00	
** Total void amount **				.00	

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: January 14, 2009

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
14062 - 14079	1/14/2009	\$36,240.23

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
37333- 2375	1	1/15/2009	10100 NAPA AUTO		
	1		37643 SUPPLIES	23.26	8682201
37333- 2375	1	1/15/2009	Logged	*** Total ***	23.26
37334- 2375	2	1/15/2009	10167 ACACIA GASOLINE & CAR WASH		
	2		37609 OPEN PO-VEHICLE FUELS	100.66	1939
	2		37615 OPEN PO-VEHICLE FUELS	119.59	1946
37334- 2375	2	1/15/2009	Logged	*** Total ***	220.25
37335- 2375	3	1/15/2009	10221 ADS LLC		
	3		37650 LEUCADIA LTM-METER MAINT	3,994.06	12394.22-1208
37335- 2375	3	1/15/2009	Logged	*** Total ***	3,994.06
37336- 2375	4	1/15/2009	10570 ANTIMITE TERMITE & PEST CONTRO		
	4		37632 MONTHLY PEST SERVICE	51.00	191200
37336- 2375	4	1/15/2009	Logged	*** Total ***	51.00
37337- 2375	5	1/15/2009	10720 AT&T		
	5		37621 L.D. @ BPS	29.38	0192940472-12/8
37337- 2375	5	1/15/2009	Logged	*** Total ***	29.38
37338- 2375	6	1/15/2009	11650 BROWNELL AND DUFFEY CPA		
	6		37628 ACCOUNTING FEES-DEC 08	9,072.00	392
37338- 2375	6	1/15/2009	Logged	*** Total ***	9,072.00
37339- 2375	7	1/15/2009	11710 BRIAN SMITH AND ASSOCIATES		
	7		37641 BATIQUITOS GRAVITY SEWER PRE C	280.00	00005334
37339- 2375	7	1/15/2009	Logged	*** Total ***	280.00
37340- 2375	8	1/15/2009	12025 CSRMA		
	8		37649 POOLED LIABILITY PROGRAM-09	90,917.00	2053
37340- 2375	8	1/15/2009	Logged	*** Total ***	90,917.00
37341- 2375	9	1/15/2009	12112 CONFIDENCE CONSULTING		
	9		37640 CONSULTING FEES	2,206.35	CC-1/09
37341- 2375	9	1/15/2009	Logged	*** Total ***	2,206.35
37342- 2375	10	1/15/2009	12360 CITY OF CARLSBAD		
	10		37626 WATER @ VACTOR 2	131.84	1530880-12/24
	10		37627 WATER @ VACTOR	60.79	88538889-12/08
37342- 2375	10	1/15/2009	Logged	*** Total ***	192.63
37343- 2375	11	1/15/2009	12510 COAST WASTE		
	11		37598 RENT STORAGE CONTAINER	180.25	45483340274
	11		37630 TRASH SERVICE	190.27	10055000274
37343- 2375	11	1/15/2009	Logged	*** Total ***	370.52
37344- 2375	12	1/15/2009	12514 CONEXIS		
	12		37642 SEC 125 FLEX PLAN-DEC	181.00	1208-OR5179
37344- 2375	12	1/15/2009	Logged	*** Total ***	181.00
37345- 2375	13	1/15/2009	12585 COUNTY OF SAN DIEGO		

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
	13		37613 HAZARDOUS MATERIAL PERMIT @LPS	662.00	6HK52
37345- 2375	13	1/15/2009	Logged	*** Total ***	662.00
37346- 2375	14	1/15/2009	12631 COR-O-VAN		
	14		37612 OPEN PO-STORAGE	68.13	RS13013B6
37346- 2375	14	1/15/2009	Logged	*** Total ***	68.13
37347- 2375	15	1/15/2009	13071 DATCO		
	15		37603 OPEN PO - SERVICE FEES/TESTING	263.90	58065
37347- 2375	15	1/15/2009	Logged	*** Total ***	263.90
37348- 2375	16	1/15/2009	13072 DATA NET		
	16		37636 IS MAINT AND SUPPORT	460.00	9732199
	16		37637 IS MAINT AND SUPPORT	46.62	9732014
	16		37638 IS MAINT AND SUPPORT	460.00	9732019
	16		37639 IS MAINT AND SUPPORT	632.50	9732138
37348- 2375	16	1/15/2009	Logged	*** Total ***	1,599.12
37349- 2375	17	1/15/2009	13355 DION INTERNATIONAL TRUCKS INC		
	17		37602 GEAR REPAIR FOR VACTOR	953.77	EW48421
37349- 2375	17	1/15/2009	Logged	*** Total ***	953.77
37350- 2375	18	1/15/2009	** unused **		
37351- 2375	19	1/15/2009	13822 DUDEK & ASSOCIATES		
	19		37653 GE/3252/761/ARENAL RD	110.00	20085854
	19		37654 GE/3252/729/BRUNSWICK	340.00	20085853
	19		37655 GE/3252/704/1528 HWY 101	55.00	20085852
	19		37656 GE/3252/697/LA COSTA GREENS	1,920.61	20085851
	19		37657 GE/3252/656/HYGEIA CT	356.34	20085850
	19		37658 GE/3252/776/BELL RESIDENCE	220.00	20085862
	19		37659 GE/3252/774/LA COSTA GRILL	662.34	20085860
	19		37660 GE/3252/773/EDIBLE ARRANGEMENT	952.50	20085858
	19		37661 GE/3252/706/PHILLIPS	825.00	20085859
	19		37662 GE/3252/655/ORPHEUS	1,384.96	20085849
	19		37663 GE/3252/642/V OF LA COSTA 1.17	114.68	20085848
	19		37664 GE/3252/636/BELLA VISTA	110.00	20085847
	19		37665 GE/3252/593/LA COSTA TOWNE	165.00	20085846
	19		37666 GE/3252/760/LA COSTA LOT	165.00	20085855
	19		37667 GE/3252/771/SUBWAY	110.00	20085856
	19		37668 GE/3252/772/FROOTS	275.00	20085857
37351- 2375	19	1/15/2009	Logged	*** Total ***	7,766.43
37352- 2375	20	1/15/2009	14410 EL CAMINO REAL SHELL ENCINITAS		
	20		37610 OPEN PO-VEHICLE FUEL	291.16	7981
	20		37614 OPEN PO-VEHICLE FUEL	179.98	7986
37352- 2375	20	1/15/2009	Logged	*** Total ***	471.14
37353- 2375	21	1/15/2009	15223 FEDERAL EXPRESS CORPORATION		
	21		37646 SHIPPING	23.98	904715168
37353- 2375	21	1/15/2009	Logged	*** Total ***	23.98

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
37354- 2375	22	1/15/2009	17552 THE HOME DEPOT CRC/GECF		
	22		37599 OPEN PO- MISC SUPPLIES, TOOLS	213.52	1021879
37354- 2375	22	1/15/2009	Logged *** Total ***	213.52	
37355- 2375	23	1/15/2009	17570 THE HOSE PROS		
	23		37645 SUPPLIES, HOSES, ETC	65.37	764806
37355- 2375	23	1/15/2009	Logged *** Total ***	65.37	
37356- 2375	24	1/15/2009	18150 ICMA RETIREMENT-303979		
	24		37635 DEFERRED COMP-ICMA	2,284.12	ICMA-1/14/09
37356- 2375	24	1/15/2009	Logged *** Total ***	2,284.12	
37357- 2375	25	1/15/2009	22511 MOBILE MINI		
	25		37600 OPEN PO-TRAILER LEASE 08-09	646.50	904184168
37357- 2375	25	1/15/2009	Logged *** Total ***	646.50	
37358- 2375	26	1/15/2009	23068 NATIONWIDE RETIREMENT SOLUTION		
	26		37633 DEFERRED COMP-NATIONWIDE	409.93	NATION-1/14/08
37358- 2375	26	1/15/2009	Logged *** Total ***	409.93	
37359- 2375	27	1/15/2009	23359 NINYO & MOORE		
	27		37648 GEO TESTING @ GIBRALTER	12,230.75	137904
37359- 2375	27	1/15/2009	Logged *** Total ***	12,230.75	
37360- 2375	28	1/15/2009	23567 NORTH COUNTY BLUEPRINT CO, INC		
	28		37608 SCAN AS BUILTS	226.06	194256
37360- 2375	28	1/15/2009	Logged *** Total ***	226.06	
37361- 2375	29	1/15/2009	24224 OFFICE DEPOT, INC.		
	29		37605 OPEN PO-OFFICE SUPPLIES	140.81	458097016
	29		37616 OPEN PO-OFFICE SUPPLIES	157.21	458097637
37361- 2375	29	1/15/2009	Logged *** Total ***	298.02	
37362- 2375	30	1/15/2009	24440 OLIVENHAIN MUNICIPAL WATER DIS		
	30		37622 WATER @ VP5	25.02	65865245-1/1108
	30		37623 WATER @ TRAVELING 2	231.42	61227600-1/1/09
	30		37624 WATER @ VP7	40.41	57187500-1/09
	30		37625 WATER @ E. ESTATES	40.41	61955121-1/09
37362- 2375	30	1/15/2009	Logged *** Total ***	337.26	
37363- 2375	31	1/15/2009	25010 AT&T		
	31		37618 DIAL IN MODEM	140.82	6327047-12/08
	31		37619 PHONE @ BPS	23.77	9423588-12/08
37363- 2375	31	1/15/2009	Logged *** Total ***	164.59	
37364- 2375	32	1/15/2009	25032 PALOMAR WATER		
	32		37629 WATER @ OFFICE	180.95	1263181
37364- 2375	32	1/15/2009	Logged *** Total ***	180.95	
37365- 2375	33	1/15/2009	25635 THE PRINTERY		
	33		37611 LETTERHEAD, BUSINESS CARDS ETC	914.04	55640
37365- 2375	33	1/15/2009	Logged *** Total ***	914.04	

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n	Description	Net amount	INVOICE NUMBER
37366- 2375	34	1/15/2009	25680	PRUDENTIAL OVERALL SUPPLY		
	34		37617	LAUNDRY SERVICE	980.99	PRU-12/27/08
37366- 2375	34	1/15/2009	Logged	*** Total ***	980.99	
37367- 2375	35	1/15/2009	26804	QUALITY CHEVROLET		
	35		37606	OPEN PO-VEHICLE & TRUCK REPAIR	103.08	CTCS372310
37367- 2375	35	1/15/2009	Logged	*** Total ***	103.08	
37368- 2375	36	1/15/2009	27729	RICHARD STINSON		
	36		37644	CONSULTING FEES-DEC	1,400.00	#17
37368- 2375	36	1/15/2009	Logged	*** Total ***	1,400.00	
37369- 2375	37	1/15/2009	28070	SAN DIEGUITO WATER DISTRICT		
	37		37631	WATER @ BPS	189.54	31527-1/9/09
37369- 2375	37	1/15/2009	Logged	*** Total ***	189.54	
37370- 2375	38	1/15/2009	28324	SHELL OIL COMPANY		
	38		37601	OPEN PO-VEHICLE FUELS	339.02	065023442901
37370- 2375	38	1/15/2009	Logged	*** Total ***	339.02	
37371- 2375	39	1/15/2009	28720	STATE WATER RESOURCES CONTROL		
	39		37669	WATER RECLAMATION LOAN-09	57,938.96	SRF-12/08
37371- 2375	39	1/15/2009	Logged	*** Total ***	57,938.96	
37372- 2375	40	1/15/2009	30520	UNDERGROUND SERVICE ALERT OF		
	40		37620	UNDERGROUND ALARM SERVICE	124.50	1220080348
37372- 2375	40	1/15/2009	Logged	*** Total ***	124.50	
37373- 2375	41	1/15/2009	30580	UNITED WAY		
	41		37634	EMPLOYEE CONTRIBUTIONS	20.00	UNITED-1/14/08
37373- 2375	41	1/15/2009	Logged	*** Total ***	20.00	
37374- 2375	42	1/15/2009	30723	SIEMENS WATER TECH. CORP		
	42		37607	OPEN PO-BIOXIDE	7,866.03	7825284
37374- 2375	42	1/15/2009	Logged	*** Total ***	7,866.03	
37375- 2375	43	1/15/2009	32271	WEST COAST SAFETY SUPPLY CO.,		
	43		37597	OPEN PO-CALIBRATION GAS	165.89	258280
37375- 2375	43	1/15/2009	Logged	*** Total ***	165.89	
37376- 2375	44	1/15/2009	32347	DEXTER WILSON ENGINEERING		
	44		37604	CONTRACT-FORCE MAIN CORROSION	8,186.04	1208.02
37376- 2375	44	1/15/2009	Logged	*** Total ***	8,186.04	
37377- 2375	45	1/15/2009	32500	WORDEN WILLIAMS, APC		
	45		37652	LEGAL FEES-DEC	3,800.00	26583
37377- 2375	45	1/15/2009	Logged	*** Total ***	3,800.00	
37378- 2375	46	1/15/2009	33227	XEROX CORPORATION		
	46		37647	MONTHLY MAINT-DEC	49.84	37758459
37378- 2375	46	1/15/2009	Logged	*** Total ***	49.84	



Run date: 01/14/2009 @ 16:38  
Bus date: 01/15/2009

Leucadia Waste Water District  
Check - Complete Detail

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
37379- 2375	47	1/15/2009	35523 ZONDIROS CORPORATION		
	47		37651 RETENTION 10%	30,162.10	#4
37379- 2375	47	1/15/2009	Logged	*** Total ***	30,162.10
				.00	
** Total check discount **				.00	
** Total check amount **				248,643.02	
** Total void discount **				.00	
** Total void amount **				.00	

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: January 28, 2009

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
14080 - 14099	1/28/2009	\$36,351.40

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
37380- 2376	1	2/01/2009	10167 ACACIA GASOLINE & CAR WASH		
	1		37680 OPEN PO-VEHICLE FUELS	181.67	1953
	1		37697 OPEN PO-VEHICLE FUELS	148.59	1949
37380- 2376	1	2/01/2009	Logged *** Total ***	330.26	
37381- 2376	2	2/01/2009	11034 BAY CITY ELECTRIC WORKS, INC		
	2		37691 TROUBLESHOOT LPS GENERATOR	696.00	W67612
	2		37695 TROUBLESHOOT LPS GENERATOR	781.96	W67751
37381- 2376	2	2/01/2009	Logged *** Total ***	1,477.96	
37382- 2376	3	2/01/2009	11314 BERGELECTRIC CORP		
	3		37689 OPEN PO-MIS ELECTRICAL REPAIRS	181.40	11792.7TM-1
37382- 2376	3	2/01/2009	Logged *** Total ***	181.40	
37383- 2376	4	2/01/2009	12626 COASTAL PIPELINE		
	4		37694 8 HRS OF CCTV INSPECTION	1,000.00	1195
37383- 2376	4	2/01/2009	Logged *** Total ***	1,000.00	
37384- 2376	5	2/01/2009	13072 DATA NET		
	5		37709 IS MAINT AND SUPPORT	140.00	9732342
	5		37710 IS MAINT AND SUPPORT	505.00	9732338
37384- 2376	5	2/01/2009	Logged *** Total ***	645.00	
37385- 2376	6	2/01/2009	13272 DETECTION INSTRUMENTS CORP		
	6		37685 OPEN PO-CALIBRATION ODALOGS	346.95	924213238
37385- 2376	6	2/01/2009	Logged *** Total ***	346.95	
37386- 2376	7	2/01/2009	13822 DUDEK & ASSOCIATES		
	7		37688 CONTRACT/NGVI-ENVIRONMENTAL/MI	2,453.46	20086068
	7		37718 GE/CIP/NOV/200/325/316	5,885.00	20085707
	7		37719 GE/CIP/OCT/200/325/316/087	14,886.00	20085186
	7		37721 GE/3252/775/THE SANDS	777.02	20085861
37386- 2376	7	2/01/2009	Logged *** Total ***	24,001.48	
37387- 2376	8	2/01/2009	13822 DUDEK & ASSOCIATES		
	8		37693 CONTRACT/CM SERVICES FOR SITE	37,717.59	20086037
37387- 2376	8	2/01/2009	Logged *** Total ***	37,717.59	
37388- 2376	9	2/01/2009	14410 EL CAMINO REAL SHELL ENCINITAS		
	9		37681 OPEN PO-VEHICLE FUEL	396.80	7994
	9		37696 OPEN PO-VEHICLE FUEL	186.29	7991
37388- 2376	9	2/01/2009	Logged *** Total ***	583.09	
37389- 2376	10	2/01/2009	15223 FEDERAL EXPRESS CORPORATION		
	10		37715 SHIPPING	116.21	905563841
37389- 2376	10	2/01/2009	Logged *** Total ***	116.21	
37390- 2376	11	2/01/2009	16806 THE GUARDIAN		
	11		37741 DENTAL INS-FEB	2,410.48	324226-2/09
37390- 2376	11	2/01/2009	Logged *** Total ***	2,410.48	
37391- 2376	12	2/01/2009	17060 HARTFORD LIFE & ACCIDENT INS.		

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
37391- 2376	12	2/01/2009	37740 LIFE INS-FEB Logged	350.56 *** Total ***	4176535-5 350.56
37392- 2376	13	2/01/2009	17247 U.S. HEALTH WORKS MEDICAL GROU		
37392- 2376	13	2/01/2009	37687 OPEN PO-PHYSICALS Logged	79.00 *** Total ***	1471787-CA 79.00
37393- 2376	14	2/01/2009	17255 HENRY'S PLUMBING		
37393- 2376	14	2/01/2009	37723 TEST BACKFLOW @VP7 Logged	45.00 *** Total ***	HENRYS-09 45.00
37394- 2376	15	2/01/2009	18212 INFRASTRUCTURE ENGINEERING COR		
37394- 2376	15	2/01/2009	37700 CONTRACT-GIBRALTER	987.76	4146
37394- 2376	15	2/01/2009	37701 CONTRACT-BPS Logged	4,666.00 *** Total ***	4147 5,653.76
37395- 2376	16	2/01/2009	19012 JAYNES CORPORATION OF CAL.		
37395- 2376	16	2/01/2009	37679 CONTRACT-SITE IMPROVEMENT-CONS	585,264.53	#11
37395- 2376	16	2/01/2009	37698 RETENTION 10% Logged	-58,526.45 *** Total ***	#11- 526,738.08
37396- 2376	17	2/01/2009	19050 JANI-KING OF SAN DIEGO		
37396- 2376	17	2/01/2009	37738 MONTHLY CLEANING SERVICE-JAN Logged	975.00 *** Total ***	SD001090581 975.00
37397- 2376	18	2/01/2009	20079 KATZ & ASSOCIATES		
37397- 2376	18	2/01/2009	37714 PUBLIC INFORMATIDN-DEC Logged	1,178.15 *** Total ***	404985 1,178.15
37398- 2376	19	2/01/2009	20310 KHAVARI CONSTRUCTION, INC		
37398- 2376	19	2/01/2009	37683 CONTRACT-BPS GRAVITY SEWER CON	90,665.00	#1
37398- 2376	19	2/01/2009	37699 RETENTION 10% Logged	-9,066.50 *** Total ***	#1- 81,598.50
37399- 2376	20	2/01/2009	21102 CASH		
37399- 2376	20	2/01/2009	37737 PETTY CASH-JANUARY Logged	341.36 *** Total ***	PETTY-1/23/09 341.36
37400- 2376	21	2/01/2009	21212 LEIGHTON CONSULTING, INC		
37400- 2376	21	2/01/2009	37684 CONTRACT-GEOTECH SERVICES Logged	2,427.50 *** Total ***	LC10013943 2,427.50
37401- 2376	22	2/01/2009	22274 MET-LIFE		
37401- 2376	22	2/01/2009	37743 DISABILITY INS-FEB Logged	907.37 *** Total ***	KM05535094-2/09 907.37
37402- 2376	23	2/01/2009	23068 NATIONWIDE RETIREMENT SOLUTION		
37402- 2376	23	2/01/2009	37713 DEFERRED COMP-NATIONWIDE Logged	409.93 *** Total ***	NATION-1/28/09 409.93
37403- 2376	24	2/01/2009	24224 OFFICE DEPDT, INC.		
37403- 2376	24	2/01/2009	37682 OPEN PO-OFFICE SUPPLIES	217.61	459135010-001

