



**BOARD OF DIRECTORS  
REGULAR MEETING**

**DATE:** Wednesday, February 13, 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. Teacher Grant Awards (Verbal)
  - B. 10 Year Service Award – Ian Riffel (Page 5)
  - C. Achievement of Individual Award – Marvin Gonzalez (Page 6)
  - D. CWEA San Diego Section 2018 Award - Community Engagement & Outreach Best Use of Social Media Award (Page 7)

**CONSENT CALENDAR**

Items 7-12 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**

Minutes of the following meetings:

- January 9, 2019 Regular Board Meeting (Pages 8-13)
- January 16, 2019 Community Affairs Committee Meeting (Page 14)
- January 29, 2019 Investment and Finance Committee Meeting (Pages 15-17)
- February 5, 2019 Engineering Committee Meeting (Pages 18-19)

**8. Approval of Demands for January/February 2019**

This item provides for the Board of Directors approval of all demands paid from LWD during the month of January and a portion in February 2019. (Pages 20-37)

**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 FY18 to FY19 and flows by sub-basin. (Pages 38-43)

**10. Finance Report**

This report discloses up-to-date schedule of assets, liabilities, net assets and compares fiscal year-to-date expenditures to the FY19 budget and discloses monthly investments. (Pages 44-51)

**11. Quarterly Treasurer's Report**

This report discloses investments for the quarter ending December 31, 2018. (Pages 52-53, Enclosure 11)

**12. Disclosure of Reimbursements**

This report discloses travel expense reimbursements for the month of January 2019. (Pages 54-55)

## **EWA REPORTS**

**13. Encina Wastewater Authority Reports**

- A. A regular EWA Board Meeting was held on January 23, 2019 – report by Director Sullivan. (Pages 56-57)
- B. An Encina Member Agencies Manager's Meeting was held on February 5, 2019 – report by GM Bushee. (Verbal)

## **COMMITTEE REPORTS**

**14. Committee Reports**

- A. Community Affairs Committee Meeting was held on January 16, 2019 – report by Director Sullivan. (Page 58)
- B. Investment and Finance Committee Meeting was held on January 29, 2019 – report by Director Hanson. (Page 59)
- C. Engineering Committee Meeting was held on February 6, 2019 – report by Director Juliussen. (Page 60)

## ACTION ITEMS

15. **Keeping Our Eyes On Target - CCTV Inspection Update** (Verbal)
16. **Leucadia Pump Station Rehabilitation Project**  
Authorize the General Manager to execute Amendment No. 5 to Task Order No. 29 with Infrastructure Engineering Corporation for additional design services for the Leucadia Pump Station Rehabilitation Project in an amount not to exceed \$47,986. (Pages 61-66)
17. **California Asset Management Program (CAMP) Individual Portfolio Program Status Report** (Page 67)
18. **Comprehensive Financial Plan Tracking Update** (Page 68)
19. **Annual Review of LWD Reserve Fund Policy**  
Receive and file the Annual Reserve Fund Policy Review Report. (Pages 69-76)
20. **CalPERS Update** (Pages 77-78)
21. **Rate Increase for General Counsel Services** (Pages 79-83)
22. **Draft Agenda Strategic Planning Session** (Page 84-85)

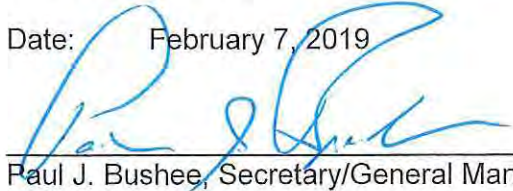
## INFORMATION ITEMS

23. **Project Status Updates and Other Informational Reports**
  - A. CSDA Quarterly Dinner is scheduled for \*Wednesday, February 20, 2019 at The Butcher Shop Steakhouse in Kearny Mesa (\*date change). (Pages 86-87)
  - B. 2019 CWEA Annual Conference is scheduled for April 9 – April 12, 2019 at the Palm Springs Convention Center in Palm Springs, CA. (Verbal)
  - C. CSDA 2018 Video Contest Winner News Article from the San Diego Union Tribune. (Page 88)
  - D. Thank you letter from Encinitas Union High School District. (Page 89)
24. **Directors' Meetings and Conference Reports**
  - A. The CASA Winter Conference was held on January 23-25, 2019 at the Renaissance Indian Wells in Indian Wells, CA. (Page 90)
25. **General Manager's Report**
26. **General Counsel's Report**
27. **Board of Directors' Comments**
28. **Closed Session**  
Conference with Legal Counsel to discuss exposure to litigation pursuant to California Government Code Sec. 54956.9(d)(2) – Violation of California Voting Rights Act. (Verbal)
29. **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: February 7, 2019



---

Paul J. Bushee, Secretary/General Manager

**MEMORANDUM**

**DATE:** February 7, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager  
**SUBJECT:** **Achievement of Individual Awards**



---

It is my pleasure to announce that Leucadia Wastewater District (LWD) staff members have met individual performance objectives under LWD's Incentive Program. The individual achievements are as follows:

10 Year Service Award – Ian Riffel

Field Services Specialist, Ian Riffel, passed his 10<sup>th</sup> anniversary of employment at LWD on January 12, 2019. This milestone is a tribute to Ian's hard work, dedication, and commitment to LWD. Ian's exceptional milestone also meets one of the individual objectives under LWD's Incentive Program. Ian is eligible for an incentive award of \$200.

Associate Science Degree Wastewater Technology Education – Marvin Gonzalez

Please join me in congratulating Marvin who recently received his Associate Degree from Palomar College in Wastewater Technology Education. To obtain his Associate Degree, Marvin worked hard on his own time for this achievement while maintaining his full time position at LWD. This accomplishment reflects Marvin's desire to excel through continued professional development. As a result of this certification, Marvin is eligible for an Individual Incentive Award of \$750.

Please join me in congratulating Ian and Marvin for their outstanding accomplishments.

tb:PJB

# Palomar College

Upon the recommendation of the Faculty and under authorization  
granted by the State Board of Education, the degree of

*Associate in Science*  
*Wastewater Technology Education*

is hereby conferred upon

*Marvin A. Gonzalez*

with all rights, benefits, and privileges pertaining thereto  
in token of the satisfactory completion of the prescribed curriculum.

Given at San Marcos, California, this  
fifteenth day of December, two thousand eighteen.

*Ji Blake*  
Superintendent/President



*Paul P. McManara*  
President, Governing Board

MEMORANDUM

Ref: 19-6528

Date: February 7, 2019  
To: Board of Directors  
From: Paul J. Bushee, General Manager  
Subject: **CWEA San Diego Section 2018 Award**



It is my pleasure to announce that the Leucadia Wastewater District (LWD) had a successful evening at the recent California Water Environment Association (CWEA) – San Diego Section’s Annual Installation and Awards Banquet. LWD was honored to receive the following award: The Community Engagement & Outreach Best Use of Social Media Award. A brief summary of the award follows.

Community Engagement & Outreach Best Use of Social Media Award

This award recognizes LWD’s achievements in promoting awareness and understanding of water quality issues through social media campaigns. Due to a decline in the amount of Teacher Grant applications received during the past two years, LWD developed a Teacher Grant Program social media campaign with the goal to increase public awareness about the program and increase the number of grant submissions through the use of LWD’s Facebook.

The Teacher Grant program Facebook campaign targeted specific messages towards the schools, teachers, and parents of students in LWD’s service area. The campaign’s strategy included the following details:

- Post a minimum of five Facebook posts geared towards the target audience;
- Include a direct link to LWD’s Teacher Grant website page;
- Use content about previous grant winners to encourage participation;
- Use image-rich posts with specific tagged local organizations to help amplify the reach;
- Tag each school within the District’s boundary, city governments, professional organizations, and non-profits; and
- Use ads and ‘boosted’ posts as needed

As a result of the Teacher Grant Facebook campaign, LWD received five teacher grant submissions for the 2018/2019 school year. With increased community engagement online using Facebook, the teacher grant submissions increased 150%.

The Community Engagement & Outreach Best Use of Social Media Award qualifies as a local award under the organization objectives of the LWD’s Incentive Program; therefore, staff is eligible for a \$100 incentive award.

tb:PJB

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of a Regular Board Meeting  
 January 9, 2019

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, January 9, 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:

OTHERS PRESENT: General Manager Paul Bushee, General Counsel Wayne Brechtel, Technical Services Manager Robin Morishita, Field Services Superintendent Jeff Stecker, Executive Assistant Tianne Baity, Administrative Services Supervisor Trisha Hill, District Engineer Dexter Wilson, Volker Hoehne from Watermen's Alliance, and District resident George Sullivan

**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 Director Juliussen, seconded by Director Omsted, 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**

None.

**CONSENT CALENDAR**

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

Minutes of the following meetings:

December 12, 2018 Regular Board Meeting  
 January 3, 2019 Human Resources Committee Meeting



- 8. **Approval of Demands for December 2018/January 2019**  
Payroll Checks numbered 21078-21122; General Checking – Checks numbered 52332-52426
- 9. **Operations Report** (A copy was included in the original January 9, 2019 Agenda)
- 10. **Finance Report** (A copy was included in the original January 9, 2019 Agenda)
- 11. **Disclosure of Reimbursements**  
This report discloses travel expense reimbursements for the month of December 2018.
- 12. **Status Update on the Fiscal Year 2019 (FY19) LWD Tactics and Action Plan**

Upon a motion duly made by Vice President Juliussen, seconded by Director Sullivan, 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

- 13. **Encina Wastewater Authority (EWA) Reports**
  - A. EWA Board Report – Meeting was held on December 12, 2018.
- 14. **Committee Reports**
  - A. Human Resources Committee (HRC) Meeting was held on January 3, 2019.

Director Sullivan reported on EWA's December 12, 2018 Board meeting.

Director Omsted reported that the HRC reviewed the following recommendation:

- Resolution No. 2309 - Board of Directors Election of Officers, Establishment of Committees, and Selection of Committee Members

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

### PUBLIC HEARING

- 15. **Public Hearing to Receive Input Regarding Electoral Map 102 and the Transition From At-Large to District-Based Board Member Elections.**

President Kulchin opened the public hearing for comments. There was one public speaker.

Mr. George Sullivan, a resident of the District, stated he was in favor of the Board approving map 102. He stated he reviewed the population, ethnic distribution, and political distribution statistics

of map 102 and the map is equal and fair across the separate districts. Mr. Sullivan stated he saw no favoritism or political advantage or disadvantage within the districts drawn in map 102.

President Kulchin thanked Mr. Sullivan and closed the public hearing.

### **ACTION ITEMS**

#### **16. Adopt Ordinance No. 138 – Establishing a District-Based Election process for the Board of Directors**

GC Brechtel presented background information on the item noting a public hearing to consider Electoral District Map 102 was held prior to this agenda item. He stated the Board is now asked to consider adoption of Ordinance No. 138, which establishes a district-based election process pursuant to Elections Code section 10010. GC Brechtel then reviewed the basic components of Ordinance No. 138.

President Kulchin asked which Directors are up for re-election in 2020. GM Bushee answered Directors Juliussen, Omsted, and Hanson.

Director Omsted stated he is opposed to map 102. He stated he preferred the paired test map which was presented at the December 2018 Board meeting because it reflected more precise geographic areas.

Following discussion and upon a motion duly made by Director Sullivan, seconded by Vice President Juliussen, and carried, the Board of Directors adopted Ordinance No. 138 - Establishing a District-Based Election process for the Board of Directors 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>	No
<b>Director Hanson</b>	Yes
<b>Director Sullivan</b>	Yes

#### **17. Adopt Resolution No. 2309 - Board of Directors Election of Officers, Establishment of Committees, and Selection of Committee Members.**

GM Bushee presented the item stating that at last month's Board meeting, the Board of Directors considered Resolution 2309 and did not take action. He noted the discussion focused on whether to have the Board President make the standing committee appointments or to institute two-year rotating committee appointments. As a result, the Board directed staff to revise the policy and present three potential options for committee appointments for the Board's consideration at its January meeting.

GM Bushee then reviewed the three potential options stating that staff has also added language that the committee appointments will be made at the January Board meeting each year. GM Bushee noted there is added language to Options 1 and 3, section C, stating that for the initial term the Board President would assign one member of a current committee to a new committee and the other committee member would start their rotation the following year. He also noted that Encina committee members would only serve on one LWD committee.

Vice President Juliussen stated he is in favor of Option 2, the current policy, and the Board President appointing committee members. He stated that this is a fair system since two directors may request a vote to affirm or reject the President appointments.

Director Omsted stated he is in favor of Option 3, two-year rotating and alternating committees for LWD committees only (not Encina Joint Powers Authority). Director Omsted stated that it is good for the future since it brings new ideas, new approaches, and new ways of thinking.

Director Hanson stated she agreed with Director Omsted and she was in favor of Option 3.

Director Sullivan stated she agreed with Vice President Juliussen and she is in favor of Option 2. She stated that she believes the right people are on the right committees.

President Kulchin thanked the Board for their opinions on the agenda item. President Kulchin stated that the current Board members have a lot of experience and the District has a long tradition of being well run. He stated that he is in favor of Option 2 and keeping the committee assignments as they are.

Director Omsted made a motion, to select Option 3 as the preferred approach for Resolution No. 2309 - Board of Directors Election of Officers, Establishment of Committees, and Selection of Committee Members. The motion was seconded by Director Hanson. The Board voted as follows:

<b>Director</b>	<b>Vote</b>
<b>President Kulchin</b>	No
<b>Vice President Juliussen</b>	No
<b>Director Omsted</b>	Yes
<b>Director Hanson</b>	Yes
<b>Director Sullivan</b>	No

The motion did not pass.

Following a motion duly made by Director Sullivan, and seconded by Vice President Juliussen the Board of Directors selected Option 2 as its preferred approach for Resolution No. 2309 - Board of Directors Election of Officers, Establishment of Committees, and Selection of Committee Members, 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>	No
<b>Director Hanson</b>	No
<b>Director Sullivan</b>	Yes

Following a motion duly made by Director Omsted, seconded by Director Sullivan, and unanimously carried, the Board of Directors adopted Resolution No. 2309 - Board of Directors Election of Officers, Establishment of Committees, and Selection of Committee Members (incorporating Option 2 – Board President assigns committee members), by the following vote:

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

**18. Adopt Resolution No. 2308 - The Revised LWD Board-General Manager/Staff Relations Policy.**

GM Bushee presented the item stating it was included in the December 12, 2018 Board agenda; however, this item was pulled from the agenda pending the outcome of a stand-alone policy relating to how the Board elects its officers and establishes its committees. GM Bushee stated that the Board-General Manager/Staff Relations Policy has been revised to omit "Section IX - Committees" of the policy in its entirety.

Upon a motion duly made by Director Hanson, seconded by Vice President Juliussen, and unanimously carried, the Board of Directors adopted Resolution No. 2308 – The Revised LWD Board-General Manager/Staff Relations Policy by the following vote:

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

**19. Board of Directors Committee Assignments**

President Kulchin presented the item stating that committee assignments will remain the same as 2018. He then reviewed the committee assignments. There was no action taken.

**INFORMATION ITEMS**

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

A. 2019 CWEA San Diego Section Awards Banquet is scheduled for January 26, 2019 from 6pm-10pm at the Green Dragon Tavern & Museum, Carlsbad, CA.

EA Baity announced the date and the time of the 2019 CWEA San Diego Section Awards Banquet. She noted that banquet tickets would be mailed to the Board.

B. 2019 WateReuse CA Annual Conference is scheduled for March 17-19, 2019 at the Hyatt Regency Orange County, Garden Grove, CA.

EA Baity announced the date and the time of the 2019 WateReuse CA Annual Conference.

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

None.

**22. General Manager's Report**

GM Bushee reported on the following items:

- Letter from Carlsbad Municipal Water District dated December 24, 2018;
- No Closed Session tonight; and
- CSDA Event at LWD honoring the 2018 CSDA Student Video Contest Winner

**23. General Counsel's Report**

GC Brechtel reported on the following items:

- He will be conducting round table discussions at the CASA Winter Conference later this month on the CA Voting Rights Act

**24. Board of Directors' Comments**

Director Sullivan wished everyone a happy New Year and stated she is looking forward to another productive year at the District.

**25. Closed Session**

Conference with Legal Counsel to discuss exposure to litigation pursuant to California Government Code Sec. 54956.9(d)(2) – Violation of California Voting Rights Act.

There was no Closed Session.

**26. Adjournment**

President Kulchin adjourned the meeting at approximately 5:33 p.m.

---

David Kulchin, President

---

Paul J. Bushee  
Secretary/General Manager  
(SEAL)

**LEUCADIA WASTEWATER DISTRICT**  
Minutes of a Community Affairs Committee Meeting  
January 16, 2019

---

A meeting of the Community Affairs Committee (CAC) of the Leucadia Wastewater District (LWD) was held January 16, 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, Jared Criscuolo and Neal Bloom of Rising Tide Partners (RTP)

**3. Public Comment**

No public comment was received.

**4. New Business**

A. Review the draft text for the 2019 winter newsletter.

ASsup Hill presented the item and introduced Mr. Criscuolo of RTP to present an overview of the 2019 winter newsletter draft text. The CAC reviewed the text 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 authorized staff and RTP to proceed with the layout of the 2019 winter newsletter.

**5. Information Items**

None.

**6. Directors' Comments**

Directors Kulchin and Sullivan thanked RTP and staff for their work on the newsletter.

**7. General Manager's Comments**

None.

**8. Adjournment**

Chairperson Sullivan adjourned the meeting at 1:29 p.m.

---

Paul J. Bushee  
Secretary/Manager  
(Seal)

**LEUCADIA WASTEWATER DISTRICT**  
Minutes of an Investment & Finance Committee Meeting  
January 29, 2019

---

A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Tuesday, January 29, 2019 at 9:30 a.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 9:30 a.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. Comprehensive Financial Plan Tracking Update.

ASM Duffey explained the purpose of the Comprehensive Financial Plan and noted it is a tactical goal. He stated that the District has a Comprehensive Financial Plan prepared about every 5 years, since conditions and assumptions change. He also noted that staff does an internal update of the Financial Plan on an annual basis to see how actual results are tracking with the original projections.

ASM Duffey stated the financial plan model looks out over 20 years. He noted that information from the FY 2018 Audit and the FY 2019 Budget was used to update revenues, expenses, and capital projections in the financial plan model. ASM Duffey then provided an overview on the following topics.

- Comparison of projected and updated reserve balances;
- Comparison of projected and actual revenues and expenditures;  
and
- Monthly Sewer Service Rate Comparison from May 2018

ASM Duffey concluded that the District's finances remain strong, while maintaining low rates, and the District is tracking well with the Comprehensive Financial Plan. ASM Duffey also noted that staff will continue to monitor the Financial Plan closely.

The IFC was pleased with the report and no action was taken.

- B. Recommend that the Board of Directors Adopt Resolution No. 2310 approving the revised Reserve Fund Policy and Receive and File the Annual Review of the LWD Reserve Fund Review Report.

ASM Duffey presented the subject recommendation indicating the purpose of the policy and that the policy calls for annual review of the level of reserve funds by the Board of Directors.

ASM Duffey noted that staff had reviewed the Reserve Policy and is recommending the policy include Encina Wastewater Authority Reserve as a restricted reserve to the existing Reserve Fund Policy along with some minor administrative changes.

ASM Duffey also provided an overview of the reserve balances for fiscal year ending June 30, 2018.

Following discussion, the IFC concurred with staff to recommend that the Board of Directors adopt Resolution No. 2310 the Revised Reserve Fund Policy and receive and file the Annual Review of the Reserve Fund Review Report.

- C. Recommend that the Board of Directors direct staff to implement option no. 3, "Ad Hoc Basis", to make additional pension payments to CalPERS on a periodic basis to address LWD's CalPERS Unfunded Accrued Liability (UAL).

ASM Duffey presented the subject recommendation and provided background information on the item noting that at the March 2018 Board meeting staff presented an overview of recent changes to the CalPERS assumptions and the impact they will have on LWD's future employer contributions. At that time, the Board directed staff to follow-up with potential options to address this issue once CalPERS completed its fiscal year (FY) 2017 actuarial report, which was expected to be released in October 2018.

At the November 8, 2018 Board meeting, staff, after reviewing the latest CalPERS actuarial report, presented an update on the recent changes to the CalPERS assumptions and the impact they will have on LWD's future employer contributions. Several options were presented to address the Unfunded Accrued Liability (UAL). The Board directed staff to come back with a recommended option.

ASM Duffey presented staff's recommendation of option no. 3, "Ad Hoc Basis". Following discussion, the IFC concurred with staff to recommend that the Board of Directors direct staff to implement option no. 3, "Ad Hoc Basis", to make additional pension payments to CalPERS on a period basic to address the District's CalPERS UAL.

