



**BOARD OF DIRECTORS
REGULAR MEETING
And
PUBLIC HEARING ON A PROPOSAL TO CONSIDER ADOPTING AN UPDATE TO THE
LEUCADIA WASTEWATER DISTRICT CAPACITY FEE SCHEDULE**

Pursuant to the State of California Executive Order N-29-20, and in the interest of public health, the District is temporarily taking actions to mitigate the COVID-19 pandemic by holding Board Meetings by teleconference or videoconference. The general public may not attend this meeting at the District's office due to social distancing requirements.

To join this meeting via Zoom Teleconference please dial: 1 (669) 900-6833
Meeting ID: 860 7401 7177 **Passcode:** 002465

Public Participation/Comment: Members of the public can participate in the meeting by emailing comments to the Executive Assistant at tbaity@lwwd.org by 4:00 p.m. the day of the meeting. The subject line of your email should clearly state the item number you are commenting on. If you desire to have your comment read into the record during the meeting, please note that in the email subject line. All comments will be emailed to the Board of Directors prior to the start of the meeting. Finally, comments may be mailed to the District, but to be considered, must be received on or before the meeting date. Written comments should be mailed to: Leucadia Wastewater District, c/o Executive Assistant, 1960 La Costa Avenue, Carlsbad, CA 92009.

DATE: Wednesday, July 14, 2021
TIME: 5:00 p.m.
PLACE: VIA VIDEOCONFERENCE ONLY

AGENDA

Items on the agenda may be taken out of sequential order as their priority is determined by the Board of Directors. 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 vote of the Board.

Any writings or documents provided to a majority of the members of Leucadia Wastewater District regarding any item on this Agenda will be made available for public inspection in the Administration Office located at 1960 La Costa Avenue, Carlsbad, CA 92009 during normal business hours. In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the Executive Assistant at (760) 753-0155. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.

1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. General Public Comment Period

5. **Approval of Agenda**
6. **Presentation and Awards**
None.

CONSENT CALENDAR

Items 7-11 will be enacted in one motion in accordance with the recommendation unless removed from the Consent Calendar by the Board of Directors, Staff or Public. If a member of the public wishes to remove an item, they should submit a "Request to Address the LWD Board of Directors" form to the Board Secretary prior to the meeting. Items removed from the Consent Calendar will be considered in the original agenda order immediately following adoption of the Consent Calendar.

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

Minutes of the following meetings:

- June 9, 2021 Regular Board Meeting (Pages 6-15)
- June 15, 2021 Investment and Finance Committee Meeting (Page 16)
- July 7, 2021 Investment and Finance Committee Meeting (Pages 17-18)
- July 7, 2021 Engineering Committee Meeting (Page 19-21)

8. **Approval of Demands for June/July 2021**

This item provides for Board of Directors approval of all demands paid from LWD during the month of June and a portion of July 2021. (Pages 22-30)

9. **Operations Report**

This report discloses the year-to-date and monthly flow, rainfall, EDU's and reclaimed water averages; along with MGD flow comparisons from FY21 to FY22, flows by sub-basin, and staff training. (Pages 31-37)

10. **Finance Report**

This report discloses up-to-date schedule of assets, liabilities, net assets and compares fiscal year-to-date expenditures to the FY22 budget and discloses monthly investments. (Pages 38-45)

11. **Disclosure of Reimbursements**

This report discloses travel expense reimbursements for the month of June 2021. (Pages 46-47)

EWA REPORTS

12. **Encina Wastewater Authority Reports**

- A. A regular EWA Board Meeting was held on June 23, 2021 via video conference – report by Vice President Hanson. (Page 48)
- B. An Encina Member Agency Manager's (MAM) Meeting was held on July 6, 2021 – report by GM Bushee. (Verbal)

COMMITTEE REPORTS

13. Committee Reports

- A. Investment and Finance Committee meeting was held on June 15, 2021 via videoconference – report by Vice President Hanson. (Page 49)
- B. Investment and Finance Committee meeting was held on July 7, 2021 via videoconference – report by Vice President Hanson. (Page 50)
- C. Engineering Committee meeting was held on July 7, 2021 via videoconference – report by Director Brown. (Page 51)

PUBLIC HEARING

- 14. A proposal to Consider Adopting an Update to the Leucadia Wastewater District Capacity Fee Ordinance. (Page 52)

ACTION ITEMS

15. Update to the Leucadia Wastewater District's Capacity Fee Ordinance

Adopt Ordinance No. 143 - An Ordinance of the Board of Directors of the Leucadia Wastewater District (District) Establishing the District's Capacity Fee and Amending the EDU Factors Capacity Fee Schedule. (Pages 53-60)

16. Update of LWD's Investment Policy

Redelegate authority to manage LWD's investment program to the General Manager effective September 1, 2021 through August 31, 2022, adopt Resolution No. 2351 amending LWD's Investment Policy. (Pages 61-76)

17. Receive and file the Fiscal Year 2021 (FY21) Tactics and Action Plan Report (Pages 77-81)

18. Adopt the FY22 Tactics and Action Plan (Pages 82-86)

19. Return to In-Person Board Meetings (Page 87)

20. Board of Directors Committee Assignments

Receive and File Committee Assignments. (Pages 88-90)

INFORMATION ITEMS

21. Project Status Updates and Other Informational Reports None.

22. Directors' Meetings and Conference Reports

CWEA Annual Virtual Conference was held June 7-10, 2021. (Page 91)

23. General Manager's Report

24. General Counsel's Report

25. Board of Directors' Comments

26. Closed Session

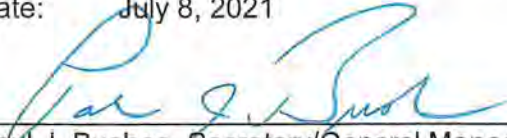
Personnel matters as authorized by Government Code §54957 to review General Manager Performance. (Confidential Enclosure)

27. Adjournment

AFFIDAVIT 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 and on the District website www.lwwd.org at least 72 hours prior to the meeting, in accordance with Govt. Code Section 54954.2(a).

Date: July 8, 2021



Paul J. Bushee, Secretary/General Manager

LEUCADIA WASTEWATER DISTRICT

Minutes of a Regular Board Meeting
June 9, 2021

A regular meeting of the Board of Directors of the Leucadia Wastewater District was held Wednesday, June 9, 2021 at 5:00 p.m. via teleconference.

1. Call to Order

President Omsted called the meeting to order at 5:01 p.m.

2. Roll Call

DIRECTORS PRESENT: Omsted, Hanson, Sullivan, and Brown

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, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, Field Services Technician Mauricio Avalos, District Engineer Dexter Wilson, Chris Roesink a District Resident, Steve Jepsen a District Resident, Volker Hoehne a District Resident, and Michelle a member of the public

3. Pledge of Allegiance

President Omsted led the pledge of allegiance.

4. General Public Comment Period

None.

5. Approval of Agenda

Upon a motion duly made by Director Sullivan, seconded by Vice President Hanson, 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

6. Presentations and Awards

A. 10 Year Service Award – Mauricio Avalos.

GM Bushee introduced Field Services Technician III Mauricio Avalos, stating that he recently passed his 10th year anniversary at the District. He provided background information about Mauricio and noted that under LWD's incentive program Mauricio is eligible for a \$200 incentive award.

The Board congratulated Mauricio for his efforts.

B. Adopt Resolution No. 2350 – In Appreciation of Allan H. Juliussen For His Outstanding Service and Commitment to the Leucadia Wastewater District.

GM Bushee stated that Director Allan H. Juliussen passed away on May 3, 2021 after 28 years of service to the Leucadia Wastewater District (LWD). He stated that over Allan's tenure, LWD accomplished numerous achievements that were due, in large part, to Allan's dedication and commitment to the District.

Upon a motion duly made by Director Sullivan, seconded by Vice President Hanson, and unanimously carried, the Board of Directors adopted Resolution No. 2350 - In Appreciation of Allan H. Juliussen for His Outstanding Service and Commitment to Leucadia Wastewater District by the following vote:

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

Director Sullivan stated she would like to see an article on Director Juliussen in the next newsletter. GM Bushee stated that the next newsletter would include an article on Director Juliussen.

Director Brown stated it was a pleasure to have worked with Director Juliussen.

7. A proposal to consider increasing the District's Wastewater Service Charge for Fiscal Year 2022 – Fiscal Year 2024 at the proposed rates:

Date	Annual Rate	Monthly Rate
July 1, 2021	\$378.04	\$31.50
July 1, 2022	\$415.84	\$34.65
July 1, 2023	\$457.42	\$38.12

President Omsted opened the public hearing for comments.

GM Bushee introduced the item and presented an overview of the rate increase. Following the presentation, public comments were received from the following residents regarding the proposed increase:

- Steve Jepsen - commented in favor of the rate increase
- Volker Hoehne - commented in opposition of the rate increase

President Omsted closed the public hearing.

8. Wastewater Service Change Adjustment

Adopt Ordinance No. 142 adjusting the District's Wastewater Service Charge for Fiscal Year 2022 – Fiscal Year 2024.

ASM Duffey presented the recommendation. ASM Duffey stated that prior to this item the Board of Directors conducted a public hearing regarding the adjustment of LWD's wastewater service charge.

GC Brechtel noted that protests to the rate increase have been considered by the Board and the protests do not constitute more than half of the property owners impacted by the rate increase. He stated that the Board is legally allowed to approve the rate increase if they so desire. GM Bushee added that a total of 9 protest letters were received and 8 were forwarded to the Board. GM Bushee noted that the 9th letter was received late today.

Director Brown stated that after four years with no sewer rate increases along with the increasing costs of materials and added costs to support new environmental regulations, he was in favor of the rate increase.

Upon a motion duly made by Director Sullivan, seconded by Director Brown, and unanimously carried, the Board of Directors adopted Ordinance No. 142 adjusting the District's Wastewater Service Charge for Fiscal Year 2022 – Fiscal Year 2024 by the following vote:

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

CONSENT CALENDAR

9. Approval of Board and Committee Minutes

Minutes of the following meetings:

- May 10, 2021 Special Board Meeting
- May 11, 2021 Regular Board Meeting
- June 2, 2021 Engineering Committee Meeting

10. Approval of Demands for May/June 2021

Payroll Checks numbered 22708-22749; General Checking Checks numbered 55506-55666

11. Operations Report (A copy was included in the original June 9, 2021 Agenda)

12. Finance Report (A copy was included in the original June 9, 2021 Agenda)

13. Disclosure of Reimbursements

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

14. Establishing an Appropriations Limit of the LWD for Fiscal Year 2022 (FY22)

Adopt Resolution No. 2347 Establishing an Appropriations Limit of the Leucadia Wastewater District (LWD) for the Fiscal Year 2022 (July 1, 2021 to June 30, 2022) Pursuant to Article XIII (B) of the California Constitution.

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

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

EWA and COMMITTEE REPORTS

15. Encina Wastewater Authority (EWA) Reports

A. A regular EWA Board Meeting was held on May 26, 2021.

Director Sullivan reported on EWA's May 26, 2021 Board Meeting.

B. An Encina Member Agency Manager's (MAM) Meeting was held on June 1, 2021.

GM Bushee reported on EWA's June 1, 2021 MAM meeting.

16. Committee Reports

Engineering Committee (EC) Meeting was held on June 2, 2021.

Director Brown reported that the EC reviewed the following recommendations:

- Authorize the General Manager to execute a sole source five-year professional services agreement with ADS Environmental Services (ADS) for a cost not to exceed \$282,652; and
- Authorize the General Manager to execute a Purchase Agreement with Rockwell Engineering & Equipment Company, Incorporated for the purchase of a replacement Emergency Bypass Pump in an amount not to exceed \$99,600.

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

Director Brown reported that the EC also received updates on the Leucadia Pump Station Rehabilitation Project and the FY21 Cured-In-Place Lining Project. These items were for information purposes and there was no action taken.

17. A proposal to consider collecting the District's Wastewater Service Charge for Fiscal Year 2022 (FY22) on the San Diego County Tax Roll

President Omsted opened the public hearing for comments. No public comments were provided. President Omsted closed the public hearing.

ACTION ITEMS

18. Collection of Wastewater Service Charges on the County Tax Roll for Fiscal Year 2022 (FY22) Adopt Resolution No. 2349 Adopting and Approving the Report for the Collection of Wastewater Service Charges on the County Tax Roll for the Fiscal Year July 1, 2021 – June 30, 2022.

There was no discussion on this item.

Upon a motion duly made by Director Sullivan, seconded by Director Brown, and unanimously carried, the Board of Directors adopted Resolution No. 2349 – Adopting and Approving the Report for the Collection of Wastewater Service Charges on the County Tax Roll for the Fiscal Year July 1, 2021 – June 30, 2022 by the following vote:

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

19. Adopt the Fiscal Year 2022 (FY22) Budget

ASM Duffey presented the item stating that the Board reviewed the recommended FY22 Budget at the May 10th Special Board Meeting and during the meeting the Board directed staff to finalize the budget. He stated that staff recommends that the Board adopt the FY22 Budget.

Upon a motion duly made by Director Brown, seconded by Vice President Hanson, and unanimously carried, the Board of Directors adopted the FY 22 Budget by the following vote:

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

20. Unrepresented Employees Salary and Benefits Resolution

Adopt Resolution No. 2348 setting forth salaries, benefits and other working conditions for unrepresented employees for the period July 1, 2021 to June 30, 2022.

ASsup Hill presented the recommendation and provided background information on the item. She stated that the Salary and Benefits Resolution was developed consistent with the Board’s direction at the May 10th Special Board Meeting and has been reviewed by GC Brechtel.

Following discussion, upon a motion duly made by Vice President Hanson, seconded by Director Brown, and unanimously carried, the Board of Directors adopted Resolution No. 2348 setting forth salaries, benefits and other working conditions for unrepresented employees for the period July 1, 2021 to June 30, 2022 by the following vote:

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

21. ADS Environmental Services Agreement for Flow Monitoring Services

Authorize the General Manager to execute a sole source five-year professional services agreement with ADS Environmental Services (ADS) for a cost not to exceed \$282,652.

FSS Stecker presented the item and provided background information on the ADS lease signed in

2016 noting that the agreement is up for renewal July 1, 2021. FSS Stecker stated staff evaluated all 7 meter locations and determined there was a discrepancy with the L2 and L3 meters. As a result, staff decided it was best to remove those meters and rely on the L5 meter at North Green Valley. The L5 meter provides data on the combined flow from L2 and L3 and this will eliminate the gathering of and paying for inaccurate data.

During final review of the agreement by GC Brechtel, he determined that a recent prevailing wage ruling by the CA Supreme Court is applicable to the ADS lease agreement thus increasing the agreement by \$84,652.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Vice President Hanson, and unanimously carried, the Board of Directors authorized the General Manager to execute a sole source five-year professional services agreement with ADS Environmental Services (ADS) for a cost not to exceed \$282,652 by the following vote:

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

22. Award of Purchase Agreement for a Replacement Emergency Bypass Pump

Authorize the General Manager to execute a Purchase Agreement with Rockwell Engineering & Equipment Company, Incorporated for the purchase of a replacement Emergency Bypass Pump in an amount not to exceed \$99,600.

TSM Morishita presented the item and provided background information stating that the Board approved the purchase of an electric motor driven pump in 2019. The pump was subsequently purchased and received. Upon receipt, staff began field testing the pump at Batiquitos Pump Station. After several consecutive failed tests, re-manufacturing of the pump, and further field testing it was determined that the electric motor driven pump failed to operate as required. Therefore, staff determined the pump should be replaced and is recommending the purchase of a new diesel pump.

TSM Morishita stated that Rockwell Engineering & Equipment Company (Rockwell), the pump sales representatives, will provide a credit of \$59,100 for the original purchase of the electric motor driven pump to be applied towards the purchase of the new diesel motor driven pump which costs \$140,000. With the credit, staff selected additions, sales tax, transportation and offloading the total cost comes to \$99,562.

Director Brown acknowledged staff for evaluating and testing the equipment so thoroughly.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Brown, and unanimously carried, the Board of Directors authorized the General Manager to execute a Purchase Agreement with Rockwell Engineering & Equipment Company, Incorporated for the purchase of a replacement Emergency Bypass Pump in an amount not to exceed \$99,600 by the following vote:

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

23. Local Agency Formation Commission (LAFCO) Ballot Form – Alternate Special District Board Member

EA Baity presented the item stating that LAFCO is requesting that the District select one Alternate Special District Board Member for a vacant and unexpired term. The deadline for the receipt of ballots is July 2, 2021 and staff has no recommendation on this matter.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Vice President Hanson, and unanimously carried, the Board of Directors voted for Rocky J. Chavez of Tri-City Healthcare District for the LAFCO Alternate Board Member by the following vote:

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

24. CSDA Board of Directors 2021 Elections – Seat A

EA Baity presented the item stating that CSDA is requesting its members to vote for a candidate for Seat A for the southern network region. The deadline for the receipt of ballots is July 16, 2021 and staff has no recommendation on this matter.

Following discussion, upon a motion duly made by Vice President Hanson, seconded by Director Brown, and unanimously carried, the Board of Directors voted for Jo MacKenzie of Vista Irrigation District for the CSDA Southern Network - Seat A by the following vote:

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

25. Clean Energy Alliance (CEA) Electric Rate Option

GM Bushee presented the item. He stated that CEA is a community choice energy program that was established in April 2019 to provide alternate clean energy choices for consumers in its service area. He also stated CEA is a public joint powers authority consisting of the Cities of Carlsbad, Del Mar and Solana Beach and representatives from each of the respective city councils serve as the CEA's Board of Directors.

GM Bushee then reviewed the three rate tariff options for the CEA rate program noting that for LWD, the CEA rates only apply to six LWD facilities located within Carlsbad. GM Bushee then summarized the annual renewable energy cost savings for each rate tariff option.

Director Sullivan stated that Encina Wastewater Authority (EWA) voted for the Green Impact – 100% Renewable Energy for four of the EWA facilities but she is in favor of the Clean Impact Plus Plan 50% Renewable Energy / 75% Carbon Free for LWD.

District resident Volker Hoehne commented that SDG&E already provides a blended environmental green energy rate.

Director Brown stated that he is in favor of the Green Impact – 100% Renewable Energy rate since it won't result in a significant cost increase and that it is in LWD's mission and vision statement to be environmentally responsible.

Following discussion, upon a motion duly made by Director Brown, seconded by Vice President Hanson and unanimously carried, the Board of Directors voted for Green Impact – 100% Renewable Energy for all LWD facilities by the following vote:

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

26. Director Vacancy Letters of Interest

Review letters of interest from candidates applying for the Director vacancy position.

GM Bushee presented this item and provided background information. He stated staff posted a "Notice of Vacancy" in three conspicuous places within Electoral District 1. The notice was also published in the San Diego Union Tribune on May 16th, the Coast News on May 21st, and placed on the District's website and Facebook page.

GM Bushee stated that LWD received one letter of interest from an interested candidate by the June 2nd submittal deadline. He stated that the candidate, Mr. Chris Roesink, is attending tonight's meeting. GM Bushee noted that Mr. Roesink resides within District 1 and staff confirmed with the Registrar of Voters (ROV) that he is a registered voter at the address he provided.

GM Bushee explained that the Board has three options regarding the candidate: 1) make a selection based on the application submitted; 2) interview the candidate prior to selection; or 3) take other action. GM Bushee then turned the meeting over to President Omsted.

President Omsted asked GC Brechtel if the Board could make an appointment at tonight's meeting. GC Brechtel answered affirmatively stating that the District has complied with all statutory requirements regarding the Notice of Vacancy. President Omsted asked Mr. Roesink if he would like to say anything. Mr. Roesink introduced himself and then the Board asked Mr. Roesink various questions regarding his background and work experience.

Following discussion, upon a motion duly made by Director Brown seconded by Director Sullivan, and unanimously carried, the Board of Directors appointed Mr. Chris Roesink to the vacant Director position by the following vote:

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

GC Brechtel then administered the oath of office to Mr. Chris Roesink.

President Omsted, Vice President Hanson, and Directors Sullivan and Brown congratulated Director Roesink on his appointment.

INFORMATION ITEMS

27. Project Status Updates and Other Informational Reports

- A. Support Letter from Heather Conklin, Director of the Mission Resource Conservation District, for San Diego LAFCO Alternate Board Member.

A support letter was received for Heather Conklin, Director of the Mission Resource Conservation District.

- B. Support Letter for Jo MacKenzie, Director of Vista Irrigation District, for CSDA Board of Directors – Seat A.

A support letter was received for Jo MacKenzie, Director of Vista Irrigation District.

- C. CASA 66th Annual Conference will be held August 11-13, 2021 at the Hilton San Diego Bayfront in San Diego, CA.

EA Baity announced the date and the time of the CASA Annual Conference.

- D. CSDA Annual Conference will be held August 30-September 2, 2021 at the Monterey Conference Center in Monterey, CA.

EA Baity announced the date and time of the CSDA Annual Conference.

28. Directors' Meetings and Conference Reports

- A. The 2021 Virtual CSDA Legislative Days Conference was held May 18 - 19, 2021.

Director Sullivan stated the conference was good but difficult to attend virtually. President Omsted agreed with Director Sullivan. President Omsted stated he enjoyed the sessions on redistricting, the forest, and writing grants.

Director Sullivan asked if redistricting will be mandatory in 2022. GM Bushee answered affirmatively noting that every time the census is updated (every ten years) the District will have to redistrict.

- B. CSDA Virtual Quarterly Meeting was held May 20, 2021 via videoconference.

Director Sullivan stated it was a good meeting and she enjoyed the LAFCO Candidate introductions and statements. Vice President Hanson agreed with Director Sullivan.

29. General Manager's Report

GM Bushee reported on the following:

- COVID-19 Statewide changes effective June 15, 2021 versus the Cal-OSHA COVID-19 requirements; and
- Return to in person Board meetings.

GM Bushee suggested adding the return to in person meetings as an agenda item to the July Board Agenda. The Board of Directors agreed to add this item to the July Agenda.

30. General Counsel's Report

GC Brechtel reported on the following:

- Future legislation regarding virtual meetings.

31. Board of Directors' Comments

Director Sullivan commented on how CSDA San Diego Section may continue with virtual meetings for the foreseeable future.

Director Brown stated that the District may want to prepare for having a virtual meeting option or call-in option for future Board meetings.

Director Roesink thanked the Board for the warm welcome.

32. Adjournment

President Omsted adjourned the meeting at approximately 7:00 p.m.

Donald F. Omsted, President

Paul J. Bushee
Secretary/General Manager
(SEAL)

LEUCADIA WASTEWATER DISTRICT
 Minutes of an Investment & Finance Committee Meeting
 June 15, 2021

A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Tuesday, June 15, 2021 at 1:30 p.m. via video conference.

1. Call to Order

Chairperson Hanson called the meeting to order at 1:30 p.m.

2. Roll Call

DIRECTORS PRESENT: Hanson and Sullivan

DIRECTORS ABSENT:

OTHERS PRESENT: General Manager Paul Bushee, Administrative Services Manager Richard Duffey, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, and Shannon Ayala of Davis Farr, LLP

3. Public Comment

No public comment was received.

4. New Business

A. Audit Entrance Meeting with Davis Farr, LLP.

ASM Duffey presented the item and introduced CPA Shannon Ayala with Davis Farr, LLP.

Ms. Ayala provided an overview of the audit process. She noted that the SAS 114 planning letter was sent to the Board of Directors indicating that the audit process has begun, along with the auditor's responsibilities.

Ms. Ayala then reviewed the audit timeline and upcoming changes to the audit process. Ms. Ayala noted that the final phase of the audit will begin September 2021.

The IFC thanked Ms. Ayala. No action was taken on this item.

5. Information Items

None.

6. Directors' Comments

None.

