

A G E N D A

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

August 6, 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 July 2, 2024.
7. Review the June 2024 Treasurers Report for the Annual Audit. Request to Note and File in Preparation.
8. Operations Report. Johnze
9. Consider Resolution 24-13 to Apply Charges for the Yerba Valley Community Facilities District No. 2022-1 to the County Tax Assessor Fixed Charge Special Assessment Property Tax Services. Sanders
10. Consider Revision to Administrative Code Section 2.13-12 Miscellaneous Fees; 2.13-12 (E) District Property Damages
11. 100-Year Anniversary Event Planning Discussion.
12. Approve Demands of the Treasurer for July 2024.
13. CWA Report
14. Director's Reports and/or Ad Hoc Sub-Committees Reports.

15. General Managers' Report.
16. Adjourn; Next Regular Meeting Date September 10, 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 August 2, 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](https://www.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 July 2, 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 Richard Ross to provide the prayer for the night’s meeting.
- 3) Pledge of Allegiance – The pledge was led by Director Robak
- 4) Approval of Agenda. Motion by Director Jenkins to accept the agenda as submitted.

Motion: Jenkins

Second: Neumeister

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 June 4, 2024. Motion by Director Johnson to approve the as presented.

Motion: Johnson

Second: Jenkins

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

- 7) Approve Minutes of a Regular Meeting held on June 25, 2024. Motion by Director Neumeister to approve the minutes as presented.

Motion: Neumeister

Second: Johnson

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

8) Review the May 2024 Treasurers Report for the Annual Audit. Request to Note and File in Preparation. Approved to Note and File

9) 30-Year Service Award for Quinn Johnze, Operations Superintendent. General Manager Sanders provided a recap of Quinn's career and highlights of the past 30 years of service to the district. The Board extended their appreciation and thanked Quinn for his service to the District.

10) Operations Report – Superintendent Johnze reported:

- a. Well 8 Rehabilitation. Pump is set and has been in service for over a 1 week..
- b. Valle Vista PRV Installation: District crews have completed the installation of a 6" PRV on Valle Vista that can serve the lower Eucalyptus Hills area to Riverside Dr.
- c. District crews are starting to organize the yard in preparation of the 100 year anniversary event in August. Includes painting the piping in the treatment plant.
- d. District crews have completed the 2024 inventory count for the annual audit.
- e. Toyon Hills PL RPL. Asphalt work has been completed. Project 100% complete.
- f. AWP Pipeline Installation. Contractor has slowed down on Mapleview. Next area is Channel Rd. Bridge area, and is currently under construction. District crews are working valves to prepare for pipeline crossings.
1 Mainbreak, 1 Service Leak, 0 Fire Hydrants

11) Consider T-Mobile Cellular Agreement for the Single Oak Reservoir. General Manager Sanders provided a summary of the Agreement amendment and that it will add 25 years to the main agreement which concludes after 30 years in 2026. Motion by Director Jenkins to approve the new revised agreement amendment as presented.

Motion: Jenkins

Second: Robak

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

12) Consider Resolution 24-10 to Approve the District's Updated 5-Year Capital Improvement Plan. General Manager Sanders provided a summary of the revised 5-Year CIP, based on the presentation provided at the June 4, 2024 Board Meeting. Motion by Director Neumeister to approve the Resolution as presented.

Motion: Neumeister

Second: Johnson

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

13) Presentation and Consideration of Resolution 24-11 Approving the District's 2024-25 Operations Budget. The General Manager provide a review the proposed 24-25 Budget and specific items that have the largest impact. Water cost was still a question mark because the San Diego County Water Authority has not finalized their 2025

rates and charges. Motion by Director Neumeister to approve Resolution 24-11 and the 2024-25 Operations Budget.

Motion: Neumeister

Second: Johnson

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

- 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". Motion by Director Jenkins to approve Resolution 23-12 as presented.

Motion: Jenkins

Second: Robak

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

- 15) Approve Demands of the Treasurer for June 2024. Motion by Director Neumeister to approve the demands as presented.

Motion: Neumeister

Second: Jenkins

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

- 16) CWA Report. Director Hilliker reported that the Admin and Finance Committee conducted a rate hearing and a public hearing. The City of San Diego pushed to keep the increase to 14% and during extended discussion, the board decided to increase the rates 7.2% to cover the MWD increase and the Rainbow and Fallbrook roll off increase. The Board will hold a second public hearing during the July meeting to discuss the rates again. WA staff is making a strong case to keep the rate increase at the 15.4% or 18% level to insure that the bond rating doesn't get downgraded leading to the interest rates available to the WA to go up.

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

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

- 1) Legislation Update: Two bills are being opposed by most agencies including ACWA. AB 2735 and SB 1255.
- 2) UCMR 5 Sampling Update: Testing of the unregulated chemicals required by the EPA has been completed. The EPA will evaluate the results to potentially make some chemicals required for monitoring and testing.

