

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.



Paul J. Bushee
Secretary/General Manager
(SEAL)



Donald F. Omsted, President