

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of a Regular Board Meeting  
 November 9, 2022

A regular meeting of the Board of Directors of the Leucadia Wastewater District was held Wednesday, November 9, 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, Roesink, and Omsted  
 DIRECTORS ABSENT: Sullivan and Brown  
 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, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, Field Services Technician-In-Training Jeffrey Pivaral, Kathleen Heitt and Steven Henderson of Dexter Wilson Engineering, and Scott Manno of Rogers, Anderson, Malody & Scott, LLP

**3. Pledge of Allegiance**

Director Roesink led the pledge of allegiance.

**4. Adopt Resolution No. 2386 - 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. 2386 in order to hold its November 9<sup>th</sup> meeting virtually. GM Bushee noted that on October 17, 2022 Governor Newsom announced that the COVID State of Emergency will end on February 28, 2023. Therefore, the Board of Directors has authority to adopt an AB 361 resolution extending virtual meetings and will have the discretion to do so until February 28, 2023.

Upon a motion duly made by Director Omsted, seconded by Director Roesink, and unanimously carried, the Board of Directors adopted Resolution No. 2386 - 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	Absent
Director Brown	Absent
Director Roesink	Yes
Director Omsted	Yes

Vice President Sullivan entered the meeting at 5:10 p.m.

Director Omsted stated he would like the December Board meeting to be in person. President Hanson stated she would like the meetings to continue as virtual meetings. Director Roesink stated he would like the December Board meeting to be in person. Vice President Sullivan stated she would like the meetings to continue as virtual meetings through the remainder of 2022.

Following discussion, the Board of Directors unanimously agreed to hold the December 2022 Board Meeting virtually by the following vote:

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

**5. General Public Comment Period**

None.

**6. Approval of Agenda**

Upon a motion duly made by Vice President Sullivan, seconded by Director Omsted, 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	Absent
Director Roesink	Yes
Director Omsted	Yes

Director Brown entered the meeting at 5:17 p.m.

**7. Presentations and Awards**

**A. Achievement of Individual Award – Professional Achievement Award for Jeffrey Pivaral.**

GM Bushee introduced Field Services Technician In-Training Jeffrey Pivaral stating that Jeffrey recently received his Grade 1 Collection System Maintenance certification from CWEA. He noted that Jeffrey is eligible for a \$500 incentive award under the District's incentive program.

The Board congratulated Jeffrey and thanked him for his efforts.

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

GM Bushee reported that on October 15, 2022 staff completed three 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 \$1,000 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 12, 2022 Regular Board Meeting  
October 18, 2022 Community Affairs Committee Meeting  
October 20, 2022 Investment and Finance Committee Meeting  
November 1, 2022 Engineering Committee Meeting

### 9. Approval of Demands for October/November 2022

Payroll Checks numbered 221019-1 – 221102-19; General Checking Checks numbered 23587-23686

### 10. Operations Report (A copy was included in the original November 9, 2022 Agenda)

### 11. Finance Report (A copy was included in the original November 9, 2022 Agenda)

### 12. Quarterly Treasurer's Investment Report

This report discloses investments for the quarter ending September 30, 2022.

### 13. Disclosure of Reimbursements

This report discloses travel expense reimbursements for the month of October 2022.

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 October 26, 2022.

Director Omsted reported on EWA's October 26, 2022 Board Meeting.

B. An Encina Member Agency Manager's (MAM) Meeting was held on November 1, 2022.

DFA Green reported on EWA's November 1, 2022 MAM meeting.

### 15. Committee Reports

A. Community Affairs Committee (CAC) Meeting was held on October 18, 2022.

Director Roesink reported that the CAC reviewed and commented on the draft layout of the 2022 Fall newsletter. He stated that the CAC directed staff to move forward with the production of the newsletter and forward the final to the Board for their review prior to printing.

B. Investment and Finance Committee meeting was held on October 20, 2022.

Director Brown reported that the IFC reviewed a recommendation to receive and file the Fiscal Year 2022 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.

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

Director Roesink reported that the EC reviewed a recommendation to Receive and file the FY2022 Audit of the District's 2019 Sanitary System Management Plan (SSMP) completed by Dexter Wilson Engineering, Inc.

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

The EC also received an update on the Development Projects Summary. This item was for information purposes and there was no action taken.

## **ACTION ITEMS**

**16. Receive and file the Fiscal Year 2022 (FY22) Annual Comprehensive Financial Report conducted by Rogers, Anderson, Malody & Scott, LLP**

DFA Green presented the item and provided background information on the item noting it was reviewed by the IFC at its October 20<sup>th</sup> meeting. He then provided a summary of the Annual Comprehensive Financial Report Management's Discussion and Analysis (MD&A) highlighting and discussing the following areas:

- FY22 Revenues and Expenses;
- Key Financial Ratios;
- Net Position;
- Unrestricted Reserve Balances; and
- FY22 Budget to Actual Expenses

DFA Green then introduced Mr. Scott Manno of Rogers, Anderson, Malody & Scott, LLP to provide a summary of the auditor's reports and auditing process.

Mr. Manno provided an overview of the audit process. He stated that the auditor's internal report indicated that the audit was a clean, unmodified opinion for the year ending FY22. He noted 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. In conclusion, Mr. Manno 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 Mr. Manno for his presentation.

GM Bushee thanked DFA Green, staff, and Mr. Manno, and staff for their work on the Annual Comprehensive Financial Report.

Upon a motion duly made by Vice President Sullivan, seconded by Director Roesink, and unanimously carried, the Board of Directors received and filed the FY22 Annual Comprehensive Financial Report by the following vote:

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

**17. 2023 Financial Plan Update**

Authorize the General Manager to execute a Professional Services Agreement with IB Consultants, Inc. in an amount not to exceed \$49,480 for the 2023 Financial Plan Update.

