

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of a Regular Board Meeting  
 February 10, 2021

A regular meeting of the Board of Directors of the Leucadia Wastewater District was held Wednesday, February 10, 2021 at 5:00 p.m. via teleconference.

**1. Call to Order**

President Omsted called the meeting to order at 5:05 p.m.

**2. Roll Call**

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

DIRECTORS ABSENT:

OTHERS PRESENT: General Manager Paul Bushee, General Counsel Wayne Brechtel, Administrative Services Manager Richard Duffey, Technical Services Manager Robin Morishita, Field Services Superintendent Jeff Stecker, Executive Assistant Tianne Baity, Administrative Services Supervisor Trisha Hill, District Engineer Dexter Wilson, Field Services Supervisor Marvin Gonzalez, Field Services Specialist Ian Riffel, Field Services Technician III James Hoyett, Neal Bloom and Iris Grootenhuis of Rising Tide Partners, Barry Willis of San Diego LAFCO / Alpine Fire Protection District, and Chris Brown of Alchemy Consulting

**3. Pledge of Allegiance**

President Omsted led the pledge of allegiance.

**4. General Public Comment Period**

Mr. Barry Willis of San Diego LAFCO introduced himself stating that he is always available to discuss San Diego LAFCO issues and he left his contact information.

**5. Approval of Agenda**

Upon a motion duly made by Director Juliussen, seconded by Director Sullivan, and unanimously carried, the Board of Directors approved the agenda by the following vote:

Director	Vote
President Omsted	Yes
Vice President Hanson	Yes
Director Sullivan	Yes
Director Brown	Yes
Director Juliussen	Yes

**6. Presentations and Awards**

**A. 5 Year Service Award – Richard Duffey**

GM Bushee introduced Administrative Services Manager Richard Duffey, stating that he recently passed his 5<sup>th</sup> year anniversary at the District. He provided background information about Richard and noted that under LWD's incentive program Richard is eligible for a \$100 incentive award.

The Board congratulated Richard for his efforts.

**B. Adopt Resolution No. 2344 – In Appreciation of James Hoyett for His Outstanding Service and Commitment to Leucadia Wastewater District**

GM Bushee presented FST III James Hoyett with the Resolution of Appreciation, noting James' accomplishments throughout his career at the District.

The Board and staff congratulated James on his upcoming retirement and thanked him for his hard work and contributions to the District.

Upon a motion duly made by Vice President Hanson, seconded by Director Sullivan, and unanimously carried, the Board of Directors adopted Resolution No. 2344 - In Appreciation of James Hoyett for His Outstanding Service and Commitment to Leucadia Wastewater District by the following vote:

<b>Director</b>	<b>Vote</b>
<b>President Omsted</b>	Yes
<b>Vice President Hanson</b>	Yes
<b>Director Sullivan</b>	Yes
<b>Director Brown</b>	Yes
<b>Director Juliussen</b>	Yes

**CONSENT CALENDAR**

**7. Approval of Board and Committee Minutes**

Minutes of the following meetings:

- January 13, 2021 Regular Board Meeting
- February 1, 2021 Investment and Finance Committee Meeting
- February 2, 2021 Community Affairs Committee Meeting
- February 3, 2021 Engineering Committee Meeting

**8. Approval of Demands for January/February 2021**

Payroll Checks numbered 22493-22537; General Checking Checks numbered 55084-55172

**9. Operations Report** (A copy was included in the original February 10, 2021 Agenda)

**10. Finance Report** (A copy was included in the original February 10, 2021 Agenda)

**11. Quarterly Treasurer's Report**

This report discloses investments for the quarter ending December 31, 2020.

**12. Disclosure of Reimbursements**

This report discloses travel expense reimbursements for the month of January 2021.

Upon a motion duly made by Director Brown, seconded by Director Juliussen, and unanimously carried, the Board of Directors the Consent Calendar by the following vote:

Director	Vote
President Omsted	Yes
Vice President Hanson	Yes
Director Sullivan	Yes
Director Brown	Yes
Director Juliussen	Yes

## EWA and COMMITTEE REPORTS

### 13. Encina Wastewater Authority (EWA) Reports

A. A regular EWA Board Meeting was held on January 27, 2021.

Director Sullivan reported on EWA's January 27, 2021 Board Meeting.

B. An Encina Member Agency Manager's (MAM) Meeting was held on February 2, 2021.

GM Bushee reported on EWA's MAM February 2, 2021 meeting.

