

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

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

**1. Call to Order**

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

**2. Roll Call**

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

DIRECTORS ABSENT:

OTHERS PRESENT: General Manager Paul Bushee, General Counsel Wayne Brechtel, Technical Services Manager Robin Morishita, Field Services Superintendent Jeff Stecker, Administrative Services Supervisor Trisha Hill, Executive Assistant Tia'ne Baity, Field Services Specialist Ian Riffel, District Engineer Dexter Wilson, Steven Henderson of Dexter Wilson Engineering, Inc., Shannon Ayala of Davis Farr LLP, Lauren Hoodenpyle of Clifton Larson, Allen LLP, and Richard Duffey a member of the public

**3. Pledge of Allegiance**

President Omsted led the pledge of allegiance.

**4. Adopt Resolution No. 2359 - Authorizing Remote Teleconference Meetings Due to the Declared State Emergency Resulting From the COVID-19 Pandemic**

GC Brechtel stated that in accordance with AB 361, staff is recommending the Board adopt Resolution No. 2359 in order to hold its November 10<sup>th</sup> meeting virtually.

Upon a motion duly made by Director Brown, seconded by Director Sullivan, and unanimously carried, the Board of Directors adopted Resolution No. 2359 - Authorizing Remote Teleconference Meetings Due to the Declared State Emergency Resulting From the COVID-19 Pandemic by the following vote:

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

**5. General Public Comment Period**

None.

**6. Approval of Agenda**

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

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

**7. Presentations and Awards**

Achieve Highest Number of Consecutive Work Days Without a Lost Time Injury.

GM Bushee reported that on October 15, 2021 staff completed two years without a lost time injury accident. This achievement meets an organizational objective under the incentive program. He noted each employee is eligible for a \$500 compensation award. He stated this award reflects staff's excellent attention to safety.

The Board congratulated staff for their efforts.

**CONSENT CALENDAR**

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

Minutes of the following meetings:

- October 13, 2021 Regular Board Meeting
- October 19, 2021 Community Affairs Committee Meeting
- November 2, 2021 Engineering Committee Meeting
- November 3, 2021 Investment and Finance Committee Meeting

**9. Approval of Demands for October/November 2021**

Payroll Checks numbered 22858-23002; General Checking Checks numbered 56157-56262

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

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

**12. Quarterly Treasurer's Investment Report**

This report discloses investments for the quarter ending September 30, 2021.

**13. Disclosure of Reimbursements**

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

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

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

## **EWA and COMMITTEE REPORTS**

### **14. Encina Wastewater Authority (EWA) Reports**

#### **A. A regular EWA Board Meeting was held on October 27, 2021.**

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

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

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

### **15. Committee Reports**

#### **A. Community Affairs Committee (CAC) Meeting was held on October 19, 2021.**

Director Brown reported that the CAC reviewed and commented on the draft layout of the 2021 Fall newsletter. He stated that the CAC made some suggested edits and staff and Rising Tide Partners stated they would make the changes. Director Brown noted that the final draft newsletter will be mailed to the Board for review prior to being mailed to District customers which is scheduled for early November.

#### **B. Engineering Committee (EC) Meeting was held on November 2, 2021.**

Director Roesink reported that the EC reviewed the following recommendations:

- Adopt Resolution No. 2358 - Weston Annexation; and
- Receive and File the FY2021 Audit of the District's 2019 Sanitary Sewer Management Plan (SSMP) completed by Dexter Wilson Engineering, Inc.

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

This EC also received updates on the following:

- Development Projects Summary; and
- Encinitas Estates Pump Station Replacement Project.

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

#### **C. Investment and Finance Committee (IFC) Meeting was held on November 3, 2021.**

Vice President Hanson reported that the IFC reviewed a recommendation to receive and file the Fiscal Year 2021 Annual Comprehensive Financial Report.

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

## **ACTION ITEMS**

### **16. Receive and file the Fiscal Year 2021 (FY21) Annual Comprehensive Financial Report conducted by Davis Farr LLP**

Ms. Lauren Hoodenpyle of Clifton Larson, Allen LLP provided background information on this item and provided a summary of the Annual Comprehensive Financial Report Management's Discussion and Analysis (MD&A) highlighting and discussing the following areas:

- Financial Highlights;
- Net Position;
- Reserve Balances Compared to Cash and Investment Balances; and
- FY21 Budget to Actual Expenses

The Board thanked Ms. Hoodenpyle. GM Bushee then introduced Shannon Ayala of Davis Farr LLP to provide a summary of the auditor's reports and auditing process.

Ms. Ayala stated that the auditor's internal report indicated that the audit was a clean, unmodified opinion for the year ending FY21. She stated that staff was prepared for the audit, and the auditors had no recommended material audit adjustments and noted no material weaknesses or significant deficiencies in internal controls.

Ms. Ayala noted the areas of audit focus included Fixed Asset Testing and Governmental Accounting Standards 98 (GASB 98). In conclusion, Ms. Ayala stated that there were no instances of noncompliance with certain provisions of laws, regulations, contracts, and grant agreements that have a material effect on the determination of financial statement amounts.

The Board thanked Ms. Ayala for her presentation.

GM Bushee thanked Ms. Hoodenpyle, Ms. Ayala, and staff for their work on the Annual Comprehensive Financial Report. He also thanked Mr. Duffey for his work on the audit prior to his retirement from the District.

Director Brown also thanked the consultants and staff for their work on the Annual Comprehensive Financial Report.

