

LEUCADIA WASTEWATER DISTRICT

Minutes of a Regular Board Meeting
November 8, 2023

A regular meeting of the Board of Directors of the Leucadia Wastewater District was held Wednesday, November 8, 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, Pacilio

DIRECTORS ABSENT:

OTHERS PRESENT: General Manager Paul Bushee, General Counsel Wayne Brechtel, Director of Finance and Administration Ryan Green, Field Services Superintendent Marvin Gonzalez, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, Field Services Supervisor Gabe Mendez, Field Services Technician Johnny Montoya, Mr. Scott Manno of Rogers, Anderson, Malody & Scott, LLP, and District resident Dawn Kubik

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 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
Director Pacilio	Yes

6. Presentations and Awards

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

GM Bushee reported that on October 15, 2023 staff completed four 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

7. Approval of Board and Committee Minutes

Minutes of the following meetings:

- October 11, 2023 Special Board Meeting
- October 11, 2023 Regular Board Meeting
- October 18, 2023 Community Affairs Committee Meeting
- November 1, 2023 Engineering Committee Meeting
- November 1, 2023 Investment & Finance Committee Meeting

8. Approval of Demands for September/October 2023

Payroll Checks numbered 231012-1 – 231101-18; General Checking Checks numbered 24888-24995

9. Operations Report (A copy was included in the original November 8, 2023 Agenda)

10. Finance Report (A copy was included in the original November 8, 2023 Agenda)

11. Quarterly Treasurer's Investment Report

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

12. Disclosure of Reimbursements

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

Upon a motion duly made by Vice President Roesink, seconded by Director Pacilio, 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 Pacilio	Yes

EWA and COMMITTEE REPORTS

13. Encina Wastewater Authority (EWA) Reports

A. EWA Strategic Plan Report – Meeting held on October 19, 2023.

GM Bushee reported on EWA's October 19, 2023 Strategic Plan meeting.

B. EWA Board Report – Meeting held on October 25, 2023.

GM Bushee reported on EWA's October 25, 2023 Board meeting.

C. Encina Member Agency Manager's (MAM) - Meeting held on November 8, 2023.

GM Bushee reported on EWA's MAM November 8, 2023 meeting.

14. Committee Reports

A. A Community Affairs Committee meeting was held on October 18, 2023.

Director Saldana reported that the Community Affairs Committee (CAC) reviewed and commented on the final draft layout of the fall 2023 newsletter. The CAC suggested some minor edits and staff and Rising Tide Partners stated they would make the changes.

The CAC then directed staff to move forward with the production of the newsletter and forward the final draft to the Board for their review prior to printing.

B. An Engineering Committee meeting was held on November 1, 2023.

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

- Authorize the General Manager to execute a sole source agreement with Rockwell Solutions for the purchase of a Vaughan Submersible Chopper Pump as a spare conditioning pump for the Leucadia Pump Station in an amount not to exceed \$36,880.
- The EC also received an update on the San Marcos Creek Pipeline issue. This item was for informational purposes and no action was taken.

Both of these items will be discussed later in the agenda.

C. An Investment and Finance Committee meeting was held on November 1, 2023.

Director Omsted reported that the IFC reviewed a recommendation to receive and file the Fiscal Year 2023 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

15. Receive and file the Fiscal Year 2023 (FY23) Annual Comprehensive Financial Report conducted by Rogers, Anderson, Malody & Scott, LLP

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

Mr. Manno reviewed the responsibilities of the auditor and the audit process. He stated that the auditor's internal report indicated that the audit was a clean, unmodified opinion for the year ending FY23. He stated 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.

In conclusion, Mr. Manno 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.

Director Saldana asked Mr. Manno if there were any areas for improvement. Mr. Manno stated there were no major areas for improvement.

DFA Green then presented background information on the Annual Comprehensive Financial Report (ACFR). He provided a summary of the ACFR, highlighting the District's FY23 Revenues and Expenses, Unrestricted Reserve Balances, and FY23 Budget to Actual Expenses.

Director Saldana asked various questions regarding the ACFR. DFA Green answered his questions.

Director Pacilio asked if the District ever foresees a decrease in sewer fees. DFA Green explained how the Financial Plan and Asset Management Plan are used to forecast what the rates would need to be in order to fund future District expenses. GM Bushee added that he does not see sewer rates decreasing.

The Board thanked DFA Green, Mr. Manno, and staff for their work on the ACFR.

President Sullivan asked if the District still has the lowest sewer rates in the County. GM Bushee answered he believes so.

