



SAN ANTONIO WATER COMPANY

BOARD OF DIRECTORS MEETING

Tuesday, August 17, 2021

5:00 p.m.

In the Upland City Hall Council Chambers
460 N. Euclid Avenue, Upland, CA 91786

The San Antonio Water Company encourages public participation during our Board Meetings. Attendance at meetings is preferred. Recognizing that an adjustment period is appropriate for recently lifted pandemic restrictions and ongoing individual concerns, emails or phoned-in comments are also acceptable.

If you wish to provide comments by phone, please email blee@sawaterco.com at least two hours in advance of the meeting with your phone number and item you wish to comment on. Company staff will call you when the item comes up for discussion and you will be placed on speaker to address the Board.

Public comments regarding upcoming agenda items can be emailed to the Company at blee@sawaterco.com. Comments received by email at least two hours prior to the start of the meeting will be read at the appropriate time during the meeting.

- 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 July 20, 2021
- B. Planning, Resources, and Operations Committee (PROC) Meeting Minutes
No meeting minutes to report
- C. Administration and Finance Committee (AFC) Meeting Minutes
Meeting minutes of May 25, 2021
- D. Financial Statement
Income Statement and Balance Sheet for June 30, 2021
- E. Investment Activity Report
Monthly Report of Investments Activity.
- F. Water Production and Consumption
Monthly water production and consumption figures.
- G. Prominent Issues Update
Status summaries on certain on-going active issues.

- H. **Projects and Operations Update**
Status summaries on projects and operations matters.
- I. **Groundwater Level Patterns [Quarterly in January, April, July, and October]**
Tracking patterns of groundwater elevations relative to ground surface.
- J. **Conservation Program Update [Quarterly in January, April, July, and October]**
Update on SAWCo's existing water conservation programs
- K. **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**
Verbal update on meeting held July 27, 2021.
- 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. **Water Stock Transfer Policy**
Review update to the transfer of water policy and provide recommendation.
- B. **Update to Records Retention Guide**
Review revision update to guide and provide recommendation.
- C. **Update to Records Management Policy**
Review revision update to policy and provide recommendation.
- D. **Employee Scott Weiland's 45th employment anniversary**
Review and discuss options to recognize employee's anniversary.
- E. **General Manager's Goals and Objectives**
Discussion regarding the General Manager's Goals and Objectives for the upcoming year
- F. **COVID Response**
Verbal update

7. **Closed Session:**

- **Personnel Investigation [subdivision 9(b) of Section 54957, CGC]**

8. **Director's Comments and Future Agenda Items:**

Adjournment:

The next regular Board Meeting will be held on Tuesday, September 21, 2021 at 5:00 p.m.

NOTE: All agenda report items and back-up materials are available for review and/or acquisition by calling the Company Office (909) 982-4107 (139 No. Euclid Avenue, Upland, CA) during regular office hours, Monday through Thursday [7:00 am – 11:30 am & 12:30 pm – 5:00 pm] and alternating Fridays [7:00 am – 11:30 am & 12:30 pm – 4:00 pm] 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 450 N. Euclid Avenue.

POSTING STATEMENT: On August 12, 2021 a true and correct copy of this agenda was posted at the entry of the Company's Office (139 No. Euclid Avenue), on the public bulletin boards at 450 No. Euclid Avenue (Upland Public Library) and 460 N. Euclid Avenue (Upland City Hall), and on the Company's website.

SAN ANTONIO WATER COMPANY
MINUTES OF THE SAN ANTONIO WATER COMPANY
Tuesday, July 20, 2021

An open meeting of the Board of Directors of the San Antonio Water Company (SAWCo) was called to order at 5:10 p.m. on the above date at the Upland City Hall Council Chambers, 460 North Euclid Avenue, Upland, California. Directors present were Tom Thomas, Will Elliott, Bob Cable, Martha Goss, and Kati Parker. Also in attendance were, SAWCo's General Manager Brian Lee, Assistant General Manager Teri Layton, and Senior Administrative Specialist Kelly Mitchell. Director Thomas presided.

Director Parker 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 June 15, 2021
 - B. Planning, Resources and Operations Committee (PROC) Meeting Minutes
Meeting minutes of April 27, 2021.
 - C. Administration and Finance committee (AFC) Meeting Minutes
No meeting minutes to report.
 - D. Financial Statement
Income Statement and Balance Sheet for May 31, 2021
 - E. Investment Activity Report
Monthly Report of Investments Activity.
 - F. Water Production and Consumption
Monthly water production and consumption figures.
 - G. Prominent Issues Update
Status summaries on certain on-going active issues.
 - H. Projects and Operations Update
Status summaries on projects and operations matters.
 - I. Groundwater Level patterns [Quarterly in January, April, July, and October]
Tracking patterns of groundwater elevations relative to ground surface.
 - J. Conservation Program Update [Quarterly in January, April, July, and October]
Update on SAWCo's existing water conservation programs
 - K. Correspondence of Interest

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

5. Board Committee – Delegate Report:
 - A. **Pomona Valley Protective Association (PVPA) Representative's Report** – Director Thomas reported on the PVPA meeting held July 14th. Practically no water is being spread. A verbal update was given at the meeting regarding the National Recreation Area bill. The bill is currently at a standstill.

The updated PVPA website allows for public inquiries which has garnered requests for tours of the Association's land.

PVPA land that Holliday Rock mines has had a significant increase in property taxes. Both Holliday Rock and PVPA have been in contact with the County regarding the increase.

- B. Six Basins Representative Report** – Ms. Layton stated the Salt and Nutrient Management Plan for the Six Basins was discussed, however, because there is no recycled water being spread the suggestion was a little premature and the item was postponed.

Also discussed was selecting new legal counsel as current legal counsel for the basin has announced his retirement. Two proposals have been received and will be discussed at the upcoming Six Basins meeting scheduled for July 28th.

- C. Chino Basin Representative Report** – Mr. Lee reported the Appropriative Pool (AP) is meeting with the Agricultural Pool (Ag) to reach a settlement agreement after the judge ruled in favor of the AP.

SAWCo has applied for a 5-year, 2,500 acre per year water spreading agreement in the basin. In previous years, agreements were approved for only 1-year periods. The item has made it through the advisory committee and should go to the board either this month or September for approval.

- D. Cucamonga Basin Representative Report** – Ms. Layton stated the working group met virtually on July 6th. The Term of Reference document is still awaiting signature from Cucamonga Valley Water District's (CVWD) general manager.

The Request for Proposal (RFP) has been drafted and was recently submitted to the watermaster parties for review and comments. The three consultants not chosen were notified and offered a meeting of understanding as requested.

The next scheduled meeting is August 3rd.

- E. Administration and Finance Committee (AFC) Chairman's Report** – No meeting to report.

- F. Planning, Resources, and Operations Committee (PROC) Chairman's Report** – Director Elliott advised the project status report given at the Committee meeting is covered under Item 4H of the agenda. Other items covered during the PROC meeting that are on tonight's agenda are the alarm proposals and cell tower land lease opportunity.

- G. Office Feasibility Study Ad Hoc Committee** – No meeting to report.

6. General Manager's Report on Activities:

- A. Alarm Upgrade and Proposals** – Mr. Lee reported staff spoke again with the companies that provided proposals in order to make certain all proposals provided the same requested information. As such, the previous apparent lowest proposal amount increased moving Mijac Alarms to the second highest annual cost over a seven-year period. ADT now has the lowest proposal amount of the three proposals and staff recommends the Board approve utilizing their equipment and services for facility monitoring and alarm notifications for the office, yard, forebay, reservoir 1, and booster station.

Mr. Lee advised of an error in the amount listed for Bay Alarms; the amount of \$2,545 is the monthly cost and should be multiplied by 12 for an accurate comparison.

Director Elliott moved and Director Cable seconded to approve ADT for facility monitoring and alarm notification for the office, yard, forebay, reservoir 1, and booster station. Motion carried unanimously with Director Zuniga and Director Velto absent.

- B. Cell Tower Lease on Well 19 Property** – Mr. Lee reminded the Board of the previous monthly dollar amount offered by New Cingular Wireless to lease land for a cell tower at the Well 19 property. The Board advised staff to renegotiate the price for the lease and return to the Board for approval if an offer under the amount of \$5,000 per month was offered. Mr. Lee advised the original counteroffer was \$2,800 per month, however, further research shows the State of California classifies the proposed facility as an "Urban Macrocell" based on the footprint with an Annual Base

Fee of \$42,876 or \$3,573 per month. After receiving this information, the carrier agreed to the \$3,573 per month land lease price.

Mr. Lee recommended the Board authorize him to sign the land lease agreement for \$3,573 per month with New Cingular Wireless.

Director Goss moved and Director Parker seconded to authorize the General Manager to sign the land lease agreement for \$3,573 per month with New Cingular Wireless. Motion carried unanimously with Director Zuniga and Director Velto absent.

- C. American Water Infrastructure Act Emergency Response Plan** – Mr. Lee advised this plan is federally mandated and is the follow up to the American Water Infrastructure Act Resource and Resiliency Study that SAWCo recently completed. The approval of this contract with WSC Engineering and their completion of the contracted work satisfies the current round of federal mandates.

Director Elliott moved and Director Cable seconded to award the professional services contract to WSC Engineering to complete the 2021 AWIA Emergency Response Plan for a time and material, not-to-exceed price of \$33,530. Motion carried unanimously with Director Zuniga and Director Velto absent.

- D. Waterscope Consumption Data** – Mr. Lee explained that in the future he will place this information in the Consent Calendar portion of the agenda. As this is the first time the Board is receiving the information, he placed the item under the General Manager’s Report on Activities to review the data and answer any questions.

June consumption as well as daily usage during the month was provided. Mr. Lee also explained the leak detection portion of the reports. Roughly 135,000 gallons is lost per day due to leaks in the domestic system. About 30% of customers have what appear to be leaks in their system. Most of the domestic leaks are relatively small, however, about 97 customers have what is known as a threshold leak which is significant. Effort is made by SAWCo staff to reach out to the customers with threshold leaks notifying them of the problem. Information was also placed in SAWCo’s newsletter on how shareholders can register their meters online to have access to the same data as staff.

- E. Water Shortage Contingency Plan** – Though at the current time there is no threat to shareholder water delivery, present canyon flows are such that they may or may not be high enough to deliver to the City of Upland treatment plant. The City of Upland treatment plant requires water deliveries to be at 1,000,000 gallons per minute or more, however, current canyon flow is fluctuating at or below 1,000,000 gallons per minute depending on the time of day.

Given California’s announcement of a statewide drought and local agency struggles with obtaining import water, staff believes it necessary to implement all measures detailed in SAWCo’s Water Shortage Contingency Plan for the “Moderate Shortage Stage”. The most notable change from the current water shortage stage is the required odd or even irrigation days based on address number. Mr. Lee noted the ability of Waterscope to notify customers of what days they can irrigate based on their address.

Director Goss moved and Director Elliott seconded to approve implementing the Water Shortage Contingency Plan for a “Moderate Shortage Stage”. Motion carried unanimously with Director Zuniga and Director Velto absent.

- F. COVID Response** – Mr. Lee reported a neighboring county has mandated mask wearing indoors regardless of vaccination status. At this time, San Bernardino County has not implemented a mask mandate. The company office is still open to the public with modified hours and one employee working remotely each day.

Director Thomas inquired if all staff has been vaccinated. Mr. Lee advised he does not require staff to inform him of vaccination status. Given the availability of the vaccine, staff that desire to be vaccinated has been and those that for health or personal reasons have decided not to are willingly taking the risk. Director Thomas had concerns due to the small size of the office and knows of other companies making vaccination a requirement.

7. Closed Session: None

8. Director's Comments and Future Agenda Items: Mr. Lee advised SAWCo recently had a member of field staff resign. The vacated position has been advertised and applications are currently being accepted. During this time another field staff member has resigned to move out of state. Staff will conduct interviews to fill both positions from the same original advertised vacancy.

The next Board meeting is scheduled for Tuesday, August 17th at 5 p.m.

Adjournment:

With no further business to discuss the meeting was adjourned at 5:40 p.m.

Assistant Secretary
Brian Lee

SAN ANTONIO WATER COMPANY
ADMINISTRATION and FINANCE COMMITTEE (AFC)
MINUTES
May 25, 2021

An open meeting of the Administration and Finance Committee (AFC) of the San Antonio Water Company (SAWCo) was held virtually and called to order at 3:01 p.m. on the above date as noticed. Committee Members present were Bob Cable, Bill Velto, and Tom Thomas. Also in attendance were SAWCo's General Manager Brian Lee, Assistant General Manager Teri Layton, and Senior Administrative Specialist Kelly Mitchell.

1. Recognitions and Presentations: None.
2. Additions-Deletions to the Agenda: None.
3. Public Comments: None.
4. Approval of Committee Meeting Minutes: Director Thomas moved and Director Cable seconded to approve the meeting minutes of March 23, 2021. Motion carried unanimously.
5. Administrative and Financial Issues:
 - A. **401K Reinstatement and Proposed Changes** – Mr. Lee reported that staff is working with the Company's 401K plan administrator to update the current plan. Recently, the Board authorized allowing new hires to participate in the Company 401K plan on the first day of the month after they have reached 30 days of employment with the Company. The plan needs to be updated to include this change. Staff would also like to change the age from 65 to 60 for employee eligibility to withdrawal from their retirement accounts and would also like to allow for only percentage-based contributions and no longer offer fixed dollar amount contributions.

Ms. Layton advised that every five- or six-years staff completes a reinstatement of the 401K plan to update it with any law changes. She explained the history of SAWCo's retirement plan from an annuity through what they offer currently.

Director Velto had never heard of Nationwide providing 401K plans and questioned how well the plan was working for employees. He suggested staff may want to send out requests for proposals (RFPs).

Director Cable stated his business utilizes Nationwide for its 401K plan after sending out RFPs. His business is small like SAWCo and Nationwide was the best all-around provider for the size of the business.

There was consensus on the Committee to move the item as presented to the full Board for approval.

- B. **Update to Purchasing Policy** – Mr. Lee advised the key items updated in the policy are the increase from \$500 to \$5,000 for purchases requiring three bids and the increase from \$50 to \$100 for purchases requiring a signed purchase order.

There was consensus on the Committee to move the item as presented to the full Board for approval.

- C. *Reserve Funds Policy*** – Mr. Lee explained that current policy allows staff only one opportunity to transfer monies from the Operating Reserve account to the Depreciation & Obsolesces Reserve account. Staff proposes allowing transfers to occur when needed throughout the year rather than requiring waiting until the end of the year. Staff anticipates reviewing the reserve funds quarterly. Also, new language was adopted in February 2020 which has been added to the policy.

There was consensus on the Committee to move the item as presented to the full Board for approval.

- D. *COVID Response*** – Mr. Lee stated the June Board Meeting will be held in-person at the City of Upland City Hall. Staff has been advised that holding the meeting both in-person and virtual is not possible.

Director Velto stated he believes the City of Upland has a system in place to utilize the phones for callers at public meetings.

Mr. Lee advised SAWCo Committee meetings will continue to be held virtually.

The number of staff in office each day will increase from three to four at the beginning of June.

6. Closed Session: None.
7. Committee Comments and Future Agenda Items: None.
8. Adjournment: Seeing no further business, the meeting was adjourned at 3:18 p.m.

Assistant Secretary
Brian Lee



San Antonio Water Company, CA

Income Statement Group Summary

For Fiscal: 2021 Period Ending: 06/30/2021

| 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) | 301,000.00 | 301,000.00 | 52,833.86 | 115,570.34 | 185,429.66 |
| 1215 - Domestic Water Income (Supplemental) | 148,000.00 | 148,000.00 | 49,362.54 | 108,339.98 | 39,660.02 |
| 1220 - Domestic Water Income (Tier 3) | 104,000.00 | 104,000.00 | 66,740.27 | 156,211.84 | -52,211.84 |
| 1230 - Domestic Water Income (Readi/Chrg) | 200,000.00 | 200,000.00 | 33,537.29 | 100,619.74 | 99,380.26 |
| 1235 - Domestic Water Availability Charge (WAC) | 60,000.00 | 60,000.00 | 10,169.87 | 30,596.55 | 29,403.45 |
| 1245 - Municipal Water Income (Base) | 3,100,000.00 | 3,100,000.00 | 275,084.20 | 1,319,409.19 | 1,780,590.81 |
| 1268 - Municipal Water Income (Readi/Chrg) | 80,000.00 | 80,000.00 | 6,400.00 | 38,900.00 | 41,100.00 |
| 1274 - Misc Water Income (Base) | 220,000.00 | 220,000.00 | 25,210.92 | 85,676.89 | 134,323.11 |
| 1275 - Misc Water Income (Supplemental) | 126,000.00 | 126,000.00 | 1,222.22 | 3,625.70 | 122,374.30 |
| 1276 - Munnicipal Water Availability Charge (WAC) | 477,000.00 | 477,000.00 | 39,742.00 | 238,432.00 | 238,568.00 |
| 1280 - Misc Water Income (Tier 3) | 15,000.00 | 15,000.00 | 47.85 | 47.85 | 14,952.15 |
| 1288 - Misc Water Income (Readi/Chrg) | 23,000.00 | 23,000.00 | 2,050.00 | 11,560.00 | 11,440.00 |
| 1290 - Misc Water Availability Charge (WAC) | 24,000.00 | 24,000.00 | 1,922.00 | 11,532.00 | 12,468.00 |
| 1295 - Dormant Water Availability Charge (WAC) | 54,000.00 | 54,000.00 | 8,715.99 | 26,096.33 | 27,903.67 |
| 1300 - Sale of Water/From Storage | 0.00 | 0.00 | 0.00 | 180,000.00 | -180,000.00 |
| 1400 - Stock Transfer | 5,000.00 | 5,000.00 | 450.00 | 2,610.00 | 2,390.00 |
| 1410 - Late/Re-establishment Fee | 4,000.00 | 4,000.00 | 100.00 | 305.00 | 3,695.00 |
| 1420 - Return Check Fee | 0.00 | 0.00 | 25.00 | 25.00 | -25.00 |
| 1430 - Stock Certificate Storage and Handling Fee | 0.00 | 0.00 | 40.00 | 120.00 | -120.00 |
| SubCategory: 40 - Shareholder Revenue Total: | 4,941,000.00 | 4,941,000.00 | 573,654.01 | 2,429,678.41 | 2,511,321.59 |
| SubCategory: 42 - Non-Shareholder Revenue | | | | | |
| 1725 - Misc. Income | 2,000.00 | 2,000.00 | 4,519.90 | 6,268.95 | -4,268.95 |
| 1750 - Service/Litigation Agreements | 0.00 | 0.00 | 61.68 | 373.86 | -373.86 |
| 1753 - Ground Lease Income | 54,000.00 | 54,000.00 | 3,657.84 | 33,455.04 | 20,544.96 |
| 1755 - Interest Earned | 90,000.00 | 90,000.00 | 27.13 | 10,148.83 | 79,851.17 |
| 1785 - Gain on Sale of Asset | 344,000.00 | 344,000.00 | 0.00 | 0.00 | 344,000.00 |
| SubCategory: 42 - Non-Shareholder Revenue Total: | 490,000.00 | 490,000.00 | 8,266.55 | 50,246.68 | 439,753.32 |
| Category: 4 - Income Total: | 5,431,000.00 | 5,431,000.00 | 581,920.56 | 2,479,925.09 | 2,951,074.91 |
| Category: 5 - O & M Expense | | | | | |
| SubCategory: 50 - Operating Facilities | | | | | |
| 2175 - Facility Related Field Labor | 225,000.00 | 225,000.00 | 18,930.97 | 110,871.27 | 114,128.73 |
| 2235 - Repairs to Facilities and Equipment | 300,000.00 | 300,000.00 | 20,495.73 | 158,986.36 | 141,013.64 |
| 2265 - Power-Gas & Electric (utilities) | 600,000.00 | 600,000.00 | 78,522.34 | 262,199.19 | 337,800.81 |
| SubCategory: 50 - Operating Facilities Total: | 1,125,000.00 | 1,125,000.00 | 117,949.04 | 532,056.82 | 592,943.18 |
| SubCategory: 51 - Operating Activities | | | | | |
| 2475 - Customer Service | 85,000.00 | 85,000.00 | 8,250.05 | 47,218.99 | 37,781.01 |
| 2498 - Conservation | 20,000.00 | 20,000.00 | 535.00 | 8,870.00 | 11,130.00 |
| SubCategory: 51 - Operating Activities Total: | 105,000.00 | 105,000.00 | 8,785.05 | 56,088.99 | 48,911.01 |
| SubCategory: 52 - Other Operating Expense | | | | | |
| 2205 - Non-Facility Related Labor | 75,000.00 | 75,000.00 | 5,144.14 | 28,177.33 | 46,822.67 |
| 2210 - O & M - All Other | 3,800.00 | 3,800.00 | 3,700.00 | 4,530.13 | -730.13 |
| 2295 - Supplies (Inventory & Tools Expense) | 10,000.00 | 10,000.00 | 390.32 | 6,165.54 | 3,834.46 |
| 2565 - Depreciation/Amortization | 903,000.00 | 903,000.00 | 77,724.61 | 467,595.28 | 435,404.72 |
| 2715 - Property Taxes | 220,000.00 | 220,000.00 | 0.00 | 103,791.47 | 116,208.53 |
| 2805 - Water Resource Mgmt. | 200,000.00 | 200,000.00 | 1,931.34 | 32,254.88 | 167,745.12 |
| SubCategory: 52 - Other Operating Expense Total: | 1,411,800.00 | 1,411,800.00 | 88,890.41 | 642,514.63 | 769,285.37 |
| Category: 5 - O & M Expense Total: | 2,641,800.00 | 2,641,800.00 | 215,624.50 | 1,230,660.44 | 1,411,139.56 |

