

LEUCADIA WASTEWATER DISTRICT
 Minutes of a Regular Board Meeting
 April 17, 2024

A regular meeting of the Board of Directors of the Leucadia Wastewater District was held Wednesday, April 17, 2024 at 5:00 p.m., at the District Administration Office at 1960 La Costa Avenue, Carlsbad, California.

1. Call to Order

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

2. Roll Call

DIRECTORS PRESENT: Roesink, Saldana, Omsted, Pacilio, Sullivan

DIRECTORS ABSENT:

OTHERS PRESENT: General Manager Paul Bushee, General Counsel Wayne Brechtel, Director of Finance and Administration Ryan Green, Field Services Superintendent Marvin Gonzalez, Executive Assistant Tianne Baity, Project Coordinator Ian Riffel, District Engineer Dexter Wilson, Field Services Technician Rick Easton, Field Services Supervisor Gabe Mendez, Neal Bloom of Rising Tide Partners, June Honsberger and Alyson Thile of La Costa Canyon High School, Nancy Jois and students of Capri Elementary

3. Pledge of Allegiance

Director Pacilio led the pledge of allegiance.

4. General Public Comment Period

None.

5. Approval of Agenda

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

Director	Vote
President Roesink	Yes
Vice President Saldana	Yes
Director Omsted	Yes
Director Pacilio	Yes
Director Sullivan	Yes

6. Presentations and Awards

A. Teacher Grant Recipients.

DFA Green provided background information on the Teacher Grant Program.

DFA Green introduced Ms. June Honsberger and Ms. Alyson Thile of La Costa Canyon High School to provide a brief update on her school's project funded by the District's teacher grant program. Ms. Honsberger shared an update on the Campus Pollinator project.

DFA Green then introduced Ms. Nancy Jois and students of Capri Elementary to provide a brief update on her school's project funded by the District's teacher grant program. Ms. Jois shared an update on the We Can Keep Water Clean project.

The Board stated they were impressed with the projects and they thanked the teachers and students for attending the meeting.

B. Achievement of Organizational Objective – Two Years No Vehicle Accidents.

GM Bushee stated that on March 17, 2024, LWD staff completed two years without a vehicle accident. Vehicle accidents result in economic impacts due to lost productivity, damaged public and private property, workers compensation costs, and undermines employee morale. As a result of this achievement, each employee is eligible for an incentive compensation award in the amount of \$375.

The Board congratulated staff for their achievement.

C. 2023 CWEA State Awards – Collection System Person of the Year Award for Hugo Gonzalez.

GM Bushee stated that Field Services Technician III Hugo Gonzalez won the CWEA San Diego Section Collection System Person of the Year Award and was also announced as the winner at the State level at the CWEA Annual Conference on April 11, 2024. GM Bushee noted that Hugo was unable to attend the CWEA Conference and tonight's Board meeting since he is on vacation with his family. He noted that FSSup Mendez accepted the award at the CWEA Conference on Hugo's behalf.

The Board congratulated Hugo for his efforts.

D. Achievement of Individual Objective – CWEA Certification for Rick Easton.

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

The Board congratulated Rick for his efforts.

CONSENT CALENDAR

7. Approval of Board and Committee Minutes

Minutes of the following meetings:

March 7, 2024 Special Board Meeting
March 13, 2024 Regular Board Meeting
April 8, 2024 Engineering Committee Meeting

8. Approval of Demands for March/April 2024

Payroll Checks numbered 240320-1 – 240403-18; General Checking Checks numbered 25456 - 25587

9. Operations Report (A copy was included in the original April 17, 2024 Agenda)

10. Finance Report (A copy was included in the original April 17, 2024 Agenda)

11. Disclosure of Reimbursements

This report discloses travel expense reimbursements for the month of March 2024.

12. Status Update on the Fiscal Year 2024 (FY24) LWD Tactics and Action Plan

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

Director	Vote
President Roesink	Yes
Vice President Saldana	Yes
Director Omsted	Yes
Director Pacilio	Yes
Director Sullivan	Yes

EWA and COMMITTEE REPORTS

13. Encina Wastewater Authority (EWA) Reports

A. A regular EWA Board Meeting was held on March 27, 2024.

Vice President Saldana reported on EWA's Board meeting.

