A G E N D A

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

August 4, 2026

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 7, 2026.

7. Review the June 2026 Treasurers Report for the Annual Audit. Request to Note and File in Preparation.

8. Operations Report. Johnze

9. Adopt Resolution 26-10 to Apply Charges for the Lakeside Water District Community Facilities District No. 2022-01 the Yerba Valley Annexation Area to the County Tax Assessor Fixed Charge Special Assessment Property Tax Services. Sanders

10. Adopt Resolution 26-11 to Apply Delinquent Water Charges to the County Tax Assessor Secured Property Tax Role. Sanders

11. The Board Adopt Resolution 26-12 Authorizing the Execution of an Easement Quitclaim Deed for APN 395-190-3300 (13314 Lakeshore Dr.) in the County of San Diego, State of California. Sanders

12. Approve Demands of the Treasurer for July 2026.

13. CWA Report

14. Director’s Reports and/or Ad Hoc Sub-Committees Reports if needed.

15. General Managers’ Report.

16. Adjourn Meeting; Next Regular Meeting to be held on September 1, 2026.

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 July 31, 2026, 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).

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Brett Sanders, General Manager / Board Secretary

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE LAKESIDE WATER DISTRICT HELD ON July 7, 2026

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:	(Arrived at 5:40p.m.)	Frank Hilliker
		Pete Jenkins
		Steve Johnson
		Eileen Neumeister
		Steve Robak
Secretary:		Brett Sanders

1) Call to Order by Board President Neumeister

2) Prayer/Invocation – Pastor Marshall Master provided the prayer for the night's meeting.

3) Pledge of Allegiance was led by Director Robak

4) Approval of Agenda. Motion by Director Jenkins to accept the agenda as submitted.

Motion: Jenkins Second: Robak

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

5) Opportunity for Public Comment Pertaining to Items Not on the Agenda (Items must meet the requirements of Government Code Section 54954.2). None

6) Approve Minutes of a Regular Meeting held on June 2, 2026. Motion by Director Robak to approve the minutes as presented.

Motion: Robak Second: Jenkins

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

7) Approve Minutes of a Regular Meeting held on June 18, 2026. Motion by Director Robak to approve the minutes as presented.

Motion: Robak Second: Johnson

Vote:	Ayes	4	Jenkins, Johnson, Neumeister, Robak

	Noes	0	
	Abstain	0	
	Absent	1	Hilliker

8) Review the May 2026 Treasurers Report for the Annual Audit. Request to Note and File in Preparation. Approved to Note and File.

9) Operations Report. Engineering and Operations Manager Quinn Johnze provided an update highlighting the following issues;

- *EOS Building updates*
- *Extended outage on our connection with Helix*
- *Meetings with Yerba Valley group to finalize connection points*
- *Part time meter reader hired*
- *Interviews ongoing to hire two new full-time employees*
- *River Street-City of San Diego job. Monitoring progress.*
- *Wintercrest and Wintergardens "Green Streets" project. Plan review*

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

10) Adopt Resolution 26-07 Establishing a Tax Appropriations Limit for the District for the Fiscal Year 2026-27. General Manager Sanders provided a summary of the process of determining the property tax appropriations limit and that the notice was posted 15 days prior to the meeting for approval per State bylaws. Motion by Director Hilliker to approve Resolution 26-07 as presented.

Motion: Hilliker Second: Robak

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

11) Consider Resolution 26-08 to Approve the Districts Updated 5-Year Capital Improvement Project Plan. General Manager Sanders provided a brief summary that the draft 5-Year CIP Plan was presented and discussed at the June meeting. One minor revision to the 2026-27 CIP plan was summarized as an increase of $20,000 in Buildings and Land. Motion by Director Robak to approve the updated 5-Year CIP Plan and Resolution 26-08 as presented.

Motion: Robak Second: Jenkins

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

12) Presentation and Consideration of Resolution 26-09 Approving the Districts 2026-2027 Operations Budget. General Manager Sanders provided a summary each section of the Districts 2026-27 budget identifying two expense updates and a revenue update. A new updated Exhibit A was handed out and will be updated as part of the resolution. Questions by the Board were answered throughout the presentation. Motion by Director Robak to approve the 2026-27 Operations Budget and Resolution 26-09 as presented.

Motion: Robak Second: Jenkins

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

13) Review Annual Special Tax Accountability Report for the Community Facilities District No. 2022-01 (Yerba Valley Annexation Area). General Manager Sanders provided a summary of the annual report completed by Koppel & Gruber and commented on questions from the Board. Motion by Director Jenkins to accept the report as submitted.

Motion: Jenkins Second: Robak

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

14) Approve Demands of the Treasurer for June 2026. Motion by Director Hilliker to approve the demands as presented.

Motion: Hilliker Second: Robak

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

15) CWA Report – CWA Representative Hilliker reported that WA staff is proposing a 3% water rate increase with the help of the two water transfer agreements of 10,000AF each. Effort to allow transfers to agencies outside of California.

16) Director's Report and Ad Hoc Sub-Committees Reports. No comments

17) Manager's Quarterly Report. The General Manager reported.

1) Yerba Valley Annexation Pipeline Update – Pre-construction meeting on the 9th. Contractor to mobilize on July 13. Customers have been notified of the construction schedule.
2) Developer Projects; Westhill project of 13 homes. Pre-construction meeting will precede water line work. Various single meter installation on Channel Rd., Petite Ln. Oak Creek Dr. Plan check currently be worked on for Knapheide, A company that builds quality utility truck beds. Difficulty in getting an approved construction method approved through Caltrans.
3) Board Workshop for Long Range Planning. Proposing that the Board hold a single issue special meeting in August or September to discuss long range planning and strategies for potential future issues.

18) Closed Session Item – Closed to the Public.

Liability Claims per Government Code Section 54961;
Claimant Under v Lakeside Water District

Out of closed session; Board President Neumeister announced that the Board unanimously denied the claim submittal by Mr. John Unden and directed the General Manager to direct a letter to Mr. Unden outlining the decision and the time limitations to file a State Court Action on the claim.

Personnel Exception per Government Code Section 54957; Public Employment; Employee Review – General Manager. Out of closed session; Board President Neumeister reported the Board unanimously approved that the General Manager has fulfilled the goals set forth for Incentive Compensation in the amount of $10,000 as per the General Managers Contract.

19) There being no further business the meeting adjourned to the next Regular Meeting scheduled for August 4, 2026.

Attest:

Brett Sanders, Board Secretary Lakeside Water District	Eileen Neumeister Board President

Lakeside Water District
Statement of Revenues and Expenses
July 2025 through June 2026

	Jun 26	Jul '25 - Jun 26	Budget	% of Budget
Operating Revenue				
Water Sales				
4000 · Water Sales on Account	$ 946,946	$ 9,452,903	$ 9,602,575	98%
4010 · System meter charge	$ 140,652	$ 1,513,114	$ 1,458,965	104%
4020 · CWA/IAC	$ 39,306	$ 461,630	$ 457,906	101%
4040 · Penalties / other	$ (74,785)	$ 66,066	$ 130,000	51%
Total Water Sales	$ 1,052,119	$ 11,493,713	$ 11,649,446	99%
4100 · Capacity Fees LWD	$ 19,105	$ 76,975	$ 57,030	135%
4101 · SDCWA Capacity & Treatment	$ 28,069	$ 91,324	$ 85,186	107%
4200 · Meter Services	$ 5,743	$ 21,298	$ 35,000	61%
4210 · Engineering & Inspection Fees	$ -	$ 37,186	$ 7,500	496%
4220 · Fire Hydrants	$ -	$ 15,375	$ 30,000	51%
4230 · Tapping	$ -	$ 15,000	$ 15,000	100%
4300 · Miscellaneous Income	$ 154	$ 60,518	$ 20,000	303%
4310 · Water Letters	$ 300	$ 3,150	$ 250	1,260%
4400 · Rent - Land Lease	$ 30,092	$ 324,602	$ 291,770	111%
4600 · Interest Income	$ 79,287	$ 470,051	$ 315,000	149%
4700 · Taxes Revenue	$ 27,935	$ 848,077	$ 800,000	106%
Total Operating Revenue	$ 1,242,804	$ 13,457,269	$ 13,306,182	101%
Expense				
Administrative and General				
7000 · General Manager/Secretary	$ 18,833	$ 229,256	$ 234,000	98%
7001 · Incentive Compensation	$ -	$ 14,000	$ 14,000	100%
7020 · Director's Fees	$ 1,250	$ 8,000	$ 10,750	74%
7100 · General Insurance	$ (7,906)	$ 94,008	$ 66,575	141%
7200 · Annual Audit	$ -	$ 33,555	$ 31,000	108%
7210 · Attorney Fees	$ 2,083	$ 15,510	$ 30,000	52%
7230 · Consultants	$ 950	$ 45,331	$ 8,000	567%
7300 · Elections/Registrar	$ -	$ -	$ 2,000	0%
7320 · Lafco Operating Costs	$ -	$ 3,994	$ 5,634	71%
7401 · Administrative Expense	$ -	$ 4,021	$ 7,000	57%
7450 · Public Info/Public Relat	$ 11,465	$ 24,962	$ 11,350	220%
7500 · State Health Dept./ SWRCB	$ -	$ 46,434	$ 49,064	95%
7800 · Bad Debt Expense	$ -	$ -	$ 2,000	0%
7900 · Water Dev./Conservation Program	$ -	$ -	$ 9,500	0%
Total Administrative and General	$ 26,675	$ 519,071	$ 480,873	108%
Operations and Maintenance				

