



**BOARD OF DIRECTORS  
REGULAR MEETING**

DATE: Wednesday, August 14, 2019  
TIME: 5:00 p.m.  
PLACE: Leucadia Wastewater District  
1960 La Costa Avenue, Carlsbad, CA 92009

**AGENDA**

Items on the agenda may be taken out of sequential order as their priority is determined by the Board of Directors. In the case of an emergency, items may be added to the Agenda by a majority vote of the Board of Directors. Also, items that arise after posting of the Agenda may be added, per Government Code Section 54954.2, by a 2/3 or unanimous vote of the Board.

Any writings or documents provided to a majority of the members of Leucadia Wastewater District regarding any item on this Agenda will be made available for public inspection in the Administration Office located at 1960 La Costa Avenue, Carlsbad, CA 92009 during normal business hours. In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the Executive Assistant at (760) 753-0155. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.

- 1. Call to Order**
- 2. Roll Call**
- 3. Pledge of Allegiance**
- 4. General Public Comment Period**
- 5. Approval of Agenda**
- 6. Presentation and Awards**
  - A. Achievement of Individual Award – James Hoyett. (Page 6)
  - B. Five Years No Vehicle Accidents. (Page 7)

**CONSENT CALENDAR**

Items 7-14 will be enacted in one motion in accordance with the recommendation unless removed from the Consent Calendar by the Board of Directors, Staff or Public. If a member of the public wishes to remove an item, they should submit a "Request to Address the LWD Board of Directors" form to the Board Secretary prior to the meeting. Items removed

from the Consent Calendar will be considered in the original agenda order immediately following adoption of the Consent Calendar.

**7. Approval of Board and Committee Minutes**

July 9, 2019 Investment and Finance Committee Meeting (Page 8)  
July 10, 2019 Regular Board Meeting (Pages 9-14)  
July 23, 2019 Community Affairs Committee Meeting (Pages 15-16)  
August 7, 2019 Engineering Committee Meeting (Pages 17-18)  
August 7, 2019 Investment and Finance Committee Meeting (Pages 19-20)

**8. Approval of Demands for July/August 2019**

This item provides for Board of Directors approval of all demands paid from LWD during the month of July and a portion in August 2019. (Pages 21-38)

**9. Operations Report**

This report discloses the year-to-date and monthly flow, rainfall, EDU's and reclaimed water averages; along with MGD flow comparisons from FY19 to FY20, flows by sub-basin, and staff training. (Pages 39-45)

**10. Finance Report**

This report discloses up-to-date schedule of assets, liabilities, net assets and compares fiscal year-to-date expenditures to the FY20 budget and discloses monthly investments. (Pages 46-53)

**11. Quarterly Treasurer's Investment Report**

This report discloses investments for the quarter ending June 30, 2019. (Pages 54-55, Enclosure 11)

**12. Disclosure of Reimbursements**

This report discloses travel expense reimbursements for the month of July 2019. (Pages 56-57)

**13. Fiscal Year 2020 (FY20) Pay Schedules**

Adopt Resolution No. 2317 - Approving the FY20 pay schedules. (Pages 58-60)

**14. Receive and file the Annual Review of LWD's Procurement Policy. (Pages 61-69)**

**EWA REPORTS**

**15. Encina Wastewater Authority Reports**

- A. A regular EWA Board meeting was held on July 24, 2019 – report by Director Sullivan. (Page 70)
- B. An Encina Member Agencies Manager's Meeting was held on August 6, 2019 – report by TSM Morishita. (Verbal)

**COMMITTEE REPORTS**

**16. Committee Reports**

- A. Investment and Finance Committee meeting was held on July 9, 2019 – report by Director Hanson. (Page 71)

- B. Community Affairs Committee meeting was held on July 23, 2019 – report by Director Sullivan. (Page 72)
- C. Engineering Committee meeting was held on August 7, 2019 – report by Vice President Juliussen. (Page 73)
- D. Investment and Finance Committee meeting was held on August 7, 2019 – report by Director Hanson. (Page 74)

## **ACTION ITEMS**

- 17. Securing Manhole Covers in Easement Areas** (Verbal)
- 18. Purchase of a New Vector Truck**  
 Authorize the General Manager to execute a sole source purchase agreement with Haaker Equipment Company for the purchase of a new Vector 2110 Combination Truck in an amount not to exceed \$433,000. (Pages 75-78)
- 19. Annual Review of LWD’s Investment Policy**  
 Redesignate authority to manage LWD’s investment program to the General Manager effective September 1, 2019 through August 31, 2020, adopt Resolution No. 2318 amending LWD’s Investment Policy, and receive and file the annual review of the policy. (Pages 79-95)
- 20. LAFCO San Diego County Consolidated Redevelopment Oversight Board Call for Ballots** (Pages 96-98)

## **INFORMATION ITEMS**

- 21. Project Status Updates and Other Informational Reports**
  - A. 2019 Teacher Grant Recipients Compilation Video. (Verbal)
  - B. CSDA Quarterly Dinner Meeting is scheduled for Thursday, August 15, 2019 at The Butcher Shop Steakhouse in Kearny Mesa, CA. (Pages 99-100)
  - C. The 34<sup>th</sup> Annual WasteReuse Symposium is scheduled for September 8-11, 2019 at the San Diego Marriot Marquis in San Diego, CA. (Verbal)
  - D. Flu Shot Clinic is scheduled for Thursday, September 19, 2019 from 3:00 – 4:00 p.m. (Page 101)
  - E. The 2019 CSDA Annual Conference is scheduled for September 25-28, 2019 at the Anaheim Marriot in Anaheim, CA. (Verbal)
- 22. Directors’ Meetings and Conference Reports**  
 None.
- 23. General Manager’s Report**
- 24. General Counsel’s Report**
- 25. Board of Directors’ Comments**

**26. Closed Session**

Conference with Legal Counsel to discuss exposure to litigation pursuant to California Government Code Sec. 54956.9(d)(2) – City of Carlsbad Cease and Desist Notice.  
(Verbal)

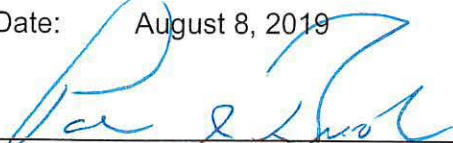
**27. Adjournment**



AFFIDAVIT OF POSTING

I, Paul J. Bushee, Secretary of the Leucadia Wastewater District, hereby certify that I posted a copy of the foregoing agenda in the lobby of the District office at 1960 La Costa Avenue, Carlsbad, California at least 72 hours prior to the meeting, in accordance with Govt. Code Section 54954.2(a).

Date: August 8, 2019

  
\_\_\_\_\_  
Paul J. Bushee, Secretary/General Manager

**MEMORANDUM**

**DATE:** August 8, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager  
**SUBJECT:** **Achievement of Individual Award**



---

It is my pleasure to announce that a Leucadia Wastewater District (LWD) staff member has met an individual performance objective under LWD's Incentive Program. The individual achievement is as follows:

30 Year Service Award – James Hoyett

Field Services Technician III, James Hoyett, passed his 30<sup>th</sup> anniversary of employment at LWD on July 17, 2019. This milestone is a tribute to James' hard work, dedication, and commitment to LWD. James' exceptional milestone also meets one of the individual objectives under LWD's Incentive Program. James is eligible for an incentive award of \$750.

Please join me in congratulating James for his outstanding accomplishment.

tb:PJB

MEMORANDUM

**DATE:** August 8, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager  
**SUBJECT:** **Five Years No Vehicle Accidents**



---

I am pleased to report that the Leucadia Wastewater District (LWD) achieved an organizational objective under the LWD Incentive Program:

Achieve Highest Number of Consecutive Days Without a Vehicle Accident

Under the Incentive Program, an Organizational Objective is met if the District achieves the highest number of consecutive days without a vehicle accident. On July 8, 2019, LWD staff achieved five complete years without a vehicle accident. Vehicle accidents result in economic impacts due to lost productivity, damaged public and private property, workers compensation costs, and undermines employee morale. As a result of this achievement, each employee is eligible for an incentive compensation award in the amount of \$750.

Please join me with congratulating all staff for going five years without a vehicle accident.

tb:PJB

**LEUCADIA WASTEWATER DISTRICT**  
Minutes of an Investment & Finance Committee Meeting  
July 9, 2019

A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Tuesday, July 9, 2019 at 1:00 p.m. at the District Administration Office at 1960 La Costa Avenue, Carlsbad, California.

**1. Call to Order**

Chairperson Hanson called the meeting to order at 1:00 p.m.

**2. Roll Call**

DIRECTORS PRESENT: Hanson and Omsted

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager Paul Bushee, Administrative Services Manager Richard Duffey, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, and Shannon Ayala of Davis Farr, LLP

**3. Public Comment**

No public comment was received.

**4. New Business**

A. Audit Entrance Meeting with Davis Farr, LLP.

ASM Duffey presented the item and introduced CPA Shannon Ayala with Davis Farr, LLP.

Ms. Ayala provided an overview of the audit process. She noted that the SAS 114 planning letter was sent to the Board of Directors indicating that the audit process has begun, along with the auditor's responsibilities.

Ms. Ayala then reviewed the audit timeline and upcoming changes to the audit process. Ms. Ayala noted that the final phase of the audit will begin September 2019.

The IFC thanked Ms. Ayala. No action was taken on this item.

**5. Information Items**

None.

**6. Directors' Comments**

None.

**7. General Manager's Comments**

None.

**8. Adjournment**

Chairperson Hanson adjourned the meeting at 1:11 p.m.

---

Paul J. Bushee  
Secretary/General Manager  
(Seal)

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of a Regular Board Meeting  
 July 10, 2019

A regular meeting of the Board of Directors of the Leucadia Wastewater District was held Wednesday, July 10, 2019 at 5:00 p.m., at the District Administration Office at 1960 La Costa Avenue, 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, 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, Keene Simonds and Barry Willis with San Diego LAFCO, Chris Roesink, and Naomi Wentworth

**3. Pledge of Allegiance**

President Kulchin led the pledge of allegiance.

**4. General Public Comment Period**

None.

**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        | Yes  |
| Vice President Juliussen | Yes  |
| Director Omsted          | Yes  |
| Director Hanson          | Yes  |
| Director Sullivan        | Yes  |

**6. Presentations and Awards**

**A. LAFCO Recognition of Director Hanson**

GM Bushee introduced Mr. Keene Simonds, Executive Officer of San Diego Local Agency Formation Commission (LAFCO). Mr. Simonds stated he would like to thank Director Hanson for her contributions as a Commission member for four years and for her 20 years of service with the Special Districts Advisory Committee. Mr. Simonds presented Director Hanson with a resolution of appreciation.

The Board and staff congratulated Director Hanson and thanked Mr. Simonds for attending the meeting.

## CONSENT CALENDAR

### 7. Approval of Board and Committee Minutes

Minutes of the following meetings:

June 11, 2019 Community Affairs Committee Meeting  
June 12, 2019 Regular Board Meeting  
July 2, 2019 Engineering Committee Meeting

### 8. Approval of Demands for June/July 2019

Payroll Checks numbered 21428-21470; General Checking – Checks numbered 52974-53060

### 9. Operations Report (A copy was included in the original July 10, 2019 Agenda)

### 10. Finance Report (A copy was included in the original July 10, 2019 Agenda)

### 11. Disclosure of Reimbursements

This report discloses travel expense reimbursements for the month of June 2019.

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

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

## EWA and COMMITTEE REPORTS

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

#### A. EWA Board Report – Meeting held on June 26, 2019.

Director Sullivan reported on EWA's June 26, 2019 Board meeting.

#### B. EWA Member Agency Manager's (MAM) - Meeting held on July 9, 2019.

GM Bushee reported on EWA's MAM July 9, 2019 meeting.

### 13. Committee Reports

#### A. Community Affairs Committee (CAC) Meeting was held on June 11, 2019.

Director Sullivan reported that the CAC reviewed and commented on the draft text of the 2019 Summer newsletter. The CAC directed staff to move forward with final text and layout of the newsletter.

The next CAC meeting was scheduled for Tuesday, July 16, 2019 at 1:00 p.m.

B. Engineering Committee (EC) Meeting was held on July 2, 2019.

Vice President Juliussen reported that the EC reviewed the following recommendation:

- Retroactively authorize the General Manager to execute an agreement with Piperin Corporation for emergency repairs to the Leucadia Pump Station Surge Tank Line at an estimated cost of \$60,000.

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

The EC also received an update on securing manhole covers in easement areas. This item was for information purposes and there was no action taken.

### **ACTION ITEMS**

#### **14. Receive and File the Fiscal Year 2019 (FY19) Tactics and Action Plan Report.**

GM Bushee presented the item stating that the District has accomplished over 104 goals. He provided highlights of the completed tactical goals from each strategic area listed in the Plan.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Omsted, and unanimously carried, the Board of Directors received and filed the FY19 Tactics and Action Plan by the following vote:

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

#### **15. Adopt the Fiscal Year 2020 (FY20) Tactics and Action Plan**

GM Bushee presented the item stating the Plan includes over 70 tactical goals. He provided the highlights of the Plan, which included the following:

- Staff Team Building;
- Employee Satisfaction Survey; and
- Leucadia Pump Station Project;

Following discussion, upon a motion duly made by Director Omsted, seconded by Director Juliussen, and unanimously carried, the Board of Directors adopted the FY20 Tactics and Action Plan by the following vote:

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

**16. Emergency Repair of the Leucadia Pump Station Surge Tank Line**

Retroactively authorize the General Manager to execute an agreement with Piperin Corporation for emergency repairs to the Leucadia Pump Station Surge Tank Line at an estimated cost of \$60,000.

TSM Morishita presented the item and explained in detail what led to necessitate the emergency repair of the LPS surge tank line. TSM Morishita stated that on the morning of June 21, 2019, the LPS pressurized surge tank line failed and began discharging water through the asphalt surrounding LPS. He stated that several Field Services Technicians responded and quickly and efficiently determined how to stop and bypass the flow of water.

TSM Morishita then outlined how proactive planning of LWD facilities prevented any spills into storm drains or other waterways and was instead contained within LWD facilities and returned back to LPS.

Director Sullivan asked what was the age of the broken pipe. TSM Morishita answered that the pipe was installed in 2006 and should have lasted 50 years.

Director Hanson asked if the pipe had been leaking prior to breaking. TSM Morishita answered that the third pump coming online caused significant pressure and that is probably what caused the pipe to break.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Omsted, and unanimously carried, the Board of Directors authorized the General Manager to retroactively authorize an agreement with Piperin Corporation for emergency repairs to the Leucadia Pump Station Surge Tank Line at an estimated cost of \$60,000 by the following vote:

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

**17. CSDA Board of Directors 2019 Election – Seat B**

EA Baity presented the item stating that CSDA is requesting its members to vote for a candidate for Seat B for the southern network region. She noted that electronic ballots are due August 9<sup>th</sup> by 5 p.m. and that staff has no recommendation on this matter.

Following discussion, upon a motion duly made by Director Omsted, seconded by Vice President Juliussen, and unanimously carried, the Board of Directors voted for Michael Mack of Rainbow



Municipal Water District for Seat B of the CSDA Board of Directors by the following vote:

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

At 5:35 p.m. Mr. Barry Willis entered the Boardroom.

President Kulchin stated that a member of the public arrived for the meeting and would like to speak but had missed the Public Comment period. The Board agreed to hear Mr. Willis' comments.

Mr. Willis of San Diego LAFCO introduced himself. He congratulated Director Hanson on her LAFCO appreciation resolution. He stated that the reason he attended tonight's meeting was to personally meet the Board members of the districts that he represents as a LAFCO officer.

The Board thanked Mr. Willis for attending the meeting.

### INFORMATION ITEMS

**18. Project Status Updates and Other Informational Reports**

None.

**19. Directors' Meetings and Conference Reports**

None.

**20. General Manager's Report**

GM Bushee reported on the following items:

- Handout on recent CWEA Awards;
- Handout for the CASA Election of Officers and Approval of Dues Resolution for FY20; and
- He will be on vacation from July 12 - July 19 and ASM Duffey will be acting GM.

**21. General Counsel's Report**

None.

**22. Board of Directors' Comments**

Vice President Juliussen thanked Director Hanson for her service with San Diego LAFCO.

**23. Closed Session**

A. Conference with Legal Counsel to discuss exposure to litigation pursuant to California Government Code Sec. 54956.9(d)(2) – City of Carlsbad Cease and Desist Notice.

There was no action taken.

B. 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 Vice President Juliussen, seconded by Director Omsted, and carried, the Board of Directors approved a 3% salary increase from \$230,330.12 to \$237,240.02 by the following vote:

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

**24. Adjournment**

President Kulchin adjourned the meeting at approximately 6:05 p.m.

\_\_\_\_\_  
David Kulchin, President

\_\_\_\_\_  
Paul J. Bushee  
Secretary/General Manager  
(SEAL)

**LEUCADIA WASTEWATER DISTRICT**  
Minutes of a Community Affairs Committee Meeting  
July 23, 2019

---

A meeting of the Community Affairs Committee (CAC) of the Leucadia Wastewater District (LWD) was held July 23, 2019 at 1:00 p.m. at the District Administration Office at 1960 La Costa Avenue, Carlsbad, California.

**1. Call to Order**

Chairperson Sullivan called the meeting to order at 1:00 p.m.

**2. Roll Call**

DIRECTORS PRESENT: Sullivan and Kulchin

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager Paul Bushee, Administrative Services Manager Richard Duffey, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, and Jared Criscuolo of Rising Tide Partners (RTP)

**3. Public Comment**

No public comment was received.

**4. New Business**

A. Review the draft layout for the Summer 2019 newsletter.

ASSup Hill presented the item and introduced Mr. Criscuolo of RTP to present an overview of the Summer 2019 newsletter draft layout. The CAC reviewed the layout and suggested a few minor edits to the newsletter. Mr. Criscuolo noted the changes and indicated that RTP will make the suggested edits.

Following discussion, the CAC directed staff to move forward with the production of the newsletter and forward the final to the Board for their review prior to printing.

**5. Information Items**

A. 2019 Teacher Grant Recipients Video.

Mr. Criscuolo presented a five minute RTP produced video compilation of the 2019 Teacher Grant recipients.

Chairperson Sullivan asked if the video could be presented at the August Board Meeting. GM Bushee stated that RTP and staff would present the video at the meeting.

The CAC enjoyed the video and thanked Mr. Criscuolo for his presentation.

**6. Directors' Comments**

None.

7. **General Manager's Comments**  
None.

8. **Adjournment**  
Chairperson Sullivan adjourned the meeting at 1:32 p.m.

---

Paul J. Bushee  
Secretary/Manager  
(Seal)

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of an Engineering Committee Meeting  
 August 7, 2019

---

A meeting of the Engineering Committee (EC) of Leucadia Wastewater District (LWD) was held on Wednesday, August 7, 2019 at 9:00 a.m., at the LWD Administration Office located at 1960 La Costa Avenue, Carlsbad, California.

**1. Call to Order**

Chairperson Juliussen called the meeting to order at 9:06 a.m.

**2. Roll Call**

DIRECTORS PRESENT: Juliussen and Kulchin

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager Paul Bushee; Technical Services Manager Robin Morishita; Field Services Technician III Gabriel Mendez; District Engineer Dexter Wilson; and Administrative Specialist Mark Brechbiel

**3. Public Comment**

None.

**4. New Business**

- A. Authorize the General Manager to execute a sole source purchase Agreement with Haaker Equipment Company for the purchase of a new Vactor 2110 Combination Truck in an amount not to exceed \$433,000.00.

FST III Mendez gave a presentation outlining staff's recommendation to execute a sole source purchase agreement for a new Vactor Combination Truck (Vactor).

He informed the EC that one of LWD's current Vactors has reached its 10 years of service threshold for replacement. In addition, he stated that this Vactor is beginning to require more maintenance and upkeep resulting in higher maintenance costs. For example, LWD recently purchased a new water pump that cost \$18,000 and water tank(s) that cost \$11,500.

FST III Mendez described in detail how beneficial the Vactor combination trucks are to the Field Services team and the reasons why LWD staff has recommended sole source purchasing for the new one. He stated the Vactors have proven essential for line cleaning, emergency response, spill remediation and other tasks. He informed the EC that the proposed new Vactor has updated electronic and mechanical functions that would enhance efficiency, decreasing the number of steps required to perform certain tasks.

Chairperson Kulchin asked about how frequently the vacuum hose is repaired or replaced. FST III Mendez indicated that 2 hoses per year per truck are purchased and this is consistent with normal wear and tear.

Chairperson Kulchin asked if this was an anticipated purchase. GM Bushee stated that approximately every 4-5 years staff budgets for the purchase of one new combination truck and this purchase is budgeted for FY 2020.

The EC commended FST III Mendez for his presentation.

Following discussion, the EC agreed with staff to forward this recommendation to the Board of Directors.

**5. Information Items**

**A. Repair of Laterals in Gelson's Plaza**

TSM Morishita gave a presentation on the repair of various laterals within the Gelson's shopping plaza.

He showed CCTV images of the corroded and damaged lateral lines and connections as well as a plan that showed where the 5 individual repairs took place.

Chairperson Juliussen asked if these were private laterals. TSM Morishita informed that they are in fact private laterals, but the "Y" connections effect the operation of the District's collection system. TSM Morishita stated that to be proactive, LWD decided to perform these repairs quickly rather than rely on the individual businesses to take action. He also stated that this allowed the District to have control over the quality of the repairs.

Chairperson Kulchin inquired about who performed the work. TSM Morishita answered that LWD contracted with Piperin to perform the work.

The EC commended staff's actions to complete the repairs in a timely manner.

**6. Directors' Comments**

None.

**7. General Manager's Comments**

GM Bushee briefly discussed the two Leucadia Force Mains AirVac spills that occurred, what caused them, and potential future prevention.

Chairperson Juliussen asked if these were reportable spills. GM Bushee answered affirmatively.

**8. Adjournment**

Chairperson Juliussen adjourned the meeting at approximately 9:45 a.m.

---

Paul J. Bushee,  
Secretary/Manager  
(Seal)

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of an Investment & Finance Committee Meeting  
 August 7, 2019

A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Wednesday, August 7, 2019 at 1:00 p.m. at the District Administration Office at 1960 La Costa Avenue, Carlsbad, California.

**1. Call to Order**

Chairperson Hanson called the meeting to order at 1:20 p.m.

**2. Roll Call**

DIRECTORS PRESENT: Hanson and Omsted

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager Paul Bushee, Administrative Services Manager Richard Duffey, Administrative Services Supervisor Trisha Hill, and Executive Assistant Tianne Baity

**3. Public Comment**

No public comment was received.

**4. New Business**

A. Annual Review of LWD's Procurement Policy - Receive and File the Annual Review of the Procurement Policy.

ASM Duffey presented the item and provided background information on the Procurement Policy. He stated that staff has reviewed the policy and is not recommending any changes noting that the policy included several updates in 2017.

GM Bushee noted that should the IFC agree to receive and file the review of the Procurement Policy, this item will be on the August Board Agenda under Consent Calendar.

Director Omsted asked if the auditors review the Procurement Policy at the same time they conduct the audit. ASM Duffey answered affirmatively.

Following discussion, the IFC agreed with staff's recommendation to receive and file the annual review of the Procurement Policy.

B. Revised Investment Policy – Redelegate authority to manage LWD's investment program to the General Manager effective September 1, 2019 through August 31, 2020, adopt Resolution No. 2318 amending LWD's Investment Policy, and receive and file the annual review of the policy.

ASM Duffey presented this item and provided background information on the Investment Policy. He stated that there were changes recommended to the following areas; Certificates of Deposit, Allowable Allocation Percentages of total invested funds, and minor administrative changes.

ASM Duffey also noted that staff desired to submit LWD's Investment Policy to the California Municipal Treasurers Association for certification under its Investment Policy Certification

Program. As a result, staff enhanced the investment policy by adding California Government Code sections, updating and clarifying some sections of the policy, and adding a glossary of terms.

ASM Duffey stated that staff suggests eliminating the Socially Responsible Investing section since LWD does not invest in the types of government agency bonds covered under this section. Also, applying a socially responsible investing section can be subjective and difficult to implement.

Following discussion, the IFC agreed with staff to recommend that Board of Directors redelegate authority to manage LWD's investment program to the General Manager effective September 1, 2019 through August 31, 2020, adopt Resolution No. 2318 amending LWD's Investment Policy, and receive and file the annual review of the policy.

ASM Duffey also presented a graph to the IFC depicting interest rate history by pool/reserve from January through July 2019. This item was for information purposes and no action was taken.

**5. Information Items**

None.

**6. Directors' Comments**

None.

**7. General Manager's Comments**

None.

**8. Adjournment**

Chairperson Hanson adjourned the meeting at 1:53 p.m.

---

Paul J. Bushee  
Secretary/General Manager  
(Seal)



**MEMORANDUM**

**DATE:** August 8, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager  
**SUBJECT:** Approval of July/August Demands



---

**RECOMMENDATION:**

Staff requests that the Board of Directors:

1. Approve checks and electronic payments totaling **\$ 2,179,544.68.**
2. Discuss and take other action as appropriate.

**DISCUSSION:**

Attached are check registers describing all payments made by LWD for the period July 6, 2019 through August 8, 2019.

