

**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
LAKESIDE WATER DISTRICT  
HELD ON June 3, 2025**

At the time and place provided by law for the holding of a Regular Meeting of the Board of Directors of the Lakeside Water District; to-wit at the meeting place of said Board at 10375 Vine Street, Lakeside, California, at 5:30 p.m. the Board duly convened, the following members present.

Directors:

Frank Hilliker  
Pete Jenkins  
Steve Johnson  
Eileen Neumeister  
Steve Robak

Secretary:

Brett Sanders

- 1) Call to Order by Board President Neumeister
- 2) Prayer/Invocation – Director Johnson introduced Marshall Master to provide the prayer for the night's meeting.
- 3) Pledge of Allegiance was led by Director Jenkins
- 4) Approval of Agenda. Motion by Director Hilliker to accept the agenda as submitted.

Motion: Hilliker

Second: Robak

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). No Comments.
- 6) Approve Minutes of a Regular Meeting held on April 29, 2025. Motion by Director Jenkins to approve the minutes as presented.

Motion: Jenkins

Second: Robak

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

- 7) Review the April 2025 Treasurers Report for the Annual Audit. Request to Note and File in Preparation. Approved to Note and File.
- 8) Public Hearing to Consider Filing an Application with U.S. Department of Agriculture, Rural Development, Rural Utilities for the Yerba Valley Annexation Area. Board President Neumeister opened the hearing at 5:38 p.m. General Manager Sanders

provided a brief report about the proposed USDA Filing, and that this is the second public hearing concerning the USDA loan application. Public Comment. Resident T. Fuller commented that the residents are hoping for a prompt approval, groundbreaking and continued timely communication. The hearing was closed at 5:49.

- 9) Consider Resolution 2025-05 Authorizing the Filing of a Loan Application with the USDA Rural Development, Rural Utilities Service for Financial Assistance within the Boundaries of Lakeside Water District Community Facilities District No. 2022-1 (Yerba Valley Annexation Area). Motion by Director Hilliker to approve the resolution as presented.

Motion: Hilliker

Second: Jenkins

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

- 10) Adopt Resolution 25-06 Establishing a Tax Appropriations Limit for the District for the Fiscal Year 2025-2026. General Manager Sanders provided the Board a brief history of the appropriations limit over the past three years and what assessments are sent to the SD County Tax Assessors office and that this action is required every year. . Motion by Director Robak to approve the increase in the appropriations limit in the amount of \$874,822 as presented.

Motion: Robak

Second: Hilliker

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

- 11) Summarize Proposed Changes to the District's Organization Structure. General Manager Sanders provided the Board with a presentation of proposed changes in the organizational structure of the Operations staff and the addition of an Engineering and Operations Manager and the proposed salary schedule to support the addition of the position. Motion by Director Johnson to approve the proposals as presented.

Motion: Johnson

Second: Jenkins

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

- 12) Review Draft Capital Improvement Plan Revisions for the Annual 5-Year CIP Update. General Manager Sanders provided the Board with a detailed year by year summary of the projects proposed to move forward and those that will be pushed off for a future date. District customer J. Swaringen suggested the Board look at increased groundwater production as a way to reduce future rate increases and not spend money on future offices or buildings. The Board discussed the suggestion and will look for future groundwater opportunities. The plan with minor modifications will be submitted to the Board for approval at the July meeting.

- 13) Approve Demands of the Treasurer for May 2025. Motion by Director Johnson to approve the demands as presented.

Motion: Johnson

Second: Robak

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

- 14) CWA Report – CWA Representative Hilliker reported extensive discussion of rates and charges with potential increase ranges in the 9% to 10% range. Set date for Rates and Charges Public Hearing. The WA and MWD announced that they have agreed to end the existing litigation as soon as the agreements can be signed, ending 15 years of expensive litigation. Gains have been made by the WA to secure stable transportation charges, and the ability to potentially exchange water within Southern California to help with the WA excess supply.
- 15) Director's Report and Ad Hoc Sub-Committees Reports. Ad hoc committee of Director Hilliker and Director Johnson reviewed minor changes to the General Manager contract that will be presented to the full board in tonight's closed session.
- 16) Operations Report. Superintendent Johnze provided a summary of the following:
- a. Work with Solar Installation crew completed final inspection and now pending SDGE to release the project for activation. District crews will secure and protect the support columns.
  - b. Reservoir Dive Inspection and Cleaning at the Gay Res. and the Poteet Res.
  - c. Preparation for SCADA upgrades to the Riverview Service Area. Continue to prepare for the installation of the hardware components.
  - d. Coping Place grading of the District's pipeline easement for District egress and pipe safety.
  - e. AWP Pipeline Crossings and Inspections. Orion continues working on the Riverside Dr. 10" ACP. Final tie-in is this week, and then the final steps are hydrostatic, flushing and bacteriological sampling.  
District Emergency Repairs  
1 Mainbreak, 0 Service Leak, 0 Fire Hydrants
- 17) Manager's Quarterly Report. The General Manager reported.

- 1) Yerba Valley Annexation Update:
  - Application was accepted on April 15<sup>th</sup>.
  - Registered with the USDA – System for Award Management for payments.
  - Discussion within the USDA about how much of the project to fund. Potentially a rule excluding private property work.
- 2) Administration Building Solar;
  - System passed County of SD inspection on May 20
  - SDGE is next to accept the project and approve the "Permission to Operate"

The current Capital Outlays for fiscal year 2024/25 are \$363,390 out of a total budget amount of \$668,000. 41%

18) Closed Session – Closed to the Public:

Personnel Exception Per Government Code Section 54957; Public Employment; Employee Contract Review – General Manager – Out of closed session the Board President announced that the contract approved at the April 29, 2025 meeting was revised with a one-month extension to 19 months, and unanimously approved by the Board for signature by the Board President.

19) Adjourn; There being no further business the meeting adjourned to the next Regular Meeting to be held on July 8, 2025 at 5:30 p.m.

Attest:

---

Brett Sanders, Board Secretary  
Lakeside Water District

---

Eileen Neumeister  
Board President