	Jun 26	Jul '25 - Jun 26	Budget	% of Budget
5000 · Water Purchases	$ 715,920	$ 8,289,966	$ 7,994,040	104%
5075 · Padre Dam Deliver Charge	$ -	$ -	$ 2,600	0%
5080 · Water Treatment & Testing	$ 1,766	$ 22,311	$ 24,000	93%
5090 · Infrastructure Access Charge	$ 37,465	$ 449,310	$ 443,760	101%
5091 · SDCWA Capacity & Treatment Fees	$ 10,693	$ 80,631	$ 111,353	72%
5100 · Electric Power	$ 34,495	$ 300,578	$ 327,000	92%
5200 · Water Treatment -Maint/Supplie	$ 5,628	$ 140,850	$ 80,000	176%
5627 · County - Road Improvements	$ -	$ -	$ 15,000	0%
5628 · Telemetry Repair	$ 1,072	$ 15,938	$ 15,000	106%
6000 · Wages, Field	$ 59,445	$ 785,111	$ 866,513	91%
6100 · Distribution - Maint/Supplies	$ 3,235	$ 133,896	$ 130,000	103%
6102 · Dist. Pump & Maint	$ -	$ 59,888	$ 60,000	100%
6110 · Emergency Repairs & Service	$ 174	$ 21,707	$ 45,000	48%
6200 · Trucks-Fuel,Maintenance,Repair	$ 8,915	$ 76,141	$ 70,000	109%
6400 · Outside Labor	$ 2,491	$ 20,216	$ 42,000	48%
6410 · Engineering	$ 1,645	$ 5,186	$ 20,000	26%
7010 · Wages, Office	$ 29,109	$ 334,595	$ 340,000	98%
7030 · Payroll Taxes	$ 8,311	$ 100,958	$ 102,508	98%
7040 · Group Insurance	$ 34,454	$ 384,644	$ 326,740	118%
7050 · CalPers Retirement	$ 13,811	$ 226,767	$ 253,503	89%
7070 · Unemployment Insurance	$ -	$ -	$ 5,000	0%
7400 · Office Expense	$ 7,924	$ 186,396	$ 157,714	118%
7440 · Dues & Subscriptions	$ 294	$ 38,196	$ 32,000	119%
7920 · Miscellaneous Expense	$ 986	$ 6,184	$ 6,000	103%
Total Operations and Maintenance	$ 977,833	$ 11,679,469	$ 11,469,731	102%
Total Expense	$ 1,004,508	$ 12,198,540	$ 11,950,604	102%
Net Ordinary Income	$ 238,296	$ 1,258,729	$ 1,355,578	93%

Capital Requirements				
1510 · Buildings & Land Improvements	$ 724	$ 5,673	$ 4,000	142%
1520 · O & M Equipment	$ 349	$ 7,194	$ 10,000	72%
1530 · Office Furniture & Equipment	$ -	$ 7,500	$ 15,000	50%
1547 · CIP Design/Engineering	$ -	$ 15,235	$ 5,000	305%
1550 · Pumping Plant & Distribution	$ -	$ 31,048	$ 30,000	103%
1551 · New Service/Meters	$ -	$ 9,459	$ 10,000	95%
1580 · SCADA Telemetry Upgrade	$ -	$ 31,726	$ 30,000	106%
1581 ·Yerba Valley Annexation Pipeline	$ 83,537	$ 112,455	$ 450,000	25%
1582 ·Operations, Eng. & Security Bldg.	$ 1,456	$ 271,096	$ 195,000	139%
1583 ·Julian Ave. Multiple Pipe Rep.	$ -	$ 14,655	$ 20,000	73%
1584 ·Rocoso Rd. Pipe Replacement Eng.	$ -	$ 6,060	$ 20,000	30%
Total Capital Expense	$ 86,066	$ 512,101	$ 789,000	65%

Lakeside Water District

Investment Report

As of June 30, 2026

	Jun 30, 26
Current Assets	
Checking/Savings	
1020 · UBS Cash Fund	14,759.15
1030 · King Cash Fund	7,559.54
1050 · Multi-Bank Securities, Inc.	121,722.36
1070 · Investment - LAIF	1,076.36
Total Checking/Savings	145,117.41
Other Current Assets	
Investments	
1321.70 · Mrgn Stanley BK 4.45% 6/6/29	115,000.00
1321.71 · First Gty Bk Hamm 4.35% 11/6/28	199,900.00
1321.73 · FHLB 4.09% 11/25/30	245,005.25
1321.74 · FHLMC Med 4.170% 01/27/31	245,005.25
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
1351.48 · StBk India 3.3% 6/1/27 33682	100,000.00
1351.49 · TSRY 2.375% 5/15/27	350,152.63
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
1351.54 · Cross Riv Bk Teaneck 4% 1/3/28	245,000.00
1351.55 · AMEX NATL BK 4.15% 3/26/30	244,000.00
1351.56 · EAGLEBK BETH 4.05% 4/17/28	249,000.00
1351.57 · MILESTONE BANK 3.95% 4/28/28	245,000.00
1351.58 · FNBA 3.85% 4/30/29	249,000.00
1351.59 · Medallion BK 4.050% 5/19/28	249,000.00
1351.60 · UBS BK USA 4.10% 5/22/28	249,000.00
1351.61 · USF FCU 4.00% 7/30/30	249,000.00
1351.62 · Valley Nat'l Bk 3.95% 07/31/28	245,000.00
1351.63 · Connexus 3.75% 9/18/28	249,306.99
1351.64 · Royal BK CDA 4.10% 9/30/30	500,000.00
1351.65 · Gold Sachs BK USA 3.70% 10/7/30	245,000.00
1351.66 · Gulf Coast B&T 3.65% 11/25/30	245,000.00
1351.67 · Texas EXC Bank 3.75% 11/26/29	249,000.00
1351.68 · 3rd Fed SVG & LN 3.75% 12/19/30	245,000.00
1351.69 · Farmers & Merch. 3.70% 12/31/30	249,000.00

	Jun 30, 26
1351.70 · Customers Bank 3.80% 2/26/31	245,000.00
1351.71 · Celtic Bank 3.75% 2/27/31	249,000.00
1351.72 · Sunwest BK/UT 3.65% 2/27/31	249,000.00
1351.73 · Optum Bank 3.70% 3/11/31	245,000.00
1351.74 · Enterprise Bank 3.70% 3/17/31	249,000.00
1351.75 · Fannie Mae 4.00% 3/24/31	450,000.00
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
1383.34 · 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
1383.37 · Valley Natl 4.15% 1/27/28	244,000.00
1383.40 · FHLB 4.125% 10/5/29	204,692.50
1383.41 · FHLB 4.375% 6/24/2030	185,878.75
1383.42 · Farmer MAC 4.26% 7/16/30	496,980.00
1383.44 · FNMA 4.00% 8/20/30	899,550.00
1383.45 · FNMA 3.75% 1/7/31	320,000.00
1383.46 · JPMC Bank 4.00% 3/26/31	240,000.00
1383.47 · Citibank NA CD 4.50% 6/18/31	225,000.00
Total Investments	15,306,655.87
Total Current Assets	15,451,773.28

Investment Changes in June 2026

Purchased 1383.47	**Citibank NA CD 4.50% 6/18/25**	225,000.00
Redeemed 1383.33	**AllyBk 3.0% 6/9/26**	139,000.00

