

A G E N D A

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

February 3, 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 January 6, 2026.
7. Review the December 2025 Treasurers Report for the Annual Audit. Request to Note and File in Preparation.
8. Operations Report. Johnze
9. Approval of the 2025 Annual Financial Audit Presented by Leaf & Cole, LLP. Sanders
10. Approve Plans and Specifications for the Yerba Valley Annexation Pipeline Project for Private Service Lines and Advertise for Bids. Sanders
11. Consider Approval of Project Cost Increase in an amount not to exceed \$25,000 for the Assembly of the Engineering, Operations and Security Building. Sanders
12. Consider Approval of the 2025 CERBT Reimbursement Increase for 2025 and 2026. Sanders
13. Consider Revision to the District Job Description and Salary Schedule for Customer Service Representative 1 and 2, to Customer Service and Billing Representative 1 and 2. Sanders

14. Approve Demands of the Treasurer for January 2026.
15. CWA Report
16. Director's Reports and/or Ad Hoc Sub-Committees Reports.
17. General Managers' Report.
18. Adjourn; Next Regular Meeting to be held on March 10, 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 January 30, 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).

Brett Sanders, General Manager / Board Secretary

**MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE
LAKESIDE WATER DISTRICT
HELD ON January 6, 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:

Frank Hilliker
Pete Jenkins
Steve Johnson
Eileen Neumeister
Steve Robak

Secretary:

Brett Sanders

- 1) Call to Order by Board President Neumeister
- 2) Prayer/Invocation – Robert Churchman provided the prayer for the night's meeting.
- 3) Pledge of Allegiance was led by Director Hilliker
- 4) Approval of Revised Agenda. A Revised Agenda was posted on Monday January 5, 2026, 24 hours in advance to add item #13. Motion by Director Robak to accept the revised agenda as submitted.

Motion: Robak

Second: Hilliker

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

- 5) Opportunity for Public Comment Pertaining to Items Not on the Agenda (Items must meet the requirements of Government Code Section 54954.2). Lafco member Barry Willis spoke to the Board to request any questions the Board may have about Lafco issues.
- 6) Approve Minutes of a Special Meeting held on December 9, 2025. Motion by Director Robak to approve the minutes as presented.

Motion: Robak

Second: Jenkins

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

- 7) Review the November 2025 Treasurers Report for the Annual Audit. Request to Note and File in Preparation. Approved to Note and File.

8) 2025 Annual Financial Audit Presentation by Mike Zizzi with Leaf & Cole, LLP. Mr. Zizzi provided the Board a presentation about the 2025 audit and highlighted the important elements of our audit, the legal responsibilities and the key issues they focus on. This will be the last year for Leaf & Cole, as they are phasing out of public agency work. The Board thanked Mr. Zizzi for the many years of professional service for the District. Motion by Director Johnson to approve draft audit submittal for review with full complete approval at the February meeting.

Motion: Johnson

Second: Robak

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

9) Operations Report. Superintendent Johnze reported that:

- SCADA upgrades; Completed the transition from the 35 year Bristol Babcock system to a system called Ignition to operation our pump stations and tank sites. Still need to upgrade the Riverview system.
- EOS Building Updates; District crews have completed the footings and forms in preparation for the concrete tomorrow. The building is scheduled to be delivered in two halves on January 15th.
- Well #8 Rehabilitation; Inspection was conducted in early December. Contractor scheduled to start the rehabilitation.
- Facilities lighting maintenance; All lighting was checked and repaired if necessary.
- River Run East Update; Three points of connection completed with 1,000 LF on site. Main break 0, Service leaks 2, Fire hydrants damaged 0

10) Consider Notice of Exemption from the California Environmental Quality Act (CEQA) for the Yerba Valley Annexation Private Customer Lines Project. General Manager Sanders provided a summary of the CEQA rules guidelines for determination of projects. Motion by Director Hilliker to approve the Notice of Exemption as presented and record with the California Fish and Wildlife.

Motion: Hilliker

Second: Robak

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

11) Consider Notice of Exemption from the California Environmental Quality Act (CEQA) for the Yerba Valley Annexation Pipeline. General Manager Sanders provided a summary of the CEQA rules and guidelines for determination of projects. Motion by Director Hilliker to approve the Notice of Exemption as presented and to record with the California Department of Fish and Game.

Motion: Hilliker

Second: Robak

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

12) Review Administrative Code Section 2.13-6(C) Fire Sprinkler Lateral Bimonthly Billing and Temporary Fire Hydrant Meter Monthly Billing Costs. The General Manager provided a summary of the new fees being considered for the Fire Service Accounts and Temporary Construction Meters and proposed to freeze the Fire Service charges at current rates until a new Cost of Service Study is completed to verify the rates. Motion by Director Robak to approve the request as presented.

Motion: Robak

Second: Jenkins

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

13) Consider Urgent Need to Repair Vine St. Well #8. General Manager Sanders provided information concerning maintenance and the urgent need to replace pump shafts and a request to add an additional acid swabbing step to complete the installation to get the well back in service as fast as possible. Motion by Director Jenkins to approve the work as presented with the additional step acid descaler included in the amount of \$62,528.

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 December 2025. Motion by Director Robak to approve the demands as presented.

Motion: Robak

Second: Jenkins

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

- 15) CWA Report – CWA Representative Hilliker reported that there was not a meeting in December.
- 16) Director's Report and Ad Hoc Sub-Committees Reports. No comments
- 17) Manager's Quarterly Report. The General Manager reported.

- 1) New Year Issues for Board – Need to go out for proposals for a new audit firm. The New Engineering, Operations and Security Building will be completed. New organization structure will be implemented for our Engineering, Operations and Security job functions, Yerba Valley Annexation Pipelines will be installed and Loan Agreement will be finalized.
- 2) Rates and Charges in Effect; New Meter Service Charge for LWD, New Fixed Charge for CWA, New Variable Water Charge for CWA, Updated Capacity Charge for LWD, Updated Annexation Charge for LWD, Charges for Credit Card and ACH payments now in effect.

18) Closed Session – Closed to the Public:

Personnel Exception per Government Code Section 54967: Public Employment; Employee Review – General Manager. Board President Neumeister reported out of closed session the General Manager has fulfilled the goals set forth for Incentive Compensation as per the General Manager Contract by Unanimous Vote.

19) Adjourn; There being no further business the meeting adjourned to the next Regular Meeting scheduled for February 3, 2026.

Attest:

Brett Sanders, Board Secretary
Lakeside Water District

Eileen Neumeister
Board President

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

	Dec 25	Jul - Dec 25	Budget	% of Budget
Operating Revenue				
Water Sales				
4000 · Water Sales on Account	\$ 611,239	\$ 5,049,027	\$ 9,602,575	53%
4010 · System meter charge	\$ 112,748	\$ 677,080	\$ 1,458,965	46%
4020 · CWA/IAC	\$ 39,177	\$ 230,957	\$ 457,906	50%
4040 · Penalties / other	\$ 13,910	\$ 82,377	\$ 130,000	63%
Total Water Sales	\$ 777,074	\$ 6,039,441	\$ 11,649,446	52%
4100 · Capacity Fees LWD	\$ 4,387	\$ 41,767	\$ 57,030	73%
4101 · SDCWA Capacity & Treatment	\$ 6,542	\$ 41,869	\$ 85,186	49%
4200 · Meter Services	\$ 361	\$ 10,812	\$ 35,000	31%
4210 · Engineering & Inspection Fees	\$ -	\$ 14,916	\$ 7,500	199%
4220 · Fire Hydrants	\$ 15,375	\$ 15,375	\$ 30,000	51%
4230 · Tapping	\$ -	\$ 15,000	\$ 15,000	100%
4300 · Miscellaneous Income	\$ 150	\$ 55,712	\$ 20,000	279%
4310 · Water Letters	\$ 100	\$ 1,075	\$ 250	430%
4400 · Rent - Land Lease	\$ 32,574	\$ 155,180	\$ 291,770	53%
4600 · Interest Income	\$ 31,730	\$ 188,252	\$ 315,000	60%
4700 · Taxes Revenue	\$ 236,319	\$ 350,161	\$ 740,000	47%
Total Income	\$ 1,104,612	\$ 6,929,560	\$ 13,246,182	52%
Expense				
Administrative and General				
7000 · General Manager/Secretary	\$ 18,833	\$ 112,998	\$ 234,000	48%
7001 · Incentive Compensation	\$ -	\$ 7,000	\$ 14,000	50%
7020 · Director's Fees	\$ 625	\$ 3,625	\$ 10,750	34%
7100 · General Insurance	\$ -	\$ 79,904	\$ 66,575	120%
7200 · Annual Audit	\$ 500	\$ 33,555	\$ 31,000	108%
7210 · Attorney Fees	\$ 1,014	\$ 8,098	\$ 30,000	27%
7230 · Consultants	\$ 3,500	\$ 22,492	\$ 8,000	281%
7300 · Elections/Registrar	\$ -	\$ -	\$ 2,000	0%
7320 · Lafco Operating Costs	\$ -	\$ 3,994	\$ 5,634	71%
7401 · Administrative Expense	\$ 606	\$ 1,586	\$ 7,000	23%
7450 · Public Info/Public Relat	\$ -	\$ 13,497	\$ 11,350	119%
7500 · State Health Dept./ SWRCB	\$ 45,553	\$ 46,434	\$ 49,064	95%
7800 · Bad Debt Expense	\$ -	\$ -	\$ 2,000	0%
7900 · Water Dev./Conservation Program	\$ -	\$ -	\$ 9,500	0%
Total Administrative and General	\$ 70,631	\$ 333,183	\$ 480,873	69%

