

A G E N D A

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

October 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. Approve Minutes of a Regular Meeting held on September 9, 2025.
7. Review the August 2025 Treasurers Report for the Annual Audit. Request to Note and File in Preparation.
8. Operations Report. Johnze
9. Consider Resolution 25-13 for the Pass-Through Adjustment to offset the wholesale rate increase from the San Diego County Water Authority and to declare the action exempt from the California Environmental Quality Act. Lakeside Administrative Code 2.13-2(B)(2)(a). Sanders
10. Consider Building Plan Proposals for the new Engineering, Operations & Security Building. Sanders
11. Approve Demands of the Treasurer for September 2025.
12. CWA Report
13. Director's Reports and/or Ad Hoc Sub-Committees Reports.
14. General Managers' Report.

15. Closed Session; Real Property Negotiation – Section 54956.9 Porter Rents
16. Adjourn; Next Regular Meeting Date November 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 October 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

**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
LAKESIDE WATER DISTRICT
HELD ON September 9, 2025**

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 5:44 | Frank Hilliker Pete Jenkins Steve Johnson Eileen Neumeister |
| | Arrived at 5:46 | Steve Robak |
| Secretary: | | Brett Sanders |

- 1) Call to Order by Board President Neumeister
- 2) Prayer/Invocation – Leon Hostetler provided the prayer for the night’s meeting.
- 3) Pledge of Allegiance was led by Director Johnson
- 4) Approval of Agenda. Motion by Director Johnson to accept the agenda as submitted.

| | | | |
|---------|---------|---------|------------------------------|
| Motion: | Johnson | Second: | Jenkins |
| Vote: | Ayes | 3 | Jenkins, Johnson, Neumeister |
| | Noes | 0 | |
| | Abstain | 0 | |
| | Absent | 2 | Hilliker, Robak |

- 5) Opportunity for Public Comment Pertaining to Items Not on the Agenda (Items must meet the requirements of Government Code Section 54954.2). Comment submitted by email by J. Swaringen. Comment to do the 2025 Urban Water Management Plan in house and don't spend \$27,290 to contract it out.
- 6) Approve Minutes of a Regular Meeting held on August 5, 2025. Motion by Director Jenkins to approve the minutes as presented.

| | | | |
|---------|---------|---------|------------------------------|
| Motion: | Jenkins | Second: | Johnson |
| Vote: | Ayes | 3 | Jenkins, Johnson, Neumeister |
| | Noes | 0 | |
| | Abstain | 0 | |
| | Absent | 2 | Hilliker, Robak |

- 7) Review the July 2025 Treasurers Report for the Annual Audit. Request to Note and File in Preparation. Approved to Note and File.
- 8) Operations Report. The General Manager reported that:
 - River Street; Work with the City of San Diego contractor for pump station upgrade

- Preparation for protective barriers around solar pedestals has been completed.
- Lead and Copper sampling has been completed 33 samples taken.
- Provided a tour of the treatment plant for Hungerford and Terry and potential customers.
- New Industrial Park – Rive Run East 2 has started with the westerly most connection point on Riverside Dr. installed. Next is at Palm Row.
Main break 0, Service leaks 1, Fire hydrants damaged 1 (Choisser)

- 9) Capacity and Annexation Fee Adjustment. General Manager Sanders provided a summary of the Annexation & Capacity Fees Report that was presented at the May 2025 meeting, went through the calculations that support a fee increase for each development class of fees. Motion by Director Johnson to increase both the Annexation Fee and Capacity Fees as presented in the Report and Board Report.

Motion: Johnson

Second: Robak

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

- 10) Consider Applying Credit Card Fees to Payment Transactions. General Manager Sanders provided a review of the Board Report that provided a detailed cost and fee analysis associated with customer payments. Motion by Director Hilliker to attach credit card and EFT fees to the associated payments when paid.

Motion: Hilliker

Second: Jenkins

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

- 11) Approve Demands of the Treasurer for August 2025. 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 | |

- 12) CWA Report – CWA Representative Hilliker reported extensive discussion about the San Luis Rey Wetland Habitat Restoration project. Project bid was rejected by the Board.

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

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

- 1) Yerba Valley Annexation Update

- Met with the USDA Engineer
- New approach to separate customer lines from main line contract

- Working on PER review and new project estimate
- 2) San Diego County Water Authority: Long Range Financing Plan
 - WA working with member agencies to determine future financing and revenue strategies
 - In-depth review of meeting future WA obligations
 - Responding to reduced revenue and current debt and maintenance projections
 - Goal of final LRFP approval by the Board in November.

18) Closed Session – Closed to the Public:

Real Property Negotiation – Section 54956.9 Porter Rents. Out of closed session the Board President announced nothing to report.

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

Attest:

Brett Sanders, Board Secretary
Lakeside Water District

Eileen Neumeister
Board President

Lakeside Water District
Statement of Revenues and Expenses
July through August 2025

| | Aug 25 | Jul - Aug 25 | Budget | % of Budget |
|--|-----------|--------------|------------|-------------|
| Operating Revenue | | | | |
| Water Sales | | | | |
| 4000 · Water Sales on Account | 901,375 | 1,709,831 | 9,602,575 | 18% |
| 4010 · System meter charge | 113,140 | 226,280 | 1,458,965 | 16% |
| 4020 · CWA/IAC | 39,320 | 77,182 | 457,906 | 17% |
| 4040 · Penalties / other | 13,265 | 28,856 | 130,000 | 22% |
| Total Water Sales | 1,067,100 | 2,042,149 | 11,649,446 | 18% |
| 4100 · Capacity Fees LWD | 13,163 | 13,163 | 57,030 | 23% |
| 4101 · SDCWA Capacity & Treatment | 7,851 | 7,851 | 85,186 | 9% |
| 4200 · Meter Services | 1,644 | 2,294 | 35,000 | 7% |
| 4210 · Engineering & Inspection Fees | 0 | 14,916 | 7,500 | 199% |
| 4220 · Fire Hydrants | 0 | 0 | 30,000 | 0% |
| 4230 · Tapping | 0 | 15,000 | 15,000 | 100% |
| 4300 · Miscellaneous Income | 2,720 | 5,635 | 20,000 | 28% |
| 4310 · Water Letters | 200 | 300 | 250 | 120% |
| 4400 · Rent - Land Lease | 23,307 | 62,790 | 291,770 | 22% |
| 4600 · Interest Income | 22,429 | 50,936 | 315,000 | 16% |
| 4700 · Taxes Revenue | 10,649 | 13,719 | 740,000 | 2% |
| Total Operating Revenue | 1,149,063 | 2,228,753 | 13,246,182 | 17% |
| Expense | | | | |
| Administrative and General | | | | |
| 7000 · General Manager/Secretary | 18,833 | 37,666 | 234,000 | 16% |
| 7001 · Incentive Compensation | 0 | 7,000 | 7,000 | 100% |
| 7020 · Director's Fees | 625 | 1,250 | 10,750 | 12% |
| 7100 · General Insurance | 0 | 9,875 | 66,575 | 15% |
| 7200 · Annual Audit | 14,455 | 31,855 | 31,000 | 103% |
| 7210 · Attorney Fees | 117 | 814 | 30,000 | 3% |
| 7230 · Consultants | 0 | 0 | 8,000 | 0% |
| 7300 · Elections/Registrar | 0 | 0 | 2,000 | 0% |
| 7320 · Lafco Operating Costs | 0 | 3,994 | 5,634 | 71% |
| 7401 · Administrative Expense | 470 | 470 | 7,000 | 7% |
| 7450 · Public Info/Public Relat | 0 | 11,182 | 11,350 | 99% |
| 7500 · State Health Dept./ SWRCB | 0 | 0 | 49,064 | 0% |
| 7800 · Bad Debt Expense | 0 | 0 | 2,000 | 0% |
| 7900 · Water Dev./Conservation Program | 0 | 0 | 9,500 | 0% |
| Total Administrative and General | 34,500 | 104,106 | 473,873 | 22% |