**5. Information Items**

None.

**6. Directors' Comments**

None.

**7. General Manager's Comments**

None.



**8. Adjournment**

Chairperson Hanson adjourned the meeting at 10:38 a.m.

---

Paul J. Bushee  
Secretary/General Manager  
(Seal)

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of an Engineering Committee Meeting  
 February 5, 2019

---

A meeting of the Engineering Committee (EC) of Leucadia Wastewater District (LWD) was held on Tuesday, February 5, 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 9:00 a.m.

**2. Roll Call**

DIRECTORS PRESENT: Juliussen and Kulchin

DIRECTORS ABSENT:

OTHERS PRESENT: General Manager Paul Bushee; Technical Services Manager Robin Morishita; Field Services Superintendent Jeffery Stecker; Field Services Supervisor Marvin Gonzalez; District Engineer Representative Natalie Fraschetti; and Jamie Fagnant from Infrastructure Engineering Corporation

**3. Public Comment**

None.

**4. New Business**

- A. Authorize the General Manager to execute Amendment No. 5 to Task Order No. 29 with Infrastructure Engineering Corporation for additional design services for the Leucadia Pump Station Rehabilitation Project in an amount not to exceed \$47,986.

TSM Morishita presented staff's recommendation. He provided background information and reviewed the major project components with the EC. He stated that the evaluation of replacing the large capacity emergency bypass pump, Big Blue, has resulted in a holistic approach for future emergency bypass pumping. TSM Morishita explained that staff selected to have an electric submersible pump installed in the Leucadia Pump Station Emergency Basin. He continued that the replacement mobile emergency bypass pump will consist of a smaller electric pump and a separate electric generator to power the pump.

TSM Morishita explained that staff has also continued to evaluate ways to reduce hydrogen sulfide (H<sub>2</sub>S) to: ensure staff safety, to improve odor control and prevent internal corrosion of the force main. He said that staff has determined that super-oxygenation is the most cost effective method to reduce H<sub>2</sub>S. TSM Morishita continued that Amendment No. 5 is the result of including the two concepts in project design.

After discussion, the EC concurred with staff to recommend that the Board authorize the General Manger to execute Amendment No. 5 to Task Order No. 29 with IEC for engineering design services for the Leucadia Pump Station Rehabilitation Project in an amount not to exceed \$47,986.

**5. Information Items**

A. Keeping our eyes on target.

FSSup Gonzalez presented an update of Closed Circuit Television (CCTV) Inspections. He reviewed the procurement history of the District's CCTV vehicles. He then reviewed the pipe defect rating system developed by staff. FSSup Gonzalez showed the EC video inspection of a La Coruna Place gravity line segment. He stated that the inspection discovered a major offset joint. He said that the defect will be repaired with a spot repair of the offset and the insertion of a Cured-In-Place Pipe (CIPP) liner. FSSup Gonzalez said that the discovery and immediate repair of the defect shows the effectiveness of the District's inspection and Repair Priority List programs in maintaining the District's infrastructure.

The EC thanked FSSup Gonzalez for his presentation and requested that he present this information at the upcoming Board of Directors meeting. GM Bushee replied that this item will be added to the agenda.

**6. Directors' Comments**

None.

**7. General Manager's Comments**

None.

**8. Adjournment**

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

---

Paul J. Bushee,  
Secretary/General Manager  
(Seal)

**DATE:** February 7, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager  
**SUBJECT:** Approval of January/February Demands



---

**RECOMMENDATION:**

Staff requests that the Board of Directors:

1. Approve checks and electronic payments totaling \$ **1,199,853.57**.
2. Discuss and take other action as appropriate.

**DISCUSSION:**

Attached are check registers describing all payments made by LWD for the period January 4 through February 7, 2019.

Operating expenses totaled **\$706,155.25**, Capital Improvement Program expenses totaled **\$386,534.13** and Payroll expense for District Employees and the Board totaled **\$107,164.19**.

Attachment 1	Summary of Demands by Account January 4 -February 7, 2019
Attachment 2	Payroll Check Register dated January 16, 2019
Attachment 3	Accounts Payable Check Register dated January 17, 2019
Attachment 4	Payroll Check Register dated January 30, 2019
Attachment 5	Accounts Payable Check Register dated February 1, 2019
Attachment 6	Board Payroll Check Register dated February 1, 2019

**DEMANDS SUMMARY**  
**February 13, 2019**

**1. Demands**

<u>Category</u>	<u>Check #'s</u>	<u>Amount</u>	<u>Total</u>
Payroll Check -1/16/2019	21123 - 21141	\$50,434.69	
Payroll Check -1/30/2019	21142 - 21160	\$50,900.10	
Board Payroll Check - 2/1/2019	21161 - 21165	<u>\$5,829.40</u>	
	<b>Total</b>	<b>\$107,164.19</b>	
General Checking -1/17/2019	52427 - 52483	\$ 245,169.05	
General Checking - 2/1/2019	52484 - 52542	<u>\$ 847,520.33</u>	
	<b>Total</b>	<b>\$ 1,092,689.38</b>	
	<b>GRAND TOTAL</b>		<b>\$1,199,853.57</b>

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: January 16, 2019

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
21123 - 21141	1/16/2019	\$50,434.69

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 1/17/2019 Through 1/17/2019

Vendor Name	Check Number	Effective Date	Check Amount	Transaction Description
ABILA	52427	1/17/2019	5,458.00	CONTRACT RENEWAL FOR MIP SOFTWARE
	Total 52427		5,458.00	
ADS LLC	52428	1/17/2019	1,190.00	DEPTH METER MAINT-DEC
ADS LLC		1/17/2019	4,340.00	FLOW METERING DATA-DECEMBER
	Total 52428		5,530.00	
AGUA HEDIONDA LAGOON FOUNDATION	52429	1/17/2019	750.00	SPONSOR WORLD WATER DAY
	Total 52429		750.00	
AIR POLLUTION CONTROL DISTRICT	52430	1/17/2019	866.00	PERMITS/EMISSION FEES @ BPS
AIR POLLUTION CONTROL DISTRICT		1/17/2019	2,161.00	PERMITS/EMISSION FEES @ PS/SPS
	Total 52430		3,027.00	
AT&T	52431	1/17/2019	127.73	PHONE SERVICE @BPS
	Total 52431		127.73	
AYALA ENGINEERING	52432	1/17/2019	10,725.00	MANHOLES REHAB
	Total 52432		10,725.00	
BAY CITY ELECTRIC WORKS, INC	52433	1/17/2019	210.00	ANNUAL SERVICE TO #135 PORTABLE PUMP
BAY CITY ELECTRIC WORKS, INC		1/17/2019	565.00	ANNUAL SERVICE TO SPS GENERATOR
BAY CITY ELECTRIC WORKS, INC		1/17/2019	310.00	SERVICE TO #134 PORTABLE PUMP
BAY CITY ELECTRIC WORKS, INC		1/17/2019	490.00	SERVICE TO LCPS GENERATOR
BAY CITY ELECTRIC WORKS, INC		1/17/2019	1,350.00	SERVICE TO LPS GENERATOR
BAY CITY ELECTRIC WORKS, INC		1/17/2019	490.00	SERVICE TO VP5 GENERATOR
	Total 52433		3,415.00	
BURTECH PIPELINE, INC	52434	1/17/2019	12,615.20	LA COSTA GOLF COURSE PROJ-DEC
	Total 52434		12,615.20	
CARLSBAD FUELS CORPORATION	52435	1/17/2019	1,668.49	VEHICLE FUELS/GAS
	Total 52435		1,668.49	
CINTAS FIRST AID AND SAFETY	52436	1/17/2019	175.92	REFILL FIRST AID CABINET
	Total 52436		175.92	

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 1/17/2019 Through 1/17/2019

Vendor Name	Check Number	Effective Date	Check Amount	Transaction Description
CITY OF CARLSBAD	52437	1/17/2019	239.83	WATER @ VACTOR
CITY OF CARLSBAD		1/17/2019	<u>274.96</u>	WATER @ VACTOR 2
	Total 52437		514.79	
CORODATA	52438	1/17/2019	<u>72.61</u>	STORAGE-DEC
	Total 52438		72.61	
CSRMA	52439	1/17/2019	<u>90,067.00</u>	POOLED LIABILITY-18/19
	Total 52439		90,067.00	
DATA NET SOLUTIONS GROUP	52440	1/17/2019	115.00	IS MAINT AND SUPPORT
DATA NET SOLUTIONS GROUP		1/17/2019	<u>664.00</u>	IS MAINT AND SUPPORT FOR DEC
	Total 52440		779.00	
DEXTER WILSON ENGINEERING	52441	1/17/2019	<u>7,075.00</u>	GE/CIP/NOV/200/0358/0302
	Total 52441		7,075.00	
DKF SOLUTIONS GROUP, LLC	52442	1/17/2019	<u>300.00</u>	MONTHLY SAFETY FEE
	Total 52442		300.00	
DOWNSTREAM SERVICES, INC.	52443	1/17/2019	<u>70.00</u>	STORMWATER MAINT
	Total 52443		70.00	
EL CAMINO RENTAL	52444	1/17/2019	<u>71.82</u>	PRESSURE WASHER
	Total 52444		71.82	
EVOQUA WATER TECHNOLOGIES, LLC	52445	1/17/2019	5,675.06	CHEMICAL FERROUS
	Total 52445		<u>5,675.06</u>	
FEDERAL EXPRESS CORPORATION	52446	1/17/2019	699.44	SHIPPING
	Total 52446		<u>699.44</u>	
HAAKER EQUIPMENT CO	52447	1/17/2019	<u>709.60</u>	PARTS
	Total 52447		709.60	
HEAVILAND ENTERPRISES, INC	52448	1/17/2019	840.00	MONTHLY LANDSCAPE FEES-JAN
HEAVILAND ENTERPRISES, INC		1/17/2019	58.95	STAKE FOR PINE TREE
HEAVILAND ENTERPRISES, INC		1/17/2019	295.00	VEGETATION CLEANUP FOR DEC
HEAVILAND ENTERPRISES, INC		1/17/2019	<u>295.00</u>	VEGETATION CLEANUP FOR JAN
	Total 52448		1,488.95	
ICMA RETIREMENT-303979	52449	1/17/2019	<u>10,285.58</u>	DEFERRED COMP
	Total 52449		10,285.58	



**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 1/17/2019 Through 1/17/2019

Vendor Name	Check Number	Effective Date	Check Amount	Transaction Description
INFRASTRUCTURE ENGINEERING CORP	52450	1/17/2019	4,022.50	FY 2018 GRAVITY SEWER REPAIR-NOV
INFRASTRUCTURE ENGINEERING CORP		1/17/2019	536.25	GIS-AUG
INFRASTRUCTURE ENGINEERING CORP		1/17/2019	4,958.79	LPS REHAB -NOV
INFRASTRUCTURE ENGINEERING CORP		1/17/2019	795.00	LPS REHAB PROJECT-DEC
	Total 52450		10,312.54	
IWATER, INC	52451	1/17/2019	9,000.00	ANNUAL MAINT AND SUPPORT
	Total 52451		9,000.00	
MALLORY SAFETY AND SUPPLY	52452	1/17/2019	427.77	SAFETY-LIGHT LITE BOX
	Total 52452		427.77	
MINUTEMAN PRESS	52453	1/17/2019	309.31	LETTERHEAD
	Total 52453		309.31	
MITSUBISHI ELECTRIC US, INC	52454	1/17/2019	308.81	ELEVATOR MAINT/SERVICE
	Total 52454		308.81	
NAPA AUTO	52455	1/17/2019	133.60	BOOSTER CABLES
NAPA AUTO		1/17/2019	32.30	MUD FLAPS @ BPS
	Total 52455		165.90	
NATIONWIDE RETIREMENT SOLUTIONS	52456	1/17/2019	576.09	DEFERRED COMP
	Total 52456		576.09	
OFFICE DEPOT, INC.	52457	1/17/2019	647.26	OFFICE SUPPLIES
	Total 52457		647.26	
OLIVENHAIN MUNICIPAL WATER DISTRICT	52458	1/17/2019	45.21	WATER @ E. ESTATES
OLIVENHAIN MUNICIPAL WATER DISTRICT		1/17/2019	550.25	WATER @ TRAVELING
OLIVENHAIN MUNICIPAL WATER DISTRICT		1/17/2019	472.75	WATER @ TRAVELING 2
OLIVENHAIN MUNICIPAL WATER DISTRICT		1/17/2019	45.21	WATER @ VP5
OLIVENHAIN MUNICIPAL WATER DISTRICT		1/17/2019	45.21	WATER @ VP7
	Total 52458		1,158.63	
PACIFIC RIM MECHANICAL	52459	1/17/2019	1,981.25	QTRLY HVAC SERVICE
PACIFIC RIM MECHANICAL		1/17/2019	1,256.65	RETENTION FOR PACIFIC RIM

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 1/17/2019 Through 1/17/2019

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
	Total 52459		3,237.90	
PLANT PEOPLE, INC	52460	1/17/2019	<u>158.00</u>	PLANT MAINT FOR JAN
	Total 52460		158.00	
PLUMBERS DEPOT, INC	52461	1/17/2019	<u>94.14</u>	SCREWS
	Total 52461		94.14	
PURE WATER PARTNERS, LLC	52462	1/17/2019	<u>135.77</u>	FILTERED WATER FOR ADM OFFICE
	Total 52462		135.77	
RICHARD DUFFEY	52463	1/17/2019	<u>40.52</u>	REIMBURSE FOR CSMFO CONF
	Total 52463		40.52	
RICHARD STINSON	52464	1/17/2019	<u>13,650.00</u>	CONSTRUCTION MANAGEMNT SUPPORT-NOV/DEC
	Total 52464		13,650.00	
RISING TIDE PARTNERS	52465	1/17/2019	<u>2,644.50</u>	PUBLIC INFO-DECEMBER
	Total 52465		2,644.50	
SAN DIEGUITO WATER DISTRICT	52466	1/17/2019	115.36	WATER @ BPS
SAN DIEGUITO WATER DISTRICT		1/17/2019	50.49	WATER @ TANKER
	Total 52466		<u>165.85</u>	
SAN DIEGO GAS & ELECTIRC	52467	1/17/2019	2,734.72	ELECTRIC @ ADM OFFICE
SAN DIEGO GAS & ELECTIRC		1/17/2019	104.38	ELECTRIC @ AVOCADO PS
SAN DIEGO GAS & ELECTIRC		1/17/2019	13,784.45	ELECTRIC @ BPS
SAN DIEGO GAS & ELECTIRC		1/17/2019	345.73	ELECTRIC @ DIANA PS
SAN DIEGO GAS & ELECTIRC		1/17/2019	674.91	ELECTRIC @ E. ESTATES
SAN DIEGO GAS & ELECTIRC		1/17/2019	333.56	ELLECTRIC @ VP5
SAN DIEGO GAS & ELECTIRC		1/17/2019	<u>256.96</u>	GAS @ ADM OFFICE
	Total 52467		18,234.71	
SOUTHERN CONTRACTING COMPANY	52468	1/17/2019	270.00	ELECTRICAL WORK @ BPS
SOUTHERN CONTRACTING COMPANY		1/17/2019	4,153.38	REPLACE LIGHTING CONTROL
SOUTHERN CONTRACTING COMPANY		1/17/2019	301.70	WETWELL REPLACEMENT @E.E.
	Total 52468		4,725.08	
SPACELINK/I2B NETWORK	52469	1/17/2019	<u>160.00</u>	WEB CAM @BPS-JAN/FEB
	Total 52469		160.00	
S&R TOWING, INC	52470	1/17/2019	<u>61.80</u>	TOWING-#158

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 1/17/2019 Through 1/17/2019

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
	Total 52470		61.80	
TERMINIX	52471	1/17/2019	60.00	MONTHLY PEST SERVICE
	Total 52471		60.00	
THE HOME DEPOT CRC/GEFC	52472	1/17/2019	292.40	SUPPLIES AND PARTS
	Total 52472		292.40	
TRUGRIT TRACTION, INC	52473	1/17/2019	1,404.85	STEEL CARBIDE WHEELS
TRUGRIT TRACTION, INC		1/17/2019	483.45	STEEL WHEELS
	Total 52473		1,888.30	
UNDERGROUND SERVICE ALERT OF	52474	1/17/2019	117.25	ALARM SERVICE FOR UNDERGROUND
	Total 52474		117.25	
UNIFIRST CORPORATION	52475	1/17/2019	211.13	LAUNDRY SERVICE W/E 1/16/19
UNIFIRST CORPORATION		1/17/2019	207.09	LAUNDRY SERVICE-W/E 1/9/19
UNIFIRST CORPORATION		1/17/2019	214.78	LAUNDRY SERVICES-W/E 1/2/19
	Total 52475		633.00	
U.S. BANK	52476	1/17/2019	7,458.58	CONFERENCES/TRAINING/OFFICE SUPPLIES
	Total 52476		7,458.58	
V&A CONSULTING ENGINEERS	52477	1/17/2019	1,500.00	SM FLOW MEASUREMENTS
	Total 52477		1,500.00	
VAPEX PRODUCTS, INC	52478	1/17/2019	890.11	COMPRESSOR SWITCH @BPS
VAPEX PRODUCTS, INC		1/17/2019	221.70	FILTERS FOR LPS/BPS
	Total 52478		1,111.81	
VERIZON WIRELESS	52479	1/17/2019	21.27	CELL PHONES TELEMETRY
	Total 52479		21.27	
WAGeworks, INC	52480	1/17/2019	140.00	SECTION 125 FLEX PLAN-DEC
	Total 52480		140.00	
WASTE MANAGEMENT	52481	1/17/2019	214.19	TRASH SERVICE
	Total 52481		214.19	
WESELOH CHEVROLET	52482	1/17/2019	144.88	MAINT/REPAIR FOR #158
	Total 52482		144.88	
WORDEN WILLIAMS LLP	52483	1/17/2019	4,071.60	LEGAL FEES FOR DEC

**Leucadia Wastewater District**  
Check/Voucher Register - CHECK REGISTER  
1001 - Opus Bank General Checking  
From 1/17/2019 Through 1/17/2019

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
	Total 52483		4,071.60	
Report Total			245,169.05	

**Leucadia Wastewater District**  
 Vendor Activity - Supplemental Credit Card Report  
 From 1/16/2019 Through 1/17/2019

29

Vendor Name	Tra... Sou...	Effective Date	Check/Voucher Number	Expenses	GL Code	GL Title	Transaction Description
U.S. BANK	API	1/16/2019	52476	575.00	4330	BOARD CONFERENCES	CASA REG FOR DK
U.S. BANK	API	1/16/2019	52476	575.00	4330	BOARD CONFERENCES	CASA REG-D.O.
U.S. BANK	API	1/16/2019	52476	575.00	4330	BOARD CONFERENCES	CASA REG-E.S.
U.S. BANK	API	1/16/2019	52476	575.00	4330	BOARD CONFERENCES	CASA REG-J.H.
U.S. BANK	API	1/16/2019	52476	50.00	4810	MEMBERSHIP & DUES	CSFMO AWARD
U.S. BANK	API	1/16/2019	52476	(50.00)	4810	MEMBERSHIP & DUES	REFUND-CSFMO
U.S. BANK	API	1/16/2019	52476	99.95	4910	OFFICE SUPPLIES	OFFICE BATTERY RECYCLE
U.S. BANK	API	1/16/2019	52476	584.44	4950	Computer Software/Srvc/Support/Hardware	VERSA DESK
U.S. BANK	API	1/16/2019	52476	743.66	5540	VEHICLES	VAN PC BRD
U.S. BANK	API	1/16/2019	52476	575.00	5710	TRAINING, EDUCATION & CONFERNC	CASA REG-P.B.
U.S. BANK	API	1/16/2019	52476	365.00	5710	TRAINING, EDUCATION & CONFERNC	CASA REG-R.D.
U.S. BANK	API	1/16/2019	52476	475.00	5710	TRAINING, EDUCATION & CONFERNC	CASA REG-T.H.
U.S. BANK	API	1/16/2019	52476	32.00	5710	TRAINING, EDUCATION & CONFERNC	CSRMA PK-P.B.
U.S. BANK	API	1/16/2019	52476	4.75	5710	TRAINING, EDUCATION & CONFERNC	CSRMA STARBUCKS-P.B.
U.S. BANK	API	1/16/2019	52476	12.15	5710	TRAINING, EDUCATION & CONFERNC	CSRMA-BART-P.B.
U.S. BANK	API	1/16/2019	52476	13.74	5710	TRAINING, EDUCATION & CONFERNC	CSRMA-BFAST-P.B.
U.S. BANK	API	1/16/2019	52476	3.99	5710	TRAINING, EDUCATION & CONFERNC	CSRMA-WATER-P.B.
U.S. BANK	API	1/16/2019	52476	100.00	5735	EMPLOYEE RECOGNITION	CWEA AWARDS TX
U.S. BANK	API	1/16/2019	52476	1,000.00	5735	EMPLOYEE RECOGNITION	CWEA AWARDS TX
U.S. BANK	API	1/16/2019	52476	955.01	5735	EMPLOYEE RECOGNITION	HOLIDAY LUNCH
U.S. BANK	API	1/16/2019	52476	125.00	5910	TELEPHONE	PANTHEON WEB HOSTING
U.S. BANK	API	1/16/2019	52476	30.00	5910	TELEPHONE	WIFI
U.S. BANK	API	1/16/2019	52476	38.89	6420	ENCINA CAPITAL	EWA LUNCH-P.B.
Transaction Total				<u>7,458.58</u>			
Total 1/16/2019				7,458.58			
U.S. BANK	APS	1/17/2019	52476	0.00	1001	Opus Bank General Checking	CONFERENCES/TRAINING/... SUPPLIES
U.S. BANK	APS	1/17/2019	52476	0.00	1080	DUE TO/FROM OTHER FUNDS	CONFERENCES/TRAINING/... SUPPLIES
Transaction Total				<u>0.00</u>			