7. General Manager's Comments

None.

8. Adjournment

Chairperson Hanson adjourned the meeting at 1:38 p.m.

Paul J. Bushee
 Secretary/General Manager
 (Seal)

LEUCADIA WASTEWATER DISTRICT
 Minutes of an Investment & Finance Committee Meeting
 July 7, 2021

A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Wednesday, July 7 at 10:30 a.m. via video conference.

1. Call to Order

Chairperson Hanson called the meeting to order at 10:30 a.m.

2. Roll Call

DIRECTORS PRESENT: Hanson and Sullivan

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager Paul Bushee, Administrative Services Manager Richard Duffey, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, and Lauren Hoodenpyle from Clifton Larson Allen, LLC

3. Public Comment

No public comment was received.

4. New Business

- A. Revised Investment Policy – Redelegate authority to manage LWD’s investment program to the General Manager effective September 1, 2021 through August 31, 2022, and adopt Resolution No. 2351 approving LWD’s revised Investment Policy.

ASM Duffey presented this item and provided background information on the Investment Policy. He noted that the Investment Policy calls for an annual review and additionally requires that the Board delegate authority to manage the Investment Program to the General Manager. ASM Duffey stated that staff recently reviewed the Policy to determine if any amendments are warranted.

ASM Duffey then reviewed in detail the recommended changes to the Investment Policy under Section 10.0 “Safekeeping and Custody” and Section 11.0 “Diversification”. ASM Duffey noted that as a result, staff is recommending the following changes to the investment policy:

- Removing the delivery-versus-payment transaction restriction.
- Increasing the Medium-Term Corporate Notes maximum percentage from 20% to 25%.
- Clarifying some sections of the policy.
- Make some minor administrative changes such as formatting, numbering, and grammar.

Following discussion, the IFC agreed with staff to recommend that Board of Directors redelegate authority to manage LWD’s investment program to the General Manager effective September 1, 2021 through August 31, 2022, and adopt Resolution No. 2351 amending LWD’s Investment Policy.

5. Information Items

None.

6. Directors' Comments

Director Sullivan thanked ASM Duffey for his presentation.

7. General Manager's Comments

None.

8. Adjournment

Chairperson Hanson adjourned the meeting at 10:42 a.m.

Paul J. Bushee
Secretary/General Manager
(Seal)

LEUCADIA WASTEWATER DISTRICT
 Minutes of an Engineering Committee Meeting
 July 7, 2021

A meeting of the Engineering Committee (EC) of Leucadia Wastewater District (LWD) was held on Wednesday, July 7, 2021 at 11:00 a.m., via video conference.

1. Call to Order

Chairperson Omsted called the meeting to order at 11:00 a.m.

2. Roll Call

DIRECTORS PRESENT: Omsted, Brown

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager Paul Bushee; Technical Services Manager Robin Morishita; Field Services Superintendent Jeffery Stecker; Field Services Supervisor Marvin Gonzalez; Field Services Specialist Ian Riffel; Administrative Specialist Mark Brechbiel; District Engineer Dexter Wilson; General Counsel Wayne Brechtel

3. Public Comment

None.

4. New Business

A. Adopt Ordinance No. 143 – An Ordinance of the Board of Directors of the Leucadia Wastewater District (District) Establishing the District's Capacity Fee and Amending the EDU Factors Capacity Fee Schedule.

FSSpc Riffel presented the item. He began by describing the reason for the proposed change. He also outlined the difference between an Accessory Dwelling Unit (ADU) and a Junior ADU (JADU) and the various fees associated with them per LWD's current ordinance. FSSpc Riffel stated that recently the California Department of Housing and Community Development (HCD) has issued guidance clarifying how fees are assessed for larger ADUs. He continued that HCD guidance states that the capacity fee for an ADU shall be proportionate to the size of the primary residence.

FSSpc Riffel explained that staff does not believe that the fee would be fair or proportional to the burden on the District's system. He continued that the District's current practice of using square footage is in compliance with the law.

GC Brechtel weighed in on this issue. He believes that the HCD guidance misstates the law in regards to capacity charges for ADUs. He continued that under existing California Code ADUs can be charged capacity fees either by the number of fixtures or the square footage of the ADU. GC Brechtel stated that there is no reference to square footage based on the primary residence.

FSSpc Riffel explained that staff and GC Brechtel do believe that there is merit to having the capacity fee for an ADU be less than that of a single-family residence. As such, staff is recommending that the capacity fee assessment for ADU's of more than 1,001 square feet be reduced from 1 EDU to 0.75 EDU.

FSSpc Riffel stated that the fiscal impact of Ordinance No. 143 would be a reduction

of approximately \$2,200 per year in sewer service revenues. Director Brown asked if the \$2,200 is an overall impact. FSSpc Riffel stated yes, that out of 300 ADU's LWD only has 23 that are over 1,000 square feet and those are the ones that would be impacted.

Chairperson Omsted asked if an ADU is assessed a capacity fee. GM Bushee and FSSpc Riffel replied that there are several factors considered to determine the assessment of capacity fees. They provided examples for clarification.

Following discussion, the EC concurred with staff to recommend that the Board of Directors adopt Ordinance No. 143 - Establishing the District's Capacity Fee and Amending the EDU Factors Capacity Fee Schedule.

5. Information Items

A. Development Projects Summary

Chairperson Omsted asked if there are any utility conflicts with the project taking place on Jason Street in the City of Encinitas. FSSpc Riffel stated there are no utility conflicts.

Director Brown asked if there is an additional annexation fee on top of capacity fees for new developments. FSSpc Riffel replied affirmatively noting that if the development isn't already within the LWD boundaries, there are certain fees that the homeowner or business would have to pay not only to LWD but also to LAFCO (Local Agency Formation Commission).

B. Leucadia Pump Station Rehabilitation Project (LPSRP) Update

TSM Morishita updated the EC on the progress of the LPSRP. He proceeded to provide an overview of the installation of the liquid oxygen air tank and how that equipment along with a vaporizer provides oxygen gas to the ECO₂ odor control system.

TSM Morishita then went on to describe the removal of the diesel driven pump bypass system, the temporary submersible pump from the Emergency Basin, exterior pump station painting, roof hatch installation, dry well construction, and site restoration.

Chairperson Omsted asked how the effectiveness of the ECO₂ system is measured. TSM Morishita answered that there are hydrogen sulfide sensors at the end of both Leucadia Force Mains (L1 and L2) at the intersection of La Costa Avenue and Coast Highway 101. He continued that data from these sensors is used to adjust the amount of oxygen infused into the wastewater water.

C. FY21 Cured-In-Place Pipe (CIPP) Lining Project

FSSpc Riffel updated the EC on the progress of the FY21 CIPP Lining Project. He stated that to date, Nu Line Technologies has completed 28 of 29 repairs. He further detailed the CIPP installation that took place in an easement near Unicornio Street. FSSpc Riffel displayed CCTV imagery showing roots and defects in the sewer pipes that necessitated the repairs.

Chairperson Omsted asked how thick the liner is. FSSpc Riffel stated that it varies between approximately 4 – 7mm thick and is determined by the design engineer.

6. Directors' Comments

Director Brown commended staff for all their hard work.

Chairperson Omsted asked when the Board will return to in-person meetings. GM Bushee answered that this item is on the agenda for the July Board meeting.

7. General Manager's Comments

None.

8. Adjournment

Chairperson Omsted adjourned the meeting at approximately 12:05 p.m.

Paul J. Bushee,
Secretary/Manager
(Seal)

**LEUCADIA WASTEWATER DISTRICT
DEMANDS SUMMARY**

July 14, 2021

Disbursement Period June 4, 2021 Through July 8, 2021

GENERAL CHECKING	
Operating	\$ 426,353.22
Capital	\$ 836,114.61
TOTAL GENERAL CHECKS	<u>\$ 1,262,467.83</u>
PAYROLL CHECKS	\$ 108,742.66
TOTAL DEMANDS	\$ 1,371,210.49

**LEUCADIA WASTEWATER DISTRICT
EMPLOYEE/BOARD PAYROLL CHECKS**

July 14, 2021

Disbursement Period June 4, 2021 Through July 8, 2021

<u>Description</u>	<u>Check Date</u>	<u>Check #'s</u>	<u>Amount</u>
Incentive Pay Check	6/9/2021	22750	\$ 184.70
Biweekly Payroll Checks	6/16/2021	22751-22769	\$ 53,049.08
Supplemental Payroll	6/21/2021	22770-22771	\$ 1,891.46
Biweekly Payroll Checks	6/30/2021	22772-22789	\$ 51,336.90
Board Payroll Checks	7/1/2021	22790-22793	\$ 2,280.52
TOTAL PAYROLL CHECKS			\$ 108,742.66

Leucadia Wastewater District
 Check/Voucher Register - Demand Summary for Board
 1001 - PPB (Opus) General Checking Account
 From 6/4/2021 Through 7/8/2021

Check Number	Effective Date	Vendor Name	Check Amount	Transaction Description
55667	6/10/2021	AYALA ENGINEERING	11,790.00	Sewer Manhole Rehab Program 04/27/21-04/29/21
55668	6/10/2021	BOOT WORLD, INC	114.91	FST Safety Boots - M Avalos
	6/10/2021	BOOT WORLD, INC	290.88	FST Safety Boots - S Krason
55669	6/10/2021	Brightview Landscape Services Inc	304.00	Landscape Maintenance @ Encinitas Creek - June 2021
	6/10/2021	Brightview Landscape Services Inc	857.00	Landscape Maintenance @ LWD Admin - June 2021
55670	6/10/2021	BURTECH PIPELINE, INC	128,120.54	FY2020 Gravity Sewer Repair - March 2021
55671	6/10/2021	CITY OF CARLSBAD	212.84	Water for Vactor 1
	6/10/2021	CITY OF CARLSBAD	275.28	Water for Vactor 2
55672	6/10/2021	CONCENTRA	198.00	DOT Physicals/Recertifications-H Gonzalez/M Gonzalez
55673	6/10/2021	CORODATA	83.32	File Storage - May 2021
55674	6/10/2021	HAAKER EQUIPMENT CO	711.68	Swivel 1-1/4 H/D
55675	6/10/2021	MAVTECK	16,080.00	LPS Rehab CM/Inspection Services-May 2021
55676	6/10/2021	MINUTEMAN PRESS	1,250.81	Envelopes & Business Cards
55677	6/10/2021	MITSUBISHI ELECTRIC US, INC	324.88	Elevator Maintenance - June 2021
55678	6/10/2021	MSC JANITORIAL SERVICE, INC	2,586.16	Janitorial Services-May 2021 / Quarterly Floor Service
55679	6/10/2021	OLIVENHAIN MUNICIPAL WATER DIS...	67.27	Recycled Water @ Traveling
	6/10/2021	OLIVENHAIN MUNICIPAL WATER DIS...	48.92	Water @ Encinitas Estates PS
	6/10/2021	OLIVENHAIN MUNICIPAL WATER DIS...	595.74	Water @ Traveling
	6/10/2021	OLIVENHAIN MUNICIPAL WATER DIS...	330.15	Water @ Travelling 2
	6/10/2021	OLIVENHAIN MUNICIPAL WATER DIS...	58.34	Water @ VP5 PS
	6/10/2021	OLIVENHAIN MUNICIPAL WATER DIS...	53.63	Water @ VP7 PS
55680	6/10/2021	PRUDENTIAL OVERALL SUPPLY	147.64	Uniform Laundry Service 06/03/21
55681	6/10/2021	ROCKWELL CONSTRUCTION SERVICE...	5,400.00	LPS Rehab Project - May 2021
55682	6/10/2021	SAN DIEGO FREIGHTLINER DBA LOS ...	609.17	Ultra Oil Service w/ Bit Inspection - Vehicle # 161
55683	6/10/2021	SAN DIEGO LAFCO	50.00	Project # 1109 - Lagasse Annexation
55684	6/10/2021	SOUTHERN CONTRACTING COMPANY	11,718.50	Replace Mini Power Center
	6/10/2021	SOUTHERN CONTRACTING COMPANY	9,230.00	Replace Motor Feed Wires to #1 & #2 Pump Motors - Encina PS
	6/10/2021	SOUTHERN CONTRACTING COMPANY	670.00	Resupply power to new scraper drive motor (AWT)
	6/10/2021	SOUTHERN CONTRACTING COMPANY	540.00	Test hour meter / power monitor - Saxony PS
55685	6/10/2021	STAPLES	163.03	Office Supplies
	6/10/2021	STAPLES	(4.96)	Office Supplies - Credit
55686	6/10/2021	STATE BOARD OF EQUALIZATION	350.00	Project # 1109 - Lagasse Annexation
55687	6/10/2021	TERMINIX PROCESSING CENTER	77.00	Pest Control 05/10/21
55688	6/10/2021	THE HOME DEPOT CRC/GEFC	187.58	Level/Concrete Chisel/Bolt Cutters/Chalk Line Kit/Ripping Ba
	6/10/2021	THE HOME DEPOT CRC/GEFC	33.62	Quickcrete Concrete Mix
	6/10/2021	THE HOME DEPOT CRC/GEFC	54.82	Quickcrete Concrete Mix / Hose
	6/10/2021	THE HOME DEPOT CRC/GEFC	20.32	Wall Plate / Soap
	6/10/2021	THE HOME DEPOT CRC/GEFC	55.61	XL Leather Gloves / Borax Additive / Pro Wasp Spray
55689	6/17/2021	ALIGNMENT PLUS	243.60	Alignment Service-Vehicle # 156

Leucadia Wastewater District
 Check/Voucher Register - Demand Summary for Board
 1001 - PPB (Opus) General Checking Account
 From 6/4/2021 Through 7/8/2021

Check Number	Effective Date	Vendor Name	Check Amount	Transaction Description
55690	6/17/2021	AT&T	140.68	Phone Service-BPS 05/10/21-06/09/21
55691	6/17/2021	CARLSBAD FUELS CORPORATION	1,586.97	Vehicle Fuel 05/12/21-05/26/21
55692	6/17/2021	DATA NET SOLUTIONS GROUP	1,357.70	Monthly IT Services - May 2021
55693	6/17/2021	DAVIS FARR LLP	3,000.00	Audit Svcs - May
55694	6/17/2021	DEXTER WILSON ENGINEERING	58.00	Dev Svc-1104 HSIP Pedestrian Signals-May 2021
	6/17/2021	DEXTER WILSON ENGINEERING	840.00	Dev Svc-1109 Lagasse Annex-395 Sunset-May 2021
	6/17/2021	DEXTER WILSON ENGINEERING	114.00	Dev Svc-1113 St Elizabesthh Ann Seton Cath Church-May 2021
	6/17/2021	DEXTER WILSON ENGINEERING	228.00	Dev Svc-1117 155 W Jason Street-May 2021
	6/17/2021	DEXTER WILSON ENGINEERING	342.00	Dev Svc-1118 Salon World-1022 N El Camino Real-May 2021
	6/17/2021	DEXTER WILSON ENGINEERING	556.00	Dev Svc-1119 Harumama-1460 Encinitas Blvd-May 2021
	6/17/2021	DEXTER WILSON ENGINEERING	114.00	Dev Svc-1120 116 Grandview Street-May 2021
	6/17/2021	DEXTER WILSON ENGINEERING	570.00	Dev Svc-1121 MRKT Space-774/782 N Coast Hwy 101-May 2021
	6/17/2021	DEXTER WILSON ENGINEERING	285.00	Dev Svc-1122 1403 Rainbow Ridge Ln-ADU Private PS-May 2021
	6/17/2021	DEXTER WILSON ENGINEERING	114.00	Dev Svc-1123 806/808 Hygeia Ave-Private PS-May 2021
55695	6/17/2021	ENCINITAS FORD	160.12	Service on Vehicle # 164
55696	6/17/2021	HAAKER EQUIPMENT CO	711.68	Swivels (2)
55697	6/17/2021	HARRINGTON INDUSTRIAL PLASTICS ...	79.16	Gasket Flanges
	6/17/2021	HARRINGTON INDUSTRIAL PLASTICS ...	148.44	PVC End Connectors
	6/17/2021	HARRINGTON INDUSTRIAL PLASTICS ...	411.88	Valve Butterfly PVC
55698	6/17/2021	ICMA RETIREMENT-303979	6,361.70	Check Run 06/17/21
55699	6/17/2021	JACK DOHENY COMPANY INC	196.39	Mender
55700	6/17/2021	L&L PRINTERS	5,347.49	Newsletter Printing & Mailing Services
55701	6/17/2021	MALLORY SAFETY AND SUPPLY	387.90	Staff PPE - Disposable Gloves
55702	6/17/2021	MAVTECK	5,250.00	FY 2021 CIPP Pipe Lining Project-May 2021
55703	6/17/2021	NATIONWIDE RETIREMENT SOLUTIONS	296.93	Deferred Comp 06/16/21
55704	6/17/2021	PACIFIC RIM MECHANICAL	237.55	Service Call 2105-0919 Meeting Room
55705	6/17/2021	PLANT PEOPLE, INC	158.00	Office Plant Maintenance-June 2021
55706	6/17/2021	PRUDENTIAL OVERALL SUPPLY	121.96	Uniform Laundry Service 06/10/21
55707	6/17/2021	RISING TIDE PARTNERS	4,035.00	Public Outreach-April 2021
	6/17/2021	RISING TIDE PARTNERS	2,835.75	Public Outreach-May 2021
55708	6/17/2021	SPACELINK/I2B NETWORK	160.00	Webcam @ BPS 06/14/21-07/13/21
55709	6/17/2021	STAPLES	133.66	Office Supplies
	6/17/2021	STAPLES	(8.93)	Office Supplies - Credit
55710	6/17/2021	VERIZON WIRELESS	1,017.88	Cell Phones 05/08/21-06/07/21
55711	6/17/2021	WATER ENVIRONMENT FEDERATION	382.00	Membership Renewal-P Bushee
55712	6/17/2021	WORDEN WILLIAMS LLP	3,861.00	Legal Fees-May 2021
55713	6/24/2021	AIR POLLUTION CONTROL DISTRICT	478.00	Application for Permit Revision Fees-BPS
55714	6/24/2021	AIR POLLUTION CONTROL DISTRICT	478.00	Application for Permit Revision Fees-LPS
55715	6/24/2021	BALBOA FENCE COMPANY	10,388.00	Replace Security Fence @ 1799 Encinitas Blvd (VP5 PS)

Leucadia Wastewater District
 Check/Voucher Register - Demand Summary for Board
 1001 - PPB (Opus) General Checking Account
 From 6/4/2021 Through 7/8/2021

Check Number	Effective Date	Vendor Name	Check Amount	Transaction Description
55716	6/24/2021	BANNER BANK	11,919.37	Retention for Stanek Construction-LPS Rehab May 2021
55717	6/24/2021	CHARLES KING COMPANY	5,400.00	Emergency Bypass Pump Rental 04/12/21-05/09/21
55718	6/24/2021	CHICAGO TITLE COMPANY	48.00	Recording Svc - E Estates PS Proj
55719	6/24/2021	COUNTY OF SAN DIEGO	1,124.00	Facility Permit Fee-Batiquitos PS 07/31/20-07/31/22
	6/24/2021	COUNTY OF SAN DIEGO	964.00	Facility Permit Fee-La Costa PS 07/31/20-07/31/22
	6/24/2021	COUNTY OF SAN DIEGO	964.00	Facility Permit Fee-Saxony PS 07/31/20-07/31/22
55720	6/24/2021	CWEA	96.00	CSM Grade 2-Certification Renewal-S Krason
55721	6/24/2021	DATA NET SOLUTIONS GROUP	3,229.00	Monthly IT Services-May 2021
55722	6/24/2021	EVOQUA WATER TECHNOLOGIES, LLC	10,273.27	Bioxide 06/07/21
	6/24/2021	EVOQUA WATER TECHNOLOGIES, LLC	1,814.00	Spent Carbon Analysis @ BPS
55723	6/24/2021	FEDERAL EXPRESS CORPORATION	17.80	Shipping 06/03/21
55724	6/24/2021	GRAINGER, INC	340.78	Dehumidifier-La Costa PS
55725	6/24/2021	HI-WAY SAFETY, INC	141.65	Signs/Barricade
55726	6/24/2021	HOLLY PELTIER	1,060.19	Additional Costs for Vehicle Damage on 04/07/21
55727	6/24/2021	INFRASTRUCTURE ENGINEERING CORP	20,630.00	Batiquitos ER Overflow Lining-May 2021
	6/24/2021	INFRASTRUCTURE ENGINEERING CORP	2,610.00	Encinitas Estates PS Replace Project-May 2021
	6/24/2021	INFRASTRUCTURE ENGINEERING CORP	1,294.75	FY20-21 Gravity Sewer Repair Project-May 2021
	6/24/2021	INFRASTRUCTURE ENGINEERING CORP	2,097.50	LPS Rehab Project-May 2021
55728	6/24/2021	MIRA MESA WINDOW CLEANING	50.00	Solar Panal Cleaning-BPS
	6/24/2021	MIRA MESA WINDOW CLEANING	2,050.00	Window/Solar Panel/Roof Cleaning
55729	6/24/2021	NAPA AUTO	58.12	Blue Def
	6/24/2021	NAPA AUTO	60.25	Fuel Filters-VP7/LC/EE
55730	6/24/2021	PLUMBERS DEPOT, INC	53,034.55	Easement Machine & Trailer
55731	6/24/2021	Premier Chevrolet of Carlsbad	949.46	Vehicle Service-Vehicle # 155
55732	6/24/2021	PRUDENTIAL OVERALL SUPPLY	110.98	Uniform Laundry Service 06/17/21
55733	6/24/2021	SAN DIEGO GAS & ELECTIRC	2,171.17	Electric @ Admin
	6/24/2021	SAN DIEGO GAS & ELECTIRC	127.01	Electric @ Avocado PS
	6/24/2021	SAN DIEGO GAS & ELECTIRC	15,491.53	Electric @ BPS
	6/24/2021	SAN DIEGO GAS & ELECTIRC	418.24	Electric @ Diana PS
	6/24/2021	SAN DIEGO GAS & ELECTIRC	752.87	Electric @ E Estates PS
	6/24/2021	SAN DIEGO GAS & ELECTIRC	841.04	Electric @ La Costa PS
	6/24/2021	SAN DIEGO GAS & ELECTIRC	150.27	Electric @ RV PS
	6/24/2021	SAN DIEGO GAS & ELECTIRC	329.56	Electric @ VP5 PS
	6/24/2021	SAN DIEGO GAS & ELECTIRC	178.71	Electric @ VP7 PS
	6/24/2021	SAN DIEGO GAS & ELECTIRC	76.82	Gas @ Admin
55734	6/24/2021	SAN DIEGO UNION TRIBUNE	970.00	Director Vacancy Advertisement
55735	6/24/2021	STANEK CONSTRUCTORS, INC	226,468.12	Leucadia PS Rehab Project-May 2021
55736	7/1/2021	ADT/PROTECTION 1	165.00	Security Services 07/17/21-08/16/21
55737	7/1/2021	ALLIANT INSURANCE SERVICES	529.00	ACIP Cyber Insurance FYE 2022
55738	7/1/2021	AT&T	280.88	Phone Service-Elevator 05/25/21-06/24/21
55739	7/1/2021	AYALA ENGINEERING	17,990.00	Sewer Manhole Rehab Program 06/14/21-06/21/21

