

LEUCADIA WASTEWATER DISTRICT

Minutes of a Regular Board Meeting

June 9, 2010

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, June 9, 2010 at 5:00 p.m., at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

1. Call to Order

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

2. Roll Call

DIRECTORS PRESENT: Juliussen, Omsted, Hanson, Sullivan, and Kulchin
DIRECTORS ABSENT: None
OTHERS PRESENT: General Manager Paul Bushee, District Counsel Terry Gibbs, Field Services Manager Leo Schempp, Administrative Services Manager Chuck LeMay, Project Manager Robin Morishita, Executive Assistant Trisha Hill, Field Services Specialist Frank Reynaga, Field Services Technician II Ken Butts, Richard Duffey with Brownell and Duffey, District Engineer Steve Deering, Lori Weiss of ADS, LLC, and George Litzinger of Dudek

3. Pledge of Allegiance

4. Approval of Agenda

President Juliussen stated he would like to remove two items from the agenda under new business; 1) item 12C – Authorize the General Manager to execute a two year professional services agreement with Brownell & Duffey, CPA's for Accounting and Financial Services in an amount not to exceed \$199,800; and 2) item 12D - Authorize the General Manager to execute a two year professional services agreement with Dudek for Engineering Consulting Services in an amount not to exceed \$240,000. He requested that these items be reviewed by the appropriate subcommittees before going to the Board of Directors.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Vice President Omsted, and carried, the Board of Directors approved the revised agenda.

5. Public Comment

President Juliussen stated that he received two requests to address the Board of Directors. The first request is from Field Services Technician II Ken Butts and the second request is from Field Services Specialist Frank Reynaga.

Mr. Butts stated that he forgot to express gratitude to the Board of Directors and General Manager Paul Bushee after receiving his award last month. Mr. Butts thanked the Board of Directors and GM Bushee for the incentive award he received. Also, he stated that he appreciates the opportunity to work at the District.

Mr. Reynaga stated that he would like to thank Leo Schempp, Chuck LeMay, Paul Bushee

and the Board of Directors for approving his reclassification.

6. Presentations and Awards

None.

7. Consent Calendar

- A. Minutes for the following meetings:
 - May 19, 2010 Regular Board meeting
 - May 25, 2010 Community Affairs Committee meeting

- B. Demands for May/June 2010
 - Payroll Checks Numbered 14925 – 14966; General Checking – Checks numbered 39452 – 39547

- C. Operations Report. (A copy was included in the original June 9, 2010 Agenda)

- D. Finance Report. (A copy was included in the original June 9, 2010 Agenda)

- E. Adopt Resolution No. 2209 – Establishing an Appropriations Limit of the Leucadia Wastewater District (LWD) for the Fiscal Year 2011 (July 1, 2010 to June 30, 2011) Pursuant to Article XIII (B) of the California Constitution.

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

The Board of Directors approved Resolution No. 2209 by the following vote:

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

8. Encina Wastewater Authority (EWA) Reports

- A. Encina Wastewater Authority Report – May 26, 2010 Board meeting.

Director Sullivan reported on EWA's May 26, 2010 Board meeting.

Member Agency Manager Meeting – June 9, 2010.

GM Bushee reported on the June 9, 2010 Member Agency Manager meeting.

9. Committee Reports

- A. Community Affairs Committee (CAC) meeting was held May 25, 2010.

Director Omsted reported that the CAC reviewed and edited the draft text for the Summer 2010 newsletter.

10. Old Business

A. Adopt the Fiscal Year 2011 (FY 11) Budget.

ASM LeMay presented the subject recommendation. ASM LeMay stated that at the May Board meeting, the Board of Directors reviewed the FY 11 Budget in detail.

ASM LeMay noted that staff has made two revisions based on discussions at last month's Board meeting. Staff reduced the budgeted amount allocated for the demonstration garden and appropriated an additional one million dollars to the CIP budget to line portions of the B2 and B3 force mains.

Upon a motion duly made by Director Sullivan, seconded by Vice President Omsted, and carried, the Board of Directors adopted the FY 11 Budget.

11. Public Hearing

A. Public Hearing to consider collecting the District Wastewater Service Charge for Fiscal Year 2011 on the San Diego County Tax Roll.

President Juliussen opened the public hearing to receive comments concerning the collection of wastewater service on the county tax roll.

No public input was received at the Public Hearing. President Juliussen closed the Public Hearing.

12. New Business

A. Adopt Resolution No. 2207 Adopting and Approving the Report for the Collection of Wastewater Service Charges on the County Tax Roll for the Fiscal Year July 1, 2010 – June 30 2011.

