



BOARD OF DIRECTORS REGULAR MEETING

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: 846 4367 8872 **Passcode:** 182327

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 13, 2022
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. **Adopt Resolution No. 2375 - Authorizing Remote Teleconference Meetings Due to the Declared State Emergency Resulting From the COVID-19 Pandemic (Pages 7-10)**

5. General Public Comment Period

6. Approval of Agenda

7. Presentation and Awards

None.

CONSENT CALENDAR

Items 8-12 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.

8. Approval of Board and Committee Minutes

Minutes of the following meetings:

June 8, 2022 Regular Board Meeting (Pages 11-17)

July 5, 2022 Investment and Finance Committee Meeting (Pages 18-20)

July 6, 2022 Engineering Committee Meeting (Page 21-24)

9. Approval of Demands for June/July 2022

This item provides for Board of Directors approval of all demands paid from LWD during the month of June and a portion of July 2022. (Pages 25-30)

10. 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 FY22 to FY23, flows by sub-basin, and staff training. (Pages 31-36)

11. Finance Report

This report discloses up-to-date schedule of assets, liabilities, net assets and compares fiscal year-to-date expenditures to the FY23 budget and discloses monthly investments. (Pages 37-44)

12. Disclosure of Reimbursements

This report discloses travel expense reimbursements for the month of June 2022. (Pages 45-46)

EWA REPORTS

13. Encina Wastewater Authority Reports

A. A regular EWA Board Meeting was held on June 22, 2022 via video conference – report by Director Omsted. (Page 47)

B. An Encina Member Agency Manager's (MAM) Meeting was held on July 5, 2022 – report by GM Bushee. (Verbal)

COMMITTEE REPORTS

14. Committee Reports

- A. Investment and Finance Committee meeting was held on July 5, 2022 via videoconference – report by Director Brown. (Pages 48-49)
- B. Engineering Committee meeting was held on July 6, 2022 via videoconference – report by Director Roesink. (Page 50-51)

ACTION ITEMS

15. Revised Procurement Policy

Adopt Resolution No. 2376 approving LWD's revised Procurement Policy. (Pages 52-63)

16. Revised Investment Policy

Redelegate authority to manage LWD's investment program to the General Manager effective September 1, 2022 through August 31, 2023, adopt Resolution No. 2375 amending LWD's Investment Policy. (Pages 64-80)

17. Professional Services Agreement with Dexter Wilson Engineering, Incorporated for Engineering Consulting Services

Authorize the General Manager to execute a sole source three-year base professional services agreement with Dexter Wilson Engineering, Incorporated for District Engineer Consulting Services in an amount not to exceed \$360,000 with an option for two additional years. (Pages 81-90)

18. Asset Management Plan Update

Authorize the General Manager to execute a sole source Engineering Services contract to update the District's Asset Management Plan with Dexter Wilson Engineering, Incorporated in an amount not to exceed \$127,146. (Pages 91-101)

19. Village Park No. 7 Replacement Project Award (Pages 102-103)

Recommendation 1: Authorize the General Manager to execute a change order to the Contract to construct the Encinitas Estates Pump Station Replacement Project with Pacific Hydrotech Corporation for the construction of the Village Park No. 7 Pump Station Replacement Project in an amount not to exceed \$795,500.

Recommendation 2: Waive the requirements of Section 8, Formal Procurements for Goods, Construction Services and Other Services (\$60,000.10 and over), of the Procurement Policy as allowed under Section 3.9.

Recommendation 3: Authorize an additional appropriation of \$275K for project construction to cover construction costs and a 10% contingency.

20. Receive and file the Fiscal Year 2022 (FY22) Tactics and Action Plan Report (Pages 104-109)

21. Adopt the Fiscal Year 2023 (FY23) Tactics and Action Plan (Pages 110-114)

INFORMATION ITEMS

22. Project Status Updates and Other Informational Reports

CASA Election of Officers Fiscal Year 2022/2023 and Approval of Dues Resolution for Calendar Year 2023. (Pages 115-122)

23. Directors' Meetings and Conference Reports

None.

24. General Manager's Report

25. General Counsel's Report

26. Board of Directors' Comments

27. Closed Session

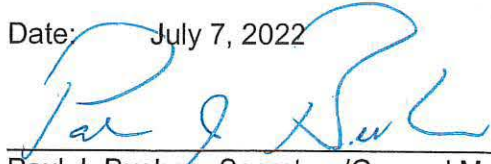
Personnel matters as authorized by Government Code §54957 to review General Manager Performance. (Confidential Enclosure)

28. 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 7, 2022



Paul J. Bushee, Secretary/General Manager

Board of Directors' Code of Conduct

- ◆ *I will openly communicate during Board meetings and voice my views, in the meetings, on all matters regarding the District.*
- ◆ *I will support the decisions of the Board once they are voted on.*
- ◆ *I will concentrate on issues of governance and strategic import to the District and will expect support from staff on issues of operational import and detail.*
- ◆ *I will treat fellow Board members with dignity and respect.*
- ◆ *I will be prepared to discuss Board issues and agree to spend the necessary time and attention to Board matters.*
- ◆ *If I have concerns or questions, I will ask. If I need clarification of Board agenda items, I will call ahead and discuss with the General Manager.*
- ◆ *I will support the general manager as the primary spokesperson for the district.*
- ◆ *I will conduct myself in the highest ethical manner and comply with all appropriate government regulations.*

Role of Staff

- ◆ *Implement policies of LWD Board*
- ◆ *Create tactics and action plans that address how policies should be implemented*
- ◆ *Provide technical competence in addressing issues of how tactics should be implemented*
- ◆ *Provide relevant facts and recommendations*
- ◆ *Provide effective leadership*
- ◆ *Administer day-to-day operations of the district*
- ◆ *Respond to reasonable board requests for information*

MEMORANDUM

DATE: July 7, 2022
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: **Adopt Resolution No. 2375 – Authorizing Remote Teleconference Meetings Due to the Declared State of Emergency Resulting from the COVID-19 Pandemic**

RECOMMENDATION:

Staff recommends that the Board of Directors:

1. Adopt Resolution No. 2375 – Authorizing Remote Teleconference Meetings Due to the Declared State of Emergency Resulting from the COVID-19 Pandemic;
2. Discuss and take other action, as appropriate.

DISCUSSION:

On September 30, 2021 the Executive Orders authorizing virtual or teleconference meetings without full compliance with the Brown Act expired. On September 16, 2021, Governor Newsom signed Assembly Bill 361, which took effect immediately, and amends provisions of the Ralph M. Brown Act (Cal. Gov. Code 54950 *et seq.*) to provide local agencies with authority to continue virtual meetings during a state of emergency proclaimed by the Governor.

The authority provided by AB 361 is not automatic. For Leucadia Wastewater District to continue virtual meetings:

1. There must be a proclaimed state of emergency pursuant to section 8625 of the California Emergency Services Act (Cal. Gov. Code, § 52953(e)(4).); and
2. The Board of Directors must hold a meeting and adopt and a resolution finding, by a majority vote, that, as a result of the emergency, meeting in person presents imminent risks to the health or safety of attendees. (Cal. Gov. Code, § 52953(e)(1).)

On March 4, 2020, Governor Newsom proclaimed a state of emergency pursuant to Section 8625 of the California Emergency Services Act, and it remains in place today. Thus, the Board of Directors has authority to adopt an AB 361 resolution extending virtual meetings. Resolutions approving virtual meetings pursuant to AB 361 automatically expire after 30 days unless renewed. (Cal. Gov. Code, § 52953(e)(3).)

The Board has adopted complying resolutions at its October through December 2021 and January through June 2022 meetings and staff is recommending the Board adopt Resolution No. 2375 in order to hold its July 13th meeting virtually.

PJB:dwb

Attachment

RESOLUTION NO. 2375

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LEUCADIA
WASTEWATER DISTRICT AUTHORIZING REMOTE TELECONFERENCE
MEETINGS DUE TO THE DECLARED STATE EMERGENCY RESULTING FROM
THE COVID-19 PANDEMIC**

WHEREAS, the Leucadia Wastewater District is committed to ensuring public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of the Leucadia Wastewater District's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the District's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconference meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), during a proclaimed state of emergency, subject to specified conditions; and

WHEREAS, on March 4, 2020, the Governor of California issued a Proclamation declaring a state of emergency pursuant to Government Code section 8625 due to the COVID-19 pandemic; and

WHEREAS, COVID-19 can result in serious illness or death; and

WHEREAS, COVID-19 spreads effectively in indoor settings when multiple people are present,

**NOW, THEREFORE, THE BOARD OF DIRECTORS FOR THE LEUCADIA
WASTEWATER DISTRICT HEREBY FINDS AND RESOLVES AS FOLLOWS:**

1. The above recitations are true and correct.
2. As a result of the COVID-19 pandemic state of emergency, the risk of serious illness or death from the disease, and the ability of the disease to spread efficiently when multiple people are present, the Board finds that meeting in person would present imminent risks to the health and safety of attendees.
3. Accordingly, the Board elects to continue holding legislative meetings telephonically pursuant to the alternative procedures authorized by Government Code section 54953(e).
4. The General Manager is hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

5. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) August 12, 2022, or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of LEUCADIA WASTEWATER DISTRICT may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED at a meeting of the Board of Directors of LEUCADIA WASTEWATER DISTRICT held July 13, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Judy Hanson, President

ATTEST:

Paul J. Bushee, General Manager

(SEAL)

LEUCADIA WASTEWATER DISTRICT
 Minutes of a Regular Board Meeting
 June 8, 2022

A regular meeting of the Board of Directors of the Leucadia Wastewater District was held Wednesday, June 8, 2022 at 5:00 p.m. via teleconference.

1. Call to Order

President Hanson called the meeting to order at 5:00 p.m.

2. Roll Call

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

DIRECTORS ABSENT:

OTHERS PRESENT: General Manager Paul Bushee, General Counsel Wayne Brechtel, Director of Finance and Administration Ryan Green, Director of Technical Services Robin Morishita, Field Services Superintendent Jeff Stecker, Executive Assistant Tianne Baity, Administrative Services Supervisor Trisha Hill, Field Services Specialist Ian Riffel, and District Engineer Dexter Wilson

3. Pledge of Allegiance

Vice President Sullivan led the pledge of allegiance.

4. Adopt Resolution No. 2372 - Authorizing Remote Teleconference Meetings Due to the Declared State Emergency Resulting From the COVID-19 Pandemic

GM Bushee presented the item and provided background information on AB 361. Staff is recommending the Board adopt Resolution No. 2372 in order to hold its June 8th meeting virtually.

Upon a motion duly made by Vice President Sullivan, seconded by Director Omsted, and unanimously carried, the Board of Directors adopted Resolution No. 2372 - Authorizing Remote Teleconference Meetings Due to the Declared State Emergency Resulting From the COVID-19 Pandemic by the following vote:

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

5. General Public Comment Period

None.

6. Approval of Agenda

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

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

7. **Presentations and Awards**
None.

CONSENT CALENDAR

8. **Approval of Board and Committee Minutes**
Minutes of the following meetings:
May 9, 2022 Special Board Meeting
May 11, 2022 Regular Board Meeting
June 1, 2022 Engineering Committee Meeting
9. **Approval of Demands for May/June 2022**
Payroll Checks numbered 220504-1 to 220601-23; General Checking Checks numbered 56979-57085
10. **Operations Report** (A copy was included in the original June 8, 2022 Agenda)
11. **Finance Report** (A copy was included in the original June 8, 2022 Agenda)
12. **Disclosure of Reimbursements**
This report discloses travel expense reimbursements for the month of May 2022.
13. **Establishing an Appropriations Limit of the LWD for Fiscal Year 2023 (FY23)**
Adopt Resolution No. 2370 Establishing an Appropriations Limit of the Leucadia Wastewater District (LWD) for the Fiscal Year 2023 (July 1, 2022 to June 30, 2023) Pursuant to Article XIII (B) of the California Constitution.

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

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

EWA and COMMITTEE REPORTS

14. **Encina Wastewater Authority (EWA) Reports**
A. A regular EWA Board Meeting was held on May 25, 2022.

Director Omsted reported on EWA's May 25, 2022 Board Meeting.

B. An Encina Member Agency Manager's (MAM) Meeting was held on June 7, 2022.

GM Bushee reported on EWA's June 7, 2022 MAM meeting.

15. Committee Reports

Engineering Committee (EC) Meeting was held on June 1, 2022.

Director Roesink reported that the EC reviewed the following recommendations:

- Adopt Ordinance No. 145 approving a Reimbursement Agreement for sewer between the District and Peter Lagasse; and
- Approve Resolution No. 2374 adopting the 2019 Integrated Regional Water Management Plan

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

Director Roesink reported that the EC also received updates on the Development Projects Summary and the Encinitas Estates Pump Station Replacement Project. These items were for information purposes and there was no action taken.

PUBLIC HEARING

16. Public Hearings to consider the following:

A. A Proposal to Consider Collecting the District's Wastewater Service Charge for Fiscal Year 2023 (FY23) on the San Diego County Tax Roll.

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

B. A Proposal to Consider Adoption of an Ordinance Approving a Reimbursement Agreement for Sewer between Leucadia Wastewater District and Peter Lagasse.

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

ACTION ITEMS

17. Collection of Wastewater Service Charges on the County Tax Roll for Fiscal Year 2023 (FY23)
Adopt Resolution No. 2373 Adopting and Approving the Report for the Collection of Wastewater Service Charges on the County Tax Roll for the Fiscal Year July 1, 2022 – June 30, 2023.

ASsup Hill presented the item and provided background information on the item.

Upon a motion duly made by Director Omsted, seconded by Director Brown, and unanimously carried, the Board of Directors adopted Resolution No. 2373– Adopting and Approving the Report for the Collection of Wastewater Service Charges on the County Tax Roll for the Fiscal Year July 1, 2022 – June 30, 2023 by the following vote:

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

18. Adopt Ordinance No. 145 - Approving A Reimbursement Agreement for Sewer between Leucadia Wastewater District and Peter Lagasse

FSSpec Riffel presented the item and provided background information on the item. He stated that Ordinance No. 145 establishes a Reimbursement Agreement (Agreement) between the District and Peter Lagasse (Developer). He continued that the Agreement was developed by the District Engineer and has been reviewed by District staff, including District Counsel, and now requires Board approval to take effect.

FSSpec Riffel stated that the Agreement provides for cost reimbursement by adjacent properties to the Developer for the actual cost to design, permit, and construct new sewer facilities, less the portion servicing the Developer's property and noted that the Agreement is for a 10-year term. He stated that the District administers the Agreement and will charge an administrative fee of five percent (5%) of the reimbursement fee when property owners connect to the collection system.

Vice President Sullivan asked if there has been any interest in connecting to the collection system with this agreement. FSSpec Riffel answered that that there has been one interested party.

Director Brown asked how many reimbursements agreements does LWD have. FSSpec Riffel answered that LWD has had eight total reimbursement agreements but only three are currently active. FSSpec Riffel noted that only one property has ever connected using a reimbursement agreement.

Following discussion, upon a motion duly made by Vice President Sullivan, seconded by Director Roesink, and unanimously carried, the Board of Directors adopted Ordinance No. 145 establishing a Reimbursement Agreement for Sewer between the District and Peter Lagasse by the following vote:

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

19. Adopt the Fiscal Year 2023 (FY23) Budget

DFA Green presented the item stating that the Board reviewed the recommended FY23 Budget at the May 9th 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 FY23 Budget.

Upon a motion duly made by Vice President Sullivan, seconded by Director Omsted, and unanimously carried, the Board of Directors adopted the FY 23 Budget by the following vote:

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

20. Unrepresented Employees Salary and Benefits Resolution

Adopt Resolution No. 2371 setting forth salaries, benefits and other working conditions for unrepresented employees for the period July 1, 2022 to June 30, 2023.

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 9th Special Board Meeting and has been reviewed by GC Brechtel.

Vice President Sullivan congratulated staff for a great year. Directors Roesink and Hanson agreed with Vice President Sullivan.

Following discussion, upon a motion duly made by Director Omsted, seconded by Director Roesink, and unanimously carried, the Board of Directors adopted Resolution No. 2371 setting forth salaries, benefits and other working conditions for unrepresented employees for the period July 1, 2022 to June 30, 2023 by the following vote:

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

21. Contract Amendment No. 1 to MSC Janitorial Services, Inc. (MSC) for Janitorial Services

Authorize the General Manager to execute contract Amendment No. 1 with MSC Janitorial Services, Inc. (MSC) for Janitorial Services for an additional two years in an amount not to exceed \$60,400.

ASsup Hill presented the item and provided background information on the item. She noted that MSC has been providing above average janitorial services to the District since 2015. She stated that MSC submitted a proposal for janitorial services for the next two fiscal years and the proposal includes a six percent increase for the first year, then the cost will remain flat for the second year. ASsup Hill stated the proposal is acceptable per the initial agreement's terms, and the increase is reasonable based on current inflation percentages listed by the consumer price index as well as increases in California's minimum wage.

Following discussion, upon a motion duly made by Vice President Sullivan, seconded by Director Brown, and unanimously carried, the Board of Directors authorized the General Manager to execute a contract Amendment No. 1 with MSC Janitorial Services, Inc. (MSC) for Janitorial Services for an additional two years in an amount not to exceed \$60,400 by the following vote:

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

22. Adoption of the 2019 Integrated Regional Water Management Plan.

Approve Resolution No. 2374 - Adopting the 2019 Integrated Regional Water Management (IRWM) Plan.

DTS Morishita presented the item and provided background information on the item. He stated that the IRWM is supported by Propositions 1, 50 and 84 which provide bond funding to the California Department of Water Resources (DWR). DTS Morishita said that the funding is for grants for projects that improve integration and management of water resources. He stated in order to maintain grant eligibility, the District must adopt the 2019 San Diego IRWM Plan to fulfill new requirements established by the DWR.

DTS Morishita stated that the District is applying for a Proposition 1 (Prop 1) grant through the North San Diego Water Reuse Coalition (NSDWRC) for the Secondary Effluent (B1) Force Main North Section Replacement Project (Project). He explained that the grant could provide funding for up to fifty percent (50%) of the project's construction cost, estimated at \$565K. DTS Morishita noted that the Project has been approved to receive a twenty five percent (25%) Water Infrastructure for Improvements to the Nation (WIIN) 2021 federal grant for project construction which is currently waiting for appropriation. He stated that approval of the Prop 1 Grant would provide additional funding for Project construction.

Following discussion, upon a motion duly made by Director Brown, seconded by Director Roesink, and unanimously carried, the Board of Directors adopted Resolution No. 2374 - Adopting the 2019 Integrated Regional Water Management (IRWM) Plan by the following vote:

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

23. CSDA Board of Directors 2022 Elections – Seat B

EA Baity presented the item stating that CSDA is requesting its members to vote for a candidate for Seat B for the southern network region. The deadline for the receipt of ballots is July 8, 2022 and staff has no recommendation on this matter.

Following discussion, the Board of Directors reached consensus to vote for Don Bartz of Phelan Pinon Hills Community Services District for the CSDA Southern Network - Seat B.

INFORMATION ITEMS

24. Project Status Updates and Other Informational Reports

A. Support Letter for Don Bartz, General Manager of the Phelan Pinon Hills Community Services District, for CSDA Board of Directors – Seat B.

A support letter was received for Don Bartz, General Manager of the Phelan Pinon Hills Community Services District.

B. CASA 67th Annual Conference will be held August 10 - 12, 2022 at the Resort at Squaw Creek in Lake Tahoe, CA.

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

C. 2022 CSDA Annual Conference will be held August 22 - August 25, 2022 at the J.W. Marriott in Palm Desert, CA.

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

25. Directors' Meetings and Conference Reports

2022 CSDA Legislative Days Conference was held May 17 - 18, 2022.

Director Omsted stated the conference was good and they changed how the State legislators meet with local officials due to COVID.

26. General Manager's Report

GM Bushee reported on the following:

- He will be out of the office June 10th - 21st and DFA Green will be the acting GM.

27. General Counsel's Report

None.

28. Board of Directors' Comments

Director Brown stated DTS Morishita had a great report on the Encinitas Estates Pump Station Replacement Project at the EC Meeting.

29. Adjournment

President Hanson adjourned the meeting at approximately 5:55 p.m.

Judy Hanson, President

Paul J. Bushee
Secretary/General Manager
(SEAL)

LEUCADIA WASTEWATER DISTRICT
 Minutes of an Investment & Finance Committee Meeting
 July 5, 2022

A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Tuesday, July 5, 2022 at 1:30 pm. via video conference.

1. Call to Order

Chairperson Brown called the meeting to order at 1:28 p.m.

2. Roll Call

DIRECTORS PRESENT: Brown and Omsted

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager Paul Bushee, Director of Finance and Administration Ryan Green, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, and Garden Duran with Rogers, Anderson, Malody & Scott, LLP (RAMS)

3. Public Comment

No public comment was received.

4. New Business

A. Audit Entrance Meeting with Rogers, Anderson, Malody & Scott, LLP.

DFA Green presented the item and introduced Garden Duran, Engagement Manager with Rogers, Anderson, Malody & Scott, LLP (RAMS). Ms. Duran 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.

Chairperson Brown asked if there is anything unique or different about LWD versus other agencies. Ms. Duran stated that LWD's hiring process is different from other agencies but it is very thorough and is working well for the District. Chairperson Brown also asked what are the biggest challenges for LWD. Ms. Duran stated that changes within management and keeping internal controls in place are the biggest challenges but she noted that LWD is doing a good job in both these areas.

Ms. Duran then reviewed the audit timeline. DFA Green noted that the final phase of the audit will begin August 2022.

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

B. Revised Procurement Policy - Adopt Resolution No. 2376 approving LWD's revised Procurement Policy.

DFA Green presented the item and provided background information on the Procurement Policy noting it was most recently updated in 2021. He stated that staff has reviewed the policy and is recommending the following changes:

- Replacing the requirement to publish public notices inviting bids, proposals, or qualifications "in a newspaper of general circulation at least 10 days prior to the bid opening date" with a requirement to publish public notices inviting bids "in a relevant

professional journal, publication, newspaper of general circulation and/or the District's website at least once, ten (10) days prior to the bid opening date to attract a sufficient number of qualified firms."

DFA Green stated there are also minor administrative changes to formatting and grammar.

Following discussion, the IFC agreed with staff to recommend that the Board adopt Resolution No. 2376 and the revised Procurement Policy.

- C. Revised Investment Policy – Redelegate authority to manage LWD's investment program to the General Manager effective September 1, 2022 through August 31, 2023, and adopt Resolution No. 2375 approving LWD's revised Investment Policy.

DFA Green presented the item and provided background information on the Investment Policy noting it was most recently updated in 2021. He noted that staff recently reviewed the Policy to determine if any amendments are warranted. DFA Green then reviewed the following changes to the Investment Policy:

- Section 8.2 "Permitted investments" – including registered treasury notes or bonds of any of the other 49 states outside of California (Other 49 States Debt). This type of investment is permissible under the California government code and would be an additional option to consider when diversifying the LWD's investment portfolio.
- Section 8.2 "Permitted investments" – removing Repurchase Agreements as a permissible investment type. While these investments are allowable under the California government code and provide LWD with another option for diversification, the complexities and limitations are such that staff has no intention to invest in these types of assets.
- Minor administrative changes such as formatting and grammar.

Chairperson Brown asked in regards to Other 49 States Debt, why would LWD invest in other states debt instead of our own. GM Bushee stated that this asset class would give LWD another viable option that could potentially bring a higher yield.

Chairperson Brown suggested limiting Other 49 States Debt to 5% of LWD's portfolio. Director Omsted agreed with Director Brown. Staff stated they could make this change.

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, 2022 through August 31, 2023, and adopt Resolution No. 2375 amending LWD's Investment Policy with suggested IFC amendments.

5. Information Items

None.

6. Directors' Comments

Chairperson Brown asked if the new Alila Marea Hotel project addition will affect the finances of the District. GM Bushee stated that the District would receive additional capacity and service fees for the project and that the District has sufficient capacity to accomplish the project.

7. General Manager's Comments

None.

8. Adjournment

Chairperson Brown adjourned the meeting at 2:09 p.m.

