

LEUCADIA WASTEWATER DISTRICT

Minutes of a Regular Board Meeting
February 14, 2007

A Regular Meeting of the Board of Directors of Leucadia Wastewater District (LWD) was held Wednesday, February 14, 2007 at 5:00 p.m., at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

1. Call to Order

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

2. Roll Call

DIRECTORS PRESENT: Hanson, Sullivan, Kulchin Juliussen and Omsted
DIRECTORS ABSENT: None.
OTHERS PRESENT: General Manager (GM) Paul J. Bushee, District Counsel Wayne Brechtel, Administrative Services Manager Chuck LeMay, Field Services Manager Leo Schempp, Project Manager Robin Morishita, Executive Assistant Trisha Miranda, Steve Deering with Dudek and Associates, CPA Richard Duffey with Brownell and Duffey, Hanna Marie Myers, Mr. & Mrs. Myers, Shannon Goodrich with Dudek, Rob Weber with Infrastructure Engineering Corp., and Joe Mansfield with Roesling Nakamura Terada Architects.

3. Pledge of Allegiance

4. Approval of Agenda

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

5. Public Comment

No public comment was received.

6. Presentations and Awards

A. Presenting the winner of the Newsletter Naming contest Hanna Marie Myers with an Apple iPod.

GM Bushee presented Hanna Marie Myers with an Apple iPod and congratulated her for winning the contest. The Board congratulated Hanna Marie Myers. Ms. Myers thanked the Board for the opportunity.

B. CWEA presents LWD with five awards at the January 27th CWEA Awards & Installation Banquet.

GM Bushee stated that LWD had won five awards out of the nine awards presented at the CWEA Awards & Installation Banquet. GM Bushee and President Hanson presented the following awards:

1. Jeff Stecker with the Supervisor of the Year Award
2. Steve Krason with the Collection System Person of the Year Award
3. Juan Patino with the Operator of the Year Award

4. District award for the Collection System of the Year
5. District award for Plant Safety (1 – 25 employees)

GM Bushee stated that each employee is eligible for the \$100 incentive for the Collection System of the Year and the Plant Safety awards.

C. Service Year Award presented to Field Services Technician III Juan Patino.

GM Bushee stated that last month, Mr. Patino had passed his 5th year anniversary at LWD and was, therefore, eligible for \$100 incentive award under LWD's Incentive Program. The Board of Directors and GM Bushee congratulated Juan for this accomplishment.

D. Cost Sharing of CSRMA Retrospective Dividends

LWD's Incentive Program includes an organization objective that provides for a 50% cost sharing of the CSRMA insurance dividends between LWD and its employees. This year's CSRMA dividend amount was \$21,831; therefore, each employee is eligible to receive an incentive compensation award of \$642.08.

The Board of Directors congratulated staff for achieving these awards.

7. Consent Calendar

- A. Minutes for the following meetings:
January 10, 2007 Regular Board meeting.
January 11, 2007 Community Affairs Committee meeting.
January 30, 2007 Human Resources Committee meeting.
February 5, 2007 Engineering Committee meeting.
February 5, Investment & Finance Committee meeting.
- B. Demands for January – February.
Payroll Checks Numbered 12228 - 12291; General Checking – Checks numbered 33722 – 33849; Manager's Account void check number 301; Manager's Account check number 302
- C. Operations Report (A copy was attached to the original February 14, 2007 Agenda)
- D. Finance Report (A copy was attached to the original February 14, 2007 Agenda)
- E. Quarterly Treasurer's Report (A copy was attached to the original February 14, 2007 Agenda)

GM Bushee noted that the demands totaled \$1,862,190.57 and included Encina Wastewater Authority's second quarter billing.

Following discussion and upon a motion duly made, seconded, and carried, the Board of Directors approved the consent calendar.

8. Encina Wastewater Authority Reports

- A. Encina Wastewater Authority Report – January 24, 2007 Board meeting.

Director Sullivan reported on EWA's January 24, 2007 Board meeting.

B. Member Agency Manager (MAM) Meeting – February 14, 2007

GM Bushee reported on the MAM's February 14, 2007 meeting.

9. Committee Reports

A. Community Affairs Committee (CAC) Meeting – January 11, 2007

Vice President Sullivan reported that the CAC reviewed the financial fact sheet and approved the fact sheet for printing.

B. Human Resources Committee (HRC) Meeting – January 30, 2007

Director Kulchin reported that the HRC had met in closed session and the Board will meet in closed session later in tonight's meeting.

C. Engineering Committee (EC) Meeting – February 5, 2007

Director Juliussen reported that the EC had met to discuss the following items:

- 1) Infrastructure's Engineering Corporation's (IEC) Memorandum No. 2 for the flow monitoring analysis of five gravity line segments for replacement.
- 2) IEC agreement for the design engineering services for the gravity sewer line replacement project.
- 3) Satellite Force Main Replacement Project's Preliminary Design Report (PDR).
- 4) An agreement with Dudek for Construction Management Services for the Site Improvement Project.

In addition, Joe Mansfield from Roesling Nakamura Terada Architects provided an update of the Site Improvement Project.

These items will be reviewed by the Board later in tonight's agenda.

D. Investment & Finance Committee Meeting – February 5, 2008

Director Omsted reported that the IFC reviewed the Annual Reserve Policy and this will be reviewed by the Board later in tonight's agenda.

10. Old Business

None.

11. New Business

- A. Authorize the General Manager to execute an agreement with Dudek for Construction Management Services for the Site Improvement Project with a not to exceed fee of \$998,138.

