

AGENDA
REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
LEUCADIA WASTEWATER DISTRICT
Wednesday, February 14, 2007 – 5:00 p.m.
1960 La Costa Avenue Carlsbad, CA 92009

*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**
 - A. Presenting the winner of the Newsletter Naming contest Hanna Marie Myers with an Apple iPod. (Page 1)
 - B. CWEA presents LWD with five awards at the January 27th CWEA Awards & Installation Banquet. (Pages 2-3)
 - C. Service Year Award presented to Field Services Technician III Juan Patino. (Page 4)
 - D. Cost Sharing of CSRMA Retrospective Dividends (Pages 5-7)
- 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 for the following meetings:
 - January 10, 2007 Regular Board Meeting (Pages 8-11)
 - January 11, 2007 Community Affairs Committee Meeting (Pages 12-13)
 - January 30, 2007 Human Resources Committee Meeting (Page 14)
 - February 5, 2007 Engineering Committee Meeting (Pages 15-17)
 - February 5, 2007 Investment & Finance Committee Meeting (Page 18)
 - B. Demands for January - February. (Pages 19-41)
 - C. Operations Report. (Pages 42-43)
 - D. Finance Report. (Pages 44-49)
 - E. Quarterly Treasurer's Report (Pages 50-51, 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 24, 2007 (Page 52)
- Member Agency Manager Meeting – February 14, 2007 (Oral Report)

9. Committee Reports

Community Affairs Committee meeting held January 11, 2007 – Report by Vice President Sullivan. (Page 53)

Human Resources Committee meeting held January 30, 2007 – Report by Director Kulchin. (Page 54)

Engineering Committee meeting held February 5, 2007 – Report by Director Juliussen (Page 55)

Investment & Finance Committee meeting February 5, 2007 – Report by Director Omsted (Page 56)

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. (Pages 57-58)

B. LWD Site Improvement Program – Update on Precise Development Permit. (Page 59)

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. (Pages 60-61)

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. (Pages 62-68)

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. (Pages 69-75)

F. Annual Review of LWD Reserve Policy. (Pages 76-82)

G. Approval of Newsletter Masthead Title. (Pages 83-96)

H. CASA Washington D.C. Conference – Potential Change to March 2007 LWD Board Meeting Date (Page 97, Enclosure 11H).

12. 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. – 9:00 p.m. (Page 98)

B. CWEA 79th Annual Conference will be held April 17 – 20, 2007 at the Ontario Convention Center. (Page 99)

13. Directors Meetings

A. CASA 2007 Annual Conference was held at the Hyatt Grand Champions in Indian Wells, CA from January 17 – 20, 2007. (Page 100)

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

A. To meet with General Manager Bushee and ASM LeMay to discuss personnel issues, as authorized under Government Code Section 54957.6

18. Adjournment

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 8, 2007



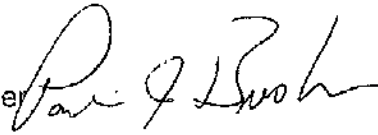
Paul J. Bushee, Secretary/General Manager

MEMORANDUM

DATE: February 8, 2007

TO: Board of Directors

FROM: Paul J. Bushee, General Manager



SUBJECT: Presentations and Awards

At the December 8th Board meeting, the Board of Directors authorized the award of an Apple iPod to Hanna Marie Myers as the winner of the Newsletter Naming contest and authorized "DownStream" as the title for LWD's biannual newsletter.

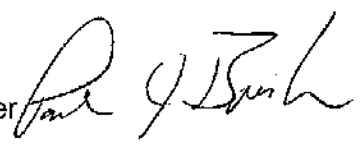
Contest winner Hanna Marie Myers will be present at the Board meeting to receive her Apple iPod. Please join me in congratulating Hanna Myers for winning the Newsletter Naming contest.

PB:

MEMORANDUM

Ref: 07-0983

Date: February 8, 2007
To: Board of Directors
From: Paul J. Bushee, General Manager
Subject: Presentations and Awards



It is my pleasure to announce that the Leucadia Wastewater District (LWD) had a very successful evening at the recent California Water Environment Association (CWEA) – San Diego Section's Annual Installation and Awards Banquet. LWD took home five awards: Collection System of the Year, Plant Safety Award, Collection System of Supervisor of the Year, Collection System Person of the Year and Operator of the Year. A brief summary is as follows:

Collection System of the Year (0-249 miles)

This was the 5th time LWD has received the Collection System of the Year Award, the previous was in 2005. Some of the highlights that helped LWD win this award included our excellent preventive maintenance program, the integration of LWD's GIS data-base into field operations, and the development of specialized plugging and trapping protocols for preventing construction debris from entering sewers. The Collection System of the Year Award qualifies as a local award under the organizational objectives of the LWD's Incentive Program; therefore, staff is eligible for a \$100 incentive award.

Safety Award

This was the 2nd time LWD has received the Safety Award, the previous was in 2001. Some of the highlights that helped LWD win this award included our excellent safety record, LWD's detailed Accident Investigation Procedures, and our Safety Program. The Safety Award qualifies as a local award under the organization objectives of the LWD's Incentive Program; therefore, staff is eligible for a \$100 incentive award.

Supervisor of the Year Award

LWD's Field Services Supervisor, Mr. Jeff Stecker, received the CWEA Local Section Supervisor of the Year honors. Jeff is a 26 year veteran of LWD and previously received the local section's maintenance person of the year award. Key characteristics that attributed to his award included: Jeff's extensive experience supervising the operations of the collection system, pump stations, and treatment facilities; his keen attention to safety; and his high level of certification in multiple wastewater related disciplines.

Collection System Person of the Year Award

Mr. Steve Krason, a Field Service Technician II, took home the Collection System Person of the Year honors. Steve has been employed at LWD since 2000 and is known for his keen attitude and knowledge of LWD's twelve pump stations. In achieving this award, the selection committee considered the fact that: Steve was an integral part of LWD's PLC logic and odor scrubber installation project; his performance in maintaining LWD's twelve pump stations has resulted in "no spills" from a pump station in over three years; and his excellent performance under pressure during emergency situations.

Operator of the Year Award

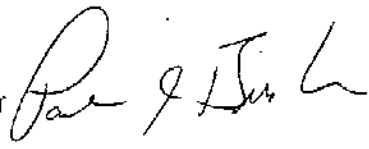
Mr. Juan Patino, a Field Service Technician III, took home the Operator of the Year Award. In achieving this award, the selection committee considered the fact that: Juan was an integral part of LWD's upgrade to the Process Control PLC, his close coordination with our recycled water customer that resulted in the optimization of our plant's production and reduction in time down, and his outstanding abilities at troubleshooting plants problems.

Please join me in congratulating Jeff, Steve, Juan, and LWD as a whole for these outstanding accomplishments. All five awards move on to the CWEA's statewide competition, which will be announced at CWEA's Annual Conference in April located at the Ontario Convention Center.

PJB:

MEMORANDUM

DATE: February 8, 2007
TO: Board of Directors
FROM: Paul J. Bushee, General Manager
SUBJECT: Presentations and Awards



It is my pleasure to announce that a Leucadia Wastewater District (LWD) staff member has met an individual performance objective under LWD's Incentive Program. The individual achievement is as follows:

5 Year Service Award – Juan Patino

Last month, Juan Patino passed his 5th anniversary of employment at LWD. This milestone is a tribute to Juan's hard work and dedication to LWD. As many of you are aware, Juan is a Field Services Technician III and holds a number of certifications in multiple disciplines. In addition, Juan is attending Palomar College in pursuit of both water and wastewater Associates Degrees and is planning on graduating in 2007.

This milestone meets one of the individual objectives under LWD's Incentive Program and Juan is eligible for an incentive award of \$100. Please join me in congratulating Juan for his accomplishment.

PJB:

MEMORANDUM

DATE: February 8, 2007
TO: Board of Directors
FROM: Paul J. Bushee, General Manager
SUBJECT: Presentation and Awards



I am pleased to report that the Leucadia Wastewater District (LWD) recently achieved an organizational objective under the District's Incentive Program.

Cost Sharing of CSRMA Retrospective Refunds or Dividends

At its January 2007 meeting, the CSRMA Board of Directors approved the distribution of liability insurance program dividends to LWD in the amount of \$21,831 (see attached letter). The dividend reflects LWD's excellent safety record and an ongoing commitment to safety. The Organizational Performance Objectives authorize a 50% cost sharing of the dividend amount with employees. Consequently, each employee is eligible for an incentive compensation award of \$642.08. Table 1, below, summarizes the allocation of the CSRMA dividend and calculation of this incentive compensation award.

Table 1

Dividend Amount	\$21,831
50% of Net Dividend (amount eligible for incentive compensation)	\$10,915.50
Incentive Compensation Award Per Employee (17 positions)	\$642.08

cal:PJB

Attachment

CSRMA California Sanitation Risk Management Authority



c/o ALLIANT INSURANCE SERVICES, INC.
600 Montgomery St., 9th Floor, San Francisco, CA 94111-2711

Tel: 415.403.1400

Insurance License No.: 0C36861
Fax: 415.402.0773

OFFICERS:

Kevin Hardy, *President*
760.438.3941
Robert Reid, *Vice President*
408.378.2407

PAST PRESIDENTS:

Jerry Smith
1999-2001
Randy Musgraves
2001-2003

RECEIVED

FEB 08 2007

LEUCADIA WASTEWATER DISTRICT

January 30, 2007

Mr. Paul Bushee
Interim General Manager
Leucadia Wastewater District
1960 La Costa Avenue
Carlsbad, CA 92009

Pooled Liability Program Thirteenth Dividend Declaration

Dear Paul:

On January 19, 2007, in accordance with the Board adopted Policy and Procedure, the Board of Directors declared a dividend for the thirteenth year in succession. Dividends declared reflect favorable results from Program Years 1987 - 2001. Enclosed is Leucadia Wastewater District's dividend share in the amount of \$21,831.

All agencies share in dividends through the formula adopted by the Board of Directors. Dividends are in addition to the Retrospective Rating Program which limits returns to 25% of a member's original deposit. Any remaining unencumbered funds up to 25% of the amount in any one year are shared among the membership as dividends.

This year, total amount of the dividend declared is \$1,144,777. This remarkable result is reflective of a continued effort in *effective risk management* by member agencies, as well as through the hard work of the CSRMA claims management staff, Program Committee, and the Executive Board.

We expect to declare dividends again next year, the calculation of which will incorporate all prior program years including 2002. Overall, the Pooled Liability Program has returned almost \$11,345,000 in dividends since its inception, giving a clear indication that the program continues to remain fiscally healthy and is meeting the needs of the membership.

Thank you for your continued participation.

Sincerely yours,


Robert Reid
President

**CALIFORNIA SANITATION
RISK MANAGEMENT AUTHORITY
C/O DRIVER ALLIANT INSURANCE SERVICES**

800 MONTGOMERY ST. 9TH FLOOR
SAN FRANCISCO, CA 94111

UNION BANK OF CALIFORNIA
GOVERNMENT SERVICES #291
SAN FRANCISCO, CA 94104
11-49-1210

1/29/2007

PAY TO THE ORDER OF Leucadia Wastewater District

\$ **21,831.00

Twenty-One Thousand Eight Hundred Thirty-One and 00/100***** DOLLARS

Leucadia Wastewater District
1960 La Costa Avenue
Carlsbad, CA 92009

VOID SIX MONTHS FROM DATE DRAWN

MEMO

PLP Dividend Declaration as of 12/31/06

⑆006325⑆ ⑆1200049⑆ ⑆020015599⑆



Security Features Included.  Details on back.

LEUCADIA WASTEWATER DISTRICT

Minutes of a Regular Board Meeting
January 10, 2007

A Regular Meeting of the Board of Directors of Leucadia Wastewater District (LWD) was held Wednesday, January 10, 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, Project Manager Robin Morishita, Executive Assistant Trisha Miranda, Steve Deering with Dudek and Associates, CPA Richard Duffey with Brownell and Duffey, Mike Hogan with Encina Wastewater Authority and Charles Fedak with Charles Fedak & Co.

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

None.

7. Consent Calendar

- A. Minutes for the following meetings:
 December 13, 2006 Regular Board meeting.
 January 4, 2007 Investment & Finance Committee meeting.
- B. Demands for December 2006 – January 2007
 Payroll Checks Numbered 12190 - 12227; General Checking – Checks numbered 33616 – 33721; Manager Account – Checks numbered 299-300
- C. Operations Report (A copy was attached to the original January 10, 2007 Agenda)
- D. Finance Report (A copy was attached to the original January 10, 2007 Agenda)

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 – December 13, 2006 Board meeting.

Director Sullivan reported on EWA's December 13, 2006 Board meeting.

B. Member Agency Manager (MAM) Meeting – January 10, 2007

GM Bushee reported on the MAM's January 10, 2007 meeting.

9. Committee Reports

A. Investment & Finance Committee (IFC) Meeting – January 4, 2007

President Hanson reported that the IFC reviewed the Fiscal Year 2006 (FY06) Comprehensive Annual Financial Report (CAFR). The CAFR will be reviewed by the Board of Directors later in tonight's agenda.

10. Old Business

None.

11. New Business

A. 2007 Board of Directors Committee Assignments.

President Hanson reviewed the committee assignments and appointed Director Allan Juliussen to represent LWD on the Encina Wastewater Authority Board of Directors. Director Juliussen accepted the position.

B. Encina Wastewater Authority Outfall Inspection Report.

GM Bushee stated that at the December 13th Board meeting, the Board requested viewing EWA's Outfall Inspection Report at tonight's meeting, however due to the length of the video, staff invited GM Mike Hogan to present the highlights of the outfall inspection. GM Bushee introduced GM Mike Hogan with EWA to present the EWA's Outfall Inspection. Mike Hogan presented the following highlights of the report:

- Description and properties of the 72' pipeline, such as; tie rods, joints.
- Changes in the environment surrounding the pipeline.
- Changes from the 2003 inspection vs. 2006 inspection.
- The overall finding of the inspection was that the outfall pipe is in excellent condition.

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

C. Fiscal Year 2006 Comprehensive Annual Financial Report (CAFR).

GM Bushee presented a brief overview of the CAFR. GM Bushee stated the audit illustrated that LWD is in a strong financial position and was pleased to report that no management letter was issued by the auditor. GM Bushee then presented a brief overview of the Management and Discussion Analysis (MD&A).

CPA Duffey presented an overview of the FY 06 Audit Financial Statements.

Mr. Fedak with Charles Fedak & Co. also stated that the audit found no material weaknesses involving LWD's internal control structure or operations.

Following discussion and upon a motion duly made, seconded, and carried, the Board of Directors unanimously voted to receive and file the FY 06 Comprehensive Annual Financial Report as presented.

D. Adopt Resolution No. 2175 Adopting the LWD Board-General Manager/Staff Relations Policy.

ASM LeMay presented an overview of the Board-General Manager/Staff Relations Policy. ASM LeMay stated that staff has made the recommended changes to the policy that were requested at the December Board meeting. Subsequent to the preparation of the agenda, staff had received several comments from Board members and counsel regarding the policy. Counsel's comments were provided to the Board as a handout.

General Counsel Brechtel briefly explained his suggested changes to Section 5 of the policy that explains the Board, General Manager, and staff to attorneys relations. Director Omsted briefly explained his suggested changes to the policy.

The Board discussed the suggested changes at length. During the discussion the Board agreed to amend the policy to include Counsel Brechtel's suggested changes to Section 5 only.

Following a discussion, and upon a motion duly made, second, and carried, the Board of Directors adopted Resolution No. 2175 as amended by the following vote:

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

E. Board of Directors Disclosure of Reimbursement Report for July 2006 thru December 2006.

The Board of Directors reviewed the Reimbursement Report for July 2006 through December 2006. Following discussion and upon a motion duly made, seconded, and carried, the Board of Directors unanimously voted to receive and file the Board of Directors Disclosure of Reimbursement Report for July 2005 thru December 2005.

F. CSDA requests for letters of interest for the Region 6 Board of Directors vacancy.

GM Bushee stated that LWD received a letter from CSDA requesting nominations for the Region 6 Board of Director vacancy due to the retirement of Harry Ehrlich of Olivenhain Municipal Water District. A letter of interest and copy of a Board Resolution supporting the nomination is due no later than Friday, February 2, 2007.

Following discussion, the Board of Directors stated they will support President Hanson to run for the seat, if she is interested in the position.

13. Information Items

GM Bushee reported on the following information items:

A. CSDA and LWD Scholarship Information.

GM Bushee requested that Board members volunteer to be on the LWD Scholarship Committee. Directors Sullivan and Kulchin volunteered to be on the committee.

B. CWEA Awards & Installation Banquet is scheduled for Saturday, January 27, 2007 at 5:00 p.m. at the Catamaran Resort Hotel.

14. Directors Meetings

None.

15. Comments, Questions or Requests by Directors

Vice President Sullivan stated that staff and Executive Assistant Trisha Miranda did a great job organizing the Holiday Party and recognizing the Employee of Year.

16. General Manager's Report

GM Bushee reported that staff reduced CSRMA's liability deductible from \$100,000 per incident to \$50,000 per incident. GM Bushee also stated that staff provided a handout of CSDA 2007 training courses and if any Board member is interested in attending, please contact Trisha Miranda.

17. General Counsel's Report

None.

18. Closed Session

There was no closed session.

19. Adjournment

President Hanson adjourned the meeting at 6:50 p.m.

Judy Hanson, President

Paul J. Bushee
Secretary/General Manager (SEAL)

LEUCADIA WASTEWATER DISTRICT
Minutes of a Community Affairs Committee Meeting
January 11, 2007

A Meeting of the Community Affairs Committee (CAC) of the Leucadia Wastewater District (LWD) was held Thursday, January 11, 2007 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 9:00 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 Miranda, and Jennifer Dill with Katz & Associates, LLC

3. Public Comment

No public comment was received.

4. Old Business

A. Approve the Financial Fact Sheet.

The CAC reviewed the revised Financial Fact Sheet. Following discussion, the CAC approved the financial fact sheet for printing.

B. Approve the Speakers' Bureau presentation.

GM Bushee presented an overview of the Speakers' Bureau. The CAC provided their suggestions and comments. Following discussion, the CAC approved the Speakers' Bureau presentation.

5. New Business

A. Review the newsletter masthead layouts.

The CAC reviewed the newsletter masthead layouts. Following discussion, the CAC chose one of the layouts and directed staff to make additional edits to the masthead. Staff and KATZ agreed to make the suggested edits and forward the changes to the CAC for approval before going to the Board for their approval.

6. Information Items

None.

7. Directors' Comments

Director Omsted requested that staff include the item review of Speakers' Bureau notes on the agenda for the next scheduled CAC meeting.

8. General Manager's Comments

None.

9. Adjournment

Chairperson Sullivan adjourned the meeting at 10:33 a.m.

Paul J. Bushee
Secretary/General Manager
(Seal)

LEUCADIA WASTEWATER DISTRICT
 Minutes of a Human Resource Committee Meeting
 January 30, 2007

A Meeting of the Human Resource Committee (HRC) of Leucadia Wastewater District (LWD) was held Tuesday, January 30, 2007 at 12:00 p.m., at the LWD Administration Office located at 1960 La Costa Ave., Carlsbad, California.

1. **Call to Order**
 Chairperson Hanson called the meeting to order at 12:00 p.m.
2. **Roll Call**
 DIRECTORS PRESENT: Hanson and Kulchin
 DIRECTORS ABSENT: None
 OTHERS PRESENT: General Manager (GM) Paul Bushee, and Administrative Services Manager Chuck LeMay
3. **Public Comment**
 No public comment was received.
4. **Old Business**
 None.
5. **New Business**
 None.
6. **Closed Session**
 A. The committee met with General Manager Bushee and Administrative Services Manager LeMay to discuss personnel issues, as authorized under Government Code Section 54957.6.

 There was no reportable action.
7. **Information Items**
 None.
8. **Director's Comments**
 None.
9. **General Manager's Comments**
 None.
10. **Adjournment**
 Chairperson Hanson adjourned the meeting at approximately 12:40 p.m.

Paul J. Bushee,
 Secretary/Manager
 (Seal)

LEUCADIA WASTEWATER DISTRICT
 Minutes of an Engineering Committee Meeting
 February 5, 2007

A meeting of the Engineering Committee (EC) of Leucadia Wastewater District (LWD) was held Monday, February 5, 2007 at 9:00 a.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 9:00 a.m.