	Dec 25	Jul - Dec 25	Budget	% of Budget
Operations and Maintenance				
5000 · Water Purchases	\$ 603,789	\$ 4,197,860	\$ 7,994,040	53%
5075 · Padre Dam Deliver Charge	\$ -	\$ -	\$ 2,600	0%
5080 · Water Treatment & Testing	\$ 2,077	\$ 12,192	\$ 24,000	51%
5090 · Infrastructure Access Charge	\$ 37,420	\$ 224,520	\$ 443,760	51%
5091 · SDCWA Capacity & Treatment Fees	\$ 34,018	\$ 41,869	\$ 111,353	38%
5100 · Electric Power	\$ 18,758	\$ 143,599	\$ 327,000	44%
5200 · Water Treatment -Maint/Supplie	\$ 12,548	\$ 44,354	\$ 80,000	55%
5627 · County - Road Improvements	\$ -	\$ -	\$ 15,000	0%
5628 · Telemetry Repair	\$ 22,865	\$ 34,851	\$ 15,000	232%
6000 · Wages, Field	\$ 70,426	\$ 399,242	\$ 866,513	46%
6100 · Distribution - Maint/Supplies	\$ 15,005	\$ 121,376	\$ 130,000	93%
6102 · Dist. Pump & Maint	\$ -	\$ 2,648	\$ 60,000	4%
6110 · Emergency Repairs & Service	\$ -	\$ -	\$ 45,000	0%
6200 · Trucks-Fuel,Maintenance,Repair	\$ 5,945	\$ 32,975	\$ 70,000	47%
6400 · Outside Labor	\$ 1,365	\$ 6,655	\$ 42,000	16%
6410 · Engineering	\$ -	\$ 3,052	\$ 20,000	15%
7010 · Wages, Office	\$ 28,088	\$ 169,501	\$ 340,000	50%
7030 · Payroll Taxes	\$ 7,857	\$ 49,046	\$ 102,508	48%
7040 · Group Insurance	\$ 31,901	\$ 188,549	\$ 326,740	58%
7050 · CalPers Retirement	\$ 14,039	\$ 143,891	\$ 253,503	57%
7070 · Unemployment Insurance	\$ -	\$ -	\$ 5,000	0%
7400 · Office Expense	\$ 14,593	\$ 90,492	\$ 157,714	57%
7440 · Dues & Subscriptions	\$ 249	\$ 23,623	\$ 32,000	74%
7920 · Miscellaneous Expense	\$ 2,054	\$ 4,314	\$ 6,000	72%
Total Operations and Maintenance	\$ 922,997	\$ 5,934,609	\$ 11,469,731	52%
Total Expense	\$ 993,628	\$ 6,267,792	\$ 11,950,604	52%
Net Ordinary Income	\$ 110,984	\$ 661,768	\$ 1,295,578	51%
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	\$ 10,800	\$ 10,800	\$ 5,000	216%
1550 · Pumping Plant & Distribution	\$ -	\$ 49,308	\$ 30,000	164%
1551 · New Service/Meters	\$ -	\$ 2,004	\$ 10,000	20%
1580 · SCADA Telemetry Upgrade	\$ -	\$ -	\$ 30,000	0%
1581 · Yerba Valley Annexation Pipeline	\$ 998	\$ 11,484	\$ 450,000	3%
1582 · Operations, Engineering & Security Blc	\$ 93,625	\$ 146,947	\$ 195,000	75%
1583 · Julian Ave. Multiple Pipe Replacement	\$ 1,395	\$ 10,020	\$ 20,000	50%
1584 · Rocos Rd. Pipe Replacement Enginee	\$ 1,770	\$ 2,580	\$ 20,000	13%
Total Capital Expense	\$ 108,588	\$ 233,143	\$ 789,000	30%

Lakeside Water District
Investment Report
As of December 31, 2025

Dec 31, 25

Current Assets

		Dec 31, 25
Checking/Savings		
1020 · UBS Cash Fund		5,768.68
1030 · King Cash Fund		320,570.19
1050 · Multi-Bank Securities, Inc.		183,141.98
1070 · Investment - LAIF		1,032.05
Total Checking/Savings		510,512.90
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
1321.73 · FHLB 4.09% 11/25/30		245,005.25
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
1351.54 · 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

	<u>Dec 31, 25</u>
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
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	14,705,987.65
Total Current Assets	15,216,500.55

Investment Changes in December 2025

Purchased 1351.68	3rd Fed SVG & LN 3.75% 12/19/30	245,000.00
Purchased 1351.69	Farmers & Merch. 3.70% 12/31/30	249,000.00
Matured 1383.26	FNMA .64% 12/30/25	270,000.00

Investments by Maturity

December 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>
King Fidelity Treasury MM	FZFXX		4.11%	\$ 973	\$ 39.99	
Maturity in 2025	\$ 973	0%				4.11%
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	
Maturity in 2027	\$ 3,593,490	24%				3.09%
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	
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	\$ 2,420,207	16%				4.02%
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	

Investments by Maturity

December 2025

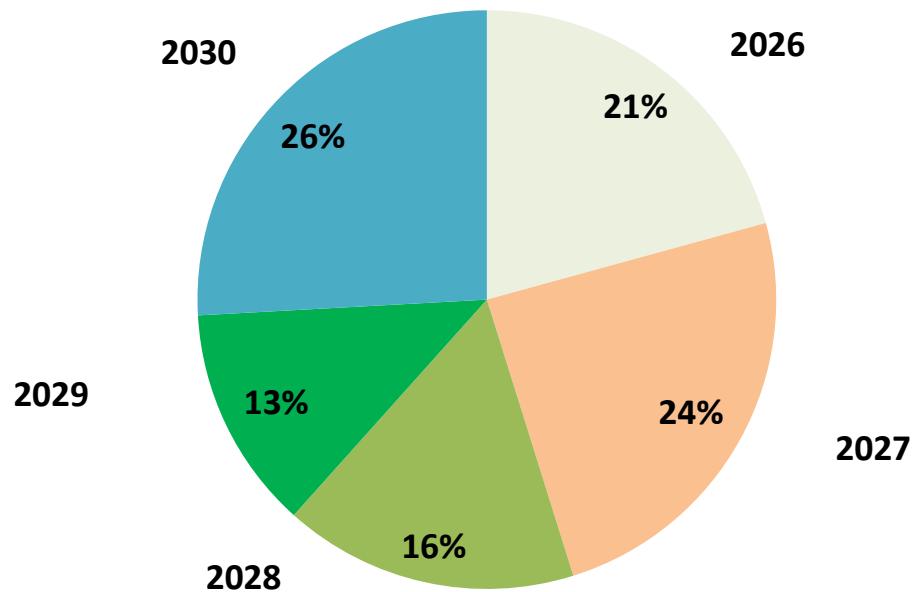
<u>Description</u>	<u>Cusip</u>	<u>Maturity</u>	<u>Rate</u>	<u>Amount</u>	<u>Est. Yr Interest</u>	<u>Avg Rate</u>
UBS	90355GPU4	7/24/2029	4.20%	\$ 248,000	\$ 10,416.00	
SALLMA	795451DM2	7/24/2029	4.30%	\$ 244,000	\$ 10,492.00	
FNMA	3135GAU25	8/6/2029	4.38%	\$ 179,185	\$ 7,839.32	
Morgan S Privt Bk	61768UPSO	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	
Maturity in 2029				\$ 1,838,877	13%	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	26%	4.00%
Total				\$ 14,706,961	\$ 467,809	3.18%

