Ref: 27-9646

LEUCADIA WASTEWATER DISTRICT

Minutes of a Regular Board Meeting
August 12, 2026

A regular meeting of the Board of Directors of the Leucadia Wastewater District was held Wednesday, August 12, 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 (via Teams)
DIRECTORS ABSENT:	Saldana
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, District Engineer Dexter Wilson, and Sydney Seto (resident)

3. **Pledge of Allegiance**
   Vice President Pacilio 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 Vice President Pacilio, 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	Absent

6. **Presentations and Awards**
   A. Achievement of Individual Award – 25 Year Service Award for Trisha Hill

   GM Bushee introduced Administrative Services Supervisor Trisha Hill, stating that she recently passed her 25th year anniversary at the District. He provided background information about Trisha and noted that under LWD's incentive program Trisha is eligible for a $600 incentive award.

   The Board congratulated Trisha for her efforts.

B. California Association of Sanitation Agencies (CASA) Award – Excellence in Public Outreach / Education

GM Bushee introduced the item and stated Leucadia Wastewater District (LWD) received the 2026 CASA Excellence in Public Outreach Award. He noted that CASA presented LWD the award at the CASA Annual Conference on Thursday, August 6th in Napa, CA. This award recognized the District for Water Career Day which was held on October 22, 2025 and was a joint effort between Leucadia Wastewater District (LWD), San Elijo Joint Powers Authority (SEJPA), and Olivenhain Municipal Water District (OMWD).

The CASA Excellence in Public Outreach Award qualifies as a state award under the organizational objectives of the LWD's Incentive Program; therefore, staff is eligible for a $500 incentive award.

The Board congratulated staff for their efforts.

CONSENT CALENDAR

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

July 8, 2026 Regular Board Meeting
July 23, 2026 Finance and Personnel Committee Meeting
August 3, 2026 Community Affairs Committee Meeting
August 4, 2026 Engineering Committee Meeting

8. Approval of Demands July/August 2026
Payroll Checks numbered 260708-1 – 260805-19; General Checking Checks numbered 28508-28634

9. Operations Report (A copy was included in the original August 12, 2026 Agenda)

10. Finance Report (A copy was included in the original August 12, 2026 Agenda)

11. Quarterly Treasurer's Investment Report
This report discloses investments for the quarter ending June 30, 2026.

12. Disclosure of Reimbursements
This report discloses travel expense reimbursements for the month of July 2026.

13. Fiscal Year 2027 (FY27) Pay Schedules
Adopt Resolution No. 2442 – Approving the FY27 pay schedules. (Pages 49-51)

14. Annual Review of LWD's Procurement Policy
Receive and File LWD's Procurement Policy. (Pages 52-62)

Upon a motion duly made by Vice President Pacilio, seconded by Director Sullivan, 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	Absent

EWA and COMMITTEE REPORTS

15. Encina Wastewater Authority (EWA) Reports

An Encina Member Agency Manager's Meeting was held on August 4, 2026.

GM Bushee reported on the Encina Member Agency Manager's Meeting.

16. Committee Reports

A. A Finance and Personnel Committee (FPC) meeting was held on July 23, 2026.

Vice President Pacilio reported that the FPC reviewed a recommendation to adopt Resolution No. 2443 and re-delegate authority to manage LWD's investment program to the General Manager effective September 1, 2025 through August 31, 2026. This item will be discussed later in the agenda.

The FPC also reviewed LWD's Procurement Policy. There were no recommended changes to the policy. The FPC agreed with staff's recommendation that the Board of Directors receive and file the annual review of the Procurement Policy under the Consent Calendar.

B. A Community Affairs Committee (CAC) meeting was held on August 3, 2026.

Vice President Pacilio reported that the CAC reviewed the proposed newsletter topics, along with the production schedule. He stated that the CAC then directed staff to move forward with the newsletter and proposed production schedule.

C. An Engineering Committee (EC) Meeting was held August 4, 2026.

Director Roesink reported that the EC reviewed the following recommendation:

- Authorize the General Manager to execute a sole source contract with CPM Pipelines for condition assessment services for the Batiquitos Pump Station (B3) Force Main in an amount not to exceed $77,450

The EC concurred with staff to present this item to the Board of Directors and it 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

17. Annual Review of LWD's Investment Policy

Redelegate authority to manage LWD's investment program to the General Manager effective September 1, 2026 through August 31, 2027 and adopt Resolution No. 2443 Updating LWD's Investment Policy.

