

LEUCADIA WASTEWATER DISTRICT
 Minutes of a Regular Board Meeting
 January 10, 2018

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, January 10, 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, and Hanson

DIRECTORS ABSENT:

OTHERS PRESENT: General Manager Paul Bushee, General Counsel Wayne Brechtel, Administrative Services Manager Richard Duffey, Technical Services Manager Robin Morishita, Field Services Superintendent Jeff Stecker, Executive Assistant Tianne Baity, Field Services Technician Richard Easton, District Engineer Natalie Frascchetti, Andrea Boehling of Raftelis Financial Consultants, Inc., and resident Robert Budd

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 Director Juliussen, seconded by Vice President Kulchin, 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 – Richard (Rick) Easton

GM Bushee introduced Field Services Technician II Rick Easton stating that Rick recently received his Water Distribution Operator Grade D2 certification from the State Water Resources Control Board. He presented background information about Rick and noted that he has been employed with the District since September 2013. He noted that Rick is eligible for a \$500 incentive award under the District's incentive program.

President Sullivan presented Rick with his certificate and the Board of Directors congratulated Rick for his efforts.

CONSENT CALENDAR

7. Approval of Board and Committee Minutes

Minutes of the following meetings:

December 13, 2017 Regular Board Meeting
January 3, 2018 Engineering Committee Meeting
January 4, 2018 Investment and Finance Committee Meeting

8. Approval of Demands for December 2017/January 2018

Payroll Checks numbered 19641 - 19682; General Checking – Checks numbered 50518 - 50615

9. Operations Report (A copy was included in the original January 10, 2018 Agenda)

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

11. Disclosure of Reimbursements

This report discloses travel expense reimbursements for the month of December 2017.

12. Status Update on the Fiscal Year 2018 (FY18) LWD Tactics and Action Plan

Upon a motion duly made by Director Juliussen, seconded by Director Omsted, 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

EWA and COMMITTEE REPORTS

13. Encina Wastewater Authority (EWA) Reports

None.

14. Committee Reports

A. Engineering Committee (EC) Meeting was held on January 3, 2018.

Director Juliussen reported the EC received updates on the Emergency Repair of the Secondary Effluent Force Main and the Poinsettia Station Gravity Pipeline Project. These items were for informational purposes and no action was taken. The Secondary Effluent Force Main will be discussed later in the agenda.

B. Investment and Finance Committee (IFC) Meeting was held on January 4, 2018.

Director Hanson reported the IFC reviewed a recommendation authorizing the General Manager to execute a Professional Services Agreement with Raftelis Financial Consultants, Inc. in an amount not to exceed \$49,867 for the 2018 Financial Plan Update.

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

C. Community Affairs Committee (CAC) Meeting was held on January 9, 2018.

Director Omsted reported the CAC reviewed and agreed with the following Winter 2018 newsletter article topics, along with the production schedule:

- Disaster Preparedness Plan and Special District overview;
- Open House look back;
- Schedule a tour at LWD;
- Homeowner tips;
- CIP/Construction Updates;
- Regulatory Updates;
- LWD Landscape Project;
- Call for local photographers; and
- Standout Achievements

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

ACTION ITEMS

15. 2018 Financial Plan Update

Authorize the General Manager to execute a Professional Services Agreement with Raftelis Financial Consultants, Inc. in an amount not to exceed \$49,867 for the 2018 Financial Plan Update.

ASM Duffey presented the item providing the background information related to the District's Financial Plan. ASM Duffey provided a summary of the procurement process and the results of the proposals. ASM Duffey stated Raftelis Financial Consultants, Inc. (Raftelis) was selected as the most qualified firm because of the thoroughness of its presentation and submission, its experience and familiarity with local wastewater/water agencies, including, Encina Wastewater Authority and the City of Vista, and its proposed financial model.

Vice President Kulchin asked how often the Financial Plan is updated. ASM Duffey answered that it is updated every five years but it is internally updated on an annual basis.

Vice President Kulchin asked when the Financial Plan update will be completed. ASM Duffey answered May 2018.

Ms. Andrea Boehling of Raftelis then presented a demo of how the financial plan model works. The Board thanked Ms. Boehling for her presentation.

