

**LEUCADIA WASTEWATER DISTRICT**

Minutes of a Regular Board Meeting

August 15, 2012

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A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, August 15, 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: District Counsel Wayne Brechtel, Administrative Services Manager Chuck LeMay, Field Services Superintendent Jeff Stecker, Executive Assistant Trisha Hill, Engineer Steve Deering with Dudek, CPA Richard Duffey with Brownell & Duffey and Yin Ho with Worden Williams APC.

**3. Pledge of Allegiance****4. General Public Comment Period**

None.

**5. Approval of Agenda**

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

**6. Presentations and Awards****A. Achievement of an Organizational Objective.**

ASM LeMay stated that staff recently met an organizational objective. He stated that the District's collection system performance ranked third of similar sized agencies in Region 9. He stated under the incentive program, staff is eligible for an incentive award of \$500 per employee. He also noted that this is only the third year, within the past nine years that LWD has finished in the top three.

The Board of Directors congratulated staff for their efforts.

President Hanson moved item 18 – General Manager's Report forward for discussion.

**18. General Manager's Report:**

ASM LeMay stated that the new television van was delivered and it is available for the Board to view at this time.

Directors Omsted, Juliussen, Hanson and Kulchin indicated that they have already seen the van during the CWEA Collections System Training event this afternoon. Vice President Sullivan stated that she can look at the van at a later time.

## CONSENT CALENDAR

### 7. Approval of Board and Committee Minutes

Minutes of the following meetings:

July 11, 2012 Regular Board Meeting

July 17, 2012 Community Affairs Committee Meeting

August 6, 2012 Investment & Finance Committee Meeting

August 6, 2012 Engineering Committee Meeting

Director Juliussen pulled the Demands, item no. 8 for discussion.

### 9. Operations Report (A copy was included in the original August 15, 2012 Agenda)

### 10. Finance Report (A copy was included in the original August 15, 2012 Agenda)

### 11. Quarterly Treasurer's Investment Report. (A copy was included in the original August 15, 2012 Agenda)

Upon a motion duly made by Director Kulchin, seconded by Director Omsted, and carried, the Board of Directors approved all other items on the consent calendar, with the exception of item no. 8, the Demands pulled for discussion.

### 8. Approval of Demands for July 2012/August 2012

Payroll Checks numbered 16190-16247; General Checking – Checks numbered 42672-42790; voided check number 42619.

Director Juliussen had several questions relating to the maintenance and fire alarm testing for the elevator. TSM Morishita answered his questions and explained the services that were performed.

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

## EWA and COMMITTEE REPORTS

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

#### A. Encina Wastewater Authority Report – July 25, 2012.

Vice President Sullivan reported on EWA's July 25, 2012 Board meeting.

### 13. Committee Reports

#### A. Community Affairs Committee (CAC) meeting was held on July 17, 2012.

Director Omsted reported that the CAC reviewed the draft newsletter text and provided recommended changes. He also stated that the CAC discussed how to improve the Teacher Grant program.

In addition, the CAC reviewed the website summary report. This will be reviewed later in the agenda.

B. Investment & Finance Committee meeting was held on August 6, 2012.

Director Omsted reported that the IFC conducted the annual review of the Procurement Policy. He stated that staff and the IFC are recommending changes to the policy. He noted that staff incorporated those changes into the policy and that this item will be reviewed later in the agenda.

C. Engineering Committee meeting was held on August 6, 2012.

Director Juliussen reported that the EC reviewed a sewer reimbursement agreement between LWD and developers, Tverdochs, Navazo & Solomon, and the Blantons. He stated that the EC requested additional information on whether the construction cost included the lateral installation. He indicated that staff is verifying this information and will resubmit the agreement to the EC at a future meeting.

Director Juliussen also reported that the EC received status updates on several projects.

### ACTION ITEMS

**14. Adopt Resolution No. 2226 Updating and Revising the Leucadia Wastewater District's Conflict of Interest Code.**

ASM LeMay presented the item. He provided a summary of the changes made to the Conflict of Interest.

Upon a motion duly made by Vice President Sullivan, seconded by Director Omsted, and carried, the Board of Directors approved Resolution No. 2226 by the following vote:

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

**15. Adopt Resolution No. 2227 Updating and Revising the Leucadia Wastewater District's Procurement Policy.**

ASM LeMay presented this item stating that the policy was last revised July 2011. ASM LeMay indicated that staff and the IFC recently reviewed the policy and are recommending several changes. He also stated that the annual review of the policy is listed as a FY 2013 tactical goal.

ASM LeMay provided an overview of the recommended changes, noting that there were no changes to the policy that affect the Board's, Staff's or General Manager's purchasing authority.

