

**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
LAKESIDE WATER DISTRICT  
HELD ON JULY 5, 2016**

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 5:00 p.m. the Board duly convened, the following members present.

Directors:	President	Frank Hilliker
	Vice-President	Pete Jenkins
		Brooks Boulter
		Steve Johnson
		Eileen Neumeister
Secretary:		Brett Sanders

- 1) The meeting was called to order by President Hilliker.
- 2) Pledge of Allegiance was led by Director Johnson.
- 3) Approve Minutes of the Regular Meeting on June 7, 2016. Motion by Director Neumeister to approve the minutes as submitted.

Motion: Neumeister      Second: Boulter

Vote:	Ayes:	3	Hilliker, Neumeister, Boulter
	Noes	0	
	Abstain	2	Johnson, Jenkins
	Absent	0	

- 4) The Treasurer's Report for the May 2016 was noted and filed for audit.
- 5) Opportunity for Public Comment; None
- 6) Approve Resolution 16-04 Approving Revised Five-Year Capital Improvement Plan. Motion by Director Johnson to approve Resolution 16-04 as submitted.

Motion: Johnson                                      Second: Neumeister

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

- 7) Review and Approve Resolution 16-05 Adopting District Operating Budget for Fiscal Year 2016-2017. General Manager Sanders presented an overview of the proposed 16/17 Operating Budget. Motion by Director Boulter to accept Resolution 16-05

approving the 2016-2017 District Operating Budget as submitted with minor corrections as noted in presentation.

Motion: Boulter

Second: Neumeister

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

- 8) Consider Change from Drought Response Level 2 to Drought Response Level 1. Motion by Director Jenkins to approve the Drought Response Level Change as presented in Section 10.1-4, Drought Watch Condition.

Motion: Jenkins

Second: Johnson

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

- 9) Discuss Muth Valley Mutual Water Company Annexation. Update Only, No Action.
- 10) San Diego County Water Authority Report by Director Hilliker. WA presented rates and charges for 2016/17. Director stated he voted no for the increase, stating that the annual increases should be slowed down. San Vicente remains closed until boat ramp issues are resolved.
- 11) Director's Report and Ad Hoc sub-Committees Report. Report by Director Boulter that the he had met with the General Manager to review the Draft Reserve Policy and that they had discussed basic structure elements of the policy and how to develop better support calculations of reserve levels. An idea is to develop a "Dash Board" to summarize limits of our insurance policy and identify hazards and exposures that the reserve would be used for.
- 12) Operations Report. The General Manager reported that:
- 1) Valle Vista water main replacement project. Contractor S.C Valley approximately 95% complete. Preparing for final asphalt repair.
  - 2) District SCADA Upgrade; Complete operation of El Monte Tank and Reservoir, 60% of radios installed and communicating.
  - 3) One polyethylene service replaced.
  - 4) Treatment Plant tour conducted for Director Neumeister and three customers.
  - 5) Lead and Copper testing has been completed. 34 customers participated.
  - 6) Surplus 2002 Buick sold.
  - 7) Meter box replacement continues along, Maine Ave., Colt and Appaloosa.
  - 8) Woodside Ave. storm drain project. District 6" main being replaced with PVC.
  - 9) Zero water main failures. Two service leaks, zero fire hydrants hit, but barrier posts were damaged along Lakeside Ave.

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

- 1) Drought Conservation, District exceeds 24% savings since June 2015. District has filed supply certification to the State to allow independent decisions on conservation level.
- 2) CWA Hydrology Report, States two largest reservoirs are still above 90% capacity. Still strong concern that we can fall back into drought condition. San Diego County is in strong position as three year supply certification verifies.
- 3) Investment Summary; Yields are currently at historic lows for 5 year term. Trend continues that a high number of investments are called before expiration date. Focusing on 5 year terms gives the District our best average yield.

News Articles Enclosed:

DWR Drought Conditions Update  
San Diego County Water Savings Exceed Target  
With Doomsday in Mind, California Officials are Ceding Water to Arizona  
As Lake Mead dwindles, can an interstate water war be far behind.

14) Demands of the Treasurer for June 2016. Motion by Director Jenkins to approve demands as presented.

Motion: Jenkins

Second: Boulter

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

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

Next Regular Meeting scheduled for August 9, 2016 at 5:30 p.m.

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PRESIDENT  
Director Hilliker

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SECRETARY  
Brett Sanders