



LEADERS IN  
ENVIRONMENTAL  
PROTECTION

**BOARD OF DIRECTORS  
REGULAR MEETING**

DATE: Wednesday, December 9, 2015  
TIME: 5:00 p.m.  
PLACE: Leucadia Wastewater District  
1960 La Costa Avenue, Carlsbad, CA 92009

**AGENDA**

Items on the agenda may be taken out of sequential order as their priority is determined by the Board of Directors. In the case of an emergency, items may be added to the Agenda by a majority vote of the Board of Directors. Also, items that arise after posting of the Agenda may be added, per Government Code Section 54954.2, by a 2/3 or unanimous vote of the Board.

Any writings or documents provided to a majority of the members of Leucadia Wastewater District regarding any item on this Agenda will be made available for public inspection in the Administration Office located at 1960 La Costa Avenue, Carlsbad, CA 92009 during normal business hours.

- 1. Call to Order**
- 2. Roll Call**
- 3. Pledge of Allegiance**
- 4. General Public Comment Period**
- 5. Approval of Agenda**
- 6. Presentations and Awards**  
None.

## CONSENT CALENDAR

Items 7-12 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.

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

Minutes of the following meetings:

November 18, 2015 Regular Board Meeting (Pages 5-11)

December 1, 2015 Investment & Finance Committee Meeting (Pages 12-14)

December 2, 2015 Engineering Committee Meeting (Pages 15-16)

### **8. Approval of Demands for November/December 2015**

This item provides for Board of Directors approval of all demands paid from LWD during the month of November and a portion in December 2015. (Pages 17-34)

### **9. Operations Report**

This report discloses the year-to-date and monthly flow, rain fall, EDU's and reclaimed water averages; along with MGD flow comparisons from FY 15 to FY 16 and flows by sub-basin. (Pages 35-39)

### **10. Finance Report**

This report discloses up-to-date schedule of assets, liabilities, net assets and compares fiscal year-to-date expenditures to the FY 15 budget and discloses monthly investments. (Pages 40-47)

### **11. Disclosure of Reimbursements**

This report discloses travel expense reimbursements for the month of November 2015. (Pages 48-49)

### **12. Actuarial Valuation of LWD's Retiree Health Program**

Receive and file the Actuarial Valuation of LWD's Retiree Health Program as of June 30, 2015. (Pages 50-54)

## EWA and COMMITTEE REPORTS

### **13. Encina Wastewater Authority Reports**

A. A regular EWA Board meeting was held on November 18, 2015 – report by Director Sullivan. (Page 55)

### **14. Committee Reports**

A. Investment & Finance Committee meeting was held on December 1, 2015 – report by Director Hanson. (Page 56)

B. Engineering Committee meeting was held on December 2, 2015 – report by Director Kulchin. (Page 57)

## **ACTION ITEMS**

**15. Fiscal Year 2015 (FY15) Comprehensive Annual Financial Report (CAFR)**

Receive and file the FY15 CAFR. (Pages 58-62)

**16. Gafner Advanced Water Treatment Facility Condition Assessment**

Authorize the General Manager to execute Task Order No. 26 to the Engineering Design Services Agreement with Infrastructure Engineering Corporation (IEC) for the Gafner Advanced Water Treatment (AWT) Facility Condition Assessment in an amount not to exceed \$59,290. (Pages 63-67)

**17. Board of Directors Election of Officers.** (Pages 68)

## **INFORMATION ITEMS**

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

A. 2016 CASA Winter Conference is scheduled for January 19-22, 2015 at the Hilton Palm Springs, CA. (Verbal)

B. Sample letter from LWD to LAFCO Special District Members requesting votes for Director Hanson for the LAFCO Special District Board Alternate position. (Page 69)

C. Letters from Otay Water District requesting votes for Mark Robak for the Alternate Special District Member position and Gary Croucher for the Special District Advisory Committee. (Pages 70-71)

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

None.

**20. General Manager's Report**

**21. General Counsel's Report**

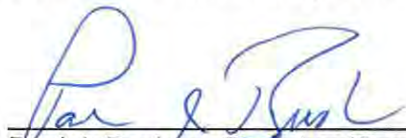
**22. Board of Directors' Comments**

**23. 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 3, 2015



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Paul J. Bushee, Secretary/General Manager

**LEUCADIA WASTEWATER DISTRICT**

Minutes of a Regular Board Meeting  
November 18, 2015

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, November 18, 2015 at 5:00 p.m., at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

**1. Call to Order**

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

**2. Roll Call**

DIRECTORS PRESENT: Juliussen, Omsted, Hanson and Sullivan  
 DIRECTORS ABSENT: Kulchin  
 OTHERS PRESENT: General Manager Paul Bushee, General Counsel Wayne Brechtel, Administrative Services Manager Chuck LeMay, Technical Services Manager Robin Morishita, Field Services Superintendent Jeff Stecker, Executive Assistant Trisha Hill, District CPA Richard Duffey, District Engineer Steve Deering, and Steven Henderson of Dexter Wilson Engineering, Inc.

**3. Pledge of Allegiance**

President Juliussen led the pledge of allegiance.

**4. General Public Comment Period**

None.

**5. Approval of Agenda**

Upon a motion duly made by Director Sullivan seconded by Vice President Omsted and unanimously carried, the Board of Directors approved the agenda by the following vote:

Director	Vote
President Juliussen	Aye
Vice President Omsted	Aye
Director Hanson	Aye
Director Sullivan	Aye
Director Kulchin	Absent

**6. Presentations and Awards**

None.

**CONSENT CALENDAR**

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

Minutes of the following meetings:

- October 14, 2015 Regular Board Meeting
- November 3, 2015 Engineering Committee Meeting
- November 5, 2015 Human Resources Committee Meeting

**8. Approval of Demands for October/November 2015**

Payroll Checks numbered 18198-18255; General Checking – Checks numbered 47461-47568; Voided check number 47530 and 47563.

**9. Operations Report** (A copy was included in the original November 18, 2015 Agenda)

This report discloses up-to-date and monthly flow, rain fall, EDU's and reclaimed water averages; along with MGD flow comparisons from FY 15 to FY 16 and flows by sub-basin.

**10. Finance Report** (A copy was included in the original November 18, 2015 Agenda)

**11. Quarterly Treasurer's Investment Report**

This report discloses investments for the quarter ending September 30, 2015. (A copy was included in the original November 18, 2015 Agenda)

**12. Disclosure of Reimbursements** (A copy was included in the original November 18, 2015 Agenda)

This report discloses travel expense reimbursements for the month of October 2015.

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

Director	Vote
President Juliussen	Aye
Vice President Omsted	Aye
Director Hanson	Aye
Director Sullivan	Aye
Director Kulchin	Absent

**EWA and COMMITTEE REPORTS**

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

A. EWA Board Report – Meeting was held on October 28, 2015.

Director Sullivan reported on EWA's October 28, 2015 Board meeting.

B. An Encina Member Agencies Manager's (MAM) Meeting was held on November 3, 2015.

GM Bushee reported on Encina MAM's November 3, 2015 meeting.

**14. Committee Reports**

A. Engineering Committee (EC) meeting was held on November 3, 2015.

President Juliussen reported that the EC reviewed the following:

- The Sanitary Sewer Management Plan (SSMP) Fiscal Year 2015 Audit conducted by Dexter Wilson Engineering, Inc.;
- Staff's report on the feasibility of operating a recycled water tanker truck to refill Vector trucks during hydro-cleaning operations; and
- Project updates on the Saxony Pump Station Rehabilitation Project and the Scott's Valley

Pipeline Rehabilitation Project.

President Juliussen noted that the EC agreed with staff's recommendations on the SSMP FY 15 Audit and it will be reviewed later in the agenda.

B. Human Resources Committee (HRC) meeting was held on November 5, 2015.

Director Hanson reported that the HRC reviewed the Board-General Manager/Staff Relations Policy and directed staff to make one revision to the policy. Staff agreed to make the change. She noted that it will be reviewed later in the agenda.

### ACTION ITEMS

**15. Sanitary Sewer Management Plan (SSMP) Fiscal Year 2015 (FY15) Audit**

Receive and file the Sanitary Sewer Management Plan (SSMP) Fiscal Year 2015 (FY15) Audit conducted by Dexter Wilson Engineering, Inc. (DWE)

FSSupt. Stecker presented this item stating that it was reviewed by the EC during its November 3, 2015 meeting and it is a FY16 tactical goal. He provided background information and the requirements of the SSMP. He introduced Steven Henderson of DWE to provide an overview of the audit and its results.

Mr. Henderson provided an overview of the FY15 SSMP Audit. He stated the results of the audit indicating that there were no major findings or major changes; however, there were a few minor sewer spills related primarily to private lateral spills. He also stated that no formal Fats, Oil, and Grease (FOG) program is necessary at this time since the District has not had any spills relating to FOG. In addition, he stated that the audit will be available for review on the District's website.

Following discussion, upon a motion duly made by Director Hanson, seconded by Vice President Omsted, and unanimously carried, the Board of Directors received and filed the SSMP FY15 Audit conducted by Dexter Wilson Engineering, Inc. by the following vote:

Director	Vote
President Juliussen	Aye
Vice President Omsted	Aye
Director Hanson	Aye
Director Sullivan	Aye
Director Kulchin	Absent

**16. Uniform Rental and Cleaning Services Contract**

Authorize the General Manager to execute the Uniform Rental and Cleaning Services Contract with UniFirst as the lowest responsive and responsible bidder at an estimated cost of \$33,719.40 over an initial three year period.

FSSupt. Stecker presented the item stating that the District's current contract with UniFirst will expire in November and that they have been providing this service to the District for the past five years. He stated that as a good business practice, staff conducts a competitive procurement process every five years. He provided a summary of the bids received indicating that UniFirst was the lowest responsive and responsible bidder. He added that their services have been excellent over the past five years and since they are the current uniform provider, staff did not feel the need to check references. He also noted that their bid price was significantly lower than their current contract price.

Following discussion, upon a motion duly made by Director Hanson, seconded by Director Sullivan, and unanimously carried, the Board of Directors authorized the General Manager to execute the Uniform Rental and Cleaning Services Contract with UniFirst as the lowest responsive and responsible bidder at an estimated cost of \$33,719.40 over the initial three year contract period by the following vote:

<b>Director</b>	<b>Vote</b>
<b>President Juliussen</b>	Aye
<b>Vice President Omsted</b>	Aye
<b>Director Hanson</b>	Aye
<b>Director Sullivan</b>	Aye
<b>Director Kulchin</b>	Absent

**17. Revised Board-General Manager/Staff Relations Policy**

Adopt Resolution No. 2268 – Approving the Revised Board-General Manager/Staff Relations Policy.

ASM LeMay presented the item stating that the Human Resources Committee (HRC) reviewed this item at its November 5, 2015 meeting. He stated that staff reviewed the policy and presented it to the HRC with no recommended changes. He noted that after the discussion, the HRC proposed that the annual policy review requirement be revised to an “as-needed” basis at the request of the Board or staff. He indicated that the HRC did not believe that the annual review requirement was an efficient use of the committee’s or staff’s time when there are no proposed changes. He noted that staff agreed to make the revision.

Vice President Omsted stated that this policy is one of the District’s most valuable policies and that the Board should review it at least once a year. He recommended that the revision be removed.

Director Hanson stated that the HRC didn’t feel that it was the best use of the HRC’s and staff’s time to review the policy if no changes are recommended. GM Bushee suggested that if staff is not recommending any changes, then he would contact the HRC Chair and ask if a meeting should be scheduled. In addition, the policy can be placed under the consent calendar if there are no proposed changes.

Director Sullivan asked staff if they believe that the policy includes all the necessary language. GM Bushee indicated that staff has reviewed the policy and staff is not recommending any changes. He noted that this policy was thoroughly reviewed by staff and the Board over the past few years.

GM Bushee stated that staff will remove the proposed change. He asked that Board approve the policy with a resolution number to be consistent with District’s procedures when adopting policies. He noted that the Board approved a revised policy last year, but it was not adopted by resolution.

Following discussion, upon a motion duly made by Director Sullivan as amended to keep the annual review language in the policy, seconded by Vice President Omsted, and unanimously carried, the Board of Directors adopted Resolution No. 2268 – Approving the Board-General Manager/Staff Relations Policy by the following vote:

<b>Director</b>	<b>Vote</b>
<b>President Juliussen</b>	Aye
<b>Vice President Omsted</b>	Aye
<b>Director Hanson</b>	Aye
<b>Director Sullivan</b>	Aye
<b>Director Kulchin</b>	Absent



**18. Calendar Year 2016 Board of Directors' Meeting Schedule**

Approve the Calendar Year 2016 (CY16) Board of Directors' meeting schedule.

EA Hill presented the item stating that the Board approved a Resolution that indicates that the Board meetings will be held on the second Wednesday of each month at 5:00 PM. She noted that staff developed the proposed CY16 Board meeting schedule and coordinated the meetings with upcoming 2016 conferences. She noted that staff suggests moving the August and October 2016 Board meetings to the third Wednesday of the month, since these dates conflict with the CASA and CSDA Annual conference dates.

Following discussion, upon a motion duly made by Director Hanson, seconded by Vice President Omsted, and unanimously carried, the Board of Directors approved the CY16 Board of Directors' meeting schedule by the following vote:

Director	Vote
President Juliussen	Aye
Vice President Omsted	Aye
Director Hanson	Aye
Director Sullivan	Aye
Director Kulchin	Absent

**INFORMATION ITEMS**

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

A. Overview of Recent Fair Political Practices Commission (FPPC) Rule Changes.

General Counsel (GC) Brechtel provided an overview of recent California FPPC rule changes. He indicated that individuals that are affected by the new regulations are those that file the conflict of interest forms or make financial decisions or may have financial interest in the decision making process. He explained the various types of financial interests that may disqualify a Board member from voting or influencing decisions in the governmental decision making process. He also explained the gift and loan limits within a twelve month period and the gift exceptions.

The Board thanked GC Brechtel for the update.

B. CSRMA 2016 Executive Board Elections – Call for Nominations.

GM Bushee noted that this item is for information only indicating that he is on the Board and CSRMA generally allows only one Board member per member agency.

C. CSDA Quarterly Dinner Meeting is scheduled for Thursday, November 19, 2015 at The Butcher Shop Steakhouse in Kearny Mesa.

GM Bushee stated that the program features the LAFCO election process and the carpool to the event will leave at 5:30PM.

D. LWD's Press Release "Leucadia Wastewater District receives award" was printed in the Encinitas Advocate in their September 18, 2015 issue.

GM Bushee thanked Director Hanson for providing the article.

- E. LWD Holiday Luncheon is scheduled for noon on Tuesday, December 15<sup>th</sup> at Bistro West.

GM Bushee announced the date of the Holiday luncheon noting that it is scheduled for the week following the Board meeting.

- F. Letter from Olivenhain Municipal Water District requesting support for Mr. Edmund (Ed) Sprague for LAFCO's Regular Special District Commissioner position and Mrs. Kimberly Thorner for the Special District's Advisory Committee position.

GM Bushee noted that staff included this support letter in the agenda as requested by Olivenhain MWD.

- G. Letter from Rainbow Municipal Water District requesting support for Mr. Dennis Sanford for LAFCO's Alternate Special District Commissioner position.

GM Bushee noted that staff included this support letter in the agenda as requested by Rainbow MWD. He noted that LAFCO will be mailing the ballots in December.

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

- A. The CSDA Board Secretary Conference was held on October 19-20, 2015 at the Lake Tahoe Resort Hotel in Lake Tahoe, CA.

Director Sullivan reported that she attended this conference because she volunteers on the CSDA Educational committee and that CSDA staff recommended that she attend this conference. She reported on the sessions noting what she learned about the roles and responsibilities of Board Secretaries. She also stated that as a Board member attendee, she was able to contribute information to other attendees during the sessions.

## **21. General Manager's Report**

GM Bushee reported on the following items:

- A letter from Helix Water District requesting support for Mr. Joel Scalzitti for the LAFCO Alternate position was provided as a handout to each Board member at the request of Helix Water District.
- An email was sent to LAFCO members requesting votes for Director Hanson for the LAFCO Alternate position. A hard copy letter will be mailed the first week in December.
- The District conducted an internal recruitment process for Executive Assistant position. Tianne Baity accepted the position and she will begin in January.

