

A G E N D A

REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE LAKESIDE WATER DISTRICT

July 2, 2024

Meeting Place: Lakeside Water District; 10375 Vine Street
Lakeside CA 92040; **5:30 p.m.**

Assistance for those with disabilities: If you have a disability and need accommodation to participate in the meeting, please call Brett Sanders, General Manager, at (619) 443-3805 for assistance so the necessary arrangements can be made.

1. Call to Order
2. Prayer/Invocation
3. Pledge of Allegiance
4. Approval of the Agenda
5. Opportunity for Public Comment Pertaining to Items Not on the Agenda (Items must meet the requirements of Government Code Section 54954.2)
6. Approve Minutes of a Regular Meeting Held on June 4, 2024
7. Approve Minutes of a Special Meeting Held on June 25, 2024
8. Review the May 2024 Treasurers Report for the Annual Audit. Request to Note and File in Preparation.
9. 30-Year Service Award for Quinn Johnze, Operations Superintendent. Sanders
10. Operations Report. Johnze
11. Consider T-Mobile Cellular Agreement for the Single Oak Reservoir. Sanders
12. Consider Resolution 24-10 to Approve the District's Updated 5-Year Capital Improvement Plan. Sanders
13. Presentation and Consideration of Resolution 24-11 Approving the District's 2024-25 Operations Budget. Sanders
14. Consider Resolution 23-12 Updating Classifications and Monthly Rates Pay Schedule for District Employees, to Comply with California Code of Regulations 570.5 "Publicly Available Pay Schedule". Sanders

15. Approve Demands of the Treasurer for June 2024.
16. CWA Report
17. Director's Reports and/or Ad Hoc Sub-Committees Reports.
18. General Managers' Report.
19. Closed Session – Closed to the Public

Per Section 54957; Employee Performance Evaluation – General Manager

20. Adjourn; Next Regular Meeting Date August 6, 2024.

PUBLIC COMMENT PROCEDURES

Members of the public will be allowed to address the Board on any agenda item prior to the Board's decision on the item. They will also be allowed to comment on matters not on the posted agenda, which are under the subject matter jurisdiction of the district. No action may be taken by the board except to set the matter presented for the next regular board meeting if proposed by the board. State your name, topic and provide the secretary with a request to speak form, so you can be properly included in the comment period. Comments are limited to 3 minutes and the board is not required to comment on the topic.

CERTIFICATE OF POSTING

I certify that on June 28, 2024, I posted a copy of the meeting agenda and any public records relating to items on the agenda and that they are available for public inspection at the time the record is distributed to all, or a majority of all members of the board. Such records shall be available at the district office located at 10375 Vine Street, Lakeside, California, or on the district's website at LakesideWater.org.

Agendas are posted at least 72 hours in advance of a regular meeting, or 24 hours in advance of a special meeting of the Board of Directors, near their regular meeting place, and as per Government Code Section 54954.2(a)(1) and 54956(a).

Brett Sanders, General Manager / Board Secretary

**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
LAKESIDE WATER DISTRICT
HELD ON June 4, 2024**

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 Steve Robak
Secretary:	Brett Sanders

- 1) Call to Order by Board President Hilliker.
- 2) Prayer/Invocation – Director Johnson introduced Pastor Bill Bottker to provide the prayer for the night’s meeting.
- 3) Pledge of Allegiance – The pledge was led by Director Neumeister
- 4) Approval of Agenda. Motion by Director Jenkins to accept the agenda as submitted.

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

- 5) Opportunity for Public Comment Pertaining to Items Not on the Agenda (Items must meet the requirements of Government Code Section 54954.2). No Comments.
- 6) Approve Minutes of a Regular Meeting held on April 30, 2024. Motion by Director Robak to approve the as presented.

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

- 7) Review the April 2024 Treasurers Report for the Annual Audit. Request to Note and File in Preparation. Approved to Note and File
- 8) Operations Report – General Manager Sanders reported:

- a. Toyon Hills PL RPL. Asphalt work has been completed. Project complete. .

- b. Well 8 Rehabilitation. Pump testing is complete and is ready for the pump to be set.
- c. Valle Vista PRV Installation: District crews are working on the upgrade of an existing pressure reducing valve on Valle Vista that will increase the size of valve to a 6".
- d. District crews are starting to organize the yard in preparation of the 100 year anniversary event in August.
- e. AWP Pipeline Installation. Contractor has slowed down on Mapleview. Next area is Channel Rd. Bridge and is currently under construction.
0 Mainbreak, 1 Service Leak, 0 Fire Hydrants

9) Adopt Resolution 24-09 Establishing a Tax Appropriations Limit for the District for the Fiscal Year 2024-2025. General Manager Sanders presented that this action by the Board will be an annual action to maintain the District's ability to receive property tax assessments due to the District. Motion by Director Jenkins to approve the new revised appropriation limit as presented.

Motion: Jenkins

Second: Neumeister

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

10) Consider Vine Wells No. 7 and 8 Rehabilitation Project Extra Work Approval. General Manager Sanders presented an overview of bid items that have exceeded the bid amount and are requested to be paid and deemed acceptable contract overages. Motion by Director Johnson to approve the contract overages in the amount of \$74,142.49 as presented.

Motion: Johnson

Second: Jenkins

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

11) Consider Agreement with UCM (Utility Cost Management, LLC) to Review the Districts Electric and Gas Bills for ways to Reduce Costs. General Manager Sanders provided a summary of the proposal by UCM to review the District's electric and gas billings to determine that appropriate rates are being applied to District Facilities. UCM will provide a final report outlining their findings and if any savings may be gained by the District. Motion by Director Jenkins to approve agreement and have the General Manager execute the agreement.

Motion: Jenkins

Second: Robak

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

12) Review Draft Capital Improvement Plan Revisions for 5 Year CIP Update. General Manager Sanders provided an update on proposed revisions and the reasoning behind the proposed changes that will be submitted to the Board for approval at the July meeting.

- 13) Approve Demands of the Treasurer for May 2024. Motion by Director Johnson to approve the demands as presented.

Motion: Johnson

Second: Neumeister

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

- 14) CWA Report. Director Hilliker reported that the Admin and Finance Committee revised capital improvement expenditure for emergency pipeline work at Moosa Canyon in North Canyon. Public Hearing at the June 27, 2024 meeting to discuss proposed rate increases. Significant discussion about methods to keep the rate increase down as low as possible. WA proposal to allow agencies to prepay fixed charges in advance to see a savings of 4% to 6%. No further news on potential water transfers from the Carlsbad Desal Plant for purchase by outside agencies.

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

- 16) Manager's Quarterly Report. The General Manager reported.

- 1) Budget Preparation – Work being done to complete the 24-25 Operating Budget for the District. Unknown but significant increase likely from the Water Authority at the June 27, 2024. Reduced capital improvement spending.
- 2) Water Demand – Current Water Demand is slightly above last year.
- 3) 100-Year Anniversary Update; Resolutions from four agencies so far. Optimists have agreed to help the District serve food at the event, the Boy Scouts will assist in directing traffic and pedestrian traffic.

Capital Expenditures at 32% of budget projection.

Articles submitted:

20 billion: The Delta Tunnels New Price Tag.

San Diego County is on track for much higher water rates.

- 16) Closed Session – Closed to the Public
Per Section 54957; Employee Performance Evaluation – Administrative Services Supervisor/Treasurer Jeanne Swaringen. Out of closed session, Board President Hilliker reported that the Board unanimously approved two options of a performance bonus. A) if allowed by our legal resource is to grant a limited 6-month post-retirement health care benefit to Ms. Swaringen, or B), if A is not allowed, a performance bonus in the amount of \$17,500 for the many cost saving accomplishments achieved by Ms. Swaringen during her career at the District.

- 17) Adjourn; There being no further business the meeting adjourned to the next Regular Meeting to be held on July 2, 2024 at 5:30 p.m.

Attest:

Brett Sanders, Board Secretary
Lakeside Water District

Frank Hilliker
Board President

President Hilliker be a bank contract administrator and signer and the Vice President Neumeister as a signer only. Motion by Director Robak to approve the proposed banking signers as presented.

Motion: Robak

Second: Jenkins

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

- 7) Adjourn; There being no further business the next Regular Meeting was scheduled for July 2, 2024 at 5:30 p.m.,

Attest:

Brett Sanders, Board Secretary
Lakeside Water District

Frank Hilliker
Board President

Lakeside Water District
Statement of Revenues and Expenses
May 2024

	May 24	Jul '23 - May 24	Budget	% of Budget
Operating Revenue				
Water Sales				
4000 · Water Sales on Account	587,965	6,750,335	7,252,312	93%
4010 · System meter charge	89,982	953,764	1,004,444	95%
4020 · CWA/IAC	35,787	392,166	419,358	94%
4040 · Penalties / other	11,945	112,976	0	0%
Total Water Sales	725,679	8,209,240	8,676,114	95%
4100 · Capacity Fees LWD	13,218	78,759	237,773	33%
4101 · SDCWA Capacity & Treatment	15,233	100,772	314,039	32%
4200 · Meter Services	13,088	28,261	35,000	81%
4210 · Engineering & Inspection Fees	700	3,310	7,500	44%
4220 · Fire Hydrants	0	22,310	30,000	74%
4230 · Tapping	0	4,904	15,000	33%
4300 · Miscellaneous Income	0	6,879	15,000	46%
4310 · Water Letters	17,183	19,608	250	7,843%
4400 · Rent - Land Lease	34,762	264,515	271,821	97%
4500 · Annexation Fees	0	0	0	0%
4600 · Interest Income	39,743	237,330	227,645	104%
4700 · Taxes Revenue	21,719	709,121	679,000	104%
4951 · High Meadow Ranch	435	7,966	9,200	87%
Total Operating Revenue	881,759	9,692,975	10,518,342	92%
Expense				
Administrative and General				
7001 · Incentive Compensation	2,500	5,000	5,000	100%
7000 · General Manager/Secretary	17,912	205,149	222,949	92%
7020 · Director's Fees	625	7,415	10,750	69%
7100 · General Insurance	0	67,549	66,575	101%
7200 · Annual Audit	0	30,740	29,000	106%
7210 · Attorney Fees	0	8,210	30,000	27%
7230 · Consultants	0	515	2,000	26%
7320 · Lafco Operating Costs	0	5,748	5,634	102%
7401 · Administrative Expense	22	4,057	7,000	58%
7450 · Public Info/Public Relat	0	0	11,350	0%
7500 · State Health Dept./ SWRCB	0	41,532	49,064	85%
7800 · Bad Debt Expense	0	0	2,000	0%
7900 · Water Dev./Conservation Program	0	0	9,500	0%
Total Administrative and General	21,059	375,916	450,822	83%
Operations and Maintenance				
5628 · Telemetry Repair	0	8,083	3,000	269%
5620 · Yerba Valley Annexation	0	16,693	30,000	56%
5627 · County - Road Improvements	0	374	15,000	2%

Lakeside Water District
Statement of Revenues and Expenses
May 2024

	May 24	Jul '23 - May 24	Budget	% of Budget
6102 · Dist. Pump & Maint	657	59,724	60,000	100%
6110 · Emergency Repairs & Service	0	14,968	45,000	33%
5000 · Water Purchases	0	5,238,401	6,351,182	82%
5075 · Padre Dam Deliver Charge	0	0	2,600	0%
5080 · Water Treatment & Testing	1,213	12,190	20,040	61%
5090 · Infrastructure Access Charge	0	355,994	428,910	83%
5091 · SDCWA Capacity & Treatment Fees	30,466	116,005	314,039	37%
5100 · Electric Power	0	346,186	395,566	88%
5200 · Water Treatment -Maint/Supplie	77,990	487,207	700,000	70%
6000 · Wages, Field	65,089	696,648	754,202	92%
6100 · Distribution - Maint/Supplies	11,066	146,539	130,000	113%
6200 · Trucks-Fuel,Maintenance,Repair	634	57,738	70,000	82%
6400 · Outside Labor	9,854	46,172	40,000	115%
6410 · Engineering	0	1,269	20,000	6%
7010 · Wages, Office	24,350	273,307	297,794	92%
7030 · Payroll Taxes	8,451	86,739	97,227	89%
7040 · Group Insurance	28,810	303,837	326,350	93%
7050 · CalPers Retirement	13,943	149,551	178,157	84%
7070 · Unemployment Insurance	0	552	5,000	11%
7400 · Office Expense	11,127	151,444	157,714	96%
7440 · Dues & Subscriptions	618	15,766	19,778	80%
7920 · Miscellaneous Expense	1,056	4,106	5,000	82%
Total Operations and Maintenance	285,324	8,589,491	10,466,559	82%
Total Expense	306,384	8,965,407	10,917,381	82%
Net Income Over Expense	575,375	727,568	(399,039)	(182%)
CAPITAL REQUIREMENTS				
1510 · Buildings & Land Improvements	0	10,972	4,000	274%
1520 · O & M Equipment	0	7,453	10,000	75%
1530 · Office Furniture & Equipment	0	15,916	19,000	84%
1548 · Office Solar	0	0	400,000	0%
1547 · CIP Design/Engineering	520	5,702	25,000	23%
1550 · Pumping Plant & Distribution	7,863	112,153	25,000	449%
1551 · New Service/Meters	0	0	10,000	0%
1750 · Cellular Transmit Meters (42)	0	24,293	24,350	100%
Total Capital Expense	8,383	176,489	517,350	34%