### 14. Committee Reports

A. An Ad Hoc Committee Meeting was held on January 14, 2021.

Director Sullivan reported that the Ad Hoc Committee reviewed the following Strategic Planning Facilitator Proposals.

- Barber & Gonzales Consulting Group;
- Sterling Insights;
- Regional Government Services; and
- Confidence Consulting

Director Sullivan stated the Ad Hoc Committee and staff discussed the four proposals in detail and reviewed the ratings for each firm. The Ad Hoc Committee is recommending Confidence Consulting as the Strategic Planning Facilitator. This item will be discussed later in the agenda.

B. Investment and Finance Committee (IFC) Meeting was held on February 1, 2021.

Vice President Hanson stated the Investment and Finance Committee (IFC) reviewed the following recommendation:

- Authorize the General Manager to execute a one-year contract amendment (contract amendment No. 2) with Davis Farr LLP for Financial Auditing Services for Fiscal Year 2021 (FY21) in an amount not to exceed \$23,500

The IFC concurred with staff to present this recommendation to the Board of Directors and it will be discussed later in the agenda.

Vice President Hanson also stated that staff presented the Annual Review of LWD's Reserve Fund Policy and is not recommending any changes. She noted that the IFC concurred with staff to recommend that the Board of Directors to receive and file the annual review of the reserve policy and this item will be discussed later in the agenda.

C. Community Affairs Committee (CAC) Meeting was held on February 2, 2021.

Director Brown reported that the CAC reviewed the following recommendation:

- Authorize the General Manager to execute a Professional Services Agreement with Rising Tide Partners (RTP) for Public Information Services in an amount not to exceed \$49,764.00

The CAC concurred with staff to present this recommendation to the Board of Directors and it will be discussed later in the agenda.

The CAC also received updates on the following: Website Update; LWD Virtual Tour Video; and Teacher Grant School Giveaways.

These items were for information purposes and no action was taken. Director Brown noted that the LWD Virtual Tour Video will be discussed later in the agenda.

GM Bushee stated that the updated website did not go live today but should go live in the next day or two.

Vice President Hanson stated she viewed the LWD Virtual Tour Video and it is excellent.

D. Engineering Committee (EC) Meeting was held on February 3, 2021.

President Omsted reported that EC reviewed the following recommendations:

- Authorize the General Manager to execute an Agreement with Nu Line Technologies, LLC for construction services to complete the Fiscal Year 2021 Cured-in-Place Pipe Lining Project in an amount not to exceed \$342,806; and
- Award of Purchase Contract to Procure an Easement Machine and Authorize Transfer of Capital Funds

Recommendation 1: Authorize the General Manager to execute a Purchase Agreement with Plumber's Depot for the purchase of a new Easement Machine with a trailer in an amount not to exceed \$53,034.55.

Recommendation 2: Authorize a transfer of \$54,000 in capital funds from the Capital Program Orchard Wood Road Sewer Rehabilitation account, 50-51-0365-6499, to the Capital Acquisitions Sewer Maintenance Equipment account, 50-99-0000-6350.

The EC concurred with staff to present these recommendations to the Board of Directors and they will be discussed later in the agenda.

The EC also received updates on the following projects: Development Projects Summary; Leucadia Pump Station Rehabilitation Project Update; and FY20 Gravity Sewer Repair / Quebrada Realignment Project Update.

These items were for information purposes and there was no action taken. The Leucadia Pump Station Rehabilitation Project Update will be discussed later in the agenda

## ACTION ITEMS

### 15. **Contract Amendment No. 3 to Rising Tide Partners for Public Information Services**

Authorize the General Manager to execute a one-year contract Amendment with Rising Tide Partners (RTP) for the Public Information Services Agreement in an amount not to exceed \$49,764.

ASsup Hill introduced the item and provided background information. She stated that RTP has been working with LWD for 5 years and their contract is up for renewal. ASsup Hill stated that staff has negotiated a new one-year professional services agreement with a scope of work and fees. She then reviewed the specific tasks included in the agreement.

Director Sullivan asked if public information contracts are normally one-year at a time. ASsup Hill stated they are not normally one year. GM Bushee clarified that RTP's original contract was three years with the option for a two-year extension. He stated that through the years LWD has used various public information consultants and staff has been extremely pleased with RTP.

Director Sullivan stated that she is very happy with RTP's work, original ideas, and newsletter writing. President Omsted concurred with Director Sullivan and he said RTP is the best public outreach firm LWD has worked with since he has been on the Board. Vice President Hanson agreed with President Omsted.

