

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of a Regular Board Meeting  
 May 13, 2015

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, May 13, 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, Sullivan and Kulchin  
 DIRECTORS ABSENT: None.  
 OTHERS PRESENT: General Manager Paul Bushee, General Counsel Wayne Brechtel, Technical Services Manager Robin Morishita, Field Services Superintendent Jeff Stecker, Executive Assistant Trisha Hill, and District Engineer Steve Deering with Dudek, Carol and Julia Duffey

**3. Pledge of Allegiance**

President Juliussen led the pledge of allegiance.

**4. General Public Comment Period**

GM Bushee stated that there is no public comment, however he introduced Carol and Julia Duffey noting that Julia is attending as part of a school project.

**5. Approval of Agenda**

Upon a motion duly made by Director Hanson, seconded by Director Sullivan 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	Aye
Director Kulchin	Aye

**6. Presentations and Awards**

A. Teacher Grant Award.

EA Hill introduced Ms. Elaine Dolnack of Flora Vista Elementary School to provide the Board a brief update on her school's project funded by the District's teacher grant program.

Ms. Dolnack thanked the Board for the teacher grant that funded the school's Native Pollinator Garden project. She provided a brief description of the project noting that the school was planning on completing the project in fall of 2015, since the school will be closed for the summer break.

The Board thanked Ms. Dolnack for attending the meeting.

## CONSENT CALENDAR

### 7. Approval of Board and Committee Minutes

Minutes of the following meetings:

April 8, 2015 Regular Board Meeting  
April 21, 2015 Community Affairs Committee Meeting  
May 6, 2015 Engineering Committee Meeting

### 8. Approval of Demands for March/April 2015

Payroll Checks numbered 17872-17938; General Checking – Checks numbered 46645-46806;

### 9. Operations Report (A copy was included in the original May 13, 2015 Agenda)

This report discloses up-to-date and monthly flow, rain fall, EDU's and reclaimed water averages; along with MGD flow comparisons from FY 14 to FY 15 and flows by sub-basin.

### 10. Finance Report (A copy was included in the original May 13, 2015 Agenda)

### 11. Quarterly Treasurer's Investment Report (A copy was included in the original May 13, 2015 Agenda)

This report discloses investments for the quarter ending March 31, 2015.

### 12. Disclosure of Reimbursements (A copy was included in the original May 13, 2015 Agenda)

This report discloses travel expense reimbursements for the month of April 2015. (A copy was included in the original May 13, 2015 Agenda)

Upon a motion duly made by Director Hanson, seconded by Director Sullivan, 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	Aye
Director Kulchin	Aye

## EWA and COMMITTEE REPORTS

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

A. EWA Board Report – Meeting was held on April 22, 2015.

Director Sullivan reported on EWA's April 22, 2015 Board meeting.

B. An Encina Member Agencies Manager's (MAM) Meeting was held on May 5, 2015.

GM Bushee reported on Encina MAM's May 5, 2015 meeting.

### 14. Committee Reports

A. Community Affairs Committee (CAC) meeting was held on April 21, 2015.

Director Sullivan reported that the CAC reviewed and commented on the draft layout of the spring

2015 newsletter. She noted that the CAC directed staff to move forward with the production of the newsletter and that it was mailed to LWD's customers.

B. Engineering Committee (EC) meeting was held on May 6, 2015.

Director Kulchin reported that the EC reviewed the following plans, change orders, agreements, reports and updates:

- The Hazard Preparedness & Mitigation Plan completed by Titan Engineering & Consulting, LLC;
- Charge order with Burtech Pipeline, Inc. for additional work to adjust the alignment of the B1/B2 Force Mains for an amount not to exceed \$37,980;
- A two-year extension to the Dudek Professional Services agreement for as needed engineering consulting services;
- Storm Water Regulations report by DE Deering;
- Potential District security issues;
- Update on the B1/B2 Force Mains Replacement Project;
- Update on the Leucadia Pump Station Generator Replacement Project; and
- Update on the L2 Force Main Anode Replacement Project.

C. Investment & Finance Committee meeting was held on May 12, 2015.

Director Hanson reported that the IFC reviewed the agreement with Brownell & Duffey for as needed accounting services. The IFC agreed with staff's recommendation that the Board authorize the General Manager to execute a six and one-half month extension to the Brownell & Duffey Professional Services Agreement.

She noted that this will be reviewed later in the agenda.

## ACTION ITEMS

**15. Receive and file the Hazard Preparedness & Mitigation Plan (Plan) completed by Titan Engineering & Consulting, LLC.**

TSM Morishita presented the item noting that it was reviewed by the EC at their April 7th meeting and it is a tactical goal under the Technology and Infrastructure Strategy in the FY 15 Tactics and Action Plan. He introduced Kristin Norton with Titan Engineering & Consulting, LLC to provide an overview of the Plan.

