



LEADERS IN  
ENVIRONMENTAL  
PROTECTION

**BOARD OF DIRECTORS  
REGULAR MEETING  
And  
PUBLIC HEARING ON FISCAL YEAR 2013 COLLECTION OF WASTEWATER  
SERVICE CHARGES ON THE COUNTY TAX ROLL**

**DATE:** Wednesday, June 20, 2012  
**TIME:** 5:00 p.m.  
**PLACE:** Leucadia Wastewater District  
1960 La Costa Avenue, Carlsbad, CA 92009

**AGENDA**

Items on the agenda may be taken out of sequential order as their priority is determined by the Board of Directors. In the case of an emergency, items may be added to the Agenda by a majority vote of the Board of Directors. Also, items that arise after posting of the Agenda may be added, per Government Code Section 54954.2, by a 2/3 or unanimous vote of the Board.

Any writings or documents provided to a majority of the members of Leucadia Wastewater District regarding any item on this Agenda will be made available for public inspection in the Administration Office located at 1960 La Costa Avenue, Carlsbad, CA 92009 during normal business hours.

- 1. Call to Order**
- 2. Roll Call**
- 3. Pledge of Allegiance**
- 4. General Public Comment Period**
- 5. Approval of Agenda**
- 6. Presentations and Awards**
  - A. FST Gabriel Mendez receives two professional achievement awards. (Page 1-3)
  - B. FST Mauricio Avalos receives a professional achievement award. (Pages 4)

## CONSENT CALENDAR

Items 7-11 will be enacted in one motion in accordance with the recommendation unless removed from the Consent Calendar by the Board of Directors, Staff or Public. If a member of the public wishes to remove an item, they should submit a "Request to Address the LWD Board of Directors" form to the Board Secretary prior to the meeting. Items removed from the Consent Calendar will be considered in the original agenda order immediately following adoption of the Consent Calendar.

### 7. Approval of Board and Committee Minutes

Minutes of the following meetings:

- May 8, 2012 Community Affairs Committee Meeting (Pages 6-7)
- May 9, 2012 Regular Board Meeting (Pages 8-15)
- May 23, 2012 Special Board Meeting (Pages 16-18)
- June 4, 2012 Investment & Finance Committee Meeting (Pages 19-20)
- June 11, 2012 Engineering Committee Meeting (Pages 21-22)

### 8. Approval of Demands for May/June 2012

This item provides for Board of Directors approval of all demands paid from LWD during the month of May and a portion in June 2012. (Pages 23-49)

### 9. Operations Report

This report discloses the year-to-date and monthly flow, rain fall, EDU's and reclaimed water averages; along with MGD flow comparisons from FY 11 to FY 12 and flows by sub-basin. (Pages 50-53)

### 10. Finance Report

This report discloses up-to-date schedule of assets, liabilities, net assets and compares fiscal year-to-date expenditures to the FY 12 budget and discloses monthly investments. (Pages 54-61)

### 11. Establishing an Appropriations Limit of the LWD for FY 13

Adopt Resolution No. 2223 Establishing an Appropriations Limit of the Leucadia Wastewater District (LWD) for the Fiscal Year 2013 (July 1, 2012 to June 30, 2013) Pursuant to Article XIII (B) of the California Constitution. (Pages 62-66)

## EWA and COMMITTEE REPORTS

### 12. Encina Wastewater Authority Reports

- A. A regular EWA Board meeting was held on May 23, 2012 – report by Vice President Sullivan. (Pages 67-68)
- B. A EWA Member Agencies Manager's meeting was held on June 5, 2012 – report by GM Bushee (Verbal)

### 13. Committee Reports

- A. Investment & Finance Committee meeting was held on June 4, 2012 – report by Director Omsted. (Page 69)

## OLD BUSINESS

14. **Adopt the Fiscal Year 2013 (FY 13) Budget.** (Page 71, Enclosure 14A)

## PUBLIC HEARING

15. **Public Hearing to consider the following:**

A proposal to consider collecting the District's Wastewater Service Charge for Fiscal Year 2013 on the San Diego County Tax Roll. (Page 72)

## ACTION ITEMS

16. **Collection of Wastewater Service Charges on the County Tax Roll for FY 13**

Adopt Resolution No. 2221 Adopting and Approving the Report for the Collection of Wastewater Service Charges on the County Tax Roll for the Fiscal Year July 1, 2012 – June 30, 2013. (Pages 73-75)

17. **Approving the Recommended Encina Wastewater Authority FY 13 Budget**

Adopt Resolution No. 2222 Approving the Recommended Encina Wastewater Authority (EWA) Fiscal Year 2013 (FY 13) Operating and Capital Budgets. (Pages 76-78)

18. **Engineering Design Services Agreement with Infrastructure Engineering Corporation (IEC) for the La Costa Pump Station Rehabilitation Project**

Authorize the General Manager to execute an agreement with IEC for engineering design services for the La Costa Pump Station Rehabilitation Project in an amount not to exceed \$46,866. (Pages 79-82)

19. **Professional Services Agreement with Brownell & Duffey, CPA's, for Financial and Accounting Services.**

Authorize the General Manager to execute a three-year professional services agreement with Brownell & Duffey, CPA's, for Accounting and Financial Services in an amount not to exceed \$307,350. (Pages 83-85)

20. **Professional Services Agreement with Dudek for Engineering Consulting Services.**

Authorize the General Manager to execute a three-year professional services agreement with Dudek for Engineering Consulting Services in an amount not to exceed \$360,000. (Pages 86-89)

21. **Professional Services Agreement with TRG & Associates for Public Information Services.**

Authorize the General Manager to execute Task Order No. 2 to the TRG & Associates Public Information Services Agreement in an amount not to exceed \$48,835. (Pages 90-92)

22. **Requesting LAFCO to Take Proceedings for the Cope Change of Organization**

Adopt Resolution No. 2224 Requesting LAFCO to Take Proceeding for the Cope Change of Organization. (Pages 93-97)

**23. Carryover of Appropriation for the Procurement of a Closed Circuit Television Truck.**

Authorize the carryover of a \$234,000 appropriation in capital acquisition funds from the Fiscal Year 2012 to Fiscal Year 2013 for the procurement of the Closed Circuit Television Truck. (Page 98)

**INFORMATION ITEMS**

**24. Project Status Updates and Other Informational Reports**

- A. Batiquitos Pump Station Emergency Response Plan Presentation. (Verbal)
- B. CSDA Response to Orange County Grand Jury Report on Special Districts. (Pages 99-107)
- C. Thank you letter from the Superintendent of Encinitas Union School District. (Page 108 )
- D. LWD 2012 Employee Luncheon is scheduled for Thursday, July 12, 2012. (Page 109)
- E. Notice of termination of the recycled water sales agreement between LWD and the Carlsbad Municipal Water District. ( Page 110)
- F. LWD Press Release "Teachers are awarded grants" printed in The Coast News. (Page 111)
- G. Carlsbad Chamber of Commerce State of the City Luncheon is scheduled for Friday, August 24, 2012 from 11 AM to 1:30 PM at the Sheraton Carlsbad Resort & Spa. (Verbal)
- H. North County Times article "EFFINGER: Special districts bear scrutiny." (Pages 112-113)

**25. Directors' Meetings and Conference Reports**

- A. The 2012 CSDA Legislative Days Conference was held at the Sheraton Grand in Sacramento, CA on May 16-17, 2012. (Page 114)
- B. CSDA Quarterly Dinner meeting was held at the Courtyard by Marriott in San Diego on May 17, 2012. (Verbal)
- C. The 16<sup>th</sup> Annual Water Reuse & Desalination Research Conference was held at the Mission Bay Hyatt in San Diego on June 4-5, 2012. (Page 115)

**26. General Manager's Report**

**27. General Counsel's Report**

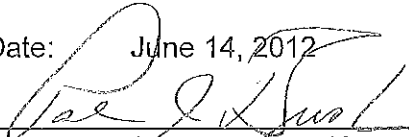
**28. Board of Directors' Comments**

**29. Adjournment**

AFFADAVIT OF POSTING

I, Paul J. Bushee, Secretary of the Leucadia Wastewater District, hereby certify that I posted a copy of the foregoing agenda in the lobby of the District office at 1960 La Costa Avenue, Carlsbad, California at least 72 hours prior to the meeting, in accordance with Govt. Code Section 54954.2(a).

Date: June 14, 2012

  
\_\_\_\_\_  
Paul J. Bushee, Secretary/General Manager

## MEMORANDUM

DATE: June 14, 2012  
 TO: Board of Directors  
 FROM: Paul J. Bushee, General Manager   
 SUBJECT: Presentations and Awards – Achievement of Individual Objectives

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It is my pleasure to announce that Leucadia Wastewater District (LWD) staff members have recently met individual performance objectives under LWD's Incentive Program. The achievements are as follows:

State of California Department of Public Health Water Distribution Operator Grade D1 Certification – Gabriel Mendez

Field Services Technician in Training Gabriel Mendez recently received his Grade D1 Water Distribution certification from the State of California. Gabriel has been working for LWD since September 2011, this certification reflects Gabriel desire to excel through continued professional development. As a result of this certification, Gabriel is eligible for an Individual Incentive Award of \$500.

California Water Environment Association (CWEA) Collection System Maintenance Grade II Certification – Gabriel Mendez

Gabriel also recently received his Grade II Collection System Maintenance certification from CWEA. As a result of this certification, Gabriel is eligible for an Individual Incentive Award of \$500.

State of California Department of Public Health Water Distribution Operator Grade D1 Certification – Mauricio Avalos

Field Services Technician I Mauricio Avalos recently received his Grade D1 Water Distribution certification from the State of California. Mauricio has been working for LWD since May 2011, this certification reflects Mauricio's desire to excel through continued professional development. As a result of this certification, Mauricio is eligible for an Individual Incentive Award of \$500.

State of California Department of Public Health Water Distribution Operator Grade T1 Certification – Adam Robey

Field Services Technician I Adam Robey recently received his Grade D1 Water Distribution certification from the State of California. Adam has been working for LWD since May 2011, this certification reflects Adam desire to excel through continued professional development. As a result of this certification, Adam is eligible for an Individual Incentive Award of \$500.

Please join me in congratulating Gabriel, Mauricio, and Adam, for their outstanding accomplishments.

PJB

CALIFORNIA  
WATER ENVIRONMENT  
ASSOCIATION

*Certification of Competence*

THIS IS TO CERTIFY THAT

Gabriel Mendez

HAVING SUBMITTED ACCEPTABLE EVIDENCE OF QUALIFICATIONS  
BY EDUCATION, TRAINING AND EXPERIENCE IS HEREBY  
GRANTED THIS CERTIFICATION OF COMPETENCY AS A

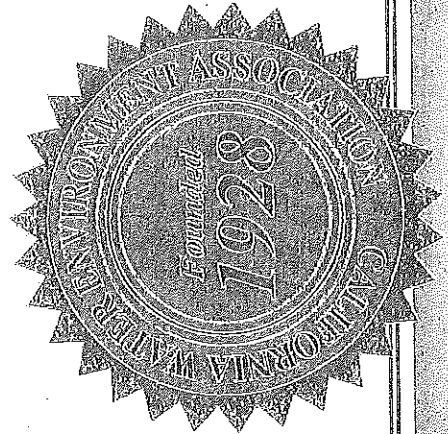
GRADE II

COLLECTION SYSTEM MAINTENANCE

Expires On 4/30/2013



Jody Allen, President  
California Water Environment Association



Certificate No. 120422005



Simon Watson, Chair  
Technical Certification Program

*State of California  
Department of Public Health*

IN ACCORDANCE WITH DIVISION 104, PART 1, CHAPTER 4, ARTICLE 3  
OF THE HEALTH AND SAFETY CODE

**Gabriel Mendez**

IS AUTHORIZED TO OPERATE OR SUPERVISE THE OPERATION OF A WATER DISTRIBUTION SYSTEM  
AND IS HEREBY GRANTED THIS CERTIFICATE FOR

*Water Distribution Operator  
Grade D1*

Operator Number: 41273

Issued:

May 2012

*Heath J Walker*  
STATE OF CALIFORNIA DEPARTMENT OF PUBLIC HEALTH





*State of California  
Department of Public Health*

IN ACCORDANCE WITH DIVISION 104, PART 1, CHAPTER 4, ARTICLE 3  
OF THE HEALTH AND SAFETY CODE

**Mauricio M. Avalos**

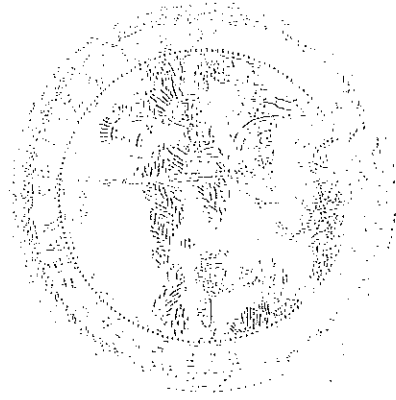
IS AUTHORIZED TO OPERATE OR SUPERVISE THE OPERATION OF A WATER DISTRIBUTION SYSTEM  
AND IS HEREBY GRANTED THIS CERTIFICATE FOR

*Water Distribution Operator  
Grade D1*

Operator Number: 41274

Issued:  
May 2012

*Heidi J. Walker*  
STATE OF CALIFORNIA DEPARTMENT OF PUBLIC HEALTH



*State of California  
Department of Public Health*

IN ACCORDANCE WITH DIVISION 104, PART 1, CHAPTER 4, ARTICLE 3  
OF THE HEALTH AND SAFETY CODE

*Adam D. Robey*

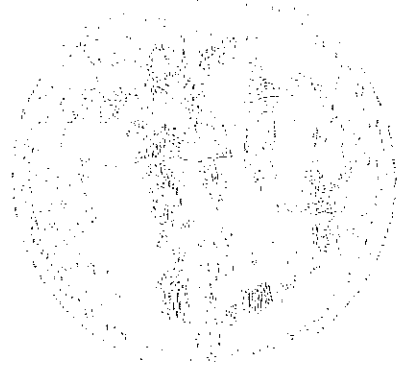
IS AUTHORIZED TO OPERATE OR SUPERVISE THE OPERATION OF A WATER DISTRIBUTION SYSTEM  
AND IS HEREBY GRANTED THIS CERTIFICATE FOR

*Water Distribution Operator  
Grade D1*

Operator Number: 41272

Issued:  
May 2012

*Heath Walker*  
STATE OF CALIFORNIA DEPARTMENT OF PUBLIC HEALTH



**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of a Community Affairs Committee Meeting  
 May 8, 2012

A meeting of the Community Affairs Committee (CAC) of the Leucadia Wastewater District (LWD) was held Tuesday, May 8, 2012 at 10:00 a.m. at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

**1. Call to Order**

Chairperson Sullivan called the meeting to order at 10:02 a.m.

**2. Roll Call**

DIRECTORS PRESENT: Sullivan and Omsted

DIRECTORS ABSENT: None.

OTHERS PRESENT: General Manager Paul Bushee, Administrative Services Manager Chuck LeMay, Executive Assistant Trisha Hill, Lois Humphreys and Jennifer Beales of TRG & Associates (TRG).

**3. Public Comment**

No public comment was received.

**4. New Business**

A. Review of LWD FY 13 Public Information Services Work Plan.

ASM LeMay presented the item stating that TRG's Public Information work plan includes the basic public outreach services that LWD provides its customers. He noted that staff did not include an open house or public forum in the FY 13 budget. He introduced Ms. Lois Humphreys of TRG & Associates to discuss public outreach services included in the proposed scope of work.

Ms. Humphreys stated that TRG would like to assist LWD staff with getting public speaking opportunities with other community groups or agencies to discuss the importance of LWD and the services that are provided. Vice President Sullivan agreed and suggested that staff also discuss information on biosolids, recycled water and LWD's association with EWA. Ms. Humphreys also stated that TRG can assist with promoting the District's website.

Director Sullivan inquired about LWD's website and its functionality for editing the website. GM Bushee stated that editing the website was not as easy as the developers stated it would be. He also stated that the technology of the website is obsolete and an upgrade to the website will be included in the FY 14 budget. He also noted that staff will provide an update on the web cams number of hits data at the next CAC meeting.

In addition, the CAC and staff discussed the possibility of speaking at local schools and providing them with suggestions on how to use the teacher grant funds for their school's projects. Ms. Humphreys and Ms. Beales stated that they are available to provide the presentations at the

schools or provide District tours, if needed. ASM LeMay asked TRG if there are additional costs associated with the suggested outreach services and TRG confirmed that the work plan and their budget amount of \$48,835 is sufficient to cover their services.

Following discussion, the CAC agreed with the TRG's scope of work and directed staff to present TRG's Task Order No. 2 at the June Board meeting.

B. Review and discuss the Biannual 2012 newsletter proposed article topics and production schedule.

Ms. Lois Humphreys of TRG presented the newsletter article topics and schedule. Ms. Humphreys presented the story ideas stating that the newsletter will focus on the homeowner's sewer lateral as it connects to the LWD sewer system. She noted that the newsletter will provide information relating to the homeowner's responsibility for their sewer lateral. In addition, she stated that the newsletter will also highlight the following topics:

- the District's Lateral Grant program;
- What items not to put down the drain/sink or flush down the toilet;
- Photos of the Teacher Grant recipients;
- Highlight the webcam; and
- LWD's recent awards.

Following discussion, the CAC authorized staff and TRG to proceed with the story ideas and schedule.

**5. Information Items**

None.

**6. Directors' Comments**

None.

**7. General Manager's Comments**

GM Bushee stated that he met with the city of Carlsbad's Public Works Director, Glenn Pruim, to discuss the recycled water contract with the city of Carlsbad. He stated that Mr. Pruim provided the District a verbal notice that staff is recommending that the Carlsbad council cancel the recycled water agreement with the District. Mr. Pruim also stated that the city may renegotiate the recycled water agreement with the District. GM Bushee stated that he will provide the Board with an update at the May Board meeting.

**8. Adjournment**

Chairperson Sullivan adjourned the meeting at 11:00 a.m.

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Paul J. Bushee  
Secretary/Manager  
(Seal)

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of a Regular Board Meeting and A Public Hearing  
 May 9, 2012

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, May 9, 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, District Engineer Steve Deering, District CPA Richard Duffey, Jennifer Beales and Lois Humphreys with TRG & Associates, Jamie Fagnant with IEC, Debbie Pinter, Leighangela Brady and students with La Costa Heights Elementary School, June Honsberger with La Costa Canyon High School, Hank Stelzel with Paul Ecke Central Elementary School, Jodi Greenberger with El Camino Creek Elementary School, and Thomas Baugh with Olivenhain Pioneer Elementary School.

**3. Pledge of Allegiance**

**4. General Public Comment Period.**

GM Bushee stated that there are no speaker's slips, but attendees at the meeting will speak later in the agenda.

**5. Approval of Agenda**

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

**6. Presentations and Awards**

**A. Teacher's Grant Presentations.**

EA Hill stated that last month the Board of Directors approved five teacher grants. She stated that the teachers are present at tonight's meeting, along with their students to provide a brief description about their project. She introduced each teacher to present their project.

Each teacher presented information about their school's project relating to water conservation and their school's garden. They each thanked the Board of Directors for providing a teacher grant program to help support their programs.

Vice President Sullivan thanked the teachers for their efforts and stated that she was pleased to see them at tonight's meeting. She also provided a history of the Teacher Grant program.

Director Kulchin noted that the District is available for tours and he also thanked the teachers for their presentations at tonight's meeting.

President Hanson thanked the teachers for continuing their past projects and using the grant funds to expand their projects.

GM Bushee asked the Board of Directors for a brief break to take photos of the Board members, teachers and the students for a press release.

**B. CWEA 2012 Collections System of the Year State Award.**

GM Bushee introduced Superintendent Jeff Stecker to present the CWEA 2012 Collections System of the Year State Award.

Superintendent Stecker presented the CWEA 2012 Collections System of the Year Award to President Hanson. He thanked the Board for their support.

The Board of Directors congratulated staff for their efforts.

### **CONSENT CALENDAR**

**7. Approval of Board and Committee Minutes**

Minutes of the following meetings:

April 11, 2012 Regular Board Meeting

April 12, 2012 Human Resources Committee Minutes

April 16, 2012 Ad Hoc Committee Meeting

April 30, 2012 Investment & Finance Committee Meeting

May 1, 2012 Engineering Committee Meeting

**8. Approval of Demands for April 2012/May 2012**

Payroll Checks numbered 16048-16088; General Checking – Checks numbered 42323-42446; Voided check 42404 was reissued 42431

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

**10. Finance Report (A copy was included in the original May 9, 2012 Agenda)**

**11. Quarterly Treasurer's Investment Report (A copy was included in the original May 9, 2012 Agenda)**

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

## EWA and COMMITTEE REPORTS

### 12. Encina Wastewater Authority (EWA) Reports

#### A. Encina Wastewater Authority Report – April 24, 2012.

Vice President Sullivan reported on EWA's April 24, 2012 Board meeting.

#### B. Member Agency Manager (MAM) Meeting – May 1, 2012.

GM Bushee reported on the MAM's May 1, 2012 meeting. He noted that EWA is celebrating their 50<sup>th</sup> Year Anniversary and during EWA's September Board meeting they would like to honor LWD. GM Bushee noted that staff will follow up with the Board to confirm if one Board member or the entire Board would like to attend EWA's Board meeting to accept the award.

### 13. Committee Reports

#### A. Human Resources Committee (HRC) was held on April 12, 2012.

Director Kulchin reported that the HRC met in closed session on April 12, 2012 to discuss the FY 2013 Informal Input Process regarding employee compensation as authorized by Government Code section 54957.6. He noted that there was no reportable action and the Board will meet in closed session later in the agenda.

#### B. Ad Hoc Committee (AHC) was held on April 16, 2012.

Director Omsted reported that the AHC met on April 16, 2012 to further discuss the formation of a Governance Committee Formation. He stated that the AHC reviewed and discussed the survey regarding the rotation of committee membership and a draft rotation schedule for LWD committees.

He also stated that the AHC recommended that a Governance Committee be established and the Employee Recognition Committee be eliminated. In addition, the AHC agreed on duties of the AHC and that the committee members should include the President and Vice President. He stated that this item will be reviewed later in the agenda.

#### C. Investment & Finance Committee meeting was held on April 30, 2012.

Director Omsted reported that the IFC met on April 30, 2012 to review the FY 13 Operations budget. He stated that there were no recommended changes to the budget. He noted that the entire FY 13 Budget will be reviewed by the Board later in the agenda.

#### D. Engineering Committee meeting was held on May 1, 2012.

Director Juliussen reported that the EC met on May 1, 2012. He stated that the EC reviewed the results of the Lanikai Trunk Sewer Repair Project Preliminary Engineering Report completed by Infrastructure Engineering Corporation (IEC). He stated that the EC agreed with staff to recommend that the Board receive and file the report. He noted that this will be reviewed by the Board later in the agenda.

He also reported that the EC reviewed the final FY 13 Capital Acquisition and Capital Improvement Program budgets and that the EC was satisfied with the budgets. He noted that the full FY 13 Budget will be reviewed by the Board later in the agenda.

In addition, EC received a status update on the Occidental Pipeline Repair Project.

E. Community Affairs Committee meeting was held on May 8, 2012.

Vice President Sullivan reported that the CAC met on May 8, 2012 to review the proposed FY 13 Public Information Services work plan. She noted a list of items included in the work plan. She also stated that staff will present TRG's Task Order No. 2 for approval at the next Board meeting.

In addition, the CAC reviewed the biannual 2012 newsletter articles and production schedule. She stated the list of topics that will be included in the newsletter.

### **PUBLIC HEARING**

14. A proposal to consider increasing the amount that may be paid to Directors and Officers of the District from \$173 to \$180 per day of Service to the District.

President Hanson opened the public hearing for comments. There was no public at the meeting. President Hanson closed the public hearing.

### **ACTION ITEMS**

15. **Board of Directors Compensation Adjustment**

Adopt Ordinance No. 126 Increasing Compensation of Directors and Confirming meetings that Qualify for Director Compensation.

ASM LeMay presented this item stating during the last meeting the Board authorized staff to notice a public hearing. He stated that staff advertised the public hearing notice twice in the North County Times. He also noted that the water code allows for a 5% increase per calendar year following the date of the last adjustment.

Vice President Sullivan stated that the Board of Directors has not received a stipend increase since 2009, indicating that the Board has been doing a good job providing leadership to the District. Director Kulchin agreed with Vice President Sullivan.

Director Juliussen stated that an increase in pay is not necessary. He stated that this job is a public service job and he is not a Board member for the pay.

Director Omsted stated that public officials should be paid more for their service. He noted that more members of the public would run for office if the pay was increased.

Upon a motion duly made by Vice President Sullivan, seconded by Director Kulchin, and carried by Director Ornsted, with Director Juliussen and President Hanson voting no, the Board of



Directors adopted Ordinance No. 126 Increasing Compensation of Directors and Officers of the District from \$173 to \$180 per day of service to the District.

**16. Lanikai Trunk Sewer Repair Project Preliminary Engineering Report.**

Receive and file the Lanikai Trunk Sewer Repair Project Preliminary Engineering Report completed by Infrastructure Engineering Corporation (IEC).

TSM Morishita presented this item. He stated that the EC reviewed this item at their May 1, 2012 meeting. He noted that this project is included in the FY 12 Tactics and Action Plan.

TSM Morishita and Jamie Fagnant of IEC provided an overview of the report. This included the location and condition of the Lanikai gravity sewer line and five alternatives to repair or replace the cracked line, along with the costs associated with each repair method. Ms. Fagnant stated that Alternate No. 2, bypassing the flow and installing a cured-in-place pipe (CIPP) lining in cracked section, is the preferred option to repair the line. TSM Morishita provided the reasons for this repair method.

Following discussion, upon a motion duly made by Director Juliussen, seconded by Director Omsted, and carried, the Board of Directors received and filed the Lanikai Trunk Sewer Repair Project Preliminary Engineering Report completed by Infrastructure Engineering Corporation (IEC). The Board also authorized staff to proceed with the final design for the for the Lanikai Trunk Sewer Repair Project.

**17. Overview of the Recommended Fiscal Year 2013 (FY 13) Budget.**

ASM LeMay presented this item. He stated that the EC reviewed the capital budgets; the IFC reviewed the Operations budget; and the HRC reviewed the personnel budget. ASM LeMay provided an overview of the FY 13 budget that included the following items:

- Revenue and expense summaries for each Enterprise (wastewater and recycled water)
- FY13 service charge
- Projected personnel budget
- Projected Wastewater, Batiquitos Pump Station, and Recycled Water Expenses
- Projected Administrative Services and Development Expenses
- Projected Capital Program Expenses for both wastewater and recycled water programs
- Budget to Actual expenses

He stated that the District has held the budget steady over the last few years with minimal increases in the overall budget; however, this year the FY 13 budget includes a 5% increase.

President Hanson suggested that staff present the budget during a Board workshop. GM Bushee clarified President Hanson's comment, indicating that the Board workshop would replace the committee meetings that review portions of the budget. He also stated that staff will schedule a Board workshop for the FY 14 Budget. The Board of Directors agreed.

Upon a motion duly made by Vice President Sullivan, seconded by Director Omsted, and carried, the Board of Directors directed staff to proceed with the recommended FY 13 Budget with no changes for the June Board of Directors' meeting.

**18. Ad Hoc Committee Recommendation Concerning Formation of the Governance Committee.**  
Establish a standing Governance Committee and Eliminate the Employee Recognition Committee.

Director Omsted presented this item stating that the development of a Governance Committee would strengthen the leadership of the District. He noted that the committee would be flexible. He provided a brief list of items that the Governance Committee would review prior to approval of the full Board.

Vice President Sullivan stated that based on the AHC survey results, there is little supporting evidence that the District should develop a Governance committee. President Hanson provided additional information regarding which agencies have a Governance committee and why their agency developed that committee.

Vice President Sullivan asked for additional clarification on the rotation of committee members. Director Omsted indicated that the President needs more authority to implement committee rotation.

Director Kulchin thanked the AHC for their research on this topic. He indicated that the Governance Committee has a lot of responsibility based on the list of items they would review. He noted that the District is operating very well and there is strong leadership at the District. He added that he would not be in favor of establishing a Governance Committee.

Director Omsted noted that the Governance Committee would only provide guidance to the Board and would not make any executive decisions.

Director Juliussen stated that he doesn't have an issue with the establishment of the Governance Committee as long as committee assignments remained with the Board President.

Following discussion, upon a motion duly made by Director Omsted, seconded by President Hanson, with Directors Kulchin, Juliussen and Sullivan voting noes, the establishment of the Governance Committee failed to pass.

**19. Potential Change to the June 2012 Board of Directors Meeting Date.**  
Discuss and take action as appropriate.

President Hanson stated that she requested this change because she will be out of town on June 13, 2012. The Board of Directors agreed to change the June 13, 2012 Board meeting date to June 20, 2012 at 5:00 PM.

**20. Call for Nominations to the LAFCO and Special Districts Advisory Committee.**  
Discuss and provide direction as appropriate.

Following discussion, the Board of Directors agreed not to nominate a representative to either the

LAFCO Commission position or the Special Districts Advisory Committee positions.

## INFORMATION ITEMS

### 21. Project Status Updates and Other Informational Reports

A. "Eyes on Flow" Municipal Sewer and Water Magazine Article.

GM Bushee noted that the article was written by former employee Leo Schempp and Superintendent Jeff Stecker.