Articles submitted:

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

- 19) Closed Session – Closed to the Public
Per Section 54957; Employee Performance Evaluation – General Manager. Out of closed session, Board President Hilliker reported that the Board unanimously approved Incentive Compensation goals for the next year.
- 17) Adjourn; There being no further business the meeting adjourned to the next Regular Meeting to be held on August 6, 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
June 2024

	June '24	Jul'23-Jun'24	Budget	% of Budget
Operating Revenue				
Water Sales				
4000 · Water Sales on Account	669,359	7,419,694	7,252,312	102%
4010 · System meter charge	90,745	1,044,509	1,004,444	104%
4020 · CWA/IAC	37,245	429,411	419,358	102%
4040 · Penalties / other	10,657	123,633	0	0%
Total Water Sales	808,007	9,017,247	8,676,114	104%
4100 · Capacity Fees LWD	11,406	90,165	237,773	38%
4101 · SDCWA Capacity & Treatment	15,233	116,005	314,039	37%
4200 · Meter Services	2,522	30,783	35,000	88%
4210 · Engineering & Inspection Fees	0	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	0	19,608	250	7,843%
4400 · Rent - Land Lease	10,472	274,987	271,821	101%
4500 · Annexation Fees	0	0	0	0%
4600 · Interest Income	11,911	249,241	227,645	109%
4700 · Taxes Revenue	21,634	730,755	679,000	108%
4951 · High Meadow Ranch	0	7,966	9,200	87%
Total Operating Revenue	881,185	10,574,159	10,518,342	101%
Expense				
Administrative and General				
7001 · Incentive Compensation	0	5,000	5,000	100%
7000 · General Manager/Secretary	18,787	223,936	222,949	100%
7020 · Director's Fees	1,250	8,665	10,750	81%
7100 · General Insurance	0	67,550	66,575	101%
7200 · Annual Audit	0	30,740	29,000	106%
7210 · Attorney Fees	1,332	9,542	30,000	32%
7230 · Consultants	1,775	2,290	2,000	115%
7320 · Lafco Operating Costs	0	5,748	5,634	102%
7401 · Administrative Expense	345	4,402	7,000	63%
7450 · Public Info/Public Relat	9,676	9,676	11,350	85%
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	33,165	409,081	450,822	91%
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
June 2024

	June '24	Jul'23-Jun'24	Budget	% of Budget
6102 · Dist. Pump & Maint	850	60,574	60,000	101%
6110 · Emergency Repairs & Service	3,411	18,380	45,000	41%
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	1,893	14,083	20,040	70%
5090 · Infrastructure Access Charge	0	355,994	428,910	83%
5091 · SDCWA Capacity & Treatment Fees	642,428	758,433	314,039	242%
5100 · Electric Power	35,221	381,407	395,566	96%
5200 · Water Treatment -Maint/Supplie	51,925	539,003	700,000	77%
6000 · Wages, Field	73,264	769,911	754,202	102%
6100 · Distribution - Maint/Supplies	14,746	161,667	130,000	124%
6200 · Trucks-Fuel,Maintenance,Repair	8,369	66,108	70,000	94%
6400 · Outside Labor	19,111	65,658	40,000	164%
6410 · Engineering	865	2,134	20,000	11%
7010 · Wages, Office	62,983	336,290	297,794	113%
7030 · Payroll Taxes	10,714	97,453	97,227	100%
7040 · Group Insurance	57,375	361,213	326,350	111%
7050 · CalPers Retirement	11,769	161,320	178,157	91%
7070 · Unemployment Insurance	0	552	5,000	11%
7400 · Office Expense	16,617	168,060	157,714	107%
7440 · Dues & Subscriptions	159	15,925	19,778	81%
7920 · Miscellaneous Expense	1,832	5,938	5,000	119%
Total Operations and Maintenance	1,013,534	9,603,783	10,466,559	92%
Total Expense	1,046,699	10,012,864	10,917,381	92%
Net Income Over Expense	(165,514)	561,296	(399,039)	(141%)

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	0	5,702	25,000	23%
1550 · Pumping Plant & Distribution	92,983	112,153	25,000	449%
1551 · New Service/Meters	2,994	0	10,000	0%
1750 · Cellular Transmit Meters (42)	0	24,293	24,350	100%
Total Capital Expense	95,977	176,489	517,350	34%

Lakeside Water District

Investment Report

June 2024

Current Assets

Checking/Savings

1050 · Multi-Bank Securities, Inc.	644,492
1030 · King Cash Fund	283,583
1020 · UBS Cash Fund	7,439
1070 · Investment - LAIF	957
Total Checking/Savings	936,472

