

A G E N D A

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

October 8, 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 September 1, 2026.
7. Review the August 2026 Treasurers Report for the Annual Audit. Request to Note and File in Preparation.
8. Operations Report. Johnze
9. Consider Revision to Resolution 26-13 amending the District's Conflict of Interest Code. Sanders
10. Consider Resolution 26-15 for the Pass-Through Water Rate Adjustments to offset the wholesale rate increases 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
11. Consider Resolution 26-16 in appreciation of California State Senator Brian Jones and his lengthy and outstanding career representing the communities of East County. Sanders
12. 2027 Administrative Planning Discussion. Sanders
13. Approve Demands of the Treasurer for September 2026.

14. CWA Report
15. Director's Reports and/or Ad Hoc Sub-Committees Reports if needed.
16. General Managers' Report.
17. Closed Session Item – Closed to the Public

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9 –
One Case
18. Adjourn Meeting; Next Regular Meeting to be held on November 3, 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 October 5, 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 REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
LAKESIDE WATER DISTRICT
HELD ON September 1, 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 – Pastor Leon Hostetler provided the prayer for the night’s meeting.
- 3) Pledge of Allegiance was led by Director Hilliker.
- 4) Approval of Agenda. Request by the General Manager to change item 13 to be presented after item 8. Motion by Director Robak to accept the agenda as revised.

Motion: Robak

Second: Jenkins

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). Past Employee Matt Huber talked to the Board about his experience and future job aspirations.
- 6) Approve Minutes of a Regular Meeting held on August 4, 2026. Motion by Director Robak to approve the minutes as presented with noted spelling correction.

Motion: Robak

Second: Hilliker

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

- 7) Review the July 2026 Treasurers Report for the Annual Audit. Request to Note and File in Preparation. Approved to Note and File.
- 8) Operations Report. Engineering and Operations Manager Quinn Johnze provided an update highlighting the following issues;

- Yerba Valley private line project. 1,100 feet of multiple conduits installed to date. Showed pictures of the rock encountered to date.
 - Fire Hydrant Maintenance on Woodside Ave.
 - Castle Court Property Repair. Backfilled slope and prepared for rain.
 - Laurel St. Medical Building has started the water improvements
 - River Street-City of San Diego job.
- Main breaks 0 Service leaks 1 Fire hydrants 0

8a) CWA Report – CWA Representative Hilliker reported that the WA approved a water transfer agreement with the City of Burbank. Notice of Completion for Pipeline 4 Project.

9) Adopt Resolution 26-13 Amending the District's Conflict of Interest Code. General Manager Sanders described the updates proposed for this biennial update. Motion by Director Hilliker to approve Resolution 26-13 and Exhibit A as presented.

Motion: Hilliker

Second: Robak

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

10) Consider Resolution 26-14 Supporting the Nomination of Director Hilliker to be Chairman of the San Diego County Water Authority Board of Director's. Motion by Director Robak to approve Resolution 26-14 as presented.

Motion: Robak

Second: Johnson

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

11) Water Management and Strategic Planning Discussion. General Manager Sanders provided a presentation describing the District's goals and concerns over the next 5 to 10 year period.

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

Motion: Hilliker

Second: Robak

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

13) CWA Report – Moved to 8a

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

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

1) Regulatory Update. PFAS and CARB updates

2) Yerba Valley Annexation Pipeline Installation and Funding – First billing.

Provided a summary of the Capital Outlays to date in FY 26-27

Provided various water related news articles pertaining to the southwest US.

16) Closed Session Item – Closed to the Public

Liability Claim per Government Code Section 54961:

Claimant Gray v Lakeside Water District – Out of closed session; Board President Neumeister announced that the Board unanimously denied the claim submittal by Troy and Aura Gray and directed the General Manager to direct a letter outlining the decision and the time limitations to file a State Court Action on the claim.

17) There being no further business the meeting adjourned to the next Regular Meeting scheduled for October 8, 2026.

Attest:

Brett Sanders, Board Secretary
Lakeside Water District

Eileen Neumeister
Board President

Lakeside Water District
Statement of Revenues and Expenses
July through August 2026

	Aug 26	Jul - Aug 26	Budget	% of Budget
Operating Revenue				
Water Sales				
4000 · Water Sales on Account	\$ 988,799	\$ 1,988,440	\$ 10,340,034	19%
4010 · System meter charge	\$ 140,214	\$ 279,146	\$ 1,831,126	15%
4020 · CWA/IAC	\$ 39,244	\$ 76,934	\$ 469,392	16%
4040 · Penalties / other	\$ 12,925	\$ 28,788	\$ 130,000	22%
Total Water Sales	\$ 1,181,182	\$ 2,373,308	\$ 12,770,552	19%
4100 · Capacity Fees LWD	\$ 4,641	\$ 4,641	\$ 189,339	2%
4101 · SDCWA Capacity & Treatment	\$ -	\$ -	\$ 212,321	0%
4200 · Meter Services	\$ 1,083	\$ 1,083	\$ 35,000	3%
4210 · Engineering & Inspection Fees	\$ 831	\$ 831	\$ 20,000	4%
4220 · Fire Hydrants	\$ -	\$ -	\$ 30,000	0%
4230 · Tapping	\$ -	\$ -	\$ 15,000	0%
4300 · Miscellaneous Income	\$ -	\$ 26	\$ 20,000	0%
4310 · Water Letters	\$ 225	\$ 625	\$ 2,350	27%
4400 · Rent - Land Lease	\$ 47,890	\$ 80,339	\$ 363,365	22%
4600 · Interest Income	\$ 49,256	\$ 101,567	\$ 440,000	23%
4700 · Taxes Revenue	\$ 13,269	\$ 15,658	\$ 900,000	2%
Total Operating Revenue	\$ 1,298,377	\$ 2,578,078	\$ 14,997,927	17%
Expense				
Administrative and General				
7000 · General Manager/Secretary	\$ 18,833	\$ 37,666	\$ 291,000	13%
7001 · Incentive Compensation	\$ -	\$ 10,000	\$ 10,000	100%
7020 · Director's Fees	\$ 625	\$ 1,250	\$ 10,750	12%
7100 · General Insurance	\$ -	\$ 1,845	\$ 101,914	2%
7200 · Annual Audit	\$ 5,500	\$ 21,500	\$ 31,000	69%
7210 · Attorney Fees	\$ 1,105	\$ 5,695	\$ 40,000	14%
7230 · Consultants	\$ -	\$ 7,961	\$ 40,000	20%
7300 · Elections/Registrar	\$ -	\$ -	\$ 2,000	0%
7320 · Lafoo Operating Costs	\$ -	\$ 6,308	\$ 6,310	100%
7401 · Administrative Expense	\$ 2,005	\$ 2,005	\$ 7,000	29%
7450 · Public Info/Public Relat	\$ -	\$ -	\$ 2,000	0%
7500 · State Health Dept./ SWRCB	\$ -	\$ -	\$ 50,000	0%
7800 · Bad Debt Expense	\$ -	\$ -	\$ 2,000	0%
7900 · Water Dev./Conservation Program	\$ -	\$ -	\$ 2,000	0%
Total Administrative and General	\$ 28,068	\$ 94,230	\$ 595,974	16%

