



LEADERS IN  
ENVIRONMENTAL  
PROTECTION

**BOARD OF DIRECTORS  
REGULAR MEETING**

**DATE:** Wednesday, September 11, 2013  
**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**  
None.

## CONSENT CALENDAR

Items 7-10 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:

- August 8, 2013 Community Affairs Committee Meeting (Pages 1-3)
- August 14, 2013 Regular Board Meeting (Pages 4-10)
- August 26, 2013 Human Resources Committee Meeting (Pages 11-12)
- September 4, 2013 Engineering Committee Meeting (Pages 13-15)

### **8. Approval of Demands for August/September 2013**

This item provides for Board of Directors approval of all demands paid from LWD during the month of August and a portion in September 2013. (Pages 16-33)

### **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 12 to FY 13 and flows by sub-basin. (Pages 34-37)

### **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 13 budget and discloses monthly investments. (Pages 38-45)

## EWA and COMMITTEE REPORTS

### **11. Encina Wastewater Authority Reports**

- A. A regular EWA Board meeting was held on August 28, 2013 – report by Director Juliussen. (Pages 46-47)
- B. A EWA Member Agencies Manager's meeting was held on September 3, 2013 – report by GM Bushee. (Verbal)

### **12. Committee Reports**

- A. Human Resources Committee meeting was held on August 26, 2013 – report by Director Hanson. (Page 48)
- B. Engineering Committee meeting was held on September 4, 2013 – report by Director Juliussen. (Pages 49-50)

## ACTION ITEMS

**13. Sanitary Sewer Management Plan (SSMP) Fiscal Year 2013 Audit**

Receive and file the Sanitary Sewer Management Plan (SSMP Fiscal Year 2013 Audit. (Pages 51-58)

**14. Leucadia Force Main (L1) and Batiquitos Force Main (B3) Corrosion Evaluation Project – Design Services**

Authorize the General Manager to execute Amendment No. 1 to Task Order No. 15 with Infrastructure Engineering Corporation for engineering design services for the Leucadia Force Main (L1) and Batiquitos Force Main (B3) Corrosion Evaluation Project in an amount not to exceed \$35,610. (Pages 59-65)

**15. Recycled Water Valve and Creek Crossing Repair Project – Design Services**

Authorize the General Manager to execute an Agreement with Infrastructure Engineering Corporation for engineering design services for the Recycled Water Valve and Creek Crossing Repair Project in an amount not to exceed \$35,036. (Pages 66-72)

**16. Award of the District's Gravity Pipeline Rehabilitation Project Construction Contract**

Authorize the General Manager to execute an Agreement with Sancon Engineering Corporation for construction services to complete the Gravity Pipeline Rehabilitation Project in an amount not to exceed \$376,691. (Pages 73-77)

**17. Approve LWD's Revised Workplace Violence Prevention Policy**

Adopt Resolution No. 2239 – Approve LWD's Revised Workplace Violence Prevention Policy. (Pages 78-82)

**18. Annual Review of the Investment Policy**

Receive and file the Annual Review of LWD's Investment Policy Report and re-delegate authority to manage LWD's investment program to the General Manager effective September 1, 2013 through August 31, 2014. (Pages 83-91)

**19. Potential Change to the October Board of Directors Meeting. (Page 92)**

## INFORMATION ITEMS

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

A. Notice of Opposition Letter - Senate Bill 594 (Page 93)

B. Thank you letter from CSDA Region 6 Director Bill Nelson (Page 94)

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

A. The CASA Annual Conference was held on August 20-24, 2013 at the Grand Hyatt in San Diego, CA. (Page 95)

**22. General Manager's Report**

**23. General Counsel's Report**

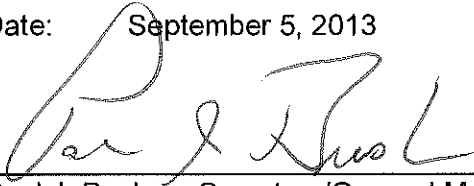
**24. Board of Directors' Comments**

**25. Adjournment**

AFFIDAVIT 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: September 5, 2013

A handwritten signature in black ink, appearing to read "Paul J. Bushee", written over a horizontal line.

Paul J. Bushee, Secretary/General Manager

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of a Community Affairs Committee Meeting  
 August 8, 2013

A meeting of the Community Affairs Committee (CAC) of the Leucadia Wastewater District (LWD) was held Thursday, August 8, 2013 at 9:30 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 9:30 a.m.

**2. Roll Call**

DIRECTORS PRESENT: Sullivan and Omsted

DIRECTORS ABSENT: None.

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

**3. Public Comment**

No public comment was received.

**4. New Business**

- A. Review and discuss the fall 2013 newsletter story ideas and schedule.

Ms. Lois Humphreys of TRG presented the newsletter story ideas and production schedule. Ms. Humphreys noted that the articles in the newsletter will highlight the past year's accomplishments, the updated planning documents, LWD's recycled water program, and its participation in the regional recycled water group. She also stated that a story about the Teacher Grant will be included. In addition, an article notifying homeowners not to throw disposable and non-disposable cleaning wipes down the toilet will be added because they are causing problems at the pump stations.

President Sullivan indicated that she likes the topics and that she is looking forward to the recycled water program's illustrations.

Director Omsted suggested that the cover story should include an eye catching photo illustrating a capital improvement upgrade project. He stated that the article should include information about the District being pro-active by upgrading its infrastructure before it fails. President Sullivan suggested that the article may also include photos of staff using the CCTV camera to view the pipe conditions.

Ms. Humphreys noted that the scheduled needs to be revised to indicate that the final newsletter will be mailed to the customers during the month of October.

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

B. Website Update.

EA Hill presented the item stating that the website upgrade is a FY14 Tactical goal. She stated that staff coordinated with TRG to request bids from website developers to update LWD's website. She stated that LWD received four (4) responses noting that the amounts were listed in the agenda memo. In addition, she provided a brief summary of the interview process and indicated that Vision Internet was selected as the preferred consultant. EA Hill presented samples of the work that Vision Internet has completed for other public agencies.

Director Omsted asked what would be the next step in the process. GM Bushee stated that the contract amount is within his signature authority; therefore, he will execute the agreement with Vision Internet.

The CAC agreed with staff's recommendation noting that they also concur that GM Bushee should execute the agreement.

**5. Information Items**

None.

**6. Directors' Comments**

Director Omsted suggested that staff and/or TRG develop a one page fact sheet identifying steps homeowners should take when they have plumbing issues. He stated that the fact sheet would help homeowners know the best questions to ask when hiring a plumber. He stated that it should also inform homeowners to receive multiple quotes when work is necessary.

GM Bushee stated that staff can draft a fact sheet and that this would benefit the customers.

**7. General Manager's Comments**

GM Bushee reminded the Board members of the Direct Potable Reuse Seminar located at Vallecitos Water District on Tuesday, August 13, 2013. He stated that he will carpool to the seminar, noting that he will leave from the office at 1:30 p.m. GM Bushee also reported that city of Carlsbad did not sign the recycled water agreement last month, and they are expected to sign the agreement this month. He stated that the recycled water agreement with La Costa Resort & Spa was extended until the end of August.

In addition, he also stated that the District received a subpoena for records relating to State versus Office Depot regarding its US Communities Purchasing Alliance agreement. He stated that Counsel Yin with Worden Williams APC and staff have reviewed the subpoena and believe the District didn't benefit from the state's purchasing alliance agreement. However, the District does purchase office supplies from the Office Depot Business website. He stated that Counsel Yin will draft LWD's response.

## **8. Adjournment**

Chairperson Sullivan adjourned the meeting at 10:10 a.m.

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Paul J. Bushee  
Secretary/Manager  
(Seal)

**LEUCADIA WASTEWATER DISTRICT**  
Minutes of a Regular Board Meeting  
August 14, 2013

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, August 14, 2013 at 5:00 p.m., at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

**1. Call to Order**

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

**2. Roll Call**

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

DIRECTORS ABSENT: None.

OTHERS PRESENT: General Manager Paul Bushee, District Counsel Wayne Brechtel, Administrative Services Manager Chuck LeMay, Technical Services Manager Robin Morishita, Field Services Superintendent Jeff Stecker, Executive Assistant Trisha Hill, Field Services Technician Todd Amos, District Engineer Steve Deering with Dudek, CPA Richard Duffey with Brownell & Duffey, and Jamie Fagnant with Infrastructure Engineering Corp.

**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 Hanson, and carried, the Board of Directors approved the agenda.

**6. Presentations and Awards**

GM Bushee introduced Field Services Technician Todd Amos and stated that he recently received his Grade III certification from the California Water Environment Association (CWEA). He also presented background information about Todd and congratulated him for his efforts.

President Sullivan presented Todd with an incentive check for \$500 as authorized under LWD's Incentive Program.

The Board of Directors congratulated Todd for his efforts.

**CONSENT CALENDAR**

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

Minutes of the following meetings:

July 10, 2013 Regular Board Meeting

July 29, 2013 Investment & Finance Committee Meeting

August 7, 2013 Engineering Committee Meeting



**8. Approval of Demands for July/August 2013**

Payroll Checks numbered 16812-16870; General Checking – Checks numbered 44140-44281

**9. Operations Report** (A copy was included in the original August 14, 2013 Agenda)

**10. Finance Report** (A copy was included in the original August 14, 2013 Agenda)

**11. Quarterly Treasurer's Investment Report** (A copy was included in the original August 14, 2013 Agenda)

**12. Adopt Resolution No. 2238 Updating and Revising the Leucadia Wastewater District's Procurement Policy.** (A copy was included in the original August 14, 2013 Agenda)

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

**EWA and COMMITTEE REPORTS**

**13. Encina Wastewater Authority (EWA) Reports**

A. EWA Board Report – Meeting was held on July 24, 2013.

Director Juliussen reported on the July 24, 2013 EWA Board of Directors meeting.

B. Encina Member Agencies Manager's (MAM) Meeting was held on August 6, 2013.

GM Bushee reported on the August 6, 2013 MAM meeting.

**14. Committee Reports**

A. Investment & Finance Committee meeting was held on July 29, 2013.

Director Hanson reported that the IFC participated in the 2013 Financial Audit Entrance Meeting with staff, and CPAs David Forman and Harvey Schroeder from White Nelson Diehl Evans, LLP. She stated that the auditors discussed the information that will be reviewed by their team and the audit schedule.

She stated that the IFC also conducted its Annual Review of LWD's Procurement Policy.

B. Engineering Committee meeting was held on June 26, 2013.

Director Juliussen reported that the EC reviewed the L1 Force Main Internal Corrosion Evaluation Project report completed by IEC. The EC agreed with staff's recommendation to receive and file the report. In addition, the EC directed staff to present a Mid-Year appropriation to the FY 14 Budget to fund the assessment of the pipeline.

He also reported that the EC reviewed a purchase order to purchase two (2) replacement Vapex odor control units for the Batiquitos and Leucadia Pump Stations from Vapex Environmental Technologies in an amount not to exceed \$143,450.

EC also reviewed a professional services agreement with Rockwell Construction Services for the Supervisory Control and Data Acquisition (SCADA) System Central Upgrade Project in an amount not to exceed \$65,500.

Furthermore, the EC reviewed a purchase order to purchase a new Computerized Maintenance Management System (CMMS) from iWater, Inc. in an amount not to exceed \$97,000.

The EC concurred with staff on these items and they will be presented later in the agenda.

C. Community Affairs Committee meeting was held on August 8, 2013.

Director Omsted reported that the CAC reviewed the fall 2013 newsletter's proposed article topics and production schedule. He provided a brief summary of the proposed newsletter articles.

The CAC also received a website update and staff is moving forward with upgrading the website.

## ACTION ITEMS

**15. L1 Force Main Internal Corrosion Evaluation Project Report.**

Receive and file the Leucadia 1 (L1) Force Main Destructive Testing Report completed by Infrastructure Engineering Corporation and approve additional appropriations to the Fiscal Year 2014 (FY 14) Budget for the Leucadia Force Main Corrosion Evaluation Project in the amounts of \$58,400 to account number 50-51-337-5211, Design, and \$348,600 to account number 50-51-337-6499, Construction, for a total of \$407,000.

TSM Morishita presented the item stating that it was reviewed by the EC on August 7th. TSM Morishita provided background information on the project indicating that the project was a result of a Force Main Corrosion study. He provided a summary of the work that was conducted by Piperin in March 2013, stating that the 10 foot section of the pipe was evaluated by Yeager and IEC. He also stated that during the EC meeting, Director Juliussen suggested that an additional appropriation to the FY 14 budget for this project be presented to the Board of Directors for approval.

He introduced Mrs. Fagnant with IEC to present IEC's report. Mrs. Fagnant provided an overview of the report. She stated that based on the condition of the sample piece of pipe, IEC recommends that the District discontinue its use of the L1 Force Main until further condition assessment of the pipe has been conducted. In her overview, she presented a cost analysis of replacing the L1 Force Main and compared it with the cost to conduct an additional inspection using new technology called the Sea Snake. She added that the District would benefit from conducting an additional inspection versus replacing the entire line.

President Sullivan thanked the EC for their detailed review of this project. Directors Hanson and Juliussen thanked Mrs. Fagnant for her report.

Following discussion, and upon a motion duly made by Director Juliussen, seconded by Vice President Kulchin and carried, the Board of Directors received and filed the L1 Force Main

Destructive Testing Report completed by IEC, and approved additional appropriations to the FY 14 Budget for the L1 Force Main Corrosion Evaluation Project in the amounts of \$58,400 (Design) and \$348,600 (Construction), for a total of \$407,000.

**16. Award of Purchase for the Ozone Odor Control Units.**

Authorize the General Manager to purchase two (2) replacement Vapex odor control units for the Batiquitos and Leucadia Pump Stations from Vapex Environmental Technologies in an amount not to exceed \$143,450.

FSS Stecker presented the item stating that it was reviewed by the EC on August 7<sup>th</sup>. He provided background on the Vapex Ozone Odor Control Units and the need of these units to eliminate odor at Leucadia and Batiquitos Pump Stations. He stated that both current machines are nine years old and obsolete, indicating that they need to be replaced. He noted that funds were included in the FY 14 budget to purchase the odor control units.

Following discussion, and upon a motion duly made by Director Hanson, seconded by Director Omsted and carried, the Board of Directors authorized the General Manager to purchase two (2) replacement Vapex odor control units for the Batiquitos and Leucadia Pump Stations from Vapex Environmental Technologies in an amount not to exceed \$143,450.

**17. Award of Purchase Contract for Computerized Maintenance Management System (CMMS).**

Authorize the General Manager to purchase a new Computerized Maintenance Management System (CMMS) for Field Services from iWater, Incorporated in an amount not to exceed \$97,000.

FSS Stecker presented this item noting that it was reviewed by the EC on August 7<sup>th</sup>. He provided a summary of the District's current work management system, indicating its purpose and condition. He added that it's 14 years old and it's no longer supported by the vendor; adding that the system has become labor intensive.

He also provided a brief summary of the Field Services team's evaluation of several CMMS technologies. He discussed the benefits of the proposed Infra Map CMMS and noted that their system met the requirements that best fits the District's needs. He stated that the funds were included in the FY 14 Budget to purchase a CMMS.

Vice President Kulchin asked why the District waited this long to replace the system. GM Bushee indicated that the CMMS technology and its integration with the GIS are new. FSS Stecker added that staff waited for the technology to stabilize before upgrading its system.

Director Hanson asked how many worker orders are generated and printed. FSS Stecker stated the number of work orders generated and printed per month. He also described the process that the Field Services team follows to complete a work order.

Following discussion, and upon a motion duly made by Director Hanson, seconded by Director Juliussen and carried, the Board of Directors authorized the General Manager to purchase a new Computerized Maintenance Management System (CMMS) from iWater, Incorporated in an amount not to exceed \$97,000.

**18. Award of Professional Engineering Services for the Supervisory Control and Data Acquisition Central Upgrade Project.**

Authorize the General Manager to execute an Agreement for professional services with Rockwell Construction Services for the Supervisory Control and Data Acquisition (SCADA) System Central Upgrade Project in an amount not to exceed \$65,500.

TSM Morishita presented the item stating that it was reviewed by the EC on August 7<sup>th</sup>. He stated that the ongoing rehabilitation of the District's pump stations prompted staff to evaluate the overall condition of the SCADA system. He briefly described the system, its purpose and the condition of the District's SCADA system. He noted that this system does not have a formal maintenance program. He also stated that SCADA's software was installed in 2000 and the support for the system is inadequate. In addition, the AMMP indicated that the useful life of this system is 10 years.

He stated that staff asked Rockwell Construction Services to evaluate the system. He provided a summary of their evaluation, noting that Rockwell recommends upgrading the Central SCADA software. He also provided a summary of Rockwell's scope of work, noting that the contract does not include the price of the equipment. He stated that the District will purchase the equipment.

Director Omsted asked what would be the next step to upgrade the SCADA system. TSM Morishita stated that staff will order the equipment and then Rockwell will install and program the equipment.

Following discussion, and upon a motion duly made by Director Omsted, seconded by Director Juliussen and carried, the Board of Directors authorized the General Manager to execute an Agreement for professional services with Rockwell Construction Services for the Supervisory Control and Data Acquisition (SCADA) System Central Upgrade Project in an amount not to exceed \$65,500.

## INFORMATION ITEMS

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

- A. CSDA Quarterly Dinner meeting is scheduled for August 15, 2013 at 6:00 p.m. located at The Butcher Shop in San Diego.

GM Bushee announced the date of the meeting and noted that the carpool will leave the District's offices at 5:30 p.m.

- B. The CSDA article "Return of Property Tax Increment".

GM Bushee stated this item was included in the agenda to provide an update on the return and diversion of the property tax from the dissolution of the redevelopment agencies.

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

- A. Direct Potable Reuse Seminar was held on August 13, 2013 at the Vallecitos Water District.

President Sullivan stated that the seminar was very informative and that she has a better understanding of Direct Potable Reuse. Director Omsted asked if there are Board members

included in the North County Water Recycling group. GM Bushee stated that the majority of the members are agency staff. Vice President Kulchin stated that he was impressed with the number of attendees.

**B. The CSDA San Diego Section Board of Directors meeting was held on July 11, 2013 in San Diego, CA.**

President Sullivan reported that she attended the meeting. She stated that they discussed the speaker for the upcoming quarterly dinner meeting and how to attract additional agencies to become members of CSDA.

**C. The CSDA Board of Directors Planning Session was held on July 17-18, 2013 in Newport Beach, CA.**

President Sullivan reported that she attended the planning session. She provided a summary of the topics that were discussed during the session, noting that the hot topic was regionalization, with the goal of expanding San Diego and Orange Counties into Los Angeles (L.A.) County. She stated that she and other local Board members tried to persuade CSDA not to expand our region with L.A.'s region. In addition, she stated that beginning in 2017, CSDA would like for staff members to start recruiting new member agencies and educating Board members about the value of Special District's services.

**21. General Manager's Report**

General Manager Bushee reported on the following items:

- City of Carlsbad did not execute the Recycled Water Agreement during their July Board meeting. He noted that approval of this agreement is expected to be included in the August Carlsbad City Council agenda. He added that the recycled water agreement with La Costa Resort was extended until August 31<sup>st</sup>.
- District received a subpoena for the Office Depot vs. State of CA Community Purchasing Alliance litigation. He stated that Counsel Yin prepared a legal document stating that the District did not participate in the State of CA Community Purchase Alliance.
- He will be out of the office from August 21-23 and is unable to attend the CASA conference. He stated that ASM LeMay will be the acting General Manager in his absence.
- EA Hill stated that she provided airlines flight schedules as a handout for the upcoming CSDA Conference in Monterey. She asked that the Board members to contact her to provide their preferred flight schedule.

**22. General Counsel's Report**

General Counsel Brechtel reported the following:

- The Amended Statewide Collection System WDR Mitigation & Monitoring Program was released on July 30, 2013. He stated that the important issues were resolved and that there are new requirements. He provided an example of a reporting requirement. In addition, he stated that the state eliminated previous requirements. He reported that he and staff will continue to assess the amended program and keep the Board up-to-date.

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

Vice President Kulchin thanked Director Juliussen for his expertise during the Engineering Committee meetings.

Director Juliussen thanked staff for keeping the Board informed on the new technology that is

available and taking advantage of the technology to improve the District and its services.

President Sullivan stated that Bill Nelson asked that she forward his "Thank you" to the District for re-electing him to the CSDA Board of Directors. She noted that he won the election.

**24. Adjournment**

President Sullivan adjourned the meeting at 5:59 p.m.

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Elaine Sullivan, President

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Paul J. Bushee  
Secretary/General Manager  
(SEAL)

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of a Human Resource Committee Meeting  
 August 26, 2013

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A meeting of the Human Resource Committee (HRC) of Leucadia Wastewater District (LWD) was held August 26, 2013 at 2:00 p.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 2:28 p.m.

**2. Roll Call**

DIRECTORS PRESENT: Hanson and Kulchin  
 DIRECTORS ABSENT: None  
 OTHERS PRESENT: General Manager Paul Bushee, Administrative Services  
 Manager Chuck LeMay, and Executive Assistant Trisha Hill

**3. Public Comment**

No public comment was received.

**4. New Business**

- A. Recommend that the Board of Directors adopt Resolution No. 2239 – Approve LWD’s Revised Workplace Violence Prevention Policy.

ASM LeMay presented the item stating the need and purpose of the policy. He stated that the District adopted a workplace violence prevention policy in November 2007 and staff conducted a review of the policy. Based on the review, staff is recommending several changes to clarify and strengthen the policy.

Vice President Kulchin suggested that a section in the policy related to education be revised to strengthen the policy. ASM LeMay stated that staff will make the revisions. GM Bushee stated that staff will email the revised section to the committee for approval.

The HRC agreed with staff’s recommendation for the Board to approve Resolution No 2239 – Approve LWD’s Revised Workplace Violence Prevention Policy, with approved staff’s revisions to the education section of the policy.

**5. Information Items**

None.

**6. Director’s Comments**

None.

**7. General Manager’s Comments**

None.

**8. Adjournment**

Chairperson Hanson adjourned the meeting at approximately 2:43 p.m.

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Paul J. Bushee,  
Secretary/Manager  
(Seal)



**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of an Engineering Committee Meeting  
 September 4, 2013

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A meeting of the Engineering Committee (EC) of Leucadia Wastewater District (LWD) was held Wednesday, September 4, 2013 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 Superintendent Jeffery Stecker; Field Services Supervisor Marvin Gonzalez; District Engineer Steve Deering; Jamie Fagnant from Infrastructure Engineering Corporation and Natalie Fraschetti from Dexter Wilson Engineering.

**3. Public Comment**

No public comment was received.

**4. Old Business**

None.

**5. New Business**

- A. Receive and file the Sanitary Sewer Management Plan (SSMP) Fiscal Year 2013 Audit conducted by Dexter Wilson Engineering, Inc.

TSM Morishita presented a background of the SSMP Audit process. Natalie Fraschetti presented the audit findings to the EC. The audit concluded that the District's activities, programs, and efforts meet or exceed the requirements of its SSMP. Changes in District organization, practices, or regulations during the past fiscal year were not significant enough to require a revision of the SSMP prior to June 2014, the required WDR five year SSMP review cycle.

Directors Juliussen and Kulchin asked for clarification regarding a formal fats, oils and grease (FOG) Program. The primary cause of Sewer System Overflows (SSOs) in the District has been roots, not FOG. Therefore, the District is not required to have a formal FOG Program in place, which would require periodic inspection of grease interceptors within the District.

The EC concurred with staff to present the 2013 SSMP Audit at the September 2013 Board meeting for receiving and filing.

- B. Authorize the General Manager to execute an Agreement with Sancon Engineering Corporation for construction services to complete the Gravity Pipeline Rehabilitation Project in an amount not to exceed \$376,691.