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
1383.22 · BMO Harris 0.55% 7/29/24 16571	136,000
1383.21 · 1st Carolina 0.5% 6/26/25 35530	175,851

**Lakeside Water District
Investment Report
June 2024**

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
Total Investments	<u>13,957,351</u>
Total Current Assets	<u>14,893,823</u>

Investment Changes in June

Matured:	
1351.03 · MorganStan 2.7% 6/6/24 34221	199,000
1383.00 · FirstNatBk 2.151% 6/28/24 3330	210,000

Investments by Maturity

June 2024

Description	Cusip	Maturity	Rate	Amount	Est. Yr Interest	Avg Rate
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	\$ 879,000	6%				1.83%
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	
ConnectOneBk	20786ADL6	9/24/2026	0.80%	\$ 136,000	\$ 1,088.00	
PentagonFed	70962LAS1	9/29/2026	0.90%	\$ 249,000	\$ 2,241.00	

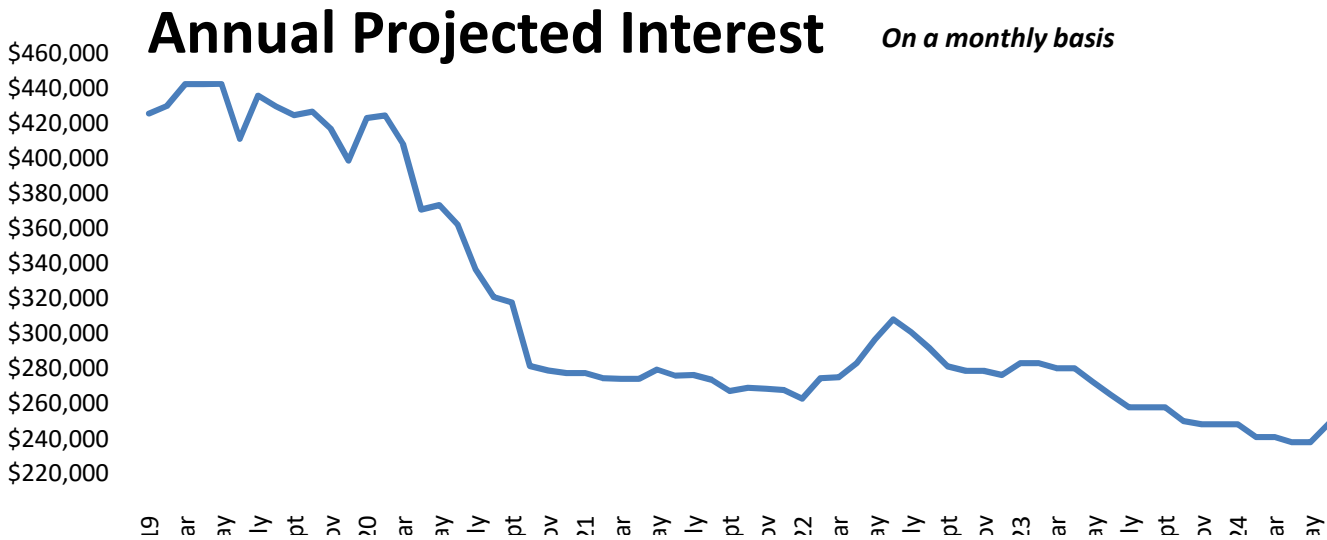
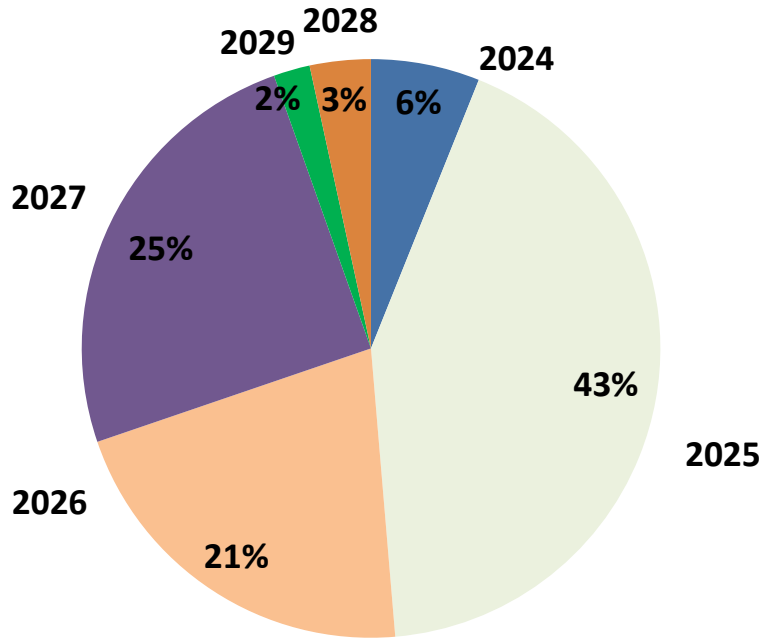
Investments by Maturity

