

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of a Regular Board Meeting  
 August 19, 2020

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A regular meeting of the Board of Directors of the Leucadia Wastewater District was held Wednesday, August 19, 2020 at 5:00 p.m. via teleconference.

**1. Call to Order**

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

**2. Roll Call**

**DIRECTORS PRESENT:** Juliussen, Omsted, Hanson, and Sullivan

**DIRECTORS ABSENT:**

**OTHERS PRESENT:** General Manager Paul Bushee, General Counsel Wayne Brechtel, Administrative Services Manager Richard Duffey, Technical Services Manager Robin Morishita, Field Services Superintendent Jeff Stecker, Executive Assistant Tianne Baity, Administrative Services Supervisor Trisha Hill, District Engineer Dexter Wilson, Field Services Specialist Ian Riffel, Field Services Supervisor Marvin Gonzalez, FST III Rick Easton, FST III Hugo Gonzalez, FST III Ryan Rodriguez, and District residents Rolando Saldana, Tom Applegate, and Matthew Brown

**3. Pledge of Allegiance**

Director Hanson led the pledge of allegiance.

**4. General Public Comment Period**

GM Bushee stated that three District residents, Mr. Rolando Saldana, Mr. Matthew Brown, and Mr. Tom Applegate, were in attendance at tonight's meeting. All three residents introduced themselves and noted that they had submitted letters of interest for the Director vacancy position.

The Board of Directors thanked Mr. Saldana, Mr. Brown, and Mr. Applegate for their interest in the Director vacancy position and for attending the meeting.

**5. Approval of Agenda**

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

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

## 6. Presentations and Awards

### A. Achievement of Individual Awards – Individual Service Awards

#### 40 Year Service Award – Jeff Stecker

GM Bushee introduced Field Services Superintendent Jeff Stecker, stating that he recently passed his 40<sup>th</sup> year anniversary at the District. He provided background information about Jeff and noted that under LWD's incentive program Jeff is eligible for a \$1500 incentive award.

The Board congratulated Jeff for his efforts.

#### 15 Year Service Award – Marvin Gonzalez

GM Bushee introduced Field Services Supervisor Marvin Gonzalez, stating that he recently passed his 15<sup>th</sup> year anniversary at the District. He provided background information about Marvin and noted that under LWD's incentive program Marvin is eligible for a \$300 incentive award.

The Board congratulated Marvin for his efforts.

### B. Achievement of Individual Awards – Professional Achievement Awards

#### California Water Environment Association (CWEA) Collection System Maintenance Grade 3 Certification – Ryan Rodriguez

GM Bushee introduced Field Services Technician III Ryan Rodriguez stating that Ryan recently received his Collection System Grade 3 certification from the California Water Environment Association. GM Bushee presented background information about Ryan and noted that Ryan is eligible for a \$500 incentive award under the District's incentive program.

The Board of Directors congratulated Ryan for his efforts.

#### California Water Environment Association (CWEA) Collection System Maintenance Grade 3 Certification – Hugo Gonzalez

GM Bushee introduced Field Services Technician III Hugo Gonzalez stating that Hugo recently received his Collection System Grade 3 certification from the California Water Environment Association. GM Bushee presented background information about Hugo and noted that Hugo is eligible for a \$500 incentive award under the District's incentive program.

The Board of Directors congratulated Hugo for his efforts.

### C. Achievement of Organizational Award – Six Years No Vehicle Accidents

GM Bushee stated that on July 8<sup>th</sup>, the District had passed six years without a vehicle accident. He stated that this goal is a significant accomplishment since the Field Services staff spends approximately 10-12K hours annually behind the wheel. GM Bushee noted that staff is eligible for a \$750 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.

## CONSENT CALENDAR

### 7. Approval of Board and Committee Minutes

Minutes of the following meetings:

- July 8, 2020 Regular Board Meeting
- July 29, 2020 Special Board Meeting
- August 4, 2020 Community Affairs Committee meeting
- August 5, 2020 Engineering Committee Meeting
- August 5, 2020 Investment and Finance Committee meeting

### 8. Approval of Demands for July/August 2020

Payroll Checks numbered 22117-22180; General Checking Checks numbered 54401-54506

### 9. Operations Report (A copy was included in the original August 19, 2020 Agenda)

### 10. Finance Report (A copy was included in the original August 19, 2020 Agenda)

### 11. Quarterly Treasurer's Investment Report

This report discloses investments for the quarter ending June 30, 2020.

