



BOARD OF DIRECTORS REGULAR MEETING

DATE: Wednesday, December 14, 2016
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. Board of Directors Oath of Office**
General Counsel Brechtel will administer the oath of office to Vice President Hanson and Director Juliussen. (Pages 5-6)
- 5. General Public Comment Period**
- 6. Approval of Agenda**
- 7. Presentation and Awards**
 - A. Achievement of Individual Objective (Pages 7-8)

CONSENT CALENDAR

Items 8-12 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.

8. Approval of Board and Committee Minutes

Minutes of the following meetings:

November 9, 2016 Regular Board Meeting (Pages 9-15)

November 17, 2016 Community Affairs Committee Meeting (Pages 16-17)

December 7, 2016 Engineering Committee Meeting (Pages 18-20)

December 7, 2016 Investment and Finance Committee Meeting (Pages 21-22)

9. Approval of Demands for November/December 2016

This item provides for the Board of Directors approval of all demands paid from LWD during the month of November and a portion in December 2016. (Pages 23-46)

10. Operations Report

This report discloses the year-to-date and monthly flow, rainfall, EDU's and reclaimed water averages; along with MGD flow comparisons from FY16 to FY17 and flows by sub-basin. (Pages 47-51)

11. Finance Report

This report discloses up-to-date schedule of assets, liabilities, net assets and compares fiscal year-to-date expenditures to the FY17 budget and discloses monthly investments. (Pages 52-59)

12. Disclosure of Reimbursements

This report discloses travel expense reimbursements for the month of November 2016. (Pages 60-61)

EWA REPORTS

13. Encina Wastewater Authority Reports

A. A regular EWA Board Meeting was held on November 16, 2016 – report by Director Sullivan. (Page 62)

B. An Encina Member Agencies Manager's Meeting was held on December 6, 2016 – report by GM Bushee. (Verbal)

COMMITTEE REPORTS

14. Committee Reports

A. Community Affairs Committee Meeting was held on November 17, 2016 – report by Director Sullivan. (Page 63)

B. Engineering Committee Meeting was held on December 7, 2016 – report by Director Juliussen. (Page 64)

C. Investment and Finance Meeting was held on December 7, 2016 – report by Vice President Hanson. (Page 65)

ACTION ITEMS

15. Fiscal Year 2016 (FY16) Comprehensive Annual Financial Report (CAFR).

Receive and file the FY16 CAFR. (Pages 66-71, Enclosure)

16. Authorize the General Manager to execute an Agreement with Insituform Technologies for construction services to complete the Leucadia Scenic Cured-In-Place Pipe (CIPP) Lining Project in an amount not to exceed \$172,602. (Pages 72-74)
17. Authorize the General Manager to execute a purchase Agreement with Charles King Company for the purchase of a new trailer mounted engine driven pump in an amount not to exceed \$47,668.78. (Pages 75-76)
18. Board of Directors Election of Officers. (Pages 77)

INFORMATION ITEMS

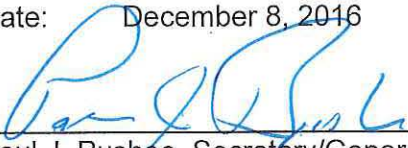
19. **Project Status Updates and Other Informational Reports**
 - A. 2017 CASA Winter Conference is scheduled for January 17-20, 2017 at the Hilton Palm Springs, CA. (Verbal)
20. **Directors' Meetings and Conference Reports**

None.
21. **General Manager's Report**
22. **General Counsel's Report**
23. **Board of Directors' Comments**
24. **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: December 8, 2016



Paul J. Bushee, Secretary/General Manager



Oath of Office

I, JUDY HANSON, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

JUDY HANSON

December 14, 2016
Date



Oath of Office

I, ALLAN JULIUSSEN, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

ALLAN JULIUSSEN

December 14, 2016
Date

MEMORANDUM

DATE: December 8, 2016
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Presentation and Awards – Achievement of an Individual Award

It is my pleasure to announce that a Leucadia Wastewater District (LWD) staff member has met an individual performance objective under LWD's Incentive Program. The individual and achievement are as follows:

California Water Environment Association (CWEA) Collection System Maintenance Grade 4 Certification – Todd Amos

Please join me in congratulating Todd who recently received his Grade 4 Collection System Maintenance certification from CWEA. This Grade 4 is the highest level of certification available in the Collection System Maintenance certification track. Todd has been working for the District since 2012. Todd has worked hard on his own time for this achievement while maintaining his full time position at LWD.

This accomplishment reflects Todd's desire to excel through continued professional development. As a result of this certification, Todd is eligible for an Individual Incentive Award of \$500.

tb:PJB

CALIFORNIA WATER ENVIRONMENT ASSOCIATION

Certification of Competence

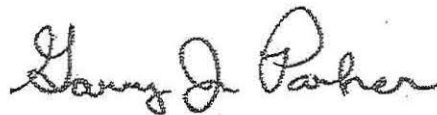
THIS IS TO CERTIFY THAT

Todd Amos

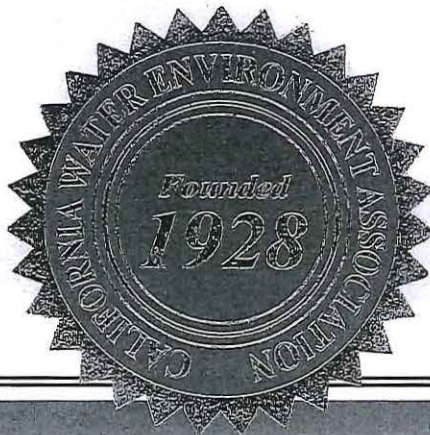
HAVING SUBMITTED ACCEPTABLE EVIDENCE OF QUALIFICATIONS
BY EDUCATION, TRAINING AND EXPERIENCE IS HEREBY
GRANTED THIS CERTIFICATION OF COMPETENCY IN

Collection System Maintenance
Grade 4

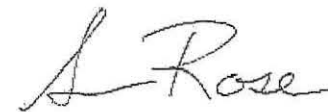
Expires: 11/30/2017



Garry Parker, President
California Water Environment Association



Certificate Number 1308214972



Sam Rose, Chair
Technical Certification Program

LEUCADIA WASTEWATER DISTRICT**Minutes of a Regular Board Meeting**

November 9, 2016

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, November 9, 2016 at 5:00 p.m., at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

1. Call to Order

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

2. Roll Call

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

DIRECTORS ABSENT: None.

OTHERS PRESENT: General Manager Paul Bushee, General Counsel Wayne Brechtel, Administrative Services Manager Richard Duffey, Technical Services Manager Robin Morishita, Field Services Superintendent Jeff Stecker, Executive Assistant Tianne Baity, Administrative Services Supervisor Trisha Hill, and District Engineer Steve Deering

3. Pledge of Allegiance

President Omsted led the pledge of allegiance.

4. General Public Comment Period

None.

5. Approval of Agenda

Upon a motion duly made by Director Juliussen, seconded by Director Sullivan, and unanimously carried, the Board of Directors approved the Agenda by the following vote:

| Director | Vote |
|-----------------------|------|
| President Omsted | Yes |
| Vice President Hanson | Yes |
| Director Sullivan | Yes |
| Director Kulchin | Yes |
| Director Juliussen | Yes |

6. Presentations and Awards

None.

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

Minutes of the following meetings:

October 19, 2016 Regular Board Meeting

October 24, 2016 Human Resources Committee Meeting

October 25, 2016 Community Affairs Committee Meeting

November 2, 2016 Engineering Committee Meeting

8. Approval of Demands for October/November 2016

Payroll Checks numbered 18868-18910; General Checking – Checks numbered 48858-48971.

9. Operations Report (A copy was included in the original November 9, 2016 Agenda)

10. Finance Report (A copy was included in the original November 9, 2016 Agenda)

11. Disclosure of Reimbursements

This report discloses travel expense reimbursements for the month of October 2016.

12. Board-General Manager/Staff Relations Policy

Receive and file the annual review of the Board-General Manager/Staff Relations Policy.

President Omsted asked the Board of Directors if there were any objections to the approval of the Consent Calendar, and seeing none, the Board approved the Consent Calendar by the following vote:

| Director | Vote |
|-----------------------|------|
| President Omsted | Yes |
| Vice President Hanson | Yes |
| Director Sullivan | Yes |
| Director Kulchin | Yes |
| Director Juliussen | Yes |

EWA and COMMITTEE REPORTS

13. Encina Wastewater Authority (EWA) Reports

A. EWA Board Report – Meeting held on October 26, 2016.

Director Sullivan reported on EWA's October 26, 2016 Board meeting.

B. EWA Member Agency Manager's (MAM) - Meeting held on November 1, 2016.

GM Bushee reported on MAM's November 1, 2016 meeting.

14. Committee Reports

A. Human Resources Committee (HRC) meeting held on October 24, 2016.

Director Hanson reported that the HRC met with staff as a follow-up to the discussion regarding an efficiency analysis at the September 26th HRC meeting.

Staff contacted three firms and provided the HRC with ballpark costs associated with conducting an efficiency analysis.

Following discussion, the HRC recommended that this item be presented at the November 9th Board meeting for review.

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

B. Community Affairs Committee (CAC) meeting held on October 25, 2016.

Director Sullivan reported the CAC reviewed and agreed with the following newsletter article topics, along with the production schedule:

- LWD semi-annual performance May 1, 2016 through November 1, 2016;
- Keeping the Pipes Clear and Free of Obstructions, Pipeline Blockages, and Illegal Dumping;
- Outreach Efforts and Assets;
- Employee and Agency Recognition;
- Capital Improvements; and
- Recycled Water

The CAC directed staff to move forward with the newsletter and production schedule.

The CAC also received an update on LWD's Facebook page and reviewed the District's surf cam on the LWD website. These items were for information only. No action was taken.

C. Engineering Committee (EC) meeting held on November 2, 2016.

Director Juliussen stated that the EC reviewed updates on the following:

- Village Park No.5 Pump Station replacement;
- Leucadia (L1) Force Main Project; and
- Batiquitos Pump Station Solar Panel Cost Analysis

These items were for information only. No action was taken.

ACTION ITEMS

15. Quarterly Treasurer's Investment Report

ASM Duffey presented the item noting the Quarterly Treasurer's Report is normally covered in the Consent Calendar. ASM Duffey stated that due to recent changes in the Investment Policy, staff thought it would be a good time to review some highlights of the most recent Quarterly Treasurer's Report.

ASM Duffey compared LWD's Cash and Investments by type from the previous quarter ending 6/30/2016 to the recent quarter ending 9/30/2016. He also presented a list of corporate notes held by LWD as of 9/30/2016 along with their ratings.

Director Juliussen asked if the corporate notes have a fixed interest rate and a maturity date. ASM Duffey answered affirmatively.

President Omsted if the District's financial advisor selects the companies for the corporate notes. ASM Duffey answered affirmatively.

ASM Duffey also compared the investment distribution, remaining maturities, and investment ratings between the two quarters.

ASM Duffey noted that LWD had shifted a little more of its allocation into corporate notes from the LAIF Pool, and extended its average maturity from 109 days to 144 days between quarters. This helped increase the average rate of return from 0.75% to 0.83%, which exceeded the LAIF benchmark.

Director Kulchin asked why the average rate of return is low. ASM Duffey stated that the investments were previously in investment pools that paid a lower rate of return. ASM Duffey noted that one of the reasons the Investment Policy was modified was so that the District could take advantage of higher yielding investments, while still being conservative.

Director Juliussen asked if the rate of return was annually or quarterly. ASM Duffey answered his question stating it was annually.

Director Kulchin asked if the rate of return will gradually escalate. ASM Duffey answered affirmatively.

GM Bushee noted that CSRMA, like the District, has an investment portfolio managed by PFM. He stated that CSRMA has a more flexible investment policy that allows a better rate of return while still remaining safe. GM Bushee stated that CSRMA's more flexible investment policy produced higher yields and this result is what led LWD to modify its own Investment Policy.

Following discussion, upon a motion duly made by Vice President Hanson, seconded by Director Sullivan, and unanimously carried, the Board of Directors received and filed the Quarterly Treasurer's Investment Report by the following vote:

| Director | Vote |
|-----------------------|------|
| President Omsted | Yes |
| Vice President Hanson | Yes |
| Director Sullivan | Yes |
| Director Kulchin | Yes |
| Director Juliussen | Yes |

16. Discussion of LWD Organizational Efficiency Study

GM Bushee presented the item and noted that this discussion stemmed from the June 26th Board meeting and Vice President Hanson's concerns with LWD's compensation process. Subsequently, these concerns were referred to the HRC for further discussion. These discussions took place at HRC meetings on September 26th and October 24th. GM Bushee stated that following discussion at the October 24th HRC meeting, the HRC was split on whether LWD should conduct an organizational efficiency analysis.

GM Bushee presented background information and ballpark costs on three firms that perform efficiencies analyses and they included: BHI Management Consulting, Black & Veatch, and EMA, Inc.

GM Bushee also presented background information on LWD's compensation program. He provided a handout on agencies similar to LWD based on population, number of accounts, service area size, miles of pipeline, number of employees and personnel budget figures. GM Bushee also provided several PowerPoint slides showing both staff and Board compensation trends. He noted that both trends have been relatively flat over the past 6 years.

Prior to Board discussion, GM Bushee summarized his closing thoughts in the following areas:

- Finance – The District conducts annual financial audits, while maintaining strong reserves, no debt and a low service rate.
- Human Resources – The District has a history of stable compensation, lean staffing combined with strategic outsourcing, and high morale with low turnover.
- Operations – The District has a strong performance record while continuously striving for a clean

environmental record of no spills.

- Legal – The District has few closed sessions and no litigation.
- Infrastructure – The District infrastructure is in excellent condition and the District has invested \$68 million since FY 2006 to repair and/or replace pump stations, force mains, and gravity lines.

Vice President Hanson stated that she thinks the District can always do things better. She stated that the District has never had an efficiency study conducted before and it is important to have one at some point. She noted that other public agencies have conducted efficiency studies. Vice President Hanson also noted that whatever is found in the study may save the District the money to pay for the study, over time.

Director Sullivan asked Vice President Hanson if there is something specific she has seen that she wants to address. Vice President Hanson answered stating she thinks salaries are high and she doesn't agree with them. Vice President Hanson also stated she doesn't understand enough about what people do at the District.

Director Kulchin stated that he agreed with GM Bushee's closing thoughts. He stated that if the District had high turnover, poor morale, or excessive compensation, he might agree with Vice President Hanson. Director Kulchin stated LWD operates a very efficient system and spending \$70K on the scope of work for an efficiency study was not warranted. Director Kulchin also noted that the District does annual job and wage comparisons to other similar sized agencies.

Director Sullivan stated she agreed with Director Kulchin. Director Sullivan also stated she didn't think the District would find \$60K in savings by conducting an efficiency study.

Director Juliussen stated that he thought the District had competitive pay.

Following discussion, Vice President Hanson made a motion to conduct an LWD Organizational Efficiency Study. There was no second, therefore the motion did not carry.

17. Potential Strategic Planning Facilitators

GM Bushee presented the item noting it is a follow-up to last month's October Board meeting and the Board strategic planning session is a tactical goal for fiscal year 2017. GM Bushee stated that at the October meeting the Board directed staff to provide some biographical information from a couple of strategic planning firms for the Board's consideration. GM Bushee noted that staff had contacted BHI Management and the Tamayo Group Inc. and he provided background information on each firm.

Director Kulchin made a recommendation for the Tamayo Group, Inc. noting that he likes BHI Management but the District used them at the previous strategic planning session. Director Kulchin stated that making a change for this strategic planning session is in the District's best interest.

Vice President Hanson and Director Sullivan also agreed with Director Kulchin.

Following discussion, the Board of Directors unanimously agreed to use the Tamayo Group Inc. for the strategic planning session which is earmarked for late February 2017.

GM Bushee stated he would request a proposal from the Tamayo Group Inc for a three-quarter day to full day strategic planning session and procure services with a sole source agreement.

There was no other action taken.

18. Calendar Year 2017 (CY17) Board of Directors' Meeting

Approve the CY17 Board of Directors' meeting schedule.

EA Baity presented the item stating that the Board approved a resolution in 2009 that indicates that the Board meetings will be held on the second Wednesday of each month at 5:00 PM. She stated that staff developed the proposed CY17 Board meeting schedule. She also noted that there are no conflicts between conferences and Board meeting dates for CY17.

Following discussion, upon a motion duly made by Director Kulchin, seconded by Director Juliussen, and unanimously carried, the Board of Directors approved the CY17 Board of Directors' meeting schedule by the following vote:

| Director | Vote |
|------------------------------|-------------|
| President Omsted | Yes |
| Vice President Hanson | Yes |
| Director Sullivan | Yes |
| Director Kulchin | Yes |
| Director Juliussen | Yes |

INFORMATION ITEMS

19. Project Status Updates and Other Informational Reports

A. Batiquitos Pump Station Electrical Cost Analysis.

FSSupt Stecker presented a cost analysis of the Batiquitos Pump Station electrical rate and provided back ground information on this item. He stated that in May 2015 the District switched to a new electrical rate at the Batiquitos Pump Station. He explained that the new rate required the District to reduce on-peak demand kwhrs at the pump station. FSSupt Stecker stated that the installation of the Solar Panels satisfied that requirement and he provided a rate comparison of electrical costs before and after the rate switch for a one year period over the same months.

FSSupt Stecker also reviewed the Batiquitos Pump Station electrical usage and costs, solar panel costs, and solar panel payback costs. FSSupt noted that the District has saved enough to pay for the cost of the solar panels within 10 months.

The Board thanked staff for the presentation.

B. 2017 CSRMA Executive Board Elections.

GM Bushee stated the CSRMA Executive Board has formed a Nominating Committee to recommend a slate of candidates for the 2017 Board Elections. GM Bushee noted that if anyone is interested in nominating someone for the Executive Board to contact the Nominating Committee.

