

LEUCADIA WASTEWATER DISTRICT
 Minutes of a Regular Board Meeting
 September 10, 2014

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, September 10, 2014 at 5:00 p.m., at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

1. Call to Order

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

2. Roll Call

DIRECTORS PRESENT:

Kulchin, Juliussen, Omsted, Hanson and Sullivan

DIRECTORS ABSENT:

None.

OTHERS PRESENT:

General Manager Paul Bushee, District Counsel Wayne Brechtel, Administrative Services Manager Chuck LeMay, Technical Services Manager Robin Morishita, Superintendent Jeff Stecker, Supervisor Marvin Gonzalez, Executive Assistant Trisha Hill, Field Services Specialist Frank Reynaga, Field Services Technician 3 Ian Riffel, Engineer Steve Deering with Dudek, CPA Richard Duffey, Jennifer Beales with TRG & Associates, Tomer Gutman with Worden Williams APC, Dominic and Julie Burtech with Burtech Pipeline, Joelle Pepin and James Moore with SC Valley Engineering, Inc.

3. Pledge of Allegiance

President Kulchin led the pledge of allegiance.

4. General Public Comment Period

No public comment was received; however, GM Bushee noted that representatives from Burtech and SC Valley Engineering, Inc. were present. Burtech Pipeline did submit a request to comment and would have an opportunity to make a public comment under action item no. 14.

5. Approval of Agenda

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

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

6. Presentations and Awards

- A. Adopt Resolution No. 2252 – In Appreciation of Frank M. Reynaga, Jr. For His Outstanding Service and Commitment to the Leucadia Wastewater District.

President Kulchin presented Frank with the Resolution of Appreciation, noting Frank's accomplishments throughout his career at the District.

Frank stated that it was time for him to retire noting that he has worked for the District for almost 36 years and that he appreciates the Board and staff support for all those years. He again thanked everyone for their support.

The Board and staff congratulated Frank on his upcoming retirement.

Upon a motion duly made by Director Hanson, seconded by Director Sullivan, and unanimously carried, the Board of Directors adopted Resolution No. 2252 – In Appreciation of Frank M. Reynaga, Jr. for His Outstanding Service and Commitment to the Leucadia Wastewater District by the following vote:

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

CONSENT CALENDAR

7. Approval of Board and Committee Minutes

Minutes of the following meetings:

- August 13, 2014 Regular Board Meeting
- September 3, 2014 Engineering Committee Meeting

8. Approval of Demands for August/September 2014

Payroll Checks numbered 17473-17534; General Checking – Checks numbered 45705-45825; Voided check 45648

9. Operations Report (A copy was included in the original September 10, 2014 Agenda)

10. Finance Report (A copy was included in the original September 10, 2014 Agenda)

11. Disclosure of Reimbursements

This report discloses travel expense reimbursements for the month of August 2014.

Upon a motion duly made by Director Omsted, seconded by Vice President Allan Juliussen, and unanimously carried, the Board of Directors approved the consent calendar by the following vote:

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

EWA and COMMITTEE REPORTS

12. Encina Wastewater Authority (EWA) Reports

A. EWA Board Report – Meeting was held on August 27, 2014.

Director Sullivan reported on EWA's August 27, 2014 Board meeting.

B. An Encina Member Agencies Manager's (MAM) Meeting was held on September 2, 2014.

GM Bushee reported on the MAM's September 2, 2014 meeting.

13. Committee Reports

A. Engineering Committee meeting was held on September 3, 2014.

Vice President Juliussen reported that the EC reviewed the following recommendations from staff:

- Authorize the General Manager to execute an agreement with Burtech Pipeline Inc. for the construction of the Batiquitos (B1/B2) Force Mains Replacement Project in an amount not to exceed \$4,590,000 as the lowest responsive and responsible bidder;
- Authorize the General Manager to execute amendment no. 2 to Task Order No. 18 with Infrastructure Engineering Corporation for additional design and environmental review services for the Batiquitos (b1/B2) Force Mains Replacement Project in an amount not to exceed \$88,739;
- Authorize the General Manager to execute an agreement with Richard Stinson Construction Management for construction management services during the construction of the Batiquitos (b1/B2) Force Mains Replacement Project in an amount not to exceed \$110,000.
- Authorize the General Manager to execute an agreement with Southern California Soils and Testing, Inc. for geotechnical services during the construction of the Batiquitos (B1/B2) Force Mains Replacement Project in an amount not to exceed \$49,555.