2. Roll Call

DIRECTORS PRESENT: Juliussen and Kulchin

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager (GM) Paul Bushee, Project Manager Robin Morishita, Steve Deering with Dudek & Associates, Joe Mansfield of Roesling Nakamura Terada (RNT) and Rob Weber of Infrastructure Engineering Corp. (IEC).

3. Public Comment

No public comment was received.

4. Old Business

None.

5. New Business

A. Gravity Sewer Flow Monitoring Project.

1. Receive and file IEC's Technical Memorandum Number 2 (Tech Memo No. 2), Flow Monitoring Analysis of Five Gravity Line Segments Identified for Replacement.
2. Authorize staff to proceed with the recommendation contained in Tech Memo No. 2.

PM Morishita presented the recommendation. PM Morishita noted that IEC recently completed Tech Memo No. 2, which evaluated five gravity line segments that were originally identified for replacement in LWD's 1999 Wastewater Master Plan. Prior to replacing the lines, staff wanted to monitor flows in the subject gravity line segments to verify the need for replacement. PM Morishita introduced Rob Weber of IEC to provide an overview of the Tech Memo No. 2. The EC discussed the report.

Following discussion, the EC concurred with staff to bring this recommendation forward to the Board of Directors for consideration at its February 14, 2007 meeting.

B. Engineering Design Services - Gravity Sewer Line Replacement

1. 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 recommendation. PM Morishita noted that the recommended design services agreement was needed to implement the recommendations of Tech Memo No. 2, which was discussed as part of EC agenda item 5A.

The EC discussed the design services scope of work. Following discussion, the EC concurred with staff to bring this recommendation forward to the Board of Directors for consideration at its February 14, 2007 meeting.

C. Satellite Force Main Replacement Project Preliminary Design Review

1. Receive and file the Satellite Force Main Replacement Project Preliminary Design Review (PDR) completed by Infrastructure Engineering Corporation (IEC).
2. Authorize Staff to proceed with the recommendations contained in the PDR.
3. Discuss and take other action as appropriate.

PM Morishita and Mr. Weber of IEC presented an overview of the PDR. The EC discussed the various recommendations of the PDR at length.

Following discussion, the EC concurred with staff to bring this recommendation forward to the Board of Directors for consideration at its February 14, 2007 meeting.

D. Award of District Construction Management Services for the Site Improvement Project.

1. Authorize the General Manager to execute an agreement with Dudek for Construction Management Services for the Site Improvement Project and negotiate a fee for the services in an amount not to exceed \$1,100,000.
2. Discuss and take other action as appropriate.

PM Morishita presented the recommendation. He noted that five firms responded to LWD's request for proposals for construction management services. The proposals were reviewed by a four-person selection committee. Of the five firms, three were invited to participate in the interview process: Dudek, Water 3 Engineering, and PBS&J. Based on Dudek proposal and interview, the committee unanimously selected Dudek as the most qualified firm. PM Morishita stated that because a final contract price had yet to be negotiated, staff was recommending that the Board authorize staff to negotiate based on a not to exceed contract ceiling of \$1.1 million. GM Bushee stated that staff would report back to the EC and the Board regarding the final negotiated contract price.

The EC discussed the recommendation at length. Following discussion, the EC concurred with staff to bring this recommendation forward to the Board of Directors for consideration at its February 14, 2007 meeting.

6. Information Items

A. Site Improvement Project Update.

PM Morishita introduced Joe Mansfield of RNT to present an update of the Site Improvement Project. Mr. Mansfield stated that the project is still working its way through the City of Carlsbad's Precise Development Permit process. Mr. Mansfield indicated that the PDP is scheduled to be considered by the Carlsbad Planning Commission on March 7, 2007. Mr. Mansfield also noted that there is a potential floodplain issue that could impact the project schedule. Mr. Mansfield also reviewed the civil engineering plans for the project.

The EC discussed the project status. Director Kulchin requested that staff present an overview of the floodplain issue to the Board of Directors at its February 14, 2007 meeting. GM Bushee concurred.

7. Director's Comments

None.

8. General Manager's Comments

None.

9. Adjournment

Chairperson Juliussen adjourned the meeting at 10:30 a.m.

Paul J. Bushee,
Secretary/Manager
(Seal)

LEUCADIA WASTEWATER DISTRICT
 Minutes of an Investment & Finance Committee Meeting
 February 5, 2007

A Meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Monday, February 5, 2007 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 12:00 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 Miranda, and CPA Richard Duffey with Brownell and Duffey.

3. Public Comment

No public comment was received.

4. Old Business

None.

5. New Business

A. Annual Review of LWD's Reserve Policy.

ASM LeMay presented an overview of the Reserve Policy. The presentation included a summary of the flow of funds into and out of the various reserve designations. ASM LeMay stated that there were no recommended changes to the policy. Following discussion, the IFC concurred with staff to forward the annual review of the LWD Reserve Policy to the Board of Directors at its February 14, 2007 meeting.

6. Information Items

None.

7. Directors' Comments

None.

8. General Manager's Comments

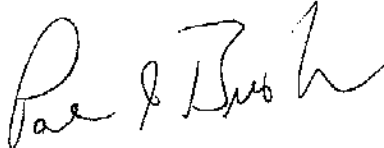
None.

9. Adjournment

Chairperson Hanson adjourned the meeting at 12:24 p.m.

Paul J. Bushee
 Secretary/General Manager
 (Seal)

MEMORANDUM

DATE: February 8, 2007
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Approval of January/February Demands

RECOMMENDATION:

Staff requests that the Board of Directors:

1. Approve checks and electronic payments totaling \$ 1,862,190.57.
2. Discuss and take other action as appropriate.

DISCUSSION:

Attached are check registers describing all payments made by LWD for the month January 4, 2007 – February 9, 2007.

Operating expenses totaled \$1,661,758.81 while Capital Improvement Program expenses totaled \$129,802.46

Payroll for employees totaled \$70,629.30.

Attached please find a year to date Employee and Board Payroll Report from February 2006 to February 2007 attached (attachment 11) for your review. The report includes a monthly breakdown of employee and Board payroll expenses for the prior 12 months.

mmm:PJB

Attachment 1	Summary of Demands by Account, Jan 2007/Feb 2007
Attachment 2	Board Payroll Check Register dated January 8, 2007
Attachment 3	Accounts Payable Check Register dated January 11, 2007
Attachment 4	Payroll Check Register dated January 17, 2007
Attachment 5	Manager's Account Check Register January 24, 2007
Attachment 6	Accounts Payable Check Register dated January 25, 2007
Attachment 7	Payroll Check Register for Checks and EFTs dated Jan. 31, 2007
Attachment 8	Accounts Payable Check Register dated February 1, 2007
Attachment 9	Board Payroll Check Register dated February 9, 2007
Attachment 10	Payroll Check Register for Incentive dated February 9, 2007
Attachment 11	Year to Date Employee and Board Payroll Report

DEMANDS SUMMARY

February 14, 2007

1. Preliminary Demands

<u>Category</u>	<u>Check #'s</u>	<u>Amount</u>	<u>Total</u>
Board Payroll Checks - 1/8/2007	12228 - 12232	\$962.00	
Payroll Checks - 1/17/2007	12233 - 12250	\$30,861.69	
Payroll Checks - 1/31/2007	12251 - 12268	\$30,801.63	
Board Payroll Checks - 2/9/2007	12269 - 12273	\$4,795.67	
Payroll Checks - 2/9/2007	12274 - 12291 Incentive	\$3,208.31	
	Total	\$70,629.30	
General Checking - 1/11/2007	33722 - 33761	\$120,815.78	
General Checking - 1/25/2007	33762 - 33808	\$1,508,843.04	
General Checking - 2/2/2007	33809 - 33849	\$161,746.94	
	Total	\$1,791,405.76	\$1,862,035.06
Mgrs Account	301 VOID		
	302	\$155.51	\$155.51
VOIDED CHECK	33817 Reissued		
	Grand Total		\$1,862,190.57

LEUCADIA WASTEWATER DISTRICT
BOARD PAYROLL CHECK REPORT

Payroll Date: January 8, 2007

<u>Check No.</u>	<u>Date</u>	<u>Amount</u>
12228 - 12232	1/8/2007	\$962.00

WASHINGTON MUTUAL BANK

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
33722- 2245	1	1/11/2007	10167 ACACIA GASOLINE & CAR WASH		
	1		32754 OPEN PD- VEHICLE/TRUCK FUEL	156.35	1507
33722- 2245	1	1/11/2007	Logged *** Total ***	156.35	
33723- 2245	2	1/11/2007	10447 ALL THE KINGS FLAGS		
	2		32767 FLAGS	236.46	23452
33723- 2245	2	1/11/2007	Logged *** Total ***	236.46	
33724- 2245	3	1/11/2007	10570 ANTIMITE TERMITE & PEST COMTRO		
	3		32785 MONTHLY PEST SERVICE	51.00	860306
33724- 2245	3	1/11/2007	Logged *** Total ***	51.00	
33725- 2245	4	1/11/2007	11550 BOOT WORLD CORP		
	4		32768 SAFETY BOOTS-D.P.	87.27	1032881
33725- 2245	4	1/11/2007	Logged *** Total ***	87.27	
33726- 2245	5	1/11/2007	12025 CSRMA		
	5		32795 POOL LIABILITY PROGRAM-1007	73,956.00	4950
33726- 2245	5	1/11/2007	Logged *** Total ***	73,956.00	
33727- 2245	6	1/11/2007	12360 CITY OF CARLSBAD		
	6		32770 WATER @PLANT	51.82	8121300-12/06
	6		32771 WATER @MEADOWS 1	34.19	74065-12/06
	6		32783 WATER @ VACTOR 2	104.59	104-12/26
	6		32784 WATER @ VACTOR	55.15	103-12/06
33727- 2245	6	1/11/2007	Logged *** Total ***	245.75	
33728- 2245	7	1/11/2007	12514 CONEXIS		
	7		32765 SEC 125 FLEX PLAN-12/1-12/31/0	75.00	CONEXIS-DEC 06
33728- 2245	7	1/11/2007	Logged *** Total ***	75.00	
33729- 2245	8	1/11/2007	12625 KONESCRANES, INC		
	8		32757 ANNUAL INSPECTION OF OVERHEAD	320.00	SD600227011
33729- 2245	8	1/11/2007	Logged *** Total ***	320.00	
33730- 2245	9	1/11/2007	13072 DATA NET		
	9		32774 IS MAINT AND SUPPORT	290.09	9725759
	9		32775 IS MAINT AND SUPPORT	361.25	9725857
	9		32776 IS MAINT AND SUPPORT	140.00	9725820
33730- 2245	9	1/11/2007	Logged *** Total ***	791.34	
33731- 2245	10	1/11/2007	13263 DE LAGE LANDEN		
	10		32789 COPIER LEASE PAYMT	547.43	07012068877
33731- 2245	10	1/11/2007	Logged *** Total ***	547.43	
33732- 2245	11	1/11/2007	13822 DUDEK & ASSOCIATES		
	11		32753 ARC PAD INSTALL/EDU COUNT	3,040.00	20066639
	11		32799 GE/3252/604/BRITTANY RD	135.00	20066841
	11		32800 GE/3252/596/ASTOR GARDENS	765.00	20066840
	11		32801 GE/3252/543/L.C. RESORT	440.00	20066963
	11		32802 GE/3252/541/LOS COCHES	75.00	20066974
	11		32803 GE/3252/526/FAIR OAKS	225.00	20066839

WASHINGTON MUTUAL BANK

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
	11		32804 GE/3252/503/LDS CHURCH	300.00	20066838
	11		32805 GE/3252/665/FIRE STATION	495.00	20066842
	11		32806 GE/3252/674/RAINBOW RIDGE	180.00	20066843
	11		32807 GE/3252/707/333-335 FULVIA ST	90.00	20066844
	11		32808 GE/3252/712/MEARDON RES	270.00	20066848
	11		32809 GE/3252/711/NAJAR RES	300.00	20066847
	11		32810 GE/3252/709/410 LA COSTA	500.00	20066845
	11		32811 GE/3252/520/FORUM	225.00	20066973
	11		32813 GE/3252/710/SUPER SUPPER	499.13	20066997
33732-	2245	11	1/11/2007 Logged *** Total ***	7,539.13	
33733-	2245	12	1/11/2007 14410 EL CAMINO REAL SHELL ENCINITAS		
		12	32755 OPEN PO-VEHICLE/TRUCK FUEL	41.36	7528
33733-	2245	12	1/11/2007 Logged *** Total ***	41.36	
33734-	2245	13	1/11/2007 14520 EMPLOYMENT DEVELOPMENT DEPT OF		
		13	32787 CA INCOME TAX-1/3	1,793.13	CA TAX-1/3/07
33734-	2245	13	1/11/2007 Logged *** Total ***	1,793.13	
33735-	2245	14	1/11/2007 14521 EMPLOYMENT DEVELOPMENT DEPT		
		14	32764 UNEMPLOYMENT-GS	75.08	9320538-12/06
33735-	2245	14	1/11/2007 Logged *** Total ***	75.08	
33736-	2245	15	1/11/2007 15016 FALLBROOK PUBLIC UTILITY DISTR		
		15	32792 EMPLOYEE ASSITANCE PROGRAM-FEB	51.00	FEB-2007
33736-	2245	15	1/11/2007 Logged *** Total ***	51.00	
33737-	2245	16	1/11/2007 15213 CHARLES Z. FEDAK & COMPANY		
		16	32761 AUDITOR FEES-JAN	299.00	FEDAK 1/07
33737-	2245	16	1/11/2007 Logged *** Total ***	299.00	
33738-	2245	17	1/11/2007 16603 W. W. GRATNGER, INC		
		17	32796 NOZZLE AND BLADE	42.66	9254814832
33738-	2245	17	1/11/2007 Logged *** Total ***	42.66	
33739-	2245	18	1/11/2007 17552 THE HOME DEPOT CRC/GECF		
		18	32756 OPEN PO -MISC. SUPPLIES	291.39	9310572
33739-	2245	18	1/11/2007 Logged *** Total ***	291.39	
33740-	2245	19	1/11/2007 18150 ICMA RETIREMENT-303979		
		19	32791 DEFERRED COMP-ICMA-1/3	1,066.46	ICMA-1/3/07
33740-	2245	19	1/11/2007 Logged *** Total ***	1,066.46	
33741-	2245	20	1/11/2007 18212 INFRASTRUCTURE ENGINEERING COR		
		20	32759 GRAVITY SEWER REPAIR-PIRAEUS S	1,575.65	2394
		20	32794 FORCE MAIN REPLACEMENTS	2,497.00	2398
33741-	2245	20	1/11/2007 Logged *** Total ***	4,072.65	
33742-	2245	21	1/11/2007 18561 I.M.P.A.C. GOVERNMENT SERVICES		
		21	32798 CONFERENCES, SUPPLIES, MEETING	4,580.30	IMPAC-12/22/06
33742-	2245	21	1/11/2007 Logged *** Total ***	4,580.30	

WASHINGTON MUTUAL BANK

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
33743- 2245	22	1/11/2007	21102 LWWD PETTY CASH		
	22		32814 PETTY CASH	317.76	PETTY-1/07
33743- 2245	22	1/11/2007	Logged	*** Total ***	317.76
33744- 2245	23	1/11/2007	23068 NATIONWIDE RETIREMENT SOLUTION		
	23		32786 DEFERRED COMP-NATIONWIDE	1,193.73	NATION-1/3/07
33744- 2245	23	1/11/2007	Logged	*** Total ***	1,193.73
33745- 2245	24	1/11/2007	23564 NORLAB, INC		
	24		32752 TRACING DYE	204.60	60408
33745- 2245	24	1/11/2007	Logged	*** Total ***	204.60
33746- 2245	25	1/11/2007	24224 OFFICE DEPOT, INC.		
	25		32752 OPEN PD - OFFICE SUPPLIES	26.52	368769023
33746- 2245	25	1/11/2007	Logged	*** Total ***	26.52
33747- 2245	26	1/11/2007	24440 OLIVENHAIN MUNICIPAL WATER DIS		
	26		32777 WATER @ TRAVELING 2	240.65	06001544-12/06
	26		32778 WATER @ E. ESTATES	35.63	1007621400-DECO
	26		32779 WATER @ VPS	22.85	0301148700-12/0
	26		32780 WATER @ VP7	36.63	0904902600-12/0
33747- 2245	26	1/11/2007	Logged	*** Total ***	336.76
33748- 2245	27	1/11/2007	25010 AT&T/SBC		
	27		32781 BPS PHONE	19.08	9423588-12/06
	27		32782 DIAL IN MODEM	125.09	6327047-DECO6
33748- 2245	27	1/11/2007	Logged	*** Total ***	144.17
33749- 2245	28	1/11/2007	25032 PALOMAR WATER		
	28		32773 WATER FOR OFFICE	110.44	447266/436959
33749- 2245	28	1/11/2007	Logged	*** Total ***	110.44
33750- 2245	29	1/11/2007	25260 PERS RETIREMENT		
	29		32797 RETIREMENT PPE 12/31/2006	9,980.95	12-2006-5
33750- 2245	29	1/11/2007	Logged	*** Total ***	9,980.95
33751- 2245	30	1/11/2007	28070 SAN DIEGUITO WATER DISTRICT		
	30		32772 WATER @BPS	134.35	31527-BP-12/06
33751- 2245	30	1/11/2007	Logged	*** Total ***	134.35
33752- 2245	31	1/11/2007	28510 SLOAN ELECTRIC COMPANY		
	31		32758 PUMP LABOR	382.50	0051117
33752- 2245	31	1/11/2007	Logged	*** Total ***	382.50
33753- 2245	32	1/11/2007	30520 UNDERGROUND SERVICE ALERT OF		
	32		32793 UNDERGROUND DIG ALERT	128.00	1220060358
33753- 2245	32	1/11/2007	Logged	*** Total ***	128.00
33754- 2245	33	1/11/2007	30560 UNITED PARCEL		
	33		32812 SHIPPING	10.21	000025YY37017
33754- 2245	33	1/11/2007	Logged	*** Total ***	10.21

WASHINGTON MUTUAL BANK

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
33755- 2245	34	1/11/2007	30580 UNITED WAY		
	34		32788 EMPLOYEE CONTRIBUTIONS	15.00	UNITED-1/3/07
33755- 2245	34	1/11/2007	Logged *** Total ***	15.00	
33756- 2245	35	1/11/2007	30723 SIEMENS WATER TECH. CORP		
	35		32751 OPEN PD - BIOXIDE	7,551.92	7818680
33756- 2245	35	1/11/2007	Logged *** Total ***	7,551.92	
33757- 2245	36	1/11/2007	30764 RESERVE ACCDUNT		
	36		32763 POSTAGE FOR METER	400.00	10245447-12/06
33757- 2245	36	1/11/2007	Logged *** Total ***	400.00	
33758- 2245	37	1/11/2007	31032 VALUE WEB		
	37		32766 WEB HOSTING-QTRLY FEE	65.85	4813556
33758- 2245	37	1/11/2007	Logged *** Total ***	65.85	
33759- 2245	38	1/11/2007	31263 AMERICAN MESSAGING		
	38		32790 QTRLY PAGER SERVICE	509.03	L1417521HA
33759- 2245	38	1/11/2007	Logged *** Total ***	509.03	
33760- 2245	39	1/11/2007	32500 WORDEN WILLIAMS, APC		
	39		32769 LEGAL FEES-DEC	2,940.00	23520
33760- 2245	39	1/11/2007	Logged *** Total ***	2,940.00	
33761- 2245	40	1/11/2007	33227 XEROX CORPORATION		
	40		32760 MONTHLY MAINT FEE-JAN	45.23	02225839-JAN
33761- 2245	40	1/11/2007	Logged *** Total ***	45.23	
				.00	
** Total check discount **				.00	
** Total check amount **				120,815.78	
** Total void discount **				.00	
** Total void amount **				.00	

LEUCADIA WASTEWATER DISTRICT
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: January 17, 2007

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
12233 - 12250	1/17/2007	\$30,861.69

