



BOARD OF DIRECTORS REGULAR MEETING

DATE: Wednesday, September 18, 2024

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 vote of the Board. All agenda materials can be accessed at the District website at <https://www.lwwd.org/agendas/board> and are also available for public inspection in the Administration Office located at 1960 La Costa Avenue, Carlsbad, CA 92009 during normal business hours.

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the Executive Assistant at (760) 753-0155. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.

1. **Call to Order**
2. **Roll Call**
3. **Pledge of Allegiance**
4. **General Public Comment Period**
5. **Approval of Agenda**
6. **Presentation and Awards**
 - A. Achievement of Individual Award – Professional Achievement Award for Jeffrey Pivaral. (Pages 6-7)
 - B. Achievement of Individual Awards – Professional Achievement Awards for Matthew Anderson. (Pages 8-10)

CONSENT CALENDAR

Items 7-11 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:

- August 14, 2024 Regular Board Meeting (Pages 11-16)
- August 20, 2024 Investment & Finance Committee Meeting (Pages 17-19)
- August 26, 2024 Community Affairs Committee Meeting (Page 20)
- September 5, 2024 Engineering Committee Meeting (Pages 21-22)

8. Approval of Demands for August/September 2024

This item provides for Board of Directors approval of all demands paid from LWD during a portion of August and a portion of September 2024. (Pages 23-32)

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 FY24 to FY25, flows by sub-basin, and staff training. (Pages 33-39)

10. Finance Report

This report discloses up-to-date schedule of assets, liabilities, net assets and compares fiscal year-to-date expenditures to the FY25 budget and discloses monthly investments. (Pages 40-47)

11. Disclosure of Reimbursements

This report discloses travel expense reimbursements for July and August 2024. (Pages 48-49)

EWA REPORTS

12. Encina Wastewater Authority Reports

- A. A regular EWA Board Meeting was held on August 28, 2024. (Pages 50-51)
- B. An Encina Member Agencies Manager's Meeting was held on September 3, 2024. (Verbal)

COMMITTEE REPORTS

13. Committee Reports

- A. An Investment & Finance Committee meeting was held on August 20, 2024. (Pages 52-53)
- B. A Community Affairs Committee meeting was held August 26, 2024. (Page 54)
- C. An Engineering Committee meeting was held on September 5, 2024. (Page 55)

ACTION ITEMS

14. Vehicle Purchase

Authorize the General Manager to execute a Purchase Order with Encinitas Ford, in the amount of \$75,505.13, for the purchase of a 2024 Ford F-150 Lightning Pro Electric Truck. (Pages 56-57)

15. Annual Review of LWD's Investment Policy

Adopt Resolution No. 2413 re delegating authority to manage LWD's investment program to the General Manager effective September 1, 2024 through August 31, 2025. (Pages 58-72)

16. Authorize the General Manager to Purchase up to \$50,000 of Goods, Materials, Supplies, and Services

Adopt Resolution No 2420 authorizing the General Manager to Purchase up to \$50,000 of Goods, Materials, Supplies, and Services. (Pages 73-76)

17. Annual Review of LWD's Procurement Policy

Adopt Resolution No. 2421 approving LWD's revised Procurement Policy. (Pages 77-89)

INFORMATION ITEMS

18. Project Status Updates and Other Informational Reports

The Flu Shot Clinic is scheduled for Thursday, September 19, 2024. (Verbal)

19. Directors' Meetings and Conference Reports

A. CSDA Local Section Quarterly Dinner was held on August 15, 2024 at The Butcher Shop in Kearny Mesa, CA. (Page 90)

B. 2024 CSDA Annual Conference was held September 9 -12, 2024 at the Renaissance Esmeralda Resort & Spa in Indian Wells, CA. (Page 91)

C. 2024 CA Annual Waterreuse Conference was held September 15 -17, 2024 at the Hyatt Regency Orange County in Garden Grove, CA. (Page 92)

20. General Manager's Report

21. General Counsel's Report

22. Board of Directors' Comments

23. 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 and on the District website www.lwwd.org at least 72 hours prior to the meeting, in accordance with Govt. Code Section 54954.2(a).

Date: September 12, 2024

RG for PSB

Paul J. Bushee, Secretary/General Manager

Board of Directors' Code of Conduct

- ◆ *I will openly communicate during Board meetings and voice my views, in the meetings, on all matters regarding the District.*
- ◆ *I will support the decisions of the Board once they are voted on.*
- ◆ *I will concentrate on issues of governance and strategic import to the District and will expect support from staff on issues of operational import and detail.*
- ◆ *I will treat fellow Board members with dignity and respect.*
- ◆ *I will be prepared to discuss Board issues and agree to spend the necessary time and attention to Board matters.*
- ◆ *If I have concerns or questions, I will ask. If I need clarification of Board agenda items, I will call ahead and discuss with the General Manager.*
- ◆ *I will support the General Manager as the primary spokesperson for the District.*
- ◆ *I will conduct myself in the highest ethical manner and comply with all appropriate government regulations.*

Role of Staff

- ◆ *Implement policies of LWD Board*
- ◆ *Create tactics and action plans that address how policies should be implemented*
- ◆ *Provide technical competence in addressing issues of how tactics should be implemented*
- ◆ *Provide relevant facts and recommendations*
- ◆ *Provide effective leadership*
- ◆ *Administer day-to-day operations of the District*
- ◆ *Respond to reasonable board requests for information*

MEMORANDUM

DATE: September 12, 2024
TO: Board of Directors
FROM: Paul J. Bushee, General Manager *RG to PJB*
SUBJECT: **Presentation and Awards – Achievement of Individual Award**

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

California Water Environment Association (CWEA) Collection System Maintenance Grade 2 Certification – Jeffrey Pivaral

Field Services Technician II Jeffrey Pivaral recently received his Grade 2 Collection System Maintenance certification from CWEA. This is his third certification since his employment at the District. Jeffrey has worked hard on his own time for this achievement while maintaining his full time position at LWD. This accomplishment reflects Jeffrey's desire to excel through continued professional development. As a result of this certification, Jeffrey is eligible for an Individual Incentive Award of \$500.

Please join me in congratulating Jeffrey for these outstanding accomplishments.

tb:PJB

Certificate of Competence

This is to certify

Jeffrey Pivaral

Having submitted acceptable evidence of qualifications by education, training and experience, this individual is hereby granted this certification of competency in

COLLECTION SYSTEM MAINTENANCE GRADE 2

Certificate number: 1308237472

Expires: 7/31/2025

Gilbert D. Barela

Gilbert Barela, President
California Water Environment Association



John H. Vogel

John Vogel, Chair
Technical Certification Program

MEMORANDUM

DATE: September 12, 2024
TO: Board of Directors
FROM: Paul J. Bushee, General Manager *Rq for PJB*
SUBJECT: Achievement of Individual Award

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

Palomar College Associate Degree in Science - Wastewater Technology Education – Matthew Anderson

Please join me in congratulating Field Services Technician In-Training Matthew Anderson who recently received his Associate Degree in Wastewater Technology Education from Palomar College. Matthew has been working for LWD since November 2023. Matthew has worked hard on his own time for this achievement while maintaining his fulltime position at LWD. This accomplishment reflects Matthew's desire to excel through continued professional development. As a result of this certification, Matthew is eligible for an Individual Incentive Award of \$750.

Palomar College Associate Degree in Science - Water Technology Education – Matthew Anderson

Matthew Anderson also recently received his Associate Degree in Water Technology Education from Palomar College. Matthew has worked hard on his own time for this achievement while maintaining his fulltime position at LWD. This accomplishment reflects Matthew's desire to excel through continued professional development. As a result of this certification, Matthew is eligible for an Individual Incentive Award of \$750.

Please join me in congratulating Matthew for his 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*

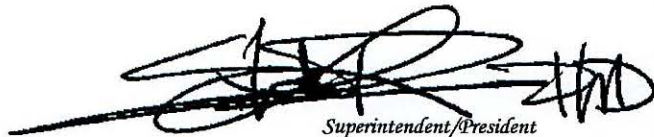
*Associate in Science
Wastewater Technology Education*

is hereby conferred upon

Matthew Don Anderson

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

*Given at San Marcos, California, this
twenty-fifth day of May, two thousand twenty-four.*


Superintendent/President




President, Governing Board

Palomar College

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

*Associate in Science
Water Technology Education*

is hereby conferred upon

Matthew Don Anderson

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

*Given at San Marcos, California, this
twenty-fifth day of May, two thousand twenty-four.*



Superintendent/President



President, Governing Board

LEUCADIA WASTEWATER DISTRICT
 Minutes of a Regular Board Meeting
 August 14, 2024

A regular meeting of the Board of Directors of the Leucadia Wastewater District was held Wednesday, August 14, 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 (via teleconference), Omsted, Pacilio, Sullivan
 DIRECTORS ABSENT:
 OTHERS PRESENT: General Manager Paul Bushee, General Counsel Wayne Brechtel, Director of Finance and Administration Ryan Green, Administrative Services Supervisor Trisha Hill, Field Services Superintendent Marvin Gonzalez, Executive Assistant Tianne Baity, Project Coordinator Ian Riffel, Natalie Frascchetti of Dexter Wilson Engineering, Field Services Supervisor Gabe Mendez, Field Services Technician Angel Hinojosa

3. Pledge of Allegiance

Director Omsted 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

Achievement of Individual Awards – Professional Achievement Awards for Angel Hinojosa

GM Bushee introduced Field Services Technician In-Training Angel Hinojosa and provided background information on Angel stating that Angel recently received his Water Treatment Operator Grade T1 certification from the State Water Resources Control Board. He noted that that Angel is eligible for a \$500 incentive award under the District’s incentive program.

GM Bushee also stated that Angel recently received his Collection System Maintenance Grade 1 from the California Water Environment Association (CWEA). He noted that that Angel is eligible for a \$500 incentive award under the District's incentive program.

The Board congratulated Angel and thanked him for his efforts.

CONSENT CALENDAR

7. Approval of Board and Committee Minutes

Minutes of the following meetings:

- July 10, 2024 Regular Board Meeting
- July 18, 2024 Community Affairs Committee Meeting
- August 5, 2024 Engineering Committee Meeting

8. Approval of Demands for July/August 2024

Payroll Checks numbered 240710-1 – 240807-18; General Checking Checks numbered 25858-26005

9. Operations Report (A copy was included in the original August 14, 2024 Agenda)

10. Finance Report (A copy was included in the original August 14, 2024 Agenda)

11. Quarterly Treasurer's Investment Report

This report discloses investments for the quarter ending June 30, 2024.

12. Disclosure of Reimbursements

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

13. Fiscal Year 2025 (FY25) Pay Schedules

Adopt Resolution No. 2419 – Approving the FY25 pay schedules.

Upon a motion duly made by Director Omsted, seconded by Director Pacilio, 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

14. Encina Wastewater Authority (EWA) Reports

A. EWA Board Report – Meeting held on July 24, 2024.

Vice President Saldana reported on EWA's July 24, 2024 Board meeting.

B. An Encina Member Agency Manager's (MAM) Meeting was held on August 6, 2024.

DFA Green reported on EWA's August 6, 2024 MAM meeting.

Director Pacilio asked if any progress had been made regarding EWA's spending.

GM Bushee answered that some progress has been made but it is a very slow process. He noted that the City of Vista and Buena Sanitation District wrote a letter indicating a similar position as the District's regarding EWA's potable water reuse project. GM Bushee noted that this letter is included as a handout to Board Agenda Item No. 20, General Manager's Report.

Vice President Saldana added that the District is making some progress at EWA but it is a slow process and will take some time. President Roesink added that EWA Board members are asking more detailed questions and seem to be more budget minded.

Director Sullivan asked if EWA has seen an increase in the number of bidders for EWA projects. President Roesink stated they have increased a little bit.

GM Bushee added that it seems like the District's concerns are being heard and EWA is more conscious on bidding projects versus sole sourcing.

15. Committee Reports

A. A Community Affairs Committee (CAC) meeting was held July 18, 2024.

Vice President Saldana reported that the CAC reviewed the proposed newsletter topics, along with the production schedule. The CAC then directed staff to move forward with writing the newsletter articles.

B. An Engineering Committee (EC) meeting was held August 5, 2024.

Director Omsted reported that the EC reviewed the following recommendations:

- Authorize the General Manager to execute an Agreement with Palm Engineering Construction Company, Inc. for construction services to complete the San Marcos Creek Crossing Diversion Project in an amount not to exceed \$1,124,000 and;
- Authorize an additional appropriation of \$150K to the project budget.

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

16. San Marcos Creek Crossing Diversion Project Award of Construction Contract and Authorize an Additional Appropriation

- A. Authorize the General Manager to execute an Agreement with Palm Engineering Construction Company, Inc. for the construction of the San Marcos Creek Crossing Diversion Project in an amount not to exceed \$1,124,000 as the lowest responsive and responsible bidder and;

B. Authorize an additional appropriation of \$150K to the project budget.

PC Riffel presented the item and provided background information. PC Riffel stated that in January 2024 the emergency repair work was completed at the San Marcos Creek pipeline crossing at the Omni La Costa south golf course. PC Riffel stated that during this time, staff and the Board discussed expediting a permanent repair to abandon the creek section of the pipe. In March 2024 the Board authorized a \$200K Capital Budget transfer in order to start design immediately.

PC Riffel stated that in June 2024, Water Works completed project design and staff advertised the project for bids. PC Riffel continued that the estimated construction cost was \$1.046M. PC Riffel stated that the District received two (2) bids and Palm had the lowest bid of \$1,124,000. He stated that Palm's bid was \$78K more than the engineer's cost estimate.

PC Riffel noted that he and Water Works Engineers reviewed pertinent information to ensure the bid was competitive. Based on this analysis, staff is recommending that the bid be awarded to Palm.

Director Sullivan thanked PC Riffel for following up with the construction companies which did not bid on the project.

President Roesink asked what the estimated completion date of the project is. PC Riffel stated that Palm is ready to start and, the District is hoping the project will be completed before January 2025.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Pacilio, and unanimously carried, the Board of Directors authorized the General Manager to execute an Agreement with Palm Engineering Construction Company, Inc. for the construction of the San Marcos Creek Crossing Diversion Project in an amount not to exceed \$1,124,000 and authorized an additional appropriation of \$150K for project construction by the following vote:

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

17. Revised Conflict of Interest Code

Adopt Resolution No. 2418 – 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). EA Baity stated the District is required by California Code to biennially review its COIC. She noted the District last amended the Code and Appendix A on August 17, 2022.

EA Baity then summarized the recommended change to the Designated Positions section of the COIC. EA Baity noted that GC Brechtel has reviewed the recommended changes.

Upon a motion duly made by Director Pacilio, seconded by Director Omsted, and unanimously carried, the Board of Directors adopted Resolution No. 2418 approving LWD's revised Conflict of Interest Code by the following vote:

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

INFORMATION ITEMS

18. Project Status Updates and Other Informational Reports

A. EWA Energy Resiliency Study Overview.

GM Bushee stated that this item is being presented at President Roesink's request. GM Bushee then provided an overview of the EWA Draft Energy Resiliency Study.

B. Flu Shot Clinic is scheduled for Thursday, September 19, 2024.

EA Baity announced the date and time of the Flu Shot Clinic.

19. Directors' Meetings and Conference Reports

2024 CASA Annual Conference was held July 31- August 2, 2024 in Monterey, CA.

Vice President Saldana reported that it was a short but very productive conference. He stated that he enjoyed the keynote speaker on leadership and collaboration.

Director Sullivan reported that she enjoyed the political analyst who spoke about the upcoming election. She stated it was a well-attended conference with a younger crowd and more women attendees.

Director Omsted stated the CSRMA session on sewer spills was very interesting and he enjoyed the session on workplace culture.

20. General Manager's Report

GM Bushee reported on the following:

- A handout letter from Buena Sanitation District to Encina Wastewater Authority regarding potable water; and
- Former LWD Board Member Judy Hanson passed away. GM Bushee noted that she had been on LWD's Board for 40 years from 1983 to 2023. GM Bushee stated he will forward information regarding her funeral service once he receives it.

21. General Counsel's Report

None.

22. Board of Directors' Comments

President Roesink thanked staff for a great summer employee luncheon. Director Sullivan agreed with President Roesink.

23. Adjournment

President Roesink adjourned the meeting at approximately 6:14 p.m.

Chris Roesink, President

Paul J. Bushee
Secretary/General Manager
(SEAL)

LEUCADIA WASTEWATER DISTRICT
 Minutes of an Investment & Finance Committee Meeting
 August 20, 2024

A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Tuesday, August 20, 2024 at 1:00 p.m. at the District Office.

1. Call to Order

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

2. Roll Call

DIRECTORS PRESENT: Pacilio, Sullivan

DIRECTORS ABSENT:

OTHERS PRESENT: General Manager Paul Bushee, Director of Finance and Administration Ryan Green, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, and Scott Mano with Rogers, Anderson, Malody & Scott, LLP (RAMS)

3. Public Comment

No public comment was received.

4. New Business

A. Audit Entrance Meeting with Rogers, Anderson, Malody & Scott, LLP.

DFA Green presented the item and introduced Scott Manno with Rogers, Anderson, Malody & Scott, LLP (RAMS). Mr. Manno provided an overview of the audit process. He indicated that the audit process has begun and he reviewed the following:

- Audit Issues / Pronouncements;
- General Audit Info;
- Responsibilities;
- Audit Timing; and
- Risk Assessment Procedures

Mr. Manno noted that the auditors will have the audit report out in October 2024. GM Bushee noted that it will be presented to the Board at the November Board Meeting.

Chairperson Pacilio asked Mr. Manno how many years has RAMS worked for the District and have there ever been any problems. Mr. Manno answered 3 years and that there have never been any problems with the audits.

The IFC thanked Mr. Manno. No action was taken on this item.

B. Annual Review of LWD's Investment Policy – Adopt Resolution No. 2413 re-delegating authority to manage LWD's investment program to the General Manager effective September 1, 2024 through August 31, 2025.

DFA Green presented the item and provided background information on the Investment Policy. He noted that staff recently conducted an annual review of the Policy to determine if any amendments are warranted. DFA Green then stated that following review, there are no recommended policy changes.

Chairperson Pacilio asked various questions regarding the rate of return on the District's investments. GM Bushee and DFA Green answered his questions.

Following discussion, the IFC agreed with staff to recommend that the Board of Directors adopt Resolution No. 2413 and redelegate authority to manage LWD's investment program to the General Manager effective September 1, 2024 through August 31, 2025.

- C. General Managers Purchasing Authority - Adopt Resolution No. 2420 authorizing the General Manger to purchase on behalf of LWD, goods, materials, supplies, and services not to exceed \$50,000 at any one time.

