MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE LAKESIDE WATER DISTRICT HELD ON AUGUST 1, 2017

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: President Steve Johnson

Vice-President Eileen Neumeister

Frank Hilliker Pete Jenkins Steve Robak

Secretary: Brett Sanders

1) Call to Order

2) Pledge of Allegiance was led by guest Lauren Sanders

3) Approve Minutes of the Special Meeting on July 11, 2017. Motion by Director Robak to approve the minutes as submitted.

Motion: Robak Second: Hilliker

Vote: Ayes: 5 Hilliker, Jenkins, Johnson, Neumeister, Robak

Noes 0 Abstain 0 Absent 0

- 4) A Treasurer's Report for the June 2017 meeting was noted and filed for audit.
- 5) Opportunity for Public Comment; No comments.
- 6) Presentation by Maureen Stapleton, General Manager of the San Diego County Water Authority. Ms. Stapleton provided a comprehensive review of the Water Authorities actions covering water supply diversification to the major system improvements completed in the last 20 years. Also, summarized the improved water supply conditions and the end of the emergency drought declaration. Significant portion of the presentation provided in depth analysis of the current status of the legal battle with the Metropolitan Water District and what is at stake for Lakeside WD and other member agencies. Over two million dollars of excessive charges already awarded to LWD and then reversed by an appellate court may make its way to the California Supreme Court if a request submitted on July 31, 2017 is granted. Ms. Stapleton asked the board to support the WA's efforts to rein in Metropolitan's spending and pressure for a more open and transparent budgeting and financial/business practices.

7) Consider Resolution 17-08 for the Pass-Through Rate Adjustment to offset the Wholesale Water Rate Increase. Motion by Director Robak to approve the Resolution and Exhibit A as submitted.

Motion: Robak Second: Jenkins

Vote: Ayes: 5 Hilliker, Jenkins, Johnson, Neumeister, Robak

Noes 0 Abstain 0 Absent 0

8) Review and Consider Reserve Policy Update for 2017. Motion by Director Jenkins to approve update to the District's Reserve Policy as submitted and modified by the General Manger.

Motion: Jenkins Second: Robak

Vote: Ayes: 5 Hilliker, Jenkins, Johnson, Neumeister, Robak

Noes 0 Abstain 0 Absent 0

9) Review and Consider Revisions to the District's Capacity Fee. Motion by Director Robak to approve the decrease in the capacity fee as presented by the General Manager.

Motion: Robak Second: Jenkins

Vote: Ayes: 5 Hilliker, Jenkins, Johnson, Neumeister, Robak

Noes 0 Abstain 0 Absent 0

10) Review and Consider Revision to the District's Annexation Fee. Motion by Director Robak to approve the increase in the District's Annexation Fee as presented by the General Manager to all future annexations but allowing the current Yerba Valley Annexation to continue at the previous fee level of \$2,100 per acre until their process is completed.

Motion: Robak Second: Neumeister

Vote: Ayes: 5 Hilliker, Jenkins, Johnson, Neumeister, Robak

Noes 0 Abstain 0 Absent 0 11) Approve Demands of the Treasurer for July 2017. Motion by Director Hilliker to approve the demands as presented.

Motion: Hilliker Second: Robak

Vote: Ayes: 5 Hilliker, Jenkins, Johnson, Neumeister, Robak

Noes 0 Abstain 0 Absent 0

- 12) San Diego County Water Authority Report. Director Hilliker reported that the Water Authority continues heavy closed session activity for legal issues. Also approved the Operating Budget for Fiscal Years 2018 and 2019. Attended an award presentation at the Olivenhain Dam for the Emergency Storage Project. SDCWA bills are still working their way through the State legislature. Special note of a proposed "Public Goods" charge that the legislature is trying to tag onto other bills to become law this session. The legislature is trying to find ways to fund a new "Affordable Water" initiative that provides subsidies to low income families pay their water bills.
- 13) Director's Report and Ad Hoc Sub-Committees Report. None
- 14) Operations Report. The General Manger reported:
 - SCADA Update: The newly installed SCADA system continues to work very well.
 - 2) Preparing for a pre-bid site walk on Thursday August 3.
 - 3) One part-time meter reader left to work at the City of San Diego. A new part-time meter reader was hired to replace that employee.
 - 4) Paul Malinoski will attend a 5 day "Certified Occupational Safety Specialist" course starting August 7.
 - 5) 0 watermain breaks, 1 service leaks, and 0 fire hydrants hit,
- 15) Manager's Report. The General Manager reported on:
 - 1) Sustainable Groundwater Management Act (SGMA); an application was submitted to request a meeting facilitation services. This service was provided to us during the MOU process. First meeting is scheduled for September 13. Agenda is to prepare the grant proposal to try to obtain funding from Proposition 1 funds to help pay for the GSP. Start work on the Cost Reimbursement Agreement, Stakeholder Engagement Plan and discuss the scope for the Request for Proposals for the GSP and determine a timeline for the first public workshop.
 - 2) City of San Diego Proposal to Pump Water from the Riverview Well Field. Continued work on a draft MOU outlining the terms to allow the City to operate the River Well Field. Our attorney has review the draft MOU for form and consistency. An adhoc committee would be appropriate at this time to assist in the review of the MOU and to bring this issue to the full board. Anticipate that this issue will be on the regular meeting agenda until resolved.

	News Articles Enclosed:		
	How California can and must stop wasting its storm water.		
	Time to audit San Diego County Water	me to audit San Diego County Water Authority allegation against MWD.	
16)	Adjourn; There being no further business the meeting adjourned to: September 5, 2017 at 6:00 p.m.		
	PRESIDENT Steve Johnson	SECRETARY Brett Sanders	