	Aug 26	Jul - Aug 26	Budget	% of Budget
Operations and Maintenance				
5000 · Water Purchases	\$ 918,237	\$ 1,862,680	\$ 9,558,214	19%
5075 · Padre Dam Deliver Charge	\$ -	\$ -	\$ 2,600	0%
5080 · Water Treatment & Testing	\$ 1,445	\$ 5,707	\$ 22,000	26%
5091 · SDCWA Capacity & Treatment Fees	\$ -	\$ -	\$ 212,321	0%
5100 · Electric Power	\$ 66,330	\$ 117,153	\$ 327,000	36%
5200 · Water Treatment -Maint/Supplie	\$ 4,413	\$ 20,322	\$ 110,000	18%
5627 · County - Road Improvements	\$ -	\$ -	\$ 15,000	0%
5628 · Telemetry Repair	\$ -	\$ 29	\$ 15,000	0%
6000 · Wages, Field	\$ 80,061	\$ 145,973	\$ 918,453	16%
6100 · Distribution - Maint/Supplies	\$ 24,751	\$ 32,120	\$ 140,000	23%
6102 · Dist. Pump & Maint	\$ 6,233	\$ 6,572	\$ 60,000	11%
6110 · Emergency Repairs & Service	\$ 894	\$ 894	\$ 45,000	2%
6200 · Trucks-Fuel,Maintenance,Repair	\$ 616	\$ 7,590	\$ 70,000	11%
6400 · Outside Labor	\$ 7,750	\$ 8,254	\$ 42,000	20%
6410 · Engineering	\$ 121	\$ 4,712	\$ 20,000	24%
7010 · Wages, Office	\$ 30,230	\$ 60,461	\$ 374,203	16%
7030 · Payroll Taxes	\$ 9,926	\$ 19,534	\$ 110,000	18%
7040 · Group Insurance	\$ 26,750	\$ 59,592	\$ 420,000	14%
7050 · CalPers Retirement	\$ 15,099	\$ 111,727	\$ 298,499	37%
7070 · Unemployment Insurance	\$ -	\$ -	\$ 2,500	0%
7400 · Office Expense	\$ 22,265	\$ 39,015	\$ 165,600	24%
7440 · Dues & Subscriptions	\$ 1,305	\$ 1,899	\$ 32,000	6%
7920 · Miscellaneous Expense	\$ 125	\$ 350	\$ 6,000	6%
Total Operations and Maintenance	\$ 1,216,551	\$ 2,504,584	\$ 12,966,390	19%
Total Expense	\$ 1,244,619	\$ 2,598,814	\$ 13,562,364	19%
Net Ordinary Income	\$ 53,758	\$ (20,736)	\$ 1,435,563	(1%)

Capital Requirements				
1510 · Buildings & Land Improvements	\$ -	\$ -	\$ 30,000	0%
1520 · O & M Equipment	\$ -	\$ -	\$ 10,000	0%
1530 · Office Furniture & Equipment	\$ -	\$ -	\$ 10,000	0%
1547 · CIP Design/Engineering	\$ -	\$ -	\$ 24,000	0%
1550 · Pumping Plant & Distribution	\$ 680	\$ 1,717	\$ 15,000	11%
1551 · New Service/Meters	\$ -	\$ -	\$ 5,000	0%
1581 · Yerba Valley Annexation Pipeline	\$ 93,896	\$ 101,502	\$ 600,000	17%
1583 · Julian Ave. Multiple Pipe Rep.	\$ -	\$ -	\$ 1,100,000	0%
1585 · Single Oak Pump Station Rehab	\$ -	\$ -	\$ 20,000	0%
1586 · Vehicle Repair Truck 4 & 5	\$ -	\$ -	\$ 75,000	0%
Total Capital Expense	\$ 94,576	\$ 103,219	\$ 1,889,000	5%

Lakeside Water District
Investment Report
As of August 31, 2026

	Aug 31, 26
Current Assets	
1020 · UBS Cash Fund	20,203.80
1030 · King Cash Fund	66,384.39
1050 · Multi-Bank Securities, Inc.	185,989.40
1070 · Investment - LAIF	1,076.36
Total Checking/Savings	273,653.95
Other Current Assets	
Investments	
1321.70 · Mrgn Stanley BK 4.45% 6/6/29	115,000.00
1321.71 · First Gty Bk Hamm 4.35% 11/6/28	199,900.00
1321.73 · FHLB 4.09% 11/25/30	245,005.25
1321.74 · FHLMC Med 4.170% 01/27/31	245,005.25
1351.41 · ConnectOneBk 0.8% 9/24/26 57919	136,000.00
1351.42 · PentagonFed 0.9% 9/29/26 227	249,000.00
1351.43 · FHLN 1.1% 10/13/26	350,000.00
1351.44 · FHLN 1.375% 11/16/26	270,000.00
1351.45 · FHLB 1.65% 12/30/26	270,000.00
1351.46 · FHLN 2.5% 3/29/27	270,000.00
1351.48 · StBk India 3.3% 6/1/27 33682	100,000.00
1351.49 · TSRY 2.375% 5/15/27	350,152.63
1351.51 · Morgan S Privt Bk 3.7% 9/26/29	245,000.00
1351.52 · Morgan S Bk 3.7% 9/26/29	105,000.00
1351.54 · Cross Riv Bk Teaneck 4% 1/3/28	245,000.00
1351.55 · AMEX NATL BK 4.15% 3/26/30	244,000.00
1351.56 · EAGLEBK BETH 4.05% 4/17/28	249,000.00
1351.57 · MILESTONE BANK 3.95% 4/28/28	245,000.00
1351.58 · FNBA 3.85% 4/30/29	249,000.00
1351.59 · Medallion BK 4.050% 5/19/28	249,000.00
1351.60 · UBS BK USA 4.10% 5/22/28	249,000.00
1351.61 · USF FCU 4.00% 7/30/30	249,000.00
1351.62 · Valley Nat'l Bk 3.95% 07/31/28	245,000.00
1351.63 · Connexus 3.75% 9/18/28	249,306.99
1351.64 · Royal BK CDA 4.10% 9/30/30	500,000.00
1351.65 · Gold Sachs BK USA 3.70% 10/7/30	245,000.00
1351.66 · Gulf Coast B&T 3.65% 11/25/30	245,000.00
1351.67 · Texas EXC Bank 3.75% 11/26/29	249,000.00
1351.68 · 3rd Fed SVG & LN 3.75% 12/19/30	245,000.00
1351.69 · Farmers & Merch. 3.70% 12/31/30	249,000.00
1351.70 · Customers Bank 3.80% 2/26/31	245,000.00
1351.71 · Celtic Bank 3.75% 2/27/31	249,000.00
1351.72 · Sunwest BK/UT 3.65% 2/27/31	249,000.00
1351.73 · Optum Bank 3.70% 3/11/31	245,000.00

	Aug 31, 26
1351.74 · Enterprise Bank 3.70% 3/17/31	249,000.00
1351.75 · Fannie Mae 4.00% 3/24/31	450,000.00
1351.76 · Wells Fargo BK 4.3% 7/22/31	140,000.00
1351.77 · Cap One Natl Assn 4.45% 8/19/31	244,029.75
1351.78 · Eaglemark SAV BK 4.4% 8/29/31	244,000.00
1351.79 · Toy Fin SAV BK 4.45% 8/27/31	244,000.00
1383.27 · FHLB 2.5% 2/25/27	670,000.00
1383.28 · BealBk 2.05% 3/3/27 57833	247,000.00
1383.29 · FHLB 2.5% 3/30/27	200,000.00
1383.30 · FHLB 3.25% 4/21/27	255,000.00
1383.31 · FHLB 3% 4/29/27 no call 24mo	250,000.00
1383.32 · FHLB 3.375% 5/28/27 no call24mo	255,000.00
1383.34 · SALLMA 4.3% 07/27/29	244,000.00
1383.35 · UBS 4.2% 07/24/29	248,000.00
1383.36 · FNMA 4.375% 8/6/29	179,184.50
1383.37 · Valley Natl 4.15% 1/27/28	244,000.00
1383.40 · FHLB 4.125% 10/5/29	204,692.50
1383.41 · FHLB 4.375% 6/24/2030	185,878.75
1383.42 · Farmer MAC 4.26% 7/16/30	496,980.00
1383.44 · FNMA 4.00% 8/20/30	899,550.00
1383.45 · FNMA 3.75% 1/7/31	320,000.00
1383.46 · JPMC Bank 4.00% 3/26/31	240,000.00
1383.47 · Citibank NA CD 4.50% 6/18/31	225,000.00
Total Investments	15,279,685.62
Total Current Assets	15,553,339.57

Investment Changes in August 2026

Purchased 1351.77	Cap One Natl Assn 4.45% 8/19/31	244,029.75
Purchased 1351.78	Eaglemark SAV BK 4.4% 8/29/31	244,000.00
Purchased 1351.79	Toy Fin SAV BK 4.45% 8/27/31	244,000.00
 Redeemed 1351.39	 Synchrony 0.9% 8/20/26	 119,000.00
Redeemed 1351.40	FHLN 0.9% 8/26/26	640,000.00

