

LEUCADIA WASTEWATER DISTRICT
Minutes of a Regular Board Meeting
July 11, 2007

A Regular Meeting of the Board of Directors of Leucadia Wastewater District (LWD) was held Wednesday, July 11, 2007 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, Juliussen, and Kulchin
DIRECTORS ABSENT: Omsted
OTHERS PRESENT: General Manager Paul J. Bushee, District Counsel Wayne Brechtel, Administrative Services Manager Chuck LeMay, Field Services Manager Leo Schempp, Executive Assistant Trisha Miranda, and Chris Trees with Dudek & Associates

3. Pledge of Allegiance

4. Approval of Agenda

Upon motion duly made, seconded and carried, the Board of Directors approved the agenda.

5. Public Comment

None.

6. Presentations and Awards

None.

7. Consent Calendar

- A. Minutes of the following meeting:
June 13, 2007 Regular Board meeting.
- B. Demands for June/July 2007
Payroll Checks Numbered 13085 - 13126; General Checking – Checks numbered 34878 – 35007.
- C. Operations Report (A copy was attached to the original July 11, 2007 Agenda)
- D. Finance Report (A copy was attached to the original July 11, 2007 Agenda)

Directors Juliussen pulled item 7B for discussion. Following discussion and upon motion duly made, seconded, and carried, the Board of Directors approved the consent calendar.

8. Encina Wastewater Authority (EWA) Reports

Director Sullivan reported on EWA's June 27, 2007 Board meeting. The report included a brief update on EWA's Building Program Construction Report for May 2007.

GM Bushee reported on the MAM's July 11, 2007 meeting. The GM's report included an update of the EWA Phase IV Project and the Building Project.

9. Committee Reports

Engineering Committee (EC) Meeting – July 9, 2007 – Reported by Director Juliussen.

Director Juliussen reported the EC discussed the Piraeus Pipeline Repair Project and stated this item will be discussed later in tonight's agenda.

Director Juliussen also reported that staff and Infrastructure Engineering Corporation (IEC) provided the EC an overview of the alternatives for the Gibraltar Pipeline Replacement Project. The EC provided direction to staff on the project.

In addition, staff provided a brief status report of the Site Improvement Project. The EC also met in closed session to discuss the Vulnerability Study. There was no reportable action.

10. Old Business

None

11. New Business

- A. Authorize the General Manager to execute an agreement with West Coast Underground for the Piraeus Pipeline Repair Project in an amount not to exceed \$31,500.

FSM Schempp presented an overview of the recommendation. FSM Schempp stated that during a routine closed circuit television, staff discovered a section of sewer line that has deflected severely and requires excavation and resetting. Infrastructure Engineering Corporation (IEC) has completed the design for the repair and the estimated construction cost is \$40,000. Staff received three bids for the project and West Coast Underground was the lowest responsible and responsive bidder.

Following discussion, the Board of Directors authorized the General Manager to execute an agreement with West Coast Underground for the Piraeus Pipeline Repair Project in an amount not to exceed \$31,500.

- B. Fiscal Year 2007 (FY 07) LWD Tactics and Action Plan Report.

GM Bushee presented an overview of the FY 07 LWD Tactics and Action Plan report. GM Bushee stated that the Strategic Plan identified seven strategies and under the strategies over 60 tactical goals were identified for FY 07. GM Bushee provided a brief description for each FY 07 tactical goal. GM Bushee also reviewed additional projects that were not included on the tactical plan.

Following discussion, and upon a motion duly made, seconded, and carried, the Board of Directors unanimously voted to receive and file the FY 07 Tactics and Action Plan Report.

C. Fiscal Year 2008 (FY 08) LWD Tactics and Action Plan Report.

GM Bushee presented an overview of the FY 08 LWD Tactics and Action Plan Report. GM Bushee stated that for FY 08, staff has developed a Tactics and Action Plan that includes over 50 tactical goals.

Director Kulchin requested that the sub committees review the tactical goals with staff. GM Bushee agreed to do so.

Following discussion, and upon a motion duly made, seconded, and carried, the Board of Directors unanimously voted to adopt the FY 08 Tactics and Action Plan Report.