### 22. Directors' Meetings and Conference Reports

A. The 2012 Annual CWEA Conference was held at the Sheraton Grand in Sacramento, CA on April 17-20, 2012.

Director Omsted stated that CWEA added governance courses to the program and he attended those presentations. Director Juliussen stated he attended the award ceremony and that other local agencies, EWA and San Elijo also received an award.

B. The 2012 Spring CASA Conference was held at the Marriott Napa Valley Hotel in Napa, CA April 24-27, 2012.

Vice President Sullivan reported that she attended a presentation on the millennial generation workforce and that they represent 60% of the workforce. She also attended the Napa's Watershed project and a recycled water presentations.

President Hanson stated that she attended presentations on Creative Water Rates, Napa's Watershed project, the millennial generation workforce, and the CSRMA Board meeting. She noted that the worker's compensation insurance rates are increasing due to claims, increased medical costs, and the aging workforce.

C. CSDA Harassment Prevention AB 1825 Webinar Training was held at the District office on May 2, 2012.

Directors Kulchin, Hanson, Sullivan and Juliussen attended this training as a requirement of AB 1825.

### 23. General Manager's Report

The following items were reported:

- GM Bushee met with Olivenhain MWD and the city of Carlsbad to discuss the recycled water agreement. Carlsbad staff stated that cancellation of the current agreement will be on Council's agenda next month. However, they indicated they will continue to re-negotiate an agreement with LWD.
- Reminder that the CSDA Quarterly dinner is scheduled for May 17<sup>th</sup> and staff will carpool to the meeting. Staff will be leaving at 5:45 PM.
- GM Bushee provided an update on the Occidental Line Repair Project.

### 24. General Counsel's Report

General Counsel Brechtel reported the status of an assembly bill introduced by Assemblyman Wyland. He also reported that a regulatory agency is pushing the Regional Board to adopt a volumetric billing system.

**25. Board of Director's Comments**

None.

**26. Closed Session**

- A. Meeting with General Manager Bushee and Administrative Services Manager LeMay to discuss the FY 2013 Informal Input Process regarding employee compensation, as authorized under Government code section 54957.6.

General Counsel Brechtel reported that the Board of Directors met in closed session and there was no reported action taken.

**27. Adjournment**

President Hanson adjourned the meeting at 7:45 p.m.

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Judy Hanson, President

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Paul J. Bushee  
Secretary/General Manager  
(SEAL)

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of a Special Board Meeting  
 May 23, 2012

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, May 23, 2012 at 10:00 a.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 10:00 a.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, District Engineer Steve Deering, and District CPA Richard Duffey

**3. Pledge of Allegiance**

**4. General Public Comment Period.**

None.

**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.

**ACTION ITEMS**

**6. Status of LWD's Recycled Water Program**

GM Bushee presented the subject item by providing a detailed status report on the North County Recycled Water Program and LWD's Recycled Water Program.

Information on the North San Diego County Regional Water Recycling Project (North County Project) included:

- History and development of the North County Project;
- Role of RMC Water & Environment to identify the potential sources and uses of recycled water;
- Update on The Furman Group's efforts to obtain federal Title XVI funding;
- Results of the federal Title XVI funding, noting it is on hold until after the 2012 Presidential election;
- Results of the California's Prop 84 funding, noting that the project obtained a \$2 million planning grant that requires a 25% match from the participating agencies; and
- Upcoming tasks to continue the project which include completion of a programmatic EIR for the state funding, feasibility study for the federal funding, Public Information Fact Sheet,

and attendance at the upcoming Washington D.C. conference in June 2012.

GM Bushee provided an overview of the following information on LWD's Recycled Water Program:

- History and contract terms of the Recycled Water Contract with the City of Carlsbad;
- Results of LWD and the city of Carlsbad negotiation efforts for the recycled water agreement, noting that the Carlsbad's council approved the 12 month notice to terminate the recycled water agreement with LWD;
- Potential recycled water agreement with Olivenhain MWD; and
- Cost analysis of LWD recycled water program, noting alternative if LWD renegotiates with Carlsbad and/or Olivenhain MWD.

GM Bushee stated that based on staff's cost analysis of the recycled water program, the Board has the following options:

- 1) Continue to negotiate with Carlsbad and Olivenhain for the best rate that is cost effective for the District;
- 2) If negotiations are unsuccessful with Carlsbad, temporary shutdown the Gafner Plant; or
- 3) If negotiations are unsuccessful with Carlsbad continue operating the Gafner Plant by subsidizing the operation costs with the wastewater enterprise fund and increase the sewer services charges.

Following discussion, the Board of Directors directed staff not to subsidize recycled water expenses from the wastewater reserves and to continue negotiating with Carlsbad for a new recycled water agreement.

## **INFORMATION ITEMS**

### **7. Project Status Updates and Other Informational Reports**

None.

### **8. General Manager's Report**

The following items were reported:

- President Hanson's letter to the editor was published in the North County Times on May 23, 2012.

### **9. Board of Director's Comments**

Vice President Sullivan stated that she appreciates the information provided at today's meeting and staff's efforts with LWD's recycled water program.

Director Omsted stated that he was disappointed that the North County Times took two weeks to print President Hanson's letter to the editor.

**10. Adjournment**

President Hanson adjourned the meeting at 11:12 a.m.

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Judy Hanson, President

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Paul J. Bushee  
Secretary/General Manager  
(SEAL)

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of an Investment & Finance Committee Meeting  
 June 4, 2012

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A meeting of the Investment & Finance Committee (IFC) of Leucadia Wastewater District (LWD) was held Monday, June 4, 2012 at 9:00 a.m., at the LWD Administration Office located at 1960 La Costa Ave., Carlsbad, California.

**1. Call to Order**

Chairperson Hanson called the meeting to order at 9:00 a.m.

**2. Roll Call**

DIRECTORS PRESENT: Hanson and Omsted

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager (GM) Paul Bushee, Administrative Services Manager Chuck LeMay, Executive Assistant Trisha Hill, Accounting Technician Maggie McEniry, CPA Richard Duffey with Brownell & Duffey, CPAs Harvey Schroeder and David Forman with White Nelson Diehl Evans LLP.

**3. Public Comment**

No public comment was received.

**4. New Business**

President Hanson moved item B forward for discussion.

- B. Recommend that the Board of Directors authorize the General Manager to execute a three-year professional services agreement with Brownell & Duffey, CPA's, for Accounting and Financial Services in an amount not to exceed \$307,350 with an option for an additional two years.

ASM LeMay presented this item stating that Brownell & Duffey professional services agreement expires on June 30<sup>th</sup>. He noted that Richard Duffey has provided financial services for the district for the past twelve years and his services to LWD have been excellent. He stated that staff is recommending to change the terms of the agreement from two years to three years with an option to extend for an additional two years.

Director Omsted requested that staff prepare a bullet list of Mr. Duffey's accomplishments to be available for the next for the Board meeting. Staff agreed to do so.

Mr. Duffey thanked the committee, noting that he enjoys working for the District.

Following discussion, the IFC concurred with staff to recommend that the Board of Directors authorize the General Manager to execute a three year professional



services agreement with Brownell & Duffey, CPA's for Accounting and Financial Services in an amount not to exceed \$307,350 with an option for an additional two years.

A. Audit Entrance meeting with White Nelson Diehl Evans LLP.

GM Bushee introduced CPAs Harvey Schroeder and David Forman with White Nelson Diehl Evans LLP. Mr. Schroeder provided an overview of the audit process, noting the following items:

- How auditors form their opinion on statements
- The audit testing will focus on internal control and it will be performed this week
- Auditors do not form an opinion on internal control, noting every agency is different
- Provided examples of deficiencies with internal control and will note deficiencies if found
- Board is responsible for governance
- The final balances & testing results will be available in September
- Staff will present the final audit in December 2012

Mr. Schroeder also discussed the difference between a management letter and other matters letter. Mr. Forman noted that the audit will include a statistics portion, in which the auditors will have no opinion regarding this section of the audit.

No action was taken on this item.

**5. Information Items**

None.

**6. Comments, Questions or Requests by Directors**

None.

**7. Comments by General Manager**

None.

**8. Adjournment**

Chairperson Hanson adjourned the meeting at approximately 9:21 a.m.

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Paul J. Bushee,  
Secretary/Manager  
(Seal)

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of an Engineering Committee Meeting  
 June 11, 2012

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A meeting of the Engineering Committee (EC) of Leucadia Wastewater District (LWD) was held Monday, June 11, 2012 at 8:30 a.m., at the LWD Administration Office located at 1960 La Costa Avenue, Carlsbad, California.

**1. Call to Order**

Chairperson Juliussen called the meeting to order at 8:30 a.m.

**2. Roll Call**

DIRECTORS PRESENT: Juliussen and Kulchin

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager Paul Bushee; Technical Services Manager Robin Morishita; Field Services Supervisor Marvin Gonzalez; District Engineer Steve Deering; and Robert Weber from Infrastructure Engineering Corporation (IEC).

**3. Public Comment**

No public comment was received.

**4. Old Business**

None.

**5. New Business**

- A. Authorize the General Manager to execute an agreement with Infrastructure Engineering Corporation (IEC) for engineering design services for the La Costa Pump Station Rehabilitation Project in an amount not to exceed \$46,866.

TSM Morishita presented staff's recommendation. After a short discussion, the EC concurred with staff to present this recommendation at the June 2012 Board meeting.

- B. Authorize the General Manager to execute a three-year professional services agreement with Dudek & Associates, Inc. for Engineering Consulting Services in an amount not to exceed \$360,000.

TSM Morishita presented staff's recommendation. After a short discussion, the EC concurred with staff to present this recommendation at the June 2012 Board meeting.

**6. Information Items**

- A. Evaluation of the procurement of a hydro-cleaning (jetter) trailer and easement crawler.

FSSupervisor Gonzalez presented the results of an evaluation of the need to procure a hydro-cleaning (jetter) trailer and/or an easement crawler. He noted that this item was included as a goal in the Fiscal Year 2012 Tactic and Actions

Plan. The evaluation determined that a jetter trailer is preferred over an easement crawler. The jetter trailer will enable Field Service staff to hydro-clean an additional 9 miles (4.6%) of gravity lines located in the La Costa Resort Golf Course and various easements throughout the District. Field Service staff will evaluate various options for a cost effective way to obtain a jetter trailer, such as a cooperative purchase with other local agencies or equipment lease.

B. Leucadia Pump Station Generator Replacement Project Status

TSM Morishita informed the EC that a contract is being executed with IEC to evaluate options to replace the standby generator at the Leucadia Pump Station and provide emergency power to the Headquarters and Maintenance Buildings. Upon completion of the evaluation and selection of a preferred option, the project will move into the design phase.

7. **Director's Comments**

None.

8. **General Manager's Comments**

None.

9. **Adjournment**

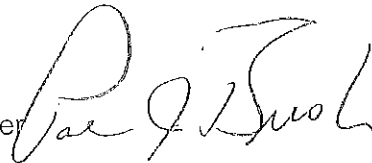
Chairperson Juliussen adjourned the meeting at approximately 9:05 a.m.

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Paul J. Bushee,  
Secretary/Manager  
(Seal)

## MEMORANDUM

DATE: June 14, 2012  
 TO: Board of Directors  
 FROM: Paul J. Bushee, General Manager  
 SUBJECT: Approval of May/June Demands


**RECOMMENDATION:**

Staff requests that the Board of Directors:

1. Approve checks and electronic payments totaling \$ 1,249,409.39
2. Discuss and take other action as appropriate.

**DISCUSSION:**

Attached are check registers describing all payments made by LWD for the months May 4, 2012 – June 14, 2012.

Operating expenses totaled \$1,050,016.84 while Capital Improvement Program expenses totaled \$ 58,710.28.

Payroll for employees and the Board totaled \$ 140,682.27.

Attached please find a year to date Employee and Board Payroll Report from May 2011 to June 2012 for your review. The report includes a monthly breakdown of employee and Board payroll expenses for the prior 12 months.

Attachment 1	Summary of Demands by Account May/June 2012
Attachment 2	Payroll Check Register dated May 9, 2012
Attachment 3	Accounts Payable Check Register dated May 10, 2012
Attachment 4	Payroll Check Register dated May 11, 2012
Attachment 5	Payroll Check Register dated May 16, 2012
Attachment 6	Accounts Payable Check Register dated May 17, 2012
Attachment 7	Accounts Payable Check Register dated May 25, 2012
Attachment 8	Payroll Check Register dated May 30, 2012
Attachment 9	Board Payroll Check Register dated June 1, 2012
Attachment 10	Accounts Payable Check Register dated June 1, 2012
Attachment 11	Accounts Payable Check Register dated June 7, 2012
Attachment 12	Payroll Check Register dated June 13, 2012
Attachment 13	Year to Date Employee and Board Payroll Report

## DEMANDS SUMMARY

June 20, 2012

### 1. Demands

Category	Check #'s	Amount	Total
Payroll Check - 5/9/2012	16089 - 16106 Incentive	\$ 5,061.27	
Payroll Check - 5/11/2012	16107 - 16108 A. Badillo	\$ 9,977.48	
Payroll Check - 5/16/2012	16109 - 16125	\$ 39,446.45	
Payroll Check - 5/30/2012	16126 - 16142	\$ 40,040.64	
Board Payroll Check - 6/1/2012	16143 - 16147	\$ 5,475.03	
Payroll Check - 6/13/2012	16148 - 16164	\$ <u>40,681.40</u>	
	<b>Total</b>		<b>\$140,682.27</b>
General Checking - 5/10/2012	42447 - 42495	\$ 882,985.02	
General Checking - 5/17/2012	42496 - 42518	\$ 58,647.14	
General Checking - 5/25/2012	42519 - 42540	\$ 72,159.52	
General Checking - 6/1/2012	42541 - 42563	\$ 51,283.02	
General Checking - 6/7/2012	42564 - 42597	\$ <u>43,652.42</u>	
	<b>Total</b>		<b>\$1,108,727.12</b>
			<b>\$1,249,409.39</b>
	<b>Grand Total</b>		<b>\$1,249,409.39</b>
<u>VOIDED CHECK</u>	42398 Reissued		
	42379 Reissued		
	42569 Reissued		

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: May 9, 2012  
Incentive

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
16089 - 16106	5/9/2012	\$5,061.27

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
42447- 2552	1	5/10/2012	10104 ABACOR, INC.		
	1		45697 FUEL TANK,LIGHT BAR,TRAFFIC CO	734.06	17660
	1		45699 FUEL TANK,LIGHT BAR,TRAFFIC CO	788.44	17667
	1		45701 FUEL TANK,LIGHT BAR,TRAFFIC CO	1,683.06	17680
	1		45703 ADDITIONAL AMOUNT FOR INVOICE	496.19	17680-
42447- 2552	1	5/10/2012	Logged *** Total ***	3,701.75	
42448- 2552	2	5/10/2012	10167 ACACIA GASOLINE & CAR WASH		
	2		45687 OPEN PO-VEHICLE/TRUCK FUELS	105.45	2562
42448- 2552	2	5/10/2012	Logged *** Total ***	105.45	
42449- 2552	3	5/10/2012	10570 ANTIMITE TERMITES & PEST CONTRO		
	3		45733 MONTHLY PEST SERVICE	53.00	1045576
42449- 2552	3	5/10/2012	Logged *** Total ***	53.00	
42450- 2552	4	5/10/2012	10720 AT&T		
	4		45704 L.D @ BPS	32.37	0472001-APR'12
42450- 2552	4	5/10/2012	Logged *** Total ***	32.37	
42451- 2552	5	5/10/2012	11314 BERGELECTRIC CORP		
	5		45696 OPEN PO-ELECTRICAL	431.71	13330.BTM-9
42451- 2552	5	5/10/2012	Logged *** Total ***	431.71	
42452- 2552	6	5/10/2012	11650 BROWNELL AND DUFFEY CPA		
	6		45694 CONTRACT-ACCOUNTING SERVICES	6,332.00	05112
42452- 2552	6	5/10/2012	Logged *** Total ***	6,332.00	
42453- 2552	7	5/10/2012	12025 CSRMA		
	7		45741 DED RECOVERY-KOYL	4,793.70	2542
42453- 2552	7	5/10/2012	Logged *** Total ***	4,793.70	
42454- 2552	8	5/10/2012	12112 JEFF BILLS		
	8		45684 CONTRACT-CONSULTING SERVICES	2,662.02	CC-APRIL '12
	8		45702 CONSULTING FEES-APRIL	1,207.10	CC-APRIL/12
42454- 2552	8	5/10/2012	Logged *** Total ***	3,869.12	
42455- 2552	9	5/10/2012	12360 CITY OF CARLSBAD		
	9		45708 WATER @ VACTOR 2	180.30	104-4/2012
	9		45709 WATER @ VACTOR	147.14	103-APRIL'12
	9		45736 WATER @ PLANT	267.09	8121305-00-4/12
	9		45737 WATER @ PLANT	89.60	8121300-4/12
42455- 2552	9	5/10/2012	Logged *** Total ***	684.13	
42456- 2552	10	5/10/2012	12510 WASTE MANAGEMENT		
	10		45715 TRASH SERVICE	190.27	108274202747
42456- 2552	10	5/10/2012	Logged *** Total ***	190.27	
42457- 2552	11	5/10/2012	13072 DATA NET		
	11		45718 IS MAINT AND SUPPORT	505.00	9742538
42457- 2552	11	5/10/2012	Logged *** Total ***	505.00	
42458- 2552	12	5/10/2012	13261 DEPT HEALTH SERVICES		

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
	12		45597 GRADE 1 WATER CERT-G. MENDEZ	55.00	MENDEZ-G1 WATER
	12		45598 GRADE 1 WATER CERT-A. ROBEY	55.00	ROBEY-G1 WATER
	12		45632 GRADE 1 WATER CERT-M.AVOLOS	55.00	AVOLOS-G1 WATER
42458- 2552	12	5/10/2012	Logged *** Total ***	165.00	
42459- 2552	13	5/10/2012	13586 DOWNSTREAM SERVICES, INC.		
	13		45729 STORM DRAIN FILTER MAINT	95.00	70730
42459- 2552	13	5/10/2012	Logged *** Total ***	95.00	
42460- 2552	14	5/10/2012	14530 ENCINA WASTEWATER AUTHORITY		
	14		45749 ENCINA 3RD QTR O/M	398,511.66	1009
	14		45750 ENCINA 3RD QTR CAPITAL	380,781.60	1015
42460- 2552	14	5/10/2012	Logged *** Total ***	779,293.26	
42461- 2552	15	5/10/2012	16021 GREAT AMERICA LEASING CORP		
	15		45705 COPIER LEASE	1,002.74	12203147
42461- 2552	15	5/10/2012	Logged *** Total ***	1,002.74	
42462- 2552	16	5/10/2012	16514 GABRIEL MENDEZ		
	16		45743 REIMBURSE G.M. -TEST-GRADE 2 C	150.00	GM-GRADE 2 TEST
42462- 2552	16	5/10/2012	Logged *** Total ***	150.00	
42463- 2552	17	5/10/2012	16523 MARVIN GONZALEZ		
	17		45742 REIMBURSE M.G. FOR CWEA CONF	74.73	CWEA-M.G.-APRIL
42463- 2552	17	5/10/2012	Logged *** Total ***	74.73	
42464- 2552	18	5/10/2012	17058 JUDY HANSON		
	18		45724 REIMBURSE FOR CASA CONF-J.H.	342.61	SPRING CASA-JH
42464- 2552	18	5/10/2012	Logged *** Total ***	342.61	
42465- 2552	19	5/10/2012	17552 THE HOME DEPOT CRC/GECF		
	19		45698 OPEN PO-MISC SUPPLIES	123.87	1065492
42465- 2552	19	5/10/2012	Logged *** Total ***	123.87	
42466- 2552	20	5/10/2012	18150 ICMA RETIREMENT-303979		
	20		45719 DEFERRED COMP-ICMA	3,431.67	ICMA-5/2/2012
42466- 2552	20	5/10/2012	Logged *** Total ***	3,431.67	
42467- 2552	21	5/10/2012	19775 ALLAN JULIUSSEN		
	21		45722 REIMBURSE AJ FOR CASA CONFEREN	962.25	SPRING CASA-AJ
	21		45723 REIMBURSE FOR CWEA CONF-APRIL	731.92	CWEA-APRIL'12
42467- 2552	21	5/10/2012	Logged *** Total ***	1,694.17	
42468- 2552	22	5/10/2012	22214 MITSUBISHI ELECTRIC & ELECTRON		
	22		45728 MAINT ON ELEVATOR	255.00	224693
42468- 2552	22	5/10/2012	Logged *** Total ***	255.00	
42469- 2552	23	5/10/2012	23068 NATIONWIDE RETIREMENT SOLUTION		
	23		45716 DEFERRED COMP-NATIONWIDE	211.19	NATION-5/2/12
42469- 2552	23	5/10/2012	Logged *** Total ***	211.19	
42470- 2552	24	5/10/2012	24224 OFFICE DEPOT, INC.		



UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
	24		45606 OPEN PO-OFFICE SUPPLIES	65.50	60709202900
42470- 2552	24	5/10/2012	Logged *** Total ***	65.50	
42471- 2552	25	5/10/2012	24425 OLIVENHAIN PIONEER P.T.A.		
	25		45567 TEACHER GRANT-THOMAS BAUGH	1,000.00	T.BRAUGH GRANT
42471- 2552	25	5/10/2012	Logged *** Total ***	1,000.00	
42472- 2552	26	5/10/2012	24440 OLIVENHAIN MUNICIPAL WATER DIS		
	26		45710 WATER @ VP5	34.89	65865245-5/12
	26		45711 WATER @ TRAVELING 2	201.00	61227600-5/12
	26		45712 WATER @ VP7	57.15	57187500-5/12
	26		45713 WATER @ E. ESTATES	57.15	61955121-5/12
	26		45720 WATER @ TRAVELING	265.87	1555324-APRIL'
	26		45727 FURNMAN GROUP AGREEMENT	9,000.00	FURMAN-2012
42472- 2552	26	5/10/2012	Logged *** Total ***	8,616.06	
42473- 2552	27	5/10/2012	24528 DONALD OMSTED		
	27		45725 REIMBURSE FOR CWEA CONF-D.O.	635.19	CWEA-APRIL'12-
	27		45726 REIMBURSE FOR CASA CONF-D.O.	36.51	SPRING CASA-00
42473- 2552	27	5/10/2012	Logged *** Total ***	671.70	
42474- 2552	28	5/10/2012	25010 AT&T		
	28		45706 BPS PHONE SERVICE	101.92	9423588001-
	28		45734 DIAL IN MODEM-NEW	129.33	4792130272-4/12
	28		45735 DIAL IN MODEM-OLD	143.34	6327047-4/12
42474- 2552	28	5/10/2012	Logged *** Total ***	374.59	
42475- 2552	29	5/10/2012	25260 PERS RETIREMENT		
	29		45746 BOARD RETIREMENT-4/30/12	186.11	5-30-2012
	29		45747 EMPLOYEES RETIREMENT 4/15/12	14,950.73	5-15-2012
42475- 2552	29	5/10/2012	Logged *** Total ***	15,136.84	
42476- 2552	30	5/10/2012	25260 PERS RETIREMENT		
	30		45748 EMPLOYEE RETIREMENT4/29/2012	15,311.62	5-29-2012
42476- 2552	30	5/10/2012	Logged *** Total ***	15,311.62	
42477- 2552	31	5/10/2012	25265 PEP BOYS		
	31		45740 PARTS	23.67	07010027642
42477- 2552	31	5/10/2012	Logged *** Total ***	23.67	
42478- 2552	32	5/10/2012	25425 PLANT PEOPLE		
	32		45691 OPEN PO-CONTRACT-MAINTAIN PLAN	158.00	5120515
42478- 2552	32	5/10/2012	Logged *** Total ***	158.00	
42479- 2552	33	5/10/2012	25549 POLYDYNE, INC		
	33		45685 4,000 GALLONS-ALUM POLYMER	11,674.93	723539/725540
42479- 2552	33	5/10/2012	Logged *** Total ***	11,674.93	
42480- 2552	34	5/10/2012	25612 PIPERIN CORPORATION		
	34		45695 COVERT PLANT IRRIGATION OVER P	8,221.76	#1-APRIL
42480- 2552	34	5/10/2012	Logged *** Total ***	8,221.76	

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
42481- 2552	35	5/10/2012	27511 ADAM ROBEY		
	35		45744 REIMBURSE A. ROBY FOR CWEA CON	60.45	CWEA-A.R.
42481- 2552	35	5/10/2012	Logged	*** Total ***	60.45
42482- 2552	36	5/10/2012	27528 ROCKWELL CONSTRUCTION SERVICES		
	36		45739 BPS CONSTRUCTION REVIEW	750.00	373
42482- 2552	36	5/10/2012	Logged	*** Total ***	750.00
42483- 2552	37	5/10/2012	28070 SAN DIEGUITO WATER DISTRICT		
	37		45707 WATER @ TANKER	7.96	TK645-4/12
	37		45714 WATER @ BPS	74.27	31527-BPS-APRIL
42483- 2552	37	5/10/2012	Logged	*** Total ***	82.23
42484- 2552	38	5/10/2012	28844 ELAINE SULLIVAN		
	38		45721 REIMBURSE E.S FOR CONFERENCE	746.36	SPRING CASA-ES
42484- 2552	38	5/10/2012	Logged	*** Total ***	746.36
42485- 2552	39	5/10/2012	29716 TRG & ASSOCIATES		
	39		45693 OPEN PO-PUBLIC INFORMATION	930.00	12-0412
42485- 2552	39	5/10/2012	Logged	*** Total ***	930.00
42486- 2552	40	5/10/2012	29730 T.S. INDUSTRIAL SUPPLY		
	40		45730 GREEN PAINT	46.69	1048354
42486- 2552	40	5/10/2012	Logged	*** Total ***	46.69
42487- 2552	41	5/10/2012	30515 UNIFIRST CORPORATION		
	41		45692 OPEN PO-CONTRACT-UNIFORMS	171.32	3600932768
	41		45700 OPEN PO-CONTRACT-UNIFORMS	163.60	3600930936
42487- 2552	41	5/10/2012	Logged	*** Total ***	334.92
42488- 2552	42	5/10/2012	30520 UNDERGROUND SERVICE ALERT OF		
	42		45732 UNDERGROUND ALARM SERVICE	349.00	420120368
42488- 2552	42	5/10/2012	Logged	*** Total ***	349.00
42489- 2552	43	5/10/2012	30551 CARLSBAD FUELS CORPORATION		
	43		45688 OPEN PO - VEHICLE FUELS	1,926.06	20120430
42489- 2552	43	5/10/2012	Logged	*** Total ***	1,926.06
42490- 2552	44	5/10/2012	30580 UNITED WAY		
	44		45717 EMPLOYEE CONTRIBUTIONS	5.00	UNITED-5/2/12
42490- 2552	44	5/10/2012	Logged	*** Total ***	5.00
42491- 2552	45	5/10/2012	30723 SIEMENS WATER TECH. CORP		
	45		45689 OPEN PO-BIOXIDE	8,607.57	900706746
42491- 2552	45	5/10/2012	Logged	*** Total ***	8,607.57
42492- 2552	46	5/10/2012	31232 VERIZON WIRELESS		
	46		45731 CELL PHONES	51.96	1078264149
42492- 2552	46	5/10/2012	Logged	*** Total ***	51.96
42493- 2552	47	5/10/2012	31263 AMERICAN MESSAGING		
	47		45745 PAGER SERVICE	14.09	L1417521ME

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
42493- 2552	47	5/10/2012	Logged	*** Total ***	14.09
42494- 2552	48	5/10/2012	31567 VORTEX INDUSTRIES, INC		
	48		45738 REPAIRS TO FRONT DOOR	226.12	10-644392-1
42494- 2552	48	5/10/2012	Logged	*** Total ***	226.12
42495- 2552	49	5/10/2012	33227 XEROX CORPORATION		
	49		45690 OPEN PO-SERVICE/MAINT CONTRACT	62.16	061440115
42495- 2552	49	5/10/2012	Logged	*** Total ***	62.16
				.00	
** Total check discount **				.00	
** Total check amount **				882,985.02	
** Total void discount **				.00	
** Total void amount **				.00	

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: May 11, 2012  
A. Badillo

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
16107 - 16108	5/11/2012	\$9,977.48

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: May 16, 2012  
Employee

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
16109 - 16125	5/16/2012	\$39,446.45