Operating expenses totaled **\$817,780.56** Capital Improvement Program expenses totaled **\$1,304,894.80** and Payroll expense for District Employees and the Board totaled **\$56,869.32.**

- |              |   |
|--------------|---|
| Attachment 1 | Summary of Demands by Account July 6 – August 8, 2019 |
| Attachment 2 | Accounts Payable Check Register dated July 11, 2019   |
| Attachment 3 | Payroll Check Register dated July 17, 2019            |
| Attachment 4 | Accounts Payable Check Register dated July 22, 2019   |
| Attachment 5 | Accounts Payable Check Register dated July 30, 2019   |
| Attachment 6 | Payroll Check Register dated July 31, 2019            |
| Attachment 7 | Board Payroll Check Register dated August 1, 2019     |
| Attachment 8 | Accounts Payable Check Register dated August 1, 2019  |

## AGENDA ITEM 7B

**DEMANDS SUMMARY**

August 14, 2019

**1. Demands**

| <u>Category</u>                | <u>Check #'s</u>   | <u>Amount</u>          | <u>Total</u>          |
|--------------------------------|--------------------|------------------------|-----------------------|
| Payroll Check -7/17/2019       | 21471 - 21489      | \$3,003.21             |                       |
| Payroll Check - 7/31/2019      | 21490 - 21508      | \$52,219.51            |                       |
| Board Payroll Check -8/1/ 2019 | 21509 - 21513      | <u>\$1,646.60</u>      |                       |
|                                | <b>Total</b>       | <b>\$56,869.32</b>     |                       |
| General Checking -7/11/2019    | 53061 - 53103      | \$ 125,165.05          |                       |
| General Checking - 7/22/2019   | 53104 - 53139      | \$ 201,973.22          |                       |
| General Checking - 7/30/2019   | 53140              | \$ 1,636,643.31        |                       |
| General Checking - 8/1/2019    | 53141 - 53163      | \$ 158,893.78          |                       |
|                                | <b>Total</b>       | <b>\$ 2,122,675.36</b> |                       |
|                                | <b>GRAND TOTAL</b> |                        | <b>\$2,179,544.68</b> |

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 7/11/2019 Through 7/11/2019

| <u>Vendor Name</u>   | <u>Check Number</u> | <u>Effective Date</u>   | <u>Check Amount</u>                           | <u>Transaction Description</u>  |
|--|---------------------|---|---|---|
| CHRIS BROWN dba:ALCHEMY<br>CONSULTING GROUP  | 53061               | 7/11/2019   | 2,000.00                                      | CONSULTING FEE FOR LAFCO<br>PROCESS-JUNE  |
|  | Total 53061         |   | 2,000.00                                      |   |
| ALLIANT INSURANCE SERVICES   | 53062               | 7/11/2019   | 7,650.00                                      | MOBILE VEHICLE PROGRAM INS<br>RENEWAL   |
|  | Total 53062         |   | 7,650.00                                      |   |
| AT&T   | 53063               | 7/11/2019   | 205.68  | OFFICE PHONE LINES  |
|  | Total 53063         |   | 205.68  |   |
| BOOT WORLD, INC<br>BOOT WORLD, INC   | 53064               | 7/11/2019<br>7/11/2019  | 300.00<br>251.51                              | SAFETY BOOTS FOR M. GONZALEZ<br>SAFETY BOOTS-S. KRASON/C.<br>RUSSELL                          |
|  | Total 53064         |   | 551.51  |   |
| CITY OF CARLSBAD<br>CITY OF CARLSBAD<br>CITY OF CARLSBAD<br>CITY OF CARLSBAD<br>CITY OF CARLSBAD | 53065               | 7/11/2019<br>7/11/2019<br>7/11/2019<br>7/11/2019<br>7/11/2019 | 31.28<br>151.65<br>148.58<br>266.52<br>206.07 | WATER @ FIRE LINE<br>WATER @ PLANT<br>WATER @ PLANT/ADM<br>WATER @ VACTOR<br>WATER @ VACTOR 2 |
|  | Total 53065         |   | 804.10  |   |
| CORODATA   | 53066               | 7/11/2019   | 96.68   | FILE STORAGE-JUNE   |
|  | Total 53066         |   | 96.68   |   |
| COUNTY OF SAN DIEGO  | 53067               | 7/11/2019   | 7,323.45                                      | LAFCO FEES-2019-2020  |
|  | Total 53067         |   | 7,323.45                                      |   |
| COX COMMUNICATIONS SAN<br>DIEGO  | 53068               | 7/11/2019   | 1,473.87                                      | CABLE/INTERNET/PHONE SERVICE  |
|  | Total 53068         |   | 1,473.87                                      |   |
| CSRMA<br>CSRMA   | 53069               | 7/11/2019<br>7/11/2019  | 14,250.00<br>49,996.00                        | PROPERTY INS-7/2019-7/2020<br>W/C POOLED -7/1/19-7/2020                                       |
|  | Total 53069         |   | 64,246.00                                     |   |
| CWEA   | 53070               | 7/11/2019   | 188.00  | RENEWAL FOR R. EASTON   |
|  | Total 53070         |   | 188.00  |   |
| DATA NET SOLUTIONS GROUP<br>DATA NET SOLUTIONS GROUP   | 53071               | 7/11/2019<br>7/11/2019  | 1,041.30<br>172.50                            | IS MAINT AND SERVICE-JUNE<br>IS MAINT AND SUPPORT   |
|  | Total 53071         |   | 1,213.80                                      |   |
| DKF SOLUTIONS GROUP, LLC   | 53072               | 7/11/2019   | 300.00  | MONTHLY SUBS. FEE-JULY  |
|  | Total 53072         |   | 300.00  |   |

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 7/11/2019 Through 7/11/2019

| <u>Vendor Name</u>                | <u>Check Number</u> | <u>Effective Date</u> | <u>Check Amount</u> | <u>Transaction Description</u>                 |
|-----------------------------------|---------------------|-----------------------|---------------------|--|
| EVOQUA WATER TECHNOLOGIES, LLC    | 53073               | 7/11/2019             | 6,275.43            | CHEMICAL FERROUS                               |
|                                   | Total 53073         |                       | 6,275.43            |  |
| FEDERAL EXPRESS CORPORATION       | 53074               | 7/11/2019             | 22.60               | SHIPPING                                       |
|                                   | Total 53074         |                       | 22.60               |  |
| GOVERNMENT FINANCE OFFICER ASSOC. | 53075               | 7/11/2019             | 160.00              | RENEWAL-R. DUFFEY-9/1/19-8/31/2020             |
|                                   | Total 53075         |                       | 160.00              |  |
| HARTFORD LIFE & ACCIDENT INS.     | 53076               | 7/11/2019             | 456.89              | LIFE INS-JULY                                  |
|                                   | Total 53076         |                       | 456.89              |  |
| HEAVILAND ENTERPRISES, INC        | 53077               | 7/11/2019             | 840.00              | LANDSCAPE MAINT-JULY                           |
|                                   | Total 53077         |                       | 840.00              |  |
| HUMANA DENTAL INS.                | 53078               | 7/11/2019             | 2,707.40            | DENTAL INS-JULY                                |
|                                   | Total 53078         |                       | 2,707.40            |  |
| ICMA RETIREMENT-303979            | 53079               | 7/11/2019             | 5,494.49            | DEFERRED COMP                                  |
|                                   | Total 53079         |                       | 5,494.49            |  |
| LA COSTA LOGO, LLC                | 53080               | 7/11/2019             | 1,649.63            | SWEATSHIRTS/ART WORK/SETUP                     |
|                                   | Total 53080         |                       | 1,649.63            |  |
| MESA REPROGRAPHICS                | 53081               | 7/11/2019             | 322.37              | PLANS/PRINTS                                   |
|                                   | Total 53081         |                       | 322.37              |  |
| MITSUBISHI ELECTRIC US, INC       | 53082               | 7/11/2019             | 308.81              | MAINT/SERVICE ELEVATOR-JULY                    |
|                                   | Total 53082         |                       | 308.81              |  |
| NATIONWIDE RETIREMENT SOLUTIONS   | 53083               | 7/11/2019             | 289.85              | DEFERRED COMP                                  |
|                                   | Total 53083         |                       | 289.85              |  |
| nfpACCOUNTING TECHNOLOGIES        | 53084               | 7/11/2019             | 2,413.00            | PREMIER SUPPORT FOR MIP WITH NFP-7/2019-6/2020 |
|                                   | Total 53084         |                       | 2,413.00            |  |
| OFFICE DEPOT, INC.                | 53085               | 7/11/2019             | 38.43               | OFFICE SUPPLIES                                |
|                                   | Total 53085         |                       | 38.43               |  |

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 7/11/2019 Through 7/11/2019

| Vendor Name                         | Check Number | Effective Date | Check Amount | Transaction Description                    |
|-------------------------------------|--------------|----------------|--------------|--|
| OLIVENHAIN MUNICIPAL WATER DISTRICT | 53086        | 7/11/2019      | 45.21        | WATER @ E. ESTATES                         |
| OLIVENHAIN MUNICIPAL WATER DISTRICT |              | 7/11/2019      | 637.21       | WATER @ TRAVELING                          |
| OLIVENHAIN MUNICIPAL WATER DISTRICT |              | 7/11/2019      | 477.81       | WATER @ TRAVELING2                         |
| OLIVENHAIN MUNICIPAL WATER DISTRICT |              | 7/11/2019      | 45.21        | WATER @ VP5                                |
| OLIVENHAIN MUNICIPAL WATER DISTRICT |              | 7/11/2019      | 45.21        | WATER @ VP7                                |
|                                     | Total 53086  |                | 1,250.65     |  |
| PLANT PEOPLE, INC                   | 53087        | 7/11/2019      | 158.00       | PLANT MAINT-JULY                           |
|                                     | Total 53087  |                | 158.00       |  |
| PROFORMA PRINT & PROMOTIONS         | 53088        | 7/11/2019      | 496.07       | A/P CHECKS                                 |
|                                     | Total 53088  |                | 496.07       |  |
| PURE WATER PARTNERS, LLC            | 53089        | 7/11/2019      | 135.77       | FILTERED WATER @ ADM OFFICE                |
|                                     | Total 53089  |                | 135.77       |  |
| RICHARD STINSON                     | 53090        | 7/11/2019      | 11,287.50    | CONSTRUCTION MGMT-APRIL-JUNE               |
|                                     | Total 53090  |                | 11,287.50    |  |
| SAN DIEGO EMPLOYERS ASSOCIATION     | 53091        | 7/11/2019      | 659.00       | ANNUAL MEMBERSHIP-S.D. EMPLOYERS ASSOC.    |
|                                     | Total 53091  |                | 659.00       |  |
| SAN DIEGUITO WATER DISTRICT         | 53092        | 7/11/2019      | 155.62       | WATER @ BPS                                |
| SAN DIEGUITO WATER DISTRICT         |              | 7/11/2019      | 53.73        | WATER @ TANKER                             |
| SAN DIEGUITO WATER DISTRICT         |              | 7/11/2019      | 53.73        | WATER @ TANKER 2                           |
|                                     | Total 53092  |                | 263.08       |  |
| SOUTHERN CONTRACTING COMPANY        | 53093        | 7/11/2019      | 520.00       | REPAIRS/ELECTRICAL WORK @ BPS              |
|                                     | Total 53093  |                | 520.00       |  |
| STATE WATER RESOURCES CONTROL BD    | 53094        | 7/11/2019      | 60.00        | RENEWAL FOR I. RIFFEL-WATER TREATMENT CERT |
|                                     | Total 53094  |                | 60.00        |  |
| TERMINIX                            | 53095        | 7/11/2019      | 60.00        | MONTHLY PEST SERVICE-JUNE                  |
|                                     | Total 53095  |                | 60.00        |  |

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 7/11/2019 Through 7/11/2019

| <u>Vendor Name</u>              | <u>Check Number</u> | <u>Effective Date</u> | <u>Check Amount</u> | <u>Transaction Description</u> |
|---------------------------------|---------------------|-----------------------|---------------------|--------------------------------|
| THE HOME DEPOT CRC/GECF         | 53096               | 7/11/2019             | <u>533.36</u>       | SUPPLIES-JUNE                  |
|                                 | Total 53096         |                       | 533.36              |                                |
| UNDERGROUND SERVICE<br>ALERT OF | 53097               | 7/11/2019             | 181.60              | DIG ALERT-MONTHLY-JUNE         |
| UNDERGROUND SERVICE<br>ALERT OF |                     | 7/11/2019             | 89.20               | FEES-DIG SAFE-JUNE             |
|                                 | Total 53097         |                       | 270.80              |                                |
| UNIFIRST CORPORATION            | 53098               | 7/11/2019             | <u>223.48</u>       | LAUNDRY SERVICE-W/E 7/3/19     |
|                                 | Total 53098         |                       | 223.48              |                                |
| CONCENTRA                       | 53099               | 7/11/2019             | <u>99.00</u>        | PHYSICALS-H. GONZALEZ-JUNE     |
|                                 | Total 53099         |                       | 99.00               |                                |
| V&A CONSULTING ENGINEERS        | 53100               | 7/11/2019             | <u>1,500.00</u>     | SM CREEK STREAM STUDY-JUNE     |
|                                 | Total 53100         |                       | 1,500.00            |                                |
| VERIZON WIRELESS                | 53101               | 7/11/2019             | <u>21.27</u>        | TELEMETRY                      |
|                                 | Total 53101         |                       | 21.27               |                                |
| WASTE MANAGEMENT                | 53102               | 7/11/2019             | <u>267.08</u>       | TRASH SERVICE-JUNE             |
|                                 | Total 53102         |                       | 267.08              |                                |
| WATER ENVIRONMENT<br>FEDERATION | 53103               | 7/11/2019             | 328.00              | RENWAL FOR P. BUSHEE           |
|                                 | Total 53103         |                       | 328.00              |                                |
| Report Total                    |                     |                       | <u>125,165.05</u>   |                                |

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: July 17, 2019

| <u>Check Nos.</u> | <u>Date</u> | <u>Amount</u> |
|-------------------|-------------|---------------|
| 21471 - 21489     | 7/17/2019   | \$52,455.16   |

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 7/22/2019 Through 7/22/2019

| <u>Vendor Name</u>              | <u>Check Number</u> | <u>Effective Date</u> | <u>Check Amount</u> | <u>Transaction Description</u>                               |
|---------------------------------|---------------------|-----------------------|---------------------|--|
| ALLIANT INSURANCE SERVICES, INC | 53104               | 7/22/2019             | 998.98              | COMMERCIAL CYBER LIABILITY INS                               |
|                                 | Total 53104         |                       | 998.98              |  |
| AT&T                            | 53105               | 7/22/2019             | 127.63              | PHONE SERVICE @ BPS  |
|                                 | Total 53105         |                       | 127.63              |  |
| BOOT WORLD, INC                 | 53106               | 7/22/2019             | 184.28              | SAFETY BOOTS FOR M. AVALOS/R. RODRIGUEZ                      |
|                                 | Total 53106         |                       | 184.28              |  |
| BURTECH PIPELINE, INC           | 53107               | 7/22/2019             | 46,496.56           | FINAL INVOICE-RETENTION-JUNE                                 |
|                                 | Total 53107         |                       | 46,496.56           |  |
| CARLSBAD FUELS CORPORATION      | 53108               | 7/22/2019             | 2,354.82            | VEHICLE FUELS/BPS FUELS-JUNE                                 |
|                                 | Total 53108         |                       | 2,354.82            |  |
| CITY TREASURER                  | 53109               | 7/22/2019             | 140.00              | REGISTRATION FEE FOR RWSS CERT CLASS FOR M. AVALOS/G. MENDEZ |
|                                 | Total 53109         |                       | 140.00              |  |
| CITY TREASURER                  | 53110               | 7/22/2019             | 280.00              | RWSS CERT CLASS FOR R. EASTON/H. GONZALEZ/C. RUSSELL/T. AMOS |
|                                 | Total 53110         |                       | 280.00              |  |
| SAN DIEGO COUNTY SYMPOSIUM FUND | 53111               | 7/22/2019             | 190.00              | SYMPOSIUM FEES FOR R. DUFFEY/TRISHA HILL                     |
|                                 | Total 53111         |                       | 190.00              |  |
| DATA NET SOLUTIONS GROUP        | 53112               | 7/22/2019             | 525.00              | AEROHIVE SUPPORT RENEWAL                                     |
| DATA NET SOLUTIONS GROUP        |                     | 7/22/2019             | 863.75              | IS MAINT AND SUPPORT   |
| DATA NET SOLUTIONS GROUP        |                     | 7/22/2019             | 1,475.00            | SQL SERVER LICENSE   |
|                                 | Total 53112         |                       | 2,863.75            |  |
| DEXTER WILSON ENGINEERING       | 53113               | 7/22/2019             | 165.00              | GE/0929/JUNE/CASCADA VERDE                                   |
| DEXTER WILSON ENGINEERING       |                     | 7/22/2019             | 852.50              | GE/0983/JUNE/HYMETTUS ESTATES                                |
| DEXTER WILSON ENGINEERING       |                     | 7/22/2019             | 7,700.00            | GE/0996/JUNE/ENCINITAS BEACH HOTEL                           |
| DEXTER WILSON ENGINEERING       |                     | 7/22/2019             | 440.00              | GE/1040/JUNE/GASCONY RD                                      |
| DEXTER WILSON ENGINEERING       |                     | 7/22/2019             | 160.00              | GE/1058/JUNE/EL CAMINO REAL BLDG                             |
| DEXTER WILSON ENGINEERING       |                     | 7/22/2019             | 455.00              | GE/1070/JUNE/ENCINITAS VILLAGE                               |
| DEXTER WILSON ENGINEERING       |                     | 7/22/2019             | 220.00              | GE/1074/JUNE/CITY OF ENCINITAS MORNING SUN LN                |
| DEXTER WILSON ENGINEERING       |                     | 7/22/2019             | 6,312.50            | GE/CIP/JUNE/200/0364   |



**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 7/22/2019 Through 7/22/2019

| Vendor Name                      | Check Number | Effective Date | Check Amount    | Transaction Description                |
|----------------------------------|--------------|----------------|-----------------|--|
| DEXTER WILSON ENGINEERING        |              | 7/22/2019      | <u>605.00</u>   | SSMP-1029-JUNE                         |
|                                  | Total 53113  |                | 16,910.00       |  |
| ELLIOT ASSOCIATES                | 53114        | 7/22/2019      | <u>462.71</u>   | DATA PROCESSING SEWER ASSESSMENTS FILE |
|                                  | Total 53114  |                | 462.71          |  |
| EVOQUA WATER TECHNOLOGIES, LLC   | 53115        | 7/22/2019      | <u>7,690.89</u> | CHEMICAL FERROUS                       |
|                                  | Total 53115  |                | 7,690.89        |  |
| FEDERAL EXPRESS CORPORATION      | 53116        | 7/22/2019      | <u>31.44</u>    | SHIPPING                               |
|                                  | Total 53116  |                | 31.44           |  |
| GREAT AMERICA FINANCIAL SERVICES | 53117        | 7/22/2019      | <u>860.27</u>   | COPIER LEASE                           |
|                                  | Total 53117  |                | 860.27          |  |
| HAAKER EQUIPMENT CO              | 53118        | 7/22/2019      | <u>262.83</u>   | REPAIRS/MAINT-VACTORS                  |
|                                  | Total 53118  |                | 262.83          |  |
| HEAVILAND ENTERPRISES, INC       | 53119        | 7/22/2019      | <u>295.00</u>   | MONTHLY VEG. CLEANUP-JULY              |
|                                  | Total 53119  |                | 295.00          |  |
| ICMA RETIREMENT-303979           | 53120        | 7/22/2019      | <u>5,497.98</u> | DEFERRED COMP                          |
|                                  | Total 53120  |                | 5,497.98        |  |
| INFRASTRUCTURE ENGINEERING CORP  | 53121        | 7/22/2019      | 680.00          | 2018 GRAVITY SEWER PROJECT-JUNE        |
| INFRASTRUCTURE ENGINEERING CORP  |              | 7/22/2019      | 11,780.00       | 2019 PS ASSESSMENTS-JUNE               |
| INFRASTRUCTURE ENGINEERING CORP  |              | 7/22/2019      | 1,337.50        | B3 SEWER FORCE MAIN PROJECT-JUNE       |
| INFRASTRUCTURE ENGINEERING CORP  |              | 7/22/2019      | 540.00          | ENCINITAS ESTATES PROJECT-JUNE         |
| INFRASTRUCTURE ENGINEERING CORP  |              | 7/22/2019      | 12,362.33       | LPS REHAB PROJECT-JUNE                 |
| INFRASTRUCTURE ENGINEERING CORP  |              | 7/22/2019      | 160.00          | ORCHARD WOOD SEWER PROJECT-JUNE        |
|                                  | Total 53121  |                | 26,859.83       |  |
| JETER SYSTEMS CORPORATION        | 53122        | 7/22/2019      | <u>403.94</u>   | MANILA FOLDERS                         |
|                                  | Total 53122  |                | 403.94          |  |
| KAMAN INDUSTRIAL TECHNOLOGIES    | 53123        | 7/22/2019      | <u>90.48</u>    | PARTS FOR BPS/LPS                      |

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 7/22/2019 Through 7/22/2019

| <u>Vendor Name</u>              | <u>Check Number</u> | <u>Effective Date</u> | <u>Check Amount</u> | <u>Transaction Description</u> |
|---------------------------------|---------------------|-----------------------|---------------------|--------------------------------|
|                                 | Total 53123         |                       | 90.48               |                                |
| MARILYN DARE                    | 53124               | 7/22/2019             | <u>1,165.00</u>     | LATERAL REIMBURSEMENT          |
|                                 | Total 53124         |                       | 1,165.00            |                                |
| NAPA AUTO                       | 53125               | 7/22/2019             | <u>51.66</u>        | VEHICLE SUPPLIES               |
|                                 | Total 53125         |                       | 51.66               |                                |
| NATIONWIDE RETIREMENT SOLUTIONS | 53126               | 7/22/2019             | <u>289.85</u>       | DEFERRED COMP                  |
|                                 | Total 53126         |                       | 289.85              |                                |
| NEOPOST, INC                    | 53127               | 7/22/2019             | <u>18.00</u>        | POSTAGE                        |
|                                 | Total 53127         |                       | 18.00               |                                |
| NU-LINE TECHNOLOGIES, INC       | 53128               | 7/22/2019             | <u>33,496.41</u>    | FINAL PAYMENT-RETENTION -JUNE  |
|                                 | Total 53128         |                       | 33,496.41           |                                |
| PACIFIC RIM MECHANICAL          | 53129               | 7/22/2019             | <u>2,395.50</u>     | QTRLY HVAC MAINT               |
|                                 | Total 53129         |                       | 2,395.50            |                                |
| RISING TIDE PARTNERS            | 53130               | 7/22/2019             | <u>4,687.50</u>     | PUBLIC INFORMATION-JUNE        |
|                                 | Total 53130         |                       | 4,687.50            |                                |
| SAN DIEGO GAS & ELECTIRC        | 53131               | 7/22/2019             | 2,947.91            | ELECTRIC @ ADM OFFICE          |
| SAN DIEGO GAS & ELECTIRC        |                     | 7/22/2019             | 120.38              | ELECTRIC @ AVOCADO PS          |
| SAN DIEGO GAS & ELECTIRC        |                     | 7/22/2019             | 13,121.87           | ELECTRIC @ BPS                 |
| SAN DIEGO GAS & ELECTIRC        |                     | 7/22/2019             | 440.00              | ELECTRIC @ DIANA PS            |
| SAN DIEGO GAS & ELECTIRC        |                     | 7/22/2019             | 718.95              | ELECTRIC @ E. ESTATES          |
| SAN DIEGO GAS & ELECTIRC        |                     | 7/22/2019             | 825.91              | ELECTRIC @ LCPS                |
| SAN DIEGO GAS & ELECTIRC        |                     | 7/22/2019             | 10,274.17           | ELECTRIC @ LPS                 |
| SAN DIEGO GAS & ELECTIRC        |                     | 7/22/2019             | 135.63              | ELECTRIC @ RANCHO VERDE PS     |
| SAN DIEGO GAS & ELECTIRC        |                     | 7/22/2019             | 670.37              | ELECTRIC @ SPS                 |
| SAN DIEGO GAS & ELECTIRC        |                     | 7/22/2019             | 342.42              | ELECTRIC @ VP5                 |
| SAN DIEGO GAS & ELECTIRC        |                     | 7/22/2019             | 147.83              | ELECTRIC @ VP7                 |
| SAN DIEGO GAS & ELECTIRC        |                     | 7/22/2019             | <u>10.00</u>        | GAS @ ADM BLDG                 |
|                                 | Total 53131         |                       | 29,755.44           |                                |
| SPACELINK/IZB NETWORK           | 53132               | 7/22/2019             | <u>160.00</u>       | WEB CAM @ BPS                  |
|                                 | Total 53132         |                       | 160.00              |                                |
| STEPHEN MAHONEY                 | 53133               | 7/22/2019             | <u>3,000.00</u>     | LATERAL REIMBURSEMENT          |
|                                 | Total 53133         |                       | 3,000.00            |                                |
| UNIFIRST CORPORATION            | 53134               | 7/22/2019             | 227.37              | LAUNDRY SERVICE W/E 7/17/19    |
| UNIFIRST CORPORATION            |                     | 7/22/2019             | <u>219.18</u>       | LAUNDRY SERVICE-W/E 7/10/19    |
|                                 | Total 53134         |                       | 446.55              |                                |

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 7/22/2019 Through 7/22/2019

| <u>Vendor Name</u>      | <u>Check Number</u> | <u>Effective Date</u> | <u>Check Amount</u> | <u>Transaction Description</u>             |
|-------------------------|---------------------|-----------------------|---------------------|--|
| UNIFIRST FIRST AID CORP | 53135               | 7/22/2019             | 25.97               | FIRST AID-LOTION                           |
| UNIFIRST FIRST AID CORP |                     | 7/22/2019             | <u>127.85</u>       | REFILL FIRST AID CABINET                   |
|                         | Total 53135         |                       | 153.82              |  |
| U.S. BANK               | 53136               | 7/22/2019             | 7,893.87            | OFFICE<br>SUPPLIES/MEETINGS/CONFEREN...    |
|                         | Total 53136         |                       | 7,893.87            |  |
| VERIZON WIRELESS        | 53137               | 7/22/2019             | 1,962.23            | CELL PHONES<br>CHARGES/EQUIPMENT           |
|                         | Total 53137         |                       | 1,962.23            |  |
| CHRISTOPHER PENDERGRASS | 53138               | 7/22/2019             | 2,200.00            | PERMIT REQUIRED CONFINED<br>SPACE TRAINING |
|                         | Total 53138         |                       | 2,200.00            |  |
| WORDEN WILLIAMS LLP     | 53139               | 7/22/2019             | <u>1,296.00</u>     | LEGAL FEES-JUNE                            |
|                         | Total 53139         |                       | 1,296.00            |  |
| Report Total            |                     |                       | <u>201,973.22</u>   |  |