D. Disclosure of Reimbursements Report for January 1, 2007 through June 30, 2007.

GM Bushee stated that LWD is required to disclose reimbursements of \$100 or more on at least an annual basis. LWD prepares the Disclosure Report every six months, which is above and beyond the requirements of the government code.

Following discussion and upon a motion duly made, seconded, and carried, the Board of Directors unanimously voted to receive and file the Board of Directors Disclosure of Reimbursements Report for January 1, 2007 through June 30, 2007.

E. Adopt Resolution No. 2182 – A Resolution of the Board of Directors of the Leucadia Wastewater District Supporting the nomination of (Arlene Schafer or Jim Doud) to the California Special Districts Association Board of Directors, Region 6, Seat B Election.

ASM LeMay presented the subject recommendation. ASM LeMay stated the District received two notifications requesting that Board support one of two candidates for the CSDA Board of Directors Region 6, Seat B Election.

Following discussion, and upon a motion duly made, seconded, and carried, the Board of Directors unanimously voted to support Arlene Schafer and adopt Resolution No. 2182 as amended supporting the nomination of Arlene Schafer was passed and adopted by the following vote:

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

12. Information Items

GM Bushee reported on the following information items:

- A. CASA 52nd Annual Conference will be hosted at the Mission Bay Hilton, San Diego from August 15 – 18, 2007.
- B. CA LAFCO Annual Conference will be hosted at the Hyatt in Sacramento, CA from August 28-31, 2007.
- C. Thank you letter to President Hanson from Scholarship winner Anne Nybo.
- D. Carlsbad State of the City Luncheon will be hosted at the Four Seasons Resort Aviara in Carlsbad, CA on Thursday, August 16, 2007.
- E. Coast News Article "Ann Kulchin, Wife, Mother, Grandmother, Councilwoman".
- F. Letter from Gary Croucher requesting Board's support for his nomination to the LAFCO Special District Advisory Committee.

13. Directors' Meetings

Director Sullivan reported on the WateReuse Finance Authority meeting held July 10, 2007. The Wateruse Authority met via teleconference and discussed the following:

- Received and filed year end 2006 Finance Audit
- Reviewed the performance of the Authority's Bond pool
- Adopted the Authority's AB1234 Expense Reimburse Policy
- GM Bushee was re-elected the Chair of Board of Directors and Director Sullivan was re-elected Secretary to the Board of the WateReuse Finance Authority.

14. Comments, Questions or Requests by Directors

None.

15. General Manager's Report

GM Bushee reported he will be on vacation from July 13 through July 30, 2007. ASM LeMay will be on vacation from July 13 – July 23, 2007. FSM Schempp will be the acting General Manager while he and ASM LeMay are on vacation. ASM LeMay will be acting General Manager from July 24 – July 30.

In addition, GM reported an employee is out on leave in accordance with the Family Medical Leave Act (FMLA) and the District is advertising for a temporary Utility Worker position. The position does not offer benefits and will be for a length of up to five months.

16. General Counsel's Report

General Counsel Brechtel reported on a recent Bill that has gone through the Legislation that reduces the amount of retention the District may retain form contractors from ten percent to five percent.

17. Closed Session

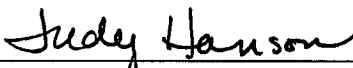
Director Sullivan requested that the Closed Session rescheduled for the August Board of Directors meeting due to the fact that Director Omsted is absent from tonight's meeting.

Following discussion and upon a motion duly made, seconded, and carried, the Board of Directors unanimously voted to postpone the closed session item A until the August Board meeting.

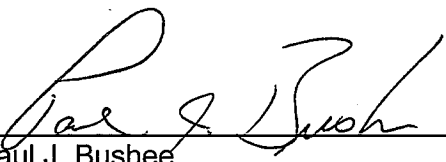
A. Personnel matters as authorized by Government Code §54957 to review General Manager Performance.

18. Adjournment

President Hanson adjourned the meeting at 6:45 p.m.



Judy Hanson, President



Paul J. Bushee
Secretary/General Manager
(SEAL)