

LEUCADIA WASTEWATER DISTRICT
 Minutes of a Regular Board Meeting
 July 12, 2023

A regular meeting of the Board of Directors of the Leucadia Wastewater District was held Wednesday, July 12, 2023 at 5:00 p.m., at the District Administration Office at 1960 La Costa Avenue, Carlsbad, California.

1. Call to Order

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

2. Roll Call

DIRECTORS PRESENT: Sullivan, Roesink, Saldana, Omsted
 DIRECTORS ABSENT: Hanson
 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 Marvin Gonzalez, Executive Assistant Tianne Baity, District Engineer Dexter Wilson

3. Pledge of Allegiance

Vice President Roesink led the pledge of allegiance.

4. General Public Comment Period

None.

5. Approval of Agenda

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

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

6. Presentations and Awards

Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence Financial Reporting for Fiscal Year Ended June 30, 2022.

GM Bushee stated that LWD received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for Fiscal Year Ended June 30, 2022. GM Bushee acknowledged DFA Green for his work on the Annual Comprehensive Financial Report (ACFR).

CONSENT CALENDAR

7. Approval of Board and Committee Minutes

Minutes of the following meetings:

June 14, 2023 Regular Board Meeting

8. Approval of Demands for June/July 2023

Payroll Checks numbered 230614-1 – 230703-4; General Checking Checks numbered 24479-24564

9. Operations Report (A copy was included in the original July 12, 2023 Agenda)

10. Finance Report (A copy was included in the original July 12, 2023 Agenda)

11. Disclosure of Reimbursements

This report discloses travel expense reimbursements for the month of June 2023.

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

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

EWA and COMMITTEE REPORTS

12. Encina Wastewater Authority (EWA) Reports

A. EWA Board Report – Meeting held on June 28, 2023.

Vice President Roesink reported on EWA's June 28, 2023 Board meeting.

13. Committee Reports

None.

ACTION ITEMS

14. Receive and file the Fiscal Year 2023 (FY23) Tactics and Action Plan Report

GM Bushee presented the item stating that the District has accomplished 119 goals. He provided the highlights of the Plan, which included the following:

- Updated the Financial Plan and completed a Capacity Fee Study;
- Board Recruitment of Director Saldana;
- Compensation Study;
- Minor reorganization and the addition of a second Field Services Supervisor;
- Developed an in-house Commercial Driver Training Program;
- No sewer spills for 3.5 years;

- Bilingual Live Virtual Tour;
- 10 Year Recycled Water Agreement with Omni La Costa Resort;
- Updated the Asset Management Plan;
- VP7 Pump Station Project; and
- Emergency Repair of the B1 Force Main

Director Saldana asked for clarification on why some tactical goals are delayed or listed as in-progress. GM Bushee stated that there are various reasons noting that recently the Rancho Verde Pump Station Project was delayed because the District was waiting for approval from the HOA involved in the project and the FY 2023 Pipeline Rehabilitation was delayed because the District was waiting for traffic control permits from the City of Encinitas.

Following discussion, upon a motion duly made by Vice President Roesink, seconded by Director Saldana, and unanimously carried, the Board of Directors received and filed the FY23 Tactics and Action Plan by the following vote:

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

15. Adopt the Fiscal Year 2024 (FY24) Tactics and Action Plan

GM Bushee presented the item stating the Plan includes 105 tactical goals. He provided the highlights of the Plan, which included the following:

- Prop 218 Notice for a 3-Year Rate Increase;
- Financial Plan Tracking;
- Board Strategic Planning Workshop;
- Staff Team Building;
- Smoke/FOG Testing;
- Rancho Verde Pump Station Rehabilitation;
- Condition Assessment of L1 Force Main;
- FY 2023 Gravity Pipeline Rehabilitation; and
- FY 2024 Gravity Pipeline Rehabilitation (Manholes)

Director Saldana asked questions regarding the District finances and actual versus projected expenses. GM Bushee and DFA Green answered his questions. Director Saldana also noted that the vactor truck was recently working near his residence and the truck was clean and represented the District well. FSSup Gonzalez stated the Field Services team maintains and inspects the District vehicles on a weekly basis.