DFA Green presented the item and provided background information on the item. DFA Green noted that it has been nearly seven years since Resolution No,2289 set the General Manager's purchasing authority at \$35,000. He continued that Staff thought it would be appropriate to adjust the purchasing authority amount to adjust for the inflationary pressures and to align with other local agencies.

DFA Green stated that Staff conducted a survey of the purchasing authority limits requiring Board/Council approval for other local agencies that provide water or wastewater services and the survey was included in the IFC agenda.

Following discussion, the IFC agreed with staff to recommend that the Board of Directors adopt Resolution No. 2420 authorizing the General Manger to purchase on behalf of LWD, goods, materials, supplies, and services not to exceed \$50,000 at any one time.

- D. Annual Review of LWD's Procurement Policy.

DFA Green presented the item and provided background information on the Procurement Policy noting it was most recently updated in 2022. He stated that staff recommends increasing the current procurement thresholds to adjust for inflationary pressures, and making minor clerical updates. DFA Green then reviewed the threshold adjustments.

Chairperson Pacilio asked various questions regarding the Procurement Policy thresholds and how they align with the General Manager's purchasing authority. GM Bushee answered his questions.

Following discussion, the IFC agreed with staff to recommend that the Board of Directors adopt Resolution no. 2421 approving LWD's revised Procurement Policy.

5. Information Items

None.

6. Directors' Comments

None.

7. General Manager's Comments

GM Bushee reported that the District assisted the City of Encinitas with a spill that the City had over near Grandview Street. GM Bushee acknowledged the LWD Field Services team for their help.

8. Adjournment

Chairperson Pacilio adjourned the meeting at 1:31 p.m.

Paul J. Bushee
Secretary/General Manager
(Seal)

LEUCADIA WASTEWATER DISTRICT
 Minutes of a Community Affairs Committee Meeting
 August 26, 2024

A meeting of the Community Affairs Committee (CAC) of the Leucadia Wastewater District (LWD) was held Monday, August 26, 2024 at 1:00 p.m.

1. Call to Order

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

2. Roll Call

DIRECTORS PRESENT: Saldana and Omsted

DIRECTORS ABSENT:

OTHERS PRESENT: General Manager Paul Bushee, Director of Finance and Administration Ryan Green, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, and Neal Bloom of Rising Tide Partners (RTP)

3. Public Comment

No public comment was received.

4. Fall 2024 Newsletter Draft Text Review

ADS Hill provided background on the newsletter. She introduced Mr. Bloom from RTP to provide an overview of the newsletter draft text. Mr. Bloom provided an overview and the CAC was pleased with the draft text. The CAC suggested some minor edits and staff stated they would make the changes. The CAC selected option #1, world's first wastewater treatment plant fact, for the Did You Know article.

Following discussion, the CAC authorized staff and RTP to proceed with the draft layout of the newsletter.

5. Information Items

None.

6. Directors' Comments

None.

7. General Manager's Comments

GM Bushee reported that the District assisted the City of Encinitas with a spill that the City had over near Grandview Street. GM Bushee acknowledged the LWD Field Services team for their help.

8. Adjournment

Chairperson Saldana adjourned the meeting at 1:36 p.m.

Paul J. Bushee
 Secretary/Manager
 (Seal)

LEUCADIA WASTEWATER DISTRICT
 Minutes of an Engineering Committee Meeting
 September 5, 2024

A meeting of the Engineering Committee (EC) of Leucadia Wastewater District (LWD or District) was held on Thursday, September 5, 2024 at 1:00 p.m., at the LWD Administration Office located at 1960 La Costa Avenue, Carlsbad, California.

1. Call to Order

Chairperson Omsted called the meeting to order at 1:03 p.m.

2. Roll Call

DIRECTORS PRESENT: Omsted, Pacilio

DIRECTORS ABSENT:

OTHERS PRESENT: General Manager Paul Bushee; Field Services Superintendent Marvin Gonzalez; Field Services Supervisor Gabe Mendez; Field Services Supervisor Mauricio Avalos; Project Coordinator Ian Riffel; and District Engineer Dexter Wilson

3. Public Comment

None.

4. Vehicle Purchase for a Ford F-150 Lightning Pro Electric Truck

Authorize the General Manager to execute a Purchase Order with Encinitas Ford, in the amount of \$75,505.13, for the purchase of a 2024 Ford F-150 Lightning Pro Electric Truck.

FSSup Mendez presented this item to the EC. He stated this item is a tactical goal and provided background information on the District's fleet and the need of an additional truck due to recent staff additions. FSSup Mendez continued that on January 1st, 2024, the California Air Resources Control Board (CARB) established new vehicle regulations to transition to Zero Emission Vehicles (ZEV). He said the proposed vehicle purchase will meet both the District need for another staff vehicle and satisfy the new CARB regulation.

FSSup Mendez stated that staff solicited 12 Ford dealerships in Southern California for truck bids. He mentioned that the District received three (3) bids by the August 12th deadline and Encinitas Ford had the lowest bid of \$75,505.13. FSSup Mendez noted that the truck purchase includes the charging station equipment, however, the District needs to pay an additional \$7,077.75 for the installation.

Chairperson Omsted asked about the charging station and how many amps the new breaker requires. FSSup Mendez answered 80 amps. Chairperson Omsted asked about the truck and how many miles per charge. FSSup Mendez stated around 300 miles. Chairperson Omsted asked about the truck's towing capabilities. Staff answered that although the truck can tow the District's heavier equipment, the truck will be used primarily for emergency response and traffic control setups.

Staff reviewed the bids and determined that Encinitas Ford met the bid specifications. As a result, staff is recommending that the bid be awarded to Encinitas Ford.

Following discussion, the EC concurred with staff to recommend that that Board of Directors authorize the General Manager to execute a Purchase Order with Encinitas Ford, in an amount not to exceed \$75,505.13.

5. Information Items

PC Riffel provided an update for the Batiquitos Pump Station Emergency Basin Rehabilitation Project. He provided background information and said that the project is currently out to bid with the bids due Tuesday, September 17th. PC Riffel continued that staff plans to bring the recommended construction contract to the Board Meeting in October.

PC Riffel also provided an update to the San Marcos Creek Crossing Diversion Project. Staff provided background information and said that the District engineering team is currently reviewing project submittals. PC Riffel mentioned the contractor is scheduled to mobilize later this month.

6. Directors' Comments

None.

7. General Manager's Comments

None.

8. Adjournment

Chairperson Omsted adjourned the meeting at approximately 1:31 p.m.

Paul J. Bushee,
Secretary/Manager
(Seal)

**LEUCADIA WASTEWATER DISTRICT
EMPLOYEE/BOARD PAYROLL CHECKS
September 18, 2024**

Disbursement Period August 9, 2024 through September 12, 2024

<u>Description</u>	<u>Check Date</u>	<u>Check #'s</u>		<u>Amount</u>
Incentive Payroll	8/14/2024	240814-1	240814-1	\$923.50
Biweekly Payroll	8/21/2024	240821-1	240821-18	\$53,702.40
Board Payroll	9/3/2024	240903-1	240903-5	\$3,021.90
Biweekly Payroll	9/4/2024	240904-1	240904-18	\$53,161.94

TOTAL PAYROLL CHECKS	\$	110,809.74
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Leucadia Wastewater District

Check/Voucher Register - Demand Summary for Board

1001 - PPB (Opus) General Checking Account

From 8/9/2024 Through 9/12/2024

Check Number	Effective Date	Vendor Name	Check Amount	Transaction Description
26006	8/15/2024	AIRGAS USA LLC	800.00	Liquid Oxygen Contract Monthly Tank Rental Aug 2024
26007	8/15/2024	ALLIANT INSURANCE SERVICES, INC	875.00	Public Official Bond Insurance
26008	8/15/2024	AT&T	218.42	Phone Service-BPS 07/10/24-08/09/24
26009	8/15/2024	AWSS INC	1,880.93	Vehicle Fuels 07/29/24-08/08/24
26010	8/15/2024	CHARLES ULMER DBA: CHUCKS TIRE ...	551.05	Mount and balance 2 tires Vehicle #165
26011	8/15/2024	CITY OF CARLSBAD	328.86	Water for Vactor 1
	8/15/2024	CITY OF CARLSBAD	355.98	Water for Vactor 2
26012	8/15/2024	CORODATA RECORDS MANAGEMENT ...	170.79	File Archive/Records Storage Services July 2024
26013	8/15/2024	CSDA-SAN DIEGO CHAPTER	80.00	CSDA Dinner 08/15/24 -E Sullivan
26014	8/15/2024	C W E A	111.00	CWEA CSM Grade 2 Cert Renewal-FY 2025-J Montoya
	8/15/2024	C W E A	121.00	CWEA CSM Grade 4 Cert Renewal-FY2025-G Mendez
	8/15/2024	C W E A	239.00	CWEA Membership Renewal-FY2025-R Easton
26015	8/15/2024	DATA NET SOLUTIONS GROUP	4,406.90	Monthly IT Services July 2024
	8/15/2024	DATA NET SOLUTIONS GROUP	2,809.99	Monthly Managed Services July 2024
	8/15/2024	DATA NET SOLUTIONS GROUP	180.00	Netscaler Patching
	8/15/2024	DATA NET SOLUTIONS GROUP	400.00	WatchGuard AP325 1 yr Basic Wifi Renewal
26016	8/15/2024	DEXTER WILSON ENGINEERING	64.00	Development Services-0943 Leucadia Streetscape
	8/15/2024	DEXTER WILSON ENGINEERING	170.50	Development Services-1158-For Giving Annexation-936 Hymettus
	8/15/2024	DEXTER WILSON ENGINEERING	622.00	Development Services-1206-Susiecakes-1935 Calle Barcelona172
26017	8/15/2024	EVOQUA WATER TECHNOLOGIES, LLC	33,641.71	Batiquitos Carbon Change out
26018	8/15/2024	HAAKER EQUIPMENT CO	20,104.27	Rodder Pump & Labor
	8/15/2024	HAAKER EQUIPMENT CO	33,618.00	RowerX Camera Head
	8/15/2024	HAAKER EQUIPMENT CO	933.94	Strainer, Kunkle Valve
26019	8/15/2024	PLUMBERS DEPOT, INC	49,424.93	Contractors body on LWD provided Chassis quote # 30258
26020	8/15/2024	PRUDENTIAL OVERALL SUPPLY	148.28	Weekly Uniform/Laundry Service 08/13/24
26021	8/15/2024	READY LINE FLEET SERVICE INC	1,108.26	Mini Jetter Service
26022	8/15/2024	RISING TIDE PARTNERS	3,820.59	Public Outreach Services July 2024
26023	8/15/2024	SAN DIEGUITO WATER DISTRICT	191.50	Water @ Tanker 1
	8/15/2024	SAN DIEGUITO WATER DISTRICT	68.94	Water @ Tanker 2
26024	8/15/2024	SAN DIEGO GAS & ELECTRIC	390.07	Electric @ VP5 PS
	8/15/2024	SAN DIEGO GAS & ELECTRIC	887.27	Electric/Gas @ E Estates PS
26025	8/15/2024	SHARP ELECTRONICS CORP DBA SHA...	61.35	Copies on Sharp Machines
26026	8/15/2024	TERMINIX PROCESSING CENTER	95.10	Pest Control 07/01/24
26027	8/15/2024	THE HOME DEPOT CRC/GECF	113.84	ABS Cleanouts, 4" Cap
	8/15/2024	THE HOME DEPOT CRC/GECF	21.08	Key Ring, Ford Key, Bolt Barrel
	8/15/2024	THE HOME DEPOT CRC/GECF	189.83	Lumber, Snap hook, screws, husky watering hose, stretch wrap
	8/15/2024	THE HOME DEPOT CRC/GECF	33.38	M95 Respirator
	8/15/2024	THE HOME DEPOT CRC/GECF	41.79	Map gas fuel, bolt snap, sanding band, sanding mandrel

Leucadia Wastewater District
 Check/Voucher Register - Demand Summary for Board
 1001 - PPB (Opus) General Checking Account
 From 8/9/2024 Through 9/12/2024

Check Number	Effective Date	Vendor Name	Check Amount	Transaction Description
	8/15/2024	THE HOME DEPOT CRC/GECF	74.26	Non Valve Respirator, Aura 10pk
26028	8/15/2024	UNIFIRST FIRST AID CORP	241.22	First Aid Supplies
26029	8/15/2024	WOODYS CRANE SERVICE	825.00	Crane Service Batiquitos PS
26030	8/15/2024	WILLIAMS LLP	1,350.00	Legal Services-July 2024
26031	8/22/2024	AIRGAS USA LLC	1,855.24	Liquid Oxygen Contract 8/7/24
26032	8/22/2024	CALPERS	700.00	GASB Reports
26033	8/22/2024	COSCO FIRE PROTECTION	742.00	Replace fire bell sign repair deficiencies from inspection
26034	8/22/2024	FEDERAL EXPRESS CORPORATION	42.42	Shipping 08/06/24
	8/22/2024	FEDERAL EXPRESS CORPORATION	98.34	Shipping 8/13/24
26035	8/22/2024	THE HARTFORD	488.07	Life Insurance-Aug 2024
	8/22/2024	THE HARTFORD	488.07	Life Insurance-July 2024
26036	8/22/2024	HUMANA DENTAL INS.	4,412.33	Dental Insurance Sep 2024
26037	8/22/2024	INTEGRITY MUNICIPAL SYSTEMS LLC	32,270.00	Removal, disposal, and installation of new Carbon
26038	8/22/2024	KEN GRODY FORD	593.58	Oil Change & Air filter Change vehicle #172
26039	8/22/2024	MAVTECK	1,755.00	Manhole Rehab Project July 2024
26040	8/22/2024	MESA REPROGRAPHICS	10.00	Rancho Verde Pump Station Addendum
	8/22/2024	MESA REPROGRAPHICS	10.00	Rancho Verde Pump Station Addendum #2
	8/22/2024	MESA REPROGRAPHICS	30.00	Rancho Verde Pump Station Digital Stano/Watermark Plans
	8/22/2024	MESA REPROGRAPHICS	15.00	San Marcos Creek Crossing Addendum
	8/22/2024	MESA REPROGRAPHICS	21.00	San Marcos Creek Crossing Digital Stamp/Watermark Plans
	8/22/2024	MESA REPROGRAPHICS	20.00	San Marcos Creek Crossing Graphic Design
26041	8/22/2024	MISSION SQUARE	7,562.19	Deferred Comp for PPE 08/21/24
26042	8/22/2024	OLIVENHAIN MUNICIPAL WATER DIS...	55.70	Water @ VP5 PS
26043	8/22/2024	PLANT PEOPLE, INC	186.90	Monthly Maintenance of Office Plants August 2024
26044	8/22/2024	Premier Chevrolet of Carlsbad	168.59	Oil Change & Tire rotation vehicle#155
26045	8/22/2024	Quench USA Inc	136.85	Office water tanks/filtered drinking water 08/19/24-09/18/24
26046	8/22/2024	READY LINE FLEET SERVICE INC	154.79	Annual Inspection Carson Trailer
	8/22/2024	READY LINE FLEET SERVICE INC	219.89	Service to Jetter Engine
26047	8/22/2024	SAN DIEGO GAS & ELECTRIC	4,512.48	Electric @ Admin
	8/22/2024	SAN DIEGO GAS & ELECTRIC	111.04	Electric @ Avocado PS
	8/22/2024	SAN DIEGO GAS & ELECTRIC	2,262.58	Electric @ AWT
	8/22/2024	SAN DIEGO GAS & ELECTRIC	15,282.10	Electric @ BPS
	8/22/2024	SAN DIEGO GAS & ELECTRIC	490.36	Electric @ Diana PS
	8/22/2024	SAN DIEGO GAS & ELECTRIC	1,503.36	Electric @ La Costa PS
	8/22/2024	SAN DIEGO GAS & ELECTRIC	14,638.02	Electric @ LPS
	8/22/2024	SAN DIEGO GAS & ELECTRIC	170.69	Electric @ RV PS
	8/22/2024	SAN DIEGO GAS & ELECTRIC	834.94	Electric @ Saxony PS
	8/22/2024	SAN DIEGO GAS & ELECTRIC	236.31	Electric @ VP7 PS
	8/22/2024	SAN DIEGO GAS & ELECTRIC	10.00	Gas @ Admin
26048	8/22/2024	I2B NETWORKS INC DBA SPACELINK	160.00	Live Webcam Streaming Services-Webcam @ BPS 08/14-09/13/24
26049	8/22/2024	STAPLES	(13.96)	Credit on Invoice # 6007213409