Investments by Maturity

December 2025

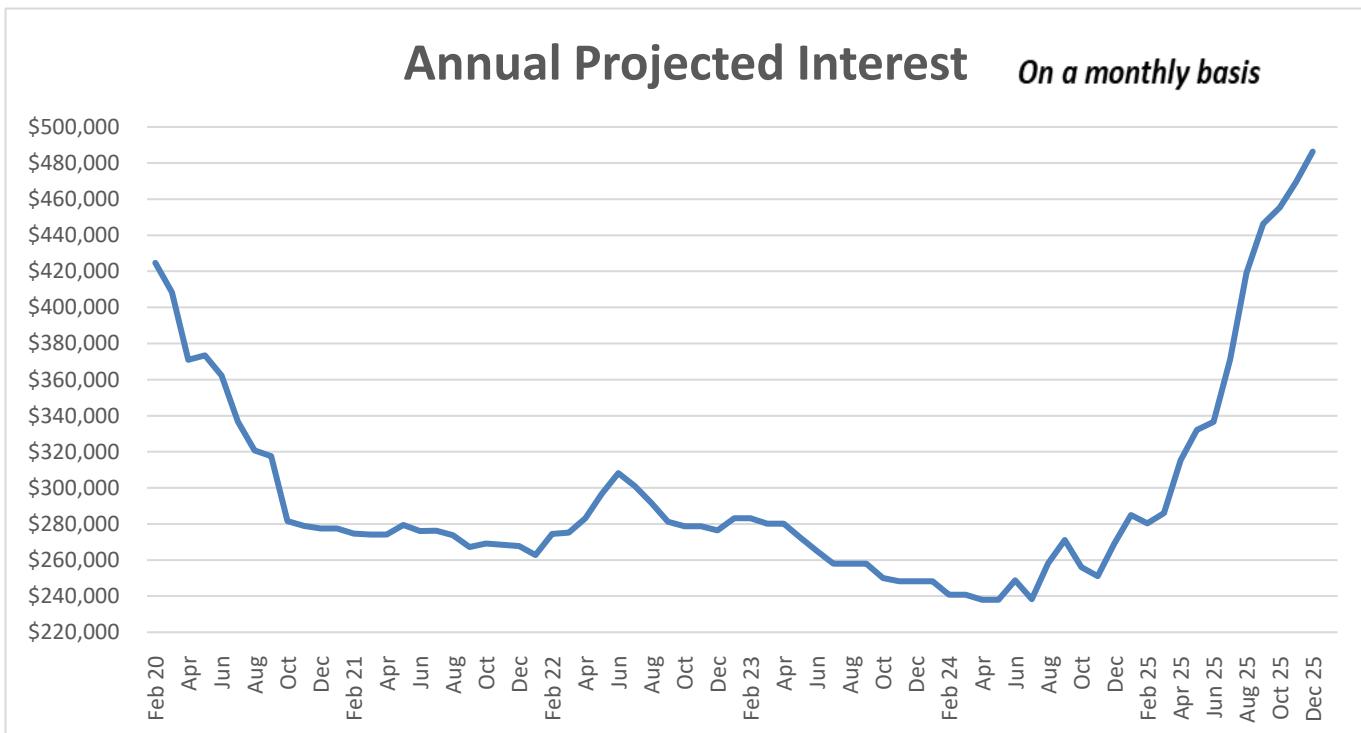
<u>Description</u>	<u>Cusip</u>	<u>Maturity</u>	<u>Rate</u>	<u>Amount</u>	<u>Est. Yr Interest</u>	<u>Avg Rate</u>
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Investments by Maturity Year

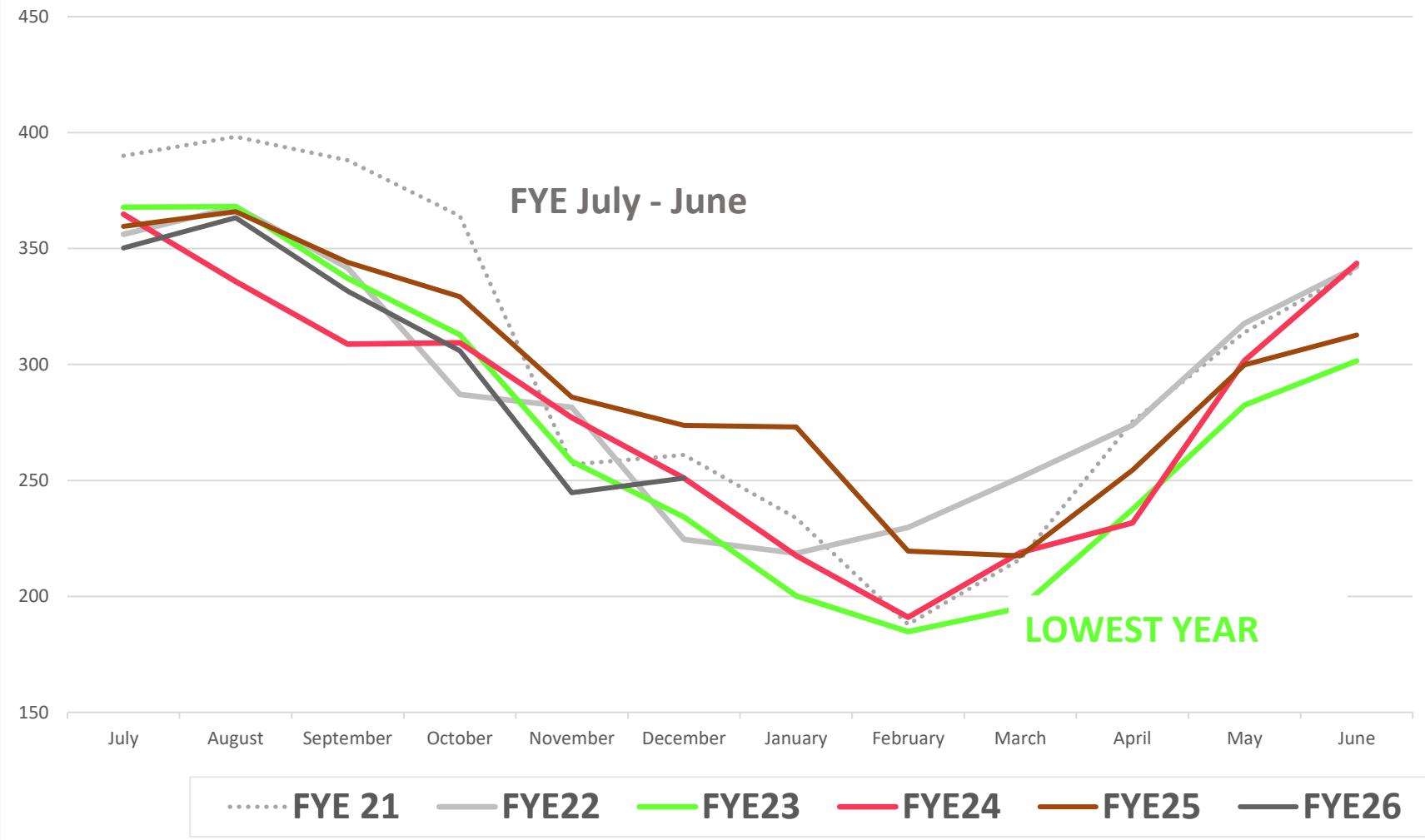


Annual Projected Interest

On a monthly basis



Water Demand



OPERATIONS REPORT
February 2026
BOARD OF DIRECTORS MEETING

General Operation:

- *SCADA continues...*
- *EOS Building updates*
- *Well #8 Rehabilitation update*

Contractor/ Developer/ County Projects:

- *River Run East update*

District Emergencies Repairs:

- *Main breaks 1 Rocos*
- *Service leaks 0*
- *Fire hydrants 1 Vista Camino*



Leaf & Cole, LLP

Certified Public Accountants

A Partnership of Professional Corporations

To the Board of Directors
Lakeside Water District
10375 Vine Street
Lakeside, California 92040

We have audited the financial statements of Lakeside Water District (the “District”) for the year ended June 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 20, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2025. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District’s financial statements were:

- Management’s estimate of the useful lives assigned to capital assets are based upon the intended use of the assets as well as management’s experience with similar assets.
- Management’s estimate that no long-lived assets have been impaired is based upon their assessment of currently known facts which could have an affect on the value of long-lived assets.
- Management’s estimates of the net OPEB obligation (Assets) is based upon the Alternative Measurement method.
- Management’s estimate of the net pension liability is based upon the actuarial study performed by CalPERS.

Certain financial statement disclosures may be particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Cash and Investments (Note 2)
- Noncurrent Liabilities (Note 4)
- Defined Benefit Pension Plan (Note 5)
- Post Employment Benefits (Note 6)
- Commitments and Contingencies (Note 7)

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The following material misstatements detected as a result of audit procedures were corrected by management.

Disagreements With Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreement arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December ____, 2025.