Leucadia Wastewater District

Check/Voucher Register - Demand Summary for Board

1001 - PPB (Opus) General Checking Account

From 6/4/2021 Through 7/8/2021

Check Number	Effective Date	Vendor Name	Check Amount	Transaction Description
55740	7/1/2021	CHARLES KING COMPANY	5,400.00	Emergency Bypass Pump Rental-BPS 05/10/21-06/06/21
55741	7/1/2021	CITY OF CARLSBAD	352.76	Water @ 1900 La Costa Ave
	7/1/2021	CITY OF CARLSBAD	153.40	Water @ 1960 La Costa Ave
	7/1/2021	CITY OF CARLSBAD	27.78	Water @ Fire Line
55742	7/1/2021	COLONIAL LIFE INS	152.76	Accident/Critical Illness Ins 06/02/21, 06/16/21 & 06/30/21
55743	7/1/2021	COX COMMUNICATIONS SAN DIEGO	1,050.00	Internet Service 06/22/21-07/21/21
	7/1/2021	COX COMMUNICATIONS SAN DIEGO	528.89	Phone Service 06/18/21-07/17/21
55744	7/1/2021	DEXTER WILSON ENGINEERING	4,336.00	General Engineering 103-500 May 2021
55745	7/1/2021	DKF SOLUTIONS GROUP, LLC	300.00	MSO Subscription - July 2021
55746	7/1/2021	HAAKER EQUIPMENT CO	452.87	Vactor & Mini Jetter Leader Hoses
55747	7/1/2021	HUMANA DENTAL INS.	3,288.05	Dental Insurance - July 2021
55748	7/1/2021	ICMA RETIREMENT-303979	6,332.72	Deferred Comp for PPE 06/27/21
55749	7/1/2021	KELLY GIL	1,559.99	Tuition Reimb-Summer 2021-MGMT340 Organizational Behavior
55750	7/1/2021	MES VISION	385.69	Vision Insurance - July 2021
55751	7/1/2021	MSC JANITORIAL SERVICE, INC	2,829.68	Janitorial Services-June 2021 / Additional Carpent Cleaning
55752	7/1/2021	MUTUAL OF OMAHA	1,169.09	Disability Insurance - July 2021
55753	7/1/2021	NATIONWIDE RETIREMENT SOLUTIONS	296.93	Deferred Comp 06/30/21
55754	7/1/2021	nfpACCOUNTING TECHNOLOGIES	2,413.00	MIP Support Contract for FYE 2022
55755	7/1/2021	PRUDENTIAL OVERALL SUPPLY	110.98	Uniform/Laundry Service 06/24/21
55756	7/1/2021	SAN DIEGO GAS & ELECTIRC	1,791.19	Electric @ AWT
	7/1/2021	SAN DIEGO GAS & ELECTIRC	561.56	Electric @ Saxony PS
55757	7/1/2021	San Diego Society for HR Management	219.00	Annual Membership for SD SHRM for FYE 2022
55758	7/1/2021	SAN DIEGO UNION TRIBUNE	158.79	Newspaper Delivery 07/17/21-09/08/21
55759	7/1/2021	STAPLES	729.22	Office Supplies
55760	7/1/2021	TERMINIX PROCESSING CENTER	60.00	Pest Control 06/14/21
55761	7/1/2021	TODD AMOS	183.16	PPE-Boots Reimbursement - BootBarn.com
55762	7/1/2021	U.S. BANK	8,697.55	Cal Card Purchases - Statement 06/22/21
55763	7/1/2021	VORTEX INDUSTRIES, INC	500.00	Gate Maintenance
55764	7/8/2021	ADS LLC	4,340.00	Flow Metering / Data Analysis - June 2021
	7/8/2021	ADS LLC	1,340.00	Meter Maintenance / Data Delivery ECHO - June 2021
55765	7/8/2021	ALLIANT INSURANCE SERVICES	10,760.00	Vehicle Insurance Premium July 2021-June 2022
55766	7/8/2021	AZTEC LEASING, INC	530.88	Copier Lease June 2021
55767	7/8/2021	BAJA POOL AND SPA SERVICE	3,260.00	Water Fountain Repair - Balance Due
55768	7/8/2021	Brightview Landscape Services Inc	304.00	Landscape Maintenance @ Encinitas Creek - July 2021
	7/8/2021	Brightview Landscape Services Inc	857.00	Landscape Maintenance @ LWD Admin - July 2021
55769	7/8/2021	CARLSBAD FUELS CORPORATION	1,782.94	Vehicle Fuel 05/27/21-06/09/21
55770	7/8/2021	CHARLES ULMER DBA: CHUCKS TIRE ...	30.00	Tire Repair - Vehicle # 168
55771	7/8/2021	CITY OF CARLSBAD	212.84	Water for Vactor 1
	7/8/2021	CITY OF CARLSBAD	275.28	Water for Vactor 2
55772	7/8/2021	COUNTY OF SAN DIEGO	7,257.17	LAFCO Fees - FYE 2022

Leucadia Wastewater District
 Check/Voucher Register - Demand Summary for Board
 1001 - PPB (Opus) General Checking Account
 From 6/4/2021 Through 7/8/2021

Check Number	Effective Date	Vendor Name	Check Amount	Transaction Description
55773	7/8/2021	CSDA- SAN DIEGO CHAPTER	150.00	CSDA Membership - FYE 2022
55774	7/8/2021	CSRMA	25,622.41	Property Insurance - FYE 2022
	7/8/2021	CSRMA	52,583.00	W/C Pooled Insurance Deposit - FYE 2022
55775	7/8/2021	CWEA	101.00	CSM Grade 3-Certification Renewal-R Rodriguez 2021
	7/8/2021	CWEA	91.00	Plant Maint Tech Grade 1-Cert Renewal-T Amos 2022
55776	7/8/2021	ENCINA WASTEWATER AUTHORITY	136,907.00	Pension Payment - Q1 FYE 2022
55777	7/8/2021	HAAKER EQUIPMENT CO	297,046.28	New F450 Box Truck-CCTV Vehicle & Rover X Pro
55778	7/8/2021	HARTFORD LIFE & ACCIDENT INS.	436.63	Life Insurance - July 2021
55779	7/8/2021	MAVTECK	16,920.00	LPS Rehab CM/Inspection Services - June 2021
55780	7/8/2021	NAPA AUTO	90.38	Fuel Filters-LC/EE/VP7
	7/8/2021	NAPA AUTO	67.81	Wiper Blades / Car Wash
55781	7/8/2021	OLIVENHAIN MUNICIPAL WATER DIS...	48.92	Water @ Encinitas Estates PS
	7/8/2021	OLIVENHAIN MUNICIPAL WATER DIS...	53.63	Water @ VP5 PS
	7/8/2021	OLIVENHAIN MUNICIPAL WATER DIS...	58.34	Water @ VP7 PS
55782	7/8/2021	OLIVER STORM	2,762.50	Lateral Reimbursement-827 Palaro Dr, Encinitas, CA 92024
55783	7/8/2021	PETTY CASH	336.87	Petty Cash Reconciled on 7/7/21
55784	7/8/2021	PLANT PEOPLE, INC	158.00	Office Plant Maintenance - July 2021
55785	7/8/2021	PLUMBERS DEPOT, INC	441.78	Pelican Flash Lights (2)
55786	7/8/2021	Professional Exchange Service Corpora...	90.00	Answering Service - June 2021
55787	7/8/2021	PRUDENTIAL OVERALL SUPPLY	100.78	Weekly Uniform/Laundry Service 07/01/21
55788	7/8/2021	RISING TIDE PARTNERS	2,211.00	Public Outreach - June 2021
55789	7/8/2021	ROCKWELL CONSTRUCTION SERVICE...	1,080.00	LPS Rehab Project - June 2021
55790	7/8/2021	SAN DIEGO GAS & ELECTIRC	12,999.79	Electric @ LPS
55791	7/8/2021	SAN DIEGUITO TROPHY	25.86	NamePlate - C Roesink
55792	7/8/2021	SAN DIEGUITO WATER DISTRICT	1,100.03	Water @ BPS
55793	7/8/2021	SOUTHERN CONTRACTING COMPANY	520.00	Troubleshoot 'over current' alarm - BPS Pump #4
55794	7/8/2021	The Youngrens Inc DBA Bauman Phot...	800.00	Group Photo / 2 Headshots
55795	7/8/2021	UNDERGROUND SERVICE ALERTS/C	194.80	Monthly Underground Alarm Service
	7/8/2021	UNDERGROUND SERVICE ALERTS/C	120.93	Monthly Underground State Fees
55796	7/8/2021	VERIZON WIRELESS	21.27	Telemetry for Cell Phones 05/24/21-06/23/21
55797	7/8/2021	WASTE MANAGEMENT	222.57	Trash Service - June 2021
Report Total			1,262,467.83	

Leucadia Wastewater District
Vendor Activity - Supplemental Credit Card Report
From 6/22/2021 Through 6/22/2021

Vendor Name	Tra... Sou...	Effective Date	Check/Voucher Number	Expenses	GL Code	GL Title	Transaction Description
U.S. BANK	API	6/22/2021		309.98	4330	BOARD CONFERENCES	CASA Conference Hotel Deposit-ES
U.S. BANK	API	6/22/2021		309.98	4330	BOARD CONFERENCES	CASA Conference Hotel Deposit-JH
U.S. BANK	API	6/22/2021		595.00	4330	BOARD CONFERENCES	CASA Conference Registration-DO
U.S. BANK	API	6/22/2021		595.00	4330	BOARD CONFERENCES	CASA Conference Registration-ES
U.S. BANK	API	6/22/2021		595.00	4330	BOARD CONFERENCES	CASA Conference Registration-JH
U.S. BANK	API	6/22/2021		238.00	4330	BOARD CONFERENCES	CSDA Conference Flight-DO
U.S. BANK	API	6/22/2021		238.00	4330	BOARD CONFERENCES	CSDA Conference Flight-ES
U.S. BANK	API	6/22/2021		238.00	4330	BOARD CONFERENCES	CSDA Conference Flight-JH
U.S. BANK	API	6/22/2021		625.00	4330	BOARD CONFERENCES	CSDA Conference Registration-CR
U.S. BANK	API	6/22/2021		625.00	4330	BOARD CONFERENCES	CSDA Conference Registration-DO
U.S. BANK	API	6/22/2021		625.00	4330	BOARD CONFERENCES	CSDA Conference Registration-ES
U.S. BANK	API	6/22/2021		625.00	4330	BOARD CONFERENCES	CSDA Conference Registration-JH
U.S. BANK	API	6/22/2021		70.03	4910	OFFICE SUPPLIES	Coffee Maker
U.S. BANK	API	6/22/2021		20.00	4930	SUBSCRIPTIONS	Newsletter
U.S. BANK	API	6/22/2021		9.99	4950	Computer Software/Srvc/Support/Hardware	iCloud-PB
U.S. BANK	API	6/22/2021		107.74	4950	Computer Software/Srvc/Support/Hardware	WebCam
U.S. BANK	API	6/22/2021		40.00	4950	Computer Software/Srvc/Support/Hardware	Zoom Cloud
U.S. BANK	API	6/22/2021		58.60	5040	Safety Supplies & Services	Hard Hat/Sun Shade - Field Staff
U.S. BANK	API	6/22/2021		595.00	5710	TRAINING, EDUCATION & CONFERNC	CASA Conference Registration-PB
U.S. BANK	API	6/22/2021		595.00	5710	TRAINING, EDUCATION & CONFERNC	CASA Conference Registration-RM

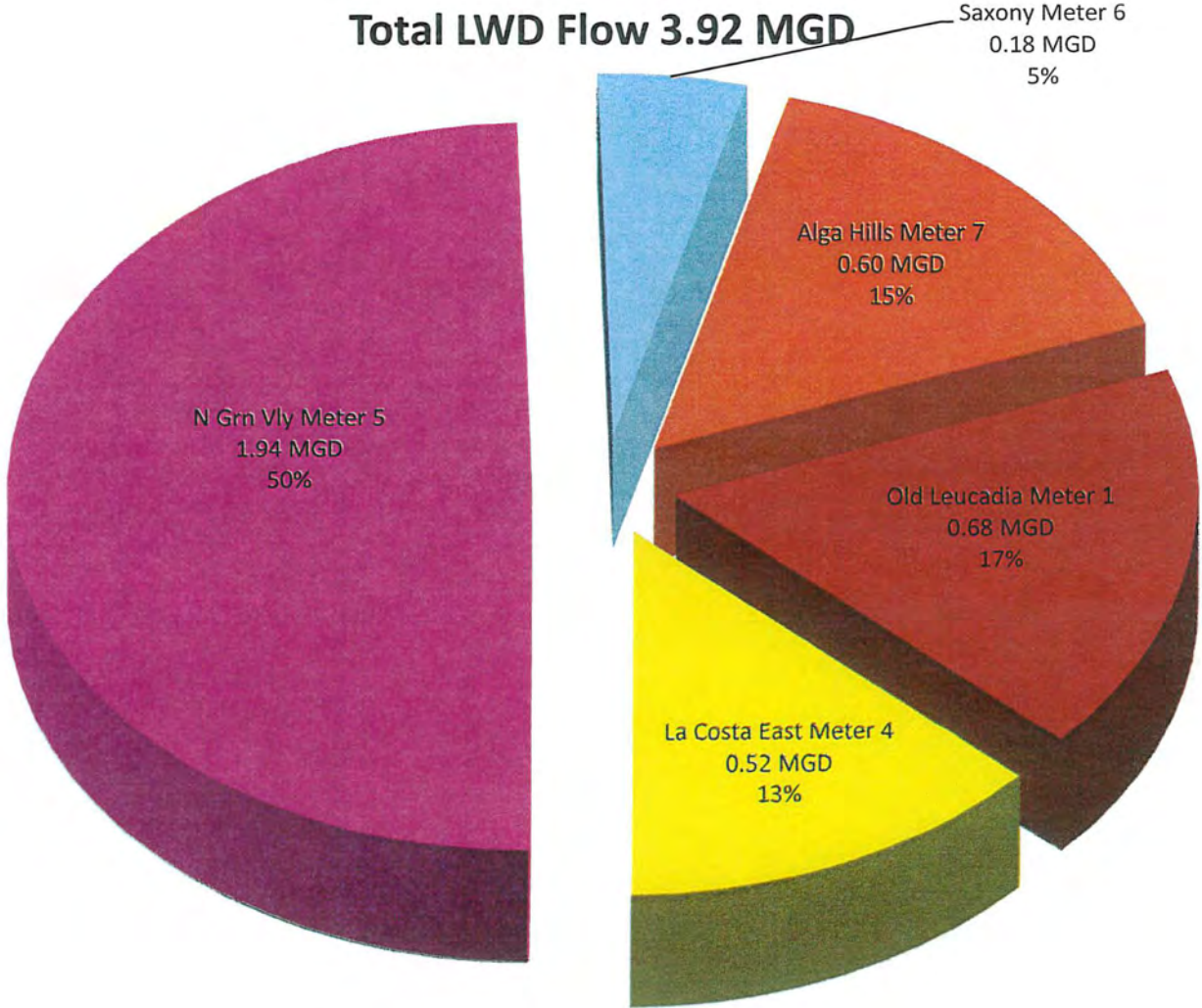
Leucadia Wastewater District
 Vendor Activity - Supplemental Credit Card Report
 From 6/22/2021 Through 6/22/2021

Vendor Name	Tra... Sou...	Effective Date	Check/Voucher Number	Expenses	GL Code	GL Title	Transaction Description
U.S. BANK	API	6/22/2021		495.00	5710	TRAINING, EDUCATION & CONFERNC	CASA Conference Registration-TH
U.S. BANK	API	6/22/2021		625.00	5710	TRAINING, EDUCATION & CONFERNC	CSDA Conference Registration-PB
U.S. BANK	API	6/22/2021		150.00	5710	TRAINING, EDUCATION & CONFERNC	CSFMO-RD
U.S. BANK	API	6/22/2021		140.00	5710	TRAINING, EDUCATION & CONFERNC	CWEA Training Registration-Field Staff
U.S. BANK	API	6/22/2021		17.23	5735	EMPLOYEE RECOGNITION	Gift Bags
U.S. BANK	API	6/22/2021		125.00	5910	TELEPHONE	Webhosting
U.S. BANK	API	6/22/2021		30.00	5910	TELEPHONE	Wifi
Transaction Total				<u>8,697.55</u>			
Report Opening/Current Balance							
Report Transaction Totals				<u>8,697.55</u>			
Report Current Balances							

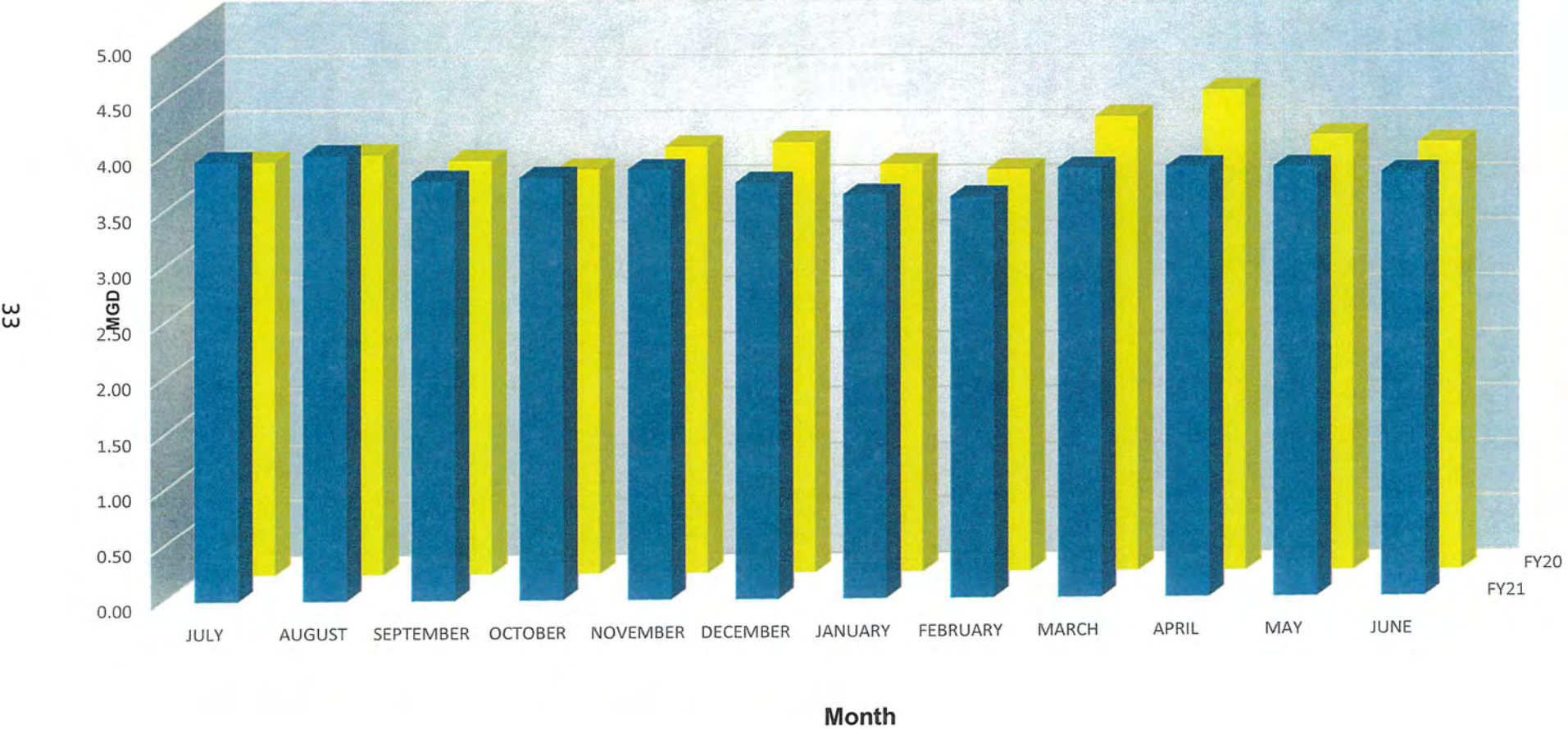
**LEUCADIA WASTEWATER DISTRICT
OPERATIONS REPORT
FISCAL YEAR 2021 (July 2020 - June 2021)**

CURRENT MONTH - June 2021							FY 2020
Period	Total Rain Inches	Total Flow MG	Added EDU's 28,738.54	LWD ADF (MGD)	GPD/EDU	RECLAIMED Total (ac-ft/mo)	LWD ADF (MGD)
JULY	0.00	122.45	1.05	3.95	137.44	48.21	3.71
YTD			28,739.59				
AUGUST	0.00	124.31	6.50	4.01	139.50	47.43	3.77
YTD			28,746.09				
SEPTEMBER	0.00	113.40	2.25	3.78	131.49	38.42	3.72
YTD			28,748.34				
OCTOBER	0.02	118.11	1.75	3.81	132.52	30.66	3.64
YTD			28,750.09				
NOVEMBER	0.50	116.40	4.75	3.88	134.93	10.01	3.84
YTD			28,754.84				
DECEMBER	0.79	116.56	2.00	3.76	130.75	11.26	3.88
YTD			28,756.84				
JANUARY	2.25	113.15	1.25	3.65	126.92	0.00	3.68
YTD			28,758.09				
FEBRUARY	0.14	101.64	4.75	3.63	126.20	0.00	3.63
YTD			28,762.84				
MARCH	1.41	120.59	2.75	3.89	135.23	13.46	4.11
YTD			28,765.59				
APRIL	0.13	117.00	2.75	3.90	135.57	35.53	4.35
YTD			28,768.34				
MAY	0.02	120.90	3.75	3.90	135.55	42.64	3.94
YTD			28,772.09				
JUNE	0.00	115.50	2.25	3.85	133.80	45.55	3.88
YTD			28,774.34				
YTD Totals	5.26	1400.01	35.80			323.17	
Mo Average	0.44	116.67	2.98	3.83	133.33	26.93	3.85

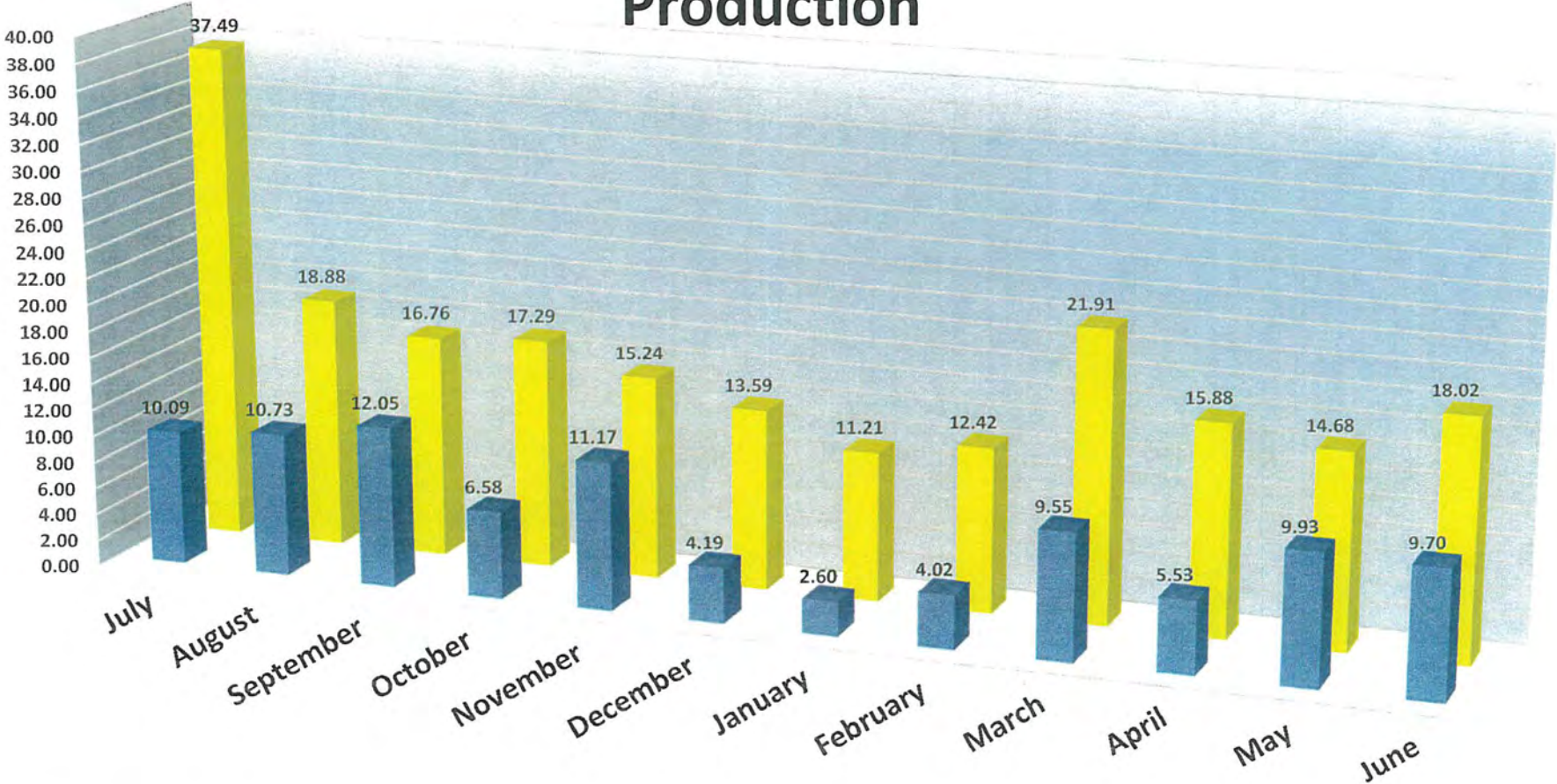
**LWD Flows by Sub-Basin
June 2021
Total LWD Flow 3.92 MGD**