| | Aug 25 | Jul - Aug 25 | Budget | % of Budget |
|--|-----------|--------------|------------|-------------|
| Operations and Maintenance | | | | |
| 5000 · Water Purchases | 801,140 | 1,575,334 | 7,994,040 | 20% |
| 5075 · Padre Dam Deliver Charge | 0 | 0 | 2,600 | 0% |
| 5080 · Water Treatment & Testing | 2,849 | 4,092 | 24,000 | 17% |
| 5090 · Infrastructure Access Charge | 37,420 | 74,840 | 443,760 | 17% |
| 5091 · SDCWA Capacity & Treatment Fees | 0 | 0 | 111,353 | 0% |
| 5100 · Electric Power | 30,172 | 54,820 | 327,000 | 17% |
| 5200 · Water Treatment -Maint/Supplie | 2,987 | 13,347 | 80,000 | 17% |
| 5627 · County - Road Improvements | 0 | 0 | 15,000 | 0% |
| 5628 · Telemetry Repair | 0 | 5,419 | 15,000 | 36% |
| 6000 · Wages, Field | 62,923 | 126,191 | 866,513 | 15% |
| 6100 · Distribution - Maint/Supplies | 30,051 | 59,567 | 130,000 | 46% |
| 6102 · Dist. Pump & Maint | 0 | 2,421 | 60,000 | 4% |
| 6110 · Emergency Repairs & Service | 0 | 0 | 45,000 | 0% |
| 6200 · Trucks-Fuel,Maintenance,Repair | 4,127 | 11,039 | 70,000 | 16% |
| 6400 · Outside Labor | 0 | 305 | 42,000 | 1% |
| 6410 · Engineering | 38 | 372 | 20,000 | 2% |
| 7010 · Wages, Office | 27,816 | 55,632 | 340,000 | 16% |
| 7030 · Payroll Taxes | 8,430 | 17,422 | 102,508 | 17% |
| 7040 · Group Insurance | 31,177 | 60,699 | 326,740 | 19% |
| 7050 · CalPers Retirement | 13,681 | 88,114 | 253,503 | 35% |
| 7070 · Unemployment Insurance | 0 | 0 | 5,000 | 0% |
| 7400 · Office Expense | 22,792 | 34,729 | 157,714 | 22% |
| 7440 · Dues & Subscriptions | 931 | 1,418 | 32,000 | 4% |
| 7920 · Miscellaneous Expense | 43 | 1,206 | 6,000 | 20% |
| Total Operations and Maintenance | 1,076,577 | 2,186,967 | 11,469,731 | 19% |
| Total Expense | 1,111,077 | 2,291,073 | 11,943,604 | 19% |
| Net Ordinary Income | 37,986 | (62,320) | 1,302,578 | (5%) |

| | | | | |
|--|------|-----------|------------|------|
| Capital Requirements | | | | |
| 1510 · Buildings & Land Improvements | \$ - | \$ - | \$ 4,000 | 0% |
| 1520 · O & M Equipment | \$ - | \$ - | \$ 10,000 | 0% |
| 1530 · Office Furniture & Equipment | \$ - | \$ - | \$ 15,000 | 0% |
| 1547 · CIP Design/Engineering | \$ - | \$ - | \$ 5,000 | 0% |
| 1550 · Pumping Plant & Distribution | \$ - | \$ 55,886 | \$ 30,000 | 186% |
| 1551 · New Service/Meters | \$ - | \$ 2,004 | \$ 10,000 | 20% |
| 1580 · SCADA Telemetry Upgrade | \$ - | \$ - | \$ 30,000 | 0% |
| 1581 ·Yerba Valley Annexation Pipeline | \$ - | \$ - | \$ 450,000 | 0% |
| 1582 ·Operations, Engineering & Security Bldg. | \$ - | \$ - | \$ 195,000 | 0% |
| 1583 ·Julian Ave. Multiple Pipe Replacement | \$ - | \$ - | \$ 20,000 | 0% |
| 1584 ·Rocoso Rd. Pipe Replacement Engineering | \$ - | \$ - | \$ 20,000 | 0% |
| Total Capital Expense | \$ - | \$ 57,890 | \$ 789,000 | 7% |

Lakeside Water District
Investment Report
As of August 31, 2025

Current Assets

Aug 31, 25

Checking/Savings

| | |
|------------------------------------|------------|
| 1020 · UBS Cash Fund | 486.94 |
| 1030 · King Cash Fund | 13,610.44 |
| 1050 · Multi-Bank Securities, Inc. | 663,714.01 |
| 1070 · Investment - LAIF | 1,032.05 |

Total Checking/Savings

678,843.44

Other Current Assets

Investments

| | |
|---|--------------|
| 1321.69 · BkUnited 0.55% 1/22/26 58979 | 242,000.00 |
| 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 |
| 1321.72 · Fed Farm Cr Bk 4.62% 2/12/30 | 240,101.25 |
| 1351.31 · FNMA 0.55% 9/30/25 | 512,000.00 |
| 1351.32 · FMCC 0.60% 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 2.375% 5/15/27 | 346,489.66 |
| 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 |
| 1351.53 · Fed Agric Mtg 4.64% 12/23/27 | 399,672.00 |
| 1351.54 · Cross Riv Bk Teaneck 4% 1/3/28 | 245,000.00 |
| 1351.55 · AMEX NATL BK 4.15% 03/26/30 | 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 |
| 1383.26 · FNMA 0.64% 12/30/25 | 270,000.00 |

| | Aug 31, 25 |
|---|----------------------|
| 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 call 24mo | 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 |
| 1383.37 · Valley Natl 4.15% 1/27/28 | 244,000.00 |
| 1383.39 · BMW Bank of NA 3.95% 4/25/28 | 245,000.00 |
| 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 |
| Total Investments | 14,400,448.66 |
| Total Current Assets | 15,079,292.10 |

Investment Changes in August 2025

| | | |
|-------------------|--|------------|
| Matured 1383.24 | FHLM .60% 8/12/25 | 260,000.00 |
| Matured 1321.66 | FHLMC .60% 8/12/25 | 200,000.00 |
| Matured 1383.25 | FNMA .50 % 8/14/25 | 375,000.00 |
| Matured 1351.30 | FNMA .65% 8/14/25 | 270,000.00 |
| Matured 1321.67 | FFCB .61% 8/25/25 | 240,000.00 |
| Purchased 1321.71 | First Gty Bk Hamm 4.35% 11/6/28 | 199,900.00 |
| Purchased 1321.72 | Fed Farm Cr Bk 4.62% 2/12/30 | 240,101.25 |
| Purchased 1383.44 | FNMA 4.00% 8/20/30 | 899,550.00 |