June 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>
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%
UBS	90355GPU4	7/24/2029	4.20%	\$ 248,000	\$ 10,416.00	
SALLMA	795451DM2	7/24/2029	4.30%	\$ 244,000	\$ 10,492.00	
Maturity in 2029		\$ 492,000	3%			
				<u>Total Investments</u>	<u>Total Yr Interest</u>	<u>Avg</u>
				\$ 14,449,351	\$ 248,683	1.72%

<u>Description</u>	<u>Cusip</u>	<u>Maturity</u>	<u>Rate</u>	<u>Amount</u>	<u>Est. Yr Interest</u>	<u>Avg Rate</u>
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Investments by Maturity Year



OPERATIONS REPORT
August 2024
BOARD OF DIRECTORS MEETING

General Operation:

- *Valle Vista PRV installation*
- *Yard preparation for 100 year celebration*
- *Hwy 67 Electrical Upgrade*

Outside District Projects:

- *AWP pipeline crossings and inspections*

District Emergencies Repairs:

- *Main breaks 0*
- *Service leaks 3*
- *Fire hydrants 0*

RESOLUTION 24-13

RESOLUTION OF THE BOARD OF DIRECTORS OF LAKESIDE WATER DISTRICT LEVYING SPECIAL TAXES FOR THE TAX YEAR 2024-2025 WITHIN THE "LAKESIDE WATER DISTRICT COMMUNITY FACILITIES DISTRICT NO. 2022-1 (YERBA VALLEY ANNEXATION AREA)"

WHEREAS, at a meeting held February 6, 2024, the Board of Directors (the "Board") of Lakeside Water District, an irrigation district organized under the provisions of California Water Code Section 20500 et seq., adopted its Ordinance No. 2024-1, entitled "Ordinance of the Board of Directors of Lakeside Water District Levying Special Taxes Within the 'Lakeside Water District Community Facilities District No. 2022-1 (Yerba Valley Annexation Area)'" (the "Ordinance"), thereby levying special taxes within the "Lakeside Water District Community Facilities District No. 2022-1 (Yerba Valley Annexation Area)" (the "CFD"); and

WHEREAS, pursuant to the Ordinance and the proceedings of the Board regarding the CFD, the Board wishes provide for the levy of the special taxes within the CFD for the current tax year 2024-2025 on the parcels and in the amounts set forth on Exhibit A attached hereto and by this reference incorporated herein; and

WHEREAS, the Board has considered all information related to this matter, including any supporting reports by District staff, and any information provided during public meetings.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of Lakeside Water District, as follows:

1. The Board hereby authorizes and approves the levy of the special taxes within the CFD for the current tax year 2024-2025 on the parcels and in the amounts set forth on Exhibit A.
2. This Resolution shall take effect immediately upon its adoption.

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the Board of Directors of Lakeside Water District at a public meeting of said Board held the 6th day of August, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Frank Hilliker
Board President

ATTEST:

Brett Sanders, Board Secretary

Exhibit A

Lakeside Water District Fund 6360-02

CFD 2022-1 Yerba Valley

Assessor Parcel #	Acres	Dollar Amount
329-132-4800	4.6	\$ 3,539.98
329-132-1500	3.6	\$ 3,181.09
329-132-1400	8	\$ 5,124.02
329-132-1000	5	\$ 3,856.84
329-132-1300	4	\$ 3,550.30
329-131-3300	4.5	\$ 3,841.24
329-131-0800	4.3	\$ 3,737.52
329-131-0900	4.6	\$ 4,059.21
329-131-1100	6.6	\$ 4,893.65
329-132-1600	4	\$ 3,374.46
329-132-4200	1	\$ 2,212.37
329-132-4300	8.8	\$ 5,550.47
329-132-0200	4	\$ 2,960.44
329-132-0300	4	\$ 2,960.44
329-132-0400	4	\$ 3,021.88
329-132-0500	4.4	\$ 3,061.13
	Total	\$58,925.04

3. Quitclaim deeds
 - a. Quitclaim of blanket easement \$50 + recording fee
 - b. Quitclaim of aligned easement \$75 + recording fee
4. Permit/Document Processing Fee \$100 + recording fee
5. Quitclaim – Misc. \$150 + recording fee
6. Release of temporary connection agreement \$20 + recording fee
7. Misc. Field Estimates (1 ½ : and larger meters, fire hydrants, meter relocated, etc. \$50
8. Miscellaneous Administrative Services shall be billed at cost plus overhead.

2.13-12(C) Waiver

Staff may waive fees to other utilities or public agencies where such waivers are reciprocated.