C. CSDA Quarterly Dinner Meeting is scheduled for Thursday, November 17, 2016 at The Butcher Shop Steakhouse in Kearny Mesa.

EA Baity stated the date and time of the CSDA Quarterly Dinner Meeting. GM Bushee stated a carpool will be leaving from the District office at 5:30 p.m. and that he will send an email reminder.

D. LWD Holiday Luncheon is scheduled for Thursday, December 8, 2016 at 12noon at Bistro West.

EA Baity announced the date of the Holiday luncheon noting that it is scheduled for the week before the December Board meeting.

20. Directors' Meetings and Conference Reports

None.

21. General Manager's Report

GM Bushee reported on the following items:

- GM Bushee reported that last week the District received two bids for the L1 Force Main West Section Replacement Project. Based on the high pricing of both bids and the fact that one of the bids did not meet the bid requirements, both bids have been rejected and the project will be rebid in order to receive more competitive bids.

22. General Counsel's Report

GC Brechtel reported on the following items:

- SB 1069 Accessory Dwelling Units and standardization of District fees

23. Board of Directors' Comments

Director Juliussen stated he was looking forward to the next four years on the Board and serving the rate payers.

Director Kulchin congratulated the three re-elected Board members and also congratulated staff for doing a great job. He also acknowledged ASM Duffey for providing good financial management and noting we should all be very proud of the District.

Director Sullivan concurred with Director Kulchin and also congratulated the three re-elected Board members.

Vice President Hanson stated she attended the San Diego Local Agency Formation Commission (LAFCO) Board meeting on November 7, 2016. She noted that at the October CALAFCO Conference, San Diego LAFCO was recognized by CALAFCO.

24. Adjournment

President Omsted adjourned the meeting at 6:12 p.m.

Donald Omsted, President

Paul J. Bushee
Secretary/General Manager
(SEAL)

LEUCADIA WASTEWATER DISTRICT
Minutes of a Community Affairs Committee Meeting
November 17, 2016

A meeting of the Community Affairs Committee (CAC) of the Leucadia Wastewater District (LWD) was held November 17, 2016 at 12:00 p.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 12:00 p.m.

2. Roll Call

DIRECTORS PRESENT: Omsted and Sullivan

DIRECTORS ABSENT:

OTHERS PRESENT: General Manager Paul Bushee, Administrative Services Manager Richard Duffey, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, and Jared Criscuolo of Rising Tide Partners (RTP)

3. Public Comment

No public comment was received.

4. New Business

A. Review the draft text for the 2017 winter newsletter.

ASsup Hill presented the item and introduced Mr. Jared Criscuolo of RTP to present an overview of the draft text for the 2017 winter newsletter.

The CAC suggested a few minor edits to the newsletter. Mr. Criscuolo also explained his ideas for the pictures and graphics which will be added to the newsletter before the final draft.

Following discussion, the CAC authorized staff and RTP to proceed with the layout of the 2017 winter newsletter.

GM Bushee also noted that for this past Veteran's Day, Mr. Criscuolo has added a posting to LWD's Facebook page honoring the five veterans who work for the District.

5. Information Items

None.

6. Directors' Comments

Director Sullivan stated she really like the newsletter and that the text flowed very well.

7. General Manager's Comments

None.

8. Adjournment

Chairperson Sullivan adjourned the meeting at 12:23 p.m.

Paul J. Bushee
Secretary/Manager
(Seal)

LEUCADIA WASTEWATER DISTRICT
 Minutes of an Engineering Committee Meeting
 December 7, 2016

A meeting of the Engineering Committee (EC) of Leucadia Wastewater District (LWD) was held on Wednesday, December 7, 2016 at 9:00 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 9:00 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; and Robert Weber and Jamie Fagnant from Infrastructure Engineering Corporation

3. Public Comment

None.

4. New Business

- A. Authorize the General Manager to execute an Agreement with Insituform Technologies for construction services to complete the Leucadia Scenic Cured-In-Place Pipe Lining Project in an amount not to exceed \$172,602.

TSM Morishita presented the staff recommendation. He explained that the project was originally part of the Leucadia (L1) Force Main West Section Replacement Project. He continued that because the District received only two significantly high bids for the project, staff decided to break the project into two separate projects. TSM Morishita said that the Leucadia Scenic Cured-In-Place Pipe Lining Project resulted from the separation.

TSM Morishita stated that the project was bid on November 14th and bids were received on November 29th. He said that three bids were received with Insituform Technologies (Insituform) submitting the lowest bid. He continued that Infrastructure Engineering Corporation (IEC) evaluated the bids and determined that Insituform was the lowest responsive and responsible bidder. TSM Morishita said that IEC recommended and staff concurs that the contract be awarded to Insituform.

After discussion, the EC concurred with staff to recommend that the Board authorize executing an agreement with Insituform for construction services to complete the Leucadia Scenic CIPP Lining Project.

- B. Authorize the General Manager to execute a purchase Agreement with Charles King Company for the purchase of a new trailer mounted engine driven pump in an amount not to exceed \$47,668.78.

FSSupt Stecker presented the staff recommendation. He said that the current trailer mounted pump is at the end of its useful life and that the pump will not meet the new Air Pollution Control District emissions requirements that take effect on January 1, 2017. He explained that staff developed the trailer pump specifications. FSSupt Stecker continued that, based on the hydraulic and pressure requirements, staff determined that three pumps met those specifications. He said that staff solicited sealed bids from the three pump manufacturers and received bids from all of them.

FSSupt stated that the lowest bid was submitted by Charles King Company (CKC). He continued that DE Deering evaluated CKC's bid and determined that CKC was the lowest responsive and responsible bidder. He said that it should be noted that CKC was the only vendor that provided a trade-in amount for the District's current trailer mounted pump. FSSupt Stecker said that staff recommends that the purchase of the trailer mounted pump be awarded to CKC. He informed the EC that the current trailer mounted pump will be traded-in as part of the purchase.

After discussion, the EC concurred with staff to recommend that the Board authorize the General Manager to execute a purchase agreement with Charles King Company for the purchase of a new trailer mounted pump.

5. Information Items

- A. Village Park No. 5 Pump Station Replacement Project status update

TSM Morishita presented a status of the VP5 Pump Station Replacement Project. He stated that SCW Contracting continued with the installation of the wet well and valve vault piping installation. He continued that SCW also installed a short portion of the new force main that exits the valve vault and pressure tested the installed piping. TSM Morishita said that SCW is anticipating that they will be off site until February 2017 because the remainder of the equipment to be installed will not arrive until January 2017.

6. Director's Comments

Director Kulchin commented on the Sea Level Rise Study that Carlsbad is conducting and asked how the rise in sea level would impact the District. Staff stated that the Hazard Preparedness & Mitigation Plan (HPMP) completed by Titan Engineering & Consulting in May 2015 addressed the subject. TSM Morishita said that the rise in sea level was addressed in the HPMP and it did not present a threat to the District's infrastructure. He continued that staff met with Carlsbad staff regarding their Sea Level Rise Study and provided a copy of the District's HPMP to Carlsbad at the meeting. GM Bushee said that staff will review the HPMP with the EC at a future meeting. Director Kulchin was satisfied with staff's response.

7. General Manager's Comments

GM Bushee informed the EC that the all bids received on November 17, 2016 for the Gafner Advanced Water Treatment Improvements Project were rejected because they were significantly over the Engineer's Estimate and budget amount. He continued that due to equipment lead times, the project contained two construction periods which may

have added complexity to the project. GM Bushee stated that staff will rebid the project in early 2017 to account for procurement lead times and anticipates construction to commence in December 2017.

8. Adjournment

Chairperson Juliussen adjourned the meeting at approximately 9:43 a.m.

Paul J. Bushee,
Secretary/Manager
(Seal)

LEUCADIA WASTEWATER DISTRICT
Minutes of an Investment & Finance Committee Meeting
December 7, 2016

A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Wednesday, December 7, 2016 at 2:30 p.m. at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

1. Call to Order

Chairperson Hanson called the meeting to order at 2:30 p.m.

2. Roll Call

DIRECTORS PRESENT: Hanson and Omsted

DIRECTORS ABSENT: None.

OTHERS PRESENT: General Manager Paul Bushee, Administrative Services Manager Richard Duffey, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, Accounting Technician Maggie McEniry, and Jonathan Foster and Shannon Ayala of Davis Farr, LLP

3. Public Comment

No public comment was received.

4. New Business

- A. Recommend that the Board of Directors Receive and File the Fiscal Year 2016 (FY16) Comprehensive Annual Financial Report (CAFR).

ASM Duffey presented this item, stating that it is a Fiscal Year 2017 tactical goal. He provided a summary of the CAFR, highlighting the Management's Discussion and Analysis (MD&A). ASM Duffey discussed the District's FY16 Revenues and Expenses, Key Financial Ratios, Net Position, Unrestricted Reserve Balances, Reserves vs. Cash Investment Balances, and the FY16 Budget to Actual Expenses.

ASM Duffey introduced Jonathan Foster of Davis Farr, LLP to provide a summary of the auditors' reports and auditing process.

Mr. Foster stated that the auditor's internal report indicated that the audit was a clean, unmodified opinion for the year ending FY16. He reviewed the Significant Procedures Performed and the Required Auditor Communications letter. He stated that GASB 72 Fair Value Measurement and Application added two additional disclosures to the audit. He also stated that there was no material non-compliance noted.

Director Omsted asked Mr. Foster if he has any advice on how the District can do things better. Mr. Foster answered that LWD's books are in order and there is nothing to warrant a comment of deficiency.

Directors Hanson and Omsted thanked Mr. Foster for his summary.

Following discussion, the IFC agreed with staff to recommend that the Board of Directors receive and file the FY16 CAFR.

5. Information Items

None.

6. Directors' Comments

None.

7. General Manager's Comments


None.

8. Adjournment

Chairperson Hanson adjourned the meeting at 3:05 p.m.

Paul J. Bushee
Secretary/General Manager
(Seal)

DATE: December 8, 2016
TO: Board of Directors
FROM: Paul J. Bushee, General Manager
SUBJECT: Approval of November/December Demands



RECOMMENDATION:

Staff requests that the Board of Directors:

1. Approve checks and electronic payments totaling \$ **458,276.08**.
2. Discuss and take other action as appropriate.

DISCUSSION:

Attached are check registers describing all payments made by LWD for the months November 4, 2016 – December 7, 2016.

Operating expenses totaled **\$190,842.33** while Capital Improvement Program expenses totaled **\$102,794.40**.

Payroll for employees and the Board totaled \$ **164,639.35**.

Attached, please find a year-to-date Employee and Board Payroll Report from November 2015 to December 2016, 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 November/December 2016 |
| Attachment 2 | Payroll Check Register dated November 9, 2016 |
| Attachment 3 | Accounts Payable Check Register dated November 15, 2016 |
| Attachment 4 | Accounts Payable Check Register dated November 18, 2016 |
| Attachment 5 | Accounts Payable Check Register dated November 23, 2016 |
| Attachment 6 | Payroll Check Register dated November 23, 2016 |
| Attachment 7 | Board Payroll Check Register dated December 1, 2016 |
| Attachment 8 | Accounts Payable Check Register dated December 1, 2016 |
| Attachment 9 | Payroll Check Register dated December 2, 2016 |
| Attachment 10 | Payroll Check Register dated December 7, 2016 |
| Attachment 11 | Year to Date Employee and Board Payroll Report |

DEMANDS SUMMARY

December 14, 2016

1. Demands

| <u>Category</u> | <u>Check #'s</u> | <u>Amount</u> | <u>Total</u> |
|---------------------------------|-----------------------------|----------------------|---------------------|
| Payroll Check -11/09/2016 | 18911 - 18929 | \$47,228.39 | |
| Payroll Check -11/23/2016 | 18930 - 18948 | \$47,121.35 | |
| Board Payroll Check - 12/1/2016 | 18949 - 18953 | \$2,419.09 | |
| Payroll Check - 12/2/2016 | 18954 - 18964 Sick Buy-back | \$20,167.03 | |
| Payroll Check - 12/7/2016 | 18965 - 18983 | <u>\$47,703.49</u> | |
| | Total | \$164,639.35 | |
| General Checking -11/15/2016 | 48972 - 49038 | \$ 158,015.71 | |
| General Checking -11/18/2016 | 49039 - 49040 | \$ 556.05 | |
| General Checking - 11/23/2016 | 49041 - 49067 | \$ 82,873.60 | |
| General Checking - 12/1/2016 | 49068 - 49090 | <u>\$ 52,191.37</u> | |
| | Total | \$ 293,636.73 | |
| | GRAND TOTAL | | \$458,276.08 |

**LEUCADIA WASTEWATER DISTRICT
EMPLOYEE PAYROLL CHECK REPORT**

Payroll Date: **November 9, 2016**

| <u>Check Nos.</u> | <u>Date</u> | <u>Amount</u> |
|-------------------|-------------|---------------|
| 18911 - 18929 | 11/9/2016 | \$47,228.39 |

Leucadia Wastewater District
Check/Voucher Register - CHECK REGISTER
1005 - UNION BANK GENERAL
From 11/15/2016 Through 11/15/2016

| Vendor Name | Check Number | Effective Date | Check Amount | Transaction Description |
|------------------------------------|--------------|----------------|--------------|---|
| ACACIA GASOLINE & CAR WASH | 48972 | 11/15/2016 | 79.00 | VEHICLE FUEL |
| | Total 48972 | | 79.00 | |
| ADS LLC | 48973 | 11/15/2016 | 4,340.00 | FLOW METERING AND DATA ANALYSIS-OCT |
| | Total 48973 | | 4,340.00 | |
| ARC DOCUMENT SOLUTIONS,LLC | 48974 | 11/15/2016 | 50.16 | PLANS AND SPECS |
| | Total 48974 | | 50.16 | |
| AT&T | 48975 | 11/15/2016 | 193.85 | PHONE SERVICE-OCT |
| | Total 48975 | | 193.85 | |
| AYALA ENGINEERING | 48976 | 11/15/2016 | 13,200.00 | REPAIR DEFECTIVE COATING @ EASEMENT @ GOLF COURSE |
| | Total 48976 | | 13,200.00 | |
| BARRETT ENGINEERED PUMP | 48977 | 11/15/2016 | 281.88 | SUMP PUMP @ E. ESTATES PS |
| | Total 48977 | | 281.88 | |
| CA ASSOC OF SANITATION AGENCIES | 48978 | 11/15/2016 | 8,570.00 | MEMBERSHIP RENEWAL 2017-CASA |
| | Total 48978 | | 8,570.00 | |
| CALIFORNIA SPECIAL DISTRICTS ASSOC | 48979 | 11/15/2016 | 6,485.00 | 2017 CSDA MEMBERSHIP DUES |
| | Total 48979 | | 6,485.00 | |
| CARLSBAD FUELS CORPORATION | 48980 | 11/15/2016 | 1,323.77 | VEHICLE FUEL |
| | Total 48980 | | 1,323.77 | |
| CHUCKS TIRE CENTER | 48981 | 11/15/2016 | 91.84 | SERVICE FOR GOLF CART |
| | Total 48981 | | 91.84 | |
| CINTAS FIRST AID AND SAFETY | 48982 | 11/15/2016 | 189.88 | FIRST AID KITS REFILL |
| | Total 48982 | | 189.88 | |
| CITY OF CARLSBAD | 48983 | 11/15/2016 | 253.52 | WATER @ PLANT |
| CITY OF CARLSBAD | | 11/15/2016 | 200.61 | WATER @ VACTOR |
| CITY OF CARLSBAD | | 11/15/2016 | 250.14 | WATER @ VACTOR 2 |
| | Total 48983 | | 704.27 | |
| WAGEWORKS, INC | 48984 | 11/15/2016 | 140.00 | SEC 125 FLEX PLAN-OCT |

Leucadia Wastewater District
Check/Voucher Register - CHECK REGISTER
1005 - UNION BANK GENERAL
From 11/15/2016 Through 11/15/2016

| Vendor Name | Check Number | Effective Date | Check Amount | Transaction Description |
|---|--------------|----------------|--------------|----------------------------------|
| | Total 48984 | | 140.00 | |
| CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC | 48985 | 11/15/2016 | 826.20 | EXTERIOR LIGHTS |
| | Total 48985 | | 826.20 | |
| CORELOGIC INFORMATION SOLUTIONS, INC | 48986 | 11/15/2016 | 125.00 | REAL QUEST SUBSCRIPTION-OCT |
| | Total 48986 | | 125.00 | |
| COX COMMUNICATIONS SAN DIEGO | 48987 | 11/15/2016 | 1,423.95 | PHONE, INTERNET |
| | Total 48987 | | 1,423.95 | |
| CSDA- SAN DIEGO CHAPTER | 48988 | 11/15/2016 | 180.00 | QTRLY DINNER-11/17/16 |
| | Total 48988 | | 180.00 | |
| CUES, INC | 48989 | 11/15/2016 | 218.17 | SWITCH AND BREAKER |
| | Total 48989 | | 218.17 | |
| DATA NET | 48990 | 11/15/2016 | 57.50 | IS MAINT AND SUPPORT |
| | Total 48990 | | 57.50 | |
| DION INTERNATIONAL TRUCKS INC | 48991 | 11/15/2016 | 102.85 | BIT INSPECTION |
| | Total 48991 | | 102.85 | |
| DUDEK & ASSOCIATES | 48992 | 11/15/2016 | 11,033.75 | GE/CIP/OCT/200/0359/0302/036... |
| DUDEK & ASSOCIATES | | 11/15/2016 | 6,342.50 | GE/CIP/SEPT/200/0345/0358/030... |
| | Total 48992 | | 17,376.25 | |
| EL CAMINO REAL SHELL ENCINITAS | 48993 | 11/15/2016 | 42.55 | VEHICLE GAS |
| | Total 48993 | | 42.55 | |
| FIRE SERVICE CORP | 48994 | 11/15/2016 | 145.00 | FIRE EXTINGUISHER SERVICE |
| | Total 48994 | | 145.00 | |
| LOS ANGELES FREIGHTLINER | 48995 | 11/15/2016 | 409.20 | SERVICE ON VACTOR |
| | Total 48995 | | 409.20 | |
| HAAKER EQUIPMENT CO | 48996 | 11/15/2016 | 117.12 | WORK DONE ON VACTOR-BAL DUE |
| | Total 48996 | | 117.12 | |
| HOCH CONSULTING | 48997 | 11/15/2016 | 5,272.50 | CONSTRUCTION MGMT FOR VP5 PS-Oct |

