



**BOARD OF DIRECTORS  
REGULAR MEETING**

DATE: Wednesday, March 14, 2018  
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. Presentation and Awards**
  - A. Achievement of an Individual Award – Ryan Rodriguez (Pages 5-6)
  - B. Lego League Presentations - Turbo Falcons Team #13420 and Ninja Warriors Team #13421 (Verbal)
  - C. Certificate of Award for Outstanding Financial Reporting (Pages 7-8)

## CONSENT CALENDAR

Items 7-11 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:

February 14, 2018 Regular Board Meeting (Pages 9-16)

February 26, 2018 Community Affairs Committee Meeting (Pages 17-18)

March 7, 2018 Investment and Finance Committee Meeting (Pages 19-20)

March 7, 2018 Engineering Committee Meeting (Pages 21-22)

### **8. Approval of Demands February/March 2018**

This item provides for the Board of Directors approval of all demands paid from LWD during the month of February and a portion in March 2018. (Pages 23-41)

### **9. Operations Report**

This report discloses the year-to-date and monthly flow, rainfall, EDU's and reclaimed water averages; along with MGD flow comparisons from FY17 to FY18 and flows by sub-basin. (Pages 42-46)

### **10. Finance Report**

This report discloses up-to-date schedule of assets, liabilities, net assets and compares fiscal year-to-date expenditures to the FY18 budget and discloses monthly investments. (Pages 47-54)

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

This report discloses travel expense reimbursements for the month of February 2018. (Pages 55-56)

## EWA REPORTS

### **12. Encina Wastewater Authority Reports**

A. A Regular EWA Board Meeting was held on February 28, 2018 – report by President Sullivan. (Page 57)

B. An Encina Member Agencies Manager's Meeting was held on March 6, 2018 – report by GM Bushee. (Verbal)

## COMMITTEE REPORTS

### **13. Committee Reports**

A. Community Affairs Committee Meeting was held on February 26, 2018 – report by Vice President Kulchin. (Page 58)

B. Investment and Finance Committee Meeting was held on March 7, 2018 – report by Director Hanson. (Page 59)

C. Engineering Committee Meeting was held on March 7, 2018 – report by Director Juliussen. (Page 60)

## **ACTION ITEMS**

- 14. California Asset Management Program (CAMP) Individual Portfolio Program Status Report (Page 61)**
- 15. Comprehensive Financial Plan Tracking Update (Page 62)**
- 16. CalPERS Update (Page 63)**
- 17. Fiscal Year 2019 (FY19) Budget Development Schedule (Page 64)**
- 18. Board of Directors Compensation Adjustment (Pages 65-66)**
- 19. Call for Nominations to the CSDA Board of Directors Seat A (Pages 67-72)**
- 20. Recycled Water Program Update (Pages 73-81)**

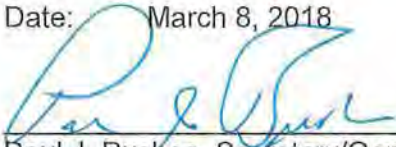
## **INFORMATION ITEMS**

- 21. Project Status Updates and Other Informational Reports**  
CSDA Legislative Days is scheduled for May 22-23, 2018 at the Grand Events Center in Sacramento, CA. (Pages 82-83)
- 22. Directors' Meetings and Conference Reports**  
None.
- 23. General Manager's Report**
- 24. General Counsel's Report**
- 25. Board of Directors' Comments**
- 26. 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: March 8, 2018



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Paul J. Bushee, Secretary/General Manager

## MEMORANDUM

DATE: March 8, 2018  
TO: Board of Directors  
FROM: Paul J. Bushee, General Manager   
SUBJECT: **Presentation and Awards – Achievement of an Individual Award**

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

California Water Environment Association (CWEA) Collection System Maintenance Grade 2 Certification – Ryan Rodriguez

Field Services Technician II Ryan Rodriguez recently received his Grade 2 Collection System Maintenance certification from CWEA. Ryan has been working for LWD since January 2015 and this is his fifth certification since his employment at the District. Ryan has worked hard on his own time for this achievement while maintaining his fulltime position at LWD. This accomplishment reflects Ryan's desire to excel through continued professional development. As a result of this certification, Ryan is eligible for an Individual Incentive Award of \$500.

Please join me in congratulating Ryan for his outstanding accomplishment.

tb:PJB

# CALIFORNIA WATER ENVIRONMENT ASSOCIATION

*Certification of Competence*

**THIS IS TO CERTIFY THAT**

Ryan Rodriguez

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

Collection System Maintenance  
Grade 2

Expires: 1/31/2019

Debi Lewis, President  
California Water Environment Association



Certificate Number 1308216749

Tony Pirondini, Chair  
Technical Certification Program

MEMORANDUM

**DATE:** March 8, 2018  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager  
**SUBJECT:** Presentation and Awards – Financial Award



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I am pleased to report that the Leucadia Wastewater District (LWD) recently received a Certificate of Award for Outstanding Financial Reporting from the California Society of Municipal Finance Officers (CSMFO).

CSMFO recently notified the District that its Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2016-17 qualified to receive the award for Outstanding Financial Reporting. This award recognizes that the District has met all CSMFO's required criteria and established professional standards for financial reporting. This is the 9<sup>th</sup> time, the District has received this award.

Please join me in congratulating LWD for receiving this award.

th:PJB

Attachment

California Society of  
Municipal Finance Officers

*Certificate of Award*

*Outstanding Financial Reporting Award  
Fiscal Year 2016-2017*

*Presented to the*

*Leucadia Wastewater District*

For meeting the criteria established to achieve the Outstanding Financial Reporting Award.

*January 31, 2018*



*Drew Corbett*

*Drew Corbett  
CSMFO President*

*Craig Boyer*

*Craig Boyer, Chair  
Professional Standards and  
Recognition Committee*

*Dedicated Excellence in Municipal Financial Reporting*



**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of a Regular Board Meeting  
 February 14, 2018

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, February 14, 2018 at 5:00 p.m., at the District Administration Office at 1960 La Costa Avenue, Carlsbad, California.

**1. Call to Order**

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

**2. Roll Call**

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

DIRECTORS ABSENT:

OTHERS PRESENT: General Counsel Wayne Brechtel, Administrative Services Manager Richard Duffey, Technical Services Manager Robin Morishita, Field Services Superintendent Jeff Stecker, Executive Assistant Tianne Baity, Administrative Services Supervisor Trisha Hill, Field Services Specialist Ian Riffel, District Engineer Dexter Wilson, and Marie Fawcett from Infrastructure Engineering Corporation (IEC)

**3. Pledge of Allegiance**

President Sullivan led the pledge of allegiance.

**4. General Public Comment Period**

None.

**5. Approval of Agenda**

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

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

**6. Presentations and Awards**

Achievement of Individual Award – Jeffery (Jeff) Stecker

TSM Morishita introduced Field Services Superintendent Jeff Stecker and noted that Jeff was recently recognized at the California Water Environment Association (CWEA) – San Diego Section’s Annual Installation and Awards Banquet on January 27, 2018. TSM Morishita stated Jeff received the “Professional Integrity Commitment & Knowledge (PICK)” Award for his long time professional contributions to CWEA, LWD and the wastewater industry.

TSM Morishita presented background information about Jeff and stated that he has been employed with LWD since 1980. He noted that Jeff has been actively involved with CWEA since 1982.

The Board of Directors congratulated Jeff for his efforts.

## CONSENT CALENDAR

### 7. Approval of Board and Committee Minutes

Minutes of the following meetings:

- January 9, 2018 Community Affairs Committee Meeting
- January 10, 2018 Regular Board Meeting
- January 30, 2018 Community Affairs Committee Meeting
- February 7, 2018 Investment and Finance Committee Meeting
- February 8, 2018 Engineering Committee Meeting

### 8. Approval of Demands for January/February 2018

Payroll Checks numbered 19684-19724; General Checking – Checks numbered 50616-50741

### 9. Operations Report (A copy was included in the original February 14, 2018 Agenda)

### 10. Finance Report (A copy was included in the original February 14, 2018 Agenda)

### 11. Quarterly Treasurer's Report

This report discloses investments for the quarter ending December 31, 2017.

### 12. Disclosure of Reimbursements

This report discloses travel expense reimbursements for the month of January 2018.

Director Juliussen pulled Board Agenda item number 7, February 8, 2018 Engineering Committee Meeting Minutes, from the Consent Calendar.

Director Juliussen stated that there is a typo on the meeting adjournment time for the February 8, 2018 Engineering Committee Meeting Minutes. Director Juliussen stated the adjournment time of the meeting should be changed from 8:23 a.m. to 9:23 a.m.

Staff stated they would update the Engineering Committee minutes to the correct adjournment time of 9:23 a.m.

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

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

Upon a motion duly made by Director Hanson, seconded by Director Juliussen, and unanimously carried, the Board of Directors approved the February 8, 2018 Engineering Committee Minutes with the adjournment time change from 8:23 a.m. to 9:23 a.m. by the following vote:

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

## EWA and COMMITTEE REPORTS

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

A. EWA Board Report – Meeting held on January 24, 2018.

Director Juliussen reported on EWA's January 24, 2018 Board meeting.

B. EWA Member Agency Manager's (MAM) - Meeting held on February 6, 2018.

TSM Morishita noted that due to GM Bushee's absence tonight this item would be reported at the March Board meeting.

### 14. Committee Reports

A. Community Affairs Committee (CAC) Meeting was held on January 30, 2018.

Vice President Kulchin reported that the CAC and staff reviewed and commented on the draft text of the 2018 Winter newsletter.

The CAC directed staff to move forward with the final text and layout of the newsletter and the next CAC meeting was scheduled for February 26<sup>th</sup> at 2:00 p.m.

B. Investment and Finance (IFC) Meeting was held on February 7, 2018.

Director Hanson reported that staff presented the Annual Review of LWD's Reserve Fund Policy and is not recommending any changes. The IFC concurred with staff to recommend that the Board of Directors receive and file the annual review of the reserve policy and it will be discussed later in the agenda.

The IFC also reviewed Resolution No. 2295 establishing check signatory authority for the General Manager and Administrative Services Manager and removing the use of facsimile signatures. The IFC concurred with staff to recommend that the Board of Directors adopt Resolution No. 2295 and it will be discussed later in the agenda.

C. Engineering Committee (EC) Meeting was held on February 8, 2018.

Director Juliussen reported that the EC reviewed a recommendation authorizing the General Manager to execute an Agreement with Nu Line Technologies, LLC for construction services to complete the 2018 Gravity Pipeline Cured-in-Place Pipe Lining Rehabilitation Project in an amount not to exceed \$667,998.

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

The EC also received updated on the following:

- Emergency Repair of the Secondary Effluent Force Main;
- Gafner AWT Improvements Project; and
- Display of Outfitted Confined Space Entry Equipment Trailer.

These items were for informational purposes and no action was taken.

## ACTION ITEMS

### 15. 2018 Gravity Pipeline Cured-In-Place Pipe Lining Rehabilitation Project

Authorize the General Manager to execute an Agreement with Nu Line Technologies, LLC for construction services to complete the 2018 Gravity Pipeline Cured-in-Place Pipe Lining Rehabilitation Project in an amount not to exceed \$667,998.

FSSpec Riffel presented staff's recommendation and provided background information on the project. He continued that project design was complete in December 2017 and bids were due on January 24, 2018. He continued that two bids were received with Nu Line Technologies (Nu Line) submitting the apparent low bid of \$667,998. He stated that IEC evaluated the bids and discovered a minor irregularity in Nu Line's bid. FSSpec Riffel continued that IEC recommended awarding the contract to Nu Line as the lowest responsible / responsive bidder and waive the minor bid irregularity. He stated that staff concurs with IEC and recommends waiving the minor bid irregularity and awarding the contract to Nu Line.

President Sullivan asked if we have used Nu Line before. FSSpec Riffel answered affirmatively.

Following discussion, upon a motion duly made by Director Juliussen, seconded by Vice President Kulchin, and unanimously carried, the Board of Directors authorized the General Manger to execute an Agreement with Nu Line for construction services for the 2018 Gravity Pipeline Cured-In-Place Pipe Lining Rehabilitation Project in an amount not to exceed \$667,998 by the following vote:

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

### 16. Adopt Resolution No. 2294 – Requesting the Local Agency Formation Commission (LAFCO) to take proceedings for the proposed Zinser Annexation

DE Wilson presented the item stating that this annexation includes one parcel totaling 0.27 acres with one existing single family residence and a proposed accessory dwelling unit. Per the City of Encinitas, the parcel is required to connect to the public sanitary sewer system to satisfy a permit condition for a tenant improvement. The private lateral for the residence will connect to the available public sanitary sewer system in the middle of Hymettus Avenue.

Following discussion, upon a motion duly made by Vice President Kulchin, seconded by Director Omsted, and unanimously carried, the Board of Directors adopted Resolution No. 2294 – Requesting LAFCO to take proceedings for the Zinser Change of Organization by the following vote:

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

### **17. Annual Review of LWD Reserve Fund Policy**

ASM Duffey presented the item and reviewed the purpose of the policy. The policy calls for an annual review of the reserve funding levels by the Board of Directors. He noted that staff has reviewed the policy and has no recommended changes.

ASM Duffey reviewed the District's reserve balances for fiscal year ending June 30, 2017.

Vice President Kulchin asked how much money has been spent on recycled water capital projects. ASM Duffey answered \$342K. ASM Duffey stated that \$183K of the \$342K is for the Gafner AWT Improvements.

Following discussion, upon a motion duly made by Director Hanson, seconded by Director Omsted, and unanimously carried, the Board of Directors received and filed the Reserve Fund Policy Review Report by the following vote:

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

### **18. Establishing Check Signature Authority and Removing the Use of Fascimile Signatures** Adopt Resolution No. 2295 establishing check signatory authority for the General Manager and Administrative Services Manager and removing the use of facsimile signatures.

ASM Duffey presented the subject recommendation. ASM Duffey stated that proposed Resolution No. 2295 will bring the General Manager's check signatory authority in line with his/her purchasing authority of \$35,000. It will also increase the Administrative Service Manager's signatory authority to \$25,000 from \$15,000.

ASM Duffey also stated that Resolution No. 2154 previously authorized financial institutions to honor instructions, including checks or orders for payment of money, based on the use of facsimile signatures. The proposed Resolution No. 2295 removes this provision since the District does not currently use facsimile signatures.

Director Juliussen asked for clarification on facsimile signatures. ASM Duffey stated that a facsimile signature is a stamp of the actual signature. ASM Duffey stated that the District does not use stamps and only uses hand signatures.

Following discussion, upon a motion duly made by Director Omsted, seconded by Director Hanson, and unanimously carried, the Board of Directors adopted Resolution No. 2295 establishing check

signatory authority for the General Manager and Administrative Services Manager and removing the use of facsimile signatures by the following vote:

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

**19. April 2018 Board Meeting Conflict**

TSM Morishita presented the item noting that last month the Board discussed a potential conflict with its meeting scheduled for April 18, 2018. This Board meeting date conflicts with the California Water Environment Association's (CWEA) Annual Conference which is scheduled for April 17<sup>th</sup> - 20<sup>th</sup>.

TSM Morishita reviewed the alternate proposed dates for the April Board meeting.

Following discussion, the Board of Directors reached consensus to change the April Board meeting date from Wednesday, April 18<sup>th</sup> at 5 p.m. to Monday, April 9<sup>th</sup> at 5 p.m.

**20. CASA Board of Directors Call for Candidates**

TSM Morishita stated that CASA has recently notified LWD that it is seeking candidates for its Board of Directors.

TSM Morishita stated that GM Bushee serves as the CASA Board's President and he noted GM Bushee has 2.5 years left on his term, however, the Board could opt to nominate someone else from LWD. TSM Morishita added that this item was presented to the Board as a follow up to CASA's request.

The Board did not opt to nominate anyone else. There was no action taken.

**21. LAFCO Call for Nominations to the San Diego County Consolidated Redevelopment Oversight Board**

ASM Duffey stated that the Local Agency Formation Commission (LAFCO) has recently notified LWD that nominations are being solicited to appoint eligible representatives to serve on the San Diego Consolidated Redevelopment Oversight Board. He stated the election is tasked with appointing one regular district representative and one alternate district representative on the Oversight Board. The deadline for receipt of all nominations is Thursday, February 15, 2018.

ASM Duffey added that this item was presented to the Board as a follow up to LAFCO's request.

The Board did not nominate anyone. There was no action taken.

**INFORMATION ITEMS**

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

- A. CSDA Quarterly Dinner is scheduled for Thursday, February 15, 2018 at The Butcher Shop Steakhouse in Kearny Mesa.

TSM Morishita stated a carpool will leave the District office at 5:30 p.m. and an email reminder will be sent.

- B. 2018 CASA & Water Reuse Public Policy Forum is scheduled for April 11, 2018 at The Sutter Club in Sacramento, CA.

EA Baity stated the date and location for the upcoming conference.

- C. 2018 CWEA Annual Conference is scheduled for April 17 -- April 20, 2018 at the Sacramento Convention Center in Sacramento, CA.

EA Baity stated the date and location for the upcoming conference.

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

- A. The CASA Winter Conference was held on January 24 – 26, 2018 at the Hilton in Palm Springs, CA.

President Hanson stated it was a great conference and she enjoyed the Flushable Wipes Panel and the presentation on "What 2 Flush".

Vice President Kulchin stated that he liked that Rising Tide Partners attended the conference.

President Sullivan agreed with Vice President Kulchin and also noted it was a great conference.

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

TSM Morishita reported on the following items:

- Emergency Repair of Secondary Effluent Force Main; and
- Update on the Omni La Costa Resort Recycled Water Agreement

Vice President Kulchin asked if the La Costa Resort is stalling on the agreement. TSM Morishita answered not necessarily.

President Sullivan asked if the City of Carlsbad has to meet with the La Costa Resort. TSM Morishita answered they do not have to meet.

Vice President Kulchin asked what was the sale price of the recycled water offered to La Costa Resort. TSM Morishita answered \$300-\$400 an acre foot less than what the City of Carlsbad offered.

President Sullivan asked if the City of Carlsbad can stop LWD from having a private agreement with La Costa Resort. TSM Morishita answered that the City cannot stop LWD from having a private agreement with La Costa Resort.

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

None.

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

President Sullivan stated that the entire Board of Directors is thinking of GM Bushee and they would like to be kept updated on his status.

**26. Adjournment**

President Sullivan adjourned the meeting at approximately 5:49 p.m.