### 12. Disclosure of Reimbursements

This report discloses travel expense reimbursements for the month of July 2020.

### 13. Fiscal Year 2021 (FY21) Pay Schedules

Adopt Resolution No. 2337 - Approving the FY21 pay schedules.

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

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

## EWA and COMMITTEE REPORTS

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

#### A. A regular EWA Board Meeting was held on July 22, 2020.

Director Sullivan reported on EWA's July 22, 2020 Board Meeting.

#### B. An Encina Member Agency Manager's (MAM) Meeting was held on August 4, 2020.

GM Bushee reported on EWA's MAM August 4, 2020 meeting.

## 15. Committee Reports

### A. Community Affairs Committee (CAC) Meeting was held on August 4, 2020.

Director Sullivan reported that the CAC reviewed the following Fall 2020 Newsletter Proposed Article Topics and Production Schedule.

- Continue to Provide Essential Services during COVID;
- LWD's FY20 Accomplishments;
- Transmittal of COVID through Sewer is Low Risk;
- Proper Grease Disposal;
- Illegal Connections and What Not to Flush;
- Teacher Grant Applications;
- Watch a Virtual Tour;
- Pump Station Projects;
- Standout Achievements;
- Call for local photographers; and
- Memorial commemorating Director Kulchin

The CAC made other suggested edits and following discussion, directed staff to move forward with the newsletter and production schedule.

### B. Engineering Committee (EC) Meeting was held on August 5, 2020.

Vice President Omsted reported that the EC reviewed the following recommendations:

- Authorize the General Manager to execute an Agreement with Burtech Pipeline, Incorporated for construction services to complete the Fiscal Year 2020 Gravity Sewer Repair/Quebrada Realignment Project in an amount not to exceed \$1,395,000 as the lowest responsive and responsible bidder;
- Authorize an additional appropriation of \$420K for project construction for the Fiscal Year 2020 Gravity Sewer Repair/Quebrada Realignment Project; and
- Adopt Resolution No. 2339 - Adopting LWD's Vehicle Replacement Policy

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

The EC also received information regarding the Batiquitos Pump Station Emergency Basin Project Concept. This item was for information purposes and there was no action taken.

### C. Investment and Finance Committee (IFC) Meeting was held on August 5, 2020.

Director Hanson reported that the IFC participated in the Financial Audit Entrance meeting with staff and CPA Shannon Ayala, from Davis Farr, LLP. Director Hanson noted that the auditors have begun their preliminary audit review and the IFC reviewed the auditor's responsibilities, the timing of the audit, and upcoming changes to the audit process. There was no action taken.

Director Hanson reported that the IFC reviewed Resolution No. 2338 amending the LWD Procurement Policy.

Director Hanson also reported that the IFC reviewed staff's recommendation to re-delegate authority to manage LWD's investment program to the General Manager effective September 1, 2020 through August 31, 2021 and to adopt Resolution No. 2341 amending the LWD Investment Policy.

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

## **ACTION ITEMS**

### **16. Vehicle Replacement Policy**

Adopt Resolution No. 2339 - Adopting LWD's Vehicle Replacement Policy.

FST III Easton presented the item and provided background information on what has led to the recommendation to adopt a formal policy as opposed to the continued use of the current guidelines.

He stated that new policy would be an effective tool to consistently and rationally replace fleet vehicles. He also noted that the policy would assist staff with budgeting for proposed replacement vehicle purchases.

Director Sullivan thanked FST III Easton for his presentation.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Vice President Omsted, and unanimously carried, the Board of Directors adopted Resolution No. 2339 adopting LWS's Vehicle Replacement Policy by the following vote:

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

### **17. Fiscal Year 2020 Gravity Sewer Repair / Quebrada Realignment Project Construction Contract**

Recommendation 1: Authorize the General Manager to execute an Agreement with Burtech Pipeline, Incorporated for construction services to complete the Fiscal Year 2020 Gravity Sewer Repair / Quebrada Realignment Project in an amount not to exceed \$1,395,000 as the lowest responsive and responsible bidder.