2.13-12(D) Annexation Fees

1. General Service Area \$3,279/acre

2.13-12 (E) District Property Damages Full Cost Recovery

- 2.13-12 (F) Start Up Charge – All Accounts \$ 20.00

- 2.13-12 (G) Tapping/Tie-in Charges \$750.00

- 2.13-12 (H) Backflow Prevention Device Test \$105.00

- 2.13-12 (I) Unauthorized Connection to District Facilities \$500.00

- 2.13-12 (J) Lien Release Fee \$ 60.00

- 2.13-12 (K) Replacement of Damaged Meter Stop Valves \$500.00

- 2.13-12 (L) Fire Flow Analysis \$125.00
Letter Update Only \$ 75.00

- 2.13-12 (M) Collection Agency Fee *35% of the Past Due Balance*

Disbursements List June 2024

Num	Name	Account	Amount
15929	ACWA - Group Ins	7040 · Group Insurance	28622.25
15792	ABC Industrial Services, Inc	6100 · Distribtution - Maint/Supplies	1080
15791	American Messaging	7400 · Office Expense	1.51
15790	Boot World, Inc.	6100 · Distribtution - Maint/Supplies	160
15789	Dexter Wilson Engineering, Inc.	1547 · CIP Design/Endineer	520
15788	Enniss, Inc.	6100 · Distribtution - Maint/Supplies	2068.27
15787	Excel Telemessaging	7400 · Office Expense	151.02
15786	Ferguson Waterworks	6100 · Distribtution - Maint/Supplies	4013.53
15785	HASA	5200 · Water Treatment - Maint/Sup	1622.59
15784	Helix Water District	5080 · Water Treatment & Testing	723
15783	Home Depot Credit Services	6100 · Distribtution - Maint/Supplies	258.32
15782	Jack Henry	7400 · Office Expense	1876.66
15781	Jan-Pro	7400 · Office Expense	340
15780	Kirk Paving, Inc.	1550 · Pumping Plant & Distribution	90127.9
15779	Lakeside Equipment	1550 · Pumping Plant & Distribution	322.97
15778	Oldcastle Precast Inc.	6100 · Distribtution - Maint/Supplies	74
15777	Payton's Hardware, Inc.	6100 · Distribtution - Maint/Supplies	235.28
15793	Petty Cash	7920 · Miscellaneous Expense	232.33
15793	Petty Cash	6410 · Engineering	55
15775	PorterRents	6100 · Distribtution - Maint/Supplies	372.75
15774	Procopio Cory Hargreaves & Savitch	7210 · Attorney Fees	1332
15773	Quadient - Maint	7400 · Office Expense	2340
15772	San Diego County Water Authority	5091 · SDCWA Cap & Treat Fees	24607
15771	Sloan Electric Company	6102 · Dist. Pump & Maint	657
15770	Southland Envelope Co., Inc.	7400 · Office Expense	6618.54
15769	Underground Service Alert	7440 · Dues & Subscriptions	158.75
15768	UniFirst Corp	6100 · Distribtution - Maint/Supplies	172.77
15794	Robert Vuleitch	4000 · Water Sales on Account	832.72
15795	Lisa Mc Faul	4000 · Water Sales on Account	17.82
15796	Lisa Goodwin	4000 · Water Sales on Account	39.21
15797	Justin Allen Slagle	4000 · Water Sales on Account	166.84
15798	Jennifer Taft	4000 · Water Sales on Account	90.68
15799	Brandee Jordan	4000 · Water Sales on Account	53.78
15800	Alexandra Hughes	4000 · Water Sales on Account	127.12
15801	Aerco Systems LLC.	4000 · Water Sales on Account	185.76
15802	Jacor Construction, Inc.	4000 · Water Sales on Account	269
15803	Daniel Brent	4000 · Water Sales on Account	1531
15804	Vivian Hays	4000 · Water Sales on Account	113.52
15805	Ryan Rust	4000 · Water Sales on Account	106.36
15806	Joseph R Freiburger	4000 · Water Sales on Account	112.56
15807	Jessica Hodge	4000 · Water Sales on Account	79.68
15808	Isaiah Alexander	4000 · Water Sales on Account	180.21
15809	Shisell Zapata	4000 · Water Sales on Account	10.14
15810	Lana Davis	4000 · Water Sales on Account	160.42
15811	Victoria Barbeau	4000 · Water Sales on Account	114.64
15813	UniFirst Corp	6100 · Distribtution - Maint/Supplies	344.84