Leucadia Wastewater District
Check/Voucher Register - CHECK REGISTER
1005 - UNION BANK GENERAL
From 11/15/2016 Through 11/15/2016

| Vendor Name | Check Number | Effective Date | Check Amount | Transaction Description |
|--------------------------------------|--------------|----------------|--------------|---|
| | Total 48997 | | 5,272.50 | |
| ICMA RETIREMENT-303979 | 48998 | 11/15/2016 | 4,185.74 | DEFERRED COMP |
| | Total 48998 | | 4,185.74 | |
| INTERSTATE BATTERIES OF SAN DIEGO | 48999 | 11/15/2016 | 359.00 | BATTERY-TV truck 157/154 |
| | Total 48999 | | 359.00 | |
| JACKSON & BLANC | 49000 | 11/15/2016 | 556.44 | BELTS AND SERVICE OUTSIDE SERVICE CONTRACT |
| | Total 49000 | | 556.44 | |
| JOHN W. SMITH dba NC Backflow | 49001 | 11/15/2016 | 230.00 | MAINT/REPAIR-NUTS AND BOLTS |
| JOHN W. SMITH dba NC Backflow | | 11/15/2016 | 250.00 | TEST BACKFLOW @ BPS |
| | Total 49001 | | 480.00 | |
| DODGE DATA & ANALYTICS | 49002 | 11/15/2016 | 1,299.30 | GREEN SHEET AD FOR GAFNER/AWT PROJECT |
| | Total 49002 | | 1,299.30 | |
| MESA REPROGRAPHICS | 49003 | 11/15/2016 | 610.81 | PLANS AND SPECS |
| MESA REPROGRAPHICS | | 11/15/2016 | 36.64 | SPECS AND PLANS |
| | Total 49003 | | 647.45 | |
| MILHOLLAND ELECTRIC, INC | 49004 | 11/15/2016 | 550.95 | BAL FOR WORK @ BPS-SOLAR PANELS |
| | Total 49004 | | 550.95 | |
| MIRA MESA WINDOW CLEANING | 49005 | 11/15/2016 | 600.00 | SOLAR PANEL CLEANING @LPS/BPS |
| | Total 49005 | | 600.00 | |
| MITSUBISHI ELECTRIC US, INC | 49006 | 11/15/2016 | 277.41 | ELEVATOR MAINT AND SERVICE-OCT |
| | Total 49006 | | 277.41 | |
| MOOR CO. | 49007 | 11/15/2016 | 3,160.00 | PARTIAL PAYMENT FOR WORK @BPS |
| | Total 49007 | | 3,160.00 | |
| NAPA AUTO | 49008 | 11/15/2016 | 174.70 | SUPPLIES AND PARTS |
| | Total 49008 | | 174.70 | |

Leucadia Wastewater District
Check/Voucher Register - CHECK REGISTER
1005 - UNION BANK GENERAL
From 11/15/2016 Through 11/15/2016

| Vendor Name | Check Number | Effective Date | Check Amount | Transaction Description |
|---------------------------------|--------------|----------------|--------------|--------------------------------------|
| NATIONWIDE RETIREMENT SOLUTIONS | 49009 | 11/15/2016 | 125.00 | DEFERRED COMP |
| | Total 49009 | | 125.00 | |
| NU-LINE TECHNOLOGIES, INC | 49010 | 11/15/2016 | 6,578.75 | 2016 GRAVITY LINE REHAB |
| | Total 49010 | | 6,578.75 | |
| OFFICE DEPOT, INC. | 49011 | 11/15/2016 | 200.11 | OFFICE SUPPLIES |
| | Total 49011 | | 200.11 | |
| OLIVENHAIN MUNICIPAL WATER DIST | 49012 | 11/15/2016 | 41.13 | WATER @ E. ESTATES PS |
| OLIVENHAIN MUNICIPAL WATER DIST | | 11/15/2016 | 313.41 | WATER @ TRAVELING |
| OLIVENHAIN MUNICIPAL WATER DIST | | 11/15/2016 | 599.18 | WATER @ TRAVELING 2 |
| OLIVENHAIN MUNICIPAL WATER DIST | | 11/15/2016 | 41.13 | WATER @ VP5 |
| OLIVENHAIN MUNICIPAL WATER DIST | | 11/15/2016 | 41.13 | WATER @ VP7 |
| | Total 49012 | | 1,035.98 | |
| PALOMAR WATER, LLC | 49013 | 11/15/2016 | 200.00 | BOTTLED WATER DELIVERED-Oct |
| | Total 49013 | | 200.00 | |
| PARKER SUPPLY CO | 49014 | 11/15/2016 | 1,771.77 | PARTS FOR LPS/BPS |
| | Total 49014 | | 1,771.77 | |
| PERS RETIREMENT | 49015 | 11/15/2016 | 235.49 | BOARD RETIREMENT ENDING 10/31/16 |
| PERS RETIREMENT | | 11/15/2016 | 12,646.53 | EMPLOYEE RETIREMENT ENDING 10/23/16 |
| PERS RETIREMENT | | 11/15/2016 | 11,894.35 | EMPLOYEE RETIREMENT ENDING 11/6/2016 |
| | Total 49015 | | 24,776.37 | |
| PLANT PEOPLE, INC | 49016 | 11/15/2016 | 222.00 | MAINT OF LIVE PLANTS IN OFFICE-NOV |
| | Total 49016 | | 222.00 | |
| PLUMBERS DEPOT, INC | 49017 | 11/15/2016 | 3,024.00 | WARTHOG |
| | Total 49017 | | 3,024.00 | |
| PURCHASE POWER | 49018 | 11/15/2016 | 182.72 | SHIPPING-FEDX |
| | Total 49018 | | 182.72 | |
| QUALITY CHEVROLET | 49019 | 11/15/2016 | 103.20 | MAINT AND REPAIR |

Leucadia Wastewater District
Check/Voucher Register - CHECK REGISTER
1005 - UNION BANK GENERAL
From 11/15/2016 Through 11/15/2016

| Vendor Name | Check Number | Effective Date | Check Amount | Transaction Description |
|--------------------------------|--------------|----------------|------------------|-------------------------------------|
| | Total 49019 | | 103.20 | |
| RICHARD STINSON | 49020 | 11/15/2016 | <u>17,400.00</u> | CONSTRUCTION CONSULTING-OCT |
| | Total 49020 | | 17,400.00 | |
| AIR POLLUTION CONTROL DISTRICT | 49021 | 11/15/2016 | <u>618.00</u> | EMISSION FEES |
| | Total 49021 | | 618.00 | |
| SAN DIEGO UNION TRIBUNE | 49022 | 11/15/2016 | <u>930.20</u> | AD FOR GAFNER PROJ AND CREDIT |
| | Total 49022 | | 930.20 | |
| SAN DIEGUITO WATER DISTRICT | 49023 | 11/15/2016 | 88.43 | WATER @ BPS |
| SAN DIEGUITO WATER DISTRICT | | 11/15/2016 | 10.52 | WATER @ TANKER |
| SAN DIEGUITO WATER DISTRICT | | 11/15/2016 | 42.08 | WATER @ TANKER 2 |
| | Total 49023 | | <u>141.03</u> | |
| SOUTHERN CONTRACTING COMPANY | 49024 | 11/15/2016 | <u>575.00</u> | SOLENOID @ LPS |
| | Total 49024 | | 575.00 | |
| TERMINIX | 49025 | 11/15/2016 | <u>56.00</u> | MONTHLY PEST SERVICE-NOV |
| | Total 49025 | | 56.00 | |
| THE HOME DEPOT CRC/GECF | 49026 | 11/15/2016 | <u>521.42</u> | SUPPLIES |
| | Total 49026 | | 521.42 | |
| TIM BESTAMENTE | 49027 | 11/15/2016 | <u>125.00</u> | MAINT AND REPAIR WORK |
| | Total 49027 | | 125.00 | |
| T.S. INDUSTRIAL SUPPLY | 49028 | 11/15/2016 | <u>90.47</u> | PARTS FOR E. ESTATES PS |
| | Total 49028 | | 90.47 | |
| UNDERGROUND SERVICE ALERT OF | 49029 | 11/15/2016 | <u>166.50</u> | UNDERGROUND ALARM SYSTEM |
| | Total 49029 | | 166.50 | |
| UNIFIRST CORPORATION | 49030 | 11/15/2016 | 192.03 | LAUNDRY SERVICE W/E 11/9/16 |
| UNIFIRST CORPORATION | | 11/15/2016 | <u>191.09</u> | LAUNDRY SERVICE-W/E 11/2/16 |
| | Total 49030 | | 383.12 | |
| U.S. BANK | 49031 | 11/15/2016 | <u>1,656.45</u> | CONFERENCES, MEETINGS,SUPPLIES, ETC |

Leucadia Wastewater District
Check/Voucher Register - CHECK REGISTER
1005 - UNION BANK GENERAL
From 11/15/2016 Through 11/15/2016

| Vendor Name | Check Number | Effective Date | Check Amount | Transaction Description |
|--------------------------------------|--------------|----------------|--------------|---------------------------|
| | Total 49031 | | 1,656.45 | |
| U.S. HEALTHWORKS MEDICAL GROUP, P.C. | 49032 | 11/15/2016 | 493.00 | PHYSICALS |
| | Total 49032 | | 493.00 | |
| VERIZON WIRELESS | 49033 | 11/15/2016 | 21.27 | TELEMETRY-OCT |
| | Total 49033 | | 21.27 | |
| VORTEX INDUSTRIES, INC | 49034 | 11/15/2016 | 15,888.59 | MODIFY/REPLACE GATE @ BPS |
| | Total 49034 | | 15,888.59 | |
| WASTE MANAGEMENT | 49035 | 11/15/2016 | 257.88 | TRASH SERVICE-OCT |
| | Total 49035 | | 257.88 | |
| WEST COAST SAFETY SUPPLY CO., INC. | 49036 | 11/15/2016 | 1,880.74 | CYLINDER |
| WEST COAST SAFETY SUPPLY CO., INC. | | 11/15/2016 | 486.70 | SENSOR |
| | Total 49036 | | 2,367.44 | |
| WORDEN WILLIAMS LLP | 49037 | 11/15/2016 | 3,767.40 | LEGAL FEES-OCT |
| | Total 49037 | | 3,767.40 | |
| XEROX CORPORATION | 49038 | 11/15/2016 | 100.11 | COPIER LEASE/MAINT |
| | Total 49038 | | 100.11 | |
| Report Total | | | 158,015.71 | |

Leucadia Wastewater District
Vendor Activity
From 11/7/2016 Through 11/15/2016

| Vendor ID | Vendor Name | Trans... Source | Effective Date | Check/... Number | Expenses | Transaction Description | GL Short Title |
|--------------------------------------|-------------|--------------------|-------------------|---------------------|----------|--|-----------------|
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | (99.00) | CREDIT-AJ-TRI STATE | BOARD CONFERENC |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 23.12 | CSDA-LUNCH-RD | Train'g/Ed/Conf |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 32.00 | CSDA-PK-RD | Train'g/Ed/Conf |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 25.00 | CSFMO-LUNCH-RD | Train'g/Ed/Conf |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 135.00 | CWEA TRAINING-FS | Train'g/Ed/Conf |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 292.50 | DATCO | SAFETY SUPPLIES |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 350.00 | DEPOSIT-HOLIDAY LUNCH | EMPLOYEE RECOGN |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 32.40 | EWA MEETING | ENCINA CAPITAL |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 40.00 | GAS-PB-CSDA | Train'g/Ed/Conf |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 5.50 | GAS-RM | Train'g/Ed/Conf |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 332.51 | HOTEL-RM-SUMMIT | Train'g/Ed/Conf |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 28.06 | LANDSCAPING-RD | Build & Grounds |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 27.15 | MEALS-RM-SUMMIT | Train'g/Ed/Conf |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 34.33 | NCFINANCE-LUNCH | Train'g/Ed/Conf |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 30.00 | PARKING-PB | Train'g/Ed/Conf |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 23.98 | PARKING-RM-SUMMIT | Train'g/Ed/Conf |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | (95.20) | REFUND-HOTEL | BOARD CONFERENC |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 105.88 | RENTAL CAR-RM-SUMMIT | Train'g/Ed/Conf |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 10.00 | SD JOURNAL-RD | FINANCIAL SERVI |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 52.28 | TRAINING LUNCH-PB | Train'g/Ed/Conf |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 65.00 | VEHICLE SMOG | VEHICLES |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 75.94 | W2 FORMS | PRINTING |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 100.00 | WEB HOSTING | TELEPHONE |
| USBANK1 | U.S. BANK | API | 11/7/2016 | 49031 | 30.00 | WIFI-RM | TELEPHONE |
| USBANK1 | U.S. BANK | APS | 11/15/2016 | 49031 | 0.00 | CONFERENCES, MEETINGS,SUPPLIES, ETC | ACCOUNTS PAYABL |
| Transaction Total | | | | | 1,656.45 | | |
| Total USBANK1 | U.S. BANK | | | | 1,656.45 | | |
| Report Opening/Current Balance | | | | | | | |

Date: 11/15/16 10:02:51 AM

Note: Partial Payments may cause totals to be overstated in the Expenses or the Charges column.

Page: 1

Leucadia Wastewater District
Check/Voucher Register - CHECK REGISTER
1005 - UNION BANK GENERAL
From 11/18/2016 Through 11/18/2016

| <u>Vendor Name</u> | <u>Check Number</u> | <u>Effective Date</u> | <u>Check Amount</u> | <u>Transaction Description</u> |
|--------------------|---------------------|-----------------------|----------------------|------------------------------------|
| ELAINE SULLIVAN | 49039 | 11/18/2016 | <u>374.37</u> | REIMBURSE ES FOR CSDA CONF |
| | Total 49039 | | 374.37 | |
| TIANNE BAITY | 49040 | 11/18/2016 | <u>181.68</u> | REIMBURSE T.B. FOR BRD SEC CONF |
| | Total 49040 | | <u>181.68</u> | |
| Report Total | | | <u><u>556.05</u></u> | |

Leucadia Wastewater District
Check/Voucher Register - CHECK REGISTER
1005 - UNION BANK GENERAL
From 11/23/2016 Through 11/23/2016

| Vendor Name | Check Number | Effective Date | Check Amount | Transaction Description |
|----------------------------------|--------------|----------------|-----------------|---------------------------------------|
| AT&T | 49041 | 11/23/2016 | <u>116.79</u> | BPS PHONE/INTERNET SERVICE |
| | Total 49041 | | 116.79 | |
| CORODATA | 49042 | 11/23/2016 | <u>73.89</u> | STORAGE-OCT |
| | Total 49042 | | 73.89 | |
| CWEA | 49043 | 11/23/2016 | 88.00 | COLLEC-CWEA RENEWAL- R. EASTON |
| CWEA | | 11/23/2016 | 196.00 | CWEA COLLEC RENEWAL-J. STECKER |
| CWEA | | 11/23/2016 | 83.00 | CWEA MAINT TECH RENEWAL CERT-S.KRASON |
| CWEA | | 11/23/2016 | 172.00 | CWEA RENEWAL-MEMBERSHIP-G. MENDEZ |
| | Total 49043 | | 539.00 | |
| DATA NET | 49044 | 11/23/2016 | 562.50 | IS MAINT AND SUPPORT |
| DATA NET | | 11/23/2016 | <u>1,998.00</u> | VMWARE RENEWAL |
| | Total 49044 | | 2,560.50 | |
| DEXTER WILSON ENGINEERING | 49045 | 11/23/2016 | 867.50 | FY16 AUDIT SSMP -SEPT |
| | Total 49045 | | 867.50 | |
| DKF SOLUTIONS GROUP, LLC | 49046 | 11/23/2016 | 300.00 | MONTHLY FEE-NOV-SAFETY PROGRAM |
| | Total 49046 | | 300.00 | |
| EVOQUA WATER TECHNOLOGIES, LLC | 49047 | 11/23/2016 | <u>8,612.18</u> | BIOXIDE |
| | Total 49047 | | 8,612.18 | |
| GRAYBAR | 49048 | 11/23/2016 | <u>450.19</u> | APC REPLACEMENT BATTERY |
| | Total 49048 | | 450.19 | |
| GREAT AMERICA FINANCIAL SERVICES | 49049 | 11/23/2016 | 755.37 | COPIER LEASE-DEC |
| | Total 49049 | | 755.37 | |
| HEAVILAND ENTERPRISES, INC | 49050 | 11/23/2016 | <u>840.00</u> | LANDSCAPE MAINT-NOV |
| | Total 49050 | | 840.00 | |
| I2B NETWORKS, INC | 49051 | 11/23/2016 | <u>160.00</u> | WEB CAM @ BPS-NOV/DEC |
| | Total 49051 | | 160.00 | |
| INFRASTRUCTURE ENGINEERING CORP | 49052 | 11/23/2016 | 220.00 | FY 2016 GRAVITY REHAB-OCT |

