

A G E N D A

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

January 7, 2025

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. The Board Shall Elect Officers to Serve a Two-Year Term per Administrative Code 15.1-3 and Adopt Resolution 25-01 Appointing the President, Vice President and Secretary. By General Manager/Board Secretary Sanders
7. Approve Minutes of a Regular Meeting held on December 3, 2024.
8. Review the November 2024 Treasurers Report for the Annual Audit. Request to Note and File in Preparation.
9. Operations Report. Johnze
10. Consider Revisions to Board Meeting Calendar for 2025. Sanders
11. Consider Amending 8.1-11(C) (2) Post-Retirement Health Insurance Benefits. Sanders
12. Approve Demands of the Treasurer for December 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 February 4, 2025.

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 January 3, 2025, 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

LAKESIDE WATER DISTRICT

BOARD REPORT

TO: Board of Directors
FROM: Brett Sanders, General Manager
DATE: January 7, 2025
SUBJECT: Election of Officers; President and Vice-President and Appointment of Board Secretary

Recommendation:

The board elect officers to serve a two-year term for president and vice-president per the California Water Code for Irrigation Districts and adopt Resolution 25-01 electing the president, vice president, and appointing the secretary to the board.

Background:

The board elects new officers every two years. Below is the procedure from the District's Administrative Code:

15.1-3 BOARD OFFICERS

The Board shall elect by Resolution one of its members as President and one of its members as Vice President. A Board Member can elect not to serve. The President and Vice President shall serve a two-year term and shall serve at the pleasure of the Board. A majority of the Board may remove the President or Vice President from their position during their term. Elections shall be held the first meeting after the first Friday in December of even-numbered years when a full Board is present. At this meeting, the Board shall also appoint by Resolution appropriate staff members as Secretary to the Board.

The General Manager shall chair the proceedings for election of the President. The newly-elected President shall assume office immediately and shall chair the proceedings for the election of the Vice President. The President shall call for nominations from members of the Board. Board Members shall not nominate themselves. No second shall be required. Once all nominations have been made, the President shall call for a roll call vote and Board members shall state the name of the candidate for whom they cast their vote. Three votes shall be required for election. If only one person should be nominated for an office, the Board may act by motion to elect such nominee.

Upon election of Vice President, the Board shall appoint the General Manager as Board Secretary.

The Duties of the Board President, Vice President and Secretary are as stated in Section 15.1-3 (A)(B)(C).

RESOLUTION 25-01

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
LAKESIDE WATER DISTRICT
APPOINTING THE PRESIDENT, VICE PRESIDENT AND SECRETARY**

WHEREAS, it is in the interest of the Lakeside Water District for its Board of Directors to appoint a president and other officers.

NOW, THEREFORE, BE IT RESOLVED DETERMINED AND ORDERED by the Board of Directors of the Lakeside Water District that the following persons are appointed as officers of the district for the terms to continue until the first regular meeting of the Board after the first Friday in December of 2026.

Brett Sanders

President

Vice President

Secretary of the Board

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Lakeside Water District at a regular meeting thereof held on January 7, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Attest:

Brett Sanders, Secretary
Lakeside Water District

_____, President
Board of Directors

**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
LAKESIDE WATER DISTRICT
HELD ON December 3, 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
	(Absent)	Steve Johnson
		Eileen Neumeister
		Steve Robak
 Secretary:		 Brett Sanders

- 1) Call to Order by Board President Hilliker.
- 2) Prayer/Invocation – Board President Hilliker introduced Tom Elden 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 Robak to accept the agenda as submitted.

Motion: Robak	Second: Jenkins
Vote:	
Ayes	4 Hilliker, Jenkins, Neumeister, Robak
Noes	0
Abstain	0
Absent	1 Johnson

- 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 November 5, 2024. Motion by Director Robak to approve the as presented.

Motion: Robak	Second: Jenkins
Vote:	
Ayes	4 Hilliker, Jenkins, Neumeister, Robak
Noes	0
Abstain	0
Absent	1 Johnson

- 7) Review the October 2024 Treasurers Report for the Annual Audit. Request to Note and File in Preparation. Approved to Note and File
- 8) Operations Report. Operations Superintendent Johnze provided a summary of the following items.

- a. Valle Vista Roof Repair. Colon Coatings mobilized from the Johnson Lake Res. warranty job to repair the coating to Valle Vista #2 roof the original coating has failed and Colon Coatings was able to blast and coat the roof to keep any further rust from occurring.
- b. Winter Preparations. District crews continue to work at tank sites and pump stations to prepare for winter storms. Also check that motor heaters are working
- c. Vine St. Treatment Discharge Basin Improvements. District crews built covers for each basin that will keep debris and animals from getting into the basin and potentially into the sewer system.
- d. SCADA troubleshooting and tuning up. Working on a number of signal sending issues, causing alarms and long communication periods.
- e. AWP Pipeline Crossings and Inspections. Orion completed the replacement of District mains in the intersection of Valle Vista at Lakeside Ave.. They are now intending to work on Channel Road.

District Emergency Repairs
 1 Mainbreak (Rocoso), 1 Service Leak (Calle Lucia), 1 Fire Hydrants (Lemoncrest)

- 9) Consider Revisions to the Administrative Code Section 8.1-8 Sick Leave (A) Accrual and 8.1-9 Vacation (A) Accrual. General Manager Sanders presented a modification to the accrual method of both Sick Leave and Vacation to provide 16 hours of sick time and 24 hours of vacation to new employees. Motion by Director Jenkins to approve the revisions to the Administrative Code as presented.

Motion:	Jenkins		Second:	Robak
Vote:	Ayes	4	Hilliker, Jenkins, Neumeister, Robak	
	Noes	0		
	Abstain	0		
	Absent	1	Johnson	

- 10) Presentation on the Capacity Fee and Annexation fee Review Update for 2025. General Manager Sanders provide a PowerPoint presentation of the laws regarding capacity fees and the current level of the District fees and potential increases. Final Report will include the financial standing of the District as presented in the 2024 Financial Audit.

- 11) Consider Board Meeting Calendar for 2025. General Manager Sanders provided a proposed calendar with normal first Tuesday meeting days highlighted. The Board discussed and approved moving the July meeting to July 8 and the September meeting to September 9, 2025. Motion by Director Jenkins to set the calendar with the revised dates as stated.

Motion:	Jenkins		Second:	Robak
Vote:	Ayes	4	Hilliker, Jenkins, Neumeister, Robak	
	Noes	0		
	Abstain	0		
	Absent	1	Johnson	

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

Motion:	Neumeister		Second:	Jenkins
Vote:	Ayes	4	Hilliker, Jenkins, Neumeister, Robak	

Noes	0	
Abstain	0	
Absent	1	Johnson

13) CWA Report – CWA Representative Hilliker reported that the Board held their first meeting with the new Chair. The Board leaders are going to a Colorado River Users meeting to try to work out a transfer or banking agreement with the users of the River or other agencies. Chair Serrano is now a MWD delegate for CWA. Cuyamaca Conservation Garden support is also being discussed. Board leadership team set committee chairs for 25/26.

14) Director’s Report and Ad Hoc Sub-Committees Reports. No reports.

15) Manager’s Quarterly Report. The General Manager reported.

- 1) High Meadow Ranch/Trevi Hills O&M Agreement Update
 - Met the 50 occupied house threshold to end the O&M Agreement.
 - They will not use anymore water as part of the O&M Agreement and will pay per meter for all use.
 - The Agreement will completely expire in one-year.
 - Currently they have purchased 68 meters. 16 homes are under construction and two are being used for the vineyards.