TSM Morishita presented staff's recommendation. He stated that the project was a combination of three gravity sewer pipeline projects from the 5 year Capital Improvement Program of the District's 2013 Asset Management Plan (AMP). The projects were combined into a single gravity line rehabilitation project for efficiencies in cost and project administration. He also stated that bids were due on August 15, 2013 and two bids were received. He noted that the lowest bid was submitted by Repipe California (Repipe). However, Repipe failed to list all subcontractors in their bid and the bid was determined to be non-responsive. Therefore, Sancon Engineering, Inc. (Sancon) was determined to be the lowest responsive and responsible bidder and it was recommended that the contract be awarded to Sancon.

Director Kulchin asked about the bid price being 24% less than the \$495,000 estimated construction cost. TSM Morishita stated that the variance can be attributed to a conservative estimate of Cured-in-Place Pipe (CIPP) cost and improvements in CIPP technology resulting in lower construction costs.

After discussion, the EC concurred with staff to present this recommendation at the September 2013 Board meeting for approval.

- C. Authorize the General Manager to execute an Agreement with Infrastructure Engineering Corporation (IEC) for engineering design services for the Leucadia Force Main (L1) and Batiquitos Force Main (B3) Corrosion Evaluation Project in an amount not to exceed \$35,610.

TSM Morishita presented staff's recommendation stating that the Leucadia (L1) Force Main Internal Corrosion Evaluation Project report completed by IEC recommended that the District discontinue use of the L1 Force Main until the District conducts further condition assessments of the L1 Force Main. He stated that the assessment of Batiquitos (B3) Force Main was added to take advantage of the economy of scale in the inspection price and efficiencies in design and project administration. IEC submitted a proposal to evaluate the available technologies to perform the evaluation, select the appropriate method, complete project design and provide engineering support services during inspection.

After discussion, the EC concurred with staff to present this recommendation at the September 2013 Board meeting for approval.

- D. Authorize the General Manager to execute an Agreement with Infrastructure Engineering Corporation for engineering design services for the Recycled Water Creek Crossing and Valve Repair Project in an amount not to exceed \$35,036.

TSM Morishita presented staff's recommendation. He stated that in August 2011, a leaking valve was found in the recycled water supply line to the La Costa Resort. He noted that the restoration of Batiquitos Lagoon in the 1990s lowered its

average water level resulting in bank and stream-bed erosion in the upstream section of San Marcos Creek. The recycled water line in the creek bed is now exposed. The repairs of the valve and creek crossing have been combined into a single project to take advantage of efficiencies in design, construction and project administration. IEC submitted a proposal to complete project design.

After discussion, the EC concurred with staff to present this recommendation at the September 2013 Board meeting for approval.

**6. Information Items**

None.

**7. Director's Comments**

None.

**8. General Manager's Comments**

None.

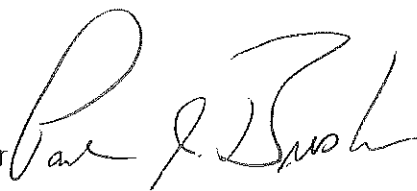
**9. Adjournment**

Chairperson Juliussen adjourned the meeting at approximately 9:15 a.m.

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Paul J. Bushee,  
Secretary/Manager  
(Seal)

## MEMORANDUM

DATE: September 5, 2013  
 TO: Board of Directors  
 FROM: Paul J. Bushee, General Manager   
 SUBJECT: Approval of August/September Demands

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**RECOMMENDATION:**

Staff requests that the Board of Directors:

1. Approve checks and electronic payments totaling \$ **1,422,650.08**
2. Discuss and take other action as appropriate.

**DISCUSSION:**

Attached are check registers describing all payments made by LWD for the months August 9, 2013 – September 5, 2013.

Operating expenses totaled \$ **1,250,386.17** while Capital Improvement Program expenses totaled \$ **86,941.97**

Payroll for employees and the Board totaled \$ **85,321.94**.

Attached please find a year to date Employee and Board Payroll Report from August 2012 to September 2013 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 August/September 2013
Attachment 2	Payroll Check Register dated August 14, 2013
Attachment 3	Accounts Payable Check Register dated August 14, 2013
Attachment 4	Payroll Check Register dated August 21, 2013
Attachment 5	Accounts Payable Check Register dated August 21, 2013
Attachment 6	Accounts Payable Check Register dated September 1, 2013
Attachment 7	Board Payroll Check Register dated September 2, 2013
Attachment 8	Payroll Check Register dated September 4, 2013
Attachment 9	Year to Date Employee and Board Payroll Report

## DEMANDS SUMMARY

September 11, 2013

1. Demands

<u>Category</u>	<u>Check #'s</u>	<u>Amount</u>	<u>Total</u>
Payroll Check -8/14/2013	16871 Incentive	\$ 439.79	
Payroll Check-8/21/2013	16872 - 16887	\$ 38,726.94	
Board Payroll Check - 9/2/2013	16888 - 16892	\$ 6,959.12	
Payroll Check - 9/4/2013	16893 - 16908	<u>\$ 39,196.09</u>	
	<b>Total</b>		<b>\$85,321.94</b>
General Checking - 8/14/2013	44282 - 44332	\$ 1,180,843.51	
General Checking -8/21/2013	44333 - 44362	\$ 103,659.28	
General Checking -9/1/2013	44363 - 44386	<u>\$ 52,825.35</u>	
	<b>Total</b>		<b>\$1,337,328.14</b>
	<b>Grand Total</b>		<b>\$1,422,650.08</b>
<u>VOIDED CHECK</u>	44261		<b>\$320.50</b>

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: August 14, 2013  
Incentive

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
16871	8/14/2013	\$439.79

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
44282	2611	1 8/14/2013	10100 NAPA AUTO		
		1	48773 FLUIDS-VEHICLES	30.21	158196
44282-	2611	1 8/14/2013	Logged	*** Total ***	30.21
44283	2611	2 8/14/2013	10221 ADS LLC		
		2	48728 OPEN PO-FLOW MONITORING CONTRA	3,570.00	12860.22-0713
44283-	2611	2 8/14/2013	Logged	*** Total ***	3,570.00
44284	2611	3 8/14/2013	10366 AIR POLLUTION CONTROL DISTRICT		
		3	48775 RENEWAL PERMIT @ VP5	356.00	20130773005750
44284-	2611	3 8/14/2013	Logged	*** Total ***	356.00
44285	2611	4 8/14/2013	10570 ANTIMITE TERMITE & PEST CONTRO		
		4	48742 MONTHLY PEST SERVICES	56.00	1655018
44285-	2611	4 8/14/2013	Logged	*** Total ***	56.00
44286	2611	5 8/14/2013	10720 AT&T		
		5	48755 L.D. PHONE @ BPS	37.00	BPS-7/2013
44286-	2611	5 8/14/2013	Logged	*** Total ***	37.00
44287	2611	6 8/14/2013	11060 BARRETT ENGINEERED PUMP		
		6	48772 SUMP PUMP	257.04	086328
44287-	2611	6 8/14/2013	Logged	*** Total ***	257.04
44288	2611	7 8/14/2013	11650 BROWNELL AND DUFFEY CPA		
		7	48726 OPEN PO-ACCOUNTING/FINANCIAL F	6,735.00	080513
44288-	2611	7 8/14/2013	Logged	*** Total ***	6,735.00
44289	2611	8 8/14/2013	12112 JEFF BILLS		
		8	48717 OPEN PO-CONSULTING FEES	4,462.28	CC-AUG'13
44289-	2611	8 8/14/2013	Logged	*** Total ***	4,462.28
44290	2611	9 8/14/2013	12320 CHARLES KING COMPANY		
		9	48740 RETENTION-LANAKAI	6,204.58	#05-RETENTION
44290-	2611	9 8/14/2013	Logged	*** Total ***	6,204.58
44291	2611	10 8/14/2013	12360 CITY OF CARLSBAD		
		10	48744 WATER @ PLANT/OFFICE	105.27	8121305-7/2013
		10	48759 WATER @ VACTOR 2	205.82	VACTOR-7/2013
		10	48760 WATER @ VACTOR	255.10	VACTOR 103-7/13
		10	48761 WATER @ PLANT/OFFICE	89.10	8121300-7/2013
44291-	2611	10 8/14/2013	Logged	*** Total ***	655.29
44292	2611	11 8/14/2013	12361 CITY OF CARLSBAD		
		11	48776 4TH QTR GOP/ROW-2012-2013	25.00	AR196186
44292-	2611	11 8/14/2013	Logged	*** Total ***	25.00
44293	2611	12 8/14/2013	12631 CORODATA		
		12	48718 OPEN PO-STORAGE	81.95	RS4034164
44293-	2611	12 8/14/2013	Logged	*** Total ***	81.95
44294	2611	13 8/14/2013	12718 CHUCKS TIRE CENTER		

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
	13		48771 TIRES	410.13	69811
44294- 2611	13	8/14/2013	Logged	*** Total ***	410.13
44295- 2611	14	8/14/2013	12814 CUES, INC		
	14		48731 SOFTWARE ENHANCED SUPPORT PLAN	3,600.00	392003
44295- 2611	14	8/14/2013	Logged	*** Total ***	3,600.00
44296- 2611	15	8/14/2013	13072 DATA NET		
	15		48724 SYMANTEC ANTI VIRUS LICENSE RE	940.10	9745514
	15		48758 IS MAINT AND SUPPORT	562.50	9745504
44296- 2611	15	8/14/2013	Logged	*** Total ***	1,502.60
44297- 2611	16	8/14/2013	13323 WHITE NELSON DIEL EVANS LLP		
	16		48733 OPEN PO-CONTRACT-AUDITORS	1,000.00	136517
44297- 2611	16	8/14/2013	Logged	*** Total ***	1,000.00
44298- 2611	17	8/14/2013	13586 DOWNSTREAM SERVICES, INC.		
	17		48774 STORM DRAIN MAINT	65.00	71888
44298- 2611	17	8/14/2013	Logged	*** Total ***	65.00
44299- 2611	18	8/14/2013	14530 ENCINA WASTEWATER AUTHORITY		
	18		48781 ENCINA 4TH QTR CAPITAL-O/M	974,780.98	1345/1346
44299- 2611	18	8/14/2013	Logged	*** Total ***	974,780.98
44300- 2611	19	8/14/2013	16021 GREAT AMERICA FINANCIAL SERVIC		
	19		48750 COPIER LEASE	1,167.37	14031369
44300- 2611	19	8/14/2013	Logged	*** Total ***	1,167.37
44301- 2611	20	8/14/2013	16603 W. W. GRAINGER, INC		
	20		48770 FILTERS	85.67	9207837171
44301- 2611	20	8/14/2013	Logged	*** Total ***	85.67
44302- 2611	21	8/14/2013	17013 HACH COMPANY		
	21		48722 REPLACE C12 ANALYZERS	1,042.07	8404102
	21		48739 REPLACE C12 ANALYZERS	9,845.28	8406492
44302- 2611	21	8/14/2013	Logged	*** Total ***	10,887.35
44303- 2611	22	8/14/2013	17552 THE HOME DEPOT CRC/GEFC		
	22		48738 OPEN PO-SUPPLIES	195.86	JULY'2013
44303- 2611	22	8/14/2013	Logged	*** Total ***	195.86
44304- 2611	23	8/14/2013	18150 ICMA RETIREMENT-303979		
	23		48751 DEFERRED COMP-ICMA-8/7/2013	3,083.92	ICMA-8/7/2013
44304- 2611	23	8/14/2013	Logged	*** Total ***	3,083.92
44305- 2611	24	8/14/2013	18561 U.S. BANK		
	24		48780 CONFERENCES, MEETINGS, SUPPLIE	2,252.28	US BANK-7/22/13
44305- 2611	24	8/14/2013	Logged	*** Total ***	2,252.28
44306- 2611	25	8/14/2013	19812 JWC ENVIRONMENTAL LLC		
	25		48723 MUFFIN MONSTER REPAIR/SERVICE	24,361.57	53212
44306- 2611	25	8/14/2013	Logged	*** Total ***	24,361.57



UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
44307- 2611	26	8/14/2013	22214 MITSUBISHI ELECTRIC & ELECTRON		
	26		48769 ELEVATOR SERVICE AND MAINT	260.81	241192
44307- 2611	26	8/14/2013	Logged	*** Total ***	260.81
44308- 2611	27	8/14/2013	22518 MARIAM MIRZADEH		
	27		48736 LATERAL REIMBURSEMENT	2,900.00	MIRZADEH
44308- 2611	27	8/14/2013	Logged	*** Total ***	2,900.00
44309- 2611	28	8/14/2013	23068 NATIONWIDE RETIREMENT SOLUTION		
	28		48752 DEFERRED COMP-NATIONWIDE-8/7/1	216.25	NATION-8/7/13
44309- 2611	28	8/14/2013	Logged	*** Total ***	216.25
44310- 2611	29	8/14/2013	24111 AMERICAN REPROGRAPHICS CO.,LLC		
	29		48764 PLANS AND SPECS-GRAVITEY LINE	77.36	7054169
	29		48765 PLANS AND SPECS	48.00	7054205
	29		48766 PLANS AND SPECS-GRAVITIY LINE	136.35	7048351
	29		48767 PLANS AND SPECS-LPS	349.60	7070641
	29		48768 PLANS AND SPECS-LC REHAB	456.79	7070636
44310- 2611	29	8/14/2013	Logged	*** Total ***	1,068.10
44311- 2611	30	8/14/2013	24440 OLIVENHAIN MUNICIPAL WATER DIS		
	30		48745 WATER @ E.ESTATES	37.02	E.ESTATES-7/13
	30		48746 WATER @ TRAVELING 2	391.60	61227600-7/2013
	30		48747 WATER @ VP7 PS	40.81	VP7-7/2013
	30		48748 WATER @ VP5 PS	37.02	VP5-7/2013
	30		48749 WATER @ TRAVELING	252.24	1555324-7/13
44311- 2611	30	8/14/2013	Logged	*** Total ***	758.69
44312- 2611	31	8/14/2013	24440 OLIVENHAIN MUNICIPAL WATER DIS		
	31		48741 DEPOSIT FOR FURMAN GROUP-13-14	8,369.80	FURMAN -13/14
44312- 2611	31	8/14/2013	Logged	*** Total ***	8,369.80
44313- 2611	32	8/14/2013	24440 OLIVENHAIN MUNICIPAL WATER DIS		
	32		48762 DEPOST-NSDCRRWP	12,066.00	FEASABILITY STU
44313- 2611	32	8/14/2013	Logged	*** Total ***	12,066.00
44314- 2611	33	8/14/2013	25010 AT&T		
	33		48756 PHONE @ BPS	112.07	BPS-7/2013
44314- 2611	33	8/14/2013	Logged	*** Total ***	112.07
44315- 2611	34	8/14/2013	25032 PALOMAR WATER, LLC		
	34		48743 WATER DELIVERD TO OFFICE	137.71	2693848
44315- 2611	34	8/14/2013	Logged	*** Total ***	137.71
44316- 2611	35	8/14/2013	25260 PERS RETIREMENT		
	35		48778 EMPLOYEE RETIREMENT ENDING 7/2	13,135.73	DUE 8/20/13
44316- 2611	35	8/14/2013	Logged	*** Total ***	13,135.73
44317- 2611	36	8/14/2013	25260 PERS RETIREMENT		
	36		48779 EMPLOYEE RETIREMENT 7/7/13	12,944.32	DUE 8-6-13
44317- 2611	36	8/14/2013	Logged	*** Total ***	12,944.32

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
44318- 2611	37	8/14/2013	25425 PLANT PEOPLE		
	37		48734 OPEN PO-MAINTAIN PLANTS IN OFF	158.00	8133871
44318- 2611	37	8/14/2013	Logged	*** Total ***	158.00
44319- 2611	38	8/14/2013	26804 QUALITY CHEVROLET		
	38		48725 OPEN PO-VEHICLE MAINT/REPAIR	414.78	CTCS451690
44319- 2611	38	8/14/2013	Logged	*** Total ***	414.78
44320- 2611	39	8/14/2013	27528 ROCKWELL CONSTRUCTION SERVICES		
	39		48729 LC PS ELECTRICAL/INSTRUMENT CM	312.50	517
	39		48730 ELECTRICAL CM SERVICES-LPS GEN	312.50	519
	39		48763 BPS REHAB	687.50	526
44320- 2611	39	8/14/2013	Logged	*** Total ***	1,312.50
44321- 2611	40	8/14/2013	27810 STEVE WATTS		
	40		48735 LATERAL REIMBURSEMENT	1,631.00	WATTS
44321- 2611	40	8/14/2013	Logged	*** Total ***	1,631.00
44322- 2611	41	8/14/2013	28080 SANCON ENGINEERING, INC		
	41		48716 ABEDUL & PERSA ST PIPELINE REP	58,658.00	24365
44322- 2611	41	8/14/2013	Logged	*** Total ***	58,658.00
44323- 2611	42	8/14/2013	28595 SOUTHERN CONTRACTING COMPANY		
	42		48719 INSTALL CHLORINE ANALYZERS	2,500.00	3739
44323- 2611	42	8/14/2013	Logged	*** Total ***	2,500.00
44324- 2611	43	8/14/2013	29716 TRG & ASSOCIATES		
	43		48721 OPEN PO-PUBLIC INFORMATION	3,975.00	23-1713
44324- 2611	43	8/14/2013	Logged	*** Total ***	3,975.00
44325- 2611	44	8/14/2013	30515 UNIFIRST CORPORATION		
	44		48737 OPEN PO-UNIFORMS/LAUNDRY SERVI	165.43	3601058269
44325- 2611	44	8/14/2013	Logged	*** Total ***	165.43
44326- 2611	45	8/14/2013	30520 UNDERGROUND SERVICE ALERT OF		
	45		48757 UNDERGROUND SERVICE ALERT	145.50	720130372
44326- 2611	45	8/14/2013	Logged	*** Total ***	145.50
44327- 2611	46	8/14/2013	30580 UNITED WAY		
	46		48753 EMPLOYEE CONTRIBUTIONS	10.00	UNITED-8/7/13
44327- 2611	46	8/14/2013	Logged	*** Total ***	10.00
44328- 2611	47	8/14/2013	30723 SIEMENS WATER TECHNOLOGIES, LL		
	47		48732 OPEN PO-CHEMICALS	7,966.68	901332358
44328- 2611	47	8/14/2013	Logged	*** Total ***	7,966.68
44329- 2611	48	8/14/2013	31232 VERIZON WIRELESS		
	48		48754 CELL PHONE CHARGES	49.23	9708838439
44329- 2611	48	8/14/2013	Logged	*** Total ***	49.23
44330- 2611	49	8/14/2013	31567 VORTEX INDUSTRIES, INC		
	49		48720 REMOVE/REPLACE CIRCUIT BRD-KEY	986.18	10-758194-1

Run date: 08/13/2013 @ 14:46  
Bus date: 08/14/2013

Leucadia Waste Water District  
Check - Complete Detail

OCCKHST.L10 Page 5

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
44330- 2611	49	8/14/2013	Logged	*** Total ***	986.18
44331- 2611	50	8/14/2013	32500 WORDEN WILLIAMS, APC		
	50		48777 LEGAL FEES-JULY	4,963.40	32956
44331- 2611	50	8/14/2013	Logged	*** Total ***	4,963.40
44332- 2611	51	8/14/2013	33227 XEROX CORPORATION		
	51		48727 OPEN PO-SERVICE/MAINTENANCE	75.25	069408826
44332- 2611	51	8/14/2013	Logged	*** Total ***	75.25
				.00	
** Total check discount **				.00	
** Total check amount **				1,180,843.51	
** Total void discount **				.00	
** Total void amount **				.00	

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: August 21, 2013

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
16872 - 16887	8/21/2013	\$38,726.94

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
44333- 2612	1	8/21/2013	13014 DIAMOND ENVIRONMENTAL SERVICES		
	1		48826 TRAILER RESTROOM	21.61	0000069024
44333- 2612	1	8/21/2013	Logged *** Total ***	21.61	
44334- 2612	2	8/21/2013	14528 ELECTRIC MOTOR SPECIALISTS, IN		
	2		48808 CRANE SERVICE @ LPS	625.00	5037
44334- 2612	2	8/21/2013	Logged *** Total ***	625.00	
44335- 2612	3	8/21/2013	18150 ICMA RETIREMENT-303979		
	3		48827 DEFERRED COMP-ICMA	2,987.17	ICMA-8/19/13
44335- 2612	3	8/21/2013	Logged *** Total ***	2,987.17	
44336- 2612	4	8/21/2013	18212 INFRASTRUCTURE ENGINEERING COR		
	4		48796 B2 FORCE MAIN REPLACEMENT PROJ	7,510.61	7103
	4		48797 2014 PUMP STATION ASSESSMENT	1,882.50	7104
	4		48803 L.C. PS REHAB	1,851.25	7100
	4		48804 L1 FORCE MAIN DESTRUCTIVE	666.35	7101
	4		48805 GRAVIETY LINE REHAB	8,044.93	7102
	4		48817 LPS GENERATOR	811.25	7099
44336- 2612	4	8/21/2013	Logged *** Total ***	20,766.89	
44337- 2612	5	8/21/2013	18576 INTERSTATE BATTERIES OF SAN DI		
	5		48815 BATTERIES	97.35	920008987
44337- 2612	5	8/21/2013	Logged *** Total ***	97.35	
44338- 2612	6	8/21/2013	18712 INDUSTRIAL SCIENTIFIC		
	6		48794 SAMPLING PUMP, BATTERY, CASE	809.69	1548122/121
44338- 2612	6	8/21/2013	Logged *** Total ***	809.69	
44339- 2612	7	8/21/2013	21131 LA COSTA VISTA LLC		
	7		48820 REFUND DEV. #584	13,287.31	LC VISTA
44339- 2612	7	8/21/2013	Logged *** Total ***	13,287.31	
44340- 2612	8	8/21/2013	22355 MINUTEMAN PRESS		
	8		48813 SECURITY ENVELOPES	113.36	2653281
	8		48814 ENVELOPES AND LETTERHEAD	648.91	2653241
44340- 2612	8	8/21/2013	Logged *** Total ***	762.27	
44341- 2612	9	8/21/2013	22558 MOOR CO.		
	9		48791 OPEN PO-REPAIRS @BPS/LPS	712.20	49365
44341- 2612	9	8/21/2013	Logged *** Total ***	712.20	
44342- 2612	10	8/21/2013	22612 MER CONSTRUCTION		
	10		48818 REFUND DEVE. #546	29.18	LC FAIRWAYS
44342- 2612	10	8/21/2013	Logged *** Total ***	29.18	
44343- 2612	11	8/21/2013	23068 NATIONWIDE RETIREMENT SOLUTION		
	11		48825 DEFERRED COMP-NATIONWIDE	216.25	NATION-8/21/13
44343- 2612	11	8/21/2013	Logged *** Total ***	216.25	
44344- 2612	12	8/21/2013	23241 NELCO INC.		
	12		48811 W'2 FORMS AND ENVELOPES, 1099	94.91	4230213