PM Morishita presented the subject recommendation. Following discussion and upon

a motion duly made, seconded, and carried, the Board of Directors authorized the General Manager to execute an agreement with Dudek for Construction Management Services for the Site Improvement Project with a not to exceed fee of \$998,138.

B. LWD Site Improvement Program – Update on Precise Development Permit (PDP).

PM Morishita provided an update on the Precise Development Permit for the Site Improvement Project. PM Morishita stated that the City of Carlsbad had contacted Roesling Nakamura Terada Architects (RNT) regarding a floodplain issue relating to the project. Staff had met with the city of Carlsbad to discuss the floodplain issue and it appears that Carlsbad will allow these issues to be resolved while the project construction is proceeding. The PDP for the Site Improvement Project is scheduled for the city of Carlsbad Planning Commission hearing on March 7, 2007.

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

C. Receive and file Infrastructure Engineering Corporation's Technical Memorandum No. 2 on the Flow Monitoring Analysis of Five Gravity Line Segments Identified for Replacement; and authorize staff to proceed with the recommendations contained in Tech Memo No. 2.

PM Morishita presented the subject recommendation. Following discussion and upon a motion duly made, seconded, and carried, the Board of Directors received and filed Infrastructure Engineering Corporation's Technical Memorandum No. 2 on the Flow Monitoring Analysis of Five Gravity Line Segments Identified for Replacement; and authorized staff to proceed with the recommendations contained in Tech Memo No. 2.

D. Authorize the General Manager to execute an agreement with Infrastructure Engineering Corporation (IEC) for design engineering services for the Gravity Sewer Line Replacement Project in an amount not to exceed \$89,018.

PM Morishita presented the subject recommendation. Following discussion and upon a motion duly made, seconded, and carried, the Board of Directors authorized the General Manager to execute an agreement with IEC for design engineering services for the Gravity Sewer Line Replacement Project in an amount not to exceed \$89,018.

E. Receive and file the Satellite Force Main Replacement Project Preliminary Design Review (PDR) completed by Infrastructure Engineering Corporation; and authorize staff to proceed with the recommendations contained in the PDR.

PM Morishita presented the subject recommendation. Following discussion and upon a motion duly made, seconded, and carried, the Board of Directors received and filed the Satellite Force Main Replacement Project PDR completed by IEC and authorized staff to proceed with the recommendations contained in the PDR.

F. Annual Review of LWD Reserve Policy.

ASM LeMay presented the subject recommendation. ASM LeMay stated that the IFC reviewed the Policy at their February 5, 2007 meeting and the IFC and staff are not recommending any changes to the policy.

Following discussion and upon a motion duly made, seconded, and carried the Board of Directors received and filed the annual review of the Reserve Policy.

A. Approval of Newsletter Masthead Title.

ASM LeMay presented the subject recommendation. ASM LeMay stated that the CAC had reviewed eleven layouts of the newsletter masthead title. The CAC provided their suggestions and edits on their preferred masthead layout. KATZ had revised the preferred masthead layout and the CAC concurred with staff to bring this recommendation forward to the Board for approval.

Following discussion and upon a motion duly made, seconded, and carried the Board of Directors approved the proposed newsletter masthead layout.

B. CASA Washington D.C. Conference – Potential Change to March 2007 LWD Board Meeting Date.

GM Bushee presented the subject recommendation. GM Bushee stated that last year the District sent two representatives to attend the conference. GM Bushee stated that Directors Hanson and Juliussen stated they would like to attend this conference. The conference is scheduled the same week as next the Board meeting; therefore staff suggests changing the next Board meeting to March 21, 2007.

General Counsel Brechtel noted that since LWD's travel policy includes approval of CASA's conferences, that there is no need for an approval of the Board for members to attend the conference.

Following discussion and upon a motion duly made, seconded, and carried the Board of Directors rescheduled the March Board meeting to Wednesday, March 21, 2007 at 5:00 p.m.

13. Information Items

GM Bushee reported on the following information items:

- A. CSDA San Diego Chapter Quarterly Meeting will be held on Thursday, February 15, 2007 at the Double Tree Club Hotel from 6:00 p.m. to 9:00 p.m.
- B. CWEA 79th Annual Conference will be held April 17 – 20, 2007 at the Ontario Convention Center.

14. Directors Meetings

- A. CASA 2007 Annual Conference was held at Hyatt Grand Champions in Indian Wells, CA from January 17 – 20, 2007.

GM Bushee stated that all Board members attended the conference. President Hanson stated she attended various sessions related to wastewater issues. Director Omsted stated he attended the California Climate Action Registry session relating to a program on climate control and how it affects water and wastewater industries.

Director Omsted requested that this item be placed on March's agenda for discussion. GM Bushee stated that this item would be placed on the March 2007 agenda.

15. Comments, Questions or Requests by Directors

GM Bushee noted that staff had included the final fact sheet as a handout to each Board member.

16. General Manager's Report

None.

17. General Counsel's Report

None.


18. Closed Session

- A. General Manager Bushee and Administrative Services Manager LeMay met with the Board of Directors to discuss personnel issues, as authorized under Government Code Section 54957.6.

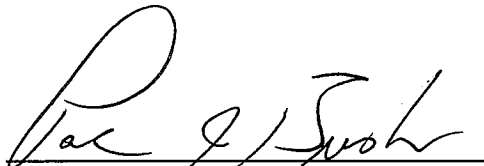
Following discussion and upon a motion duly made, seconded, and carried the Board of Directors authorized staff to eliminate the Field Services Inspector position and add one additional Utility Worker/Field Services Technician I position.

19. Adjournment

President Hanson adjourned the meeting at 6:15 p.m.



Judy Hanson, President



Paul J. Bushee
Secretary/General Manager (SEAL)