Ms. Norton provided an overview of the Plan's development process, the hazard profiles, the vulnerability assessment, and the Plan's mitigation strategies. She explained the Plan's recommendations indicating that they were prioritized for implementation.

The Directors asked several questions relating to the Plan and their questions were answered by Ms. Norton and GC Brechtel.

TSM Morishita noted that the Plan was forwarded to IEC to implement some of the recommendations into current project designs.

Following discussion, upon a motion duly made by Director Hanson, seconded by Vice President Omsted, and unanimously carried, the Board of Directors received and filed the Hazard Preparedness & Mitigation Plan completed by Titan Engineering & Consulting, LLC by the following vote:

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

**16. B1/B2 Force Main Project – Approval of Burtech Pipeline, Inc. Change order**

Authorize the General Manager to execute a proposed change order with Burtech Pipeline, Inc. for additional work to adjust the alignment of the B1/B2 Force Mains for an amount not to exceed \$37,980.

TSM Morishita presented the item noting that it was reviewed by the EC at their May 6<sup>th</sup> meeting. He provided background information on the project and explained the additional work that was completed by Burtech to adjust the alignment of the Force Mains.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Vice President Omsted, and unanimously carried, the Board of Directors authorized the General Manager to execute a proposed change order with Burtech Pipeline, Inc. for additional work to adjust the alignment of the B1/B2 Force Mains for an amount not to exceed \$37,980 by the following vote:

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

**17. DUDEK Contract Extension for Engineering Services**

Authorize the General Manager to execute a two-year extension to the DUDEK Professional Services Agreement for as needed engineering services.

TSM Morishita presented the item noting that it was reviewed by the EC at their May 6<sup>th</sup> meeting. He stated that Dudek's agreement was executed in June 2012 and it included an option to extend for an additional two years. He stated that based on their performance and commitment to the District, staff is recommending that the two-year contract extension be executed.

Following discussion, 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 a two-year extension to the DUDEK Professional Services Agreement by the following vote:

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

**18. Brownell & Duffey Contract Extension for Accounting Services**

Authorize the General Manager to execute a six and one-half month extension to the Brownell & Duffey Professional Services Agreement for as needed accounting services.

GM Bushee presented the item noting that the IFC reviewed the Brownell & Duffey contract extension at the May 12<sup>th</sup> meeting. He provided background information on the contract indicating that instead of extending the contract for two additional years, staff is recommending the contract be extended for a six and one-half month until the reorganization is effective in January 2016.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Hanson, and unanimously carried, the Board of Directors authorized the General Manager to execute a six and one-half month extension to the Brownell & Duffey Professional Services Agreement for as needed accounting services.

**19. Award of Contract to Cox Business for Telephone and Internet Services**

Authorize the General Manager to execute an agreement with Cox Business to provide telephone and internet service in an amount not to exceed \$14,400 (plus taxes) per year, for a three year contract totaling \$43,200 (plus taxes).

EA Hill presented the item stating that the current telephone and internet provider is Telepacific and they have been the District's provider for approximately ten years. She stated that staff was informed by our IT consultants DataNet, that the District's IT system was not fully backing-up LWD files because the bandwidth was insufficient. She noted that with the help of DataNet, staff requested quotes from local providers. She stated that two quotes were received, one by Telepacific and the other was provided by Cox Business. She noted that Cox Business provided the lowest quote with additional services; therefore, staff is recommending that Board authorize the General Manager to execute an agreement with Cox Business.

Following discussion, upon a motion duly made by Director Kulchin, seconded by Director Hanson, and unanimously carried, the Board of Directors authorized the General Manager to execute an agreement with Cox Business to provide telephone and internet service in an amount not to exceed \$14,400 (plus taxes) per year, for a three year contract totaling \$43,200 (plus taxes) by the following vote:

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

**20. 2015 Revised Board Strategic Plan**

Adopt the LWD Revised 2015 Strategic Plan.

EA Hill presented the item stating that it is a follow up from the Board's Strategic Planning workshop. She noted that the Board received and filed the Strategic Planning workshop report completed by Brent Ives and that staff has incorporated the minor housekeeping items to the Board's 2015 Strategic Plan.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Hanson, and unanimously carried, the Board of Directors adopted the 2015 Revised Strategic Plan by the following vote:

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

**21. Discuss Challenges Posed by Storm Water Regulations.**

DE Deering provided an overview of recent storm water regulations and how they may pose a challenge for the District. He stated that there are three areas of regulations, which include the Industrial General Permit, Sewer Overflow Monitoring Plan and the Municipal Separate Storm Sewer System (MS4) priorities.

