

LEUCADIA WASTEWATER DISTRICT

Minutes of a Regular Board Meeting

March 14, 2012

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, March 14, 2012 at 5:00 p.m., at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

1. Call to Order

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

2. Roll Call

DIRECTORS PRESENT:

Hanson, Sullivan, Kulchin, Omsted and Juliussen

DIRECTORS ABSENT:

None.

OTHERS PRESENT:

General Manager Paul Bushee, District Counsel Wayne Brechtel, Technical Services Manager Robin Morishita, Administrative Services Manager Chuck LeMay, Field Services Superintendent Jeff Stecker, Executive Assistant Trisha Hill, FS Supervisor Marvin Gonzalez, FS III Ian Riffel, FST In-Training Mauricio Avalos, District Engineer Steve Deering, CWEA Representative Denis Pollak and Linda Pollak.

3. Pledge of Allegiance

4. Public Comment

GM Bushee stated that Denis Pollak of CWEA attended tonight's meeting to present President Hanson with the CWEA Al Wrigley Award.

Mr. Pollak provided background information on the Al Wrigley Award. He also acknowledged President Hanson's involvement in the wastewater industry and CWEA indicating that this award recognizes her support. He presented President Hanson with the Al Wrigley award.

The Board of Directors congratulated President Hanson for receiving the award.

5. Approval of Agenda

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

6. Presentations and Awards

A. FST In-Training Mauricio Avalos receives a professional achievement award.

GM Bushee stated that Mauricio Avalos recently received his Collection System Maintenance Grade I certification and that he is eligible for a \$500 incentive award under LWD's Incentive Program. He also noted that this is his second certification this year.

President Hanson presented Mauricio with his certification and incentive award.

The Board of Directors congratulated Mauricio for his efforts.

B. Achievement of an Organization Objective – Cost Sharing of CSRMA Dividends.

GM Bushee stated that the CSRMA Board of Directors approved the distribution of dividend payments from the pooled liability insurance program at their January 2012 meeting. The District received the check in the amount of \$13,461. He noted that LWD's incentive program authorizes a 50% cost sharing of the dividend and each employee is eligible for a compensation award of \$373.91.

The Board of Directors congratulated LWD for their efforts.

CONSENT CALENDAR

GM Bushee noted a mistake in both Ad Hoc Committee minutes indicating President Hanson adjourned the Ad Hoc Committee meetings, not Director Sullivan. He indicated that staff will make the corrections.

7. Approval of Board and Committee Minutes

Minutes of the following meetings:

February 2, 2012 Community Affairs Committee Meeting
February 6, 2012 Investment & Finance Committee Meeting
February 7, 2012 Engineering Committee Meeting
February 8, 2012 Regular Board Meeting
February 13, 2012 Ad Hoc Committee Meeting
February 21, 2012 Special Board Meeting
February 23, 2012 Community Affairs Committee Meeting
March 1, 2012 Ad Hoc Committee Meeting
March 7, 2012 Engineering Committee Meeting

8. Approval of Demands for February 2012/March 2012

Payroll Checks numbered 15865-15905; General Checking – Checks numbered 41970-42078

9. Operations Report (A copy was included in the original March 14, 2012 Agenda)

10. Finance Report (A copy was included in the original March 14, 2012 Agenda)

Upon a motion duly made by Director Omsted, seconded by Director Kulchin, and carried, the Board of Directors approved the consent calendar.

EWA and COMMITTEE REPORTS

11. Encina Wastewater Authority (EWA) Reports

A. Encina Wastewater Authority Report – February 22, 2012.

Vice President Sullivan reported on the EWA's February 22, 2012 Board meeting.

B. Member Agency Manager (MAM) Meeting – March 6, 2012.

GM Bushee stated that he was unable to attend the MAM meeting because he was at the CSRMA Executive Board retreat, but he received an outline of the discussion topics from EWA's GM Hardy. He reported on the March 6, 2012 Member Agency Manager meeting based on the meeting outline. He also noted that EWA's Industry Awards Banquet is scheduled for April 12, 2012.