B. An Encina Member Agency Manager's (MAM) Meeting was held on April 2, 2024.

GM Bushee reported on EWA's MAM meeting.

14. Committee Reports

A. Engineering Committee Meeting was held on April 8, 2024.

Director Omsted reported that the EC reviewed the following recommendations:

- Authorize the General Manager to execute Task Order No. 7 to the Engineering Design Services Agreement with Water Works Engineers (WWE) for final design services for the Batiquitos Pump Station Emergency Basin Lining Project in an amount not to exceed \$81,509; and
- Authorize the General Manager to execute an Agreement with SCW Contracting Corporation for the construction of the Rancho Verde Pump Station Rehabilitation Project in an amount not to exceed \$1,434,600 as the lowest responsive and responsible bidder.

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

ACTION ITEMS

15. **Batiquitos Pump Station Emergency Basin Lining Project – Final Design Services**

Authorize the General Manager to execute Task Order No. 7 to the Engineering Design Services Agreement with Water Works Engineers (WWE) for final design services for the Batiquitos Pump Station Emergency Basin Lining Project in an amount not to exceed \$81,509.

PC Riffel presented the item and provided background information noting it is a FY24 tactical goal.

PC Riffel stated that in October 2022, V&A performed a condition assessment of the emergency basin based on the visual deterioration. As a recommendation to the initial inspection V&A returned to collect concrete core samples from the (4) walls to further evaluate the extent of the concrete deterioration. PC Riffel stated the results revealed lining and concrete degradation. As a result, V&A recommended to repair the concrete and install a new protective lining in the next 2 years.

PC Riffel added that staff discovered cracks in the nearby dry well below the air well in July 2023. Staff retained a structural engineer to evaluate the issue and the engineer recommended the crack be repaired. This work has been included in the design scope of work.

Water Works has proposed a cost of \$81,509, which staff believes is fair and reasonable. There is sufficient funding in the FY24 Budget to cover this cost, however, additional funds will be needed to cover construction.

Following discussion, upon a motion duly made by Director Sullivan, and seconded by Director Omsted, and unanimously carried, the Board of Director's authorized the General Manager to execute Task Order No. 7 to the Engineering Design Services Agreement with Water Works Engineers (WWE) for final design services for the Batiquitos Pump Station Emergency Basin Lining Project in an amount not to exceed \$81,509 by the following vote:

Director	Vote
President Roesink	Yes
Vice President Saldana	Yes
Director Omsted	Yes
Director Pacilio	Yes
Director Sullivan	Yes

16. **Construction Contract Award for the Rancho Verde Pump Station Rehabilitation Project**

Authorize the General Manager to execute an Agreement with SCW Contracting Corporation for the construction of the Rancho Verde Pump Station Rehabilitation Project in an amount not to exceed \$1,434,600 as the lowest responsive and responsible bidder.

PC Riffel presented the item and provided background information noting that it is a FY24 tactical goal.

He stated that in March 2020 a Pump Station Condition Assessment recommended the Rancho Verde Pump Station (RVPS) be rehabilitated in FY23. PC Riffel noted that the engineer's estimated construction cost was \$1.108M. PC Riffel stated that the District received two (2) bids and SCW Contracting Corporation (SCW) was the lowest bid of \$1,434,600. He said that SCW's

bid was \$327K more than the engineer's estimate. PC Riffel stated staff took action to ensure the bid was competitive noting that the overall bid environment is expensive due to high demand in construction, labor shortages, labor rate increases, and prequalification requirements. Based on this analysis, staff is recommending that the bid be awarded to SCW.

PC Riffel said the FY24 Capital Budget includes sufficient funds to begin construction and that staff will request an additional appropriation as part of the FY25 Capital Budget.

Vice President Saldana asked how can the District better estimate the cost of future projects. PC Riffel answered that the engineer's estimate be scrutinized more closely and compared to market bid conditions.