2) Rate Increase/implementation

- Pass-through rate notices are being distributed to our customers since November 7.
- E-Bills are receiving the Notices electronically.
- We also have a Notice link on our website homepage.
- The notice also informs our customers about our planned Meter Service Charge Increase also effective on January 1, 2025

Our Current Capital Outlays for fiscal year 2024/25 are for the following;

Budget Total	\$	668,000	
Current Outlay	\$	52,234	14%

16) Closed Session – Closed to the Public; Personnel Exception per Government Code Section 54957; Employee Performance Evaluation – General Manager – Out of closed session the Board President announced that the General Manager has met the progress goals as approved at the July 2, 2024 meeting and awarded the Incentive Compensation as per the contract provision.

17) Adjourn; There being no further business the meeting adjourned to the next Regular Meeting to be held on January 7, 2025 at 5:30 p.m.

Attest:

Brett Sanders, Board Secretary
Lakeside Water District

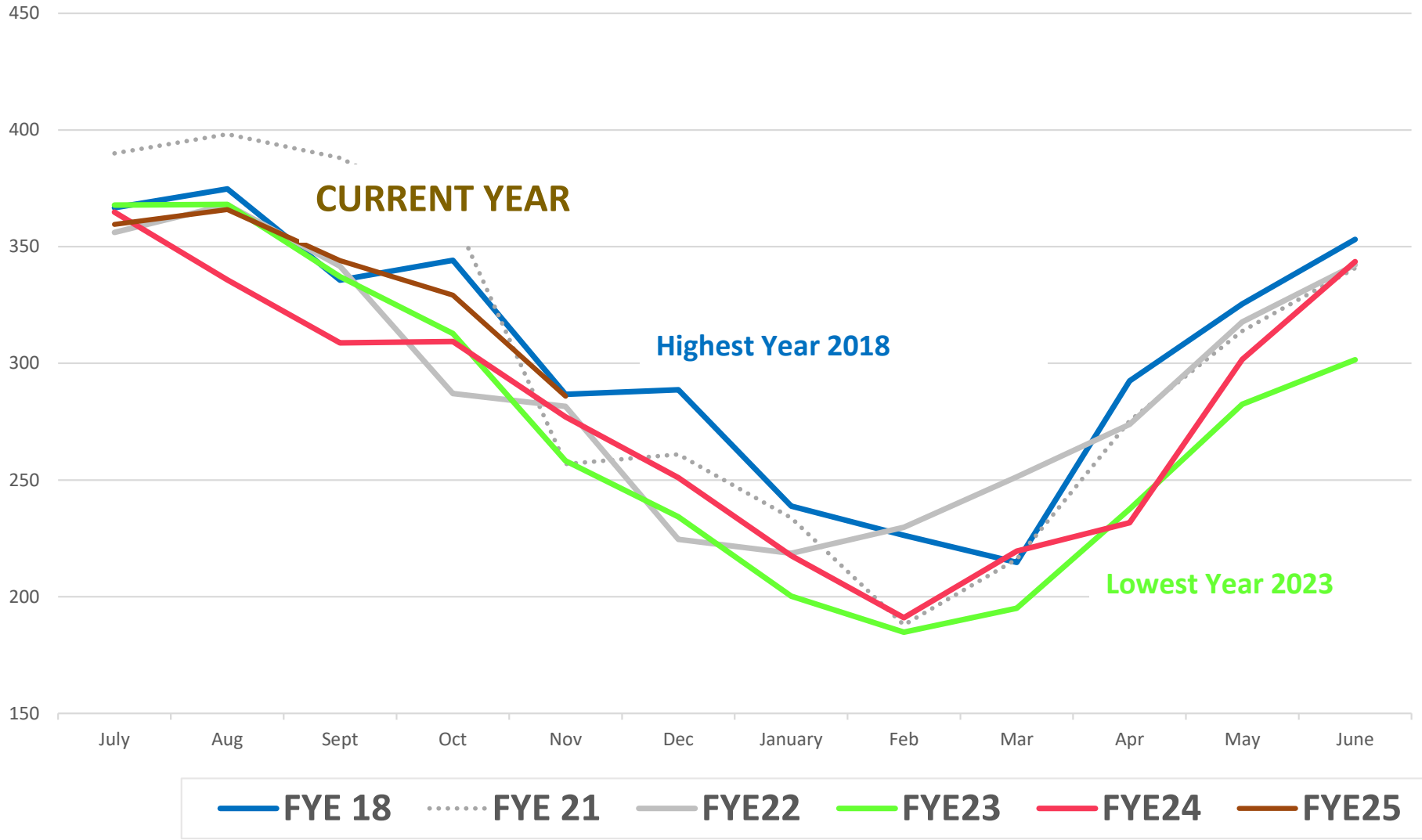
Frank Hilliker
Board President

Lakeside Water District
Statement of Revenues and Expenses
July through November 2024

	Nov 24	Jul - Nov 24	Budget	% of Budget
Operating Revenue				
Water Sales				
4000 · Water Sales on Account	\$ 763,328.00	\$ 4,033,251.00	\$ 7,674,792.00	53%
4010 · System meter charge	\$ 89,691.00	\$ 449,726.00	\$ 1,168,943.00	38%
4020 · CWA/IAC	\$ 35,784.00	\$ 181,806.00	\$ 443,760.00	41%
4040 · Penalties / other	\$ 12,854.00	\$ 62,521.00	\$ -	0%
Total Water Sales	\$ 901,657.00	\$ 4,727,304.00	\$ 9,287,495.00	51%
4100 · Capacity Fees LWD	\$ 8,774.00	\$ 31,586.00	\$ 237,773.00	13%
4101 · SDCWA Capacity & Treatment	\$ 11,718.00	\$ 42,184.00	\$ 314,039.00	13%
4200 · Meter Services	\$ 722.00	\$ 17,571.00	\$ 35,000.00	50%
4210 · Engineering & Inspection Fees	\$ 700.00	\$ 700.00	\$ 7,500.00	9%
4220 · Fire Hydrants	\$ -	\$ -	\$ 30,000.00	0%
4230 · Tapping	\$ -	\$ -	\$ 15,000.00	0%
4300 · Miscellaneous Income	\$ 56.00	\$ 2,863.00	\$ 20,000.00	14%
4310 · Water Letters	\$ 300.00	\$ 1,479.00	\$ 250.00	592%
4400 · Rent - Land Lease	\$ 7,810.00	\$ 116,620.00	\$ 279,976.00	42%
4600 · Interest Income	\$ 42,135.00	\$ 125,131.00	\$ 227,645.00	55%
4700 · Taxes Revenue	\$ 65,942.00	\$ 97,169.00	\$ 720,000.00	13%
4951 · High Meadow Ranch	\$ 2,435.00	\$ 10,619.00	\$ 9,200.00	115%
Total Operating Revenue	\$ 1,042,249.00	\$ 5,173,226.00	\$ 11,183,878.00	46%
Expense				
Administrative and General				
7000 · General Manager/Secretary	\$ 18,787.00	\$ 98,271.00	\$ 233,446.00	42%
7001 · Incentive Compensation	\$ -	\$ -	\$ 5,000.00	0%
7020 · Director's Fees	\$ 625.00	\$ 3,750.00	\$ 10,750.00	35%
7100 · General Insurance	\$ 47,751.00	\$ 64,598.00	\$ 66,575.00	97%
7200 · Annual Audit	\$ 2,250.00	\$ 29,225.00	\$ 29,000.00	101%
7210 · Attorney Fees	\$ 913.00	\$ 7,023.00	\$ 30,000.00	23%
7230 · Consultants	\$ -	\$ 19,528.00	\$ 2,000.00	976%
7300 · Elections/Registrar	\$ -	\$ -	\$ 2,000.00	0%
7320 · Lafco Operating Costs	\$ -	\$ 5,607.00	\$ 5,634.00	100%
7401 · Administrative Expense	\$ -	\$ 545.00	\$ 7,000.00	8%
7450 · Public Info/Public Relat	\$ 754.00	\$ 754.00	\$ 11,350.00	7%
7500 · State Health Dept./ SWRCB	\$ -	\$ -	\$ 49,064.00	0%
7800 · Bad Debt Expense	\$ -	\$ -	\$ 2,000.00	0%
7900 · Water Dev./Conservation Program	\$ -	\$ -	\$ 9,500.00	0%
Total Administrative and General	\$ 71,080.00	\$ 229,301.00	\$ 463,319.00	49%