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Elaine Sullivan, President

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Paul J. Bushee  
Secretary/General Manager  
(SEAL)



**LEUCADIA WASTEWATER DISTRICT**  
Minutes of a Community Affairs Committee Meeting  
February 26, 2018

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A meeting of the Community Affairs Committee (CAC) of the Leucadia Wastewater District (LWD) was held February 26, 2018 at 2:00 p.m. at the District Administration Office at 1960 La Costa Avenue, Carlsbad, California.

**1. Call to Order**

Chairperson Kulchin called the meeting to order at 2:00 p.m.

**2. Roll Call**

DIRECTORS PRESENT: Kulchin and Sullivan

DIRECTORS ABSENT: None

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

**3. Public Comment**

No public comment was received.

**4. New Business**

A. Review the draft layout of the Winter 2018 Newsletter.

ASsup Hill presented an overview of the Winter 2018 draft newsletter layout. ASsup Hill noted there is a change that is currently not on the draft layout. She stated that RTP will be adding more captions to the newsletter photos.

The CAC reviewed the newsletter and suggested some additional changes. Staff and RTP stated they will make the changes.

Chairperson Kulchin asked when the newsletter will be mailed. ASsup Hill answered the week of March 12<sup>th</sup>.

Chairperson Kulchin asked how many newsletters are mailed. Mr. Criscuolo answered 23,950 newsletters.

Following discussion, the CAC authorized staff and RTP to proceed with the production of the newsletter and forward the final to the Board for their review prior to printing.

**5. Information Items**

Assup Hill stated that there will be a new Lego League team presentation at the March Board Meeting.

**6. Directors' Comments**

Chairperson Kulchin inquired about District building access and security. ASM Duffey and ASsup Hill explained the check-in procedures for visitors and the various ways different parts of the property can be accessed. Chairperson Kulchin stated he would pass on the District contact information to someone he knows that can do a building security analysis.

7. **General Manager's Comments**

None.

8. **Adjournment**

Chairperson Kulchin adjourned the meeting at 2:17 p.m.

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Paul J. Bushee  
Secretary/Manager  
(Seal)

**LEUCADIA WASTEWATER DISTRICT**  
Minutes of an Investment & Finance Committee Meeting  
March 7, 2018

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A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Wednesday, March 7, 2018 at 11:30 a.m. at the District Administration Office at 1960 La Costa Avenue, Carlsbad, California.

**1. Call to Order**

Chairperson Hanson called the meeting to order at 11:30 a.m.

**2. Roll Call**

DIRECTORS PRESENT: Hanson and Omsted

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager Paul Bushee, Administrative Services Manager Richard Duffey, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, and Accounting Technician Maggie McEniry

**3. Public Comment**

No public comment was received.

**4. New Business**

A. Comprehensive Financial Plan Tracking Update.

ASM Duffey explained the purpose of the Comprehensive Financial Plan and noted that the last one was completed in May of 2013. He noted that the District has a Comprehensive Financial Plan prepared about every 5 years, since conditions and assumptions change. He also noted that staff does an internal update of the Financial Plan on an annual basis to see how actual results are tracking with the original projections.

ASM Duffey provided an overview of the Comprehensive Financial Plan tracking update. Actual revenue and expenditure amounts for the first 5 years and budget amounts for the 6th year of the Plan were plugged into the model and the results were compared to the projected revenues, expenditures, and reserve balances. The overview included the following topics.

- Comparison of projected and updated reserve balances;
- Comparison of projected and actual revenues and expenditures for the first six years of the Plan; and
- Future financial challenges

ASM Duffey concluded that the District's finances remain strong, while maintaining low rates, and the District is tracking well with the Comprehensive Financial Plan.

ASM Duffey also noted that the new financial plan is currently in progress.

The IFC was pleased with the report and no action was taken.

B. CalPERS Update.

ASM Duffey presented the subject recommendation noting that the CalPERS Board of Administration approved lowering the CalPERS discount rate assumption from 7.5% to 7.0% over the next three years. ASM Duffey noted that beginning in Fiscal Year 2019 (FY19) LWD's CalPERS contribution costs will increase.

ASM Duffey stated that due to this change, LWD's unfunded accrued liability (UAL) will be amortized over the next 20 years and as a result the increase in required contributions are expected to continue from FY19 through FY25.

ASM Duffey then reviewed the following four options LWD could use to address the required PERS employer contributions increase:

- State Quo – 30 Year Amortization;
- Fresh Start – Reduce Amortization Period;
- Ad Hoc Basis – Make additional payments; and
- Pay off UAL in full

ASM Duffey stated that staff would follow up on this issue after the next actuarial valuation is received and further research is conducted.

GM Bushee noted that the District anticipates to receive the actuarial valuation report during the fall of 2018.

There was no action taken.

**5. Information Items**

None.

**6. Directors' Comments**

None.

**7. General Manager's Comments**

GM Bushee stated that Vice President Kulchin is currently in the hospital. He stated that the hospital is running tests and Dave is resting comfortably.

**8. Adjournment**

Chairperson Hanson adjourned the meeting at 12:17 p.m.

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Paul J. Bushee  
Secretary/General Manager  
(Seal)

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of an Engineering Committee Meeting  
 March 7, 2018

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A meeting of the Engineering Committee (EC) of Leucadia Wastewater District (LWD) was held on Wednesday, March 7, 2018 at 3:00 p.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 3:00 p.m.

**2. Roll Call**

DIRECTORS PRESENT: Juliussen

DIRECTORS ABSENT: Kulchin

OTHERS PRESENT: General Manager Paul Bushee, Technical Services Manager Robin Morishita, Field Services Superintendent Jeffery Stecker, Field Services Supervisor Marvin Gonzalez, and District Engineer Dexter Wilson.

**3. Public Comment**

None.

**4. New Business**

None.

**5. Information Items**

A. Status on the direct sale of recycled water to Omni La Costa Resort

GM Bushee presented information on the status of the direct sale of recycled water to the Omni La Costa Resort & Spa (La Costa). He stated that the District received a cease and desist order from Carlsbad on February 20<sup>th</sup>. He explained that the order was to stop negotiations with La Costa on an agreement for the direct sale of recycled water. GM Bushee stated that staff responded with a letter to Carlsbad stating that the District does have statutory authority under the Water Code to conduct the direct sale of recycled water to La Costa. He continued that this authority was confirmed by LAFCO. He stated that staff is working to keep both options open, to reach an agreement with Carlsbad or La Costa. GM Bushee stated that, additionally, on February 27<sup>th</sup>, the Board of Directors of the Carlsbad Municipal Water District approved the termination of the recycled water agreement between the District and Carlsbad in 180 days. He continued that the District has not received the formal termination notice from Carlsbad.

B. Update of the Gafner AWT Improvements Project

TSM Morishita presented an update of the Gafner AWT Improvement Project. He stated that Stanek Constructors installed the last (of three) motor actuated plug valves, and installed two new submersible Fail Safe Pumps. He continued that the two Recycled Water Pumps have been painted and reinstalled. TSM Morishita said that one of two Secondary Effluent Pumps was rehabilitated and installed. He continued

that a new Reactor Clarifier Flocculator, a new Rapid Mixer and a new Chlorine Rapid Mixer have been installed. He stated that Stanek is starting to install the new hand rails. TSM Morishita said that electrical work is proceeding on schedule and that Stanek anticipates meeting the project completion date of March 31<sup>st</sup>.

**C. Update of the Poinsettia Train Station Parallel Gravity Pipeline Project**

TSM Morishita presented an update of the Poinsettia Train Station Parallel Gravity Line (POS!) project. He said that the SANDAG Memorandum of Understanding was executed on January 26<sup>th</sup>. He continued that SANDAG issued the Notice to Proceed on February 21<sup>st</sup> with a start of work date of February 26<sup>th</sup>. TSM Morishita stated that the Predl liners for the District provided manholes have been manufactured and delivered to Jensen Precast for casting into concrete. He said that the final NCTD permit, Right of Entry Permit, is being reviewed and all other NCTD requirements have been completed. He continued that District staff met with AECOM and Flatiron representatives regarding the sewer work. Flatiron's preliminary schedule indicates that work on District's portion will start on March 22<sup>nd</sup> and is scheduled to be completed by June 22, 2018. TSM Morishita stated that Flatiron requested to use Encina's property to the west of Avenida Encinas as a staging and storage area. He continued that the discussion for using the property is continuing between Flatiron and Encina.

**6. Directors' Comments**

None.

**7. General Manager's Comments**

None.

**8. Adjournment**

Chairperson Juliussen adjourned the meeting at approximately 3:48 p.m.

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Paul J. Bushee,  
Secretary/Manager  
(Seal)

**DATE:** March 8, 2018  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager  
**SUBJECT:** Approval of February/March Demands



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**RECOMMENDATION:**

Staff requests that the Board of Directors:

1. Approve checks and electronic payments totaling \$ 461,315.26.
2. Discuss and take other action as appropriate.

**DISCUSSION:**

Attached are check registers describing all payments made by LWD for the period February 9, 2018 through March 8, 2018.

Operating expenses totaled \$150,243.24, Capital Improvement Program expenses totaled \$ 211,059.67, and Payroll expense for District Employees and the Board totaled \$100,012.35.

Attachment 1	Summary of Demands by Account February 9, - March 8, 2018
Attachment 2	Accounts Payable Check Register dated February 12, 2018
Attachment 3	Payroll Check Register dated February 14, 2018
Attachment 4	Accounts Payable Check Register dated February 26, 2018
Attachment 5	Payroll Check Register dated February 28, 2018
Attachment 6	Board Payroll Check Register dated March 1, 2018
Attachment 7	Accounts Payable Check Register dated March 1, 2018
Attachment 8	Payroll Check Register dated March 7, 2018

**DEMANDS SUMMARY**  
**March 14, 2018**

**1. Demands**

<u>Category</u>	<u>Check #'s</u>	<u>Amount</u>	<u>Total</u>
Payroll Check -2/14/2018	19725 - 19742	\$48,134.13	
Payroll Check -2/28/2018	19762 - 19779	\$47,338.39	
Board Payroll Check -3/1/2018	19780 - 19784	\$4,113.88	
Payroll Check - 3/7/2018	19785 Incentive	<u>\$425.95</u>	
	<b>Total</b>		<b>\$100,012.35</b>
General Checking -2/12/2018	50742 - 50783	\$ 68,318.16	
General Checking -2/26/2018	50784 - 50823	\$ 72,041.35	
General Checking - 3/1/2018	50824 - 50861	<u>\$ 220,943.40</u>	
	<b>Total</b>	<b>\$ 361,302.91</b>	
<b>GRAND TOTAL</b>			<b>\$461,315.26</b>

Voided Checks

50714 Reissued to 50752  
 19737 Reissued to 19743  
 19744 - 19761 Reissued to 19762 - 19779



**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 2/12/2018 Through 2/12/2018

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
APPLEONE EMPLOYMENT SERVICES	50742	2/12/2018	1,027.41	TEMP HRS W/E 1/27/18
	Total 50742		1,027.41	
AT&T	50743	2/12/2018	167.08	PHONE SERVICE
	Total 50743		167.08	
CHUCKS TIRE CENTER	50744	2/12/2018	405.78	TIRES-2009 TRUCK
CHUCKS TIRE CENTER		2/12/2018	229.07	TIRES-2011 CHEVY
	Total 50744		634.85	
CITY OF CARLSBAD	50745	2/12/2018	201.04	WATER @ VACTOR
CITY OF CARLSBAD		2/12/2018	260.01	WATER @ VACTOR 2
	Total 50745		461.05	
COX COMMUNICATIONS SAN DIEGO	50746	2/12/2018	1,473.95	INTERNET/PHONE SERVICE
	Total 50746		1,473.95	
CSDA- SAN DIEGO CHAPTER	50747	2/12/2018	180.00	CSDA QTRLY DINNER-FEB
	Total 50747		180.00	
CSRMA	50748	2/12/2018	2,400.00	ADDITIONAL PREMUIM FOR W/C 2017
	Total 50748		2,400.00	
DATA NET	50749	2/12/2018	220.84	CABLES/WIRELESS MICE AND KEYBOARD
DATA NET		2/12/2018	276.00	IS MAINT AND SUPPORT
	Total 50749		496.84	
DEXTER WILSON ENGINEERING	50750	2/12/2018	14,997.50	2017 DIST ASSET MGMT PLAN-DEC
DEXTER WILSON ENGINEERING		2/12/2018	55.00	GE/0985/DEC/W. JASON ST
DEXTER WILSON ENGINEERING		2/12/2018	715.00	GE/0985/NOV/W. JASON ST
DEXTER WILSON ENGINEERING		2/12/2018	660.00	GE/1003/DEC/THE BEACONS
DEXTER WILSON ENGINEERING		2/12/2018	675.00	GE/1009/DEC/URANIA AVE
DEXTER WILSON ENGINEERING		2/12/2018	270.00	GE/1018/DEC/URANIA AVE
DEXTER WILSON ENGINEERING		2/12/2018	5,385.00	GE/CIP/DEC/200/0358/0363/0367...
	Total 50750		22,757.50	
DKF SOLUTIONS GROUP, LLC	50751	2/12/2018	300.00	SAFETY SUBSCRIPTION
	Total 50751		300.00	
DONALD OMSTED	50752	2/12/2018	10.00	REIMBURSE FOR CONF-CASA
	Total 50752		10.00	
DUKE'S ROOT CONTROL	50753	2/12/2018	5,005.32	PIPE SEWER ROOT CONTROL

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 2/12/2018 Through 2/12/2018

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
	Total 50753		5,005.32	
ELAINE SULLIVAN	50754	2/12/2018	<u>156.44</u>	REIMBURSE E. S FOR CASA CONF
	Total 50754		156.44	
FEDERAL EXPRESS CORPORATION	50755	2/12/2018	<u>132.49</u>	SHIPPING
	Total 50755		132.49	
LOS ANGELES FREIGHTLINER	50756	2/12/2018	<u>577.25</u>	VACTOR SERVICE AND MAINTENANCE
	Total 50756		577.25	
HAAKER EQUIPMENT CO	50757	2/12/2018	<u>1,099.40</u>	REPLACE LIGHTS/LIGHT BAR
	Total 50757		1,099.40	
HEAVILAND ENTERPRISES, INC	50758	2/12/2018	<u>840.00</u>	LANDSCAPE FEES-FEB
	Total 50758		840.00	
INTERSTATE BATTERIES OF SAN DIEGO	50759	2/12/2018	<u>16.00</u>	BATTERY/CREDIT
	Total 50759		16.00	
JEFF BILLS	50760	2/12/2018	<u>5,000.00</u>	CONSULTING FEES-
	Total 50760		5,000.00	
JOHN W. SMITH	50761	2/12/2018	<u>705.00</u>	BACK/FLOW SERVICE
	Total 50761		705.00	
JUDY HANSON	50762	2/12/2018	<u>550.38</u>	REIMBURSE FOR CASA CONF
	Total 50762		550.38	
LAFCO	50763	2/12/2018	<u>2,660.00</u>	ZINSER ANNEX-LAFCO-#1021
	Total 50763		2,660.00	
McCROMETER	50764	2/12/2018	<u>777.61</u>	AWT METERS CALIBRATIONS
	Total 50764		777.61	
MITSUBISHI ELECTRIC US, INC	50765	2/12/2018	<u>297.76</u>	ELEVATOR SERVICE/MAINTENANCE-FEB
	Total 50765		297.76	
OFFICE DEPOT, INC.	50766	2/12/2018	<u>628.58</u>	OFFICE SUPPLIES
	Total 50766		628.58	

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 2/12/2018 Through 2/12/2018

Vendor Name	Check Number	Effective Date	Check Amount	Transaction Description
OLIVENHAIN MUNICIPAL WATER DIST	50767	2/12/2018	47.24	WATER @ E. ESTATES
OLIVENHAIN MUNICIPAL WATER DIST		2/12/2018	474.74	WATER @ TRAVELING
OLIVENHAIN MUNICIPAL WATER DIST		2/12/2018	637.98	WATER @ TRAVELING 2
OLIVENHAIN MUNICIPAL WATER DIST		2/12/2018	51.03	WATER @ VP5
OLIVENHAIN MUNICIPAL WATER DIST		2/12/2018	47.24	WATER @ VP7
	Total 50767		1,258.23	
RFYEAGER ENGINEERING, INC	50768	2/12/2018	3,720.00	CORROSION ENG SUPPORT
	Total 50768		3,720.00	
RICHARD STINSON	50769	2/12/2018	4,550.00	CONSTRUCTION MANAGEMENT-OCT-JAN
	Total 50769		4,550.00	
RYAN RODRIGUEZ	50770	2/12/2018	201.00	REIMBURSE FOR CLASSES/TUITION
RYAN RODRIGUEZ		2/12/2018	180.00	REIMBURSE FOR COLLECTIONS TEST
	Total 50770		381.00	
SAN DIEGO COUNTY CLERK	50771	2/12/2018	50.00	ZINSER ANNEX-#1021
	Total 50771		50.00	
SAN DIEGUITO WATER DISTRICT	50772	2/12/2018	56.10	TABKER
	Total 50772		56.10	
SCST, INC	50773	2/12/2018	1,034.00	L1 FORCE MAIN PROJECT-JULY
	Total 50773		1,034.00	
SOUTHERN CONTRACTING COMPANY	50774	2/12/2018	290.00	ELECTRICAL WORK @ SPS
SOUTHERN CONTRACTING COMPANY		2/12/2018	2,045.91	RADIATOR FAN @BPS
	Total 50774		2,335.91	
TERMINIX	50775	2/12/2018	58.00	MONTHLY PEST SERVICE-JAN
	Total 50775		58.00	
THE HOME DEPOT CRC/GEFC	50776	2/12/2018	355.41	SUPPLIES
	Total 50776		355.41	
UNDERGROUND SERVICE ALERT OF	50777	2/12/2018	186.55	UNDERGROUND ALARM SERVICE

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 2/12/2018 Through 2/12/2018

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
	Total 50777		186.55	
UNIFIRST CORPORATION	50778	2/12/2018	210.74	LAUNDRY SERVICE-W/E 1/31/18
UNIFIRST CORPORATION		2/12/2018	207.09	LAUNDRY SERVICE-W/E 2/7/2018
	Total 50778		417.83	
VERIZON WIRELESS	50779	2/12/2018	21.29	CELL PHONE-TELEMETRY
	Total 50779		21.29	
WESELOH CHEVROLET	50780	2/12/2018	3,192.02	09 TRUCK MAINT/SERVICE
	Total 50780		3,192.02	
WEST COAST SAFETY SUPPLY CO., INC.	50781	2/12/2018	368.26	O2 SENSOR
	Total 50781		368.26	
WORDEN WILLIAMS LLP	50782	2/12/2018	1,868.60	LEGAL FEES-JAN
	Total 50782		1,868.60	
XEROX CORPORATION	50783	2/12/2018	110.05	COPIER LEASE/MAINT-JAN
	Total 50783		110.05	
Report Total			68,318.16	