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
42496- 2553	1	5/17/2012	10167 ACACIA GASOLINE & CAR WASH		
	1		45758 OPEN PO-VEHICLE/TRUCK FUELS	96.11	2566
42496- 2553	1	5/17/2012	Logged *** Total ***	96.11	
42497- 2553	2	5/17/2012	11034 BAY CITY ELECTRIC WORKS, INC		
	2		45752 ANNUAL GENERATOR SERVICE-ALL P	320.10	W98097
	2		45761 ANNUAL GENERATOR SERVICE-ALL P	465.60	W98101/98098
	2		45762 ANNUAL GENERATOR SERVICE-ALL P	320.10	W98096
	2		45763 ANNUAL GENERATOR SERVICE-ALL P	97.00	W98190
	2		45764 ANNUAL GENERATOR SERVICE-ALL P	320.10	W98098
	2		45765 ANNUAL GENERATOR SERVICE-ALL P	320.10	W98099
	2		45766 ANNUAL GENERATOR SERVICE-ALL P	320.10	W98100
	2		45767 ANNUAL GENERATOR SERVICE-ALL P	679.00	W98102
	2		45768 ANNUAL GENERATOR SERVICE-ALL P	363.75	W98093
42497- 2553	2	5/17/2012	Logged *** Total ***	3,205.85	
42498- 2553	3	5/17/2012	11550 BOOT WORLD, INC		
	3		45782 SAFETY BOOTS-J. HOYETT	174.51	1087471-IN
42498- 2553	3	5/17/2012	Logged *** Total ***	174.51	
42499- 2553	4	5/17/2012	12005 CSDA-SAN DIEGO CHAPTER		
	4		45781 CSDA QUARTERLY DINNER	234.00	CSDA-5/10/12
42499- 2553	4	5/17/2012	Logged *** Total ***	234.00	
42500- 2553	5	5/17/2012	12514 CONEXIS		
	5		45778 SEC 125 FLEX PLAN-APRIL	108.04	0412-OR5179
42500- 2553	5	5/17/2012	Logged *** Total ***	108.04	
42501- 2553	6	5/17/2012	12589 CA SDU		
	6		45779 CHILD SUPPORT-A.B.-MAY	516.12	SUPPORTDF117622
42501- 2553	6	5/17/2012	Logged *** Total ***	516.12	
42502- 2553	7	5/17/2012	12631 CORODATA		
	7		45753 OPEN PO-STORAGE	74.96	RS1485803
42502- 2553	7	5/17/2012	Logged *** Total ***	74.96	
42503- 2553	8	5/17/2012	14530 ENCINA WASTEWATER AUTHORITY		
	8		45784 QTRLY LAB FEES-JAN-MARCH	1,492.40	1021
42503- 2553	8	5/17/2012	Logged *** Total ***	1,492.40	
42504- 2553	9	5/17/2012	15223 FEDERAL EXPRESS CORPORATION		
	9		45785 SHIPPING	198.83	788523653
42504- 2553	9	5/17/2012	Logged *** Total ***	198.83	
42505- 2553	10	5/17/2012	18150 ICMA RETIREMENT-303979		
	10		45771 DEFERRED COMP-ICMA	3,302.96	ICMA-5/16/12
42505- 2553	10	5/17/2012	Logged *** Total ***	3,302.96	
42506- 2553	11	5/17/2012	18212 INFRASTRUCTURE ENGINEERING COR		
	11		45754 CONTRACT-BPS ENGINEERING SERVI	10,155.50	6339
42506- 2553	11	5/17/2012	Logged *** Total ***	10,155.50	

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
42507- 2553	12	5/17/2012	18561 U.S. BANK		
	12		45787 CONFERENCES,SUPPLIES,MEETINGS,	11,430.03	USBANK-4/23/12
42507- 2553	12	5/17/2012	Logged *** Total ***	11,430.03	
42508- 2553	13	5/17/2012	23068 NATIONWIDE RETIREMENT SOLUTION		
	13		45773 DEFERRED COMP-NATIONWIDE	211.19	NATION-5/16/12
42508- 2553	13	5/17/2012	Logged *** Total ***	211.19	
42509- 2553	14	5/17/2012	23570 NORTH COUNTY TIMES		
	14		45783 AD/NOTICE	135.88	2313503
42509- 2553	14	5/17/2012	Logged *** Total ***	135.88	
42510- 2553	15	5/17/2012	25032 PALOMAR WATER		
	15		45780 WATER @ OFFICE	151.63	2255459
42510- 2553	15	5/17/2012	Logged *** Total ***	151.63	
42511- 2553	16	5/17/2012	26804 QUALITY CHEVROLET		
	16		45757 OPEN PO-VEHICLE TRUCK REPAIRS	623.88	CTCS430445
	16		45760 OPEN PO-VEHICLE TRUCK REPAIRS	1,171.53	CTCS430303
42511- 2553	16	5/17/2012	Logged *** Total ***	1,795.41	
42512- 2553	17	5/17/2012	27028 RANCH AND SEA POOL CARE		
	17		45756 FOUNTAIN MAINT 2011-2012	50.00	9173
	17		45769 FOUNTAIN SERVICE	20.00	9173-
42512- 2553	17	5/17/2012	Logged *** Total ***	70.00	
42513- 2553	18	5/17/2012	28020 SAN DIEGO GAS AND ELECTRIC		
	18		45774 ELECTRIC @ LPS/OFFICE	11,295.21	6377-OFFICE
	18		45775 ELECTRIC @ EEPS	630.91	7448-EEPS-APR
	18		45776 GAS @ EEPS	4.43	4741-EEPS-APR
	18		45777 ELECTRIC @ VP5PS	270.75	3154-VP5-APRI
42513- 2553	18	5/17/2012	Logged *** Total ***	12,201.30	
42514- 2553	19	5/17/2012	29225 TELEPACIFIC COMMUNICATIONS		
	19		45770 PHONE SYSTEM	1,009.45	37050073-0
42514- 2553	19	5/17/2012	Logged *** Total ***	1,009.45	
42515- 2553	20	5/17/2012	30515 UNIFIRST CORPORATION		
	20		45759 OPEN PO-CONTRACT-UNIFORMS	171.72	3600934626
42515- 2553	20	5/17/2012	Logged *** Total ***	171.72	
42516- 2553	21	5/17/2012	30580 UNITED WAY		
	21		45772 EMPLOYEE CONTRIBUTIONS	5.00	UNITED-5/16/12
42516- 2553	21	5/17/2012	Logged *** Total ***	5.00	
42517- 2553	22	5/17/2012	32347 DEXTER WILSON ENGINEERING		
	22		45755 UPDATE ASSET MANAGEMENT PLAN	10,301.25	0412.07.1896
42517- 2553	22	5/17/2012	Logged *** Total ***	10,301.25	
42518- 2553	23	5/17/2012	32500 WORDEN WILLIAMS, APC		
	23		45786 LEGAL FEES-APRIL	1,605.00	31422
42518- 2553	23	5/17/2012	Logged *** Total ***	1,605.00	

Run date: 05/16/2012 @ 16:37  
Bus date: 05/17/2012

Leucadia Waste Water District  
Check - Complete Detail

OCCKHST.L10 Page 3

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
				.00	
** Total check discount **				.00	
** Total check amount **				58,647.14	
** Total void discount **				.00	
** Total void amount **				.00	



UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
42519- 2554	1	5/25/2012	10221 ADS LLC		
	1		45792 CONTRACT-DATA COLLE FLOW METER	3,570.00	12562.22-0512
42519- 2554	1	5/25/2012	Logged	*** Total ***	3,570.00
42520- 2554	2	5/25/2012	10714 ATEL COMMUNICATIONS, INC		
	2		45800 REPLACE VOICE MAIL PROCESSOR	2,809.49	28178
42520- 2554	2	5/25/2012	Logged	*** Total ***	2,809.49
42521- 2554	3	5/25/2012	11070 BATIQUITOS LAGOON FOUNDATION		
	3		45806 2012 MEMBERSHIP RENEWAL	250.00	BLF-MAY 2012
42521- 2554	3	5/25/2012	Logged	*** Total ***	250.00
42522- 2554	4	5/25/2012	11550 BOOT WORLO, INC		
	4		45810 SAFETY BOOTS-M. AVALOS	42.52	1087253-IN
42522- 2554	4	5/25/2012	Logged	*** Total ***	42.52
42523- 2554	5	5/25/2012	12020 CWEA-		
	5		45822 CWEA RENEWAL-K.BUTTS-MECHANICA	73.00	CWEA-278-KB
	5		45823 CWEA RENEWAL-SK.-COLLECTION SY	78.00	050722036-SK
	5		45824 CWEA RENEWAL-COLLECTION-M.G.	83.00	080723009-2012
42523- 2554	5	5/25/2012	Logged	*** Total ***	234.00
42524- 2554	6	5/25/2012	12525 COPYCARE OF SAN DIEGO		
	6		45805 SERVICE/MAINT TO COPIER	135.00	IN21177
42524- 2554	6	5/25/2012	Logged	*** Total ***	135.00
42525- 2554	7	5/25/2012	12631 CORODATA		
	7		45793 OPEN PO-STORAGE	60.00	RS1470230-
42525- 2554	7	5/25/2012	Logged	*** Total ***	60.00
42526- 2554	8	5/25/2012	13072 DATA NET		
	8		45808 IS MAINT AND SUPPORT	505.00	9742670
42526- 2554	8	5/25/2012	Logged	*** Total ***	505.00
42527- 2554	9	5/25/2012	13822 DUDEK & ASSOCIATES		
	9		45820 GE/CIP/MARCH/200/329/330/328/3	6,455.00	20121019
	9		45821 GE/CIP/APRIL/200/329/330/328/3	9,705.00	20121513
42527- 2554	9	5/25/2012	Logged	*** Total ***	16,160.00
42528- 2554	10	5/25/2012	17013 HACH COMPANY		
	10		45797 TURBIDITY SENSORS/CONTROLLER	1,977.00	7748627
42528- 2554	10	5/25/2012	Logged	*** Total ***	1,977.00
42529- 2554	11	5/25/2012	19550 JCI JONES CHEMICAL, INC		
	11		45794 OPEN PO-SODIUM HYPOCHLORIDE	4,012.71	546185
42529- 2554	11	5/25/2012	Logged	*** Total ***	4,012.71
42530- 2554	12	5/25/2012	24224 OFFICE DEPOT, INC.		
	12		45795 OPEN PO-OFFICE SUPPLIES	77.18	609734216001
42530- 2554	12	5/25/2012	Logged	*** Total ***	77.18
42531- 2554	13	5/25/2012	25010 AT&T		

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
	13		45809 ODOR CONTROL MODEM	34.83	4364009-MAY12
42531- 2554	13	5/25/2012	Logged	*** Total ***	34.83
42532- 2554	14	5/25/2012	25260 PERS RETIREMENT		
	14		45825 EMPLOYEE RETIREMENT 5/13/2012	14,668.56	6-12-2012
42532- 2554	14	5/25/2012	Logged	*** Total ***	14,668.56
42533- 2554	15	5/25/2012	25618 PRIZM JANITORIAL SERVICES, INC		
	15		45799 OPEN PO -JANITORIAL SERVICES	1,281.15	67412
42533- 2554	15	5/25/2012	Logged	*** Total ***	1,281.15
42534- 2554	16	5/25/2012	28020 SAN DIEGO GAS AND ELECTRIC		
	16		45811 ELECTRIC @ EEPS	966.04	9747-MAY-EEPS
	16		45812 ELECTRIC @ DIANA PS	355.39	2208-DPS-MAY
	16		45813 ELECTRIC @ AVOCADO PS	102.67	6524-APS-MAY
	16		45814 GAS @ OFFICE	43.05	7294-OFFICE-GAS
	16		45815 ELECTRIC @ LC PS	896.29	5295-LCPS-MAY
	16		45816 ELECTRIC @ SAXONY PS	726.16	2278-SPS-MAY
	16		45817 ELECTRIC @ BPS	9,960.04	0466-BPS-MAY
	16		45818 ELECTRIC @ R.V. PS	142.04	3218-RVPS-MAY
	16		45819 ELECTRIC @ VP7 PS	139.61	2554-VP7-MAY
42534- 2554	16	5/25/2012	Logged	*** Total ***	13,331.29
42535- 2554	17	5/25/2012	29630 TRI COMMUNITY ANSWERING SERVIC		
	17		45804 ANSWERING SERVICE	90.00	TRI-5/20/12
42535- 2554	17	5/25/2012	Logged	*** Total ***	90.00
42536- 2554	18	5/25/2012	29814 TIERRA VERDE RESOURCES, INC		
	18		45798 DISTRICIT CAMPUS LANDSCAPE MAIN	730.00	056990
42536- 2554	18	5/25/2012	Logged	*** Total ***	730.00
42537- 2554	19	5/25/2012	30515 UNIFIRST CORPORATION		
	19		45801 OPEN PO-CONTRACT-UNIFORMS	158.85	3600936476
42537- 2554	19	5/25/2012	Logged	*** Total ***	158.85
42538- 2554	20	5/25/2012	30551 CARLSBAD FUELS CORPORATION		
	20		45796 OEPN PO - VEHICLE FUELS	2,566.93	20120511
42538- 2554	20	5/25/2012	Logged	*** Total ***	2,566.93
42539- 2554	21	5/25/2012	30723 SIEMENS WATER TECH. CORP		
	21		45802 OPEN PO-BIOXIDE	1,122.58	900734685
	21		45803 BIOXIDE	7,962.43	900734685-
42539- 2554	21	5/25/2012	Logged	*** Total ***	9,085.01
42540- 2554	22	5/25/2012	32347 DEXTER WILSON ENGINEERING		
	22		45807 RECAIMED WATER FORCE INSPEC	380.00	103-004
42540- 2554	22	5/25/2012	Logged	*** Total ***	380.00

Run date: 05/24/2012 @ 14:31  
Bus date: 05/25/2012

Leucadia Waste Water District  
Check - Complete Detail

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
				.00	
** Total check discount **				.00	
** Total check amount **				72,159.52	
** Total void discount **				.00	
** Total void amount **				.00	

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: May 30, 2012

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
16126 - 16142	5/30/2012	\$40,040.64

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
42541- 2555	1	6/01/2012	10461 ALPHAGRAPHICS	878.23	32501
	1		45833 ANNUAL BUDGET	878.23	
42541- 2555	1	6/01/2012	Logged	*** Total ***	
42542- 2555	2	6/01/2012	10714 ATEL COMMUNICATIONS, INC	382.50	28373
	2		45837 REPLACE VOICE MAIL PROCESSOR	382.50	
42542- 2555	2	6/01/2012	Logged	*** Total ***	
42543- 2555	3	6/01/2012	12814 CUES, INC	150.00	366862
	3		45831 OPEN PO-REPAIRS TO CCTV	150.00	
42543- 2555	3	6/01/2012	Logged	*** Total ***	
42544- 2555	4	6/01/2012	13072 DATA NET	505.00	9742754
	4		45844 IS MAINT AND SUPPORT	505.00	
42544- 2555	4	6/01/2012	Logged	*** Total ***	
42545- 2555	5	6/01/2012	14528 ELECTRIC MOTOR SPECIALISTS, IN	1,025.00	4510
	5		45830 MACHINE MOTOR SHAFT @VP7	1,025.00	
42545- 2555	5	6/01/2012	Logged	*** Total ***	
42546- 2555	6	6/01/2012	16806 THE GUARDIAN	3,607.48	324226-JUNE'12
	6		45853 DENTAL AND DISABILITY INS-JUNE	3,607.48	
42546- 2555	6	6/01/2012	Logged	*** Total ***	
42547- 2555	7	6/01/2012	17060 HARTFORD LIFE & ACCIDENT INS.	347.22	5891948-1
	7		45847 LIFE INS-JUNE	347.22	
42547- 2555	7	6/01/2012	Logged	*** Total ***	
42548- 2555	8	6/01/2012	18150 ICMA RETIREMENT-303979	3,302.96	ICMA-5/30/12
	8		45842 DERRED COMP-ICMA	3,302.96	
42548- 2555	8	6/01/2012	Logged	*** Total ***	
42549- 2555	9	6/01/2012	18212 INFRASTRUCTURE ENGINEERING COR	12,741.77	6340
	9		45834 CONTRACT-LANAKAI PIPELINE	12,741.77	
42549- 2555	9	6/01/2012	Logged	*** Total ***	
42550- 2555	10	6/01/2012	18711 I2B NETWORKS, INC	160.00	16828
	10		45832 CONTRACT- LIVE WEB CAM @ BPS	160.00	
42550- 2555	10	6/01/2012	Logged	*** Total ***	
42551- 2555	11	6/01/2012	19775 ALLAN JULIUSSEN	769.35	CSDA-LEGIS.
	11		45839 REIMBURSE A.J. FOR CONFERENCE-	769.35	
42551- 2555	11	6/01/2012	Logged	*** Total ***	
42552- 2555	12	6/01/2012	20842 DAVID KULCHIN	512.25	DK-CSDA-LEGIS
	12		45840 REIMBURSE D.K FOR CONFERENCE-C	512.25	
42552- 2555	12	6/01/2012	Logged	*** Total ***	
42553- 2555	13	6/01/2012	22214 MITSUBISHI ELECTRIC & ELECTRON	255.00	225804
	13		45849 ELEVATOR MAINT AND SERVICE	255.00	
42553- 2555	13	6/01/2012	Logged	*** Total ***	

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
42554- 2555	14	6/01/2012	23068 NATIONWIDE RETIREMENT SOLUTION		
	14		45843 DEFERRED COMP-NATIONWIDE	211.19	NATION-5/30/12
42554- 2555	14	6/01/2012	Logged	211.19	
			*** Total ***		
42555- 2555	15	6/01/2012	24224 OFFICE DEPOT, INC.		
	15		45836 OPEN PO-OFFICE SUPPLIES	78.36	610924425001
42555- 2555	15	6/01/2012	Logged	78.36	
			*** Total ***		
42556- 2555	16	6/01/2012	25010 AT&T		
	16		45846 OFFICE ELEVATOR/FIRE PANEL	140.07	633346538-5/12
42556- 2555	16	6/01/2012	Logged	140.07	
			*** Total ***		
42557- 2555	17	6/01/2012	25018 MES VISION		
	17		45848 VISION INS-JUNE	341.16	121292183001
42557- 2555	17	6/01/2012	Logged	341.16	
			*** Total ***		
42558- 2555	18	6/01/2012	25261 PUBLIC EMPLOYEES HEALTH		
	18		45851 BOARD HEALTH INS-JUNE	2,388.99	9801-JUNE
	18		45852 EMPLOYEES HEALTH INS-JUNE	22,378.79	100000013149801
42558- 2555	18	6/01/2012	Logged	24,767.78	
			*** Total ***		
42559- 2555	19	6/01/2012	25577 PURCHASE POWER		
	19		45838 POSTAGE FOR METER	419.99	POSTAGE-MAY-12
42559- 2555	19	6/01/2012	Logged	419.99	
			*** Total ***		
42560- 2555	20	6/01/2012	25680 PRUDENTIAL OVERALL SUPPLY		
	20		45850 LAUNDRY/JANITORIAL SUPPLIES	146.64	131005773
42560- 2555	20	6/01/2012	Logged	146.64	
			*** Total ***		
42561- 2555	21	6/01/2012	30515 UNIFIRST CORPORATION		
	21		45835 OPEN PO-CONTRACT-UNIFORMS	161.07	3600938297
42561- 2555	21	6/01/2012	Logged	161.07	
			*** Total ***		
42562- 2555	22	6/01/2012	30580 UNITED WAY		
	22		45845 EMPLOYEE CONTRIBUTIONS	5.00	UNITED-5/30/12
42562- 2555	22	6/01/2012	Logged	5.00	
			*** Total ***		
42563- 2555	23	6/01/2012	32128 WOODYS CRANE SERVICE		
	23		45841 CRANE SERVICE @ SPS	375.00	2031
42563- 2555	23	6/01/2012	Logged	375.00	
			*** Total ***		
				.00	
** Total check discount **				.00	
** Total check amount **				51,283.02	
** Total void discount **				.00	
** Total void amount **				.00	

LEUCADIA WASTEWATER DISTRICT  
BOARD PAYROLL CHECK REPORT

Payroll Date: June 1, 2012

<u>Check No.</u>	<u>Date</u>	<u>Amount</u>
16143 - 16147	6/1/2012	\$5,475.03

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
42564- 2556	1	6/07/2012	10515 BLACKBAUD FUNDWARE		
	1		45885 FUNDWARE RENEWAL-2012-2013	2,767.25	90443108
42564- 2556	1	6/07/2012	Logged	*** Total ***	2,767.25
42565- 2556	2	6/07/2012	10570 ANTIMITE TERMITE & PEST CONTRO		
	2		45881 MONTHLY PEST SERVICE	53.00	1075384
42565- 2556	2	6/07/2012	Logged	*** Total ***	53.00
42566- 2556	3	6/07/2012	10720 AT&T		
	3		45867 L.D. PHONE @ BPS	32.63	2940472001
42566- 2556	3	6/07/2012	Logged	*** Total ***	32.63
42567- 2556	4	6/07/2012	11314 BERGELECTRIC CORP		
	4		45864 OPEN PO-ELECTRICAL	181.40	13330.8TM-10
42567- 2556	4	6/07/2012	Logged	*** Total ***	181.40
42568- 2556	5	6/07/2012	11650 BROWNELL AND DUFFEY CPA		
	5		45854 CONTRACT-ACCOUNTING SERVICES	8,463.50	050712
42568- 2556	5	6/07/2012	Logged	*** Total ***	8,463.50
42569- 2556	6	6/07/2012	12025 CSRMA		
	6		45890 LABELS FOR E. SULLIVAN	50.00	LABELS-E.S.
	6		45891 DEDUCTIBLE CLAIM-MARGONI	4,845.34	2566
42569- 2556	6	6/07/2012	Voided	*** Total ***	4,895.34
42570- 2556	7	6/07/2012	12065 CARLSON & BEAULOYE		
	7		45888 SERVICE CALL	196.00	45796
42570- 2556	7	6/07/2012	Logged	*** Total ***	196.00
42571- 2556	8	6/07/2012	12360 CITY OF CARLSBAD		
	8		45882 WATER @ PLANT	101.54	08121305-5/12
	8		45883 WATER @ PLANT	86.17	81213-5/12
42571- 2556	8	6/07/2012	Logged	*** Total ***	187.71
42572- 2556	9	6/07/2012	12510 WASTE MANAGEMENT		
	9		45868 TRASH SERVICE	205.64	10843190274
42572- 2556	9	6/07/2012	Logged	*** Total ***	205.64
42573- 2556	10	6/07/2012	12814 CUES, INC		
	10		45861 OPEN PO-REPAIRS TO CCTV	710.88	367211
42573- 2556	10	6/07/2012	Logged	*** Total ***	710.88
42574- 2556	11	6/07/2012	** unused **		
42575- 2556	12	6/07/2012	13822 DUDEK & ASSOCIATES		
	12		45894 GE/3252/841/NEPTUNE AVE	20.00	20121338
	12		45895 GE/3252/840/1601 CAUDOR	20.00	20121337
	12		45896 GE/3252/837/NATIVE FOODS	387.50	20121421
	12		45897 GE/3252/834/COSTA AZUL WINERY	223.89	20121335
	12		45898 GE/3252/808/SEASIDE	1,792.78	20121333
	12		45899 GE/3252/798/HILTON	1,113.60	20121332
	12		45900 GE/3252/699/HYMETTUS	125.55	20121330



UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
	12		45901 GE/3252/647/DAPHNE ST	571.29	20121327
	12		45902 GE/3252/584/LA COSTA CONDOS	252.21	20121324
	12		45903 GE/3252/737/HADAYAT ANNEX	3,814.98	20121426
	12		45904 GE/3252/838/COPE ANNEX	896.66	20121614
	12		45905 GE/3252/817/OLIVEHAIN	150.00	20121334
	12		45906 GE/3252/723/VULCAN OCEAN	330.00	20121331
	12		45907 GE/3252/697/LA COSTA GREENS	1,015.00	20121329
	12		45908 GE/3252/648/SHERIDEN RD	60.00	20121328
	12		45909 GE/3252/644/VULCAN TOWN	240.00	20121326
	12		45910 GE/3252/593/LA COSTA TOWNE	2,100.00	20121325
	12		45911 GE/3251/100/GRADING PLANS	30.00	20121323
	12		45912 GE/3252/842/STARBUCKS	522.50	20121339
42575- 2556	12	6/07/2012	Logged *** Total ***	13,665.96	
42576- 2556	13	6/07/2012	14840 EWING IRRIGATION PRODUCTS		
	13		45887 SIGNS	59.65	4826927
42576- 2556	13	6/07/2012	Logged *** Total ***	59.65	
42577- 2556	14	6/07/2012	16021 GREAT AMERICA LEASING CORP		
	14		45866 COPIER LEASE	1,381.78	12323764
42577- 2556	14	6/07/2012	Logged *** Total ***	1,381.78	
42578- 2556	15	6/07/2012	17058 JUDY HANSON		
	15		45889 REIMBURSE J.H.-CONFERENCE-CSDA	48.95	CSDA-J.H.-5/17
42578- 2556	15	6/07/2012	Logged *** Total ***	48.95	
42579- 2556	16	6/07/2012	23071 NATIONAL NOTARY ASSOCIATION		
	16		45886 NOTARY MEMBERSHIP RENEWAL-T.H.	89.00	15865449-T.H.
42579- 2556	16	6/07/2012	Logged *** Total ***	89.00	
42580- 2556	17	6/07/2012	23570 NORTH COUNTY TIMES		
	17		45856 AD FOR RECRUITMENT-FST 1/FST	1,111.25	1193613
42580- 2556	17	6/07/2012	Logged *** Total ***	1,111.25	
42581- 2556	18	6/07/2012	24440 OLIVENHAIN MUNICIPAL WATER DIS		
	18		45872 WATER @ EEPS	57.15	214000-5/12
	18		45873 WATER @ VP7	60.68	026000-5/12
	18		45874 WATER @ TRAVELING 2	350.70	544310-5/12
	18		45875 WATER @ VP5	34.89	148700-5/12
	18		45876 WATER @ TRAVELING	365.67	551070-5/12
42581- 2556	18	6/07/2012	Logged *** Total ***	869.09	
42582- 2556	19	6/07/2012	25010 AT&T		
	19		45869 PHONE @ BPS	102.00	9423588-5/12
	19		45871 DIAL IN MODEM-NEW	124.47	4792130-5/12
	19		45879 DIAL IN MODEM-OLD	143.38	6327047-5/12
42582- 2556	19	6/07/2012	Logged *** Total ***	369.85	
42583- 2556	20	6/07/2012	25035 PARKSON CORPORATION		
	20		45860 REGULATOR AND SCREENS-AWT	304.98	AR1/5120299
42583- 2556	20	6/07/2012	Logged *** Total ***	304.98	

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
42584- 2556	21	6/07/2012	25265 PEP BOYS		
	21		45892 GRAFETTI REMOVER	9.69	07010027647
	21		45893 WINDSHIELD WASHER	7.84	07010027648
42584- 2556	21	6/07/2012	Logged *** Total ***	17.53	
42585- 2556	22	6/07/2012	25425 PLANT PEOPLE		
	22		45855 OPEN PO-CONTRACT-MAINTAIN PLAN	158.00	6120920
42585- 2556	22	6/07/2012	Logged *** Total ***	158.00	
42586- 2556	23	6/07/2012	26804 QUALITY CHEVROLET		
	23		45857 OPEN PO-VEHICLE TRUCK REPAIRS	197.59	CTCS431434
42586- 2556	23	6/07/2012	Logged *** Total ***	197.59	
42587- 2556	24	6/07/2012	28070 SAN DIEGUITO WATER DISTRICT		
	24		45877 WATER @ TANKER	3.98	TK645-MAY'12
	24		45878 WATER @ TANKER 2	3.98	896-MAY'12
42587- 2556	24	6/07/2012	Logged *** Total ***	7.96	
42588- 2556	25	6/07/2012	29716 TRG & ASSOCIATES		
	25		45863 OPEN PO-PUBLIC INFORMATION	3,397.50	13-0512
42588- 2556	25	6/07/2012	Logged *** Total ***	3,397.50	
42589- 2556	26	6/07/2012	30515 UNIFIRST CORPORATION		
	26		45859 OPEN PO-CONTRACT-UNIFORMS	165.35	360094165
42589- 2556	26	6/07/2012	Logged *** Total ***	165.35	
42590- 2556	27	6/07/2012	30520 UNDERGROUND SERVICE ALERT OF		
	27		45870 UNDERGROUND ALERT SERVICE	300.50	520120375
42590- 2556	27	6/07/2012	Logged *** Total ***	300.50	
42591- 2556	28	6/07/2012	30551 CARLSBAD FUELS CORPORATION		
	28		45858 QEPN PO - VEHICLE FUELS	1,682.81	20120252
42591- 2556	28	6/07/2012	Logged *** Total ***	1,682.81	
42592- 2556	29	6/07/2012	30711 U. S. BANK		
	29		45884 ADMINISTRATION FEES-2012-2013	1,500.00	3132623
42592- 2556	29	6/07/2012	Logged *** Total ***	1,500.00	
42593- 2556	30	6/07/2012	30723 SIEMENS WATER TECH. CORP		
	30		45865 BUFFER/IODINE	517.20	90074497
42593- 2556	30	6/07/2012	Logged *** Total ***	517.20	
42594- 2556	31	6/07/2012	31232 VERIZON WIRELESS		
	31		45880 CELL PHONES USAGE	51.96	1087137071
42594- 2556	31	6/07/2012	Logged *** Total ***	51.96	
42595- 2556	32	6/07/2012	33227 XEROX CORPORATION		
	32		45862 OPEN PO-SERVICE/MAINT CONTRACT	62.16	062115757
42595- 2556	32	6/07/2012	Logged *** Total ***	62.16	
42596- 2557	1	6/07/2012	12005 CSDA		
	1		45913 LABELS FOR E. SULLIVAN	50.00	LABELS-E.S.-

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
42596- 2557	1	6/07/2012	Logged	*** Total ***	50.00
42597- 2557	2	6/07/2012	12025 CSRMA		
	2		45891 DEDUCTIBLE CLAIM-MARGONI	4,845.34	2566
42597- 2557	2	6/07/2012	Logged	*** Total ***	4,845.34
					.00
** Total check discount **					.00
** Total check amount **				43,652.42	
** Total void discount **					.00
** Total void amount **				4,895.34	

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: June 13, 2012

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
16148 - 16164	6/13/2012	\$40,681.40

LEUCADIA WASTEWATER DISTRICT  
YEAR TO DATE EMPLOYEE AND BOARD PAYROLL AMOUNTS

2011

MAY

5/2/2011	Board		\$2,960.88
5/4/2011	Employee		\$37,859.69
5/9/2011	Board		\$997.33
5/18/2011	Employee		<u>\$37,100.15</u>
	<b>TOTAL</b>		<b>\$78,918.05</b>