**Leucadia Wastewater District**  
Vendor Activity - Supplemental Credit Card Report  
From 6/30/2019 Through 7/22/2019

| Vendor Name       | Tra... Sou... | Effective Date | Check/Voucher Number | Expenses        | GL Code | GL Title                       | Transaction Description |
|-------------------|---------------|----------------|----------------------|-----------------|---------|--------------------------------|-------------------------|
| U.S. BANK         | API           | 6/30/2019      | 53136                | 70.60           | 1129    | ACCOUNTS RECEIVABLE OTHER      | MISC RECEIVABLES        |
| U.S. BANK         | API           | 6/30/2019      | 53136                | 53.70           | 4330    | BOARD CONFERENCES              | AIRPORT PKG-ES          |
| U.S. BANK         | API           | 6/30/2019      | 53136                | 474.70          | 4330    | BOARD CONFERENCES              | CSDA LEG HOTEL-DO       |
| U.S. BANK         | API           | 6/30/2019      | 53136                | 508.58          | 4330    | BOARD CONFERENCES              | CSDA LEG HOTEL-ES       |
| U.S. BANK         | API           | 6/30/2019      | 53136                | 9.79            | 4330    | BOARD CONFERENCES              | CSDA LEG LUNCH-DO       |
| U.S. BANK         | API           | 6/30/2019      | 53136                | 32.00           | 4330    | BOARD CONFERENCES              | LUNCH CSDA LEG-ES       |
| U.S. BANK         | API           | 6/30/2019      | 53136                | 90.57           | 4910    | OFFICE SUPPLIES                | OFFICE SUPPLIES         |
| U.S. BANK         | API           | 6/30/2019      | 53136                | 20.00           | 4930    | SUBSCRIPTIONS                  | NEWSLETTER ON LINE      |
| U.S. BANK         | API           | 6/30/2019      | 53136                | (447.00)        | 5040    | Safety Supplies & Services     | COOLING VEST CREDIT     |
| U.S. BANK         | API           | 6/30/2019      | 53136                | 2,374.00        | 5040    | Safety Supplies & Services     | FS COOLING VESTS        |
| U.S. BANK         | API           | 6/30/2019      | 53136                | (447.00)        | 5040    | Safety Supplies & Services     | FS COOLING VESTS CREDIT |
| U.S. BANK         | API           | 6/30/2019      | 53136                | 80.00           | 5710    | TRAINING, EDUCATION & CONFERNC | ONLINE TRAINING-RD      |
| U.S. BANK         | API           | 6/30/2019      | 53136                | 176.02          | 5735    | EMPLOYEE RECOGNITION           | EMPL RECOG. PIZZA       |
| U.S. BANK         | API           | 6/30/2019      | 53136                | 295.51          | 5735    | EMPLOYEE RECOGNITION           | FS APPRECIATION LUNCH   |
| U.S. BANK         | API           | 6/30/2019      | 53136                | 125.00          | 5910    | TELEPHONE                      | WEB HOSTING             |
| U.S. BANK         | API           | 6/30/2019      | 53136                | 30.00           | 5910    | TELEPHONE                      | WIFI                    |
| U.S. BANK         | API           | 7/17/2019      | 53136                | 595.00          | 4330    | BOARD CONFERENCES              | CASA REG-ES             |
| U.S. BANK         | API           | 7/17/2019      | 53136                | 1,190.00        | 4330    | BOARD CONFERENCES              | CASA RG-DK/JH           |
| U.S. BANK         | API           | 7/17/2019      | 53136                | 595.00          | 4330    | BOARD CONFERENCES              | CSDA REG-DO             |
| U.S. BANK         | API           | 7/17/2019      | 53136                | 595.00          | 5710    | TRAINING, EDUCATION & CONFERNC | CASA REG-PB             |
| U.S. BANK         | API           | 7/17/2019      | 53136                | 595.00          | 5710    | TRAINING, EDUCATION & CONFERNC | CASA REG-RM             |
| U.S. BANK         | API           | 7/17/2019      | 53136                | 165.00          | 5710    | TRAINING, EDUCATION & CONFERNC | FS CWEA SEMINAR         |
| U.S. BANK         | API           | 7/17/2019      | 53136                | 79.10           | 5710    | TRAINING, EDUCATION & CONFERNC | TRISSTATE HOTEL-TA      |
| U.S. BANK         | API           | 7/17/2019      | 53136                | 79.10           | 5710    | TRAINING, EDUCATION & CONFERNC | TRISTATE HOTEL-JS       |
| U.S. BANK         | API           | 7/17/2019      | 53136                | 79.10           | 5710    | TRAINING, EDUCATION & CONFERNC | TRISTATE HOTEL-MA       |
| U.S. BANK         | API           | 7/17/2019      | 53136                | 79.10           | 5710    | TRAINING, EDUCATION & CONFERNC | TRISTATE HOTEL-MG       |
| U.S. BANK         | API           | 7/17/2019      | 53136                | 99.00           | 5710    | TRAINING, EDUCATION & CONFERNC | TRISTATE REG-JS         |
| U.S. BANK         | API           | 7/17/2019      | 53136                | 99.00           | 5710    | TRAINING, EDUCATION & CONFERNC | TRISTATE REG-MA         |
| U.S. BANK         | API           | 7/17/2019      | 53136                | 99.00           | 5710    | TRAINING, EDUCATION & CONFERNC | TRISTATE REG-MG         |
| U.S. BANK         | API           | 7/17/2019      | 53136                | 99.00           | 5710    | TRAINING, EDUCATION & CONFERNC | TRISTATE REG-TA         |
| Transaction Total |               |                |                      | <u>7,893.87</u> |         |                                |                         |

Report  
Opening/Current  
Balance

---

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 7/30/2019 Through 7/30/2019

| <u>Vendor Name</u>             | <u>Check Number</u> | <u>Effective Date</u> | <u>Check Amount</u>        | <u>Transaction Description</u>      |
|--------------------------------|---------------------|-----------------------|----------------------------|-------------------------------------|
| ENCINA WASTEWATER<br>AUTHORITY | 53140               | 7/30/2019             | 1,180,442.00               | Encina 4th Qtr Capital Expenditures |
| ENCINA WASTEWATER<br>AUTHORITY |                     | 7/30/2019             | 456,201.31                 | Encina 4th Qtr Operating Expense    |
|                                | Total 53140         |                       | <u>1,636,643.31</u>        |                                     |
| Report Total                   |                     |                       | <u><u>1,636,643.31</u></u> |                                     |

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: July 31, 2019

| <u>Check Nos.</u> | <u>Date</u> | <u>Amount</u> |
|-------------------|-------------|---------------|
| 21490 - 21508     | 7/31/2019   | \$52,219.51   |

**LEUCADIA WASTEWATER DISTRICT  
BOARD PAYROLL CHECK REPORT**

**Payroll Date:** August 1, 2019

| <u>Check No.</u> | <u>Date</u> | <u>Amount</u> |
|------------------|-------------|---------------|
| 21509 - 21513    | 8/1/2019    | \$1,646.60    |

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 8/1/2019 Through 8/1/2019

| <u>Vendor Name</u>              | <u>Check Number</u> | <u>Effective Date</u> | <u>Check Amount</u> | <u>Transaction Description</u>           |
|---------------------------------|---------------------|-----------------------|---------------------|--|
| BAJA POOL AND SPA SERVICE       | 53141               | 8/1/2019              | <u>140.00</u>       | FOUNTAIN SERVICE-AUG                     |
|                                 | Total 53141         |                       | 140.00              |  |
| BAY CITY ELECTRIC WORKS,<br>INC | 53142               | 8/1/2019              | 867.91              | GENERATOR SEERVICE @ #146                |
| BAY CITY ELECTRIC WORKS,<br>INC |                     | 8/1/2019              | 597.48              | GENERATOR SEERVICE @ VP5 PS              |
| BAY CITY ELECTRIC WORKS,<br>INC |                     | 8/1/2019              | 1,400.98            | GENERATOR SERVICE @ #135                 |
| BAY CITY ELECTRIC WORKS,<br>INC |                     | 8/1/2019              | 510.91              | GENERATOR SERVICE @ #142                 |
| BAY CITY ELECTRIC WORKS,<br>INC |                     | 8/1/2019              | 510.91              | GENERATOR SERVICE @ #146                 |
| BAY CITY ELECTRIC WORKS,<br>INC |                     | 8/1/2019              | 416.76              | GENERATOR SERVICE @ E.<br>ESTATES PS     |
| BAY CITY ELECTRIC WORKS,<br>INC |                     | 8/1/2019              | 590.74              | GENERATOR SERVICE @ LCPS                 |
| BAY CITY ELECTRIC WORKS,<br>INC |                     | 8/1/2019              | 1,222.35            | GENERATOR SERVICE @ LPS                  |
| BAY CITY ELECTRIC WORKS,<br>INC |                     | 8/1/2019              | 643.11              | GENERATOR SERVICE @ SPS                  |
| BAY CITY ELECTRIC WORKS,<br>INC |                     | 8/1/2019              | 347.56              | GENERATOR SERVICE @ VP5                  |
|                                 | Total 53142         |                       | <u>7,108.71</u>     |  |
| COLONIAL LIFE INS               | 53143               | 8/1/2019              | <u>418.56</u>       | ACCIDENT/CRITICAL CARE<br>INS-JULY       |
|                                 | Total 53143         |                       | 418.56              |  |
| COSCO FIRE PROTECTION           | 53144               | 8/1/2019              | <u>225.00</u>       | QTRLY FIRE SPRINKLER<br>INSPECTION       |
|                                 | Total 53144         |                       | 225.00              |  |
| DATA NET SOLUTIONS GROUP        | 53145               | 8/1/2019              | 431.25              | IS MAINT AND SUPPORT                     |
| DATA NET SOLUTIONS GROUP        |                     | 8/1/2019              | <u>2,272.66</u>     | NET APP WARRANTY RENEWAL                 |
|                                 | Total 53145         |                       | 2,703.91            |  |
| DKF SOLUTIONS GROUP, LLC        | 53146               | 8/1/2019              | <u>300.00</u>       | MONTHLY SAFETY<br>SUBSCRIPTION-AUG       |
|                                 | Total 53146         |                       | 300.00              |  |
| ENCINA WASTEWATER<br>AUTHORITY  | 53147               | 8/1/2019              | <u>136,907.00</u>   | PENSION PLAN POLICY FOR<br>ENCINA-FY 202 |
|                                 | Total 53147         |                       | 136,907.00          |  |
| EWING IRRIGATION PRODUCTS       | 53148               | 8/1/2019              | <u>28.23</u>        | PARTS FOR LPS/BPS                        |
|                                 | Total 53148         |                       | 28.23               |  |
| HUMANA DENTAL INS.              | 53149               | 8/1/2019              | <u>2,707.40</u>     | DENTAL INS FOR AUGUST                    |



**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 8/1/2019 Through 8/1/2019

| <u>Vendor Name</u>                  | <u>Check Number</u> | <u>Effective Date</u> | <u>Check Amount</u> | <u>Transaction Description</u> |
|-------------------------------------|---------------------|-----------------------|---------------------|--------------------------------|
|                                     | Total 53149         |                       | 2,707.40            |                                |
| MALLORY SAFETY AND SUPPLY           | 53150               | 8/1/2019              | <u>299.50</u>       | SAFETY ITEMS-GLOVES            |
|                                     | Total 53150         |                       | 299.50              |                                |
| MES VISION                          | 53151               | 8/1/2019              | <u>414.12</u>       | VISION INS-AUG                 |
|                                     | Total 53151         |                       | 414.12              |                                |
| MUTUAL OF OMAHA                     | 53152               | 8/1/2019              | <u>1,201.25</u>     | DISABILITY INS-AUG             |
|                                     | Total 53152         |                       | 1,201.25            |                                |
| NORLAB, INC                         | 53153               | 8/1/2019              | <u>240.00</u>       | TRACING DYE                    |
|                                     | Total 53153         |                       | 240.00              |                                |
| OFFICE DEPOT, INC.                  | 53154               | 8/1/2019              | <u>457.42</u>       | OFFICE SUPPLIES                |
|                                     | Total 53154         |                       | 457.42              |                                |
| OLIVENHAIN MUNICIPAL<br>WATER DIST  | 53155               | 8/1/2019              | <u>861.65</u>       | RMC GRANT ADM COSTS            |
|                                     | Total 53155         |                       | 861.65              |                                |
| RANCHO SANTA FE SECURITY<br>SYSTEMS | 53156               | 8/1/2019              | <u>258.00</u>       | ALARM/FIRE MONITORING          |
|                                     | Total 53156         |                       | 258.00              |                                |
| SAN DIEGO UNION TRIBUNE             | 53157               | 8/1/2019              | <u>112.54</u>       | NEWSPAPER DELIVERY             |
|                                     | Total 53157         |                       | 112.54              |                                |
| SAN DIEGO GAS & ELECTIRC            | 53158               | 8/1/2019              | <u>1,457.07</u>     | ELECTRIC @ EEPS                |
|                                     | Total 53158         |                       | 1,457.07            |                                |
| TERMINIX                            | 53159               | 8/1/2019              | <u>34.00</u>        | MONTHLY BAIT SERVICE-JULY      |
|                                     | Total 53159         |                       | 34.00               |                                |
| SOLANA PALM LLC                     | 53160               | 8/1/2019              | <u>90.00</u>        | JULY-AUG ANSWERING SERVICE     |
|                                     | Total 53160         |                       | 90.00               |                                |
| UNIFIRST CORPORATION                | 53161               | 8/1/2019              | <u>219.18</u>       | LAUNDRY SERVICE-W/E 7/24/19    |
|                                     | Total 53161         |                       | 219.18              |                                |
| WATER ENVIRONMENT<br>FEDERATION     | 53162               | 8/1/2019              | 328.00              | RENEWAL FOR J. STECKER         |
| WATER ENVIRONMENT<br>FEDERATION     |                     | 8/1/2019              | 263.00              | RENEWAL FOR R. MORISHITA       |
|                                     | Total 53162         |                       | 591.00              |                                |

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 8/1/2019 Through 8/1/2019

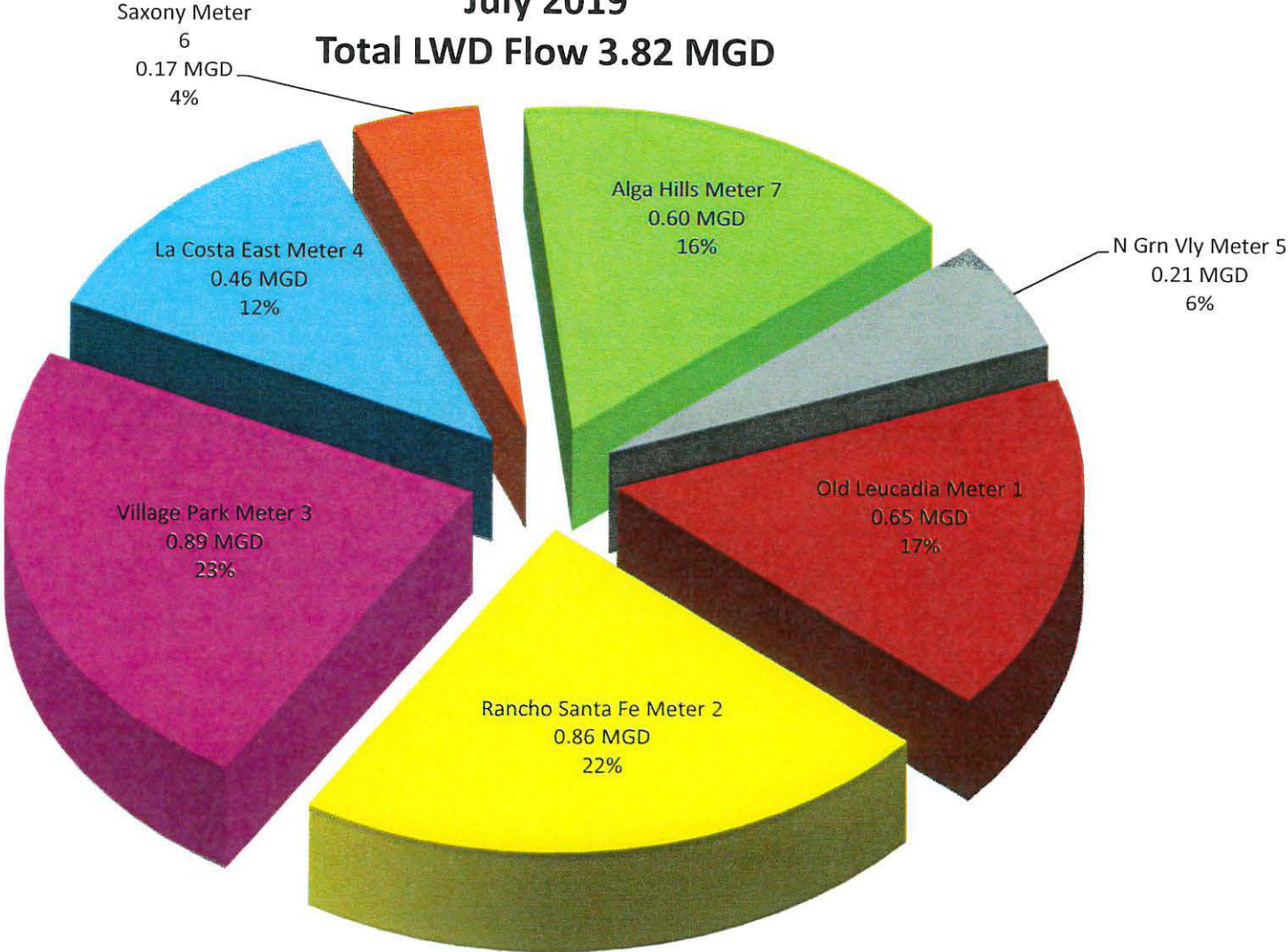
| <u>Vendor Name</u> | <u>Check Number</u> | <u>Effective Date</u> | <u>Check Amount</u> | <u>Transaction Description</u> |
|--------------------|---------------------|-----------------------|---------------------|--------------------------------|
| WESELOH CHEVROLET  | 53163               | 8/1/2019              | <u>2,119.24</u>     | MAINT/REPAIR FOR #158 VEHICLE  |
|                    | Total 53163         |                       | <u>2,119.24</u>     |                                |
| Report Total       |                     |                       | <u>158,893.78</u>   |                                |

**LEUCADIA WASTEWATER DISTRICT  
OPERATIONS REPORT  
FISCAL YEAR 2020 (July 2019 - June 2020)**

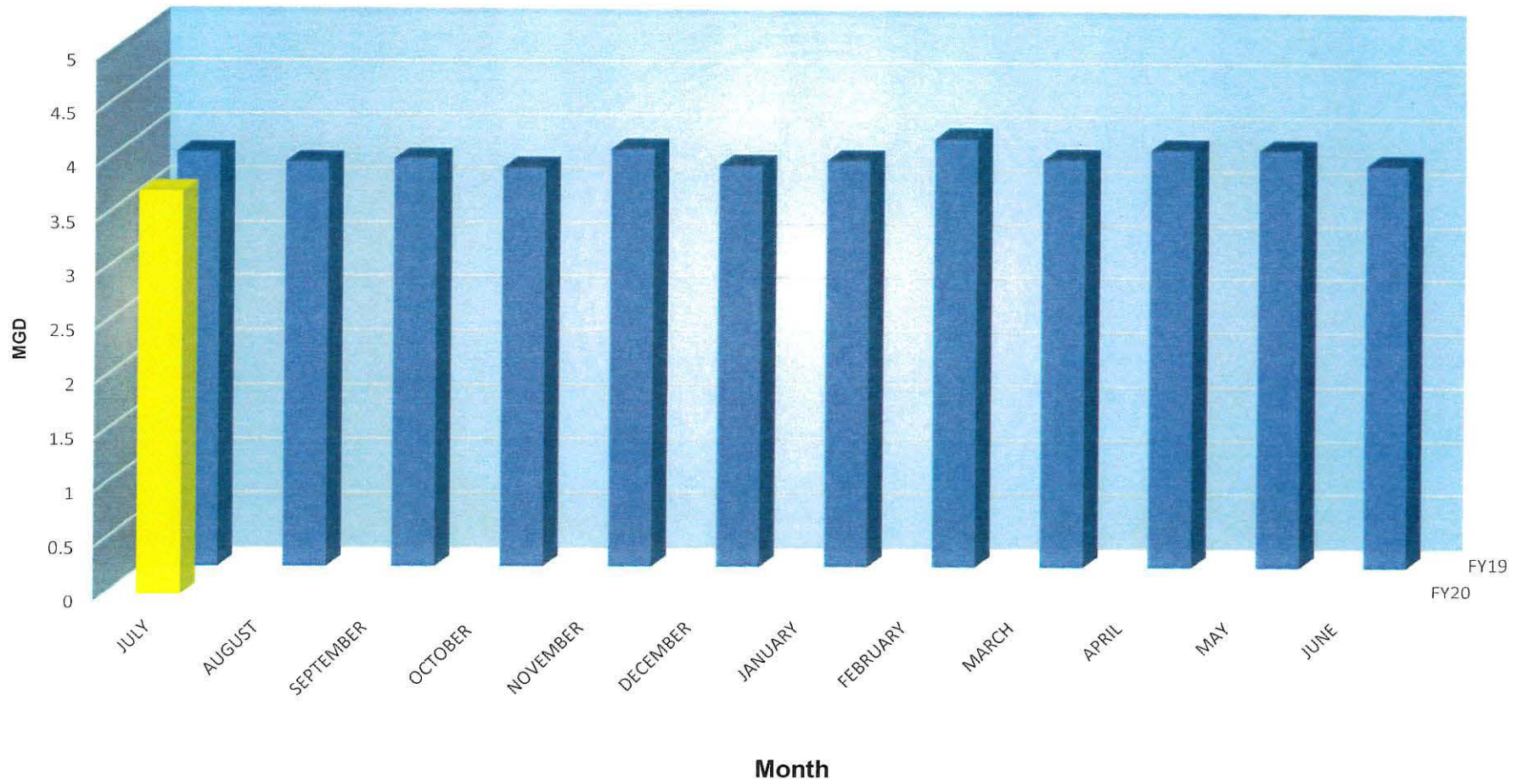
| CURRENT MONTH - July 2019 |                      |                  |                          |                  |         |                               | FY 2019          |
|---------------------------|----------------------|------------------|--------------------------|------------------|---------|-------------------------------|------------------|
| Period                    | Total Rain<br>Inches | Total Flow<br>MG | Added EDU's<br>28,721.44 | LWD ADF<br>(MGD) | GPD/EDU | RECLAIMED<br>Total (ac-ft/mo) | LWD ADF<br>(MGD) |
| JULY                      | 0.00                 | 115.01           | 1.00                     | 3.71             | 129.17  | 41.87                         | 3.82             |
| YTD                       |                      |                  | 28,722.44                |                  |         |                               |                  |
| AUGUST                    |                      |                  |                          |                  |         |                               | 3.73             |
| YTD                       |                      |                  |                          |                  |         |                               |                  |
| SEPTEMBER                 |                      |                  |                          |                  |         |                               | 3.76             |
| YTD                       |                      |                  |                          |                  |         |                               |                  |
| OCTOBER                   |                      |                  |                          |                  |         |                               | 3.68             |
| YTD                       |                      |                  |                          |                  |         |                               |                  |
| NOVEMBER                  |                      |                  |                          |                  |         |                               | 3.86             |
| YTD                       |                      |                  |                          |                  |         |                               |                  |
| DECEMBER                  |                      |                  |                          |                  |         |                               | 3.71             |
| YTD                       |                      |                  |                          |                  |         |                               |                  |
| JANUARY                   |                      |                  |                          |                  |         |                               | 3.76             |
| YTD                       |                      |                  |                          |                  |         |                               |                  |
| FEBRUARY                  |                      |                  |                          |                  |         |                               | 3.97             |
| YTD                       |                      |                  |                          |                  |         |                               |                  |
| MARCH                     |                      |                  |                          |                  |         |                               | 3.78             |
| YTD                       |                      |                  |                          |                  |         |                               |                  |
| APRIL                     |                      |                  |                          |                  |         |                               | 3.88             |
| YTD                       |                      |                  |                          |                  |         |                               |                  |
| MAY                       |                      |                  |                          |                  |         |                               | 3.88             |
| YTD                       |                      |                  |                          |                  |         |                               |                  |
| JUNE                      |                      |                  |                          |                  |         |                               | 3.74             |
| YTD                       |                      |                  |                          |                  |         |                               |                  |
| YTD Totals                | 0.00                 | 115.01           | 1.00                     |                  |         | 41.87                         |                  |
| Mo Average                | 0.00                 | 115.01           | 1.00                     | 3.71             | 129.17  | 41.87                         | 3.76             |