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: February 14, 2018

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
19725 - 19742	2/14/2018	\$48,134.13

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 2/26/2018 Through 2/26/2018

Vendor Name	Check Number	Effective Date	Check Amount	Transaction Description
ALLIANT INSURANCE SERVICES, INC	50784	2/26/2018	5,015.52	RAILROAD PROTECTIVE LIABILITY COVERAGE
	Total 50784		5,015.52	
APPLEONE EMPLOYMENT SERVICES	50785	2/26/2018	1,191.20	TEMP HRS W/E 2/10/18
APPLEONE EMPLOYMENT SERVICES		2/26/2018	1,191.20	TEMP HRS W/E 2/3/18
	Total 50785		2,382.40	
BATTERIESPLUS	50786	2/26/2018	28.74	BATTERIES
	Total 50786		28.74	
BAY CITY ELECTRIC WORKS, INC	50787	2/26/2018	556.25	ELECTRICAL WORK @ SPS
	Total 50787		556.25	
CARLSBAD FUELS CORPORATION	50788	2/26/2018	1,867.01	VEHICLE/TRUCK FUELS
	Total 50788		1,867.01	
PETTY CASH	50789	2/26/2018	359.53	PETTY CASH -JAN/FEB
	Total 50789		359.53	
CHUCKS TIRE CENTER	50790	2/26/2018	1,866.70	TIRES FOR VACTOR 152
	Total 50790		1,866.70	
CORODATA	50791	2/26/2018	171.94	STORAGE-JAN
	Total 50791		171.94	
CWEA	50792	2/26/2018	95.00	RENEWAL-COLLECTION SYSTEM-G.MENDEZ
CWEA		2/26/2018	95.00	RENEWAL-COLLECTION SYSTEM-M.AVALOS
CWEA		2/26/2018	85.00	RENEWAL-PLANT MAINT-I.RIFFEL
	Total 50792		275.00	
DATA NET	50793	2/26/2018	1,133.20	INSTALLANTION OF NEW COMPUTERS
DATA NET		2/26/2018	694.75	IS MAINT AND SUPPORT
DATA NET		2/26/2018	907.38	KEYBOARDS/MICE FOR STANDUP DESKS
DATA NET		2/26/2018	172.50	TELEPHONE SYSTEM
	Total 50793		2,907.83	
DAVID KULCHIN	50794	2/26/2018	31.07	REIMBURSE D.K FOR CSDA DINNER
	Total 50794		31.07	

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 2/26/2018 Through 2/26/2018

Vendor Name	Check Number	Effective Date	Check Amount	Transaction Description
DEXTER WILSON ENGINEERING	50795	2/26/2018	280.00	GE/0526/JAN/FAIR OAKS VALLEY
DEXTER WILSON ENGINEERING		2/26/2018	455.00	GE/0929/JAN/CASCADA VERDE
DEXTER WILSON ENGINEERING		2/26/2018	825.00	GE/0943/JAN/LEUCADIA STREETSCAPE
DEXTER WILSON ENGINEERING		2/26/2018	440.00	GE/0983/JAN/HYMETTUS ESTATES
DEXTER WILSON ENGINEERING		2/26/2018	1,210.00	GE/0997/JAN/EDGEBURT
DEXTER WILSON ENGINEERING		2/26/2018	485.00	GE/1003/JAN/THE BEACONS
DEXTER WILSON ENGINEERING		2/26/2018	825.00	GE/1021/JAN/ZINSER ANNEX
DEXTER WILSON ENGINEERING		2/26/2018	990.00	GE/1022/JAN/N. VULCAN AVE
DEXTER WILSON ENGINEERING		2/26/2018	275.00	GE/1024/JAN/POKI POKI
DEXTER WILSON ENGINEERING		2/26/2018	565.00	GE/1025/JAN/ENCINITAS BLVD
DEXTER WILSON ENGINEERING		2/26/2018	110.00	GE/1026/JAN/JUICE STOP
DEXTER WILSON ENGINEERING		2/26/2018	495.00	GE/1027/JAN/BELLA AZUL CT
DEXTER WILSON ENGINEERING		2/26/2018	440.00	GE/1028/JAN/HYGEIA AVE
DEXTER WILSON ENGINEERING		2/26/2018	200.00	GE/1029/JAN/CAMINO DE LAS FLORES
	Total 50795		7,595.00	
ELAINE SULLIVAN	50796	2/26/2018	42.05	REIMBURSE E. SULLIVAN FOR CSDA MEETING
	Total 50796		42.05	
FEDERAL EXPRESS CORPORATION	50797	2/26/2018	8.84	SHIPPING
	Total 50797		8.84	
HAAKER EQUIPMENT CO HAAKER EQUIPMENT CO	50798	2/26/2018	404.07	BEARINGS/ROLLER CHAINS
		2/26/2018	63.94	PARTS
	Total 50798		468.01	
HARTFORD LIFE & ACCIDENT INS.	50799	2/26/2018	429.54	LIFE INS-FEB
	Total 50799		429.54	
ICMA RETIREMENT-303979	50800	2/26/2018	4,512.87	DEFERRED COMP
	Total 50800		4,512.87	
INTERSTATE BATTERIES OF SAN DIEGO	50801	2/26/2018	123.49	BATTERY @ LCPS
	Total 50801		123.49	
JETER SYSTEMS CORPORATION	50802	2/26/2018	392.67	FOLDERS
	Total 50802		392.67	
KOFF & ASSOCIATES	50803	2/26/2018	2,970.00	COMPENSATION STUDY
	Total 50803		2,970.00	
NAPA AUTO	50804	2/26/2018	76.92	FUEL FILTERS @ LIFT STATION

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 2/26/2018 Through 2/26/2018

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
NAPA AUTO		2/26/2018	78.04	PARTS/SUPPLIES @ LPS/BPS
	Total 50804		154.96	
NATIONWIDE RETIREMENT SOLUTIONS	50805	2/26/2018	270.00	DEFERRED COMP
	Total 50805		270.00	
PACIFIC PIPELINE SUPPLY	50806	2/26/2018	663.74	PARTS FOR LPS/BPS
	Total 50806		663.74	
PALOMAR WATER, LLC	50807	2/26/2018	321.67	BOTTLED WATER DELIVERY-JAN
	Total 50807		321.67	
PEP BOYS	50808	2/26/2018	35.75	CAR WASH SUPPLIES
	Total 50808		35.75	
PLANT PEOPLE, INC	50809	2/26/2018	214.00	PLANTS MAINT -FEB
	Total 50809		214.00	
RGB RICE GENERAL BUILDING	50810	2/26/2018	853.33	SKYLIGHT WATER DIVERTER
	Total 50810		853.33	
ROCKWELL CONSTRUCTION SERVICES, INC	50811	2/26/2018	270.00	GAFNER IMPROVEMENT PROJECT-JAN
	Total 50811		270.00	
SAN DIEGO UNION TRIBUNE	50812	2/26/2018	1,999.00	AD FOR ADM SPECIALIST
	Total 50812		1,999.00	
SAN DIEGO UNION TRIBUNE	50813	2/26/2018	114.07	NEWSPAPER DELIVERY SERVICE
	Total 50813		114.07	
SAN DIEGO GAS & ELECTIRC	50814	2/26/2018	3,296.61	ELECTRIC @ ADM OFFICE
SAN DIEGO GAS & ELECTIRC		2/26/2018	114.96	ELECTRIC @ AVOCADO PS
SAN DIEGO GAS & ELECTIRC		2/26/2018	11,862.18	ELECTRIC @ BPS
SAN DIEGO GAS & ELECTIRC		2/26/2018	387.85	ELECTRIC @ DIANA PS
SAN DIEGO GAS & ELECTIRC		2/26/2018	583.77	ELECTRIC @ E. ESTATES
SAN DIEGO GAS & ELECTIRC		2/26/2018	380.65	ELECTRIC @ EEPS
SAN DIEGO GAS & ELECTIRC		2/26/2018	795.51	ELECTRIC @ LC PS
SAN DIEGO GAS & ELECTIRC		2/26/2018	7,716.18	ELECTRIC @ LPS
SAN DIEGO GAS & ELECTIRC		2/26/2018	144.70	ELECTRIC @ RANCHO VERDE PS
SAN DIEGO GAS & ELECTIRC		2/26/2018	658.81	ELECTRIC @ SPS
SAN DIEGO GAS & ELECTIRC		2/26/2018	251.01	ELECTRIC @ VP5 PS
SAN DIEGO GAS & ELECTIRC		2/26/2018	126.86	ELECTRIC @ VP7 PS
SAN DIEGO GAS & ELECTIRC		2/26/2018	128.44	GAS @ ADM OFFICE
SAN DIEGO GAS & ELECTIRC		2/26/2018	2.93	NAT GAS @ E.E.
	Total 50814		26,450.46	



**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 2/26/2018 Through 2/26/2018

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
SOUTHERN CONTRACTING COMPANY	50815	2/26/2018	360.00	ELECTRIC WORK @ LPS
SOUTHERN CONTRACTING COMPANY		2/26/2018	480.00	ELECTRICAL WORK @ LPS
SOUTHERN CONTRACTING COMPANY		2/26/2018	1,628.05	STARTERS AND HEATER ELEMENTS
	Total 50815		2,468.05	
TERMINIX	50816	2/26/2018	32.00	TRAPS SERVICE-JAN
	Total 50816		32.00	
T.Y. LIN INTERNATIONAL	50817	2/26/2018	187.50	POINSETTIA STATION IMPRO-DEC
	Total 50817		187.50	
UNIFIRST CORPORATION	50818	2/26/2018	215.04	LAUNDRY SERVICE-W/E 2/14/18
	Total 50818		215.04	
UNITED PARCEL	50819	2/26/2018	10.45	SHIPPING
	Total 50819		10.45	
U.S. BANK	50820	2/26/2018	3,863.93	CONFERENCES/MEETINGS/OFFICE SUPPLIES/ETC
	Total 50820		3,863.93	
VERIZON WIRELESS	50821	2/26/2018	928.71	CELL PHONES
	Total 50821		928.71	
VORTEX INDUSTRIES, INC	50822	2/26/2018	863.80	REPAIR TO GATE @ BPS
	Total 50822		863.80	
WEST COAST SAFETY SUPPLY CO., INC.	50823	2/26/2018	120.43	DUST FILTERS/WATER STOP
	Total 50823		120.43	
Report Total			72,041.35	

**Leucadia Wastewater District**  
 Vendor Activity  
 From 2/26/2018 Through 2/26/2018

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Vendor ID	Vendor Name	Trans... Source	Effective Date	Check/... Number	Expenses	GL Short Title	Transaction Description
USBANK1	U.S. BANK	API	2/26/2018	50820	89.00	OFFICE SUPPLIES	BATTERY TRACKER-OFFICE
USBANK1	U.S. BANK	API	2/26/2018	50820	400.00	BOARD CONFERENC	BRD CWEA BANQ
USBANK1	U.S. BANK	API	2/26/2018	50820	35.00	ADVERTISING	CRAIGSLIST AD-ADM JOB
USBANK1	U.S. BANK	API	2/26/2018	50820	(209.31)	Train'g/Ed/Conf	CREDIT HOTEL-PB
USBANK1	U.S. BANK	API	2/26/2018	50820	(475.00)	BOARD CONFERENC	CREDIT-AJ CASA REG
USBANK1	U.S. BANK	API	2/26/2018	50820	(209.31)	BOARD CONFERENC	CREDIT-AJ HOTEL
USBANK1	U.S. BANK	API	2/26/2018	50820	157.96	BOARD CONFERENC	CSDA FLIGHT-ES
USBANK1	U.S. BANK	API	2/26/2018	50820	110.00	Membshp & Dues	CSFMO DUES-RD
USBANK1	U.S. BANK	API	2/26/2018	50820	800.00	EMPLOYEE RECOGN	CWEA BANQUET
USBANK1	U.S. BANK	API	2/26/2018	50820	292.50	SAFETY SUPPLIES	DATCO
USBANK1	U.S. BANK	API	2/26/2018	50820	180.00	Train'g/Ed/Conf	GFOA REG-RD
USBANK1	U.S. BANK	API	2/26/2018	50820	109.00	Build & Grounds	LAMP TRACK-BLD/GRDS
USBANK1	U.S. BANK	API	2/26/2018	50820	279.00	ADVERTISING	MONSTER.COM AD-ADM JOB
USBANK1	U.S. BANK	API	2/26/2018	50820	6.99	Line Maint	USB CABLES-FIELD SERVICE
USBANK1	U.S. BANK	API	2/26/2018	50820	182.96	BOARD CONFERENC	WATERUSE CONF FLIGHT-ES
USBANK1	U.S. BANK	API	2/26/2018	50820	450.00	BOARD CONFERENC	WATERUSE CONF REG-ES
USBANK1	U.S. BANK	API	2/26/2018	50820	450.00	BOARD CONFERENC	WATERUSE CONF-REG-DO
USBANK1	U.S. BANK	API	2/26/2018	50820	450.00	BOARD CONFERENC	WATERUSE CONF-REG-JH
USBANK1	U.S. BANK	API	2/26/2018	50820	182.96	BOARD CONFERENC	WATERUSE FLIGHT-DO
USBANK1	U.S. BANK	API	2/26/2018	50820	182.96	BOARD CONFERENC	WATERUSE FLIGHT-JH
USBANK1	U.S. BANK	API	2/26/2018	50820	269.22	BOARD CONFERENC	WATERUSE-RENTAL CAR-DO
USBANK1	U.S. BANK	API	2/26/2018	50820	100.00	TELEPHONE	WEBHOSTING
USBANK1	U.S. BANK	API	2/26/2018	50820	30.00	TELEPHONE	WIFI-RM
USBANK1	U.S. BANK	APS	2/26/2018	50820	0.00	ACCOUNTS PAYABL	CONFERENCES/MEETINGS/... SUPPLIES/ETC
Transaction Total					3,863.93		
Total USBANK1	U.S. BANK				3,863.93		
Report							
Opening/Current							
Balance							

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: February 28, 2018

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
19762 - 19779	2/28/2018	\$47,338.39

LEUCADIA WASTEWATER DISTRICT  
BOARD PAYROLL CHECK REPORT

Payroll Date: March 1, 2018

<u>Check No.</u>	<u>Date</u>	<u>Amount</u>
19780 - 19784	3/1/2018	\$4,113.88

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 3/1/2018 Through 3/1/2018

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
ADS LLC	50824	3/1/2018	1,190.00	DEPTH METER MAINT.-FEB
ADS LLC		3/1/2018	<u>4,340.00</u>	FLOW METERING-FEB
	Total 50824		5,530.00	
APPLEONE EMPLOYMENT SERVICES	50825	3/1/2018	1,191.20	TEMP HRS W/E 2/17/18
	Total 50825		1,191.20	
AT&T	50826	3/1/2018	<u>117.36</u>	PHONE @ BPS
	Total 50826		117.36	
COLONIAL LIFE INS	50827	3/1/2018	<u>419.84</u>	ACCIDENT/CRITICAL INS INS-FEB
	Total 50827		419.84	
COX COMMUNICATIONS SAN DIEGO	50828	3/1/2018	1,474.06	PHONE/INTERNET SERVICES-FEB/MARCH
	Total 50828		1,474.06	
CRANWORKS SOUTHWEST, INC	50829	3/1/2018	118.53	CRANE
	Total 50829		118.53	
DATA NET	50830	3/1/2018	<u>784.45</u>	IS MAINT AND SUPPORT
	Total 50830		784.45	
DEXTER WILSON ENGINEERING	50831	3/1/2018	7,065.00	DISTRICT ASSET MGMT -JAN
DEXTER WILSON ENGINEERING		3/1/2018	253.15	GE/0989/JAN/CAUDOR ST
DEXTER WILSON ENGINEERING		3/1/2018	6,850.00	GE/CIP/JANUARY/200/.358/0361/...
DEXTER WILSON ENGINEERING		3/1/2018	<u>840.00</u>	GE/JAN/1009/URANIA AVE
	Total 50831		15,008.15	
DKF SOLUTIONS GROUP, LLC	50832	3/1/2018	300.00	SAFETY PROGRAM MONTHLY FEE-MARCH
	Total 50832		300.00	
FEDERAL EXPRESS CORPORATION	50833	3/1/2018	8.02	SHIPPING
	Total 50833		8.02	
GREAT AMERICA FINANCIAL SERVICES	50834	3/1/2018	793.00	COPIER LEASE/MAINT-JAN/FEB
	Total 50834		793.00	
HAAKER EQUIPMENT CO	50835	3/1/2018	<u>63.58</u>	BRONZE BRUSHING
	Total 50835		63.58	

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 3/1/2018 Through 3/1/2018

Vendor Name	Check Number	Effective Date	Check Amount	Transaction Description
ICMA RETIREMENT-303979	50836	3/1/2018	4,515.40	DEFERRED COMP
	Total 50836		4,515.40	
INFRASTRUCTURE ENGINEERING CORP	50837	3/1/2018	4,614.64	2018 CURED IN PLACE LINING-JAN
INFRASTRUCTURE ENGINEERING CORP		3/1/2018	315.00	2018 GRAVITY SEWER REPAIR-JAN
INFRASTRUCTURE ENGINEERING CORP		3/1/2018	690.00	AS NEEDED GIS-JAN
INFRASTRUCTURE ENGINEERING CORP		3/1/2018	588.27	GAFNER AWT IMPROV PROJECT-JAN
INFRASTRUCTURE ENGINEERING CORP		3/1/2018	13,189.12	JAN-BPS FORCE MAIN NO. SECTION
INFRASTRUCTURE ENGINEERING CORP		3/1/2018	8,843.79	LPS REHAB PROJECT-JAN
	Total 50837		28,240.82	
JACKSON & BLANC	50838	3/1/2018	2,345.66	PARTS/LABOR/MATERIALS FOR SERVICE CALL.
	Total 50838		2,345.66	
MALLORY SAFETY AND SUPPLY	50839	3/1/2018	300.81	NITRILE GLOVES-SAFETY ITEMS
MALLORY SAFETY AND SUPPLY		3/1/2018	150.53	SAFETY ITEMS
	Total 50839		451.34	
MES VISION	50840	3/1/2018	377.39	VISION INS-MARCH
	Total 50840		377.39	
mitsubishi electric us, inc	50841	3/1/2018	297.76	ELEVATOR MAINT AND SERVICE
	Total 50841		297.76	
MSC JANITORIAL SERVICE, INC	50842	3/1/2018	1,552.92	FEB JANITORIAL SERVICES
	Total 50842		1,552.92	
MUTUAL OF OMAHA	50843	3/1/2018	1,125.87	DISABILITY INS-MARCH
	Total 50843		1,125.87	
NAPA AUTO	50844	3/1/2018	20.44	FUSES
	Total 50844		20.44	
NATIONWIDE RETIREMENT SOLUTIONS	50845	3/1/2018	270.00	DEFERRED COMP
	Total 50845		270.00	
OFFICE DEPOT, INC.	50846	3/1/2018	372.15	OFFICE SUPPLIES
	Total 50846		372.15	

