

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of a Regular Board Meeting  
 July 12, 2017

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, July 12, 2017 at 5:00 p.m., at the District Administration Office at 1960 La Costa Avenue, Carlsbad, California.

**1. Call to Order**

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

**2. Roll Call**

DIRECTORS PRESENT: Hanson, Kulchin, Juliussen, Omsted  
 DIRECTORS ABSENT: Sullivan  
 OTHERS PRESENT: General Manager Paul Bushee, General Counsel Wayne Brechtel, Administrative Services Manager Richard Duffey, Technical Services Manager Robin Morishita, Field Services Superintendent Jeff Stecker, Executive Assistant Tianne Baity, Administrative Services Supervisor Trisha Hill, Field Services Specialist Ian Riffel, District Engineer Dexter Wilson, Field Services Technician II Hugo Gonzalez

**3. Pledge of Allegiance**

President Hanson led the pledge of allegiance.

**4. General Public Comment Period**

None.

**5. Approval of Agenda**

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

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

**6. Presentations and Awards**

A. Achievement of Individual Award – Hugo Gonzalez

GM Bushee introduced Field Services Technician II Hugo Gonzalez stating that Hugo recently received his Grade 2 Collection System Maintenance certification from CWEA. He stated that this is his third award since his employment and he presented background information about Hugo. He noted that Hugo is eligible for a \$500 incentive award under the District's incentive program.

President Hanson presented Hugo with his certificate and the Board of Directors congratulated Hugo for his efforts.

## CONSENT CALENDAR

### 7. Approval of Board and Committee Minutes

Minutes of the following meetings:

- June 14, 2017 Regular Board Meeting
- June 15, 2017 Community Affairs Committee
- June 19, 2017 Investment and Finance Committee Meeting

### 8. Approval of Demands for June/July 2017

Payroll Checks numbered 19301-19343; General Checking – Checks numbered 49839-49942

### 9. Operations Report (A copy was included in the original July 12, 2017 Agenda)

### 10. Finance Report (A copy was included in the original July 12, 2017 Agenda)

### 11. Disclosure of Reimbursements

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

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

## EWA and COMMITTEE REPORTS

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

#### A. EWA Board Report – Meeting held on June 28, 2017.

Director Juliussen reported on EWA's June 28, 2017 Board meeting.

#### B. An EWA Member Agency Manager's (MAM) Meeting was held on July 11, 2017.

GM Bushee reported on EWA's MAM July 11, 2017 meeting.

### 13. Committee Reports

#### A. Community Affairs Committee (CAC) Meeting was held on June 15, 2017.

Director Kulchin reported that the CAC reviewed the following recommendation:

- Authorize the General Manager to execute Task Order No. 3 to the Rising Tide Partners (RTP) Public Information Services Agreement in an amount not to exceed \$56,600.

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

The CAC reviewed and agreed with the summer newsletter article topics, along with the production schedule. The CAC directed staff to move forward with the newsletter and production schedule.

The CAC also reviewed the Open House Proposed Production Schedule and update of Completed Tasks. This item was for informational purposes only. No action was taken.

B. Investment and Finance Committee (IFC) Meeting was held on June 19, 2017.

Director Omsted reported that the IFC participated in the Financial Audit Entrance meeting with staff and CPA Jennifer Farr, from Davis Farr, LLP.

During the IFC Meeting Ms. Farr noted that they have begun their preliminary audit review. She went over the auditor's responsibilities, the timing of the audit, and the planned scope.

Ms. Farr stated the final phase of the audit will begin September 25, 2017. There was no action taken.

C. Engineering Committee (EC) Meeting was held on July 11, 2017.

Director Juliussen reported that the EC reviewed the following recommendations:

- Ordinance No. 136 - Update of the Leucadia Wastewater District's Wastewater Ordinance; and
- A change order with CCL Incorporated for additional work on the Leucadia (L1) Force Main Replacement Project to install a Cured-In-Place Pipe (CIPP) liner in the force main section on the railroad bridge on La Costa Avenue in an amount not to exceed \$70,000.

The EC concurred with staff to present these recommendations to the Board of Directors and they will be discussed later in the agenda.

The EC also received an update on the Village Park No. 5 (VP5) Pump Station Replacement Project. This item was for informational purposes and no action was taken.