Investments by Maturity

August 2025

| Description | Cusip | Maturity | Rate | Amount | Est. Yr Interest | Avg Rate |
|---------------------------|-------------|--------------|-------|--------------|------------------|----------|
| King Fidelity Treasury MM | FZFX | | 4.11% | \$ 973 | \$ 39.99 | |
| FNMA | 3136G44F7 | 9/30/2025 | 0.55% | \$ 512,000 | \$ 2,816.00 | |
| FHLMC | FMCC5080214 | 11/24/2025 | 0.60% | \$ 500,000 | \$ 3,000.00 | |
| FNMA | 3135G06Q1 | 12/30/2025 | 0.57% | \$ 270,000 | \$ 1,541.70 | |
| Maturity in 2025 | | \$ 1,282,973 | 9% | | | 0.58% |
| Bank United | 066519QC6 | 1/22/2026 | 0.55% | \$ 242,000 | \$ 1,331.00 | |
| 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 | |
| Maturity in 2026 | | \$ 3,049,000 | 21% | | | 1.08% |
| FHLB | 3130AQYG2 | 2/25/2027 | 2.50% | \$ 670,000 | \$ 16,750.00 | |
| Beal Bk | 07371CK81 | 3/3/2027 | 2.05% | \$ 247,000 | \$ 5,063.50 | |
| FHLB | 3130ARDY4 | 3/29/2027 | 2.50% | \$ 270,000 | \$ 6,750.00 | |
| FHLB | 3130ARCL3 | 3/30/2027 | 2.50% | \$ 200,000 | \$ 5,000.00 | |
| FHLB | 3130ARKD2 | 4/21/2027 | 3.25% | \$ 255,000 | \$ 8,287.50 | |
| FHLB | 3130ARMS7 | 4/29/2027 | 3.00% | \$ 250,000 | \$ 7,500.00 | |
| US Treasury | 912828X88 | 5/15/2027 | 3.54% | \$ 346,490 | \$ 12,265.75 | |
| 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 | |
| Fed Agric Mtg | | 12/23/2027 | 4.64% | \$ 399,672 | \$ 18,544.78 | |
| Maturity in 2027 | | \$ 3,993,162 | 28% | | | 3.24% |
| 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 | |
| BMW Bank NA | 05612LEQ1 | 4/25/2028 | 3.95% | \$ 245,000 | \$ 9,677.50 | |
| 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 | |
| 1st Gty Bk Hammond | 320437AT3 | 11/6/2028 | 4.35% | \$ 199,900 | \$ 8,695.65 | |

Investments by Maturity

August 2025

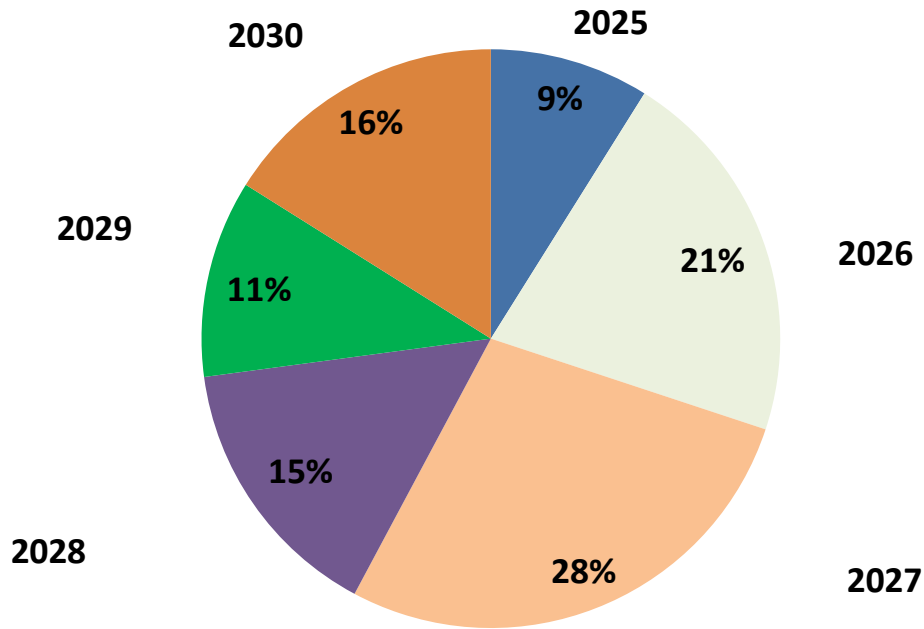
| <u>Description</u> | <u>Cusip</u> | <u>Maturity</u> | <u>Rate</u> | <u>Amount</u> | <u>Est. Yr Interest</u> | <u>Avg Rate</u> |
|---|--------------|-----------------|-------------|--------------------|-------------------------|-----------------|
| Maturity in 2028 \$ 2,170,900 15% 4.06% | | | | | | |
| 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 | |
| Maturity in 2029 \$ 1,589,877 11% 4.08% | | | | | | |
| Federal Farm Cr Bks | 3133ETSW8 | 2/12/2030 | 4.62% | \$ 240,101 | \$ 11,092.68 | |
| 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 | |
| Maturity in 2030 \$ 2,315,510 16% 1.55% | | | | | | |
| | | | | <u>Investments</u> | <u>Annual Interest</u> | <u>Avg</u> |
| Total | | | | \$ 14,401,422 | \$ 419,189 | 2.91% |

Investments by Maturity

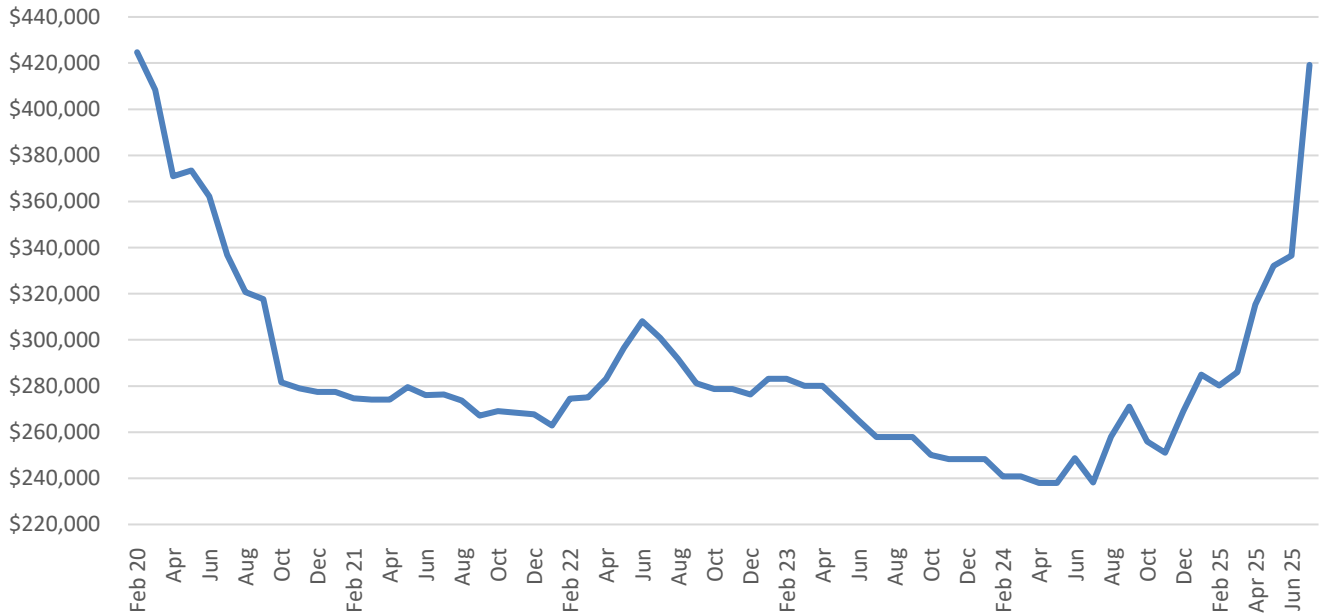
August 2025

| <u>Description</u> | <u>Cusip</u> | <u>Maturity</u> | <u>Rate</u> | <u>Amount</u> | <u>Est. Yr Interest</u> | <u>Avg Rate</u> |
|--------------------|--------------|-----------------|-------------|---------------|-------------------------|-----------------|
|--------------------|--------------|-----------------|-------------|---------------|-------------------------|-----------------|