	Nov 24	Jul - Nov 24	Budget	% of Budget
Operations and Maintenance				
5000 · Water Purchases	\$ 558,123.00	\$ 3,247,053.00	\$ 6,762,714.00	48%
5075 · Padre Dam Deliver Charge	\$ -	\$ -	\$ 2,600.00	0%
5080 · Water Treatment & Testing	\$ 1,383.00	\$ 10,249.00	\$ 20,040.00	51%
5090 · Infrastructure Access Charge	\$ 36,458.00	\$ 182,290.00	\$ 443,760.00	41%
5091 · SDCWA Capacity & Treatment Fees	\$ 11,718.00	\$ 42,184.00	\$ 314,039.00	13%
5100 · Electric Power	\$ 33,654.00	\$ 231,754.00	\$ 395,566.00	59%
5200 · Water Treatment -Maint/Supplie	\$ 5,503.00	\$ 35,461.00	\$ 90,000.00	39%
5620 · Yerba Valley Annexation	\$ -	\$ 3,093.00	\$ 30,000.00	10%
5627 · County - Road Improvements	\$ -	\$ -	\$ 15,000.00	0%
5628 · Telemetry Repair	\$ -	\$ 7,705.00	\$ 3,000.00	257%
6000 · Wages, Field	\$ 62,104.00	\$ 324,226.00	\$ 783,592.00	41%
6100 · Distribution - Maint/Supplies	\$ 9,829.00	\$ 69,434.00	\$ 130,000.00	53%
6102 · Dist. Pump & Maint	\$ 516.00	\$ 7,145.00	\$ 60,000.00	12%
6110 · Emergency Repairs & Service	\$ -	\$ -	\$ 45,000.00	0%
6200 · Trucks-Fuel,Maintenance,Repair	\$ 1,969.00	\$ 31,613.00	\$ 70,000.00	45%
6400 · Outside Labor	\$ 125.00	\$ 16,723.00	\$ 42,000.00	40%
6410 · Engineering	\$ 1,456.00	\$ 2,173.00	\$ 20,000.00	11%
7010 · Wages, Office	\$ 30,213.00	\$ 142,573.00	\$ 328,315.00	43%
7030 · Payroll Taxes	\$ 6,629.00	\$ 37,494.00	\$ 102,508.00	37%
7040 · Group Insurance	\$ 29,374.00	\$ 144,202.00	\$ 326,740.00	44%
7050 · CalPers Retirement	\$ 13,177.00	\$ 92,679.00	\$ 216,831.00	43%
7070 · Unemployment Insurance	\$ -	\$ -	\$ 5,000.00	0%
7400 · Office Expense	\$ 15,944.00	\$ 79,746.00	\$ 157,714.00	51%
7440 · Dues & Subscriptions	\$ 247.00	\$ 22,199.00	\$ 29,225.00	76%
7920 · Miscellaneous Expense	\$ 362.00	\$ 6,229.00	\$ 5,000.00	125%
Total Operations and Maintenance	\$ 818,784.00	\$ 4,736,225.00	\$ 10,398,644.00	46%
Total Expense	\$ 889,864.00	\$ 4,965,526.00	\$ 10,861,963.00	46%
Net Ordinary Income	\$ 152,385.00	\$ 207,700.00	\$ 321,915.00	65%
Capital Requirements				
1510 · Buildings & Land Improvements	\$ -	\$ -	\$ 4,000	0%
1520 · O & M Equipment	\$ -	\$ -	\$ 10,000	0%
1530 · Office Furniture & Equipment	\$ -	\$ -	\$ 4,000	0%
1548 · Office Solar	\$ -	\$ -	\$ 275,000	0%
1547 · CIP Design/Engineering	\$ -	\$ 43,926	\$ 40,000	110%
xxxx · Yerba Valley Annexation Pipeline	\$ -	\$ -	\$ 300,000	0%
1550 · Pumping Plant & Distribution	\$ -	\$ 13,987	\$ 25,000	56%
1551 · New Service/Meters	\$ 2,826	\$ 4,012	\$ 10,000	12%
1750 · Cellular Transmit Meters (42)	\$ -	\$ -	\$ -	0%
Total Capital Expense	\$ 2,826	\$ 61,926	\$ 668,000	8%

Water Usage



Lakeside Water District
Investment Report
As of November 30, 2024

Nov 30, 24

ASSETS

Current Assets

Checking/Savings

1020 · UBS Cash Fund	10,017.52
1030 · King Cash Fund	290,305.31
1050 · Multi-Bank Securities, Inc.	913,115.26
1070 · Investment - LAIF	986.10

Total Checking/Savings	1,214,424.19
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Other Current Assets

Investments

1321.65 · StBkIndia 1.1% 5/28/25 33682	104,000.00
1321.66 · FHLMC 0.6% 8/12/25	200,000.00
1321.67 · FFCB 0.62% 8/25/25	240,000.00
1321.69 · BkUnited 0.55% 1/22/26 58979	242,000.00
1351.15 · RaymondJame 1.75% 2/14/25 33893	249,000.00
1351.18 · Adirondack 1.1% 3/25/25 28380	249,000.00
1351.19 · CenterstateBk 1% 3/31/25 33555	249,000.00
1351.20 · Evergreen 1.15% 4/28/25 35230	249,000.00
1351.21 · PacifWestrn 1.25% 4/30/25 24045	249,000.00
1351.24 · M1 Bk 1% 5/8/25 9797	249,000.00
1351.25 · EnterpriseB 0.85% 5/14/25 34786	249,000.00
1351.26 · Summit 0.85% 5/15/25 32203	249,000.00
1351.29 · Chippewa 0.5% 7/29/25 12322	151,000.00
1351.30 · FNMA 0.65% 8/14/25	270,000.00
1351.31 · FNMA 0.55% 9/30/25	512,000.00
1351.32 · FMCC 0.625% 11/24/25	500,000.00
1351.33 · FHLB 0.875% 3/10/26	245,000.00
1351.34 · Greenstate 0.7% 3/12/26 60269	249,000.00
1351.38 · Toyota 0.95% 7/22/26 57542	140,000.00
1351.39 · Synchrony 0.9% 8/20/26 27314	119,000.00
1351.40 · FHLN 0.9% 8/26/26	640,000.00
1351.41 · ConnectOneBk 0.8% 9/24/26 57919	136,000.00
1351.42 · PentagonFed 0.9% 9/29/26 227	249,000.00
1351.43 · FHLN 1.1% 10/13/26	350,000.00
1351.44 · FHLN 1.375% 11/16/26	270,000.00
1351.45 · FHLB 1.65% 12/30/26	270,000.00
1351.46 · FHLN 2.5% 3/29/27	270,000.00
1351.47 · FHLN 3.75% 5/26/27 no call 12mo	1,000,000.00
1351.48 · StBk India 3.3% 6/1/27 33682	100,000.00
1351.49 · TSRY 3.54% 5/15/27	342,826.69
1351.51 · Morgan S Privt Bk 3.7% 9/26/29	245,000.00
1351.52 · Morgan S Bk 3.7% 9/26/29	105,000.00

