



SAN ANTONIO WATER COMPANY

BOARD OF DIRECTORS MEETING

Tuesday, May 16, 2023 at 5:00 p.m.

In the Upland City Hall Council Chambers

460 N. Euclid Avenue, Upland, CA 91786

And Virtual/Online or Teleconference

Members of the public may join the meeting by computer, tablet or smartphone.

<https://meet.goto.com/750014973>

You can also dial in using your phone.

Access Code: 750-014-973

United States: [+1 \(872\) 240-3212](tel:+18722403212)

- Call to Order
- Salute to the Flag

1. Recognitions and Presentations:
2. Additions-Deletions to the Agenda:
3. Shareholder-Public Testimony:

This is the time for any shareholder or member of the public to address the board members on any topic under the jurisdiction of the Company, which is on or not on the agenda. Please note, pursuant to the Brown Act the board is prohibited from taking actions on items not listed on the agenda. For any testimony, speakers are requested to keep their comments to no more than four (4) minutes, including the use of any visual aids, and to do so in a focused and orderly manner. Anyone wishing to speak is requested to voluntarily fill out and submit a speaker's form to the manager prior to speaking.

4. Consent Calendar Items:

All items listed hereunder are considered to be routine and there will be no separate discussion of these items unless members of the board request specific items to be removed from the consent calendar for separate action. All items listed or remaining will be voted upon in a single action.

- A. Approval of Board Meeting Minutes
Regular Meeting Minutes of April 18, 2023.
- B. Organizational Meeting Minutes
Approve Meeting Minutes of April 11, 2023.
- C. Planning, Resources, and Operations Committee (PROC) Meeting Minutes
Approve Meeting Minutes of February 28, 2023
- D. Administration and Finance Committee (AFC) Meeting Minutes
No Meeting Minutes to Approve.
- E. AdHoc Committee for Office Feasibility Study
No meeting minutes to approve.
- F. Financial Statement
Income Statement and Balance Sheet for March 31, 2023.
- G. Investment Activity Report
Monthly Report of Investments Activity.
- H. Water Production and Consumption
Monthly water production and consumption figures.
- I. Prominent Issues Update
Status summaries on certain on-going active issues.
- J. Projects and Operations Update
Status summaries on projects and operations matters.
- K. Groundwater Level Patterns [Quarterly in January, April, July, and October]
Tracking patterns of groundwater elevations relative to ground surface.
- L. Conservation Program Update [Quarterly in January, April, July, and October]
Update on SAWCo's existing water conservation programs
- M. Correspondence of Interest

5. Board Committee – Delegate Report:
 - A. PVPA Representative Report
Verbal report by representative.
 - B. Six Basins Representative Report
Verbal report by representative.
 - C. Chino Basin Representative Report
Verbal report by representative.
 - D. Cucamonga Basin Representative Report
Verbal update by representative.
 - E. Administration and Finance Committee (AFC) Chairman's Report
No meeting to report.
 - F. Planning, Resources, and Operations Committee (PROC) Chairman's Report
Verbal report on April 25, 2023 meeting.
 - G. Office & Yard Feasibility Study Ad Hoc Committee
No meeting to report.
6. General Manager's Report on Activities
 - A. Well 31 Pipeline Replacement
Possible Action to award design contract
 - B. Paloma Curve Modernization
Possible Action to award design contract
7. General Manager's Employment Agreement
Possible Action to approve employment agreement
8. Closed Session: None.
9. Director's Comments and Future Agenda Items:

Adjournment:

The next regular Board Meeting will be held on Tuesday, June 20, 2023 at 5:00 p.m.

NOTE: All agenda report items and back-up materials are available for review and/or acquisition from the Company Office (139 N. Euclid Avenue, Upland, CA.) during regular office hours, Monday through Thursday [8:00a – 11:30a and 12:30p – 4:00p] and alternating Fridays [8:00a – 11:30a and 12:30p – 3:00p] and on the Company's website www.sawaterco.com. The agenda is also available for review and copying at the Upland Public Library located at 460 N. Euclid Avenue.

POSTING STATEMENT: On May 11, 2023, a true and correct copy of this agenda was posted at the entry of the Water Company's office (139 N. Euclid Avenue), on the City of Upland public bulletin board (450 N. Euclid Ave.), Public Library (460 N. Euclid Ave.), and on the Water Company's website.

SAN ANTONIO WATER COMPANY
MINUTES OF THE SAN ANTONIO WATER COMPANY
Tuesday, April 18, 2023

An open meeting of the Board of Directors of the San Antonio Water Company (SAWCo) was called to order at 5:03 p.m. on the above date at the City of Upland Council Chambers, 460 N. Euclid Ave., Upland, California. Directors present were Rudy Zuniga, Will Elliott, Bob Cable, Bill Velto, Kati Parker, and Bob Bowcock. Also in attendance were SAWCo's General Manager Brian Lee, Assistant General Manager Teri Layton, General Legal Counsel Derek Hoffman, and Senior Administrative Specialist Kelly Mitchell. President Zuniga presided.

Director Bowcock led all in attendance in the flag salute.

1. Recognitions and Presentations: None.
2. Additions-Deletions to the Agenda: None.
3. Shareholder-Public Testimony: None.
4. Consent Calendar Items:
 - A. Approval of Board Meeting Minutes
Regular Meeting Minutes of March 21, 2023.
 - B. Planning, Resources and Operations Committee (PROO) Meeting Minutes
No Meeting Minutes to Approve.
 - C. Administration and Finance Committee (AFC) Meeting Minutes
Approve Meeting Minutes of November 22, 2022.
 - D. AdHoc Committee for Finance Feasibility Study
No meeting minutes to approve.
 - E. Financial Statement
Income Statement and Balance Sheet for February 28, 2023.
 - F. Investment Activity Report
Monthly Report of Investments Activity.
 - G. Water Production and Consumption
Monthly water production and consumption figures.
 - H. Prominent Issues Update
Status summaries on certain on-going active issues.
 - I. Projects and Operations Update
Status summaries on projects and operations matters.
 - J. Groundwater Level Patterns [Quarterly in January, April, July, and October]
Tracking patterns of groundwater elevations relative to ground surface.
 - K. Conservation Program Update [Quarterly in January, April, July, and October]
Update on SAWCo's existing water conservation programs.
 - L. Correspondence of Interest

Director Velto moved and Director Elliott seconded to approve the Consent Calendar as presented. Motion carried unanimously.

5. Board Committee – Delegate Report:
 - A. **Pomona Valley Protective Association (PVPA) Representative's Report** – Director Parker reported PVPA discussed the Stone Canyon neighborhood in Claremont which is experiencing high groundwater. A joint statement between PVPA and Six Basins Watermaster will be forwarded to all Board members. Ms. Parker mentioned an article in the Claremont Courier written by a professor of environmental analysis and history from KECK at Pomona College that explains very well what is happening in the Stone Canyon neighborhood. She noted that if the area had been kept agriculture land the groundwater rising would be considered a good thing. PVPA has spreading grounds just below the affected area and has ceased all spreading for the time being.

Also discussed during the PVPA meeting was the fact that for over a decade PVPA has had their legal counsel look into the selling of land to a homebuilder and its effect on PVPA's nonprofit status. The members of the PVPA board may be bringing in each of their respective legal counsels in the next few months to assist.

- B. Six Basins Representative Report** – Ms. Layton reported a meeting was held on March 22nd. Legal counsel reviewed the Brown Act rules including the change regarding virtual meetings and whether Six Basins is affected, as they are not elected officials, was discussed. Members were encouraged to adhere to the new Brown Act rules. The annual report was approved at the meeting.

The Strategic Planning Workshop followed the regular meeting. West Yost provided an update of the monitoring that is happening in the San Antonio Spreading Grounds including a soon to be implemented drone. The loss of water in previous years was discussed and determined to be because of a berm being lost causing rising groundwater leading to the curtailment of spreading. The Board was asked if they were still interested in a conjunctive use program to which the board requested time to consider.

There is no meeting scheduled for the month of April.

- C. Chino Basin Representative Report** – Mr. Lee reported that a number of weeks prior, the storm channel south, or downstream, of SAWCo's spreading grounds for Chino Basin experienced a collapse of one of the side walls. As such, SAWCo was unable to spread water in the basin until the repair of the side wall was complete. As of this morning, SAWCo is now able to spread water again in Chino Basin.
- D. Cucamonga Basin Representative Report** – Mr. Lee stated the parties met in March and discussed the water model. The hydrogeologist continues to tighten up the model to meet real world conditions.
- E. Administration and Finance Committee (AFC) Chairman's Report** – Mr. Lee reported the AFC met in March to discuss items that are included in the General Manager's Report on Activities. Two items not included in the General Manager's Report were two requests for proposals (RFPs). The proposals will be brought back to the AFC for review and possible recommendation to the Board.
- F. Planning, Resources, and Operations Committee (PROC) Chairman's Report** – No meeting to report.
- G. Office Feasibility Study Ad Hoc Committee** – No meeting to report.

6. General Manager's Report on Activities:

- A. Salary Range Adjustment**– Mr. Lee stated that every year SAWCo looks at the cost of living based on the Consumer Price Index (CPI) for Riverside/San Bernardino/Ontario region Urban Wage Earners and Clerical Workers. This year the index rose 7%, down from last year's more than 9% increase. The item was brought to the AFC which recommended the Board approve shifting the salary ranges up by 7%. Mr. Lee reminded the Board that the increase is not automatically given to employees. It would simply shift the pay ranges up 7% allowing employees to earn higher pay at their annual review. SAWCo does have a newer employee working at the base end of their pay scale that will need to be adjusted to reflect the 7% shift.

Mr. Lee recommended the Board approve adjusting the salary ranges to reflect the 7% cost of living increase determined by the CPI for the Riverside/San Bernardino/Ontario Urban Wage Earners and Clerical Workers and allow for the pay increase of the one newer employee to place their pay rate in the newly adjusted pay range.

Director Cable moved and Director Velto seconded to approve adjusting the Company's salary ranges 7.0% upward based on the Riverside/San Bernardino/Ontario 'Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W)' change from January 2022 to January 2023 and allow for the pay increase of the one newer employee to place their pay rate in the newly adjusted pay range. Motion carried unanimously.

- B. Clothing Allotment** – Mr. Lee presented the request for an increase in the dollar amount for field staff's clothing allotment. Currently, the clothing allotment for one calendar year is \$330 originally set in 2014. This amount is meant to cover steel-toed boots and blue jeans for field staff. Staff is requesting the allotment be raised to \$600 annually due to the rise in costs. Expected cost for SAWCo is upwards to \$1,350 annually.

Director Velto moved and Director Cable seconded to approve the recommendation to increase the field staff clothing allotment from \$330 annually to \$600 annually. Motion carried unanimously.

- C. Condolence Policy Update** – Mr. Lee presented the proposed revisions to SAWCo's Condolence Policy. Staff is seeking to increase the dollar amount from \$100 to \$200 for plant or flower arrangement to or charitable donation on behalf of company staff and board, and a card for member agencies. A language change is also requested in order to include staff and board/council members of SAWCo's affiliated agencies.

Director Parker moved and Director Velto seconded to approve the proposed revisions to SAWCo's Condolence Policy increasing the dollar amount to \$200 to send arrangements to, or charitable donations on behalf of, company staff and board, and a card for member agencies as well as a language change to include staff and board/council members of SAWCo's affiliated agencies. Motion carried unanimously.

- D. Property and Casualty Insurance Renewal** – Mr. Lee presented for ratification SAWCo's property and casualty insurance renewal. The item was brought to and approved by the AFC in March due to time sensitivity. Staff did not receive the renewal information until late March however, the renewal date was April 1st. To avoid a lapse in coverage, the AFC approved the renewal with the caveat it would be brought before the Board for ratification. This year staff also requested and received approval from the AFC to send out a request for proposals (RFP) for property and casualty insurance brokers due to the significant increase in the premium over the past three years (18%, 17.5%, and 37% respectively).

Director Elliott moved and Director Velto seconded to ratify renewal of SAWCo's property and casualty insurance as presented. Motion carried unanimously.

- E. Board Compensation for Chino Basin Watermaster Board Meeting Attendance** – Mr. Lee stated this item originated as a request from Director Parker regarding a stipend for Chino Basin Watermaster Board meeting attendance. Staff expanded on the original request and are recommending the Board appoint a Board member to be the standing advocate for SAWCo at the Chino Basin Watermaster Board meetings. A resolution to the effect was generated and included in the Board meeting agenda packet. If the Board approves the resolution, staff also recommends approving Director Parker as this year's attendee at Chino Basin Watermaster Board meetings. Director Parker is currently the alternate to the Minor Appropriators. Should she have to fill in for the Minor Appropriators, she is given a stipend of \$125 from Chino Basin Watermaster, SAWCo's stipend is \$250. The resolution as presented states if the standing advocate receives a stipend from another entity for the meeting, SAWCo will not provide one, however, other agencies will typically cover the difference. Should the Board wish to cover the difference, the resolution will be updated to reflect that.

Director Velto moved and Director Elliott seconded to approve Resolution 2023-04-01 and to approve Director Parker as attendee at the Chino Basin Watermaster Board meetings.

Director Bowcock recommended amending the resolution to include covering the difference in the amount of stipend the designated attendee for SAWCo is paid by the host organization and SAWCo's stipend amount.

Director Velto and Director Elliott approved the recommended amendment made by Director Bowcock. Motion carried unanimously.

7. Closed Session:

A. General Manager's Annual Review, Goals, and Objectives [CGC §54957 subdivision 9(b)] –

The Board, Mr. Lee, and Mr. Hoffman went into closed session at 5:27 p.m. Upon return from closed session at 5:37 p.m., Mr. Hoffman stated there was no reportable action.

8. Director's Comments and Future Agenda Items: Director Parker thanked Mr. Lee for opening SAWCo's office on Sunday for the Upland Heritage Home Tour. Roughly 60 volunteers helped with the tour and 271 individuals with purchased tickets and approximately 50 comped tickets attended the tour.

Adjournment:

With no further business to discuss the meeting was adjourned at 5:41 p.m.

Assistant Secretary
Brian Lee

SAN ANTONIO WATER COMPANY

BOARD OF DIRECTORS ORGANIZATIONAL MEETING MINUTES

Tuesday, April 11, 2023

Immediately following the Annual Meeting of Shareholders of the Company, the Board of Directors of the San Antonio Water Company (SAWCo) met at the Upland City Hall Council Chambers, 460 North Euclid Avenue, Upland, California at 6:13 p.m. Directors present were Rudy Zuniga, Will Elliott, Bob Cable, Martha Goss, Bill Velto, and Kati Parker. Director Bob Bowcock was absent. Also in attendance were San Antonio Water Company legal counsel Derek Hoffman, General Manager Brian Lee, Assistant General Manager Teri Layton, Senior Administrative Specialist Kelly Mitchell, and Administrative Specialist Tiffany Dickinson. President Rudy Zuniga presided.

- Call to Order

1. Recognitions and Presentations: None.
2. Additions-Deletions to the Agenda: None.
3. Public Comments: None.
4. Organizational Activities:

Director Velto moved and Director Cable seconded selecting Mr. Lee as temporary chairman of the meeting. Motion carried unanimously.

Director Velto moved and Director Parker seconded to have Director Zuniga remain as President. Motion carried unanimously by voice vote.

Director Velto moved and Director Goss seconded to have Director Elliott remain as Vice President. Motion carried unanimously by voice vote.

Director Velto moved and Director Elliott seconded to have Director Goss remain as Secretary/CFO. Motion carried unanimously by voice vote.

Director Velto moved to approve the Designations and Authorities as presented.

Director Parker inquired about designating a representative to the Chino Basin Watermaster Board. Mr. Lee explained SAWCo does not have the ability to select representatives to the Chino Basin Watermaster Board. As Minor Appropriators, SAWCo can only designate a representative to the Appropriative Pool.

Director Elliott seconded to approve the Designations and Authorities as presented. Motion carried unanimously.

The following are the results of the above motions:

- A. President – Rudy Zuniga
- B. Vice-President – Will Elliott
- C. Secretary/Chief Financial Officer – Martha Goss

5. Designations and Authorities:

- A. Representative to the Six Basins Watermaster – Teri Layton (primary) and Tommy Hudspeth (alternate) as representatives to the Six Basins Watermaster.
- B. Representative to Chino Basin Pool and Advisory Committees – Brian Lee (primary) and Teri Layton (alternate) as representatives to the Chino Basin Pool and Advisory Committees.
- C. Representative to Cucamonga Basin Management Committee – Teri Layton (primary) and Brian Lee (alternate) as representatives to Cucamonga Basin Management Committee.
- D. Representative to Pomona Valley Protective Association (PVPA) –Staff recommends Director Kati Parker as the primary representative to the PVPA.
- E. Assistant Secretary/Assistant Financial Officer –General Manager, Brian Lee as Assistant Secretary/Assistant Financial Officer.
- F. Representatives for the Administration and Finance Committee (AFC) – Director Goss, Director Cable, and Director Velto. Director Goss as chair of the committee.
- G. Representatives for the Planning, Resources, and Operations Committee (PROC) – Director Elliott, Director Bowcock, and Director Parker. Director Elliott as chair of the committee.
- H. Company General Counsel – Fennemore
- I. Company Special Counsel – Fred Fudacz of the firm Nossaman LLP.

- J. Company Auditor – Bowen, McBeth, Incorporated.
 - K. Company Depositories - That Citizens Business Bank, Local Agency Investment Funds (LAIF) and any other qualifying financial institution (FDIC insured) that conforms with the Company's Investment Policy is designated for and as a valid depository for Company funds;
 - L. Signatories for Company Checks, Withdrawals and Establishing Accounts – Any two (2) signatures, including that of the President, Vice President, Secretary/Chief Financial Officer, the General Manager or the Assistant General Manager are hereby authorized and required to sign checks, withdraw funds, and establish accounts on behalf of the Company with at least one Corporate Officer signing on any transaction greater than \$5,000, except for fund transfers between Company accounts or on routine payments for operations expense (e.g. electrical energy usage, taxes, et al.) and as otherwise granted under authority to the General Manager. In addition, the Accounting and Personnel Specialist has authority to transfer up to \$45,000 to facilitate payroll with provisions of internal accounting controls in place.
 - M. General Manager's Authority –
 - A. General Manager's expenditure authority limitation is \$50,000.
[Note: Prior to October 20, 1997, the general manager's expenditure authority was limited to \$5,000. Due to the timely nature of certain repair needs, as well as the usual range of such costs, the Board acted to increase the expenditure authority limitation to \$50,000. This was done with the understanding that such necessary expenditures would be reported to the Board in a timely manner].
 - B. General Manager's authorized to execute professional service agreements.
[Note: On November 19th and December 17th of 2001, the general manager was authorized to approve and execute professional service agreements once they had been reviewed and approved by corporate counsel and after the Board's review and approval of funding. No such action may be taken on any agreement or amendment to an agreement that would cause the expenditure to exceed any prior Board approved funding authorization.]
6. Review of Director's Fiduciary Duties and Liabilities: Mr. Lee took the opportunity to remind the Board members of their fiduciary duty to the Company and its shareholders. The majority shareholders have a fiduciary duty to protect the minor shareholders. Mr. Lee complimented the Board on the job they have done in that regard.
7. Conflict of Interest Rules and AB54 Compliance for Directors: Mr. Lee advised that all Board members are up to date with their AB54 training.
8. Closed Session:
- A. General Manager's Annual Review, Goals, and Objectives [CGC §54957 subdivision 9(b)].

The Board, Mr. Hoffman, and Mr. Lee went into closed session at 6:21 p.m. and returned from closed session at 6:59 p.m. Mr. Hoffman stated there was no reportable action.

Director Zuniga announced the next Board meeting will be held on Tuesday, April 21st at 5:00 p.m.

Adjournment: There being no further business the meeting was adjourned at 6:59 p.m.

Assistant Secretary

MINUTES OF THE SAN ANTONIO WATER COMPANY
 PLANNING, RESOURCES, and OPERATIONS COMMITTEE
 February 28, 2023

An open meeting of the Planning, Resources, and Operations Committee (PROC) of the San Antonio Water Company (SAWCo) was called to order virtually at 3:02 p.m. on the above date. Committee members present were Will Elliott, Kati Parker, and Bob Bowcock. Also in attendance were Patricia Parks of Water Systems Consultants (WSC), SAWCo's legal counsel Derek Hoffman of Fennemore, and General Manager Brian Lee. Director Elliott presided.

1. Recognitions and Presentations – None.
2. Additions-Deletions to the Agenda – None.
3. Public Comments – None.
4. Approval of Committee Meeting Minutes:
 - A. **Regular Committee Minutes of October 25, 2022** – Director Parker moved, and Director Bowcock seconded to approve the meeting minutes of October 25, 2022 as presented. Motion carried unanimously.
5. Planning and Operational Issues:
6. Planning and Operational Updates -
 - A. **Project Status Report/Project List** – Mr. Lee advised things remain fairly unchanged since SAWCo's February Board meeting held the previous Tuesday. Staff is moving forward with the contract for Glendale Road Pipeline Project.

Mr. Lee stated a news article reported 70 inches of snow this season on Mt. Baldy. Staff look forward to providing water well into the summer due to these snowstorms. A cold front moving in is expected to bring even more snow. The concern is if the weather warms too quickly, SAWCo will not be able to capture all of the water.
 - B. **2020 Master Plan** – Mr. Lee reported the Master Plan project began back in 2020. The reason for the length of time taken to complete the project was primarily due to the creation of a comprehensive computer simulated model of SAWCo's system, which is the first time it has been done. Staff have found the model tracks closely with their system. It will be instrumental in achieving the expansion of the Holly Drive zone. A number of capital improvement projects scheduled to take place over the next 10 years are described in the plan. A total of \$1 to \$2 million dollars in Master Plan projects is planned each year which falls in line with what is needed to maintain and upgrade SAWCo's water system. Many of the projects are studies therefore the total cost of projects will significantly increase from the proposed \$9 million dollar estimate once the projects stemming from the studies are completed.

Director Elliott inquired whether any of the Committee members had any questions or comments on the first portion of the plan dealing with the methodology. Director Bowcock commented it was a very well-done report. He questioned the model software utilized by WSC. Ms. Parks replied it was InfoWater Pro by Innovyze. Director Bowcock inquired whether SAWCo would be purchasing the software or would they rely on WSC for updates. Mr. Lee replied he would rely on the consultants for updating.

Director Parker inquired as to a schedule for the projects outlined in the Master Plan. Mr. Lee advised there is no set schedule in the Master Plan. It will be up to staff to determine the order of projects. Keeping the projects to \$1 to \$2 million per year is desired.

Director Elliott moved to the Capital section of the Master Plan which shows SAWCo already handling the projects listed. Using the list as a guide.

Mr. Hoffman suggested the removal of a sentence from page 3-8. The Committee agreed to the removal.

Director Parker moved to recommend the Board approve the 2020 Master Plan and Director Bowcock seconded the motion subject to the revisions agreed upon by the AFC. Motion carried unanimously.

7. Basin Issues and Updates

- ***San Antonio Canyon Watershed*** – Mr. Lee advised an ultrasonic meter will be installed at SAWCo’s mainbox to measure overflow as means to double check the flow levels coming out of the canyon.
- ***Chino Basin*** – No report given.
- ***Six Basins*** – No report given.
- ***Cucamonga Basin*** – No report given.

8. Closed session: None.

9. Committee’s Comments and Future Agenda Items: None.

Adjournment: –The meeting adjourned at 3:22 p.m.

Assistant Secretary
Brian Lee



San Antonio Water Company, CA

Income Statement

Group Summary

For Fiscal: 2023 Period Ending: 03/31/2023

IncomeStatement	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Category: 4 - Income					
SubCategory: 40 - Shareholder Revenue					
1185 - Domestic Water Income (Base)	270,000.00	270,000.00	5.47	20,233.36	249,766.64
1215 - Domestic Water Income (Supplemental)	230,000.00	230,000.00	-42.58	12,519.51	217,480.49
1220 - Domestic Water Income (Tier 3)	230,000.00	230,000.00	-426.76	17,983.91	212,016.09
1230 - Domestic Water Income (Readi/Chrg)	200,000.00	200,000.00	59.34	33,737.98	166,262.02
1235 - Domestic Water Availability Charge (WAC)	61,000.00	61,000.00	11.87	10,311.60	50,688.40
1245 - Municipal Water Income (Base)	3,100,000.00	3,100,000.00	176,390.99	625,508.58	2,474,491.42
1268 - Municipal Water Income (Readi/Chrg)	77,000.00	77,000.00	6,400.00	19,200.00	57,800.00
1274 - Misc Water Income (Base)	205,000.00	205,000.00	5,227.63	13,751.10	191,248.90
1275 - Misc Water Income (Supplemental)	50,000.00	50,000.00	8,776.81	20,038.59	29,961.41
1276 - Munnicipal Water Availability Charge (WAC)	477,000.00	477,000.00	39,756.00	119,268.00	357,732.00
1280 - Misc Water Income (Tier 3)	5,000.00	5,000.00	0.00	321.68	4,678.32
1288 - Misc Water Income (Readi/Chrg)	23,000.00	23,000.00	1,860.00	5,580.00	17,420.00
1290 - Misc Water Availability Charge (WAC)	23,000.00	23,000.00	1,922.00	5,766.00	17,234.00
1295 - Dormant Water Availability Charge (WAC)	52,000.00	52,000.00	0.00	8,542.85	43,457.15
1302 - Meter Service Fees	1,500.00	1,500.00	0.00	0.00	1,500.00
1400 - Stock Transfer	5,000.00	5,000.00	630.00	1,080.00	3,920.00
1410 - Late/Re-establishment Fee	2,000.00	2,000.00	270.00	505.00	1,495.00
1420 - Return Check Fee	0.00	0.00	25.00	50.00	-50.00
1430 - Stock Certificate Storage and Handling Fee	300.00	300.00	0.00	40.00	260.00
SubCategory: 40 - Shareholder Revenue Total:	5,011,800.00	5,011,800.00	240,865.77	914,438.16	4,097,361.84
SubCategory: 42 - Non-Shareholder Revenue					
1725 - Misc. Income	2,000.00	2,000.00	-277.00	-23.87	2,023.87
1750 - Service/Litigation Agreements	0.00	0.00	1,341.25	1,408.25	-1,408.25
1753 - Ground Lease Income	70,000.00	70,000.00	5,915.64	18,139.32	51,860.68
1755 - Interest Earned	20,000.00	20,000.00	0.00	19,101.91	898.09
1785 - Gain on Sale of Asset	344,000.00	344,000.00	0.00	0.00	344,000.00
1815 - Quitclaim of Easements	0.00	0.00	-15.00	2,970.00	-2,970.00
SubCategory: 42 - Non-Shareholder Revenue Total:	436,000.00	436,000.00	6,964.89	41,595.61	394,404.39
Category: 4 - Income Total:	5,447,800.00	5,447,800.00	247,830.66	956,033.77	4,491,766.23
Category: 5 - O & M Expense					
SubCategory: 50 - Operating Facilities					
2175 - Facility Related Field Labor	280,000.00	280,000.00	38,754.71	94,057.25	185,942.75
2235 - Repairs to Facilities and Equipment	350,000.00	350,000.00	22,754.07	87,717.59	262,282.41
2265 - Power-Gas & Electric (utilities)	900,000.00	900,000.00	39,152.89	157,699.39	742,300.61
SubCategory: 50 - Operating Facilities Total:	1,530,000.00	1,530,000.00	100,661.67	339,474.23	1,190,525.77
SubCategory: 51 - Operating Activities					
2475 - Customer Service	79,000.00	79,000.00	7,532.72	16,624.79	62,375.21
2498 - Conservation	26,000.00	26,000.00	791.66	2,361.10	23,638.90
SubCategory: 51 - Operating Activities Total:	105,000.00	105,000.00	8,324.38	18,985.89	86,014.11
SubCategory: 52 - Other Operating Expense					
2205 - Non-Facility Related Labor	70,000.00	70,000.00	7,936.83	17,641.61	52,358.39
2210 - O & M - All Other	3,500.00	3,500.00	0.00	100.00	3,400.00
2295 - Supplies (Inventory & Tools Expense)	10,000.00	10,000.00	102.32	5,403.69	4,596.31
2565 - Depreciation/Amortization	1,100,000.00	1,100,000.00	90,664.97	274,564.10	825,435.90
2715 - Property Taxes	240,000.00	240,000.00	130,350.71	130,350.71	109,649.29
2805 - Water Resource Mgmt.	143,000.00	143,000.00	1,042.22	20,533.09	122,466.91
SubCategory: 52 - Other Operating Expense Total:	1,566,500.00	1,566,500.00	230,097.05	448,593.20	1,117,906.80
Category: 5 - O & M Expense Total:	3,201,500.00	3,201,500.00	339,083.10	807,053.32	2,394,446.68

Income Statement

For Fiscal: 2023 Period Ending: 03/31/2023

IncomeStatement	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Category: 6 - G & A Expense					
SubCategory: 60 - Personnel					
2115 - Administrative Services	300,000.00	300,000.00	41,794.47	83,708.99	216,291.01
2325 - Payroll Taxes	78,000.00	78,000.00	10,083.04	25,604.36	52,395.64
2355 - Worker's Compensation Insurance	15,000.00	15,000.00	-1,137.45	623.55	14,376.45
2385 - Benefit Pay (Vac., sick, etc.)	190,000.00	190,000.00	19,599.43	57,244.78	132,755.22
2415 - Benefit Insurance (Pension,Life,Medical,Vision etc)	295,000.00	295,000.00	23,328.33	61,485.05	233,514.95
2430 - Benefit Administrative Services	2,000.00	2,000.00	0.00	0.00	2,000.00
SubCategory: 60 - Personnel Total:	880,000.00	880,000.00	93,667.82	228,666.73	651,333.27
SubCategory: 61 - Other					
2445 - Office/IT Support	60,000.00	60,000.00	300.00	3,950.00	56,050.00
2505 - Directors Fees & Expense	32,000.00	32,000.00	2,526.30	7,824.03	24,175.97
2535 - Liability Insurance	41,000.00	41,000.00	0.00	0.00	41,000.00
2595 - Communication	43,000.00	43,000.00	16,755.05	19,836.50	23,163.50
2625 - Dues & Publications	3,500.00	3,500.00	0.00	8,089.00	-4,589.00
2655 - Outside Services	20,000.00	20,000.00	1,099.29	15,766.02	4,233.98
2745 - Income Tax Expense	12,500.00	12,500.00	9,700.00	9,700.00	2,800.00
2775 - Accounting	65,000.00	65,000.00	6,262.93	36,300.29	28,699.71
2776 - Legal	150,000.00	150,000.00	40,711.50	92,108.13	57,891.87
2790 - Human Resources Expense	60,000.00	60,000.00	5,068.98	15,402.63	44,597.37
2865 - All other	30,000.00	30,000.00	461.04	1,962.55	28,037.45
SubCategory: 61 - Other Total:	517,000.00	517,000.00	82,885.09	210,939.15	306,060.85
Category: 6 - G & A Expense Total:	1,397,000.00	1,397,000.00	176,552.91	439,605.88	957,394.12
Total Surplus (Deficit):	849,300.00	849,300.00	-267,805.35	-290,625.43	

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
10 - 10	849,300.00	849,300.00	-267,805.35	-290,625.43	1,139,925.43
Total Surplus (Deficit):	849,300.00	849,300.00	-267,805.35	-290,625.43	