Investments by Maturity

Description	Cusip	Maturity	Rate	Amount	Est. Yr Interest	Avg Rate
King Fidelity Treasury MM	FZFXX		4.11%	$ 567	$ 23.29	
Maturity in 2025	$ 567	0%				4.11%
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	
Maturity in 2026	$ 2,174,000	14%				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 Treasurery	912828X88	5/15/2027	3.54%	$ 350,153	$ 12,395.42	
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	$ 2,597,153	17%				2.84%
Cross Riv BK Teaneck	227563LU5	1/3/2028	4.00%	$ 245,000	$ 9,800.00	
Valley National Bk	919853PX4	1/28/2028	4.15%	$ 244,000	$ 10,126.00	
EAGLEBANK Bethesda	27002Y-HN-9	4/17/2028	4.05%	$ 249,000	$ 10,084.50	
Milestone BK SALT	59934M-DC-9	4/28/2028	3.95%	$ 245,000	$ 9,677.50	
Medallion BK Salt	58404D-XT-3	5/19/2028	4.05%	$ 249,000	$ 10,084.50	
UBS BK USA	90355G-WG-7	5/22/2028	4.10%	$ 249,000	$ 10,209.00	
Valley Nat'l Bk	919853QZ7	7/31/2028	3.95%	$ 245,000	$ 9,677.50	
Connexus	20825WES5	9/18/2028	3.75%	$ 249,307	$ 9,349.01	
1st Gty Bk Hammond	320437AT3	11/6/2028	4.35%	$ 199,900	$ 8,695.65	
Maturity in 2028	$ 2,175,207	14%				4.03%
FNBA	32110Y-T7-0	4/30/2029	3.85%	$ 249,000	$ 9,586.50	
Mrgn Stanley BK	61776CPV3	6/6/2029	4.45%	$ 115,000	$ 5,117.50	
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	
FHLB	3130B34U4	10/5/2029	4.13%	$ 204,693	$ 8,443.57	
Texas EXC Bank	88241TXB1	11/26/2029	3.75%	$ 249,000	$ 9,337.50	

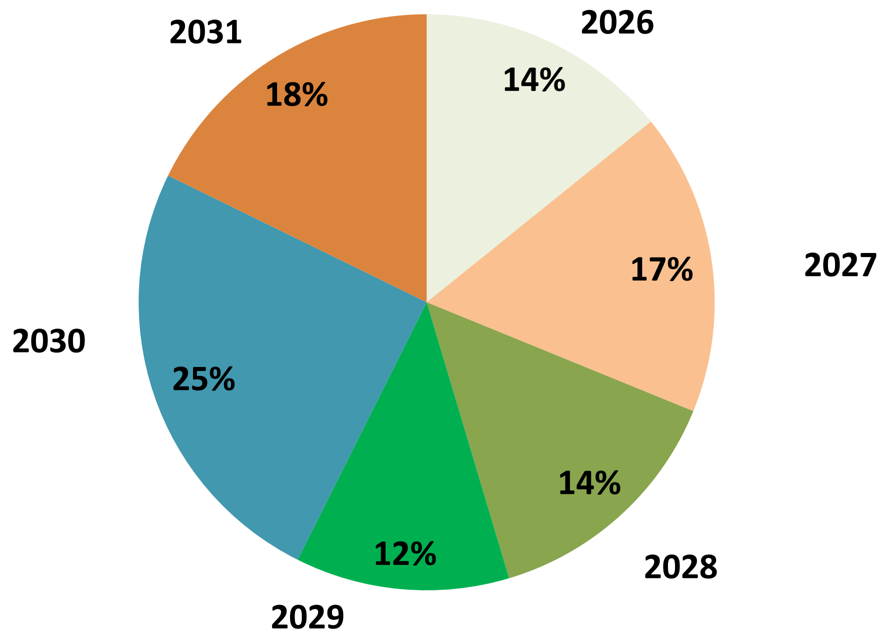
Investments by Maturity

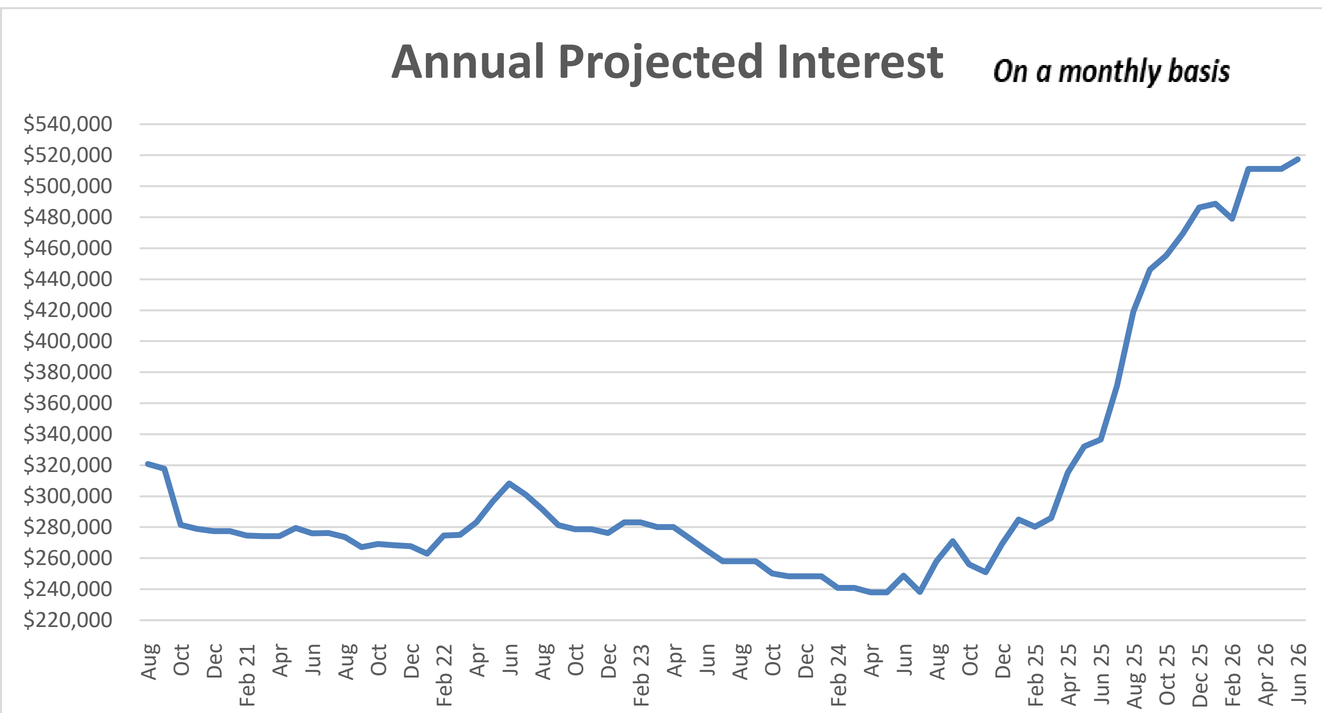
Description	Cusip	Maturity	Rate	Amount	Est. Yr Interest	Avg Rate
Maturity in 2029	$ 1,838,877	12%				4.03%
American Express Nat'l Bk	02589AGX4	3/26/2030	4.15%	$ 244,000	$ 10,126.00	
FHLB	3130B6T22	6/24/2030	4.38%	$ 185,879	$ 8,132.20	
Farmer MAC	31424WK43	7/16/2030	4.26%	$ 496,980	$ 21,171.35	
USF FCU	90353ECE1	7/30/2030	4.00%	$ 249,000	$ 9,960.00	
Fedl Natl MTG Assn	3136GANN5	8/20/2030	4.00%	$ 899,550	$ 35,982.00	
Royal BK CDA	RY6190844	9/30/2030	4.10%	$ 500,000	$ 20,500.00	
Gold SachsBK USA	38151PAH4	10/7/2030	3.70%	$ 245,000	$ 9,065.00	
Gulf Coast B&T	402194GS7	11/25/2030	3.65%	$ 245,000	$ 8,942.50	
FHLB	3130B8LT7	11/25/2030	4.09%	$ 245,005	$ 10,020.71	
3rd Fed SVG & LN	88413Q-JK-5	12/19/2030	3.75%	$ 245,000	$ 9,187.50	
Farmers & Merchants	308862-EH-O	12/31/2025	3.70%	$ 249,000	$ 9,213.00	
Maturity in 2030	$ 3,804,414	25%				4.00%
FNMA	3136GCDK8	1/7/2031	3.75%	$ 320,000	$ 12,000.00	
FHLMC Med	3134HCPG8	1/27/2031	4.17%	$ 245,005	$ 10,216.72	
Customers Bank	23204H-RQ-3	2/26/2031	3.80%	$ 245,000	$ 9,310.00	
Celtic Bank Salt Lake	15118R-4D-6	2/27/2031	3.75%	$ 249,000	$ 9,337.50	
Sunwest Bank/UT	86804DDM7	2/27/2031	3.65%	$ 249,000	$ 9,088.50	
Optum Bank	68405V-FL-8	3/11/2031	3.70%	$ 245,000	$ 9,065.00	
Enterprise Bank	29367R-NQ-5	3/17/2031	3.70%	$ 249,000	$ 9,213.00	
Fannie Mae	3136GCVD4	3/24/2031	4.00%	$ 450,000	$ 18,000.00	
JPMC Bank	46659CZC7	3/26/2031	4.00%	$ 240,000	$ 9,600.00	
Citibank NA CD	17290GPP6	6/18/2031	4.50%	$ 225,000	$ 10,125.00	
Maturity in 2031	$ 2,717,005	18%				3.90%