## **22. General Counsel's Report**

General Counsel Brechtel provided an update on the Prop. 218 case that involved a group challenging a public agency's sewer and capacity fees. He stated that the court dismissed the case because the group suing Ramona Water District failed to participate in the District's Prop. 218 hearing process which is a prerequisite for filing litigation.

## **23. Board of Directors' Comments**

Director Sullivan wished everyone a happy and safe Thanksgiving.

Director Hanson wished everyone a happy Thanksgiving.

Vice President Omsted thanked General Counsel Brechtel for his services indicating that he appreciates his work.

President Juliussen requested that staff send the Board members a copy of the PowerPoint presentation on the updated FPPC rules. He also thanked staff for their work.

**24. Adjournment**

President Juliussen adjourned the meeting at approximately 6:03 p.m.

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Allan Juliussen, President

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Paul J. Bushee  
Secretary/General Manager  
(SEAL)

**LEUCADIA WASTEWATER DISTRICT**  
Minutes of an Investment & Finance Committee Meeting  
December 1, 2015

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A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Tuesday, December 1, 2015 at 8:30 a.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 8:30 a.m.

**2. Roll Call**

DIRECTORS PRESENT: Hanson and Omsted

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager Paul Bushee, Administrative Services Manager Chuck LeMay, Executive Assistant Trisha Hill, CPA Richard Duffey with Brownell and Duffey, CPA Harvey Schroeder and CPA David Forman of White Nelson Diehl Evans LLP and Marilyn Jones of Nyhart.

**3. Public Comment**

No public comment was received.

**4. New Business**

- A. Recommend that the Board of Directors Receive and file the Actuarial Valuation of LWD's Retiree Health Program as of June 30, 2015.

ASM LeMay stated that LWD recently completed an actuarial valuation required by Government Accounting Standards Board (GASB) statements Nos. 43 and 45 for its retiree health program. He also indicated that these statements required agencies such as LWD to accrue and expense liabilities associated with other post-employment benefits (OPEB). He noted that Ms. Marilyn Jones of Nyhart will present an overview of the report.

Ms. Marilyn Jones presented an overview of the report including the key assumptions used in the valuation and how these assumptions affect the calculation of the annual required contribution (ARC) calculation. She noted that the District's ARC for FY 2014/2015 is \$10,174. She also explained in detail that the ARC increased due to the changes in assumptions and the new requirement to identify the implicit rate subsidy which considers the valuation of medical costs between retirees and active employees. She added that the plan is approximately 96% funded.

She also discussed the impact of the "Cadillac tax" that is scheduled to take effect in 2018. She noted that the tax will result in an additional financial liability for the employer.

GM Bushee also provided detailed background information about the OPEB valuation process indicating that the District pre-funded its initial actuarial liabilities in 2008 with a deposit of approximately \$177,000 into the California Retirees Benefit Trust (CERBT). Since that time the funds have increased due to higher interest returns. He added that the 2013 actuarial report stated that the account was over 100% funded, but due to the changes in the actuarial valuation assumptions, this year's report indicates that it's now slightly under funded.

The committee asked several questions including clarification on the implicit rate subsidy. Ms. Jones answered their questions.

Following discussion, the IFC concurred with staff to recommend that the Board of Directors receive and file the LWD Actuarial Valuation as of June 30, 2015 at the December Board meeting under the consent calendar.

B. Recommend that the Board of Directors Receive and file the Fiscal Year 2015 (FY15) Comprehensive Annual Financial Report (CAFR).

CPA Duffey provided a summary of the CAFR highlighting Management's Discussion and Analysis (MD&A).

CPA Duffey explained the impact of the GASB 68 and its impacts on the District's unrestricted Replacement Reserve account.

CPA Duffey introduced David Forman of White Nelson Diehl Evans, LLP to provide a summary of the Audit Financials.

Mr. Forman stated that the auditor's internal report indicated that the audit was a clean, unqualified opinion for the year ending FY15. He also provided a summary of GASB 68 and how it affects the net position. Mr. Forman further explained the deferred inflows and outflows in the CAFR and noted that the CalPERS' pool earned more than expected during FY13 and FY14 bringing its funding level to 83%.

Mr. Harvey Schroeder then presented additional information of the Basic Financial Statements. He explained that this year's audit does not show a comparison with the prior year due to GASB 68. He also presented the highlights of the statements noting that cash decreased \$2.3 million due primarily to District's capital improvement expenses. He added that current liabilities also decreased.

Vice President Omsted asked how the District will plan for future retiree funding. GM Bushee explained that the District will continue to fund the PERS retirement on a "pay as you go" plan as it always has. GM Bushee indicated that if PERS does not meet their estimated funding goals in the future there would likely be an increase to the District's PERS contribution.

Vice President Omsted asked what sections of the CAFR are the auditor's responsibilities and how do auditors find weakness in internal controls. Mr. Schroeder explained the auditors and staff responsibilities. He also explained how the auditors conduct their audit by testing the District's financial documents and internal control procedures.

Mr. Schroeder thanked the IFC for choosing their firm to conduct the FY15 audit.

Following discussion, the IFC agreed with staff to recommend that the Board of Directors receive and file the FY15 CAFR.

**5. Information Items**

None.

**6. Directors' Comments**

None.

**7. General Manager's Comments**

None.

**8. Adjournment**

Chairperson Hanson adjourned the meeting at 10:14 a.m.

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Paul J. Bushee  
Secretary/General Manager  
(Seal)

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of an Engineering Committee Meeting  
 December 2, 2015

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A meeting of the Engineering Committee (EC) of Leucadia Wastewater District (LWD) was held on Wednesday, December 2, 2015 at 8:30 a.m., at the LWD Administration Office located at 1960 La Costa Avenue, Carlsbad, California.

**1. Call to Order**

Chairperson Juliussen called the meeting to order at 8:30 a.m.

**2. Roll Call**

DIRECTORS PRESENT: Juliussen and Kulchin  
 DIRECTORS ABSENT: None  
 OTHERS PRESENT: General Manager Paul Bushee; Technical Services Manager Robin Morishita; Field Services Superintendent Jeffery Stecker; Field Services Supervisor Marvin Gonzalez; and District Engineer Steve Deering.

**3. Public Comment**

None.

**4. New Business**

- A. Authorize the General Manager to execute Task Order No. 26 to the Engineering Design Services Agreement with Infrastructure Engineering Corporation (IEC) for the Gafner Advanced Water Treatment (AWT) Facility Condition Assessment in an amount not to exceed \$59,290.

TSM Morishita presented staff's recommendation noting this item is a Fiscal Year 2016 (FY16) tactical goal. He explained that the Asset Management Plan (AMP) recommended that the District complete a condition assessment of the Gafner Advanced Water Treatment Facility (Gafner) to identify specific rehabilitation projects for the District's Capital Improvement Program. He continued that Infrastructure Engineering Corporation (IEC) submitted a proposal to complete the assessment.

TSM Morishita explained the scope of work. He said that IEC's proposed cost was \$59,290 and that staff believes the proposal to be fair and reasonable.

After discussion, the EC concurred with staff to recommend that the Board authorize executing Task Order No. 26 with IEC to complete the condition assessment of Gafner.

**5. Information Items**

- A. Saxony Pump Station Rehabilitation Project

TSM Morishita presented a status update of the Saxony Pump Station Rehabilitation Project. He said that the chopper pumps were inspected and payment was remitted to the vendor, Rockwell Solutions. He stated that based on

the schedule submitted by TC Construction they will mobilize to the site on Monday, December 7<sup>th</sup>.

**B. Scott's Valley Pipeline Rehabilitation Project**

TSM Morishita presented a project update. He said that the Cured-in-Place Pipe (CIPP) lining of all three segments have been completed by Insituform. TSM Morishita continued that one of the three manholes have been lined by Sancon. He said manhole lining will continue over the next couple of weeks. He added that the six manholes in Circulo Adorno will be rehabilitated upon completion of the work in Scott's Valley.

**6. Directors' Comments**

None.

**7. General Manager's Comments**

None.

**8. Adjournment**


Chairperson Juliussen adjourned the meeting at approximately 9:00 a.m.

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Paul J. Bushee,  
Secretary/Manager  
(Seal)



## MEMORANDUM

**DATE:** December 3, 2015  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Approval of November/December Demands

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**RECOMMENDATION:**

Staff requests that the Board of Directors:

1. Approve checks and electronic payments totaling \$ **447,970.96**.
2. Discuss and take other action as appropriate.

**DISCUSSION:**

Attached are check registers describing all payments made by LWD for the months November 10, 2015 – December 4, 2015.

Operating expenses totaled \$ **194,360.25** while Capital Improvement Program expenses totaled \$ **140,465.44**.

Payroll for employees and the Board totaled \$ **113,145.27**.

Attached, please find a year to date Employee and Board Payroll Report from November 2014 to December 2015, 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 2015
Attachment 2	Payroll Check Register dated November 11, 2015
Attachment 3	Accounts Payable Check Register dated November 18, 2015
Attachment 4	Payroll Check Register dated November 25, 2015
Attachment 5	Accounts Payable Check Register dated December 1, 2015
Attachment 6	Board Payroll Check Register dated December 3, 2015
Attachment 7	Payroll Check Register dated December 4, 2015
Attachment 8	Year to Date Employee and Board Payroll Report

**DEMANDS SUMMARY**  
December 9, 2015

**1. Demands**

<u>Category</u>	<u>Check #'s</u>	<u>Amount</u>	<u>Total</u>
Payroll Check -11/11/2015	18256 - 18273	\$44,035.82	
Payroll Check - 11/25/2015	18274 - 18291	\$44,605.14	
Board Payroll Check- 12/3/2015	18292 - 18296	\$1,975.10	
Payroll Check-12/4/2015	18297 - 18306 Sick Buy Back	\$22,529.21	
	<b>Total</b>	<b>\$113,145.27</b>	
General Checking -11/18/2015	47569 - 47617	\$ 242,241.17	
General Checking - 12/01/2015	47618 - 47647	\$ 92,584.52	
	<b>Total</b>	<b>\$ 334,825.69</b>	
	<b>GRAND TOTAL</b>		<b>\$447,970.96</b>

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: November 11, 2015

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
18256 - 18273	11/11/2015	\$44,035.82

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 11/18/2015 Through 11/18/2015

Vendor Name	Check Number	Effective Date	Check Amount	Transaction Description
ANTIMITE TERMITE & PEST CONTROL	47569	11/18/2015	56.00	PEST SERVICE-NOV
	Total 47569		56.00	
AYALA ENGINEERING	47570	11/18/2015	2,800.00	REPLACE 2 FRAMES/COVERS
	Total 47570		2,800.00	
BOOT WORLD, INC	47571	11/18/2015	184.66	SAFETY BOOTS-G. MENDEZ
	Total 47571		184.66	
CITY OF CARLSBAD	47572	11/18/2015	191.85	WATER @ VACTOR
CITY OF CARLSBAD		11/18/2015	259.01	WATER @ VACTOR 2
	Total 47572		450.86	
CONEXIS	47573	11/18/2015	140.00	SEC 125 FLEX PLAN-OCT
	Total 47573		140.00	
CORELOGIC INFORMATION SOLUTIONS,INC	47574	11/18/2015	125.00	REAL QUEST PARCEL MAPS
	Total 47574		125.00	
CORODATA	47575	11/18/2015	129.92	STORAGE
	Total 47575		129.92	
CSRMA	47576	11/18/2015	19,823.02	INS CLAIM-BRANON
	Total 47576		19,823.02	
CUES, INC	47577	11/18/2015	629.47	CCTV PARTS
CUES, INC		11/18/2015	916.73	PARTS-CCTV
	Total 47577		1,546.20	
CWEA	47578	11/18/2015	81.00	RENEWAL FOR R. EASTON-COLLEC SYSTEM
CWEA		11/18/2015	96.00	RENEWAL-I. RIFFEL-COLLEC SYSTEM
	Total 47578		177.00	
DATA NET	47579	11/18/2015	1,412.50	IS MAINT AND SUPPORT
DATA NET		11/18/2015	1,200.00	SERVER BACKUP
DATA NET		11/18/2015	1,998.00	VMWARE ESSENTIALS SOFTWARE
	Total 47579		4,610.50	
EMPLOYMENT DEVELOPMENT DEPT	47580	11/18/2015	486.00	UNEMPLOYMENT PAID-J. FLANDERS
	Total 47580		486.00	

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 11/18/2015 Through 11/18/2015

Vendor Name	Check Number	Effective Date	Check Amount	Transaction Description
EWING IRRIGATION PRODUCTS	47581	11/18/2015	21.87	PARTS FOR BPS
	Total 47581		21.87	
HADRONEX, INC	47582	11/18/2015	240.00	SMART COVERS
	Total 47582		240.00	
HEAVILAND ENTERPRISES, INC	47583	11/18/2015	840.00	LANDSCAPE SERVICE-NOV
	Total 47583		840.00	
HOCH CONSULTING	47584	11/18/2015	812.50	CONSULTING FEES-SPS
	Total 47584		812.50	
I2B NETWORKS, INC	47585	11/18/2015	160.00	WEB CAM @ BPS
	Total 47585		160.00	
ICMA RETIREMENT-303979	47586	11/18/2015	2,925.49	DEFERRED COMP
	Total 47586		2,925.49	
INFRASTRUCTURE ENGINEERING CORP	47587	11/18/2015	2,145.00	FY15 GRAVIETY SEWER
INFRASTRUCTURE ENGINEERING CORP		11/18/2015	2,560.00	L1 FORCE MAIN
INFRASTRUCTURE ENGINEERING CORP		11/18/2015	5,782.50	SAXONY PS REHAB
INFRASTRUCTURE ENGINEERING CORP		11/18/2015	4,332.50	SCOTTS VALLEY REHAB
INFRASTRUCTURE ENGINEERING CORP		11/18/2015	4,707.50	VP5 REPLACEMENT
	Total 47587		19,527.50	
JEFF BILLS	47588	11/18/2015	3,503.87	CONSULTING FEES-NOV
	Total 47588		3,503.87	
JOHN W. SMITH	47589	11/18/2015	55.00	BACKFLOW @ BPS
	Total 47589		55.00	
MIRA MESA WINDOW CLEANING	47590	11/18/2015	550.00	CLEAN SOLAR PANELS
	Total 47590		550.00	
NAPA AUTO	47591	11/18/2015	14.02	SUPPLIES
NAPA AUTO		11/18/2015	155.26	SUPPLIES AND PARTS
	Total 47591		169.28	
NATIONWIDE RETIREMENT SOLUTIONS	47592	11/18/2015	125.00	DEFERRED COMP

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 11/18/2015 Through 11/18/2015

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
	Total 47592		125.00	
NORTH COUNTY EQUIPMENT INC	47593	11/18/2015	125.24	PARTS
	Total 47593		125.24	
OFFICE DEPOT, INC.	47594	11/18/2015	60.39	OFFICE SUPPLIES
	Total 47594		60.39	
OLIVENHAIN MUNICIPAL WATER DIST	47595	11/18/2015	42.66	WATER @ E. ESTATES PS
OLIVENHAIN MUNICIPAL WATER DIST		11/18/2015	346.66	WATER @ TRAVELING
OLIVENHAIN MUNICIPAL WATER DIST		11/18/2015	326.79	WATER @ TRAVELING 2
OLIVENHAIN MUNICIPAL WATER DIST		11/18/2015	39.22	WATER @ VP5
OLIVENHAIN MUNICIPAL WATER DIST		11/18/2015	39.22	WATER @ VP7
	Total 47595		794.55	
PALOMAR WATER, LLC	47596	11/18/2015	163.45	BOTTLED WATER @ OFFICE
	Total 47596		163.45	
PLANT PEOPLE	47597	11/18/2015	158.00	MAINT ON LIVE PLANTS IN OFFICE
	Total 47597		158.00	
PROGENT	47598	11/18/2015	1,700.00	SECURITY SCANNING
	Total 47598		1,700.00	
RICHARD STINSON	47599	11/18/2015	11,000.00	CONSTRUCTION CONSULTING-OCT
	Total 47599		11,000.00	
R. J. SAFETY SUPPLY CO., INC.	47600	11/18/2015	277.99	SAFETY GLOVES
R. J. SAFETY SUPPLY CO., INC.		11/18/2015	18.90	SUPPLIES
	Total 47600		296.89	
ROCKWELL CONSTRUCTION SERVICES, INC	47601	11/18/2015	250.00	CM FOR SAXONY PS
	Total 47601		250.00	
ROCKWELL SOLUTIONS	47602	11/18/2015	81,864.16	SUBMERSIBLE PUMPS
	Total 47602		81,864.16	
AIR POLLUTION CONTROL DISTRICT	47603	11/18/2015	309.00	PERMIT FEES-5084
ATR POLLUTION CONTROL DISTRICT		11/18/2015	309.00	PERMIT FEES-5094