## **PUBLIC HEARING**

**14. A proposal to consider adopting an update to the Leucadia Wastewater District's Wastewater Ordinance.**

President Hanson opened the public hearing for comments. There were no public comments. President Hanson closed the public hearing.

## **ACTION ITEMS**

**15. Update to Leucadia Wastewater District's Wastewater Ordinance  
Adopt Ordinance No. 136.**

FSSpec Riffel presented the recommendation stating it is a fiscal year 2017 tactical goal. He provided background information on this item noting that recently District staff has been encountering illegal discharges of pool plaster into the collection system. As a result, staff has taken a more pro-active

approach to try and minimize, if not eliminate, the number of illegal discharge occurrences.

FSSpec Riffel stated that the changes in this ordinance update include minor clarifying changes and additional enforcement procedures to ensure the safe and proper use of public and private sewer facilities.

President Hanson asked if the District has ever caught anyone illegally discharging pool plaster into the sewer system more than once. FSSpec Riffel answered stating the District has only encountered one contractor discharging pool plaster into the District's sewer system.

Director Kulchin asked how will the public be informed of fines for violations of the ordinance. FSSpec Riffel answered stating the public will be notified through Facebook postings, the District newsletters, and other informational mailings. He noted that the Board approved ordinance is also posted in the San Diego Union Tribune newspaper.

Director Omsted asked how long does it take to remove the pool plaster from the sewer pipes. FSSpec Riffel answered stating a few hours to an entire day but it really depends on how much has been discharged into the system.

ASM Duffey noted that based on staff's time it has been estimated that it would cost about \$2K to remove pool plaster from the sewer system. He noted that violators could be charged this removal/clean-up cost along with the fine for illegally discharging into the sewer system.

GC Brechtel clarified that the fine enforcement procedures apply in three instances at the District's discretion; illegal discharges of anything into the sewer system, physical damages, and failure to comply with a previously issued Notice and Order.

The Board thanked FSSpec Riffel for his presentation.

Following discussion, upon a motion duly made by Director Juliussen, seconded by Director Kulchin, and unanimously carried, the Board of Directors adopted Ordinance 136 - Update to Leucadia Wastewater District's Wastewater Ordinance by the following vote:

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

**16. Public Information Services Task Order No. 3**

Authorize the General Manager to execute Task Order No. 3 to the Rising Tide Partners (RTP) Public Information Services Agreement in an amount not to exceed \$56,600.

ASsup Hill presented the recommendation stating that LWD entered into an agreement with RTP on March 9, 2016 to provide public information services to the District for an initial 3 year period. ASsup Hill stated that Task Order No. 2 was approved in March and covered services through June 30, 2017.

ASsup Hill provided a summary of Task Order No. 3, the scope of work, and the effective date.

President Hanson asked if the task order covered the upcoming open house. ASsup Hill answered stating it covers RTP's services for helping plan and coordinate the open house.

Upon a motion duly made by Director Kulchin, seconded by Director Omsted, and unanimously carried, the Board of Directors authorized the General Manager to execute Task Order No. 3 to the Rising Tide Partners (RTP) Public Information Services Agreement in an amount not to exceed \$56,600 by the following vote:

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

**17. Leucadia (L1) Force Main West Section Replacement Project Proposed Change Order**

Authorize the General Manager to execute a proposed change order with CCL Contracting Inc., for additional work on the L1 Force Main Replacement Project to install a Cured-In-Place Pipe (CIPP) liner in the force main section on the railroad bridge on La Costa Avenue in an amount not to exceed \$70,000.

TSM Morishita presented the item indicating that it is a tactical goal under the Technology and Infrastructure Strategy. He stated that as part of the L1 work, CCL Contracting was required to hydrostatically test the newly constructed pipeline to ensure proper installation. He noted that a pinhole leak was discovered at the top of the ductile iron pipe (DIP) section attached to the railroad bridge.

TSM Morishita stated that the section of pipe on the railroad bridge was not included for replacement under the L1 Project because it was replaced in 1998 and was considered to be in good condition. However, staff believes that it is in the best interest of the District to repair the railroad bridge section now to ensure the long-term integrity of the pipe. TSM Morishita stated that staff negotiated a repair cost not to exceed \$70,000 and believes that this cost is fair and reasonable.

Director Omsted asked what caused the hole in the pipe. TSM Morishita answered it was caused by internal corrosion. Director Omsted asked if other sections of the pipe could also have holes. TSM Morishita answered that the section west of the bridge had the same issue but that section of pipe was already replaced.