LEUCADIA WASTEWATER DISTRICT  
EMPLOYEE PAYROLL CHECK REPORT

Payroll Date: January 30, 2019

<u>Check Nos.</u>	<u>Date</u>	<u>Amount</u>
21142 - 21160	1/30/2019	\$50,900.10

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 2/1/2019 Through 2/1/2019

Vendor Name	Check Number	Effective Date	Check Amount	Transaction Description
AUTO PLUS	52484	2/1/2019	<u>35.18</u>	AUTO SUPPLIES
	Total 52484		35.18	
BAJA POOL AND SPA SERVICE	52485	2/1/2019	<u>140.00</u>	FOUNTAIN SERVICE-FEB
	Total 52485		140.00	
BASE NINE CONSULTING	52486	2/1/2019	<u>7,920.05</u>	RADIOS/ANTENNAS @ PS
	Total 52486		7,920.05	
BAY CITY ELECTRIC WORKS, INC	52487	2/1/2019	841.25	ELECTRICAL WORK @ VP5
BAY CITY ELECTRIC WORKS, INC		2/1/2019	470.00	GENERATOR ELECTRIC SERVICE #142
BAY CITY ELECTRIC WORKS, INC		2/1/2019	470.00	GENERATOR SERVICE FOR #146
	Total 52487		1,781.25	
CARLSBAD FUELS CORPORATION	52488	2/1/2019	<u>2,114.39</u>	VEHICLE/TRUCK GASOLINE
	Total 52488		2,114.39	
PETTY CASH	52489	2/1/2019	<u>267.34</u>	PETTY CASH-DEC AND JAN
	Total 52489		267.34	
CITY OF CARLSBAD	52490	2/1/2019	13.53	WATER @ FIRE LINE
CITY OF CARLSBAD		2/1/2019	13.53	WATER @ FIRE LINES
CITY OF CARLSBAD		2/1/2019	<u>363.53</u>	WATER @ PLANT
	Total 52490		390.59	
COLONIAL LIFE INS	52491	2/1/2019	<u>418.56</u>	ACCIDENTIAL/CRITICAL CARE INS-JAN
	Total 52491		418.56	
CO'S TRAFFIC CONTROL, INC	52492	2/1/2019	<u>90.00</u>	PLAN DRAFT/DESIGN
	Total 52492		90.00	
COUNTY OF SAN DIEGO	52493	2/1/2019	<u>1,185.00</u>	FACILITY PERMIT
	Total 52493		1,185.00	
COURTESY CHEVROLET	52494	2/1/2019	<u>30,792.09</u>	2019 CHEVY TRUCK
	Total 52494		30,792.09	
COX COMMUNICATIONS SAN DIEGO	52495	2/1/2019	<u>1,475.75</u>	PHONE/INTERNET SERVICE
	Total 52495		1,475.75	

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 2/1/2019 Through 2/1/2019

Vendor Name	Check Number	Effective Date	Check Amount	Transaction Description
CWEA	52496	2/1/2019	188.00	CWEA MEMBERSHIP -DAVE K
CWEA		2/1/2019	188.00	CWEA MEMBERSHIP RENEWAL-T. AMOS
CWEA		2/1/2019	188.00	CWEA MEMBERSHIP[ RENEWAL-R. RODRIGUEZ
	Total 52496		564.00	
DATA NET SOLUTIONS GROUP	52497	2/1/2019	1,150.00	WATCHGUARD FIREWALL
	Total 52497		1,150.00	
DAVID KULCHIN	52498	2/1/2019	888.04	REIMBURSE FOR WINTER CASA CONF
	Total 52498		888.04	
DAVIS FARR LLP	52499	2/1/2019	1,000.00	AUDITOR FEES-FINAL-JUNE'18
	Total 52499		1,000.00	
DEXTER WILSON ENGINEERING	52500	2/1/2019	360.00	GE/1037/DEC/RYAN ANNEX
DEXTER WILSON ENGINEERING		2/1/2019	3,500.00	GE/CIP/DEC/200/0358/0328
DEXTER WILSON ENGINEERING		2/1/2019	370.00	GE/DEC/0566/LEUCADIA HILLS
DEXTER WILSON ENGINEERING		2/1/2019	540.00	GE/DEC/0996/ENCINITAS BEACH HOTEL
DEXTER WILSON ENGINEERING		2/1/2019	110.00	GE/DEC/1035/ANDREIKO ANNEX
DEXTER WILSON ENGINEERING		2/1/2019	382.50	GE/DEC/1052/LC TOWN SQ THEATER
DEXTER WILSON ENGINEERING		2/1/2019	275.00	GE/DEC/1054/OMNI RESORT
DEXTER WILSON ENGINEERING		2/1/2019	165.00	GE/DEC/1055/BLUE HERRON AVE
DEXTER WILSON ENGINEERING		2/1/2019	165.00	GE/DEC/1061/ALGA RD
DEXTER WILSON ENGINEERING		2/1/2019	275.00	GE/DEC/1062/ENCINTAS BLVD
	Total 52500		6,142.50	
DONALD OMSTED	52501	2/1/2019	16.82	REIMBURSE FOR CWEA DINNER
DONALD OMSTED		2/1/2019	18.96	REIMBURSE FOR WINTER CASA CONF
	Total 52501		35.78	
ELAINE SULLIVAN	52502	2/1/2019	204.46	REIMBURSE FOR CASA WINTER CONF
	Total 52502		204.46	
ELECTRICAL SALES, INC.	52503	2/1/2019	183.28	SPLICING KIT @E.ESTATES
	Total 52503		183.28	
ENCINA WASTEWATER AUTHORITY	52504	2/1/2019	1,751.50	QTRLY LAB FEES
	Total 52504		1,751.50	



**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 2/1/2019 Through 2/1/2019

Vendor Name	Check Number	Effective Date	Check Amount	Transaction Description
ENCINA WASTEWATER AUTHORITY	52505	2/1/2019	436,008.63	QTRLY O/M ENDING 12/2018
	Total 52505		436,008.63	
ENCINA WASTEWATER AUTHORITY	52506	2/1/2019	308,522.62	QTRLY CAPITAL-12/31/2018/CREDIT-FYE 2018-CAPITAL
	Total 52506		308,522.62	
ENCINA WASTEWATER AUTHORITY	52507	2/1/2019	62.00	FY 2018 CAFR-O/M
	Total 52507		62.00	
EWING IRRIGATION PRODUCTS	52508	2/1/2019	21.42	SUPPLIES FOR LPS
	Total 52508		21.42	
FEDERAL EXPRESS CORPORATION	52509	2/1/2019	70.29	FED X SHIPPING
	Total 52509		70.29	
GREAT AMERICA FINANCIAL SERVICES	52510	2/1/2019	788.97	COPIER LEASE
	Total 52510		788.97	
ICMA RETIREMENT-303979	52511	2/1/2019	5,154.17	DEFERRED COMP
	Total 52511		5,154.17	
JUDY HANSON	52512	2/1/2019	823.75	REIMBURSE FOR WINTER CASA CONF
	Total 52512		823.75	
MALLORY SAFETY AND SUPPLY	52513	2/1/2019	34.37	SAFETY ITEMS
MALLORY SAFETY AND SUPPLY		2/1/2019	575.58	SAFTEY ITEMS
	Total 52513		609.95	
MARCON PRODUCTS INC.	52514	2/1/2019	66.68	MATS FOR POINSETTIA PROJECT
	Total 52514		66.68	
MES VISION	52515	2/1/2019	414.12	VISION INS-FEB
	Total 52515		414.12	
MINUTEMAN PRESS	52516	2/1/2019	81.87	BUSINESS CARDS-A.J.
	Total 52516		81.87	
MSC JANITORIAL SERVICE, INC	52517	2/1/2019	1,676.00	JANUARY JANITORIAL SERVICE

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 2/1/2019 Through 2/1/2019

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
	Total 52517		1,676.00	
MUTUAL OF OMAHA	52518	2/1/2019	1,176.15	DISABILITY INS-FEB
	Total 52518		1,176.15	
NAPA AUTO	52519	2/1/2019	48.42	SUPPLIES AND PARTS FOR PS
	Total 52519		48.42	
NATIONWIDE RETIREMENT SOLUTIONS	52520	2/1/2019	289.85	DEFERRED COMP
	Total 52520		289.85	
OFFICE DEPOT, INC.	52521	2/1/2019	212.13	OFFICE SUPPLIES
	Total 52521		212.13	
PACIFIC PIPELINE SUPPLY	52522	2/1/2019	30.16	BRASS NIPPLES FOR LPS
	Total 52522		30.16	
PACIFIC SAFETY CENTER	52523	2/1/2019	750.00	FIRST AID REFRESHER CLASS-ALL STAFF
	Total 52523		750.00	
PAUL BUSHEE	52524	2/1/2019	388.35	REIMBURSE FOR CASA WINTER CONF
	Total 52524		388.35	
PLUMBERS DEPOT, INC	52525	2/1/2019	328.85	CABLES/SCREWS-CCTV
PLUMBERS DEPOT, INC		2/1/2019	360.94	LABOR AND O'RINGS/CABLE
PLUMBERS DEPOT, INC		2/1/2019	3,331.18	REPAIR TO TRUCK
	Total 52525		4,020.97	
RANCHO SANTA FE SECURITY SYSTEMS	52526	2/1/2019	258.00	ALARM SYSTEM-QTRLY
	Total 52526		258.00	
RICHARD DUFFEY	52527	2/1/2019	84.96	REIMBURSE FOR WINTER CASA CONF
	Total 52527		84.96	
SANTA FE IRRIGATION DISTRICT	52528	2/1/2019	8,391.69	JOINT RECYCLED WATER EXPANSION STUDY
	Total 52528		8,391.69	
SAN DIEGO GAS & ELECTIRC	52529	2/1/2019	809.23	ELECTRIC @ LCPS
SAN DIEGO GAS & ELECTIRC		2/1/2019	155.27	ELECTRIC @ R.VERDE PS
SAN DIEGO GAS & ELECTIRC		2/1/2019	587.55	ELECTRIC @ SPS
SAN DIEGO GAS & ELECTIRC		2/1/2019	130.73	ELECTRIC @ VP7 PS

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 2/1/2019 Through 2/1/2019

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
SAN DIEGO GAS & ELECTIRC		2/1/2019	367.32	ELECTRICAL @ EEPS
SAN DIEGO GAS & ELECTIRC		2/1/2019	8,907.88	ELECTRICAL @ LPS
SAN DIEGO GAS & ELECTIRC		2/1/2019	8.74	NATURAL GAS @ EE
	Total 52529		10,966.72	
STATE WATER RESOURCES CONTROL BOARD	52530	2/1/2019	1,400.00	ANNUAL PERMIT FEE-GAFNER
	Total 52530		1,400.00	
TERMINIX	52531	2/1/2019	32.00	MONTHLY BAIT SERVICE
	Total 52531		32.00	
THE GUARDIAN	52532	2/1/2019	3,426.58	DENTAL INS-FEB
	Total 52532		3,426.58	
THOMAS EARL WARDEN	52533	2/1/2019	46.43	REFUND DEV-ST. ALBANS DR
	Total 52533		46.43	
THOMSON REUTERS-WEST	52534	2/1/2019	451.47	CONSTRUCTION LAW MANUAL SUBSCRIPTION
	Total 52534		451.47	
SOLANA PALM LLC	52535	2/1/2019	90.00	ANSWERING SERVICE-JAN/FEB
	Total 52535		90.00	
TRISHA HILL	52536	2/1/2019	318.95	REIMBURSE FOR CASA WINTER CONF
	Total 52536		318.95	
UNIFIRST CORPORATION	52537	2/1/2019	207.09	LAUNDRY SERVICE-W/E 1/23/19
	Total 52537		207.09	
CONCENTRA	52538	2/1/2019	99.00	PHYSICAL RECERT-M.AVALOS
	Total 52538		99.00	
SAN DIEGO FREIGHTLINER	52539	2/1/2019	738.74	WORK ON VASCTOR-#159
	Total 52539		738.74	
VERIZON WIRELESS	52540	2/1/2019	936.26	CELL PHONES
	Total 52540		936.26	
WASTE MANAGEMENT	52541	2/1/2019	251.18	TRASH SERVICE-JAN
	Total 52541		251.18	

**Leucadia Wastewater District**  
 Check/Voucher Register - CHECK REGISTER  
 1001 - Opus Bank General Checking  
 From 2/1/2019 Through 2/1/2019

<u>Vendor Name</u>	<u>Check Number</u>	<u>Effective Date</u>	<u>Check Amount</u>	<u>Transaction Description</u>
WATERUSE ASSOCIATION-SAN DIEGO REGIONAL CHAPTER	52542	2/1/2019	75.00	MEMBERSHIP-2019
	Total 52542		75.00	
Report Total			847,520.33	

LEUCADIA WASTEWATER DISTRICT  
BOARD PAYROLL CHECK REPORT

Payroll Date: February 1, 2019

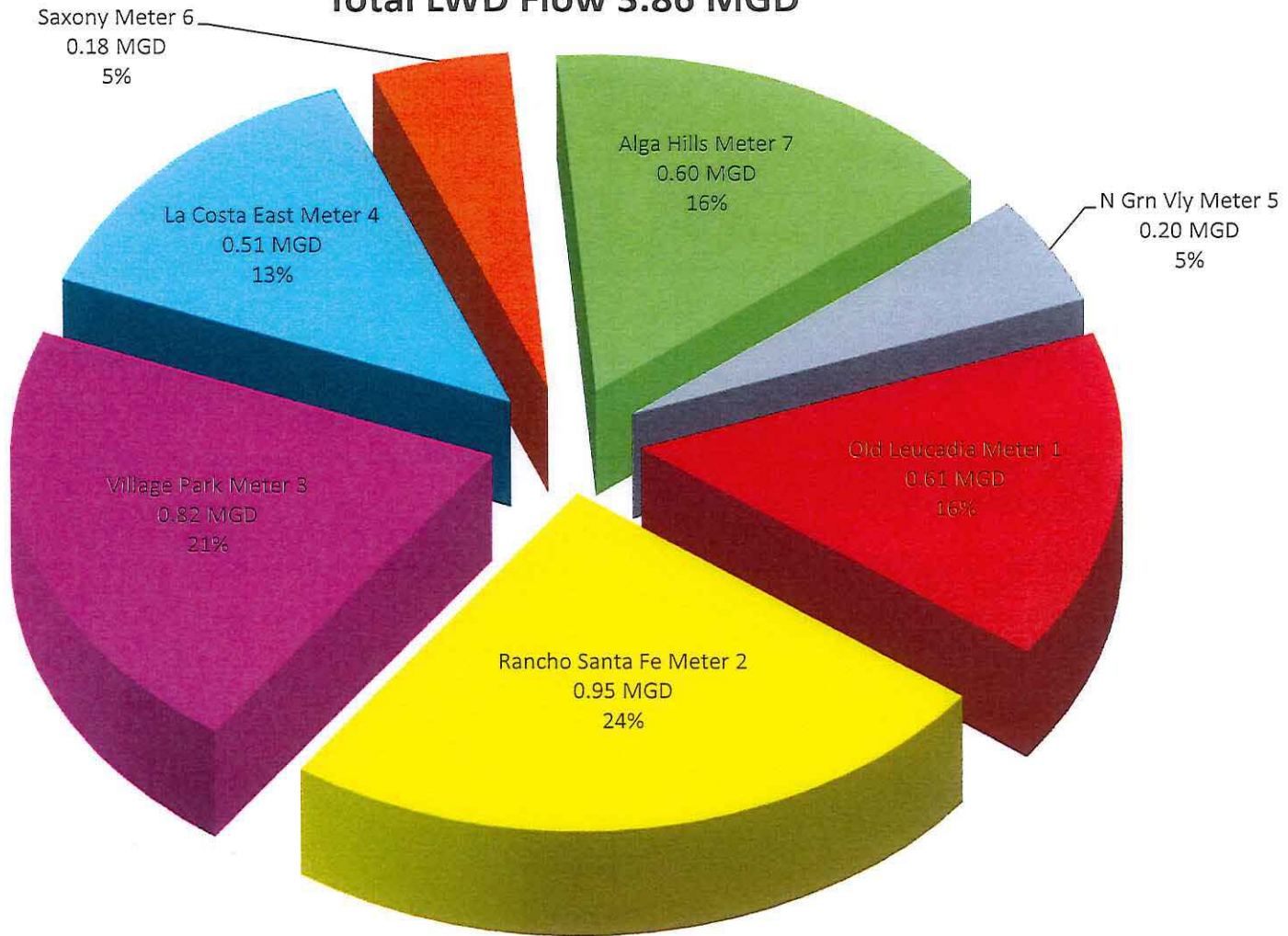
<u>Check No.</u>	<u>Date</u>	<u>Amount</u>
21161 - 21165	2/1/2019	\$5,829.40