Upon a motion duly made by Director Kulchin, seconded by Director Sullivan, and carried, the Board of Directors adopted Resolution No. 2207 by the following vote:

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

B. Adopt Resolution No. 2208 Approving the Recommended Encina Wastewater Authority (EWA) Fiscal Year 2011 (FY 11) Operating and Capital Budgets.

Upon a motion duly made by Vice President Omsted, seconded by Director Hanson, and carried, the Board of Directors adopted Resolution No. 2208 by the following vote:

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

- C. Authorize the General Manager to execute Amendment No. 2 to the Dudek Construction Management (CM) Services Agreement for the Site Improvement Project in an amount not to exceed \$120,000.

President Juliussen noted that the Engineering Committee (EC) reviewed this item at its May EC meeting and agreed with staff to present this amendment to the Board of Directors for approval.

PM Morishita presented the recommended subject. PM Morishita provided background information and the scope of work included in Dudek's CM agreement for the Site Improvement Project. PM Morishita stated the reasons for the additional \$120,000 were for additional work completed by Dudek following the contract closeout; and this included CM services during the installation of the Photovoltaic System which was not included in the original contract amount. He indicated that Dudek exceeded the approved budget by more than \$160,000. PM Morishita stated that staff met with Dudek and negotiated a price of \$120,000, which staff believes to be fair and reasonable. PM Morishita noted that the FY 10 budget has sufficient funds to cover this cost.

President Juliussen noted that Dudek provided CM services during the installation of the photovoltaic system which was not included in the original contract. In addition, Dudek didn't notify LWD that the contract had ended and proceeded to perform services without approval for the additional work.

Following discussion, upon a motion duly made by Director Kulchin, seconded by Director Sullivan, and carried, the Board of Directors authorize the General Manager to execute Amendment No. 2 to the Dudek Construction Management (CM) Services Agreement for the Site Improvement Project in an amount not to exceed \$120,000.

- D. Authorize the General Manager to execute a three year professional services agreement with ADS Corporation (ADS) for the maintenance of and analysis of data from seven (7) permanently installed flow meters in an amount not to exceed \$42,840 per year for a total of \$128,520 over a three year period.

FSM Schempp presented the recommended subject stating that seven flow meters were installed in October 2007. He stated that in the past the District contracted with ADS for the maintenance of the flow meters for only one year. FSM Schempp noted that staff was able to negotiate a three year maintenance contract with ADS for a total savings of \$15,270 over the three year period.

Following discussion, upon a motion duly made by Director Hanson, seconded by Vice President Omsted, and carried, the Board of Directors authorized the General Manager to execute a three year professional services agreement with ADS for the maintenance of and analysis of data from seven (7) permanently installed flow meters in an amount not to exceed \$42,840 per year for a total of \$128,520 over a three year period.

13. Information Items

- A. Scripps Memorial Hospital Encinitas Fiscal Year 2009 Stewardship Report – article on Director Kulchin serving as the Chairman on their Community Advisory Board.

The Board of Directors commented that the article and picture of Dave and Ann was great.

- B. LWD's Annual Employee Barbeque is scheduled for Thursday, July 15, 2010 at Stage Coach Park (picnic area 1), Carlsbad, CA.

All Board members stated they will attend the employee barbeque.

- C. CASA 55th Annual Conference is scheduled for August 18-21, 2010 at the Marriott in Monterey, CA.

All Board members indicated that they will be attending this conference.

- D. CSDA Annual Conference is scheduled for September 20-23, 2010 at the Newport Beach Marriott.

All Board members indicated that they will be attending this conference.

14. Directors' Meetings

None.

15. Comments, Questions or Requests by Directors

President Juliussen thanked staff for doing a great job.

16. General Manager's Report

The following items were reported:

There are two handouts:

- Special Board meeting agenda for the June 16th meeting.
- A thank you email that Field Services Specialist Frank Reynaga received from a resident that received a lateral grant reimbursement.

17. General Counsel's Report

None.

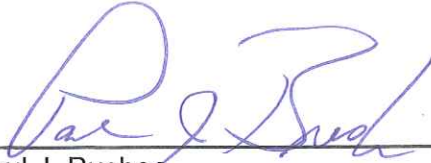
18. Closed Session

- A. Conference with District Counsel to discuss anticipated litigation pursuant to California Government Code Section 54956.9(b)(3)(C) – four claims related to the Diana Street work.


The Board of Directors met in closed session. No reportable action was taken.

19. Adjournment

President Juliussen adjourned the meeting at 5:42 p.m.



Paul J. Bushee
Secretary/General Manager
(SEAL)



Allan Juliussen, President