Paul J. Bushee
Secretary/General Manager
(Seal)

LEUCADIA WASTEWATER DISTRICT
 Minutes of an Engineering Committee Meeting
 July 6, 2022

A meeting of the Engineering Committee (EC) of Leucadia Wastewater District (LWD) was held on Wednesday, July 6, 2022 at 10:30 a.m. via video conference.

1. Call to Order

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

2. Roll Call

DIRECTORS PRESENT: Roesink, Brown

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager Paul Bushee; Director of Technical Services Robin Morishita; Director of Finance and Administration Ryan Green; Field Services Superintendent Jeffery Stecker; and District Engineer Dexter Wilson

3. Public Comment

None.

4. New Business

- A. Authorize the General Manager to execute a sole source three-year base professional services agreement with Dexter Wilson Engineering, Incorporated for District Engineer Consulting Services in an amount not to exceed \$360,000 with an option for two additional years.

DTS Morishita presented this item to the EC. He explained that Dexter Wilson has been the District Engineer for five years and his staff at Dexter Wilson Engineering, Incorporated (DWEI) provides support to DE Wilson and District staff. He stated that to maintain continuity, staff requests authorization to execute a sole source professional services agreement with DWEI for a three year base period, from July 1, 2022 to June 30, 2025, at \$120K per year with an option to extend the agreement for two additional years.

DTS Morishita said that over the past five years DWEI has provided services such as developing, updating and annually auditing the Sewer System Management Plan (SSMP); developing and updating the Asset Management Plan; evaluating Capital Improvement Projects plans and specifications; supporting collection system operations and maintenance; and Development services. He continued that through their experience, DWEI has gained a unique working knowledge and technical expertise regarding District infrastructure and the operation and maintenance of the collection system. He stated that DWEI has provided these services in an excellent manner.

DTS Morishita said that staff believes it is in the best interest of the District that DWEI continues as District Engineer. He stated that due to DWEI's unique and in depth knowledge and for continuity of service, the procurement of the District Engineer services satisfies the criteria for sole sourcing allowed under Section 11.1, Sole Source Procurement, of the District's Procurement Policy.

Director Brown asked who pays for the Development Services and is that cost included in the annual cost. GM Bushee answered that the Developer pays for development services by providing the District with a deposit to cover the estimated cost of the development service to be provided, such as plan check and construction inspection. The District then allocates the money from the deposit to DWEL to cover DWEL's cost.

Director Brown asked if the DWEL team members are the same as in the past. Both GM Bushee and DE Wilson confirmed that it is the same team members.

Director Brown asked for clarification of the renewal period after the first three years. DTS Morishita answered that it would be a single extension for two years, not two extensions of one year each.

Following discussion, the EC concurred with staff to recommend that the Board of Directors to authorize the General Manager to execute a sole source three-year base professional services agreement with Dexter Wilson Engineering, Incorporated for District Engineer Consulting Services.

- B. Asset Management Plan Update: Authorize the General Manager to execute a sole source Engineering Services contract to update the District's Asset Management Plan with Dexter Wilson Engineering, Incorporated in an amount not to exceed \$127,146.

DTS Morishita presented this item to the EC. He provided background on the Asset Management Plan (AMP). He listed the nine Capital Improvement Projects that were completed as a result of the current AMP. DTS Morishita stated that staff believes it is prudent to update the District's AMP to document the general condition of District assets, recommend capital improvements and provide an estimated cost for the recommended future projects. He continued that, typically, the AMP is updated on a 5 year cycle and that the cost data is used in the update of the District's Financial Plan.

DTS Morishita said DWEL was asked to submit a proposal because 1) DWEL worked closely with staff to develop the initial AMP and all updates; 2) DWEL developed the predictive failure model used for assessing gravity lines and manholes; 3) DWEL has in depth knowledge of the District's operations from their work on developing and auditing the District's Sewer System Management Plan (SSMP); 4) it provides continuity in the AMP process; and 5) it is the most efficient way to update the AMP. He continued that those same reasons satisfy the criteria for sole sourcing the services to DWEL.

Director Brown asked about the Predictive Failure Model. GM Bushee and DE Wilson described the parameters the model uses and that the model is used to forecast future expenditures. The predicted expenditures are then used in the Financial Plan. The actual project scope is defined by Closed Circuit Television (CCTV) inspections by Field Service Staff and prioritized for repair / rehabilitation on the Repair Priority List.

Following discussion, the EC concurred with staff to recommend that the Board of Directors authorize the General Manager to execute a sole source Engineering Services contract to update the District's Asset Management Plan with Dexter Wilson Engineering, Incorporated.

C. Village Park No. 7 Replacement Project Award:

Recommendation 1: Authorize the General Manager to execute a change order to the Contract to construct the Encinitas Estates Pump Station Replacement Project with Pacific Hydrotech Corporation for the construction of the Village Park No. 7 Pump Station Replacement Project in an amount not to exceed \$795,500.

Recommendation 2: Waive the requirements of Section 8, Formal Procurements for Goods, Construction Services and Other Services (\$60,000.10 and over), of the Procurement Policy as allowed under Section 3.9.

Recommendation 3: Authorize an additional appropriation of \$275K for project construction to cover construction costs and a 10% contingency.

DTS Morishita presented this item to the EC. He provided background on the Village Park No. 7 (VP7) Pump Station and the recommendation to replace the pump station. He stated that as a result of the Preliminary Design Report the estimated cost to replace the pump station with a submersible pump station was \$2.11M. DTS Morishita continued that VP7 services 91 residences which equates to an expenditure of over \$23K per resident. He stated that due to this high cost staff researched alternative systems and selected the E/One Grinder Pump Station (E/One).

DTS Morishita said that project design was completed in May with an estimated construction cost of \$810K. He stated that this presented a significant cost savings, however, it also increases the risk to construct the project due to simplified construction, reduced insurance / bonding costs and lower up front capital requirements. He said that the current rate of inflation and general economic environment increase risk when bidding for construction services and typically result in higher bid prices.

DTS Morishita said that Pacific Hydrotech Corporation (PHC) is completing construction of the Encinitas Estates Pump Station (EEPS) Replacement Project. He continued that during EEPS, PHC demonstrated exceptional skill and expertise constructing the complex submersible pump station in a confined area. He stated that the skill set to replace VP7 with E/One (civil, mechanical and electrical) is the same as demonstrated by PHC during construction of EEPS.

DTS Morishita explained why a Change Order was recommended as opposed to a new contract. He continued that the coincidental timing of the two pump station replacement projects, project similarities and a unique opportunity to reduce project costs without sacrificing quality of construction are contributing factors. He stated that this unconventional approach benefits both the District and PHC by reducing administrative / overhead burden and risk. DTS Morishita explained that due to the current construction market, continued supply chain issues and rate of inflation, staff believes this approach is in the best interest of the District.

DTS Morishita stated that PHC was asked to provide a quote for the Change Order. He said that PHC submitted a quote of \$795.5K and that staff determined this quote to be fair and reasonable. He continued that issuing the change order will require a waiver of the Formal Procurement requirement in the Procurement Policy. DTS Morishita explained that the Board has the authority, at its sole discretion, to waive any part of the Procurement Policy.

Chairperson Roesink commented that he believed that this was a smart project approach and asked if there was any concern with legal liability for waiving the Procurement Policy requirements. GM Bushee stated that General Counsel Brechtel had reviewed this approach and indicated that the District is not subject to the low bid requirements of the California Public Contracts Code. GM Bushee added that the Board has the flexibility in the Procurement Policy to waive the construction bidding requirements.

Following discussion, the EC concurred with staff to recommend that the Board of Directors authorize the General Manager to execute a Change Order to the EEPS Contract with PHC for the construction of the VP7 Replacement Project, waive the Formal Procurement requirement and authorized the additional \$275K appropriation.

5. Information Items

A. Development Projects Summary

DTS Morishita presented this item to the EC.

6. Directors' Comments

Director Brown said he appreciated the inclusion of the Development Projects map. However, he commented that adding labels to the map would be helpful.

Chairperson Roesink said that he appreciated the clear explanations in layman's terms that are provided when responding to questions.

7. General Manager's Comments

None.

8. Adjournment

Chairperson Roesink adjourned the meeting at approximately 11:50 a.m.

Paul J. Bushee,
Secretary/Manager
(Seal)

LEUCADIA WASTEWATER DISTRICT
DEMANDS SUMMARY
July 13, 2022

Disbursement Period June 3, 2022 Through July 7, 2022

GENERAL CHECKING

Operating	\$ 774,674.33
Capital	\$ 1,229,836.76
TOTAL GENERAL CHECKS	<u>\$ 2,004,511.09</u>

PAYROLL CHECKS \$ 107,841.54

TOTAL DEMANDS	\$ 2,112,352.63
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**LEUCADIA WASTEWATER DISTRICT
EMPLOYEE/BOARD PAYROLL CHECKS
July 13, 2022**

Disbursement Period June 3, 2022 Through July 7, 2022

<u>Description</u>	<u>Check Date</u>	<u>Check #'s</u>	<u>Amount</u>
Biweekly Payroll Checks	6/15/2022	220615-1 to 220615-18	\$ 52,807.26
Biweekly Payroll Checks	6/29/2022	220629-1 to 220629-19	\$ 53,858.28
Board Payroll Checks	7/1/2022	220701-1 to 220701-5	\$ 1,176.00
TOTAL PAYROLL CHECKS			\$ 107,841.54

Leucadia Wastewater District
 Check/Voucher Register - Demand Summary for Board
 1001 - PPB (Opus) General Checking Account
 From 6/3/2022 Through 7/7/2022

Check Number	Effective Date	Vendor Name	Check Amount	Transaction Description
57118	6/9/2022	ADT/PROTECTION 1	165.00	Security Services 06/17/22-07/16/22
57119	6/9/2022	Brightview Landscape Services Inc	319.00	Landscape Maintenance @ Encinitas Creek - June 2022
	6/9/2022	Brightview Landscape Services Inc	900.00	Landscape Maintenance @ LWD Admin - June 2022
57120	6/9/2022	AWSS INC	6,239.14	Vehicle Fuel 04/13/22-05/13/22
57121	6/9/2022	CITY OF CARLSBAD	266.79	Water for Vactor 1
	6/9/2022	CITY OF CARLSBAD	316.07	Water for Vactor 2
57122	6/9/2022	ENCINA WASTEWATER AUTHORITY	1,176,487.00	Quarterly Capital Payments-FY2023 Q1
	6/9/2022	ENCINA WASTEWATER AUTHORITY	593,783.00	Quarterly O/M Payment-FY2023 Q1
57123	6/9/2022	EXTREME SAFETY INC	59.00	SCBA Tanks Flow Tests/Fit Tests/Hydro Tests of Cylinders
57124	6/9/2022	HAAKER EQUIPMENT CO	536.19	Anti-Blast Nozzle (1" Nozzle)
57125	6/9/2022	HARTFORD LIFE & ACCIDENT INS.	475.82	Life Insurance - June 2022
57126	6/9/2022	QUADIENT LEASING	71.47	Postage Machine Property Tax for CY 2022
57127	6/9/2022	MALLORY SAFETY AND SUPPLY	334.03	Flood Fire Box
57128	6/9/2022	MIRA MESA WINDOW CLEANING	700.00	Solar Panel Cleaning
57129	6/9/2022	OLIVENHAIN MUNICIPAL WATER DIS...	68.93	Recycled Water @ Traveling
	6/9/2022	OLIVENHAIN MUNICIPAL WATER DIS...	51.15	Water @ Encinitas Estates PS
	6/9/2022	OLIVENHAIN MUNICIPAL WATER DIS...	546.85	Water @ Traveling
	6/9/2022	OLIVENHAIN MUNICIPAL WATER DIS...	439.45	Water @ Traveling 2
	6/9/2022	OLIVENHAIN MUNICIPAL WATER DIS...	61.05	Water @ VP7 PS
57130	6/9/2022	PRUDENTIAL OVERALL SUPPLY	110.01	Weekly Uniform/Laundry Service 06/02/22
57131	6/9/2022	RIGHT-OF-WAY ENGINEERING SERVI...	1,235.00	La Costa Gravity Trunk Line Monitoring Q2
57132	6/9/2022	RISING TIDE PARTNERS	3,019.50	Public Outreach Services - May 2022
57133	6/9/2022	SOUTHERN CONTRACTING COMPANY	1,550.00	Allen Bradley Analog Input Card Part # 1769-IF4I
	6/9/2022	SOUTHERN CONTRACTING COMPANY	2,700.00	Check Run 06/09/22
	6/9/2022	SOUTHERN CONTRACTING COMPANY	6,825.88	Replace & Install Conductivity Controller & Probe
57134	6/9/2022	STAPLES	101.85	Office Supplies
57135	6/9/2022	TERMINIX PROCESSING CENTER	82.00	Pest Control 05/09/22
57136	6/9/2022	Professional Exchange Service Corpora...	90.00	Phone Answering Service - May 2022
57137	6/9/2022	THE HOME DEPOT CRC/GECF	134.38	Misc Operating Supplies
	6/9/2022	THE HOME DEPOT CRC/GECF	1,714.30	Operating Supplies - Tools
57138	6/9/2022	UNDERGROUND SERVICE ALERTS/C	252.55	Monthly Underground Alarm Service
	6/9/2022	UNDERGROUND SERVICE ALERTS/C	67.76	Monthly Underground State Fees
57139	6/16/2022	ADS LLC	18,253.00	Smoke Testing
57140	6/16/2022	AIRGAS USA LLC	1,423.46	Liquid Oxygen Contract 06/01/22
	6/16/2022	AIRGAS USA LLC	800.00	Liquid Oxygen Contract Monthly Fee
57141	6/16/2022	AT&T	344.27	Phone Service - Elevator 04/25/22-05/24/22
	6/16/2022	AT&T	209.43	Phone Service-BPS 05/10/22-06/09/22
57142	6/16/2022	CONCENTRA	105.00	DOT Physical/Recertification-M Gonzalez
57143	6/16/2022	CORODATA	87.73	File Storage - May 2022
57144	6/16/2022	DATA NET SOLUTIONS GROUP	1,383.40	Managed Service Monthly Services-May 2022
57145	6/16/2022	DUKE'S ROOT CONTROL INC	7,628.26	Foaming Root Control Treatment of Sewer Lines (4,117 ft)

Leucadia Wastewater District
 Check/Voucher Register - Demand Summary for Board
 1001 - PPB (Opus) General Checking Account
 From 6/3/2022 Through 7/7/2022

Check Number	Effective Date	Vendor Name	Check Amount	Transaction Description
57146	6/16/2022	ESCONDIDO GOLF CART CENTER, INC	1,694.35	Golf Cart Service & Repair Batteries (7)
57147	6/16/2022	GRAINGER, INC	129.81	Operating Supplies/Tools
57148	6/16/2022	HAAKER EQUIPMENT CO	2,019.86	Reel Cable Repair for CCTV Truck # 173
	6/16/2022	HAAKER EQUIPMENT CO	275.00	Sonetics Headset Repair
57149	6/16/2022	ICMA RETIREMENT-303979	5,690.14	Deferred Comp for PPE 06/12/22
57150	6/16/2022	JOHNNY MONTOYA	120.00	Reimbursement-T1 Exam & Certification
57151	6/16/2022	KING OF THE PAINTERS, INC	28,700.00	AWT Exterior Painting Services
57152	6/16/2022	MALLORY SAFETY AND SUPPLY	47.41	Safety Supplies / Staff PPE
57153	6/16/2022	MARCON PRODUCTS INC.	18.12	Tax on Concrete Invoice # 61651
57154	6/16/2022	MARVIN GONZALEZ	236.03	Safety Boots-FY2022-M Gonzalez
57155	6/16/2022	MITSUBISHI ELECTRIC US, INC	354.78	Elevator Maintenance - June 2022
57156	6/16/2022	PACIFIC PIPELINE SUPPLY	2,660.71	ARI Valve Comb Air SS FLG 4" & Air Vac Covers w/Access Door
57157	6/16/2022	PLANT PEOPLE, INC	241.19	Office Plant Maintenance & New Plants - June 2022
57158	6/16/2022	PRUDENTIAL OVERALL SUPPLY	216.45	Weekly Uniform/Laundry Service 06/09/22
57159	6/16/2022	Quench USA Inc	136.85	Drinking Water Service 05/19/22-06/18/22
57160	6/16/2022	SAN DIEGUITO WATER DISTRICT	6.62	Water @ Tanker 1
	6/16/2022	SAN DIEGUITO WATER DISTRICT	19.86	Water @ Tanker 2
57161	6/16/2022	SPACELINK/I2B NETWORK	160.00	Webcam @ BPS 06/14/22-07/13/22
57162	6/16/2022	STAPLES	(9.37)	Credit on Invoice # 3508870449
	6/16/2022	STAPLES	217.03	Office Supplies
57163	6/16/2022	UNIFIRST FIRST AID CORP	135.55	First Aid Supplies
57164	6/16/2022	VERIZON WIRELESS	1,059.00	Cell Phones 05/08/22-06/07/22 & Jet Packs for PS
57165	6/16/2022	WORDEN WILLIAMS LLP	4,185.00	Legal Services - May 2022
57166	6/23/2022	Atlas Technical Consultants LLC	1,483.00	Geotech Services-Encinitas Estates PS Replacement Project
	6/23/2022	Atlas Technical Consultants LLC	2,942.50	Geotech Services-FY 2022 Gravity Sewer Repairs Project
57167	6/23/2022	BOOT WORLD, INC	224.06	FST Safety Boots FY2022 - J Pivaral
57168	6/23/2022	DEXTER WILSON ENGINEERING	372.91	Development Services-1109 Lagasse Annexation-395 Sunset
	6/23/2022	DEXTER WILSON ENGINEERING	114.00	Development Services-1139 1967 Vulcan Avenue
	6/23/2022	DEXTER WILSON ENGINEERING	522.00	Development Services-1153 Thai One On-7750 Rancho Santa Fe
	6/23/2022	DEXTER WILSON ENGINEERING	442.00	Development Services-1155 Avenida De Las Rosas ADU PPS
	6/23/2022	DEXTER WILSON ENGINEERING	556.00	Development Services-1156 Cottage Restaurant-127 N ECR
57169	6/23/2022	EXTREME SAFETY INC	62.00	SCBA Tanks Flow Tests/Fit Tests/Hydro Tests of Cylinders
57170	6/23/2022	GRAINGER, INC	166.80	Lox Pump Fuses (6)
	6/23/2022	GRAINGER, INC	113.76	Parts for Vactor #159
57171	6/23/2022	HAAKER EQUIPMENT CO	296.96	Vactor Parts
57172	6/23/2022	LIQUID CANVAS INC	2,145.00	Awnings for LPS & BPS (Final Payment)
57173	6/23/2022	MALLORY SAFETY AND SUPPLY	377.35	Safety Supplies / Staff PPE
57174	6/23/2022	OLIVENHAIN MUNICIPAL WATER DIS...	51.15	Water @ VP5 PS

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57175	6/23/2022	PACIFIC PIPELINE SUPPLY	278.10	Operating Supplies: Camlock/Tap product/Valve Ball/SS Nipple
57176	6/23/2022	PLUMBERS DEPOT, INC	942.11	CCTV Van Misc Repairs / Maint: Cues, Repair Kit and Labor
	6/23/2022	PLUMBERS DEPOT, INC	206.88	CCTV Van Misc Repairs / Maint: Nozzle Extension
	6/23/2022	PLUMBERS DEPOT, INC	366.57	CCTV Van Misc Repairs / Maint: Rod Sectional
57177	6/23/2022	POLYDYNE INC	21,454.29	Poly Alum - 4,000 Gallon Bulk
57178	6/23/2022	PRUDENTIAL OVERALL SUPPLY	131.95	Weekly Uniform/Laundry Service 06/16/22
57179	6/23/2022	ROGERS ANDERSON MALODY & SCOT...	10,000.00	Financial Auditing Service FY 2022 - Services in FY 2022
57180	6/23/2022	SAN DIEGO GAS & ELECTRIC	3,386.20	Electric @ Admin
	6/23/2022	SAN DIEGO GAS & ELECTRIC	16,112.79	Electric @ BPS
	6/23/2022	SAN DIEGO GAS & ELECTRIC	1,274.75	Electric @ La Costa PS
	6/23/2022	SAN DIEGO GAS & ELECTRIC	150.51	Electric @ RV PS
	6/23/2022	SAN DIEGO GAS & ELECTRIC	828.17	Electric @ Saxony PS
	6/23/2022	SAN DIEGO GAS & ELECTRIC	362.04	Electric @ VP5 PS
	6/23/2022	SAN DIEGO GAS & ELECTRIC	185.77	Electric @ VP7 PS
	6/23/2022	SAN DIEGO GAS & ELECTRIC	316.81	Electric/Gas @ E Estates PS (Includes \$613.20 Credit)
	6/23/2022	SAN DIEGO GAS & ELECTRIC	106.94	Gas @ Admin
57181	6/23/2022	WEST COAST SAFETY SUPPLY INC	2,482.32	Rap-O-Manhole Cushing
57182	6/30/2022	ADT/PROTECTION 1	75.00	Security System Service Trip Charge
57183	6/30/2022	AYALA ENGINEERING	10,865.00	Manhole Rehabs: 04-1880 & 04-1840 (1 Frame & Cover)
	6/30/2022	AYALA ENGINEERING	16,800.00	Rehab Manholes on ECR / Installation Frames & Covers (2)
57184	6/30/2022	COLONIAL LIFE INS	254.58	Accident/Critical Illness Ins-06/01/22, 06/15/22, & 06/29/22
57185	6/30/2022	CONCENTRA	329.00	New Hire Physical - J Pivara
57186	6/30/2022	DEXTER WILSON ENGINEERING	3,308.00	General Engineering 103-500 May 2022
57187	6/30/2022	ESRI	6,700.00	ESRI Cloud-Based Software Upgrade
57188	6/30/2022	FEDERAL EXPRESS CORPORATION	116.97	Shipping 06/09/22
57189	6/30/2022	ICMA RETIREMENT-303979	5,690.14	Deferred Comp for PPE 06/26/22
57190	6/30/2022	INFRASTRUCTURE ENGINEERING CORP	6,292.50	Design Services for VP7 Replace Project
57191	6/30/2022	MALLORY SAFETY AND SUPPLY	37.33	Safety Supplies / FST PPE - Gloves
	6/30/2022	MALLORY SAFETY AND SUPPLY	351.86	Safety Supplies / FST PPE - Gloves / Headlamps
57192	6/30/2022	NAPA AUTO	93.99	Omni Lube Grease/Car Wash & Wax/Blue Def
	6/30/2022	NAPA AUTO	61.92	Sealant / Silicone - BPS Supplies
57193	6/30/2022	PETTY CASH	342.60	Petty Cash 06/30/22
57194	6/30/2022	PRUDENTIAL OVERALL SUPPLY	119.54	Weekly Uniform/Laundry Service 06/23/22
57195	6/30/2022	SAN DIEGO GAS & ELECTRIC	139.34	Electric @ Avocado PS
	6/30/2022	SAN DIEGO GAS & ELECTRIC	1,929.81	Electric @ AWT
	6/30/2022	SAN DIEGO GAS & ELECTRIC	497.37	Electric @ Diana PS
57196	6/30/2022	SAN DIEGUITO TROPHY	147.64	Name Plates - Order # 90853
57197	6/30/2022	SMITHERS MSE INC	356.00	Carbon Sampling - LPS
57198	6/30/2022	SOUTH BAY FOUNDRY	(1,616.25)	Credit Memo for Invoice 0219798