**LEUCADIA WASTEWATER DISTRICT  
OPERATIONS REPORT  
FISCAL YEAR 2019 (July 2018 - June 2019)**

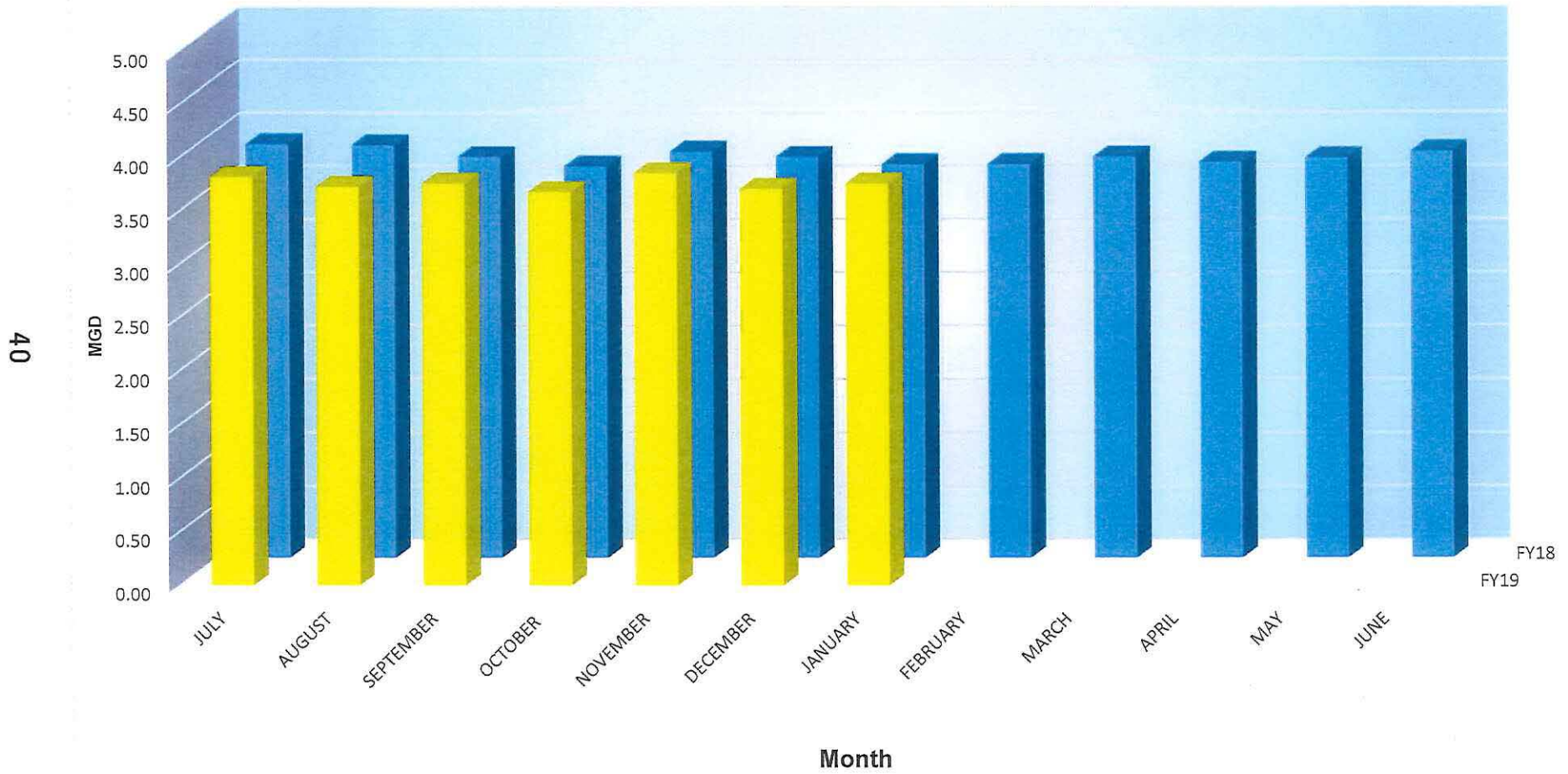
38

CURRENT MONTH - January 2019							FY 2018
Period	Total Rain Inches	Total Flow MG	Added EDU's 28,561.74	LWD ADF (MGD)	GPD/EDU	RECLAIMED Total (ac-ft/mo)	LWD ADF (MGD)
JULY	0.03	118.42	1.00	3.82	134	52.17	3.88
YTD			28,562.74				
AUGUST	0.00	115.63	2.00	3.73	131	22.20	3.87
YTD			28,564.74				
SEPTEMBER	0.00	112.80	-8.70	3.76	132	35.10	3.76
YTD			28,556.04				
OCTOBER	0.38	114.08	3.30	3.68	129	36.33	3.67
YTD			28,559.34				
NOVEMBER	0.74	115.80	1.50	3.86	135	5.31	3.81
YTD			28,560.84				
DECEMBER	2.82	115.01	3.50	3.71	130	0.00	3.76
YTD			28,564.34				
JANUARY	2.94	116.56	15.00	3.76	132	0.00	3.69
YTD			28,579.34				
FEBRUARY							3.69
YTD							
MARCH							3.76
YTD							
APRIL							3.71
YTD							
MAY							3.75
YTD							
JUNE							3.81
YTD							
<b>YTD Totals</b>	6.91	808.30	17.60			151.11	
<b>Mo Average</b>	0.99	115.47	2.51	3.76	131.63	21.59	3.76

# LWD Flows by Sub-Basin January 2019 Total LWD Flow 3.86 MGD



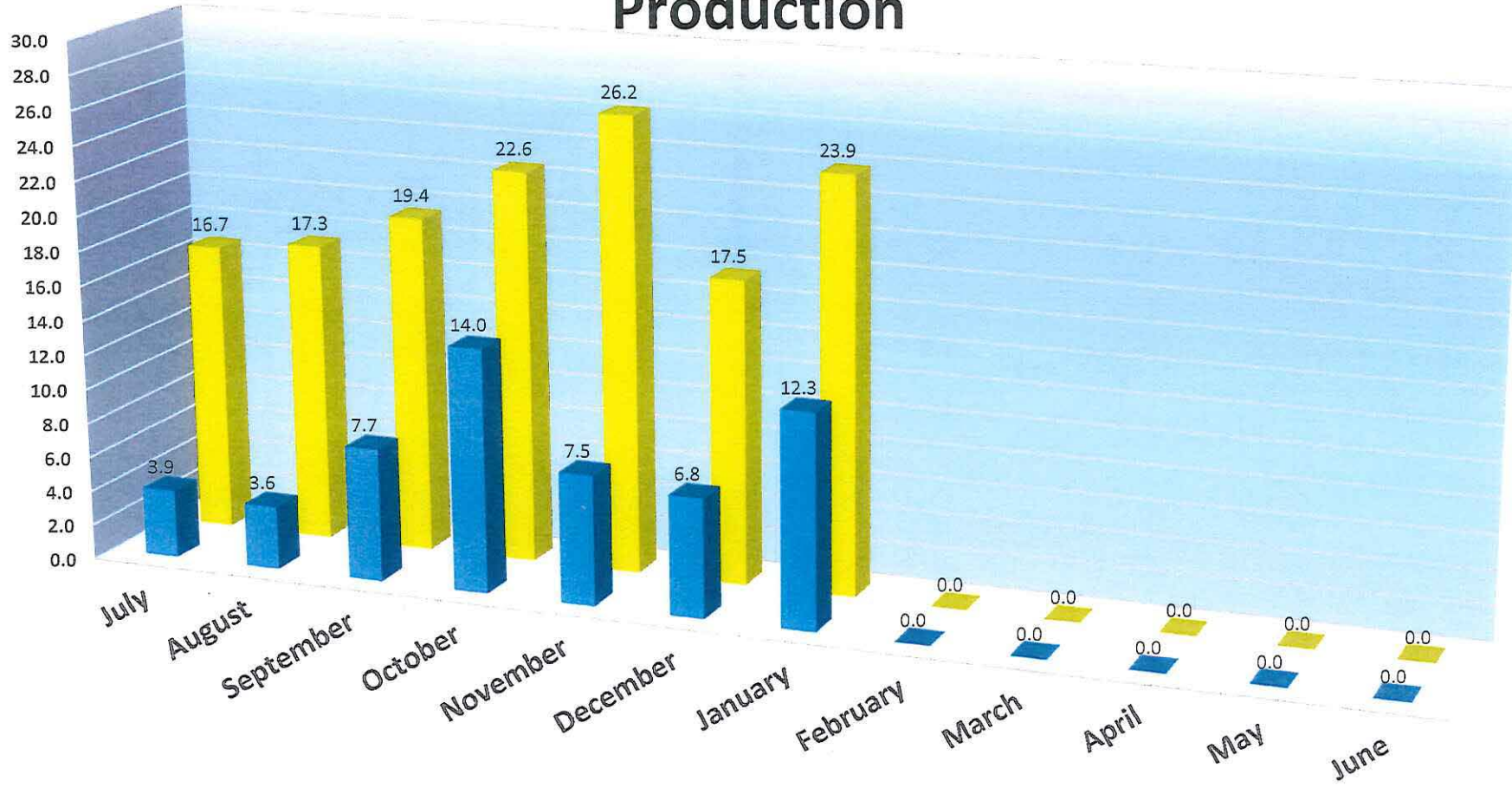
# Leucadia Wastewater District Flow Comparison FY18 to FY19





# FY-19 CCTV Inspections & Hydro Cleaning Production

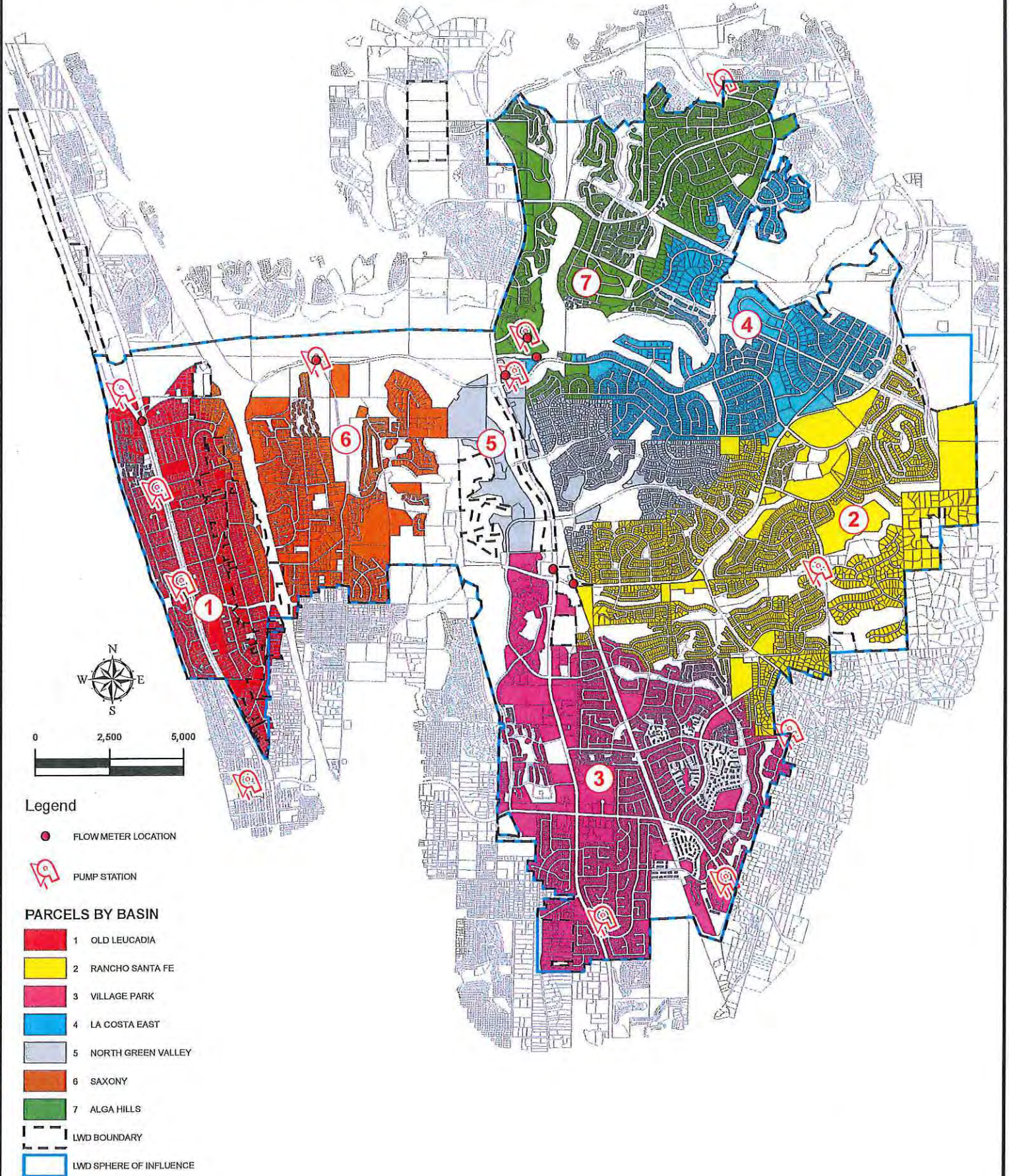
41



**Monthly Target Mileage**  
 Hydro-Cleaning: 15 Miles/Month  
 CCTV Inspections: 6.3 Miles/Month

■ CCTV Inspections  
■ Total Hydro Cleaning

# LEUCADIA WASTEWATER DISTRICT





LEADERS IN  
ENVIRONMENTAL  
PROTECTION

**Operations and Administration Training Report  
January 2019**

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

**Hours**

Description	Ops	Admin	Total
CalOSHA Awareness Level Training Module	4	0	4
Confined Space: Annual Review of Permits	1	0	1
Easement Inspection Duties	10	0	10
First Aid / CPR / AED	52	20	72
Hearing Conservation	5	0	5
Lockout / Tagout	1	0	1
Video Inspection Duties	10	0	10
<b>Total Training Hours</b>	<b>83</b>	<b>20</b>	<b>103</b>

YTD Monthly Avg 49.86

YTD Totals 349

**Conferences for the month of January 2019**

**Attendees**

Description	Ops	Admin	Total
CASA (includes CSRMA workshop)	0	3	3
CSDA	0	0	0
CSRMA	0	0	0
CSMFO	0	1	1
CWEA	0	0	0
<b>Total Attended Conferences</b>	<b>0</b>	<b>4</b>	<b>4</b>

*Notes:*

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

# Leucadia Wastewater District

## Balance Sheet

As of 1/31/2019

	<u>Amount</u>
<b>Assets</b>	
Cash & Investments	36,371,956.01
Accounts Receivables	215,379.78
Net OPEB Asset	123,127.00
Prepaid Expense	136,035.55
Funds held with Encina Wastewater Authority	2,041,200.00
Capital Assets	164,254,378.99
Less Accumulated Depreciation	<u>(55,698,965.17)</u>
Total Assets	<u>147,443,112.16</u>
<b>Deferred Outflows</b>	
PERS Pension Deferred Outflows	1,323,002.00
OPEB Health Deferred Outflows	21,235.00
Total Deferred Outflows	<u>1,344,237.00</u>
<b>Total Assets &amp; Deferred Outflows</b>	<u>148,787,349.16</u>
<b>Liabilities</b>	
Accounts Payable & Accrued Expenses	1,183,479.66
Developer Deposits	83,161.51
Net Pension Liability	4,074,562.00
Total Liabilities	<u>5,341,203.17</u>
<b>Deferred Inflows</b>	
PERS Pension Deferred Inflows	348,638.00
OPEB Health Deferred Inflows	9,880.00
Total Deferred Inflows	<u>358,518.00</u>
<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
Total Beginning Net Position (as of June 30, 2018)	<u>142,556,218.89</u>
Current Change In Net Position	
Other	531,409.10
Total Current Change In Net Position	<u>531,409.10</u>
Total Net Position	<u>143,087,627.99</u>
<b>Total Liabilities, Deferred Inflows &amp; Net Position</b>	<u>148,787,349.16</u>

## Leucadia Wastewater District

### Statement of Revenues and Operating Expenditures

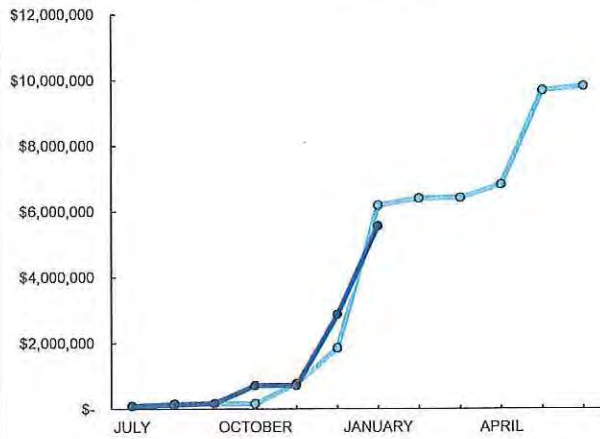
From 7/1/2018 Through 1/31/2019

	YTD Actual	Annual Budget	Remaining Budget	% Remaining
<b>Revenue</b>				
Sewer Service Fees	5,565,432.68	9,813,782.00	(4,248,349.32)	(43.29)%
Capacity Charges	37,658.60	381,675.00	(344,016.40)	(90.13)%
Recycled Water Sales	206,490.94	295,000.00	(88,509.06)	(30.00)%
Misc Operating Income	28,575.74	312,120.00	(283,544.26)	(90.84)%
Property Taxes	953,977.22	1,700,000.00	(746,022.78)	(43.88)%
Investment Income	376,258.14	489,000.00	(112,741.86)	(23.06)%
Misc Non-Operating Income	10,097.67	0.00	10,097.67	0.00%
<b>Total Revenue</b>	<u>7,178,490.99</u>	<u>12,991,577.00</u>	<u>(5,813,086.01)</u>	<u>(44.75)%</u>
<b>Total Revenue</b>	<u>7,178,490.99</u>	<u>12,991,577.00</u>	<u>(5,813,086.01)</u>	<u>(44.75)%</u>
<b>Expenses</b>				
Salaries	1,138,266.14	1,924,859.00	786,592.86	40.86%
Benefits	575,465.80	1,064,235.00	488,769.20	45.93%
Directors Expense	59,713.58	144,800.00	85,086.42	58.76%
Election Expense	0.00	30,000.00	30,000.00	100.00%
Gasoline, Oil & Fuel	22,237.93	41,000.00	18,762.07	45.76%
Insurance	111,142.98	114,500.00	3,357.02	2.93%
Memberships	27,060.44	29,400.00	2,339.56	7.96%
Office Expense	90,371.09	155,600.00	65,228.91	41.92%
Operating Supplies	93,720.41	189,500.00	95,779.59	50.54%
Professional Services	155,084.22	449,300.00	294,215.78	65.48%
Printing & Publishing	10,529.11	29,500.00	18,970.89	64.31%
Rents & Leases	9,135.07	17,400.00	8,264.93	47.50%
Repairs & Maintenance	218,824.17	486,600.00	267,775.83	55.03%
Monitoring & Permitting	48,948.45	59,900.00	10,951.55	18.28%
Training & Development	24,763.55	47,000.00	22,236.45	47.31%
Utilities	249,377.74	432,600.00	183,222.26	42.35%
LAFCO	7,517.38	7,500.00	(17.38)	(0.23)%
Encina Treatment Expense	846,959.56	1,887,300.00	1,040,340.44	55.12%
Allocated Overhead	(72,533.57)	(159,684.00)	(87,150.43)	54.58%
<b>Total Expenses</b>	<u>3,616,584.05</u>	<u>6,951,310.00</u>	<u>3,334,725.95</u>	<u>47.97%</u>
<b>Total Expenditures</b>	<u>3,616,584.05</u>	<u>6,951,310.00</u>	<u>3,334,725.95</u>	<u>47.97%</u>
<b>Revenue over Expenditures</b>	<u>3,561,906.94</u>	<u>6,040,267.00</u>	<u>(2,478,360.06)</u>	<u>(41.03)%</u>

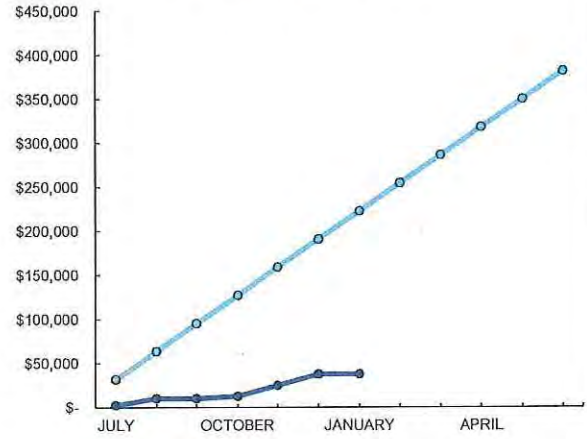
# Leucadia Wastewater District Revenue FY2019