JUNE

6/1/2011	Board		\$4,579.00
6/1/2011	Employee		\$39,253.23
6/6/2011	Employee	Incentive	\$448.18
6/15/2011	Employee		\$40,868.97
6/29/2011	Employee		<u>\$39,945.20</u>
	<b>TOTAL</b>		<b>\$125,094.58</b>

JULY

7/6/2011	Board		\$2,989.12
7/13/2011	Employee		\$40,077.78
7/19/2011	Employee		\$4,884.18
7/27/2011	Employee		<u>\$37,584.03</u>
	<b>TOTAL</b>		<b>\$85,535.11</b>

AUGUST

8/3/2011	Board		\$2,013.52
8/10/2011	Employee		\$37,571.30
8/17/2011	Employee	Incentive	\$1,806.79
8/24/2011	Employee		<u>\$39,304.20</u>
	<b>TOTAL</b>		<b>\$80,695.81</b>

SEPTEMBER

9/2/2011	Board		\$5,941.62
9/7/2011	Employee		\$39,021.34
9/14/2011	Employee	Incentive	\$14,593.50
9/21/2011	Employee		<u>\$42,282.20</u>
	<b>TOTAL</b>		<b>\$101,838.66</b>

OCTOBER

10/1/2011	Board		\$4,460.08
10/5/2011	Employee		\$41,659.94
10/19/2011	Employee		\$40,686.03
10/20/2011	Employee	Incentive	<u>\$443.37</u>
	<b>TOTAL</b>		<b>\$87,249.42</b>

NOVEMBER

11/2/2011	Employee		\$42,246.46
11/3/2011	Board		\$5,828.15
11/16/2011	Employee		\$44,291.63
11/30/2011	Employee		<u>\$41,217.06</u>
	<b>TOTAL</b>		<b>\$133,583.30</b>

LEUCADIA WASTEWATER DISTRICT  
YEAR TO DATE EMPLOYEE AND BOARD PAYROLL AMOUNTS

DECEMBER

12/5/2011	Board		\$2,140.25
12/7/2011	Employee	Sick Buy Back	\$19,523.10
12/14/2011	Employee		\$41,565.55
12/15/2011	Employee	Incentive	\$1,358.90
12/28/2011	Employee		<u>\$39,755.51</u>
	<b>TOTAL</b>		<b>\$104,343.31</b>

2012

JANUARY

1/4/2012	Board		\$1,431.00
1/11/2012	Employee		\$41,855.63
1/25/2012	Employee		<u>\$40,237.03</u>
	<b>TOTAL</b>		<b>\$83,523.66</b>

FEBRUARY

2/2/2012	Board		\$4,755.23
2/3/2012	Employee	Incentive	\$1,860.01
2/8/2012	Employee		\$41,022.52
2/9/2012	Employee	Incentive	\$3,856.19
2/22/2012	Employee		<u>\$40,771.56</u>
	<b>TOTAL</b>		<b>\$92,265.51</b>

MARCH

3/2/2012	Board		\$4,000.82
3/7/2012	Employee		\$41,562.78
3/15/2012	Employee	Incentive	\$6,745.46
3/21/2012	Employee		<u>\$40,896.30</u>
	<b>TOTAL</b>		<b>\$93,205.36</b>

APRIL

4/2/2012	Board		\$3,968.57
4/4/2012	Employee		\$41,613.26
4/18/2012	Employee		<u>\$40,110.91</u>
	<b>TOTAL</b>		<b>\$85,692.74</b>

MAY

5/2/2012	Employee		\$42,097.91
5/4/2012	Board		\$4,707.39
5/9/2012	Employee	Incentive	\$5,061.27
5/11/2012	Employee		\$9,977.48
5/16/2012	Employee		\$39,446.45
5/30/2012	Employee		<u>\$40,040.64</u>
	<b>TOTAL</b>		<b>\$141,331.14</b>

JUNE

6/1/2012	Board		\$5,475.03
6/13/2012	Employee		<u>\$40,681.40</u>
	<b>TOTAL</b>		<b>\$46,156.43</b>

**LEUCADIA WASTEWATER DISTRICT  
OPERATIONS REPORT  
FISCAL YEAR 2011-2012**

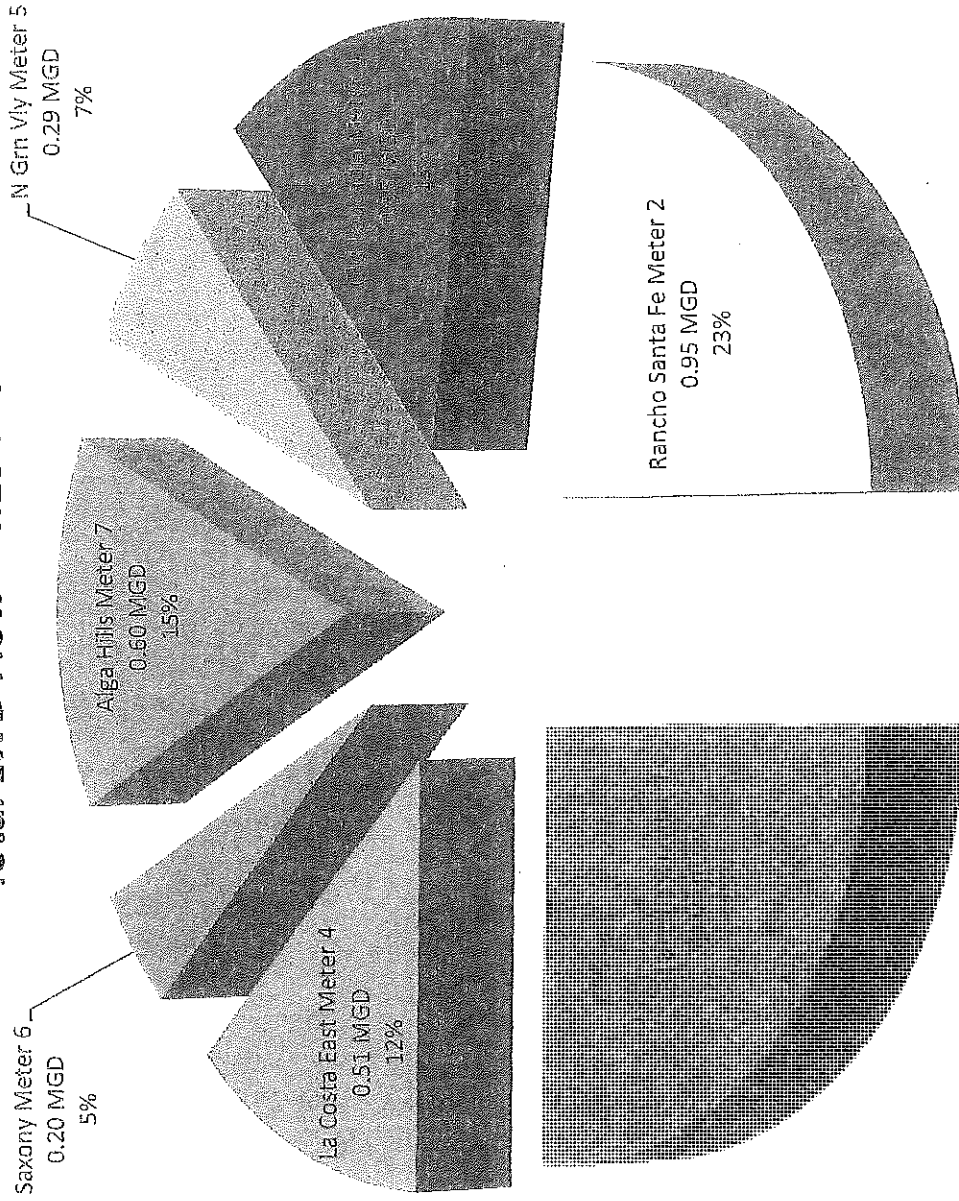
CURRENT MONTH - May 2012											FY 2011-2012
Period	Total Rain Inches	Total Flow MG	Total EDU's 27,733	LWD ADF (MGD)	GPDI/EDU	RECLAIMED ADF (ac-ft/mo)	ADF (MGD)				
JULY	0.02	126.48	-1.0	4.08	147	38.01	4.14				
YTD		126.48	27,736.8				4.16				
AUGUST	0.00	126.79	58.0	4.09	147	35.48					
YTD		253.27	27,794.8				3.93				
SEPTEMBER	0.01	123.00	0.0	4.10	148	21.12					
YTD		376.27	27,794.8				3.78				
OCTOBER	0.36	122.76	1.0	3.96	142	26.30					
YTD		499.03	27,795.8				3.84				
NOVEMBER	2.82	118.80	0.0	3.96	142	4.96					
YTD		617.83	27,795.8				4.21				
DECEMBER	1.28	122.76	7.0	3.96	142	4.01					
YTD		740.59	27,802.8				4.08				
JANUARY	0.99	122.14	0.0	3.94	142	6.14					
YTD		862.73	27,802.8				4.33				
FEBRUARY	1.63	113.39	0.0	3.91	141	9.43					
YTD		976.12	27,802.8				4.28				
MARCH	1.30	122.14	6.2	3.94	142	10.37					
YTD		1098.26	27,809.0				4.34				
APRIL	1.23	120.60	5.6	4.02	145	17.20					
YTD		1218.86	27,814.6				4.27				
MAY	0.12	128.66	33.7	4.15	149	45.66					
YTD		1347.51	27,848.3				4.12				
JUNE											
YTD											
Annual Total	9.76	1347.51	110.5			218.68					
Mo Average	0.89	122.50	10.0	4.01	144	19.88	4.12				

operations report

# LWD Flows by Sub-Basin

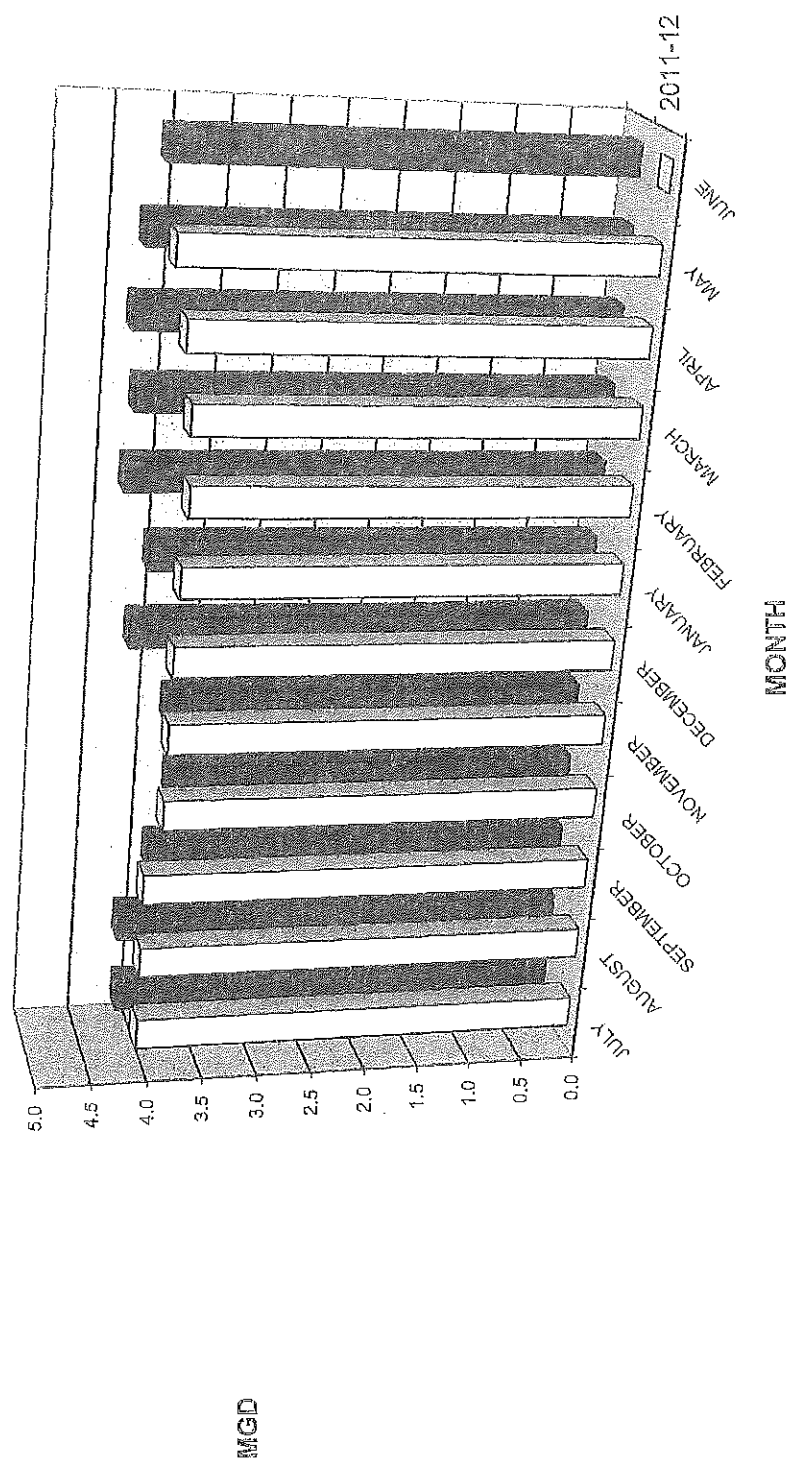
May 2012

Total LWD Flow = 4.15 MGD

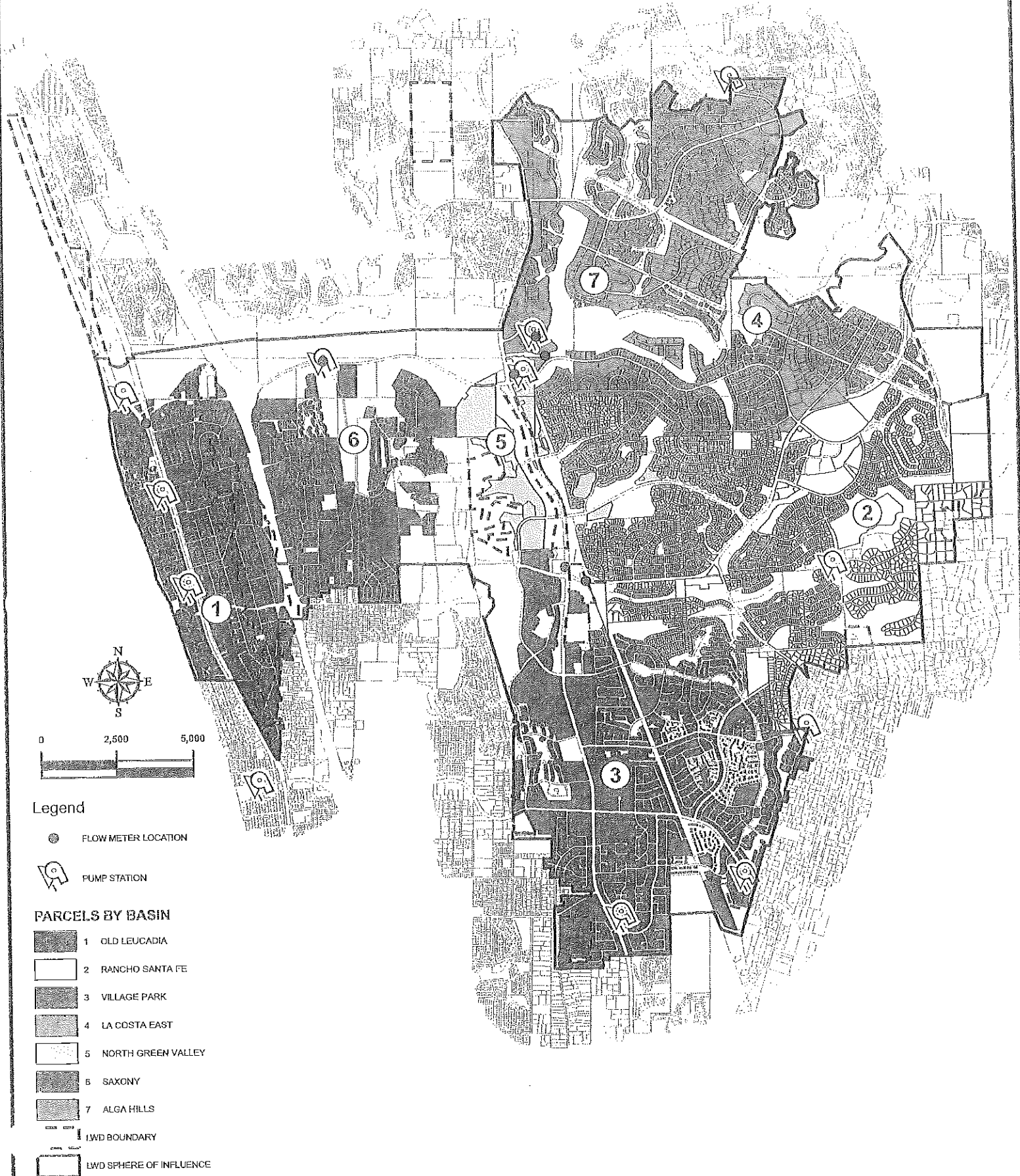




LEUCADIA WASTEWATER DISTRICT  
 FLOW COMPARISON FY 11 to FY12



# LEUCADIA WASTEWATER DISTRICT



**Legend**

● FLOW METER LOCATION

Ⓐ PUMP STATION

**PARCELS BY BASIN**

- 1 OLD LEUCADIA
- 2 RANCHO SANTA FE
- 3 VILLAGE PARK
- 4 LA COSTA EAST
- 5 NORTH GREEN VALLEY
- 6 SAXONY
- 7 ALGA HILLS

— LWD BOUNDARY  
 □ LWD SPHERE OF INFLUENCE

**LEUCADIA WASTEWATER DISTRICT**  
**SCHEDULE OF ASSETS, LIABILITIES, AND NET ASSETS**  
As of May 31, 2012

<b>ASSETS</b>	
Cash and Investment Pools	\$ 29,678,383.12
Investments	9,124,404.83
Accounts Receivable	262,693.53
Funds Held with Encina Wastewater Authority	906,849.00
Prepaid Expenses	47,094.02
Capital Assets	127,345,770.26
Less Accumulated Depreciation	(42,739,070.50)
<b>TOTAL ASSETS</b>	<b>\$ 124,626,124.26</b>
<b>LIABILITIES</b>	
Accounts Payable and Accrued Expenses	268,748.18
Developer Deposits	373,374.21
<b>TOTAL LIABILITIES</b>	<b>\$ 642,122.39</b>
<b>NET ASSETS</b>	
Net Investment in Capital Assets	87,411,699.76
Restricted Reserves	2,371,368.53
Unrestricted Operating Reserve	2,170,920.75
Unrestricted Non-Operating Reserves (Designated)	25,810,225.08
Unrestricted Emergency Reserve	7,500,000.00
YTD Revenue over (under) Expenditures	(1,280,212.25)
<b>TOTAL NET ASSETS</b>	<b>\$ 123,984,001.87</b>

Preliminary: subject to future review, reconciliation, accruals, and audit.

**LEUCADIA WASTEWATER DISTRICT**  
**BUDGET PERFORMANCE REPORT**  
YTD Revenue and Expenditures Through 5/31/2012 with Annual Budget

<b>OPERATING REVENUES AND EXPENSES</b>					
DESCRIPTION	A/C No.	YTD ACTUAL AMOUNT	ANNUAL BUDGET	REMAINING BALANCE	% USED
<b>OPERATING REVENUES AND TRANSFERS</b>					
OPERATING REVENUES					
SEWER SERVICE	3110	\$ 6,956,961.70	\$ 7,154,741.00	197,779.30	97.2%
RECLAIMED WATER SALES	3150	195,885.16	458,000.00	262,114.84	42.8%
OTHER OPERATING INCOME		41,455.32	205,654.00	164,198.68	20.2%
<b>TOTAL OPERATING REVENUE</b>		<b>\$ 7,194,302.18</b>	<b>\$ 7,818,395.00</b>	<b>\$ 624,092.82</b>	<b>92.0%</b>
<b>OPERATING EXPENSES</b>					
WAGES AND BENEFITS	4100 & 4200	\$ 2,640,635.85	\$ 2,836,478.00	\$ 195,842.15	93.1%
BOARD EXPENSES AND ELECTION	4300 & 4400	128,614.10	130,350.00	1,735.90	98.7%
DEPRECIATION EXPENSE	4510	2,805,000.00	-	(2,805,000.00)	n/a
REPLACEMENT EXPENSE	4515	-	1,537,968.00	1,537,968.00	n/a
FUELS	4600	39,656.88	57,000.00	17,343.12	69.6%
INSURANCE	4700	101,122.62	117,000.00	15,877.38	86.4%
MEMBERSHIP & DUES	4800	23,268.60	23,500.00	231.40	99.0%
OFFICE EXPENSE	4900	72,421.62	107,000.00	34,578.38	67.7%
OPERATING SUPPLIES	5000	157,009.70	169,750.00	12,740.30	92.5%
PROFESSIONAL SERVICES	5200	420,717.98	551,500.00	130,782.02	76.3%
PRINTING & PUBLISHING	5300	17,708.72	33,000.00	15,291.28	53.7%
RENTS & LEASES	5400	14,747.29	19,200.00	4,452.71	76.8%
REPAIR & MAINTENANCE	5500	233,264.93	313,650.00	80,385.07	74.4%
MONITORING & PERMITTING	5600	36,020.13	44,800.00	8,779.87	80.4%
TRAINING & DEVELOPMENT	5700	39,750.77	41,400.00	1,649.23	96.0%
UTILITIES	5900	309,860.02	428,250.00	118,389.98	72.4%
LAFCO OPERATIONS	6100	5,325.00	6,200.00	875.00	85.9%
ENCINA	6200	1,197,902.29	1,862,075.00	664,172.71	64.3%
<b>TOTAL OPERATING EXPENSES</b>		<b>\$ 8,243,026.50</b>	<b>\$ 8,279,121.00</b>	<b>\$ 36,094.50</b>	<b>99.6%</b>

<b>NON-OPERATING REVENUES AND EXPENSES</b>					
DESCRIPTION	A/C No.	YTD ACTUAL AMOUNT	ANNUAL BUDGET	REMAINING BALANCE	% USED
<b>NON OPERATING REVENUES</b>					
CAPACITY CHARGES	3130	\$ 199,273.73	\$ 160,476.00	(\$38,797.73)	124.2%
PROPERTY TAXES	3220	1,141,245.27	1,200,000.00	58,754.73	95.1%
INTEREST INCOME	3250	259,143.06	435,000.00	175,856.94	59.6%
OTHER NON OPERATING INCOME		22,070.49	643,079.00	621,008.51	3.4%
<b>TOTAL NON OPERATING REVENUES</b>		<b>\$ 1,621,732.55</b>	<b>\$ 2,438,555.00</b>	<b>\$816,822.45</b>	<b>66.5%</b>

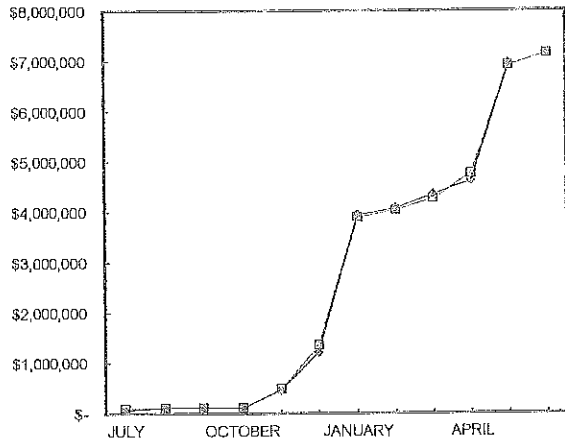
Preliminary: subject to future review, reconciliation, accruals, and audit.

# Leucadia Wastewater District

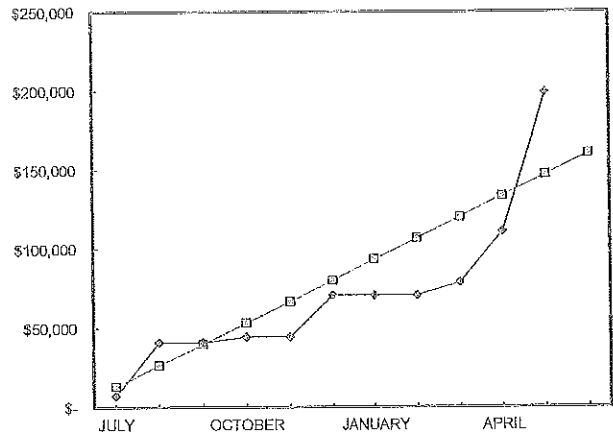
## Revenue FY 2012

YTD through May 31, 2012

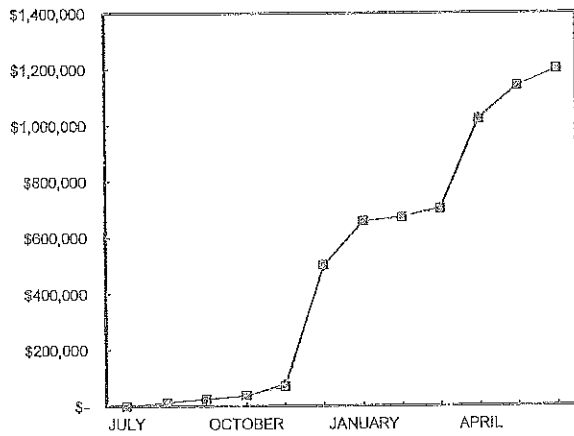
Sewer Service Fees



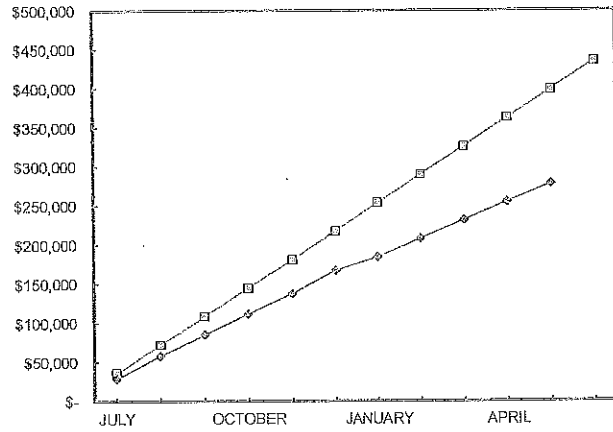
Capacity Charges



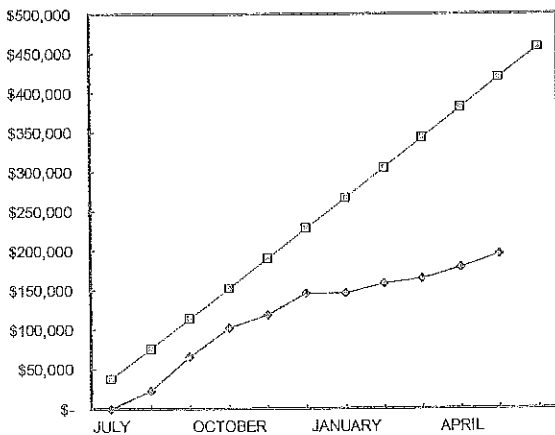
Property Taxes



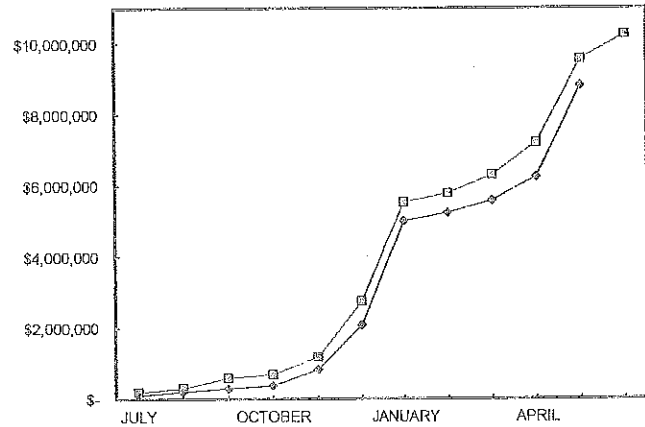
Investment Income



Recycled Wastewater



Total Revenue



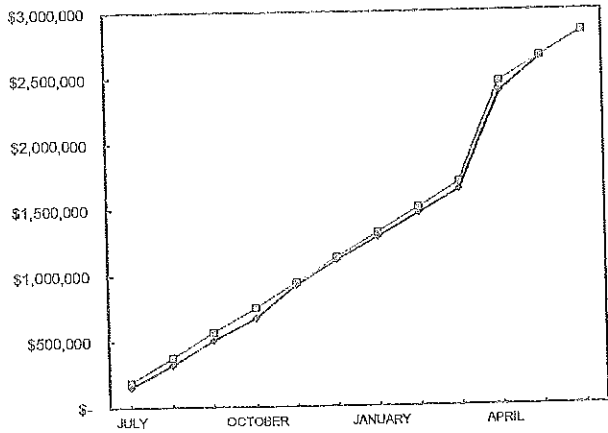
□ Budget
◆ Actual

□ Budget
◆ Actual

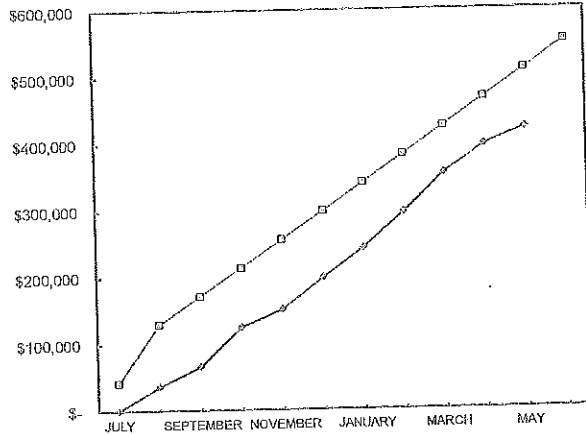
\* Preliminary: subject to future review, reconciliation, accruals, and audit