Upon a motion duly made by Vice President Roesink, seconded by Director Pacilio, and unanimously carried, the Board of Directors received and filed the FY23 Annual Comprehensive Financial Report by the following vote:

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

16. Pump Purchase for the Leucadia Pump Station

Authorize the General Manager to execute a sole source agreement with Rockwell Solutions for the purchase of a Vaughan Submersible Chopper Pump for the Leucadia Pump Station (LPS) in an amount not to exceed \$36,880.

FST II Montoya presented the item and provided background information on how a chopper pump operates. He stated that in the past, the LPS has experienced challenges with large grease mats that develop and disrupt operations.

FST II Montoya stated that as part of the LPS Rehabilitation Project in 2021, a chopper pump was installed to combat the grease mat. He mentioned that as a result of the chopper pump install, the grease mat was eliminated.

FST II Montoya stated that Rockwell Solutions is the only authorized dealer of Vaughan Pumps in Southern California. He said staff contacted Rockwell Solutions and they submitted an estimate of \$36,880.

Vice President Roesink asked if LPS is the only pump station using this specific pump. FST II Montoya stated that Batiquitos Pump Station uses two of this same type of pump.

Following discussion, upon a motion duly made by Vice President Roesink, seconded by Director Pacilio, and unanimously carried, the Board of Directors authorized the General Manager to execute a sole source agreement with Rockwell Solutions for the purchase of a Vaughan Submersible Chopper Pump for the Leucadia Pump Station in an amount not to exceed \$36,880 by the following vote:

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

17. Calendar Year 2024 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 2024 Board meeting schedule and coordinated the meetings with upcoming conferences in 2024. She also noted that staff suggests moving the April and September Board meetings to the third Wednesday of the month so they would not conflict with the CWEA Annual Conference and the CSDA Annual Conference dates.

Following discussion, upon a motion duly made by Director Omsted, seconded by Director Pacilio, and unanimously carried, the Board of Directors approved the CY24 Board of Directors' meeting schedule by the following vote:

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

INFORMATION ITEMS

18. Project Status Updates and Other Informational Reports

A. San Marco Creek Pipeline Issue.

DE Wilson provided an update on the San Marcos Creek Pipeline issue explaining the emergency temporary fix for the upcoming winter and the permanent fix which will occur in the summer of 2024.

Vice President Roesink asked what is the process to get an easement for this project. GC Brechtel explained that it would normally be negotiated with the District, the HOA, and the City of Carlsbad. However, the easement could be obtained through eminent domain due to time constraints.

B. 2024 CASA Winter Conference is scheduled for January 24 - 26, 2024 at the Hilton Palm Springs in Palm Springs, CA.

EA Baity announced the date and location of the 2024 CASA Winter Conference.

19. Directors' Meetings and Conference Reports

A. The Special District Leadership Academy was held October 22-25, 2023 at the Hyatt Regency Sonoma Wine Country in Santa Rosa, CA.

Vice President Roesink stated there was a lot of great information at the conference and it was a rewarding experience.

B. The Wateruse CA Annual Conference was held November 5-7, 2023 at the Hyatt Regency in Indian Wells, CA.

Director Omsted stated he enjoyed the conference and he liked the sessions about direct potable water and PFAS.

President Sullivan stated it was a big conference and she was exposed to a lot of new things.

20. General Manager's Report

GM Bushee reported on the following:

- Sale of the Vulcan parcel noting that the City of Encinitas has accepted the terms of the sale;
- Staff participated in a team building event on October 31, 2023; and
- There will be a Board Strategic Planning workshop in February or March of 2024.

21. General Counsel's Report

GC Brechtel reported on the following:

- He recently attended the CASA Attorney's meeting;
- Governor Newsom vetoing the most recent PFAS bills;
- Assembly Bill 1033; and
- The Taxpayer Protection and Accountability Act.

22. Board of Directors' Comments

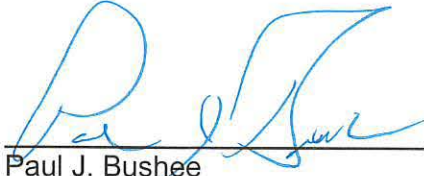
Director Omsted stated he would like to see some changes in how the LWD committee selections are made. GM Bushee stated he would bring that item to the Board at the December Board meeting.

Director Pacilio asked if the Tax Payer Protection and Accountability Act is a Proposition 13 type initiative. GC Brechtel answered affirmatively.

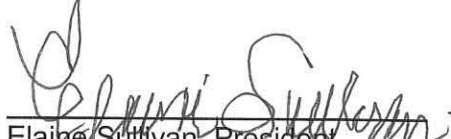
President Sullivan stated she is happy and honored to have Director Pacilio as a new Board member.

23. Adjournment

President Sullivan adjourned the meeting at approximately 6:20 p.m.



Paul J. Bushee
Secretary/General Manager
(SEAL)


Elaine Sullivan, President