YTD through January 31, 2019

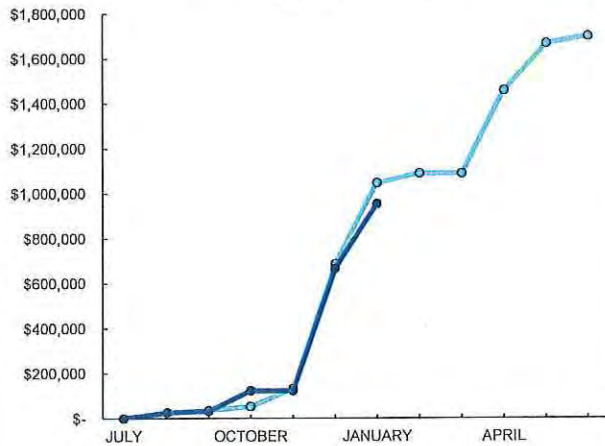
### Sewer Service Fees



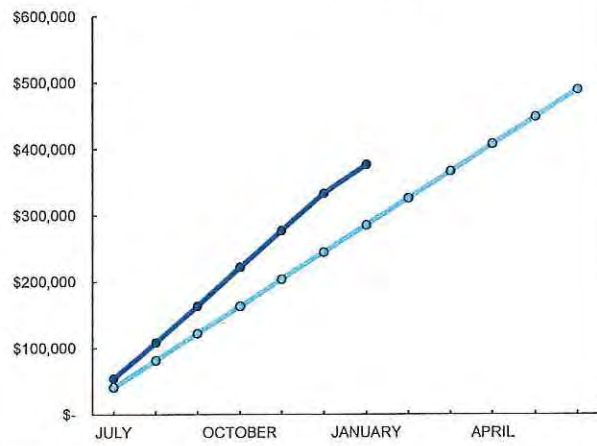
### Capacity Charges



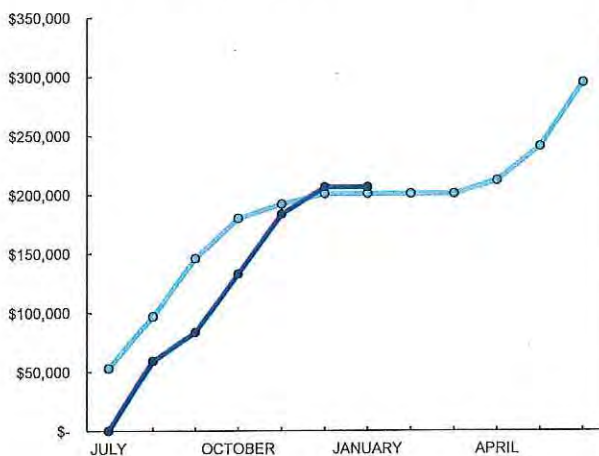
### Property Taxes



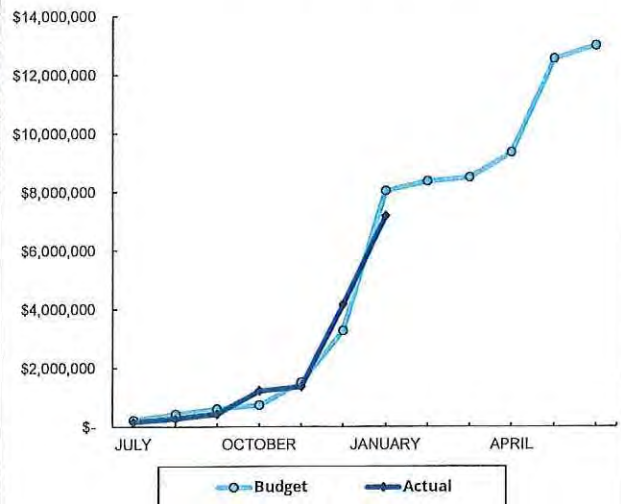
### Investment Income



### Recycled Wastewater Sales



### Total Revenue

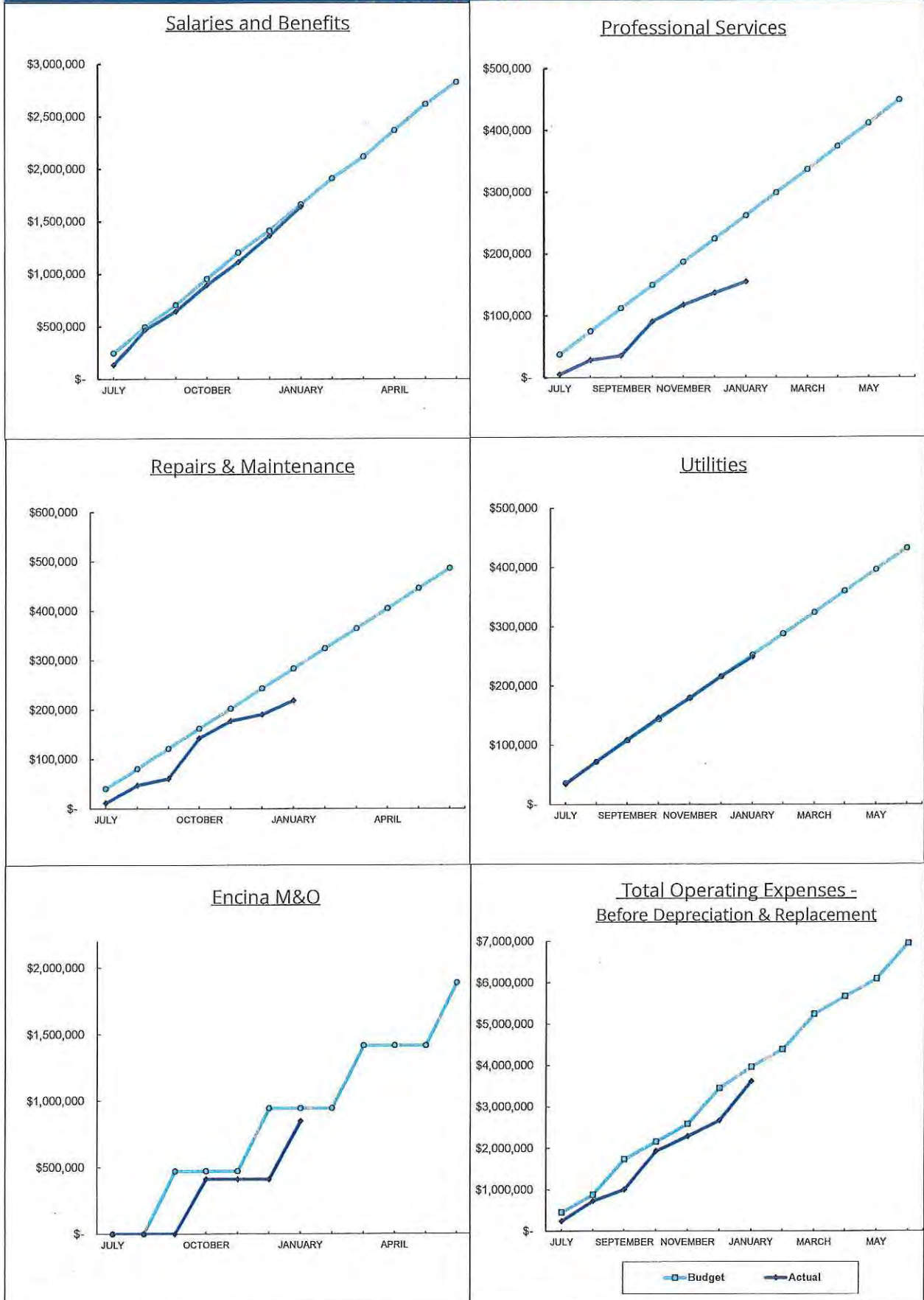


○ Budget     ◆ Actual

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

# Leucadia Wastewater District Operating Expenses FY2019

YTD through January 31, 2019

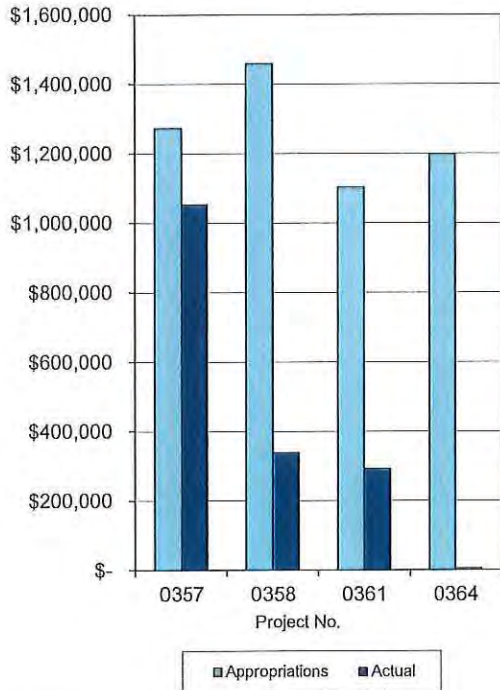


\* Preliminary: subject to future review, reconciliation, accruals, and audit

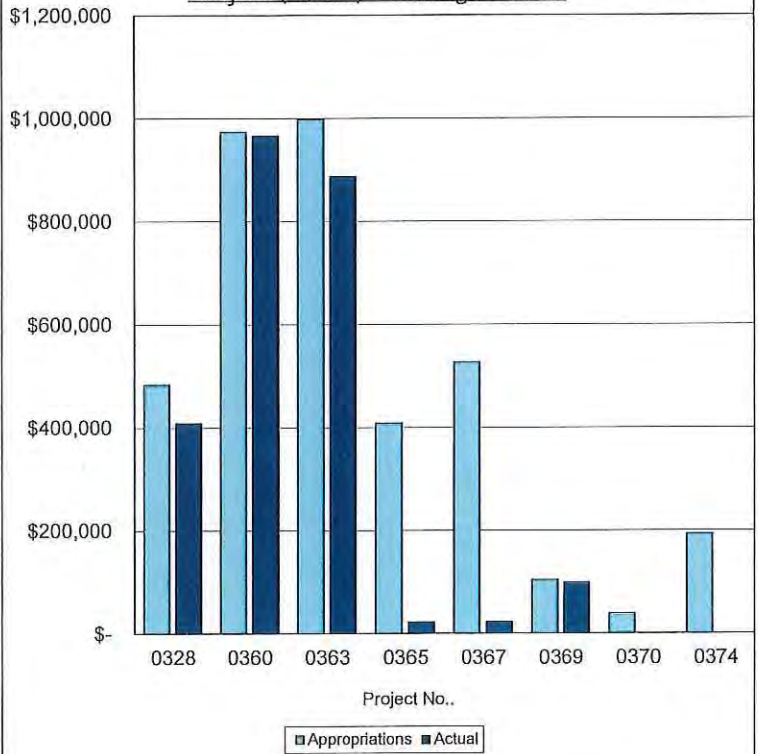
# Leucadia Wastewater District Capital Expenditures

As of January 31, 2019

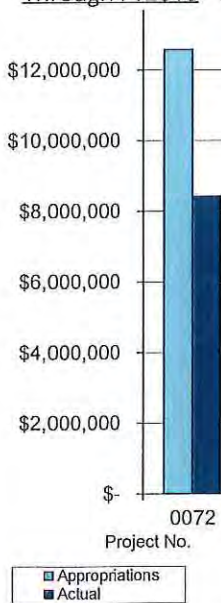
District Multi Year Capital Expenditures  
by Project  
(>\$1M) Through FY2018



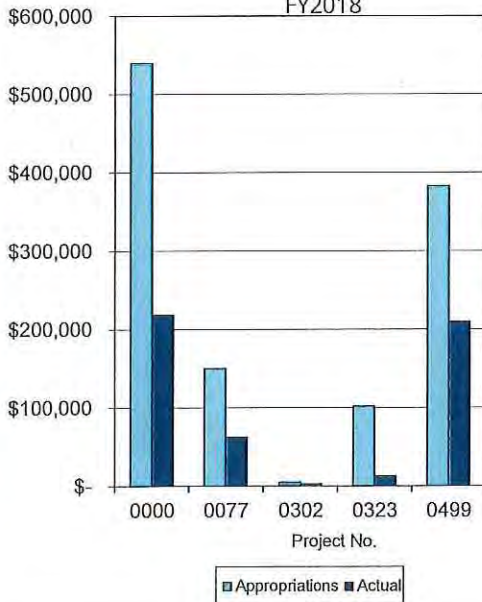
District Multi Year Capital Expenditures by  
Project (<\$1M) Through FY2018



District's Share of  
Encina WPCF  
Capital Exp  
Through FY2018



Single Year Capital Expenditures by  
Project  
FY2018



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
Gafner AWT Improvements	0360
Poinsettia Station Gravity Pipeline Rehab	0361
FY2018 Gravity Pipeline Rehabilitation	0363
Encinitas Estates Pump Station Replcmnt	0364
Orchard Wood Rd Sewer Rehab	0365
B1 Force Main - North Section Replcmnt	0367
HQ Electric Meter Installation	0369
Pump Station Assessment	0370
Bat FM (B3) Discharge Section Replaceme	0374

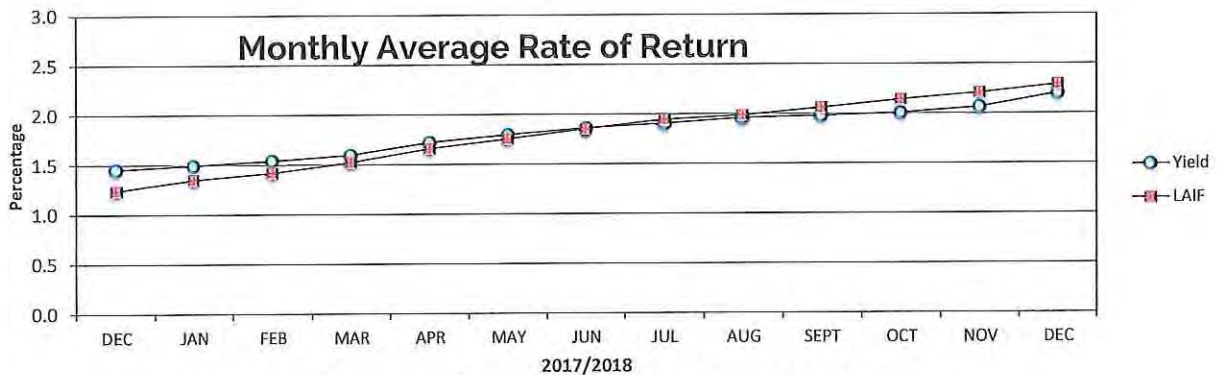
Single Year Capital Projects	No.
Equipment - Capital Acquisitions	0000
Misc. Pipeline Rehabilitation	0077
District Engineering Services	0302
Lateral Replace/Backflow Prevention	0323
LWD Gen'l Cap Labor & O/H Allocation	0499

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

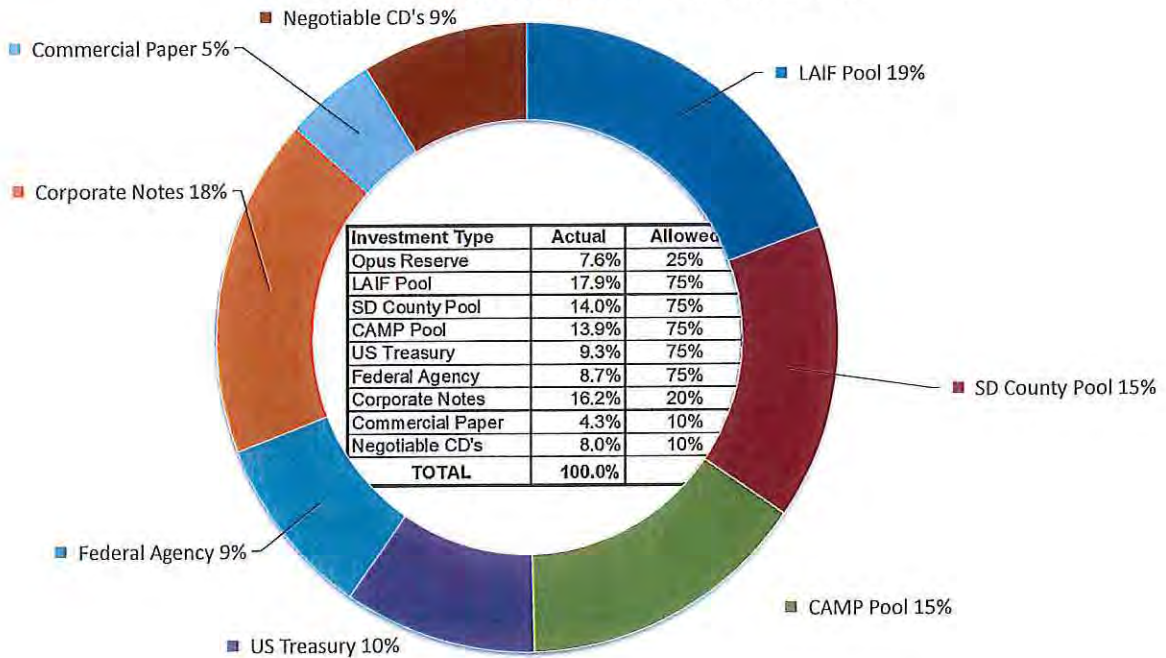


**LEUCADIA WASTEWATER DISTRICT**  
**Monthly Investment Summary**  
**December 31, 2018**

Cash Equivalents & Investments	Principal (Original Cost)		December Interest	Average Rate
	Nov 30, 2018	Dec 31, 2018		
Opus Bank Reserve	\$ 148,453	\$ 2,595,521	\$ 3,407	2.350%
LAIF Pool	6,119,537	6,119,537	\$ 11,683	2.291%
SD County Pool	4,757,973	4,787,294	9,165	2.308%
CAMP Pool	3,888,551	4,770,688	8,221	2.460%
CAMP Portfolio				
US Treasury Notes	3,994,281	3,189,188	5,255	1.580%
Federal Agency Mortgage-Backed Securities	5,144	5,104	31	7.370%
Federal Agency Notes	2,978,975	2,978,975	5,073	2.050%
Corporate Bonds/Notes	5,528,803	5,528,803	9,041	1.970%
Commerical Paper	1,478,424	1,478,424	3,215	2.610%
Negotiable CD's	2,749,883	2,749,883	5,391	2.350%
Total Camp Portfolio	16,735,511	15,930,377	28,007	2.050%
<b>Totals</b>	<b>\$ 31,650,025</b>	<b>\$ 34,203,417</b>	<b>\$ 60,483</b>	<b>2.204%</b>



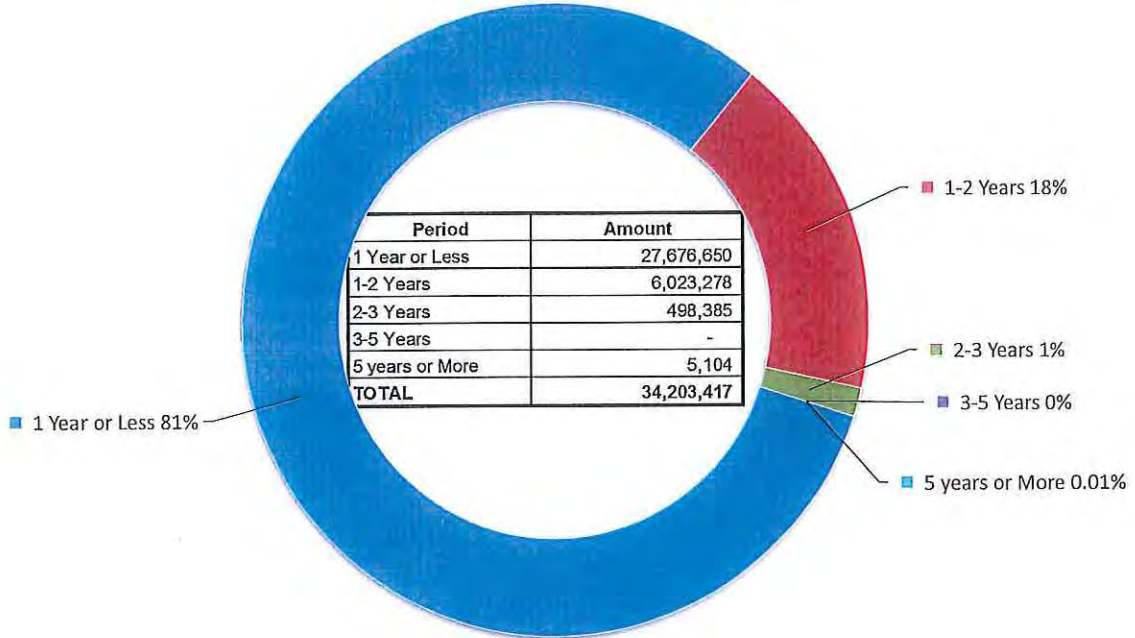
**INVESTMENT DISTRIBUTION BY CATEGORY**



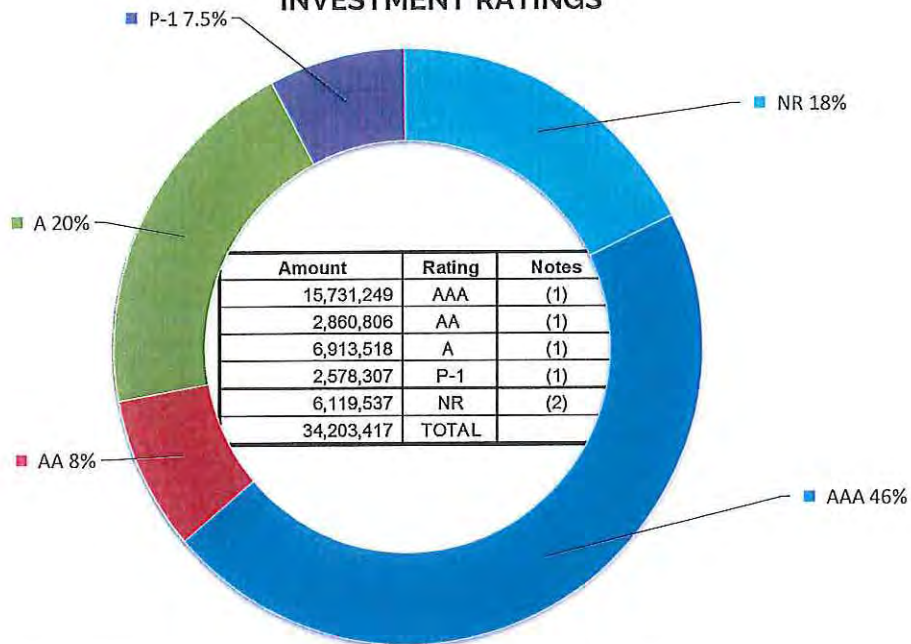
**LEUCADIA WASTEWATER DISTRICT**  
*Monthly Investment Summary*  
**December 31, 2018**