Leucadia Wastewater District

Check/Voucher Register - Demand Summary for Board

1001 - PPB (Opus) General Checking Account

From 8/9/2024 Through 9/12/2024

Check Number	Effective Date	Vendor Name	Check Amount	Transaction Description
	8/22/2024	STAPLES	467.07	Office Supplies
	8/22/2024	STAPLES	322.17	Premium Membership Fee
26050	8/22/2024	VERIZON WIRELESS	1,182.98	Cell Phones 07/08/24-08/07/24
26051	8/29/2024	ADS CORP DBA ADS ENVIRONMENTA...	4,794.65	Flow Metering and Data Analysis 08/1/24-08/31/24
	8/29/2024	ADS CORP DBA ADS ENVIRONMENTA...	1,340.00	Meter Maintenance and Data Delivery 08/1/24-08/31/24
26052	8/29/2024	AT&T	218.73	Phone Service-Elevator 07/25/24-08/24/24
26053	8/29/2024	BAJA POOL AND SPA SERVICE	190.00	Weekly Maintenance of Water Fountain 09/01/24-09/30/24
26054	8/29/2024	BATIQUITOS LAGOON FOUNDATION	1,000.00	Batiquitos Lagoon Kayak & Clean Up Event
26055	8/29/2024	BOOT WORLD, INC	300.00	FST Safety Boots - Boot World J Pivaral
26056	8/29/2024	CALIFORNIA STATE LANDS COMMISSI...	871.04	Staff/Project Charges (Saxony PS)
26057	8/29/2024	CAPSTONE FIRE MANAGEMENT, INC	2,162.50	Standby confined space rescue for BPS
26058	8/29/2024	COLLICUTT ENERGY SERVICES INC	1,348.01	Batiquitos PS Generator Annual Service
	8/29/2024	COLLICUTT ENERGY SERVICES INC	904.37	Encinitas Estates PS Generator Annual Service
	8/29/2024	COLLICUTT ENERGY SERVICES INC	3,552.44	Generator Service Portable Units 135, 166, 167, 174
	8/29/2024	COLLICUTT ENERGY SERVICES INC	862.69	La Costa PS Generator Annual Service
	8/29/2024	COLLICUTT ENERGY SERVICES INC	1,918.20	Leucadia PS Generator Annual Service
	8/29/2024	COLLICUTT ENERGY SERVICES INC	943.68	Saxony PS Generator Annual Service
	8/29/2024	COLLICUTT ENERGY SERVICES INC	637.84	Village Park 5 PS Generator Annual Service
26059	8/29/2024	COLONIAL LIFE INS	184.16	Accident/Critical Illness Ins 8/7 & 8/21/24
26060	8/29/2024	DATA NET SOLUTIONS GROUP	300.00	WatchGuard AP325 1 yr Basic Wifi Renewal (main office)
26061	8/29/2024	ENCINITAS CHAMBER OF COMMERCE	440.00	Membership Renewal - FY2025
26062	8/29/2024	FEDERAL EXPRESS CORPORATION	41.26	Shipping 08/15/24
26063	8/29/2024	GRAINGER, INC	169.53	Blower 115V
	8/29/2024	GRAINGER, INC	175.16	Dry Wipe/Syringe 10mL
26064	8/29/2024	JONES, ROACH & CARINGELLA, INC	6,500.00	Diana Street Easement Valuation
26065	8/29/2024	MALLORY SAFETY AND SUPPLY	53.88	Straw Lifeguard Hat
	8/29/2024	MALLORY SAFETY AND SUPPLY	3,178.63	Winch 60ft Galv 1/4 in Salalift, Cable w brkt & bag
26066	8/29/2024	McCROMETER	2,518.69	6' McCrometer Flow Meter
26067	8/29/2024	MESA REPROGRAPHICS	561.70	Batiquitos Pump Station Emergency Prints
26068	8/29/2024	MINUTEMAN PRESS	143.25	Logo Envelopes (500)
26069	8/29/2024	MUTUAL OF OMAHA	1,304.12	Disability Insurance-Sep 2024
26070	8/29/2024	NAPA AUTO	32.31	Oil Mix 50-1
26071	8/29/2024	PLUMBERS DEPÔT, INC	110.51	Gauge, Warthog, hex socket plug
26072	8/29/2024	PRUDENTIAL OVERALL SUPPLY	237.05	Orange Nitrile Gloves
	8/29/2024	PRUDENTIAL OVERALL SUPPLY	148.28	Weekly Uniform/Laundry Service 08/20/24
	8/29/2024	PRUDENTIAL OVERALL SUPPLY	153.58	Weekly Uniform/Laundry Service 08/27/24
26073	8/29/2024	READY LINE FLEET SERVICE INC	1,064.26	Annual PM Service for Vactor #170
	8/29/2024	READY LINE FLEET SERVICE INC	906.23	Annual Service Freightliner #159

Leucadia Wastewater District
 Check/Voucher Register - Demand Summary for Board
 1001 - PPB (Opus) General Checking Account
 From 8/9/2024 Through 9/12/2024

Check Number	Effective Date	Vendor Name	Check Amount	Transaction Description
	8/29/2024	READY LINE FLEET SERVICE INC	709.18	Vehicle # 161 routine maintenance oil change, tire rotation
26074	8/29/2024	SLOAN ELECTRIC COMPANY	12,778.65	Recondition Vaughn Conditioning Pump Encinitas Estates
26075	8/29/2024	SOUTHERN CONTRACTING COMPANY	600.00	determinate & reterminate chopper pump
	8/29/2024	SOUTHERN CONTRACTING COMPANY	675.00	Disconnected & Reconnected chopper pump
26076	8/29/2024	TERMINIX PROCESSING CENTER	77.08	Pest Control 08/05/24
26077	9/5/2024	AIRGAS USA LLC	1,897.83	Liquid Oxygen Contract 08/21/24
26078	9/5/2024	AVEVA SELECT CALIFORNIA	7,740.00	Software Support SCADA 11/2024-11/2025
26079	9/5/2024	Brightview Landscape Services Inc	1,066.00	Landscape Maintenance Services @ Admin Sept 2024
	9/5/2024	Brightview Landscape Services Inc	378.00	Vegetation Cleanup (Line Maintenance) Sept 2024
26080	9/5/2024	CITY OF CARLSBAD	486.33	Water @ 1900 La Costa Ave
	9/5/2024	CITY OF CARLSBAD	170.60	Water @ 1960 La Costa Ave
	9/5/2024	CITY OF CARLSBAD	42.26	Water @ Fire Line
26081	9/5/2024	COLLICUTT ENERGY SERVICES INC	660.00	Saxony PS Generator Maintenance
	9/5/2024	COLLICUTT ENERGY SERVICES INC	1,371.37	Water Pump, Antifreeze, Labor
26082	9/5/2024	COX COMMUNICATIONS SAN DIEGO	1,566.98	Phone / Internet Services 8/22/24-9/21/24
26083	9/5/2024	CRANERWORKS SOUTHWEST, INC	1,038.59	Annual OSHA Certification & 90 day service on F-750 Crane
26084	9/5/2024	DODGE DATA & ANALYTICS	1,910.78	Publication & Online Ad for BPS Emergency Basin Rehab Proj
26085	9/5/2024	DXP ENTERPRISES INC	1,354.44	WEG 7.5 HP Motor for pressurization pump
26086	9/5/2024	EVERON LLC	165.00	Monthly Security Camera Maintenance 09/17/24-10/16/24
26087	9/5/2024	FIDELITY SECURITY LIFE INSURANCE...	436.24	Vision Insurance-Sept 24
26088	9/5/2024	GRAINGER, INC	110.81	Inverter 115V
26089	9/5/2024	MISSION SQUARE	7,562.11	Deferred Comp for PPE 09/01/24
26090	9/5/2024	OLIVENHAIN MUNICIPAL WATER DIS...	76.41	Recycled Water @ Traveling
	9/5/2024	OLIVENHAIN MUNICIPAL WATER DIS...	61.37	Water @ Encinitas Estates PS
	9/5/2024	OLIVENHAIN MUNICIPAL WATER DIS...	429.16	Water @ Traveling
	9/5/2024	OLIVENHAIN MUNICIPAL WATER DIS...	392.39	Water @ Traveling 2
26091	9/5/2024	PRUDENTIAL OVERALL SUPPLY	148.28	Weekly Uniform/Laundry Service 09/03/24
26092	9/5/2024	REPUBLIC SERVICES #661	412.59	Waste Services- August 2024
26093	9/5/2024	RISING TIDE PARTNERS	6,245.25	Public Outreach Services August 2024
26094	9/5/2024	SWRCB-DWOCP	80.00	Drinking Water Treatment (T2) Op-Cert Renewal 2024-G Mendez
26095	9/5/2024	SUNBELT RENTALS, INC	560.97	Heavy Equipment Rental
26096	9/5/2024	UNDERGROUND SERVICE ALERTS/C	265.30	Monthly Underground Alarm Service
	9/5/2024	UNDERGROUND SERVICE ALERTS/C	115.97	Monthly Underground State Fee
26097	9/5/2024	UNIFIRST FIRST AID CORP	202.07	First Aid Supplies
26098	9/5/2024	OCCUPATIONAL HEALTH CENTERS OF...	118.00	DOT Physical M Avalos
26100	9/12/2024	CITY OF CARLSBAD	328.86	Water for Vactor 1
	9/12/2024	CITY OF CARLSBAD	315.30	Water for Vactor 2

Leucadia Wastewater District
 Check/Voucher Register - Demand Summary for Board
 1001 - PPB (Opus) General Checking Account
 From 8/9/2024 Through 9/12/2024

Check Number	Effective Date	Vendor Name	Check Amount	Transaction Description
26101	9/12/2024	COLLICUTT ENERGY SERVICES INC	107.89	Generator Service Portable Units 135, 166, 167, 174
26102	9/12/2024	C W E A	239.00	CWEA Membership Renewal-FY2025-M Avalos
	9/12/2024	C W E A	239.00	CWEA Membership Renewal-FY2025-M Gonzalez
26103	9/12/2024	DATA NET SOLUTIONS GROUP	2,925.95	Monthly IT Services August 2024
	9/12/2024	DATA NET SOLUTIONS GROUP	2,809.99	Monthly Managed Services August 2024
	9/12/2024	DATA NET SOLUTIONS GROUP	480.00	Scanner Configuration Set-Up
26104	9/12/2024	DEXTER WILSON ENGINEERING	6,812.00	General Engineering Services July 2024
26105	9/12/2024	GRAINGER, INC	87.28	Coupling, Cleaning kit
	9/12/2024	GRAINGER, INC	6.32	Hand Knob
26106	9/12/2024	CONFIDENCE CONSULTING	5,462.70	Consulting Services:Leadership & Development Trainings
26107	9/12/2024	MESA REPROGRAPHICS	754.05	San Marcos Creek Crossing Plan Prints
26108	9/12/2024	MITSUBISHI ELECTRIC US INC - MEU...	375.30	Elevator Maintenance 09/01/24-9/30/24
26109	9/12/2024	MSC JANITORIAL SERVICE, INC	2,880.83	Janitorial Services July 2024
26110	9/12/2024	OLIVENHAIN MUNICIPAL WATER DIS...	61.37	Water @ VP7
26111	9/12/2024	PLUMBERS DEPOT, INC	441.08	Repair of Mongoose Jetter
26112	9/12/2024	PRUDENTIAL OVERALL SUPPLY	148.28	Weekly Uniform/Laundry Service 09/10/24
26113	9/12/2024	ROCKWELL SOLUTIONS	953.95	Moisture Relay
26114	9/12/2024	SAN DIEGUITO WATER DISTRICT	356.39	Water @ BPS
	9/12/2024	SAN DIEGUITO WATER DISTRICT	107.24	Water @ Tanker 1
	9/12/2024	SAN DIEGUITO WATER DISTRICT	91.92	Water @ Tanker 2
26115	9/12/2024	SOUTHERN CONTRACTING COMPANY	7,400.00	Sump Pump Replacement Panel
26116	9/12/2024	STAPLES	(55.47)	Credit on Invoice 6009115294
	9/12/2024	STAPLES	256.80	Office Supplies
26117	9/12/2024	SUNBELT RENTALS, INC	563.38	Heavy Equipment Rental
26118	9/12/2024	TERMINIX PROCESSING CENTER	102.00	Pest Control 8/5/24
26119	9/12/2024	PROFESSIONAL EXCHANGE	90.00	Answering Services August 2024
26120	9/12/2024	THE HOME DEPOT CRC/GECF	6.09	1 1/2" Wing Nut Test Plug
	9/12/2024	THE HOME DEPOT CRC/GECF	24.76	3" Wing Nut Test Plugs
	9/12/2024	THE HOME DEPOT CRC/GECF	10.46	4" Wing Nut Test Plug
	9/12/2024	THE HOME DEPOT CRC/GECF	55.44	Husky Contractor Bags, Reset Combo Lock
	9/12/2024	THE HOME DEPOT CRC/GECF	307.39	Tools/Supplies to fix VP7 Shade Cover
Report Total			381,893.44	

Leucadia Wastewater District
 Posted General Ledger Transactions - CD Transactions for Demands

Session ID	Document Number	Effective Date	Name	Debit	Transaction Description
CD1211	1002702928	8/9/2024	CALPERS	3,545.33	CalPERS Retirement for Payroll on 08/09/24-Classic EE
		8/9/2024	CALPERS	7,680.10	CalPERS Retirement for Payroll on 08/09/24-Classic ER
	1002702929	8/9/2024	CALPERS	2,890.73	CalPERS Retirement for Payroll on 08/09/24-PEPRA EE
		8/9/2024	CALPERS	2,935.48	CalPERS Retirement for Payroll on 08/09/24-PEPRA ER
Total CD1211				17,051.64	
CD1215	270462813361082	8/15/2024	United States Treasury	124.00	Staff Payroll Taxes Incentive Check dated 08/14/24-FICA
		8/15/2024	United States Treasury	29.00	Staff Payroll Taxes Incentive Check dated 08/14/24-Medicare
Total CD1215				153.00	
CD1216	1002713988	8/23/2024	CALPERS	3,545.33	PERS Retirement dated for pay period 8.21.24-Classic EE
		8/23/2024	CALPERS	7,680.10	PERS Retirement dated for pay period 8.21.24-Classic ER
	1002713989	8/23/2024	CALPERS	2,926.19	PERS Retirement dated for pay period 8.21.24 PEPRA-EE
		8/23/2024	CALPERS	2,971.50	PERS Retirement dated for pay period 8.21.24 PEPRA-ER
Total CD1216				17,123.12	
CD1217	270463511652678	8/22/2024	United States Treasury	9,203.28	Staff Payroll Taxes for Checks Dated 08/21/24-Federal W/H
		8/22/2024	United States Treasury	9,163.80	Staff Payroll Taxes for Checks Dated 08/21/24-FICA
		8/22/2024	United States Treasury	2,472.74	Staff Payroll Taxes for Checks Dated 08/21/24-Medicare

Leucadia Wastewater District

Posted General Ledger Transactions - CD Transactions for Demands

Session ID	Document Number	Effective Date	Name	Debit	Transaction Description
	7959097	8/22/2024	EMPLOYMENT DEVELOPMENT DEPT	3,831.53	Staff Payroll Taxes for Checks Dated 08/21/24-State
Total CD1217				24,671.35	
CD1218	1002715597	8/21/2024	CALPERS	700.00	CalPERS GASB 68 Reports
Total CD1218				700.00	
CD1219	1002717279	9/3/2024	CALPERS	36,708.96	CalPERS Monthly Health Insurance - September 2024-Staff
		9/3/2024	CALPERS	96.73	CalPERS Monthly Health Insurance - September 2024-Admin
		9/3/2024	CALPERS	942.00	CalPERS Monthly Health Insurance - September 2024-Retire
	1002717280	9/3/2024	CALPERS	2,020.64	CalPERS Monthly Health Insurance - September 2024-Board
		9/3/2024	CALPERS	4.85	CalPERS Monthly Health Insurance - September 2024-Admin
Total CD1219				39,773.18	
CD1220	332706	8/27/2024	IGOE-FLEX BENEFIT	100.00	IGOE Admin Fee - August 2024
Total CD1220				100.00	
CD1221	270464854450724	9/4/2024	United States Treasury	284.70	Board Payroll Taxes for checks dated 09/03/24-Federal W/H
		9/4/2024	United States Treasury	322.40	Board Payroll Taxes for checks dated 09/03/24-FICA
		9/4/2024	United States Treasury	104.40	Board Payroll Taxes for checks dated 09/03/24-Medicare
Total CD1221				711.50	
CD1222	1002725490	9/5/2024	CALPERS	80.00	PERS Retirement Pay Period 8/1-8/31/24 E Sullivan-EE

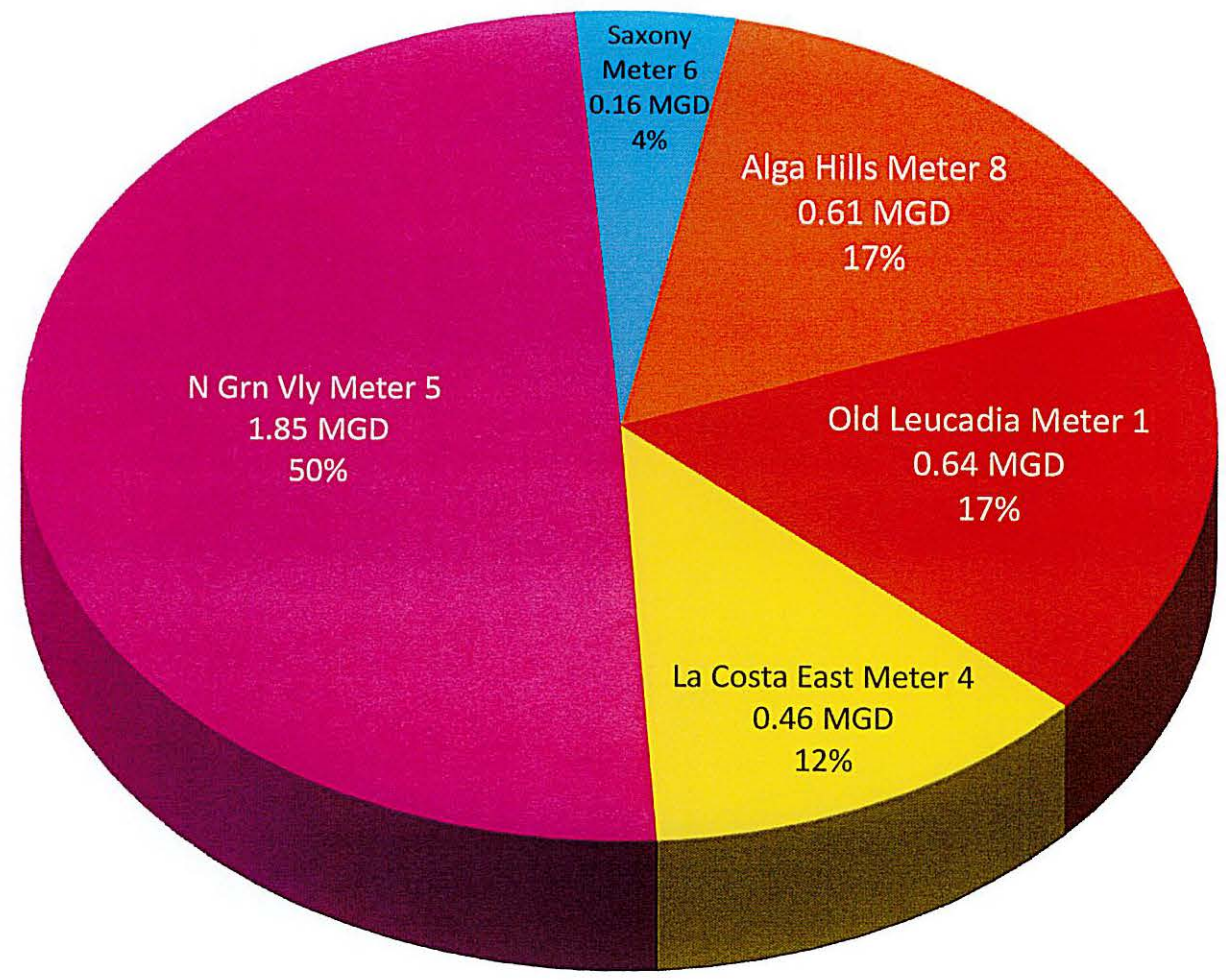
Leucadia Wastewater District
 Posted General Ledger Transactions - CD Transactions for Demands