Following discussion, upon a motion duly made by Director Juliussen, seconded by Director Brown, and unanimously carried, the Board of Directors authorized the General Manager to execute a one-year contract Amendment with Rising Tide Partners (RTP) for the Public Information Services Agreement in an amount not to exceed \$49,764 by the following vote:

Director	Vote
President Omsted	Yes
Vice President Hanson	Yes
Director Sullivan	Yes
Director Brown	Yes
Director Juliussen	Yes

### 16. **Fiscal Year 2021 Cured-in-Place Pipe Lining Project**

Authorize the General Manager to execute an Agreement with Nu Line Technologies, LLC for construction services to complete the Fiscal Year 2021 Cured-in-Place Pipe Lining Project in an amount not to exceed \$342,806.

FSSpec Riffel presented the item noting it is a Fiscal Year 2021 Tactical Goal. He provided background information noting the goal of the project is to repair and/or replace pipeline segments and manholes that have been determined to be of a defect "Rating 3."

FSSpec Riffel stated that IEC completed the design for the project in November 2020 with an

estimated cost of \$540,000. The District subsequently published a Notice Inviting Bids with bids due January 12, 2021. He stated that the District received one bid from Nu Line Technologies, LLC (Nu Line), in amount of \$342,806, which is nearly \$200,000 under the Engineer's estimate. FSSpec Riffel noted that the project consists of lining many easements which may have contributed to the lack of bids. He said that Nu Line has worked on three other projects for the District and IEC and staff recommend the project be awarded to Nu Line Technologies, LLC as the lowest responsive and responsible bidder.

Director Brown asked why no other cured-in-place contractors submitted bids. FSSpec Riffel stated he followed up with Insituform and Sancon and both contractors said it was a combination of the difficult easement work and being too busy right now.

TSM Morishita stated that Nu Line is based in Encinitas and since they have worked with LWD in the past, they are very familiar with LWD's easements and are able to submit a more aggressive bid.

Director Juliussen stated that the EC reviewed this recommendation and based on Nu Line's experience agreed to forward the recommendation to the Board.

Following discussion, upon a motion duly made by Director Juliussen, seconded by Vice President Hanson, and unanimously carried, the Board of Directors authorized the General Manager to execute an agreement with Nu Line Technologies, LLC for construction services to complete the Fiscal Year 2021 Cured-in-Place Pipe Lining Project in an amount not to exceed \$342,806 by the following vote:

Director	Vote
President Omsted	Yes
Vice President Hanson	Yes
Director Sullivan	Yes
Director Brown	Yes
Director Juliussen	Yes

**17. Award of Purchase Contract to Procure an Easement Machine and Authorize Transfer of Capital Funds**

Recommendation 1: Authorize the General Manager to execute a Purchase Agreement with Plumber's Depot for the purchase of a new Easement Machine with a trailer in an amount not to exceed \$53,034.55.

Recommendation 2: Authorize a transfer of \$54,000 in capital funds from the Capital Program Orchard Wood Road Sewer Rehabilitation account, 50-51-0365-6499, to the Capital Acquisitions Sewer Maintenance Equipment account, 50-99-0000-6350.

FSSup Gonzalez presented the item reminding the Board that the Orchard Wood Road Pipeline Replacement Project had been canceled due to the estimated high construction cost and that the Easement Machine would facilitate maintenance of this pipeline.

FSSup Gonzalez stated that access to properly hydro-clean the pipelines by Vactor Combination truck in the Orchard Wood easement area is very difficult. He stated an Easement Machine would make line cleaning more efficient.

FSSup Gonzalez continued that staff requested quotes for an Easement Machine from four vendors and five were received. Plumbers Depot returned the lowest quote at \$53,034.55. He also stated that within the request for quotes, staff specified an Easement Machine that operates with wheels, rather than tracks, to prevent damage to the Omni La Costa Resort turf areas.

FSSup Gonzalez noted that the procurement of the Easement Machine was not included in the FY21 budget. He stated that staff is requesting the Board's approval to transfer \$54,000 from the cancelled Orchard Wood Road Pipeline Rehabilitation Project account (\$436K budgeted), to the Capital Acquisitions Sewer Maintenance Equipment account to fund the procurement.

Director Brown asked if the Easement Machine was retrofitted with wheels or if it comes with wheels. FSSup Gonzalez stated it comes with wheels.

