

LEUCADIA WASTEWATER DISTRICTMinutes of a Regular Board Meeting
March 8, 2017

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, March 8, 2017 at 5:00 p.m., at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

1. Call to Order

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

2. Roll Call

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

DIRECTORS ABSENT: None

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, District Engineer Steve Deering, FST III Todd Amos, FST II Rick Easton, and Jaime Fagnant of Infrastructure Engineering Corporation (IEC)

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 Vice President Sullivan, and unanimously carried, the Board of Directors approved the agenda by the following vote:

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

6. Presentations and Awards**A. California Society of Municipal Finance Officers (CSFMO) Award.**

GM Bushee presented the item. He stated that the District received this award for its outstanding financial reporting associated with the District's Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2016. He noted that this is the 8th time the District has received this award and he thanked ASM Duffey, AT McEniry, and ASSup Hill for their efforts with the CAFR.

The Board of Directors congratulated staff for receiving this award.

CONSENT CALENDAR

7. Approval of Board and Committee Minutes

Minutes of the following meetings:

February 8, 2017 Regular Board Meeting
February 23, 2017 Special Board Meeting
March 1, 2017 Engineering Committee Meeting

8. Approval of Demands for February/March 2017

Payroll Checks numbered 19071-19133; General Checking – Checks numbered 49348-49432

9. Operations Report (A copy was included in the original March 8, 2017 Agenda)

10. Finance Report (A copy was included in the original March 8, 2017 Agenda)

11. Disclosure of Reimbursements

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

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

Director	Vote
President Hanson	Yes
Vice President Sullivan	Yes
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 February 22, 2017.

Director Sullivan reported on EWA's February 22, 2017 Board meeting.

B. EWA Member Agency Manager's (MAM) - Meeting held on March 7, 2017.

GM Bushee reported on MAM's March 7, 2017 meeting.

13. Committee Reports

A. Engineering Committee (EC) Meeting was held on March 1, 2017.

Director Juliussen reported that the EC reviewed the following recommendation:

- Authorize the General Manager to execute Amendment Number 2 to Task Order Number 31 with Infrastructure Engineering Corporation (IEC) for engineering design services to design a future Recycled Water Pump Station in an amount not to exceed \$53,305.

The EC concurred with staff to recommend that the Board authorize the General Manager to execute Amendment No. 2 to Task Order 31 with IEC and it will be discussed later in the agenda.

The EC also received a Tactical Goal update on evaluating the need for a small vehicle to tow the mini-jetter for hydro-cleaning. This item was for informational purposes and no action was taken.

ACTION ITEMS

14. Tactical Goal Update - Evaluate the Need for a Confined Space Entry Equipment Trailer

FST III Amos presented the results of an evaluation for a Confined Space Entry Equipment Trailer. He stated that the evaluation is a Fiscal Year 2017 Tactical Goal. FST III Amos stated it would be beneficial and efficient to have the equipment stored and transported in a single trailer. FST III Amos noted the estimated cost of the trailer is around \$25-30K and the trailer would be customizable and towable. He stated that as a result of the evaluation, staff believes that the trailer is needed for safety and efficiency.

Vice President Sullivan asked if all the items for confined space entry are currently stored in different places. FST III Amos answered stating the confined space items are stored together in one building but require the use of multiple vehicles for transport since the items won't fit in one vehicle.

GM Bushee noted that at the February EC meeting, the EC directed staff to move forward with the purchase of the confined space equipment trailer for Fiscal Year 2017.

Director Omsted asked how often the field services staff run across toxic gas in the sewers. FST III Amos answered stating it is more common in the pump stations.

President Hanson asked if LWD has had any confined space accidents. FST Amos stated LWD has had no confined space accidents.

The Board thanked FST III Amos for his presentation.

15. Tactical Goal Update - Evaluate the Need to Replace District Dump Truck with a Multi - Purpose Truck to Tow the ACME (Big Blue) Emergency Pump

FST II Easton presented the results of an evaluation of a vehicle to replace the District's Dump Truck. He stated that the evaluation is a Fiscal Year 2017 Tactical Goal. FST II Easton stated that the goals were to evaluate replacing the District's dump truck with a heavy duty vehicle to tow Big Blue and to define the capabilities and benefits of the new truck. He noted a comparable replacement vehicle would be a Ford F-750 flatbed truck. He also stated that the new truck estimated cost is between \$72-80K and the new truck would be emissions compliant, safer to drive, have an automatic transmission and improve fuel efficiency and maneuverability.