San Antonio Water Company, CA

Balance Sheet

Account Summary

As Of 03/31/2023

Account	Name	Balance
Fund: 10 - 10		
Assets		
BalSubCategory: 10 - Cash		
10-00-00-10100-00000	Petty Cash	250.00
10-00-00-10201-00000	Checking Account-8431	1,085,787.31
10-00-00-10415-00000	D&O Checking Account	1,865,144.54
10-00-00-10438-00000	Depre/Obsolescene Res (LAIF)	5,175,585.96
	Total BalSubCategory 10 - Cash:	8,126,767.81
BalSubCategory: 11 - Accounts Receivable		
10-00-00-11100-00000	Accounts Receivable-Domestic	15,343.49
10-00-00-11200-00000	Accounts Receivable-Municipal	234,831.96
10-00-00-11250-00000	Accounts Receivable-Misc.	19,655.27
10-00-00-11260-00000	Accounts Receivable - Dormant	1,597.00
10-00-00-11275-00000	Contra Accounts Receivable - Unapplied Cre	-24,152.56
10-00-00-11300-00000	Accounts Receivable-Other	216,992.11
10-00-00-11301-00000	Note Receivable	344,000.00
	Total BalSubCategory 11 - Accounts Receivable:	808,267.27
BalSubCategory: 12 - Inventory		
10-00-00-12100-00000	Inventories-Materials & Supply	172,809.33
	Total BalSubCategory 12 - Inventory:	172,809.33
BalSubCategory: 13 - Prepaid		
10-00-00-13100-00000	Prepaid Insurance	8,868.75
10-00-00-13105-00000	PREPAID POSTAGE	369.00
	Total BalSubCategory 13 - Prepaid:	9,237.75
BalSubCategory: 14 - Investments		
10-00-00-14150-00000	P.V.P.A. Investment	1.00
10-00-00-14151-00000	457B Plan Investment	60,524.97
	Total BalSubCategory 14 - Investments:	60,525.97
BalSubCategory: 15 - Property, Plant, & Equipment		
10-00-00-15100-00000	Land & Water Rights	920,161.26
10-00-00-15110-1507J	Work in Progress "Proj J"	97,890.00
10-00-00-15110-1602U	Work in Progress	1,209,962.46
10-00-00-15110-2109	Work In Progress	11,232.00
10-00-00-15110-2201	Work in Progress	15,070.38
10-00-00-15110-2202	Work in Progress CO#2202	58,639.17
10-00-00-15110-2203	Work in Progress-Proj 2203	62.63
10-00-00-15110-2301	WIP-Well#16 Conversion	24.39
10-00-00-15150-00000	Buildings & Site Improvements	1,827,589.96
10-00-00-15200-00000	Wells-Shafts, Bldgs, & Equip	4,910,918.85
10-00-00-15250-00000	Boosters-Bldgs & Equip	2,629,884.62
10-00-00-15300-00000	Reservoirs	3,081,787.33
10-00-00-15350-00000	Tunnels, Forebay, & Ponds	1,587,111.19
10-00-00-15400-00000	Spreading Works-Cucamonga Wash	54,859.53
10-00-00-15410-00000	Spreading Works-SanAntonio Wsh	50,235.18
10-00-00-15450-00000	Pipelines	19,228,760.46
10-00-00-15500-00000	Autos & Equipment	660,917.94
10-00-00-15550-00000	Tools	110,727.03
10-00-00-15600-00000	Telemetry System	625,621.96
10-00-00-15650-00000	Office Equipment	507,141.72
10-00-00-15990-00000	Accumulated Depreciation	-15,592,701.06
	Total BalSubCategory 15 - Property, Plant, & Equipment:	21,995,897.00
BalSubCategory: 16 - Other Assets		
10-00-00-16100-00000	Documents & Studies	1,009,546.33

Balance Sheet

As Of 03/31/2023

Account	Name	Balance
10-00-00-16100-1905	WIP- Master Plan and Asset Managment Prc	221,703.38
10-00-00-16105-2204	Work in Progress (Docs)	4,315.00
10-00-00-16990-00000	Accumulated Amortization	-772,573.93
	Total BalSubCategory 16 - Other Assets:	462,990.78
	Total Assets:	31,636,495.91
		<u>31,636,495.91</u>
Liability		
BalSubCategory: 13 - Prepaid		
10-00-00-20650-00000	Deferred Revenue Deposit	5,208.00
	Total BalSubCategory 13 - Prepaid:	5,208.00
BalSubCategory: 20 - Short-term less than 1 year		
10-00-00-20100-00000	Trade Accounts Payable	90,049.28
10-00-00-20115-00000	D&O Trade Accounts Payable	1,165.00
10-00-00-20261-00000	Section 125 - Dental	0.18
10-00-00-20262-00000	Section 125 - Vision	0.24
10-00-00-20263-00000	Section 125 - Medical	1,052.23
10-00-00-20600-00000	Water Hydrant Meter Deposit	1,700.00
10-00-GN-20820-00000	Accrued Vacation Payable	20,404.60
10-00-OP-20820-00000	Accrued Vacation Payable	24,818.57
	Total BalSubCategory 20 - Short-term less than 1 year:	139,190.10
BalSubCategory: 21 - Long-term more than 1 year		
10-00-00-20152-00000	457B Deferred Comp Liability	60,524.97
10-00-00-21500-00000	Unclaimed Credits	464,368.37
10-00-00-22100-00000	Deferred Gain	343,059.43
	Total BalSubCategory 21 - Long-term more than 1 year:	867,952.77
	Total Liability:	1,012,350.87
Equity		
BalSubCategory: 30 - Stockholder equity		
10-00-00-30200-00000	Contributed Capital - Ext. Fee	447,258.02
10-00-00-30210-00000	Contr. Property, Plant & Equip	2,432,256.77
10-00-00-30300-00000	Capital Account	1,500,000.00
10-00-00-30310-00000	Unissued Capital Stock	-861,100.00
10-00-00-30400-00000	Retained Earngs-Brd Designated	7,231,692.92
10-00-00-30410-00000	Retained Earnings-Unrestricted	20,164,662.76
	Total BalSubCategory 30 - Stockholder equity:	30,914,770.47
	Total Beginning Equity:	30,914,770.47
Total Revenue		956,033.77
Total Expense		1,246,659.20
Revenues Over/Under Expenses		-290,625.43
	Total Equity and Current Surplus (Deficit):	30,624,145.04
	Total Liabilities, Equity and Current Surplus (Deficit):	<u>31,636,495.91</u>

Monthly Investment Activity Summary - Compiled from Banking Statements for Correlation with Monthly Financials								
	Institution	Type of Investment	Date of Maturity	Rate of Interest	Account Balance as of 3/31/2023	Reserves		
						Operating <small>target: \$875k-\$1.75M</small>	Depreciation & Obsolescence <small>target: \$1.2M-\$4.6M</small>	
Undesignated	Citizens Business Bank (CBB)	Checking	N/A	None	\$ 1,085,787.31	\$ 1,085,787.31	Capital Investment & Depreciation	Modernization
Designated	Citizens Business Bank (CBB)	Checking	N/A	None	\$ 1,865,144.54		\$ 1,865,144.54	
	Local Agency Investment Fund	LAIF	N/A	2.831%	\$ 5,175,585.96		\$ 3,742,890.96	\$ 1,432,695.00
TOTAL					\$ 8,126,517.81	\$ 1,085,787.31	\$ 5,608,035.50	\$ 1,432,695.00

2023 Production

Item 4H

CHINO BASIN		Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
Yearly Production Rights = 1232		39.43%	39.43%	39.43%	39.43%	39.43%	39.43%	-	-	-	-	-	-	-
Well #12 - inactive		-	-	-	-	-	-	-	-	-	-	-	-	-
Well #15 - Domestic		0.08	-	-	-	-	-	-	-	-	-	-	-	0.08
Well #16 - Domestic		0.11	-	-	-	-	-	-	-	-	-	-	-	0.11
Well#18 - inactive		-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal		0.19	-	-	-	-	-	-	-	-	-	-	-	0.19
CUCAMONGA BASIN		Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
Yearly Production Rights = 5601 (1101 10-yr Average Spread)		9.31%	14.21%	18.70%	23.37%	28.07%	32.72%	37.37%	42.03%	46.69%	51.35%	56.01%	60.67%	-
Well #2		105.05	96.42	104.20	89.05	-	-	-	-	-	-	-	-	394.72
Well #3		0.31	-	-	0.49	-	-	-	-	-	-	-	-	0.81
Well#19 - inactive		-	-	-	-	-	-	-	-	-	-	-	-	-
Well #22		2.96	10.70	0.76	29.98	-	-	-	-	-	-	-	-	44.39
Well #24		206.11	-	38.93	1.18	-	-	-	-	-	-	-	-	246.23
Well #31		-	-	-	0.15	-	-	-	-	-	-	-	-	0.15
Well #32 - Domestic		-	-	-	-	-	-	-	-	-	-	-	-	-
Upl. # 15 (SAWCo's Rts)		206.92	167.58	107.58	140.67	-	-	-	-	-	-	-	-	622.75
Subtotal		521.34	274.70	251.47	261.53	-	-	-	-	-	-	-	-	1,309.04
Upl. # 15 (WECWCo's Rts) Memo Only		-	-	-	-	-	-	-	-	-	-	-	-	-
SIX BASINS		Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
Yearly Production Rights = 932		8.24%	15.82%	24.37%	32.76%	40.93%	49.20%	57.49%	65.72%	73.98%	82.24%	90.49%	98.75%	-
Well #25-A		-	-	0.00	-	-	-	-	-	-	-	-	-	0.00
Well #26		38.41	33.78	38.49	38.83	-	-	-	-	-	-	-	-	149.51
Well 27-A		38.42	36.85	41.18	39.37	-	-	-	-	-	-	-	-	155.81
Subtotal		76.82	70.63	79.67	78.21	-	-	-	-	-	-	-	-	305.32
TOTAL PUMPED		598.36	345.32	331.14	339.73	-	-	-	-	-	-	-	-	1,614.55
GRAVITY FLOW		Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
V screen		510.96	893.27	627.64	1,205.35	-	-	-	-	-	-	-	-	3,237.23
backwash from city treatment plant		0.59	0.80	0.70	1.04	-	-	-	-	-	-	-	-	3.12
San Antonio Tunnel (forebay)		195.50	226.19	265.77	255.93	-	-	-	-	-	-	-	-	943.40
Frankish & Stamm Tunnel 8"		85.21	81.53	114.19	103.41	-	-	-	-	-	-	-	-	384.33
San Ant. Tunnel Connect to City		-	-	-	-	-	-	-	-	-	-	-	-	-
Discharge to waste		-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL GRAVITY		792.26	1,201.78	1,008.30	1,565.73	-	-	-	-	-	-	-	-	4,568.07
Monthly														
San Antonio Tunnel		195.50	226.19	265.77	255.93	-	-	-	-	-	-	-	-	943.40
V Screen, Frankish & Stamm Tunnel and TP Backwash		596.76	975.60	742.53	1,309.80	-	-	-	-	-	-	-	-	3,624.68
Gravity Production		792.26	1,201.78	1,008.30	1,565.73	-	-	-	-	-	-	-	-	4,568.07
Cumulative														
San Antonio Tunnel		195.50	421.69	687.46	943.40	-	-	-	-	-	-	-	-	943.40
V Screen, Frankish & Stamm Tunnel and TP Backwash		596.76	1,572.35	2,314.88	3,624.68	-	-	-	-	-	-	-	-	3,624.68
Gravity Production		792.26	1,994.04	3,002.34	4,568.07	-	-	-	-	-	-	-	-	4,568.07
Purchased Water - Upl. City to Dom. Sys.		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Production		1,390.62	1,547.11	1,339.44	1,905.46	-	-	-	-	-	-	-	-	6,182.63
Total Cumulative Production		1,390.62	2,937.72	4,277.16	6,182.63	-	-	-	-	-	-	-	-	
Domestic Production		Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
Domestic Production		195.70	226.19	265.77	255.93	-	-	-	-	-	-	-	-	943.59
Irrigation Production		1,194.92	1,320.92	1,073.67	1,649.53	-	-	-	-	-	-	-	-	5,239.04
RainFall (Inches)		6.26	5.99	10.86	1.44	-	-	-	-	-	-	-	-	
Cumulative (Inches)		6.26	12.25	23.11	24.55	-	-	-	-	-	-	-	-	

2023 Consumption

DOMESTIC	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
Dom. Sys. - Base	36.04	32.27	17.09	63.42	-	-	-	-	-	-	-	-	148.82
Dom. Sys. - Supplemental	3.78	12.42	1.20	14.07	-	-	-	-	-	-	-	-	31.47
Dom Sys - Tier 3	1.21	9.97	0.37	6.81	-	-	-	-	-	-	-	-	18.36
Dom. Sys. - Del. to Upland(24th/Campus)	44.54	41.72	9.30	21.00	-	-	-	-	-	-	-	-	116.57
Dom. Sys. -Del. To Upland (Well 16/15)	0.00	-	-	-	-	-	-	-	-	-	-	-	0.00
Dom. Sys. - Del. to Upland(24th/Mtn)-installed 4/2/19	-	-	-	-	-	-	-	-	-	-	-	-	-
Tunnel meter to the Upland	-	-	-	-	-	-	-	-	-	-	-	-	-
Discharge to waste	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	85.57	96.38	27.96	105.30	-	-	-	-	-	-	-	-	315.22

Truck Loads - note only crosswall projects	-	-	-	-	-	-	-	-	-	-	-	-	-
Well 32 Hydrant Mtr. - note only(started 8/6/18)Crosswalls	0.19	0.49	0.09	0.65	-	-	-	-	-	-	-	-	1.41

Irr. Note only Del. to MVWD(wheeled through Upland)	87.49	66.54	0.85	-	-	-	-	-	-	-	-	-	154.88
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IRRIGATION	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
Irrig. Sys.-Upland(Pump & Rec'd) (City W#15)	206.92	167.58	107.58	140.67	-	-	-	-	-	-	-	-	622.75
Irrig. Sys. - Upl. City - Tier 1	444.32	462.84	396.92	601.58	-	-	-	-	-	-	-	-	1,905.66
Irrig. Sys. - Upl. City - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Monte Vista - Tier 1	40.60	37.80	43.30	45.90	-	-	-	-	-	-	-	-	167.60
Irrig. Sys. - Monte Vista - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Ont. City - Tier 1	36.30	33.50	38.40	40.70	-	-	-	-	-	-	-	-	148.90
Irrig. Sys. - Ont. City - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Cucamonga Valley - Tier 1	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Cucamonga Valley - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Holiday Rock Co - Tier 1	0.48	14.52	16.67	18.58	-	-	-	-	-	-	-	-	50.26
Irrig. Sys. - Holiday Rock Co - Tier 2	-	14.52	11.31	18.59	-	-	-	-	-	-	-	-	44.42
Irrig. Sys. - Holiday Rock Co - Tier 3	-	0.20	-	19.81	-	-	-	-	-	-	-	-	20.01
Irrig. Sys. - Red Hill Golf Course - Tier 1	1.99	10.31	0.73	28.57	-	-	-	-	-	-	-	-	41.60
Irrig. Sys. - Red Hill Golf Course - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Red Hill Golf Course - Tier 3	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Red Hills HOA - Tier 1	0.05	0.30	0.04	0.63	-	-	-	-	-	-	-	-	1.02
Irrig. Sys. - Red Hills HOA - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Red Hills HOA - Tier 3	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Minor Irrigators - Tier 1	0.75	0.38	0.22	0.83	-	-	-	-	-	-	-	-	2.17
Irrig. Sys. - Minor Irrigators - Tier 2	-	-	-	0.09	-	-	-	-	-	-	-	-	0.09
Irrig. Sys. - Minor irrigators - Tier 3	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	731.40	741.94	615.17	915.95	-	-	-	-	-	-	-	-	3,004.46

COMPANY TOTALS	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
San Antonio Heights	41.03	54.66	18.66	84.30	-	-	-	-	-	-	-	-	198.65
City of Upland	695.78	672.14	513.80	763.26	-	-	-	-	-	-	-	-	2,644.97
Monte Vista Water District	40.60	37.80	43.30	45.90	-	-	-	-	-	-	-	-	167.60
City of Ontario	36.30	33.50	38.40	40.70	-	-	-	-	-	-	-	-	148.90
Cucamonga Valley Water District	-	-	-	-	-	-	-	-	-	-	-	-	-
Holiday Rock Company	0.48	29.24	27.98	56.98	-	-	-	-	-	-	-	-	114.69
Red Hills Golf Course	1.99	10.31	0.73	28.57	-	-	-	-	-	-	-	-	41.60
Red Hill HOA	0.05	0.30	0.04	0.63	-	-	-	-	-	-	-	-	1.02
Minor Irrigators	0.75	0.38	0.22	0.92	-	-	-	-	-	-	-	-	2.26
TOTAL	816.98	838.33	643.13	1,021.26	-	-	-	-	-	-	-	-	3,319.68

IRRIGATORS	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
Irrigator Emberton	0.23	0.22	0.22	0.28	-	-	-	-	-	-	-	-	0.95
Irrigator McMurray	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrigator Mistretta	-	-	-	0.48	-	-	-	-	-	-	-	-	0.48
Irrigator Nisbit	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrigator Scheu	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrigator Pfister	0.51	0.15	-	0.16	-	-	-	-	-	-	-	-	0.83

2023 Spread and Storage

Cucamonga Basin

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
23rd St. (Meter) - Basin 6 - A	79.32	156.63	61.51	114.06	-	-	-	-	-	-	-	-	411.52
15th Street Basin	8.79	32.39	-	-	-	-	-	-	-	-	-	-	41.18
Basin 3 meter (23rd street Clock)	170.96	203.41	175.86	11.15	-	-	-	-	-	-	-	-	561.38
Frankish & Stamm Tunnel to Basin 3	85.21	81.53	114.19	103.41	-	-	-	-	-	-	-	-	384.33
Vscreen via Frankish & Stamm Meter to Basin 3	106.81	159.03	110.95	180.45	-	-	-	-	-	-	-	-	557.25
PRV Station (res 1)(basin 6)	3.12	2.82	-	7.12	-	-	-	-	-	-	-	-	13.06
Monthly Spread	454.22	635.81	351.55	416.19	-	-	-	-	-	-	-	-	1,857.78
Cumulative Spread	454.22	1,090.03	1,441.59	1,857.78	-	-	-	-	-	-	-	-	

Six Basins

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
Monthly Spread	125.79	180.38	148.36	217.34	-	-	-	-	-	-	-	-	671.86
Cumulative Spread	125.79	306.16	454.53	671.86	-	-	-	-	-	-	-	-	

Note: City of Upland Well Exercising may contribute to spread

Note: Maximum end of year storage limit: 2,000 AF

Previous Storage	2,247.00	2,373.63	2,554.01	2,702.37	-	-	-	-	-	-	-	-	-
Spread	125.79	180.38	148.36	217.34	-	-	-	-	-	-	-	-	-
Unused Monthly OSY	0.85	-	-	-	-	-	-	-	-	-	-	-	-
Current Storage Estimate	2,374	2,554	2,702	2,920	-	-	-	-	-	-	-	-	-

932 yearly OSY = 77.67 monthly OSY

Chino Basin

Monthly Spread	-	96.79	71.55	124.62	-	-	-	-	-	-	-	-	292.96
Cumulative Spread	-	96.79	168.34	292.96	-	-	-	-	-	-	-	-	

Local Supplemental Account (Spreading)*	3,923.25	3,923.25	3,923.25	3,923.25	-	-	-	-	-	-	-	-	-
Carry Over Account	1,232.00	1,232.00	1,232.00	1,232.00	-	-	-	-	-	-	-	-	-
Excess Carry Over Account*	2,104.00	2,206.48	2,309.14	2,411.81	-	-	-	-	-	-	-	-	-
Preemptive Replenishment Account	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Storage	7,259.25	7,361.73	7,464.39	7,567.06	-	-	-	-	-	-	-	-	-
Spread	-	96.79	71.55	124.62	-	-	-	-	-	-	-	-	-
Unused Monthly OSY	102.48	102.67	102.67	102.67	-	-	-	-	-	-	-	-	-
Current Storage Estimate*	7,362	7,561	7,639	7,794	-	-	-	-	-	-	-	-	-

1,232 yearly OSY = 102.67 monthly OSY

* Does not include yearly storage losses calc of 0.07%

Company Wide

Monthly Spread	580.00	912.98	571.46	758.15	-	-	-	-	-	-	-	-	2,822.60
Cumulative Spread	580.00	1,492.99	2,064.45	2,822.60	-	-	-	-	-	-	-	-	
Total Current Storage Estimate	9,735	10,115	10,341	10,714	-	-	-	-	-	-	-	-	

Meter to spread ponds (NOTE ONLY)	-	-	-	-	-	-	-	-	-	-	-	-	-
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2023 GW Production Rights

Yearly %	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
	8%	17%	25%	33%	42%	50%	58%	67%	75%	83%	92%	100%

Cucamonga Basin Production

Yearly Production Rights = 5601 (4,500AF + 1101AF 10-yr Average Spread)

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
Production	521.34	274.70	251.47	261.53	-	-	-	-	-	-	-	-	-
Cumulative Production	521.34	796.04	1,047.52	1,309.04	-	-	-	-	-	-	-	-	1,309.04
Cumulative Production Rights	466.79	933.58	1,400.37	1,867.17	-	-	-	-	-	-	-	-	5,601
% of Production Rights*	9.31%	14.21%	18.70%	23.37%	28.07%	32.72%	37.37%	42.03%	46.69%	51.35%	56.01%	60.67%	23.4%

Six Basins Production

Yearly Production Rights = 932AF

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
Production	76.82	70.63	79.67	78.21	-	-	-	-	-	-	-	-	-
Cumulative Production	76.82	147.45	227.12	305.32	-	-	-	-	-	-	-	-	305.32
Cumulative Production Rights	77.68	155.35	233.03	310.70	-	-	-	-	-	-	-	-	932
% of Production Rights*	8.24%	15.82%	24.37%	32.76%	40.93%	49.20%	57.49%	65.72%	73.98%	82.24%	90.49%	98.75%	32.8%

Chino Basin Production

Note: Chino Basin production rights are calculated from July through June.

Yearly Production Rights = 1232AF

	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
Production		0.19	-	-	-	-	-	-	-	-	-	-	-	0.19
Cumulative Production for 2022		0.19	0.19	0.19	0.19	-	-	-	-	-	-	-	-	-
Water Year 22-23														
Cumulative Production	485.54	485.73	485.73	485.73	485.73	-	-							485.73
Cumulative Rights	616.00	718.67	821.33	924.00	1,026.67	1,129.33	1,232.00							1,232.00
% of Production Rights 22-23*	39.43%	39.43%	39.43%	39.43%	39.43%	39.43%	39.43%							
Water Year 23-24														
Cumulative Production								-	-	-	-	-	-	-
Cumulative Rights								102.67	205.33	308.00	410.67	513.33	616.00	1,232.00
% of Production Rights 22-23*								-	-	-	-	-	-	-

* - Out months are Exponential Smoothing (ETS) forecasts based on basin production to date

Chino Basin	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	WY19-20
Water Year 19-20													
Cumulative Production	5.24	110.22	227.03	351.18	470.30	470.30	470.53	470.80	470.80	471.09	486.34	614.43	
Cumulative Rights	102.67	205.33	308.00	410.67	513.33	616.00	718.67	821.33	924.00	1,026.67	1,129.33	1,232.00	1,232.00
% of Production Rights 19-20	5.10%	53.68%	73.71%	85.51%	91.62%	76.35%	65.47%	57.32%	50.95%	45.89%	43.06%	49.87%	

2023 Production v Consumption

Yearly %	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
	8%	17%	25%	33%	42%	50%	58%	67%	75%	83%	92%	100%

Consumption versus Entitlement, Company Wide **Active Shares**

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
Consumption	816.98	838.33	643.13	1,021.26	-	-	-	-	-	-	-	-	-
Cumulative Consumption	816.98	1,655.30	2,298.43	3,319.68	-	-	-	-	-	-	-	-	3,319.68
<i>Cumulative Entitlement (straight line)</i>	<i>1,048.23</i>	<i>2,096.47</i>	<i>3,144.70</i>	<i>4,192.94</i>	-	-	-	-	-	-	-	-	12,579
% of Entitlement*	6.49%	13.16%	18.27%	26.39%	32.58%	39.76%	45.61%	53.03%	58.91%	66.22%	72.17%	79.47%	26.4%

Consumption versus Entitlement, Company Wide **Total Shares**

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
Consumption	816.98	838.33	643.13	1,021.26	-	-	-	-	-	-	-	-	-
Cumulative Consumption	816.98	1,655.30	2,298.43	3,319.68	-	-	-	-	-	-	-	-	3,319.68
<i>Cumulative Entitlement (straight line)</i>	<i>1,083.33</i>	<i>2,166.67</i>	<i>3,250.00</i>	<i>4,333.33</i>	-	-	-	-	-	-	-	-	13,000
% of Entitlement*	6.28%	12.73%	17.68%	25.54%	31.53%	38.47%	44.13%	51.31%	57.00%	64.07%	69.83%	76.89%	25.5%

Production versus Consumption, Company Wide

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
Production	1,390.62	1,547.11	1,339.44	1,905.46	-	-	-	-	-	-	-	-	6,182.63
Consumption	816.98	838.33	643.13	1,021.26	-	-	-	-	-	-	-	-	3,319.68
Spread	580.00	912.98	571.46	758.15	-	-	-	-	-	-	-	-	2,822.60
Total Consumption	1,396.98	1,751.31	1,214.59	1,779.41	-	-	-	-	-	-	-	-	6,142.28
Difference	(6.36)	(204.20)	124.85	126.06	-	-	-	-	-	-	-	-	40.34
% of Production	-0.5%	-13.2%	9.3%	6.6%	0.0%	0.0%	0.00%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%

Production versus Consumption, Domestic System

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
Production	195.70	226.19	265.77	255.93	-	-	-	-	-	-	-	-	943.59
Consumption	85.57	96.38	27.96	105.30	-	-	-	-	-	-	-	-	315.22
Monthly Difference	110.12	129.80	237.81	150.63	-	-	-	-	-	-	-	-	628.37
% difference	128.69%	134.67%	850.55%	143.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	199.3%

Production versus Consumption, Irrigation System

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR
Production	1,194.92	1,320.92	1,073.67	1,649.53	-	-	-	-	-	-	-	-	5,239.04
Addition from Domestic	110.12	129.80	237.81	150.63	-	-	-	-	-	-	-	-	628.37
Total Production	1,305.04	1,450.72	1,311.48	1,800.16	-	-	-	-	-	-	-	-	5,867.40
Consumption	1,311.41	1,654.93	1,186.63	1,674.10	-	-	-	-	-	-	-	-	5,827.06
Monthly Difference	(6.36)	(204.20)	124.85	126.06	-	-	-	-	-	-	-	-	40.34
% difference	-0.49%	-12.34%	10.52%	7.53%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.7%

* - Out months are Exponential Smoothing (ETS) forecasts based on consumption to date

2023 Consumption Analysis

Yearly %	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
	8%	17%	25%	33%	42%	50%	58%	67%	75%	83%	92%	100%

COMPANY TOTALS

Active Shares

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR	Shares	6,182
Consumption	816.98	838.33	643.13	1,021.26	-	-	-	-	-	-	-	-			
Cumulative Consumption	816.98	1,655.30	2,298.43	3,319.68	-	-	-	-	-	-	-	-	3,319.68		
Cumulative Entitlement	984.59	1,969.17	2,970.38	3,986.40	-	-	-	-	-	-	-	-	12,578.81		
% of Yearly Entitlement*	6.49%	13.16%	18.27%	26.39%	32.58%	39.76%	45.61%	53.03%	58.91%	66.22%	72.17%	79.47%	26.39%		

COMPANY TOTALS

All Shares

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR	Shares	6,389
Consumption	816.98	838.33	643.13	1,021.26	-	-	-	-	-	-	-	-			
Cumulative Consumption	816.98	1,655.30	2,298.43	3,319.68	-	-	-	-	-	-	-	-	3,319.68		
Cumulative Entitlement	1,083.33	2,166.67	3,250.00	4,333.33	-	-	-	-	-	-	-	-	13,000.00		
% of Yearly Entitlement*	6.28%	12.73%	17.68%	25.54%	31.53%	38.47%	44.13%	51.31%	57.00%	64.07%	69.83%	76.89%	25.54%		

San Antonio Heights

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR	Shares	632
Consumption	41.03	54.66	18.66	84.30	-	-	-	-	-	-	-	-			
Cumulative Consumption	41.03	95.69	114.35	198.65	-	-	-	-	-	-	-	-	198.65		
Cumulative Entitlement	69.41	138.82	218.47	307.25	-	-	-	-	-	-	-	-	1,285.96		
% of Yearly Entitlement*	3.19%	7.44%	8.89%	15.45%	18.75%	23.78%	26.44%	31.92%	34.66%	39.91%	42.77%	48.01%	15.45%		

City of Upland

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR	Shares	4,516.50
Consumption	695.78	672.14	513.80	763.26	-	-	-	-	-	-	-	-			
Cumulative Consumption	695.78	1,367.92	1,881.71	2,644.97	-	-	-	-	-	-	-	-	2,644.97		
Cumulative Entitlement	765.83	1,531.66	2,297.48	3,063.31	-	-	-	-	-	-	-	-	9,189.94		
% of Yearly Entitlement*	7.57%	14.88%	20.48%	28.78%	35.39%	42.98%	49.17%	57.05%	63.29%	71.02%	77.33%	85.06%	28.78%		

Monte Vista Water District

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR	Shares	331
Consumption	40.60	37.80	43.30	45.90	-	-	-	-	-	-	-	-			
Cumulative Consumption	40.60	78.40	121.70	167.60	-	-	-	-	-	-	-	-	167.60		
Cumulative Entitlement	56.04	112.08	168.12	224.16	-	-	-	-	-	-	-	-	672.48		
% of Yearly Entitlement*	6.04%	11.66%	18.10%	24.92%	31.12%	37.52%	43.92%	50.27%	56.65%	63.02%	69.40%	75.78%	24.92%		

City of Ontario

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR	Shares	295
Consumption	36.30	33.50	38.40	40.70	-	-	-	-	-	-	-	-			
Cumulative Consumption	36.30	69.80	108.20	148.90	-	-	-	-	-	-	-	-	148.90		
Cumulative Entitlement	50.06	100.13	150.19	200.25	-	-	-	-	-	-	-	-	600.76		
% of Yearly Entitlement*	6.04%	11.62%	18.01%	24.79%	30.93%	37.29%	43.64%	49.95%	56.27%	62.60%	68.93%	75.26%	24.79%		

* - Out months are Exponential Smoothing (ETS) forecasts based on consumption to date

2023 Consumption Analysis

Yearly %	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
	8%	17%	25%	33%	42%	50%	58%	67%	75%	83%	92%	100%

Cucamonga Valley Water District

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR	Shares	4
Consumption	-	-	-	-	-	-	-	-	-	-	-	-			
Cumulative Consumption	-	-	-	-	-	-	-	-	-	-	-	-	-		
Cumulative Entitlement	-	-	-	-	-	-	-	-	-	-	-	-	8.14		
% of Yearly Entitlement*															

Holiday Rock Company

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR	Shares	132
Consumption	0.48	29.24	27.98	56.98	-	-	-	-	-	-	-	-			
Cumulative Consumption	0.48	29.73	57.71	114.69	-	-	-	-	-	-	-	-	114.69		
Cumulative Entitlement	14.52	29.05	45.72	64.29	-	-	-	-	-	-	-	-	269.10		
% of Yearly Entitlement*	0.18%	11.05%	21.44%	42.62%	54.56%	69.21%	83.73%	97.96%	112.36%	126.75%	141.13%	155.51%	42.62%		