Investments by Maturity

August 2026

<u>Description</u>	<u>Cusip</u>	<u>Maturity</u>	<u>Rate</u>	<u>Amount</u>	<u>Est. Yr Interest</u>	<u>Avg Rate</u>
King Fidelity Treasury MM	FZFX		4.11%	\$ 567	\$ 23.29	
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	\$ 1,275,567	8%				1.20%
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%	\$ 350,153	\$ 12,395.42	
FHLB	3130ARYQ8	5/28/2027	3.37%	\$ 255,000	\$ 8,593.50	
State Bank India N	856285N64	6/1/2027	3.30%	\$ 100,000	\$ 3,300.00	
Maturity in 2027	\$ 2,597,153	17%				2.84%
Cross Riv BK Teaneck	227563LU5	1/3/2028	4.00%	\$ 245,000	\$ 9,800.00	
Valley National Bk	919853PX4	1/28/2028	4.15%	\$ 244,000	\$ 10,126.00	
EAGLEBANK Bethesda	27002Y-HN-9	4/17/2028	4.05%	\$ 249,000	\$ 10,084.50	
Milestone BK SALT	59934M-DC-9	4/28/2028	3.95%	\$ 245,000	\$ 9,677.50	
Medallion BK Salt	58404D-XT-3	5/19/2028	4.05%	\$ 249,000	\$ 10,084.50	
UBS BK USA	90355G-WG-7	5/22/2028	4.10%	\$ 249,000	\$ 10,209.00	
Valley Nat'l Bk	919853QZ7	7/31/2028	3.95%	\$ 245,000	\$ 9,677.50	
Connexus	20825WES5	9/18/2028	3.75%	\$ 249,307	\$ 9,349.01	
1st Gty Bk Hammond	320437AT3	11/6/2028	4.35%	\$ 199,900	\$ 8,695.65	
Maturity in 2028	\$ 2,175,207	14%				4.03%
FNBA	32110Y-T7-0	4/30/2029	3.85%	\$ 249,000	\$ 9,586.50	
Mrgn Stanley BK	61776CPV3	6/6/2029	4.45%	\$ 115,000	\$ 5,117.50	
UBS	90355GPU4	7/24/2029	4.20%	\$ 248,000	\$ 10,416.00	
SALLMA	795451DM2	7/24/2029	4.30%	\$ 244,000	\$ 10,492.00	
FNMA	3135GAU25	8/6/2029	4.38%	\$ 179,185	\$ 7,839.32	
Morgan S Privt Bk	61768UPS0	9/26/2029	3.70%	\$ 245,000	\$ 9,065.00	
Morgan S Bk	61776CBR7	9/26/2029	3.70%	\$ 105,000	\$ 3,885.00	
FHLB	3130B34U4	10/5/2029	4.13%	\$ 204,693	\$ 8,443.57	
Texas EXC Bank	88241TXB1	11/26/2029	3.75%	\$ 249,000	\$ 9,337.50	
Maturity in 2029	\$ 1,838,877	12%				4.03%
American Express Nat'l Bk	02589AGX4	3/26/2030	4.15%	\$ 244,000	\$ 10,126.00	
FHLB	3130B6T22	6/24/2030	4.38%	\$ 185,879	\$ 8,132.20	
Farmer MAC	31424WK43	7/16/2030	4.26%	\$ 496,980	\$ 21,171.35	

Investments by Maturity

August 2026

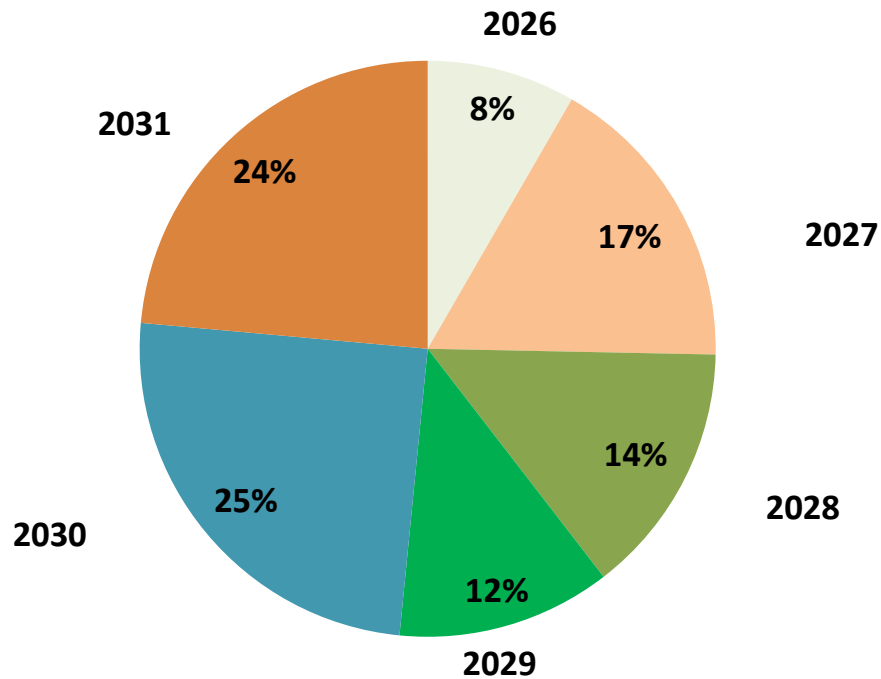
<u>Description</u>	<u>Cusip</u>	<u>Maturity</u>	<u>Rate</u>	<u>Amount</u>	<u>Est. Yr Interest</u>	<u>Avg Rate</u>
USF FCU	90353ECE1	7/30/2030	4.00%	\$ 249,000	\$ 9,960.00	
Fedl Natl MTG Assn	3136GANN5	8/20/2030	4.00%	\$ 899,550	\$ 35,982.00	
Royal BK CDA	RY6190844	9/30/2030	4.10%	\$ 500,000	\$ 20,500.00	
Gold SachsBK USA	38151PAH4	10/7/2030	3.70%	\$ 245,000	\$ 9,065.00	
Gulf Coast B&T	402194GS7	11/25/2030	3.65%	\$ 245,000	\$ 8,942.50	
FHLB	3130B8LT7	11/25/2030	4.09%	\$ 245,005	\$ 10,020.71	
3rd Fed SVG & LN	88413Q-JK-5	12/19/2030	3.75%	\$ 245,000	\$ 9,187.50	
Farmers & Merchants	308862-EH-O	12/31/2025	3.70%	\$ 249,000	\$ 9,213.00	
Maturity in 2030 \$ 3,804,414 25%						4.00%
FNMA	3136GCDK8	1/7/2031	3.75%	\$ 320,000	\$ 12,000.00	
FHLMC Med	3134HCPG8	1/27/2031	4.17%	\$ 245,005	\$ 10,216.72	
Customers Bank	23204H-RQ-3	2/26/2031	3.80%	\$ 245,000	\$ 9,310.00	
Celtic Bank Salt Lake	15118R-4D-6	2/27/2031	3.75%	\$ 249,000	\$ 9,337.50	
Sunwest Bank/UT	86804DDM7	2/27/2031	3.65%	\$ 249,000	\$ 9,088.50	
Optum Bank	68405V-FL-8	3/11/2031	3.70%	\$ 245,000	\$ 9,065.00	
Enterprise Bank	29367R-NQ-5	3/17/2031	3.70%	\$ 249,000	\$ 9,213.00	
Fannie Mae	3136GCVD4	3/24/2031	4.00%	\$ 450,000	\$ 18,000.00	
JPMC Bank	46659CZC7	3/26/2031	4.00%	\$ 240,000	\$ 9,600.00	
Citibank NA CD	17290GPP6	6/18/2031	4.50%	\$ 225,000	\$ 10,125.00	
Wells Fargo BK	949764ZK3	7/22/2031	4.30%	\$ 140,000	\$ 6,020.00	
Cap One Natl Assn	14042RXM8	8/19/2031	4.45%	\$ 244,030	\$ 10,859.32	
Toy Fin SAV BK	89235MUZ2	8/27/2031	4.45%	\$ 244,000	\$ 10,858.00	
Eaglemark SAV BK	27004PJW4	8/29/2031	4.40%	\$ 244,000	\$ 10,736.00	
Maturity in 2031 \$ 3,589,035 24%						4.02%
				<u>Investments</u>	<u>Annual Interest</u>	<u>Avg</u>
Total				\$ 15,280,253	\$ 547,625	3.58%