Leucadia Wastewater District Flow Comparison FY20 to FY21



FY-21 CCTV Inspections & Hydro Cleaning Production

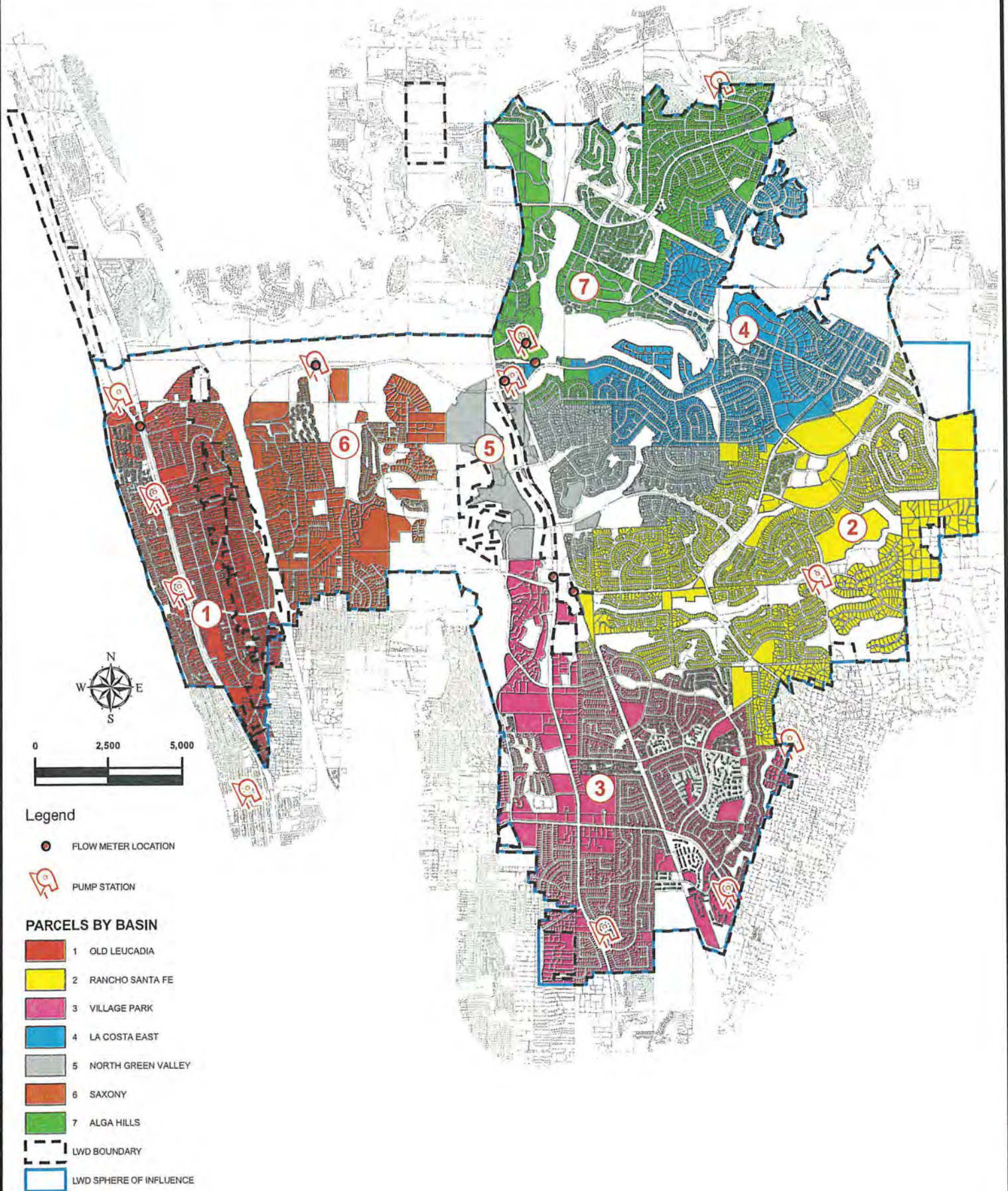


34

Monthly Target Mileage
 Hydro-Cleaning: 15 Miles/Month
 CCTV Inspections: 6.3 Miles/Month

■ CCTV Inspections (YTD 96.1 Miles)
 ■ Hydro Cleaning (YTD 213.4 Miles)

LEUCADIA WASTEWATER DISTRICT



Legend

● FLOW METER LOCATION

🗑️ PUMP STATION

PARCELS BY BASIN

- 1 OLD LEUCADIA
- 2 RANCHO SANTA FE
- 3 VILLAGE PARK
- 4 LA COSTA EAST
- 5 NORTH GREEN VALLEY
- 6 SAXONY
- 7 ALGA HILLS
- LWD BOUNDARY
- LWD SPHERE OF INFLUENCE



LEADERS IN
ENVIRONMENTAL
PROTECTION

Operations and Administration Training Report Summary for Fiscal Year 2021

Training		Hours		
Month	Ops	Admin	Total	
Jul-20	27.00	6.00	33.00	
Aug-20	69.00	5.00	74.00	
Sep-20	60.00	7.00	67.00	
Oct-20	7.00	12.50	19.50	
Nov-20	39.50	3.00	42.50	
Dec-20	13.50	3.00	16.50	
Jan-21	14.25	11.50	25.75	
Feb-21	24.00	10.50	34.50	
Mar-21	22.00	9.00	31.00	
Apr-21	21.50	29.50	51.00	
May-21	183.75	12.00	195.75	
Jun-21	46.00	27.25	73.25	
YTD Totals	527.50	136.25	663.75	
YTD Monthly Avg	43.96	11.35	55.31	

Conferences		Attendees		
Month	Ops	Admin	Total	
Jul-20	0.00	0.00	0.00	
Aug-20	1.00	3.00	4.00	
Sep-20	0.00	0.00	0.00	
Oct-20	12.00	0.00	12.00	
Nov-20	2.00	1.00	3.00	
Dec-20	0.00	0.00	0.00	
Jan-21	1.00	4.00	5.00	
Feb-21	0.00	2.00	2.00	
Mar-21	0.00	0.00	0.00	
Apr-21	0.00	0.00	0.00	
May-21	2.00	0.00	2.00	
Jun-21	0.00	0.00	0.00	
YTD Total	18.00	10.00	28.00	
YTD Monthly Avg	1.50	0.83	2.33	

Notes:

Trainings include web-based, classroom, and tailgates

Conferences include CASA, CWEA, CSDA, CSRMA, CSFMO



Operations and Administration Training Report
June 2021

Training & Safety Events for the month June 2021

Hours

Description	Ops	Admin	Total
Auto Rules 2020	0.0	2.0	2.0
Basic Math for Collection Systems Workers	1.0	0.0	1.0
Batteries: Replacing & Recharging	0.5	0.0	0.5
Bloodborne Pathogens	2.0	1.0	3.0
Collection System 101	0.75	0.0	0.75
Confined Space: Awareness	1.0	0.0	1.0
Confined Space: Entry Rescue Practice	1.5	0.0	1.5
Confined Space: Entry Supervisor Training	0.0	0.0	0.0
Confined Space: Non-Entry Rescue	0.0	0.0	0.0
CSFMO Group Live Courses	0.0	0.0	0.0
CSRMA Law Update Webinar	0.0	17.5	17.5
Cyber Security - Critical Rules of Finance	0.0	1.0	1.0
Easement Maintenance (CSRMA)	1.0	0.0	1.0
Excavation & Trenching (CSRMA)	1.0	0.0	1.0
Excel - Working with Duplicates & Unique Values	0.0	2.0	2.0
Fall Protection	1.0	0.0	1.0
Fire Extinguisher Training	1.0	0.0	1.0
Flagging / Traffic Control	1.0	0.0	1.0
Hazard Communication	1.0	0.0	1.0
HAZWOPER (Advanced: Modules 1- 4)	8.0	0.0	8.0
HAZWOPER First Responder Awareness	4.5	0.0	4.5
Hearing Conservation	0.75	0.00	0.75
Heat Illness	2.25	0.00	2.25
Hotwork	0.5	0.0	0.5
Lockout / Tagout	1.0	0.0	1.0
Malware Awareness	1.50	1.75	3.25
Respiratory Protection	7.0	0.0	7.0
Sewer Overflows & Backups	2.0	0.0	2.0
Underground Marking & Locating	0.75	0.00	0.75
Water Industry Combustible & Flammable Liquids	1.0	0.0	1.0
What to do following a vehicle accident	4.0	2.0	6.0
	0.0	0.0	0.0
Total Training Hours	46.00	27.25	73.25

YTD Monthly Avg 55

YTD Totals 664

Conferences for the month of June 2021

Attendees

Description	Ops	Admin	Total
Total Attended Conferences	0	0	0

Notes:

Trainings include web-based, classroom, tailgates and safety events

Leucadia Wastewater District

Balance Sheet
As of 6/30/2021

	Amount
Assets	
Cash & Investments	31,768,347.99
Accounts Receivables	249,210.44
Net OPEB Asset	73,376.00
Prepaid Expense	69,646.38
Funds held with Encina Wastewater Authority	2,041,200.00
Capital Assets	173,586,278.92
Less Accumulated Depreciation	<u>(60,835,675.68)</u>
Total Assets	<u>146,952,384.05</u>
Deferred Outflows	
PERS Pension Deferred Outflows	1,396,803.00
OPEB Health Deferred Outflows	86,509.00
Total Deferred Outflows	<u>1,483,312.00</u>
Total Assets & Deferred Outflows	<u>148,435,696.05</u>
Liabilities	
Accounts Payable & Accrued Expenses	658,219.18
Developer Deposits	88,845.35
Net Pension Liability	4,386,823.00
Total Liabilities	<u>5,133,887.53</u>
Deferred Inflows	
PERS Pension Deferred Inflows	282,136.00
PERS Projected/Actual Earnings Difference	76,695.00
OPEB Health Deferred Inflows	6,794.00
Total Deferred Inflows	<u>365,625.00</u>
Net Position	
Beginning Net Position (as of June 30, 2020)	
Investment in Capital Assets	112,718,595.48
Reserves	34,240,653.54
Total Beginning Net Position (as of June 30, 2020)	<u>146,959,249.02</u>
Current Change In Net Position	
Other	<u>(4,023,065.50)</u>
Total Current Change In Net Position	<u>(4,023,065.50)</u>
Total Net Position	<u>142,936,183.52</u>
Total Liabilities, Deferred Inflows & Net Position	<u>148,435,696.05</u>

Leucadia Wastewater District

Summary Budget Comparison - Revenues and Operating Expenses

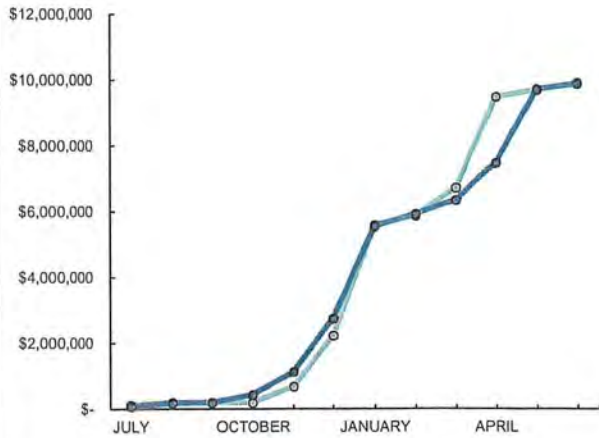
From 7/1/2020 Through 6/30/2021

Account Title	YTD Actual	Total Annual Budget	Remaining Budget	Percentage Total Budget Used
OPERATING REVENUES				
3110 Sewer Service Fees	\$ 9,850,617.72	\$ 9,891,110.00	\$ 40,492.28	99.6%
3150 Recycled Water Sales	449,997.04	350,000.00	(99,997.04)	128.6%
3100 Misc. Operating Revenue	71,757.56	191,753.00	119,995.44	37.4%
TOTAL OPERATING REVENUES	\$10,372,372.32	\$10,432,863.00	\$ 60,490.68	99.4%
OPERATING EXPENSES				
4100 Salaries	\$ 2,076,799.92	\$ 2,094,973.00	\$ 18,173.08	99.1%
4200 Employee Benefits	1,439,712.36	1,515,744.00	76,031.64	95.0%
4300 Directors Expense	87,642.45	151,700.00	64,057.55	57.8%
4400 Election Expense	3,460.00	37,000.00	33,540.00	9.4%
4600 Gas, Oil & Fuel	29,495.07	41,000.00	11,504.93	71.9%
4700 Insurance Expense	125,104.39	150,300.00	25,195.61	83.2%
4800 Memberships	35,015.89	37,850.00	2,834.11	92.5%
4900 Office Expense	128,742.50	169,200.00	40,457.50	76.1%
5000 Operating Supplies	210,679.78	205,500.00	(5,179.78)	102.5%
5200 Professional Services	283,506.14	439,900.00	156,393.86	64.4%
5300 Printing & Publishing	32,779.73	29,600.00	(3,179.73)	110.7%
5400 Rents & Leases	48,744.95	18,300.00	(30,444.95)	266.4%
5500 Repairs & Maintenance	483,293.91	531,680.00	48,386.09	90.9%
5600 Monitoring & Permits	62,111.09	70,800.00	8,688.91	87.7%
5700 Training & Development	35,901.20	49,500.00	13,598.80	72.5%
5900 Utilities	408,665.74	448,600.00	39,934.26	91.1%
6100 LAFCO Operations	6,909.88	7,700.00	790.12	89.7%
6200 Encina Operating Expense	1,911,265.41	2,569,500.00	658,234.59	74.4%
6900 Admin O/H alloc to Capital	(139,454.62)	(192,756.00)	(53,301.38)	72.3%
TOTAL OPERATING EXPENSES	\$ 7,270,375.79	\$ 8,376,091.00	\$ 1,105,715.21	86.8%
NON-OPERATING REVENUES				
3130 Capacity Fees	\$ 159,031.25	\$ 305,340.00	\$ 146,308.75	52.1%
3220 Property Taxes	1,853,128.87	1,870,000.00	16,871.13	99.1%
3250 Investment Income	393,193.25	458,000.00	64,806.75	85.9%
3290 Misc. Non Op Revenue	96,869.65	86,200.00	(10,669.65)	112.4%
3295 Contributed Sewer Lines	32,007.76	-	(32,007.76)	100.0%
TOTAL NON-OPERATING REVENUES	\$ 2,534,230.78	\$ 2,719,540.00	\$ 185,309.22	93.2%

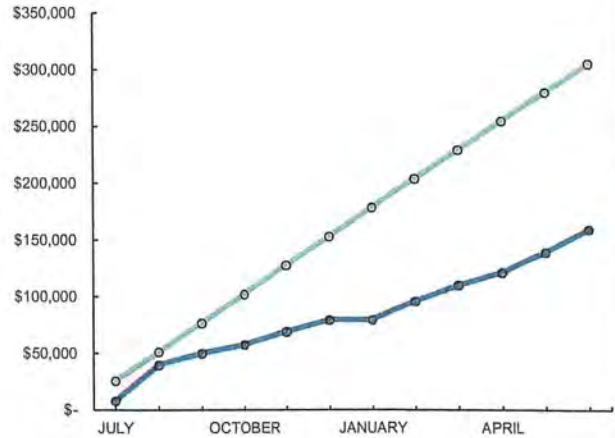
Leucadia Wastewater District Revenue FY2021

YTD through June 30, 2021

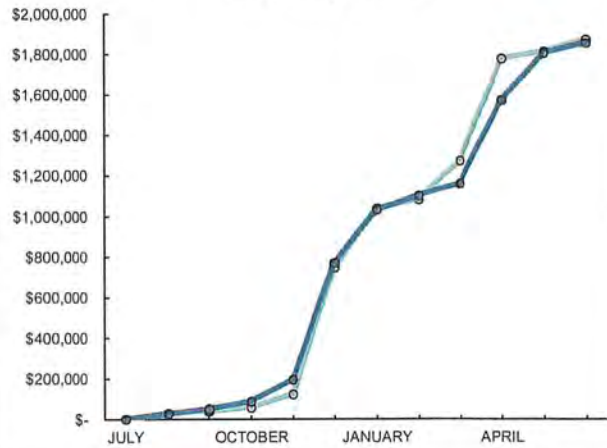
Sewer Service Fees



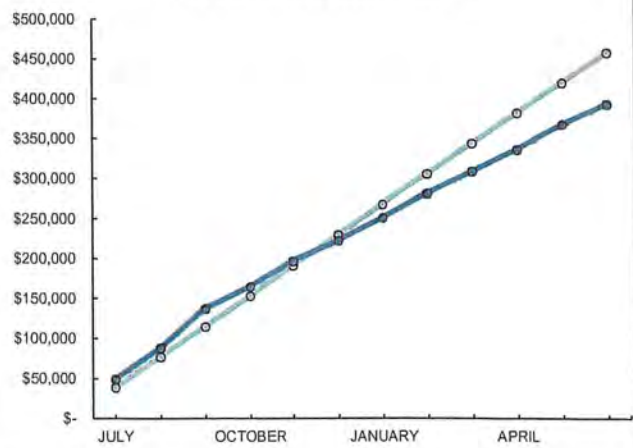
Capacity Charges



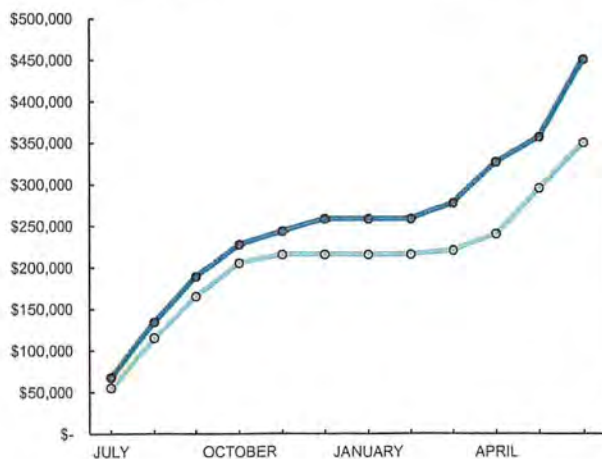
Property Taxes



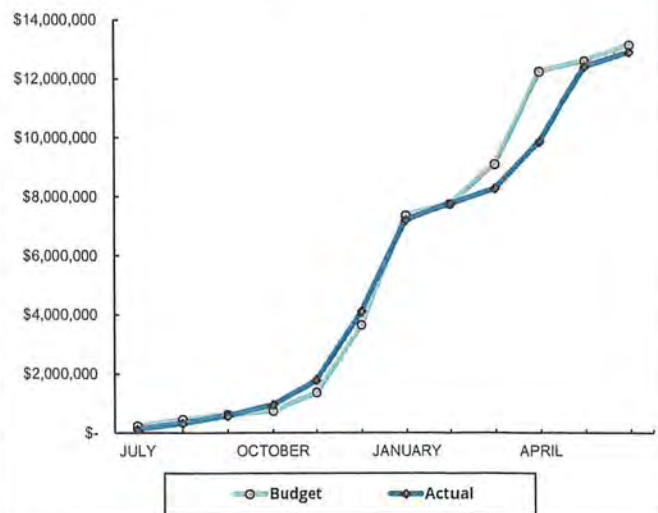
Investment Income



Recycled Wastewater Sales



Total Revenue

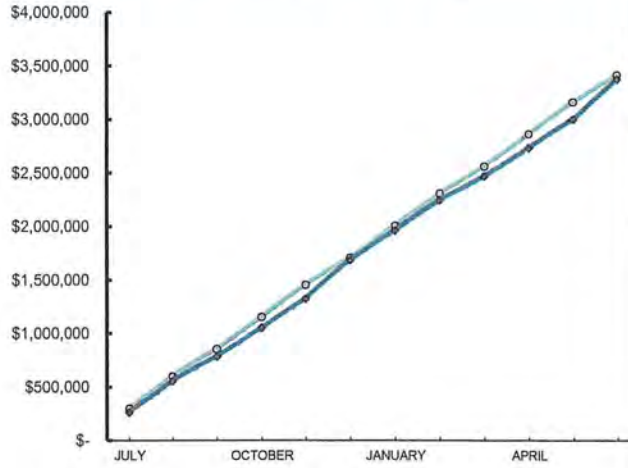


* Preliminary: subject to future review, reconciliation, accruals, and audit

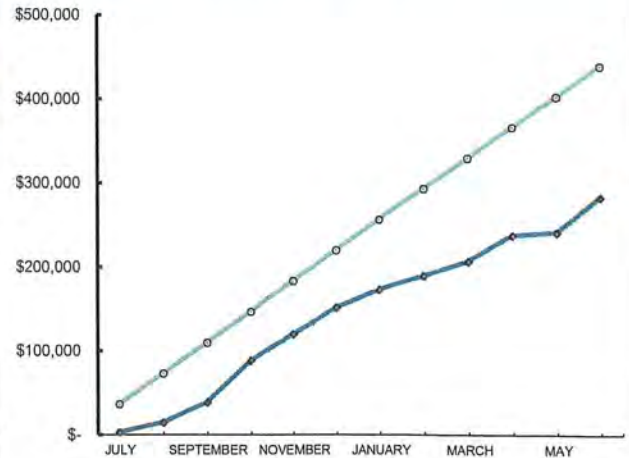
Leucadia Wastewater District Operating Expenses FY2021