Run date: 01/24/2007 @ 16:45
Bus date: 01/24/2007

Leucadia Waste Water District
Check - Complete Detail

MGR ACCT - WASHINGTON MUTUAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount
302- 2246	0	1/24/2007	12578 COSTCO	
	0		32918 MEETING SUPPLIES, ETC	155.51
302- 2246	0	1/24/2007	Logged *** Total ***	155.51
				.00
** Total check discount **				.00
** Total check amount **				155.51
** Total void discount **				.00
** Total void amount **				.00

WASHINGTON MUTUAL BANK

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
33762- 2247	1	1/25/2007	10100 NAPA AUTO		
	1		32887 PARTS FOR TRUCK	20.46	74133
	1		32888 PARTS FOR BPS	53.31	741135
	1		32889 PARTS FOR LPS	21.36	741294
	1		32890 CREDIT	-14.49	704160
33762- 2247	1	1/25/2007	Logged *** Total ***	80.64	
33763- 2247	2	1/25/2007	10366 AIR POLLUTION CONTROL DISTRICT		
	2		32826 RENEWAL FOR BPS	1,062.00	97094055
	2		32827 RENEWAL FOR LPS GENERATORS	1,840.00	97093970
33763- 2247	2	1/25/2007	Logged *** Total ***	2,902.00	
33764- 2247	3	1/25/2007	10720 AT&T		
	3		32900 L.D. @ BPS	23.54	0192940472-1/07
33764- 2247	3	1/25/2007	Logged *** Total ***	23.54	
33765- 2247	4	1/25/2007	12028 CWEA-		
	4		32875 CWEA RENEWAL - KB COLLECTION	61.00	143-KB07
33765- 2247	4	1/25/2007	Logged *** Total ***	61.00	
33766- 2247	5	1/25/2007	12028 CWEA-		
	5		32874 CWEA BANQUET-SAN DIEGO	990.00	CWEA-1/27/07
33766- 2247	5	1/25/2007	Logged *** Total ***	990.00	
33767- 2247	6	1/25/2007	12029 CWEA		
	6		32875 CWEA MEMBERSHIP RENEWAL-KB	110.00	2550-KB
33767- 2247	6	1/25/2007	Logged *** Total ***	110.00	
33768- 2247	7	1/25/2007	12510 COAST WASTE		
	7		32899 TRASH SERVICE	169.28	0909210-0274
33768- 2247	7	1/25/2007	Logged *** Total ***	169.28	
33769- 2247	8	1/25/2007	12525 COPYCARE OF SAN DIEGO		
	8		32832 REPAIR HP 5500 AND HP 2100	140.57	95985
	8		32860 REPAIR HP 5500 AND HP 2100	125.00	9597
	8		32884 REPAIR TO HP2300	79.00	96152
33769- 2247	8	1/25/2007	Logged *** Total ***	344.57	
33770- 2247	9	1/25/2007	12585 COUNTY OF SAN DIEGO		
	9		32845 HAZARDOUS MATERIAL PERMIT RENE	644.00	HK07105038-07
33770- 2247	9	1/25/2007	Logged *** Total ***	644.00	
33771- 2247	10	1/25/2007	12631 COR-O-VAN		
	10		32830 OPEN PO-STORAGE	46.60	RS1213281
33771- 2247	10	1/25/2007	Logged *** Total ***	46.60	
33772- 2247	11	1/25/2007	12614 CUES, INC		
	11		32838 LIGHT BULBS, LENS, LIGHT PLATE	221.39	261589
33772- 2247	11	1/25/2007	Logged *** Total ***	221.39	
33773- 2247	12	1/25/2007	13071 DATCO		
	12		32841 OPEN PO - SEVICE FEES/TESTS	49.50	6518684

WASHINGTON MUTUAL BANK

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
	12		32848 OPEN PO - SEVICE FEES/TESTS	273.00	40340
33773- 2247	12	1/25/2007	Logged	*** Total ***	322.50
33774- 2247	13	1/25/2007	13261 DEPT HEALTH SERVICES		
	13		32873 RENEWAL FOR KB-GRADE T1	70.00	KB-2582B
33774- 2247	13	1/25/2007	Logged	*** Total ***	70.00
33775- 2247	14	1/25/2007	13355 DION INTERNATIONAL TRUCKS INC		
	14		32880 REPAIR TO TRUCK	249.80	SN54941
33775- 2247	14	1/25/2007	Logged	*** Total ***	249.80
33776- 2247	15	1/25/2007	13566 DOWNSTREAM SERVICES, INC.		
	15		32882 REPAIR OF CUES CAMERA	42.00	2000
	15		32883 FILTER MAINTENANCE	225.83	63369
33776- 2247	15	1/25/2007	Logged	*** Total ***	267.83
33777- 2247	16	1/25/2007	** unused **		
33778- 2247	17	1/25/2007	13822 DUDEK & ASSOCIATES		
	17		32842 ARC PAD INSTALL/EDU COUNT	285.00	20066110
	17		32844 CONTRACT/NGVI-ENVIRONMENTAL/MI	382.50	20067268
	17		32859 GE/3252/705/BELLA VISTA	90.00	20067195
	17		32860 GE/3252/701/PHOEBE STREET	360.00	20067104
	17		32861 GE/3252/697/L.C. GREENS 1.1G	495.00	20067183
	17		32862 GE/3252/695/EL CAMINO	510.00	20067102
	17		32863 GE/3252/713/368 E. GLAUCUS ST	135.00	20067107
	17		32864 GE/3252/714/ROSS SUBDIVISION	495.00	20067108
	17		32865 GE/3252/718/1060 URANIA	135.00	20067109
	17		32866 GE/3252/661/OMWD PLAN	590.91	20067101
	17		32867 GE/3252/526/FAIR OAKS	540.00	20067094
	17		32868 GE/3252/543/L.C. RESORT	5,013.56	20067095
	17		32869 GE/3252/569/V. OF LC GREENS	589.45	20067096
	17		32870 GE/3252/570/V. OF LC 406-4	319.45	20067097
	17		32871 GE/3252/571/V. OF LC 406	188.01	20067098
	17		32872 GE/3252/596/ASTOR GARDENS	225.00	20067099
	17		32891 GE/3252/571/V. OF LC 406	310.00	20064239
	17		32892 GE/3252/569/LC 406-3 GREENS	225.00	20064238
	17		32893 GE/3252/696/1610 NEPTUNE	177.50	20064247
33778- 2247	17	1/25/2007	Logged	*** Total ***	11,066.38
33779- 2247	18	1/25/2007	14410 EL CAMINO REAL SHELL ENCINITAS		
	18		32828 OPEN PO-VEHICLE/TRUCK FUEL	133.15	7531
	18		32851 OPEN PO-VEHICLE/TRUCK FUEL	1,096.73	7535
33779- 2247	18	1/25/2007	Logged	*** Total ***	1,229.88
33780- 2247	19	1/25/2007	14520 EMPLOYMENT DEVELOPMENT DEPT OF		
	19		32896 CA INCOME TAX-1/17	1,706.52	CA TAX-1/17
33780- 2247	19	1/25/2007	Logged	*** Total ***	1,706.52
33781- 2247	20	1/25/2007	14530 ENCINA WASTEWATER AUTHORITY		
	20		32853 EMA FINANCIAL RESERVE	379,150.00	269
33781- 2247	20	1/25/2007	Logged	*** Total ***	379,150.00

WASHINGTON MUTUAL BANK

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
33782- 2247	21	1/25/2007	14530 ENCINA WASTEWATER AUTHORITY		
	21		32852 EWA QTRLY BILLING-2ND QTR	1,035,037.49	263
33782- 2247	21	1/25/2007	Logged	*** Total ***	1,035,037.49
33783- 2247	22	1/25/2007	17247 U.S. HEALTH WORKS MEDICAL GROU		
	22		32840 OPEN PO - PHYSICALS	50.00	1056904-CA
33783- 2247	22	1/25/2007	Logged	*** Total ***	50.00
33784- 2247	23	1/25/2007	17255 HENRY'S PLUMBING		
	23		32879 TEST BACKFLOW @VP7	45.00	7053
33784- 2247	23	1/25/2007	Logged	*** Total ***	45.00
33785- 2247	24	1/25/2007	18150 ICMA RETIREMENT-303979		
	24		32894 DEFERRED COMP-1/17/ICMA	1,105.67	ICMA-1/17
33785- 2247	24	1/25/2007	Logged	*** Total ***	1,105.67
33786- 2247	25	1/25/2007	18212 INFRASTRUCTURE ENGINEERING COR		
	25		32836 INFLOW AND INFILTRATION STUDY	16,856.77	2408
	25		32837 GRAVITY SEWER REPAIR-PIRAEUS S	423.35	2418
33786- 2247	25	1/25/2007	Logged	*** Total ***	17,280.12
33787- 2247	26	1/25/2007	18512 IMAGE COM		
	26		32881 FREIGHT FOR TONER	5.25	173471
33787- 2247	26	1/25/2007	Logged	*** Total ***	5.25
33788- 2247	27	1/25/2007	20079 KATZ & ASSOCIATES		
	27		32886 PUBLIC INFORMATION-DEC	2,813.29	402985
33788- 2247	27	1/25/2007	Logged	*** Total ***	2,813.29
33789- 2247	28	1/25/2007	21021 LAFCO		
	28		32858 LAFCO ANNEX FOR FIRE STATION #	7,260.00	LAFCO #665
33789- 2247	28	1/25/2007	Logged	*** Total ***	7,260.00
33790- 2247	29	1/25/2007	22511 MOBILE MINI		
	29		32846 LEASE OF MODULAR OFFICE TRAILER	619.56	904002163
33790- 2247	29	1/25/2007	Logged	*** Total ***	619.56
33791- 2247	30	1/25/2007	23068 NATIONWIDE RETIREMENT SOLUTION		
	30		32897 DEFERRED COMP-NATION-1/17	1,193.73	NATION-1/17
33791- 2247	30	1/25/2007	Logged	*** Total ***	1,193.73
33792- 2247	31	1/25/2007	23071 NATIONAL NOTARY ASSOCIATION		
	31		32877 NOTARY INSURANCE-MM	25.00	NOTARY INS1/07
33792- 2247	31	1/25/2007	Logged	*** Total ***	25.00
33793- 2247	32	1/25/2007	24224 OFFICE DEPOT, INC.		
	32		32833 OPEN PO - OFFICE SUPPLIES	127.71	370712691
	32		32849 OPEN PO - OFFICE SUPPLIES	157.19	370713239
33793- 2247	32	1/25/2007	Logged	*** Total ***	284.90
33794- 2247	33	1/25/2007	25174 PBS&J		
	33		32835 CONTRACT-MEADOWS 1 PS CM SERVI	9,322.69	0317250

WASHINGTON MUTUAL BANK

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
33794-	2247	33	1/25/2007 Logged	*** Total ***	9,322.69
33795-	2247	34	1/25/2007 25635 THE PRINTERY		
		34	32839 LETTERHEAD-J.HANSON-PRES	279.99	53725
		34	32985 VOUCHER SLIPS	144.87	5377B
33795-	2247	34	1/25/2007 Logged	*** Total ***	424.86
33796-	2247	35	1/25/2007 ** unused **		
33797-	2247	36	1/25/2007 28020 SAN DIEGO GAS AND ELECTRIC		
		36	32902 ELECTRIC @ AWT	54.92	01874059-1/07
		36	32903 ELECTRIC @ BPS	10,622.52	01857178-1/07
		36	32904 ELECTRIC @ VP5	268.95	00747336-1/07
		36	32905 ELECTRIC @ E. ESTATES	627.64	01444485-1/07
		36	32906 GAS @ E.E.	1.29	00896553-1/07
		36	32907 ELECTRIC @ PLANT	13.12	00794321-1/07
		36	32908 ELECTRIC @ OFFICE	974.52	01823519-1/07
		36	32909 ELECTRIC @ RANCHO VERDE	144.82	01380248-1/07
		36	32910 ELECTRIC @ SAXONY P5	740.47	01683816-1/07
		36	32911 ELECTRIC @ MEADOWS 3	201.13	01169672-1/07
		36	32912 ELECTRIC @ VP7	78.23	00747631-1/07
		36	32913 ELECTRIC @ LC PS	239.88	01031273-1/07
		36	32914 ELECTRIC @ MEADOWS 1	291.28	01037981-1/07
		36	32915 ELECTRIC @ LPS	10,546.57	01874070-1/07
		36	32916 ELECTRIC @ DIANA PS	260.30	01444495-1/07
		36	32917 ELECTRIC @ AVOCADO PS	108.51	00505010-1/07
33797-	2247	36	1/25/2007 Logged	*** Total ***	25,174.15
33798-	2247	37	1/25/2007 28029 San Diego County Clerk		
		37	32857 SD CLERK LAFCO ANNEX FOR FIRE	50.00	SD COUNTY 1/18
33798-	2247	37	1/25/2007 Logged	*** Total ***	50.00
33799-	2247	38	1/25/2007 28324 SHELL OIL COMPANY		
		38	32847 OPEN PO - VEHICLE/TRUCK FUEL	443.42	065023442701
33799-	2247	38	1/25/2007 Logged	*** Total ***	443.42
33800-	2247	39	1/25/2007 28537 SMITH & LOVELESS, INC		
		39	32829 MOTOR AND PARTS FOR VP7 PS	4,042.24	47207
		39	32854 PARTS FOR VP7	248.98	47207-
		39	32855 ADDITIONAL PARTS FOR VP7	141.97	47163
33800-	2247	39	1/25/2007 Logged	*** Total ***	4,433.19
33801-	2247	40	1/25/2007 28720 STATE WATER RESOURCES CONTROL		
		40	32843 ANNUAL FEE FOR STORM WATER PER	830.00	0622222
33801-	2247	40	1/25/2007 Logged	*** Total ***	830.00
33802-	2247	41	1/25/2007 29225 TELEPACIFIC COMMUNICATIONS		
		41	32895 PHONE SERVICE SYSTEM	784.52	4545800-0
33802-	2247	41	1/25/2007 Logged	*** Total ***	784.52
33803-	2247	42	1/25/2007 29616 TRUGREEN LAND CARE		
		42	32831 CONTRACT-MAINTAIN LND LANDSCAP	757.00	5499298

Run date: 01/25/2007 @ 12:10
 Bus date: 01/25/2007

Leucadia Waste Water District
 Check - Complete Detail

WASHINGTON MUTUAL BANK

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
33803-	2247	42	1/25/2007 Logged	*** Total ***	757.00
33804-	2247	43	1/25/2007	29630 TRI COMMUNITY ANSWERING SERVIC	
		43		32856 ANSWERING SERVICE	80.00 TRI-1/20/07
33804-	2247	43	1/25/2007 Logged	*** Total ***	80.00
33805-	2247	44	1/25/2007	29730 T.S. INDUSTRIAL SUPPLY	
		44		32878 GREEN MARKING PAINT	41.02 1000757
33805-	2247	44	1/25/2007 Logged	*** Total ***	41.02
33806-	2247	45	1/25/2007	30580 UNITED WAY	
		45		32901 EMPLOYEE CONTRIBUTIONS	15.00 UNITED-1/17
33806-	2247	45	1/25/2007 Logged	*** Total ***	15.00
33807-	2247	46	1/25/2007	31232 VERIZON WIRELESS	
		46		32898 CELL PHONES	453.75 2104076622
33807-	2247	46	1/25/2007 Logged	*** Total ***	453.75
33808-	2247	47	1/25/2007	32347 DEXTER WILSON ENGINEERING	
		47		32834 ASSET MANAGEMENT MASTER PLAN	657.50 1206-16A
33808-	2247	47	1/25/2007 Logged	*** Total ***	657.50
					.00
** Total check discount **					.00
** Total check amount **				1,508,843.04	
** Total void discount **					.00
** Total void amount **					.00

LEUCADIA WASTEWATER DISTRICT
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: January 31, 2007

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
12251 - 12268	1/31/2007	\$30,801.63

WASHINGTON MUTUAL BANK

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
33809- 2249	1	2/01/2007	10167 ACACIA GASOLINE & CAR WASH		
	1		32924 OPEN PO- VEHICLE/TRUCK FUEL	289.23	1611
	1		32931 OPEN PO- VEHICLE/TRUCK FUEL	213.91	1518
33809- 2249	1	2/01/2007	Logged *** Total ***	503.14	
33810- 2249	2	2/01/2007	11650 BROWNELL AND DUFFEY CPA		
	2		32954 ACCOUNTING FEES-DECEMBER	7,755.00	272
33810- 2249	2	2/01/2007	Logged *** Total ***	7,755.00	
33811- 2249	3	2/01/2007	12360 CITY OF CARLSBAD		
	3		32951 WATER @ MEADOWS 1	34.19	44897775-1/07
	3		32952 WATER @ PLANT	53.33	0060280746-1/07
33811- 2249	3	2/01/2007	Logged *** Total ***	87.52	
33812- 2249	4	2/01/2007	12589 STATE DISBURSEMENT UNIT		
	4		32966 CHILD SUPPORT-A.B.	774.18	AB-1/31/07
33812- 2249	4	2/01/2007	Logged *** Total ***	774.18	
33813- 2249	5	2/01/2007	12718 CHUCKS TIRE CENTER		
	5		32929 NEW TIRES	1,910.27	42146
33813- 2249	5	2/01/2007	Logged *** Total ***	1,910.27	
33814- 2249	6	2/01/2007	13263 DE LAGE LANDEN		
	6		32945 COPTER LEASE	517.55	07022343294
33814- 2249	6	2/01/2007	Logged *** Total ***	517.55	
33815- 2249	7	2/01/2007	13822 DUDEK & ASSOCIATES		
	7		32922 CONTRACT/082/ ENGINEERING @ LP	810.00	20067080
	7		32960 GE/3252/604/BRITTANY	135.00	20067598
	7		32961 GE/3252/707/333 FULVIA STREET	185.00	20067627
	7		32962 GE/3252/667/V. OF LC 420-5	90.00	20067644
33815- 2249	7	2/01/2007	Logged *** Total ***	1,220.00	
33816- 2249	8	2/01/2007	14520 EMPLOYMENT DEVELOPMENT DEPT OF		
	8		32935 CA INCOME TAX	1,721.08	CA TAX-1/31
33816- 2249	8	2/01/2007	Logged *** Total ***	1,721.08	
33817- 2249	9	2/01/2007	14521 EMPLOYMENT DEVELOPMENT DEPT		
	9		32957 UNEMPLOYMENT-G.S.	75.08	9320538-07
33817- 2249	9	2/01/2007	Logged *** Total ***	75.08	
33818- 2249	10	2/01/2007	15575 ASSURANT EMPLOYEE BENEFITS		
	10		32956 LIFE INSURANCE-FEB	367.66	74171-1/23
33818- 2249	10	2/01/2007	Logged *** Total ***	367.66	
33819- 2249	11	2/01/2007	16224 GEOCON, INC		
	11		32923 CONTRACT/GEOTECH SERVICES @MPS	3,197.50	613049
33819- 2249	11	2/01/2007	Logged *** Total ***	3,197.50	
33820- 2249	12	2/01/2007	16806 THE GUARDIAN		
	12		32950 DENTAL INS-FEB	2,013.15	GUARDIAN-1/07
33820- 2249	12	2/01/2007	Logged *** Total ***	2,013.15	