Management Consultations With Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Required Supplementary Information (RSI) which are required supplementary information that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

San Diego, California
December ___, 2025

DRAFT

Client: LAKESIDE WATER DISTR
 Report: Adjusting Journal Entries

Account	Description	Debit	Credit	Net Income Effect
AJE 01				
	To record the current year GASB 68 adjustments based on the actuarial report from Nyhart			
1996	deferred change- deferred change	45,876.00	0.00	
1997	deferred changes- deferred changes	0.00	18,360.00	
1998	deferred diff- deferred diff	16,304.00	0.00	
1999	Deferred Outflows- Deferred Outflows	19,052.00	0.00	
2500	Net Pension Liability - Field- Liability Field	42,940.00	0.00	
2997	deferred dif pro vs act- vs act	0.00	54,404.00	
2998	deferred diff - deferred diff .	0.00	411,784.00	
6051	Pension Expense	360,376.00	0.00	
Total		484,548.00	484,548.00	(360,376.00)
AJE 02				
	To adjust OPEB expense to reflect the changes in the net OPEB asset			
1246	CERBT - OPEB- CERBT OPEB	15,780.00	0.00	
7080	OPEB Office	0.00	8,873.53	
6080	OPEB Field	0.00	6,906.47	
Total		15,780.00	15,780.00	15,780.00
AJE 03				
	To adjust CWA delivery charge to actual.			
5000	Water Purchases- Water Purchases	5,720.50	0.00	
5010	CWA Delivery Charge- Delivery Charge	0.00	5,720.50	
Total		5,720.50	5,720.50	0.00
AJE 04				
	To record lease receivable, deferred inflows, rental and interest income under GASB 87.			
2999	Derferred Inflows- Derferred Inflows	247,837.00	0.00	
4400	Rent - Land Lease- Land Lease	27,374.66	0.00	
1238	Lease Receivable- Lease Receivable	0.00	235,496.10	
4601	Interest Earnings Leases	0.00	39,715.56	
Total		275,211.66	275,211.66	12,340.90
AJE 05				
	To reclassify meter services fees for Betsy Roman - 11909 Rocoso Road			
4220	Fire Hydrants- Fire Hydrants	6,718.00	0.00	
4200	Meter Services- Meter Services	0.00	6,718.00	
Total		6,718.00	6,718.00	0.00
AJE 06				
	To reclassify misposting for billings for irrigation water from capacity fees to water standard.			
4951	High Meadow Ranch- Meadow Ranch	13,400.64	0.00	
4004	Water Standard- Water Standard	0.00	13,400.64	
Total		13,400.64	13,400.64	0.00
GRAND TOTAL				
		801,378.80	801,378.80	(332,255.10)

LAKESIDE WATER DISTRICT

**Project Documents for the
Construction of the**

Yerba Valley Annexation Pipeline Project Private Customer Lines

(Buena Vida Rd., Genesis Way, Yerba Valley Rd., Yerba Valley Way)

Proposals will be received at the office of the

**Lakeside Water District
10375 Vine Street
Lakeside, CA 92040**

TO ARRIVE BY:

DATE: March 17, 2026

TIME: 2:00 PM (PST)

Brett L. Sanders
General Manager

Lakeside Water District
Lakeside, CA 92040
(619) 443-3805

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	Statement of References	SOR
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	Exhibit A – Potable Water Discharge Sampling Report	EX-A
	WAS Standard Specifications (Reference List)	SS-1
	WAS Standard Construction Drawings (Reference List)	SD-1

Lakeside Water District Invitation to Bid

Sealed proposals addressed to the Secretary of the Board of Directors of Lakeside Water District, will be received at the office of the District, 10375 Vine Street, Lakeside, California 92040, until **2:00 p.m., local time, on Tuesday, March 17, 2026**. Bids received after said time shall be returned unopened.

CONSTRUCTION OF: Yerba Valley Annexation Pipeline Project Private Customer Lines

Proposals are invited for the work generally consisting of performing all operations, furnishing of all labor, materials, transportation, tools, equipment, restoring all pavement, resurfacing where necessary in the TRENCHING of approximately 5,500 feet of trench in various widths and depths and the INSTALLATION of approximately 19,500 L.F. of 2" Schedule 80 PVC Pipe and required fittings for connections and bends including reduced pressure principle backflow assemblies and pressure reducing valves as detailed in the construction drawings.

The “**Pre-Bid**” for the subject project will be held on **February 24, 2026 at 10:00 a.m.** at the office of the District to answer any questions bidders may have. All bidders are encouraged to attend this meeting.

All items of work shall be as more particularly enumerated and described in the bid form and other contract documents forming a part of and in strict conformity with the “Plans and Specifications” available at the office of Lakeside Water District, 10375 Vine Street, Lakeside, CA 92040 or requested electronically.

Bidders are hereby notified that this is a public works project, and pursuant to the statutes of per diem wages and the general prevailing rate of per diem wages and the general prevailing rate for legal holidays and overtime work applicable in this locality, as determined by the Director of the State Department of Industrial (DIR) relations for each craft, classification, or type of worker needed to execute this contract. As required by Section 1773 of the California Labor Code, the Director of the Department of Industrial Relations of the State of California has determined the general prevailing rates of wages in the locality in which Work is scheduled to be performed. In accordance with the provisions of Labor Code section 1771.1 , a contractor or subcontractor shall not be qualified to (a) bid on or be listed in a bid proposal or (b) engage in the performance of this Work, unless currently registered and qualified to perform the Work pursuant to Labor Code Section 1725.5. The schedule of hourly wages is based upon a working day of eight (8) hours. The rate for work on said project shall be not less than that specified in said rates. Such rates of wages are on the file with the Department of Industrial Relations and may be obtained via the internet at: www.dir.ca.gov/dlsr/statistics_research.html.

Each bid shall be made out on the form attached to and forming a part of the Project Documents, and shall be sealed and filed with the Secretary of the Board of Lakeside Water District, 10375 Vine Street, Lakeside, CA 92040, **on or before 2:00 pm, March 17, 2026**. Each bid will be opened and publicly read aloud at 2:00 pm, local time of the bid date in the office of the District. Each bid shall be accompanied by a certified cashier's check or bond secured from a surety company satisfactory to the Board of the District. The amount of said check or bond shall not be less than 10% of the amount of the bid. If a check accompanies the bid, it shall be made payable to the Lakeside Water District.

If a bond accompanies the bid, the oblige of said bond shall be said District. The check or bond shall be given as a guarantee that the bidder will within ten (10) working days enter into a contract with the District and furnish the required payment and performance bonds and insurance certificates. The bid security will be declared forfeited if the successful bidder fails to comply within said time. No interest will be paid on funds deposited with District. The proposal guarantee of unsuccessful bidders will be returned by the district no later than 10 calendar days following the date of award of contract.

No bid will be accepted from a contractor who is not licensed in accordance with the law under the provision of Chapter 9 Division 3, of the Business and Professions Code of the State of California or who has not registered with the Department of Industrial Relations. The successful bidder must possess and maintain a valid Class A or Class C-34 or other Contractor's license required by the State of California.

The contract will be awarded within 30 days after opening of bids. However, the District reserves the right to select the schedule(s) under which the bids are to be compared and contract(s) awarded, to reject any or all bid and waive any irregularity in a bid.

It is called to the attention of the bidder that the work placed under contract shall be commenced by the contractor within twenty (20) days after the date of the letter giving notice to the contractor to proceed. The work shall be completed within **ninety (90) days**, including Sundays and holidays from such starting date.

The successful bidder will be required to furnish a labor and material bond and a faithful performance bond secured from a surety company satisfactory to the District. The successful bidder shall also be required to meet the insurance requirements of the District as set forth in the General Conditions. All of said bond and insurance requirement shall be completed and submitted to the District within ten (10) calendar days from the date the District gives written intention to award the contract. Failure to meet these requirements within the allotted time shall be sufficient cause for rejection of bid.

The Plans, Specifications, and Project Documents, including forms of Proposal and Contract may be obtained at the office of the Lakeside Water District upon payment of a \$35 fee or by calling Brett Sanders at (619) 443-3805, (an additional \$5 fee will be charged for mailing).

Dated: Lakeside, California

This 4th day of February, 2026

By order of the Board of Directors

Brett L. Sanders

Brett L. Sanders
General Manager/Secretary of the Board
Lakeside Water District
San Diego County, California

INFORMATION FOR BIDDERS

1. GENERAL

The work hereunder must be done in strict conformity with the plans and specifications adopted and approved by the Agency.

2. CONTRACT DOCUMENTS

(a) The contract documents shall consist of the following:

Notice Inviting Sealed Proposals (Bids)
Information for Bidders
Proposal AND Bid Schedule/Form
List of Sub-Contractors
Statement of Qualifications
Statement of References
Pre-Bid Minutes and Addenda's issued Prior to Bid Opening
Agreement (To be completed after award of contract)

(b) Terms and conditions contained in the contract documents are part of the contract. The governing board of the Agency may reject bids and to waive informalities in bids. No bidder may withdraw a bid until the Agency has made a final award to the successful bidder or has rejected all bids.

3. PROPOSALS

Bids shall be made upon the form of proposal furnished by the Agency and a part of the contract documents. Bids shall be properly executed and with all items filled in; the signatures of persons signing shall be in longhand. Erasures, interlineations, or other corrections shall be authenticated by affixing in the margin immediately opposite the correction, the initials of a person signing the bid. The unit price and the total amount named by a bidder for an item are not in agreement, the unit price alone shall be considered as representing the bidder's intention, and the totals shall be corrected to conform.

Bids shall not contain recapitulation of the work to be done. Alternative proposals will not be considered except as called for. No oral, telegraphic, or telephonic proposals or modifications will be considered.

Bids shall be accompanied by a bidder bond in a form acceptable to the agency or cash in the amount of 10% of the bid price.