# LWD Flows by Sub-Basin July 2019

Total LWD Flow 3.82 MGD

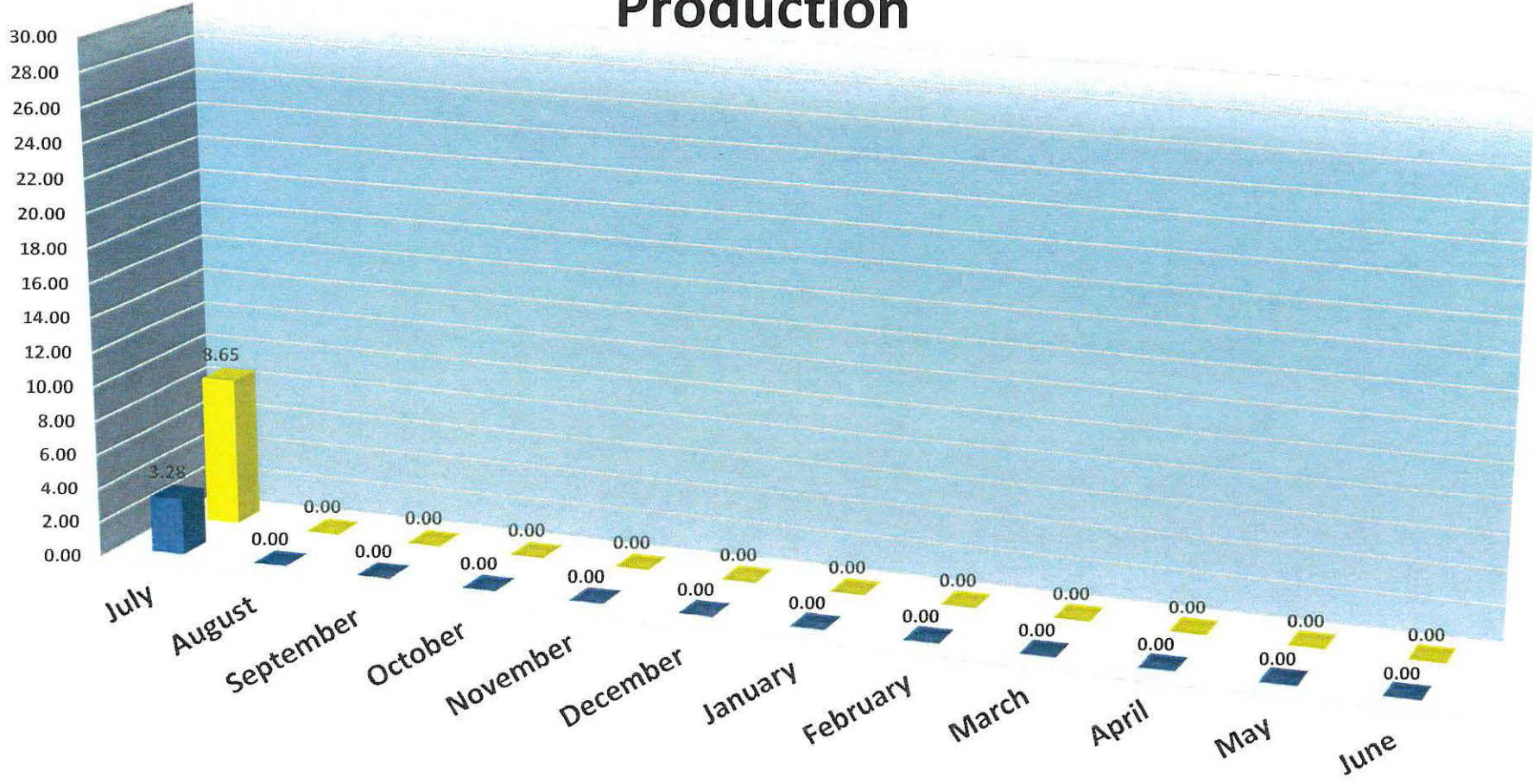


# Leucadia Wastewater District Flow Comparison FY19 to FY20





# FY-20 CCTV Inspections & Hydro Cleaning Production



**Monthly Target Mileage**

Hydro-Cleaning: 15 Miles/Month

CCTV Inspections: 6.3 Miles/Month

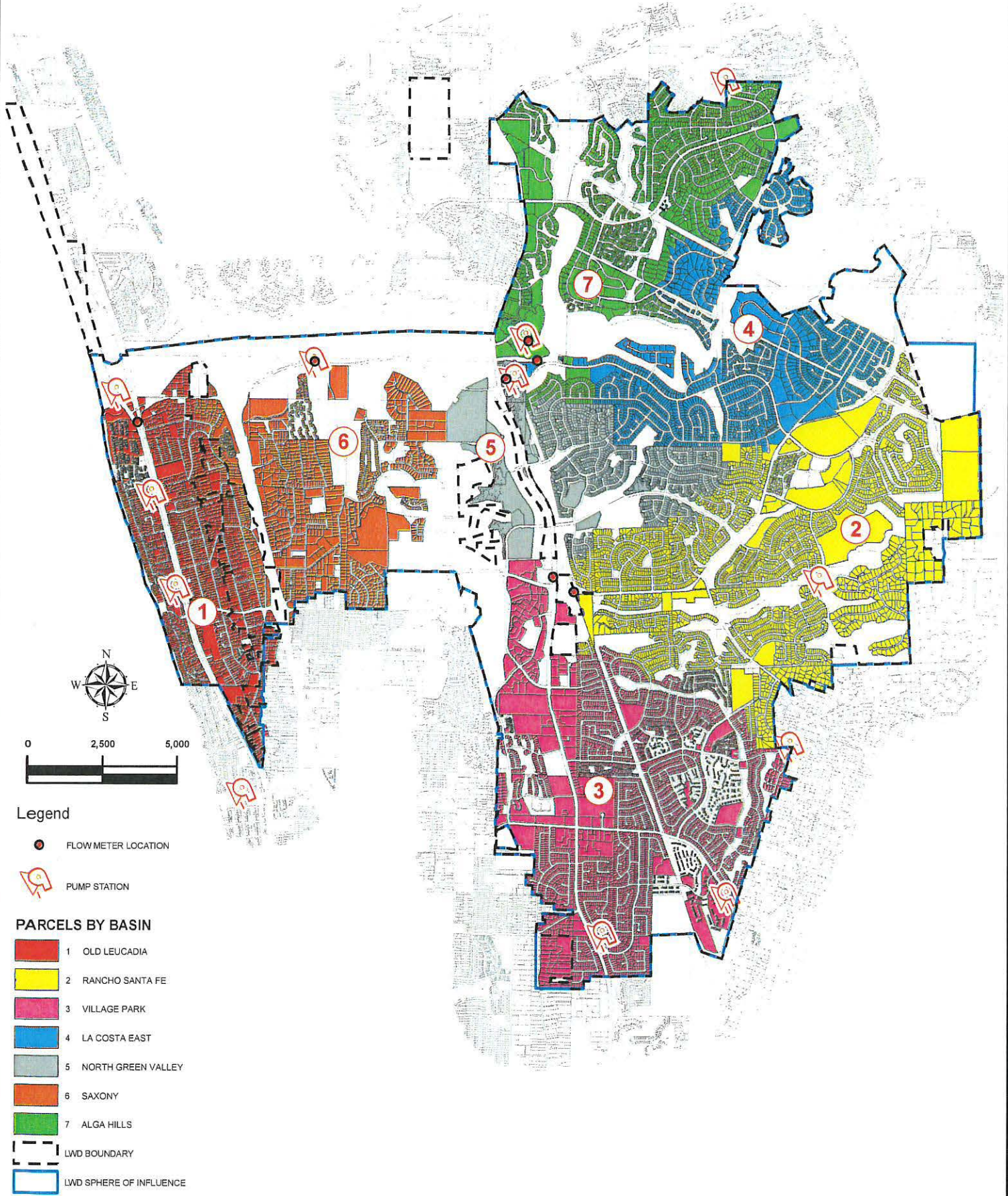
NOTE: Production down due to crews cleaning & servicing air release valves along La Costa Ave and Hwy 101.

■ CCTV Inspections (YTD 3.3 Miles)

■ Hydro Cleaning (YTD 8.7 Miles)



# LEUCADIA WASTEWATER DISTRICT



**Legend**

-  FLOW METER LOCATION
-  PUMP STATION
- PARCELS BY BASIN**
-  1 OLD LEUCADIA
-  2 RANCHO SANTA FE
-  3 VILLAGE PARK
-  4 LA COSTA EAST
-  5 NORTH GREEN VALLEY
-  6 SAXONY
-  7 ALGA HILLS
-  LWD BOUNDARY
-  LWD SPHERE OF INFLUENCE




 LEADERS IN  
ENVIRONMENTAL  
PROTECTION

**Operations and Administration Training Report  
July 2019**

**Training & Safety Events for the month July 2019**

**Hours**

| Description                                    | Ops        | Admin    | Total      |
|--|------------|----------|------------|
| Confined Space: Awareness                      | 36         | 0        | 36         |
| Confined Space: Entrant/Attendant              | 36         | 0        | 36         |
| Confined Space: Entry Rescue Practice          | 36         | 0        | 36         |
| Confined Space: Entry Supervisor Training      | 36         | 0        | 36         |
| Confined Space: Non-Entry Rescue               | 36         | 0        | 36         |
| Fire Extinguisher Certification (safety event) | 1          | 0        | 1          |
| HAZWOPER                                       | 50         | 0        | 50         |
| Human Resources Webinar Training               | 0          | 1        | 1          |
| Mutual Aid Training                            | 8          | 0        | 8          |
| Respiratory Protection                         | 1          | 0        | 1          |
| <b>Total Training Hours</b>                    | <b>240</b> | <b>1</b> | <b>241</b> |

**Conferences for the month of July 2019**

**Attendees**

| Description                       | Ops      | Admin    | Total    |
|-----------------------------------|----------|----------|----------|
| CWEA SARBS                        | 3        | 0        | 3        |
| Fraud Prevention & Ethics         | 0        | 2        | 2        |
| <b>Total Attended Conferences</b> | <b>3</b> | <b>2</b> | <b>5</b> |

Notes:

*Trainings include web-based, classroom, tailgates and safety events*





LEADERS IN  
ENVIRONMENTAL  
PROTECTION

### Operations and Administration Training Report Summary for Fiscal Year 2020

| Training               |            | Hours    |            |  |
|------------------------|------------|----------|------------|--|
| Month                  | Ops        | Admin    | Total      |  |
| Jul-19                 | 240        | 1        | 241        |  |
| Aug-19                 | 0          | 0        | 0          |  |
| Sep-19                 | 0          | 0        | 0          |  |
| Oct-19                 | 0          | 0        | 0          |  |
| Nov-19                 | 0          | 0        | 0          |  |
| Dec-19                 | 0          | 0        | 0          |  |
| Jan-20                 | 0          | 0        | 0          |  |
| Feb-20                 | 0          | 0        | 0          |  |
| Mar-20                 | 0          | 0        | 0          |  |
| Apr-20                 | 0          | 0        | 0          |  |
| May-20                 | 0          | 0        | 0          |  |
| Jun-20                 | 0          | 0        | 0          |  |
| <b>YTD Totals</b>      | <b>240</b> | <b>1</b> | <b>241</b> |  |
| <b>YTD Monthly Avg</b> | <b>20</b>  | <b>0</b> | <b>20</b>  |  |

| Conferences            |          | Attendees |          |  |
|------------------------|----------|-----------|----------|--|
| Month                  | Ops      | Admin     | Total    |  |
| Jul-19                 | 3        | 2         | 5        |  |
| Aug-19                 | 0        | 0         | 0        |  |
| Sep-19                 | 0        | 0         | 0        |  |
| Oct-19                 | 0        | 0         | 0        |  |
| Nov-19                 | 0        | 0         | 0        |  |
| Dec-19                 | 0        | 0         | 0        |  |
| Jan-20                 | 0        | 0         | 0        |  |
| Feb-20                 | 0        | 0         | 0        |  |
| Mar-20                 | 0        | 0         | 0        |  |
| Apr-20                 | 0        | 0         | 0        |  |
| May-20                 | 0        | 0         | 0        |  |
| Jun-20                 | 0        | 0         | 0        |  |
| <b>YTD Total</b>       | <b>3</b> | <b>2</b>  | <b>5</b> |  |
| <b>YTD Monthly Avg</b> | <b>0</b> | <b>0</b>  | <b>0</b> |  |

Notes:

*Trainings include web-based, classroom, and tailgates*

*Conferences include CASA, CWEA, CSDA, CSRMA, CSFMO*

# Leucadia Wastewater District

## Balance Sheet

As of 7/31/2019

|  | Amount          |
|--|-----------------|
| <b>Assets</b>                                      |                 |
| Cash & Investments                                 | 36,003,935.91   |
| Accounts Receivables                               | 195,478.30      |
| Net OPEB Asset                                     | 135,445.00      |
| Prepaid Expense                                    | 508,235.47      |
| Funds held with Encina Wastewater Authority        | 2,041,200.00    |
| Capital Assets                                     | 164,309,378.99  |
| Less Accumulated Depreciation                      | (55,698,965.17) |
| Total Assets                                       | 147,494,708.50  |
| <b>Deferred Outflows</b>                           |                 |
| PERS Pension Deferred Outflows                     | 1,323,002.00    |
| OPEB Health Deferred Outflows                      | 13,349.00       |
| Total Deferred Outflows                            | 1,336,351.00    |
| Total Assets & Deferred Outflows                   | 148,831,059.50  |
| <b>Liabilities</b>                                 |                 |
| Accounts Payable & Accrued Expenses                | 1,278,815.31    |
| Developer Deposits                                 | 160,287.56      |
| Net Pension Liability                              | 4,074,562.00    |
| Total Liabilities                                  | 5,513,664.87    |
| <b>Deferred Inflows</b>                            |                 |
| PERS Pension Deferred Inflows                      | 348,638.00      |
| OPEB Health Deferred Inflows                       | 10,456.00       |
| Total Deferred Inflows                             | 359,094.00      |
| <b>Net Position</b>                                |                 |
| Beginning Net Position (as of June 30, 2018)       |                 |
| Investment in Capital Assets                       | 108,555,413.82  |
| Reserves   | 34,000,805.07   |
| Undesignated Net Position                          | 849,412.50      |
| Total Beginning Net Position (as of June 30, 2018) | 143,405,631.39  |
| Current Change In Net Position                     |                 |
| Other  | (447,330.76)    |
| Total Current Change In Net Position               | (447,330.76)    |
| Total Net Position                                 | 142,958,300.63  |
| Total Liabilities, Deferred Inflows & Net Position | 148,831,059.50  |

# Leucadia Wastewater District

## Summary Budget Comparison - Revenues and Operating Expenses

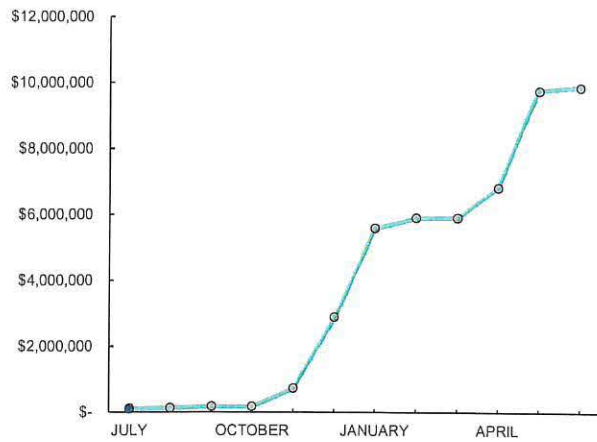
From 7/1/2019 Through 7/31/2019

| Account Title                       | YTD Actual           | Total Annual Budget    | Remaining Budget       | Percentage Total Budget Used |
|-------------------------------------|----------------------|------------------------|------------------------|------------------------------|
| <b>OPERATING REVENUES</b>           |                      |                        |                        |                              |
| 3110 Sewer Service Fees             | \$ 110,898.08        | \$ 9,868,771.00        | \$ 9,757,872.92        | 1.1%                         |
| 3150 Recycled Water Sales           | 58,612.00            | 350,000.00             | 291,388.00             | 16.7%                        |
| 3100 Misc. Operating Revenue        | -                    | 189,043.00             | 189,043.00             | 0.0%                         |
| <b>TOTAL OPERATING REVENUES</b>     | <b>\$ 169,510.08</b> | <b>\$10,407,814.00</b> | <b>\$10,238,303.92</b> | <b>1.6%</b>                  |
| <b>OPERATING EXPENSES</b>           |                      |                        |                        |                              |
| 4100 Salaries                       | \$ 147,577.35        | \$ 2,016,361.00        | \$ 1,868,783.65        | 7.3%                         |
| 4200 Employee Benefits              | 109,197.05           | 1,347,926.00           | 1,238,728.95           | 8.1%                         |
| 4300 Directors Expense              | 5,608.76             | 142,400.00             | 136,791.24             | 3.9%                         |
| 4400 Election Expense               | -                    | -                      | -                      | 0.0%                         |
| 4600 Gas, Oil & Fuel                | -                    | 41,000.00              | 41,000.00              | 0.0%                         |
| 4700 Insurance Expense              | 22,898.98            | 119,800.00             | 96,901.02              | 19.1%                        |
| 4800 Memberships                    | 2,136.00             | 30,200.00              | 28,064.00              | 7.1%                         |
| 4900 Office Expense                 | 7,636.81             | 154,900.00             | 147,263.19             | 4.9%                         |
| 5000 Operating Supplies             | 9,033.42             | 198,200.00             | 189,166.58             | 4.6%                         |
| 5200 Professional Services          | 3,155.14             | 408,400.00             | 405,244.86             | 0.8%                         |
| 5300 Printing & Publishing          | -                    | 29,500.00              | 29,500.00              | 0.0%                         |
| 5400 Rents & Leases                 | 860.27               | 18,000.00              | 17,139.73              | 4.8%                         |
| 5500 Repairs & Maintenance          | 15,215.46            | 492,260.00             | 477,044.54             | 3.1%                         |
| 5600 Monitoring & Permits           | 1,534.00             | 65,200.00              | 63,666.00              | 2.4%                         |
| 5700 Training & Development         | 7,127.03             | 46,800.00              | 39,672.97              | 15.2%                        |
| 5900 Utilities                      | 34,874.38            | 442,600.00             | 407,725.62             | 7.9%                         |
| 6100 LAFCO Operations               | 7,323.45             | 7,700.00               | 376.55                 | 95.1%                        |
| 6200 Encina Operating Expense       | 136,907.00           | 2,554,800.00           | 2,417,893.00           | 5.4%                         |
| 6900 Admin O/H alloc to Capital     | -                    | (179,028.00)           | (179,028.00)           | 0.0%                         |
| <b>TOTAL OPERATING EXPENSES</b>     | <b>\$ 511,085.10</b> | <b>\$ 7,937,019.00</b> | <b>\$ 7,425,933.90</b> | <b>6.4%</b>                  |
| <b>NON-OPERATING REVENUES</b>       |                      |                        |                        |                              |
| 3130 Capacity Fees                  | \$ 2,544.50          | \$ 305,340.00          | \$ 302,795.50          | 0.8%                         |
| 3220 Property Taxes                 | -                    | 1,790,000.00           | 1,790,000.00           | 0.0%                         |
| 3250 Investment Income              | 73,452.00            | 735,000.00             | 661,548.00             | 10.0%                        |
| 3290 Misc. Non Op Revenue           | -                    | 85,300.00              | 85,300.00              | 0.0%                         |
| <b>TOTAL NON-OPERATING REVENUES</b> | <b>\$ 75,996.50</b>  | <b>\$ 2,915,640.00</b> | <b>\$ 2,839,643.50</b> | <b>2.6%</b>                  |

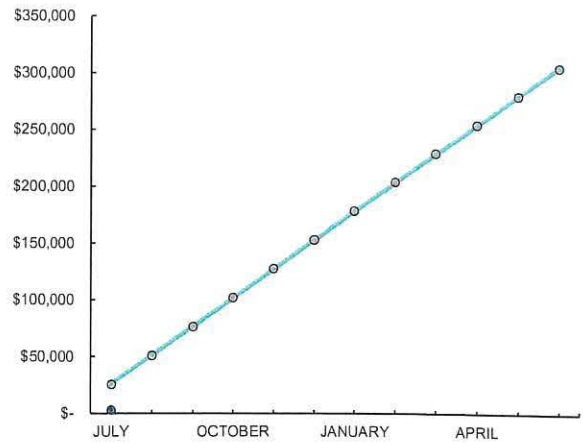
# Leucadia Wastewater District Revenue FY2019

YTD through July 31, 2019

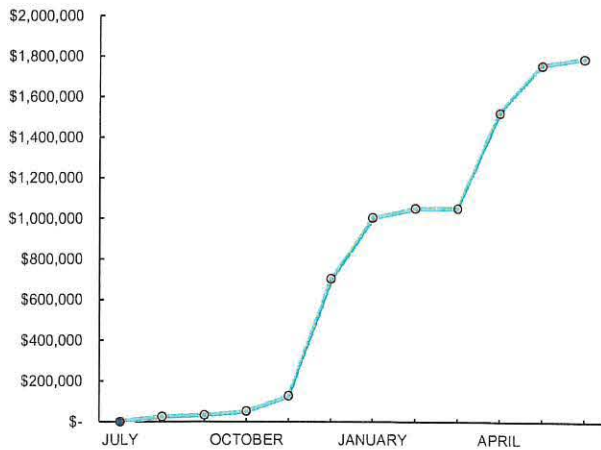
### Sewer Service Fees



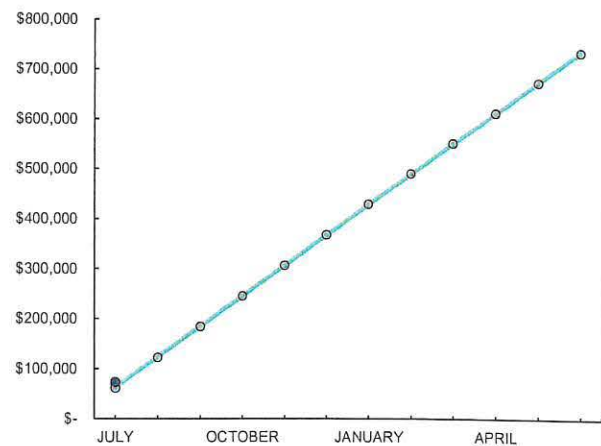
### Capacity Charges



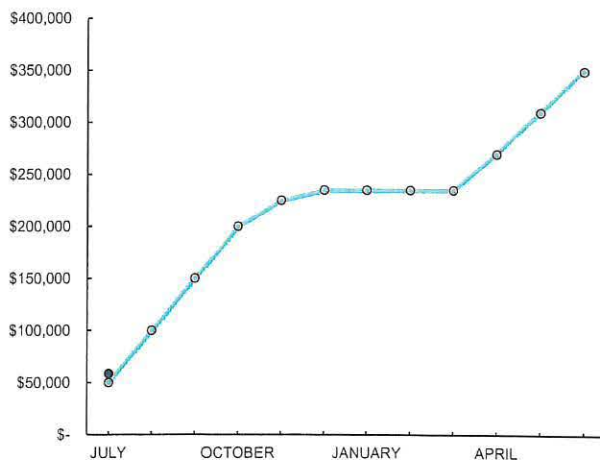
### Property Taxes



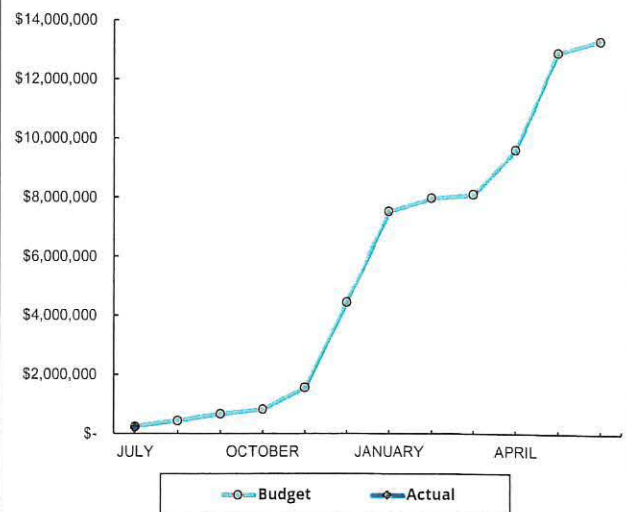
### Investment Income



### Recycled Wastewater Sales



### Total Revenue



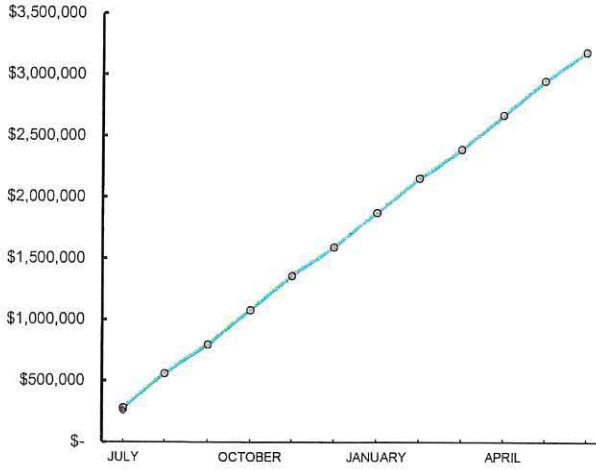
\* Preliminary: subject to future review, reconciliation, accruals, and audit



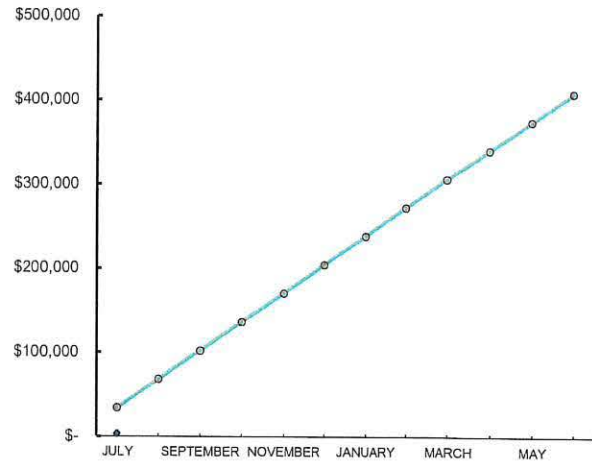
# Leucadia Wastewater District Operating Expenses FY2019