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
37403-	2376	24	2/01/2009 Logged	*** Total ***	217.61
37404-	2376	25	2/01/2009 25010 AT&T		
		25	37705 SCADA ALARMS	527.48	2570451-1/7/09
		25	37707 ODOR CONTROL MODEM	25.91	4364009-1-09
37404-	2376	25	2/01/2009 Logged	*** Total ***	553.39
37405-	2376	26	2/01/2009 25018 MES VISION		
		26	37739 VISION INSURANCE-FEB	340.67	090082183001
37405-	2376	26	2/01/2009 Logged	*** Total ***	340.67
37406-	2376	27	2/01/2009 25260 PERS RETIREMENT		
		27	37702 BOARD RETIREMENT-12/31/08	39.68	12-2008-0
		27	37708 EMPLOYEE RETIREMENT 1-11-09	12,096.55	1-2009-3
37406-	2376	27	2/01/2009 Logged	*** Total ***	12,136.23
37407-	2376	28	2/01/2009 25261 PUBLIC EMPLOYEES HEALTH		
		28	37744 EMPLOYEES HEALTH INS-FEB	16,463.73	H2009021231000
		28	37745 BRD HEALTH INS-FEB	1,986.60	H2009027247000
37407-	2376	28	2/01/2009 Logged	*** Total ***	18,450.33
37408-	2376	29	2/01/2009 25265 PEP BOYS		
		29	37716 SUPPLIES	10.76	07010027423
		29	37717 SUPPLIES	118.49	07010027422
37408-	2376	29	2/01/2009 Logged	*** Total ***	129.25
37409-	2376	30	2/01/2009 26804 QUALITY CHEVROLET		
		30	37686 OPEN PO-VEHICLE & TRUCK REPAIR	278.06	CTCS372824
37409-	2376	30	2/01/2009 Logged	*** Total ***	278.06
37410-	2376	31	2/01/2009 27012 RANCHO SANTA FE SECURITY SYSTE		
		31	37742 SECURITY SYSTEM	126.00	370063
37410-	2376	31	2/01/2009 Logged	*** Total ***	126.00
37411-	2376	32	2/01/2009 27478 R. J. SAFETY SUPPLY CO., INC.		
		32	37678 OPEN PO-MISC SAFETY EQUIPMENT	165.89	258280
37411-	2376	32	2/01/2009 Logged	*** Total ***	165.89
37412-	2376	33	2/01/2009 27524 ROESLING NAKAMURA TERADA ARCHI		
		33	37722 CONTRACT-AS BUILTS-DESIGN	6,015.33	4395
37412-	2376	33	2/01/2009 Logged	*** Total ***	6,015.33
37413-	2376	34	2/01/2009 28020 SAN DIEGO GAS AND ELECTRIC		
		34	37724 ELECTRIC @ OFFICE	1,396.09	01823519-JAN09
		34	37725 ELECTRIC @ RANCHO VERDE	179.15	01380248-1/09
		34	37726 ELECTRIC @ LC PS	1,047.15	01061273-1/09
		34	37727 GAS @ E.E.	1.15	00896555-1/09
		34	37728 ELECTRIC @ E. ESTATES	581.41	01444485-1/09
		34	37729 ELECTRIC @ MEADOWS 3	224.55	01169672-1/09
		34	37730 ELECTRIC @ VP7	96.21	00747631-1/09
		34	37731 ELECTRIC @ VP5	296.15	00747336-1/09
		34	37732 ELECTRIC @ AVOCADO PS	103.37	00505010-1/09

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Obligat'n	Name / Description	Net amount	INVOICE NUMBER
	34		37733	ELECTRIC @ DIANA PS	314.66	01444495-1/09
	34		37734	ELECTRIC @ LPS	13,719.47	01874070-1/09
	34		37735	ELECTRIC @ SAXONY PS	790.30	01683816-1/09
	34		37736	ELECTRIC @ BPS	14,343.80	01857178-1/09
37413-	2376	34	2/01/2009	Logged *** Total ***	33,093.46	
37414-	2376	35	2/01/2009	28720 STATE WATER RESOURCES CONTROL		
		35		37692 ANNUAL FEE FOR STORM WATER PER	908.00	0826424
37414-	2376	35	2/01/2009	Logged *** Total ***	908.00	
37415-	2376	36	2/01/2009	29225 TELEPACIFIC COMMUNICATIONS		
		36		37704 PHONE SYSTEM	804.58	11257756-0
37415-	2376	36	2/01/2009	Logged *** Total ***	804.58	
37416-	2376	37	2/01/2009	29630 TRI COMMUNITY ANSWERING SERVIC		
		37		37706 ANSWERING SERVICE	90.00	TRI-1/20/09
37416-	2376	37	2/01/2009	Logged *** Total ***	90.00	
37417-	2376	38	2/01/2009	30560 UNITED PARCEL		
		38		37720 POSTAGE	20.82	0000257737029
37417-	2376	38	2/01/2009	Logged *** Total ***	20.82	
37418-	2376	39	2/01/2009	30580 UNITED WAY		
		39		37711 EMPLOYEE CONTRIBUTION	20.00	UNITED-1/28/09
37418-	2376	39	2/01/2009	Logged *** Total ***	20.00	
37419-	2376	40	2/01/2009	31050 VALLECITOS WATER DISTRICT		
		40		37712 WATER @ MEADOWS 3	42.33	108105-1/09
37419-	2376	40	2/01/2009	Logged *** Total ***	42.33	
37420-	2376	41	2/01/2009	31232 VERIZON WIRELESS		
		41		37703 CELL PHONE CHARGES	707.23	072444436
37420-	2376	41	2/01/2009	Logged *** Total ***	707.23	
37421-	2376	42	2/01/2009	32271 WEST COAST SAFETY SUPPLY CO.,		
		42		37690 OPEN PO-CALIBRATION GAS	189.29	171526
37421-	2376	42	2/01/2009	Logged *** Total ***	189.29	
					.00	
** Total check discount **					.00	
** Total check amount **					763,803.10	
** Total void discount **					.00	
** Total void amount **					.00	

**LEUCADIA WASTEWATER DISTRICT  
BOARD PAYROLL CHECK REPORT**

**Payroll Date:** February 4, 2009

<u>Check No.</u>	<u>Date</u>	<u>Amount</u>
14100 - 14104	2/4/2009	\$4,030.91

**LEUCADIA WASTEWATER DISTRICT  
YEAR TO DATE EMPLOYEE AND BOARD PAYROLL AMOUNTS**

**JANUARY**

**2008**

1/2/2008	Employee	\$32,762.14
1/7/2008	Board	\$1,986.08
1/16/2008	Employee	\$35,796.03
1/22/2008	Incentive	\$5,915.41
1/30/2008	Employee	<u>\$32,250.05</u>
	<b>TOTAL</b>	<b>\$108,709.71</b>

**FEBRUARY**

2/6/2008	Board	\$3,403.22
2/13/2008	Employee	\$32,575.86
2/27/2008	Employee	<u>\$32,146.64</u>
	<b>TOTAL</b>	<b>\$68,125.72</b>

**MARCH**

3/5/2008	Board	\$4,862.99
3/12/2008	Employee	\$32,338.84
3/19/2008	Incentive	\$24,293.56
3/26/2008	Employee	<u>\$31,914.17</u>
	<b>TOTAL</b>	<b>\$93,409.56</b>

**APRIL**

4/4/2008	Board	\$2,846.10
4/9/2008	Employee	\$32,385.68
4/23/2008	Employee	<u>\$33,338.30</u>
	<b>TOTAL</b>	<b>\$68,570.08</b>

**MAY**

5/2/2008	Board	\$4,578.71
5/7/2008	Employee	\$33,324.54
5/21/2008	Employee	<u>\$33,443.45</u>
	<b>TOTAL</b>	<b>\$71,346.70</b>

**JUNE**

6/4/2008	Employee	\$35,340.58
6/6/2008	Board	\$3,537.32
6/18/2008	Employee	<u>\$33,588.18</u>
	<b>TOTAL</b>	<b>\$72,466.08</b>

**JULY**



7/2/2008	Employee	\$33,571.14
7/3/2008	Board	\$1,213.50
7/16/2008	Employee	\$35,350.59
7/30/2008	Employee	<u>\$35,647.13</u>
	<b>TOTAL</b>	<b>\$105,782.36</b>
<b><u>AUGUST</u></b>		
8/4/2008	Board	\$912.00
8/13/2008	Employee	\$34,888.88
8/27/2008	Employee	<u>\$34,663.46</u>
	<b>TOTAL</b>	<b>\$70,464.34</b>
<b><u>SEPTEMBER</u></b>		
9/3/2008	Board	\$4,124.04
9/10/2008	Employee	\$37,194.80
9/11/2008	Employee-Incentive	\$10,748.44
9/16/2008	Employee-Incentive	\$716.49
9/24/2008	Employee	<u>\$34,934.35</u>
	<b>TOTAL</b>	<b>\$87,718.12</b>
<b><u>OCTOBER</u></b>		
10/1/2008	Board	\$4,868.49
10/3/2008	Employee-Incentive	\$7,196.80
10/8/2008	Employee	\$35,569.53
10/22/2008	Employee	<u>\$36,190.27</u>
	<b>TOTAL</b>	<b>\$83,825.09</b>
<b><u>NOVEMBER</u></b>		
11/3/2008	Board	\$1,802.40
11/5/2008	Employee	\$37,453.57
11/10/2008	Employee-Incentive	\$1,627.64
11/19/2008	Employee	<u>\$37,607.59</u>
	<b>TOTAL</b>	<b>\$78,491.20</b>
<b><u>DECEMBER</u></b>		
12/1/2008	Employee-Sick bybk	\$8,991.32
12/3/2008	Employee	\$37,215.37
12/4/2008	Board	\$2,307.63
12/10/2008	Employee-Incentive	\$1,696.73
12/17/2008	Employee	37252.97
12/31/2008	Employee	<u>36562.18</u>
	<b>TOTAL</b>	<b>\$124,026.20</b>
<b><u>JANUARY</u></b>		
	<b>2009</b>	
1/5/2009	Board	\$1,320.93
1/14/2009	Employee	\$36,240.23

1/28/2009

Employee  
TOTAL

\$36,351.40  
**\$73,912.56**

**FEBRUARY**

2/4/2009

Board

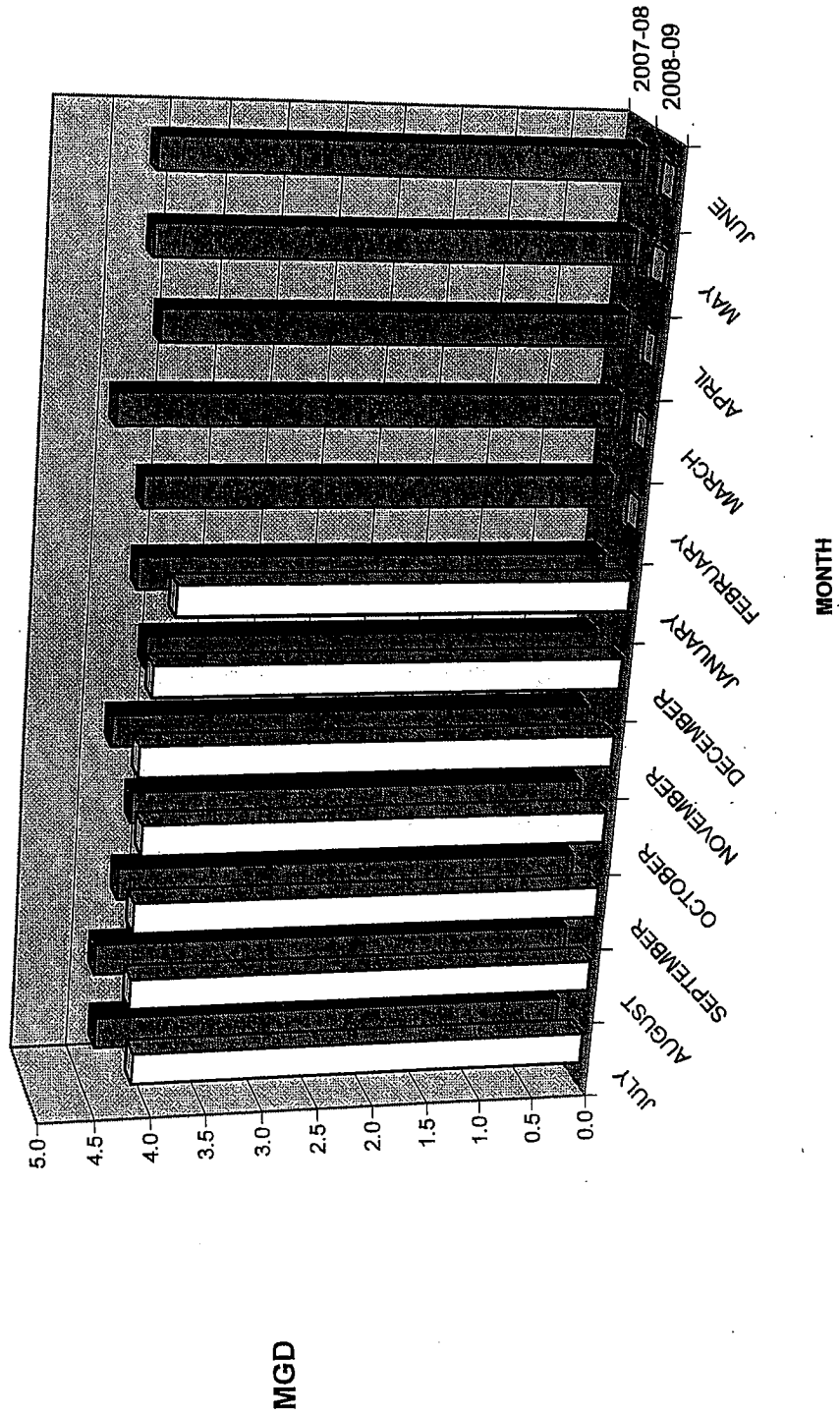
\$4,030.91

**LEUCADIA WASTEWATER DISTRICT  
OPERATIONS REPORT  
FISCAL YEAR 2008-2009**

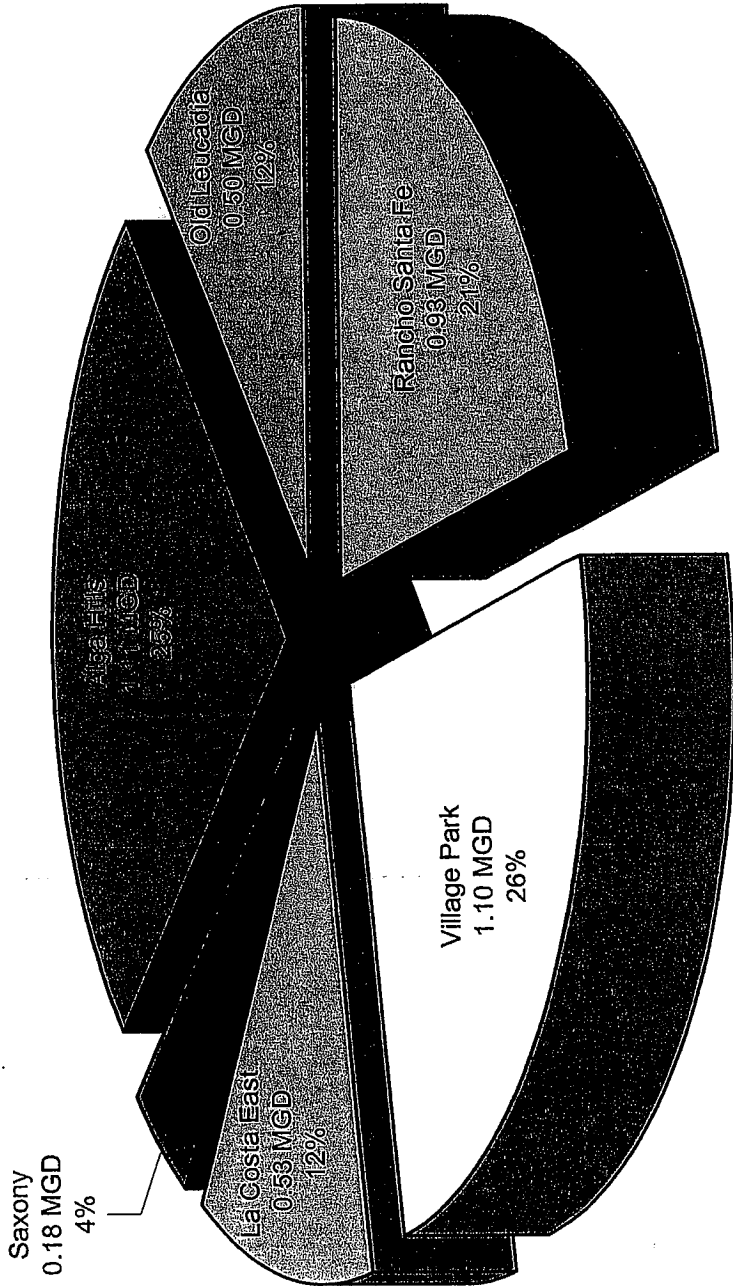
CURRENT MONTH - January 2008										FY 2007-2008	
Period	Total Rain Inches	Total Flow MG	Total EDU's 27,528	LWD ADF (MGD)	GPD/EDU	RECLAIMED ADF (ac-ft/mo)	ADF (MGD)				
JULY	0	128.44	-2	4.14	151	36.13	4.34				
YTD		128.44	27,526				4.38				
AUGUST	0	130.25	16	4.20	153	32.82	4.21				
YTD		130.25	27,542				4.12				
SEPTEMBER	0	126.34	0	4.21	153	38.23	4.33				
YTD		126.34	27,542				4.07				
OCTOBER	0.03	129.27	3	4.17	151	31.01	4.18				
YTD		129.27	27,545				4.17				
NOVEMBER	3.44	126.90	0	4.23	154	12.47	4.44				
YTD		126.90	27,545				4.09				
DECEMBER	3.39	128.65	1	4.15	151	0.00	4.19				
YTD		128.65	27,546				4.19				
JANUARY	0.17	123.38	4	3.98	144	2.43	4.19				
YTD		123.38	27,550				4.23				
FEBRUARY											
YTD											
MARCH											
YTD											
APRIL											
YTD											
MAY											
YTD											
JUNE											
YTD											
Annual Total	7.03	893.23	22	4.16	151	153.09	4.23				
Mo Average	1.00	127.60	3	4.16	151	25.52					

operations report

**LEUCADIA WASTEWATER DISTRICT  
FLOW COMPARISON FY 08 to FY 09**



**LWD Flows by Sub-Basin**  
January 2009  
Total LWD Flow = 4.36  
MGD



**LEUCADIA WASTEWATER DISTRICT**  
**SCHEDULE OF ASSETS, LIABILITIES, AND NET ASSETS**

As of January 31, 2009

<b>ASSETS</b>	
Cash	\$ 874,991.75
Investments and Investment Pools	44,134,033.33
Bond Investments Held by Agents	4,215,642.03
Accounts Receivable	524,185.45
Funds Held with Encina Wastewater Authority	906,849.00
Prepaid Expenses	43,113.17
Capital Assets	109,826,660.09
Less Accumulated Depreciation	(35,666,130.71)
Debt Issuance Costs, Net of Amortization	255,679.18
<b>TOTAL ASSETS</b>	<b>\$ 125,115,023.29</b>
<b>LIABILITIES</b>	
Accounts Payable and Accrued Expenses	1,424,062.69
Developer Deposits	152,783.54
Bond & Interest Debt	4,090,656.02
<b>TOTAL LIABILITIES</b>	<b>\$ 5,667,502.25</b>
<b>NET ASSETS</b>	
Net Investment in Capital Assets	72,109,790.85
Restricted Reserves	7,312,729.84
Unrestricted Operating Reserve	1,583,404.20
Unrestricted Non-Operating Reserves (Designated)	34,912,853.52
Unrestricted Emergency Reserve	7,500,000.00
Capital Contributions	-
YTD Revenue over (under) Expenditures	(3,971,257.37)
<b>TOTAL NET ASSETS</b>	<b>\$ 119,447,521.04</b>

Preliminary: subject to future review, reconciliation, accruals, and audit.