Recommendation 2: Authorize an additional appropriation of \$420K for project construction.

FSSpec Riffel presented this item indicating it was a FY21 tactical goal, He then provided background information on the Quebrada gravity line's significant sag and difficult easement access, along with the recommendations. He noted that in addition to the Quebrada realignment project, twenty (20) open trench and manhole repairs were included to form a bigger project with the intent to attract greater interest for a more competitive bid.

FSSec Riffel stated that five bids were received with Wier Construction Corporation (Wier) being the apparent low bidder. Upon review by Infrastructure Engineering Corporation (IEC), the bid provided by Wier did not meet the minimum experience requirements for the project. However,

Burtech Pipeline Incorporated (Burtech), the second lowest bidder, did meet the minimum requirements and it was recommended that Burtech be awarded the project as the lowest responsive and responsible bidder. FSSpec Riffel stated that that he and TSM Morishita met with Wier to discuss the rejection of their bid and Wier stated that they would not contest the bid rejection.

FSSpec Riffel also noted that Staff requested an additional appropriation to the FY21 budget of \$420K to cover the cost for project construction. GM Bushee explained that cost escalation was due to the addition of 11 items during project design.

Director Sullivan asked why the homeowner did not grant the District the sewer easement. FSSpec Riffel stated that the homeowners did not want a sewer easement passing through their side yard. Director Sullivan asked if this affected the cost of the project. TSM Morishita explained that it did not affect the cost since the project never went out to bid.

Following discussion, upon a motion duly made by Director Hanson, seconded by Director Sullivan, and unanimously carried, the Board of Directors authorized the General Manager to execute an Agreement with Burtech Pipeline, Incorporated for construction services to complete the Fiscal Year 2020 Gravity Sewer Repair/Quebrada Realignment Project in an amount not to exceed \$1,395,000 as the lowest responsive and responsible bidder by the following vote:

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

Following discussion, upon a motion duly made by Director Hanson, seconded by Director Sullivan, and unanimously carried, the Board of Directors authorized an additional appropriation of \$420K for project construction by the following vote:

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

**18. Contract Award for Construction Management Services Fiscal Year 2020 Gravity Sewer Repair / Quebrada Realignment Project Construction Contract**

Authorize the General Manager to execute an Agreement with Mavteck for construction management services during construction of the Fiscal Year 2020 Gravity Sewer Repair/Quebrada Realignment Project in an amount not to exceed \$45,000.

FSSpec Riffel presented this item indicating it was a FY21 tactical goal. FSSpec Riffel then described the construction management services for this project.

Following discussion, upon a motion duly made by Director Hanson, seconded by Vice President Omsted, and unanimously carried, the Board of Directors authorized the General Manager to execute an Agreement with Mavteck for construction management services during construction of the Fiscal Year 2020 Gravity Sewer Repair/Quebrada Realignment Project in an amount not to exceed \$45,000 by the following vote:

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

**19. Annual Review of LWD's Procurement Policy**

Adopt Resolution No. 2338 - Approving LWD's Revised Procurement Policy.

ASM Duffey presented this item indicating it is a FY21 tactical goal. He provided background information on this item indicating that staff recently conducted a review of the existing policy. Based on this review, staff is recommending adding a section to address the procurement of highly technical goods or services by competitive negotiations and making some clarification changes in the policy.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Hanson, and unanimously carried, the Board of Directors adopted Resolution No. 2338 approving LWD's revised Procurement Policy by the following vote:

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

**20. Annual Review of LWD's Investment Policy**

Redelegate authority to manage LWD's investment program to the General Manager effective September 1, 2020 through August 31, 2021, and adopt Resolution No. 2341 amending LWD's Investment Policy.

ASM Duffey presented the item and stated staff reviewed the policy and made some enhancements. He then reviewed the following changes to the Investment Policy:

- Expanding the Authorized Investment Chart by adding relevant California Government Code sections and maximum maturities.
- Increasing allowable allocation percentages for certain authorized investment with higher safety and liquidity characteristics, such as US Treasuries.
- Limiting amount invested in certain types of securities of any single issuer to 5% of LWD's total portfolio,
- Adding additional information and clarifying some sections of the policy.
- Make some minor administrative changes such as formatting, numbering, and grammar.

