

LEUCADIA WASTEWATER DISTRICT
 Minutes of a Regular Board Meeting and Public Hearing
 June 10, 2015

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, June 10, 2015 at 5:00 p.m., at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

1. Call to Order

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

2. Roll Call

DIRECTORS PRESENT: Juliussen, Omsted, Hanson, and Kulchin
 DIRECTORS ABSENT: Sullivan
 OTHERS PRESENT: General Manager Paul Bushee, General Counsel Tomer Gutman, Administrative Services Manager Chuck LeMay, Superintendent Jeff Stecker, Executive Assistant Trisha Hill, District Engineer Steve Deering with Dudek, CPA Richard Duffey with Brownell & Duffey, Field Services Technicians Todd Amos and Ryan Rodriguez, Tracy and Ruby Willard, Sylvia and Sidney Gudger (students of Flora Vista Elementary School), John Williams of Flora Vista Elementary School, Lois and Mike Humphreys, Jennifer Beales of TRG Associates.

3. Pledge of Allegiance

President Juliussen led the pledge of allegiance.

4. General Public Comment Period

No public comment was received.

5. Approval of Agenda

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

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

6. Presentation and Awards

A. Flora Vista Elementary School's Public Service Announcement video presentation.

EA Hill stated that John Williams and students of Flora Vista Elementary are present at tonight's meeting to present their Teacher Grant Public Service Announcement video.

Mr. Williams thanked the Board for the Teacher Grant award and the opportunity to work with the students that created this video.

The Board of Directors thanked Mr. Williams and students for creating the video.

GM Bushee thanked Mr. Williams and the students for producing the FOG video noting that it is the most unique Teacher Grant project completed to date.

EA Hill noted that the video will be posted on LWD's Facebook page and website. Ms. Beales also stated that the video will be submitted for an award at an upcoming art festival.

B. FSTs Todd Amos and Ryan Rodriguez receive professional achievement awards.

GM Bushee presented the awards. GM Bushee introduced FST II Todd Amos stating that Todd recently received his Water Distribution Operator Grade D2 certification from the State of California State Water Resources Control Board. He noted that he is eligible for a \$500 incentive award for his accomplishment.

GM Bushee also introduced FST-In-Training Ryan Rodriguez stating that he recently received his Water Distribution Operator Grade D2 certification from the State of California State Water Resources Control Board. He noted that Ryan is eligible for a \$500 incentive award for his accomplishment.

The Board of Directors congratulated Todd and Ryan for their accomplishments.

CONSENT CALENDAR

7. Approval of Board and Committee Minutes

Minutes of the following meetings:

May 13, 2015 Regular Board Meeting
May 27, 2015 Special Board Meeting
June 2, 2015 Community Affairs Committee Meeting
June 3, 2015 Engineering Committee Meeting

8. Approval of Demands for May/June 2015

Payroll Checks numbered 17939-17979; General Checking – Checks numbered 46807-46897

9. Operations Report (A copy was included in the original June 10, 2015 Agenda)

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

11. Disclosure of Reimbursements (A copy was included in the original June 10, 2015 Agenda)

12. Establishing an Appropriations Limit of the LWD for FY 16

Adopt Resolution No. 2260 – Establishing an Appropriations Limit of the Leucadia Wastewater District (LWD) for the Fiscal Year 2016 (July 1, 2015 – June 30, 2016) Pursuant to Article XIII (B) of the California Constitution.

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

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

EWA and COMMITTEE REPORTS

13. Encina Wastewater Authority (EWA) Reports

- A. EWA Board Report – Meeting was held on May 27, 2015.

Director Hanson reported on EWA's May 27, 2015 Board meeting for President Juliussen.

- B. An Encina Member Agencies Manager's (MAM) Meeting was held on June 2, 2015.

GM Bushee reported on MAM's June 2, 2015 meeting. Director Kulchin asked for clarification about the MAM discussion on EWA's proposed staffing recommendations. GM Bushee responded that the purpose of the MAM discussion was to get clarification on the need of the positions and to make suggestions to the Board if necessary. He noted that the final decision is with the EWA Board of Directors.

President Juliussen noted that he suggested to EWA's General Manager that the MAM discuss EWA's staffing recommendation.

14. Committee Reports

- A. Community Affairs Committee (CAC) meeting was held on June 2, 2015.

Vice President Omsted reported that the CAC reviewed Task Order No. 5 of the TRG & Associates professional services agreement for as needed public information services in an amount not to exceed \$34,090. He stated that the CAC agreed with staff's recommendation and it will be reviewed by the Board later in the agenda.

He also reported that the CAC discussed the flushable wipes issue indicating that another meeting will be scheduled to further discuss other outreach efforts related to flushable wipes.

- B. Engineering Committee (EC) meeting was held on June 3, 2015.

Director Kulchin reported that the EC reviewed a sole source purchase agreement with Rockwell Solutions for the purchase of three new Vaughan Chopper Pumps as part of the Saxony Pump Station Rehabilitation Project in an amount not to exceed \$81,865. He noted that the EC agreed with staff's recommendation and it will be reviewed later in the agenda. The EC also reviewed staff's recommendation to replace two older Vactors with one new Vactor.