**LEGADIA WASTEWATER DISTRICT**

BUDGET PERFORMANCE REPORT

YTD Actuals through 03/31/2018

<b>OPERATING REVENUES AND EXPENSES</b>					
DESCRIPTION	A/C No.	YTD ACTUAL AMOUNT	ANNUAL BUDGET	REMAINING BALANCE	% USED
<b>OPERATING REVENUES AND TRANSFERS</b>					
<b>OPERATING REVENUES</b>					
SEWER SERVICE	3110	\$ 3,224,109.90	\$ 5,873,835.00	2,649,725.10	54.89%
RECLAIMED WATER SALES	3150	114,730.60	285,400.00	170,669.40	40.20%
OTHER OPERATING INCOME		15,733.76	230,274.00	214,540.24	6.83%
<b>TOTAL OPERATING REVENUE</b>		<b>\$ 3,354,574.26</b>	<b>\$ 6,389,509.00</b>	<b>\$ 3,034,934.74</b>	<b>52.50%</b>
<b>OPERATING EXPENSES</b>					
WAGES AND BENEFITS	4100 & 4200	\$ 1,101,868.29	\$ 1,941,248.00	\$ 839,379.71	56.76%
BOARD EXPENSES AND ELECTION	4300 & 4400	50,509.10	138,000.00	87,490.90	36.60%
DEPRECIATION EXPENSE	4510	1,758,000.00	-	(1,758,000.00)	n/a
REPLACEMENT EXPENSE	4515	-	794,000.00	794,000.00	n/a
FUELS	4600	24,898.99	60,000.00	35,101.01	41.50%
INSURANCE	4700	102,831.91	86,500.00	(16,331.91)	118.88%
MEMBERSHIP & DUES	4800	20,671.00	23,350.00	2,679.00	88.53%
OFFICE EXPENSE	4900	44,611.29	104,800.00	60,188.71	42.57%
OPERATING SUPPLIES	5000	82,191.17	172,100.00	89,908.83	47.76%
PROFESSIONAL SERVICES	5200	215,574.86	518,500.00	302,925.14	41.58%
PRINTING & PUBLISHING	5300	14,167.04	33,000.00	18,832.96	42.93%
RENTS & LEASES	5400	12,841.07	20,800.00	7,958.93	61.74%
REPAIR & MAINTENANCE	5500	136,872.28	241,350.00	104,477.72	56.71%
MONITORING & PERMITTING	5600	28,114.67	43,600.00	15,485.33	64.48%
TRAINING & DEVELOPMENT	5700	21,671.99	45,400.00	23,728.01	47.74%
UTILITIES	5900	232,551.49	455,600.00	223,048.51	51.04%
LAFCO OPERATIONS	6100	7,308.00	7,400.00	92.00	98.76%
ENCINA	6200	480,407.90	2,102,662.00	1,622,254.10	22.85%
<b>TOTAL OPERATING EXPENSES</b>		<b>\$ 4,385,091.05</b>	<b>\$ 6,788,310.00</b>	<b>\$ 2,453,218.95</b>	<b>63.86%</b>

<b>NON-OPERATING REVENUES AND EXPENSES</b>					
DESCRIPTION	A/C No.	YTD ACTUAL AMOUNT	ANNUAL BUDGET	REMAINING BALANCE	% USED
<b>NON OPERATING REVENUES</b>					
CAPACITY CHARGES	3130	\$ 29,855.00	\$ 410,750.00	\$ 380,895.00	7.27%
PROPERTY TAXES	3220	661,743.27	1,200,000.00	538,256.73	55.15%
INTEREST INCOME	3250	801,006.00	1,500,000.00	698,994.00	53.40%
OTHER NON OPERATING INCOME		183,208.61	665,139.00	481,930.39	27.54%
<b>TOTAL NON-OPERATING REVENUES</b>		<b>\$ 1,675,812.88</b>	<b>\$ 3,775,889.00</b>	<b>\$ 2,100,076.12</b>	<b>44.38%</b>
<b>DEBT SERVICE</b>					
INTEREST EXPENSE AND FEES	6500	\$ 107,121.35	\$ 189,736.00	82,614.65	56.46%
PRINCIPAL PAYMENTS	6500	509,717.27	509,717.00	(0.27)	100.00%
<b>TOTAL DEBT SERVICE</b>		<b>\$ 616,838.62</b>	<b>\$ 699,453.00</b>	<b>\$ 82,614.38</b>	<b>88.19%</b>

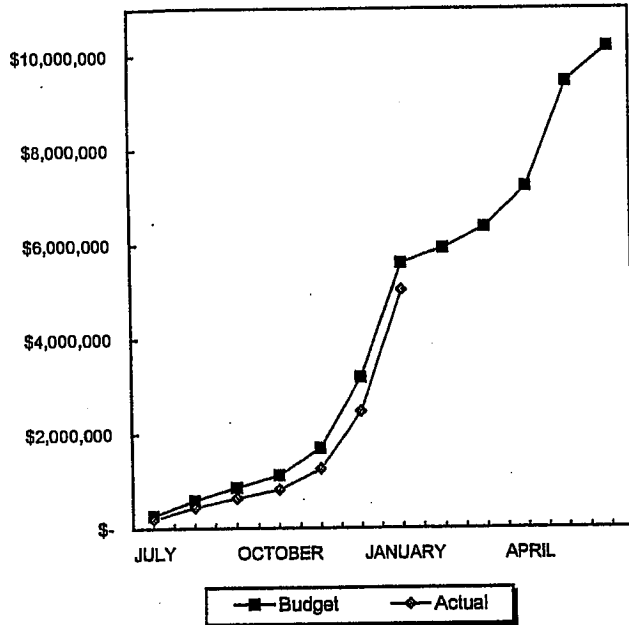
Preliminary: subject to future review, reconciliation, accruals, and audit.

# Leucadia Wastewater District

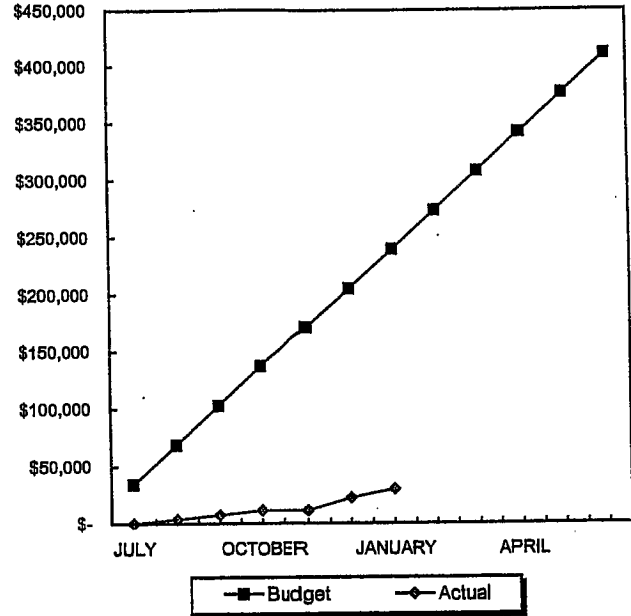
## Revenue FY 2008-2009

YTD through January 31, 2009

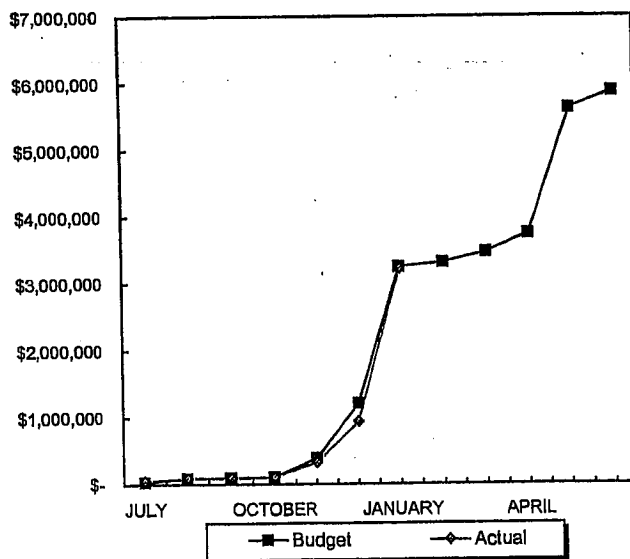
**Total Revenue**



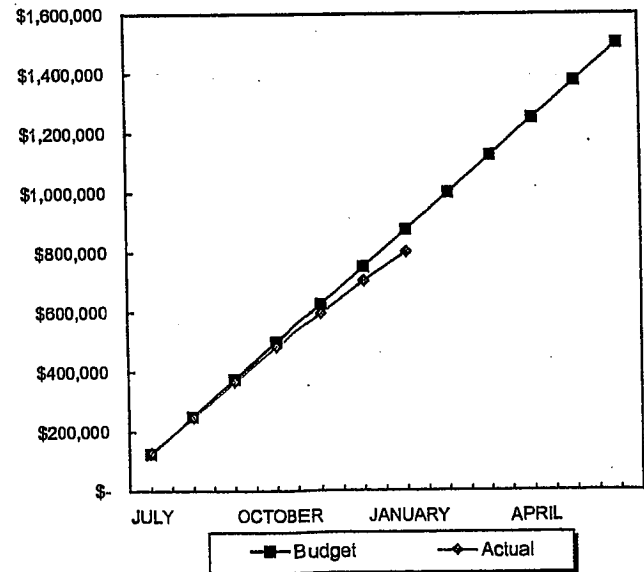
**Capacity Charges**



**Sewer Service Fees**



**Interest Income**

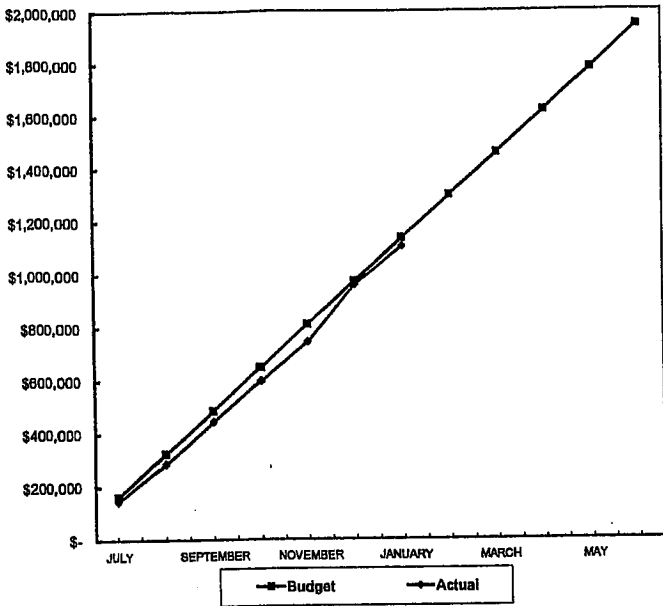


\* Preliminary: subject to future review, reconciliation, accruals, and audit

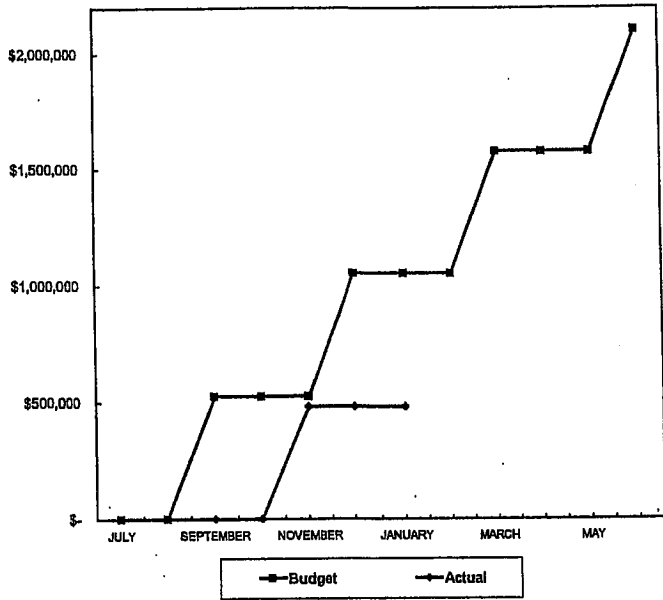


**Leucadia Wastewater District  
Operating Expenses FY 2008-2009  
YTD through January 31, 2009**

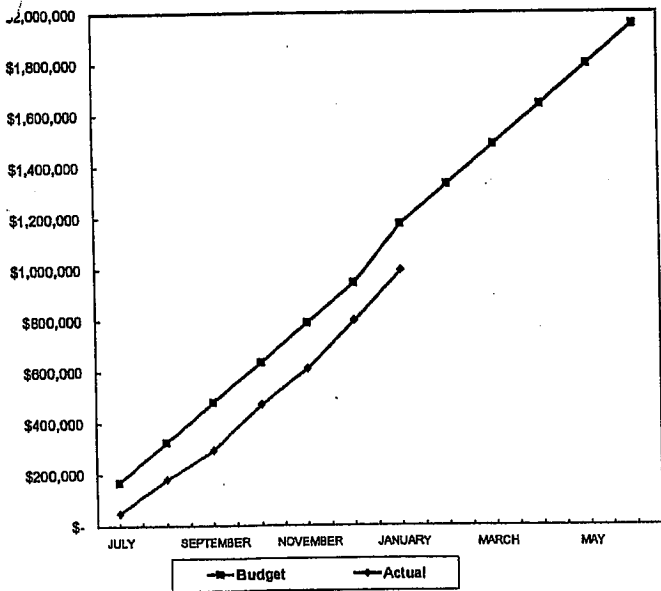
**Salaries and Benefits**



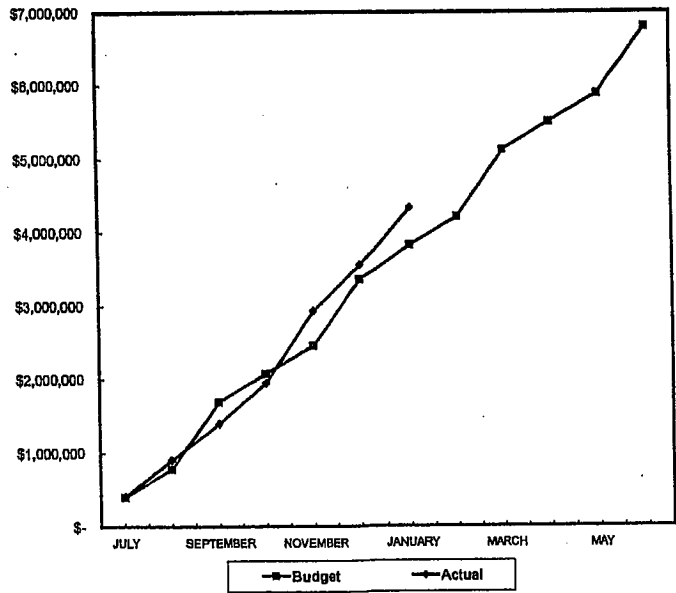
**Encina M&O**



**Other LWD Operating Expenses -  
Excluding Depreciation & Replacement**



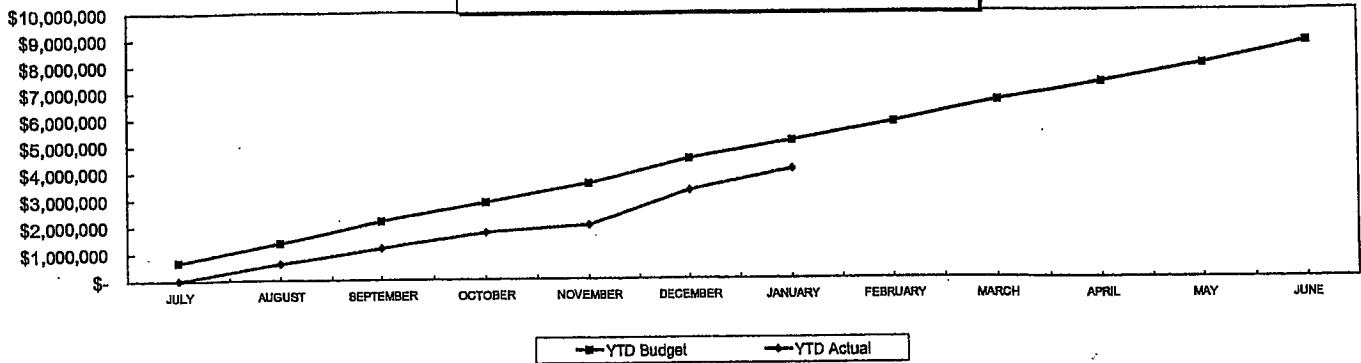
**Total LWD Operating Expense -  
Including Depreciation & Replacement**



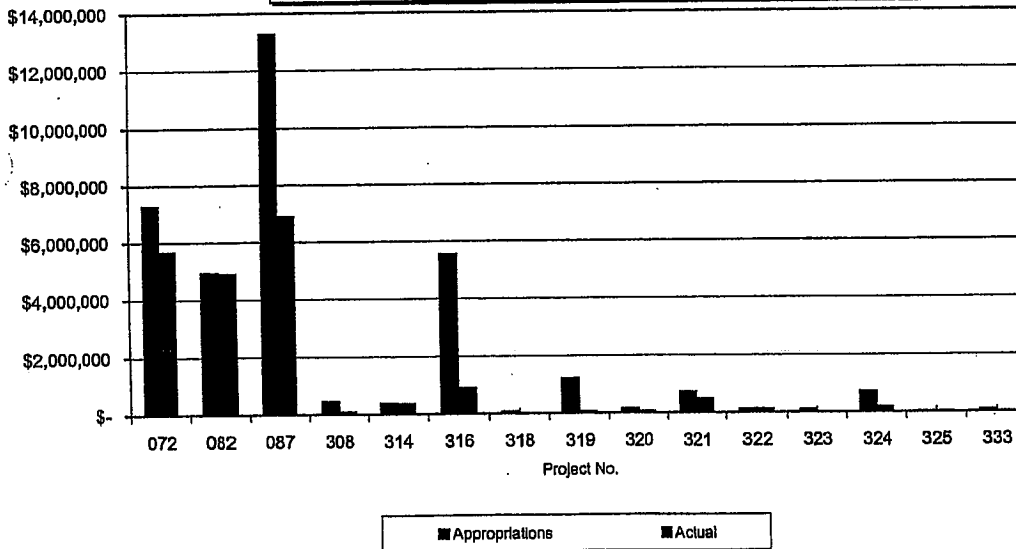
\* Preliminary: subject to future review, reconciliation, accruals, and audit  
37

# Leucadia Wastewater District Capital Expenditures As of January 31, 2009

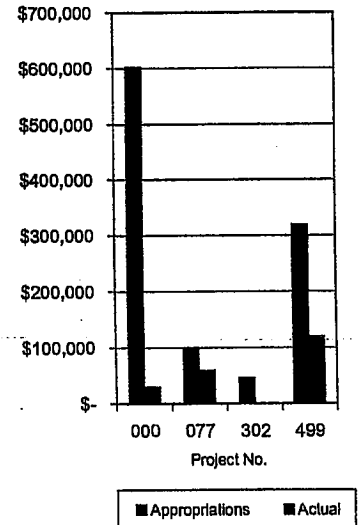
**Capital Projects and Equipment For FY 2008/09**