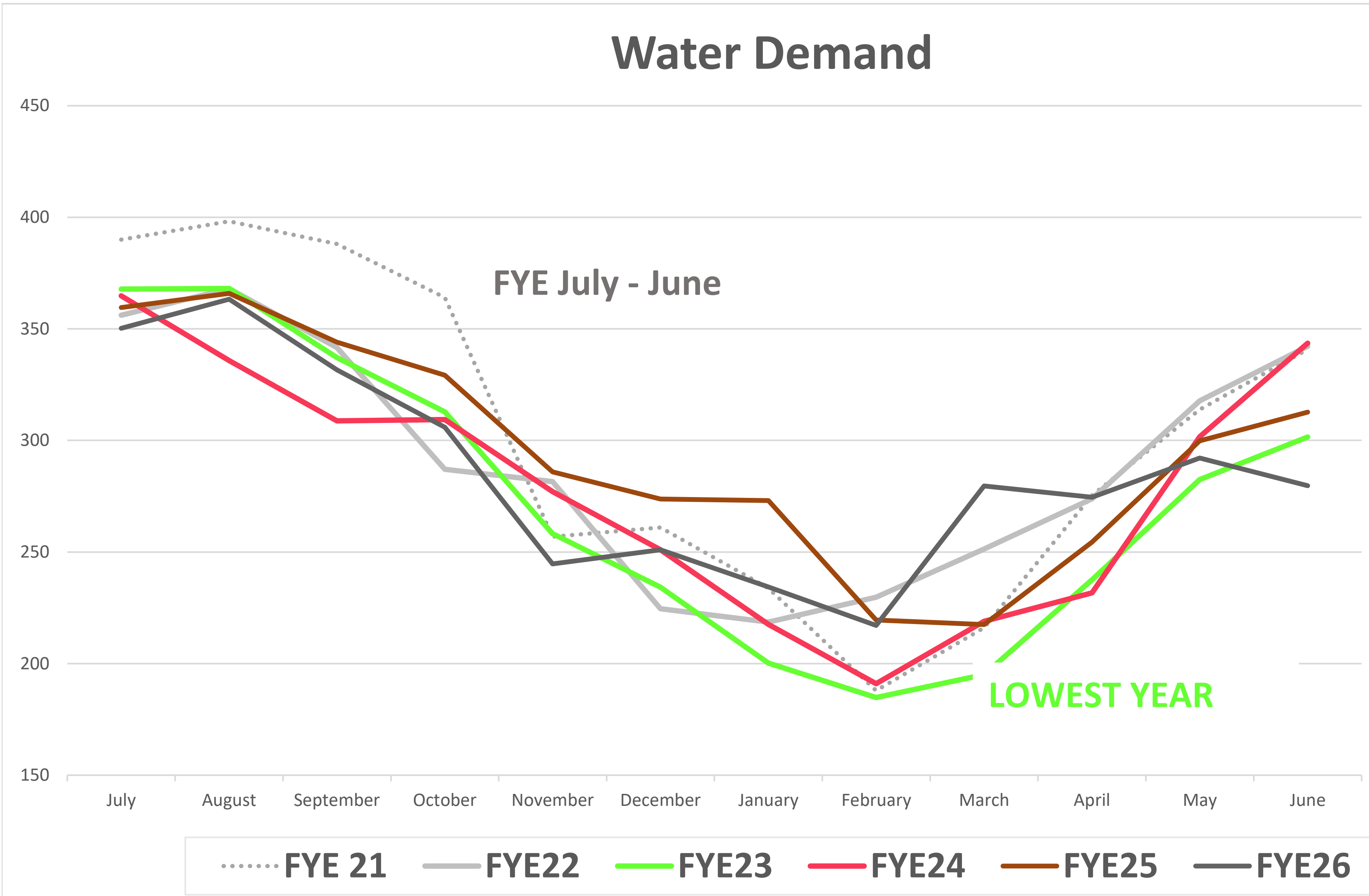
	Investments	Annual Interest	Avg
Total	$ 15,307,223	$ 517,313	3.38%

Description	Cusip	Maturity	Rate	Amount	Est. Yr Interest	Avg Rate

Investments by Maturity Year






Water Demand
FYE July - June
LOWEST YEAR
450
400
350
300
250
200
150
July
August
September
October
November
December
January
February
March
April
May
June
FYE 21
FYE22
FYE23
FYE24
FYE25
FYE26

OPERATIONS REPORT
August 2026
BOARD OF DIRECTORS MEETING

General Operation:

- *EOS Building updates*
- *Yerba Valley private line project started*
- *Two Full-Time employees hired*
- *Landscaping/ Weedwhacking*

Contractor/ Developer/ County Projects:

- *River Street-City of San Diego job*

District Emergencies Repairs:

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

RESOLUTION 26-10

RESOLUTION OF THE BOARD OF DIRECTORS OF LAKESIDE WATER DISTRICT LEVYING SPECIAL TAXES FOR THE TAX YEAR 2026-2027 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 2026-2027 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 2026-2027 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 4th day of August, 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Eileen Neumeister
Board President

ATTEST:

____
Brett Sanders, Board Secretary

Exhibit A

FIXED CHARGE SPECIAL ASSESSMENT
INPUT FORMAT FOR TYPEWRITTEN LIST

City or District: Lakeside Water District   Submitted By: Brett Sanders

Fund Name: CRD 2022-1 Yerba Valley   Telephone No: 619-443-3805

Fund Number: **6360-02**   E-mail Address: BrettS@LakesideWater.org

PARCEL NUMBER				AMOUNT	*FOR STATE ROLL ONLY*		AUDITOR'S USE ONLY
BOOK	PAGE	PARCEL	UNDIVIDED INTEREST		ASSESSEE NUMBER*	TAX RATE AREA*	
329	132	48	00	$4,247.98			
329	132	15	00	3,817.30			
329	132	14	00	6,148.82			
329	132	10	00	4,628.20			
329	132	09	00	4,754.02			
329	132	13	00	4,260.36			
329	131	33	00	4,609.48			
329	131	08	00	4,485.02			
329	131	09	00	4,871.04			
329	131	11	00	5,872.36			
329	132	16	00	4,049.34			
329	132	42	00	2,654.82			
329	132	43	00	6,660.54			
329	132	02	00	3,552.52			
329	132	03	00	3,552.52			
329	132	04	00	3,626.24			
329	132	05	00	3,673.34			

DO NOT FAX THIS FORM

*All State Roll (Utility Roll) items must show a tax rate area and assessee number (See Attachment D).

RESOLUTION NO. 26-11

RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAKESIDE WATER DISTRICT AUTHORIZING COLLECTION OF DELINQUENT WATER CHARGES BY THE COUNTY TAX COLLECTOR AS FIXED CHARGE SPECIAL ASSESSMENT

WHEREAS, the charges for water and other services set forth on **Exhibit A** attached hereto have been unpaid for an unreasonable period of time and remain unpaid; and

WHEREAS, Section 25806 and 25807 of the Water Code of the State of California provide that unpaid charges may be added to add become part of the annual assessments levied upon the real property upon which the water for which the charges are unpaid was used and upon the real property subject to the charges for any other district services, and that said unpaid charges may be added to and become part of the first installment of the District's assessments.

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

1. That the charges for water and other services in the amount of $1,629.02 set forth on Exhibit A attached hereto are unpaid charges for water used on or for the District's service to the real property described on Exhibit A hereto.
2. That the amount of the unpaid charges shall be added to the annual District assessments levied upon the respective parcels upon which said charges have accrued, and that side unpaid charges shall become a part of the first installment for the payment of the 2026-27 assessments.
3. That the Secretary is hereby authorized and directed to send a certified copy of this resolution to the County Assessor of the County of San Diego.

PASSED AND ADOPTED by the Board of Directors of the Lakeside Water District at a regular meeting held on August 4, 2026, by the following vote to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

Eileen Neumeister, President
Board of Directors

Brett Sanders, Secretary
Lakeside Water District

Exhibit A

FIXED CHARGE SPECIAL ASSESSMENT
INPUT FORMAT FOR TYPEWRITTEN LIST

City or District: Lakeside Water District Submitted By: Brett Sanders

Fund Name: LWD Delinquest Charges Telephone No: 619-443-3805

Fund Number: **6360-01** E-mail Address: BrettS@LakesideWater.org

PARCEL NUMBER				AMOUNT	*FOR STATE ROLL ONLY*		AUDITOR'S USE ONLY
BOOK	PAGE	PARCEL	UNDIVIDED INTEREST		ASSESSEE NUMBER*	TAX RATE AREA*	
394	500	25	00	$139.63			
375	130	11	00	304.15			
395	090	56	00	65.29			
379	130	31	00	751.33			
379	060	06	00	256.32			
377	112	22	00	112.29			

DO NOT FAX THIS FORM

*All State Roll (Utility Roll) items must show a tax rate area and assessee number (See Attachment D).

