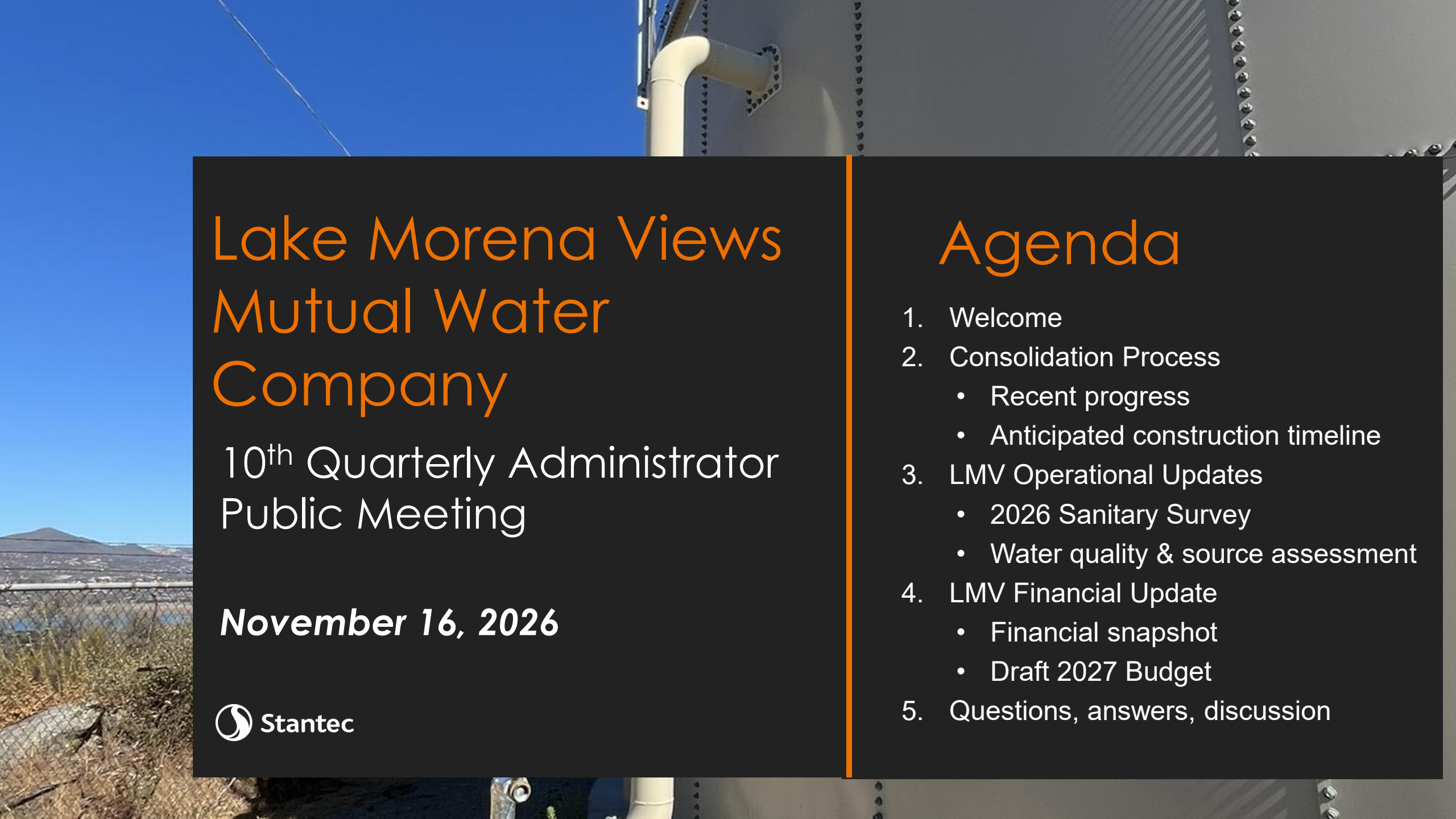


Lake Morena Views Mutual Water Company

10th Quarterly Administrator Public Meeting

November 16, 2026

Stantec

Agenda

1. Welcome
2. Consolidation Process
   - Recent progress
   - Anticipated construction timeline
3. LMV Operational Updates
   - 2026 Sanitary Survey
   - Water quality & source assessment
4. LMV Financial Update
   - Financial snapshot
   - Draft 2027 Budget
5. Questions, answers, discussion

Welcome

Stantec Administrator Team

- Ryanna Fossum, Admin Lead
- Connie Adera, Technical Lead
- Wes Rezk, Technical Team

LMV Staff

- Raymond Leon, General Manager/ Chief Water Operator
- Patrick Walsh, Part-Time Operator
- Jill Coryell, Bookkeeper

• LMV Board Members

- Harold O'Neal, Board President
- Trevor Dougherty, Board Secretary
- Rick Bradbury, Board Member