Session ID	Document Number	Effective Date	Name	Debit	Transaction Description
		9/5/2024	CALPERS	173.30	PERS Retirement Pay Period 8/1-8/31/24 E Sullivan-ER
Total CD1222				253.30	
CD1223	1002725894	9/6/2024	CALPERS	3,545.33	PERS Retirement dated for pay period 09/04/24-Classic EE
		9/6/2024	CALPERS	7,680.10	PERS Retirement dated for pay period 09/04/24-Classic ER
	1002725895	9/6/2024	CALPERS	2,926.03	PERS Retirement dated for pay period 09/04/24-PEPRA-EE
		9/6/2024	CALPERS	2,971.34	PERS Retirement dated for pay period 09/04/24-PEPRA-ER
Total CD1223				17,122.80	
CD1224	270464941450214	9/5/2024	United States Treasury	9,207.65	Staff Payroll Taxes for checks dated 09/04/24-Federal W/H
		9/5/2024	United States Treasury	9,029.92	Staff Payroll Taxes for checks dated 09/04/24-FICA
		9/5/2024	United States Treasury	2,551.18	Staff Payroll Taxes for checks dated 09/04/24-Medicare
	7986217	9/5/2024	EMPLOYMENT DEVELOPMENT DEPT	3,794.23	Staff Payroll Taxes for checks dated 09/04/24-State
Total CD1224				24,582.98	
Report Total				142,242.87	

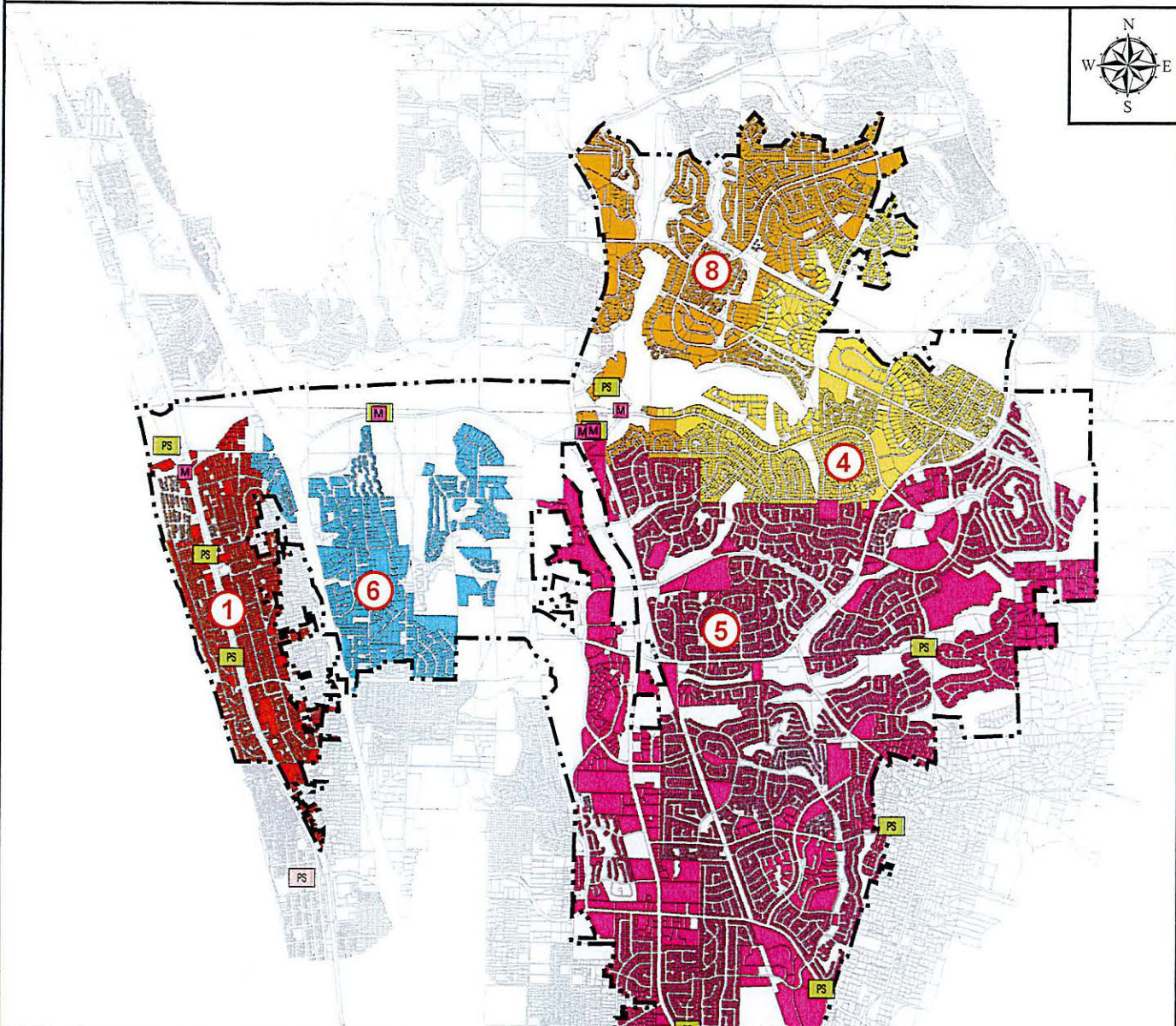
**LEUCADIA WASTEWATER DISTRICT
OPERATIONS REPORT
FISCAL YEAR 2025 (July 2024 - June 2025)**

CURRENT MONTH Aug-24							FY 2024
Period	Total Rain Inches	Total Flow MG	Added EDU's 28,986.78	LWD ADF (MGD)	GPD/EDU	RECLAIMED Total (ac-ft/mo)	LWD ADF (MGD)
JULY	0.00	119.35	2.25	3.85	132.81	42.28	3.76
YTD			28,989.03				
AUGUST	0.00	115.32	2.00	3.75	129.35	42.94	3.83
YTD			28,991.03				
SEPTEMBER							3.68
YTD							
OCTOBER							3.70
YTD							
NOVEMBER							3.68
YTD							
DECEMBER							3.62
YTD							
JANUARY							3.71
YTD							
FEBRUARY							4.12
YTD							
MARCH							3.80
YTD							
APRIL							3.73
YTD							
MAY							3.88
YTD							
JUNE							3.82
YTD							
YTD Totals	0.00	234.67	4.25			85.22	
Mo Average	0.00	117.34	2.13	3.80	131.08	42.61	3.78

**LWD Flows by Sub-Basin
August 2024
Total LWD Flow 3.72 MGD**



LEUCADIA WASTEWATER DISTRICT



LEGEND

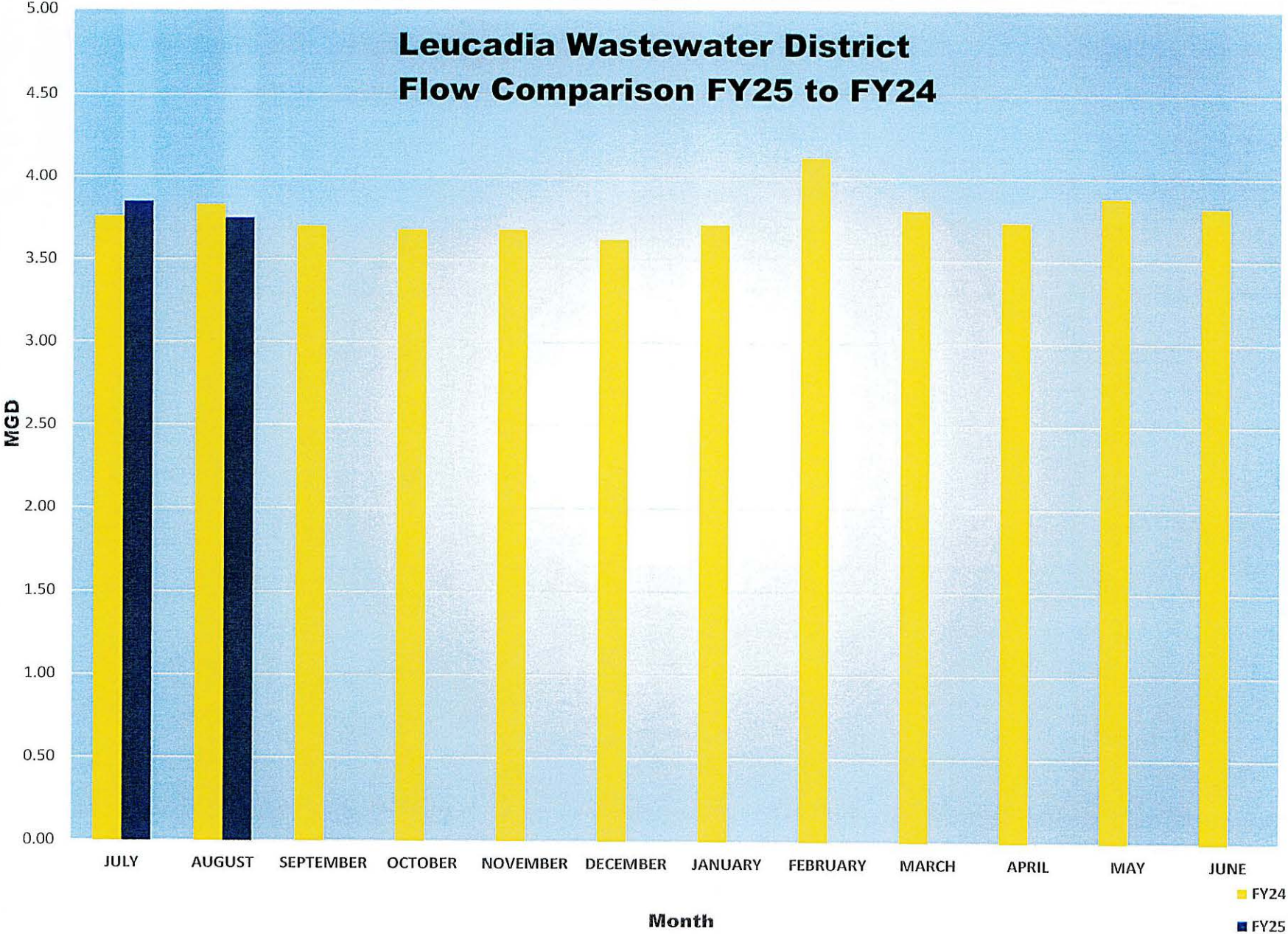
- | | |
|-------------------------|--------------------------|
| Parcels by Basin | M Meter Locations |
| 1 - Old Leucadia | LWD Pump Station |
| 4 - La Costa East | Encinitas Pump Station |
| 5 - North Green Valley | LWD Boundary |
| 6 - Saxony | |
| 8 - Leucadia PS | |



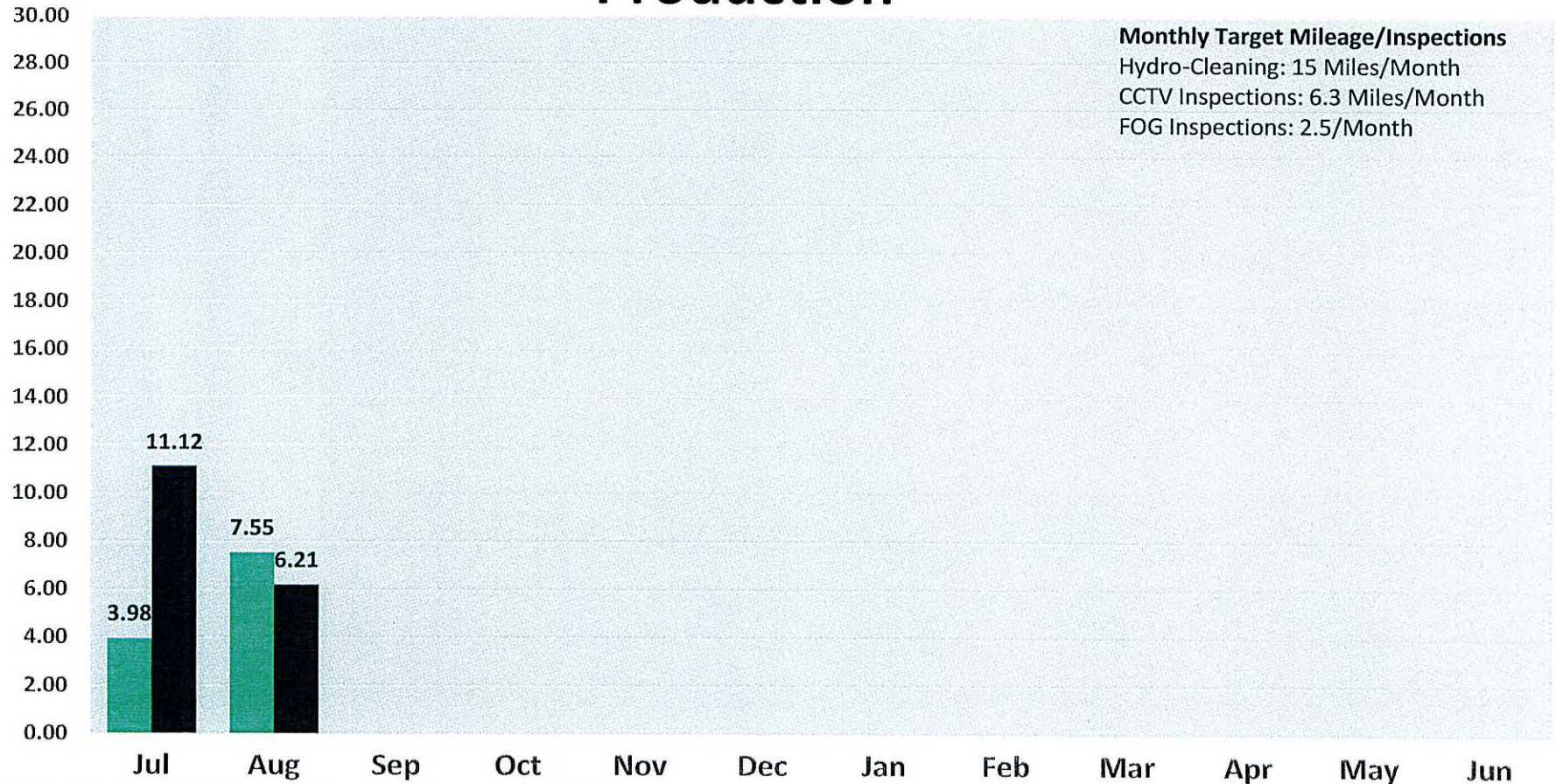
DEXTER WILSON ENGINEERING, INC.
CONSULTING ENGINEERS
(760) 438-4422

SEWER COLLECTION SYSTEM BY SUB-BASIN

Leucadia Wastewater District Flow Comparison FY25 to FY24



FY-25 CCTV Inspections & Hydro Cleaning Production



FOG Inspections

1

5

FOG (YTD 6)

CCTV Inspections (YTD 11.5 Miles)

Hydro Cleaning (YTD 17.3 Miles)

Operations and Administration Training Report August 2024

Training & Safety Events for the month August 2024

Hours

Description	Ops	Admin	Total
Bloodborne Pathogens	10.0	3.0	13.0
Fire Extinguishers	2.0	0.0	2.0
Forcemain Locator	8.0	0.0	8.0
Storm Water Management: Storm Water Pollution Prevention Plan (SWPP)	5.0	0.0	5.0
DataNet Phishing: Social Media/Angler Phishing	0.0	0.5	0.5
DataNet HIPAA: Overview of the Privacy Rule and Security Rule	0.0	0.5	0.5
DataNet Ransomware/Malware: Malicious Links & Websites	0.0	0.5	0.5
DataNet Data Protection: Privacy Risks	1.0	1.5	2.5
DataNet The Benefits of a Password Manager	1.0	1.5	2.5
DataNet PCI-DSS	1.0	2.0	3.0
DataNet Ransomware Basics v2	1.0	1.5	2.5
DataNet NIST 800 - 171: Who is required to comply & what information is protected	1.0	1.5	2.5
Total Training Hours	30.0	12.5	42.5

Conferences/Webinars/Seminars for the month of August 2024

Attendees

Description	Ops	Admin	Total
LSL: Back to Basics: Lighten Your Year-End Load	0	1	1
CASA Conference	0	1	1
CAMP: Investment Pools 101	0	1	1
CalPERS: Consolidation of CalPERS Actuarial Valuation Reports	0	1	1
CWEA Tri-State Seminar	3	0	3
Total Attended Conferences	3	4	7

Notes:

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



LEADERS IN
ENVIRONMENTAL
PROTECTION

Operations and Administration Training Report Summary for Fiscal Year 2025

Training		Hours	
Month	Ops	Admin	Total
Jul-24	48.0	14.5	62.5
Aug-24	30.0	12.5	42.5
Sep-24	0.0	0.0	0.0
Oct-24	0.0	0.0	0.0
Nov-24	0.0	0.0	0.0
Dec-24	0.0	0.0	0.0
Jan-25	0.0	0.0	0.0
Feb-25	0.0	0.0	0.0
Mar-25	0.0	0.0	0.0
Apr-25	0.0	0.0	0.0
May-25	0.0	0.0	0.0
Jun-25	0.0	0.0	0.0
YTD Totals	78.0	27.0	105.0

Conferences		Attendees	
Month	Ops	Admin	Total
Jul-24	1.0	2.0	3.0
Aug-24	3.0	4.0	7.0
Sep-24	0.0	0.0	0.0
Oct-24	0.0	0.0	0.0
Nov-24	0.0	0.0	0.0
Dec-24	0.0	0.0	0.0
Jan-25	0.0	0.0	0.0
Feb-25	0.0	0.0	0.0
Mar-25	0.0	0.0	0.0
Apr-25	0.0	0.0	0.0
May-25	0.0	0.0	0.0
Jun-25	0.0	0.0	0.0
YTD Totals	4.0	6.0	10.0

Notes:

Trainings include web-based, classroom, and tailgates

Conferences include CASA, CWEA, CSDA, CSRMA, CSFMO

Leucadia Wastewater District

Balance Sheet

As of 8/31/2024

(In Whole Numbers)

	Amount
Assets	
Cash & Investments	25,908,123
Accounts Receivables	279,110
Net OPEB Asset	37,776
Prepaid Expense	517,248
Funds held with Encina Wastewater Authority	445,200
Capital Assets	195,406,878
Less Accumulated Depreciation	(70,024,112)
Total Assets	<u>152,570,223</u>
Deferred Outflows	
PERS Pension Deferred Outflows	2,342,470
OPEB Health Deferred Outflows	279,439
Total Deferred Outflows	<u>2,621,909</u>
Total Assets & Deferred Outflows	<u><u>155,192,132</u></u>
Liabilities	
Accounts Payable & Accrued Expenses	518,815
Developer Deposits	153,888
Lease Liability	528
Net Pension Liability	4,922,025
Total Liabilities	<u>5,595,255</u>
Deferred Inflows	
PERS Pension Deferred Inflows	253,714
OPEB Health Deferred Inflows	154,946
Total Deferred Inflows	<u>408,660</u>
Net Position	
Beginning Net Position (as of June 30, 2023)	
Investment in Capital Assets	125,385,615
Reserves	26,311,124
Total Beginning Net Position (as of June 30, 2023)	<u>151,696,739</u>
Current Change In Net Position	
Other	(2,508,522)
Total Current Change In Net Position	<u>(2,508,522)</u>
Total Net Position	<u>149,188,217</u>
Total Liabilities, Deferred Inflows & Net Position	<u><u>155,192,132</u></u>