LAKESIDE WATER DISTRICT

BOARD REPORT

TO: Board of Directors

FROM: Brett Sanders, General Manager

DATE: August 4, 2026

SUBJECT: The Board Adopt Resolution 26-12 Authorizing the Execution of an Easement Quitclaim Deed over portion of APN 395-190-3300, in Lakeside, County of San Diego, State of California

Recommendation:

The Board adopt Resolution 26-12 authorizing the execution of an easement quitclaim deed over portion of APN 395-190-3300 (13314 Lakeshore Dr.) in Lakeside, County of San Diego, State of California.

Background:

As part of our ongoing efforts to maintain and protect the district's assets, staff mails notices every two years to each owner of property that has a district easement on it. The notice serves to educate (and/or remind) owners of the existence of the easement and, if applicable, the district facilities on their property. Since its inception in 2014, this practice has significantly reduced the number of encroachments district wide.

Aside from encroachment avoidance, the notices also produce owner inquiries about the easements, including whether there is a continued need. Whenever possible staff will recommend the quitclaiming of easements that are no longer necessary for district operations.

Quitclaiming all the district's rights, title and interests back to the property owner in these situations benefits both the property owner and the district and is identified as a best practice in managing the district's easement inventory.

This subject parcel had an existing 6" waterline that went through the center of the property and we identified this as an avoidable risk and deactivated the main through the property, thereby eliminating the liability risk. The easement has been identified across the subject parcel located in the community of Lakeside, County of San Diego, State of California, as generally depicted in Attachment 1

If authorized by this action, the following easement filed in the Office of the County Recorder of San Diego County, State of California, would be quitclaimed as follows:

APN Owner of Record Easement(s)

395-190-3300 Sample Family Trust
June 8, 1962, Document No. 38193

<u>Fiscal Impact:</u>

No Fiscal Impact

13314 Lakeshore Dr.

Easement Quitclaim Location

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Lakeside Water District
10375 Vine Street
Lakeside, CA 92040

DOCUMENTARY TRANSFER TAX: **0**
SIGNATURE______________
Recording without fee requested pursuant to Gov't Code §§ 6103, 27383

APN: 395-190-3300

EASEMENT QUITCLAIM DEED

Pursuant to authority of a resolution of its Board of Directors, the **LAKESIDE WATER DISTRICT**, an irrigation district organized and operating under the California Irrigation District Law, Water Code Section 20500 et seq., situated wholly in the County of San Diego, State of California, hereby quitclaims to **Sample Family Trust, dated March 23, 2026,** all of its right, title and interest in and to those certain easements and/or rights-of-way as granted to said District by the Grant of Easement Document recorded **June 8, 1962, as Document No. 38193, of Official Records, filed in the Office of the County Recorder of San Diego County, State of California.**

Said easement being situated wholly within the County of San Diego, State of California, over a portion of that real property described as follows:

SEE EXHIBIT "A" ATTACHED

SEE EXHIBIT "B" ATTACHED

IN WITNESS WHEREOF, said District has caused this Deed to be executed, acknowledged and delivered by the President and Secretary of the Board of Directors of said District, this 4th day of August, 2026.

LAKESIDE WATER DISTRICT

BY: ___________________________________
President of its Board of Directors

BY: ___________________________________
Secretary of its Board of Directors

EXHIBIT "A"

That certain portion of Lot 114 of El Cajon Valley Company's Lands, according to the Map thereof No. 289 of the recorder of said County of San Diego, described in a Deed recorded in Book 7268, page 170 Official Records of said County of San Diego.

10. An easement quitclaimed to the County of San Diego 10 feet in width along the following described line: A portion of Lot 114, El Cajon Valley Company's Lands, according to the Map No. 289, filed in the office of the County Recorder of San Diego County, December 30, 1886, described as follows:
Beginning at a point South 80° 48' 33" West 158.55 feet from the Southeast corner of said Lot 114; thence North 10° 29' 30" West for a distance of 618.99 feet; thence North 32° 04' 30" for a distance of 114.00 feet; thence South 87° 02' 30" West for a distance of 62.00 feet; thence South 81° 49' 30" West for a distance of 380.00 feet. The Southerly end of said easement shall be extended or shortened so as to terminate at the Southerly line of said Lot 114.

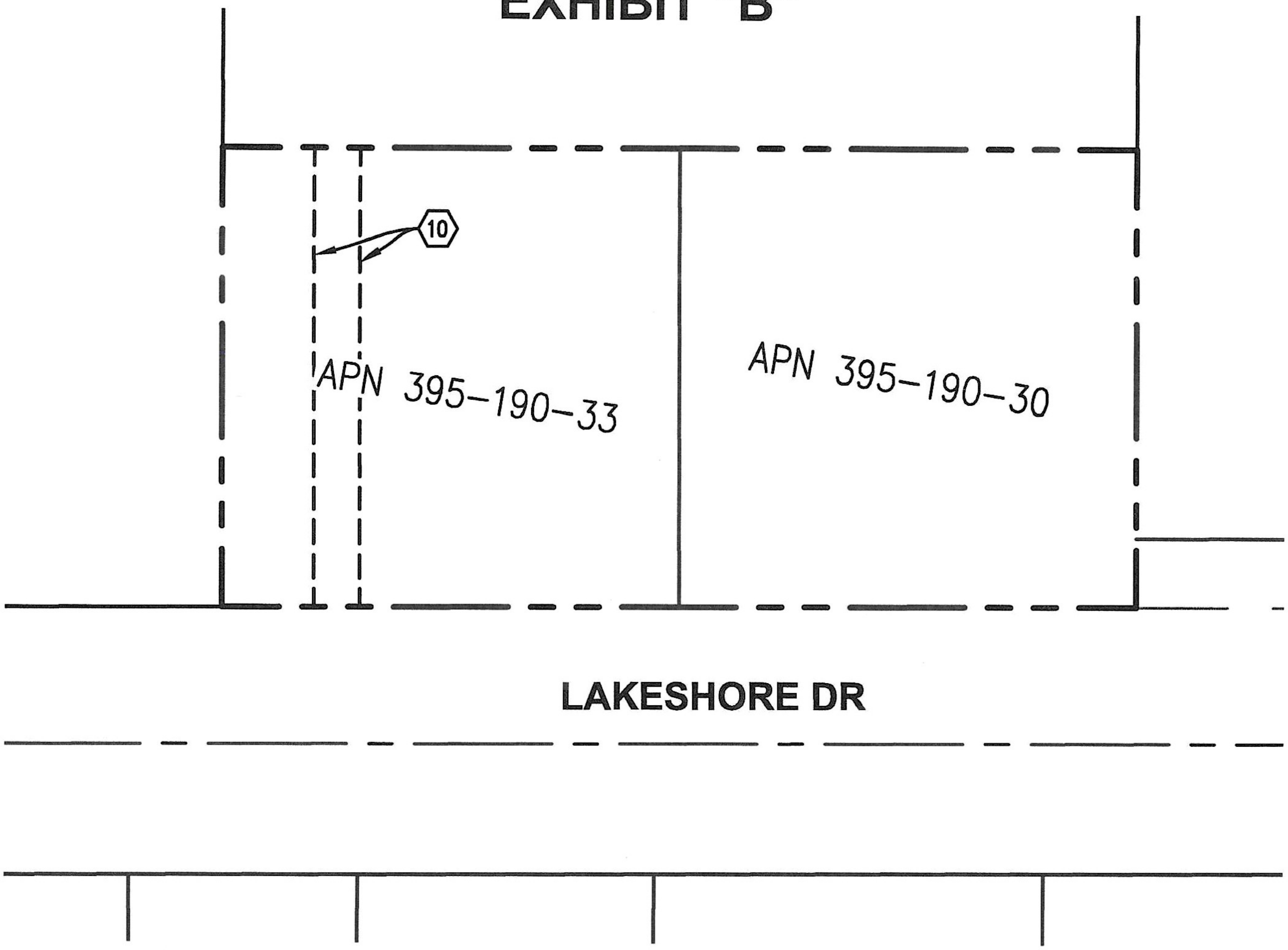
LICENSED LAND SURVEYOR
ROBERT N. ADAMS
P.L.S. NO. 7638
STATE OF CALIFORNIA

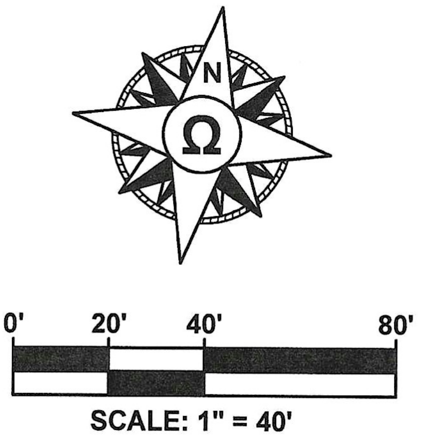
PREPARED BY:

