Ref: 27-9623

LEUCADIA WASTEWATER DISTRICT

Minutes of a Regular Board Meeting
July 8, 2026

A regular meeting of the Board of Directors of the Leucadia Wastewater District was held Wednesday, July 8, 2026 at 5:00 p.m., at the District Administration Office at 1960 La Costa Avenue, Carlsbad, California.

1. **Call to Order**
   President Brown called the meeting to order at 5:02 p.m.

2. **Roll Call**

DIRECTORS PRESENT:	Brown, Pacilio, Sullivan, Roesink, Saldana
DIRECTORS ABSENT:	
OTHERS PRESENT:	General Manager Paul Bushee, General Counsel Wayne Brechtel, Director of Finance and Administration Ryan Green, Capital Project Manager Ian Riffel, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, Field Services Superintendent Marvin Gonzalez, Field Services Supervisor Mauricio Avalos, Field Services Technician III Ryan Rodriguez, District Engineer Dexter Wilson

3. **Pledge of Allegiance**
   FST III Rodriguez led the pledge of allegiance.

4. **General Public Comment Period**
   None.

5. **Approval of Agenda**
   Upon a motion duly made by Director Sullivan, seconded by Director Saldana, and unanimously carried, the Board of Directors approved the agenda by the following vote:

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

6. **Presentations and Awards**
   None.

CONSENT CALENDAR

7. **Approval of Board and Committee Minutes**
   Minutes of the following meetings:

   June 10, 2026 Regular Board Meeting
   June 30, 2026 Engineering Committee Meeting

8. **Approval of Demands June/July 2026**
Payroll Checks numbered 260610-1 – 260630-5; General Checking Checks numbered 28388-28507

9. **Operations Report** (A copy was included in the original July 8, 2026 Agenda)

10. **Finance Report** (A copy was included in the original July 8, 2026 Agenda)

11. **Disclosure of Reimbursements**
This report discloses travel expense reimbursements for the month of June 2026.

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

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

EWA and COMMITTEE REPORTS

12. **Encina Wastewater Authority (EWA) Reports**
A regular EWA Board Meeting was held on June 24, 2026.

Director Saldana reported on EWA's Board Meeting.

Directors Roesink and Brown asked various questions regarding the Odor and Corrosion Improvements Project. Director Saldana and GM Bushee answered their questions.

13. **Committee Reports**
An Engineering Committee (EC) Meeting was held June 30, 2026.

President Brown reported that the EC reviewed the following recommendations:

- Adopt Resolution No. 2444, Honda Annexation;
- Authorize the General Manager to execute a sole source agreement with Haaker Equipment Company for the purchase of a new Vactor 2110 Combination Truck in an amount not to exceed $724,314.90; and
- Authorize the General Manager to execute a sole source agreement with Haaker Equipment Company for the purchase of a new 2027 Ford E-Transit van chassis and transfer of the existing Envirosight equipment in an amount not to exceed $146,047.58.

The EC concurred with staff to present these items 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 Upgrade Project. This item was for informational purposes only and no action was taken.

ACTION ITEMS

President Brown stated that he would like to move Action Items number 17 and 18 to the front of the agenda. The Board agreed to do so.

17. Award of Sole Source Purchase Agreement to Haaker Equipment Company for a New Vactor Combination Truck

Authorize the General Manager to execute a sole source agreement with Haaker Equipment Company for the purchase of a new Vactor 2110 Combination Truck in an amount not to exceed $724,314.90.

FST III Rodriguez presented the item and provided background on the District's use and importance of the Vactor Combination Trucks (Vactor). FST III Rodriguez stated that Vactor 170 has about 4,900 engine hours and it meets the Vehicle Replacement Policy which states a heavy duty vehicle must have 8 years in service or 4,000 engine hours. He noted that lately Vactor 170 has experienced increased maintenance costs and reduced liability.

FST III Rodriguez stated that the Vactor purchase complies with the Sole Source Procurement Policy because Haaker is the only authorized Vactor Truck dealer in Southern California and Vactor matches the make of the fleet's current combination trucks and qualifies as a complex, unique item. He also said that once the new Vactor is received, Vactor 170 will either be solicited for offers or sold an auction.