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 3/1/2018 Through 3/1/2018

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
PACIFIC PIPELINE SUPPLY	50847	3/1/2018	<u>382.47</u>	DEBRIS CAPS
	Total 50847		382.47	
PLUMBERS DEPOT, INC	50848	3/1/2018	<u>917.47</u>	SWIVEL JOINT
	Total 50848		917.47	
RAFTELIS	50849	3/1/2018	<u>597.50</u>	JAN FINANCIAL PLANNING SERVICES
	Total 50849		597.50	
RICHARD DUFFEY	50850	3/1/2018	5.00	REIMBURSE R. DUFFEY FOR CSDA DINNER
RICHARD DUFFEY		3/1/2018	<u>61.24</u>	REIMBURSE R. DUFFEY FOR CSMFO CONF
	Total 50850		66.24	
SPACELINK/I2B NETWORK	50851	3/1/2018	<u>160.00</u>	WEBCAM @ BPS-FEB/MARCH
	Total 50851		160.00	
STANEK CONSTRUCTORS, INC	50852	3/1/2018	<u>148,753.85</u>	GAFNER ADVANCED WATER (AWT) IMPROV. PROJECT-JAN
	Total 50852		148,753.85	
STAPLES BUSINESS ADVANTAGE	50853	3/1/2018	<u>198.00</u>	RECEIPT BOOKS
	Total 50853		198.00	
THE GUARDIAN	50854	3/1/2018	<u>3,043.67</u>	DENTAL INS-MARCH
	Total 50854		3,043.67	
TIANNE BAITY	50855	3/1/2018	<u>72.00</u>	REIMBURSE T. BAITY FOR NOTARY
	Total 50855		72.00	
SOLANA PALM LLC	50856	3/1/2018	<u>90.00</u>	ANSWERING SERVICE-FEB/MARCH
	Total 50856		90.00	
UNIFIRST CORPORATION	50857	3/1/2018	<u>207.09</u>	LAUNDRY SERVICES-W/E 2/21/18
	Total 50857		207.09	
UNITED PARCEL	50858	3/1/2018	<u>10.59</u>	SHIPPING
	Total 50858		10.59	
WAGeworks, INC	50859	3/1/2018	<u>140.00</u>	SEC 125 FLEX PLAN-JAN
	Total 50859		140.00	

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1005 - UNION BANK GENERAL  
 From 3/1/2018 Through 3/1/2018

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
WATER ENVIRONMENT FEDERATION	50860	3/1/2018	352.00	MEMBERSHIP RENEWAL FOR J. STECKER
	Total 50860		352.00	
WESELOH CHEVROLET	50861	3/1/2018	34.95	'06 TRUCK-MAINT/SERVICE
WESELOH CHEVROLET		3/1/2018	67.13	'12 CHEVY TRUCK-MAINT
WESELOH CHEVROLET		3/1/2018	472.50	2014 SILVERADO TRUCK-MAINT
	Total 50861		574.58	
Report Total			220,943.40	



LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

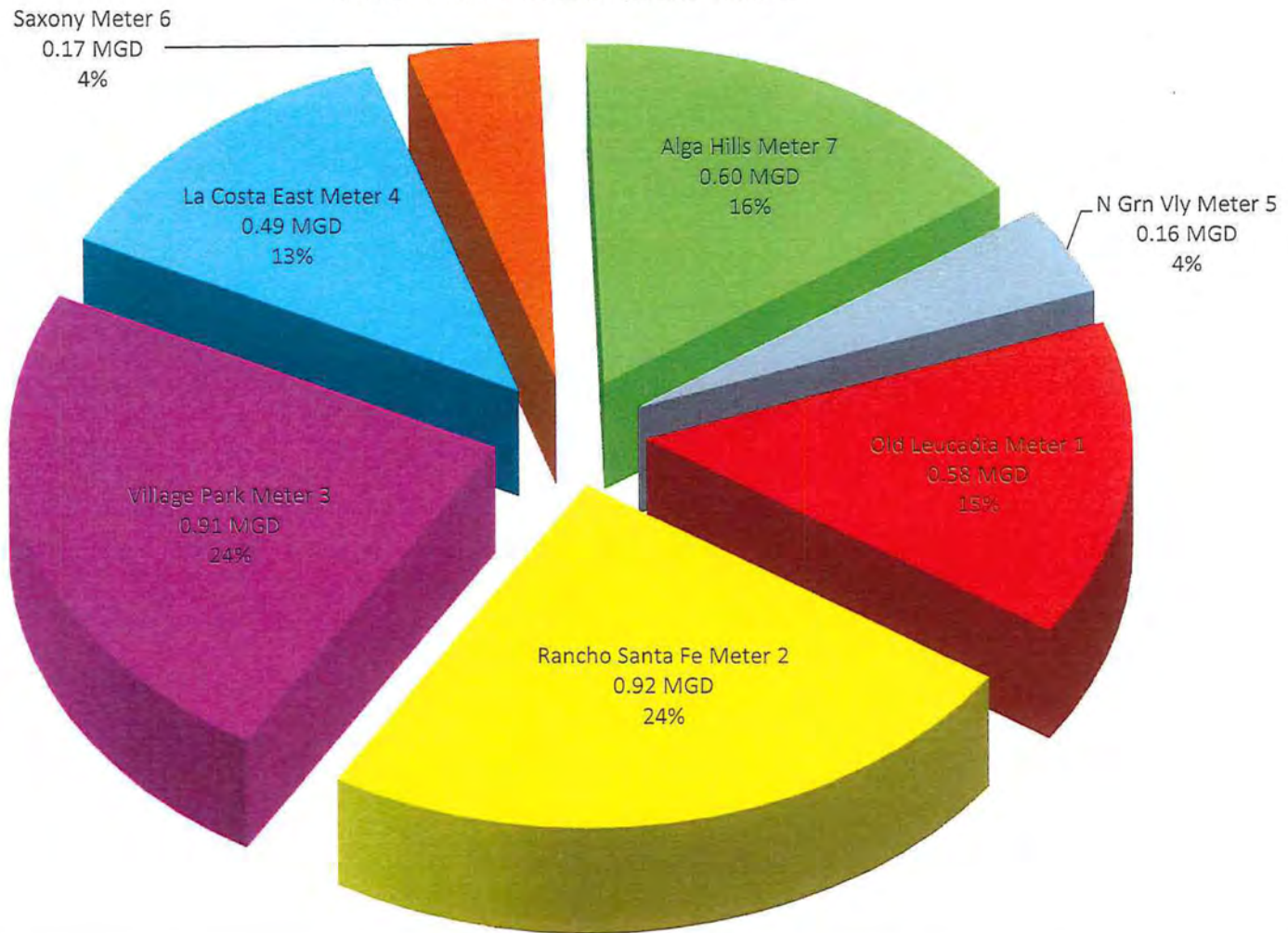
Payroll Date: March 7, 2018  
Incentive

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
19785	3/7/2018	\$425.95

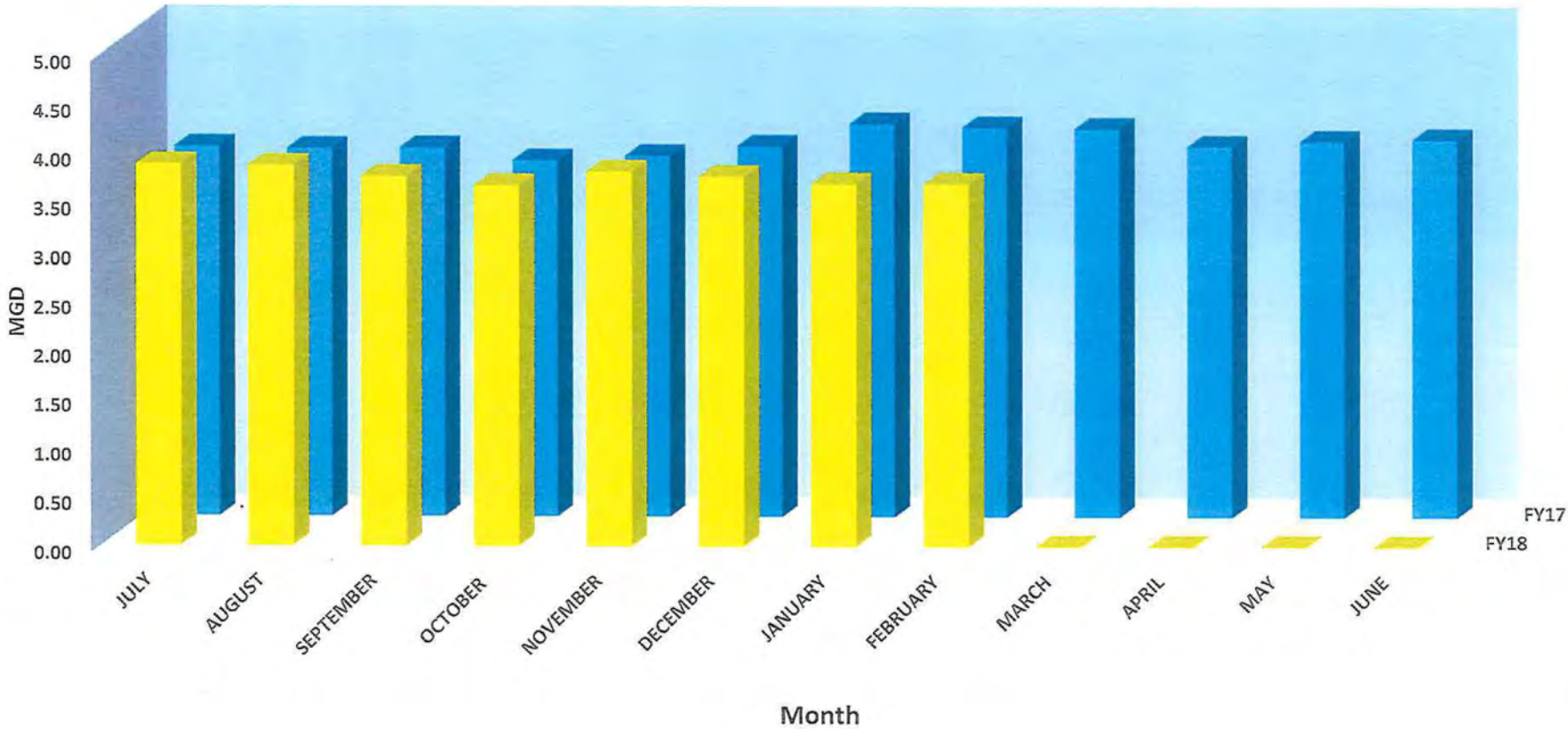
**LEUCADIA WASTEWATER DISTRICT  
OPERATIONS REPORT  
FISCAL YEAR 2018 (July 2017 - June 2018)**

CURRENT MONTH - February 2018							FY 2017
Period	Total Rain Inches	Total Flow MG	Added EDU's 28,469.81	LWD ADF (MGD)	GPD/EDU	RECLAIMED Total (ac-ft/mo)	LWD ADF (MGD)
JULY	0.00	120.28	3.82	3.88	136	50.52	3.77
YTD			28,473.63				
AUGUST	0.02	119.97	12.44	3.87	136	44.97	3.75
YTD			28,486.07				
SEPTEMBER	0.00	112.80	2.50	3.76	132	44.89	3.76
YTD			28,488.57				
OCTOBER	0.00	113.77	-8.20	3.67	129	30.96	3.63
YTD			28,480.37				
NOVEMBER	0.04	114.30	5.00	3.81	134	3.44	3.68
YTD			28,485.37				
DECEMBER	0.00	116.56	-10.26	3.76	132	8.32	3.78
YTD			28,475.11				
JANUARY	2.63	114.39	4.00	3.69	130	0.00	4.01
YTD			28,479.11				
FEBRUARY	0.35	103.32	2.50	3.69	130	0.00	3.97
YTD			28,481.61				
MARCH							3.96
YTD							
APRIL							3.78
YTD							
MAY							3.83
YTD							
JUNE							3.85
YTD							
YTD Totals	3.04	915.39	11.80			183.10	
Mo Average	0.38	114.42	1.48	3.77	132.24	22.89	3.81