Income Statement

For Fiscal: 2021 Period Ending: 06/30/2021

| IncomeStatement | Original Total Budget | Current Total Budget | MTD Activity | YTD Activity | Budget Remaining |
|--|--------------------------|-------------------------|-------------------|-------------------|---------------------|
| Category: 6 - G & A Expense | | | | | |
| SubCategory: 60 - Personnel | | | | | |
| 2115 - Administrative Services | 290,000.00 | 290,000.00 | 24,319.94 | 143,615.04 | 146,384.96 |
| 2130 - Development/Water Svc. App. | 1,000.00 | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 2325 - Payroll Taxes | 80,000.00 | 80,000.00 | 5,698.20 | 39,713.15 | 40,286.85 |
| 2355 - Worker's Compensation Insurance | 15,000.00 | 15,000.00 | 1,633.00 | 4,484.00 | 10,516.00 |
| 2385 - Benefit Pay (Vac., sick, etc.) | 185,000.00 | 185,000.00 | 7,082.10 | 74,923.09 | 110,076.91 |
| 2415 - Benefit Insurance (Pension,Life,Medical,Vision etc) | 250,000.00 | 250,000.00 | 20,242.37 | 123,761.52 | 126,238.48 |
| 2430 - Benefit Administrative Services | 3,000.00 | 3,000.00 | 1,000.00 | 1,000.00 | 2,000.00 |
| SubCategory: 60 - Personnel Total: | 824,000.00 | 824,000.00 | 59,975.61 | 387,496.80 | 436,503.20 |
| SubCategory: 61 - Other | | | | | |
| 2445 - Office/IT Support | 63,000.00 | 63,000.00 | 4,682.81 | 21,087.00 | 41,913.00 |
| 2505 - Directors Fees & Expense | 34,000.00 | 34,000.00 | 2,710.71 | 18,210.71 | 15,789.29 |
| 2535 - Liability Insurance | 30,000.00 | 30,000.00 | 0.00 | 35,510.00 | -5,510.00 |
| 2595 - Communication | 40,000.00 | 40,000.00 | 3,816.90 | 27,139.90 | 12,860.10 |
| 2625 - Dues & Publications | 3,000.00 | 3,000.00 | 0.00 | 1,277.95 | 1,722.05 |
| 2655 - Outside Services | 30,000.00 | 30,000.00 | 217.31 | 10,631.31 | 19,368.69 |
| 2745 - Income Tax Expense | 14,000.00 | 14,000.00 | 0.00 | 11,856.00 | 2,144.00 |
| 2775 - Accounting | 70,000.00 | 70,000.00 | 3,969.27 | 46,118.81 | 23,881.19 |
| 2776 - Legal | 250,000.00 | 250,000.00 | 16,306.50 | 115,559.26 | 134,440.74 |
| 2790 - Human Resources Expense | 45,000.00 | 45,000.00 | 3,558.77 | 21,648.78 | 23,351.22 |
| 2865 - All other | 35,000.00 | 35,000.00 | 1,444.93 | 6,539.87 | 28,460.13 |
| SubCategory: 61 - Other Total: | 614,000.00 | 614,000.00 | 36,707.20 | 315,579.59 | 298,420.41 |
| Category: 6 - G & A Expense Total: | 1,438,000.00 | 1,438,000.00 | 96,682.81 | 703,076.39 | 734,923.61 |
| Total Surplus (Deficit): | 1,351,200.00 | 1,351,200.00 | 269,613.25 | 546,188.26 | |

Fund Summary

| Fund | Original Total Budget | Current Total Budget | MTD Activity | YTD Activity | Budget Remaining |
|---------------------------------|--------------------------|-------------------------|-------------------|-------------------|---------------------|
| 10 - 10 | 1,351,200.00 | 1,351,200.00 | 269,613.25 | 546,188.26 | 805,011.74 |
| Total Surplus (Deficit): | 1,351,200.00 | 1,351,200.00 | 269,613.25 | 546,188.26 | |



San Antonio Water Company, CA

Balance Sheet

Account Summary

As Of 06/30/2021

| 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 | 1,566,682.72 |
| 10-00-00-10300-00000 | Savings-Money Market | 206,194.11 |
| 10-00-00-10400-00000 | Savings-CD Accounts | 20,000.00 |
| 10-00-00-10415-00000 | D&O Checking Account | 902,341.46 |
| 10-00-00-10438-00000 | Depre/Obsolescence Res (LAIF) | 3,403,442.36 |
| | Total BalSubCategory 10 - Cash: | 6,098,910.65 |
| BalSubCategory: 11 - Accounts Receivable | | |
| 10-00-00-11100-00000 | Accounts Receivable-Domestic | 213,955.32 |
| 10-00-00-11200-00000 | Accounts Receivable-Municipal | 321,226.20 |
| 10-00-00-11250-00000 | Accounts Receivable-Misc. | 31,110.10 |
| 10-00-00-11260-00000 | Accounts Receivable - Dormant | 9,784.90 |
| 10-00-00-11275-00000 | Contra Accounts Receivable - Unapplic | -15,027.47 |
| 10-00-00-11300-00000 | Accounts Receivable-Other | 215,843.43 |
| 10-00-00-11301-00000 | Note Receivable | 1,032,000.00 |
| | Total BalSubCategory 11 - Accounts Receivable: | 1,808,892.48 |
| BalSubCategory: 12 - Inventory | | |
| 10-00-00-12100-00000 | Inventories-Materials & Supply | 93,116.02 |
| | Total BalSubCategory 12 - Inventory: | 93,116.02 |
| BalSubCategory: 13 - Prepaid | | |
| 10-00-00-13100-00000 | Prepaid Insurance | 8,868.75 |
| 10-00-00-13105-00000 | PREPAID POSTAGE | 369.00 |
| 10-00-00-13200-00000 | Prepaid State Franchise Tax | 144.00 |
| | Total BalSubCategory 13 - Prepaid: | 9,381.75 |
| BalSubCategory: 14 - Investments | | |
| 10-00-00-14150-00000 | P.V.P.A. Investment | 1.00 |
| 10-00-00-14151-00000 | 457B Plan Investment | 40,540.99 |
| | Total BalSubCategory 14 - Investments: | 40,541.99 |
| 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" | 72,466.00 |
| 10-00-00-15110-1602U | Work in Progress | 1,035,901.62 |
| 10-00-00-15110-1901 | Work In Progress | 807,390.59 |
| 10-00-00-15110-2001 | Work In Progress | 1,153,767.94 |
| 10-00-00-15110-2002 | Work In Progress | 129,428.57 |
| 10-00-00-15110-2003 | Work In Progress | 640,440.69 |
| 10-00-00-15110-2004 | Work In Progress | 51,828.34 |
| 10-00-00-15110-2101 | Work In Progress | 54.21 |
| 10-00-00-15110-2103 | Work In Progress | 30,675.42 |
| 10-00-00-15110-2104 | Work In Progress | 9,520.00 |
| 10-00-00-15110-2110 | Work In Progree | 95.17 |
| 10-00-00-15150-00000 | Buildings & Site Improvements | 1,746,624.52 |
| 10-00-00-15200-00000 | Wells-Shafts, Bldgs, & Equip | 4,887,026.90 |
| 10-00-00-15250-00000 | Boosters-Bldgs & Equip | 2,448,690.30 |
| 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 | 16,441,208.14 |
| 10-00-00-15500-00000 | Autos & Equipment | 513,205.56 |

Balance Sheet

As Of 06/30/2021

| Account | Name | Balance | |
|--|--------------------------------------|----------------------|-----------------------------|
| 10-00-00-15550-00000 | Tools | 106,751.11 | |
| 10-00-00-15600-00000 | Telemetry System | 600,886.90 | |
| 10-00-00-15650-00000 | Office Equipment | 523,769.10 | |
| 10-00-00-15990-00000 | Accumulated Depreciation | -13,916,530.64 | |
| Total BalSubCategory 15 - Property, Plant, & Equipment: | | 22,977,354.93 | |
| BalSubCategory: 16 - Other Assets | | | |
| 10-00-00-16100-00000 | Documents & Studies | 906,358.61 | |
| 10-00-00-16100-1905 | WIP- Master Plan and Asset Managemen | 90,492.72 | |
| 10-00-00-16100-2105 | WIP-2020 URBAN WATER MANAGEME | 12,168.01 | |
| 10-00-00-16100-2106 | WIP- WATER INFRASTRUCTURE ACT | 24,527.49 | |
| 10-00-00-16990-00000 | Accumulated Amortization | -705,468.57 | |
| Total BalSubCategory 16 - Other Assets: | | 328,078.26 | |
| Total Assets: | | 31,356,276.08 | <u>31,356,276.08</u> |
| Liability | | | |
| BalSubCategory: 13 - Prepaid | | | |
| 10-00-00-20650-00000 | Deferred Revenue Deposit | 21,216.00 | |
| Total BalSubCategory 13 - Prepaid: | | 21,216.00 | |
| BalSubCategory: 20 - Short-term less than 1 year | | | |
| 10-00-00-20100-00000 | Trade Accounts Payable | 118,400.36 | |
| 10-00-00-20115-00000 | D&O Trade Accounts Payable | 153,692.58 | |
| 10-00-00-20600-00000 | Water Hydrant Meter Deposit | 850.00 | |
| 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: | | 318,166.11 | |
| BalSubCategory: 21 - Long-term more than 1 year | | | |
| 10-00-00-20152-00000 | 457B Deferred Comp Liability | 40,540.99 | |
| 10-00-00-21500-00000 | Unclaimed Credits | 614,939.12 | |
| 10-00-00-22100-00000 | Deferred Gain | 1,029,178.33 | |
| Total BalSubCategory 21 - Long-term more than 1 year: | | 1,684,658.44 | |
| Total Liability: | | 2,024,040.55 | |
| 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 | 5,436,069.53 | |
| 10-00-00-30410-00000 | Retained Earnings-Unrestricted | 19,831,562.95 | |
| Total BalSubCategory 30 - Stockholder equity: | | 28,786,047.27 | |
| Total Beginning Equity: | | 28,786,047.27 | |
| Total Revenue | | 2,479,925.09 | |
| Total Expense | | 1,933,736.83 | |
| Revenues Over/Under Expenses | | 546,188.26 | |
| Total Equity and Current Surplus (Deficit): | | 29,332,235.53 | |
| Total Liabilities, Equity and Current Surplus (Deficit): | | | <u>31,356,276.08</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 6/30/2021 | Reserves | | |
|------------------------------|--------------------|------------------|------------------|------------------------------------|-----------------|--------------------------------|---------------|
| | | | | | Operating | Depreciation & Obsolescence | Modernization |
| Citizens Business Bank (CBB) | *Checking | N/A | No Interest | 1,566,682.72 | 1,566,682.72 | | |
| Citizens Business Bank (CBB) | *D&O Checking | N/A | No Interest | 902,341.46 | | \$ 902,341.46 | |
| Citizens Business Bank | Pref. Money Mrkt | N/A | 0.10% | 206,194.11 | \$ 206,194.11 | | |
| Local Agency Investment Fund | LAIF | N/A | 0.262% | 3,403,442.36 | \$ - | \$ 2,691,083.36 | \$ 712,359.00 |
| Golden State Business Bank | 12 Month C.D. | October 15, 2021 | 0.50% | 20,000.00 | \$ 20,000.00 | | |
| | | | TOTAL: | \$ 6,098,660.65 | \$ 1,792,876.83 | \$ 3,593,424.82 | \$ 712,359.00 |

2021 Production

Item 4F

| CHINO BASIN | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
|---|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------|----------|----------|----------|----------|-----------------|
| Yearly Production Rights = 1232 | 48.22% | 48.22% | 48.22% | 48.27% | 48.27% | 54.91% | 10.19% | - | - | - | - | - | - |
| Well #12 - inactive | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Well #15 - Domestic | 0.26 | - | - | 0.21 | - | - | 0.21 | - | - | - | - | - | 0.68 |
| Well #16 - Domestic | 0.38 | - | - | 0.35 | - | 81.84 | 125.31 | - | - | - | - | - | 207.88 |
| Well#18 - inactive | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Subtotal | 0.63 | - | - | 0.57 | - | 81.84 | 125.53 | - | - | - | - | - | 208.56 |
| CUCAMONGA BASIN | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
| Yearly Production Rights = 5938 (1438 10-yr Average Spread) | 6.36% | 10.93% | 16.24% | 26.51% | 39.28% | 52.24% | 65.43% | 78.59% | 91.76% | 104.92% | 118.09% | 131.25% | - |
| Well #2 | 116.28 | 106.84 | 119.05 | 110.77 | 111.87 | 107.97 | 110.79 | - | - | - | - | - | 783.58 |
| Well #3 | 0.36 | - | - | 0.30 | - | - | 0.35 | - | - | - | - | - | 1.01 |
| Well#19 - inactive | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Well #22 | 9.59 | 12.37 | 14.41 | 33.01 | 44.77 | 58.63 | 58.30 | - | - | - | - | - | 231.09 |
| Well #24 | 82.97 | - | - | 291.70 | 362.60 | 350.43 | 357.71 | - | - | - | - | - | 1,445.40 |
| Well #31 | 1.60 | - | - | 0.44 | 6.56 | 15.09 | 23.63 | - | - | - | - | - | 47.31 |
| Well #32 - Domestic | - | - | - | - | - | 11.49 | 10.28 | - | - | - | - | - | 21.78 |
| Upl. # 15 (SAWCo's Rts) | 166.97 | 152.06 | 181.80 | 173.52 | 232.59 | 225.78 | 222.33 | - | - | - | - | - | 1,355.05 |
| Subtotal | 377.76 | 271.27 | 315.27 | 609.74 | 758.39 | 769.40 | 783.39 | - | - | - | - | - | 3,885.22 |
| Upl. # 15 (WECWCo's Rts) Memo Only | - | - | - | - | - | - | - | - | - | - | - | - | - |
| SIX BASINS | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
| Yearly Production Rights = 932 | 9.99% | 19.26% | 29.56% | 39.46% | 49.43% | 58.54% | 67.45% | 77.69% | 87.31% | 96.91% | 106.51% | 116.19% | - |
| Well #25-A | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Well #26 | 43.34 | 39.01 | 42.64 | 39.52 | 41.51 | 39.11 | 39.47 | - | - | - | - | - | 284.60 |
| Well 27-A | 49.74 | 47.43 | 53.37 | 52.72 | 51.47 | 45.80 | 43.56 | - | - | - | - | - | 344.08 |
| Subtotal | 93.09 | 86.44 | 96.01 | 92.24 | 92.98 | 84.91 | 83.03 | - | - | - | - | - | 628.68 |
| TOTAL PUMPED | 471.48 | 357.71 | 411.27 | 702.54 | 851.37 | 936.15 | 991.94 | - | - | - | - | - | 4,722.46 |
| GRAVITY FLOW | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
| V screen | 185.92 | 206.08 | 236.83 | 190.51 | 158.15 | 110.86 | 99.15 | - | - | - | - | - | 1,187.51 |
| backwash from city treatment plant | 0.47 | 0.44 | 0.57 | 0.49 | 0.47 | 0.70 | 0.37 | - | - | - | - | - | 3.50 |
| San Antonio Tunnel (forebay) | 217.65 | 172.74 | 169.73 | 169.47 | 181.36 | 166.10 | 176.04 | - | - | - | - | - | 1,253.08 |
| Frankish & Stamm Tunnel 8" | - | - | - | 0.01 | - | - | 0.80 | - | - | - | - | - | 0.81 |
| San Ant. Tunnel Connect to City | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Discharge to waste | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL GRAVITY | 404.04 | 379.26 | 407.13 | 360.48 | 339.99 | 277.66 | 276.36 | - | - | - | - | - | 2,444.91 |
| Monthly | | | | | | | | | | | | | |
| San Antonio Tunnel | 217.65 | 172.74 | 169.73 | 169.47 | 181.36 | 166.10 | 176.04 | - | - | - | - | - | 1,253.08 |
| V Screen, Frankish & Stamm Tunnel and TP Backwash | 186.39 | 206.51 | 237.40 | 191.01 | 158.63 | 111.56 | 100.33 | - | - | - | - | - | 1,191.82 |
| Gravity Production | 404.04 | 379.26 | 407.13 | 360.48 | 339.99 | 277.66 | 276.36 | - | - | - | - | - | 2,444.91 |
| Cumulative | | | | | | | | | | | | | |
| San Antonio Tunnel | 217.65 | 390.39 | 560.12 | 729.59 | 910.95 | 1,077.04 | 1,253.08 | - | - | - | - | - | 1,253.08 |
| V Screen, Frankish & Stamm Tunnel and TP Backwash | 186.39 | 392.91 | 630.31 | 821.31 | 979.94 | 1,091.50 | 1,191.82 | - | - | - | - | - | 1,191.82 |
| Gravity Production | 404.04 | 783.30 | 1,190.43 | 1,550.90 | 1,890.89 | 2,168.54 | 2,444.91 | - | - | - | - | - | - |
| Purchased Water - Upl. City to Dom. Sys. | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Production | 875.52 | 736.96 | 818.40 | 1,063.02 | 1,191.35 | 1,213.81 | 1,268.31 | - | - | - | - | - | 7,167.37 |
| Total Cumulative Production | 875.52 | 1,612.49 | 2,430.89 | 3,493.91 | 4,685.26 | 5,899.06 | 7,167.37 | - | - | - | - | - | - |
| Domestic Production | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
| Domestic Production | 218.28 | 172.74 | 169.73 | 170.03 | 181.36 | 259.43 | 311.85 | - | - | - | - | - | 1,483.42 |
| Irrigation Production | 657.24 | 564.22 | 648.67 | 892.99 | 1,009.99 | 954.38 | 956.46 | - | - | - | - | - | 5,683.95 |
| RainFall (Inches) | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
| RainFall (Inches) | 3.31 | 0.03 | 1.52 | 0.88 | 0.45 | 0.01 | 0.19 | - | - | - | - | - | - |
| Cumulative (Inches) | 3.31 | 3.34 | 4.86 | 5.74 | 6.19 | 6.20 | 6.39 | - | - | - | - | - | - |

2021 Consumption

| DOMESTIC | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------|--------|--------|--------|--------|-----------------|
| Dom. Sys. - Base | 61.06 | 32.19 | 65.32 | 53.12 | 142.97 | 35.73 | 139.41 | - | - | - | - | - | 529.80 |
| Dom. Sys. - Supplemental | 10.29 | 23.50 | 9.82 | 32.58 | 12.78 | 51.12 | 17.29 | - | - | - | - | - | 157.38 |
| Dom Sys - Tier 3 | 4.81 | 20.39 | 4.48 | 29.01 | 8.13 | 32.52 | 3.20 | - | - | - | - | - | 102.54 |
| Dom. Sys. - Del. to Upland(24th/Campus) | 33.91 | 28.44 | 31.25 | 35.94 | 22.70 | 6.20 | - | - | - | - | - | - | 158.45 |
| Dom. Sys. -Del. To Upland (Well 16/15) | - | - | - | 0.35 | - | 81.84 | 125.31 | - | - | - | - | - | 207.50 |
| Dom. Sys. - Del. to Upland(24th/Mtn)-installed 4/2/19 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Tunnel meter to the Upland | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Discharge to waste | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL | 110.07 | 104.52 | 110.87 | 151.00 | 186.58 | 207.41 | 285.21 | - | - | - | - | - | 1,155.67 |