GM Bushee noted that at the February EC meeting, the EC directed staff to move forward with budgeting the purchase of a multi-purpose heavy duty truck for Fiscal Year 2018.

President Hanson asked how often Big Blue is used. FST II Easton answered a minimum of two times per year.

The Board thanked FST II Easton for his presentation.

16. Authorize the General Manager to execute Amendment Number 2 to Task Order Number 31 with Infrastructure Engineering Corporation (IEC) for engineering design services to design a future Recycled Water Pump Station in an amount not to exceed \$53,305.

TSM Morishita presented this item indicating it was reviewed by the EC at its March 1st meeting. He noted it is a Fiscal Year 2017 Tactical Goal. TSM Morishita provided background of the North San Diego Water Reuse Coalition (Coalition) and on California Proposition 84 (Prop 84) grant funding for the North San Diego County Regional Recycled Water Project (RW Project). He explained that the Prop 84 grant provides \$90,000 for the District to design the pump station. He said this design grant expires in May 2017.

TSM Morishita stated that in January 2017, staff executed Task Order Number 31 with IEC to conduct a Preliminary Design Review (PDR). He stated that Amendment Number 2 to the task order is for pump station design. TSM Morishita said that IEC submitted a proposal for \$53,305 for engineering design services that included survey and final design. TSM Morishita continued that staff believes the proposal is fair and reasonable and recommends that the Board authorize the General Manager to execute the amendment.

Director Kulchin asked if there was any fiscal impact on the District. TSM Morishita answered stating the District has to first fund the money and then ask for a reimbursement from the State.

President Hanson asked if we need to have an agreement prior to receiving reimbursement. GM Bushee explained that if we have the design, we can submit the design costs for reimbursement.

Director Omsted asked if all the work will be completed by May. GM Bushee stated all the design work will be completed by May.

Following discussion, upon a motion duly made by Director Juliussen and seconded by Director Omsted, and unanimously carried, the Board of Directors authorized the General Manager to execute Amendment Number 2 to Task Order Number 31 with Infrastructure Engineering Corporation (IEC) for engineering design services to design a future Recycled Water Pump Station in an amount not to exceed \$53,305 by the following vote:

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

GM Bushee requested that Item No.19 Discussion of LWD Open House and Item No. 20 Discussion of Recycled Water, both Strategic Planning Workshop agenda items forwarded to the March Board Agenda, be moved forward since Director Kulchin will be leaving the meeting early. The Board of Directors agreed to move items No. 19 and No. 20 forward.

19. Discussion of LWD Open House

ASsup Hill presented the item noting that this item was briefly discussed at the February 23, 2017 Strategic Planning Workshop. During the workshop, the Board directed staff to research and provide a cost estimate for an Open House event comparable to the one that was held in November 2011.

ASsup Hill provided background information on the costs associated with hosting an open house. She noted that the detailed list of tasks with costs were included in the Board agenda. She indicated that the tasks were divided into the following four categories: Planning Efforts; Development of Materials; Outreach; and Event Logistics.

ASsup Hill then provided the following cost estimate options:

- Option No. 1 - Budget Total \$47,340
- Option No. 2 - Budget Total \$34,240

ASsup Hill stated that Option No. 2 is less expensive since it involves the District not purchasing food and instead relying on donations, not hiring a professional photographer, holding the event on a Friday, not a Saturday, therefore paying less in employee overtime, and having staff provide more of the outreach work.

She also noted that other items to consider when conducting an open house are the date of the event, Friday versus Saturday, the availability of parking, and the amount of food sponsored by local vendors versus the District paying for food. ASsup Hill stated that if the District is going to host an open house it would take 5-6 months to plan and would be best to conduct the open house during daylight savings time.

Director Kulchin stated that he believes that an open house should be conducted on a Saturday during daylight savings time and that \$35-45K is well worth the community outreach effort.

Director Omsted stated that the District should conduct an open house.

President Hanson asked how the event would be budgeted for. ASsup Hill answered it would cost about \$10K to start the planning process in this fiscal year and the majority of the open house expenses would be budgeted for Fiscal Year 2018.

Director Sullivan asked if the open house would be held in 2017. ASsup Hill answered affirmatively but noted it would be held during Fiscal Year 2018.

GM Bushee noted that the District is looking at holding the event in late September early October 2017 and if the Board wants to move forward on this item that staff will budget sufficient funds in Fiscal Year 2018.