**LWD Flows by Sub-Basin  
February 2018  
Total LWD Flow 3.69 MGD**

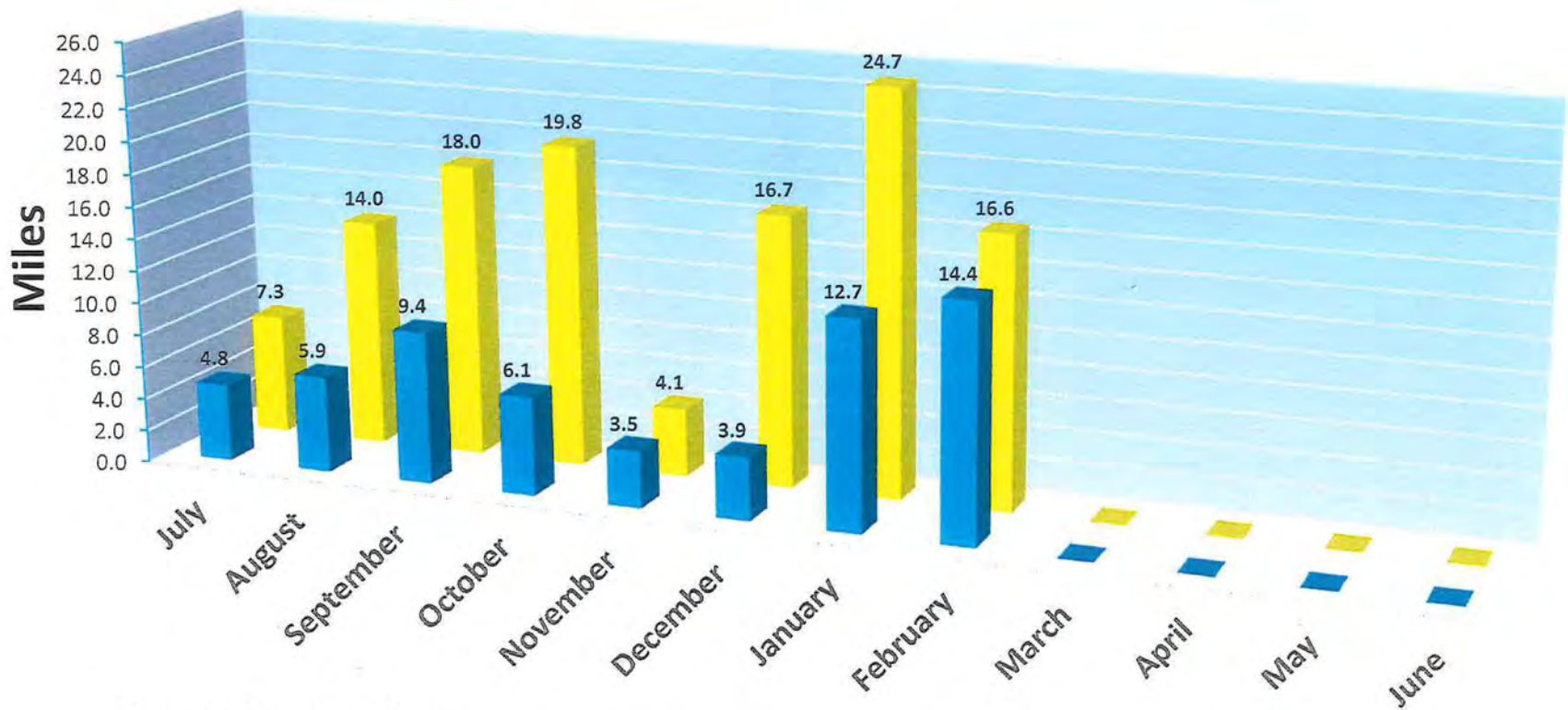


# Leucadia Wastewater District Flow Comparison FY 17 to FY 18



# FY-18 CCTV Inspections & Hydro Cleaning Production

45



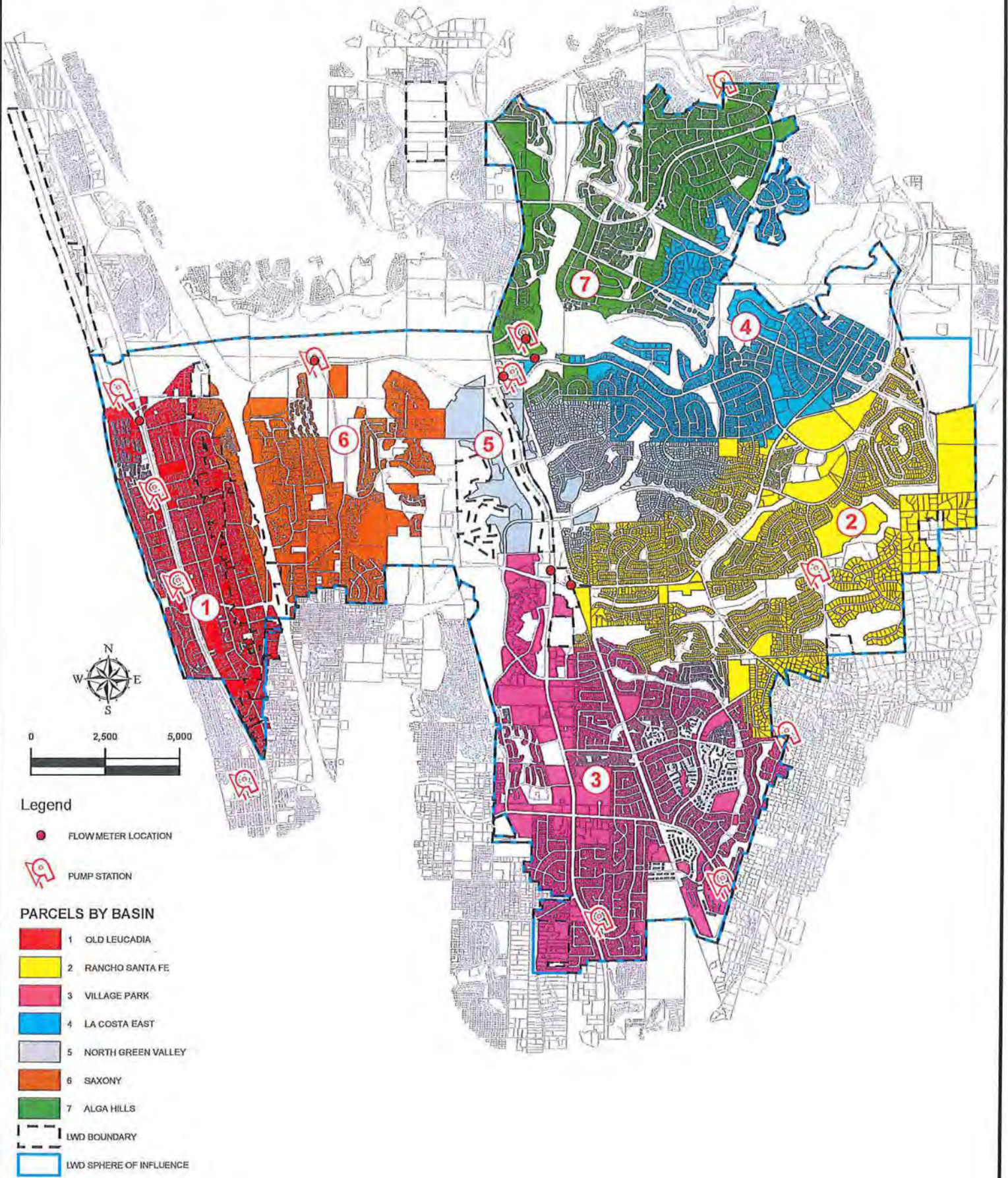
## Monthly Target Mileage

Hydo-Cleaning: 15 Miles/Month

CCTV Inspections: 6.3 Miles/Month

- CCTV Inspections
- Total Hydro Cleaning

# LEUCADIA WASTEWATER DISTRICT



# Leucadia Wastewater District

## Balance Sheet

As of 2/28/2018

		Current Year
<b>Assets</b>		
Cash & Investments	1CAS	36,454,277.40
Accounts Receivables	2A/R	181,356.84
Prepaid Expense	3PRE	127,313.16
Funds held with Encina Wastewater Authority	4EWA	1,486,800.00
Capital Assets	4F/A	159,588,635.11
Less Accumulated Depreciation	6DEP	(52,675,124.16)
Total Assets		145,163,258.35
<b>Deferred Outflows</b>		
Projected/Actual PERS Earnings Difference	6D/O	840,305.00
PERS Proportions & Assumptions Difference	7D/O	22,055.00
Current Year PERS Employer Contribution	8D/O	338,781.97
Total Deferred Outflows		1,201,141.97
Total Assets & Deferred Outflows		146,364,400.32
<b>Liabilities</b>		
Accounts Payable & Accrued Expenses	A/P	522,718.63
Developer Deposits	DEVD	116,909.07
Net Pension Liability	LTDB	3,466,620.00
Total Liabilities		4,106,247.70
<b>Deferred Inflows</b>		
PERS Actual/Proportion Contribution Difference	D/I2	175,908.00
PERS Proportions & Assumptions Difference	D/I3	141,883.00
Projected/Actual PERS Earnings Difference	D/In	382,658.00
Total Deferred Inflows		700,449.00
<b>Net Position</b>		
Beginning Net Position (as of June 30, 2017)		
Investment in Capital Assets	IC/A	106,913,510.95
Reserves	RESV	32,837,316.33
Total Beginning Net Position (as of June 30, 2017)		139,750,827.28
Current Change In Net Position		
Other		1,806,876.34
Total Current Change In Net Position		1,806,876.34
Total Net Position		141,557,703.62
Total Liabilities, Deferred Inflows & Net Position		146,364,400.32

# Leucadia Wastewater District

## Summary Budget Comparison - Revenues and Operating Expenses

From 7/1/2017 Through 2/28/2018

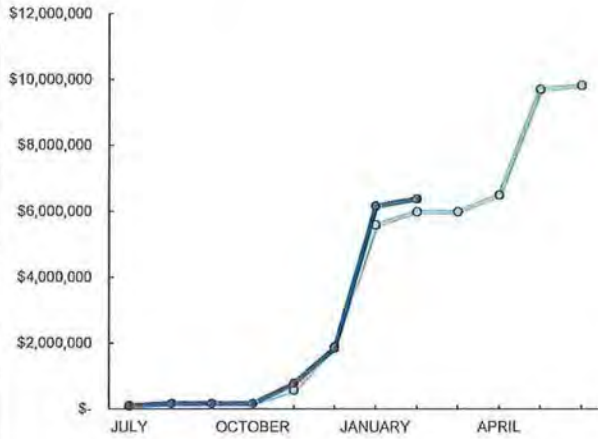
Account Title	YTD Actual	Total Annual Budget	Remaining Budget	Percentage Total Budget Used
<b>OPERATING REVENUES</b>				
3110 Sewer Service Fees	\$ 6,387,094.26	\$ 9,827,873.00	\$ 3,440,778.74	65.0%
3150 Recycled Water Sales	214,400.72	272,000.00	57,599.28	78.8%
3100 Misc. Operating Revenue	37,607.90	205,302.00	167,694.10	18.3%
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 6,639,102.88</b>	<b>\$10,305,175.00</b>	<b>\$ 3,666,072.12</b>	<b>64.4%</b>
<b>OPERATING EXPENSES</b>				
4100 Salaries	\$ 1,211,504.97	\$ 1,836,787.00	\$ 625,282.03	66.0%
4200 Employee Benefits	603,071.75	963,613.00	360,541.25	62.6%
4300 Directors Expense	72,626.92	147,800.00	75,173.08	49.1%
4600 Gas, Oil & Fuel	20,468.91	41,000.00	20,531.09	49.9%
4700 Insurance Expense	104,982.75	113,600.00	8,617.25	92.4%
4800 Memberships	25,022.00	29,000.00	3,978.00	86.3%
4900 Office Expense	87,347.25	154,700.00	67,352.75	56.5%
5000 Operating Supplies	96,949.38	202,300.00	105,350.62	47.9%
5200 Professional Services	249,109.22	520,500.00	271,390.78	47.9%
5300 Printing & Publishing	12,023.74	29,500.00	17,476.26	40.8%
5400 Rents & Leases	9,795.56	15,000.00	5,204.44	65.3%
5500 Repairs & Maintenance	212,819.47	451,800.00	238,980.53	47.1%
5600 Monitoring & Permits	50,468.85	60,700.00	10,231.15	83.1%
5700 Training & Development	26,356.53	47,000.00	20,643.47	56.1%
5900 Utilities	278,227.59	427,700.00	149,472.41	65.1%
6100 LAFCO Operations	6,863.30	8,000.00	1,136.70	85.8%
6200 Encina Operating Expense	937,440.25	1,861,800.00	924,359.75	50.4%
6900 Admin O/H alloc to Capital	(63,786.61)	(140,121.00)	(76,334.39)	45.5%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 3,941,291.83</b>	<b>\$ 6,770,679.00</b>	<b>\$ 2,829,387.17</b>	<b>58.2%</b>
<b>NON-OPERATING REVENUES</b>				
3130 Capacity Fees	\$ 109,203.56	\$ 400,600.00	\$ 291,396.44	27.3%
3220 Property Taxes	1,041,242.53	1,600,000.00	558,757.47	65.1%
3250 Investment Income	229,581.06	327,000.00	97,418.94	70.2%
3290 Misc. Non Op Revenue	70,367.56	286,400.00	216,032.44	24.6%
<b>TOTAL NON-OPERATING REVENUES</b>	<b>\$ 1,450,394.71</b>	<b>\$ 2,614,000.00</b>	<b>\$ 1,163,605.29</b>	<b>55.5%</b>



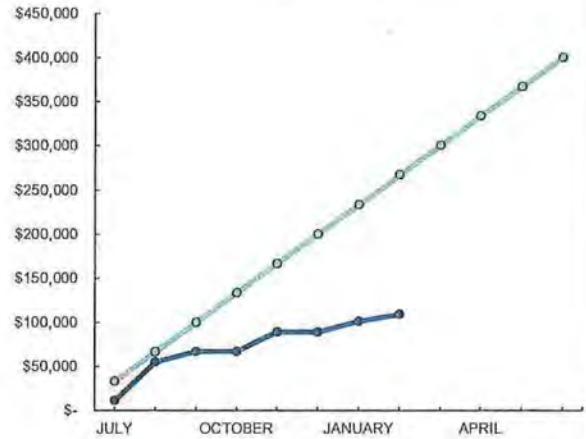
# Leucadia Wastewater District Revenue FY2018

YTD through February 28, 2018

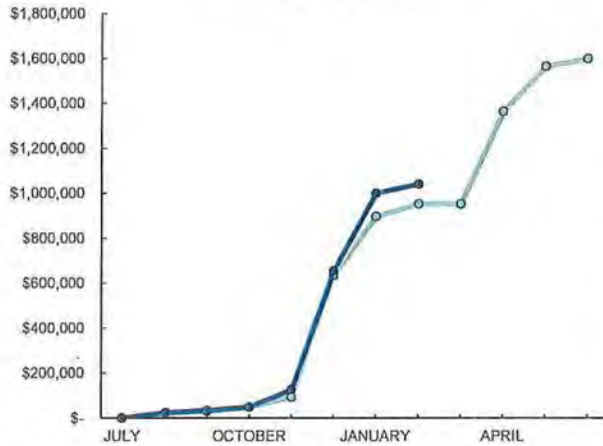
Sewer Service Fees



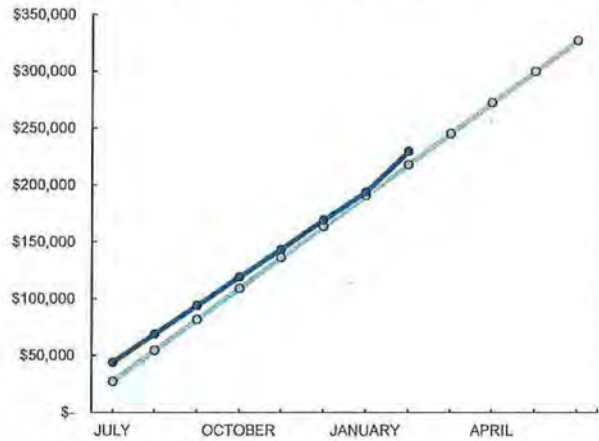
Capacity Charges



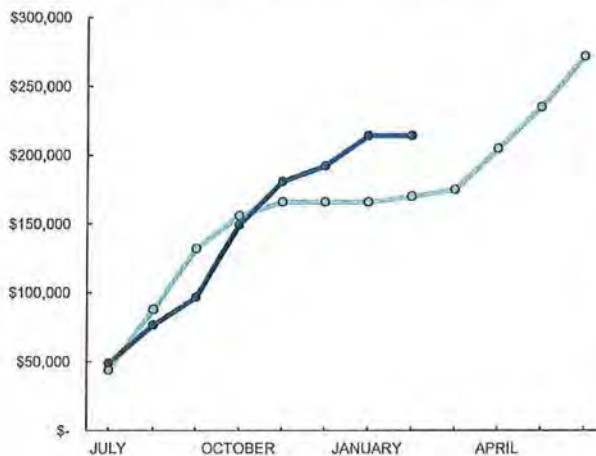
Property Taxes



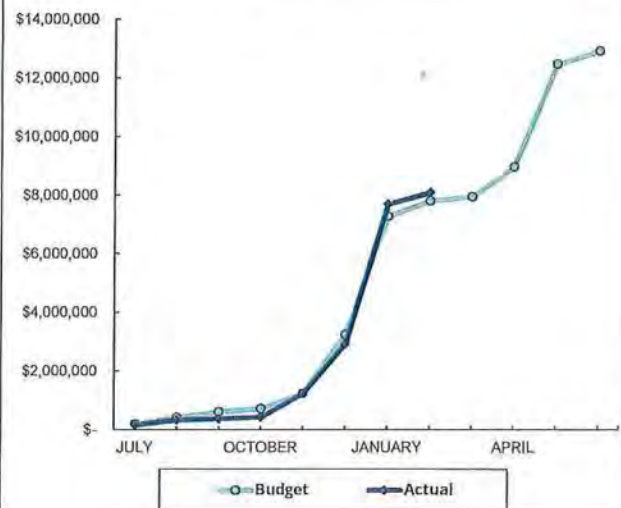
Investment Income



Recycled Wastewater Sales



Total Revenue

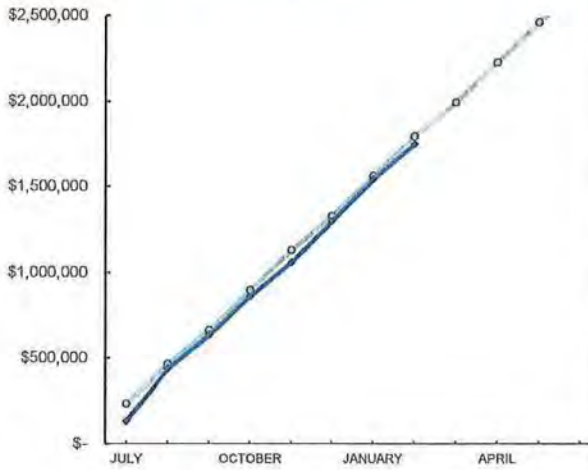


\* Preliminary: subject to future review, reconciliation, accruals, and audit

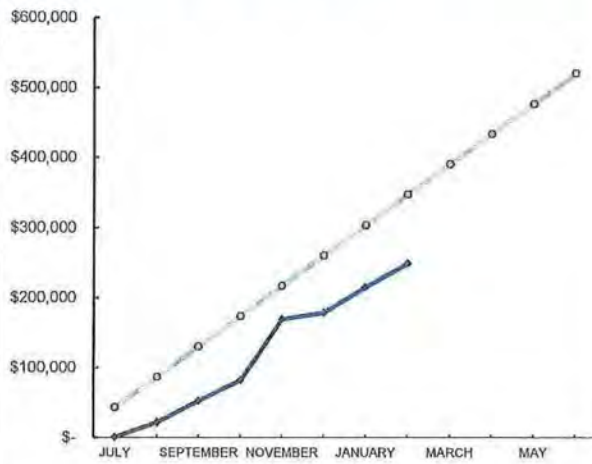
# Leucadia Wastewater District Operating Expenses FY2018

YTD through February 28, 2018

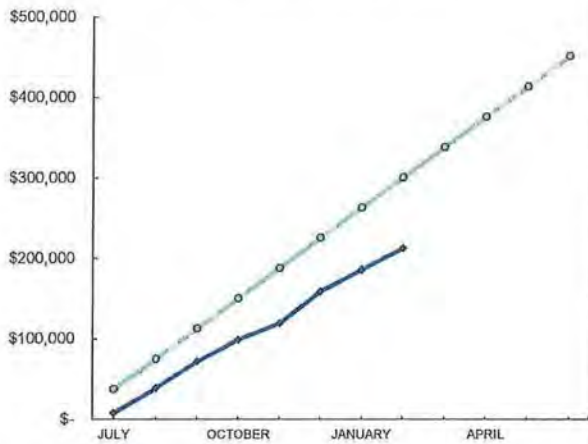
Salaries and Benefits



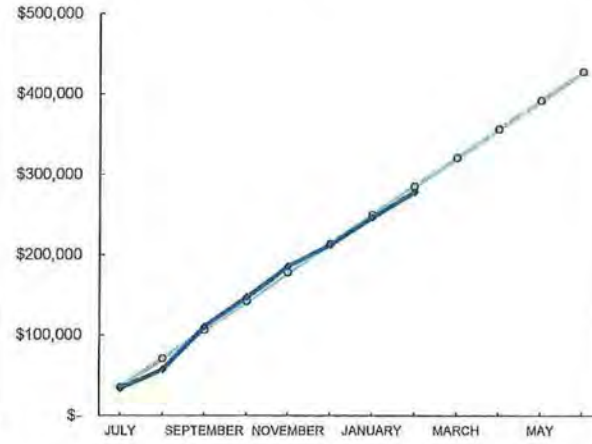
Professional Services



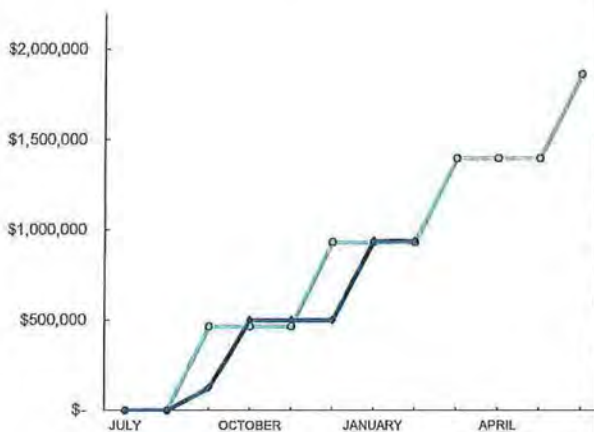
Repairs & Maintenance



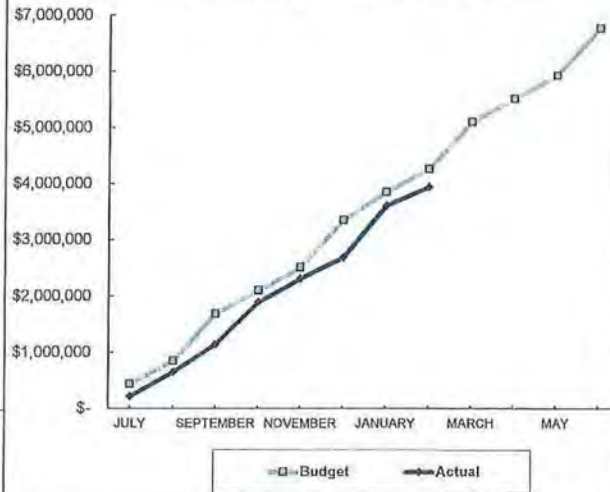
Utilities



Encina M&O



Total Operating Expenses -  
Before Depreciation & Replacement

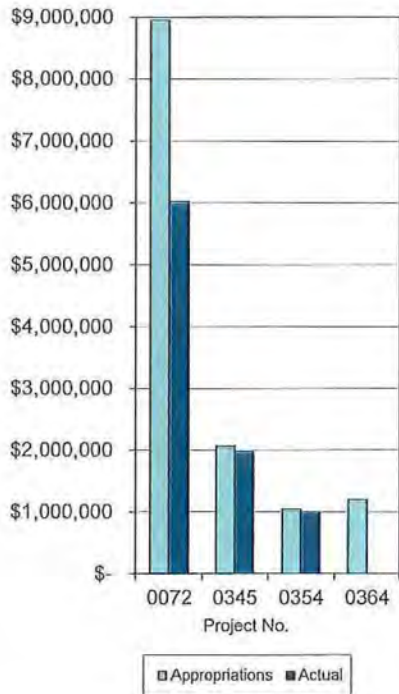


\* Preliminary: subject to future review, reconciliation, accruals, and audit

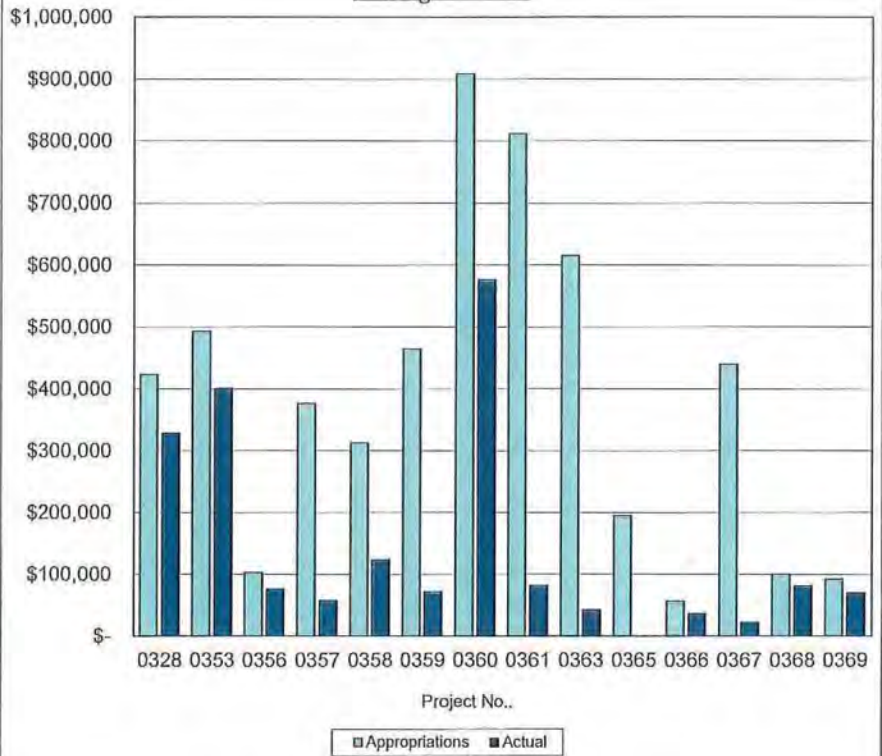
# Leucadia Wastewater District Capital Expenditures