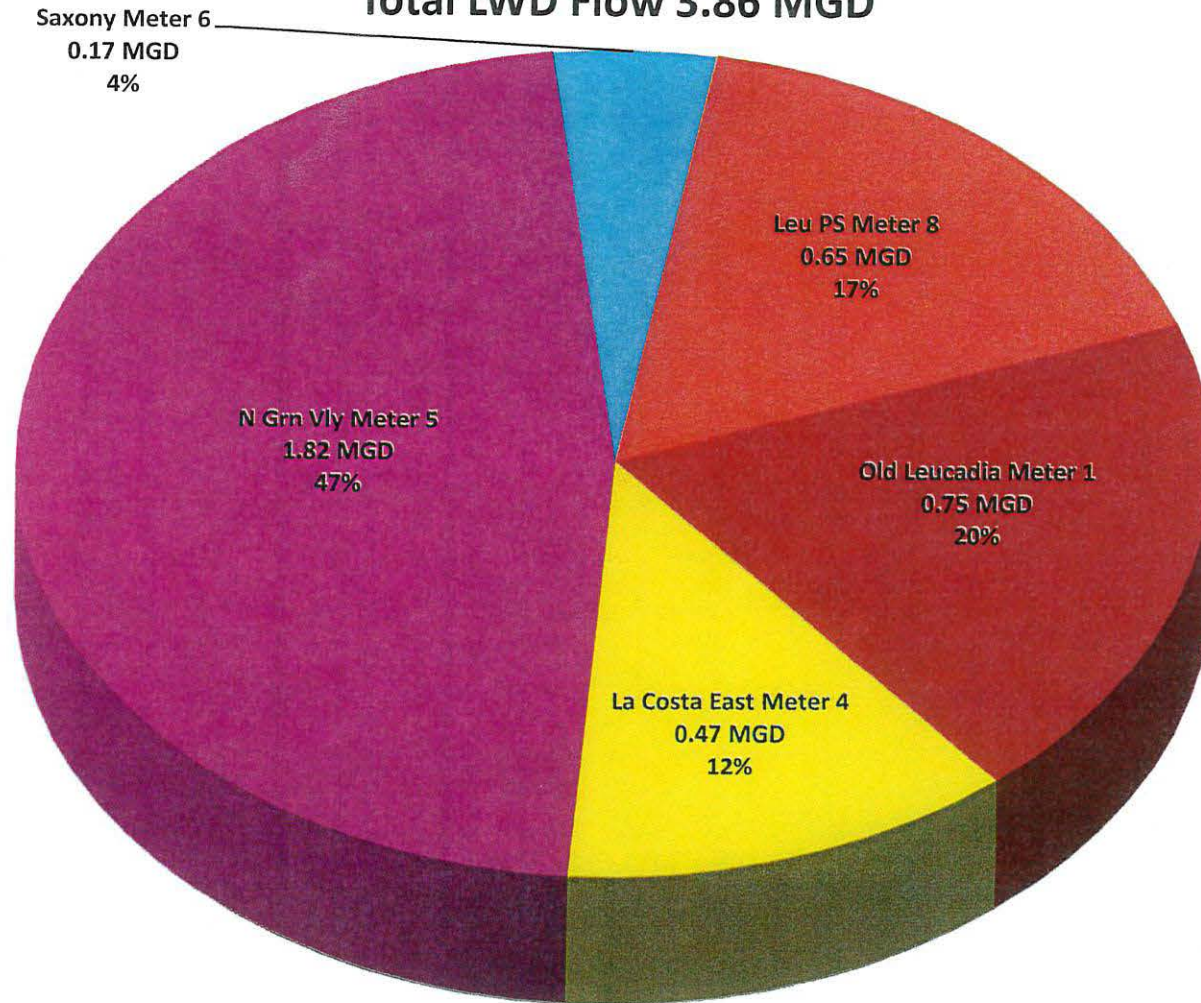
Leucadia Wastewater District
 Check/Voucher Register - Demand Summary for Board
 1001 - PPB (Opus) General Checking Account
 From 6/3/2022 Through 7/7/2022

<u>Check Number</u>	<u>Effective Date</u>	<u>Vendor Name</u>	<u>Check Amount</u>	<u>Transaction Description</u>
	6/30/2022	SOUTH BAY FOUNDRY	4,848.75	Manhole Frames & Covers (3 LWD Special Fit)
57199	6/30/2022	TERMINIX PROCESSING CENTER	62.20	Pest Control 06/13/22
Report Total			2,004,511.09	

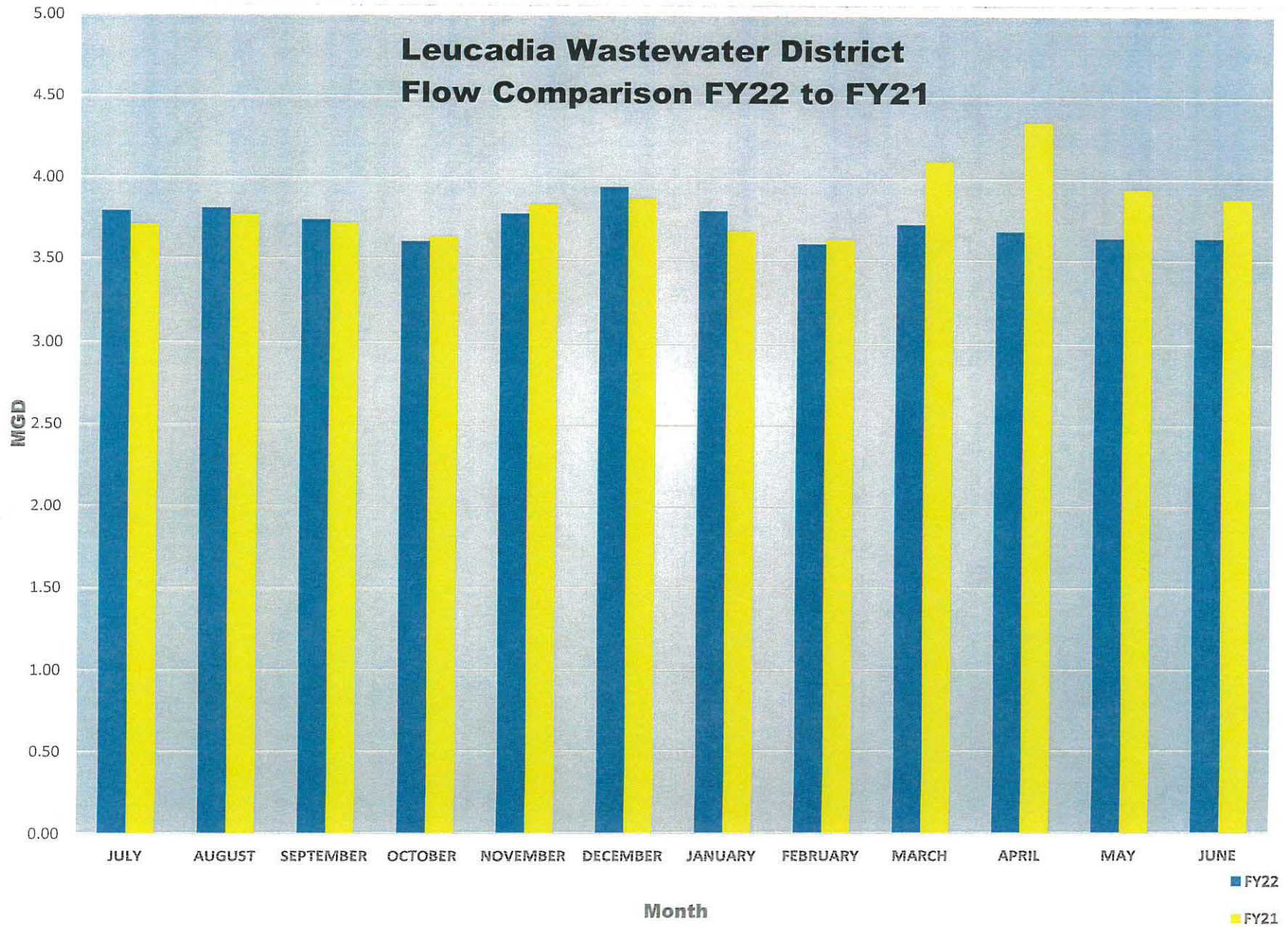
**LEUCADIA WASTEWATER DISTRICT
OPERATIONS REPORT
FISCAL YEAR 2022 (July 2021 - June 2022)**

CURRENT MONTH - June 2022							FY 2021
Period	Total Rain Inches	Total Flow MG	Added EDU's 28,774.34	LWD ADF (MGD)	GPD/EDU	RECLAIMED Total (ac-ft/mo)	LWD ADF (MGD)
JULY	0.16	117.49	19.70	3.79	131.80	47.70	3.95
YTD			28,754.64				
AUGUST	0.11	118.11	6.00	3.81	132.47	47.70	4.01
YTD			28,760.64				
SEPTEMBER	0.11	112.20	0.00	3.74	130.04	33.07	3.78
YTD			28,760.64				
OCTOBER	1.34	111.91	1.25	3.61	125.51	14.49	3.81
YTD			28,761.89				
NOVEMBER	0.00	113.40	1.25	3.78	131.42	19.15	3.88
YTD			28,763.14				
DECEMBER*	3.21	122.45	0.00	3.95	137.33	4.09	3.76
YTD			28,763.14				
JANUARY	0.47	117.80	3.00	3.80	132.10	0.00	3.65
YTD			28,766.14				
FEBRUARY	0.28	100.80	4.00	3.60	125.13	10.71	3.63
YTD			28,770.14				
MARCH	1.66	115.32	2.50	3.72	129.29	10.91	3.89
YTD			28,772.64				
APRIL	0.11	110.40	2.45	3.68	127.89	20.37	3.90
YTD			28,775.09				
MAY	0.02	112.84	5.00	3.64	126.48	36.79	3.90
YTD			28,780.09				
JUNE	0.01	115.80	2.00	3.86	134.11	46.04	3.85
YTD			28,782.09				
YTD Totals	7.48	1368.52	47.15			291.02	
Mo Average	0.62	114.04	3.93	3.75	130.30	24.25	3.83

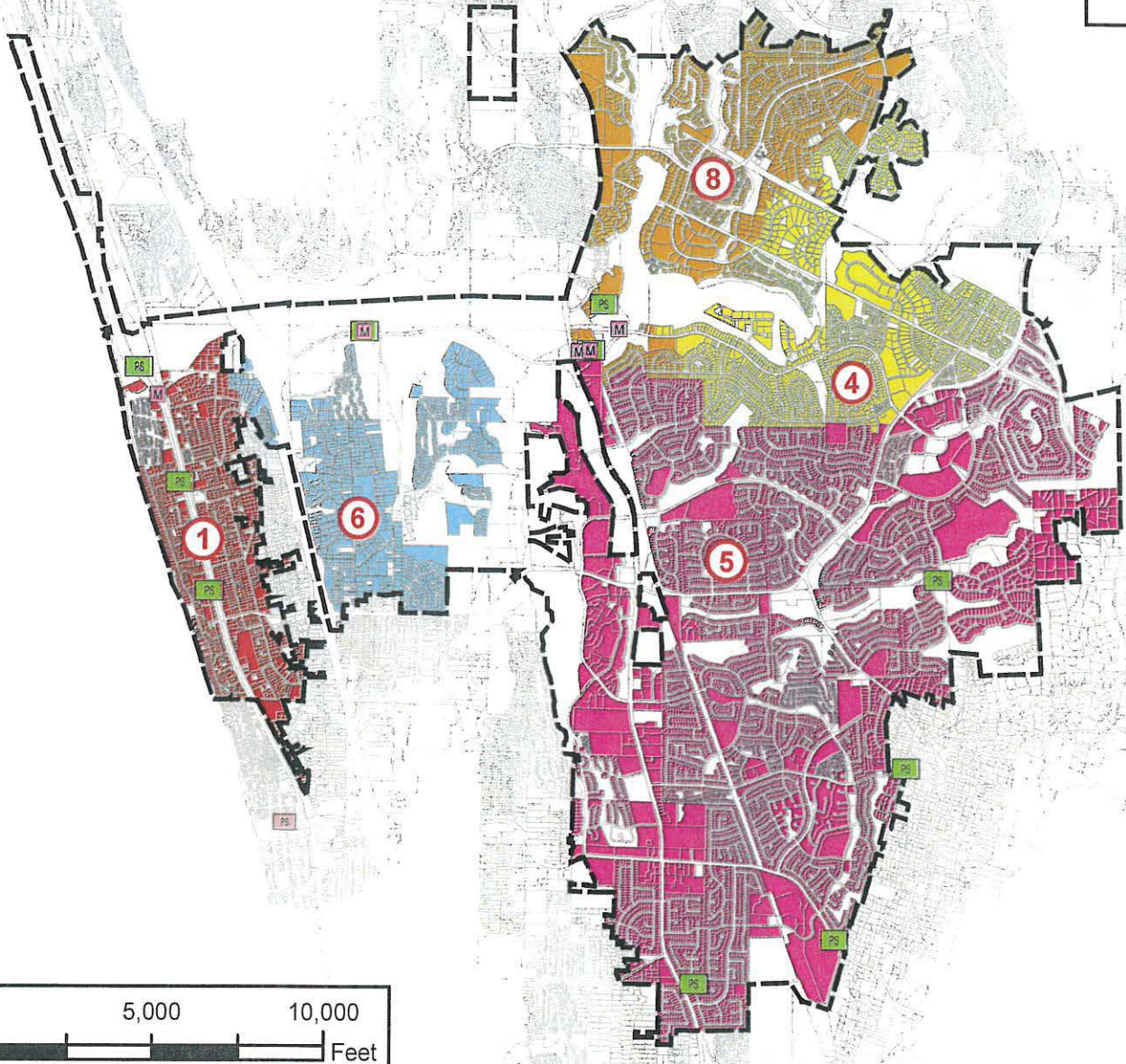
**LWD Flows by Sub-Basin
June 2022
Total LWD Flow 3.86 MGD**



Leucadia Wastewater District Flow Comparison FY22 to FY21



LEUCADIA WASTEWATER DISTRICT



LEGEND

Parcels by Basin

- 1 - Old Leucadia
- 4 - La Costa East
- 5 - North Green Valley
- 6 - Saxony
- 8 - Leucadia PS

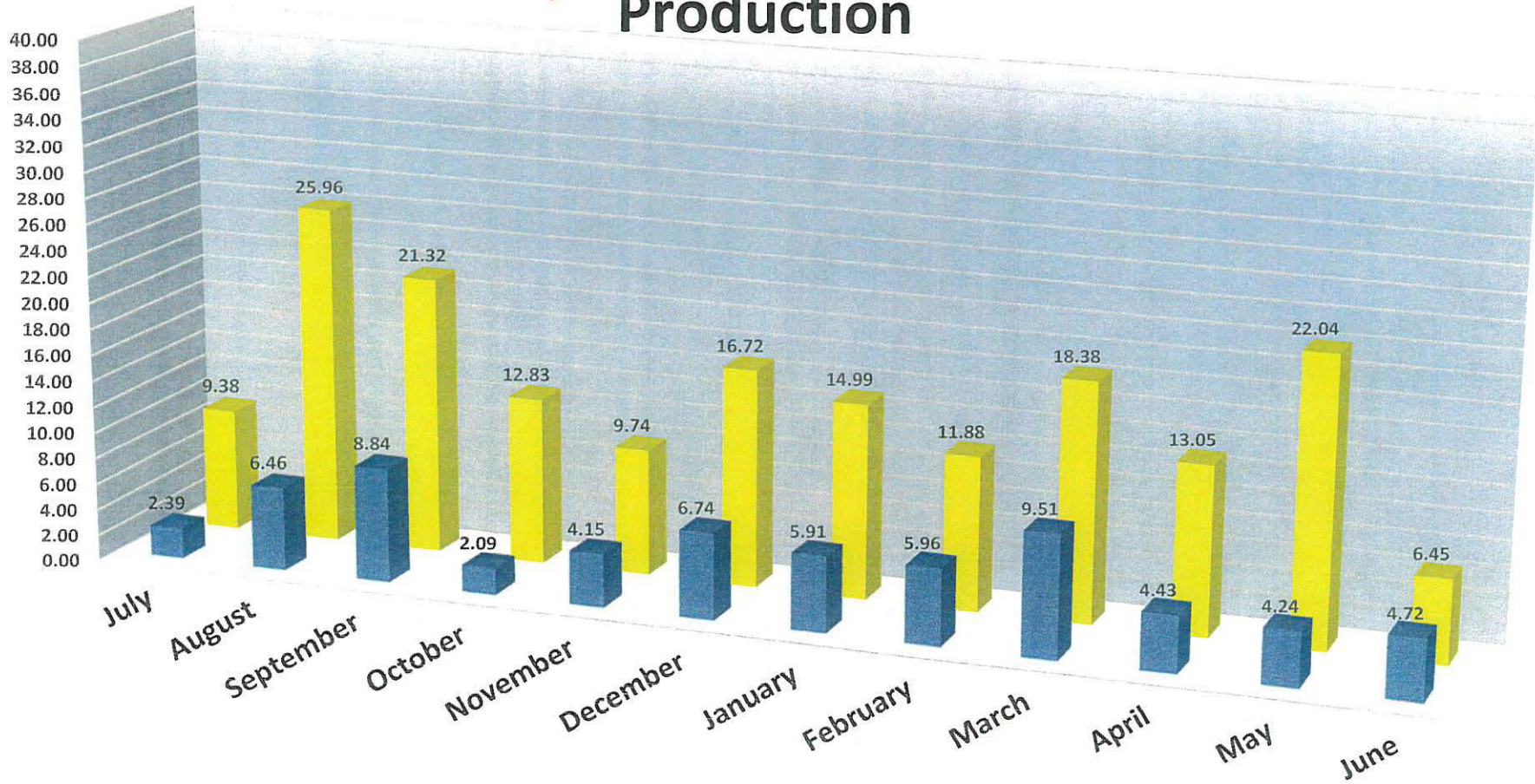
- Meter Locations
- LWD Pump Stations
- Encinitas Pump Stations
- LWD Boundary



DEXTER WILSON ENGINEERING, INC.
CONSULTING ENGINEERS
(760) 438-4422

SEWER COLLECTION SYSTEM BY SUB-BASIN

FY-22 CCTV Inspections & Hydro Cleaning Production



Monthly Target Mileage

Hydro-Cleaning: 15 Miles/Month

CCTV Inspections: 6.3 Miles/Month

■ CCTV Inspections (YTD 65.4 Miles)

■ Hydro Cleaning (YTD 182.8 Miles)



LEADERS IN
ENVIRONMENTAL
PROTECTION

**Operations and Administration Training Report
June 2022**

Training & Safety Events for the month June 2022

Description	Hours		
	Ops	Admin	Total
Batteries: Replacing & Recharging	0.5	0.0	0.5
Bloodborne Pathogens	0.5	0.0	0.5
Fire Extinguisher Training	1.0	0.0	1.0
Heat Illness	3.00	0.00	3.00
Respiratory Protection	2.0	0.0	2.0
CalPERS Webinar (retirement)	6.0	0.0	6.0
CalPERS training on Social Security	0.0	1.0	1.0
CSMFO Bamboozled Frauds and Schemes Against CA Govt.	0.0	1.5	1.5
CSRMA Wild Fire Preparedness and Prevention	1.0	0.0	1.0
DataNet Multi-Factor Authentification	0.0	0.5	0.5
DataNet Clean Desk Policy	0.0	0.5	0.5
DataNet General Data Protection Regulation (GDP) for Data Processors	0.0	1.0	1.0
DataNet Cyber Security	1.0	1.0	2.0
HR 2022 Mid-Year Employment Law Update	0.0	2.0	2.0
LCW Webinar: Leaves, Leaves and More Leaves	0.0	2.0	2.0
Total Training Hours	15.00	9.50	24.50

Conferences/Webinars/Seminars for the month of June 2022

Description	Attendees		
	Ops	Admin	Total
CWEA Training at City of Vista	4	0	4
CWEA FOG Workshop City of Long Beach	2	0	2
Total Attended Conferences	6	0	6

Notes:

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

Leucadia Wastewater District

Balance Sheet

As of 6/30/2022

	Amount
Assets	
Cash & Investments	26,819,976.60
Accounts Receivables	75,904.86
Net OPEB Asset	246,761.00
Prepaid Expense	1,884,427.08
Funds held with Encina Wastewater Authority	2,041,200.00
Capital Assets	184,526,682.21
Less Accumulated Depreciation	(64,329,624.48)
Total Assets	151,265,327.27
Deferred Outflows	
PERS Pension Deferred Outflows	1,344,994.00
OPEB Health Deferred Outflows	74,182.00
Total Deferred Outflows	1,419,176.00
Total Assets & Deferred Outflows	152,684,503.27
Liabilities	
Accounts Payable & Accrued Expenses	590,036.84
Developer Deposits	129,096.49
Lease Liability	13,018.57
Net Pension Liability	4,523,924.00
Total Liabilities	5,256,075.90
Deferred Inflows	
PERS Pension Deferred Inflows	181,483.00
OPEB Health Deferred Inflows	146,751.00
Total Deferred Inflows	328,234.00
Net Position	
Beginning Net Position (as of June 30, 2021)	
Investment in Capital Assets	119,956,318.25
Reserves	26,711,648.62
Total Beginning Net Position (as of June 30, 2021)	146,667,966.87
Current Change In Net Position	
Other	432,226.50
Total Current Change In Net Position	432,226.50
Total Net Position	147,100,193.37
Total Liabilities, Deferred Inflows & Net Position	152,684,503.27