YTD through July 31, 2019

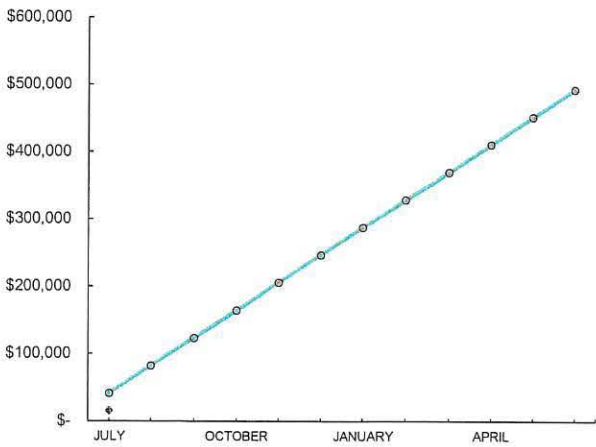
Salaries and Benefits



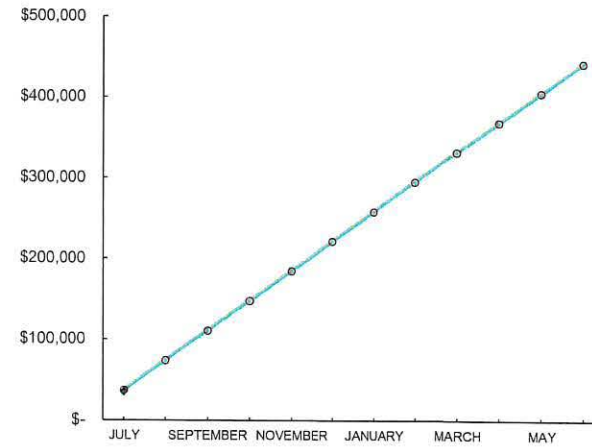
Professional Services



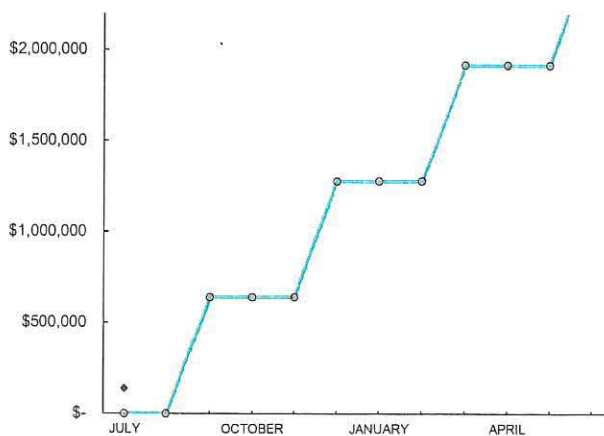
Repairs & Maintenance



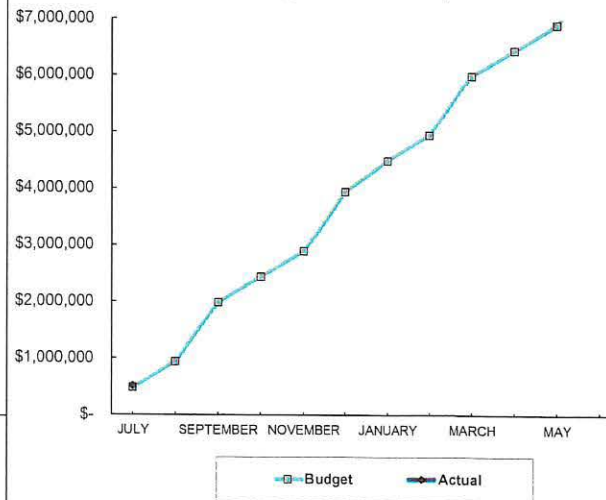
Utilities



Encina M&O



Total Operating Expenses -  
Before Depreciation & Replacement

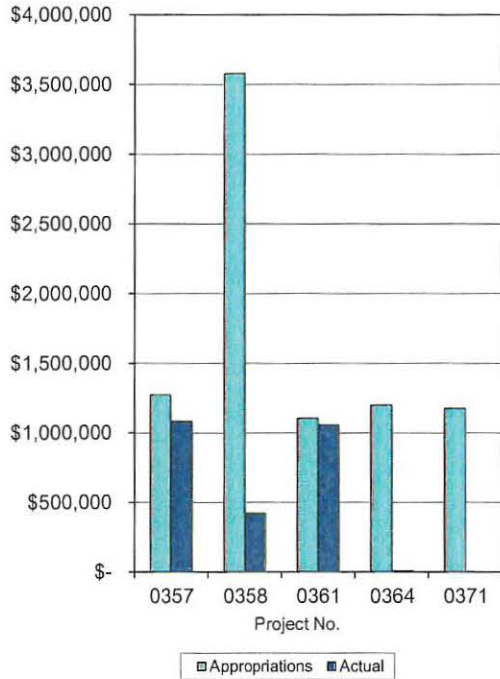


\* Preliminary: subject to future review, reconciliation, accruals, and audit

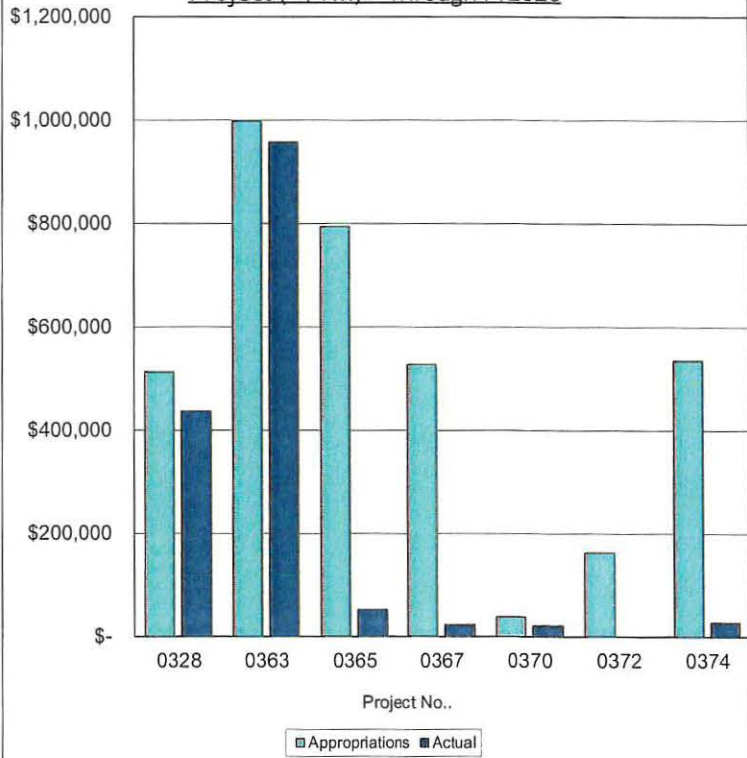
# Leucadia Wastewater District Capital Expenditures

As of July 31, 2019

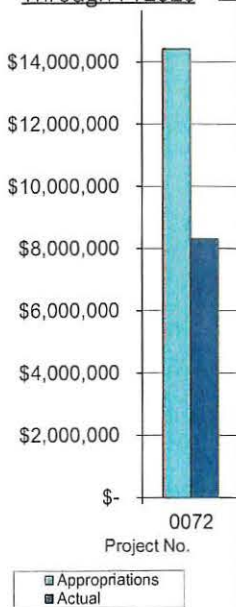
District Multi Year Capital Expenditures  
by Project  
(>\$1M) Through FY2020



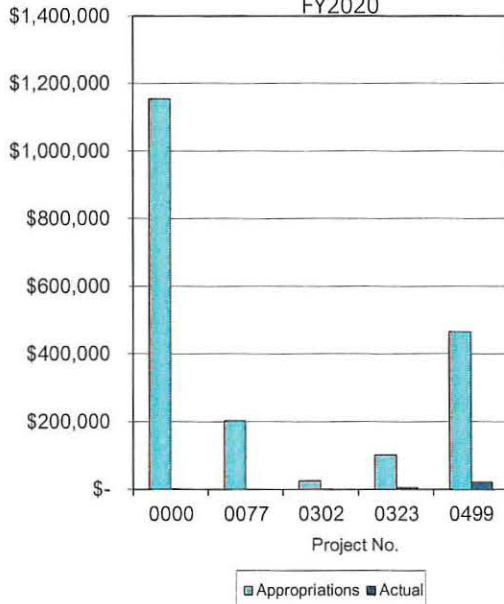
District Multi Year Capital Expenditures by  
Project (<\$1M) Through FY2020



District's Share of  
Encina WPCF  
Capital Exp  
Through FY2020



Single Year Capital Expenditures by  
Project  
FY2020



### Project Legend

| Multi-Year Capital Projects               | No.  |
|---|------|
| Encina Joint Facility Capital Projects    | 0072 |
| North SD Water Reuse Coalition Project    | 0328 |
| La Costa Golf Course Gravity Line Improv  | 0357 |
| Leucadia Pump Station Rehabilitation      | 0358 |
| Poinsettia Station Gravity Pipeline Rehab | 0361 |
| FY2018 Gravity Pipeline Rehabilitation    | 0363 |
| Encinitas Estates Pump Station Rplcmnt    | 0364 |
| Orchard Wood Rd Sewer Rehab               | 0365 |
| B1 Force Main - North Section Rplcmnt     | 0367 |
| Pump Station Assessment                   | 0370 |
| FY20 Gravity Line Rehab/Quebrada Rlgn     | 0371 |
| Diana Pump Station Upgrade                | 0372 |
| Bat FM (B3) Discharge Section Rplcmnt     | 0374 |

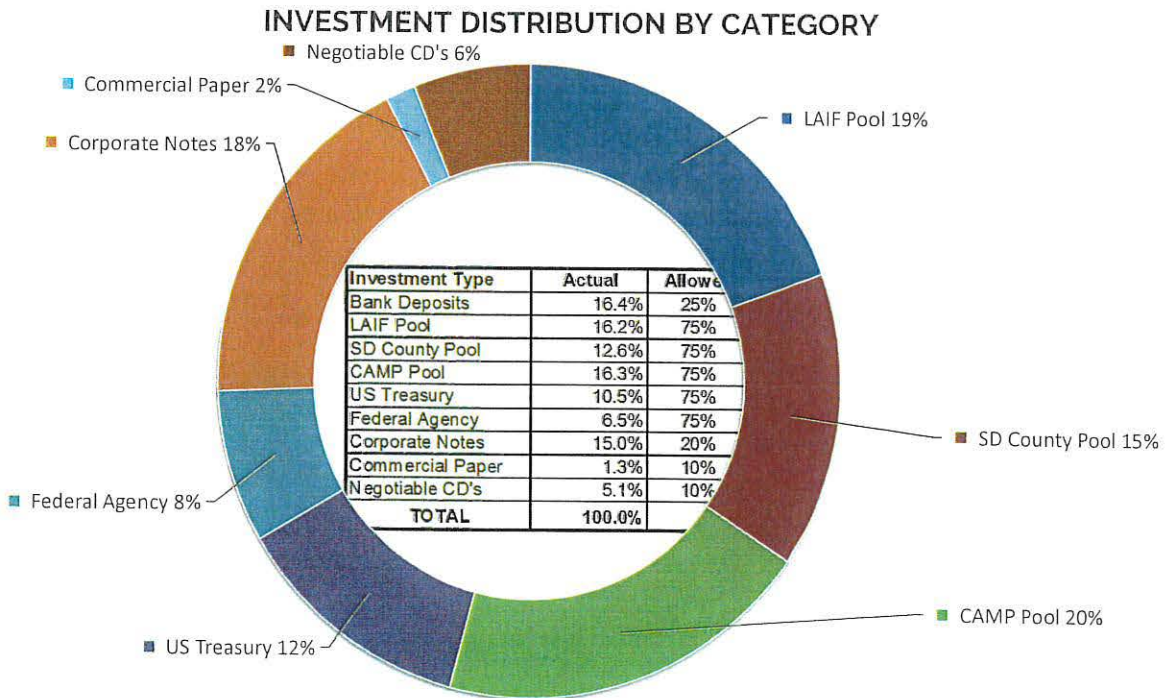
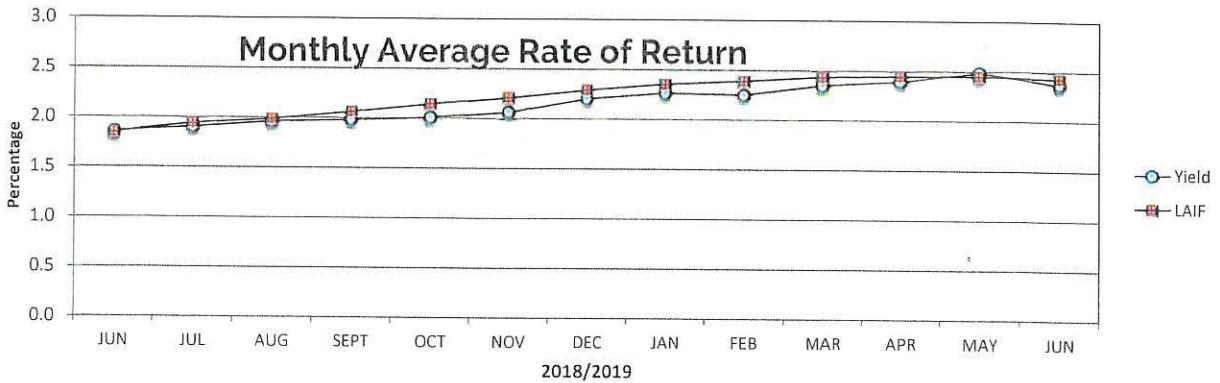
  

| Single Year Capital Projects         | No.  |
|--------------------------------------|------|
| Equipment - Capital Acquisitions     | 0000 |
| Misc. Pipeline Rehabilitation        | 0077 |
| District Engineering Services        | 0302 |
| Lateral Replace/Backflow Prevention  | 0323 |
| LWD Gen'l Cap Labor & O/H Allocation | 0499 |

\* Preliminary: subject to future review, reconciliation, accruals, and audit

**LEUCADIA WASTEWATER DISTRICT**  
**Monthly Investment Summary**  
**June 30, 2019**

| Cash Equivalents & Investments            | Principal (Original Cost) |                      | June Interest    | Average Rate  |
|---|---------------------------|----------------------|------------------|---------------|
|   | May 31, 2019              | Jun 30, 2019         |                  |               |
| Opus Bank Reserve                         | \$ 6,746,051              | \$ 6,246,495         | \$ 12,714        | 2.590%        |
| LAIF Pool                                 | 6,196,296                 | 6,196,296            | \$ 12,537        | 2.428%        |
| SD County Pool                            | 4,818,274                 | 4,818,274            | 9,769            | 2.433%        |
| CAMP Pool                                 | 5,715,634                 | 6,231,415            | 12,275           | 2.480%        |
| CAMP Portfolio                            |                           |                      |                  |               |
| US Treasury Notes                         | 3,992,625                 | 3,992,625            | 6,824            | 2.050%        |
| Federal Agency Mortgage-Backed Securities | 4,899                     | 4,857                | 30               | 7.370%        |
| Federal Agency Notes                      | 2,480,465                 | 2,480,465            | 4,616            | 2.240%        |
| Corporate Bonds/Notes                     | 5,730,026                 | 5,730,026            | 11,276           | 2.370%        |
| Commerical Paper                          | 980,384                   | 490,248              | 1,567            | 2.670%        |
| Negotiable CD's                           | 1,949,883                 | 1,949,883            | 4,083            | 2.510%        |
| Total Camp Portfolio                      | 15,138,282                | 14,648,103           | 28,395           | 2.300%        |
| <b>Totals</b>                             | <b>\$ 38,614,536</b>      | <b>\$ 38,140,583</b> | <b>\$ 75,690</b> | <b>2.367%</b> |

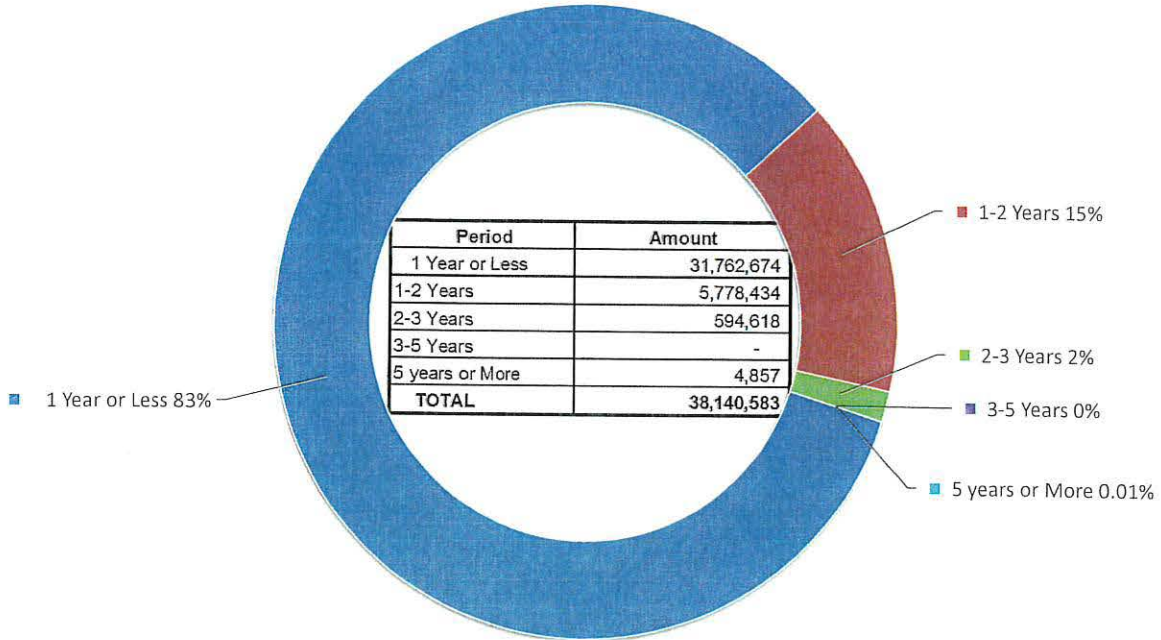




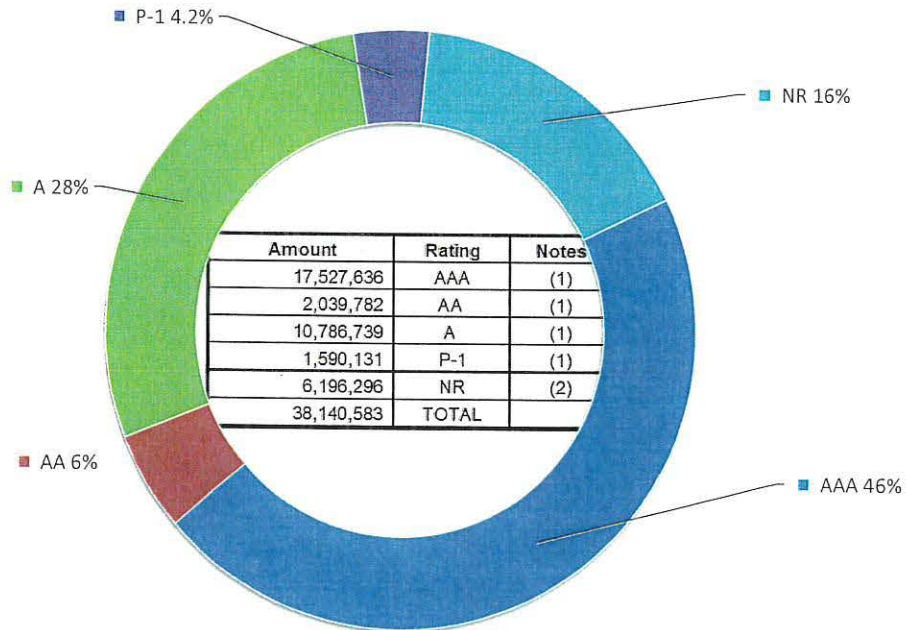
**LEUCADIA WASTEWATER DISTRICT**  
*Monthly Investment Summary*  
 June 30, 2019

(Continued)

**REMAINING MATURITY**



**INVESTMENT RATINGS**

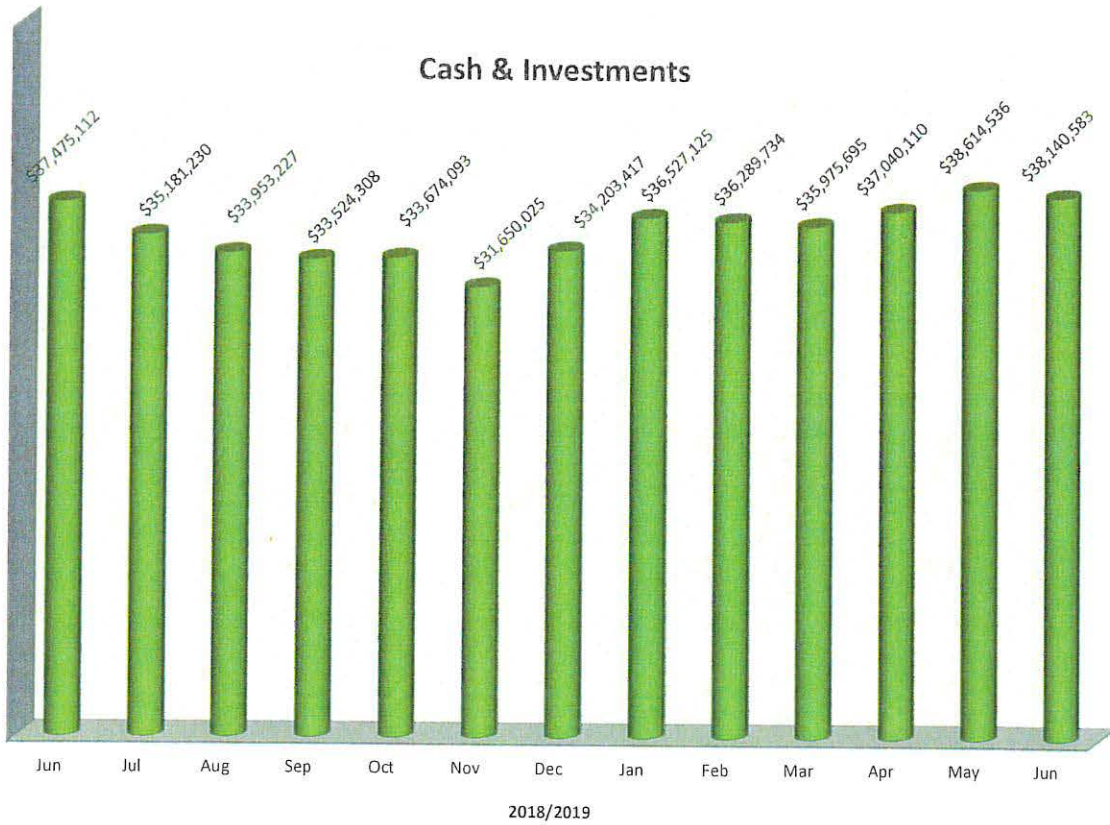


(1) CAMP Pool & SD County Pool, are rated by Standard & Poors. Investments are rated by Moody's.  
 (2) LAIF is not rated



**LEUCADIA WASTEWATER DISTRICT**  
**Monthly Investment Summary**  
**June 30, 2019**

(Continued)



**INVESTMENT TRANSACTIONS**  
*For the months of June, 2019*

| Investment                         | Purchases | Maturities | Sales | Notes | YTM at Cost |
|------------------------------------|-----------|------------|-------|-------|-------------|
| GNMA MBS 30-yr Pool                |           | \$ 41      |       | (3)   | 7.37%       |
| JP Morgan Sec LLC Commercial Paper |           | \$ 500,000 |       |       | 2.69%       |

|       |      |            |      |  |  |
|-------|------|------------|------|--|--|
| TOTAL | \$ - | \$ 500,041 | \$ - |  |  |
|-------|------|------------|------|--|--|

(3) Monthly principal payments from mortgage pool

Investment transactions above do not include transfers between checking a/c's and cash equivalents (pools)

MEMORANDUM

Ref: 20-6769

**DATE:** August 8, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** LWD QUARTERLY TREASURER'S INVESTMENT REPORT

---

**RECOMMENDATION:**

Staff requests that the Board of Directors:

1. Receive and file LWD's Quarterly Treasurer's Investment Report

**DISCUSSION:**

In accordance with California Government Code Section #53646 LWD is encouraged to render the Quarterly Treasurer's Investment Report to the Board of Directors for its consideration. For your convenience, staff has developed a one-page summary of LWD's investments for the quarter ending June 30, 2019 (see attached). A copy of the full Quarterly Treasurer's Investment Reports has been enclosed for your review.

rad:PJB

Attachment

# LEUCADIA WASTEWATER DISTRICT


## QUARTERLY TREASURER'S REPORT SUMMARY

### 6-30-19

| SUMMARY OF CASH & INVESTMENTS at June 30, 2019 |                             |               |         |                           |
|--|-----------------------------|---------------|---------|---------------------------|
| SEE QUARTERLY TREASURER'S REPORT FOR DETAILS   |                             |               |         |                           |
| ASSETS   | AMORTIZED COST<br>6/30/2019 | % OF TOTAL    |         | MARKET VALUE<br>6/30/2019 |
|  |                             | Actual        | Allowed |                           |
| CASH IN BANK (Checking/Reserve Accounts)       | \$ 6,678,279                | 17.3%         | 25%     | \$ 6,678,279              |
| LAIF - STATE INVESTMENT POOL                   | \$ 6,196,296                | 16.1%         | 75%     | \$ 6,206,903              |
| SAN DIEGO COUNTY INVESTMENT POOL               | \$ 4,818,274                | 12.5%         | 75%     | \$ 4,815,000              |
| CAMP - JPA INVESTMENT POOL                     | \$ 6,231,415                | 16.1%         | 75%     | \$ 6,231,415              |
| CAMP PORTFOLIO - US BANK Safekeeping           |                             |               |         |                           |
| Federal Agency Securities                      |                             |               |         |                           |
| GNMA Pools                                     | \$ 4,794                    |               |         | \$ 4,745                  |
| FNMA Benchmark & Global Notes                  | \$ 1,496,062                |               |         | \$ 1,501,931              |
| FHLMC Notes                                    | \$ 995,307                  |               |         | \$ 998,150                |
| Total Federal Agency Securities                | \$ 2,496,163                | 6.5%          | 75%     | \$ 2,504,826              |
| US Treasury Bonds/Notes                        | \$ 3,998,433                | 10.4%         | 75%     | \$ 4,010,306              |
| Corporate Notes                                | \$ 5,738,366                | 14.9%         | 20%     | \$ 5,764,154              |
| Corporate Notes                                | \$ 493,486                  | 1.3%          | 10%     | \$ 494,293                |
| Negotiable Certificates of Deposit             | \$ 1,949,995                | 5.1%          | 10%     | \$ 1,953,262              |
| TOTAL CAMP PORTFOLIO                           | \$ 14,676,444               | 31.6%         |         | \$ 14,726,840             |
| <b>TOTAL CASH &amp; INVESTMENTS</b>            | <b>\$ 38,600,708</b>        | <b>100.0%</b> |         | <b>\$ 38,658,436</b>      |

| As of June 30, 2019 |                      | QUARTERLY RESULTS    |                 |                |                |
|---------------------|----------------------|----------------------|-----------------|----------------|----------------|
| Cash & Investments  | Avg Days to Maturity | Change in Cash & Inv | Interest Earned | Average Return | LAIF Benchmark |
| <b>\$38.7M</b>      | <b>114</b>           | <b>\$2.5M</b>        | <b>\$227K</b>   | <b>2.42%</b>   | <b>2.44%</b>   |

**MEMORANDUM**

**DATE:** August 8, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** July 2019 Board Disclosure of Reimbursements Report

---

**RECOMMENDATION:**

Staff requests that the Board of Directors:

1. Receive and file the Board Disclosure of Reimbursement Report for the month ending July 2019.

**DISCUSSION:**

Government Code Section §53065 stipulates that Special Districts must disclose reimbursements of \$100 or more on at least an annual basis. Leucadia Wastewater District (LWD) prepares the Disclosure Report every month in accordance with Resolution No. 2291 – The Integrated Travel Authorization and Expense Reimbursement Policy, which is above and beyond the requirements of Government Code Section §53065.