Director Juliussen stated that the EC reviewed this recommendation and the Easement Machine is environmentally friendly.

Upon a motion duly made by Director Juliussen, seconded by Director Sullivan, and unanimously carried, the Board of Directors approved Recommendations 1 and 2 by the following vote:

Director	Vote
President Omsted	Yes
Vice President Hanson	Yes
Director Sullivan	Yes
Director Brown	Yes
Director Juliussen	Yes

**18. Contract Amendment No. 2 to Davis Farr LLP for Financial Auditing Services**

Authorize the General Manager to execute a one-year contract amendment (contract amendment No 2) with Davis Farr LLP for Financial Auditing Services for Fiscal Year 2021 (FY21) in an amount not to exceed \$23,500.

ASM Duffey presented the recommendation stating that the Board of Directors authorized an initial three-year contract with Davis Farr LLP for financial auditing services for Fiscal Years ending 2016 through 2018, with the option to extend for two additional years. He stated that a two-year extension (contract amendment No.1) was subsequently approved and it ended in FY 2020.

ASM Duffey noted that he will be retiring in July 2021 and staff believes it is in the District's best interest to maintain continuity with our current auditing firm during this time.

Following discussion, upon a motion duly made by Director Brown, seconded by Vice President Hanson, and unanimously carried, the Board of Directors authorized the General Manager to execute a one-year contract amendment (contract amendment No 2) with Davis Farr LLP for Financial Auditing Services for Fiscal Year 2021 (FY21) in an amount not to exceed \$23,500 by the following vote:

Director	Vote
President Omsted	Yes
Vice President Hanson	Yes
Director Sullivan	Yes
Director Brown	Yes
Director Juliussen	Yes

**19. Annual Review of LWD Reserve Fund Policy**

Receive and file the Annual Reserve Policy Review Report.

ASM Duffey presented the recommendation indicating the purpose of the policy and that it was last revised in February 2020. He noted that the policy calls for annual review by the Board of Directors. ASM Duffey noted that staff has reviewed the Reserve Policy and is not recommending changes. ASM Duffey also provided an overview of the FY 2020 reserve balances.

Following discussion, upon a motion duly made by Vice President Hanson, seconded by Director

Juliussen, and unanimously carried, the Board of Directors received and filed the Reserve Fund Policy Review Report by the following vote:

Director	Vote
President Omsted	Yes
Vice President Hanson	Yes
Director Sullivan	Yes
Director Brown	Yes
Director Juliussen	Yes

## 20. Strategic Planning Facilitator

Authorize the General Manager to execute an agreement with Confidence Consulting to provide strategic planning services in an amount not to exceed \$10,200.

GM Bushee provided background information on the item noting that at the November 2020 Board meeting, the Board appointed an Ad Hoc Committee (Committee) consisting of President Omsted and Director Sullivan to work with staff to procure a strategic planning facilitator. The Committee subsequently met on December 3, 2020 and January 14, 2021.

GM Bushee stated that on December 3<sup>rd</sup> the Committee reviewed the draft request for proposals (RFP) and a potential mailing list of six strategic planning consultants. The Committee decided to shortlist the firms and distribute the RFP to the following: Barber & Gonzales Consulting Group; The Tamayo Group; Regional Government Services; and Confidence Consulting.

GM Bushee stated that during the RFP response period, the Tamayo Group, Inc, indicated that they would be unable to respond and subsequently referred the RFP to a firm named Sterling Insights. Four firms submitted proposals by the January 7<sup>th</sup> deadline and they included the following: Barber & Gonzales Consulting Group; Sterling Insights; Regional Government Services; and Confidence Consulting.

GM Bushee said that on January 14<sup>th</sup> the Committee met to review and discuss the proposals. He noted that the Committee and staff discussed the four proposals in detail and reviewed the ratings for each firm. The Committee and staff felt that Confidence Consulting's approach to the strategic planning effort was superior. GM Bushee then provided background information on Confidence Consulting, which is led by Mr. Jeff Bills.

As a result, the Committee is recommending that Confidence Consulting serve as the Strategic Planning Facilitator to the Board of Directors. He noted that due to the strength of Confidence Consulting's proposal, the Committee opted to forego the interview process and proceed with a recommended agreement.

Director Juliussen stated that he hoped the Committee would have selected a new firm as the strategic planning facilitator. He stated he hoped the Board could find someone they all agree on. Vice President Hanson agreed. Director Sullivan noted that Confidence Consulting's approach was new and innovative when compared to the other proposals.