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 11/18/2015 Through 11/18/2015

Vendor Name	Check Number	Effective Date	Check Amount	Transaction Description
	Total 47603		618.00	
SAN DIEGO GAS AND ELECTRIC	47604	11/18/2015	<u>17,177.58</u>	ELECTRIC @ OFFICE/LPS
	Total 47604		17,177.58	
SAN DIEGO NATURAL HISTORY MUSEUM	47605	11/18/2015	595.00	REPORT PREP
	Total 47605		595.00	
SAN DIEGUITO WATER DISTRICT	47606	11/18/2015	116.56	WATER @ BPS
	Total 47606		116.56	
SAN DIEGO GAS & ELECTIRC	47607	11/18/2015	136.41	ELECTRIC @ AVOCADO PS
SAN DIEGO GAS & ELECTIRC		11/18/2015	10,697.65	ELECTRIC @ BPS
SAN DIEGO GAS & ELECTIRC		11/18/2015	556.44	ELECTRIC @ DIANA PS
SAN DIEGO GAS & ELECTIRC		11/18/2015	988.41	ELECTRIC @ E. ESTATES
SAN DIEGO GAS & ELECTIRC		11/18/2015	844.35	ELECTRIC @ EEPS
SAN DIEGO GAS & ELECTIRC		11/18/2015	1,262.71	ELECTRIC @ LC PS
SAN DIEGO GAS & ELECTIRC		11/18/2015	196.51	ELECTRIC @ RANCHO VERDE
SAN DIEGO GAS & ELECTIRC		11/18/2015	1,026.53	ELECTRIC @ SAXONY PS
SAN DIEGO GAS & ELECTIRC		11/18/2015	399.55	ELECTRIC @ VP5
SAN DIEGO GAS & ELECTIRC		11/18/2015	208.41	ELECTRIC @ VP7
SAN DIEGO GAS & ELECTIRC		11/18/2015	18.62	GAS @ OFFICE
SAN DIEGO GAS & ELECTIRC		11/18/2015	<u>1.27</u>	NAT GAS @ E.E
	Total 47607		16,336.86	
SLOAN ELECTRIC COMPANY	47608	11/18/2015	<u>13,328.78</u>	REPLACE MOTOR @LPS
	Total 47608		13,328.78	
S&R TOWING, INC	47609	11/18/2015	<u>55.00</u>	TOWING
	Total 47609		55.00	
STATE WATER RESOURCES CONTROL BOARD	47610	11/18/2015	11,195.00	ANNUAL PERMIT-
STATE WATER RESOURCES CONTROL BOARD		11/18/2015	14,929.00	ANNUAL PERMIT-AWT
	Total 47610		26,124.00	
THE HOWARD E. NYHART COMPANY, INC	47611	11/18/2015	5,150.00	OPEB ACTUARIAL VALUATION
	Total 47611		5,150.00	
PIPE TOOLS SPECIALITIES	47612	11/18/2015	<u>1,259.78</u>	CCTV THREADS
	Total 47612		1,259.78	
UNIFIRST CORPORATION	47613	11/18/2015	<u>475.44</u>	LAUNDRY SERVICE
	Total 47613		475.44	

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 11/18/2015 Through 11/18/2015

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
U.S. HEALTHWORKS MEDICAL GROUP, P.C.	47614	11/18/2015	186.00	PHYSICALS
	Total 47614		186.00	
WHITE NELSON DIEI EVANS LLP	47615	11/18/2015	3,500.00	AUDITOR FEES-OCT
	Total 47615		3,500.00	
WORDEN WILLIAMS, APC	47616	11/18/2015	1,354.80	LEGAL FEES-OCT
	Total 47616		1,354.80	
XEROX CORPORATION	47617	11/18/2015	91.02	COPIER MAINT/REPAIR
	Total 47617		91.02	
Report Total			242,241.17	



LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: November 25, 2015

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
18274 - 18291	11/25/2015	\$44,605.14

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 12/1/2015 Through 12/1/2015

Vendor Name	Check Number	Effective Date	Check Amount	Transaction Description
AT&T	47618	12/1/2015	361.66	ELEVATOR PHONE
	Total 47618		361.66	
CAL PUBLIC EMPLOYEES' RETIRE SYSTEM	47619	12/1/2015	26,079.10	HEALTH INS-DEC
	Total 47619		26,079.10	
CARLSBAD FUELS CORPORATION	47620	12/1/2015	1,396.51	VEHICLE FUEL/GAS
	Total 47620		1,396.51	
CWEA	47621	12/1/2015	192.00	RENEWAL FOR J. STECKER-COLEEC/PLANT MAINT-GRADE4
	Total 47621		192.00	
DATA NET	47622	12/1/2015	160.00	IS MAINT AND SUPPORT
	Total 47622		160.00	
DAVID KULCHIN	47623	12/1/2015	29.90	REIMBURSE D.K. FOR MILEAGE FOR CSDA DINNER
	Total 47623		29.90	
DUDEK & ASSOCIATES	47624	12/1/2015	1,062.25	GE/3252/0526/FAIR OAKS
DUDEK & ASSOCIATES		12/1/2015	275.00	GE/3252/0593/LC SQUARE
DUDEK & ASSOCIATES		12/1/2015	220.00	GE/3252/0596/ASTOR
DUDEK & ASSOCIATES		12/1/2015	935.00	GE/3252/0844/LC TOWN SQUARE COMM
DUDEK & ASSOCIATES		12/1/2015	110.00	GE/3252/0851/JEREZ CT
DUDEK & ASSOCIATES		12/1/2015	1,485.00	GE/3252/0855/LC TOWN SQUARE11
DUDEK & ASSOCIATES		12/1/2015	2,761.50	GE/3252/0874/EOLUS
DUDEK & ASSOCIATES		12/1/2015	220.00	GE/3252/0897/OMWD
DUDEK & ASSOCIATES		12/1/2015	440.00	GE/3252/0934/ATHENA ST
DUDEK & ASSOCIATES		12/1/2015	275.00	GE/3252/0944/HYGEIA AVE
DUDEK & ASSOCIATES		12/1/2015	110.00	GE/3252/0945/RANGE ST
DUDEK & ASSOCIATES		12/1/2015	327.50	GE/3252/09461/SCOTT ANNEX
DUDEK & ASSOCIATES		12/1/2015	817.50	GE/3252/0947/LUECADIA SHELL
	Total 47624		9,038.75	
GARRET WHITE	47625	12/1/2015	800.00	PACP CERT CLASS TRAINING
	Total 47625		800.00	
GREAT AMERICA FINANCIAL SERVICES	47626	12/1/2015	738.87	COPIER LEASE
	Total 47626		738.87	

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 12/1/2015 Through 12/1/2015

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
HARTFORD LIFE & ACCIDENT INS.	47627	12/1/2015	424.25	LIFE INS-DEC
	Total 47627		424.25	
HYDRO-SCAPE	47628	12/1/2015	278.30	PARTS
	Total 47628		278.30	
IAN RIFFEL	47629	12/1/2015	129.99	REIMBURSE FOR SAFETY BOOTS
	Total 47629		129.99	
ICMA RETIREMENT-303979	47630	12/1/2015	2,896.61	DEFERRED COMP
	Total 47630		2,896.61	
MES VISION	47631	12/1/2015	349.66	VISION INS-DEC
	Total 47631		349.66	
MSC JANITORIAL SERVICE, INC	47632	12/1/2015	1,737.92	JANITORIAL SERVICE-NOV
	Total 47632		1,737.92	
NATIONWIDE RETIREMENT SOLUTIONS	47633	12/1/2015	125.00	DEFERRED COMP
	Total 47633		125.00	
OFFICE DEPOT, INC.	47634	12/1/2015	1,077.10	OFFICE SUPPLIES
	Total 47634		1,077.10	
PACIFIC PIPELINE SUPPLY	47635	12/1/2015	79.70	PIPING
	Total 47635		79.70	
PIPERIN CORPORATION	47636	12/1/2015	3,000.00	MANHOLE REPAIR
PIPERIN CORPORATION		12/1/2015	11,495.00	SEWER REPAIR
	Total 47636		14,495.00	
PLUMBERS DEPOT, INC	47637	12/1/2015	21,854.44	CAMERA ASSY
	Total 47637		21,854.44	
QUALITY CHEVROLET	47638	12/1/2015	1,146.48	VEHICLE MAINT AND REPAIR
	Total 47638		1,146.48	
RCP BLOCK & BRICK, INC	47639	12/1/2015	46.66	CRUSHED ROCK
	Total 47639		46.66	
SOUTHERN CONTRACTING COMPANY	47640	12/1/2015	1,809.00	ELECTRICAL WORK-CABLES/SWITCHES
	Total 47640		1,809.00	

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 12/1/2015 Through 12/1/2015

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
STATE WATER RESOURCES CONTROL BD	47641	12/1/2015	60.00	RENEWAL FOR I. RIFFEL-D2
	Total 47641		60.00	
STATE WATER RESOURCES CONTROL BD	47642	12/1/2015	70.00	RENEWAL FOR T. BAITY-GRADE 1
	Total 47642		70.00	
THE GUARDIAN	47643	12/1/2015	4,035.64	DENTAL/DISABILITY INS-DEC
	Total 47643		4,035.64	
TRI COMMUNITY ANSWERING SERVICE	47644	12/1/2015	90.00	ANSWERING SERVICE-NOV
	Total 47644		90.00	
UNIFIRST CORPORATION	47645	12/1/2015	232.99	LAUNDRY SERVICE
	Total 47645		232.99	
U.S. BANK	47646	12/1/2015	2,053.60	CONFERENCES, MEETINGS, SUPPLIES, ETC
	Total 47646		2,053.60	
VERIZON WIRELESS	47647	12/1/2015	795.39	CELL PHONES
	Total 47647		795.39	
Report Total			92,584.52	

**Leucadia Wastewater District**  
 Vendor Activity - Supplemental Credit Card Report  
 From 12/1/2015 Through 12/1/2015

Vendor Name	Tra... Sou...	Effective Date	Original Invoice Number	Expenses	GL Code	GL Title	Transaction Description
U.S. BANK	APS	12/1/2015	CC-10/22/2015	0.00	1005	UNION BANK GENERAL	CONFERENCES, MEETINGS, SUPPLIES, ETC
U.S. BANK	APS	12/1/2015	CC-10/22/2015	0.00	1080	DUE TO/FROM OTHER FUNDS	CONFERENCES, MEETINGS, SUPPLIES, ETC
U.S. BANK	API	12/1/2015	CC-10/22/2015	447.60	4330	BOARD CONFERENCES	D.O. CSDA
U.S. BANK	API	12/1/2015	CC-10/22/2015	514.86	4330	BOARD CONFERENCES	ES-CSDA Conf
U.S. BANK	API	12/1/2015	CC-10/22/2015	99.00	4930	SUBSCRIPTIONS	Business Journal
U.S. BANK	API	12/1/2015	CC-10/22/2015	234.00	5040	SAFETY SUPPLIES	Datco Services
U.S. BANK	API	12/1/2015	CC-10/22/2015	350.00	5735	EMPLOYEE RECOGNITION	Deposit-Holiday Lunch
U.S. BANK	API	12/1/2015	CC-10/22/2015	62.38	5735	EMPLOYEE RECOGNITION	Empl Recog Lunch
U.S. BANK	API	12/1/2015	CC-10/22/2015	130.00	5910	TELEPHONE	Internet/Wifi
U.S. BANK	API	12/1/2015	CC-10/22/2015	30.00	5910	TELEPHONE	Wifi Charge
U.S. BANK	API	12/1/2015	CC-10/22/2015	185.76	6499	CONSTRUCTION	Rock/granite
				<u>2,053.60</u>			Transaction Total
		Total 12/1/2015		2,053.60			
Report Opening/Current Balance							
Report Transaction Totals				<u>2,053.60</u>			
Report Current Balances				<u><u>                    </u></u>			

LEUCADIA WASTEWATER DISTRICT  
BOARD PAYROLL CHECK REPORT

Payroll Date: December 3, 2015

<u>Check No.</u>	<u>Date</u>	<u>Amount</u>
18292 - 18296	12/3/2015	\$1,975.10

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: December 4, 2015  
Sick Buy Back

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
18297 -18306	12/4/2015	\$22,529.21

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

<b><u>NOVEMBER</u></b>	<b>2014</b>		
11/3/2014	Board		\$3,635.20
11/12/2014	Employee		\$41,419.01
11/12/2014	Employee	Incentive	\$461.75
11/26/2014	Employee		<u>\$39,964.00</u>
	<b>TOTAL</b>		<b>\$85,479.96</b>

<b><u>DECEMBER</u></b>			
12/3/2014	Board		\$4,873.19
12/4/2014	Employee	Sick Buyback	\$18,127.34
12/10/2014	Employee		\$40,877.56
12/11/2014	Employee	Incentive	\$1,225.43
12/24/2014	Employee		<u>39259.31</u>
	<b>TOTAL</b>		<b>\$104,362.83</b>

<b><u>JANUARY</u></b>	<b>2015</b>		
1/3/2015	Board		\$1,313.29
1/7/2015	Employee		\$39,442.47
1/21/2015	Employee		<u>\$38,947.79</u>
	<b>TOTAL</b>		<b>\$79,703.55</b>

<b><u>FEBRUARY</u></b>			
2/3/2015	Board		\$5,635.01
2/4/2015	Employee		\$41,354.90
2/11/2015	Employee	Incentive	\$1,658.70
2/18/2015	Employee		<u>\$41,693.45</u>
	<b>TOTAL</b>		<b>\$90,342.06</b>

<b><u>MARCH</u></b>			
3/3/2015	Board		\$3,328.09
3/4/2015	Employee		\$42,481.68
3/18/2015	Employee		<u>\$41,809.70</u>
	<b>TOTAL</b>		<b>\$87,619.47</b>

<b><u>APRIL</u></b>			
4/1/2015	Employee		\$42,998.28
4/3/2015	Board		\$3,450.34
4/8/2015	Employee	Incentive	\$461.75
4/9/2015	Employee	Incentive	\$7,864.64
4/15/2015	Employee		\$42,793.24
4/29/2015	Employee		<u>\$42,249.97</u>
	<b>TOTAL</b>		<b>\$139,818.22</b>



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

**MAY**

5/3/2015	Board		\$4,550.07
5/13/2015	Employee		\$42,386.44
5/27/2015	Employee		<u>\$42,031.05</u>
	<b>TOTAL</b>		<b>\$88,967.56</b>

**JUNE**

6/3/2015	Board		\$6,672.20
6/10/2015	Employee		43014.18
6/10/2015	Employee	Incentive	862.55
6/24/2015	Employee		<u>42179.22</u>
	<b>TOTAL</b>		<b>\$92,728.15</b>

**JULY**

7/3/2015	Board		\$1,141.49
7/8/2015	Employee		\$42,280.37
7/9/2015	Employee	Incentive	\$460.23
7/9/2015	Employee		\$2,411.85
7/22/2015	Employee		<u>\$41,341.86</u>
	<b>TOTAL</b>		<b>\$87,635.80</b>

**AUGUST**

8/3/2015	Board		\$2,144.12
8/5/2015	Employee		\$41,795.41
8/12/2015	Employee	Incentive	\$5,219.27
8/19/2015	Employee		<u>\$40,893.42</u>
	<b>TOTAL</b>		<b>\$90,052.22</b>

**SEPTEMBER**

9/2/2015	Employee		\$41,538.06
9/3/2015	Board		\$4,575.80
9/9/2015	Employee	Incentive	\$184.70
9/10/2015	Employee	Incentive	\$4,686.05
9/16/2015	Employee		\$41,215.54
9/30/2015	Employee		<u>41756.24</u>
	<b>TOTAL</b>		<b>\$133,956.39</b>