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Obligat'n	Name / Description	Net amount	INVOICE NUMBER
44344- 2612	12	8/21/2013	Logged		94.91	
				*** Total ***		
44345- 2612	13	8/21/2013	24111	AMERICAN REPROGRAPHICS CO.,LLC		
	13		48806	PLANS AND SPECS	8.08	7077667
	13		48807	PLANS AND SPECS	10.42	7076795
44345- 2612	13	8/21/2013	Logged		18.50	
				*** Total ***		
44346 2612	14	8/21/2013	24224	OFFICE DEPOT, INC.		
	14		48801	OPEN PO-OFFICE SUPPLIES	151.20	669513754001
44346- 2612	14	8/21/2013	Logged		151.20	
				*** Total ***		
44347- 2612	15	8/21/2013	25072	RICK PATECELL		
	15		48790	OPEN PO-SCADA SUPPORT@BPS/AWT/	170.00	1874
	15		48800	REPLACE AWT LAPTOP	3,150.00	1873
44347- 2612	15	8/21/2013	Logged		3,320.00	
				*** Total ***		
44348- 2612	16	8/21/2013	25260	PERS RETIREMENT		
	16		48822	BOARD RETIREMENT ENDING 7/31/1	128.11	DUE 8-30-13
	16		48823	EMPLOYEE RETIREMENT 8/4/2013	13,121.28	DUE 9/3/2013
44348- 2612	16	8/21/2013	Logged		13,249.39	
				*** Total ***		
44349- 2612	17	8/21/2013	25265	PEP BOYS		
	17		48812	SUPPLIES	61.48	7011000069
44349- 2612	17	8/21/2013	Logged		61.48	
				*** Total ***		
44350- 2612	18	8/21/2013	27910	PROFORMA PRINT & PROMOTIONS		
	18		48810	A/P CHECKS	387.46	0282024301
44350- 2612	18	8/21/2013	Logged		387.46	
				*** Total ***		
44351- 2612	19	8/21/2013	28020	SAN DIEGO GAS AND ELECTRIC		
	19		48828	ELECTRIC @ SAXONY PS	853.92	SAXONYPS-8/'13
	19		48829	ELECTRIC @ VP7	182.57	VP7-8/'13
	19		48830	GAS @ OFFICE	15.38	OFFICE-8/13
	19		48831	ELECTRIC @ RANCHO VERDE	144.47	RVPS-8/'13
	19		48832	ELECTRIC @ LC PS	1,304.72	LCPS 8/'13
	19		48834	ELECTRIC @ EEPs	1,519.36	EEP-8/'13
	19		48835	ELECTRIC @ DIANA PS	485.31	DIANA PS-8/'13
	19		48836	ELECTRIC @ AVOCADO PS	166.02	AVOCADO -8/'13
	19		48837	ELECTRIC @ E. ESTATES PS	767.08	E.ESTATES-8/13
	19		48838	NATURAL GAS @ EE	1.11	EE-8/13
	19		48839	ELECTRIC @ LPS/OFFICE	12,703.04	LPS/OFFICE-8/13
	19		48840	ELECTRIC @ VP5	319.08	VP5 8/'13
44351- 2612	19	8/21/2013	Logged		18,462.06	
				*** Total ***		
44352- 2612	20	8/21/2013	28020	SAN DIEGO GAS AND ELECTRIC		
	20		48833	ELECTRIC @ BPS	12,105.96	BPS-8/'13
44352- 2612	20	8/21/2013	Logged		12,105.96	
				*** Total ***		
44353- 2612	21	8/21/2013	28117	ROBERTA CHARLES		
	21		48819	REFUND DEV. #835	50.00	CHARLES
44353- 2612	21	8/21/2013	Logged		50.00	
				*** Total ***		

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
44354- 2612	22	8/21/2013	28595 SOUTHERN CONTRACTING COMPANY		
	22		48795 REPLACE FOUR CHART RECORDERS	7,684.00	3749
44354- 2612	22	8/21/2013	Logged	*** Total ***	7,684.00
44355- 2612	23	8/21/2013	29225 TELEPACIFIC COMMUNICATIONS		
	23		48821 PHONE SYSTEM	1,025.00	487448490
44355- 2612	23	8/21/2013	Logged	*** Total ***	1,025.00
44356- 2612	24	8/21/2013	29814 TIERRA VERDE RESOURCES, INC		
	24		48792 LANDSCAPE MAINTENANCE SERVICES	730.00	059121
44356- 2612	24	8/21/2013	Logged	*** Total ***	730.00
44357- 2612	25	8/21/2013	30515 UNIFIRST CORPORATION		
	25		48798 OPEN PO-UNIFORMS/LAUNDRY SERVI	165.43	3601060279
	25		48802 OPEN PO-UNIFORMS/LAUNDRY SERVI	165.43	3601062302
44357- 2612	25	8/21/2013	Logged	*** Total ***	330.86
44358- 2612	26	8/21/2013	30580 UNITED WAY		
	26		48824 EMPLOYEE CONTRIBUTION	10.00	UNITED 8/21/13
44358- 2612	26	8/21/2013	Logged	*** Total ***	10.00
44359- 2612	27	8/21/2013	31232 VERIZON WIRELESS		
	27		48816 CELL PHONES	582.12	9709462765
44359- 2612	27	8/21/2013	Logged	*** Total ***	582.12
44360- 2612	28	8/21/2013	32220 WATER ENVIRONMENT FEDERATION		
	28		48809 RENEWAL-R. MORISHITA WEF	187.00	1793429-RM
44360- 2612	28	8/21/2013	Logged	*** Total ***	187.00
44361- 2612	29	8/21/2013	32271 WEST COAST SAFETY SUPPLY CO.,		
	29		48793 OPEN PO-SAFETY TOOLS/EQUIPMENT	1,894.42	1527924
44361- 2612	29	8/21/2013	Logged	*** Total ***	1,894.42
44362- 2612	30	8/21/2013	34828 NORMA YUSKOS		
	30		48799 LATERAL REIMBURSEMENT	3,000.00	YUSKOS
44362- 2612	30	8/21/2013	Logged	*** Total ***	3,000.00
				.00	
** Total check discount **				.00	
** Total check amount **				103,659.28	
** Total void discount **				.00	
** Total void amount **				.00	

UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Obligat'n	Name / Description	Net amount	INVOICE NUMBER
44363- 2613	1	9/01/2013	10100	NAPA AUTO		
	1		48853	FUEL FILTERS, ANTIFREEZE	92.74	161015
44363- 2613	1	9/01/2013	Logged	*** Total ***	92.74	
44364- 2613	2	9/01/2013	10167	ACACIA GASOLINE & CAR WASH		
	2		48848	OPEN PO-VEHICLE/TRUCK GAS	53.07	2732
44364- 2613	2	9/01/2013	Logged	*** Total ***	53.07	
44365- 2613	3	9/01/2013	10545	A-1 LOCK & SAFE SERVICE		
	3		48864	LOCKS @BPS	65.00	23568
44365- 2613	3	9/01/2013	Logged	*** Total ***	65.00	
44366- 2613	4	9/01/2013	12514	CONEXIS		
	4		48861	SEC 125-FLEX PLAN-CONEXIS	130.00	0713-0R5199
44366- 2613	4	9/01/2013	Logged	*** Total ***	130.00	
44367- 2613	5	9/01/2013	16806	THE GUARDIAN		
	5		48858	DENTAL AND DISABILITY INS-SEPT	3,782.92	00324226-9/2013
44367- 2613	5	9/01/2013	Logged	*** Total ***	3,782.92	
44368- 2613	6	9/01/2013	17010	HAAKER EQUIPMENT CO		
	6		48842	PARTS	646.75	C97331
44368- 2613	6	9/01/2013	Logged	*** Total ***	646.75	
44369- 2613	7	9/01/2013	17060	HARTFORD LIFE & ACCIDENT INS.		
	7		48863	LIFE INS-SEPTEMBER	373.00	6433984-9
44369- 2613	7	9/01/2013	Logged	*** Total ***	373.00	
44370- 2613	8	9/01/2013	18711	I2B NETWORKS, INC		
	8		48841	ONE YEAR OF WEB CAM @ BPS	160.00	19705
44370- 2613	8	9/01/2013	Logged	*** Total ***	160.00	
44371- 2613	9	9/01/2013	19550	JCI JONES CHEMICAL, INC		
	9		48847	OPEN PO-SODIUM CHEMICALS	3,909.19	592076
44371- 2613	9	9/01/2013	Logged	*** Total ***	3,909.19	
44372- 2613	10	9/01/2013	19775	ALLAN JULIUSSEN		
	10		48857	REIMBURSE FOR CASA CONFERENCE	963.24	CASA-58TH ANNUA
44372- 2613	10	9/01/2013	Logged	*** Total ***	963.24	
44373- 2613	11	9/01/2013	20842	DAVID KULCHIN		
	11		48867	REIMBURSE FOR CASA ANNUAL CONF	1,242.07	CASA-ANNUAL
44373- 2613	11	9/01/2013	Logged	*** Total ***	1,242.07	
44374- 2613	12	9/01/2013	21102	CASH		
	12		48865	PETTY CASH-AUGUST	228.35	PETTY-8/27/13
44374- 2613	12	9/01/2013	Logged	*** Total ***	228.35	
44375- 2613	13	9/01/2013	22558	MOOR CO.		
	13		48846	OPEN PO-REPAIRS @BPS/LPS	280.41	49385
44375- 2613	13	9/01/2013	Logged	*** Total ***	280.41	



UNION BANK GENERAL

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE NUMBER
44376- 2613	14	9/01/2013	24224 OFFICE DEPOT, INC.		
	14		48849 OPEN PO-OFFICE SUPPLIES	103.76	666578309001
	14		48850 OPEN PO OFFICE SUPPLIES	55.39	671161266001
44376- 2613	14	9/01/2013	Logged *** Total ***	159.15	
44377 2613	15	9/01/2013	24528 DONALD OMSTED		
	15		48856 REIMBURSE D.O. FOR CONGERENCE	55.08	CASA-58TH ANNU
44377- 2613	15	9/01/2013	Logged *** Total ***	55.08	
44378- 2613	16	9/01/2013	25010 AT&T		
	16		48854 OFFICE ELEVATOR PHONE	195.44	6333461-8/13
	16		48855 ODOR CONTROL MODEM	48.06	MODEM-8/13
44378- 2613	16	9/01/2013	Logged *** Total ***	243.50	
44379- 2613	17	9/01/2013	25018 MES VISION		
	17		48862 VISION INS-SPETEMBER	332.33	132202183001
44379- 2613	17	9/01/2013	Logged *** Total ***	332.33	
44380- 2613	18	9/01/2013	25261 PUBLIC EMPLOYEES HEALTH		
	18		48859 BRD HEALTH INS-SEPTEMBER	2,625.46	14097177
	18		48860 EMPLOYEE HEALTH INS-SEPTEMBER	22,081.40	100000014097177
44380- 2613	18	9/01/2013	Logged *** Total ***	24,706.86	
44381- 2613	19	9/01/2013	25618 PRIZM JANITORIAL SERVICES, INC		
	19		48843 OPEN PO-JANITORIAL SERVICES	1,281.15	7307
44381- 2613	19	9/01/2013	Logged *** Total ***	1,281.15	
44382- 2613	20	9/01/2013	28615 SPECIALTY SEALS & ACCESSORIES,		
	20		48844 PARTS AND WORK @ LPS	1,948.70	31218
44382- 2613	20	9/01/2013	Logged *** Total ***	1,948.70	
44383- 2613	21	9/01/2013	28844 ELAINE SULLIVAN		
	21		48866 REIMBURSE FOR CASA ANNUAL CONF	1,266.91	CASA-ANNUAL
44383- 2613	21	9/01/2013	Logged *** Total ***	1,266.91	
44384- 2613	22	9/01/2013	29630 TRI COMMUNITY ANSWERING SERVIC		
	22		48852 ANSWERING SERVICE-AUGUST	90.00	TRI-8/20/13
44384- 2613	22	9/01/2013	Logged *** Total ***	90.00	
44385- 2613	23	9/01/2013	30551 CARLSBAD FUELS CORPORATION		
	23		48845 OPEN PO-VEHICLE/TRUCK GAS	2,153.21	20130807
44385- 2613	23	9/01/2013	Logged *** Total ***	2,153.21	
44386- 2613	24	9/01/2013	30723 SIEMENS WATER TECHNOLOGIES, LL		
	24		48851 OPEN PO-CHEMICALS	8,661.72	901360298
44386- 2613	24	9/01/2013	Logged *** Total ***	8,661.72	
				.00	
** Total check discount **				.00	
** Total check amount **				52,825.35	
** Total void discount **				.00	

LEUCADIA WASTEWATER DISTRICT  
BOARD PAYROLL CHECK REPORT

Payroll Date: September 2, 2013

<u>Check No.</u>	<u>Date</u>	<u>Amount</u>
16888 - 16892	9/2/2013	\$6,959.12

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: September 4, 2013

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
16893 - 16908	9/4/2013	\$39,196.09

LEUCADIA WASTEWATER DISTRICT  
YEAR TO DATE EMPLOYEE AND BOARD PAYROLL AMOUNTS  
2012

AUGUST

8/1/2012	Board		\$785.47
8/8/2012	Employee		\$41,296.94
8/16/2012	Employee	Incentive	\$7,868.47
8/22/2012	Employee		<u>\$40,720.55</u>
	<b>TOTAL</b>		<b>\$90,671.43</b>

SEPTEMBER

9/1/2012	Board		\$6,568.88
9/5/2012	Employee		\$41,965.13
9/19/2012	Employee		<u>\$41,524.85</u>
	<b>TOTAL</b>		<b>\$90,058.86</b>

OCTOBER

10/3/2012	Employee		\$42,421.82
10/4/2012	Board		\$4,456.94
10/10/2012	Employee	Incentive	\$10,110.97
10/17/2012	Employee		\$41,680.86
10/31/2012	Employee		<u>42116.35</u>
	<b>TOTAL</b>		<b>\$140,786.94</b>

NOVEMBER

11/1/2012	Board		\$2,012.01
11/14/2012	Employee		\$43,134.66
11/28/2012	Employee		<u>\$42,969.32</u>
	<b>TOTAL</b>		<b>\$88,115.99</b>

DECEMBER

12/5/2012	Board		\$2,026.21
12/6/2012	Employee	Sick Buyback	\$21,044.19
12/12/2012	Employee		\$43,673.45
12/13/2012	Employee	Incentive	\$1,370.58
12/26/2012	Employee		<u>\$42,554.29</u>
	<b>TOTAL</b>		<b>\$110,668.72</b>

JANUARY

2013

1/4/2013	Board		\$1,321.02
1/9/2013	Employee		\$42,304.21
1/23/2013	Employee		<u>\$41,451.15</u>
	<b>TOTAL</b>		<b>\$85,076.38</b>

FEBRUARY

2/4/2013	Board		\$5,179.70
2/6/2013	Employee		\$44,012.52
2/13/2013	Employee	Incentive	\$842.98
2/14/2013	Employee	Incentive	\$5,791.35
2/20/2013	Employee		<u>41618.3</u>
	<b>TOTAL</b>		<b>\$97,444.85</b>

LEUCADIA WASTEWATER DISTRICT  
YEAR TO DATE EMPLOYEE AND BOARD PAYROLL AMOUNTS

MARCH

3/4/2013	Board		\$2,677.64
3/6/2013	Employee		\$42,984.05
3/14/2013	Employee	Incentive	\$6,433.08
3/20/2013	Employee		<u>\$41,961.15</u>
	<b>TOTAL</b>		<b>\$94,055.92</b>

APRIL

4/1/2013	Board		\$4,752.45
4/3/2013	Employee		\$42,294.48
4/10/2013	Employee	Incentive	\$369.40
4/17/2013	Employee		<u>\$41,933.79</u>
	<b>TOTAL</b>		<b>\$89,350.12</b>

MAY

5/1/2013	Employee		\$42,947.64
5/2/2013	Board		\$4,563.02
5/2/2013	Employee		\$3,959.83
5/15/2013	Employee		\$40,159.09
5/22/2013	Employee		\$3,100.61
5/29/2013	Employee		\$38,523.15
5/31/2013	Employee		<u>\$17,681.58</u>
	<b>TOTAL</b>		<b>\$150,934.92</b>

JUNE

6/3/2013	Board		\$5,209.24
6/12/2013	Employee		\$42,002.57
6/13/2013	Employee	Incentive	\$3,420.71
6/26/2013	Employee		<u>\$38,956.28</u>
	<b>TOTAL</b>		<b>\$89,588.80</b>

JULY

7/3/2013	Board		\$1,835.49
7/10/2013	Employee		\$38,532.35
7/24/2013	Employee		<u>\$41,810.87</u>
	<b>TOTAL</b>		<b>\$82,178.71</b>

AUGUST

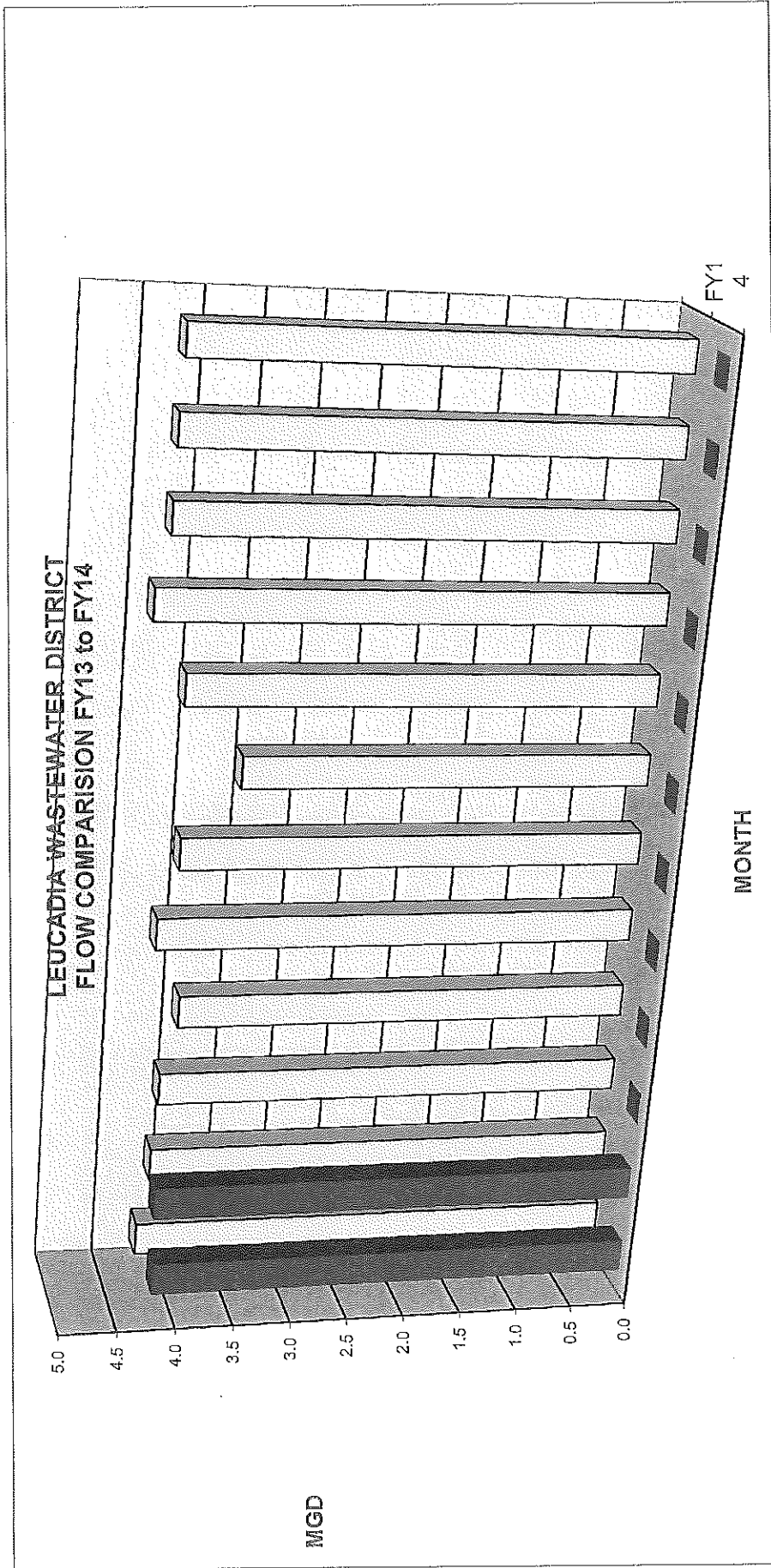
8/2/2013	Board		\$1,310.58
8/7/2013	Employee		\$39,608.93
8/14/2013	Employee	Incentive	\$439.79
8/21/2013	Employee		<u>\$38,726.94</u>
	<b>TOTAL</b>		<b>\$80,086.24</b>

SEPTEMBER

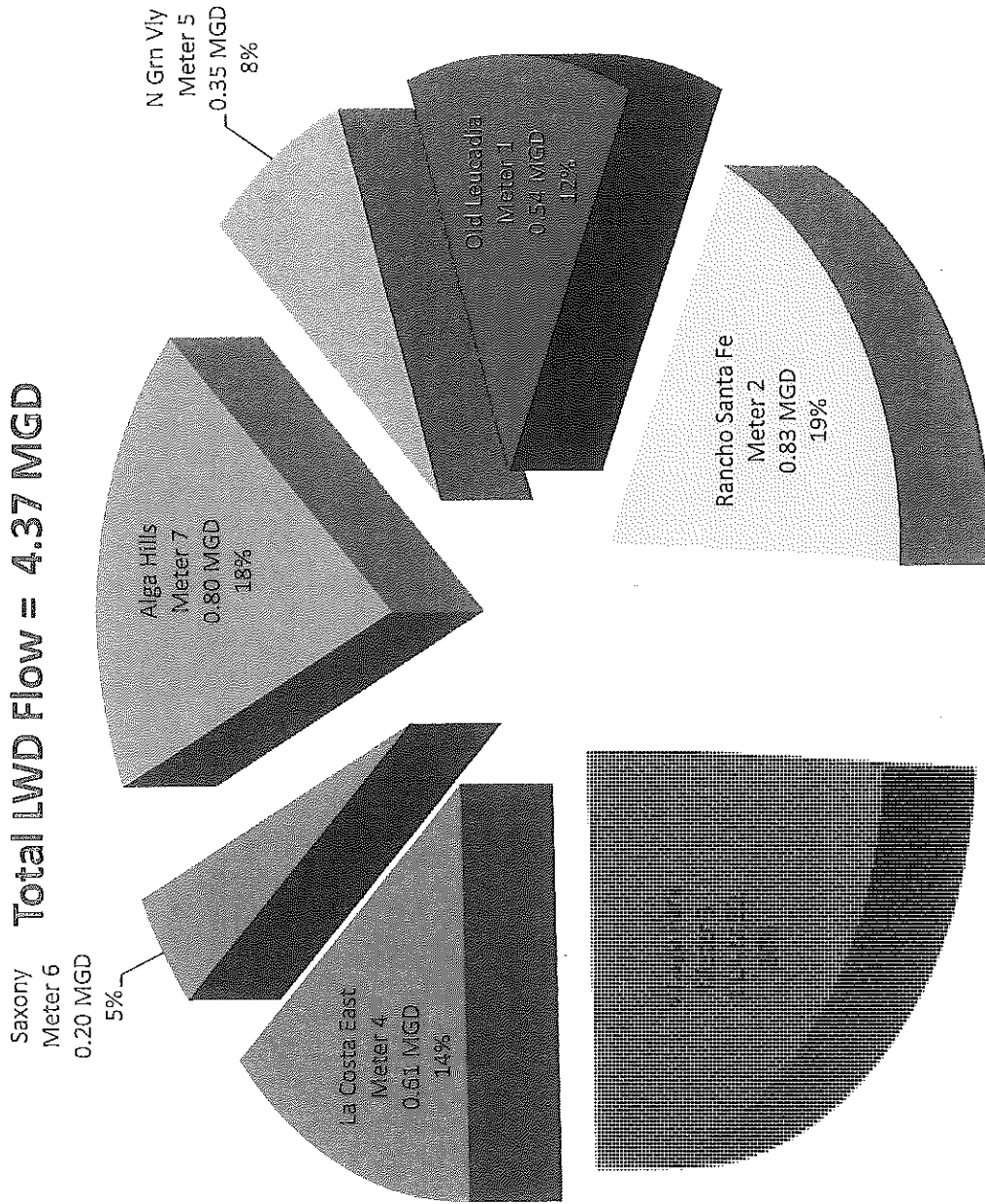
9/2/2013	Board		\$6,959.12
9/4/2013	Employee		\$39,196.09
	<b>TOTAL</b>		<b>\$46,155.21</b>