Following discussion, upon a motion duly made by Vice President Kulchin, seconded by Director Juliussen and unanimously carried, the Board of Directors authorized the General Manager to execute a Professional Services Agreement with Raftelis Financial Consultants, Inc. in an amount not to exceed \$49,867 for the 2018 Financial Plan Update.

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

16. 2018 Board of Directors Committee Assignments

President Sullivan stated that Director Omsted agreed to trade committees with her so she would be on the Community Affairs Committee and Director Omsted would be on the Human Resources Committee.

President Sullivan asked if any Board members would like to trade Committee assignments. No requests were received.

President Sullivan appointed herself to the Community Affairs Committee and Director Omsted to the Human Resources Committee with the new committee assignments beginning February 2018.

There were no changes to the other committees.

INFORMATION ITEMS

17. Project Status Updates and Other Informational Reports

A. Emergency Repair of the Secondary Effluent Force Main.

TSM Morishita presented background information on the most recent break (December 14th) and a previous break in October 2016 on the Secondary Effluent Force Main (SEFM). He continued that staff, DE Wilson and IEC met to discuss alternatives and have determined that replacing the SEFM in a new alignment is the best option. He continued that the proposed new alignment would place the SEFM in Avenida Encinas. TSM Morishita continued that the new replacement pipeline will tie into a section replaced in 1999.

TSM Morishita stated that the engineer's estimate is \$150K and that Burtech Pipeline will be providing an estimate for the cost of the repair by the end of January. He stated that staff considers this replacement an emergency repair and is targeting to complete the construction during the period that the Gafner AWT is shut down due to ongoing construction.

Director Juliussen commented that this line is the lifeblood of the recycled water project and the repair is a high priority item.

Director Hanson asked if it is possible to get a grant to help with the costs of replacing that section of the force main. TSM Morishita answered that obtaining a Bureau of Reclamation grant could delay the project for up to six months, which would not meet LWD's timeline. He stated that future grants are possible for projects on other sections of the force main.

Director Omsted asked if the portion of the pipe being replaced is a 16 inch line and if it can carry the full recycled water capacity to Gafner. TSM Morishita stated it is 16 inches but some portions are 14 inches. GM Bushee noted that the section being replaced will be able to handle the full capacity in the event that Gafner's output is increased to 3.2 MGD.

The Board concurred with staff's approach to the SEFM replacement.

B. 2018 CWEA San Diego Section Awards Banquet is scheduled for January 27, 2018 at Stone Brewing – Liberty Station in San Diego, CA.

EA Baity stated the date and location for the upcoming awards banquet.

GM Bushee noted that a carpool will leave from the District office at 5:30 p.m. and an email reminder will be sent to the Board.

C. 2018 WateReuse CA Annual Conference is scheduled for March 25-27, 2018 at the Portola Hotel in Monterey, CA.

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

18. Directors' Meetings and Conference Reports

None.

Director Kulchin left the meeting at 5:31 p.m.

19. General Manager's Report

GM Bushee reported on the following items:

- April Board Meeting conflict with the CWEA Annual Conference (this item will be discussed at the February Board Meeting);
- LWD compensation analysis status; and
- Update on the recycled water contract with Omni La Costa Resort

20. General Counsel's Report

GC Brechtel reported on the following items:

- Cloud based records storage; and
- Employer questions prohibited during the employment hiring process

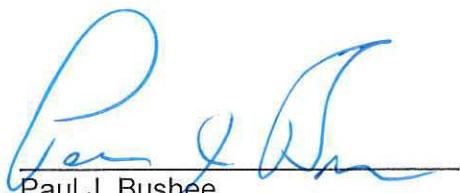
21. Board of Directors' Comments

Director Juliussen stated that he would be attending the EWA Board Meeting on January 24, 2018. Director Juliussen asked if President Sullivan would be calling into the EWA Meeting from the CASA Annual Conference. President Sullivan answered affirmatively.


President Sullivan wished everyone a happy and healthy new year.

22. Adjournment

President Sullivan adjourned the meeting at approximately 5:42 p.m.



Paul J. Bushee
Secretary/General Manager
(SEAL)



Elaine Sullivan, President