(Continued)

**REMAINING MATURITY**



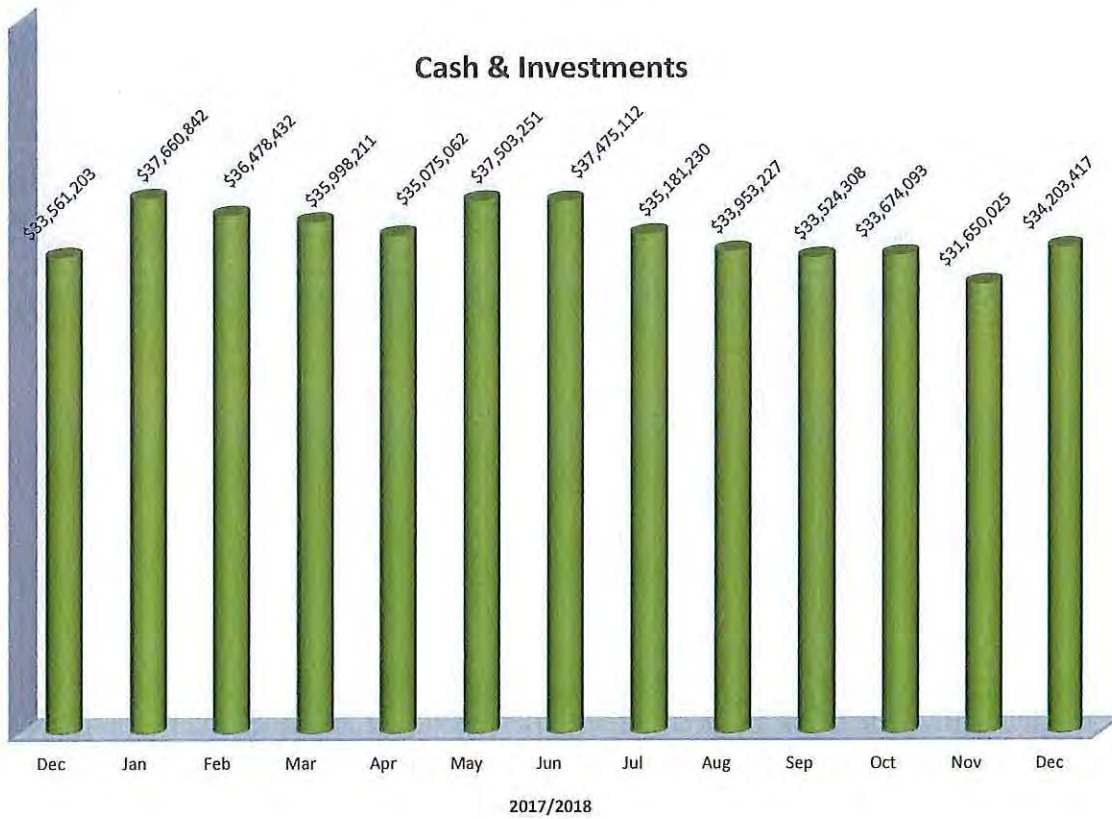
**INVESTMENT RATINGS**



(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**  
**December 31, 2018**

(Continued)



**INVESTMENT TRANSACTIONS**  
*For the months of December, 2018*


Investment	Purchases	Maturities	Sales	Notes	YTM at Cost
GNMA MBS 30-yr Pool		\$ 40		(3)	7.37%
US Treasury Note		\$ 800,000			1.17%
<b>TOTAL</b>	\$ -	\$ 800,040	\$ -		

(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: 19-6551

**DATE:** February 7, 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 December 31, 2018 (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


### 12-31-18

SUMMARY OF CASH & INVESTMENTS at December 31, 2018				
SEE QUARTERLY TREASURER'S REPORT FOR DETAILS				
ASSETS	AMORTIZED COST 12/31/2018	% OF TOTAL		MARKET VALUE 12/31/2018
		Actual	Allowed	
CASH IN BANK (Checking Accounts)	\$ 2,746,409	8.0%	25%	\$ 2,746,409
LAIF - STATE INVESTMENT POOL	\$ 6,119,537	17.8%	75%	\$ 6,113,730
SAN DIEGO COUNTY INVESTMENT POOL	\$ 4,787,294	13.9%	75%	\$ 4,775,000
CAMP - JPA INVESTMENT POOL	\$ 4,770,688	13.9%	75%	\$ 4,770,688
CAMP PORTFOLIO - US BANK Safekeeping				
Federal Agency Securities				
GNMA Pools	\$ 5,042			\$ 4,981
FNMA Benchmark & Global Notes	\$ 1,994,128			\$ 1,987,671
FHLMC Notes	\$ 993,449			\$ 988,801
Total Federal Agency Securities	\$ 2,992,619	8.7%	75%	\$ 2,981,452
US Treasury Bonds/Notes	\$ 3,191,211	9.3%	75%	\$ 3,172,186
Corporate Notes	\$ 5,495,663	16.0%	20%	\$ 5,462,868
Corporate Notes	\$ 1,488,626	4.3%	10%	\$ 1,487,481
Negotiable Certificates of Deposit	\$ 2,749,966	8.0%	10%	\$ 2,736,733
TOTAL CAMP PORTFOLIO	\$ 15,918,085	37.6%		\$ 15,840,721
<b>TOTAL CASH &amp; INVESTMENTS</b>	<b>\$ 34,342,013</b>	<b>100.0%</b>		<b>\$ 34,246,548</b>

As of December 31, 2018		QUARTERLY RESULTS			
Cash & Investments	Avg Days to Maturity	Change in Cash & Inv	Interest Earned	Average Return	LAIF Benchmark
<b>\$34.2M</b>	<b>155</b>	<b>\$.6M</b>	<b>\$173K</b>	<b>2.10%</b>	<b>2.21%</b>

**MEMORANDUM**

Ref: 19-6518

**DATE:** February 7, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** January 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 January 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 January 2019 for your review.

tb:PJB

Attachment

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

Conference Date	Description	Director	Director	Director	Director	Director	GM	ASM	Fssup	ASsup
		J. Hanson	E. Sullivan	D. Omsted	D. Kulchin	A. Juliussen	P. Bushee	R. Duffey	M. Gonzalez	T. Hill
<i>2019 CSFMO Annual Conference</i>										
2019 CSFMO Annual Conference January 8-11, 2019 Palm Springs, CA	Registration							255.00		
	Hotel							821.70		
	Airfare									
	Meals							22.52		
	Rental Car									
	Parking									
	Tips/Baggage							18.00		
	Fuel/mileage/taxi/uber									
<b>Total</b>		0.00	0.00	0.00	0.00	0.00	0.00	1,117.22	0.00	0.00
<i>2019 CASA Winter Conference</i>										
2019 CASA Winter Conference January 23-25, 2019 Indian Wells, CA	Registration	575.00	575.00	575.00	575.00		575.00	365.00		475.00
	Hotel	625.05	416.70	625.05	625.05		416.70	208.35		208.35
	Airfare									
	Meals	113.70	87.26	118.94	74.79		76.33	30.58		6.20
	Rental Car									
	Parking		60.00							
	Tips	8.00	18.00	12.00	20.00		4.00	10.00		
	Fuel/mileage/taxi/uber	140.94	164.72	6.96	168.20		71.59	44.38		104.40
<b>Total</b>	1,462.69	1,321.68	1,337.95	1,463.04	0.00	1,143.62	658.31	0.00	793.95	
<i>2019 CSFMO Annual Conference</i>										
	Registration									
	Hotel									
	Airfare									
	Meals									
	Rental Car									
	Parking									
	Tips									
	Fuel/mileage/taxi/uber									
<b>Total</b>		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>2019 CSFMO Annual Conference</i>										
	Registration									
	Hotel									
	Airfare									
	Meals									
	Rental Car									
	Parking									
	Tips									
	Fuel/mileage/taxi/uber									
<b>Total</b>		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Notes:  
- DK, JH and DO 3 nights hotel, PB and ES 2 nights hotel, RD and TH 1 night hotel  
- conference fees vary based on full or partial conference attendance  
- DO drove in JH car to conference

**Encina Wastewater Authority Report**  
**Regular Board Meeting**  
**January 23, 2019**

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

**1. Committee Assignments for Calendar Year 2019**

The Board of Directors received and filed the Committee appointments for Calendar Year 2019.

**2. Proposed 2019 Tactical Plan**

The Board of Directors reviewed and approved the 2019 Tactical Plan.

**3. Encina Water Pollution Control Facility Site Security Project**

The Board of Directors received and filed the Encina Water Pollution Control Facility Confidential Site Security Assessment provided by TRC.

The Board of Directors also authorized the General Manager to execute an amendment to the existing TRC contract in the amount of \$24,000 for continuation of services on the Site Security Project.

**4. 2019 Board Policy Workshop Date**

The Board of Directors established a date of March 5, 2019 from 8:00-11:30am to hold the 2019 Board Policy Workshop.



**5. The Board of Directors met in Executive Session to discuss:**

Conference with Legal Counsel - existing litigation as authorized by Government Code section §54956.9(d)(1) - One Case: In the Matter of Statement of Issues Against Encina Wastewater Authority

There was no reportable action.

## Community Affairs Committee Meeting Report

Presented by Director Sullivan

---

### **Meeting held January 16, 2019**

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

#### **1. Review the draft text for the 2019 Winter newsletter**

The CAC reviewed and commented on the draft text of the 2019 Winter newsletter.

The CAC directed staff to move forward with final text and layout of the newsletter.

# Investment & Finance Meeting Report

Presented by Director Hanson

---

## **Meeting held January 29, 2019**

### **1. Comprehensive Financial Plan Tracking Update**

The Committee received an update on the Comprehensive Financial Plan Tracking.

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

### **2. The IFC conducted its Annual Review of the LWD Reserve Fund Policy.**

Staff presented the Annual Review of LWD's Reserve Fund Policy. Staff is recommending that a restricted reserve be added to the policy to cover LWD reserves held by the Encina Wastewater Authority. Staff is also recommending other minor administrative changes.

The IFC concurred with staff to recommend that the Board of Directors adopt Resolution No. 2310 approving the revised Reserve Policy. This item will be discussed later in the agenda.

### **3. CalPERS Update**

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

# Engineering Committee Meeting Report

Presented by Director Juliussen

---

## **Meeting held February 5, 2019**

The Engineering Committee (EC) reviewed the following recommendation:

- 1. Authorize the General Manager to execute Amendment No. 5 to Task Order No. 29 with Infrastructure Engineering Corporation for additional design services for the Leucadia Pump Station Rehabilitation Project in an amount not to exceed \$47,986**

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 “Keeping Our Eyes on Target.”**

This item was for information purposes and there was no action taken. At the suggestion of the EC, this item will be discussed later in the agenda.

**MEMORANDUM**

**DATE:** February 7, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Leucadia Pump Station Rehabilitation Project – Design Services

**RECOMMENDATION:**

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

1. Authorize the General Manager to execute Amendment No. 5 to Task Order No. 29 with Infrastructure Engineering Corporation for additional design services for the Leucadia Pump Station Rehabilitation Project in an amount not to exceed \$47,986.
2. Discuss and take other action as appropriate.

**BACKGROUND:****Tactical Goal: Infrastructure and Technology / Leucadia Pump Station Rehabilitation**

This item was reviewed by the EC at its February 5<sup>th</sup> meeting and the EC concurred with staff to present this item for the Board's consideration.

In May 2018 the Board authorized Amendment No. 4 to Task Order 29 with Infrastructure Engineering Corporation (IEC) for engineering services for the design of the Leucadia Pump Station (LPS) Rehabilitation Project. The major design criteria for Amendment No. 4 included:

- Install five new dry pit submersible pumps, three of which have 150 horsepower (HP) motors and two with 25 HP motors.
- Replace the check valves and associated piping and place them in the horizontal position from their current vertical position.
- Replace the 24" discharge header which was installed as part of the 1971 construction.

You may recall that this criteria was added to the project design because staff discovered extremely high levels of hydrogen sulfide (H<sub>2</sub>S) at the discharge end of the Leucadia (L2) Force Main. High concentrations of H<sub>2</sub>S create an extremely dangerous, odorous and corrosive environment. Staff and District Engineer (DE) Wilson evaluated and field tested several operational adjustments to reduce the H<sub>2</sub>S level. However, no significant H<sub>2</sub>S reduction resulted from the field tests. Therefore, an evaluation and redesign of the mechanical system was required to reduce the H<sub>2</sub>S levels. In the interim, staff switched from Bioxide to ferrous chloride to improve H<sub>2</sub>S control at a reduced cost. The installation of new pumps, check valves and associated piping altered the original project scope from a minor to a major pump station rehabilitation.

**DISCUSSION:**

Recently, staff began the evaluation to specify a replacement large capacity emergency bypass pump to replace "Big Blue". Big Blue requires replacement by January 2020 to meet revised San Diego County Air Pollution Control District (APCD) discharge requirements. The fiscal year 2019 (FY19) Capital Acquisition Budget includes a line item for pump replacement. During the evaluation staff not only considered various configurations for the new pump, but holistic ways to improve emergency bypass pumping. As a result, staff chose to separate the emergency bypass

pump into two sections (an electric motor driven pump and an electric generator) and to have a permanently installed submersible pump in the LPS Emergency Basin. This new arrangement has multiple advantages.

- The ability to rapidly start pumping operations out of the emergency basin in emergencies.
- Reduce the size and capacity of the replacement emergency bypass pump.
- Smaller mobile emergency bypass pump provides increased maneuverability and safety.
- Smaller pump foot print, easier to position in a confined pump station area.
- Pump end can remain connected, if desired, and not violate APCD regulations.

Additionally, staff has continued to evaluate alternate methods for H<sub>2</sub>S control. As a result, staff has determined that a super-oxygenation system is the most effective method to lower H<sub>2</sub>S levels and reduce operational cost. Therefore, staff requested IEC include installing both a permanent submersible pump in the Emergency Basin and a super-oxygenation system at LPS. The amendment incorporates these concepts into project design.

IEC has submitted a proposal, attached, to continue project design. The Scope of Work includes:

***Task 1 – Project Management and Administration***

***Task 2.1 – Interim Design Submittal***

Compare an electric driven submersible pump to a diesel driven at-grade pump for parallel bypass pumping to meet peak flows during construction.

***Task 2.2 – Emergency Pumping for LPS***

Review permanent submersible pump parameters and complete preliminary design and layout for the Emergency Basin pumping system.

***Task 2.3 – Odor Control***

Confirm specifications and design site layout for super-oxygenation odor control system.

***Task 2.4 – Floodproofing Dry Pit***

Evaluate electrical modifications in the LPS dry pit to enable continuous operations of the submersible pumps if flooding occurs in the dry pit.

IEC's proposed fee for the scope of this amendment is \$47,986 which includes services to support project design, such as electrical engineering subconsultant design services. The current engineer's opinion of probable construction cost including a 15% contingency is \$2,822,000. The total design cost with this amendment is \$365,931 or 13% of the estimated construction cost. Staff reviewed the proposal and believes it is fair and reasonable. Therefore, staff and the EC recommend that the Board authorize the General Manager to execute Amendment No. 5 to Task Order 29 with IEC for engineering design services for the Leucadia Pump Station Rehabilitation Project.

**FISCAL IMPACT:**

The FY19 budget contains sufficient funds to continue design services to be provided under this task order amendment.

rym:PJB

Attachment



January 25, 2019

Mr. Robin Morishita  
Leucadia Wastewater District  
1960 La Costa Avenue  
Carlsbad, California 92009

**RE: Proposal for Additional Engineering Services for Final Design of Leucadia Pump Station Rehabilitation Project – Amendment No. 5 – Interim Design Submittal, Permanent Submersible Emergency Pumping at LPS, Odor Control and Floodproofing**

Dear Mr. Morishita:

It has been our pleasure to assist the District with the Leucadia Pump Station (LPS) Rehabilitation Design Project. This letter requests an amendment (Amendment No. 5) for additional engineering services to prepare an interim design submittal and to prepare a preliminary design for submersible pumping in the emergency overflow basin with related electrical preliminary engineering for a super-oxygenation odor control system for use at the pump station and flood proofing of the dry pit.

#### ***Interim Design Submittal***

On July 20, 2018 IEC submitted 75% design plans and specifications based on the Preliminary Design Report. In response to comments made in the 75% Design Review Memo and design review meeting, the District has requested that IEC prepare an interim submittal based on changes to the scope of the design parameters of the PDR. These changes include the use of submersible pumps for bypass pumping, a decrease in discharge header diameter, a request for evaluation of all pump station pipe sizing and check valve and flow meter sizing. IEC completed and delivered the Interim Design Submittal to the District on October 16, 2018. The interim submittal was discussed at a review meeting held on November 7, 2018, at which the additional topics of emergency/bypass pumping and odor control were raised.

#### ***Emergency Pumping Preliminary Design***

IEC will develop a preliminary design for use of a permanent submersible pump for pumping from the emergency overflow basin. The preliminary engineering will include pump selection, pump layout and discharge manifold piping and valve layout. We will design the discharge header to connect to the existing force main bypass connection and also to allow for a second pump connection. A duty point of 3200 gallons per minute (gpm) at 120 feet (ft,') of Total Dynamic Head (TDH) has been selected by the District Engineer. IEC will confirm this selection with the District Engineer prior to pump selection. We will consider the District's goals to power the submersible pump using a new exterior watertight Motor Control Center with soft start and control panel, to power from a portable generator and lastly, to power from the existing generator at the LPS. IEC will evaluate siting for a new valve package to control flow from the proposed submersible pump in the emergency wet well to the existing force main system.

### ***Odor Control***

The District is currently using ferrous chloride to control hydrogen sulfide production in the LPS force main (L1). The District proposes to discontinue chemical addition for sulfide control and instead use a super-oxygenation system from ECO2 or Blue Green. The super-oxygenation system would require on-site oxygen generation or storage of liquid oxygen (LOX). The District has requested that IEC review the requirements of the super-oxygenation system for incorporation into the LPS Rehabilitation Design project.

### ***Floodproofing the Dry Pit***

The IEC team, including electrical subconsultant Moraes Pham, will evaluate and redesign the electrical disconnect box and safety switches at each of the pumps for water-tightness. The height of electrical connection boxes will be raised to a "floodproof" level above the floor. The dry pit submersible pump cable connection to the electrical connection box and entry into the pump will be confirmed to be waterproof.

### ***Summary***

This letter requests reimbursement for the additional engineer services required to prepare the Interim Design Submittal and additional engineering services to prepare a Preliminary Design to evaluate the new topic of emergency pump and odor for inclusion into the LPS Rehabilitation Project design. The services requested under this fifth amendment supplement, and do not overlap with, previous services authorized.

### **SCOPE OF SERVICES**

#### ***Task 1.0 – Project Management and Administration***

This phase of work will include three Project Coordination and Status Meetings (3), Project Administration, Coordination and Record Keeping and review, update and response to the Interim Submittal Review Comment Log.

#### ***Task 2.1 - Interim Design Submittal***

The interim submittal will include a comparison of electric driven submersible pump using existing pump station electrical versus diesel driven at grade pumps for bypass pumping during construction. IEC will calculate the velocity and headloss through the discharge header piping, all other station piping, the check valve and flow meter and include the results of these calculations in the interim submittal. The line velocity through the check valve will also be evaluated to determine whether it is sufficiently high to keep the valve open during low flow. IEC will prepare a technical memorandum and mechanical plan and section drawings for the interim submittal

#### ***Task 2.2 – Emergency Pumping for LPS***

IEC will prepare a Preliminary Engineering Report for Emergency Pumping with a permanent submersible pump in the emergency overflow basin for the LPS. We review the duty point for the



submersible with the District Engineer, select the pump size and type, layout and preliminary design. A preliminary electrical will be done and an Engineer's Opinion of Probable Cost prepared. A review meeting will be held to solicit input from District Engineering and Field Staff. Once the preliminary design concept is agreed to, IEC will outline implementation steps. A draft and final technical memorandum will be prepared for this task.

**Task 2.3 – Odor Control**

Confirm the design criteria for the supero-oxygenation system – sulfide loading and removal  
Layout ECO2 or Blue Green equipment including storage tank or generation equipment  
Define site modification required for safety and security (asphalt, etc.)  
Prepare Engineer's Opinion of Probable Construction Cost  
The findings of this task will be included in the technical memorandum under Task 2.2.

**Task 2.4 – Floodproofing Dry Pit**

Confirmation of dry pit submersible design for submergence – cable entry, etc.  
Coordination with electrical modifications  
Layout of modified equipment configuration (2)  
Prepare Engineer's Opinion of Probable Construction Cost  
The findings of this task will be included in the technical memorandum under Task 2.2.