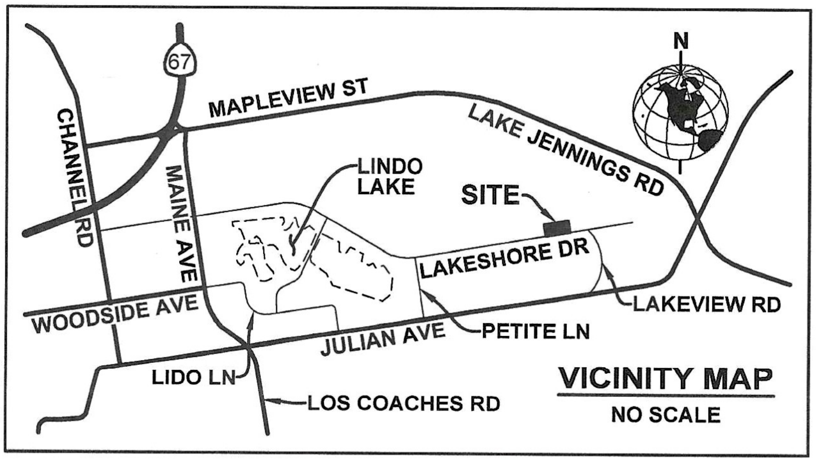
Robert N Adams 5-28-26

ROBERT N. ADAMS PLS 7638 **DATE**

EXHIBIT "B"







LICENSED LAND SURVEYOR
ROBERT N. ADAMS
P.L.S. NO. 7638
STATE OF CALIFORNIA

PREPARED BY:

Robert N Adams 5-28-26

ROBERT N. ADAMS PLS 7638 DATE

T:\PROPOSALS\2026-04-30 BOB LAKESIDE\BOB LAKESIDE.DWG May 28, 2026 - 2:57pm

Lakeside Water District

Disbursements List

July 2026

Num	Name	Account	Original Amount
17965	**FedEx**	1581 · Yerba Valley Annex. Pipeline	48.94
17966	**KC Doors and More SD**	**Voided Check	0.00
17967	**West & Associates Engineering, Inc.**	7230 · Consultants	950.00
17968	**KC Doors and More SD**	6400 · Outside Labor	464.10
17969	**Techniclean, Inc.**	6400 · Outside Labor	575.00
17970	**ALBRIGHT, CHRIS**	4000 · Water Sales on Account	20.14
17971	**ARCHER, AMBER**	4000 · Water Sales on Account	101.87
17972	**BIXLER, JERAD**	4000 · Water Sales on Account	132.88
17973	**BURKETT, ROBERTA**	4000 · Water Sales on Account	96.96
17974	**BUTZ, MARIA**	4000 · Water Sales on Account	126.35
17975	**CAMPAGNE, MADELINE**	4000 · Water Sales on Account	179.78
17976	**COBB, JOSEPH**	4000 · Water Sales on Account	63.68
17977	**CUNNINGHAM, KARLA**	4000 · Water Sales on Account	93.42
17978	**DEGROOT, JOSHUA**	4000 · Water Sales on Account	114.57
17979	**FARWEST CORROSION CONTROL**	4000 · Water Sales on Account	1,672.89
17980	**GARCIA, JOYCE**	4000 · Water Sales on Account	200.00
17981	**MAGBITANG, RONNIE & KRISTEL**	4000 · Water Sales on Account	37.92
17982	**MAYUMA, MELAD**	4000 · Water Sales on Account	154.11
17983	**MEINTS, SHARON A**	4000 · Water Sales on Account	100.59
17984	**MILTON, MICHAEL**	4000 · Water Sales on Account	146.32
17985	**MITCHELL JR., GEORGE L.**	4000 · Water Sales on Account	51.88
17986	**NEWBERRY, JACOB**	4000 · Water Sales on Account	95.52
17987	**SANTOS, IVAN**	4000 · Water Sales on Account	13.51
17988	**SNEED, STEVE**	4000 · Water Sales on Account	87.73
17989	**STRAIGHTLINE ENGINEERING, INC.**	4000 · Water Sales on Account	705.22
17990	**WARDLAW, JENNIFER**	4000 · Water Sales on Account	137.87
17991	****included in payroll**	Payroll Check	0.00
17992	**A & B Saw & Lawnmower Shop**	6100 · Distribution - Maint/Supplies	353.91
17993	**ACWA - Group Ins**	7040 · Group Insurance	32,374.76
17994	**ACWA JPIA W/C**	7100 · General Insurance	4,938.06
17995	**Alpha Analytical Laboratories, Inc**	5080 · Water Treatment & Testing	506.00
17996	**County of SD-Auditor & Controller Sewer**	7320 · Lafco Operating Costs	6,308.29
17997	**Dexter Wilson Engineering, Inc.**	6410 · Engineering	1,645.00
17998	**Excel Telemessaging**	7400 · Office Expense	135.00
17999	**Fallbrook Printing Corp.**	7450 · Public Info/Public Relat	10,064.70
18000	**Ferguson Waterworks**	1581 · Yerba Valley Annex. Pipeline	3,726.44
18001	**Foxcroft Equipment & Service Inc.**	5200 · Water Treatment -Maint/Supplie	1,635.20
18002	**Gallade Chemical**	5200 · Water Treatment -Maint/Supplie	975.38
18003	**Helix Water District**	5080 · Water Treatment & Testing	909.00
18004	**Inland Pacific Resource Recovery, Inc.**	1520 · O & M Equipment	175.00
18005	**Jan-Pro**	7400 · Office Expense	360.00
18006	**Knight Security & Fire Systems**	7400 · Office Expense	44.00
18007	**Lakeside Chamber of Commerce**	7440 · Dues & Subscriptions	225.00
18008	**Lakeside Petroleum, Inc.**	6200 · Trucks-Fuel,Maintenance,Repair	3,678.81
18009	**Omni Graphics**	7400 · Office Expense	511.81
18010	**Payton's Ace Hardware, Inc.**	Split	259.03
18011	**Pollardwater.com**	6110 · Emergency Repairs & Service	108.38
18012	**Quadient - Postage**	7400 · Office Expense	1,000.00

18013	**Republic Services**	6100 · Distribution - Maint/Supplies	1,041.93
18014	**Target River**	7400 · Office Expense	220.00
18015	**Underground Service Alert**	7440 · Dues & Subscriptions	121.80
18016	**UniFirst Corp**	6100 · Distribution - Maint/Supplies	201.78
18017	**Wave.Band**	7400 · Office Expense	1,009.43
18018	**Wintergardens Smog & Tune**	6200 · Trucks-Fuel,Maintenance,Repair	3,786.75
18019	**FedEx**	7400 · Office Expense	18.51
18020	**HASA**	5200 · Water Treatment -Maint/Supplie	3,180.77
18021	****included in payroll**	Payroll Check	0.00
18022	**Cal Pers**	7050 · CalPers Retirement	82,313.00
18023	**ACWA JPIA Cyber Liab**	7100 · General Insurance	1,844.81
18024	**All Star Computers**	7400 · Office Expense	2,825.00
18025	**Alpha Analytical Laboratories, Inc**	5080 · Water Treatment & Testing	1,405.00
18026	**Cintas First Aid & Safety**	6100 · Distribution - Maint/Supplies	281.09
18027	**Dexter Wilson Engineering, Inc.**	1581 · Yerba Valley Annex. Pipeline	210.00
18028	**FedEx**	5080 · Water Treatment & Testing	1,372.25
18029	**Northern Safety Co., Inc.**	6100 · Distribution - Maint/Supplies	422.41
18030	**Nossaman, LLP**	1581 · Yerba Valley Annex. Pipeline	4,002.00
18031	**Snell & Wilmer**	7210 · Attorney Fees	4,590.00
18032	**UniFirst Corp**	6100 · Distribution - Maint/Supplies	441.77
18033	**United Site Service, Inc.**	6100 · Distribution - Maint/Supplies	118.90
18034	**Utility Cost Management, LLC**	5101 · UCM Savings Adjustment	22,922.81
18035	**Weck Laboratories, Inc.**	5080 · Water Treatment & Testing	660.00
18036	**West & Associates Engineering, Inc.**	7230 · Consultants	7,961.00
18037	**HASA**	5200 · Water Treatment -Maint/Supplie	896.88
18038	****included in payroll**	Payroll Check	0.00
18039	**Standard Insurance**	7040 · Group Insurance	467.25
18040	**Variable Annuity Life Insurance**	2100 · Payroll Liabilities	4,742.58
eft	**First Bankcard - Visa**	First Bankcard	7,292.87
eft	**US Bank-Register**	7400 · Office Expense	169.27
eft	**San Diego County Water Authority**	5000 · Water Purchases	775,080.16
eft	**InvoiceCloud Fee**	7400 · Office Expense	822.00
eft	**US Bank-Fees**	7400 · Office Expense	770.26
eft	**Verizon**	7400 · Office Expense	172.19
eft	**US Bank-NSF**	1200 · Accounts Receivable	175.61
eft	**SDGE**	5100 · Electric Power	24,269.30
eft	**SDGE**	5100 · Electric Power	1,639.82
eft	**SDGE**	5100 · Electric Power	4,603.07
eft	**SDGE**	5100 · Electric Power	2,682.46
eft	**SDGE**	5100 · Electric Power	1,230.76
eft	**SDGE**	5100 · Electric Power	10.00
eft	**SDGE**	5100 · Electric Power	59.99
eft	**US Bank-NSF**	1200 · Accounts Receivable	105.22
eft	**Cal Pers**	2100 · Payroll Liabilities	6,968.74
eft	**Cal Pers**	7050 · CalPers Retirement	12,848.13
payroll	**Payroll**	Split	84,707.57
			1,146,970.16