He also reported that the EC received an update on the B1/B2 Force Main Replacement Project and the Lanikai Gravity Line Manhole Rehabilitation Project.

OLD BUSINESS

15. Adopt the Fiscal Year 2016 (FY 16) Budget.

ASM LeMay presented the item stating that the Board reviewed the recommended FY 16 Budget at their Special Board meeting on May 27, 2015. He stated that during the meeting, the Board directed staff to finalize the budget. He stated that staff recommends that the Board adopt the FY 16 Budget.

Director Kulchin stated that there is one issue within the Administration portion of the Budget. He stated that he has an issue with the management support item budgeted for \$42,000 noting that the amount is minor in comparison with the entire budget; however, the issue is the way the contract is structured as a retainer for Mr. Jeff Bills. He suggested that it be discontinued. He added that he would prefer a tasked based contract rather than a retainer contract.

GM Bushee stated that he understands the Board's concern and will terminate the existing contract with Confidence Consulting. However, he would like to keep the management support item in the budget noting that any work needed by Confidence Consulting would be completed by task order within his signature authority.

Directors Kulchin and Hanson were satisfied with GM Bushee's suggestion.

Director Hanson stated that she will approve the FY 16 Budget, however, she noted that she also has an issue with the FY 16 organizational chart.

Following discussion, upon a motion duly made by Vice President Omsted, seconded by Director Kulchin, and unanimously carried, the Board of Directors adopted the FY 16 Budget by the following vote:

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

PUBLIC HEARING

16. Public Hearing to consider the following:

A proposal to consider collecting the District's Wastewater Service Charge for Fiscal Year 2016 (FY 16) on the San Diego County Tax Roll.

President Juliussen opened the public hearing for comments. GM Bushee stated that the District has not received any comments on the item. President Juliussen closed the public hearing.

ACTION ITEMS

17. Collection of Wastewater Service Charges on the County Tax Roll for FY 16

Adopt Resolution No. 2261 Adopting and Approving the Report for the Collection of Wastewater Service Charges on the County Tax Roll for the Fiscal Year July 1, 2015 – June 30, 2016.

Upon a motion duly made by Vice President Omsted, seconded by Director Hanson, and unanimously carried, the Board of Directors adopted Resolution No. 2261 – Adopting and Approving the Report for the Collection of Wastewater Service Charges on the County Tax Roll for the Fiscal Year July 1, 2015 – June 30, 2016 by the following vote:

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

18. Award of Purchase Agreement to Rockwell Solutions for Replacement Pumps for the Saxony Pump Station Rehabilitation Project.

Authorize the General Manager to execute a sole source purchase agreement with Rockwell Solutions for the pre-purchase of three new Vaughan Chopper Pumps as part of the Saxony Pump Station Rehabilitation Project in an amount not to exceed \$81,865.

Superintendent Stecker presented the item stating that the EC reviewed this item at its June 3, 2015 meeting. He provided background information on the Saxony Pump Station Rehabilitation Project noting that it is in design phase. He stated that there is a need for chopper pumps and indicated that IEC has recommended that the District pre-order Vaughan Chopper Pumps to have them ready for installation and prevent delaying the project.

Upon a motion duly made by Director Hanson, seconded by Vice President Omsted, and unanimously carried, the Board of Directors authorized the General Manager to execute a sole source purchase agreement with Rockwell Solutions for the pre-purchase of three new Vaughan Chopper Pumps as part of the Saxony Pump Station Rehabilitation Project in an amount not to exceed \$81,865 by the following vote:

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

19. Unrepresented Employees Salary and Benefits Resolution.

Adopt Resolution No. 2259 - Setting Forth Salaries, Benefits and other Working Conditions for Unrepresented Employees for the Period July 1, 2015 to June 30, 2016.

ASM LeMay presented the item stating that LWD employees are not formally organized and are

considered unrepresented. He noted that the employees met during April 2015 and presented to management compensation related items for consideration. These items were incorporated into the recommendations reviewed at the May 27th Special Board meeting. He added that this Resolution will clearly identify employees' salaries and benefits. In addition, he stated that CalPERS requires that the District adopt a resolution for certain items within the resolution. ASM LeMay summarized the key Resolution changes that were authorized by the Board during their May 27th Special Board meeting.

Director Kulchin asked staff to explain the need of the Administrative Supervisor position. ASM LeMay noted that this position was authorized under the reorganization. GM Bushee added that the need of the position is due to the retirement of the Administrative Services Manager position and that staff is following the District's Succession Policy. He briefly explained the duties of the new position.

Director Kulchin questioned the new duties and asked if the new position will have increased complexities. GM Bushee replied that the position will involve increased complexity.

Vice President Omsted commented that he understands the need of the new position and that it would be difficult for CPA Duffey to assume the current duties of the ASM while still continuing the financial services that he currently provides the District.