Lakeside Water District Investment Report May 2024

Current Assets

Checking/Savings

1050 · Multi-Bank Securities, Inc.	438,084
1030 · King Cash Fund	69,081
1020 · UBS Cash Fund	7,439
1070 · Investment - LAIF	957
Total Checking/Savings	515,562

Other Current Assets

Investments

1351.50 · FHLM 5.1% 1/27/28	295,000
1351.49 · TSRY 3.54% 5/15/27	335,501
1383.33 · AllyBk 3% 6/9/26 57803	139,000
1351.48 · StBk India 3.3% 6/1/27 33682	100,000
1351.47 · FHLN 3.75% 5/26/27 no call 12mo	1,000,000
1383.32 · FHLB 3.375% 5/28/27 no call 24mo	255,000
1383.31 · FHLB 3% 4/29/27 no call 24mo	250,000
1383.30 · FHLB 3.25% 4/21/27	255,000
1383.29 · FHLB 2.5% 3/30/27	200,000
1383.28 · BealBk 2.05% 3/3/27 57833	247,000
1351.46 · FHLN 2.5% 3/29/27	270,000
1383.27 · FHLB 2.5% 2/25/27	670,000
1351.45 · FHLB 1.65% 12/30/26	270,000
1351.44 · FHLN 1.375% 11/16/26	270,000
1351.43 · FHLN 1.1% 10/13/26	350,000
1351.42 · PentagonFed 0.9% 9/29/26 227	249,000
1351.41 · ConnectOneBk 0.8% 9/24/26 57919	136,000
1351.40 · FHLN 0.9% 8/26/26	640,000
1351.39 · Synchrony 0.9% 8/20/26 27314	119,000
1351.38 · Toyota 0.95% 7/22/26 57542	140,000
1351.34 · Greenstate 0.7% 3/12/26 60269	249,000
1351.33 · FHLB 0.875% 3/10/26	245,000
1321.69 · BkUnited 0.55% 1/22/26 58979	242,000
1383.26 · FNMA 0.57% 12/30/25	270,000
1351.32 · FMCC 0.625% 11/24/25	500,000
1351.31 · FNMA 0.55% 9/30/25	512,000
1383.25 · FNMA 0.51% 8/14/25	375,000
1321.67 · FFCB 0.62% 8/25/25	240,000
1321.66 · FHLMC 0.6% 8/12/25	200,000
1383.24 · FHLM 0.6% 8/12/25	260,000
1351.30 · FNMA 0.65% 8/14/25	270,000
1351.29 · Chippewa 0.5% 7/29/25 12322	151,000
1383.23 · JP MorganC 0.55% 7/31/25 628	249,000

**Lakeside Water District
Investment Report
May 2024**

1383.22 · BMO Harris 0.55% 7/29/24 16571	136,000
1383.21 · 1st Carolina 0.5% 6/26/25 35530	175,851
1383.20 · Bk Baroda 0.65% 7/22/25 33681	249,000
1321.65 · StBkIndia 1.1% 5/28/25 33682	104,000
1383.19 · TexasEx 1.1% 5/13/25 20099	125,000
1351.26 · Summit 0.85% 5/15/25 32203	249,000
1351.25 · EnterpriseB 0.85% 5/14/25 34786	249,000
1351.24 · M1 Bk 1% 5/8/25 9797	249,000
1351.21 · PacifWestrn 1.25% 4/30/25 24045	249,000
1351.20 · Evergreen 1.15% 4/28/25 35230	249,000
1383.15 · Celtic 1.45% 4/17/25 57056	249,000
1351.19 · CenterstateBk 1% 3/31/25 33555	249,000
1351.18 · Adirondack 1.1% 3/25/25 28380	249,000
1383.10 · LiveOak 1.85% 1/20/25 58665	230,000
1351.15 · RaymondJame 1.75% 2/14/25 33893	249,000
1351.11 · St Bk India2.05% 11/27/24 33682	145,000
1351.10 · Knoxville 1.95% 11/26/24 68085	100,000
1383.03 · BalboaThrft 2.1% 7/19/24 26704	249,000
1383.02 · NorthWstBk 2.1% 7/11/24 58752	249,000
1383.00 · FirstNatBk 2.151% 6/28/24 3330	210,000
1351.03 · MorganStan 2.7% 6/6/24 34221	199,000

Total Investments	14,366,351
-------------------	------------

Total Current Assets	14,881,913
----------------------	------------

Investment Changes in May

No investment changes in May

Investments by Maturity

May 2024

<u>Description</u>	<u>Cusip</u>	<u>Maturity</u>	<u>Rate</u>	<u>Amount</u>	<u>Est. Yr Interest</u>	<u>Avg Rate</u>
Morgan Stanley	61760AE88	6/6/2024	2.70%	\$ 199,000	\$ 5,373.00	
First Natl Bk	32112UDA6	6/28/2024	2.30%	\$ 210,000	\$ 4,830.00	
Northwest Bk	66736ABQ1	7/11/2024	2.10%	\$ 249,000	\$ 5,229.00	
Balboa Thrif	05765LAZ0	7/19/2024	2.10%	\$ 249,000	\$ 5,229.00	
BMO Harris	05600XAN0	7/29/2024	0.55%	\$ 136,000	\$ 748.00	
Knoxville Credit Union	499724AK8	11/26/2024	1.95%	\$ 100,000	\$ 1,950.00	
STATE BK INDIA	856285RS2	11/27/2024	2.05%	\$ 145,000	\$ 2,972.50	
Maturity in 2024	\$ 1,288,000	9%				2.04%
Live Oak Bk	538036HP2	1/20/2025	1.85%	\$ 230,000	\$ 4,255.00	
RAYMOND JAMES BK	75472RBB6	2/14/2025	1.75%	\$ 249,000	\$ 4,357.50	
ADIRONDACK BK UTICA	00687QAT9	3/25/2025	1.10%	\$ 249,000	\$ 2,739.00	
CENTERSTATE BK FLA	15201QCJ4	3/31/2025	1.00%	\$ 249,000	\$ 2,490.00	
CELTIC BANK	15118RUW5	4/17/2025	1.45%	\$ 249,000	\$ 3,610.50	
EVERGREEN BK GROUP	300185JM8	4/28/2025	1.15%	\$ 249,000	\$ 2,863.50	
PACIFIC WESTN BK	69506YRL5	4/30/2025	1.25%	\$ 249,000	\$ 3,112.50	
M1 BK MACKS CREEK MO	55316CAY2	5/8/2025	1.00%	\$ 249,000	\$ 2,490.00	
TEXAS EXCHANGE BANK SSB	88241THD5	5/13/2025	1.10%	\$ 125,000	\$ 1,375.00	
ENTERPRISE BK	29367RLM6	5/14/2025	0.85%	\$ 249,000	\$ 2,116.50	
SUMMIT ST BK SANTA	866264DP6	5/15/2025	0.85%	\$ 249,000	\$ 2,116.50	
State Bank of India	856285TQ4	5/28/2025	1.10%	\$ 104,000	\$ 1,144.00	
FIRST CAROLINA BANK	31944MAY1	6/26/2025	0.60%	\$ 175,851	\$ 1,055.10	
Bank of Baroda	06063HMS9	7/22/2025	0.70%	\$ 249,000	\$ 1,743.00	
CHIPPEWA VY BK	169894AT9	7/29/2025	0.50%	\$ 151,000	\$ 755.00	
JPMORGAN CHASE BANK NA	48128UHS1	7/31/2025	0.55%	\$ 249,000	\$ 1,369.50	
FHLMC	3134GWND4	8/12/2025	0.60%	\$ 260,000	\$ 1,560.00	
FHLMC	3134GWND4	8/12/2025	0.60%	\$ 200,000	\$ 1,200.00	
FNMA	3135G05S8	8/14/2025	0.51%	\$ 375,000	\$ 1,912.50	
FNMA	3136G4C43	8/14/2025	0.65%	\$ 270,000	\$ 1,755.00	
FFCB	313EL4W1	8/25/2025	0.63%	\$ 240,000	\$ 1,502.40	
FNMA	3136G44F7	9/30/2025	0.55%	\$ 512,000	\$ 2,816.00	
FHLMC	FMCC5080214	11/24/2025	0.63%	\$ 500,000	\$ 3,125.00	
FNMA	3135G06Q1	12/30/2025	0.57%	\$ 270,000	\$ 1,541.70	
Maturity in 2025	\$ 6,151,851	43%				0.86%
Bank United	066519QC6	1/22/2026	0.58%	\$ 242,000	\$ 1,410.86	
FHLB	3130ALLS1	3/10/2026	0.88%	\$ 245,000	\$ 2,143.75	
Greenstate	39573LAY4	3/12/2026	0.70%	\$ 249,000	\$ 1,743.00	
Ally Bank	02007GSU8	6/9/2026	3.00%	\$ 139,000	\$ 4,170.00	
Toyota Fin	89235MLD1	7/22/2026	0.95%	\$ 140,000	\$ 1,330.00	
Synchrony	87165GD74	8/20/2026	0.90%	\$ 119,000	\$ 1,071.00	
FHLB	3130ANJT8	8/26/2026	0.90%	\$ 640,000	\$ 5,760.00	

Investments by Maturity

May 2024

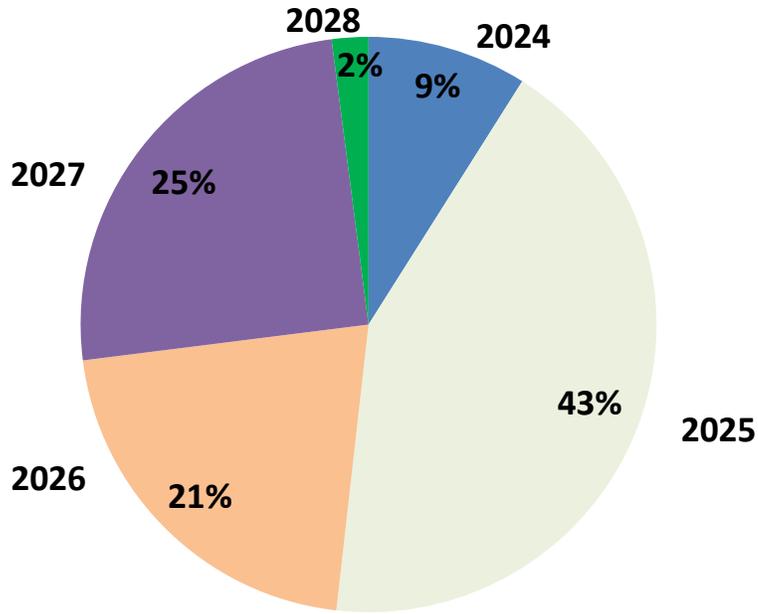
<u>Description</u>	<u>Cusip</u>	<u>Maturity</u>	<u>Rate</u>	<u>Amount</u>	<u>Est. Yr Interest</u>	<u>Avg Rate</u>
ConnectOneBk	20786ADL6	9/24/2026	0.80%	\$ 136,000	\$ 1,088.00	
PentagonFed	70962LAS1	9/29/2026	0.90%	\$ 249,000	\$ 2,241.00	
FHLN	3130APB87	10/13/2026	1.10%	\$ 350,000	\$ 3,850.00	
FHLN	3130APLP8	11/16/2026	1.38%	\$ 270,000	\$ 3,712.50	
FHLB	3130AQBE2	12/30/2026	1.65%	\$ 270,000	\$ 4,455.00	
Maturity in 2026	\$ 3,049,000	21%				1.08%
FHLB	3130AQYG2	2/25/2027	2.50%	\$ 670,000	\$ 16,750.00	
Beal Bk	07371CK81	3/3/2027	2.05%	\$ 247,000	\$ 5,063.50	
FHLB	3130ARDY4	3/29/2027	2.50%	\$ 270,000	\$ 6,750.00	
FHLB	3130ARCL3	3/30/2027	2.50%	\$ 200,000	\$ 5,000.00	
FHLB	3130ARKD2	4/21/2027	3.25%	\$ 255,000	\$ 8,287.50	
FHLB	3130ARMS7	4/29/2027	3.00%	\$ 250,000	\$ 7,500.00	
US Treasury	912828X88	5/15/2027	3.54%	\$ 335,501	\$ 11,876.73	
FHLB	3130ARMS7	5/26/2027	3.75%	\$ 1,000,000	\$ 37,500.00	
FHLB	3130ARYQ8	5/28/2027	3.37%	\$ 255,000	\$ 8,593.50	
State Bank India N	856285N64	6/1/2027	3.30%	\$ 100,000	\$ 3,300.00	
Maturity in 2027	\$ 3,582,501	25%				3.09%
FHLM	3134GYF31	1/27/2028	5.10%	\$ 295,000	\$ 15,045.00	
Maturity in 2028	\$ 295,000	2%				5.10%
				<u>Total Investments</u>	<u>Total Yr Interest</u>	<u>Avg</u>
				\$ 14,366,351	\$ 237,978	1.66%