Investments by Maturity

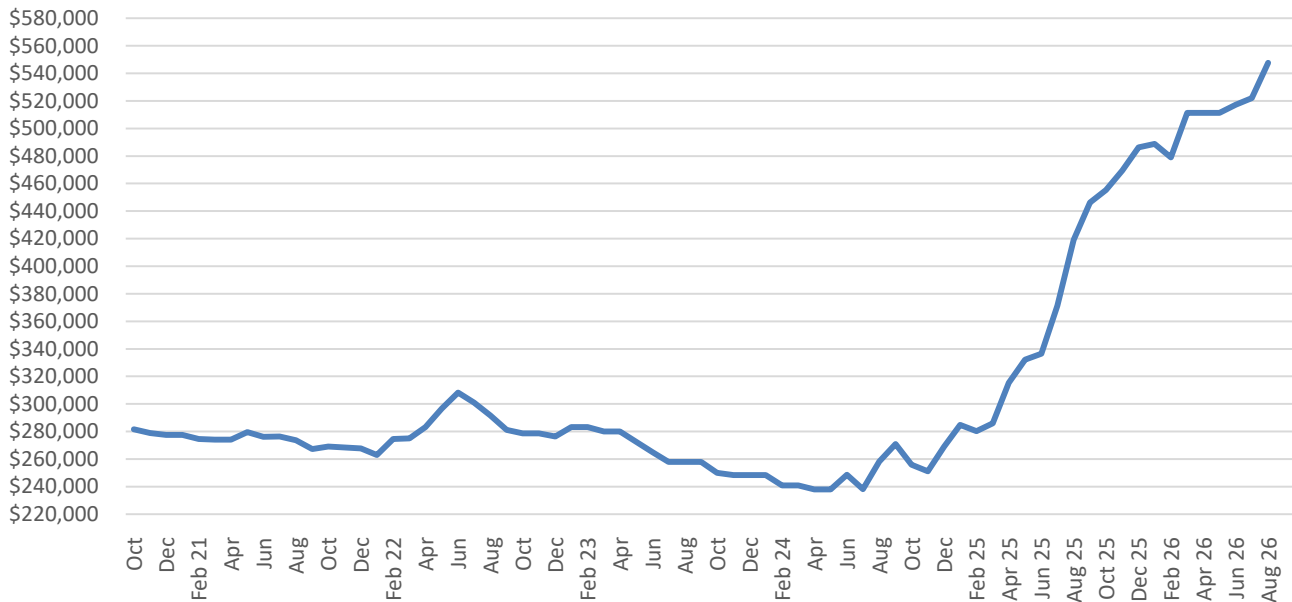
August 2026

<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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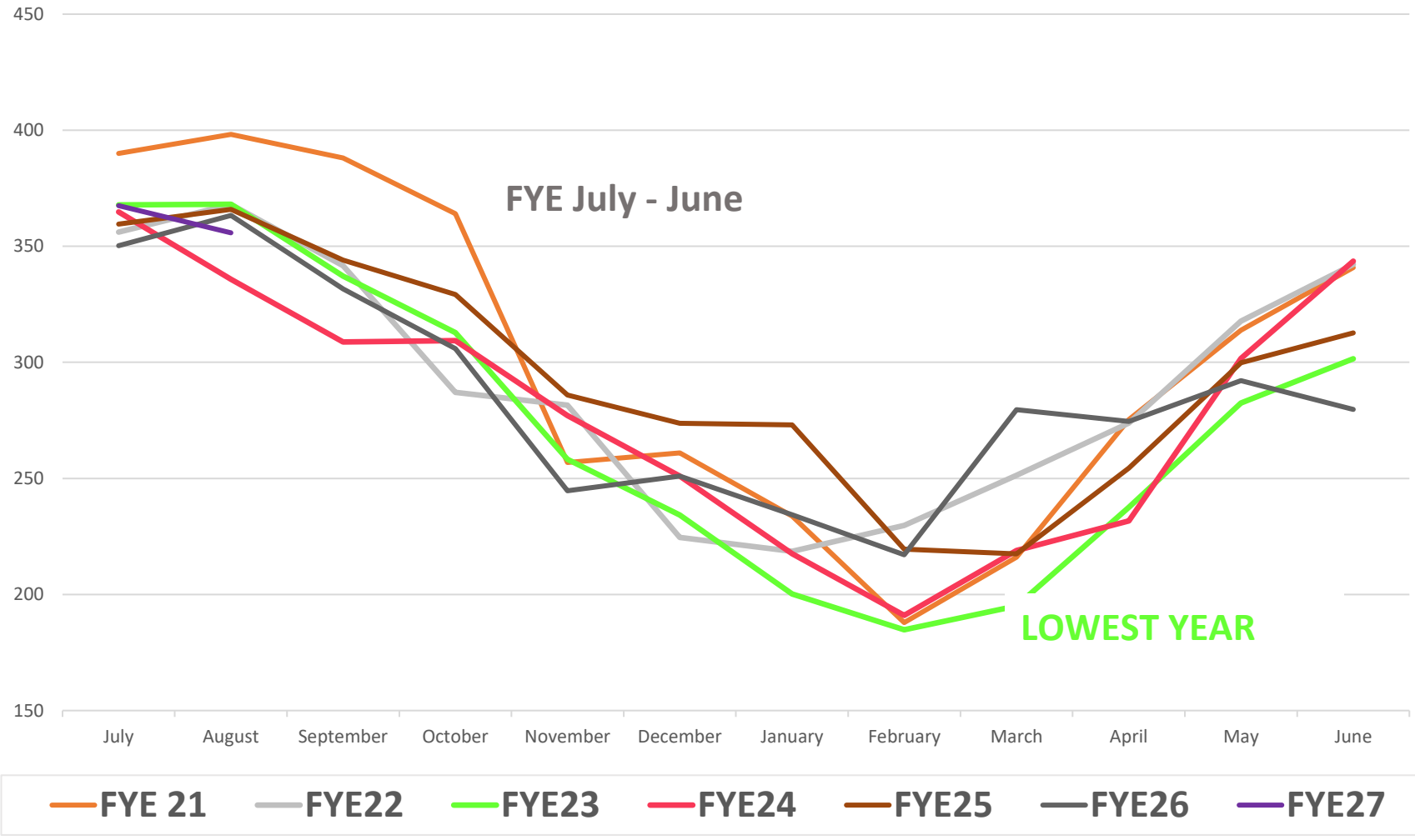
Investments by Maturity Year



Annual Projected Interest *On a monthly basis*



Water Demand



OPERATIONS REPORT
October 2026
BOARD OF DIRECTORS MEETING

General Operation:

- *Yerba Valley private line project*
- *Landscape Maintenance*
- *Castle Court Property Repair Photos*

Contractor/ Developer/ County Projects:

- *River Run Industrial complex off Riverside Drive*

District Emergencies Repairs:

- *Main breaks 0*
- *Service leaks 3 Julian, Bridal Path, Golden Ridge*
- *Fire hydrants 1 Posthill*

RESOLUTION 26-13 (Revised)

RESOLUTION OF THE BOARD OF DIRECTORS OF LAKESIDE WATER DISTRICT ADOPTING AN AMENDED CONFLICT OF INTEREST CODE PURSUANT TO THE POLITICAL REFORM ACT OF 1974

WHEREAS, the state of California enacted the Political reform Act of 1974, government code section 81000 et seq., which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the Lakeside Water District, and requires all public agencies to adopt and promulgate a Conflict of Interest Code; and

WHEREAS, the board of directors adopted a Conflict of Interest Code which was amended on October 3, 1995, October 4, 2016, October 6, 2020 and September 13, 2024 in compliance with the Act; and

WHEREAS, subsequent changed circumstances within the district have made it advisable and necessary pursuant to sections 87306 and 87307 of the Act to amend and update the district's code; and

WHEREAS, the potential penalties for violation of the provisions of the Act are substantial and may include criminal and civil liability, as well as equitable relief which could result in the district being restrained or prevented from acting in cases where the provisions of the Act may have been violated; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Lakeside Water District, that the Board of Directors does hereby adopt the proposed amended Conflict of Interest Code, for the Lakeside Water District, the code set forth in Exhibit A to the Resolution with designated categories for reporting set forth in the Appendix to the Code.