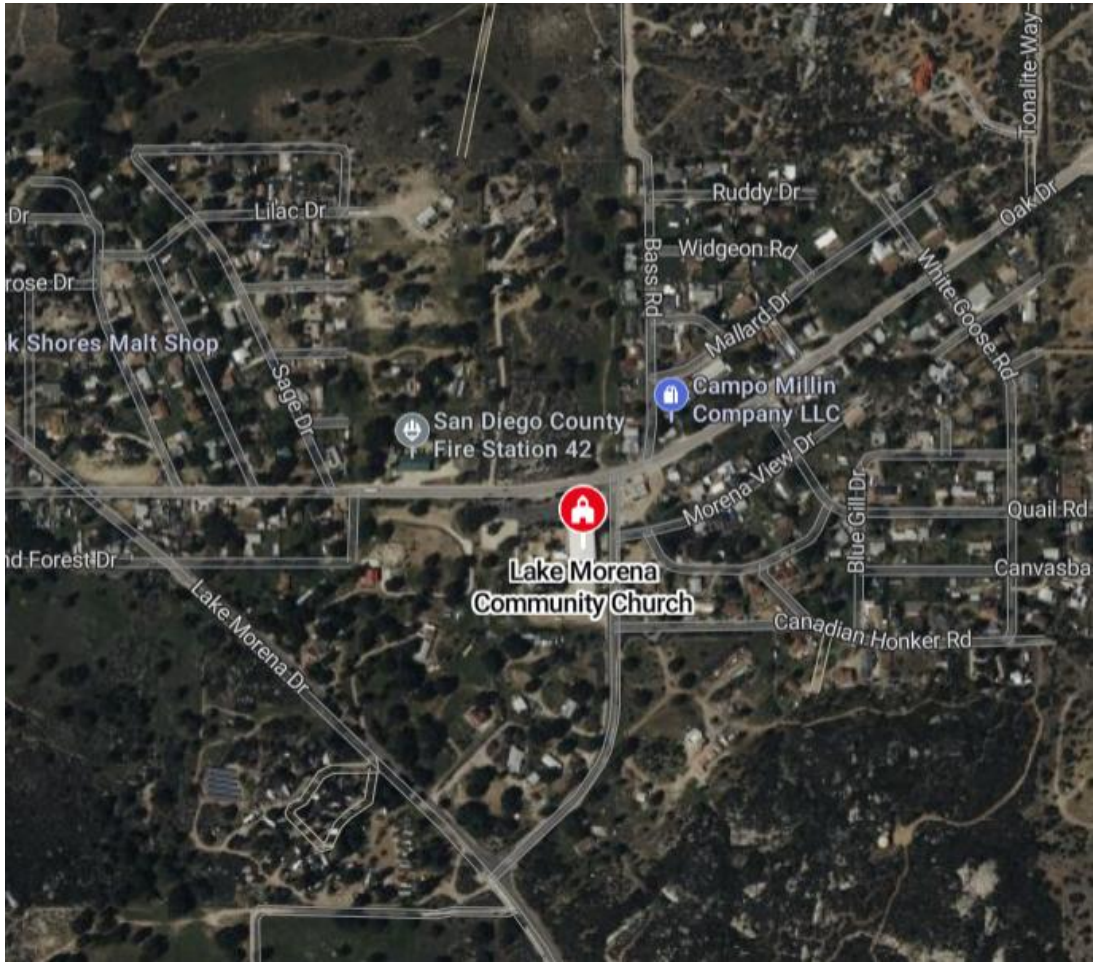
What to expect from today's meeting

- Review plans for consolidating the water systems (LMV, LMOS, LMCP)
- Review LMV's finances and draft 2027 budget
- Get operational updates for Lake Morena Views (LMV)
- Listen, learn, ask questions, and make comments
- Review water quality information and recent sanitary survey
- Understand what will be happening next

How we hold meetings:

We have **quarterly public meetings**, just like this one

- Held at the Lake Morena Community Church: 29765 Oak Dr, Campo, CA 91906
- Each meeting will share updates about progress
- The Administrator Team will be available in-person at all public meetings

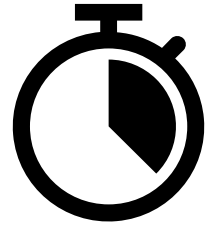


Meeting Agreements & Guidelines

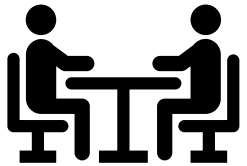
1. **Listen actively and with an open mind**



2. **Stay on point and on time**



3. **This is a public discussion, not a debate**

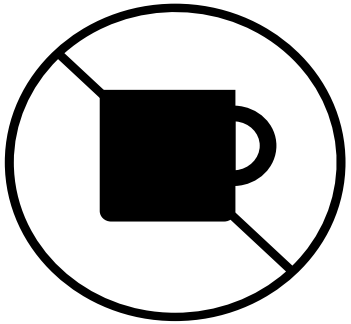


Materials here today

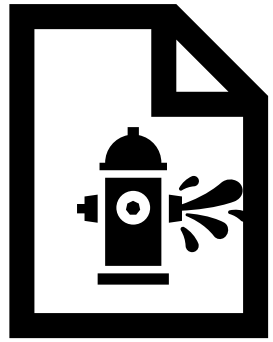
FAQ, Summary of August public meeting, printed slides



Water quality info and Do Not Drink Notices



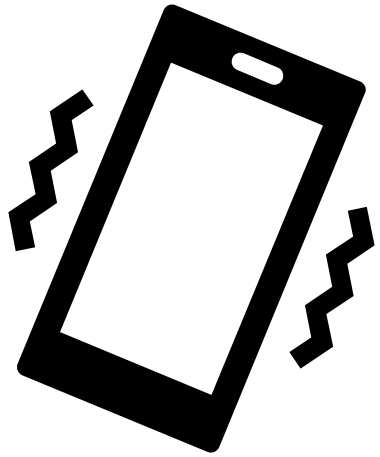
Backflow prevention resources



Customers can access all public records at the LMV Office during business hours.
Monday – Friday from 6:30 AM – 2:30 PM
29856 Mallard Dr, Campo, CA 91906

Would you like to receive text updates about LMV?

- You can opt-in to receive texting notifications with information about emergencies and meeting updates from the LMV Administrator team
  - One-way texts, you can opt-out at any time
- How to sign up:
  - Text **JOIN** to **619-842-3359**
  - Add this number to your contacts so it doesn't show up as spam



Administrator Updates since August



Contract management

- Administrator Work Plan Amendment approved by State Water Board
- Preparing design finalization and engineering services contract

Financial/ governance support

- Managing grants for O&M expenses and bottled water
- Drafted 2027 budget
- Submitted additional PFAS class action claim
- Updates to Emergency Response Plan