Investments by Maturity

May 2024

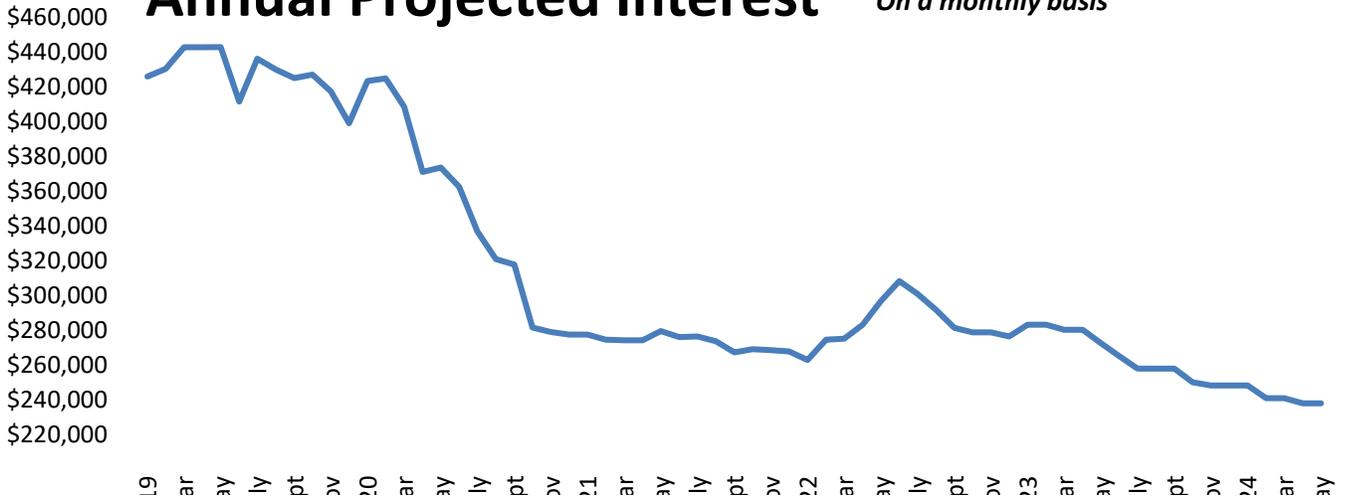
Description Cusip Maturity Rate Amount Est. Yr Interest Avg Rate

Investments by Maturity Year



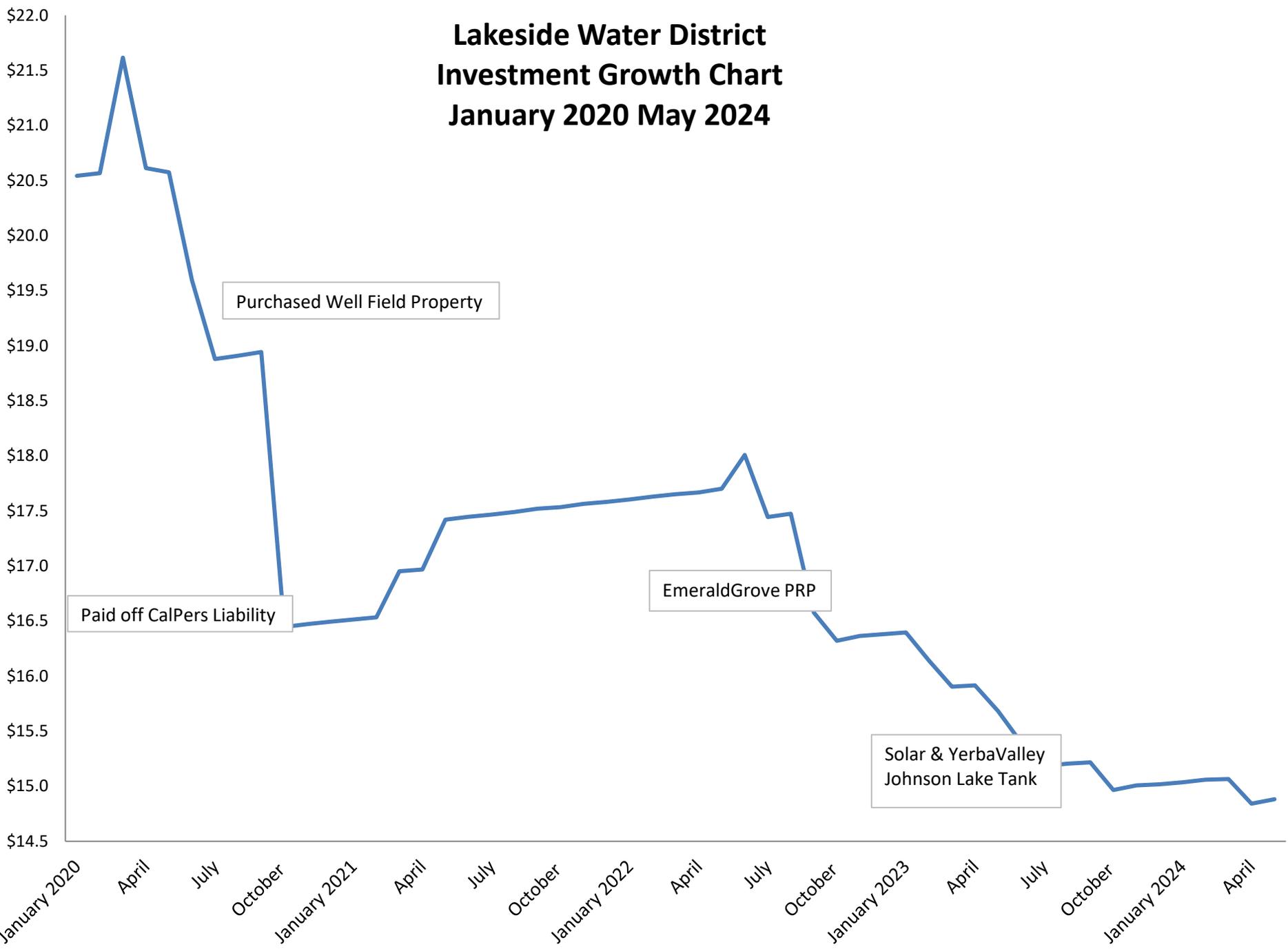
Annual Projected Interest

On a monthly basis



Lakeside Water District Investment Growth Chart January 2020 May 2024

Million



Memorandum

To: Board of Directors

CC:

From: Brett Sanders

Date: 7/2/2024

Re: THIRTY-YEAR Service Award to Quinn Johnze

Board Members,

I want to take the opportunity to acknowledge the 30 years of faithful service of Operations Superintendent Quinn Johnze.

Quinn started his career on July 11, 1994 as a utility worker trainee. It was quickly apparent that Quinn had the skills and aptitude for the water industry and was instrumental in the construction and start-up of the Vine Street Groundwater Filtration Plant and the maintenance projects to needed to keep the plant running and producing our low cost groundwater.

Quinn has a wide variety of skills and experience from backhoe operator and backflow program coordinator to project foreman and operations manager. His exceptional computer skills has helped the District out on numerous occasions and culminated in the in-house replacement of our 25-year-old Bristol Babcock SCADA system. Quinn has been an important and valuable team member contributing in all the Districts maintenance and capital improvement projects over the past 30 years.

Quinn's duties include planning and coordinating all of the District's maintenance projects, customer service response, both during normal working hours and after hours, including emergency repairs. The scheduling of the District's maintenance projects goes hand in hand with the preparation and inspection of the District's capital improvement projects. Quinn has maintained a very high standard of productivity and efficiency to the District and has an outstanding ability to get the job done with the best interests of the District always in mind.

Thank you,

Brett Sanders

OPERATIONS REPORT
July 2024
BOARD OF DIRECTORS MEETING

General Operation:

- *Well 8 Rehabilitation update*
- *Valle Vista PRV installation*
- *Yard preparation for 100 year celebration*
- *Inventory*
- *Toyon main replacement final asphalt completed*

Outside District Projects:

- *AWP pipeline crossings and inspections*

District Emergencies Repairs:

- *Main breaks 1*
- *Service leaks 1*
- *Fire hydrants 0*

Memorandum

To: Board of Directors

CC:

From: Brett Sanders

Date: 7/2/2024

Re: T-Mobile Cellular Agreement Amendment at the Single Oak Reservoir

Directors,

T-Mobile has initiated a second amendment to the District's original "Communications Site License Agreement" at the Single Oak Reservoir executed on April 1, 1996. A first amendment was executed on June 5, 2013 and allowed a microwave dish to be installed on the reservoir and was outside of the original agreement scope.

The proposed Second Amendment shall automatically extend the License Agreement at the expiration of the License Agreement; the term of the License Agreement will automatically be extended for five additional and successive five year terms,

The original agreement was for a term of five years commencing on April 1, 1996 and allows the right to extend the Term of the Lease for five additional terms of five years each. Each Renewal Term shall be on the same terms and conditions as set in the original agreement. The Agreement shall expire on March 31, 2026.

The original agreement's rent started at \$400.00 per month and annual increases are based on the Consumer Price Index and the increase shall not be greater than 3% per year and based on the Consumer Price Index for the Los Angeles/Anaheim. The current rent is \$1,350 per month.

Thank you,

Brett Sanders

SECOND AMENDMENT TO COMMUNICATIONS SITE LICENSE AGREEMENT

This Second Amendment to Communications Site License Agreement (the "**Second Amendment**") is effective as of the last signature below (the "**Effective Date**"), by and between Lakeside Water District, a California Irrigation District ("**Licensor**"), and T-Mobile West LLC, a Delaware limited liability company ("**Licensee**") (each a "**Party**", or collectively, the "**Parties**").

Licensor and Licensee (or their predecessors-in-interest) entered into that certain Communications Site License Agreement dated April 1, 1996, including that certain First Amendment to Communications Site License Agreement dated June 5, 2013 (including all amendments, collectively, the "**License Agreement**") regarding the licensed premises ("**Premises**") located at 12275 Gay Rio Terrace, Lakeside, CA 92040 (the "**Property**").

For good and valuable consideration, Licensor and Licensee agree as follows:

1. At the expiration of the License Agreement, the term of the License Agreement will automatically be extended for five (5) additional and successive five (5) year terms, each included as a Renewal Term, provided that Licensee may elect not to renew by providing Licensor at least thirty (30) days' notice prior to the expiration of the then current Renewal Term.
2. Upon the expiration of the final Renewal Term, Licensee shall have the right to continue to occupy the Premises and the Term shall automatically extend for up to nine (9) successive one (1) year periods (each, and "**Extended Period**"). Licensor may elect not to renew by providing notice to Licensee at least six (6) months prior to the expiration of the then current Extended Period. The Rent for each Extended Period shall be increased by CPI-U for Los Angeles-Riverside-Orange County, CA (not to exceed 3%) of the Rent for the immediately preceding year. Licensee may terminate any Extended Period at any time by delivery of notice to Licensor.
3. Notwithstanding anything to the contrary in the License Agreement and as of the Effective Date of the Second Amendment, Licensor shall be responsible for maintaining all portions of the Property in good order and condition, including without limitation, plumbing, elevators, the roof and support structure, landscaping and common areas, as applicable.
4. All notices, requests, demands and other communications shall be in writing and shall be deemed to have been delivered upon receipt or refusal to accept delivery, and are effective only when deposited into the U.S. certified mail, return receipt requested, or when sent via a nationally recognized courier to the addresses set forth below. Licensor or Licensee may from time to time designate any other address for this purpose by providing written notice to the other Party.

If to Licensee:

T-Mobile USA, Inc.
12920 SE 38th Street
Bellevue, WA 98006
Attn: Lease Compliance/SD06036A

If to Licensor:

Lakeside Water District
9739 Los Coches Road
Lakeside, CA 92040

5. Licensee and Licensor will reasonably cooperate with each other's requests to approve permit applications and other documents related to the Property without additional payment or consideration.
6. Any charges payable under the License Agreement other than License Fee shall be billed by Licensor to Licensee within twelve (12) months from the date in which the charges were incurred or due; otherwise, the same shall be deemed time-barred and be forever waived and released by Licensor.
7. Except as expressly set forth in this Second Amendment, the License Agreement otherwise is unmodified. To the extent any provision contained in this Second Amendment conflicts with the terms of the License Agreement, the terms and provisions of this Second Amendment shall control. Each reference in the License Agreement to itself shall be deemed also to refer to this Second Amendment.
8. This Second Amendment may be executed in duplicate counterparts, each of which will be deemed an original. Signed electronic, scanned, or facsimile copies of this Second Amendment will legally bind the Parties to the same extent as originals.
9. Each of the Parties represents and warrants that it has the right, power, legal capacity and authority to enter into and perform its respective obligations under this Second Amendment. Licensor represents and warrants to Licensee that the consent or approval of a third party has either been obtained or is not required with respect to the execution of Second Amendment. If Licensor is represented by any property manager, broker or any other leasing agent ("Agent"), then (a) Licensor is solely responsible for all commission, fees or other payment to Agent and (b) Licensor shall not impose any fees on Licensee to compensate or reimburse Licensor for the use of Agent, including any such commissions, fees or other payments arising from negotiating or entering into this Second Amendment or any future amendment.