# Leucadia Wastewater District Operating Expenses FY 2011 YTD through May 31, 2012

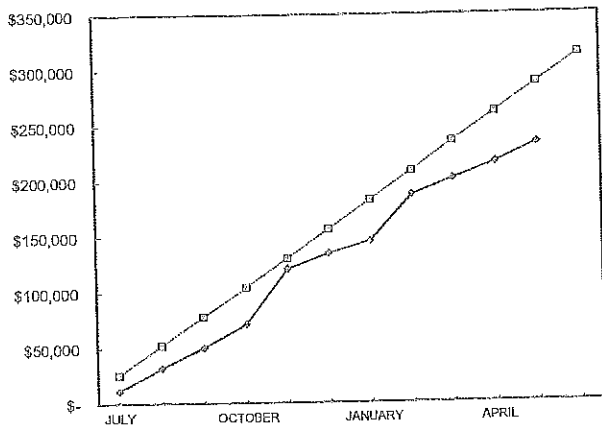
**Salaries and Benefits**



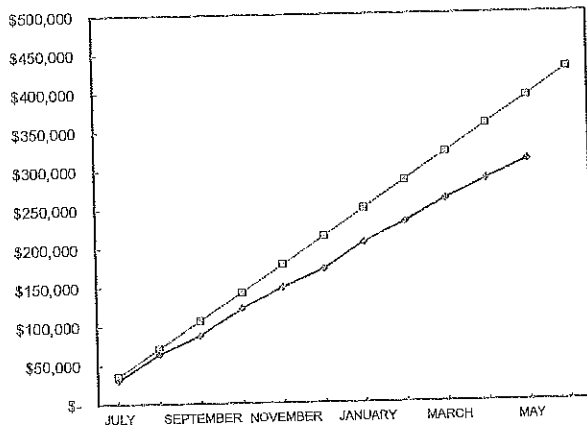
**Professional Services**



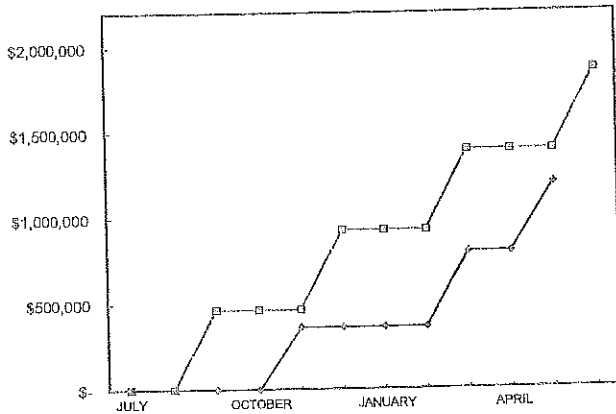
**Repairs & Maintenance**



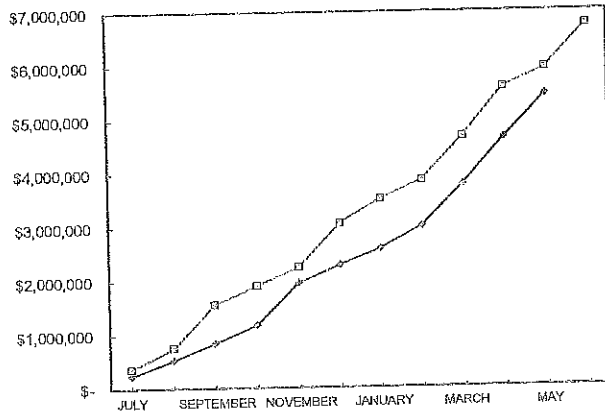
**Utilities**



**Encina M&O**



**Total Operating Expenses -  
Before Depreciation & Replacement**



—□— Budget    —◇— Actual

—□— Budget    —◇— Actual

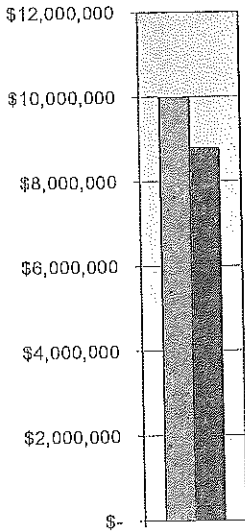
\* Preliminary; subject to future review, reconciliation, accruals, and audit

# Leucadia Wastewater District

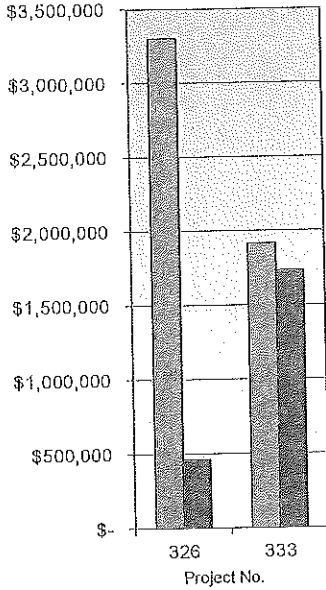
## Capital Expenditures

As of May 31, 2012

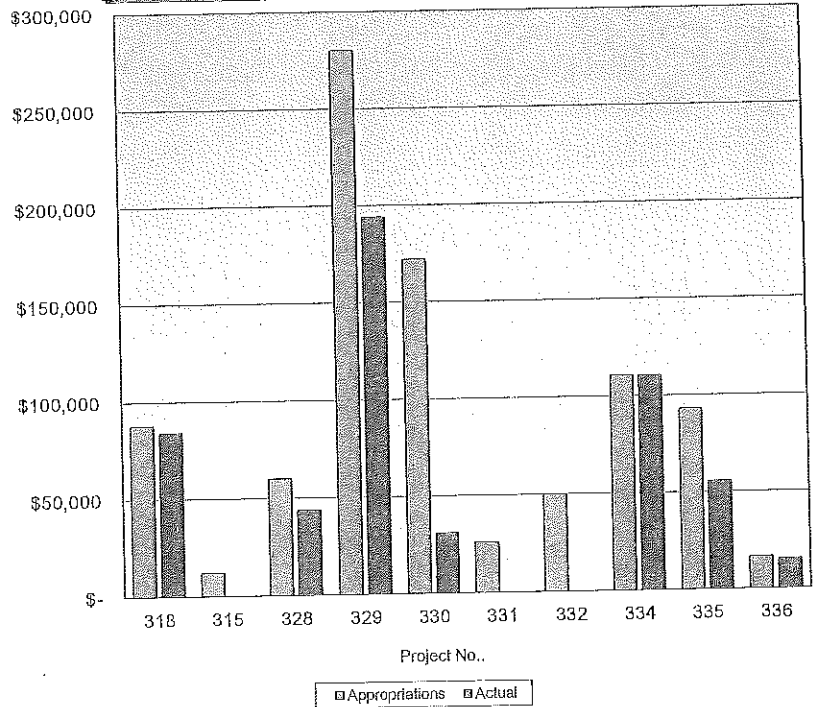
**Encina W.A.  
Multi Year  
Capital Exp.  
FY2003-FY2012**



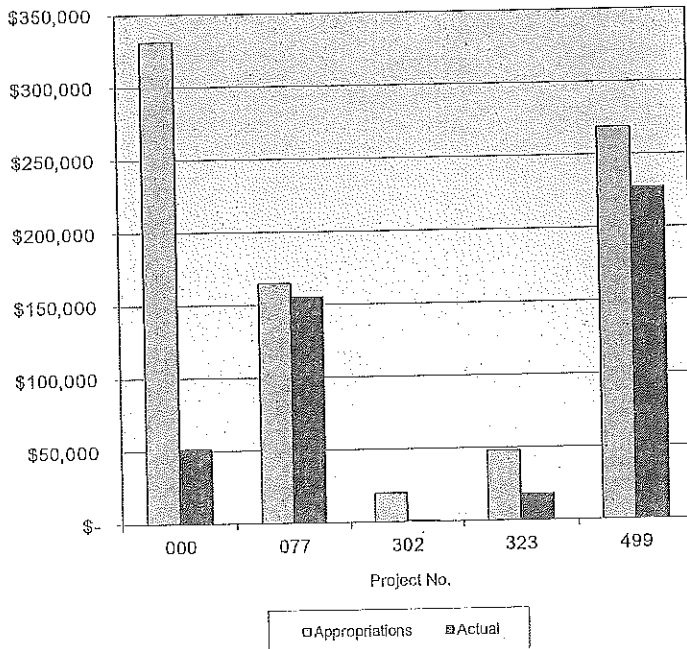
**District Multi Year  
Capital Expenditures  
by Project  
FY2009-FY2012**



**District Multi Year Capital Expenditures by Project  
(Continued) FY2009-FY2012**



**Single Year Capital Expenditures by Project  
FY2012**



**Project Legend**

**Multi-Year Capital Projects**

Description	No.
Encina Wastewater Authority	072
Asset Mgmt Plan Implementation	318
Baticuitos PS Rehabilitation	326
Water Recycling Group	328
Occidental Line Rehab	329
Lanikai Line Repair	330
Leucadia PS Generator Replacement	331
La Cost PS Rehabilitation	332
Force Main Corrosion Project	333
Asset Mgmt Pipeline Replacement	334
Asset Mgmt Plan Update	335
New Meter Installation	336

**Single Year Capital Projects**

Description	No.
Equipment	000
Misc Pipeline Rehabilitation	077
Professional Services	302
Lateral Replace/Backflow Prevention	323
LWD Gen'l Cap Labor & O/H Allocation	499

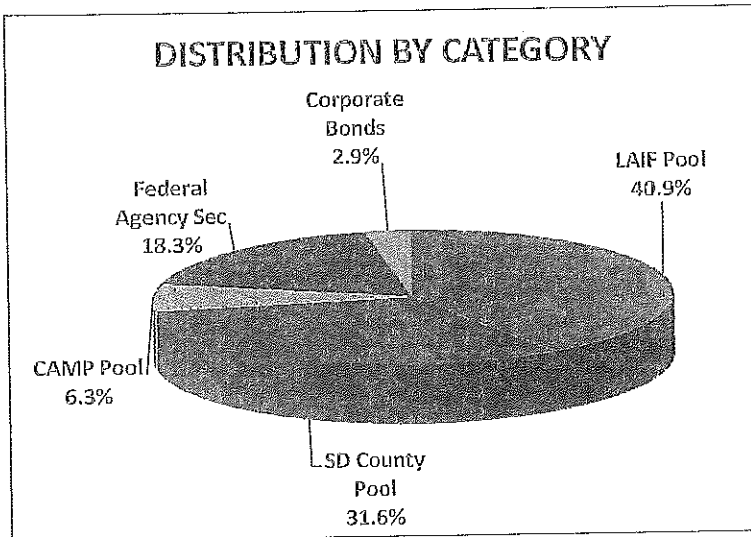
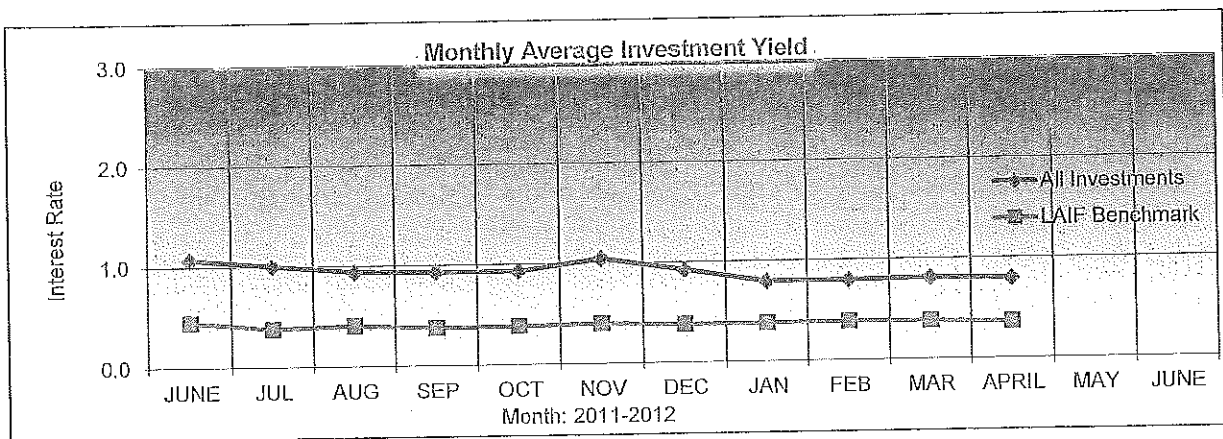
\* Preliminary: subject to future review, reconciliation, accruals, and audit

# LEUCADIA WASTEWATER DISTRICT

## Monthly Investment Summary

### April 30, 2012

	Principal (Original Cost)		April Interest	Average Rate
	March 31, 2012	April 30, 2012		
Cash Equivalents & Investments				
LAIF Pool	14,811,198	14,628,758	4,502	0.367%
SD County Pool	11,289,134	11,299,662	4,883	0.458%
CAMP Pool	2,264,873	2,264,844	461	0.250%
CAMP Portfolio				
Corporate Notes	1,034,035	1,034,035	1,637	1.900%
Federal Agency Bonds/Notes	5,991,583	5,991,583	5,492	1.100%
GNMA mortgage pools	15,971	15,796	120	8.930%
Total Camp Portfolio	7,041,589	7,041,414	7,249	1.240%
US Bank Custodial Account				
Resolution Funding Corp Strips at cost	561,056	561,056	6,818	14.583%
Total Bond Funds	561,056	561,056	6,818	14.583%
Totals	\$ 35,967,850	\$ 35,795,734	\$ 23,913	0.800%



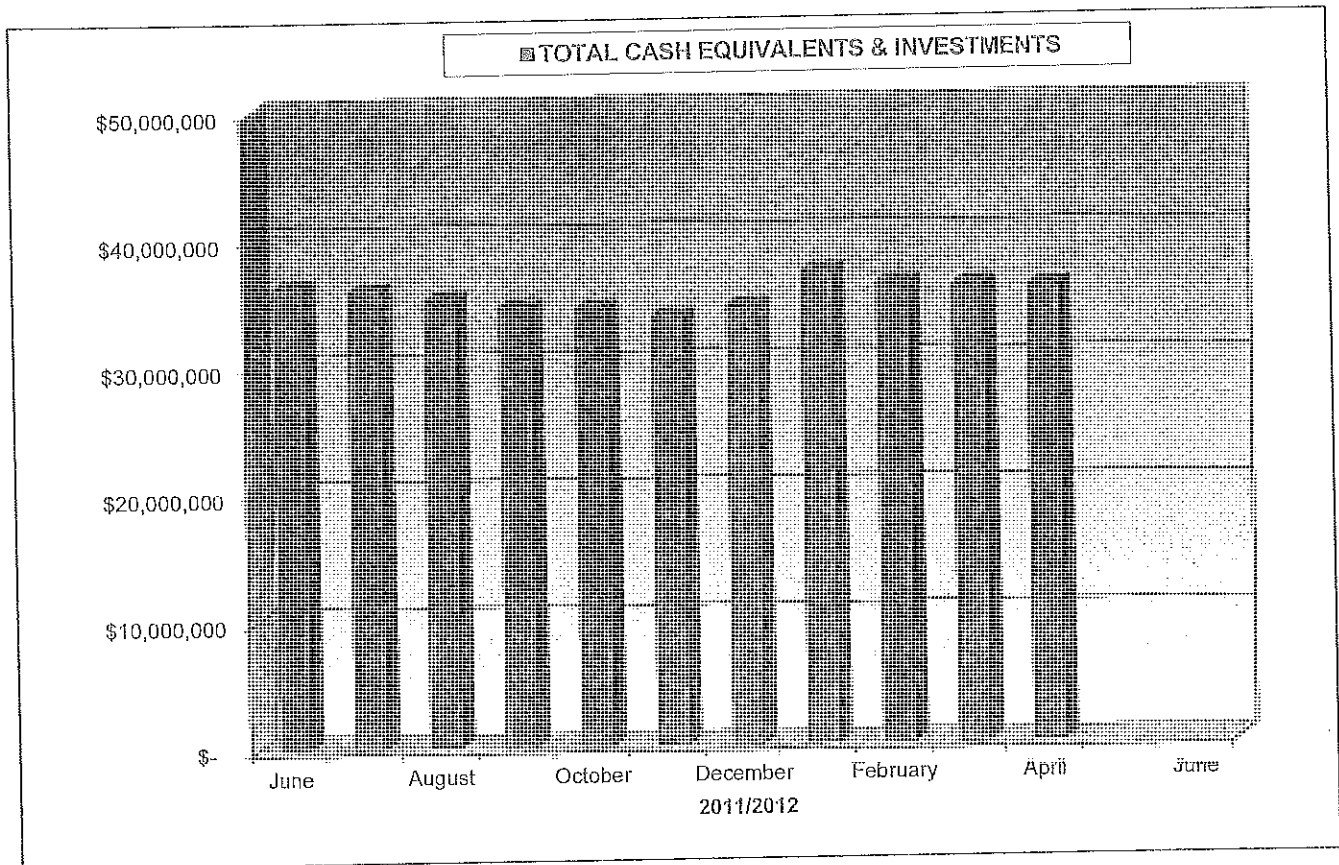
**Allocation Percentages of LWD Investments by Type (Actual and Allowable)**

Investment Type	Actual %	Allowed %
LAIF Pool	40.9%	75%
SD County Pool	31.6%	75%
CAMP Pool	6.3%	75%
Federal Agency Sec	18.3%	75%
Corporate Bonds	2.9%	10%
TOTAL	100.0%	



**LEUCADIA WASTEWATER DISTRICT**  
**Monthly Investment Summary**  
**April 30, 2012**  
**(Continued)**

TOTAL CASH EQUIVALENTS & INVESTMENTS		
Month 2011/2012	Amount	Average Rate
June	\$ 36,289,996	1.07%
July	\$ 35,909,897	1.01%
August	\$ 35,254,938	0.94%
September	\$ 34,624,683	0.93%
October	\$ 34,448,889	0.93%
November	\$ 33,779,633	1.05%
December	\$ 34,516,504	0.92%
January	\$ 37,152,562	0.80%
February	\$ 36,158,786	0.80%
March	\$ 35,967,850	0.81%
April	\$ 35,795,734	0.80%
May		
June		



**LEUCADIA WASTEWATER DISTRICT**  
*Monthly Investment Summary*  
**April 30, 2012**  
**(Continued)**

**INVESTMENT TRANSACTIONS**  
*For the month of April, 2012*


Investment	Purchases	Maturities	Sales	Notes	YTM at Cost
------------	-----------	------------	-------	-------	----------------

No investment activity in April 2012

TOTAL	\$ -	\$ -	\$ -		
-------	------	------	------	--	--

Investment transactions above do not include transfers between checking a/c's and cash equivalents (pools)

MEMORANDUM

DATE: June 14, 2012  
TO: Board of Directors  
FROM: Paul J. Bushee, General Manager   
SUBJECT: Adopt Resolution No. 2223 Establishing an Appropriations Limit of the Leucadia Wastewater District (LWD) for the Fiscal Year 2013 (July 1, 2012 to June 30, 2013) Pursuant to Article XIII (B) of the California Constitution

---

**RECOMMENDATION:**

Staff recommends that the Board of Directors:

1. Adopt Resolution No. 2223 as presented.
2. Discuss and take other action as appropriate.

**DISCUSSION:**

California Government Code Section 7910 requires that the District establish an appropriations limit at the beginning of each fiscal year. The appropriations limit for FY 13 has been calculated at \$62,479,881. The planned District appropriations subject to the statutory limitation are \$1,237,704. As per Government Code Section 7910, the document used to develop the Appropriations Limit was made available to the public.

Proposed Resolution No. 2223 establishing the appropriations limit is attached for your consideration along with documentation used in the determination of the appropriations limit.

Staff recommends that the Board of Directors adopt Resolution No. 2223 as presented.

cal:PJB

Attachment

RESOLUTION NO. 2223

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE LEUCADIA WASTEWATER DISTRICT  
ESTABLISHING APPROPRIATIONS LIMIT OF THE DISTRICT  
FOR THE FISCAL YEAR JULY 1, 2012 - JUNE 30, 2013 PURSUANT TO  
ARTICLE XIII(B) OF THE CALIFORNIA CONSTITUTION

---

WHEREAS, Government Code Section 7910 requires that each year the Board of Directors of this District shall, by resolution, establish the District's appropriation limit for the following fiscal year pursuant to Article XIII(B) of the California Constitution; and

WHEREAS, for not less than fifteen days prior to this meeting, the documentation attached hereto as Exhibit "A", used in the determination of the appropriations limit, has been available to the public in accordance with Government Code Section 7910.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF LEUCADIA WASTEWATER DISTRICT (LWD) DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1. The appropriations limit of LWD for the Fiscal Year July 1, 2012 - June 30, 2013 pursuant to Article XIII(B) of the California Constitution is hereby established as \$62,479,881.

Section 2. This Resolution is effective June 20, 2012 and supersedes Resolution No. 2215.

PASSED AND ADOPTED by the Board of Directors at a meeting of the LWD, held June 20, 2012 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Judy Hanson, President

ATTEST:

---

Paul J. Bushee, General Manager

(SEAL)

**LEUCADIA WASTEWATER DISTRICT  
APPROPRIATION LIMIT  
FISCAL YEAR 2012-2013**

FISCAL YEAR	POPULATION FACTOR	CPI/PI FACTOR	ADJUSTMENT FACTOR	APPROPRIATION LIMIT	APPROPRIATION SUBJECT TO LIMIT	OVER (UNDER) LIMIT
1978-79				4,131,757		
1979-80	1.1185	1.1017	1.2323	5,019,364	474,509	(4,544,855)
1980-81	1.1952	1.1053	1.3211	6,725,969	269,388	(6,456,581)
1981-82	1.0207	1.0912	1.1138	7,491,303	201,344	(7,289,959)
1982-83	1.0570	1.0679	1.1288	8,455,960	346,283	(8,109,677)
1983-84	1.0578	1.0235	1.0827	9,154,915	518,291	(8,636,624)
1984-85	1.0641	1.0474	1.1145	10,203,504	370,506	(9,832,998)
1985-86	1.0423	1.0374	1.0813	11,032,865	407,693	(10,625,172)
1986-87	1.1571	1.0230	1.1837	13,059,749	854,824	(12,204,925)
1987-88	1.0810	1.0304	1.1140	14,548,109	571,371	(13,976,738)
1988-89	1.0486	1.0393	1.0898	15,854,675	2,287,498	(13,567,177)
1989-90	1.1118	1.0498	1.1672	18,505,063	7,133,033	(11,372,030)
1990-91	1.0273	1.0421	1.0705	19,809,670	3,570,985	(16,238,685)
1991-92	1.0271	1.0414	1.0696	21,188,858	4,873,688	(16,315,170)
1992-93	1.0085	1.0064	1.0149	21,505,287	945,024	(20,560,263)
1993-94	1.0199	1.0272	1.0477	22,530,400	881,142	(21,649,258)
1994-95	1.0079	1.0071	1.0151	22,870,074	1,258,995	(21,611,079)
1995-96	1.0004	1.0472	1.0476	23,959,121	534,652	(23,424,469)
1996-97	1.0167	1.0467	1.0642	25,496,815	7,127,060	(18,369,755)
1997-98	1.0204	1.0467	1.0680	27,230,599	4,706,220	(22,524,379)
1998-99	1.0367	1.0415	1.0797	29,401,505	2,864,723	(26,536,782)
1999-00	1.0386	1.0453	1.0857	31,920,931	1,219,792	(30,701,139)
2000-01	1.0422	1.0491	1.0933	34,900,013	2,073,768	(32,826,245)
2001-02	1.0445	1.0782	1.1262	39,303,693	460,000	(38,843,693)
2002-03	1.0445	0.9873	1.0312	40,531,016	761,542	(39,769,474)
2003-04	1.0263	1.0231	1.0500	42,557,926	773,263	(41,784,663)
2004-05	1.0218	1.0328	1.0553	44,911,884	452,866	(44,459,018)
2005-06	1.0157	1.0526	1.0692	48,018,786	1,339,689	(46,679,097)
2006-07	1.0216	1.0396	1.0620	50,997,014	6,064,787	(44,932,227)
2007-08	1.0172	1.0442	1.0622	54,168,601	4,121,237	(50,047,364)
2008-09	1.0163	1.0429	1.0599	57,415,246	1,424,330	(55,990,916)
2009-10	1.0102	1.0062	1.0165	58,360,757	1,496,698	(56,864,059)
2010-11	1.0143	0.9746	0.9885	57,691,221	1,257,308	(56,433,913)
2011-12	1.0077	1.0251	1.0330	59,594,831	941,116	(58,653,715)
2012-13	1.0103	1.0377	1.0484	62,479,881	1,237,704	(61,242,177)

**LEUCADIA WASTEWATER DISTRICT  
APPROPRIATION LIMIT  
FISCAL YEAR 2012-2013**

Fiscal Year	Total Appropriation	Amount
2012-2013	General District	6,305,970
	Current Construction/Capital	4,274,856
	Other Debt & Reserves Exp.	-
	Reserves	<u>37,085,277</u>
	Subtotal	47,666,103
	Less: Prior Reserves (Limited to above reserves)	38,146,404
	(Difference)	<u>(1,061,127)</u>
	Less: Voter Approved Debt Service	0
	Total Available	<u>10,580,826</u>
	Non-Proceeds of Taxes	<u>9,343,122</u>
	Appropriations Subject to Limit	<u>\$ 1,237,704</u>

Fiscal Year	Revenue	Total Revenue	Tax Revenue	Other Revenue
2012-2013	Service Charge	\$ 7,657,754	\$ 0	\$ 7,657,754
	Other Oper. Income	192,126	0	192,126
	Property Tax	1,200,000	1,200,000	0
	Other Non-Oper.	179,819	0	179,819
	Debt Service	0	0	0
	Less Voter Approved	0	0	0
	Subtotal	<u>\$ 9,229,699</u>	<u>\$ 1,200,000</u>	<u>\$ 8,029,699</u>
	Interest Income	290,000	37,704	252,296
	Other Reserve Income	1,061,127	0	1,061,127
	Total Revenue	<u>\$ 10,580,826</u>	<u>\$ 1,237,704</u>	<u>\$ 9,343,122</u>

Interest Income Allocation	\$ 1,200,000
	/ \$ 9,229,699
	= 13.0015074%
	* 290,000
	<u>= \$ 37,704</u>

APPROPRIATION LIMIT WORKSHEETS  
2012-2013

		(2)		
	Total (1) 1/1/2010	Within District 1/1/2010	% of City	% of District
Carlsbad	106,804	29,346	27.5%	48.32%
Encinitas	65,171	31,389	48.2%	51.68%
Total		60,735	(to below)	100.0%

- (1) Population of Carlsbad & Encinitas per SANDAG regional estimates for 1/01/2010 (per Web Site)  
 (2) District population per special request from SANDAG  
 Latest estimate received May 2011 for Jan 2010

Population	%	2010-2011		2011-2012	
		Total cities (3) 1/1/2011	Total district (Calc) 1/1/2011	Total cities (3) 1/1/2012	Total district (Calc) 1/1/2012
Carlsbad	27.5%	106,403	29,236	107,674	29,585
Encinitas	48.2%	59,827	28,815	60,346	29,065
Total	(from above)	166,230	58,051	168,020	58,650
Percentage change				1.077%	1.032%

<u>Adjustment factor calculation</u>	2011-2012	<u>% CHANGE</u>	<u>FACTOR</u>
1 population change calculation		1.032%	1.0103
2 per capita personal income - (3)		3.770%	1.0377
Adjustment Factor			1.0484

- (3) Per California department of Finance letter and attachments, dated May 2012

**Encina Wastewater Authority Report**  
**Regular Board Meeting**  
**May 23, 2012**

**EWA Board of Directors** - Directors Juliussen and/or Sullivan reporting.

**1. Final Acceptance of the Phase V Settlement Agreement.**

The Board of Directors took final acceptance of the Phase V Settlement Agreements with Alfa-Laval, Inc. for Supplemental Procurement and Release of Claims and J.R. Filanc Construction Company for, Inc. for Supplemental Construction. The Board of Directors also directed staff to record appropriate Notices of Completion with the San Diego County Recorder.

**2. Adoption of FY 2013 Operating and Capital Budgets.**

The Board of Directors adopted the FY 2013 Operation, Maintenance, Administration and Capital Improvement Program Budgets and directed staff to forward the recommended budgets to the Joint Advisory Committee.

The Joint Advisory Committee also adopted the FY 2013 Operation, Maintenance, Administration and Capital Improvement Budgets and directed staff to forward the recommended budgets to the Boards and Councils of the Member Agencies.



## EWA Executive Session Items

3. Conference with Labor Negotiators as authorized by Government Code §54957.6 – Agency representatives Kevin Hardy and Michael Steinlicht.

The Board met in closed session and no action was taken.

## Investment & Finance Meeting Report

Presented by Director Omsted

---

Meeting held June 4, 2012

1. **The Committee reviewed the agreement with Brownell & Duffey, CPA's for Accounting and Financial Services in an amount not to exceed \$307,350.**

The Committee agreed with staff to recommend that the Board of Directors authorize the General Manager to execute a three year professional service agreement with CPA's Brownell & Duffey, for Accounting and Financial services in an amount not to exceed \$307,350 at tonight's meeting.

