

LEUCADIA WASTEWATER DISTRICT

Minutes of a Regular Board Meeting

March 13, 2013

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, March 13, 2013 at 5:00 p.m., at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

1. Call to Order

President Sullivan called the meeting to order at 5:00 p.m.

2. Roll Call

DIRECTORS PRESENT:

Sullivan, Kulchin, Juliussen, Omsted, and Hanson

DIRECTORS ABSENT:

None.

OTHERS PRESENT:

General Manager Paul Bushee, District Counsel Wayne Brechtel, Administrative Services Manager Chuck LeMay, Technical Services Manager Robin Morishita, Field Services Superintendent Jeff Stecker, Executive Assistant Trisha Hill, District Engineer Steve Deering with Dudek, CPA Richard Duffey with Brownell & Duffey, Field Services Technician I Gabe Mendez, and Jamie Fagnant with Infrastructure Engineering Corp. (IEC).

3. Pledge of Allegiance

4. General Public Comment Period

There was no public comment.

5. Approval of Agenda

Upon a motion duly made by Director Hanson, seconded by Director Juliussen, and carried, the Board of Directors approved the agenda.

6. Presentations and Awards

A. FST I Gabriel Mendez receives a professional achievement award.

GM Bushee introduced Field Services Technician I Gabe Mendez stating that he recently received a professional certification, the Water Treatment Grade II certification. He also presented background information about Gabe and congratulated him for his efforts. He stated that Gabe is eligible for a \$500 incentive as authorized under LWD's Incentive Program.

President Sullivan presented Gabe with his certification and an incentive check for \$500 as authorized under LWD's Incentive Program.

The Board of Directors congratulated Gabe for his efforts.

B. Achievement of an Organizational Objective.

GM Bushee presented the item. He stated that LWD's incentive program authorizes a 50%

cost sharing of the CSRMA dividend payment. He stated that this dividend reflects the District's excellent safety record. He noted that all employees are eligible to receive a compensation award of \$361.25.

The Board members congratulated LWD staff for their efforts.

CONSENT CALENDAR

7. Approval of Board and Committee Minutes

Minutes of the following meetings:

February 13, 2013 Regular Board Meeting
February 20, 2013 Special Board Meeting
March 5, 2013 Community Affairs Committee Meeting
March 6, 2013 Engineering Committee Meeting

8. Approval of Demands for February/March 2013

Payroll Checks numbered 16555-16614; General Checking – Checks numbered 43534-43637; voided check no. 43461.

9. Operations Report (A copy was included in the original March 13, 2013 Agenda)

10. Finance Report (A copy was included in the original March 13, 2013 Agenda)

EWA and COMMITTEE REPORTS

11. Encina Wastewater Authority (EWA) Reports

A. EWA Board Report – Meeting was held on February 27, 2013.

Director Juliussen reported on the February 27, 2013 EWA Board of Directors meeting.

B. Encina Member Agencies Manager's (MAM) Meeting was held on March 5, 2013.

GM Bushee reported on the March 5, 2013 MAM Meeting.

12. Committee Reports

A. Community Affairs Committee meeting was held on March 5, 2013.

Director Omsted reported that the CAC reviewed and commented on the draft text of the spring 2013 newsletter. He indicated that the CAC directed staff to move forward with the production of the newsletter. He stated that the CAC also reviewed the teacher grant applications and agreed to present them to the Board for approval. He noted that this item will be reviewed later in the agenda.

In addition, the CAC received cost estimates for a website update. Staff will consider the estimates and include funds in the FY 2014 budget if an update is approved.

Director Hanson asked several questions regarding the District's current website. GM Bushee stated that the Red Rocket platform, which was developed approximately five years ago, can no longer be maintained.

Director Juliussen inquired about the webcam noting that he would prefer the camera to be a security camera rather than a webcam. He also asked about the website hits. GM Bushee stated that EA Hill provided a report of web hits several months ago. His recollection was the District has not seen a significant increase in website traffic due to the web camera. He also indicated that staff could provide an update on web hits to the Board.

B. Engineering Committee meeting was held on March 6, 2013.

Director Juliussen reported that the EC reviewed an agreement with Infrastructure Engineering Corp. (IEC) for engineering design services for the Gravity Pipeline Project in an amount not to exceed \$57,455. He stated that the EC concurred with staff to present them to the Board for approval. It will be presented later in the agenda.

In addition, he reported that the EC received an update on the Batiquitos Pump Station Rehabilitation Project.

ACTION ITEMS

13. Authorize the General Manager to execute an agreement with Infrastructure Engineering Corporation (IEC) for engineering design services for the Gravity Pipeline Rehabilitation Project in an amount not to exceed \$57,455.

TSM Morishita presented the item stating that it was reviewed by the EC on March 6th. He indicated that this project is a goal in the FY 13 Tactical Plan.

He noted that last month the Board approved the Asset Management Plan, which included this project. He provided details on the gravity sewer pipeline category which describes three projects within the five year CIP plan. He noted that these projects were combined into the single gravity line rehabilitation project for cost efficiencies and project administration.

Director Juliussen noted that IEC and specifically, Jamie Fagnant, have done a great job.

Following discussion, and upon a motion duly made by Director Juliussen, seconded by Director Omsted and carried, the Board of Directors authorized the General Manager to execute an agreement with Infrastructure Engineering Corporation for engineering design services for the Gravity Pipeline Rehabilitation Project in an amount not to exceed \$57,455.