Following discussion, upon a motion duly made by Director Juliussen, seconded by Director Omsted, and unanimously carried, the Board of Directors authorized the General Manager to execute a proposed change order with CCL Contracting Inc., for additional work on the L1 Force Main Replacement Project to install a CIPP liner in the force main section on the railroad bridge on La Costa Avenue in an amount not to exceed \$70,000 by the following vote:

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

**18. CSDA Board of Directors 2017 Elections – Seat C**

Review CSDA Board of Directors candidate statements, discuss and provide direction as appropriate.  
EA Baity presented the item stating that CSDA is requesting its members to vote for a candidate for Seat C for the southern network region. She noted the candidates' names and that staff has no recommendation.

Following discussion, upon a motion duly made by Director Omsted, seconded by Director Kulchin, and unanimously carried, the Board of Directors voted for Arlene Schafer of the Costa Mesa Sanitary District for Seat C of the CSDA Board of Directors by the following vote:

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

**19. Receive and file the Fiscal Year 2017 (FY17) Tactics and Action Plan**

GM Bushee presented the item stating that the District has accomplished over 100 goals. He provided highlights of the completed tactical goals from each strategic area listed in Plan.

Following discussion, upon a motion duly made by Director Kulchin, seconded by Director Omsted, and unanimously carried, the Board of Directors received and filed the FY17 Tactics and Action Plan by the following vote:

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

**20. Adopt the Fiscal Year 2018 (FY18) Tactics and Action Plan**

GM Bushee presented the item stating the Plan includes over fifty tactical goals. He provided the highlights of the Plan, which include the following:

- Financial Plan update;
- Continuing to update safety policies and procedures;
- Employee Satisfaction Survey;
- Open House Event;
- Smoke testing near Highway 101 and Diana Pump Station;
- New administration electrical meter;
- Asset Management Plan update;
- Pointsettia Project; and
- Leucadia Pump Station Project

Director Kulchin asked if the District employees have conducted first aid CPR training recently. ASsup Hill answered affirmatively noting that all employees received first aid CPR training in January 2017.

GM Bushee noted that first aid CPR training is conducted every two years and that the Board can be notified of future trainings if they wish to be certified or re-certified in first aid CPR.

Following discussion, upon a motion duly made by Director Omsted, seconded by Director Juliussen, and unanimously carried, the Board of Directors adopted the FY18 Tactics and Action Plan by the following vote:

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

### **INFORMATION ITEMS**

#### **21. Project Status Updates and Other Informational Reports**

- A. Carlsbad State of the City Luncheon will be held Friday, August 18, 2017 at the Sheraton Carlsbad Resort & Spa.

EA Baity announced the date, time, and location of the Carlsbad State of the City Luncheon.

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

President Hanson stated she attended a regular LAFCO meeting. She provided a summary of the meeting and noted that LAFCO is one step closer to finding a replacement for the retiring Executive Director, Michael Ott.

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

GM Bushee reported on the following items:

- He will be presenting an overview of the Leucadia Wastewater District to the Solana Beach Eco-Rotary on July 18<sup>th</sup>; and
- He will be out of the office July 28<sup>th</sup> – August 4<sup>th</sup> visiting family back east.

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

General Counsel Brechtel reported on the following item:

- Class action law suit challenging Ramona Municipal Water District's wastewater fee structure.

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

None.

#### **26. Closed Session**

- A. Personnel matters as authorized by Government Code 54957 to review General Manager Performance.

The Board of Directors met in closed session. General Counsel Brechtel reported that the Board of Directors reviewed GM Bushee's performance. He stated that the Board agreed that the General Manager's performance was overall excellent.

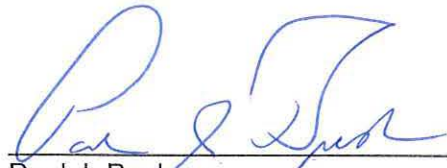
The Board then reviewed the General Manager's compensation in open session.

Upon a motion duly made by Director Kulchin, seconded by Director Omsted, and carried, the Board of Directors approved a 2.5% salary increase from \$216,069.53 to \$221,471.27 by the following vote:

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

**27. Adjournment**

President Hanson adjourned the meeting at approximately 6:00 p.m.



Paul J. Bushee  
Secretary/General Manager  
(SEAL)

  
Judy Hanson, President