This item will be reviewed by the Board later in the agenda.

2. **FY 2012 Financial Audit Entrance meeting with White Nelson Diehl Evans, LLP.**

The IFC participated in the 2012 Financial Audit Entrance meeting with staff, and CPAs David Forman and Harvey Schroeder from White Nelson Diehl Evans, LLP. Mr. Schroeder discussed the summary of documents that will be reviewed by their audit team and the audit schedule.

# Engineering Committee Meeting Report

Presented by Director Juliussen

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## Meeting held on June 11, 2012

1. The EC reviewed an agreement with Infrastructure Engineering Corporation (IEC) for engineering design services for the La Costa Pump Station Rehabilitation Project. The EC agreed with staff and recommended that the Board authorize the GM to execute the agreement with IEC.

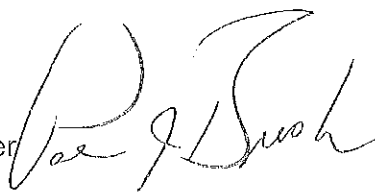
This item will be reviewed by the Board later in the agenda.

2. The EC reviewed a professional services agreement with Dudek & Associates, Inc. for Engineering Consulting Services. The EC agreed with staff and recommended that the Board authorize the GM to execute the agreement with Dudek.

This item will be reviewed by the Board later in the agenda.

3. The Committee received the results of an evaluation of the need to procure a hydro-cleaning (jetter) trailer and an easement crawler. This item was listed as a goal on the FY 12 Tactics and Action Plan.
4. The Committee received a status update on the Leucadia Pump Station Generator Replacement Project.

MEMORANDUM

DATE: June 14, 2012  
TO: Board of Directors  
FROM: Paul J. Bushee, General Manager   
SUBJECT: Adoption of Fiscal Year 2013 (FY 13) Budget

---

**RECOMMENDATION:**

Staff recommends that the Board of Directors:

1. Adopt the FY 13 Leucadia Wastewater District (LWD) Budget as presented.
2. Discuss and take other action as appropriate.

**DISCUSSION:**

Enclosed please find LWD's FY 2013 Budget (July 1, 2012 – June 30, 2013) for your review. The Capital Budget was reviewed by the Engineering Committee at its April 2 and May 1, 2012 meetings. The Personnel Budget was reviewed by the Human Resources Committee on April 12, 2012 and the Operations Budget was reviewed by the Investment & Finance Committee on April 30, 2012. The overall Recommended FY 13 Operating and Capital Budgets were reviewed by the Board of Directors on May 9, 2012.

Following the May 9, 2012 Board of Director's meeting, staff was authorized to prepare the Final FY 13 Operating and Capital Budgets. Therefore, staff recommends that the Board of Directors adopt the FY 2013 Budget.

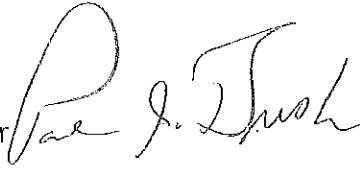
cal:PJB

Enclosure

## MEMORANDUM

DATE: June 14, 2012

TO: Board of Directors

FROM: Paul J. Bushee, General Manager 

SUBJECT: **Public Hearing on a Proposal to Consider Collecting the District's Wastewater Service Charge for Fiscal Year 2013 on the San Diego County Tax Roll**

The purpose of this public hearing is to allow the LWD Board of Directors to receive and consider public comment on the following:

- 1) A proposal to collect LWD's wastewater service charges for FY 2013 on the County Tax Roll in the same manner, together with, and at the same time as general taxes.

The notice of this public hearing was posted at LWD beginning on June 4, 2012. The notice announcing the proposal to collect LWD's wastewater service charges on the County Tax Roll was advertised in the North County Times on June 6 and June 13, 2012.

**DISCUSSION:**

- 1) Collection of District Wastewater Service Charges for Fiscal Year 2013 on the Tax Roll of the County of San Diego

LWD has collected its wastewater service charges on the San Diego County Tax Roll, concurrent with general taxes, since 1979. Staff proposes to continue collecting its wastewater service charges in this manner for FY 13. As per Government Code Section 5473, LWD has made available, for public review and inspection, a report showing the amount of the proposed wastewater service charges for each parcel of real property receiving wastewater service.

It is necessary for the Board to consider all objections or protests to the report. If the Board of Directors finds that the protests are made by the owners of a majority of separate parcels of property described in the report, then the report shall not be adopted and the wastewater service charges shall be collected separately from the tax rolls. To date, no objections or protests have been filed with LWD regarding this report.

After receiving public testimony, the Board of Directors will close the public hearing and may consider action on the proposed item during the regular meeting immediately following this public hearing.

cal:PJB

MEMORANDUM

DATE: June 14, 2012

TO: Board of Directors

FROM: Paul J. Bushee, General Manager



SUBJECT: **Adopt Resolution No. 2221 – A Resolution of the Board of Directors of the Leucadia Wastewater District Adopting and Approving the Report for the Collection of Wastewater Service Charges On County Tax Roll for the Fiscal Year July 1, 2012 to June 30, 2013**

---

**RECOMMENDATION:**

Staff recommends that the Board of Directors:

1. Adopt Resolution No. 2221 as presented.
2. Discuss and take other action as appropriate.

**DISCUSSION:**

LWD's wastewater service charge has been collected on the San Diego County Tax Roll since 1979. Staff is proposing to continue this practice for FY 13. Prior to this item, the Board of Directors will have conducted a public hearing regarding the collection of the FY 13 sewer service charge on the county tax roll in accordance with Health and Safety Code Section 5473.

A written report was prepared and filed with the General Manager which contains a description of each parcel of real property and the amount of the wastewater service fee for each parcel for FY 2013. The fees in the report are based on the FY 13 wastewater service fee of \$21.52 per month per equivalent dwelling unit (EDU).

Staff recommends that the Board adopt Resolution No. 2221 (attached) as presented, and/or take other action as appropriate.

cal:PJB

Attachment

RESOLUTION NO. 2221

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF LEUCADIA WASTEWATER DISTRICT  
ADOPTING AND APPROVING THE REPORT FOR THE  
COLLECTION OF WASTEWATER SERVICE CHARGES ON THE COUNTY TAX  
ROLL FOR THE FISCAL YEAR JULY 1, 2012 – JUNE 30, 2013

---

WHEREAS, the Board of Directors of LEUCADIA WASTEWATER DISTRICT (LWD) has elected to have wastewater service fees for the Fiscal Year July 1, 2012 – June 30, 2013 (FY 2013) collected on the tax roll in accordance with Health and Safety Code Sections 5470-5474.10; and

WHEREAS, the current wastewater service fee for each equivalent dwelling unit (EDU) is \$21.52 per month (Existing Wastewater Service Fee); and

Whereas, the Board of Directors has determined that the FY 2013 Wastewater Service Fee for each EDU shall remain \$21.52 per month; and

Whereas, a written report was prepared and filed with the General Manager of this District, which written report contains a description of each parcel of real property receiving wastewater service and the amount of the wastewater service fee for each parcel for said fiscal year, which is based on the approved FY 2013 Wastewater Service Fee; and

WHEREAS, notice of the hearing on said report was published in the form and manner prescribed by law; and

WHEREAS, at the time stated in the notice, this Board of Directors did hear and consider all objections or protests to said report.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF LWD DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The Board of Directors hereby determines that the amount of the wastewater fee for each parcel for the Fiscal Year July 1, 2012 – June 30, 2013 shall be as described in said report.

Section 2. The report is hereby adopted and approved.

Section 3. The General Manager is authorized and directed to file with the Auditor of San Diego County a copy of said report with a statement endorsed thereon over his signature that it has been finally adopted by the Board of Directors.

Section 4. Effective July 1, 2012 this Resolution supersedes Resolution No. 2217.

**PASSED AND ADOPTED** by the Board of Directors at a meeting of LWD held June 20, 2012 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Judy Hanson, President

ATTEST:

\_\_\_\_\_  
Paul J. Bushee, Secretary/Manager

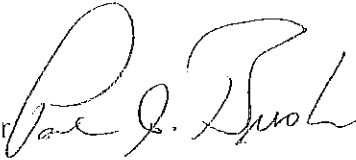
(SEAL)



## MEMORANDUM

DATE: June 14, 2012

TO: Board of Directors

FROM: Paul J. Bushee, General Manager 

SUBJECT: Adopt Resolution No. 2222 – A Resolution of the Board of Directors of the Leucadia Wastewater District (LWD) Approving the Recommended Encina Wastewater Authority (EWA) Fiscal Year 2013 (FY 13) Operating and Capital Budgets

---

**RECOMMENDATION:**

Staff recommends that the Board of Directors:

1. Adopt Resolution No. 2222 as presented.
2. Discuss and take other action as appropriate.

**DISCUSSION:**

The EWA Revised Basic Agreement (RBA) and Revised Establishment Document (RED) require that the governing body of each EWA member agency take action on the proposed annual budget. The recommended FY 13 budget was approved by the EWA Board of Directors and the Joint Advisory Committee on May 23, 2012, and has been forwarded to LWD for consideration. A breakdown of the costs follows:

Operating Budget

FY 13 = \$13,537,021

Capital Budget

FY 13 = \$9,996,047

These budget figures include funding for all *joint and non-joint* facilities operated by EWA. A copy of EWA's recommended Budget is on file at LWD and is available upon request. LWD's share of the proposed FY 13 operating and capital budgets is \$1,945,827 and \$2,038,195 respectively.

Director Sullivan served on this year's EWA Policy and Finance Committee and participated in the detailed EWA budget deliberation process. Director Juliussen also served on the EWA Board and has reviewed the EWA Budget in detail. Furthermore, staff has reviewed the recommended budget documents in detail and is prepared to answer any questions the Board may have.

Resolution No. 2222 (attached) approves the EWA operating and capital budgets as required by EWA's RBA and RED. Staff recommends that the Board of Directors adopt the resolution as presented, and/or take other action as appropriate.

cal:PJB

Attachment

RESOLUTION NO. 2222

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE LEUCADIA WASTEWATER DISTRICT  
APPROVING THE ENCINA WASTEWATER AUTHORITY  
FISCAL YEAR 2013  
OPERATING AND CAPITAL BUDGETS

---

WHEREAS, the City of Vista, City of Carlsbad, Buena Sanitation District, Vallecitos Water District, Leucadia Wastewater District and City of Encinitas are the "member agencies" of the Encina Wastewater Authority (EWA), a California joint powers authority; and

WHEREAS, the EWA member agencies are authorized and empowered to contract for the joint exercise of powers under the Government Code of the State of California for the operation, maintenance and administration of their jointly owned wastewater system, the Encina Joint System; and

WHEREAS, the member agencies recognize the need to operate, maintain and administer the Encina Joint System on a cooperative basis for the collection, transmission, treatment and disposal of wastewater, and the management of wastewater treatment byproducts; and

WHEREAS, LEUCADIA WASTEWATER DISTRICT (LWD) is party to certain documents entitled the Revised Basic Agreement and the Revised Establishment Document which establish the ownership, operation, maintenance and administration of the Encina Joint System and the EWA, respectively; and

WHEREAS, the Revised Basic Agreement governs the administration of the EWA and requires the preparation and approval by each of the member agencies of estimated Operating and Capital Improvement Program Budgets on an annual basis; and

WHEREAS, the Fiscal Year 2013 (FY 13) EWA Operating and Capital Budgets were approved by the EWA Joint Advisory Committee and the EWA Board of Directors on May 23, 2012, in the following amounts: Operating Budget – \$13,537,021; and Capital Budget – \$9,996,047 ; and

WHEREAS, the EWA Joint Advisory Committee and the EWA Board of Directors recommend member agency approval of the FY 13 EWA Operating and Capital Budgets in the aforementioned amounts; and

WHEREAS, copies of the FY 13 EWA Operating and Capital Budgets were reviewed by the LWD Board of Directors at its June 20, 2012 Board of Directors meeting;

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LEUCADIA WASTEWATER DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER** as follows:

Section 1. Approval of the recommended FY 2013 Encina Wastewater Authority Operating Budget as presented in the following amount: **\$13,537,021.**

Section 2. Approval of the recommended FY 2013 Encina Wastewater Authority Capital Budgets in the following amount: **\$9,996,047.**

Section 3. Effective July 1, 2012 this Resolution supersedes Resolution No. 2216.

**PASSED AND ADOPTED** by the Board of Directors at a meeting of the Leucadia Wastewater District held June 20, 2012 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

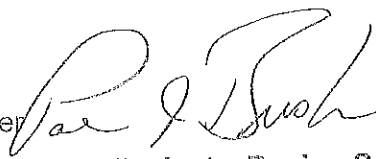
\_\_\_\_\_  
Judy Hanson, President

ATTEST:

\_\_\_\_\_  
Paul J. Bushee, Secretary/Manager

(SEAL)

## MEMORANDUM

DATE: June 14, 2012  
 TO: Board of Directors  
 FROM: Paul J. Bushee, General Manager   
 SUBJECT: La Costa Pump Station Rehabilitation Project – Design Services

**RECOMMENDATION:**

Staff and the Engineering Committee recommend that the Board of Directors:

1. Authorize the General Manager to execute an agreement with Infrastructure Engineering Corporation (IEC) for engineering design services for the La Costa Pump Station Rehabilitation Project in an amount not to exceed \$46,866.
2. Discuss and take other action as appropriate.

**DISCUSSION:**

This item was reviewed by the Engineering Committee at its June 11, 2012 meeting. This item was included as a goal in the Fiscal Year 2012 Tactics and Action Plan. In May 2010 Infrastructure Engineering Corporation (IEC) completed the Asset Management Plan Implementation Assistance Phase I Report. Included in that report was a March 2009 Technical Memorandum evaluating the condition of the District's pump stations. In that report it was recommended that a rehabilitation of the La Costa Pump Station be completed by 2015. The tasks to be completed during the pump station rehabilitation include:

- Replace electrical Switchgear wooden backboard
- Replace backboard electrical Service and transfer switch
- Install longer flexible electrical conduit at pump motors
- Install emergency bypass piping and valves
- Install impressed current cathodic protection system
- Install a new Uninterruptable Power System (UPS)
- Install fusion bonded epoxy (FBE) pump bowls and new pump impellers and motors

The next phase of the project is the design phase. IEC has submitted a proposal, attached, to complete the design of the project. The Scope of Services includes:

- Project Management and Administration
- Data Collection and Utility Coordination
- Design Survey and Topography
- Preparation of Plans, Specifications and Cost Estimate (PS&E)

The proposed IEC fee is \$46,866 which includes services to support project design, such as electrical subcontractor services. Staff believes the proposal is fair and reasonable.

**FISCAL IMPACT:**

Staff appropriated \$45,000 in the Fiscal Year 2012 (FY12) Budget in anticipation of this project. The Fiscal Year 2013 (FY13) Budget adds \$107,000 for construction, including soft costs and contingency funding. Therefore, the FY 12 budget contains sufficient funds to cover the start of design services and the combined FY12 and FY13 Budgets have sufficient funding for project design.

rym:PJB  
 Attachment

May 31, 2012

Mr. Robin Morishita  
Leucadia Wastewater District  
1960 La Costa Avenue  
Carlsbad, California 92009

**RE: Proposal for Engineering Services for the La Costa Pump Station Rehabilitation (Rev 1)**

Dear Mr. Morishita:

Infrastructure Engineering Corporation (IEC) is pleased to provide the Leucadia Wastewater District with this proposal for Engineering Services for the La Costa Pump Station Rehabilitation. The proposed scope of services and fee is based on the items described in the Asset Management Master Plan (AMMP) Implementation Assistance Phase I Report prepared by IEC in March 2009, our recently conducted site visit, and discussions with District staff.

**PROJECT UNDERSTANDING AND APPROACH**

The District's La Costa Pump Station is a fairly deep (approximate 32 ft) packaged pump station located adjacent to the driving range and tennis courts at the La Costa Resort and Spa. The existing station appears to be in good structural condition and well maintained. The AMMP Phase I report recommended the following maintenance/rehabilitation style tasks:

1. Remove rust and recoat exposed metal including the MCC mounting channel
2. Replace electrical switchgear wooden backboard
3. Replace backboard electrical service and transfer switch
4. Install longer flexible electrical conduit at pump motors
5. Install emergency bypass piping and valves
6. Install impressed current cathodic protection system
7. Install new Uninterruptable Power System (UPS)
8. Install fusion bonded epoxy (FBE) pump bowls and new pump impellers and motors

The focus of the scope of services covered by this proposal shall be the above items.

**SCOPE OF SERVICES**

The following detailed scope of services describes the specific tasks and deliverables that will be performed.

***Task 1 – Project Management and Administration***

We anticipate two coordination meetings will be required during the project to review and discuss the design submittals. Additional coordination can be addressed via telephone conferences or emails.

***Task 2 – Data Collection and Utility Coordination***

Because the existing pump station is located on private property, we do not anticipate the presence of significant public or franchise utilities. It is expected the majority of utility record

Mr. Robin Morishita  
Leucadia Wastewater District  
May 31, 2012  
Page 2 of 2

drawings will be available from the District (for District facilities) or La Costa Resort (for their water, irrigation, electric, and other facilities). However, as a matter of standard practice and for thoroughness, IEC will complete a USA DigAlert Design request and contact and request record drawings from utility companies that may have utilities in the project area. Follow-up requests for review will be performed at the 50%, 90%, and final submittal to assess correct location of facilities and that new facilities are shown on the plans.

***Task 3 – Design Survey and Topography***

We will conduct a field design survey of the project area in order to develop a base map for subsequent design. The base mapping will be prepared in AutoCAD format at a scale suitable for preparation of the design drawings.

***Task 4 – Prepare Plans, Specifications and Estimate (PS&E)***

IEC will prepare plans, technical specifications, and a cost estimate (PS&E) for the work. The plans are expected to contain the following:

Title sheet w/ General Notes, Legend, Abbreviations (2)  
Pump Station Plan and Section (2)  
Details (2)  
Electrical (2)  
Cathodic Protection (2)

We will provide review submittals to the District at the 50% and 90% completion levels, followed by preparation of the final bid-ready set of documents. Specifications and contract documents will be prepared based on the District's standard front end contract documents.

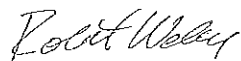
**SCHEDULE**

It is anticipated that after the notice to proceed, we estimate surveying can be completed in two weeks and that 50% plans, specifications and cost estimates (PS&E) produced within another four weeks with two weeks in between each submittal for review by the District. Upon receipt of comments, IEC will prepare a 90% PS&E package within two weeks. After another two week review period for the District, final plans and specifications will be produced within one week of receipt of the District's final comments. The total project schedule is approximately twelve to fourteen weeks.

**FEE**

The proposed level of effort and fee is indicated on the attached table. Billing will be in accordance with our current agreement for as-needed engineering services. We appreciate the opportunity to provide this proposal and assist the District with this project.

Sincerely,



Robert S. Weber, P.E.  
Senior Project Manager

**FEE ESTIMATE**  
**LEUCADIA WASTEWATER DISTRICT**  
 La Costa Pump Station Rehabilitation

Task/ Subtask	Task/Subtask Description	Sr. Project Manager (Jim Ashcraft)	Sr. Project Manager (Rob Weber)	Project Engineer/ Designer (Rich Goodman)	Project Surveyor (Gary Rush)	Project Engineer (Jamie Fagnant)	Engineer III/ CAD II Designer (Toas Marwell)	Word Processor (Ariette Moore)	Subtask Labor-Hours	Subtask Labor Cost	Direct Cost	Subcontract	Total Cost
		\$180.00	\$180.00	\$130.00	\$130.00	\$130.00	\$110.00	\$55.00					
TASK 1	Project Management and Administration												\$4,165
	Project Status Reports/Coordination/Meetings	8	4			8		1	21	\$3,265	\$100	\$0	\$5,365
	Additional coordination/phone conferences	2	1			2			5	\$800	\$0	\$0	\$800
TASK 2	Data Collection and Utility Coordination												\$1,850
	Data Collection Review/Coordination	1	0.5			4	8	2	15.5	\$1,800	\$50	\$0	\$1,850
TASK 3	Design Survey and Topography												\$3,930
	Topographical Survey and CAD file preparation				20		8		28	\$3,480	\$450	\$0	\$3,930
TASK 4	Prepare Plans, Specifications and Estimate (PS&E)												\$36,921
	50% PS&E	10	2	12		24	24	6	78	\$9,870	\$100	\$6,810	\$16,780
	90% PS&E	8	2	8		24	20	4	66	\$8,420	\$100	\$5,448	\$13,968
	Final PS&E	6	1	4		8	16	2	37	\$4,710	\$100	\$1,363	\$6,173
		35	10.5	24	20	70	76	15	250.5				
		\$6,300	\$1,890	\$3,120	\$2,600	\$9,100	\$8,360	\$975		\$52,345	\$900	\$13,621	\$46,866

**TOTAL NOT-TO-EXCEED FEE: \$46,866**

## MEMORANDUM

DATE: June 14, 2012

TO: Board of Directors

FROM: Paul J. Bushee, General Manager 

SUBJECT: Professional Services Agreement with Brownell & Duffey, CPA's, for Financial and Accounting Services

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**RECOMMENDATION:**

Staff and Investment and Finance Committee recommend that the Board of Directors:

1. Authorize the General Manager to execute a three-year professional services agreement with Brownell & Duffey, CPA's, for Accounting and Financial Services in an amount not to exceed \$307,350.
2. Discuss and take other action as appropriate.

**DISCUSSION:**

This item was reviewed by the Investment & Finance Committee at its June 4, 2012 meeting. The Committee concurred with staff to bring this recommendation forward for consideration at today's meeting. This item was included as a goal in the Fiscal Year 2012 Tactics and Action Plan.

Brownell & Duffey, Certified Public Accountants (B&D) has been providing accounting and financial services for the Leucadia Wastewater District (LWD) since 2000. Their current agreement, which began July 1, 2010, will expire on June 30, 2012. This agenda item requests authorization for the General Manager to execute a professional services agreement with B&D for the period July 1, 2012 to June 30, 2015.

B&D's service to LWD over the past twelve years has been excellent. Mr. Richard Duffey, one of B&D's principals, has an excellent working knowledge of LWD and the Encina Wastewater Authority. In particular, he has been instrumental in ensuring the high quality of LWD's general accounting and financial functions including preparation for the annual audits.

The attached Scope of Work details specific tasks to be accomplished. These tasks include: reconciling LWD's expenses and revenues; preparing financial records for the year-end audit; assistance with the preparation of the Comprehensive Annual Financial Report (CAFR); and, providing executive level financial advice and support to LWD staff. Additional monthly, quarterly, and year-end tasks are also included.

The proposed annual fee for B&D services is \$102,450 per year for a total of \$307,350 over the three-year agreement period. Sufficient funds to cover B&D services for Fiscal Year 2013 are included in the recommended annual budget.

Staff and the IFC recommend that the Board of Directors authorize the General Manager to execute a three-year professional services agreement with Brownell & Duffey, CPA's, for Accounting and Financial Services in an amount not to exceed \$307,350.

cal:PJB

Attachment



ATTACHMENT " A"

LEUCADIA WASTEWATER DISTRICT  
**ACCOUNTING SERVICES**  
 Scope of Work, Hours and Fees  
 to be Provided by Brownell & Duffey, CPA's  
 Period July 1, 2012 through June 30, 2015

TASK ELEMENT	HOURS			TOTAL AMOUNT
	TOTAL	STAFF	PARTNER	
<b>1. MONTHLY TASKS ELEMENT</b>				
1.1 Reconcile District bank accounts to General Ledger	2.9	1.6		1.3
1.2 Review daily cash receipts before posting to General Ledger	1.6	0.0		1.6
1.3 Reconcile accounts & prepare accruals prior to production of monthly financial reports. Review monthly investment statements, post monthly investment activity to General Ledger and reconcile investment accounts to General Ledger. Reconcile monthly cash flow report to General Ledger. Post monthly depreciation expense. Calculate accrued interest income & post to General Ledger	6.4	0.0		6.4
1.4 Production of Financial Reports				
Production of Fundware Financial Reports. Analyze Fundware reports and correct General Ledger as needed. Report unusual monthly budget variances and abnormalities to management. Production of reports & spreadsheets for board packet	3.1	0.0		3.1
1.5 Financial management support				
Respond to questions on financial matters from LWD mgmt & staff, assist with various governmental reports, assist with LWD policy & procedure updates, and other general financial management support	12.2	0.0		12.2
1.6 Attend weekly staff meetings	2.7	0.0		2.7
1.7 Attend monthly board meetings	2.5	0.0		2.5
Subtotal	31.4	1.6		29.8
Frequency per year	12	12		12
Total Annual Hours	376.8	19.2		357.6
Hourly Rate		\$ 75.00	\$ 150.00	
Amount		\$ 1,440.00	\$ 53,640.00	\$ 55,080.00
<b>2. QUARTERLY TASKS ELEMENT</b>				
2.1 Prepare LWD Board Quarterly Treasurer's Report	2.6	0.0		2.6
2.2 Review quarterly payroll tax returns before filing	2.3	0.0		2.3
2.3 Reconcile payroll withholding accounts	2.0	1.2		0.8
2.4 Review Batiquitos Pump Station billing to City of Encinitas	1.6	0.0		1.6
2.5 Prepare budget vs. actual schedules. Attendance at Budget Review meetings. Post approved budget transfers and corrections	7.1	0.0		7.1
Subtotal	15.6	1.2		14.4
Frequency	4	4		4
Total Annual Hours	62.4	4.8		57.6
Hourly Rate		\$ 75.00	\$ 150.00	
Amount		\$ 360.00	\$ 8,640.00	\$ 9,000.00

TASK ELEMENT	HOURS			TOTAL AMOUNT
	TOTAL	STAFF	PARTNER	
<b>3. YEAR END TASKS ELEMENT (Calendar and Fiscal)</b>				
3.1 Assist & review IRS Form W-2's, W-3, and EDD Form DE-7 Annual Payroll Returns	3.2	0.0	3.2	
3.2 Assist Review IRS Forms 1099's and 1096 Annual Transmittal of US Information Returns	0.3	0.0	0.3	
3.3 Prepare financial records for annual audit				
3.3-1 Post closing entries and run various year-end Fundware reports	0.8	0.0	0.8	
3.3-2 Analyze and accrue accounts receivable and interest receivable and prepare schedules	3.2	0.0	3.2	
3.3-3 Analyze investment holdings and prepared year-end schedules	2.4	0.0	2.4	
3.3-4 Analyze and accrue prepaid expenses and deposits and prepare schedules	1.9	0.0	1.9	
3.3-5 Analyze fixed asset acquisitions and dispositions. Capitalized fixed asset additions and adjust for Dispositions and prepare schedules. Calculate depreciation expense and prepare schedules. Post depreciation expense to general ledger	45.5	1.6	43.9	
3.3-6 Analyze and accrue various liability accounts, such as accounts payable, developer deposits, payroll, payroll taxes and benefits, and prepare schedules	15.0	0.0	15.0	
3.3-7 Analyze and schedule YTD revenue & expense accounts	4.8	0.5	4.3	
3.3-8 Analyze reserves and prepare schedule of activity	8.0	0.0	8.0	
3.3-9 Coordinate timing of audit and field questions from Auditors	29.7	0.0	29.7	
3.3-10 Draft financial stmts & review with auditors along with notes	23.1	1.1	22.0	
	<u>134.4</u>	<u>3.2</u>	<u>131.2</u>	
3.4 Assist with MD&A for audit report. Discuss with management implications of audit on policies, budgeting, fundware accounting, etc.	18.4	0.0	18.4	
3.5 Assist with Comprehensive Annual Financial Report and CAFR award submittal	26.4	0.0	26.4	
3.6 Preparation of State Controller Report	4.1	0.0	4.1	
3.7 Assist staff with preparation of annual District budget	36.3	0.0	36.3	
3.8 Input approved budget into Fundware with Acct Tech assistance	11.5	1.2	10.3	
3.9 Update financial plan model with audited actual figures				
Analyze & discuss results with management	23.4	0.0	23.4	
Subtotal (Supervision included)	258.0	4.4	253.6	
Frequency	1	1	1	
Total Annual Hours	258.0	4.4	253.6	
Hourly Rate		\$ 75.00	\$ 150.00	
Amount		\$ 330.00	\$ 38,040.00	\$ 38,370.00
<b>TOTAL ANNUAL HOURS AND COSTS</b>	<b>697.2</b>	<b>28.4</b>	<b>668.8</b>	<b>\$ 102,450.00</b>

## MEMORANDUM

DATE: June 14, 2012  
 TO: Board of Directors  
 FROM: Paul J. Bushee, General Manager   
 SUBJECT: Professional Services Agreement with Dudek & Associates, Inc. for Engineering Consulting Services

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**RECOMMENDATION:**

Staff and the Engineering Committee recommend that the Board of Directors:

1. Authorize the General Manager to execute a three-year professional services agreement with Dudek & Associates, Inc. for Engineering Consulting Services in an amount not to exceed \$360,000 with an option for an additional two years.
2. Discuss and take other action as appropriate.

**DISCUSSION:**

This item was reviewed by the Engineering Committee at its June 11, 2012 meeting. This item was included as a goal in the Fiscal Year 2012 Tactics and Action Plan. Dudek & Associates, Inc. (Dudek) provides engineering consulting services for the Leucadia Wastewater District (LWD). Their current agreement, which began on July 1, 2010, expires on June 30, 2012. This agenda item requests authorization for the General Manager to execute a professional services agreement with Dudek for a three year period from July 1, 2012 to June 30, 2015 with an option to extend the agreement for an additional two years.