San Diego County Water Authority

SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING
JULY 23, 2026

1. Design-build contract with J.F. Brennan Company, Inc for the Lake Hodges Hydroelectric Facility Isolation project.
   The Board awarded a design-build contract to J.F. Brennan Company, Inc in the amount of $1,427,000 for the Lake Hodges Hydroelectric Facility Isolation project.

2. Continuation of the emergency declaration for the repair of Pipeline 3.
   The Board authorized the continuation of the emergency declaration for the repair of Pipeline 3 in Del Sur.

3. Approval of Minutes.
   The Board approved the minutes of the Formal Board of Directors' meeting of June 25, 2026.

4. Resolution setting the time and date for a Public Hearing to consider amendments to the San Diego County Water Authority Local Conflict of Interest Code.
   The Board adopted Resolution No. 2026-14 setting the August 27, 2026 Administrative and Finance Committee Meeting as the time and date of a public hearing to consider amendments to the San Diego County Water Authority Local Conflict of Interest Code.

5. Board of Director Retirement Resolution: Director Jerry Butkiewicz, City of San Diego.
   The Board adopted Resolution 2026-15, a Resolution of the Board of Directors of the San Diego County Water Authority honoring Jerome "Jerry" Butkiewicz upon his retirement from the Board of Directors.

General Managers
Monthly Report

August 4, 2026

Board of Directors Meeting

1) **Turner Annexation;**

2) **Fiscal Year End Water Usage;**

3) **Board Workshop for Long Range Planning;**

Articles/Editorials Enclosed:

Need to Attract, Develop and Sustain Skilled Water Professionals

Arant was a 'water titan'

“We need to attract, develop and sustain skilled water professionals who can adapt to new technologies”

Written by[Olivia Tempest]
Smart Water Magazine
22 July 2026 9 min read

Workforce concerns have ranked in the American Water Works Association (AWWA)’s top ten sector challenges for years. But in 2026, the question has shifted from how to replace retiring workers to something harder: how to stop institutional knowledge from disappearing with them.

When AWWA published its *2026 State of the Water Industry report* in March, workforce emerged once again as one of the most pressing concerns facing utilities across the United States. With 21% of employees eligible to retire within five years and vacancy rates averaging 9%, the scale of the challenge is hard to ignore. We sat down with **AWWA CEO David LaFrance** to dig deeper into what the data is really telling us, and what the sector needs to do to prepare.

What do the most recent SOTWI findings show about the scale of workforce concerns in the U.S. water sector? Where does “ageing workforce and retirement” rank among the top issues utilities are reporting in 2026?

Our most recent State of the Water Industry (SOTWI) survey, which primarily reflects North American water-sector perspectives, revealed that workforce issues continue to be a serious concern among water professionals in 2026. In fact, they have been in the top 10 since at least 2021. However, when you add in information for AWWA’s utility benchmarking data, the story has become more complex than retirement alone.

This year, workforce issues ranked ninth among the top challenges facing the sector, which is lower than it was a few years ago

This year, workforce issues ranked ninth among the top challenges facing the sector. That is lower than it was a few years ago, when workforce ranked fourth in 2022. But I would not interpret that as the workforce issue is abating. I think it tells us utilities are facing many heavy and persistent challenges all at once: ageing infrastructure, financing, long-term water supply, public understanding of their water service, and workforce.

Ultimately, water is delivered by people, though. Treatment plants, pipes, pumps, meters, laboratories and control systems all depend on the skill and judgment of the professionals operating them. So even though workforce is not the No. 1 ranked issue, it touches nearly every other issue on the list.

Through Water 2050, AWWA is looking decades ahead and charting a course for a secure, sustainable and resilient water future. Workforce is key to that vision. We need to attract, develop and sustain skilled water professionals who can adapt to new technologies, stay engaged in their work and reflect the communities they serve.

SOTWI is now a 20+ year longitudinal dataset. How have workforce concerns changed over that time?

For a long time now, we've talked about the "silver tsunami". That was useful because it helped utilities recognise that a large group of experienced employees – the baby boomer generation – was approaching retirement. That tracks with our survey data, with workforce issues entering the top-10 list of concerns in 2018.

Now, the picture is more nuanced. The retirements have not happened all at once. People retire over time, and utilities adapt. But as experienced people leave, the sector is seeing even more workforce challenges: shorter tenure, more outside hiring, more competition for talent and the need for new skills.

So the question has changed. It is not only, "How do we replace people who retire?" It is, "How do we keep the knowledge of the utility moving from one generation to the next?" That is the bigger workforce issue now.

Are there particular roles or functions inside utilities, treatment plant operators, distribution, engineering, instrumentation, where SOTWI is picking up the most acute retirement risk?

SOTWI does not break the workforce question down by specific role, but we have some insight from open-ended comments shared by respondents. There is understandable concern about replacing experienced operators and losing institutional knowledge as those employees retire. Utilities often see the greatest risk in operational and technical roles where experience takes years to develop, making it difficult to replace quickly. Add to that the learning curve as new technology is introduced.

Through Water 2050, AWWA is looking decades ahead and charting a course for a secure, sustainable and resilient water future

We need to approach the workforce with systems-level thinking. That means training utility professionals to think broadly about all the parts and processes that link together to make water systems successfully serve their communities. This is not an easy task because water systems are not simple. But when people understand the relationships across treatment, distribution, operations, water quality and customer needs, they are better prepared to carry knowledge forward.

Whether you're a treatment plant operator, chemist or field operator, having that system-wide knowledge creates a more robust and resilient workforce.

From AWWA's perspective, what is the scale of the workforce challenge facing U.S. water utilities over the next five years?

The scale is significant. The 2025 AWWA Benchmarking Survey shows that 21% of utility employees are eligible to retire in the next five years, and utilities reported an average vacancy rate of 9%.

Those numbers may be felt more acutely by small and rural utilities. When an experienced employee leaves, the challenge is about preserving the knowledge that person has built about the system, its history and its day-to-day operations.

Training a tech-savvy workforce will also be a top priority. The evolution of AI has allowed for automation and the streamlining of operations, but it also has made utilities more vulnerable to cyberattacks. In the SOTWI survey, 58% of respondents are "very" or "extremely" concerned about breaches or deepfakes that can interrupt treatment operations and water delivery. Retaining and building a workforce that is continually proficient at these technologies and can safeguard critical operations will be key for utilities as they move forward.

How is AWWA helping utilities prepare for the wave of retirements ahead?

AWWA helps utilities prepare by supporting water professionals at every stage of their careers. We offer live and virtual training, manuals of practice, specialty conferences, industry news and other resources that help water professionals build skills and stay current in a changing sector.

As experienced people leave, the sector is seeing even more workforce challenges, such as shorter tenure, more outside hiring

For operators, AWWA offers hundreds of hours of training content, for everything from preparing for an operator certification exam to continuing education credits. Our course offerings also include management and leadership training. We also have a decades-long partnership with Water Professionals International, which advances and standardises the operator profession through joint training, certification, and workforce development.

Speaking of leadership, AWWA is also in its third year of the Transformative Water Leadership Academy, a 10-month training program for emerging and current leaders in the water sector. A fourth cohort will be enrolled this fall.