Attached please find the Board Disclosure of Reimbursements report for the month of July 2019 for your review.

tb:PJB

Attachment




**Leucadia Wastewater District  
Disclosure of Reimbursements Report  
July 1-31, 2019**

| Conference Date  | Description                    | Director    | Director    | Director    | Director    | Director     | GM          | ASM         | Fssup       | FSS           |
|--|--------------------------------|-------------|-------------|-------------|-------------|--------------|-------------|-------------|-------------|---------------|
|  |                                | J. Hanson   | E. Sullivan | D. Omsted   | D. Kulchin  | A. Juliussen | P. Bushee   | R. Duffey   | M. Gonzalez | J. Stecker    |
| CWEA Mid-Summer Seminar<br>July 26-28, 2019<br>Morro Bay, CA | <b>CWEA Mid-Summer Seminar</b> |             |             |             |             |              |             |             |             |               |
|  | Registration                   |             |             |             |             |              |             |             |             | 60.00         |
|  | Hotel                          |             |             |             |             |              |             |             |             | 563.14        |
|  | Airfare                        |             |             |             |             |              |             |             |             |               |
|  | Meals                          |             |             |             |             |              |             |             |             | 16.11         |
|  | Amtrack                        |             |             |             |             |              |             |             |             |               |
|  | Parking                        |             |             |             |             |              |             |             |             |               |
|  | Tips/Baggage                   |             |             |             |             |              |             |             |             | 4.00          |
|  | Fuel/mileage/taxi/uber         |             |             |             |             |              |             |             |             | 346.84        |
|  | <b>Total</b>                   | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>990.09</b> |
|  | <b>CWEA Mid-Summer Seminar</b> |             |             |             |             |              |             |             |             |               |
|  | Registration                   |             |             |             |             |              |             |             |             |               |
|  | Hotel                          |             |             |             |             |              |             |             |             |               |
|  | Airfare                        |             |             |             |             |              |             |             |             |               |
|  | Meals                          |             |             |             |             |              |             |             |             |               |
|  | Baggage                        |             |             |             |             |              |             |             |             |               |
|  | Parking                        |             |             |             |             |              |             |             |             |               |
|  | Tips                           |             |             |             |             |              |             |             |             |               |
|  | Fuel/mileage/taxi/uber         |             |             |             |             |              |             |             |             |               |
|  | <b>Total</b>                   | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b>   |
|  | <b>CWEA Mid-Summer Seminar</b> |             |             |             |             |              |             |             |             |               |
|  | Registration                   |             |             |             |             |              |             |             |             |               |
|  | Hotel                          |             |             |             |             |              |             |             |             |               |
|  | Airfare                        |             |             |             |             |              |             |             |             |               |
|  | Meals                          |             |             |             |             |              |             |             |             |               |
|  | Rental Car                     |             |             |             |             |              |             |             |             |               |
|  | Parking                        |             |             |             |             |              |             |             |             |               |
|  | Tips                           |             |             |             |             |              |             |             |             |               |
|  | Fuel/mileage/taxi/uber         |             |             |             |             |              |             |             |             |               |
|  | <b>Total</b>                   | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b>   |
|  | <b>CWEA Mid-Summer Seminar</b> |             |             |             |             |              |             |             |             |               |
|  | Registration                   |             |             |             |             |              |             |             |             |               |
|  | Hotel                          |             |             |             |             |              |             |             |             |               |
|  | Airfare                        |             |             |             |             |              |             |             |             |               |
|  | Meals                          |             |             |             |             |              |             |             |             |               |
|  | Rental Car                     |             |             |             |             |              |             |             |             |               |
|  | Parking                        |             |             |             |             |              |             |             |             |               |
|  | Tips                           |             |             |             |             |              |             |             |             |               |
|  | Fuel/mileage/taxi/uber         |             |             |             |             |              |             |             |             |               |
|  | <b>Total</b>                   | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b>   |

Notes: JS - drove personal vehicle to seminar

**MEMORANDUM**

**DATE:** August 8, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager  
**SUBJECT:** Fiscal Year 2020 (FY20) Pay Schedules



---

**RECOMMENDATION:**

Staff recommends that the Board of Directors:

1. Adopt Resolution No. 2317 approving the FY20 pay schedules.
2. Discuss and take other action, as appropriate.

**DISCUSSION:**

The purpose of this agenda item is to present proposed Resolution No. 2317 to the Board of Directors for consideration. This resolution approves pay schedules for all employee classifications, including the General Manager classification for FY20 in accordance with CalPERS regulations and by California Code of Regulations (CCR) §570.5(a).

Staff recommends that the Board of Directors adopt Resolution No. 2317 approving the FY20 pay schedules to comply with CCR §570.5(a) and CalPERS regulations.

th:PJB

**RESOLUTION NO. 2317**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE LEUCADIA WASTEWATER DISTRICT  
ADOPTING THE FISCAL YEAR 2020 PAY SCHEDULE**

**Whereas**, the employees of the Leucadia Wastewater District (LWD) are a valuable and important part of the LWD organization and have had the opportunity to participate in an informal input process with designated District representatives on wages, hours, and other terms and conditions of employment; and,

**Whereas**, the LWD Board of Directors authorized a classification adjustment for all employees, except the General Manager, on June 12, 2019 to be effective July 1, 2019; and,

**Whereas**, the LWD Board of Directors authorized a 3% salary adjustment for the LWD General Manager, adjusting compensation from \$230,330.12 to \$237,240.02 effective July 10, 2019; and,

**Whereas**, the LWD Board of Directors desires to establish, adopt and publish the FY 2020 Pay Schedule for all LWD employees including the General Manager in accordance with CalPERS requirements and by California Code of Regulations (CCR) §570.5(a).

**NOW, THEREFORE**, it is resolved as follows:

1. The LWD Board of Directors hereby adopts the LWD Fiscal Year 2020 Pay Schedule attached hereto as Attachment "1" and directs that it be posted and maintained in accordance with CalPERS requirements and CCR §570.5(a).
2. This Resolution supersedes Resolution No. 2302.

**Passed and Adopted** by the Board of Directors of the Leucadia Wastewater District this 14th day of August, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
David Kulchin, President

Attest:

\_\_\_\_\_  
Paul J. Bushee, Secretary /Manager



**LEUCADIA WASTEWATER DISTRICT  
FY 2020 SALARY SCHEDULE**

| Position  | Salary Range | Annual       |              | Hourly    |           |
|---|--------------|--------------|--------------|-----------|-----------|
|   |              | Minimum      | Maximum      | Minimum   | Maximum   |
| Vacant  | 1            | \$ 34,662    | \$ 43,327    | \$ 16.66  | \$ 20.83  |
| Vacant  | 2            | \$ 36,395    | \$ 45,494    | \$ 17.50  | \$ 21.87  |
| Vacant  | 3            | \$ 38,215    | \$ 47,768    | \$ 18.37  | \$ 22.97  |
| Vacant  | 4            | \$ 40,126    | \$ 50,157    | \$ 19.29  | \$ 24.11  |
| Vacant  | 5            | \$ 42,132    | \$ 52,665    | \$ 20.26  | \$ 25.32  |
| Vacant  | 6            | \$ 44,238    | \$ 55,298    | \$ 21.27  | \$ 26.59  |
| Vacant  | 7            | \$ 46,450    | \$ 58,063    | \$ 22.33  | \$ 27.91  |
| Vacant  | 8            | \$ 48,773    | \$ 60,966    | \$ 23.45  | \$ 29.31  |
| Vacant  | 9            | \$ 51,211    | \$ 64,014    | \$ 24.62  | \$ 30.78  |
| Vacant  | 10           | \$ 53,772    | \$ 67,215    | \$ 25.85  | \$ 32.31  |
| Field Services Technician-in-Training<br>Administrative Services Specialist I | 11           | \$ 56,461    | \$ 70,576    | \$ 27.14  | \$ 33.93  |
| Vacant  | 12           | \$ 59,284    | \$ 74,105    | \$ 28.50  | \$ 35.63  |
| Field Services Technician I<br>Administrative Services Specialist II          | 13           | \$ 62,248    | \$ 77,810    | \$ 29.93  | \$ 37.41  |
| Vacant  | 14           | \$ 65,360    | \$ 81,700    | \$ 31.42  | \$ 39.28  |
| Field Services Technician II<br>Accounting Technician                         | 15           | \$ 68,628    | \$ 85,785    | \$ 32.99  | \$ 41.24  |
| Vacant  | 16           | \$ 72,060    | \$ 90,075    | \$ 34.64  | \$ 43.31  |
| Field Services Technician III   | 17           | \$ 75,663    | \$ 94,578    | \$ 36.38  | \$ 45.47  |
| Field Services Specialist<br>Executive Assistant                              | 18           | \$ 79,446    | \$ 99,307    | \$ 38.20  | \$ 47.74  |
| Vacant  | 19           | \$ 83,418    | \$ 104,273   | \$ 40.10  | \$ 50.13  |
| Vacant  | 20           | \$ 87,589    | \$ 109,486   | \$ 42.11  | \$ 52.64  |
| Vacant  | 21           | \$ 91,968    | \$ 114,960   | \$ 44.22  | \$ 55.27  |
| Field Services Supervisor<br>Administrative Services Supervisor               | 22           | \$ 96,567    | \$ 120,709   | \$ 46.43  | \$ 58.03  |
| Vacant  | 23           | \$ 101,395   | \$ 126,744   | \$ 48.75  | \$ 60.93  |
| Vacant  | 24           | \$ 106,465   | \$ 133,081   | \$ 51.19  | \$ 63.98  |
| Vacant  | 25           | \$ 111,788   | \$ 139,735   | \$ 53.74  | \$ 67.18  |
| Field Services Superintendent   | 26           | \$ 117,378   | \$ 146,722   | \$ 56.43  | \$ 70.54  |
| Vacant  | 27           | \$ 123,246   | \$ 154,058   | \$ 59.25  | \$ 74.07  |
| Vacant  | 28           | \$ 129,409   | \$ 161,761   | \$ 62.22  | \$ 77.77  |
| Vacant  | 29           | \$ 135,879   | \$ 169,849   | \$ 65.33  | \$ 81.66  |
| Vacant  | 30           | \$ 142,673   | \$ 178,341   | \$ 68.59  | \$ 85.74  |
| Technical Services Manager<br>Administrative Services Manager                 | 31           | \$ 149,807   | \$ 187,259   | \$ 72.02  | \$ 90.03  |
| Vacant  | 32           | \$ 157,297   | \$ 196,621   | \$ 75.62  | \$ 94.53  |
| General Manager   | n/a          | \$237,240.02 | \$237,240.02 | \$ 114.06 | \$ 114.06 |

## Notes:


1. Approved and adopted by LWD Board of Directors August 14, 2019
2. Effective date: July 1, 2019 - All employees, except General Manager  
July 10, 2019 - General Manager salary until changed by the Board of Directors
3. Time base for salary amounts indicated is "annual"



## MEMORANDUM

Ref: 20-6781

**DATE:** August 8, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager  
**SUBJECT:** Annual Review of Procurement Policy



### RECOMMENDATION:

Staff and the Investment and Finance Committee (IFC) recommend that the Board of Directors:

1. Receive and file the review of the Procurement Policy; and
2. Discuss and take other action, as appropriate.

### DISCUSSION:

#### **Tactical Goal: Finance/Financial Policy Reviews/Procurement Policy**

This item was reviewed by the IFC at its August 7th meeting and the IFC concurred with staff to present this item for the Board's consideration.

The Leucadia Wastewater District (LWD) Procurement Policy was adopted by the Board of Directors on March 9, 2005. It was last revised on September 13, 2017. The policy consolidates purchasing requirements under one program and provides a prudent set of controls while maintaining efficiency and flexibility in the procurement process.

Staff recently conducted an annual review of the existing policy. Based on this review, staff is not recommending any changes. If you may recall, the Policy included several updates in 2017.

Overall, LWD's Procurement Policy (Attachment 1) continues to provide prudent purchasing controls and guidelines for the District. In addition, it establishes spending limits that reflect today's costs and provides staff the needed flexibility to purchase goods and services in the most efficient manner possible.

For these reasons, staff requests that the IFC recommend that the Board of Directors: (1) receive and file the annual review of the policy; or (2) discuss and provide direction, as appropriate.

rad:PJB

Attachment



## **PROCUREMENT POLICY**

Ref: 18-5528

### **1. Purpose**

The purpose of this Policy is to establish the requirements and implement the rules and regulations governing the procurement of all goods and services required by the Leucadia Wastewater District (LWD).

### **2. Related LWD Board of Directors Policy**

- 2.1. Resolution 2289 authorizing the General Manager to purchase up to \$35,000 of goods, materials, supplies, and services at any one time without specific prior Board approval dated September 13, 2017.
- 2.2. Resolution 2271 adopting the LWD Conflict of Interest Policy.

### **3. Policy**

It is the Policy of the Board of Directors that:

- 3.1. LWD shall procure required goods and services commensurate with acceptable quality at the lowest possible cost.
- 3.2. Appropriate internal financial controls shall be exercised over all procurements.
- 3.3. No procurement shall be authorized unless sufficient funds have been appropriated pursuant to LWD's budgetary processes.
- 3.4. Cooperative purchasing with other public agencies shall be performed whenever such purchases are feasible and in the best interests of LWD.
- 3.5. The General Manager shall determine the necessity of insurance and/or appropriate insurance requirements in consultation with the originating department head and risk management advisors, and, with the advice and concurrence of the LWD General Counsel. If insurance is required, a Certificate of Insurance conforming to such requirements, and any applicable insurance industry standards, must be on file before goods are delivered or services are provided.
- 3.6. The General Manager shall execute and maintain administrative procedures to implement this Policy and to ensure that the procurement of all goods and services are properly documented and that they conform to: this Policy, related internal financial controls, and all applicable administrative procedures.

- 3.7. The General Manager shall maintain all documentation required by this Policy in accordance with LWD's Records Retention Policy.
- 3.8. The LWD shall not discriminate against any person or entity because of race, color, religion, national origin, gender or disability status and shall place, in all procurement related solicitations or advertisements for formal procurement of goods or services, a statement that all qualified bidders will receive consideration without regard to race, color, religion, national origin, gender or disability status.
- 3.9. The General Manager may, at his/her discretion, delegate duties under this Policy.
- 3.10. The Board of Directors may, at its sole discretion, waive all or any part of this Policy.

#### **4. Policy Coverage**

This Policy is intended to cover the procurement of the following types of items:

- 4.1. Goods: An item moveable at the time LWD executes the Purchase Order for its procurement; equipment or supplies specially manufactured for LWD; installation of equipment or supplies specifically for LWD; electricity; natural gas; and, water.
  - 4.2. Professional Services: Services that are professional in nature and do not include the physical construction or installation of equipment for the District's infrastructure. Services in this category include, but may not be limited to, engineering design, architectural services, public information services, financial services, strategic planning services and legal services.
  - 4.3. Construction Services: Services typically associated with the physical construction and/or installation of equipment necessary to improve or replace the District's infrastructure. For the purposes of this policy, landscape services shall follow the procedures associated with this category.
  - 4.4. Other Services: Other Services include all purchases for services not classified as goods, construction services, or professional services, and include janitorial and uniform rental services, but may not be limited to these services.
- 5. Open Market Procurements for Goods and Other Services (\$10,000 or less) and Professional Services and Construction Services (\$35,000 or less)**

The LWD Staff shall make reasonable efforts to secure goods of suitable quality or, in the case of services, the best qualified consultant or service provider at the lowest possible cost and shall document such procurements as appropriate.

**6. Informal Procurements for Goods and Other Services (\$10,000.01 to \$60,000) and Construction Services (\$35,000.01 to \$60,000)**

The following defines an informal procurement for goods:

- 6.1. Minimum Requirements: The procurement of goods or services require that Staff develop a Request for Quote to clarify and standardize the requirements of the procurement. The Request for Quote shall include, as a minimum:

- An appropriately detailed specification considering the value, availability and technical complexity of the items to be procured,
  - A list of at least three (3) possible suppliers, if practicable,
  - The date by which LWD must receive the quote.
- 6.2. Request for Quote Distribution and Evaluation: LWD shall distribute the Request for Quote to at least three (3) suppliers. Staff will evaluate the responses received to determine the best responsive and responsible quote that meets or exceeds the Request for Quote specifications. Although cost is important, it is not the sole source of the award.
- 6.3. Quote Documentation: Staff will document the quotes received and the results of the evaluation. If less than three (3) quotes were received and evaluated, a brief explanatory statement will be provided.
- 6.4. Award: The General Manager shall award the procurement to the best determined responsive and responsible quote, if the total dollar cost of the procurement is \$35,000 or less. If the total dollar cost of the procurement is \$35,000.01 or more, the purchase must be approved by the Board of Directors.
- 6.5. Delegation of Authority to Award: For the purchase of goods or construction services, the General Manager may delegate the authority to award procurements by administrative procedure specifically identifying such delegates and the dollar limit of each delegate's authority.

Nothing in this policy shall prohibit staff from utilizing a formal bid process if deemed to be in the best interest of the District. If a formal bid process is elected, the procedures in Section 8 below shall be followed.

## **7. Informal Procurements for Professional Services (Contract from \$35,000.01 to \$60,000):**

The following defines an informal procurement for professional services:

- 7.1. Minimum Requirements. Staff will develop a Proposal letter to include, as a minimum:
- An appropriately detailed Scope of Work considering the value availability and technical complexity of the services to be procured,
  - A list of at least three (3) possible firms, if practicable,
  - The date by which LWD must receive the proposal,
  - If the proposed project is not identified in the budget, the Board of Directors shall review and authorize the procurement.
- 7.2. Evaluation of Proposals. Staff or a panel of evaluators designated by the General Manager will determine the best qualified proposer based on professional competency and their ability to satisfy the Scope of Work. Whenever possible, dependent on the services required, LWD shall evaluate and document at least three (3) proposals. If less than three (3) proposals were evaluated, a brief explanatory statement will be submitted to the General Manager.
- 7.3. Negotiations. Staff shall negotiate with the best qualified proposer. If unable to successfully complete such negotiations, negotiate with the remaining proposers, in the order that their proposals are most beneficial to LWD, until negotiations are successfully completed.

- 7.4. Coordination, Review and Approval. The General Manager will assign staff and, if necessary, LWD Counsel to generate a contract or related documents. All informal procurements for professional services will require a written contract.
- 7.5. Award. The General Manager shall recommend that the Board of Directors award the contract to the best qualified firm with whom LWD successfully completed negotiations. The Board shall award procurements of services with a total dollar cost from \$35,000.01 to \$60,000.
- 7.6. Documentation of Award. The responsible staff member shall establish a Contract File that contains the Proposal documentation per Sections 7.1 through 7.5 of this Policy, signed contract and any additional documents prescribed by administrative procedure.
- 8. Formal Procurements for Goods, Construction Services, and Other Services (\$60,000.01 and over):**
- 8.1. Additional Requirements: Formal Request for Sealed Bids (RFB). In addition to this Policy's requirements for awarding Informal Procurements, the initiating department head shall submit for the General Manager's review and approval a RFB that includes:
- An appropriately detailed specification considering the value, availability and technical complexity of the items to be procured,
  - Proposed procurement schedule.
- 8.2. Supplemental Documents: Formal RFB. Along with the RFB, the initiating department head shall submit for the General Manager's review and approval the following Supplemental Documents:
- A draft Notice Inviting Bids for publication and
  - A suggested list of at least three (3) prospective vendors, if practicable.
- 8.3. Public Notice. Public Notice Inviting Bids for a RFB must be published in a newspaper of general circulation at least ten (10) days prior to the bid opening date.
- 8.4. Bid Opening. All sealed bids are opened in public and apparent low bidder is identified at the bid opening.
- 8.5. Bid Evaluation. After the bid opening, all bids will be evaluated to ensure compliance with the bid specifications and for acceptable quality to determine the lowest responsive and responsible bidder. All bids and bid information shall be public unless otherwise specified in the bid specifications.
- 8.6. Award. All sealed bid procurements shall be awarded to the lowest responsive and responsible bidder who meets or exceeds the specifications of the RFB. All formal procurements must be approved by the Board of Directors.

## 9. Formal Procurements for Professional Services (\$60,000.01 and over)

- 9.1. Additional Requirements: Formal Request for Proposals (RFP) or Request for Qualifications (RFQ). In addition to this Policy's requirements for awarding Informal Procurements for services, the initiating department head shall submit for the General Manager's review and approval a RFP or RFQ that includes:
- A detailed Scope of Work itemizing the services required,
  - Proposed schedule,
  - Preliminary criteria upon which proposals / qualifications shall be evaluated,
  - A draft public notice, and,
  - A suggested list of prospective consultants to receive the RFP/RFQ.
- 9.2. General Manager Approval of Proposal Publication. No publication of public notice inviting proposals shall be made unless the General Manager has approved the Formal RFP and Supplemental Documents. If the project is not identified in the budget, the Board of Directors shall review and authorize the procurement.
- 9.3. Public Notice. Public notice of a RFP / RFQ must be published in a newspaper of general circulation at least ten (10) days prior to the proposal / Statement of Qualification (SOQ) due date.
- 9.4. RFQ Evaluation. If the implementation of the RFQ process is selected to procure services, additional steps are added to the RFP process. The RFQ calls for submission of a Statement of Qualification (SOQ) instead of a proposal. The SOQs are used to establish the professional competency and capability of each firm to perform and satisfy the project's Scope of Work. Once SOQs are received from interested firms, the General Manager will convene a panel consisting of at least three (3) individuals. The panel will evaluate the SOQs received in response to the RFQ to determine those firms that, in the panel's opinion, are best qualified to meet the Scope of Work identified in the RFQ. The panel will identify at least three (3) qualified firms, if appropriate. Once the qualified firms have been determined, only those firms will be invited by the General Manager to submit proposals (RFP) for evaluation.
- 9.5. Proposal Evaluation. Pursuant to the criteria established for that RFP and any additional criteria necessary and appropriate to advance the best interests of the LWD, the General Manager or a panel of evaluators selected by the General Manager shall review each proposal and may interview each firm to determine an ordinal ranking of the proposing firms. The ordinal ranking will be primarily based on the professional competency of the firms.
- 9.6. Negotiation. The General Manager or his/her designee shall enter into negotiations with the top ranked firm to establish the contract price and fees. If a fair price cannot be reached with the top ranked firm, then that firm shall be eliminated from consideration and negotiations shall be initiated with the next highest ranked firm.
- 9.7. Award. All formal procurements for services must be approved by the Board of Directors.

## 10. Exceptions:

The following exceptions shall apply to the foregoing bidding procedures. When an exception applies, supplies, equipment and/or services may be purchased following whatever procedures are determined necessary under the circumstances as determined by the General Manager, at his or her discretion.

### 10.1. Sole Source Procurement

- A. In certain instances, goods and services are obtainable from only one vendor due to unique circumstances. These circumstances include:
- The good or service is of such a unique, proprietary or technical nature that it is only manufactured or provided by a single vendor;
  - The good or service must match or be compatible with other goods or services, currently in use by LWD, obtained from a certain vendor. In this instance, it must be demonstrated that the matching or compatible good or service can only be supplied by this same vendor, or
  - When a vendor or firm possesses unique knowledge of LWD or is providing continuance of service as described in paragraph 11.4, Continuing Services.
- B. All sole source purchases for goods over \$10,000 and sole source procurements for services over \$35,000 require an explanation justifying the sole source procurement under this Policy to the General Manager and/or Board of Directors.
- C. Sole source procurements shall comply with all award threshold requirements set forth in this Policy.
- D. Complex or Unique Items
- In the event that the supplies and/or equipment sought to be purchased are unique and/or complex such that it is unlikely that there would be more than one bidder.
  - It is unlikely that there would be any economic benefit to the public to be gained from bidding, the General Manager, at his or her discretion may authorize direct negotiations in lieu of bidding.
  - An explanation to the Board of Directors is required justifying the procurement of critical or unique items.

### 10.2. Emergency

If an emergency arises and there is insufficient time to comply with the above applicable procurement procedures, an exception shall apply. An emergency situation may be determined by the General Manager if there is no time to convene a Board meeting. In the case of an emergency, the General Manager can authorize procurement(s) that exceeds his designated threshold in order to resolve the situation. The General Manager will inform the Board members of the emergency procurement as soon as possible. If the General Manager determines an emergency existed and authorizes a procurement(s) exceeding his/her approval authority, then a staff report shall be provided to the Board of Directors at its next regular meeting.



## 11. Alternative or Conditional Requirements:

- 11.1. Bid Security. Bidder's security may be prescribed in the public notice inviting bids at LWD's sole discretion. Bidders shall be entitled to return of bid security except that a successful bidder shall forfeit his bid security upon the bidder's refusal or failure to execute a contract within ten (10) days after the Notice of Award has been mailed.
- 11.2. Rejection of Bids/Proposals. The General Manager or Board of Directors, at their discretion, may reject any and all bids or proposals / SOQs and proceed pursuant to this Policy.
- 11.3. Performance Bond. LWD shall retain unilateral authority to require a performance bond before entering a contract. The amount of such a bond shall be set as determined reasonably necessary to protect the best interests of LWD. If LWD requires a performance bond, the form and amount of the bond shall be described in the public notice inviting bids or proposals.
- 11.4. Continuing Services. Where a vendor or firm has satisfactorily completed one phase in the development of a project and the General Manager, or as may be required by this Policy, the Board of Directors, determines that it is in the best interest to retain this vendor or firm for a subsequent phase of work, the General Manager, or his designee, shall be authorized to proceed directly with the negotiations for compensation with this entity. If required by this Policy, the Board of Directors must approve the resulting contract or amendment. In the event that a fair price cannot be reached, then the appropriate procurement requirements set forth in this Policy shall apply.
- 11.5. Governing Law. Nothing in this policy is intended nor shall be deemed to supersede any applicable State or Federal laws.

## 12. Definitions:

Bidder: A person or firm submitting an offer to LWD in response to a Request for Bids.

Bid Security: The deposit of cash, certified check, cashier's check, bank draft, money order, or bid bond submitted with a bid and serving to guarantee to the owner that the bidder, if awarded the contract, will execute such contract in accordance with the bidding requirements and the contract documents.

Continuing Services: When a vendor or firm has satisfactorily completed one phase in the development of a project, that vendor or firm may be retained for a subsequent phase of work if their continued service is determined to be in the best interest of the District.

Construction Services: Services typically associated with the physical construction and/or installation of equipment necessary to improve or replace the District's infrastructure. For the purposes of this policy, landscape services shall follow the procedures associated with this category.

Formal Procurement of Goods and Services: Procurement of goods or services resulting in total payments greater than \$60,000.

Goods: An item moveable at the time LWD executes the Purchase Order for its procurement; equipment or supplies specially manufactured for LWD; installation of equipment or supplies specifically for LWD; electricity; natural gas; and, water.



Informal Procurement of Goods: Purchase of goods resulting in total payments of \$10,000.01 to \$60,000.

Informal Procurement of Services: Procurement of services resulting in contract Not-to-Exceed (NTE) amounts between \$35,000.01 and \$60,000.

Open Market Procurement of Goods: Purchase of goods resulting in total payments by the LWD of \$10,000 or less.

Open Market Procurement of Professional and Construction Services: Procurement of services resulting in contract Not-to-Exceed (NTE) amount of up to \$35,000.

Other Services: Other Services include all purchases for services not classified as goods, construction services, or professional services, and include janitorial and uniform rental services.