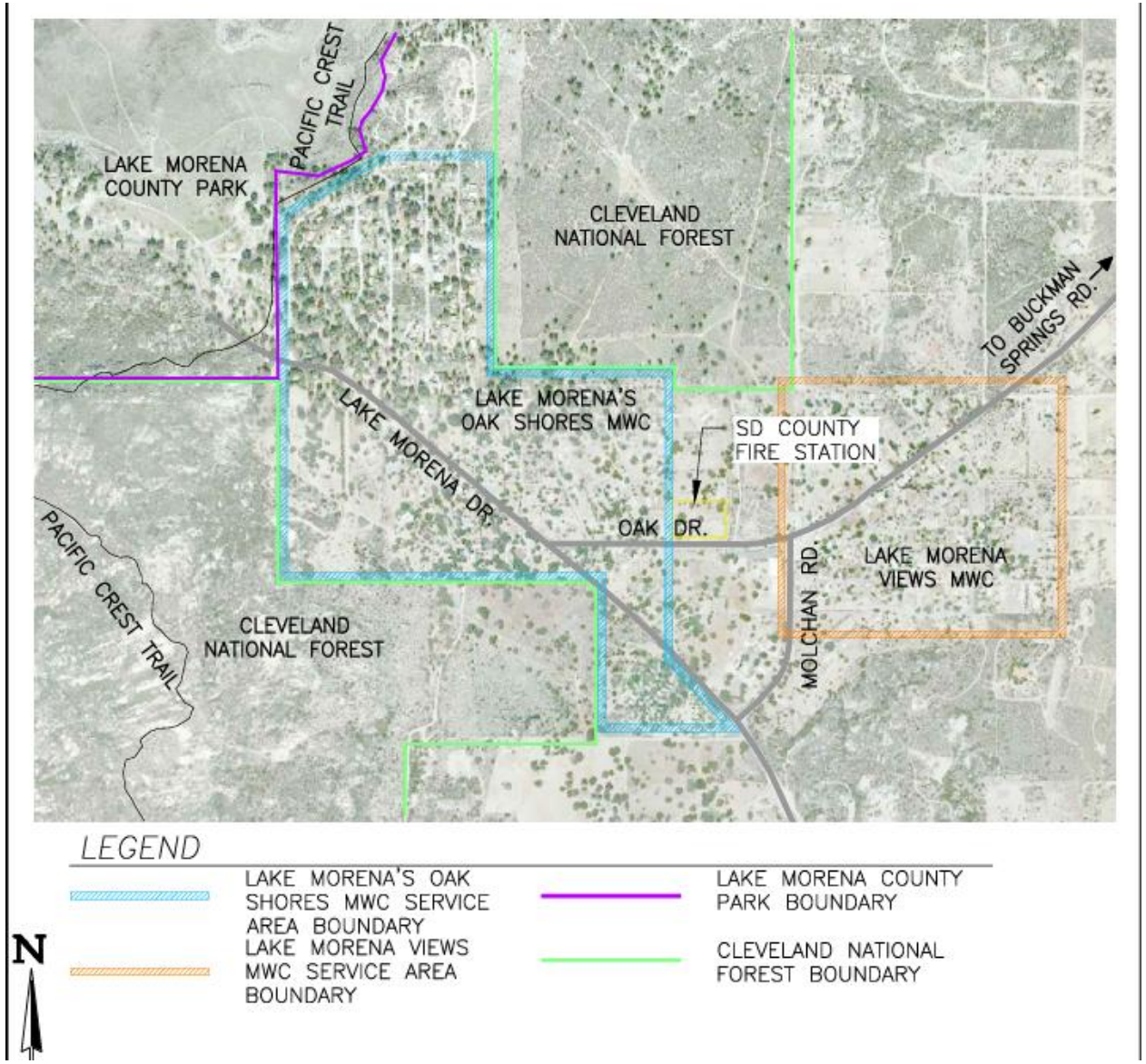
Consolidation planning

- Submitted construction bridge loan application with Rural Communities Assistance Corporation
- Coordination with landowners to discuss property easements for utilities
- Working with Division of Financial Assistance on Drinking Water State Revolving Fund construction funding application for consolidation
- Working on detailed construction schedule with project partners

Updates on consolidation

Consolidation Overview

- Lake Morena Views, Lake Morena's Oak Shores, and Lake Morena County Park are undergoing a **physical, managerial, and financial** consolidation
  - Combined service area with approx. 326 connections, serving 1,030 people
- **Funding Source:** California State Drinking Water Revolving Fund, State Water Resources Control Board
- **Anticipated budget:** $17,067,000

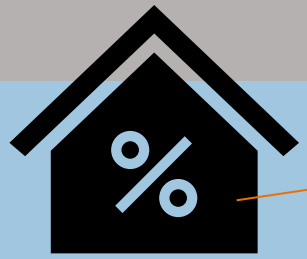


Restructuring

The consolidated water system will remain a mutual water company

Mutual Water Companies are private organizations owned and operated by property owners who share water rights and infrastructure in a specific area. **The company issues shares to its members, who pay fees for water service** and have **voting rights** in company decisions regarding water distribution and maintenance.

Restructuring



1 share per meter

After construction, LMOS will **amend** its organizational documents, change its name to Lake Morena Village MWC, and amend its drinking water permit. LMV will **dissolve** as a company, transfer all assets to LMOS, and surrender its drinking water permit.

Lake Morena County Park

- County Park components deemed **eligible** for funding by State Water Board
- LMV is working with **County of San Diego Department of Parks and Recreation** and the **City of San Diego** on the legal arrangement:
  - Easement for distribution pipelines
  - Easement for LMCP Well No. 2
  - Temporary construction easement east of LMCP entrance
  - Temporary construction access and permits
- Agreement will cover responsibilities for **water service, maintenance,** and **construction** obligations



Construction upgrades



New and consolidated water sources

- County Park Well No. 2
- LMOS Wells and LMV Wells
- Expand distribution and LMOS Treatment Facility for treatment of all water sources

LMV distribution system improvements

- Dead-end pipeline removal, Hydraulic Loops
- Increased pipe sizes, new valves to limit scope of shutdowns, additional fire hydrants
- Updated electrical system for LMV pumps

Operational improvements

- Remotely read water meters
- Communication between the consolidated system components (wells, tanks, treatment facility)
- Pumping and Pressure Reducing Systems to convey water between current LMV, LMOS, and County Park systems

Office space at LMV

- New office space for LMV (planning)