YTD through June 30, 2021

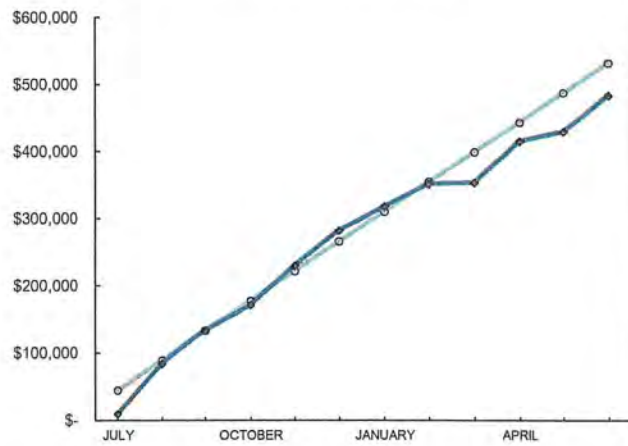
Salaries and Benefits



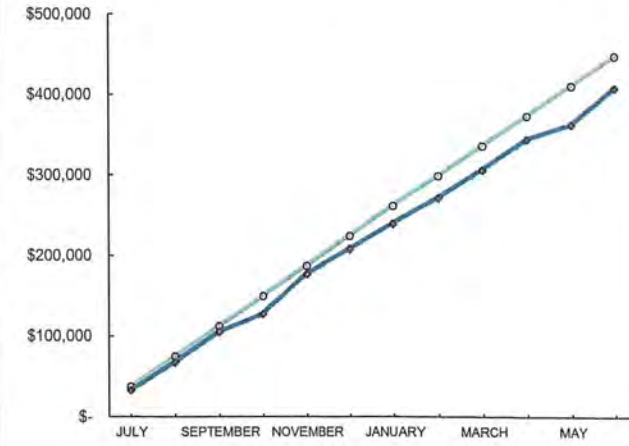
Professional Services



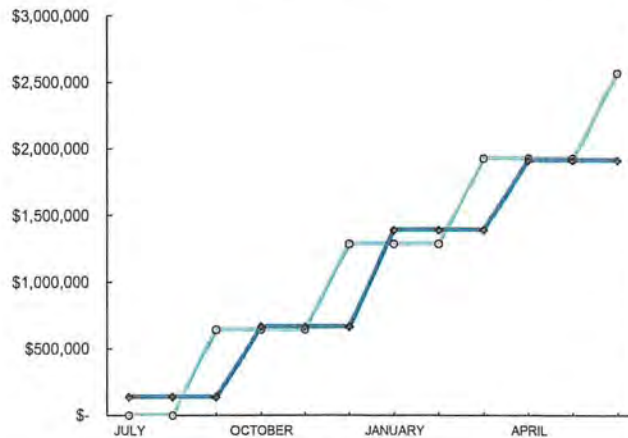
Repairs & Maintenance



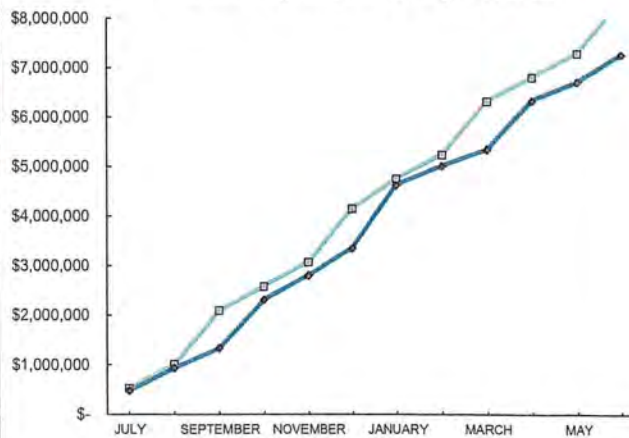
Utilities



Encina M&O



Total Operating Expenses - Before Depreciation & Replacement



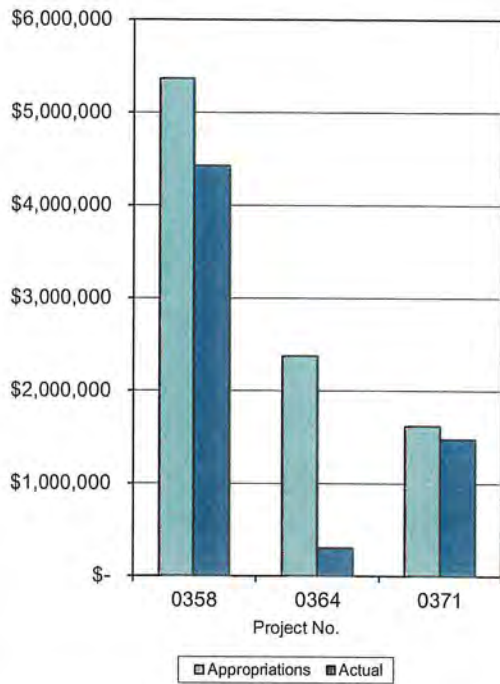
□ Budget
 ◆ Actual

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

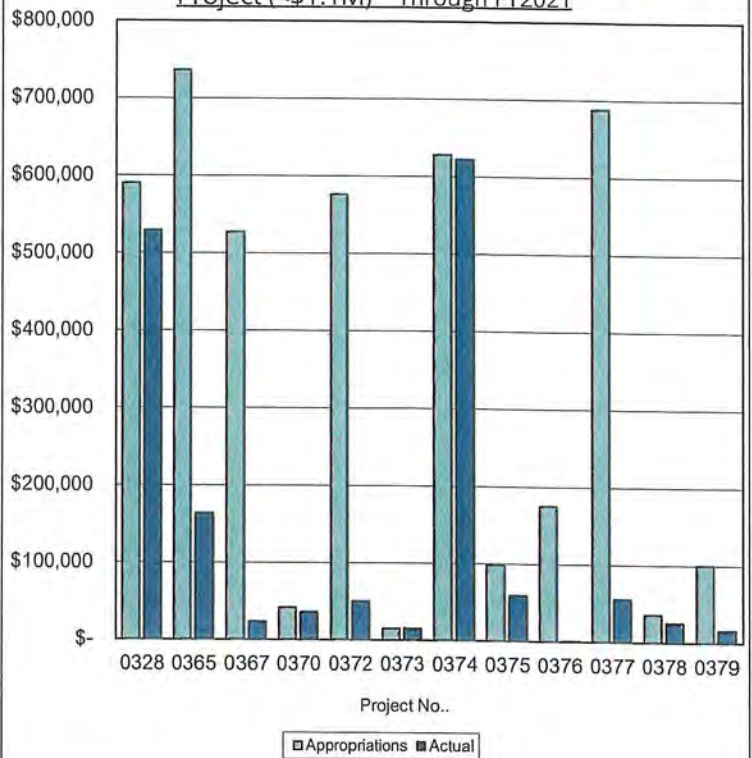
Leucadia Wastewater District Capital Expenditures

As of June 30, 2021

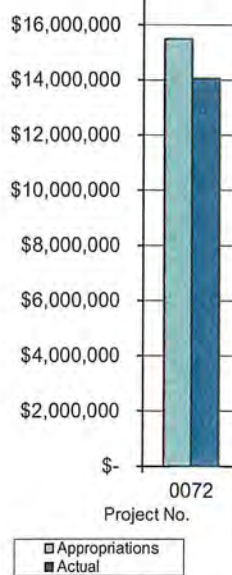
District Multi Year Capital Expenditures
by Project
(>\$1.1M) Through FY2021



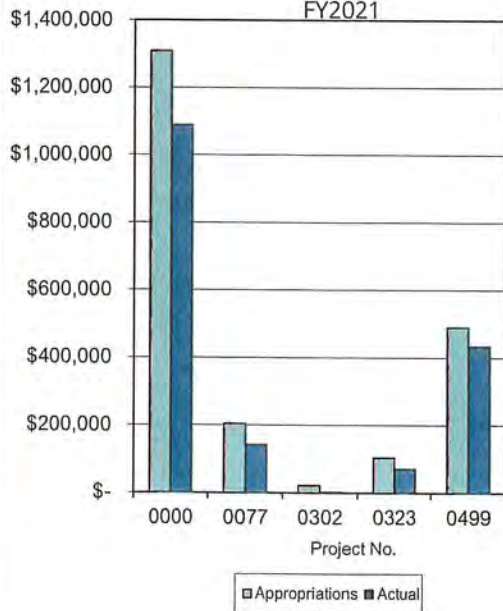
District Multi Year Capital Expenditures by
Project (<\$1.1M) Through FY2021



District's Share of
Encina WPCF
Capital Exp
Through FY2021



Single Year Capital Expenditures by
Project
FY2021



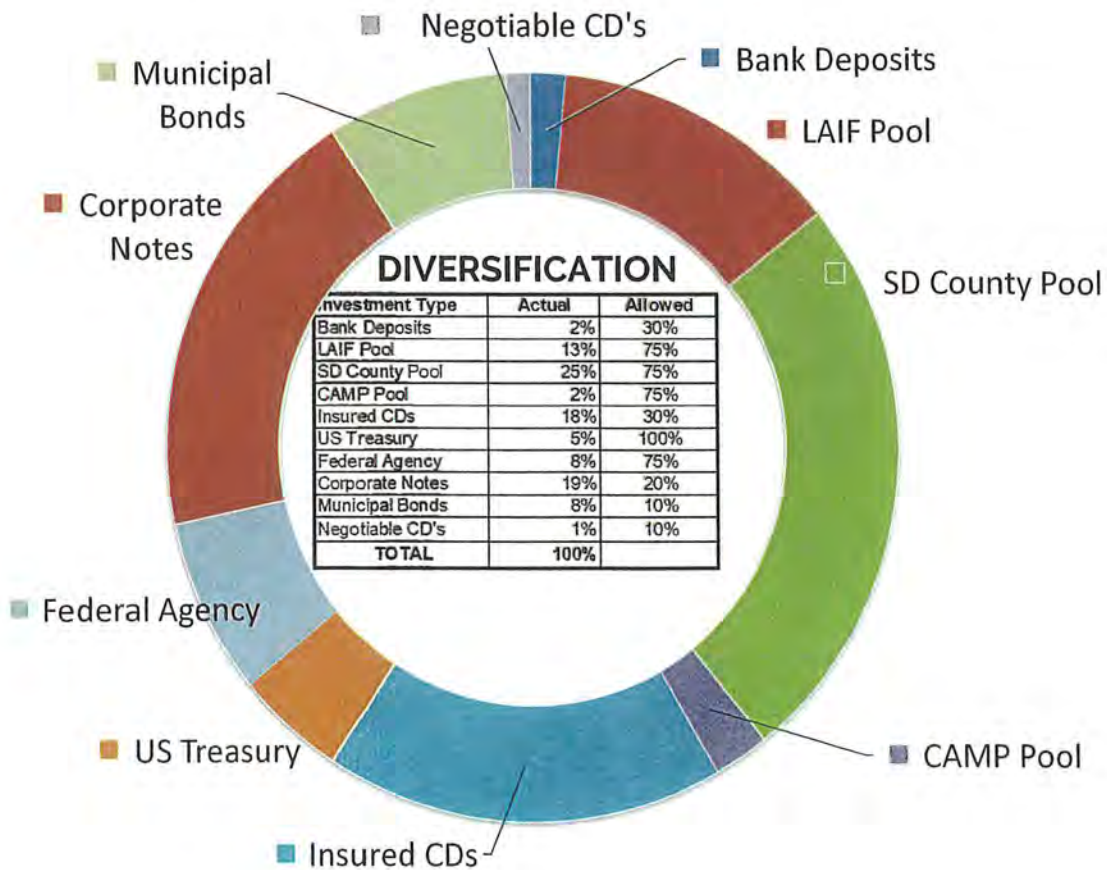
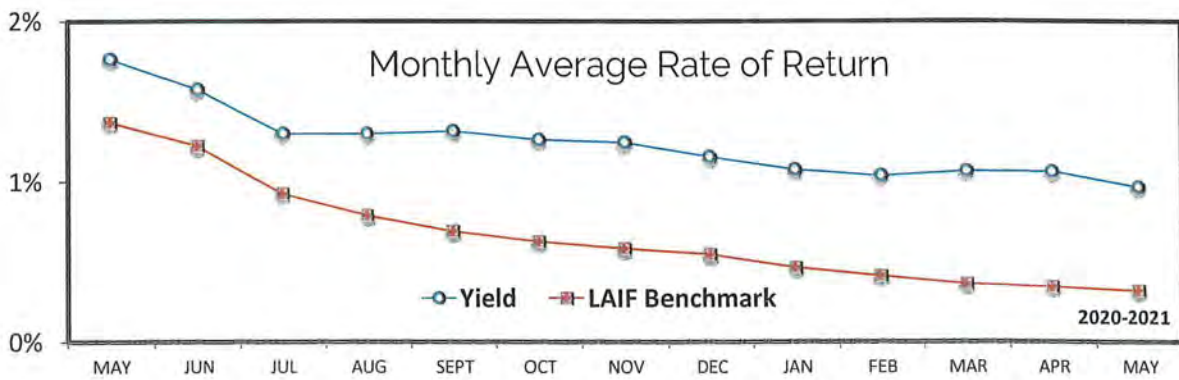
Project Legend

Multi-Year Capital Projects	No.
Encina Joint Facility Capital Projects	0072
North SD Water Reuse Coalition Project	0328
Leucadia Pump Station Rehabilitation	0358
Encinitas Estates Pump Station Rplcmnt	0364
Orchard Wood Rd Sewer Rehab	0365
B1 Force Main - North Section Rplcmnt	0367
Pump Station Assessment	0370
FY20 Gravity Line Rehab/Quebrada Rlgn	0371
Diana Pump Station Upgrade	0372
Hazard Mitigation Plan Update	0373
Bat FM (B3) Discharge Section Rplcmnt	0374
Batiquitos PS Emergency Basin Upgrade	0375
Batiquitos Pump Station Rehabilitation	0376
FY2021 Gravity Pipeline Rehabilitation	0377
FY2021 L1/L2 Force Main Anode Rplcmnt	0378
Village Park 5 PS New Chopper Pumps	0379
Single Year Capital Projects	No.
Equipment - Capital Acquisitions	0000
Misc. Pipeline Rehabilitation	0077
District Engineering Services	0302
Lateral Replace/Backflow Prevention	0323
LWD Gen'l Cap Labor & O/H Allocation	0499

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

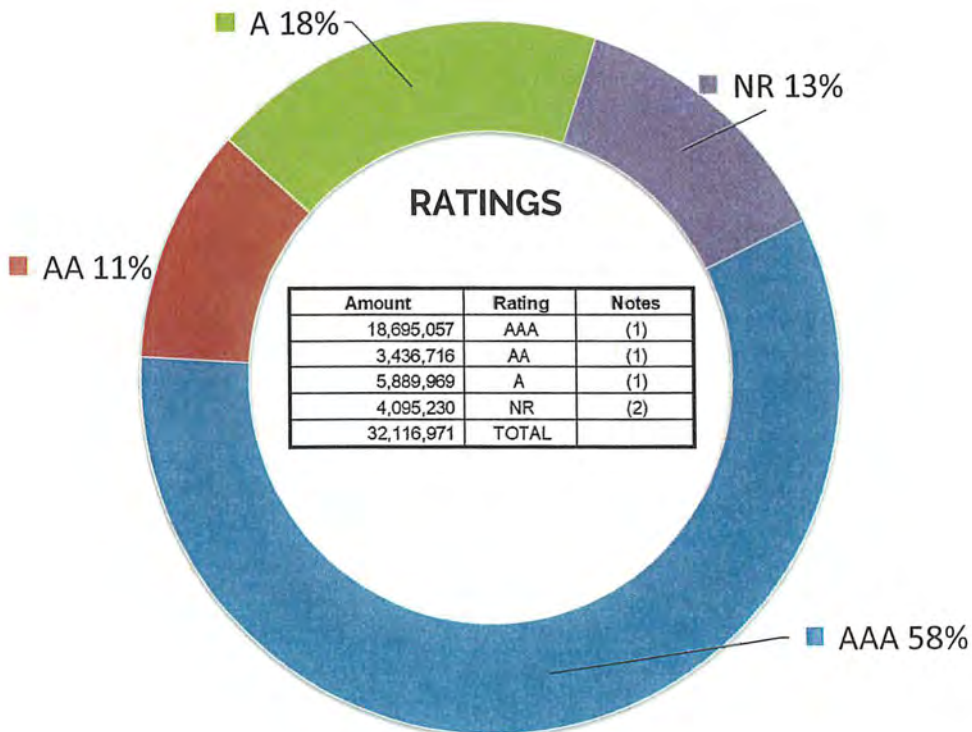
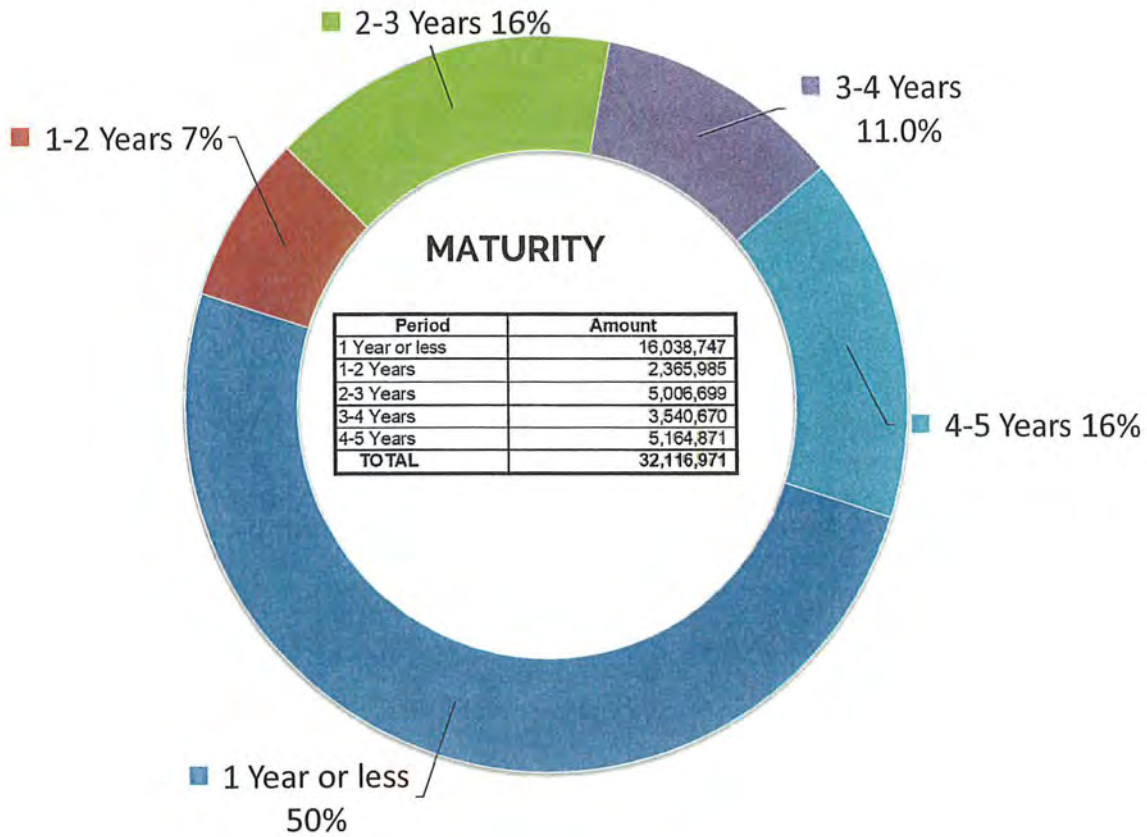
LEUCADIA WASTEWATER DISTRICT
Monthly Investment Summary
May 31, 2021

Cash Equivalents & Investments	Principal (Original Cost)		May Interest	Average Rate
	Apr 30, 2021	May 31, 2021		
Pacific Premier Bank Reserves	\$ 1,310,881	\$ 505,119	\$ 6	0.010%
LAIF Pool	2,295,230	4,095,230	839	0.315%
SD County Pool	8,002,984	8,002,984	4,802	0.720%
CAMP Pool	1,093,299	785,758	37	0.050%
Certificates of Deposit - Insured	5,629,000	5,629,000	6,763	1.441%
US Treasury Notes	991,953	1,561,805	1,462	1.140%
Federal Agency Notes	2,447,110	2,447,110	1,587	0.754%
Municipal Bonds	2,366,206	2,567,388	2,054	0.939%
Corporate Bonds/Notes	6,120,245	6,172,578	7,015	1.372%
Negotiable CD's	350,000	350,000	540	1.850%
Totals	\$ 30,606,908	\$ 32,116,971	\$ 25,103	0.961%



LEUCADIA WASTEWATER DISTRICT
 Monthly Investment Summary
 May 31, 2021

(Continued)

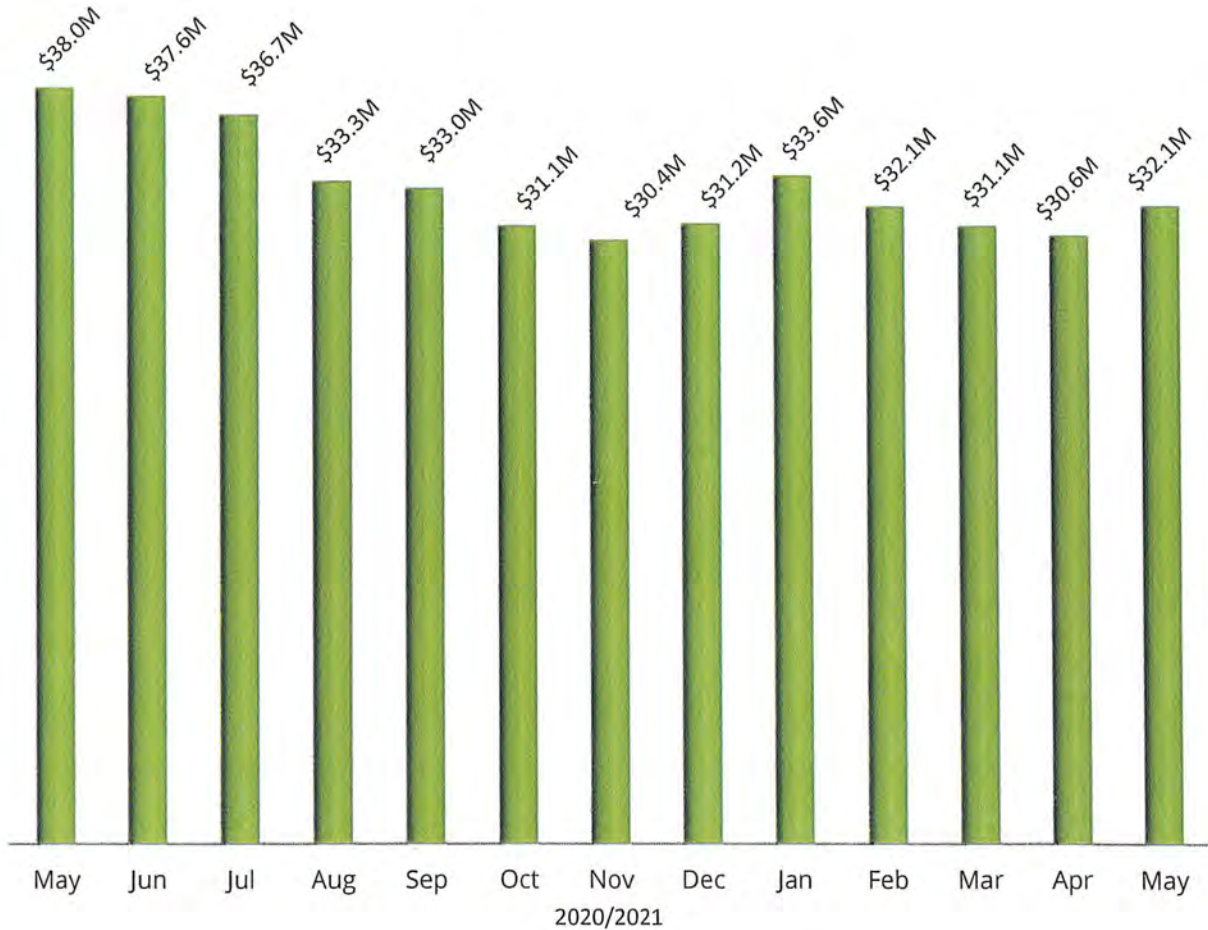


(1) CAMP Pool & SD County Pool, are rated by Standard & Poors. Investments are rated by Moody's.
 (2) LAIF is not rated

LEUCADIA WASTEWATER DISTRICT
Monthly Investment Summary
May 31, 2021

(Continued)

CASH & INVESTMENT FUNDS BY MONTH



INVESTMENT TRANSACTIONS

For the months of May, 2021


Investment	Purchases	Sales & Maturities	Maturity Date	CUSIP	YTM at Cost	Notes
Morgan Stanley Corp Notes	\$ 250,718		4/5/2024	61772BAA1	0.63%	
US Treasury Notes	\$ 569,852		10/31/2024	912828YM6	0.46%	
Apple Inc Corp Note (Called)		\$ 500,000	5/6/2021	03783AR1	2.96%	
Oceanside CA Water Revenue Bonds	\$ 201,182		5/1/2025	675413DK1	0.70%	

TOTAL

\$ 1,321,751	\$ 500,000
--------------	------------

Investment transactions above are investment purchases, sales, and maturities during the month. They do not include internal transfers between District's checking a/c's and cash equivalents (pools/reserves)

MEMORANDUM

DATE: July 8, 2021
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: **June 2021 Board Disclosure of Reimbursements Report**

RECOMMENDATION:

Staff requests that the Board of Directors:

1. Receive and file the Board Disclosure of Reimbursement Report for the month ending June 2021.

DISCUSSION:

Government Code Section §53065 stipulates that Special Districts must disclose reimbursements of \$100 or more on at least an annual basis. Leucadia Wastewater District (LWD) prepares the Disclosure Report every month in accordance with Resolution No. 2291 – The Integrated Travel Authorization and Expense Reimbursement Policy, which is above and beyond the requirements of Government Code Section §53065.