WASHINGTON MUTUAL BANK

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
33821- 2249	13	2/01/2007	18150 ICMA RETIREMENT-303979		
	13		32955 DEFERRED COMP-ICMA	1,105.67	ICMA-1/31
33821- 2249	13	2/01/2007	Logged	*** Total ***	1,105.67
33822- 2249	14	2/01/2007	19050 JANI-KING OF SAN DIEGO		
	14		32938 MONTHLY CLEANING SERVICE	975.00	SD01070232
33822- 2249	14	2/01/2007	Logged	*** Total ***	975.00
33823- 2249	15	2/01/2007	19229 JURMAN'S EMERGENCY TRAINING SE		
	15		32953 FIRST AID REFRESHER CLASS	525.00	070127
33823- 2249	15	2/01/2007	Logged	*** Total ***	525.00
33824- 2249	16	2/01/2007	19775 ALLAN JULIUSSEN		
	16		32970 TRAVEL REIMBURSED-CASA-A.J.	1,178.98	AJ-1/20/07
33824- 2249	16	2/01/2007	Logged	*** Total ***	1,178.98
33825- 2249	17	2/01/2007	20842 DAVID KULCHIN		
	17		32971 TRAVEL REIMBURSED-CASA-D.K.	1,266.36	DK-1/20/07
33825- 2249	17	2/01/2007	Logged	*** Total ***	1,266.36
33826- 2249	18	2/01/2007	21510 CHUCK LEMAY		
	18		32968 TRAVEL REIMBURSED- CASA-CLM	118.46	CLM-1/20/07
33826- 2249	18	2/01/2007	Logged	*** Total ***	118.46
33827- 2249	19	2/01/2007	22274 MET-LIFE		
	19		32941 DISABILITY INS-FEB	1,038.68	KMG5535094-07
33827- 2249	19	2/01/2007	Logged	*** Total ***	1,038.68
33828- 2249	20	2/01/2007	22732 MIRAMAR SIGN WORKS		
	20		32927 PROJECT SIGN	283.18	033473
33828- 2249	20	2/01/2007	Logged	*** Total ***	283.18
33829- 2249	21	2/01/2007	23068 NATIONWIDE RETIREMENT SOLUTION		
	21		32949 DEFERRED COMP-NATION	1,193.73	NATION-1/31
33829- 2249	21	2/01/2007	Logged	*** Total ***	1,193.73
33830- 2249	22	2/01/2007	23160 NORTH COUNTY PERSONNEL ASSOC.		
	22		32972 2007 NCPA MEMBERSHIP	150.00	NCPA-2007
33830- 2249	22	2/01/2007	Logged	*** Total ***	150.00
33831- 2249	23	2/01/2007	23232 NEWEST CONSTRUCTION COMPANY		
	23		32925 CONTRACT-DEMOLISH MEADOWS 1 PS	74,205.00	NEWST-1/07
	23		32932 RETENTION 10%	-7,420.50	RETENTION
33831- 2249	23	2/01/2007	Logged	*** Total ***	66,784.50
33832- 2249	24	2/01/2007	24528 DONALD OMSTED		
	24		32969 TRAVEL REIMBURSED-D.O. CASA	111.55	DO-1/20/07
33832- 2249	24	2/01/2007	Logged	*** Total ***	111.55
33833- 2249	25	2/01/2007	25010 AT&T/SBC		
	25		32946 ODOR CONTROL MODEM	18.32	4364009-1/07
	25		32947 SCADA ALARMS	593.98	3372570451-1/07

WASHINGTON MUTUAL BANK

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
33833-	2249	25	2/01/2007 Logged	*** Total ***	612.30
33834-	2249	26	2/01/2007 25011 PACIFIC PIPELINE SUPPLY		
		26	32928 FRAMES	290.93	113581
		26	32933 VALVE BOX	76.20	113723
		26	32934 GATE CAP	61.26	113589
33834-	2249	26	2/01/2007 Logged	*** Total ***	428.39
33835-	2249	27	2/01/2007 25018 PACIFICARE		
		27	32942 VISION INS-FEB	305.85	0001358716
33835-	2249	27	2/01/2007 Logged	*** Total ***	305.85
33836-	2249	28	2/01/2007 25260 PERS RETIREMENT	70.04	12-2006-0
		28	32965 BOARD RETIREMENT 12-31-2007	10,004.01	01-2007-4
		28	32973 RETIREMENT PPE 1-28-07	10,042.98	01-2007-3
		28	32974 RETIREMENT PPE 1/14/07	20,117.03	
33836-	2249	28	2/01/2007 Logged	*** Total ***	
33837-	2249	29	2/01/2007 25261 PUBLIC EMPLOYEES HEALTH		
		29	32939 EMPLOYEES HEALTH INS-FEB	14,475.00	H2007021231000
		29	32940 BRD HEALTH INS-FEB	1,746.04	H2007027247000
33837-	2249	29	2/01/2007 Logged	*** Total ***	16,221.04
33838-	2249	30	2/01/2007 25680 PRUDENTIAL OVERALL SUPPLY		
		30	32944 LAUNDRY SERVICE	906.15	3592500-12/05
33838-	2249	30	2/01/2007 Logged	*** Total ***	906.15
33839-	2249	31	2/01/2007 26804 QUALITY CHEVROLET		
		31	32930 OPEN PO-VEHICLE/TRUCK REPAIRS	210.03	CTCS331828
33839-	2249	31	2/01/2007 Logged	*** Total ***	210.03
33840-	2249	32	2/01/2007 27012 RANCHO SANTA FE SECURITY SYSTE		
		32	32943 SECURITY SYSTEM/ALARM	126.00	217390
33840-	2249	32	2/01/2007 Logged	*** Total ***	126.00
33841-	2249	33	2/01/2007 2747B R. J. SAFETY SUPPLY CO., INC.		
		33	32963 SAFETY ITEMS	206.01	232718
33841-	2249	33	2/01/2007 Logged	*** Total ***	206.01
33842-	2249	34	2/01/2007 27524 ROESLING NAKAMURA TERADA ARCHT		
		34	32926 BUILDING PROGRAM-ARCHITECTUAL	27,295.00	3114
33842-	2249	34	2/01/2007 Logged	*** Total ***	27,295.00
33843-	2249	35	2/01/2007 28070 SAN DIEGUITO WATER DISTRICT		
		35	32948 WATER @ TANKER	18.48	645-1/07
33843-	2249	35	2/01/2007 Logged	*** Total ***	18.48
33844-	2249	36	2/01/2007 29332 THOMSON/WEST		
		36	32959 CA CODE 2007 PUBLICATION	36.64	812906578
33844-	2249	36	2/01/2007 Logged	*** Total ***	36.64
33845-	2249	37	2/01/2007 29730 T.S. INDUSTRIAL SUPPLY		

Run date: 02/01/2007 @ 11:02
 Bus date: 02/01/2007

Leucadia Waste Water District
 Check - Complete Detail

WASHINGTON MUTUAL BANK

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
	37		32967 MARKING PAINT	54.69	1001318
33845- 2249	37	2/01/2007	Logged	*** Total ***	54.69
33846- 2249	38	2/01/2007	30580 UNITED WAY	15.00	UNITED-1/31
	38		32936 EMPLOYEE CONTRIBUTIONS	15.00	
33846- 2249	38	2/01/2007	Logged	*** Total ***	15.00
33847- 2249	39	2/01/2007	30764 RESERVE ACCOUNT	18.77	PITNEY-1/07
	39		32958 BALANCE ON POSTAGE METER REFIL	18.77	
33847- 2249	39	2/01/2007	Logged	*** Total ***	18.77
33848- 2249	40	2/01/2007	31050 VALLECITOS WATER DISTRICT	37.32	108105000-1/07
	40		32937 WATER @ MEADOWS 3	37.32	
33848- 2249	40	2/01/2007	Logged	*** Total ***	37.32
33849- 2249	41	2/01/2007	32347 DEXTER WILSON ENGINEERING	265.00	1206.168
	41		32964 GE/715/905 ORPHEUS	265.00	
33849- 2249	41	2/01/2007	Logged	*** Total ***	265.00
				.00	
** Total check discount **				.00	
** Total check amount **				161,746.94	
** Total void discount **				.00	
** Total void amount **				.00	

LEUCADIA WASTEWATER DISTRICT
BOARD PAYROLL CHECK REPORT

Payroll Date: February 9, 2007

<u>Check No.</u>	<u>Date</u>	<u>Amount</u>
12269- 12273	2/9/2007	\$4,795.67

LEUCADIA WASTEWATER DISTRICT
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: February 9, 2007
Incentive

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
12274 - 12291	2/9/2007	\$3,208.31

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

<u>FEBRUARY</u>		2006
2/1/2006	Employee	\$31,448.68
2/7/2006	Incentive	\$92.35
2/7/2006	Board	\$3,597.79
2/15/2006	Employee	<u>\$31,616.98</u>
	Total	\$66,755.80

<u>MARCH</u>		
3/1/2006	Employee	\$31,157.82
3/8/2006	Board	\$1,744.92
3/8/2006	Incentive	\$25,396.64
3/15/2006	Employee	\$30,790.67
3/29/2006	Employee	<u>\$30,908.21</u>
	Total	\$119,998.26

<u>APRIL</u>		
4/5/2006	Board	\$2,280.39
4/12/2006	Employee	\$31,443.62
4/13/2006	Incentive	\$865.91
4/26/2006	Employee	<u>\$30,782.52</u>
	Total	\$65,372.44

<u>MAY</u>		
5/4/2006	Board	\$2,828.63
5/10/2006	Employee	\$31,691.51
5/24/2006	Employee	<u>\$31,124.32</u>
	Total	\$65,644.46

<u>JUNE</u>		
6/2/2006	Board	\$1,639.62
6/7/2006	Employee	\$31,591.83
6/21/2006	Employee	<u>\$31,251.94</u>
	Total	\$64,483.39

<u>JULY</u>		
7/3/2006	Board	\$1,240.52
7/5/2006	Employee	\$31,260.90
7/19/2006	Employee	<u>\$31,619.06</u>
	Total	\$64,120.48

<u>AUGUST</u>		
8/2/2006	Employee	\$32,433.55
8/4/2006	Board	\$1,143.46
8/16/2006	Employee	\$32,255.75
8/30/2006	Employee	<u>\$32,832.47</u>
	Total	\$98,665.23

SEPTEMBER

9/6/2006	Board	\$4,592.25
9/13/2006	Employee	\$32,874.42
9/27/2006	Employee	<u>\$32,310.99</u>
	Total	\$69,777.66

OCTOBER

10/4/2006	Board	\$3,880.59
10/11/2006	Employee	\$33,337.85
10/12/2006	Employee/Incentive	\$1,491.99
10/25/2006	Employee	<u>\$32,760.83</u>
	Total	\$71,471.26

NOVEMBER

11/3/2006	Board	\$1,701.08
11/8/2006	Employee	\$34,160.60
11/22/2006	Employee	<u>\$34,079.96</u>
	Total	\$69,941.64

DECEMBER

12/1/2006	Employee	\$12,955.10
12/6/2006	Board	\$1,389.08
12/6/2006	Employee	\$32,376.31
12/20/2006	Employee	<u>\$32,478.12</u>
	Total	\$79,198.61

JANUARY 2007

1/3/2007	Employee	\$31,419.14
1/8/2007	Board	\$962.00
1/17/2007	Employee	\$30,861.69
1/31/2007	Employee	<u>\$30,801.63</u>
	Total	\$94,044.46

FEBRUARY

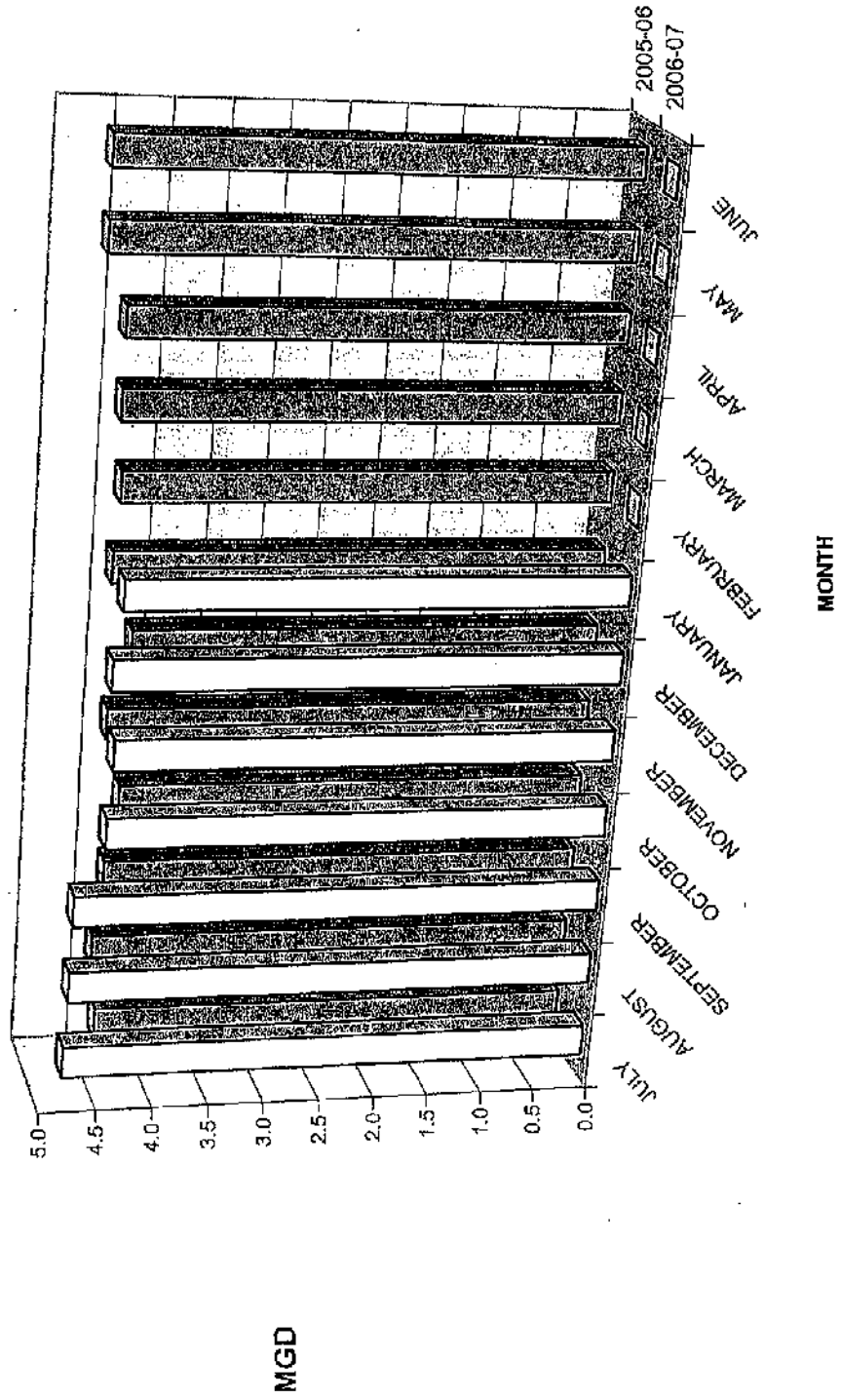
2/9/2007	Board	\$4,795.67
2/9/2007	Incentive	<u>\$3,208.31</u>
		\$8,003.98

**LEUCADIA WASTEWATER DISTRICT
OPERATIONS REPORT
FISCAL YEAR 2006-2007**

CURRENT MONTH - January 2007				FY 2005-2006			
Period	Total Flow MG	Total EDU's 27,200	LWD ADF (MGD)	GPDI/EDU	RECLAIMED ADF (ac-ft/mo)	ADF (MGD)	
JULY	147.87	12	4.77	175	43.16	4.36	
YTD	147.87	27,212				4.42	
AUGUST	147.25	11	4.75	174	31.25	4.35	
YTD	295.12	27,223				4.25	
SEPTEMBER	142.20	8	4.74	174	29.09	4.39	
YTD	437.32	27,231.53				4.21	
OCTOBER	139.46	4	4.50	165	24.16	4.42	
YTD	576.78	27,236				4.38	
NOVEMBER	133.97	37	4.47	164	19.49	4.41	
YTD	710.75	27,273				4.60	
DECEMBER	139.95	2	4.51	166	3.72	4.60	
YTD	850.70	27,275					
JANUARY	138.02	14	4.45	163	0.00		
YTD	988.72	27,289					
FEBRUARY							
YTD							
MARCH							
YTD							
APRIL							
YTD							
MAY							
YTD							
JUNE							
YTD							
Annual Total	988.72	89	4.60	169	150.87	4.40	
Mo Average	141.25	13			25.14		

operations report

**LEUCADIA WASTEWATER DISTRICT
FLOW COMPARISON FY 2006-2007**



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

As of January 31, 2007

ASSETS	
Cash	\$ 95,068.90
Investments and Investment Pools	43,008,939.32
Bond Investments Held by Agents	5,169,780.13
Accounts Receivable	745,046.62
Funds Held with Encina Wastewater Authority	733,959.00
Prepaid Expenses	38,924.92
Capital Assets	98,479,050.80
Less Accumulated Depreciation	(30,377,681.77)
Debt Issuance Costs, Net of Amortization	339,738.12
TOTAL ASSETS	\$ 118,232,826.04
LIABILITIES	
Accounts Payable and Accrued Expenses	240,383.06
Developer Deposits	236,322.97
Bond & Interest Debt	5,060,891.10
TOTAL LIABILITIES	\$ 5,537,597.13
NET ASSETS	
Net Investment in Capital Assets	64,754,255.94
Operating Reserve	1,513,744.47
Non-operating Reserves (Designated)	39,618,522.48
Emergency Reserve	7,500,000.00
YTD Revenue over (under) Expenditures	(691,293.98)
TOTAL NET ASSETS	\$ 112,695,228.91

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

LEUGADIA WASTEWATER DISTRICT

BUDGET PERFORMANCE REPORT

YTD Revenue and Expenditures Through 11/31/2007 with Annual Budget

OPERATING REVENUES AND EXPENSES					
DESCRIPTION	A/C No.	YTD ACTUAL AMOUNT	ANNUAL BUDGET	REMAINING BALANCE	% USED
OPERATING REVENUES AND TRANSFERS					
OPERATING REVENUES					
SEWER SERVICE	3110	\$ 2,908,583.14	\$ 5,276,800.00	\$ 2,368,216.86	55.12%
RECLAIMED WATER SALES	3150	105,380.90	271,200.00	165,819.10	38.86%
OTHER OPERATING INCOME		(1,233.28)	257,102.00	258,335.28	-0.48%
TOTAL OPERATING REVENUE		\$ 3,012,730.76	\$ 5,805,102.00	\$ 2,792,371.24	51.90%
OPERATING EXPENSES					
WAGES AND BENEFITS	4100 & 4200	\$ 974,033.97	\$ 1,759,771.00	\$ 785,737.03	55.35%
BOARD EXPENSES AND ELECTION	4300 & 4400	59,666.63	113,350.00	53,683.37	52.64%
DEPRECIATION EXPENSE	4510	1,345,900.00	-	(1,345,900.00)	n/a
REPLACEMENT EXPENSE	4515	-	769,000.00	769,000.00	n/a
FUELS	4600	17,327.51	42,100.00	24,772.49	41.16%
INSURANCE	4700	82,817.27	92,500.00	9,682.73	89.53%
MEMBERSHIP & DUES	4800	19,762.00	20,500.00	738.00	96.40%
OFFICE EXPENSE	4900	25,247.86	43,360.00	18,112.14	58.23%
OPERATING SUPPLIES	5000	75,869.61	159,100.00	83,230.39	47.69%
PROFESSIONAL SERVICES	5200	206,882.03	456,900.00	250,017.97	45.28%
PRINTING & PUBLISHING	5300	12,503.70	32,000.00	19,496.30	39.07%
RENTS & LEASES	5400	9,864.89	21,200.00	11,335.11	46.53%
REPAIR & MAINTENANCE	5500	94,266.54	227,600.00	133,333.46	41.42%
MONITORING & PERMITTING	5600	22,317.67	63,300.00	40,982.33	35.26%
TRAINING & DEVELOPMENT	5700	27,773.35	38,900.00	11,126.65	71.40%
UTILITIES	5900	210,292.87	449,820.00	239,527.13	46.75%
LAFCO OPERATIONS	6100	6,471.00	7,000.00	529.00	92.44%
ENCINA	6200	810,893.95	1,768,765.00	957,871.05	45.85%
TOTAL OPERATING EXPENSES		\$ 4,004,890.85	\$ 6,065,166.00	\$ 2,060,275.15	65.98%

