

LEUCADIA WASTEWATER DISTRICT
 Minutes of a Regular Board Meeting
 August 15, 2018

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, August 15, 2018 at 5:00 p.m., at the District Administration Office at 1960 La Costa Avenue, Carlsbad, California.

1. Call to Order

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

2. Roll Call

DIRECTORS PRESENT: Sullivan, Kulchin, Omsted, and Hanson

DIRECTORS ABSENT: Juliussen

OTHERS PRESENT: General Manager Paul Bushee, General Counsel Tomer Gutman, Administrative Services Manager Richard Duffey, Technical Services Manager Robin Morishita, Field Services Superintendent Jeff Stecker, Executive Assistant Tianne Baity, Administrative Services Supervisor Trisha Hill, and District Engineer Dexter Wilson

3. Pledge of Allegiance

President Sullivan led the pledge of allegiance.

4. General Public Comment Period

None.

5. Approval of Agenda

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

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

6. Presentations and Awards

A. Four Years No Vehicle Accidents.

GM Bushee stated that on July 8th, the District had passed four years without a vehicle accident. He stated that this goal is a significant accomplishment since the Field Services staff spends approximately 10,000 hours annually behind the wheel. GM Bushee noted that staff is eligible for a \$500 incentive award under the District's incentive program. He also thanked the Board for their support of this program.

The Board congratulated staff for their efforts.

B. Two Years No Spills.

GM Bushee presented the item stating on August 5, 2018 staff completed two years without a spill, which meets an organizational objective under the incentive program. He noted each employee is eligible for a \$1,000 compensation award.

The Board congratulated staff for their efforts.

CONSENT CALENDAR

7. Approval of Board and Committee Minutes

Minutes of the following meetings:

- July 10, 2018 Engineering Committee Meeting
- July 11, 2018 Regular Board Meeting
- July 18, 2018 Community Affairs Committee Meeting
- July 24, 2018 Investment and Finance Committee Meeting
- August 1, 2018 Engineering Committee Meeting

8. Approval of Demands for July/August 2018

Payroll Checks numbered 19993-20035; General Checking – Checks numbered 51358-51473

9. Operations Report (A copy was included in the original August 15, 2018 Agenda)

10. Finance Report (A copy was included in the original August 15, 2018 Agenda)

11. Quarterly Treasurer's Investment Report

(A copy was included in the original August 15, 2018 Agenda)

12. Disclosure of Reimbursements

This report discloses travel expense reimbursements for the month of July 2018.

13. Fiscal Year 2019 (FY19) Pay Schedules

Adopt Resolution No. 2302 - Approving the FY19 pay schedules. (A copy was included in the original August 15, 2018 Agenda)

14. Receive and file the Annual Review of LWD's Procurement Policy.

(A copy was included in the original August 15, 2018 Agenda)

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

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

EWA and COMMITTEE REPORTS

15. Encina Wastewater Authority (EWA) Reports

A. EWA Board Report – Meeting held on July 25, 2018.

President Sullivan reported on EWA's July 25, 2018 Board meeting.

B. An EWA Member Agency Manager's (MAM) Meeting was held on August 7, 2018.

TSM Morishita reported on EWA's MAM August 7, 2018 meeting.

16. Committee Reports

A. Community Affairs Committee (CAC) Meeting was held on July 18, 2018.

Vice President Kulchin reported that the CAC reviewed and commented on the draft text of the 2018 Summer Newsletter. The CAC directed staff to move forward with the final text and layout of the newsletter.

B. Investment and Finance Committee (IFC) Meeting was held on July 24, 2018.

Director Hanson reported that the IFC participated in the Financial Audit Entrance meeting with staff and CPA Jennifer Farr, from Davis Farr, LLP.

During the IFC Meeting Ms. Farr noted that they have begun their preliminary audit review. She went over the auditor's responsibilities, the timing of the audit, and the planned scope. Ms. Farr stated the final phase of the audit will begin September 2018. There was no action taken.

Director Hanson also reported that the IFC conducted its Annual Review of the LWD Procurement Policy and noted that staff is not recommending any changes to the policy.

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

C. Engineering Committee (EC) Meeting was held on August 1, 2018.

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

- Authorize the General Manager to execute an agreement with Burtech Pipeline, Incorporated for construction services to complete the La Costa Golf Course Line / Quebrada Line Realignment Project in an amount not to exceed \$875,000.

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

The EC also received an update on the Poinsettia Train Station Parallel Gravity Pipeline Project. This item was for information purposes only. No action was taken.

ACTION ITEMS

17. La Costa Golf Course Line/Quebrada Line Realignment Project

Authorize the General Manager to execute an Agreement with Burtech Pipeline, Incorporated for construction services to complete the La Costa Golf Course Line/Quebrada Line Realignment Project in an amount not to exceed \$875,000.

TSM Morishita presented this item noting it is a tactical goal and indicating it was reviewed by the EC at its August 1 meeting. He described the project and its background. TSM Morishita said that three bids were received on the July 19th bid due date. He continued that on July 23rd the apparent low bidder, Wier Construction Corporation, requested to withdraw their bid due to a clerical error. He said that Wier's request was approved, therefore, Burtech Pipeline Incorporated (Burtech) became the apparent low bidder.

