

LEUCADIA WASTEWATER DISTRICT
 Minutes of a Regular Board Meeting
 August 16, 2023

A regular meeting of the Board of Directors of the Leucadia Wastewater District was held Wednesday, August 16, 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 5:03 p.m.

2. Roll Call

DIRECTORS PRESENT: Sullivan, Roesink, Omsted
 DIRECTORS ABSENT: Saldana, 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, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, Field Services Supervisor Gabe Mendez, Field Services Supervisor Mauricio Avalos, 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

GC Brechtel stated that after the August agenda was finalized, LWD received a letter from Fallbrook Public Utility District and Rainbow Municipal Water District asking the District to support opposition to Assembly Bill 399 (AB 399). GC Brechtel stated that due to the time sensitive nature of this item that it should be added to the agenda. He noted that under the Brown Act the Board can make a motion to add this item to the agenda.

Upon a motion duly made by Director Omsted, seconded by Vice President Roesink, and unanimously carried, the Board of Directors added an action item regarding AB 399 to the agenda and approved the agenda by the following vote:

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

6. Presentations and Awards

CASA Award of Excellence Public Outreach/Education.

GM Bushee stated LWD received the CASA Award of Excellence in Public Outreach/Education. He noted that with the help of Rising Tide Partners (RTP), LWD created an emergency training drill video highlighting the collaborative efforts between LWD Field Services Technicians (FSTs) and their counterparts at the City of Encinitas. The video shows both agencies training together on how to connect a bypass pump to the sewer main with the goal of diverting sewage during a power outage. GM Bushee noted staff is eligible for a \$300 incentive award under the District's incentive program.

Staff and the Board then viewed a short award acceptance video which was created for the CASA Conference Awards Lunch by RTP. The Board congratulated staff and RTP for their efforts.

CONSENT CALENDAR

7. Approval of Board and Committee Minutes

Minutes of the following meetings:

- July 12, 2023 Regular Board Meeting
- August 1, 2023 Engineering Committee Meeting
- August 2, 2023 Community Affairs Committee Meeting
- August 8, 2023 Investment and Finance Committee Meeting

8. Approval of Demands for July/August 2023

Payroll Checks numbered 230712-1 – 230809-19; General Checking Checks numbered 24565-24701

9. Operations Report (A copy was included in the original August 16, 2023 Agenda)

10. Finance Report (A copy was included in the original August 16, 2023 Agenda)

11. Quarterly Treasurer's Investment Report

This report discloses investments for the quarter ending June 30, 2023.

12. Disclosure of Reimbursements

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

13. Fiscal Year 2024 (FY24) Pay Schedules

Adopt Resolution No. 2406 - Approving the FY24 pay schedules.

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

EWA and COMMITTEE REPORTS

14. Encina Wastewater Authority (EWA) Reports

A. EWA Board Report – Meeting held on July 26, 2023.

Vice President Roesink reported on EWA's July 26, 2023 Board meeting.

B. An Encina Member Agencies Manager's (MAM) Meeting was held on August 1, 2023.

GM Bushee reported on EWA's August 1, 2023 MAM meeting.

15. Committee Reports

A. An Engineering Committee meeting was held on August 1, 2023.

Director Omsted reported that the Engineering Committee (EC) reviewed the following recommendations:

- Authorize the General Manager to execute a sole source purchase Agreement with Haaker Equipment Company for the purchase of a new Vactor 2110 Combination Truck in an amount not to exceed \$697,988.33; and
- Authorize the General Manager to execute a sole source Agreement for professional services with Base 9 Consulting, Incorporated to upgrade the Programmable Logic Control at the Encina Effluent Pump Station in an amount not to exceed \$45,000.

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

The EC also received an update on the Village Park No. 7 Pump Station Replacement Project. This item was for information purposes and there was no action taken.