Upon a motion duly made by Director Sullivan, seconded by Vice President Hanson, and unanimously carried, the Board of Directors received and filed the FY21 Annual Comprehensive Financial Report by the following vote:

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

**17. Receive and file the Fiscal Year 2021 (FY21) Audit of the District's 2019 Sanitary Sewer Management Plan (SSMP) completed by Dexter Wilson Engineering, Inc.**

FSS Stecker provided an overview of the FY21 SSMP Audit noting it is a Fiscal Year 2022 tactical goal. He also provided background information on the SSMP noting that the State of California issued Waste Discharge Requirements (WDR) require that agencies develop and implement a SSMP.

Mr. Steven Henderson of Dexter Wilson Engineering described in detail what is included in a SSMP Audit. He stated that the WDR require an audit of the SSMP every two years but LWD performs this annually. He noted that the SSMP and the annual Audits are to ensure the proper operation and maintenance of collection systems to reduce the number and volume of Sewer System Overflows (SSO). Mr. Henderson concluded that all SSMP elements are in place and implemented and there is no significant change from the FY19 SSMP Update.

The Board thanked Mr. Henderson for his presentation.

President Omsted noted the huge accomplishment of zero spills last fiscal year.

FSS Stecker emphasized that even working with an alternating half-staff schedule due to COVID social distancing, the field staff was still able to meet all their hydro-cleaning and CCTV inspection mileage goals.

Upon a motion duly made by Director Roesink, seconded by Vice President Hanson, and unanimously carried, the Board of Directors received and filed the FY21 SSMP Audit of the District's 2019 Sanitary Sewer Management Plan (SSMP) completed by Dexter Wilson Engineering, Inc. by the following vote:

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

#### **18. Adopt Resolution No. 2358 - Requesting LAFCO Take Proceedings for the Weston Annexation**

FSSpec Riffel presented the item stating that the annexation into the District of the Weston Property consists of three parcels totaling 13.4 acres, located west of Interstate 5, north of La Costa Avenue and east of Hygeia Avenue. He noted the annexation is within the District's sphere of influence and includes two parcels that each have an existing single-family residence currently connected to an individual septic tank system. The proposed subdivision consists of 48 total single-family residences, all of which would be required to connect to the public sewer per the City of Encinitas.

FSSpec Riffel stated than an Environmental Impact Report was conducted for this project in March of 2019 and approved by the City of Encinitas as the Lead Agency. He noted that LWD has sufficient capacity for the proposed development and that connection to the District's collection system requires the construction of approximately 1,800 linear feet of public sewer and 12 manholes within the subdivision. He explained that approximately 350 linear feet of existing public sewer would need to be modified.

Director Brown asked if La Costa Avenue or Sea Breeze Court was relined in 2016. FSSpec Riffel stated that about 1500-1600 feet of sewer was relined on La Costa Avenue as part of a force main project.

Following discussion, upon a motion duly made by Director Roesink, seconded by Director Sullivan, and unanimously carried, the Board of Directors adopted Resolution No. 2358 – Requesting LAFCO to take proceedings for the Weston Change of Organization by the following vote:

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

## 19. Calendar Year 2022 Board of Directors' Meeting Schedule

EA Baity presented the item stating that the Board approved a resolution in 2009 that indicates that the Board meetings will be held on the second Wednesday of each month at 5:00 PM. She stated that under Assembly Bill 361 (AB 361) and in the interest of public health, the District is continuing to mitigate the COVID-19 pandemic by holding Board Meetings via videoconference.

EA Baity noted that staff has developed the proposed CY22 Board meeting schedule and coordinated the meetings with upcoming conferences in 2022. She also noted that staff suggests moving the April and August 2022 Board meetings to the third Wednesday of the month so they would not conflict with the CWEA Annual Conference and the CASA Annual Conference dates.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Brown, and unanimously carried, the Board of Directors approved the CY22 Board of Directors' meeting schedule by the following vote:

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

## INFORMATION ITEMS

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

#### A. Senate Bill 9 (SB 9) Report.

DE Wilson presented the item and provided background information on SB 9. He outlined the potential impacts for the District and noted that there should be no foreseeable capacity issues.

GC Brechtel provided additional information on SB 9 from a legal perspective.

#### B. 2021 Batiquitos Lagoon Foundation Board Members Election

EA Baity presented the item stating that the Batiquitos Lagoon Foundation is requesting its members to vote for candidates for its 2021 Board Election. She noted the candidate's names and that staff has no recommendation.

The Board of Directors reached unanimous consensus to vote for Kevin Kienast (Incumbent), Craig Rossell (Incumbent) and Jeff Regan (Incumbent) for the Batiquitos Lagoon Foundation Board.

C. CSDA Quarterly Dinner Meeting is scheduled for Thursday, November 18, 2021 at the 94<sup>th</sup> Aero Squadron in San Diego, CA.

EA Baity stated the date and time of the CSDA Quarterly Dinner Meeting.

D. 2022 CASA Winter Conference is scheduled for January 19 - 21, 2022 at the Hilton Palm Springs in Palm Springs, CA.

EA Baity announced the date and location of the 2022 CASA Winter Conference.

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

None.

**22. General Manager's Report**

GM Bushee reported on the following:

- Update on the Director of Administration and Finance recruitment;
- Update on Staff Team Building held on October 26, 2021;
- Sewer flow update for the month of October 2021; and
- LWD sponsored the Batiquitos Lagoon Foundation Clean Up Day

**23. General Counsel's Report**

None.

**24. Board of Directors' Comments**

Directors Roesink thanked everyone for their hard work.

Director Brown stated there has been a lot of good information this month. He thanked staff for their work.

Directors Sullivan and Hanson wished everyone a Happy Thanksgiving holiday.

**25. Adjournment**

President Omsted adjourned the meeting at 6:26 p.m.



Paul J. Bushee  
Secretary/General Manager  
(SEAL)



Donald F. Omsted, President