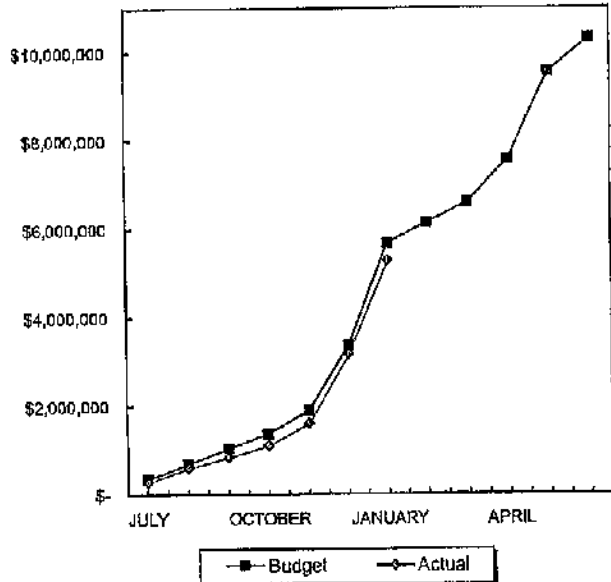
NON-OPERATING REVENUES AND EXPENSES					
DESCRIPTION	A/C No.	YTD ACTUAL AMOUNT	ANNUAL BUDGET	REMAINING BALANCE	% USED
NON OPERATING REVENUES					
CAPACITY CHARGES	3130	\$ 277,469.84	\$ 1,150,100.00	\$872,630.16	24.13%
PROPERTY TAXES	3220	811,174.22	990,000.00	378,825.78	61.73%
INTEREST INCOME	3250	1,205,272.89	1,700,000.00	494,727.11	70.90%
OTHER NON OPERATING INCOME		169,593.32	644,298.00	474,702.68	26.32%
TOTAL NON-OPERATING REVENUES		\$ 2,263,510.27	\$ 4,484,398.00	\$ 2,220,885.73	50.48%
DEBT SERVICE					
INTEREST EXPENSE AND FEES	6500	\$ 130,794.59	\$ 238,372.00	\$ 107,577.41	54.87%
PRINCIPAL PAYMENTS	6500	461,863.29	461,863.00	(\$0.29)	100.00%
TOTAL DEBT SERVICE		\$ 592,657.88	\$ 700,235.00	\$ 107,577.12	84.64%

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

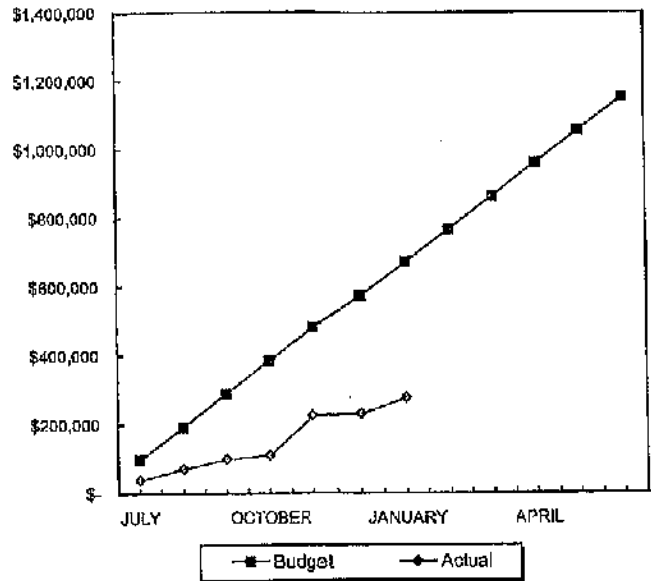
Leucadia Wastewater District Revenue FY 2006-2007

YTD through January 31, 2007 *

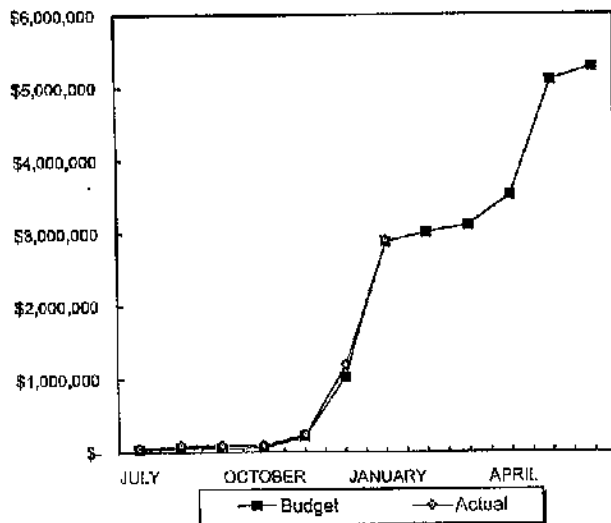
Total Revenue



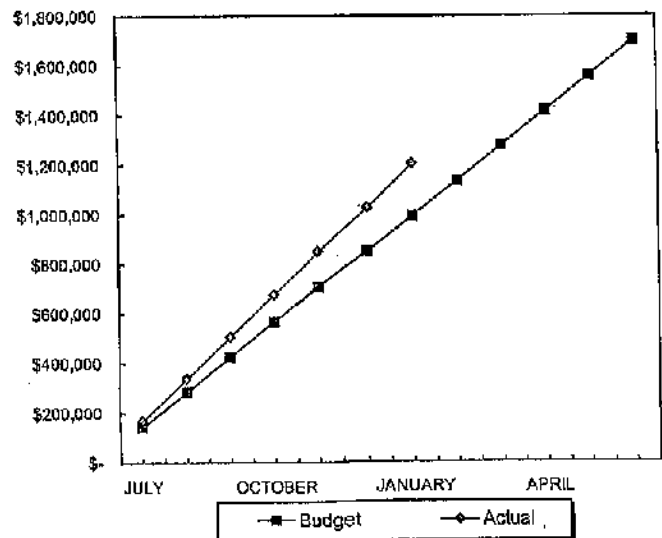
Capacity Charges



Sewer Service Fees



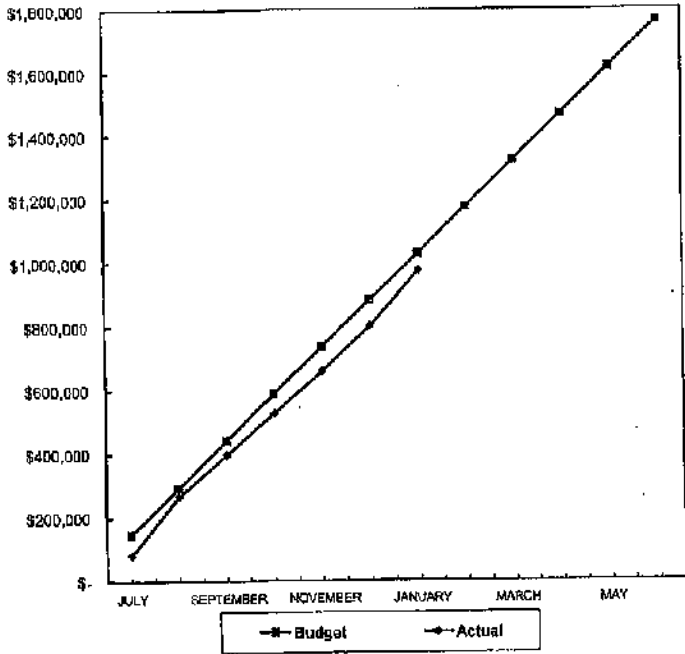
Interest Income



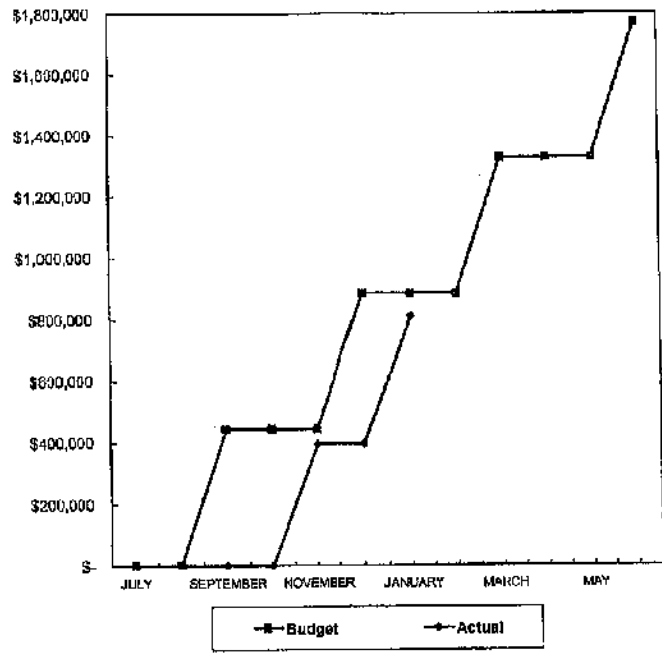
* Preliminary: subject to future review, reconciliation, accruals, and audit

Leucadia Wastewater District Operating Expenses FY 2006-2007 YTD through January 31, 2007 *

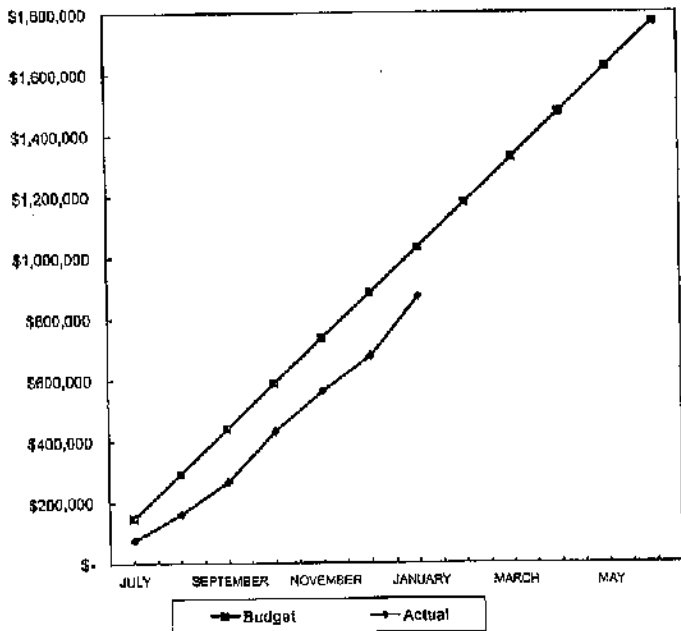
Salaries and Benefits



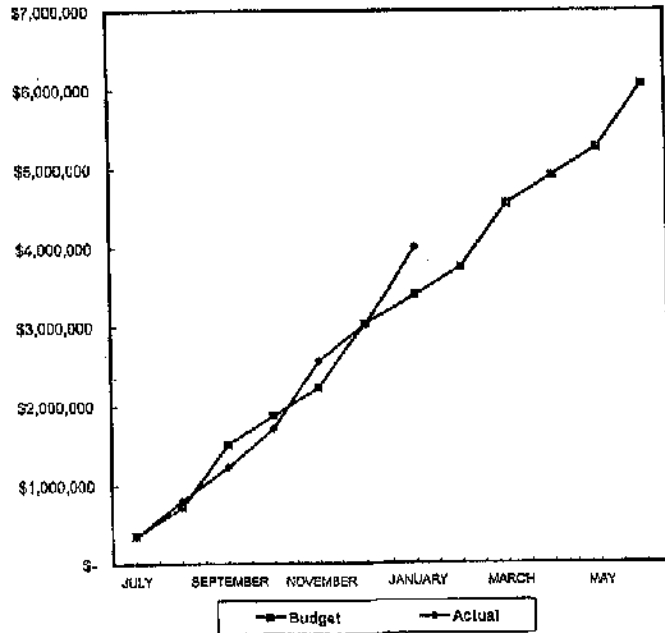
Encina M&O



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



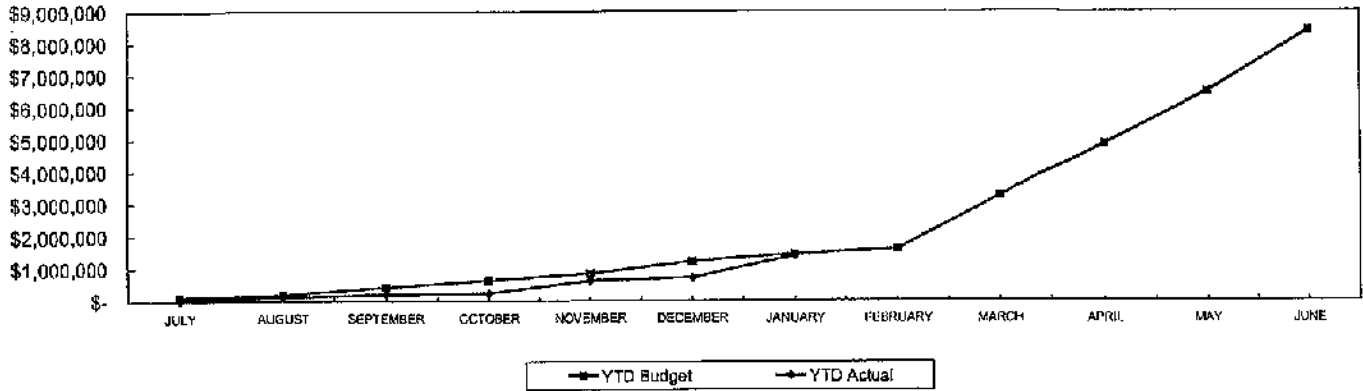
**Total LWD Operating Expense -
Including Depreciation & Replacement**



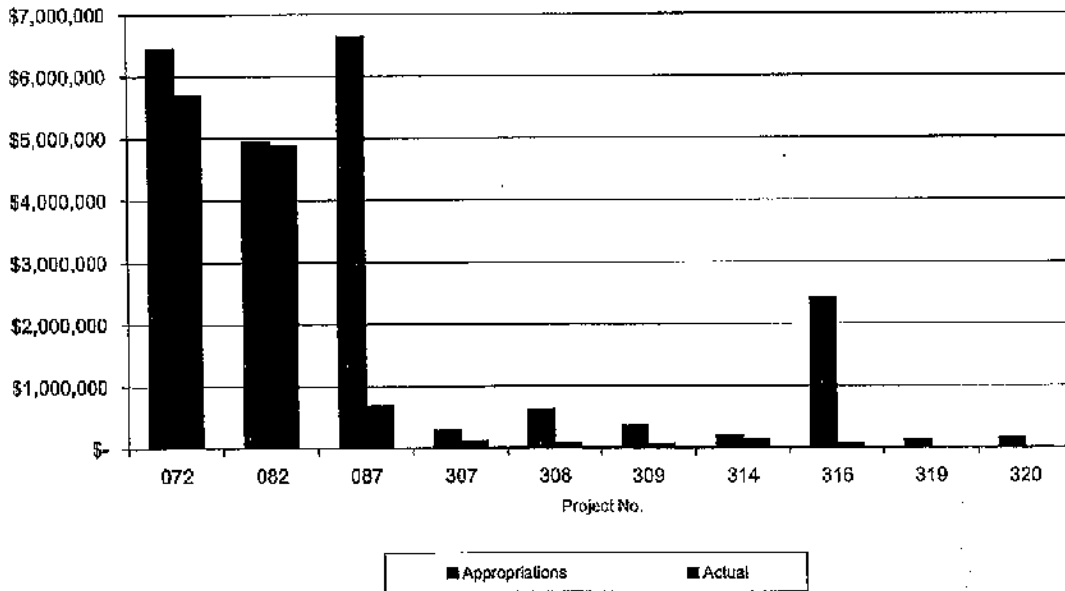
* Preliminary: subject to future review, reconciliation, accruals, and audit

Leucadia Wastewater District Capital Expenditures As of January 31, 2007

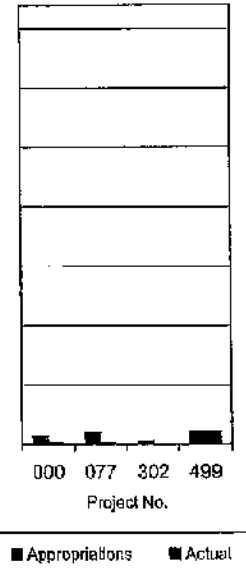
Capital Projects and Equipment For FY 2006/07



Multi Year Capital Expenditures by Project (2002/03-2006/07)



Single Year Capital Expenditures by Project (2006/07)

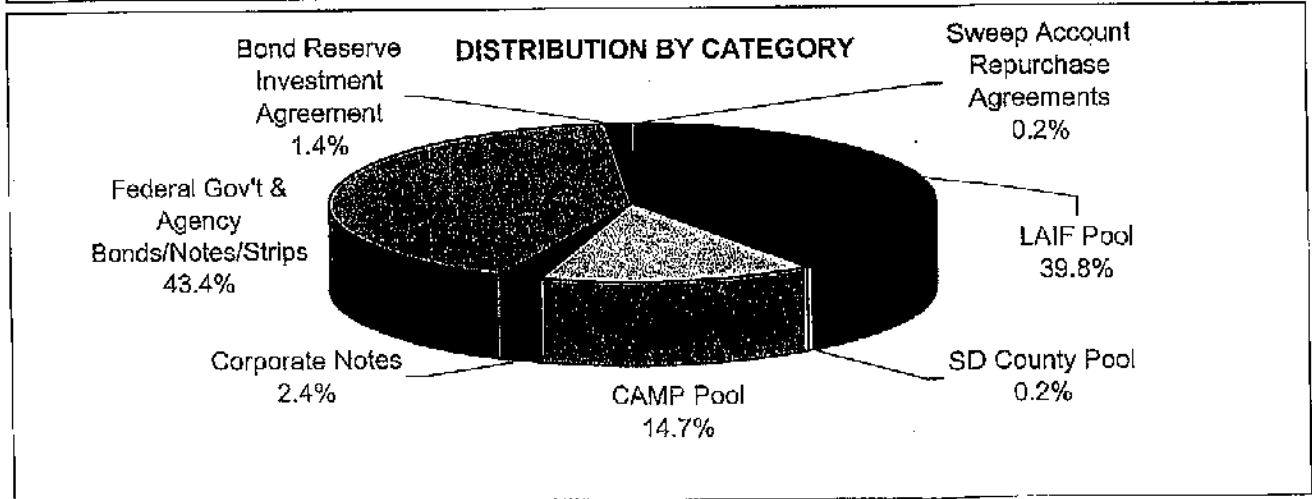
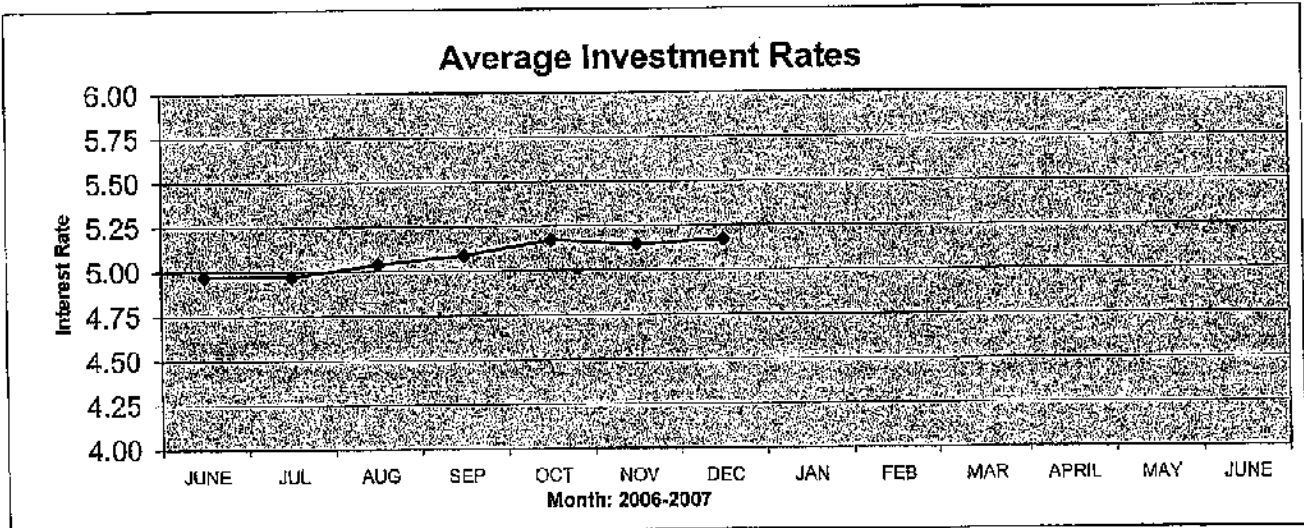


Project Legend			
Description	No.	Description	No.
Encina WA	072	Satellite PS Force mains	316
Leucadia PS Improvements	082	Gravity Rehab Sewer	319
Site Improvement Program	087	Piraeus Pipeline Repair	320
Meadows 1 PS Decommission	307	Equipment	000
Mineral Scale Mitigation Project	308	Misc Pipeline Repair	077
Capacity Management Flow Study	309	Professional Services	302
Asset Management Master Plan	314	LWD General Labor	499

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

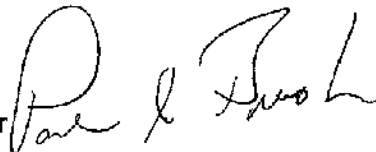
LEUCADIA WASTEWATER DISTRICT
Monthly Investment Summary
As of December 31, 2006

Cash & Investments	Principal (Original Cost)		Dec Interest	Average Rate
	November 30, 2006	December 31, 2006		
Sweep Account: Repurchase Agreements	\$ 196,250	\$ 84,832	\$ 368	2.860%
LAIF Pool	18,272,642	18,181,642	77,906	5.129%
SD County Pool	100,000	100,000	426	5.112%
CAMP Pool	4,894,415	6,727,724	25,411	5.200%
CAMP Portfolio				
Corporate Notes	1,118,715	1,118,715	3,802	3.903%
Federal Agency Bonds/Notes	12,996,201	12,496,286	47,872	4.789%
Federal Agency Discount Notes	950,811	950,811	4,204	5.306%
GNMA mortgage pools	24,794	24,687	194	9.401%
US Treasury Bonds/Notes	3,472,539	3,472,539	11,406	4.414%
Total Camp Portfolio	18,563,060	18,063,039	67,478	4.639%
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	1,902,536	1,902,536	20,020	12.827%
Total Bond Funds	2,555,420	2,555,420	22,936	10.771%
Totals	\$ 44,581,787	\$ 45,712,657	\$ 194,525	5.170%



MEMORANDUM

Ref: 07-1002

DATE: February 8, 2007
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, 2006 (see attached). A copy of the full Quarterly Treasurer's Investment Reports has been enclosed for your review.