**LEUCADIA WASTEWATER DISTRICT  
OPERATIONS REPORT  
FISCAL YEAR 2013-2014**

CURRENT MONTH - August 2013										FY 2013-2014	
Period	Total Rain Inches	Total Flow MG	Total EDU's 27,939	LWD ADF (MGD)	GPDI/EDU	RECLAIMED ADF (ac-ft/mo)	ADF (MGD)			ADF (MGD)	
JULY	0.01	129.58	-3	4.18	150	28.94	4.21			4.21	
YTD	0.01	129.58	27,936								
AUGUST	0.00	130.20	3	4.20	150	46.77	4.12			4.12	
YTD	0.00	130.20	27,939				4.08			4.08	
SEPTEMBER											
YTD											
OCTOBER											
YTD											
NOVEMBER											
YTD											
DECEMBER											
YTD											
JANUARY											
YTD											
FEBRUARY											
YTD											
MARCH											
YTD											
APRIL											
YTD											
MAY											
YTD											
JUNE											
YTD											
Annual Total	0.01	259.78	0	4.19	150	75.71				4.10	
Mo Average	0.01	129.89	0	4.19	150	37.86				4.10	

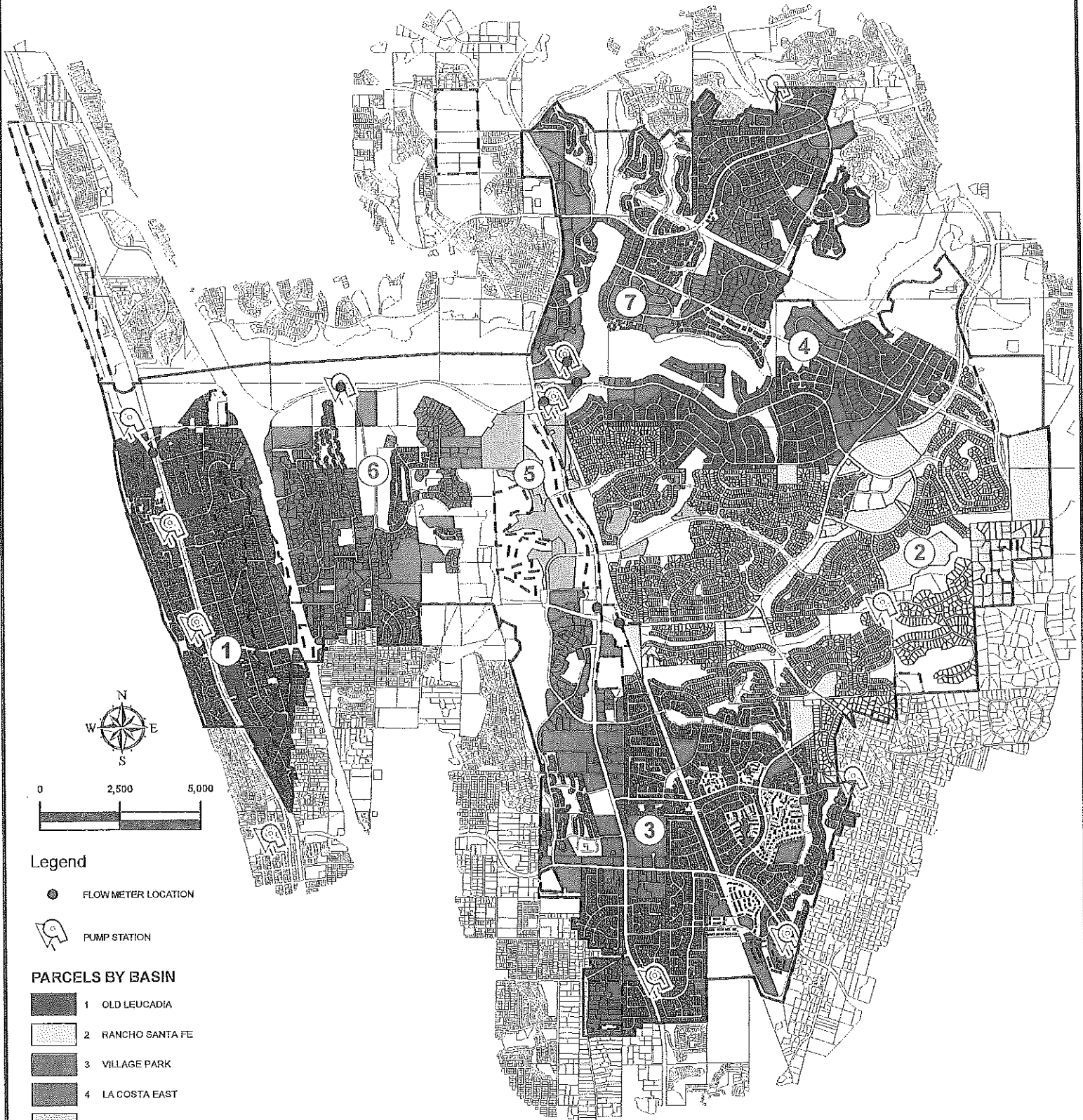


**LWD Flows by Sub-Basin**  
**August 2013**  
**Total LWD Flow = 4.37 MGD**





# 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

**LUDICADIA WASTEWATER DISTRICT**  
**SCHEDULE OF ASSETS, LIABILITIES, AND NET POSITION**  
As of August 31, 2013

<b>ASSETS</b>	
Cash and Investment Pools	\$ 28,839,636.00
Investments	6,688,479.02
Accounts Receivable	250,115.72
Funds Held with Encina Wastewater Authority	906,849.00
Prepaid Expenses	666,001.13
Capital Assets	138,269,242.52
Less Accumulated Depreciation	(40,683,230.96)
<b>TOTAL ASSETS</b>	<b>\$ 134,937,092.43</b>
<b>LIABILITIES</b>	
Accounts Payable and Accrued Expenses	493,637.62
Payable to Encina Wastewater Authority	1,846,000.00
Developer Deposits	219,151.11
<b>TOTAL LIABILITIES</b>	<b>\$ 2,558,788.73</b>
<b>NET POSITION</b>	
Net Investment in Capital Assets	86,970,327.21
Restricted Reserves	2,326,289.56
Unrestricted Operating Reserve	2,248,650.77
Unrestricted Non-Operating Reserves (Designated)	34,306,032.20
Unrestricted Emergency Reserve	7,500,000.00
YTD Revenue over (under) Expenditures	(972,996.04)
<b>TOTAL NET ASSETS</b>	<b>\$ 132,378,303.70</b>

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

**LEUCANIA WASTEWATER DISTRICT**  
**BUDGET PERFORMANCE REPORT**  
 YTD Revenues and Expenditures Through 6/30/2013 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	\$ 115,623.77	\$ 7,200,186.00	7,084,562.23	1.6%
RECLAIMED WATER SALES	3150	27,488.67	180,000.00	152,511.33	15.3%
OTHER OPERATING INCOME		1,000.00	204,448.00	203,448.00	0.5%
<b>TOTAL OPERATING REVENUE</b>		<b>\$ 144,112.44</b>	<b>\$ 7,584,634.00</b>	<b>\$ 7,440,521.56</b>	<b>1.9%</b>
<b>OPERATING EXPENSES</b>					
WAGES AND BENEFITS	4100 & 4200	\$ 293,830.74	\$ 2,353,951.00	\$ 2,060,120.26	12.5%
BOARD EXPENSES AND ELECTION	4300 & 4400	10,555.13	140,600.00	130,044.87	7.5%
DEPRECIATION EXPENSE	4510	540,000.00	-	(540,000.00)	n/a
REPLACEMENT EXPENSE	4515	-	1,510,179.00	1,510,179.00	n/a
FUELS	4600	2,200.40	46,000.00	43,799.60	4.8%
INSURANCE	4700	17,567.82	117,000.00	99,432.18	15.0%
MEMBERSHIP & DUES	4800	1,174.00	26,500.00	25,326.00	4.4%
OFFICE EXPENSE	4900	17,565.59	108,900.00	91,334.41	16.1%
OPERATING SUPPLIES	5000	12,516.03	217,900.00	205,383.97	5.7%
PROFESSIONAL SERVICES	5200	33,979.80	536,000.00	502,020.20	6.3%
PRINTING & PUBLISHING	5300	1,149.73	32,000.00	30,850.27	3.6%
RENTS & LEASES	5400	2,223.67	18,100.00	15,876.33	12.3%
REPAIR & MAINTENANCE	5500	56,768.11	320,700.00	263,931.89	17.7%
MONITORING & PERMITTING	5600	1,257.00	45,500.00	44,243.00	2.8%
TRAINING & DEVELOPMENT	5700	5,268.44	40,700.00	35,431.56	12.9%
UTILITIES	5900	60,494.71	418,600.00	358,105.29	14.5%
LAFCO OPERATIONS	6100	6,137.00	6,200.00	63.00	99.0%
ENCINA	6200	-	1,763,422.00	1,763,422.00	0.0%
<b>TOTAL OPERATING EXPENSES</b>		<b>\$ 1,062,688.17</b>	<b>\$ 7,702,252.00</b>	<b>\$ 6,639,563.83</b>	<b>13.8%</b>

<b>NON-OPERATING REVENUES</b>					
DESCRIPTION	A/C No.	YTD ACTUAL AMOUNT	ANNUAL BUDGET	REMAINING BALANCE	% USED
<b>NON OPERATING REVENUES</b>					
CAPACITY CHARGES	3130	\$ 12,018.00	\$ 120,180.00	\$108,162.00	10.0%
PROPERTY TAXES	3220	17,147.26	1,250,000.00	1,232,852.74	1.4%
INTEREST INCOME	3250	31,063.00	228,000.00	196,937.00	13.6%
OTHER NON OPERATING INCOME		1,462.00	1,089,288.00	1,087,826.00	0.1%
<b>TOTAL NON OPERATING REVENUES</b>		<b>\$ 61,690.26</b>	<b>\$ 2,687,468.00</b>	<b>\$ 2,625,777.74</b>	<b>2.3%</b>

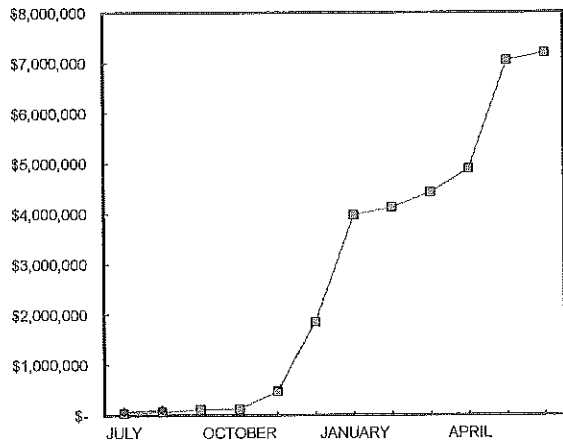
Preliminary: subject to future review, reconciliation, accruals, and audit.

# Leucadia Wastewater District

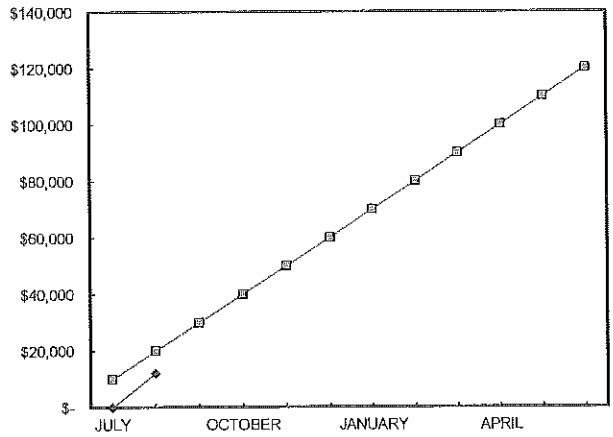
## Revenue FY 2014

YTD through August 31, 2013

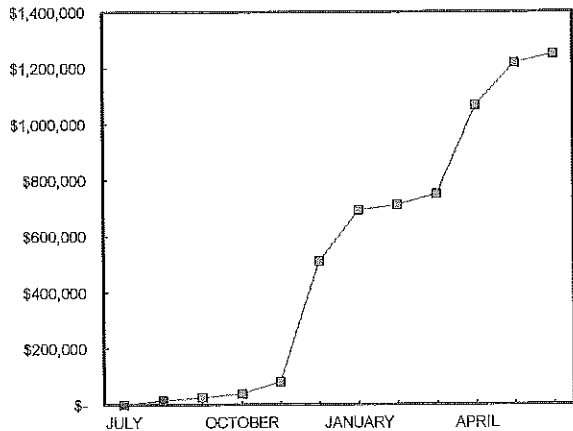
**Sewer Service Fees**



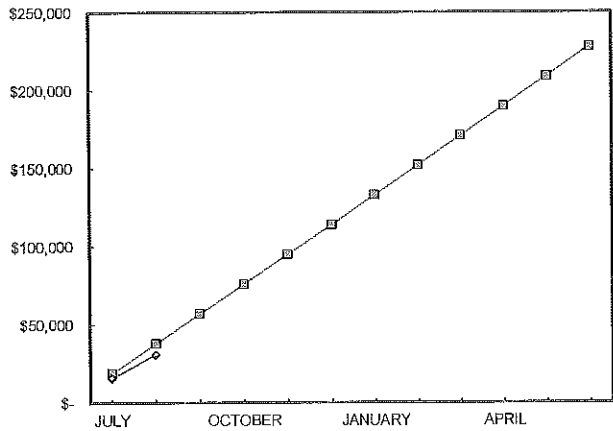
**Capacity Charges**



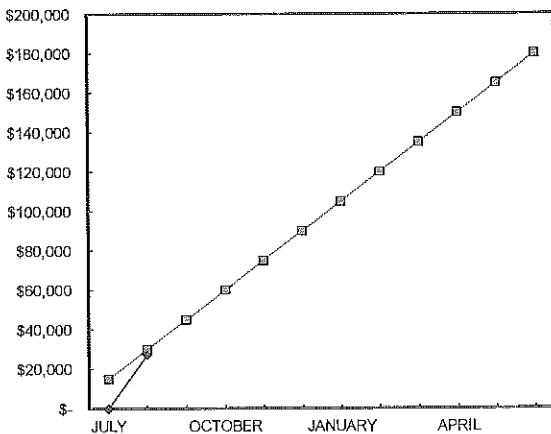
**Property Taxes**



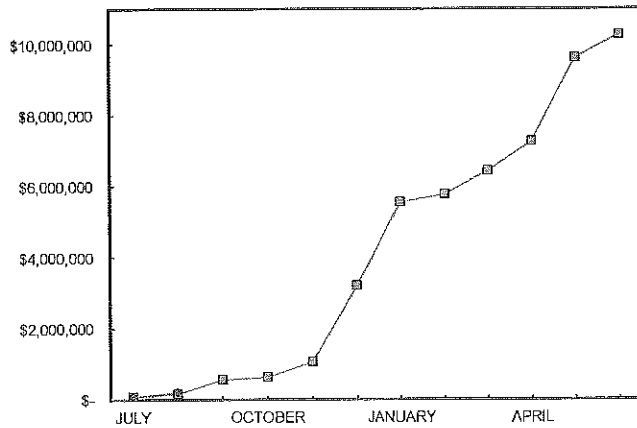
**Investment Income**



**Recycled Wastewater**



**Total Revenue**



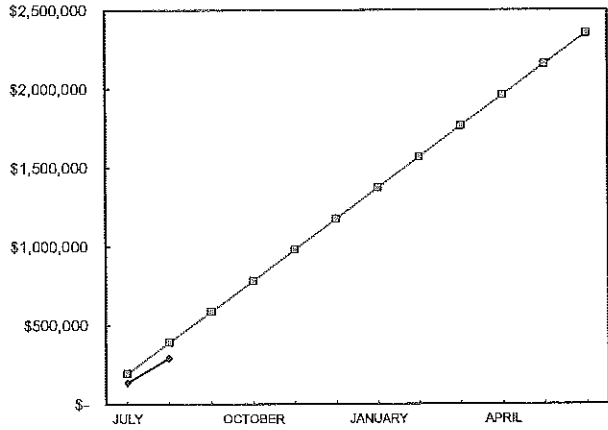
--□-- Budget    --◇-- Actual

--□-- Budget    --◇-- Actual

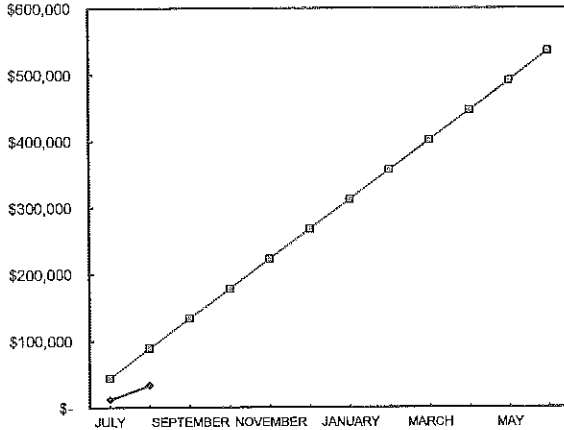
\* Preliminary: subject to future review, reconciliation, accruals, and audit

# Leucadia Wastewater District Operating Expenses FY 2014 YTD through August 31, 2013

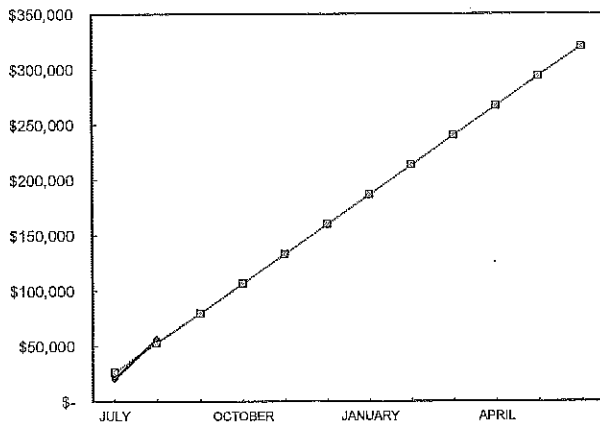
**Salaries and Benefits**



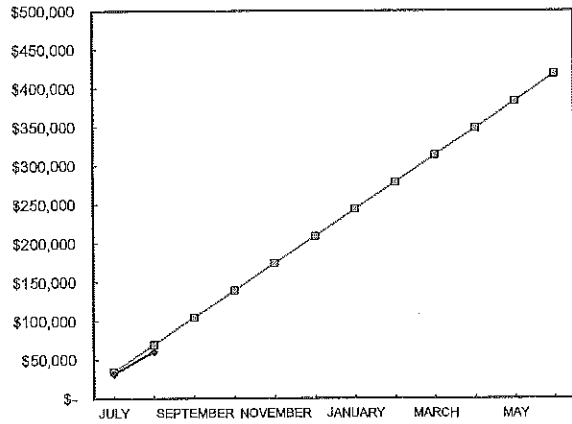
**Professional Services**



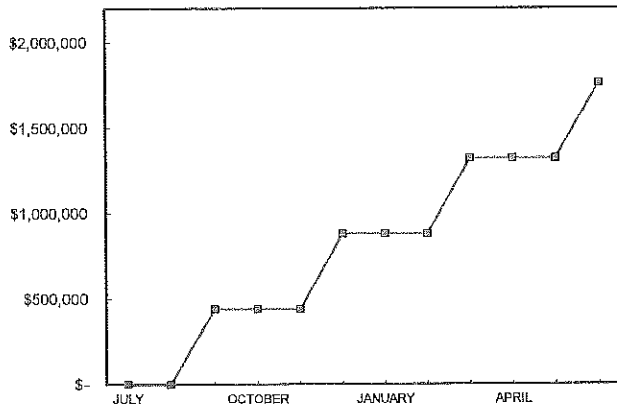
**Repairs & Maintenance**



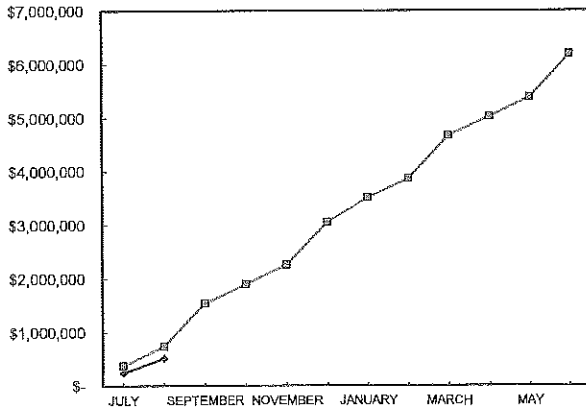
**Utilities**



**Encina M&O**



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



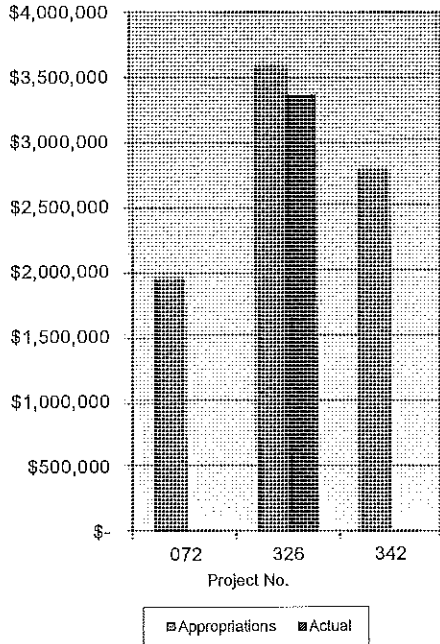
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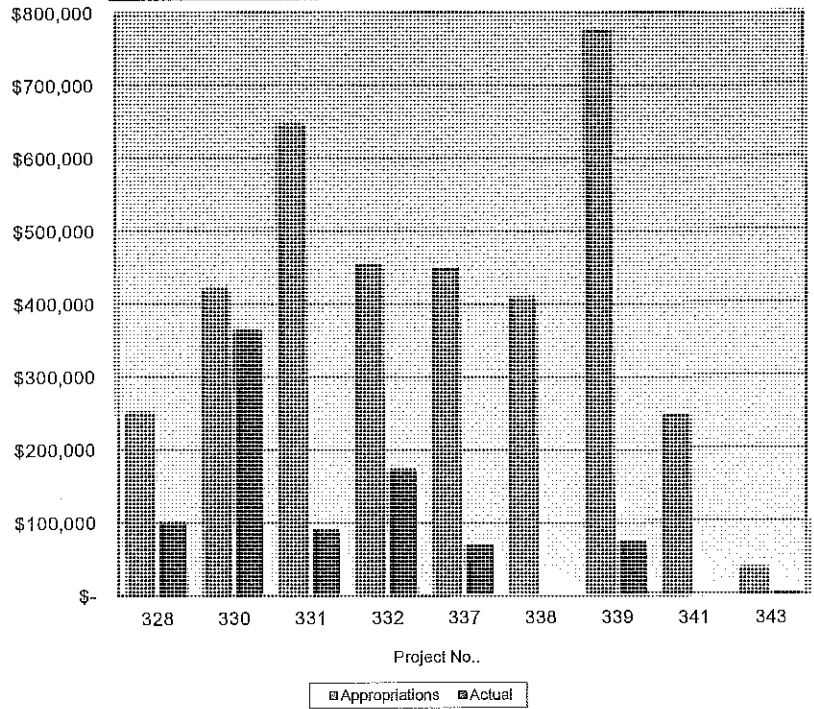
\* Preliminary; subject to future review, reconciliation, accruals, and audit

