

**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
LAKESIDE WATER DISTRICT  
HELD ON APRIL, 1 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 March 11, 2014 were approved.

Motion: Neumeister,      Second: Johnson

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

- 4) The Treasurer's Report for the February 2014 was noted and filed for audit.
- 5) Opportunity for Public Comment;
- 6) Approve Proposal for Pump Rehabilitation to Well #5. Motion by Director Hilliker to approve Proposal by Fain Pump in the amount \$35,506.

Motion: Hilliker      Second: Jenkins

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

- 7) JPIA Insurance Rating Review. The General Manager gave a summary of how the District utilizes the various programs offered by JPIA. Each year JPIA analyzes our Property, Liability and Workers Compensation programs. JPIA awarded the District "Recognition Awards" for having low loss to premium ratios in each category.

- 8) Consider employee Distribution from ACWA JPIA Premium Rebate per Administrative Code 8.1-7 (G) Premium Refund Reward Program. Motion by Director Hilliker to award District employees premium refund rewards for their safe work history allowing our insurance agency JPIA to refund a portion of past premiums paid.

Motion: Hilliker                      Second: Robertson

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

- 9) Consider Administrative Code change to 8.1-11 (C) Post-Retirement Health Insurance Benefits. Motion by Director Jenkins to accept change as submitted.

Motion: Jenkins                      Second: Johnson

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

- 10) Consider Administrative Code Change to 2.13-2 (C) Service charge addition. Motion by Director Hilliker to modify the charge from the proposed \$35.00 charge from 4:00 p.m. to 5:00 p.m. to \$50.00 for all turn-on service calls between 4:00 p.m. and 9:00 p.m.

Motion: Hilliker                      Second: Jenkins

Vote:                      Ayes:                      4      Robertson, Hilliker, Neumeister, Jenkins  
                                    Noes                      1      Johnson  
                                    Abstain                      0

11) CWA Report. Director Hilliker reported that the Water Authority authorized a new budget for the MWD litigation. There is also some continuing litigation for construction claims. One of the main items to be decided was to defer the final decision regarding the debt and equity payments for the Carlsbad Desalination Plant for 2016 rates and charges. Current charges for 2015 will be applied to the supply rate until a comprehensive plan is decided.

12) Operations Report. The Superintendent reported that:

- a. The contractor for the Eucalyptus Hills Pipeline Replacement Project has completed the first phase and has started the second.
- b. Punch List work has been completed to the storage reservoir and is in progress at the pump station at High Meadow Ranch. AKA the "Vineyards".
- c. Greenhills Ranch located on Sohail Rd. is nearing final inspection and are 75% built out.
- d. Riverview Ave. Condo's, Street improvements close to final inspection.
- e. Filtration Plant running and full capacity.
- f. Work continued around yard to secure from break-in problems.
- g. District crews are taking the Valle Vista Reservoir #2 out of service for routine inspection and are awaiting coating repairs by contractor.

- h. Planning the valve installations to prepare for the Woodside Ave. storm drain project.
- i. There were no main breaks, service leaks or fire hydrants hit in the last month.

13) Manager's Quarterly Report. The General Manager reported on:

- 1) E-Mail Retention Summary: An article came out by the Union Tribune that summarized e-mail retention policies from public agencies in San Diego County. The Union Tribune requested 80 e-mails from my District e-mail account along with our "E-mail Policy" or our "Public Records Policy" I complied and expect that another article may come out from the information of the e-mails collected from approximately 100 public agencies through-out San Diego County. Lakeside WD does not have a specific e-mail retention policy.
- 2) CWA Carlsbad Desalination Cost of Service Meetings: The process has slowed. Many districts have expressed an interest to examine the potential rate and charge allocation formula more closely. The Fiscal Sustainability Task Force recommended that the Board put any debt service costs into the supply charge for 2015. A comprehensive negotiation will take place late this year and early next.
- 3) Summary of Water bill Payment methods and Fees: The District processed payments totaling \$7.3 million dollars. Checks account for 69% of payments, credit cards 15% and Auto-pay/bank drafts 10%. Our highest processing fee is for credit cards at 1.88% per transaction with a total transaction average of .35%.
- 4) Current yields continue to be stagnant. Federal Reserve continues to reduce their monthly Treasury purchases by \$10 billion per month. The District yearly investment laddering allocation goal has been met. The goal will now be to now target 2019 within our allocation model.

**Items of Note:**

Utility Worker Spencer Atkins was promoted to Utility Worker 1 after passing his probationary period.

- 5) News articles of four current issues were summarized:
  - What Tree rings Reveal about California's Drought.
  - Agency Approaches to Water conservation Not One-Size-Fits-All.
  - Congress may Consider North of Delta Reservoir.
  - State Panel Urges Rejection of Water Tunnels.
  - E-mails Purged Quickly at Some Agencies.
  - CWA Hydrology Report. Current Water Storage conditions have improved, but still historically low. Graphs were distributed that show current storage status in California and the Colorado River Basin States. The Colorado River Basin with above average precipitation and snowfall still have reservoirs with below average storage levels.

14) Demands of the Treasurer for March 2014.

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

15) Adjourn; There being no further business the meeting adjourned to  
May 6, 2014 at 5:30 p.m.

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PRESIDENT  
Director Robertson

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SECRETARY  
Brett Sanders