BE IT FURTHER RESOLVED that the said amended Conflict of Interest Code shall be submitted to the Board of Supervisors of the County of San Diego for approval and said code shall become effective immediately after the Board of Supervisors approves the proposed amended code as submitted.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Lakeside Water District at a regular meeting thereof held on October 8, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Brett Sanders, Secretary
Lakeside Water District

Eileen Neumeister, President
Board of Directors

(new page addition)

CONFLICT OF INTEREST CODE OF THE LAKESIDE WATER DISTRICT

(Amended October 8, 2026)

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted 2 California Code of Regulations Section 18730, which contains the terms of a standard conflict of interest code which can be incorporated by reference in an agency's code. After public notice and hearing, Section 18730 may be amended by the Fair Political Practices Commission to confirm to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730, and any amendments to it, duly adopted by the Fair Political Commission are hereby incorporated by reference. This incorporation page, Regulation 18730 and the attached Appendix designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the Lakeside Water District (the "District").

Officials who manage Public Investments shall electronically file their statements of economic interests directly with the Fair Political Practices Commission. Individuals holding designated positions shall file their statements of economic interests with the District, which will make the statements available for public inspection and reproduction. (Government Code Section 81008.)

APPENDIX

CONFLICT OF INTEREST CODE

OF THE

LAKESIDE WATER DISTRICT

(Amended ~~September 10, 2024~~ October 8, 2026)

EXHIBIT "A"

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

District Officials who manage public investments as defined by 2 Cal. Code of Regs. 18701 (b), are NOT subject to the District's Code, but are subject to the disclosure requirements of the Political Reform Act. (Government Code Section 87200 et. Seq.). [Regs. 18730 (b)(3)] these positions are listed here for information purposes only.

It has been determined that the positions listed below are officials who manage public investments:

Members of the Board of Directors

General Manager

Treasurer

Investment Consultant

DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

DESIGNATED EMPLOYEES' TITLE OR FUNCTION

DISCLOSURE CATERGORIES ASSIGNED

General Counsel

1,2,3

~~District Engineer~~ Engineering and Operations Manager

2,3,5

Operations Superintendent

2,3,5

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which the Designated is assigned. "investment" means financial interest in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in or doing business in the jurisdiction, and planning to do business in the jurisdiction, or have done business during the previous two years in the jurisdiction of the district. ~~investments, business entities, sources of income or real property which the Designated Employee must disclose for each disclosure category to which the or she is assigned.~~

Category 1: All investments and business positions in, and sources of income including gifts, loans and travel payments, that are located in that do business in our own real property within the jurisdiction of the District. ~~from, business entities that do business or own real property within the jurisdiction of the District, plan to do business or own real property within the jurisdiction of the District within the next year, or have done business or owned real property within the jurisdiction of the District within the past two (2) years.~~

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the District, including any leasehold, beneficial or ownership interest or option to acquire property.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development, construction or the acquisitions or sale of real property within the jurisdiction of the District., ~~and sources of income from, business entities that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the District, plan to engage in such activities within the jurisdiction of the District within the next year, or have engaged in such activities within the jurisdiction within the past two (2) years.~~

Category 4: All investments and business positions in business entities and sources of income, including gifts, loans and travel payment, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the District. ~~from, business entities that are banking, savings and loan, or other financial institutions.~~

Category 5: All investments and business positions in business entities and sources of income, including gifts, loans travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated positions' department, unit or division. ~~and sources of income from, business entities that~~

~~provide services, supplies, materials, machinery, vehicles or equipment of a type purchased or leased by the District.~~

Category 6: All investments and business positions in business entities and sources of income, including gifts, loans and travel payments, or income from a nonprofit organization, if the source is the type to receive grants or other monies from or through the district or its subdivisions. ~~, and sources of income from, business entities that provide services, supplies, material, machinery, vehicles or equipment of a type purchased or leased by the Designated Employee's Department.~~

****Yellow highlight is for the new additions****

LAKESIDE WATER DISTRICT

BOARD REPORT

TO: Board of Directors

FROM: Brett Sanders, General Manager

DATE: October 8, 2026

SUBJECT: Adoption of Resolution of 2026-16 Amending Section 2.13-2(B) of the Administrative Code, Water Rates and Charges and Finding Such Action Exempt from the Environmental Quality Act.

Recommendation:

Approve Resolution 2026-16 Amending Rates and Charges to pass through rate increases approved by the San Diego County Water Authority effective January 1, 2027, and to find that such increase is exempt of provisions of the California Environmental Quality Act.

Alternative:

Do not amend the Administrative Code to approve the pass-through wholesale water rate increase.

Background:

In January 2024 the District passed Resolution 24-01 to provide for automatic adjustments that pass through wholesale water charges. This resolution provides authority to the Board of Directors to adopt a schedule of fees or charges authorizing automatic adjustments that pass through the adopted increases or decreases in the wholesale charges for water pursuant to California Government Code 53756. The resolution also resolves that changes in the rates and charges as established are exempt from the provisions of the California Environmental Quality Act by virtue of the Public Resources Code Section 21080 (b)(8) and Section 15273 of the CEQA Guidelines.

Fiscal Impact:

Significant impact, if the Board does not pass through wholesale water rate increases, other financial mechanisms or strategies are needed to make up for the increase in water cost. Such mechanisms or strategies may be a decrease in services or capital improvements or accessing monetary reserves to make up the shortfall estimated at \$475,853 (\$252,048 Fixed Charge Increase + \$223,805 Variable Charge Increase).

Discussion:

The San Diego County Water Authority annually sets their rates and charges to cover increases in their water supply, which comes from three major sources and its cost to provide services. The primary source of water is the Metropolitan Water District of Southern of California (which is the primary wholesale water agency in Southern California), followed by the Imperial Irrigation District Water Transfer Agreement and the Bud Lewis Carlsbad Desalination Plant.

The Water Authority Board of Directors at their June 25, 2026 meeting approved to increase their costs in a variety of rate categories. The variable water cost increased 3.0% (\$2,148/AF to \$2,213/AF). The fixed categories of charges increased 10.7% and the Infrastructure Access Charge increased 8.7%. The total increase to the District is expected to be in the 7.0% range.

The District has implemented a split rate charge recovery method to cover the WA rate increases on an annual basis within specific CWA Rate Charges. The District now passes along Variable Water Rate Increases (water commodity charge) in a CWA (Pass-through) rate category and passes along Fixed Charge increases in a CWA Fixed Rate (Pass-through) the District will now group the Infrastructure Access Charge into the Fixed Charge group, as that is the way we pay our bill to the WA.

Summary:

Our per unit pass-through rate increase projection takes into account all water sold by the District, including groundwater, which has a lower cost than wholesale water and helps keep our increases to the absolute minimum. This year our projected and budgeted per unit increase is 3.0%, increasing our overall per unit cost \$0.15.

Since 2001 the District has only increased rates to cover pass through wholesale increases. Our last meter service charge increase was this year 2026, the third year of a five year meter service charge increase plan. Below are the calculations to support our Pass-Through Rate Increases.