	Nov 30, 24
1383.10 · LiveOak 1.85% 1/20/25 58665	230,000.00
1383.15 · Celtic 1.45% 4/17/25 57056	249,000.00
1383.19 · TexasEx 1.1% 5/13/25 20099	125,000.00
1383.20 · Bk Baroda 0.65% 7/22/25 33681	249,000.00
1383.21 · 1st Carolina 0.6% 6/26/25 35530	175,850.50
1383.23 · JP MorganC 0.55% 7/31/25 628	249,000.00
1383.24 · FHLM 0.6% 8/12/25	260,000.00
1383.25 · FNMA 0.51% 8/14/25	375,000.00
1383.26 · FNMA 0.57% 12/30/25	270,000.00
1383.27 · FHLB 2.5% 2/25/27	670,000.00
1383.28 · BealBk 2.05% 3/3/27 57833	247,000.00
1383.29 · FHLB 2.5% 3/30/27	200,000.00
1383.30 · FHLB 3.25% 4/21/27	255,000.00
1383.31 · FHLB 3% 4/29/27 no call 24mo	250,000.00
1383.32 · FHLB 3.375% 5/28/27 no call24mo	255,000.00
1383.33 · AllyBk 3% 6/9/26 57803	139,000.00
1383.34 · SALLMA 4.3% 07/27/29	244,000.00
1383.35 · UBS 4.2% 07/24/29	248,000.00
1383.36 · FNMA 4.375% 8/6/29	179,184.50
Total Investments	13,811,861.69
Total Other Current Assets	13,811,861.69
Total Current Assets	15,026,285.88
TOTAL ASSETS	15,026,285.88
LIABILITIES & EQUITY	0.00

Investments by Maturity

November 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>
King Fidelity Treasury MM	FZFX		5.00%	\$ 250,000	\$ 12,500.00	
Maturity in 2024		\$ 250,000	2%			5.00%
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	44%			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	
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	

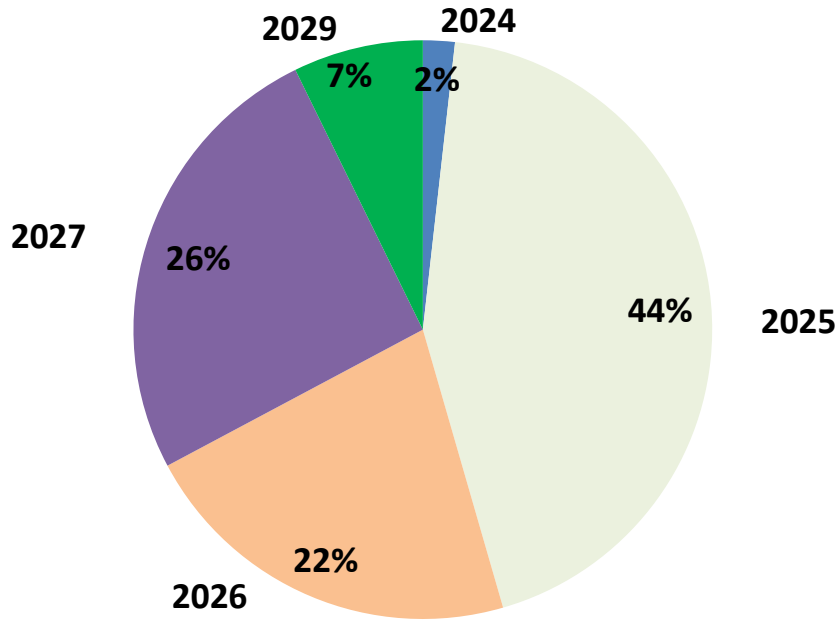
Investments by Maturity

November 2024

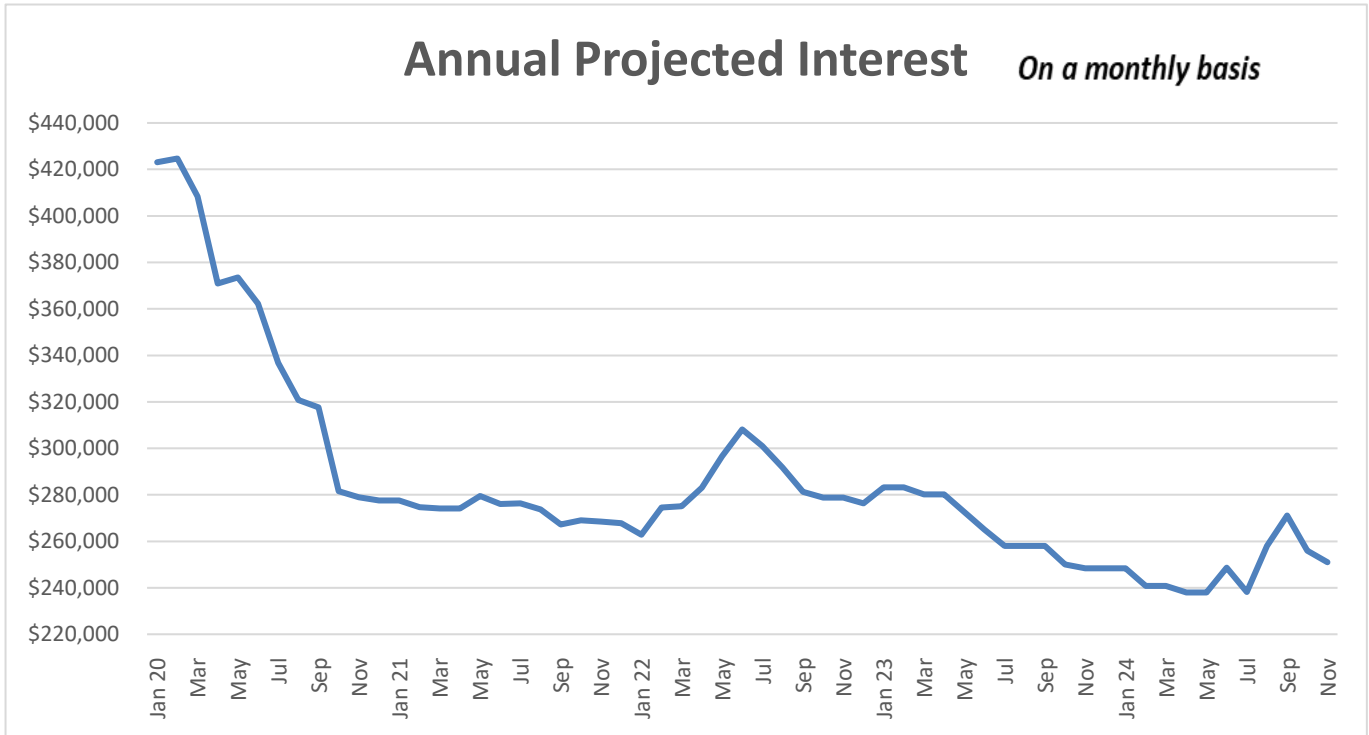
<u>Description</u>	<u>Cusip</u>	<u>Maturity</u>	<u>Rate</u>	<u>Amount</u>	<u>Est. Yr Interest</u>	<u>Avg Rate</u>
Maturity in 2026	\$ 3,049,000	22%				1.08%
FHLB	3130AQYG2	2/25/2027	2.50%	\$ 670,000	\$ 16,750.00	
Beal Bk	07371CK81	3/3/2027	2.05%	\$ 247,000	\$ 5,063.50	
FHLB	3130ARDY4	3/29/2027	2.50%	\$ 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%	\$ 342,827	\$ 12,136.08	
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	\$ 3,589,827	26%				3.09%
UBS	90355GPU4	7/24/2029	4.20%	\$ 248,000	\$ 10,416.00	
SALLMA	795451DM2	7/24/2029	4.30%	\$ 244,000	\$ 10,492.00	
FNMA	3135GAU25	8/6/2029	4.38%	\$ 179,185	\$ 7,839.32	
Morgan S Privt Bk	61768UPS0	9/26/2029	3.70%	\$ 245,000	\$ 9,065.00	
Morgan S Bk	61776CBR7	9/26/2029	3.70%	\$ 105,000	\$ 3,885.00	
Maturity in 2029	\$ 1,021,185	7%				4.08%
				<u>Investments</u>	<u>Annual Interest</u>	<u>Avg</u>
Total				\$ 14,061,862	\$ 251,058	1.79%