Performance Bond: A written guaranty from a third party guarantor (usually a bank or an insurance company) submitted to the District by a contractor on winning the bid. A performance bond ensures payment of a sum (not exceeding a stated maximum) of money in case the contractor fails in the full performance of the contract.

Proposer: A person or firm submitting an offer to LWD in response to a Request for Proposals.

Scope of Work: A description of services required by LWD that a proposer must demonstrate the capability to provide as a prerequisite to LWD's consideration of their proposal.

Sealed Bids: A bid submitted in a sealed envelope to prevent disclosure of its content prior to the established public opening.

Professional Services: Services that are professional in nature and do not include the physical construction or/or installation of equipment for the District's infrastructure. Services in this category include, but not limited to, engineering design, architectural services, public information services, financial services, strategic planning services and legal services. Other similar services would also be part of this category.

Sole Source Procurement: Procurement instances when the goods and/or services are obtainable from only one vendor due to unique circumstances, specifications, qualifications or continuance of service.

Specification: A description of the goods required by LWD that a bidder must satisfy precisely or through functional equivalency as a prerequisite to LWD's consideration of their bid.

Vendor / Firm / Consultant: An entity which is capable of or is interested in providing goods or services to LWD, or has been awarded a procurement agreement by LWD.

**Encina Wastewater Authority Report**  
**Regular Board Meeting**  
**July 24, 2019**

**EWA Board of Directors** - Director Sullivan Reporting

**1. Award of Biosolids Hauling and Handling Agreement**

The Board of Directors awarded an agreement for biosolids hauling and handling to Denali Water Solutions.

**2. Resolution 2019-03: Appropriating Funds for Fiscal Year 2020 Pension Policy, Operating and Capital Program Budgets and Establishing Controls Thereon**

The Board of Directors adopted Resolution No. 2019-03 appropriating funds for Fiscal Year 2020 for the following:

- Pension Policy in the amount of \$4,096,100;
- Operating funds in the amount of \$17,780,683; and
- Capital funds in the amount of \$22,490,576.

**3. Secondary Clarifier Like Kind Replacement**

The Board of Directors authorized the General Manager to sole source the like kind replacement of secondary clarifier equipment from Ovivo per the EWA purchasing policy.

**4. Resolution 2019-04: Proclamation Honoring Paula Clowar**

The Board of Directors adopted Resolution No. 2019-04 honoring Paula Clowar for 19 years of service to Encina Wastewater Authority.

There was no Executive Session.

# Investment & Finance Committee Meeting Report

Presented by Director Hanson

---

## **Meeting held July 9, 2019**

### **1. Financial Audit Entrance meeting with Davis Farr, LLP.**

The IFC participated in the Financial Audit Entrance meeting with staff and CPA Shannon Ayala, from Davis Farr, LLP.

Ms. Ayala stated that they have begun their preliminary audit review. She went over the auditor's responsibilities, the timing of the audit, and upcoming changes to the audit process.

Ms. Ayala stated the final phase of the audit will begin September 2019.

There was no action taken.

# **Community Affairs Committee Meeting Report**

Presented by Director Sullivan

---

## **Meeting held July 23, 2019**

The Community Affairs Committee (CAC) reviewed the following recommendation:

### **1. Review the draft layout of the Summer 2019 newsletter**

The CAC reviewed and commented on the final draft layout of the Summer 2019 newsletter. Staff and Rising Tide Partners will make the recommended changes.

The CAC directed staff to move forward with the production of the newsletter and forward the final to the Board for their review prior to printing.

### **2. 2019 Teacher Grant Recipients Video**

Mr. Criscuolo presented a five-minute RTP produced video compilation of the 2019 Teacher Grant recipients.

This item was for information purposes and there was no action taken. At the suggestion of the CAC, the video will be viewed later in the agenda.

# Engineering Committee Meeting Report

Presented by Vice President Juliussen

---

## **Meeting held August 7, 2019**

The Engineering Committee (EC) reviewed the following recommendation:

- 1. Authorize the General Manager to execute a sole source purchase Agreement with Haaker Equipment Company for the purchase of a new Vactor 2110 Combination Truck in an amount not to exceed \$433,000.00**

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

- 2. The EC also received an update on the repair of laterals in Gelson's Plaza.**

This item was for information purposes and there was no action taken.

# **Investment & Finance Committee Meeting Report**

Presented by Director Hanson

---

## **Meeting held August 7, 2019**

### **1. Annual Review of LWD's Procurement Policy – Receive and File the Annual Review of the Procurement Policy.**

The IFC conducted its Annual Review of the LWD Procurement Policy. Staff is not recommending any changes to the policy.

GM Bushee noted that should the IFC agree to receive and file the review of the Procurement Policy, this item will be on the August Board Agenda under Consent Calendar.

Following discussion, the IFC agreed with staff's recommendation to receive and file the annual review of the Procurement Policy.

### **2. Annual Review of the LWD Investment Policy**

The IFC reviewed staff's recommendation to re-delegate authority to manage LWD's investment program to the General Manager effective September 1, 2019 through August 31, 2020.

The IFC reviewed Resolution No. 2318 amending the LWD Investment Policy.

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

The IFC also reviewed a graph depicting interest rate history by pool/reserve from January through July 2019. This item was for information purposes and no action was taken.



MEMORANDUM

Ref: 20-6780

**DATE:** August 8, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Award of Sole Source Purchase Agreement to Haaker Equipment Company for a New Vactor Combination Truck

---

**RECOMMENDATION:**

Staff and the Engineering Committee (EC) recommend that the Board of Directors:

1. Authorize the General Manager to execute a sole source purchase Agreement with Haaker Equipment Company for the purchase of a new Vactor 2110 Combination Truck in an amount not to exceed \$433,000.00.
2. Discuss and take other action as appropriate.

**DISCUSSION:**

**Tactical Goal: Services/Purchases/Vactor Replacement Truck**

This item was reviewed by the EC at its August 7th meeting and the EC concurred with staff to present this item for the Board's consideration.

The Leucadia Wastewater District (District) has two Vactor Combination Trucks (Vactor) in its fleet for collection system hydro-cleaning. Over the past year, Staff has noticed an increase in the cost and frequency of repairs to maintain the oldest Vactor, Vactor 152. Vactor 152 was purchased in 2009 and is 10 years old. The District has been using Vactor trucks since 1991. District's Field Service Staff has been specifically trained to operate and maintain the Vactor equipment. Additionally, the Vactor has proven to be very reliable. Staff believes it is prudent for the District to continue using Vactors in our fleet.

The District's Vehicle Replacement Guidelines states that the minimum replacement criteria for heavy duty vehicles is 10 years or 100,000 miles. Therefore, Vactor 152 has met the 10 year age threshold. Additionally, due to Vactor 152's increase in maintenance frequency and the associated cost, Staff believes Vactor 152 has exceeded its useful life and requires replacement. It is important to note that LWD will be selling Vactor 152 at a public contractor auction.

Haaker Equipment Company (Haaker) is the only authorized southern California dealer for Vactor Trucks. Under Section 10.1 (A), Sole Source Procurement, of the District's Procurement Policy, sole source procurement is allowed in cases where goods and services are obtainable from only one vendor due to unique circumstances. Additionally, Section 10.1 (D), Complex or Unique Items, of the District's Procurement Policy, allows for the purchase of unique equipment without conducting sealed bid procedures. Consequently, staff requested a quote from Haaker for the replacement Vactor and is attached for your review.

Staff has evaluated the quote submitted by Haaker and is satisfied that the Vector meets their specified combination truck requirements. Therefore, Staff and the EC are recommending that the Board authorize the General Manager to execute a sole source purchase Agreement with Haaker for the purchase of a new Vector Truck.

**FISCAL IMPACT:**

The Fiscal Year 2020 Capital Acquisition Budget includes sufficient funding for the purchase of this replacement Vector truck.

js:PJB

Attachment

# HAAKER

## EQUIPMENT COMPANY

2070 North White Avenue, La Verne, California 91750  
(909) 598-2706 ~ FAX (909) 598-1427 ~ haaker.com



### PROPOSAL January 23 2019

**TO:** LEUCADIA WATER DISTRICT  
1960 La Costa  
Carlsbad CA 92009

**ATTN:** Mr. Marvin Gonzalez  
760-753-0155  
Email: mgonzalez@lwwd.org

In accordance with your request, we are pleased to submit the following proposal for your consideration and approval based on the [Sourcewell Cooperative Purchasing Agreement - Contract #122017-FSC.](#)

#### One (1) NEW VACTOR 2110 PLUS JET RODDER

10-Cubic Yard Capacity with Roots 16" Positive Displacement Blower, 1000 Gallons of Water, Mounted on a 2020 Freightliner 114SD 4x2 370 HP, Allison Automatic Transmission. Equipped with all Standard and Optional Equipment listed:

#### STANDARD FEATURES

- 48" x 22" x 24" Curb Side Aluminum Toolbox
- Aluminum Fenders
- Mud Flaps
- Electric/Hydraulic Four Way Boom
- Color Coded Sealed Electrical System
- Remote Pendant Control w/35' Cord
- Intuitouch Electronic Package
- Double Acting Dump Hoist Cylinder
- Handgun Assembly
- 3" Y-Strainer at Water Pump Inlet
- Ex-Ten Steel Cylindrical Debris Tank
- Flexible Hose Guide
- 30 Deg. Sand Nozzle w/Carbide Inserts
- 30 Deg. Sanitary Nozzle w/Carbide Inserts
- 15 Deg. Penetrator Nozzle w/Carbide Inserts
- Nozzle Storage Rack
- Vacuum Tube Storage: Curbside (2) Pipe, Rear Door (2) Pipe
- 1" Nozzle
- 10' Leader Hose
- Flat Rear Door w/Hydraulic Locks and Door Power-up/Down, Open/Close Feature
- Dual 10" Stainless Steel Float Shut Off System/Rear Mounted
- Debris Body Vacuum Relief System
- Debris Deflector Plate
- 60" Dump Height
- Water Sight Gauge DS/PS
- Liquid Float Level Indicator
- Boom Transport Post Storage
- 3" Y-Strainer @ Water Pump w/3" Drain Valve
- Performance Package: (Hyd Variable Flow, Dual PTO's, Dual Hyd. Pumps)
- Stainless Steel Microstrainer
- Blower Air Shift Controls
- Hydraulic Cooling Package
- Midship Handgun Coupling
- Side Mounted Water Pump
- Hose Wind Guide (Dual Roller)
- Hose Footage Counter - Mechanical
- Hose Reel Manual Hyd. Extend/Retract

- Hose Reel Chain Cover (Full)
- Tachometer/Chassis Engine W/Hour meter
- Circuit Breakers
- LED Lights. Clearance, Back-Up, Stop, Tail & Turn
- Tow Hooks, Front and Rear
- Electronic Back-Up Alarm
- Hydraulic Tank Shutoff Valves
- 8" Vacuum Pipe Package
- Emergency Flare Kit
- Fire Extinguisher 5 Lbs.

- Low Water Indicator on Screen w/ Alarm and Water Pump Flow Indicator
- Front Joystick Boom Control
- Digital Hose Footage Counter
- Water Pump Hour Meter
- PTO Hour Meter
- Camera System, Rear Only
- Digital Water Pressure Gauge
- Chassis Modifications
- Vector Manual, Partial Manual and USB Version

**ADDITIONAL FEATURES INCLUDED**

- Roots 824-16" Hg. Blower
- 180 Degree Rotation, 10 Ft. Telescoping Boom x 15 Ft. Hydraulic Extendable
- 80 GPM Variable Flow Water System
- 2500 PSI Water Pressure
- 1" x 600' Piranha Sewer Hose, 2500 PSI
- Hydraulic Extending/Rotating 15" Hose Reel (1" x 800') Capacity
- Module Paint, Dupont Imron Elite - Sanded Primer Base
- Debris Body Flush Out System
- 6" Butterfly Valve, Rear Door, 3:00 Position
- 6" Butterfly Valve, Rear Door, 6:00 Position
- Pump Off Ports Only
- Pump Off Plumbing to Front Bumper
- Centrifugal Separators
- Folding Pipe Rack, Curbside
- Folding Pipe Rack, Streetside
- Rear Door Splash Shield
- Lube Manifold
- Plastic Lube Chart
- Hot Shift Blower Drive

- Rotatable Boom Inlet Hose, 10 x 15 RDB
- Rodder System Accumulator- Jack Hammer on/off control w/ manual valve
- Handgun Couplers, Front and Rear
- Automatic Hose Level Wind Guide, Indexing
- High Pressured Hose Reel
- Rodder Pump Drain Valves
- Debris Body-Up Alarm
- Worklights (2), LED, 10 x 15 RDB
- Worklights (2), LED, Rear Door
- Worklight, LED, Operators Station
- Worklight, LED, Hose Reel Manhole
- Camera System, Front, Rear and Both Sides
- Debris Body Level Indicator
- Module Stripe, Single 5"
- Door Stripe Material, Reflective Tape
- Whelen LED Light Package including light bar, traffic advisor and strobes
- Additional Reclaim Water Fill
- Sonetics Conhub

|                        |                      |
|------------------------|----------------------|
| NJPA Unit Price.....   | \$ 416,473.00        |
| NJPA Discount.....     | (\$ 8,630.00)        |
| <b>Subtotal:</b> ..... | <b>\$ 401,843.00</b> |
| Sales Tax (7.75%)..... | \$ 31,142.84         |

**TOTAL PRICE: FOB: CARLSBAD, CA: ..... \$ 432,985.84**

THE PROPERTY HEREIN IS GUARANTEED BY MANUFACTURER'S WARRANTY ONLY AND SELLER MAKES NO WARRANTY EXPRESSED OR IMPLIED, OF MERCHANTABILITY OR OTHERWISE, OR OF FITNESS FOR ANY PARTICULAR PURPOSE, THAT EXTENDS BEYOND THE ABOVE DESCRIPTION OF THE EQUIPMENT.

NOTE: Price is good until 60 Days. Cost increases due to the addition of Government mandated safety or environmental devices incurred after the date of this proposal, will be charged to you at our cost. Proof of such costs, if any, will be documented.

TAXES: SALES TAX applicable at time of delivery will be shown on our invoice. FEDERAL EXCISE TAXES, if applicable, will require payment unless a properly executed Exemption Certificate is submitted.

DELIVERY: Approx 210-270 Days TERMS: Net 30

We appreciate the opportunity to present this proposal and look forward to being of further and continued service.

HAAKER EQUIPMENT COMPANY ACCEPTED BY: \_\_\_\_\_


BY: Chay Vallejo DATE: \_\_\_\_\_

JOSE "CHUY" VALLEJO / Parts/Service/Outside Sales Mgr



## MEMORANDUM

Ref: 20-6782

**DATE:** August 8, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Annual Review of LWD Investment Policy

---

### RECOMMENDATION:

Staff and the Investment and Finance Committee (IFC) recommend that the Board of Directors:

1. Re-delegate authority to manage LWD's investment program to the General Manager effective September 1, 2019 through August 31, 2020
2. Adopt Resolution No. 2318 amending LWD's Investment Policy.
3. Discuss and take other action, as appropriate.

### DISCUSSION:

#### **Tactical Goal: Finance/Financial Policy Reviews/Investment Policy**

This item was reviewed by the IFC at its August 7th meeting and the IFC concurred with staff to present this item for the Board's consideration.

The Board of Directors last amended Leucadia Wastewater District's (LWD) Investment Policy in September 2016. The LWD Investment Policy establishes guidelines to ensure investments are in compliance with California governmental code. It also establishes the types of investment vehicles LWD can use, defines the target rate of return on investments, and the maximum percentages of investments in any one vehicle. Additionally, the Investment Policy requires that the Board of Directors delegate authority to manage the Investment Program. In the past, this authority has been delegated to the General Manager.

The Policy calls for an annual review by the Board of Directors. Staff recently reviewed the Policy to determine if any amendments are warranted. Based on this review, the following revisions are proposed:

#### Certificates of Deposit

At the June 2019 Board of Directors meeting, the Board authorized the General Manager to execute an agreement with Multi-Bank Securities, Inc. (MBS) to add them as an additional authorized financial broker-dealer to provide fixed-income securities broker-dealer services. The main services that MBS will provide is the purchase of FDIC/NCUA insured Certificates of Deposit (CDs) for LWD. California Government Code allows public agencies to purchase negotiable CDs from any nationally or state chartered banks, savings & loans, credit unions, etc. Upon reviewing the District's investment policy, staff felt the investment policy could use some clarification in regards to purchasing CDs from state-chartered banks, saving & loans, credit unions, etc., outside of California.

## Diversification

the following changes to the allowable allocation percentages of total invested funds are recommended:

- **Bank Certificates of Deposit – Insured:** As a result of adding insured CD's to the portfolio an allowable allocation percentage is required. We recommend placing insured CD at 30%. This allowable percentage would provide additional investment opportunity, flexibility, and security.
- **Placement Services Deposits:** The recommended allowable allocation percentage for Placement Service Deposits is being reduced from 25% to 20% of total funds invested. The maximum combined allowable allocation percentage for Placement Service Deposits and Negotiable CD's is limited to 30%. This reflects an upcoming change in the California Government Code which allows up to 30% of an agency funds to be invested in Placement Services Deposits and Negotiable CD's combined. LWD's current allowable percentage for uninsured negotiable CD's is 10% and this change to 20% for Placement Serviced Deposits would reflect this new combined limit of 30%.

## Certification

Staff also desires to submit LWD's Investment Policy to the California Municipal Treasurers Association for certification under its Investment Policy Certification Program. This would add trust, confidence, and verification that the LWD's investment policy has been reviewed and certified by a professional organization within California. As a result, staff is recommending some enhancements to the investment policy such as adding California Government Code sections, updating and clarifying some sections of the policy, and adding a glossary of terms.

## Administrative Changes

Make some minor administrative changes such as formatting, numbering, and grammar.

## Socially Responsible Investing

Staff suggests eliminating section 8.2 "Socially Responsible Investing". LWD has not invested in the types of government agency bonds listed in this section and staff does not foresee LWD investing in these types of investments in the near future. Also, applying this section can be subjective and difficult to implement.

## **CONCLUSION:**

Proposed Resolution No. 2318 with the Amended Investment Policy, attached as Exhibit "A", is provided for your review (Attachment 1). The Amended Investment Policy is shown in strikethrough format for your convenience. Staff will provide a brief overview of the Policy at the upcoming meeting.

Staff and the IFC recommend that the Board of Directors: (1) re-delegate authority to manage LWD's Investment Program to the General Manager for the period September 1, 2019 through August 31, 2020, (2) adopt Resolution No. 2318, and (3) discuss and take other action as appropriate.

rad:PJB

Attachment



**LEUCADIA WASTEWATER DISTRICT**

**RESOLUTION NO. 2318**

**EXHIBIT "A"**

**LWD INVESTMENT POLICY**

**RESOLUTION NO. 2318**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF LEUCADIA WASTEWATER DISTRICT  
AMENDING THE INVESTMENT POLICY**

---

**WHEREAS**, the Board of Directors of Leucadia Wastewater District (LWD) approved Resolution No. 2282 on September 14, 2016 adopting the District's Amended Investment Policy; and

**WHEREAS**, the Policy requires an annual review by the Board of Directors; and

**WHEREAS**, the Board of Directors desire to modify the Investment Policy;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of Leucadia Wastewater District does hereby rescind Resolution No. 2282 and hereby approves in its place the Amended Investment Policy attached hereto as Exhibit "A".

**PASSED AND ADOPTED** by the Board of Directors at a meeting of the Leucadia Wastewater District held August 14, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
David Kulchin, President

ATTEST:

\_\_\_\_\_  
Paul J. Bushee, Secretary/Manager

(SEAL)



LEADERS IN  
ENVIRONMENTAL  
PROTECTION

## LEUCADIA WASTEWATER DISTRICT INVESTMENT POLICY

Ref: 17-514520-6771

### 1.0 Purpose

This investment policy is intended to establish guidelines for the prudent management and investment of the Leucadia Wastewater District's available funds in conformance with California Government Code requirements governing the investment of public funds and outline the policies for safe and prudent management of District funds without sacrificing safety or liquidity. It is also intended that the Board of Directors review this policy annually.

~~It is the policy of the District shall to invest public funds in a manner which will provide the highest investment return with the maximum security meet the objectives of this investment policy in priority order of Safety, Liquidity, and Return on investment while meeting the daily cash flow demands of the District and conforming to all state statutes governing the investment of public funds.~~

### 2.0 Scope

The District's cash management system is designed to accurately monitor and forecast expenditures and revenues, enabling the District to invest funds to the fullest extent possible. All funds will be invested with the intent of maximizing safety and liquidity. This investment policy applies to all financial assets of the District, which are accounted for as Enterprise Funds in the District's Audited Comprehensive Annual Financial Report, with the exception of the following funds:

- A. The District's other ~~post-employment~~post-employment benefits trust funds,
- B. ~~The District's deferred~~ Deferred compensation ~~funds~~assets held in trust for the benefit of participating employees, and
- C. The proceeds of any debt issued by the District which are invested in accordance with provisions of the applicable debt documents, and
- ~~D. The District's operational funds with an approved depository.~~

### 3.0 Prudence

The District operates its ~~temporary~~ pool of cash investments under the *Prudent Investor Standard*, Government Code Section 53600.3, which states:

"When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, a trustee shall act with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy,



investments may be acquired as authorized by law.”

Investment officers acting in accordance with written procedures and the ~~investment~~ ~~Policy~~ and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

The District may invest in a variety of vehicles provided the investment is allowable under current legislation of the State of California, permitted by this policy and complies with the aforementioned Prudent Investor Standard.

#### 4.0 Objective

As specified in California Government Code Section 53600.5, The ~~the~~ primary objectives, in priority order, of the District's investment activities shall be:

4.1 Safety: Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the District will diversify its investments by investing funds among independent financial institutions offering a variety of securities offering with independent returns ~~and financial institutions~~.

4.2 Liquidity: The District's investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements that might reasonably be anticipated.

4.3 Return on Investments: The District's investment portfolio shall be designed with the objective of attaining a market average rate of return throughout budgetary and economic cycles, commensurate with the District's investment risk constraints identified in the investment ~~and policy and~~ the cash flow characteristics of the portfolio.

#### 5.0 Delegation of Authority

Authority to manage the District's investment program is derived from the Board of Directors. Management responsibility for the investment program is hereby delegated to the General Manager for a one-year period as permitted under California Government Code section 53607. ~~Subject to review, the Board of Directors may renew the delegation of the authority pursuant to this section each year. The General Manager, through approval of this investment policy, has established written procedures for the operation of the investment program. No person may engage in an investment transaction except as provided under the terms of this policy and other procedures consistent with this policy that may be established by the General Manager. The General Manager shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. As authorized by the Board of Directors, a SEC-registered investment advisor may be utilized to assist with the District's investment program under the direction of the General Manager. The investment advisor shall follow this investment policy and such other written instructions as are provided.~~

#### 6.0 Ethics and Conflicts of Interests

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment policy and program, or which could



impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the General Manager any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the District's portfolio. The General Manager shall make a like disclosure to the Board of Directors. Employees and officers shall subordinate their personal investment transactions to those of the District, particularly with regard to the time of purchases and sales.

## 7.0 Authorized Financial Dealers and Institutions

The General Manager shall maintain a list of financial dealers and institutions authorized for investment transactions. Direct investments made by the District in LAIF, CAMP and the San Diego County pool are exempt from these requirements. Before adding a financial institution to the approved list, the General Manager shall review the entity's credit worthiness, credit characteristics, and financial history. Annually, financial dealers and institutions doing business with the District shall submit their most recent report on financial condition and certified that they have read the District's Investment Policy. Securities dealers utilized by the District must be members of a federally regulated securities exchange. Public deposits shall be made only in a qualified public depository as established by state laws.

For investment transactions initiated through an investment manager, the investment manager may use their own list of approved broker/dealers and financial institutions, which it will maintain and review periodically.

## 8.0 Authorized and Suitable Investments

8.1 All investments shall be made in accordance with Sections 53600 *et seq.* of the Government Code of California and described within the Investment Policy. -In the event an apparent discrepancy is found between this policy and the Government Code, the more restrictive parameters will take precedence. To the extent possible, the District will attempt to match its investments with anticipated cash flow requirements. The maximum maturity of individual investments shall not exceed the limits set forth below or in the California Government Code. -Where no maturity limit is stated, no investment shall exceed a maturity of five years from the date of purchase unless the Board of Directors has granted express authority to make that investment either specifically or as a part of an investment program approved by the Board of Directors no less than three months prior to the investment.

8.2 Permitted investments under the Investment Policy shall include:

U.S. Treasury Instruments. United States Treasury notes, bonds, bills or certificates of indebtedness, or those for which the full faith and credit of the United States is pledged for payment of principal and interest.

Federal Agency and Instrumentality Securities. Federal Agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

State of California and Local Debt. Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state including bonds payable solely out of the



revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency. Purchases are limited to securities rated at least "A-," or equivalent, by a Nationally Recognized Statistical Rating Organization ("NRSRO").

Bonds issued by Leucadia Wastewater District. Bonds issued by the District, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by the District or by a department, board, agency or authority of the District.

Medium-Term Notes. Medium-term corporate notes, defined as all corporate and depository institution securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or depository institutions licensed by the United States or any state and operating within the United States. Purchases are limited to securities rated at least "A-," or equivalent, by a NRSRO.

Bankers Acceptances. Purchases of bankers acceptances may not exceed 180 days' maturity. Purchases are limited to issuers with senior debt ratings of at least "A-," or equivalent, by a NRSRO.

Commercial Paper. The entity that issues the commercial paper shall have met either of the following criteria: (1) The corporation shall be organized and operating within the United States, shall have total assets in excess of five hundred million dollars (\$500,000,000), and shall issue debt, other than commercial paper, if any, that is rated "A" or higher by a NRSRO; or (2) The corporation shall be organized within the United States as a special purpose corporation, trust, or limited liability company, has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond; has commercial paper that is rated "A-1" or higher, or equivalent by a NRSRO. Eligible commercial paper may not exceed 270 days' maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation.

Bank Deposits. FDIC insured or collateralized bank deposits, including, without limitation, savings accounts, and market rate accounts, ~~and certificates of deposits~~ in financial institutions located in California. No deposit of public funds shall be made except in a qualified public depository as established by state laws and the requirements of the California Government Code. Bank deposits are required to be collateralized as specified under the California Government Code Section 53630 et. seq. The General Manager may waive collateral for any portion that is covered by federal deposit insurance. The District shall have a signed agreement with any depository accepting District funds per California Government Code Section 53649.