Disbursements List June 2024

15814	ABC Industrial Services, Inc	6100 · Distribtution - Maint/Supplies	360
15815	Alpha Analytical Laboratories, Inc	5080 · Water Treatment & Testing	490
15816	ATSI	6102 · Dist. Pump & Maint	850
15817	AWWA	7440 · Dues & Subscriptions	501
15818	Bee Best Bee Removal	6400 · Outside Labor	1996
15819	Border Tire	6200 · Trucks - Fuel, Main., Repair	242.39
15820	Dangelo Co., Inc.	6100 · Distribtution - Maint/Supplies	81.76
15821	Enniss, Inc.	6100 · Distribtution - Maint/Supplies	856.13
15822	Ferguson Waterworks	6100 · Distribtution - Maint/Supplies	5153.21
15823	HASA	5200 · Water Treatment - Maint/Sup	576.5
15824	Home Depot Credit Services	6100 · Distribtution - Maint/Supplies	74.48
15825	Hydrocurrent Well Services	5200 · Water Treatment - Maint/Sup	48342
15826	Imperial Sprinkler Supply	6100 · Distribtution - Maint/Supplies	349
15827	Robert Half	6400 · Outside Labor	6664.88
15828	S.D. Heavy Truck Equip. Repair, Inc.	6200 · Trucks - Fuel, Main., Repair	2814.07
15829	SiteOne Rock & Block	6110 · Emergency Repairs & Servic	416.96
15831	UniFirst Corp	6100 · Distribtution - Maint/Supplies	214.89
15832	United Site Service	6100 · Distribtution - Maint/Supplies	89.33
15833	Weck Laboratories, Inc.	5080 · Water Treatment & Testing	640
15898	A & B Saw & Lawnmower Shop	6100 · Distribtution - Maint/Supplies	81.98
15899	A Cut Above Concrete Cutting, Inc.	1550 · Pumping Plant & Distribution	585
15900	ABC Industrial Services, Inc	6100 · Distribtution - Maint/Supplies	360
15901	David Albright	4000 · Water Sales on Account	163.56
15902	B&B Mechanical Systems	4000 · Water Sales on Account	154.6
15903	Jorge Barrera-Jaime	4000 · Water Sales on Account	117.17
15904	Kim Dewhurst	4000 · Water Sales on Account	132.67
15905	Cynthia English	4000 · Water Sales on Account	55.85
15906	Ferguson Waterworks	6100 · Distribtution - Maint/Supplies	695
15907	Rachel Gates	4000 · Water Sales on Account	165.97
15908	Steven George	4000 · Water Sales on Account	42.88
15909	Christian R. Hodges	4000 · Water Sales on Account	121.57
15910	Lawrence Lagud	4000 · Water Sales on Account	37.24
15911	Colby & Katie Martin	4000 · Water Sales on Account	82.36
15912	Yousif Matosha	4000 · Water Sales on Account	33.11
15913	Jannette Montano	4000 · Water Sales on Account	25.25
15914	Michelle Ortiz	4000 · Water Sales on Account	9.04
15915	Payton's Hardware, Inc.	5200 · Water Treatment - Maint/Sup	90.25
15915	Payton's Hardware, Inc.	6100 · Distribtution - Maint/Supplies	168
15916	Michael Pollakov	4000 · Water Sales on Account	28.82
15917	Brandom Poulosom	4000 · Water Sales on Account	45.29
15918	Quadiant - Postage	7400 · Office Expense	2000
15919	Renovate San Diego LLC	4000 · Water Sales on Account	76.72
15920	Jasper Reynolds	4000 · Water Sales on Account	132.67
15921	Andrew Riser	4000 · Water Sales on Account	132.67
15922	Justin Roberts	4000 · Water Sales on Account	176.36
15923	Jonathon Silva	4000 · Water Sales on Account	51.38
15924	Arron & Ashley Thomas	4000 · Water Sales on Account	138.22

Disbursements List June 2024

15925	UniFirst Corp	6100 · Distribtution - Maint/Supplies	172.42
15926	Wintergardens Smog & Tune	6200 · Trucks - Fuel, Main., Repair	442.22
eft	First Bankcard - Visa	SPLIT	2224.25
eft	First Bankcard - Visa	SPLIT	6035.75
eft	SDGE	5100 · Electric Power	35221.44
15927	Lisa Mc Faul	2130 · Customer Deposits	151.29
15928	Aztec Landscaping	6400 · Outside Labor	5000
Payroll	Payroll	6000 · Payroll	87273.38
eft	Union Bank InstaTax State	2100 · Payroll Liabilities	5219.2
eft	Union Bank InstaTax State	2100 · Payroll Liabilities	1500
E-pay	Union Bank InstaTax Federal	2100 · Payroll Liabilities	28116.21
E-pay	Union Bank InstaTax Federal	2100 · Payroll Liabilities	14215.4
eft	Cal Pers	2100 · Payroll Liabilities	5899.44
15896	Standard Insurance	7040 · Group Insurance	458.64
15897	Variable Annuity Life Insurance	2100 · Payroll Liabilities	2355
eft	San Diego County Credit Union	2100 · Payroll Liabilities	6700
eft	Cal Pers	7050 · CalPers Retirement	11091.78
15876	Dexter Wilson Engineering, Inc.	6410 · Engineering	810
15877	Gregory Sheets	7230 · Consultants	1775