As of February 28, 2018

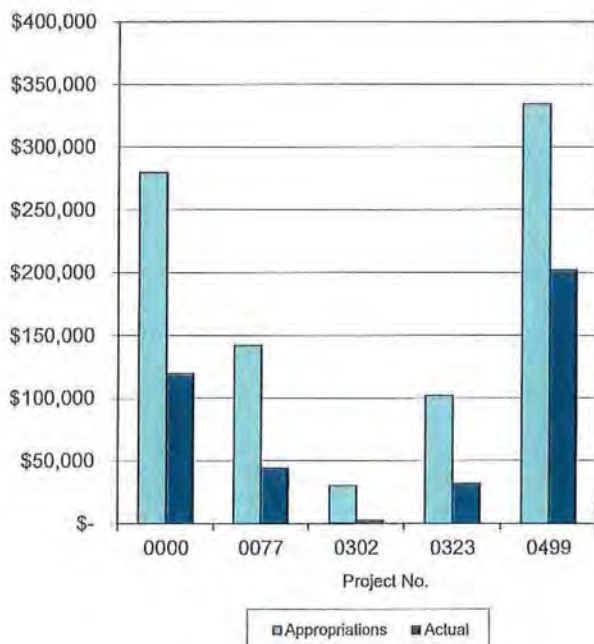
**District Multi Year Capital Expenditures by Project (>\$1M) Through FY2018**



**District Multi Year Capital Expenditures by Project (<\$1M) Through FY2018**



**Single Year Capital Expenditures by Project FY2018**



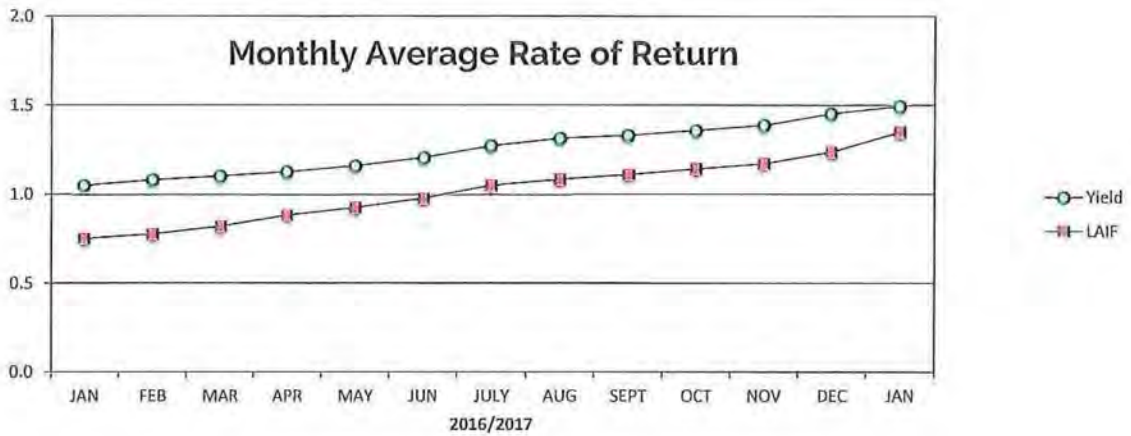
**Project Legend**

Multi-Year Capital Projects		No.
Encina Joint Facility Capital Projects		0072
North SD Water Reuse Coalition Project		0328
Leucadia FM West Section Replacement		0345
FY2016 Gravity Pipeline Rehabilitation		0353
Village Park No. 5 PS Replacement		0354
New Recycled Water Pump Design		0356
La Costa Golf Course Gravity Line Improv		0357
Leucadia Pump Station Rehabilitation		0358
FY2017 Gravity Pipeline Rehabilitation		0359
Gafner AWT Improvements		0360
Poinsettia Station Gravity Pipeline Rehab		0361
FY2018 Gravity Pipeline Rehabilitation		0363
Encinitas Estates Pump Station Replcmnt		0364
Orchard Wood Rd Sewer Rehab		0365
Force Main Corrossion Control		0366
B1 Force Main - North Section Replcmnt		0367
Asset Management Plan		0368
HQ Electric Meter Installation		0369
Single Year Capital Projects		No.
Equipment		0000
Misc. Pipeline Rehabilitation		0077
District Engineering Services		0302
Lateral Replace/Backflow Prevention		0323
LWD Gen'l Cap Labor & O/H Allocation		0499

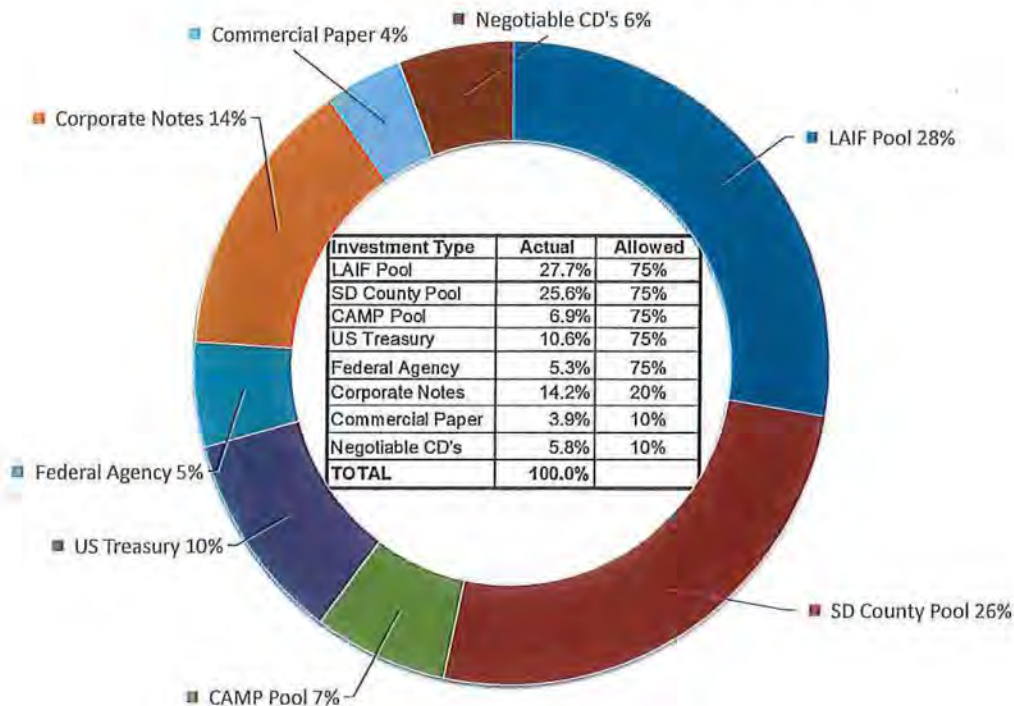
\* Preliminary; subject to future review, reconciliation, accruals, and audit

**LEUCADIA WASTEWATER DISTRICT**  
*Monthly Investment Summary*  
**January 31, 2018**

Cash Equivalents & Investments	Principal (Original Cost)		January Interest	Average Rate
	December 31, 2017	January 31, 2018		
LAIF Pool	\$ 6,382,193	\$ 10,413,477	\$ 9,448	1.350%
SD County Pool	9,634,474	9,652,060	12,416	1.545%
CAMP Pool	2,044,207	2,690,623	2,977	1.430%
CAMP Portfolio				
US Treasury Notes	3,998,281	3,998,281	4,218	1.270%
Federal Agency Mortgage-Backed Securities	5,564	5,527	34	7.370%
Federal Agency Notes	1,975,475	1,979,555	2,598	1.740%
Corporate Bonds/Notes	5,839,653	5,339,963	6,963	1.530%
Commerical Paper	1,481,473	1,481,473	2,086	1.690%
Negotiable CD's	2,199,883	2,199,883	3,610	1.970%
Total Camp Portfolio	15,500,329	15,004,682	19,509	1.570%
<b>Totals</b>	<b>\$ 33,561,203</b>	<b>\$ 37,660,842</b>	<b>\$ 44,349</b>	<b>1.494%</b>

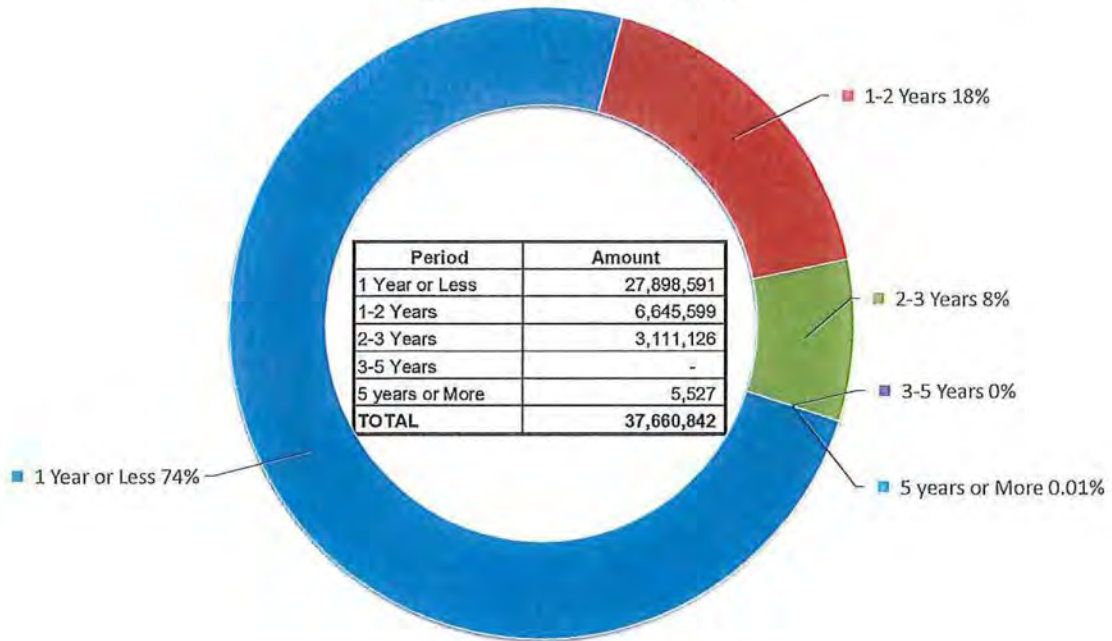


**INVESTMENT DISTRIBUTION BY CATEGORY**

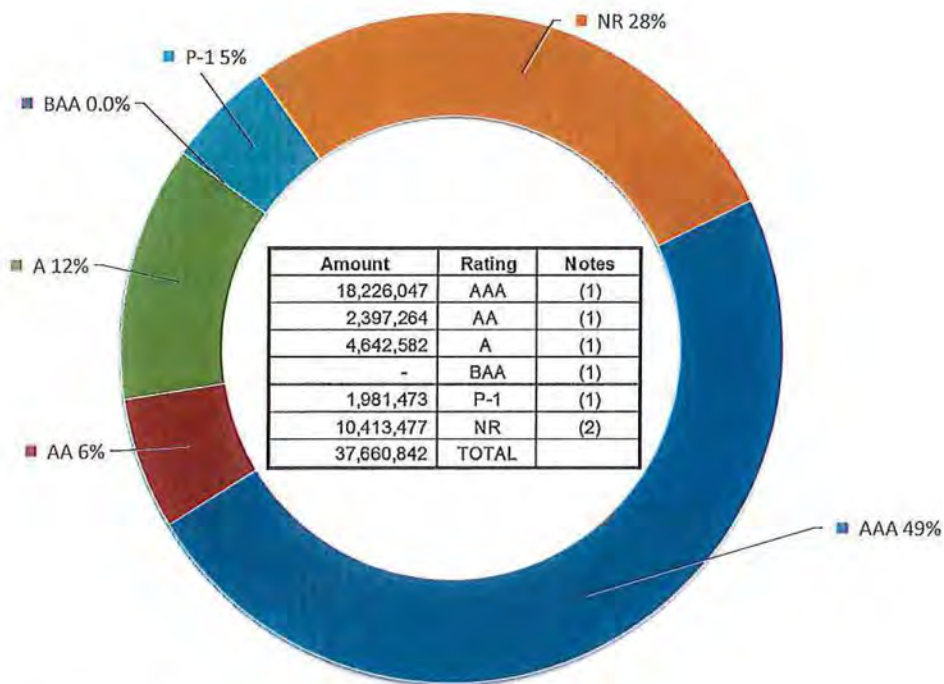


**LEUCADIA WASTEWATER DISTRICT**  
*Monthly Investment Summary*  
**January 31, 2018**  
(Continued)

**REMAINING MATURITY**

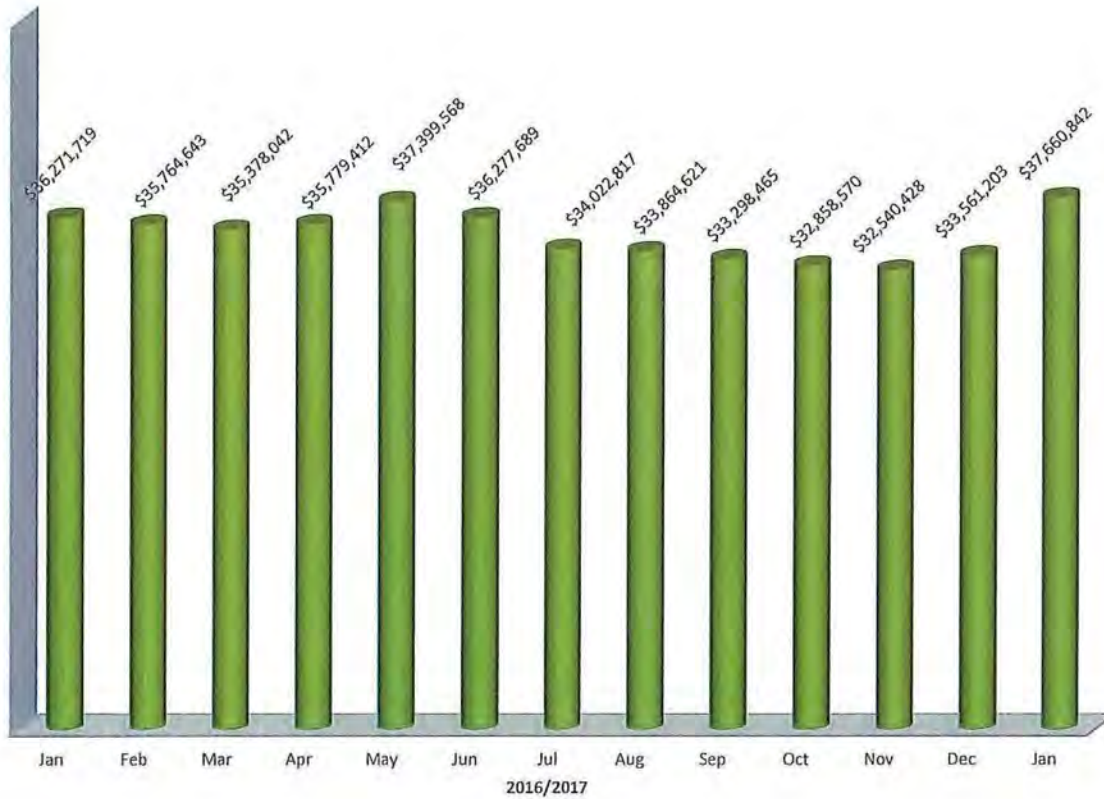


**INVESTMENT RATINGS**



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

**LEUCADIA WASTEWATER DISTRICT**  
*Monthly Investment Summary*  
**January 31, 2018**  
(Continued)



**INVESTMENT TRANSACTIONS**  
*For the months of January, 2018*


Investment	Purchases	Maturities	Sales	Notes	YTM at Cost
GNMA MBS 30-yr Pool		\$ 34		(3)	7.37%
FHLMC Notes		\$ 1,000,000			1.30%
FNMA Notes	\$ 492,510				2.11%
FHLB Notes	\$ 489,960				2.14%
Wells Fargo & Co. Corp Notes		\$ 500,000			1.51%
<b>TOTAL</b>	<b>\$ 982,470</b>	<b>\$ 1,500,034</b>	<b>\$ -</b>		

(3) Monthly principal payments from mortgage pool

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

MEMORANDUM

Ref: 18-6112

DATE: March 8, 2018  
TO: Board of Directors  
FROM: Paul J. Bushee, General Manager   
SUBJECT: February 2018 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 February 2018.