~~\_\_\_\_\_~~ Placement Service Deposits. Deposits placed through a deposit placement service in accordance with California Government Code Section 53601.8 and 53635.8. The full amount of the principal and the interest that may be accrued during the maximum term of each deposit shall at all times be insured by federal deposit insurance.

Bank Certificates of Deposit - FDIC/NCUA Insured  
FDIC or NCUA insured certificates of deposit issued by a nationally or state-chartered bank, a state or federal association, a state or federal credit union, or by a state license branch of a foreign bank This category includes certificates of deposit purchased through a broker/dealer.



Negotiable Certificates of Deposit.

-Negotiable certificates of deposit issued by a nationally or state-chartered bank, ~~or~~ a state or federal association, or by a state-licensed branch of a foreign bank. Uninsured purchases are limited to institutions that have a rating of at least "A", "A-1", or its equivalent, by an NRSRO.

Repurchase Agreements. Repurchase agreements are to be used solely as short-term investments not to exceed 30 days. The District may enter into repurchase agreements with financial institutions rated "A" or better by two NRSROs. Counterparties should also have (i) a short-term credit rating of at least "A-1" or equivalent, by a NRSRO; (ii) minimum assets and capitalized size of \$25 billion in assets and \$350 million in capital; (iii) five (5) years of acceptable audited financial results; and (iv) a strong reputation among market participants.

The following collateral restrictions will be observed: Only U.S. Treasury securities or Federal Agency securities will be acceptable collateral. -All securities underlying repurchase agreements must be delivered to the District's custodian bank versus payment or be handled under a properly executed tri-party repurchase agreement. The total market value of all collateral for each repurchase agreement must equal or exceed 102 percent of total dollar value of the money invested by the District for the term of the investment. Since the market value underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day. For any repurchase agreement with a term of more than one day, the value of the underlying securities must be reviewed on an on-going basis according to market conditions. -Market value must be calculated each time there is a substitution of collateral.

The District or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to repurchase agreement. The District shall have properly executed a master repurchase agreement with each counterparty with which it enters into repurchase agreements.

Money Market Funds. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 and following). The company shall have met either of the following criteria: (A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs. (B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than 5 years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).

State of California Local Agency Investment Fund (LAIF). LAIF is a special fund in the California State Treasury and an investment alternative for California's local governments and special districts created and governed pursuant to California Government Code Section 16429.1 et seq. and managed by the State Treasurer's Office. A maximum of 75% of the portfolio may be invested in this category, however, the amount invested may not exceed the current maximum amount allowed by LAIF If the District has funds invested in LAIF, the District shall maintain on file LAIF's current investment policy and its requirements for



participation, including limitations on deposits or withdrawals.

California Asset Management Program (CAMP) Pool. California Asset Management Trust a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California. If the District has funds invested in CAMP, the District shall maintain on file CAMP's disclosure statement listing its investment policy and its requirements for participation, including limitations on deposits or withdrawals.

San Diego County Treasurer's Pooled Money Fund. ~~This is a Local~~ government investment pool managed by the San Diego County Treasurer-Tax Collector. If the District has funds invested in San Diego County Pool, the District shall maintain on file the San Diego County Treasurer's Pooled Money Fund Investment Policy and its requirements for participation, including limitations on deposits or withdrawals.

### 8.32 ~~Socially Responsible Investing~~

~~For specific investment vehicles within the criteria of the Prudent Investor Standard the following Socially Responsible Investment criteria shall be applied to the following investments:~~

~~For bonds issued by other government agencies, the following preferences apply:~~

~~1. Geographic preference is given to agencies within this county and then to issues within the state.~~

~~2. Preference is given to projects dealing with reclamation, water, sewer, air quality, waste recycling and environmental protection.~~

### 9.0 Investment Pools/Money Market Mutual Funds

~~Investment pools include LAIF, county pooled investment funds, and shares of beneficial interest (mutual funds and money market funds), and joint powers authority pools.~~ A thorough investigation of the pool/fund is required prior to investing, and monitoring is required on a continual basis. District staff will ~~annually~~ periodically perform due diligence analysis of the pool/fund based on a standardized questionnaire developed to address investment policy and practices. The investigation will include review of the following items: 1) Eligible investments; 2) Investment policy and/or investment objectives; 3) Interest calculation, distribution, and treatment of gains/losses; 4) Securities safeguarding and pricing and program audits; 5) Schedule of receiving statements and portfolio listings; 6) Fees; 7) Utilization of reserves/retained earnings; and 8) Eligibility for bond proceeds.

### 10.0 Safekeeping and Custody

All security transactions entered into by the District shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian designated by the General Manager and evidenced by safekeeping receipts with a written custodial agreement. The securities will be held directly in the name of the District as beneficiary. The only exception to the foregoing shall be: (i) bank deposits, (ii) placement service certificates of deposit, (iii) LAIF, CAMP and the San Diego County Treasurer's Pool, and (iv) money market mutual funds, since these investments are not deliverable. Evidence of each of these investments will be held by the District.

## 11.0 Diversification

The District will diversify its investments by security type, institution, and maturities to prevent incurring unreasonable or avoidable risks regarding specific security types, individual financial institutions or maturity segments.

District funds may be invested in accordance with the following table, which summarizes the allowable allocation of investments by percentage of total funds invested. Percentage holding limits listed below apply at the time the security is purchased.

**Allowable Allocation of Investments**

| <b>Authorized Investment</b>                             | <b>%</b>   |
|--|------------|
| US Treasury Instruments                                  | 75%        |
| Federal Agency and Instrumentality Securities            | 75%        |
| State of California and Local Debt                       | 10%        |
| Bonds Issued by Leucadia Wastewater District             | 10%        |
| Medium-Term Corporate Notes                              | 20%        |
| Bankers Acceptances                                      | 10%        |
| Commercial Paper   | 10%        |
| Bank Deposits  | 25%        |
| Placement Service Deposits                               | 2520%      |
| <u>Bank Certificates of Deposit – Insured</u>            | <u>30%</u> |
| Negotiable Certificates of Deposit - <u>Uninsured</u>    | 10%        |
| Repurchase Agreements                                    | 10%        |
| Money Market Funds                                       | 10%        |
| State of California Local Agency Investment Pool (LAIF)  | 75%        |
| California Asset Management Program (CAMP)               | 75%        |
| San Diego County Treasurer’s Pooled Money Fund (SD Pool) | 75%        |

## 12.0 Internal Control

The General Manager has established a system of internal controls to ensure compliance with the Investment Policy of the District and the California Government Code. The internal control procedures include segregation of duties in the different phases of an investment transaction, monthly reconciliation of the investment report to the general ledger, and annual policy compliance reviews. An independent audit is conducted by the District’s outside auditors, which includes a compliance review of the District’s investment activities to the District’s Investment Policy, the California Government Code, and Government Accounting Standard Board (GASB) requirements regarding investment disclosures.

## 13.0 Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

The District’s investment strategy is passive. Given this strategy, the General Manager has selected LAIF as the benchmark to determine whether market yields are being achieved. The General Manager shall review the selected benchmark on an annual basis.



## 14.0 Reporting

The General Manager shall submit to each member of the Board of Directors, on a monthly basis, an investment summary, describing the types of investment transactions, investments held by category, original costs, and average rates of return in accordance with Government Code Section 53607. ~~As encouraged by Government Code 53646 (b)(1),~~ In addition, the General Manager shall prepare a quarterly investment report in accordance with Government Code Section 53646 (b) (1). The report shall include a complete description of the portfolio; the type of investments, the issuers, maturity dates, interest rates, par values, cost and the current market values of each component of the portfolio. -The report must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy, and (2) the District will meet its expenditure obligations for the next six months, or provide an explanation as to why money shall, or may, not be available. The General Manager shall maintain a complete and timely record of all investment transactions.

## 15.0 Review of Investment Portfolio and Credit Rating Changes

The securities held by the District must be in compliance with Section 8.0 Authorized and Suitable investments at the time of purchase. Because some securities may not comply with Section 8.0 subsequent to the date of purchase, the General Manager shall at least quarterly review the portfolio to identify those securities that do not comply. In the event a ~~security held by the District is subject to a rating change that brings it below the minimum credit ratings specified~~major and critical incidence of noncompliance with-in this policy is identified through the review of the portfolio, the General Manager ~~should~~shall notify the Board of the change. The course of action to be followed will then be decided on a case-by-case basis, considering such factors as the reason for the rate drop, prognosis for recovery or further rate drops, and the market price of the security.

## 16.0 Investment Policy Adoption

The District's Investment Policy shall be adopted by resolution of the Board of Directors. The policy shall be reviewed annually by the Investment and Finance Committee and the Board of Directors. The Board of Directors must approve any modifications made thereto.

## 17.0 Glossary of Terms

AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

ASKED: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.



BROKER: A broker brings buyers and sellers together and receives a commission for services rendered.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a Certificate. Negotiable Certificates of Deposit are usually large denomination CDs that can be transferred, sold, bought, or exchanged in the secondary market.

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report of the (entity). It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for its own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest-bearing money market instruments that are issued at a discount and redeemed at maturity for full face value (e.g., U.S. Treasury Bills.)

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

DURATION: A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers,



farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per entity.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to provide liquidity to the housing related assets of its members who must purchase stock in their district Bank.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FHA mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and a reasonable size transaction can be done at those quotes.

LOCAL AGENCY INVESTMENT FUND (LAIF): The Local Agency Investment Fund is a voluntary investment alternative for California's local governments and special districts authorized by the California Government Code. The LAIF is managed by the State Treasurer's Office with oversight by the Local Agency Investment Advisory Board. All securities in LAIF are purchased under the authority of Government Code Sections 16430 and 16480.8.



MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

NATIONAL CREDIT UNION ADMINISTRATION (NCUA): A federal agency that insures credit union deposits, currently up to \$250,000 per entity.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PLACEMENT SERVICE DEPOSITS: Deposits at a commercial bank, savings bank, savings and loan association, or credit union that uses a private sector entity that assists in the placement of deposits.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUALIFIED PUBLIC DEPOSITORY: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current



market price. This may be the amortized yield to maturity on a bond the current income return.

REPURCHASE AGREEMENT (REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in exchange for securities. The investor agrees to repurchase the securities at a specified date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to a repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15(C)3-1: See Uniform Net Capital Rule.

STRUCTURED NOTES: Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.) and Corporations, which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par

or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.



**MEMORANDUM**

**DATE:** August 8, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** LAFCO San Diego County Consolidated Redevelopment Oversight Board Call for Ballots

---

**RECOMMENDATION:**

1. Discuss and take action as appropriate.

**DISCUSSION:**

LWD recently received a LAFCO election ballot for the San Diego County Consolidated Redevelopment Oversight Board seeking one special district representative. There is one seat open and all independent special districts in San Diego County are eligible to cast one vote through their presiding officers or their alternates as designed by the governing bodies.

The candidates are the following:

- William R. (Bob) Ayres, Grossmont Healthcare District
- Mark Baker, Lakeside Fire Protection District
- Mitch Thompson, Otay Water District

The LAFCO Special Districts Advisory Committee's Nominating Committee believes all three candidates are equally qualified and recommends each special district proceed with voting as they see fit. A candidate's forum is tentatively scheduled for August 15, 2019 as part of the quarterly meeting of the San Diego CSDA Chapter. The ballot is due at the San Diego LAFCO office in San Diego by August 30, 2019.

This item has been placed on the agenda for discussion and action by the Board of Directors. Staff has no recommendation on this matter. Staff will forward the Board's recommendation to LAFCO by the due date.

Attachments

tb:PJB



**San Diego County**  
**Local Agency Formation Commission**  
 Regional Service Planning | Subdivision of the State of California

*mb*



**CALL FOR BALLOTS**

July 5, 2019

TO: Independent Special Districts of San Diego County

FROM: Tamaron Lockett, Executive Assistant  
 San Diego County Local Agency Formation Commission

SUBJECT: **Call for Ballots |**  
**San Diego County Consolidated Redevelopment Oversight Board**

This notice serves as a call for ballots pursuant to California Government Code 56332(f) with respect to electing one special district representative among the three nominated candidates to serve on the San Diego County Consolidated Redevelopment Oversight Board. All independent special districts in San Diego County are eligible to cast one vote through their presiding officers or their alternates as designed by the governing bodies.

The official ballot is attached. Ballots must be signed by the presiding officers or their designees and returned to San Diego LAFCO no later than **Friday, August 30, 2019**. A ballot received without a signature will not be counted. Should LAFCO receive a quorum of 30 ballots by the August 30<sup>th</sup> deadline the nominee with the most votes will be appointed. Should LAFCO not receive a quorum of ballots by the deadline an automatic 60-day extension to October 30<sup>th</sup> is required.

Last, and consistent with adopted policy, the Special Districts Advisory Committee formed a Nominating Committee to review all three candidates' qualifications and consider making a recommendation as part of the balloting process. The Nominating Committee believes all three candidates are equally qualified, and as such recommends each independent special district cast their ballot as they see fit.

Ballots and/or any related questions should be directed by e-mail to Tammy Lockett at [tamaron.lockett@sdcountry.ca.gov](mailto:tamaron.lockett@sdcountry.ca.gov).

Attachment: as stated

**Administration**  
 Keene Simonds, Executive Officer  
 County Operations Center  
 9335 Hazard Way, Suite 200  
 San Diego, California 92123  
 T 858.614.7755 F 858.614.7766  
[www.sdlafco.org](http://www.sdlafco.org)

**Jim Desmond**  
 County of San Diego  
**Dianne Jacob, Vice Chair**  
 County of San Diego  
**Greg Cox, Alternate**  
 County of San Diego

**Mary Casillas Salas**  
 City of Chula Vista  
**Bill Wells**  
 City of El Cajon  
**Serge Dedina, Alternate**  
 City of Imperial Beach

**Mark Kersey**  
 City of San Diego  
**Chris Cate, Alternate**  
 City of San Diego

**Jo MacKenzie, Chair**  
 Vista Irrigation  
**Barry Willis**  
 Alpine Fire Protection  
**Erin Lump, Alternate**  
 Rincon del Diablo MWD

**Andy Vanderlaan**  
 General Public  
**Harry Mathis, Alternate**  
 General Public

ATTACHMENT A

SAN DIEGO COUNTY CONSOLIDATED REDEVELOPMENT OVERSIGHT BOARD  
ELECTION BALLOT and VOTE CERTIFICATION

VOTE FOR ONLY ONE NOMINEE

**William R. (Bob) Ayres** (Grossmont Healthcare District) [ ]  
**Mark Baker** (Lakeside Fire Protection District) [ ]  
**Mitch Thompson** (Otay Water District) [ ]

I hereby certify that I cast the votes of the \_\_\_\_\_  
(Name of District)

for the Consolidated Redevelopment Oversight Board Election as:

[ ] the presiding officer, or  
[ ] the duly-appointed alternate board member.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

NOTE: The Nominating Committee believes all three candidates are equally qualified and recommends each special district proceed with voting as they see fit. Additionally, a candidate's forum is tentatively scheduled for August 15, 2019 as part of the quarterly meeting of the San Diego Chapter of the California Association of Special Districts (SDCSDA). Separate confirmation of the candidate's forum will be provided by SDCSDA.

Return Ballot and Vote Certification Form to:  
San Diego LAFCO  
Tamaron Lockett  
9335 Hazard Way, Suite 200  
San Diego, CA 92123  
(858) 614-7755 (office) · (858) 614-7766 (FAX)  
Email: [tamaron.lockett@sdcounty.ca.gov](mailto:tamaron.lockett@sdcounty.ca.gov)





# San Diego Chapter

California Special Districts Association

August 15, 2019

To: San Diego Chapter CSDA Member Agencies  
 From: Tom Kennedy, San Diego Chapter President  
 Subject: San Diego Chapter CSDA Quarterly Dinner Meeting  
 Event Date: **Thursday, August 15, 2019**  
 Time: **6:00 pm to 9:00 pm – Dinner served at 6:45 pm**  
 Location: **The Butcher Shop Steakhouse – Kearny Mesa**  
 5255 Kearny Villa Road, San Diego - (858) 565-2272  
<http://www.butchershopsd.signonsandiego.com>

**Board of Directors**

**President**

**Tom Kennedy**  
 Rainbow Municipal Water District

**First Vice-President**

**Jim Peasley**  
 Padre Dam Municipal Water District

**Second Vice-President**

**Elaine Sullivan**  
 Leucadia Wastewater District

**Treasurer**

**Richard Stevenson**  
 Sweetwater Authority

**Secretary**

**Diana Towne**  
 Rincon del Diablo Municipal Water District

**Past President**

**Michael J. Bardin**  
 Santa Fe Irrigation District

**State CSDA Director**

**Jo MacKenzie**  
 Vista Irrigation District

Join us for a dynamic, interactive and educational evening as SDCSDA presents:

***San Diego County Consolidated Redevelopment Oversight Board  
 Elections and Vote Certification***

***Followed by:***

**“Freeway Congestion – The Fix”  
 by Mayor John Minto**

Be sure to read your August 2019 San Diego Chapter CSDA Newsletter for more great information.

***Dinner Menu Selections – \$30 per person (\$40 non-member)***  
*Public is invited to attend the dinner at the \$40 non-member price*

Tri-Tip Steak with Bordelaise Sauce, New Potatoes and Vegetables  
 Fresh Atlantic Salmon - Sauteed Salmon Fillet with Dill Buerre Blanc  
 Mediterranean Pasta - Olive Oil, Garlic, Sun-Dried Tomatoes, Black Olives,  
 Feta Cheese

**Registration deadline is: Thursday, August 8, 2019**

We look forward to seeing all agencies and guests attending this event. If you have any questions or need further information, please call Tom Kennedy at (760) 728-1178 Ext. 130; [tkennedy@rainbowmwd.com](mailto:tkennedy@rainbowmwd.com), or Rich Stevenson at (619) 409-6711; [rstevenson@sweetwater.org](mailto:rstevenson@sweetwater.org)

**Cancellation/Refund Policy:** San Diego Chapter CSDA is obligated by contract to pay for the number of attendees registered by the Friday prior to the event, hence the Thursday deadline. Cancellations made after the deadline are not refundable. Agencies and individuals are responsible for paying any reservation that is made and not cancelled prior to the deadline. Agencies may substitute or add individuals attending.

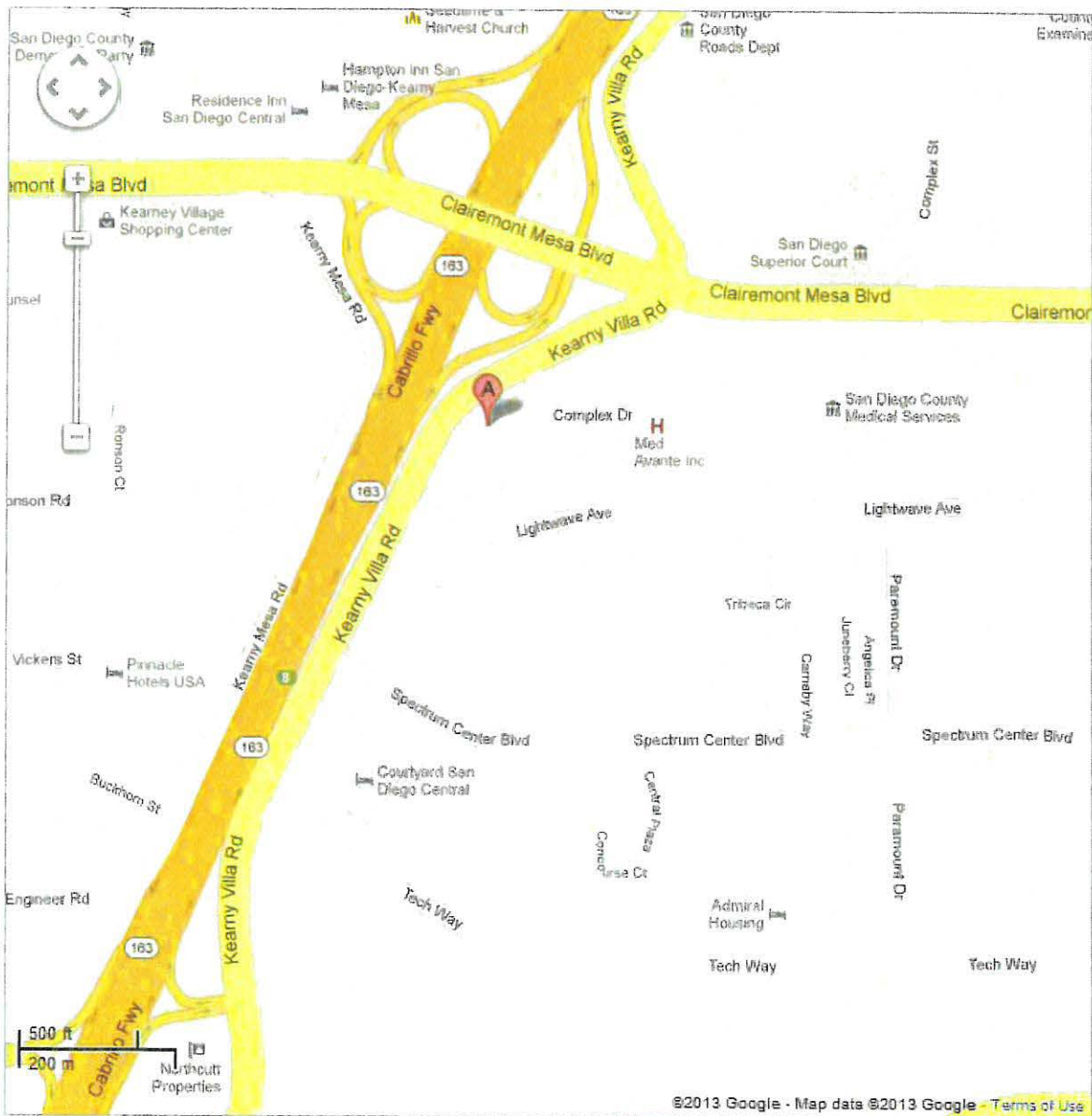


**Directions to: The Butcher Shop Steakhouse – Kearny Mesa**  
**5255 Kearny Villa Road, San Diego - (858) 565-2272**  
<http://www.butchershopsd.signonsandiego.com>

Located just off HWY 163 & Clairemont Mesa Blvd.

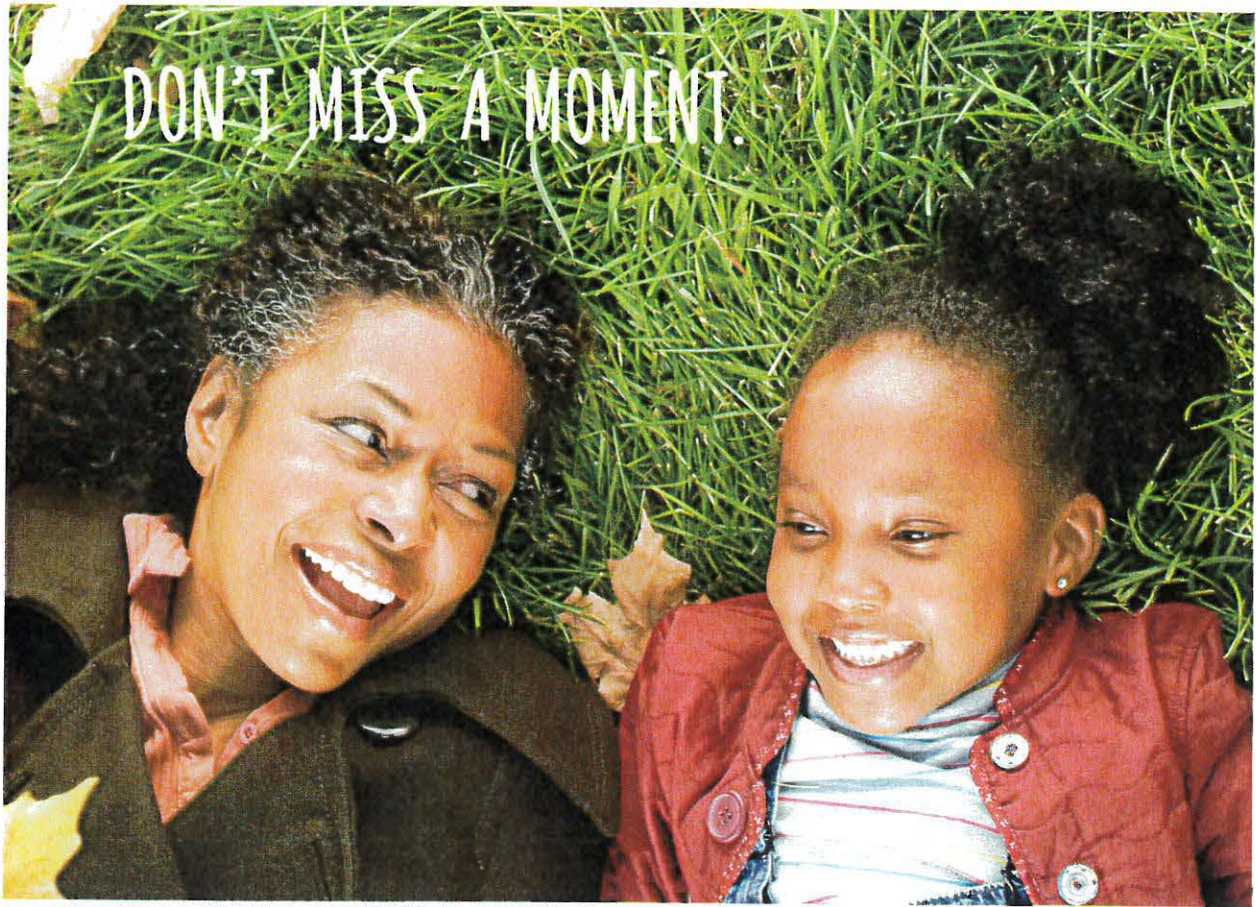
From South: Take 163 North to Clairemont Mesa Blvd East. Take the first two rights. We are on the left side of the street.

From North: Take 163 South to Clairemont Mesa Blvd East. Cross the 163 overpass and take the first right. Once again we are on the left side of the street.





DON'T MISS A MOMENT.



# FREE FLU SHOTS

with most insurance\*

Date:

Time:

Location:

September 19, 2019 3:00pm

Training Room

Additional Information:

Starts at 3:00pm and ends at 4:00pm

MUST bring copy of your insurance card and completed Consent Form

Consent Form will be emailed to all employees

Shots administered by the Pharmacy Team at your neighborhood

## VONS

\*No co-payment unless required by your plan.