# Leucadia Wastewater District Capital Expenditures As of August 31, 2013

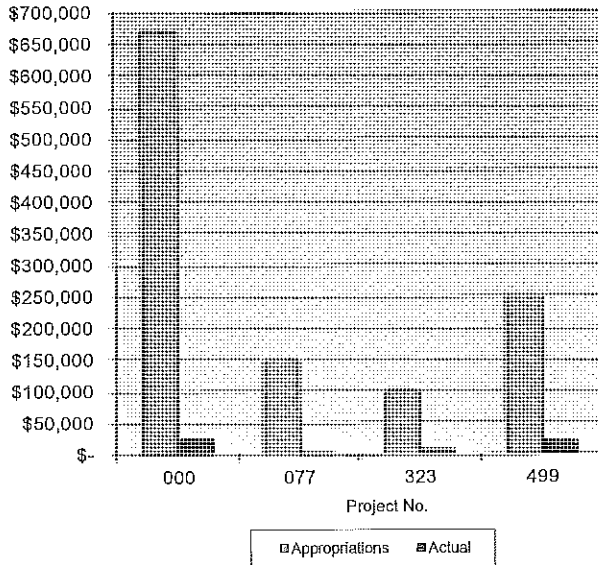
**District Multi Year Capital Expenditures by Project (>\$1M) Through FY2014**



**District Multi Year Capital Expenditures by Project (<\$1M) Through FY2014**



**Single Year Capital Expenditures by Project FY2014**



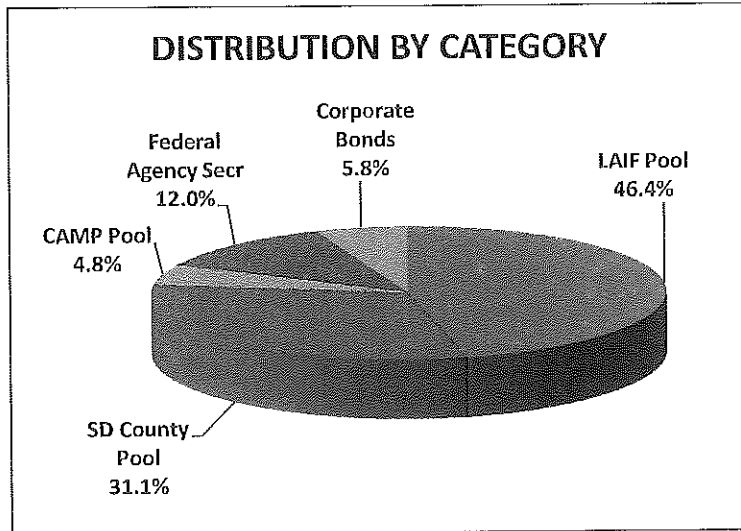
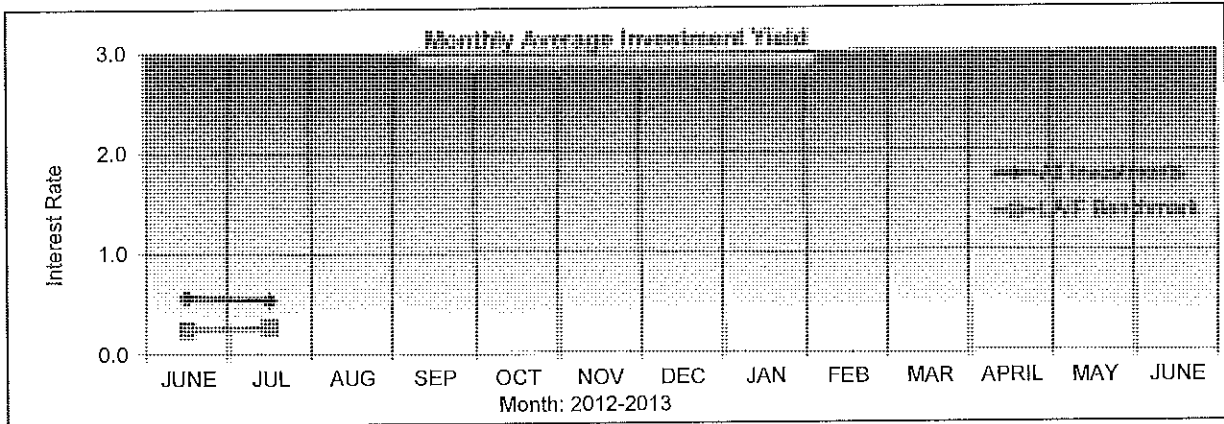
**Project Legend**

Multi-Year Capital Projects	
Description	No.
Encina Wastewater Authority	072
Batiquitos PS Rehabilitation	326
Water Recycling Group	328
Lanikai Line Repair	330
Leucadia PS Generator Replacement	331
La Cost PS Rehabilitation	332
Leucadia Force Main Corrosion Eval	337
Recycled Water Effluent Line Repair	338
Gravity Pipeline Rehabilitation	339
Scott's Valley Pipeline Repair	341
B2 Force Main Replacement Project	342
Pump Station Condition Assessment	343
Single Year Capital Projects	
Description	No.
Equipment	000
Misc Pipeline Rehabilitation	077
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**  
**July 31, 2013**

Cash Equivalents & Investments	Principal (Original Cost)		July Interest	Average Rate
	June 30, 2013	July 31, 2013		
LAIF Pool	\$ 16,437,311	\$ 16,934,249	\$ 3,713	0.267%
SD County Pool	11,341,927	11,350,902	3,848	0.407%
CAMP Pool	1,731,394	1,748,749	98	0.070%
CAMP Portfolio				
Corporate Notes	2,110,490	2,110,490	2,515	1.430%
Federal Agency Bonds/Notes	4,009,763	4,009,763	2,640	0.790%
GNMA mortgage pools	13,179	12,980	98	8.670%
Total Camp Portfolio	6,133,432	6,133,233	5,253	1.020%
US Bank Custodial Account				
Resolution Funding Corp Strips at cost	360,020	360,020	3,377	11.256%
Total Custodial Funds	360,020	360,020	3,377	11.256%
<b>Totals</b>	<b>\$ 36,004,084</b>	<b>\$ 36,527,152</b>	<b>\$ 16,289</b>	<b>0.539%</b>

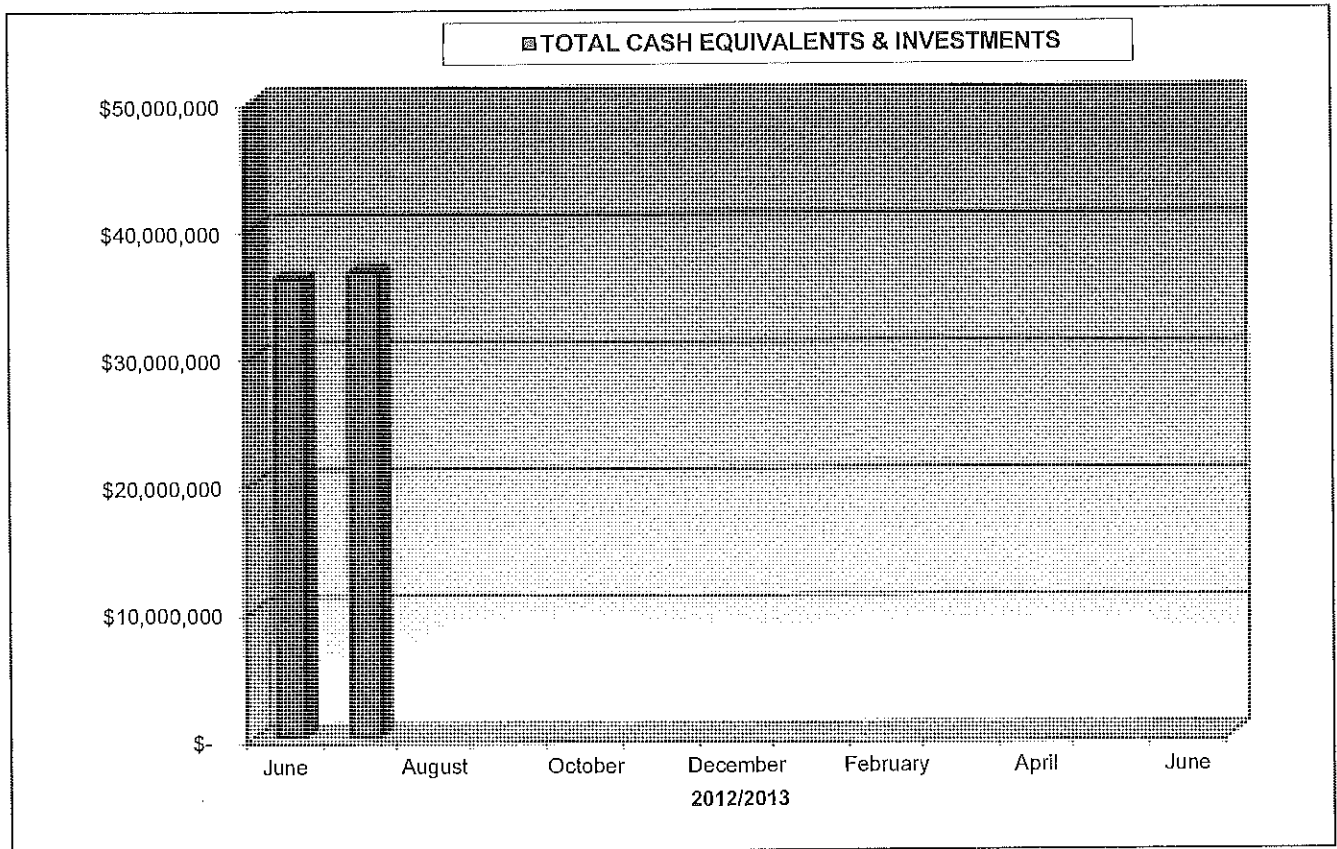


Investment Type	Actual %	Allowed %
LAIF Pool	46.4%	75%
SD County Pool	31.1%	75%
CAMP Pool	4.8%	75%
Federal Agency Secur	12.0%	75%
Corporate Bonds	5.8%	10%
<b>TOTAL</b>	<b>100.0%</b>	



**LEUCADIA WASTEWATER DISTRICT**  
**Monthly Investment Summary**  
**July 31, 2013**  
**(Continued)**

TOTAL CASH EQUIVALENTS & INVESTMENTS		
Month 2012/2013	Amount	Average Return Rate
June	\$ 36,004,084	0.57%
July	\$ 36,527,152	0.54%
August		
September		
October		
November		
December		
January		
February		
March		
April		
May		
June		





**LEUCADIA WASTEWATER DISTRICT**  
**Monthly Investment Summary**  
**July 31, 2013**  
**(Continued)**

**INVESTMENT TRANSACTIONS**  
*For the month of July, 2013*

Investment	Purchases	Maturities	Sales	Notes	YTM at Cost
GNMA MBS 30-yr Pools		\$ 199		(1)	8.67%
<b>TOTAL</b>	\$ -	\$ 199	\$ -		

(1) Monthly principal payments from mortgage pools

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

**Encina Wastewater Authority Report**  
**Regular Board Meeting**  
**August 28, 2013**

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

**1. Award Influent Junction Structure Repair Engineering Services Contract.**

The Board of Directors awarded Task Order No. 1 of the proposed contract with Carollo Engineers in the amount of \$97,813 on a sole source basis for re-design services related to the Influent Junction Structure Repair element of the FY 2012 Major Plant Rehabilitation Project.

**2. Final Acceptance of the Natural Gas Pipeline Replacement Project.**

The Board of Directors took final acceptance of the contract with J.R. Filanc Construction Company, Inc. for the Natural Gas Pipeline Replacement Project and directed staff to record the appropriate Notice of Completion with the San Diego County Recorder and conclude the project in accordance with all applicable laws.

**EWA Executive Session Items**

**3. The Board of Directors met in Executive Session to:**

- Review Public Employment and Performance Evaluation: General Manager as authorized per Government Code section 54957.

There was no reportable action.

#### **4. Salary and Terms of Employment for the EWA General Manager**

The Board of Directors adopted Resolution No. 2013-05 – Establishing the compensation and terms of employment for EWA's General Manager.

There was no reportable action.

# Human Resources Committee Report

Presented by Director Kulchin

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## **Meeting held August 26, 2013**

### **1. Review Resolution No. 2239 – Approve LWD’s Revised Workplace Violence Prevention Policy.**

The HRC reviewed the revised Workplace Violence Prevention Policy and provided suggestions to the education section of the policy to further strengthen the policy.

Staff made the revisions and forwarded them to the committee for approval. The HRC approved the revisions.

Following discussion, the HRC agreed with staff’s recommendation for the Board to approve Resolution No 2239 – Approve LWD’s Revised Workplace Violence Prevention Policy, with approved staff’s revisions to the education section of the policy.

## Engineering Committee Meeting Report

Presented by Director Juliussen

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### Meeting held on September 4, 2013

1. The EC reviewed the Sanitary Sewer Management Plan (SSMP) FY 2013 Audit conducted by Dexter Wilson Engineering, Inc.

The EC concurred with staff to present this recommendation to the Board of Directors to receive and file the SSMP FY 2013 Audit.

2. The EC reviewed an agreement with Sancon Engineering Corporation for construction services to complete the Gravity Pipeline Rehabilitation Project in an amount not to exceed \$376,691.

The EC concurred with staff to present this recommendation to the Board of Directors for approval and it will be discussed later in the agenda.

3. The EC reviewed an agreement with Infrastructure Engineering Corporate for engineering design services for the Leucadia Force Main (L1) and Batiquitos Force Main (B3) Corrosion Evaluation Project in an amount not to exceed \$35,610.

The EC concurred with staff to present this recommendation to the Board of Directors for approval and it will be discussed later in the agenda.

4. The EC reviewed an agreement with Infrastructure Engineering Corporation for engineering design services for the Recycled Water Creek Crossing and Valve Repair Project in an amount not to exceed \$35,036.

The EC concurred with staff to present this recommendation to the Board of Directors for approval and it will be discussed later in the agenda.

MEMORANDUM

Ref: 14-3830

DATE: September 5, 2013  
TO: Board of Directors  
FROM: Paul J. Bushee, General Manager   
SUBJECT: Sanitary Sewer Management Plan (SSMP) Fiscal Year 2013 Audit

**RECOMMENDATION:**

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

1. Receive and file the Sanitary Sewer Management Plan (SSMP) Fiscal Year 2013 Audit conducted by Dexter Wilson Engineering, Inc.
2. Discuss and take other action as appropriate.

**DISCUSSION:**

This item was reviewed by the Engineering Committee at its September 4, 2013 meeting.

The Statewide Sanitary Sewer Systems Waste Discharge Requirements (WDR), adopted in May 2006, imposed several regulations on all California agencies that operate Sewage Collection Systems. The District has complied with all prescribed provisions, including having a written Sewer System Management Plan (SSMP) that was adopted by the District's Board of Directors in June 2009. The WDR requires each agency to audit their SSMP every two years. However, the District has taken a pro-active approach and conducts its SSMP Audit annually to ensure its programs and activities remain effective in reducing Sanitary Sewer Overflows (SSO's).

Dexter Wilson Engineering (DWE) worked closely with staff to develop the SSMP and previously completed the Fiscal Years 2010, 2011 and 2012 SSMP Audits. Due to their thorough knowledge of the plan, staff requested that DWE conduct the Fiscal Year 2013 SSMP Audit.

The audit, using a standard checklist and a comprehensive review of District operations, concluded that the District's activities, programs, and efforts meet or exceed the requirements of its SSMP. Additionally, changes in District organization, practices, or regulations were not significant enough to require a revision of the SSMP prior to June 2014, the required WDR five year SSMP review cycle.

The letter report of the SSMP Audit is attached for your review. A copy of the complete report, including enclosures, is available upon request.

Natalie Frascchetti, of DWE, will present an overview of the audit at the meeting.

rym:PJB

Attachment

**DEXTER WILSON ENGINEERING, INC.**

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DEXTER S. WILSON, P.E.  
ANDREW M. OVEN, P.E.  
STEPHEN M. NIELSEN, P.E.  
DIANE H. SHAUGHNESSY, P.E.  
NATALIE J. FRASCHETTI, P.E.

June 21, 2013

103-012/7

Leucadia Wastewater District  
1960 La Costa Avenue  
Carlsbad, CA 92009

Attention: Paul Bushee, General Manager

Subject: Leucadia Wastewater District Sewer System Management Plan Fiscal Year  
2013 Audit

The Leucadia Wastewater District's Sewer System Management Plan (SSMP) was adopted by the District Board and certified by the General Manager in June 2009. The purpose of the SSMP is to memorialize and publicly present in a central document the programs and activities utilized by the Leucadia Wastewater District to effectively manage its wastewater collection system. The SSMP requires audits of the SSMP at least every two years. The District has decided to conduct annual audits and completed the Fiscal Year 2010 (FY10) Audit on July 7, 2010, the FY11 Audit on August 1, 2011, and the FY12 Audit on August 16, 2012.

The purpose of this letter-report is to fulfill the District's FY13 SSMP requirements. This consists of completing the Section IX SSMP Evaluation Checklist and Section X SSMP Audit Checklist. These checklists are accompanied by summaries of the SSMP activities for the year.

**Section IX SSMP Evaluation Checklist**

The Statewide Waste Discharge Requirements (WDR) governing sanitary sewers specify that each Wastewater Collection Agency shall:



- maintain relevant information that can be used to establish and prioritize appropriate SSMP activities,
- monitor the implementation and measure the effectiveness of each element of the SSMP,
- assess the success of the preventative maintenance program,
- update program elements, as appropriate based on monitoring or performance evaluations, and
- identify and illustrate Sewer System Overflow (SSO) trends, including frequency, location, and volume.

Maintaining the applicability of the SSMP to District activities necessitates ongoing evaluation of the activities the District performs, their success, and improvement if necessary. The Section IX SSMP Evaluation Checklist is used on an annual basis to evaluate the applicability and effectiveness of the District's SSMP.

In completing the Section IX SSMP Evaluation Checklist, we find that, in general, the District's activities, programs, and efforts meet or exceed the requirements of the SSMP. Moreover, we do not find any changes in District organization, practices, or regulations which would necessitate a revision to the SSMP prior to the scheduled June 2014 revision per the required five year cycle. The Evaluation Checklist can be found in Attachment A. In completing the Evaluation Checklist, there are several items to note, as discussed in the Audit Discussion section below.

#### Section X SSMP Audit Checklist

The Statewide WDRs governing sanitary sewers specify that the District shall conduct periodic internal audits, appropriate to the size of the system and the number of SSOs. These audits must occur, at a minimum, of every two years and a report must be prepared and kept on file. The audit shall focus on evaluating the effectiveness of the SSMP and the District's compliance with the SSMP requirement, including the identification of any deficiencies in the SSMP and the steps to correct them.

Paul Bushee  
June 21, 2013

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The District has chosen to conduct their SSMP audit on an annual basis.

In completing the Audit Checklist, we find all requirements of the checklist to be current and implemented. The completed Audit Checklist for FY13 can be found in Attachment B.

### Audit Discussion

The following paragraphs highlight notable elements of the audit organized by the relevant SSMP Section. Additional notes can be found on the Evaluation Checklist in Attachment A.

**Sections I, II, and III (District Goals, Organization, and Legal).** The State Water Resources Control Board has proceeded with revising the Monitoring and Reporting Program of the Statewide WDR Order and has provided several drafts and opportunities for public comment. The District has been following and providing comments to the State Board on the proposed changes. The State Board anticipates adopting the revised Monitoring and Reporting Program of the Order in the coming months.

The District revised and readopted its Standard Specifications on April 10, 2013.

One new Field Services employee was hired in FY13.

**Section IV (Preventative Maintenance Program).** The majority of the District's gravity sewers can be hydrocleaned in normal preventative maintenance activities. The District has several gravity segments, located in remote easements, which are visually inspected due to accessibility constraints of the hydrocleaning equipment. A few gravity sewer segments, located in Rancho Santa Fe Road, La Costa Avenue, and El Camino Real, requiring significant traffic control have been planned to be completed since FY12. Sections of La Costa Avenue, Rancho Santa Fe Road, and La Costa Golf Course section have been completed. The remaining sections currently have traffic control plans in with the Cities of Carlsbad and Encinitas and shall be completed shortly thereafter in FY14 by District staff.

With respect to gravity sewers the District has shifted its gravity sewer preventative maintenance focus from hydrocleaning activities to CCTV inspections. This approach will provide the District with a baseline visual condition assessment of their entire gravity system and a specific list of isolated and chronic issues that the gravity system endures. Prior to FY12, the District was CCTV inspecting less than 10% of the system each fiscal year. In FY12, the District CCTV inspected approximately 60 miles of sewer line (about 35% of the system) and in FY13 CCTV inspected approximately 90 miles of gravity sewer lines (about 50%).

General statistics regarding the District's preventative maintenance activities are provided in Attachment C. Also in Attachment C, Exhibit C-1 graphically illustrates those areas within the District which are readily accessible for hydrocleaning and CCTV inspection and those areas which have additional needs or requirements in order to hydroclean or CCTV, such as the need for traffic control. This figure shall be revised with the FY14 SSMP revision as Field Services staff continues its maintenance and inspections. Exhibit C-2 tracks the progress of CCTV inspections in the District. This figure was initially provided in the 2013 AMP and is recommended to be revised with the completion of each zone to track CCTV progress.

The District's Asset Management Plan was revised in January 2013. Progress throughout FY13 with respect to this plan (and prior asset planning efforts) is summarized in the Attachment D letter-report.

The FY14 SOP training schedule can be found in Attachment E and all updated SOPs are included on a CD in Attachment F.

**Section VI (Overflow Emergency Response Plan).** No revisions were made to the OERP other than minor updates to employee contact information and frequently called numbers.

**Section VII (FOG Control Program).** As with the FY10, FY11, and FY12 Audits, none of the FY13 SSOs were attributable to FOG, continuing the District's SSMP determination that a formal FOG control program is not required at this time.

**Section VIII (System Evaluation and Capacity Assurance).** Inflow and infiltration evaluations were completed in the vicinity of Avenida Aragon and Rancho Santa Fe Road in June 2010. At the time, the next area of concern for possible inspection was Alga Hills due to a perched aquifer. In FY13, the District completed CCTV inspection of the Alga Hills area as part of its District-wide systematic efforts. As a direct result, three gravity lines at the Abedul Street and Persa Street intersection were CIPP lined to address structural repair, inflow and infiltration and scaling issues. The District's 2013 AMP recommended addressing this area following lining/replacement of the old Leucadia area of the District which suffers from chronic root issues.

As part of the 2013 AMP process, the District identified the need to reduce inflow and infiltration along the Scott's Valley pipeline. Preliminary planning efforts consist of lining approximately 1,000 feet of the pipeline in FY14.

Inflow domes are present in 1,960 of the District's 5,103 manholes to aid in reducing inflow.

Flow analyses of the District were conducted as part of the 2008 AMMP and the 2013 AMP. Both documents concluded that estimates of average and peak ultimate flows are within the design values of the District and less than the flows utilized in the District's detailed capacity analyses conducted as part of the 1999 Wastewater Master Plan.

**Section IX (Monitoring, Measurement, and Program Modifications).** The District's Spill Summary through May 31, 2013 can be found in Attachment G. Additionally, spill review checklists for each event are on file at the District office.

The District's monthly flow comparison between FY12 and FY13 can be found in Attachment H.

Minor changes were made to the Evaluation Checklist itself (Attachment A).

**General Comments on SSOs in the District.** The District's spill summary through May 31, 2013 can be found in Attachment G. In FY13, there were eight (8) SSO events throughout the District; seven were from private facilities and one from District facilities.

Five of these were Category 2 spills from either a private lateral or private manhole. The remaining three was classified as Category 1 meaning either:

- A. The discharge equaled or exceeded 1000 gallons, or
- B. Resulted in a discharge to a drainage channel and/or surface water; or
- C. Discharged to a storm drainpipe that was not fully captured and returned to the sanitary sewer system.