Red Hills Golf Course

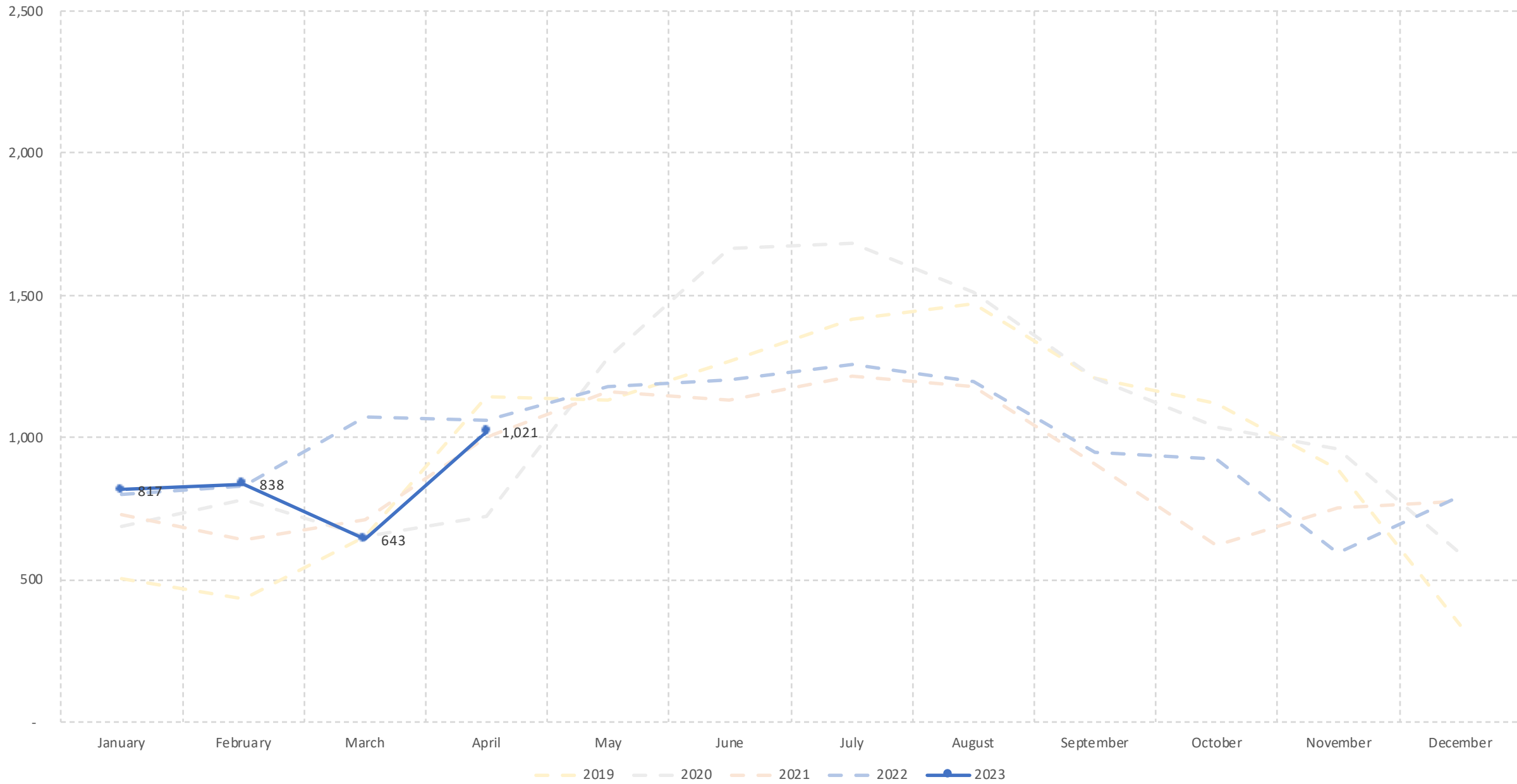
	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR	Shares	211
Consumption	1.99	10.31	0.73	28.57	-	-	-	-	-	-	-	-			
Cumulative Consumption	1.99	12.30	13.03	41.60	-	-	-	-	-	-	-	-	41.60		
Cumulative Entitlement	23.20	46.40	73.03	102.70	-	-	-	-	-	-	-	-	429.84		
% of Yearly Entitlement*	0.46%	2.86%	3.03%	9.68%	11.68%	15.09%	18.27%	21.26%	24.39%	27.53%	30.66%	33.78%	9.68%		

Minor Irrigators

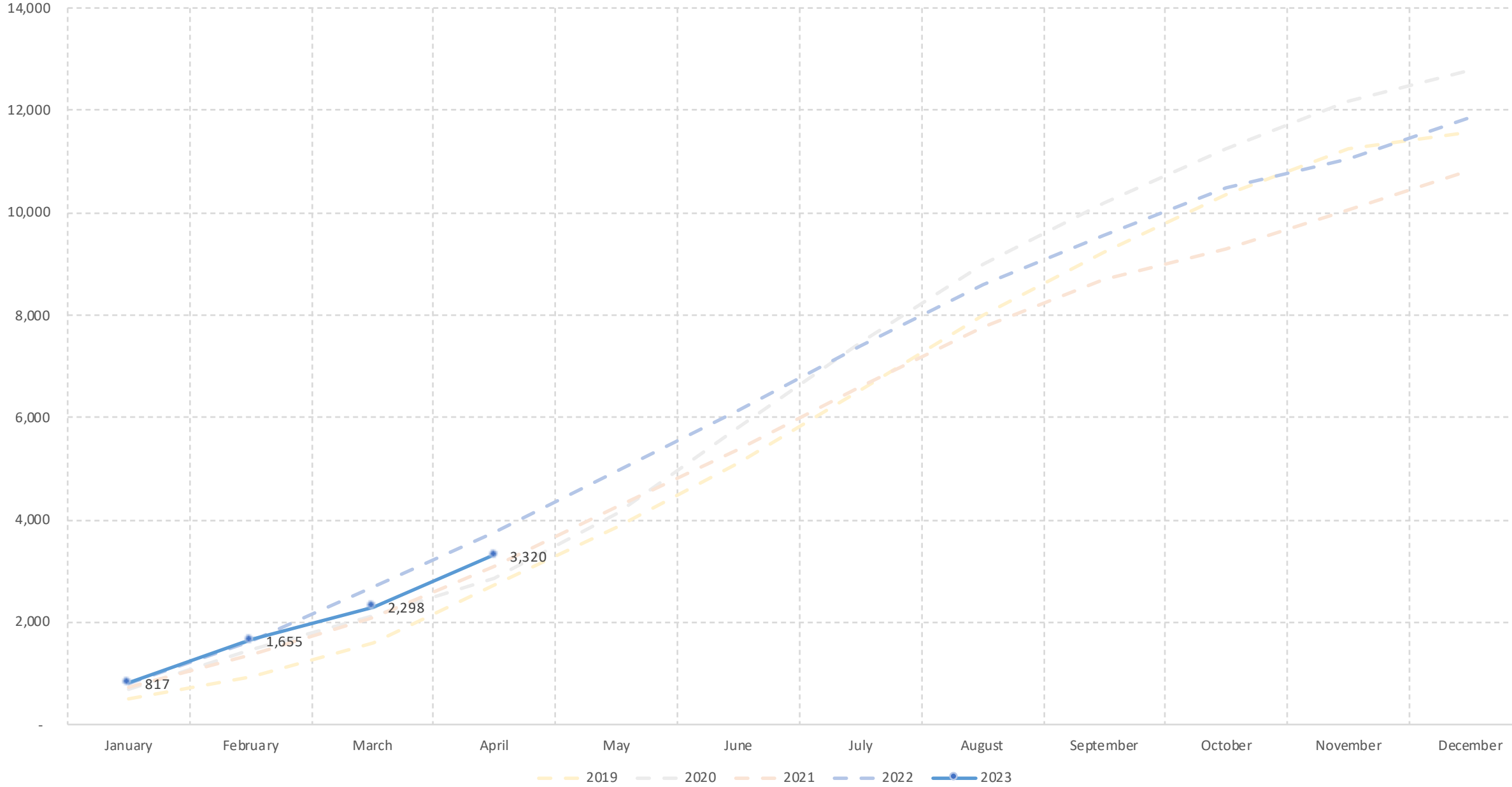
	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	THIS YEAR	Shares	50
Consumption	0.75	0.38	0.22	0.92	-	-	-	-	-	-	-	-			
Cumulative Consumption	0.75	1.12	1.34	2.26	-	-	-	-	-	-	-	-	2.26		
Cumulative Entitlement	5.52	11.04	17.37	24.43	-	-	-	-	-	-	-	-	102.25		
% of Yearly Entitlement*	0.73%	1.10%	1.31%	2.21%	2.59%	3.10%	3.63%	4.11%	4.61%	5.12%	5.62%	6.13%	2.21%		

* - Out months are Exponential Smoothing (ETS) forecasts based on consumption to date

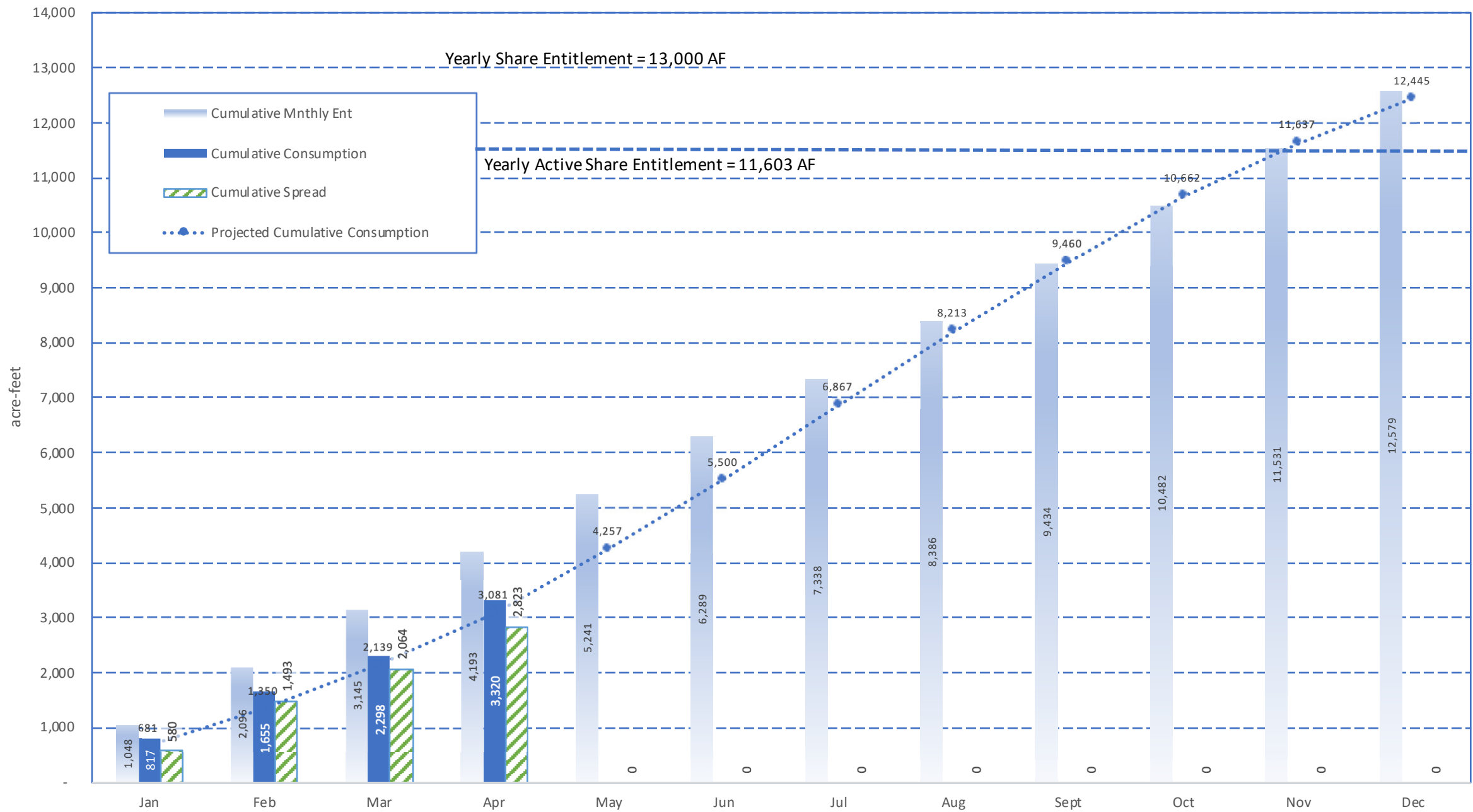
5 Year Consumption (AF)



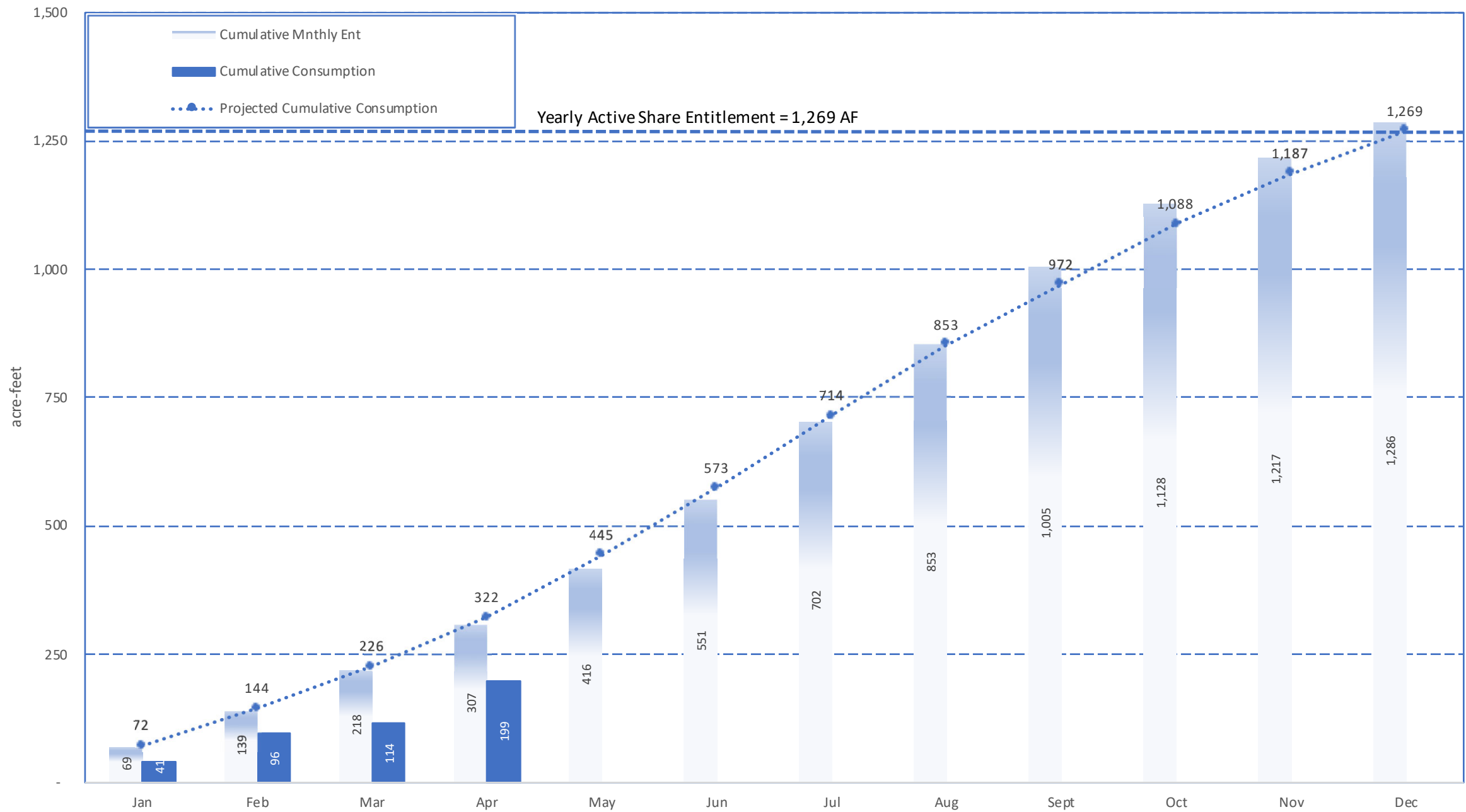
Cumulative Consumption (AF)