SDCWA Fixed Charges / Variable Rates					
keep column D as year zero, cumulative change is the pass-through on bills					
Source: https://www.sdcwa.org/member-agencies/rate-allocation/					
SDCWA Monthly Fixed Costs		CY 2026	CY 2027	Incremental Monthly Change	Billing Period Change Bi-Monthly
MWD Readiness-to-Serve Charge	FY	\$585	\$2,242	\$1,657	\$3,314
MWD Capacity Charge	CY	\$16,151	\$12,908	(\$3,243)	(\$6,486)
Supply Reliability Charge	CY	\$36,504	\$39,013	\$2,509	\$5,018
Customer Service Charge	CY	\$22,635	\$24,670	\$2,035	\$4,070
Emergency Storage Charge	CY	\$52,541	\$56,290	\$3,749	\$7,498
Transportation Charge	CY	\$29,823	\$40,818	\$10,995	\$21,990
Infrastructure Access Charge	CY	\$37,465	\$40,767	\$3,302	\$6,604
Total Fixed Costs		\$195,704	\$216,708	\$21,004	\$42,008

Variable Purchased Water Costs		CY 2026	CY 2027	\$/AF Change
SDCWA M&I Melded Untreated Rate	AF	\$1,490	\$1,490	\$0
SDCWA Treatment Cost	AF	\$530	\$610	\$80
Transporation Charge	AF	\$128	\$113	(\$15)

Variable Δ Purchased Water	\$/AF	Pass-Through? <i>Include/Exclude</i>	Incremental Variable Pass-Through
SDCWA M&I Melded Untreated Rate	\$0.00	<i>Include</i>	\$0
SDCWA Treatment Cost	\$80.00	<i>Include</i>	\$80
Transporation Charge	(\$15.00)	<i>Include</i>	(\$15)
Δ in \$/AF			\$65
$\div$ Conversion AF to HCF			435.60
Increase (decrease) per HCF			\$0.15
Variable Pass-Through			
Projected Usage (HCF)	<i>Production</i>	<i>Net of Water Loss</i>	1,492,033
Water loss (%)	3.50%		3.50%
Water Demand (HCF)			1,546,148
Less: Groundwater (HCF)	300 AF	290 AF	126,106
Total SDCWA Purchases (HCF)			1,420,042
Annual Δ Purchased Water Cost			\$213,006
$\div$ Projected Usage (HCF)			1,492,033
Blended Increase (decrease) per HCF			\$0.15

IAC				
Source: https://lakesidewater.org/customer-service/water-rates/				
CY 2027 IAC Bi-Monthly Charge				
Meter Size	Active Meters	CY 2026 <i>SDCWA/IAC Charge</i>	CY 2027 <i>IAC Pass-Through</i>	Proposed CY 2027 IAC Charge
5/8"	4,579	\$9.10	\$0.64	\$9.74
3/4"	1,618	\$9.10	\$0.64	\$9.74
1"	621	\$14.64	\$1.04	\$15.68
1 1/2"	105	\$27.52	\$1.89	\$29.41
2"	138	\$47.68	\$3.36	\$51.04
3"	1	\$88.03	\$6.16	\$94.19
4"	3	\$150.34	\$9.59	\$159.93
6"	3	\$275.00	\$19.34	\$294.34
Projected Revenue		\$457,906	\$32,202	\$490,108

SDCWA Fixed Pass-Through Analysis				
Allocate change in fixed costs according to meter equivalents				
Fixed Cost Allocation				
Bi-Monthly Fixed Costs			\$35,404	
÷ SDCWA ME's			8,387	
Fixed Unit rate			\$4.23	
Allocate to meter size:				
Meter Size	Meters	SDCWA Capacity Ratio	SDCWA ME's	Incremental Other Fixed Pass-Through
5/8"	4,579	1.00	4,579	\$4.23
3/4"	1,618	1.00	1,618	\$4.23
1"	621	1.61	1,000	\$6.81
1 1/2"	105	3.02	317	\$12.78
2"	138	5.24	723	\$22.17
3"	1	9.67	10	\$40.91
4"	3	16.42	49	\$69.46
6"	3	30.22	91	\$127.83
	7,068		8,387	
			Projected Revenue:	\$35,476
			Difference due to rounding:	\$72

Fixed Charges				
Source: https://lakesidewater.org/customer-service/water-rates/				
CY 2027 CWA Fixed Bi-Monthly Charge				
Meter Size	Active Meters	CY 2026 Pass-Through	CY 2027 with IAC Pass-Through	Proposed CY 2027 CWA Fixed
5/8"	4,579	\$13.58	\$13.97	\$27.55
3/4"	1,618	\$13.58	\$13.97	\$27.55
1"	621	\$21.86	\$22.73	\$44.59
1 1/2"	105	\$41.08	\$42.19	\$83.27
2"	138	\$71.17	\$73.21	\$144.38
3"	1	\$131.39	\$135.10	\$266.49
4"	3	\$224.39	\$229.39	\$453.78
6"	3	\$410.43	\$422.17	\$832.60

RESOLUTION NO. 2026-15

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 the Variable Commodity Charges and the Fixed Bi-Monthly 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 8th day of October, 2026

AYES:

NOES:

ABSENT:

ABSTAIN:

Brett Sanders, Board Secretary
Lakeside Water District

Eileen Neumeister, President
Board of Director's

Pass-Through Increase for 2027

Current LWD Rates

Lifeline 0-12 units \$5.55
 Standard 13+ units \$5.64

SD County Water Authority Water Rate Pass-Through for 2027 (Variable Charge/Water Sales at \$0.15 per unit)

CY 2026 Variable Rates (\$/hcf)				
Customer Class/Tier	CY 2024	CY 2026 total 25/26	CY 2027 (new)	CY 2026 Variable Rate
	<i>LWD Base (w/o CWA)</i>	<i>Pass-through</i>	<i>Pass-Through</i>	<i>Base + Cumulative PT</i>
Life Line Rate	\$5.55	\$0.80	\$0.15	\$6.50
Standard Rate	\$5.64	\$0.80	\$0.15	\$6.59

SDCWA Fixed Charges Pass-Through for 2027 With IAC now included in all CWA fixed

Fixed Charges				
Source: https://lakesidewater.org/customer-service/water-rates/				
CY 2027 CWA Fixed Bi-Monthly Charge				
Meter Size	Active Meters	CY 2026 Current <i>Pass-Through</i>	CY 2027 with IAC (new) <i>Pass-Through</i>	Proposed CY 2027 CWA Fixed
5/8"	4,579	\$13.58	\$13.97	\$27.55
3/4"	1,618	\$13.58	\$13.97	\$27.55
1"	621	\$21.86	\$22.73	\$44.59
1 1/2"	105	\$41.08	\$42.19	\$83.27
2"	138	\$71.17	\$73.21	\$144.38
3"	1	\$131.39	\$135.10	\$266.49
4"	3	\$224.39	\$229.39	\$453.78
6"	3	\$410.43	\$422.17	\$832.60

RESOLUTION NO. 26-16

RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAKESIDE WATER DISTRICT COMMENDING CALIFORNIA STATE SENATOR BRIAN W. JONES FOR HIS OUTSTANDING CAREER SERVING SAN DIEGO COUNTY

WHEREAS, Brian W. Jones has spent more than two decades in public service fighting for the values that make California worth saving, starting his public service career on the Santee City Council in 2002, serving eight years including as Vice Mayor; then again from 2017-2018. In 2010 he was elected to the California State Assembly representing the 77th District, then the 71st District from 2012 to 2016, where he served as a consistent and principled conservative voice.

WHEREAS, In Sacramento he fought to reduce the size and scope of state government, cut regulations strangling small businesses, lower taxes on working families, and protecting Second Amendment rights without apology, earning him the California Rifle and Pistol Association Outstanding Leader Award. His Assembly achievements include Made in America manufacturing legislation, support for California's craft beverage industry, legislation uplifting homeless students, protecting foster children from child labor trafficking, and bringing transparency to the licensing process.

WHEREAS, In 2018 Senator Jones was elected to the California State Senate representing the 38th Senate District and re-elected in 2022 to represent the 40th Senate District covering portions of North and East San Diego County. In 2022, his colleagues recognized his leadership, integrity, and effectiveness by electing him Senate Minority Leader of the California Senate Republican Caucus, making him the highest-ranking Republican in the California Legislature.

WHEREAS, Senator Jones has used every tool available to fight for Californians, to lower taxes, reduce the cost of living, and cut burdensome regulations on small businesses that have earned him consistent top ratings from the Howard Jarvis Taxpayers Association, the California Taxpayers Association, the National Federation of Independent Businesses, the California Chamber of Commerce, the California Retailers Association, and the Civil Justice Association of California.