Two of the Category 1 SSOs were from private laterals and the third Category 1 was the galvanic corrosion of Batiquitos Force Main B2 at its discharge end. Several condition assessments were conducted in spot locations on this line in recent years which estimated the remaining useful life of this pipeline. While the condition assessments indicated that planning for replacement of this pipeline in the FY23 timeframe was appropriate, the failure at the discharge end demonstrates otherwise. Therefore, the District is planning to replace this pipeline in the FY14/15 timeframe.

**Section XI (Communication Program).** The District has made all SSMP Audits available on their website. Additionally, a formal presentation is provided to the Engineering Committee and Board and is this part of those agendas and meeting packets.

### **Summary of Recommendations**

The following section summarizes recommended items as a result of the FY13 Audit.

- Evaluate whether the CCTV and Hydrocleaning SOPs need to be revised.
- Create Batiquitos and Leucadia Bypass SOPs once improvements are completed and as part of bypass training exercise.
- Continue to refine and implement the process from CCTV inspection to asset repair.
- The District is continuing to evaluate whether or not to revise the District's division of existing and projected EDUs by drainage basin and whether to update select pipe names in Drainage Basins 8 and 9 to accurately reflect the drainage basin into which they flow. As part of this decision, the District should critically evaluate how the District sub-metering data is presently being utilized to optimize the benefit of

Paul Bushee  
June 21, 2013

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- collecting this data. For example, the District could potentially evaluate enhancing monthly reports to the Board to include additional evaluations of the sub-meter data, monitor the impacts of wet weather events in the sub-basins, and evaluate how land development within the sub-basin correlates to wastewater flow characteristics.
- Cleaning and CCTV of large diameter pipelines in the District is time consuming primarily due to traffic constraints. The District has identified eleven of these areas. Three have been completed to date and it is recommended that the remainder be completed in FY14. In general, it is recommended that these line segments are cleaned and CCTV inspected at a minimum of once every 3 years.
  - The District should consider revising the sewer sub-basin map that is included in the monthly Board packet to reflect the areas that have been de-annexed.

#### Next Steps

This FY13 SSMP Audit should be retained for inclusion in the next SSMP recertification by the General Manager and adoption by the District Board scheduled to occur in June 2014.

We appreciate the opportunity to have worked with the District on this project. Should you have any questions regarding this work, please do not hesitate to contact us.


Dexter Wilson Engineering, Inc.



Natalie Frascchetti, P.E.

NF:ps

## MEMORANDUM

DATE: September 5, 2013  
 TO: Board of Directors  
 FROM: Paul J. Bushee, General Manager   
 SUBJECT: Leucadia Force Main (L1) and Batiquitos Force Main (B3) Corrosion Evaluation Project – Design Services

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**RECOMMENDATION:**

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

1. Authorize the General Manager to execute Amendment No. 1 to Task Order No. 15 with Infrastructure Engineering Corporation for engineering design services for the Leucadia Force Main (L1) and Batiquitos Force Main (B3) Corrosion Evaluation Project in an amount not to exceed \$35,610.
2. Discuss and take other action as appropriate.

**DISCUSSION:**

This item was reviewed by the Engineering Committee at its September 4, 2013 meeting.

In August 2013, the Board of Directors received and filed the Leucadia (L1) Force Main Internal Corrosion Evaluation Project report completed by Infrastructure Engineering Corporation (IEC). In that report IEC recommended that the District discontinue use of the L1 Force Main until the District conducts further condition assessments of the L1 Force Main. Although it was not part of the original assessment, staff believes it is prudent that the condition of the Batiquitos (B3) Force Main be evaluated at the same time to take advantage of the economy of scale in the inspection price and efficiencies in design and project administration. B3 was installed in 1988 and has been in service for 25 years. The stated estimated service life of a metallic-based force main in the District's Asset Management Plan is 25 years.

Simultaneously in August, on the recommendation of Engineering Committee members Directors Juliussen and Kulchin, the Board approved an additional appropriation of \$378,000 to facilitate the completion of the evaluations of both force mains in this fiscal year. The estimated cost included construction, inspection and soft costs associated with the project, such as design and construction management.

IEC submitted a proposal, attached, to evaluate the available technologies to perform the evaluation, select the appropriate method, complete project design and provide engineering support services during inspection. The Scope of Services includes:

- Project Management and Administration
- Report and Presentation of Recommendations
- Engineering Support During Non-Destructive Force Main Testing
  - Select Assessment Method
  - Prepare Request for Quotes for Force Main Modifications

- Bid Phase Services
- Construction Phase Services
- Coordinate Pigging and Pumping Operations
- Final Report

The proposed IEC time and materials based fee is \$35,610. Staff and the Engineering Committee believe the IEC proposal is fair and reasonable.

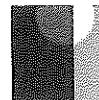
**FISCAL IMPACT:**

The additional appropriation for the FY 2014 Budget approved in August contains sufficient funds to cover the cost of the required engineering consulting services.

rym:PJB

Attachment





August 28, 2013

Mr. Robin Morishita  
Technical Services Manager  
Leucadia Wastewater District  
1960 La Costa Avenue  
Carlsbad, CA 92009

**Reference: L1 Force Main Assessment – Engineering Support Services for Alignment-wide Non Destructive Testing Program**

Dear Mr. Morishita:

It has been our pleasure to assist the District with the L1 Force Main Assessment Project. This letter summarizes the project budget and requests an amendment for additional services necessary to provide the District with engineering support services to select, procure and implement a thorough alignment-wide non-destructive testing program for the L1 Sewer Force Main. The services requested under this amendment supplement, and do not overlap with, services authorized under either the original task order.

**SCOPE OF SERVICES**

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

**PHASE 1.0 – L1 FORCE MAIN TESTING**

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

Additional project management and administration time is included to coordinate with the District and provide status and schedule updates throughout the extended duration of the project.

***Task 5 – Letter Report***

Additional time and expenses are included in this task to prepare a presentation for the Engineering Committee Meeting and the Board of Directors to present the findings and recommendations following the L1 Destructive Testing, and attend and present at the Engineering Committee Meeting and Board Meeting.

**PHASE 1.0 – L1 FORCE MAIN TESTING; *Task 7 – Non-Destructive Force Main Testing* and  
PHASE 2.0 – B3 FORCE MAIN TESTING; *Task 1 – Non-Destructive Force Main Testing***

Time and resources are split evenly between these two tasks in order to produce a non-destructive force main testing project to test both the L1 and the B3 sewer force mains. It is assumed that the engineering support services required to perform the testing on each sewer force main is equivalent. Detailed scope for engineering support services in support of the non-destructive testing is itemized below.

- **Select Non-Destructive Testing Method** – IEC will research and evaluate available non-destructive sewer force main testing methods. Criteria for the testing methods include the ability to negotiate bends, and the reporting of a continuous average thickness and minimum thicknesses along the length of the sewer alignment. IEC will summarize the findings and recommendations in a brief technical memorandum that will be provided to the District for review and discussion. IEC will attend a review meeting to discuss the technical memorandum. Following the review meeting, IEC will address comments provided in the review meeting, finalize the technical memorandum and submit a final copy to the District.
- **Prepare RFQ for Force Main Modifications** – IEC will prepare a request for quotes (RFQ) for force main modifications that will be required in order to launch the testing apparatus selected in the previous step. The RFQ will be composed of figures, details and modifications to the Standard Specification for Public Works Construction (SSPWC). At this time it is anticipated that the modifications to the force mains will not require corrosion control details. Corrosion engineering support services are not included in this scope.
- **Bid Phase Services for Force Main Modifications RFQ** – IEC will prepare a bid review memo documenting the quotes received from the Force Main Modifications RFQ and recommending award. IEC will attend the Engineering Committee Meeting and the Board Meeting in support of these recommendations.
- **Construction Phase Services for Force Main Modifications** – IEC will provide construction phase services for the force main modification including attendance at the preconstruction conference and preparation of minutes, review of three (3) RFIs, and review of three (3) submittals.
- **Coordinate Pigging and Pumping Operations** – IEC will assess the need to pre-clean the sewer force mains and assist the District in operational logistics to clean the force main themselves or include this information in the Force Main Modifications RFQ. IEC will coordinate with the District to determine the preferred method for pumping sewage or recycled water into the force mains in order to support the non-destructive testing apparatus required movement through the line and will assist the District in operational logistics to perform the pumping themselves or include this information in the Force Main Modifications RFQ.
- **Letter Report – Non Destructive Testing** – IEC will summarize the non-destructive testing results, provide recommendations for repair or future testing and provide a planning level cost estimate for recommended repairs or future testing. The planning level cost will consist of replace in place cost for new PVC pipe and does not include any analysis of alternative methods or preliminary design. IEC will prepare a presentation documenting the letter report and present at the Engineering Committee Meeting and the Board Meeting.

#### SCHEDULE

Please see the attached schedule for a proposed timeline for implementation of the non-destructive testing inspections for the L1 and B3 sewer force mains.

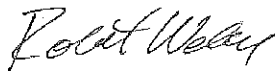
Mr. Robin Morishita  
Leucadia Wastewater District  
August 28, 2013  
Page 2 of 2

**FEE ESTIMATE**

A breakdown of the scope and fee is attached.

We propose to complete this work on a time and materials basis at a total costs not to exceed **\$35,610**. This brings the total requested project budget to **\$47,242**.

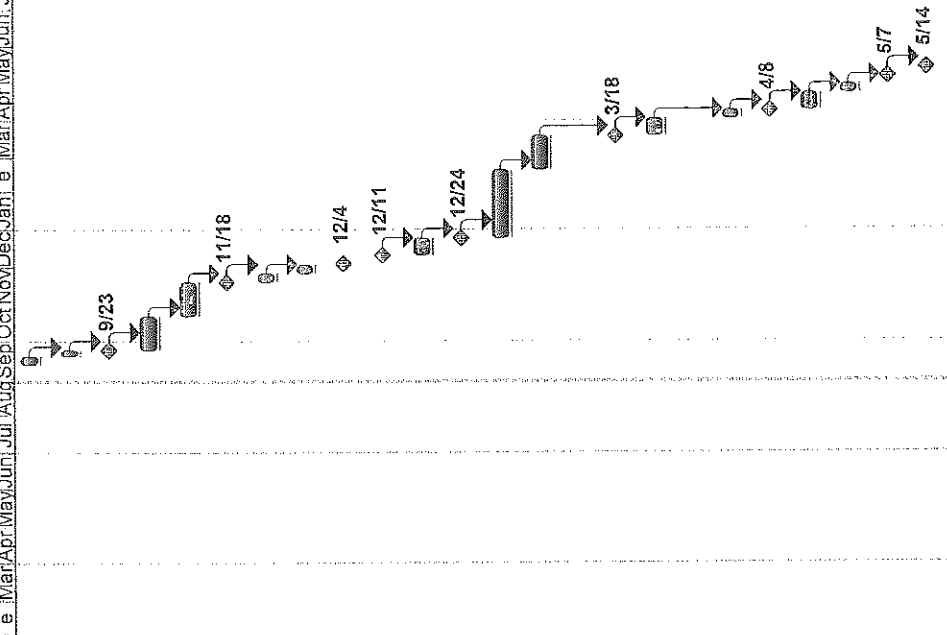
Sincerely,

A handwritten signature in cursive script, appearing to read "Robert Weber".

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

Leucadia Wastewater District  
L1/B3 Force Main Non-Destructive Testing Schedule

ID	Task Name	Duration	Start	Finish	Predecessors
1	TM on inspection method	1 wk	Thu 9/12/13	Wed 9/18/13	
2	District review	3 days	Thu 9/19/13	Mon 9/23/13	1
3	Review meeting on inspection method	0 days	Mon 9/23/13	Mon 9/23/13	2
4	Prepare RFQ	4 wks	Tue 9/24/13	Mon 10/21/13	3
5	RFQ out	4 wks	Tue 10/22/13	Mon 11/18/13	4
6	Bids Due	0 days	Mon 11/18/13	Mon 11/18/13	5
7	Bid Review Memo	1 wk	Tue 11/19/13	Mon 11/25/13	6
8	Engineering Committee Meeting Packet	1 wk	Tue 11/26/13	Mon 12/2/13	7
9	Engineering Committee Meeting	0 days	Wed 12/4/13	Wed 12/4/13	8
10	Board Meeting	0 days	Wed 12/11/13	Wed 12/11/13	9
11	Bonds/Insurance	2 wks	Wed 12/11/13	Tue 12/24/13	10
12	Contractor NTP/Precon	0 wks	Tue 12/24/13	Tue 12/24/13	11
13	Force Main Modifications/inspection	2 mons	Wed 12/25/13	Tue 2/18/14	12
14	Preparation of FM Inspection Report by testing contractor	1 mon	Wed 2/19/14	Tue 3/18/14	13
15	Receipt of testing results	0 days	Tue 3/18/14	Tue 3/18/14	14
16	Letter Report summarizing testing and repair recommendations	2 wks	Wed 3/19/14	Tue 4/1/14	15
17	District Review	1 wk	Wed 4/2/14	Tue 4/8/14	16
18	Letter Report Review Meeting	0 days	Tue 4/8/14	Tue 4/8/14	17
19	Finalize Letter Report	2 wks	Wed 4/9/14	Tue 4/22/14	18
20	Engineering Committee Meeting Packet	1 wk	Wed 4/23/14	Tue 4/29/14	19
21	Engineering Committee Meeting	0 days	Wed 5/7/14	Wed 5/7/14	20
22	Board Meeting	0 days	Wed 5/14/14	Wed 5/14/14	21



Task
 Milestone
 External Tasks

Split
 Summary
 External Milestone

Progress
 Project Summary
 Deadline

Project: Recycled Water Line Scheduling  
Date: Wed 8/26/13

**FEE ESTIMATE**  
**LEUCADIA WASTEWATER DISTRICT**  
**L1/B3 Force Main Assessment**

Task/ Subtask	Task/Subtask Description	Sr. Project Manager (Rob Weber)	Project Engineer (Janie Fagnant)	Engineer II/ CAD II Designer (Ross Maxwell)	Subtask Labor-Hours	Subtask Labor Cost	Direct Cost	Subcontract	Total Cost
Phase 1 - L1 Force Main									
<b>TASK 1</b>	<b>Project Management and Administration</b>								
	Project Management and Administration	8	4		12	\$1,960	\$0	\$0	\$1,960
<b>TASK 5</b>	<b>Letter Report - Destructive Testing</b>								\$1,580
	Prepare Presentation for Engineering Committee Meeting	1	6		7	\$960	\$0	\$0	\$960
	Present at Engineering Committee Meeting	2	2		2	\$260	\$50	\$0	\$310
	Present at Board Meeting	2	2		2	\$260	\$50	\$0	\$310
<b>TASK 7</b>	<b>Non Destructive Force Main Testing</b>								\$16,035
	Select Non Destructive Testing Method	4	16		20	\$2,800	\$0	\$0	\$2,800
	Prepare RFQ for Force Main Modifications	3	9	18	30	\$3,690	\$0	\$0	\$3,690
	Bid Phase Services for Force Main Modifications RFQ	1	4	4	9	\$1,140	\$50	\$0	\$1,190
	Construction Phase Services for Force Main Modifications	1	7	5	13	\$1,640	\$25	\$0	\$1,665
	Coordinate Piggings and Pumping Operations	3	20		23	\$3,140	\$0	\$0	\$3,140
	Letter Report - Non Destructive Testing	4	18	4	26	\$3,500	\$50	\$0	\$3,550
<b>Phase 2 - B3 Force Main</b>									\$16,035
<b>TASK 1</b>	<b>Non Destructive Force Main Testing</b>								\$2,800
	Select Non Destructive Testing Method	4	16		20	\$2,800	\$0	\$0	\$2,800
	Prepare RFQ for Force Main Modifications	3	9	18	30	\$3,690	\$0	\$0	\$3,690
	Bid Phase Services for Force Main Modifications RFQ	1	4	4	9	\$1,140	\$50	\$0	\$1,190
	Construction Phase Services for Force Main Modifications	1	7	5	13	\$1,640	\$25	\$0	\$1,665
	Coordinate Piggings and Pumping Operations	3	20		23	\$3,140	\$0	\$0	\$3,140
	Letter Report - Non Destructive Testing	4	18	4	26	\$3,500	\$50	\$0	\$3,550
		41	162	62	265				
		\$7,380	\$21,060	\$6,820		\$33,260	\$350	\$0	\$35,610

**TOTAL NOT-TO-EXCEED FEE: \$35,610**

**MEMORANDUM**

**DATE:** September 5, 2013  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Recycled Water Valve and Creek Crossing Repair Project – Design Services

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**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 for engineering design services for the Recycled Water Valve and Creek Crossing Repair Project in an amount not to exceed \$35,036.
2. Discuss and take other action as appropriate.

**DISCUSSION:**

The Recycled Water Valve and Creek Crossing Repair project is included as a goal in the Fiscal Year 2014 Tactics & Action Plan. This item was reviewed by the Engineering Committee at its September 4, 2013 meeting.

In August 2011, staff observed indications of an underground water leak in the north east corner of the District's site. The suspect area was excavated and a potable water line leak was located and repaired. However, water continued to collect in the excavated pit. Upon further investigation, the water flowing into the pit was traced to a leaking valve in the recycled water supply line to the La Costa Resort. The repair of the valve was delayed until the renewal of the recycled water agreement with the City of Carlsbad was confirmed.

Additionally, a section of the recycled water supply line that crosses San Marcos creek in the La Costa South Golf Course requires repair. The completion of the Batiquitos Lagoon Restoration in the late 1990s lowered the average water level of the lagoon. Consequently, the lower water level caused bank and stream-bed erosion in the upstream section of San Marcos Creek. The recycled water line that was previously buried two feet under the creek bed is now exposed. This section needs to be replaced to prevent possible damage from debris in the creek striking the exposed line. The repairs of the valve and creek crossing have been combined into a single project to take advantage of efficiencies in design, construction and project administration.

IEC submitted a proposal, attached, to complete project design. The Scope of Services includes:

- Project Management and Administration
- Research, evaluate and coordinate the installation of a linestop and isolation valve
- Geotechnical Report
- Design Survey and Topography
- Preliminary Design Memorandum
- Preparation of Plans, Specifications and Cost Estimate (PS&E)

➤ Bid Phase Services

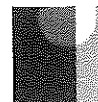
The proposed IEC time and materials fee is \$35,036. Staff and the Engineering Committee believe the IEC proposal is fair and reasonable.

**FISCAL IMPACT:**

There are sufficient funds appropriated in the Fiscal Year 2014 Budget in the Recycled Water Effluent Line and Creek Crossing Repair Project account to cover the cost of the required engineering design services.

rym:PJB

Attachment



August 27, 2013

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

**RE: Proposal for Engineering Services for the Recycled Water Line – Linestop Valve and Creek Crossing**

Dear Mr. Morishita:

Infrastructure Engineering Corporation (IEC) is pleased to provide the Leucadia Wastewater District with this proposal for Engineering Services for the Recycled Water Line Linestop Valve and Creek Crossing. The proposed scope of services and fee is based on a site visit August 1, 2013, review of the record drawings and discussions with the District.

**PROJECT UNDERSTANDING AND APPROACH**

The District provides recycled water to the La Costa Spa and Resort via a 12" ACP line constructed in 1961 that runs from the District's Gafner Treatment Plant to a pond located on La Costa Spa and Resort property. The line crosses the San Marcos Creek adjacent to the location where the line discharges to the recycled water pond on La Costa Spa and Resort property. This creek crossing has been eroded over time and the line is now fully exposed along the bottom of the creek and susceptible to damage. There is no check valve or air gap at the outlet to the pond, and the normal operating level of the pond is above the creek elevation. As such, there is a risk that if storm flow or vandalism damages the exposed ACP line in the creek, the recycled water pond may begin to drain into the creek with very limited options for the District as to the ability to retain the recycled water in the lake.

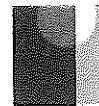


*12" ACP exposed at creek crossing*

The District has requested this proposal from IEC to provide engineering support services to procure and install a linestop and isolation valve and design a new parallel creek crossing. The linestop and isolation valve will be procured by the District on an emergency basis in order to have the capability to isolate the existing ACP line prior to the beginning of the rainy season.

Design of the new parallel creek crossing will be accomplished by utilizing a trenchless construction method. The two most feasible methods are jack and bore or horizontal directional





Mr. Robin Morishita  
Leucadia Wastewater District  
August 27, 2012  
Page 2 of 3

drilling. Upon notice to proceed, IEC will conduct a geotechnical investigation to support trenchless construction recommendations. The geotechnical investigation will include two borings each to a depth of 25 feet. IEC considers this depth sufficient to provide for a trenchless crossing. IEC will design the crossing at a conservative depth below the creek, however, this scope does not include a detailed scour analysis.

IEC will prepare a brief technical memorandum documenting the recommended construction method and materials and attend one (1) meeting to discuss the findings with the District. The preparation of contract documents for a trenchless construction method requires preparation of a plan sheet with adequate horizontal and vertical control. During the preparation of the preliminary design memorandum, IEC will perform a field survey of the project area and plot the existing easement. It is assumed the easement document will be provided by the District. After approval of the preliminary design memorandum IEC will prepare project plans, specifications and cost estimate for the new creek crossing. Anticipated issues to be addressed in the contract documents include dewatering, schedule requirements in regards to construction occurring on the La Costa Spa and Resort Golf course, connection to existing ACP pipe, handling and proper disposal of ACP pipe and trenchless construction quality assurance and control measures. IEC anticipates making three submittals at the 90%, 100% and Final levels. IEC will attend one (1) review meeting at the 90% level. It is not anticipated that a review meeting will be necessary at the 100% level.

#### **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***

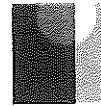
In order to expedite the project, we anticipate two coordination meetings will be required during the project. These include: a preliminary design memorandum review meeting and a 90% design review meeting. Additional coordination, project status reports and schedule updates will be addressed via e-mail and telephone.

##### ***Task 2 – Linestop Valve***

IEC will review the feasibility and suitability of an insertvalve or linestop and isolation valve, draft requirements for the work including handling and disposal of ACP, repair couplings, dewatering requirements, coordination between the linestop contractor and the general contractor and procure estimates from a linestop contractor and general contractor, review estimates and provide to the District for execution. IEC will assist the District through the construction process of installing the linestop and isolation valve by attending the preconstruction meeting, preparing meeting minutes for the preconstruction meeting, reviewing three (3) submittals, and responding to three (3) RFIs.

##### ***Task 3 – Geotechnical Report***

A geotechnical report will be provided by Southern California Soils and Testing to support the design of a creek crossing by jack and bore or horizontal directional drilling. The geotechnical investigation will include two borings to a depth of 25’.



Mr. Robin Morishita  
Leucadia Wastewater District  
August 27, 2012  
Page 3 of 3

**Task 4 – Survey**

IEC will establish horizontal and vertical control, plot the existing easement, perform a field survey and create a topographic CAD base-file to be used in plan preparation. It is assumed that the existing easement document will be provided by the District.

**Task 5 – Preliminary Design Memorandum**

IEC will prepare a brief preliminary design memorandum documenting the proposed trenchless construction method, materials to be used and preliminary construction cost. A meeting to discuss the preliminary design memorandum is included in Task 1. Following this meeting, IEC will incorporate comments, finalize the memorandum and submit a final version to the District.

**Task 6 – Plans, Specifications and Cost Estimate for Creek Crossing**

IEC will prepare plans, specifications and a cost estimate for the new parallel creek crossing. Submittals will be made at the 90%, 100% and Final design levels. It is anticipated that the following four (4) plan sheets will be prepared:

- Title Sheet
- General Notes
- Plan and Profile
- Civil Details

**Task 7 – Bid Phase Services**

IEC will prepare one (1) addendum, attend the bid opening, prepare a bid review memo and attend the engineering committee meeting and the board meeting in support of the bid review memo.

**SCHEDULE**

It is anticipated the project will be completed in accordance with the attached schedule.