B. A Community Affairs Committee meeting was held on August 2, 2023.

GM Bushee reported that the Community Affairs Committee (CAC) reviewed the Fall 2023 Newsletter Proposed Article Topics and Production Schedule. Following discussion, the CAC then directed staff to move forward with the newsletter and the proposed production schedule.

The CAC also reviewed a video created by RTP and staff on maintaining easements and received an update on RTP and staff's visit to two Encinitas senior living centers regarding "No Wipes Down the Pipes".

C. An Investment & Finance Committee Meeting was held on August 8, 2023.

Director Omsted reported that the Investment and Finance Committee (IFC) participated in the Financial Audit Entrance meeting with Rogers, Anderson, Malody & Scott, LLP. There was no action taken.

Director Omsted also reported that the IFC reviewed the following recommendations:

- Annual review of the Procurement Policy; and

- Re-delegate authority to manage LWD's investment program to the General Manager effective September 1, 2023 through August 31, 2024 and to adopt Resolution No. 2401 amending the LWD Investment Policy.

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

ACTION ITEMS

16. New Vactor Purchase

Authorize the General Manager to execute a sole source purchase Agreement with Haaker Equipment Company for the purchase of a new Vactor 2110 Combination Truck in an amount not to exceed \$697,988.33.

FSS Gonzalez presented this item and provided background information on the District's use of the Vactor Combination Truck (Vactor). He said that the Field Services staff is trained to operate and maintain Vactor equipment. FSS Gonzalez said that Vactor 159 has 5,254 engine hours, which meets the Vehicle Replacement Policy threshold. He also noted that Vactor 159 has failed multiple Basic Inspection Terminal tests and has incurred a total of \$31,794 in repairs over the last two years. He stated that Haaker Equipment Company is the only authorized dealer of Vactor trucks in southern California. FSS Gonzalez stated that the Vactor purchase meets the criteria for sole source procurement under Section 11.1, Sole Source Procurement, in the Purchasing Policy.

Following discussion, upon a motion duly made by Director Omsted, seconded by Vice President Roesink, and unanimously carried, the Board of Directors authorized the General Manager to execute a sole source purchase Agreement with Haaker Equipment Company for the purchase of a new Vactor 2110 Combination Truck in an amount not to exceed \$697,988.33 by the following vote:

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

17. Award of Professional Services Agreement to Upgrade the Programmable Logic Control at the Encina Effluent Pump Station

Authorize the General Manager to execute a sole source Agreement for professional services with Base 9 Consulting, Incorporated to upgrade the Programmable Logic Control at the Encina Effluent Pump Station in an amount not to exceed \$45,000.

FSSup Mendez presented this item and provided background information on the function of the Programmable Logic Control (PLC). FSSup Mendez said that the EEPS PLC was installed in May 2000. He continued that, as a result, the components are obsolete making technical support difficult. He stated that the upgrade will standardize the PLC with the other District pump stations, resulting in improved reliability and efficiency.

FSSup Mendez explained that Base Nine Consulting, Inc. (BNCI) has successfully completed recent PLC upgrades of many of the District's pump stations and that BNCI evaluated the EEPS PLC and submitted a proposal to complete the upgrade. He said that after evaluating the

proposal, staff determined it to be fair and reasonable. FSSup stated that this procurement of services meets the sole source procurement criteria under Section 11.1 of the Procurement Policy because BCNI possesses unique knowledge of the system and this service is a continuation of services of system PLC upgrades.

Vice President Roesink asked how many PLCs does the District have. FSSup Mendez answered ten, one at each pump station. Vice President Roesink asked about the condition of the other PLCs. FSSup Mendez answered that the other ones have been upgraded throughout the years. DTS Morishita added that new PLCs are installed every time a pump station is rehabbed.