Following discussion, upon a motion duly made by Director Pacilio, and seconded by Vice President Saldana, and unanimously carried, the Board of Director's authorized the General Manager to execute an Agreement with SCW Contracting Corporation for the construction of the Rancho Verde Pump Station Rehabilitation Project in an amount not to exceed \$1,434,600 as the lowest responsive and responsible bidder by the following vote:

Director	Vote
President Roesink	Yes
Vice President Saldana	Yes
Director Omsted	Yes
Director Pacilio	Yes
Director Sullivan	Yes

17. Board of Directors Compensation Adjustment

DFA Green presented the item indicating the date of the last Board stipend increase was August 2019 and at that time the stipend was increased from \$190 to \$200 per day. He stated that government code allows for a 5% adjustment per calendar year following the last adjustment and the Board is eligible for an adjustment not to exceed 25%. DFA Green explained that this item is for the Board to consider whether to direct staff to prepare and notice for a public hearing at the May Board Meeting, after which it could take action on a proposed a Board compensation adjustment.

Director Sullivan stated that the Board has not had a raise in 5 years. She stated she would like to have a public hearing to consider a Board compensation adjustment.

Vice President Saldana stated that the Board needs to consider the optics and timing of a Board compensation increase when the District is having a rate increase.

Director Pacilio stated he agreed with Vice President Saldana. He stated that after reviewing the Board Per Diem Survey he feels the District compensates the Board members sufficiently.

Director Omsted stated he agreed with Directors Saldana and Pacilio but he would consider bringing this item to a public hearing.

Director Sullivan stated she would like to see the Board compensation increase from \$200 to \$225 per meeting.

President Roesink stated he didn't take the job for the compensation but he would also consider having a public hearing to discuss this matter.

Following discussion, upon a motion duly made by Director Sullivan, seconded by President Roesink, and carried, the Board of Director's directed staff to prepare and notice for a public hearing for an increase in Board compensation from \$200 to \$225 per day of service. The Board members voted as follows:

Director	Vote
President Roesink	Yes
Vice President Saldana	No
Director Omsted	Yes
Director Pacilio	No
Director Sullivan	Yes

18. Strategic Plan Update

Review and take potential action on the updated Strategic Plan.

DFA Green presented the item noting that the Board of Directors conducted a Strategic Planning Workshop on March 7, 2024. During the workshop, the Board directed staff to revise the District's Strategic Plan's strategic focus areas to include a communication strategy with the District's key partners, and present a draft for the Board's review at a future LWD Board meeting. DFA Green then reviewed the following updates:

- Reformatted the Strategies section into bullet points to enhance its clarity and readability;
- Added the following language strategy to the financial strategy: *"Maintain fiscal stability and growth with effective oversight and communication with key partners, including the Encina Joint Powers Authority, to ensure cost effective capital and operating planning and consistency with District financial goals"* to incorporate the Board's direction;
- Updated the language in the people strategy from *"Assure the highest qualified workforce by optimizing training opportunities"* to *"Employ the highest qualified workforce by optimizing training and leadership development opportunities"* to emphasize succession planning efforts;
- Removed the aged SWOT and Assumptions sections, which were partially outdated and have not been discussed during the past several Strategic Planning Workshops;
- Modified the introduction section to reflect the most recent Board Workshop discussion; and
- Updated the cover and other made minor grammatical modifications.

Following discussion, upon a motion duly made by Director Sullivan, and seconded by Director Omsted, and unanimously carried, the Board of Director's approved and filed the updated Strategic Plan by the following vote:

Director	Vote
President Roesink	Yes
Vice President Saldana	Yes
Director Omsted	Yes
Director Pacilio	Yes
Director Sullivan	Yes

INFORMATION ITEMS

19. Project Status Updates and Other Informational Reports

None.

20. Directors' Meetings and Conference Reports

The 2024 CWEA Annual Conference was held April 9-12, 2024 at the Sacramento Convention Center in Sacramento, CA.

Director Sullivan summarized the program for the conference and also noted the conference had a large attendance.

21. General Manager's Report

GM Bushee reported on the following:

- The Board has each been given a copy of the Auditor Engagement Letter from the Auditors; and
- The Diana Pump Station Utility Easement Purchase Agreement was executed by the Beach Walk HOA and LWD for the appraised price of \$88,500.

22. General Counsel's Report

GC Brechtel reported on the following:

- Update on the Tax Payer Protection Accountability Act; and
- Potential new law regarding workplace policy disconnect after hours.

23. Board of Directors' Comments

None.

24. Adjournment

President Roesink adjourned the meeting at approximately 6:11 p.m.



Paul J. Bushee
Secretary/General Manager
(SEAL)



Chris Roesink, President