He noted that the EC agreed with staff's recommendations and that the Board will review these items later in the agenda.

In addition, he stated that the EC received information and updates on the following:

- Recycled Water Pipeline Repair Project;
- A report on the 2903 Candil Place Spill; and
- A presentation on the Computerized Maintenance Management System.

Director Sullivan thanked the Engineering Committee for reviewing these items.

ACTION ITEMS

14. Award of the District's Batiquitos (B1/B2) Force Mains Replacement Project Construction Contract

Authorize the General Manager to execute an agreement with Burtech Pipeline Inc. for the construction of the Batiquitos (B1/B2) Force Mains Replacement Project in an amount not to exceed \$4,590,000 as the lowest responsive and responsible bidder.

TSM Morishita presented the item stating that the EC reviewed this item at its September 3, 2014 meeting and that it is a goal in the tactics and action plan. He provided background information on the Batiquitos (B1/B2) Force Mains Replacement Project and stated that the design of the project was completed by IEC in July followed by the District advertising for bids. He noted that four bids were received and that Burtech Pipeline, Inc. (Burtech) was the lowest bidder. He added that IEC reviewed the bids and that they recommended that Burtech be awarded the contract as the lowest responsive and responsible bidder.

In addition, he stated that the District received a bid protest letter from SC Valley Engineering and that General Counsel Brechtel will provide additional information on the District's response to their letter.

GC Brechtel stated that SC Valley Engineering filed a bid protest and that the General Manager had responded to their protest indicating that their protest is not valid. GC Brechtel stated that SC Valley Engineering has ten days to appeal the District's decision. GC Brechtel explained why SC Valley filed the protest indicating that it's the contractor's interpretation of Burtech's experience and their use of subcontractors. GC Brechtel stated that based on the review of their bid, Burtech has hired in-house specialists that will assist with the work instead of using sub-contractors which satisfies the requirement for the job.

The Board asked several questions and GC Brechtel provided additional information on the appeals process.

Dominic Burtech with Burtech thanked the Board and staff. He stated that he is confident that Burtech can complete the project and has the experience to meet the job requirements.

Following discussion, upon a motion duly made by Director Omsted, seconded by Director Sullivan, and unanimously carried, the Board of Directors authorized the General Manager to execute an agreement with Burtech Pipeline, Inc. for the construction of the Batiquitos (B1/B2) Force Mains Replacement Project in an amount not to exceed \$4,590,000 as the lowest responsive and responsible bidder by the following vote:

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

15. Batiquitos (B1/B2) Force Mains Replacement Project Amendment No. 2

Authorize the General Manager to execute Amendment No. 2 to Task Order No. 18 with Infrastructure Engineering, Inc. (IEC) for additional design and environmental review services for the Batiquitos (B1/B2) Force Mains Replacement Project in an amount not to exceed \$88,739.

TSM Morishita presented the item stating that the EC reviewed this item at its September 3, 2014 meeting.

He stated that IEC is under contract to provide engineering design services for the B1/B2 project. He added that additional design services were required because the project changed from a replacement in the current alignment to a full realignment and that additional environmental services were required. In addition, the District had to satisfy an agreement with the Hilton which required IEC to complete the project design expeditiously in order to begin construction by November. He noted the additional engineering design services that IEC completed.

Upon a motion duly made by Director Hanson, seconded by Director Omsted, and unanimously carried, the Board of Directors authorized the General Manager to execute amendment no. 2 to task order no. 18 with IEC for additional design and environmental review services for the Batiquitos (B1/B2) Force Mains Replacement Project in an amount not to exceed \$88,739 by the following vote:

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

16. Contract Award for Construction Management Services for the District's Batiquitos (B1/B2) Force Mains.

Authorize the General Manager to execute an agreement with Richard Stinson Construction Management for construction management services during the construction of the Batiquitos (B1/B2) Force Mains Replacement Project in an amount not to exceed \$110,000.

TSM Morishita presented the item stating that the EC reviewed this item at its September 3, 2014 meeting.