Directors Saldana and Sullivan asked various questions regarding salvageable items and parts from Vactor 170. FST III Rodriguez and FSS Gonzalez answered their questions.

Director Saldana asked what is the potential value of Vactor 170. FSS Gonzalez answered possibly $50K or more but it depends on what offers are received. FSS Gonzalez noted that if Vactor 170 goes to auction the auction house receives 15% of the sale price.

Following discussion, upon a motion duly made by Director Saldana, seconded by Director Sullivan, and unanimously carried, the Board of Directors authorized the General Manager to execute a sole source agreement with Haaker Equipment Company for the purchase of a new Vactor 2110 Combination Truck in an amount not to exceed $724,314.90 by the following vote:

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

18. Award of Sole Source Purchase Agreement to Haaker Equipment Company for a CCTV Chassis

Authorize the General Manager to execute a sole source agreement with Haaker Equipment Company for the purchase of a new 2027 Ford E-Transit van chassis and transfer of the existing Envirosight equipment in an amount not to exceed $146,047.58.

FSSup Avalos presented the item and provided background information noting that this item is a Tactical Goal. He then reviewed the District's use of the Closed Circuit Television (CCTV) vehicles. He explained that the CCTV van consists of two primary components; the chassis and the CCTV inspection equipment. FSSup Avalos stated that since the van chassis is 10 years old, it meets the Vehicle Replacement policy which states a medium sized truck must have 7 years in service. He also noted that the CCTV van has experienced increase maintenance costs and reduced reliability.

FSSup Avalos stated that the CCTV van is currently equipped with the Envirosight inspection system, which was upgraded in 2022 and in good condition, and will be transferred to the new chassis. The chassis replacement supports the California Air Resources Board compliance since it is fully electric.

FSSup Avalos stated that the CCTV chassis purchase meets the criteria in the Sole Source Procurement Policy because it is limited to a one qualified vendor due to the specialized nature of the CCTV equipment and vehicle configuration.

Following discussion, upon a motion duly made by Vice President Pacilio, seconded by Director Saldana, and unanimously carried, the Board of Directors authorized the General Manager to execute a sole source agreement with Haaker Equipment Company for the purchase of a new 2027 Ford E-Transit van chassis and transfer of the existing Envirosight equipment in an amount not to exceed $146,047.58 by the following vote:

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

14. Receive and file the Fiscal Year 2026 (FY26) Tactics and Action Plan Report

GM Bushee presented the item stating that the District has accomplished 146 goals. He provided the highlights of the Plan, which included the following:

- No sewer spills for 6.5 years;
- 2nd Annual Student Water Career Day;
- Board strategic planning session;
- Staff team building and employee satisfaction survey;
- Rancho Verde Pump Station Rehabilitation;
- Diana Pump Station Upgrade;
- La Costa Pump Station Replacement;
- A.I. readiness assessment ; and
- Batiquitos Pump Station Upgrade

Directors Roesink and Saldana thanked staff for their work.

Director Sullivan asked if people can attend Student Career Day that don't live in the service area. GM Bushee answered affirmatively and stated that contact information for these individuals should be given to staff and RTP so they can be included in the event.

President Brown asked about the cancellation of the L1/L2 Force Main Anode Replacement Project. CPM Riffel stated that this item was cancelled since quotes for the project came in more than double the estimate. GM Bushee added that due to the high costs, staff decided to postpone the project and budget for the anode replacement in FY27 instead of asking the Board for an additional appropriation. CPM Riffel stated that this project is currently out for bid.