Description Cusip Maturity Rate Amount Est. Yr Interest Avg Rate

Investments by Maturity Year



Annual Projected Interest *On a monthly basis*



OPERATIONS REPORT
January 2024
BOARD OF DIRECTORS MEETING

General Operation:

- *Hiring two meter readers*
- *Operations generated work order clean up*
- *Yard prep for Solar Installation*
- *SCADA troubleshooting and tuning up*

Contractor/ Developer/ County Projects:

- *AWP pipeline crossings and inspections.*

District Emergencies Repairs:

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

2025 Lakeside WD Board Meeting Calendar

January

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

March

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

April

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

May

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

June

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

July

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

August

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

September

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

October

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

November

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

December

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Yellow for Regular Meeting Green for Holidays Black for Moved Meeting

Memorandum

To: Board of Directors

CC:

From: Brett Sanders

Date: 1/2/2025

Re: Consider Amending 8.1-11(C) (2) Post-Retirement Health Insurance Benefits

Directors,

I would like the Board to consider a revision to the reimbursement cap to our Medicare Supplemental and Part D, Post-Retirement Health Insurance Benefit. Currently, we cap the maximum payment at \$4,832 per year.

The Post-Retirement Health policy was established April 27, 2010, per Board action with a cap of \$3,000 (\$250/mo.) per year and an initial fund balance of \$287,436. We have one retiree who has been in the District's program since his retirement in 2012, and has been eligible for Supplemental and Part D insurance reimbursement since 2015. The premium reimbursement cost to the District started at \$2,278 in 2015 and has been increased three times since. Once in 2019 to \$3,350, in 2022 to \$4,200 and last year 2024 to our current level of \$4,832. The current premium cost for Supplemental Medicare and Part D Insurance is \$5,012 per year.

The District established the CalPERS CERBT investment fund to pay this benefit without any additional contribution by the District, which the District is comfortably able to do. Limited adjustments to the annual funding cap allow the actuarial projections to maintain realistic expectations. The current fund balance is \$663,645.

As we have done in the past, by using a flat lump sum increase to meet last year's premium cost allows for a more narrow long-term cost projection and will more accurately reflect the District's controlled obligation in future actuarial funding estimates.

The increase last year covered the 12.8% premium increase plus an anticipated 5% increase for this year. Unfortunately, this year came in with an 8.9% increase and our cap is below the premium cost.

This year we have had discussions with our audit firm Leaf and Cole about the District's intention to maintain caps as compared to automatic increase percentages. I propose that the Board should discuss how high of a cap we should consider and if we should phase in a retiree contribution at some point. I will have a handout at our meeting that will show the District's funding level with a choice of alternative increase scenarios. Below is a historical summary of our payouts, premium increase percentages and the level of our cap.

Thank you,

Brett Sanders

Historical Payout, Premium Increases and Cap Amount

Year	Payout	Premium Increase	Cap Amount	Notes
2015	2,277.50		3,000.00	First year of Program
2016	2,732.60	19.9%	3,000.00	
2017	3,000.00	9.8%	3,000.00	
2018	3,000.00	0%	3,000.00	
2019	3,241.60	8.1%	3,350.00	
2020	3,350.00	3.3%	3,350.00	
2021	3,818.60	13.9%	4,200.00	
2022	4,078.80	6.8%	4,200.00	
2023	4,602.00	12.8%	4,832.00	
2024	5,012.00	8.9%		

Current Policy

C. Post-Retirement Health Insurance Benefits

The District is a member of the California Employers' Retiree Benefit Trust (CERBT) Fund with PERS. The District will fund limited reimbursement of health insurance through CERBT for employees and 1/2 of spouse benefits if employee retires with 25 or more years as a full time employee (greater than 1,768 compensated hours per year) with the District and has reached age 60 as follows:

1. District will provide coverage for retired employee under ACWA Group insurance to age 65,
2. After the employee's 65th birthday and at the age at which employee can obtain Medicare, District will reimburse annually thru CERBT in January for the prior calendar year an amount not to exceed \$4,832 for the cost of Medicare Supplement insurance and Medicare Part D insurance.

**Lakeside Water District
Disbursements List
November through December 2024**

Num	Name	Account	Original Amount
16492	**included in payroll below	Payroll Check	
16493	New West Investments	4000 · Water Sales on Account	1,202.95
16494	Boot World, Inc.	6100 · Distribution - Maint/Supplies	100.00
16495	Excel Telemessaging	7400 · Office Expense	213.28
16496	HASA	5200 · Water Treatment -Maint/Supplie	1,072.36
16497	Helix Water District	5080 · Water Treatment & Testing	735.00
16498	Lakeside Petroleum, Inc.	6200 · Trucks-Fuel,Maintenance,Repa	2,205.06
16499	Northern Safety Co., Inc.	6100 · Distribution - Maint/Supplies	264.86
16500	Pacific Pipeline Supply, Inc.	6100 · Distribution - Maint/Supplies	6,447.36
16501	SouthWest HydroTech	1550 · Pumping Plant & Distribution	6,757.35
16502	Target River	7400 · Office Expense	110.00
16503	Uline	6100 · Distribution - Maint/Supplies	119.74
16504	Underground Service Alert	7440 · Dues & Subscriptions	115.45
16505	UniFirst Corp	6100 · Distribution - Maint/Supplies	408.64
16506	America's Finest City Backflow Serv	6400 · Outside Labor	300.00
16507	BETHUNE, RIO	4000 · Water Sales on Account	71.08
16508	Boot World, Inc.	6100 · Distribution - Maint/Supplies	100.00
16509	Cintas First Aid & Safety	6100 · Distribution - Maint/Supplies	597.02
16510	Crisplmaging Inc.	1547 · CIP Design/Engineer	107.94
16511	DELISLE, ALEXANDRIA	4000 · Water Sales on Account	149.32
16512	Form An Impression	7400 · Office Expense	2,070.96
16513	GRIFFIN, STEPHEN	4000 · Water Sales on Account	145.97
16514	HASA	5200 · Water Treatment -Maint/Supplie	1,455.35
16515	Hubbell Lenoir City, Inc	6100 · Distribution - Maint/Supplies	8,732.56
16516	KENDRICK, AARON	4000 · Water Sales on Account	130.26
16517	Leaf & Cole, LLP	7200 · Annual Audit	15,275.00
16518	MONTANO, JEREMIAH	4000 · Water Sales on Account	147.91
16519	Napa Auto Parts Inc	6200 · Trucks-Fuel,Maintenance,Repa	38.99
16520	OCAMPO, HERMENEGILO & JANET	4000 · Water Sales on Account	54.16
16521	OPENDOOR LABS INC	4000 · Water Sales on Account	169.11
16522	OWENS, KRYSTAL	4000 · Water Sales on Account	72.88
16523	REAGAN, LESLIE	4000 · Water Sales on Account	35.76
16524	Robert Half	7010 · Wages, Office	4,633.60
16525	SAN DIEGO HOUSE BUYERS	4000 · Water Sales on Account	132.71
16526	Sheets, Gregory	7230 · Consultants	6,550.00
16527	SMITH, T.R.L	4000 · Water Sales on Account	161.43
16528	Sparkletts	7400 · Office Expense	157.88
16529	UniFirst Corp	6100 · Distribution - Maint/Supplies	204.32
16530	Wintergardens Smog & Tune	6200 · Trucks-Fuel,Maintenance,Repa	52.00
16531	Lakeside Petroleum, Inc.	6200 · Trucks-Fuel,Maintenance,Repa	3,175.27
16532	**included in payroll below	Payroll Check	
16533	**included in payroll below	Payroll Check	
16534	**included in payroll below	Payroll Check	
16535	**included in payroll below	Payroll Check	
16536	Variable Annuity Life Insurance	2100 · Payroll Liabilities	3,968.22
16537	Standard Insurance	7040 · Group Insurance	501.83
16538	ACWA - Group Ins	7040 · Group Insurance	26,519.35
16539	ACWA/JPIA	7100 · General Insurance	47,750.68
16540	All Star Computers	6400 · Outside Labor	125.00
16541	Alpha Analytical Laboratories, Inc	5080 · Water Treatment & Testing	490.00
16542	American Messaging	7400 · Office Expense	101.00