Current Status

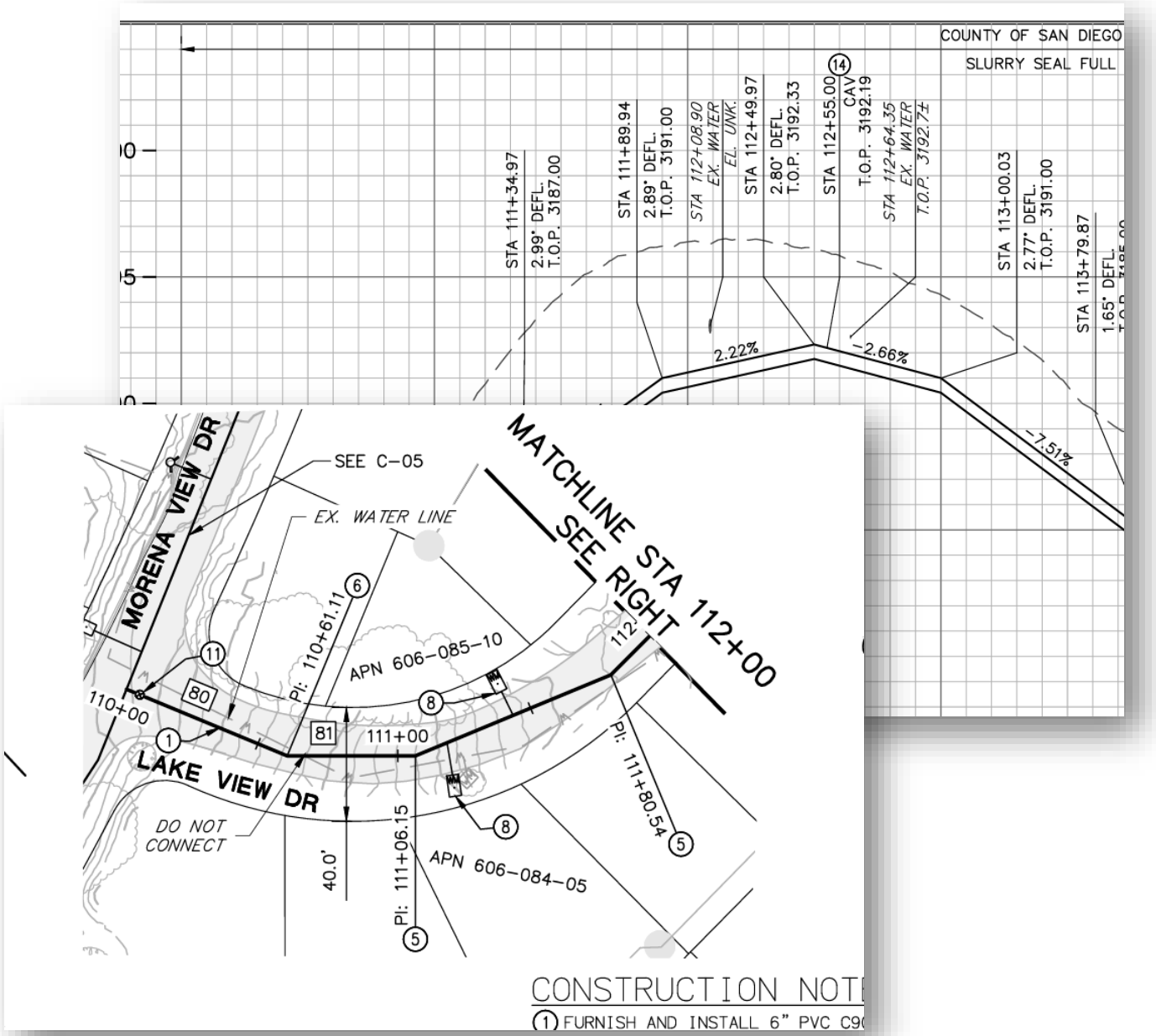
- **Design:** Design Engineer, NV5, completed engineering report and 90% design plans. State completed review and provided comments to be addressed during final design.
- **Environmental Approvals:** CEQA documentation (Initial Study/ Mitigated Negative Declaration) was officially adopted by the CEQA lead agency, State Board, on December 9th, 2025
- **Funding Agreement:** State Board is reviewing the construction application to develop a Funding Agreement with LMV for **State Revolving Fund** (SRF) grant dollars.



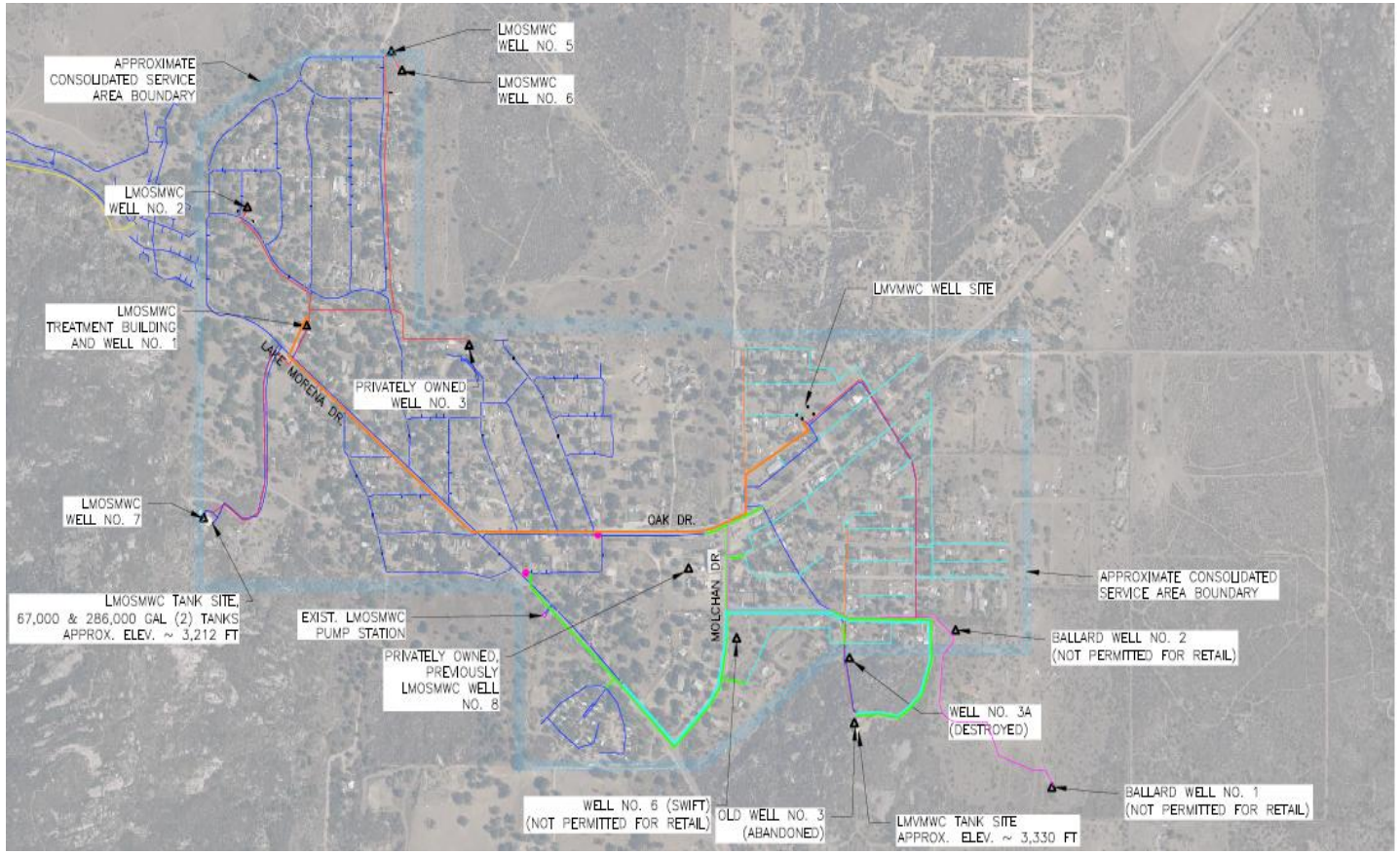
What's next?

90% project design is complete. Most of the major water system improvements have been planned. **The remaining work** will **finalize** important **details** and **coordinate** all the project components **before construction begins**.

Once the SRF funding agreement is executed, LMV will authorize the engineering firm to **advance the design to 100%** and prepare a **bid-ready package. After bidding and contractor selection,** construction can begin.