12. Committee Reports

A. Ad Hoc Committee was held on February 13, 2012 and March 1, 2012.

Director Omsted reported that the Ad Hoc Committee met on February 13th and March 1st to discuss potential topics for a Governance Committee's review. He also noted other items of discussion and staff's research on the following:

- Procedures used to fill Board vacancies
- Rotation of Board committee members
- Results of the Governance and Standing Committee survey
- Procedures used for appointing Board Committee members.

B. Community Affairs Committee meeting was held on February 23, 2012.

Vice President Sullivan reported that the CAC met on February 23rd and reviewed the newsletter layout. She indicated that the suggested changes were made and that the final newsletter was mailed to LWD customers on March 8, 2012.

GM Bushee stated that staff has received a couple of comments from LWD customers. One customer did not feel it was a good use of the ratepayer's money while, while another customer encouraged LWD to keep producing the newsletter.

C. Engineering Committee meeting was held on March 7, 2012.

Director Juliussen reported that the EC met on March 7, 2012. He stated that the EC reviewed the as needed Engineering Design Services contract with Infrastructure Engineering Corporation (IEC), noting that this item will be reviewed by the Board later in the agenda.

He also reported that the EC reviewed a mid-year appropriation request to add \$245,000 to the FY 12 Capital Acquisition Budget for the future purchase of a new CCTV Inspection Truck and that this item will also be reviewed by the Board later in the agenda.

In addition, he stated that the EC received status updates on the following projects:

- Occidental Pipeline Repair Project, and
- Batiquitos Pump Station Rehabilitation Project.

ACTION ITEMS

13. Engineering Design Services Contract

Authorize the General Manager to execute an as needed Engineering Design Services Contract with Infrastructure Engineering Corporation (IEC).

TSM Morishita presented this item. He noted that this item is listed as a tactical goal in the FY 12 Tactics and Action plan. He also stated that it was reviewed by the EC at its March 7th meeting and the EC concurred with staff's recommendation.

TSM Morishita provided a summary of staff's efforts throughout the competitive procurement process. He stated that after reviewing proposals, it was determined that Infrastructure Engineering Corporation (IEC) was the most qualified firm to provide as needed engineering services. He noted that the agreement does not have a specific amount because each project will be issued a task order that will be negotiated independently based on the work needed to be done.

Director Juliussen noted that he reviewed all the proposals and attended the interviews as an observer. He indicated that the process was very competitive and IEC did an excellent job during their interview. He also thought Psomas did an excellent job with their interview as well.

Following discussion, upon a motion duly made by Director Kulchin, seconded by Vice President Sullivan, and carried, the Board of Directors authorized the General Manager to execute an as needed Engineering Design Services Contract with IEC.

14. The Board-General Manager/Staff Relations Policy

Adopt Resolution No. 2220 – The Board-General Manager/Staff Relations Policy.

ASM LeMay presented this item. He stated that at the Board's Planning session, the Board of Directors reviewed the policy and directed staff to make revisions to the policy. He noted that General Counsel Brechtel made the revisions for the Board's adoption of the revised policy.

Director Kulchin stated that the policy is a good guideline tool, noting that Board's culture is offering suggestions and not directing as stated in the policy. Director Omsted requested the inclusion of additional language to Section IX Committees under (B) that includes procedures for the Board President appointing himself/herself to a committee. General Counsel Brechtel indicated that he will make that addition.

Following discussion, upon a motion duly made by Director Juliussen, seconded by Director Sullivan, and carried, the Board of Directors adopted Resolution No. 2220 – The Board-General Manager/Staff Relations Policy with revised language to Section IX Committee under (B) by the following vote:

AYES:	Directors Sullivan, Kulchin, Hanson, Juliussen, and Omsted
NOES:	None
ABSENT:	None
ABSTAIN:	None

15. Mid-Fiscal Year 2012 Appropriation

Authorize a Mid-Fiscal Year 2012 appropriation for the purchase of a new Closed Circuit Television Inspection Truck in an amount not to exceed \$245,000.

Field Services Superintendent Stecker presented this item. He stated that at the last Board meeting he provided an analysis of the line cleaning and video inspection programs, which indicated the need for a new television truck.