Leucadia Wastewater District

Summary Budget Comparison - Revenues and Operating Expenses

From 7/1/2024 Through 8/31/2024

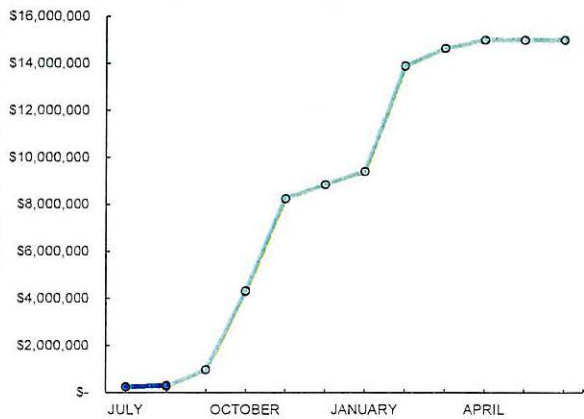
Account Title	YTD Actual	Total Annual Budget	Remaining Budget	Percentage Total Budget Used
OPERATING REVENUES				
3110 Sewer Service Fees	\$ 297,647	\$ 14,979,950	\$ 14,682,303	2.0%
3150 Recycled Water Sales	123,499	399,000	275,501	31.0%
3100 Misc. Operating Revenue	-	193,323	193,323	0.0%
TOTAL OPERATING REVENUES	\$ 421,146	\$ 15,572,273	\$ 15,151,127	2.7%
OPERATING EXPENSES				
4100 Salaries	\$ 302,775	\$ 2,277,968	\$ 1,975,193	13.3%
4200 Employee Benefits	253,307	1,758,571	1,505,264	14.4%
4300 Directors Expense	12,941	128,990	116,049	10.0%
4400 Election Expense	-	55,000	55,000	0.0%
4600 Gas, Oil & Fuel	4,954	66,000	61,046	7.5%
4700 Insurance Expense	157,203	264,000	106,797	59.5%
4800 Memberships	11,468	41,370	29,902	27.7%
4900 Office Expense	42,524	192,890	150,366	22.0%
5000 Operating Supplies	15,226	158,000	142,774	9.6%
5200 Professional Services	28,140	423,200	395,060	6.6%
5300 Printing & Publishing	288	33,000	32,712	0.9%
5400 Rents & Leases	5,543	20,600	15,057	26.9%
5500 Repairs & Maintenance	128,892	566,800	437,908	22.7%
5600 Monitoring & Permits	7,569	103,100	95,531	7.3%
5700 Training & Development	11,007	52,000	40,993	21.2%
5900 Utilities	88,762	623,200	534,438	14.2%
6100 LAFCO Operations	7,983	8,500	517	93.9%
6200 Encina Operating Expense	884,758	3,040,000	2,155,242	29.1%
6900 Admin O/H alloc to Capital	-	(224,007)	(224,007)	0.0%
TOTAL OPERATING EXPENSES	\$ 1,963,340	\$ 9,589,182	\$ 7,625,842	20.5%
NON-OPERATING REVENUES				
3130 Capacity Fees	\$ 20,280	\$ 187,200	\$ 166,920	10.8%
3220 Property Taxes	-	2,321,600	2,321,600	0.0%
3250 Investment Income	140,062	795,000	654,938	17.6%
3290 Misc. Non Op Revenue	553	589,700	589,147	0.1%
TOTAL NON-OPERATING REVENUES	\$ 160,895	\$ 3,893,500	\$ 3,732,605	4.1%

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

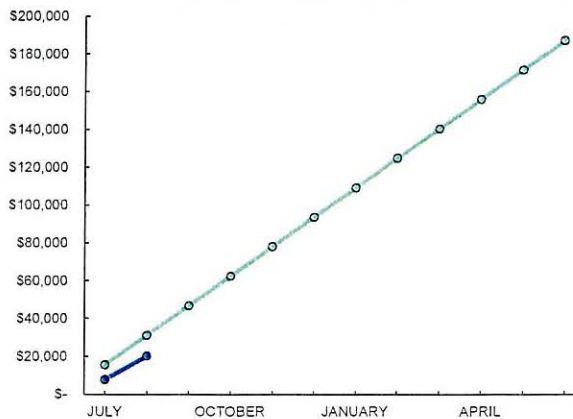
Leucadia Wastewater District Revenue FY2025

YTD through August 31, 2024

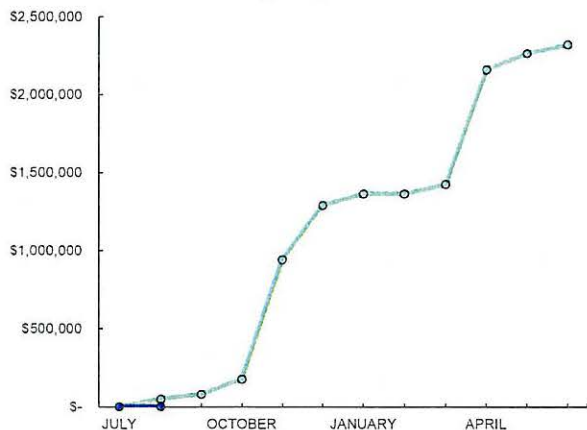
Sewer Service Fees



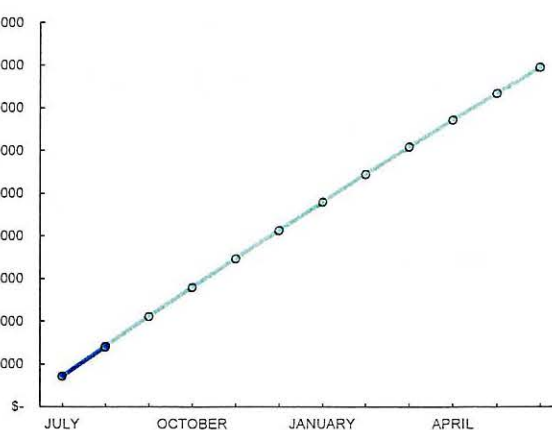
Capacity Charges



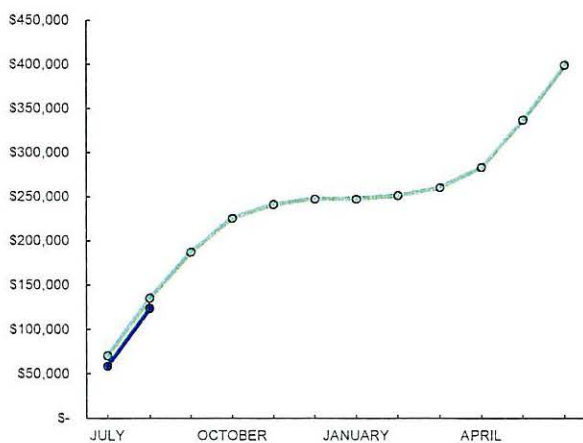
Property Taxes



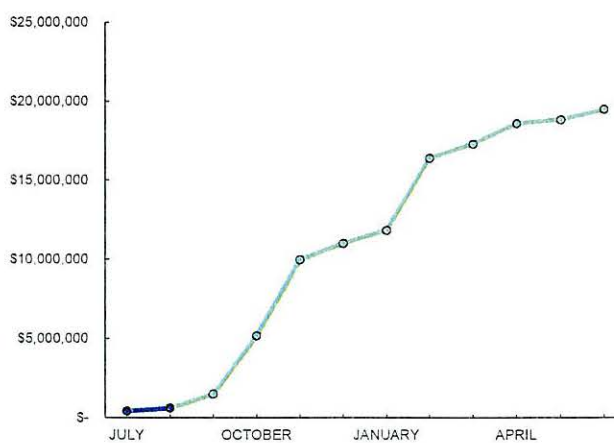
Investment Income



Recycled Wastewater Sales



Total Revenue



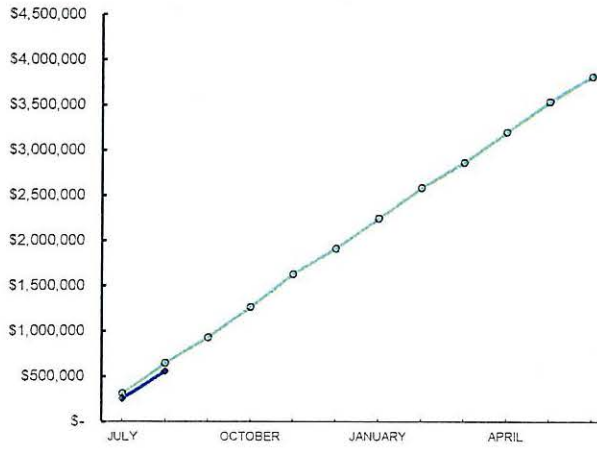
○ Budget ● Actual

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

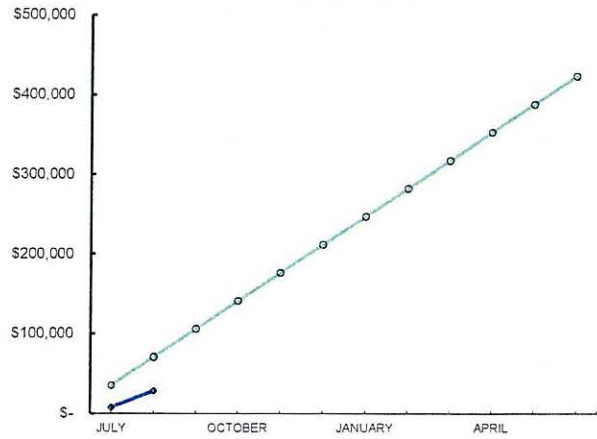
Leucadia Wastewater District Operating Expenses FY2025

YTD through August 31, 2024

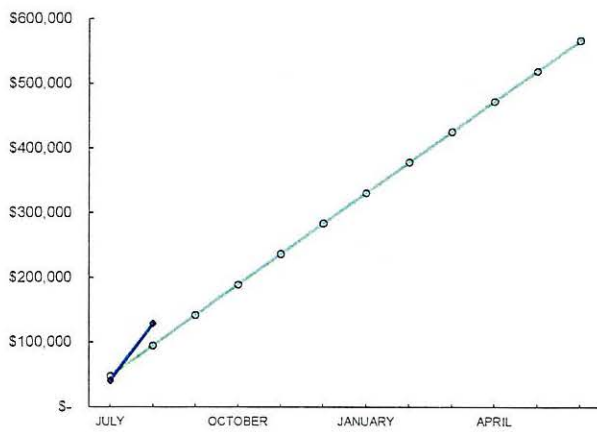
Salaries and Benefits



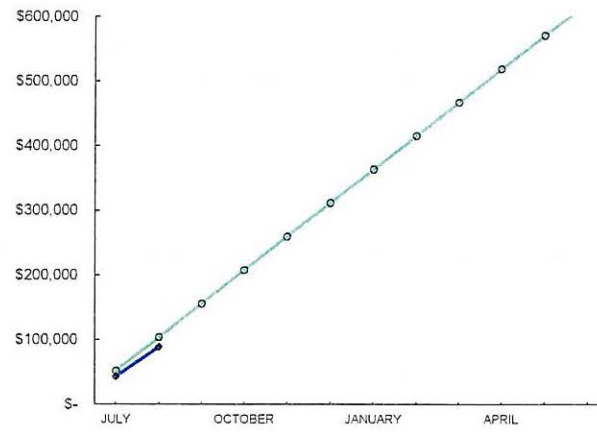
Professional Services



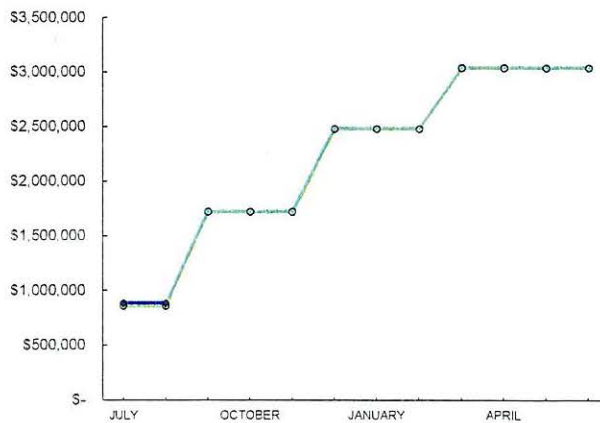
Repairs & Maintenance



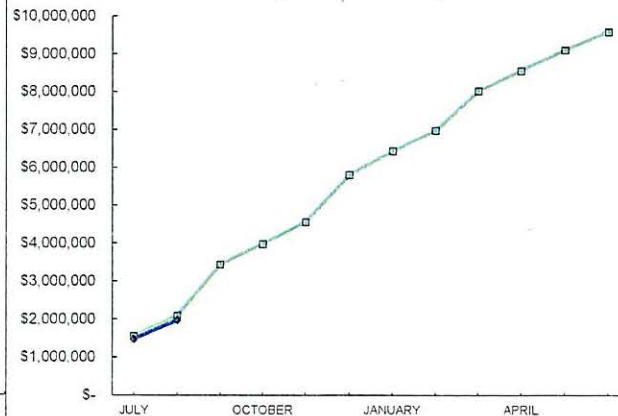
Utilities



Encina M&O



Total Operating Expenses -
Before Depreciation & Replacement



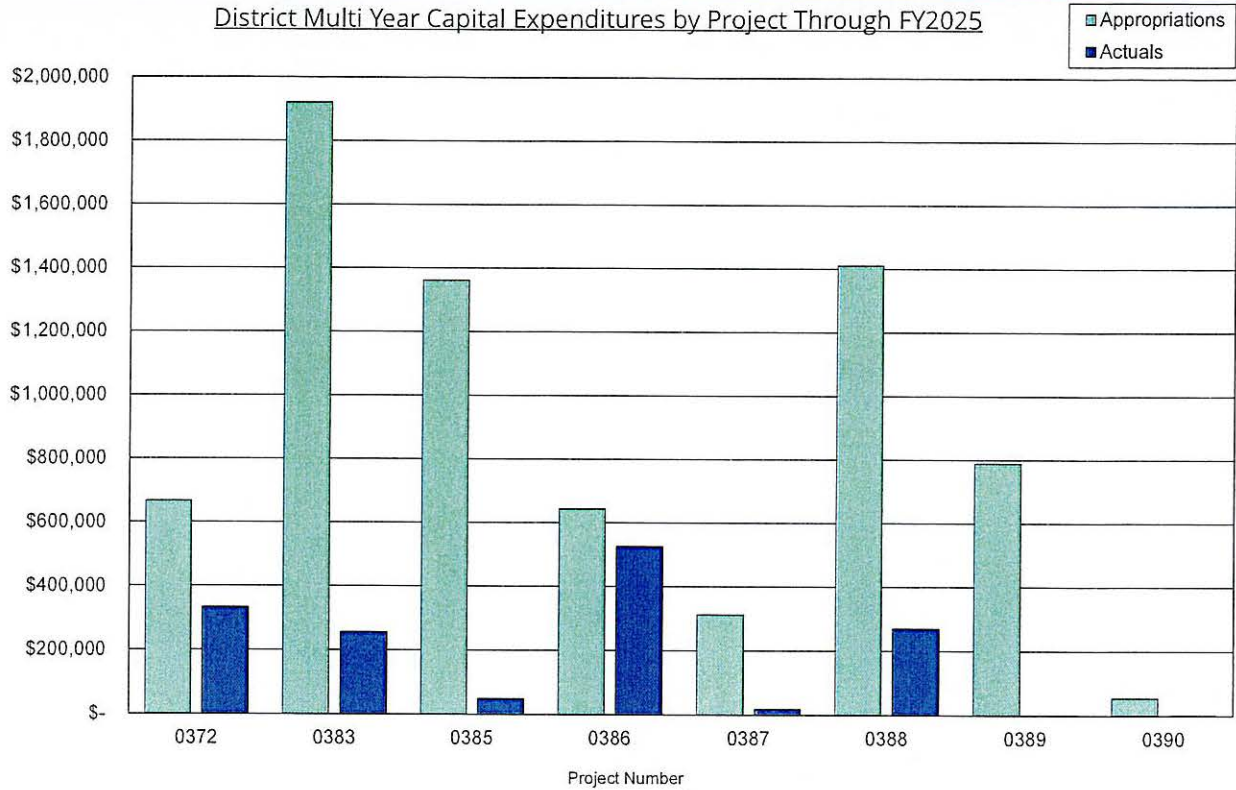
□ Budget ◆ Actual

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

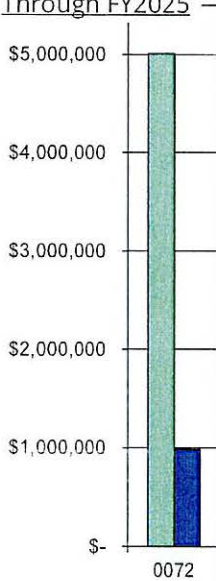
Leucadia Wastewater District Capital Expenditures

As of August 31, 2024

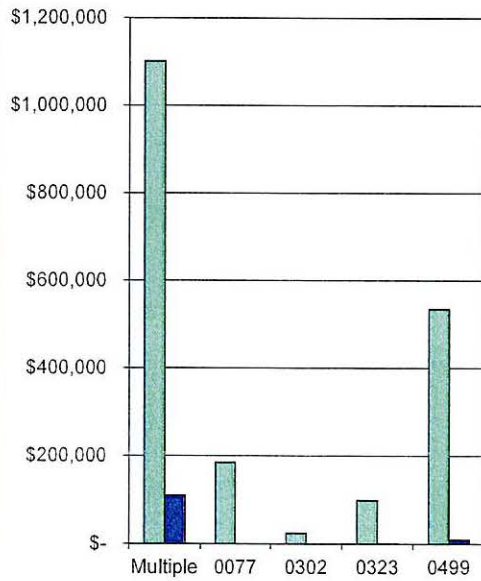
District Multi Year Capital Expenditures by Project Through FY2025