DFA Green presented the item and provided background information. He noted that the last financial plan update was adopted in fiscal year 2018 and a financial plan update was included in the fiscal year 2023 tactical goals to re-evaluate LWD’s ability to meet projected future financial obligations and make recommendations as necessary.

DFA Green stated that staff received three proposals from qualified firms by the proposal deadline. The three firms that submitted responses were:

- Raftelis Financial Consultants, Inc.
- IB Consulting, Inc.
- Ridgeline Municipal Strategies, LLC

Following review of the proposals, staff unanimously selected IB Consulting, Inc. as the most qualified firm based on its strong experience, specialization in wastewater planning models, knowledge of the District, proposed (small and dedicated) team, proposed hours, and thoroughness of its submission.

Upon a motion duly made by Director Roesink, seconded by Vice President Sullivan, and unanimously carried, the Board of Directors authorized the General Manager to execute a Professional Services Agreement with IB Consultants, Inc. in an amount not to exceed \$49,480 for the 2023 Financial Plan Update by the following vote:

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

**18. Receive and file the Fiscal Year 2022 (FY22) Audit of the District’s 2019 Sewer System Management Plan (SSMP) completed by Dexter Wilson Engineering, Inc.**

FSS Stecker introduced Mr. Steven Henderson from Dexter Wilson Engineering, Inc (DWEI) to present the SSMP audit results and provide an overview of the FY22 SSMP Audit.

Mr. Hendersen noted that FY22 SSMP Audit is a Fiscal Year 2023 tactical goal. He also provided

background information on the SSMP noting that the State of California issued Waste Discharge Requirements (WDR) that require agencies develop and implement a SSMP. He stated that the WDR requires an audit of the SSMP every two years but LWD performs this annually which exceeds regulatory requirements.

Mr. Henderson described in detail what is included in a SSMP Audit. 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 spills. Mr. Henderson continued that a checklist is used to conduct the audit. He stated that LWD had no sewer spills in FY22. Mr. Henderson concluded that the District's activities, programs, and efforts meet or exceed the requirements of our SSMP and that no changes to the SSMP are needed at this time.

Director Omsted thanked the EC for their work on reviewing this recommendation. Director Omsted asked if the State of California reviews the SSMP. Mr. Henderson answered that the State has the ability to since the SSMP has to be accessible to the public. GM Bushee noted that the SSMP is subject to audit but LWD is not required to submit anything to the State.

Upon a motion duly made by Director Omsted, seconded by Director Roesink, and unanimously carried, the Board of Directors received and filed the FY22 SSMP Audit by the following vote:

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

### **19. Calendar Year 2023 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.

EA Baity noted that staff has developed the proposed calendar year 2023 Board meeting schedule and coordinated the meetings with upcoming conferences in 2023. She also noted that staff suggests moving the August Board meeting to the third Wednesday of the month so it would not conflict with the CASA Annual Conference dates.

Following discussion, upon a motion duly made by Director Roesink, seconded by Vice President Sullivan, and unanimously carried, the Board of Directors approved the CY23 Board of Directors' meeting schedule by the following vote:

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

## INFORMATION ITEMS

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

#### A. Water Recycling Funding Grant Update.

GM Bushee provided an update on the Water Recycling Funding Grant. He reviewed the following topics:

- The allocation of unused funds back to the Coalition; and
- LWD's future participation in the Coalition

Following discussion, the Board of Directors agreed to releasing a portion of the unusable funds back to the Coalition members provided the lobbying fees are reconciled. GM Bushee agreed to develop a calculation amount to be released. The Board of Directors also opted to continue with full participation in the Coalition. GM Bushee agreed to these items and noted that he will bring this item back next year for discussion

#### B. 2022 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 2022 Board Election. She noted the candidate's names and that staff has no recommendation.

The Board of Directors reached unanimous consensus to vote for Chris Ross (Incumbent), Deb Mossa (Incumbent), Miles McLeod (Incumbent), and Barbara Campbell for the Batiquitos Lagoon Foundation Board.

#### C. CSDA Quarterly Dinner Meeting is scheduled for Thursday, November 17, 2022 at The Butcher Shop in San Diego, CA.

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

#### D. 2023 CASA Winter Conference is scheduled for January 25 - 27, 2023 at the Hilton Palm Springs in Palm Springs, CA.

EA Baity announced the date and location of the 2023 CASA Winter Conference.

### 21. Directors' Meetings and Conference Reports

None.

### 22. General Manager's Report

GM Bushee reported on the following:

- County Board of Supervisors will be voting on the appointment of Rolando Saldana to the LWD Board at its November 15<sup>th</sup> meeting;
- Acknowledgement of Director Matt Brown's service to the Board; and
- LWD leak in the secondary effluent pipeline

### 23. General Counsel's Report

GC Brechtel reported on the following:

- SB 1439 – Campaign Finance Bill

**24. Board of Directors' Comments**

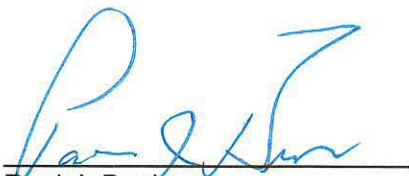
President Hanson wished everyone a Happy Thanksgiving.

Director Roesink thanked Director Brown for his service on the Board. He also thanked FSS Stecker for his service and he stated he is looking forward to FSS Stecker's retirement celebration.

Vice President Sullivan asked if there is a LWD holiday party this year. GM Bushee stated that due to increased prices this year for holiday functions, the holiday party will be combined with FSS Stecker's retirement celebration.

**25. Adjournment**

President Hanson adjourned the meeting at approximately 7:08 p.m.



Paul J. Bushee  
Secretary/General Manager  
(SEAL)



Judy Hanson, President