DFA Green presented the item and provided background information on the Investment Policy. He noted that staff recently conducted an annual review of the Policy to determine if any amendments are warranted. DFA Green then reviewed the following recommended policy changes:

- Remove the San Diego County Treasurer's Pooled Money Fund (SDCTP). LWD closed its account with SDCTP and transferred all investments to the California Cooperative Liquid Assets Securities System (CLASS) soon after the CLASS account was opened;
- Mirror the changes resulting from SB 858 which amended Gov. Code 53601(h) to increase the maximum maturity for prime quality commercial paper from 270 to up to 397 days; and
- Add additional federal agency security investment terms to the glossary.

DFA Green also asked that the Board redelegate authority to the General Manager to manage the District's investments annually.

President Brown noted that the table of Allowable Allocation of Investments shows 270 days instead of 397 days for the max maturity of commercial paper. GM Bushee stated that staff would update the table to 397 days.

President Brown asked questions regarding the process of investment approvals and DFA Green and GM Bushee answered his questions.

Upon a motion duly made by Director Sullivan, seconded by Vice President Pacilio and unanimously carried, the Board of Directors adopted Resolution No. 2443 updating LWD's Investment Policy and redelegating authority to manage LWD's investment program to the General Manager effective September 1, 2026 through August 31, 2027 by the following vote:

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

18. Batiquitos Pump Station (B3) Force Main Condition Assessment – Award of Sole Source Contract

Authorize the General Manager to execute a sole source contract with CPM Pipelines for condition assessment services for the Batiquitos Pump Station (B3) Force Main in an amount not to exceed $77,450.

CPM Riffel presented the recommendation and provided a brief background on the project. CPM Riffel stated that the District faced high cost estimates with a traditional, coupon sampling assessment of the Leucadia Pump Station (L1) force main. He noted that staff explored alternative condition assessment methods and selected the INGU Piper Smartball inspection tool (Smartball). Smartball provided a successful, cost-effective alternative that assessed the entire length of the force main while detecting any leaks, metal loss (corrosion), air/gas pockets, internal buildup, and hydraulic grade line conditions.

CPM Riffel stated that based on the Smartball's successful performance during the L1 force main condition assessment the previous year, the District recommends the Smartball for the Batiquitos 3 (B3) force main.

Vice President Pacilio stated that he noticed that the current Ops Report reflected more CCTV and hydro-cleaning than previous months. FSS Gonzalez stated that the Field Services team is trying to stay on their fiscal year target goal and wanted to start off the year strong.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Vice President Pacilio, and unanimously carried, the Board of Directors authorized the General Manager to execute a sole source contract with CPM Pipelines for condition assessment services for the Batiquitos Pump Station (B3) Force Main in an amount not to exceed $77,450 by the following vote:

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

INFORMATION ITEMS

19. Project Status Updates and Other Informational Reports

A. Status of LWD's A.I. Transition.

DFA Green reported on LWD's A.I. Transition.

B. The CSDA Quarterly Dinner is scheduled for August 20, 2026 at 6 p.m. at The Butcher Shop Steakhouse in Kearny Mesa.

EA Baity announced the date and the time of the CSDA Quarterly Dinner.

C. Flu Shot Clinic is scheduled for Thursday, September 10, 2026.

EA Baity announced the date and time of the Flu Shot Clinic.

20. Directors' Meetings and Conference Reports

The 2026 CASA Annual Conference was held August 5 – 7, 2026 in Napa, CA.

Director Sullivan reported that she enjoyed the opening speaker Gordon Graham. She also stated she attended the Women's Networking Meeting for the first time noting it was a special moment for her.

21. General Manager's Report
None.

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

- Hiller v. Marin Municipal Water District - Government Code section 53759 (enacted via SB 323), challenges to water and sewer rates must follow California's Validation Statutes; and
- CARB regulations for electric vehicles

23. Board of Directors' Comments
Director Roesink thanked the Board for accommodating his teleconference for tonight's Board meeting.

President Brown mentioned that when budgeting in the future to be aware of Senate Bill 122 which will apply sales and use tax to remote-access software (SaaS) and electronically transferred prewritten software.

Director Sullivan stated that she has declared candidacy for the November election.

24. Adjournment
President Brown adjourned the meeting at approximately 6:10 p.m.

Matthew Brown, President

Paul J. Bushee
Secretary/General Manager
(SEAL)