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Truck Loads - note only crosswall projects | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Well 32 Hydrant Mtr. - note only(started 8/6/18)Crosswalls | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | |
|---|-------|---|---|---|---|---|---|---|---|---|---|---|-------|
| Irr. Note only Del. to MVWD(wheeled through Upland) | 35.64 | - | - | - | - | - | - | - | - | - | - | - | 35.64 |
|---|-------|---|---|---|---|---|---|---|---|---|---|---|-------|

| IRRIGATION | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------|--------|--------|--------|--------|-----------------|
| Irrig. Sys.-Upland(Pump & Rec'd) (City W#15) | 166.97 | 152.06 | 181.80 | 173.52 | 232.59 | 225.78 | 222.33 | - | - | - | - | - | 1,355.05 |
| Irrig. Sys. - Upl. City - Tier 1 | 297.99 | 268.16 | 296.42 | 535.74 | 596.17 | 529.96 | 528.92 | - | - | - | - | - | 3,053.35 |
| Irrig. Sys. - Upl. City - Tier 2 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Irrig. Sys. - Monte Vista - Tier 1 | 85.54 | 46.00 | 49.90 | 47.40 | 37.90 | 45.00 | 44.30 | - | - | - | - | - | 356.04 |
| Irrig. Sys. - Monte Vista - Tier 2 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Irrig. Sys. - Ont. City - Tier 1 | 44.20 | 40.70 | 44.30 | 42.00 | 33.70 | 39.90 | 39.20 | - | - | - | - | - | 284.00 |
| 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 | 14.52 | 14.52 | 14.29 | 18.22 | 21.60 | 21.88 | 31.06 | - | - | - | - | - | 136.09 |
| Irrig. Sys. - Holiday Rock Co - Tier 2 | 0.85 | 0.43 | - | - | - | - | - | - | - | - | - | - | 1.28 |
| Irrig. Sys. - Holiday Rock Co - Tier 3 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Irrig. Sys. - Red Hill Golf Course - Tier 1 | 8.86 | 11.88 | 13.85 | 30.66 | 37.72 | 46.37 | 52.27 | - | - | - | - | - | 201.61 |
| Irrig. Sys. - Red Hill Golf Course - Tier 2 | - | - | - | 0.75 | 5.11 | 9.82 | 3.02 | - | - | - | - | - | 18.69 |
| Irrig. Sys. - Red Hill Golf Course - Tier 3 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Irrig. Sys. - Red Hills HOA - Tier 1 | 0.06 | 0.05 | 0.05 | 1.41 | 1.37 | 1.88 | 2.32 | - | - | - | - | - | 7.14 |
| Irrig. Sys. - Red Hills HOA - Tier 2 | - | - | - | 0.11 | - | - | - | - | - | - | - | - | 0.11 |
| Irrig. Sys. - Red Hills HOA - Tier 3 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Irrig. Sys. - Minor Irrigators - Tier 1 | 0.49 | 1.67 | 0.38 | 1.30 | 5.37 | 5.16 | 7.08 | - | - | - | - | - | 21.46 |
| Irrig. Sys. - Minor Irrigators - Tier 2 | - | - | - | 0.12 | 1.58 | 1.57 | 0.51 | - | - | - | - | - | 3.77 |
| Irrig. Sys. - Minor irrigators - Tier 3 | - | - | - | - | - | 0.03 | - | - | - | - | - | - | 0.03 |
| TOTAL | 619.49 | 535.47 | 600.98 | 851.22 | 973.10 | 927.35 | 930.99 | - | - | - | - | - | 5,438.61 |

| COMPANY TOTALS | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
|---------------------------------|---------------|---------------|---------------|-----------------|-----------------|-----------------|-----------------|--------|--------|--------|--------|--------|-----------------|
| San Antonio Heights | 76.16 | 76.08 | 79.62 | 114.71 | 163.88 | 119.37 | 159.90 | - | - | - | - | - | 789.72 |
| City of Upland | 498.87 | 448.65 | 509.48 | 745.55 | 851.46 | 843.79 | 876.55 | - | - | - | - | - | 4,774.34 |
| Monte Vista Water District | 85.54 | 46.00 | 49.90 | 47.40 | 37.90 | 45.00 | 44.30 | - | - | - | - | - | 356.04 |
| City of Ontario | 44.20 | 40.70 | 44.30 | 42.00 | 33.70 | 39.90 | 39.20 | - | - | - | - | - | 284.00 |
| Cucamonga Valley Water District | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Holiday Rock Company | 15.38 | 14.95 | 14.29 | 18.22 | 21.60 | 21.88 | 31.06 | - | - | - | - | - | 137.37 |
| Red Hills Golf Course | 8.86 | 11.88 | 13.85 | 31.41 | 42.83 | 56.19 | 55.28 | - | - | - | - | - | 220.30 |
| Red Hill HOA | 0.06 | 0.05 | 0.05 | 1.51 | 1.37 | 1.88 | 2.32 | - | - | - | - | - | 7.24 |
| Minor Irrigators | 0.49 | 1.67 | 0.38 | 1.42 | 6.95 | 6.76 | 7.59 | - | - | - | - | - | 25.26 |
| TOTAL | 729.57 | 639.99 | 711.86 | 1,002.22 | 1,159.68 | 1,134.76 | 1,216.20 | - | - | - | - | - | 6,594.28 |

| IRRIGATORS | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-----------|
| Irrigator Emberton | 0.03 | 0.05 | 0.04 | 0.58 | 0.47 | 1.41 | 0.87 | - | - | - | - | - | 3.46 |
| Irrigator McMurray | - | - | - | - | - | - | 0.60 | - | - | - | - | - | 0.60 |
| Irrigator Mistretta | - | - | - | - | 0.65 | 0.65 | 0.49 | - | - | - | - | - | 1.79 |
| Irrigator Nisbit | - | - | - | - | 1.12 | - | 0.88 | - | - | - | - | - | 2.00 |
| Irrigator Scheu | - | 0.75 | - | - | 4.00 | 4.00 | 4.01 | - | - | - | - | - | 12.75 |
| Irrigator Pfister | 0.46 | 0.87 | 0.34 | 0.84 | 0.72 | 0.70 | 0.74 | - | - | - | - | - | 4.66 |

2021 Spread and Storage

| Cucamonga Basin | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------|--------|--------|--------|--------|---------------|
| 23rd St. (Meter) - Basin 6 - A | 50.37 | 2.54 | 0.04 | 0.01 | 5.78 | 0.05 | 0.01 | - | - | - | - | - | 58.80 |
| 15th Street Basin | - | - | - | - | - | 0.06 | - | - | - | - | - | - | 0.06 |
| Basin 3 meter (23rd street Clock) | 60.00 | 69.10 | 83.48 | 51.39 | 41.12 | 21.70 | 15.87 | - | - | - | - | - | 342.65 |
| Frankish & Stamm Tunnel to Basin 3 | - | - | - | 0.01 | - | - | 0.80 | - | - | - | - | - | 0.81 |
| Vscreen via Frankish & Stamm Meter to Basin 3 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PRV Station (res 1)(basin 6) | 0.32 | - | - | - | - | - | - | - | - | - | - | - | 0.32 |
| Monthly Spread | 110.69 | 71.64 | 83.53 | 51.41 | 46.90 | 21.80 | 16.68 | - | - | - | - | - | 402.64 |
| Cumulative Spread | 110.69 | 182.33 | 265.86 | 317.27 | 364.16 | 385.96 | 402.64 | - | - | - | - | - | |

Six Basins

Note: City of Upland Well Exercising may contribute to spread

| | | | | | | | | | | | | | |
|--------------------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---|---|---|---|---|---------------|
| Monthly Spread | 33.29 | 17.80 | 17.24 | 9.08 | 10.63 | 14.00 | 9.52 | - | - | - | - | - | 111.55 |
| Cumulative Spread | 33.29 | 51.09 | 68.33 | 77.41 | 88.04 | 102.04 | 111.55 | - | - | - | - | - | |

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

| | | | | | | | | | | | | | |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---|---|---|---|---|--|
| Previous Storage | 1,953.00 | 1,970.87 | 1,979.90 | 1,978.80 | 1,973.31 | 1,968.62 | 1,975.38 | | | | | | |
| Spread | 33.29 | 17.80 | 17.24 | 9.08 | 10.63 | 14.00 | 9.52 | - | - | - | - | - | |
| Unused Monthly OSY | (15.42) | (8.77) | (18.34) | (14.57) | (15.31) | (7.24) | (5.36) | | | | | | |
| Current Storage Estimate | 1,971 | 1,980 | 1,979 | 1,973 | 1,969 | 1,975 | 1,980 | - | - | - | - | - | |

932 yearly OSY = 77.67 monthly OSY

Chino Basin

| | | | | | | | | | | | | | |
|--------------------------|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Monthly Spread | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Cumulative Spread | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---|---|---|---|---|---|
| Local Supplemental Account (Spreading)* | 3,923.25 | 3,923.25 | 3,923.25 | 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 | 1,232.00 | 1,232.00 | 1,232.00 | - | - | - | - | - | - |
| Excess Carry Over Account* | 1,433.40 | 1,535.44 | 1,638.10 | 1,740.77 | 1,842.87 | 1,945.54 | 1,966.37 | - | - | - | - | - | - |
| Preemptive Replenishment Account | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Storage | 6,588.65 | 6,690.69 | 6,793.35 | 6,896.02 | 6,998.12 | 7,100.79 | 7,121.62 | - | - | - | - | - | - |
| Spread | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Unused Monthly OSY | 102.04 | 102.67 | 102.67 | 102.10 | 102.67 | 20.83 | (22.86) | - | - | - | - | - | - |
| Current Storage Estimate* | 6,691 | 6,793 | 6,896 | 6,998 | 7,101 | 7,122 | 7,099 | - | - | - | - | - | - |

1,232 yearly OSY = 102.67 monthly OSY

* Does not include yearly storage losses calc of 0.07%

Company Wide

| | | | | | | | | | | | | | |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---|---|---|---|---|---------------|
| Monthly Spread | 143.98 | 89.44 | 100.77 | 60.49 | 57.52 | 35.80 | 26.19 | - | - | - | - | - | 514.20 |
| Cumulative Spread | 143.98 | 233.42 | 334.18 | 394.68 | 452.20 | 488.00 | 514.20 | - | - | - | - | - | |
| Total Current Storage Estimate | 8,662 | 8,773 | 8,875 | 8,971 | 9,069 | 9,097 | 9,078 | | | | | | |

| | | | | | | | | | | | | | |
|-----------------------------------|-------|-------|---|----------|-------|-------|-------|---|---|---|---|---|----------|
| Meter to spread ponds (NOTE ONLY) | 97.77 | 51.50 | - | 8,209.55 | 89.72 | 92.93 | 96.30 | - | - | - | - | - | 8,637.78 |
|-----------------------------------|-------|-------|---|----------|-------|-------|-------|---|---|---|---|---|----------|

2021 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 = 5938 (4,500AF + 1438AF 10-yr Average Spread)

| | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
|--------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|----------------|-----------------|
| Production | 377.76 | 271.27 | 315.27 | 609.74 | 758.39 | 769.40 | 783.39 | - | - | - | - | - | |
| Cumulative Production | 377.76 | 649.03 | 964.30 | 1,574.04 | 2,332.43 | 3,101.83 | 3,885.22 | - | - | - | - | - | 3,885.22 |
| Cumulative Production Rights | 494.85 | 989.69 | 1,484.54 | 1,979.39 | 2,474.23 | 2,969.08 | 3,463.93 | - | - | - | - | - | 5,938 |
| % of Production Rights* | 6.36% | 10.93% | 16.24% | 26.51% | 39.28% | 52.24% | 65.43% | 78.59% | 91.76% | 104.92% | 118.09% | 131.25% | 65.4% |

Six Basins Production

Yearly Production Rights = 932AF

| | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
|--------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|---------------|
| Production | 93.09 | 86.44 | 96.01 | 92.24 | 92.98 | 84.91 | 83.03 | - | - | - | - | - | |
| Cumulative Production | 93.09 | 179.53 | 275.53 | 367.77 | 460.75 | 545.66 | 628.68 | - | - | - | - | - | 628.68 |
| Cumulative Production Rights | 77.68 | 155.35 | 233.03 | 310.70 | 388.38 | 466.05 | 543.73 | - | - | - | - | - | 932 |
| % of Production Rights* | 9.99% | 19.26% | 29.56% | 39.46% | 49.43% | 58.54% | 67.45% | 77.69% | 87.31% | 96.91% | 106.51% | 116.19% | 67.4% |

Chino Basin Production

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

Yearly Production Rights = 1232AF

| | Dec-19 | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
|--------------------------------------|--------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------|--------|--------|--------|--------|-----------|
| Production | | 0.63 | - | - | 0.57 | - | 81.84 | 125.53 | - | - | - | - | - | 208.56 |
| Cumulative Production for 2020 | | 0.63 | 0.63 | 0.63 | 1.20 | 1.20 | 83.04 | 208.56 | - | - | - | - | - | |
| Water Year 20-21 | | | | | | | | | | | | | | |
| Cumulative Production | 593.50 | 594.13 | 594.13 | 594.13 | 594.70 | 594.70 | 676.54 | | | | | | | 676.54 |
| 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 19-20* | | 48.22% | 48.22% | 48.22% | 48.27% | 48.27% | 54.91% | | | | | | | |
| Water Year 21-22 | | | | | | | | | | | | | | |
| Cumulative Production | | | | | | | | 125.53 | - | - | - | - | - | 125.53 |
| Cumulative Rights | | | | | | | | 102.67 | 205.33 | 308.00 | 410.67 | 513.33 | 616.00 | 1,232.00 |
| % of Production Rights 20-21* | | | | | | | | 10.19% | - | - | - | - | - | |

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

| Chino Basin | Jul-20 | Aug-20 | Sep-20 | Oct-20 | Nov-20 | Dec-20 | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | WY1920 |
|------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------|----------|----------|----------|
| Water Year 19-20 | | | | | | | | | | | | | |
| Cumulative Production | 131.34 | 260.92 | 384.03 | 499.44 | 593.50 | 593.50 | 594.13 | 594.13 | 594.13 | 594.69 | 594.69 | 676.53 | |
| 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 1920 | 10.66% | 21.18% | 31.17% | 40.54% | 48.17% | 48.17% | 48.22% | 48.22% | 48.22% | 48.27% | 48.27% | 54.91% | |

2021 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% |

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

| | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
|--|----------|----------|----------|----------|----------|----------|----------|--------|--------|--------|--------|---------|-----------|
| Consumption | 729.57 | 639.99 | 711.86 | 1,002.22 | 1,159.68 | 1,134.76 | 1,216.20 | - | - | - | - | - | |
| Cumulative Consumption | 729.57 | 1,369.55 | 2,081.41 | 3,083.63 | 4,243.31 | 5,378.07 | 6,594.28 | - | - | - | - | - | 6,594.28 |
| Cumulative Entitlement (straight line) | 1,047.68 | 2,095.37 | 3,143.05 | 4,190.73 | 5,238.41 | 6,286.10 | 7,333.78 | - | - | - | - | - | 12,572 |
| % of Entitlement* | 5.80% | 10.89% | 16.56% | 24.53% | 33.75% | 42.78% | 52.45% | 62.06% | 71.67% | 81.28% | 90.89% | 100.50% | 52.5% |

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

| | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
|--|----------|----------|----------|----------|----------|----------|----------|--------|--------|--------|--------|--------|-----------|
| Consumption | 729.57 | 639.99 | 711.86 | 1,002.22 | 1,159.68 | 1,134.76 | 1,216.20 | - | - | - | - | - | |
| Cumulative Consumption | 729.57 | 1,369.55 | 2,081.41 | 3,083.63 | 4,243.31 | 5,378.07 | 6,594.28 | - | - | - | - | - | 6,594.28 |
| Cumulative Entitlement (straight line) | 1,083.33 | 2,166.67 | 3,250.00 | 4,333.33 | 5,416.67 | 6,500.00 | 7,583.33 | - | - | - | - | - | 13,000 |
| % of Entitlement* | 5.61% | 10.54% | 16.01% | 23.72% | 32.64% | 41.37% | 50.73% | 60.02% | 69.31% | 78.60% | 87.90% | 97.19% | 50.7% |

Production versus Consumption, Company Wide

| | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
|-------------------|--------|--------|--------|----------|----------|----------|----------|--------|--------|--------|--------|--------|-----------|
| Production | 875.52 | 736.96 | 818.40 | 1,063.02 | 1,191.35 | 1,213.81 | 1,268.31 | - | - | - | - | - | 7,167.37 |
| Consumption | 729.57 | 639.99 | 711.86 | 1,002.22 | 1,159.68 | 1,134.76 | 1,216.20 | - | - | - | - | - | 6,594.28 |
| Spread | 143.98 | 89.44 | 100.77 | 60.49 | 57.52 | 35.80 | 26.19 | - | - | - | - | - | 514.20 |
| Total Consumption | 873.55 | 729.42 | 812.62 | 1,062.71 | 1,217.20 | 1,170.57 | 1,242.40 | - | - | - | - | - | 7,108.47 |
| Difference | 1.98 | 7.54 | 5.78 | 0.30 | (25.85) | 43.24 | 25.91 | - | - | - | - | - | 58.90 |
| % of Production | 0.2% | 1.0% | 0.7% | 0.0% | -2.2% | 3.6% | 2.04% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.8% |

Production versus Consumption, Domestic System

| | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
|--------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-----------|
| Production | 218.28 | 172.74 | 169.73 | 170.03 | 181.36 | 259.43 | 311.85 | - | - | - | - | - | 1,483.42 |
| Consumption | 110.07 | 104.52 | 110.87 | 151.00 | 186.58 | 207.41 | 285.21 | - | - | - | - | - | 1,155.67 |
| Monthly Difference | 108.21 | 68.23 | 58.86 | 19.03 | (5.22) | 52.02 | 26.64 | - | - | - | - | - | 327.75 |
| % difference | 98.30% | 65.28% | 53.08% | 12.60% | -2.80% | 25.08% | 9.34% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 28.4% |

Production versus Consumption, Irrigation System

| | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR |
|------------------------|--------|--------|--------|--------|----------|----------|--------|--------|--------|--------|--------|--------|-----------|
| Production | 657.24 | 564.22 | 648.67 | 892.99 | 1,009.99 | 954.38 | 956.46 | - | - | - | - | - | 5,683.95 |
| Addition from Domestic | 108.21 | 68.23 | 58.86 | 19.03 | (5.22) | 52.02 | 26.64 | - | - | - | - | - | 327.75 |
| Total Production | 765.45 | 632.45 | 707.53 | 912.02 | 1,004.77 | 1,006.40 | 983.10 | - | - | - | - | - | 6,011.70 |
| Consumption | 763.47 | 624.91 | 701.75 | 911.71 | 1,030.62 | 963.15 | 957.19 | - | - | - | - | - | 5,952.81 |
| Monthly Difference | 1.98 | 7.54 | 5.78 | 0.30 | (25.85) | 43.24 | 25.91 | - | - | - | - | - | 58.90 |
| % difference | 0.26% | 1.21% | 0.82% | 0.03% | -2.51% | 4.49% | 2.71% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 1.0% |

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

2021 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% |

COMPANY TOTALS

Active Shares

| | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR | Shares |
|---------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|--------|
| Consumption | 729.57 | 639.99 | 711.86 | 1,002.22 | 1,159.68 | 1,134.76 | 1,216.20 | - | - | - | - | - | | 6,179 |
| Cumulative Consumption | 729.57 | 1,369.55 | 2,081.41 | 3,083.63 | 4,243.31 | 5,378.07 | 6,594.28 | - | - | - | - | - | 6,594.28 | |
| Cumulative Entitlement | 984.12 | 1,968.25 | 2,968.97 | 3,984.49 | 5,033.15 | 6,122.41 | 1,880.62 | - | - | - | - | - | 12,572.19 | |
| % of Yearly Entitlement* | 5.80% | 10.89% | 16.56% | 24.53% | 33.75% | 42.78% | 52.45% | 62.06% | 71.67% | 81.28% | 90.89% | 100.50% | 52.45% | |