Director Kulchin asked how much was estimated for a photographer. ASsup Hill responded \$2K.

Director Juliussen stated he does not support having an open house, however, if the District has an open house, he thinks it should be held in the summer.

Following discussion, the majority of the Board agreed to move forward with planning an open house.

This item was for informational purposes only.

20. Discussion of Recycled Water

GM Bushee presented the item noting that this item was briefly discussed at the February 23, 2017 Strategic Planning Workshop and that during the workshop, the Board directed staff to move this item to the March Board agenda for discussion.

GM Bushee provided background information on the North San Diego Water Reuse Coalition. He

reviewed the two types of coalition funding, the State Funding – Prop 84, and the Federal Funding. He reviewed LWD's current Recycled Water Program noting it is a 5 year agreement, which expires in September of 2018, with the City of Carlsbad to provide recycled water to the Omni La Costa South Golf Course.

The Board concurred with GM Bushee to pursue a potential future recycled water agreement with the Omni La Costa South Golf Course.

Director Kulchin left the meeting at 6:03 p.m.

GM Bushee also reviewed short and long term options for LWD's recycled water program stating that LWD will continue to pursue a recycled water contract with Olivenhain Municipal Water District. He also noted that LWD will keep looking for future viable potable reuse options.

This item was for informational purposes only.

17. Board of Directors Compensation Adjustment

ASM Duffey presented the item indicating the date of the last Board stipend increase was April 2016 and that government code allows for a 5% adjustment per calendar year following the last adjustment.

ASM Duffey explained that this item is for the Board to consider whether to direct staff to prepare and notice for a public hearing at the April Board Meeting, after which it could take action on a proposed a Board compensation adjustment.

He noted that the Board is eligible for up to a 5% adjustment and he provided some board per diem analytics on 24 local wastewater and water agencies.

Director Omsted stated he opposed an increase. Director Juliussen concurred with Director Omsted.

Vice President Sullivan stated she would like to see a 5% increase.

President Hanson stated she concurred with Directors Omsted, Juliussen, and Kulchin.

Following discussion, the Board consensus was to not hold a public hearing.

18. Fiscal Year 2018 (FY18) Budget Development Schedule

ASM Duffey presented the item stating that staff is in the process of preparing the FY18 Budget. He provided the recommended dates for the Special Board meeting to review the Preliminary FY18 Budget.

Following discussion, the Board of Directors did not select a date for a Special Board meeting. EA Baity will follow up with the Board of Directors to confirm the date of the Special Board Meeting. No other action was taken.

21. Call for Nominations to the CSDA Board of Directors Seat C

EA Baity presented the item stating that CSDA is seeking nominations for its Board of Directors and Staff has no recommendation on this matter.

The Board of Directors did not nominate anyone and no action was taken.

INFORMATION ITEMS

22. Project Status Updates and Other Informational Reports

- A. The Joint Public Policy Forum CASA-WaterReuse Conference is scheduled for April 19, 2017 at The Sutter Club in Sacramento, CA.
- B. CSDA Legislative Days is scheduled for May 16-17, 2017 at the Grand Events Center in Sacramento, CA.

23. Directors' Meetings and Conference Reports

- A. The CASA D.C. Policy Forum was held February 27 – March 1, 2017 at the St. Regis Washington D.C.

President Hanson stated it was a very nice and informative conference. She noted that there seems to be a lot of hope for water infrastructure.

Director Juliussen thanked President Hanson for attending.

24. General Manager's Report

GM Bushee reported on the following items:

- The District received 5 proposals in response to LWD's Request for Proposals (RFP) for Engineering Design Services. Staff has interviewed 3 firms. Staff plans to present the recommended contract to the Board at the April Board Meeting.

25. General Counsel's Report

General Counsel Brechtel reported on the following item:

- Supreme Court rules private email accounts subject to CPRA (California Public Records Act)

Director Juliussen asked if the LWD server is a private server. GM Bushee answered stating that the LWD email exchange server is a public server since it is owned by a government agency.

26. Board of Directors' Comments

Vice President Hanson stated she enjoyed the presentations given by the field services staff.

President Hanson reported that she attended a San Diego LAFCO meeting on March 6, 2017.

27. Adjournment

President Hanson adjourned the meeting at approximately 6:39 p.m.



Paul J. Bushee
Secretary/General Manager
(SEAL)


Judy Hanson, President