**OCTOBER**

10/3/2015	Board		\$5,312.42
10/13/2015	Employee	Incentive	\$16,002.53
10/14/2015	Employee		\$42,620.89
10/28/2015	Employee		<u>\$44,099.43</u>
	<b>TOTAL</b>		<b>\$108,035.27</b>

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

**NOVEMBER**

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

**DECEMBER**

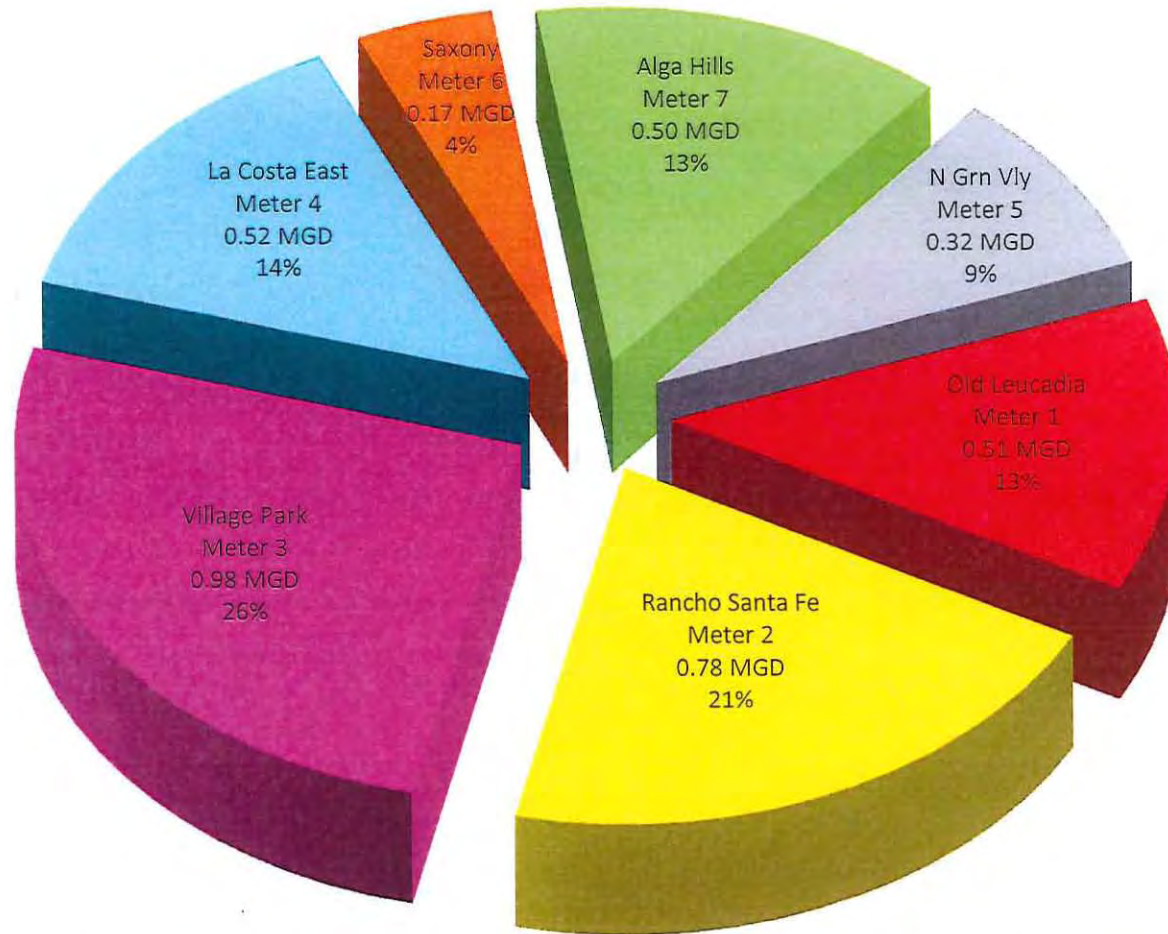
12/3/2015	Board		\$1,975.10
12/4/2015	Employee	<b>Sick Buyback</b>	<u>\$22,529.21</u>
	<b>TOTAL</b>		<b>\$24,504.31</b>

**LEUCADIA WASTEWATER DISTRICT  
OPERATIONS REPORT  
FISCAL YEAR 2016 (July 2015 - June 2016)**

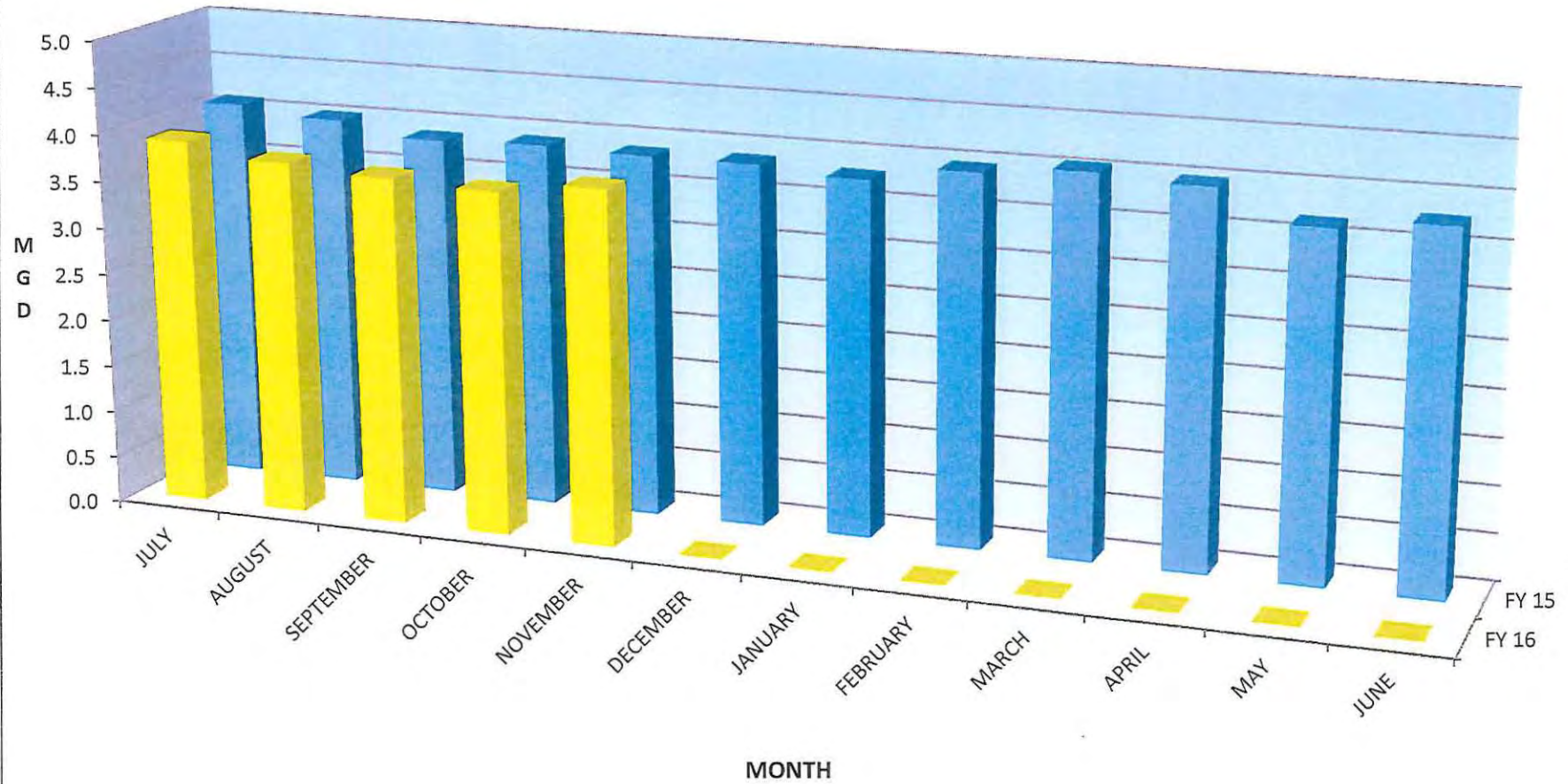
CURRENT MONTH - November 2015							FY 2014-2015
Period	Total Rain Inches	Total Flow MG	Total EDU's 28,515.94	LWD ADF (MGD)	GPD/EDU	RECLAIMED ADF (ac-ft/mo)	ADF (MGD)
JULY	0.76	121.52	5.80	3.92	137	27.33	4.10
YTD	0.76	121.52	28,521.74				
AUGUST	0.00	116.87	8.60	3.77	132	39.88	4.01
YTD	0.00	116.87	28,530.34				
SEPTEMBER	1.14	111.00	3.00	3.70	130	32.02	3.87
YTD	1.14	111.00	28,533.34				
OCTOBER	0.70	113.15	8.5	3.65	128	18.08	3.90
YTD	0.70	113.15	28,541.84				
NOVEMBER	0.60	113.10	0.0	3.77	132	11.62	3.87
YTD	0.60	113.10	28,541.84				
DECEMBER							3.87
YTD							
JANUARY							3.80
YTD							
FEBRUARY							3.96
YTD							
MARCH							4.05
YTD							
APRIL							3.99
YTD							
MAY							3.67
YTD							
JUNE							3.78
YTD							
Annual Total	3.20	575.64	26			128.93	
Mo Average	0.64	115.13	5	3.76	132	25.79	4.08