We also partner with higher education institutions, including Xavier University on the first master's degree program in water utilities management and the University of North Carolina's Water and Wastewater Leadership Center. AWWA is also partnering with UC Berkeley on an executive leadership program to help senior utility leaders think strategically about resilience, innovation and the future of water.

In addition, our student chapters and Young Professionals program help introduce people to the sector, build community and create leadership pathways for the next generation of water professionals. Through AWWA's Water Equation, scholarships help more people access training and professional development opportunities.

On the recruitment side, what is AWWA seeing in terms of apprenticeship programs, community college partnerships, military-to-utility pipelines, and other routes bringing new workers into the sector?

All of these programs exist across the United States, and in some cases, utilities partner with external entities to inform the programming. In Denver, Colorado, for example, Emily Griffith Technical College is known for producing operators who can hit the ground running at any utility. And in Traverse City, Michigan, the city partners with two local community colleges to provide an internship program that allows participants to explore all facets of the drinking water and wastewater industries to find a job that suits their strengths and interests.

AWWA also has a Veterans Workforce Initiative to help veterans find opportunities in water, where their technical experience and sense of mission can translate well to utility work.

One of the sector's challenges is that water work can be invisible until something goes wrong. Many people do not grow up knowing there is a career for them in water. We need to tell that story earlier and better. These are stable, meaningful jobs, and they are directly connected to public health and community service.

From AWWA's vantage point across the sector, what does effective knowledge transfer look like inside a utility? Are there member utilities that AWWA points to as models?

SOTWI gives us a useful data point here: 63.4% of utilities reported that workforce planning, including recruitment, retention and succession, is either fully implemented or in progress. That tells us many utilities are already working on this, but it also leaves a good share still developing their approach.

When we talk about workforce programs, the focus is often on recruitment. But retention is just as important. Across the sector, we see that utilities with strong training programs, clear opportunities for advancement and competitive benefits are often better positioned to keep employees and grow leaders from within.

We have identified the need for practical management and leadership guidance to prepare the next generation of utility leaders

That is where AWWA can help. We have identified the need for practical management and leadership guidance to prepare the next generation of utility leaders. Our efforts include a robust suite of self-paced offerings, including certificate programs in management and leadership. Programs like the Transformative Water Leaders Academy help move those educational needs into action, and our Utility Management Conference is a valuable place to explore the management topics that are unique to water utilities.

The next generation of water-sector workers is arriving alongside a wave of new digital tools. Does AWWA have a view on whether these tools are closing the knowledge gap?

I'm not sure "closing the knowledge gap" is the right description. New digital tools create opportunities for automation and innovation, but they also demand a new kind of workforce skilled in technology. The SOTWI report touches on this: just over half of the utility respondents say a tech-savvy workforce is the second highest priority among future innovation needs (with cybersecurity being the highest). Staying on top of technology evolution, though, requires training across the board — both tenured and new employees.

We have not talked about it yet, but as we think about the next generation of the water workforce, people skills are just as vital as the technical ones. The good news is, people are increasingly interested in where their water comes from and its quality. If we can't communicate "the water story", those technical tools really don't help us. Learning new technologies has to go hand in hand with building human skills. Critical thinking, communication, collaboration and adaptability all matter because technology is only useful when people know how to apply it well.

Written byOlivia Tempest

Arant was a ‘water titan’

By David Ross
on July 23, 2026

Gary Arant, the longtime general manager of the Valley Center Municipal Water District, who died last week after several years of battling cancer, was, as his fellow industry members have described him, a “water titan”—but for Valley Center he was much, much more.

He was a steady hand on the tiller during a 36-year period of unprecedented change. Which saw the transition of the water district from a largely agricultural water vendor, with a small tail of residential meters, to a dominantly domestic purchaser, with some farming sales.

Gary Arant was wise. He was prudent. He was sharp as a whip. Lots of people believe they are the smartest person in the room. Arant frequently was. No matter the size of the room.

He was wedded to the truth. Whenever anything bad happened at the district—and every government agency occasionally experiences embarrassing things—he was at the forefront providing that news in a balanced accurate—so no one could ever claim the water district had anything to hide. Obviously as a journalist, I appreciated this, but from the beginning it convinced me of Arant’s un-tarnishable integrity.

I spent countless days having lunch or coffee with Gary, commiserating over the handing over of state government to unserious people and hoping against hope for public officials to be the “adults in the room.” While getting background and facts for stories to keep the public informed.

He guided one of the most important agencies in Valley Center, and one of the largest water districts in the county with such unerring judgment that he made it look effortless. He made it possible for residents of Valley Center to forget about the water district because it couldn’t have been in better hands.

While I’m very sad about Arant’s death, I celebrate his incredible legacy. There probably isn’t a water system in San Diego county that didn’t benefit in some way from his wisdom, freely shared. Valley Center farmers who he advocated for so successfully also owe him a debt of gratitude.

Jeffrey Epp, who for several years was Escondido’s City Manager and before that the City Attorney, worked with Arant on several water lawsuits.

“Gary was a role model for those of us in public service,” Epp said. “He was dedicated, intelligent and acted with common sense, always working to make things better. He brought years of experience and wisdom to the table and was always an incredible resource.”

Arant was very influential in the early years of Community Lutheran Church (on East Valley and Lake Wohlford Road). He served on the Board of Elders and one of their original officers.

For many years Arant was on the Regional Water Quality Control Board for Region IX, Epp noted. “Those are ‘important’ boards with tremendous influence and he was always a common sense, approachable board member for those of us in government circles.”

Services will be held Saturday, August 8, 11 a.m. at Community Lutheran Church, Escondido.

The water district that Arant guided with a steady hand for many years issued this statement this week:

Valley Center Municipal Water District Honors the Life and Legacy of FormerGeneral Manager Gary T. Arant

The Valley Center Municipal Water District is deeply saddened to announce that former General Manager Gary T. Arant passed away on Thursday, July 16, 2026. Gary was a respected public servant, leader, mentor and friend whose extraordinary impact on the District and the Valley Center community will be remembered for generations.

Gary devoted 53 years of public service to California’s water industry, including nearly 37 years of exemplary service to the Valley Center Municipal Water District. He retired from the District on December 29, 2025. In recognition of his remarkable career and enduring contributions, the District’s Board of Directors proclaimed December 29 as “Water Titan Day.”

Throughout his decades of service, Gary was known for his integrity, steady leadership and unwavering commitment to the people of Valley Center. He consistently placed the needs of residents, ratepayers, employees and the community first. His work helped ensure safe and reliable water service, responsible stewardship of the District’s resources and sound public governance.

Gary guided the District through complex regulatory, financial and operational challenges. His leadership strengthened the organization and helped position it to continue serving the Valley Center community for generations to come.

His influence extended well beyond the boundaries of the District. Gary represented Valley Center on the San Diego County Water Authority Board of Directors and provided leadership through the Association of California Water Agencies and the San Diego County Farm Bureau. Through these roles, he contributed to regional water reliability, thoughtful water policy and continued support for the agricultural community.

Gary was also widely respected for the professional relationships he fostered throughout San Diego County and across California. He built trust and collaboration among public agencies, elected officials, water industry professionals, employees and community members.

For those who knew Gary personally, however, his legacy cannot be measured only by years of service, professional accomplishments or the many challenges he helped the District overcome. “He was not only a colleague and leader, but also a friend to those that had the privilege of working alongside Gary for many years,” said Lindsay Leahy, General Manager of Valley

Center Municipal Water District, "before his passing, Gary asked that employees know how much he loved his work, the District, its staff and the opportunity to serve the Valley Center community. He felt blessed to have spent his career going to a job each day that he truly loved."

Gary served as a mentor to many employees and water professionals throughout his career. His knowledge, guidance and commitment to public service helped shape the careers of countless individuals. The lessons he shared and the example he set will continue to influence the District and the broader water community for many years.

Gary is survived by his three sons, two grandchildren, and extended family. In lieu of flowers, the family has requested that memorial contributions be made to the American Heart Association. The Valley Center Municipal Water District Board of Directors, management and staff extend their deepest condolences to Gary's family, friends and loved ones. Gary's loved ones in their thoughts and prayers and to respect the family's privacy as they mourn this profound loss.

The Valley Center Municipal Water District Board of Directors, management and staff extend their deepest condolences to Gary's family, friends and loved ones. The District asks the community to keep them in their thoughts and prayers and to respect their privacy as they mourn this profound loss.

Gary's legacy will live on through the organization he helped strengthen, the people he mentored, the relationships he built and the community he faithfully served. He will be deeply missed and always remembered as a true Water Titan.

Services will be held Saturday, August 8, 11 a.m. at Community Lutheran Church, Escondido.