Attachment
Enclosure

rd:PJB

**LEUCADIA WASTEWATER DISTRICT
 QUARTERLY INVESTMENT REPORT SUMMARY
 December 31, 2006**

SUMMARY OF INVESTMENTS AT DECEMBER 31, 2006

ASSETS	AMORTIZED COST 12/31/2006	% OF TOTAL
LAIF - STATE INVESTMENT POOL	\$ 18,181,642.03	37.5%
CAMP - JPA INVESTMENT POOL	6,727,724.23	13.9%
CAMP PORTFOLIO - BANK OF NEW YORK.		
Corporate Notes	1,102,431.89	2.3%
Federal Agency Bond Notes	12,529,456.30	25.9%
Federal Agency Discount Notes	970,010.28	2.0%
Federal Agency - GNMA Pools	24,687.49	0.1%
US Treasury Bonds/Notes	3,489,627.90	7.2%
	18,116,213.86	
BANK OF NEW YORK - BOND RESERVE FUNDS		
Collateralized Investment Agreement	652,883.75	1.3%
	652,883.75	
US BANK - CUSTODIAL ACCOUNTS		
Resolution Funding Corp Strips - Cost	1,902,536.24	
Interest Earned - Amortized Discount*	2,787,728.10	
	4,690,264.34	9.7%
TOTAL INVESTMENTS	\$ 48,368,728.21	99.8%

* Representation of interest that is accruing as these federal agency coupons approach maturity

INTEREST FOR THE QUARTER ENDED 12/31/2006

MONTH	EARNED	AVERAGE RETURN
October	\$ 190,520.00	5.17%
November	194,030.00	5.15%
December	195,673.00	5.17%
TOTALS	\$ 580,223.00	

Encina Wastewater Authority Report
Regular Board Meeting
January 24, 2007

EWA Board of Directors - Director Juliussen and Director Sullivan reporting.

EWA Board Meeting Action Items:

1. Agreement for Legal Services

The Board of Directors approved an increase in Foley & Lardner's blended rate to \$285 from \$260.

2. Building Program Construction Report – December 2006

The Board of Directors received and filed EWA's Building Program Capital Improvement Project Report through December 31, 2006.

3. EWA Webpage Enhancements.

The Board of Directors received and file information regarding enhancements made to EWA's web page.

4. Salary and Terms of Employment for the EWA General Manager

The Board of Directors adopted Resolution No. 07-1, approving salary and terms of employment for the EWA General Manager.

Executive Session

5. The Board of Directors met to discuss the following item:

- Anticipated litigation as authorized by Government Code §54956.9(c) - one case: Hollandia Dairy.

There was no reportable action.

Community Affairs Committee Meeting Report

Presented by Elaine Sullivan

Meeting held January 11, 2007

1. Review and discuss the draft financial fact sheet

Staff provided the CAC with an overview of the financial fact sheet. The CAC approved the financial fact for printing.

2. Review and discuss the Speakers' Bureau presentation.

Staff presented an overview of the Speakers' Bureau presentation. The CAC provided comments and approved the Speakers' Bureau presentation.

3. Review and discuss the newsletter masthead layouts.

KATZ presented the masthead layouts to the CAC. The CAC chose one layout and directed KATZ to make additional edits to the masthead. KATZ and staff agreed to make edits, then forward the final copy to the CAC for approval before presenting it to the Board. This item will be considered later in tonight's agenda

Human Resources Committee Report

Presented by Judy Hanson

Meeting held January 30, 2006

1. Closed Session

The HRC met with the GM Bushee and ASM LeMay to discuss personnel issues, as authorized under Government Code Section 54957.6.

There was no reportable action.

The Board will meet in closed session later in tonight's agenda to discuss this issue.

Engineering Committee Meeting Report

Presented by Allan Juliussen

Meeting held February 5, 2007

1. The Committee discussed Infrastructure Engineering Corporation's (IEC) Memorandum No. 2 for the Flow Monitoring Analysis of Five Gravity Line Segments Identified for Replacement.

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

2. The Committee reviewed the proposed agreement with IEC for design engineering services for the Gravity Sewer Line Replacement Project for an amount not to exceed \$89,018.

The Committee concurred with staff to bring the recommendation forward to the Board and it's on tonight's agenda.

3. The Committee reviewed Satellite Force Main Replacement Project's Preliminary Design Report (PDR).

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

4. The Committee reviewed the proposed agreement with Dudek for Construction Management Services for the Site Improvement Project.

The Committee concurred with staff to bring the recommendation forward to the Board and it's on tonight's agenda.

5. Joseph Mansfield from Roesling Nakamura Terada Architects (RNT) provided an update of the Site Improvement Project. Mr. Mansfield will be at tonight's meeting for an update on the project.

Investment & Finance Meeting Report

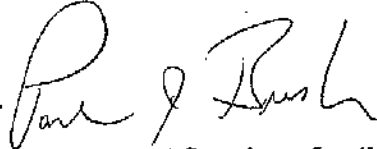
Presented by Judy Hanson

Meeting held February 5, 2007

1. The Committee reviewed Annual Reserve Policy. There were no recommended changes to the Reserve Policy.

The Committee concurred with staff to present this item at tonight's meeting.

MEMORANDUM

Date: February 8, 2007
To: Board of Directors
From: Paul J. Bushee, General Manager 
Subject: Award of District Construction Management Services for the Site Improvement Project

RECOMMENDATION:

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

1. 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.
2. Discuss and take other action, as appropriate.

DISCUSSION:

This item was reviewed by the Engineering Committee at its February 5, 2007 meeting and the Committee concurred with staff to bring this recommendation forward to the Board of Directors for consideration.

In December 2006, Staff solicited proposals for Construction Management Services for the District's Site Improvement Project. The Scope of Work for the services to be provided includes:

1. General Project Management and Coordination
2. Construction Document Review - including constructability review and construction contractor pre-qualification
3. Construction Management
4. Construction Inspection Services

The Request for Proposal (RFP) was advertised in the San Diego Daily Transcript and the McGraw-Hill Greensheet. The RFP was distributed to thirty three (33) firms. Five (5) proposals were received by the January 12, 2007 deadline.

1. Dudek
2. Infrastructure Engineering Corporation (IEC)
3. PBS&J
4. Simpson & Simpson Management Consulting, Inc. (SSMCI)
5. Water 3 Engineering, Inc.

The proposals were evaluated by a four person panel and resulted in the following three (3) firms being short listed:

1. Dudek
2. PBS&J
3. Water 3 Engineering, Inc.

The three (3) firms were interviewed by a four person panel on February 1, 2007. As a result, Dudek was selected. Dudek assembled a strong project team that has current construction management experience through the Encina Building Program and construction of the Carlsbad Municipal Golf Course.

Staff has negotiated a fee with Dudek of \$998,138 for the services to be provided. Staff believes this fee is fair and reasonable considering the complexities involved with construction of a headquarters building.

Therefore, it is recommended that the Site Improvement Construction Management Services be awarded to Dudek with a not to exceed fee of \$998,138.

FISCAL IMPACT:

There is sufficient funding in the Fiscal Year 2007 Capital Budget to cover these services.

rym:PJB

MEMORANDUM

DATE: February 8, 2007
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: LWD Site Improvement Program – Update on Precise Development Permit

RECOMMENDATION:

1. This item is presented for informational purposes.
2. Discuss and take appropriate action.

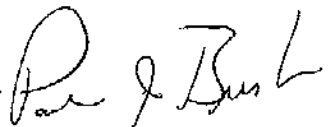
DISCUSSION:

The District's Precise Development Plan (PDP) for our Site Improvement Project is scheduled for the City of Carlsbad Planning Commission hearing on March 7, 2007. Once the Planning Commission approves the project, it will be forwarded to the Carlsbad City Council for their approval. Approval of the PDP is critical to completing the design phase and moving on to project construction.

As you are aware, staff has been working with Roesling Nakamura Terada Architects (RNT) over the past several months to obtain approval of the PDP. Recently, the City of Carlsbad has notified RNT of a potential floodplain issue relating to the project. RNT and staff are assessing the impacts of the issue and it appears that Carlsbad will allow these issues to be resolved while the project construction is proceeding. Mr. Joseph Mansfield, RNT Project Architect, will be present to provide an update on the PDP approval.

rym:PJB

MEMORANDUM

DATE: February 8, 2007
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Gravity Sewer Flow Monitoring Project

RECOMMENDATION:

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

1. Receive and file Infrastructure Engineering Corporation's Technical Memorandum Number 2 (Tech Memo No. 2), Flow Monitoring Analysis of Five Gravity Line Segments Identified for Replacement.
2. Authorize Staff to proceed with the recommendations contained in Tech Memo No. 2.
3. Discuss and take other action as appropriate.

DISCUSSION:

This item was reviewed by the Engineering Committee at its February 5, 2007 meeting and the Committee concurred with staff to bring this recommendation forward to the Board of Directors for consideration.

The District's 1999 Wastewater Master Plan completed by Dudek and Associates identified several gravity lines for replacement based on the results of hydraulic modeling of the District's collection system. Five gravity line segments listed in the Master Plan are:

1. La Costa Meadows Trunk Sewer
2. Vulcan Avenue Trunk Sewer
3. Highway 101 Trunk Sewer
4. South Green Valley Interceptor
5. Miscellaneous La Costa and Village Park line segments.

Since these projects were identified as a result of system modeling, it was prudent to evaluate the actual flow through those lines before proceeding with design and construction. In April 2006 the Board of Directors authorized staff to conduct the evaluation through flow monitoring.

Infrastructure Engineering Corporation (IEC), assisted by ADS Environmental Services, was tasked to conduct the evaluation which included dry weather flow monitoring, data collecting, and depth over Diameter (d/D) analysis of four of the five gravity line segments. The miscellaneous La Costa and Village Park line segments were evaluated using the District's Close Circuit Television (CCTV) inspection records and will be discussed separately. A summary of the results from the dry weather flow monitoring are as follows:

Pipeline Segment	Diameter (inches)	Maximum Observed d/D ¹	Recommendation
La Costa Meadows Trunk Sewer	8	0.74	Replace ²
Vulcan Avenue Trunk Sewer	15	0.53	Continue to Monitor
101 Trunk Sewer	8	0.44	Replace
South Green Valley Interceptor	12	0.30	Future Study
South Green Valley Interceptor	8	0.78	Future Study

¹ District standard is a sewer of 12 inches in diameter and smaller has a peak dry weather d/D of 0.5.

² Infiltration presumed due to "perched aquifer" -- additional investigation recommended.

As a result of a high d/D ratio, IEC recommends that two of the five gravity segments, 101 Trunk Sewer and La Costa Meadows Trunk Sewer, be replaced. However, due to extenuating circumstances, such as the presence of a "perched aquifer" and observed mineral scale in the pipelines in the Alga Hills area, IEC recommends further evaluation of the La Costa Meadows Trunk Sewer before proceeding with line replacement. Since this section is part of the Inflow and Infiltration Study currently underway, the results of that study will be used to further define possible causes prior to commencing with the pre-design phase for a line replacement/improvement project. The improvements to the 101 Trunk Sewer include upsizing 2,200 feet of 8 inch gravity main to 10 inch and 80 ft of 10 inch gravity main to 12 inch and is estimated to cost approximately \$480,000.

The La Costa and Village Park Lines identified in the 1999 Wastewater Master Plan consisted of eight miscellaneous line segments located throughout the basin. As a result of a discussion with IEC, it was determined that the most efficient and effective way to evaluate those segments was for IEC to review the District's CCTV inspection records. Based on that evaluation, IEC recommends that one of the eight line segments, the Gibraltar Street segment (Segment 10-1855 to 10-0570), be replaced/upsized due to previous instances of surcharging of that segment. The work will consist of upsizing 270 feet of 8 inch gravity main to 12 inch and is estimated to cost approximately \$80,000.

A complete copy of the Tech Memo is available for review upon request. IEC's Tech Memo satisfied all the requirements of the project's Scope of Work. Therefore, it is recommended that the Tech Memo be received and filed and that staff be authorized to proceed with the recommendations contained therein.

rym:PJB

MEMORANDUM

DATE: February 8, 2007
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Engineering Design Services - Gravity Sewer Line Replacement

RECOMMENDATION:

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

1. 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.
2. Discuss and take other action, as appropriate.

DISCUSSION:

This item was reviewed by the Engineering Committee at its February 5, 2007 meeting and the Committee concurred with staff to bring this recommendation forward to the Board of Directors for consideration.

Infrastructure Engineering Corporation (IEC) has completed the Gravity Sewer Flow Monitoring Project which evaluated the requirement to conduct five gravity line replacement projects identified in the 1999 Wastewater Master Plan. As a result of that evaluation, approximately 2,300 feet of the 101 Trunk Sewer was identified for replacement. The estimated cost for this replacement is \$480,000.

Additionally, the 1999 Wastewater Master Plan indicated a need to upgrade the Batiquitos Gravity Sewer Line which delivers influent to the Batiquitos Pump Station from the District's pump stations as well as the City of Encinitas as part of the Joint Transmission System (JTS). Based on the current size of the pipe, the projected capacity is approximately 7.0 million gallons per day (MGD). The projected peak dry weather flow requirement is 9.45 MGD. Therefore, this line requires upgrading to adequately convey the additional 2.45 MGD increase in required capacity. The estimated cost for this replacement is \$820,000. The estimated total cost for these two projects is \$1,495,000, including 15% for contingencies.

Due to the close proximity of the two projects, it is efficient and cost effective to combine them into a single project for design, permitting, and construction. IEC has submitted the attached proposal to design the replacement project for the 101 Trunk Sewer and Batiquitos Gravity Sewer. The proposal includes:

1. Preliminary Design
 - Survey / Base Mapping
 - Geotechnical Investigation
 - Design Report
2. Final Design
 - Prepare and submit permit applications

- Prepare plans, specifications and cost estimates
- Project Management, meetings and coordination

The proposed cost for these design services is \$89,018. Staff has discussed the scope of work and proposed fee with IEC. Staff believes the proposal is fair and reasonable.

FISCAL IMPACT:

Staff appropriated funds in the Fiscal Year 2007 Budget in anticipation of this project. The budget contains sufficient funds to cover the design services under this agreement.

PJB:rym

Attachment

RECEIVED

January 18, 2007

JAN 19 2007

LEUCADIA WASTEWATER
DISTRICT

Mr. Robin Morishita
Project Manager
Leucadia Wastewater District
1960 La Costa Avenue
Carlsbad, California 92009

RE: Proposal for Engineering Services for the 101 Trunk Sewer and Batiquitos Gravity Sewer

Dear Mr. Morishita:

Infrastructure Engineering Corporation (IEC) is pleased to provide the Leucadia Wastewater District with this proposal for engineering services for the 101 Trunk Sewer and Batiquitos Pump Station parallel inlet line. The proposed scope of services and fee is based on the following project background, discussions with District staff, and our observations during a December 14, 2006 site visit.

PROJECT BACKGROUND

101 Trunk Sewer Project

The District's 1999 Master Plan recommended upsizing of approximately 2,200 ft of 8-inch gravity main and 80 ft of 10-inch gravity main to 10-inch and 12-inch diameter, respectively. The recent Dry Weather Flow Monitoring Study prepared by IEC confirmed these recommendations.

The existing sewer runs within Highway 101 from approximately Moorgate Road south to Avocado Pump Station. From review of available drawings, the existing sewer appears to run under or very near the existing sidewalk and edge of pavement along the southbound lanes. There are also several existing lateral connections. Upsizing of this sewer will either need to be done in the same alignment or through construction of a new parallel alignment. Use of trenchless technology in the current alignment could be problematic due to potential heave and impacts to adjacent utilities as well as the need to dig up and reconnect the existing laterals.

Batiquitos Gravity Sewer

The 1999 Master Plan also discusses the need for upgrades to the existing Batiquitos gravity sewer that runs from the intersection of Highway 101 and La Costa Avenue north to the District's Batiquitos pump station as part of the Joint Transmission System (JTS).

The existing pipeline ranges in size from 18 to 30-inches in diameter and is projected to have a capacity of approximately 7.0 million gallons per day (MGD). The projected peak dry weather flow requirement for this line is 9.45 MGD. Therefore, at a minimum, a 2.45 MGD capacity upgrade is required in order to convey the District's peak dry weather flow and flow from the Encinitas Sanitary District.

The intent of this project will be to prepare a set of biddable plans and specifications for construction of the gravity sewer pipelines. The proposed scope of services is below.

SCOPE OF SERVICES

PHASE I – PRELIMINARY DESIGN

Task 1 – Survey/Base Mapping

Right of Way Engineering will compile existing aerial mapping of the project area supplemented for limited field survey to verify existing conditions. The mapping and field design survey will encompass the limits of the project from the Batiquitos Pump Station south to Avocado Street. The base mapping will be prepared in AutoCAD format at a scale suitable for preparation of the design drawings.

Task 2 – Geotechnical Investigation

Ninyo & Moore will perform a geotechnical investigation to document subsurface conditions along the sewer alignment. The intent of this investigation will be to provide information to the design team and prospective bidders concerning the soils and geotechnical conditions. The geotechnical investigation will consist of two borings in the area between Moorgate and Avocado and one boring between La Costa and the Batiquitos Pump Station. Installation of soil borings will require permits from Caltrans (encroachment permit) and the County Department of Environmental Health (DEH). We assume the District will pay all permit fees and will sign the permit applications prepared by Ninyo & Moore.

Following completion of the borings and laboratory analysis, a report will be prepared to summarize the results including recommendations for pipeline design and measures during construction.

Task 3 – Prepare Design Report

We will prepare a brief but sufficiently detailed design report. This will focus on utility research, identifying the appropriate upsizing alignment and or method for the 101 trunk sewer, a parallel alignment for the Batiquitos gravity sewer and associated hydraulic conditions, and traffic control requirements. The design report will also identify traffic control requirements, permitting issues and requirements, and develop a permit work plan to be implemented along with final design. The design report will be provided to the District in draft form for review and comment. Following incorporation of District comments, the design report will be finalized and used as a basis for subsequent design activities.

PHASE II – FINAL DESIGN

Task 4 – Prepare and Submit Permit Applications

Based on the permitting requirements identified during preliminary design, we will prepare permit applications, submit them to the appropriate agencies, and perform follow up coordination and communication with the permitting agencies. We envision the following permit applications:

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- City of Encinitas Local Coastal Program (LCP) (101 Trunk Sewer)
- City of Encinitas Utility Construction Permit (101 Trunk Sewer)
- City of Carlsbad Encroachment Permit and Local Coastal Program (LCP) (Baticuitos gravity sewer)
- Caltrans encroachment permit (both projects)

We assume the District will pay all permit fees and will be the signatory authority on all permit applications.

