

**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
LAKESIDE WATER DISTRICT
HELD ON FEBRUARY 4, 2014**

At the time and place provided by law for the holding of the Regular Meeting of the Board of Directors of the Lakeside Water District; to-wit at the meeting place of said Board at 10375 Vine Street, Lakeside, California, at 5:30 p.m. the Board duly convened, the following members present.

Directors:	Frank Hilliker Pete Jenkins Steve Johnson Eileen Neumeister Bruce Robertson
Secretary:	Brett Sanders

- 1) The meeting was called to order by Board President Robertson.
- 2) Pledge of Allegiance was led by Director Jenkins
- 3) The Minutes of the Regular Meeting on January 7, 2013 were approved.

Motion: Johnson, Second: Hilliker

Vote:	Ayes	5	Robertson, Hilliker, Neumeister, Johnson, Jenkins
	Noes	0	
	Abstain	0	

- 4) The Treasurer's Report for the December 2013 was noted and filed for audit.
- 5) Opportunity for Public Comment;
- 6) Review District Response Letter to ACWA. Request to Support Their Statewide Water Action Plan. Motion by Director Robertson to accept letter with revision in numbering of District's priorities.

Motion: Robertson Second: Hilliker

Vote:	Ayes:	5	Robertson, Hilliker, Neumeister, Johnson, Jenkins
	Noes	0	
	Abstain	0	

- 7) Modify Administrative Code 4.4-3(B) Standard Specifications. Motion by Director Robertson to accept revision as provided.

Motion: Robertson, Second: Johnson

Vote:	Ayes	5	Robertson, Hilliker, Neumeister, Johnson, Jenkins
	Noes	0	

- 8) Asset Management Plan Update. The General Manager provided a presentation summarizing how the District will be able to prioritize asset replacement and what the lifecycle of replacement will look like. Also provided the replacement in 2014 dollars and how those costs will increase over time and what the District will need to consider to develop a replacement plan.

- 8) CWA Report. Director Hilliker reported that Water Authority accepted increases in inspection costs for the San Vicente Dam Raise to complete the project. The contractor will pay penalties that will offset the cost. The Water Authority has budgeted for a reverse osmosis pilot plant for Camp Pendleton for future consideration. The lawsuit with MWD has started and updates will be provided as they are released.

- 10) Director's Report and Ad Hoc Sub-Committees Reports. No Reports.

- 11) Operations Report. The Superintendent reported that:
 - a. All connection points for the Eucalyptus Hills Pipeline Replacement Project are complete.
 - b. Eucalyptus Hills Drive change over from the existing 4" ACP main to the 8" main is still on hold while replacement project is underway.
 - c. Two new service installations in January.
 - d. Well 8 pump repair complete.
 - e. Fencing repaired around yard.
 - f. Polyethylene services are being replaced to copper.
 - g. Still working on organizing a training program for employees to obtain the required training to apply for a Class A California driver's license.
 - h. Continuing to replace meters per our 15 year change out goal.
 - i. Dead end flushing program continues.
 - j. Valve maintenance program restarts with new year.
 - k. SDG&E has started an undergrounding project in Maine Ave. causing the Operations personnel to inspect relocation alignment and pipeline crossings. Two old abandoned service lines were hit.
 - l. One minor 3" main break.
 - m. No service line leaks or fire hydrants hit this last month.

- 12) Manager's Report. The General Manager reported on:
 - 1) Pre-job conference for Eucalyptus Hills Drive Pipeline Replacement was held on January 28th. Permits have been received by the County of San Diego.
 - 2) CWA Carlsbad Desalination Cost of Service Meetings: Four meetings held so far. Next meeting is scheduled on February 18, 2014. Discussion has been centered on the Board appointed "Task Force" recommendations with the main focus centering on how to apply fixed charges. Using the IAC charge in place and implementing a new Standby Reliability Charge
 - 3) Reported that "Ethics" and "Sexual Harassment" training is required every two years for Directors. Each Director was notified of their status. Also Financial Disclosure Form 700 is due by early March.
 - 4) Emergency Drought Declaration by the State. Governor Brown declared an emergency drought condition asking on January 17th requesting voluntary 20

percent cutbacks. Southern California is in better shape than Northern California due to the heavy investment in storage and infrastructure.

- 5) Investment summary. The Federal Reserve continued to reduce their monthly treasury securities by 10 Billion in February. Investment yields continue to be flat.
- 6) News articles of three current issues were summarized:
 - California Areas Brace for Water Rationing as Reservoir Levels Fall.
 - The Truth about Jerry Brown's Twin-Tunnel Scheme...and LA's Water Future.
 - Governor's tunnels opponents want more time to respond to BDCP.
 - Assemblyman Dan Logue moves ahead with a storage-only water bond.
 - CWA Hydrology Report.

13) Demands of the Treasurer for January 2014.

Motion: Neumiester, Second, Hilliker

Vote: Ayes: 5 Robertson, Hilliker, Neumeister, Johnson, Jenkins
Noes: 0
Abstain: 0

14) Adjourn; There being no further business the meeting adjourned to
March 5, 2014 at 5:30 p.m.

PRESIDENT
Director Robertson

SECRETARY
Brett Sanders