Leucadia Wastewater District
Check/Voucher Register - CHECK REGISTER
1005 - UNION BANK GENERAL
From 11/23/2016 Through 11/23/2016

| Vendor Name | Check Number | Effective Date | Check Amount | Transaction Description |
|------------------------------------|--------------|----------------|--------------|---------------------------------------|
| INFRASTRUCTURE ENGINEERING CORP | | 11/23/2016 | 8,350.00 | FY17 GRAVITY SEWER PROJECT-OCT |
| INFRASTRUCTURE ENGINEERING CORP | | 11/23/2016 | 5,203.75 | GAFNER AWT PROJECT-OCT |
| INFRASTRUCTURE ENGINEERING CORP | | 11/23/2016 | 4,210.00 | L1 FORCE MAIN-OCT |
| INFRASTRUCTURE ENGINEERING CORP | | 11/23/2016 | 10,445.00 | LPS REHAB PROJECT-OCT |
| INFRASTRUCTURE ENGINEERING CORP | | 11/23/2016 | 2,190.00 | VP5 PS PROJECT-OCT |
| | Total 49052 | | 30,618.75 | |
| JOHN W. SMITH dba NC Backflow | 49053 | 11/23/2016 | 105.00 | BACKFLOW TEST @ BPS |
| | Total 49053 | | 105.00 | |
| MESA REPROGRAPHICS | 49054 | 11/23/2016 | 16.00 | PLANS AND SPECS |
| MESA REPROGRAPHICS | | 11/23/2016 | 306.37 | PLANS AND SPECS-SCENIC CIPP LINING |
| | Total 49054 | | 322.37 | |
| MSC JANITORIAL SERVICE, INC | 49055 | 11/23/2016 | 1,552.92 | NOV JANITORIAL SERVICES |
| | Total 49055 | | 1,552.92 | |
| NAPA AUTO | 49056 | 11/23/2016 | 256.37 | OIL FILTERS |
| | Total 49056 | | 256.37 | |
| OFFICE DEPOT, INC. | 49057 | 11/23/2016 | 208.72 | OFFICE SUPPLIES |
| | Total 49057 | | 208.72 | |
| PEP BOYS | 49058 | 11/23/2016 | 34.54 | SUPPLIES |
| | Total 49058 | | 34.54 | |
| SAN DIEGO GAS AND ELECTRIC | 49059 | 11/23/2016 | 15,358.57 | ELECTRIC @ LPS/OFFICE |
| | Total 49059 | | 15,358.57 | |
| SAN DIEGO GAS & ELECTIRC | 49060 | 11/23/2016 | 118.15 | ELECTRIC @ AVOCADO PS |
| SAN DIEGO GAS & ELECTIRC | | 11/23/2016 | 10,074.71 | ELECTRIC @ BPS |
| SAN DIEGO GAS & ELECTIRC | | 11/23/2016 | 446.72 | ELECTRIC @ DIANA PS |
| SAN DIEGO GAS & ELECTIRC | | 11/23/2016 | 819.82 | ELECTRIC @ E. ESTATES PS |
| SAN DIEGO GAS & ELECTIRC | | 11/23/2016 | 940.94 | ELECTRIC @ LCPS |
| SAN DIEGO GAS & ELECTIRC | | 11/23/2016 | 169.97 | ELECTRIC @ RANCHO VERDE PS |
| SAN DIEGO GAS & ELECTIRC | | 11/23/2016 | 715.76 | ELECTRIC @ SPS |
| SAN DIEGO GAS & ELECTIRC | | 11/23/2016 | 350.91 | ELECTRIC @ VP5 PS |
| SAN DIEGO GAS & ELECTIRC | | 11/23/2016 | 166.34 | ELECTRIC @ VP7 PS |
| SAN DIEGO GAS & ELECTIRC | | 11/23/2016 | 37.81 | GAS @ OFFICE/LPS |
| SAN DIEGO GAS & ELECTIRC | | 11/23/2016 | 1.33 | NAT GAS @ E.E PS |
| | Total 49060 | | 13,842.46 | |

Leucadia Wastewater District
Check/Voucher Register - CHECK REGISTER
1005 - UNION BANK GENERAL
From 11/23/2016 Through 11/23/2016

| Vendor Name | Check Number | Effective Date | Check Amount | Transaction Description |
|--------------------------------------|--------------|----------------|-------------------------|------------------------------------|
| SMITH & LOVELESS, INC | 49061 | 11/23/2016 | <u>2,077.94</u> | PARTS FOR VP7 PS |
| | Total 49061 | | 2,077.94 | |
| SOUTHERN CONTRACTING COMPANY | 49062 | 11/23/2016 | <u>240.00</u> | ELECTIRCAL WORK @ OFFICE |
| | Total 49062 | | 240.00 | |
| UNIFIRST CORPORATION | 49063 | 11/23/2016 | <u>185.34</u> | LAUNDRY SERVICE-W/E 11/16/16 |
| | Total 49063 | | 185.34 | |
| U.S. HEALTHWORKS MEDICAL GROUP, P.C. | 49064 | 11/23/2016 | <u>124.00</u> | PHYSICALS |
| | Total 49064 | | 124.00 | |
| VERIZON WIRELESS | 49065 | 11/23/2016 | <u>909.05</u> | CELL PHONES-OCT |
| | Total 49065 | | 909.05 | |
| WATEREUSE ASSOCIATION | 49066 | 11/23/2016 | <u>1,605.00</u> | WATER USE ASSOCIATION RENEWAL-2017 |
| | Total 49066 | | 1,605.00 | |
| WESELOH CHEVROLET | 49067 | 11/23/2016 | <u>107.20</u> | MAINT REPAIR-06 TRUCK |
| WESELOH CHEVROLET | | 11/23/2016 | <u>49.95</u> | MAINT/REPAIR 2000 TRUCK |
| | Total 49067 | | 157.15 | |
| Report Total | | | <u><u>82,873.60</u></u> | |

**LEUCADIA WASTEWATER DISTRICT
EMPLOYEE PAYROLL CHECK REPORT**

Payroll Date: **November 23, 2016**

| <u>Check Nos.</u> | <u>Date</u> | <u>Amount</u> |
|--------------------------|--------------------|----------------------|
| 18930 - 18948 | 11/23/2016 | \$47,121.35 |

**LEUCADIA WASTEWATER DISTRICT
BOARD PAYROLL CHECK REPORT**

Payroll Date: December 1, 2016

| <u>Check No.</u> | <u>Date</u> | <u>Amount</u> |
|------------------|-------------|---------------|
| 18949 - 18953 | 12/1/2016 | \$2,419.09 |

Leucadia Wastewater District
Check/Voucher Register - CHECK REGISTER
1005 - UNION BANK GENERAL
From 12/1/2016 Through 12/1/2016

| Vendor Name | Check Number | Effective Date | Check Amount | Transaction Description |
|--|--------------|----------------|--------------|---|
| CAL PUBLIC EMPLOYEES' RETIRE SYSTEM | 49068 | 12/1/2016 | 29,880.74 | HEALTH INS-DEC |
| | Total 49068 | | 29,880.74 | |
| CARLSBAD FUELS CORPORATION | 49069 | 12/1/2016 | 1,614.16 | VEHICLE FUEL |
| | Total 49069 | | 1,614.16 | |
| PETTY CASH | 49070 | 12/1/2016 | 370.95 | PETTY CASH-OCT/NOV |
| | Total 49070 | | 370.95 | |
| DATA NET | 49071 | 12/1/2016 | 830.71 | IS MAINT AND SUPPORT |
| DATA NET | | 12/1/2016 | 247.40 | REPLACEMENT MONITOR |
| | Total 49071 | | 1,078.11 | |
| DAVID KULCHIN | 49072 | 12/1/2016 | 28.62 | CSDA QTRLY DINNER |
| | Total 49072 | | 28.62 | |
| DEXTER WILSON ENGINEERING | 49073 | 12/1/2016 | 880.00 | FY16 SSMP-SEPT |
| | Total 49073 | | 880.00 | |
| DUDEK & ASSOCIATES | 49074 | 12/1/2016 | 625.00 | GE/3251/0100/GRADING-Oct |
| DUDEK & ASSOCIATES | | 12/1/2016 | 208.63 | GE/3252/0864/FIORE-Sept |
| DUDEK & ASSOCIATES | | 12/1/2016 | 220.00 | GE/3252/0882/COASTAL TEN-Sept |
| DUDEK & ASSOCIATES | | 12/1/2016 | 165.00 | GE/3252/0882/COASTAL TEN-Oct |
| DUDEK & ASSOCIATES | | 12/1/2016 | 322.50 | GE/3252/0943/LEUCADIA STREETSCAPE-Oct |
| DUDEK & ASSOCIATES | | 12/1/2016 | 215.00 | GE/3252/0955/ELOUS AVE ANNEX-Sept |
| DUDEK & ASSOCIATES | | 12/1/2016 | 495.00 | GE/3252/0962/BEACONS BEACH-Oct |
| DUDEK & ASSOCIATES | | 12/1/2016 | 660.00 | GE/3252/0962/BEACONS BEACH-Sept |
| DUDEK & ASSOCIATES | | 12/1/2016 | 330.00 | GE/3252/0975/EL FUERTE PERMIT-Sept |
| DUDEK & ASSOCIATES | | 12/1/2016 | 440.00 | GE/3252/0976/LO RESIDENCE-Sept |
| DUDEK & ASSOCIATES | | 12/1/2016 | 440.00 | GE/3252/0977/CAZADERA ST-Sept |
| DUDEK & ASSOCIATES | | 12/1/2016 | 715.00 | GE/3252/0980/CORNER BAKERY-Oct |
| DUDEK & ASSOCIATES | | 12/1/2016 | 440.00 | GE/3252/0981/PRIORITY PUBLIC HOUSE-Oct |
| | Total 49074 | | 5,276.13 | |
| EL CAMINO RENTAL | 49075 | 12/1/2016 | 329.55 | RENTAL OF EQUIPMENT |
| | Total 49075 | | 329.55 | |
| GRAINGER, INC | 49076 | 12/1/2016 | 115.96 | FANS |

Leucadia Wastewater District
Check/Voucher Register - CHECK REGISTER
1005 - UNION BANK GENERAL
From 12/1/2016 Through 12/1/2016

| Vendor Name | Check Number | Effective Date | Check Amount | Transaction Description |
|---------------------------------|--------------|----------------|--------------|--------------------------------------|
| | Total 49076 | | 115.96 | |
| HARTFORD LIFE & ACCIDENT INS. | 49077 | 12/1/2016 | 441.32 | LIFE INS-DEC |
| | Total 49077 | | 441.32 | |
| HD SUPPLY WATERWORKS, LTD | 49078 | 12/1/2016 | 258.13 | BALL MARKERS |
| | Total 49078 | | 258.13 | |
| ICMA RETIREMENT-303979 | 49079 | 12/1/2016 | 4,086.16 | DEFERRED COMP |
| | Total 49079 | | 4,086.16 | |
| MALLORY SAFETY AND SUPPLY | 49080 | 12/1/2016 | 151.97 | SAFETY ITEMS |
| | Total 49080 | | 151.97 | |
| DODGE DATA & ANALYTICS | 49081 | 12/1/2016 | 1,169.37 | AD FOR BIDS |
| | Total 49081 | | 1,169.37 | |
| MESA REPROGRAPHICS | 49082 | 12/1/2016 | 401.63 | PLANS AND SPECS-L1 FORCE MAIN |
| MESA REPROGRAPHICS | | 12/1/2016 | 18.00 | PLANS AND SPECS-LEUCADIA SCENIC CIPP |
| MESA REPROGRAPHICS | | 12/1/2016 | 27.00 | PLANS AND SPECS-SCENIC CIPP |
| | Total 49082 | | 446.63 | |
| MES VISION | 49083 | 12/1/2016 | 409.00 | VISION INS-DEC |
| | Total 49083 | | 409.00 | |
| MINUTEMAN PRESS | 49084 | 12/1/2016 | 141.75 | ENVELOPES |
| | Total 49084 | | 141.75 | |
| NAPA AUTO | 49085 | 12/1/2016 | 51.27 | CABLES |
| | Total 49085 | | 51.27 | |
| NATIONWIDE RETIREMENT SOLUTIONS | 49086 | 12/1/2016 | 125.00 | DEFERRED COMP |
| | Total 49086 | | 125.00 | |
| OFFICE DEPOT, INC. | 49087 | 12/1/2016 | 40.44 | OFFICE SUPPLIES |
| | Total 49087 | | 40.44 | |
| SAN DIEGO GAS & ELECTIRC | 49088 | 12/1/2016 | 900.74 | ELECTRIC @ EEPS |
| | Total 49088 | | 900.74 | |
| THE GUARDIAN | 49089 | 12/1/2016 | 4,305.37 | DENTAL/DISABILITY INS-DEC |

Leucadia Wastewater District
Check/Voucher Register - CHECK REGISTER
1005 - UNION BANK GENERAL
From 12/1/2016 Through 12/1/2016

| <u>Vendor Name</u> | <u>Check Number</u> | <u>Effective Date</u> | <u>Check Amount</u> | <u>Transaction Description</u> |
|------------------------------------|---------------------|-----------------------|---------------------|--------------------------------|
| | Total 49089 | | 4,305.37 | |
| TRI COMMUNITY ANSWERING SERVICE | 49090 | 12/1/2016 | 90.00 | ANSWERING SERVICE-NOV |
| | Total 49090 | | 90.00 | |
| Report Total | | | 52,191.37 | |

**LEUCADIA WASTEWATER DISTRICT
EMPLOYEE PAYROLL CHECK REPORT**

Payroll Date: **December 2, 2016**
 Sick Buyback

| <u>Check Nos.</u> | <u>Date</u> | <u>Amount</u> |
|--------------------------|--------------------|----------------------|
| 18954 - 18964 | 12/2/2016 | \$20,167.03 |

**LEUCADIA WASTEWATER DISTRICT
EMPLOYEE PAYROLL CHECK REPORT**

Payroll Date: **December 7, 2016**

| <u>Check Nos.</u> | <u>Date</u> | <u>Amount</u> |
|--------------------------|--------------------|----------------------|
| 18965 - 18983 | 12/7/2016 | \$47,703.49 |

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

| <u>NOVEMBER</u> | | 2015 | |
|------------------------|--------------|-------------|--------------------|
| 11/3/2015 | Board | | \$2,124.85 |
| 11/11/2015 | Employee | | \$44,035.82 |
| 11/25/2015 | Employee | | <u>\$44,605.14</u> |
| | TOTAL | | \$90,765.81 |

| <u>DECEMBER</u> | | | |
|------------------------|--------------|---------------------|---------------------|
| 12/3/2015 | Board | | \$1,975.10 |
| 12/4/2015 | Employee | Sick Buyback | \$22,529.21 |
| 12/9/2015 | Employee | | \$44,069.21 |
| 12/23/2015 | Employee | | <u>\$42,398.10</u> |
| | TOTAL | | \$110,971.62 |

| <u>JANUARY</u> | | 2016 | |
|-----------------------|--------------|------------------|--------------------|
| 1/3/2016 | Board | | \$1,628.29 |
| 1/6/2016 | Employee | | \$43,385.98 |
| 1/13/2016 | Employee | Incentive | \$461.75 |
| 1/20/2016 | Employee | | \$41,432.17 |
| 1/20/2016 | Employee | Chucks's | <u>\$7,460.73</u> |
| | TOTAL | | \$94,368.92 |

| <u>FEBRUARY</u> | | | |
|------------------------|--------------|------------------|--------------------|
| 2/3/2016 | Employee | | \$41,636.25 |
| 2/3/2016 | Board | | \$4,887.14 |
| 2/10/2016 | Employee | Incentive | \$1,567.35 |
| 2/10/2016 | Employee | Incentive | \$879.35 |
| 2/17/2016 | Employee | | <u>\$41,942.42</u> |
| | TOTAL | | \$90,912.51 |

| <u>MARCH</u> | | | |
|---------------------|--------------|------------------|---------------------|
| 3/2/2016 | Employee | | \$42,292.77 |
| 3/2/2016 | Board | | \$3,136.26 |
| 3/9/2016 | Employee | Incentive | \$451.61 |
| 3/16/2016 | Employee | | \$42,023.59 |
| 3/30/2016 | Employee | | <u>\$41,286.80</u> |
| | TOTAL | | \$129,191.03 |

| <u>APRIL</u> | | | |
|---------------------|--------------|------------------|---------------------|
| 4/2/2016 | Board | | \$3,531.16 |
| 4/13/2016 | Employee | | \$44,125.93 |
| 4/14/2016 | Employee | Incentive | \$11,302.63 |
| 4/27/2016 | Employee | | <u>\$44,434.86</u> |
| | TOTAL | | \$103,394.58 |

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

MAY

| | | | |
|-----------|--------------|-----------|---------------------|
| 5/2/2016 | Board | | \$4,924.86 |
| 5/11/2016 | Employee | | \$45,328.93 |
| 5/11/2016 | Employee | Incentive | \$16,361.17 |
| 5/25/2016 | Employee | | <u>\$45,256.06</u> |
| | TOTAL | | \$111,871.02 |

JUNE

| | | | |
|-----------|--------------|--|--------------------|
| 6/2/2016 | Board | | \$4,900.16 |
| 6/8/2016 | Employee | | \$45,693.96 |
| 6/22/2016 | Employee | | <u>\$44,504.50</u> |
| | TOTAL | | \$95,098.62 |

JULY

| | | | |
|-----------|--------------|-----------|--------------------|
| 7/2/2016 | Board | | \$1,113.05 |
| 7/6/2016 | Employee | | \$45,209.70 |
| 7/20/2016 | Employee | | \$45,447.42 |
| 7/21/2016 | Employee | Incentive | <u>\$92.35</u> |
| | TOTAL | | \$91,862.52 |