Attached please find the Board Disclosure of Reimbursements report for the month of June 2021 for your review.

tb:PJB

Attachment

**Leucadia Wastewater District
Disclosure of Reimbursements Report
June 1-30, 2021**

Conference Date	Description	Director	Director	Director	Director	Director	GM	TSM	ASM	FSS	
		J. Hanson	E. Sullivan	D. Omsted	A. Juliussen	M. Brown	P. Bushee	R. Morishita	R. Duffey	J. Stecker	
2021 CWEA Annual Virtual Conference June 7-10, 2021	Registration			475.00							
	Hotel										
	Airfare										
	Meals										
	Baggage										
	Parking/Coaster										
	Tips										
	Fuel/mileage/taxi/uber										
	Total		0.00	0.00	475.00	0.00	0.00	0.00	0.00	0.00	0.00
		Registration									
Hotel											
Airfare											
Meals											
Baggage											
Parking/Coaster											
Tips/Baggage											
Fuel/mileage/taxi/uber											
Total			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		Registration									
	Hotel										
	Airfare										
	Meals										
	Baggage										
	Parking/Coaster										
	Tips/Baggage										
	Fuel/mileage/taxi/uber										
	Total		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		Registration									
Hotel											
Airfare											
Meals											
Baggage											
Parking/Coaster											
Tips/Baggage											
Fuel/mileage/taxi/uber											
Total			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Notes:

Encina Wastewater Authority Report
Regular Board Meeting
June 23, 2021

EWA Board of Directors - Director Sullivan Reporting

1. Agricultural Mitigation Fee

The Board of Directors authorized the General Manager to approve payment of the Agricultural Mitigation Fee in the amount of \$210,000 and to transfer funds from the South Parcel leasing revenue account to EWPCF Professional Services to fund the fee.

2. Carlsbad Water Recycling Facility SCADA Improvements Implementation

The Board of Directors authorized the General Manager to execute the following:

- A task order to Enterprise Automation (EA) in the amount of \$879,291 for the Carlsbad Water Reclamation Facility (CWRP) SCADA Improvements Implementation Services; and
- A professional services agreement with Rockwell Construction Services, LLC (RCS) in the amount of \$87,120 for Construction Management and Inspection Services for the CWRP SCADA Improvements Implementation.

3. Unit I Ownership and Weighted Vote Percentages

The Board of Directors received and filed a letter detailing the Unit I ownership and weighted vote percentages.

4. Return to In-Person Meetings

The Board of Directors authorized the General Manager to continue conducting virtual meetings through September 2021, with in-person meetings resuming in October 2021.

Investment & Finance Committee Meeting Report

Presented by Vice President Hanson

Meeting held June 15, 2021

1. Audit Entrance Meeting with Davis Farr, LLP.

The IFC participated in the Financial Audit Entrance meeting with staff and CPA Shannon Ayala, from Davis Farr, LLP.

Davis Farr has begun their preliminary audit review. The IFC reviewed the auditor's responsibilities, the timing of the audit, and upcoming changes to the audit process.

The final phase of the audit will begin September 2021.

There was no action taken.

Investment & Finance Committee Meeting Report

Presented by Vice President Hanson

Meeting held July 7, 2021

- 1. The IFC reviewed staff's recommendation to update the District's Investment Policy.**

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

Engineering Committee Meeting Report

Presented by Director Brown

Meeting held July 7, 2021

- 1. The EC reviewed staff's recommendation to update the District's Capacity Fee ordinance.**

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

- 2. The EC received updates on the following projects:**

- Development Projects Summary;
- Leucadia Pump Station Rehabilitation Project; and
- FY21 Cured-In-Place Lining Project.

These items were for information purposes and there was no action taken.

MEMORANDUM

DATE: July 8, 2021
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: **Public Hearing on a Proposal to Adopt an Update to the Leucadia Wastewater District Capacity Fee Ordinance**

DISCUSSION:

The purpose of this public hearing is to allow the Leucadia Wastewater District (District) Board of Directors to receive and consider public comment on the following:

- 1) A proposal to adopt a new wastewater capacity fee ordinance with an updated fee schedule that modifies the equivalent dwelling unit (EDU) factors used to determine capacity fees, and sewer service fees, for Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs). The existing capacity fee of \$5,089 per EDU is not changed. However, for ADUs that are 1,001 square feet or larger, the modifications lower capacity fees (when applicable) and sewer service fees by 25%.

The notice of this public hearing was posted at LWD beginning July 7, 2021. It was also published in the San Diego Union Tribune on July 7, 2021.

ier:PB

MEMORANDUM

Ref: 22-7680

DATE: July 8, 2021
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: **Proposed Ordinance No. 143 - Amend Equivalent Dwelling Unit (EDU) Factors Capacity Fee Schedule**

RECOMMENDATION:

Staff and the Engineering Committee (EC) recommend that the Board of Directors:

1. Adopt Ordinance No. 143 – An Ordinance of the Board of Directors of the Leucadia Wastewater District (District) Establishing the District's Capacity Fee and Amending the EDU Factors Capacity Fee Schedule.
2. Discuss and take other action as appropriate.

BACKGROUND:

Tactical Goal: Services / Update Capacity Fee Ordinance

This item was reviewed by the EC at its July 7th meeting and the EC concurred with staff to present this item to the Board.

The State of California has continued to pass major housing legislation in an effort to alleviate the state's ongoing housing and housing affordability crisis. One tool the state is using to resolve this issue is the promotion of Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs). These units are constructed by property owners on the same property as a single-family or multi-family residence.

An ADU is defined as an attached or detached residential dwelling unit with an individual kitchen and bathroom that is located on the same parcel as an existing single-family residence. These units can be a maximum of 1,200 square feet. An ADU constructed outside of an existing structure remains subject to sewer capacity fees. An attached or detached ADU that is constructed within an existing structure on the property (e.g. single-family residence or detached garage), is generally exempt from sewer capacity fees.

A JADU is defined as a unit created within the walls of a proposed or existing single-family residence that is 500 square feet or smaller. A JADU may share a kitchen and bathroom with the primary residence. A JADU can only be constructed within an existing structure, therefore, the JADU is generally exempt from sewer capacity fees. However, appropriate sewer service fees still apply to the JADU.

In May 2020, the Board adopted Ordinance No. 141 to clarify how capacity fees for an ADU or JADU are determined and to comply with the requirement that ADU capacity fees be proportionate to the burden placed on the public sewer system. Ordinance No. 141 continued to apply a square foot approach and adopted the following capacity fee schedule for ADUs/JADUs:

WASTEWATER USE CATEGORY	Current
ADU & JADU	
500 square feet or smaller	0.25
501-1,000 square feet	0.5
1,001 square feet or larger	1.0

Using the current schedule, an ADU that is 1,001 square feet or larger (Large ADU) is charged the same capacity fee that is applied to a single-family residence. This is based upon staff's determination that the impacts of a Large ADU on the public sewer system is very similar to a single-family residence. For example, a Large ADU is likely to have two bathrooms and two to three bedrooms.

DISCUSSION:

Recently, the California Department of Housing and Community Development (HCD) has issued guidance clarifying how fees are assessed for larger ADUs. This came about when a District customer who is developing an ADU on their property that is over 1,000 square feet challenged the District's assessment of 1 EDU. The HCD guidance states that the capacity fee for an ADU shall be proportionate to the size of the primary residence.

General Counsel (GC) Brechtel has weighed in on this issue and believes that the HCD guidance misstates the law in regards to capacity charges for ADUs. Under existing California Code, ADUs can be charged capacity fees either by the number of fixtures or the square footage of the ADU. There is no reference to square footage based on the primary residence. If ADUs were assessed based on the size of the primary residence then the capacity fee for a 1,000 square foot ADU would be different for a 2,000 square foot home and 3,000 square foot home. GC Brechtel and staff do not believe that the fee would be fair or proportional to the burden on the District's system. The District's current practice of using square footage is in compliance with the law.

However, staff and GC Brechtel do believe that there is merit to having the capacity fee for an ADU be less than that of a single-family residence. As such, staff and the EC are recommending that the capacity fee assessment for ADU's of more than 1,000 square feet be reduced from 1 EDU to 0.75 EDU as displayed in the following table:

WASTEWATER USE CATEGORY	Current	Proposed
ADU & JADU		
500 square feet or smaller (Small)	0.25	0.25
501-1,000 square feet (Medium)	0.50	0.50
1,001 square feet or larger (Large)	1.0	0.75

Staff and GC Brechtel believe that adjusting the capacity fee for larger ADUs slightly downward would be more consistent with HCD's guidance, reduce the chances of time-consuming challenges, and have a minimal financial impact on the District.

Attached please find a copy of Ordinance No. 143 for your review. Staff will present a detailed overview of the changes at the upcoming meeting.

FISCAL IMPACT:

If approved, the fiscal impact of Ordinance No. 143 will be a *reduction* of approximately \$2,200 per year in sewer service revenues. This is not expected to significantly impact LWD's annual revenues or operations.

ier:PJB

Attachment

ORDINANCE NO. 143

**AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE LEUCADIA WASTEWATER DISTRICT
CONFIRMING THE DISTRICT'S CAPACITY FEE AND AMENDING THE
EQUIVALENT DWELLING UNIT FACTORS CAPACITY FEE SCHEDULE**

WHEREAS, the Leucadia Wastewater District (LWD) is a county water district that operates as a special district in accordance with Government Code Section 56036; and,

WHEREAS, the LWD Board of Directors has determined that a capacity fee is appropriate; and,

WHEREAS, LWD's Capacity Fee has been set and reaffirmed by Ordinances Nos. 137 and 141 at \$5,089 per Equivalent Dwelling Unit (EDU); and,

WHEREAS, the LWD Board of Directors has determined that the EDU Factors Capacity Fee Schedule should be amended to further clarify how an Accessory Dwelling Unit (ADU) is assessed;

WHEREAS, an existing category for ADUs (attached) 1,001 square feet or larger has been modified in the EDU Factors Capacity Schedule to show a reduction in capacity fees (when applicable) and sewer service fees by 25%; and

WHEREAS, a public hearing to consider a reduced capacity fee for ADUs was duly noticed and held in accordance with Government Code Section 66016 on the date hereof,

NOW, THEREFORE, BE IT ORDAINED:

1. That the existing Capacity Fee of \$5,089 per EDU is reconfirmed and shall remain unchanged.
2. That the capacity fee charges shall be assessed in accordance with the EDU Factors established by the District and incorporated herein as "Exhibit A".
3. That the revised capacity fee charges and sewer service fees resulting from the new EDU Factors set forth on Exhibit A shall be prospective only and take effect on July 1, 2021.
4. That the provisions of this ordinance shall be effective immediately after its adoption, and thereafter, Ordinance No. 141 shall be void and of no further force and effect.

PASSED AND ADOPTED this 14th day of July 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Donald F. Omsted
President

ATTEST:

Paul J. Bushee
Board Secretary

EXHIBIT A
LEUCADIA WASTEWATER DISTRICT
EDU FACTORS CAPACITY FEE SCHEDULE

WASTEWATER USE CATEGORIES		
NO.	DESCRIPTION	EDU FACTORS
1	<u>Single-Family Residence</u>	1.0
2	<u>Accessory Dwelling Unit & Junior Accessory Dwelling Unit</u>	
a	500 square feet or smaller (small)	0.25
b	501-1,000 square feet (medium)	0.50
c	1,001 square feet or larger (large)	1.0 0.75
Capacity Fees do not apply to Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) that are exempt from such fees under State Law (generally new units contained within the existing space of a single-family residence or accessory structure). Sewer Service Fees still apply, and they are determined by the applicable EDU Factor for the ADU and JADU. Only JADUs with an individual kitchen and bathroom will be independently assessed an EDU factor. JADUs that do not have independent kitchen and bath facilities will be covered by the EDU already assessed to the primary property.		
3	<u>Multiple Dwelling</u> (apartments, duplexes, condominiums and townhouses) Each living unit	1.0
4	<u>Mobile Home or Trailer Park</u> Each mobile home or trailer space	1.0
5	<u>Motel or Hotel</u>	
a	Each unit without a kitchen	0.33
b	Each unit with a kitchen	0.55
6	<u>Medical Care or Elder Care</u> (hospitals, skilled nursing homes, convalescent homes, retirement homes, assisted living homes and similar facilities) Each plumbed facility must have a 1.0 EDU minimum. If the EDU calculation below is less than 1.0, the base minimum of 1.0 will apply	1.0 min.
a	Multiple dwellings without individual kitchen & with on-site community eating facilities, per individual bed	0.4
b	Multiple dwellings with individual kitchen and on-site community eating facilities, per living unit	0.8
c	Multiple dwellings with individual kitchen and no on-site community eating facility, per living unit	1.0
d	Single dwellings with individual kitchen regardless of community facilities, per living unit	1.0

7	<u>Churches, Theaters, and Auditoriums</u> Each unit of 115 persons or fraction thereof	1.0
8	<u>Schools</u>	
a	Each Elementary School per 60 pupils or fraction thereof	1.0
b	Each Junior High School per 50 pupils or fraction thereof	1.0
c	Each High School per 30 pupils or fraction thereof	1.0
d	Each Trade, Vocational, University or College per 30 pupils or fraction thereof	1.0
9	<u>Laundries - Self Service</u> Per each washer	0.75
10	<u>Food Services Establishments</u>	
a	<i>Limited Food Preparation Establishments.</i> Facilities that only engage in the reheating, hot-holding or assembly of ready to eat products and the incidental sale of beverages. See "Other Commercial or Industrial Users"	(See Category 15)
b	<i>Low Food Preparation Establishments.</i> Facilities that prepare food, but have equipment and/or uses deemed to have a low risk of FOG ¹ , BOD ² or TSS ³ discharge (microwave, toaster, toaster oven, bread oven, combi-oven, steamers, freezers for serving frozen products, and other similar equipment) ⁴ . Includes facilities for which the preparation and sale of specialized beverages, such as coffees and smoothies, is an incidental part of the business. Minimum allows for up to 14 seats with multi-use utensils or up to 30 seats with single-use utensils	2.0 min.
1)	Additional for each unit of 7 seats or portion thereof with multi-use utensils that exceeds minimum seating	1.0
2)	Additional for each unit of 15 seats or portion thereof with single-use utensils that exceeds minimum seating	1.0
c	<i>High Food Preparation Establishments.</i> Facilities that prepare food and have equipment and/or uses deemed to have a high risk of FOG ¹ , BOD ² or TSS ³ discharge (char-broiler, griddle, grill, stove (range), oven (range), deep fryer, kettle, rotisserie, smoker, tilt skillet, pizza oven and other similar equipment) ⁴ . Includes facilities for which the preparation and sale of specialized beverages, such as coffees, is the primary focus of the business. Minimum allows for up to 21 seats with multi-use utensils or up to 45 seats with single-use utensils	3.0 min.
1)	Additional for each unit of 7 seats or portion thereof with multi-use utensils that exceeds minimum seating	1.0
2)	Additional for each unit of 15 seats or portion thereof with single-use utensils that exceeds minimum seating	1.0

1 Fats, Oils, and Grease

2 Biochemical Oxygen Demand, 5 day


3 Total Suspended Solids

4 The type of equipment alone is not dispositive. A final determination regarding a facility's classification is made after considering its specific equipment and use characteristics.

11	<u>Commercial Facilities With Food Preparation</u>	
a	For Food Preparation Area, See "Food Services Establishments"	(See Category 10)
b	For Commercial Area, See "Other Commercial or Industrial Users"	(See Category 15)
12	<u>Ballrooms, Banquet Facilities and Convention Facilities</u> Per block of 40 seats	1.0
13	<u>Automobile Service Stations</u>	
a	Not more than four (4) gasoline pumps	2.0
b	More than four (4) gasoline pumps	3.0
c	Additional for each washing rack, pit or floor drain (Drains subject to collecting toxic, hazardous, or potentially explosive waste are not allowed to be connected to sewer)	2.0
d	Car washes shall be individually evaluated by LWD District Engineer based on peak net discharge rate of specific equipment to be used with internal water recycling required	(Per Review)
14	<u>Banks and Savings and Loan Associations</u> Each 3,000 square feet or portion thereof	1.0
15	<u>Other Commercial or Industrial Users</u>	
a	Up to 1,000 square feet	1.0
b	Plus for each additional 1,000 square feet or portion thereof up to 5,000 square feet	0.6
c	Plus for each additional 1,000 square feet or portion thereof over 5,000 square feet	0.4
d	The Capacity Fees for establishments with unusual sewer characteristics or for any commercial use not described in the categories above shall be fixed by the Board of Directors by motion, resolution, or ordinance when each specific application is submitted	(Per Case)
<p>At any time the District may review the current standards of practice of any commercial or industrial customer with regard to sewer use during the previous year. If such use is not within the limits of the previous classification, the service may be reclassified accordingly and any additional capacity charges shall become due and payable immediately on request.</p>		

MEMORANDUM

Ref: 22-7681

DATE: July 8, 2021
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Annual Review of LWD Investment Policy

RECOMMENDATION:

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

1. Re-delegate authority to manage LWD's investment program to the General Manager effective September 1, 2021 through August 31, 2022
2. Adopt Resolution No. 2351 amending LWD's Investment Policy.
3. Discuss and take other action, as appropriate.

DISCUSSION:

Tactical Goal: Finance/Financial Policy Reviews/Investment Policy

This item was reviewed by the IFC at its July 7th meeting and the IFC concurred with staff to present this item to the Board.

The Board of Directors last amended Leucadia Wastewater District's (LWD) Investment Policy in August 2020.

The LWD Investment Policy establishes guidelines to ensure investments are in compliance with California governmental code. It also establishes the types of investment vehicles LWD can use, defines the target rate of return on investments, and the maximum percentages of investments in any one vehicle. Additionally, the Investment Policy requires that the Board of Directors delegate authority to manage the Investment Program. In the past, this authority has been delegated to the General Manager.

The Investment Policy calls for an annual review by the Board of Directors. Staff recently reviewed the Policy to determine if any amendments are warranted. As a result, staff is recommending the following 2 changes to the investment policy.

Recommended Change No. 1:

Section 10.0 "Safekeeping and Custody" currently contains a clause requiring a delivery verses payment (DvP) method for all security transactions. A DvP is a technical term for the timing of the exchange of securities and the payment for them, requiring that they both take place simultaneously. The alternative is when the timing of final settlement between the exchange of securities and the payment for them takes place a little later. DvP is not required under state law. This issue came up when the District started adding the additional broker dealer, Time Value Investments (TVI). After researching to add a DvP account, staff determined that the District would need to add another on-line platform, another bank account, and another safekeeping account, which would add additional layers of complexity and add additional costs. Based on a cost benefit

analysis staff determined that the costs and complexity outweighed the slight reduction in timing risk. Staff is therefore recommending removing the delivery-versus-payment transaction restriction.

Recommended Change No. 2:

Section 11.0 "Diversification" lists the authorized investment and maximum percentage allowed for each type of security. Under the District's current Investment Policy, Medium-Term Corporate Notes are limited to 20% of total District Investments. State law allows a maximum percentage of 30% for Medium-Term Corporate Notes. Recently, staff has been finding good value in Medium-Term Corporate Notes but are unable to take advantage of them since the District is butting up against its current 20% limit. Staff is therefore recommending increasing the Medium-Term Corporate Notes maximum percentage from 20% to 25%

There are also some minor administrative changes such as formatting, numbering, and grammar.

CONCLUSION:

Proposed Resolution No. 2351 with the Amended Investment Policy, attached as Exhibit "A", is provided for your review (Attachment 1). The Amended Investment Policy is shown in strikeout format for your convenience. Staff will provide a brief overview of the Policy at the upcoming meeting.

For these reasons, staff and the IFC recommend that the Board of Directors: (1) re-delegate authority to manage LWD's Investment Program to the General Manager for the period September 1, 2021 through August 31, 2022, and (2) adopt Resolution No. 2351.

rad:PJB

Attachment

RESOLUTION NO. 2351

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF LEUCADIA WASTEWATER DISTRICT
AMENDING THE INVESTMENT POLICY**

WHEREAS, the Board of Directors of Leucadia Wastewater District (LWD) approved Resolution No. 2341 on August 19, 2020 adopting the District's Amended Investment Policy; and

WHEREAS, the Policy requires an annual review by the Board of Directors; and

WHEREAS, the Board of Directors desire to modify the Investment Policy;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Leucadia Wastewater District does hereby rescind Resolution No. 2341 and hereby approves in its place the Amended Investment Policy attached hereto as Exhibit "A".

PASSED AND ADOPTED by the Board of Directors at a meeting of the Leucadia Wastewater District held July 14, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Donald F. Omsted, President

ATTEST:

Paul J. Bushee, Secretary/Manager

(SEAL)

LEUCADIA WASTEWATER DISTRICT

RESOLUTION NO. 2351

EXHIBIT "A"

LWD INVESTMENT POLICY



LEUCADIA WASTEWATER DISTRICT INVESTMENT POLICY

Ref: ~~21-723221-7669~~

1.0 Purpose

This investment policy is intended to establish guidelines for the prudent management and investment of the Leucadia Wastewater District's available funds in conformance with California Government Code requirements governing the investment of public funds. It is also intended that the Board of Directors review this policy annually.

The District shall invest public funds in a manner which will meet the objectives of this investment policy in priority order of Safety, Liquidity, and Return on Investment, while meeting the daily cash flow demands of the District.

2.0 Scope

The District's cash management system is designed to accurately monitor and forecast expenditures and revenues, enabling the District to invest funds to the fullest extent possible. All funds will be invested with the intent of maximizing Safety, Liquidity, and Return on Investment. This investment policy applies to all financial assets of the District, which are accounted for as ~~Enterprise Funds~~ cash and investments in the District's Comprehensive Annual Financial Report, with the exception of the following funds:

- A. The District's other post-employment benefits trust fund,
- B. Deferred compensation assets held in trust for the benefit of participating employees, and
- C. The proceeds of any debt issued by the District which are invested in accordance with provisions of the applicable debt documents.