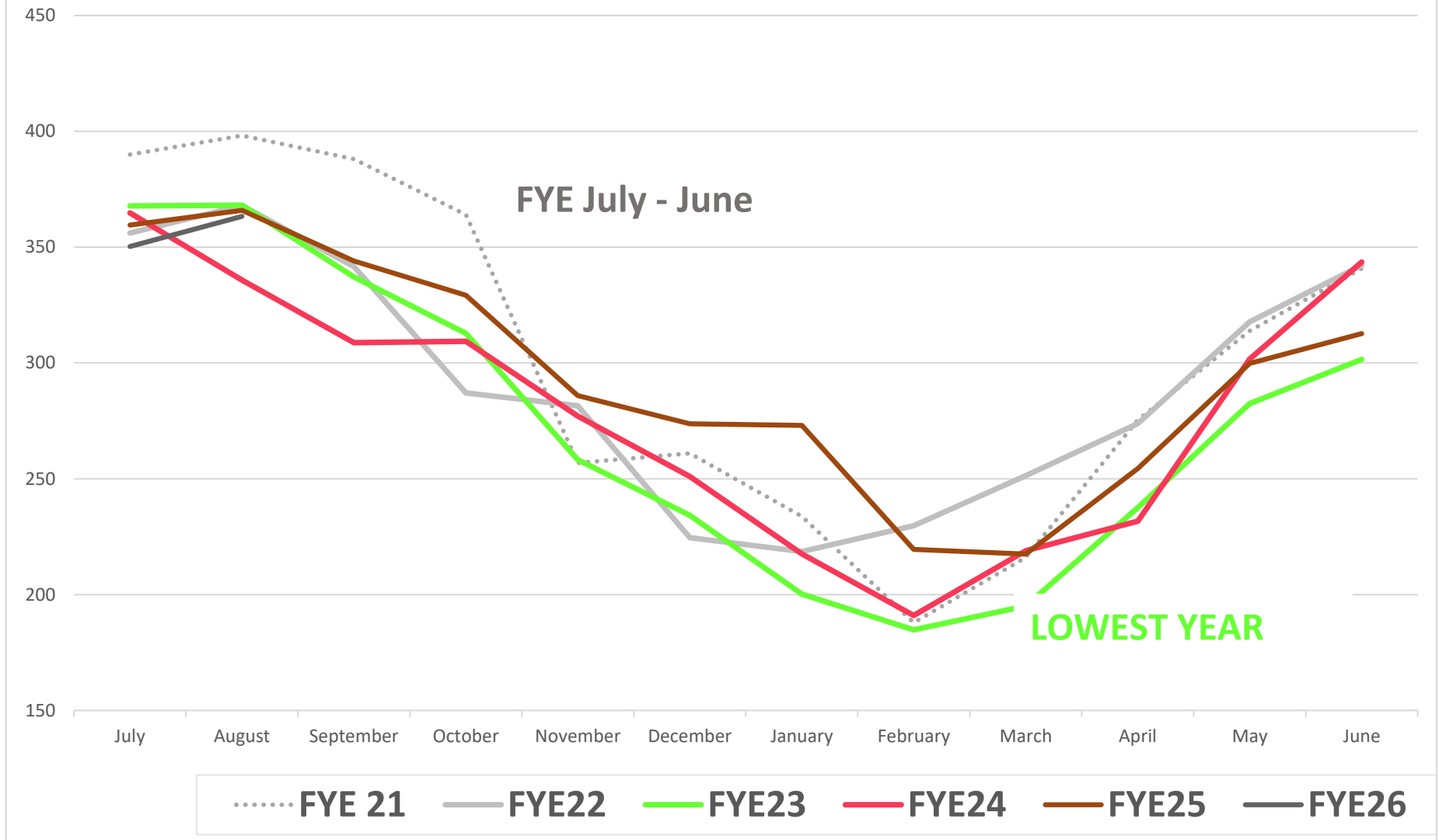
Investments by Maturity Year



Annual Projected Interest *On a monthly basis*



Water Demand



OPERATIONS REPORT
October 2025
BOARD OF DIRECTORS MEETING

General Operation:

- *Work with City of San Diego on River Street*
- *Grading and De-grubbing*
- *Lead and Copper sampling*
- *Landscaping and Fire Breaks*

Contractor/ Developer/ County Projects:

- *River Run East preconstruction planning and meeting started
3 POCs to be made requiring district planning and location*

District Emergencies Repairs:

- *Main breaks 1 Sunset*
- *Service leaks 3*
- *Fire hydrants 0*

RESOLUTION NO. 2025-13

RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAKESIDE WATER DISTRICT AMENDING SECTION 2.13-2(B) OF THE ADMINISTRATIVE CODE, WATER RATES AND CHARGES, AND FINDING SUCH ACTION EXEMPT FROM THE ENVIRONMENTAL QUALITY ACT

WHEREAS, modification of the Administrative Code Section 2.13-2(B), Water Rates and Charges is necessary to provide sufficient funds to meet all capital, debt service, operational and reserve needs; and

WHEREAS, per District Resolution 24-01, the Board has determined that wholesale water rate increases shall be automatically passed through as allowed by California Government Code 53756; and

WHEREAS, the amount of revenue collected from the increased water rates and charges established by the Resolution are not reasonably anticipated to generate any revenues in excess of the cost of providing water service and are necessary to meet operation and maintenance expenses, financial reserve needs, and are required to fund capital projects within the existing service area;

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

1. That Section 2.13-2 (B),(1) (2) District Water Billings including the CWA Infrastructure Access Charge and Commodity Charges of the Lakeside Water District Administrative Code is amended as shown as Exhibit "A" attached hereto and made a part hereof.
2. That adoption of this Resolution is exempt from the provisions of the California Environmental Quality Act by virtue of Public Resources Code Section 21080 (b)(8) and Section 15273 of the CEQA Guidelines.

PASSED AND ADOPTED, this 7th day of October, 2025

AYES:

NOES:

ABSENT:

ABSTAIN:

Brett Sanders, Board Secretary
Lakeside Water District

Eileen Neumeister, President
Board of Director's

Memorandum

To: Board of Director's
From: Brett Sanders
Date: 10/1/2025
Re: Proposals for the Operations, Engineering and Security Building

Board of Director's,

We have compiled three proposals to construct the District's new Operations, Engineering and Security Building. Following are the three types of construction and associated costs.