AUGUST

| | | | |
|-----------|--------------|-----------|---------------------|
| 8/1/2016 | Board | | \$2,494.10 |
| 8/3/2016 | Employee | | \$47,019.66 |
| 8/16/2016 | Employee | Incentive | \$6,786.37 |
| 8/17/2016 | Employee | | \$46,135.12 |
| 8/31/2016 | Employee | | <u>45952.27</u> |
| | TOTAL | | \$148,387.52 |

SEPTEMBER

| | | | |
|-----------|--------------|-----------|--------------------|
| 9/1/2016 | Board | | \$5,336.83 |
| 9/13/2016 | Employee | Incentive | \$552.59 |
| 9/14/2016 | Employee | | \$46,590.94 |
| 9/14/2016 | Employee | Incentive | \$1,137.27 |
| 9/28/2016 | Employee | | <u>\$46,288.36</u> |
| | TOTAL | | \$99,905.99 |

OCTOBER

| | | | |
|------------|--------------|-----------|---------------------|
| 10/1/2016 | Board | | \$1,750.79 |
| 10/12/2016 | Employee | | \$48,948.76 |
| 10/20/2016 | Employee | Incentive | \$19,567.48 |
| 10/26/2016 | Employee | | <u>\$46,879.62</u> |
| | TOTAL | | \$117,146.65 |

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

NOVEMBER

| | | | |
|------------|--------------|--|--------------------|
| 11/1/2016 | Board | | \$4,759.91 |
| 11/9/2016 | Employee | | \$47,228.39 |
| 11/23/2016 | Employee | | <u>\$47,121.35</u> |
| | TOTAL | | \$99,109.65 |

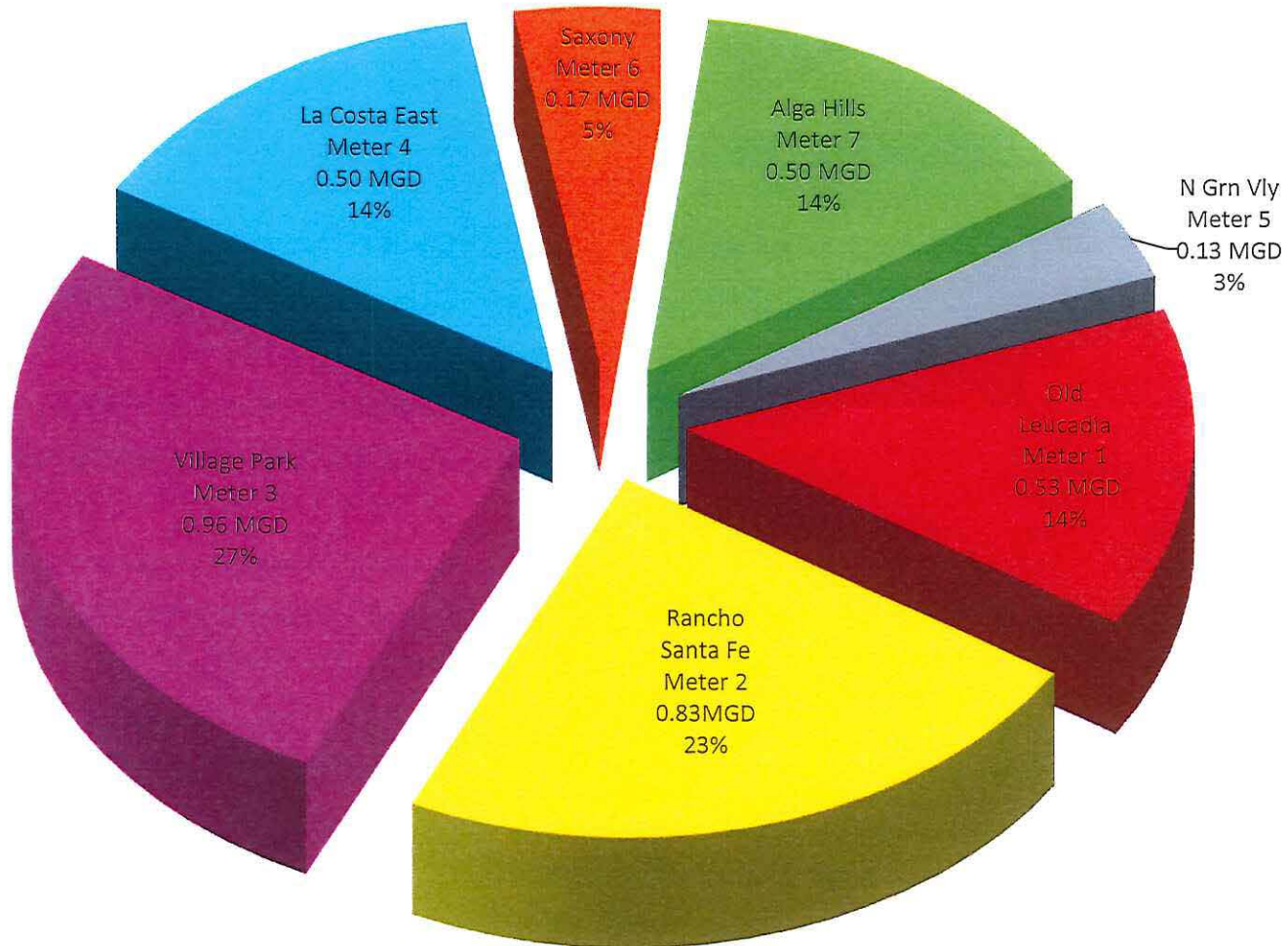
DECEMBER

| | | | |
|-----------|--------------|--------------|--------------------|
| 12/1/2016 | Board | | \$2,419.09 |
| 12/2/2016 | Employee | Sick Buyback | \$20,167.03 |
| 12/7/2016 | Employee | | <u>\$47,703.49</u> |
| | TOTAL | | \$70,289.61 |

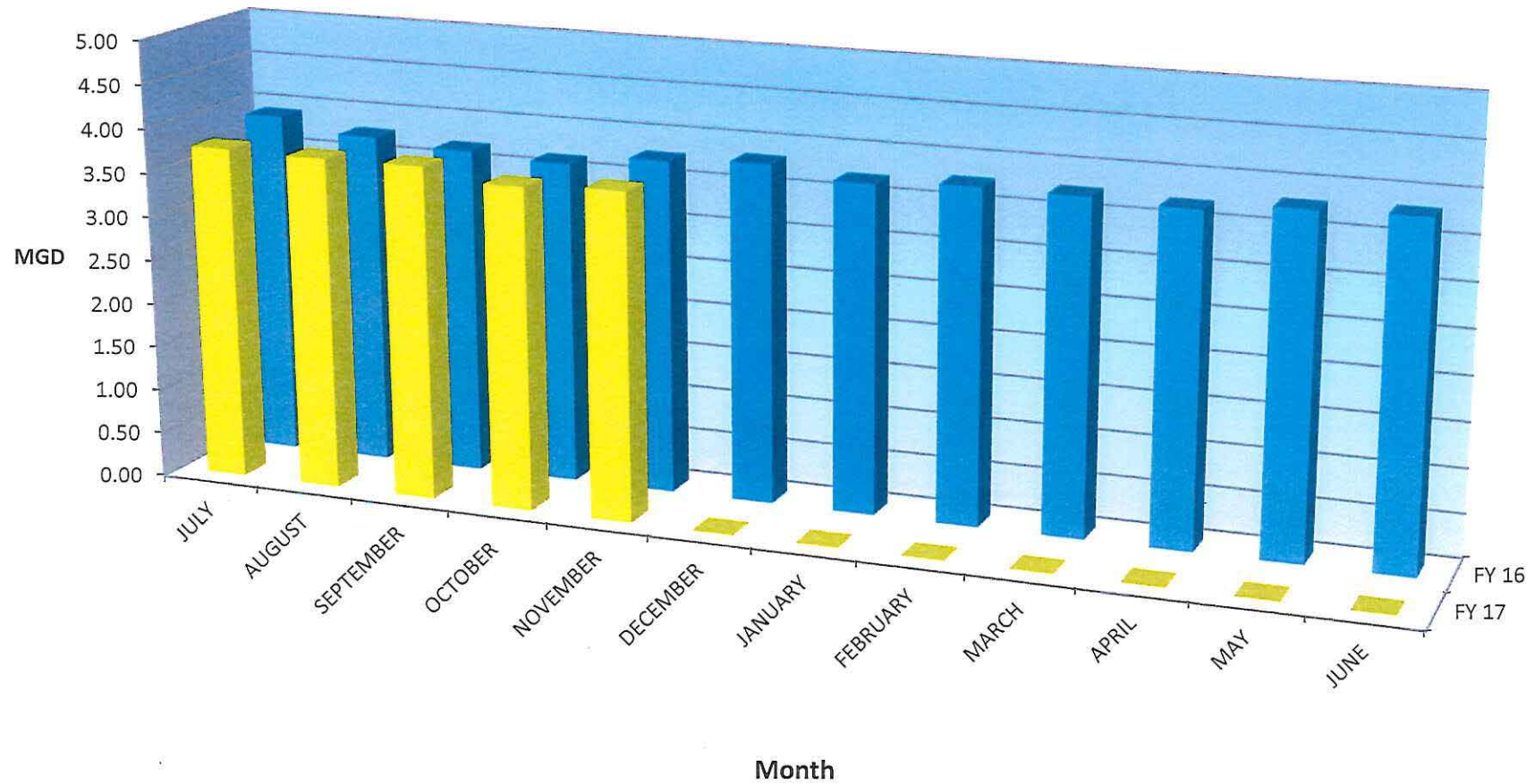
**LEUCADIA WASTEWATER DISTRICT
OPERATIONS REPORT
FISCAL YEAR 2017 (July 2016 - June 2017)**

| CURRENT MONTH - November 2016 | | | | | | | FY 2015-2016 |
|-------------------------------|----------------------|------------------|--------------------------|------------------|---------|-------------------------------|------------------|
| Period | Total Rain Inches | Total Flow MG | Added EDU's 28,560.21 | LWD ADF (MGD) | GPD/EDU | RECLAIMED Total (ac-ft/mo) | LWD ADF (MGD) |
| JULY | 0.00 | 116.87 | 1.00 | 3.77 | 132 | 54.07 | 3.92 |
| YTD | | | 28,561.21 | | | | |
| AUGUST | 0.00 | 116.25 | 1.50 | 3.75 | 131 | 44.02 | 3.77 |
| YTD | | | 28,562.71 | | | | |
| SEPTEMBER | 0.24 | 112.80 | 2.00 | 3.76 | 132 | 47.41 | 3.70 |
| YTD | | | 28,564.71 | | | | |
| OCTOBER | 0.33 | 112.53 | 4.50 | 3.63 | 127 | 18.32 | 3.65 |
| YTD | | | 28,569.21 | | | | |
| NOVEMBER | 1.01 | 110.40 | 7.36 | 3.68 | 129 | 14.25 | 3.77 |
| YTD | | | 28,576.57 | | | | |
| DECEMBER | | | | | | | 3.83 |
| YTD | | | 28,576.57 | | | | |
| JANUARY | | | | | | | 3.71 |
| YTD | | | 28,576.57 | | | | |
| FEBRUARY | | | | | | | 3.77 |
| YTD | | | 28,576.57 | | | | |
| MARCH | | | | | | | 3.76 |
| YTD | | | 28,576.57 | | | | |
| APRIL | | | | | | | 3.72 |
| YTD | | | 28,576.57 | | | | |
| MAY | | | | | | | 3.81 |
| YTD | | | 28,576.57 | | | | |
| JUNE | | | | | | | 3.83 |
| YTD | | | 28,576.57 | | | | |
| YTD Totals | 1.58 | 568.85 | 16.36 | | | 178.07 | |
| Mo Average | 0.32 | 113.77 | 3.27 | 3.72 | 130.15 | 35.61 | 3.77 |

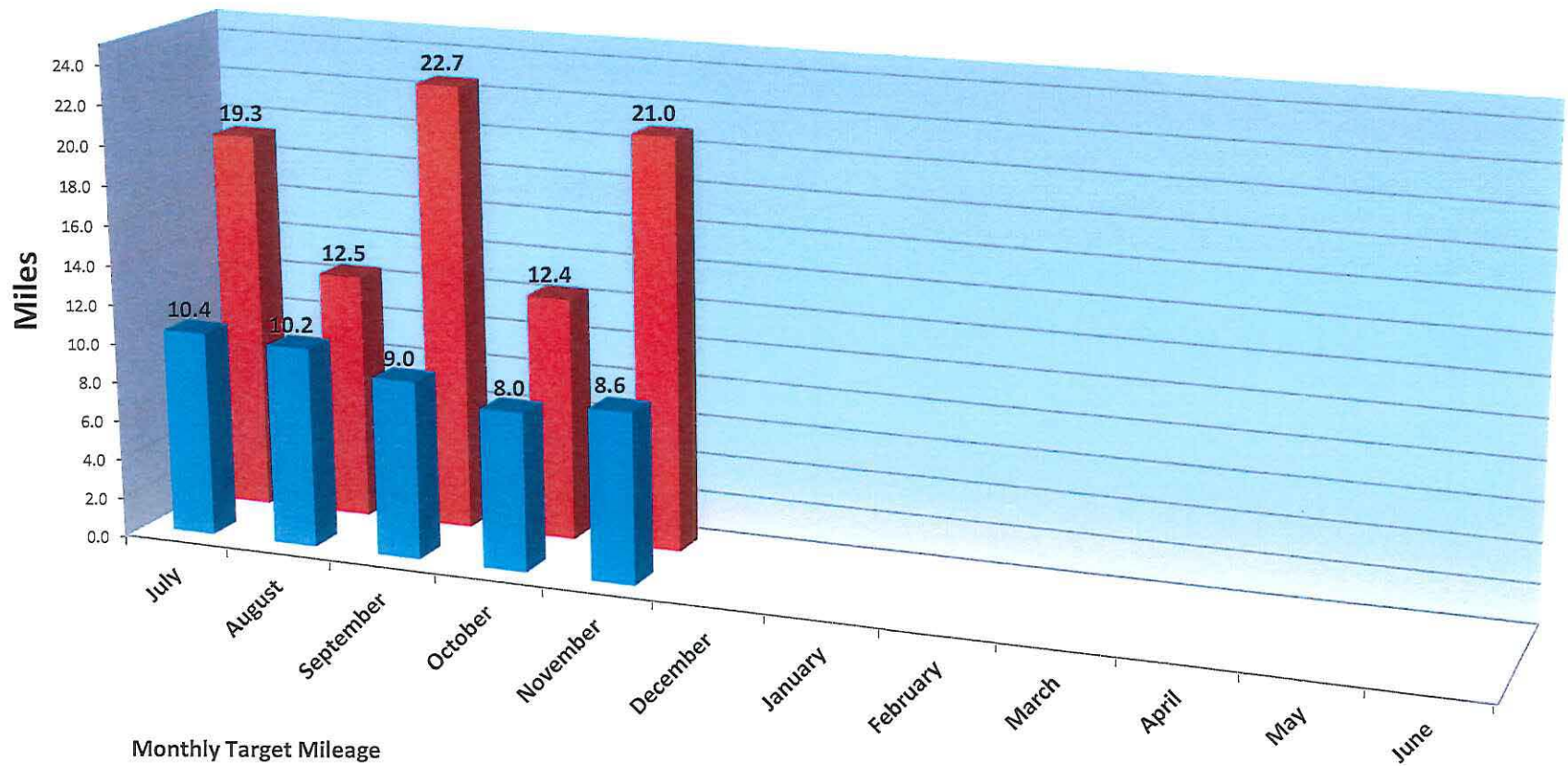
**LWD Flows by Sub-Basin
November 2016
Total LWD Flow = 3.68 MGD**