WHEREAS, Senator Jones record has not gone unnoticed, Senator Jones has always been a solid vote for creating and saving jobs, fighting against burdensome regulations, and strengthening California businesses, and being a supporter of the Lakeside Water District and a watchdog of regulations affecting the District.

NOW, THEREFORE, BE IT RESOLVED, that the Lakeside Water District Board of Directors commends Senator Brian W. Jones for his outstanding career in public service, and forging a

path of fair and ethical standards to legislate in behalf of residents, families, and businesses of East and North San Diego County

PASSED, ADOPTED AND APPROVED this 8th day of October 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Eileen Neumeister, President
Board of Director's

ATTEST: _____
Brett Sanders, Board Secretary
Lakeside Water District

Lakeside Water District
Disbursements List
September 2026

Num	Name	Account	Original Amount
18113	Narrow Path Engineering, Inc	1581 · Yerba Valley Annex. Pipeline	91,464.69
18114	San Diego Drain Krew	7400 · Office Expense	730.00
18115	Ferguson Waterworks	6100 · Distribution - Maint/Supplies	1,252.69
18116	FedEx	5080 · Water Treatment & Testing	172.63
18117	SD County Water Authority	5091 · SDCWA Cap & Treat.Fees	20,049.00
18118	BERSAMIRA, BILLIE	4000 · Water Sales on Account	134.52
18119	BILYEU-LONG, CINDY	4000 · Water Sales on Account	154.11
18120	CHAVEZ, CHRISTINE	4000 · Water Sales on Account	108.22
18121	DE RIDDER, WILLEM	4000 · Water Sales on Account	269.79
18122	FITZGERALD, MICHAEL & BRITT.	4000 · Water Sales on Account	114.57
18123	FLINT, BOBBI	4000 · Water Sales on Account	31.48
18124	GONYEA, JENNIFER	4000 · Water Sales on Account	81.38
18125	GROGAN, KATIE	4000 · Water Sales on Account	90.52
18126	HINKLEY, IDALLIS	4000 · Water Sales on Account	11.51
18127	PLAISTED, ALEXIS	4000 · Water Sales on Account	6.80
18128	ROCHA, ALEXANDER	4000 · Water Sales on Account	144.22
18129	VILLETET, SHEA	4000 · Water Sales on Account	107.48
18130	WEISSENFLUH, AMBER	4000 · Water Sales on Account	94.08
18131	WUERTZ, PETER	4000 · Water Sales on Account	50.15
18132	ZAMARO, LEONCIO	4000 · Water Sales on Account	200.00
18133	A & B Saw & Lawnmower Shop	6100 · Distribution - Maint/Supplies	43.05
18134	A Cut Above Concrete Cutting	1581-1 · Yerba Valley-Buena Vida	500.00
18135	ABC Industrial Services, Inc	6100 · Distribution - Maint/Supplies	575.00
18136	ACWA - Group Ins	7040 · Group Insurance	35,842.71
18137	All Star Computers	7400 · Office Expense	812.50
18138	Boot World, Inc.	6100 · Distribution - Maint/Supplies	136.38
18139	Cal Pers	7440 · Dues & Subscriptions	90.00
18140	Enniss, Inc.	6100 · Distribution - Maint/Supplies	2,153.97
18141	Excel Telemessaging	7400 · Office Expense	400.95
18142	Ferguson Waterworks	6100 · Distribution - Maint/Supplies	1,148.07
18143	Gregory Sheets, CPA	7200 · Annual Audit	3,500.00
18144	HASA	5200 · Water Treatment -Maint/Sup	1,737.58
18145	Helix Water District	5080 · Water Treatment & Testing	921.00
18146	Hot Taps Unlimited	1550 · Pumping Plant & Distribution	680.00
18147	IB Consulting, LLC	7230 · Consultants	5,000.00
18148	Jan-Pro	7400 · Office Expense	733.00
18149	Knight Security & Fire Systems	7400 · Office Expense	44.00
18150	Lakeside Equipment, Inc.	6110 · Emergency Repairs & Serv.	278.49
18151	MTGL, Inc.	1581 · Yerba Valley Annex. Pipeline	3,269.44
18152	Napa Auto Parts Inc	6200 · Trucks-Fuel,Maint,Repair	23.35
18153	Northern Safety Co., Inc.	6100 · Distribution - Maint/Supplies	41.05

18154	Nyhart Company	7200 · Annual Audit	2,000.00
18155	Payton's Ace Hardware, Inc.	voided check	0.00
18156	Pollardwater.com	6100 · Distribution - Maint/Supplies	474.01
18157	Quadient - Postage	8100 · Postage - Customer Service	2,000.00
18158	SiteOne Landscape Supply	6110 · Emergency Repairs & Serv.	893.78
18159	Target River	7400 · Office Expense	330.00
18160	Underground Service Alert	7440 · Dues & Subscriptions	158.15
18161	UniFirst Corp	6100 · Distribution - Maint/Supplies	1,058.45
18162	United Site Service, Inc.	6100 · Distribution - Maint/Supplies	118.90
18163	Utility Cost Management, LLC	5101 · UCM Savings Adjustment	38,313.31
18164	Wave.Band	7400 · Office Expense	1,010.63
18165	Wintergardens Smog & Tune	6200 · Trucks-Fuel,Maint,Repair	92.12
18166	Payton's Ace Hardware, Inc.	Split	530.66
18167	Cook, Robert	7040 · Group Insurance	3,232.40
18168	Republic Services	6100 · Distribution - Maint/Supplies	1,111.29
18169	Jody Spears	voided check	0.00
18170	Jody Spears	7920 · Miscellaneous Expense	235.00
18171	PLAISTED, ALEXIS	4000 · Water Sales on Account	147.31
18172	Alpha Analytical Labs, Inc	5080 · Water Treatment & Testing	351.00
18173	Big State Industrial Supply Inc.	6100 · Distribution - Maint/Supplies	671.85
18174	Cal Pers	7200 · Annual Audit	350.00
18175	Cintas First Aid & Safety	6100 · Distribution - Maint/Supplies	330.29
18176	Ferguson Waterworks	6100 · Distribution - Maint/Supplies	1,071.44
18177	HASA	5200 · Water Treatment -Maint/Sup	1,287.10
18178	Lakeside Petroleum, Inc.	6200 · Trucks-Fuel,Maint,Repair	5,027.94
18179	Pollardwater.com	5200 · Water Treatment -Maint/Sup	455.62
18180	Sloan Electric Company	6102 · Dist. Pump & Maint	1,382.64
18181	Snell & Wilmer	7210 · Attorney Fees	3,485.00
18182	UniFirst Corp	6100 · Distribution - Maint/Supplies	530.26
18183	Wintergardens Smog & Tune	6200 · Trucks-Fuel,Maint.,Repair	1,353.56
18184	Narrow Path Engineering, Inc.	1581 · Yerba Valley Annex. Pipeline	70,952.40
18185	**included in payroll	Payroll Check	0.00
18186	Variable Annuity Life Insurance	2100 · Payroll Liabilities	4,836.30
18187	Standard Insurance	7040 · Group Insurance	510.88
eft	First Bankcard - Visa	First Bankcard	9,533.64
eft	SD County Water Authority	5000 · Water Purchases	944,442.81
eft	US Bank-Register	7400 · Office Expense	207.02
eft	InvoiceCloud Fee	7400 · Office Expense	819.60
eft	US Bank-NSF	1200 · Accounts Receivable	265.12
eft	US Bank-Fees	7400 · Office Expense	729.87
eft	Verizon	7400 · Office Expense	172.31
eft	SDGE	5100 · Electric Power	23,268.97
eft	SDGE	5100 · Electric Power	29.90
eft	SDGE	5100 · Electric Power	2,933.01
eft	SDGE	5100 · Electric Power	1,713.66
eft	SDGE	5100 · Electric Power	11.59
eft	SDGE	5100 · Electric Power	59.87

eft	Cal Pers	2100 · Payroll Liabilities	7,411.39
eft	Cal Pers	7050 · CalPers Retirement	13,393.07
eft	Union Bank InstaTax State	2100 · Payroll Liabilities	5,858.06
E-pay	Union Bank InstaTax Federal	2100 · Payroll Liabilities	32,087.85
payroll	Payroll	Split	86,754.09
			1,447,192.50



**SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING
SEPTEMBER 17, 2026**

1. Amendment to the Agreement with Valley Center Municipal Water District and Yuima Municipal Water District for the Emergency Water Storage Project Improvements in Valley Center and Yuima Municipal Water Districts.
The Board authorized the General Manager, or designee, to execute the second amendment to the construction funding and operations agreement with Valley Center Municipal Water District and Yuima Municipal Water District for infrastructure improvements providing emergency water supplies to Valley Center and Yuima Municipal Water Districts to increase the not-to-exceed amount by \$3,350,000, increasing the authorized cumulative contract amount from \$11,760,000 to \$15,110,000.
2. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the monthly Treasurer's Report.
3. The Board approved the minutes of the Formal Board of Directors' meeting of August 27, 2026.
4. Election of Board Officer's for October 1, 2026 – September 30, 2028.
The Board approved the appointments of Frank Hilliker to Chair of the Board, Teresa Acosta to Vice Chair of the Board, and Ismahan Abdullahi to Secretary of the Board.