16543	Asphalt & Concrete Enterprises, Inc.	6100 · Distribution - Maint/Supplies	5,887.00
16544	Border Tire	6100 · Distribution - Maint/Supplies	1,190.09
16545	County of San Diego - DPW	6100 · Distribution - Maint/Supplies	469.00
16546	Enniss, Inc.	6100 · Distribution - Maint/Supplies	4,074.45
16547	Jan-Pro	7400 · Office Expense	340.00
16548	Procopio Cory Hargreaves & Savitc	7210 · Attorney Fees	55.00
16549	Quadient - Postage	7400 · Office Expense	3,012.02
16550	Republic Services	6100 · Distribution - Maint/Supplies	605.89
16551	Robert Half	7010 · Wages, Office	8,108.80
16552	Sloan Electric Company	6102 · Dist. Pump & Maint	516.00
16553	Snell & Wilmer	7210 · Attorney Fees	858.00
16554	UniFirst Corp	6100 · Distribution - Maint/Supplies	471.66
16555	Wave.Band	7400 · Office Expense	948.06
16556	WestAir	6100 · Distribution - Maint/Supplies	305.64
16557	Weck Laboratories, Inc.	5080 · Water Treatment & Testing	2,025.00
16558	**included in payroll below	Payroll Check	
16559	ANAYA, ENRIQUETA	4000 · Water Sales on Account	95.05
16560	ALSHABANI, MANSOOR	4000 · Water Sales on Account	124.71
16561	BROWN, LAURA	4000 · Water Sales on Account	174.66
16562	BYRD, LEONARD	4000 · Water Sales on Account	27.12
16563	CARNES, MELISSA	4000 · Water Sales on Account	324.90
16564	DAVILA, ALEJANDRO	4000 · Water Sales on Account	132.67
16565	DUBLER, JENNIFER	4000 · Water Sales on Account	160.42
16566	MARTINEZ, SANDRA	4000 · Water Sales on Account	51.92
16567	MOORE, JENNIFER J	4000 · Water Sales on Account	446.36
16568	MOSVATN LLC	4000 · Water Sales on Account	158.01
16569	SPITZER, ANDREW	4000 · Water Sales on Account	177.94
16570	Wilson, Kelly	4000 · Water Sales on Account	176.35
16571	America's Finest City Backflow Serv	6400 · Outside Labor	1,960.00
16572	American Messaging	7400 · Office Expense	1.53
16573	BeCarbCompliant	7230 · Consultants	488.00
16574	County of San Diego - DPW	6100 · Distribution - Maint/Supplies	227.00
16575	Crisplmaging Inc.	7450 · Public Info/Public Relat	754.25
16576	Dexter Wilson Engineering, Inc.	6410 · Engineering	560.00
16577	Excel Telemessaging	7400 · Office Expense	355.30
16578	FedEx	5080 · Water Treatment & Testing	161.45
16579	HASA	5200 · Water Treatment -Maint/Supplie	1,581.73
16580	Helix Water District	5080 · Water Treatment & Testing	732.00
16581	Inland Pacific Resource Recovery, Ir	6100 · Distribution - Maint/Supplies	100.00
16582	Jan-Pro	7400 · Office Expense	340.00
16583	Lakeside Equipment	6100 · Distribution - Maint/Supplies	298.73
16584	Lakeside Water District	7920 · Miscellaneous Expense	437.69
16585	Northern Safety Co., Inc.	6100 · Distribution - Maint/Supplies	59.12
16586	Payton's Hardware, Inc.	Split	153.92
16587	Republic Services	6100 · Distribution - Maint/Supplies	607.32
16588	Target River	7400 · Office Expense	110.00
16589	Underground Service Alert	7440 · Dues & Subscriptions	113.60
16590	UniFirst Corp	6100 · Distribution - Maint/Supplies	204.32
16591	United Site Service	6100 · Distribution - Maint/Supplies	192.96
16592	Wave.Band	7400 · Office Expense	946.57
16593	Wintergardens Smog & Tune	6200 · Trucks-Fuel,Maintenance,Repa	93.09
16594	Home Depot Credit Services	Split	1,237.95
16595	Sheets, Gregory	7200 · Annual Audit	2,250.00
16596	**included in payroll below	Payroll Check	
16597	Bobby Kelly	Voided Check	