**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. 2291 – 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 February 2018 for your review.

tb:PJB

Attachment

Leucadia Wastewater District  
Disclosure of Reimbursements Report  
February 1-28, 2018

Conference Date	Description	Director	Director	Director	Director	Director	GM	ASM	FSS	FSSup
		J. Hanson	E. Sullivan	D. Omsted	D. Kulchin	A. Juliussen	P. Bushee	R. Duffey	J. Stecker	M.Gonzalez
<i>CSDA Committee Meetings</i>										
CSDA Committee Meetings February 1, 2018 Sacramento, CA	Registration									
	Hotel									
	Airfare		157.96							
	Meals		7.17							
	Rental Car									
	Parking		18.55							
	Tips									
	Fuel/mileage/taxi/uber		90.88							
<b>Total</b>	<b>0.00</b>	<b>274.56</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
<i>CASA D.C. Conference</i>										
CASA D.C. Conference February 25-28, 2018 Washington, D.C.	Registration						200.00			
	Hotel									
	Airfare									
	Meals									
	Taxi/Uber									
	Parking/Misc									
	Tips/Baggage									
	Fuel/mileage/coaster									
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>200.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<i> </i>										
-	Registration									
	Hotel									
	Airfare									
	Meals									
	Rental Car									
	Parking									
	Tips									
	Fuel/mileage/taxi									
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
<i> </i>										
-	Registration									
	Hotel									
	Airfare									
	Meals									
	Rental Car									
	Parking									
	Tips									
	Fuel/mileage/taxi									
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	

Notes:

- PB cancelled CASA DC Conference, was able to receive partial refund on registration (refund \$475 of \$675)



Encina Wastewater Authority Report  
Regular Board Meeting  
February 28, 2018

EWA Board of Directors - Director Juliussen Reporting

1. There were no Action Items to report on.

**Executive Session**

2. The Board of Directors met in closed session to discuss:

Conference with Labor Negotiators as authorized by Government Code §54957.6 – Agency Representatives: Michael Steinlicht, Scott McClelland, and Debbie Allen

Anticipated litigation as authorized by Government Code §54956.(d)(4) - one case: National Oilwell Varco, LP and Flo-Systems, Inc.

Public Employment, Performance Evaluation: General Manager as authorized per Government Code section §54957.

There was no reportable action.

# Community Affairs Committee Meeting Report

Presented by Vice President Kulchin

---

**Meeting held February 26, 2018**

## **1. Review the draft layout of the Winter 2018 newsletter**

The Community Affairs Committee (CAC) reviewed and commented on the draft layout of the Winter 2018 newsletter. Rising Tide Partners (RTP) will make the recommended changes.

The CAC directed staff to move forward with the production of the newsletter and forward the final to the Board for their review prior to printing.

# Investment & Finance Committee Meeting Report

Presented by Director Hanson

---

## **Meeting held March 7, 2018**

1. The Investment and Finance Committee (IFC) received updates on the following:

- Comprehensive Financial Plan Tracking; and
- CalPERS

These items were for informational purposes and they will be discussed later in the agenda.

# Engineering Committee Meeting Report

Presented by Director Juliussen

---

## **Meeting held March 7, 2018**

1. The Engineering Committee (EC) received an update on the status on the direct sale of recycled water to Omni La Costa Resort.

This item was for informational purposes and it will be discussed later in the agenda.

2. The EC also received updates on the following:

- The Gafner AWT Improvements Project; and
- The Poinsettia Train Station Parallel Gravity Pipeline Project

These items were for informational purposes only.

MEMORANDUM

**DATE:** March 8, 2018  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** California Asset Management Program (CAMP) Individual Portfolio Program Status Report

---

**RECOMMENDATION:**

1. This item is presented for information purposes.

**DISCUSSION:**


The LWD Board of Directors initially authorized the investment of up to \$15 million dollars of reserve funds in the CAMP Individual Portfolio Program in November 2004. In April 2006, the Board of Directors authorized the investment of an additional \$5 million into the CAMP Individual Portfolio to bring the total maximum investment up to \$20 million.

Staff has been working closely with the CAMP Program administrator, Public Financial Management (PFM), to invest and reinvest LWD's authorized funding. Mr. Richard Babbe of PFM/CAMP will present a brief overview of the Individual Portfolio Program's performance to date at the meeting.

This item is presented for information purposes and there is no action required.

th:PJB

**MEMORANDUM**

**DATE:** March 8, 2018  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** **Comprehensive Financial Plan Tracking**

---

**RECOMMENDED:**

- 1) This item is presented for information purposes only.

**DISCUSSION:****Tactical Goal: Financial / Financial Plan Update**

This agenda item was presented to the Investment and Finance Committee at their March 7, 2018 meeting. This was included as a goal under "Finances" in the Fiscal Year 2018 (FY18) Tactics & Action Plan.

During 2013, LWD updated the Comprehensive Financial Plan (Plan). The purpose of the Plan is to ensure the financial stability of the District, through a long-term financial planning process that projects future financial conditions and provides guidance in our decision-making process. As you may recall, at the January 2018 meeting, the Board approved a professional services agreement with Raftelis Financial Consultants to update the Plan. Staff is currently working with Raftelis Financial Consultants on updating the Plan.

Each year, following the completion of our annual audit, staff updates the financial model using these audited figures. Staff has completed this year's internal update and will present an overview of how LWD is currently tracking with the 2013 Comprehensive Financial Plan for the committee's information.

th:PJB

## MEMORANDUM

DATE: March 8, 2018  
 TO: Board of Directors  
 FROM: Paul J. Bushee, General Manager  
 SUBJECT: CalPERS Update

**RECOMMENDED:**

- 1) This item is presented for information purposes only.

**DISCUSSION:**

This agenda item was presented to the Investment and Finance Committee at their March 7, 2018 meeting.

The CalPERS Board of Administration approved lowering the CalPERS discount rate assumption (the long-term rate of return) from 7.5% to 7.0% over the next three years. This will increase LWD's PERS contribution costs beginning in Fiscal Year 2019. The discount rate change will be phased in over the next three years as follows:


FY 2019	7.375%
FY 2020	7.250%
FY 2021	7.000%

The changes to LWD's unfunded accrued liability due to this change will be amortized over the next 20 years with a 5 year ramp up at the beginning and a 5 year ramp down at the end. As a result, the increase in the required contributions are expected to continue for seven years from Fiscal Year 2019 through Fiscal Year 2025.

The purpose of this item is to update the Board on this recent change in the CalPERS discount rate assumption and its effect on LWD's required PERS employer contributions. At the upcoming meeting staff will present an overview of the options that LWD could use to address this issue.

rad:PJB

**MEMORANDUM**

**DATE:** March 8, 2018  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Fiscal Year 2019 (FY19) Budget Development Schedule

---

**RECOMMENDED:**

- 1) This item is presented for information purposes only.

**DISCUSSION:**

Staff has commenced the budget development process to prepare the preliminary FY19 Budget. It will be presented, in its entirety, at a Special Board meeting.

Staff is proposing the following FY19 budget schedule:

- 1) Special Board Meeting to review Preliminary FY19 Budget
  - a. Proposed Dates: Tuesday, May 15, 2018 (9:00 – 11:00 AM)  
Wednesday, May 16, 2018 (9:00 – 11:00 AM),  
Thursday, May 17, 2018 (9:00 – 11:00 AM),  
Tuesday, May 29, 2018 (9:00 – 11:00 AM),  
or Wednesday, May 30, 2018 (9:00 – 11:00 AM)
- 2) Board of Directors Review of Final FY19 Budget
  - a. Regular Board Meeting – Wednesday, June 13, 2018

Staff requests that the Board of Directors review the schedule and provide direction to staff regarding the budget development schedule.

th: PJB



**MEMORANDUM**

Ref: 18-6120

**DATE:** March 8, 2018

**TO:** Board of Directors

**FROM:** Paul J. Bushee, General Manager



**SUBJECT:** Board of Director Compensation Adjustment

---

**RECOMMENDATION:**

Staff requests that the Board of Directors:

1. Discuss and provide direction as appropriate.

**DISCUSSION:**

Subsequent to a duly noticed Public Hearing, the Board of Directors adopted Ordinance No. 134 regarding the compensation of Directors on April 13, 2016. Pursuant to applicable sections of the California Water Code (CWC), the Ordinance, which adjusted Director's compensation from \$180 to \$190, became effective 90 days after adoption. This item is presented for the Board's consideration and staff has no recommendation on this matter.

California Water Code Section 20202 provides for a 5% adjustment per calendar year following the operative date of the last adjustment. Since an adjustment occurred in 2016, the Board is eligible for an adjustment not to exceed 10%. The exact amount of the increase, up to the limit, is at the Board's discretion.

A survey of Director's compensation for other agencies is attached for review.

Staff requests that the board discuss this item and, if an increase is recommended, authorize staff to prepare, notice and schedule a public hearing concurrent with the April 2018 Board meeting.

tb:PJB

Attachment


**BOARD OF DIRECTORS  
PER DIEM COMPENSATION COMPARISON  
FEBRUARY 2018**

	<b>DISTRICT</b>	<b>Feb 2017</b>	<b>Feb 2018</b>
1	Carlsbad MWD	\$100.00	\$100.00
2	Eastern MWD	\$216.00	\$223.00
3	Elsinore Valley MWD	\$221.43	\$221.43
4	Encina Wastewater Authority	\$182.00	\$200.00
5	Fallbrook PUD	\$140.71	\$100.00 *
6	Helix Water District	\$200.00	\$200.00
7	Lakeside Water District	\$125.00	\$125.00
8	Leucadia Wastewater	\$190.00	\$190.00
9	Olivenhain MWD	\$150.00	\$150.00
10	Otay Water District	\$100.00	\$100.00
11	Padre Dam MWD	\$137.00	\$137.00
12	Rainbow MWD	\$150.00	\$150.00
13	Ramona MWD	\$100.00	\$100.00
14	Rancho California Water District	\$200.00	\$200.00 **
15	Rincon Del Diablo MWD	\$160.00	\$160.00
16	SDCWA Directors/Officers	\$150/\$180	\$150/\$180
17	San Dieguito Water District	\$100.00	\$100.00
18	Santa Fe Irrigation District	\$150.00	\$150.00
19	South Bay Irrigation District	\$100.00	\$100.00
20	Sweetwater Authority	\$150.00	\$150.00
21	Vallecitos Water District	\$200.00	\$200.00
22	Valley Center MWD	\$100.00	\$100.00
23	Vista Irrigation District	\$200.00	\$200.00
24	Yuima MWD	\$206.00	\$206.00

\* Fallbrook PUD decrease 10/23/2017

\*\*Rancho California Water District will review at March 8, 2018 Board Meeting

**MEMORANDUM**

**DATE:** March 8, 2018  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Call for Nominations to the CSDA Board of Directors Seat A

---

**RECOMMENDATION:**

That the Board of Directors considers the following:

1. Discuss and take action as appropriate.

**DISCUSSION:**

Leucadia Wastewater District received notification that nominations are being solicited for Seat A on CSDA's Board of Directors. Any regular member of an Independent Special District is eligible to nominate one person, a board member or managerial employee, for the election. CSDA Board members serve three year terms. The deadline for receipt of all nominations is April 18, 2018. The nomination form must include a Board resolution/minute action supporting the candidate.

All nominees will receive a Candidate's Packet in the mail. New this year, CSDA will be using a web-based voting system. Electronic ballots will be mailed to the main contact at the District on June 18, 2018. All votes must be received through the system no later than 5:00 p.m. on August 10, 2018. The successful candidates will be notified no later than August 14, 2018 and he/she will be introduced at the Annual Conference in Indian Wells, CA in September.

Staff has no recommendation on this matter and is seeking direction from the Board of Directors. Attached is CSDA's notification letter that includes a list of incumbents, the nomination form, and a map showing the CSDA regions.

tb:PJB

Attachments



**California Special  
Districts Association**  
*Districts Stronger Together*



**DATE:** February 16, 2018  
**TO:** CSDA Voting Member Presidents and General Managers  
**FROM:** CSDA Elections and Bylaws Committee  
**SUBJECT:** **CSDA BOARD OF DIRECTORS CALL FOR NOMINATIONS  
SEAT A**

---

The Elections and Bylaws Committee is looking for Independent Special District Board Members or their General Managers who are interested in leading the direction of the California Special Districts Association for the 2019 - 2021 term.

The leadership of CSDA is elected from its six geographical networks. Each of the six networks has three seats on the Board with staggered 3-year terms. Candidates must be affiliated with an independent special district that is a CSDA Regular member in good standing and located within the geographic network that they seek to represent.  
(See attached CSDA Network Map)

The CSDA Board of Directors is the governing body responsible for all policy decisions related to CSDA's member services, legislative advocacy, education and resources. The Board of Directors is crucial to the operation of the Association and to the representation of the common interests of all California's special districts before the Legislature and the State Administration. Serving on the Board requires one's interest in the issues confronting special districts statewide.

**Commitment and Expectations:**

- Attend all Board meetings, usually 4-5 meetings annually, at the CSDA office in Sacramento.
- Participate on at least one committee, meets 3-5 times a year at the CSDA office in Sacramento.  
*(CSDA reimburses Directors for their related expenses for Board and committee meetings as outlined in Board policy).*
- Attend, at minimum, the following CSDA annual events: Special Districts Legislative Days - held in the spring, and the CSDA Annual Conference - held in the fall.
- Complete all four modules of CSDA's Special District Leadership Academy within 2 years of being elected.  
*(CSDA does not reimburse for expenses for the two conferences or the Academy classes even if a Board or committee meeting is held in conjunction with the events).*

(over)

**Nomination Procedures:** Any Regular Member in good standing is eligible to nominate one person, a board member or managerial employee (as defined by that district's Board of Directors), for election to the CSDA Board of Directors.

- **A copy of the member district's resolution or minute action and Candidate Information Sheet must accompany the nomination.**
- **Deadline for receiving nominations is April 18, 2018. Nominations and supporting documentation may be mailed or emailed to Beth Hummel. No faxes please.**

Mail: CSDA Attention: Beth Hummel  
1112 I Street, Suite 200, Sacramento, CA 95814  
E-mail: [bethh@csgda.net](mailto:bethh@csgda.net)

Once received, nominees will receive a candidate's letter in the mail. The letter will serve as confirmation that CSDA has received the nomination and will also include campaign guidelines.

#### **Expiring Terms**

(See enclosed map for Network breakdown)

**Northern Network** Seat A-Ralph Emerson, GM, Garberville Sanitary District\*  
**Sierra Network** Seat A-Noelle Mattock, Director, El Dorado Hills CSD\*  
**Bay Area Network** Seat A-Robert Silano, Director, Menlo Park Fire Protection District\*  
**Central Network** Seat A-Joel Bauer, GM, West Side Cemetery District\*  
**Coastal Network** Seat A-Elaine Magner, Director, Pleasant Valley Recreation & Park District\*  
**Southern Network** Seat A-Jo MacKenzie, Director, Vista Irrigation District\*  
(\* = Incumbent is running for re-election)

If you have any questions, please contact Beth Hummel at 877-924-CSDA or [bethh@csgda.net](mailto:bethh@csgda.net).

#### **NEW THIS YEAR!**

**This year we will be using a web-based online voting system, allowing your district to cast your vote easily and securely.** *Electronic Ballots will be emailed to the main contact in your district June 18, 2018. All votes must be received through the system no later than 5:00 p.m. August 10, 2018.*

*Districts can opt to cast a paper ballot instead; but you must contact Beth by e-mail [Bethh@csgda.net](mailto:Bethh@csgda.net), by April 18, 2018 in order to ensure that you will receive a paper ballot on time.*

CSDA will mail paper ballots on June 17 per district request only. ALL ballots must be received by CSDA no later than 5:00 p.m. August 10, 2018.

The successful candidates will be notified no later than August 14, 2018. All selected Board Members will be introduced at the Annual Conference in Indian Wells, CA in September 2018.