35

**LWD Flows by Sub-Basin  
November 2015  
Total LWD Flow = 3.78 MGD**

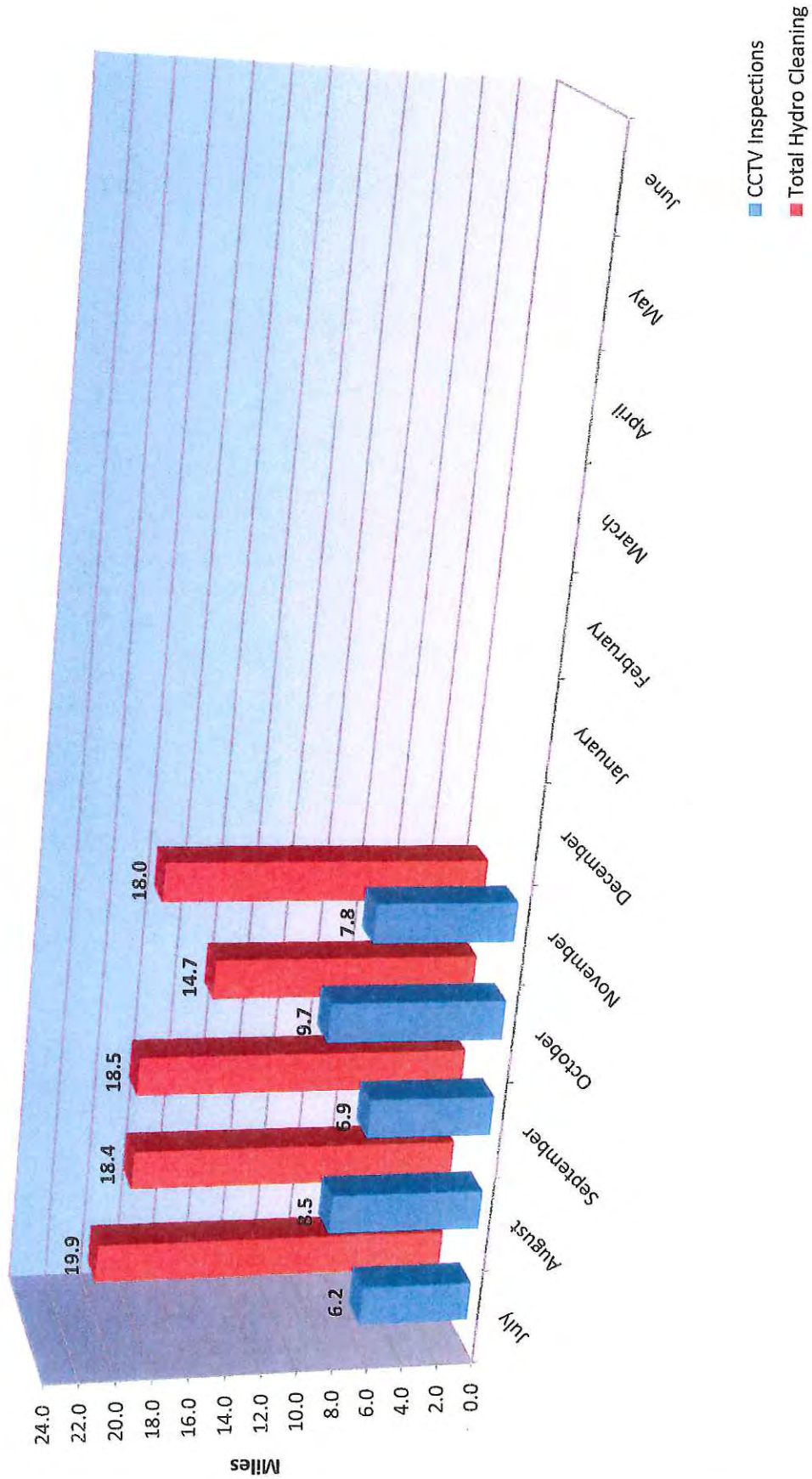


# LEUCADIA WASTEWATER DISTRICT FLOW COMPARISION FY15 to FY16



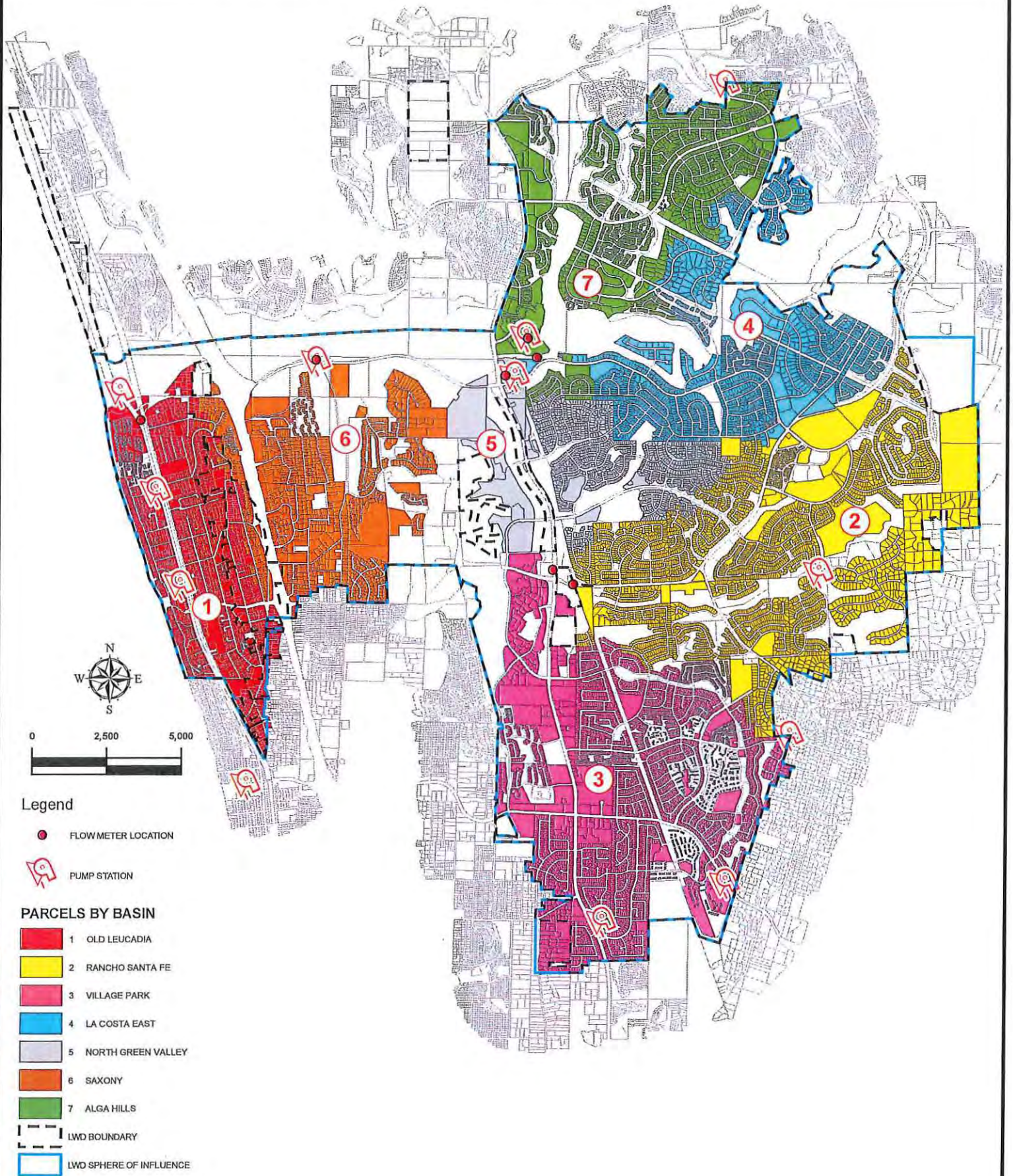


# FY-16 CCTV Inspections & Hydro Cleaning Production





# LEUCADIA WASTEWATER DISTRICT





# Leucadia Wastewater District

## Balance Sheet As of 11/30/2015

		Current Year
<b>Assets</b>		
Cash & Investments	1CAS	31,454,179.09
Accounts Receivables	2A/R	102,967.49
Prepaid Expense	3PRE	136,365.00
Funds held with Encinca Wastewater Authority	4EWA	1,074,849.00
Capital Assets	4F/A	151,074,210.03
Less Accumulated Depreciation	6DEP	(50,513,524.45)
Total Assets		133,329,046.16
<b>Deferred Outflows</b>		
Pension Related Deferred Outflows	7D/O	257,809.47
Total Deferred Outflows		257,809.47
Total Assets & Deferred Outflows		133,586,855.63
<b>Liabilities</b>		
Accounts Payable & Accrued Expenses	A/P	558,084.65
Developer Deposits	DEVD	154,314.13
Net Pension Liability	LTDB	2,277,414.00
EWA Pension Liability	LTDP	1,816,300.00
Total Liabilities		4,806,112.78
<b>Deferred Inflows</b>		
Pension Related Deferred Inflows	D/In	814,039.00
Total Deferred Inflows		814,039.00
<b>Net Position</b>		
Beginning Net Position		
Investment in Capital Assets	IC/A	102,080,040.50
Reserves	RESV	29,783,956.78
Total Beginning Net Position		131,863,997.28
Current Change In Net Position		
Other		(3,897,293.43)
Total Current Change In Net Position		(3,897,293.43)
Total Net Position		127,966,703.85
Total Liabilities, Deferred Inflows & Net Position		133,586,855.63



# Leucadia Wastewater District

Summary Budget Comparison - Revenues and Operating Expenses  
From 7/1/2015 Through 11/30/2015

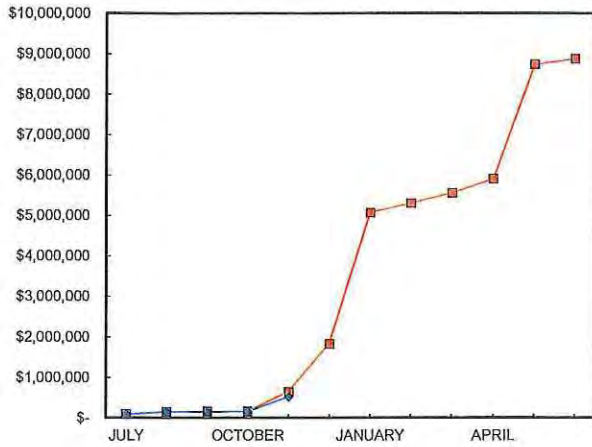
Account Title	YTD Actual	Total Annual Budget	Total Budget Variance	Percentage Total Budget Used
<b>OPERATING REVENUES</b>				
3110 Sewer Service Fees	525,795.83	8,876,733.00	8,350,937.17	5.9%
3150 Recycled Water Sales	117,107.10	266,000.00	148,892.90	44.0%
3100 Misc. Operating Revenue	\$ 16,669.34	\$ 248,533.00	\$ 231,863.66	6.7%
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 659,572.27</b>	<b>\$9,391,266.00</b>	<b>\$8,731,693.73</b>	<b>7.0%</b>
<b>OPERATING EXPENSES</b>				
4100 Salaries	\$ 622,916.02	\$1,647,320.00	\$1,024,403.98	37.8%
4200 Employee Benefits	306,197.63	825,559.00	519,361.37	37.1%
4300 Directors Expense	45,451.41	140,100.00	94,648.59	32.4%
4600 Gas, Oil & Fuel	11,757.09	46,000.00	34,242.91	25.6%
4700 Insurance Expense	39,527.93	118,000.00	78,472.07	33.5%
4800 Memberships	17,559.00	25,400.00	7,841.00	69.1%
4900 Office Expense	38,207.81	122,100.00	83,892.19	31.3%
5000 Operating Supplies	62,682.56	225,900.00	163,217.44	27.7%
5200 Professional Services	170,799.31	539,400.00	368,600.69	31.7%
5300 Printing & Publishing	9,633.64	32,000.00	22,366.36	30.1%
5400 Rents & Leases	6,118.70	15,150.00	9,031.30	40.4%
5500 Repairs & Maintenance	148,360.76	390,400.00	242,039.24	38.0%
5600 Monitoring & Permits	34,597.95	54,850.00	20,252.05	63.1%
5700 Training & Development	10,422.24	46,500.00	36,077.76	22.4%
5900 Utilities	189,310.44	497,600.00	308,289.56	38.0%
6100 LAFCO Operations	8,762.60	6,200.00	(2,562.60)	141.3%
6200 Encina Operating Expense	399,441.68	1,915,644.00	1,516,202.32	20.9%
6900 Admin O/H alloc to Capital	(29,244.41)	(128,664.00)	(99,419.59)	22.7%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$2,092,502.36</b>	<b>\$6,519,459.00</b>	<b>\$4,426,956.64</b>	<b>32.1%</b>
<b>NON-OPERATING REVENUES</b>				
3130 Capacity Fees	87,731.40	240,360.00	152,628.60	36.5%
3220 Property Taxes	83,238.72	1,450,000.00	1,366,761.28	5.7%
3250 Investment Income	85,157.87	180,000.00	94,842.13	47.3%
3290 Misc. Non Op Revenue	4,424.24	8,200.00	3,775.76	54.0%
<b>TOTAL NON-OPERATING REVENUES</b>	<b>\$ 260,552.23</b>	<b>\$1,878,560.00</b>	<b>\$1,618,007.77</b>	<b>13.9%</b>

# Leucadia Wastewater District

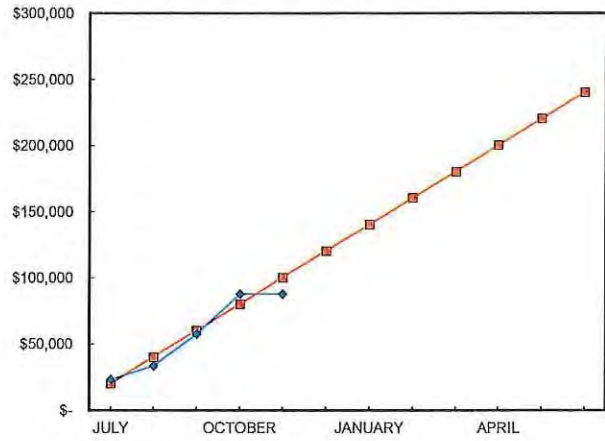
## Revenue FY 2015

YTD through November 30, 2015

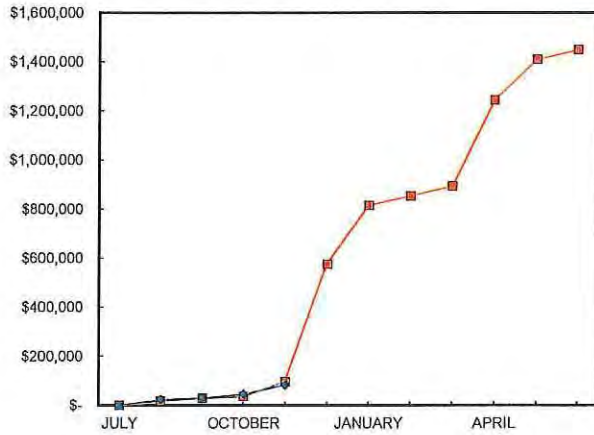
### Sewer Service Fees



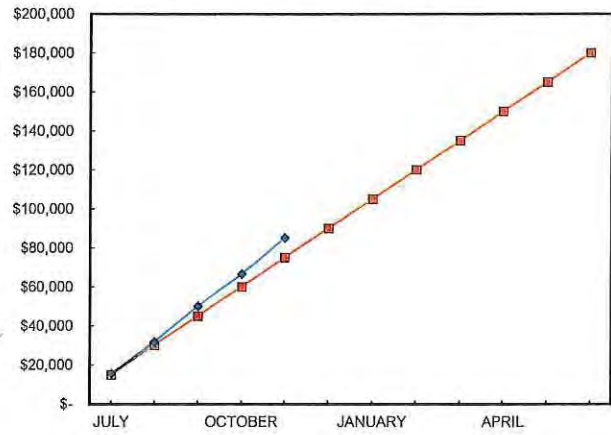
### Capacity Charges



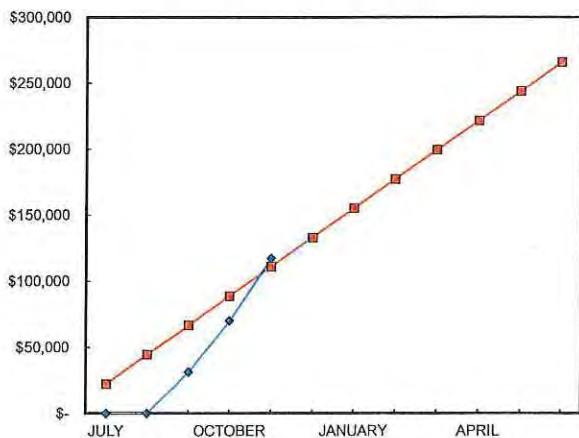
### Property Taxes



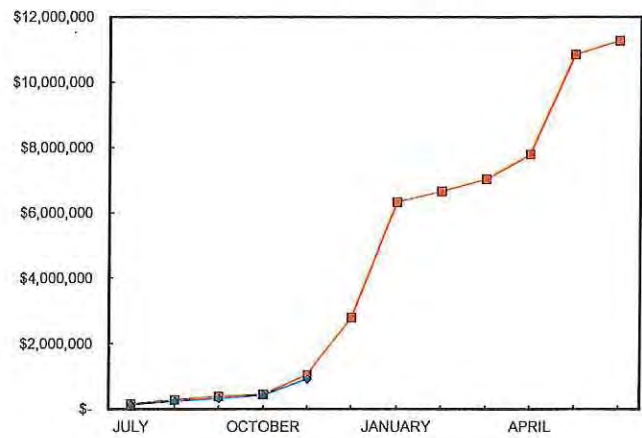
### Investment Income



### Recycled Wastewater



### Total Revenue



— Budget    — Actual

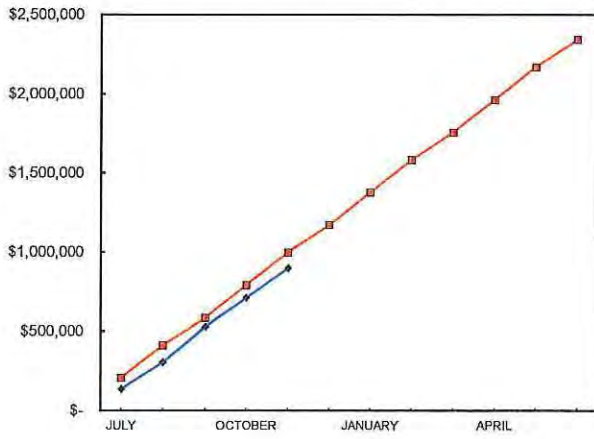
— Budget    — Actual

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

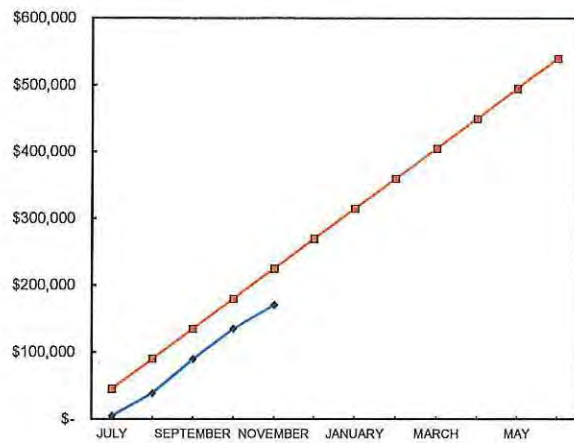


# Leucadia Wastewater District Operating Expenses FY 2016 YTD through November 30, 2015

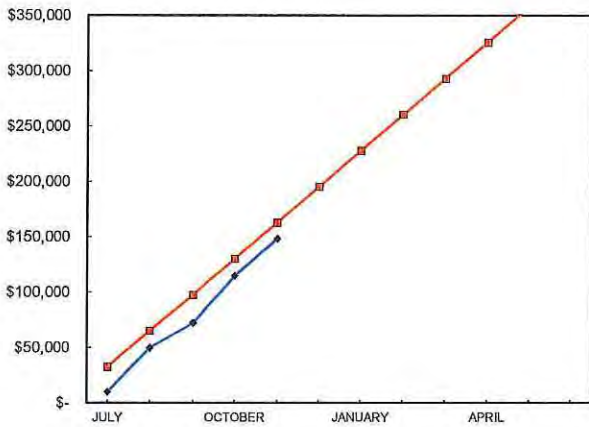
**Salaries and Benefits**



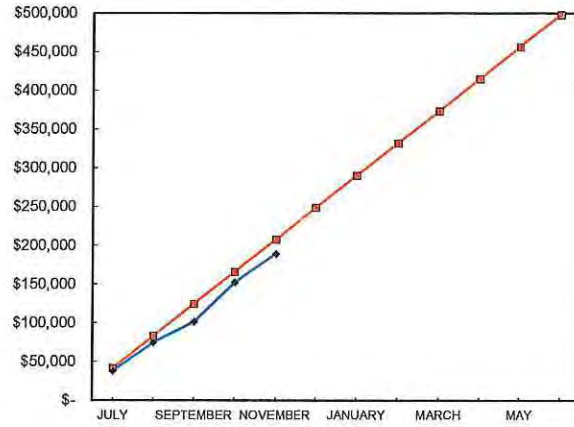
**Professional Services**



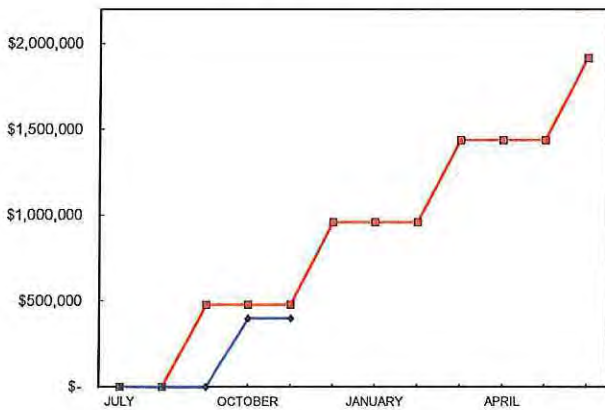
**Repairs & Maintenance**



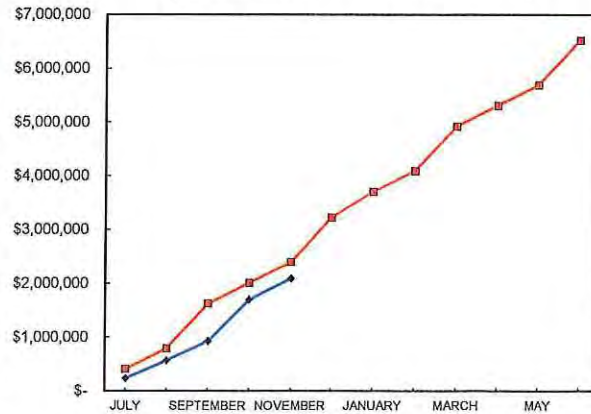
**Utilities**



**Encina M&O**



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



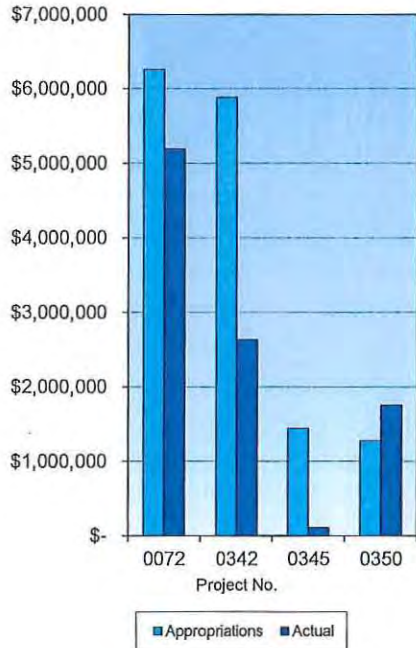
Legend: Budget (red line with squares), Actual (blue line with diamonds)