Leucadia Wastewater District

Summary Budget Comparison - Revenues and Operating Expenses

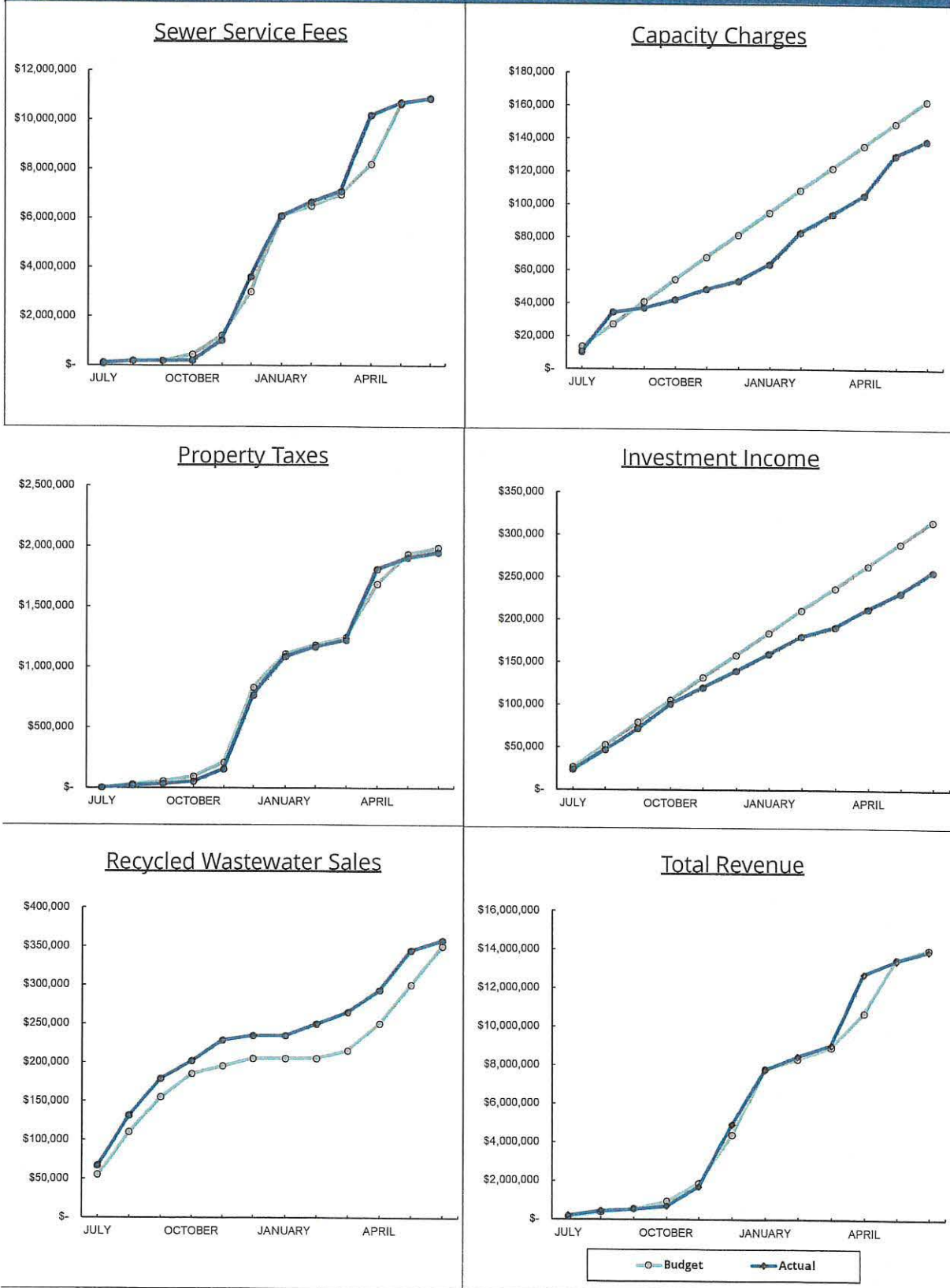
From 7/1/2021 Through 6/30/2022

Account Title	YTD Actual	Total Annual Budget	Remaining Budget	Percentage Total Budget Used
OPERATING REVENUES				
3110 Sewer Service Fees	\$10,856,754.54	\$10,879,991.00	\$ 23,236.46	99.8%
3150 Recycled Water Sales	357,337.96	350,000.00	(7,337.96)	102.1%
3100 Misc. Operating Revenue	70,452.02	180,599.00	110,146.98	39.0%
TOTAL OPERATING REVENUES	\$11,284,544.52	\$11,410,590.00	\$ 126,045.48	98.9%
OPERATING EXPENSES				
4100 Salaries	\$ 1,997,439.08	\$ 2,063,646.00	\$ 66,206.92	96.8%
4200 Employee Benefits	1,469,809.18	1,561,018.00	91,208.82	94.2%
4300 Directors Expense	69,364.24	129,100.00	59,735.76	53.7%
4400 Election Expense	15,000.00	30,000.00	15,000.00	50.0%
4500 Depreciation Expense	6,120.00	-	(6,120.00)	100.0%
4600 Gas, Oil & Fuel	42,174.59	45,000.00	2,825.41	93.7%
4700 Insurance Expense	184,809.69	179,800.00	(5,009.69)	102.8%
4800 Memberships	35,125.89	36,925.00	1,799.11	95.1%
4900 Office Expense	145,853.75	169,500.00	23,646.25	86.0%
5000 Operating Supplies	126,687.00	147,500.00	20,813.00	85.9%
5200 Professional Services	410,216.21	600,000.00	189,783.79	68.4%
5300 Printing & Publishing	30,204.91	29,600.00	(604.91)	102.0%
5400 Rents & Leases	27,713.92	24,200.00	(3,513.92)	114.5%
5500 Repairs & Maintenance	455,942.24	559,100.00	103,157.76	81.5%
5600 Monitoring & Permits	65,181.68	74,300.00	9,118.32	87.7%
5700 Training & Development	33,480.88	49,500.00	16,019.12	67.6%
5900 Utilities	431,334.70	468,900.00	37,565.30	92.0%
6100 LAFCO Operations	7,257.17	7,700.00	442.83	94.2%
6200 Encina Operating Expense	1,934,148.65	2,677,900.00	743,751.35	72.2%
6500 Long Term Debt	268.56	-	(268.56)	100.0%
6900 Admin O/H alloc to Capital	(146,923.52)	(192,796.00)	(45,872.48)	76.2%
TOTAL OPERATING EXPENSES	\$ 7,341,208.82	\$ 8,660,893.00	\$ 1,319,684.18	84.8%
NON-OPERATING REVENUES				
3130 Capacity Fees	\$ 138,675.25	\$ 162,848.00	\$ 24,172.75	85.2%
3220 Property Taxes	1,946,681.10	1,988,000.00	41,318.90	97.9%
3250 Investment Income	256,650.87	316,000.00	59,349.13	81.2%
3290 Misc. Non Op Revenue	58,623.75	127,300.00	68,676.25	46.1%
3295 Contributed Sewer Lines	228,000.00	-	(228,000.00)	100.0%
TOTAL NON-OPERATING REVENUES	\$ 2,628,630.97	\$ 2,594,148.00	\$ (34,482.97)	101.3%

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

Leucadia Wastewater District Revenue FY2022

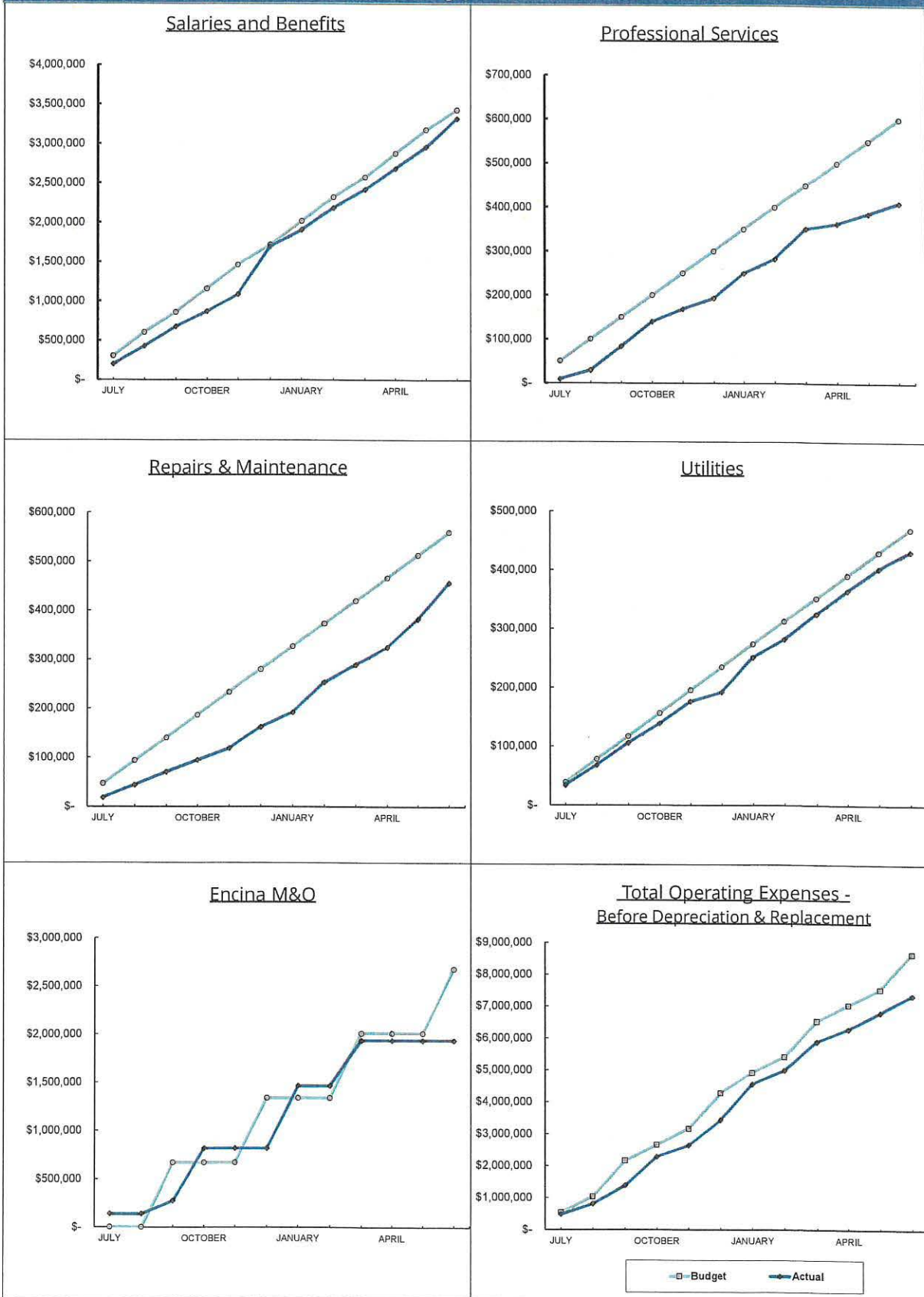
YTD through June 30, 2022



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

Leucadia Wastewater District Operating Expenses FY2022

YTD through June 30, 2022

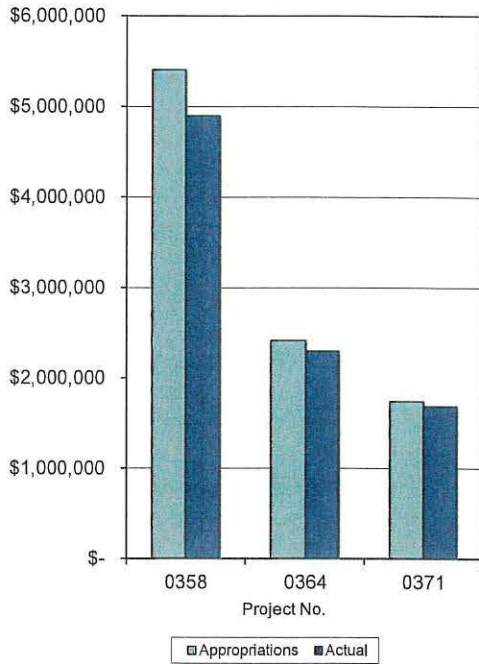


* Preliminary: subject to future review, reconciliation, accruals, and audit

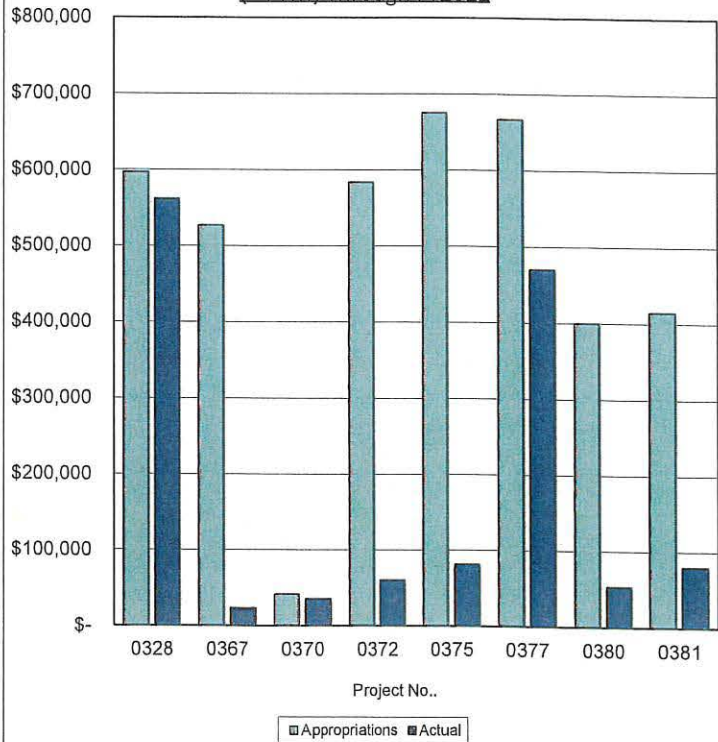
Leucadia Wastewater District Capital Expenditures

As of June 30, 2022

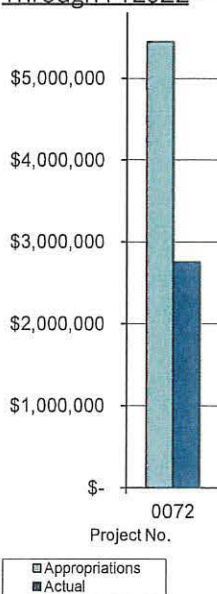
District Multi Year Capital Expenditures
by Project
(>\$1M) Through FY2022



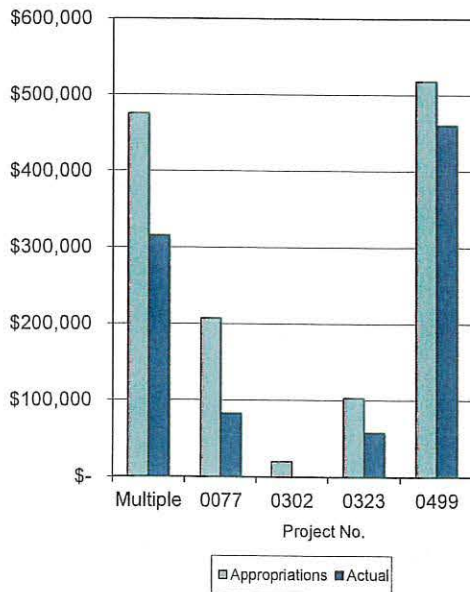
District Multi Year Capital Expenditures by Project
(<\$1M) Through FY2022



District's Share of
Encina WPCF
Capital Exp
Through FY2022



Single Year Capital
Expenditures by Project FY2022



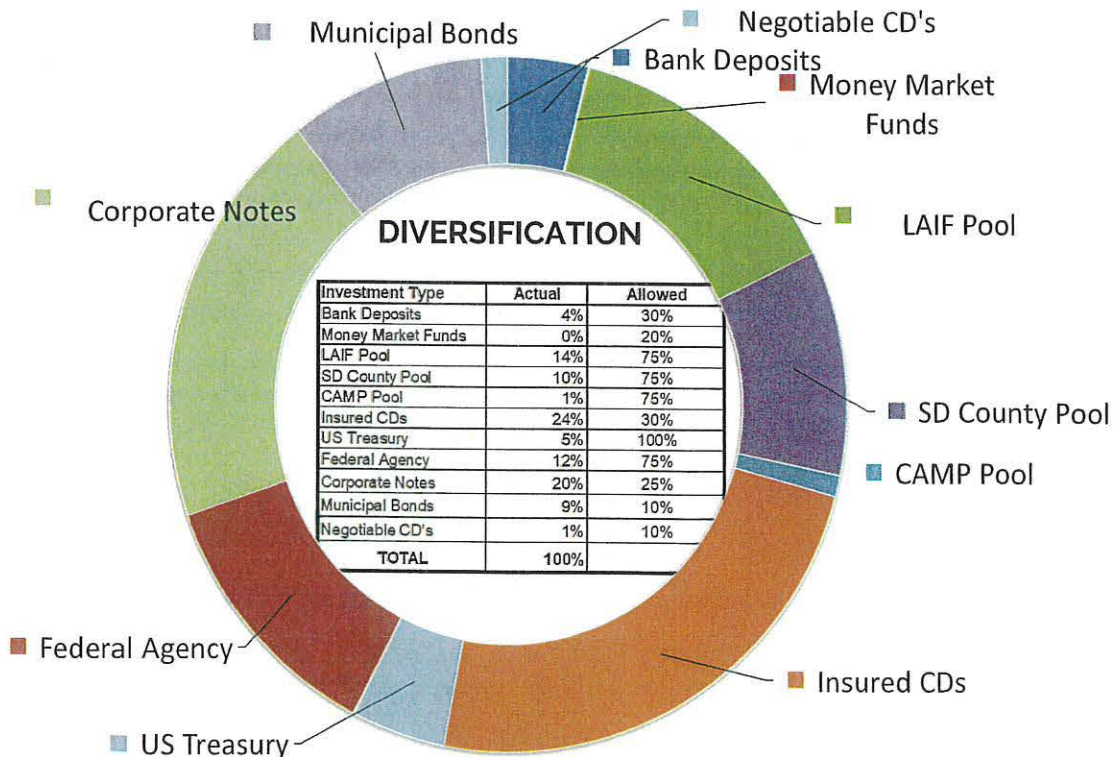
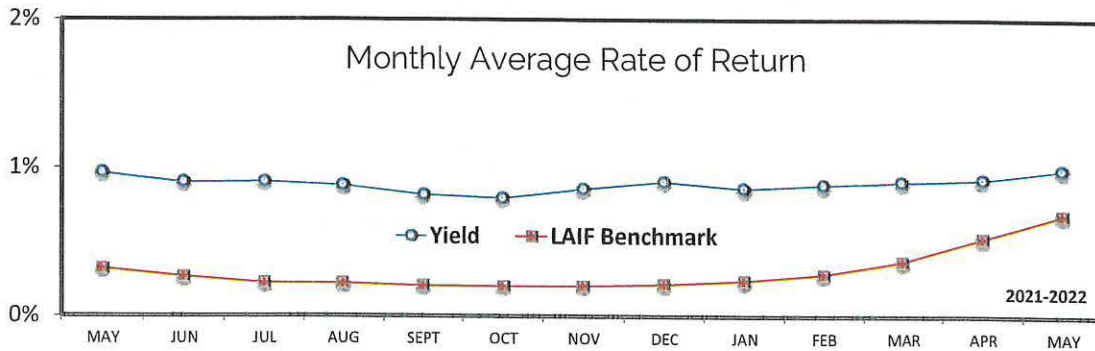
Project Legend

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
B1 Force Main - North Section Replcmnt	0367
Pump Station Assessment	0370
FY20 Gravity Line Rehab/Quebrada Rlgn	0371
Diana Pump Station Upgrade	0372
Batiquitos PS Emergency Basin Upgrade	0375
FY2021 Gravity Pipeline Rehabilitation	0377
FY2022 Gravity Pipeline Rehabilitation	0380
Village Park 7 Pump Station Rehabilitation	0381
Single Year Capital Projects	No.
Equipment - Capital Acquisitions	Multiple
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

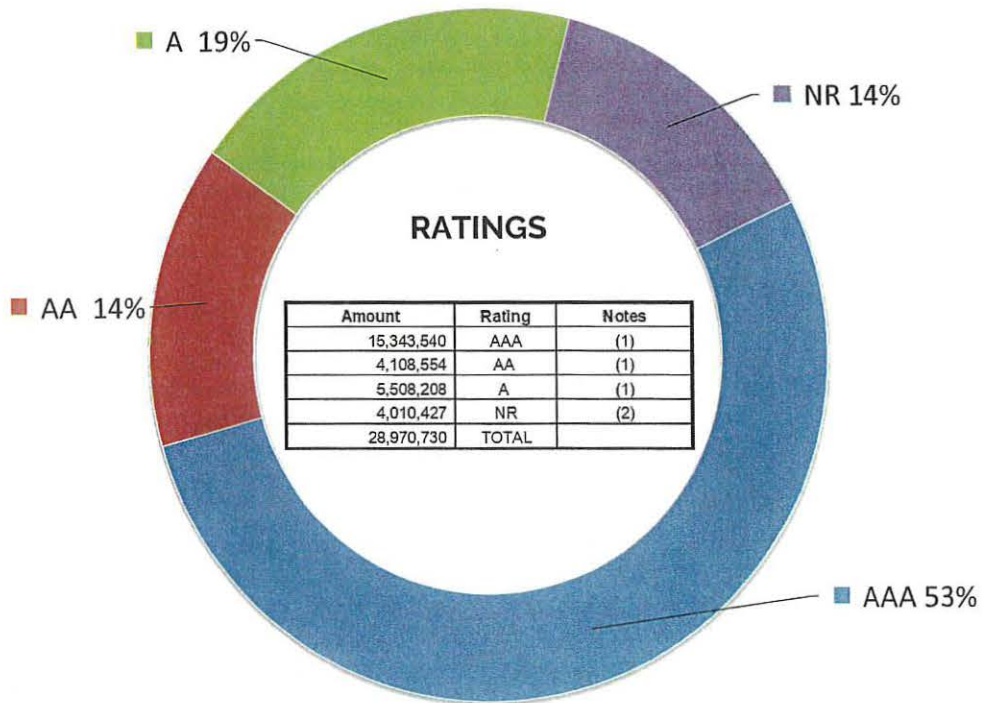
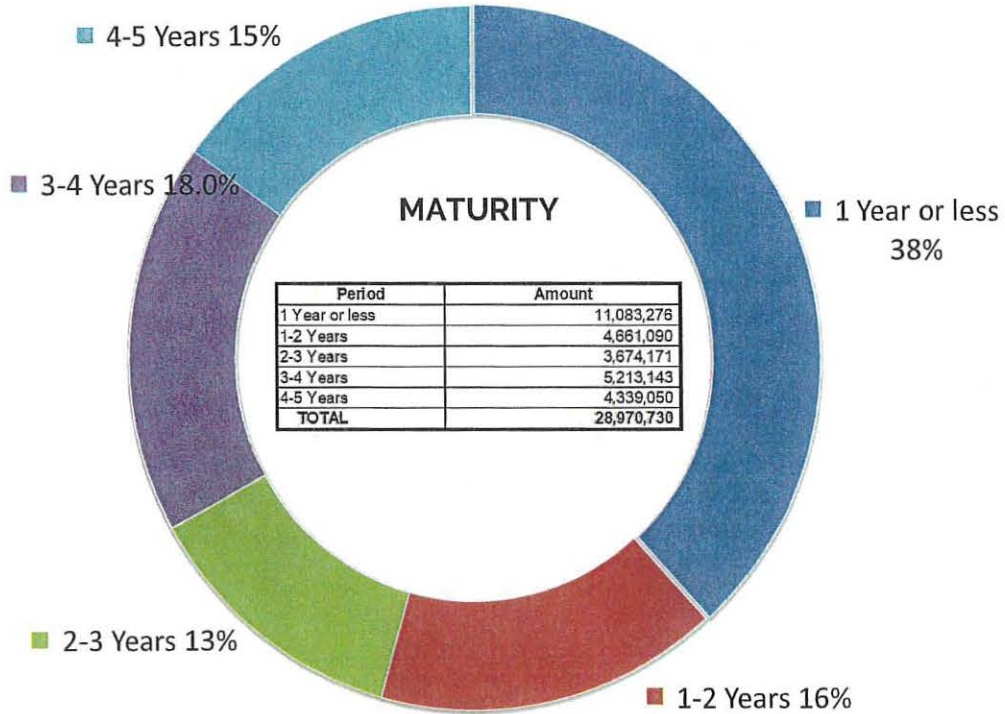
LEUCADIA WASTEWATER DISTRICT
Monthly Investment Summary
May 31, 2022

Cash Equivalents & Investments	Principal (Original Cost)		May Interest	Average Rate
	Apr 30, 2022	May 31, 2022		
Pacific Premier Bank Reserves	\$ 4,045,141	\$ 1,109,449	\$ 21	0.010%
TVI Dreyfus Money Market	17,913	19,356	6	0.450%
LAIF Pool	2,310,427	4,010,427	1,801	0.684%
SD County Pool	3,035,946	3,035,946	2,328	0.920%
CAMP Pool	278,880	289,510	200	0.820%
Certificates of Deposit - Insured	6,872,000	6,872,000	7,612	1.330%
US Treasury Notes	1,311,275	1,311,275	936	0.984%
Federal Agency Notes	3,547,052	3,547,052	2,723	0.975%
Municipal Bonds	2,751,889	2,751,889	2,183	0.900%
Corporate Bonds/Notes	5,673,824	5,673,824	6,051	1.297%
Negotiable CD's	350,000	350,000	540	1.850%
Totals	\$ 30,194,348	\$ 28,970,730	\$ 24,401	0.990%



LEUCADIA WASTEWATER DISTRICT
Monthly Investment Summary
May 31, 2022

(Continued)

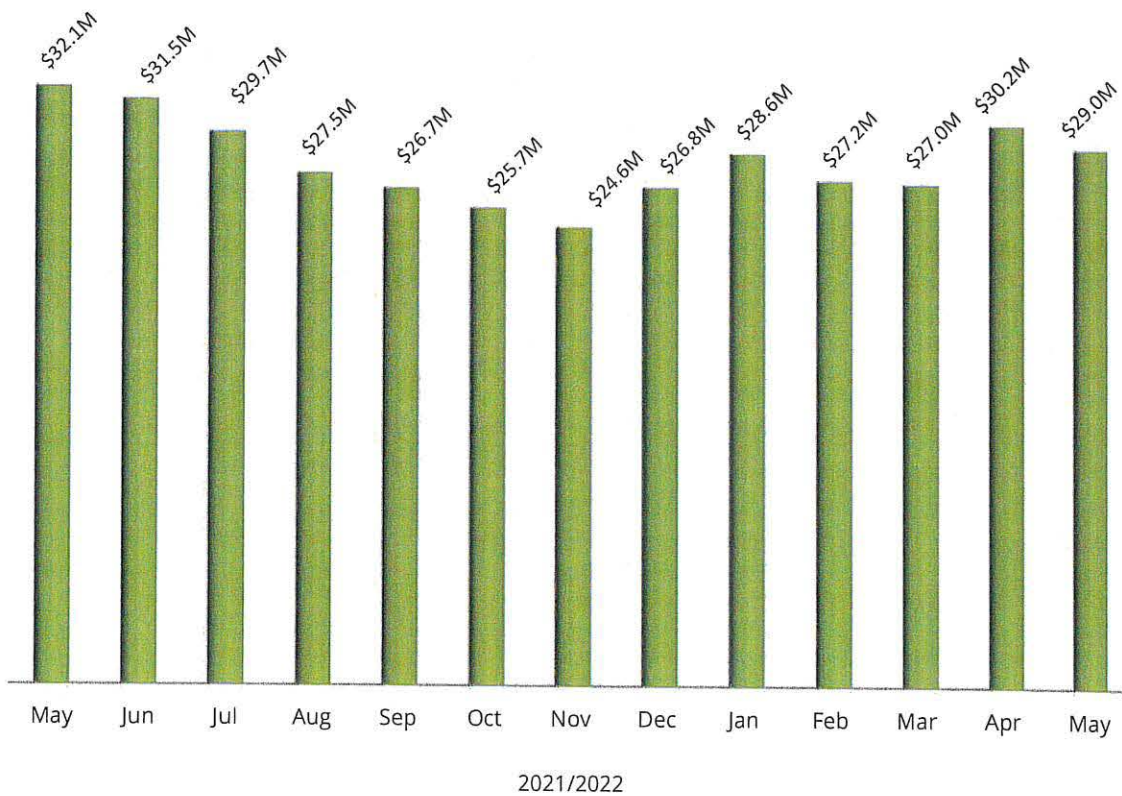


(1) CAMP Pool & SD County Pool, are rated by Standard & Poors. Investments are rated by Moody's.
 (2) LAIF is not rated.