10. This Second Amendment will be binding on and inure to the benefit of the Parties herein, their heirs, executors, administrators, successors-in-interest and assigns.

IN WITNESS, the Parties execute this Second Amendment as of the Effective Date.

Licensor:

Licensee:

Lakeside Water District, a California Irrigation District

T-Mobile West LLC, a Delaware limited liability company

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____



RESOLUTION 24-10

RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAKESIDE WATER DISTRICT ADOPTING FIVE YEAR CAPITAL IMPROVEMENT PLAN

WHEREAS, the Lakeside Water District has completed a five-year capital improvement updated plan ending in fiscal year 2028/2029; and

WHEREAS, the district has identified capital improvement projects and expenditures which may be constructed in the next five-year period beginning in fiscal year 2024/2025 and ending 2027/2028; and

WHEREAS, the district has identified sources of funding which include water rate revenue, capacity fees and capital improvement and rate stabilization reserves to complete the five-year capital improvement projects and expenditures; and

WHEREAS, the projects and expenditures identified are necessary for the efficient operation of the distribution, transmission and treatment systems;

NOW, THEREFORE, IT IS HERE RESOLVED DETERMINED AND ORDERED, by the Board of Directors of the Lakeside Water District as follows:

The attached Exhibit "A" lists the capital improvement projects and expenditures, which are approved for completion.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Lakeside Water District held on the 2nd day of July 2024, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAINED:

ATTEST:

Brett Sanders, Secretary
Lakeside Water District

Frank Hilliker, President
Board of Directors

LAKESIDE WATER DISTRICT 5 YEAR CAPITAL IMPROVEMENT PLAN

2024/25 through 2028/29

July 2024

Exhibit A

C=Complete **IP=In Progress** **AC=Annual Capital** **MT=Moved To** **MF=Moved From** **A=Annual**
Moved From **Moved To** **Bring In New** **Carryover**

2023/2024	(Current FY for Reference)	Total	\$ 517,350
Vine St Operations Center Solar Energy System	(Carryover)		\$ 400,000
Johnson Lake Pump Station Rehabilitation	(Built 1972) (Move to 2027/28)		(\$ 476,000)MT
El Monte Tank Recoating and Repainting	(Built 1960) (Move to 2026/27)		(\$ 600,000)MT
Administration Office Board Room Expansion Project (Engineering)	(NEW)		\$ 20,000
Administration Office Bill Inserting Machine	(NEW)		\$ 14,000
(42) Cellular Transmit Meters (Various Sizes)			\$ 24,350
Vehicle Replacement (Truck 4 – 1/4 ton.)	(Move to 2024-25)		\$ -----
Buildings & Land Improvements			\$ 4,000
O & M Equipment (Replacement Construction Equipment)			\$ 10,000
Office Furniture & Equipment			\$ 4,000
Plant & Distribution (Miscellaneous System Upgrades)			\$ 25,000
New Service & Meters			\$ 10,000
CIP Design and Engineering (Miscellaneous System Upgrades)			\$ 5,000
2024/2025		Total	\$ 638,000
Vine St. Operations Center Solar Energy System	(Carryover)		\$ 275,000
Yerba Valley Annexation Pipeline Installation			\$ 300,000
Buildings & Land Improvements			\$ 4,000
O & M Equipment (Replacement Construction Equipment)			\$ 10,000
Office Furniture & Equipment			\$ 4,000

Plant & Distribution (Miscellaneous System Upgrades)		\$ 25,000
New Service & Meters		\$ 10,000
CIP Design and Engineering (Miscellaneous System Upgrades)		\$ 40,000
2025/2026	Total	\$1,519,000
Vine Street Well 9 Construction Project (New)		\$1,100,000N
Administration Office Board Room Expansion Project (NEW)		\$ 250,000N
Single Oak Pump Station Piping and Pump Upgrade (Moved to 2026-27)		(\$ 175,000)MT
Single Oak Pump Station Rehabilitation (Built 1972) (Engineering) (MF 22/23)		\$ 20,000 MF
Vehicle Replacement (Truck 4 – ¼ tn. Service Truck) (Sport Trac) (one of two vehicle purchases to be electric) (Moved From 2023/24)		\$ 75,000MF
Buildings & Land Improvements		\$ 4,000
O & M Equipment (Replacement Construction Equipment)		\$ 10,000
Office Furniture & Equipment		\$ 15,000
Plant & Distribution (Miscellaneous System Upgrades)		\$ 30,000
New Service & Meters		\$ 10,000
CIP Design and Engineering		\$ 5,000
2026/2027	Total	\$1,474,000
Single Oak Reservoir Rehabilitation (1996) (In from 5-yr. Projection) Move to 2028/29		(\$ 450,000)MT
Julian Ave. (Los Coches to Lakeview) (Multiple Pipe Consolidation) (Moved from 2022/23) (Two year project, first year)		\$1,100,000MF
Single Oak Pump Station Piping and Pump Upgrade (Built 1972) (Moved from 2023/24)		\$ 225,000MF
Riverview Service Area Emergency Intake #1 (Move to 5 yr. Projection)		(\$ 200,000)MT
Vehicle Replacement (Service Truck)		\$ 40,000
Buildings & Land Improvements		\$ 4,000
Vehicle Replacement		\$ 35,000

O & M Equipment (Replacement Construction Equipment)	\$ 10,000
Office Furniture & Equipment	\$ 15,000
Plant & Distribution (Miscellaneous System Upgrades)	\$ 30,000
New Service & Meters	\$ 10,000
CIP Design and Engineering	\$ 5,000
2027/2028	Total \$ 2,224,000
Julian Ave. (Los Coches to Lakeview) (Multiple Pipe Consolidation) (Moved from 2022/23) (Two year project, second year)	\$1,100,000MF
El Monte Reservoir Tank Rehabilitation Built in 1960 (Moved From 2023/24)	\$ 950,000MF
Lakeshore Drive Pipeline Replacement Vine St. to Pino Dr. (Move to 2029/33 Projection)	(\$1,700,000)MT
Single Oak Reservoir Rehabilitation 1996 (Rehab) (Engineering) (Moved from 2026/27)	\$ 20,000MF
Johnson Lake Pump Station Rehab. (Built in 1972) (Engineering) (Moved from 2023/24)	\$ 20,000MF
Wintergardens Pump Station Rehabilitation (Built 1981) (Engineering) (NEW)	\$ 20,000N
Buildings & Land Improvements	\$ 4,000
Vehicle Replacement (Service Truck)	\$ 40,000
O & M Equipment (Replacement Construction Equipment)	\$ 10,000
Office Furniture & Equipment	\$ 15,000
Plant & Distribution (Miscellaneous System Upgrades)	\$ 30,000
New Service & Meters	\$ 10,000
CIP Design and Engineering	\$ 5,000
2028/2029	Total \$ 1,510,000
Wintergardens Pump Station Rehabilitation (Built 1981) (Rehab) (NEW)	\$ 450,000N
Johnson Lake Pump Station Rehab. (Built in 1972) (Rehab)	

(Moved from 2023/24)	\$ 476,000MF
Single Oak Reservoir Rehabilitation Last Rehab 1998 (Moved from 2026/27)	\$ 450,000MF
Lakeshore Drive Pipeline Repl. (Vine St. to Lakeview Rd.) (Engineering) (NEW)	\$ 20,000N
Buildings & Land Improvements	\$ 4,000
Vehicle Replacement (Service Truck)	\$ 40,000
O & M Equipment (Replacement Construction Equipment)	\$ 10,000
Office Furniture & Equipment	\$ 15,000
Plant & Distribution (Miscellaneous System Upgrades)	\$ 30,000
New Service & Meters	\$ 10,000
CIP Design and Engineering	\$ 5,000

DRAFT

**LAKESIDE WATER DISTRICT
BUDGET 2024/2025**

DRAFT

<u>Administration</u>	<u>23/24 Budget</u>	<u>23/24 Estimated</u>	<u>2024/2025 Budget</u>
1 Director's Fees • 7020 12 Meetings Plus 2 Special @ \$125 ea Training, Seminars, Workshops \$2000	\$10,750	\$8,050	\$10,750
2 Annual Audit • 7200	\$29,000	\$28,330	\$29,000
3 General Manager/Secretary • 7000 Salary Contingencies	\$222,949 \$225,446 \$8,000	\$202,500	\$233,446
4 Attorney's Fees • 7210	\$30,000	\$3,000	\$30,000
5 Insurance and Bonds • 7100 Liability/Auto (JPIA) Workers Comp Property Cyber Liability	\$66,575 \$36,055 \$22,000 \$6,650 \$1,870	\$60,846	\$66,575
6 Elections/Registrar • 7300	\$0	\$0	\$2,000
7 Administrative Expense • 7401 Ed. & Training Conferences General	\$7,000 \$5,000 \$1,000 \$1,000	\$4,000	\$7,000
8 Public Relations • 7450 Newsletter Prop 218 & Drought Restrictions	\$11,350 \$8,350 \$3,000	\$15,860	\$11,350
9 Consulting • 7230	\$2,000	\$0	\$2,000
10 Bad Debt Expense • 7800	\$2,000	\$1,500	\$2,000
11 State Health Dept. & Water Resources • 7500	\$49,064	\$38,940	\$49,064
12 Water Dev./Conservation • 7900 Residential Surveys, Events Flume MAAP program	\$9,500 \$2,000 \$7,500	\$14,000	\$9,500
13 Lafco Operating Costs • 7320	\$5,634	\$5,524	\$5,634
14 Incentive Compensation • 7001	\$5,000	\$5,000	\$5,000

**LAKESIDE WATER DISTRICT
BUDGET 2024/2025**

DRAFT

23/24 Budget

23/24 Estimated

2024/2025 Budget

SUMMARY - ADMINISTRATION

1 Director's Fees • 7020	\$10,750
2 Annual Audit • 7200	\$29,000
3 General Manager/Secretary • 7000	\$233,446
4 Attorney's Fees • 7210	\$30,000
5 Insurance and Bonds • 7100	\$66,575
6 Elections/Registrar • 7300	\$2,000
7 Administrative Expense • 7401	\$7,000
8 Public Relations • 7450	\$11,350
9 Consulting • 7230	\$2,000
10 Bad Debt Expense • 7800	\$2,000
11 State Health Dept. & Water Resources • 7500	\$49,064
12 Water Dev./Conservation • 7900	\$9,500
13 Lafco Operating Costs • 7320	\$5,634
14 Incentive Compensation • 7001	\$5,000
TOTAL	\$463,320

	Budget Total	Over/(Under)	23/24 Increase/(Decrease)	
23/24 Budget Totals:	\$450,822	(\$63,272.00)	2.7%	\$12,497.88
23/24 Estimate:	\$387,550			

**LAKESIDE WATER DISTRICT
BUDGET 2024/2025**

DRAFT

	<u>23/24 Budget</u>	<u>23/24 Estimated</u>	<u>2024/2025 Budget</u>
<u>Operations & Maintenance</u>			
1 Office Expense • 7400	\$157,714	\$141,902	\$157,714
Water Bills/Envelopes	\$7,760		
Postage & Maintenance	\$23,528		
Printing	\$1,500		
Telephone Office & Cells, & Internet	\$12,840		
Answering & Message Service	\$2,182		
Janitorial Service	\$7,740		
Bank/Credit Card Fees	\$65,295		
Security	\$500		
Supplies	\$10,200		
Equipment Maintenance	\$2,500		
Heating & Air Conditioning	\$2,000		
Software/Hardware Maint. & Support	\$14,159		
Miscellaneous & Website	\$3,000		
Co. of SD/Sewer	\$4,510		
2 Electrical Power • 5100	\$395,566	\$395,000	\$395,566
General Pumping	\$233,613		
Treatment Plant	\$149,545		
Administration Building	\$12,408		
3 Payroll, Office • 7010	\$297,794	\$252,000	\$328,315
Accounting and Finance Specialist	\$89,000		
Customer Service and Billing Manager	\$92,000		
Customer Service Rep. 2	\$80,315		
Customer Service Rep. 1	\$60,000		
Contingencies	\$7,000		
4 Payroll, Field • 6000	\$754,202	\$646,000	\$783,592
Field Superintendent	\$142,830		
System Operator 3	\$93,056		
Utility Worker III	\$92,115		
System Operator 1/Safety/Backflow	\$82,283		
Utility Worker 2 - Pers Tier 2	\$79,500		
Utility Worker I - Pers Tier 2	\$62,618		
Utility Worker I - Pers Tier 2	\$62,618		
Utility Worker I - Pers Tier 2	\$57,750		
Standard	\$672,770		
O.T. 8%	\$53,822		
Total O & M	\$726,592		
Meter Readers	\$42,000		
Contingencies	\$15,000		
Total Field Pay	\$783,592		