Total: 464,557.39

**General Managers
Monthly Report**

August 6, 2024

Board of Directors Meeting

- 1) Final CWA Rates for 2025**
- 2) Legislation Opposition:**

News Articles/Editorials Enclosed:

San Diego Escapes Water Cutback Mandates

Final Rate Approval at CWA Board Meeting

Major American Cities Facing a “Day Zero” Water Crisis, Say Experts



4677 Overland Avenue, San Diego, CA 92123

News Release

Jordan Beane
(858) 221-3975
jbeane@sdewa.org

New Revenues, Budget Cuts Trim Wholesale Rate Increase for 2025

Increase up to 14% approved for 2025 after more cost cutting

July 25, 2024 – Federal grant funds, an innovative water transfer, and operating budget cuts helped minimize wholesale water rate increases for 2025 despite long-lasting inflationary forces and climate impacts that are pushing prices higher.

The San Diego County Water Authority’s Board of Directors today approved a total increase of 14% in wholesale water rates for next year, while directing a one-year delay on a \$7 million capital project and \$2 million in additional cuts to the agency’s operating budget. That rate combines the Board-approved increase in June that covered rising prices from the Metropolitan Water District of Southern California with an additional increase to pay for other water supplies, along with financial and infrastructure needs.

During a months-long public process that included two public hearings, the Water Authority cut initial rate increase projections in half. That work included a decision by the Board to apply approximately \$19.4 million in new federal grant money to lower 2025 rates. In addition, a new pilot program allows retail water agencies to trim about 1.5 percentage points from next year’s bill by prepaying fixed costs. For participating agencies, this will reduce the 2025 effective rate increase from 14% to 12.5%.

Every customer will feel the impact differently, based on their water use and how local retail water agencies handle costs.

“We realize cost increases are hard to swallow, and we are doing everything possible to combat rate inflation now and in the future. Our efforts include cutting expenses, deferring projects and purchases, selling surplus water, and seeking additional grant funds to boost income.”

– Dan Denham, Water Authority General Manager

The 2025 rates are driven by passthrough costs that increase Water Authority rates 11% before accounting for internal factors. Passthroughs include the cost of water from all sources: Metropolitan, the Claude “Bud” Lewis Carlsbad Desalination Plant, and conserved water from the Colorado River. In addition, prices are driven by higher costs for inputs and the impacts of two

member agencies detaching from the Water Authority. The detachment of the Fallbrook and Rainbow districts means millions of dollars in costs must be spread to other water districts in the Water Authority's service area.

Internal factors account for a 3% increase in wholesale water rates, needed to meet debt obligations bound by legal covenants and adequately maintain the 308-mile system of critical pipes, pumps and facilities delivering reliable water to more than 3 million San Diegans.

To mitigate rate increases, the Water Authority had previously cut 2% from its fiscal years 2024 and 2025 operating departments budget previously approved by the Board – a figure that will increase by \$2 million in response to today's Board direction. The operating departments include all staff and account for just 7% of the agency's overall budget. More than 90% of the budget is for debt, water purchases and treatment, and infrastructure maintenance.

In December, the Water Authority saved \$20 million with an innovative water transfer with the Metropolitan Water District of Southern California and the Imperial Irrigation District, contributing to a 3% reduction in 2025 rates. The Water Authority continues to pursue similar, new strategies to alleviate costs to ratepayers in the future.

From 2019 to 2023 the Water Authority spent \$201 million in reserves, including more than \$90 million in settlement dollars, to provide ratepayer relief during the COVID-19 pandemic, stubbornly high unemployment, and skyrocketing inflation. With the use of additional reserves in 2025, the Water Authority's Rate Stabilization Fund is anticipated to fall nearly \$30 million below Board policy.

For the past decade, San Diego County has been protected from drought-induced water cutbacks due to approximately \$3 billion in long-term investments in water security. That strategy emerged in the early 1990s following an economically devastating drought. In addition, the region dramatically cut water demand, reducing per capita water use by more than 50% since 1990.

As a public water agency, the Water Authority doesn't have stockholders or profits; it is required by law to set rates at the cost of service. Detailed information about rates, including a third-party cost-of-service analysis, starts on [page 5 of the July Board memo](#).

###

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.

Michael Smolens: San Diego faces minimal water cutbacks under state conservation plan

Expensive, long-term investments in recycling, conservation, storage, desalination and imported supplies put the region ahead of the conservation curve

By [Michael Smolens](#) | The San Diego Union-Tribune
UPDATED: July 13, 2024 at 5:44 a.m.