**General Managers
Monthly Report**

October 8, 2026

Board of Directors Meeting

- 1) Investment Opportunities;
- 2) Agency Permits Required by District;

Articles/Editorials Enclosed:

Water Authority News Release – Frank Hilliker Elected Board Chair

Colorado River Impacts on the San Diego County Water Authority



4677 Overland Avenue, San Diego, CA 92123

News Release

FOR IMMEDIATE RELEASE

Jordan Beane

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Frank Hilliker Elected Board Chair of San Diego County Water Authority, Vows Continued Focus on Reliable, Affordable Water

*Teresa Acosta is Vice Chair and Ismahan Abdullahi becomes Secretary as New Leadership
Prioritizes Innovation, Regional Partnerships*

September 17, 2026 - New officers for the San Diego County Water Authority's Board of Directors were elected unanimously today, with Frank Hilliker starting his two-year term as Board chair on Oct. 1, vowing a continued focus on reliable, affordable water and transparent, forward-looking leadership for the region's 3.3 million residents.

Hilliker, vice chair of the Board for the past two years as a representative of the Lakeside Water District, will serve with incoming Vice Chair Teresa Acosta from the Carlsbad Municipal Water District, and incoming Secretary Ismahan Abdullahi from the City of San Diego. Hilliker will serve as the 29th Board chair since the Water Authority's founding in 1944.

Hilliker follows Nick Serrano, representing the City of San Diego, as Board chair. Serrano has served as a Board member since 2021 and as chair since 2024. His term as chair ends on September 30, when he starts his tenure as chair emeritus.

This new leadership team takes the helm at a pivotal moment for the Water Authority, which continues to invest in the infrastructure, transparency and innovation that keeps water reliable and affordable for the region's residents, businesses, and \$267 billion economy. As chair, Hilliker will work with Water Authority staff to help strengthen public trust, deepen regional partnerships and engage the communities the Water Authority serves.

"It's an honor to be voted Board chair of the San Diego County Water Authority," said Hilliker. "I'm eager to build on the foundation laid by the current Board and leadership team with a focus on reliability and affordability for everyone – from the agricultural community to working families in San Diego."

His tenure begins as the agency puts decades of infrastructure investment to work for the broader region while helping keep local rates in check.

In June, the Board approved the lowest water rate adjustment in recent memory – just a 3% wholesale rate increase for 2027, a figure below the national inflation rate. The agency credits

recently-signed landmark water transfer agreements – with the Western Municipal Water District and the Eastern Municipal Water District, both in Riverside County, and Burbank Water and Power in Los Angeles County – for helping keep costs in check.

These agreements are generating tens of millions of dollars each year for the Water Authority to the benefit of the San Diego region’s ratepayers. The Water Authority is also pursuing a first-of-its-kind framework to explore sharing its desalinated seawater with other states along the Colorado River.

A Board member since 2007, Hilliker sits on the Legislation & Public Outreach Committee, Administrative & Finance Committee, Resource Strategy Work Group, and Hodges Litigation Committee.

Hilliker is the co-owner of Hilliker’s Ranch Fresh Eggs in Lakeside, a company started by his grandparents in 1942. He is a longtime director for the Lakeside Water District, joining that board in 1998, and currently serves as secretary of the San Diego County Farm Bureau board. A third-generation San Diego County resident, Hilliker is passionate about helping small farmers and ranchers in the region survive and thrive.

“I worked on the family farm after school and on weekends, so I know how important reliable and affordable water is for every family and every local business across our region,” said Hilliker. “My upbringing is what makes this personal for me. I know what it means for a farmer, rancher, and family to depend on water showing up when they need it, and that’s the perspective I will bring to every decision this Board makes.”

On October 1, Teresa Acosta will take on her new role as vice chair. Acosta currently serves as vice chair of the Water Authority’s Legislation and Public Outreach Committee and as a member of the Administrative and Finance Committee and Hodges Litigation Committee. She was appointed to the Board in June 2023 representing the Carlsbad Municipal Water District. Acosta has served as Carlsbad’s District 4 councilmember since 2020. Additionally, she is the first vice president of the League of California Cities Board of Directors and will become board president at the conclusion of the organization’s Annual Conference later this month.

Incoming Board secretary Ismahan Abdullahi currently serves as chair of the Water Authority’s Administrative and Finance Committee and vice president of the Finance Agency JPA. She also sits on the Engineering and Operations Committee. She was seated on the Board in 2021 and is the National Executive Director for the Faith Power Alliance.

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The San Diego County Water Authority sustains a \$267 billion regional economy and the quality of life for 3.3 million residents through a multi-decade water supply diversification plan, major infrastructure investments and forward-thinking policies that promote fiscal and environmental responsibility. A public agency created in 1944, the Water Authority delivers wholesale water supplies to 22 retail water providers, including cities, special districts and a military base.

Colorado River Impacts on the San Diego County Water Authority

ENSURING WATER SECURITY
THROUGH INNOVATION



Colorado River Management and Operations

The Colorado River is critical to the entire Southwest, and we must continue to manage this shared resource with urgency and care as climate pressures intensify.

On August 21, the Bureau of Reclamation finalized the Post 2026 Operating Guidelines and issued a Record of Decision that will be used to operate the Colorado River to maintain water supply and hydropower in the drought-strained basin for the next two years.

- ✓ The ROD establishes a 10-year decision framework that will allow for future negotiations.
- ✓ The river's main reservoirs (Mead and Powell) are at their lowest level since they were filled.
- ✓ The Bureau did not impose mandatory cuts on Upper Basin states (CO, UT, NM and WY).
- ✓ Lower Basin states (CA, NV, AZ) face reductions of 1.25 million acre-feet in 2027 and 2028.
- ✓ Nevada has filed a lawsuit challenging the ROD. The Water Authority is working with CA partners to determine the impacts of this challenge.
- ✓ California's Colorado river water supplies will be reduced by about 12% or 440,000 acre-feet a year, and the impacted water agencies will confer on how to divide the cuts. Larger cuts are possible if the river continues to decline.

San Diego County's water supplies are secure and independent from current Colorado River cuts. Decades of strategic investments, local control, and innovative exchange agreements ensure reliability regardless of allocation changes.

Key Points

Diversified Portfolio

Over \$3 billion invested in reliability projects, including conservation programs that cut per-capita demand by ~50% over 35 years.

Seawater Desalination

The Claude 'Bud' Lewis Carlsbad Desalination Plant produces up to 54 million gallons per day of drought-proof drinking water.

Long-Term Planning

The Water Authority's recently completed Urban Water Management Plan confirms that the region has enough water to meet projected demands at least through 2050 under normal, single-dry year, and multiple-dry year conditions.

Flexible Transfers

Water Authority has executed water exchange agreements within Southern California and is developing an interstate program to transfer desalinated water, helping streamline water management and recover costs.

Future-Ready

Lower demand and new local sources coming online in 2026-2027 strengthen regional resilience and create opportunities for interstate exchanges.

BOTTOM LINE

San Diego County is well positioned to maintain its economy and quality of life. The region's diversified water supply portfolio, desalination, conservation ethic, and strategic planning provide stability even in times of uncertainty.