**SCHEDULE**

It is anticipated IEC will commence with preparation of the preliminary design submittal for Task 2.2 through 2.4 within two weeks of the notice to proceed. The prepare of the Interim Design Submittal is already complete. Monies from the LPS final design task (Amendment No. 4) were used to complete it. The preliminary design submittal will be completed within twelve weeks. Additional drafts or a change in scope from the scope prosed here will result in addition time and budget.

**FEE**

The proposed level of effort and fee is indicated on the attached table. We estimate the cost of the additional work to be \$47,986. This would bring the total requested project budget to \$365,931. Billing will be in accordance with our current agreement for as-needed engineering services. We sincerely appreciate the opportunity to provide this proposal and assist the District with this project. Please contact me at (858) 842-4425 should you have any questions or need further information.

Sincerely,



Jane Costello, PE  
Project Manager

cc: Jamie Fagnant, PE, IEC, Rob Weber, PE, IEC

FEE ESTIMATE  
 LEUCADIA WASTEWATER DISTRICT  
 Leucadia Pump Station Rehabilitation Project  
 Amendment No. 5  
 Preliminary Design of Emergency Pumping, Odor Control and Floodproofing

Task/ Subtask	Task/Subtask Description	Project Manager (Jane Costello)	Sr. Project Engineer (Jamie Fagnant)	Sr. Project Manager/Q C (Rick Kennedy)	Engineer II (Anthony Salvani)	Engineer II/CAD Designer II (Tarry Sweitzer)	Word Processor (Annette Moore)	Subtask Labor- Hours	Subtask Labor Cost	Direct Cost	Subcontract (Electrical/Structural)	Total Cost
TASK 1.0	Project Management and Administration	\$180.00	\$160.00	\$200.00	\$120.00	\$120.00	\$98.00					\$8,076
	Interim Submittal Review Comment Log Review	2			2		2	6	\$796			\$796
	Project Administration, Coordination, Record Keeping and QC	4		16				20	\$3,920			\$3,920
	Project Coordination and Status Meetings - (3 total)	9	9					18	\$3,060	\$300		\$3,360
TASK 2.1	Interim Design Submittal											\$15,640
	Bypass Pumping Method Comparison	16	2					18	\$3,200			\$3,200
	Design calculations for headloss and velocity	12						12	\$2,160			\$2,160
	Mechanical Plans and Section	2			16	16		34	\$4,200			\$4,200
	Interim Design Submittal Technical Memo	32	2					34	\$6,080			\$6,080
TASK 2.1	Emergency Pumping Preliminary Design - LPS											\$8,220
	Review duty point and select submersible pump	1	1		4			6	\$820			\$820
	Prepare layout of submersible pump, piping, valves, valve vault.	2			16			18	\$2,280			\$2,280
	Prepare layout of electrical equipment	2			4			6	\$840			\$840
	Prepare control description and operating procedures.	4	2					6	\$1,040			\$1,040
	Prepare Engineer's Cost of Probable Construction Costs	2			6			8	\$1,080			\$1,080
	Prepare a draft and final Technical Memorandum	12						12	\$2,160			\$2,160
TASK 2.2	Odor Control											\$3,120
	Layout equipment including LOX storage tank or generation equipment on site				8			8	\$960			\$960
	Define site modifications required for safety and security	2			8			10	\$1,320			\$1,320
	Prepare Engineer's Cost of Probable Construction Costs	2			4			6	\$840			\$840
TASK 2.3	Floodproofing Dry Pit											\$1,800
	Confirmation of submerged pump operation				2			2	\$240			\$240
	Coordination with electrical modifications	2						2	\$360			\$360
	Layouts of modified equipment configuration	2						2	\$360			\$360
	Engineer's Opinion of Probable Construction Cost	2			4			6	\$840			\$840
TASK 2.4	Electrical Preliminary Engineering										\$11,130	\$11,130
		110	16	16	74	16	2	234				
		\$19,800	\$2,560	\$3,200	\$8,880	\$1,920	\$196		\$36,556	\$300	\$11,130	\$47,986

TOTAL NOT-TO-EXCEED FEE: \$47,986

**MEMORANDUM**

**DATE:** February 7, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** **California Asset Management Program (CAMP) Individual Portfolio Program Status Report**

---

**RECOMMENDATION:**

1. This item is presented for information purposes.

**DISCUSSION:**


The LWD Board of Directors initially authorized the investment of up to \$15 million dollars of reserve funds in the CAMP Individual Portfolio Program in November 2004. In April 2006, the Board of Directors authorized the investment of an additional \$5 million into the CAMP Individual Portfolio to bring the total maximum investment up to \$20 million.

Staff has been working closely with the CAMP Program administrator, Public Financial Management (PFM), to invest and reinvest LWD's authorized funding. Mr. Richard Babbe of PFM/CAMP will present a brief overview of the Individual Portfolio Program's performance to date at the meeting.

This item is presented for information purposes and there is no action required.

rad:PJB

**MEMORANDUM**

**DATE:** February 7, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** **Comprehensive Financial Plan Tracking**

---

**RECOMMENDED:**

- 1) This item is presented for information purposes only.

**DISCUSSION:**

**Tactical Goal: Financial / Financial Plan Update**

This item was reviewed by the IFC at its January 29<sup>th</sup> meeting and the IFC concurred with staff to present this item for the Board's consideration.

During 2018, LWD updated the District's Financial Plan. The purpose of the Financial Plan is to ensure the financial stability of the District through a long-term financial planning process that projects future financial conditions and provides guidance in our decision-making process. As you may recall, at the January 2018 meeting, the Board approved a professional services agreement with Raftelis Financial Consultants to update the Financial Plan. The Financial Plan Update was completed June 6, 2018.

Each year, following the completion of our annual audit, staff updates the Financial Plan model using these current audited figures and adds the following year's budget figures as well. Staff has completed this year's internal update and will present an overview of how LWD is currently tracking with the 2018 Comprehensive Financial Plan for the committee's information.

rad:PJB

MEMORANDUM

Ref: 19-6530

DATE: February 7, 2019  
TO: Board of Directors  
FROM: Paul J. Bushee, General Manager  
SUBJECT: Annual Review of LWD Reserve Fund Policy

**RECOMMENDATION:**

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

1. Adopt Resolution No. 2310 approving the revised Reserve Fund Policy; and
2. Discuss and take other action, as appropriate.

**DISCUSSION:**

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

This item was reviewed by the IFC at its January 29<sup>th</sup> meeting and the IFC concurred with staff to present this item for the Board's consideration.

In February 2005, the Board of Directors (Board) adopted Leucadia Wastewater District's (LWD) Reserve Fund Policy which established a means for LWD to ensure that sufficient funds are available for current operating and capital needs. The policy was last revised in February 2014.

The Reserve Fund Policy establishes two distinct reserves at LWD: 1) Restricted Reserves and 2) Unrestricted Reserves. The policy also establishes various designations within each type of reserve and calls for an annual review of the reserve balances. This report constitutes that review.

Staff has reviewed the Reserve Fund Policy and is recommending a change to include the Encina Wastewater Authority (EWA) Reserve as a restricted reserve to the existing Reserve Fund Policy. Since LWD reserve funds that have been deposited with EWA are restricted for specific EWA purposes (operating, inventory, and capital), it was determined that they should be included as part of LWD's restricted reserves. In addition, there were some additional minor changes that are administrative in nature. These changes are highlighted in Exhibit A of proposed Resolution No. 2310 (attached).

Staff will provide an overview of the FY 2018 reserve activity during the Board meeting. A copy of the policy is attached for the committee's review.

During November 2018, the Board received the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018 that included the following reserve balances:

**Restricted Reserves:**

<u>Reserve Designation</u>	<u>Reserve Balance</u>
Capital Improvement Reserve	\$ 558,097
Encina Wastewater Authority Reserve	\$1,486,800
<b>Total</b>	<b>\$2,044,897</b>

**Unrestricted Reserves:**

<b>Reserve Designation</b>	<b>Reserve Balance</b>
Operations Reserve	\$ 2,279,588
Replacement Reserve	\$20,910,954
Water Recycling Reserve	\$ 1,265,370
Emergency Reserve	\$ 7,500,000
<b>Total</b>	<b>\$31,955,912</b>

rad:PJB

Attachment

**RESOLUTION NO. 2310**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
LEUCADIA WASTEWATER DISTRICT  
ADOPTING A REVISED RESERVE FUND POLICY**

---

WHEREAS, the Leucadia Wastewater District (LWD) Board of Directors has adopted a Reserve Fund Policy; and

WHEREAS, the LWD Board of Directors conduct an annual review of the Policy and recommend modifications to the Policy as required;

NOW, THEREFORE, it is hereby resolved as follows:

1. The LWD Board of Directors adopts the LWD Reserve Fund Policy attached hereto as Exhibit "A" and directs that it be implemented consistent with all applicable laws and related District policies.
2. This Resolution supersedes Resolution No. 2242.

PASSED AND ADOPTED by the Board of Directors of Leucadia Wastewater District this 13th day of February, 2019, by the following vote:

AYES: Directors: Kulchin, Juliussen, Omsted, Hanson and Sullivan

NOES: None.

ABSENT: None.

ABSTAIN: None.

---

David Kulchin, President

ATTEST:

---

Paul J. Bushee, General Manager

(SEAL)

## Exhibit A

### LEUCADIA WASTEWATER DISTRICT RESERVE FUND POLICY

Ref: 14-394819-6463

#### A. POLICY STATEMENT:

One key element of prudent financial planning is to ensure that sufficient funding is available for current operating, capital, and debt service cost needs. An additional critical element of fiscal responsibility is to anticipate and prepare for future funding requirements as well as for unforeseen disasters and other unforeseen events. The Leucadia Wastewater District (LWD) will at all times strive to have sufficient funding available to meet its operating, capital, and debt service cost obligations. Reserve funds will be accumulated and maintained in a manner, which allows LWD to fund costs consistent with LWD's ~~Long Range Capital~~ adopted Asset Management Plan and ~~Long Range~~ Financial Plan, while avoiding significant rate fluctuations due to changes in cash flow requirements. LWD will also maintain an emergency reserve position that may be utilized to fund unexpected disasters or unanticipated major failures. The Board of Directors will annually review the level of reserve funds maintained.

#### B. DEFINITIONS:

Restricted Reserves: ~~These reserves have Restrictions~~ restrictions on their use that are imposed by ~~an~~ outside sources such as creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Reserves: ~~These reserves H~~ have no externally imposed use restriction. The use of Unrestricted Reserve funds is at the discretion of the Board of Directors. There are two categories of Unrestricted Reserves: -Designated and Undesignated. At LWD, all Unrestricted Reserves ~~are have been~~ Designated Reserves.

Designated Reserves: ~~These reserves are S~~ set-aside for a specific purpose, which is determined by the Board of Directors. -The Board of Directors also has the authority to redirect the use of these reserve funds as the needs of LWD change.

#### C. LEUCADIA WASTEWATER DISTRICT RESERVES:

LWD maintains the following reserve funds:

##### 1.0 RESTRICTED RESERVES:

###### a) Capital Improvement Reserve:

The purpose of the Capital Improvement Reserve is to finance future capital facilities that are expansion-/growth related. These capital improvements are identified in LWD's Asset Management Plan and ~~Comprehensive~~ Financial Plan Update. These reserve funds are accumulated in an orderly manner in conformance with State law and drawn down as required by growth related capital projects.

###### b) Encina Wastewater Authority Reserve:

LWD is a member agency of the Encina Wastewater Authority Joint Powers Authority (EWA). EWA maintains member agency deposits on hand to meet its operational, inventory, and capital demands during any quarter. These deposits are restricted for that use.



## 2.0 UNRESTRICTED DESIGNATED RESERVES:

a) Operating Reserve:

Since the majority of operating revenues are received periodically over the fiscal year and operating expenses are incurred uniformly over the fiscal year, an operating reserve is necessary to fund those costs attributable to daily operations. To meet daily operational needs, LWD has established an Operating Reserve balance at 33% of annual budgeted operating expenses.

b) Replacement Reserve:

The Replacement Reserve provides funds for capital replacement and refurbishment of existing wastewater facilities. These capital improvements are identified in LWD's adopted Asset Management ~~Master~~ Plan and ~~Comprehensive~~ Financial Plan Update. Replacement Reserve funds are accumulated in an orderly manner and drawn down as required to fund capital replacement projects. To avoid abrupt sewer service rate changes, this reserve may be used to stabilize rates. The Replacement Reserve shall not exceed the total 20-year capital replacement costs for wastewater facilities as identified in the ~~Comprehensive~~ Financial Plan Update. The yearly average of the 20-year capital replacement costs is the minimum target balance to ensure that LWD is able to fund capital replacements as they are scheduled or needed.

~~LWD's capacity fee represents a system buy-in that takes into account the value of existing capacity pre-built by current users that will benefit future users, and is a source of funding for the Replacement Reserve.~~

c) Water Recycling Reserve:

The Water Recycling Reserve will fund capital improvements and replacement of water recycling facilities. This reserve will can also be used to fund operating expenses in the Water Recycling Fund whenever there is a shortfall of recycled wastewater sales revenue ~~to operating expenses~~. These capital improvements are identified in ~~LWD'S~~ LWD's adopted Asset Management Plan and ~~Comprehensive~~ Financial Plan Update. The Replacement Reserve shall not exceed the total 20-year capital replacement costs for water recycling facilities as identified in the ~~Comprehensive~~ Financial Plan Update.

d) Emergency Reserve:

The Emergency Reserve provides funds for emergency response for potential repair or replacement of capital facilities due to damage from a natural disaster or unanticipated major failure in a period when capital improvements funds have otherwise been purposely spent down to preset limits on planned projects. The Emergency Reserve is at the discretion of the Board of Directors and is maintained at a level of \$7,500,000, which is based on the recommendation by LWD staff and the District Engineer (Exhibit A).

For further detail of the sources and uses of the above reserves please refer to following section "D".

**D. SOURCES AND USE OF FUNDS:**

This section describes the sources and uses of funds for LWD reserves and includes maximum and minimum reserve balances and other informational notes.

<b>RESERVE</b>	<b>SOURCE OF FUNDS</b>	<b>USE OF FUNDS</b>	<b>NOTES</b>
----------------	------------------------	---------------------	--------------

**RESTRICTED RESERVES**

<b>RESERVE</b>	<b>SOURCE OF FUNDS</b>	<b>USE OF FUNDS</b>	<b>NOTES</b>
Capital Improvement	Interest earned on reserve	Growth related capital expenditures	Funds previously accumulated from capacity fees. Now, capacity fees reflect 100% buy-in to the system and are transferred to the Replacement Reserve
<u>EWA</u>	<u>Funds transferred from LWD to EWA for deposit with EWA</u>	<u>Funds transferred back from EWA to LWD due to reduction in deposit requirements</u>	<u>Deposit balances determined by EWA approved financial reserve policy. Deposit is for EWA Operating, Inventory, and Capital demands during any quarterly period</u>

**UNRESTRICTED DESIGNATED RESERVES**

<b>RESERVE</b>	<b>SOURCE OF FUNDS</b>	<b>USE OF FUNDS</b>	<b>NOTES</b>
Operating	Operating income and interest earned on reserve	Wastewater Operating expenses	Reserve balance maintained at 33% of budgeted operating expenses. Excess (deficit) funds transferred to/ (from) Replacement Reserve
Replacement	<u>Property taxes, interest earned on reserve and other non-operating income, -100% of Capacity Fees, and other non-operating income. Also Excess operating revenues income transferred from Operating Reserve, and excess interest earned on emergency reserve</u>	Replacement related capital expenditures and rate stabilization	<u>Limited to Maximum reserve balance is 20-year capital replacement costs as identified in the Comprehensive Financial Plan Update. Minimum reserve target balance is the yearly average of the 20-year capital replacement costs as identified in the Financial Plan</u>
Water Recycling	Recycled Water sales, <u>grant income</u> , and interest earned on reserve	Recycled Water capital improvement and replacement as well as	<u>Limited to Maximum reserve balance is 20-year capital replacement costs as identified in the</u>

		water recycling operating expenses	Comprehensive Financial Plan Update.
Emergency	Originally funded by board action. Interest earned on reserve	Emergency repair or replacement expenditures	Reserve balance maintained at \$7,500,000 level. Excess funds transferred to Replacement Reserve

### EXHIBIT A

#### Leucadia Wastewater District Discussion of Emergency Reserve Fund

Maintenance of an Emergency Reserve Fund (ERF) would provide the benefit of providing funds for emergency response for repair or replacement of capital facilities potentially necessary due to natural disaster damage or unanticipated major failure in a period when capital improvement funds have otherwise been purposely spent down to preset limits on planned projects. Separately, Capital Reserve Funds will be accumulated in a planned manner through financing, setting aside a portion of sewer service fees, or a combination of both methods, as determined by Board policy.

The amount to be recommended for maintenance in the ERF has been evaluated and discussed by Leucadia Wastewater District (LWD) staff and the District Engineer. The following table lists some pros and cons for three potential levels of ERF.

ERF Alternatives	Pros	Cons
Alternative 1: LWD maintain small ERF of \$1.0 million	<ol style="list-style-type: none"> <li>1) Reduces initial reliance on borrowing.</li> <li>2) Would extend period of reduced rate increases.</li> </ol>	<ol style="list-style-type: none"> <li>1) Not enough reserve to respond to many reasonably possible emergency events.</li> <li>2) Increased risk at point of ERF exhaustion that emergencies could not be responded to timely.</li> <li>3) Reduced District liquidity and lesser financing qualifications.</li> <li>4) Increased long term reliance on borrowing.</li> </ol>
Alternative 2: LWD maintain a Moderate ERF of \$7.5 million	<ol style="list-style-type: none"> <li>1) Sufficient funds to adequately replace or repair two major District facilities on an emergency basis.</li> <li>2) Sufficient funds to replace or repair about</li> </ol>	<ol style="list-style-type: none"> <li>1) Ties up \$7.5 million of funds that could be used to offset or defer rate increases.</li> <li>2) May be considered as ability to pay discretionary fines in the potential event of a major wastewater spill.</li> </ol>

	<p>six or seven concurrent intermediate size facility problems at any given time.</p> <p>3) Unlikely to deplete ERF in a time period that would not allow establishment of additional financing, if necessary.</p> <p>4) Provides opportunity for investment of modest amount of about 1.5 years worth of sewer service fee collections.</p> <p>5) Provides ability to fund one to two years of typical CIP schedule projects, while additional funding is being established.</p> <p>6) Increases liquidity of District that would be considered positively by financial markets when considering other financing issues.</p>	<p>3) Over time, it may be determined that the \$7.5 million amount should be decreased or increased depending on facility performance and risk tolerance.</p>
<p>Alternative 3: LWD maintain a Large ERF of \$15 million</p>	<p>1) Very little risk that any emergency situation would result that funds were not available for immediate response.</p>	<p>1) Maintenance of large reserves is considered by some watch dog entities as a negative attribute.</p>

Based on an analysis of the above three ERF funding alternatives above, LWD staff and the District Engineer recommend that LWD adopt Alternative 2 – LWD Maintain a Moderate ERF of \$7.5 million.

MEMORANDUM

Ref: 19-6531

**DATE:** February 7, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** California Public Employees' Retirement System (CalPERS) Update

---

**RECOMMENDATION:**

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

- 1) Direct Staff to implement option no. 3, Additional Discretionary Payments (ADP), to make additional pension payments to CalPERS on a period basis to address the District's CalPERS Unfunded Accrued Liability, and
- 2) Discuss and provide direction as appropriate.

**BACKGROUND:**

**Tactical Goal: Financial/ PERS Unfunded Accrued Liability/ Evaluate and Present Options**

This item was reviewed by the IFC at its January 29<sup>th</sup> meeting and the IFC concurred with staff to present this item for the Board's consideration.

At the March 2018 Board meeting, staff presented an overview of recent changes to the CalPERS assumptions and the impact they will have on LWD's future employer contributions. At that time, the Board directed staff to follow-up with potential options to address this issue once CalPERS completed its fiscal year (FY) 2017 actuarial report, which was expected to be released in October 2018. This item was subsequently included as a goal in LWD's FY 2019 Tactical Plan and LWD received the CalPERS FY 2017 actuarial report in October as expected.

At the November 8, 2018 Board meeting, staff, after reviewing the latest CalPERS actuarial report, presented an update on the recent changes to the CalPERS assumptions and the impact they will have on LWD's future employer contributions. It was noted that District's Accrued Pension Liability for its Classic employees was 76% funded, and its corresponding Unfunded Accrued Liability (UAL) was growing over time. Several options were presented to address the UAL. The Board directed staff to come back with a recommended option.