He stated that the construction of the B1/B2 force main project requires construction management services. He added that Richard Stinson has provided excellent construction management services for the District on several of the District's projects since 2003 and that he has experience and knowledge of the District's pumps and collection system. He stated that for these reasons, staff is requesting that the Board approve their contract under the sole source procurement section of the District's Procurement Policy. He added that staff believes that his proposal of \$110,000 is fair and reasonable.

Upon a motion duly made by Director Hanson, seconded by Director Sullivan, and unanimously carried, the Board of Directors authorized the General Manager to execute a sole source agreement with Richard Stinson Construction Management for construction management services during the construction of the Batiquitos (B1/B2) Force Mains Replacement Project in an amount not to exceed \$110,000 by the following vote:

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

17. Contract Award for Geotechnical Support Services for the District's Batiquitos (B1/B2) Force Mains Replacement Project.

Authorize the General Manager to execute an agreement with Southern California Soils and Testing, Inc. for geotechnical services during the construction of the Batiquitos (B1/B2) Force Mains Replacement Project in an amount not to exceed \$49,555.

TSM Morishita presented the item stating that the EC reviewed this item at its September 3, 2014 meeting. He stated that the project requires geotechnical services and that Southern California Soils and Testing, Inc. has provided excellent geotech services to the District on previous projects since 2009. He also noted that they have an outstanding working relationship with the project team. He stated that for these reasons, staff is requesting that the Board approve their contract under the sole source procurement section of the District's Procurement Policy.

He noted that their proposal is based on time and materials and that they will only charge for completed tasks. In addition, he stated that there are sufficient funds in the FY 2015 budget.

Director Omsted asked if they will a conduct preliminary soil testing before the project. TSM Morishita stated that the District did not include a preliminary soil test during the design phase of the project; however, next month staff will present biological and cultural monitoring proposals for the project.

Upon a motion duly made by Director Sullivan, seconded by Director Omsted, and unanimously carried, the Board of Directors authorized the General Manager to execute a sole source agreement with Southern California Soils and Testing, Inc. for geotechnical services during the construction of the Batiquitos (B1/B2) Force Mains Replacement Project in an amount not to exceed \$49,555 by the following vote:

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

18. Annual Review of LWD Investment Policy

Re-delegate authority to manage LWD's Investment Program to the General Manager effective September 1, 2014 through August 31, 2014 and receive and file the Annual Review of LWD Investment Policy Report.

ASM LeMay presented the item stating the policy was adopted in 2004 and it was last amended in 2010. He noted the purpose of the policy indicating that it calls for an annual review and re-delegation of authority to manage the program. He indicated that Staff recently reviewed the policy and was not recommending changes.

Following discussion, and upon a motion duly made by Director Sullivan, seconded by Vice President Juliussen and carried, the Board of Directors received and filed the Annual Review of LWD's Investment Policy Report and re-delegated authority to manage the LWD's investment program to the General Manager effective September 1, 2014 through August 31, 2015 by the following vote:

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

19. Communication Plan Update.

Adopt the Communication Plan Update (Plan).

ASM LeMay presented the item stating that the CAC reviewed this item at its August 6, 2014 meeting and agreed with staff's recommendation. He stated that the Plan was adopted in 2006 and the purpose of the Plan. He added that staff and TRG & Associates are recommending changes to the Plan and that Ms. Beales with TRG will present the Plan update.

Ms. Beales provided an overview of the plan and its updates. She also presented the recommendations in the Plan based on their review of the District's past communication goals.

These recommendations include:

- Continue with the bi-annual newsletters,
- Continue with updating the website monthly and adding more information to the site,
- Continue with the Teacher Grant and Lateral Grant programs,
- Continue with the community presentations as required,
- Continue with sending press releases as required, but more frequently,
- Discontinue with printing Fact Sheets, but post on website or Facebook, and
- Update the District's Facebook page weekly.

Director Omsted thanked Ms. Beales for her presentation. Director Sullivan noted that the CAC went over many ideas and topics to improve the District's public outreach program. She added that the Plan includes improving the Teacher Grant Program and increase awareness about the Lateral Grant Program.

President Kulchin expressed his concerns relating to social media tasks, such as Facebook. He noted when you shift from paper to social media you may lose some public because of the demographics of the area. He added that people still read newsletters, newspapers, etc. He noted that he would like to see more employee recognitions publicized and that the District should have more newsletters per year.

GM Bushee stated that in 2004, the District planned to complete four newsletters that year, however, it was a very time consuming task and that staff would have to evaluate the District's resources to complete additional newsletters.