**Multi Year Capital Expenditures by Project 2002/03-2008/09**



**Single Year Capital Expenditures by Project 2008/09**

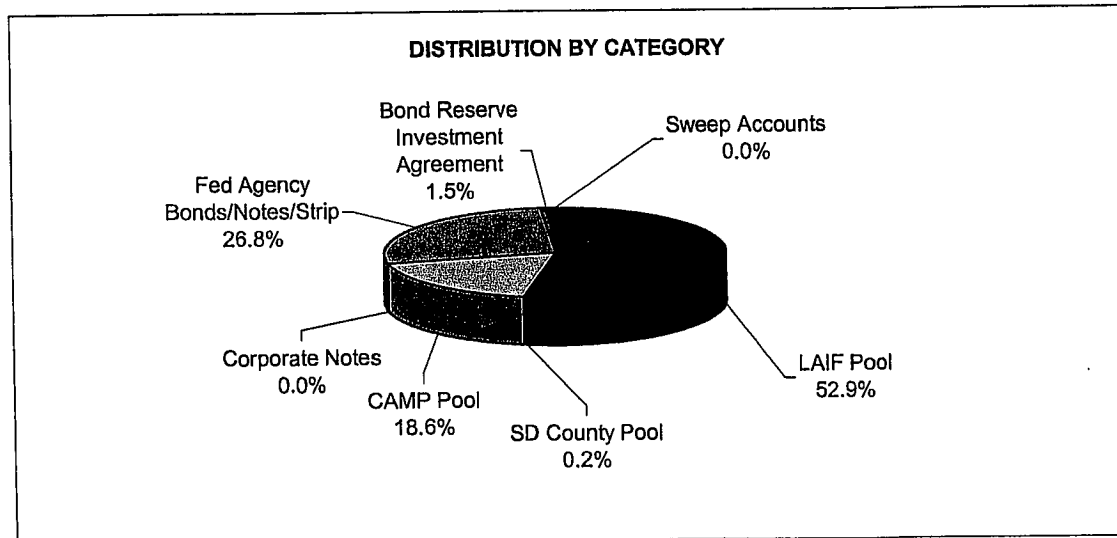
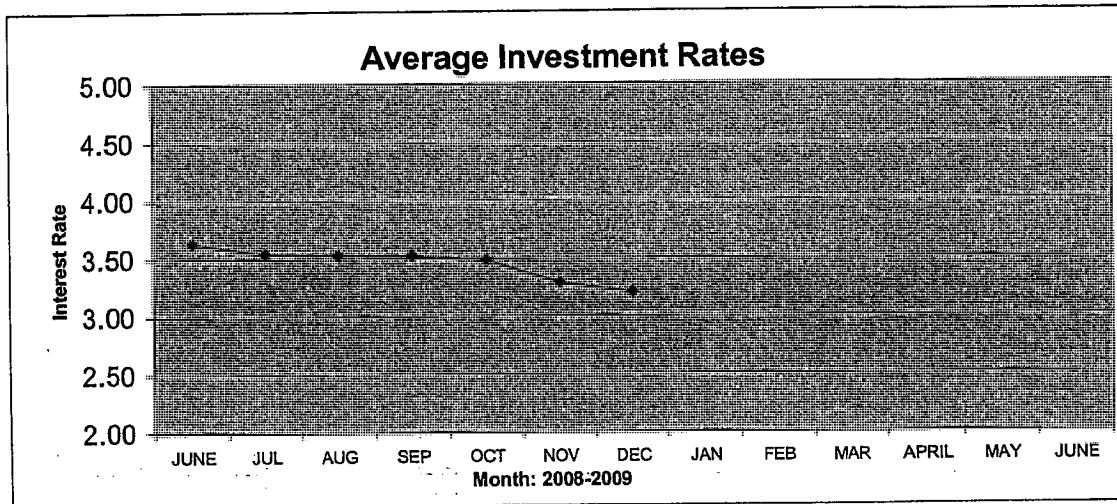


Project Legend			
Description	No.	Description	No.
Encina WA	072	Install Permanent Flow Meters	322
Leucadia PS Improvements	082	Lateral Replace/Backflow Prevtr	323
Site Improvement Program	087	Bat PS Influent Line	324
Mineral Scale Millgallon Project	308	Meadow 3 PS Decommissioning	325
Asset Management Master Plan	314	Force Main Corrosion Study	333
Satellite PS Forcemains	316	Equipment	000
Asset Mgmt. Plan Implementation	318	Misc Pipeline Repair	077
101 Trunk Sewer	319	Professional Services	302
Piraeus Pipeline Repair	320	LWD General Labor	499
Gibraltar Pipeline Replacement	321		

\* Preliminary: subject to future review, reconciliation, accruals, end audit  
38

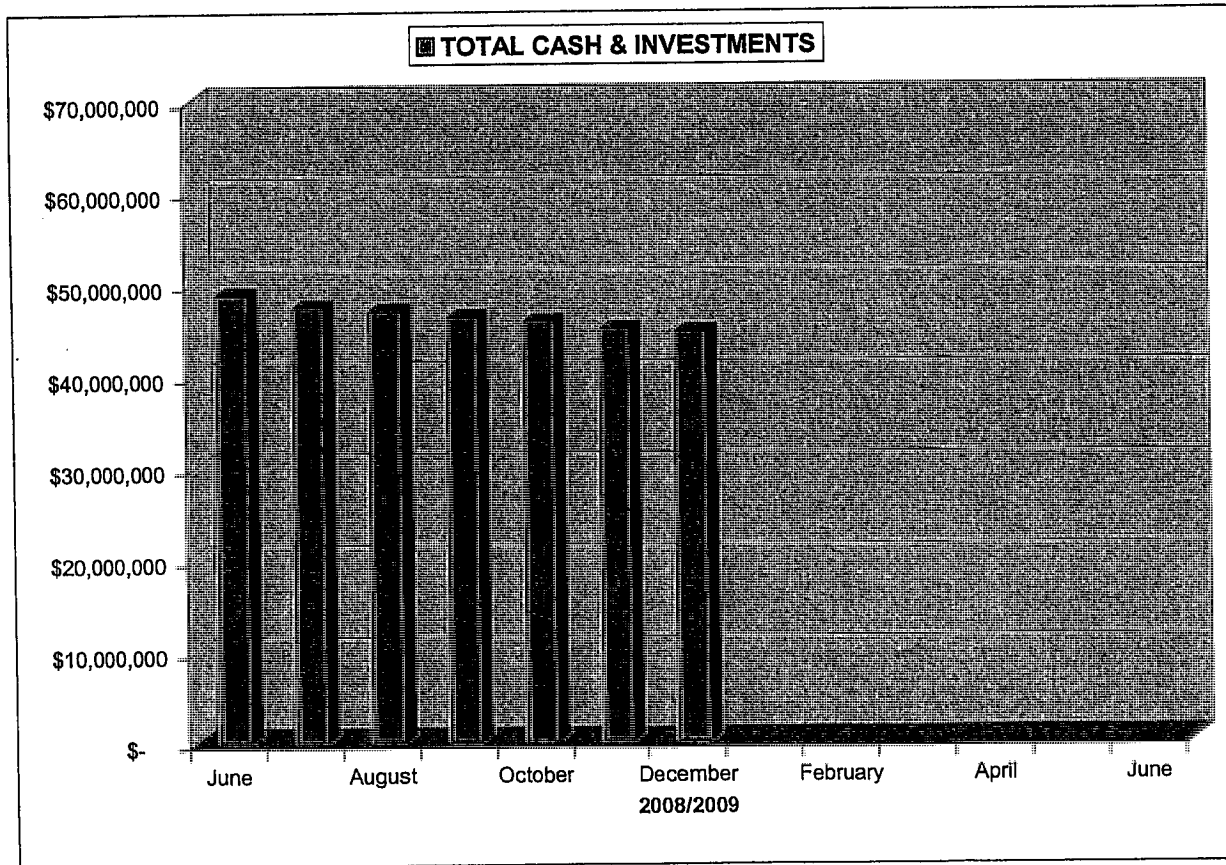
**LEUCADIA WASTEWATER DISTRICT**  
**Monthly Investment Summary**  
**As of December 31, 2008**

Cash & Investments	Principal (Original Cost)		December Interest	Average Rate
	Nov 30, 2008	Dec 31, 2008		
Sweep Account: US Treasury MM with Union Ban	617,006	0	7	0.05%
LAIF Pool	22,635,319	23,535,319	45,266	2.353%
SD County Pool	108,864	108,864	220	2.425%
CAMP Pool	8,890,700	8,296,537	16,861	1.740%
CAMP Portfolio				
Corporate Notes	-	-	-	-
Federal Agency Bonds/Notes	9,613,453	9,613,453	36,427	4.547%
Federal Agency Discount Notes	969,415	969,415	2,541	3.146%
GNMA mortgage pools	21,957	21,826	170	9.310%
US Treasury Bonds/Notes	-	-	-	-
Total Camp Portfolio	10,604,825	10,604,694	39,138	4.987%
Bond Funds				
BNY fiscal agent bond reserve a/c	652,884	652,884	2,916	5.360%
US Bank, custodian a/c: Fed Agency Strips	1,310,156	1,310,156	14,623	13.394%
Total Bond Funds	1,963,039	1,963,039	17,539	10.722%
<b>Totals</b>	<b>\$ 44,819,753</b>	<b>\$ 44,508,453</b>	<b>\$ 119,032</b>	<b>3.198%</b>




**LEUCADIA WASTEWATER DISTRICT**  
**Monthly Investment Summary**  
**As of December 31, 2008**  
**(Continued)**

<b>TOTAL CASH &amp; INVESTMENTS</b>		
<b>Month 2008/2009</b>	<b>Amount</b>	<b>Average Rate</b>
June	\$ 48,760,519	3.63%
July	\$ 47,370,496	3.54%
August	\$ 46,924,644	3.53%
September	\$ 46,152,874	3.52%
October	\$ 45,674,962	3.48%
November	\$ 44,819,753	3.28%
December	\$ 44,508,453	3.20%
January		
February		
March		
April		
May		
June		



**MEMORANDUM**

Ref: 09-1905

**DATE:** February 5, 2009  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** LWD QUARTERLY TREASURER'S INVESTMENT REPORT

---

**RECOMMENDATION:**

Staff requests that the Board of Directors:

1. Receive and file LWD's Quarterly Treasurer's Investment Report

**DISCUSSION:**

In accordance with California Government Code Section #53646 LWD is encouraged to render the Quarterly Treasurer's Investment Report to the Board of Directors for its consideration. For your convenience, staff has developed a one page summary of LWD's investments for the quarter ending December 31, 2008 (see attached). A copy of the full Quarterly Treasurer's Investment Reports has been enclosed for your review.

**LEUCADIA WASTEWATER DISTRICT  
 QUARTERLY INVESTMENT REPORT SUMMARY  
 December 31, 2008**

**SUMMARY OF INVESTMENTS AT DECEMBER 31, 2008**

ASSETS	AMORTIZED COST 12/31/2008	% OF TOTAL
LAIF - STATE INVESTMENT POOL	\$ 23,535,319.11	50.2%
SAN DIEGO COUNTY INVESTMENT POOL	108,863.95	0.2%
CAMP - JPA INVESTMENT POOL	8,296,537.03	17.7%
CAMP PORTFOLIO - BANK OF NEW YORK.		
Federal Agency Bond Notes	9,618,779.82	20.5%
Federal Agency Discount Notes	975,006.95	2.1%
Federal Agency - GNMA Pools	21,820.30	0.05%
	10,615,607.07	
BANK OF NEW YORK - BOND RESERVE FUNDS		
Collateralized Investment Agreement	652,883.75	1.4%
	652,883.75	
US BANK - CUSTODIAL ACCOUNTS		
Resolution Funding Corp Strips - Cost	1,310,155.70	
Interest Earned - Amortized Discount*	2,387,115.87	
	3,697,271.57	7.9%
<b>TOTAL INVESTMENTS</b>	<b>\$ 46,906,482.48</b>	<b>100.0%</b>

(2) Representation of interest that is accruing as these federal agency coupons approach maturity

**INTEREST FOR THE QUARTER ENDED 12/31/2008**

MONTH	EARNED	AVERAGE RETURN
October	\$ 133,329.00	3.48%
November	128,712.00	3.28%
December	125,407.00	3.20%
<b>TOTALS</b>	<b>\$ 387,448.00</b>	

**Encina Wastewater Authority Report**  
**Regular Board Meeting**  
**January 28, 2009**

**EWA Board of Directors** - Vice President Juliussen and Director Sullivan reporting

**EWA Board Meeting Action Items:**

**1. Phase V Expansion Project Report**

The Board of Directors received and filed the Phase V Expansion Project Report.

**2. Resolution of Filanc Contract Dispute – Change Order 123**

The Board of Directors approved the contract change order 123 in the amount of \$130,000 to resolve the outstanding dispute with J.R. Filanc Construction Co.

**3. Phase V Substantial Completion and Partial Release of Retention**

The Board of Directors authorized the partial release of eligible retention in the amount of \$1,664,120.09 to the J.R. Filanc Construction Co.

**4. Waiver of EWA Purchasing Policy in Support of Phase V Optimization Effort**

The Board of Directors waived applicable formal bid requirements related to the acquisition of centrifuge polymer for the period ending June 30, 2009.

**5. Revised Biosolids Management Policy**

The Board of Directors adopted Resolution 09-1, adopting a revised Biosolids Management Policy.

**6. Letter of Interest from North County Transit District Regarding Disposition of South Parcel**

The Board of Directors directed staff to transmit a written acknowledgement deferring any substantive dialogue between EWA and the North County Transit District concerning the South Parcel. In addition, the Board of Directors discussed future planning processes related to the use and disposition of the South Parcel.

**Executive Session**

7. The Board of Directors met in closed session as authorized by Government code 54956.9(b), to discuss anticipated litigation – one case: Jaynes Corporation of California v. Encina Wastewater Authority.

No reportable action.



# Engineering Committee Meeting Report

Presented by Allan Juliussen

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## Meeting held February 2, 2009

1. The Committee reviewed an agreement with the city of Carlsbad to transfer sewer service of 70 District served parcels to enable the demolition of the Meadow Number 3 Pump Station. The EC concurred with staff to forward this recommendation to the Board of Directors for approval.

This item will be reviewed by the Board later in tonight's agenda.

2. The Committee reviewed the agreement with Fischer Acoustics, Inc. to furnish and install acoustic panels in the Leucadia Pump Station Pump Room in an amount not to exceed \$37,521. The EC concurred with staff to forward this recommendation to the Board of Directors for approval.

This item will be reviewed by the Board later in tonight's agenda.

3. FSM Schempp provided the Smoke Testing Results. The smoke testing found only minor discrepancies and LWD's sewer system in that area appears to be relatively free of inflow and infiltration.
4. PM Morishita provided a status report and a PowerPoint slideshow on the Site Improvement Project.

PM Morishita will provide a status report on the project later in tonight's agenda.

5. PM Morishita provided a status report on the Batiquitos Gravity Sewer Construction Project.

# **Community Affairs Committee Meeting Report**

Presented by Elaine Sullivan

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## **Meeting held February 3, 2009**

### **1. Authorize the GM to execute a two-year extension to the KATZ & Associates agreement**

The CAC reviewed KATZ & Associates two-year extension agreement for Public Information Services Agreement.

One CAC member opposed the recommendation preferring to advertise a request for proposal (RFP) for the services. The second CAC member concurred with staff's recommendation. The CAC directed staff to forward the recommendation to the Board of Directors for consideration.

This item will be reviewed by the Board of Directors later in the agenda.

### **2. Authorize the GM to execute Task Order No. 4 to the KATZ & Associates Agreement**

One CAC member opposed the recommendation preferring to advertise a request for proposal (RFP) for the services. The second CAC member concurred with staff's recommendation. The CAC directed staff to forward the recommendation to the Board of Directors for consideration.

This item will be reviewed by the Board of Directors later in the agenda.

### **3. Review and discuss the fall 2009 newsletter story ideas and schedule.**

The CAC reviewed and commented on the spring 2009 newsletter story ideas. The cover story of the newsletter will

focus on LWD celebrates 50 years as a Special District. The CAC provided direction to staff on the newsletter story ideas.

**3. Review and discuss LWD's Collection System Fact Sheet**

The CAC reviewed and commented on the Collection System Fact Sheet. The CAC directed staff to finalize the Collection System Fact Sheet after incorporating the CAC's comment.

**4. Review and discuss draft layouts of the cover fold for LWD's newsletter**

The CAC reviewed and provided their comments on the three cover fold options for the newsletter that KATZ provided. The CAC directed KATZ to prepare new cover layouts based on the committee's discussion.

**5. Scholarship Program review**

GM Bushee provided a verbal update on the proposed Teacher Grant program.

Directors Sullivan and Omsted urged staff to develop the program as soon as possible and announce the program to all District schools.

This item will be reviewed by the Board of Directors later in the agenda.

# **Investment & Finance Meeting Report**

Presented by Judy Hanson

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## **Meeting held February 4, 2009**

### **1. Annual Review of LWD Reserve Policy**

The IFC reviewed the Revised Reserve Policy and directed staff to forward to the Board for adoption of the revised policy.

The Annual Review of the LWD Reserve Policy will be reviewed by the Board of Directors later in the agenda.

### **2. Review and discuss LWD GASB Actuarial Valuation Report.**

The IFC reviewed the recommendation relating to how LWD should fund its other Post Employment Benefits (OPEB) as required by GASB Nos. 43 and 45. The IFC concurred with staff to forward this recommendation to the Board of Directors for consideration.

This recommendation will be reviewed by the Board of Directors later in the agenda.

MEMORANDUM

Ref: 09-1889

**DATE:** February 5, 2009  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Government Accounting Standards Board (GASB) Actuarial Valuation

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**RECOMMENDATION:**

Staff and the Investment and Finance Committee (IFC) recommend that the Board of Directors:

1. Receive and file the LWD Actuarial Valuation as of July 1, 2008;
2. Authorize the General Manager to pre-fund GASB actuarial accrued liabilities through the California Employees' Retiree Benefit Trust (CERBT) in an amount of \$181,509;
3. Approve an additional appropriation of \$181,509 to the Fiscal Year 2009 budget to prefund the actuarial accrued liability; and,
4. Discuss and provide direction, as appropriate.

**DISCUSSION:**

This item was also reviewed by the IFC at its February 4, 2009 meeting. Staff and the IFC recommend that the Board of Directors approve this recommendation.

During 2004, the Government Accounting Standards Board (GASB) issued statements (No's. 43 and 45) requiring agencies such as LWD to accrue and expense liabilities of other postemployment benefits (OPEB). For LWD, this meant that the district had to account for how it would pay for retiree health benefits over the working career of employees rather than on a pay-as-you-go basis. According to the implementation schedule developed by GASB, this accountability applies to periods beginning after December 15, 2008.

To meet GASB requirements, LWD staff contracted with The Epler Company to perform an actuarial valuation of its retiree health program. The purpose of the actuarial valuation is to measure the District's liability for retiree health benefits and to estimate the District's accounting requirements for other postemployment benefits. This agenda item presents the results of the actuarial valuation. Staff and Ms. Marilyn Jones of The Epler Company will provide a review of the actuarial report. A copy of the valuation report's Executive Summary is attached.

**BACKGROUND:**

LWD currently provides a contribution towards retiree health benefits through the CalPERS Health Program for four retirees. In addition, eighteen employees and three Board Members are either currently eligible for or earning service credit for eligibility for retiree health benefits. To be eligible for retiree health benefits, an employee must retire from the District and commence pension benefits under PERS (typically on or after age 50 with at least 5 years of PERS service). For 2008, the District paid the CalPERS minimum required employer contribution of \$97 per month for retirees electing coverage. The 2009 rate is \$101 per month. This rate is indexed to the medical CPI and generally increases annually.