**California Special  
Districts Association**  
*Districts Stronger Together*

## 2018 BOARD OF DIRECTORS NOMINATION FORM

Name of Candidate: \_\_\_\_\_

District: \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
\_\_\_\_\_

Network: \_\_\_\_\_ (see map on back)

Telephone: \_\_\_\_\_  
(PLEASE BE SURE THE PHONE NUMBER IS ONE WHERE WE CAN REACH THE CANDIDATE)

Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

Nominated by (optional): \_\_\_\_\_

Return this form and a Board resolution/minute action supporting the candidate and Candidate Information Sheet by mail, or email to:

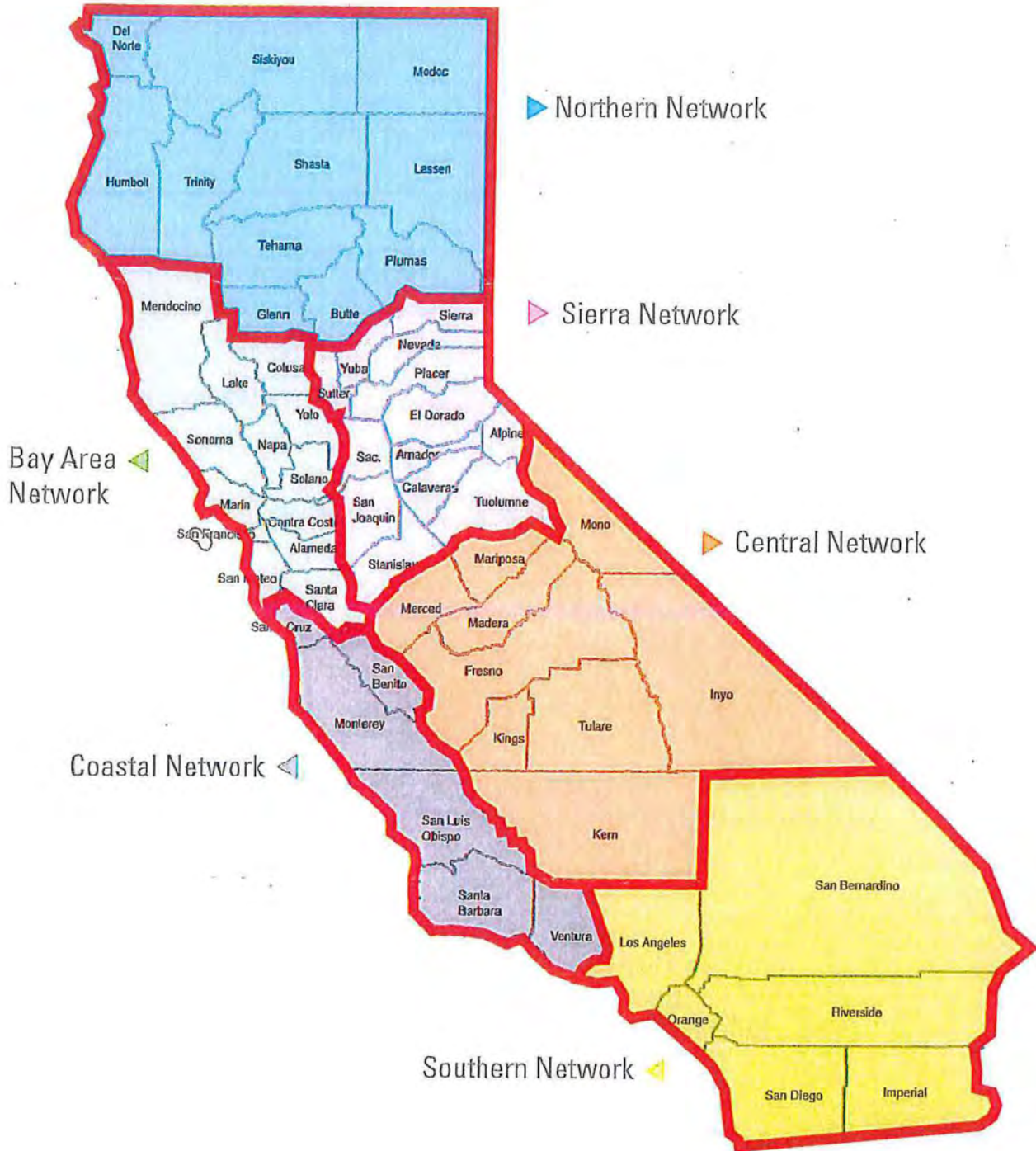
CSDA  
Attn: Beth Hummel  
1112 I Street, Suite 200  
Sacramento, CA 95814  
(877) 924-2732 (916) 442-7889 fax

[bethh@cda.net](mailto:bethh@cda.net)

***DEADLINE FOR RECEIVING NOMINATIONS – April 18, 2018***



California Special Districts Association  
**DISTRICT NETWORKS**





California Special  
Districts Association  
*Districts Stronger Together*

## 2018 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: \_\_\_\_\_

District/Company: \_\_\_\_\_

Title: \_\_\_\_\_

Elected/Appointed/Staff: \_\_\_\_\_

Length of Service with District: \_\_\_\_\_

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

\_\_\_\_\_  
\_\_\_\_\_

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

\_\_\_\_\_  
\_\_\_\_\_

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

\_\_\_\_\_  
\_\_\_\_\_

4. List civic organization involvement:

\_\_\_\_\_  
\_\_\_\_\_

**\*\*Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after May 31, 2018 will not be included with the ballot.**



**DATE:** March 8, 2018  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager  
**SUBJECT:** Recycled Water Program Update



---

**RECOMMENDATION:**

Staff requests that the Board of Directors:

1. Discuss and provide direction, as appropriate.

**DISCUSSION:**

Over the past couple of months, staff has reported on the progress of the Leucadia Wastewater District's discussions with the Omni La Costa Spa & Resort (Omni La Costa) regarding a potential water recycling agreement. Staff noted, as part of these updates, that we have communicated to Carlsbad Municipal Water District (CMWD) staff that the discussions with Omni La Costa were taking place.

CMWD has responded with a "cease and desist" notice regarding LWD's negotiations with Omni La Costa. Subsequent to the notice, the CMWD Board of Directors adopted a resolution authorizing the CMWD's Executive Manager to provide 180-day notice to terminate our existing recycled water agreement. The CMWD staff report did indicate that CMWD plans to negotiate a new recycled water agreement with LWD. Please note that the CMWD Board's action to terminate the agreement caught staff by surprise as we were not notified of CMWD's intent ahead of time.

Staff wants to emphasize that LWD has responded to CMWD's "cease and desist" notice and asserted that LWD has every statutory right to provide recycled water directly to Omni La Costa. To assist with the Board's discussion at the upcoming meeting, staff has attached the following documents for your review:

- CMWD "Cease and Desist" notice dated February 14, 2018
- LWD's response to the notice dated March 5, 2018
- CMWD Resolution 1592 authorizing termination of the recycled water agreement

Staff will present an overview of this issue at the meeting and discuss potential options available to LWD.

PJB

Attachments

**Carlsbad Municipal Water District  
Cease and Desist**



February 14, 2018

**VIA CERTIFIED MAIL**

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

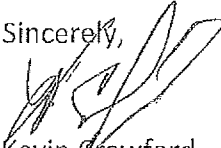
Re: Direct sale of recycled water to Omni La Costa Resort & Spa

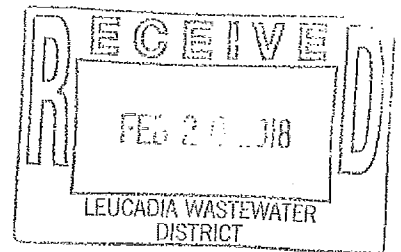
**CEASE AND DESIST**

Dear Mr. Bushee:

It has come to the attention of Carlsbad Municipal Water District staff that Leucadia Wastewater District has been attempting to negotiate an agreement with Omni La Costa Resort & Spa to sell recycled water directly for use on the golf course. As a "recycled water producer" or "recycled water wholesaler" as defined under California Water Code section 13575(b)(4), Leucadia Wastewater District is not authorized to sell recycled water directly to a customer without the agreement of the retail water supplier for that customer, which is the Carlsbad Municipal Water District. Cal. Water Code §§ 13580.5(b); 13580(b). The Carlsbad Municipal Water District does not agree to Leucadia Wastewater District's direct sale of recycled water to our customer. As you are aware, our Agreement for Sale of Recycled Water is expiring this August, and we look forward to negotiating a new agreement to purchase recycled water from you.

If you do not cease and desist your attempts to negotiate for direct sale of recycled water to Omni La Costa Resort & Spa, then the Carlsbad Municipal Water District will have no alternative but to pursue legal remedies. We appreciate your prompt attention to this matter.

Sincerely,  
  
Kevin Crawford,  
Executive Manager



cc: Celia Brewer, General Counsel  
Mathew Dunmyer, Golf Course Maintenance Director, Omni La Costa Resort & Spa

Carlsbad Municipal Water District

5950 El Camino Real | Carlsbad, CA 92008 | 760-438-2722 | 760-431-1601 fax | www.carlsbadca.gov

# **Leucadia Wastewater District Response Letter**



LEADERS IN  
ENVIRONMENTAL  
PROTECTION

BOARD OF DIRECTORS  
Elaine Sullivan, President  
David Kulchin, Vice President  
Judy Hanson, Director  
Allan Juliussen, Director  
Donald F. Omsted, Director  
Paul J. Bushee, General Manager

March 5, 2018

**VIA CERTIFIED MAIL**

Ref: 18-6135

Kevin Crawford, Executive Manager  
Carlsbad Municipal Water District  
5950 El Camino Real  
Carlsbad, California 92008

**Re: Direct Sale of Recycled Water to Omni La Costa Resort & Spa**

Dear Mr. Crawford:

This letter is in response to your February 14, 2018 letter requesting that the Leucadia Wastewater District (LWD) discontinue discussions regarding the direct sale of recycled water to the Omni La Costa Resort and Spa (La Costa). Please note that, as a professional courtesy, LWD communicated its intent to potentially provide recycled water directly to La Costa at a meeting with Carlsbad Municipal Water District (CMWD) staff in December 2017. Unfortunately, this courtesy was not reciprocated when the CMWD Board took action on our agreement last week. We respectfully disagree with your analysis of the California Water Code as it pertains to recycled water and offer the following comments in response:

Your reference to provisions in the Water Recycling Water Act (Health & Safety Code § 13576 et seq.) incorrectly assumes the City is the only authorized retailer of recycled water to La Costa. The City and LWD are both authorized retailers of recycled water under the Act<sup>1</sup>. As a County Water District, LWD is statutorily authorized to provide recycled water directly to the South La Costa Golf Course. (Water Code § 30000 et seq.) LWD's authority was confirmed by the Local Agency Formation Commission ("LAFCO") in 2013, and LWD retains a Master Reclamation Permit authorizing delivery of water to the south course. LWD has provided recycled water directly to the La Costa Golf Course since 1961, at times via an agreement with the City of Carlsbad, and other times, a direct agreement with the customer, most recently in 2013 after the City noticed its intent to terminate its Agreement with the District at that time. The same statutory and permit authority to contract directly with La Costa remains in place today.

We are certainly open to discussions with CMWD regarding an agreement for the continued sale of recycled water. To help you better understand LWD's position on this matter, we thought it would be beneficial to provide a brief history of previous efforts with CMWD regarding recycled water.

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<sup>1</sup> "Retailer" means the retail water supplier in whose service area is located the property to which a customer requests the delivery of recycled water service. Health & Safety Code Section 13580(b). The La Costa Golf Course is within LWD's jurisdictional service area.

We began discussions with CMWD regarding an extended longer-term agreement in 2007. These discussions continued through several generations of CMWD management staff. These efforts ultimately resulted in the execution of the existing five-year agreement in 2013. In terms of infrastructure related facilities such as this, we hope that you can appreciate that a five-year agreement is not optimal for recouping infrastructure improvement costs needed to keep the facility in working order. Since 2013, LWD has initiated several meetings with CMWD staff in an effort to facilitate negotiation of an extended or new agreement and virtually no progress has been made.

It is also important to note that CMWD adopted its Recycled Water Master Plan in 2012, which was concurrent with our discussions regarding an extended agreement. The Master Plan and its associated environmental documents clearly contemplated a new pipeline to serve the La Costa South Golf Course. The proposed CMWD pipeline was planned for the exact same delivery point that LWD has delivered to since the early 1960's and would have effectively stranded over \$6 million in LWD assets that were and continue to be in good working order. We asserted then and maintain now that we do not believe this is the best use of public funds or in the best interest of the public in general.

Furthermore, the North San Diego Water Reuse Coalition, of which both LWD and CMWD are members, was formed to develop a regional approach to recycled water. We believe that the use of all existing assets within the Coalition is vital to helping resolve the State's water issues.

In summary, LWD has expended a great deal of effort over a long period of time to negotiate a long-term recycled water arrangement with CMWD with only the existing short-term agreement to show for it. We reiterate that we are open to discussions regarding a new recycled water agreement with CMWD. However, if reasonable terms cannot be negotiated, we reserve our right to continue discussions with La Costa regarding a direct recycled water arrangement.

Please do not hesitate to contact me at (760) 753-0155 ext. 3014 if you have any questions or would like to schedule a meeting to discuss this matter further.

Best regards,



Paul J. Bushee  
General Manager

cc: Mathew Dunmyer, Omni La Costa Resort & Spa  
Wayne Brechtel, Worden Williams, LLP

**Carlsbad Municipal Water District  
Resolution No. 1592**

**RESOLUTION NO. 1592**

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CARLSBAD MUNICIPAL WATER DISTRICT BOARD (CMWD), AUTHORIZING THE EXECUTIVE MANAGER TO PROVIDE TERMINATION NOTICE TO THE LEUCADIA WASTEWATER DISTRICT FOR THE EXISTING AGREEMENT TITLED "AGREEMENT FOR SALE OF RECYLED WATER TO THE CITY OF CARLSBAD BY THE LEUCADIA WASTEWATER DISTRICT".

WHEREAS, the Carlsbad Municipal Water District (CMWD), provides potable and recycled water to the customers within its defined service area; and

WHEREAS, the use of recycled water is recommended whenever appropriate, consistent with health and safety codes, to minimize the demand on limited potable water supplies; and

WHEREAS, CMWD had access to limited supplies of recycled water in the early years of the development of the Recycled Water Program; and

WHEREAS, on March 25, 1991, CMWD entered into an agreement (Agreement) with the Leucadia County Water District to purchase recycled water. Leucadia County Water District subsequently was renamed the Leucadia Wastewater District (LWD); and

WHEREAS, the term of the Agreement was for 20 years, expiring on March 25, 2011. Section 17 of the Agreement provided for the terms to continue on a year to year basis beyond the expiration date until either party gives one-year written notice of its intention to terminate or renegotiate the Agreement; and

WHEREAS, on May 22, 2012, the CMWD Board approved Resolution No. 1441 authorizing the executive manager to provide termination notice to the LWD for the recycled water purchase agreement titled "Agreement for Sale of Recycled Water to the City of Carlsbad by the Leucadia Wastewater District"; and

WHEREAS, on Sept. 10, 2013, CMWD entered into a five-year term agreement with LWD for purchase of recycled water. Section 17 of the Agreement provided that either party may give 180 days written notice of its intention to terminate the Agreement; and

WHEREAS, CMWD would like to terminate the existing Agreement as it was not meant to be the instrument for a long term agreement, and LWD representatives have expressed interest in having a long term agreement.



NOW, THEREFORE, BE IT RESOLVED by the Carlsbad Municipal Water District Board of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.
2. That the CMWD Board finds that it is in the best interest of the District to terminate the existing Agreement, entitled "Agreement for Sale of Recycled Water to the City of Carlsbad by the Leucadia Wastewater District," with the LWD.
3. That the Board hereby authorizes the executive manager to provide written 180-day termination notice to the LWD consistent with the terms of the Agreement.

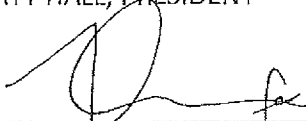
PASSED, APPROVED AND ADOPTED at a Special Meeting of the Carlsbad Municipal Water District of the City of Carlsbad on the 27th day of February, 2018, by the following vote, to wit:

AYES: M. Hall, K. Blackburn, M. Schumacher, C. Schumacher, M. Packard.

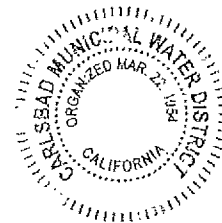
NOES: None.

ABSENT: None.

  
MATT HALL, PRESIDENT

  
BARBARA ENGLESON, SECRETARY

(SEAL)





California Special Districts Association  
1112 I Street, Suite 200  
Sacramento, CA 95814

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## Agenda At A Glance

*Agenda subject to change*

**ADVOCACY DAY: TUESDAY, MAY 22 – 7:30 A.M. - 6:30 P.M.**  
Get updated on what's happening in the Capitol, then join special district leaders from throughout California to take action on the priority issues facing special districts.

- Hear directly from State leadership on hot topics affecting local services and infrastructure.
- Participate in pre-arranged meetings with State Legislators and staff in their Capitol offices, followed by a private reception.
- Explore how decisions are really made in the Capitol and help shape their outcome.

**POLICY DAY: WEDNESDAY, MAY 23 – 8:00 A.M. - 12:00 P.M.**  
Gain insights from legal experts and CSDA lobbyists on the newest laws and legal challenges to come out of Sacramento.

- Connect the action in the Capitol with the implementation in your community.
- Drill into hot topics through breakout sessions on key issues that may affect your district's revenue, governance, public works or personnel.
- Find answers to your tough questions from expert panels.

## HOTEL INFORMATION

**Hyatt Regency Sacramento**  
1209 L Street  
Sacramento,  
CA 95814

CSDA room rate is \$199 plus tax.  
Call to reserve at 1.800.233.1234.

Room reservation cut-off is April 30, 2018.



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California Special Districts Association

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**new**  
**Policy Day**  
**added to 2018**  
**format!**

# SPECIAL DISTRICTS LEGISLATIVE DAYS

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**Gain the edge on policy changes impacting your agency and exchange ideas with California's top decision-makers at the 2018 Special Districts Legislative Days, an interactive and informative two-day legislative conference in our State's Capitol.**

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# SPECIAL DISTRICTS LEGISLATIVE DAYS

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Register at [legislativedays.csda.net](http://legislativedays.csda.net).

**EARLY BIRD PRICING – REGISTER ON OR BEFORE APRIL 20, 2018**

- CSDA Member - \$275 Early Registration / \$325 Regular Registration
- Non-Member - \$365 Early Registration / \$440 Regular Registration

**Three Ways to Register**

- *Online:* Visit [legislativedays.csda.net](http://legislativedays.csda.net)
- *Fax number:* 916.520.2465. All faxed forms must include credit card payment.
- *Mail:* CSDA, 1112 I Street, Suite 200, Sacramento, CA 95814. Please include registration form and payment. Checks should be made payable to: California Special Districts Association.

**Who qualifies for "member" rates?**

All California Special Districts Association and Special District Risk Management Authority members.  
Not sure if you are a member? Simply contact Cathrine Lemaire at [cathrine1@csda.net](mailto:cathrine1@csda.net) or call toll-free at 877-924-2732.  
It's not too late to become a CSDA member.

<p><b>Registration includes the evening reception, legislative visits arranged by CSDA, written materials, and meals as indicated in the agenda.</b>  <b>Payment must accompany registration in order to process.</b></p>		
<input type="checkbox"/> CSDA Member: \$275/EARLY BIRD	<input type="checkbox"/> Non-Member: \$365/EARLY BIRD	Total \$: <input style="width: 100px;" type="text"/>
<input type="checkbox"/> CSDA Member: \$325/AFTER APRIL 20	<input type="checkbox"/> Non-Member: \$440/AFTER APRIL 20	
Name/Title:		
District:		
Address:		
City:	State:	ZIP:
Phone:	Fax:	
Email:		
Emergency Contact Name/Phone Number:		
<b>LEGISLATIVE OFFICE VISITS</b>		
CSDA will make every attempt to schedule meetings, for you and other attendees from your region, with your region's legislative representatives or staff. You will advocate as a group on the top issues facing special districts.		
<input type="checkbox"/> Yes, I want to participate in prearranged meetings in the Capitol. <input type="checkbox"/> No, I do not want to participate in prearranged meetings in the Capitol.		
<b>PAYMENT</b>		
<input type="checkbox"/> Check <input type="checkbox"/> Visa <input type="checkbox"/> MasterCard <input type="checkbox"/> Discover <input type="checkbox"/> American Express		
Acct. name:	Acct. Number:	
Expiration date:	Authorized Signature:	
<b>SPECIAL NEEDS</b>		
<input type="checkbox"/> Vegetarian <input type="checkbox"/> Other:		
CANCELLATION POLICY: Cancellations must be made IN WRITING and received via fax, mail or email no later than three days prior to the event. All cancellations made within the specified time will be refunded less a \$75 processing fee.		