COMPANY TOTALS

All Shares

| | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR | Shares |
|---------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------|
| Consumption | 729.57 | 639.99 | 711.86 | 1,002.22 | 1,159.68 | 1,134.76 | 1,216.20 | - | - | - | - | - | | 6,389 |
| Cumulative Consumption | 729.57 | 1,369.55 | 2,081.41 | 3,083.63 | 4,243.31 | 5,378.07 | 6,594.28 | - | - | - | - | - | 6,594.28 | |
| Cumulative Entitlement | 1,083.33 | 2,166.67 | 3,250.00 | 4,333.33 | 5,416.67 | 6,500.00 | 7,583.33 | - | - | - | - | - | 13,000.00 | |
| % of Yearly Entitlement* | 5.61% | 10.54% | 16.01% | 23.72% | 32.64% | 41.37% | 50.73% | 60.02% | 69.31% | 78.60% | 87.90% | 97.19% | 50.73% | |

San Antonio Heights

| | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR | Shares |
|---------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|---------------|--------|
| Consumption | 76.16 | 76.08 | 79.62 | 114.71 | 163.88 | 119.37 | 159.90 | - | - | - | - | - | | 624 |
| Cumulative Consumption | 76.16 | 152.24 | 231.86 | 346.57 | 510.45 | 629.82 | 789.72 | - | - | - | - | - | 789.72 | |
| Cumulative Entitlement | 68.48 | 136.95 | 215.53 | 303.12 | 410.89 | 543.36 | 692.68 | - | - | - | - | - | 1,268.66 | |
| % of Yearly Entitlement* | 6.00% | 12.00% | 18.28% | 27.32% | 40.24% | 49.64% | 62.25% | 71.43% | 81.17% | 91.00% | 100.88% | 110.78% | 62.25% | |

City of Upland

| | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR | Shares |
|---------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------|
| Consumption | 498.87 | 448.65 | 509.48 | 745.55 | 851.46 | 843.79 | 876.55 | - | - | - | - | - | | 4,514.75 |
| Cumulative Consumption | 498.87 | 947.52 | 1,457.00 | 2,202.55 | 3,054.01 | 3,897.79 | 4,774.34 | - | - | - | - | - | 4,774.34 | |
| Cumulative Entitlement | 765.53 | 1,531.06 | 2,296.59 | 3,062.13 | 3,827.66 | 4,593.19 | - | - | - | - | - | - | 9,186.38 | |
| % of Yearly Entitlement* | 5.43% | 10.31% | 15.86% | 23.98% | 33.24% | 42.43% | 51.97% | 61.48% | 70.98% | 80.49% | 89.99% | 99.50% | 51.97% | |

Monte Vista Water District

| | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR | Shares |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------|
| Consumption | 85.54 | 46.00 | 49.90 | 47.40 | 37.90 | 45.00 | 44.30 | - | - | - | - | - | | 331 |
| Cumulative Consumption | 85.54 | 131.54 | 181.44 | 228.84 | 266.74 | 311.74 | 356.04 | - | - | - | - | - | 356.04 | |
| Cumulative Entitlement | 56.04 | 112.08 | 168.12 | 224.16 | 280.20 | 336.24 | 392.28 | - | - | - | - | - | 672.48 | |
| % of Yearly Entitlement* | 12.72% | 19.56% | 26.98% | 34.03% | 39.66% | 46.36% | 52.94% | 59.63% | 66.28% | 72.93% | 79.57% | 86.21% | 52.94% | |

City of Ontario

| | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR | Shares |
|---------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------|
| Consumption | 44.20 | 40.70 | 44.30 | 42.00 | 33.70 | 39.90 | 39.20 | - | - | - | - | - | | 295 |
| Cumulative Consumption | 44.20 | 84.90 | 129.20 | 171.20 | 204.90 | 244.80 | 284.00 | - | - | - | - | - | 284.00 | |
| Cumulative Entitlement | 50.06 | 100.13 | 150.19 | 200.25 | 250.32 | 300.38 | 350.44 | - | - | - | - | - | 600.76 | |
| % of Yearly Entitlement* | 7.36% | 14.13% | 21.51% | 28.50% | 34.11% | 40.75% | 47.27% | 53.91% | 60.52% | 67.11% | 73.70% | 80.29% | 47.27% | |

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

2021 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-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR | Shares | 4 |
|---------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------------|--------|---|
| Consumption | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Cumulative Consumption | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Cumulative Entitlement | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| % of Yearly Entitlement* | | | | | | | | | | | | | 8.14 | | |

Holiday Rock Company

| | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR | Shares | 132 |
|---------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|--------|-----|
| Consumption | 15.38 | 14.95 | 14.29 | 18.22 | 21.60 | 21.88 | 31.06 | - | - | - | - | - | | | |
| Cumulative Consumption | 15.38 | 30.33 | 44.61 | 62.83 | 84.43 | 106.32 | 137.37 | - | - | - | - | - | 137.37 | | |
| Cumulative Entitlement | 14.52 | 29.05 | 45.72 | 64.29 | 87.15 | 115.25 | 146.92 | - | - | - | - | - | 269.10 | | |
| % of Yearly Entitlement* | 5.71% | 11.27% | 16.58% | 23.35% | 31.38% | 39.51% | 51.05% | 62.24% | 73.43% | 84.63% | 95.82% | 107.02% | 51.05% | | |

Red Hills Golf Course

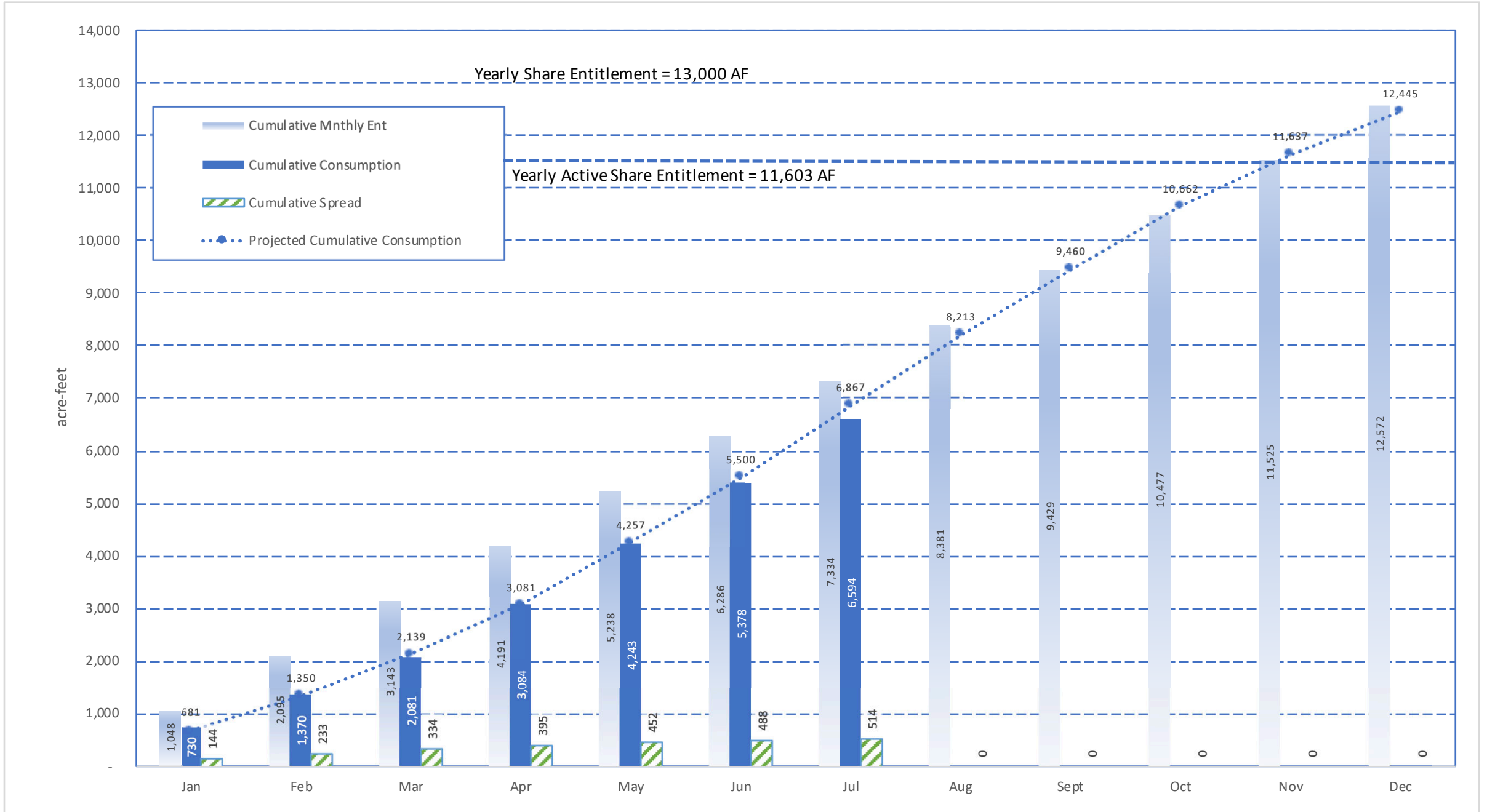
| | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR | Shares | 218 |
|---------------------------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|--------|-----|
| Consumption | 8.86 | 11.88 | 13.85 | 31.41 | 42.83 | 56.19 | 55.28 | - | - | - | - | - | | | |
| Cumulative Consumption | 8.86 | 20.74 | 34.59 | 66.00 | 108.83 | 165.02 | 220.30 | - | - | - | - | - | 220.30 | | |
| Cumulative Entitlement | 23.97 | 47.94 | 75.45 | 106.10 | 143.83 | 190.20 | 242.46 | - | - | - | - | - | 444.08 | | |
| % of Yearly Entitlement* | 2.00% | 4.67% | 7.79% | 14.86% | 24.51% | 37.16% | 49.61% | 62.05% | 74.49% | 86.93% | 99.38% | 111.82% | 49.61% | | |

Minor Irrigators

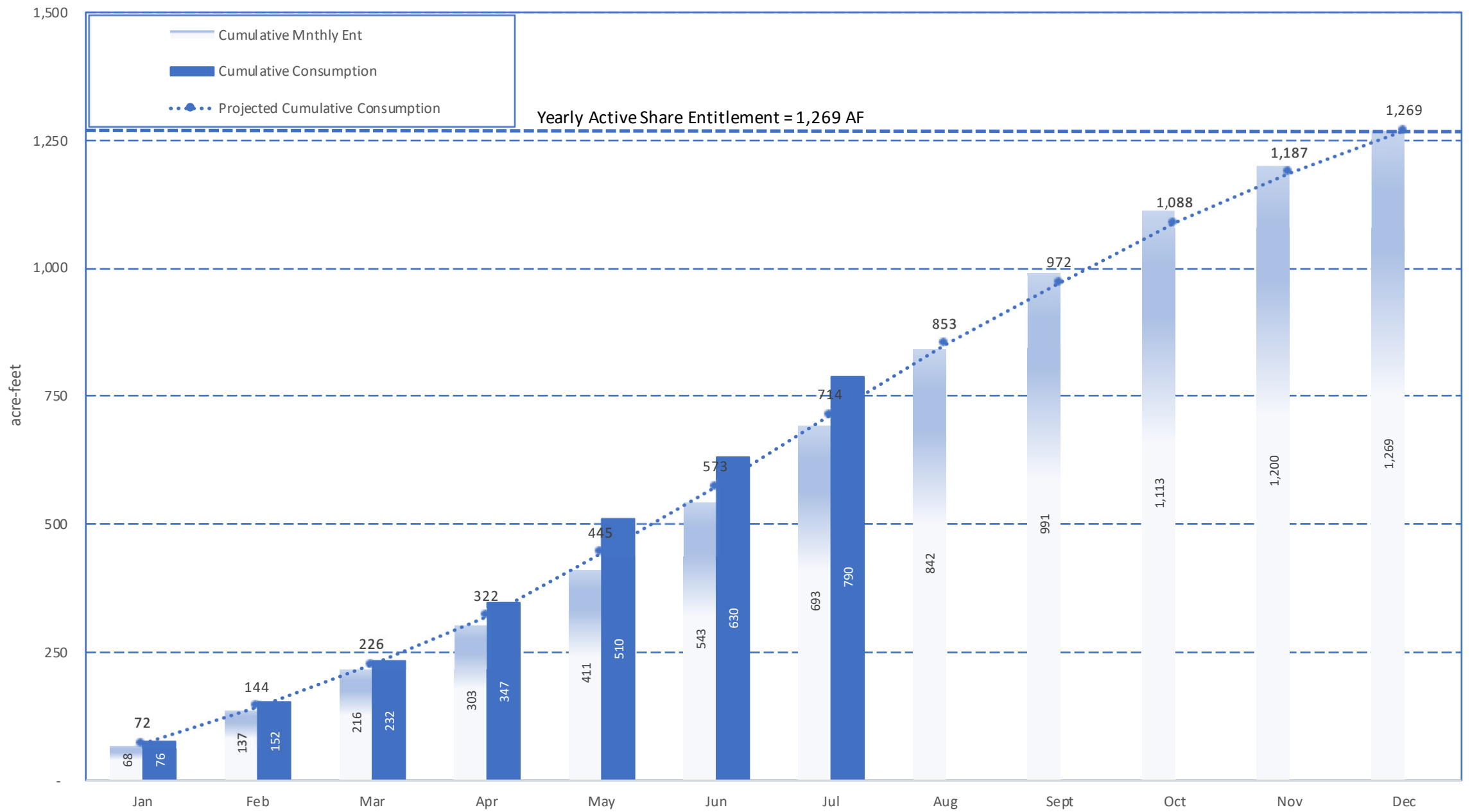
| | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | THIS YEAR | Shares | 50 |
|---------------------------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------|----|
| Consumption | 0.49 | 1.67 | 0.38 | 1.42 | 6.95 | 6.76 | 7.59 | - | - | - | - | - | | | |
| Cumulative Consumption | 0.49 | 2.17 | 2.54 | 3.97 | 10.91 | 17.67 | 25.26 | - | - | - | - | - | 25.26 | | |
| Cumulative Entitlement | 5.52 | 11.04 | 17.37 | 24.43 | 33.11 | 43.79 | 55.83 | - | - | - | - | - | 102.25 | | |
| % of Yearly Entitlement* | 0.48% | 2.12% | 2.49% | 3.88% | 10.67% | 17.28% | 24.71% | 32.04% | 39.38% | 46.72% | 54.06% | 61.40% | 24.71% | | |