Following discussion, upon a motion duly made by Director Omsted, seconded by Director Juliussen, and carried, the Board of Directors approved Resolution No. 2227 by the following vote:

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

## INFORMATION ITEMS

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

#### A. Purveyor of Recycled Water Report.

General Counsel Brechtel stated that during the last few months the Board has had several discussions regarding LWD's Recycled Water program. During the August Board meeting, Director Juliussen requested that staff look into the possibility of purveying recycled water directly to other private entities within the District's service area. General Counsel Brechtel introduced attorney Yin Ho to present the findings of the study.

Mr. Ho provided an overview of his research stating that since the District was formed under the County's water code, this authorizes the District to furnish, sell or distribute water. He explained that the District does not need approval from LAFCO, since LWD currently provides recycled water within its boundaries to the La Costa Resort. However, he stated that the District must obtain a reclamation permit from the Regional Water Control Board before selling recycled water. He also presented the requirements that LWD must implement to obtain a reclamation permit.

The Board discussed the history of LWD's contract with the city of Carlsbad and the possibility of providing recycled water directly to the resort. General Counsel Brechtel indicated that this could potentially cause a conflict between the District and the city of Carlsbad.

TSM Morishita stated that the city of Carlsbad has recently contacted him to discuss the recycled water agreement and the use of District facilities.

Vice President Sullivan suggested that staff look into obtaining a reclamation permit for the future.

Following discussion, ASM LeMay stated that General Manager Bushee will keep the Board informed on any updates regarding the recycled water program and future negotiation discussions with the city of Carlsbad.

The Board thanked Mr. Yin Ho and General Counsel Brechtel for this information.

B. Review the website summary report.

EA Hill presented the website summary report. She explained the differences between the number of hits, page views and sessions included in the traffic summary chart.

C. North County Times newspaper article "REGION: State budget maneuver suspends open meetings law.

President Hanson noted the article.

D. LAFCO 2012 Special Districts Election Update.

ASM LeMay presented the information, noting that the candidate forum will be held at the CSDA quarterly dinner meeting on August 16, 2012.

E. CSDA Quarterly Dinner meeting is scheduled for August 16, 2012 at 6:00 p.m. at the Courtyard Marriott in San Diego.

ASM LeMay offered to carpool to the dinner. He will leave the District office at 5:15 p.m.

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

A. The CASA 57<sup>th</sup> Annual Conference was held on August 8-11, 2012 at the Monterey Marriott in Monterey, CA.

All Board's members attended this conference. Vice President Sullivan stated that for her the highlight of the conference was the keynote speaker, Jean-Michel Cousteau (Jacques Cousteau's son). She discussed the topics of his presentation.

Director Kulchin stated that in addition to attending Cousteau's excellent presentation, he also attended a presentation by Gordon Graham that discussed the topic of risk management. He stated that this presentation was one of the best at the conference as well.

Director Omsted addressed Gordon Graham's presentation as well along with other presentations that he attended, which related to topics of resource mining. He indicated that anaerobic is the way to go adding that we are moving towards becoming the lead in energy efficiencies.

President Hanson discussed information about the Legislative updates provided at the conference. She noted that she attended the CSRMA meeting and provided information on the increase in the District's insurance rates and information on the rebates that the District has received.

ASM LeMay added the following information to the General Manager's comments:

- He congratulated Vice President Sullivan on winning the Region 6 seat for the CSDA Board of Directors.
- The District held a SCAP meeting at the District yesterday.
- The District held the CWEA Collections System Training 50<sup>th</sup> Year Anniversary Event today and thanked staff for assisting CWEA's staff.
- EA Hill stated that the CSDA is planning on awarding President Hanson with

the District of Distinction Award during the CSDA Conference in September.

**19. General Counsel's Report**

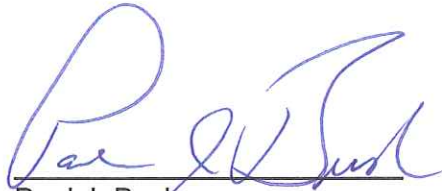
General Counsel Brechtel reported that he received notice from the CASA's attorney committee this afternoon that the SWRCB just released an amended WDR that revised the monitoring and reporting requirements. He stated that there will be a workshop on August 28<sup>th</sup> to discuss the revisions and that he and staff are looking on impacts to the District's day-to-day operations due to the revised WDR.

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


None.

**21. Adjournment**

President Hanson adjourned the meeting at 6:04 p.m.



Paul J. Bushee  
Secretary/General Manager  
(SEAL)

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Judy Hanson, President