Dudek has provided LWD's District Engineering services since 1996. Through their experience at LWD, they have gained a unique working knowledge of the District and the technical components of our collection system. For this reason, staff is recommending that Dudek continue to provide engineering consulting services.

The attached Scope of Work details specific tasks to be accomplished. These tasks include services that support our District Engineering and Capital Improvement Program.

The proposed annual fee for Dudek services is \$120,000 per year for a total of \$360,000 over the three-year agreement period. District Engineer Steve Deering and Engineering Manager Michael Metts have agreed to hold their existing hourly rate at \$205 for the three year period. Should LWD elect to exercise the two year option, potential new hourly rates would be negotiated. Sufficient funds to cover these services for Fiscal Year 2013 are included in the annual budget.

Therefore, staff requests that the Board of Directors authorize the General Manager to execute a three-year professional services agreement with Dudek & Associates.

rym:PJB  
 Attachment

## ENGINEERING CONSULTING SERVICES SCOPE OF WORK

Dudek (Consultant) shall provide the following services, which are necessary to continue District Engineering (DE) and Capital Improvement Program Management (CIPM) Consulting Services. General descriptions of the respective consulting services to be provided at the discretion of the District are as follows:

### 1. District Engineering

- Provide general Professional Engineering guidance to the District staff and Board of Directors;
- Attend Board Meetings and Engineering Committee Meetings;
- Interface with District Legal Counsel and other District consultants;
- Represent the District in meetings and matters relating to land development, District planning, interagency relations, and other District matters;
- Interface with the general public and District customers;
- Interpret the District's standard specifications and policies as related to engineering issues;
- Complete specific miscellaneous requested and mutually agreed DE related tasks.

### 2. Capital Improvement Program Management

- Attend Board Meetings and Engineering Committee Meetings, as requested;
- Assist with technical review of CIP projects;
- Attend CIP project review and scheduling meetings providing minutes and distribution as required;
- Attend contractor pre-bid meetings and bid openings, as requested by the District;
- Provide contractor construction bid evaluations;
- Assist District with preparation, distribution and advertisement of District RFP's;
- Assist the District with long range planning and implementation of the Wastewater CIP;
- Assist with preliminary identification and direction of permitting activities for CIP projects;
- Assist with financial matters such as grant requests, loan documents, bonds, letters of credit and credit/rebates for energy saving projects;
- Assist with CIP project scheduling as requested by District; and
- Complete specifically requested and mutually agreed upon CIPM related tasks.

### 3. Development Plan Checking and Construction Inspection

- Conduct development plan checking, construction inspection, and miscellaneous development related work as requested by District and as-needed. All work conducted by Developers shall be funded by Developer deposits to the District. Expenses and invoicing shall be tracked by District Location Codes for each development task.

The DE and CIPM services shall be billed and tracked on a time and materials basis with initial estimated limits of \$60,000 for each component. The DE and CIPM budgets augment each other, only as necessary, and to the extent that the total initial annual fee authorization of \$120,000 is not exceeded without further District authorization. Development Plan Checking and Construction Inspection shall be billed and tracked on a time and materials basis as-needed, as funded by Developers, and as-authorized by the District.

The hourly billing rate for Steve Deering and Michael Metts will be \$205 each for the first three years of the contract. The hourly rates for Steve Deering and Michael Metts will be reviewed with mutually acceptable consideration given to adjustment after the initial three years upon exercise of the option to renew or extend the AGREEMENT for two (2) additional years.

Support staff will be billed in accordance with the attached 2012 Dudek Standard Schedule of Charges for fiscal year 2012-13 and as adjusted annually on July 1<sup>st</sup> of each year thereafter.

Expended-to-date and projected fees will be reviewed by Consultant with the District on a monthly basis at the time of invoicing. Consultant may request consideration by the District for annual updates to the additional fee authorization during the agreement period based on mutually anticipated and agreed need.

**DUDEK**  
**2012 STANDARD SCHEDULE OF CHARGES**

**ENGINEERING SERVICES**

Project Director .....	\$235.00/hr
Principal Engineer III .....	\$220.00/hr
Principal Engineer II .....	\$205.00/hr
Principal Engineer I .....	\$195.00/hr
Program Manager .....	\$200.00/hr
Senior Project Manager .....	\$185.00/hr
Project Manager .....	\$175.00/hr
Senior Engineer III .....	\$165.00/hr
Senior Engineer II .....	\$160.00/hr
Senior Engineer I .....	\$150.00/hr
Project Engineer IV/Technician IV .....	\$140.00/hr
Project Engineer III/Technician III .....	\$130.00/hr
Project Engineer II/Technician II .....	\$120.00/hr
Project Engineer I/Technician I .....	\$105.00/hr
Project Coordinator .....	\$85.00/hr
Engineering Assistant .....	\$75.00/hr

**ENVIRONMENTAL SERVICES**

Principal .....	\$225.00/hr
Senior Project Manager/Specialist II .....	\$210.00/hr
Senior Project Manager/Specialist I .....	\$200.00/hr
Environmental Specialist/Planner VI .....	\$180.00/hr
Environmental Specialist/Planner V .....	\$160.00/hr
Environmental Specialist/Planner IV .....	\$150.00/hr
Environmental Specialist/Planner III .....	\$140.00/hr
Environmental Specialist/Planner II .....	\$130.00/hr
Environmental Specialist/Planner I .....	\$120.00/hr
Analyst .....	\$100.00/hr
Planning Research Assistant .....	\$80.00/hr

**COASTAL PLANNING/POLICY SERVICES**

Senior Project Manager/Coastal Planner I .....	\$200.00/hr
Environmental Specialist/Coastal Planner VI .....	\$190.00/hr
Environmental Specialist/Coastal Planner V .....	\$170.00/hr
Environmental Specialist/Coastal Planner IV .....	\$160.00/hr
Environmental Specialist/Coastal Planner III .....	\$150.00/hr
Environmental Specialist/Coastal Planner II .....	\$140.00/hr
Environmental Specialist/Coastal Planner I .....	\$130.00/hr

**ARCHAEOLOGICAL SERVICES**

Senior Project Manager/Archaeologist II .....	\$210.00/hr
Senior Project Manager/Archaeologist I .....	\$200.00/hr
Environmental Specialist/Archaeologist VI .....	\$180.00/hr
Environmental Specialist/Archaeologist V .....	\$160.00/hr
Environmental Specialist/Archaeologist IV .....	\$150.00/hr
Environmental Specialist/Archaeologist III .....	\$140.00/hr
Environmental Specialist/Archaeologist II .....	\$130.00/hr
Environmental Specialist/Archaeologist I .....	\$120.00/hr
Archaeologist Technician II .....	\$70.00/hr
Archaeologist Technician I .....	\$50.00/hr

**CONSTRUCTION MANAGEMENT SERVICES**

Principal/Manager .....	\$195.00/hr
Senior Construction Manager .....	\$180.00/hr
Senior Project Manager .....	\$160.00/hr
Construction Manager .....	\$150.00/hr
Project Manager .....	\$140.00/hr
Resident Engineer .....	\$140.00/hr
Construction Engineer .....	\$135.00/hr
On-site Owner's Representative .....	\$130.00/hr
Construction Inspector III .....	\$125.00/hr
Construction Inspector II .....	\$115.00/hr
Construction Inspector I .....	\$105.00/hr
Prevailing Wage Inspector .....	\$135.00/hr

**HYDROGEOLOGICAL SERVICES**

Principal .....	\$220.00/hr
Sr. Environmental Engineer .....	\$190.00/hr
Sr. Hydrogeologist/Sr. Proj Mgr .....	\$170.00/hr
Project Manager .....	\$155.00/hr
Associate Hydrogeologist/Engineer .....	\$140.00/hr
Hydrogeologist IV/Engineer IV .....	\$125.00/hr
Hydrogeologist III/Engineer III .....	\$115.00/hr
Hydrogeologist II/Engineer II .....	\$105.00/hr
Hydrogeologist I/Engineer I .....	\$95.00/hr
Technician .....	\$95.00/hr

**DISTRICT MANAGEMENT & OPERATIONS**

District General Manager .....	\$175.00/hr
District Engineer .....	\$160.00/hr
Operations Manager .....	\$150.00/hr
District Secretary/Accountant .....	\$85.00/hr
Collections System Manager .....	\$95.00/hr
Grade V Operator .....	\$100.00/hr
Grade IV Operator .....	\$85.00/hr
Grade III Operator .....	\$80.00/hr
Grade II Operator .....	\$63.00/hr
Grade I Operator .....	\$55.00/hr
Operator in Training .....	\$40.00/hr
Collection Maintenance Worker II .....	\$55.00/hr
Collection Maintenance Worker I .....	\$40.00/hr

**OFFICE SERVICES**

*Technical/Drafting/CADD Services*


3D Graphic Artist .....	\$150.00/hr
Senior Designer .....	\$135.00/hr
Designer .....	\$125.00/hr
Assistant Designer .....	\$120.00/hr
GIS Specialist IV .....	\$150.00/hr
GIS Specialist III .....	\$140.00/hr
GIS Specialist II .....	\$130.00/hr
GIS Specialist I .....	\$120.00/hr
CADD Operator III .....	\$115.00/hr
CADD Operator II .....	\$110.00/hr
CADD Operator I .....	\$95.00/hr
CADD Drafter .....	\$85.00/hr
CADD Technician .....	\$75.00/hr

**SUPPORT SERVICES**

Technical Editor III .....	\$140.00/hr
Technical Editor II .....	\$125.00/hr
Technical Editor I .....	\$110.00/hr
Publications Assistant III .....	\$100.00/hr
Publications Assistant II .....	\$90.00/hr
Publications Assistant I .....	\$80.00/hr
Clerical Administration II .....	\$80.00/hr
Clerical Administration I .....	\$75.00/hr

Forensic Engineering -- Court appearances, depositions, and interrogatories as expert witness will be billed at 2.00 times normal rates.  
 Emergency and Holidays -- Minimum charge of two hours will be billed at 1.75 times the normal rate.  
 Material and Outside Services -- Subcontractors, rental of special equipment, special reproductions and blueprinting, outside data processing and computer services, etc., are charged at 1.15 times the direct cost.  
 Travel Expenses -- Mileage at current IRS allowable rates. Per diem where overnight stay is involved is charged at cost.  
 Invoices/Late Charges. -- All fees will be billed to Client monthly and shall be due and payable upon receipt. Invoices are delinquent if not paid within thirty (30) days from the date of the invoice. Client agrees to pay a monthly late charge equal to one percent (1%) per month of the outstanding balance until paid in full.

## MEMORANDUM

DATE: June 14, 2012  
 TO: Board of Directors  
 FROM: Paul J. Bushee, General Manager   
 SUBJECT: Public Information Services Task Order No. 2

---

**RECOMMENDATION:**

Staff and the Community Affairs Committee (CAC) recommend that the Board of Directors:

1. Authorize the General Manager to execute Task Order No. 2 to the TRG & Associates Public Information Services Agreement in an amount not to exceed \$48,835.
2. Discuss and take action, as appropriate.

**DISCUSSION:**

The CAC reviewed this item at their May 8, 2012 meeting and recommended that it be forwarded for the Board's consideration.

LWD entered into an agreement with TRG & Associates on March 9, 2011 to provide public information services to the District. Task Order #1 of this agreement was effective March 9, 2011 - June 30, 2012. The purpose of this agenda item is to consider Task Order #2 for the period July 1, 2012 - June 30, 2013.

Staff has negotiated the scope of fee for Task Order No. 2 with TRG & Associates and it includes services that are most important to LWD's public information program. Specific tasks include:

- project management services;
- drafting and designing of two newsletters;
- maintaining and updating LWD's website as required;
- drafting and designing one fact sheet;
- developing project outreach and construction relations media; and
- assisting with marketing and promotion of the Teacher Grant Program.

As can be seen, many of the services to be provided are part of LWD's ongoing outreach efforts. Staff believes these items are important for keeping LWD's public information efforts current, as well as enhancing LWD's ability to provide timely information to the media and the public. The total proposed fee for Task Order No. 2 is \$48,835. Sufficient funds have been included in the FY 2013 budget to cover the proposed expenses.

Proposed Task Order No. 2 is attached for the Board's review.

cal:PJB

Attachment

## ATTACHMENT A

### TASK ORDER #2 SCOPE OF WORK FOR PUBLIC INFORMATION SERVICES July 1, 2012 – June 30, 2013

Ref: 12-3282

#### DESCRIPTION OF SERVICES

The services included within this scope of work consist of the design and construction of certain public information elements critical to Leucadia Wastewater District. The services included are those specifically required by the District.

#### I. SCOPE OF SERVICES

The following scope of services describes the tasks anticipated for this phase of LWD's Public information Program.

##### TASK A – PROJECT MANAGEMENT

1. Review existing Public Information Program and develop memo for recommended outreach for FY 2012-2013. .
2. Meet with LWD staff/Community Affairs Committee, as required
3. Attend LWD Board meetings as needed (to take photos or do presentations).
4. Ongoing communications with LWD staff and monthly activity reports and any other administrative activities.

##### TASK B - NEWSLETTERS

1. Draft and manage the design, printing and mailing of up to two newsletters per year.
2. Meet with Community Affairs Committee up to two times for each newsletter.

##### TASK C – MAINTAIN AND UPDATE WEBSITE

1. Review website and recommend new website content, as required.

##### TASK D – FACT SHEETS AND MATERIALS

1. Draft and manage the design and printing of one fact sheet.
2. Review media kit folders and update, as required
3. Develop new materials (such as newspaper advertisements) as needed

##### TASK E – COMMUNITY OUTREACH

1. Draft, print and distribute construction notices, as required.
2. Draft and distribute news releases, as required.
3. Draft text and design road construction signs, as required.



4. Plan, coordinate and staff one small event as directed by LWD staff
5. Assist staff with marketing and promotion of School Grant Program and publicize
6. Develop recommendations for other community outreach activities.

#### **TASK F – SPEAKERS BUREAU**

1. Review and update Speakers Bureau presentation and other presentation materials as needed.
2. Research community groups, draft and distribute presentation request letters for LWD staff or board members.
3. Provide speaker training for staff or Board members as needed.

#### **TASK G – INDUSTRY OUTREACH**

1. Assist LWD staff in drafting and submitting award nominations to industry organizations.
2. Assist LWD staff in drafting and submitting industry conference presentations and papers.

## **II. FEES AND CONDITIONS**

The Services described in Section I. above, will be provided on an hourly rate basis in accordance with the current TRG & ASSOCIATES Standard Rate Schedule with a not to exceed upper limit of \$48,835.

**MEMORANDUM**

**DATE:** June 14, 2012  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Resolution No. 2224 Requesting LAFCO to Take Proceedings for the Cope Change of Organization

---

**RECOMMENDATION:**

Staff requests that the Board of Directors:

1. Adopt Resolution No. 2224, Cope Annexation, as presented.
2. Discuss and take other action, as appropriate.

**DISCUSSION:**

The proposed Cope Annexation into the Leucadia Wastewater District's (LWD) service area involves three parcels totaling 2.25 acres, located at the northwest corner of the intersection between Hymettus Avenue and Fulvia Street just south of Leucadia Blvd, on the western edge of the island area of Leucadia, approximately 0.25 mile west of Interstate 5.

This annexation is within the District's sphere of influence and includes a single family home with detached garage and two (2) accessory buildings built on the property. The annexation is necessary to provide sewer service to these buildings.

Approval of Resolution No. 2224 would authorize a boundary annexation.

LWD's collection and treatment systems have sufficient capacity to accommodate the properties. Attached please find a copy of Resolution No. 2224 for your review.

rym:PJB

Attachment

RESOLUTION NO. 2224

A RESOLUTION OF APPLICATION BY THE  
BOARD OF DIRECTORS OF LEUCADIA WASTEWATER DISTRICT  
REQUESTING THE LOCAL AGENCY FORMATION COMMISSION  
TO TAKE PROCEEDINGS FOR THE PROPOSED  
COPE CHANGE OF ORGANIZATION

---

RESOLVED, by the Board of Directors of the Leucadia Wastewater District, that

WHEREAS, the Board of Directors of the LEUCADIA WASTEWATER DISTRICT (LWD), San Diego County, State of California, desires to initiate proceedings pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000, Division 3, commencing with Section 56000 of the California Government Code for the proposed Cope Change of Organization; and

WHEREAS, the proposed Cope Change of Organization includes annexation of the Cope territory (APN 254-331-03, 254-331-04, 254-331-05) to the LWD; and

WHEREAS, the reasons for this proposed Change of Organization are as follows:

1. LWD is empowered to and is engaged in the collection, treatment, and disposal of wastewater and has existing facilities to provide wastewater service to the territory proposed to be annexed.
2. The owners of the territory desire to utilize the LWD facilities.
3. The territory to be annexed is within LWD's Sphere of Influence.

WHEREAS, the territory subject to the proposed Change of Organization is uninhabited, and a description of the external boundary of the territory is set forth in Exhibit "A" and a map thereof is set forth in Exhibit "B", both attached hereto and by this reference incorporated herein; and

WHEREAS, LWD requests that the proposed Change of Organization be subject to the following terms and conditions:

1. The annexed property is thereafter subject to capacity fees, sewer service fees, and all other district-wide Ordinances and Resolutions of LWD.

WHEREAS, LAFCO is authorized to approve this proposed Change of Organization without notice or hearing and without an election. If no express effective date is indicated, the effective date of the Change of Organization shall be the date of recordation of the Certificate of Completion and Resolution ordering the change of organization by the County Recorder.

WHEREAS, the staff of LWD has reviewed this proposed Change of Organization under the California Environmental Quality Act (CEQA) and has found it to be categorically exempt from CEQA pursuant to Section 15319 (a) and 15303 (a) & (d) of the California Environmental Quality Act.

NOW, THEREFORE, this Resolution of Application is hereby approved and adopted by the Board of Directors of the LEUCADIA WASTEWATER DISTRICT. The Local Agency Formation Commission of San Diego County is hereby requested to take proceedings for the proposed Change of Organization that includes the territory as described in Exhibit "A" and shown in Exhibit "B", according to the terms and conditions stated above and in a manner provided by the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000.

PASSED AND ADOPTED at a Regular meeting of the Board of Directors held on June 20, 2012 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Judy K. Hanson, President

ATTEST:

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Paul Bushee, General Manager  
(SEAL)

EXHIBIT "A"  
LEGAL DESCRIPTION  
FOR  
ANNEXATION TO LEUCADIA WASTEWATER DISTRICT

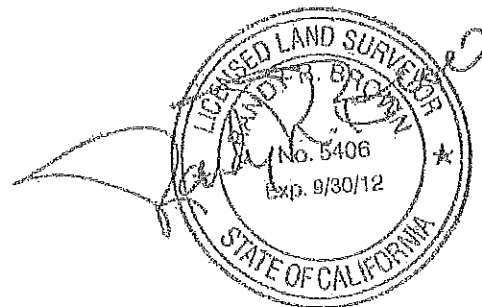
ALL THAT CERTAIN REAL PROPERTY SITUATED IN A PORTION OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 13 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF HYMETTUS AVENUE AND FULVIA STREET; THENCE PROCEEDING ALONG THE CENTERLINE OF FULVIA STREET

1. SOUTH 84°57'45" WEST      169.95 FEET      TO A POINT ON A 170.45 FOOT RADIUS TANGENT CURVE CONCAVE NORTH; THENCE ALONG SAID CURVE
2. NORTHWESTERLY      141.30 FEET      THROUGH A CENTRAL ANGLE OF 47°29'45"; THENCE
3. NORTH 47°32'30" WEST      202.31 FEET;      THENCE
4. NORTH 33°24'30" WEST      113.35 FEET;      THENCE LEAVING SAID CENTERLINE OF FULVIA STREET
5. NORTH 74°26'30" EAST      421.32 FEET      TO THE CENTERLINE OF HYMETTUS AVENUE; THENCE ALONG SAID CENTERLINE
6. SOUTH 15°43'30" EAST      387.83 FEET      TO THE POINT OF BEGINNING.

CONTAINS 2.80 ACRES, MORE OR LESS.

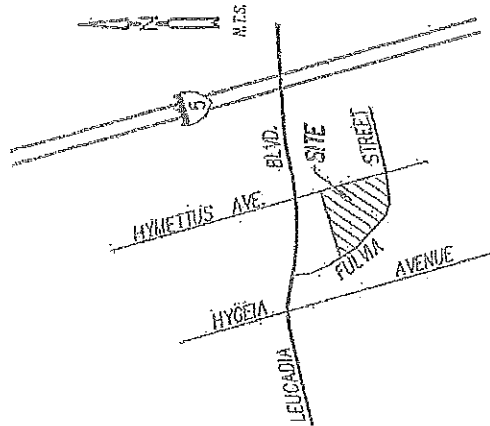
*For Assessment purposes only. This description of land is not a legal property description as defined in the Subdivision Map Act and may not be used as the basis for an offer for sale of the land described.*



# EXHIBIT 'B' COPE ANNEXATION PLAT

COURSES:

1. S84°57'45"W 169.95'
2. 47°28'45" R170.45' 141.30'
3. N47°32'30"W 202.31'
4. N33°24'30"W 113.35'
5. N74°26'30"E 421.32'
6. S15°43'30"E 387.83'



VICINITY MAP

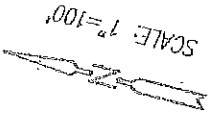
PROPOSED ANNEXATION BOUNDARY

WITHIN LWD SPHERE OF INFLUENCE & OUTSIDE LWD

EXISTING LEUCADIA WASTEWATER DISTRICT BOUNDARY

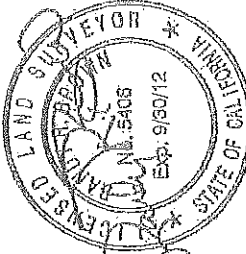
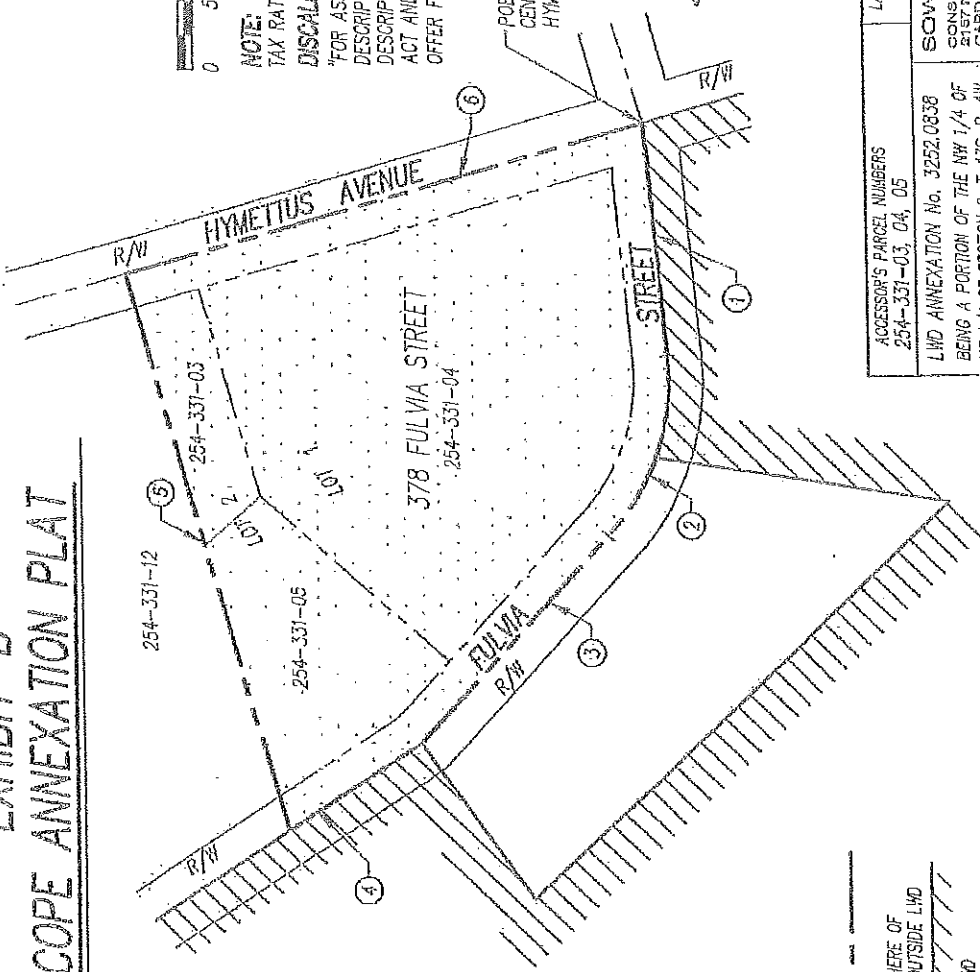
IN LWD

PROPOSED ANNEXATION REGION



NOTE:  
TAX RATE AREA # 19078

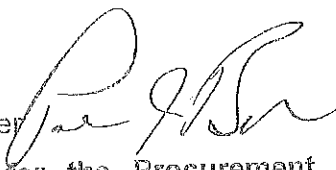
DISCLAIMER:  
"FOR ASSESSMENT PURPOSES ONLY. THIS DESCRIPTION OF LAND IS NOT A LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBMISSION MAP ACT AND MAY NOT BE USED AS THE BASIS FOR AN OFFER FOR SALE OF THE LAND DESCRIBED."



JOB NO. 10-010 5/02/12

ACCESSOR'S PARCEL NUMBERS 254-331-03, 04, 05	LAFCO RESOLUTION No.	ACREAGE	DATE	SCALE
LWD ANNEXATION No. 3252.0838		2.80	5/02/12	1"=100'
BEING A PORTION OF THE NW 1/4 OF NE 1/4 OF SECTION 9, T. 15S, R. 4W, S.B.M. SAN DIEGO COUNTY				
SOWARDS & BROWN ENGINEERING CONSULTING ENGINEERS 2157 NEWCASTLE BLVD. SUITE 108 CARLISLE BY THE SEA, CA., 92007 TEL. 760/498-9900 FAX. 760/498-9909				

## MEMORANDUM

DATE: June 14, 2012  
TO: Board of Directors  
FROM: Paul J. Bushee, General Manager   
SUBJECT: Carryover of Appropriation for the Procurement of a Closed Circuit Television Truck

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**RECOMMENDATION:**

Staff requests that the Board of Directors:

1. Authorize the carryover of a \$234,000 appropriation in capital acquisition funds from the Fiscal Year 2012 to Fiscal Year 2013 for the procurement of the Closed Circuit Television Truck.
2. Discuss and provide direction, as appropriate.

**DISCUSSION:**

In March 2012 the Board of Directors approved a mid-year appropriation of \$245,000 for the purchase of a new Closed Circuit Television (CCTV) Truck. Subsequently, in April 2012 the Board approved the purchase of a CCTV Truck from Cues West for \$233,619.17. The purchase order has been issued and the truck has been ordered. CCTV Trucks are special order items and built to the specifications of the end user. Due to the time involved in building the truck it will not be delivered by June 30<sup>th</sup>, the end of the fiscal year. Therefore, staff requests the carryover of the \$234,000 appropriation in account 50-99-000-6310, Vehicle Acquisition, to Fiscal Year 2013 to complete the purchase of the CCTV Truck.

rym:PJB



CARPD



The following associations submit responses to the Orange County Grand Jury report "Let There Be Light – Dragging Special Districts From the Shadows".

- California Special Districts Association
- Association of California Water Agencies
- California Association of Public Cemeteries
- California Association of Recreation and Park Districts
- California Association of Sanitation Agencies
- Fire Districts Association of California
- Mosquito and Vector Control Association of California

While the Orange County Local Agency Formation Commission (LAFCO) and the individual special districts referenced in the Orange County Grand Jury report are in the best position to provide formal responses to each issue raised, the above organizations submit the following responses to the aspects of those claims that concern special districts generally:

**Grand Jury Findings**

*F1. "Most Orange County special districts, with or without the assistance of the Local Agency Formation Commission (LAFCO), have been incapable or unwilling to consolidate, absorb, or eliminate these outmoded and/or redundant agencies. LAFCO typically addresses larger issues such as merging of cities and elimination of "islands" within the county. The special districts themselves have not worked seriously toward their consolidation or demise. In this regard, the enterprise special districts and the non-enterprise special districts require independent evaluation and handling."*

**Response:** Special districts are one of the few government agencies in recent years to actually decline in numbers—a report by the Senate Local Government Committee shows the number of independent districts has dropped by more than 150 (7%) in the past 20 years—and most of those consolidations were actually initiated by the special districts themselves.

LAFCO's mandated goal is to assure that changes in governmental organization occur in a manner which encourages orderly growth, discourages sprawl, preserves agricultural and open space lands, and safeguards the delivery of efficient and quality municipal services. In fact, the Orange County LAFCO has facilitated at least nine reorganizations of special districts since 1995 alone:

- o Dissolution of the Carpenter Irrigation District;
- o Dissolution of the Tri-Cities Municipal Water District;
- o Reorganization of four special districts (South Coast reorganization);
- o Los Alisos Water District and Irvine Ranch Water District Merger;
- o Silverado Water District merger with Irvine Ranch Water District;
- o Dissolution of the Laguna Niguel Community Service District;
- o Dissolution of County Service Area 25 (Aliso Viejo);
- o Dissolution of the Orange Park Acres Mutual Water Company by Irvine Ranch Water District and annexation of that territory; and
- o Santiago Water District merger with Irvine Ranch Water District.