Legend: Budget (red line with squares), Actual (blue line with diamonds)

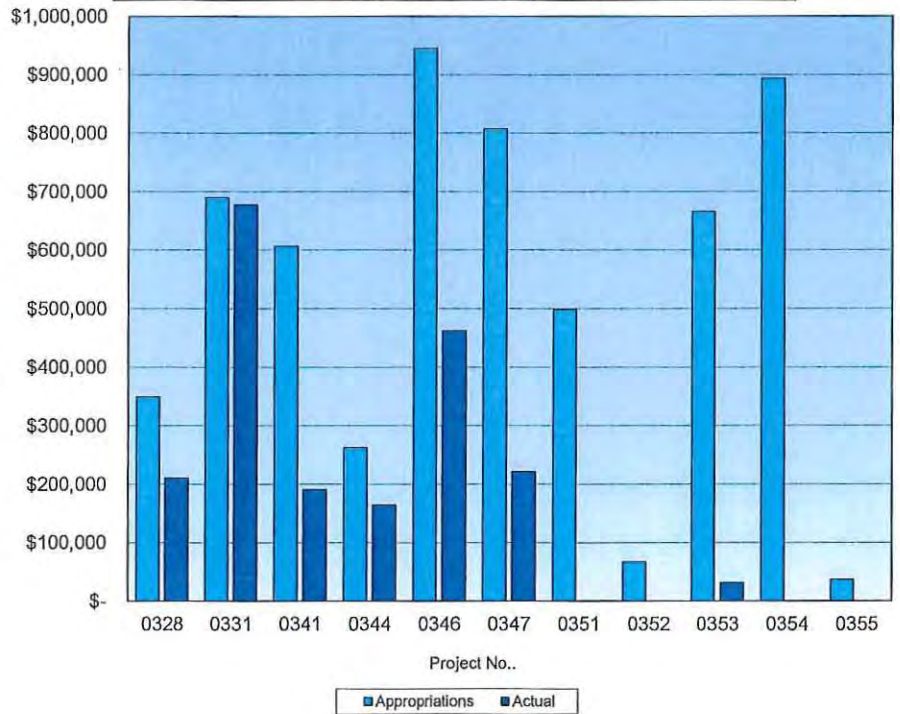
\* Preliminary: subject to future review, reconciliation, accruals, and audit

## Leucadia Wastewater District Capital Expenditures As of November 30, 2015

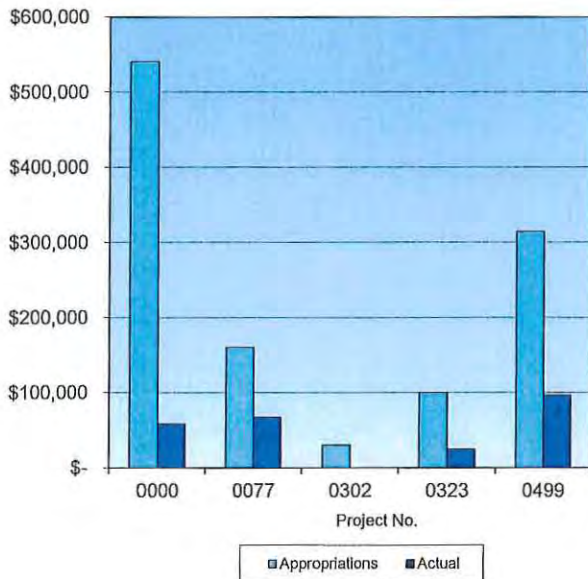
**District Multi Year Capital Expenditures by Project (>\$1M) Through FY2016**



**District Multi Year Capital Expenditures by Project (<\$1M) Through FY2016**



**Single Year Capital Expenditures by Project FY2016**



**Project Legend**

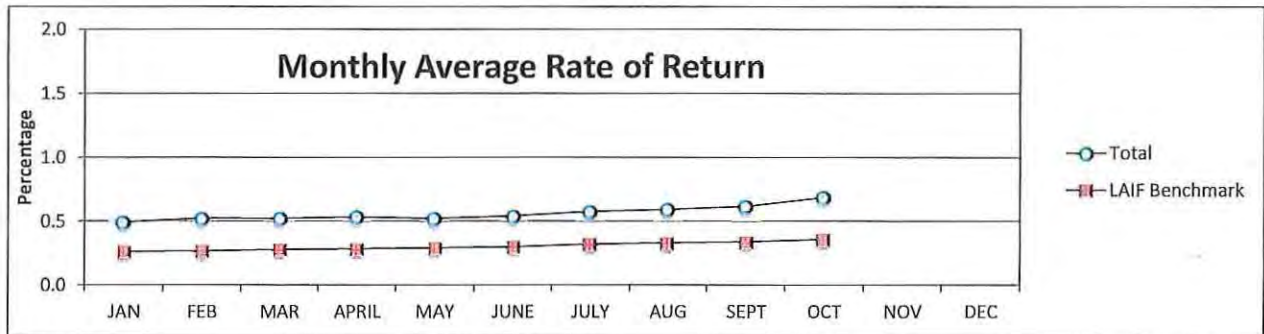
Multi-Year Capital Projects	
Description	No.
Encina Wastewater Authority	0072
Water Recycling Group	0328
Leucadia PS Generator Replacement	0331
Scott's Valley Pipeline Repair	0341
B2 Force Main Replacement Project	0342
LPS & BatPS VFD Replacement	0344
Leucadia FM West Section Replacmnt	0345
FY2015 Gravity Pipeline Rehab	0346
Saxony RS Rehab	0347
B1 Force Main Replacement Projects	0350
Secondary Effluent FM Replacement	0351
Gafner AWT Condition Assessment	0352
FY2016 Gravity Pipeline Rehab	0353
Village Park #5 PS Replacement	0354
Batequitos PS Solar Panels	0355
Single Year Capital Projects	
Description	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

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

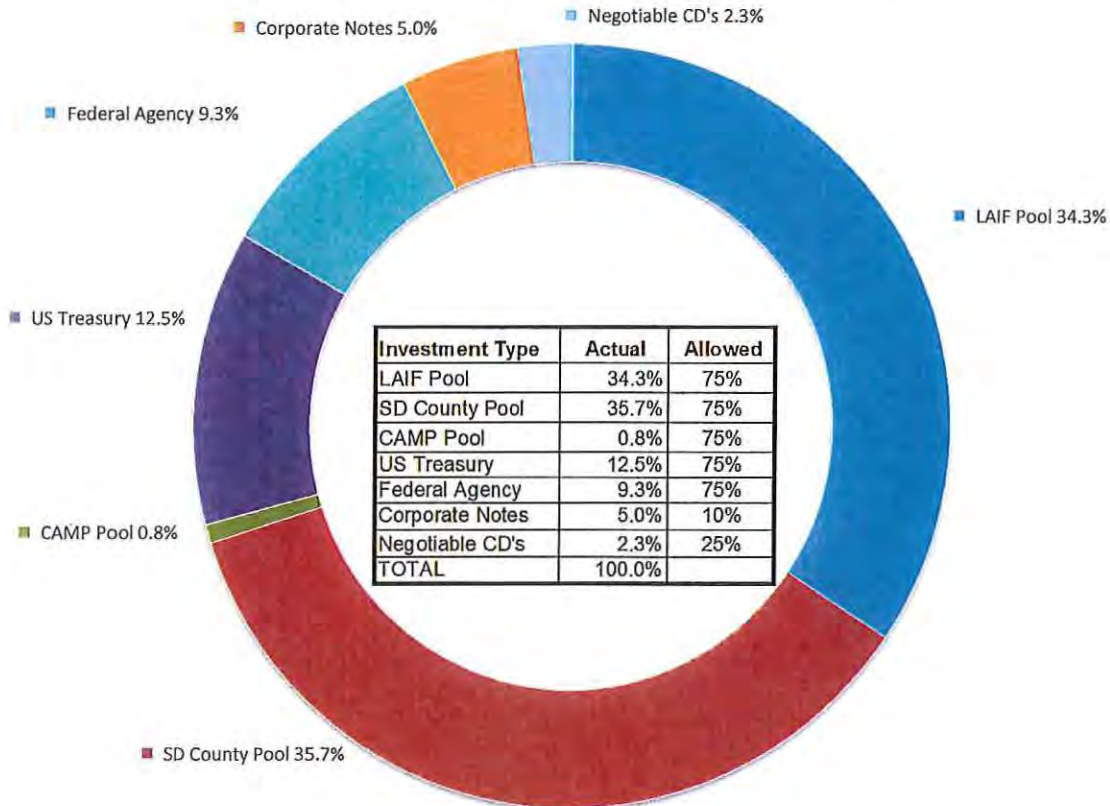


## LEUCADIA WASTEWATER DISTRICT Monthly Investment Summary October 31, 2015

Cash Equivalents & Investments	Principal (Original Cost)		October Interest	Average Rate
	September 30, 2015	October 31, 2015		
LAIF Pool	\$ 11,136,341	\$ 11,002,339	\$ 3,293	0.357%
SD County Pool	11,436,114	11,449,919	7,686	0.806%
CAMP Pool	252,224	252,816	29	0.140%
CAMP Portfolio				
US Treasury Notes	3,992,305	3,992,305	2,750	0.830%
Federal Agency Mortgage-Backed Securities	7,419	7,317	46	7.570%
Federal Agency Notes	2,989,880	2,989,880	2,468	0.990%
Corporate Bonds/Notes	1,611,640	1,611,640	1,583	1.190%
Certificates of Deposit	750,000	750,000	506	0.810%
Total Camp Portfolio	9,351,244	9,351,141	7,354	0.940%
<b>Totals</b>	<b>\$ 32,175,923</b>	<b>\$ 32,056,216</b>	<b>\$ 18,363</b>	<b>0.686%</b>

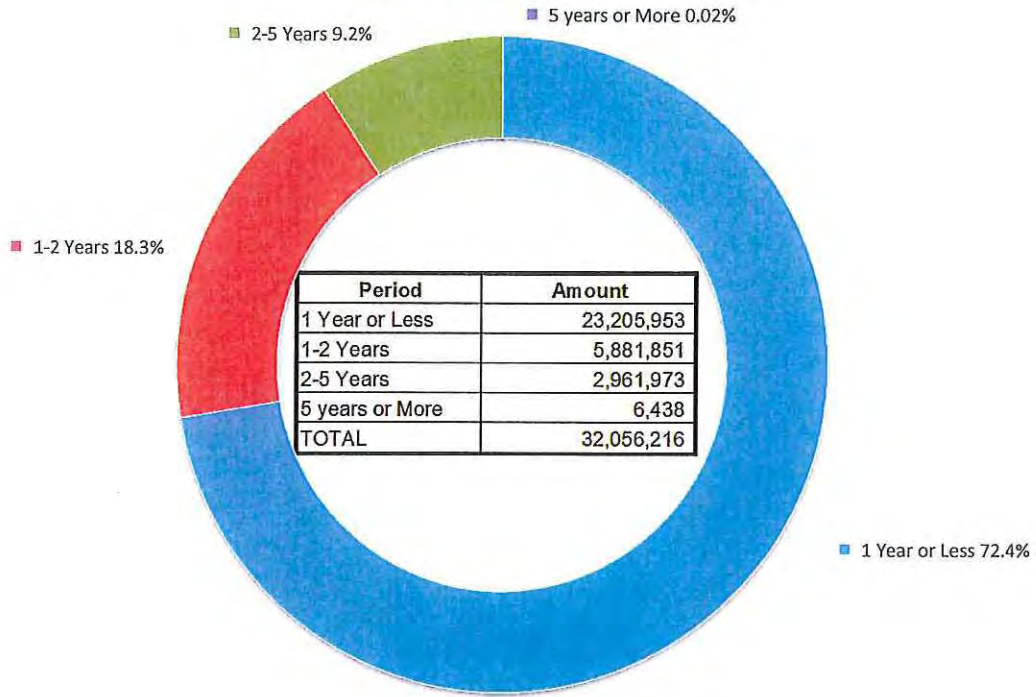


### INVESTMENT DISTRIBUTION BY CATEGORY

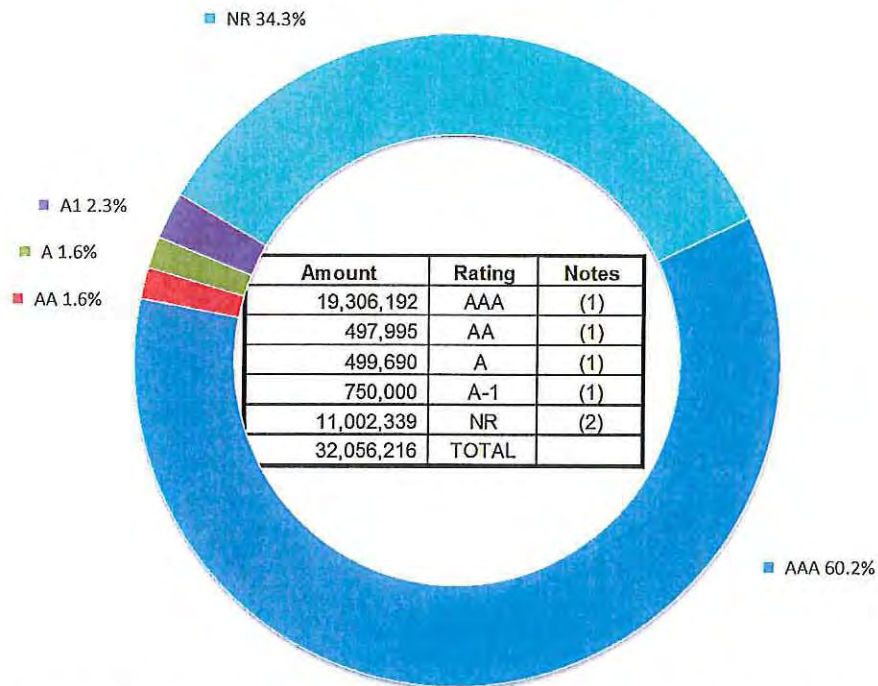


**LEUCADIA WASTEWATER DISTRICT**  
**Monthly Investment Summary**  
**October 31, 2015**  
**(Continued)**

**REMAINING MATURITY**



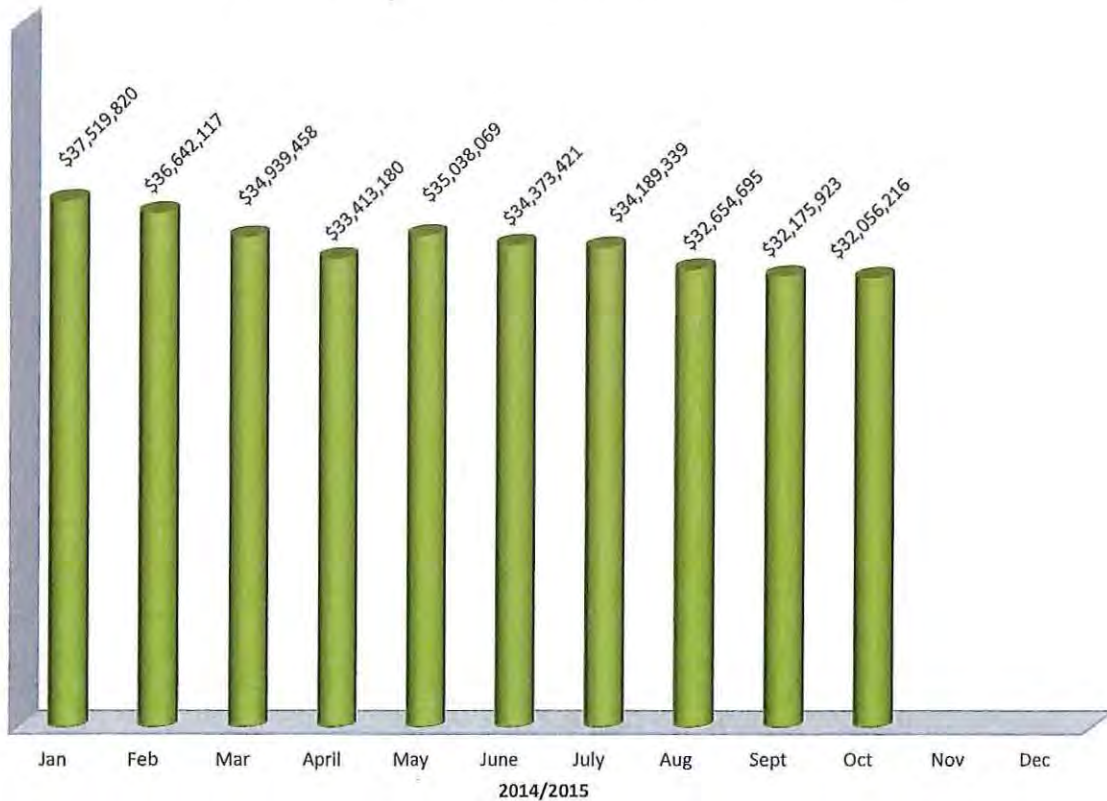
**INVESTMENT RATINGS**



(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, 2015**  
**(Continued)**

**TOTAL CASH EQUIVALENTS & INVESTMENTS**



**INVESTMENT TRANSACTIONS**  
*For the month of October, 2015*

Investment	Purchases	Maturities	Sales	Notes	YTM at Cost
GNMA MBS 30-yr Pools	\$ -	\$ 102	\$ -	(3)	7.57%
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 102</b>	<b>\$ -</b>		