16598	Costco	7920 · Miscellaneous Expense	455.00
16599	Bobby Kelly	7920 · Miscellaneous Expense	250.00
16600	ACWA - Group Ins	7040 · Group Insurance	30,613.22
16601	Alpha Analytical Laboratories, Inc	5080 · Water Treatment & Testing	980.00
16602	Border Tire	6200 · Trucks-Fuel,Maintenance,Repa	845.71
16603	Enniss, Inc.	6100 · Distribution - Maint/Supplies	670.24
16604	FedEx	5080 · Water Treatment & Testing	797.35
16605	Ferguson Waterworks	Split	3,635.59
16606	HASA	5200 · Water Treatment -Maint/Supplie	1,072.36
16607	Inland Pacific Resource Recovery, Ir	6100 · Distribution - Maint/Supplies	100.00
16608	JC Coatings Inc.	6400 · Outside Labor	15,000.00
16609	Lakeside Equipment	5200 · Water Treatment -Maint/Supplie	314.89
16610	Lakeside Petroleum, Inc.	6200 · Trucks-Fuel,Maintenance,Repa	1,870.31
16611	MTGL, Inc.	6410 · Engineering	1,823.37
16612	Northern Safety Co., Inc.	6100 · Distribution - Maint/Supplies	185.67
16613	Patriot Environmental Lab Services	6410 · Engineering	445.00
16614	Republic Services	6100 · Distribution - Maint/Supplies	389.25
16615	Robert Half	7010 · Wages, Office	2,316.80
16616	San Diego County Vector Control Pr	6100 · Distribution - Maint/Supplies	72.63
16617	San Diego County Water Authority	5091 · SDCWA Capacity & Treatment	11,718.00
16618	Sloan Electric Company	6102 · Dist. Pump & Maint	373.50
16619	Snell & Wilmer	7210 · Attorney Fees	819.00
16620	Sparkletts	7400 · Office Expense	117.91
16621	SWRCB	6100 · Distribution - Maint/Supplies	881.00
16622	UniFirst Corp	6100 · Distribution - Maint/Supplies	612.96
16623	White Cap Industries, Inc.	6100 · Distribution - Maint/Supplies	558.58
16624	Wintergardens Smog & Tune	6200 · Trucks-Fuel,Maintenance,Repa	611.68
16625	San Diego County Water Authority	5091 · SDCWA Capacity & Treatment	28,122.00
16626	**included in payroll below	Payroll Check	
16627	Standard Insurance	7040 · Group Insurance	512.28
16628	Variable Annuity Life Insurance	2100 · Payroll Liabilities	4,888.22
16629	Boot World, Inc.	6100 · Distribution - Maint/Supplies	480.00
eft	First Bankcard - Visa	Split	1,333.05
eft	First Bankcard - Visa	Split	2,364.44
eft	San Diego County Water Authority	5000 · Water Purchases	700,002.40
eft	Verizon	7400 · Office Expense	140.47
eft	SDGE	5100 · Electric Power	33,453.02
eft	SDGE	5100 · Electric Power	1,214.93
eft	SDGE	5100 · Electric Power	12,187.11
eft	SDGE	5100 · Electric Power	703.84
eft	SDGE	5100 · Electric Power	16.73
eft	SDGE	5100 · Electric Power	42.26
eft	San Diego County Credit Union	2100 · Payroll Liabilities	7,050.00
eft	Union Bank InstaTax State	2100 · Payroll Liabilities	4,707.42
eft	Cal Pers	2100 · Payroll Liabilities	6,311.61
eft	Cal Pers	7050 · CalPers Retirement	11,743.16
eft	Bankcard CC Fee	7400 · Office Expense	3,976.42
eft	Paya ACH Fee	7400 · Office Expense	10.00
eft	Paya ACH Fee	7400 · Office Expense	105.00
eft	Paya ACH Fee	7400 · Office Expense	115.96
eft	Paya ACH Fee	7400 · Office Expense	127.24
eft	Paya ACH Fee	7400 · Office Expense	196.85
eft	Paya ACH Fee	7400 · Office Expense	1,021.45
eft	First Bankcard - Visa	First Bankcard	237.53
eft	First Bankcard - Visa	First Bankcard	2,021.12

eft	San Diego County Water Authority	5000 · Water Purchases	671,557.30
eft	InvoiceCloud Fee	7400 · Office Expense	2,252.90
eft	US Bank Fees	7400 · Office Expense	908.22
eft	Verizon	7400 · Office Expense	140.47
eft	SDGE	5100 · Electric Power	21,559.13
eft	SDGE	5100 · Electric Power	2.97
eft	SDGE	5100 · Electric Power	492.79
eft	SDGE	5100 · Electric Power	1,063.90
eft	SDGE	5100 · Electric Power	10,494.55
eft	SDGE	5100 · Electric Power	40.62
eft	San Diego County Credit Union	2100 · Payroll Liabilities	7,200.00
eft	Cal Pers	7050 · CalPers Retirement	12,693.24
eft	Cal Pers	2100 · Payroll Liabilities	6,950.44
E-pay	Union Bank InstaTax Federal	1001 · US Bank Checking	0.00
E-pay	Union Bank InstaTax Federal	2100 · Payroll Liabilities	24,610.78
Payroll	Payroll	Split	135,659.38
			<u>1,985,054.08</u>

**General Managers
Monthly Report**

January 7, 2025

Board of Directors Meeting

- 1) State Water Resources Control Board Reporting:**
- 2) Solar Update**

News Articles/Editorials Enclosed:

Crumbling asbestos pipes deliver drinking water. Should we be concerned?

Water, sewer bills may rise even higher – City of San Diego

Crumbling asbestos pipes deliver drinking water. Should we be concerned about a cancer risk?

'It's the classic case of out of sight, out of mind'

By: [Austin Grabish](#)

Posted 10:11 PM, Dec 16, 2024

SAN DIEGO, Calif. — Every month, Deacon Perry Owens Sr. estimates he spends at least \$100 on bottled water. He doesn't drink the tap water from his Emerald Hills home.

"It has a smell to it, a stench to it and we have tried every home remedy, and we can't get rid of it," he told Team 10.

The smell from the taps is no longer the San Diego resident's only concern with the water. Beneath the streets of America's Finest City, are nearly 2,000 miles of asbestos concrete pipes carrying drinking water to thousands of homes.

"That is shocking and that blows my mind," said Owens.

Deacon Perry Owens Sr. estimates he spends at least \$100 on bottled water. He doesn't drink the tap water from his San Diego home.

The pipes, composed of concrete and asbestos, once known as a "miracle mineral" for its durability, were installed after World War II until the mid-1980s, when the health hazards of asbestos became known.

Decades later, the pipes are starting to crack and reach the end of their lifespan.

Documents obtained by Team 10 show over the past decade, 440 water main breaks have occurred in the city's asbestos pipes.

That has some concerned asbestos fibers may now be leaching into the water supply.

Dr. Arthur Frank has been studying the disease caused by asbestos for more than 50 years. Frank, a professor at Drexel University, warns aging asbestos concrete pipes can release asbestos fibers into drinking water.

"As they break and come apart, they will release fibers that will end up in people's drinking water," said Dr. Arthur Frank, a public health expert and professor of medicine at Drexel University in Philadelphia. Frank travels the world to speak about the dangers of asbestos and has been researching the carcinogen since 1968.

While the science is not yet conclusive, Frank believes tap water that's passed through pipes containing asbestos can be harmful to human health and cause cancer.

"The fibers end up in the body tissues. People have found it in the esophagus and colorectal tissue and kidney tissue." Several studies from 1960 to 1980 in the U.S. and Canada suggested a link between stomach cancer and tap water from asbestos pipes, according to the World Health Organization.

Julian Branch, an advocate for clean drinking water, spoke at an environmental conference in San Diego about the dangers of asbestos water pipes.

A 1980 study found a 'significant' link between asbestos in the water and rates of lung, gall bladder and pancreatic cancers in the San Francisco Bay Area.

More recently in Italy, in 2017, a researcher found water contaminated with asbestos could be linked to gastrointestinal cancers. "It's the classic case of out of sight, out of mind. The asbestos cement water pipes are buried beneath our feet. Nobody even thinks about it," said Julian Branch, an advocate for clean drinking water. He spoke about the dangers of asbestos at an environmental conference in San Diego earlier this year and urged attendees to act.

Team 10 wanted to know how much asbestos could be getting into San Diego's drinking water. Documents obtained through public records requests show from 2020-2024, the city took nine tests for asbestos at reservoirs, wells and a water reclamation plant.

A trace amount of asbestos was found in one sample in 2021 at a reservoir.

"For a city of 1.3 million people, doing one or two or a small number of tests per year is totally inadequate," Frank told Team 10 after reviewing the document. He said the city needs to be testing water for asbestos fibers after it has passed through the pipes.

City complies with federal standards

"Unless the reservoirs were lined with asbestos there's no reason to think that the water supply in a reservoir is going to contain asbestos other than what occurs naturally," Frank said.

The city's public utilities department told Team 10 roughly 15% of all water mains in North America are made of asbestos.

The department said it complies with all federal and state drinking water regulations, but it does not test water in homes, businesses or schools.

"Analyses continue to show that we meet all state and federal standards and that San Diego's water is of high quality," said public utilities spokesman Arian Collins.