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

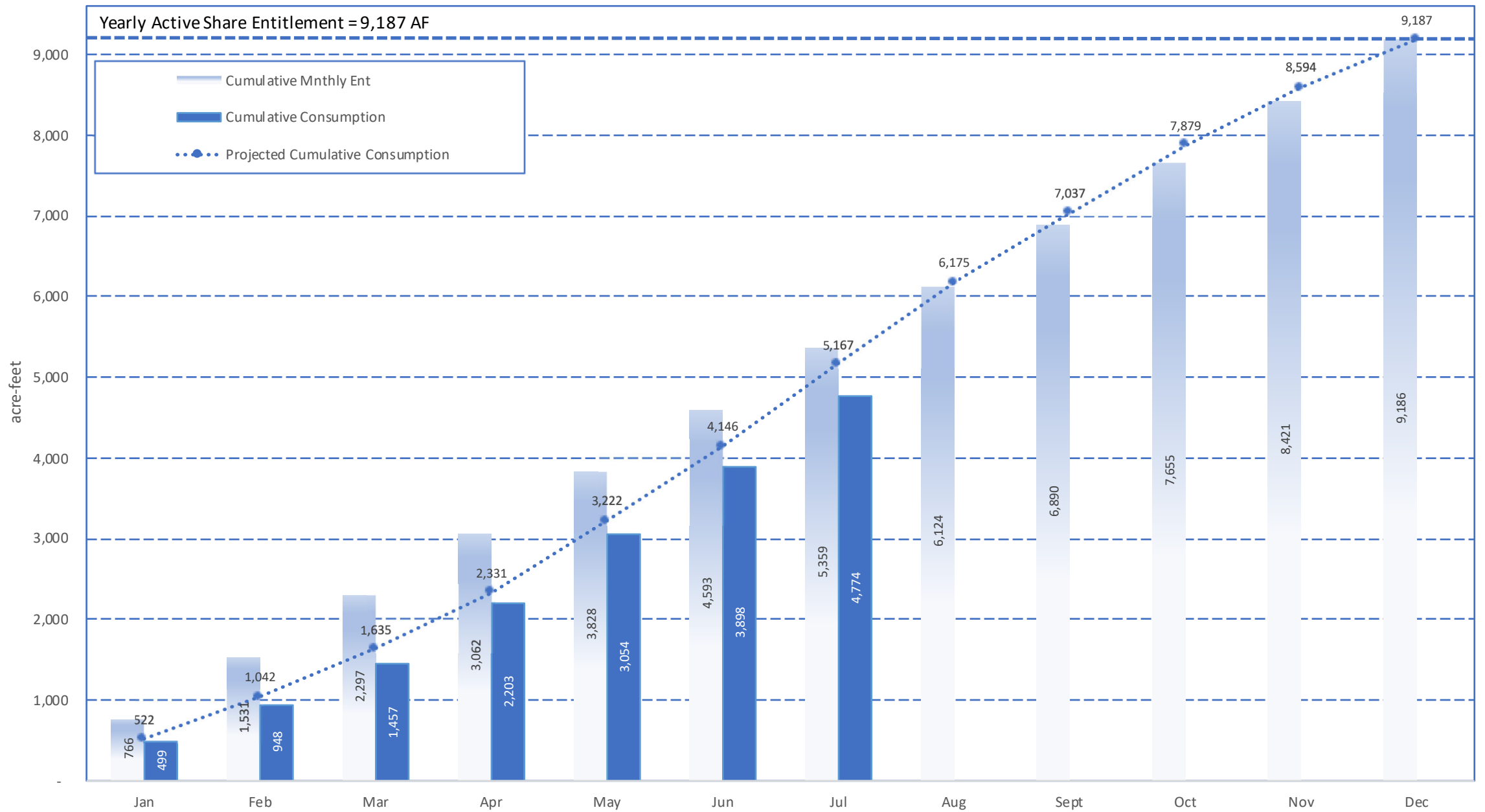
2021 Consumption Chart



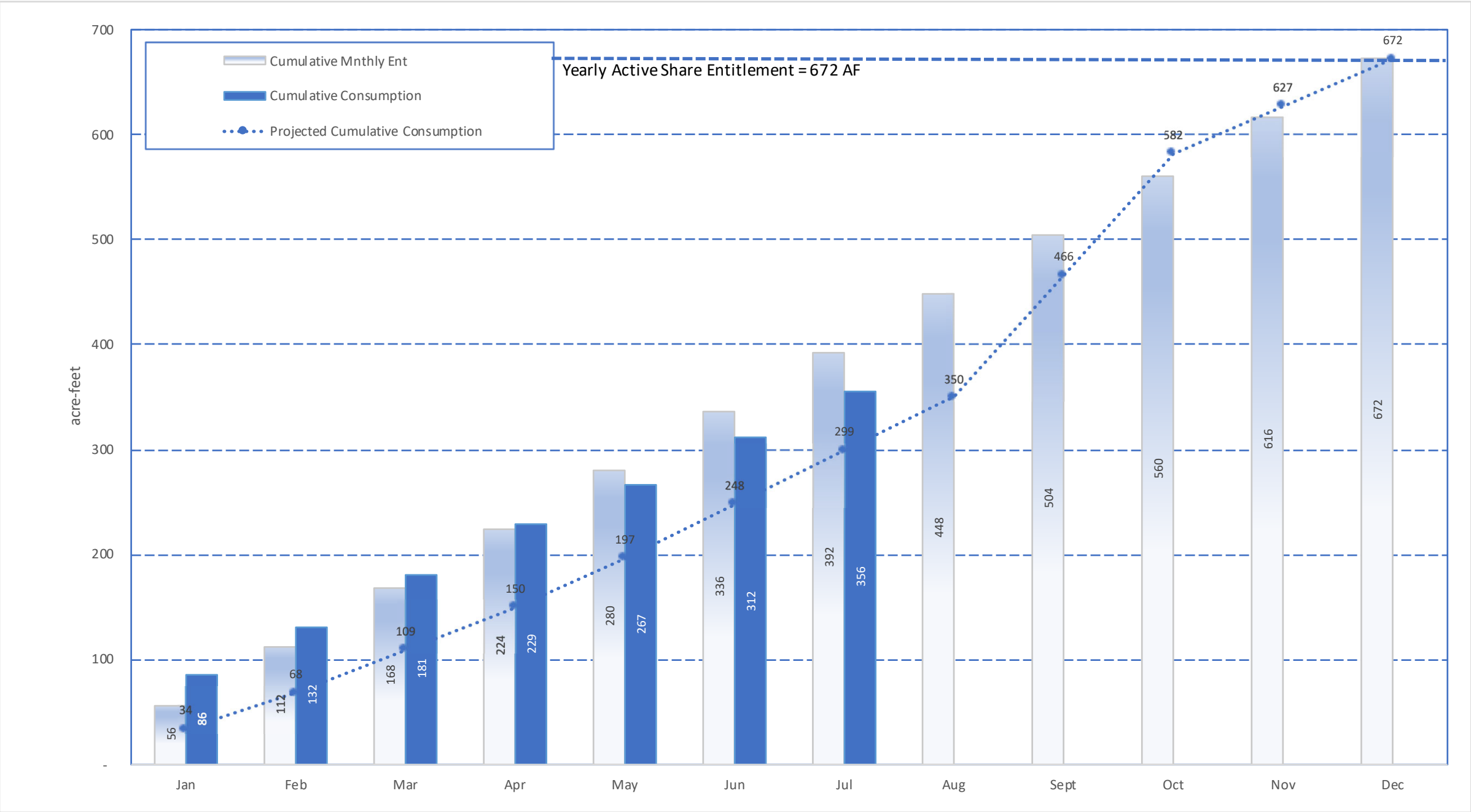
2021 Domestic Consumption



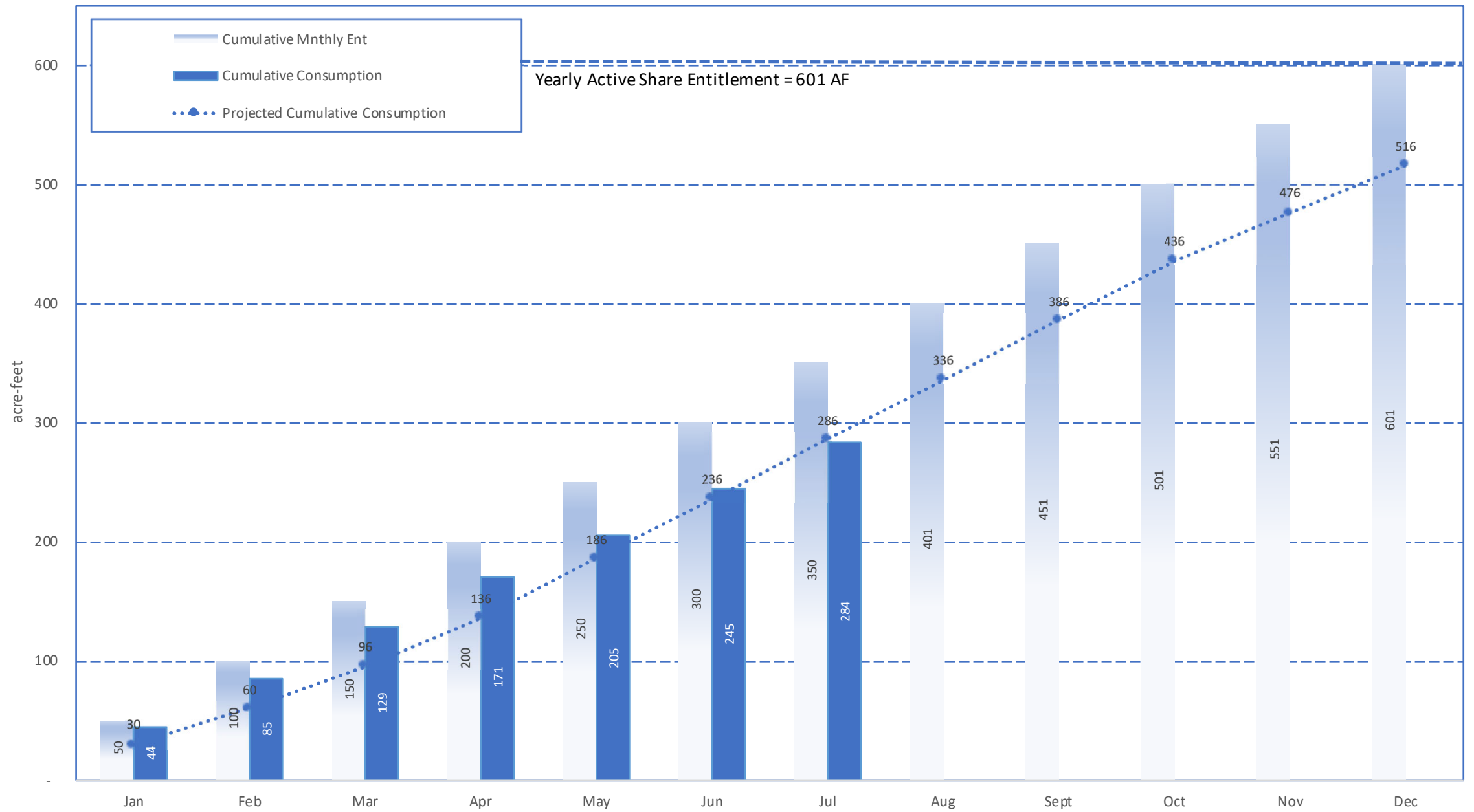
2021 Upland Consumption



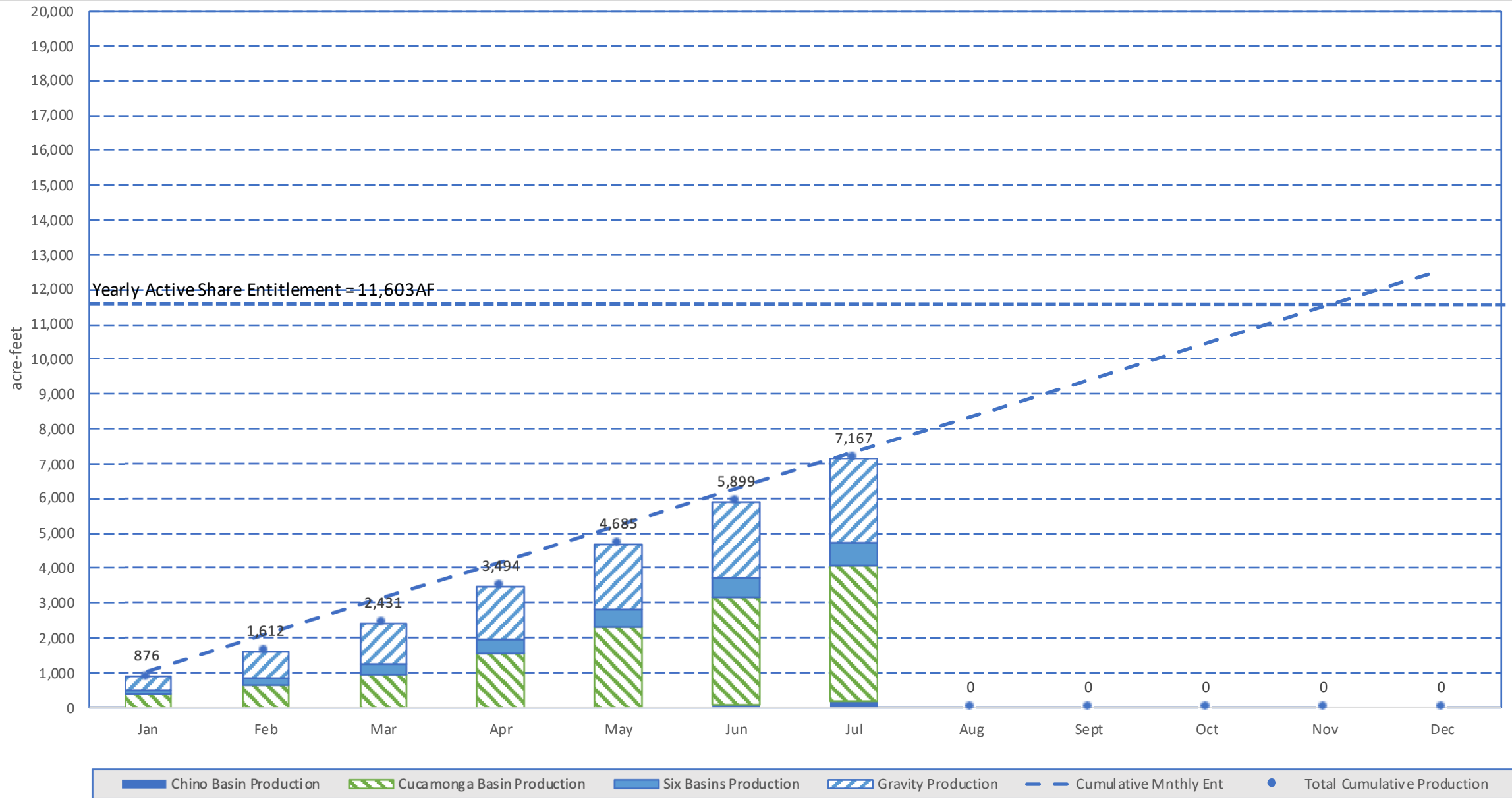
2021 Monte Vista Consumption



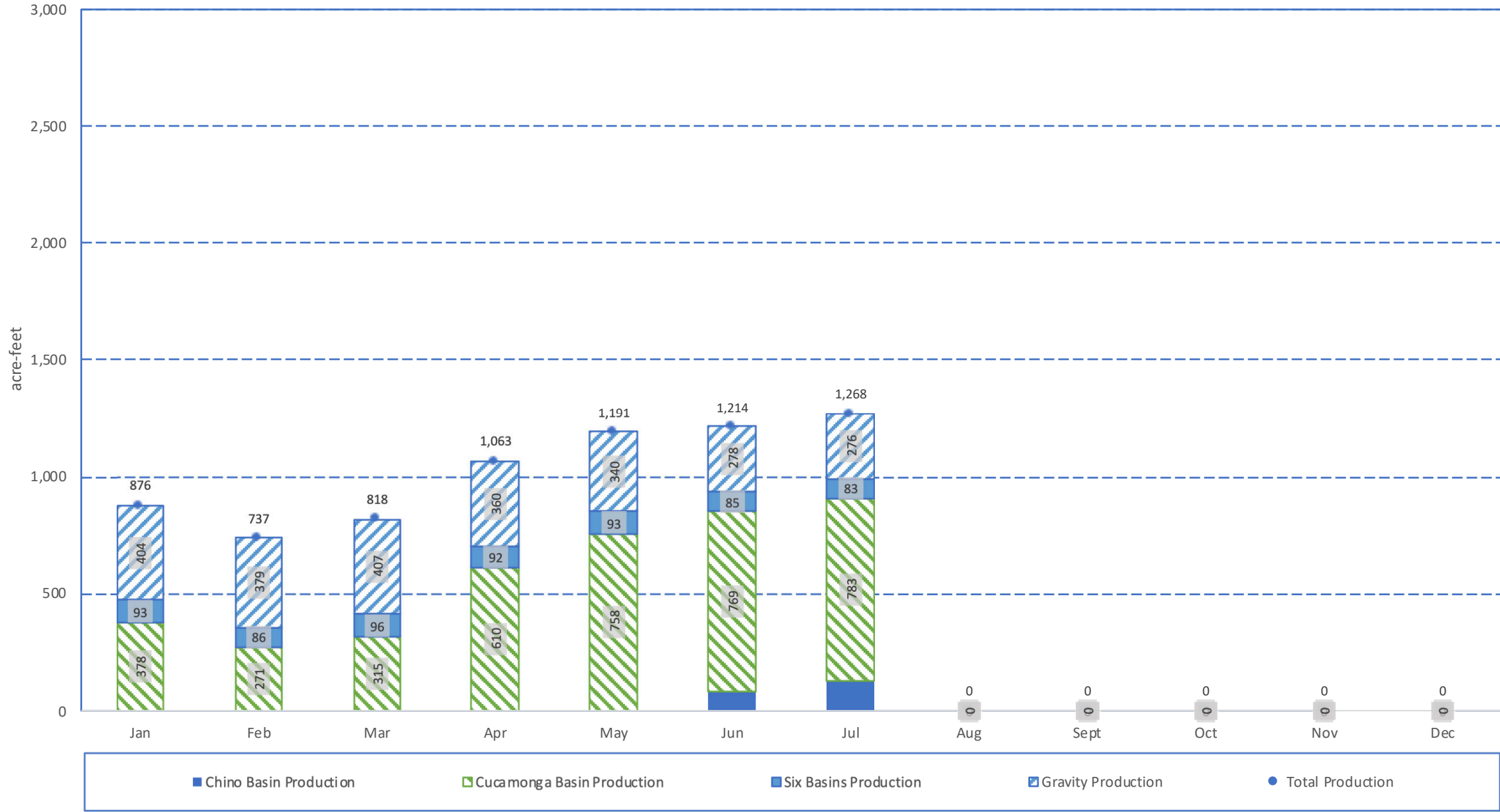
2021 Ontario Consumption



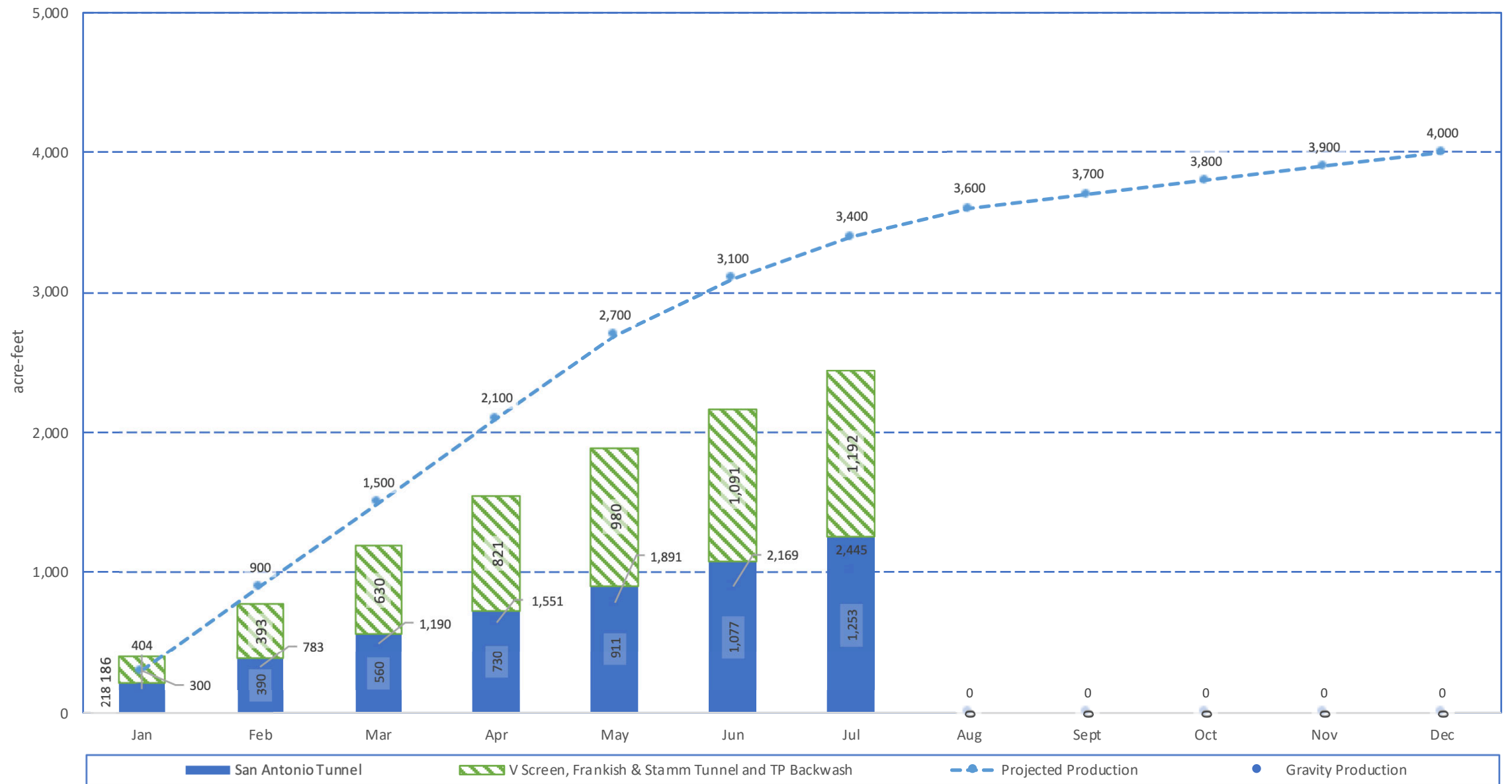
2021 Total Yearly Production



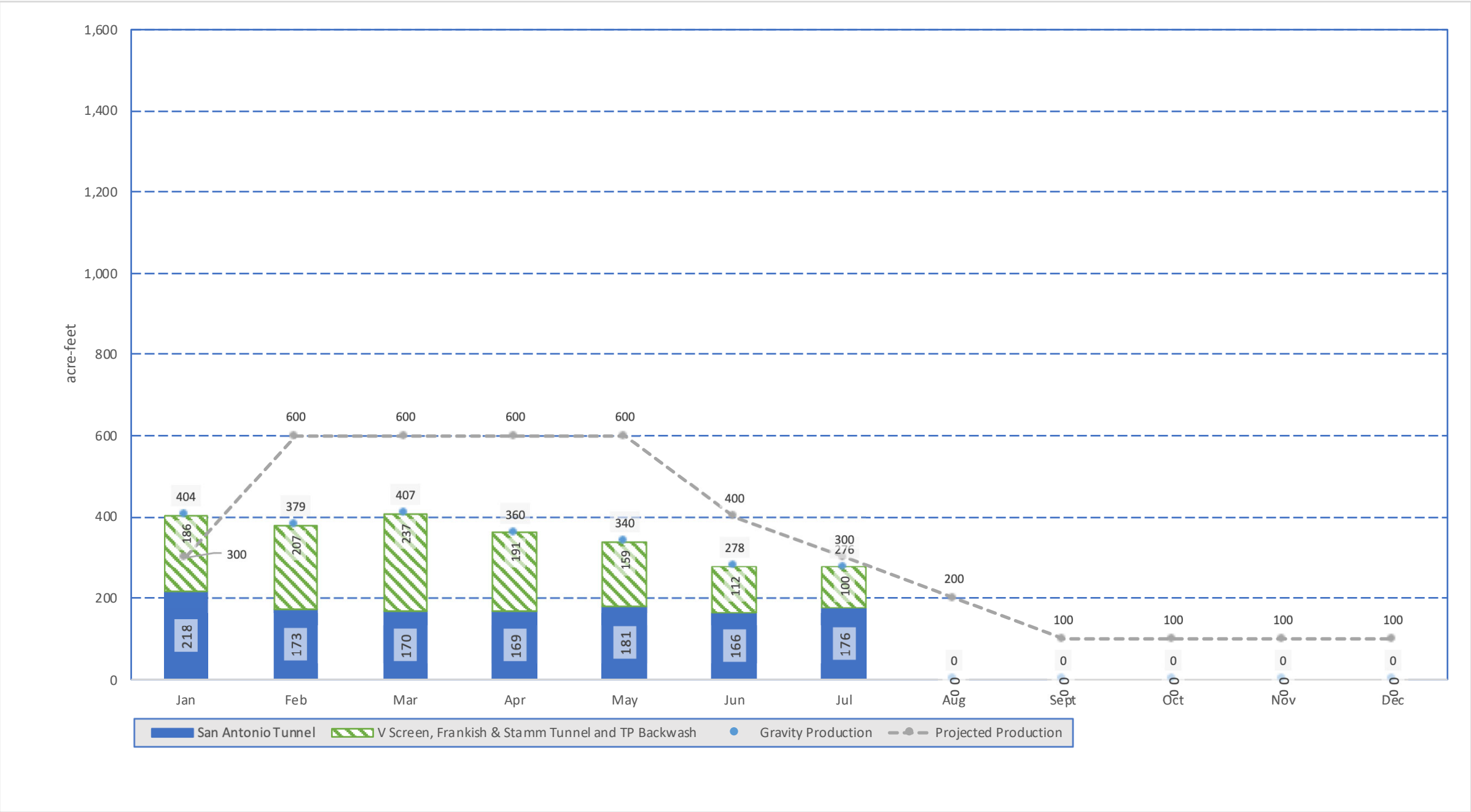
2021 Monthly Production



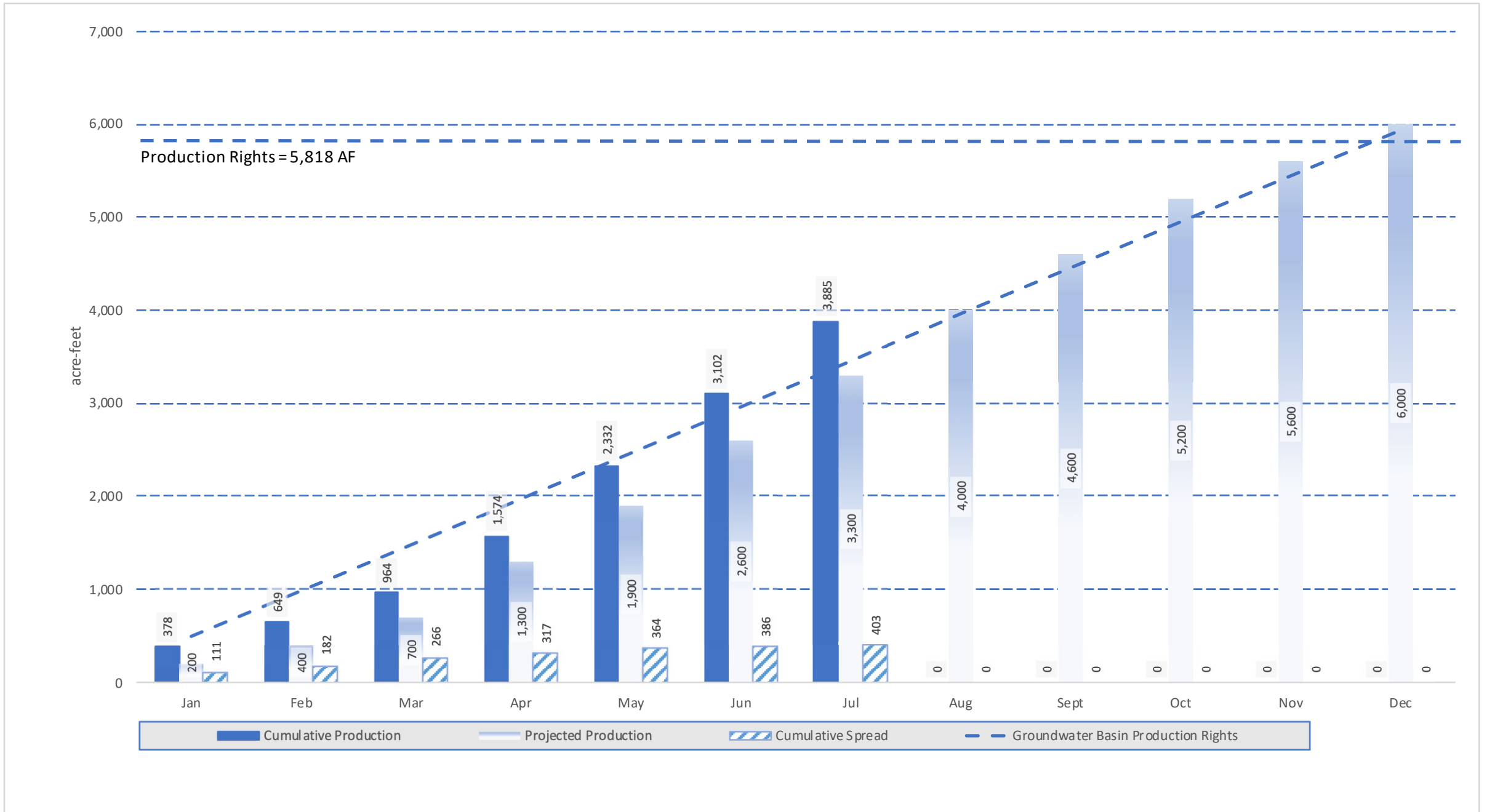
2021 Gravity Cumulative



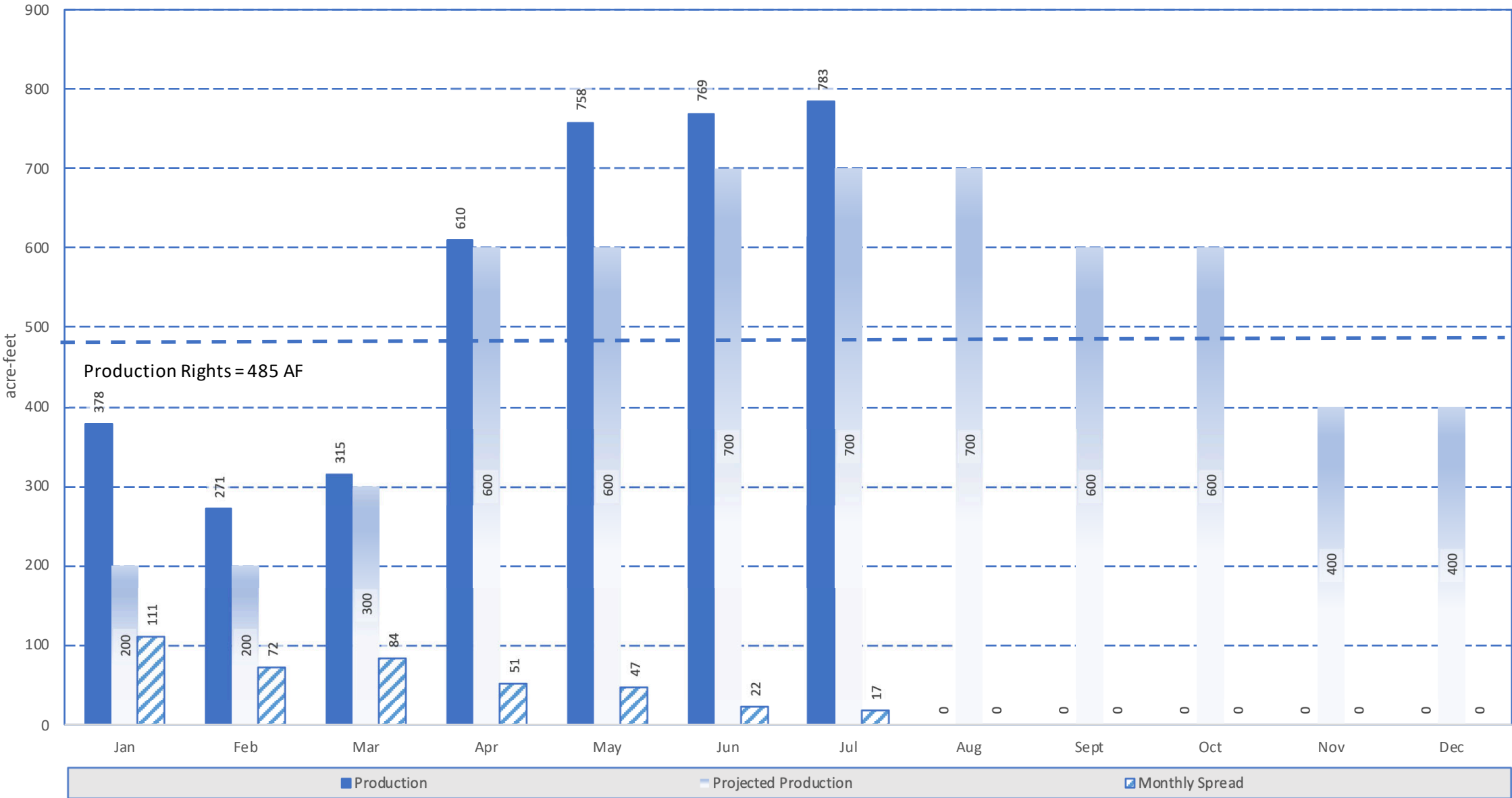
2021 Gravity Monthly



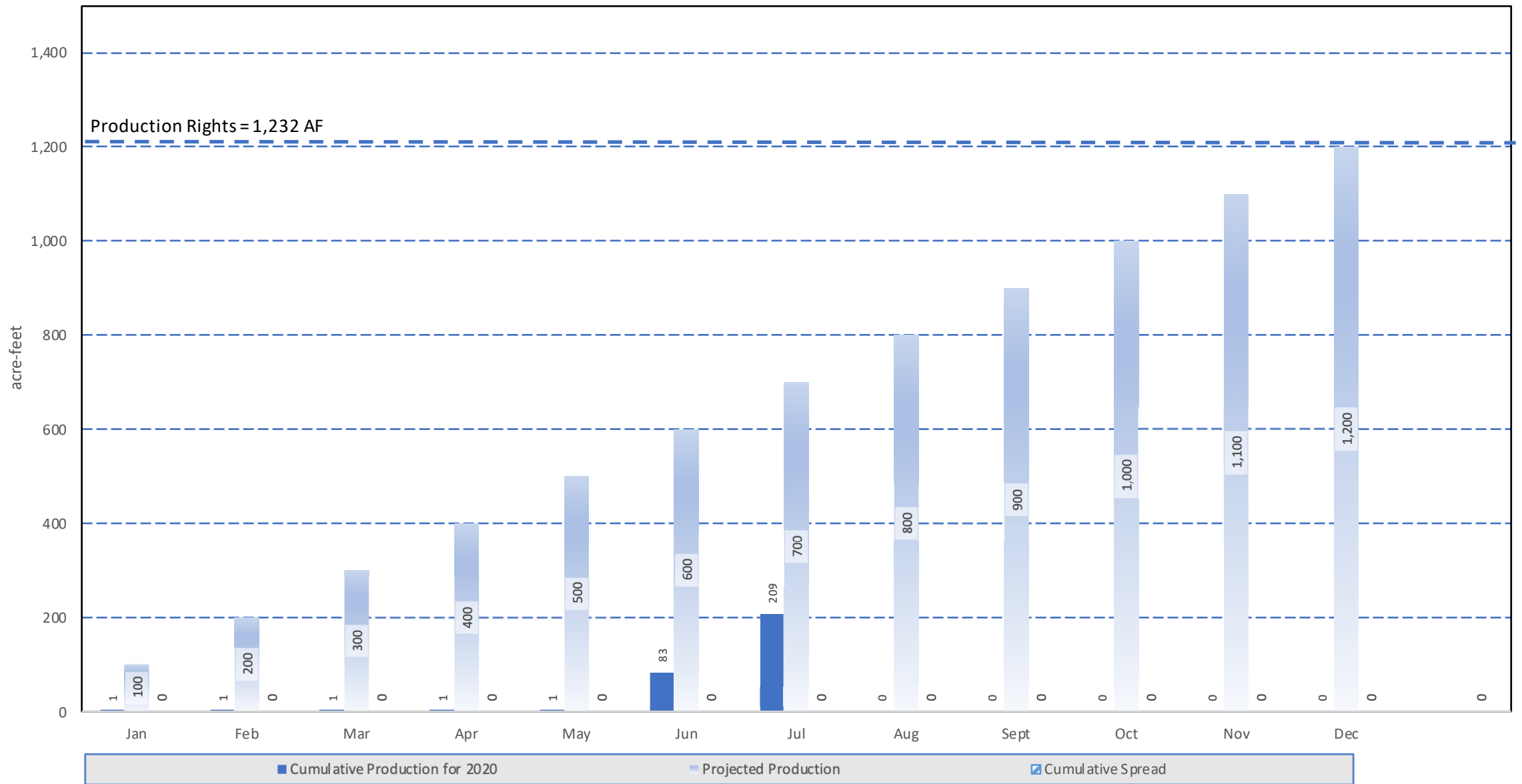
2021 Cucamonga Basin Cumulative



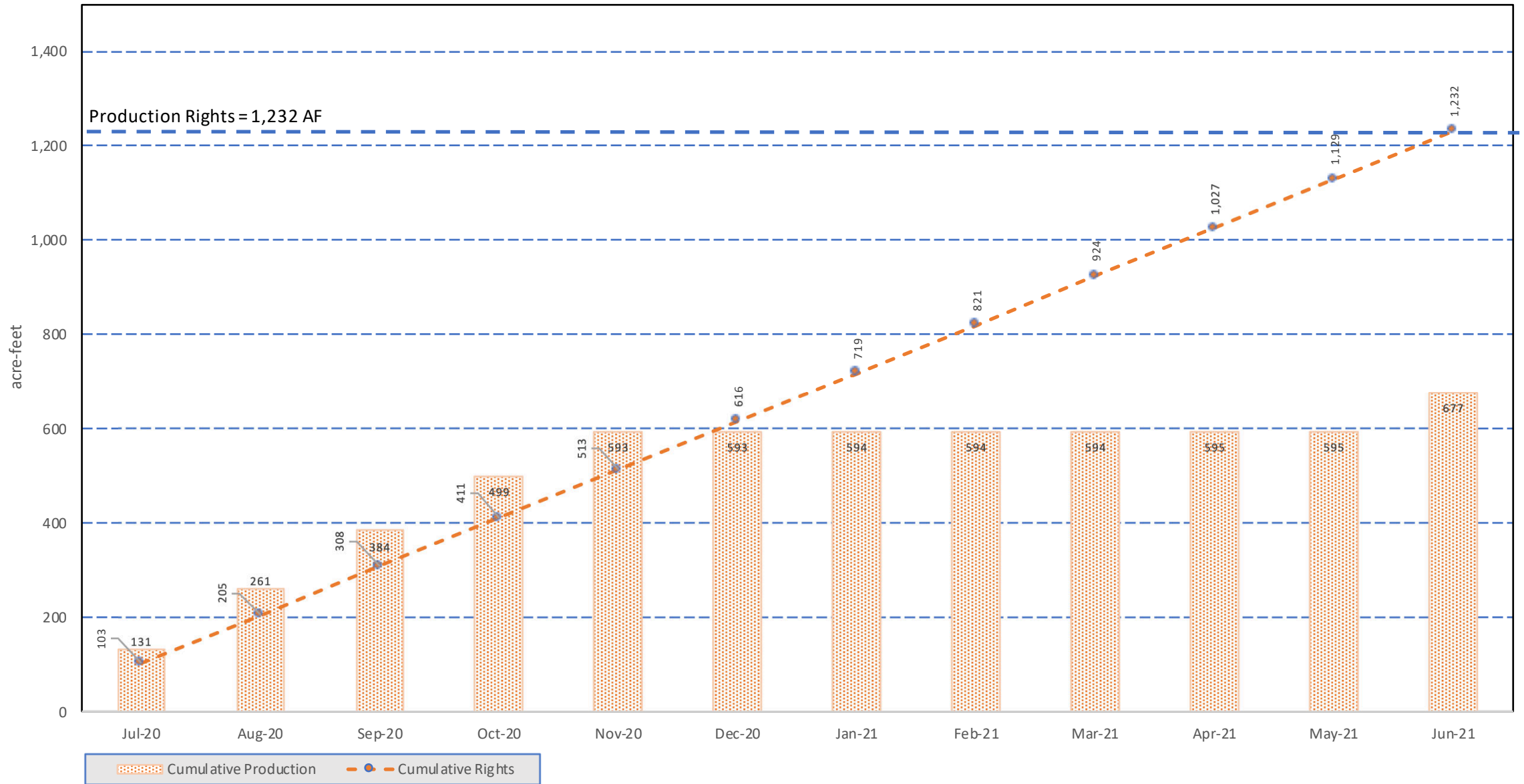
2021 Cucamonga Basin Monthly



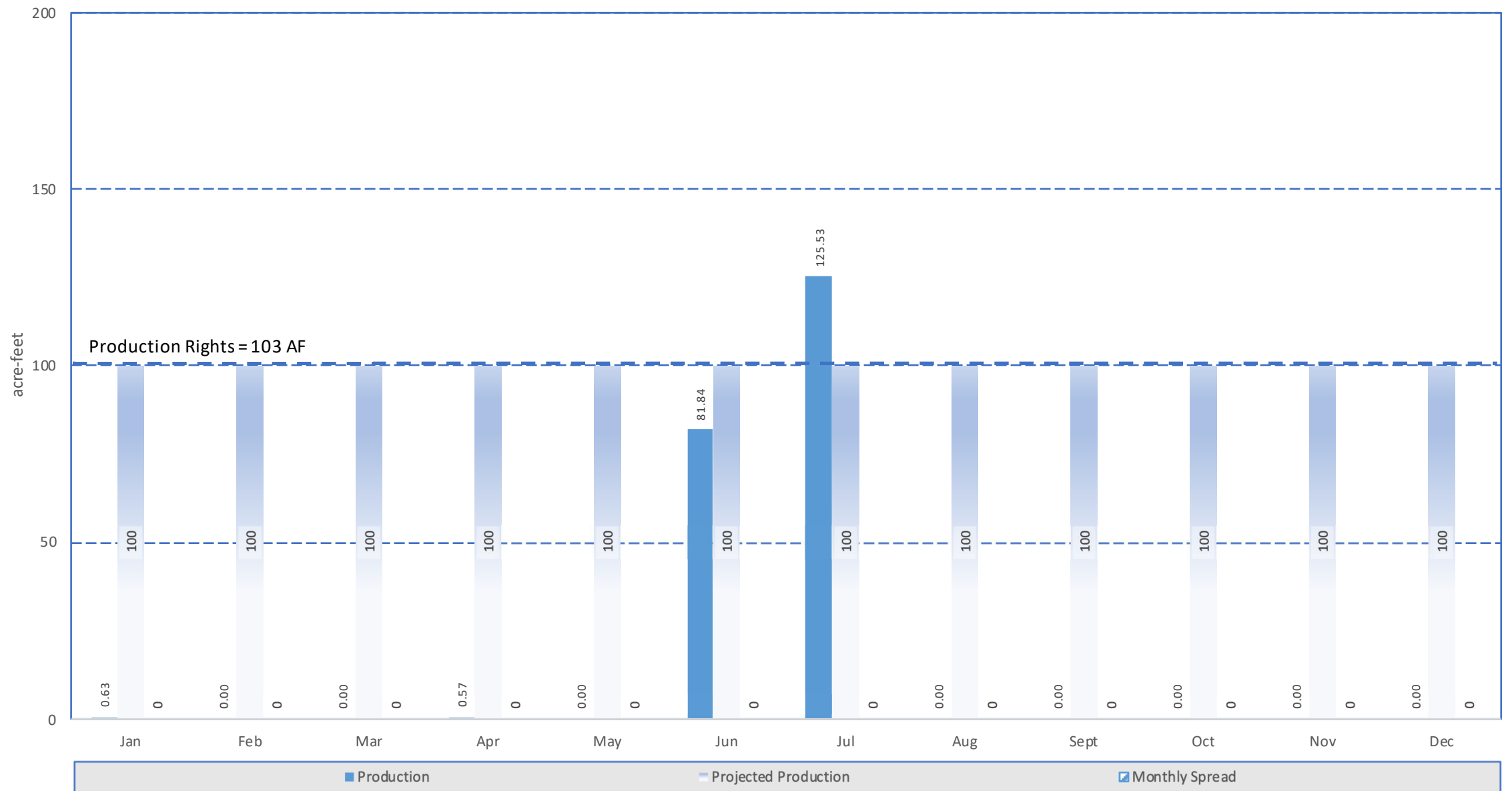
2021 Chino Basin Cumulative



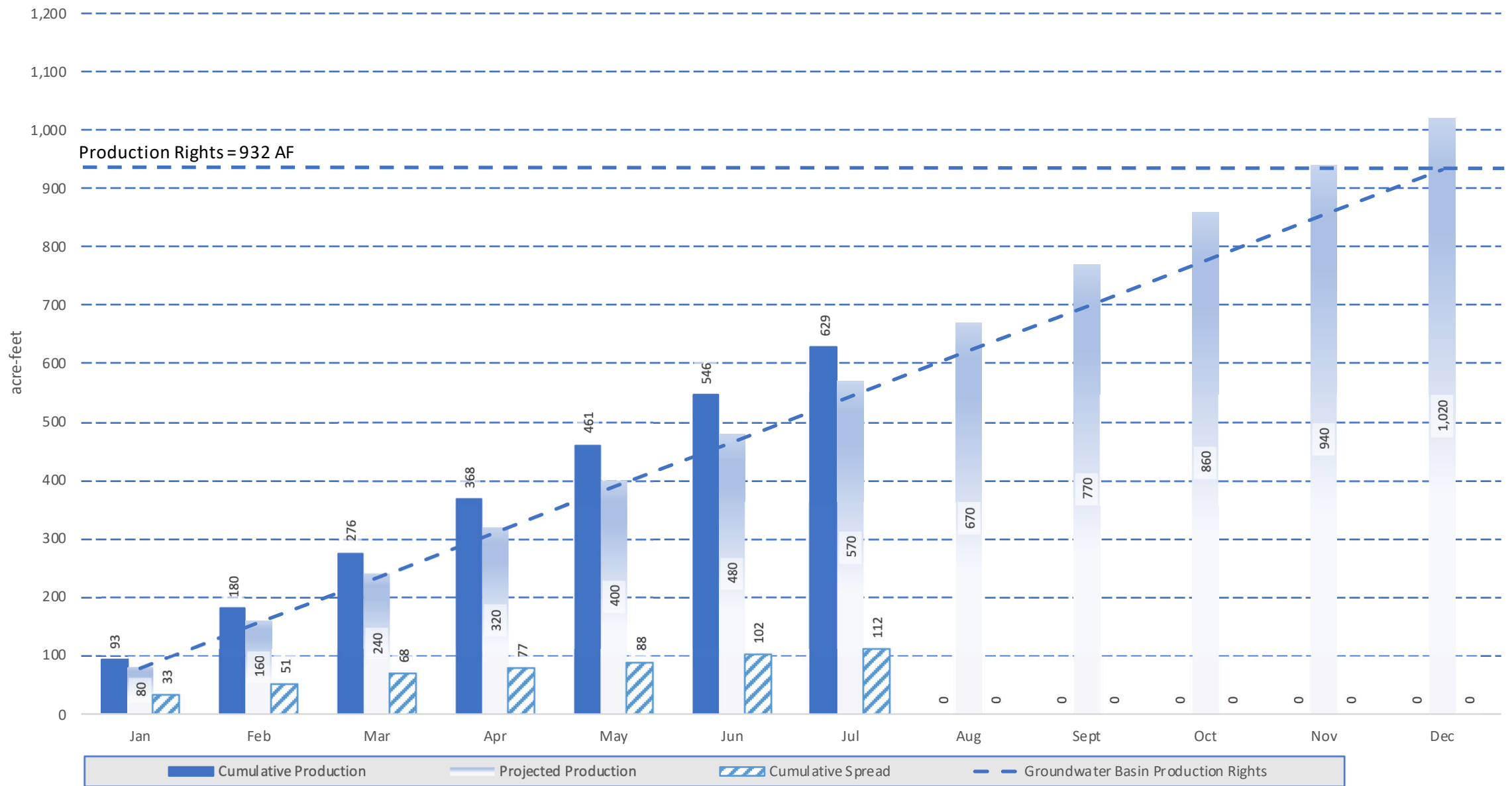
20-21 Chino Basin Cumulative



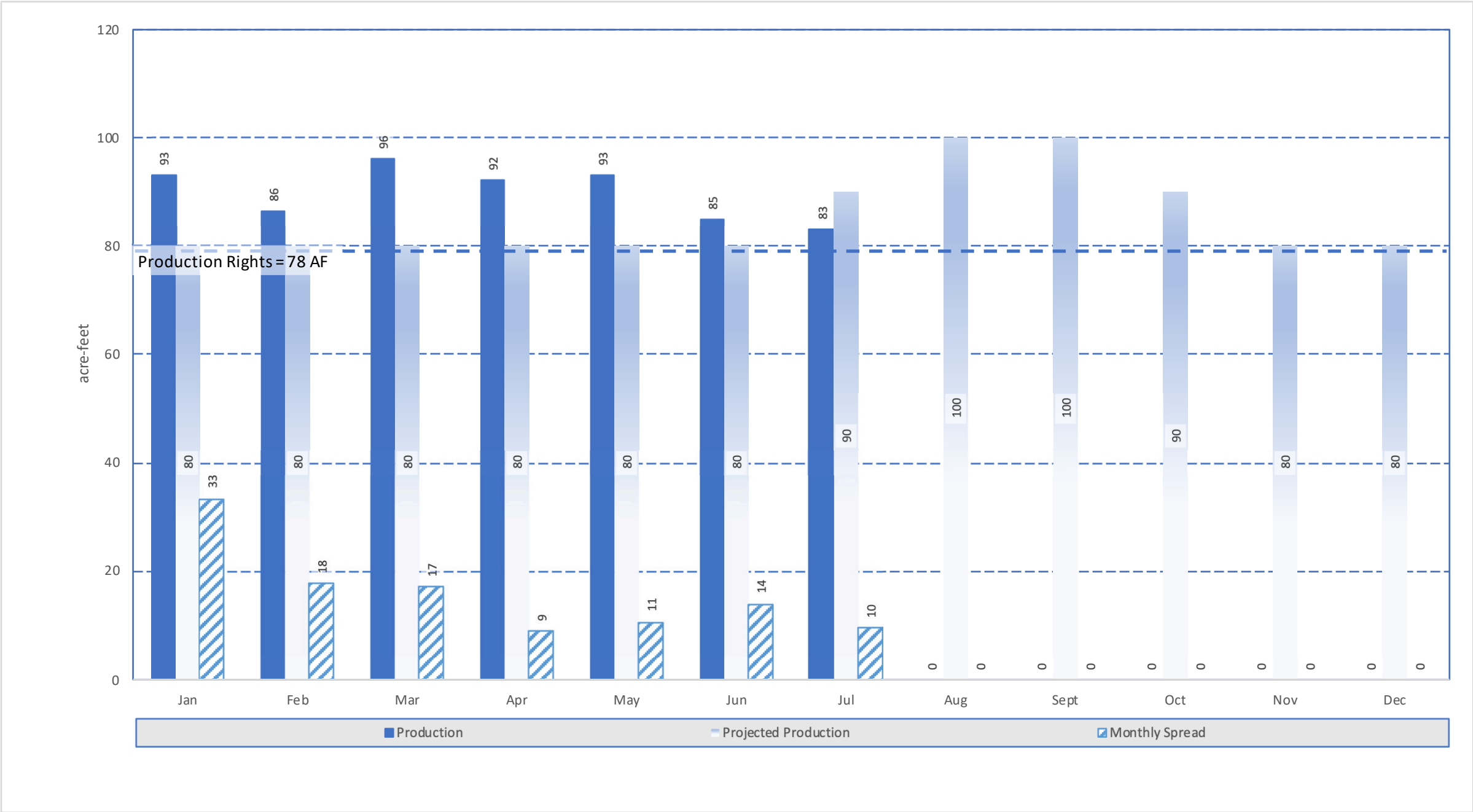
2021 Chino Basin Monthly



2021 Six Basins Cumulative



2021 Six Basins Monthly



July 2021 Monthly Waterscope Review Data

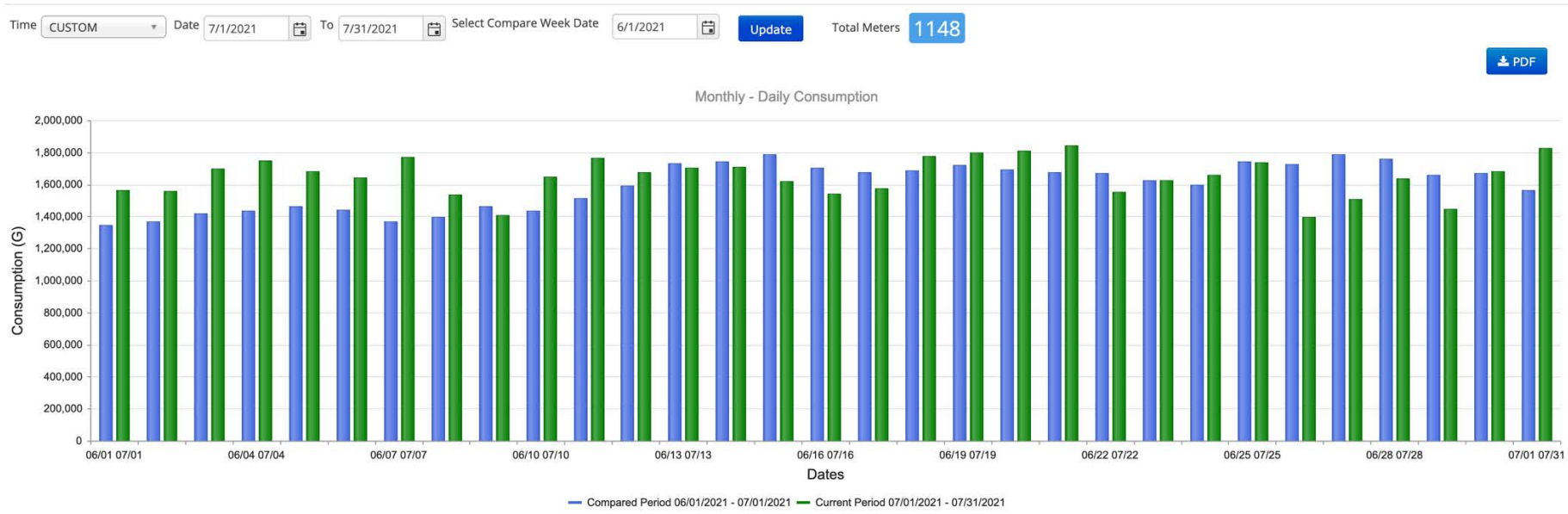


Figure 1 - Daily Consumption

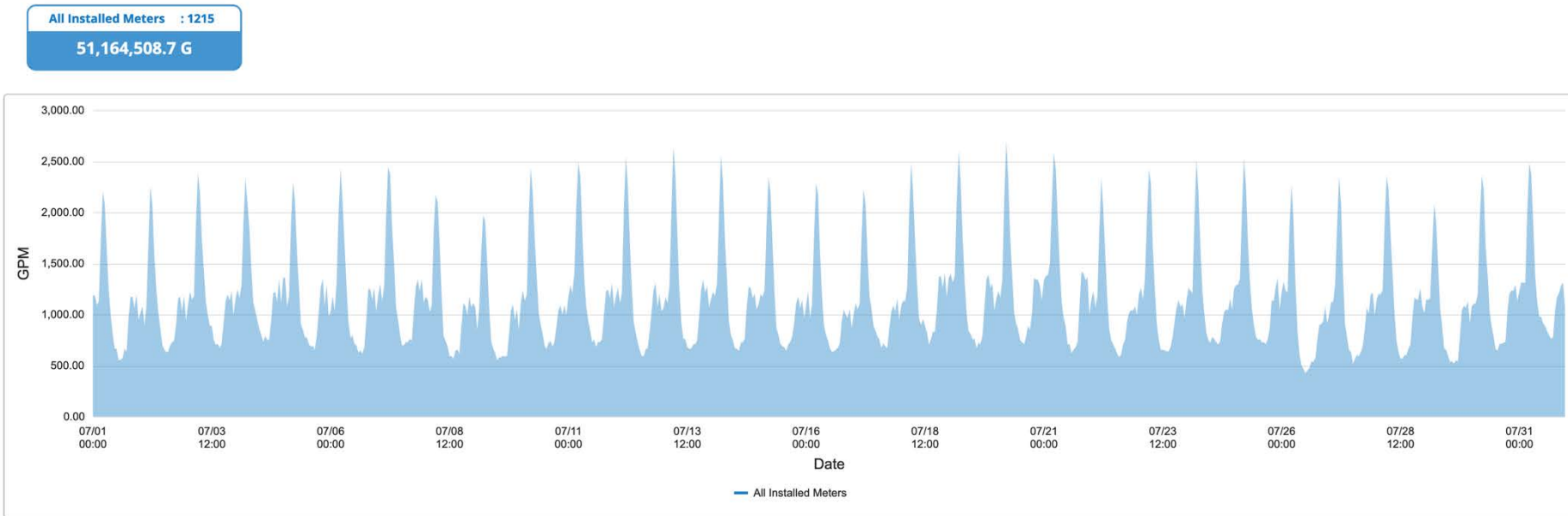


Figure 2 - Daily Usage

July 2021 Monthly Waterscope Review Data

Time: CUSTOM Date: 7/1/2021 To: 7/31/2021 Graph Type: Hourly Update Report Total Meters: 1148

PDF

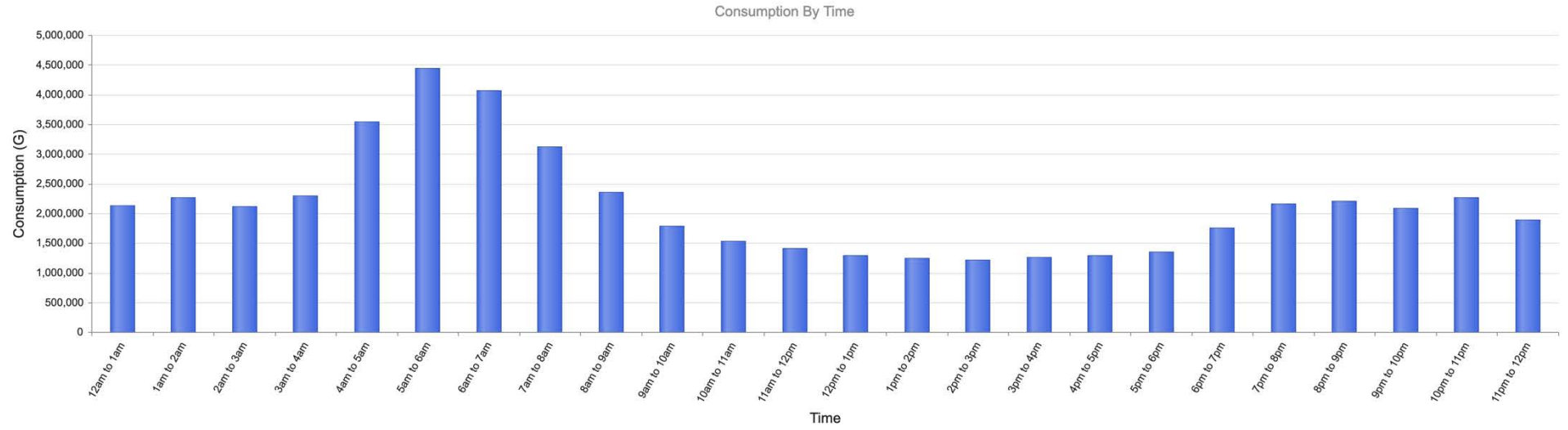