Before submitting a bid, bidders shall carefully examine all contract documents, shall visit the site of the work, shall fully inform themselves as to all the existing conditions and limitations, and shall include in the bid a sum to cover the cost of all items included in the contract. No allowance will be made because of lack of such examination or knowledge. Bids shall be sealed in an envelope marked "**Yerba Valley Annexation Pipeline Project Private Customer Lines**" addressed to the **Secretary of the Board of the Board of Directors**, and be delivered thereto on or before the day and hour set for the opening of bids in the notice inviting sealed proposals, and shall bear the name of the bidder. It is the **SOLE** responsibility of the bidder to see that his bid is delivered and received in proper time. Any bid received after that scheduled closing time for receipt of bids shall be returned to the bidder unopened.

The Agency shall have a period of 30 days after the opening of bids within which to accept or reject the bids. If no bid is accepted within the period, or if the successful bidder executes and delivers the necessary contract documents to the Agency, the Agency will return to each bidder all checks and bonds received by the Agency from unsuccessful bidders within 10 days after the execution of the contract and presentation of required certificates and bonds or within 10 days after being requested to do so by the bidder if no bid is accepted within the period.

4. AGREEMENT AND BONDS

The form of contract that the successful bidder, as Contractor, will be required to execute is included in the contract documents, and should be carefully examined by the bidder. The agreement, bonds, and other documents to be executed by the Contractor shall be executed in original triplicates stamped according to law, one of which original triplicate shall be filed with the Agency, and the others with the Agency's Attorney and the Agency's Engineer.

The successful bidder, simultaneously with the execution of the agreement, shall furnish and maintain a payment bond in an amount equal to 100% of the contract price and a faithful performance bond in an amount equal to 100% of the contract price, and change order prices. The bonds shall be secured from a surety company satisfactory to the Agency and whose name is on file with the County Clerk of San Diego County as an approved and financially sound surety company, authorized to transact business in this State.

The bonds shall meet all of the requirements and contain the conditions required by Sections 3247 and 3248 inclusive, of the Civil Code, and other applicable provisions of the law and regulations of the State of California.

Failure to execute the contract and file acceptable bonds and proof of insurance coverage as provided therein within the time set forth herein shall be just cause for the annulment of the award and forfeiture of the proposal guarantee.

5. ADDENDA OR BULLETINS

Addenda or bulletins issued before the time to submit bids expires, or forming a part of the contract documents furnished to the bidder for preparation of his bid, shall be covered in the bid and shall be made a part of the contract. The contractor shall ensure that the District will be able to make contact through direct mail, e-mail or through facsimile capability.

6. WITHDRAWAL OF BID

A bidder may withdraw the bid personally or by a signed written request *prior* to the scheduled time for opening of the bids (but not after).

7. AWARD OR REJECTION OF BIDS

The contract will be awarded to the lowest responsible bidder complying with these instructions and with the notice inviting sealed proposals. The Agency may reject bids or waive informality in bids. If in the judgment of the Agency a bid is unbalanced, or if the bidder is not responsible, it shall be considered sufficient grounds for rejection of the entire bid. Once all Bids are opened and reviewed to determine the lowest responsible Bidder, the District Board may award the contract. The apparent successful Bidder should begin to prepare the following documents: (1) the Performance Bond; (2) the Payment Bond; and (3) the required insurance certificated and endorsements. Once the District notifies the Bidder of the award, the Bidder will have ten (10) working days from the date of this notification to execute the Contract and supply the District with all of the required documents and certifications. Once the District receives all of the properly drafted and executed documents and certifications from the Bidder, the District shall issue a Notice to Proceed to that Bidder.

8. FILING OF BID PROTESTS

Bidders may file a “protest” of Bid with the District’s Engineering Department. In order for a Bidder’s protest to be considered valid, the protest must:

- A. Be filed in writing within five (5) calendar days after the bid opening date,
- B. Clearly identify the specific irregularity or accusation,
- C. Clearly identify the specific District staff determination or recommendation being protested.
- D. Specify, in detail, the grounds of the protest and the facts supporting the protest; and
- E. Include all relevant, supporting documentation with the protest at the time of filing.

If the protest does not comply with each of these requirements, it will be rejected as invalid.

If the protest is valid, the District’s Operations Superintendent or other designated District staff member shall review the basis of the protest and all relevant information. The Operations Superintendent shall provide a written decision to the protestor. The protestor may then appeal the decision of the Operations Superintendent to the General Manager with five (5) calendar days of the written decision to the protestor.

9. BIDDERS INTERESTED IN MORE THAN ONE BID

No person, firm, or corporation shall make or file, or be interested in more than one bid for the same work, unless alternative bids are solicited. A person, firm, or corporation submitting a sub proposal to a bidder, or who has quoted prices on material to a bidder, is not disqualified from submitting a sub proposal or quoting prices to other bidders.

10. OTHER REQUIREMENTS

Before award of the contract, a bidder upon request shall furnish a recent statement of financial condition and previous construction experience or other evidence of qualifications.

Before entering into a contract, the bidder to whom the contract has been awarded shall furnish satisfactory evidence workers compensation insurance and public liability and property damage insurance as specified in the special provision.

SPECIAL NOTICE TO BIDDERS

The following items, shall be completed in their entirety and submitted by bidders up to but not later than the time and date specified herein for the receipt of bids:

1. PROPOSAL
2. BASE BID SCHEDULE
3. BIDDER’S BOND/BIDDER’ SECURITY
4. LIST OF SUB-CONTRACTORS
5. STATEMEMT OF QUALIFICATIONS
6. STATEMENT OF REFERENCES
7. NON-COLLUSION AFFIDAVIT
8. PRE-BID MINUTES
9. ADDENDUM’S

Memorandum

To: Board of Director's

From: Brett Sanders

Date: 1/29/2026

Re: Budget Increase for Engineering, Operations and Security Building Assembly

Board of Director's,

We have received the new Engineering, Operations and Security Building and have started the assembly process. As the assembly process ramped up it became apparent that more hours than a simple off load was needed to assemble the building. I requested the supplier to see what he could do to immediately implement prevailing wage pay and reporting to comply with California Prevailing Wage law.

The supplier Hawk Materials Inc. has a sister company who is registered with the California Department of Industrial Relations to perform prevailing wage public works projects, and will be able to process the on-site hours through this company.

This request is for the Board approve a project cost increase in the amount not to exceed \$25,000 to complete the assembly with the prevailing wage requirements. The previous budget increase was \$40,000 to \$235,000. This \$25,000 increase will increase the budget total to \$260,000 and shall be funded through the District's Capital Reserve Fund.

Next steps for the project are to bring proposals for the concrete pouring and finishing inside the shell and other District responsibilities such as flooring and bathroom fixtures.

Thank you,

Brett Sanders





Memorandum

To: Board of Directors

CC:

From: Brett Sanders

Date: 1/29/2026

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

Directors,

Per the new District policy, the Board shall review at least annually the current level of reimbursement to match the provisions of the Administrative Code policy as described above. This year the Board shall consider an increase from \$5,200 per year to \$5,514.80 for the 2025 policy year.

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

The District established the CalPERS California Employers Retiree Benefit Trust (CERBT) investment fund to pay this benefit without any additional contribution by the District, which the District is comfortably able to do. Limited adjustments to the annual funding cap allow the actuarial projections to maintain realistic expectations and control of the benefit. The current fund balance is \$737,220.

The current District Policy includes a benefit cap of \$15,000 per year for the Supplemental Medicare and Part D Insurance and an annual increase cap of 7%. The current policy was revised at the November 4, 2025 meeting. Below is the history of increases for the reimbursement benefit.

