

LEUCADIA WASTEWATER DISTRICT

Minutes of a Special Board Meeting

Wednesday, February 20, 2013

A special meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, February 20, 2013 at 9:00 a.m., at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

1. Call to Order

President Sullivan called the meeting to order at 9:05 a.m.

2. Roll Call

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

DIRECTORS ABSENT: None.

OTHERS PRESENT: General Manager (GM) Paul J. Bushee, District Counsel Wayne Brechtel, Administrative Services Manager Chuck LeMay, Technical Services Manager Robin Morishita, Executive Assistant Trisha Hill, Superintendent Jeff Stecker, Field Services Supervisor Marvin Gonzalez, CPA Richard Duffey, District Engineer Steve Deering, and Jeff Bills with Confidence Consulting.

3. Approval of Agenda

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

4. Public Comment

No public comment was received.

6. Strategic Planning Workshop

A. Opening Remarks and Introduction

President Sullivan welcomed everyone to the strategic planning session and indicated that this is the Board's sixth strategic planning meeting since 2005. She also emphasized how important these planning sessions are in order to enable the Board to continue to be one of best functioning Boards. She thanked the Board for their participation in today's meeting.

B. Overview of District Affairs

GM Bushee presented an overview of the District's key successes, the District's finances, and future trends in the industry. He provided updated information on actual revenue and expenditures versus projected revenues and expenses over a five year period.

He indicated that overall the District finances have been tracking well and staff is currently updating the Financial Plan. He indicated that based on the 2008 Financial Plan, the District seems to be on schedule, noting that there may not be a rate increase needed for FY 2014. He also presented an updated sewer service fee survey which indicated that the District's sewer fee of \$21.52/month is well below the county average of \$57/month.

GM Bushee presented a summary of the District's successes over the last few years and the reasons for those successes along with his view of upcoming future trends in the industry.

There was no action taken. He introduced Mr. Bills to discuss the results of the Board interviews.

C. Facilitation of Strategic Discussion – Board Member Interviews

Mr. Bills of Confidence Consulting discussed the results of his interviews with each Board member and listed the top six areas that are most important to them. The Board discussed the list and compared them to the Board's Strategic Initiatives.

Mr. Bills asked the Board members several questions relating to the strategic initiatives, which facilitated a discussion on whether these initiatives currently met the Board's mission and vision. The Board members briefly discussed their code of ethics and whether it still reflects the Board's views.

There was no action.

D. Facilitation of Strategic Discussion – Strategic Priorities

Mr. Bills briefly discussed the importance of reviewing and updating strategic priorities to meet future goals and to adjust to trends that may be occurring in the industry.

Mr. Bills facilitated an exercise for the Board members which involved prioritizing the seven strategic initiatives by using the elimination process. Following the exercise, it was determined that top four strategic initiatives were, finances, people, services and technology. Based on this exercise, Mr. Bills suggested that staff revise the initiatives and present them to the Board for discussion. He noted that a 60 day timeframe is reasonable.

GM Bushee agreed to do so.

The Board recessed for lunch.

E. Review of Best Practices

Mr. Bills provided an overview of some of the best practices of Boards, along with several warning signs that will undermine the Board if left unresolved.

He followed up with a summary of the strategic planning session, noting the following important key conclusions:

- Support innovative ideas;
- Take appropriate risks if necessary, but weigh the advantages versus disadvantages of risks;
- Make decisions that do not compromise trust, ethics or overlook integrity;

- Continue to make a high level of commitment to the Board duties;
- Perform a Board self-evaluation process on a regular basis.

Director Omsted suggested that a facilitator would be needed if the Board performs a Board self-evaluation because this is a sensitive topic. Mr. Bills agreed that having a facilitator would help the process.

President Sullivan thanked everyone for their participation and asked if there were any additional closing statements before adjourning the meeting.

GM Bushee stated the meeting went well, noting that he learned what issues were most important to each Board member. He also indicated that this session helped everyone have a better understanding of the strategic core values and the priority of each one.

ASM LeMay, TSM Morishita, CPA Duffey, District Counsel Brechtel each stated how well the meeting went. They each noted that they learned important lessons throughout today's strategic planning session.

7. Adjournment

President Sullivan adjourned the meeting at 2:15 p.m.


Elaine Sullivan, President
Paul J. Bushee
Secretary/General Manager (SEAL)