Figure 3 - Diurnal Curve

July 2021 Monthly Waterscope Review Data

Time: CUSTOM Date: 7/1/2021 To: 7/31/2021 Update Export Leak Analytics Total Meters: 1148

LEAK STATISTICS

| | | | | | | | | | | | |
|-------------------------|-----------------------|--|-----------------|-------------------|-----------------------------|-------------------------|---------------------------------------|-----------------|--|-------------------|-----|
| Current Leak Statistics | | Leak (%) of Total Consumption: 14.08 % | Leak Conditions | | Comparative Leak Statistics | | Leak (%) of Total Consumption: 7.83 % | Leak Conditions | | | |
| Date: | 7/31/2021 12:00:00 AM | | | Threshold Leak | 116 | Date: | 7/1/2021 | | | Threshold Leak | 87 |
| Avg. Leak Rate | 0.43 GPM | | | Leak | 303 | Avg. Leak Rate | 0.23 GPM | | | Leak | 287 |
| Leak Consumption | 257,251.65 G | | | Intermittent Leak | 200 | Leak Consumption | 122,595.20 G | | | Intermittent Leak | 183 |
| Daily Total Consumption | 1,826,697.35 G | | | Percent Use | 734 | Daily Total Consumption | 1,565,649.96 G | | | Percent Use | 727 |
| Total Leak Meters | 419 | | | | | Total Leak Meters | 374 | | | | |

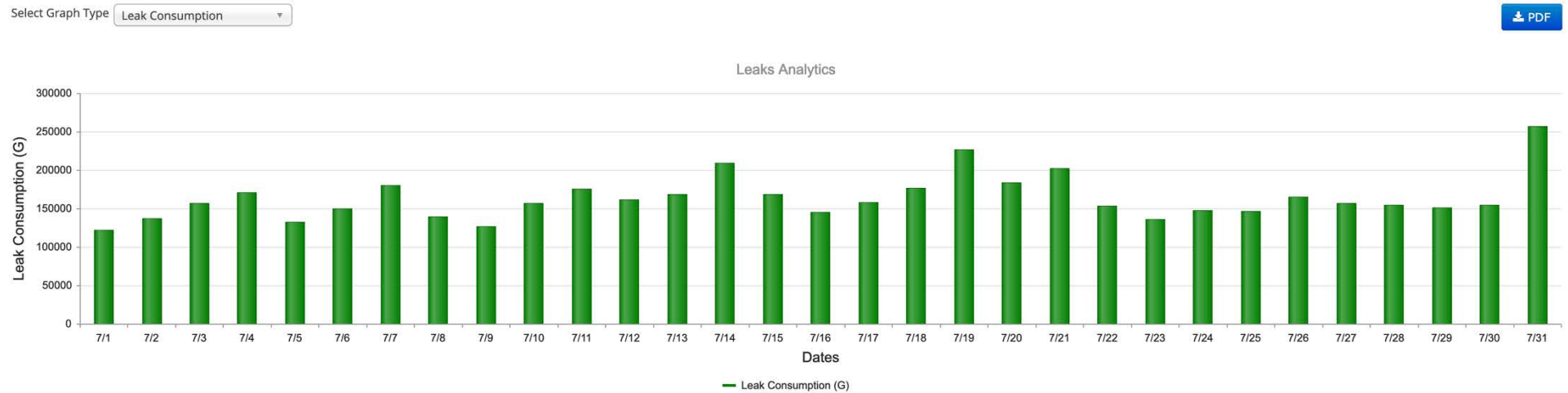


Figure 4 - Leak Analysis

Leak - The condition for a leak will trigger should a meter run constantly for 24 consecutive hours. If the Water Scope program recognizes one 5-minute interval with zero consumption, a new 24-hour monitoring cycle is started.