Historical Payout, Premium Increases and Cap Amount

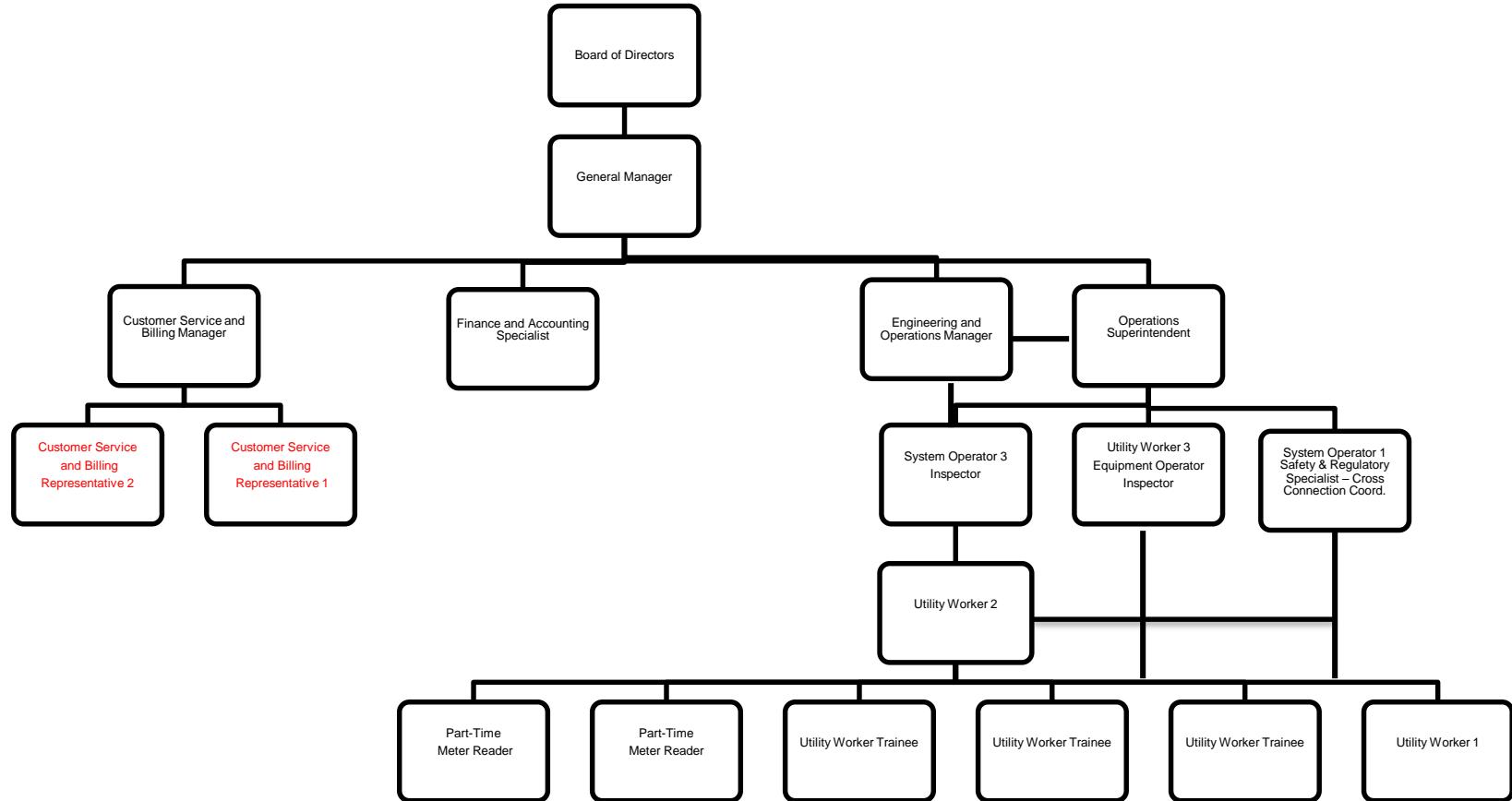
Policy Year	Payout	Premium Increase	Cap Amount	Notes
2015	2,277.50		3,000.00	First year of Program
2016	2,732.60	19.9%	3,000.00	
2017	3,000.00	9.8%	3,000.00	
2018	3,000.00	0%	3,000.00	
2019	3,241.60	8.1%	3,350.00	
2020	3,350.00	3.3%	3,350.00	
2021	3,818.60	13.9%	4,200.00	
2022	4,078.80	6.8%	4,200.00	
2023	4,602.00	12.8%	4,832.00	
2024	5,012.00	8.9%	5,200.00	
2025	5,514.80	10.0%	\$5,514.80	Proposed

Thank you,

Brett Sanders

Lakeside Water District

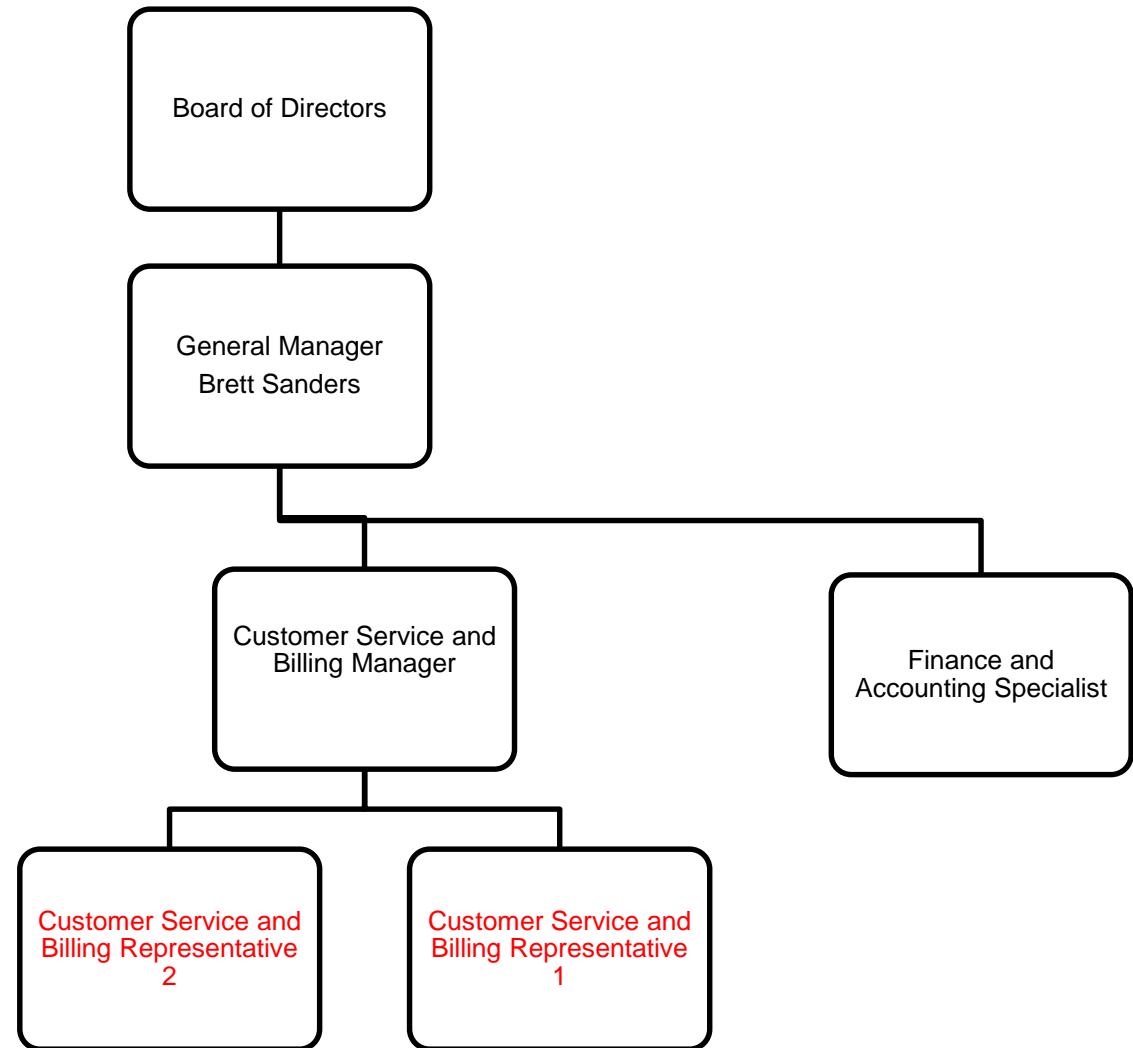
Organizational Chart 2026 - Proposed



Lakeside Water District

Organizational Chart 2026 - **Proposed**

Customer Service, Billing and Finance



2025-26 Revised - Proposed 2-6-2026

PAY GRADES														
LAKESIDE WATER DISTRICT														
Pay	Pay	Class	Position	Min	Mid	Max	Annual	Annual	Annual	MIN HRLY	MID HRLY	MAX HRLY		
Grade	Type	Code					Minimum	Midpoint	Maximum	AVERAGE	AVERAGE	AVERAGE		
SAL / EXEMPT														
50	MTHY	SAL/EX	General Manager	15,400.00	17,710.00	20,020.00	184,800.00	212,520.00	240,240.00	88.85	102.17	115.50		
SAL / NE														
41	MTHY	SAL/NE	Engineering & Ops Manager	10,500.00	12,500.00	14,500.00	126,000.00	150,000.00	174,000.00	60.58	72.12	83.65		
40	MTHY	SAL/NE	Operations Superintendent	8,000.00	10,464.25	12,928.50	96,000.00	125,571.00	155,142.00	46.15	60.37	74.59		
39				0.00										
38				0.00										
37	MTHY	SAL/NE		10,001.00	11,501.15	13,001.30	120,012.00	138,013.80	156,015.60	57.70	66.35	75.01		
36	MTHY	SAL/NE	Finance and Accounting Specl.	7,000.00	8,500.00	10,000.00	84,000.00	102,000.00	120,000.00	40.38	49.04	57.69		
35	MTHY	SAL/NE	Cust. Serv. & Billing Manager	7,000.00	8,500.00	10,000.00	84,000.00	102,000.00	120,000.00	40.38	49.04	57.69		
34	MTHY	SAL/NE		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
33	MTHY	SAL/NE	System Operator 3	7,044.00	8,100.60	9,157.20	84,528.00	97,207.20	109,886.40	40.64	46.73	52.83		
32	MTHY	SAL/NE	Utility Worker 3	6,491.00	7,464.65	8,438.30	77,892.00	89,575.80	101,259.60	37.45	43.07	48.68		
31	MTHY	SAL/NE	System Operator 2	6,078.00	6,989.70	7,901.40	72,936.00	83,876.40	94,816.80	35.07	40.33	45.59		
30	MTHY	SAL/NE		5,700.00	6,555.00	7,410.00	68,400.00	78,660.00	88,920.00	32.88	37.82	42.75		
29	MTHY	SAL/NE	Utility Worker 2	5,594.00	6,433.10	7,272.20	67,128.00	77,197.20	87,266.40	32.27	37.11	41.96		
28	MTHY	SAL/NE	System Operator 1	5,550.00	6,382.50	7,215.00	66,600.00	76,590.00	86,580.00	32.02	36.82	41.63		
27	MTHY	SAL/NE	Customer Serv. & Billing Rep. 2	5,275.00	6,066.25	6,857.50	63,300.00	72,795.00	82,290.00	30.43	35.00	39.56		
26	MTHY	SAL/NE	Utility Worker 1	4,903.00	5,638.45	6,373.90	58,836.00	67,661.40	76,486.80	28.29	32.53	36.77		
25	MTHY	SAL/NE	Customer Serv. & Billing Rep. 1	4,558.00	5,241.70	5,925.40	54,696.00	62,900.40	71,104.80	26.30	30.24	34.19		
24	MTHY	SAL/NE	Utility Worker Trainee	4,074.00	4,685.10	5,296.20	48,888.00	56,221.20	63,554.40	23.50	27.03	30.56		
23	MTHY	SAL/NE		3,384.00	3,891.60	4,399.20	40,608.00	46,699.20	52,790.40	19.52	22.45	25.38		
7/8/2025			Ranges Revised - Salary Schedule											