Task 5 – Prepare Plans, Specifications, and Cost Estimates

Once the Design Report has been reviewed and approved by the District, IEC will prepare plans, technical specifications, and a cost estimate (P,S,&E) for the pipeline work. The plans are expected to contain the following:

- Title sheet w/ General Notes, Legend, Abbreviations (2)
- Sewer plan and profile w/ Connections and Details (6)
- Traffic control plans (specific traffic control requirements to be determined during Phase I with City of Carlsbad, Encinitas, and Caltrans)

We anticipate making 60%, 90%, and 100% progress submittals followed by preparation of the final bid-ready set of documents. Plans, specifications, and contract documents will be prepared based on the District's standard title blocks, notes, and front end contract documents.

Task 6 – Project Management, Meetings, and Coordination

This task will include coordination and meetings with the District, City of Encinitas, City of Carlsbad, and Caltrans. For budget purposes, we are assuming six (6) meetings total will be required during the project to review and discuss status and issues. Additional coordination can be addressed via telephone conferences or emails.

SCHEDULE

We will begin immediately and anticipate completion of the work according to the following schedule milestones:

Field Design Survey – Week 4
Geotechnical Investigation – Week 4
Prepare Design Report – Week 6
Prepare Permit Applications – Week 8
Prepare P,S,&E – Week 16

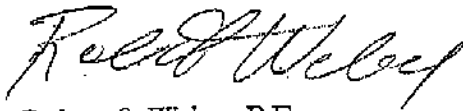
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FEE

The proposed level of effort and fee is indicated on the attached table. Please note this fee does not include preparation of traffic control plans at this time. It is difficult to estimate the level of effort for traffic control plan preparation until the final horizontal alignment is developed and ensuing discussions with the agencies occur.

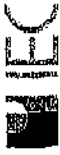
We sincerely appreciate the opportunity to provide this proposal and assist the District with this project. Please contact me at (858) 413-2400 should you have any questions or need further information.

Sincerely,



Robert S. Weber, P.E.
Senior Project Manager

cc: Sarita Lemons, P.E., IEC



ATTACHMENT A

Fee Proposal

Leucania Wastewater District

ENGINEERING SERVICES FOR 101 TRUNK SEWER AND BATIQUITOS GRAVITY SEWER

Subtask Number	Subtask Description Summary	Classification	Principal	Sr. Project Manager	Sr. Project Engineer	St. Designer	Engineer II	Engineer I/CADD Operator	Word Processor	Subtask Labor-Hours	Subtask Labor Cost	Reimburse- ment	Subcontract	Total Cost
		Rate	\$155.00	\$148.00	\$125.00	\$110.00	\$88.00	\$83.00	\$52.00					
TASK 1	Survey/ Base Mapping			2						2	\$250	\$0	\$15,750	\$16,000
TASK 2	Geotechnical Investigation			2						2	\$250	\$0	\$10,500	\$10,750
TASK 3	Prepare Design Report		1	4	24	8	100	40	4	181	\$16,955	\$200	\$2,625	\$19,780
TASK 4	Prepare P.S.&E (60%/90%/100%/Final) 4.1 General/Civil Plans (3 sheets) 4.2 Traffic Control Plans (allowance)		2	8	60	16	160	140	8	394	\$36,870	\$250	\$0	\$37,120
TASK 5	Project Management, Meetings, and Coordination			20	16				4	40	\$5,168	\$300	\$0	\$5,468
Task Subtotal - Hours			3	52	104	24	260	180	16	619				
Task Subtotal - Costs			\$465	\$4,736	\$13,000	\$2,640	\$22,880	\$14,940	\$832		\$59,493	\$650	\$28,875	\$89,018

TOTAL NOT TO EXCEED FEE:

\$89,018

MEMORANDUM

DATE: February 8, 2007
 TO: Board of Directors
 FROM: Paul J. Bushee, General Manager 
 SUBJECT: Satellite Pump Stations Force Main Replacement Project Preliminary Design Review

RECOMMENDATION:

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

1. Receive and file the Satellite Force Main Replacement Project Preliminary Design Review (PDR) completed by Infrastructure Engineering Corporation (IEC).
2. Authorize Staff to proceed with the recommendations contained in the PDR.
3. Discuss and take other action as appropriate.

DISCUSSION:

This item was reviewed by the Engineering Committee at its February 5, 2007 meeting and the committee concurred with staff to bring this recommendation forward to the Board of Directors for consideration.

In April 2006, the Board of Directors authorized staff to contract with Infrastructure Engineering Corporation (IEC) to conduct the preliminary design review for the Satellite Pump Stations Force Main Replacement Project. As you may recall, this project was included in the Fiscal Year 2006 budget because the 50 year expenditure plan estimated that the life expectancy for a pump station force main is 30 years. Six of the District's satellite pump stations; Avocado, Diana, Meadows Number 3, Encinitas Estates, Village Park Number 5 and Village Park Number 7; have associated force mains that have been in service for more than 30 years. The Meadows Number 1 Pump Station was not included in this project because it was identified for demolition and replacement with a gravity sewer line as a separate capital improvement project.

IEC has completed the review and documented their findings and recommendations in the Preliminary Design Review (PDR). Attached is an Executive Summary. A complete copy of the PDR is available for review upon request. A summary of the IEC recommendations regarding the force mains is as follows:

Pump Station	Force Main Length	Replace or Parallel Installation Method	Estimated Cost
Avocado	300 feet	Parallel - Jack & Bore	\$315,000
Dianna	2,350 feet	Parallel - Jack & Bore / Open Trench	\$749,000
Encinitas Estates	2,300 feet	Parallel - Open Trench	\$565,000
Village Park No. 5	2,000 feet	Parallel - Open Trench	\$440,000
Village Park No. 7	1,550 feet	Parallel - Open Trench	\$369,000
Meadows No. 3	2,550 feet	Replace - Install in Public Right of Way, Open Trench	\$500,000 ¹

¹ Not including cost of increasing pumping capacity due to increased length of force main.

¹ Not including cost of increasing pumping capacity due to increased length of force main.
 Total combined estimated cost for the force main replacements, including the Meadows No. 3 Pump Station force main without pump modifications, is \$2,038,000.

Due to the cost to install the replacement force main in the public right of way, requirement to increase the pumping capacity and the development occurring near the Meadows Number 3 Pump Station, IEC recommended that the District work with the City of Carlsbad to eliminate the pump station and install a gravity line to the new back bone sewer to be constructed to serve the new development. Staff will pursue this recommendation with the City of Carlsbad.

Since force main replacement would require considerable permitting and extensive underground construction, IEC was asked to simultaneously evaluate modifying the access to Dianna Pump Station and / or the possible replacement of Dianna and Avocado Pump Stations. Entry into the Dianna Pump Station has always been a safety concern and problematic because the pump station's access hatch is located in the street. Additionally, due to the age of both the Dianna (installed in 1961, rehab in 1998) and Avocado (installed in 1963, rehab 1998) Pump Stations, staff felt it may be efficient and cost effective to replace them with submersible pump stations concurrently with the force main replacement. Both pump stations are in ground Smith and Loveless package stations fabricated of steel.

IEC evaluated four alternatives regarding the Avocado and Dianna Pump Stations. The estimated costs below include Dianna and Avocado force main replacement costs.

Alternative	Description	Cost of Construction and Maintenance over 30 Years (Net Present Value)
1	Construct new access for Dianna Pump Station and rehabilitation of Dianna and Avocado Pump Stations.	\$4,819,846
2	Replacing only Dianna Pump Station with a submersible pump station and rehabilitation of Avocado Pump Station.	\$4,117,276
3	Replacing both Dianna and Avocado Pump Stations with submersible pump stations.	\$3,944,895
4	Replacing both Dianna and Avocado Pump Stations with a single submersible pump station located midway (Jupiter Street) between their current locations.	\$4,257,430

As a result of the cost comparison of the alternatives, accounting for construction costs and estimated maintenance costs over 30 years, it was determined that replacing both Dianna and Avocado Pump Stations with new submersible pump stations is the preferred alternative. The total estimated capital cost of this alternative is \$2,214,000 consisting of the following:

1. Avocado Pump Station replacement and parallel force main installation - \$925,000
2. Dianna Pump Station replacement and parallel force main installation - \$1,289,000

The total cost estimate to implement the projects recommended in the PDR is \$4,252,000.

The PDR satisfied all the requirements of the project's Scope of Work. Therefore, it is recommended that the review be received and filed and that staff be authorized to proceed with the recommendations contained therein, to include the replacement of Dianna and Avocado Pump Stations with new submersible pump stations.

Executive Summary

In June 2006, the Leucadia Wastewater District authorized Infrastructure Engineering Corporation (IEC) to conduct a preliminary design review of six (6) satellite pump station force mains for future replacement. The six force mains have been in service for over 30 years and are nearing the end of their expected useful life. The purpose of the design review was to evaluate potential alignments and make recommendations for the replacement of the existing force mains, assess the current condition and corrosion protection of three (3) existing pump stations, and determine project issues and constraints, as well as permitting and coordination requirements. The force mains and pump stations assessed in this design report are as follows:

Force Main Replacements	Length (feet)	General Alignment	Diameter
Avocado	275	Across Highway 101 (west to east)	6-inch
Diana*	2,300	Across Highway 101 (west to east) then north on Vulcan	10-inch
Meadows No. 3	1,187	Through easements, across El Fuerte, then up steep slope and through 10 ft easement between two homes on Cacatua St.	6-inch
Encinitas Estates	2,230	North on El Camino Real from Ave de las Adelsas to Crest Drive	6-inch
Village Park No. 5*	1,945	West on Encinitas Boulevard	6-inch
Village Park No. 7*	1,500	West on Mountain Vista Drive	6-inch

* A pump station condition assessment was performed for the Diana, Village Park No. 5, and Village Park No. 7 Pump Stations

Force Main Replacement Alignments

Alignments for the force main replacement projects were developed and evaluated based on several design, operational, and constructability considerations. The primary objective in developing the proposed alignments was to identify constructible and cost-effective solutions for the District to replace the existing force mains while maintaining service to the existing pump stations and minimizing community, environmental, and traffic impacts.

Keeping the existing pump stations in service during construction is necessary, which can be accomplished by either installing a new parallel pipeline while the existing force mains remain in service or by using temporary highlining pipe in order to replace the existing pipes in-place. Due to substantial costs and risks associated with temporary highlining pipe for raw sewage, a parallel pipeline is recommended where feasible. A new parallel pipe also gives the District the opportunity to use or replace the existing pipelines for system redundancy and reliability. Other issues considered in the development of the proposed alignments include impacts to the total dynamic head of the pumping systems, protection or relocations of existing utilities, easement or right-of-way issues, community and traffic impacts, permitting and coordination requirements, and estimated construction costs. The following is a summary of conclusions, recommendations, and costs:

Avocado Force Main:

- Install approximately 300 linear feet of new parallel pipe by boring and jacking a new 16-inch diameter steel casing with a 6-inch C900 PVC carrier pipe under Highway 101 and the North County Transit District (NCTD) railroad. The proposed alignment is illustrated in Figures A-1 and A-2 in Appendix A.
- Relocate approximately 60 linear feet of an existing 1-inch gas and an underground electric line in Avocado Street to avoid conflicts with the proposed bore and jack launching pit
- Provide a tee and plug valves at the connection to the pump station to allow redundant pipelines. Use existing emergency pumping connection to drain the existing pipe prior to connections
- Prepare a public notification package and send to all property owners within 300 feet of the project in compliance with the City of Encinitas Local Coastal Program
- Require contractor to prepare/implement traffic control plans per City of Encinitas requirements
- District to obtain coastal development permit through the City of Encinitas Local Coastal Program and also a License Agreement through NCTD for installing permanent facilities through NCTD right-of-way. Require contractor to obtain City of Encinitas Utility Construction Permit, dewatering discharge permit (if required) from the San Diego RWQCB, and a Railroad Right of Entry Permit from NCTD
- Construction cost estimate = \$315,000

Diana Force Main:

- Install a new parallel pipeline by boring and jacking a new casing and carrier pipe under Highway 101 and the North County Transit District (NCTD) railroad. An 18-inch diameter steel casing pipe with a new 10-inch C900 PVC carrier pipe is recommended to replace the existing 10-inch ACP force main. The total length of the proposed alignment is approximately 2,350 linear feet and is illustrated in Figures B-1 and B-2 in Appendix A
- Provide a tee and plug valves at the connection to the pump station to allow redundant pipelines. Use existing emergency pumping connection to drain the existing pipe prior to connections
- Prepare a public notification package and send to all property owners within 300 feet of the project in compliance with the City of Encinitas Local Coastal Program
- Require contractor to prepare/implement traffic control plans per City of Encinitas requirements
- District to obtain coastal development permit through the City of Encinitas Local Coastal Program and also a License Agreement through NCTD for installing permanent facilities through NCTD right-of-way. Require contractor to obtain City of Encinitas Utility Construction Permit, dewatering discharge permit (if required) from the San Diego RWQCB, and a Railroad Right of Entry Permit from NCTD
- Construction cost estimate = \$818,000 (include pump station improvements, see Chapter 6)

Village Park No. 5 Force Main:

- Install a new parallel 6-inch diameter C900 PVC pipeline, approximately 2,000 linear feet (by open trench construction), to replace the existing 6-inch PVC force main. The proposed alignment is illustrated in Figure C-1 in Appendix A. To minimize traffic impacts, install new pipe in the center of the No. 1 southbound lane adjacent to the center painted island to allow the No. 2 southbound lane to remain open during construction and to allow the contractor to use the center painted island as additional working area

- Provide a tee and plug valves at the connection to the pump station to allow redundant pipelines. Hot tap the existing force main to drain the pipe prior to connections
- Prepare a public notification package and send to all property owners within 300 feet of the project in compliance with the City of Encinitas Local Coastal Program
- Include traffic control plans in Contract Documents and coordinate with the City of Encinitas during the design phase to discuss traffic control and working areas along Encinitas Boulevard.
- District to obtain coastal development permit through the City of Encinitas Local Coastal Program and to coordinate with Encinitas to determine exact areas and timelines for trenching moratorium near Encinitas Boulevard (if any). Require contractor to obtain City of Encinitas Utility Construction Permit
- Construction cost estimate = \$440,000 (includes pump station improvements, see Chapter 6)

Village Park No. 7 Force Main:

- Install a new parallel 6-inch diameter C900 PVC pipeline, approximately 1,550 linear feet (by open trench construction), to replace the existing 6-inch ACP force main. The proposed alignment is illustrated in Figures D-1 and D-2 in Appendix A
- During final design phase and with accurate survey data, confirm impacts of new alignment to landscaping and trees along steep slope between the existing pump station and Mountain Vista Dr.
- Provide a tee and plug valves at the connection to the pump station to allow redundant pipelines. Hot tap the existing force main to drain the pipe prior to connections
- Require contractor to prepare/implement traffic control plans per City of Encinitas requirements
- District to coordinate with the City of Encinitas to determine exact areas and timelines for trenching moratorium near Encinitas Boulevard (if any). Require contractor to obtain City of Encinitas Utility Construction Permit
- Construction cost estimate = \$369,000 (includes pump station improvements, see Chapter 6)

Encinitas Estates Force Main:

- Install a new parallel 6-inch diameter C900 PVC pipeline, approximately 2,300 linear feet (by open trench construction), to replace the existing 6-inch ACP. The proposed alignment is illustrated in Figures E-1 and E-2 in Appendix A. To minimize traffic impacts, install new pipe in the center of the No. 1 northbound lane adjacent to the center painted island to allow the No. 2 northbound lane to remain open during construction and to allow the contractor to use the center painted island as additional working area
- Provide a tee and plug valves at the connection to the pump station to allow redundant pipelines. Hot tap the existing force main to drain the pipe prior to connections
- Prepare a public notification package and send to all property owners within 300 feet of the project in compliance with the City of Encinitas Local Coastal Program
- Include traffic control plans in Contract Documents and coordinate with the City of Encinitas during the design phase to discuss traffic control and working areas along El Camino Real
- District to obtain coastal development permit through the City of Encinitas Local Coastal Program. Require contractor to obtain City of Encinitas Utility Construction Permit
- Construction cost estimate = \$565,000

Meadows No. 3 Force Main:

- Installing a new parallel pipeline along the existing pipe would require additional easements and directional drilling through a steep slope and through several residents, which is estimated to cost \$1,300,000. Installing a new pipe in an alternate alignment through public streets (as shown in Figure F-1 in Appendix A) would more than double the force main length and add a significant amount of head loss to the pumping system. This option would require modifications to the pump station to accommodate the additional head.
- Due to the prohibitive costs and limitations with the force main replacement alternatives, it is recommended that the District continue discussions with the City of Carlsbad to eliminate the Meadows No. 3 Pump Station and redirect flows into the City of Carlsbad's gravity system

Pump Station Condition Assessment

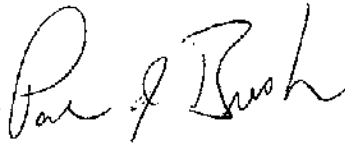
A site visit and condition assessment was conducted by Infrastructure Engineering Corporation and DeC Consultants, Inc., the corrosion engineering consultant, at three of the District's existing pump stations; Village Park No. 5, Village Park No. 7, and Diana Pump Stations. The intent was to assess existing conditions and provide general recommendations for equipment repairs, replacements, and corrosion protection improvements if necessary. Access issues at Diana Pump Station were also reviewed. A summary of findings and recommendations is provided below.

- Corrosion protection for all three pump stations: No detectable levels of cathodic protection were measured at any of the pump stations, and the shell, floor, and piping are electrically continuous with the grounding system. It is recommended that an impressed current cathodic protection system be installed at all three pump stations and that an electrical decoupler is placed in series with the electrical ground to isolate the pump cans from the electrical ground. Also, install insulating flange kits at the connections between the pump station piping and the force mains.
- Diana pump station access improvements: Construct a new concrete access vault with H20 rated access hatch to address accessibility issues, which will require various modifications to the existing steel structure, electrical conduits, instrumentation, and ventilation piping.
- Diana pump station floor corrosion: Provide alternate bid items in the Contract Documents to allow one of two options for repairing corrosion on the existing steel floor. The repair option will need to be determined once the contractor performs abrasive blasting and ultrasonic thickness testing to determine the extent of corrosion and remaining thickness of steel. If blasting reveals that the steel floor thickness is inadequate, a repair alternative would be to weld on a new section of steel plate and use a leveling compound to promote drainage to sump area. If the steel floor thickness is determined to be adequate after blasting, the repair alternative would be to recoat the existing steel floor. It is also recommended that spot repairs are performed to the interior coating at the pipe penetrations into the station.
- Village Park No. 5 pump station: Recoat several existing flanges with damaged coating to prevent further corrosion.
- Village Park No. 7 pump station: The protective coating on the pump intake pipeline, in the area of the pipe penetration, should be spot repaired to prevent further corrosion. Also, the bolts on the top flange of the existing check valves inside the pump station should be replaced, which can be accomplished while the pump station is temporarily out of service during the new force main connection work.

During development of this design report, we also considered Alternative Design Solutions as discussed in Chapter 7.0. Several of these potential solutions included replacement of the Avocado and Diana pump stations as alternatives to address the aforementioned issues. The advantages, disadvantages, costs, and benefits of these solutions are more fully discussed in Chapter 7.0. Should the District elect to consider the Alternative Design Solutions, we recommend the District implement Option 3 - Proposed Force Main Projects, Replacement of Diana and Avocado PS, and Pump Station Maintenance. This alternative has the lowest net present value of the four alternatives studied. A cost summary is provided in the below table. A full cost comparison is included in Chapter 7.0.