He addressed the three areas of regulations indicating that the District's current procedures for the Industrial General Permits meet state regulations. He added that the District had already addressed and implemented the Sewer Overflow Monitoring Plan which includes SSO reporting procedures. He stated that MS4 framework regulations focuses on agencies responsible for storm water systems and how they address priority pollutants in each watershed. He stated that the District has a proactive sewer system condition assessment, which includes an asset management strategy to limit potential for bacterial waterways impairment; therefore, no action is necessary for the District.

Vice President Omsted asked if there is pressure from regulators to treat the storm water. DE Deering answered his question indicating that during the plan check process, there has been pressure from the cities to take small collections and storm water into the sewer.

No action was taken.

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

## INFORMATION ITEMS

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

- A. LWD's participation in the 2015 EcoFest on May 17, 2015 from 10AM-4PM at 450 Quail Gardens Drive, Encinitas.

EA Hill announced that LWD will have a table at the EcoFest on May 17<sup>th</sup>.

- B. Flushable wipes issue.

GM Bushee stated that Director Kulchin requested this item be presented for informational purposes. He stated that last week, wipes had clogged one of the pumps at the Batiquitos pump station. GM Bushee added that over the past three years, LWD has been working with CASA to address the flushable wipes issue. He also provided a summary of the District's public outreach efforts that addresses the wipes issue.

### 23. Directors' Meetings and Conference Reports

- A. The 2015 CASA Public Forum Conference was held at the Sheraton Hotel in Sacramento, CA on April 26 - 28, 2015.

Director Sullivan reported that CASA representative and legislators were eager to hear the District issues and thanked the Board members for attending the conference. She stated that legislators would like for their constituents to inform them of local issues. She noted that the recent bills regarding micro-beads and renewal energy development at wastewater agencies passed.

- B. The 2015 CWEA Annual Conference was held at the Town & County Resort in San Diego, CA on April 29 - May 1, 2015.

Director Hanson stated that she and Director Sullivan received the 5S Golden Shovel Award from CWEA. Director Sullivan stated that she was humbled for receiving the award.

Director Omsted reported that he attended a session on storm water and that he learned if agencies would implement all storm water issues it would cost over \$100 per person to fix the storm water problems.

- C. The 19th Annual Water Reuse Desalination & Research Conference was held at the Waterfront Beach Resort in Huntington Beach, CA on May 3 - 5, 2015.

Director Omsted reported that based on the sessions, we are moving closer to potable reuse. He learned from a Colorado attendee that their residents are banned from using rain barrels because people living down the stream must be able to use the water.

Director Omsted also reported on a recent news article relating to the calculations of water and how the article didn't do a good job of explaining the amount of water that will be produced from the desalination process.

Director Sullivan stated that between the three Directors, they attended sixteen sessions related to potable reuse.

## 24. General Manager's Report

GM Bushee reported on the following items:

- The SCAP newsletter was provided as a handout. It included an article that highlighted a presentation by TSM Morishita and FSSupt. Stecker.
- CSDA Quarterly Dinner meeting is scheduled for Thursday, May 21<sup>st</sup>. There will be a carpool leaving the office at 5:30PM.

## 25. General Counsel's Report

General Counsel Brechtel reported on a recent Prop. 218 case involving the city of San Juan Capistrano using tier rates to manage water usage. He noted the findings of the case, such as Prop. 218 does not allow agencies to charge their customers extra for over usage and that agencies can only charge for the cost of the service. He indicated that the burden is on the public agency to demonstrate that their fees comply with the law. He stated that the case was sent back to court for further review.

He also reported on a trial pending involving a Prop. 218 challenge against Ramona Water District for their EDU wastewater service charges. He noted that it is important that agency's EDU rates should accurately represent the current charge to provide that specific service.

## 26. Board of Directors' Comments

Director Kulchin commented on how well the Board works together and how they contribute to the operations of the District. He commended on the District's recent newsletter and that he appreciates the statewide recognition that the District has received. In addition, he stated that he is glad to see staff resolving solutions to future issues and that the District continues to be fiscally solvent. He noted there may be an opportunity to do more regarding the flushable wipes issues.

Director Sullivan asked if staff members will be attending the upcoming CSDA Legislative Days conference. GM Bushee stated that no staff members will be attending the conference and that he will coordinate the photos for the wipes issues.

President Juliussen thanked Steve Deering, Jeff Stecker and Robin Morishita for doing an excellent job.

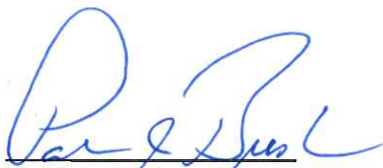
## 27. Adjournment

President Juliussen adjourned the meeting at 6:37 p.m.



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Allan Juliussen, President



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Paul J. Bushee  
Secretary/General Manager  
(SEAL)