Following discussion, upon a motion duly made by Vice President Pacilio, seconded by Director Saldana, and unanimously carried, the Board of Directors received and filed the FY26 Tactics and Action Plan by the following vote:

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

15. Adopt the Fiscal Year 2027 (FY27) Tactics and Action Plan

GM Bushee presented the item stating the Plan includes 108 tactical goals. He provided the highlights of the Plan, which included the following:

- Succession planning for General Counsel legal services;
- LAFCO Municipal Service Review;
- 3rd Annual Student Water Career Day;
- Diana Pump Station Project;
- La Costa Pump Station Replacement;
- FY 26 Gravity Project;
- Batquitos Force Main 3 Smartball testing; and
- Continued strong representation at EWA

Upon a motion duly made by Vice President Pacilio, seconded by Director Saldana, and unanimously carried, the Board of Directors adopted the FY27 Tactics and Action Plan by the following vote:

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

16. Adopt Resolution No. 2444 Requesting LAFCO to Take Proceedings for the Honda Change of Organization

CPM Riffel presented the item stating that the annexation into the District of the Honda Property consists of one parcel located at 596 Ocean View Avenue in Encinitas that totals 0.53 acres, is located west of Interstate 5, south of Leucadia Boulevard and east of Orpheus Avenue.

CPM Riffel noted that while this property is outside the District's sphere of influence, LWD has verified with the City of Encinitas that there are no objections to the proposed annexation. This property has an existing single-family residence served by a septic system. Per the City of Encinitas, the parcel is required to connect to the public sewer system to satisfy a permit condition for a proposed 1199 square foot Accessory Dwelling Unit (ADU). The private sewer lateral for the parcel will connect to the existing public sewer system located within an easement on the neighboring property to the north. He stated that there is sufficient capacity to accommodate the connection of the existing single-family dwelling and proposed ADU.

Directors Saldana, Sullivan, and Pacilio asked various questions about the costs associated with annexations. CPM Riffel stated the property owner is responsible for all the LAFCO fees and LWD fees. He also explained the fees for annexations inside and outside of the sphere of influence.

Following discussion, upon a motion duly made by Vice President Pacilio, seconded by Director Roesink, and unanimously carried, the Board of Directors adopted Resolution No. 2444 Requesting LAFCO to Take Proceedings for the Honda Change of Organization by the following vote:

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

19. CSDA Board of Directors 2026 Election – Seat C

GM Bushee presented the item stating that CSDA is requesting its members to vote for a candidate for Seat C for the southern network region. He noted that staff has no recommendation on this matter. GM Bushee stated staff would cast the vote based on the Board's action.

The Board of Directors discussed the candidates and following discussion, upon a motion made by President Brown, seconded by Director Saldana, and unanimously carried, the Board of Directors voted for John Horst of Trabuco Canyon Water District for the CSDA Southern Network - Seat C by the following vote:

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

20. CASA Election of Officers Fiscal Year 2026/2027 and Approval of Dues Resolution for Calendar Year 2027

GM Bushee presented the item and stated that this item's handout was received after the agenda had already been posted. GM Bushee noted there are two business items that will be addressed during the CASA Annual Conference in early August. He provided information on the CASA Election of Directors and the approval of the Dues Resolution. He noted that this year President Brown is the CASA voting member.

Following discussion, upon a motion made by Vice President Pacilio, seconded by Director Sullivan, and unanimously carried, the Board of Directors approved the nomination slate for the CASA Election of Directors and the approval of the Dues Resolution by the following vote:

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

INFORMATION ITEMS

21. Project Status Updates and Other Informational Reports
None.

22. Directors' Meetings and Conference Reports
None.

23. General Manager's Report
GM Bushee provided updates on the following:

- FY26 audit questionnaire to be completed by the Board of Directors and submitted to the auditors; and
- The District received the CASA Award for Public Outreach for Student Water Career Day and the District will be recognized at the CASA Annual Conference in August

24. General Counsel's Report
GC Brechtel provided an update on the following:

- Potential legislative bills regarding artificial intelligence

25. Board of Directors' Comments
Director Saldana stated that on July 18, 2026 there will be a celebration of life for former Board member David Kulchin at the Dove Library at 1:00 p.m.

26. Closed Session
<u>Personnel matters as authorized by Government Code 54957 to review General Manager Performance.</u>

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 Vice President Pacilio, seconded by Director Sullivan, and carried, the Board of Directors approved a 5% salary increase from $313,240.43 to $328,902.45 and a $5K bonus by the following vote:

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

27. Adjournment

President Brown adjourned the meeting at approximately 6:52 p.m.

Matthew Brown, President

Paul J. Bushee
Secretary/General Manager
(SEAL)