Leucadia Wastewater District Flow Comparison FY 16 to FY 17



FY-17 CCTV Inspections & Hydro Cleaning Production



Monthly Target Mileage

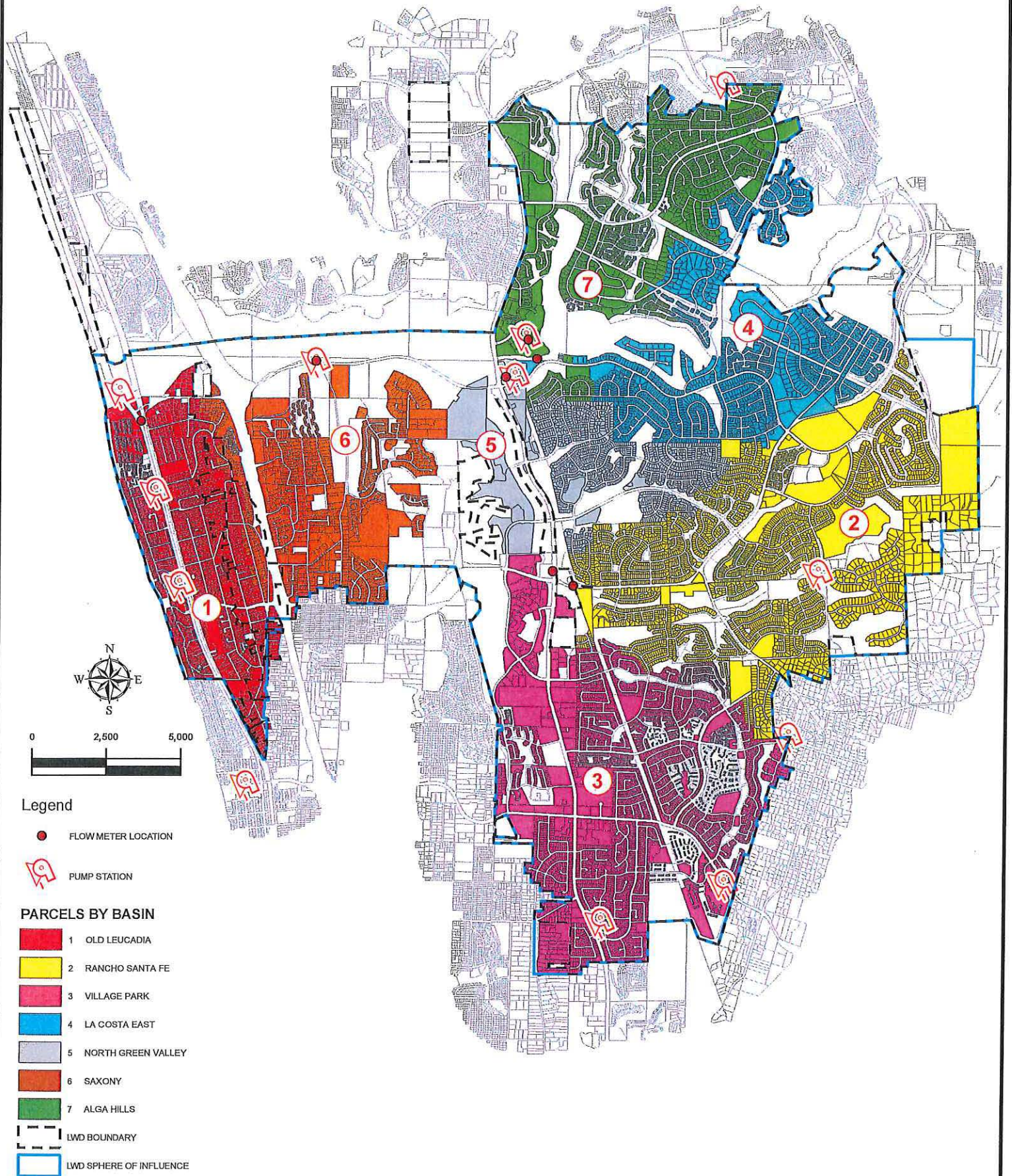
Hydro-Cleaning: 15 Miles/Month

CCTV Inspection: 6.3 Miles/ Month

■ CCTV Inspections

■ Total Hydro Cleaning

LEUCADIA WASTEWATER DISTRICT



Leucadia Wastewater District

Balance Sheet

As of 11/30/2016

| | | Current Year |
|--|------|-----------------------|
| Assets | | |
| Cash & Investments | 1CAS | 31,999,729.29 |
| Accounts Receivables | 2A/R | 112,657.45 |
| Prepaid Expense | 3PRE | 149,990.64 |
| Funds held with Encinca Wastewater Authority | 4EWA | 1,486,800.00 |
| Capital Assets | 4F/A | 153,257,263.85 |
| Less Accumulated Depreciation | 6DEP | (49,904,593.36) |
| Total Assets | | <u>137,101,847.87</u> |
| Deferred Outflows | | |
| Projected/Actual PERS Earnings Difference | 6D/O | 391,974.00 |
| PERS Proportions & Assumptions Difference | 7D/O | 26,291.00 |
| Current Year PERS Employer Contribution | 8D/O | 299,609.00 |
| Total Deferred Outflows | | <u>717,874.00</u> |
| Total Assets & Deferred Outflows | | <u>137,819,721.87</u> |
| Liabilities | | |
| Accounts Payable & Accrued Expenses | A/P | 298,937.44 |
| Developer Deposits | DEVD | 108,721.87 |
| Net Pension Liability | LTDB | 2,604,135.00 |
| Total Liabilities | | <u>3,011,794.31</u> |
| Deferred Inflows | | |
| PERS Actual/Proportion Contribution Difference | D/I2 | 141,557.00 |
| PERS Proportions & Assumptions Difference | D/I3 | 216,891.00 |
| Projected/Actual PERS Earnings Difference | D/In | 573,987.00 |
| Total Deferred Inflows | | <u>932,435.00</u> |
| Net Position | | |
| Beginning Net Position (as of June 30, 2016) | | |
| Investment in Capital Assets | IC/A | 103,352,670.49 |
| Reserves | RESV | 32,621,572.67 |
| Total Beginning Net Position (as of June 30, 2016) | | <u>135,974,243.16</u> |
| Current Change In Net Position | | |
| Other | | (2,098,750.60) |
| Total Current Change In Net Position | | <u>(2,098,750.60)</u> |
| Total Net Position | | <u>133,875,492.56</u> |
| Total Liabilities, Deferred Inflows & Net Position | | <u>137,819,721.87</u> |

Leucadia Wastewater District

Summary Budget Comparison - Revenues and Operating Expenses

From 7/1/2016 Through 11/30/2016

| Account Title | YTD Actual | Total Annual Budget | Remaining Budget | Percentage Total Budget Used |
|---------------|------------|---------------------|------------------|------------------------------|
|---------------|------------|---------------------|------------------|------------------------------|

OPERATING REVENUES

| | | | | |
|---------------------------------|----------------------|------------------------|------------------------|-------------|
| 3110 Sewer Service Fees | \$ 569,995.14 | \$ 9,819,969.00 | \$ 9,249,973.86 | 5.8% |
| 3150 Recycled Water Sales | 162,128.99 | 269,000.00 | 106,871.01 | 60.3% |
| 3100 Misc. Operating Revenue | 2,260.00 | 223,710.00 | 221,450.00 | 1.0% |
| TOTAL OPERATING REVENUES | \$ 734,384.13 | \$10,312,679.00 | \$ 9,578,294.87 | 7.1% |

OPERATING EXPENSES

| | | | | |
|---------------------------------|-----------------------|------------------------|------------------------|--------------|
| 4100 Salaries | \$ 674,096.06 | \$ 1,747,174.00 | \$ 1,073,077.94 | 38.6% |
| 4200 Employee Benefits | 341,995.16 | 832,488.00 | 490,492.84 | 41.1% |
| 4300 Directors Expense | 42,464.41 | 142,400.00 | 99,935.59 | 29.8% |
| 4400 Election Expense | 37,309.00 | 30,000.00 | (7,309.00) | 124.4% |
| 4600 Gas, Oil & Fuel | 12,743.20 | 44,000.00 | 31,256.80 | 29.0% |
| 4700 Insurance Expense | 17,087.70 | 113,900.00 | 96,812.30 | 15.0% |
| 4800 Memberships | 23,102.00 | 25,900.00 | 2,798.00 | 89.2% |
| 4900 Office Expense | 39,596.38 | 137,100.00 | 97,503.62 | 28.9% |
| 5000 Operating Supplies | 64,603.55 | 227,600.00 | 162,996.45 | 28.4% |
| 5200 Professional Services | 62,857.72 | 464,700.00 | 401,842.28 | 13.5% |
| 5300 Printing & Publishing | 75.94 | 29,000.00 | 28,924.06 | 0.3% |
| 5400 Rents & Leases | 6,983.14 | 15,200.00 | 8,216.86 | 45.9% |
| 5500 Repairs & Maintenance | 130,035.81 | 441,600.00 | 311,564.19 | 29.4% |
| 5600 Monitoring & Permits | 7,887.20 | 57,300.00 | 49,412.80 | 13.8% |
| 5700 Training & Development | 13,786.72 | 47,200.00 | 33,413.28 | 29.2% |
| 5900 Utilities | 176,066.74 | 477,900.00 | 301,833.26 | 36.8% |
| 6100 LAFCO Operations | 6,470.14 | 9,000.00 | 2,529.86 | 71.9% |
| 6200 Encina Operating Expense | 492,342.29 | 1,911,730.00 | 1,419,387.71 | 25.8% |
| 6900 Admin O/H alloc to Capital | (29,992.10) | (137,959.00) | (107,966.90) | 21.7% |
| TOTAL OPERATING EXPENSES | \$2,119,511.06 | \$ 6,616,233.00 | \$ 4,496,721.94 | 32.0% |

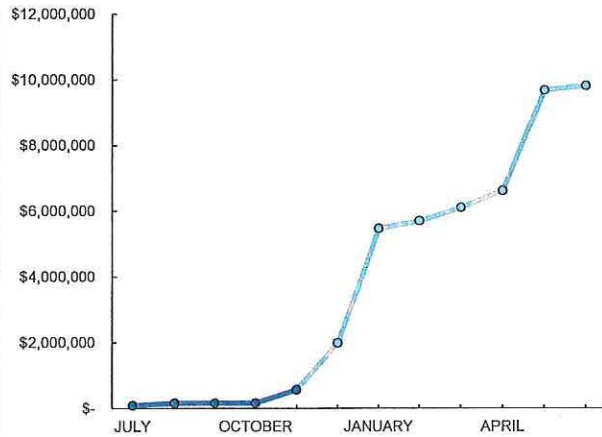
NON-OPERATING REVENUES

| | | | | |
|-------------------------------------|----------------------|------------------------|------------------------|--------------|
| 3130 Capacity Fees | \$ 69,544.16 | \$ 240,360.00 | \$ 170,815.84 | 28.9% |
| 3220 Property Taxes | 90,850.50 | 1,550,000.00 | 1,459,149.50 | 5.9% |
| 3250 Investment Income | 115,034.06 | 212,000.00 | 96,965.94 | 54.3% |
| 3290 Misc. Non Op Revenue | 6,276.17 | 174,400.00 | 168,123.83 | 3.6% |
| TOTAL NON-OPERATING REVENUES | \$ 281,704.89 | \$ 2,176,760.00 | \$ 1,895,055.11 | 12.9% |

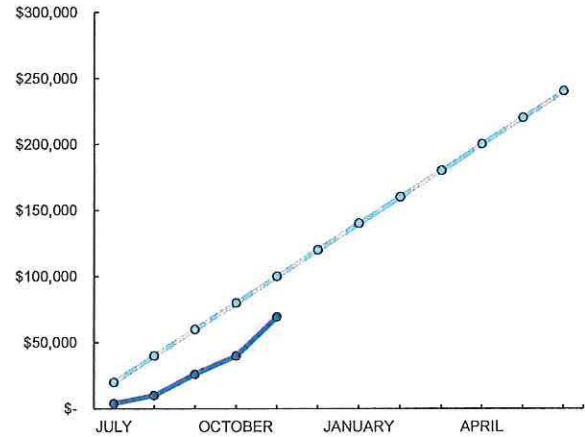
Leucadia Wastewater District Revenue FY2017

YTD through November 30, 2016

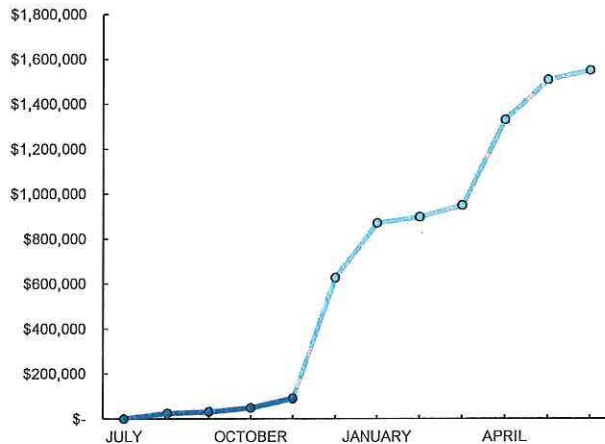
Sewer Service Fees



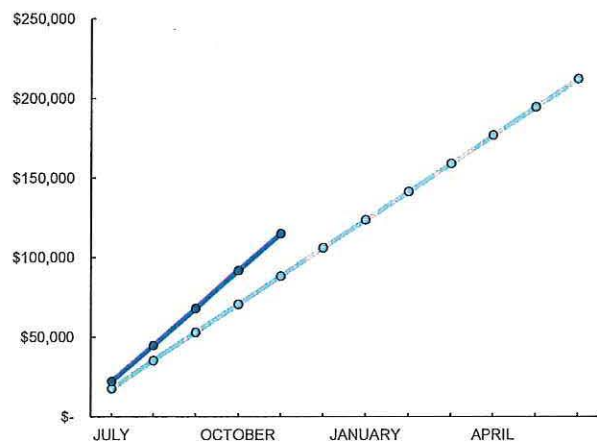
Capacity Charges



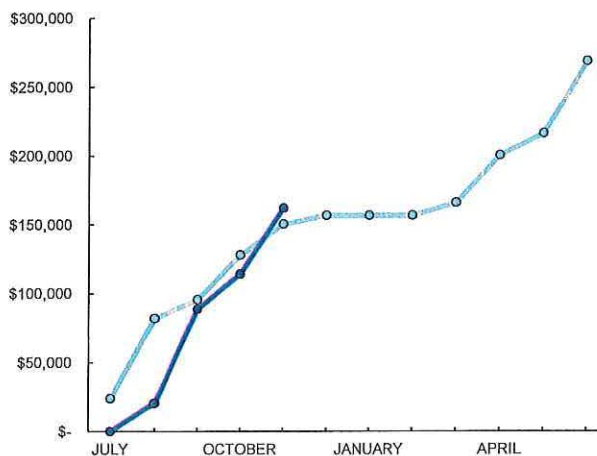
Property Taxes



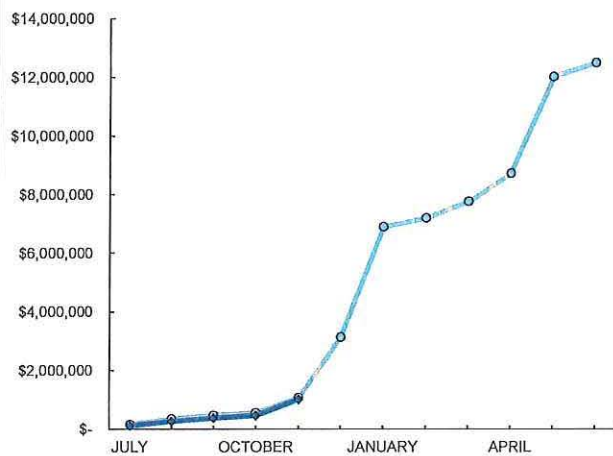
Investment Income



Recycled Wastewater Sales



Total Revenue

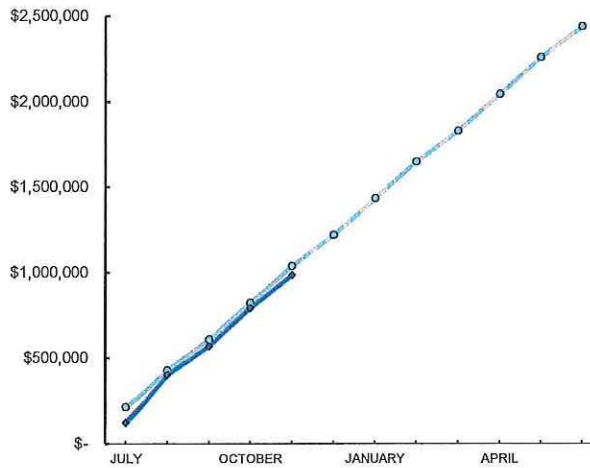


○ Budget ◆ Actual

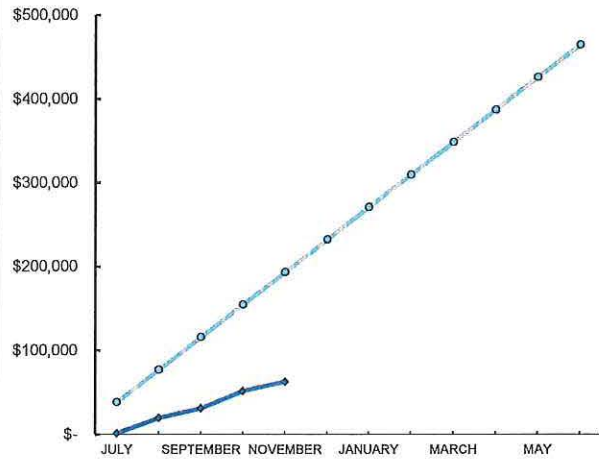
Leucadia Wastewater District Operating Expenses FY2017