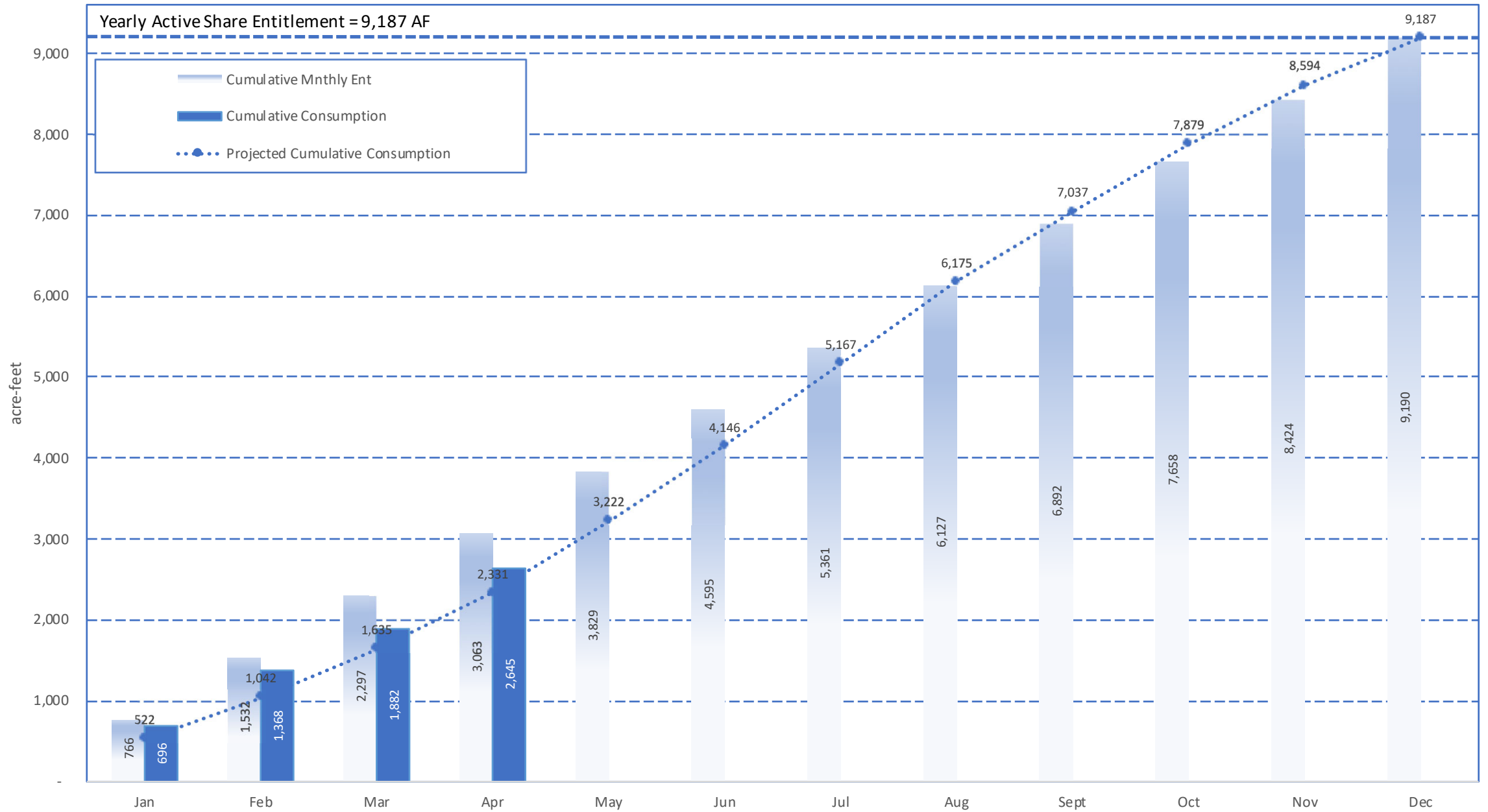
2023 Consumption Chart



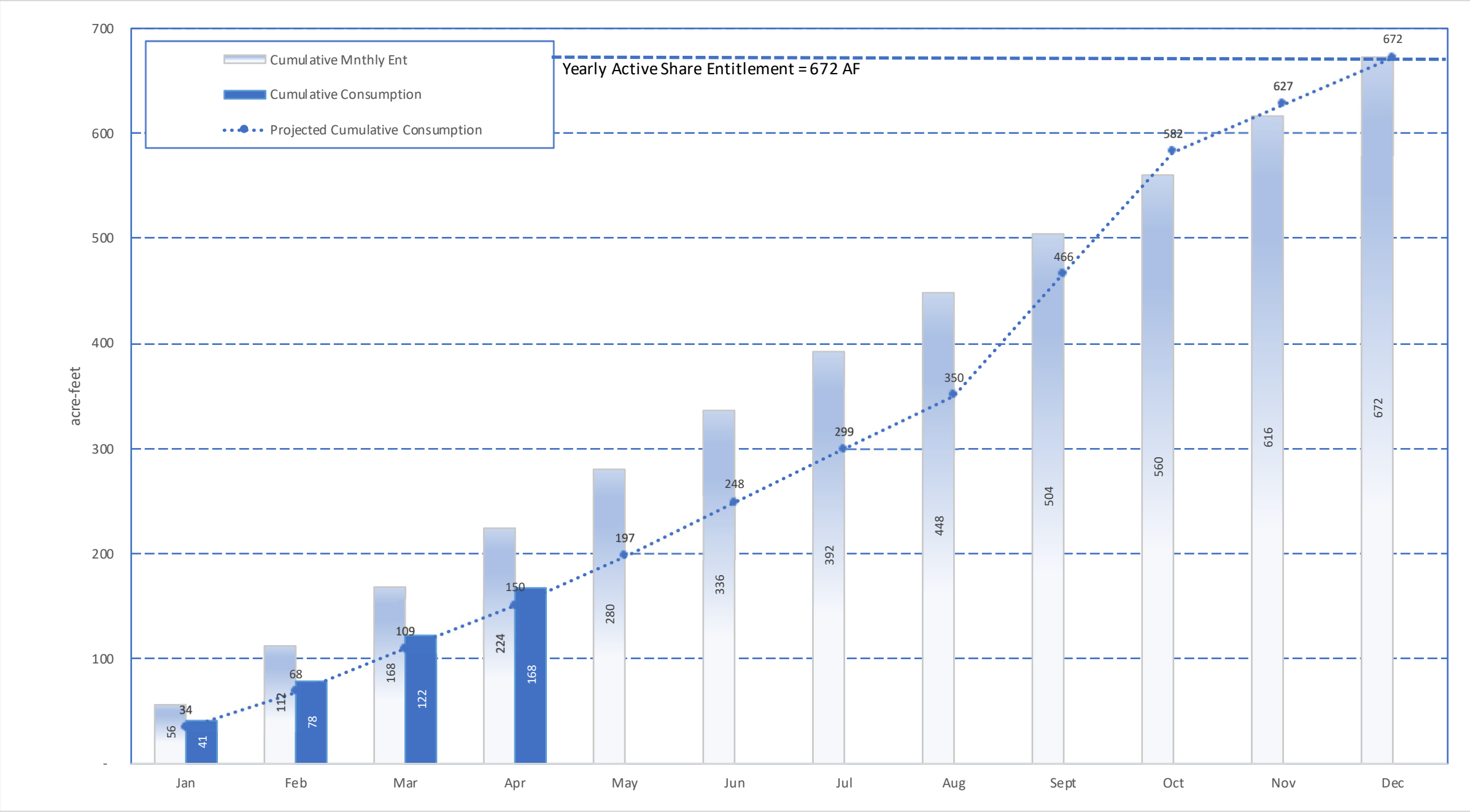
2023 Domestic Consumption



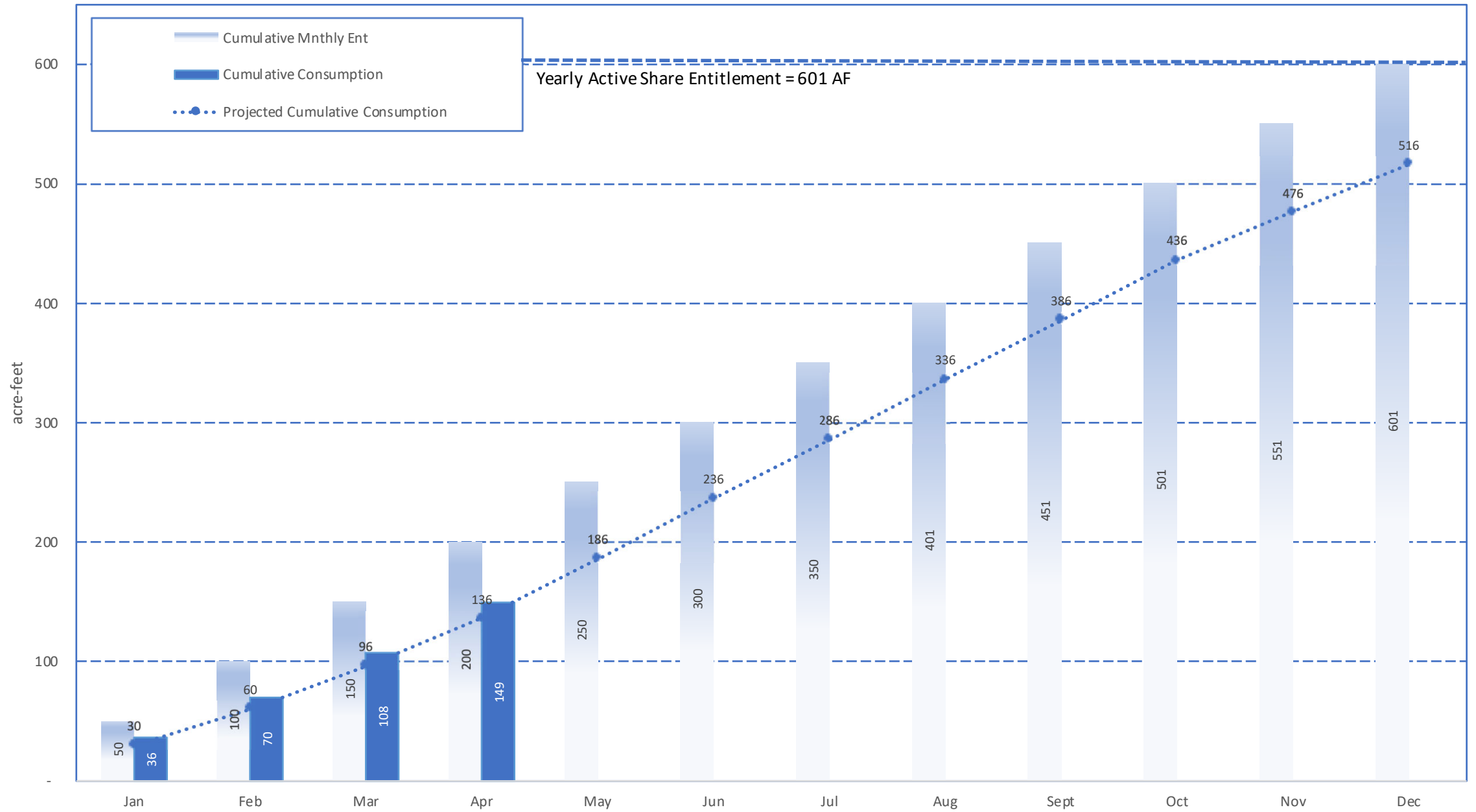
2023 Upland Consumption



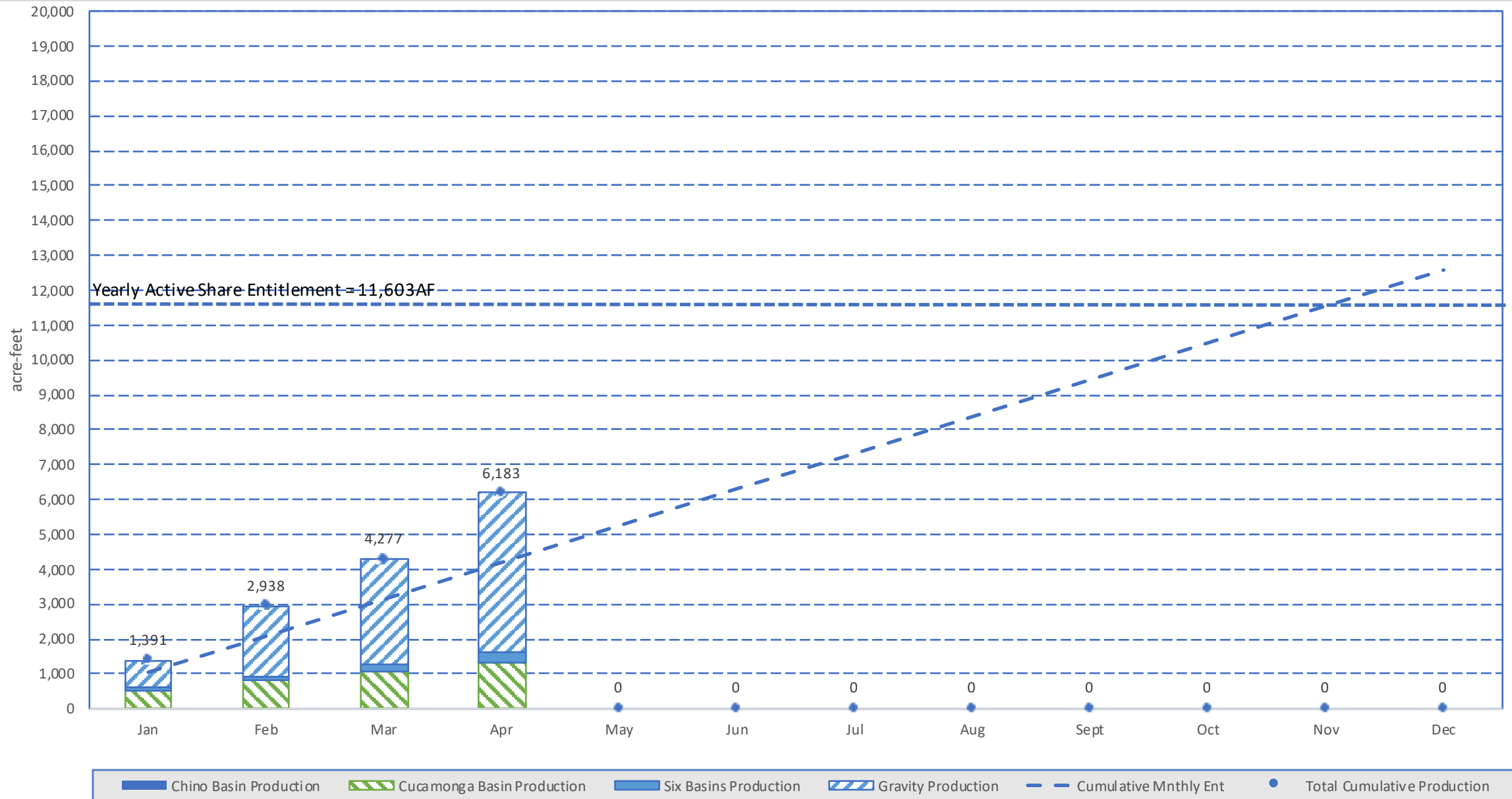
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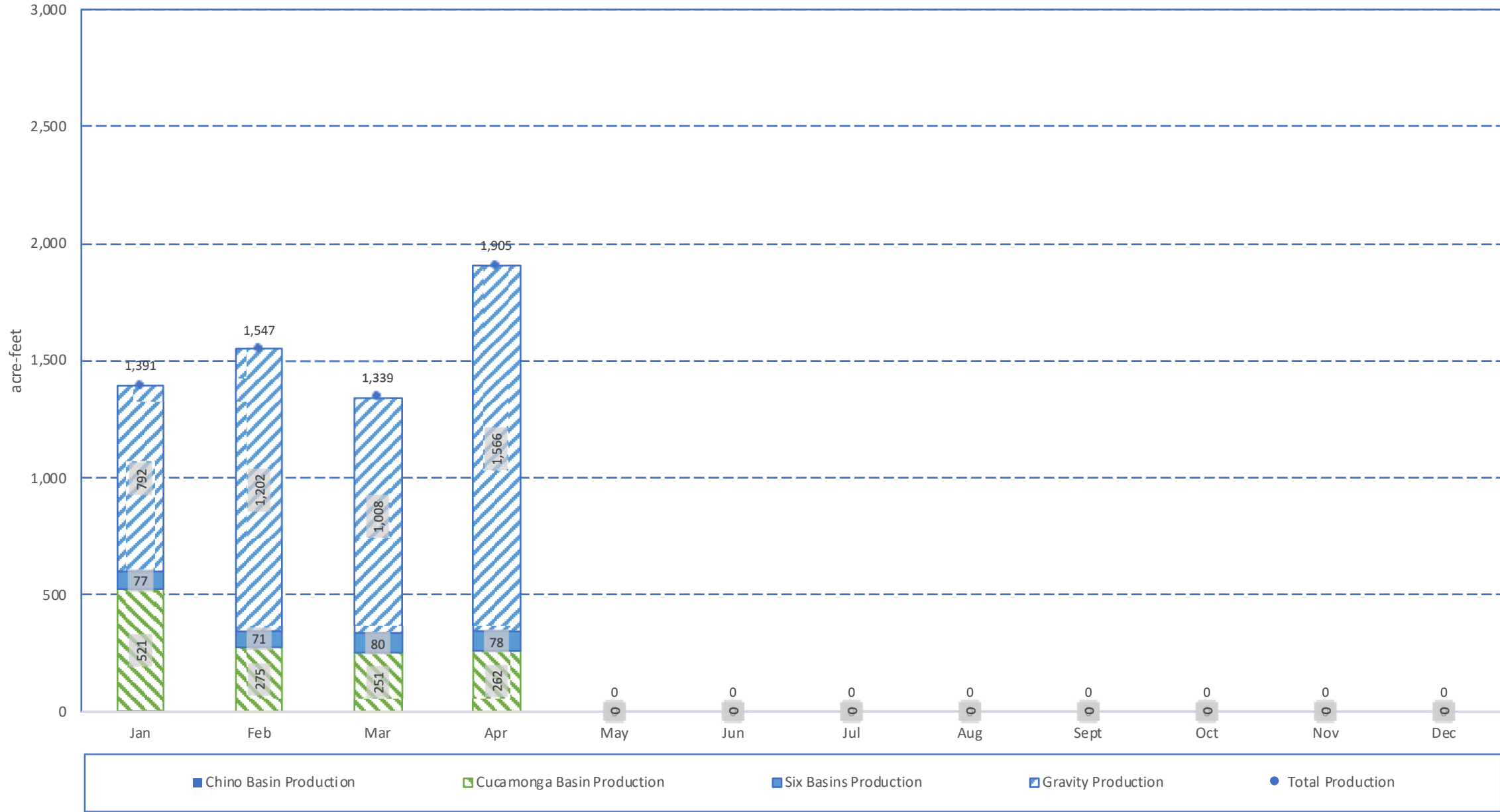
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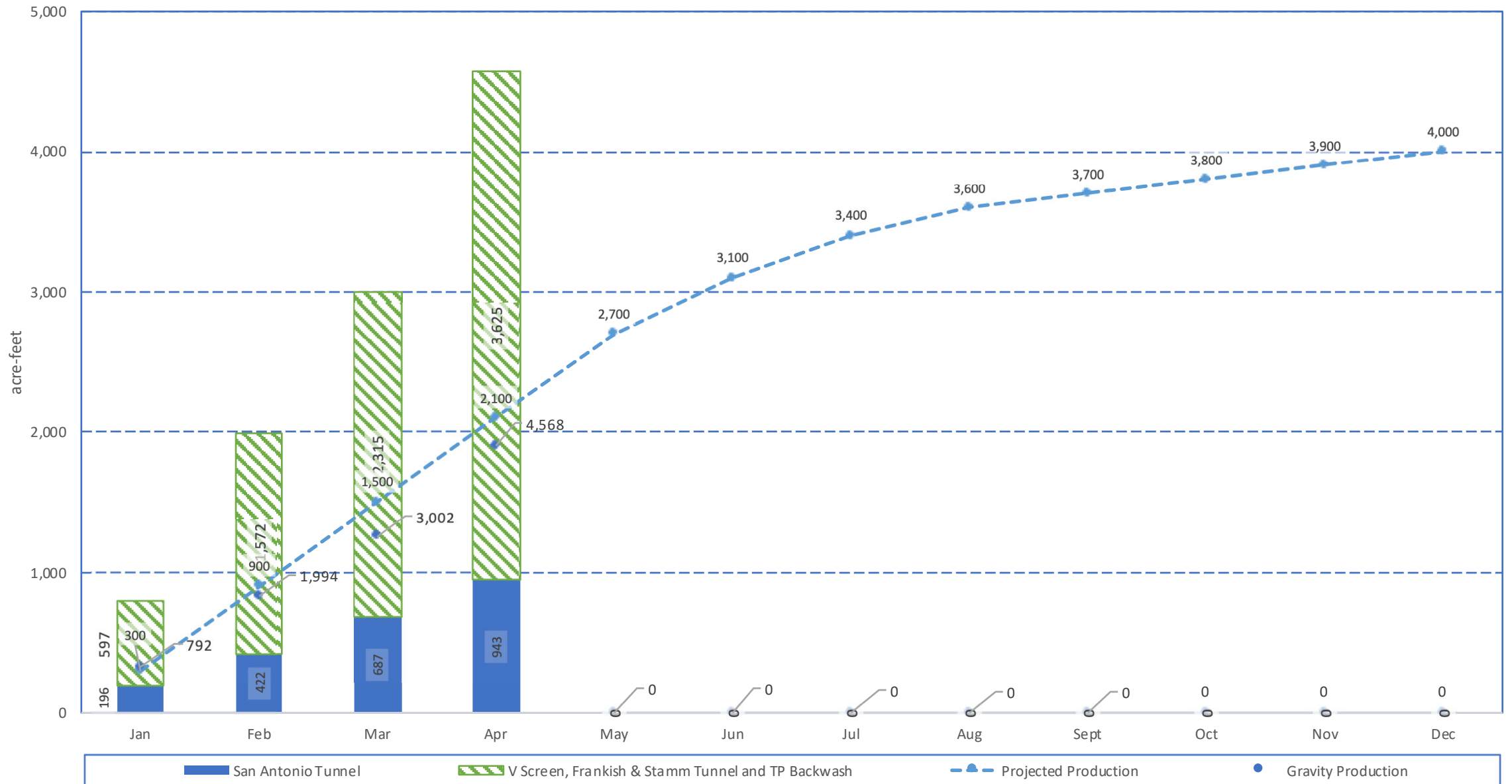
2023 Total Yearly Production