District's Share of Encina WPCF Capital Exp Through FY2025



Single Year Capital Expenditures by Project FY2025



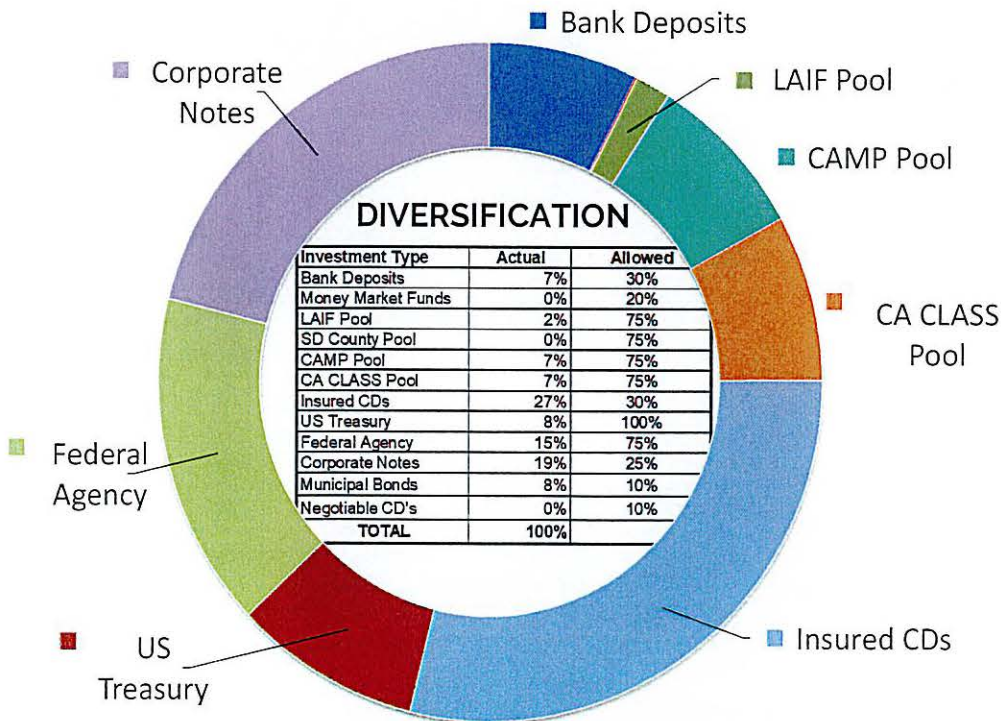
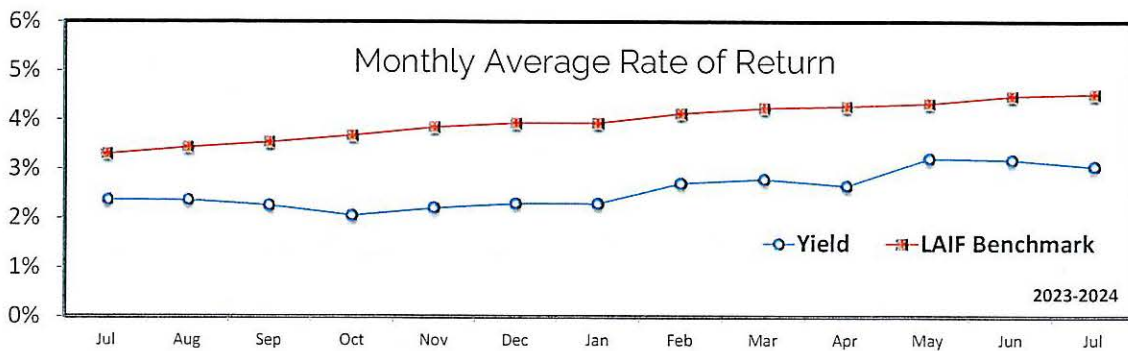
Project Legend

Multi-Year Capital Project	
	No.
Encina Capital	0072
Diana Pump Station Upgrade	0372
Rancho Verde Pump Station	0383
Batiquitos Emergency Basin Project	0385
FY2024 Gravity Pipeline Rehabilitation	0386
L1 Condition Assessment	0387
San Marcos Creek Crossing Repair	0388
FY2025 Gravity Pipeline Project	0389
Pump Station Condition Assessment	0390
Single Year Capital Projects	
	No.
Equipment - Capital Acquisitions	Multiple
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

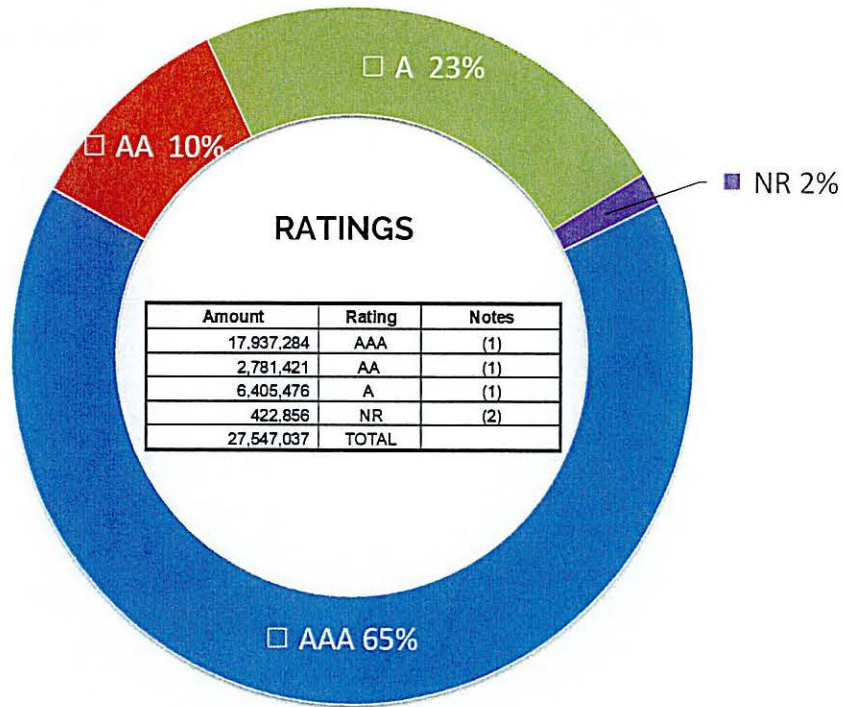
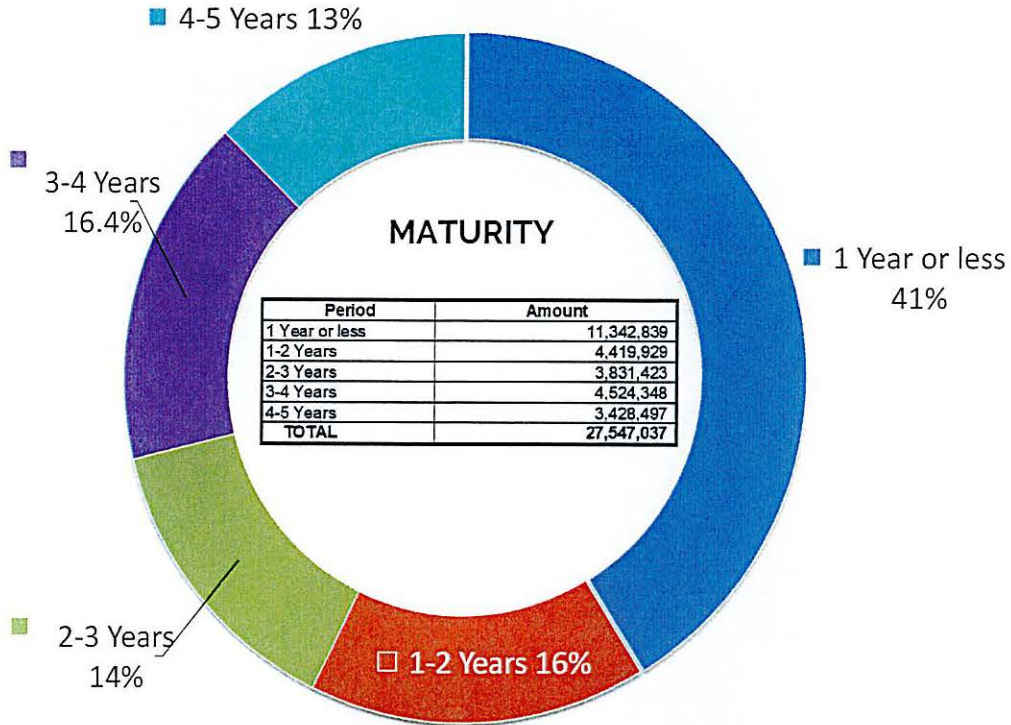
LEUCADIA WASTEWATER DISTRICT
Monthly Investment Summary
July 31, 2024

Cash Equivalents & Investments	Principal (Original Cost)		July Interest	Average Rate
	Jun 30, 2024	Jul 31, 2024		
Pacific Premier Bank Reserves	\$ 483,023	\$ 1,830,607	\$ 2,536	2.630%
TVI Dreyfus Money Market	24,969	25,999	105	4.960%
LAIF Pool	418,138	422,856	1,582	4.516%
SD County Pool	74	114	0	3.600%
CAMP Pool	3,368,382	2,010,983	12,171	5.430%
CA CLASS Pool	2,960,464	2,010,459	11,227	5.421%
Certificates of Deposit - Insured	7,137,000	7,307,000	15,742	2.655%
US Treasury Notes	2,301,958	2,301,958	5,141	3.027%
Federal Agency Notes	4,035,772	4,035,772	7,648	2.371%
Municipal Bonds	2,433,766	2,263,204	1,732	0.853%
Corporate Bonds/Notes	5,338,087	5,338,087	13,262	3.046%
Totals	\$ 28,501,633	\$ 27,547,037	\$ 71,146	3.046%



LEUCADIA WASTEWATER DISTRICT
 Monthly Investment Summary
 July 31, 2024

(Continued)

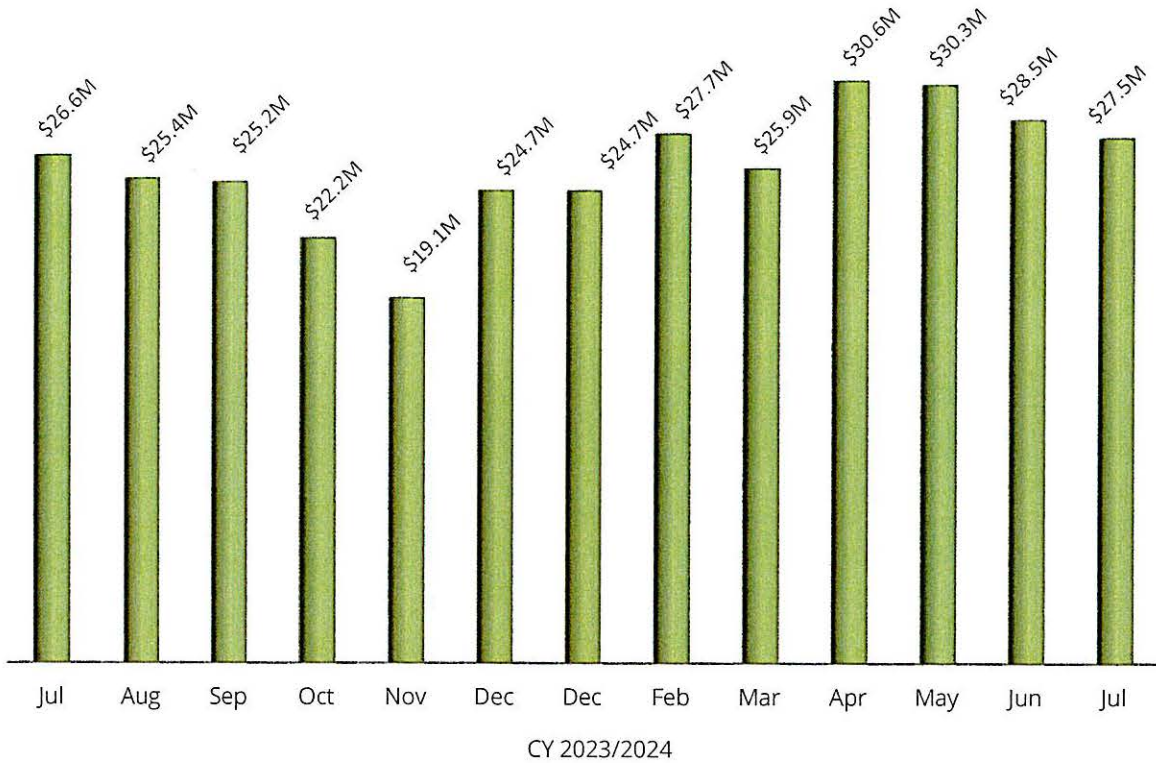


(1) CAMP Pool, CA CLASS & SD County Pool are rated by Standard & Poors. Investments are rated by Moody's or another rating agency.
 (2) LAIF is not rated.

LEUCADIA WASTEWATER DISTRICT
Monthly Investment Summary
July 31, 2024

(Continued)

CASH & INVESTMENT FUNDS BY MONTH



INVESTMENT TRANSACTIONS

Investment	Purchases	Sales & Maturities	Maturity Date	CUSIP	YTM at Cost	Notes
Brea Water Revenue Bonds		170,563	7/1/2024	106295CS5	0.81%	

Investment transactions above are investment purchases, sales, and maturities during the month. They do not include internal transfers between District's checking accounts and cash equivalents (pools/reserves).

MEMORANDUM

DATE: September 12, 2024
TO: Board of Directors
FROM: Paul J. Bushee, General Manager *RG for PJB*
SUBJECT: July/August 2024 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 months ending July and August 2024.

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. 2405 – 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 July and August 2024 for your review.

tb:PJB

Attachment

**Leucadia Wastewater District
Disclosure of Reimbursements Report
July / August 2024**

Conference Date	Description	GM	Director	Director	Director	Director	Director	DFA	FSS	FSSup
		P. Bushee	E. Sullivan	D. Omsted	C. Roesink	R. Saldana	R. Pacilio	R. Green	M. Gonzalez	M. Avalos
<i>CASA Annual Conference July 31 - August 2, 2024 Monterey Marriott Monterey, CA</i>	Registration		695.00	695.00		695.00		695.00		
	Hotel		798.00	897.60		798.00		798.00		
	Airfare		216.20	236.20		236.20		216.20		
	Meals		73.53	30.72		70.32		65.13		
	Parking					48.50		46.83		
	Rental Car									
	Tips/ Baggage		100.00	70.00		118.09				
	Fuel/mileage/taxi/uber		130.67	17.20				22.75		
	Total	0.00	2,013.40	1,946.72	0.00	1,966.11	0.00	1,843.91	0.00	0.00
	<i>Tri. State Seminar August 5-8, 2024 Southpoint Hotel Las Vegas, NV</i>	Registration								
Hotel										340.32
Airfare										
Meals										206.99
Parking										20.00
Rental Car										
Tips										
Fuel/mileage/taxi/uber										70.00
Total		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	736.31
	Registration									
	Hotel									
	Airfare									
	Meals									
	Baggage									
	Parking/Coaster									
	Tips									
	Fuel/mileage/taxi/uber									
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Registration									
	Hotel									
	Airfare									
	Meals									
	Baggage									
	Parking/Coaster									
	Tips									
	Fuel/mileage/taxi/uber									
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Notes: DO was not able to get a room at host hotel since they were booked out, he stayed at a different hotel and was able to get a room for 7/30 at that hotel. The host hotel was sold out for 7/30 so ES and RS did not fly to Monterey until 7/31.

Encina Wastewater Authority Report
Regular Board Meeting
August 28, 2024

EWA Board of Directors – Vice President Saldana Reporting

1. Pension Funding Policy

The Board of Directors adopted a Pension Funding Policy.

2. As-needed General Contractor Services Contract Award

The Board of Directors authorized the General Manager to execute a contracts with the following for as-needed general contractor services:

- SS Mechanical Construction Corporation; and
- J.R. Filanc Construction Co., Inc.

The Board of Directors also awarded a Task Order in the amount of \$344,280 to SS Mechanical Construction for the Aeration Basin Diffuser Replacement Project.

3. DAFT Repair Project Scope Expansion Change Order

The Board of Directors authorized the General Manager to do the following:

- Execute a scope expansion change order to the contract between Encina Wastewater Authority and J.R. Filanc Construction Co., Inc. in the amount of \$189,000; and
- Approve a transfer of unexpended appropriations from the Capital Improvement Program budget in the amount of \$189,000 to Project No. 31006

Executive Session

4. Conference with Legal Counsel – Anticipated Litigation pursuant to Government Code

There was no reportable action.

~~ Return to Board Action Items ~~

5. Digester Improvements Project Construction Management Services Scope Expansion Amendment

The Board of Directors authorized the General Manager to do the following:

- Execute a scope expansion amendment to the agreement with Carollo Engineers, Inc. in the amount not to exceed \$599,726; and
- Approve a transfer of unexpended appropriations from the Capital Improvement Program budget in the amount of \$600,000 to Project No. 32013

Investment & Finance Committee Meeting Report

Presented by Director Pacilio

Meeting held August 20, 2024

The Investment and Finance Committee (IFC) reviewed the following recommendations:

1. Audit Entrance Meeting with Rogers, Anderson, Malody & Scott, LLP.

The IFC participated in the Financial Audit Entrance meeting with staff and Scott Manno, from Rogers, Anderson, Malody & Scott, LLP.

Mr. Manno stated that they have begun their preliminary audit review. He went over the auditor's responsibilities, the timing of the audit, and the audit process.

There was no action taken.

2. Annual Review of LWD's Investment Policy

The IFC reviewed staff's recommendation to adopt Resolution No. 2413 and re-delegate authority to manage LWD's investment program to the General Manager effective September 1, 2024 through August 31, 2025.

This item will be discussed later in the agenda.

3. Authorize the General Manager to Purchase up to \$50,000 of Goods, Materials, Supplies, and Services

The IFC reviewed staff's recommendation to adopt Resolution No. 2420 authorizing the General Manager to Purchase up to \$50,000 of Goods, Materials, Supplies, and Services.

This item will be discussed later in the agenda.

4. Annual Review of LWD's Procurement Policy.

The IFC reviewed staff's recommendation to adopt Resolution No. 2421 approving LWD's revised Procurement Policy.

This item will be discussed later in the agenda.

Community Affairs Committee Meeting Report

Presented by Vice President Saldana

Meeting held August 26, 2024

The CAC reviewed the following recommendation:

1. Review the 2024 Fall Newsletter Draft Text

The CAC reviewed and commented on the draft text of the 2024 Fall newsletter. The CAC suggested some minor edits and staff stated they would make the changes.

Following discussion, the CAC authorized staff and RTP to proceed with the draft layout of the newsletter.

Engineering Committee Meeting Report

Presented by Director Omsted

Meeting held September 5, 2024

The EC reviewed the following recommendation:

1. Authorize the General Manager to execute a Purchase Order with Encinitas Ford, in the amount of \$75,505.13, for the purchase of a 2024 Ford F-150 Lightning Pro Electric Truck.

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 updates on the Batiquitos Pump Station Emergency Basin Lining Project and the San Marcos Creek Crossing Diversion Project.

There was no action taken.

MEMORANDUM

Date: September 12, 2024
To: Board of Directors
From: Paul J. Bushee, General Manager *RG for PSB*
Re: **Vehicle Purchase for a Ford F-150 Lightning Pro Electric Truck**

RECOMMENDATION:

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

1. Authorize the General Manager to execute a Purchase Order with Encinitas Ford, in the amount of \$75,505.13 for the purchase of a 2024 Ford F-150 Lightning Pro Electric Truck.
2. Discuss and take other action, as appropriate.