GM Bushee noted that at the EC meeting, the EC members suggested that staff purchase the television truck this fiscal year, instead of FY 13. Director Juliussen confirmed GM Bushee's statement, indicating that it is important to purchase the truck this year in order to continue their duties. In addition, he acknowledged staff for their work of the analysis of the two programs.

Following discussion, upon a motion duly made by Director Omsted, seconded by Director Juliussen, and carried, the Board of Directors authorized a mid-fiscal year 2012 appropriation for the purchase of a new closed circuit television inspection truck in an amount not to exceed \$245,000.

16. Fiscal Year 2013 (FY 13) Budget Development Schedule

Review the proposed budget schedule and consider scheduling committee meetings to facilitate the budget development process.

ASM LeMay presented the proposed budget schedule. He stated that EA Hill will contact members to schedule the upcoming meetings.

Director Omsted stated that he would like to add an Ad Hoc General Manager's compensation committee. He noted that he would like to see the GM's compensation reviewed by the Governance Committee, but it has not been established yet. He asked General Counsel Brechtel if he can make a motion to develop another committee. General Counsel Brechtel suggested that Director Omsted's request be added to the April Board agenda as an action item, since this item was for information.

Director Omsted suggested that the Board have a Special Board meeting to discuss the General Manager's compensation because his compensation package is different than the employee's compensation. Director Kulchin stated that this is an important issue; however, the Human Resource Committee usually reviews this topic.

No action was taken.

17. CSDA Board of Directors Call for Nominations – Seats A and C

Review CSDA's notification of upcoming elections for Region 6, Seats A and C.

GM Bushee stated that CSDA has two openings for the Region 6 section. Vice President Sullivan stated that she is interested in running for a seat on CSDA Board of Directors Region 6. The Board reached a unanimous consensus to nominate Vice President Sullivan for seat C on the CSDA Board of Directors Region 6.

GM Bushee stated that staff will forward the appropriate paperwork to CSDA.

INFORMATION ITEMS

18. Project Status Updates and Other Informational Reports

- A. San Diego Union Tribune news article "Governments kept partying amid downturn".

GM Bushee noted that this article was recently published in the San Diego Union Tribune, indicating that this is a sensitive issue for the public.

- B. Thank you card from Pacific Ridge School's students for providing a tour to their class.

GM Bushee noted the tour by members of the Field Services and that staff received a thank you card.

- C. CASA Spring Conference is scheduled for April 25-27, 2012 in Napa, CA.

GM Bushee announced the event, noting to RSVP with EA Hill.

- D. CSDA Legislative Days Conference is scheduled for May 16-17, 2012 at the Sacramento Convention Center.

GM Bushee announced the event, noting to RSVP with EA Hill, if interested in attending.

19. Directors' Meetings and Conference Reports

None to report for the month of February.

President Hanson asked Board members if they had any comments about the Board Planning session and Mr. Bills suggestion to have brief summary of the Board meeting after the meeting. Director Kulchin stated that it was a productive meeting and it went well.

20. General Manager's Report

The following items were reported:

- Required Harassment Training for the Board members to complete the District of Distinction renewal application. He provided the training options for the Board members noting that the webinar on May 2nd from 10AM – 12PM may be the best option.
- During April, Staff would like to schedule a Special Board meeting to discuss the District's Recycled Water Program and the status on the North County Recycled Water Group's progress.
- The Public Forum is scheduled for March 20th at 5:30 PM.

21. General Counsel's Report

No report.

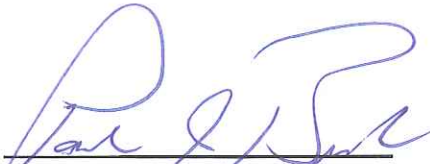
22. Board of Director's Comments

Director Juliussen thanked staff for their thorough work during the as needed design engineering contract selection process.

Director Kulchin noted that he received a door hanger reminding customers not to pour grease down their drain. He also appreciated Director Omsted's request to have a Special Board meeting to discuss the General Manager's Compensation, suggesting that a closed session item be added to an upcoming agenda to discuss this.

23. Adjournment

President Hanson adjourned the meeting at 6:25 p.m.



Paul J. Bushee
Secretary/General Manager
(SEAL)



Judy Hanson, President