A one-size-fits-all, top-down approach does not work with core local service delivery. Deliberate study and planning at the local level is necessary to ensure viability and identify efficiencies. Ultimately, the power to reorganize local services should always rest with the local citizens who established them and depend on them.

*F2. "Special districts have made very little progress in complying with the recommendations made by various governmental agencies. To ensure recommendations are followed, more coordination and cooperation is needed from the city and county agencies."*

**Response:** It is unclear what recommendations this finding references. However, special districts have a long record of proactively working together with other entities to promote accountable, efficient and effective core local services. Furthermore, special districts have been leaders in coordinating cooperation with city and county agencies.

Our associations strive to promote coordination and cooperation amongst special districts and other agencies, and will work together with those agencies to continue improving upon existing efforts. It should be noted that Orange County local agencies and the Orange County LAFCO have shown leadership in this area, as demonstrated in the June 8, 2011 Orange County LAFCO "Shared Services Report."

*F3. "Most non-enterprise special districts in Orange County have outlived their purpose and usefulness. Services that they once only available through the special district are now being provided by the surrounding cities and the expanding county."*

**Response:** It is unclear what criteria, if any, the Grand Jury used in reaching this finding. However, a professional examination of this issue, on a case-by-case basis can be found in the regularly conducted LAFCO municipal service reviews (MSRs). In fact, the most recent MSRs identified no issues with these districts after an extensive review of overall service delivery in the county

*F4. "The eleven non-enterprise special districts of Orange County founded before 1965 have not reflected the growth of the cities and county. The services that were unavailable from cities or the county have long since been made available as both the cities and county grew. Some of these special districts could be removed from the county tax rolls, and their services funded and absorbed by the county, surrounding cities or homeowners associations wherein they abide."*

**Response:** LAFCO is best suited to respond, on a case-by-case basis, as to whether each of the respective non-enterprise special districts reflect the growth of the cities and county. However, during a time of financial hardship on public services and increasing unfunded mandates from the state, special districts are able to offer residents specific core local services they can trust will be delivered well and without distractions.

Finally, homeowners associations are not a form of local government and therefore do not meet the same transparency and accountability standards that special districts, cities and counties are required to follow by law. Furthermore, homeowners associations have no experience or expertise in delivering the type of core services that special districts provide, nor do they have the necessary powers to perform those services. If homeowners associations were granted the same powers and democratic standards as special districts have, they would essentially become

the same thing as a special district. This finding demonstrates why special districts are valuable and necessary.

*F5. "The sixteen enterprise districts typically started as local agricultural irrigation providers and sanitation providers for local communities. These special districts have transitioned into providers of potable water and sewerage disposal for the cities that blossomed around them after 1950. These districts grew until their boundaries met a neighboring special district that was also growing. Some of these local smaller providers have already been absorbed by larger districts under one management."*

**Response:** This finding demonstrates that the locally sensitive LAFCO process works well. Special districts are providing a focused service to specific communities, while other special districts have been consolidated through the Orange County LAFCO process when and where deemed appropriate.

*F6. "The sixteen enterprise special districts of Orange County founded between 1919 and 1964 have grown with the urbanization of the county. Thirteen of these special districts rely upon taxes collected by the county while three rely on fees and other sources for their revenue. This suggests that all of these enterprise special districts could wean themselves from tax subsidies and rely on fees for their revenue. Severance from the tax subsidies would enable financial transparency and let the customers see the true cost of the services provided."*

**Response:** Property taxes provide a firm financial foundation for special districts to build the infrastructure necessary to maintain a strong economy and healthy environment. Many "enterprise" districts also rely on property taxes in order to:

- Secure and repay the most cost-effective bonds for infrastructure projects.
- Perform environmental conservation that offers a broad public benefit.
- Deliver certain non-enterprise functions as part of comprehensive service efforts.
- Offer stable, long-term rate plans and rate relief for vulnerable seniors and low-income residents.

Because the broad benefits from special district projects accrue directly to property taxpayers, an ad valorem property tax is a fair and equitable means for those who benefit to share in the cost of district services and infrastructure. A clear nexus of benefit historically exists between the taxpayer and the property value improvement generated from property tax investments in core services provided by special districts.

When property taxes are shifted away from special districts, it means residents must either pay new taxes and fees or lose core services—either way, taxpayers pay more and get less. Shifts in ad valorem property taxes away from special districts in the 1990s imposed major hardships on special districts and their constituents, forcing increases in other tax assessments, deferred infrastructure projects and reduced services. In the ongoing wake of the housing crisis, special districts are already struggling with double-digit reductions in their percentage of property tax receipts. Further losses would lead to unprecedented detrimental impacts on communities and directly to constituents.

*F7. "The unrestricted reserves of the special districts are available to the governing boards to spend as they please. Local citizens are not openly informed of this wealth when agencies ask for fee increases, special assessments, or bond measures. Most of the special districts do not*

appear to have specific criteria for amassing these reserves nor do they have published long-range plans for their constructive use.”

**Response:** Special districts designate money toward savings in order to respond to emergencies, keep rates affordable, maintain existing infrastructure and plan for future job-creating public works projects:

- o **Emergency Preparation:** In the event of a natural disaster, communities can't afford *not* to have the savings readily available to quickly repair critical local infrastructure.
- o **Affordable Rates:** Government shouldn't spend everything it gets and then turn to taxpayers and ratepayers at the first sign costs have gone up or revenue has gone down. With appropriate savings, special districts strive to use resources wisely and smooth out the highs and the lows.
- o **Infrastructure Maintenance:** Through savings, special districts fix the pipes, patch the roofs and replace worn equipment because it would be mismanagement to depend on borrowing to make routine repairs. It's just good business.
- o **Planning for the Future:** A long-term, thoughtful approach to public infrastructure requires the foresight to plan for and discipline to save for future needs. Special districts are uniquely equipped to excel at these practices.

CSDA formed a task force in 2001 to identify both the essential elements of a reserve policy and the issues to be discussed during policy development in order to assist districts in fulfilling their commitment to provide cost-effective and efficient public services for the communities they serve. These guidelines are available at [www.csda.net](http://www.csda.net).

*F8. “The twenty-seven special districts in Orange County have amassed unrestricted reserves of over \$866,000,000. That is enough money to fund all of these special districts for more than year without taxes, fees, interest, or other sources of revenue. The boards of directors have the sole discretion to spend these unrestricted reserves.”*

**Response:** Not all “retained earnings,” “fund balances” or “net assets” are liquid reserves, and reserves are rarely unallocated—rather they are “designated” or “restricted:”

- o **Retained earnings, fund balances, and net assets** don't just include cash and investments, but also the net value of capital facilities, land and equipment measured from the very inception of the district.
- o **Designated funds** are set aside via established policies for specific uses such as cash-flow, capital improvements, contingencies, and rate stabilization.
- o **Restricted funds** are limited by legal or contractual requirements, or cannot otherwise be spent.

*F9. “The Orange County Auditor-Controller allocated nearly \$35,000,000 to four enterprise special districts (Costa Mesa Sanitary District, South Coast Water District, Trabuco Canyon Water District, and Yorba Linda Water District) that did not show this revenue in their budgets provided to the Grand Jury. What happened to that money is not clearly recorded. Budgeting without the allocated taxes indicates that, along with the three other enterprise special districts that do not rely on tax revenue, these enterprise special districts could function without tax revenues.”*

**Response:** Please refer to the response to F6 Property taxes provide a firm financial foundation for special districts to build the infrastructure necessary to maintain a strong economy and healthy environment. Many “enterprise” districts also rely on property taxes in order to:

- Secure and repay the most cost-effective bonds for infrastructure projects.
- Perform environmental conservation that offers a broad public benefit.
- Deliver certain non-enterprise functions as part of comprehensive service efforts.
- Offer stable, long-term rate plans and rate relief for vulnerable seniors and low-income residents.

Because the broad benefits from special district projects accrue directly to property taxpayers, an ad valorem property tax is a fair and equitable means for those who benefit to share in the cost of district services and infrastructure. A clear nexus of benefit historically exists between the taxpayer and the property value improvement generated from property tax investments in core services provided by special districts.

When property taxes are shifted away from special districts, it means residents must either pay new taxes and fees or lose core services—either way, taxpayers pay more and get less. Shifts in ad valorem property taxes away from special districts in the 1990s imposed major hardships on special districts and their constituents, forcing increases in other tax assessments, deferred infrastructure projects and reduced services. In the ongoing wake of the housing crisis, special districts are already struggling with double-digit reductions in their percentage of property tax receipts. Further losses would lead to unprecedented detrimental impacts on communities and directly to constituents.

Furthermore, this finding suggests a one-size-fits-all approach that does not recognize each individual district’s circumstances, the appropriateness of its use of property tax revenue and the desire of local property taxpayers.

*F10. “The enterprise special districts could save millions of dollars in administration costs by consolidation into regional special districts. Five or six such enterprise special districts within Orange County could save at least \$500,000 per year for each special district absorbed.”*

**Response:** It is unclear what criteria, if any, the Grand Jury utilized in choosing “five or six” enterprise districts or in arriving at the figure of “\$500,000.” However, special districts can serve large regions or small neighborhoods based on need, not political boundaries—no other type of government can cross city and county lines. This offers flexibility to address the unique needs of our diverse state’s communities.

Furthermore, please refer to the responses to F1 and F2 above, which apply to this finding as well.

*F11. “The Buena Park Library and the Placentia Library (the oldest special districts in Orange County) have long outlived their original intent of providing reading materials for their original isolated communities with an electorate of about 100 people. They could readily be absorbed into the County Library System or the cities.”*

**Response:** It is unclear what criteria, if any, the Grand Jury utilized in reaching this finding.

Please refer to the response to F2 above, which applies to this finding as well.

*F12. "The community services that the original non-enterprise special districts provided can be provided by the surrounding cities and the county that have engulfed these districts. Continuing to collect taxes for these special duplicative services is a disservice to both the community they serve and the surrounding communities that provide the same or similar services."*

**Response:** Please refer to the response to F4 above, which applies to this finding as well.

*F13. "The Surfside Colony Storm Water Protection District was formed in 1941 to protect the community from ocean swells during storms and high tide. Since then the community has changed and the local governments have grown to where these services can be performed by other county or city services, resources and equipment."*

**Response:** There is a current process to examine whether a reorganization would truly result in increased efficiency and viability. Ultimately, the power to reorganize local services should always rest with the local citizens who established them and depend on them.

*F14. "The true cost of water and sanitary sewers in the enterprise special districts is hidden when both taxes and fees fund these districts. Only when the monthly service bills to the customers include all the costs for these services without the tax subsidy will the public understand the true cost of these services and achieve financial transparency."*

**Response:** Please refer to the response to F6 above, which applies to this finding as well.

*Furthermore, it should be noted that special districts are required to submit annual financial transaction reports to the State Controller. Those reports are posted on the Controller's website, which furthers financial transparency of special district budgets.*

*F15. "Only one of the special districts, The South Coast Water District, has had recent performance audits. The lack of performance audits for the remaining special districts leaves the potential for inefficiencies, poor practices, outmoded operations, etc. hidden from the governing boards and the communities they serve. The lack of published performance audits has contributed to the public's ignorance of these districts."*

**Response:** LAFCO regularly conducts MSR's of every special district.

Special districts offer exceptionally responsive governance because they directly oversee service delivery and interaction with constituents. By focusing on a specific service—water delivery, fire protection, parks and recreation, etc.—districts pay greater attention than bigger bureaucracies to both long-term planning and everyday constituent and ratepayer feedback.

#### **Grand Jury Recommendations**

*R1. "All special districts (except the Vector Control District and the County Cemetery District) should be eliminated from the county tax rolls and should rely solely on fees or the services of surrounding governments." (See F2, F3, F4, F5, & F6.)*

**Response:** Please see responses to F2, F3, F4, F5 and F6, which speak to the many issues the Grand Jury failed to consider or misunderstood in regard to this recommendation, which would result in significant unintended consequences.

*R2. "Community service districts should be absorbed either in the cities surrounding them or into surrounding private homeowners associations. Each community service district should meet with LAFCO and with the appropriate city or homeowner's association to develop plans and schedules for the future of these special districts. This meeting should be take place before September 30, 2012." (See F3, F4, & F12.)*

**Response:** Please see responses to F3 and F4. This recommendation demonstrates a significant lack of understanding of local government, particularly the legal standards and functions pertaining to community services districts and homeowners' associations. It furthermore reflects a lack of understanding of LAFCO and its current and ongoing efforts because LAFCO regularly meets with all special districts to conduct the very assessments that this report recommends.

*R3. "Library districts should be absorbed into the County Library System. Both the Buena Park and the Placentia Libraries should meet with LAFCO and their cities or County Library System before September 30, 2012 to develop plans and schedules for consolidation and removal from the tax rolls." (See F11.)*

**Response:** Please see response to R2.

*R4. "Water and sewer districts should be consolidated into no more than six regional districts. Consideration should be given to including the city water agencies in the consolidation. LAFCO should meet with the water and sewer districts before October 31, 2012 to develop plans and schedules for consolidation." (See F5, F6 & F9.)*

**Response:** It is unclear what, if any, criteria were used in reaching this recommendation. While six might sound like a nice round number, it is not the *number* of special districts that is paramount, but the ability to deliver core local services effectively and responsibly. Large or small, special districts are sensitive and responsive to the neighborhoods and regions they serve. LAFCO does, and should continue to meet regularly with water and sewer districts, as well as with cities in order to assess the quality of services and recommend improvements where appropriate, using thoughtful criteria and applying it case-by-case.

*R5. "Water and sewer districts should be removed from the tax rolls and operate solely on fees and other revenues for their services. Consideration should be given to forming non-profit agencies with ownership shared by the constituents. These districts should meet with county officials before October 31, 2012 to prepare plans and schedules to remove themselves from the county tax rolls." (See F2, F5, & F6.)*

**Response:** Please see response to F2, F3, F4, F5 and F6.

*R6. "Special districts should adopt "board of director"s practices" for all their reserves, restricted and unrestricted. All reserves should be classified in their 2013-2014 budgets according to*

*GASB Standard No. 54. LAFCO should work with the special districts to prepare standard criteria for accumulating reserves according to the new classifications by December 15, 2012. These standards should be used in preparing the 2013-2014 budgets.” (See F7 & F9.)*

**Response:** CSDA formed a task force in 2001 to identify both the essential elements of a reserve policy and the issues to be discussed during policy development in order to assist districts in fulfilling their commitment to provide cost-effective and efficient public services for the communities they serve. These guidelines are available at [www.csda.net](http://www.csda.net).

CSDA is conducting a second review of these guidelines and considering appropriate updates and improvements. Furthermore, we will work with our membership and other organizations to continue promoting best practices in this important area identified by the Grand Jury. CSDA would be happy to follow up with the Grand Jury, share further information and report on progress.

*R7. “Excessive unrestricted reserves should be used to reduce existing debts. Future revenues should be reduced to avoid the accumulation of unallocated revenue that does not meet the adopted new standards.” (See F7 & F8.)*

**Response:** Please see R6. Furthermore, it is important to note that there are myriad variables facing each district that require a case-by-case approach to budgeting and long-term planning. While guidelines and best-practices are important, it is also important not to micro-manage a top down approach to local decision-making. Ultimately, locally elected board members must execute their fiduciary responsibilities to their constituents.

*R8. “Each special district should have an independent performance audit at least every three years. The executive summary of the performance audit should be distributed to all the taxpayers of each special district. Each of the special districts that has not had a performance audit within the last five years should contract with an independent outside consultant to conduct such an audit during 2012. These audits should be repeated at least every three years.” (See F15.)*

**Response:** See response to F15. Moreover, many special districts regularly file numerous additional annual reports with other agencies and make them readily available to their constituents. Further, special districts are known for implementing performance-based budgetary decisions and linking benefits and costs for core services.

*R9. “Each special district should contribute 1% of its unrestricted reserve fund to LAFCO to help finance preparing and directing the consolidation, absorption, or elimination, and the setting of standards for reserves for the special districts. These funds should be included in LAFCO’s future programs and budgets until the consolidation, absorption or elimination of each special district is achieved. With these additional funds, LAFCO should begin meeting with each special district before the 2014 fiscal year is budgeted for consolidation, absorption and/or elimination of these districts.” (See F1, F2, F3, F4, F5, & F6.)*

**Response:** The arbitrary nature of this recommendation of 1% is similar to the recommendation of six regional water agencies for Orange County. It is unclear as to what, if any, criteria were used in quantifying how much revenue LAFCO needs, not to mention the implications in using this funding source.

It is inappropriate and dangerous to arbitrarily shift funding safeguarded for emergency preparation, affordable rates, infrastructure maintenance and long-range construction.

A process currently exists for funding LAFCO, which includes a combination of assessments upon local agencies based on their revenues and application fees for specific LAFCO efforts.

Ironically, past funding shifts from the state increase fiscal uncertainties and place pressure on local agencies to increase reserve funding. Shifting money from special districts' reserves does not reduce the need for prudent reserves, it simply increases cost pressures on local ratepayers and taxpayers to fund core services.

*R10. "The Orange County Tax Collector should obtain all the specific allocations for the 1% property tax from the County Auditor-Controller and show them on the tax bill (not just the current generalized summary) sent to each property owner so that the taxpayers are informed of how much each service is costing them." (See F14.)*

**Response:** We strongly support transparency and accountability and continue to work proactively with our membership to promote these values. This recommendation is one that merits further consideration, and CSDA will begin working with its members and other stakeholders to investigate the feasibility of implementation.



# Encinitas

UNION SCHOOL DISTRICT

101 S. Rancho Santa Fe Road  
Encinitas, CA 92024-4349  
Phone: (760) 944-4300  
FAX: (760) 942-7094  
www.eusd.net

**Board of Trustees**

Emily Andrade  
Maureen "Mo" Muir  
Carol Skiljan  
Gregg Sonken  
Marla Strich

May 15, 2012

Leucadia Wastewater District  
1960 La Costa Avenue  
Carlsbad, CA 92009

**Superintendent**

Timothy Baird, Ed.D.

Dear Leucadia Wastewater District:

**Assistant  
Superintendents**

David Miyashiro, Ed.D.  
Educational Services

On behalf of the Board of Trustees, I would like to thank you for your generous donation of cash to El Camino Creek Elementary School to support their garden program. The Board wants you to know that your donation is very much appreciated. This type of support helps to build a stronger educational system for our children and the community.

Vince Jewell  
Interim Assistant  
Superintendent  
Administrative Services

John Britt  
Business Services

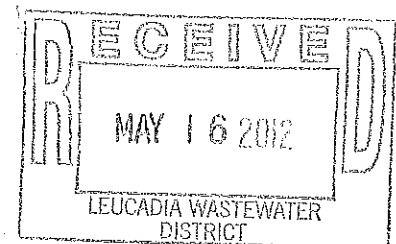
Again, please accept our gratitude for your thoughtfulness.

Yours truly,

*Timothy B. Baird*

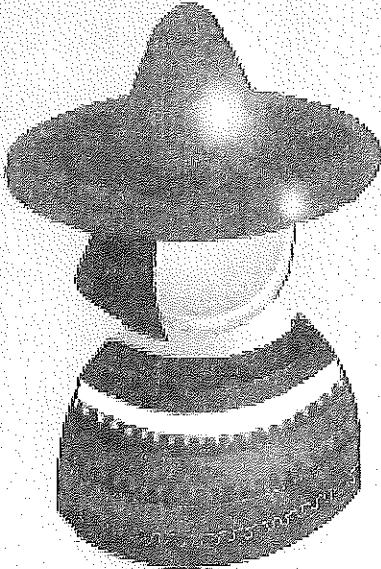
Timothy B. Baird, Ed.D.  
Superintendent

/jfe



# LEUCADIA WASTEWATER DISTRICT

# 2012 EMPLOYEE LUNCHEON



THURSDAY, JULY 12

Time: 12 Noon

Location: Stagecoach Park  
Picnic Area #1

**Catered by:**

**Rudy's Mexican Food**

- Carnitas
- Carne Asada
- Chicken
- Rice & Beans
- Guacamole
- Chips & Salsa
- Tortillas
- Dessert

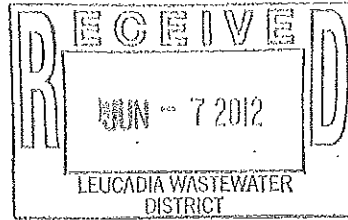
Please RSVP with  
Trisha or Tianne by  
July 2 !



**CARLSBAD**  
Municipal Water District

www.carlsbadca.gov

June 5, 2012



Mr. Paul Bushee  
General Manager  
Leucadia Wastewater District  
1960 La Costa Avenue  
Carlsbad, CA 92009

RE: Termination of Recycled Water Sales Agreement between Leucadia Wastewater District and the Carlsbad Municipal Water District

Dear Mr. Bushee:

Reference is made to the "Agreement for Sale of Recycled Water to the City of Carlsbad by the Leucadia County Water District", which was executed on March 25, 1991. The Carlsbad Municipal Water District is sending this letter to provide a one-year notice of termination in accordance with Section 17 of the agreement which requires a one-year notice of an intention to terminate after the initial twenty-year term of the agreement, which expired on March 25, 2011.

The Carlsbad Municipal Water District appreciates the relationship that has been forged between our two agencies over the years and the excellent services provided by Leucadia under the agreement. As CMWD's recycled water program has matured, however, alternative supplies have become available at significantly lower costs. In the interests of keeping our rates as low as possible for our ratepayers, the CMWD Board has authorized staff to provide the required agreement termination notice.

Although this letter does provide the required notice, CMWD staff would welcome continued discussions regarding recycled water opportunities that may be mutually advantageous to our two organizations. I would like to thank you, your Board members and the entire Leucadia Wastewater District organization for the critical role you have played in lessening this region's dependence on imported water.

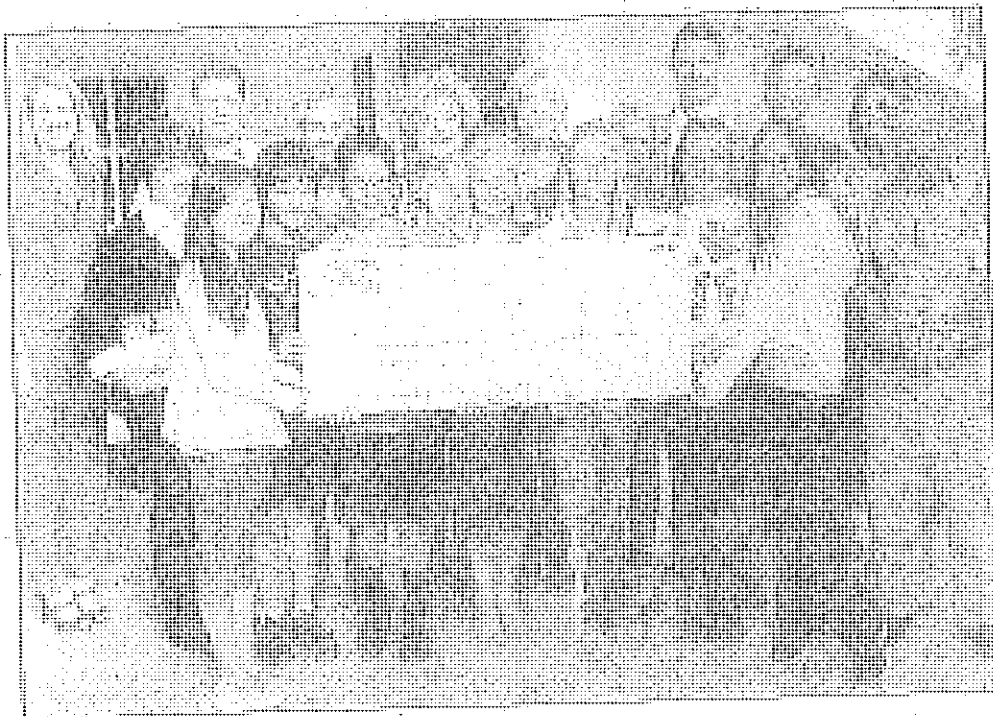
Sincerely,

Lisa Hildabrand  
Executive Director

- Cc: Glenn Pruim  
Bill Plummer  
Wendy Chambers  
Christine Ruess  
Helga Stover



Carlsbad Municipal Water District  
5950 El Camino Real | Carlsbad, CA 92008 | 760-438-2722 | 760-431-1601 fax



From left, La Costa Heights Elementary School Principal Leighangela Brady and La Costa Heights Elementary representative Debbie Pinter, with Director Don Omsted, Director David Kulchin, Vice President Elaine Sullivan, President Judy Hanson, with La Costa Canyon High School representative June Honsberger, Hank Stelzel with Paul Ecke Central Elementary, Thomas Baugh with Olivenhain Pioneer Elementary, Jodi Greenberger with El Camino Creek Elementary, Director Allan Juliussen is joined by La Costa Heights Elementary students, from left, Michelle Hee, Joseph Nacario, Jason Nacario, Grace Luehmann, Kennedy Rawding, Mikaela Dougherty and Alex Power. The group gathered to celebrate recently awarded funding to the five local schools from the LWD Teacher Grant Program. *Courtesy photo*

## Teachers are awarded grants

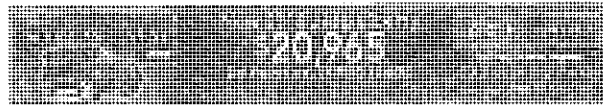
COAST CITIES — The Leucadia Wastewater District (LWD) recently awarded funding to five local schools within LWD's service boundary through its Teacher Grant Program.

These grants will help local teachers fund environmental programs ranging from growing vegetables used in school lunches, purchasing rain barrels, planting native plants for landscape and expanding school gardens. At its April 11 board meeting, the LWD board of directors awarded the five grants to La Costa Canyon High School, La Costa Heights Elementary School, El Camino Creek

Elementary School, Olivenhain Pioneer Elementary, and Paul Ecke Central Elementary School. Collectively, the grants will help educate approximately 2,800 students.

"We're so pleased to see our local schools using this grant funding to support their environmental programs. LWD is proud to help support our local teachers and students in this third year of our program," said Paul Bushee, LWD General Manager.

For more information about this program, contact LWD (760) 753-0155 or view LWD's web site [lwwd.org](http://lwwd.org).



**NORTH COUNTY TIMES**  
*Serving North San Diego and Southwest Riverside counties*

65°

## EFFINGER: Special districts bear scrutiny

16 HOURS AGO • BY KIRK EFFINGER

With the primary elections behind us, we can all now begin to focus on November. Problem is, too many of the votes you and I will be asked to cast are for obscure races to offices that far too many of us pay little attention to: elections to boards of the numerous special districts that dot North San Diego and Southwest Riverside counties.

This is not only a pity; it is where some of the largest monuments to waste and fraud in government are spawned.

Special districts first began in California as a means to meet farmers' water needs, creating a taxing and bonding authority to bring irrigation water to the burgeoning San Joaquin Valley.

Over time, these districts were seen as a way to cope with the explosive growth of the state, especially after World War II. Districts increased in number and scope to address needs like fire protection, cemeteries, hospitals, parks and many other things.

Given the rural nature of our region's recent past, it's perhaps not too surprising we would have a few. What might surprise you is how many. By my unofficial count, there are 31 special districts in North County, 10 more in Southwest Riverside ---- all with elected boards of directors.

Unlike school board and city council elections, elections to these boards tend to fly far below the radar. (In doing research for this column, I came across an Internet page for an election to a water board seat that was canceled because no one applied.) I'll admit that I have found it difficult to get informed about who the candidates are for my local cemetery board.

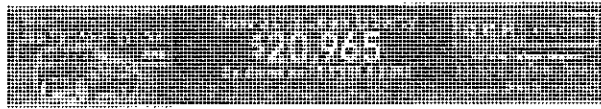
Park, cemetery districts and the like are unlikely candidates for abuses. Not enough money there.

The real danger lies with what are known as "enterprise districts," districts that charge for a service ---- water, hospital, sanitation, waste management, etc. These districts are taxpayer supported, but also generate income from fees ---- oftentimes significant income.

We'd be wise to pay attention. A fiscal year 2004 fee data report from the State Controller's Office shows the Valley Center MWD took in over \$38 million and the Rancho California Water District over \$73 million that year. That's the kind of money that runs small cities.

Frequent readers of this column know I've been paying particular attention to the Tri-City Healthcare District board of directors lately. It's very informative to take a look at the California State Controller's website to see not just the stipends they receive, but the cost of their health care packages. It's enough to make your eyes bleed.

Same goes for the Rancho California Water District and the Vallecitos Water District in San Marcos. Why are taxpayers and ratepayers funding health care plans for part-time elected officials at all, let alone at an annual cost of \$8,000 to \$15,000 per person or more?



[Top of Page](#)   [Home](#)   [Full Site](#)

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## Directors' Meetings

Presented by Directors: Hanson, Sullivan, Kulchin, Juliussen and Omsted

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### Conference

2012 CSDA Legislative Days Conference

### Dates and Location

May 15-17, 2012

Sheraton Grand Hotel

Sacramento, CA

### List of Attendees

President Judy Hanson

Vice President Elaine Sullivan

Director Dave Kulchin

Director Allan Juliussen

Director Don Omsted

The above mentioned Board members attended the following:

- ❖ Pension Reform Panel Discussion
- ❖ Local Government Panel Discussion
- ❖ Legislative visits
- ❖ Roundtable discussions with various public agencies

# Directors' Meetings

Presented by Directors Sullivan, and  
Juliussen

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## Conference

2012 Watereuse and Desalination Conference

## Dates and Location

June 4-5, 2012

Mission Bay Hyatt, San Diego

## List of Attendees

Vice President Sullivan

Director Juliussen

The above mentioned Board member attended various sessions regarding recycled water and desalination.