#1 Conventional concrete slab and wood framed building with sloped roof. 1,600 sf. (32' x 50'), for an estimated cost range of \$560,000 to \$720. Completion time is estimated at 12 to 14 months. Building cost is \$328.13 per sq-ft.

#2 Prefabricated wood framed building with sloped roof. 1,152 sf. (24' x 48'), for a contract price of \$190,000. Completion time is estimated at 6 to 12 months. Building cost is \$164.93 per sq-ft.

#3 Prefabricated wood framed building with flat roof. 960 sf. (24' x 40'), for a contract price of \$149,413.06. Completion time is estimated at 6 to 12 months. Building cost is \$155.64 per sq-ft.

The price for concrete is included in the estimate for #1, concrete will be an additional cost for #2 and #3. The estimated concrete cost is \$25,000. The District will provide utility installation to each of the proposed building designs. Electrical is estimated at \$5,000.

I proposed that the #2 design be selected in the amount \$190,000 because of the better construction design and building look, still with the shortest completion time. The builder is a local Lakeside business and turns out many designs. They will provide a warranty of 1 year for fixtures to 10 years on the structure. We will also be able to easily inspect the construction of the building.

Additionally, I request that an additional \$40,000 be allocated to the project over the budgeted amount of \$195,000 from the District's Capital Reserve Fund to cover site work, concrete and utility connections. The total approval amount requested is \$235,000.

Thank you,

Brett Sanders



**DeadRight
Design LLC**

3472 Meade Ave.
San Diego, CA 92116
619.929.0856
DeadRightDesign@gmail.com

LAKESIDE WATER DISTRICT
NEW CONFERENCE ROOM
10375 VINE STREET
LAKESIDE, CA 92040

PROJECT NUMBER

SUBMIT DATE:

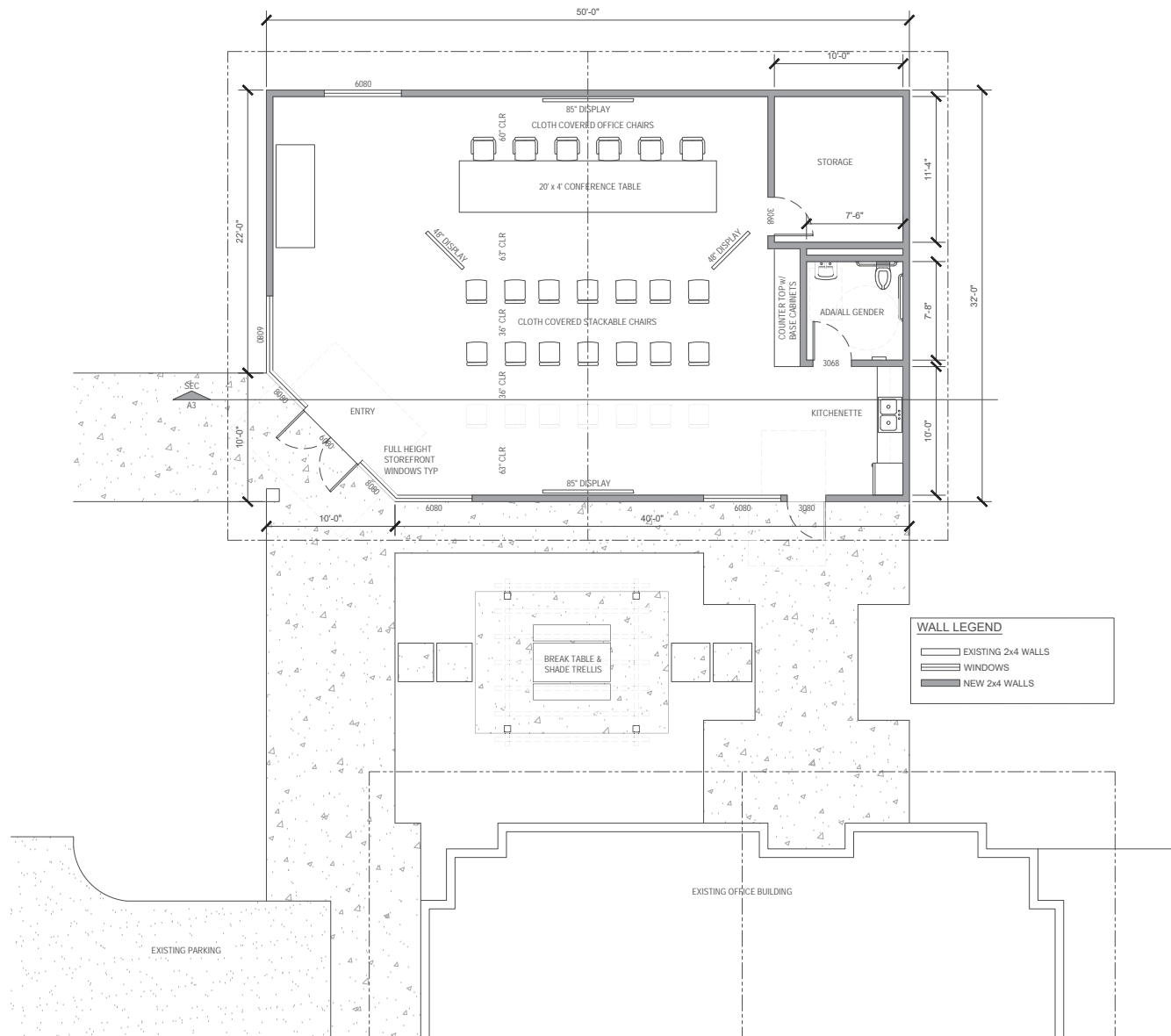
08.22.2024

REVISIONS

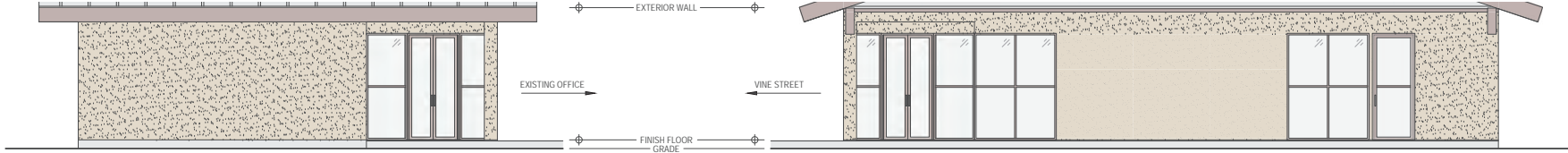
| DATE | DESCRIPTION | MARK |
|------------|-------------|------|
| 01/01/2024 | CORRECTIONS | ✓ |
| | | |
| | | |
| | | |

