

LEUCADIA WASTEWATER DISTRICT

Minutes of a Regular Board Meeting

October 11, 2023

A regular meeting of the Board of Directors of the Leucadia Wastewater District was held Wednesday, October 11, 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 5:02 p.m.

2. Roll Call

DIRECTORS PRESENT: Sullivan, Roesink, Saldana, Omsted (via teleconference)

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 Marvin Gonzalez, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, Project Coordinator Ian Riffel, Accounting Technician Kelly Gil, Field Services Technician Rick Easton, Field Services Technician Hugo Gonzalez, Field Services Technician Johnny Montoya, Natalie Frascetti of Dexter Wilson Engineering, and Nicholas Hunter and Robert Pacilio (members of the public)

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 Vice President Roesink, seconded by Director Saldana, 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

6. Director Vacancy Interviews

Interview and consider candidates for the Board of Director's vacant position:

The Board of Directors interviewed the following candidates for the vacant position:

- 1.) Robert Pacilio
- 2.) Nicholas Hunter

The Board discussed the candidates at length and agreed that both candidates were well qualified for the Board vacancy. Each Board member then chose and deliberated their top candidate.

Following discussion, the Board reached consensus to have a Special Board Meeting later in the month to select a candidate for the appointment.

7. Presentations and Awards

A. Bachelor of Arts in Business Administration – Kelly Gil

GM Bushee introduced Accounting Technician Kelly Gil, stating that she recently received her Bachelor of Arts degree in Business Administration from California State University, Fullerton. He noted that under LWD’s incentive program that Kelly is eligible for a \$1,000 incentive award.

The Board of Directors congratulated Kelly for her efforts.

B. 10 Year Service Award – Hugo Gonzalez

GM Bushee introduced FST III Hugo Gonzalez, stating that he recently passed his 10th year anniversary at the District. He provided background information about Hugo and noted that under LWD’s incentive program that Hugo is eligible for a \$200 incentive award.

The Board of Directors congratulated Hugo for his efforts.

C. 10 Year Service Award – Rick Easton

GM Bushee introduced FST III Rick Easton, stating that he recently passed his 10th year anniversary at the District. He provided background information about Rick and noted that under LWD’s incentive program that Rick is eligible for a \$200 incentive award.

The Board of Directors congratulated Rick for his efforts.

D. Adopt Resolution No. 2408 In Appreciation of Judy K. Hanson for Her Outstanding Service and Commitment to the District.

GM Bushee noted Judy’s accomplishments during her time with the District. The Board and staff acknowledged Judy for her hard work and contributions to the District.

Upon a motion duly made by Vice President Roesink, seconded by Director Saldana, and unanimously carried, the Board of Directors adopted Resolution No. 2408 – In Appreciation of Judy K. Hanson For Her Outstanding Service and Commitment to the Leucadia Wastewater District by the following vote:

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

CONSENT CALENDAR

8. Approval of Board and Committee Minutes

Minutes of the following meetings:

September 12, 2023 Community Affairs Committee Meeting
September 13, 2023 Regular Board Meeting
October 3, 2023 Engineering Committee Meeting

9. Approval of Demands for September/October 2023

Payroll Checks numbered 230920-1 – 231004-18; General Checking Checks numbered 24782-24887

10. Operations Report (A copy was included in the original October 11, 2023 Agenda)

11. Finance Report (A copy was included in the original October 11, 2023 Agenda)

12. Disclosure of Reimbursements

This report discloses travel expense reimbursements for the month of August/September 2023.

13. Status Update on the Fiscal Year 2024 (FY24) LWD Tactics and Action Plan

Upon a motion duly made by Director Omsted, seconded by Director Saldana, 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

EWA and COMMITTEE REPORTS

14. Encina Wastewater Authority (EWA) Reports

EWA Board Report – Meeting held on September 27, 2023.

Vice President Roesink reported on EWA's September 27, 2023 Board meeting.

15. Committee Reports

An Engineering Committee meeting was held on October 3, 2023.

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

- Authorize the General Manager to execute an Agreement for professional services with DXP Enterprises, Inc. for the rebuild of the Batiquitos Pump Station Pump Number One at a cost not to exceed \$44,980;
- Adopt Ordinance 147 – Extending the term of the Reimbursement Agreement for construction of public sewer between the Leucadia Wastewater District and Marquee Enterprises, LLC.; and

- Authorize the General Manager to execute a sole source Agreement with Ayala Engineering Inc. for construction services to complete the Fiscal Year 2024 Manhole Rehabilitation Project in an amount not to exceed \$396,200.

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 Diana Pump Station Generator and Upgrade Project. This item was for information purposes only and no action was taken.

PUBLIC HEARING

16. Public Hearing to Consider the Following:

Proposal to Consider the Adoption of an Ordinance Extending the term of the Reimbursement Agreement for construction of public sewer between the Leucadia Wastewater District and Marquee Enterprises, LLC.

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

ACTION ITEMS

17. Reimbursement Agreement for Marquee Enterprises, LLC

Adopt Ordinance 147 – Extending the term of the Reimbursement Agreement for construction of public sewer between the Leucadia Wastewater District and Marquee Enterprises, LLC.

PC Riffel presented the item and provided background information on Ordinance No. 147. He stated that Ordinance 147 extends the term of an existing Reimbursement Agreement (Agreement) between the District and Marquee Enterprises, LLC (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.