Background:

Tactical Goal: Infrastructure and Technology / Purchase Supervisor Truck and Charger

This item was reviewed by the EC at their September 5th meeting and the EC concurred with staff to present this item for the Board’s consideration.

The Leucadia Wastewater District (District) manages a fleet of 14 vehicles to operate and maintain its Collection System. With recent staff additions, it was determined that an additional light duty truck was needed to cover normal and standby operations. As such, funds were appropriated in the fiscal year 2025 (FY25) budget.

On January 1st, 2024, the California Air Resources Board (CARB) established Advanced Clean Fleet (ACF) regulations for local government fleets which focused on medium and heavy-duty on-road vehicles in order to transition to Zero Emission Vehicles (ZEV). The purchase of a Ford F-150 Lightning with a long-range battery will meet both the District need for an additional emergency response vehicle and comply with the new CARB ACF regulations.

Discussion:

Staff solicited sealed bids for a new 2024 Ford F-150 Lightning Pro Electric Truck with a long-range battery and a factory charger from 12 Ford dealerships in Southern California. Additionally, a Notice Inviting Bids was advertised on the District website. The bids were due on August 12, 2024 by 2:00 pm. Three (3) bids were received as follows:

- | | |
|-------------------|-------------|
| 1. Encinitas Ford | \$75,505.13 |
| 2. Sedano Ford | \$82,231.28 |
| 3. Ken Grody Ford | \$82,595.76 |

The bids were reviewed by District staff. As a result of their evaluation, staff determined Encinitas Ford to be responsive to the bid requirements and recommended that Encinitas Ford be awarded the contract as the lowest responsive and responsible bidder.

Therefore, staff and the EC recommend that the Board of Directors award the contract to Encinitas Ford as the lowest responsive and responsible bidder in an amount not to exceed \$75,505.13.

FISCAL IMPACT:

The FY25 Capital Acquisition Budget included \$80k for the purchase of the new 2024 Ford F-150 Lightning Pro Electric Truck. Therefore, there are sufficient funds to complete this purchase.

gm:PJB

MEMORANDUM

Ref: 25-8888

DATE: September 12, 2024
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Annual Review of Leucadia Wastewater District's Investment Policy

RECOMMENDATION:

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

1. Adopt Resolution No. 2413 re-delegating authority to manage LWD's investment program to the General Manager effective September 1, 2024 through August 31, 2025.
2. Discuss and take other action, as appropriate.

DISCUSSION:

Tactical Goal: Finance/Financial Policy Reviews/Investment Policy

This item was reviewed by the IFC at its August 20th meeting and the IFC concurred with staff to present this item for the Board's consideration.

The Board of Directors last amended Leucadia Wastewater District's (LWD) Investment Policy in August 2023.

The LWD Investment Policy establishes guidelines to ensure investments are in compliance with California governmental code. It also establishes the types of investment vehicles LWD can use, defines the target rate of return on investments, and the maximum percentages of investments in any one vehicle. Additionally, the Investment Policy and California Government Code section 53607 requires that the Board of Directors delegate authority to manage the Investment Program. In the past, this authority has been delegated to the General Manager.

The Investment Policy calls for an annual review by the Board of Directors. Staff recently reviewed the attached policy to determine if any amendments are warranted, and staff does not recommend any changes.

Proposed Resolution No. 2413 with the Investment Policy is provided for your review (Attachment 1). Staff will provide a brief overview of the attached policy at the upcoming meeting. Staff and the IFC recommend that the Board of Directors adopt Resolution No. 2413.

reg:PJB

Attachment

RESOLUTION NO. 2413

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF LEUCADIA WASTEWATER DISTRICT
RE-DELEGATING AUTHORITY TO MANAGE THE
INVESTMENT PROGRAM TO THE GENERAL MANAGER**

WHEREAS, the Board of Directors of Leucadia Wastewater District (LWD) approved Resolution No. 2401 on August 16, 2023 adopting the District's Amended Investment Policy; and

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

WHEREAS, the Board of Directors do not desire to modify the Investment Policy; and

WHEREAS, California Government Code section 53607 requires that the Board of Directors delegate authority to manage the Investment Program on an annual basis; and

WHEREAS, the Board of Directors desire to delegate authority to manage the Investment Program to the General Manager;

NOW, THEREFORE, the Board of Directors of Leucadia Wastewater District does hereby resolve as follows:

1. Delegates the authority to invest or reinvest funds, or to sell or exchange securities so purchased, to the General Manager from September 1, 2024 through August 31, 2025.

PASSED AND ADOPTED by the Board of Directors at a meeting of the Leucadia Wastewater District held September 18, 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chris Roesink, President

ATTEST:

Paul J. Bushee, Secretary/Manager

(SEAL)

LEUCADIA WASTEWATER DISTRICT

INVESTMENT POLICY



LEUCADIA WASTEWATER DISTRICT INVESTMENT POLICY

Ref: 23-8419

1.0 Purpose

This investment policy is intended to establish guidelines for the prudent management and investment of the Leucadia Wastewater District's available funds in conformance with California Government Code requirements governing the investment of public funds. It is also intended that the Board of Directors review this policy annually.

The District shall invest public funds in a manner which will meet the objectives of this investment policy in priority order of Safety, Liquidity, and Return on Investment, while meeting the daily cash flow demands of the District.

2.0 Scope

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

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

3.0 Prudence

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

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

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

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

4.0 Objective

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

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

4.2 Liquidity: The District's investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements that might reasonably be anticipated. These liquid funds shall be, at a minimum, an amount equal to the Districts Operating Reserve as defined by the Districts Reserve Policy, and shall be in cash or cash equivalents.

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

5.0 Delegation of Authority

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

6.0 Ethics and Conflicts of Interests

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment policy and program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the General Manager any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the District's portfolio. The General Manager shall make a like disclosure to the Board of Directors. Employees and officers shall

subordinate their personal investment transactions to those of the District, particularly with regard to the time of purchases and sales. All bond issue participants, including but not limited to, underwriters, bond-counsel, financial advisors, brokers and dealers will disclose any fee sharing arrangements or fee splitting to the District's General Manager prior to the execution of any transaction. See District's Conflict of Interest Code for additional disclosures and requirements.

7.0 Authorized Financial Dealers and Institutions

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

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

8.0 Authorized and Suitable Investments

8.1 All investments shall be made in accordance with Sections 53600 *et seq.* of the Government Code of California and described within the Investment Policy. In the event an apparent discrepancy is found between this policy and the Government Code, the more restrictive parameters will take precedence. To the extent possible, the District will attempt to match its investments with anticipated cash flow requirements. The maximum maturity of individual investments shall not exceed the limits set forth below or in the California Government Code. (See authorized investment chart under section 11). Where no maturity limit is stated, no investment shall exceed a maturity of five years from the date of purchase unless the Board of Directors has granted express authority to make that investment either specifically or as a part of an investment program approved by the Board of Directors no less than three months prior to the investment.

8.2 Permitted investments under the Investment Policy are listed below. Concentration limits are found in section 11.

U.S. Treasury Instruments. United States Treasury notes, bonds, bills or certificates of indebtedness, or those for which the full faith and credit of the United States is pledged for payment of principal and interest. (Code section 53601(b))

Federal Agency and Instrumentality Securities. Federal Agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. (Code section 53601(f))

State of California and Local Debt. Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a

department, board, agency, or authority of the local agency. Purchases are limited to securities rated at least "A-" or equivalent, by a Nationally Recognized Statistical Rating Organization ("NRSRO"). (Code sections 53601(c) & (e))

Other 49 States Debt. Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California. Purchases are limited to securities rated at least "A-" or equivalent, by a Nationally Recognized Statistical Rating Organization ("NRSRO"). (Code section 53601(d))

Bonds issued by Leucadia Wastewater District. Bonds issued by the District, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by the District or by a department, board, agency or authority of the District, if and in the manner which it is permitted by their governing documents. (Code section 53601(a))

Medium-Term Notes. Medium-term corporate notes, defined as all corporate and depository institution securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or depository institutions licensed by the United States or any state and operating within the United States. Purchases are limited to securities rated at least "A" or its equivalent by an NRSRO. (Code section 53601(k))

Bankers Acceptances. Purchases of bankers acceptances may not exceed 180 days' maturity. Purchases are limited to issuers with senior debt ratings of at least "A" or its equivalent by an NRSRO. (Code section 53601(g))

Commercial Paper. The entity that issues the commercial paper shall have met either of the following criteria: (1) The corporation shall be organized and operating within the United States, shall have total assets in excess of five hundred million dollars (\$500,000,000), and has debt other than commercial paper, if any, that the other debt is rated "A" or higher by an NRSRO; or (2) The corporation shall be organized within the United States as a special purpose corporation, trust, or limited liability company; has program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or surety bond; has commercial paper that is rated "A-1" or higher, or the equivalent, by an NRSRO. Eligible commercial paper shall not exceed 270 days' maturity. (Code section 53601(h))

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

Placement Service Deposits. Deposits placed through a deposit placement service in accordance with California Government Code Section 53601.8 and 53635.8. The full amount of the principal and the interest that may be accrued during the maximum term of

each deposit shall at all times be insured by federal deposit insurance. (Code section 53635.8)

Bank Certificates of Deposit - FDIC/NCUA Insured. FDIC or NCUA insured certificates of deposit issued by a nationally or state-chartered bank, a state or federal association, a state or federal credit union, or by a state license branch of a foreign bank. This category includes certificates of deposit purchased through a broker/dealer. (Code sections 53630 et seq.)

Negotiable Certificates of Deposit. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a state or federal credit union, or by a state-licensed branch of a foreign bank. Uninsured purchases are limited to institutions that have a rating of at least "A", "A-1", or its equivalent, by an NRSRO. (Code section 53601(i))

Money Market Funds. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 and following). The company shall have met either of the following criteria: (A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs; or (B) retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than 5 years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000). (Code section 53601(l))

State of California Local Agency Investment Fund (LAIF). LAIF is a special fund in the California State Treasury and an investment alternative for California's local governments and special districts created and governed pursuant to California Government Code Section 16429.1 et seq. and managed by the State Treasurer's Office. The amount invested may not exceed the current maximum amount allowed by LAIF. If the District has funds invested in LAIF, the District shall maintain on file LAIF's current investment policy and its requirements for participation, including limitations on deposits or withdrawals. (Code section 16429.1 et seq.)

California Asset Management Program (CAMP) Pool. California Asset Management Trust is a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California. If the District has funds invested in CAMP, the District shall maintain on file CAMP's disclosure statement listing its investment policy and its requirements for participation, including limitations on deposits or withdrawals. Code section 53601(p))

California Cooperative Liquid Assets Securities System (CLASS). CLASS was created via a joint powers agreement by and among California public agencies. California CLASS provides California public agencies with a convenient method for investing in high-quality, short- to medium-term securities selected to optimize interest earnings while maximizing safety and liquidity. If the District has funds invested in CLASS, the District shall maintain on file CLASS's current investment policy and its requirements for participation including limitations on deposits or withdrawals. (Code section 53601(p))

San Diego County Treasurer's Pooled Money Fund. This is a local government investment pool managed by the San Diego County Treasurer-Tax Collector. If the District has funds invested in San Diego County Pool, the District shall maintain on file the San Diego County Treasurer's Pooled Money Fund Investment Policy and its requirements for participation, including limitations on deposits or withdrawals. (Code section 53684)

9.0 Investment Pools/Money Market Mutual Funds

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

10.0 Safekeeping and Custody

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

11.0 Diversification

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

District funds may be invested in accordance with the following table, which summarizes the allowable allocation of investments by percentage of total funds invested. Percentage holding limits listed below apply at the time the security is purchased. No more than 5% of the total portfolio is to be invested in securities of any single issuer, excluding US Treasuries, Federal Agencies, Bank Deposits, Money Market Funds, and Pools.

Allowable Allocation of Investments

Authorized Investment	Govt. Code	Max %	Max Maturity
US Treasury Instruments	53601(b)	100%	5 years*
Federal Agency and Instrumentality Securities	53601(f)	75%	5 years*
State of California and Local Debt	53601(c)&(e)	10%	5 years*
Other 49 States Debt	53601(d)	5%	5 years*
Bonds Issued by Leucadia Wastewater District	53601(a)	10%	5 years*
Medium-Term Corporate Notes	53601(k)	25%	5 years
Bankers Acceptances	53601(g)	10%	180 days
Commercial Paper	53601(h)	10%	270 days
Bank Deposits	53630 et seq.	30%	5 years*
Placement Service Deposits	53635.8	20%	5 years*
Bank Certificates of Deposit – Insured	53630 et seq.	30%	5 years*
Negotiable Certificates of Deposit - Uninsured	53601(i)	10%	5 years*
Money Market Funds	53601(l)	20%	n/a
State of California Local Agency Investment Pool (LAIF)	16429.1 et seq.	75%	n/a
California Asset Management Program (CAMP)	53601(p)	75%	n/a
California Cooperative Liquid Assets Securities System	53601(p)	75%	n/a
San Diego County Treasurer's Pooled Money Fund (SD Pool)	53684	75%	n/a

* This investment may exceed a maturity of five years if approved by the Board of Directors prior to investment (See 8.1)

12.0 Internal Control

The General Manager has established a system of internal controls to ensure compliance with the Investment Policy of the District and the California Government Code. The internal control procedures include, but are not limited to, segregation of duties in the different phases of an investment transaction, monthly reconciliation of the investment report to the general ledger, and annual policy compliance reviews. An independent audit is conducted by the District's external auditors, which includes a compliance review of the District's investment activities to the District's policy, the California Government Code, and Government Accounting Standard Board (GASB) requirements regarding investment disclosures.

13.0 Performance Standards

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

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

14.0 Reporting

The General Manager shall submit to each member of the Board of Directors, on a monthly basis, an investment summary, describing the types of investment transactions, investments held by category, original costs, and average rates of return in accordance with Government Code Section 53607. In addition, the General Manager shall prepare a quarterly investment report in accordance

with Government Code Section 53646 (b) (1). The report shall include a complete description of the portfolio, the type of investments, the issuers, maturity dates, interest rates, par values, cost and the current market values of each component of the portfolio. The report must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy, and (2) the District will meet its expenditure obligations for the next six months, or provide an explanation as to why money shall, or may, not be available. The General Manager shall maintain a complete and timely record of all investment transactions.

15.0 Review of Investment Portfolio and Credit Rating Changes

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

16.0 Investment Policy Adoption

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

17.0 Glossary of Terms

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

ASKED: The price at which securities are offered.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., savings & loans, small business firms, students, farmers, farm cooperatives, and exporters.

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

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

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 11 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to provide liquidity to the housing related assets of its members who must purchase stock in their district Bank.

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

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

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

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

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

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

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

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

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

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

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

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

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

PORTFOLIO: Collection of securities held by an investor.

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

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

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

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

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

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

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

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

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

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

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

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

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

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

MEMORANDUM

Ref: 25-8889

DATE: September 12, 2024
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: **Authorizing the General Manager to Purchase up to \$50,000 of Goods, Materials, Supplies, and Services**

RECOMMENDATION:

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

1. Adopt Resolution No. 2420, authorizing the General Manager to purchase on behalf of Leucadia Wastewater District (LWD) goods, materials, supplies, and services up to \$50,000.
2. Discuss and take other action, as appropriate.

DISCUSSION:

This item was reviewed by the IFC at its August 20th meeting and the IFC concurred with staff to present this item for the Board's consideration.

Resolution No. 2289, authorizing the General Manager to purchase up to \$35,000 of goods, materials, and supplies at any one time without specific prior Board approval was adopted by the Board of Directors on September 13, 2017. Such purchases are to only be made for items and at amounts within the Board approved budget.

Staff recently conducted a review of the existing resolution. It has been nearly seven years since Resolution No 2289 set the General Manager's purchasing authority at \$35,000. Staff thought it would be appropriate to adjust the purchasing authority amount to adjust for the inflationary pressures and to align with other local agencies.

Staff conducted a survey of the purchasing authority limits requiring Board/Council approval for other local agencies that provide water or wastewater services in San Diego County. Based on the survey we found that management's average spending authority limit for these 29 agencies is just over \$75,000 (Attachment 1).

Based on the above information, staff is recommending increasing the General Manager's spending authority from \$35,000 to \$50,000. Staff believes a \$50,000 purchasing authorization for the General Manager is reasonable and appropriate. It would establish spending limits that reflect today's costs and would help facilitate the purchasing process in an efficient manner.

For these reasons, staff and the IFC recommend that the Board of Directors: (1) Adopt Resolution No. 2240, authorizing the General Manager to purchase up to \$50,000 of goods, materials, supplies, and services, and (2) discuss and provide direction, as appropriate.

The proposed resolution is attached for the Board's review. (Attachment 2)

reg:PJB

Attachments

**PURCHASING AUTHORITY SURVEY SAN DIEGO COUNTY AGENCIES
AUGUST 2024**

Agency	Dollar Limit Requiring Board or Council Approval	Dollar Limit from Prior Survey (2017)
Carlsbad, City of	\$100,000	\$100,000
Chula Vista, City of	\$250,000	\$150,000
Coronado, City of	\$100,000	\$30,000
Del Mar, City of	\$15,000	\$15,000
El Cajon, City of	\$75,000	\$37,500
Elsinore Valley Municipal Water District ¹	\$100,000	
Encina Wastewater Authority	\$100,000	\$50,000
Escondido, City of	\$200,000	\$100,000
Fallbrook Public Utility District	\$60,000	\$45,000
Imperial Beach, City of	\$45,000	\$10,000
La Mesa, City of	\$50,000	\$47,500
Lemon Grove, City of	\$15,000	\$0
Leucadia Wastewater District	\$35,000	\$25,000
National City	\$50,000	\$25,000
Oceanside, City of	\$100,000	\$50,000
Olivehain Municipal Water District	\$75,000	\$50,000
Otay Water District	\$75,000	\$75,000
Padre Dam Municipal Water District	\$50,000	\$50,000
Poway, City of ¹	\$60,000	
Rainbow Municipal Water District	\$50,000	\$50,000
Ramona Municipal Water District	\$60,000	\$60,000
Rincon del Diablo Municipal Water District	\$25,000	\$25,000
San Dieguito Water District (Encinitas)	\$100,000	\$100,000
Santa Fe Irrigation District	\$35,000	\$35,000
Solana Beach, City of	\$50,000	\$25,000
Vallecitos Water District	\$50,000	\$50,000
Valley Center Municipal Water District	\$50,000	\$50,000
Vista, City of ¹	\$150,000	
Vista Irrigation District	\$60,000	\$50,000
Average²	\$75,345	\$50,192
Average excluding cities	\$61,667	\$51,071
Median (including or excluding cities)	\$60,000	\$50,000

Note 1: The agency was not included in the 2017 survey.