Threshold Leak - The threshold leak condition is triggered like a normal leak but depending on meter size a threshold or minimum flow rate must be maintained over the 24-hour period. As with leaks, dropping below the threshold for 5 minutes will reset the 24-hour interval.

Intermittent Leak - This condition will identify start/stop leaks such as faulty toilet flappers. It looks at an intermittent, continuous flow between two flow rates over a specified period. The reason for the low and high thresholds is to eliminate continuous 24-hour leaks and irrigation systems from triggering the flag.

A. Water Supply through May 2021

- Annual entitlement for CY2021 is 13,000 AF
 - Cumulative yearly production was 7,167 AF
 - Cumulative yearly consumption was 6,594 AF
 - Cumulative yearly spread was 514 AF
 - Cumulative unaccounted water was 37 AF

Six Basins Production for 2021

- Annual production right is 932 AF.
- Cumulative production was 629 AF. Production is sent to the WFA treatment facility to meet City of Ontario and MVWD entitlement.
- The Company spread a total of 112 AF.

Cucamonga Basin Production for 2021

- Annual production right is 5,938 AF.
- Cumulative production was 3,885 AF.
- The Company spread a total of 403 AF.

Chino Basin Production for 2021

- Annual production right is 1,232 AF.
- Cumulative production was 209 AF.
- The Company spread a total of 0 AF.

Surface Water (San Antonio Creek) flow for 2021

Total flow was 1,192 AF.