Director Brown stated he would like to hear more from the Ad Hoc Committee on why they are recommending Confidence Consulting. Director Sullivan responded and stated reasons why she felt Confidence Consulting's proposal was a standout compared to the others. President Omsted added that Confidence Consulting was not his top choice. However, after reviewing the proposals and



discussing them with staff and the Committee, President Omsted said he changed his mind. President Omsted noted that Confidence Consulting has done an excellent job with staff.

Following a lengthy discussion, GM Bushee noted that the Ad Hoc Committee is recommending that the Board execute an agreement with Confidence Consulting to provide strategic planning services. Director Sullivan made a motion to approve the recommendation. There was no second.

The Board further discussed the next steps forward in the process. Director Brown suggested that this item be brought back to the Board at its March meeting. GC Brechtel stated that the most productive decision would be to have the Board review all the proposals and consider this issue at the March Board meeting. GM Bushee agreed to send all proposals to the Board for their review.

Upon a motion duly made Director Brown, seconded by President Omsted, and carried, the Board of Directors decided to review the four submitted Strategic Planning Facilitator Proposals and to bring this item back to the March Board meeting for further discussion by the following vote:

Director	Vote
President Omsted	Yes
Vice President Hanson	Yes
Director Sullivan	Yes
Director Brown	Yes
Director Juliussen	No

## 21. Call for Nominations to the CSDA Board of Directors Seat A

EA Baity presented the item stating that CSDA is seeking nominations for its Board of Directors for Seat A. She stated the deadline for receipt of all nominations is March 29, 2021. She noted that the incumbent, Jo MacKenzie, is running for re-election and staff has no recommendation on this matter.

Director Brown asked how long is the term. EA Baity answered it is for three years.

Following discussion, the Board chose not to submit a nomination.

## INFORMATION ITEMS

### 22. Project Status Updates and Other Informational Reports

#### A. Leucadia Pump Station Rehabilitation Project Update

TSM Morishita presented an update to the Leucadia Pump Station Rehabilitation Project noting that President Omsted had asked at the February 3<sup>rd</sup> EC meeting that this be presented to the full board at the February Board meeting.

TSM Morishita reviewed the project location and stated that the odor control facility side stream piping portion of the project is still taking place. He presented images that showed the construction of the brick wall that will be surrounding the odor control facility.

TSM Morishita then showed images of the modification inside the emergency basin. TSM Morishita also reviewed the bypass plan and how it was tested.

Director Brown asked if the last picture is the temporary pump that will be moved. TSM Morishita answered affirmatively.

President Omsted asked if the flow at the pump station increased during the Super Bowl halftime. TSM Morishita stated he hadn't reviewed the flow reports for Sunday but there were no issues reported that day.

**B. LWD Virtual Tour Video**

ASsup Hill provided background information on the LWD Virtual Tour Video created by Rising Tide Partners (RTP). President Omsted suggested that the video link be sent to the Board since the majority of the Board had already seen the video. GM Bushee stated link video would be emailed to the Board so they could view it if they hadn't already.

**23. Directors' Meetings and Conference Reports**

**A. The 2021 CASA Winter Virtual Conference was held January 27-28, 2021 via video conference.**

Vice President Hanson stated it was a good conference. She said she enjoyed the roundtables, especially the one on climate change. She noted Encina won an award.

Director Sullivan stated she also enjoyed the roundtables and she noted that some presentations are better on Zoom since they can bring in presenters who may be located too far away to physically attend a conference. She stated the roundtable on wastewater testing for COVID was fascinating.

President Omsted stated he really enjoyed the roundtable on co-digestion in Denmark.

**24. General Manager's Report**

None.

**25. General Counsel's Report**

GC Brechtel reported on the following items:

- EDU's - City of Ojai versus the CA Department of Housing; and
- Assembly Bill 377 – Water Quality

**26. Board of Directors' Comments**

Director Juliussen thanked staff for doing a great job.


**27. Closed Session**

Conference with Legal Counsel to discuss exposure to litigation pursuant to California Government Code Sec. 54956.9(d)(2) – City of Carlsbad Cease and Desist Notice.

The Board of Directors met in Closed Session. There was no reportable action.

**28. Adjournment**

President Omsted adjourned the meeting at approximately 7:06 p.m.



Paul J. Bushee  
Secretary/General Manager  
(SEAL)

  
Donald F. Omsted, President