

LEUCADIA WASTEWATER DISTRICT
Minutes of a Special Board Meeting
Wednesday, May 9, 2013

A special meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, May 9, 2013 at 9:00 a.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 9:05 a.m.

2. Roll Call

DIRECTORS PRESENT: Sullivan, Kulchin, Juliussen, Omsted, and Hanson

DIRECTORS ABSENT: None.

OTHERS PRESENT: General Manager (GM) Paul J. Bushee, District Counsel Wayne Brechtel, Administrative Services Manager Chuck LeMay, Technical Services Manager Robin Morishita, Executive Assistant Trisha Hill, Superintendent Jeff Stecker, CPA Richard Duffey, and District Engineer Steve Deering.

3. Pledge of Allegiance

4. Public Comment

No public comment was received.

5. Approval of Agenda

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

6. Overview of Recommended Fiscal Year 2014 (FY 14) Budget

A. Review and discuss the recommended FY 14 Budget.

ASM LeMay presented this item, along with Superintendent Stecker and TSM Morishita. ASM LeMay provided an overview of the FY 14 budget that included the following items:

- Principal Budget Objectives;
- Expense Summaries for each enterprise;
- Revenue Projections for each enterprise;
- No increase in the FY 14 service charge; and
- Projected personnel budget, noting this will be discussed in closed session

He stated that the total wastewater enterprise operating expenses decreased 4.3% from the FY 13 Budget and there was a 1% increase in the total recycled water enterprise from FY 13 Budget.

In addition, he provided recent budget trends over the last four years, indicating that the budget has been steady over these years while maintaining one of lowest sewer service charges in San Diego County. ASM LeMay introduced Superintendent Stecker to provide detailed information on

operating expenses for each enterprise.

Superintendent Stecker presented detailed operating expenses for the wastewater enterprise, the Batiquitos facilities expenses, recycled water enterprise and the development budget. He noted that development pays for development.

He introduced TSM Morishita to present the Capital budgets.

TSM Morishita presented the capital acquisition budgets for the wastewater enterprise and the recycled water enterprise stating that the total is \$668,600. He noted that capital acquisition items typically cost more than \$5,000 and have a life expectancy greater than one year. He also provided detailed information on the capital improvement budget by reviewing the major projects which have a total cost of \$6.73 million. He stated that the capital budget also includes EWA capital improvement costs, the recycled water costs, and the jointly owned Batiquitos facilities.

The Board of Directors asked several questions relating to the capital projects. Director Juliussen suggested one change to the text in the Capital Acquisition Program Overview section of the budget. Staff agreed to revise the language.

Director Hanson thanked staff for scheduling a Special Board meeting to review the draft budget prior to adoption. President Sullivan stated that staff did a great job with the presentations.

Following discussion, the Board of Directors directed staff to finalize the FY 14 Budget with one minor language change and present the final at the June 12, 2013 Board of Directors meeting for approval.

7. Information Items

None.

8. Closed Session

A. Meet with General Manager Bushee and Administrative Services Manager LeMay to discuss the FY 2014 Informal Input Process regarding employee compensation, as authorized under Government Code Section 54957.6

The Board of Directors met in closed staff and provided direction to GM Bushee and ASM LeMay. There was no other reportable action.

9. Adjournment

President Sullivan adjourned the meeting at 10:56 a.m.



Elaine Sullivan, President

Paul J. Bushee
Secretary/General Manager (SEAL)