**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 sincerely appreciate the opportunity to provide this proposal and assist the District with this project. Please contact me at (858) 413-2400 should you have any questions or need further information.

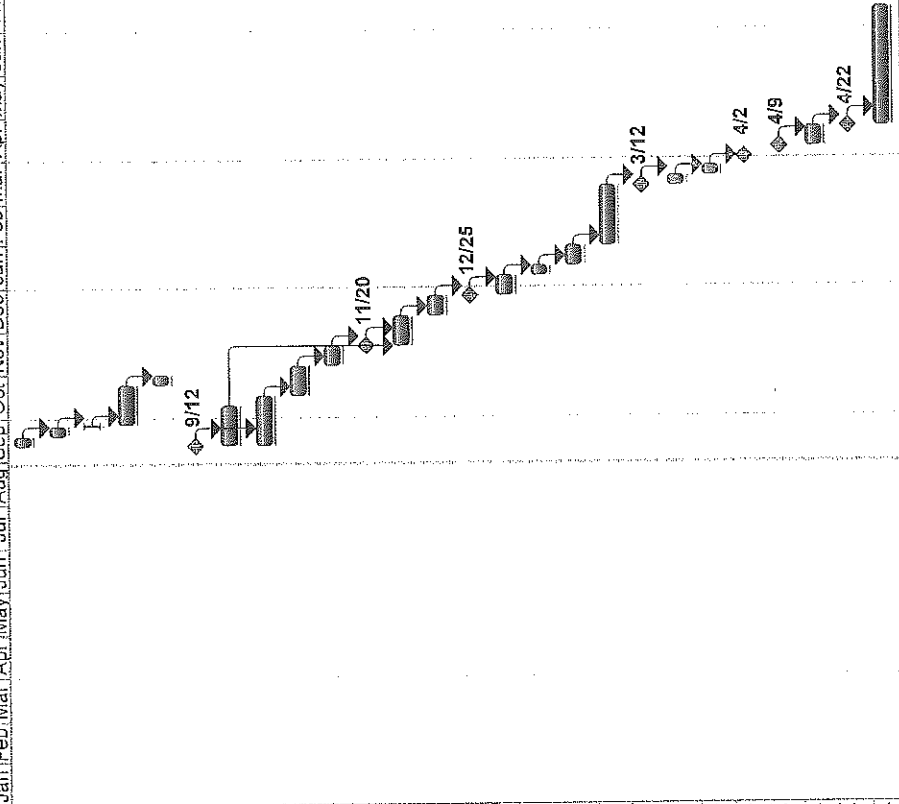
Sincerely,




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



cc: Jamie Fagnant, P.E., IEC




Leucadia Wastewater District  
Recycled Water Line Isolation Valve  
and Creek Crossing Schedule

ID	Task Name	Duration	Start	Finish	Quarter																		
					1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th							
					Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
1	Research and Procure Isolation Valve	1 wk	Thu 9/12/13	Wed 9/18/13																			
2	District obtain Contracts for Isolation Valve	1 wk	Thu 9/19/13	Wed 9/25/13																			
3	Preconstruction Meeting for Isolation Valve	1 day	Thu 9/26/13	Thu 9/26/13																			
4	Submittals	4 wks	Fri 9/27/13	Thu 10/24/13																			
5	Install isolation valve	1 wk	Fri 10/25/13	Thu 10/31/13																			
6	Notice to Proceed on recycled water line	0 days	Thu 9/12/13	Thu 9/12/13																			
7	Survey	4 wks	Thu 9/12/13	Wed 10/9/13																			
8	Geotechnical Investigation	5 wks	Thu 9/12/13	Wed 10/16/13																			
9	Preliminary Design Memorandum	3 wks	Thu 10/17/13	Wed 11/6/13																			
10	District review of PDM	2 wks	Thu 11/7/13	Wed 11/20/13																			
11	PDM review Meeting	0 days	Wed 11/20/13	Wed 11/20/13																			
12	90% PS&E	3 wks	Thu 11/21/13	Wed 12/11/13																			
13	District review of 90% PS&E	2 wks	Thu 12/12/13	Wed 12/25/13																			
14	90% PS&E Meeting	0 days	Wed 12/25/13	Wed 12/25/13																			
15	100% PS&E	2 wks	Thu 12/26/13	Wed 1/8/14																			
16	District review of 100% Design	1 wk	Thu 1/9/14	Wed 1/15/14																			
17	Final PS&E	2 wks	Thu 1/16/14	Wed 1/29/14																			
18	Creek Crossing Out to Bid	1.5 mons	Thu 1/30/14	Wed 3/12/14																			
19	Bid Opening	0 days	Wed 3/12/14	Wed 3/12/14																			
20	Bid Review Memo	1 wk	Thu 3/13/14	Wed 3/19/14																			
21	Engineering Committee Packet	1 wk	Thu 3/20/14	Wed 3/26/14																			
22	Engineering Committee Meeting	0 days	Wed 4/2/14	Wed 4/2/14																			
23	Board Meeting	0 days	Wed 4/9/14	Wed 4/9/14																			
24	Contractor Bonds and Insurance	2 wks	Wed 4/9/14	Tue 4/22/14																			
25	Contractor NTP / Preconstruction Conference	0 days	Tue 4/22/14	Tue 4/22/14																			
26	Construction	3 mons	Wed 4/23/14	Tue 7/15/14																			



Task  Milestone  External Tasks 

Split  External Milestone 

Progress  Project Summary  Deadline 

Project: Recycled Water Line Sched.Utl  
Date: Thu 8/29/13

**FEE ESTIMATE**  
**LEUCADIA WASTEWATER DISTRICT**  
**Recycled Water Line Linestop and Creek Crossing**

Task/ Subtask	Task/Subtask Description	Sr. Project Manager (Rob Weber)	Project Engineer (Janie Fagnant)	Project Surveyor (Gary Rish)	Engineer III: CAD III Designer (David Nguyen)	Engineer II/ CAD II Designer (Ross Maxwell)	Word Processor (Aimee Moore)	Subtask Labor-Hours	Subtask Labor Cost	Direct Cost	Subcontract	Total Cost
		\$180.00	\$135.00	\$130.00	\$125.00	\$110.00	\$65.00					
TASK 1	Project Management and Administration											\$3,420
	Design Meetings (2)	6	8					14	\$2,160	\$0	\$0	\$2,160
	Project Status Reports/Coordination	4	4					8	\$1,260	\$0	\$0	\$1,260
TASK 2	Linestop Valve											\$6,785
	Coordinate Installation of Linestop (Procurement)	2	16					18	\$2,520	\$0	\$0	\$2,520
	Coordinate Installation of Isolation Valve (Procurement)	2	16					18	\$2,520	\$0	\$0	\$2,520
	Precon Meeting		5					5	\$675	\$100	\$0	\$775
	Submittals (3)	1	9					10	\$1,395	\$0	\$0	\$1,395
	RFIs (3)	2	9					11	\$1,575	\$0	\$0	\$1,575
TASK 3	Geotechnical Investigation											\$5,331
	Geotechnical Investigation	2						2	\$270	\$0	\$5,061	\$5,331
TASK 4	Survey											\$3,180
	Prepare for field work			2				2	\$260	\$0	\$0	\$260
	GPS field survey			7				7	\$910	\$820	\$0	\$1,730
	Import survey data, plot easement			5	3			9	\$1,160	\$0	\$0	\$1,160
TASK 5	Preliminary Design Memorandum											\$1,980
	Preliminary Design Memorandum	2	12					14	\$1,980	\$0	\$0	\$1,980
TASK 6	Plans, Specifications and Cost Estimate for Creek Crossing											\$9,700
	Plans	1	4			52		37	\$4,240	\$0	\$0	\$4,240
	Specifications	2	24			8	4	38	\$4,740	\$0	\$0	\$4,740
	Cost Estimate	1	4					5	\$720	\$0	\$0	\$720
TASK 7	Bid Phase Services for Creek Crossing											\$2,640
	Advertisement	1	1			4		6	\$755	\$0	\$0	\$755
	Bid Opening		3					3	\$405	\$0	\$0	\$405
	Bid Review Memo	1				6		7	\$840	\$0	\$0	\$840
	Engineering Committee Meeting		2					2	\$270	\$50	\$0	\$320
	Board Meeting		2					2	\$270	\$50	\$0	\$320
		25	122	14	3	50	4	216				
		\$4,500	\$16,470	\$1,820	\$375	\$5,500	\$260		\$38,925	\$1,050	\$5,061	\$35,036

**TOTAL NOT-TO-EXCEED FEE: \$35,036**

## MEMORANDUM

Ref: 14-3831

**DATE:** September 5, 2013  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Award of the District's Gravity Pipeline Rehabilitation Project Construction Contract

---

### RECOMMENDATION:

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

1. Authorize the General Manager to execute an Agreement with Sancon Engineering Corporation for construction services to complete the Gravity Pipeline Rehabilitation Project in an amount not to exceed \$376,691.
2. Discuss and take other action as appropriate.

### DISCUSSION:

The Gravity Pipeline Rehabilitation project is included as a goal in the Fiscal Year 2014 Tactics & Action Plan. This item was reviewed by the Engineering Committee at its September 4, 2013 meeting.

In March 2013 the Board of Directors authorized the execution of an agreement with Infrastructure Engineering Corporation (IEC) to design the Gravity Pipeline Rehabilitation Project. The project was a combination of three gravity sewer pipeline projects from the 5 year Capital Improvement Program of the District's 2013 Asset Management Plan (AMP) as follows:

1. Gravity Line Structural Repair - During the AMP 2013 update, 133 Special Maintenance Area (SMA) Closed Circuit Television (CCTV) inspections were evaluated to determine if the number of SMAs could be reduced. As a result, 16 SMA locations were identified for structural repair.
2. Cured-in-Place Pipe (CIPP) trial lining project - The increase in the quality and quantity of District CCTV inspections identified chronic root problems in numerous sections of vitrified clay pipe (VCP) and the associated laterals. The AMP recommended a CIPP trial lining project along Hygeia Avenue and Sanford Street to evaluate the effectiveness of CIPP lining in resolving gravity line root issues.
3. Gravity Line Structural Repair - A review of the 2009 Asset Management Master Plan Phase I Implementation Report during the 2013 AMP update identified three additional locations for structural repair of VCP lines. These discrepancies were originally unnoticed because a low overall Pipeline Assessment and Certification Program (PACP) rating was assigned to the three segments. However, a review of the inspection notes associated with the segments indicated structural problems that should be repaired. Additionally, District's Staff, as a result of CCTV inspection, identified one additional spot repair on West Glaucus Street. These four defects were recommended for repair in FY 2014.

These three projects were combined into a single gravity line rehabilitation project for efficiencies in cost and project administration.

Project design was completed in July and advertised for bids. Bids were due on August 15, 2013. Two bids were received with the following results:

<u>Construction Firm</u>	<u>Bid Submitted</u>
Repipe California, Inc	\$341,083
Sancon Engineering, Inc	\$376,691

The bids were reviewed by Robert Weber, Jamie Fagnant and Ross Maxwell at IEC. The bid submitted by Repipe California (Repipe) failed to list all subcontractors in their bid in accordance with Section GC4-16, Subcontractors, of the contract documents and Public Contract Code §4104 and §4109. Bidders are required to list subcontractors who will perform work or provide labor or render services in an amount in excess of one-half of one percent (0.5%) of the total bid amount, which in this instance is \$1,705. During the bid evaluation process, Repipe indicated to IEC that they had failed to list a subcontractor for lateral connection rehabilitation. Therefore, the Repipe bid was determined to be non-responsive. The second bidder, Sancon Engineering, Inc. (Sancon), submitted a responsive and responsible bid. Sancon's bid is \$35,608 higher than Repipe's bid. Upon completion of IEC's review, it was recommended that Sancon be awarded the contract as the lowest responsive and responsible bidder, see attached letter.

Repipe was notified in writing of staff's intent to recommend that Sancon be awarded the contract as the lowest responsive and responsible bidder. In accordance with Section IFB-25, Bid Protest, of the contract documents, Repipe had 48 hours to respond to the written notification. Repipe did not provide a response disputing the fact that they neglected to list their subcontractor for lateral connection rehabilitation.

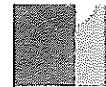
The bid price of \$376,691 is approximately \$118,309 or 24% less than the \$495,000 estimated construction cost. The variance can be attributed to the use of conservative estimated CIPP cost and improvements in CIPP technology resulting in lower construction costs. Therefore, Staff and the Engineering Committee recommend that the Board of Directors award the contract to Sancon as the lowest responsive and responsible bidder.

**FISCAL IMPACT:**

There are sufficient funds appropriated in the Fiscal Year 2014 Budget to cover the construction costs for the project.

rym:PJB

Attachment



**BID REVIEW MEMORANDUM**

Date: August 26, 2013

Subject: Gravity Pipeline Rehabilitation Project

Prepared By: Ross Maxwell and Jamie Fagnant, P.E. *SLF*

Reviewed By: Rob Weber, P.E. *RW*

**PURPOSE**

This memorandum provides a summary of our evaluation of bid results and the responsiveness of the low bid for the subject project.

**BID RESULTS**

Bids were opened on August 20, 2013 and two bids were received. The bids are summarized on Table 1 - Bid Summary (see attached) and characteristics of the bids are as follows:

Low Bid:	\$341,083
Lowest Responsive Bid:	\$376,691
Engineer's Estimate:	\$495,000

**REVIEW OF APPARENT LOW BIDDER**

Repipe California Inc. (Repipe), Riverside, California submitted the apparent low bid. IEC has determined Repipe to be non-responsive to the bid requirements for failure to list all intended subcontractors as required by Paragraph GC4-16 of the contract documents and public contract code 4109.

Repipe has indicated that they failed to list an intended subcontractor, Robotic Sewer Solutions, that they intended to utilize for lateral connection rehabilitation. Therefore, Leucadia Wastewater District cannot accept Repipe's bid without violating public contract code. IEC recommends the District reject Repipe's bid and award the bid to the lowest responsible and responsive bidder.

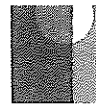
**REVIEW OF SECOND LOWEST BIDDER**

Sancon Engineering Inc. (Sancon or Contractor), San Diego, California submitted the apparent second lowest bid. IEC finds Sancon to be the lowest responsive bidder. The following reviews have been completed:

**Contractor's License:** The Contractor holds the required Class A License (No. 731797). The license is current and active.

**Bid Bond:** A bid bond in the amount of ten percent (10%) of the bid amount, was submitted with Hanover Insurance Co. Hanover has a rating of A-14 with Best's Key Rating Guide.

**Signatures:** The Contractor's Secretary, Chris DiBenedetto and Vice President, Chuck Parsons signed the Closing Statement, Chris DiBenedetto signed the Bidder's Bond, Non Collusion Affidavit, and the Local Preference Certification.



**Addenda Acknowledged:** The Contractor acknowledged Addenda 1,2, and 3 in the bid documents.

**Project Manager's Experience:** The Contractor has identified Dan Chronister as the project manager in a follow up phone call from IEC on 8/23/2013. Mr. Chronister's experience was found to be satisfactory, in addition, he was the project manager for the last job that Sancon completed for the District which the District has indicated went very well.

**Addressed Project Issues:** The Contractor addressed project issues as required in the Approach to Work section of the Bid Documents as outlined below:

- Sancon identified the intended rehabilitation products they intend to use as Sancon 100, Sancon CIPP, top hats and sectional liner in conformance with the specifications. Sancon noted that they will employ minimal staging areas and minimize disruption to the public.

**Worker's Compensation Insurance:** Policy is in effect through October 2013. Most recent workers' compensation experience modification factor for Sancon is .86.

**Experience Requirements:** Contract documents required bidders to submit three project references on manhole rehabilitation with at least three rehabilitated manholes per project and three references on cured-in-place pipe rehabilitation with at least 300 linear feet of 8 inch or greater cured-in-place pipe liner installation. Sancon submitted project references that exceeded the experience requirements.

**References:** IEC selectively contacted Sancon's submitted references to perform an assessment of Contractor's conduction of the work. In each case Sancon was highly recommended with no record of any claims. In addition, the District has worked with Sancon on previous sewer rehabilitation projects and has been pleased with their execution of the Work.

**Individual Bid Item Amount Review:** Although the total bid was lower, Sancon's bid item amounts roughly correlated to the Engineer's Estimate (on an adjusted basis) and do not pose a significant concern to the Contractor's ability to complete the work.

#### **RECOMMENDATION**

IEC recommends award of the contract to Sanon Engineering Inc. as the lowest responsive responsible bidder based on the bid amount and submitted documentation attesting to their suitability to perform the work as specified.

Attachments  
Table I – Bid Summary



**Leucadia Wastewater District  
Gravity Pipeline Rehabilitation Project  
Table 1 - Bid Summary**


Item	Description	Unit	Qty.	Repipe California Inc.	SANCON Engineering
1	Mobilization, Bonds, Permits, Cleanup and Demobilization	LS	1	\$19,700	\$17,800
2	Sheeting, Shoring and Bracing	LS	1	\$3,438	\$20,244
3	Site 1 - Cured-in-Place Pipe Lining	LS	1	\$13,492	\$15,965
4	Site 2 - Cured-in-Place Pipe Lining Patch, Replace in Place Exist Cleanout	LS	1	\$13,986	\$13,470
5	Site 3 - Cured-in-Place Pipe Lining	LS	1	\$13,009	\$15,470
6	Site 4 - Cured-in Place Pipe Lining	LS	1	\$2,000	\$5,470
7	Site 5 - new 8" PVC	LS	1	\$19,332	\$18,453
8	Site 6 - Excavated Spot Repair and Cured-in-Place Pipe Lining Patch	LS	1	\$14,077	\$13,557
9	Site 8 - Cured-in-Place Pipe Lining Patch	LS	1	\$2,530	\$2,530
10	Site 12 - (New 8" PVC)	LS	1	\$38,233	\$36,495
11	Site 13 - Cured-in-Place Pipe Lining	LS	1	\$14,867	\$16,370
12	Site 15 - New 8" PVC	LS	1	\$38,233	\$34,907
13	Site 16 - Cured-in-Place Pipe Lining	LS	1	\$10,853	\$13,270
14	Site 17 - Drop Manhole Improvements	LS	1	\$8,973	\$8,565
15	Site 18 - Grind Lateral and Cured-in-Place Pipe Lining Patch	LS	1	\$1,980	\$2,000
16	Site 19 - Rehabilitate Manhole and Cured-in-Place Pipe Lining	LS	1	\$15,052	\$12,960
17	Site 20 - Cured-in-Place Pipe Lining, Top Hat, and Manhole Rehabilitation	LS	1	\$6,973	\$11,850
18	Site 21 - Cured-in-Place Pipe Lining, Top Hat, and Manhole Rehabilitation	LS	1	\$22,875	\$27,980
19	Site 22 - Cured-in-Place Pipe Lining, Top Hat, and Manhole Rehabilitation	LS	1	\$18,417	\$21,950
20	Site 23 - Cured-in-Place Pipe Lining, Top Hat, and Manhole Rehabilitation	LS	1	\$28,299	\$26,580
21	Site 24 - Cured-in-Place Pipe Lining, Top Hat, and Manhole Rehabilitation	LS	1	\$23,067	\$29,640
22	Site 25 - Excavate and Spot Repair	LS	1	\$11,697	\$11,165

Engineer's Estimate
\$495,000

<b>Total:</b>	<b>\$341,083</b>	<b>\$376,691</b>
Check Total:	\$341,083	\$376,691
Amount in Words:	\$341,083	\$376,691

## MEMORANDUM

Ref: 14-3816

**DATE:** September 5, 2013  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Revised Workplace Violence Prevention Policy

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### RECOMMENDATION:

Staff and the Human Resources Committee (HRC) recommend that the Board of Directors:

1. Adopt Resolution No. 2239 approving LWD's Revised Workplace Violence Prevention Policy.
2. Discuss and take other action as appropriate.

### DISCUSSION:

This agenda item was reviewed by the HRC on August 26, 2013. The Committee recommended that this item be forwarded to the Board of Directors for consideration.

Violence in the workplace continues to be a major concern for public and private employers. In that regard, LWD has made a concerted effort to ensure that everyone associated with the District, including employees and customers, never feel threatened by any employee actions or conduct.

The Leucadia Wastewater District (LWD) Workplace Violence Prevention Policy was originally adopted by the Board of Directors in November, 2007. The policy promotes a safe work environment by:

- limiting workplace access;
- authorizing searches and inspections of any property on LWD premises;
- establishing the requirement to report potentially violent situations;
- banning the possession of weapons that have the potential to inflict harm;
- establishing training programs and encouraging education courses that promote a peaceful working environment.

Staff recently conducted a review of the existing policy. Based on this review, which was listed as a FY 2014 Tactical Goal, staff is recommending several changes that clarify and strengthen the intent of this policy. The policy, which is included as Exhibit A of the proposed resolution, amplifies basic information contained in LWD's Human Resources Policy Manual.

Proposed Resolution No. 2239 (Attachment 1) adopts LWD's Revised Workplace Violence Prevention Policy and is presented for the committee's consideration. Staff and the HRC recommend that the Board of Directors adopt the proposed Resolution.

Attachment

cal:PJB

**RESOLUTION NO. 2239**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
LEUCADIA WASTEWATER DISTRICT  
ADOPTING THE LEUCADIA WASTEWATER DISTRICT'S  
REVISED WORKPLACE VIOLENCE PREVENTION POLICY**

**WHEREAS**, the Leucadia Wastewater District's (LWD) existing Workplace Violence Prevention Policy was adopted on November 14, 2007 to establish a policy that promotes a safe work environment; and

**WHEREAS**, it is prudent for LWD to periodically review its Workplace Violence Prevention Policy to reflect administrative changes as well as changes in laws and regulations.

**NOW, THEREFORE**, it is resolved as follows:

1. The LWD Board of Directors adopts the LWD Revised Workplace Violence Prevention Policy attached hereto as Exhibit "A" and directs that it be implemented consistent with all applicable laws and related District policies.
2. This Resolution supersedes Resolution No. 2186.

**PASSED AND ADOPTED** at a meeting of the Board of Directors of the Leucadia Wastewater District held September 11, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Elaine Sullivan, President

ATTEST:

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Paul Bushee, Board Secretary



## WORKPLACE VIOLENCE PREVENTION POLICY

Leucadia Wastewater District (LWD) has a policy of zero tolerance for violence. If you engage in any violence in the workplace, or threaten violence in the workplace, your employment may be terminated immediately for cause. ~~No talk of violence or joking about violence will be tolerated.~~

"Violence" includes physically harming another, shoving, pushing, harassing, intimidating, coercing, brandishing weapons, and threatening or talking of engaging in those activities. It is the intent of this policy to ensure that everyone associated with LWD, including employees and customers, never feels threatened by any employee's actions or conduct of any District employee or agent.

This policy amplifies information contained in LWD's Human Resources Policy Manual.

### ***Workplace security measures***

In an effort to fulfill this commitment to a safe work environment for employees, customers, and visitors, a few simple rules have been created. These are:

#### **Limited workplace access**

- Access to the ~~company~~ District' workplace (i.e. facilities beyond the public parking lot and reception area) ~~s-~~ property is limited to those with a legitimate business interest.
- All non-District visitors to the workplace -who are not a guest of a District employee or who are not attending a District approved meeting, must sign-in at the reception area prior to entering ~~District~~ facilities.

### ***All weapons banned***

The ~~District~~ company specifically prohibits the possession -or transportation of weapons by any employee while on ~~District~~ company property. This ban includes keeping or transporting a weapon in a privately owned vehicle in any parking area, whether public or private on District property. Employees are also prohibited from carrying a weapon in a District owned vehicle or while performing their official duties ~~services~~ on or off the District property ~~company's~~ business premises.