LEUCADIA WASTEWATER DISTRICT
Monthly Investment Summary
May 31, 2022

(Continued)

CASH & INVESTMENT FUNDS BY MONTH



INVESTMENT TRANSACTIONS

Investment	Purchases	Sales & Maturities	Maturity Date	CUSIP	YTM at Cost	Notes
TOTAL	\$ -	\$ -				

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

MEMORANDUM

DATE: July 7, 2022
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: **June 2022 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 2022.

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 2022 for your review.

tb:PJB

Attachment

**Leucadia Wastewater District
Disclosure of Reimbursements Report
June 1-30, 2022**

Conference Date	Description	Director J. Hanson	Director E. Sullivan	Director D. Omsted	Director C. Roesink	Director M. Brown	GM P. Bushee	TSM R. Morishita	ASsup T. Hill	FSS J. Stecker
	Registration									
	Hotel									
	Airfare									
	Meals									
	Baggage									
	Parking/Shuttle/Coaster									
	Tips									
	Fuel/mileage/rental car									
	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
	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 : There were no conferences for the month of June 2022.

Encina Wastewater Authority Report
Regular Board Meeting
June 22, 2022

EWA Board of Directors – Director Omsted Reporting

1. AB 361 Findings to Continue Virtual or Telephonic Board Meetings

The Board of Directors authorized the continuation of virtual meetings under Assembly Bill 361.

2. Dissolved Air Flotation Tanks (DAFT) Repair Project Award

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

- Execute a contract with J.R. Filanc Construction Co., Inc. (Filanc) in the amount of \$3,030,000 for construction of the DAFT Repair Project;
- Award an Amendment in the amount of \$356,622 to the agreement with Carollo Engineers, Inc. for construction phase services for the Project; and
- Approve the transfer of unexpended appropriations from the Capital Improvement Program budget in the amount of \$581,827 to the Project account.

3. EWPCF Process Upset Report

The Board of Directors received and filed the Encina Water Pollution Control Facility (EWPCF) Process Upset Report.

Executive Session

4. Conference with Labor Negotiators – Pursuant to Government Code

Agency designated representative GM McClelland and Unrepresented Employee Group

There was no reportable action.

Investment & Finance Committee Meeting Report

Presented by Director Brown

Meeting held August 5, 2020

1. Audit Entrance Meeting with Rogers, Anderson, Malody & Scott, LLP.

The IFC participated in the Financial Audit Entrance meeting with staff and Garden Duran, from Rogers, Anderson, Malody & Scott, LLP.

Ms. Duran stated that they have begun their preliminary audit review. She went over the auditor's responsibilities, the timing of the audit, and the audit process.

There was no action taken.

2. Annual Review of LWD's Procurement Policy – Receive and File the Annual Review of the Procurement Policy.

The IFC reviewed Resolution No. 2376 amending the LWD Procurement Policy.

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

3. Annual Review of the LWD Investment Policy

The IFC reviewed staff's recommendation to re-delegate authority to manage LWD's investment program to the General Manager effective September 1, 2022 through August 31, 2023 and to adopt Resolution No. 2375 amending the LWD Investment Policy.

Following discussion, the IFC recommended limiting Other 49 States Debt to 5% of LWD's portfolio. Staff stated they would make this change.

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

Engineering Committee Meeting Report

Presented by Director Roesink

Meeting held July 6, 2022

1. The Engineering Committee (EC) reviewed the following recommendations:

- Authorize the General Manager to execute a sole source three-year base professional services agreement with Dexter Wilson Engineering, Incorporated for District Engineer Consulting Services in an amount not to exceed \$360,000 with an option for two additional years;
- Authorize the General Manager to execute a sole source Engineering Services contract to update the District's Asset Management Plan with Dexter Wilson Engineering, Incorporated in an amount not to exceed \$127,146;

Village Park No. 7 Replacement Project Award

- Authorize the General Manager to execute a change order to the Contract to construct the Encinitas Estates Pump Station Replacement Project with Pacific Hydrotech Corporation for the construction of the Village Park No. 7 Pump Station Replacement Project in an amount not to exceed \$795,500;
- Waive the requirements of Section 8, Formal Procurements for Goods, Construction Services and Other Services (\$60,000.10 and over), of the Procurement Policy as allowed under Section 3.9.; and
- Authorize an additional appropriation of \$275K for project construction to cover construction costs and a 10% contingency.

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

2. The EC also received an update on the following:

- Development Projects Summary

This item was for information purposes and there was no action taken.

MEMORANDUM

Ref: 23-8096

DATE: July 7, 2022
TO: Board of Directors
FROM: Paul J. Bushee, General Manager
SUBJECT: Annual Review of Procurement Policy



RECOMMENDATION:

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

1. Adopt Resolution No. 2376 approving LWD's revised Procurement Policy; and
2. Discuss and take other action, as appropriate.

DISCUSSION:

Tactical Goal: Finance/Financial Policy Reviews/Procurement Policy

This item was reviewed at the July 5th IFC meeting and the IFC concurred with staff to present this item for the Board's consideration.

The Leucadia Wastewater District (LWD) Procurement Policy was originally adopted by the Board of Directors on March 9, 2005. It was last revised on August 18, 2021. The policy consolidates purchasing requirements under one program and provides a prudent set of controls while maintaining efficiency and flexibility in the procurement process.

The IFC recently met to conduct its annual review of the policy. Based on this review, staff and the IFC recommend replacing the requirement to publish public notices inviting bids, proposals, or qualifications "in a newspaper of general circulation at least 10 days prior to the bid opening date" with a requirement to publish public notices inviting bids "in a relevant professional journal, publication, newspaper of general circulation and/or the District's website at least once, ten (10) days prior to the bid opening date to attract a sufficient number of qualified firms".

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

The proposed resolution (Attachment 1) includes a tracked-changes version of the revised Procurement Policy for the IFC's review (Exhibit "A").

reg:PJB

Attachment

RESOLUTION NO. 2376

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
LEUCADIA WASTEWATER DISTRICT
ADOPTING A REVISED PROCUREMENT POLICY**

WHEREAS, the Leucadia Wastewater District's (LWD) existing Procurement Policy was adopted on August 18, 2021 to establish a prudent set of controls in the procurement process; and

WHEREAS, it is prudent for LWD to periodically review its Procurement Policy to reflect changes in laws, regulations, and the current costs.

NOW, THEREFORE, it is hereby resolved as follows:

1. The LWD Board of Directors adopts the LWD Procurement Policy attached hereto as Exhibit "A" and directs that it be implemented consistent with all applicable laws and related District policies.
2. This Resolution supersedes and rescinds Resolution No. 2354.

PASSED AND ADOPTED by the Board of Directors at a meeting of the Leucadia Wastewater District held July 13, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Judy Hanson, President

ATTEST:

Paul J. Bushee, Secretary/Manager

(SEAL)

Attachment 1

LEUCADIA WASTEWATER DISTRICT

RESOLUTION NO. 2376

EXHIBIT "A"

LWD PROCUREMENT POLICY



PROCUREMENT POLICY

Ref: 22-80337709

1. Purpose

The purpose of this Policy is to establish the requirements and implement the rules and regulations governing the procurement of all goods and services required by the Leucadia Wastewater District (LWD or District).

2. Related LWD Board of Directors' Policies

- 2.1. Resolution 2289 authorizing the General Manager to purchase up to \$35,000 of goods, materials, supplies, and services at any one time without specific prior Board approval dated September 13, 2017.
- 2.2. LWD's current Conflict of Interest Code.

3. Policy

It is the Policy of the Board of Directors that:

- 3.1. LWD shall procure required goods and services commensurate with acceptable quality at the lowest possible cost.
- 3.2. Appropriate internal financial controls shall be exercised over all procurements.
- 3.3. No procurement shall be authorized unless sufficient funds have been appropriated pursuant to LWD's budgetary processes.
- 3.4. Cooperative purchasing with other public agencies shall be performed whenever such purchases are feasible and in the best interests of LWD.
- 3.5. The General Manager shall determine the necessity of insurance and/or appropriate insurance requirements in consultation with the originating department head and risk management advisors, and, with the advice and concurrence of the LWD General Counsel. If insurance is required, a Certificate of Insurance conforming to such requirements, and any applicable insurance industry standards, must be on file before goods are delivered or services are provided.
- 3.6. The General Manager shall execute and maintain administrative procedures to implement this Policy and to ensure that the procurement of all goods and services are properly documented and that they conform to: this Policy, related internal financial controls, and all applicable administrative procedures.

- 3.7. The General Manager shall maintain all documentation required by this Policy in accordance with LWD's Records Retention Policy.
- 3.8. The General Manager may, at his/her discretion, delegate duties under this Policy.
- 3.9. The Board of Directors may, at its sole discretion, waive all or any part of this Policy.

4. Policy Coverage

This Policy is intended to cover the procurement of the following types of items:

- 4.1. Goods: An item moveable at the time LWD executes the Purchase Order for its procurement; equipment or supplies specially manufactured for LWD; installation of equipment or supplies specifically for LWD; and utilities such as electricity, natural gas, telecommunications, internet, and water.
 - 4.2. Professional Services: Services that are professional in nature and do not include the physical construction or installation of equipment for the District's infrastructure. -Services in this category include, but may not be limited to, engineering design, architectural services, public information services, financial services, strategic planning services and legal services.
 - 4.3. Construction Services: Services typically associated with the physical construction and/or installation of equipment necessary to improve or replace the District's infrastructure. For the purposes of this policy, landscape services shall follow the procedures associated with this category.
 - 4.4. Other Services: Other Services include all purchases for services not classified as goods, construction services, or professional services, and include janitorial and uniform rental services, but may not be limited to these services.
5. **Open Market Procurements for Goods and Other Services (\$10,000 or less) and Professional Services and Construction Services (\$35,000 or less)**

The LWD sStaff shall make reasonable efforts to secure goods of suitable quality or, in the case of services, the best qualified consultant or service provider at the lowest possible cost and shall document such procurements as appropriate.

6. **Informal Procurements for Goods and Other Services (\$10,000.01 to \$60,000) and Construction Services (\$35,000.01 to \$60,000)**

The following defines an informal procurement for goods:

- 6.1. Minimum Requirements: -The procurement of goods or services require that sStaff develop a Request for Quote to clarify and standardize the requirements of the procurement. -The Request for Quote shall include, as a minimum:
 - An appropriately detailed specification considering the value, availability and technical complexity of the items to be procured,
 - A list of at least three (3) possible suppliers, if practicable, and
 - The date by which LWD must receive the quote.

- 6.2. Request for Quote Distribution and Evaluation: LWD shall distribute the Request for Quote to at least three (3) suppliers. Staff will evaluate the responses received to determine the best responsive and responsible quote that meets or exceeds the Request for Quote specifications. Although cost is important, it is not the sole basis of the award.
- 6.3. Quote Documentation: Staff will document the quotes received and the results of the evaluation. If less than three (3) quotes were received and evaluated, a brief explanatory statement will be provided.
- 6.4. Award: The General Manager shall award the procurement to the best determined responsive and responsible quote, if the total dollar cost of the procurement is \$35,000 or less. If the total dollar cost of the procurement is \$35,000.01 or more, the purchase must be approved by the Board of Directors.
- 6.5. Delegation of Authority to Award: For the purchase of goods or construction services, the General Manager may delegate the authority to award procurements by administrative procedure specifically identifying such delegates and the dollar limit of each delegate's authority.

Nothing in this policy shall prohibit staff from utilizing a formal bid process if deemed to be in the best interest of the District. If a formal bid process is elected, the procedures in Section 8 below shall be followed.

7. **Informal Procurements for Professional Services (Contract from \$35,000.01 to \$60,000):**

The following defines an informal procurement for professional services:

- 7.1. Minimum Requirements- Staff will develop a Proposal letter to include, as a minimum:
 - An appropriately detailed Scope of Work considering the value availability and technical complexity of the services to be procured,
 - A list of at least three (3) possible firms, if practicable,
 - The date by which LWD must receive the proposal, and
 - If the proposed project is not identified and funded in the budget, the Board of Directors shall review and authorize the procurement.
- 7.2. Evaluation of Proposals- Staff or a panel of evaluators designated by the General Manager will determine the best qualified proposer based on professional competency and their ability to satisfy the Scope of Work. Whenever possible, dependent on the services required, LWD shall evaluate ~~and document~~ at least three (3) proposals. If less than three (3) proposals were evaluated, a brief explanatory statement will be submitted to the General Manager.
- 7.3. Negotiations. Staff shall negotiate with the best qualified proposer. If unable to successfully complete such negotiations, negotiate with the remaining proposers, in the order that their proposals are most beneficial to LWD, until negotiations are successfully completed.
- 7.4. Coordination, Review and Approval. The General Manager will assign staff and, if necessary, LWD Counsel to generate a contract or related documents. All informal procurements for professional services ~~will~~ require a written contract.

- 7.5. Award. The General Manager shall recommend that the Board of Directors award the contract to the best qualified firm with whom LWD successfully completed negotiations. The Board shall award procurements of services with a total dollar cost from \$35,000.01 to \$60,000.
- 7.6. Documentation of Award. The responsible staff member shall establish a Contract File that contains the Proposal documentation per Sections 7.1 through 7.5 of this Policy, signed contract and any additional documents prescribed by administrative procedure.
- 8. Formal Procurements for Goods, Construction Services, and Other Services (\$60,000.01 and over):**
- 8.1. Additional Requirements: Formal Request for Sealed Bids (RFB). In addition to this Policy's requirements for awarding Informal Procurements, the initiating department head shall submit for the General Manager's review and approval an RFB that includes:
- An appropriately detailed specification considering the value, availability and technical complexity of the items to be procured,
 - Proposed procurement schedule.
- 8.2. Supplemental Documents: Formal RFB. Along with the RFB, the initiating department head shall submit for the General Manager's review and approval the following Supplemental Documents:
- A draft Notice Inviting Bids for publication and
 - A suggested list of at least three (3) prospective vendors, if practicable.
- 8.3. Public Notice. ~~Public Notice. Public Notice Inviting Bids for an RFB in a relevant professional journal, publication, newspaper of general circulation and/or the District's website at least once, ten (10) days prior to the bid opening date to attract a sufficient number of qualified firms. For only the formal procurement of goods and other services, if the General Manager determines that publication of an RFB will not enhance the competitiveness of the bid, the General Manager, at his sole discretion, may waive the public notice of the RFB. For example, there is a limited number of vendors and all vendors will be provided with the RFB, then the publication of the RFB can be waived.~~ Public Notice Inviting Bids for an RFB must be published in a newspaper of general circulation at least ten (10) days prior to the bid opening date. For only the formal procurement of goods and other services, if the General Manager determines that publication of an RFB will not enhance the competitiveness of the bid, the General Manager, at his sole discretion, may waive the public notice of the RFB. For example, there is a limited number of vendors and all vendors will be provided with the RFB, then the publication of the RFB can be waived.
- 8.4. Bid Opening. All sealed bids are opened in public and apparent low bidder is identified at the bid opening.
- 8.5. Bid Evaluation. After the bid opening, all bids will be evaluated to ensure compliance with the bid specifications and for acceptable quality to determine the lowest responsive and responsible bidder. All bids and bid information shall be public unless otherwise specified in the bid specifications.

8.6. Award. All sealed bid procurements shall be awarded to the lowest responsive and responsible bidder who meets or exceeds the specifications of the RFB. All formal procurements must be approved by the Board of Directors.

9. Formal Procurements for Professional Services (\$60,000.01 and over)

9.1. Additional Requirements: Formal Request for Proposals (RFP) or Request for Qualifications (RFQ). In addition to this Policy's requirements for awarding Informal Procurements for services, the initiating department head shall submit for the General Manager's review and approval a RFP or RFQ that includes:

- A detailed Scope of Work itemizing the services required,
- Proposed schedule,
- Preliminary criteria upon which proposals-/qualifications shall be evaluated,
- A draft public notice, and,
- A suggested list of prospective consultants to receive the RFP/RFQ.

9.2. General Manager Approval of Proposal Publication. No publication of public notice inviting proposals shall be made unless the General Manager has approved the Formal RFP and Supplemental Documents. If the project is not identified in the budget, the Board of Directors shall review and authorize the procurement.

9.3. Public Notice. ~~Public notice of an RFP / RFQ must be published in a relevant professional journal, publication, newspaper of general circulation and/or the District's website at least once, ten (10) days prior to the proposal / Statement of Qualification (SOQ) due date to attract a sufficient number of qualified firms. Public notice of a RFP / RFQ must be published in a newspaper of general circulation at least ten (10) days prior to the proposal / Statement of Qualification (SOQ) due date.~~

9.4. RFQ Evaluation. If the implementation of the RFQ process is selected to procure services, additional steps are added to the RFP process. The RFQ calls for submission of a Statement of Qualification (SOQ) instead of a proposal. The SOQs are used to establish the professional competency and capability of each firm to perform and satisfy the project's Scope of Work. Once SOQs are received from interested firms, the General Manager will convene a panel consisting of at least three (3) individuals. The panel will evaluate the SOQs received in response to the RFQ to determine those firms that, in the panel's opinion, are best qualified to meet the Scope of Work identified in the RFQ. The panel will identify at least three (3) qualified firms, if appropriate. Once the qualified firms have been determined, only those firms will be invited by the General Manager to submit proposals (RFP) for evaluation.

9.5. Proposal Evaluation. Pursuant to the criteria established for that RFP and any additional criteria necessary and appropriate to advance the best interests of the LWD, the General Manager or a panel of evaluators selected by the General Manager shall review each proposal and may interview each firm to determine an ordinal ranking of the proposing firms. The ordinal ranking will be primarily based on the professional competency of the firms.

9.6. Negotiation. The General Manager or his/her designee shall enter into negotiations with the top ranked firm to establish the contract price and fees. If a fair price cannot be reached with the top ranked firm, then that firm shall be eliminated from consideration and negotiations shall be initiated with the next highest ranked firm.

9.7. Award. All formal procurements for services must be approved by the Board of Directors.

10. Competitive Negotiations

10.1. Competitive negotiations may be used for the procurement of highly technical goods or services. Under competitive negotiations cost will be a significant factor, but not the only deciding factor. The General Manager may authorize competitive negotiations when:

- The goods or services are such that suitable technical or performance specifications are not readily available.
- District does not possess the professional expertise necessary to develop suitable technical or performance specifications.
- Proposals for the purchase goods or services would be more advantageous to District.

10.2. In the case of competitive negotiations, the initiating department head shall obtain the General Manager's authorization to proceed under this section using such open market, informal or formal, procedures as the General Manager shall, at his sole discretion deem necessary.

10.3. The use of competitive negotiations is not intended to be used for the purpose of avoiding the Formal RFB or Formal RFP requirements as set forth in this policy

11. Exceptions:

The following exceptions shall apply to the foregoing bidding procedures. When an exception applies, supplies, equipment and/or services may be purchased following whatever procedures are determined necessary under the circumstances as determined by the General Manager, at his or her discretion.

11.1. Sole Source Procurement

A. In certain instances, goods and services are obtainable from only one vendor due to unique circumstances. These circumstances include:

- The good or service is of such a unique, proprietary or technical nature that it is only manufactured or provided by a single vendor; and/or
- The good or service must match or be compatible with other goods or services, currently in use by LWD, obtained from a certain vendor. In this instance, it must be demonstrated that the matching or compatible good or service can only be supplied by this same vendor, and/or
- When a vendor or firm possesses unique knowledge of LWD; and/or
- Continuing Services. Where a vendor or firm has satisfactorily completed one phase in the development of a project and the General Manager, or as may be required by this Policy, the Board of Directors, determines that it is in the best interest to retain this vendor or firm for a subsequent phase of work

B. All sole source purchases for goods over \$10,000 require a written justification to the General Manager or his/her designated representative; and all sole source procurements over \$35,000 require a written justification to the Board of Directors.

C. Sole source procurements shall comply with all award threshold requirements set forth in this Policy.

D. Complex or Unique Items

- In the event that the supplies and/or equipment sought to be purchased are unique and/or complex, such that it is unlikely that there would be more than one bidder.
- It is unlikely that there would be any economic benefit to the public to be gained from bidding, the General Manager, at his or her discretion may authorize direct negotiations in lieu of bidding.
- An explanation to the Board of Directors is required justifying the procurement of critical or unique items for procurement awards requiring Board of Director's approval.

11.2. Emergency

If an emergency arises and there is insufficient time to comply with the above applicable procurement procedures, an exception shall apply. An emergency situation may be determined by the General Manager if there is no time to convene a Board meeting. In the case of an emergency, the General Manager can authorize procurement(s) that exceeds his designated threshold in order to resolve the situation. The General Manager will inform the Board members of the emergency procurement as soon as possible. If the General Manager determines an emergency existed and authorizes a procurement(s) exceeding his/her approval authority, then a staff report shall be provided to the Board of Directors at its next regular meeting.

12. Alternative or Conditional Requirements:

12.1. Bid Security. Bidder's security may be prescribed in the public notice inviting bids at LWD's sole discretion. Unsuccessful Bidders shall be entitled to have their return of bid security returned; except that a successful bidder shall forfeit his/her bid security upon the bidder's refusal or failure to execute a contract within ten (10) days after the Notice of Award has been mailed.

12.2. Rejection of Bids/Proposals. The General Manager or Board of Directors, at their discretion, may reject any and all bids or proposals/SOQs and proceed pursuant to this Policy.

12.3. Performance Bond. LWD shall retain unilateral authority to require a performance bond before entering a contract. The amount of such a bond shall be set as determined reasonably necessary to protect the best interests of LWD. If LWD requires a performance bond, the form and amount of the bond shall be described in the public notice inviting bids or proposals.

12.4. Governing Law. Nothing in this policy is intended nor shall be deemed to supersede any applicable State or Federal laws.

13. Definitions:

Bidder: A person or firm submitting an offer to LWD in response to a Request for Bids.

Bid Security: The deposit of cash, certified check, cashier's check, bank draft, money order, or bid bond submitted with a bid and serving to guarantee to the owner that the bidder, if awarded the contract, will execute such contract in accordance with the bidding requirements and the contract documents.

Continuing Services: When a vendor or firm has satisfactorily completed one phase in the development of a project, that vendor or firm may be retained for a subsequent phase of work if their continued service is determined to be in the best interest of the District.

Construction Services: Services typically associated with the physical construction and/or installation of equipment necessary to improve or replace the District's infrastructure. For the purposes of this policy, landscape services shall follow the procedures associated with this category.

Formal Procurement of Goods and Services: Procurement of goods or services resulting in total payments greater than \$60,000.

Goods: An item moveable at the time LWD executes the Purchase Order for its procurement; equipment or supplies specially manufactured for LWD; installation of equipment or supplies specifically for LWD; and utilities such as electricity, natural gas, telecommunications, internet, and water.

Informal Procurement of Goods: Purchase of goods resulting in total payments of \$10,000.01 to \$60,000.

Informal Procurement of Services: Procurement of services resulting in contract Not-to-Exceed (NTE) amounts between \$35,000.01 and \$60,000.

Open Market Procurement of Goods: Purchase of goods resulting in total payments by the LWD of \$10,000 or less.