The amount of the actuarial liability for the District's retiree health benefits program as of July 1, 2008 is \$366,000. This amount represents the present value of all contributions for retiree health benefits projected to be paid by the District for current and future retirees. It also includes contributions for retiree health benefits for the current retirees as well as the current active employees expected to retire in the future. *It does not, however, consider employees not yet hired as of the valuation date.*

The Investment and Finance Committee met on January 7, 2009 to review the valuation report and discuss funding options with staff and Ms. Marilyn Jones of The Epler Company. Following a detailed review of the report by Ms. Jones, the committee considered the following options:

- Option 1: No pre-funding of the actuarial accrued liability
- Option 2: Pre-funding the actuarial accrued liability on an annual basis
- Option 3: Pre-funding the entire actuarial accrued liability as one payment

After discussion, the IFC recommended that Option 3 be forwarded to the Board of Director's for consideration since it was considered the best financial alternative for the District saving approximately \$200,000 over the 30-year amortization period. If selected, Option 3 would require an additional appropriation to the FY 2009 budget in an amount of \$181,509.

cal:PB

Attachment

## Section I. Executive Summary

### Background

Leucadia Wastewater District (the District) selected The Epler Company to perform an actuarial valuation of its retiree health program. The purpose of the actuarial valuation is to measure the District's liability for retiree health benefits and to estimate the District's accounting requirements for other post-employment benefits (OPEB) under Governmental Accounting Standards Board Statements No. 43 & 45 (GASB 43 and GASB 45). GASB 45 requires accrual accounting for the expensing of OPEB. The expense is generally accrued over the working career of employees, rather than on a pay-as-you-go basis. GASB 43 requires additional financial disclosure requirements for funded OPEB Plans.

The District currently provides a contribution towards retiree health benefits through the CalPERS Health Program for 4 retirees. In addition, 18 employees and 3 Board Members are either currently eligible for or earning service credit for eligibility for retiree health benefits. To be eligible for retiree health benefits, an employee must retire from the District and commence pension benefits under PERS (typically on or after age 50 with at least 5 years of PERS service). The District's pays the CalPERS minimum required employer contribution (\$97 per month in 2008 and indexed to medical CPI) for retirees electing coverage. Section V of the report details the plan provisions and current premium costs that were included in the valuation.

### Results of the Retiree Health Valuation

The amount of the actuarial liability for the District's retiree health benefits program as of July 1, 2008 is \$366,000. This amount is based on a discount rate of 5% which assumes the District continues to maintain the retiree health benefits program as an unfunded plan. The amount represents the present value of all contributions for retiree health benefits projected to be paid by the District for current and future retirees. If the District were to place this amount in a fund earning interest at the rate of 5% per year, and all other actuarial assumptions were exactly met, the fund would have exactly enough to pay all expected contributions for retiree health benefits. This includes contributions for retiree health benefits for the current retirees as well as the current active employees expected to retire in the future. The valuation does not consider employees not yet hired as of the valuation date. If the amount of the actuarial liability is apportioned into past service, current service and future service components; the past service component (actuarial accrued liability) is \$247,000, the current service component (normal cost) is \$17,000 and the future service component (not yet accrued liability) is \$102,000.

Expense

Currently, the District expenses for retiree health benefits on a pay-as-you-go basis. The estimated pay-as-you-go expense or employer contribution amount for the 2008/2009 fiscal year is approximately \$5,500. This amount includes payments for employees expected to retire during the 2008/2009 fiscal year. Under GASB 45, the District is required to adopt accrual accounting for the expensing of its retiree health benefits. The expense is generally accrued over the working career of employees. If the District adopts accrual accounting under GASB 45 for its 2008/2009 fiscal year, its accrual expense or annual required contribution under GASB terminology is approximately \$33,600. This amount is comprised of the present value of benefits accruing in the fiscal year (normal cost) plus a 30-year amortization (on a level-dollar basis) of the unfunded actuarial accrued liability (past service liability) at July 1, 2008. Thus, it represents a means to expense the plan's liabilities in an orderly manner. The net OPEB obligation at the end of the fiscal year will reflect any actual retiree health contributions and any GASB eligible pre-funding amounts made during the period.

Funding

The District has not informed us of any funds eligible as plan assets under GASB 45. Under GASB 45, assets cannot be considered as employer contributions or plan assets unless they are segregated for exclusive use for retiree health benefit payments and secured from creditors of the District. The valuation provides alternative results assuming the District were to adopt pre-funding through the California Employers' Retiree Benefit Trust (CERBT), a GASB eligible trust. The CERBT has an investment policy with an expected long-term rate of return equal to 7.75% for employers pre-funding the annual required contribution each year. The results using a 7.75% discount rate are provided in the financial results section of the report. A comparison of the valuation results using a 7.75% versus a 5.0% discount rate on the liabilities and annual required contribution are provided in the table below. The 7.75% results are shown assuming the District pre-funds the unfunded actuarial accrued liability over 30 years on a level-dollar basis and in its entirety (over 1 year) during the 2008/2009 fiscal year.

Discount Rate:	5.0%	7.75%	7.75%
Amortization Period:	30 years	30 years	1 year
Actuarial Liability:	\$366,000	\$214,000	\$214,000
Actuarial Accrued (Past Service) Liability:	\$247,000	\$159,000	\$159,000
Unfunded Actuarial Accrued Liability:	\$247,000	\$159,000	\$159,000
Annual Required Contribution:	\$34,000	\$24,000	\$182,000
Expected District Contributions:	\$5,500	\$24,000	\$182,000



If the District's practice is to pay for costs as they are accrued and the District has no current budgetary or other business constraints, we recommend that the District consider funding the entire unfunded actuarial accrued liability.

There are multiple ways to approach the funding of a retiree health plan. The annual required contribution (accrual expense) is one method, of many, that could be used to pre-fund benefits. Section IV of the report provides other funding alternatives for the District.

### Actuarial Basis


The actuarial valuation is based on the assumptions and methods outlined in Section VII of the report. To the extent that a single or a combination of assumptions is not met the future liability may fluctuate significantly from its current measurement.

As an example, the healthcare cost increase anticipates that the rate of increase in medical cost will be at moderate levels and decline over several years. Increases higher than assumed would bring larger liabilities and expensing requirements. A 1% increase in the healthcare trend rate for each future year would increase the annual required contribution by 23%. In addition, the results reflect an assumed participation rate of 50% since many eligible retirees will not elect coverage due to the low employer contribution. If the participation rate were to increase to 100%, the annual required contribution would increase by 80%

Another key assumption used in the valuation is the discount rate which is based on the expected rate of return of plan assets. The valuation is based on a discount rate of 5%. A 1% decrease in the discount (interest) rate would increase the annual required contribution by 17%. A 1% increase in the discount (interest) rate would decrease the annual required contribution by 13%.

GASB 45 requires that implicit rate subsidies be considered in the valuation of medical costs. An implicit rate subsidy occurs when the rates for retirees are the same as for active employees. Since pre-Medicare retirees are typically much older than active employees, their actual medical costs are almost always higher than for active employees. It is our understanding that the District participates in a community-rated health plan (CalPERS Health Plan) and is exempt from valuing this rate subsidy. Typically, inclusion of the rate subsidy will result in significantly larger liabilities and expensing requirements.

**MEMORANDUM**

**DATE:** February 5, 2009  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** **KATZ & Associates, Inc. Contract Extension for Public Information Services**

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**RECOMMENDATION:**

Staff recommends that the Board of Directors:

1. Authorize the General Manager to execute a two-year extension to the KATZ & Associates Professional Services Agreement for as needed public information services.
2. Discuss and provide direction as appropriate.

**DISCUSSION:**

The Community Affairs Committee (CAC) reviewed this recommendation at its February 3, 2009 meeting. As a result, one CAC member was opposed to this recommendation, while the second member was in favor of this recommendation. The CAC directed staff to forward this item to the Board of Directors for consideration.

During February 2006, LWD entered into a Professional Services Agreement with KATZ & Associates for Public Information Services. The initial contract period was for 3 years with an option to extend for 2 additional years. These terms were selected for efficiency and to allow for continuity of service beyond the initial term should it be warranted by KATZ & Associate's performance. Compensation for this agreement was based on time and materials in accordance with task orders authorized by the District that correspond with each year of the contract.

The initial three-year period of the Katz agreement expired on February 7, 2009. Based on their performance and commitment to LWD, staff is recommending that the option for a two-year contract extension be executed.

The Community Affairs Committee reviewed this item at its February 3, 2009 meeting. At the meeting, the Committee discussed both extending the contract and proceeding with a new RFP for public information services. Following discussion, the committee recommended that this item be forwarded to the full Board for their review and consideration.

Attached is a proposed Amendment No. 1 to the basic agreement which extends public information services until February 2011. During the first year of the extension period, billing rates for Katz services remain equal to 2008 levels. The second year of the contract extension will limit rates to no more than 5% above 2008 levels.

Staff and the CAC recommend that the Board of Directors review the proposed Amendment No. 1 and discuss and provide direction, as appropriate.

cal:PJB

Attachment

**AMENDMENT NO. 1  
TO THE AGREEMENT BETWEEN  
THE LEUCADIA WASTEWATER DISTRICT  
AND KATZ & ASSOCIATES, INC.  
FOR PUBLIC INFORMATION SERVICES**

Ref: 09-1862

This Amendment No. 1 to the AGREEMENT is made and entered into this 11<sup>th</sup> day of February, 2009 by and between the Leucadia Wastewater District, hereinafter referred to as DISTRICT, and Katz & Associates, Inc. hereinafter referred to as CONSULTANT.

WHEREAS, the DISTRICT and CONSULTANT entered into a three (3) year AGREEMENT for public information services on February 8, 2006; and

WHEREAS, said AGREEMENT is scheduled to expire on February 7, 2009; and

WHEREAS, DISTRICT has determined it would be most efficient to amend the AGREEMENT to extend the period of services from February 8, 2009 to February 7, 2011, or a period of two (2) years.

NOW THEREFORE, in consideration of their mutual promises, obligations, and covenants hereinafter contained, DISTRICT and CONSULTANT agree to amend the AGREEMENT as follows:

**ARTICLE 1. TERM OF CONTRACT**

Article 1: TERM OF CONTRACT, Section 1.01 shall be amended to read as follows:

1.01 The term of this contract shall be extended for a two year period commencing on February 8, 2009 and ending on February 7, 2011, or until terminated as provided under Article 7.

**ARTICLE 4. COMPENSATION**

Article 4: COMPENSATION, Section 4.01 shall be amended to read as follows:

4.01 Compensation for the services provided under this contract shall be on a time and material basis in accordance with Task Orders authorized by DISTRICT. For the first year of this extension (February 8, 2009-February 7, 2010), rate schedules for CONSULTANT shall not be increased above the CONSULTANTS 2008 rates that are currently in effect. Rates for the final year of this extension (February 8, 2010-February 7, 2011) may not exceed a 5% adjustment above the 2008 rates. All rate adjustments must be mutually agreed upon, in writing, by the DISTRICT and CONSULTANT. Each task and the associated fee performed under this contract shall be authorized by Task Orders executed by DISTRICT's Project Manager (or General Manager) and CONSULTANT's Project Manager (or Project Supervisor or Contract Administrator). Fees approved by Task Order shall not be exceeded without the prior written consent of both parties. The parties agree that this compensation was developed in accordance with the customary and prevailing compensation level in the community and surrounding area for comparable services. CONSULTANT and DISTRICT agree that this fee was arrived at through arms length negotiations between the parties.

All other terms and conditions of the AGREEMENT shall remain unchanged.

IN WITNESS WHEREOF, the parties hereto caused this AGREEMENT to be executed the day and year first above written.

**KATZ & ASSOCIATES, INC.**

**LEUCADIA WASTEWATER DISTRICT**

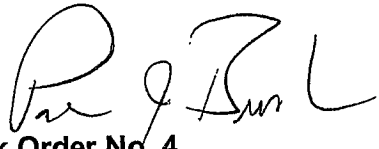
By: \_\_\_\_\_  
Sara M. Katz, President

By: \_\_\_\_\_  
Paul J. Bushee, General Manager

MEMORANDUM

Ref: 09-1887

DATE: February 5, 2009  
TO: Board of Directors  
FROM: Paul J. Bushee, General Manager  
SUBJECT: Public Information Services Task Order No. 4



**RECOMMENDATION:**

Staff recommends that the Board of Directors:

1. Authorize the General Manager to execute Task Order No. 4 to the KATZ & Associates Public Information Services Agreement in an amount not to exceed \$49,980.
2. Discuss and take action, as appropriate.

**DISCUSSION:**

The Community Affairs Committee (CAC) reviewed this recommendation at its February 3, 2009 meeting. As a result, one CAC member was opposed to this recommendation, while the second member was in favor of this recommendation. The CAC directed staff to forward this item to the Board of Directors for consideration.

On February 8, 2006, the Board of Directors authorized the General Manager to enter a three year agreement with Katz & Associates for as needed public information services. At that time, the Board also authorized the General Manager to execute Task Order No. 1 in an amount not to exceed \$79,840. Task Order No. 2 was approved by the Board for the period July 2007 - Jun 2008 followed by Task Order No. 3 for the period July 2008 - February 2009.

Earlier in this agenda, the BOD considered a recommendation to extend KATZ & Associates agreement for an additional two year period. If this recommendation is approved, an additional task order will be required. The Community Affairs Committee reviewed this item at its February 3, 2009 meeting and recommended that it be discussed by the Board if a contract extension is approved.

Staff has negotiated the scope of work for Task Order No. 4 (Attached) with KATZ & Associates for the period from February 2009 - January 2010. It includes services that are most important to LWD's public information program. Specific tasks are:

- project management services
- drafting and designing of two newsletters;
- maintaining and updating LWD's website;
- drafting and managing one fact sheet
- developing project outreach and construction relations media.

As can be seen, these services are part of LWD's ongoing outreach efforts. Staff believes they are important for keeping LWD's public information efforts current, as well as enhancing LWD's ability to provide timely information to the media and the public. The total proposed fee for Task Order No. 4 is \$49,980. A portion of these funds are available in the FY 2009 budget; additional appropriations will be included in the FY 2010 budget to cover the proposed Task Order expenses.

cal:PJB  
Attachment

Leucadia Wastewater District  
Public Information Services DRAFT Budget  
February 2009 - January 2010

TASK No.	TASK	Project Supervisor		Project Manager		Asst. Acct. Exec		Acct. Coordinator		Total Labor		Total Cost	
		Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hours	Costs		
1.0	<b>Project Management</b> Meetings: Meet with LWD staff to discuss action items and review deliverables. Cost includes up to two K&A staff members at each meeting. Assumes 5 meetings.	3	\$645	10	\$1,450	4	\$340			17	\$2,435	\$150	\$2,585
2.0	<b>Regular Project Management:</b> Conduct regular internal team meetings, ensure progress of deliverables, budget, and schedule, draft monthly activity summary reports and manage other issues as needed.	2	\$430	12	\$1,740	2	\$170			16	\$2,340		\$2,340
	<b>Subtotal:</b>	5	\$1,075	22	\$3,190	6	\$510			33	\$4,775	\$150	\$4,925
2.0	<b>Newsletters</b> Draft and manage the design, printing and mailing of up to two newsletters. Meet with Community Affairs Committee up to four times. Distribute newsletter to stakeholder sites. Includes graphic design costs. Printing and mailing costs for up to 20,000 copies of 4-page, 8.5x11, 4-color newsletter paid directly by Leucadia Wastewater District.			45	\$6,525	45	\$3,825	30	\$1,950	120	\$12,300	\$7,000	\$19,300
	<b>Subtotal:</b>			45	\$6,525	45	\$3,825	30	\$1,950	120	\$12,300	\$7,000	\$19,300
3.0	<b>Maintain and Update Website</b> Website Content: Suggest and draft new website content up to two times per month for construction and general District updates.			5	\$725	10	\$850	10	\$650	15	\$2,225		\$2,225
	<b>Subtotal:</b>			5	\$725	10	\$850	10	\$650	15	\$2,225		\$2,225
4.0	<b>Fact Sheets and Media Kits</b> Fact Sheets: Draft and manage design and printing of one fact sheet. Includes graphic design costs. Printing will be paid directly by Leucadia Wastewater District.			5	\$725	5	\$425	5	\$325	15	\$1,475	\$2,500	\$3,975
	<b>Subtotal:</b>			5	\$725	5	\$425	5	\$325	15	\$1,475	\$2,500	\$3,975
5.0	<b>Project Outreach/Construction Relations</b> Construction Notices: Draft, print and distribute up to four construction notices (mailers, door hangers or handouts). Assume up to 300 copies of each notice. Printing will be paid directly by Leucadia Wastewater District. If mailing is required, Leucadia Wastewater District will pay for mailing and postage costs.			12	\$1,740	16	\$1,360	12	\$780	40	\$3,880	\$2,000	\$5,880
	<b>Community Outreach Events:</b> Coordinate and prepare for one community outreach event such as a beach cleanup or school event. All application, sponsor fees and other expenses will be paid directly by Leucadia Wastewater District.			5	\$725	20	\$1,700	12	\$780	37	\$3,205	\$250	\$3,455

Leucadia Wastewater District  
 Public Information Services DRAFT Budget  
 February 2009 - January 2010

TASK No.	TASK	Project Supervisor		Project Manager		Asst. Acct. Exec.		Acct. Coordinator		Total Labor		Expenses	Total Cost
		Hrs.	Cost	Hrs.	Cost	Hrs.	Cost	Hrs.	Cost	Hours	Costs		
	News Releases: Draft and distribute up to two news releases.			6	\$870	12	\$1,020	5	\$325	23	\$2,215		\$2,215
	Dedication Event: Prepare strategic plan, including cost estimates, for a fall 2009 site dedication event. Includes preparation of a potential April 2009 50-year media tour event and limited day-of-event assistance. All printing, catering, set-up costs will be paid directly by Leucadia Wastewater District.	4	\$860	12	\$1,740	25	\$2,125	12	\$780	53	\$5,505	\$2,500	\$8,005
	<b>Subtotal</b>	4	\$860	35	\$5,075	73	\$6,205	41	\$2,665	153	\$14,805	\$4,750	\$19,555
	<b>Total</b>	9	\$1,935	112	\$16,240	139	\$11,815	89	\$5,590	336	\$35,580	\$14,200	\$49,980

**MEMORANDUM**

**DATE:** February 5, 2009  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Agreement to Transfer Sewer Service Provided by the Meadows Number 3 Pump Station to the City of Carlsbad

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**RECOMMENDATION:**

Staff and the Engineering Committee recommend that the Board of Directors:

1. Authorize the General Manager to execute an Agreement to transfer sewer service of 70 District served parcels to the City of Carlsbad to enable the demolition of the Meadows Number 3 Pump Station.
2. Discuss and take action as appropriate.

**BACKGROUND:**

This item was reviewed by the Engineering Committee at its February 2, 2009 meeting. The Committee concurred with staff to bring this recommendation forward for consideration at today's meeting.

In June 2000, the Leucadia Wastewater District (District) and the City of Carlsbad (City) executed an agreement that allowed the District to temporarily serve 25 properties in Rancho Carrillo Village (Carrillo Village Properties). The agreement states that the District will serve the Carrillo Village Properties until the surrounding area is developed. These properties and an additional 70 parcels (Additional Properties) in the District's service area are connected to and serviced by the District's Meadows 3 Pump Station. The area surrounding Carrillo Village Properties is currently being developed. The City will construct a new backbone sewer line that will enable the wastewater generated by Carrillo Village Properties to be conveyed by gravity through the City's sewer collection system.

The construction of the new gravity line presents a unique opportunity to improve the wastewater collection system serving all the properties serviced by the Meadows 3 Pump Station. The transfer of service of all the properties, including the Additional Properties in the District's Service Area, to the City will allow the District to demolish the Meadows Number 3 Pump Station, constructed in 1971. The elimination of the pump station and allowing the wastewater to flow by gravity creates a safer and more reliable collection system. Because the District and City sewer service rates are nearly equivalent, the transfer of service provider will not create a financial hardship for the customers.

**DISCUSSION:**

The agreement to transfer permanent wastewater service of the Meadows 3 service area from the District to the City has been negotiated and is attached for review and discussion. Exhibit 1 of the agreement shows the subject service area and parcels being considered for transfer of service. The major clauses of the agreement are:

- The City will be responsible for all design and construction of the required wastewater facilities to provide gravity sewer service to the Carrillo Village Properties.
- The City will be responsible for all design and construction required to connect the Additional Properties to the City's collection system.
- The District shall reimburse City for the actual construction cost to connect the Additional Properties and to demolish the Meadows Number 3 Pump Station.
- After detachment of the Additional Properties from the District, the City shall assume ownership and responsibility for the associated sewer easements.
- The City shall accept ownership and maintain, repair and replace all sewer facilities serving the Properties after connection.
- District agrees to transition payment for sewer service to the Additional Properties to the City

Implementation of the transfer of service is subject to review and signing of the attached agreement by both the District and the City. Ownership and operation of the collection system currently serving all the properties will be transferred to the City. The 70 parcels, which include 69 sewer customers (32.52 acres), would be detached from the District. The District would process a Detachment through LAFCO upon execution of the agreement.