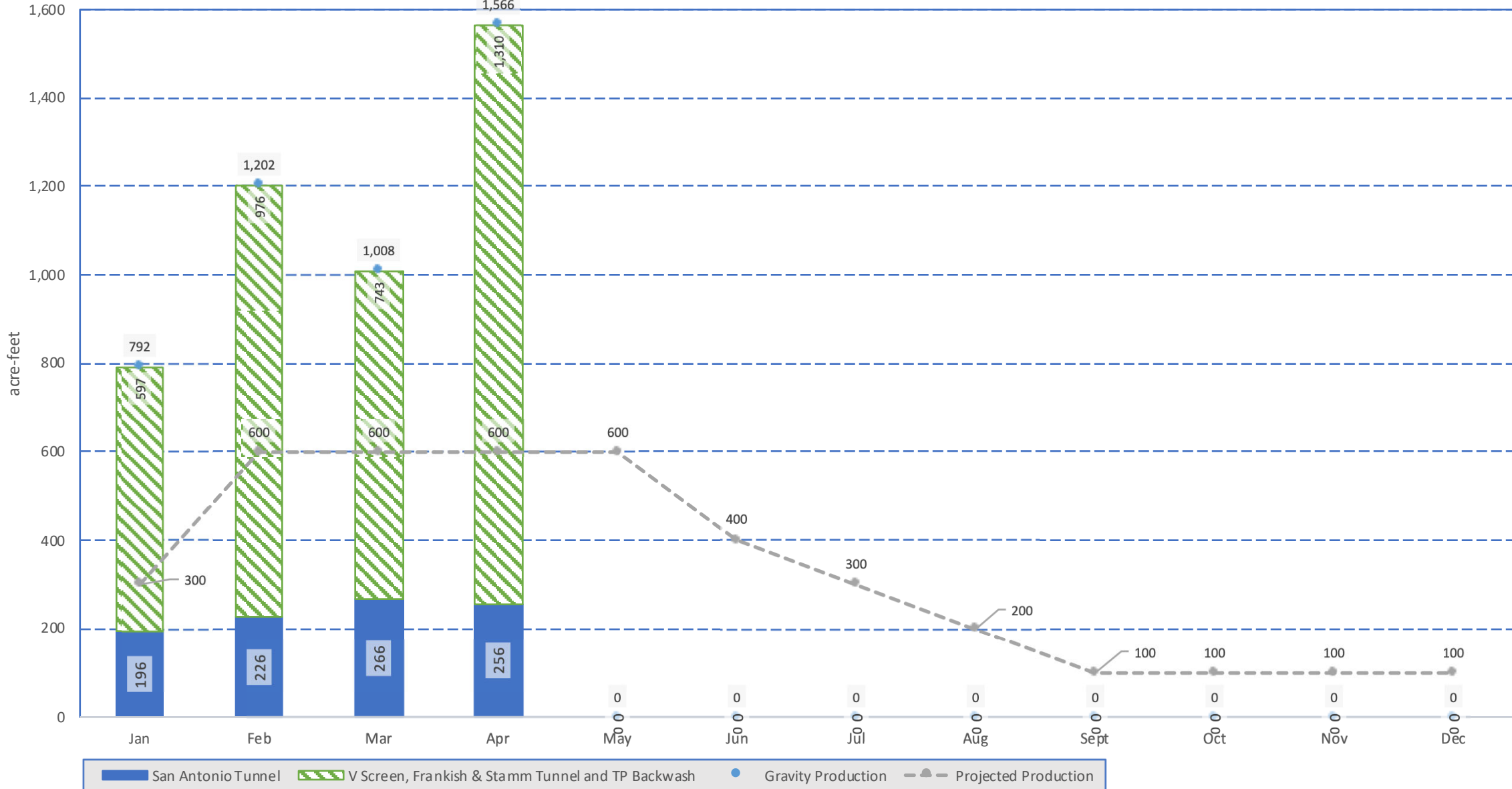
2023 Monthly Production



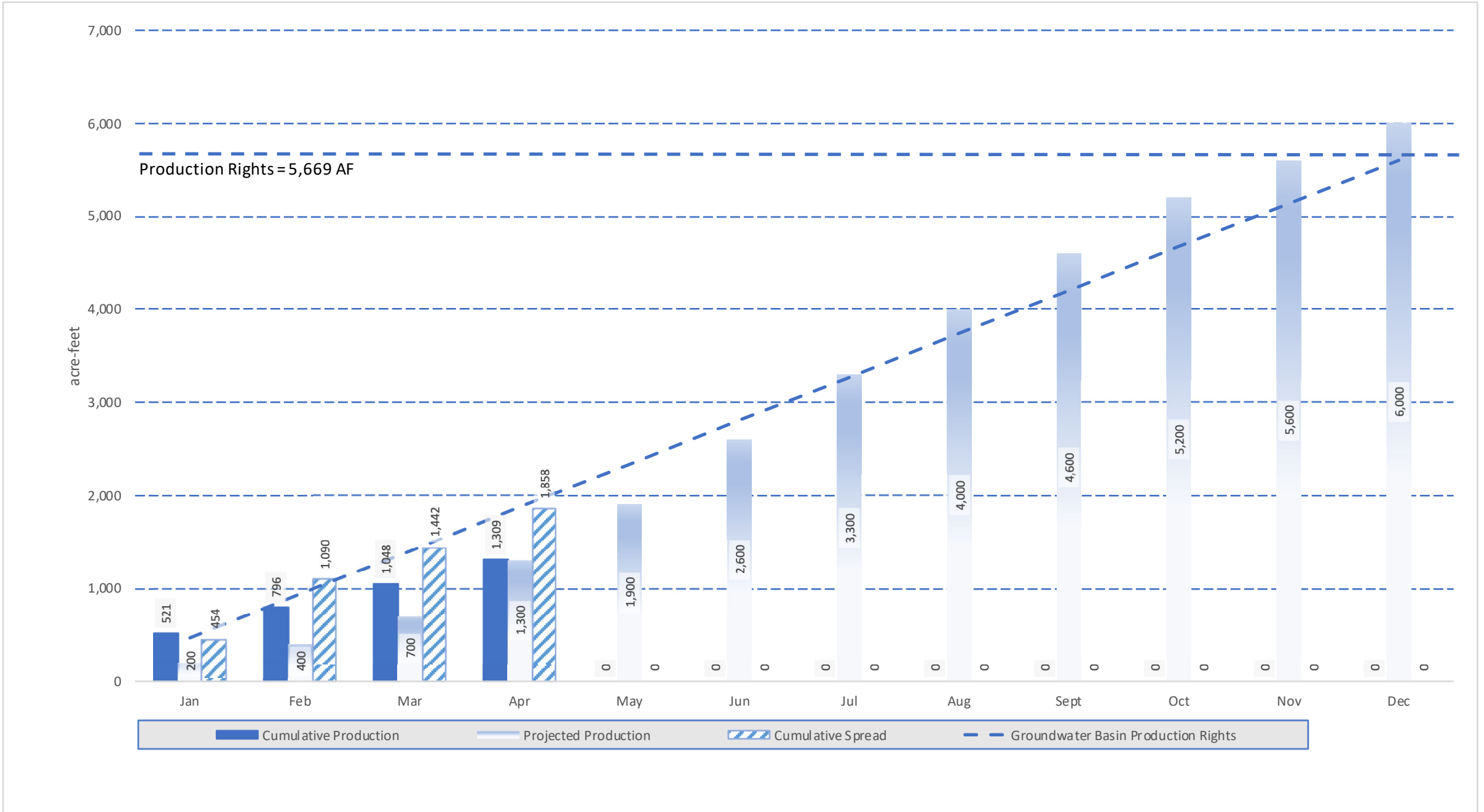
2023 Gravity Cumulative



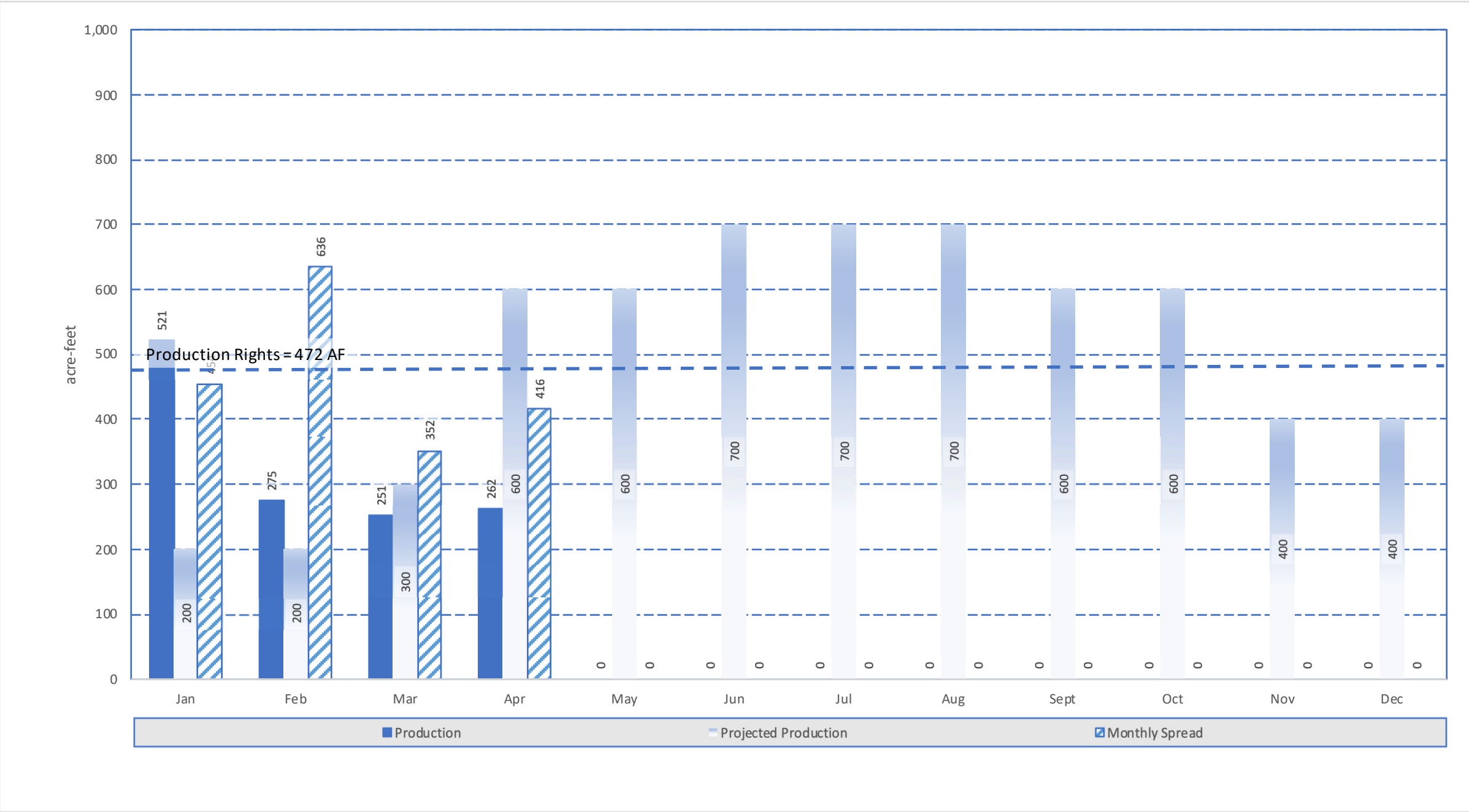
2023 Gravity Monthly



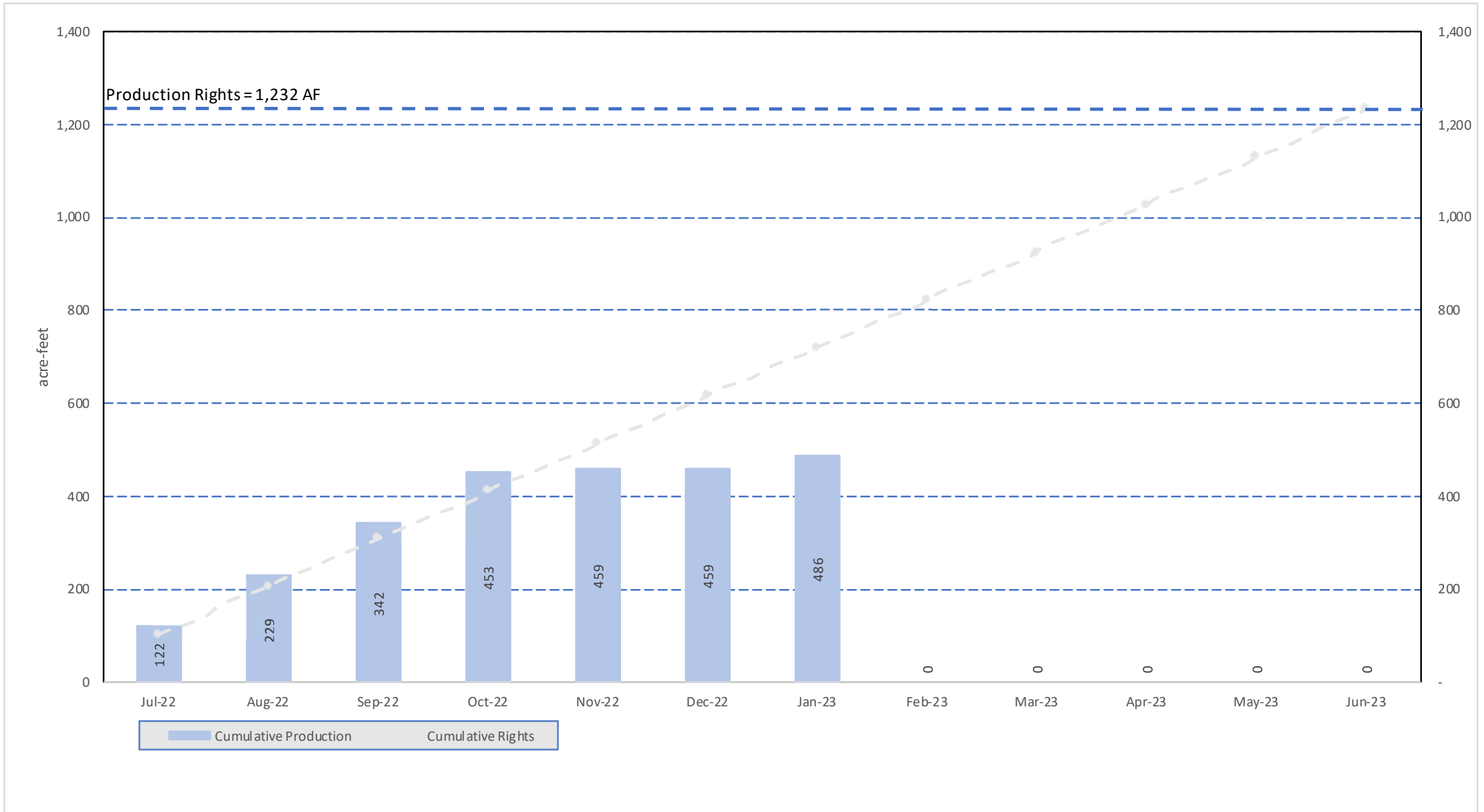
2023 Cucamonga Basin Cumulative



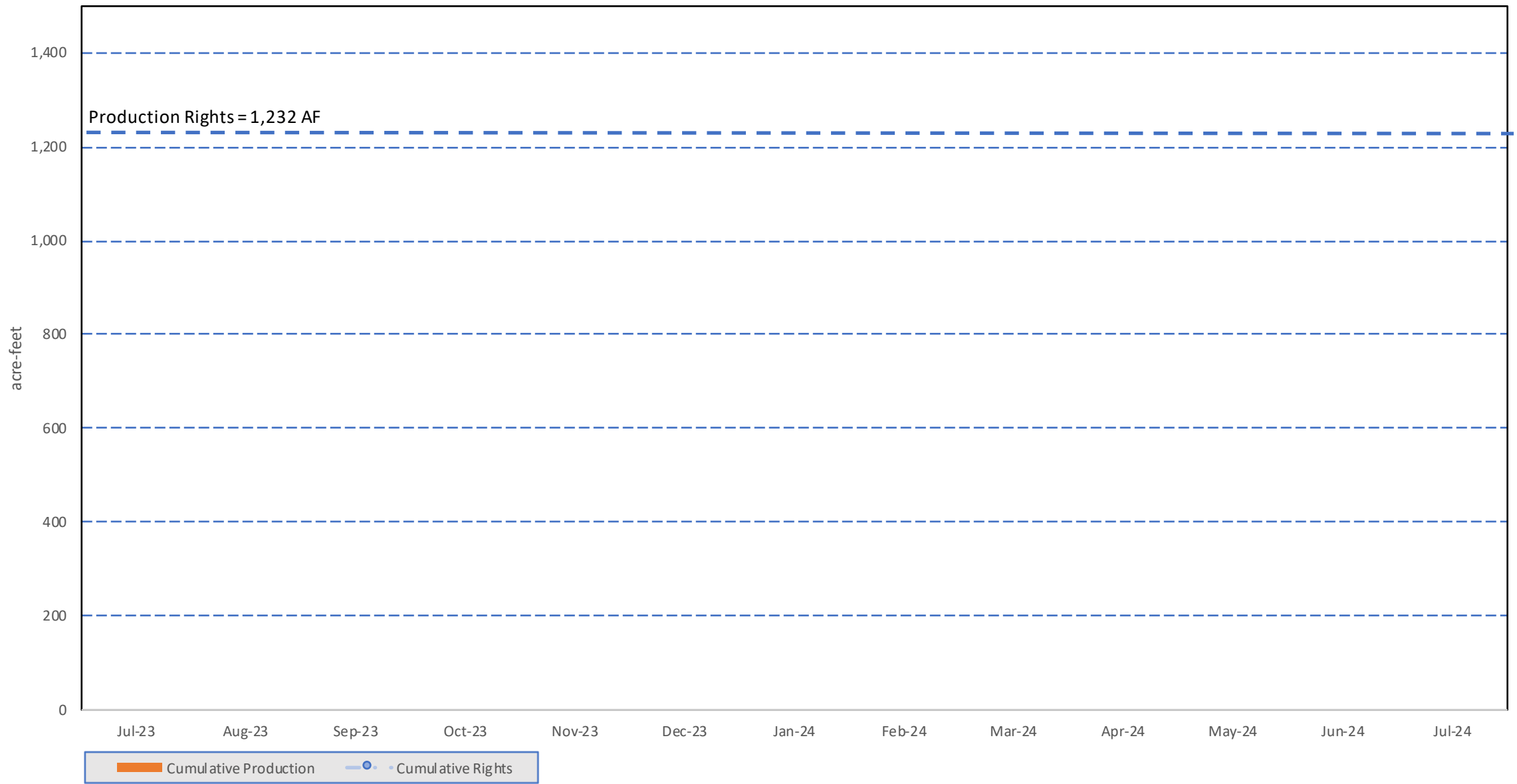
2023 Cucamonga Basin Monthly



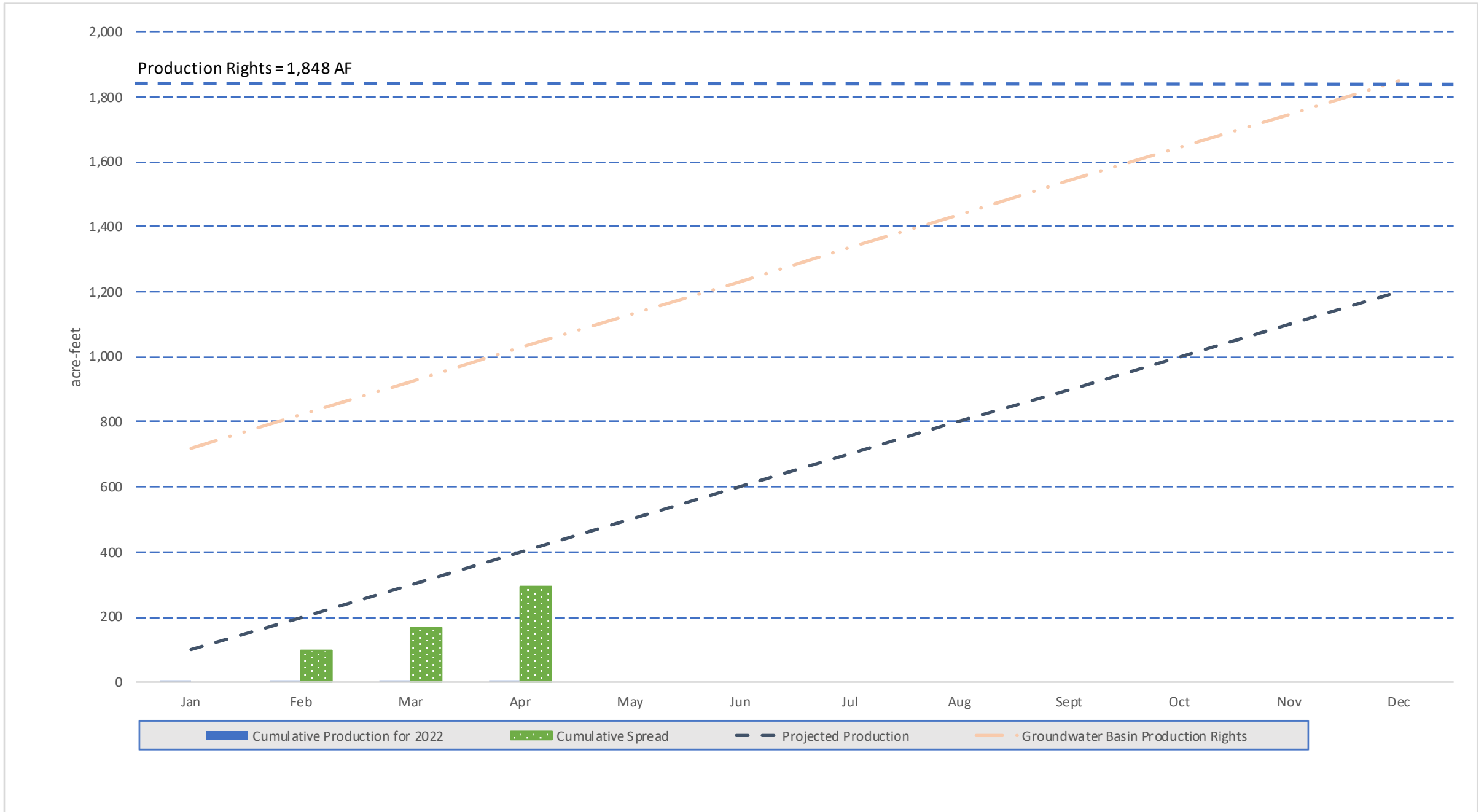
22-23 Chino Basin Cumulative



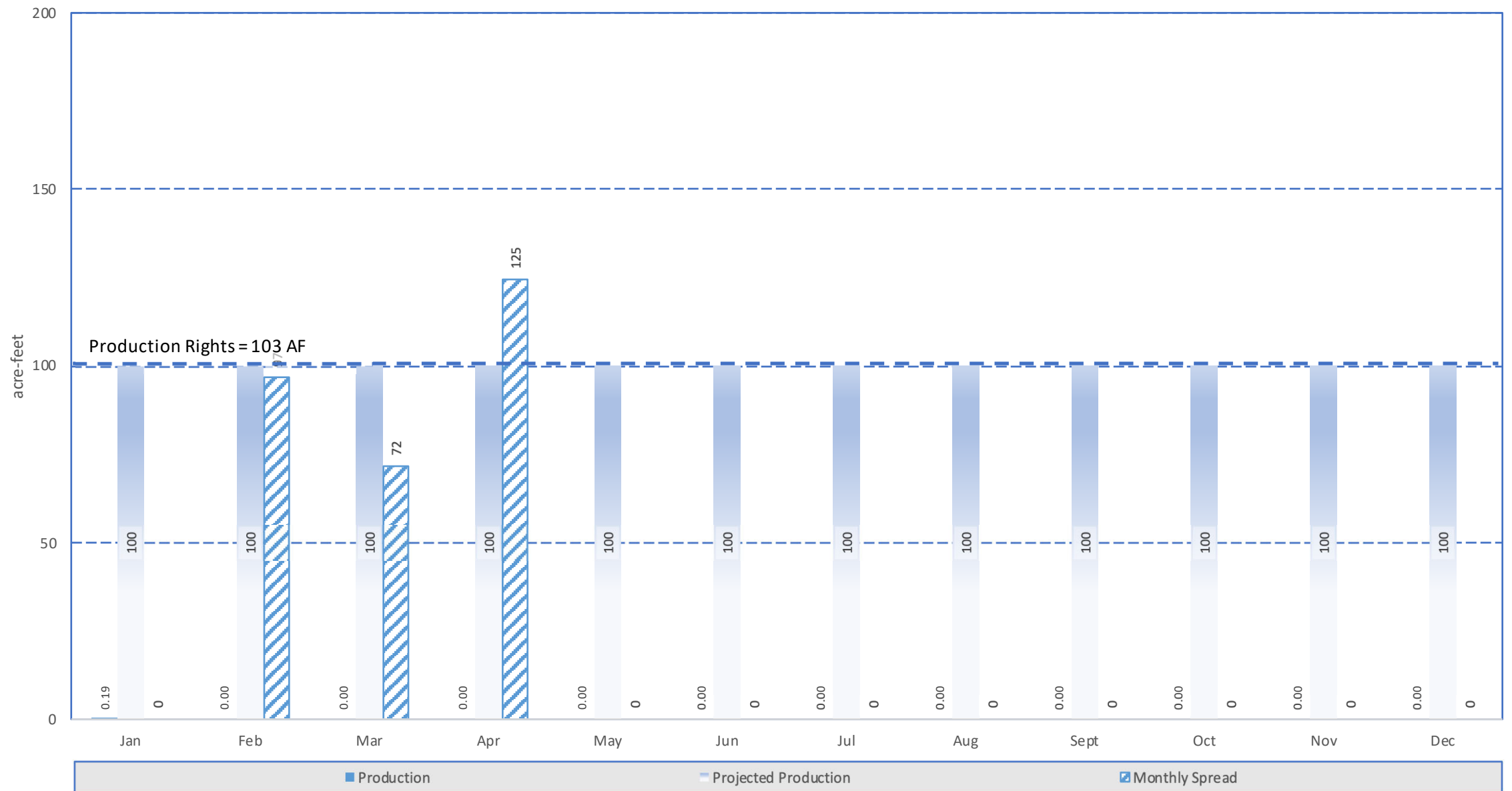
23-24 Chino Basin Cumulativ



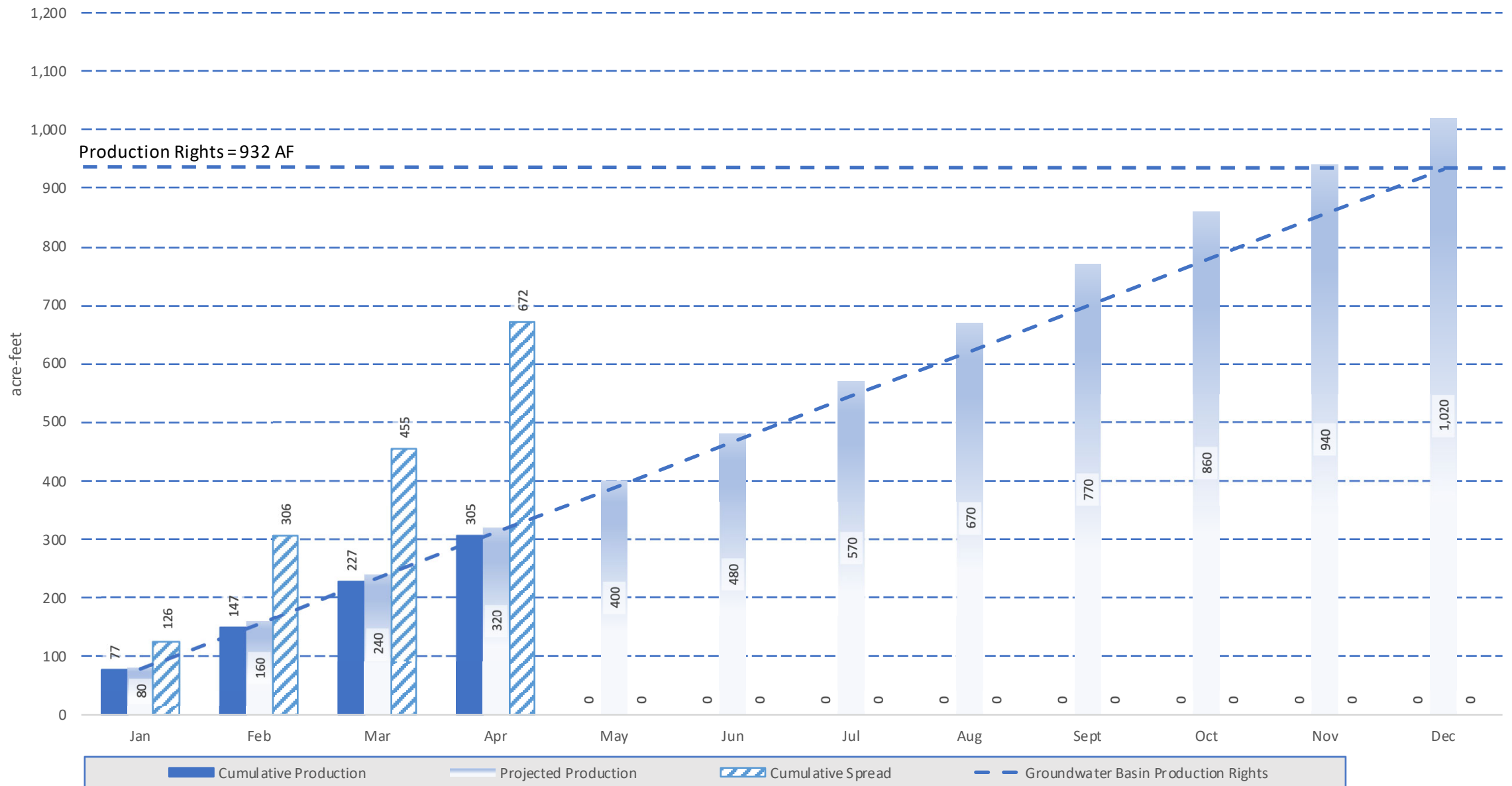
2023 Chino Basin Cumulative



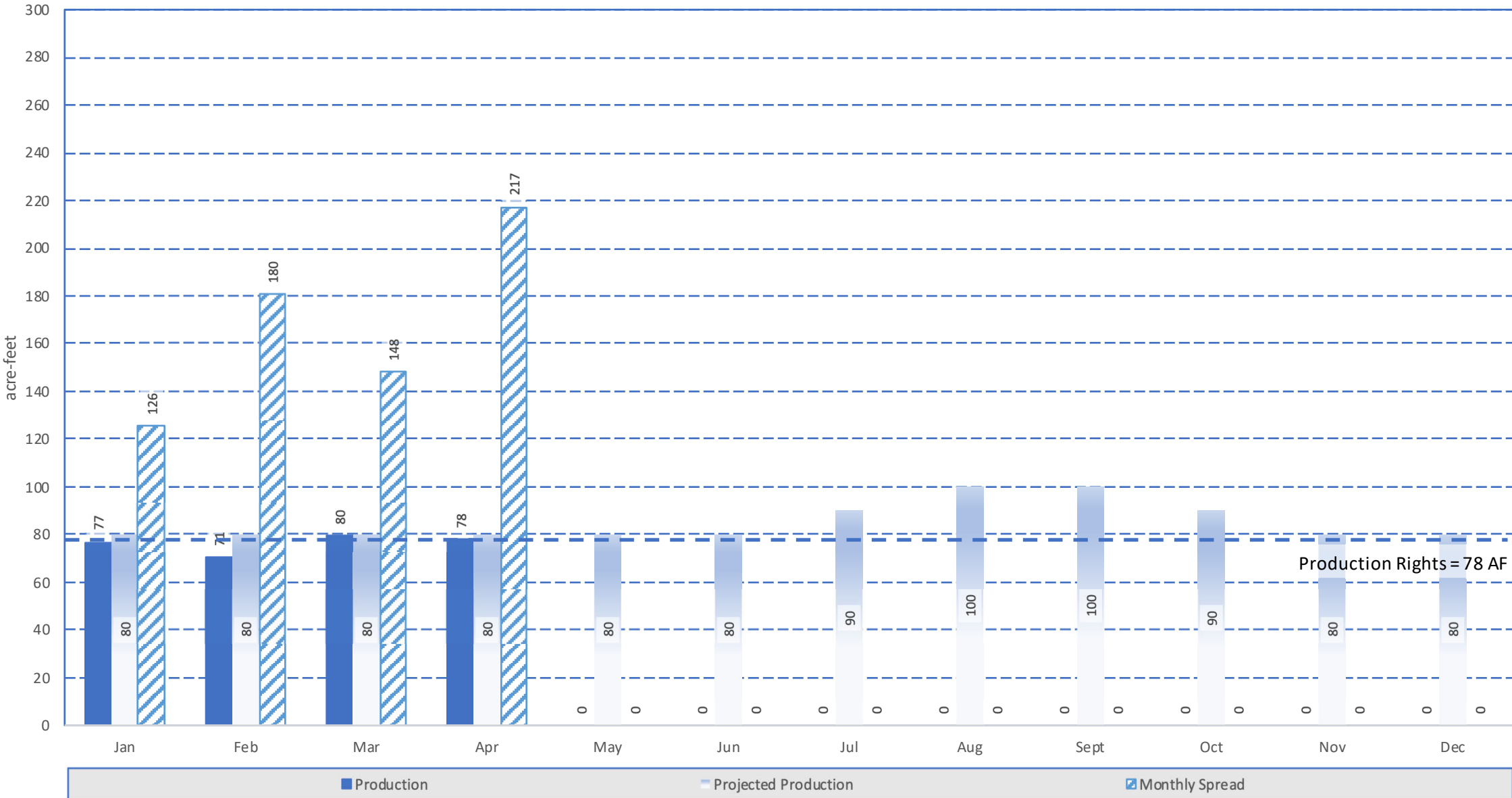
2023 Chino Basin Monthly



2023 Six Basins Cumulative



2023 Six Basins Monthly



A. Water Supply through April 2023

- Annual entitlement for CY2023 is 13,000 AF
 - Cumulative yearly production is 6,183 AF
 - Cumulative yearly consumption was 3,320 AF
 - Cumulative yearly spread was 2,823 AF
 - Cumulative unaccounted water was 40 AF

Six Basins Production for 2023

- Annual production right is 932 AF.
- Cumulative production is 305 AF.
Production is sent to the WFA treatment facility to meet City of Ontario and MVWD entitlement.
- The Company spread a total of 672 AF.

Cucamonga Basin Production for 2023

- Annual production right is 5,669 AF.
- Cumulative production was 1,309 AF.
- The Company spread a total of 1,858 AF.

Chino Basin Production for 2023

- Annual production right is 1,232 AF.
- Cumulative production was 0 AF.
- The Company spread a total of 293 AF.

Surface Water (San Antonio Creek) flow for 2023

Total flow was 3,237 AF.

Tunnel flow for 2023

San Antonio Tunnel flow was 943 AF.
Frankish and Stamm Tunnel flow was 384 AF.

B. Company Stock

3/4 shares of water stock moved from active to dormant this transfer period.
1 share of water stock moved from dormant to active this transfer period.

C. Communication and Information Activities

"Facebook" - 179 friends liking our old FB page and 71 customers have liked our new FB page. No new communication posted on the new page and no new communication on the old Facebook page. Facebook is not able to merge the two Facebook pages; therefore, we are in discussion of possibly deleting the old page.

D. Administration Matters

Meetings of interest:

- Wed, Apr 26 – GM and OM met with Owners of Upland Hills Golf Course
- Wed, May 10 – GM toured MVWD Well 21 and Plant 30.
- Wed, May 10 – GM attended MVWD Board Meeting

E. Groundwater Basin Matters

Chino Basin -

Spread Water from SAWCo - Application to spread 1,500 AF per year for years 21/22 through 25/26 was approved by WM Board in July, 22. We started spreading water in January 2023.

Legal Issues-

There are currently two appeals in the works:

1. Ontario, Monte Vista and City of Chino have appealed the ruling that AP works under 'majority rule'.
2. Ontario has appealed the ruling that the current Dry Year Yield (DYY) program is operating under a legal contract.

Six Basins –

A Watermaster Board meeting was held on April 26, 2023.

Previously the April meeting was cancelled. Staff received notice that a closed session was to be held at this reconsidered April meeting regarding anticipated litigation. There were several residents from the Stone Canyon Neighborhood in the City of Claremont that had recently experienced rising groundwater due to the recent rains.

It was reported out of closed session, that the Board would address all the questions of the residents and put the Q & A on the Six Basin's website. These are currently posted under Announcements on the front page of the website.

The next meeting is scheduled for May 24, 2023.

Cucamonga Basin –

A meeting was held on May 3. The hydrogeologist gave another update on the modeling effort.

Cost sharing past invoices from SAWCo was sent to Cucamonga Valley Water District and they are now asking for contracts.

Agenda Item No. 4J

Item Title: Projects and Operations Update

Purpose:

To update the Board and Shareholders on Company capital projects.

Updates:

1507 – Office Relocation

The Board approved a design and construction management contract at its March 2023 regular meeting. Contract has been executed and Architect is currently working on preliminary plans.

Original Budget	\$4,000,000
Original Contracts	\$283,550
Authorized Change Orders	NA
Current Contracts	\$283,550

1602 – Holly Drive Reservoir, Phase 3

Proposed construction of a second 120,000-gallon tank at the Holly Drive Tank site. Professional services agreement has been fully executed. Contract has been executed. Waiting on material delivery. Preconstruction meeting was held Thursday, April 6th. Submittal review is underway. Notice to Proceed issues April 10th. Contractor anticipates mobilizing to site on May 23rd.

Original Budget	\$985,260
Original Contracts	\$985,260
Authorized Change Orders	NA
Current Contracts	\$985,260

1902 – Cucamonga Crosswalls Mitigation

TKE Engineering is working with staff to close out certain State and Federal Permits. Staff is also looking into long-term maintenance permits that will allow the Company yearly access to the site for clearing and grubbing.

2007 Well 19

Project approved at April 2022 Board Meeting. Contract has been completed. Material being ordered and we are currently scheduling the start of work. Staff was informed this month that material deliveries (specifically the fiberglass casing) is delayed until early 2023. Staff met with contractor on site to review operational plans and held teleconference with team to begin coordinating work. Tentative start of the test well has been scheduled for April June 2023.

Original Budget	\$1,130,990
Original Contracts	\$1,130,990
Authorized Change Orders	NA
Current Contracts	\$1,130,990

2201 Paloma Hydraulic Break

~~Technical study to review available options to modernize the facility and reduce low-frequency noise during high waterflow events. Contract has been fully executed.~~

~~Pre-design meeting held. Options discussed. Draft technical report has been received by the Company. Project was authorized by the Board at the regular November meeting for inclusion in the 2024 budget. Professional Services proposals will be reviewed by PROC in April, 2023. Three proposals were received. Design Contract is on agenda for tonight's meeting.~~

Original Pre-design Budget	\$40,000
Original Design/Const. Budget	\$1,080,000
Original Contracts	\$39,750
Authorized Change Orders	NA
Current Contracts	\$39,750

2202 Glendale Road Pipeline

~~Replace aged pipelines within Glendale Road. Project was approved at the regular may Board Meeting. At the July Board meeting, the Board authorized the General Manager to execute a time and materials contract with Ardurra in the amount of \$70,023. Contract has been executed. Consultant completed field survey and prepared 30% design review plans. Staff has completed review and returned comments back to consultant. 90% plan set has been reviewed and returned to consultant. Bid set scheduled was sent to six select contractors in mid-December. Contractor has completed mainline installation and is currently working on pressure testing and lateral installation. Project should be completed by end of May. Project is completed. Final invoices are being developed.~~

Original Budget	\$276,000
Original Professional Services Contracts	\$70,023
Original Construction Contract	\$437,931
Authorized Change Orders	NA
Current Contracts	\$507,954

2203 Well 31 Pipeline

Project budgeted in the 2022 year. Replace approximately 1,400 linear feet of 14" pipeline from Well 31 delivering water to facilities at Golf Club Drive along backside of homes and within Upland Hills Country Club waterline easement. Abandon aged pipeline. The current steel pipeline was installed before 1976 and has exceeded its useful life. Identified by staff as a high maintenance pipeline. ~~Professional Services proposals will be reviewed by PROC in April, 2023. Three proposals were received~~ Design contract is up for review at tonight's meeting.

Original Budget	\$420,000
Original Contracts	\$0
Authorized Change Orders	NA
Current Contracts	NA

2204 GIS Update

At the August Special Meeting, the Board authorized a contract with WSC to update the Company's GIS maps. Contract has been executed. Consultant working on updates. WSC is scheduled to conduct system review with staff mid-May.

Original Budget	\$11,110
Original Contracts	\$11,110
Authorized Change Orders.....	NA
Current Contracts	\$11,110

2207 Well 31 Repair

Well 31 suffered a catastrophic failure in October 2022. The Board authorized a repair contract at its special Budget workshop in December 2022. Contract has been executed and material is being procured. Well has been swabbed and equipment is currently being installed.

Original Budget	\$220,000
Original Contracts	\$200,000
Authorized Change Orders.....	NA
Current Contracts	\$3,665

2301 Well 16 Conversion

Contractor is waiting on material delivery.

Original Budget	\$405,000
Original Contracts	\$390,665
Authorized Change Orders.....	NA
Current Contracts	\$390,665

Agenda Item No. 6A

Item Title: Well 31 Pipeline Replacement Project

Purpose:

To consider design contract award for the Well 31 Pipeline Replacement project (Project Description Sheet attached).

Issue:

Does the Board agree with the PRC's recommendation to authorize the General Manager to execute a time & material not-to-exceed \$86,500 professional services contract for design and construction management?

Manager's Recommendation:

Authorize the General Manager to execute a time & material not-to-exceed \$86,500 professional services contract for design and construction management.

Background:

This item was reviewed by the PRC at its April 2023 regular meeting. The PRC voted to bring this item to the full Board with a recommendation to approve.

This project was included in the 2023 Budget. Earlier this year staff solicited proposals from four engineering firms: TKE, WSC, CivilTech and Ardurra. Three firms responded: TKE, CivilTech and Ardurra.

	Proposed Fee
Well 31 Pipeline	
budget	\$ 63,000
Ardurra	\$ 103,565
CivilTech	\$ 95,415
TKE	\$ 86,500

Proposals were reviewed by staff and the PROC in April. All agreed that TKE was the most responsive firm.

Impact on the Budget:

Professional Services Contract for \$86,500.

Construction Contract TBD

Previous Actions:

Project included in the 2023 Company Budget.

Project Title: Well 31 Pipeline Relocation/Replacement

Total Budget: **\$420,000 (1,400 LF x \$300/LF)**

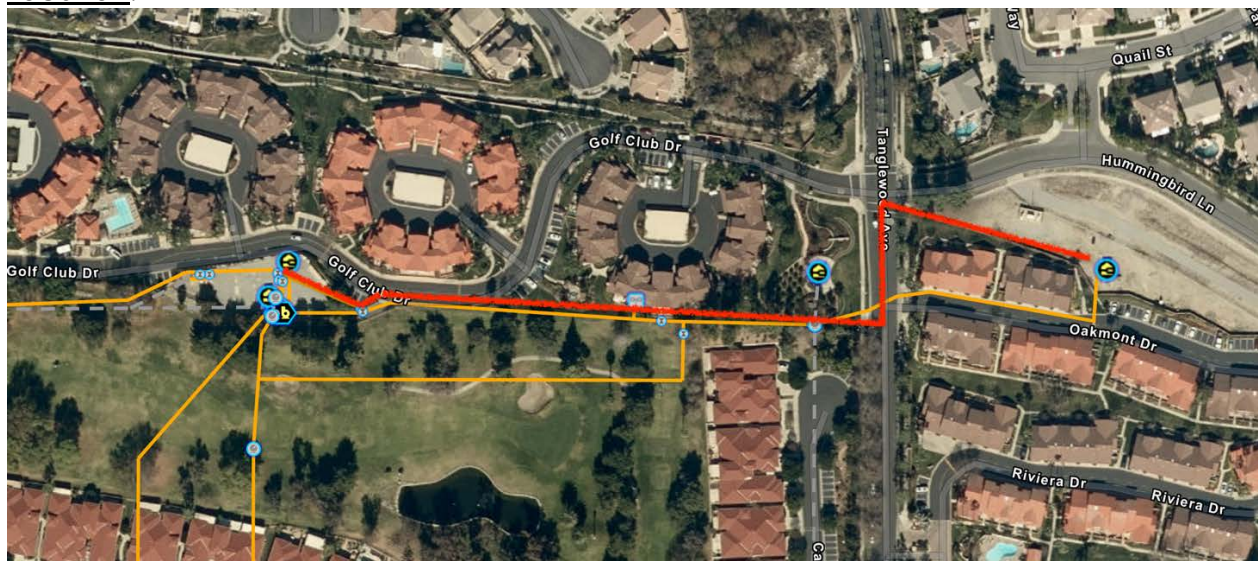
Soft Costs (Engineering, Permitting, Easements, Inspection, Testing): \$63,000 (15% of project cost)

Construction: \$357,000 (85% of project cost)

Schedule:

Design: March 2022 – May 2022

Construction: August 2022 – October 2022

Location:**Justification:**

Replace approximately 1,400 linear feet of 14" pipeline from Well 31 delivering water to facilities at Golf Club Drive along backside of homes and within Upland Hills Country Club waterline easement. Abandon aged pipeline. The current steel pipeline was installed before 1976 and has exceeded its useful life. Identified by staff as a high maintenance pipeline.

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- II. Project Result Expectations
- III. TKE Points of Input
- IV. Proposed Project Schedule
- V. Additional Services Offered

Section B | Proposed Fee Schedule (Separate PDF File)

Prepared for:



San Antonio Water Company

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Prepared by:



TKE Engineering, Inc.

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Phone: (951) 680-0440
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SECTION A | PROJECT UNDERSTANDING AND APPROACH

I. PROJECT DESCRIPTION AND PROPOSED METHODOLOGY

The San Antonio Water Company (Company) is seeking a highly qualified consultant to design a replacement pipeline for Well 31, which will lead to the construction of an approximate 1,400 linear feet of raw water pipeline to reach system facilities along Golf Club Drive. The Company desires that construction management services also be provided, including bidding support and construction inspection, which will involve soil and material testing. TKE Engineering, Inc. (TKE) is prepared to provide the requested services and will achieve successful project delivery by implementing the following methodology:

TASK NO. 1 – PROJECT MANAGEMENT

TASK NO. 1.1 COMPANY COORDINATION

TKE will coordinate with Company staff throughout the project duration regarding information related to the project, to provide project updates, receive comments and direction on work product, and related items. TKE will ensure the Company is kept up to date on project progress and critical issues as they arise.

TASK NO. 1.2 KICKOFF MEETING

Prior to commencement of services, TKE will meet the Company staff to review project obligations and to discuss all project requirements and exact locations for project alignments in detail. In addition, we will discuss the project's scope of services and our design schedules. We also utilize this meeting to acquire the Company's existing utility plans.

TASK NO. 1.3 PROGRESS MEETINGS

TKE will attend monthly progress meetings for review of the design as well as any other stakeholder and Company staff meetings.

TASK NO. 1.4 INVOICING

TKE will provide monthly invoicing showing breakdown for staff and subconsultants that performed work on the project including job title/classification, hourly rates, hours worked, and a brief description of the work performed.

TKE will submit monthly progress reporting with monthly invoicing which will indicate work activities completed to date, outstanding issues, changes in scope, budget status, corrective actions, schedule status, updated logs, and overall project budget.

TKE will prepare monthly invoicing with detailed backup to support the requested amounts.

TASK NO. 2 PRELIMINARY DESIGN PHASE

TASK NO. 2.1 UTILITY RESEARCH/COORDINATION

We will thoroughly research existing utility records and acquire copies of all available records. The purpose of the records research is to assemble survey records to establish locations of street centerlines and rights-of-way and determine locations of all existing utilities and improvements. TKE will research all requirements associated with

easements, encroachment permits, parcel acquisitions and required rights-of-way.

The research will consist of assembling copies of assessors' maps, tract maps, parcel maps, monument ties, benchmark data, corner records, street improvement plans, and utility drawings. We will notify Underground Service Alert to acquire a complete list of underground utility purveyors. The utility drawings will include existing drawings from the Company, and drawings and/or atlas maps from all private utility companies, and/or agencies. We will send letters to utility companies and agencies requesting their data. We will maintain copies of the letters for future reference.

TASK NO. 2.2 PROFESSIONAL SURVEYING

TKE will compete a topographic survey of the project area to prepare the base construction drawings. Our field survey crew will locate existing street centerline monuments utilizing survey control data. The crew will measure the horizontal angle, horizontal distance, and vertical elevation difference between each survey monument. We will complete a traverse for each survey to ensure closure. Utilizing GPS survey methods, two first order horizontal monuments will be established, associating the survey to the NAD 83, California State Plane Coordinate System, Zone 6. The monuments will be adjusted to the California High-Precision Geodetic Network and its densification stations. Elevations will be tied to existing Company benchmarks based on the NGVD 88 Datum. The survey will collect all relevant site topographic features, including curb, gutter, sidewalk, piping alignments, valves and manhole locations, fencing location, landscaping, fencing, and all other site related items. In addition, we will measure sewer and storm drain inverts. The survey will collect appropriate detail 25 feet beyond property lines and a minimum of one hundred (100) feet beyond the project site.

TASK NO. 2.3 BASE CONSTRUCTION DRAWINGS

We will prepare the base construction drawings on 24" by 36" sheets with the Company's standard title block using AutoCAD 2020 software at a drawing scale of 1"=40'. The base construction drawings will include a plan view based on the survey data collected. We will add the sheet north arrow, graphic scale, existing improvements and utilities (based on both assembled records and field data), property lines, public and private right-of-way, street centerline, street names, and survey data to the plan view portion of the drawings. Once the base drawings are complete, we will perform a careful field review to ensure all underground facilities are shown correctly.

TASK NO. 2.4 60% DESIGN

The 60% design will consist of completed base construction drawings, proposed pipeline alignment and profile, including utility crossings, proposed connections, trench paving, and all other necessary site details. More specifically:

The title sheet shall include the title of the job, a vicinity map showing the Company in relationship to surrounding communities, a location map showing the project limits, sheet index map, benchmark data, and the Company and Fire Certificates.

Additional sheets will be prepared for general notes, construction notes, construction quantities, a list of abbreviations used, survey information and the Company legend as required by the Company standards.



The construction notes will include requirements for notifications, existing utility protection and relocation, pipeline materials, excavation, improvement restoration, and existing waterline abandonment requirements, if any.

The plan/profile sheets will include the plan view showing digital topographic data, existing improvements and utilities, centerline control, proposed pipeline, and pipeline appurtenances (connections, air valves, main line valves, fire hydrants and blow offs). The profile (at a drawing scale of 1" =40' horizontal and 1" =4' vertical) will show existing ground surface over the proposed pipeline, pipeline flow line, top of pipe, utility crossings, slopes, length of pipe, pipeline appurtenances, joint restraint requirements, and special bedding requirements all in accordance with the Company standards.

The construction detail sheets will include the Company standard details, connections, appurtenance details, and abandonment details, all at appropriate drawing scales.

The specifications shall be prepared in accordance with the Company standards and will be prepared in Microsoft Word format. The specifications will include the bid schedule.

An engineer's estimate will be prepared in Microsoft Excel. The estimate will include bid item descriptions, quantities, units, unit costs and phase and project totals.

After 60% design is complete, we will forward one (1) copies of the drawings (full size and half size) to the Company for review along with the specifications, construction schedule and engineer's estimate.

TASK NO. 3 ENVIRONMENTAL PHASE

TASK NO. 3.1 CATEGORICAL EXEMPTION

Upon completion of the 60% Design, we will begin preparation of environmental compliance documents. All Public Works projects are subject to the analytical and disclosure provisions of the California Environmental Quality Act (CEQA) and its implementing guidelines. TKE has assumed the project will qualify for a categorical exemption and will determine if more stringent analysis are required during the initial phases of the project. Any additional studies determined to be required will be additional work and TKE will present additional costs to the Company prior to beginning the work.

TASK NO. 4 FINAL DESIGN PHASE

TASK NO. 4.1 COORDINATION WITH AGENCIES/UTILITIES

After incorporating the Company comments on the 60% Design, we will submit drawings to all agencies/utilities having underground facilities in the project area that may be affected by construction and request that they verify their facilities are shown correctly and that they furnish any construction requirements they desire. We will request that they respond within 2-weeks and we will follow up with telephone calls to confirm all agency requirements have been incorporated. We will document all conferences with utilities and agencies.

TASK NO. 4.2 PERMIT ACQUISITION

After the 60% design, TKE will begin application preparation for required permits. It is anticipated that a San Bernardino County Road Department encroachment permit will be required.

TASK NO. 4.3 90% DESIGN

We will incorporate the Company's 60% comments and provide the Company revised drawings and specifications. After 90% design is complete, we will forward three (3) copies of the drawings (full size and half size) to the Company for review along with the specifications, construction schedule and engineer's estimate.

TASK NO. 4.4 FINAL DRAWINGS

After receiving final approval on the drawings, we will incorporate the Company's 90% comments and provide the Company with digital (AutoCAD and PDF) copies of the drawings, specifications, construction schedule and engineer's estimate for bidding.

TASK NO. 5 BIDDING PHASE

TASK NO. 5.1 BID ADMINISTRATION

TKE will assist the Company with a number of other activities including advertising, distributing contract documents to perspective bidders, conducting pre-bid job walk, responding to bidder questions, preparing and distributing addenda, and coordinating the bid opening.

After the bids are received, TKE will review all bids to verify that they have been submitted in accordance with demolition project requirements, verify that the lowest responsive bidder's contractor license is in good standing, and verify that the bidder is qualified to complete the work.

After the lowest responsive bidder is identified, TKE will prepare a recommendation for award. Once the Company approves award, TKE will conform the contracts and deliver them for execution by the lowest responsive bidder. After they execute the contract, TKE will assist the Company with execution.

TASK NO. 6 CONSTRUCTION PHASE

TASK NO. 6.1 PRECONSTRUCTION CONFERENCE

The preconstruction conference will be attended by the Company staff, Construction Manager (CM), Project Construction Inspector, TKE's representative, the Contractor, agencies, and road department representatives (if required), and representatives of potentially affected utilities. Prior to the conference, we will review the conference agenda prepared by the Company. At the meeting, we will discuss communication protocol requirements, and procedures for contract submittals, contract administration, job-site access and delivery, and coordination with others as requested.

TASK NO. 6.2 SHOP DRAWING SERVICES

We will review and approve a maximum of thirty (20) project submittals and seven (5) resubmittals for the project. We will maintain a project log for each project and it will include descriptions of submittals, date received, and date returned. We will consult with the Company staff as required to review substitute materials and equipment. Once the submittals have been reviewed and accepted, they will be signed, dated, and sent to the Company staff and project contractor. Submittals will be returned within the time frame specified by the contract documents. The construction schedule will be a critical document. It will be reviewed to verify compliance with the contract documents and will be reviewed monthly to ensure construction is proceeding efficiently.

TASK NO. 6.3 CONSTRUCTION ADMINISTRATION



Prior to beginning construction and throughout the course of construction, we will meet with Company staff. We will prepare agendas and minutes for each meeting and will respond to questions as required. During construction, the Construction Manager will coordinate all construction activities with the construction inspector, the quality assurance professionals, other agencies and utility companies and project surveyors. In addition, the Construction Manager will visit the job site often to observe construction activities. He will document any observed deviations from the plans and he will advise the Contractor, as appropriate, for resolution of observed deficiencies. In addition, our Construction Manager will conduct biweekly meetings with the Contractor to ensure construction is progressing efficiently. We will prepare agendas and minutes for each, and refer to uncompleted business at each meeting. Also, should incidents or issues arise, Contractor will be required to submit reports regarding each.

Throughout the course of construction, our Construction Manager will respond to complaints from the public. In addition, he will review the construction progress and compare it to the approved project schedule and the contractor of deficiencies.

RFI's and RFC's (including written clarification requests and change-in-plan drawings) will be reviewed and responded to regarding the contract documents in order to ensure that the improvements are constructed in compliance with same; we will provide said responses as required to minimize delays in construction. All RFI's and RFC's will be logged, including content of inquiry and date relayed and date of response.

Our contract administration activities will include progress reviews to ensure that the project is proceeding according to requirements and schedule, biweekly progress review meetings with the contractor, review of contract change order requests, and payment requests and related services. Payment requests and record keeping will include all correspondence, transmittals, drawings, technical manuals, reports, etc. (both hard copy and electronic formats) related to pre-construction, construction and post-construction phases of each construction contract. The documents will be kept at our office.

Project progress and any changes during construction will be noted on a set of the project's contract documents maintained in our office. If a problem occurs requiring a Company decision, we will consult with staff. The Construction Manager will attempt to resolve complaints, concerns, and questions from residents and other affected agencies without staff assistance.

Through e-mail, telephone conferences, and regular meetings, the Construction Manager will keep staff informed of project progress, problems that have occurred during construction, and any changes in work. Whenever possible, we will review required changes with staff prior to making same.