(3) Monthly principal payments from mortgage pools

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



MEMORANDUM

Ref: 16-4785

**DATE:** December 3, 2015  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** November 2015 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 2015.

**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 2015 your review.

th:PB

Attachment




Leucadia Wastewater District  
Disclosure of Reimbursements Report  
November 1-30, 2015

Conference Date	Description	Director	Director	Director	Director	Director	GM	ASM	TSM	FSS	EA
		J. Hanson	E. Sullivan	D. Omsted	D. Kulchin	A. Juliussen	P. Bushee	C. LeMay	R. Morishita	J. Stecker	T. Hill
	Registration										
	Hotel										
	Airfare										
	Meals										
	Rental Car										
	parking										
	Tips										
	Fuel/mileage/taxi										
	<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Registration										
	Hotel										
	Airfare										
	Meals										
	Rental Car										
	Parking										
	Tips										
	Fuel/mileage/coaster										
	<b>Total</b>	\$0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Registration										
	Hotel										
	Airfare										
	Meals										
	Rental Car										
	Parking										
	Tips										
	Fuel/mileage/taxi										
	<b>Total</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Registration										
	Hotel										
	Airfare										
	Meals										
	Rental Car										
	Parking										
	Tips										
	Fuel/mileage/taxi										
	<b>Total</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Notes: There were no conferences or other meetings that required travel reimbursements for month of November.

MEMORANDUM

Ref: 16-4767

DATE: December 3, 2015  
TO: Board of Directors  
FROM: Paul J. Bushee, General Manager   
SUBJECT: **Actuarial Valuation of LWD's Retiree Health Program**

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**RECOMMENDATION:**

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

1. Receive and file the Actuarial Valuation of LWD's Retiree Health Program as of June 30, 2015; and
2. Discuss and provide direction, as appropriate.

**DISCUSSION:**

**Tactical Goal: Financial/OPEB Valuation**

This agenda item was reviewed at the IFC's December 1, 2015 meeting.

During 2004, the Government Accounting Standards Board (GASB) issued statements (No's. 43 and 45) requiring agencies such as LWD to accrue and expense liabilities of other post employment benefits (OPEB). For LWD, this meant that the District had to account for how it would pay for retiree health benefits over the working career of employees rather than on a pay-as-you-go basis. In July 2008, LWD staff contracted with Nyhart to perform an initial actuarial valuation of its retiree health program. Following this valuation, the Board authorized staff to pre-fund its actuarial liabilities through the California Employees' Retiree Benefit Trust (CERBT) with an initial deposit of approximately \$177,000.

This agenda item, which is a FY 2016 tactical goal, presents the results of the most recent actuarial valuation as of June 30, 2015. This actuarial valuation is required to be performed every two years. Based on this most recent report, the District's unfunded actuarial accrued liability changed from a surplus of \$136,605 to a liability of \$13,069 due to changes in work place situations and actuarial assumptions. The annual required contribution (ARC) for FY 2015/2016 is \$10,174. This is comprised of \$9,091 for yearly compensation related expense and \$1,083 for amortization of the above unfunded liability. This is an increase over the prior year's contribution of \$6,278.

Ms. Marilyn Jones of Nyhart presented an overview of the actuarial valuation to the IFC at their December meeting. Following this review, the committee recommended that this agenda item be placed on the consent calendar for the Board's December 9, 2015 meeting.

A copy of the valuation report's Executive Summary is attached.

cal:PB

Attachment

Attachment 1  
OPEB Valuation Executive Summary

## **SECTION I. EXECUTIVE SUMMARY**

---

### Background

The Leucadia Wastewater District (the "District") selected The Nyhart Company to perform an actuarial valuation of its retiree health program. The purpose of the actuarial valuation is to measure the District's liability for retiree health benefits and to estimate the District's accounting requirements for other post-employment benefits (OPEB) under Governmental Accounting Standards Board Statements No. 43 & 45 (GASB 43 and GASB 45). GASB 45 requires accrual accounting for the expensing of OPEB. The expense is generally accrued over the working career of employees, rather than on a pay-as-you-go basis. GASB 43 requires additional financial disclosure requirements for funded OPEB Plans.

The District currently provides a contribution towards retiree health benefits through the CalPERS Health Program for 5 retirees. In addition, 17 employees and 3 Board Members are either currently eligible for or earning service credit for eligibility for retiree health benefits. To be eligible for retiree health benefits, an employee must retire from the District and commence pension benefits under PERS (typically on or after age 50 with at least 5 years of PERS service). The District's pays the CalPERS minimum required employer contribution (\$122 per month in 2015, \$125 per month in 2016 and indexed in the future to medical CPI) for retirees electing coverage. Section IV of the report details the plan provisions and current premium costs that were included in the valuation.

The District participates in the CalPERS Health Program for its retiree medical coverage. In general, the premium rates charged to participating employers are the same for each medical plan within each region (or "community") and are the same for both active and retired employees covered under the same medical plan. An implicit rate subsidy can exist when the non-Medicare rates for retirees are the same as for active employees. Since non-Medicare eligible retirees are typically much older than active employees, their actual medical costs are typically higher than for active employees. GASB 45 requires that implicit rate subsidies be considered in the valuation of medical costs. In past valuations the liability for the implicit rate subsidy was excluded from the valuation as the GASB had provided for an exemption for community-rated plans. This valuation includes an estimate of the liability for the implicit rate subsidy.

### Results of the Retiree Health Valuation

We have determined that the amount of the actuarial liability for the District's retiree health plan as of June 30, 2015, the measurement date, is \$437,638 (including \$257,468 for the District's explicit contribution and \$180,170 for the implicit rate subsidy). This value is based on an assumed discount rate of 7.28%. The amount represents the present value of all benefits projected to be paid by the District for current and future retirees. If the District were to place this amount in a fund earning interest at the rate of 7.28% per year, and all other actuarial assumptions were met, the fund would have enough to pay the District's required contribution for retiree health benefits. This includes benefits for the current retirees as well as the current active employees expected to retire in the future. The valuation does not consider employees not yet hired as of the valuation date.

If the amount of the actuarial liability is apportioned into past service, current service and future service components; the past service component (actuarial accrued liability) is \$358,786 (including \$214,203 for the District's explicit contribution and \$144,583 for the implicit rate subsidy), the current service component (normal cost or current year accrual) is \$8,474 (including \$5,275 for the District's explicit contribution and \$3,199 for the implicit rate subsidy) and the future service component (not yet accrued liability) is \$70,378 (including \$37,990 for the District's explicit contribution and \$32,388 for the implicit rate subsidy).

### Changes from Prior Valuation

The valuation reflects updated plan, census and rate information. In addition, there were several assumption changes including updates to the mortality and retirement assumptions, a lowering of the discount rate to 7.28% for CERBT investment strategy 1 and the inclusion of a liability for the implicit rate subsidy. A reconciliation of the approximate change in the liability from the prior valuation is provided below:

<b>June 30, 2013 Valuation @7.61%</b>	<b>\$191,000</b>
Increase due to passage of time	17,000
Increase due to liability for new entrants	11,000
Net experience loss – primarily due to less favorable retirement experience	19,000
Net increase due to updated demographic assumptions	7,000
Increase due to lowering of discount rate to 7.28	13,000
<b>June 30, 2015 Valuation @7.28%</b>	<b>\$258,000</b>
Increase due to inclusion of the implicit rate subsidy	180,000
<b>June 30, 2015 Valuation @7.28%</b>	<b>\$438,000</b>

### Funding

The District's funding policy is to fund 100% of the annual required contribution as determined under GASB 45 through the California Employers' Retiree Benefit Trust (CERBT). The market value of assets including any contribution receivable or benefits payable in CERBT as of June 30, 2015 is \$345,717. The actuarial value of assets at June 30, 2015 is equal to the market value of assets. The unfunded actuarial accrued liability at June 30, 2015 is \$13,069 (including \$0 for the District's explicit contribution and \$13,069 for the implicit rate subsidy). The plan's funded ratio is 96% (100% for the District's explicit contribution).

The CERBT provides participating employers with the choice of three investment allocation strategies. The expected rate of return of assets is dependent on the funding strategy of a participating employer and which investment allocation strategy is selected. For employers fully funding their annual required contribution, strategy 1 has a CERBT published median yield of 7.28%, strategy 2 has a published median yield of 6.73% and strategy 3 has a published median yield of 6.12%. The valuation was performed using a 7.28% discount rate assuming the District remains in strategy 1 for the 2015/2016 and 2016/2017 fiscal years and assumes no additional margin for adverse deviation applied to the CERBT stated median discount rate. The results for alternatives allocation strategies using a 6.73% and 6.12% discount rate are also provided in Section II-J of the report.

### Annual Required Contribution

The District's annual required contribution (accrual expense) for the current fiscal year is \$10,174. This amount is comprised of the present value of benefits accruing in the current fiscal year (normal cost) plus a 30-year amortization (on a level-dollar basis) of the unfunded actuarial accrued liability/(surplus) at June 30, 2015. Thus, it represents a means to expense the plan's liabilities in an orderly manner. The net increase in OPEB obligation/(asset) at the end of the fiscal year will reflect any actual contributions made by the District during the period for retiree health benefits including any pre-funding amounts and an estimate for the implicit rate subsidy.

### Actuarial Basis

The actuarial valuation is based on the assumptions and methods outlined in Section VI of the report. To the extent that a single or a combination of assumptions is not met the future liability may fluctuate significantly from its current measurement. As an example, the healthcare cost increase anticipates that the rate of increase in medical cost will be at moderate levels and decline over several years. Increases higher than assumed would bring larger liabilities and expensing requirements. A 1% increase in the healthcare trend rate for each future year would increase the annual required contribution by 47%.



Another key assumption used in the valuation is the discount (interest) rate which is based on the expected rate of return of plan assets. The valuation is based on a discount rate of 7.28%. A 0.5% decrease in the discount rate would increase the annual required contribution by 22%. A 0.5% increase in the discount rate would decrease the annual required contribution by 21%.

GASB 45 requires that implicit rate subsidies be considered in the valuation of medical costs. An implicit rate subsidy occurs when the rates for retirees are the same as for active employees. Since pre-Medicare retirees are typically much older than active employees, their actual medical costs are almost always higher than for active employees. The valuation results were determined using the higher expected costs associated with retired employees.

Scheduled to take effect in 2018, the "Cadillac Tax" is a 40% non-deductible excise tax on employer-sponsored health coverage that provides high-cost benefits. For pre-65 retirees and individuals in high-risk professions, the threshold amounts are currently \$11,850 for individual coverage and \$30,950 for family coverage. For insured plans, the insurance company is responsible for payment of the excise tax. For self-funded plans, the employer is responsible for payment of the excise tax. The valuation does not include any additional liability for the Cadillac Tax.

The valuation is based on the census, plan and rate information provided by the District. To the extent that the data provided lacks clarity in interpretation or is missing relevant information, this can result in liabilities different than those presented in the report. Often missing or unclear information is not identified until future valuations.

**Encina Wastewater Authority Report**  
**Regular Board Meeting**  
**November 18, 2015**

**EWA Board of Directors** - Director Sullivan Reporting

**1. Ocean Outfall Condition Assessments and Bathymetric Survey Action Plan**

The Board of Directors received and filed the Encina Outfall System Condition Assessments and the Bathymetric Survey Action Plan.

*There was no Executive Session*

# Investment & Finance Meeting Report

Presented by Director Hanson

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**Meeting held December 1, 2015**

- 1. The Committee reviewed the Actuarial Valuation of LWD's Retiree Health Program as of June 30, 2015.**

The IFC agreed with staff to include the report in the consent calendar of the agenda.

- 2. The Committee reviewed the Fiscal Year 2015 (FY 15) Comprehensive Annual Financial Report (CAFR).**

The FY 15 CAFR will be reviewed by the Board of Directors later in the agenda.



# Engineering Committee Meeting Report

Presented by Director Kulchin

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## **Meeting held on December 2, 2015**

1. The EC reviewed Task Order No. 26 to the Engineering Design Services Agreement with Infrastructure Engineering Corporation, Inc. (IEC) for the Gafner Advanced Water Treatment (AWT) Facility Condition Assessment in an amount not to exceed \$59,290.

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 also received project updates on the Saxony Pump Station Rehabilitation Project and the Scott's Valley Pipeline Rehabilitation Project.

### Saxony Pump Station Rehabilitation Project

- The Chopper pumps were inspected and payment to the vender, Rockwell Solutions.
- TC construction mobilized to the site on Monday, Dec. 7<sup>th</sup>.

### Scott's Valley Pipeline Rehabilitation Project

- The cured-in-place pipe lining of all three segments was completed by Insituform.
- One of the manholes was lined by Sancon.
- The manhole lining will continue over the next couple of weeks and six manholes in Circulo Adorno will be rehabilitation upon completion of the work in Scott's Valley.

MEMORANDUM

Ref: 16-4771

DATE: December 3, 2015  
TO: Board of Directors  
FROM: Paul J. Bushee, General Manager   
SUBJECT: Fiscal Year 2015 (FY 15) Comprehensive Annual Financial Report

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**RECOMMENDATION:**

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

1. Receive and File the Fiscal Year 2015 Comprehensive Annual Financial Report (CAFR).
2. Discuss and take other action, as appropriate.

**DISCUSSION:**

**Tactical Goal: Financial/FY 2015 Audit**

This item was reviewed by the IFC at its December 1, 2015 meeting and the IFC concurred with staff to recommend this item for Board approval.

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 Auditor's Report, Management's Discussion and Analysis, Basic Financial Statements with notes, and supplementary information
- Statistical section that includes cost and revenue comparisons for the past 10 years.
- Other information

The accounting firm of White Nelson Diehl Evans LLP has completed its audit of LWD's FY 15 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 Audit Committee Letter which provides information about the auditor's responsibilities under generally accepted auditing standards. Also provided is a copy of the final CAFR which is enclosed for your review.