Carlsbad anticipates that public review of the California Environmental Quality Act (CEQA) Mitigated Negative Declaration (MND) and Planning Director approval for the project will be completed by mid-March 2009. Subsequently, the City will proceed with construction.

Therefore, staff recommends executing the agreement to transfer sewer service of the Additional Properties to the City.

rym:PJB

Attachment



**AGREEMENT FOR CITY OF CARLSBAD TO ASSUME  
PERMANENT WASTEWATER SERVICE TO THE  
MEADOWS 3 SERVICE AREA OF  
LEUCADIA WASTEWATER DISTRICT**

This Agreement is entered into between LEUCADIA WASTEWATER DISTRICT and CITY OF CARLSBAD.

**RECITALS**

This Agreement is made with respect to the following:

- A. LEUCADIA WASTEWATER DISTRICT (DISTRICT) is a county water district established and existing under Water Code § 30000 et seq. that provides sewer service to the north area of the City of Encinitas and to the south area of the City of Carlsbad.
- B. The CITY OF CARLSBAD is a municipal corporation (CITY) that has jurisdiction to provide sewer service within the CITY.
- C. There is an existing Reimbursement Agreement for Carlsbad Tract No. 93-04 – Rancho Carrillo Village Q4 last dated June 15, 2000 that provides for temporary sewer service by DISTRICT for 25 dwelling units in the CITY sewer service area (hereafter referred to as the “Carrillo Village Properties”). The prior Agreement anticipated that CITY would construct other wastewater collection facilities to directly serve the Carrillo Village Properties in the future. Those facilities are now being planned and designed with construction anticipated in 2009. Upon completion and connection of the Carrillo Village Properties to the CITY sewer system, the prior Reimbursement Agreement will expire.
- D. DISTRICT owns and operates the Meadows 3 Wastewater Pump Station, which currently serves the Carrillo Village Properties and an additional 70 assessor parcels / dwelling units within the CITY and within the DISTRICT Meadows 3 Service Area per Exhibit 1, (hereafter referred to as the “Additional Properties”). With minor additional facilities added by CITY, the new CITY facilities could provide wastewater service to the Carrillo Village Properties and Additional Properties (collectively referred to as “the Properties”, thus allowing abandonment and demolition of the existing DISTRICT Meadows 3 Pump Station.
- E. Transfer of sewer service from DISTRICT to CITY for the Properties will require completion of this Agreement and approval by the Local Agency Formation Commission (LAFCO) of a Detachment from the DISTRICT.

## AGREEMENT

NOW THEREFORE, it is agreed by and between CITY and DISTRICT as follows:

1. CITY shall be responsible for all gravity sewer service plan checking, design plan approvals, bonding, construction, construction inspection, and acceptance of all required wastewater facilities required to provide gravity sewer service for the Carrillo Village Properties.
2. In addition, CITY shall be responsible for all design and construction work required to connect the Additional Properties to the CITY sewer system including demolition of the Meadows 3 Pump Station and related facilities. CITY shall provide records of said expenses to LWD with a request for reimbursement of actual expenses.
3. DISTRICT shall reimburse CITY for the actual expense related to the connection of the Additional Properties to the CITY sewer system and Meadows 3 Pump Station demolition.
4. The parties may agree to have all or some of the work required by this agreement done as a joint project. The parties shall prepare bids and itemize costs for such work in a manner that allows costs to be allocated and paid by the responsible entity.
5. DISTRICT shall allow CITY, and authorized agents of the CITY, to access DISTRICT sewer easements for purposes of design and construction of new CITY gravity sewer facilities in the vicinity of the DISTRICT Meadows 3 Pump Station. Such access shall include construction of the new CITY sewer to be completed by horizontal directional drilling and/or open trench methods.
6. Sewer easements within the area of proposed detachment from the DISTRICT in La Costa Meadows Unit No. 3, Map No. 7076, were dedicated "on the map" per the language: "SEWER EASEMENT DEDICATED HEREON." All sewer easements will remain in effect. After detachment from the District of the Additional Properties, the CITY shall assume the benefit of the sewer easements as well as ownership and responsibility for the sewers serving the Additional Properties.
7. The existing sewer easements for the forcemain only from the Meadows No. 3 Pump Station could be quit claimed later by CITY after construction and detachment from DISTRICT are complete, and if requested in the future by the owners of La Costa Meadows Unit No. 3 Lots 553, 554, 555, and 556.
8. Upon completion of construction and connection of new off-site sewer facilities, CITY shall accept, collect, treat, and dispose of the wastewater generated from the Properties in accordance with its rules and regulations.

9. DISTRICT and CITY each agree to complete all actions required for processing through LAFCO of Detachment from DISTRICT for the Additional Properties. DISTRICT and CITY agree that either party may initiate the Detachment. CITY and DISTRICT agree to support the DISTRICT detachment regardless of initiating party.
10. CITY shall accept ownership and thereafter maintain, repair, and replace the sewer facilities serving the Properties after connection of Properties, and DISTRICT shall bear no responsibility, liability, or expense with respect to such maintenance, repair, and/or replacement.
11. DISTRICT shall provide as-built mylars in its possession for sewer facilities within the Properties to CITY after connection of the Properties to facilitate the ownership transfer and subsequent maintenance activities of the CITY.
12. Subject to District's obligation to reimburse CITY for certain work as provided in this Agreement, DISTRICT shall retain past annexation fees, if any, and any other charges, fees, assessments, or taxes previously received by DISTRICT for the Properties. DISTRICT shall further continue to receive any real property taxes attributable to the Additional Properties as long as the Additional Properties are located within the jurisdictional boundaries of DISTRICT. The preceding sentence shall not be construed to include retention of continuing service charges or fees for the provision of wastewater collection, treatment, and disposal services by DISTRICT, whether collected on a real property tax bill or otherwise.
13. CITY shall defend, indemnify and hold harmless DISTRICT and its officers, board members, employees, agents and consultants from any claim, loss, or other damages asserted against DISTRICT or its officers, board members, employees, agents or consultants occurring or alleged to have occurred as a result of the acts or omissions of CITY or any of its officers, board members, employees, agents, or consultants relating to the provision of sewer services by CITY under this Agreement.
14. DISTRICT shall defend, indemnify and hold harmless CITY and its officers, council members, employees, agents and consultants from any claim, loss, or other damages asserted against CITY or its officers, council members, employees, agents or consultants occurring or alleged to have occurred as a result of the acts or omissions of DISTRICT or any of their officers, board members, employees, agents, or consultants relating to the provision of sewer services by DISTRICT under this Agreement.
15. After connection and until such time as the Additional Properties are detached from DISTRICT jurisdiction by LAFCO, CITY and District agree to transition payment for sewer service from DISTRICT to CITY for Additional Properties

with interim payment direct from DISTRICT to CITY until such time as formal transition is made.

16. After the Additional Properties are detached from DISTRICT, CITY shall bill the sewer customers within the Additional Properties in accordance with standard CITY procedures for the provision of sewer services.
17. This Agreement shall remain in effect until such time as the sewer facilities anticipated by this Agreement are completed, sewer service to all Properties is being provided by CITY, and the Additional Properties are detached or de-annexed from LWD and approved by LAFCO for sewer service to be provided by CITY, or its successor agency, at which time this Agreement shall automatically terminate.
18. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors-in-interest.

Date: \_\_\_\_\_

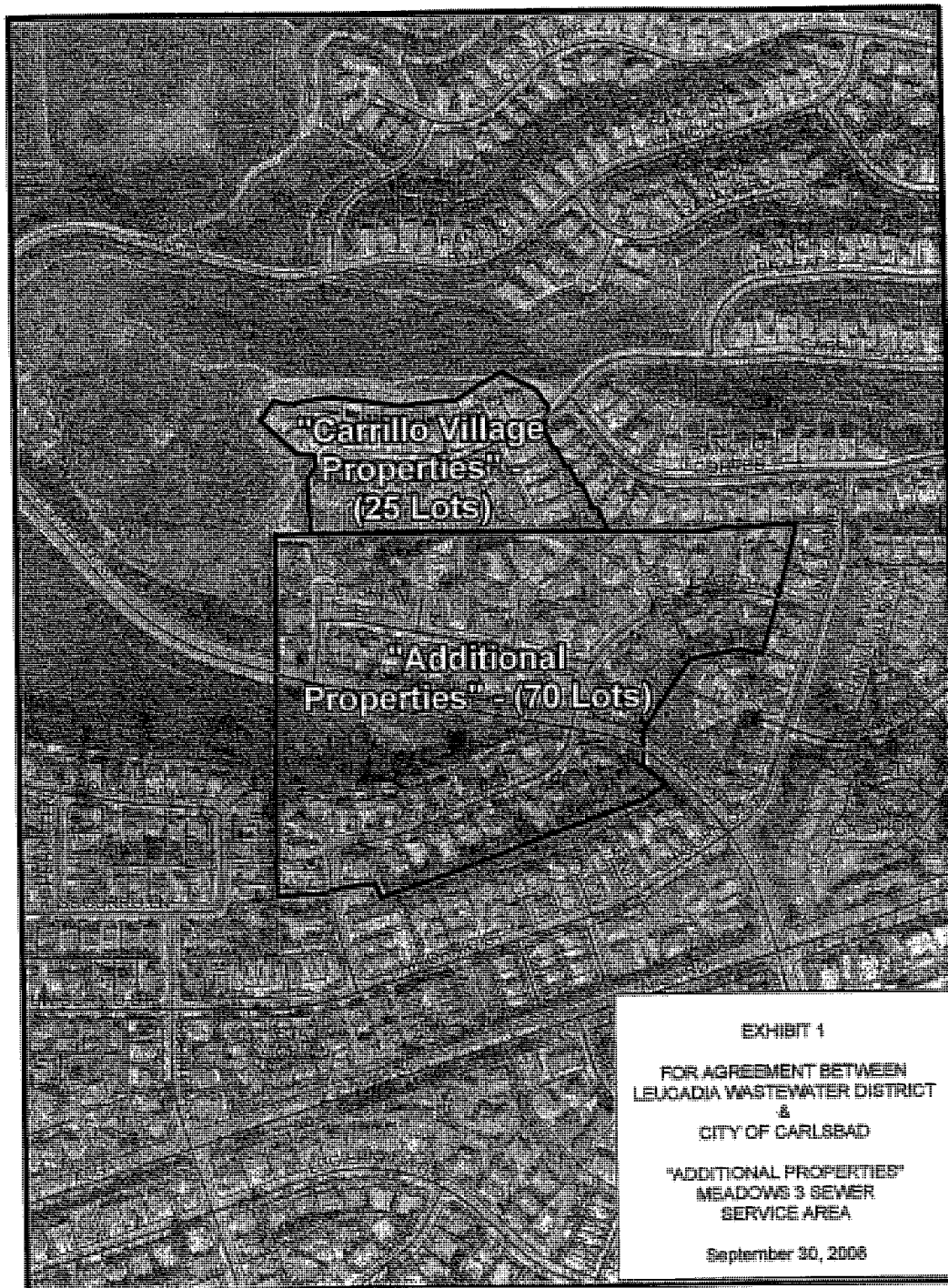
LEUCADIA WASTEWATER DISTRICT

By: \_\_\_\_\_  
District Manager

Date: \_\_\_\_\_

CITY OF CARLSBAD

By: \_\_\_\_\_  
Mayor



**MEMORANDUM**

**DATE:** February 5, 2009  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** **Contract to Furnish and Install Acoustic Panels in the Leucadia Pump Station**

---

**RECOMMENDATION:**

Staff and the Engineering Committee recommend that the Board of Directors:

1. Authorize the General Manager to execute an Agreement with Fischer Acoustics, Inc. to furnish and install acoustic panels in the Leucadia Pump Station Pump Room in an amount not to exceed \$37,521 as a sole source contractor.
2. Discuss and take other action as appropriate.

**DISCUSSION:**

This item was reviewed by the Engineering Committee at its February 2, 2009 meeting. The Committee concurred with staff to bring this recommendation forward for consideration at today's meeting.

Rehabilitation of the Leucadia Pump Station was completed in July 2006. During the project, the functional components; such as pumps, motors, electronic controls, wet well and emergency overflow basin; of the pump station were upgraded, replaced or constructed. However, some minor items were not completed during the project. For example, the interior walls and floors have been repainted under a separate contract and the installation of acoustic panels in the pump room remains to be completed. The acoustic panels are needed in the pump room to reduce the ambient noise level in that space. The decrease in ambient machinery noise will reduce the risk of hearing loss and provide a better work environment for the field service staff while working in the pump room.

To accomplish the panel installation, staff contacted Eckel Industries, Incorporated. Eckel Industries manufactured the acoustic panels installed in the Heating Ventilation and Air Conditioning (HVAC) room during the Leucadia Pump Station Improvement Project. The installed panels effectively attenuate the mechanical noise produced by the HVAC system. Based on this performance, staff believes these panels will be effective in the pump room environment. After discussing the details of the panel, staff asked the Eckel representative about the required quantity, type, placement and installation of the panels to effectively attenuate the noise in the pump room. Eckel strongly recommended that the District contact Fischer Acoustics to determine the panel quantity, placement design, and installation. This recommendation was based on Fischer's experience with panel installation and placement design and feedback Eckel Industries has received from customers regarding the performance of Fischer Acoustics.

Fischer Acoustics provided a quote of \$37,521 for furnishing and installing the Eckoustical panels with the following cost breakdown:

Material (40 Panels, Mounting Hardware, Freight)	\$13,116.00
Labor	\$11,377.00
Scaffolding (ThyssenKrupp Safway Inc)	<u>\$13,028.00</u>
Total	\$37,521.00

Therefore, Staff recommends that the Board award the contract to furnish and install the acoustic panels to Fischer Acoustics, Inc. as a sole source vendor.

**FISCAL IMPACT:**

Approximately \$44,000 remains in the Leucadia Pump Station Improvements account. This amount will be sufficient to cover the cost of this project and a 10% contingency.

rym:PJB

**MEMORANDUM**

**DATE:** February 5, 2009  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** **Award of Contract to Furnish and Install an Audio Visual System and Equipment for the Site Improvement Project**

---

**RECOMMENDATION:**

Staff and the Engineering Committee recommend that the Board of Directors:

1. Authorize the General Manager to execute a contract with AVI-SPL for the purchase and installation of an audio visual system and equipment for the Site Improvement Project at a cost of \$91,913.63.
2. Discuss and take action as appropriate.

**DISCUSSION:**

This item is scheduled to be reviewed by the Engineering Committee at its February 9, 2009 meeting. Any changes or amendments to this recommendation, as a result of the Engineering Committee meeting, will be reported to the Board of Directors, as appropriate.

The purchase and installation of an audio visual (AV) system and equipment for the Board, training and conference rooms of the new Headquarters Building is required as part of the Site Improvement Project. To complete the design of the AV system and select the appropriate equipment, staff hired AVI-SPL (Audio Visual Innovations-Signal Perfection Limited). AVI-SPL was part of the original Roesling Nakamura Terada (RNT) Architects project design team. AVI-SPL has worked with staff to determine the District's AV requirements and design a system to meet those requirements. The system design is complete and the corresponding equipment has been identified. AVI-SPL has access to and priced the equipment using the Government Services Administration (GSA), federal government, negotiated price schedule. Paragraph 4.5 of the District's Purchasing Policy allows the use of cooperative purchasing agreements when feasible and in the best interest of the District. Subsequently, AVI-SPL was able to negotiate further price reductions on certain items to lower the cost below the GSA Schedule. The cost proposal submitted by AVI-SPL for purchase and installation of the AV System is as follows:

<u>Purchasing Program</u>	<u>Installed Cost</u>
AVI-SPL Negotiated Price	\$91,913.63
GSA Schedule	\$92,811.42

The cost includes California sales tax, shipping and labor. The itemized list is attached for review.

AVI-SPL will install, connect, test and warranty the AV system. Procuring the equipment through AVI-SPL will improve coordination and place responsibility for the AV System and equipment with a single firm. Therefore, it is recommended that the procurement and installation of the AV System and equipment be awarded to AVI-SPL at their negotiated price of \$91,913.63.



**FISCAL IMPACT:**

There are sufficient funds in the Site Improvement Project account to cover this cost. The Fiscal Year 2009 Budget included \$450,000 for office equipment and furnishings.