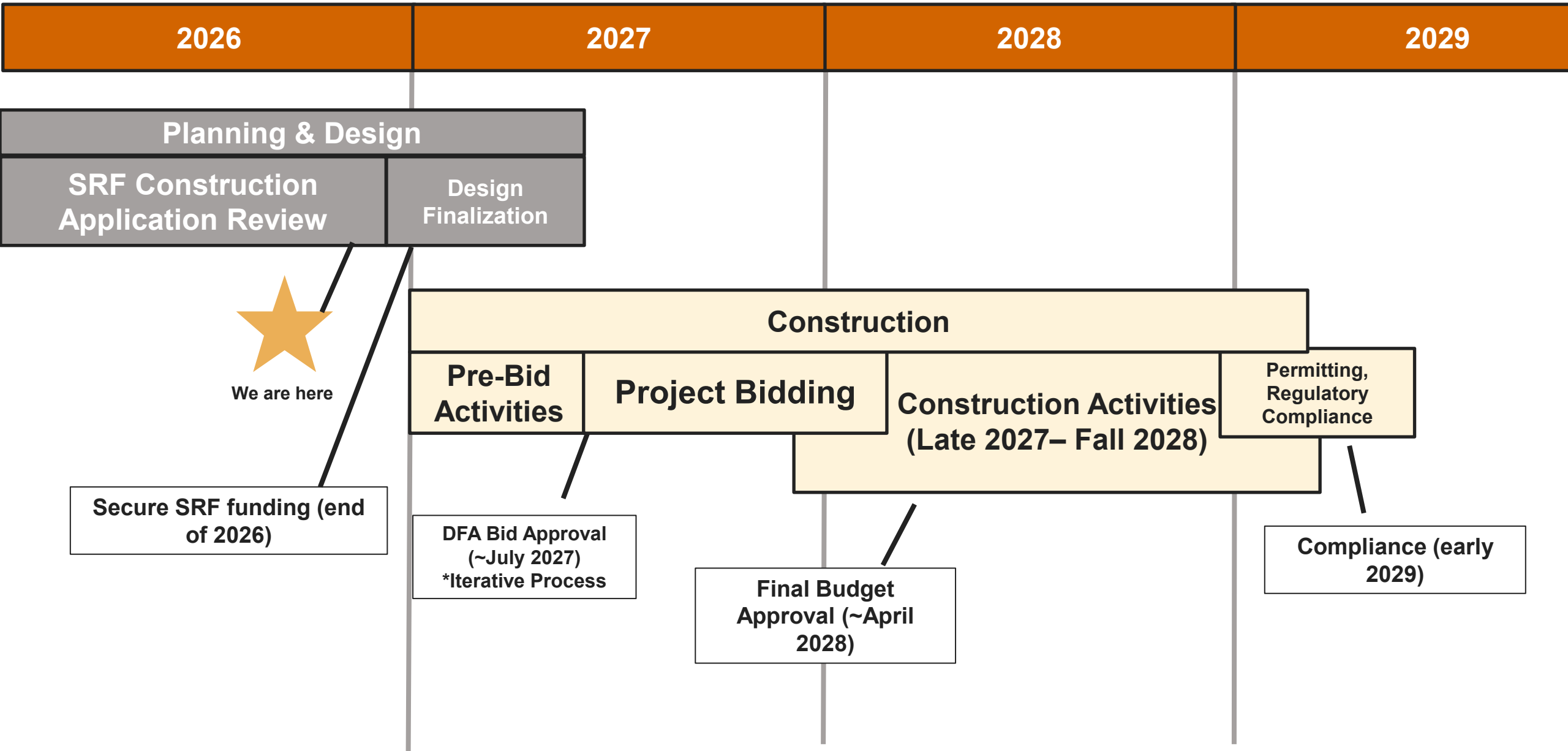
Planned Construction



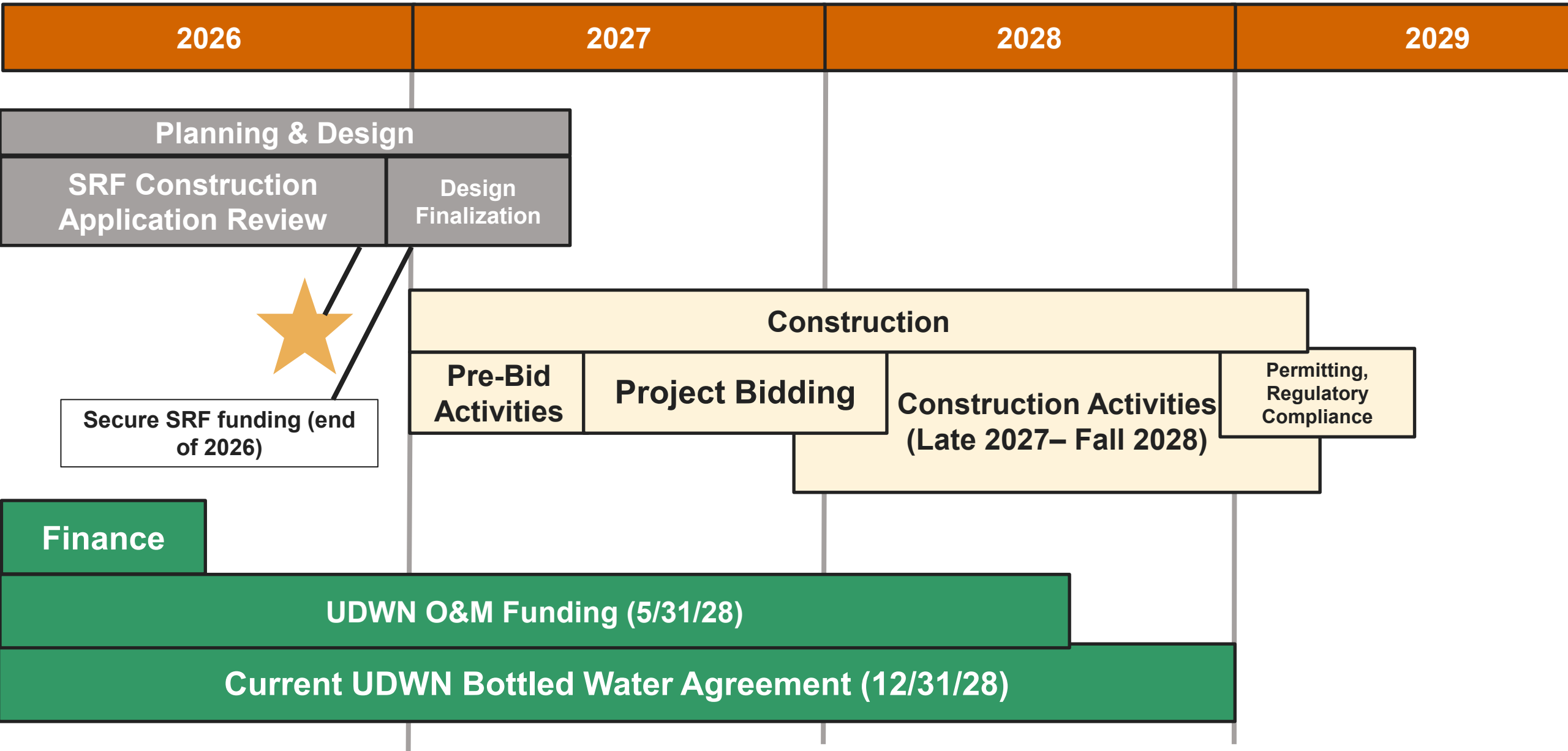
Planned Pipeline Improvements

- Replace and improve key water pipelines throughout the system.
- Adjust some pipeline routes based on available easements and property access.
- Update the final design to reflect these changes before construction.

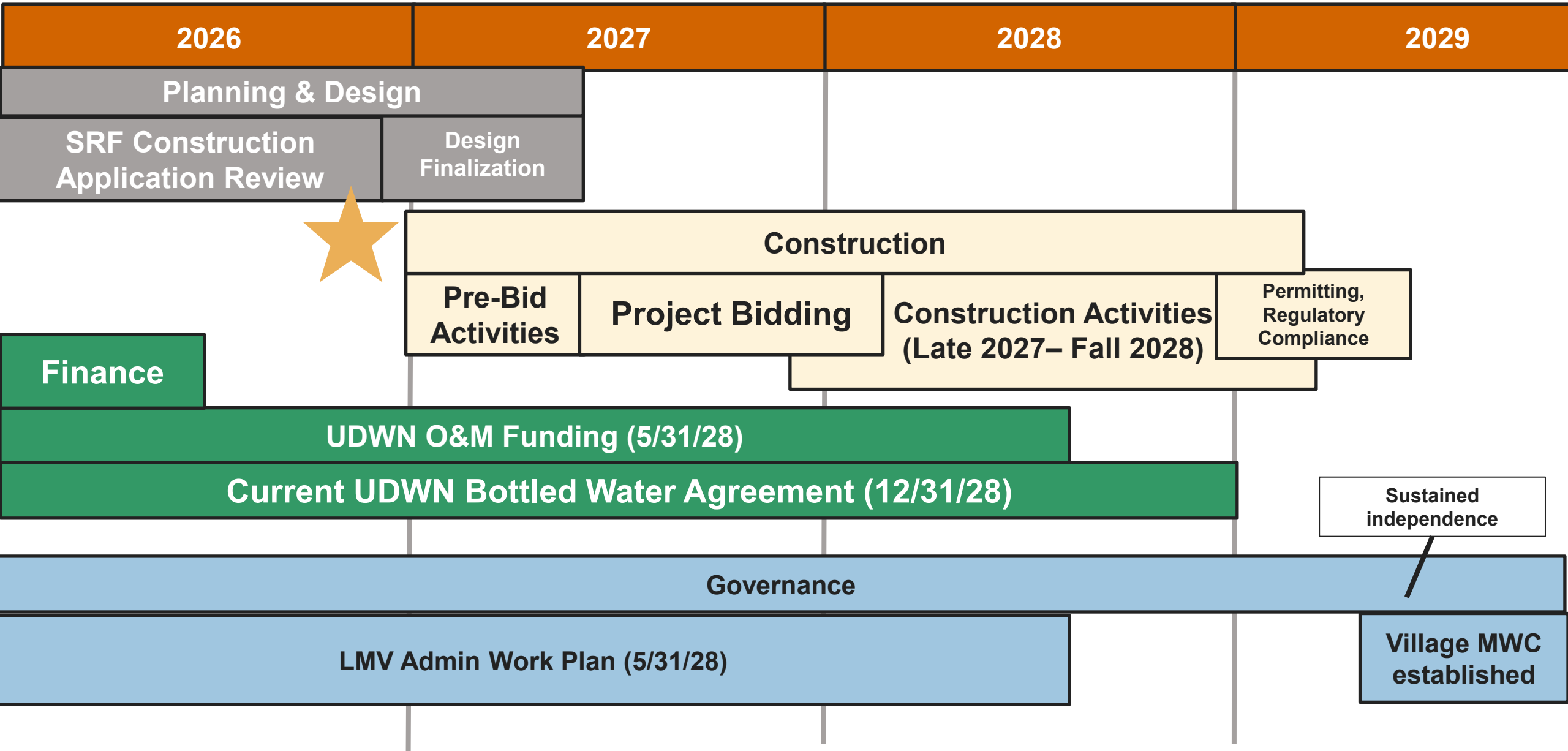
Next Steps for Consolidation (approximate)



Next Steps for Consolidation (approximate)



Next Steps for Consolidation (approximate)



Establishing of Lake Morena Village MWC

Notice of Completion → Post-Completion Actions → Closing → Post-Closing Governance

-LMOS amends organizational documents and changes name to Lake Morena Village MWC
-Drinking Water Permit Application

Within 75 days after Notice of Completion

-LMOS/ LMV shares converted to Village shares
-LMV transfers assets to Village

75 days -120 days after Notice of Completion

-Interim Board serves until next Annual Shareholder Meeting
-5-member Board elected by Lake Morena Village MWC shareholders

LMV Operational Updates

Sanitary Survey

- EPA requires a sanitary survey to be completed every 3 to 5 years
- Division of Drinking Water conducted sanitary surveys for LMV and LMOS on September 23rd
- Reviewed the following:
  1. Source (Wells)
  2. Treatment
  3. Storage tanks
  4. Distribution
  5. Pumps, Pump facilities, and Controls
  6. Monitoring and Reporting
  7. Maintenance and Operations
  8. Operator Certification
  9. Record retention practice



Sanitary Survey

LMV is awaiting report on the September 2026 sanitary survey.

However, based on verbal feedback, the Division of Drinking Water **did not find any major deficiencies** at LMV.

Minor improvements will be made to further protect water quality and system security.