Lakeside Water District
Disbursements List
January 2026

Num	Name	Account	Original Amount
17519	Hawk Materials, Inc.	1582 · Oper, Eng. & Security Bldg.	40,000.00
17520	Superior Ready Mix Concrete	1582 · Oper, Eng. & Security Bldg.	4,021.15
17521	CLOYD, MONICA	4000 · Water Sales on Account	120.09
17522	DIAMOND RUBI	4000 · Water Sales on Account	122.69
17523	EDWARDS, BRIANNA	4000 · Water Sales on Account	200.00
17524	ELLIOTT, MARK & CAROL	4000 · Water Sales on Account	119.78
17525	GONZALEZ, HEATHER	4000 · Water Sales on Account	77.17
17526	HUSSAINI, MUSTAFA	4000 · Water Sales on Account	37.83
17527	NANTZ, JESSICA	4000 · Water Sales on Account	111.01
17528	OSBORN, ARTHUR	4000 · Water Sales on Account	59.99
17529	RIVER RUN EAST 2021,L.P.	4000 · Water Sales on Account	200.00
17530	ROMINE, SHAUNA	4000 · Water Sales on Account	76.76
17531	VARNER, ALICIA	4000 · Water Sales on Account	128.70
17532	**included in payroll	Payroll Check	0.00
17533	All Star Computers	7400 · Office Expense	125.00
17534	ACWA - Group Ins	7040 · Group Insurance	33,016.65
17535	ACWA JPIA W/C	7100 · General Insurance	5,362.90
17536	America's Finest City Backflow Services	6400 · Outside Labor	540.00
17537	Bee Removal Logics	6400 · Outside Labor	825.00
17538	Dexter Wilson Engineering, Inc.	Split	4,090.00
17539	Excel Telemessaging	7400 · Office Expense	160.09
17540	Ferguson Waterworks	6100 · Distribution - Maint/Supplies	4,959.69
17541	Helix Water District	5080 · Water Treatment & Testing	909.00
17542	Home Depot Credit Services	**voided check (incorrect amount)	0.00
17543	Hose Tech	6200 · Trucks-Fuel,Maintenance,Repair	1,076.41
17544	Hydrocurrent Well Services	5200 · Water Treatment -Maint/Supplie	31,264.00
17545	Jake's Concrete Pumping	1582 · Oper, Eng. & Security Bldg.	700.00
17546	Jan-Pro	7400 · Office Expense	350.00
17547	Lakeside Petroleum, Inc.	6200 · Trucks-Fuel,Maintenance,Repair	2,503.45
17548	MTGL, Inc.	1582 · Oper, Eng. & Security Bldg.	2,712.26
17549	Napa Auto Parts Inc	6200 · Trucks-Fuel,Maintenance,Repair	9.15
17550	Payton's Ace Hardware, Inc.	Split	356.33
17551	Pump Check	1550 · Pumping Plant & Distribution	2,849.00
17552	Quadient - Postage	7400 · Office Expense	2,000.00
17553	Republic Services	6100 · Distribution - Maint/Supplies	973.76
17554	Safe & Sound	7400 · Office Expense	122.85
17555	San Diego County Vector Control Program	6100 · Distribution - Maint/Supplies	83.43
17556	San Diego County Water Authority	5091 · SDCWA Capacity & Treatment Fees	6,542.00
17557	SiteOne Landscape Supply	6100 · Distribution - Maint/Supplies	26.55
17558	Underground Service Alert	7440 · Dues & Subscriptions	90.00
17559	UniFirst Corp	6100 · Distribution - Maint/Supplies	512.01
17560	United Site Service, Inc.	6100 · Distribution - Maint/Supplies	105.71
17561	Wave.Band	7400 · Office Expense	945.99
17562	Home Depot Credit Services	Split	2,650.27
17563	RANDALL GRASMICK	4000 · Water Sales on Account	152.50
17564	A1 Pumpcrete, Inc.	1582 · Oper, Eng. & Security Bldg.	4,757.50
17565	Techniclean, Inc.	7400 · Office Expense	250.00

17566	ROBYN AHRENSBERG	4000 · Water Sales on Account	3.75
17567	Hawk Materials, Inc.	1582 · Oper, Eng. & Security Bldg.	10,000.00
17568	VOID	**voided check (left in printer)	0.00
17569	VOID	**voided check (left in printer)	0.00
17570	A & B Saw & Lawnmower Shop	6100 · Distribution - Maint/Supplies	95.90
17571	Alpha Analytical Laboratories, Inc	5080 · Water Treatment & Testing	373.00
17572	Badger Meter, Inc.	6100 · Distribution - Maint/Supplies	5,002.36
17573	Border Tire	6200 · Trucks-Fuel,Maintenance,Repair	289.49
17574	CrisplImaging Inc.	1581 · Yerba Valley Annex. Pipeline	28.04
17575	Gregory Sheets, CPA	7200 · Annual Audit	500.00
17576	Harper & Assoc. Eng. , Inc.	1547 · CIP Design/Engineer	4,400.00
17577	HASA	5200 · Water Treatment -Maint/Supplie	1,203.83
17578	Lakeside Equipment, Inc.	1582 · Oper, Eng. & Security Bldg.	46.20
17579	Napa Auto Parts Inc	6200 · Trucks-Fuel,Maintenance,Repair	49.55
17580	UniFirst Corp	6100 · Distribution - Maint/Supplies	475.62
17581	VECMAR	7400 · Office Expense	149.00
17582	Wintergardens Smog & Tune	6200 · Trucks-Fuel,Maintenance,Repair	2,150.47
17583	**included in payroll	Payroll Check	0.00
17584	**included in payroll	Payroll Check	0.00
17585	Standard Insurance	7040 · Group Insurance	445.18
17586	Variable Annuity Life Insurance	2100 · Payroll Liabilities	4,705.72
eft	First Bankcard - Visa	First Bankcard	2,770.04
eft	First Bankcard - Visa	First Bankcard	837.23
eft	Bankcard CC Fee	7400 · Office Expense	4,395.92
eft	US Bank-Register	7400 · Office Expense	169.27
eft	Paya ACH Fee	7400 · Office Expense	10.00
eft	Paya ACH Fee	7400 · Office Expense	172.05
eft	Paya ACH Fee	7400 · Office Expense	15.00
eft	Paya ACH Fee	7400 · Office Expense	60.00
eft	Paya ACH Fee	7400 · Office Expense	214.88
eft	Paya ACH Fee	7400 · Office Expense	275.56
eft	Paya ACH Fee	7400 · Office Expense	1,027.65
eft	San Diego County Water Authority	5000 · Water Purchases	606,425.16
eft	US Bank-NSF	1200 · Accounts Receivable	192.67
eft	US Bank-NSF	1200 · Accounts Receivable	47.26
eft	InvoiceCloud Fee	7400 · Office Expense	2,424.60
eft	US Bank-Fees	7400 · Office Expense	932.33
eft	Verizon	7400 · Office Expense	172.36
eft	SDGE	5100 · Electric Power	16,793.71
eft	SDGE	5100 · Electric Power	26.57
eft	SDGE	5100 · Electric Power	1,362.91
eft	SDGE	5100 · Electric Power	453.00
eft	SDGE	5100 · Electric Power	70.24
eft	SDGE	5100 · Electric Power	51.54
eft	US Bank-NSF	1200 · Accounts Receivable	6,793.24
payroll	Payroll	Split	83,292.91