Director Sullivan noted that the District has not received any requests for more newsletters, adding that the Board should provide staff and TRG with an opportunity to implement the revised plan to receive better outreach results.

Upon a motion duly made by Vice President Juliussen, seconded by Director Omsted, and unanimously carried, the Board of Directors adopted the Communication Plan Update by the following vote:

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

20. 2015 CSDA Committee & Expert Feedback Team Participation.

EA Hill presented the item stating it was discussed during last month’s Board meeting and at that time, Director Sullivan indicated that she would like to participate on CSDA’s Education committee. In addition, Director Omsted requested that staff add this item to this month’s agenda to provide additional time for the Directors to decide if they would like to volunteer.

Director Sullivan stated that since she was not elected on the CSDA Board of Directors Region 6, she would like to continue participating on the Education committee. She also provided additional information to the Board about an upcoming new CSDA Leadership Academy training that includes a track for experienced Board members. She noted that LWD’s participation is appreciated.

Director Hanson indicated that she would like to participate later on, but not at this time. Director Sullivan noted that the deadline to submit the form is October.

Upon a motion duly made by Director Omsted, seconded by Vice President Juliussen and carried, with Director Hanson opposed, the Board of Directors approved Director Sullivan to participate on CSDA’s Professional Development Committee by the following vote:

Director	Vote
President Kulchin	Aye
Vice President Juliussen	Aye
Director Omsted	Aye
Director Hanson	No
Director Sullivan	Aye

21. Call for Nominations for the Local Agency Formation Commission (LAFCO) Independent Special District Member.

EA Hill presented the item stating that LAFCO is requesting nominations for the one regular seat on the LAFCO Board and one alternate seat. She noted that Jo MacKenzie is running for the regular seat and that the term of the alternate position is conditional depending on if she is elected for the regular seat.

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

INFORMATION ITEMS

22. Project Status Updates and Other Informational Reports

- A. Flu Shots are scheduled for October 8, 2014 from 3:30PM to 4:45PM.

EA Hill announced the date and revised time for the Flu Shots. All Directors indicated that he/she will receive a flu shot, with the exception of Director Omsted.

- B. 2903 Candil Place Spill Report.

Supervisor Gonzalez provided a summary of the 2903 Candil Place Spill. He indicated that the field services staff believed that a large root that was cleared from a near-by homeowner's sewer lateral caused a blockage in the main line that may have caused the spill. He stated that to help prevent this from happening in the future, field services staff members are informing plumbers to call the District before they clear any sewer laterals within the District's boundary.

- C. Letter from Assemblyman Rocky Chavez congratulating the District on receiving the "District of Distinction" reaccreditation.

No report was given.

23. Directors' Meetings and Conference Reports

- A. The CASA Annual Conference was held on August 19-22, 2014 at the Marriott in Monterey, CA.

Director Omsted stated that he attended a session on biosolids and how they are used in mining. He also stated that he attended the CSRMA session, noting that he sat at a table with general managers. He stated that he felt there is a misconception about elected officials and suggested that CASA develop a session that discusses important functions of elected officials.

Director Sullivan stated that based on her CSDA Board discussions, not as many Board members attend conferences as they did in past and that they are not current on issues. She stated that there is not enough Board support to attend conferences.

Director Sullivan also stated that she enjoyed the opening session presentation.

24. General Manager's Report

No report was given.

25. General Counsel's Report

General Counsel Brechtel provided an update on AB 1705 regarding the retention amounts for subcontractors. He noted that the Governor has extended the bill.

26. Board of Director's Comments

Director Sullivan indicated that she was glad to see Marvin providing a presentation and that he did a great job.

27. Closed Session

- A. Conference with Legal Counsel to discuss liability claim pursuant to California Government Code Sec. 54956.9(d)(2): California River Watch Notice of Intent to Sue.

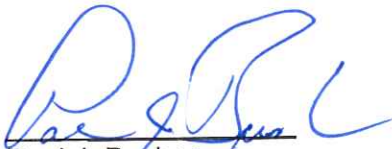
GC Brechtel stated that the Board met in closed session and no reportable action was taken.

28. Adjournment

President Kulchin adjourned the meeting at 6:45 p.m.



David Kulchin, President



Paul J. Bushee
Secretary/General Manager
(SEAL)