Drinking Water Source Assessment

- A Drinking Water Source Assessment (DWSA) identifies possible contaminating activities that a drinking water source may be vulnerable to
- DWSAs will be required for the consolidated system's new permit application
- DWSAs already exist of for most of the consolidation system's proposed sources
  - ✓ LMV Wells 1, 2 and 3 (prepared in 2002)
  - ✓ LMOS Wells 1, 2, 5 and 6 (prepared in 2002) and LMOS Well 7 (prepared in 2020)
  - ✓ County Park Well 2 (prepared in 2009)
- **LMV Well 5 did not have a DWSA**



Map of LMV Wells

Drinking Water Source Assessment

- LMV Well 5 is a standby well, kept on hand for short-term emergency use
- LMV Well 5 has **low physical barrier effectiveness** against possible contamination, since it is in a fractured rock aquifer
- Possible contaminating activities that LMV Well 5 is most vulnerable to include:
  - Septic systems
  - Agricultural drainage
  - Other groundwater wells
  - Gas stations
  - Fire stations
- LMV's drinking water quality challenges with **PFAS and nitrate may be linked to these possible contaminating activities**.
- Effective treatment will remove these contaminants in the consolidated system

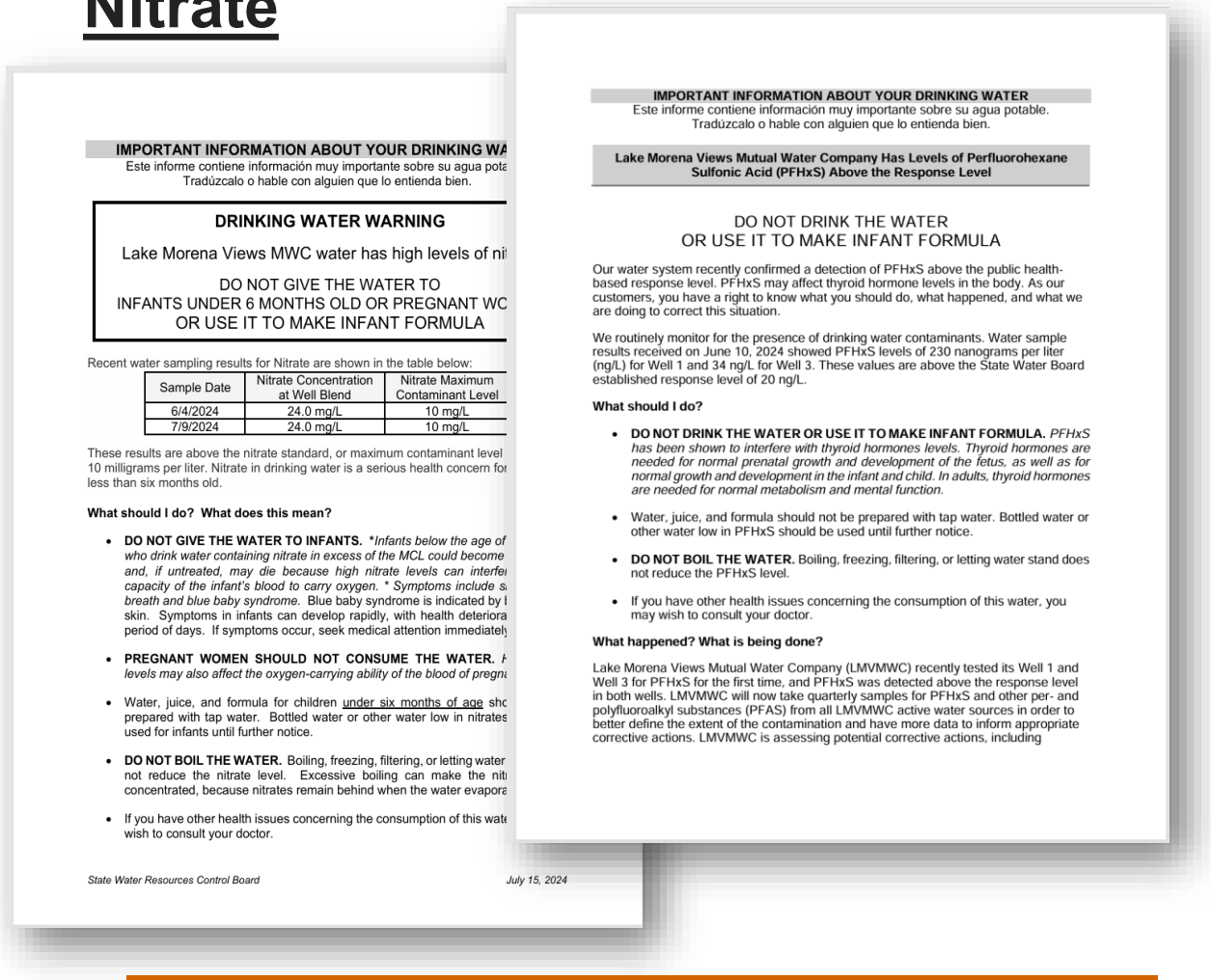


Drinking Water Quality Reminders

- LMV has been in violation of the nitrate Maximum Contaminant Level (MCL) since July 2019
- Per- and polyfluoroalkyl substances (PFAS) including PFOA, PFOS, and PFHxS above the Notification and Response Level
- Bottled water delivery services are available to all customers at no cost
- Long-term solution for water quality is consolidation with LMOS and LMCP

Nitrate

PFAS



IMPORTANT INFORMATION ABOUT YOUR DRINKING WA
Este informe contiene información muy importante sobre su agua pota
Tradúzcalo o hable con alguien que lo entienda bien.

DRINKING WATER WARNING

Lake Morena Views MWC water has high levels of ni

DO NOT GIVE THE WATER TO
INFANTS UNDER 6 MONTHS OLD OR PREGNANT WC
OR USE IT TO MAKE INFANT FORMULA

Recent water sampling results for Nitrate are shown in the table below:

Sample Date	Nitrate Concentration at Well Blend	Nitrate Maximum Contaminant Level
6/4/2024	24.0 mg/L	10 mg/L
7/9/2024	24.0 mg/L	10 mg/L

These results are above the nitrate standard, or maximum contaminant level 10 milligrams per liter. Nitrate in drinking water is a serious health concern for less than six months old.

What should I do? What does this mean?

- **DO NOT GIVE THE WATER TO INFANTS.** **Infants below the age of who drink water containing nitrate in excess of the MCL could become and, if untreated, may die because high nitrate levels can interfe capacity of the infant's blood to carry oxygen. * Symptoms include s breath and blue baby syndrome.* Blue baby syndrome is indicated by l skin. Symptoms in infants can develop rapidly, with health deteriora period of days. If symptoms occur, seek medical attention immediatel
- **PREGNANT WOMEN SHOULD NOT CONSUME THE WATER.** *H levels may also affect the oxygen-carrying ability of the blood of pregn*
- Water, juice, and formula for children under six months of age sho prepared with tap water. Bottled water or other water low in nitrates used for infants until further notice.
- **DO NOT BOIL THE WATER.** Boiling, freezing, filtering, or letting water not reduce the nitrate level. Excessive boiling can make the nitr concentrated, because nitrates remain behind when the water evapora
- If you have other health issues concerning the consumption of this wate wish to consult your doctor.