By way of background, CalPERS charges both an "employee" rate and an "employer" rate for its retirement system. LWD employees pay their full share of the employee rate. LWD's employer rate is further broken down into two categories: the normal cost and the unfunded accrued liability (UAL). The normal cost reflects the annual cost of service and is paid as part of payroll, whereas the UAL reflects the cost needed to fund past service credit earned by retired and current employees. LWD currently pays its UAL expenses annually based on a 30-year amortization period.

## DISCUSSION:

As referred to above, CalPERS recently made a significant change to its discount rate assumption – lowering it from 7.5% to 7.0% over a three-year period beginning in FY 2019. The discount rate is the assumed rate of return that CalPERS expects its investments to earn over time. This change increases LWD’s PERS contribution costs for both normal costs and UAL payments.

The impact to the normal costs is being phased in over the three-year period, while the increase to LWD’s UAL is being phased in over the next seven years. As a result, the increases in the required contributions are expected to continue for seven years from FY 2019 through FY 2025. During this period, employer contributions are expected to almost double from approximately \$373,000 in FY 2018 to \$694,000 in FY 2025.

In addition, the composition of the employer payments changes over this 7-year period. The UAL payment portion grows from about 45% in FY 2018 to about 62% in FY 2025. Since almost half of the employers UAL payments, over the current 30-year amortization period, is interest expense there are some potential options LWD could use to reduce the UAL expense. The following options were presented to the Board for discussion:


1. Status Quo – Current 30 Year Amortization.
2. Fresh Start – Reduce Amortization Period.
3. Additional Discretionary Payments (ADP) – Make Additional Payments on a periodic basis.
4. Pay Off – Pay off current UAL balance in full.

Staff and the IFC are recommending that the Board of Directors direct staff to implement option no. 3, ADP, to make additional pension payments to CalPERS on a periodic basic to address the District’s CalPERS Unfunded Accrued Liability. The additional payments would vary year to year and would be in the \$188,000 to \$239,000 range. This option, if implemented over the 10-year period, will save the District approximately \$2.2 million in interest expense, will take advantage of dollar cost averaging to reduce investment risk, and gives the District the most flexibility.

At its November 8, 2018 board meeting the Board expressed a preference of option no. 3, ADP. By taking action, the Board would approve moving forward with this approach beginning with the development of next year’s budget (FY 2020).

rad:PJB

**MEMORANDUM**

**DATE:** February 7, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** **Rate Increase for General Counsel Services**

---

**RECOMMENDATION:**

Staff recommends that the Board of Directors:

1. Consider General Counsel Brechtel's letter requesting a rate increase for general counsel services.
2. If approved, authorize the Board President to execute an Agreement with Worden Williams LLP increasing the rate for general counsel services from \$234 per hour to \$270 per hour.
3. Discuss and provide direction as appropriate.

**DISCUSSION:**

General Counsel Brechtel has transmitted a letter (Attachment 1), for the Board of Directors consideration, requesting a rate increase for general counsel services. The purpose of this agenda item is to provide the Board an opportunity to discuss Mr. Brechtel's letter and, if approved, authorize the Board President to execute an Agreement with Worden Williams LLP (Attachment 2). For the Board's reference, staff has also attached a survey of local public agencies with the associated general counsel rates (Attachment 3).

The current rate paid by LWD for general counsel services is \$234 per hour. It was last adjusted nearly five years ago in April 2014. Staff remains pleased with the performance, breadth and development of services provided by General Counsel Brechtel, his partners and associates. Additionally, staff believes there is high value in the District's long-term relationship with Mr. Brechtel and the Worden Williams LLP law firm.

The fiscal impact of this request is dependent upon the level of services requested of the General Counsel. If the Board approves the proposed rate increase, staff projects that the total billings will increase about \$5,000 per year. The FY 2019 budget includes \$63,500 for general counsel services and the requested increase can be absorbed within this budget amount.

If approved, this Employment Agreement will supersede all prior resolutions and employment agreements between the District and Worden Williams LLP.

PJB

Attachments



1/31/2019

Board of Directors  
Leucadia Wastewater District  
1960 La Costa Avenue  
Carlsbad, California 92009

Re: Legal Services

Dear Members of the Board:

I am respectfully requesting that the current rate for General Counsel services be increased from \$234.00 per hour to \$270.00. Under this proposal, the rates for associate attorneys would increase from \$203.00 per hour to \$234.00 per hour, and the rate for paralegals would increase from \$127.00 per hour to \$146.00 per hour. This would be the first rate increase since April 2014.

The proposed rate increase is calculated to allow Worden Williams to cover its increasing overhead costs and, at the same time, provide the District with competitive legal rates. The proposed rates are well below what is charged to some similar agencies for general counsel services, such as the Encina Wastewater District. The rates are also significantly lower than what is charged to private clients.

Worden Williams is able and willing to provide services to the District at the lower rates for a number of important reasons. Worden Williams has a long history with the District and its experience allows it to provide efficient, timely service. We work with District staff and the Board on a day-to-day basis to solve problems proactively and avoid unnecessary litigation and legal fees. The District has a high level of professionalism and a culture that promotes teamwork and high-quality service to its customers. We share this culture and appreciate the opportunity to act as General Counsel for the District.

I sincerely appreciate your consideration of this request.

WORDEN WILLIAMS LLP

D. Wayne Brechtel, General Counsel  
dwb@wordenwilliams.com

Areas Of Practice

Real Estate

Estate Planning &  
Administration

Business

Land Use &  
Environmental

Litigation

Public Agency

Attorneys

D. Wayne Brechtel

Kristen McBride

Jason R. Schingler

Tomer T. Gutman

Gregory L. Murrell  
*Of Counsel*

D. Dwight Worden  
*Retired*

W. Scott Williams  
*Retired*

Office

462 Stevens Avenue  
Suite 100  
Solana Beach  
California 92075

(858) 755-6604

wordenwilliams.com



**AGREEMENT FOR LEGAL SERVICES  
LEUCADIA WASTEWATER DISTRICT**

The LEUCADIA WASTEWATER DISTRICT, hereinafter referred to as the "District" and WORDEN, WILLIAMS LLP, hereinafter referred to as "Attorney," hereby agree that Attorney will provide professional legal services to the District on the following basis:

1. **COMPENSATION:**

a. **Hourly Compensation.** The District will pay General Counsel and Senior Attorneys at the rate of \$270.00 (Two Hundred and Seventy Dollars) per hour for all work performed.

**Associates Attorneys & Paralegals:** The District shall compensate Attorney for work performed by associate attorneys at a rate of \$234.00 per hour for all work performed. Paralegals shall be compensated at a rate of \$146.00 per hour for all work performed. All associate attorneys and paralegals will work under the direct supervision and control of the Attorney. Compensation for other support services including law clerks and administrative staff shall be billed at Attorney's standard billing rate for those services.

**Overhead.** Attorney shall provide all of its own overhead, including office space, secretarial, library, telephones, insurance, etc., at no additional cost to the District.

b. **Billing.** Attorney shall provide District with detailed monthly statements indicating all work performed and time spent on District business. Costs advanced, if any, shall be shown as separate entries.

2. **DUTIES:**

Attorney's duties and responsibilities shall include the follows:

a. Attendance at (1) all regular and special meetings of the Board of Directors of the District; (2) "pre-meeting" meetings at the direction of the Board President or District Manager; and (3) any and all other meetings of any kind at the direction of the Board, Board President or District Manager.

b. Preparation of ordinances, resolutions, contracts and the like, concerning District business;

c. Preparation of legal opinions on matters concerning the District at the request of the Board, District Manager or Board Committees;

d. Consultation with Board members and staff regarding matters of District business;

e. Defense of the District in any litigation in which the District is named as a party Defendant, subject to the direction and control of the Board;

f. Preparation and prosecution of any litigation at the direction of the Board where the District is to be Plaintiff; and

g. Any other activities as directed by the Board, the President, Board Committees or the District Manager.

3. **RESTRICTION:**

Attorney shall not initiate, compromise, settle or release any litigation in which the District is involved except as directed by the Board. Attorney shall not represent the District before any other governmental entity whether federal, state, or local unless so directed by the Board, the President, Board Committees or the District Manager.

4. **ATTORNEY IS INDEPENDENT CONTRACTOR:**

Attorney acknowledges and agrees that Attorney and its agents are independent contractors and not employees of the District, for all purposes. As such, Attorney acknowledges and agrees that neither Attorney nor its agents are entitled to any of the benefits of the District's employee compensation plan, the sole compensation to Attorney and its agents being as provided in this Agreement.

5. **PRIOR AGREEMENTS**

This contract replaces and supersedes all previous contracts for legal services.

6. **TERMINATION AND MODIFICATION:**

This Agreement may be terminated by either party on thirty (30) days notice to the other party. This Agreement may be modified at any time by written amendment signed by both parties.

Executed this 13<sup>th</sup> day of February, 2019 at Carlsbad, California.

LEUCADIA WASTEWATER DISTRICT

By

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

WORDEN, WILLIAMS, LLP


By

\_\_\_\_\_  
D. Wayne Brechtel

**General Counsel Rate Survey, March 2018**

<b>AGENCY</b>	<b>COUNSEL/FIRM</b>	<b>LAST INCREASE</b>	<b>INCREASE AMT.</b>	<b>CURRENT RATE</b>
Encina JPA	Greg Moser, Procopio, Cory, Hargreaves & Savitch	2017	\$40	\$325
Fallbrook PUD	Paula de Sousa Mills, BBK	July 2017	\$5	\$260
Helix WD	Elizabeth Hull and Scott Smith Best Best & Krieger (BBK)	July 2017	3%	Monthly retainer \$10,425; \$283 special services Partner; \$261 for Associate; \$228/hr. Associate 2.
Leucadia WWD	Wayne Brechtel, Worden Williams APC	2014	Not provided	\$234
Olivenhain MWD	Alfred Smith, Nossaman LLP	May 2017	4%	\$268.48 up to 1200 hrs. per year; varied hourly rates for special counsel
Otay WD	Daniel Shinoff, Stutz Artiano Shinoff and Holtz	2011	N/A	Monthly retainer \$20,000/100 hours; \$240 for services outside the retainer; \$210 for associates.
Padre Dam MWD	Paula de Sousa Mills, BBK	March 1, 2018		\$249 for General Counsel Services \$290 for Special Counsel Services
Rainbow MWD	Alfred Smith, Nossaman LLP Bill Pellman, Nossaman LLP	Contracted in 2016	\$70/hr. up to 420 hrs. per year; \$40/hr. for 420+ hrs. per yr.	\$355/hour up to 420 hours per year \$325/hour for 420+ hours per year Varied hourly rates for special counsel
Ramona MWD	Jennifer Lyon, McDougal Love Boehmer Foley Lyon & Canlas	Contracted in April 2015	N/A	\$185
Rincon del Diablo MWD	Gerry Shoaf, Redwine & Sherrill	2017	\$25	\$245.00 until 6/30/18; after which hourly rate will increase annually by amount equal to annual consumer price index for San Diego region.
Santa Fe ID	Paula de Sousa Mills, BBK	Nov. 2017	2.80%	\$245
Sweetwater Authority	Paula de Sousa Mills, BBK	July 2017	\$9	\$254
Vallecitos WD	James Gilpin, BBK	Contracted in March 2018	N/A	\$260 for general counsel services Partner; \$235 for Associate. \$290 for special counsel services Partner; \$260 for Associate; beginning 1/1/19, hourly rate will increase annually by amount equal to annual consumer price index for San Diego region.
Valley Center MWD	Paula de Sousa Mills, BBK	July 2017	\$5	\$262
Vista ID	Joel Kuperberg, Rutan & Tucker	April 2016	\$10	\$255 general; \$280 special <b><i>\$265 general; \$290 special (proposed)</i></b>
Yuima MWD	Stradling Yocca Carlson & Rauth	Jan. 2018	\$20	\$375

**MEMORANDUM**

**DATE:** February 7, 2019  
**TO:** Board of Directors  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** **Draft Agenda - Strategic Planning Workshop**

---

**RECOMMENDED:**

Staff recommends that the Board of Directors:

- 1) Discuss the draft strategic planning agenda and provide direction, as appropriate.

**DISCUSSION:**

As you are aware, the Board of Directors has scheduled its next Strategic Planning Workshop for February 21, 2019. The Board has recently met with Ms. Michele Tamayo of the Tamayo Group, Inc. to discuss issues related to the upcoming event. Based on those discussions, Ms. Tamayo has developed a draft agenda for the Workshop.

The purpose of this item is for the Board to review and discuss the draft agenda and provide any additional input, if appropriate. Staff would work with Ms. Tamayo to incorporate the Board's comments into the final Strategic Planning Workshop agenda.

PJB

Attachment

**LWD Strategic Plan Update  
Board Workshop  
February 21, 2019**

---

**AGENDA**

- 8:30**      **Welcome/Purpose (Board President)**
- I.      Review Agenda & Meeting Guidelines**
- II.     Review Mission & Vision**
- III.    Interview Summary/Discussion**
- 9:00**      **IV.    Four Strategies—Update & Highlights (GM & Staff)**
- **Financial**
  - **People**
  - **Services**
  - **Infrastructure & Technology**
- Identify Opportunities & Obstacles for each Strategy**
- 10:30**      **BREAK**
- 10:40**      **V.     Working Together for Continued Success—Board & Staff Roles**
- **Understanding & Appreciating our Different Communication Styles**
- 12:00**      **Working Lunch**
- **Getting to Know One Another Better...*my most memorable career moment***
- 1:30**      **VI.    Honorable Close**



# San Diego Chapter

## California Special Districts Association

February 5, 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:** **Wednesday, February 20, 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>

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

### LAFCO

Special Districts Elections Nominees

### “What to Remember in the Middle of Change”

by David Berry, M.Ed., PCC

Rule 13 Learning, LLC

Be sure to read your February 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  
Filet of Atlantic Salmon- Sauteed Salmon Fillet with Dill Buerre Blanc  
Pasta Primavera - Fettuccine, Baby Zucchini, Wild Mushrooms, Asparagus, Bell Peppers,  
Baby Squash, Tomatoes, Fresh Basil, Garlic, Crushed Red Peppers, and Parmesan Cheese  
Tossed in a White Wine Sauce

**Registration deadline is: Wednesday, February 13, 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.

#### 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

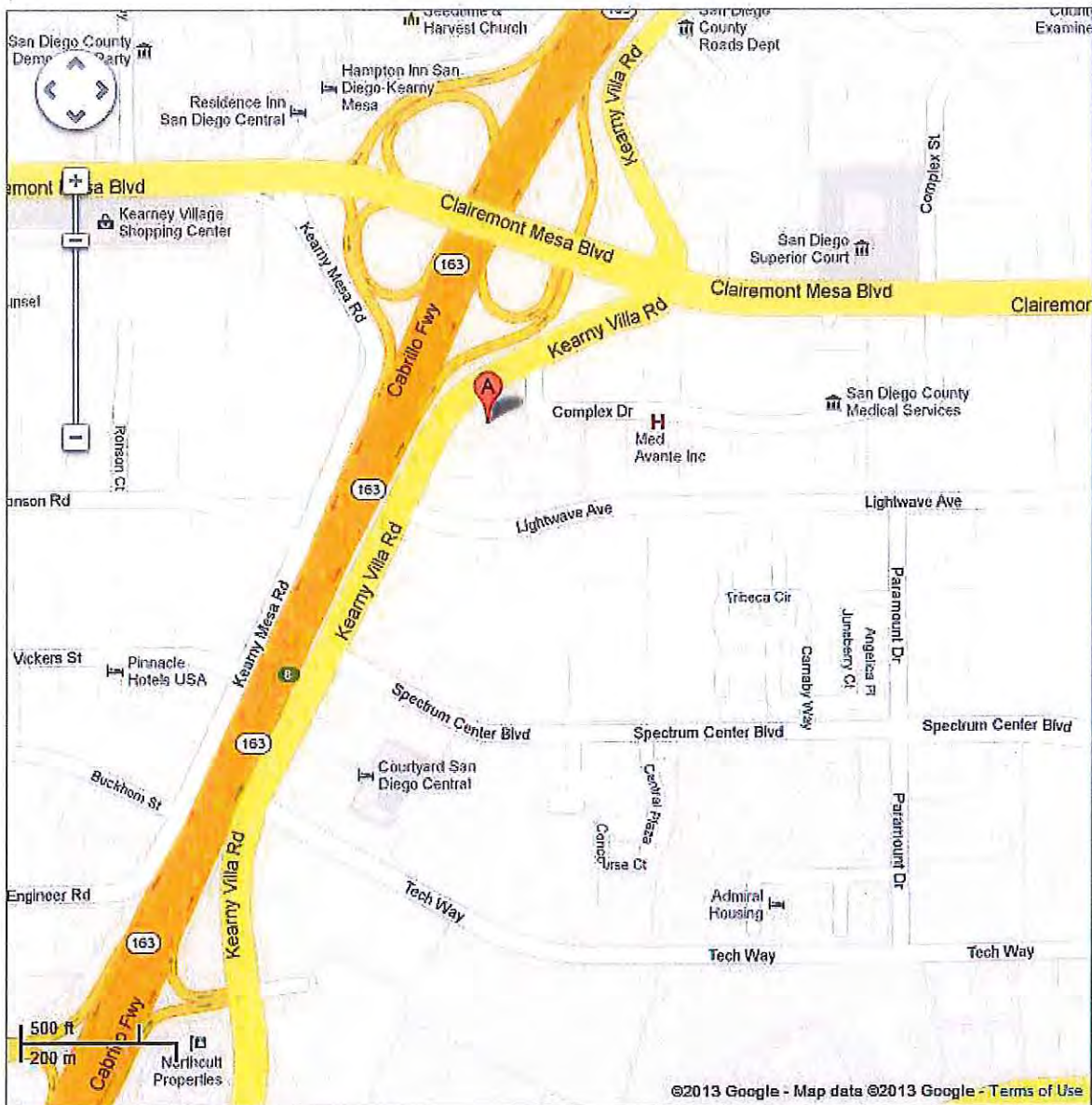
**State CSDA Director**  
Jo MacKenzie  
Vista Irrigation District

**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.



CSDA 2018 VIDEO CONTEST WINNER

B4D

THURSDAY • JANUARY 31, 2019

NORTH COUNTY

THE SAN DIEGO UNION-TRIBUNE

# NORTH COUNTY

## School news

CARLSBAD

### Student takes first in statewide video contest

Heath Dunbar, a student from La Costa Canyon High School, received a \$2,000 scholarship for winning first place in the 2018 Student Video Contest held by Districts Make the Difference, a public outreach campaign by the California Special Districts Association. The contest encourages high school and college students to learn about the local governments that provide essential services such as water, electricity, fire protection, wastewater and garbage removal, and more. Held at the Leucadia Wastewater District, the presentation included a showing of Dunbar's video, "Special Districts Make the Difference." Dunbar's video competed in a monthlong public voting period against four other videos and received the most votes. To see the winning videos, visit [DistrictsMakeTheDifference.org](http://DistrictsMakeTheDifference.org).



COURTESY PHOTOS

**Heath Dunbar (center) received a \$2,000 scholarship for winning first place in the 2018 Student Video Contest held by Districts Make the Difference.**



# Encinitas

UNION SCHOOL DISTRICT

101 S. Rancho Santa Fe Road  
Encinitas, CA 92024-4349  
Phone: (760) 944-4300  
FAX: (760) 942-7094  
www.eusd.net

**Board of Trustees**

Emily Andrade  
Leslie Schneider  
Gregg Sonken  
Marla Strich  
Rimga Viskanta

January 18, 2019

Leucadia Water District  
1960 La Costa Avenue  
Carlsbad, CA 92009

**Superintendent**

Timothy Baird, Ed.D.

**Assistant  
Superintendents**

Andrée Grey  
Educational Services

Angelica Lopez  
Administrative Services

Ami Shackelford  
Business Services

Dear Leucadia Water District:

On behalf of the Board of Trustees, I would like to thank you for your generous donation of cash for Capri Elementary. The Board wants you to know that your donation is very much appreciated. This type of support helps to build a stronger educational system for our children and the community.

Again, please accept our gratitude for your thoughtfulness.

Yours truly,

Timothy B. Baird, Ed.D.  
Superintendent

/all



# Directors' Meetings

Presented by Directors Kulchin, Omsted, Hanson, Sullivan

---

## Conference

2019 CASA Winter Conference

## Dates and Location

January 23-25, 2019

Renaissance Indian Wells, Indian Wells, CA

## List of Attendees

President Kulchin

Director Omsted

Director Hanson

Director Sullivan

The above mentioned Board members attended various sessions regarding governance and management of wastewater operations.