**LAKESIDE WATER DISTRICT
BUDGET 2024/2025**

DRAFT

	<u>23/24 Budget</u>	<u>23/24 Estimated</u>	<u>2024/2025 Budget</u>
5 Outside Labor • 6400	\$40,000	\$38,000	\$42,000
Water Loss Audit	1950		
Distribution System Saddle Replacement Program, Specialized Services			
6 Dues & Subscriptions • 7440	\$19,778	\$19,406	\$29,225
ACWA	13,004		
Harris Database Maintenance	9,572		
USA	1,500		
MS E-mails subscription	1,320		
Computers update subscription	924		
AWWA	460		
Chamber/Commerce	200		
CSDA	150		
Pacific Safety Council	145		
Costco	120		
QuickBooks Payroll Subscription	1,830		
7 Distribution (Maintenance/Supplies) • 6100	\$130,000	\$218,000	\$130,000
Control valves, Mains, services, etc.			
Telemetry System			
8 Distribution Pump & Motor Maintenance • 6102	\$60,000	\$38,000	\$60,000
9 Emergency Repairs & Services • 6110	\$45,000	\$60,000	\$45,000
10 Water Treatment (Maintenance/Supplies) • 5200	\$700,000	\$680,000	\$90,000
Well Rehabilitation 7&8	500,000		
11 Telemetry Repair • 5628	\$3,000	\$3,000	\$3,000

**LAKESIDE WATER DISTRICT
BUDGET 2024/2025**

DRAFT

	<u>23/24 Budget</u>	<u>23/24 Estimated</u>	<u>2024/2025 Budget</u>																								
12 Water Purchases • 5000	\$6,351,182	\$5,305,106	\$6,762,714																								
<table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Acft Purchased</u></th> <th style="text-align: left;"><u>USAGE</u></th> <th style="text-align: left;"><u>Variable Charges Only</u></th> </tr> </thead> <tbody> <tr> <td>2018/2019</td> <td>2643 (684 G.W. Wells)x\$1305/A.F</td> <td></td> </tr> <tr> <td>2019/2020</td> <td>2879 (593 G.W. Wells)x\$1337/A.F</td> <td></td> </tr> <tr> <td>2020/2021</td> <td>3223 (404 G.W. Wells)x\$1385/A.F</td> <td></td> </tr> <tr> <td>2021/2022</td> <td>3184 (309 G.W. Wells)x\$1492/A.F</td> <td></td> </tr> <tr> <td>2022/2023</td> <td>3024 (255 G.W. Wells)x\$1608/A.F</td> <td></td> </tr> <tr> <td>2023/2024</td> <td>Est. 2900 (500 G.W. Wells)x\$1789/A.F</td> <td></td> </tr> <tr> <td>2024/2025</td> <td>Est. 2650 (580 G.W. Wells)x\$2057/A.F</td> <td>15% CWA</td> </tr> </tbody> </table>	<u>Acft Purchased</u>	<u>USAGE</u>	<u>Variable Charges Only</u>	2018/2019	2643 (684 G.W. Wells)x\$1305/A.F		2019/2020	2879 (593 G.W. Wells)x\$1337/A.F		2020/2021	3223 (404 G.W. Wells)x\$1385/A.F		2021/2022	3184 (309 G.W. Wells)x\$1492/A.F		2022/2023	3024 (255 G.W. Wells)x\$1608/A.F		2023/2024	Est. 2900 (500 G.W. Wells)x\$1789/A.F		2024/2025	Est. 2650 (580 G.W. Wells)x\$2057/A.F	15% CWA			\$5,451,050
<u>Acft Purchased</u>	<u>USAGE</u>	<u>Variable Charges Only</u>																									
2018/2019	2643 (684 G.W. Wells)x\$1305/A.F																										
2019/2020	2879 (593 G.W. Wells)x\$1337/A.F																										
2020/2021	3223 (404 G.W. Wells)x\$1385/A.F																										
2021/2022	3184 (309 G.W. Wells)x\$1492/A.F																										
2022/2023	3024 (255 G.W. Wells)x\$1608/A.F																										
2023/2024	Est. 2900 (500 G.W. Wells)x\$1789/A.F																										
2024/2025	Est. 2650 (580 G.W. Wells)x\$2057/A.F	15% CWA																									

Fixed Charges

Readiness to Serve = MWD

July 2024 - June 2025 per month changes at fye, not calendar	238		\$2,856
---	-----	--	---------

Capacity Reservation Charge = MWD

July - Dec. 2024 per month	10558		\$136,198
Jan. - June 2025 per month	12142		

Emergency Storage Charge = CWA

July - Dec. 2024 per month	43682		\$563,498
Jan. - June 2025 per month	50234		

Customer Service Charge = CWA

July - Dec. 2024 per month	18549		\$239,282
Jan. - June 2025 per month	21331		

Supply Reliability Charge = CWA

July - Dec. 2024 per month	28669		\$369,830
Jan. - June 2025 per month	32969		

12 Total Water Purchases • 5000

Total Water Purchases: \$6,762,714

Last Estimated FYE 2024 \$/acft	(w/o IAC)	2296	
Estimated FYE 2025 \$/acft		<u>\$2,552</u>	
	Increase/acft	\$256	

\$0.59/unit increase

13 Infrastructure Access Charge • 5090	\$428,910	\$418,746	\$443,760
July - Dec. 2023 per month	\$36,458		
Jan. - June 2024 per month	\$37,502		
14 Padre Dam Delivery (Wheeling) • 5075	\$2,600	\$0	\$2,600
200acft/year @ \$26/A.F.			
15 County of S.D. Road Improvements • 5627	\$15,000	\$8,000	\$15,000

**LAKESIDE WATER DISTRICT
BUDGET 2024/2025**

DRAFT

	<u>23/24 Budget</u>	<u>23/24 Estimated</u>	<u>2024/2025 Budget</u>
16 Trucks ~ Fuel, Maintenance, Repairs • 6200	\$70,000	\$70,000	\$70,000
17 Miscellaneous Expense • 7920	\$5,000	\$5,000	\$5,000
18 Water Treatment & Testing • 5080	\$20,040	\$12,000	\$20,040
Total Coli forms			
Trihalomethanes + HAA5			
General Physicals & Heterotrophic			
Treatment Plant			
Iron & Manganese			
Annual Title 22 Well Tests			
Lead and Copper			
19 Engineering, Architectural, Surveying • 6410	\$20,000	\$25,000	\$20,000
20 Payroll Tax • 7030	\$97,227	\$90,000	\$102,508
FICA 6.2% of Payroll + 1.45% Medicare			
21 Group Insurance • 7040	\$326,350	\$320,623	\$326,740
Health	\$307,626		
Dental	\$10,259		
Disability LTD & STD	\$7,347		
Life	\$1,508		
22 Retirement • 7050	\$178,157	\$145,000	\$216,831
Required Pers Employer Annual Liability	27,785		
Classic Pers Employer Rate FY 24/25	16.510%		
Tier 2 Pers Employer Rate FY 24/25	5.510%		
Tier 2 Valic 457k Employer Rate FY 24/25	6%		
23 Unemployment Insurance • 7070	\$5,000	\$100	\$5,000
24 SDCWA Capacity & Treatment • 5091	\$314,039	\$151,000	\$314,039
19-3/4" @ \$5,859	\$111,321		
6-1" @ \$9,374	\$93,740		
1-1.5" @ \$17,577	\$17,577		
3-2" @ \$30,467	\$91,401		
	\$314,039		
25 Yerba Valley Annexation • 5620	\$30,000	\$618,000	\$30,000

**LAKESIDE WATER DISTRICT
BUDGET 2024/2025**

DRAFT

SUMMARY - OPERATIONS & MAINTENANCE

	<u>23/24 Budget</u>	<u>23/24 Estimated</u>	<u>2024/2025 Budget</u>
1 Office Expense • 7400			\$157,714
2 Electrical Power • 5100			\$395,566
3 Payroll, Office • 7010			\$328,315
4 Payroll, Field • 6000			\$783,592
5 Outside Labor • 6400			\$42,000
6 Dues & Subscriptions • 7440			\$29,225
7 Distribution (Maintenance/Supplies) • 6100			\$130,000
8 Distribution Pump & Motor Maintenance • 6102			\$60,000
9 Emergency Repairs & Services • 6110			\$45,000
10 Water Treatment (Maintenance/Supplies) • 5200			\$90,000
11 Telemetry Repair • 5628			\$3,000
12 Water Purchases • 5000			\$6,762,714
13 Infrastructure Access Charge • 5090			\$443,760
14 Padre Dam Delivery (Wheeling) • 5075			\$2,600
15 County of S.D. Road Improvements • 5627			\$15,000
16 Trucks ~ Fuel, Maintenance, Repairs • 6200			\$70,000
17 Miscellaneous Expense • 7920			\$5,000
18 Water Treatment & Testing • 5080			\$20,040
19 Engineering, Architectural, Surveying • 6410			\$20,000
20 Payroll Tax • 7030			\$102,508
21 Group Insurance • 7040			\$326,740
22 Retirement • 7050			\$216,831
23 Unemployment Insurance • 7070			\$5,000
24 SDCWA Capacity & Treatment • 5091			\$314,039
25 Yerba Valley Annexation • 5620			\$30,000
			\$10,398,643
		TOTAL	\$10,398,643

23/24 Budget Totals:	\$10,466,559 Over/(Under)	23/24 Increase/(Decrease)
23/24 Estimate:	\$9,656,883 (\$809,676)	-0.7% (\$67,916)

TOTAL OPERATING EXPENSES

Administration	\$463,320
Operations & Maintenance	\$10,398,643
	TOTAL \$10,861,963

23/24 Budget Totals:	\$10,917,381 Over/(Under)	23/24 Increase/(Decrease)
23/24 Estimate:	\$10,044,433 (\$872,948)	-0.5% (\$55,418)

**LAKESIDE WATER DISTRICT
BUDGET 2024/2025**

DRAFT

	<u>23/24 Budget</u>	<u>23/24 Estimated</u>		<u>2024/2025 Budget</u>
CAPITAL REQUIREMENTS				
1 Plant & Distribution • 1550	\$25,000	\$109,500		\$25,000
A. Line Gates, Air Vacs, Blow Offs, etc.				
B. Fire Hydrants				
2 New Services/Meters • 1551	\$10,000	\$25,290		\$10,000
3 O&M Equipment (Hand Tools/Misc) • 1520	\$10,000	\$9,100		\$10,000
Hand Tools / Misc	5,000			
Replace Construction Equipment	5,000			
4 Autos & Trucks • 1570	\$0	\$0		\$0
5 Buildings & Land Improvements • 1510	\$4,000	\$2,563		\$4,000
Property Improvements				
6 Office Equipment & Furnishings • 1530	\$19,000	\$4,200		\$4,000
Bill Stuffing Machine - replace 14yr old machine	14,000			
Misc	5,000			
7 Yerba Valley Annexation Pipeline	\$0	\$0		\$300,000
8 Capital Improvement Design/Engineering • 1547	\$25,000	\$0		\$40,000
Admin Office Expansion	20,000			
Misc	5,000			
9				
10				
11 Admin Office Solar Install • 1548	\$400,000	\$200,000		\$275,000
12 (42) Cellular Transmit Meters	\$24,350	\$24,350		\$0

**LAKESIDE WATER DISTRICT
BUDGET 2024/2025**

DRAFT

23/24 Budget 23/24 Estimated 2024/2025 Budget

CAPITAL REQUIREMENTS - SUMMARY

1 Plant & Distribution • 1550	\$25,000
2 New Services/Meters • 1551	\$10,000
3 O&M Equipment (Hand Tools/Misc) • 1520	\$10,000
4 Autos & Trucks • 1570	\$0
5 Buildings & Land Improvements • 1510	\$4,000
6 Office Equipment & Furnishings • 1530	\$4,000
7 Yerba Valley Annexation Pipeline	\$300,000
8 Capital Improvement Design/Engineering • 1547	\$40,000
9 0	\$0
10 0	\$0
11 Admin Office Solar Install • 1548	\$275,000
12 (42) Cellular Transmit Meters	<u>\$0</u>
Total Capital Requirements	<u>\$668,000</u>

23/24 Budget Totals:	\$517,350	Over/(Under)	24/25 Increase/(Decrease)
23/24 Estimate:	\$200,000	(\$317,350)	23% \$150,650

**From Capital Improvement Reserve Fund &
Rate Stabilization Reserve Fund Per District Policy**

TOTAL EXPENSE SUMMARY

Total Administration Expenses:	\$463,320
Total Operations & Maintenance Expenses:	\$10,398,643
Total Capital Requirements:	<u>\$668,000</u>
TOTAL	<u>\$11,529,963</u>

23/24 Budget Totals:	\$11,434,731	Over/(Under)	24/25 Increase/(Decrease)
23/24 Estimate:	\$10,244,433	(\$1,190,298)	0.8% \$95,232

**LAKESIDE WATER DISTRICT
BUDGET 2024/2025**

DRAFT

23/24 Budget 23/24 Estimated
REVENUES

2024/2025 Budget

1 Water Sales • 4000

\$8,256,756 \$8,200,000

\$8,843,735

Estimate 2993 acft Total Sales

(purchase 2650, pump 500 acft, 5% loss)

\$0.59/unit increase

<u>units sold</u>	<u>Water Rate</u>	<u>July - Dec. 2024</u>	<u>Jan. - June 2025</u>	<u>Subtotal</u>
338,975	Life Line	5.55	6.14	\$ 1,977,310.18
964,776	Standard	5.64	6.23	\$ 5,697,482.26
1,303,751		Total Water Charges \$		7,674,792.44