Each month, we will review the construction payment requests submitted by the contractor for work completed and the construction schedule. In addition, we will verify that certified payroll has been submitted. We will review the work completed and payment requests to ensure that the quantities and amounts requested reflect the actual work completed. After each request has been reviewed (and revised if necessary), we will approve it for payment. We will also submit a monthly status report with each payment request verifying compliance with the project schedule. If the Contractor begins to fall behind the schedule, we will request corrective action.

If change conditions occur, we will negotiate with the Contractor to establish the impact of change conditions and we will attempt to complete negotiations prior to beginning work. The Company will be included in all negotiation requiring a contract amount increase. If we fail to reach an agreement and the work must continue, we will direct the Contractor to complete the work. The Construction Inspector document the labor, materials and equipment used for the extra work for use in future negotiations.

We will review any change order request received to determine if said request is warranted. If the change order request is not warranted, we will reject it in writing; prior to sending rejection letters to the Contractor, we will review it with Company staff. If the change order request appears justified, we will review it with the Construction Inspector and compare it with field reports for confirmation of materials, equipment and/or labor involved; we will review same with staff and receive staff's approval prior to preparing and processing the contract change order. Change orders will be prepared on standard forms. Change Orders will be summarized in a log for review at our weekly meetings.

We will ensure that telephone numbers for normal working hours, evenings, and weekends for our staff, contractor, utilities, and emergency services are provided to all concerned parties.

In addition, we will maintain documents and records. We will ensure that the contractor is submitting proper labor reports, time and material reports, material invoices and/or tickets, certifications, warranties and all other such documents as necessary for a complete and successful project.

TASK NO. 6.4 CONSTRUCTION STAKING

TKE will provide construction staking services required to complete construction. We will prepare grade sheets and we will provide stakes for construction at required locations as established by the Contractor.

TASK NO. 6.5 CONSTRUCTION INSPECTION

TKE will provide part time construction inspection. Our construction inspector will provide daily construction inspection to verify that the project is progressing in compliance with the contract documents. He will regularly discuss anticipated construction activities to ensure quality compliance and surveying is scheduled as needed to ensure the project is proceeding efficiently. We will require strict compliance with requirements for all construction activities. All materials will be reviewed against approved material submittals as they arrive on-site. Batch tickets or weigh certificates will be collected upon material arrival.

Our Construction Inspector will verify SWPPP and safety provisions have been implemented at the start of each work day, at the construction site. Any deviations will be documented. All system service interruptions, connections and abandonments will be coordinated with staff. In addition, TKE will verify all quality testing for the project.

We will digitally photograph the activities and maintain copies in the project files and our Construction Inspector will prepare daily field reports, which will document all observed project activity, including location of the activity, number of workers present, construction equipment used, inspector present, weather conditions, and construction progress. All project documentation will be completed on standard forms. All documents will be submitted in hard copy and

electronic copy formats. TKE will provide all inspection equipment needed.

TASK NO. 6.6 MATERIALS TESTING

LOR Geotechnical will provide quality testing services for the project including material testing and compaction testing. TKE will review all test reports completed by LOR to verify contract compliance. Materials testing costs are budgeted amounts only and will be billed based on the actual time expended for testing purposes.

TASK NO. 6.7 CONSTRUCTION CLOSE-OUT

TKE will establish punch-lists for project completion, deliver maintenance bonds and/or manufacturer warranties, operations and maintenance manuals are provided, and all other construction requirements have been completed.

Through the course of construction, TKE will document changes on a set of record drawings. Once the project has been completed, TKE will prepare record drawings and provide them. They will be signed and stamped by the construction manager and will reflect the improvements as constructed. Said record drawings will be based on data furnished by the Contractor, and our weekly field reports.

We will forward copies of all records in digital format and we will prepare a summary of construction changes, final cost, and schedule revisions. In addition, TKE will provide a final narrative summary report documenting construction activities.

II. PROJECT RESULT EXPECTATIONS

TASK NO. 1 PROJECT MANAGEMENT

TKE is committed to implementing a project management plan focused on quality control that enables and promotes project completion on schedule. We will ensure all project-related recommendations are presented at best value to the Company.

TASK NO. 2 PRELIMINARY DESIGN PHASE

TKE will ensure preliminary design phase documents are prepared at high quality and reflect accurate cost estimating practices for Company review. Following Company review, TKE will include all comments received and revise accordingly.

TASK 3: ENVIRONMENTAL PHASE

TKE will make appropriate recommendations regarding CEQA requirements for this project and provide all related documentation in an organized manner.

TASK 4: FINAL DESIGN PHASE

TKE will ensure the final design phase documents are prepared at high quality and reflect accurate cost estimating for bidding and construction. We will ensure all comments from the Company, its legal counsel, and other related authorities are incorporated into the final design. TKE will ensure the San Bernardino County permit is in place prior to construction.

TASK 5: BIDDING PHASE

TKE will manage the bidding process in accordance with Company standards and expectations. We will strive to procure competitive bids from three or more contractors. We will maintain accurate records of

RFIs/RFCs, pre-bid conference minutes, and track a list of prospective bidders. TKE will prepare bid evaluation sheets to ensure all prospective bidders are properly vetted. Following contract award, TKE will coordinate to ensure contract documents are executed on schedule.

TASK 6: CONSTRUCTION PHASE

TKE will ensure the contractor completes the project in compliance with the contract documents, while adhering to Company and permit requirements. TKE will do so by providing the necessary level of field oversight, appropriate materials testing, and construction administration. We will confirm all quantities are accurate to ensure progress payments are processed quickly and without issue. TKE will prepare necessary paperwork to ensure a smooth project close-out process.

III. TKE POINTS OF INPUT

TKE understands the importance of maintaining clear and open lines of communication with our clients, as it contributes to the successful delivery of our projects on schedule and within budget. It is our standard to keep clients informed through the duration of the entire project however, each project is faced with its own set of challenges to which we pay special attention and address carefully. The following is a list of various critical issues that TKE plans to utilize as points of input with Company staff.

PROJECT LOCATION

The majority of the replacement pipeline work is scheduled for areas within an easement area and along an existing golf course with limited points of access. The members of these parts of the community will have raised expectations related to travel in and around the construction areas and particularly how it affects the ingress and egress to their properties as well as the affects to their properties and the private golf course during daily construction activities. For these types of project alignment alternative selection is critical to ensure to minimize the impacts to accessibility and direct impacts to private improvements. Our design includes an added level of scrutiny to ensure the alignments selected will allow for expedited construction, reduced future maintenance and limit residents' accessibility issues during construction.

UTILITIES

For pipeline projects, construction contract change orders are primarily attributable to inaccurate plotting of utility interferences or due to unknown utilities. Comprehensive utility research and coordination with Company and golf course staff will ensure that contract change orders will be significantly reduced or even eliminated. It is anticipated that numerous underground utilities and/or private utilities will be encountered along the project alignment. For project connections, TKE will identify those as critical and request that the Company excavate them to verify both horizontal and vertical alignments. In addition, we will request that at connections existing, pipeline materials and condition be noted to properly design each connection's existing pipeline abandonments. Again, to avoid potential change orders, detailed connection and abandonment designs will be included.

APPURTENANCES



Appurtenances include system control valves, air valves, and blow-offs. During design, it will be important to identify appropriate locations for all appurtenances, in particular, above ground appurtenances. Considering the limited right-of-way and easement area available for some project areas, appurtenances should be carefully located to prevent post construction conflicts. Appurtenances will be designed consistent with Company standards to ensure proper operations. TKE will also field verify all appurtenance locations, in particular, air valves, to ensure adequate public right-of-way exists, they will not conflict with other improvements, and locations will be selected to protect them from vehicular traffic.

In addition to field locations, appropriate sizing must be determined during design. For example, air valves must be sized to ensure adequate air release during filling and emptying of pipelines. Failure to properly size such facilities may cause damage to the water system.

When placing appurtenances, TKE staff routinely provides consideration of other utilities to avoid conflicts with lateral piping of the appurtenances.

PERMITTING

TKE anticipates that permit acquisition will be limited to the County. If additional permits are required, TKE has vast experience obtaining permits from regional agencies which can be challenging and time intensive. TKE has developed a working partnership and extensive knowledge of each agencies requirements that will result in expedited permit issuance. In fact, TKE is currently working with a number of these agencies on other projects and has developed an effective working partnership that will result in expedited permit issuance.

ACCURATE COST ESTIMATING

Unanticipated costs will impact the Company's ability to deliver the project. Therefore, it is vital to keep costs controlled. Our approach to controlling costs is to provide frequent and accurate cost estimates by using TKE's detailed cost estimating database. In addition to using this database, TKE utilizes our considerable experience with Construction Management to assist in providing constructability reviews and cost estimating based on current information from our on-going projects. Finally, with the current economic climate, construction costs are widely varying. We will also discuss the project's elements with local contractors to assure that we have the most current construction information available so that the Company can get the most "bang for their buck".

CONSTRUCTION SEQUENCING

To ensure that construction will not interrupt water service and to ensure extra work claims do not occur, construction sequencing will be provided as part of the project design. Sequencing will include the order in which the new pipelines, together with appurtenances will be constructed. In addition, the construction sequencing will include testing and disinfection procedures and the initial system connection. The existing pipelines that will ultimately be abandoned must remain in service until the proposed pipelines are tested, disinfected, connected to the existing system in at least one location. Typically, for pipelines of this size it is desired that a connection be completed after pipeline testing and prior to disinfection. Direct connections provide flow volumes needed to adequately flush debris from the new system. After disinfection and laboratory testing verification, the new system will then be placed into service and the existing system can be abandoned. The abandonment of the existing pipelines will occur

thereafter concurrently with subsequent pipeline connection construction.

IV. TKE PROPOSED PROJECT SCHEDULE

KEY TASKS, EXPECTED DURATION AND MILESTONE DATES

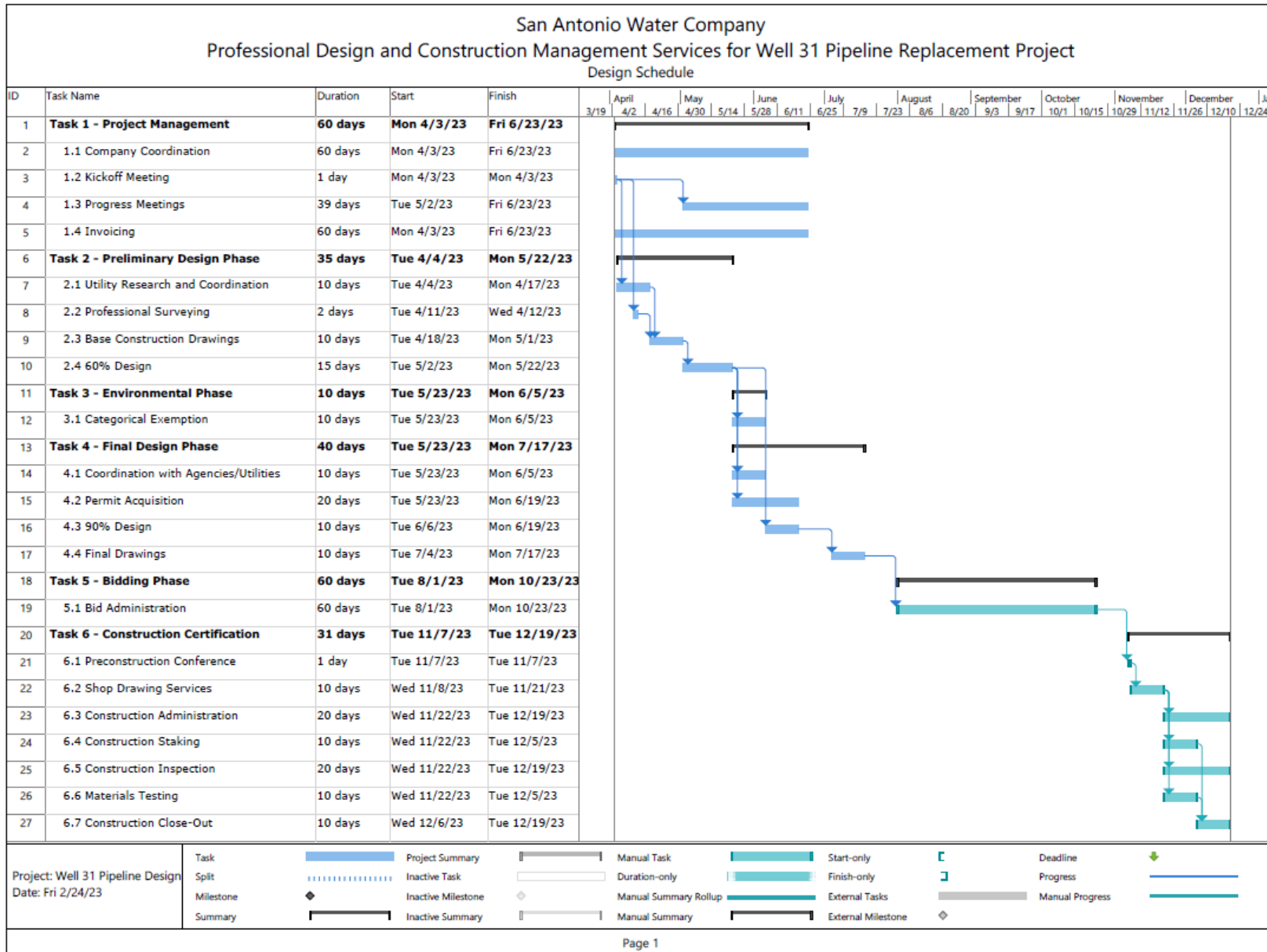
TKE has prepared a preliminary project schedule as shown on XXXX. Our approach to your project, recognizing that both schedule and budget are of primary concern, dictates that design decisions must be made quickly but carefully. When this is coupled with the various constraints present with the project, it is critical that the Company choose a consultant with a proven track record of delivering. With a familiar team of senior level design and construction professionals and an in-house team, TKE is the right choice for this project. Please see our proposed project schedule on the following page.

V. ADDITIONAL SERVICES OFFERED

TKE is not proposing any additional tasks that proposed above. Notwithstanding, TKE is available to provide any and all services required by the Company and/or the Project to ensure successful project delivery.

This proposal is signed by a principal of the firm who is authorized to bind TKE to the terms of the proposal.

Terry Renner, P.E., Q.S.D., Senior Vice President



SECTION B | PROPOSED FEE SCHEDULE

TKE'S PROPOSED FEE SCHEDULE HAS BEEN PROVIDED SEPARATELY PER THE RFP REQUIREMENTS.



San Antonio Water Company
Engineering Design Services
Well 31 Pipeline Replacement Project
Consulting Engineering Fee

Task No.	Task	Project Manager / Construction Manager	Project Engineer / Construction Engineer	Assistant Engineer/Designer	Clerical	Surveying	Construction Inspector	Sub- Consultants ²⁾	Total
		Hours \$	Hours \$	Hours \$	Hours \$	Hours \$	Hours \$	Hours \$	Hours \$
Task 1 - Project Management									
1.1	Company Coordination	4 \$ 660	4 \$ 620	\$ -	4 \$ 340	\$ -	\$ -		\$ 1,620
1.2	Kickoff Meeting	2 \$ 330	4 \$ 620	2 \$ 270	2 \$ 170	\$ -	\$ -		\$ 1,390
1.3	Progress Meetings	4 \$ 660	8 \$ 1,240	4 \$ 540	4 \$ 340	\$ -	\$ -		\$ 2,780
1.4	Invoicing	2 \$ 330	\$ -	\$ -	8 \$ 680	\$ -	\$ -		\$ 1,010
Task 2 - Preliminary Design Phase									
2.1	Utility Research and Coordination	\$ -	2 \$ 310	4 \$ 540	4 \$ 340	\$ -	\$ -		\$ 1,190
2.2	Professional Surveying	2 \$ 330	4 \$ 620	\$ -	\$ -	16 \$ 3,840	\$ -		\$ 4,790
2.3	Base Construction Drawings	2 \$ 330	8 \$ 1,240	16 \$ 2,160	2 \$ 170	\$ -	\$ -		\$ 3,900
2.4	60% Design	4 \$ 660	16 \$ 2,480	40 \$ 5,400	4 \$ 340	\$ -	\$ -		\$ 8,880
Task 3 - Environmental Phase									
3.1	Categorical Exemption	2 \$ 330	4 \$ 620	\$ -	4 \$ 340	\$ -	\$ -		\$ 1,290
Task 4 - Final Design Phase									
4.1	Coordination with Agencies/Utilities	\$ -	4 \$ 620	4 \$ 540	4 \$ 340	\$ -	\$ -		\$ 1,500
4.2	Permit Acquisition	2 \$ 330	4 \$ 620	2 \$ 270	2 \$ 170	\$ -	\$ -		\$ 1,390
4.3	90% Design	2 \$ 330	8 \$ 1,240	20 \$ 2,700	4 \$ 340	\$ -	\$ -		\$ 4,610
4.4	Final Drawings	2 \$ 330	4 \$ 620	8 \$ 1,080	4 \$ 340	\$ -	\$ -		\$ 2,370
Task 5 - Bidding Phase									
5.1	Bid Administration	4 \$ 660	8 \$ 1,240	4 \$ 540	8 \$ 680	\$ -	\$ -		\$ 3,120
Task 6 - Construction Certification									
6.1	Preconstruction Conference	2 \$ 330	4 \$ 620	\$ -	2 \$ 170	\$ -	2 \$ 240		\$ 1,360
6.2	Shop Drawing Services	2 \$ 330	8 \$ 1,240	4 \$ 540	2 \$ 170	\$ -	\$ -		\$ 2,280
6.3	Construction Administration	4 \$ 660	4 \$ 620	8 \$ 1,080	4 \$ 340	\$ -	\$ -		\$ 2,700
6.4	Construction Staking	\$ -	2 \$ 310	4 \$ 540	2 \$ 170	8 \$ 1,920	\$ -		\$ 2,940
6.5	Construction Inspection	\$ -	\$ -	\$ -	2 \$ 170	\$ -	160 \$ 19,200		\$ 19,370
6.6	Materials Testing	\$ -	2 \$ 310	\$ -	2 \$ 170	\$ -	\$ -	\$ 13,200	\$ 13,680
6.7	Construction Close-Out	2 \$ 330	4 \$ 620	4 \$ 540	4 \$ 340	\$ -	\$ -		\$ 1,830
Subtotal:		42 \$ 6,930	102 \$ 15,810	124 \$ 16,740	72 \$ 6,120	24 \$ 5,760	162 \$ 19,440	\$ 13,200	\$ 84,000
									Reimbursables (@3%)¹⁾: \$ 2,520

Rates:

Project Manager	\$ 165 /HR
Project Engineer	\$ 155 /HR
Assistant Engineer/Designer	\$ 135 /HR
Clerical	\$ 85 /HR
Survey Crew	\$ 240 /HR
Construction Inspector	\$ 120 /HR

Notes:

1.) Reimbursables Include Cost for Prints, Copies, Mileage, Etc.
 2.) LOR Geotechnical's Fee for Materials Testing

Design, Bidding, and Construction Total: \$ 86,520
Rounded Project Total: \$ 86,500

Agenda Item No. 6B

Item Title: Paloma Curve Modernization

Purpose:

To consider design contract award for the Paloma Curve Modernization project (Project Description Sheet attached).

Issue:

Does the Board agree with the PRC's recommendation to authorize the General Manager to execute a time & material not-to-exceed \$123,470 professional services contract for design and construction management?

Manager's Recommendation:

Authorize the General Manager to execute a time & material not-to-exceed \$123,470 professional services contract for design and construction management.

Background:

This item was reviewed by the PRC at its April 2023 regular meeting. The PRC voted to bring this item to the full Board with a recommendation to approve.

This project was included in the 2023 Budget. Earlier this year staff solicited proposals from four engineering firms: TKE, WSC, CivilTech and Ardurra. Three firms responded: WSC, CivilTech and Ardurra.

Paloma Curve

budget	\$	120,000
Ardurra	\$	169,020
CivilTech	\$	123,470
WSC	\$	372,360

Proposals were reviewed by staff and the PROC in April. All agreed that TKE was the most responsive firm.

Impact on the Budget:

Professional Services Contract for \$123,470.

Construction Contract TBD

Previous Actions:

Project included in the 2023 Company Budget.

Project Title: **Paloma Curve Hydraulic Break**

Total Budget: **\$1,080,000**

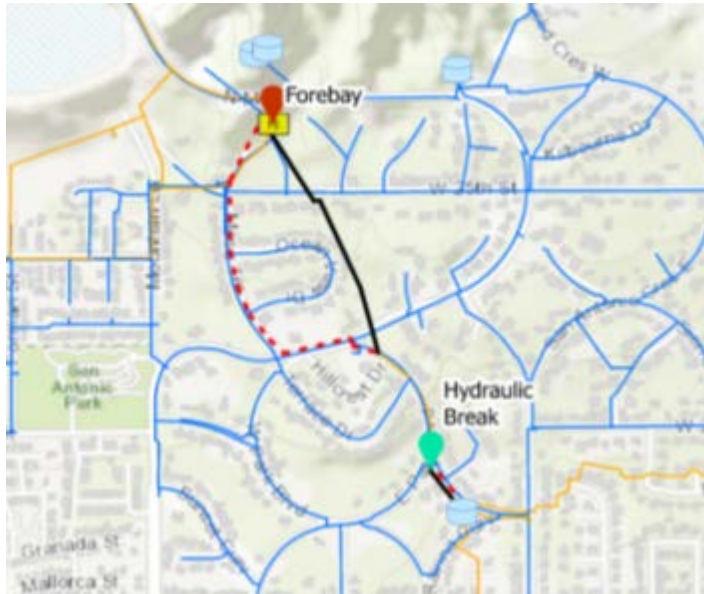
Engineering: \$120,000

Construction: \$960,000

Schedule:

Construction: June 2023 - August 2023

Location:



Justification: The Paloma Curve Hydraulic Break consists of an abandoned hydrogenator plant owned by the City of Upland and a concrete Hydraulic Break owned by the Company. The facility was designed to convert hydraulic energy into electrical energy and remove any remaining hydraulic energy prior to discharge at the Company's Reservoir Number Four.

During periods of high-water flow (sustained average-or-higher rainfall events) the amount of water flowing through the facility can create significant low frequency vibrations. These events occur only periodically (once every couple of years). The current property owner has requested that the Company eliminate the noise and/or abandon the facility.

Given that the existing facility and penstock pipeline have exceeded their design life the Company approved replacement of facilities from the Forebay down to Reservoir 4, effectively removing the hydraulic break.



Civil, Water, Wastewater, Drainage, Transportation and
Electrical/Controls Engineering • Construction Management • Surveying
California • Arizona

Brian C. Lee | General Manager
San Antonio Water Company
139 North Euclid Avenue
Upland, CA 91786

February 24, 2023
Sent Via Email: blee@sawaterco.com

RE: Proposal for Forebay Outfall Modernization

Dear Brian,

Civiltec engineering, inc. (Civiltec) appreciates the opportunity to provide professional, engineering and construction phase services to San Antonio Water Company (Company). We propose to assign Terry Kerger, PE, as project manager/project engineer and W. David Byrum, PE, as principal-in-charge. As President of the firm, David has complete authority to handle all contractual matters, commit **Civiltec's** resources as necessary and take all action necessary to meet your requests. Terry will be assisted by an inhouse survey and design team and Leighton Consultants (geotechnical subconsultant) and PSOMAS (environmental subconsultant). This team has completed numerous similar projects during the last 18+ years working together. A proposed team chart is included in Appendix C demonstrating our depth of similar experience as a team working together. **Civiltec** will manage this project from our Monrovia office. However, we are excited to announce as of April 3, 2023, **Civiltec** will have an Upland office located at 440 N. Mountain Avenue, Suite 210.

PROJECT UNDERSTANDING AND APPROACH

The surface water pipeline system has a hydraulic break facility within a perpetual easement on private property. The current adjacent property owner experiences ground vibrations and noise during periods of high water flow and has requested that the Company eliminate the vibrations and noise by abandoning the facility. In an effort to reduce vibrations and noise from the hydraulic break facility and ensure service to shareholders, the Company is seeking design and construction management services for a replacement pipeline within the Mesa Terrace and Paloma Curve. The hydraulic break facility was designed to convert hydraulic head into electrical using turbines. The turbines have been removed. The hydraulic break structure now dissipates this energy prior to discharge at the Company's Reservoir 4. This hydraulic break structure and gravity flow pipeline have exceeded their design life and the Company would like to replace the facilities from the Forebay down to Reservoir 4, removing the hydraulic break structure entirely.

A technical memorandum has been prepared by Water Systems Consulting Engineers to evaluate pipeline replacement alternatives. This project will begin with a preliminary design report to relocate the existing pipeline from the hydraulic break into local right-of-way and construction of a new pipeline from the Forebay structure to Reservoir 4. It is estimated this alternative will move the existing pipeline 30-50 feet away from the existing location and approximately 15 feet from the property line. Space constraints and avoidance of existing utilities will be researched to define the final alignment. A pressure reducing valve may also need to be required to help regulate pressures. To avoid clogging or breaking valves, screening should be considered to filter debris. Once an alignment is approved by the Company, **Civiltec** will provide a final construction bid package. The 30-inch pipeline connection to the Forebay irrigation box is complex because the pipeline is located in a difficult location and the system contains an irrigation box bypass. **Civiltec** performed similar services on our Plateau Forebay Transmission Pipeline Replacement for the



City of La Verne. The physical location of the pipeline will require some analysis of the construction difficulties to determine feasibility of the replacement pipeline. Some analysis of the operating conditions of the 30-inch pipeline are required to identify the desired control of the pipeline flow and confirm the requirement for a pressure reducing valve.

Critical Design Issues

The existing pipeline alignment leaving the Forebay irrigation box between existing residents' properties is planned to be abandoned and relocated to the Forebay access driveway. The remaining alignment along streets in this portion of the service area are narrow residential streets with existing water lines, sewer lines, and other substructure utilities. The engineering challenge will be to determine an alignment for the new surface water main that allows for the required water line separation from existing utilities for constructability purposes as well as traffic control during construction. All utility as-builts will be obtained so the proposed pipeline alignment considers both utility and minimum distance separation requirements from existing utilities. *Civiltec* has performed these services on numerous pipeline projects.

Identifying existing soil conditions and pavement resurfacing requirements will minimize the possibility of change orders to address these construction issues. The Company's field staff has considerable experience excavating in the foothill locations. We will rely on their experience to confirm existing soil conditions and incorporate required excavation and backfill requirements in the project specifications. San Bernardino County trench pavement thickness and pavement replacement or overlay limits will be determined and incorporated in the specifications and on the plans. Specification language will be revised to clarify costs for any unaccounted trenching issues.

Scope of Services

Civiltec's experience with the Company dates back to 2006 and includes several pipeline projects and projects within the Forebay system. This understanding of your system and expectations will benefit the Company and your community. Based on our understanding and experience, we have identified the following scope of services.

Task 1 – Project Management

Civiltec will schedule a kick-off meeting to discuss project information, goals, schedules, potential conflicts, and construction requirements. Teleconferences and meetings at appropriate intervals will keep the Company updated on progress and address management level decisions, as needed. We will also schedule meetings following every design submittal to discuss your comments and ensure the project is progressing on schedule. Quality assurance/quality control (QA/QC) is the responsibility of the project manager and will be performed on every document before being submitted to the Company.

Task 2 – Preliminary Design Phase

Preliminary Design Report. *Civiltec* will prepare a preliminary design report to identify the desired flow control for the new pipeline, confirm requirement for pressure reducing valve, determine the most cost-effective pipeline alignment for connection to the Forebay irrigation box, and determine the requirements for connecting to Reservoir 4.

Utility and Records Research. *Civiltec* will conduct complete utility research and contact each utility company requesting verification of location, size, and depth of facilities within the project limits. Utility research performed may include, but is not limited to, existing water, sewer, storm drain, gas, telephone, electrical, cable TV, fiber optic and oil.

Field Survey and Investigation. *Civiltec* will perform a record and data search consisting of survey information (assessor maps, parcel maps, records of survey, right-of-way maps, easement documents, etc.). A field design survey will be performed to locate manholes, water valve covers, water meter boxes,



fire hydrants, drainage features, air/vac cans, blow-offs, telephone poles and other visible aboveground facilities within the Company's right-of-way and public right-of-way. Sewer manholes and storm drain catch basins will be dipped and inverts recorded, if applicable. Additionally, we will use the design survey to prepare the construction survey cut sheets and control.

Base Map and Preliminary Plans. Utilizing information received from the Company, data from record mapping, utility record drawings and field survey, a comprehensive utility base map will be developed for use as a basis for the draft construction plans. Sheets will be prepared on the Company's title block and drawings prepared in accordance with its drafting standards.

One set of preliminary 60% plan sheets showing the pipe alignment and existing utilities will be submitted for review. This submittal will also include final design criteria, outline specifications and a preliminary cost-estimate.

Task 3 – Environmental Phase

Civiltec and PSOMAS will review the project and prepare an initial assessment to determine if environmental documents are required for this project. Pipeline replacement projects are typically categorically exempt from the California Environmental Quality Act (CEQA). We agree with the Company's opinion that this project is categorically exempt from CEQA because it is within disturbed roadway and a golf course and will prepare this document and submit it on the Company's behalf.

Task 4 – Final Design Phase

As an agent of the Company, **Civiltec** will obtain permits or approvals from appropriate governmental authorities having jurisdiction to review or approve the final design of the project. Traffic control and pavement restoration is overseen by San Bernardino County.

90% Submittal. The 90% plans, specifications and cost-estimate will be updated to address all comments from the preliminary submittal, including construction notes, dimensions, large-scale details, pipeline connection details, and all other information required for a complete set of plans. **Civiltec** will edit the Company's standard contract documents, prepare the bid proposal, edit the special provisions sections and technical specifications, and prepare the cost estimate in accordance with the Company's requirements. The specifications will include all sections necessary for the construction. The cost estimate and specifications will be submitted in PDF format for review with the 90% design plan submittal.

100% Final Submittal. The final plan sets, specifications and cost-estimate will incorporate all review comments from the Company. The plans will be signed by a California Registered Civil Engineer and delivered as PDF files copies. Plan drawings, specifications and cost-estimate will be submitted as one reproducible copy and appropriate electronic files in PDF, Microsoft, and AutoCAD formats for your files.

Task 5 – Bidding Phase

Civiltec will provide a bidders list, coordinate advertisement, maintain a record of prospective bidders to whom project documents were issued, coordinate pre-bid conferences, respond to contractor's request for information (RFI), evaluate bids, and advise the Company of the lowest responsible bidder. If necessary, **Civiltec** will respond to contractor's pre-bid RFIs through appropriate bidding addenda as necessary to correct, clarify or change the bidding documents. **Civiltec** will coordinate the bid opening and review bids for acceptability of the prime contractor, subcontractors, supplies, substitute materials, equipment, and other individuals and entities proposed by prospective contractors. A bid evaluation sheet showing each bidder and their respective line-item bids, along with a total proposed bid price for each bidder will be provided to the Company. Following the Company's Board approval of the contract, **Civiltec** will coordinate the construction contract execution and assemble construction contract documents.

Task 6 – Construction Phase

During construction appropriate field oversight (observation services) of construction activity will be provided to ensure contractor's compliance with contract and permits. **Civiltec** has estimated the observation hours that will be required by estimating the length of the project and proposing observation services for 50% of the time. **Civiltec** will also issue necessary clarifications and interpretations of the contract documents, shop drawings and RFIs as appropriate. Leighton will provide appropriate soils testing, including soil compaction testing, to ensure contractor's compliance with contract and permits. Progress payments will be reviewed with the contractor and a recommendation forwarded to the Company for processing, along with appropriate contractor invoicing. At completion, **Civiltec** will prepare project close-out documents.

Tasks Required by the Company's Staff

- Collaboration on design alternatives.
- Review and comments on submittals.
- Pay permit fees.