FLOOR PLAN

A2

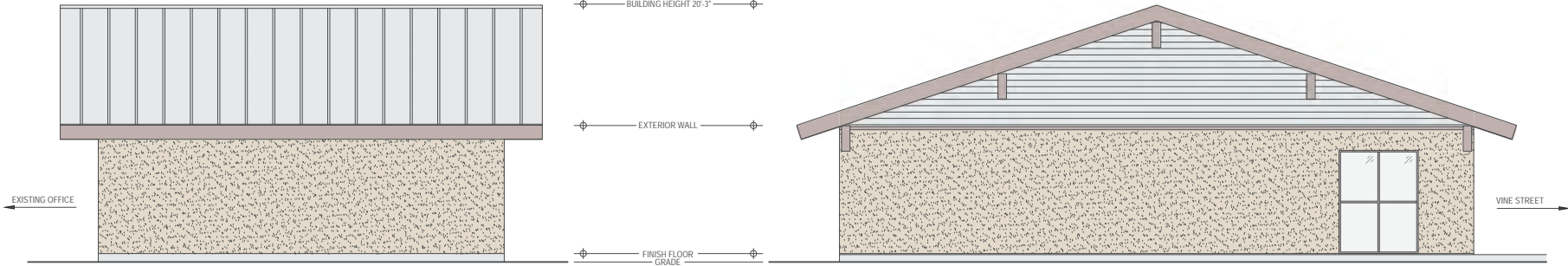


FLOOR PLAN
FULL
SCALE: 1/4" = 1'-0"



WEST ELEVATION
EXTERIOR VIEW SCALE : 1/4"= 1'-0"

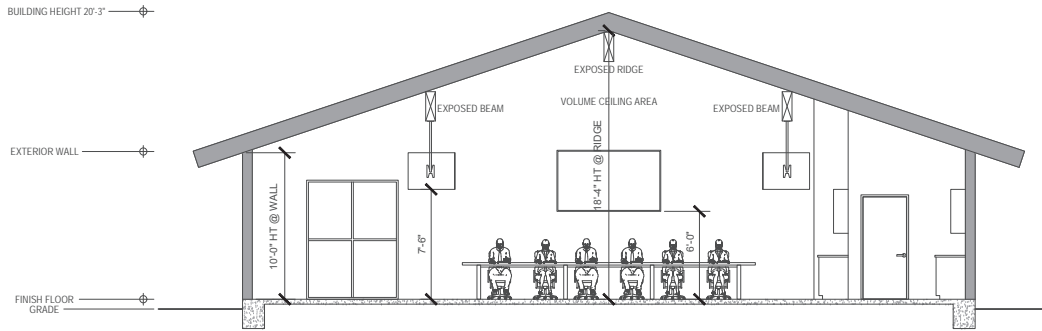
SOUTH ELEVATION
EXTERIOR VIEW SCALE : 1/4"= 1'-0"



EAST ELEVATION
EXTERIOR VIEW SCALE : 1/4"= 1'-0"

NORTH ELEVATION
EXTERIOR VIEW SCALE : 1/4"= 1'-0"

| CONSTRUCTION COST ESTIMATE PROPOSAL | |
|--|--|
| PROVIDED BY: J & R QUALITY BUILDERS INC. LIC. 1010562 | |
| PROJECT: LAKESIDE WATER DISTRICT 10375 VINE STREET, LAKESIDE, CA | |
| SCOPE OF WORK INCLUDES: | |
| • 32' WIDE X 50' LENGTH SINGLE STORY APPROX. 1,600 SQUARE FEET CONFERENCE BUILDING | |
| • INCLUDED: OPEN CONFERENCE ROOM, 100 SQUARE FOOT STORAGE ROOM, UNISEX BATHROOM, KITCHENETTE WET BAR | |
| • \$350-\$450 PER SQUARE FOOT | |
| CONSTRUCTION COST ESTIMATE- LABOR, MATERIALS & EQUIPMENT BETWEEN \$560,000.00- \$720,000.00 | |
| NOTE: LANDSCAPING NOT INCLUDED | |



SEC INTERIOR ELEVATION
BUILDING SECTION SCALE : 1/4"= 1'-0"

Sarah Linquist, CA #21110
619.929.0856
DeadRightDesign@gmail.com

LAKESIDE WATER DISTRICT
NEW CONFERENCE ROOM
10375 VINE STREET
LAKESIDE, CA 92040

PROJECT NUMBER
1

SUBMIT DATE:
08.22.2024

| REVISIONS | | |
|-----------|-------------|------------|
| MARK | DESCRIPTION | DATE |
| 1 | CORRECTIONS | 08.03.2024 |
| | | |
| | | |
| | | |

SECTIONS

A3



HAWK MATERIALS



PREFAB MODULAR CONSTRUCTION

- DESIGN
- CONSTRUCTION
- PROJECT MANAGEMENT

Services above include that for ADUs, Houses, Apartments, Patio Covers, Shopping Centers, House Additions, Remodeling, and more.

About Us

At Hawk Materials, we specialize in modular construction services, delivering high-quality solutions tailored to your needs. With over 30 years of experience, we bring creativity and functionality to every project – on time and on budget.

Our Services:

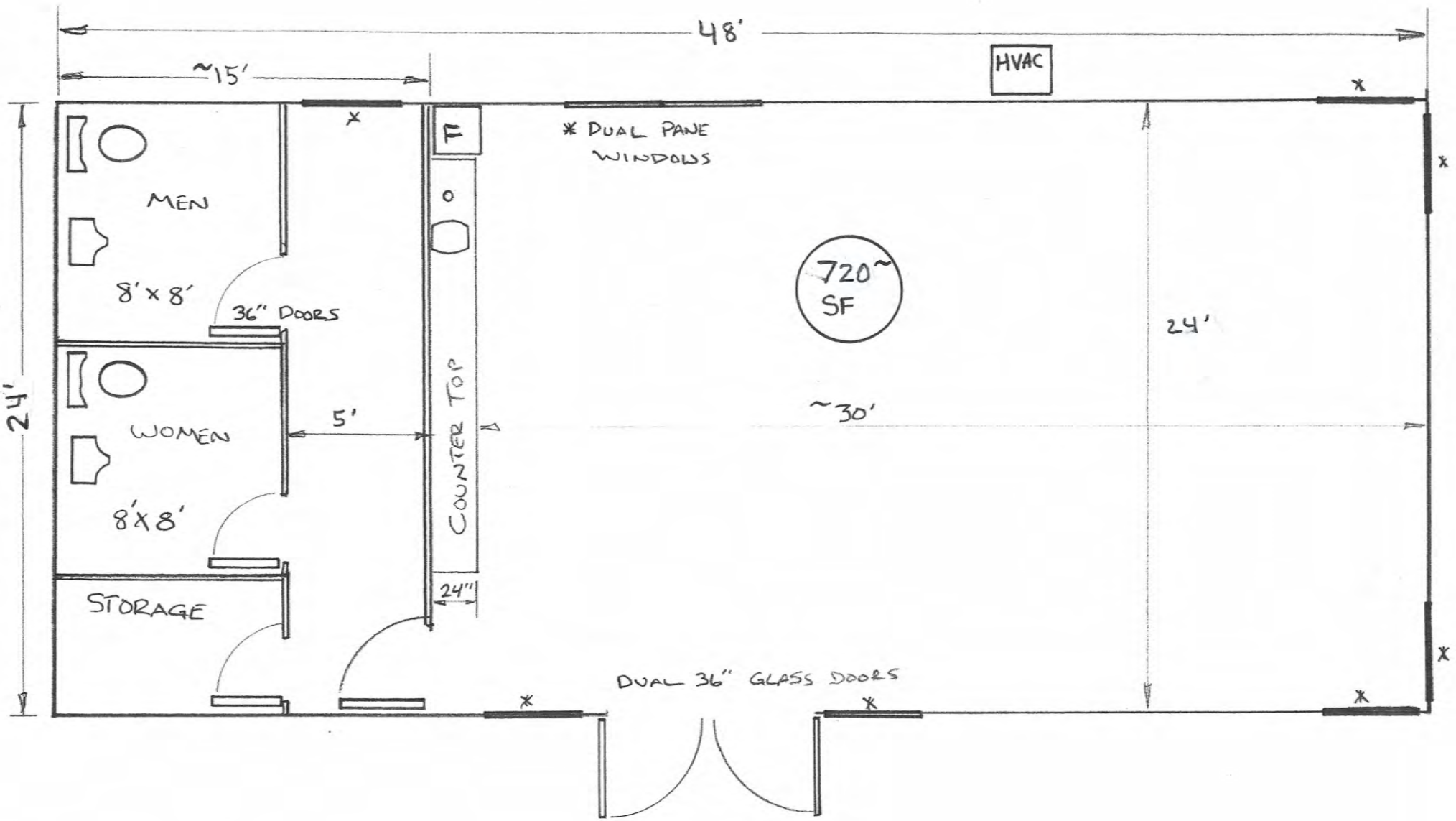
- ✓ **Residential Design**
Custom home designs focused on style and comfort.
- ✓ **Commercial Design**
Business space designs that enhance branding and efficiency.
- ✓ **Permit Processing**
We can handle all your local jurisdiction applications, from submittals to permit approvals.
- ✓ **Truss Designs, Calculations, and Build**
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12512 Highway 67,
Lakeside, CA 92040