rym:PJB

Attachment

AVI-SPL Price Comparison  
01-31-09

Qty	Mnfg	Model	Description	GSA	GSA Extended	Your Cost	Extended
2	Christie	103-015101-01	LX500 - 5000 Lumen, XGA Projector	\$ 3,887.00	\$ 7,774.00	\$ 3,887.00	\$ 7,774.00
2	Christie	103-112101-01	1.6-2.1: Lens	\$ 529.00	\$ 1,058.00	\$ 500.00	\$ 1,000.00
1	SVS	AVISPL120108P	Projector Lift	\$ 5,210.40	\$ 5,210.40	\$ 5,210.40	\$ 5,210.40
2	Dalite	76016	120" Electric Ceiling/Wall Mount Projection Screen	\$ 1,080.27	\$ 2,160.54	\$ 1,080.27	\$ 2,160.54
2	Dalite	40973	Low Voltage Controller	\$ 117.43	\$ 234.86	\$ 117.43	\$ 234.86
1	Smart	SSDT770	Symposium & Preview Monitor at Lectern	\$ 3,505.22	\$ 3,505.22	\$ 3,505.22	\$ 3,505.22
10	NEC	ASLCD73VX-BK	17" LCD Monitor	\$ 209.00	\$ 2,090.00	\$ 209.00	\$ 2,090.00
10	Chief	FSRV	VESA Mount for LCD Display	\$ 49.03	\$ 490.30	\$ 49.03	\$ 490.30
2	Extron	60-490-01	1 x 6 Distribution Amplifiers	\$ 788.00	\$ 1,576.00	\$ 788.00	\$ 1,576.00
<b>SOURCE &amp; INPUT EQUIPMENT</b>							
1	Extron	60-506-21	P/2 DA2 xl MT pc signal amplifier	\$ 321.00	\$ 321.00	\$ 321.00	\$ 321.00
1	Extron	26-490-01	6' vga w/ aud	\$ 18.00	\$ 18.00	\$ 17.65	\$ 17.65
1	Extron	26-490-03	12' vga w/ aud	\$ 34.00	\$ 34.00	\$ 34.00	\$ 34.00
1	Extron	60-340-01	System 7SC Switcher	\$ 3,497.00	\$ 3,497.00	\$ 3,497.00	\$ 3,497.00
1	Extron	60-190-01	RSU129 Shelf	\$ 76.00	\$ 76.00	\$ 76.00	\$ 76.00
1	Extron	60-301-02	AAP 104	\$ 82.00	\$ 82.00	\$ 82.00	\$ 82.00
1	Extron	70-103-11	XLR CONNECTOR	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00
1	Extron	70-107-12	Video AAP Plate	\$ 49.00	\$ 49.00	\$ 49.00	\$ 49.00
1	Extron	70-147-12	Extender AAP	\$ 269.00	\$ 269.00	\$ 269.00	\$ 269.00
1	Extron	70-101-12	15 PIN MALE	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00
1	Extron	70-609-02	USB AAP	\$ 32.20	\$ 32.20	\$ 32.20	\$ 32.20
1	Extron	60-591-02	RGB468Mxl pc wall Interface with Maap openings	\$ 560.00	\$ 560.00	\$ 560.00	\$ 560.00
1	Extron	70-315-12	double Maap blank	\$ 12.00	\$ 12.00	\$ 11.76	\$ 11.76
1	Extron	70-289-14	Video Maap Plate	\$ 37.00	\$ 37.00	\$ 37.00	\$ 37.00
1	Sony	SLV-D380P	dvd / vcr combo unit	\$ 106.82	\$ 106.82	\$ 91.87	\$ 91.87
1	Extron	60-489-01	1x4 rgbhv da	\$ 683.00	\$ 683.00	\$ 683.00	\$ 683.00
1	Extron	60-190-01	rack shelf for rgbhv da	\$ 76.00	\$ 76.00	\$ 76.00	\$ 76.00
1	Extron	60-510-01	Hideaway HSA200S Tilt Up	\$ 525.00	\$ 525.00	\$ 525.00	\$ 525.00
1	Contemp. Research	232-ATSC	HDTV Tuner	\$ 794.50	\$ 794.50	\$ 794.50	\$ 794.50
1	Contemp. Research	RK-1	Rack Mount	\$ 45.00	\$ 45.00	\$ 35.29	\$ 35.29
<b>LECTERN/PODIUM EQUIPMENT</b>							
1	Wire Innovatives	Custom	Custom Podium	\$ 4,117.65	\$ 4,117.65	\$ 4,117.65	\$ 4,117.65
<b>AUDIO EQUIPMENT</b>							
10	Shure	MX418D/S	GooseNeck Microphones - Push to Talk	\$ 214.11	\$ 2,141.10	\$ 214.11	\$ 2,141.10
1	Shure	MX418D/S	Wired Microphone for Presenter	\$ 214.11	\$ 214.11	\$ 214.11	\$ 214.11
1	Shure	ULXP124/58	dual wireless mic system	\$ 1,492.56	\$ 1,492.56	\$ 1,398.55	\$ 1,398.55
1	Shure	WL 184	Lavalier Microphone	\$ 103.34	\$ 103.34	\$ 98.80	\$ 98.80
2	Clear One	910-155-001	Converge SR1212 Audio DSP	\$ 1,493.93	\$ 2,987.86	\$ 1,493.93	\$ 2,987.86
12	JBL	Control25T	Surface Mount Speaker	\$ 111.55	\$ 1,338.60	\$ 111.55	\$ 1,338.60
1	Crown	CTS4200	4-CH Amplifier	\$ 913.61	\$ 913.61	\$ 913.61	\$ 913.61
<b>ASSISTED LISTENING EQUIPMENT</b>							
1	Listen Technologies	LT-800-216	Stationary transmitter to interface to the Clear One	\$ 523.59	\$ 523.59	\$ 523.59	\$ 523.59
1	Listen Technologies	LA-326	Rack Mount kit for transmitter	\$ 44.85	\$ 44.85	\$ 44.85	\$ 44.85
1	Listen Technologies	LA-117	Coaxial Dipole Antenna for transmitter	\$ 119.89	\$ 119.89	\$ 119.89	\$ 119.89
1	Listen Technologies	LT-700-072	Portable transmitter for the interpreter	\$ 346.49	\$ 346.49	\$ 346.49	\$ 346.49
1	Listen Technologies	LA-272	Headphone with ear piece and microphone	\$ 92.00	\$ 92.00	\$ 92.00	\$ 92.00
1	Listen Technologies	LR-400-216	Display receiver with display for the interpreter to "listen" through	\$ 115.49	\$ 115.49	\$ 115.49	\$ 115.49
6	Listen Technologies	LR-400-072	Display receivers for the "listeners" of the language interpretation	\$ 115.49	\$ 692.94	\$ 115.49	\$ 692.94
6	Listen Technologies	LA-164	Stereo headphones	\$ 10.39	\$ 62.34	\$ 10.39	\$ 62.34
8	Listen Technologies	LA-362	NIMH Rechargeable Batteries for portable products	\$ 7.46	\$ 59.68	\$ 7.46	\$ 59.68
1	Listen Technologies	LA-321-01	8-Unit Drop in Charging/Carrying Case	\$ 326.00	\$ 326.00	\$ 326.00	\$ 326.00
<b>RECORDING EQUIPMENT</b>							
1	Denon	CDR632	CD Recorder	\$ 474.59	\$ 474.59	\$ 474.59	\$ 474.59

AVI-SPL Price Comparison  
01-31-09

CONTROL EQUIPMENT							
1	AMX	FG210505	Master Control System	\$ 1,473.03	\$ 1,473.03	\$ 1,473.03	\$ 1,473.03
1	AMX	FG423-41	Power Supply	\$ 268.90	\$ 268.90	\$ 268.90	\$ 268.90
1	AMX	FG515	Rack Kit	\$ 46.76	\$ 46.76	\$ 46.76	\$ 46.76
3	AMX	FG10000	IR Probes	\$ 29.23	\$ 87.69	\$ 27.92	\$ 83.75
1	Linksys	WRT54G	Wireless Access Point for TouchPanel	\$ 58.76	\$ 58.76	\$ 58.76	\$ 58.76
1	AMX	FG596505	Wireless Touch Panel	\$ 2,825.00	\$ 2,825.00	\$ 2,825.00	\$ 2,825.00
1	AMX	FG423-44	Power Supply for Wireless Touch Panel	\$ 87.68	\$ 87.68	\$ 83.82	\$ 83.82
1	AMX	FG596521	Wall mount for Touch Panel	\$ 935.29	\$ 935.29	\$ 894.12	\$ 894.12
RACK AND OTHER EQUIPMENT							
1	Furman	PS-8R	Power Sequencer	\$ 152.55	\$ 152.55	\$ 142.41	\$ 142.41
1	Middle Atlantic	ERK4020	Slide Out Equipment Rack	\$ 429.66	\$ 429.66	\$ 429.66	\$ 429.66
1	Middle Atlantic	PD-815SC-NS	15 Amp Power Strip	\$ 50.95	\$ 50.95	\$ 50.78	\$ 50.78
1	Middle Atlantic	LACE	Vertical Lacing Bar	\$ 97.36	\$ 97.36	\$ 90.91	\$ 90.91
1	Middle Atlantic	D3	Equipment Rack Drawer	\$ 113.21	\$ 113.21	\$ 110.60	\$ 110.60
8	Middle Atlantic	VTF1	1-Space Vent	\$ 10.68	\$ 85.44	\$ 8.98	\$ 71.81
1	Middle Atlantic	U2	2-Space Universal Rackshelf	\$ 43.36	\$ 43.36	\$ 36.44	\$ 36.44
1	Middle Atlantic	U1	1-Space Universal Rackshelf	\$ 32.66	\$ 32.66	\$ 27.54	\$ 27.54
1	Middle Atlantic	EB2	2-Space Blank	\$ 8.97	\$ 8.97	\$ 7.54	\$ 7.54
1	Middle Atlantic	RSH4a-C	Custom Rack Shelf for Sony SLVD380P	\$ 108.71	\$ 108.71	\$ 100.39	\$ 100.39
1	Middle Atlantic	RSH4AC	Custom Rack Shelf for Denon CDR632	\$ 108.71	\$ 108.71	\$ 100.39	\$ 100.39
1	Lutron	GRX1A-PRG	lighting control interface	\$ 441.18	\$ 441.18	\$ 441.18	\$ 441.18
TRAINING ROOM 125							
AV EQUIPMENT							
1	Smart	SB680I2	Smartboard 77" Electronic Whiteboard	\$ 4,682.02	\$ 4,682.02	\$ 4,422.35	\$ 4,422.35
1	Polycom	2200-07300-001	VTX AudioConferencing unit	\$ 704.00	\$ 704.00	\$ 704.00	\$ 704.00
6	JBL	Control 26CT	Flush Mounted Ceiling Speakers	\$ 112.21	\$ 673.26	\$ 112.21	\$ 673.26
1	Blamp	MXA150	Amplifier	\$ 496.57	\$ 496.57	\$ 496.57	\$ 496.57
CONFERENCE ROOM 202							
AV EQUIPMENT							
1	Smart	SB680I2	Smartboard 77" Electronic Whiteboard	\$ 4,682.02	\$ 4,682.02	\$ 4,422.35	\$ 4,422.35
1	Polycom	2200-07300-001	VTX AudioConferencing unit	\$ 704.00	\$ 704.00	\$ 704.00	\$ 704.00
6	JBL	Control 26CT	Flush Mounted Ceiling Speakers	\$ 112.21	\$ 673.26	\$ 112.21	\$ 673.26
1	Blamp	MXA150	Amplifier	\$ 496.57	\$ 496.57	\$ 496.57	\$ 496.57
1	AVI	Misc	Miscellaneous Equipment - Cables, Strips, Misc mounting hardware, cable	\$ 3,524.76	\$ 3,524.76	\$ 3,524.76	\$ 3,524.76

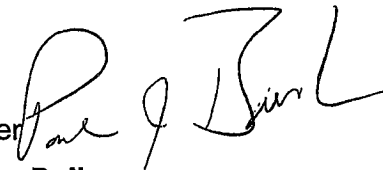
Equipment Totals	\$ 71,617.86	\$ 70,784.64
Shipping	\$ 1,316.51	\$ 1,316.51
Lift Rental	\$ 250.00	\$ 250.00
Labor	\$ 29,910.00	\$ 29,910.00
Fees already paid for Labor	\$ (15,833.33)	\$ (15,833.33)
<b>Grand Totals</b>	<b>\$ 87,261.04</b>	<b>\$ 86,427.82</b>

Indicates unavailable on any GSA Schedule

MEMORANDUM

Ref: 09-1888

DATE: February 5, 2009  
TO: Board of Directors  
FROM: Paul J. Bushee, General Manager  
SUBJECT: Annual Review of LWD Reserve Policy



**RECOMMENDATION:**

Staff and the Investment & Finance (IFC) Committee recommend that the Board of Directors:

1. Adopt the Revised Reserve Policy.
2. Discuss and take other action, as appropriate.

**DISCUSSION:**

The IFC reviewed this item at their February 4, 2009 meeting. Staff and the IFC recommend that the Board of Directors adopt the Revised Reserve Policy.

In February 2005, the Board of Directors (Board) adopted Leucadia Wastewater District's (LWD) Reserve Fund Policy which established a means for the District to ensure that sufficient funds are available for current operating, capital and debt service needs. Since the policy's last review in February 2008, staff completed an Asset Management Master Plan and an updated Comprehensive Financial Plan that projects future capital requirements and financial conditions. During the development of these plans, several changes to the reserve policy were identified. The following proposed changes are presented for the Board's consideration.

**A. Update Capital Improvement Reserve** - Prior to LWD's recent Financial Plan Update, capacity fees were made up of two components: a restricted component that funds the cost of constructing the remaining system capacity needs and an unrestricted component that represents system buy-in which takes into account the value of existing capacity pre-built by current users that will benefit future users. This meant that 15% of capacity fees went to growth (Capital Improvement Reserve) and 85% went to buy-in (Unrestricted Replacement Reserve). Because LWD is approaching build-out, capacity fees are no longer required to fund District growth. This most recent financial plan calls for 100% of capacity fees go to the District's Unrestricted Replacement Reserve as buy-in.

**B. Operating Reserve** - To meet daily operational needs, LWD's Reserve Policy reflects an Operating Reserve balance of 27% of annual operating expenses. Based on the most recent Financial Plan Update this Operating Reserve balance has been increased from 27% to 36.4% of annual operating expenses.

**C. Eliminate General Fund Titles** - The Reserve Policy currently refers to three types of general funds within LWD reserves - Operating, Non-operating and Emergency. The updated financial plan excludes the use of these titles and categorizes reserve funds by category name and classifies them only as *restricted* or *unrestricted*. Use of general fund titles is not required.

**D. Miscellaneous Changes** - Administrative changes to update policy titles and better define in-flow and out-flow of reserves.

A strike-out version of the proposed revised Reserve Policy is attached (Attachment 1). At the board meeting, staff will provide an overview of the proposed changes and an update on the level of reserve funds maintained.

cl:PJB

Attachment

## LEUCADIA WASTEWATER DISTRICT RESERVE FUND POLICY

### A. POLICY STATEMENT:

One key element of prudent financial planning is to ensure that sufficient funding is available for current operating, capital and debt service cost needs. An additional critical element of fiscal responsibility is to anticipate and prepare for future funding requirements as well as for unforeseen disasters and other unforeseen events. The Leucadia Wastewater District (LWD) will at all times strive to have sufficient funding available to meet its operating, capital, and debt service cost obligations. Reserve funds will be accumulated and maintained in a manner, which allows LWD to fund costs consistent with LWD's Long Range Wastewater Capital Plan and Long Range Financial Plan while avoiding significant rate fluctuations due to changes in cash flow requirements. LWD will also maintain an emergency reserve position that may be utilized to fund unexpected disasters or unanticipated major failures. The Board of Directors will annually review the level of reserve funds maintained.

### B. DEFINITIONS:

There are two types of reserve funds:

Restricted Reserves: Restrictions on their use are imposed by an outside source such as creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Reserves: Have no externally imposed use restriction. The use of Unrestricted Reserve funds is at the discretion of the Board of Directors. There are two categories of Unrestricted Reserves -Designated and Undesignated. At LWD, all Unrestricted Reserves are Designated Reserves.

Designated Reserves: are set-aside for a specific purpose, which is, determined by the Board of Directors. Designated Reserves can be either restricted or unrestricted. The Board of Directors also has the authority to redirect the use of these reserve funds as needs of LWD change.

~~LWD's Long Range Financial Plan identified three general funds for LWD's reserves: Operating, Non-Operating, and Emergency Funds. This was done to identify those costs attributable to daily operations (Operating Fund), those costs that address the future needs of LWD (Non-Operating Fund), and those funds set aside to maintain an emergency reserve position (Emergency Fund).~~

## C. LEUCADIA WASTEWATER DISTRICT RESERVES:

LWD maintains the following reserve funds:

### 1.0 RESTRICTED RESERVES:

#### **Non-Operating:**

#### a) Capital Improvement Reserve:

The purpose of the Capital Improvement Reserve is to finance future capital facilities that are expansion /growth related. These capital improvements are identified in LWD's ~~Asset Management Master Plan Long Range Wastewater Capital Plan and Comprehensive Financial Plan Update Long Range Financial Plan~~ which is reviewed by the Board of Directors each fiscal year. These reserve funds are accumulated in an orderly manner in conformance with State law and drawn down in a manner consistent with LWD's ~~Comprehensive Financial Plan Update Long Range Financial Plan~~.

~~LWD's capacity fee takes into account the cost of the remaining system capacity to be constructed and the value of the existing system. The restricted component of the capacity fee funds the cost of constructing the remaining system capacity needs and is a source of funding for the Capital Improvement Reserve. The unrestricted component represents a system buy-in that takes into account the value of existing capacity pre-built by current users that will benefit future users, and is a source of funding for the replacement reserves described below.~~

#### b) Debt Service Reserve:

The Debt Service Reserve is governed by legal bond covenants. Bond covenants require that the Debt Service Reserve be maintained at a level sufficient to fund maximum annual debt service payments, The Debt Service Reserve funds are held by the bond trustee during the term of the bonds and are to be used in the event that LWD is unable to meet its required semi-annual debt service obligation.

### 2.0 UNRESTRICTED DESIGNATED RESERVES:

#### **Operating:**

#### a) Operating Reserve:

Since the majority of operating revenues are received periodically over the fiscal year and operating expenses are incurred uniformly over the fiscal year, an operating reserve is necessary to fund those costs attributable to daily operations. To meet daily operational needs LWD has established an Operating Reserve balance at 36.427% of annual operating expenses.

#### **Non-Operating:**

#### b) Replacement Reserve:

The Replacement Reserve provides funds for capital replacement and refurbishment of existing facilities. These capital improvements are also identified in LWD's ~~Asset Management Master Plan Long Range Wastewater Capital Plan and Comprehensive Financial Plan Update Long Range Financial Plan~~. These reserve funds are accumulated in an orderly manner and drawn down in a manner consistent with the District's Capital

Improvement Program ~~LWD's Long Range Financial Plan~~. To avoid abrupt sewer service rate changes, this reserve may be used to stabilize rates. The Replacement Reserve shall not exceed the 20-year capital replacement costs as identified in the Comprehensive Financial Plan Update ~~Long Range Financial Plan~~.

LWD's capacity fee represents a system buy-in that takes into account the value of existing capacity pre-built by current users that will benefit future users, and is a source of funding for the Replacement Reserve.

c) Debt Service Custodian Reserve:

LWD has executed a custodian agreement with a B~~an~~ bank for the deposit of securities. All principal payments and interest earnings from the securities are designated for installment payments due on the 1997A Wastewater Revenue Refunding Bonds. Instructions on the use of these funds are revocable at any time by LWD.

d) Water Recycling Reserve:

The Water Recycling Reserve will fund capital improvements and replacement of water recycling facilities. This reserve will also be used to fund operating expenses in the Water Recycling Fund whenever there is a shortfall of recycled wastewater sales revenue to operating expenses. These capital improvements are identified in the Long Range Wastewater Capital Plan and the Long Range Financial Plan. The Replacement Reserve shall not exceed the 20-year capital replacement costs as identified in the Long Range Financial Plan.

**Emergency:**

e) Emergency Reserve:

The Emergency Reserve provides funds for emergency response for potential repair or replacement of capital facilities due to damage from a natural disaster or unanticipated major failure in a period when capital improvements funds have otherwise been purposely spent down to preset limits on planned projects. The Emergency Reserve is at the discretion of the Board of Directors and is maintained at a level of \$7,500,000, which is based on the recommendation by LWD staff and the District Engineer (Exhibit A).



**D. SOURCES AND USE OF FUNDS:**

RESERVE	SOURCE OF FUNDS	USE OF FUNDS	NOTES
---------	-----------------	--------------	-------

**RESTRICTED RESERVES**

**Non-Operating**

Capital Improvement	Capacity fees and Interest earned on reserve	Growth related capital expenditures	System buy-in portion of capacity fee transferred to Replacement Reserve Funds previously accumulated from capacity fees. Now, capacity fees reflect 100% buy-in to the system and are transferred to the Replacement Reserve
Debt Service	Originally funded by bond proceeds and interest earned on reserve	Debt service if District unable to pay	As per bond covenants, Interest transferred to Debt Service Custodian Reserve

**UNRESTRICTED DESIGNATED RESERVES**

**Operating**

Operating	Operating income and interest earned on reserve	Wastewater Operating expenses	Reserve balance maintained at 2736.4% of budgeted operating expenses. Excess (deficit) funds transferred to/from Replacement Reserve
-----------	---	-------------------------------	--

**Non-Operating**

Replacement	Property taxes and Other non-operating income, Buy-in component 100% of Capacity Fees, Excess operating revenues, and Interest earned on reserve	Replacement related capital expenditures and rate stabilization	Limited to 20-year capital replacement costs as identified in the Comprehensive Financial Plan Update per Long Range Financial Plan
Debt Service Custodian	Originally funded by board action. Interest earned on reserve	Debt service of 1997A Phase IV bonds	Tied to 1997A Phase IV bond debt service, which will be paid off in FY 20145. Revocable. Excess funds transferred to Replacement Reserve
Water Recycling	Recycled Water sales and interest earned on reserve	Recycled Water capital improvement and replacement as well as operating expenses	Limited to 20-year capital replacement costs as identified in the Comprehensive Financial

			Plan Update per Long Range Financial Plan.
--	--	--	--

**Emergency**

Emergency	Originally funded by board action. <u>Interest earned on reserve</u>	Emergency repair or replacement expenditures	Reserve balance maintained at \$7,500,000 level. <u>Excess funds transferred to Replacement Reserve</u>
-----------	--	--	---

## EXHIBIT A

### Leucadia Wastewater District Discussion of Emergency Reserve Fund

Maintenance of an Emergency Reserve Fund (ERF) would provide the benefit of providing funds for emergency response for repair or replacement of capital facilities potentially necessary due to natural disaster damage or unanticipated major failure in a period when capital improvement funds have otherwise been purposely spent down to preset limits on planned projects. Separately, Capital Reserve Funds will be accumulated in a planned manner through financing, setting aside a portion of sewer service fees, or a combination of both methods, as determined by Board policy.

The amount to be recommended for maintenance in the ERF has been evaluated and discussed by Leucadia Wastewater District (LWD) staff and the District Engineer. The following table lists some pros and cons for three potential levels of ERF.