Following discussion, upon a motion duly made by Vice President Roesink, seconded by Director Omsted, and unanimously carried, the Board of Directors authorized the General Manager to execute a sole source Agreement for professional services with Base 9 Consulting, Incorporated to upgrade the Programmable Logic Control at the Encina Effluent Pump Station in an amount not to exceed \$45,000 by the following vote:

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

18. Annual Review of LWD’s Procurement Policy

Receive and File LWD’s Procurement Policy.

DFA Green presented the item and provided background information on the Procurement Policy noting it was most recently updated in 2022. He stated that staff has reviewed the policy and is not recommending any changes:

Following discussion, upon a motion duly made by Director Omsted, seconded by Vice President Roesink, and unanimously carried, the Board of Directors received and filed LWD’s Procurement Policy by the following vote:

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

19. Adopt LWD’s Amended Investment Policy

Redelegate authority to manage LWD’s investment program to the General Manager effective September 1, 2023 through August 31, 2024 and adopt Resolution No. 2401 amending LWD’s Investment Policy.

DFA Green presented the item and provided background information on the Investment Policy noting it was most recently updated in 2022. He noted that staff recently reviewed the Policy to determine if any amendments are warranted. DFA Green then reviewed the recommended changes to the Investment Policy:

- Include California Cooperative Liquid Assets Securities System (CLASS) as an authorized financial institution (Section 7.0), as an authorized and suitable investment (Section 8.2), and as an investment pool (Section 9.0); and
- Minor administrative changes such as formatting and grammar.

Vice President Roesink asked various questions regarding the investments and the rates of return. DFA Green answered his questions.

Following discussion, upon a motion duly made by Vice President Roesink, seconded by Director Omsted, and unanimously carried, the Board of Directors redelegated authority to manage LWD's investment program to the General Manager effective September 1, 2023 through August 31, 2024 and adopted Resolution No. 2401 amending LWD's Investment Policy by the following vote:

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

20. Opposition Letter for AB 399 from Fallbrook Public Utility District and Rainbow Municipal Water District

GM Bushee presented the item and provided information regarding AB 399. He also provided background information on Fallbrook Public Utility District and Rainbow Municipal Water District and their desire to switch wholesale water providers from the San Diego County Water Authority to Eastern Municipal Water District. GM Bushee also discussed the precedent which could be set should AB 399 pass and the implications for all Special Districts.

The Board asked various questions regarding AB 399. GM Bushee answered their questions.

Following a lengthy discussion, the Board reached consensus to oppose AB 399 by the following vote:

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

GM Bushee stated that he would draft an opposition letter for AB 399 and send it to Assembly Member Boerner. Director Omsted suggested that President Sullivan should sign the letter. GM Bushee stated that he would have President Sullivan sign the letter.

INFORMATION ITEMS

21. Project Status Updates and Other Informational Reports

- A. LAFCO Municipal Service Review (MSR) of the Leucadia Wastewater District.

GM Bushee announced that LAFCO will be starting the MSR process for the District. He stated that he will keep the Board updated.

B. Flu Shot Clinic is scheduled for Thursday, September 14, 2023.

EA Baity announced the date and time of the flu shot clinic.

22. Directors' Meetings and Conference Reports

20232 CASA Annual Conference was held August 9 – 11, 2023 in San Diego, CA.

Director Omsted stated it was one of the better CASA conferences. He stated the CSRMA portion and the Pure Water portion were really interesting.

President Sullivan stated the PFAS discussion was great.

23. General Manager's Report

GM Bushee reported on the following:

- Update on the City of Encinitas purchase of the Vulcan parcel

24. General Counsel's Report

GC Brechtel reported on the following:

- Assembly Bill 1033 (ADU, local ordinances, separate sale or conveyance); and
- Government Transparency Act

25. Board of Directors' Comments

Vice President Roesink stated he had a tour of Encina Wastewater Authority today.

26. Adjournment

President Sullivan adjourned the meeting at approximately 6:24 p.m.



Paul J. Bushee
Secretary/General Manager
(SEAL)



Elaine Sullivan, President