LWD Meter Service Charge

<u>Meter Size</u>	<u># of Meters</u>	<u>July - Dec 2024</u> <u>Bi-Monthly Rate</u>	<u>Jan - June 25</u> <u>Bi-Monthly Rate</u>	<u>Subtotal</u>
5/8"	4491	19.84	24.80	\$601,435
3/4"	1586	24.38	30.47	\$260,976
1"	610	33.39	41.73	\$137,470
1 1/2"	103	48.78	60.97	\$33,913
2"	140	86.63	108.28	\$81,862
3"	2	143.40	179.25	\$1,936
4"	3	198.38	247.97	\$4,017
6"	4	243.51	304.39	\$6,575
Det	106	36.04	45.05	\$25,787
Const.	20	99.19	123.98	\$26,780
Total Meter Charges \$				1,168,943

2 Infrastructure Access Charge • 4020

\$419,358

\$410,900

\$443,760

<u>Meter Size</u>	<u># of Meters</u>	<u>July - Dec 2024</u> <u>Bi-Monthly Rate</u>	<u>Jan - June 25</u> <u>Bi-Monthly Rate</u>	<u>Subtotal</u>
5/8" & 3/4"	6077	8.64	9.12	\$323,783
1"	610	13.90	14.66	\$52,272
1 1/2"	103	26.13	27.57	\$16,592
2"	140	45.28	47.77	\$39,081
3"	2	83.60	88.20	\$1,031
4"	3	142.77	150.09	\$2,636
6"	4	261.14	275.50	\$6,440

5.5% IAC increase

3 Service/Meter Installations • 4200

\$35,000

\$3,368

\$35,000

Single Service Installation Fees

**LAKESIDE WATER DISTRICT
BUDGET 2024/2025**

DRAFT

	<u>23/24 Budget</u>	<u>23/24 Estimated</u>	<u>2024/2025 Budget</u>
4 Taxes Revenue • 4700	\$679,000	\$678,646	\$720,000
5 Miscellaneous Income• 4300	\$15,000	\$12,000	\$20,000
6 Interest • 4600	\$227,645	\$375,000	\$227,645
7 Tapping/Tie-In • 4230	\$15,000	\$3,500	\$15,000
8 Property Leases • 4400 (Added increase projections below)	\$271,821	\$269,168	\$279,976
T Mobil (Emerald Grove Tank)	\$40,992	\$1,230	\$42,222
Lakeside Auto Body	\$8,013	\$240	\$8,253
Porter Equipment - Next Door	\$141,492	\$4,245	\$145,737
T Mobile (Single Oak Tank)	\$16,200	\$486	\$16,686
T Mobile (Sky Rim)	\$32,460	\$974	\$33,434
Verizon (Sky Rim Tank)	\$32,664	\$980	\$33,644
9 Engineering and Inspection • 4210	\$7,500	\$4,385	\$7,500
10 Fire Hydrants & Valve Installations • 4220	\$30,000	\$0	\$30,000
11 Capacity Fees LWD• 4100	\$237,773	\$111,517	\$237,773
<u>New Service Installations:</u>			
19-3/4" @ \$4,387	\$83,353		
10-1" @ \$7,019 High Meadow Ranch (6)	\$70,190		
1-1.5" @ \$14,477	\$14,477		
3-2" @ \$23,251	\$69,753		
12 SDCWA Capacity & Treatment • 4101	\$314,039	\$136,005	\$314,039
19-3/4" @ \$5,859	\$111,321		
10-1" @ \$9,374	\$93,740		
1-1.5" @ \$17,577	\$17,577		
3-2" @ \$30,467	\$91,401		
13 Water Letters • 4310	\$250	\$180	\$250
14 High Meadow Ranch • 4951	\$9,200	\$24,477	\$9,200

LAKESIDE WATER DISTRICT BUDGET 2024/2025

DRAFT

SUMMARY - REVENUES

1 Water Sales • 4000	\$8,843,735
2 Infrastructure Access Charge • 4020	\$443,760
3 Service/Meter Installations • 4200	\$35,000
4 Taxes Revenue • 4700	\$720,000
5 Miscellaneous Income • 4300	\$20,000
6 Interest • 4600	\$227,645
7 Tapping/Tie-In • 4230	\$15,000
8 Property Leases • 4400 (Added increase projections below)	\$279,976
9 Engineering and Inspection • 4210	\$7,500
10 Fire Hydrants & Valve Installations • 4220	\$30,000
11 Capacity Fees LWD • 4100	\$237,773
12 SDCWA Capacity & Treatment • 4101	\$314,039
13 Water Letters • 4310	\$250
14 High Meadow Ranch • 4951	\$9,200
	TOTAL REVENUES \$11,183,878

23/24 Budget Totals: \$10,518,342 Over/(Under)
 23/24 Estimate: \$10,229,146 \$ (289,196)

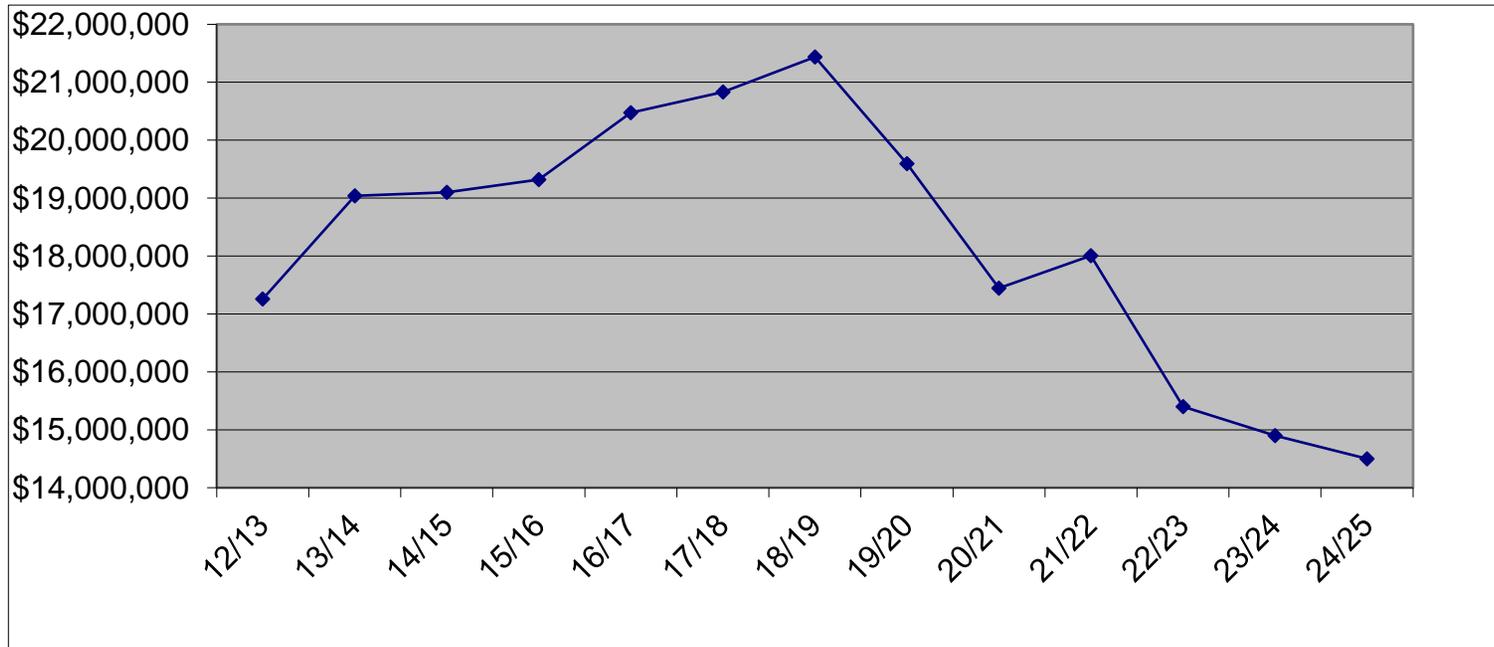
24/25 Increase/(Decrease)	
6.0%	\$ 665,536

LAKESIDE WATER DISTRICT BUDGET 2024/2025

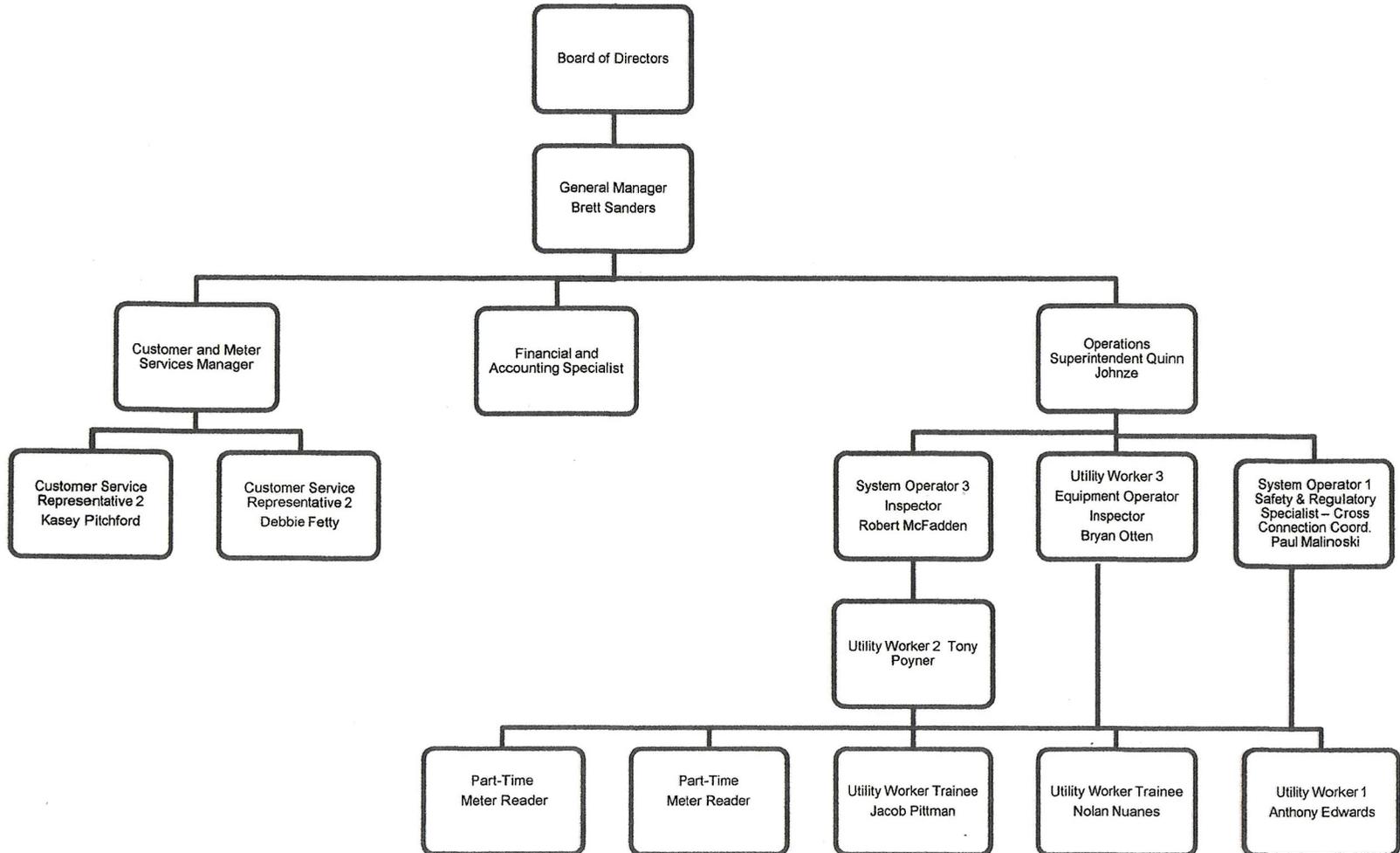
DRAFT

CASH RESERVES

Fiscal Year	Total Investments
12/13	\$17,260,610
13/14	\$19,039,000
14/15	\$19,099,625
15/16	\$19,322,156
16/17	\$20,475,383
17/18	\$20,833,242
18/19	\$21,435,830
19/20	\$19,593,938
20/21	\$17,446,703
21/22	\$18,007,726
22/23	\$15,397,483
23/24	\$14,900,000
24/25	\$14,500,000 estimate



Lakeside Water District Organizational Chart 2024-25 **Proposed**



RESOLUTION 24-11

RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAKESIDE WATER DISTRICT ADOPTING BUDGET FOR THE FISCAL YEAR 2023/2024

IT IS HEREBY RESOLVED, by the Directors of the Lakeside Water District as follows:

That the budget for the Lakeside Water District attached hereto as Exhibit "A" is hereby adopted as the budget of this District for the period commencing July 1, 2024 ending June 30, 2025.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Lakeside Water District held on the 2nd day of July 2024, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAINED:

ATTEST:

Brett Sanders, Secretary
Lakeside Water District

Frank Hilliker, President
Board of Directors

Lakeside Water District Budget Summary 2024/2025

SUMMARY - ADMINISTRATION

1 Director's Fees • 7020	\$	10,750
2 Annual Audit • 7200	\$	29,000
3 General Manager/Secretary • 7000	\$	233,446
4 Attorney's Fees • 7210	\$	30,000
5 Insurance and Bonds • 7100	\$	66,575
6 Elections/Registrar • 7300	\$	2,000
7 Administrative Expense • 7401	\$	7,000
8 Public Relations • 7450	\$	11,350
9 Consulting • 7230	\$	2,000
10 Bad Debt Expense • 7800	\$	2,000
11 State Health Dept. & Water Resources • 7500	\$	49,064
12 Water Dev./Conservation • 7900	\$	9,500
13 Lafco Operating Costs • 7320	\$	5,634
14 Incentive Compensation • 7001	\$	5,000
TOTAL	\$	463,320

SUMMARY - OPERATIONS & MAINTENANCE

1 Office Expense • 7400	\$	157,714
2 Electrical Power • 5100	\$	395,566
3 Payroll, Office • 7010	\$	328,315
4 Payroll, Field • 6000	\$	783,592
5 Outside Labor • 6400	\$	42,000
6 Dues & Subscriptions • 7440	\$	29,225
7 Distribution (Maintenance/Supplies) • 6100	\$	130,000
8 Distribution Pump & Motor Maintenance • 6102	\$	60,000
9 Emergency Repairs & Services • 6110	\$	45,000
10 Water Treatment (Maintenance/Supplies) • 5200	\$	90,000
11 Telemetry Repair • 5628	\$	3,000
12 Water Purchases • 5000	\$	6,762,714
13 Infrastructure Access Charge • 5090	\$	443,760
14 Padre Dam Delivery (Wheeling) • 5075	\$	2,600
15 County of S.D. Road Improvements • 5627	\$	15,000
16 Trucks ~ Fuel, Maintenance, Repairs • 6200	\$	70,000
17 Miscellaneous Expense • 7920	\$	5,000
18 Water Treatment & Testing • 5080	\$	20,040
19 Engineering, Architectural, Surveying • 6410	\$	20,000
20 Payroll Tax • 7030	\$	102,508
21 Group Insurance • 7040	\$	326,740

Lakeside Water District Budget Summary 2024/2025

REVENUES

1 Water Sales • 4000		\$ 8,843,735
2 Infrastructure Access Charge • 4020		\$ 443,760
3 Service/Meter Installations • 4200		\$ 35,000
4 Taxes Revenue • 4700		\$ 720,000
5 Miscellaneous Income • 4300		\$ 20,000
6 Interest • 4600		\$ 227,645
7 Tapping/Tie-In • 4230		\$ 15,000
8 Property Leases • 4400 (Added increase projections below)		\$ 279,976
9 Engineering and Inspection • 4210		\$ 7,500
10 Fire Hydrants & Valve Installations • 4220		\$ 30,000
11 Capacity Fees LWD • 4100		\$ 237,773
12 SDCWA Capacity & Treatment • 4101		\$ 314,039
13 Water Letters • 4310		\$ 250
14 High Meadow Ranch • 4951		\$ 9,200
	TOTAL	\$ 11,183,878

ESTIMATED OPERATING INCOME STATEMENT

REVENUES:

Water Sales		\$ 8,843,735
Other Income		\$ 2,340,143
	Total Operating Revenues	\$ 11,183,878

EXPENSES:

Water Purchases		\$ 6,762,714
Administration		\$ 463,320
Operations & Maintenance		\$ 3,635,929
	Total Operating Expenses	\$ 10,861,963
Capital Requirements		\$ 668,000
	Total Budget Requirements	\$ 11,529,963
	Income/(Loss)	\$ (361,085)
(From) Rate Stabilization Reserve & Capital Improvement Reserve Fund		\$ 361,085
	Less: Depreciation Expense	\$ 707,888
	Net Income/(Loss)	(707,888)

RESOLUTION 24-12

RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAKESIDE WATER DISTRICT UPDATING CLASSIFICATIONS AND MONTHLY RATES OF PAY SCHEDULE FOR LAKESIDE WATER DISTRICT EMPLOYEES EFFECTIVE JULY 1, 2024

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Lakeside Water District, that from the period of July 1, 2024 through June 30, 2026 and continuing thereafter at the pleasure of the Board of Directors of this water district, the employment classification required for the operation of the district, and the standard monthly rates of compensation therefore, be and they established as follows, to wit:

7/1/24 Proposed 2024-25												
PAY GRADES												
LAKESIDE WATER DISTRICT												
Pay Grade	Pay Type	Class Code	Position	Min	Mid	Max	Annual Minimum	Annual Midpoint	Annual Maximum	MIN HRLY AVERAGE	MID HRLY AVERAGE	MAX HRLY AVERAGE
50	MTHY	SAL/EX	General Manager	15,400.00	17,710.00	20,020.00	184,800.00	212,520.00	240,240.00	88.85	102.17	115.50
SAL / NE												
40	MTHY	SAL/NE	Operations.Superintendent	9,945.00	11,436.75	12,928.50	119,340.00	137,241.00	155,142.00	57.38	65.98	74.59
39					0.00							
38					0.00							
37	MTHY	SAL/NE		10,001.00	11,501.15	13,001.30	120,012.00	138,013.80	156,015.60	57.70	66.35	75.01
*36 New Prop	MTHY	SAL/NE	Finance and Accounting Spec.	7,000.00	8,500.00	10,000.00	84,000.00	102,000.00	120,000.00	40.38	49.04	57.69
*35 New Prop	MTHY	SAL/NE	Cust. Serv. & Billing Manager	7,000.00	8,500.00	10,000.00	84,000.00	102,000.00	120,000.00	40.38	49.04	57.69
34	MTHY	SAL/NE		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
33	MTHY	SAL/NE	System Operator 3	7,044.00	8,100.60	9,157.20	84,528.00	97,207.20	109,886.40	40.64	46.73	52.83
32	MTHY	SAL/NE	Utility Worker 3	6,491.00	7,464.65	8,438.30	77,892.00	89,575.80	101,259.60	37.45	43.07	48.68
31	MTHY	SAL/NE	System Operator 2	6,078.00	6,989.70	7,901.40	72,936.00	83,876.40	94,816.80	35.07	40.33	45.59
30	MTHY	SAL/NE		5,700.00	6,555.00	7,410.00	68,400.00	78,660.00	88,920.00	32.88	37.82	42.75
29	MTHY	SAL/NE	Utility Worker 2	5,594.00	6,433.10	7,272.20	67,128.00	77,197.20	87,266.40	32.27	37.11	41.96
28	MTHY	SAL/NE	System Operator 1	5,550.00	6,382.50	7,215.00	66,600.00	76,590.00	86,580.00	32.02	36.82	41.63
27	MTHY	SAL/NE	Customer Service Rep. 2	5,275.00	6,066.25	6,857.50	63,300.00	72,795.00	82,290.00	30.43	35.00	39.56
26	MTHY	SAL/NE	Utility Worker 1	4,903.00	5,638.45	6,373.90	58,836.00	67,661.40	76,486.80	28.29	32.53	36.77
25	MTHY	SAL/NE	Customer Service Rep. 1	4,558.00	5,241.70	5,925.40	54,696.00	62,900.40	71,104.80	26.30	30.24	34.19
24	MTHY	SAL/NE	Utility Worker Trainee	4,074.00	4,685.10	5,296.20	48,888.00	56,221.20	63,554.40	23.50	27.03	30.56
23	MTHY	SAL/NE		3,384.00	3,891.60	4,399.20	40,608.00	46,699.20	52,790.40	19.52	22.45	25.38

7/1/2024 Ranges Revised - Salary Schedule

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Lakeside Water District at a regular meeting thereof held on July 2nd, 2024, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

- Attest:

 Brett Sanders, Secretary
 Lakeside Water District

 Frank Hilliker, President
 Board of Directors

Disbursements List June 2024

Num	Name	Account	Amount
15758	Dexter Wilson Engineering, Inc.	1547 · CIP Design/Engineer	835.00
15739	Lakeside Equipment	1550 · Pumping Plant & Distribution	285.09
15762	Oldcastle Precast Inc.	1550 · Pumping Plant & Distribution	7,578.00
eft	Cal Pers	2100 · Payroll Liabilities	6,952.46
eft	San Diego County Credit Union	2100 · Payroll Liabilities	10,700.00
15754	Variable Annuity Life Insurance	2100 · Payroll Liabilities	2,355.00
15694	Adams, Jessica	4000 · Water Sales on Account	163.56
15695	Ames, Michelle	4000 · Water Sales on Account	165.97
15696	Aylott, Thomas	4000 · Water Sales on Account	474.05
15697	Cortes, Alberto	4000 · Water Sales on Account	49.85
15698	Dawson, Isaiah	4000 · Water Sales on Account	169.11
15699	Dolan, Jennifer	4000 · Water Sales on Account	133.68
15700	FERNANDEZ, ALEXIS	4000 · Water Sales on Account	180.21
15701	Franc, Katie	4000 · Water Sales on Account	128.13
15702	Green, Susan	4000 · Water Sales on Account	86.11
15703	Hamilton, Corey & Ashley	4000 · Water Sales on Account	149.32
15704	Heath, Kevin	4000 · Water Sales on Account	144.64
15705	Hutcheson, Zachary	4000 · Water Sales on Account	31.60
15706	Jersey Mikes's Subs Inc	4000 · Water Sales on Account	136.88
15707	Johnson, Casey	4000 · Water Sales on Account	185.76
15708	Kauffman, Jacob	4000 · Water Sales on Account	128.92
15709	Marcellus, Allen	4000 · Water Sales on Account	141.36
15710	Marquez, Marlyna	4000 · Water Sales on Account	158.01
15711	Mayer, Christopher	4000 · Water Sales on Account	185.76
15712	McLaughlin, Deanne	4000 · Water Sales on Account	143.77
15713	Pacheco, Sylis	4000 · Water Sales on Account	106.52
15714	Pimental & Hilliard	4000 · Water Sales on Account	104.92
15715	Rust, Ryan	4000 · Water Sales on Account	73.85
15716	Smith, Brandon	4000 · Water Sales on Account	23.26
15717	Tri Build & Development Inc.	4000 · Water Sales on Account	21.42
15718	Vidan, Theodore	4000 · Water Sales on Account	143.77
15719	Warburton, Natalie	4000 · Water Sales on Account	141.36
15720	White, Peter	4000 · Water Sales on Account	101.78
15721	WHITE, RICHARD	4000 · Water Sales on Account	133.67
15722	Williams, Christina	4000 · Water Sales on Account	76.72
15723	Youngs, Marissa	4000 · Water Sales on Account	100.38
eft	San Diego County Water Authority	5010 · CWA Delivery Charge	525,812.40
15726	Alpha Analytical Laboratories, Inc	5080 · Water Treatment & Testing	130.00
eft	SDGE	5100 · Electric Power	29,191.65
15728	Bondy Groundwater Consulting, Inc	5200 · Water Treatment -Maint/Sup	172.50
15732	FedEx	5200 · Water Treatment -Maint/Sup	21.06
15735	HASA	5200 · Water Treatment -Maint/Sup	1,029.46
15736	Helix Water District	5200 · Water Treatment -Maint/Sup	1,077.00

Disbursements List June 2024

15756	Alpha Analytical Laboratories, Inc	5200 · Water Treatment -Maint/Sup	1,560.00
15759	FedEx	5200 · Water Treatment -Maint/Sup	200.33
15760	Hydrocurrent Well Services	5200 · Water Treatment -Maint/Sup	76,080.38
15761	Imperial Sprinkler Supply	5200 · Water Treatment -Maint/Sup	349.48
payroll	Payroll	6000 · Payroll	68,102.32
15730	Enniss, Inc.	6100 · Distribution - Maint/Supplies	1,330.14
15733	Ferguson Waterworks	6100 · Distribution - Maint/Supplies	1,259.74
15737	Home Depot Credit Services	6100 · Distribution - Maint/Supplies	48.26
15742	Payton's Hardware, Inc.	6100 · Distribution - Maint/Supplies	503.82
15744	Republic Services	6100 · Distribution - Maint/Supplies	605.37
15747	UniFirst Corp	6100 · Distribution - Maint/Supplies	689.68
15749	WestAir	6100 · Distribution - Maint/Supplies	180.49
15755	ABC Industrial Services, Inc	6100 · Distribution - Maint/Supplies	720.00
15757	Cintas First Aid & Safety	6100 · Distribution - Maint/Supplies	289.32
15740	Lakeside Petroleum, Inc.	6200 · Trucks-Fuel,Maintenance,Re	2,791.52
15741	Napa Auto Parts Inc	6200 · Trucks-Fuel,Maintenance,Re	246.62
15743	PowerPlan	6200 · Trucks-Fuel,Maintenance,Re	3,496.53
15750	Wintergardens Smog & Tune	6200 · Trucks-Fuel,Maintenance,Re	620.87
15765	S.D. Heavy Truck Equipment Repai	6200 · Trucks-Fuel,Maintenance,Re	13.47
15725	All Star Computers	6400 · Outside Labor	500.00
15729	Crisplmaging Inc.	6410 · Engineering	448.13
15724	ACWA - Group Ins	7040 · Group Insurance	28,294.55
15753	Standard Insurance	7040 · Group Insurance	515.17
eft	Cal Pers	7050 · CalPers Retirement	13,265.56
15764	Procopio Cory Hargreaves & Savitcl	7210 · Attorney Fees	156.00
15727	American Messaging	7400 · Office Expense	92.89
15731	Excel Telemessaging	7400 · Office Expense	148.88
15734	Harris	7400 · Office Expense	10,686.37
15738	Jan-Pro	7400 · Office Expense	340.00
15748	Wave.Band	7400 · Office Expense	945.99
15763	Omni Graphics	7400 · Office Expense	67.05
eft	First Bankcard - Visa	7400 · Office Expense	16,717.78
15745	Sparkletts	7401 · Administrative Expense	104.92
15746	Underground Service Alert	7440 · Dues & Subscriptions	132.50
		Total	821,628.09

**General Managers
Monthly Report**

July 2, 2024

Board of Directors Meeting

- 1) Legislation Update:**

- 2) UCMR 5 Sampling Update:**

News Articles/Editorials Enclosed:

CWA Board Approves Rate Increase of Approx. 4% to Cover MWD's Costs

Water rates look poised to go up – but not as steeply as feared. That could create its own problems

Environment Report: San Diego Provoked a Budget Battle at MWD That Helped Take Down Its GM



4677 Overland Avenue, San Diego, CA 92123

News Release

Mike Lee
(760) 208-0588
mlee@sdewa.org

Board Approves Rate Increase of Approx. 4% to Cover MWD's Costs

Plan is to consider another potential rate increase to fund Water Authority needs in July

June 27, 2024 – The San Diego County Water Authority's Board of Directors today approved an increase of approximately 4% in wholesale rates for 2025 and plans to assess the need for additional increases after a public hearing in July.