Open Market Procurement of Professional and Construction Services: Procurement of services resulting in contract Not-to-Exceed (NTE) amount of up to \$35,000.

Other Services: Other Services include all purchases for services not classified as goods, construction services, or professional services, and include janitorial and uniform rental services.

Performance Bond: A written guaranty from a third party guarantor (usually a bank or an insurance company) submitted to the District by a contractor ~~on winning the bid~~ awarded a contract. A performance bond ensures payment of a sum (not exceeding a stated maximum) of money in case the contractor fails in the full performance of the contract.

Proposer: A person or firm submitting an offer to LWD in response to a Request for Proposals.

Scope of Work: A description of services required by LWD that a proposer must demonstrate the capability to provide as a prerequisite to LWD's consideration of their proposal.

Sealed Bids: A bid submitted in a sealed envelope to prevent disclosure of its content prior to the established public opening.

Professional Services: Services that are professional in nature and do not include the physical construction or/or installation of equipment for the District's infrastructure. -Services in this category include, but not limited to, engineering design, architectural services, public information services, financial services, strategic planning services and legal services. -Other similar services would also be part of this category.

Sole Source Procurement: Procurement instances when the goods and/or services are obtainable from only one vendor due to unique circumstances, specifications, qualifications or continuance of service.

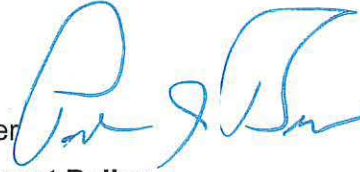
Specification: A description of the goods required by LWD that a bidder must satisfy precisely or through functional equivalency as a prerequisite to LWD's consideration of their bid.

Vendor/Firm/Consultant: An entity which is capable of or is interested in providing goods or services to LWD, or has been awarded a procurement agreement by LWD.

MEMORANDUM

Ref: 23-8097

DATE: July 7, 2022
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. Adopt Resolution No. 2375 amending LWD's Investment Policy and re-delegating authority to manage LWD's investment program to the General Manager effective September 1, 2022 through August 31, 2023; and
2. 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 5th meeting and the IFC concurred with staff to present this item for the Board's consideration.

The Board of Directors last amended Leucadia Wastewater District's (LWD) Investment Policy in July 2021.

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 two changes to the investment policy:

Recommended Change No. 1:

Section 8.2 "Permitted investments" currently does not include registered treasury notes or bonds of any of the other 49 states outside of California (Other 49 States Debt). This type of investment is permissible under the California government code and would be an additional option to consider when diversifying the LWD's investment portfolio. There are assets available for investment and it is common for other governmental organizations to invest in these asset classes. Based on the discussion with the IFC, this type of investment would be limited to 5% of the portfolio.

Recommended Change No. 2:

Section 8.2 "Permitted investments" lists Repurchase Agreements as a permissible investment type. While these investments are allowable under the California government code and provide LWD with another option for diversification, the complexities and limitations are such that staff has no intention to invest in these types of assets. Therefore, we recommend removing this investment type from the LWD Investment Policy.

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

CONCLUSION:

Proposed Resolution No. 2375 with the Amended Investment Policy 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 the Board of Directors adopt Resolution No. 2375.

reg:PJB

Attachment

RESOLUTION NO. 2375

**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. 2351 on July 14, 2021 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, the Board of Directors of Leucadia Wastewater District does hereby resolve as follows:

1. Resolution No. 2351 is rescinded.
2. Approves the Amended Investment Policy attached hereto as Exhibit "A".
3. Delegates the authority to invest or reinvest funds, or to sell or exchange securities so purchased, to the General Manager from September 1, 2022 through August 31, 2023.

PASSED AND ADOPTED by the Board of Directors at a meeting of the Leucadia Wastewater District held July 13, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Judy Hanson, President

ATTEST:

Paul J. Bushee, Secretary/Manager

(SEAL)

LEUCADIA WASTEWATER DISTRICT

RESOLUTION NO. 2375

EXHIBIT "A"

LWD INVESTMENT POLICY



LEUCADIA
WASTEWATER
DISTRICT

LEADERS IN
ENVIRONMENTAL
PROTECTION

LEUCADIA WASTEWATER DISTRICT INVESTMENT POLICY

Ref: 242-76698031

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 cash and investments in the District's Annual 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, an 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))

Other 49 States Debt. Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California. Purchases are limited to securities rated at least "A-" or equivalent, by a Nationally Recognized Statistical Rating Organization ("NRSRO"). (Code section 53601(d))

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 its equivalent, by an 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 its equivalent, by an NRSRO. (Code section 53601(gg))

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~~ has debt, other than commercial paper, if any, that the other debt is rated "A" or higher by an 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 the equivalent, by an NRSRO.- Eligible commercial paper ~~may shall~~ 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~~ credit union, 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; ~~or;~~ -(B) ~~R~~etained 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, t~~he 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 is 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

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*
<u>Other 49 States Debt</u>	<u>53601(d)</u>	<u>5%</u>	<u>5 years*</u>
Bonds Issued by Leucadia Wastewater District	53601(a)	10%	5 years*
Medium-Term Corporate Notes	53601(k)	25%	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*
<u>Repurchase Agreements</u>	<u>53601(j)</u>	<u>10%</u>	<u>30 days</u>
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 external 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 or 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 COMPREHENSIVE FINANCIAL REPORT (CACFR): 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 numerous 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-executed 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 7, 2022
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Professional Services Agreement with Dexter Wilson Engineering, Incorporated for Engineering Consulting Services

RECOMMENDATION:

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

1. Authorize the General Manager to execute a sole source three-year base professional services agreement with Dexter Wilson Engineering, Incorporated for District Engineer Consulting Services in an amount not to exceed \$360,000 with an option for two additional years.
2. Discuss and take other action as appropriate.

DISCUSSION:

This item was reviewed by the EC at their July 6th meeting and the EC concurred with staff to present this item for the Board's consideration.

The District Engineer is a critical consultant position that integrates with staff to address and resolve engineering issues related to the Capital Improvement Program, asset management, development and daily collection systems operations and maintenance. Dexter Wilson Engineering, Incorporated (DWEI) has provided the services of District Engineer over the past five years. Specifically, Dexter Wilson performs the duties as District Engineer with the DWEI staff providing support as required. To maintain continuity, staff requests authorization for the General Manager to execute a sole source professional services agreement with DWEI for a three year base period, from July 1, 2022 to June 30, 2025, with an option to extend the agreement for two additional years.

In the past, DWEI has provided engineering consultant services to the District such as developing, updating and annually auditing the Sewer System Management Plan (SSMP); developing and updating the Asset Management Plan; evaluating Capital Improvement Projects plans and specifications; supporting collection system operations and maintenance; and providing Development services. Through their experience, DWEI has gained a unique working knowledge and technical expertise regarding District infrastructure and the operation and maintenance of our collection system. Additionally, they have provided these services in an excellent manner. Therefore, it is in the best interest of the District that DWEI continues as District Engineer. For these reasons, the sole source procurement of the District Engineer services satisfies the criteria for sole sourcing allowed under Section 11.1, Sole Source Procurement, of the District's Procurement Policy. Therefore, staff and the EC are recommending that the Board approve the District Engineer contract on a sole source basis.

Attached is a summary of the scope of work and DWEI's proposal for District Engineer services for your review. The tasks include services that support District Engineering, Capital Improvement Program and development functions.

The proposed annual fee for DWEI services is \$120,000 per year for a total of \$360,000 over the initial three-year agreement period. Sufficient funds to cover these services for Fiscal Year 2023 are included in the FY 2023 budget and will be budgeted in succeeding years. Therefore, staff and the EC request

that the Board of Directors authorize the General Manager to execute a sole source three-year professional services agreement with DWEI for District Engineer services.

rym:PJB

Attachments

ENGINEERING CONSULTING SERVICES SCOPE OF WORK

Dexter Wilson Engineering, Inc (Consultant) shall provide the following services, which are necessary to continue District Engineering (DE) and Capital Improvement Program Management (CIPM) Consulting Services. General descriptions of the respective consulting services to be provided at the discretion of the District are as follows:

1. District Engineering (DE)

- Provide general Professional Engineering guidance to the District staff and Board of Directors;
- Attend Board Meetings and Engineering Committee Meetings;
- Interface with District Legal Counsel and other District consultants;
- Represent the District in meetings and matters relating to land development, District planning, interagency relations, and other District matters;
- Interface with the general public and District customers;
- Interpret the District's standard specifications and policies as related to engineering issues;
- Complete other tasks as directed.

2. Capital Improvement Program Management (CIPM)

- Assist with technical review of CIP projects;
- Attend CIP project review and scheduling meetings;
- Attend contractor pre-bid meetings and bid openings, as requested by the District;
- Provide contractor construction bid evaluations;
- Assist District with preparation, distribution and advertisement of District RFP's;
- Assist the District with long range planning and implementation of the Wastewater CIP;
- Complete other tasks as directed.

3. Development Plan Checking and Construction Inspection

- Conduct development plan checking, construction inspection of development projects, and miscellaneous development related work as requested by District and as-needed. All work conducted by Developers shall be funded by Developer deposits to the District. Expenses and invoicing shall be tracked by District Location Codes for each development task.

The DE and CIPM services shall be billed and tracked on a time and materials basis with initial estimated limits of approximately \$70,000 and \$50,000, respectively, for each component. The DE and CIPM budgets augment each other, only as necessary, and to the extent that the total initial annual fee authorization of \$120,000 is not exceeded without further District authorization. Development Plan Checking and Construction Inspection shall be billed and tracked on a time and materials basis as-needed, as funded by Developers, and as-authorized by the District.

The hourly billing rate for DWEL's services will be maintained for the first three years of the contract. The hourly rates will be reviewed with mutually acceptable consideration given to adjustment after the initial three years upon exercise of the option to renew or extend the agreement for two (2) additional years.

Expended-to-date and projected fees will be reviewed by Consultant with the District on a monthly basis at the time of invoicing.

DEXTER WILSON ENGINEERING, INC.

DEXTER S. WILSON, P.E.
ANDREW M. OVEN, P.E.
NATALIE J. FRASCHETTI, P.E.
STEVEN J. HENDERSON, P.E.
FERNANDO FREGOSO, P.E.
KATHLEEN L. HEITT, P.E.

June 21, 2022

103-000

Leucadia Wastewater District
1960 La Costa Avenue
Carlsbad, CA 92009

Attention: Paul Bushee, General Manager

Subject: Proposal for District Engineering Services for FY2022/23 – 24/25

We are pleased to provide the Leucadia Wastewater District with the following proposal for engineering services. The work, as further described in the Scope of Services below, consists of providing District Engineering Services, which include attending Board and Engineering Committee meetings, assisting with management of the Capital Improvement Program, and performing development driven tasks.

The detailed scope of services is provided below. Exhibit "A" provides a summary of the scope as well as an estimate of hours and costs by task which total to \$120,000. The hours spent on each task are an estimate of what will be requested by the General Manager and are subject to change. Exhibit B presents the schedule of rates for Dexter Wilson Engineering, Inc. We propose to maintain these rates for the District for a three year period. As such, the total amount of this proposal is for \$360,000 to provide District Engineering Services for FY 2022/23, FY 2023/24, and FY 2024/25.

SCOPE OF SERVICES

Task 1 – District Engineering

- a. Provide general Professional Engineering guidance to the District staff and Board of Directors;
- b. Attend Board Meetings and Engineering Committee Meetings;
- c. Attend weekly Staff Meetings;
- d. Interface with District Legal Counsel and other District consultants;
- e. Represent the District in meetings and matters relating to land development, District planning, interagency relations, and other District concerns;
- f. Interface with the general public and District customers;
- g. Interpret the District's standard specifications and policies as related to engineering issues;
- h. Complete other tasks as directed by the General Manager.

Task 2 – Capital Improvements Program Management

- a. Assist with technical review of CIP projects;
- b. Attend CIP project review meetings;
- c. Attend contractor pre-bid meetings and bid openings, as requested by the District;
- d. Review contractor construction bid evaluations;
- e. Assist District with preparation, distribution and advertisement of District RFP's;
- f. Assist the District with long range planning and implementation of the Wastewater CIP;
- g. Complete other tasks as directed by the General Manager.

Task 3 – Development Plan Checking and Construction Inspection

- a. Conduct development plan checking and miscellaneous development related work as requested by the General Manager. All work conducted by Developers shall be funded by Developer deposits to the District. Expenses and invoicing shall be tracked by District Location Codes for each development task.
- b. Provide Construction Inspection for Developer projects.

PERSONNEL

Dexter S. Wilson, P.E. shall be the primary person providing District Engineering Services. If Mr. Wilson is unable to attend meetings then Natalie Frascetti, P.E. or Kathleen Heitt, P.E. will attend in his place. Natalie Frascetti and Kathleen Heitt will coordinate the services for the Capital Improvement Program and Development tasks.

COMPENSATION

Work completed under this contract will be billed on a monthly basis. Fees will be calculated on an hourly rate basis by multiplying the actual hours worked on the tasks in each classification by the rates in the schedule attached as Exhibit "B". These rates are valid for three years.

QUALIFICATIONS

Dexter S. Wilson will provide the services described above. Mr. Wilson is a Registered Civil Engineer in California and graduated from Stanford University with a Bachelor of Science in Chemistry, and from the University of Arizona with a Master of Science in Civil Engineering.

Paul Bushee
June 21, 2022
Page 4

Natalie J. Frascchetti will assist with the services described above. Ms. Frascchetti is a Registered Civil Engineer in the State of California and graduated from the University of Florida with a Bachelor of Science degree in Environmental Engineering Sciences.

Kathleen L. Heitt will provide the services described above. Ms. Heitt is a Registered Civil Engineer in California and graduated from the University of California, Davis with a Bachelor of Science degree in Civil Engineering.

Thank you for the opportunity to provide a proposal on this project. If this proposal meets your approval, please prepare a contract in your format for our signature.

Respectfully submitted,

Dexter Wilson Engineering, Inc.



Dexter S. Wilson, P.E.

DSW:ps

Attachments

**EXHIBIT A
SUMMARY OF ESTIMATED HOURS AND COST**

Task	Description	Estimated Professional Hours	Hourly Rates	Professional Costs \$
1	District Engineering			
1a	Provide general Professional Engineering guidance to the District staff and Board of Directors	36	213	7,668
1b	Attend Board Meetings and Engineering Committee Meetings	50	213	10,700
1c	Attend weekly Staff Meetings	54	213	11,542
1d	Interface with District Legal Counsel and other District consultants	34	213	7,288
1e	Represent the District in meetings and matters relating to land development, District planning, interagency relations, and other District matters	26	213	5,538
1f	Interface with the general public and District customers	26	213	5,538
1g	Interpret the District's standard specifications and policies as related to engineering issues	14	213	2,982
1h	Complete other tasks as directed by the General Manager	88	213	18,744
	Subtotal	328		\$70,000
2	Capital Improvements Program Management			
2a	Assist with Technical Review of CIP projects	80	180	14,000
2b	Attend CIP project meetings	36	180	6,480
2c	Attend contractor pre-bid meetings and bid openings, as requested by the District	24	180	4,320
2d	Review contractor construction bid evaluations	12	180	2,160
2e	Assist District with preparation, distribution and advertisement of District RFPs	24	180	4,320
2f	Assist the District with long range planning and implementation of the Wastewater CIP	36	180	6,480
2g	Complete other tasks as directed by the General Manager	68	180	12,240
	Subtotal	280		\$50,000

**EXHIBIT A
SUMMARY OF ESTIMATED HOURS AND COST**

Task	Description	Estimated Professional Hours	Hourly Rates	Professional Costs \$
3	Development Plan Checking and Construction Inspection All work conducted for new development shall be funded by Developer deposits to the District. Expenses and invoicing shall be tracked by District Location Codes for each development task.			
3a	Conduct development plan checking and miscellaneous development related work as requested by the General Manager.		Funded by Development, as necessary	
3b	Provide Construction Inspection.		Funded by Development, as necessary	
	TOTAL	608		\$120,000

DEXTER WILSON ENGINEERING, INC.

**Rate Schedule for
Leucadia Wastewater District**

Effective July 1, 2022 to July 31, 2025

CLASSIFICATION	HOURLY RATE
Office Personnel:	
Planning/Design	
Principal Engineer (RCE)	\$213.00
Managing Engineer (RCE)	\$204.00
Project Engineer (RCE)	\$185.00
Senior Engineer (RCE)	\$161.00
Design Engineer (RCE)	\$137.00
Associate Engineer III (RCE)	\$128.00
Associate Engineer II	\$114.00
Associate Engineer I	\$ 95.00
Engineering Aide II	\$ 90.00
Engineering Aide I	\$ 85.00
Drafting/Design	
Senior Designer	\$123.00
Senior Drafter	\$104.00
Drafter II	\$ 95.00
Drafter I	\$ 85.00
Clerical	\$ 61.00

MEMORANDUM

Ref: 23-8093

DATE: July 7, 2022
TO: Board of Directors
FROM: Paul J. Bushee, General Manager
SUBJECT: Update of the Asset Management Plan



RECOMMENDATION:

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

1. Authorize the General Manager to execute a sole source Engineering Services contract to update the District's Asset Management Plan with Dexter Wilson Engineering, Incorporated in an amount not to exceed \$127,146.
2. Discuss and take other action as appropriate.

DISCUSSION:

This item was reviewed by the EC at their July 6th meeting and the EC concurred with staff to present this item for the Board's consideration.

The original Asset Management Plan (AMP) was developed by Dexter Wilson Engineering, Incorporated (DWEI) in 2008 and has gone through several updates. DWEI updated the AMP to the current version in 2018. As you may recall, a unique aspect of the AMP is that it developed a methodical approach to analyze, repair, rehabilitated or replace District's assets prior to failure. As a result of implementing the 2018 AMP, Infrastructure Engineering Corporation (IEC) completed an assessment of the District's pump stations in 2019. The results of that assessment were used to identify and define the scope of pump station projects. Additionally, gravity pipeline rehabilitation projects have been completed annually using either the open trench or Cured-in-Place Pipe (CIPP) lining methods of construction. Subsequently, the continued implementation of the AMP resulted in the completion of the following capital improvement projects:

- 2018 Gravity Pipeline Rehabilitation
- 2020 Gravity Pipeline Rehabilitation
- 2021 Gravity Pipeline Rehabilitation
- La Costa Gravity Line Improvements
- Poinsettia Train Station Parallel Gravity Line
- Leucadia Pump Station Rehabilitation
- Encinitas Estates Pump Station Replacement
- B3 Force Main Discharge Section Replacement
- Gafner AWT Improvements

As capital projects are completed, Staff believes it is prudent to update the District's AMP to document the general condition of District assets, recommend capital improvements and provide an estimated cost for the recommended future projects. Typically the AMP is updated on a 5 year

cycle. DWEI was asked to provide a proposal to complete the update. The Scope of Services in DWEI's proposal, attached for your review, includes:

1. Update of background information, historic flow data and Equivalent Dwelling Units.
2. Update all asset category chapters (for example gravity lines, pump stations, recycled water facilities, Encina projects, etc.).
3. Utilize the predictive failure model to forecast gravity line estimated future expenditures.
4. Revise pump station and force main expenditures and replacement reports to incorporate completion of recent projects.
5. Review the implementation of the Island Area Master Plan.
6. Prepare a 5-year CIP and 20-year summary of capital expenditures.

DWEI was requested to submit a proposal because: 1) DWEI worked closely with staff to develop the initial AMP and all previous updates; 2) DWEI developed the predictive failure model used for assessing gravity lines and manholes; 3) DWEI has in depth knowledge of the District's operations from their work on developing and auditing the District's Sewer System Management Plan (SSMP); 4) it provides continuity in the AMP process; and 5) it is the most efficient way to update the AMP. Based on these reasons, the procurement of this engineering service with DWEI satisfies the criteria for sole sourcing allowed under Section 11.1, Sole Source Procurement, of the District's Procurement Policy.

The AMP is a District cornerstone document. It was developed as a "living" document which requires updating as part of its implementation. Therefore, staff and the EC request authorization for the General Manager to execute an Engineering Services contract to update the District's AMP with Dexter Wilson Engineering, Inc.

rym:PJB

Attachment

DEXTER WILSON ENGINEERING, INC.

DEXTER S. WILSON, P.E.
ANDREW M. OVEN, P.E.
NATALIE J. FRASCHETTI, P.E.
STEVEN J. HENDERSON, P.E.
FERNANDO FREGOSO, P.E.
KATHLEEN L. HEITT, P.E.

May 23, 2022

103-017

Leucadia Wastewater District
1960 La Costa Avenue
Carlsbad, CA 92009

Attention: Robin Morshita, Director of Technical Services

Subject: 2023 Leucadia Wastewater District Asset Management Plan

Leucadia Wastewater District's previous Asset Management Plan was developed in 2018. A key recommendation in the Asset Management Plan was to build upon the District's enhanced CCTV efforts, which begin in the 2011-2012 timeframe, to develop a process by which structural and operational issues within the gravity sewers were identified and addressed.

The District has established a methodology, has an ongoing list of prioritized repairs, and has replaced or repaired numerous gravity sewer segments as a result. It takes approximately three years to CCTV the District gravity sewers. Because the District now has a robust system in place to identify and prioritize for replacement, use of the predictive failure model for its original intention (to identify potential areas of concern) is no longer relevant. As such, this Asset Management Plan will utilize the 2013 predictive failure model, and subsequent CCTV evaluations, to assist in projecting the estimated timing of expenditures into the future.

In addition to the gravity sewers, the update to the Asset Management Plan will focus on identifying long-term capital expenditures expected for the District's manholes, pump stations, and force main assets in addition to the Gafner Water Reclamation Plant and ownership at Encina Wastewater Authority.

The detailed Scope of Services anticipated for the Asset Management Plan is provided below. Exhibit "A" presents a summary of hours for each task within the Scope of Services. Exhibit "B" presents a summary of costs for each task.

SCOPE OF SERVICES

To revise the Asset Management Plan (AMP), we propose to complete the following tasks.

1. Review and incorporation of District background documents
 - a. SSMP and Subsequent Audits
 - b. Pump Station Inspections
 - c. Financial Plan
 - d. CIP Work

2. Update background information
 - a. Update weather and rainfall section – discuss drought over last few years, wet winter flows, and provide annual rainfall since 2007.
 - b. Note any changes to drainage basins and other existing system components.

3. Update historic flow data and EDUs through June 2022. Confirm that flow and EDU conclusions are still relevant.
 - a. Incorporate historic flow data through June 2022.
 - b. Update EDU percent of buildout by drainage basin.
 - c. Review LWD sub-basin monitoring data for trends.

4. Revise Ultimate EDU projections for the District. This requires review of SANDAG land use information from Cities of Carlsbad and Encinitas to evaluate buildout land uses and EDUs within the District. Discuss impacts of ADU state and local regulations.
5. Hydraulic Modeling – In consultation with District staff, selective hydraulic modeling will be done in areas of interest.
6. Evaluate average sewage factors of 215 gpd/EDU, 250 mg/l BOD, and 250 mg/L TSS using available data from Encina Wastewater Authority quarterly sampling.
7. Update Gravity Sewer Pipeline Recommendations
 - a. Document and evaluate CCTV progress. Specifically, review pipeline and manhole repair priority lists, CIP projects and miscellaneous line repair projects since 2018 AMP. Review CCTV inspection status. Provide CIP and process recommendations.
 - b. Compare CCTV status to 2012 AMP predictive failure model results. Identify areas recommended for focused inspection.
 - c. Identify CIP projects.
8. Update Gravity Sewer Manhole Recommendations. Provide discussion/evaluation of manhole rehabilitation methods based on District experience.
9. Build on CIP projects and SSMP work to update pump station replacement reports, revise pump station expenditures, and incorporate into 5-year CIP and 20-year Capital Expenditures.
10. Regarding Pump Stations, validate pump nameplate capacity information, add estimates of actual pumping rates, flow rates to the station based on EDUs and LWD sub-meters, the design wet well setpoints, actual operating set points, and wet well operational volumes to evaluate pump starts.
11. Update forcemain chapter based on CIP projects since 2018. Identify 5-year CIP and 20-year Capital Expenditures.