3.0 Prudence

The District operates its pool of cash investments under the *Prudent Investor Standard*, Government Code Section 53600.3, which states:

"When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, a trustee shall act with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion

and appropriate action is taken to control adverse developments.

The District may invest in a variety of vehicles provided the investment is allowable under current legislation of the State of California, permitted by this policy and complies with the aforementioned Prudent Investor Standard.

4.0 Objective

As specified in California Government Code Section 53600.5, the primary objectives, in priority order, of the District's investment activities shall be:

4.1 Safety: Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the District will diversify its investments by investing funds among independent financial institutions offering a variety of securities with independent returns.

4.2 Liquidity: The District's investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements that might reasonably be anticipated. These liquid funds shall be, at a minimum, an amount equal to the Districts Operating Reserve as defined by the Districts Reserve Policy, and shall be in cash or cash equivalents.

4.3 Return on Investments: The District's investment portfolio shall be designed with the objective of attaining a market average rate of return throughout budgetary and economic cycles, commensurate with the District's investment risk constraints identified in the investment policy and the cash flow characteristics of the portfolio.

5.0 Delegation of Authority

Authority to manage the District's investment program is derived from the Board of Directors. Management responsibility for the investment program is hereby delegated to the General Manager for a one-year period as permitted under California Government Code section 53607. Subject to review, the Board of Directors may renew the delegation of the authority pursuant to this section each year. The General Manager, through approval of this investment policy, has established written procedures for the operation of the investment program. No person may engage in an investment transaction except as provided under the terms of this policy and other procedures consistent with this policy that may be established by the General Manager. The General Manager shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. As authorized by the Board of Directors, a SEC-registered investment advisor may be utilized to assist with the District's investment program under the direction of the General Manager. The investment advisor shall follow this investment policy and such other written instructions as are provided.

6.0 Ethics and Conflicts of Interests

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment policy and program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the General Manager any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the District's portfolio. The General Manager shall make a like disclosure to the Board of Directors. Employees and officers shall

subordinate their personal investment transactions to those of the District, particularly with regard to the time of purchases and sales. All bond issue participants, including but not limited to, underwriters, bond-counsel, financial advisors, brokers and dealers will disclose any fee sharing arrangements or fee splitting to the District's General Manager prior to the execution of any transaction. See District's Conflict of Interest Code for additional disclosures and requirements.

7.0 Authorized Financial Dealers and Institutions

The General Manager shall maintain a list of financial dealers and institutions authorized for investment transactions. Direct investments made by the District in LAIF, CAMP and the San Diego County pool are exempt from these requirements. Before adding a financial institution to the approved list, the General Manager shall review the entity's credit worthiness, credit characteristics, and financial history. Annually, financial dealers and institutions doing business with the District shall submit their most recent report on financial condition and certified that they have read the District's Investment Policy. Securities dealers utilized by the District must be members of a federally regulated securities exchange. Public deposits shall be made only in a qualified public depository as established by state laws.

For investment transactions initiated through an investment manager, the investment manager may use their own list of approved broker/dealers and financial institutions, which it will maintain and review periodically.

8.0 Authorized and Suitable Investments

8.1 All investments shall be made in accordance with Sections 53600 *et seq.* of the Government Code of California and described within the Investment Policy. In the event an apparent discrepancy is found between this policy and the Government Code, the more restrictive parameters will take precedence. To the extent possible, the District will attempt to match its investments with anticipated cash flow requirements. The maximum maturity of individual investments shall not exceed the limits set forth below or in the California Government Code. (See authorized investment chart under section 11). Where no maturity limit is stated, no investment shall exceed a maturity of five years from the date of purchase unless the Board of Directors has granted express authority to make that investment either specifically or as a part of an investment program approved by the Board of Directors no less than three months prior to the investment.

8.2 Permitted investments under the Investment Policy are listed below. Concentration limits are found in section 11.

U.S. Treasury Instruments. United States Treasury notes, bonds, bills or certificates of indebtedness, or those for which the full faith and credit of the United States is pledged for payment of principal and interest. (Code section 53601(b))

Federal Agency and Instrumentality Securities. Federal Agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. (Code section 53601(f))

State of California and Local Debt. Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a

department, board, agency, or authority of the local agency. Purchases are limited to securities rated at least "A-," or equivalent, by a Nationally Recognized Statistical Rating Organization ("NRSRO"). (Code sections 53601(c) & (e))

Bonds issued by Leucadia Wastewater District. Bonds issued by the District, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by the District or by a department, board, agency or authority of the District, if and in the manner which it is permitted by their governing documents.. (Code section 53601(a))

Medium-Term Notes. Medium-term corporate notes, defined as all corporate and depository institution securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or depository institutions licensed by the United States or any state and operating within the United States. Purchases are limited to securities rated at least "A-," or equivalent, by a NRSRO. (Code section 53601(k))

Bankers Acceptances. Purchases of bankers acceptances may not exceed 180 days' maturity. Purchases are limited to issuers with senior debt ratings of at least "A-," or equivalent, by a NRSRO. (Code section 53601(q))

Commercial Paper. The entity that issues the commercial paper shall have met either of the following criteria: (1) The corporation shall be organized and operating within the United States, shall have total assets in excess of five hundred million dollars (\$500,000,000), and shall issue debt, other than commercial paper, if any, that is rated "A" or higher by a NRSRO; or (2) The corporation shall be organized within the United States as a special purpose corporation, trust, or limited liability company, has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond; has commercial paper that is rated "A-1" or higher, or equivalent by a NRSRO. Eligible commercial paper may not exceed 270 days' maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. (Code section 53601(h))

Bank Deposits. FDIC insured or collateralized bank deposits, including, without limitation, savings accounts, and market rate accounts in financial institutions located in California. No deposit of public funds shall be made except in a qualified public depository as established by state laws and the requirements of the California Government Code. Bank deposits are required to be collateralized as specified under the California Government Code Section 53630 et. seq. The General Manager may waive collateral for any portion that is covered by federal deposit insurance. The District shall have a signed agreement with any depository accepting District funds per California Government Code Section 53649. (Code sections 53630 et seq.)

Placement Service Deposits. Deposits placed through a deposit placement service in accordance with California Government Code Section 53601.8 and 53635.8. The full amount of the principal and the interest that may be accrued during the maximum term of each deposit shall at all times be insured by federal deposit insurance. (Code section 53635.8)

Bank Certificates of Deposit - FDIC/NCUA Insured

FDIC or NCUA insured certificates of deposit issued by a nationally or state-chartered bank, a state or federal association, a state or federal credit union, or by a state license branch of a foreign bank This category includes certificates of deposit purchased through a broker/dealer.

(Code sections 53630 et seq.)
Negotiable Certificates of Deposit.

Negotiable certificates of deposit issued by a nationally or state-chartered bank, a state or federal association, or by a state-licensed branch of a foreign bank Uninsured purchases are limited to institutions that have a rating of at least "A", "A-1", or its equivalent, by an NRSRO. (Code section 53601(i))

Repurchase Agreements. Repurchase agreements are to be used solely as short-term investments not to exceed 30 days. The District may enter into repurchase agreements with financial institutions rated "A" or better by two NRSROs. Counterparties should also have (i) a short-term credit rating of at least "A-1" or equivalent, by a NRSRO; (ii) minimum assets and capitalized size of \$25 billion in assets and \$350 million in capital; (iii) five (5) years of acceptable audited financial results; and (iv) a strong reputation among market participants.

The following collateral restrictions will be observed: Only U.S. Treasury securities or Federal Agency securities will be acceptable collateral. All securities underlying repurchase agreements must be delivered to the District's custodian bank versus payment or be handled under a properly executed tri-party repurchase agreement. The total market value of all collateral for each repurchase agreement must equal or exceed 102 percent of total dollar value of the money invested by the District for the term of the investment. Since the market value underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day. For any repurchase agreement with a term of more than one day, the value of the underlying securities must be reviewed on an on-going basis according to market conditions. Market value must be calculated each time there is a substitution of collateral.

The District or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to repurchase agreement. The District shall have properly executed a master repurchase agreement with each counterparty with which it enters into repurchase agreements. (Code section 53601(j))

Money Market Funds. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 and following). The company shall have met either of the following criteria: (A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs. (B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than 5 years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000). (Code section 53601(l))

State of California Local Agency Investment Fund (LAIF). LAIF is a special fund in the California State Treasury and an investment alternative for California's local governments and special districts created and governed pursuant to California Government Code Section 16429.1 et seq. and managed by the State Treasurer's Office. A maximum of 75% of the portfolio may be invested in this category, however, the amount invested may not exceed the current maximum amount allowed by LAIF. If the District has funds invested in LAIF, the District shall maintain on file LAIF's current investment policy and its requirements for participation, including limitations on deposits or withdrawals. (Code section 16429.1 et seq.)

California Asset Management Program (CAMP) Pool. California Asset Management Trust a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California. If the District has funds invested in CAMP, the District shall maintain on file CAMP's disclosure statement listing its investment policy and its requirements for participation, including limitations on deposits or withdrawals. Code section 53601(p))

San Diego County Treasurer's Pooled Money Fund. This is a local government investment pool managed by the San Diego County Treasurer-Tax Collector. If the District has funds invested in San Diego County Pool, the District shall maintain on file the San Diego County Treasurer's Pooled Money Fund Investment Policy and its requirements for participation, including limitations on deposits or withdrawals. (Code section 53684)

9.0 Investment Pools/Money Market Mutual Funds

Investment pools include LAIF, county pooled investment funds, and shares of beneficial interest (mutual funds and money market funds), and joint powers authority pools. A thorough investigation of the pool/fund is required prior to investing, and monitoring is required on a continual basis. District staff will periodically perform due diligence analysis of the pool/fund based on a standardized questionnaire developed to address investment policy and practices. The investigation will include review of the following items: 1) Eligible investments; 2) Investment policy and/or investment objectives; 3) Interest calculation, distribution, and treatment of gains/losses; 4) Securities safeguarding and pricing and program audits; 5) Schedule of receiving statements and portfolio listings; 6) Fees; 7) Utilization of reserves/retained earnings; and 8) Eligibility for bond proceeds.

10.0 Safekeeping and Custody

~~All security transactions entered into by the District shall be conducted on a delivery-versus-payment (DVP) basis.~~ Securities will be held by a third-party custodian designated by the General Manager and evidenced by safekeeping receipts with a written custodial agreement. The securities will be held directly in the name of the District as beneficiary. The only exception to the foregoing shall be: (i) bank deposits, (ii) placement service certificates of deposit, (iii) LAIF, CAMP and the San Diego County Treasurer's Pool, and (iv) money market mutual funds, since these investments are not deliverable. Evidence of each of these investments will be provided monthly by these institutions and held by the District.

11.0 Diversification

The District will diversify its investments by security type, institution, and maturities to prevent incurring unreasonable or avoidable risks regarding specific security types, individual financial institutions or maturity segments.

District funds may be invested in accordance with the following table, which summarizes the allowable allocation of investments by percentage of total funds invested. Percentage holding limits listed below apply at the time the security is purchased. No more than 5% of the total portfolio is to be invested in securities of any single issuer, excluding US Treasuries, Federal Agencies, Bank Deposits, Money Market Funds, and Pools.

Allowable Allocation of Investments

Authorized Investment	Govt. Code	Max %	Max Maturity
US Treasury Instruments	53601(b)	100%	5 years*
Federal Agency and Instrumentality Securities	53601(f)	75%	5 years*
State of California and Local Debt	53601(c)&(e)	10%	5 years*
Bonds Issued by Leucadia Wastewater District	53601(a)	10%	5 years*
Medium-Term Corporate Notes	53601(k)	2025 %	5 years
Bankers Acceptances	53601(g)	10%	180 days
Commercial Paper	53601(h)	10%	270 days
Bank Deposits	53630 et seq.	30%	5 years*
Placement Service Deposits	53635.8	20%	5 years*
Bank Certificates of Deposit – Insured	53630 et seq.	30%	5 years*
Negotiable Certificates of Deposit - Uninsured	53601(i)	10%	5 years*
Repurchase Agreements	53601(j)	10%	30 days
Money Market Funds	53601(l)	20%	n/a
State of California Local Agency Investment Pool (LAIF)	16429.1 et seq.	75%	n/a
California Asset Management Program (CAMP)	53601(p)	75%	n/a
San Diego County Treasurer's Pooled Money Fund (SD Pool)	53684	75%	n/a

- This investment may exceed a maturity of five years if approved by the Board of Directors prior to investment (See 8.1)

12.0 Internal Control

The General Manager has established a system of internal controls to ensure compliance with the Investment Policy of the District and the California Government Code. The internal control procedures include, but are not limited to, segregation of duties in the different phases of an investment transaction, monthly reconciliation of the investment report to the general ledger, and annual policy compliance reviews. An independent audit is conducted by the District's outside auditors, which includes a compliance review of the District's investment activities to the District's policy, the California Government Code, and Government Accounting Standard Board (GASB) requirements regarding investment disclosures.

13.0 Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

The District's investment strategy is passive. Given this strategy, the General Manager has selected LAIF as the benchmark to determine whether market yields are being achieved. The General Manager shall review the selected benchmark on an annual basis.

14.0 Reporting

The General Manager shall submit to each member of the Board of Directors, on a monthly basis, an investment summary, describing the types of investment transactions, investments held by

category, original costs, and average rates of return in accordance with Government Code Section 53607. In addition, the General Manager shall prepare a quarterly investment report in accordance with Government Code Section 53646 (b) (1) The report shall include a complete description of the portfolio; the type of investments, the issuers, maturity dates, interest rates, par values, cost and the current market values of each component of the portfolio. The report must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy, and (2) the District will meet its expenditure obligations for the next six months, or provide an explanation as to why money shall, or may, not be available. The General Manager shall maintain a complete and timely record of all investment transactions.

15.0 Review of Investment Portfolio and Credit Rating Changes

The securities held by the District must be in compliance with Section 8.0 Authorized and Suitable investments at the time of purchase. Because some securities may not comply with Section 8.0 subsequent to the date of purchase, the General Manager shall at least monthly review the portfolio to identify those securities that do not comply. In the event a major and critical incidence of noncompliance with this policy is identified through the review of the portfolio, the General Manager shall notify the Board of the change. The course of action to be followed will then be decided on a case-by-case basis, considering such factors as the reason for the rate drop, prognosis for recovery or further rate drops, and the market price of the security.

16.0 Investment Policy Adoption

The District's Investment Policy, and any modifications to the policy, shall be adopted by resolution of the Board of Directors. The policy shall be reviewed annually by the Investment and Finance Committee and the Board of Directors. The Board of Directors must approve any modifications made thereto.

17.0 Glossary of Terms

AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

ASKED: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together and receives a commission for services rendered.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a Certificate. Negotiable Certificates of Deposit are usually large denomination CDs that can be transferred, sold, bought, or exchanged in the secondary market.

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report of the (entity). It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for its own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest-bearing money market instruments that are issued at a discount and redeemed at maturity for full face value (e.g., U.S. Treasury Bills.)

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

DURATION: A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per entity.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently

pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to provide liquidity to the housing related assets of its members who must purchase stock in their district Bank.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FHA mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and a reasonable size transaction can be done at those quotes.

LOCAL AGENCY INVESTMENT FUND (LAIF): The Local Agency Investment Fund is a voluntary investment alternative for California's local governments and special districts authorized by the California Government Code. The LAIF is managed by the State Treasurer's Office with oversight by the Local Agency Investment Advisory Board. All securities in LAIF are purchased under the authority of Government Code Sections 16430 and 16480.8.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

NATIONAL CREDIT UNION ADMINISTRATION (NCUA): A federal agency that insures credit union deposits, currently up to \$250,000 per entity.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PLACEMENT SERVICE DEPOSITS: Deposits at a commercial bank, savings bank, savings and loan association, or credit union that uses a private sector entity that assists in the placement of deposits.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

REPURCHASE AGREEMENT (REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in exchange for securities. The investor agrees to repurchase the securities at a specified date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to a repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15(C)3-1: See Uniform Net Capital Rule.

STRUCTURED NOTES: Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.) and Corporations, which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.


TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD** or **YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

MEMORANDUM

DATE: July 8, 2021
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Fiscal Year 2021 (FY21) LWD Tactics and Action Plan Report

RECOMMENDED:

Staff recommends that the Board of Directors:

1. Receive and file the FY21 Tactics and Action Plan Report.
2. Discuss and take other action as appropriate.

DISCUSSION:

The Board of Directors adopted the Leucadia Wastewater District (LWD) Strategic Plan in July 2005 and it was last updated in 2015. The Strategic Plan identified the following four strategic focus areas as LWD priorities:

1. Financial
2. People
3. Services
4. Infrastructure & Technology

In order to implement LWD's Strategic Focus Areas, staff annually develops a Tactics and Action Plan, which identifies tactical goals associated with each area. Staff has implemented the majority of goals identified for FY21 along with several more that surfaced over the course of the year.

Staff is pleased to report that 109 tactical goals were accomplished. The FY21 Tactics and Action Plan, including a glossary of terms, is attached for your review. Staff will provide an overview of the Plan at the Board of Directors' meeting.

PJB:

Attachment

**Leucadia Wastewater District
Fiscal Year 2021
Tactics & Action Plans**

1. Financial

Assure fiscal stability and growth by effectively monitoring and forecasting District finances in order to provide competitive rates and avoid abrupt rate adjustments.

Tactics	Leader	Team	Start Date	Completion Date	Status/Comments	
FY 2022 Budget	Initial Data Collection	ASM	TSM, FSS, EA, ASsup, FSSp	Jan-21	Mar-21	Completed
	Board Workshop	ASM	GM, TSM, FSS, EA, ASsup, FSSp	May-21	May-21	Completed
	Budget Approval	ASM	GM	Jun-21	Jun-21	Completed
FY 2020 Audit	Close Books, Prepare Trial Balance & Supporting Schedules	ASM	AT, ASsup	Jul-20	Sep-20	Completed
	Coordinate with & Respond to Auditors	ASM	AT, ASsup, EA, GM	Jul-20	Dec-20	Completed
	Audit Report to Board	ASM	GM, ASsup, AS	Dec-20	Dec-20	Completed
Finance Policy Reviews	Procurement Policy	ASM	TSM, GM, ASsup, EA	Aug-20	Aug-20	Completed
	Investment Policy	ASM	ASsup, GM, EA	Sep-20	Sep-20	Completed
	Reserve Policy	ASM	ASsup, GM, EA	Feb-21	Feb-21	Completed
Financial Awards	Apply for GFOA Financial Reporting Award	ASM		Dec-20	Jan-21	Completed
Wastewater Financial Plan Tracking Update	Internally Update District's Financial Plan	ASM	GM	Dec-20	Feb-21	Completed
Sewer Rate Increase Notification & Hearing	Issue Notification in Compliance with Prop 218	ASM	ASsup, AS, RTP	Feb-21	Mar-21	Completed
	Review Written Protests	ASM	GM, ASsup	Mar-21	Jun-21	Completed
	Hold Public Hearing in Compliance with Prop 218	ASM	ASsup, EA, AS	Jun-21	Jun-21	Completed
GASB 75 OPEB Liability Valuation Roll-forward	Work with Actuary to Complete OPEB Roll-forward Valuation	ASM	ASsup	Jan-21	Apr-21	Completed
	Complete Deferral Schedules and Record in Accounting	ASM		May-21	Jun-21	Completed
Evaluate Adding Additional Security Broker/Dealer		ASM	AT	Aug-20	Nov-20	Completed
Evaluate Financial Auditor's Contract		ASM	AT	Oct-20	Jan-21	Completed
Additional Items/Accomplishments:	Vehicle Replacement Policy	FSS	FSSpec, FSTIII Easton	Jul-20	Aug-20	Completed
	Revised Conflict of Interest Code	EA	GM, ASM	Jul-20	Aug-20	Completed
	Clifton Larson Allen (CLA) Accounting Support Services Agreement	ASM	GM	Feb-21	Apr-21	Completed
	Time Value Investments Broker/Dealer Agreement	ASM	GM	Feb-21	Apr-21	Completed

2. People

Assure the highest qualified work force by optimizing training opportunities; promoting an excellent safety culture; and providing competitive compensation in order to recruit and retain high quality employees.

Tactics	Leader	Team	Start Date	Completion Date	Status/Comments
Conduct Employee Benefits Briefing	ASM	ASsup, Pickering Ins Brokers	May-21	May-21	Completed
Employee Training					
Conduct Annual Confined Space Entry Training	FSS	FSSup, FS Staff	Sep-20	Jan-21	Completed
Conduct Annual Traffic Control Training	FSS	FSSup, FS Staff	Sep-20	Jan-21	Completed
Conduct Biennial Flagger Training	FSS	FSSup, FS Staff	Sep-20	Jan-21	Completed
CPR/First Aid/AED Refresher Training	ASsup	All Staff	Jan-21	Feb-21	Postponed
Obtain Class A license to tow Generators	FSSup	FSS, FS Staff	Jul-20	May-21	Postponed
Excel Training	ASM	AT	Mar-21	Apr-21	Postponed
Administration Policy Updates/Annual Reviews					
Board Staff Relations Policy	ASM	GM, ASsup	Nov-20	Jan-21	Completed
Board Policy Binders	EA	AS	Jul-20	Nov-20	Completed
Review HRPM and revise as required	ASM	GM, ASsup, EA, TSM	Jul-20	Sep-20	Completed
New Employee Onboarding/Training - Accounting Technician	ASM	ASsup	Jul-20	Jun-21	Completed
Conduct Strategic Planning Workshop	GM	Board	Oct-20	Aug-21	Scheduled
Emergency Response					
Conduct an Emergency Response Drill/Training	ASsup	ASM, FSS, FSSup, FST III	Mar-21	Jun-21	Postponed
LWD's Safety Program					
Review existing Safety Programs & Policies	Assup	GM, TSM, FSS, FSSup, Safety Committee	Jul-20	Jan-21	Completed
Update existing Safety Programs & Policies	Assup	GM, TSM, FSS, FSSup, Safety Committee	Jan-21	Apr-21	Completed
Conduct Employee Interviews					
General Manager Check-in	GM	ASM, ASsup	Oct-20	Dec-20	Completed
Compensation	GM	ASM, ASsup	May-21	Jun-21	Completed
Leadership Coaching	GM	Management Staff	Jul-20	Jun-21	Completed
Employee Recognition					
Annual Employee BBQ	EA	ASsup, AS	Jul-20	Sep-20	Postponed
Holiday Function	EA	ASsup, AS	Aug-20	Dec-20	Postponed
Additional Items/Accomplishments:					
Recruitment and Appointment of Director	Board	GM, EA, GC, ASM	Jul-20	Sep-20	Completed
Board Orientation - Director Brown	GM	ASM, TSM, FSS, FSSup, Assup, EA, FSSpec.	Sep-20	Sep-20	Completed
Physical Demand Assessments	ASsup	Admin and FS staff	Aug-20	Nov-20	Completed
Revised CalPERS Employer Paid Member Contribution Resolution	ASM	ASsup, EA	Aug-20	Aug-20	Completed
Stecker - 40 Years of Service		FSS Stecker	Jul-20	Jul-20	Completed
Marvin Gonzalez - 15 Years of Service		FSSup Gonzalez	Aug-20	Aug-20	Completed
H. Gonzalez & R. Rodriguez - CWEA Collections System Grade 3 Cert.		FST III Gonzalez, FST III Rodriguez	Aug-20	Aug-20	Completed
No Vehicle Accidents - 6 years		All Staff	Jul-20	Jul-20	Completed
No Lost Time Accidents - 1 year		All Staff	Oct-20	Oct-20	Completed
Received Recycled Water Customer of the Year Award from OMWD		All Staff	Nov-20	Nov-20	Completed
No sewer spills - 1 year		All Staff	Nov-20	Nov-20	Completed
Recruitment - FST In Training	FSSup	FSS, FST III's, AS, ASsup	Dec-20	Apr-21	Completed
New Employee Onboarding/training - FST In Training	FSSup	FST III's	Apr-21	Jun-21	Completed
Received CSRMA Cost Sharing of Pooled Liability Insurance Dividends		All Staff	Mar-21	Mar-21	Completed
Krason - 20 Years of Service		FST II Krason	Dec-20	Dec-20	Completed
Baity - 15 Years of Service		EA Baity	Jan-21	Jan-21	Completed
Duffey - 5 Years of Service		ASM Duffey	Jan-21	Jan-21	Completed
Russell - 5 Years of Service		FST II Russell	Apr-21	Apr-21	Completed
Avalos - 10 Years of Service		FST III Avalos	May-21	May-21	Completed
Procure Strategic Planning Facilitator	Ad Hoc	GM, ASM, ASsup	Nov-20	Mar-21	Completed
CWEA San Diego Sect. Collections Person of the Year Award - R. Rodriguez		FST III Rodriguez	May-21	May-21	Completed
CWEA 2nd Place State Collections Person of the Year Award - R. Rodriguez		FST III Rodriguez	May-21	May-21	Completed
Developed a COVID19 Prevention Program	ASsup	Safety Committee	Feb-21	Mar-21	Completed
Recruitment and Appointment of Director	Board	GM, EA, GC, ASM	May-21	Jun-21	Completed
Board Orientation - Director Roesink	GM	ASM, TSM, FSS, FSSup, Assup, EA, FSSpec.			Completed

3. Services

Provide exceptional services to our customers by safely collecting and transporting wastewater in order to ensure the highest level of environmental protection; educating customers on our services; pursuing viable water recycling opportunities; and pursuing strategic alliances with other organizations.