14. Authorization to Fund Environmental and Feasibility Study Efforts for the North San Diego County Regional Water Recycling Project.

GM Bushee presented this item by providing background information on the North San Diego County Regional project. He stated that the North County Recycling partners have determined it would be best to develop a Programmatic Environmental Impact Report (PEIR) and Feasibility

Study for the project in order to receive Prop. 84 State funding and begin construction of the project. He noted that the PEIR would also meet federal requirements for the project. He stated that the total cost for the PEIR and Feasibility Study is \$482,653 and the District share of the cost is \$48,300. GM Bushee added that the full amount of \$48,300 will be reimbursed to LWD as part of Prop. 84 funding that has already been authorized.

Vice President Kulchin inquired about the next benchmark after the PEIR and Feasibility Study, specifically when we will start producing recycling water. GM Bushee stated that the District first needs an agreement with an agency desiring our recycled water. He indicated that some members of the group have begun their own projects because they have more control over their recycled water market. GM Bushee noted that the next step for LWD is to pursue an agreement with Olivenhain MWD to purchase recycle water from the District.

Director Juliussen asked if the cost of upgrading the failsafe pipeline would be included in the funding for the project. GM Bushee stated that replacement of the pipeline was included in the North County project as part of phase II improvements.

Director Omsted asked how the cost of the PEIR and Feasibility Study will be divided between the members of the group. GM Bushee stated that the total cost is divided equally between the 10 members.

Following discussion, and upon a motion duly made by Director Hanson, seconded by Vice President Kulchin and carried, the Board of Directors authorized the General Manager to expend \$48,300 for the development of a Programmatic Environmental Impact Report (PEIR) and Feasibility Study for the North San Diego County Regional Water Recycled Water Project subject to full reimbursement from previously authorized Proposition 84 Grant funds.

15. Award Teacher Grants.

Award three Teacher Grants totaling \$2,988.

EA Hill presented this item stating that the teacher grant applications were reviewed by the CAC at its March 5, 2013 meeting. She stated that implementation of the teacher grant program is a tactical goal in the FY 13 Tactics and Action Plan.

She indicated that the three grants that were received met the program criteria. She added that the CAC and staff recommend that the Board approve all three teacher grants totaling \$2,988.

Following discussion, and upon a motion duly made by Director Kulchin, seconded by Director Juliussen and carried, the Board of Directors awarded three teacher grants totaling \$2,988.

16. Call for Nominations to the CSDA Board of Directors Seat B.

ASM LeMay presented this item.

President Sullivan stated that she is not nominating anyone since she is supporting incumbent Bill Nelson's bid for re-election. The Board of Directors agreed not to submit a nomination for the CSDA Board of Directors Seat B.

17. Call for Nomination to the Local Agency Formation Commission (LAFCO) Special District

Advisory Committee.

ASM LeMay presented this item.

Director Hanson stated that she doesn't have any recommendations to the LAFCO Special District Advisory Committee. She noted that she is currently on the committee.

The Board of Directors agreed not to submit a nomination to the LAFCO Special District Advisory Committee.

18. Fiscal Year 2014 (FY 14) Budget Development Schedule.

ASM LeMay presented this item pointing out the dates for the upcoming Special Board meeting and Regular Board meeting that will review the FY 14 Budget. He noted that in the past committees have reviewed portions of the budget; however, the Board directed staff to schedule a special board meeting to review the entire budget. The Board of Directors confirmed the meeting dates.

INFORMATION ITEMS

19. Project Status Updates and Other Informational Reports

- A. LWD received the 2012 MARCOM Gold winner award in the External Newsletter/Government category.

President Sullivan announced the award stating that TRG submitted the application for the District. She also noted that the District has received several positive comments on the newsletter.

20. Directors' Meetings and Conference Reports

None.

21. General Manager's Report

General Manager Bushee reported on the following items:

- An update on the North County Recycled Water group; stating that the 2-year lobbying agreement is ending. He indicated that the group decided to extend the agreement for an additional year. LWD's estimated cost is \$15,000 and that he plans to execute the 1 year extension for LWD.
- The Watereuse Conference is scheduled for next week, starting on March 17, 2013. He stated that all Board members are attending and that he will be out of the office as well at the CSRMA Long Range Planning session. ASM LeMay will be the Acting GM.
- EA Hill provided a newspaper article as a handout regarding the North San Diego County Recycled Water project.
- He reminded the Board of the Special Board meeting on Thursday, March 21, 2013 at 9:00 a.m. to review the Financial Plan Update.

President Sullivan moved the Board of Directors Comments forward.

22. Board of Director's Comments

There were no Board comments.

23. General Counsel's Report

General Counsel Brechtel provided an update on the recovery of the recycled water rebates indicating that there is nothing to report under closed session unless the Board would like to proceed to closed session.

President Sullivan stated that there was no need for the Board to go into closed session based on the General Counsel's update on the recycled water rebates.


The Board of Directors did not proceed to closed session.

24. Closed Session.

A. Conference with District Legal Counsel to discuss anticipated litigation pursuant to California Government Code Section 54956.9(b)(3)(A) and (C): Potential action regarding recycled water rebates.

25. Adjournment

President Sullivan adjourned the meeting at 5:47 p.m.


Elaine Sullivan, President
Paul J. Bushee
Secretary/General Manager
(SEAL)