Weapons include guns, knives (with blades longer than 3 inches unless issued as part of District equipment), explosives, and other items with the potential to inflict harm. Appropriate disciplinary action, up to and including termination, may be taken against any employee who violates this policy.

### ***Inspections***

The District reserves the right to search any and all company vehicles, workstations, work areas, desks, file cabinets, lockers, and other personal property of employees and their contents for weapons. The District will conduct searches when there is reasonable cause to believe that a District employee or agent has a weapon. "Reasonable Cause" is defined as facts that would lead a reasonably prudent person to believe that the employee or any other individual on District

~~property has a weapon or that a weapon is in the area to be searched. LWD reserves the right to conduct searches and inspections of property on LWD premises if there is cause to suspect that a violation has occurred.~~ Employees who are found to be in possession of a weapon materials in violation of this policy or other LWD policies, ~~or who are in possession of LWD property in an unauthorized manner, will~~ may be subject to disciplinary action, up to and including termination of employment.

~~Desks, telephones, and computers are the property of the business. We reserve the right to enter or inspect your work area including, but not limited to, desks and computer storage disks, with or without notice.~~

~~The fax, copier, and mail systems, including e-mail, are intended for business use. Personal business should not be conducted through these systems. Under conditions approved by the General Manager, telephone conversations may be monitored and voice mail messages may be retrieved in the process of monitoring customer service.~~

~~Any private conversations overheard during such monitoring, or private messages retrieved, that constitute threats against other individuals may be used as the basis for termination for cause.~~

### ***Reporting violence***

It is everyone's ~~business~~ employee's responsibility to prevent violence in the workplace. You can help by reporting what you see in the workplace that could indicate that there is a potentially violent situation ~~co-worker is in trouble. You are in a better position than management to know what is happening with these you work with.~~

You are encouraged to report any incident that may involve a violation of any of the District's policies that are designed to provide a comfortable, safe and non-hostile workplace environment. All potentially violent situations are serious and all threats of violence against LWD employees will be reported to the appropriate law enforcement authorities immediately. Employees are required to report:

- Any suspicious or unauthorized persons on or near LWD premises.
- Threatening communications including mail, telephone calls, electronic communications and faxes, and verbal remarks.
- Other acts by or against employees which may affect employee safety including harassment, intimidation, stalking, or invasion of privacy, or the possession of prohibited items as described herein.

Concerns of violence may be presented to your supervisor or any LWD Manager, Department Head, Administrative Services Manager, or the General Manager. If there is a circumstance in which those incidents where a Supervisor, Manager or General Manager is accused of violating this policy, the complaint shall be filed with LWD's legal counsel. Contact information for LWD's legal counsel will be provided to each employee. D. or other available attorney at Worden Williams, APC All reports will be investigated.

### ***Training programs***

As part of its commitment to preventing workplace violence, LWD will ensure that all employees are aware of this policy by establishing a biennial training requirement. Training will initially be

included as part of the new employee orientation process; thereafter, it will be provided in a manner approved by the General Manager.

### ***Education offerings***

~~In order to promote a peaceful working environment, we~~ In addition to required training, the District encourages supervisors and employees to enroll in courses to learn more about working with each other. Courses pursue additional training and/or courses in areas such as covering communication, problem solving, building effective working relationships, stress management, etc. in order to minimize the risk of workplace violence. and related or similar course topics ~~These activities may be provided at District expense or supported by LWD's tuition reimbursement program subject to General Manager approval.~~

### ***Employee assistance program***

~~The company~~ District provides an employee assistance program (EAP) for all full-time employees. This EAP offers services to ~~these~~ employees and their eligible dependents. While we receive periodic reports on the number and types of visits or calls made to the EAP, we do not receive information about individual contacts with the EAP.

~~You~~ Employees are encouraged to use the EAP whenever you feel the need for guidance in coping with ~~life's~~ personal difficulties. If you have difficulty handling drugs or alcohol, the EAP can provide information on treatment. The EAP is a confidential service to be used when you need help.

### ***Violence prevention team***

LWD management staff will serve as the District's violence prevention team to create and implement our workplace violence prevention program. The team will also handle the consequences of any incidents of violence that we experience, providing assistance to employees and information to the media. The team will take the steps necessary to continue or resume business. ~~We believe that a multidisciplinary approach is best suited to handle workplace violence problems.~~

### ***Incident management***

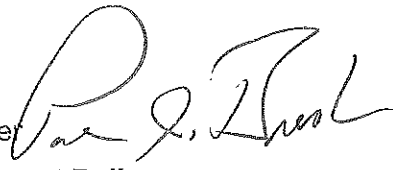
In the event of a major workplace incident that affects, or has the potential to affect, the mental health of our workforce, we will provide initial counseling and support services, ~~to you and your immediate family members.~~

As the crisis passes and support systems are put into place for individuals affected by the incident, the District will make every effort to return to normal business operations. A reasonable effort will be made to notify employees, customers, and others who need to know of the status of business operations directly whenever possible. In cases where direct contact is not possible or practical, an effort will be made to communicate through the news media and other available resources.

Adopted: November 14, 2007  
Revised: September 11, 2013

## MEMORANDUM

Ref: 14-3808

**DATE:** September 5, 2013  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Annual Review of LWD Investment Policy

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### RECOMMENDATION:

Staff recommends that the Board of Directors:

1. Re-delegate authority to manage LWD's investment program to the General Manager effective September 1, 2013 through August 31, 2014.
2. Receive and file the Annual Review of LWD Investment Policy Report.
3. Discuss and take other action, as appropriate.

### DISCUSSION:

In September 2004, the Board of Directors (Board) adopted Leucadia Wastewater District's (LWD) Investment Policy (attached). The Policy, which was last amended in 2010, calls for an annual review by the Board of Directors.

The LWD Investment Policy establishes guidelines to ensure investments are in compliance with state and federal regulations. It also establishes the types of investment vehicles LWD can use, defined by the target rate of return on investments and the maximum percentages of investments in any one vehicle. Additionally, the Investment Policy requires that the Board of Directors delegate authority to manage the investment program. In the past, this authority has been delegated to the General Manager.

Staff recently reviewed the Policy to determine if any amendments are warranted. Based on this review, no changes are recommended.

Staff requests that the Board of Directors: 1) re-delegate authority to manage LWD's investment program to the General Manager for the period September 1, 2013 through August 31, 2014; 2) receive and file the Investment Policy Report; and 3) discuss and take other action as appropriate.

cal:PJB

Attachment



LEADERS IN  
ENVIRONMENTAL  
PROTECTION

## LEUCADIA WASTEWATER DISTRICT INVESTMENT POLICY

Ref: 11-2595

### 1.0 Purpose

This policy is intended to establish guidelines for the prudent investment of the Leucadia Wastewater District's available funds and outline the policies for safe and prudent management of District funds without sacrificing safety or liquidity. It is also intended that the Board of Directors review this policy annually.

It is the policy of the District to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state statutes governing the investment of public funds.

### 2.0 Scope

The District's cash management system is designed to accurately monitor and forecast expenditures and revenues, enabling the District to invest funds to the fullest extent possible. All funds will be invested with the intent of maximizing safety and liquidity. This policy applies to all financial assets of the District, which are accounted for in the District's Audited Annual Financial Report with the exception of the following funds:

- A. The District's other post employment benefits funds,
- B. The District's deferred compensation funds,
- C. The proceeds of any debt issued by the District, and
- D. The District's operational funds with an approved depository.

### 3.0 Prudence

The District operates its temporary pool of cash investments under the *Prudent Investor Standard*, Government Code Section 53600.3, which states:

"When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, a trustee shall act with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."



Investment officers acting in accordance with written procedures and the Investment Policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

The District may invest in a variety of vehicles provided the investment is allowable under current legislation of the State of California, permitted by this policy and complies with the aforementioned Prudent Investor Standard.

#### **4.0 Objective**

The primary objectives, in priority order, of the District's investment activities shall be:

4.1 Safety: Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the District will diversify its investments by investing funds among a variety of securities offering independent returns and financial institutions.

4.2 Liquidity: The District's investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements that might reasonably be anticipated.

4.3 Return on Investments: The District's investment portfolio shall be designed with the objective of attaining a market average rate of return throughout budgetary and economic cycles, commensurate with the District's investment risk constraints and the cash flow characteristics of the portfolio.

#### **5.0 Delegation of Authority**

Authority to manage the District's investment program is derived from the Board of Directors. Management responsibility for the investment program is hereby delegated to the General Manager for a one-year period. Subject to review, the Board of Directors may renew the delegation of the authority pursuant to this section each year. The General Manager, through approval of this policy, has established written procedures for the operation of the investment program. No person may engage in an investment transaction except as provided under the terms of this policy and other procedures consistent with this policy that may be established by the General Manager. The General Manager shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. As authorized by the Board of Directors, an SEC-registered investment advisor may be utilized to assist with the District's investment program under the direction of the General Manager. The investment advisor shall follow this investment policy and such other written instructions as are provided.

#### **6.0 Ethics and Conflicts of Interests**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the General Manager any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal

financial/investment positions that could be related to the performance of the District's portfolio. The General Manager shall make a like disclosure to the Board of Directors. Employees and officers shall subordinate their personal investment transactions to those of the District, particularly with regard to the time of purchases and sales.

## **7.0 Authorized Financial Dealers and Institutions**

The General Manager shall maintain a list of financial dealers and institutions authorized for investment transactions. Direct investments made by the District in LAIF, CAMP and the San Diego County pool are exempt from these requirements. Before adding a financial institution to the approved list, the General Manager shall review the entity's credit worthiness, credit characteristics, and financial history. Annually, financial dealers and institutions doing business with the District shall submit their most recent report on financial condition and certified that they have read the District's Investment policy. Securities dealers utilized by the District must be members of a federally regulated securities exchange. Public deposits shall be made only in a qualified public depository as established by state laws.

For investment transactions initiated through an investment manager, the investment manager may use their own list of approved broker/dealers and financial institutions, which it will maintain and review periodically.

## **8.0 Authorized and Suitable Investments**

8.1 All investments shall be made in accordance with Sections 53600 *et seq.* of the Government Code of California and described within the Investment Policy. In the event an apparent discrepancy is found between this policy and the Government Code, the more restrictive parameters will take precedence. The maximum maturity of individual investments shall not exceed the limits set forth below or in the California Government Code. Where no maturity limit is stated, no investment shall exceed a maturity of five years from the date of purchase unless the Board of Directors has granted express authority to make that investment either specifically or as a part of an investment program approved by the Board of Directors no less than three months prior to the investment.

Permitted investments under the Investment Policy shall include:

U.S. Treasury Instruments. United States Treasury notes, bonds, bills or certificates of indebtedness, or those for which the full faith and credit of the United States is pledged for payment of principal and interest.

Federal Agency and Instrumentality Securities. Federal Agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

State of California and Local Debt. Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

Purchases are limited to securities rated at least "A-," or equivalent, by a Nationally Recognized Statistical Rating Organization ("NRSRO").

Bonds issued by Leucadia Wastewater District. Bonds issued by the District, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by the District or by a department, board, agency or authority of the District.

Medium-Term Notes. Medium-term corporate notes, defined as all corporate and depository institution securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or depository institutions licensed by the United States or any state and operating within the United States. Purchases are limited to securities rated at least "A-," or equivalent, by a NRSRO.

Bankers Acceptances. Purchases of bankers acceptances may not exceed 180 days' maturity. Purchases are limited to issuers with senior debt ratings of at least "A-," or equivalent, by a NRSRO.

Commercial Paper. The entity that issues the commercial paper shall have met either of the following criteria: (1) The corporation shall be organized and operating within the United States, shall have total assets in excess of five hundred million dollars (\$500,000,000), and shall issue debt, other than commercial paper, if any, that is rated "A" or higher by a NRSRO; or (2) The corporation shall be organized within the United States as a special purpose corporation, trust, or limited liability company, has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond; has commercial paper that is rated "A-1" or higher, or equivalent by a NRSRO. Eligible commercial paper may not exceed 270 days' maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation.

Bank Deposits. FDIC insured or collateralized bank deposits, including, without limitation, savings accounts, market rate accounts, and certificates of deposits in financial institutions located in California. No deposit of public funds shall be made except in a qualified public depository as established by state laws and the requirements of the California Government Code. Bank deposits are required to be collateralized as specified under the California Government Code Section 53630 et. seq. The General Manager may waive collateral for any portion that is covered by federal deposit insurance. The District shall have a signed agreement with any depository accepting District funds per California Government Code Section 53649.

Placement Service Certificates of Deposit. Certificates of deposit placed through a deposit placement service. The full amount of the principal and the interest that may be accrued during the maximum term of each certificate of deposit shall at all times be insured by federal deposit insurance.

Negotiable Certificates of Deposit. Negotiable certificates of deposit issued by a nationally or state-chartered bank or a state or federal association or by a state-licensed branch of a foreign bank.

Repurchase Agreements. Repurchase agreements are to be used solely as short-term investments not to exceed 30 days. The District may enter into repurchase agreements with financial institutions rated "A" or better by two NRSROs. Counterparties should also have (i) a short-term credit rating of at least "A-1" or equivalent, by a NRSRO; (ii) minimum assets and capitalized size of \$25 billion in assets and \$350 million in capital; (iii) five (5) years of acceptable audited financial results; and (iv) a strong reputation among market participants.

The following collateral restrictions will be observed: Only U.S. Treasury securities or Federal Agency securities will be acceptable collateral. All securities underlying repurchase agreements must be delivered to the District's custodian bank versus payment or be handled under a properly executed tri-party repurchase agreement. The total market value of all collateral for each repurchase agreement must equal or exceed 102 percent of total dollar value of the money invested by the District for the term of the investment. Since the market value underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day. For any repurchase agreement with a term of more than one day, the value of the underlying securities must be reviewed on an on-going basis according to market conditions. Market value must be calculated each time there is a substitution of collateral.

The District or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to repurchase agreement. The District shall have properly executed a master repurchase agreement with each counterparty with which it enters into repurchase agreements.

Money Market Funds. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 and following). The company shall have met either of the following criteria: (A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs. (B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than 5 years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).

State of California Local Agency Investment Fund (LAIF). If the District has funds invested in LAIF, the District shall maintain on file LAIF's current investment policy and its requirements for participation, including limitations on deposits or withdrawals.

California Asset Management Program (CAMP) Pool. California Asset Management Trust a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California. If the District has funds invested in CAMP, the District shall maintain on file CAMP's disclosure statement listing its investment policy and its requirements for participation, including limitations on deposits or withdrawals.

San Diego County Treasurer's Pooled Money Fund. Local government investment pool managed by the San Diego County Treasurer-Tax Collector. If the District has funds invested in San Diego County Pool, the District shall maintain on file the San Diego County Treasurer's Pooled Money Fund Investment Policy and its requirements for participation, including limitations on deposits or withdrawals.

## 8.2 Socially Responsible Investing

For specific investment vehicles within the criteria of the Prudent Investor Standard the following Socially Responsible Investment criteria shall be applied to the following investments:

For bonds issued by other government agencies, the following preferences apply:

1. Geographic preference is given to agencies within this county and then to issues within the state.
2. Preference is given to projects dealing with reclamation, water, sewer, air quality, waste recycling and environmental protection.

For corporate securities such as five-year corporate notes and commercial paper, the following preferences apply:

1. Investments with corporations without documented unfavorable environmental records as demonstrated by a due diligent review of required annual Securities and Exchange Commission Reports indicating no documented environmental actions have been taken against the company.

## 9.0 Investment Pools/Money Market Mutual Funds

A thorough investigation of the pool/fund is required prior to investing, and monitoring is required on a continual basis. District staff will annually perform due diligence analysis of the pool/fund based on a standardized questionnaire developed to address investment policy and practices.

## 10.0 Safekeeping and Custody

All security transactions entered into by the District shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian designated by the General Manager and evidenced by safekeeping receipts with a written custodial agreement. The securities will be held directly in the name of the District as beneficiary. The only exception to the foregoing shall be: (i) bank deposits, (ii) placement service certificates of deposit, (iii) LAIF, CAMP and the San Diego County Treasurer's Pool, and (iv) money market mutual funds, since these investments are not deliverable. Evidence of each of these investments will be held by the District.

## 11.0 Diversification

The District will diversify its investments by security type, institution, and maturities to prevent incurring unreasonable or avoidable risks regarding specific security types, individual financial

institutions or maturity segments.

District funds may be invested in accordance with the following table, which summarizes the allowable allocation of investments by percentage of total funds invested. Percentage holding limits listed below apply at the time the security is purchased.

**Allowable Allocation of Investments**

<b>Authorized Investment</b>	<b>%</b>
US Treasury Instruments	<b>75%</b>
Federal Agency and Instrumentality Securities	<b>75%</b>
State of California and Local Debt	<b>10%</b>
Bonds Issued by Leucadia Wastewater District	<b>10%</b>
Medium-Term Corporate Notes	<b>10%</b>
Bankers Acceptances	<b>10%</b>
Commercial Paper	<b>10%</b>
Bank Deposits	<b>25%</b>
Negotiable Certificates of Deposit	<b>10%</b>
Repurchase Agreements	<b>10%</b>
Money Market Funds	<b>10%</b>
State of California Local Agency Investment Pool (LAIF)	<b>75%</b>
California Asset Management Program (CAMP)	<b>75%</b>
San Diego County Treasurer's Pooled Money Fund (SD County Pool)	<b>75%</b>

**12.0 Internal Control**

The General Manager has established a system of internal controls to ensure compliance with the Investment Policy of the District and the California Government Code. The internal control procedures include segregation of duties in the different phases of an investment transaction, monthly reconciliation of the investment report to the general ledger, and annual policy compliance reviews. An independent audit is conducted by the District's outside auditors, which includes a compliance review of the District's investment activities to the District's Investment Policy, the California Government Code, and Government Accounting Standard Board (GASB) requirements regarding investment disclosures.

**13.0 Performance Standards**

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

The District's investment strategy is passive. Given this strategy, the General Manager has selected LAIF as the benchmark to determine whether market yields are being achieved. The General Manager shall review the selected benchmark on an annual basis.

#### **14.0 Reporting**

The General Manager shall submit to each member of the Board of Directors, on a monthly basis, an investment summary, describing the types of investment transactions, investments held, original costs, and average rates of return. As encouraged by Government Code 53646 (b) (1), the General Manager shall prepare a quarterly investment report. The report shall include a complete description of the portfolio; the type of investments, the issuers, maturity dates, interest rates, par values, cost and the current market values of each component of the portfolio. The report must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy, and (2) the District will meet its expenditure obligations for the next six months, or provide an explanation as to why money shall, or may, not be available. The General Manager shall maintain a complete and timely record of all investment transactions.

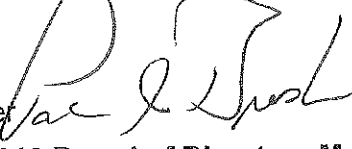
#### **15.0 Credit Rating Changes**

In the event a security held by the District is subject to a rating change that brings it below the minimum credit ratings specified in this policy, the General Manager should notify the Board of the change. The course of action to be followed will then be decided on a case-by-case basis, considering such factors as the reason for the rate drop, prognosis for recovery or further rate drops, and the market price of the security.

#### **16.0 Investment Policy Adoption**

The District's Investment Policy shall be adopted by resolution of the Board of Directors. The policy shall be reviewed annually by the Investment and Finance Committee and the Board of Directors. The Board of Directors must approve any modifications made thereto.

**MEMORANDUM**

**DATE:** September 5, 2013  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Potential Change to October 2013 Board of Directors Meeting Date

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**RECOMMENDATION:**

Staff requests that the Board of Directors:

1. Discuss and take action, as appropriate.

**DISCUSSION:**

The October 9, 2013 Board meeting coincides with the 86<sup>th</sup> Annual WEFTEC Conference scheduled for October 5-9, 2013. President Sullivan and Director Juliussen are scheduled to attend this conference. In light of this conflict, staff requests that the Board consider moving the October Board of Directors meeting to October 16, 2013.

This item is presented for the Board of Director's consideration and staff has no recommendation on this matter.

PJB:





LEADERS IN  
ENVIRONMENTAL  
PROTECTION

BOARD OF DIRECTORS  
ELAINE SULLIVAN, PRESIDENT  
DAVID KULCHIN, VICE PRESIDENT  
JUDY K. HANSON, DIRECTOR  
ALLAN JULIUSSEN, DIRECTOR  
DONALD F. OMSTED, DIRECTOR  
PAUL J. BUSHEE, GENERAL MANAGER

August 28, 2013

Ref: 14-3819

The Honorable Jerry Hill  
State Capitol, Room 5064  
Sacramento, CA 95814  
Via Fax: (916) 324-0283

**RE: Senate Bill 594 – NOTICE OF OPPOSITION** *(As amended 8/21/2013)*

Dear Senator Hill:

Leucadia Wastewater District respectfully opposes your SB 594 (Hill), related to campaign advocacy by nonprofit associations that receive funding from local public agencies.

Our opposition is based on concerns that this bill will stifle the collective voice of special districts and that of other associations that advocate on ballot measures impacting local government. This is because SB 594 creates major restrictions on a nonprofit organization's ability to participate in a ballot measure advocacy, or support candidates, if it receives public resources for operating expenses or services.

We are also deeply concerned with how this bill has been handled, given that the stated intent of the bill is to promote "transparency." The gut-and-amend practice that was used to introduce the current language of SB 594 seems to condone the opposite of transparency and information disclosure. Even more disappointing, this bill is being hurried through the legislature before it can be given the full analysis and review that it deserves given the potential impact to the local services that all Californians rely upon for their health, safety, and well-being.

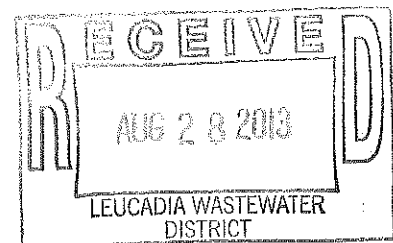
For these reasons, Leucadia Wastewater District respectfully opposes your SB 594. Thank you for your consideration of our concerns.

Sincerely,

Paul J. Bushee  
General Manager

cc: Honorable Assembly Member Rocky J. Chavez via fax: (916) 319-2176  
Honorable Senator Mark Wyland via fax: (916) 446-7382  
Assembly Appropriations Committee, Attn: Chuck Nicol, via fax (916) 319-2181  
California Special Districts Association, via fax (916) 520-2466

.....  
:18151 Charter Rd  
:Villa Park, CA 92861  
:.....



August 26, 2013

General Manager Paul Bushee  
Leucadia Wastewater District  
1960 La Costa Avenue  
Carlsbad, CA 92009-6810

Dear General Manager Bushee,

Thank you for your District's vote of confidence in my re-election to the California Special Districts Association (CSDA) Board. Your vote gives me the opportunity to continue to serve you as your representative for CSDA Region 6.

I will continue my commitment to building on CSDA's present foundation of educational programs legislative advocacy.

I promise to always do my best to represent you and Region 6 members. I will always be available to listen to and address any concerns or suggestions that you or other members of CSDA's Region 6 may have.

If you or your Board members ever have any concerns or suggestions on how CSDA can improve services to members please call me at (714) 809-4463 or email me at [bill622@aol.com](mailto:bill622@aol.com) and I will advocate for resolving the concerns or implementing the suggestions.

I look forward to working with all members of Region 6 over the next three years to continue to improve the delivery of services to CSDA's Region 6 members.

Sincerely

A handwritten signature in cursive script that reads "Bill Nelson".

Bill Nelson  
CSDA Director  
Region 6

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# Directors' Meetings

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

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## Conference

2013 CASA 58<sup>th</sup> Annual Conference

## Dates and Location

August 20-24, 2013

San Diego, CA

## List of Attendees

President Elaine Sullivan

Vice President Dave Kulchin

Director Allan Juliussen

Director Don Omsted

Director Judy Hanson

The above mentioned Board members attended various sessions regarding governance and management of wastewater operations.