ERF Alternatives Alternatives	Pros	Cons
Alternative 1: LWD maintain small ERF of \$1.0 million	<ol style="list-style-type: none"> <li>1) Reduces initial reliance on borrowing.</li> <li>2) Would extend period of reduced rate increases.</li> </ol>	<ol style="list-style-type: none"> <li>1) Not enough reserve to respond to many reasonably possible emergency events.</li> <li>2) Increased risk at point of ERF exhaustion that emergencies could not be responded to timely.</li> <li>3) Reduced District liquidity and lesser financing qualifications.</li> <li>4) Increased long term reliance on borrowing.</li> </ol>
Alternative 2: LWD maintain a Moderate ERF of \$7.5 million	<ol style="list-style-type: none"> <li>1) Sufficient funds to adequately replace or repair two major District facilities on an emergency basis.</li> <li>2) Sufficient funds to replace or repair about six or seven concurrent intermediate size facility problems at any given time.</li> <li>3) Unlikely to deplete ERF in a time period that would not allow establishment of additional financing, if necessary.</li> </ol>	<ol style="list-style-type: none"> <li>1) Ties up \$7.5 million of funds that could be used to offset or defer rate increases.</li> <li>2) May be considered as ability to pay discretionary fines in the potential event of a major wastewater spill.</li> <li>3) Over time, it may be determined that the \$7.5 million amount should be decreased or increased depending on facility performance and risk tolerance.</li> </ol>

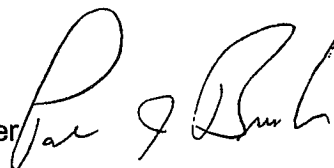
	<ul style="list-style-type: none"> <li>4) Provides opportunity for investment of modest amount of about 1.5 years worth of sewer service fee collections.</li> <li>5) Provides ability to fund one to two years of typical CIP schedule projects, while additional funding is being established.</li> <li>6) Increases liquidity of District that would be considered positively by financial markets when considering other financing issues.</li> </ul>	
<p>Alternative 3: LWD maintain a Large ERF of \$15 million</p>	<p>1) Very little risk that any emergency situation would result that funds were not available for immediate response.</p>	<p>1) Maintenance of large reserves is considered by some watch dog entities as a negative attribute.</p>

Based on an analysis of the above three ERF funding alternatives above, LWD staff and the District Engineer recommend that LWD adopt Alternative 2 – LWD Maintain a Moderate ERF of \$7.5 million.

MEMORANDUM

Ref: 09-1899

DATE: February 5, 2009  
TO: Board of Directors  
FROM: Paul J. Bushee, General Manager  
SUBJECT: Teacher Grant Program



**RECOMMENDATION:**

Staff recommends that the Board of Directors:

1. Review the proposed Teacher Grant Program
2. Discuss and take other action, as appropriate.

**DISCUSSION:**

LWD has historically participated in a scholarship program that rewarded high school seniors attending school in our service area with monetary scholarships up to a maximum of \$1000. However, during the last few years, applications for our scholarship program have gradually decreased to the point where only one applicant applied in 2008.

Following last years' scholarship application period, continuation of the high school scholarship program was discussed along with the possibility of developing a Teacher Grant Program in its place. After further discussion with individual Board members and the Community Affairs Committee (CAC), staff was directed to pursue the Teacher Grant Program option.

Staff recently contacted representatives of several local area schools to determine their level of interest in a teacher grant program. All representatives responded in favor of the proposed program with some recommending that the program be coordinated with their local Parent Teacher Organization. School representatives also urged that the program be as general in nature as possible to allow maximum teacher flexibility.

On February 3, 2009, the General Manager provided the Community Affairs Committee with a verbal report on the status of the grant program indicating that program specifics were still being developed. Following discussion, the CAC directed staff to proceed with the Teacher Grant Program during the current school year.

Attached for the board's review is the proposed Teacher Grant Program that encourages and rewards teachers for their efforts to protect our resources by educating students in water reuse management and/or ocean water pollution prevention. Teachers from all schools in the District's service area are eligible for this grant from elementary to high school.

Staff requests that the Board of Directors review the proposed Teacher Grant Program and discuss and provide direction as appropriate.

cl:PJB

Attachment



LEADERS IN  
ENVIRONMENTAL  
PROTECTION

## 2009 Grant Application Instructions

### Grant Criteria

The Selection Committee will evaluate completed applications using the following criteria:

- ❖ The project/activity is directed toward one of the following target areas: water resource management, water reuse, or ocean water pollution prevention.
- ❖ The project is for elementary, middle, and high schools located within LWD's boundary.
- ❖ The project description and objective are clearly stated.
- ❖ The budget is specific and includes all costs and other funding sources, if appropriate.
- ❖ The District anticipates awarding two grants up to \$1,000 each.

### Narrative Instructions

- A. **Description of Project:** Please describe your project in one page or less. Including the following:
1. One paragraph summary of project, including the subject area or need being addressed
  2. The number of students, staff members, community members involved
  3. Describe the curriculum, activity, or project
  4. One sentence listing any in-kind resources or matching funds being used
  5. Provide the location, timeline or schedule for your project
- B. **Objectives:** Describe your goals for students for this project.
- C. **Budget:** Please include a brief itemized budget for your project. Please indicate any items which may be non-consumables and available for future use.

Applications can be submitted in either of two ways:

1. Email your application to [thill@lwwd.org](mailto:thill@lwwd.org)  
OR
2. Mail your application to:

Leucadia Wastewater District  
1960 La Costa Avenue  
Carlsbad, CA 92009  
Attention: Trisha Hill

Completed applications MUST BE emailed or received by (DATE). If you are awarded a grant, the check will be made payable to your school's parent organization or foundation and designated for the specified project. If you have any questions, please contact Leucadia Wastewater District at (760) 753-0155.



LEADERS IN  
ENVIRONMENTAL  
PROTECTION

## 2009 Grant Application Form

During the 2008-2009 school year Leucadia Wastewater District will award grants to teachers in local elementary, middle, and/or high schools in LWD's service area. The District anticipates awarding two grants up to \$1,000 each.

Use this cover sheet as page one of your application. Identifying information is to be included on the cover sheet only. **IN YOUR PROJECT NARRATIVE DO NOT INCLUDE YOUR NAME, THE NAME OF YOUR SCHOOL, OR THE NAME OF YOUR DISTRICT.** Completed applications **MUST BE** emailed to [thill@lwwd.org](mailto:thill@lwwd.org) or received by (DATE HERE).

### IDENTIFYING INFORMATION

---

Teacher's name

---

Grade

Subject

---

School name

District

---

School address, including street, city and zip

---

Principal's name

School phone number

---

Name of parent organization (i.e. PTA or school foundation)

---

Project title

Grant amount requested

---

Teacher's signature

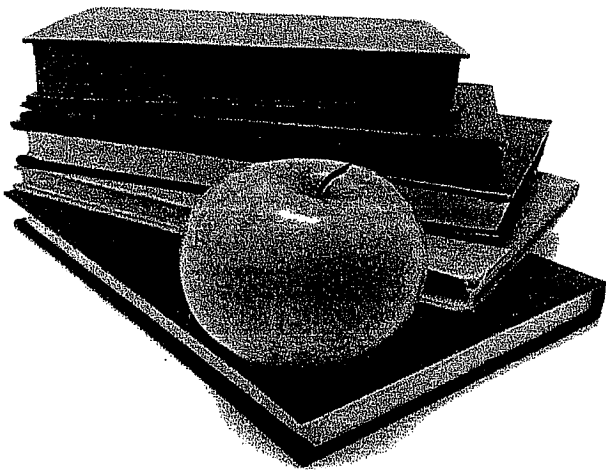
Please tell us how you heard about this program

Posture/Flyer  Web site  Another Educator  Newsletter  Other



LEADERS IN  
ENVIRONMENTAL  
PROTECTION

## **Teachers! What could you do with \$1,000 for your classroom?**



**Leucadia Wastewater District to Award  
Grants to Local Teachers**

**APPLICATIONS NOW BEING ACCEPTED  
DEADLINE: MAY 31, 2009**

Contact: Trisha Hill  
Ph: (760) 753-0155  
Email: [info@lwwd.org](mailto:info@lwwd.org)

1 9 6 0 L a C o s t a A v e n u e , C a r l s b a d , C A 9 2 0 0 9



**MEMORANDUM**

**DATE:** February 5, 2009  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Call for Nominations to the Local Agency Formation Commission (LAFCO)

---

**RECOMMENDATION:**

That the Board of Directors considers the following:

1. Discuss and take other action as appropriate.

**DISCUSSION:**

Leucadia Wastewater District received notification that nominations are being solicited for one regular district member on LAFCO, and one alternate member on LAFCO. LAFCO's qualification for regular and alternate district members is he/she must be a special district officer who resides within San Diego County, but may not be members of the legislative body of a city or county. LAFCO's commissioners serve four year terms. The deadline for receipt of all nominations is February 27, 2009 and it is anticipated that a candidate's forum will be held on March 26, 2009, in conjunction with the California Special Districts Association (CSDA) Quarterly Dinner.

All nominations received by the deadline will be reviewed by a nominating committee. The nominating committee's report and copies of all nomination forms submitted will be included with the ballots and voting instructions. These materials will be mailed on April 3, 2009.

Staff has no recommendation on this matter and is seeking direction from Board of Directors. Attached are LAFCO's notification letter, the nomination/resume form, and acknowledgement of receipt form. Also, attached please find a letter from the Santa Fe Irrigation District (SFID) requesting that the Board of Directors nominate SFID Director John Ingalls for the LAFCO Regular District member position.

:PJB

Attachments

RECEIVED

JAN 16 2009

LEUCADIA WASTEWATER DISTRICT

## Chairman

Bill Horn  
County Board of  
Supervisors

January 16, 2009

## Vice Chairman

Bud Pocklington  
South Bay Irrigation District

TO: Independent Special Districts in San Diego County

## Members

Dianne Jacob  
County Board of  
Supervisors

FROM: Executive Officer  
Administrative Assistant

Donna Frye  
Councilmember  
City of San Diego

SUBJECT: Call for Nominations to the Local Agency Formation  
Commission

Carl Hilliard  
Councilmember  
City of Del Mar

Nominations are being solicited for one regular district member and one alternate member on the Local Agency Formation Commission (LAFCO).  
**The deadline for receipt of all nominations is February 27, 2009.**

Betty Rexford  
Councilmember  
City of Poway

LAFCO commissioners serve four-year terms. The term of the incumbent LAFCO regular district member, Andy Menshek, will expire in May 2009. Mr. Menshek has announced that he will not seek a new term on LAFCO. John Ingalls, the incumbent alternate district member on LAFCO has announced that he will seek the regular position being vacated by Mr. Menshek. The new term of the regular district member position will expire in May 2013. Mr. Ingalls has indicated that he intends on resigning from the alternate position he now occupies upon the conclusion of the LAFCO election, so that one election can be held concurrently for both the regular and alternate positions. While not required to resign from his alternate position, the voluntary action taken by Mr. Ingalls will simplify the election process by avoiding the necessity to conduct a second election immediately following the regular district member election.

Andrew J. Menshek  
Padre Dam  
Municipal Water District

Andrew L. Vanderlaan  
Public Member

## Alternate Members

Greg Cox  
County Board of  
Supervisors

Brian Maienschein  
Councilmember  
City of San Diego

Mark Lewis  
Mayor  
City of El Cajon

John S. Ingalls  
Santa Fe  
Irrigation District

Harry Mathis  
Public Member

Candidates and voters should be aware that according to State Law, regular and alternate district members of LAFCO must be officers of independent special districts (members of the board of directors) who reside within San Diego County. The regular and alternate district LAFCO members may not be members of the legislative body of a city or county.

## Executive Officer

Michael D. Ott

## Counsel

William D. Smith

After the LAFCO regular and special district nominations are received by February 27, 2009, a candidates forum will be held on March 26, 2009, in conjunction with a California Special Districts Association (CSDA) Dinner.

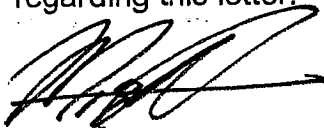
All districts are encouraged to submit nominations. **Please use the attached nomination/resume form (Attachment 2), and be sure that the form specifies whether the nomination is for the LAFCO regular or alternate district member position. Only the one-page nomination/resume form will be distributed with the official voting ballot.** The nomination form should be signed by, or with authority of, the district presiding officer. Facsimile (FAX) copies of nominations are permitted, if necessary, to meet the submission deadline, but an original form must be furnished as soon as possible thereafter. Again, **the deadline for receipt of nominations is February 27, 2009.** Please send nominations to:

Executive Officer  
Local Agency Formation Commission  
1600 Pacific Highway, Room 452  
San Diego, CA 92101

All nominations received by the deadline will be reviewed by a nominating committee. The nominating committee's report and copies of all nomination forms submitted will be included with the ballots and voting instructions. These materials will be mailed on April 3, 2009.

**As required by the Rules, please acknowledge receipt of this letter calling for nominations by completion and return of the form attached (Attachment 3).**

Please call Tita Jacque Mandapat at (619) 531-5400 if you have any questions regarding this letter.



MICHAEL D. OTT  
Executive Officer



TITA JACQUE MANDAPAT  
Administrative Assistant

MDO:tjm

Attachments (3)

- No. 1: List of Incumbents
- No. 2: Nominations/Resume Form
- No. 3: Acknowledgement of Receipt Form

**2009 LAFCO CALL FOR NOMINATIONS  
LIST OF INCUMBENTS**

**Regular LAFCO Special District Member** **Term Expires**

(VACANT)

May 2013

**Incumbent Alternate LAFCO Special District Member** **Term Expires**

John Ingalls  
Santa Fe Irrigation District

May 2011 \*

\* *The term of the alternate member expires in May 2011, but the incumbent has indicated that he will seek the regular LAFCO Special District member position and resign from the alternate position upon the conclusion of the LAFCO election.*

**Attachment 1**

**2009 SPECIAL DISTRICTS  
NOMINATION/RESUME**

Date Received by LAFCO \_\_\_\_\_

**NOMINATED BY:** \_\_\_\_\_  
District

**NAME OF NOMINEE:** \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_  
E-mail: \_\_\_\_\_

**NOMINATED FOR:** LAFCO REGULAR MEMBER ( )  
LAFCO ALTERNATE MEMBER ( )

**DISTRICT EXPERIENCE:**  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**LAFCO EXPERIENCE:**  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ADDITIONAL INFORMATION:**  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Authorized Signature)

**2009 SPECIAL DISTRICTS MAILED-BALLOT ELECTION  
ACKNOWLEDGMENT OF RECEIPT FORM**

\_\_\_\_\_  
(Name of District)

has received notification of LAFCO's intention to conduct the 2009 Special Districts election by mailed ballot.

\_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_  
(Print Name)

Date: \_\_\_\_\_

**Return this form to:**

Executive Officer  
Local Agency Formation Commission  
1600 Pacific Hwy, Room 452  
San Diego CA 92101

**Attachment 3**

Santa Fe Irrigation District



January 28, 2009

Mr. Paul J. Bushee  
General Manager  
Leucadia Wastewater District

Dear Mr. ~~Bushee~~ *Paul*:

On behalf of the Santa Fe Irrigation District I am writing to request the Leucadia Wastewater District Board of Directors consider nominating John Ingalls for the Regular LAFCO Special District Member position and voting for him in the upcoming LAFCO election. The Leucadia Wastewater District's nomination of John Ingalls would reinforce the broad support he has earned from all Special District's across San Diego County.

John Ingalls has served on the Santa Fe Irrigation District Board of Directors since 2002 and on several sub-committees for the District as well. He was elected to LAFCO as an Alternate Special District Member in 2005 and re-elected in 2007. I have enclosed Mr. Ingalls' 2009 Special District 2009 Nomination/Resume form for further information on his qualifications and service to the San Diego region.

Thank you for your consideration of nominating and voting for John Ingalls. If you have any questions please call me.

Sincerely,

A handwritten signature in black ink that reads "Mr. Bardin".

Michael J. Bardin  
General Manager

**2009 SPECIAL DISTRICTS  
NOMINATION/RESUME**

Date received by LAFCO: \_\_\_\_\_

**NOMINATED BY:** \_\_\_\_\_

**NAME OF NOMINEE:** John S. Ingalls  
Address: P.O. Box 409, Rancho Santa Fe, CA 92067  
Phone: 858-527-2556  
Email: jingalls@sfidwater.org

**NOMINATED FOR:** LAFCO Regular Member

**DISTRICT EXPERIENCE:**

Elected to Santa Fe Irrigation District Board of Directors in 2002 and re-elected in 2006. Serves on Finance Committee and Organization and Personnel Committee, represents community on San Dieguito River Valley Regional Open Space Park Joint Powers Authority Citizens Advisory Committee, former member of San Dieguito River Watershed Planning Guidance Group.

**LAFCO EXPERIENCE:**

Elected in 2005 as LAFCO Alternate Special District Member and re-elected in 2007. Has consistently attended LAFCO meetings and workshops of importance to special districts across the County. Provided input to LAFCO on specific issues during the North Central San Diego County Municipal Service Review and Sphere of Influence Update (approved May 2, 2005).

**ADDITIONAL INFORMATION:**

Appointed by Board of Supervisors to the San Dieguito Planning Group, participated in workshops on GP2020 update, and made presentations to County Planning Commission. Worked with Staff of County DPLU, DPW, and Parks Dept. on Specific Plan Amendments. Direct involvement in 2003 County Zoning Ordinance Relating to Wireless Telecommunications Facilities (01-03). Corona College Heights Orange & Lemon Association member/grower of citrus, primarily lemons. Former municipal bond lawyer and financial advisor to special districts nationwide, personally led efforts to enact legislation and organize special districts and joint powers authorities in several states besides California, for schools, water supply, wastewater treatment, public power, health care, affordable housing, and environmental cleanup. Active service on multiple boards of directors, including nonprofit and for-profit corporations, and advisory boards such as Scripps Clinic Board of Advisors. Life member, U.S. Navy League. Admitted to practice law in New York and Massachusetts. Chairman, Rancho Santa Fe Association Road & Traffic Committee. Resides in Rancho Santa Fe, with two children.

\_\_\_\_\_  
Authorized Signature



**EDITORIAL**

# Most natural thing to do: Recycle water

**R**ecycling water may well serve Escondido residents for decades to come.

Thus, we support city officials in their efforts to explore the feasibility of transforming sewage water into a reliable secondary source for Escondido's drinking water needs. Indeed, we encourage all regional water agencies to do the same.

## **Our view:**

**"Toilet to tap" naysayers should consider facts.**

makes sense for us to lead in being more aggressive about recycling one of the key essentials for life.

Those squeamish about the prospects of recycling water (often referred to derisively as "toilet to tap") ought to reconsider the reality of what now flows from their taps:

Approximately 90 percent of all San Diego County's water is imported, most of it from the Colorado River. Think that river water is fresh from the proverbial mountain spring? Think again.

Space does not permit us to list all that is routinely dumped directly into the Colorado, or indirectly into its watershed. However, that list does include water from sewage wastewater plants and toxic, heavy-metal and chemical waste that has leached into the Colorado's watershed. And yet for decades, we have been cleaning that water up for "recycling."

An extensive review of the expenses involved with recycling sewage water may show that the process, using current technology, is cost-prohibitive at this time.

But the facts remain that for generation upon generation, life on this planet has been thriving on water that has been "recycled" in one form or another: It is the natural thing to do.

(However, we also believe the region has yet to fully exploit cheaper ways to meet the growing need for water, including strong, serious attempts to improve conservation of our existing supply.)

Californians have led the nation in various recycling efforts. It just

## Directors' Meetings

Presented by Directors Kulchin, Juliussen, Sullivan,  
Hanson and Omsted

---

### Conference

2009 Annual CASA Conference

### Dates and Location

January 21-24, 2009

Hyatt Grand Champions, Indian Wells, CA

### List of Attendees

President David Kulchin

Vice President Allan Juliussen

Director Judy Hanson

Director Elaine Sullivan

Director Don Omsted

The above mentioned Board member attended various sessions regarding water and wastewater issues.