Tactics	Leader	Team	Start Date	Completion Date	Status/Comments
Replace Vapex Odor Control Machines Batiquitos Pump Station Leucadia Pump Station	FSSup FSSup	FSS, FS Staff FSS, FS Staff	Jul-20 Jul-20	Oct-20 Oct-20	Completed Completed
Purchases Pump Station Replacement Truck CCTV Replacement Truck Portable Trash Pump Replace 2 Gas Monitors Emergency by-pass connector for Batiquitos	FSS FSSup FSSup FSSup FSSup	FSSup, FS Staff FSS, FS Staff FSS, FS Staff FSS, FS Staff FSS, FS Staff	Aug-20 Jul-20 Jan-21 Jan-21 Sep-20	Oct-20 Nov-20 Mar-21 Mar-21 Nov-20	Completed Completed Completed Completed Completed
Smoke Testing in Old Town Area FOG Inspections - Complete 10 Review Repair Priority List	FSSup FSSpec FSSpec	FSS, FS Staff FSSup, FS Staff FSSup, FS Staff	Aug-20 Jul-20 Nov-20	Nov-20 Jun-21 Feb-21	Completed Completed Completed
Purchase Spare Chemical Metering Pump (AWT) Replace both Check & Effluent Valves (AWT) Replace Landscape Irrigation Supply Pumps (AWT)	FSS FSS FSS	FSSup, FS Staff FSSup, FS Staff FSSup, FS Staff	Sep-20 Jul-20 Dec-20	Nov-20 Sep-20 Mar-21	Completed Completed Postponed
Administration Building and Facility Updates Replace Gate Operators Roof - Skylight Repairs	FSSpec FSSpec	FSSup, FS Staff FSSup, FS Staff	Jul-20 Jul-20	Aug-20 Aug-20	Completed Completed
By-Pass Pumping Drills Batiquitos Pump Station VP5 Pump Station	FSSup FSSup	FSS, FS Staff FSS, FS Staff	Oct-20 Nov-20	Dec-20 Dec-20	In Progress Completed
Host Emergency Drill with Local Agencies	FSS	FSSup, FS Staff	Feb-21	May-21	Completed
SSMP Audit	FSS	FSSup, FSSpec	Aug-20	Nov-20	Completed
Public Outreach Services Develop Relevant FaceBook Content LWD Teacher Grant Program Participate in CSDA Video Contest (CSDA revised dates of program) Write, Design, Print, & Mail 2020 Fall Newsletter Evaluate Public Outreach Services contract	ASsup ASsup ASsup ASsup ASM	GM, ASM, FSSup, FS Staff AS, RTP AS, RTP GM, ASM, EA, AS GM, ASsup, EA	Jul-20 Aug-20 Jun-20 Jul-20 Nov-20	Jun-21 Nov-20 Dec-20 Nov-20 Mar-21	Completed Completed Completed Completed Completed
Awards Apply for CWEA Awards Apply for CSDA District of Transparency Apply for CSDA District of Distinction	FSS EA EA	TSM, ASM, FSSup	Oct-20 Apr-21 May-21	Nov-20 May-21 Jun-21	Completed Completed Completed
Evaluate Janitorial Services Contract	ASsup	ASM, EA, AS	Jan-21	Apr-21	Completed
Records Retention Review stored records destroy those past retention period	EA	AS	Aug-20	Oct-20	Completed
Additional Items/Accomplishments: Lagasse Annexation Procure Easement Machine Write, Design, Print, & Mail 2021 Spring Newsletter Created a Virtual Tour Created Door hanger - Notification of illegal dumping Renewed Biocide Agreement Clean Energy Alliance Tariff Selection Renewed ADS Flow Metering Agreement	DE FSS ASsup ASsup ASsup FSS GM FSS	FSSpec. FSSup, FS Staff GM, ASM, EA, AS RTP, GM, FS Staff RTP, FSSup, FSS TSM FSSup, Board TSM	Dec-20 Jan-21 Mar-21 Aug-20 Jan-21 May-21 Apr-21 May-21	Jan-21 Feb-21 May-21 Jan-21 Apr-21 Jun-21 Jun-21 Jun-21	Completed Completed Completed Completed Completed Completed Completed Completed

4. Infrastructure and Technology

Protect the long-term viability of the District by proactively improving and replacing the infrastructure prior to failure. Pursue technological innovation and excellence to enhance the District's infrastructure and operations to ensure maximum efficiency and cost effectiveness.

Tactics	Leader	Team	Start Date	Completion Date	Status/Comments
Leucadia Pump Station Rehabilitation Construction	TSM	GM, FSS, DE	Mar-20	Jun-21	In Progress
Orchard Wood Road Pipeline Replacement Complete Project Design Bid Project Construction	TSM TSM TSM	GM, FSS, DE GM, FSS, DE GM, FSS, DE	Mar-19 Sep-20 Dec-20	Sep-20 Nov-20 Mar-21	Completed Cancelled Cancelled
Encintas Estates Pump Station Replacement Project Design Bid Project Construction	TSM TSM TSM	GM, FSS, DE GM, FSS, DE GM, FSS, DE	May-19 Jul-20 Nov-20	Jul-20 Oct-20 Oct-21	Completed Completed In Progress
FY 2020 Gravity Pipeline Rehab / Quebrada Realignment Bid Project Construction	TSM TSM	GM, FSS, DE GM, FSS, DE	Jun-20 Sep-20	Aug-20 Mar-21	Completed Substantially Complete
Diana Pump Station Upgrade Project Design Bid Project Construction	TSM TSM TSM	GM, FSS, DE GM, FSS, DE GM, FSS, DE	Feb-20 Nov-20 Mar-21	Nov-20 Feb-21 Aug-21	In Progress Not Started Not Started
Hazard Mitigation Plan Update Plan Update Board Approval	TSM TSM	GM, FSS, DE GM, FSS, DE	Nov-20 Mar-21	Feb-21 Mar-21	Completed Completed
FY2021 Gravity Pipeline Rehabilitation Project Design Bid Project Construction	TSM TSM TSM	GM, FSS, DE GM, FSS, DE GM, FSS, DE	Jul-20 Oct-20 Jan-21	Oct-20 Dec-21 Apr-21	Completed Completed Substantially Complete
FY2021 L1/L2 Force Main Anode Replacement Project Design Award Project Construction	TSM TSM TSM	GM, FSS, DE GM, FSS, DE GM, FSS, DE	Sep-20 Oct-20 Nov-20	Sep-20 Oct-20 Dec-20	Completed Completed Completed
Village Park No. 5 PS New Chopper Pumps Develop Specification & Pump Selection Purchase Approval Order Pump & Select Contractor Install Pump	FSS FSS FSS FSS	GM, TSM, DE GM, TSM, DE GM, TSM, DE GM, TSM, DE	Jul-20 Sep-20 Sep-20 Jan-21	Aug-20 Sep-20 Dec-20 Jan-21	Postponed Postponed Postponed Postponed
Batiquitos PS Emergency Basin Upgrade Project Design **Negotiate Contract Construction	TSM TSM TSM	GM, FSS, DE GM, FSS, DE GM, FSS, DE	Jul-20 Dec-20 Mar-21	Nov-20 Feb-21 Jun-21	Completed Postponed Not Started
Batiquitos PS Rehabilitation Project Design	TSM	GM, FSS, DE	Mar-21	Jun-21	Cancelled
Refurbish Network Server Purchase, Program and Install	TSM		Aug-20	Sep-20	Completed
Upgrade District's Website Platform	ASsup	GM, ASM, EA, AS, TSM, FS, FSSupt, FSSpec	Jan-21	May-21	Completed

MEMORANDUM

DATE: July 8, 2021
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Fiscal Year 2022 (FY22) LWD Tactics and Action Plan

RECOMMENDED:

Staff recommends that the Board of Directors:

1. Adopt the FY22 LWD Tactics and Action Plan.
2. Discuss and take other action as appropriate.

DISCUSSION:

As you are aware, the Board of Directors originally adopted the Leucadia Wastewater District (LWD) Strategic Plan in July 2005 and it was most recently updated in 2015. In order to maintain the Strategic Plan as a "living" document, staff annually develops a Tactics and Action Plan which develops goals associated with the Plan's four strategic areas:

1. Financial
2. People
3. Services
4. Infrastructure & Technology

For FY22, staff has developed an ambitious plan that includes 78 tactical goals. A copy of the FY22 Tactics and Action Plan is attached for your review. Staff will provide a brief overview of the plan at the Board of Directors meeting.

PJB:

Attachments

**Leucadia Wastewater District
Fiscal Year 2022
Tactics & Action Plans**

1. Financial

Assure fiscal stability and growth by effectively monitoring and forecasting District finances in order to provide competitive rates and avoid abrupt rate adjustments.

Tactics	Leader	Team	Start Date	Completion Date	Status/Comments	
FY 2023 Budget	Initial Data Collection	ASM	TSM, FSS, EA, ASsup, FSSp	Jan-22	Mar-22	Not Started
	Board Workshop	ASM	GM, TSM, FSS, EA, ASsup, FSSp	May-22	May-22	Not Started
	Budget Approval	ASM	GM	Jun-22	Jun-22	Not Started
FY 2021 Audit	Close Books, Prepare Trial Balance & Supporting Schedules	ASM	AT, ASsup	Jul-21	Sep-21	Not Started
	Coordinate with & Respond to Auditors	ASM	AT, ASsup, EA, GM	Jul-21	Dec-21	Not Started
	Audit Report to Board	ASM	GM, ASsup, AS	Dec-21	Dec-21	Not Started
Finance Policy Reviews	Procurement Policy	ASM	TSM, GM, ASsup, EA	Aug-21	Aug-21	Not Started
	Investment Policy	ASM	ASsup, GM, EA	Jul-21	Aug-21	Not Started
	Reserve Policy	ASM	ASsup, GM, EA	Feb-22	Feb-22	Not Started
Financial Awards	Apply for GFOA Financial Reporting Award	ASM		Dec-21	Jan-22	Not Started
Wastewater Financial Plan Tracking Update	Internally Update District's Financial Plan	ASM	GM	Dec-21	Feb-22	Not Started
GASB 75 OPEB Liability Accrual Valuation	Coordinate with Actuary to Complete OPEB Valuation Complete Deferral Schedules and Record in Accounting	ASM ASM	ASsup	Jan-22 May-22	Apr-22 Jun-22	Not Started Not Started

2. People

Assure the highest qualified work force by optimizing training opportunities; promoting an excellent safety culture; and providing competitive compensation in order to recruit and retain high quality employees.

Tactics	Leader	Team	Start Date	Completion Date	Status/Comments
Conduct Employee Benefits Briefing	ASM	ASsup, Pickering Ins Brokers	May-22	May-22	Not Started
Employee Training					
Conduct Annual Confined Space Entry Training	FSS	FSSup, FS Staff	Sep-21	Jan-22	Not Started
Conduct Annual Traffic Control Training	FSS	FSSup, FS Staff	Sep-21	Jan-22	Not Started
CPR/First Aid/AED Refresher Training	ASsup	All Staff	Jul-21	Sep-21	Not Started
Administration Policy Updates/Annual Reviews					
Board Staff Relations Policy	ASM	GM, ASsup	Nov-21	Jan-22	Not Started
Board Policy Binders	EA	AS	Jul-21	Nov-21	Not Started
Review Substance Abuse Policy and revise as required	ASM	GM, ASsup, EA, TSM	Jul-21	Oct-21	Not Started
Conduct Team Building Workshop	GM	ASM, EA, ASsup	Oct-21	Dec-21	Not Started
Emergency Response					
Conduct an Emergency Response Drill/Training	ASsup	ASM, FSS, FSSup, FS Staff, AS	Jul-21	Sep-21	Not Started
LWD's Safety Program					
Review existing Safety Programs & Policies	ASM	GM, TSM, FSS, FSSup, Safety Committee	Jul-21	Jan-22	Not Started
Update existing Safety Programs & Policies	ASM	GM, TSM, FSS, FSSup, Safety Committee	Jan-22	Jun-22	Not Started
Conduct Employee Interviews					
Conduct Employee Satisfaction Survey	GM	ASM, ASsup	Oct-21	Dec-21	Not Started
Compensation	GM	ASM, ASsup	May-22	Jun-22	Not Started
Leadership Coaching	GM	Management Staff	Jul-21	Jun-22	Not Started
Employee Recognition					
Annual Employee BBQ	EA	ASsup, AS	Jul-21	Sep-21	Not Started
Holiday Function	EA	ASsup, AS	Aug-21	Dec-21	Not Started

3. Services

Provide exceptional services to our customers by safely collecting and transporting wastewater in order to ensure the highest level of environmental protection; educating customers on our services; pursuing viable water recycling opportunities; and pursuing strategic alliances with other organizations.

Tactics	Leader	Team	Start Date	Completion Date	Status/Comments
Optimize Radio Communications	FSSup	FSS, FS Staff	Jul-21	Oct-21	Not Started
Purchases					
1 Ton Flatbed Truck with Crane	FSS	FSSup, FS Staff	Jul-21	Feb-22	Not Started
Arrow Board	FSSup	FSS, FS Staff	Aug-21	Nov-21	Not Started
Portable Trash Pump	FSSup	FSS, FS Staff	Jan-22	Mar-22	Not Started
Replace 2 Gas Monitors	FSSup	FSS, FS Staff	Jan-22	Mar-22	Not Started
Emergency by-pass Pump	FSSup	FSS, FS Staff	Jul-21	Sep-21	Not Started
Smoke Testing in Old Town Area	FSSup	FSS, FS Staff	Feb-22	Apr-22	Not Started
FOG Inspections - Complete 10	FSSpec	FSSup, FS Staff	Jul-21	Jun-22	Not Started
Hydro clean and CCTV El Camino Real trunk lines	FSS	FSSup, FS Staff	Apr-22	Jun-22	Not Started
Replace Conductivity Meter (AWT)	FSS	FSSup, FS Staff	Oct-21	Jan-22	Not Started
Replace P11 & P12 Discharge Valves (AWT)	FSS	FSSup, FS Staff	Oct-21	Jan-22	Not Started
Replace Landscape Irrigation Supply Pumps (AWT)	FSS	FSSup, FS Staff	Aug-21	Feb-22	Not Started
Replace AC Unit LPS MCC Building	FSSpec	FSSup, FS Staff	Jul-21	Nov-21	Not Started
Administration Building and Facility Updates					
HVAC Rehabilitation	FSSpec	FSSup, FS Staff	Jul-21	Oct-21	Not Started
Evaluate & Award Landscape Contract	FSSpec	FSSup, FS Staff	Sep-21	Jan-22	Not Started
By-Pass Pumping Drills					
Batiquitos Pump Station	FSSup	FSS, FS Staff	Aug-21	Aug-21	Not Started
Leucadia Pump Station	FSSup	FSS, FS Staff	Sep-21	Sep-21	Not Started
Diana Pump Station	FSSup	FSS, FS Staff	Mar-22	Mar-22	Not Started
Host Emergency Drill with Local Agencies	FSS	FSSup, FS Staff	Apr-22	May-22	Not Started
Election District - Remapping	GM	ASM, ASsup, EA	Dec-21	Feb-22	Not Started
Update LWD Standard Specifications					
Conduct Review	DE	GM, TSM, FSSpec, DC	Aug-21	Mar-22	Not Started
Board Approval	DE	GM, TSM, FSSpec, DC	Apr-22	Apr-22	Not Started
Update Capacity Fee Ordinance	FSSpec	GM, TSM, DC, DE	Jul-21	Jul-21	Not Started
SSMP Audit	FSS	FSSup, FSSpec	Sep-21	Nov-21	Not Started
Public Outreach Services					
Develop Relevant FaceBook Content	ASsup	GM, ASM, FSSup, FS Staff	Jul-21	Jun-22	Not Started
LWD Teacher Grant Program	ASsup	AS, RTP	Aug-21	Nov-21	Not Started
Write, Design, Print, & Mail 2021 Fall Newsletter	ASsup	AS, RTP	Jul-21	Nov-21	Not Started
Write, Design, Print, & Mail 2022 Spring Newsletter	ASsup	GM, ASM, EA, AS	Jan-22	Mar-22	Not Started
Evaluate Public Outreach Services contract	ASM	GM, ASsup, EA	Nov-21	Mar-22	Not Started
Review Communication Plan and update if necessary	ASsup	GM, ASM, EA, AS	Sep-21	Dec-21	Not Started
Awards					
Apply for CWEA Awards	FSS	TSM, ASM, FSSup	Oct-21	Nov-21	Not Started
Records Retention					
Review stored records destroy those past retention period	EA	AS	Aug-21	Oct-21	Not Started
Evaluate the benefits of going paperless	ASsup	EA, AT, ASII	Jan-22	Apr-22	Not Started

4. Infrastructure and Technology


Protect the long-term viability of the District by proactively improving and replacing the infrastructure prior to failure. Pursue technological innovation and excellence to enhance the District's infrastructure and operations to ensure maximum efficiency and cost effectiveness.

Tactics	Leader	Team	Start Date	Completion Date	Status/Comments
Leucadia Pump Station Rehabilitation Construction	TSM	GM, FSS, DE	Mar-20	Aug-21	In Progress
Encintas Estates Pump Station Replacement Construction	TSM	GM, FSS, DE	Jan-21	Jan-22	In Progress
FY 2020 Gravity Pipeline Rehab / Quebrada Realignment Construction	TSM	GM, FSS, DE	Sep-20	Sep-21	In Progress
Diana Pump Station Upgrade	Obtain Easement	TSM	Jul-21	Oct-21	In Progress
	Project Design	TSM	Nov-21	May-22	Not Started
	Environmental	TSM	May-22	Jul-22	Not Started
FY2021 Gravity Pipeline Rehabilitation Construction	TSM	GM, FSS, DE	Mar-21	Aug-21	In Progress
Batiqitos PS Emergency Basin Upgrade	Bid Project	TSM	Jan-22	Apr-22	Not Started
	Construction	TSM	Mar-21	Jun-21	Not Started
FY22 Gravity Pipeline Rehabilitation	Design	TSM	Jul-21	Sep-21	Not Started
	Bid Project	TSM	Oct-21	Dec-21	Not Started
	Construction	TSM	Jan-22	Apr-22	Not Started
Village Park No. 7 PS Replacement	Design	FSS	Sep-21	Jan-22	Not Started
	Bid Project	FSS	Feb-22	Apr-22	Not Started
	Construction	FSS	Jun-22	May-23	Not Started
NetApp Storage Unit & Cisco Switch Purchase, Program and Install	TSM		Aug-21	Oct-21	Not Started

MEMORANDUM

Ref: 22-7684

DATE: July 8, 2021
TO: Board of Directors
FROM: Paul J. Bushee, General Manager
SUBJECT: Return to In-Person Meetings



RECOMMENDATION:

Staff recommends that the Board of Directors:

1. Discuss and provide direction.

DISCUSSION:

At its June meeting, the Board of Directors directed staff to place the of issue of return to in-person meetings on the July agenda for discussion. As you are aware, Governor Newsome issued an Executive Order in April 2020 that allowed public agencies to conduct Board and Committee meetings virtually in accordance with the Brown Act. LWD has been conducting all of its public meetings virtually since that time.

On June 11, 2021 Governor Newsome issued Executive Order N-08-21 which specified that the ability to hold virtual meetings in accordance with the Brown Act will expire on September 30, 2021. The Governor also issued guidance for the reopening of the California Economy on June 15th which, among other things, allowed business to return to normal with the exception of large events such as concerts, sporting events, etc.


Based on this information, it is at the Board's discretion whether to:

1. Return to in-person meetings beginning in August.
2. Continue virtual meetings until October.
3. Utilize a hybrid where the Board and Staff would meet in person and the public would be required to telephone in until October.

Please note that August 4th Strategic Planning Workshop has been scheduled as an in-person event. Staff has placed this item on the agenda for the Board's consideration and is looking for direction from the Board on how it would like to proceed.

PJB:

MEMORANDUM

DATE: July 8, 2021
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: **Board of Directors Committee Assignments**

RECOMMENDATION:

1. Receive and file the Committee appointments.
2. Discuss and take other action as appropriate.

DISCUSSION:

At the May 2021 Board meeting, President Omsted made temporary Committee assignments until the vacant Director position was filled. At the June meeting, the Board appointed Director Roesink to the vacant position. As such, President Omsted has assigned Director Roesink to the Engineering Committee and Community Affairs Committee. President Omsted will remain as the Encina Wastewater Authority/Joint Advisory Committee Alternate as designated in May. Directors Sullivan and Brown will revert back to their normal Committees as assigned in January. A copy to the updated Committee assignments is attached for your review.

Attachment

PJB:



Board of Directors' Committee Assignments

Engineering Committee

President Donald Omsted, Chair
Director Chris Roesink

Investment & Finance Committee

Vice President Judy Hanson, Chair
Director Elaine Sullivan

Community Affairs Committee

Director Matthew Brown, Chair
Director Chris Roesink

Human Resource Committee

Director Matthew Brown, Chair
President Donald Omsted



Board of Directors' and Manager Appointments and Assignments

Encina Wastewater Authority (EWA) Board of Directors/Joint Advisory Committee (JAC)

- Vice President Judy Hanson
- Director Elaine Sullivan
- President Donald Omsted (Alternate)

Other Assignments:

Vice President Judy Hanson

- CSRMA Board of Directors Board Member
- EWA Committee Member

Director Elaine Sullivan

- EWA Committee Member
- CSDA Professional Development Committee
- CSDA Member Services Committee
- CSDA San Diego Chapter (2nd Vice President)

General Manager Paul Bushee

- Encina Wastewater Authority Member Agency Managers Committee
- San Diego LAFCO Special District Advisory Committee

Directors' Meetings

Presented by President Omsted

Conference

2021 CWEA Annual Virtual Conference

Dates and Location

June 7-10, 2021 Virtual

List of Attendees

President Omsted

The above mentioned Board member attended various sessions regarding wastewater, recycled water issues, collections systems, and cybersecurity.