Following discussion, upon a motion duly made by Director Hanson, seconded by Vice President Omsted, and unanimously carried, the Board of Directors redelegated authority to manage LWD's investment program to the General Manager effective September 1, 2020 through August 31, 2021, and adopted Resolution No. 2341 amending LWD's Investment Policy by the following vote:

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

**21. Revised Conflict of Interest Code**

Adopt Resolution No. 2336 – Approving LWD’s Revised Conflict of Interest Code.

EA Baity presented this item and provided background information on LWD’s Conflict of Interest Code (COIC). She stated that the County of San Diego Clerk of the Board of Supervisors (County Clerk) is encouraging agencies to consider amending their COIC to specify that Statements of Economic Interest (Form 700s) be filed directly with LWD, rather than the County Clerk. She noted that GC Brechtel has reviewed the proposed revised COIC and Resolution No. 2336.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Vice President Omsted, and unanimously carried, the Board of Directors adopted Resolution No. 2336 - Approving LWD’s Revised Conflict of Interest Code by the following vote:

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

**22. Revised CalPERS Employer Paid Member Contributions**

Adopt Resolution No. 2340 – Updating the CalPERS Employer Paid Member Contributions.

EA Baity presented the item stating that CalPERS requires its members to report any changes to its defined benefit retirement program. She added that the Board reduced the employer paid member contributions (EPMC) for classic members from 1% to 0% effective July 1, 2017. EA Baity stated that CalPERS requested that the District submit a retroactive resolution documenting the EPMC change from 1% to 0% since they did not have one on file.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Vice President Omsted, and unanimously carried, the Board of Directors retroactively adopted Resolution No. 2263 – Updating the CalPERS Employer Paid Member Contribution from 1% to 0% by the following vote:

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

**INFORMATION ITEMS**

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

A. CSDA Virtual Quarterly Meeting is scheduled for Thursday, August 20, 2020 at 6:00pm.



EA Baity provided the date and time of the CSDA Virtual Quarterly Meeting.

B. Flu Shot Clinic is scheduled for Thursday, September 17, 2020 from 3:00pm – 3:45pm.

EA Baity provided the date and time of the 2020 Flu Shot Clinic.

#### **24. Directors' Meetings and Conference Reports**

The 2020 CASA Annual Virtual Conference was held August 12-13, 2020.

Director Sullivan stated it was the best virtual conference yet and she found it engaging and lively. Directors Omsted, Hanson, and Juliussen agreed with Director Sullivan.

Vice President Omsted stated he enjoyed the session on the tracing of COVID-19 in wastewater. Director Hanson stated she found the CSRMA session informative. She also stated that during the CASA Conference she attended the CSRMA Board Meeting and she noted that the District would receive a small CSRMA dividend check.

#### **25. General Manager's Report**

GM Bushee reported on the following items:

- The agenda for the Special Board Meeting on August 25<sup>th</sup> will go out this Friday; and
- ADS Environmental Services (ADS) has approached LWD to participate in a COVID-19 tracing study. ADS is applying for a research grant and if awarded, LWD's wastewater would be tested as part of the study.

Vice President Omsted asked what will be discussed at the Special Board Meeting. GM Bushee stated the Board will consider the letters of interest for the Director vacancy, review the interview process, and discuss who they would like to interview.

#### **26. General Counsel's Report**

GC Brechtel reported on the following items:

- Employees and COVID-19 workers compensation;
- Proposed Assembly Bill 685 – Requiring employers to report COVID-19 infections to employees


#### **27. Board of Directors' Comments**

Director Sullivan thanked Mr. Saldana, Mr. Brown, and Mr. Applegate for attending the meeting and for their interest in the Director vacancy position.

President Juliussen thanked staff and the Board for all their work.

#### **28. Adjournment**

President Juliussen adjourned the meeting at approximately 6:30 p.m.



Paul J. Bushee  
Secretary/General Manager  
(SEAL)

  
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Allan Juliussen, President