Project Name	Net Present Value (All Improvements)
<i>Option 1 - Proposed Force Main Projects (Avocado and Diana) and Existing Pump Station Maintenance (Avocado and Diana)</i>	
Total	\$4,819,846
<i>Option 2 - Proposed Force Main Projects (Avocado and Diana), Replacement of Diana PS, and Pump Station Maintenance (Avocado and Diana)</i>	
Total	\$4,117,276
<i>Option 3 - Proposed Force Main Projects (Avocado and Diana), Replacement of Diana and Avocado PS, and Pump Station Maintenance (Avocado and Diana)</i>	
Total	\$3,944,895
<i>Option 4 - Proposed Jupiter Street Pump Station and Gravity Mains</i>	
Total	\$4,257,430

MEMORANDUM

DATE: February 8, 2007
 TO: Board of Directors
 FROM: Paul J. Bushee, General Manager 
 SUBJECT: Annual Review of LWD Reserve Policy

RECOMMENDATION:

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

1. Receive and File Annual Review of LWD Reserve Policy Report.
2. Discuss and take other action, as appropriate.

DISCUSSION:

In February 2005, the Board of Directors (Board) adopted the Leucadia Wastewater District's (LWD) revised Reserve Policy. The Policy established two distinct reserves at LWD: 1) Restricted Reserves and 2) Unrestricted Reserves. The policy also established various designations within each type of reserve. The Policy calls for an annual review of the reserve balances. This report constitutes the subject annual review.

Last month, the Board received the Fiscal Year 2006 (FY06) Independent Financial Audit, which included the following reserve balances as of June 30, 2006:

Restricted Reserves:

Reserve Designation	Reserve Balance
Capital Improvement Reserve	\$7,828,235
Debt Service Reserve	652,884
Total	\$8,481,119

Unrestricted Reserves:

Reserve Designation	Reserve Balance
Operations Reserve	\$ 1,513,744
Debt Service Custodial Reserve	4,949,467
Replacement Reserve	23,607,737
Water Recycling Reserve	2,580,200
Emergency Reserve	7,500,000
Total	\$40,151,148

Staff will provide an overview of the FY 06 reserve activity during the Board meeting.

The Investment & Finance Committee (IFC) reviewed the Reserve Policy during a meeting on February 5, 2007. The IFC and staff are *not* recommending any changes to the existing policy. A copy of the Reserve Policy has been attached for your review.

PJB

Attachment



LEADERS IN
ENVIRONMENTAL
PROTECTION

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.

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 Long Range Wastewater Capital Plan and 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 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 27% 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 Long Range Wastewater Capital Plan and Long Range Financial Plan. These reserve funds are accumulated in an orderly manner and drawn down in a manner consistent with 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 Long Range Financial Plan.

c) Debt Service Custodian Reserve:

LWD has executed a custodian agreement with a 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
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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
Debt Service	Originally funded by bond proceeds	Debt service if District unable to pay	As per bond covenants

UNRESTRICTED DESIGNATED RESERVES

Operating

Operating	Operating income	Wastewater Operating expenses	Reserve balance maintained at 27% of budgeted operating expenses. Excess (deficit) funds transferred to/from Replacement Reserve
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Non-Operating

Replacement	Other non-operating income, Buy-in component 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 per Long Range Financial Plan
Debt Service Custodian	Originally funded by board action	Debt service of 1997A Phase IV bonds	Tied to 1997A Phase IV bond debt service, which will be paid off in 2014. Revocable
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 per Long Range Financial Plan

Emergency

Emergency	Originally funded by board action	Emergency repair or replacement expenditures	Reserve balance maintained at \$7,500,000 level
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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	Pros	Cons
Alternative 1: LWD maintain small ERF of \$1.0 million	<ol style="list-style-type: none"> 1) Reduces initial reliance on borrowing. 2) Would extend period of reduced rate increases. 	<ol style="list-style-type: none"> 1) Not enough reserve to respond to many reasonably possible emergency events. 2) Increased risk at point of ERF exhaustion that emergencies could not be responded to timely. 3) Reduced District liquidity and lesser financing qualifications. 4) Increased long term reliance on borrowing.
Alternative 2: LWD maintain a Moderate ERF of \$7.5 million	<ol style="list-style-type: none"> 1) Sufficient funds to adequately replace or repair two major District facilities on an emergency basis. 2) Sufficient funds to replace or repair about six or seven concurrent intermediate size facility problems at any given time. 3) Unlikely to deplete ERF in a time period that would not allow establishment of 	<ol style="list-style-type: none"> 1) Ties up \$7.5 million of funds that could be used to offset or defer rate increases. 2) May be considered as ability to pay discretionary fines in the potential event of a major wastewater spill. 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.

	<p>additional financing, if necessary.</p> <p>4) Provides opportunity for investment of modest amount of about 1.5 years worth of sewer service fee collections.</p> <p>5) Provides ability to fund one to two years of typical CIP schedule projects, while additional funding is being established.</p> <p>6) Increases liquidity of District that would be considered positively by financial markets when considering other financing issues.</p>	
<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

DATE: February 8, 2007
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Masthead Layout for LWD's Biannual Newsletter

RECOMMENDATION:

Staff requests that the Board of Directors:

1. Approve the proposed masthead layout for LWD's biannual newsletter; and,
2. Discuss and take other action as appropriate.

DISCUSSION:

This item was reviewed and discussed by the Community Affairs Committee (CAC) at its January 11, 2007 meeting and the Committee concurred with staff to bring this recommendation forward to the Board of Directors for consideration.

At its December 13, 2006 meeting, the Board of Directors selected "Downstream" as the title of LWD's biannual newsletter. Following selection, the Board directed staff to develop proposed masthead layouts for future newsletter editions.

Katz & Associates developed eleven (11) layouts for consideration by the CAC. The CAC reviewed the layouts and provided their suggestions and edits. KATZ made the edits and staff forwarded the changes to the CAC for their selection. The CAC selected its preferred masthead layout and it has been included in Attachment 1.

Staff requests that the Board of Directors approve the proposed masthead layouts and/or take other action as appropriate.

Copies of the other mastheads that were considered but not selected have been included in attachment 2.

cl:PJB

Attachment

ATTACHMENT 1
PREFERRED MASTHEAD LAYOUT

DOWNSTREAM

WINNER 2010
NEWSLETTER

WASTEWATER AND RECYCLED WATER SERVICE TO COMMUNITIES WITHIN ENCINITAS, LA COSTA, AND LEUCADIA

Inside This Issue

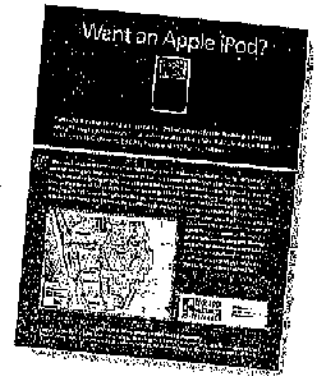
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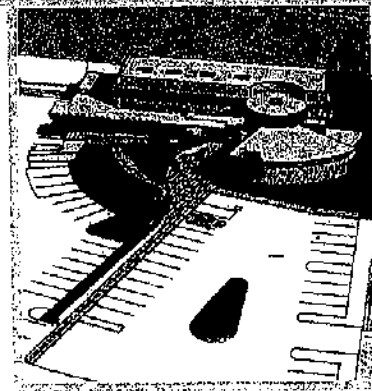
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(see *Site Improvement* on page 2) ►

ATTACHMENT 2
OTHER MASTHEAD LAYOUTS

DOWNSTREAM NEWSLETTER

WINTER 2007

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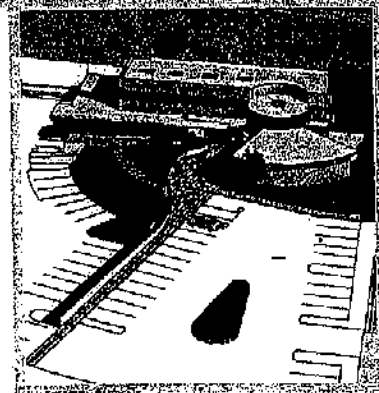
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DOWNSTREAM

WITH
LEUCADIA WASTEWATER DISTRICT

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WINTER 2006

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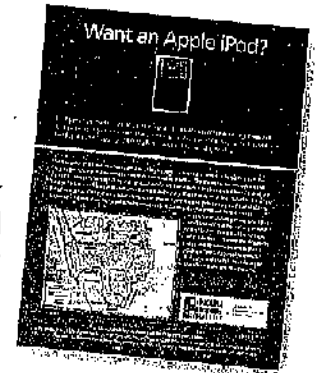
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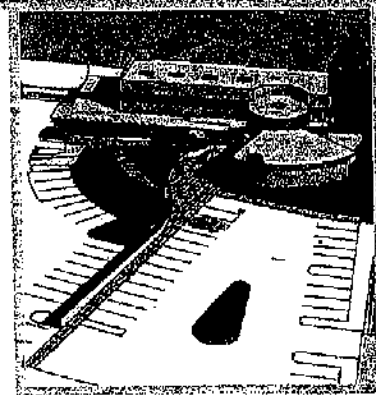
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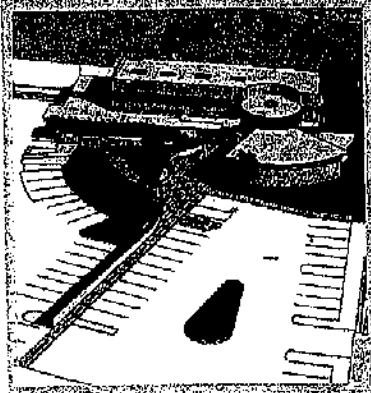
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(see *Site Improvement* on page 2) ►

DownStream

WINTER 2007

NEWSLETTER



LEADERS IN
ENVIRONMENTAL
PROTECTION

WASTEWATER AND RECYCLED WATER SERVICE TO COMMUNITIES WITHIN ENCINITAS, LA COSTA, AND LEUCADIA

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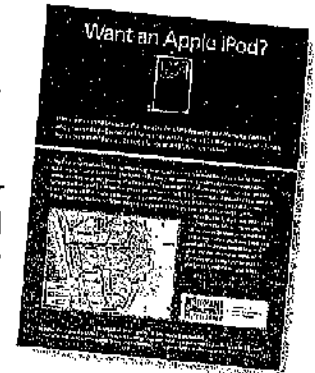
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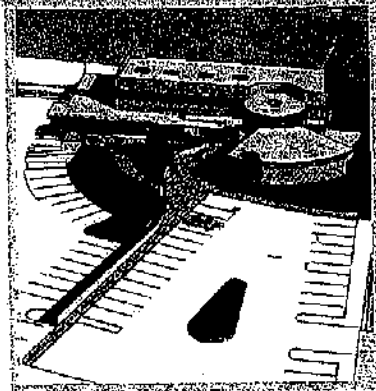
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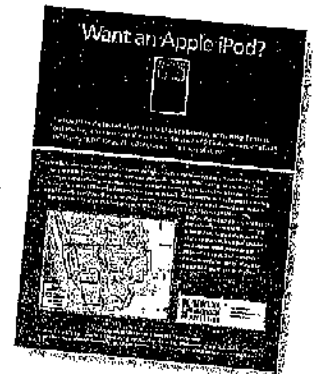
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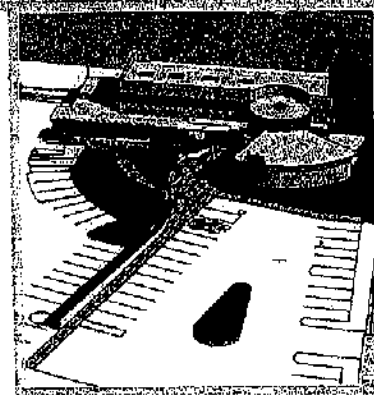
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DOWNSTREAM NEWSLETTER

WINTER 2007

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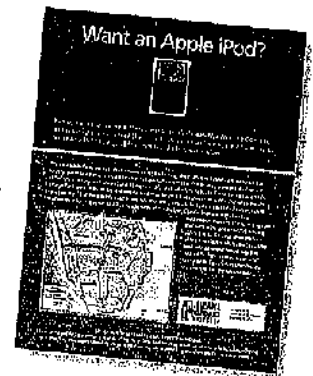
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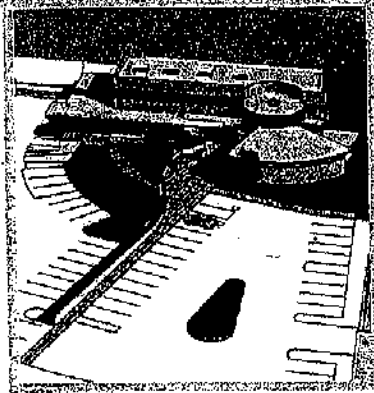
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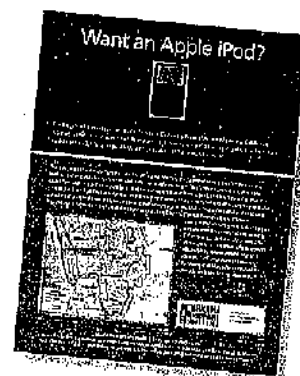


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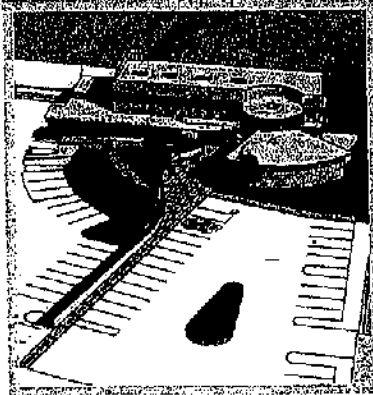
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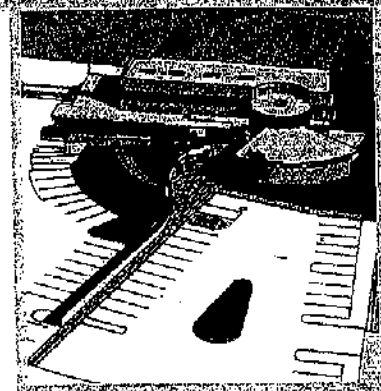
Forms have already been distributed to participating high schools. Entries must be postmarked, faxed, or sent electronically no later than Friday, Nov. 17, 2006. In addition to their title entry, students are required to provide a brief explanation of why they chose the title and how it ties into the District's mission and services.

For more information about the newsletter naming contest, call (858) 452-0031, ext. 364, or visit the District's website at www.lwwd.org.

Prevent Sewer Backups!

Homeowners, you own the pipe that connects your home to the main sewer line. Schedule a video pipe inspection with a reputable plumber every three to five years. This inspection will identify any tree roots or other obstructions in your pipeline that could contribute to a costly sewer backup in your home.

Only toilet paper down the toilet! Don't flush paper towels, dusting cloths, deer departed pets, baby wipes, floor-cleaning pads, and teddy bears down the toilet.



Design Work Continues for the Site Improvement Project

Leucadia Wastewater District recently completed the Design Development Phase of the Site Improvement Project, which means the facilities are approximately 30 percent designed. The project includes a new headquarters building, maintenance building, and vehicle storage facilities.

(see *Site Improvement* on page 2) ►

DOWNSTREAM

NEWSLETTER

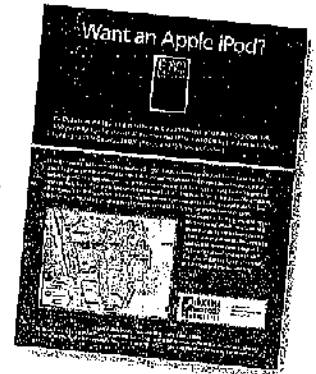
WASTEWATER AND RECYCLED WATER SERVICE TO COMMUNITIES WITHIN ENCINITAS, LA COSTA, AND LEUCADIA

Inside This Issue

- 1 - Site Improvement Project
- 2 - Scholarship Awards
- 3 - Inside Encina
- 3 - Finances Online
- 4 - Speakers Bureau
- 4 - Employee Spotlight

Newsletter Naming Contest for Local High School Students

Leucadia Wastewater District is turning to local high school students to create a title for its biannual newsletter. Students enrolled at North Coast High School, Sunset Continuation High School, La Costa Canyon High School, and San Dieguito Academy are encouraged to participate in the District's Newsletter Naming Contest. The winner will receive a 60 GB Apple iPod and be recognized at the Jan. 10, 2007, Leucadia Wastewater District Board meeting. The spring 2007 newsletter will be the first issue with the new title and it will also include a photo of the winner.



Students – look for this flyer at your high school!

Enter to Win an Apple iPod Today!



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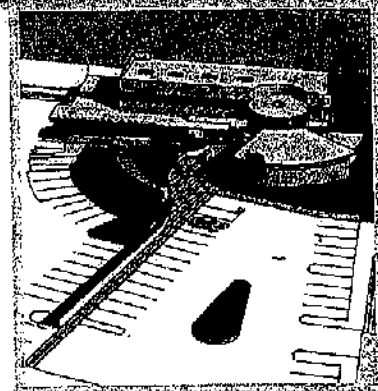
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DownStream



NEWSLETTER | SPRING 2007

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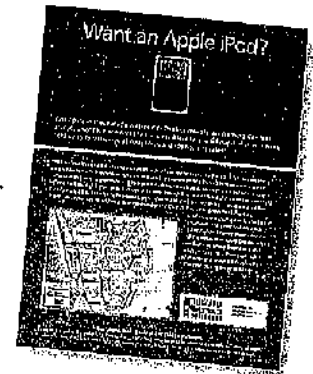
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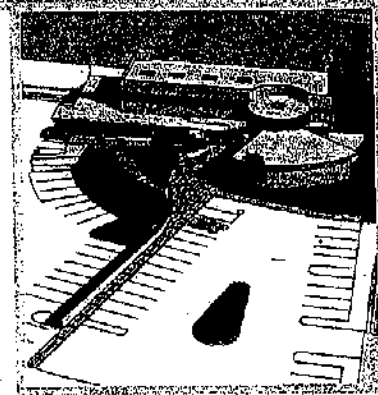
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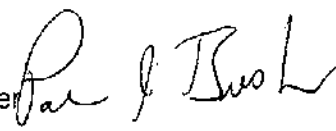


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MEMORANDUM

DATE: February 8, 2007
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: **CASA Washington DC Conference - Potential Change to March 2007 LWD Board Meeting Date**

RECOMMENDATION:

Staff requests that the Board of Directors:

1. Discuss and take action as appropriate

DISCUSSION:CASA Washington DC Conference

This year's California Association of Sanitation Agencies (CASA) Washington DC conference is scheduled for March 12 - 14, 2007. Last year LWD sent two representatives to this conference: the Board President and the General Manager. This item is placed before the Board to consider whether LWD should send representatives this year. Enclosed for your review is a brochure on the conference's preliminary program.

Potential Change to the March 2007 Board of Directors meeting date

It is important to note that the CASA Washington DC Workshop conflicts with the March 14, 2007 LWD Board meeting. Should the Board opt to send 2 representatives to the conference like last year, staff suggests that the Board consider re-scheduling its regular meeting to 5:00 pm on March 21, 2007.

PJB

Enclosure

CALIFORNIA SPECIAL DISTRICTS ASSOCIATION
San Diego Chapter

AGENDA

Thursday
February 15, 2007

DoubleTree Club Hotel
1515 Hotel Circle South
(619) 881-6900

6:00 p.m. - 9:00 p.m.

6:00 p.m. No-host Cocktails

7:00 p.m. Dinner / Welcome and Introductions

Program:

"Proposition 218: *What does the Supreme Court's decision in Bighorn-Desert View Water Agency v. Verjil really mean for California's special districts?"*

Speaker:

Mr. Daniel Hentschke
General Counsel, San Diego County Water Authority

9:00 p.m. Adjournment

Next meeting date: May 17, 2007



California
Water
Environment
Association

California Water Environment Association
79th Annual Conference

CYCLE INTO EXCELLENCE



BUILDING, DEVELOPING, GROWING THROUGH VOLUNTEERS, TRAINING, EDUCATION, CERTIFICATION & NETWORKING

APRIL 17-20, 2007
ONTARIO CONVENTION CENTER
ONTARIO, CALIFORNIA

Directors' Meetings

Presented by President Judy Hanson

Conference

California Association of Sanitation Agencies (CASA) 2007 Annual Conference

Dates and Location

January 17 - 20, 2007 at the Hyatt Grand Champions in Indian Wells, CA

List of Attendees

President Judy Hanson
Vice President Elaine Sullivan
Director Allan Juliussen
Director Dave Kulchin
Director Donald Omsted

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