12. Update jointly-owned facility chapter based on CIP projects since 2018. Identify 5-year CIP and 20-year Capital Expenditures.
13. Update recycled water facilities chapter based on CIP projects since 2018. Identify 5-year CIP and 20-year Capital Expenditures.
14. Update Encina capital project tables and incorporate into 5-year CIP and 20-Year Capital Expenditures. Provide tables of potential future Encina CIP project implementation schedules.
15. Prepare 5-year CIP and 20-year summary of Capital Expenditures. Compare rate of gravity sewer pipeline replacement recommendations in 2018 AMP to actual CIP projects. Update Predictive Failure Model summaries of total length and cost to replace based on remaining Useful Life.
16. Island Area Master Plan – Document portions of the IAMP which have been constructed. Provide discussion on connection policy approach (e.g., connect in easiest manner rather than strict adherence to IAMP).
17. Develop first draft of AMP (5 copies) for District review.
18. Incorporate revisions for final AMP. Produce 10 copies of final AMP.
19. Attend meetings with District staff as necessary.
20. Prepare presentation for Engineering Committee and Board Meeting after completion of final AMP.

Robin Morshita
May 23, 2022
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Assumptions:

1. Work will build upon prior Predictive Failure Model.
2. Update of the District's financial model and 50 year CIP are outside this scope of work.

COMPENSATION

Work completed under this contract will be billed on a monthly basis. Fees will be calculated on an hourly rate basis by multiplying the actual hours worked on the job in each classification by the rates in the schedule attached as Exhibit "C". These rates are subject to change in January of each year.

All direct costs will be billed outside the proposed cost ceiling at cost plus 10 percent.

TIME OF PERFORMANCE

All tasks will be performed in a timely manner. We anticipate the minimum time to complete all tasks is four months from execution of this contract.

QUALIFICATIONS

Dexter S. Wilson will supervise the services described above. Mr. Wilson is a Registered Civil Engineer in California and graduated from Stanford University with a Bachelor of Science in Chemistry, and from the University of Arizona with a Master of Science in Civil Engineering.

Natalie J. Fraschetti will provide the services described above. Ms. Fraschetti is a Registered Civil Engineer in California and graduated from the University of Florida with a Bachelor of Science degree in Environmental Engineering Sciences.

Robin Morshita
May 23, 2022
Page 6

Kathleen L. Heitt will provide the services described above. Ms. Heitt is a Registered Civil Engineer in California and graduated from the University of California, Davis with a Bachelor of Science degree in Civil Engineering.

Thank you for the opportunity to provide a proposal on this project. If this proposal meets your approval, please prepare a contract in your format for our signature.

Respectfully submitted,

Dexter Wilson Engineering, Inc.

A handwritten signature in blue ink that reads "Natalie Fraschetti" with a decorative flourish at the end.

Natalie J. Fraschetti, P.E.

NF:ck

Attachments

Exhibit "A"

Summary of Hours by Task

Task	Professional	Technical	Clerical	Total
1	24	0	0	24
2	12	4	0	16
3	40	8	0	48
4	40	70	0	110
5	88	80	8	176
6	40	0	0	40
7	60	24	0	84
8	16	0	0	16
9	16	0	8	24
10	40	0	8	48
11	8	0	0	8
12	8	0	0	8
13	8	0	0	8
14	8	0	0	8
15	40	8	16	64
16	24	16	0	40
17	24	8	40	72
18	16	8	40	64
19	24	0	0	24
20	8	0	0	8
TOTAL	544	226	120	890

Exhibit "B"

Summary of Costs by Task

Task	Cost, \$
1	3,960
2	2,552
3	7,744
4	14,630
5	25,000
6	6,600
7	13,332
8	2,640
9	3,212
10	7,172
11	1,320
12	1,320
13	1,320
14	1,320
15	8,888
16	6,248
17	7,964
18	6,644
19	3,960
20	1,320
TOTAL	\$127,146

Exhibit "C"

DEXTER WILSON ENGINEERING, INC.

Rate Schedule
Effective February 1, 2022

CLASSIFICATION	HOURLY RATE
Office Personnel:	
Planning/Design	
Principal Engineer (RCE)	\$225.00
Managing Engineer (RCE)	\$215.00
Project Engineer (RCE)	\$195.00
Senior Engineer (RCE)	\$170.00
Design Engineer (RCE)	\$140.00
Associate Engineer II	\$130.00
Associate Engineer I	\$100.00
Engineering Aide II	\$ 95.00
Engineering Aide I	\$ 90.00
Drafting/Design	
Senior Designer	\$130.00
Senior Drafter	\$110.00
Drafter II	\$100.00
Drafter I	\$ 90.00
Clerical	\$ 65.00

MEMORANDUM

Ref: 23-8094

DATE: July 7, 2022
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: **Contract Award for the District's Village Park No. 7 Pump Station Replacement Project**

RECOMMENDATION:

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

1. Authorize the General Manager to execute a change order to the Contract to construct the Encinitas Estates Pump Station Replacement Project with Pacific Hydrotech Corporation for the construction of the Village Park No. 7 Pump Station Replacement Project in an amount not to exceed \$795,500.
2. Waive the requirements of Section 8, Formal Procurements for Goods, Construction Services and Other Services (\$60,000.10 and over), of the Procurement Policy as allowed under Section 3.9.
3. Authorize an additional appropriation of \$275K for project construction to cover construction costs and a 10% contingency.
4. Discuss and take other action as appropriate.

BACKGROUND:

Tactical Goal: Infrastructure and Technology / Village Park No. 7 Pump Station Replacement

This item was reviewed by the EC at their July 6th meeting and the EC concurred with staff to present this item for the Board's consideration.

In 2019 Infrastructure Engineering Corporation (IEC) conducted the District's Pump Station Condition Assessment Report. As a result of the assessment, IEC recommended the replacement of the Village Park No. 7 (VP7) Pump Station (a Smith & Loveless packaged pump station). This recommendation mirrored the recommendation to replace the Encinitas Estates Pump Station that is currently being completed. VP7 was constructed in 1973 and is approaching the end of its useful life of 50 years. Additionally, the steel shell of the pump station is deteriorating and repair parts are difficult to obtain from Smith & Loveless. The District has systematically replaced a packaged pump station with a submersible pump station.

In July 2021, a Task Order was issued to IEC for the preliminary design for the VP7 Replacement Project (Project). The Preliminary Design Report to replace VP7 with a submersible pump station included an estimated Project construction cost of \$2.11M. The pump station services 91 residents. This represents an expenditure of \$23,186 per resident. Based on the high estimated construction cost, staff researched other systems to replace the current packaged pump station. As a result, the E/One Grinder Pump Station (E/One) was selected. E/One is a packaged pump station with four grinder pumps in a non-metallic shell which meets the pumping capacity requirements needed at VP7.

DISCUSSION:

IEC completed project design in May 2022. The Engineer's cost estimate for installing E/One and a corresponding smaller force main was \$810K. This estimated construction cost represents a significant savings to the District. However, the reduced cost increases the possibility of small firms with minimal construction experience bidding on the Project due to simplified construction, reduced insurance / bonding costs and lower up front capital requirements. This increases District's risk in constructing the Project. Additionally, the current rate of inflation and general economic environment (supply chain issues) increase risk when bidding for construction services. The added risk to construction firms results in higher bid prices.

Pacific Hydrotech Corporation (PHC) is completing construction of the Encinitas Estates Pump Station (EEPS) Replacement Project. During that project, they have demonstrated exceptional skill constructing the pump station in a confined area. The construction of a submersible pump station is especially complex, requiring significant expertise and experience. To date, PHC has accomplished this construction with two change orders to date for a total of \$9,857 on the \$1.797M original contract cost (November 2020). The skill set to replace VP7 with E/One (civil, mechanical and electrical) is the same as demonstrated by PHC during construction of EEPS.

Why a Change Order as opposed to a new contract? The situation to construct VP7 as a Change Order to the EEPS project is a result of the coincidental timing of the two pump station replacement projects and project similarities. This represents a unique opportunity to reduce project costs without sacrificing quality of construction. This unconventional approach benefits both the District and PCH by reducing administrative / overhead costs and risk. Issuing a Change Order will enable the construction of VP7 to be performed under the same specifications and administrative requirements used to construct EEPS, reducing costs. For example, the insurance and bonding requirements remain the same. Therefore, PCH will not have the overhead expense to obtain new documents. The District will save administrative cost by not issuing new project documents or conducting the bidding process. Additionally, due to the current construction market, continued supply chain issues and rate of inflation, staff believes this approach is in the best interest of the District.

Based on these factors, staff approached PHC to provide a quote to construct VP7 as a change order to the EEPS project. PCH was provided the VP7 Plans and submitted a quote of \$795,500 to construct the Project. The quote is \$1.32M less than the submersible pump station cost estimate and in line with the Engineer's Cost estimate for constructing VP7 using E/One. Therefore, staff has determined this quote to be fair and reasonable.

Proceeding with this approach requires Board authorization of the change order and waiver of the requirements for Formal Procurements for Goods, Construction Services and Other Services (\$60,000.10 and over) in the Procurement Policy, the sealed bidding procedure. In accordance with Section 3.9 of the Procurement Policy, "The Board of Directors may, at its sole discretion, waive all or any part of this Policy." Therefore, the Board has the authority to waive the procurement requirements.


Considering the above factors, staff and the EC request that the Board waive the formal procurement requirements in the Procurement Policy and authorize the General Manager to execute a change order to the EEPS Replacement Project for the replacement of the VP7 Pump Station.

FISCAL IMPACT:

Funds totaling \$600K have been appropriated for project construction. This appropriation is insufficient to complete project construction. Therefore, staff and the EC request an additional appropriation to the FY 2023 Budget of \$275K to cover the bid price for construction and a 10% contingency.

rym:PJB

MEMORANDUM

DATE: July 7, 2022
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Fiscal Year 2022 (FY22) LWD Tactics and Action Plan Report

RECOMMENDED:

Staff recommends that the Board of Directors:

1. Receive and file the FY22 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 FY22 along with several more that surfaced over the course of the year.

Staff is pleased to report that 114 tactical goals were accomplished. The FY22 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 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 Board Workshop Budget Approval	DFA DFA DFA	DTS, FSS, EA, ADS, FSS GM, DTS, FSS, EA, ADS, FSS GM	Jan-22 May-22 Jun-22	Mar-22 May-22 Jun-22	Completed Completed Completed
FY 2021 Audit	Close Books, Prepare Trial Balance & Supporting Schedules Coordinate with & Respond to Auditors Audit Report to Board	DFA DFA DFA	AT, ADS AT, ADS, EA, GM GM, ADS, AS	Jul-21 Jul-21 Dec-21	Sep-21 Dec-21 Dec-21	Completed Completed Completed
Finance Policy Reviews	Procurement Policy Investment Policy Reserve Policy	DFA DFA DFA	DTS, GM, ADS, EA ADS, GM, EA ADS, GM, EA	Aug-21 Jul-21 Feb-22	Aug-21 Aug-21 Feb-22	Completed Completed Completed
Financial Awards	Apply for GFOA Financial Reporting Award	DFA		Dec-21	Jan-22	Completed
Wastewater Financial Plan Tracking Update	Internally Update District's Financial Plan	DFA	GM	Dec-21	Feb-22	Completed
GASB 75 OPEB Liability Accrual Valuation	Coordinate with Actuary to Complete OPEB Valuation Complete Deferral Schedules and Record in Accounting	DFA DFA	ADS	Jan-22 May-22	Apr-22 Jun-22	Completed Completed
Additional Items/Accomplishments:						
Resol. 2363-Updating Authorizing Investment of Monies in LAIF	GM	DFA, EA	Jan-22	Jan-22	Completed	
RFP Process for Audit Firm	DFA	GM, AT, ADS	Jan-22	Mar-22	Completed	
Execute Contract with RAMS	GM	DFA	Apr-22	Apr-22	Completed	
Transition from paper payroll checks to electronic payroll checks	DFA	AT	Feb-22	Feb-22	Completed	
Transition from paper POs to electronic POs	DFA	AT	Jun-22	Jun-22	Completed	
Transition from paper financial transactions to electronic financial transactions	DFA	AT, EA, ADS	Mar-22	Jun-22	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	DFA	ADS, Pickering Ins Brokers	May-22	May-22	Completed
Employee Training					
Conduct Annual Confined Space Entry Training	FSS	FSSup, FS Staff	Sep-21	Jan-22	Completed
Conduct Annual Traffic Control Training	FSS	FSSup, FS Staff	Sep-21	Jan-22	Completed
CPR/First Aid/AED Refresher Training	ADS	All Staff	Jul-21	Sep-21	Postponed
Administration Policy Updates/Annual Reviews					
Board Staff Relations Policy	DFA	GM, ADS	Nov-21	Jan-22	Completed
Board Policy Binders	EA	AS	Jul-21	Nov-21	Completed
Review Substance Abuse Policy and revise as required	DFA	GM, ADS, EA, DTS	Jul-21	Oct-21	Completed
Conduct Team Building Workshop	GM	DFA, EA, ADS	Oct-21	Dec-21	Completed
Emergency Response					
Conduct an Emergency Response Drill/Training	ADS	DFA, FSS, FSSup, FS Staff, AS	Jul-21	Sep-21	Completed
LWD's Safety Program					
Review existing Safety Programs & Policies	DFA	GM, DTS, FSS, FSSup, Safety Committee	Jul-21	Jan-22	Completed
Update existing Safety Programs & Policies	DFA	GM, DTS, FSS, FSSup, Safety Committee	Jan-22	Jun-22	Completed
Update COVID Prevention Program	ADS	GM, DTS, FSS, FSSup, Safety Committee	Jul-21	Aug-21	Completed
Conduct Employee Interviews					
Conduct Employee Satisfaction Survey	GM	DFA, ADS	Oct-21	Dec-21	Completed
Compensation	GM	DFA, ADS	May-22	Jun-22	Completed
Leadership Coaching	GM	Management Staff	Jul-21	Jun-22	Completed
Employee Recognition					
Annual Employee BBQ	EA	ADS, AS	Jul-21	Sep-21	Cancelled
Holiday Function	EA	ADS, AS	Aug-21	Dec-21	Cancelled
Additional Items/Accomplishments:					
Hill - 20 Years of Service		ADS Hill	Jul-21	Jul-21	Completed
Mendez - 10 Years of Service		FST III Mendez	Sep-21	Sep-21	Completed
R. Duffey - Retirement luncheon	EA	AS, ADS	Sep-21	Sep-21	Completed
CASA Award of Excellence in Public Outreach/Education (Virtual video)		All Staff, RTP	Aug-21	Aug-21	Completed
GFOA Cert. of Achievement for Excellence in Financial Reporting		All Staff	Aug-21	Aug-21	Completed
Recruitment - Field Services In Training	FSSup	FSS, FST III's, AS, ADS	Sep-21	Feb-22	Completed
New Employee Onboarding/Training - FST In Training	FSSup	FST IIIs	Feb-22	Mar-22	Completed
Recruitment - Director of Finance & Administration	GM	DTS, ADS	Aug-21	Jan-22	Completed
New Employee Onboarding/Training - DFA	GM		Jan-22	Jun-22	Completed
No Lost Time Accidents - 2 Years		All Staff	Oct-21	Oct-21	Completed
No Sewer Spills - 2 years		All Staff	Nov-21	Nov-21	Completed
CWEA San Diego Sect Collections Person of the Year Award - C. Russell		FST III Russell	Jan-22	Jan-22	Completed
CWEA San Diego Sect. & State Engineering Achievement Award - LPS Rehab		All Staff	Jan-22	Jan-22	Completed
CWEA San Diego Sect. & State Collections System of the Year Award		All Staff	Jan-22	Jan-22	Completed
C. Russell - CWEA Collections System Grade 3 Cert		FST III Russell	Mar-22	Mar-22	Completed
Board of Directors Self Evaluation Survey	GM	EA, Board	Oct-21	Mar-22	Completed
Recruitment - Admin. Specialist	ADS	DFA, EA	Jan-22	Apr-22	Completed
M. Brechbiel - Luncheon	EA	ADS	Jan-22	Jan-22	Completed
New Employee Onboarding/Training - Admin. Specialist	ADS	EA	Apr-22	Jun-22	Completed
Recruitment - Field Services In Training	FSSup	FSS, FST III's, ADS	Apr-22	Jun-22	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
Optimize Radio Communications	FSS	FSSup, FS Staff	Jul-21	Oct-21	Completed
Purchases					
1 Ton Flatbed Truck with Crane	FSS	FSSup, FS Staff	Jul-21	Feb-22	Completed
Arrow Board	FSSup	FSS, FS Staff	Aug-21	Nov-21	Completed
Portable Trash Pump	FSSup	FSS, FS Staff	Jan-22	Mar-22	Completed
Replace 2 Gas Monitors	FSSup	FSS, FS Staff	Jan-22	Mar-22	Completed
Emergency by-pass Pump	FSSup	FSS, FS Staff	Jul-21	Sep-21	Completed
Smoke Testing in Old Town Area	FSSup	FSS, FS Staff	Feb-22	Apr-22	Completed
FOG Inspections - Complete 10	FSSup	FSS, FS Staff	Jul-21	Jun-22	Completed
Hydro clean and CCTV El Camino Real trunk lines	FSSup	FSS, FS Staff	Apr-22	Jun-22	Completed
Replace Conductivity Meter (AWT)	FSS	FSSup, FS Staff	Oct-21	Jan-22	Completed
Replace P11 & P12 Discharge Valves (AWT)	FSS	FSSup, FS Staff	Oct-21	Jan-22	Completed
Replace Landscape Irrigation Supply Pumps (AWT)	FSS	FSSup, FS Staff	Aug-21	Feb-22	Postponed
Replace AC Unit LPS MCC Building	FSSpec	FSSup, FS Staff	Jul-21	Nov-21	Completed
Administration Building and Facility Updates					
HVAC Rehabilitation	FSSpec	FSSup, FS Staff	Jul-21	Oct-21	Completed
Evaluate & Award Landscape Contract	FSSpec	FSSup, FS Staff	Sep-21	Jan-22	Completed
By-Pass Pumping Drills					
Batiquitos Pump Station	FSSup	FSS, FS Staff	Aug-21	Aug-21	Completed
Leucadia Pump Station	FSSup	FSS, FS Staff	Sep-21	Sep-21	Completed
Diana Pump Station	FSSup	FSS, FS Staff	Mar-22	Mar-22	Completed
Host Emergency Drill with Local Agencies	FSS	FSSup, FS Staff	Apr-22	May-22	Completed
Election District - Remapping	GM	DFA, ADS, EA	Dec-21	Feb-22	Completed
Update LWD Standard Specifications					
Conduct Review	DE	GM, DTS, FSSpec, DC	Aug-21	Mar-22	Completed
Board Approval	DE	GM, DTS, FSSpec, DC	Apr-22	Apr-22	Completed
Update Capacity Fee Ordinance	FSSpec	GM, DTS, DC, DE	Jul-21	Jul-21	Completed
SSMP Audit	FSS	FSSup, FSSpec	Sep-21	Nov-21	Completed
Public Outreach Services					
Develop Relevant FaceBook Content	ADS	GM, DFA, FSSup, FS Staff	Jul-21	Jun-22	Completed
LWD Teacher Grant Program	ADS	AS, RTP	Aug-21	Nov-21	Completed
Write, Design, Print, & Mail 2021 Fall Newsletter	ADS	AS, RTP	Jul-21	Nov-21	Completed
Write, Design, Print, & Mail 2022 Spring Newsletter	ADS	GM, DFA, EA, AS	Jan-22	Mar-22	Completed
Evaluate Public Outreach Services contract	DFA	GM, ADS, EA	Nov-21	Mar-22	Completed
Review Communication Plan and update if necessary	ADS	GM, DFA, EA, AS	Sep-21	Dec-21	Completed
Awards					
Apply for CWEA Awards	FSS	DTS, DFA, FSSup	Oct-21	Nov-21	Completed
Records Retention					
Review stored records destroy those past retention period	EA	AS	Aug-21	Oct-21	Completed
Evaluate the benefits of going paperless	ADS	EA, AT, ASII	Jan-22	Apr-22	Completed
Additional Items/Accomplishments:					
Ordinance #143 - ADU Capacity-Sewer Service Fee Update	FSSpec	DTS	Jul-21	Jul-21	Completed
CSDA District Transparency Certificate of Excellence	EA	AS	Aug-21	Aug-21	Completed
CSDA District of Distinction Award	EA	AS	Aug-21	Aug-21	Completed
Execute Mutual Aid Agreement with OMWD	FSS	DTS, GM	Aug-21	Aug-21	Completed
Resol. 2355 - Revising the Policy for the Election of Board Officers, Est. of Committees and Selection of members	GM	EA, Board	Aug-21	Aug-21	Completed
Aldern Annexation	FSSpec	DE, DTS	Sep-21	Sep-21	Completed
Board Presentation - Drought Report	DE	GM	Sep-21	Sep-21	Completed
Weston Annexation	FSSpec	DE, DTS	Nov-21	Nov-21	Completed
Execute Public Outreach Services contract with RTP	ADS	DFA, GM	Feb-22	Feb-22	Completed
Ordinance #145 - Lagasse Reimbursement Agreement	FSSpec	DTS	Apr-22	Jun-22	Completed
Execute Janitorial Services Agreement with MSC Janitorial Services	ADS	DFA, GM	Mar-22	Jun-22	Completed
Live Virtual Tour	RTP	FSTIII Russell, FSTIII Rodriguez, ADS	Feb-22	Feb-22	Completed
FOG Video	RTP	DFA, ADS, FST Ills	Nov-21	Mar-22	Completed
Pump Station Video	RTP	DTS, DFA, ADS	Apr-22	May-22	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	DTS	GM, FSS, DE	Mar-20	Aug-21	Completed
Encintas Estates Pump Station Replacement	Construction	DTS	GM, FSS, DE	Jan-21	Jan-22	Completed
FY 2020 Gravity Pipeline Rehab / Quebrada Realignment	Construction	DTS	GM, FSS, DE	Sep-20	Sep-21	Completed
Diana Pump Station Upgrade	Obtain Easement	DTS	GM, FSS, DE	Jul-21	Oct-21	In Progress
	Project Design	DTS	GM, FSS, DE	Nov-21	May-22	Not Started
	Environmental	DTS	GM, FSS, DE	May-22	Jul-22	Not Started
FY2021 Gravity Pipeline Rehabilitation	Construction	DTS	GM, FSS, DE	Mar-21	Aug-21	Completed
Batiquitos PS Emergency Basin Upgrade	Bid Project	DTS	GM, FSS, DE	Jan-22	Apr-22	Postponed
	Construction	DTS	GM, FSS, DE	Mar-22	Jun-22	Postponed
<i>To be incorporated in future Batiquitos Pump Station Rehabilitation.</i>						
FY22 Gravity Pipeline Rehabilitation	Design	DTS	GM, FSS, DE	Jul-21	Sep-21	Completed
	Bid Project	DTS	GM, FSS, DE	Oct-21	Dec-21	Completed
	Construction	DTS	GM, FSS, DE	Jan-22	Jun-22	Completed
Village Park No. 7 PS Replacement	Design	DTS	GM, DTS, DE	Sep-21	Jan-22	Completed
	Bid Project	DTS	GM, DTS, DE	Feb-22	Apr-22	Not Started
	Construction	DTS	GM, DTS, DE	Jun-22	May-23	Not Started
NetApp Storage Unit & Cisco Switch	Purchase, Program and Install	DTS		Aug-21	Oct-21	Completed
Additional Items/Accomplishments:						
Awarded Title XVI WIIN Grant through NSDRWC	GM	DTS		Aug-21	Aug-21	Completed
Submitted for FEMA COVID-19 Grant	DTS	GM		Dec-21	Dec-21	Completed
RFP Process - Engineering Design Services	DTS	GM, FSSpec, DE		Jan-22	Apr-22	Completed
Execute Agreement with Waterworks Engineers, LLC	GM	DTS		Apr-22	Apr-22	Completed
Resol. 2374 - Adopting the 2019 IRWM Plan	DTS	GM		Apr-22	Jun-22	Completed
Awarded Proposition 1 Grant through NSDRWC	GM	DTS		Jun-22	Jun-22	Completed