Staff along with Mr. Harvey Schroeder and Mr. David Forman of White Nelson Diehl Evans LLP will present an overview of the CAFR at the upcoming meeting.

cal:PJB

Attachment  
Enclosure

Board of Directors  
Audit Committee  
Leucadia Wastewater District  
Carlsbad, California

We have audited the basic financial statements of the Leucadia Wastewater District for the year ended June 30, 2015, and have issued our report thereon dated December 3, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted 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 June 1, 2015. 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 the Leucadia Wastewater District are described in Note 1 to the financial statements. As discussed in Note 1 to the basic financial statements, the District adopted Governmental Accounting Standards Board's Statement No. 68, "Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27", and Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date, an Amendment of GASB Statement No. 68". The adoption of these standards required retrospective application resulting in a \$3,456,451 reduction of previously reported net position. As discussed in Note 13 to the basic financial statements, the District has also restated net position at the beginning of the year to reflect its share of the Encina Wastewater Authority's retroactive restatement due to the implementation of GASB statement numbers 68 and 71 in the amount of \$1,816,300. We noted no transactions entered into by Leucadia Wastewater 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.



## **Significant Audit Findings (Continued):**

### *Qualitative Aspects of Accounting Practices (Continued)*

The most sensitive estimates affecting the financial statements were:

- a. Management's estimate of the fair market value of investments which is based on market values by outside sources.
- b. The estimated useful lives for capital assets which are based on industry standards.
- c. The annual required contribution for the District's Other Post Employment Benefit Plan is based on certain actuarial assumptions and methods.
- d. The actuarial estimate of the CalPERS Net Pension Liability and the related deferred inflows and outflows.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

- a. The disclosure of the net pension liability in Note 9 to the financial statements.

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

### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Adjustments*

Professional standards require us to accumulate all known and likely adjustments identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. As a result of our audit related test work, we proposed no corrections to the financial statements that, in our judgment, had a significant effect on the District's financial reporting process.

### *Disagreements with Management*

For the purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' 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 3, 2015.

### *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 the 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 the 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, Schedule of Funding Progress for OPEB, Schedule of Contributions-Defined Benefit Pension Plan and Schedule of the Proportionate Share of the Net Pension Liability, which are 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 Combining Schedule of Changes in Net Assets-June 30, 2015 in the Supplementary Information of the Financial Section for the year ended June 30, 2015, which accompanies the financial statements but is 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.

*Other Matters (Continued)*

We were not engaged to report on the Introductory Section, the Statistical Section or the Schedule of Use of Capacity Charges for the year ended June 30, 2015 in the Other Information Section, 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.

*Restrictions on Use*

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

*White Nelson Dick Evans LLP*

Carlsbad, California  
December 3, 2015

## MEMORANDUM

**DATE:** December 3, 2015  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** **Gafner Advanced Water Treatment Facility Condition Assessment**

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**RECOMMENDATION:**

Staff and the Engineering Committee (EC) recommend that the Board of Directors:

1. Authorize the General Manager to execute Task Order No. 26 to the Engineering Design Services Agreement with Infrastructure Engineering Corporation (IEC) for the Gafner Advanced Water Treatment (AWT) Facility Condition Assessment in an amount not to exceed \$59,290.
2. Discuss and take other action as appropriate.

**DISCUSSION:****Tactical Goal: Infrastructure and Technology / Gafner Condition Assessment**

This item was reviewed by the EC at its December 2, 2015 meeting and the EC concurred with staff to recommend this item for Board approval.

The Asset Management Plan (AMP) recommended that the District complete a condition assessment of the Gafner Advanced Water Treatment Facility (Gafner) to identify specific rehabilitation projects for the District's Capital Improvement Program (CIP). To implement this recommendation, staff requested a proposal from Infrastructure Engineering Corporation (IEC) to conduct the assessment.

IEC submitted a proposal, attached, to complete the assessment of Gafner. The Scope of Services includes:

## Task 1 – Project Management and Administration

- Three meetings – kick off, initial recommendations and draft review
- Two presentations – Engineering Committee and Board of Directors

## Task 2 – Preliminary Engineering Assessment.

- Preliminary engineering assessment will consist of:
  - ❖ Data collection and review
  - ❖ Site visit to perform assessment of existing conditions
    - Civil - IEC
    - Mechanical - IEC
    - Structural - Kelsey Structural
    - Electrical and Controls - Moraes Pham & Associates

Task 3 – Technical Memorandum

- Summarize recommendations and engineer's opinion of probable costs
- Two submittals – draft and final

The proposed cost for these design services is \$59,290. Staff has reviewed and discussed the scope of work and proposed fee with IEC. Staff believes the proposal is fair and reasonable.

**FISCAL IMPACT:**

Staff appropriated funds in the Fiscal Year 2016 Budget in anticipation of this assessment. The budget contains sufficient funds to cover the engineering services under this agreement.

rym:PJB

Attachment





November 24, 2015

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

**RE: Proposal for Engineering Services for Gafner Advanced Water Treatment (AWT) Plant Condition Assessment**

Dear Mr. Morishita:

Infrastructure Engineering Corporation (IEC) is pleased to provide the Leucadia Wastewater District with this proposal for Engineering Services for the **Gafner AWT Plant Condition Assessment**. The proposed scope of services and fee is based on the District's request and review of the 2013 Asset Management Master Plan Implementation Plan and a site visit performed November 18, 2015.

The Gafner AWT treats secondary effluent from the Encina Wastewater Treatment Plant in Carlsbad. The AWT process train consists of coagulation/flocculation/clarification, sand filtration and chlorination in keeping with Title 22 recycled water requirements. The recycled water is used by the Omni La Costa Spa and Resort for irrigation.

The Gafner AWT Condition Assessment will consist of review of operator input (to be provided to IEC in Word format) and site visits by civil, mechanical, structural, and electrical and controls engineers in order to assess the condition of the plant. Site visits will be limited to visual inspections. The findings of these site visits will be summarized in a multidisciplinary technical memorandum with a planning level engineer's opinion of probable construction cost and recommended time frame within which to pursue the work.

#### **SCOPE OF SERVICES**

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

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

We anticipate three meetings will be required: at the project kickoff, upon development of the initial project recommendations following the engineering evaluation and a review meeting for the draft engineering report. We have also included time to attend the Engineering Committee Meeting and the Board Meeting to support the District staff in presenting the results of the assessments to the Board of Directors. Additional coordination can be addressed via telephone conferences or emails. IEC will provide the District with an updated project schedule at each schedule milestone and in the case of any significant change in project duration.



Mr. Robin Morishita  
Leucadia Wastewater District  
November 24, 2015  
Page 2 of 2

***Task 2 – Engineering Assessment***

Civil/mechanical staff from IEC, structural staff from Kelsey Structural, and electrical and controls staff from Moraes Pham & Associates will visit the AWT plant in order to perform assessments of existing conditions and recommended rehabilitation. Preliminary results will be compiled and presented to District staff in tabular format for discussion (meeting to discuss included in Task 1) prior to starting the AWT Assessment Report.

***Task 3 – AWT Assessment Report***

Recommendations will be summarized in a AWT Assessment Report along with a planning level engineer’s opinion of probable construction cost and recommended time frame within which to pursue the work. IEC anticipates two submittals of the report, one each at the draft and final levels.

**SCHEDULE**

Upon notice to proceed, a site visit will be performed within three weeks. A draft report will be prepared within three weeks following the site visits. We anticipate two weeks for District review. Following District review a final report will be prepared and submitted to the District within two weeks. Total project duration is expected to be ten weeks.

**FEE**

The proposed level of effort and fee is indicated on the attached table. Billing will be in accordance with our current agreement for as-needed engineering services.

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

Sincerely,

Robert S. Weber, P.E.  
Principal

cc: Jane Costello, P.E., IEC  
Jamie Fagnant, P.E., IEC



FEE ESTIMATE



67

Task/ Subtask	Task/Subtask Description	Sr Project Manager (R Weber)	Project Manager (J Costello)	Project Engineer (J Fagnant)	Engineer I/ CADD I Designer (A Salvani)	Sr. Designer (B Czarnocki)	Word Processor (A Moore)	Subtask Labor-Hours	Subtask Labor Cost	Direct Cost	Subcontract	Total Cost
		\$190.00	\$180.00	\$130.00	\$105.00	\$130.00	\$65.00					
<b>1</b>	<b>Project Management and Administration</b>											<b>\$5,800</b>
	Kick-off Meeting	2	2	2				6	\$1,000	\$50	\$0	\$1,050
	Meeting with Staff to Prioritize the Project List		3	3				6	\$930	\$0	\$0	\$930
	Meeting with Staff to Discuss Draft Report		2	2				4	\$620	\$0	\$0	\$620
	Scheduling and Coordination		2	4			4	10	\$1,140	\$100	\$0	\$1,240
	EC and Board Meeting		6	6				12	\$1,860	\$100	\$0	\$1,960
<b>2</b>	<b>Engineering Evaluation</b>											<b>\$29,510</b>
	Data Collection and Review		16		24			40	\$5,400	\$50	\$0	\$5,450
	Site Visit		4		4			8	\$1,140	\$0	\$0	\$1,140
	Civil Site Evaluation		4		16			20	\$2,400	\$0	\$0	\$2,400
	Mechanical Evaluation		36		8			44	\$7,320	\$0	\$0	\$7,320
	Structural Evaluation							0	\$0	\$0	\$5,500	\$5,500
	Electrical/I & C/SCADA Evaluation							0	\$0	\$0	\$7,700	\$7,700
<b>2</b>	<b>AWT Assessment Report</b>											<b>\$23,980</b>
	Develop Initial Project Priority List and Planning Level Costs		24	4	40		4	72	\$9,300	\$0	\$0	\$9,300
	Develop Draft AWT Assessment Report	1	20	1	40	24		86	\$11,240	\$0	\$0	\$11,240
	Prepare Final AWT Assessment Report	1	8	1	16			26	\$3,440	\$0	\$0	\$3,440
		4	127	23	148	24	8	334				
		\$760	\$22,860	\$2,990	\$15,540	\$3,120	\$520		\$45,790	\$300	\$13,200	<b>\$59,290</b>

TOTAL NOT-TO-EXCEED FEE: \$59,290

**MEMORANDUM**

**DATE:** December 3, 2015  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager  
**SUBJECT:** Board of Directors Election of Officers



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**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.

th:PJB





LEADERS IN  
ENVIRONMENTAL  
PROTECTION

**BOARD OF DIRECTORS**

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

December 1, 2015

Ref: 16-4775

Board of Directors  
Borrego Spring FPD  
PO BOX 898  
Borrego Springs, CA 92004

**Subject: LAFCO Elections – Request Your Vote for Ms. Judy Hanson**

Dear Board of Directors,

On behalf of the Leucadia Wastewater District (LWD) Board of Directors, I am writing to request your vote for Ms. Judy Hanson for the Special District's Board Alternate position in the upcoming LAFCO election. The LWD Board nominated Ms. Hanson for the Alternate Board position at its September 9, 2015 meeting.

Ms. Hanson presently serves as the Vice Chair of the LAFCO Special District Advisory Committee (SDAC) and has served on this committee since 1996. In addition to the SDAC, Ms. Hanson has an extensive professional background with special districts that has spanned over 50 years. She has been on the LWD Board of Directors since 1983, serving on various Board committees as well as Board president in 2003, 2007 and 2011.

Ms. Hanson has also held various officer positions on the Board of Directors of the San Diego Chapter of the California Special Districts Association (CSDA), serving as Chapter President in 2004. Furthermore, Ms. Hanson was a special district employee for virtually her entire professional career, which included over 33 years of service with the San Dieguito Water District and later the City of Encinitas.

As can be seen, Ms. Hanson's involvement with special districts has been extensive on a personal, professional and political level. Throughout her career, Judy has been a long-time and tireless advocate for special districts from the platform of local control and fiscal conservatism. We are confident that, if elected, Ms. Hanson will continue to make many valuable contributions to LAFCO and represent special districts in a very positive way.

For these reasons, we urge you to vote for Ms. Judy Hanson for the LAFCO Special Districts Board Alternate. Your support is greatly appreciated.

Best regards,

  
Allan Juliussen  
President, Board of Directors



...Dedicated to Community Service

2554 SWEETWATER SPRINGS BOULEVARD, SPRING VALLEY, CALIFORNIA 91978-2004  
TELEPHONE: 670-2222, AREA CODE 619 [www.otaywater.gov](http://www.otaywater.gov)

November 30, 2015

President Alan Juliussen  
Leucadia Wastewater District  
1960 La Costa Avenue  
Carlsbad, CA 92009

**Subject: San Diego Local Agency Formation Commission – Election  
Request Your Vote for Mark Robak for Alternate Special District Member position**

Dear President Juliussen:

On behalf of the Otay Water District (OWD) Board of Directors, I am writing to request your vote for Mark Robak for the Alternate Special District Member position in the upcoming LAFCO election. The OWD Board nominated Mr. Robak for the Alternate Board position at its November 4, 2015 meeting.

Mr. Robak has served on the OWD Board since 2004 and was previously with the Padre Dam Municipal Water District Board of Directors from 1996-2000. Mark has also served as the Chairman of the Metro Wastewater Joint Powers Authority, and was President of the Water Conservation Garden for four years. Mr. Robak has been our CSDA representative as well and is quite familiar with the functioning of special districts.

In addition, Mr. Robak is a successful businessman, owning his own commercial real estate company, which brings a private sector perspective to LAFCO decisions. In a time where ratepayers are demanding more efficiency from the public sector, Mark's background could prove most useful. In addition, Mr. Robak has been outspoken on matters dealing with consolidations and would bring a unique outlook to the LAFCO Board.

Finally, Mr. Robak has reached out to other LAFCO Board Members and LAFCO staff itself for their perspectives on the issues and the processes involved. So he could hit the ground running! For these reasons, we urge you to vote for Mark Robak for the LAFCO Alternate Special District Member position.

Please let us know if you have any questions. In addition, please feel free to contact Mark directly at 619-778-3800.

Sincerely,

Jose Lopez  
Board President





*...Dedicated to Community Service*

2554 SWEETWATER SPRINGS BOULEVARD, SPRING VALLEY, CALIFORNIA 91978-2004  
TELEPHONE: 670-2222, AREA CODE 619 [www.otaywater.gov](http://www.otaywater.gov)

December 1, 2015

Alan Juliussen  
Leucadia Wastewater District  
1960 La Costa Avenue  
Carlsbad, CA 92009

SUBJECT: San Diego Local Agency Formation Commission – Election  
Request your Vote for Gary Croucher to the Special Districts Advisory Committee

Dear President Juliussen:

On behalf of the Otay Water District Board of Directors, I am writing to request your vote to reelect Gary Croucher to his seat on LAFCO's Special Districts Advisory Committee in the upcoming LAFCO elections. The Otay WD board unanimously nominated Mr. Croucher to rerun for his seat on the Special Districts Advisory Committee and we hope that your board will support our nomination.

Mr. Croucher was first appointed to the Otay WD board of directors in 2001 by the San Diego County Board of Supervisors and has since been elected four times (2002, 2006, 2010 and 2014) to a seat on the District's board. He has served as president on Otay WD's board three (3) times and was appointed in 2001 as one of two members representing the Otay WD on San Diego County Water Authority's board of directors. As a representative of CWA, he currently serves as chair of its Legislation, Conservation and Outreach Committee and vice chair of its Audit Committee. He has also served on its Small Contractor Outreach and Opportunities Program, has been a past chair of its Imported Water Committee, a past vice chair of its Administrative & Finance Committee and Bay Delta Solutions Ad Hoc Committee, a past member of its Colorado River Programs Committee and Conservation Ad Hoc Committee, and past 2nd Alternate to SANDAG. He has also served as the Vice Chair of the California Special District Association's San Diego Chapter.

As the Division Chief for Cal Fire, he has served in various capacities as a firefighter for 32 years. With his background as a board member and employee of special districts, we believe he has a well rounded knowledge of the issues impacting special districts and would continue to effectively represent special districts on the Special District's Advisory Committee.

Please support our nomination and vote to reelect Mr. Croucher to LAFCO's Special District's Advisory Committee.

Sincerely,

Jose Lopez  
President, Otay WD Board of Directors