Proposed Schedule

Civiltec is available to commence this project immediately. Our team is backed by 60+ employees, which includes 12 registered civil engineers, 1 registered electrical engineer, 4 professional land surveyors, 2 certified floodplain managers, 1 certified professional in Erosion and Sediment Control and Qualified Stormwater Pollution Prevention Plan Developer/ Practitioner, 8 engineers-in-training, and support staff of project managers, designers, CADD technicians, surveyors, and administrative personnel from five (soon to be six) office locations. Our staff availability ranges from 30%-40%. Based on the scope of work described previously, our proposed schedule is included as Attachment B. Design completion of June 7, 2023, construction December 6, 2023.

PROPOSED TOTAL PROFESSIONAL FEE AND FEE SCHEDULE

Professional fees for the above-described services will be billed on a time and materials, not to exceed basis. A breakdown of our hour rates and fees is included as Attachment A. Any work not authorized within 3 months of the date of this proposal will be subject to renegotiations based on current rates. Capacity and impact fees associated with application filings shall be the responsibility of the Company. Additional services may be authorized based on **Civiltec's** hourly rates included on the detailed fee sheet. **Civiltec** will bill monthly for all work and expenses.

Again, thank you for the opportunity to submit this proposal. We look forward to working with you on this project. Please contact the undersigned directly with any comments or questions.

Sincerely,

Civiltec engineering, inc.



W. David Byrum, PE (dbyrum@civiltec.com)
President, Principal Engineer



Terry Kerger, PE (tkerger@civiltec.com)
Principal Engineer/Project Manager

Attachment(s): A – Breakdown of Hours and Fees
B – Proposed Project Schedule
C – **Civiltec** Qualifications

Attachment A

Breakdown of Hours and Fees

Project Name: Forebay Outfall Modernization
Client: San Antonio Water Company
Forbay Outfall Modernization
Time and Fee Estimate
Date: February 24, 2023

Scope of Work	HOURS								Geotech SubConst. (x1.15)	Environ SubConst. (x1.15)	TOTAL COST
	PIC \$ 265.00	PE \$ 210.00	SrSE \$ 180.00	D/CAD \$ 140.00	Admin \$ 85.00	CO \$ 150.00	SM \$ 195.00	2PS \$ 265.00			
Task 1 - Project Management	0	24	0	0	8	0	0	0	\$ -	\$ -	\$ 5,720.00
Project Management		24			8						\$ 5,720.00
Task 2 - Preliminary Design Phase	4	48	72	96	20	0	24	44	\$ -	\$ -	\$ 55,580.00
Preliminary Design Report		24	24	16	4						\$ 11,940.00
Utility and Records Research		4	8		8						\$ 2,960.00
Field Survey and Investigation		4			8		24	44			\$ 17,860.00
Base Map and Preliminary Plans	4	16	40	80							\$ 22,820.00
Task 3 - Environmental Phase	0	8	0	0	0	0	0	0	\$ -	\$ 4,600.00	\$ 6,280.00
Environmental Phase		8								\$ 4,600.00	\$ 6,280.00
Task 4 - Final Design Phase	4	16	24	60	0	0	0	0	\$ -	\$ -	\$ 17,140.00
90% Submittal (Plans, Specs, Cost Est.)		8	16	40							\$ 10,160.00
100% Final Submittal Submittal (Plans, Specs, Cost Est.)	4	8	8	20							\$ 6,980.00
Task 5 - Bidding Phase	0	16	0	0	8	0	0	0	\$ -	\$ -	\$ 4,040.00
Bidding Phase		16			8						\$ 4,040.00
Task 6 - Construction Phase	0	32	16	0	16	120	0	0	\$ 5,750.00	\$ -	\$ 34,710.00
Construction Phase		32	16		16	120			\$ 5,750.00		\$ 34,710.00
HOURS	8	144	112	156	52	120	24	44	\$ 5,750.00	\$ 4,600.00	660
BUDGET											\$ 123,470.00

PIC = Principal Engineer (PE)
 PrEE = Principal Electrical Engr. (PE)
 PE = Project Engineer (PE)
 SE = Staff Engineer (EIT)
 CAD = CAD Operator
 Admin = Admin. Asst./Clerical
 2PS = Two Person Survey Crew

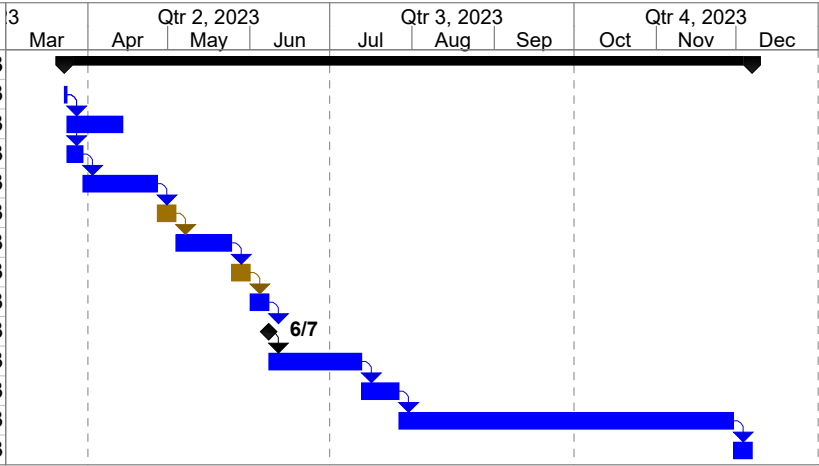
SrE = Senior Engineer (PE)
 PM = Project Manager
 SrD = Senior Designer
 D = Designer
 JrE = Jr. Engineer (Intern)
 CO = Construction Observer
 1PS = One Person Survey Crew

SrPM = Sr. Project Manager
 SrPE = Sr. Project Engineer (PE)
 SrSE = Sr. Staff Engineer (EIT)
 D/CAD = Designer/CAD Operator
 PT = Planning Technician
 SM = Survey Manager (PLS)
 SLS = Staff Land Surveyor (PLS)

Attachment B
Proposed Schedule

San Antonio Water Company's Forebay Outfall Modernization Proposed Project Schedule

ID	Task Name	Duration	Start	Finish	3											
					Mar	Qtr 2, 2023			Qtr 3, 2023			Qtr 4, 2023				
					Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec			
1	Forebay Outfall Modernization	185 days	Thu 3/23/23	Wed 12/6/23	▶											
2	Kick-Off Meeting	1 day	Thu 3/23/23	Thu 3/23/23	▶											
3	Utility and Records Research	15 days	Fri 3/24/23	Thu 4/13/23	▶											
4	Field Survey	4 days	Fri 3/24/23	Wed 3/29/23	▶											
5	Preliminary Plans	20 days	Thu 3/30/23	Wed 4/26/23	▶											
6	Company's Preliminary Plan Review	5 days	Thu 4/27/23	Wed 5/3/23	▶											
7	90% Submittal	15 days	Thu 5/4/23	Wed 5/24/23	▶											
8	Company's 90% Submittal Review	5 days	Thu 5/25/23	Wed 5/31/23	▶											
9	100% Final Submittal	5 days	Thu 6/1/23	Wed 6/7/23	▶											
10	Signed Construction Plans	0 days	Wed 6/7/23	Wed 6/7/23	▶											
11	Issue RFP and Advertise	25 days	Thu 6/8/23	Wed 7/12/23	▶											
12	Bidding and Award	10 days	Thu 7/13/23	Wed 7/26/23	▶											
13	Construction	90 days	Thu 7/27/23	Wed 11/29/23	▶											
14	Project Close-out	5 days	Thu 11/30/23	Wed 12/6/23	▶											



Attachment C
Civiltec Qualifications

Civiltec's Pipeline Qualifications

Civiltec is a knowledgeable and dedicated consultant that delivers quality results to the communities we serve. Over the last 5 years, we have averaged 200+ projects per year in California with 85% of that work coming from repeat clients. Providing quality project management and professional engineering is our focus on every project. In the last 3 years alone, **Civiltec** has designed more than 350,000 feet of pipelines. We have experience navigating challenges while being conscious of our client's budget and schedule. This is done by tailoring our approach to the unique understanding of each individual project and our years of effective project results.

Company experience dates back to 2006 and includes the Forebay Pump Station study, design and construction administration, study of the Forebay tunnel and surface water, Benson Street pipeline connection, Chino Basin recharge pipeline, Frankish Tunnel pipeline extension to Reservoir 1, Campus Avenue pipeline, Reservoir 9 pipeline replacement, Frankish Tunnel pipeline modifications, and Cliff, Glendale and Linda Primrose pipeline replacements.

Our proposed project team has approximately 267+ combined years of value engineering experience. We are confident that this tailored team has the knowledge to ensure sound and quality deliverables. Key staff proposed will not be reassigned or replaced without your prior written authorization. The table below represents select relevant experience and our proposed team members involved.

Select Team Experience Project Owner	Size	Length (LF)	Terry Kerger, PE	David Byrum, PE	Charlie Devine	Omner Meza	Jenny Tsan	Chris Duncan, PLS	Sara Canche
			Project Mgr.	PIC & QA/QC	Sr. Staff Engr.	Designer	Designer	Survey Mgr.	Permitting
		YR w/Civiltec	18	30	24	18	22	10	29
		YR Experience	52	45	49	22	14	40	45
Reservoir 9 Pipeline Replacement San Antonio Water Company	24", 18", & 16"	5,254	●	●	●	●	●	●	●
Cliff, Glendale and Linda Primrose Pipeline Replacements San Antonio Water Company	8"	2,186	●	●	●	●	●	●	●
Campus Avenue Pipeline San Antonio Water Company	8" & 4"	3,768	PM	●	●		●	●	●
WFA Treatment Plant Surface Pipeline Connection San Antonio Water Company	16"	500	PM	●	●				
Frankish Tunnel Pipeline Extension Reservoir No. 1 San Antonio Water Company	8"	3,064	PM	●	●	●	●	●	●
Chino Basin Recharge Pipeline San Antonio Water Company	16"	1,746	PM	●	●	●	●	●	●
Benson Street WFA Pipeline Connection San Antonio Water Company	12"	66	PM	●	●	●	●	●	●
Amethyst Road Turnout No. 5 Water Pipeline and Metering Facility City of Victorville	24"	5,400	●	●		●			
Lincoln, Washington, Telephone and Monte Vista Avenues Water Main Replacements City of Chino	12" & 8"	9,118	●	●	●	●	●	●	●
District Office Transmission Main Replacement Orchard Dale Water District	12" & 4"	517	PM	●	●				●
Front Street Water Main Replacement and Zone Change City of Alhambra	24" to 4"	10,497	●	●	●		●	●	●
San Bernardino Road Pipeline Replacement Covina Irrigating Company	30"	1,829	●	PM	●			●	●
2019 Water Main Replacements Valley County Water District	12"	740	●	●		●	●	●	●
Plateau Forebay Transmission Pipeline Replacement City of La Verne	16", 8" & 6"	1,734	●	●	●	●	●	●	●
Stichman Avenue Water Main Replacement Valley County Water District	10" & 8"	1,440	●	●	●	●	●	●	●
Valley Boulevard Pipeline Replacement Rowland Water District	16" to 6"	3,106	PM	●	●				●





TERRY KERGER, PE

PRINCIPAL ENGINEER

PROFESSIONAL REGISTRATION

Professional Civil Engineer
California No. 34896

EDUCATION

B.S. Civil Engineering, California State
University, Los Angeles, 1985
A.A., Architecture, El Camino College

PROFESSIONAL AFFILIATIONS

Southern California Water
Utilities Association

EXPERTISE

- Civil Engineering
- Drainage Engineering
- Electrical Engineering
- Transportation Engineering
- Wastewater Engineering
- Water Engineering
- Survey
- Construction Management

SUMMARY

Mr. Kerger has 51+ years (17+ with **Civiltec**) of experience in project management, design, and construction of civil engineering projects. His experience includes flow computations for master plans, hydraulic calculations, more than 50 miles of water transmission mains (ranging from 6- to 30-inches), flow control facilities, pump stations, reservoirs, wells, treatment plants, sewerage, water containment, investigations of wellhead water treatment and well water blending, hydraulic modeling, capital improvement planning, telemetry system design, feasibility studies for purchase of adjacent mutual water systems, including system appraisal, financial options, and identifying system upgrades, flood control facilities, bikeway, roadway design, structure design, grading plans, water master plans, and agency plan check programs. He has designed and managed projects ranging from small water main improvements to a \$5 million groundwater production and water treatment facility.

Mr. Kerger has designed pipelines for the cities of Arcadia, Alhambra, Ontario, Huntington Park, Manhattan Beach, Cerritos, El Monte, and Industry as well as Kinneloa Irrigation District, Orchard Dale Water District, and Rowland Water District. He has been responsible for the design and project administration of over 100,000 linear feet of distribution and transmission pipelines that included construction traffic control design, pump stations, wells, and reservoirs. He has also been responsible for securing permits for projects with public agencies and cities located in Los Angeles, Orange, and Ventura Counties and with the California Department of Public Health and Caltrans.

Other project contributions include mapping and flow computations for master plans, hydraulic calculations for transmission lines, and metering facilities. Mr. Kerger conducted computerized hydraulic network analysis using Fluid Analysis and Simulation Technique (FAAST) for several clients.

PROJECT EXPERIENCE

Frankish Tunnel Pipeline, San Antonio Water Company

Project Engineer. Project includes pipeline design and a field investigation of the current operations of the Frankish Tunnel discharge piping configuration, hydraulic grades, and flow metering facilities. The surface water discharge meter needed to measure all the water that discharged to recharge basins. Additional separate metering facilities were required to measure surface water flows from the system forebay source when operations require surface water from the forebay source to be released for spreading at this location. Independent metering of the recharge water releases at this location was required. Plans, specifications, cost estimate, bidding and construction support are being provided.



Miramar Transmission Pipeline Repairs, Three Valleys Municipal Water District

QA/QC Manager. The goal of this project was to build upon analysis and closed-circuit television investigations by reviewing documentation for over 6,000 feet of 30-inch reinforced concrete cylinder pipe to identify appropriate repair techniques. Ultimately spot repairs were recommended through hand-placed mechanisms.

Pomona/Walnut/Rowland Joint Water Commission

Project Engineer. Responsible for the relocation of five miles of 54-inch pipeline.

Century Reclaimed Water Pipeline, Central Basin Municipal Water District

Principal. This project involved approximately 26 miles of reclaimed water pipeline from 8- to 24-inches in diameter.

Rio Hondo Reclaimed Water Pipeline, Central Basin Municipal Water District

Principal. This project included approximately 33 miles of reclaimed water pipeline from 8- to 24-inches in diameter.

Pipeline Investigation, City of Glendale

Principal. This project included design and hydraulic investigation for 10 miles of 34- to 36-inch reclaimed water pipeline.

West Garden Grove Supplemental Transmission Main Project, City of Garden Grove

QA/QC Manager. This project included design and full construction management of approximately 24,000 linear feet of 16-inch pipeline within street right-of-way of Garden Grove, Stanton, and Caltrans. The project also included installation of approximately 5,000 feet of 4-inch to 10-inch distribution pipeline replacement, approximately 3,000 feet of 15-inch to 24-inch vitrified clay pipe sewer replacement, jack and bore under existing railroad crossings, span an existing flood channel, service connections, water meters, fire hydrants, street improvements and complete traffic control design.

Skyline Ranch Water System Infrastructure, Santa Clarita Water Division

QA/QC Manager. Responsible for the entire water system infrastructure design spanning three pressure zones. This project included pipelines, reservoirs, and pump stations. Phase 1 included the in-tract pipeline design of approximately 23,000 feet of 8-inch, 12-inch and 16-inch poly-vinyl chloride pipe for distribution and transmission. Phases 2 and 3 included an additional 60,000 feet of 8-inch to 16-inch distribution and transmission pipelines, two 2.5-million-gallon steel reservoirs, two 0.6-million-gallon steel reservoirs, and two booster pump stations.

Recycled Water System, Rowland Water District

Project Manager. This project included approximately 15 miles of reclaimed water system backbone pipeline ranging from 8- to 16-inches in diameter. Recycled well, groundwater clean-up, recycled water booster pump facility and recycled water conversion for Schabarum Regional Park, Pepper Brook Park, Country Wood Park and Queen of Heaven Cemetery. Services also included recycled water services conversions for Alvarado Junior High School, Rowland Elementary School, Rincon Elementary School, and Nogales High School. Recycled water standard details and procedures were developed for converting existing potable water irrigation services to recycled water service. Coordination was also required for customer conversion service applications and monitored field testing for potable water separation and potential cross connection.

Agenda Item 7

Item Title: General Manager's draft Employment Agreement

Purpose:

To consider an employment agreement for the General Manager

Issue:

Does the Board wish to approve the attached draft agreement?

Manager's Recommendation:

Authorize the Board President to sign the attached employment agreement

Background:

The General Manager's current contract ends in September of 2023. For the past few months the Board and General Manager have been negotiating the attached draft employment agreement for continued employment beyond September 2023.

Impact on the Budget:

The proposed agreement represents a \$22,786 increase (7.1%) from the current compensation package.

Previous Actions:

The General Manager was hired in 2018

EMPLOYMENT AGREEMENT

This Employment Agreement (“**Agreement**”) is entered into by and between BRIAN LEE (“**Employee**”), and SAN ANTONIO WATER COMPANY, a California mutual water company (“**Employer**” or the “**Company**”), and will become effective on September 18, 2023 (“**Effective Date**”).

RECITALS

Employer desires to employ Employee as Employer’s General Manager, and Employee desires to be so employed by Employer.

A. The parties wish to set forth in this Agreement certain terms and conditions for such employment.

AGREEMENT

In consideration of the mutual promises and covenants and upon the terms and conditions set forth in this Agreement, the parties agree as follows:

1. Employment. Employer hereby employs Employee, and Employee hereby accepts employment, upon the terms and conditions set forth in this Agreement.

2. Term of Employment. The term of employment hereunder shall commence on the Effective Date and shall continue until September 17, 2030, unless sooner terminated in accordance with Section 13, below (the “**Term**”). However, in the event that Employee continues to be employed by Employer or provides services after September 17, 2030, and the parties have failed to execute a new contract governing such services, the terms and conditions of this Agreement shall apply to such services, except that Employee shall be an “at-will” employee. Under the “at-will” policy, neither Employee nor Employer is committed to continuing the employment relationship for any specific term. Rather, the employment relationship will continue “at-will.” As such, Employee or Employer may terminate the employment relationship at any time, with or without cause, and with or without notice.

For the purpose of computing “annual” or “yearly” (or words of similar import) allocations, caps, and accruals, the relevant measurement period will be the period commencing on the first (1st) day of the pay period commencing after the Effective Date (or, as applicable, an anniversary thereof) and ending the last day of the twenty-sixth (26th) pay period thereafter (or, as applicable, an anniversary thereof).

3. Employment Duties. Employee shall serve as Employer’s General Manager, subject to the direction and control of, and policies set by, the Board of Directors of Employer (the “**Board**”), with direct reporting responsibilities to the Board. Employee shall perform all services and assume such duties and responsibilities as are commensurate with Employee’s position as Employer’s General Manager. The Board may, from time to time in its sole discretion, modify

Employee's job description and may otherwise assign, change or modify the services, duties and responsibilities of Employee. Employee shall serve Employer faithfully, diligently and competently and to the best of Employee's ability. Employee shall devote Employee's best efforts and full business time and attention to the business and affairs of Employer and the performance of Employee's duties under this Agreement.

4. Employee Conduct. Employee shall, at all times during the Term of this Agreement, conduct himself/herself in accordance with the highest professional and ethical standards. Further, Employee shall refrain from any personal activity that fails to meet community standards or would tend to cause material injury to or disparage Employer. Employee acknowledges that Employer reserves the right to adopt and from time to time modify a code of conduct. Employer shall timely provide Employee with a copy of any such code of conduct if and when adopted, and if and when modified.

5. Employee Representations. Employee represents that all information given to Employer regarding Employee's education, qualifications, experience and credentials is accurate, complete and not misleading. Employee further warrants that Employee neither is nor has been the subject of any legal action in which Employee's qualifications or business practices, as they relate to the duties of Employee's employment with Employer, were at issue, nor is Employee aware of any facts or circumstances which could form the basis of a legal action against Employee for any such matters.

6. Compensation. During the Term of this Agreement, as compensation for the services to be performed and the duties and responsibilities to be assumed by Employee pursuant to this Agreement, Employer shall pay to Employee the applicable compensation set forth below:

6.1. Base Salary. In consideration of Employee's services while performing the duties set forth herein, Employer shall pay to Employee a yearly base salary of Two Hundred Sixty-Four Thousand Dollars (\$264,000) per annum. Employee's yearly base salary will be reviewed by the Board annually for adjustment as deemed appropriate by the Board, in its sole and absolute discretion.

6.1.1. Payments. Employee's yearly base salary will be paid by way of twenty-six (26) equal installments, so long as this Agreement remains in effect and Employee continues to be employed by and providing services for Employer. Said installments will be paid to Employee on the regularly scheduled pay days of Employer.

6.2. Withholding/Deductions. There will be deducted from payments of compensation to Employee legally-required withholding, health and welfare benefit premiums to the extent not Employer's responsibility under this Agreement, and the employment taxes required by law with respect to the compensation and benefits paid or provided to Employee.

7. Paid Time Off Benefits.

7.1. Paid Vacation. Employee will be entitled to accrue paid vacation hours at a rate of 6.154 hours per complete pay period worked, up to a maximum annual accrual amount of one hundred sixty (160) hours of paid vacation hours.

7.1.1. Use of Vacation/Accrual Cap. The timing of Employee's use of paid vacation hours is subject to the reasonable approval of Employer and must be scheduled at a time convenient for Employer in accordance with the terms and conditions set forth the Employer's Employee Handbook regarding the scheduling of paid vacation. Employee is ordinarily expected to use all paid vacation hours in the period earned. Employee will continue to accrue paid vacation hours only so long as Employee's total accrued paid vacation hours do not exceed three hundred (300) hours (the "**Vacation Cap**"). Should Employee's accrued paid vacation hours reach the Vacation Cap, Employee will cease to earn further paid vacation hours until Employee's accrued paid vacation hours fall below the Vacation Cap. Employee's paid vacation time accrued prior to the Effective Date and paid vacation time accrued after the Effective Date will be cumulatively subject to the Vacation Cap.

7.2. Paid Sick Time. Employee will be entitled to accrue paid sick time hours at a rate of 3.692 hours per complete pay period worked, up to a maximum annual accrual amount of ninety-six (96) hours of paid sick time hours.

7.2.1. Use Of Paid Sick Time/Accrual Cap. Paid sick time hours are not vacation or paid administrative leave hours and may not be used as such. Employee may use paid sick time hours for Employee, a family member, or a "designated person" to provide preventive care or care of an existing health condition, or for specified purposes if the individual is a victim of domestic violence, sexual assault or stalking. "Family members" mean the Employee's parent, child, spouse, registered domestic partner, grandparent, grandchild, sibling, and all other individuals who qualify as "family members" under applicable law. A "designated person" is defined by applicable law and Employee is limited to designating one such person per twelve (12) month period. "Preventive care" includes annual physicals and flu shots. Employee will continue to accrue paid sick time hours only so long as Employee's total accrued paid sick time hours do not exceed one hundred and forty-four (144) hours (the "**Paid Sick Time Cap**"). Should Employee's accrued paid sick time hours reach the Paid Sick Time Cap, Employee will cease to earn further paid sick time hours until Employee's accrued paid sick time hours fall below the Paid Sick Time Cap.

7.3. Paid Administrative Leave. Employee will receive forty (40) hours of paid administrative leave hours annually. The use of paid administrative leave hours will be subject to the same terms of use as paid vacation hours. Unused paid administrative leave will not roll over or accrue from one year to the next. Unused paid administrative leave that is not used within the year it is granted will be forfeited.

7.4. Calculating Accrual Value. For purposes of computing the monetary value of Employee's paid time off accruals (vacation, sick, and administrative leave hours), only Employee's then-current yearly base salary component will be considered. Expenses and allowances will not be used for this purpose. Partial months of employment will be prorated for purposes of calculating paid time off accruals. The monetary value of paid time off accruals will be based on 2,080 annual work hours. For example only, the monetary value of each hour of Employee's accruals based on a yearly base salary of Two Hundred Sixty-Four Thousand Dollars (\$264,000) is One Hundred Twenty-Six and 92/100 Dollars (\$126.92).

8. Other Leave Benefits. In addition to the paid time off described in Sections 7.1 through 7.3, Employee will also be entitled to paid holidays as provided to executive level employees pursuant to Company policy. The terms and conditions of Employee's use of paid holiday time will be subject to Company policy applicable to executive employees.

9. Health and Welfare Benefits; Fringe Benefits. Employee (and Employee's dependents) may participate in Employer's health and welfare benefit programs, to the extent Employee (and Employee's dependents) are qualified and eligible to participate. Employer agrees to pay all premiums associated with Employee's coverage under Employer's health and welfare benefit programs. To the extent not paid for by Employer as provided by Company's fringe benefits policy as it may exist from time to time, Employee agrees to pay all premiums associated with Employee's dependents' coverage (if so elected by Employee) under Employer's health and welfare benefit plans.

Employee will be entitled to receive those fringe benefits provided to executive-level employees by Company policy, as it exists from time to time throughout the Term of this Agreement, including 401(k) retirement plan matching contributions and contributions towards the premiums for Employee's dependents' health and welfare benefits.

All fringe benefits provided to Employee and Employee's dependents will be characterized and/or treated for tax purposes in accordance with all applicable tax laws and regulations.

Employer does not promise the adoption or continuance of any particular plan, program, or fringe benefit during the Term of this Agreement, and Employee's (and Employee's dependents') participation in any such plan, program, or other fringe benefit shall be subject to the provisions, eligibility requirements, rules, regulations, and laws applicable thereto, as they may be in effect from time to time. Employer may, to the full degree permitted by law, amend, replace, suspend, or terminate any plan, program, or fringe benefit provided to its employees, including Employee, at any time during the Term of this Agreement.

9.1. Automobile Allowance. Employer agrees to provide Employee with an automobile allowance of Eight Hundred Twenty Dollars (\$820) per month during the Term of this Agreement, which will be paid to Employee pro ratably per pay period, starting with the first full pay period following the Effective Date. The parties agree that the automobile allowance to be paid is a reasonable approximation of the expenses incurred by Employee during any given month in using Employee's personal vehicle for work-related purposes. Accordingly, the allowance will be treated as a reimbursement and Employee agrees to provide documentation evidencing expenses actually incurred by Employee if requested. Employee agrees that his receipt of the automobile allowance is in lieu of any other personal vehicle expense reimbursement, including IRS-allowed mileage reimbursement.

10. Deferred Compensation. During the Term of this Agreement, Employer will make an annual contribution into Employee's 457(b) retirement account equal to a percentage of Employee's then-current yearly base salary. The timing of and the conditions applicable to any contribution will be subject to all applicable laws and the provisions of Employer's 457(b) plan documents, as they may be amended from time to time in Employer's sole discretion, subject to

any applicable law. The first contribution to be made by Employer following the execution of this Agreement will be equal to ten percent (10%) of Employee's then-current yearly base salary. Afterwards, the annual contribution to be made will increase by two percent (2%) each year until the annual contribution equals the lesser of (a) eighteen percent (18%) of Employee's then-current yearly base salary, and (b) the maximum amount allowed by law. At that point, there will be no further increases to the contribution percentage.

11. Restrictive Covenants/Confidential Information. Employee agrees to abide by and execute Employer's Confidentiality and Conflicts Agreement, a copy of which is attached hereto as Exhibit A, along with any subsequent amendments to or revised versions of that Agreement. The terms and conditions of said Agreement, and any subsequent amendments thereto, are incorporated into this Agreement by way of this reference.

12. Specific Performance. Employee agrees that any violation by Employee of Sections 11, 13.9, or 13.10 of this Agreement or any violation of the Confidentiality and Conflicts Agreement would be highly injurious to Employer and would cause irreparable harm to Employer. Accordingly, Employee consents and agrees that if he violates any provision of Sections 11, 13.9, or 13.10 of this Agreement or any provision of the Confidentiality and Conflicts Agreement, Employer may, in addition to any other rights and remedies that it may have, seek specific performance and injunctive or other relief (without the requirement of posting of a bond or other security) in order to enforce, or prevent any continuing violation of, the provisions of these sections or the provisions of the Confidentiality and Conflicts Agreement. Employee also recognizes that the time and scope limitations set forth in the Confidentiality and Conflicts Agreement are reasonable and are properly required for the protection of Employer and in the event that any such time or scope limitation is deemed to be unreasonable by a court of competent jurisdiction, Employer and Employee agree, and Employee submits, to the reduction of any or all of those time or scope limitations to such a period or scope as the court shall deem reasonable under the circumstances. If such partial enforcement is not possible, the provision shall be deemed severed, and the remaining provisions of this Agreement shall remain in full force and effect. Employee acknowledges that Sections 11, 13.9, or 13.10, and 15.7 of this Agreement and the Confidentiality and Conflicts Agreement shall survive termination of Employee's employment and shall be tolled during the period of any breach.

13. Termination of Employment. Employee's employment may be terminated as follows:

13.1. Expiration of Term. Immediately upon the expiration of the Term or any subsequent extension of the Term.

13.2. At-Will After Expiration of Term. In the event Employee continues to be employed by and perform services for Employer after expiration of the Term as described in Section 2, above, either party may terminate the employment relationship at any time, with or without cause, and with or without notice.

13.3. Mutual Agreement. Upon the mutual written agreement of Employer and Employee, subject to the terms and conditions of that agreement.

13.4. Automatic Termination. Automatically and without further action on the part of either party as of the date of Employee's death or, in accordance with applicable law, disability to the extent said disability makes it impossible for Employee to perform Employee's obligations under the terms of this Agreement, even if reasonable accommodations are provided.

13.5. Dissolution of Employer. Automatically and without further action upon the dissolution of Employer.

13.6. Termination By Employer for Cause. Employer may terminate Employee's employment for cause, immediately and at any time, upon the occurrence of any of the events and/or existence of any of the circumstances described in Sections 13.6.1 through 13.6.12, below, as determined by Employer. However, as to those events and/or circumstances that Employee can correct, remedy, or cure, Employer will provide Employee with written notice of the events and/or circumstances and allow Employee ten (10) calendar days to correct, remedy, and/or cure said events and/or circumstances to Employer's satisfaction. If Employee is unable to or does not correct, remedy, and/or cure such events and/or circumstances within the ten (10) day period, or if the events and/or circumstances are not capable of being corrected, remedied, or cured in the first instance, Employer may immediately terminate this Agreement upon the giving of twenty-four (24) hours' written notice to Employee.

13.6.1. Employee's continued willful failure or refusal to perform the duties and/or responsibilities required to be performed by Employee under the terms of this Agreement or such other duties and/or responsibilities as the Company reasonably requests Employee to perform.

13.6.2. Acts involving moral turpitude.

13.6.3. Failure or refusal to adhere to the bylaws, rules, regulations, policies or standards of Employer, after being provided with written notice of such failure and being provided a reasonable opportunity to cure such failure.

13.6.4. Personal or professional conduct by Employee of such a nature as to bring disrepute upon Employer or to render continued association with Employee a serious threat to the orderly conduct of Employer's affairs.

13.6.5. Material breach of this Agreement by Employee.

13.6.6. Employee's fraudulent act or act of dishonesty, including, but not limited to, misappropriation of Employer's funds or assets.

13.6.7. Employee's intentional or negligent misuse of the Employer's facilities or equipment.

13.6.8. Appointment by a court of competent jurisdiction of a guardian or conservator for Employee.

13.6.9. Evidence of drug or alcohol abuse, as determined pursuant to Employer's substance abuse policies, as may be set forth in any applicable employee handbook or similar policy statement.