One federal standard the city must comply with is the Environmental Protection Agency's contaminant level for asbestos. The EPA allows a maximum of seven million asbestos fibers in one liter of drinking water and believes anything above that may be harmful.

That national standard doesn't sit well with Owens, who said he doesn't want to drink even one glass of water that may contain asbestos.

"What is that little bit doing to our bodies? That little bit could be doing so much harm that would eventually land us in the hospital later, so we must fix this issue with our pipes."

The possible harm from ingesting asbestos through tap water is a matter of debate in some research circles.

Conflicting science

Some studies have cast doubt that ingesting asbestos fibers can cause the same harm as when they are inhaled and become lodged in the lungs.

“I would say that with the scientific evidence that we have today, we really cannot say with any degree of certainty that ingesting asbestos through drinking water causes cancer,” said Dr. Lauren Teras, senior director of epidemiology research at the American Cancer Society. Teras told Team 10 it’s believed that most asbestos fibers leave the body after they are ingested from water. She said one weakness with some of the studies done so far is that there could’ve been another factor driving rates of cancer in areas with asbestos cement pipes. Dr. Lauren Teras, senior director of epidemiology research at the American Cancer Society, said scientists cannot say with certainty that ingesting asbestos through drinking water causes cancer. She believes more research is needed. “You can really run into trouble and make assumptions about causation when things are really caused by something else,” she said in an interview from Atlanta.

Teras said water filters, lifestyle habits, and the number of asbestos fibers in the body are all important factors. She said for this to be properly studied, researchers would collect blood from residents and follow them for at least 20 years. Teras said it’s reasonable for everyone to take steps to minimize the amount of asbestos they encounter in their daily lives. “We don’t want to find out in 20, 30 years as pipes have been falling apart and more asbestos has been getting into the water, oops, we find that there are higher rates of cancer than we thought.”

Frank said residents living in cities with aging asbestos pipes can filter their water as one measure to protect themselves. “Home filters of various kinds, either the filters you put on the sink or filters that make ice cubes or the filters that people have on their water containers, will tend to take out many of these fibers.”

City warned to speed up pipe replacement

A grand jury investigating frequent water main breaks in San Diego told the city in 2014 to “aggressively” speed up its replacement of asbestos pipes.

“Picking up the pace of asbestos cement water pipes as the grand jury recommended hasn’t happened yet,” said Branch who has spent years pressuring cities to adequately test water for asbestos.

The grand jury warned “the city may be on the verge of a piping crisis” at the time of its 2014 report.

Two years later, a master plan obtained by Team 10 found pipes below streets in downtown San Diego, San Ysidro and the National City area were deteriorating the most.

Since then, the city told Team 10 it has replaced 144 miles of asbestos pipes and water main breaks have gone down 40%.

There are roughly 1,980 miles of asbestos pipes underground throughout the city still carrying drinking water. The city said it costs \$5-6 million dollars for every mile of asbestos pipe that is replaced.

Back in Emerald Hills, Owens said he’ll keep buying bottled water and is urging politicians to act. “Let’s not even take the risk. Let’s not risk our bodies and our legacies, our kids, the people who may drink this tap water, let’s not take a chance. Let’s not gamble with our lives.”

Water, sewer bills may rise even higher

Increases proposed on top of rate hikes OK'd for next year

BY DAVID GARRICK

UNION-TRIBUNE

San Diego could raise water rates by 61% and sewer rates 32% over four years to cover sharply rising costs for workers, imported water, chemicals, energy, construction projects and other priorities.

The increases, which would incrementally kick in between January 2026 and January 2029, are recommended by two new studies analyzing future revenues and expenses for the city's water and sewer systems.

The hikes wouldn't be finalized until City Council votes scheduled for September. The city's independent budget analyst says it will hire a consultant to evaluate each study and perhaps recommend changes.

The possible rate hikes would be on top of previously approved increases for city water and sewer customers that are already scheduled to kick in during the coming months.

Sewer rates are scheduled to rise by 3% on Jan. 1 under a series of rate hikes the council approved in 2021, and water rates are set to rise 8.7% then based on hikes the council signed off on last year.

And water rates will likely rise another 5.5% on May 1 to cover a jump in the city's costs for importing water in 2025 that will be larger than expected when the council approved the 2023 hikes.

The council's budget committee voted 2-1 Wednesday in favor of the May 1 water rate hike, sending it to a possible final vote by the full council in early March.

The Jan. 1 sewer rate hike will bring monthly bills for typical single-family homeowners to \$53.07. The four subsequent increases recommended by the new sewer study would push typical monthly bills just above \$70 in 2029.

The study recommends sewer rate increases of 7% in January 2026, 6% in January 2027, 8% in January 2028 and 8% in January 2029. Compounded, the

total increase would be more than 32%.

The May 1 water rate hike would bring monthly bills for average single-family home water customers to \$90.67. The four subsequent increases recommended by the new water study would push typical monthly bills to more than \$145 in 2029.

The study recommends water rates rise by 13.7% in January 2026, 14.5% in January 2027, 11.5% in January 2028 and 11% in January 2029. Compounded, the increase would total more than 61% over those four years.

City officials say the combined water and sewer bills for an average customer in 2026 would remain below the San Diego County average, and far below what customers pay in San Francisco and San Jose.

But officials haven't provided comparison numbers for the subsequent increases in 2027, 2028 and 2029 that the new studies call for.

The higher sewer and water bills in San Diego come just as the city prepares to begin charging single-family homes for trash and recycling services.

Councilmember Kent Lee has been lobbying for a water rate subsidy program for low-income residents, particularly seniors on fixed incomes.

"For many residents, the increases they are seeing at this point are beyond what they can afford," Lee said during a Wednesday hearing on the water and sewer rates.

Roughly half the total water increase would be the result of projected hikes in how much the city pays the County Water Authority for imported water. The other half would be the result of increasing expenses for the city's water system.

Juan Guerreiro, director of the city's Public Utilities Department, said energy costs are up 30%, chemical costs have doubled, and bids for pipe replacements and other projects have come in 25% to 100% higher than engineers' estimates.

Also, most city employees got incremental raises last year that are continuing to kick in, totaling nearly 23% in just over two years. And Guerreiro said those raises have helped reduce the department's vacancy rate from 25% to 15%, boosting customer service and reliability but also increasing costs.

The city also has set aside \$118 million it might have to pay ratepayers if it loses its appeal of a legal decision. A court ruled in 2021 that the city's tiered water rate system violates state law. A ruling on the city's appeal is expected by June.

While near-completion of the Pure Water sewage recycling system next year

could slash expenses, city officials say they plan to shift the money they were spending on Pure Water to installation of smart water meters and shoring up aging dams.

On the water authority side, rates are expected to keep rising as the authority deals with a major financial crisis blamed on a long-term drop in demand for imported water.

The fundamental problem is that the authority borrowed money to build and maintain a significantly larger water storage and delivery system than is now needed, with people using less water and the local farm industry shrinking.

San Diego, the water authority's No. 1 customer, has shrunk the percentage of its water supply that's imported from about 90% to less than 80% over the last few years, thanks to previous rainy winters.

The rain, which gets stored in city reservoirs, increases the local share of the city's supply. Pure Water, a sewage recycling system, is projected to increase the local share to 37% by 2028.

But projections show that as city purchases from the water authority dwindle, any savings get more than erased by the costs of the water going up.

The city is projected to slow its purchases between fiscal 2024 and fiscal 2027, from 128,603 acre-feet of water to 106,000 acre-feet of water. But costs for imported water are still projected to grow from \$247 million to \$330 million because of steadily rising rates.