PC Riffel stated that during the initial 10-year term of the Agreement, one property connected to the public sewer extension in June 2020 and, therefore, was required to pay the Developer a Reimbursement Connection Fee.

PC Riffel noted that the original Agreement, Ordinance No. 127, expired on February 13, 2023. He said the Developer requested a 10-year extension. If approved, the extension would be effective as of February 14, 2023 and automatically terminate on February 14, 2033. The Developer would not be eligible for any additional extensions.

Following discussion, upon a motion duly made by President Sullivan, seconded by Vice President Roesink, and unanimously carried, the Board of Directors adopted Ordinance 147 – Extending the term of the Reimbursement Agreement for construction of public sewer between the Leucadia Wastewater District and Marquee Enterprises, LLC by the following vote:

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

18. Batiquitos Pump Station Number One Pump Repair

Authorize the General Manager to execute an Agreement for professional services with DXP Enterprises, Inc. for the rebuild of the Batiquitos Pump Station Pump Number One at a cost not to exceed \$44,980.

FST III Easton presented the item and provided background information on the Batiquitos Pump Station (BPS). He stated that during routine pump maintenance, staff determined that the Number 1 pump and motor at BPS had fallen below acceptable performance levels. He said that the pump has accrued 20,372 run hours since it was last rebuilt in March 2013. He continued that mechanical wear of the pump has reduced its maximum pumping capacity and overall efficiency and that the pump and motor need to be rebuilt to restore the pump's capacity and efficiency.

FST III Easton stated that quotes were solicited from three repair shops and quotes were received from DXP Enterprise, Inc. (DXP), Sloan Electric, and Brax Company. He said DXP submitted the low quote at \$44,980.00. FST III Easton said that in May 2023, DXP completed the rebuild for the Batiquitos Pump Station Pump Number Two in a professional, competent, and responsive manner.

Following discussion, upon a motion duly made by Director Saldana, seconded by Director Omsted, and unanimously carried, the Board of Directors authorized the General Manager to execute an Agreement for professional services with DXP Enterprises, Inc. for the rebuild of the Batiquitos Pump Station Pump Number One at a cost not to exceed \$44,980 by the following vote:

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

19. Fiscal Year 2024 Manhole Rehabilitation Project

Authorize the General Manager to execute a sole source Agreement with Ayala Engineering Inc. for construction services to complete the Fiscal Year 2024 Manhole Rehabilitation Project in an amount not to exceed \$396,200.

PC Riffel presented the item and provided background information on the project. He stated that the goal of the Fiscal Year 2024 Manhole Rehabilitation Project is to repair sewer manholes that require an epoxy liner. He also stated that this is the first capital project focused specifically on manhole rehabilitation.

PC Riffel described the specific work to be completed during the project, including the epoxy lining of 59 sewer manholes, 16 frame and cover replacements, and the required traffic control plans. He added that 27 manholes are located in easement areas which are more difficult to access and the frame and cover replacements are located in high traffic areas.

PC Riffel explained that manhole rehabilitation is a specialty service and only a few contractors perform this work. He said that staff has worked with two contractors in the past 10-15 years and has continually had a positive experience with one of those contractors, Ayala Engineering Inc. (Ayala). He stated that Ayala has been the primary subcontractor on multiple District capital projects and, additionally, Ayala has completed around 80 manhole rehabilitations for the District from as needed work. He stated that Ayala has performed excellent work and, as a result, the District believes it is in the best interest to sole source the FY24 Manhole Rehabilitation Project to Ayala.

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 Agreement with Ayala Engineering Inc. for construction services to complete the Fiscal Year 2024 Manhole Rehabilitation Project in an amount not to exceed \$396,200 by the following vote:

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

INFORMATION ITEMS

20. Project Status Updates and Other Informational Reports

None.

21. Directors' Meetings and Conference Reports

None.

22. General Manager's Report

GM Bushee reported on the following:

- Judy Hanson's retirement breakfast is scheduled for October 26, 2023 at 9:00 a.m at the District Office.; and
- Steve Krason's retirement / Holiday luncheon is scheduled for December 14, 2023 at 12noon at the Green Dragon Tavern in Carlsbad

23. General Counsel's Report

None.

24. Board of Directors' Comments

Directors Saldana and Roesink stated they would like to vote for the appointment of a new Director based on the interviews that were conducted earlier in the agenda. Vice President Roesink made a motion to re-open Board Agenda Item 6, Director Vacancy Interviews. Director Saldana seconded the motion. The Board re-opened Agenda Item No. 6 by the following vote:

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

Upon a motion duly made by Vice President Roesink, seconded by Director Saldana and carried, the Board of Directors appointed Mr. Robert Pacilio to fulfill the remaining term of the vacant Director position by the following vote:

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

GM Bushee stated he would follow up with both candidates.

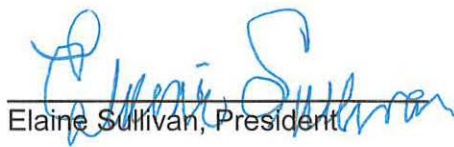
Vice President Roesink acknowledged and thanked Judy Hanson for many years of service to the District and noted that he would be traveling and miss her retirement breakfast.

25. Adjournment

President Sullivan adjourned the meeting at approximately 6:48 p.m.



Paul J. Bushee
Secretary/General Manager
(SEAL)


Elaine Sullivan, President