List of Acronyms for LWD Staff Titles

GM – General Manager

DFA – Director of Finance & Administration

DTS – Director of Technical Services

FSS – Field Services Superintendent

FSSup – Field Services Supervisor

ADS – Administrative Services Supervisor

FSSpec – Field Services Specialist


EA – Executive Assistant

AT – Accounting Technician

AS – Administrative Specialist I

DE – District Engineer

MEMORANDUM

DATE: July 7, 2022
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Fiscal Year 2023 (FY23) LWD Tactics and Action Plan

RECOMMENDED:

Staff recommends that the Board of Directors:

1. Adopt the FY23 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 FY23, staff has developed an ambitious plan that includes 82 tactical goals. A copy of the FY23 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 2023
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 Audit					
Close Books, Prepare Trial Balance & Supporting Schedules	DFA	AT, ADS	Jul-22	Sep-22	Not Started
Coordinate with & Respond to Auditors	DFA	AT, ADS, EA, GM	Jul-22	Dec-22	Not Started
Audit Report to Board	DFA	GM, ADS, AS	Dec-22	Dec-22	Not Started
FY 2024 Budget					
Initial Data Collection	DFA	DTS, FSS, EA, ADS, FSSup, FSSpec	Jan-23	Mar-23	Not Started
Board Workshop	DFA	GM, DTS, FSS, EA, ADS, FSSup, FSSpec	May-23	May-23	Not Started
Budget Approval	DFA	GM	Jun-23	Jun-23	Not Started
Finance Policy Reviews					
Procurement Policy	DFA	DTS, GM, ADS, EA	Aug-22	Aug-22	Not Started
Investment Policy	DFA	ADS, GM, EA	Jul-22	Aug-22	Not Started
Reserve Policy	DFA	ADS, GM, EA	Feb-23	Feb-23	Not Started
Amending the Conflict of Interest Code	EA		Aug-22	Oct-22	Not Started
Financial Process Review					
Evaluate the pros and cons of paying vendors via EFT	DFA	AT	Sep-22	Jan-23	Not Started
Financial Awards					
Apply for GFOA Financial Reporting Award	DFA	AT	Dec-22	Jan-23	Not Started
Banking Services Review					
Consider alternative service providers	DFA	AT, GM, EA	Nov-22	Feb-23	Not Started
Comprehensive Wastewater Financial Plan Update					
RFP Process	DFA	ADS, DTS, EA	Sep-22	Dec-22	Not Started
Update Financial Plan	DFA	ADS, DTS, EA	Jan-23	Mar-23	Not Started
Financial Plan Presentation and Approval	DFA	ADS, DTS, EA	Apr-23	Jun-23	Not Started
GASB 75 OPEB Liability Accrual Valuation Roll-forward					
Coordinate with Actuary to Complete OPEB Roll-forward Valuation	DFA	AT	Jan-23	Apr-23	Not Started
Complete Deferral Schedules and Record in Accounting	DFA	AT	May-23	Jun-23	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	DFA	ADS, Pickering Ins Brokers	May-23	May-23	Not Started
Employee Training					
Conduct Annual Confined Space Entry Training	FSS	FSSup, FS Staff	Oct-22	Feb-23	Not Started
Conduct Annual Traffic Control Training	FSS	FSSup, FS Staff	Sep-22	Jan-23	Not Started
CPR/First Aid/AED Refresher Training	ADS	All Staff	Jul-22	Sep-22	Not Started
Conduct Biennial Flagger Training	FSS	FSSup, FS Staff	Sep-22	Jan-23	Not Started
Administration Policy Updates/Annual Reviews					
Board Policy Binders	EA	AS	Jul-22	Nov-22	Not Started
Board Staff Relations Policy	DFA	GM, ADS	Nov-22	Jan-23	Not Started
Records Retention Policy	ADS	DFA, EA, AS	Jan-23	Mar-22	Not Started
Compensation Study	GM	DFA, ADS	Aug-22	Nov-22	Not Started
Conduct Team Building Workshop	GM	DFA, EA, ADS	Oct-22	Dec-22	Not Started
Emergency Response					
Conduct an Emergency Response Drill/Training	ADS	DFA, FSS, FSSup, FS Staff, AS	Sep-22	Nov-22	Not Started
LWD's Safety Program					
Review existing Safety Programs & Policies	DFA	GM, DTS, FSS, FSSup, Safety Committee	Jul-22	Jan-23	Not Started
Update existing Safety Programs & Policies	DFA	GM, DTS, FSS, FSSup, Safety Committee	Jan-23	Jun-23	Not Started
Conduct Employee Interviews					
General Manager Check-in	GM	DFA, ADS	Oct-22	Dec-22	Not Started
Compensation	GM	DFA, ADS	May-23	Jun-23	Not Started
Leadership Coaching	GM	Management Staff	Jul-22	Jun-23	Not Started
Employee Recognition					
Annual Employee BBQ	EA	ADS, AS	Jul-22	Jul-22	Not Started
Holiday Function	EA	ADS, AS	Aug-22	Dec-22	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
Upgrade SCADA System	FSS	FSSup, FS Staff	Oct-22	Nov-22	Not Started
Telephone Emergency Lines	DFA	DTS, FSS, FSSup, ADS	Jul-22	Dec-22	Not Started
Review options for Elevator fire suppression/burglary/SCADA phone lines	DFA	DTS, FSS, FSSup, ADS	Jul-22	Dec-22	Not Started
Review options for Batiquitos PS land line & DSL lines					
Purchases					
Purchase Side Stream Pump (LOXSystem)	FSS	FSSup, FS Staff	Jul-22	Nov-22	Not Started
Purchase Spare Conditioning Pump (Batiquitos)	FSS	FSSup, FS Staff	Aug-22	Dec-22	Not Started
Retrofit CCTV Van	FSS	FSSup, FS Staff	Oct-22	Feb-23	Not Started
Smoke Testing in Old Town Area	FSSup	FSS, FS Staff	Mar-23	May-23	Not Started
FOG Inspections - Complete 30	FSSup	FSSpec, FS Staff	Jul-22	Jun-23	Not Started
Hydro Clean and CCTV La Costa Ave	FSSup	FSS, FS Staff	Sep-22	Sep-22	Not Started
Hydro Clean and CCTV Rancho Santa Fe Rd.	FSSup	FSS, FS Staff	Oct-22	Nov-22	Not Started
Rehab Pump & Motor (Batiquitos)	FSS	FSSup, FS Staff	Sep-22	Dec-22	Not Started
Replace Landscape Irrigation Supply Pumps (AWT)	FSS	FSSup, FS Staff	Aug-22	Feb-23	Not Started
Administration Building and Facility Updates					
Carpet Replacement (1st Floor)	FSSpec	FSSup, FS Staff	Jul-22	Oct-22	Not Started
By-Pass Pumping Drills					
Batiquitos Pump Station	FSSup	FSS, FS Staff	Oct-22	Oct-22	Not Started
Leucadia Pump Station	FSSup	FSS, FS Staff	Sep-22	Sep-22	Not Started
Village Park 5 Pump Station	FSSup	FSS, FS Staff	Jan-23	Mar-23	Not Started
Saxony Pump Station	FSSup	FSS, FS Staff	Mar-23	Mar-23	Not Started
Detachment of Service Areas (currently being serviced by Carlsbad)					
Treviso Community (near Poinsettia bridge)	FSSpec	DFA, DTS	Jul-22	Dec-22	Not Started
Ponto State Beach Area	FSSpec	DFA, DTS	Jan-22	Jun-22	Not Started
Host Emergency Drill with Local Agencies	FSS	FSSup, FS Staff	Nov-22	Dec-22	Not Started
Execute New Recycled Water Agreement	GM	DFA, EA	Jul-22	Dec-22	Not Started
SSMP Audit	FSS	FSSup, FSSpec	Sep-22	Nov-22	Not Started
Public Outreach Services					
Develop Relevant FaceBook Content	ADS	RTP, GM, DFA, FSSup, FS Staff	Jul-22	Jun-23	Not Started
LWD Teacher Grant Program	ADS	AS, RTP	Aug-22	Nov-22	Not Started
Write, Design, Print & Mail 2022 Fall Newsletter	ADS	AS, RTP	Jul-22	Nov-22	Not Started
Write, Design, Print & Mail 2023 Spring Newsletter	ADS	GM, DFA, EA, AS, RTP	Jan-23	Apr-23	Not Started
Continue to Review and Post New Videos to Website	ADS	RTP, GM, DFA, DTS, FSSup, EA, AS	Jul-22	Jun-23	Not Started
Research/Benchmark TikTok use in industry	RTP	DFA, GM, ADS	Jul-22	Dec-22	Not Started
Awards					
Apply for CWEA Awards	FSS	DTS, DFA, FSSup	Oct-22	Nov-22	Not Started
Records Retention					
Review stored records and destroy those past retention period	EA	AS	Aug-22	Oct-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	
Diana Pump Station Upgrade	Obtain Easement	DTS	GM, FSS, DE	Jul-22	Oct-22	In Progress
	Project Design	DTS	GM, FSS, DE	Nov-22	Apr-23	Not Started
	Environmental	DTS	GM, FSS, DE	May-23	Oct-23	Not Started
FY2022 Gravity Pipeline Rehabilitation	Construction	DTS	GM, FSS, DE	Jul-22	Aug-22	In Progress
Village Park No. 7 PS Replacement	Bid Project	DTS	GM, FSS, DE	Jul-22	Sep-22	Not Started
	Construction	DTS	GM, FSS, DE	Oct-22	May-23	Not Started
FY23 Gravity Pipeline Rehabilitation	Design	DTS	GM, FSS, DE	Jul-22	Sep-22	Not Started
	Bid Project	DTS	GM, FSS, DE	Oct-22	Dec-22	Not Started
	Construction	DTS	GM, FSS, DE	Jan-23	Jun-23	Not Started
Rancho Verde Pump Station Rehabilitation	Design	DTS	GM, FSS, DE	Oct-22	Jan-23	Not Started
	Bid Project	DTS	GM, FSS, DE	Feb-23	Apr-23	Not Started
	Construction	DTS	GM, FSS, DE	May-23	Dec-23	Not Started
Batiqitos PS Emergency Basin Inspection	Obtain Quotes	DTS	GM, FSS, DE	Aug-22	Aug-22	Not Started
	Execute Agreement	DTS	GM, FSS, DE	Sep-22	Sep-22	Not Started
	Conduct Inspection	DTS	GM, FSS, DE	Oct-22	Oct-22	Not Started
Asset Management Plan Update	Update Plan	DTS	GM, FSS, DE	Jul-22	Dec-22	Not Started
Replace Network Equipment	Purchase	DTS	EA, ADS	Jul-22	Aug-22	Not Started
	Install	DTS	EA, ADS	Sep-22	Sep-22	Not Started
Board and Committee Hybrid Meeting Setup	Setup, Test and Refine Hybrid Meeting Capabilities	DFA	EA, AS	Jul-22	Dec-22	Not Started



June 25, 2022

TO: CASA Member Agencies
FROM: Jasmin A. Hall, President
SUBJECT: **CASA ANNUAL BUSINESS MEETING—AUGUST 10-12, 2022,
Resort at Squaw Creek, Olympic Valley, CA**

CASA will hold its annual business meeting during the August 10-12, 2022, Annual Conference at the Resort at Squaw Creek. The meeting will be held in-person on Thursday, August 11. The agenda for the meeting is as follows:

Election of the Directors for FY 2022-23

The membership will be asked to approve a slate of four nominees for the open seats on the Board of Directors. The Directors will serve three-year terms. The slate was recommended by the Nominating Committee and approved by the Board of Directors. The nominees are:

- Tony Trembley, City of Camarillo
- Jim Herberg, Orange County Sanitation District
- Sandeep Karkal, Novato Sanitary District
- David Pedersen, Las Virgenes Municipal Water District

Brief biographies of the nominees are attached. The Board consists of 13 Directors, 12 elected by the members and one Associate Director appointed by the President. If elected, the four Directors will join eight incumbents. In addition to the elected Directors, the President will appoint a new Associates Director, Dave Jones of Hazen & Sawyer, to a one-year term. The Board of Directors will then elect a President, Vice President and Secretary-Treasurer for one-year terms. **The election will take place by written ballot at the conference. Agency representatives attending the meeting may cast their votes up until 5:00 p.m. on Thursday, August 11, 2022.**

Approval of the Dues Resolution: Proposed 5% Increase

The proposed dues resolution includes an increase of approximately 5% for both agency members and associate members. It has been several years since CASA has proposed a dues increase. CASA did not propose any dues changes in FY 2022, and although we adjusted our member dues tiers in FY 2021, this was a revenue neutral endeavor designed to smooth the transition between tiers for agencies and encourage recruitment and retention of smaller agencies. A 5% dues increase will ensure that CASA is able to keep up with record high inflation and rising costs, and continue to deliver high quality services and advocacy on behalf of our members. The members will be asked to approve the dues resolution during the Annual Business Meeting.

Other Informational Items

In addition to the action items above, upon request, members can receive for their information a copy of the adopted FY 2023 Budget, approved by the Board on June 9, 2022, and the year-end FY 2022 Treasurer's Report. The FY 2023 budget development process included a thorough review of revenues and expenditures, as well as an assessment of CASA's ability to maintain and enhance its delivery of services to our members.

Message from the President

I am so proud of the work CASA has done during my term as President and have enjoyed working with all of our member agencies and CASA staff throughout the year. Our organization is emerging from the pandemic stronger than ever, and we are excited to welcome everyone back to our Annual Conference in Lake Tahoe!

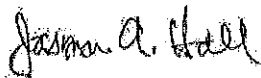
This year has been marked by tremendous growth and expansion. Our communications program has taken off under newly promoted Manager of Communications Alyssa Downs, and we continue to work with our members and Communications Committee on developing outreach and informational materials on topics such as PFAS, wipes, and state legislation. We also celebrated a successful first year of the CASA LEAD and Mentorship Programs and have been diligently working on a crucial workforce development initiative in coordination with other associations.

CASA continued to expand our virtual education and meeting opportunities, including our successful "Ask the Experts" webinar series earlier this year, which showcased the expertise among CASA staff, members, and associates on significant issues including PFAS, biosolids, infrastructure finance opportunities, and communications. CASA's legislative program continues to be exceptionally strong. After sponsoring two major bills in 2021 and sponsoring another PFAS disclosure bill this year with our partners in the environmental NGO community, we will look to build upon that success in 2023. We also made significant progress on the introduction of federal wipes legislation, and continue to address a variety of significant issues in Washington D.C., including federal infrastructure funding implementation and PFAS management efforts.

We continue to expand our reach and advocacy on issues related to Air, Climate Change and Energy (ACE), at a time when high priority issues such as the California Air Resources Control Board (CARB) Scoping Plan have the potential to significantly impact local wastewater agencies. We are privileged to have Greg Kester and Sarah Deslauriers leading the way on these issues as well as all efforts related to biosolids and renewable energy.

This year we were pleased to welcome Rita Duncan of the Oro Loma Sanitary District and Michelle Roman of the SKF County Sanitation District to our Board of Directors and gathered together as we experienced the tragic loss of Board Member David Cardenas.

It has been an honor to serve as your President this past year and I am proud of all the great work CASA continues to do as the voice of the clean water sector in California. I look forward to seeing you in Lake Tahoe!



Jasmin A. Hall
CASA President

Brief Biographies of Board Nominees

Jim Herberg, General Manager, Orange County Sanitation District



James (Jim) Herberg is the General Manager for the Orange County Sanitation District. Mr. Herberg has been with OCSD since 1995. Prior to becoming General Manager, he was the District's Director of Engineering and Assistant General Manager. Among his achievements is the successful management of the District's \$2.7 billion capital improvement program including \$554 million in secondary treatment upgrades, which were completed in September 2012-on time and on budget.

Jim is a registered Civil Engineer in the State of California and is a board-certified Environmental Engineer by the American Academy of Environmental Engineers. He holds a Bachelor's Degree in Civil Engineering from the University of Oklahoma, and a Master's Degree in Civil Engineering from Long Beach State. He completed the Senior Executives in State and Local Government Program at Harvard University in 2002. Jim is a current member of the CASA Board of Directors.

Tony Trembley, Mayor, City of Camarillo



Tony Trembley is the current Mayor of the City of Camarillo and was elected to the City Council in 2016. He is a longtime community leader in Camarillo. Tony has practiced public agency, environmental and water law since 1983. He principally represents local public agencies, with a focus over thirty years on wastewater agencies in Ventura and Santa Barbara Counties.

Tony's undergraduate education occurred at Trinity College, Dublin, Ireland and a B.A. with Highest Honors in Political Science/Public Service from the University of California, Davis in 1978. He thereafter served as a postgraduate fellow in the California Legislature and is a 1983 graduate of the University of California, Davis School of Law. Tony is a former chair of the CASA Attorneys Committee and current member of the CASA Board of Directors.

Sandeep Karkal, General Manager-Chief Engineer, Novato Sanitary District



Sandeep Karkal serves as General Manager-Chief Engineer for the Novato Sanitary District (NSD), which provides wastewater collection, treatment and disposal, recycled water production, and franchised solid waste services in northern Marin County. Prior to joining NSD in 2004, he worked for over 17 years in the public and private sectors, including at two well-regarded consulting engineering firms. Sandeep has Bachelors and Master's Degrees in Civil/Environmental Engineering, and over 30 years in the water/wastewater industry. He is a registered Civil Engineer in California and Arizona, and holds high grade water/wastewater operator certifications in both states. Sandeep currently serves on the CASA Federal Legislative Committee, and in a leadership role with the California Sanitation Risk Management Authority (CSRMA) as Vice-President of the CSRMA Executive Board. Sandeep is actively engaged with CASA, and is a regular attendee at CASA conferences, including the Washington DC Policy Forums.

David Pedersen, General Manager, Las Virgenes Municipal Water District



Dave Pedersen is the General Manager for the Las Virgenes Municipal Water District (LVMWD). He also serves as the General Manager for the Las Virgenes – Triunfo Joint Powers Authority, which provides wastewater treatment, recycled water and biosolids composting services for western Los Angeles and eastern Ventura counties. Prior to joining LVMWD in 2013, he was the Executive Director of Operations for Irvine Ranch Water District. He earned his engineering degree at UC Irvine and followed that with an MBA from California State University, Long Beach. Dave currently serves as Chair of the CASA State Legislative Committee and in leadership roles with WateReuse CA. He is a regular CASA conference attendee and active resource for CASA, having testified on our behalf at a federal Congressional hearing and offering his staff on a regular basis to assist CASA.



OFFICIAL BALLOT

The voting members of the California Association of Sanitation Agencies (CASA) are requested to cast their votes on the following important actions:

Board of Directors FY 2023

The Nominating Committee and the Board of Directors recommend election of the following slate of Directors to the four available Board seats:

- Tony Trembley, City of Camarillo (Director - South)
- Jim Herberg, OCSD (Manager - South)
- Sandeep Karkal, Novato Sanitary District (Manager – North)
- David Pedersen, Las Virgenes Municipal Water District (Manager - South)

Please check one:

- Approve the slate of Directors
- Do not approve the slate of Directors

Dues Resolution FY 2023 (See below Proposed Resolution No.)

Please check one:

- Approve the Dues Resolution
- Do not approve the Dues Resolution

Please mark this Official Ballot for approval or disapproval and then insert the voting agency name and your name and sign your name and date below where indicated.

In order to be counted, this original completed, signed and dated Official Ballot **must be returned to CASA by 5:00 p.m. on Thursday, August 11, 2022.** Materially incomplete or illegible ballots will not be counted.

Date: _____

 Insert name of CASA Member Agency

 E-Signature of CASA Member Agency representative

 Insert name of representative

Electronic Submission is preferred. Please send ballot to Cheryl MacKelvie at cmackelvie@casaweb.org.



2023 CASA Annual Membership Dues

Annual membership dues shall be determined as follows:

- Active Member.** Dues are based on the member agency's annual operations and maintenance budget. The dues schedule for calendar year 2023 shall be:

Agency Operations & Maintenance Budget FY 2022-23 Dues Chart

1.	Up to \$500,000	\$950
2.	Between \$500,001 - \$1,000,000	\$1,800
3.	Between \$1,000,001 - \$1,500,000	\$2,650
4.	Between \$1,500,001 - \$2,000,000	\$3,450
5.	Between \$2,000,001 - 2,500,000	\$4,250
6.	Between \$2,500,001 - 3,000,000	\$5,250
7.	Between \$3,000,001 - 3,500,000	\$6,300
8.	Between \$3,500,001 - \$4,000,000	\$7,350
9.	Between \$4,000,001 - 4,500,000	\$8,400
10.	between \$4,500,001 - \$5,000,000	\$9,450
11.	Between \$5,000,001 - \$10,000,000	\$14,300
12.	Between \$10,000,001 - \$20,000,000	\$18,000
13.	Between \$20,000,001 - \$100,000,000	\$21,500
14.	Over \$100,000,000	\$29,500

- Associate Member.** Dues for associate members shall be:

Associate Number of Employees 2023 Dues

1.	Employer with 1-5 employees	\$495
2.	Employer with 6-15 employees	\$995
3.	Employer with 16-29 employees	\$ 1,480
4.	Employer with 30-74 employees	\$ 1,980
5.	Employer with 75-120 employees	\$ 2,490
6.	Employer with over 121 employees	\$ 2,995

- Honorary Member.** There shall be no dues for honorary members.

Adopted by the California Association of Sanitation Agencies by electronic ballot and announced at the annual conference held in Tahoe at the Resort at Squaw Creek on August 12, 2022.

ATTEST:

Roland Williams

Secretary - Treasurer



CALIFORNIA ASSOCIATION of SANITATION AGENCIES

925 L Street, Suite 200 • Sacramento, CA 95814 • TEL: (916) 446-0388 • www.CASAweb.org

2022 - 2023 DESIGNATION OF AGENCY REPRESENTATIVES

The bylaws of the California Association of Sanitation Agencies (CASA) provide that each voting member of the Association shall designate in writing the individual who shall exercise the voting rights and other privileges on behalf of the member agency, and two alternates to that individual as well. (Article II, Section 1.)

Please designate your agency's representative and two alternates and return this form to Cheryl MacKelvie at cmackelvie@casaweb.org. Please mail the original to CASA, 925 L Street, Suite 200, Sacramento, CA 95814. You may revise or update this designation at a future date.

Insert name of Agency

Insert name of Agency Representative

Telephone number

Email address

Insert name of Alternate #1

Telephone number

Email address

Insert name of Alternate #2

Telephone number

Email address

Submitted by:

Date:

E-Signature

Print name



CONSENT TO ELECTRONIC TRANSMISSION

As a member of the CALIFORNIA ASSOCIATION OF SANITATION AGENCIES (CASA) your written consent is required in order to receive official communications from, and/or to send official communications to, CASA by electronic transmission (i.e. email).

This consent form will allow CASA to send you meeting notices, ballots, conduct meetings, and handle other official business that requires member or board approval, by electronic transmission. It also allows you to send the same types of information to CASA via electronic transmission.

Before signing this consent form, please review and be aware of the following:

- 1. You are not required to sign this form. You may request that meeting notices, ballots, and other matters of official business be sent to you via regular mail.
2. You have the right to withdraw your written consent at any time after signing this form by providing CASA with written notice that you are withdrawing your consent relative to electronic transmission.
3. This consent to electronic transmission is broad, and may include transmission of meeting notices, ballots, and other important information regarding CASA. It also allows CASA to conduct meetings via electronic transmission, although that will not be a frequent occurrence. This consent form represents consent under both California Corporations Code 20 and 21 (transmission from and to CASA). This consent form also meets the requirements for consent under the federal Electronic Signatures in Global and National Commerce Act (15 U.S.C. Sec. 7001(c)(1)).
4. Consenting to electronic transmission via email requires that you have access to a computer, have a current email account, and have provided your current email address to CASA.

The undersigned CASA member representative has read and understands the foregoing, and hereby provides this written consent to receive and send information, including but not necessarily limited to meeting notices, ballots, and other information regarding CASA, via electronic transmission (i.e. email), until such time as this consent is revoked in writing. This consent also allows CASA to conduct meetings via electronic transmission.

Insert Agency Name: _____

E-Signature of Member Agency Representative: _____

Date: _____

Insert name and title: _____

*Email address for official CASA notices:

PLEASE EMAIL THIS FORM TO CMACKELVIE@CASAWEB.ORG.

*Please indicate if you do not have access to (or do not want) this type of transmission