San Diego County's water world hasn't had much good news lately, with looming budget problems and whopping rate increases.

Well, here's some: The state's new mandatory water conservation plan won't require big reductions locally.

That's due mostly to decades of spending on recycling, desalination, storage, conservation and imported supplies.

Just four of the San Diego County Water Authority's 23 member agencies face any cutbacks at all — and they have many years to reach their goals.

The San Dieguito Water District faces the largest reduction of 6.9 percent. That's followed by the Olivenhain Municipal Water District (6.4 percent), Carlsbad Municipal Water District (6 percent) and the Santa Fe Irrigation District (3.6 percent).

There will be additional costs likely for all agencies because the sweeping plan includes detailed reporting and data-collection requirements. That may be more of a burden for smaller agencies than larger ones with more bureaucracy already in place, such as the city of San Diego.

Big or small, any new costs won't be welcome among the SDCWA umbrella group, which already is expected to consider [raising rates](#) on members by around 15 percent later this month. Most, if not all, of those increases may be passed on to individual customers.

The authority is facing a substantial budget shortfall resulting in large part from the investments that now apparently have spared its members from more harsh impacts of the new conservation plan that will be felt elsewhere in the state.

The problem, ironically, is partially the result of local customers significantly reducing water consumption for decades. That wasn't anticipated by the water authority, which is now awash in water that it figured on selling to member agencies to help pay off the costly investments. SDCWA is seeking to find markets to unload some of its supplies and recoup some revenue.

That situation isn't going away, but at least it won't be compounded by having to make significant cuts in water use.

"It's no surprise so many of our member agencies are already in compliance with this new plan," Dan Denham, water authority general manager, said in a statement.

"It shows how our strategic investments in developing our local water supplies continue to provide water security and benefit our region."

Under the plan [approved](#) unanimously by the five-member State Water Resources Control Board on July 3, some agencies in California will be required to cut water usage by more than 30 percent. That's a lot, but a renegotiated timeline means that the goal might not have to be reached for 16 years, which, in theory, suggests cuts could come at about 2 percent a year.

But the plan sets goals tailored to each agency. For instance, the Los Angeles Department of Water and Power also has made significant gains in conservation and would not need to achieve its first reduction of 6 percent until 2035, [according](#) to the Los Angeles Times. Other areas, such as the city of Bakersfield, would need to cut back 25 percent by 2030 to stay in compliance.

The plan is a significant departure from past mandatory, once-size-fits-all cuts during droughts. This system is more flexible, taking into account past investments, conservation practices, demographics and regional variations, such as treating hotter inland areas differently than milder coastal regions.

The cuts apply to urban water agencies and not agricultural districts, some of which also are embarking on separate [conservation plans](#). The plan approved this month applies to the water utilities and not households, but the reductions may be felt by individual customers.

While most SDWCA members and many other agencies across the state essentially can stand pat through 2040, that didn't appear to be the case initially. The original plan called for deeper, faster reductions.

A report by the nonpartisan Legislative Analyst's Office in January [criticized](#) that plan as costly, unrealistic and "unnecessarily complex." Water agencies rebelled and after subsequent negotiations, the cuts and timelines were [relaxed](#).

Not everyone was happy with the outcome.

"The State Water Resources Control Board has decided to kick the can of California's water future down the road at a time when we can least afford such inaction," Assemblymember Laura Friedman, D-Burbank, [told](#) CalMatters after the board vote, adding that California must invest more in water efficiency or be forced to spend billions on wastewater recycling and desalination.

Friedman authored one of the bills that required the mandatory conservation rules.

More than a third of suppliers serving about 42 percent of the state’s population will not need to change their water use to meet the standards under the new plan — up from 18 percent under the previous version, [according](#) to state data cited by CalMatters.

The Pacific Institute was among environmental organizations that expressed disappointment in the conservation rollbacks, but supported the approach.

“I do think it’s a good framework,” Heather Cooley, director of research at the Pacific Institute, told the Times. “But I continue to think that we have far more opportunity across the state to reduce water use and to help prepare our communities for more extremes — more extreme droughts, hotter temperatures, all of the things that we’re already seeing and that are going to get worse.”

Much of the state plan is driven by concerns over global warming leading to increased water scarcity — despite interspersing wet years. That, along with overuse, has depleted the Colorado River, which provides water for some 40 million people in seven states and Mexico.

That’s where San Diego gets much of its water. River stakeholders and the federal government already have acted to take less water from the Colorado, though a broader pact to divvy up the river is expected in a couple of years.

That may do more to shape San Diego’s water outlook than the new state conservation plan.



Originally Published: July 12, 2024 at 5:00 a.m