(619) 729-5562

info@hawkmaterials.com

www.hawkmaterials.com



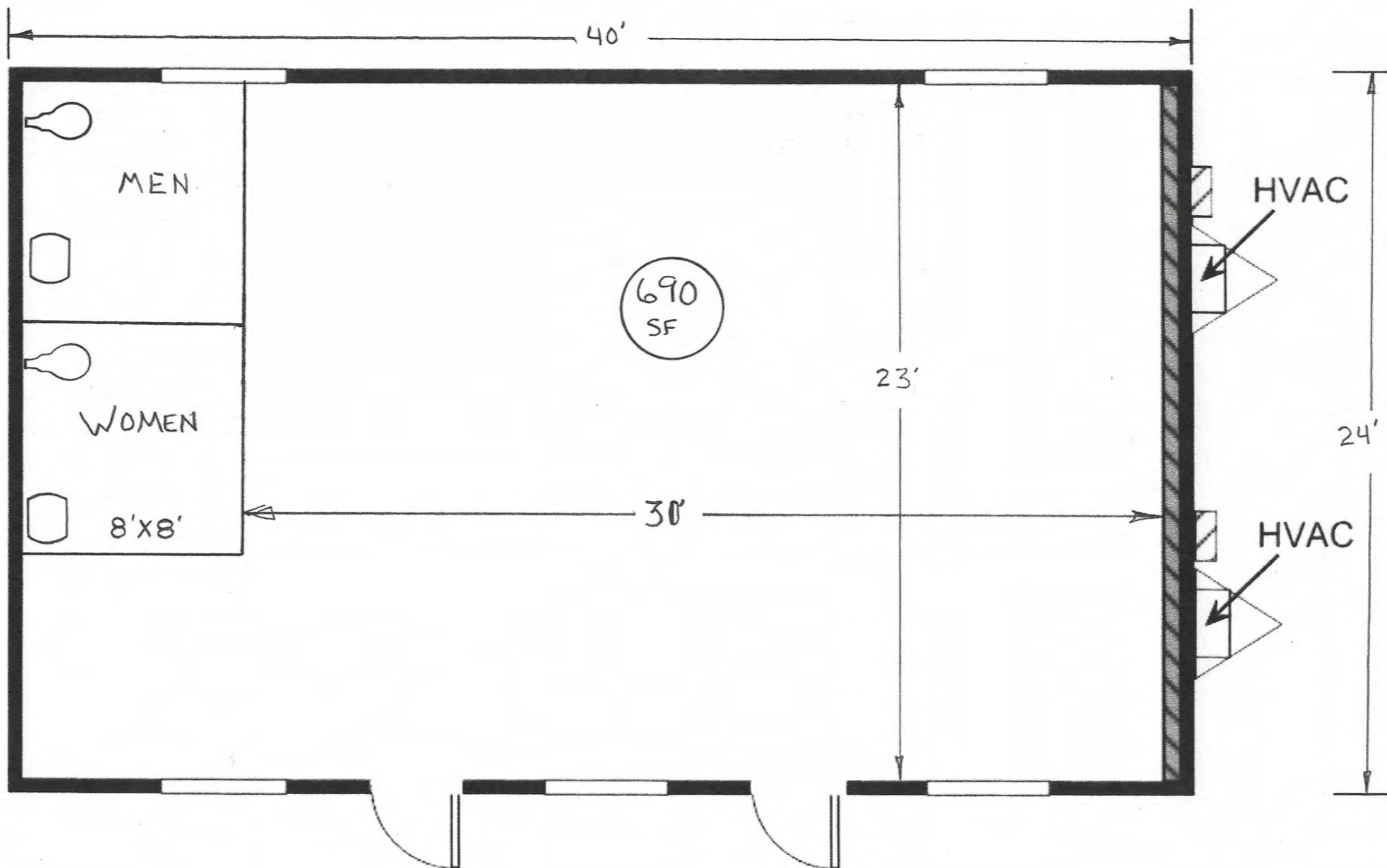
















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**SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING
SEPTEMBER 25, 2025**

1. Contracts with Structural Preservation Systems, LLC and Insituform Technologies, LLC dba Fibrwrap Construction for on-call carbon fiber reinforced polymer repair services.
The Board awarded contracts, with such non-material modifications as approved by the General Manager or General Counsel, to Structural Preservation Systems, LLC in the amount of \$5,000,000; and Insituform Technologies, LLC dba Fibrwrap Construction in the amount of \$5,000,000 to provide on-call carbon fiber reinforced polymer (CFRP) repair services, for a period of three years, with the option to extend up to two additional years, and authorized the General Manager, or designee, to execute the contracts.
2. Amendment with TWH Associates LLC for San Vicente Energy Storage Facility technical support professional services.
The Board accepted the original contract and Amendments 1 through 5 executed under staff authority, and approved Amendment 6, with such non-material modifications as approved by the General Manager or General Counsel, to the professional services contract with TWH Associates LLC for San Vicente Energy Storage Facility technical professional services for a period of 48 months in the amount of \$200,000, increasing the contract amount from \$141,300 to \$341,300, and authorized the General Manager, or designee, to execute the amendment.
3. Construction contract with BrightView Landscape Development, Inc. for the San Luis Rey Wetland Habitat Restoration project.
The Board awarded a construction contract to BrightView Landscape Development, Inc. in the amount of \$12,613,975 for the San Luis Rey Wetland Habitat Restoration project; and increased the project's lifetime budget in the amount of \$5,854,706.
4. Professional Services Contract with Webers Water Conservation, Inc. for implementation of the Direct Install Program.
The Board awarded a professional services contract, with such non-material modifications as approved by the General Manager or General Counsel, with Webers Water Conservation, Inc., for a not-to-exceed amount of \$470,000, with a termination date of December 31, 2026, with the option to extend the contract for up to three additional years, and authorized the General Manager, or designee, to execute the contract.
5. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the monthly Treasurer's Report
6. Ordinance making amendments to Chapters 2.05, 4.04, and 4.08 of the Administrative Code.
The Board adopted Ordinance No. 2025-04, an ordinance of the Board of Directors of the San Diego County Water Authority making amendments to chapters 2.05, 4.04, and 4.08 of the Administrative Code.
7. The Board approved the minutes of the Formal Board of Directors' meeting of July 24, 2025.