Following discussion, upon a motion duly made by Director Omsted, seconded by Director Saldana, and unanimously carried, the Board of Directors adopted the FY24 Tactics and Action Plan by the following vote:

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

16. Electricity Update

DFA Green noted that this item is a follow-up to Director Saldana's questions at the Board Budget Workshop this past May. DFA Green then presented an overview of the District's electrical rate analysis with an emphasis on the following:

- History of Energy Purchase vs. Delivery;
- Energy Purchase Options;
- Difference between the Community Choice Aggregations (CCA): SD Community Power and the Clean Energy Alliance;
- LWD Electricity Cost Growth;
- Cost Breakdown by Account (Batiquitos Pump Station, Leucadia Pump Station, and the Admin Building)

GM Bushee stated that there are lots of variables regarding electricity costs but Staff is recommending that the District switch back to the SDG&E plan, which provides 55% renewable energy. He noted that if implemented, this change would take about six months to complete.

Director Saldana thanked DFA Green and GM Bushee for their presentation and stated he supports moving back to SDG&E.

Director Omsted stated he would rather remain on the CCA plans of Green Impact / Power 100 Energy.

Following discussion, upon a motion duly made by Director Saldana, seconded by Vice President Roesink, and carried, the Board of Directors directed Staff to move off of the Green Impact / Power 100 Plan and back to the SDG&E 55% Renewable Energy Plan by the following vote:

Director	Vote
President Sullivan	Yes
Vice President Roesink	Yes
Director Saldana	Yes
Director Omsted	No
Director Hanson	Absent

17. CSDA Board of Directors 2023 Election – Seat C

EA Baity presented the item stating that CSDA is requesting its members to vote for a candidate for Seat C for the southern network region. The deadline for the receipt of ballots is July 14, 2023 and staff has no recommendation on this matter. EA Baity stated staff would cast the vote based on the Board's action.

Following discussion, the Board of Directors reached consensus to vote for Al Nederhood of the

INFORMATION ITEMS

18. Project Status Updates and Other Informational Reports

CASA Election of Officers Fiscal Year 2023/2024 and Approval of Dues Resolution for Calendar Year 2023.

EA Baity noted there are two business items that will be addressed during the CASA Annual Conference in August. She provided information on the CASA Election of Directors and the approval of the Dues Resolution. She noted that this year President Sullivan is the CASA voting member.

Following discussion, the Board of Directors reached consensus to approve the CASA Election of Officers for Fiscal Year 2023/2024 and Approval of Dues Resolution for Calendar Year 2024.

19. Directors' Meetings and Conference Reports

None.

20. General Manager's Report

GM Bushee reported on the following:

- Fraud Questionnaire from the Auditors for the Board;
- Thank you Letter from Ms. Abbie Deaton regarding the Lateral Reimbursement Program and PC Ian Riffel;
- The Annual Employee Luncheon is tomorrow at 12noon;
- The August Board Meeting is on August 16, 2023 due to the CASA Annual Conference; and
- He will be on vacation from July 14th – 28th and DFA Green and DTS Morishita will alternate as acting GM.

21. General Counsel's Report

GC Brechtel reported on the following:

- He will attend the CASA Attorney Meeting at the CASA Annual Conference.

22. Board of Directors' Comments

Director Omsted stated that there is an article in the CWEA Magazine on FSSup Gonzalez and the SWRCB had a media release today stating they had finalized the direct potable water regulations and it should be voted on at the end of the year.

Director Saldana stated that today is the 3rd anniversary of the passing of former Director David Kulchin. He stated that Director Kulchin inspired him join the LWD Board.

23. Closed Session

Personnel matters as authorized by Government Code §54957 to review General Manager Performance.

The Board of Directors met in Closed Session. General Counsel Brechtel reported that the Board of Directors reviewed GM Bushee's performance. He stated that the Board agreed that the General Manager's performance was overall excellent.

The Board then reviewed the General Manager's compensation in open session.

Upon a motion duly made by President Sullivan, seconded by Director Saldana, and carried, the Board of Directors approved a 7% salary increase from \$263,026.11 to \$281,437.94 by the following vote:

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

Upon a motion duly made by President Sullivan, seconded by Director Saldana, and carried, the Board of Directors approved a one time bonus of \$7,000 by the following vote:

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

24. Adjournment

President Sullivan adjourned the meeting at approximately 6:55 p.m.



Paul J. Bushee
Secretary/General Manager
(SEAL)


Elaine Sullivan, President