13.6.10. Refusal to provide Employer with any information reasonably requested by Employer to evaluate whether Employee is in violation of this Agreement or has committed any other act or omission which might constitute just cause for termination of this Agreement.

13.6.11. Disclosure of confidential information or trade secrets of Employer or misuse of data, information or documents acquired in connection with Employee's employment.

13.6.12. A determination that any false statement, misrepresentation, or omission of facts was made by Employee during the hiring process, on any supporting documents, or in any interview, regardless of when discovered to be false or omitted, including any representations, warranties, or acknowledgements stated herein.

13.7. Termination By Employee. Prior to the expiration of the Term of this Agreement, Employee may terminate this Agreement by providing written notice of said intent to the Company at least sixty (60) days in advance of the date of termination. Upon delivery of notice to Employer by Employee, Employer may immediately terminate this Agreement, at any time prior to the expiration of sixty (60) days, upon the giving of twenty-four (24) hours' written notice to Employee.

13.8. Termination By Employer Without Cause. Subject only to Section 13.8.1, below, prior to the expiration of the Term of this Agreement, Employer may immediately terminate this Agreement, for convenience and without cause, upon the giving of twenty-four (24) hours' written notice to Employee. If Employer elects to terminate this Agreement without cause under this Section 13.8, Employee will receive a severance payment (the "**Severance Payment**") equal to the sum of the following (a) through (j), inclusive: (a) one-half (1/2) of Employee's then-current yearly base salary (less all withholdings/deductions); (b) the monetary value of Employee's accrued and unused vacation hours; (c) one-half (1/2) of the monetary value of Employee's accrued and unused sick leave hours; (d) the monetary value of Employee's unused paid administrative leave hours for the year in which the termination occurs; (e) one-half (1/2) of the monetary value of the holiday pay, if any, in effect as of the date of termination; (f) an amount equal to one-half (1/2) of Employer's annual premium contribution, if any, for those Employee health and welfare insurance benefits in effect as of the date of termination; (g) an amount equal to one-half (1/2) of Employer's annual premium contribution, if any, for Employee's dependents' health and welfare insurance benefits in effect as of the date of termination; (h) six (6) months of the automobile allowance described in Section 9.1, above; (i) one-half (1/2) of Employer's 401(k) retirement plan matching contribution, if any, in effect as of the date of termination; and (j) one-half (1/2) of the 457(b) retirement plan contribution described in Section 10, above.

As a condition precedent to the receipt of the Severance Payment, Employee must execute a severance agreement, including a general release of all claims and other provisions as required by Employer, in a form acceptable to Employer. Employee must execute the severance

agreement and deliver the signed original to Employer within forty-five (45) days of Employer providing the severance agreement to Employee as a condition to receipt of the Severance Payment. If Employee terminates this Agreement for any reason, or if Employer terminates this Agreement under Section 13.6, above, Employee will not be eligible or entitled to receive any Severance Payment or any other form of severance benefits, except for any payments that Employer is required by law to make in connection with Employee's termination of employment.

13.8.1. Timing With Board Election. Employer may not terminate this Agreement without cause under Section 13.8 during the ninety (90) calendar days preceding or the ninety (90) calendar days following the annual election of the Board.

13.9. Effect of Termination. Upon termination of this Agreement with or without cause, Employee shall not be entitled to any further compensation for services, except for compensation for services performed by Employee prior to termination, for reimbursement of business-related expenses incurred prior to termination and submitted for reimbursement in accord with Company policy, and, if applicable, the Severance Payment. Upon termination of this Agreement, Employer shall immediately conduct an "exit interview" with Employee, at which time Employee shall execute a written acknowledgement that Employee has returned all documents and records of Employer and that Employee recognizes Employee's continuing duty to preserve Employer's trade secrets and Confidential Information and intends to honor that duty. Upon completion of the "exit interview," Employee shall immediately vacate Employer's premises on the effective date of the termination and, except as otherwise provided herein, shall remove all of Employee's personal property from the premises. Employee shall return to Employer any and all property of Employer, including, but not limited to, credit cards, keys, keycards, identification badges, or other security devices used by Employer to secure access to Employer's premises and property; and computers, cell phones, pagers, or any other devices owned or leased by Employer for Employee to use in the conduct of Employer's business.

13.10. Computer Sanitization. No later than the effective date of termination of Employee's employment with Employer, Employee shall deliver possession to Employer of, and Employer shall be entitled to retain (whether already on Employer's premises or delivered by Employee) for a reasonable period of time, not to exceed ten (10) business days, all computers, PDA's, handheld personal computing devices or other electronic devices and any data storage media owned, used or in the possession of Employee which were used by Employee in conjunction with his employment by Company or hold information pertaining to Employer. Employee acknowledges and agrees that Employer shall have the right to access and review all data on any such computers or devices and sanitize, clear and purge all data on them in any way pertaining to Employer and its operations. Upon request of Employer, Employee shall immediately provide Employer with all access codes and passwords needed to access all data on the computers and other devices and data storage media.

14. Employment Policies. Employee is required as a condition of employment to execute (if required for their enforceability) all documents relating to Employee's employment policies as Employer may request from time to time, including, but not limited to, an employment application, employee handbooks (as issued and as they are amended from time to time), alternative dispute resolution policies, authorizations for background investigations, and acknowledgment and agreement forms relating to any of the preceding ("**Employment Policy**

Documents”). Refusal to execute Employment Policy Documents (if required for their enforceability) when requested to do so is a breach of this Agreement and grounds for termination of employment. Employee agrees that Employee is bound by all terms of Employer’s Employment Policy Documents to the extent they do not conflict with the terms of this Agreement. In the case of a conflict between Employer’s Employment Policy Documents and this Agreement, the terms of this Agreement will control, except that the integration clause in Section 15.3 of this Agreement does not limit the enforceability of Employment Policy Documents.

15. General Provisions.

15.1. Notices. All notices, requests, demands, instructions or other communications to be given to any party under this Agreement (collectively “notice” or “notices”) shall be in writing and shall be deemed to have been duly given (a) on the date of service if personally served on the party to whom notice is to be given; (b) within twenty-four (24) hours after mailing, if mailed to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid; (c) within twenty-four (24) hours after being deposited with a recognized private courier service (e.g., Federal Express), if delivered by a private courier service to the party to whom notice is to be given, all charges prepaid; or (d) when sent, if given by electronic format, but only if such notice, request, demand instructions or other communication is confirmed within twenty-four (24) hours by letter mailed or delivered in accordance with this Section 15.1. All notices shall be properly addressed to the party receiving notice; if to Employer at the then-current address of Employer’s administrative officer and to the attention of the Chairperson of the Board, and if to Employee at Employee’s last known address is listed in the records of the Company. The addresses for the purpose of this Section 15.1 may be changed by giving written notice of such change.

15.2. Assignment/Successors. Employee may not assign this Agreement, or any of Employee’s rights and obligations under this Agreement, without the prior written consent of Employer, given or withheld in Employer’s sole and absolute discretion. Any attempt at assignment without such consent shall be void and of no force or effect. This Agreement is binding on and inures to the benefit of each of the parties hereto and, as applicable, to their respective successors, assigns, spouses, heirs, executors, administrators, and personal representatives.

15.3. Entire Agreement. This Agreement and any collateral documents referred to in it embody the entire agreement and understanding between the parties relating to the subject matter hereof and this Agreement may not be amended, waived or discharged except by a document in writing executed by the party against which the enforcement of such amendment, waiver or discharge is sought. This Agreement supersedes all prior and contemporaneous oral or written negotiations, agreements and memoranda and none shall be available to interpret or construe this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, that are not embodied herein. No supplement, modification, amendment, or discharge of this Agreement will bind Employer unless contained in a writing specifically referring to this Agreement and executed by the Chairperson of the Board of Directors.

15.4. Governing Law. This Agreement shall be interpreted in accordance with the plain meaning of its terms and not strictly for or against any of the parties hereto and shall be

governed and construed in accordance with the procedural and substantive laws of the State of California, except to the extent that the federal law controls or supersedes state law in any specific instance.

15.5. Partial Invalidity. Any covenant, agreement, condition or other provision of this Agreement, or any portion thereof, which shall prove to be invalid, void or illegal shall not affect the remaining portions of this Agreement, or any part thereof, and to the extent it does not materially alter the obligations or benefits of either party under this Agreement, this Agreement shall be construed as if any such covenant, agreement, condition or provision had not been inserted.

15.6. Waiver. Failure to insist upon strict compliance with any of the terms, covenants, or conditions hereof shall not be deemed a waiver of such term, covenant or condition. No waiver by a party of any provision of this Agreement shall be deemed a waiver of any other provision, or any subsequent breach of the same or any other provision, including the time for performance of any such provision, nor shall any waiver constitute a continuing waiver; and no waiver shall be binding unless contained in a writing specifically referred to in this Agreement and executed by the party making the waiver. The exercise by a party of any remedy provided for in this Agreement or at law or in equity shall not prevent the exercise by that party of any other remedy provided for in this Agreement or at law or in equity.

15.7. Binding Alternative Dispute Resolution. Employer, Employee and all of Employer's other employees (management, supervisory, salaried and hourly employees alike) will resolve disputes, including employment disputes and disputes pertaining to this Agreement, through the Employer's Alternative Dispute Resolution Policy and Agreement, a copy of which is attached hereto as Exhibit B. Employee agrees to execute and abide by Employer's Alternative Dispute Resolution Policy and any subsequent amendments thereto. The terms and conditions of said Alternative Dispute Resolution Policy, and any subsequent amendments thereto, are incorporated into this Agreement by way of this reference. In the event a dispute arises between Employer and Employee, Employer and Employee will make all efforts to resolve these disputes through informal means. If these informal attempts at resolution fail, Employer and Employee will submit the dispute to final and binding arbitration. By accepting or continuing in employment with Employer, Employee agrees that arbitration is the exclusive remedy for all such disputes; no other action may be brought in court or any other forum (except actions to compel arbitration or to seek immediate relief through injunctive remedies where arbitration does not provide immediate protection of the rights of either party to this Agreement). SAID AGREEMENT CONSTITUTES A WAIVER OF ALL RIGHTS TO A CIVIL COURT ACTION FOR ALL DISPUTES INCLUDING THOSE RELATING TO THIS AGREEMENT, THE TERMINATION OF EMPLOYMENT OR ANY ALLEGED ILLEGAL DISCRIMINATION OR UNLAWFUL HARASSMENT; ONLY AN ARBITRATOR, NOT A JUDGE OR JURY, WILL DECIDE THE DISPUTE. EMPLOYEE MUST COMPLY WITH ALL TERMS AND CONDITIONS SET FORTH IN THE EMPLOYER'S ALTERNATIVE DISPUTE RESOLUTION POLICY, AS AMENDED FROM TIME TO TIME, INSOFAR AS THEY DO NOT CONFLICT WITH THE TERMS OF THIS AGREEMENT.

EMPLOYER AND EMPLOYEE ACKNOWLEDGE THAT, BY EXECUTION OF THIS AGREEMENT, THEY ARE WAIVING THEIR RIGHTS TO PROCEED WITH A JURY TRIAL AND WAIVE THEIR RIGHT TO A COURT ACTION.

AS EXPRESSLY PROVIDED IN EMPLOYER'S ALTERNATIVE DISPUTE RESOLUTION POLICY.

15.8. Representations By Employee. Employee represents and warrants that Employee is free to enter into this Agreement and to perform each of the terms and covenants herein. Employee represents and warrants that (a) he has been provided an adequate opportunity to consult with independent legal counsel concerning this Agreement; and (b) he has elected to forego such consultation at his risk or, following consultation with his legal counsel, he understands and accepts the meaning and legal effect of this Agreement and the collateral documents referred to in it. Employee represents and warrants that Employee is not restricted or prohibited, contractually or otherwise, from entering into and performing this Agreement, and that Employee's execution and performance of this Agreement is not a violation or breach of any other agreement between Employee and any other person or entity. This would include, but not be limited to, any claim which could be made by another entity/individual regarding any non-compete, non-solicitation, confidentiality, or similar agreement allegedly signed by Employee.

15.9. Attorneys' Fees. If any legal action, arbitration, mediation, or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default or other misrepresentation in connection with any of the provisions of this Agreement or otherwise arising out of the employment relationship, the successful or prevailing party shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to all other relief to which it may be entitled.

“EMPLOYER”

SAN ANTONIO WATER COMPANY, a
California mutual water company

Executed on _____, 2023

By: _____

Name: _____

Its: _____

“EMPLOYEE”

Executed on _____, 2023

By: _____

Brian Lee

CONFIDENTIALITY AND CONFLICTS AGREEMENT

EXHIBIT A

**CONFIDENTIALITY AND CONFLICT OF INTEREST
POLICY AND AGREEMENT**

ACKNOWLEDGMENT OF COMPANY’S VITAL PROTECTABLE INTERESTS:

SAN ANTONIO WATER COMPANY (the “Company”) is engaged in various business operations. Every person performing any kind of service for the Company, whether as an employee, independent contractor, consultant, or otherwise, acknowledges and agrees that the Company possesses and depends upon valuable intellectual property, confidential information, trade secrets and other proprietary property vital to the Company.

In view of the nature of the Company, and as a condition of any continuing relationship with the Company, all persons asked by the Company to sign and acknowledge this Confidentiality and Conflict of Interest Policy and Agreement (this “Agreement”) acknowledge the importance of these legitimate Company interests and agree to abide by each of the terms stated in this Agreement. The policies contained in this Agreement (“Policies”) are designed to protect the Company’s vital interests. It is important for all persons to understand that the Company will treat any violation of this Agreement or the Policies as a matter of the highest importance, and will vigorously pursue any and all legal and equitable rights and remedies. This could include a civil action leading to money damages and/or criminal prosecution against any person who compromises the confidentiality of any protected information as a result of violating this Agreement or the Policies.

SCOPE:

The Policies apply to each person providing any kind of service to the Company, including each employee, temporary employee, contract employee, independent contractor, consultant, manager, officer, director, shareholder, member, or partner of the Company and/or each subsidiary, affiliate and operating unit of the Company. For ease of reference, “Covered Person(s)” includes all persons described in the preceding sentence. The person signing this Agreement shall be identified as the “Covered Person.” Covered Person agrees to abide by the provisions herein as a condition of continuing any relationship with the Company. Nothing in this Agreement creates a relationship of employment or any obligation of continued employment.

CONFIDENTIALITY

Covered Person acknowledges and agrees to comply with each of the following nine (9) Policies:

1. Agreement and Duty Not to Publish, Disclose or Inappropriately Use “Confidential Company Information”: “Confidential Company Information” is defined as any information, knowledge or property possessed by the Company which is not readily ascertainable or available to the public. During the relationship between Covered Person and the Company, Covered Person agrees to treat and preserve as strictly confidential all Confidential Company Information obtained by such Covered Person, including all information relating to the Company’s business, projects, products, employees (including all personal health, payroll, or other personnel information), customers, or any other confidential information (including business and financial information). During the relationship with the Company, Covered Person agrees not to publish or disclose any part of such Confidential Company Information to others or use the same for any purpose except the Company’s benefit.

2. Agreement and Duty to Prevent and Report Any Unauthorized Release of Confidential Company Information: Covered Person agrees during the relationship with the Company to take all reasonable measures to prevent unauthorized persons or entities from having access to, obtaining or using any Confidential Company Information. Covered Person will promptly advise the Company President at any time when Covered Person has knowledge of any possible unauthorized release or use of any Confidential Company Information.

3. Agreement and Duty to Protect Third-Party Information as Though it Were Confidential Company Information: Covered Person agrees that during the relationship with the Company, he or she will preserve as confidential the confidential information of any third party to which he or she may have access. Covered Person agrees not to disclose to the Company, and not to use in any way in connection with his or her relationship with the Company, any confidential information or trade secrets of any kind, or any embodiments thereof, obtained from or belonging to any previous employer or other third party, absent written consent from the previous employer or other third party. Covered Person agrees to use only his or her own skills, experience and general knowledge in connection with providing any services to the Company and acknowledges and agrees that this is the purpose for which Company has retained Covered Person's services.

4. Return of All Company Property and All Confidential Company Information Upon Termination of Relationship: Covered Person agrees that, upon termination of his or her relationship with the Company, voluntary or otherwise, he or she will return all Company property, including all Company Confidential Information, including all copies thereof, then in his or her possession or effective control (for example, documents possessed by family members or friends who would give you access upon your request).

CONFLICT OF INTEREST

Covered person acknowledges and agrees to abide by all of the following seven (7) policies:

1. General Principles: Each Covered Person acknowledges and agrees that, consistent with applicable law, he or she must not engage in any activities, transactions, or relationships during his or her relationship with the Company that are incompatible with the impartial, objective, and effective performance of his or her duties.

2. Examples of Possible Conflicts of Interest: A list of examples of circumstances during a Covered Person's relationship with the Company in which a conflict of interest or other violation of this policy might arise is enumerated below. *These and similar circumstances should either be avoided or reported to the Company whenever they arise:*

- Disclosure or use of Confidential Company Information, whether for the personal advantage of the Covered Person or otherwise, or engaging in other personal business ventures;
- Accepting employment or compensation, or engaging or acquiring an ownership interest in any business or professional activity that might require disclosure of Confidential Company Information;

- Acting in any capacity -- including manager, director, officer, partner, consultant, employee, contractor or subcontractor -- with or without remuneration, for any entity with which the Company does business (absent express written Company approval);
- Accepting, or agreeing to accept, or soliciting money or other tangible or intangible benefit in exchange for the exercise of official powers or the performance of official job responsibilities;
- Accepting employment or compensation that could reasonably be expected to impair the individual's independence of judgment in the performance of official duties;
- Accepting or soliciting a personal gift, favor, or service from an individual, business, or other a party involved, or potentially involved, in a contract or transaction with the Company;
- Making personal investments that are contrary to the Company's interests. This includes effectively acquiring or retaining ownership of any interest in any supplier, contractor, subcontractor, customer or other entity with which the Company does business other than ownership of small amounts of stock of a company listed on any stock exchange or regularly traded over the counter;
- Competing with the Company, directly or indirectly, by purchasing or selling property or any other legal interest or transaction in which the Covered Person should reasonably be aware that the Company is or is likely to become interested;
- Acquiring or trading in real or personal property in which the Company is or is likely to become interested for use with respect to products manufactured, transported or marketed by the Company; or
- Making unlawful payments or payments which would violate company policy, such as by making or providing, by a Covered Person or anyone acting on its behalf, directly or indirectly, or payments, loans, services, gifts, trips, entertainment or other favors for more than token value, to suppliers, contractors, subcontractors, customers, competitors, or other entities with which the Company does business or is likely to do business.

There are, of course, other circumstances which could give rise to a conflict of interest or other violation of this policy, and if there is any doubt in a Covered Person's mind, the Covered Person agrees to confer in good faith with the Company.

3. Guidelines for Permissible Investments: As stated above, Covered Persons must generally avoid any investments in the businesses of Company's customers, suppliers, or competitors that could cause divided loyalty, or even the appearance of divided loyalty. Nonetheless, Covered Persons may still invest in a wide range of financial products and investments vehicles without creating a conflict of interest, so long as they comply with appropriate disclosures and parameters under this policy. Specifically, Covered Persons who have investments in the businesses of customers, suppliers, or competitors or who plan to make such investments must first notify the Company President in writing of the investment. As a general rule, a Covered Person's investment in securities traded on a recognized stock exchange does *not* create a conflict of interest *so long as* the securities are purchased on the same terms and with the same information available to the general public. Investments that are never considered conflicts of interest include mutual funds, blind trusts, or debt instruments of publicly held companies that are traded on an exchange.

4. Duty to Disclose Apparent Conflicts: A Covered Person is required to notify the Company President in writing as soon as the Covered Person first becomes aware of a Company transaction or proposed transaction with an outside individual, business, or other organization that would create a conflict of interest or the appearance of one. Specifically, the Covered Person is required to disclose any of the example situations identified in this policy, and any other situations that appear possibly to be a conflict under the above-stated general principles. All disclosures required under this policy must be directed in writing to the Covered Person's department head. The Company President promptly reviews the disclosure and determines which interests are in conflict and which, if any, can be resolved.

5. Confidentiality: Consistent with applicable law, and to encourage the full disclosure of potential conflicts, disclosures are treated confidentially to the extent possible. Information provided in any written disclosure as discussed in Section 4 above will be limited to a need-to-know basis.

6. Duty to Abstain from Conflicted Action: Covered Persons are prohibited from exercising decision-making authority or exerting influence on behalf of the Company concerning any other organization or transaction in which they or an immediate family member have a personal interest. Covered Persons must disclose such interest in writing to their appropriate department head and have that individual approve any arrangement for resolving the conflict—including the Covered Person's withdrawal from decision-making in the matter. No Covered Person shall personally exploit any business opportunity in which the Covered Person knows or reasonably should know the Company is or would be interested, unless the Company first consents in writing.

7. Gifts and Favors: No Covered Person shall solicit or accept for personal use, or for the use of others, any gift, favor, loan, gratuity, reward, promise of future employment, or any other thing of monetary value that might influence or appear to influence the judgment or conduct of the Covered Person in the performance of his or her job. Covered Persons can accept occasional unsolicited courtesy gifts or favors (such as business lunches, tickets to sporting events, or holiday baskets) as long as the gifts or favors have a market value under \$200, are customary in the industry, and do not influence or appear to influence the judgment or conduct of the Covered Person in the Company's business. A Covered Person can be exempted from the restrictions in this paragraph by his/her supervisor as to a specified gift or favor. The exemption must be in writing and include sufficient justification. Individual administrative units within the Company can impose further restrictions on gifts or favors for Covered Persons within the unit.

*[Remainder of page intentionally left blank;
signature on next page]*

SIGNATURE, ACKNOWLEDGMENT AND AGREEMENT

I acknowledge that I have received, read and understand this Confidentiality and Conflict of Interest Policy and Agreement, and I agree to abide by its terms.

“COVERED PERSON”

By: _____
 Brian Lee

Date: _____

ALTERNATIVE DISPUTE RESOLUTION
POLICY AND AGREEMENT

EXHIBIT B

ALTERNATIVE DISPUTE RESOLUTION POLICY

SAN ANTONIO WATER COMPANY (the "Company") and any of its management, supervisory, salaried, hourly, temporary employees and/or all other persons with an employment-like relationship (the "Employee") with the Company will resolve any and all disputes through the Company Alternative Dispute Resolution Policy (the "Policy") to the fullest extent allowed under the Federal Arbitration Act ("FAA") and applicable state law not otherwise preempted by the FAA. The Policy and this Agreement are covered by the FAA. The Policy applies to claims brought by the Company as well as claims brought by the Employee.

Pursuant to the Policy, the parties shall submit all disputes, claims or demands of any kind relating to or arising out of the relationship between the Company and the Employee (the "Controversy") to a three-step dispute resolution process. The three-step process shall i) begin with informal negotiation conducted in good faith; ii) be followed, if necessary, by mediation, initiated by written demand of one party served on the other, and if the mediator determines that the Controversy cannot reasonably be resolved by mediation, then; iii) the Controversy shall be submitted to binding arbitration, conducted as set forth herein and pursuant to the rules regarding the conduct of arbitration proceedings as set forth in the California Code of Civil Procedure. In the event of any conflict between the rules set forth in the California Code of Civil Procedure and the Policy, the Policy will control unless following the Policy would be prohibited by applicable law. Issues regarding the arbitration not addressed by the Policy or the California Code of Civil Procedure are to be resolved by the arbitrator in accordance with the governing principles of law and equity. **Under the Policy, both the Company and the Employee expressly waive the right to a trial by jury in any and all circumstances.**

The Policy is intended to cover all disputes which may arise during the course or as a result of the employment relationship that are otherwise arbitrable under existing law including, but not limited to, any rights or claims under (1) Title VII of the Civil Rights Act of 1964; (2) Section 1981 of the Civil Rights Act of 1866; (3) the Age Discrimination in Employment Act; (4) the Equal Pay Act; (5) the California Fair Employment and Housing Act; (6) the California Labor Code; (7) the Fair Labor Standards Act; (8) the Employee Retirement Income Security Act; (9) the Consolidated Omnibus Budget Reconciliation Act; (10) Executive Order 11246; (11) the Federal Rehabilitation Act; (12) the Americans with Disabilities Act; (13) the California Civil Code; (14) the California Business and Professions Code; and (15) the California Code of Civil Procedure. Additionally, all disputes regarding contractual claims, tort claims including, but not limited to, claims of defamation, violation of public policy, harassment, theft of company property, improper use of trade secret information and any claims under any other federal, state or local laws or regulations regarding employment discrimination, are subject to the Policy. **The Policy is intended to cover all disputes between Employee and the Company or the Company and Employee, irrespective of when any such disputes or underlying claims arose. As such, the Policy applies retroactively to unresolved past disputes/claims, as well as to present and future disputes/claims.**

The Policy is not intended to apply to (1) claims that the courts or statutes of the applicable jurisdiction have expressly held are not subject to mandatory arbitration, where such

decisions or legislation are not preempted by the FAA or other applicable laws; (2) Workers' Compensation claims; (3) unemployment insurance claims; (4) claims under the National Labor Relations Act, (5) sexual assault or sexual harassment claims which are not subject to mandatory arbitration pursuant to federal law, or (6) claims that are expressly required to be arbitrated under a different procedure, pursuant to the terms of an employee benefit plan. In addition, nothing in the Policy shall restrict Employee from exercising any statutory right to file a claim with the Department of Fair Employment and Housing ("DFEH"), the Equal Employment Opportunity Commission ("EEOC"), the Department of Industrial Relations ("DIR"), the Department of Labor ("DOL") or any other regulatory or administrative agency. However, if Employee pursues litigation of such claim after the issuance of a right-to-sue notice or any type of action is pursued by or on Employee's behalf, binding arbitration shall be the exclusive remedy for such claim. (Nothing in the Policy relieves either party from any obligation they may have to exhaust certain administrative remedies before arbitrating any claims or disputes under the Policy.)

In the event of mediation, the Company and the Employee will mutually select the mediator. If the parties need assistance in gathering the names of potential mediators, the parties will obtain a list provided by the American Arbitration Association, J.A.M.S., a State Mediation and Conciliation Service, or another similar agency who will assist the parties in attempting to reach a settlement of the dispute.

In the event of arbitration, the Company and the Employee will mutually select the arbitrator. If the parties cannot agree on an arbitrator, then a list of seven (7) arbitrators, experienced with respect to the type of dispute hereunder, shall be provided by the California State Mediation and Conciliation Service, the American Arbitration Association, or from an organization of retired judges such as J.A.M.S. The parties will select the arbitrator by alternately striking names from the list. The selection process will begin with the Employee striking the first name from the list. The last name remaining on the list will be the arbitrator selected to resolve the Controversy. Upon selection, the arbitrator shall set an appropriate time, date and place for the arbitration, after conferring with the parties to the Controversy. The arbitration hearing shall be conducted at a suitable location in San Bernardino County, California unless otherwise agreed to by the parties to the Controversy.

The provisions of Section 1283.05 of the California Code of Civil Procedure shall be adopted and used with respect to the conduct of discovery prior to the arbitration.

The arbitrator may award any form of equitable or legal relief that the party could recover in a court action, including, but not limited to, interim awards, provisional remedies, temporary injunctive relief, orders for specific performance, declaratory relief or damages. Any interim awards or provisional remedies or relief may be conditioned on the provision of appropriate security by the party seeking such relief. Notwithstanding the foregoing, a party who is in immediate need of an interim or provisional remedy or relief but is unable to obtain said remedy or relief, due to the fact that an arbitrator has not been selected or the arbitrator is unable to grant the requested remedy or relief, may, in accordance with California Code of Civil Procedure section 1281.8, seek from a court any interim or provisional remedy or relief that is necessary to protect the rights or property of that party. A request for an interim award or provisional remedy

or relief addressed by a party to the court shall not be deemed incompatible with the Policy, nor constitute a waiver of the right to compel arbitration. Nothing in the Policy is intended to prevent a party from petitioning a court of competent jurisdiction to compel arbitration pursuant to the Policy.

The arbitrator shall issue a written opinion and award, which the arbitrator must sign and date, setting forth the legal principles and conclusions of law and fact that support each part of the opinion. Any party may apply to any court of general jurisdiction for entry and enforcement of judgment based on the arbitration award.

Mediation and arbitration fees and related administrative costs shall be borne solely by the Company, and the Employee shall not be required to bear any type of expense that the Employee would not be required to bear if the Employee were free to bring the action in court. However, each party shall bear its own attorney's fees, discovery costs, witness fees, expert fees and any other expenses related to the preparation and presentation of proof, unless awarded by the arbitrator pursuant to statutory authority.

The arbitrator, and not any federal, state, or local court or agency, shall have the exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability, or formation of the Policy. In the event any provision of the Policy is determined to be illegal, invalid, or unenforceable, such term or provision shall be stricken or otherwise enforced to the extent permissible under the law and all remaining terms and provisions of the Policy shall continue in full force and effect.

By accepting or continuing employment with the Company, Employee agrees that arbitration is the exclusive remedy for all arbitrable disputes including employment disputes with the Company or any employee of the Company as well as any disputes concerning a claim against or by another employee or individual/entity related, in any way, to Employee's employment and for which the Company may be liable to indemnify or otherwise hold harmless the Employee, the other employee or individual/entity. Accordingly, binding arbitration will be the exclusive dispute resolution remedy even if Employee fails to sign this document. With respect to all such disputes, no other action may be brought in court or any other forum (except actions to compel arbitration hereunder). **THIS POLICY IS A WAIVER OF THE PARTIES' RIGHTS TO A CIVIL COURT ACTION FOR ANY DISPUTE, INCLUDING A DISPUTE RELATING TO TERMINATION OF EMPLOYMENT OR ALLEGED UNLAWFUL DISCRIMINATION, WHICH INCLUDES SEXUAL OR OTHER UNLAWFUL HARASSMENT; ONLY AN ARBITRATOR, NOT A JUDGE OR JURY, WILL DECIDE THE DISPUTE. WHILE CONSISTENT WITH THE CURRENT STATE OF THE LAW, THE PARTIES AGREE THAT THIS POLICY MAY BE AMENDED TO CONFORM TO CHANGES IN THE LAW AT ANY TIME, AND NO NEW CONSIDERATION IS NECESSARY TO SUPPORT REVISIONS MADE NECESSARY BY CHANGES IN THE LAW.**

Nothing in the Policy is intended to change or otherwise alter the status of the Employee's employment and the consideration for the Employee's execution of this document and

agreement to abide by the Policy is the Employee's hiring by or continued employment with the Company.

The Policy shall survive the termination and/or expiration of the employment relationship between the Employee and the Company.

All claims subject to the Policy must be brought in Employee's or the Company's individual capacity and not as a member of any purported class or by way of a class, collective, or representative action/proceeding. The Policy is intended to be subject to the FAA for the purposes of this and each other provision contained herein. In the event any portion of this provision is deemed unenforceable as a matter of law, the remaining portions of this provision shall continue to apply. With respect to any inability of Employee to waive Employee's right to proceed with an action on behalf of another individual/entity under applicable law, the scope of any such action shall be limited to claims related to Employee, individually, and not any other persons.

ACKNOWLEDGMENT OF RECEIPT AND UNDERSTANDING

I acknowledge that I have read and understand the Alternative Dispute Resolution Policy (the "Policy").

I agree to and acknowledge that I will be bound by the Policy, which provides for final and binding arbitration regarding all disputes between me as the Employee and SAN ANTONIO WATER COMPANY (the "Company") or any employee/former employee of the Company. **THIS MEANS THAT UNDER THE POLICY I AM GIVING UP MY RIGHT TO A JURY/COURT TRIAL AS WELL AS MY RIGHT TO PARTICIPATE, IN ANY CAPACITY, IN A CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION, AND THAT ANY COVERED CLAIMS WILL PROCEED ON AN INDIVIDUAL BASIS WITH RESPECT TO ME AND MY EMPLOYMENT ONLY.**

"EMPLOYEE"

By: _____
Brian Lee

Date: _____