

**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
LAKESIDE WATER DISTRICT
HELD ON MAY 5, 2015**

At the time and place provided by law for the holding of a 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
Brooks Boulter

Secretary: Brett Sanders

- 1) The meeting was called to order by President Hilliker.
- 2) Pledge of Allegiance was led by Operations Superintendent Quinn Johnze.
- 3) Approve Minutes of the Regular Meeting on April 7, 2015. Motion by Director Johnson to approve the minutes as submitted.

Motion: Johnson Second: Boulter

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

- 4) Approve Minutes of the Special Meeting on April 21, 2015. Motion by Director Neumeister to approve the minutes as submitted.

Motion: Neumeister Second: Hilliker

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

- 5) The Treasurer's Report for the March 2015 was noted filed for audit.
- 6) Opportunity for Public Comment; Customer asked how the District will respond to the State mandated conservation cut back requirements.

- 7) Approve Construction Agreement for the Almond Joy Court Water Main Extension. General Manager Sanders provided an overview that the project has passed plan check and that all the required bonds and fees have been provided. Motion by Director Neumeister to approve the Construction Agreement as submitted.

Motion: Neumeister Second: Johnson

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

- 8) Consider Distribution of the Retrospective Premium Adjustment as per Administrative Code 8.1-7 (G), Premium Refund Reward Program. Motion by Director Jenkins to approve the distribution of the refund to the employees as per current policy.

Motion: Jenkins Second: Boulter

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

- 9) Amend Administrative Code Section 8.1-8 "Sick Leave" to allow for Part-time Employees Sick Time as per California State Assembly bill 1522, (Healthy Workplace Healthy Family Act 2014). Motion by Director Johnson to accept the changes as presented.

Motion: Johnson Second: Jenkins

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

- 10) Safety Program Review. The General Manager provided a presentation summarizing the status of the District's safety program and the training and upgrades that have been accomplished over the last year.

- 11) CWA Report. Director Hilliker reported the Water Authority keeps winning decisions in regards to the MWD rate litigation. The payments to MWD continue to accumulate in an account that will, if successful be distributed back to the Water Authority's member agencies. Formal Board support statements of State legislation. Water Authority continues to provide comment letters to the State Water Resources Control Board concerning proposed cutback levels and agriculture definitions. Litigation also continues with the contractor of the San Vicente Dam Raise project.

- 12) Director's Report and Ad Hoc Sub-Committees Reports. None

13) Operations Report. The Superintendent reported that:

- 1) Vista Camino 10" Cast Iron Main: Contractor has completed the pipe installation in phase two. Contractor is doing a good job and on schedule.
- 2) Lakeside Ave. Rehabilitation project. Contractor has completed the first coat of paint on the interior roof. Second and Third coat will follow.
- 3) Developer projects: Muth Valley main extension is underway.
- 4) One new water meter installation on Los Coches Road.
- 5) Both new trucks are outfitted and in operation.
- 6) Set up the water buffalo and a temp hose for the rodeo.
- 7) Woodside Ave. drainage project in progress. We are looking to install one more valve prior to the water line replacement.
- 8) No water main breaks, one service leak, and no fire hydrants hit.
- 9) Valle Vista Tank overflowed due to telemetry malfunction causing some damage to two properties on Hi Ridge Road. All damage taken care of by the District.

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

- 1) Drought Conservation Regulation; State Water Resources Control working on a regulatory framework to achieve 25% water use cutback statewide. The water use cutback levels are based on per capita usage and past conservation achievements. The conservation level for Lakeside Water District will be 20% as compared to 2013. Metropolitan Water District will cut back deliveries to San Diego by 15%. Of note is that the total supply to the Water Authority will be just 1% less than normal annual supply deliveries.
- 2) CWA Hydrology Report; Sierra snowpack less than 5% of normal. The Colorado River Basin is in a 15 year prolonged drought period but will provide full deliveries this year. As reported MWD will curtail deliveries to the Water Authority 15% in 2015/16.
- 3) Investment Summary; Current market yields for US Treasuries is 1.38 for a 5 year maturity, 0.71% for a 2 year maturity and down to 0.25% for a 1 year term. Investment yields increased 30 basis points over the last month.

News Articles Enclosed:

San Diego Wages a Different Kind of Water Battle over Costs
Drought Shows Need to Realign California's Agricultural Water Supply
A Drought-Resistant San Diego
California Water Cuts Punish Conservation
Governor, State Get Tougher on Water Use

15) Demands of the Treasurer for April 2015. Motion by Director Jenkins to approve demands as presented.

Motion: Jenkins

Second: Johnson

Vote: Ayes: 5
 Noes 0

Hilliker, Neumeister, Johnson, Jenkins, Boulter

Abstain 0
Absent 0

16) Closed Session: Public Employee Performance Evaluation – General Manager. The General Manager was awarded the second installment of incentive compensation per the Manager’s performance goals, and Board President Hilliker declared that a new contract with General Manager Brett Sanders has been agreed to, and will be completed prior to June 1, 2015.

17) Adjourn; There being no further business the meeting adjourned to:

Next Regular Meeting scheduled for June 2, 2015 at 5:30 p.m.

PRESIDENT
Director Hilliker

SECRETARY
Brett Sanders