915,200.88



SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING

JANUARY 22, 2026

1. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the monthly Treasurer's Report
2. 2026 Board meeting dates amendment.
The Board approved amending the September Formal Board of Directors meeting date from September 24, 2026, to September 17, 2026.
3. Adopt the Water Authority's 2026 Long-Range Financing Plan.
The Board adopted the 2026 Long-Range Financing Plan including:
 1. Updated Rate Stabilization Fund Policy
 2. Excess Revenue Procedure Policy, and;
 3. Updated Statement of Debt Management and Disclosure Policy
4. Approve memorandum of understanding with City of San Diego and County of San Diego for implementation of Integrated Regional Water Management Program activities.
The Board approved the MOU with the City and the County for IRWM planning and implementation activities.
5. Professional services contract with Woodard & Curran for Integrated Regional Water Management Program services.
The Board awarded a professional services contract, with such non-material modifications as approved by the General Manager or General Counsel, to Woodard & Curran, for a not-to-exceed amount of \$503,255, with a termination date of June 30, 2029, with the option to extend the contract for up to an additional 18 months, and authorized the General Manager, or designee, to execute the contract.
6. Public works contract with Level Crane Systems to furnish and install a 10-ton bridge crane system at the Operations and Maintenance Center in Escondido.
The Board awarded a public works contract, with non-material modifications as approved by the General Manager or General Counsel, to Level Crane Systems, in the amount of \$269,086, to furnish and install a 10-ton bridge crane system at the Operations and Maintenance Center (OMC) in Escondido, and authorized the General Manager, or designee, to execute the contract.
7. Adopt positions on various bills.
The Board adopted a position of Support on the Drought Relief Obtained Using Government Help Today Act of 2025 or the "DROUGHT Act of 2025" (Peters)
and;
The Board adopted a position of Support on AB 35 (Alvarez), Proposition 4 Administrative Procedure Act (APA) Exemption.



8. Approval of Minutes

The Board approved the minutes of the Formal Board of Directors' meeting of November 20, 2025.

9. Board Officer Appointment: Secretary

The Board approved the appointment of Director Teresa Acosta to the position of Secretary of the Board.

10. Board of Director Retirement Resolution: Director Ditas Yamane, City of National City.

The Board adopted Resolution No. 2026-01, a Resolution of the Board of Directors of the San Diego County Water Authority, honoring Ditas Yamane upon her retirement from the Board of Directors.

As water rates rise, S.D. urged to seek changes from agency

Analyst suggests pushing water authority for savings by delaying projects, selling surplus



San Vicente Reservoir is shown Monday in Lakeside. San Diego's budget analyst is suggesting the city pressure the San Diego County Water Authority to make changes that would save money, allowing the agency to lessen or delay rate hikes it passes on. **Nelvin C. Cepeda / U-T**

BY DAVID GARRICK
UNION-TRIBUNE

Budget analysts for San Diego say city officials should demand big changes at the cash-strapped San Diego County Water Authority, including a thorough rethinking of its entire operations and urgent action on out-of-state water sales.

The recommendations come with the city facing cumulative water rate hikes of 90% over six years, and the water authority predicting it will need to increase the rates it charges the city and other local agencies 100% to 150% by 2035.

Those hefty rate hikes could possibly shrink substantially if the water authority limits large capital projects, reduces operating expenses and finds a way to “right size” its water supply, according to the city’s independent budget analyst.

The fundamental problem facing the water authority is that it’s contractually obligated to buy more water than its member agencies typically need, forcing it to raise rates to cover its built-in costs.

Those increases essentially get passed on to local water agencies, including the city of San Diego, which must increase their rates accordingly.

The water authority is contractually obligated to buy 325,700 acre-feet of water per year, primarily from the Colorado River and the Carlsbad Desalination Plant. Local water sales by the authority, which dropped to 323,781 acre-feet last year, have continued to steadily dwindle.

While the mayor and City Council often complain publicly about the water authority and urge its leaders to make changes, the new set of recommendations from the budget analyst’s office suggests a more direct route.

The city controls 10 of the 34 seats on the water authority’s board, allowing the city to play a key role in its management decisions.

The recommendations, which were written by the budget analyst office’s Jordan More, are characterized as marching orders for the “city 10” when the water authority launches its 2026 legislative calendar Thursday.

One key recommendation is that the city 10 demand the water authority create a new business plan within one year.

Such a fundamental move would “critically evaluate CWA operations and provide options to help guide the organization towards a path to sustainability given declining regional demand,” More said. The new business plan should evaluate a proposed new operations site, the future of the Twin Oaks Treatment Plant, future reservoir projects and other initiatives, More said.

More stressed that San Diego water officials have already postponed major infrastructure projects three years to save money and shrink rate hikes, contending it wouldn't be too much to ask the water authority to follow suit.

More noted that the Metropolitan Water District, which faces some of the same challenges as the water authority, recently began updating its business plan.

Another key recommendation for the city 10 is demanding that the water authority negotiate deals to sell excess water to agencies outside the region, most likely out of state, within one year. More said timing is crucial on such deals, which water authority officials have already agreed to solicit.

"This next year will be vital in securing a deal to offload water supplies as each of the region's water recycling projects is projected to start producing water in the next 18 months," said More, referring to sewage recycling projects in Oceanside, East County and San Diego.

More said the water authority deserves credit for making some notable budget cuts and reaching a legal settlement with the Metropolitan Water District that allows out-of-state sales.

But he said bigger moves are needed.

"Although progress has begun, more rapid and holistic changes are needed quickly to have a lasting and dramatic impact on rates," More said.

More said one reason for optimism is that the water authority's long-range financial plan, the document predicting rate increases as large as 150% by 2035, doesn't include any water sales to outside agencies and doesn't include any sort of dramatic changes to the authority's operations.

The city 10 includes Nick Serrano, City Councilmember Stephen Whitburn, Jimmy Ayala, Jim Madaffer, Venus Molina, Jerry Butkiewicz, Ismahan Abdullahi, Tim Douglass, Lois Fong-Sakai and Val Macedo.

https://www.ivpressonline.com/opinion/opinion-water-cuts-pending/article_32416d52-62ac-4c5f-857d-e6ee8d087ff3.html

OPINION: Water cuts pending

KAY PRICOLA Guest Columnist

Jan 14, 2026

As we start the second full week of the new year, Imperial Valley continues to receive unwelcome news. While our elected IID Board members and key staff have been busy celebrating the growth in the Coachella Valley in ribbon cuttings IID celebrates and filing litigation against the County of Imperial (IID Files Lawsuit), the most important aspect of their responsibility seems to be slipping away from them and without any notice to the public.

For all things following the Colorado River, be aware that the interim Guidelines which established criteria for water use, expire in August 2026. The 2025 deadlines set for the seven-state negotiating team for new 2026 guidelines were missed. With that failure, the U.S. Bureau of Reclamation has released a report with five options for managing the Colorado River after 2026. The significance of that 1600-page report can be summarized below:

California faces significant water cuts under some proposals, which could impact cities and agriculture.

Negotiations continue among seven states, 30 tribal nations, and Mexico over how to share the dwindling water supply.

If states cannot agree on a plan, the federal government may impose its own solution to manage shortages.

For us here, the key impact is a potential cut to the California allocation. California, which draws 4.4 million acre-feet annually from the Colorado River, faces a potential cut to reduce its allocation to 3.9 million acre-feet per year under some scenarios, according to the Bureau's analysis. That could hit Southern California cities and Imperial Valley agriculture the

hardest.

If shared equally, that cut to IID allocation of 3.1 means about 300,000 AF a year. Data from Paul Magana's recent letter to the editor (Desert Review—Paul Magana) show that IID has not used over 425,000 AF over the last three years. So, this 9% cut means another 150,000 AF reduction annually. The San Diego County Water Authority contract with IID will also share the 9% reduction, with less revenue to the IID water department and to the farmers for conservation.

While we have seen a lot of misinformation on the scarcity of water, with the assistant secretary for water and science at the Department of Interior stating, "The river and the 40 million people who depend on it cannot wait. In the face of an ongoing severe drought, inaction is not an option." Yes, California has had a drought of 25 years, but she filed this year for the first time. California is totally drought-free.

The draft, which includes options ranging from "no action" to aggressive conservation measures, comes as the two largest reservoirs on the Colorado River, Lake Mead and Lake Powell, hover near historic lows—about one-third of capacity—after more than two decades of megadrought. And yes, Lake Powell is only 27% full but its contributing reservoirs are not that low—and it is prior to any spring snowmelt.

So what is IID saying, as reported by the Los Angeles Times: "JB Hamby, California's lead negotiator, acknowledged the urgency to the Los Angeles Times: 'The river will not wait. A sustainable solution requires all seven states to contribute,' Hamby said."

All I can say is great job, Karin Eugenio, new Chair; JB Hamby, IID Director and California Colorado River Board Chair; and the other three elected IID Directors. Four years to reach a solution and this is our option.