YTD through November 30, 2016

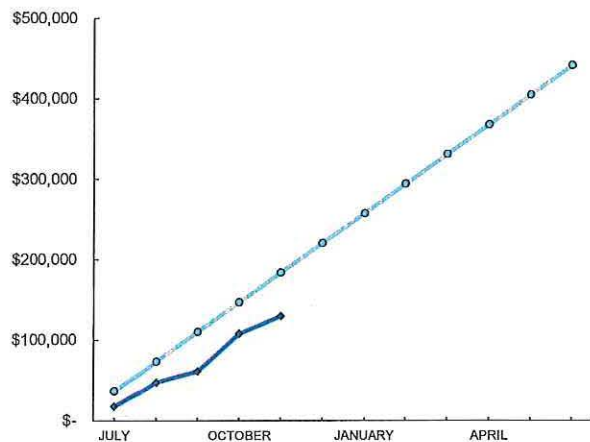
Salaries and Benefits



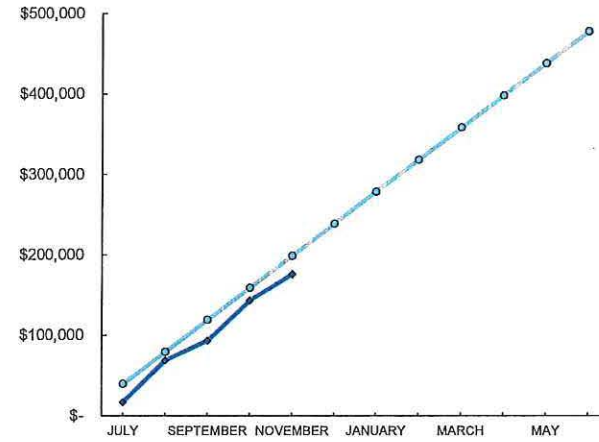
Professional Services



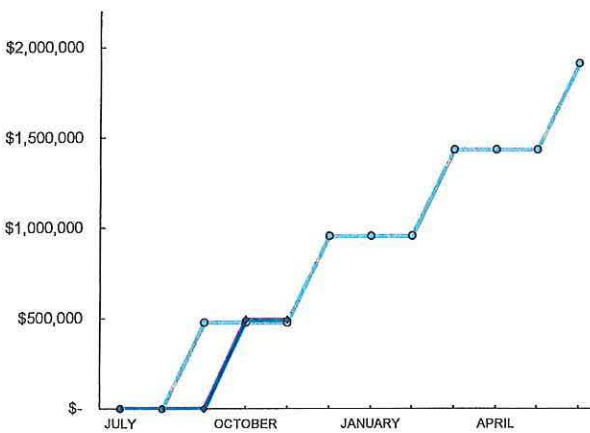
Repairs & Maintenance



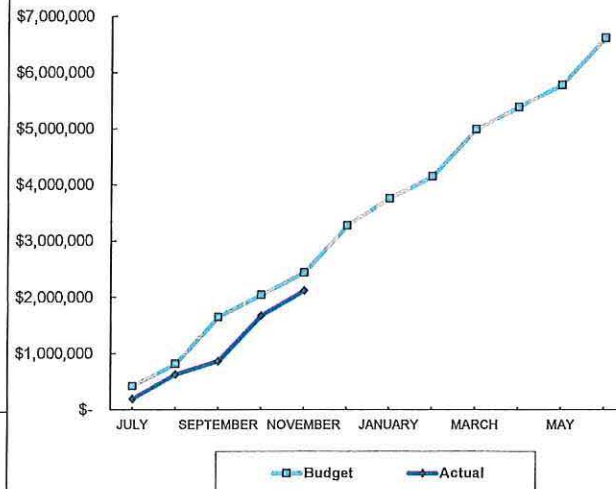
Utilities



Encina M&O



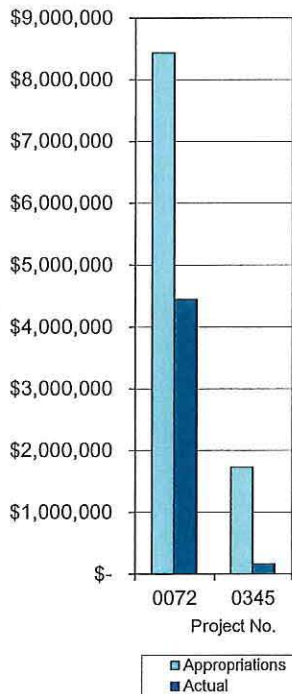
Total Operating Expenses -
Before Depreciation & Replacement



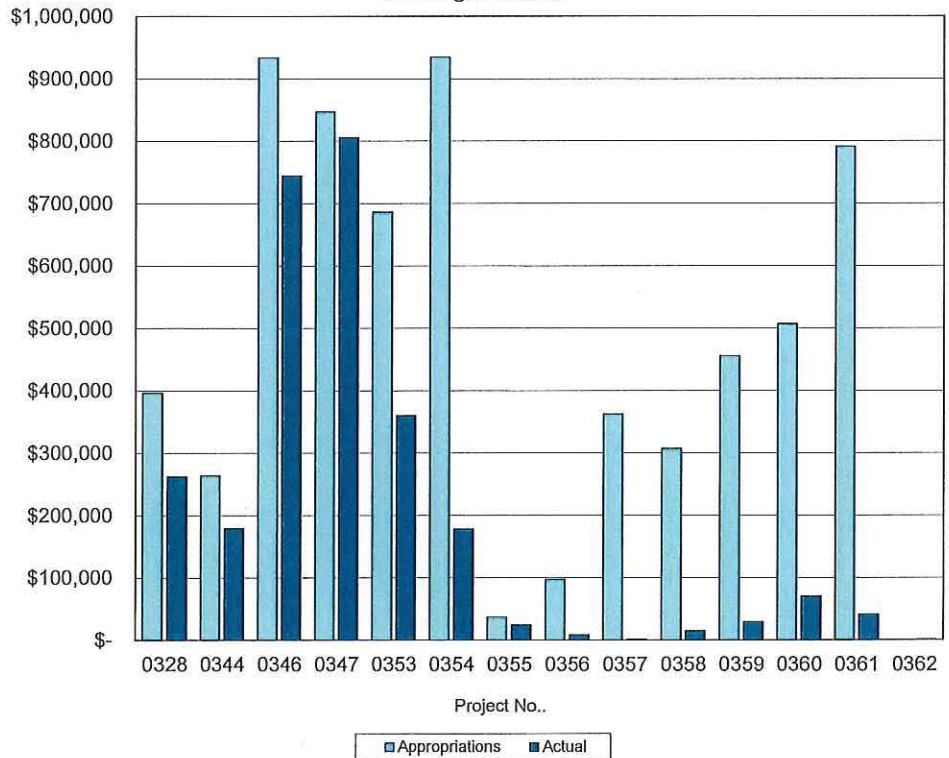
Leucadia Wastewater District Capital Expenditures

As of November 30, 2016

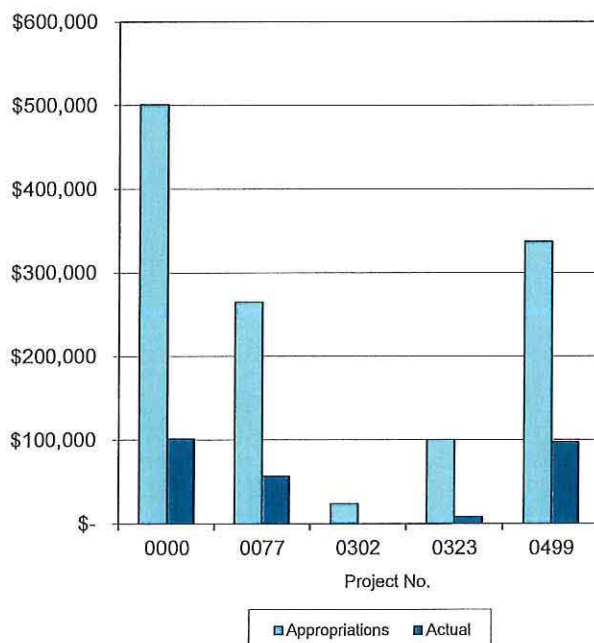
District Multi Year Capital Expenditures by Project (>\$1M) Through FY2017



District Multi Year Capital Expenditures by Project (<\$1M) Through FY2017



Single Year Capital Expenditures by Project FY2017



Project Legend

Multi-Year Capital Projects

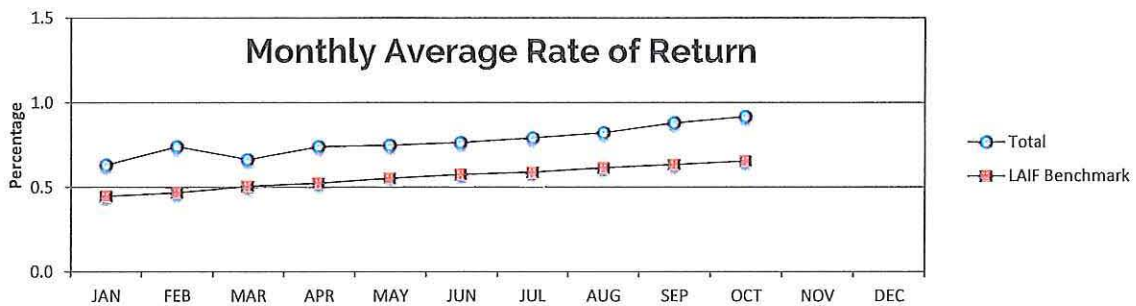
| | No. |
|---|------|
| Encina Joint Facility Capital Projects | 0072 |
| North SD Water Reuse Coalition Project | 0328 |
| Scott's Valley Pipeline Repair | 0344 |
| Leucadia FM West section Replacement | 0345 |
| FY2015 Gravity Pipeline Rehabilitation | 0346 |
| Saxony Pump Station Rehabilitation | 0347 |
| FY2016 Gravity Pipeline Rehabilitation | 0353 |
| Village Park No. 5 PS Replacement | 0354 |
| Batequitos Pump Station Solar Panels | 0355 |
| New Recycled Water Pump Design | 0356 |
| La Costa Golf Course Gravity Line Improv | 0357 |
| Leucadia Pump Station Rehabilitation | 0358 |
| FY2017 Gravity Pipeline Rehabilitation | 0359 |
| Gafner AWT Improvements | 0360 |
| Poinsettia Station Gravity Pipeline Rehab | 0361 |
| Secondary Effluent FM Repair (at Encina) | 0362 |

Single Year Capital Projects

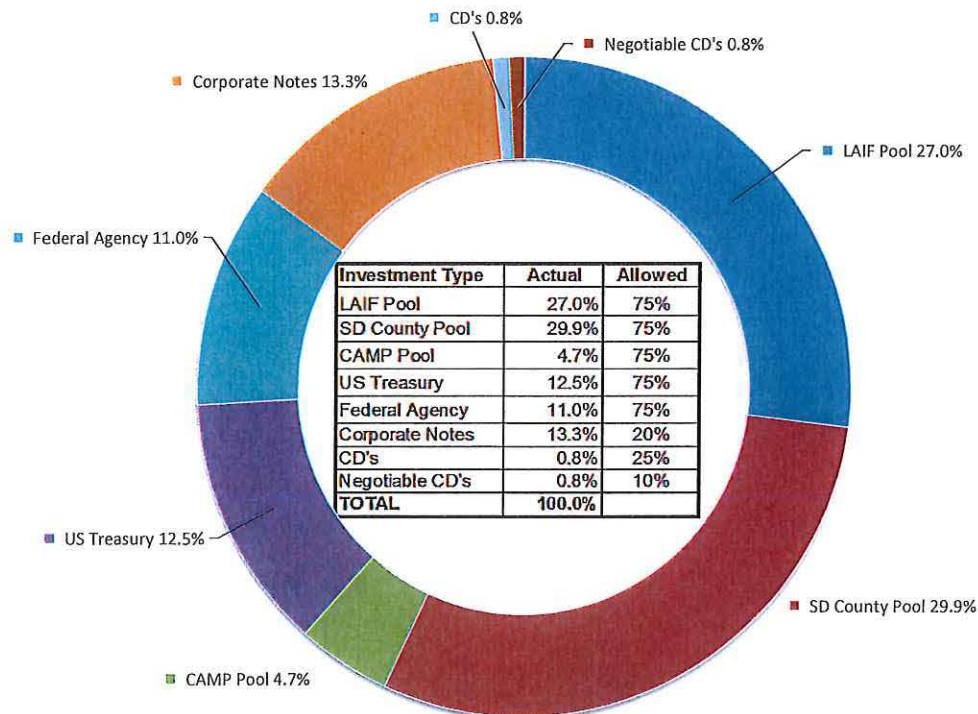
| | No. |
|--------------------------------------|------|
| Equipment | 0000 |
| Misc. Pipeline Rehabilitation | 0077 |
| District Engineering Services | 0302 |
| Lateral Replace/Backflow Prevention | 0323 |
| LWD Gen'l Cap Labor & O/H Allocation | 0499 |

LEUCADIA WASTEWATER DISTRICT
Monthly Investment Summary
October 31, 2016

| Cash Equivalents & Investments | Principal (Original Cost) | | October Interest | Average Rate |
|---|---------------------------|----------------------|------------------|---------------|
| | September 30, 2016 | October 31, 2016 | | |
| LAIF Pool | \$ 9,823,988 | \$ 8,583,024 | \$ 5,016 | 0.654% |
| SD County Pool | 11,502,076 | 9,527,155 | 8,648 | 0.987% |
| CAMP Pool | 77,416 | 1,483,268 | 643 | 0.660% |
| CAMP Portfolio | | | | |
| US Treasury Notes | 3,992,305 | 3,992,305 | 2,750 | 0.830% |
| Federal Agency Mortgage-Backed Securities | 6,087 | 6,054 | 37 | 7.370% |
| Federal Agency Notes | 3,488,390 | 3,488,390 | 2,895 | 1.010% |
| Corporate Bonds/Notes | 3,634,549 | 4,235,992 | 4,256 | 1.290% |
| Certificates of Deposit | 250,000 | 250,000 | 321 | 1.540% |
| Negotiable CD's | 250,000 | 250,000 | 210 | 1.010% |
| Total Camp Portfolio | 11,621,331 | 12,222,740 | 10,470 | 1.040% |
| Totals | \$ 33,024,811 | \$ 31,816,187 | \$ 24,777 | 0.917% |

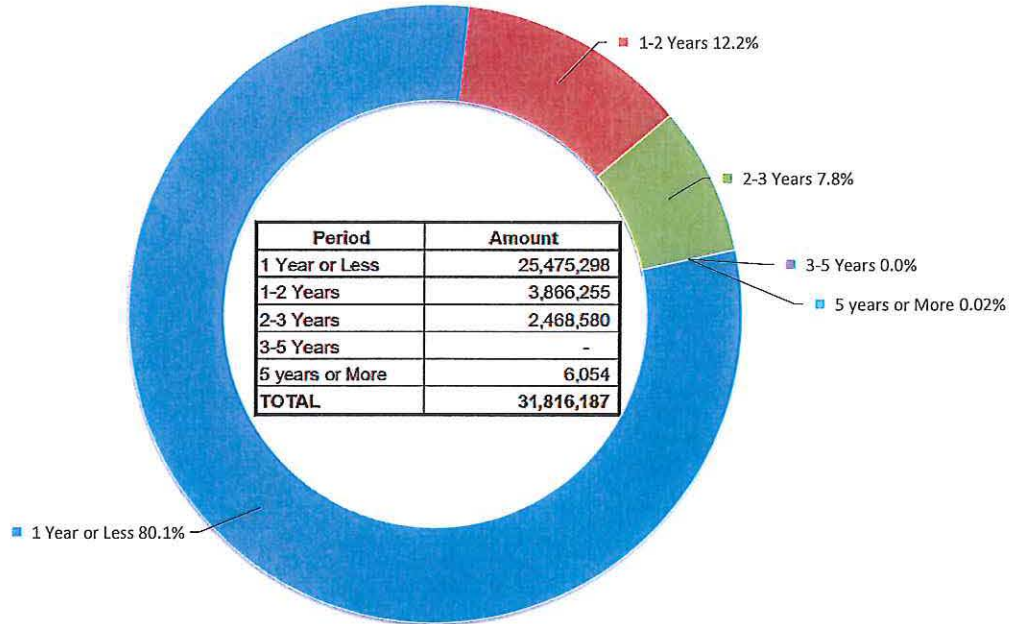


INVESTMENT DISTRIBUTION BY CATEGORY

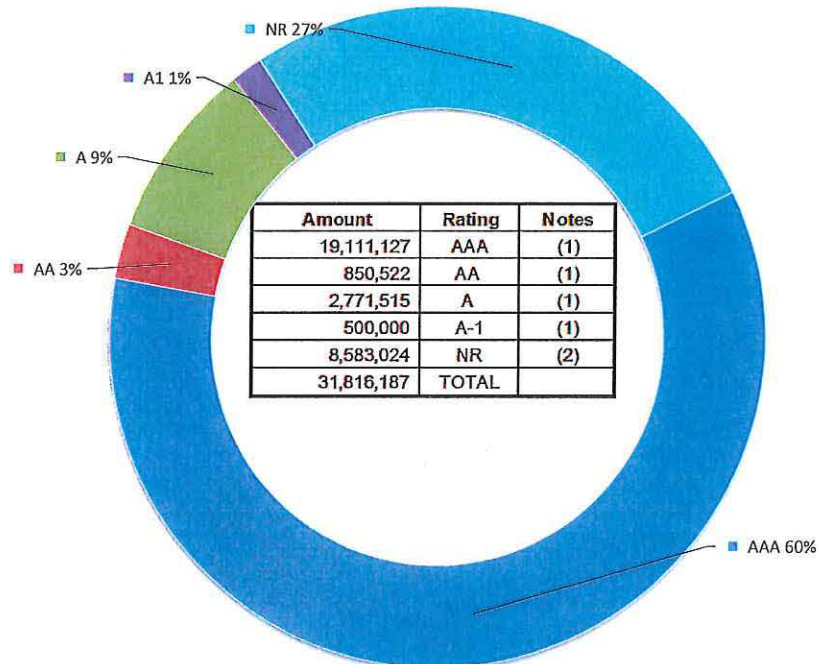


LEUCADIA WASTEWATER DISTRICT
Monthly Investment Summary
October 31, 2016
(Continued)

REMAINING MATURITY



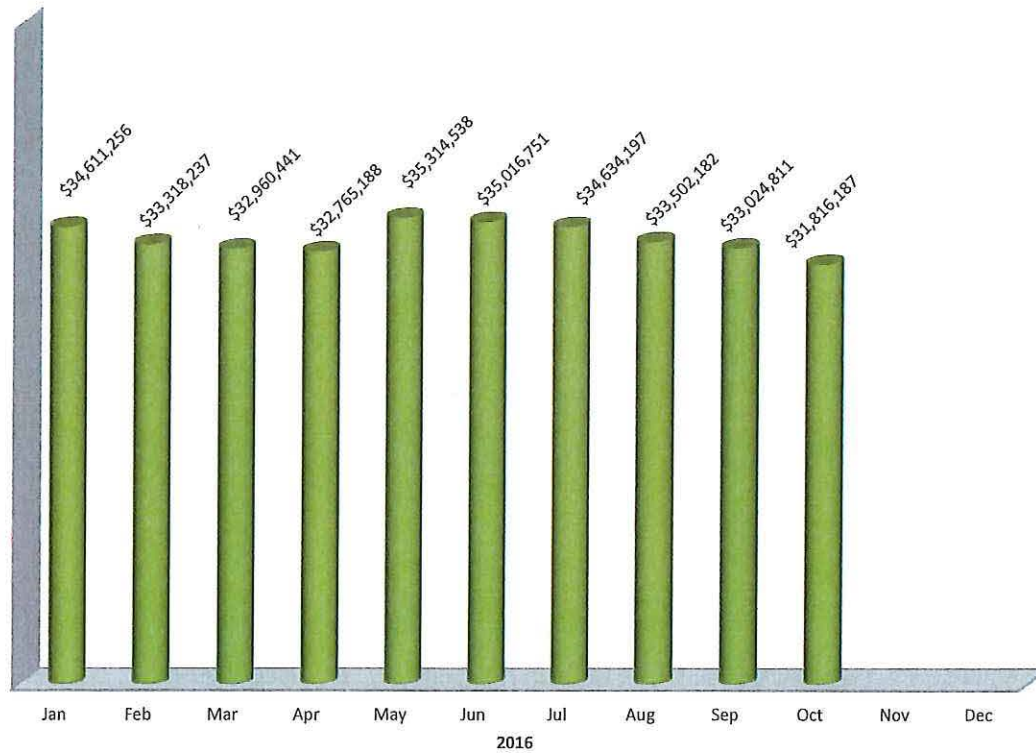
INVESTMENT RATINGS



- (1) CAMP Pool, SD County Pool, & CD's are rated by Standard & Poors and Investments are rated by Moody's.
(2) LAIF is not rated