Note 2: The 2017 survey included the City of San Diego (\$625,000) which was an outlier and has since been removed.

RESOLUTION NO. 2420

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
LEUCADIA WASTEWATER DISTRICT
AUTHORIZING THE GENERAL MANAGER TO PURCHASE
UP TO \$50,000 OF GOODS, MATERIALS, SUPPLIES, AND SERVICES AT
ANY ONE TIME WITHOUT SPECIFIC PRIOR BOARD APPROVAL**

WHEREAS, the Board of Directors of LEUCADIA WASTEWATER DISTRICT (LWD) typically meet only once a month to transact business and it is often necessary and appropriate for the General Manager to purchase goods, materials, supplies, and services in between Board Meetings; and

WHEREAS, it is the purpose of this Resolution to authorize the General Manager to purchase such goods, materials, supplies, and services subject to the conditions of this Resolution;

NOW, THEREFORE, be it hereby resolved as follows:

1. The General Manager is hereby authorized to purchase on behalf of LWD goods, materials, supplies, and services not to exceed a total cost of \$50,000 at any one time, without specific prior Board approval, subject to the following conditions.

2. Such purchases may only be made for items and at amounts within the Board approved budget.

3. The General Manager shall keep written records of all such purchases, in accordance with LWD's Records Retention Policy.

4. The General Manager shall report, in writing, all such purchases to the Board at its next regularly scheduled meeting.

5. The General Manager may not exercise this authority to purchase any goods, materials or supplies where competitive bidding statutes, any rule, regulation, or policy of LWD, would require that an alternate procedure be followed.

6. This resolution hereby supersedes and rescinds Resolution No. 2289.

PASSED AND ADOPTED by the Board of Directors at a meeting of the Leucadia Wastewater District held September 18, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chris Roesink, President


ATTEST:

Paul J. Bushee, Secretary/Manager

(SEAL)

MEMORANDUM

Ref: 25-8890

DATE: September 12, 2024
TO: Board of Directors
FROM: Paul J. Bushee, General Manager 
SUBJECT: Annual Review of the Procurement Policy

RECOMMENDATION:

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

1. Adopt Resolution No. 2421 approving LWD’s revised Procurement Policy; and
2. Discuss and take other action, as appropriate.

DISCUSSION:

Tactical Goal: Finance/Financial Policy Reviews/Procurement Policy

This item was reviewed by the IFC at its August 20th meeting and the IFC concurred with staff to present this item for the Board’s consideration.

The Leucadia Wastewater District (LWD) Procurement Policy was originally adopted by the Board of Directors on March 9, 2005 and was last revised on July 13, 2022. The policy consolidates purchasing requirements under one program and provides a prudent set of controls while maintaining efficiency and flexibility in the procurement process.

Staff recently conducted an annual review of the existing policy. Based on this review, staff recommends increasing the current procurement thresholds to adjust for inflationary pressures, and making minor clerical updates. The threshold adjustments are summarized below:

Category*		Goods	Construction Services	Professional Services	Other Services
Open Market Procurement	Current	\$0-\$10K	\$0-\$35K	\$0-\$35K	\$0-\$10K
	Proposed	\$0-\$15K	\$0-\$50K	\$0-\$50K	\$0-\$15K
Informal Procedures	Current	>\$10K-\$60K	>\$35K-\$60K	>\$35K-\$60K	>\$10K-\$60K
	Proposed	>\$15K-\$75K	>\$50K-\$75K	>\$50K-\$75K	>\$50K-\$75K
Formal RFP Process	Current	n/a	n/a	>\$60K	n/a
	Proposed	n/a	n/a	>\$75K	n/a
Formal Sealed Bid Procedures	Current	>\$60K	>\$60K	n/a	>\$60K
	Proposed	>\$75K	>\$75K	n/a	>\$75K

*Exceptions to the summary above do exist.

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

For these reasons, staff and the IFC recommend that the Board of Directors adopt Resolution no. 2421 approving LWD's revised Procurement Policy, and discuss and provide direction as appropriate.

The proposed resolution (Attachment 1) includes a tracked-changes version of the revised Procurement Policy for the Board's review (Exhibit "A").

reg:PJB

Attachment

RESOLUTION NO. 2421

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

WHEREAS, the Leucadia Wastewater District's (LWD) existing Procurement Policy was adopted on July 13, 2022 to establish a prudent set of controls in the procurement process; and

WHEREAS, it is prudent for LWD to periodically review its Procurement Policy to reflect changes in laws, regulations, and the current costs.

NOW, THEREFORE, it is hereby resolved as follows:

1. The LWD Board of Directors adopts the LWD Procurement 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 and rescinds Resolution No. 2376.

PASSED AND ADOPTED by the Board of Directors at a meeting of the Leucadia Wastewater District held September 18, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chris Roesink, President

ATTEST:

Paul J. Bushee, Secretary/Manager

(SEAL)

Attachment 1

LEUCADIA WASTEWATER DISTRICT

RESOLUTION NO. 2421

EXHIBIT "A"

LWD PROCUREMENT POLICY

Attachment 1



PROCUREMENT POLICY

Ref: 22-803325-8865

1. Purpose

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

2. Related LWD Board of Directors' Policies

2.1. Resolution 2289-2421 authorizing the General Manager to purchase up to ~~\$35,000~~50,000 of goods, materials, supplies, and services at any one time without specific prior Board approval dated September ~~13, 2017~~18, 2024.

2.2. LWD's current Conflict of Interest Code.

3. Policy

It is the Policy of the Board of Directors that:

3.1. LWD shall procure required goods and services commensurate with acceptable quality at the lowest possible cost.

3.2. Appropriate internal financial controls shall be exercised over all procurements.

3.3. No procurement shall be authorized unless sufficient funds have been appropriated pursuant to LWD's budgetary processes.

3.4. Cooperative purchasing with other public agencies shall be performed whenever such purchases are feasible and in the best interests of LWD.

3.5. The General Manager shall determine the necessity of insurance and/or appropriate insurance requirements in consultation with the originating department head and risk management advisors, and, with the advice and concurrence of the LWD General Counsel. If insurance is required, a Certificate of Insurance conforming to such requirements, and any applicable insurance industry standards, must be on file before goods are delivered or services are provided.

3.6. The General Manager shall execute and maintain administrative procedures to implement this Policy and to ensure that the procurement of all goods and services are properly documented and that they conform to: this Policy, related internal financial controls, and all applicable administrative procedures.

- 3.7. The General Manager shall maintain all documentation required by this Policy in accordance with LWD's Records Retention Policy.
- 3.8. The General Manager may, at his/her discretion, delegate duties under this Policy.
- 3.9. The Board of Directors may, at its sole discretion, waive all or any part of this Policy.

4. Policy Coverage

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

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

5. Open Market Procurements for Goods and Other Services (~~\$10,000~~15,000 or less) and Professional Services and Construction Services (~~\$35,000~~50,000 or less)

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

6. Informal Procurements for Goods and Other Services (~~\$40,000-04~~15,000.01 to ~~\$60,000~~75,000) and Construction Services (~~\$35,000-04~~50,000.01 to ~~\$60,000~~75,000)

The following defines an informal procurement for goods:

- 6.1. Minimum Requirements: The procurement of goods or services require that staff develop a Request for Quote to clarify and standardize the requirements of the procurement. The Request for Quote shall include, as a minimum:
 - An appropriately detailed specification considering the value, availability and technical complexity of the items to be procured,
 - A list of at least three (3) possible suppliers, if practicable, and
 - The date by which LWD must receive the quote.

- 6.2. Request for Quote Distribution and Evaluation.: LWD shall distribute the Request for Quote to at least three (3) suppliers. Staff will evaluate the responses received to determine the best responsive and responsible quote that meets or exceeds the Request for Quote specifications. Although cost is important, it is not the sole basis of the award.
- 6.3. Quote Documentation.: Staff will document the quotes received and the results of the evaluation. If less than three (3) quotes were received and evaluated, a brief explanatory statement will be provided.
- 6.4. Award.: The General Manager shall award the procurement to the best determined responsive and responsible quote, if the total dollar cost of the procurement is ~~\$35,000~~50,000 or less. If the total dollar cost of the procurement is ~~\$35,000-04~~50,000.01 or more, the purchase must be approved by the Board of Directors.
- 6.5. Delegation of Authority to Award.: For the purchase of goods or construction services, the General Manager may delegate the authority to award procurements by administrative procedure specifically identifying such delegates and the dollar limit of each delegate's authority.

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

7. Informal Procurements for Professional Services (Contract from ~~\$35,000-04~~50,000.01 to ~~\$60,000~~75,000):

The following defines an informal procurement for professional services:

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

7.5. Award. The General Manager shall recommend that the Board of Directors award the contract to the best qualified firm with whom LWD successfully completed negotiations. The Board shall award procurements of services with a total dollar cost from ~~\$35,000.01~~50,000.01 to ~~\$60,000~~75,000.

7.6. Documentation of Award. The responsible staff member shall establish a Contract File that contains the Proposal documentation per Sections 7.1 through 7.5 of this Policy, signed contract and any additional documents prescribed by administrative procedure.

8. Formal Procurements for Goods, Construction Services, and Other Services (~~\$60,000.01~~75,000.01 and over):

8.1. Additional Requirements: Formal Request for Sealed Bids (RFB). In addition to this Policy's requirements for awarding Informal Procurements, the initiating department head shall submit for the General Manager's review and approval an RFB that includes:

- An appropriately detailed specification considering the value, availability and technical complexity of the items to be procured,
- Proposed procurement schedule.

8.2. Supplemental Documents: Formal RFB. Along with the RFB, the initiating department head shall submit for the General Manager's review and approval the following Supplemental Documents:

- A draft Notice Inviting Bids for publication and
- A suggested list of at least three (3) prospective vendors, if practicable.

8.3. Public Notice. ~~Public Notice~~—Public Notice Inviting Bids for an RFB in a relevant professional journal, publication, newspaper of general circulation and/or the District's website at least once, ten (10) days prior to the bid opening date to attract a sufficient number of qualified firms. For only the formal procurement of goods and other services, if the General Manager determines that publication of an RFB will not enhance the competitiveness of the bid, the General Manager, at his sole discretion, may waive the public notice of the RFB. For example, there is a limited number of vendors and all vendors will be provided with the RFB, then the publication of the RFB can be waived.

8.4. Bid Opening. All sealed bids are opened in public and apparent low bidder is identified at the bid opening.

8.5. Bid Evaluation. After the bid opening, all bids will be evaluated to ensure compliance with the bid specifications and for acceptable quality to determine the lowest responsive and responsible bidder. All bids and bid information shall be public unless otherwise specified in the bid specifications.

8.6. Award. All sealed bid procurements shall be awarded to the lowest responsive and responsible bidder who meets or exceeds the specifications of the RFB. All formal procurements must be approved by the Board of Directors.

9. Formal Procurements for Professional Services (~~\$60,000.01~~175,000.01 and over)

9.1. Additional Requirements: Formal Request for Proposals (RFP) or Request for Qualifications (RFQ). In addition to this Policy's requirements for awarding Informal Procurements for services, the initiating department head shall submit for the General Manager's review and approval a RFP or RFQ that includes:

- A detailed Scope of Work itemizing the services required,
- Proposed schedule,
- Preliminary criteria upon which proposals/qualifications shall be evaluated,
- A draft public notice, and
- A suggested list of prospective consultants to receive the RFP/RFQ.

9.2. General Manager Approval of Proposal Publication. No publication of public notice inviting proposals shall be made unless the General Manager has approved the Formal RFP and Supplemental Documents. If the project is not identified in the budget, the Board of Directors shall review and authorize the procurement.

9.3. Public Notice. Public notice of an RFP--RFQ must be published in a relevant professional journal, publication, newspaper of general circulation and/or the District's website at least once, ten (10) days prior to the proposal--Statement of Qualification (SOQ) due date to attract a sufficient number of qualified firms.-

9.4. RFQ Evaluation. If the implementation of the RFQ process is selected to procure services, additional steps are added to the RFP process. The RFQ calls for submission of a Statement of Qualification (SOQ) instead of a proposal. The SOQs are used to establish the professional competency and capability of each firm to perform and satisfy the project's Scope of Work. Once SOQs are received from interested firms, the General Manager will convene a panel consisting of at least three (3) individuals. The panel will evaluate the SOQs received in response to the RFQ to determine those firms that, in the panel's opinion, are best qualified to meet the Scope of Work identified in the RFQ. The panel will identify at least three (3) qualified firms, if appropriate. Once the qualified firms have been determined, only those firms will be invited by the General Manager to submit proposals (RFP) for evaluation.

9.5. Proposal Evaluation. Pursuant to the criteria established for that RFP and any additional criteria necessary and appropriate to advance the best interests of the LWD, the General Manager or a panel of evaluators selected by the General Manager shall review each proposal and may interview each firm to determine an ordinal ranking of the proposing firms. The ordinal ranking will be primarily based on the professional competency of the firms.

9.6. Negotiation. The General Manager or his/her designee shall enter into negotiations with the top ranked firm to establish the contract price and fees. If a fair price cannot be reached with the top ranked firm, then that firm shall be eliminated from consideration and negotiations shall be initiated with the next highest ranked firm.

9.7. Award. All formal procurements for services must be approved by the Board of Directors.

10. Competitive Negotiations

10.1. Competitive negotiations may be used for the procurement of highly technical goods or services. Under competitive negotiations cost will be a significant factor, but not the only deciding factor. The General Manager may authorize competitive negotiations when:

- The goods or services are such that suitable technical or performance specifications are not readily available.
- District does not possess the professional expertise necessary to develop suitable technical or performance specifications.
- Proposals for the purchase goods or services would be more advantageous to District.

10.2. In the case of competitive negotiations, the initiating department head shall obtain the General Manager's authorization to proceed under this section using such open market, informal or formal, procedures as the General Manager shall, at his sole discretion deem necessary.

10.3. The use of competitive negotiations is not intended to be used for the purpose of avoiding the Formal RFB or Formal RFP requirements as set forth in this policy.

11. Exceptions:

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

11.1. Sole Source Procurement

A. In certain instances, goods and services are obtainable from only one vendor due to unique circumstances. These circumstances include:

- The good or service is of such a unique, proprietary or technical nature that it is only manufactured or provided by a single vendor; and/or
- The good or service must match or be compatible with other goods or services, currently in use by LWD, obtained from a certain vendor. In this instance, it must be demonstrated that the matching or compatible good or service can only be supplied by this same vendor; and/or
- When a vendor or firm possesses unique knowledge of LWD; and/or
- For the purpose of Continuing Services, ~~Where~~ a vendor or firm has satisfactorily completed one phase in the development of a project and the General Manager, or as may be required by this Policy, the Board of Directors, determines that it is in the best interest to retain this vendor or firm for a subsequent phase of work.

B. All sole source purchases for goods over ~~\$40,000~~15,000 require a written justification to the General Manager or his/her designated representative; and all sole source procurements over ~~\$35,000~~50,000 require a written justification to the Board of Directors.

C. Sole source procurements shall comply with all award threshold requirements set forth in this Policy.

D. Complex or Unique Items

- In the event that the supplies and/or equipment sought to be purchased are unique and/or complex, such that it is unlikely that there would be more than one bidder.
- It is unlikely that there would be any economic benefit to the public to be gained from bidding, the General Manager, at his or her discretion may authorize direct negotiations in lieu of bidding.
- An explanation to the Board of Directors is required justifying the procurement of critical or unique items for procurement awards requiring Board of Director's approval.

11.2. Emergency

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

12. **Alternative or Conditional Requirements:**

- 12.1. Bid Security. Bidder's security may be prescribed in the public notice inviting bids at LWD's sole discretion. Unsuccessful bidders shall be entitled to have their bid security returned; a successful bidder shall forfeit his/her bid security upon the bidder's refusal or failure to execute a contract within ten (10) days after the Notice of Award has been mailed.
- 12.2. Rejection of Bids/Proposals. The General Manager or Board of Directors, at their discretion, may reject any and all bids or proposals/SOQs and proceed pursuant to this Policy.
- 12.3. Performance Bond. LWD shall retain unilateral authority to require a performance bond before entering a contract. The amount of such a bond shall be set as determined reasonably necessary to protect the best interests of LWD. If LWD requires a performance bond, the form and amount of the bond shall be described in the public notice inviting bids or proposals.
- 12.4. Governing Law. Nothing in this policy is intended nor shall be deemed to supersede any applicable State or Federal laws.

13. Definitions:

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

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

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

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

Formal Procurement of Goods and Services: Procurement of goods or services resulting in total payments greater than ~~\$60,000~~75,000.

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

Informal Procurement of Goods: Purchase of goods resulting in total payments of ~~\$10,000.01~~15,000.01 to ~~\$60,000~~75,000.

Informal Procurement of Services: Procurement of services resulting in contract Not-to-Exceed (NTE) amounts between ~~\$35,000.01~~150,000.01 and ~~\$60,000~~75,000.

Open Market Procurement of Goods: Purchase of goods resulting in total payments by the LWD of ~~\$10,000~~15,000 or less.

Open Market Procurement of Professional and Construction Services: Procurement of services resulting in contract Not-to-Exceed (NTE) amount of up to ~~\$35,000~~50,000.

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

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

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

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

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

Professional Services: Services that are professional in nature and do not include the physical construction or/or installation of equipment for the District's infrastructure. Services in this category include, but not limited to, engineering design, architectural services, public information

services, financial services, strategic planning services and legal services. Other similar services would also be part of this category.

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

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

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

Directors' Meetings

Presented by Director Sullivan

Conference

CSDA Quarterly Meeting

Dates and Location

August 15, 2024 @ 6:00 p.m.

The Butcher Shop Steakhouse in San Diego, CA

List of Attendees

Director Sullivan

The above mentioned Board member heard presentations from Mr. Lee Friedman of San Diego Community Power (SDCP) and Ms. Kaitlin McGee of Clean Energy Alliance (CEA).

Directors' Meetings

Presented by Directors Saldana and Sullivan

Conference

2024 CSDA Annual Conference

Dates and Location

September 9 - 12, 2024

Renaissance Esmeralda Resort and Spa

Indian Wells, CA

List of Attendees

Vice President Saldana

Director Sullivan

The above mentioned Board members attended various sessions on; Board best practices, pensions, Brown Act, community outreach, and other breakout sessions.

Directors' Meetings

Presented by Directors Saldana, Pacilio, and Sullivan

Conference

2024 WateReuse CA Annual Conference

Dates and Location

September 15 – 17, 2024

Hyatt Regency Orange County

Garden Grove, CA

List of Attendees

Vice President Saldana

Director Pacilio

Director Sullivan

The above mentioned Board member attended various sessions regarding the design, management, operations, and use of water recycling and/or desalination facilities and projects in California.