TSM Morishita explained that Burtech's bid was 48% higher than the Engineer's Estimate and budgeted amount. He continued that the Quebrada alignment is covered with mature shrubs and trees for approximately 90% of its length and resident fencing 5 feet from pipe center line along the entire length of the pipeline. He said that staff wants to shift the pipe alignment closer to the center of the path for easier construction and maintenance. TSM Morishita stated that moving the alignment closer to the center of the pathway is expected to reduce construction cost. He continued that for those reasons staff inquired if Burtech was willing to remove the Quebrada portion of the project (\$650,000) and maintain the remaining bid item amounts. He stated that Burtech agreed to the change and revised their bid amount to \$875,000.

Director Hanson asked if the District was unaware of the issues with the shrubs and trees along the Quebrada alignment. TSM Morishita and GM Bushee stated they knew the pipe was in a difficult spot to maintain but didn't know how thick the brush was until they viewed the alignment in person. GM Bushee stated that initially staff had hoped to run an easement through a resident's yard and then connect to a pipeline on the street below. However, the homeowner of the residence was not interested in having an easement run through their yard so staff decided the next best option was to shift the alignment of the pipe closer to the center of the path on which it is currently located.

Following discussion, upon a motion duly made by Vice President Kulchin, seconded by Director Omsted, and unanimously carried, the Board of Directors authorized the General Manager to execute an Agreement with Burtech Pipeline, Incorporated for construction services to complete the La Costa Golf Course Line/Quebrada Line Realignment Project in an amount not to exceed \$875,000 by the following vote:

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

18. Adopt Resolution No. 2301 – Requesting the Local Agency Formation Commission (LAFCO) to take proceedings for the proposed Andreiko Change of Organization.

DE Wilson presented the item stating that this annexation is located at 380 East Glaucus Street and it is located within the LWD sphere of influence but located outside the service area. The annexation

includes one parcel totaling 0.34 acres with one single family dwelling and one accessory dwelling unit that both connect to an aging septic tank system. He noted that the private lateral for the property will connect via a private easement to an existing shared private lateral, which then connects to LWD's system.

Following discussion, upon a motion duly made by Director Hanson, seconded by Vice President Kulchin, and unanimously carried, the Board of Directors adopted Resolution No. 2301 – Requesting LAFCO to take proceedings for the Andreiko Change of Organization by the following vote:

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

INFORMATION ITEMS

19. Project Status Updates and Other Informational Reports

- A. CSDA Quarterly Dinner Meeting is scheduled for Thursday, August 16, 2018 at The Butcher Shop Steakhouse in Kearny Mesa, CA.

EA Baity announced the date and time of the CSDA Dinner. She noted that ASM Duffey will attend and a carpool will be leaving from the District office at 5:30 p.m.

- B. Flu Shot Clinic is scheduled for Thursday, September 13, 2018 from 3:30pm – 3:45pm.

EA Baity announced the date and time of the flu shot clinic.

- C. The 2018 CSDA Annual Conference is scheduled for September 24-27, 2018 at the Renaissance Indian Wells in Indian Wells, CA.

EA Baity announced the dates for the 2018 CSDA Annual Conference.

20. Directors' Meetings and Conference Reports

The 2018 CASA Annual Conference was held on August 8-10, 2018 at the Monterey Marriott in Monterey, CA.

Director Hanson stated it was an excellent conference with terrific speakers. She noted that Jared Criscuolo of Rising Tide Partners did a great job presenting.

Director Omsted stated he enjoyed the EPA report.

Vice President Kulchin stated he appreciated the discussion on cyber attacks and disaster preparedness.

President Sullivan stated it was one of the best conferences noting there was something for everyone. She thanked the current President of CASA, GM Bushee, for a great conference.

21. General Manager's Report

GM Bushee reported on the following items:

- LWD staff will present a report to the Board on the District's disaster preparedness and safety training in September or October;
- Letter from Senator Patricia Bates congratulating LWD for receiving the District of Transparency Certification from the Special District Leadership Foundation; and
- He will be on vacation August 16th – 20th and TSM Morishita will be the acting GM.

22. General Counsel's Report

None.

23. Board of Directors' Comments

President Sullivan thanked staff for a great safety record.

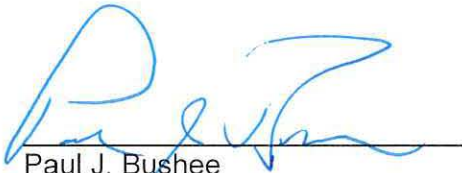
24. Closed Session

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


Following Closed Session, the Board authorized the General Manager to enter into a month to month recycled water agreement with Omni La Costa Resort & Spa beginning September 1, 2018.

25. Adjournment

President Sullivan adjourned the meeting at approximately 6:03 p.m.



Paul J. Bushee
Secretary/General Manager
(SEAL)



Elaine Sullivan, President