**General Managers
Monthly Report**

October 7, 2025

Board of Directors Meeting

- 1) Regulatory Update**
- 2) Development Update**

News Articles/Editorials Enclosed:

Metropolitan Water District's Billion Dollar Property

San Diegans Owe a Desal Company \$35 million for Unmade Water

Metropolitan Water District's Billion Dollar Property Tax

Jack Humphreville

September 22 2025

LA WATCHDOG

• [NEXT ARTICLE](#) Mayor Bass and the Budget: What, Me Worry?

Comments

LA WATCHDOG - The politically appointed Board of Directors of the Metropolitan Water District of Southern California is proposing to increase its Special Property Tax by 71% over the next three years, from 0.007% to 0.018% of the Assessed Value of \$4.1 trillion in its 5,200 square mile service territory. This is after doubling the rate in 2024. Since 2024, the rate of taxation will have increased by over five times, from 0.0035% to 0.018%.

To put this in simpler terms, the annual tax on a million dollar house will increase from \$35 in 2024 to \$180 in 2028. The total MWD haul will increase from \$136 million in 2024 to \$859 million in 2028, an increase of 6.3 times when factoring in the annual increase in the Assessed Value, and almost \$1 billion in 2030.

Over the same period, MWD will raise the rates it charges to its 26 agencies it serves by an average of 4.5% over the next eight years.

Underlying the property tax and rate increases is the need to finance current operations and an ambitious \$11 billion capital expenditure program over the next ten years. There is also the argument over who foots the bill, MWD's customers (which are then passed through to their water districts or directly to the Ratepayers) or the property owners in MWD's service territory.

In 2024, MWD increased its rates by 8.5% for the next two years (2025 and 2026) and an additional 11.5% for the following two years (2027 and 2028). But that created an awkward situation for several agencies who were concerned about criticisms from their constituents. Hence, the policy to hide the increase by hitting up property owners, even though it would not be in the best interests of several of the large agencies and their ratepayers, including those in San Diego and Orange County, where their percentage of the Assessed Value exceed their percentage of purchased water.

One disadvantage of burying the increase of the cost of water in property taxes is that ratepayers do not see that true cost of water. This sends the wrong price signal, discouraging conservation.

It is also not in the best interests of the Department of Water and Power and its Ratepayers because our percentage of the Assessed Value exceeds our percentage usage of MWD delivered water. And this disadvantage will increase because DWP's Water System will continue to invest

in conservation, stormwater capture, groundwater recharge, indirect potable reuse, spreading grounds, and direct potable reuse, including Pure Water Los Angeles that the potential to supply 40% of our drinking water.

There are also significant questions about whether this Special Property Tax is legal since it has not been approved by the voters. Rather it relies on legislation approved in 1960, that was subsequently amended after the passage of Prop 13 in 1968. MWD will argue that this tax is essential to Metropolitan's fiscal integrity, and it may well be. But this does not mean it is legal.

Going forward, MWD needs to demonstrate that the Special Property Tax is essential for its well-being. This will require detailed projections over the next ten years and public hearings. Incidentally, it is also very difficult to find the necessary information on MWD's hard to navigate website which some say it is by design.

In addition, the DWP, the Water System, the Ratepayer Advocate, and the City Administrative Officer need to do a deep dive into the Special Property Tax and its legality and the finances of MWD to make sure that Angelenos are not paying a disproportionate share of MWD's expenses, especially since the Water System is making substantial investments to conserve water and develop alternative sources of supply over the next two decades.

(Jack Humphreville writes the LA Watchdog column for CityWatch, where he covers city finances, utilities, and accountability at City Hall. He is President of the DWP Advocacy Committee, serves as the Budget and DWP representative for the Greater Wilshire Neighborhood Council, and is a longtime Neighborhood Council Budget Advocate. With a sharp focus on fiscal responsibility and transparency, Jack brings an informed and independent voice to Los Angeles civic affairs. He can be reached at lajack@gmail.com.)

San Diegans Owe a Desal Company \$35 million for Unmade Water

The plant had to shut down operations to make state-mandated upgrades, but the San Diego County Water Authority still must pay for the water it would have been making during that time.

by [MacKenzie Elmer](#) 18 hours ago

San Diegans owe a privately-owned desalination plant over \$35 million for water the company couldn't make.

That water will only grow more expensive the longer the San Diego County Water Authority waits to buy it. And the tab came due as the region frets over ever-growing water prices and debates whether it even needs this water at all.

San Diego County Water Authority staff revealed Thursday that the region's biggest water seller has 10,105 acre-feet of water it needs to buy from Channelside, the owner of the Carlsbad plant that de-salts ocean water to make it drinkable. (One acre-foot is a year's supply of water for two households). The cost of that unmade water is expected to increase by about 2.5 percent per the contract.

The agency must already buy 48,000 acre-feet of water from the plant each year until 2045 under its contract with the company. But if Channelside can't produce water for some unforeseen circumstance outside the company's control – like a power outage or new laws that require upgrades to the facility that disrupts water-making – the Water Authority is on the hook for buying that water, too.

At \$3,500 per acre-foot, de-salted ocean water is the region's most expensive water source, a fact that attracts critics of San Diego's spiking water prices.

Jeremy Crutchfield, a water resources manager at the Water Authority, told governing board members on the agency's audit

committee that much of the banked, unmade water is due to construction on the plant's ocean water intake system. The company had to shut down operations for a period of time due to a new state requirement that the intake system be upgraded to protect marine life. But there were also power outages in 2023 and 2025 as well as other repairs in the first 10 years of the plant's operation that added to the tab.

Water Authority staff suggested Thursday to the Water Authority board's audit and finance committee that now might be the time to pay it off. The committee didn't make any decisions. That requires an action by the full governing board.

"At some point, we're on the hook to pay for that water," Crutchfield said.

Steve Castaneda, who represents South Bay Water on the board, questioned whether the region needed the desalination plant at all.

"I have not heard anything about this plant that leads me to believe it's needed or that it's a great deal for ratepayers," Castaneda said.

This isn't the first time the agency had had to pay off a hefty desal tab. The Water Authority had to pay Channelside another \$54 million for desal water it didn't have space to store over a rainy 2023 and 2024, confirmed spokesperson Mike Lee.

The Water Authority has been struggling to defend its long-term contracts like the one with Channelside, which requires the agency to buy more water than the region needs. The agency's biggest and most powerful customer has been calling on the Water Authority to [find ways to save San Diegans money](#) on water bills. Water rate increases have grown so unpopular, the region's boundary referees [are studying](#) whether San Diego needs a Water Authority at all.

Lindsey Leahy, committee member and soon-to-be general manager at Valley Center Municipal Water District, rebutted Castaneda's comment.

"The plant has a purpose in regards to local supply and reliability," she said. "I don't want to dismiss the value of an asset while it is expensive and we're not using it as originally planned."

The Water Authority's leader, Dan Denham, has suggested that the agency should actually expand the desalination plant and make more desal water. Denham is trying to position San Diego to be able to sell water on a broader marketplace across the West to help reduce demand on the drought-stricken Colorado River. It's part of a larger move to [position San Diego to be a water dealer](#).