Following discussion, upon a motion duly made by Vice President Omsted, seconded by Director Kulchin, and unanimously carried, the Board of Directors adopted Resolution No. 2259 – Setting Forth Salaries, Benefits and other Working Conditions for Unrepresented Employees for the Period July 1, 2015 to June 30, 2016 by the following vote:

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

20. Approving the Recommended Encina Wastewater Authority FY 16 Budgets

Adopt Resolution No. 2262 – Approving the Recommended Encina Wastewater Authority (EWA) Fiscal Year 2016 (FY 16) Operating and Capital Budgets.

ASM LeMay presented the item stating that staff recommends approving the EWA FY 16 Budgets. He noted the Operating and Capital Budget amounts.

Upon a motion duly made by Director Hanson, seconded by Director Kulchin, and unanimously carried, the Board of Directors adopted Resolution No. 2262 – Approving the Recommended Encina Wastewater Authority (EWA) FY 16 Operating and Capital Budgets by the following vote:

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

21. Resolution No. 2264 – Updating LWD’s Records Retention Policy and Schedules.

EA Hill presented the item stating that it is a goal in the Fiscal Year 2015 (FY 15) Tactics and Action Plan. She indicated that the current policy is the State of California’s Records Management Guidelines and that the revised policy is customized to the District’s services. She also stated that the revised policy will address the retention of emails and it will include procedures. In addition, she stated that the policy was reviewed by the District’s General Counsel.

Upon a motion duly made by Director Hanson, seconded by Vice President Omsted, and unanimously carried, the Board of Directors adopted Resolution No. 2264 – Updating LWD’s Records Retention Policy and Schedules by the following vote:

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

22. Public Information Services Task Order No. 5

Authorize the General Manager to execute Task Order No. 5 to the TRG & Associates Public Information Services Agreement in an amount not to exceed \$34,090.

ASM LeMay presented this item stating the purpose of Task Order No. 5 and indicating that the task order includes the District’s annual public outreach activities.

Director Kulchin asked if staff will advertise a Request for Proposals (RFP) at the conclusion of TRG’s two year extension. ASM LeMay indicated that an RFP process would be conducted.

Upon a motion duly made by Vice President Omsted, seconded by Director Hanson and unanimously carried, the Board of Directors authorized the General Manager to execute Task Order No. 5 to the TRG & Associates Public Information Services Agreement in an amount not to exceed \$34,090 by the following vote:

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

INFORMATION ITEMS

23. Project Status Updates and Other Informational Reports

A. North County Water Summit is scheduled for Thursday, July 16, 2015 from 8AM-10AM.

GM Bushee announced the meeting date for the North County Water Summit. He also discussed the topic of the meeting.

- B. Thank you letter from Encinitas Union School District Superintendent Timothy Baird.

GM Bushee stated that the thank you letter was for the school's Teacher Grants.

- C. LWD 2015 Employee Luncheon is schedule for Thursday, July 9, 2015.

EA Hill announced the date and location of LWD's 2015 Employee Luncheon.

- D. Carlsbad Chamber of Commerce State of the City Luncheon is scheduled for Friday, August 21, 2015 from 11AM to 1:30PM at the Sheraton Carlsbad Resort & Spa.

EA Hill announced the event's date and time, noting that it conflicts with the last day of the CASA Conference. She asked the Board to RSVP with her if they would like to attend.

- E. Letter to the Board of Directors from White Nelson Diehl Evans LLP regarding the FY 15 audit.

CPA Duffey stated that the attached letter, Communication with Those Charged with Governance, was sent to the Board of Directors to inform the Board of the upcoming audit and its schedule.

GM Bushee noted that staff plans on scheduling an audit entrance meeting with the Investment & Finance Committee in July or August.

24. Directors' Meetings and Conference Reports

- A. The 2015 CSDA Legislative Days Conference was held at the Sacramento Convention Center on May 19-20, 2015 in Sacramento, CA.

Director Hanson reported that the conference was very informative and Board members were able to meet with local legislature representatives.

25. General Manager's Report

- Superintendent Stecker has scheduled tours for June 12th and July 22nd. He noted that both tours will be for LWD's customers.

26. General Counsel's Report

None.

27. Board of Director's Comments

Director Kulchin urged staff to continue its public outreach efforts including additional tours and presentations to local service clubs. He noted that intense outreach efforts need to show residents what we do at the District.

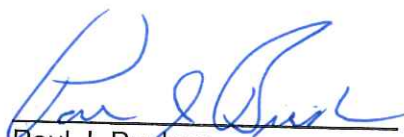
Director Hanson noted that former LWD General Counsel Dwight Worden is performing tonight at the Encinitas Library.

Vice President Omsted stated that he was elected to the League of Women Voters (LWV) Board of Directors. He stated that their meeting was held at the District office today. He added that Mark Weston spoke to the LWV about Direct Potable Reuse.

President Juliussen reported that he was re-elected to his third term on the Encinitas Proposition P Oversight Committee for another year and he will attend their June 23rd meeting.

28. Adjournment

President Juliussen adjourned the meeting at 5:58 p.m.



Paul J. Bushee
Secretary/General Manager
(SEAL)



Allan Juliussen, President