State Water Resources Control Board *July 15, 2024*

IMPORTANT INFORMATION ABOUT YOUR DRINKING WATER
Este informe contiene información muy importante sobre su agua potable.
Tradúzcalo o hable con alguien que lo entienda bien.

Lake Morena Views Mutual Water Company Has Levels of Perfluorohexane Sulfonic Acid (PFHxS) Above the Response Level

DO NOT DRINK THE WATER
OR USE IT TO MAKE INFANT FORMULA

Our water system recently confirmed a detection of PFHxS above the public health-based response level. PFHxS may affect thyroid hormone levels in the body. As our customers, you have a right to know what you should do, what happened, and what we are doing to correct this situation.

We routinely monitor for the presence of drinking water contaminants. Water sample results received on June 10, 2024 showed PFHxS levels of 230 nanograms per liter (ng/L) for Well 1 and 34 ng/L for Well 3. These values are above the State Water Board established response level of 20 ng/L.

What should I do?

- **DO NOT DRINK THE WATER OR USE IT TO MAKE INFANT FORMULA.** *PFHxS has been shown to interfere with thyroid hormones levels. Thyroid hormones are needed for normal prenatal growth and development of the fetus, as well as for normal growth and development in the infant and child. In adults, thyroid hormones are needed for normal metabolism and mental function.*
- Water, juice, and formula should not be prepared with tap water. Bottled water or other water low in PFHxS should be used until further notice.
- **DO NOT BOIL THE WATER.** Boiling, freezing, filtering, or letting water stand does not reduce the PFHxS level.
- If you have other health issues concerning the consumption of this water, you may wish to consult your doctor.

What happened? What is being done?

Lake Morena Views Mutual Water Company (LMVMWC) recently tested its Well 1 and Well 3 for PFHxS for the first time, and PFHxS was detected above the response level in both wells. LMVMWC will now take quarterly samples for PFHxS and other per- and polyfluoroalkyl substances (PFAS) from all LMVMWC active water sources in order to better define the extent of the contamination and have more data to inform appropriate corrective actions. LMVMWC is assessing potential corrective actions, including

Do Not Drink Notices provide more detail

Bottled Water Deliveries

- Bottled water available through Culligan Water
  - Delivered to 100+ households
  - Available in 5-gal containers or cases of 1-gal containers
- Bottled water deliveries are expected to continue until all regulations are met

Upcoming Deliveries

11/19/2026: Thursday/ Friday

12/04/2026: Friday/ Monday

12/18/2026: Friday/ Monday

Contact LMV Staff with questions

Office phone 619-975-7323

Email lmvwater@gmail.com

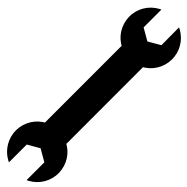
Financial Updates

Budget vs. Actuals: 2026 Quarter 3

LMV historically has experienced financial challenges due to limited income. Currently the system's expenses are greater than the revenue with an absence of grant funding.

Revenue	Annual Budget	Q3 Projections	Actuals as of October 30, 2026
Customer payments	$142,602	$118,815	$118,411
Net Revenue	**$142,602**	**$118,815**	**$118,411**
Expenditures			
Operating fees	$46,958	$39,848	$71,384
Lab fees	$21,660	$18,050	$31,500
Payroll, Legal, and Professional Fees	$129,040	$105,780	$104,276
Other expenditures	$12,405	$10,577	$22,688
Loan repayment	$12,000	$10,000	$11,595
Net Expenditures	**$222,063**	**$184,255**	**$241,443**
Net Operating Revenue (shortfall without grant funds)	**$(79,461)**	**$(65,440)**	**$(123,032)**
Additional Grant Revenue			
UDWN O&M Grant	$69,786	$53,856	$121,992
Cash on hand	$44,773	$43,416	$56,070

Settlement and Grant Funding Updates







Program	Details	Managed by	Status
State Water Resources Control Board - Urgent Drinking Water Needs (UDWN) – O&M	Support operations and maintenance costs for SAFER systems	Stantec Administrator	Approved through 5/31/28, amendment needed for additional funds starting ~Summer 2027
State Water Resources Control Board - Urgent Drinking Water Needs (UDWN)	Bottled water funding	LMV	Funding approved through 12/31/28
PFAS-contamination class action lawsuit	Claims submitted against Tyco, BASF, 3M, Dupont; future claim to be submitted against C.A.A.N group	Stantec, LMV	$~12k settlement collected from Tyco, BASF Pending settlement decision with 3M, Dupont

Loan Updates

- May 26, 2022: zero-interest loan ($21,845)
- Lender: Rural Communities Assistance Corporation (RCAC) for bottled water
- Full balance paid in Sept

Bottled water loan repaid and closed-out



- Lender: RCAC
- Revolving Line of Credit
- 36-month term
- Capital costs: $17,067,000
- Maximum expected capacity: $6.8M
- Anticipated Interest rate: 6.5%

Construction bridge loan application submitted



Why a bridge loan?

State reimbursements can take several months to process; to facilitate timely payments to vendors, a bridge loan for construction costs is needed

Draft Budget for Calendar Year 2027

LMV historically experiences financial challenges due to limited income. Currently the system's expenses are greater than the revenue with an absence of grant funding.

Revenue		
	Customer payments	$152,460.00
Net Revenue		**$152,460.00**
Expenditures		
	Operating fees	$69,083.19
	Payroll, Legal, and Professional Fees	$134,646.50
	Other expenditures	$34,450.88
	Lab Fees and Water Testing	$31,600.00
Net Expenditures		**$269,780.57**
Net Operating Revenue (shortfall without grant funds)		**$(117,320.57)**
Additional Grant Revenue		
	UDWN O&M Grant	$26,519.99
	Cash Reserve	$56,000.00
Starting cash balance		**$46,000.00**
	Ending cash balance	$11,199.52

Looking Ahead

Between now and our next meeting

- The Administrator Team will:
  - Coordinate on Funding Agreement for Drinking Water State Revolving Fund construction project
  - Develop contract for design finalization
  - Engage landowners about easements for the consolidation
  - Manage UDWN grants for O&M and bottled water
  - Be available to hear from you in-person, by phone, or by email



We want to hear from you!

The next Administrator Public Meeting will be held in February 2027.

What future discussion topics are most important for the community?



Thank you!

LMVAdmin@stantec.com
Ryanna Fossum
Administrator Lead
Stantec
(626) 568-6107

lmvwater@gmail.com
Raymond Leon
General Manager/ Chief Water Operator
(619) 975-7323