LEUCADIA WASTEWATER DISTRICT
Monthly Investment Summary
October 31, 2016
(Continued)

TOTAL CASH EQUIVALENTS & INVESTMENTS



INVESTMENT TRANSACTIONS
For the months of September & October, 2016

| Investment | Purchases | Maturities | Sales | Notes | YTM at Cost |
|--------------------------------|---------------------|--------------|-------------|-------|----------------|
| GNMA MBS 30-yr Pool | | \$ 32 | \$ - | (3) | 7.37% |
| Toyota Motor Credit corp notes | \$ 352,527 | | | (4) | 1.14% |
| JP Morgan Chase & Co corp nts | 509,025 | | | (4) | 1.56% |
| American Honda Finance Corp | 303,114 | | | (4) | 1.26% |
| US Bancorp corp notes | 357,648 | | | (4) | 1.33% |
| Cisco Systems Inc. corp notes | 500,595 | | | (4) | 1.36% |
| Bank of New York Mellon corp | 301,755 | | | | 1.23% |
| Pepsico Inc. corp notes | 299,688 | | | | 1.39% |
| TOTAL | \$ 2,624,352 | \$ 32 | \$ - | | |

(3) Monthly principal payments from mortgage pool

(4) These investments were purchased at the end of September 2016

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

MEMORANDUM

Ref: 17-5209

DATE: December 8, 2016
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: November 2016 Board Disclosure of Reimbursements Report

RECOMMENDATION:

Staff requests that the Board of Directors:

1. Receive and file the Board Disclosure of Reimbursement Report for the month ending November 2016.

DISCUSSION:

Government Code Section §53065 stipulates that Special Districts must disclose reimbursements of \$100 or more on at least an annual basis. Leucadia Wastewater District (LWD) prepares the Disclosure Report every month in accordance with Resolution No. 2250 – The Integrated Travel Authorization and Expense Reimbursement Policy, which is above and beyond the requirements of Government Code Section §53065.

Attached please find the Board Disclosure of Reimbursements report for the month of November 2016 for your review.

tb:PJB

Attachment

**Leucadia Wastewater District
Disclosure of Reimbursements Report
November 1-30, 2016**

| Conference Date | Description | Director J. Hanson | Director E. Sullivan | Director D. Omsted | Director D. Kulchin | Director A. Juliussen | GM P. Bushee | ASM R. Duffey | TSM R. Morishita | FSSupln J. Stecker | EA T. Baity |
|--|---------------------------------------|-----------------------|-------------------------|-----------------------|------------------------|--------------------------|-----------------|------------------|---------------------|-----------------------|----------------|
| CSDA Committee Member Meetings November 2, 2016 Sacramento, CA | CSDA Committee Member Meetings | | | | | | | | | | |
| | Registration | | | | | | | | | | |
| | Hotel | | | | | | | | | | |
| | Airfare | | 263.96 | | | | | | | | |
| | Meals | | | | | | | | | | |
| | Coaster | | | | | | | | | | |
| | Parking | | 14.15 | | | | | | | | |
| | Tips/Baggage | | | | | | | | | | |
| | Fuel/mileage/taxi | | 96.26 | | | | | | | | |
| | Total | \$ - | \$ 374.37 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| CSDA Board Secretary/Clerk Conference November 14-16, 2016 Monterey, CA | CSDA Board Secretary/Clerk Conference | | | | | | | | | | |
| | Registration | | | | | | | | | | 575.00 |
| | Hotel | | | | | | | | | | 564.72 |
| | Airfare | | | | | | | | | | 216.20 |
| | Meals | | | | | | | | | | 69.79 |
| | Rental Car | | | | | | | | | | |
| | Parking | | | | | | | | | | 48.32 |
| | Tips | | | | | | | | | | 4.00 |
| | Fuel/mileage/taxi | | | | | | | | | | 59.57 |
| | Total | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,537.60 |
| | | | | | | | | | | | |
| | Registration | | | | | | | | | | |
| | Hotel | | | | | | | | | | |
| | Airfare | | | | | | | | | | |
| | Meals | | | | | | | | | | |
| | Rental Car | | | | | | | | | | |
| | Parking | | | | | | | | | | |
| | Tips | | | | | | | | | | |
| | Fuel/mileage/taxi | | | | | | | | | | |
| | Total | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Notes:

Encina Wastewater Authority Report
Regular Board Meeting
November 16, 2016

EWA Board of Directors - Director Sullivan Reporting

1. EWA Process Master Plan

The Board of Directors received and filed the EWA Process Master Plan.

There was no Executive Session.

Community Affairs Committee Meeting Report

Presented by Director Sullivan

Meeting held November 17, 2016

1. Review the draft text for the 2017 winter newsletter

The Community Affairs Committee (CAC) reviewed and commented on the draft text of the 2017 winter newsletter. Rising Tide Partners (RTP) will make the recommended changes.

The CAC directed staff to move forward with the production of the newsletter.

Engineering Committee Meeting Report

Presented by Director Juliussen

Meeting held on December 7, 2016

1. The EC reviewed an Agreement with Insituform Technologies for construction services to complete the Leucadia Scenic Cured-In-Place Lining Project in an amount not to exceed \$172,602.

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

2. The EC reviewed a purchase Agreement with Charles King Company for the purchase of a new trailer mounted engine driven pump in an amount not to exceed \$47,668.78.

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

3. The EC received an update on the Village Park No. 5 Pump Station Replacement Project.

This item was for informational purposes only. No action was taken.

Investment & Finance Meeting Report

Presented by Vice President Hanson


Meeting held December 7, 2016

- 1. The Committee reviewed the Fiscal Year 2016 (FY16) Comprehensive Annual Financial Report (CAFR).**

The FY16 CAFR will be reviewed by the Board of Directors later in the agenda.

MEMORANDUM

Ref: 17-5235

DATE: December 8, 2016
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Fiscal Year 2016 (FY 16) Comprehensive Annual Financial Report

RECOMMENDATION:

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

1. Receive and File the Fiscal Year 2016 (FY16) Comprehensive Annual Financial Report (CAFR).
2. Discuss and take other action, as appropriate.

DISCUSSION:

Tactical Goal: Financial / FY16 Audit

State law requires the Leucadia Wastewater District (LWD) to prepare a complete set of financial statements in conformance with generally accepted accounting principals (GAAP). The law also requires that the financial statements be audited in accordance with generally accepted auditing standards. For LWD, these documents collectively take the form of LWD's annual financial audit.

LWD prepares a more comprehensive financial audit, which is known as a Comprehensive Annual Financial Report or CAFR. This year's CAFR includes the following sections:

- Introductory section that includes the letter of transmittal
- A Financial section that includes the Independent Auditors' Report, Management's Discussion and Analysis, Basic Financial Statements with notes, and Supplementary Information
- Statistical section that includes cost and revenue comparisons and other LWD statistics for the past 10 years.
- Other information

The accounting firm of Davis Farr LLP has completed its audit of LWD's FY16 CAFR. Staff is pleased to report that the auditors found that the financial statements fairly represent LWD's financial condition and is in conformance with GAAP.

Attached for the Board's information is the Independent Auditors' Report which provides information about the auditor's responsibilities under generally accepted auditing standards. Also provided is the Significant Audit Findings letter and a copy of the full CAFR which is enclosed for your review.

Staff along with Ms. Jennifer Farr CPA of Davis Farr LLP will present an overview of the CAFR at the upcoming meeting.

rad:PJB

Attachment
Enclosure

Board of Directors
Leucadia Wastewater District
Carlsbad, California

**Report on Internal Control Over Financial Reporting and on Compliance and Other
Matters Based on an Audit of Financial Statements Performed in Accordance With
*Government Auditing Standards***

Independent Auditor's Report

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Leucadia Wastewater District (the District), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 7, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether The District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly,

we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Davis Lan UP

Irvine, California
December 7, 2016

To the Board of Directors
Leucadia Wastewater District

We have audited the financial statements of Leucadia Wastewater District for the year ended June 30, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 25, 2016. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Leucadia Wastewater District are described in Note 1 to the financial statements. As described in Note 1c to the financial statements, the District changed accounting policies related to the fair value presentation of investments by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 72 in 2016. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Leucadia Wastewater District's financial statements were:

Management's estimate of the which capital projects represent ordinary maintenance activities necessary to keep an asset operational for its originally intended useful life versus significant improvement, replacement, and life extending projects that should be capitalized as additions to capital assets is based on management's knowledge of the assets and their useful lives.

Management's estimate of transactions related to net pension liabilities based on actuarial information.

We evaluated the key factors and assumptions used to develop the estimates above and determined they are reasonable in relation to the financial statements taken as a whole.

There were no particularly sensitive note disclosures affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. During the audit, management recorded an adjustment to remove the previously recorded net pension liability of Encina Wastewater Authority.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 7, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Leucadia Wastewater District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Leucadia Wastewater District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

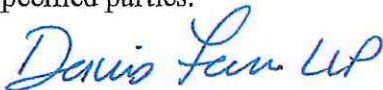
We applied certain limited procedures to Management's Discussion and Analysis, the Schedule of Funding Progress for OPEB, the Schedule of Contributions-Defined Benefit Pension Plan, and the Schedule of Proportionate Share of Net Pension Liability which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the financial statements and Combining Schedule of Changes in Net Position – June 30, 2016, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory section, statistical section and other information which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of Leucadia Wastewater District and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in blue ink that reads "Dennis Lee" followed by a stylized "LLP".

Irvine, California
December 7, 2016

MEMORANDUM

DATE: December 8, 2016
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: **Leucadia Scenic Cured-In-Place Pipe (CIPP) Lining 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 Insituform Technologies for construction services to complete the Leucadia Scenic Cured-In-Place Pipe Lining Project in an amount not to exceed \$172,602.
2. Discuss and take other action as appropriate.

BACKGROUND:**Tactical Goal: Infrastructure and Technology / L1 Force Main West Section Replacement**

In March 2015 the Board authorized an Agreement with IEC to design the Leucadia (L1) Force Main West Section Replacement Project. The project will replace the L1 Force Main in La Costa Avenue from the southbound Interstate 5 (I-5) connector ramps west to Highway 101. The work adjacent to the I-5 connector ramps require a Caltrans right-of-way (ROW) Permit. Obtaining the Caltrans ROW Permit extended the design phase because of the painstaking and time consuming approval process.

Subsequently, in July 2015 the Board authorized the execution of an agreement with IEC to design the 2016 Gravity Pipeline Rehabilitation Project. Originally, the Cured-in-Place Pipe (CIPP) lining of the Leucadia Scenic gravity line was included in that project. The Leucadia Scenic line runs adjacent to the on ramp to southbound I-5 from La Costa Avenue and east under I-5. Please refer to the diagram below.



Due to the location of the work, it was removed from the 2016 Gravity Pipeline Rehabilitation Project and transferred to the L1 Force Main Replacement Project to encompass the combined work under a single Caltrans ROW permit. Additionally, this would enable a single contractor to complete the CIPP lining of the segment in La Costa Avenue for added structural integrity of the gravity line prior to the open trench replacement of the adjacent L1 Force Main.

The design for the L1 Force Main West Section Replacement Project, including an approved Caltrans ROW Permit, was completed and put out for bids in September 2016. Bids were due on November 3, 2016 and two bids were received. The two bids were significantly higher than the Engineer's Estimate of \$1.4M. The bid submitted by Burtech Pipeline was 39.6% higher at \$1,954,550 and SC Valley Engineering was 61.3% higher at \$2,258,500. As a result of the high bids and minimal competition on the bid solicitation, Staff rejected the two submitted bids and

separated out the CIPP lining portion of the project into the Leucadia Scenic CIPP Lining Project. The bid solicitation for L1 Force Main west section replacement portion of the project was performed separately at a later date.

DISCUSSION:

In November, IEC finalized the plans and specifications for Leucadia Scenic CIPP Lining Project. The project was advertised for bid on November 14th with bids due on November 29th. Three bids were received with the following results:

| <u>Construction Firm</u> | <u>Bid Submitted</u> |
|--------------------------|----------------------|
| Insituform Technologies | \$172,602 |
| Nu Line Technologies | \$183,210.75 |
| Southwest Pipeline | \$297,438 |

The bids were reviewed by Marie Fawcett, Jamie Fagnant and Robert Weber at IEC. The bid review memorandum is attached for your review. Based on the required documents submitted with their bid, Insituform has the requisite knowledge and experience to perform the work on the project. Additionally, Insituform successfully completed the CIPP lining and Cured-In-Place Manhole lining installations on the District's Scott's Valley Rehabilitation Project in March 2016. The bid submitted by Insituform Technologies (Insituform) was 51% lower than the Engineer's Estimate of \$350,000.

As a result of their evaluation, IEC recommends that Insituform be awarded the contract as the lowest responsive and responsible bidder. Staff concurs with IEC's assessment and recommends that the Board award the construction contract for the Leucadia Scenic CIPP Lining Project to Insituform Technologies in an amount not to exceed \$172,602.


FISCAL IMPACT:

The Fiscal Year 2017 budget contains sufficient funds to cover the construction of the Project.

PJB:rym

Attachment

MEMORANDUM

DATE: December 8, 2016
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Trailer Mounted Engine Driven Pump – Purchase Award

RECOMMENDATION:

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

1. Authorize the General Manager to execute a purchase Agreement with Charles King Company for the purchase of a new trailer mounted engine driven pump in an amount not to exceed \$47,668.78.
2. Discuss and take other action as appropriate.

DISCUSSION:**Tactical Goal: Services / Purchase New Portable By-Pass Pump**

The District currently owns and maintains a 1996 Rain-For-Rent trailer mounted portable diesel engine driven pump (Portable Pump) for use in emergency situations, such as to by-pass flow around a collapsed mainline or a pipeline blockage that cannot immediately be cleared. Additionally, the Portable Pump can be used to by-pass a satellite pump station in emergency situations when a pump station is inoperable due to mechanical or electrical failure until normal service is restored.

Although it is still operable, the current Portable Pump has reached the end of its useful life. Additionally, on January 1, 2017 stricter air pollution control requirements for portable diesel engines that power portable pumps will take effect. The current Portable Pump does not meet the new air pollution control standards. Staff researched the option to recondition or overhaul the Portable Pump. The cost to retrofit the pump to meet the stricter requirements exceeded 60% of the estimated cost of a new pump. Based on these factors, staff determined it is prudent to procure a new Portable Pump to replace the existing one.

Staff, with the assistance of District Engineer (DE) Steve Deering, determined the specifications of a portable trailer mounted diesel engine driven pump that would meet the District's needs. Based on those specifications, three pumps from competing manufacturers were identified as meeting the hydraulic and pressure capacity needs of the District. Staff prepared and issued the Request-For-Bids to the three pump suppliers in compliance with the District's Procurement Policy.

All three suppliers responded to the bid solicitation and submitted sealed bids as follows:

| PUMP SUPPLIER | BID PRICE | DELIVERY TIME |
|----------------------|------------------|----------------------|
| Charles King Company | \$ 47,668.78 | 8 weeks |
| Godwin | \$ 58,000.00 | 12 weeks |
| Rain For Rent | \$ 67,349.99 | 12 to 14 weeks |

It should be noted that Charles King Company (CKC) was the only bidder that provided a credit for removal of the existing trailer mounted pump. Therefore, the CKC bid of \$47,668.78 includes a credit of \$1,500 subtracted from the actual pump price of \$49,168.78.

DE Deering evaluated the bid packages and determined that CKC, as the apparent low bidder, submitted all information requested in the bid solicitation and met or exceeded the specified pump criteria. For example, CKC proposed a CA6NM stainless steel pump impeller, which has superior resistance to possible cavitation damage when compared to the bid specified Type 316 stainless steel. It is important to note that the District will be trading in the current trailer mounted portable pump.

Therefore, Staff has determined that CKC is the lowest responsive responsible bidder and recommends that the Board approve the purchase of a new trailer mounted engine driven pump from Charles King Company in an amount not to exceed \$47,668.78.

FISCAL IMPACT:

The Fiscal Year 2017 Capital Acquisition Budget includes sufficient funding for the purchase of this replacement portable engine driven pump.

PJB:js

MEMORANDUM

DATE: December 8, 2016
TO: Board of Directors
FROM: Paul J. Bushee, General Manager
SUBJECT: Board of Directors Election of Officers



RECOMMENDATION:

1. Discuss and take action, as appropriate.

DISCUSSION:

Leucadia Wastewater District's Resolution No. 2118 establishes a policy for the election of Board officers. The resolution calls for the Board of Directors to elect a President and Vice-President each December from among its members.

This item has been placed on the agenda for the Board of Directors' discussion and action, as appropriate.

tb:PJB