The approved increase was designed to cover passthrough costs from the Metropolitan Water District of Southern California that start accruing on July 1, 2024. In addition, the Board approved a pilot program that allows retail water agencies to trim about 1.5 percentage points from next year's bill by prepaying fixed costs.

At its July 25 meeting, the Board plans to consider rate increases to support the continued maintenance and operations of the regional water treatment and delivery system, along with the Water Authority's financial stability.

###

The San Diego County Water Authority sustains a \$268 billion regional economy and the quality of life for 3.3 million residents through a multi-decade water supply diversification plan, major infrastructure investments and forward-thinking policies that promote fiscal and environmental responsibility. A public agency created in 1944, the Water Authority delivers wholesale water supplies to 23 retail water providers, including cities, special districts and a military base.

 [X](#)  [INSTAGRAM](#)  [LINKEDIN](#)  [YOUTUBE](#)  [FACEBOOK](#)

Water rates look poised to go up — but not as steeply as feared. That could create its own problems.

The county water authority borrowed money for a far bigger water system than they now need — and they worry that reducing a planned rate hike could send the costs of their debt soaring.

By [David Garrick](#) | David.Garrick@sduniontribune.com | The San Diego Union-Tribune
PUBLISHED: June 27, 2024 at 8:31 p.m. | UPDATED: June 28, 2024 at 6:59 a.m.

Local water bills might not be going up quite as sharply next year as expected.

The County Water Authority's board tentatively shrank a proposed rate hike for wholesale water from 18 percent to 14 percent on Thursday — despite concerns the move could hurt the water authority's credit rating.

An increase in wholesale rates will force nearly every local water agency to pass on the extra costs to its customers, but just how much gets passed on could vary widely.

Some agencies buy less wholesale water than others, especially those with groundwater basin storage or other local water supplies.

The board delayed a final vote on the proposed 2025 increase to its July 25 meeting, but a coalition led by the city of San Diego had enough support Thursday to reduce the increase to 14 percent.

It would be part of a three-year set of rate hikes that would cumulatively raise rates by more than 40 percent when compounded — if the board also follows through on a 16.4 percent increase in 2026 and a 5.7 percent increase in 2027.

While the 14 percent hike wasn't finalized Thursday, a resolution approved by the board used the language “up to 14 percent” for the 2025 rate hike and said the number could be lowered if finances improve this fall.

The move to shrink the increases comes two weeks after concerns about the water authority's finances prompted S&P Global to shift its outlook for the authority from stable to negative.

Because of conservation and other factors, water sales — the authority's main source of revenue — are down in both the short and long term and don't appear poised to substantially bounce back.

Water authority officials say the fundamental problem is that they borrowed money to build and maintain a significantly larger water storage and delivery system than they now need.

Other problems include high costs for desalination at a Carlsbad plant the authority operates and the recent departure from the authority of water agencies serving Fallbrook and Rainbow, which opted to get water from nearby Riverside County instead.

In addition, the Metropolitan Water District of Southern California has approved rate hikes of 8.5 percent each for 2025 and 2026 that get passed on to the authority.

In the report earlier this month where it indicated it might downgrade the authority's rating, S&P pointed to the proposed 18 percent increases as a positive sign the authority was on the right track.

"We believe management is taking important steps to mitigate this changing cost profile, including consideration of a proposed rate adjustment of 18 percent in 2025," the report said.

Critics of the move to shrink the increases to 14 percent said it would jeopardize the authority's credit rating even more.

A lower credit rating would cost the authority nearly \$4 million a year by raising borrowing costs on its roughly \$2 billion in debt.

The leader of the board's city of San Diego coalition said after Thursday's meeting that the possibility of a credit downgrade is a legitimate concern. But he also said the authority must find ways to solve its financial problems other than giant rate hikes.

"We're not going to be taking increases of 18 percent or 19 percent to ratepayers," said Nick Serrano, an aide to Mayor Todd Gloria and the board's vice chair.

Serrano said finding new buyers for the authority's water, cutting expenses and other efforts should be aggressively pursued, criticizing the authority for relying too much on rate hikes as a solution.

He said the city coalition agreed to the one-month delay in finalizing the rate hike because some members of the board asked for more time to think it through or let the authority explore other options.

"Our position will remain unchanged," he said of the July vote. "We're going to continue to push for this 14 percent."

San Diego controls 10 of the board's 36 seats.

San Diego Councilmember Stephen Whitburn, another board member, said the larger hikes would be unacceptable when so many San Diegans are coping with inflation, high rent and other rising expenses.

He said it is particularly frustrating that water conservation by local residents is cited as the primary reason for the proposed hikes.

“The solution can’t be to punish San Diegans who save water by charging more,” he said. “That is completely unfair to them.”

San Diego would suffer more than most water agencies from a large rate hike because it buys about 90 percent of its water from the authority.

Supporters of cutting the proposed rate increase to 14 percent noted that water authority staff had already announced a plan to reduce the hike from 18 percent to 15.4 percent last week when they got a \$19.4 million federal grant.

The grant from the U.S. Department of the Interior is for an intake pipe at the Carlsbad desalination plant.

But authority staff said shrinking the 15.4 percent increase further to 14 percent would jeopardize the agency’s cash flow and notably worsen its position with credit rating agencies.

“S&P is just the beginning,” said Lisa Marie Harris, the authority’s finance director. “The other two will start taking a much harder look because we are already at the bare minimum of all the criteria.”

She was referring to Moody’s and Fitch’s, the other two leading rating agencies. The authority has a triple-A rating with S&P and double-A ratings with Moody’s and Fitch.

Some board members said a 15.4 percent hike next year makes more sense than 14 percent.

“I think this type of decision will have repercussions,” said Eric Heidemann, who represents Poway.

Serrano said the report from S&P also mentioned affordability for customers should be a factor in rate hikes.

“Maintaining robust projected all-in coverage and liquidity levels will be a delicate balance of imposing sufficient rate increases while not burdening affordability,” the report said.

Some local residents spoke against large rate hikes Thursday.

“It is not the responsibility of ratepayers to fix this substantial business practice failure,” said Suzanne Till of Santee.

“The proposed rate hikes will be very harmful to those of us that live out here in the East County,” said Kim Dudzik Hales of Alpine, noting that many residents in her area have livestock that need water.

Environment Report: San Diego Provoked a Budget Battle at MWD That Helped Take Down Its GM

The Metropolitan Water District's chief financial officer wrote a blistering letter about management at the giant agency. It turns out, a disagreement with San Diego reps could have been the last straw.

by [Scott Lewis](#) 20 hours ago

Hello, this is editor-in-chief Scott Lewis. I didn't do a Politics Report this weekend because I couldn't quite pull this story together by Friday. Instead, I have stolen the Environment Report.

The [letter](#) that brought down Adel Hagekhalil, the general manager of the Metropolitan Water District, is getting buried by the news it generated.

The big headline about the letter, Politico first [revealed](#), is that its claims of dysfunctional management and harassment led the Metropolitan Board of Directors to place Hagekhalil on administrative leave and appoint an interim general manager.

Hagekhalil is probably done. Environmentalists [are worried](#) Metropolitan's establishment is forcing him out for siding with them. But the letter itself hinted at a major disagreement between its author, Metropolitan's chief financial officer, and San Diego representatives on the Metropolitan board. And that disagreement could have been part of what provoked the CFO to write the letter and thus led to Hagekhalil's downfall.

It would not have taken much. He got the job after the delegations from the city of Los Angeles and San Diego County united to put him in charge through an ultra-slim majority on the board. Immediately, long hostile relations between Metropolitan and San Diego became warmer, symbolized by a [fist bump](#) in the fall between Hagekhalil and Dan Denham, the general manager of the San Diego County Water Authority. Within months, concerns arose about his management style and last year, when he hired a longtime associate as chief of staff without the board's approval, Hagekhalil got into seriously warm water.

Last week, when the letter came out, board members voted unanimously to put him on leave and name an interim general manager.

The letter has more than just complaints about Hagekhalil's allegedly dysfunctional managing style and cronyism. It has lines like this about the Climate Adaptation Master Plan for Water (CAMP4W):

“I am very concerned that CAMP4W is quickly becoming the most expensive line item relative to its purported value. To date, most consultants are burning hours with very little value added to

the original [Integrated Resource Plan] work,” wrote Katano Kasaine, Metropolitan’s assistant general manager/chief financial officer.

Metropolitan managed to patch a historic budget deficit with an 8.5 percent water rate increase and an increase to the property taxes of all Southern California property owners. Kasaine was profoundly uncomfortable with how the budget came together and in large part, she blames San Diego representatives — in particular, it seems, Tim Smith, the Metropolitan board member who leads its finance committee and represents San Diego.

The San Diego angle: Kasaine wrote that board members proposed a different budget than the one her and her staff were building. They wanted water buyers to only see a smaller increase in rates and she found it challenging. When she expressed that, Hagekhalil was upset.

“My priority was to ensure that any budget cuts and revenue projections were realistic and achievable, and that staff be allowed to cost the proposal,” she wrote.

“Holding a different opinion from the General Manager does not imply a lack of respect for his authority or opinions. Unfortunately, others, particularly the San Diego Delegation, took issue with my perspective,” she wrote.

What she’s talking about: To keep rate increases from going higher, Smith put forward alternative proposals that assumed a new water deal between San Diego and Metropolitan would come together. We [wrote about it last year](#). Put simply, the federal government was going to help several Southern California water agencies leave water in Nevada’s Lake Mead. Imperial Irrigation District would get some money, San Diego would not have to buy some of its water and would instead pay less to buy water from Metropolitan.

Smith insisted Metropolitan incorporate this deal into its projections – it could mean a \$60 million infusion of cash for Metropolitan each of the next two years. But it is hardly a done deal and it relies on the federal government, which can be slow and unpredictable. This is what Kasiane was talking about when she worried about “realistic and achievable” revenue projections.

Her staff put it clearly in a March budget workshop.

“Overall, it’s probably safer to adopt rates not based on one-time items. It’s probably a good idea to sell water out of our storage but it’d be safer to add the revenue to our reserves to protect against future rate increases,” said Arnout van den Berg, the revenue and budget manager for Metropolitan.

(Smith had not returned my requests for comment by Monday.)

But Smith along with board members from Los Angeles pushed forward and in April, when the board settled on a two-year budget, it incorporated his preferred assumptions. The tax would go up. The water rates would go up. But not as much as they would have.

Now all eyes are on San Diego: The San Diego County Water Authority has long had a weird relationship with its representatives to the Metropolitan board. They are supposed to represent the agency, but they do not necessarily agree. Mike Lee, the director of public affairs for the Water Authority, told me it would have no comment on Hagekhalil's downfall or what was happening.

However, it's clear the Water Authority, although maybe not interested in paying even higher rates to Metropolitan, did not necessarily want this outcome. It too is going to have to adopt rate increases in coming weeks and they could be as high as 18 percent. We already pay the highest water rates in the country and now it's going to get worse, quickly.

The Water Authority could also assume the benefit of the federal government's expected participation in this water trade and it could also lower its expected rate increase a bit. But staff is conspicuously not proposing that. In other words, Metropolitan kept rates a bit lower by assuming this deal is going through and they did that because of the influence of directors representing the San Diego County Water Authority. But the Water Authority itself is not going to do the same thing.