Tunnel flow for 2021

San Antonio Tunnel flow was 1,253 AF.
Frankish and Stamm Tunnel flow was 0 AF.

B. Company Stock

1.25 share of water stock moved from active to dormant 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:

- Tue, July 20 – GM met with The Hero's Project representative at Icehouse Canyon to discuss water availability options
- The week of July 26-30 – GM, AGM and Ops Sup conducted interviews for Utility Workers
- Tue, Aug 3 – GM meet with homeowner at Holly Drive Booster to discuss generator
- Tue, Aug 3 – GM and AGM participated in monthly Cuc Basin WM meeting
- Thu, Aug 5 – GM hosted quarterly water coordination meeting with major shareholders

E. Groundwater Basin Matters

Chino Basin -

~~Spread Water from SAWCo –SAWCo has applied to spread 1,500 AF per year for years 21/22 through 25/26. Application was approved by the Advisory Committee and is heading to the Board.~~

Application to spread 1,500 AF per year for years 21/22 through 25/26 was approved by WM Board in July. We have not yet spread any water in 2021.

~~Storage Management Plan / Optimum Basin Management Plan – Proposed ruling was approved as Final on June 25th. Available basin storage has been increased from 500,000 AF to 700,000 AF.~~

Ag Pool Contest and Legal Expenses – In May 2017 the Agricultural Pool initiated adversarial proceedings contesting Appropriative Pool storage within the Chino Basin.

The Appropriative Pool has objected to those costs being ‘expenses’ as defined by the Peace Agreement.

~~The Court provided a pathway forward for the Ag Pool. We are waiting to see what the Ag Pool chooses to do.~~

AP Leadership continues attempting to negotiate a solution with AgP Leadership.

On July 26th the AgP filed a motion for Attorney’s Fees of about half a million dollars. The court had set that day as a deadline for the filing and absent a settlement the AgP had little choice but to file.

Six Basins –

A meeting was last held on July 28, 2021. The Watermaster Board addressed the following:

- The Board agreed to prepare a workplan to characterize high groundwater conditions in the Two Basins.
- The Board reviewed two proposals for new legal counsel for Watermaster and decided on Richards, Watson & Gershon for its representative.

The next meeting is scheduled for August 25th.

Cucamonga Basin –

The working group met virtually on August 3rd.

The Term of Reference document is still waiting on Cucamonga Valley Water District’s General Manager to sign it.

The Request for Proposal was discussed and minor changes were anticipated. It was announced by CVWD that in trying to get the prior model from West Yoss, there is likely going to be a charge involved. The parties agreed to help pay for this information and have the new consultant review the accuracy of the model information.

Prominent Issues Report

Agenda Item No. 4G

Agenda Date: August 17, 2021

There was discussion about a possible development near the Sycamore Inn. The measuring device described in the Judgment is believed to be involved. The technical memo that was performed by West Yoss was sent to the parties to review.

The next scheduled meeting is September 7th.

Agenda Item No. 4H

Item Title: Projects and Operations Update

Purpose:

To update the Board and Shareholders on Company capital projects.

Updates:

1507 – Office Relocation

Presentation to City of Upland originally scheduled for late September has been deferred at City Manager’s request.

1602 – Holly Drive Reservoir, Phase 2

A modified and reduced project was awarded to Paso Robles Tanks on September 15. Contract has been fully executed. Preconstruction meeting held. Material submittal process initiated. Construction of the tank has been completed. ~~Mixing pipe was installed and disinfection is expected to occur in July.~~

The remaining civil portion of the contract was awarded at the March Board Meeting. Civil work was completed in March/April.

Disinfection completed. State permit granted. Tank is now in service. Project is complete except for the final paperwork.

| | |
|---------------------------------|-------------|
| Original Budget | \$477,000 |
| Original Contracts | \$862,130 |
| Civil Contract | \$149,985 |
| Authorized Change Orders | \$389,096 |
| Current Contract w/ Civil | \$1,172,611 |

1901 – Automated Meter Reading (AMR)

All domestic meters have been installed. Field staff has verified each meter installation and is working to fix minor leaks at some meter threads. ~~Data is being presented tonight.~~

Residential meters have been installed. Not unexpected, but about 80 meters are having cellular connection issues. We are working to improve reception by coordinating with cellular carrier, alternate meter antennas or switching cellular carriers.

| | |
|--------------------------------|-----------|
| Original Budget | \$770,000 |
| Original Contracts | \$731,220 |
| Authorized Change Orders | 8,000 |
| Current Contracts..... | \$739,220 |

1902 – Cucamonga Crosswalls Mitigation

~~Staff is contacting our environmental contractor to conduct the 2021 Spring Assessment and site clean-up.~~

County has retained GRB, our contractor for the crosswall work, to process spoils behind the Cucamonga Dam. The state Division of Safety of Dams has requested that the County ‘muck out’ behind the dam to regain lost storage. Staff has asked GRB to assist in site clean-up while they have the equipment in operation.

1905 – 2020 Master Plan

~~Computer Water Model being constructed by consultant. Staff is coordinating with consultant regarding areas of concern in the water model to improve accuracy. Revised schedule is to complete Master Plan by end of the year. Hydrant flow testing occurred Nov 11th. Computer modeling being calibrated. Data gathering is an ongoing process. Company has purchased three data loggers and a pitot tube flow diffuser.~~

~~Consultant presented a Water Supply Resiliency presentation to the PRC in February.~~

| | |
|--------------------------------|-----------|
| Original Budget | \$240,000 |
| Original Contracts | \$204,085 |
| Authorized Change Orders | NA |
| Current Contracts..... | \$204,085 |

2001 Reservoir 9 Pipeline

~~Bid opening occurred on Nov 10. Project was awarded to Downing Construction on November 17. Contract has been fully executed.~~

~~Project construction is complete. Final slurry was completed on June 24th.~~

| | |
|--------------------------------|-----------|
| Original Budget | \$408,000 |
| Original Contracts | \$807,090 |
| Authorized Change Orders | \$92,204 |
| Current Contracts..... | \$899,295 |
| Proposed Change Order | \$100,163 |
| Proposed Contract | \$999,458 |

2002 Frankish Tunnel Improvements

~~Bid opening occurred on December 4th. Project was awarded to CP Construction on December 15, 2020. Project is complete. Consultant is finalizing paperwork.~~

| | |
|--------------------------------|-----------|
| Original Budget | \$50,000 |
| Original Contracts | \$126,485 |
| Authorized Change Orders | NA |
| FINAL project cost | \$126,485 |

2003 Small Pipelines Project

~~Bid opening occurred on December 4th. Project was awarded to CP Construction on December 15, 2020. Project is complete. Consultant is finalizing paperwork.~~

| | |
|--------------------------------|-----------|
| Original Budget | \$519,000 |
| Original Contracts | \$738,290 |
| Authorized Change Orders | NA |
| Current Contracts..... | \$738,290 |

2007 Well 19

Staff is working on a Request for Proposals to construct a new Well 19. RFP should be released next year for consideration by the Board.

2101 Booster 17 (V Screen) Generator

Purchase Order has been submitted. Waiting on delivery.

| | |
|-----------------------|----------|
| Original Budget | \$18,000 |
|-----------------------|----------|

Original Contracts \$14,510
Authorized Change Orders NA
Current Contracts..... \$14,510

2102 Shaft 6 Generator

Purchase Order has been submitted. Waiting on delivery.

Original Budget \$8,000
Original Contracts \$6,436
Authorized Change Orders NA
Current Contracts..... \$6,436

2103 Booster 19 (Holly Drive) Generator

Purchase Order has been submitted. Generator has been delivered. Contractor is currently working on concrete pad for generator installation. Natural gas line and service is currently being installed. Staff is working to secure county permit for gas lateral installation.

Original Budget \$75,000
Original Contracts \$61,366
Authorized Change Orders NA
Current Contracts..... \$61,366

2105 Urban Water Management Plan

Contract was awarded at the March 2021 Board Meeting. Staff and consultant are exchanging and reviewing data. Draft UWMP scheduled for delivery next week. Aiming for a public hearing at the September Board Meeting.

Original Budget \$60,000
Original Contracts \$48,780
Authorized Change Orders NA
Current Contracts..... \$48,780

~~2106 American Water Infrastructure Act Risk and Resiliency Assessment~~

~~Contract was awarded at the March 2021 Board Meeting. Project is complete. Risk and Resiliency Assessment was certified on June 30th.~~

~~Original Budget \$40,000
Original Contracts \$29,075
Authorized Change Orders NA
Current Contracts..... \$29,075~~

2107 Risk and Resiliency Assessment of SCADA system

Company has contracted a detailed study to find and eliminate openings in our SCADA system to reduce risk of outside attacks.

Original Budget \$15,000
Original Contracts \$12,000
Authorized Change Orders NA
Current Contracts..... \$12,000

2108 Demolition of abandoned booster stations 5 and 15

Contract with CP Construction was awarded at the May Board Meeting. City has tentatively agreed to waive permit fees in exchange for quit claim of park land.

Both facilities have been demolished. Staff is cleaning up remainder fencing and debris at Station 15. Staff to start work on quitclaim of park property to the City.

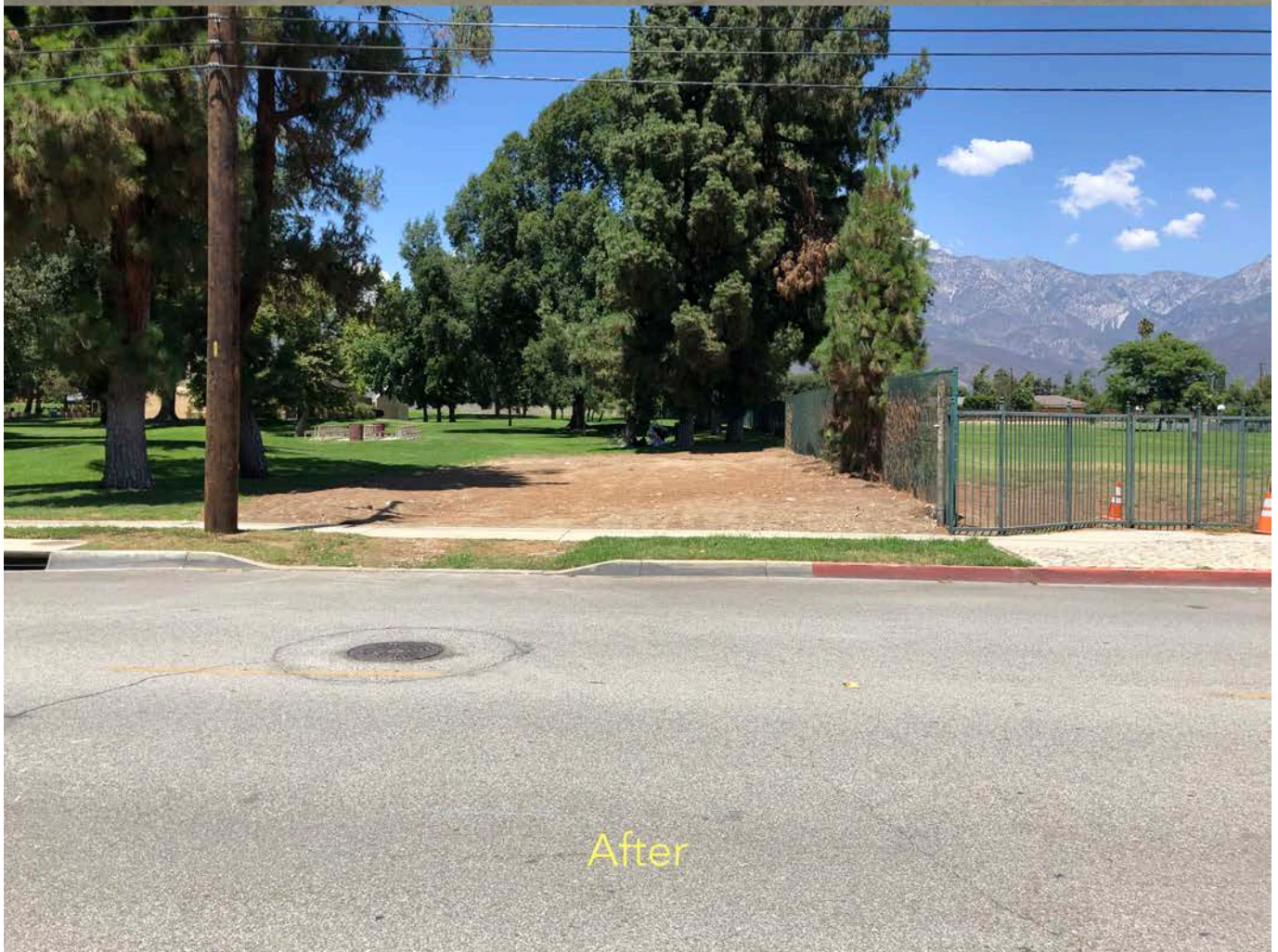
| | |
|--------------------------------|-----------|
| Original Budget | \$100,000 |
| Original Contracts | \$80,000 |
| Authorized Change Orders | NA |
| Current Contracts..... | \$80,000 |

2111 AWIA Emergency Response Plan

Federal Government mandated report. Contract with WSC was awarded at the July Board Meeting. Deadline to submit ERP is December 31, 2021.

| | |
|--------------------------------|----------|
| Original Budget | \$36,000 |
| Original Contracts | \$33,530 |
| Authorized Change Orders | NA |
| Current Contracts..... | \$33,530 |

15th Street Booster Station



San Antonio Avenue Booster Station



Item Title: Water Stock Transfer Policy

Purpose: To update and revise the company's water stock transfer policy

Issue:

Does the Board agree with AFC's recommendation to accept the changes and update to the water stock transfer policy?

Manager's Recommendation:

That the Board ratify and approve the revised water stock transfer policy to include notarized signature(s) requirement.

Background:

In the past, the process to transfer stock was as follows:

- Original stock certificate signed off or Lost Instrument Bond
- Written instructions on how new stock certificate is to be made out
- All outstanding fees paid

As time progressed, several situations have required and continue to require legal interpretation. Attached is the policy with one notable change requiring that the signature(s) be notarized. While the practice has been on-going for some time, a shareholder recently questioned the validity of this practice. The new stock certificates state the need of notarized signatures, however; the older ones do not.

The policy is coming to the Board for their review and recommendation.

Impact on the Budget:

None.

Previous Actions:

Policy

(Transfer of Shares)

1. Purpose. The purpose of this Policy is to provide guidance to Shareholders with respect to the requirements of the Company for the Transfer of Shares.
 2. The Basic Principal. Shares can be transferred by an Assignment of Shares executed by the registered holder(s) of the Shares as reflected in the Company records. The long-standing practice of requiring notarized signatures shall continue in effect.
 3. Joint Tenants. Shares registered in the names of a husband and wife or others as joint tenants, where one of them is deceased, can be transferred upon presentation to the Company of a Certified copy of the Death Certificate of the deceased person or persons
 4. Deceased Shareholders - Others. In all other circumstances with respect to Deceased Shareholder's proof of ownership shall be provided in one or more of the following ways:
 - A. Order of Probate Court (Showing distribution of the Share or Shares);
 - B. Superior Court (showing distribution of the Share or Shares in a divorce proceeding);
 - C. Probate Code Section 13100 (advising of collection, receiving or transferring property to successor of decedent if gross value of decedent's real and personal property does not exceed \$150,000 and if 40 days have elapsed since the death of the decedent);
 - D. Probate Code Section 13500 (advising of no administration necessary when spouse dies without a will leaving property that passes to the surviving spouse under Section 6401 or dies with a will and leaves property to the surviving spouse).
- No persons includes business
- E. Opinion of Member of State Bar of California that the person , persons

or entity is the Owner of the Share or Shares free and clear of any claim by other person or persons. The Opinion shall be unqualified. The Opinion shall be based on the "more likely than not" standard. The Opinion shall describe the information, documents and records reviewed in the process of forming the Opinion.

5. **Burden of Proof.** The Burden of Proof shall be upon the person or persons requesting transfer of the Share or Shares. The Company shall be the final authority with respect to determining whether the Burden of Proof has been met with respect to any alleged fact that may be in dispute.

6. **Removal of Pledgee.** Shares with a Pledgee can be issued without the Pledgee upon presentation of the Deed of Trust securing the loan made at the time of acquisition of the Share or Shares and a copy of the recorded Deed of Reconveyance or other conclusive evidence that the beneficiary of the Deed of Trust has deceased, or in the case of an entity or financial institution that the loan secured by the Deed of Trust has been refinanced and a new Deed of Trust replaced as record by a new lender.

7. **Cash Bond.** Company may at its sole and complete discretion require that as a condition of transfer of a Share or Shares a Cash Bond be posted up to the estimated fair market value of the Share or Shares, the transfer to be held for a period of 60 full calendar months. The amount of the bond shall reflect the amount of legal risk to the Company of making the transfer based upon the evidence presented. The Cash Bond, without interest, shall be returned to the person posting it, if no claim has been filed with the Company claiming ownership of the Share or Shares transfer. If such a claim is filed prior to the transfer in the 60 calendar months, the Cash Bond shall continue to be held until the claim is finally resolved.

8. **Lost Certificate Bond.** Company may (require) at its sole and complete discretion require (or waive) the requirement contained in the Bylaws to post a Lost Certificate Bond with respect to any transfer of Shares pursuant to this Policy.

9. **Reasonable Assistance.** Reasonable assistance will be provided to those transferring Shares under this Policy, but such assistance shall not include the preparation of legal forms, or obtaining data from the courts. The Company will decide in its sole and complete discretion how much assistance to provide in any given circumstance.

10. Exception. In exceptional circumstances, where substantial justice could not otherwise be achieved, but without substantial legal risk to the Company, Company may approve the transfer of a Share or Shares that do not comply with this Policy. The transfer will not be approved unless all reasonable efforts have been made to comply with the Policy. Any approved transfer will be subject to such conditions as may be imposed by Company. Such conditions may be more detailed and lengthy than those otherwise set forth in the Policy. Any approved transfer pursuant to this exception shall be at the sole and complete discretion of the Company.

SAN ANTONIO WATER COMPANY
Water Stock Transfer Instruction Packet
(Revised 2021)

Transferring Stock with the Sale of Real Estate Property:

The involved escrow agent should complete the following steps:

- **Final Read Request:** A completed Final Read Request Form signed by the shareholder(s) to obtain a read of the meter is required a minimum of one (1) day prior to a property sale closing, or a change in title, in order to begin the closeout of the existing water service account. The Final Read should take place on the day escrow is closing. The Final Water Bill will be generated and emailed to the email address provided on the Final Read Request Form. Please note that meters are NOT read on Fridays, Saturdays, or Sundays.

- **All of the following items must be submitted to the Company office by 4:00 p.m. on the day following the generation of the Final Water Bill:**
 - Original water stock certificate or Lost Instrument Bond with written instructions to whom the shares are being transferred and notarized signature(s) of the owner(s) of record. *See following page for further instruction on how to transfer from an original water stock certificate and lost instrument bond.*
 - Required stock transfer fee for each new water stock certificate generated (amount varies, please contact our office for amount due).
 - Payment of the Final Water Bill amount (available same day as the final read).
 - Completed Water Stock Transfer Instructions (Form A) filled out by seller. If accompanied by a Lost Instrument Bond, Form A must be notarized.
 - Water Account Application (Form B) completed by buyer. (If seller retains any shareholdings in SAWCo, they too must complete a Form B).

- If any of the above listed items are not turned into the office by 4:00 p.m. the day following the issuance of the Final Water Bill, or are incomplete or missing, the water service to the property will be disconnected the following business day by 11:30 a.m. We can re-establish water service for the benefit of the new occupant on the same day if we receive all items listed above by 3:00 p.m.

- If there are questions regarding the water stock transfer process, the escrow company should contact our office.

For further assistance, please call 909-982-4107 or email kmitchell@sawaterco.com.

Water Stock Transfer:

❖ **Original Stock Certificate**

- Shareholder(s) of record must sign and date the certificate on the back, left side of the certificate and those signatures must be **notarized**. A valid Notary Acknowledgment must be attached to the stock certificate. **Note: notary acknowledgment must list the water stock certificate number.**
- Under “FOR VALUE, the undersigned hereby sells, assigns and transfers to” located on the left side of the back of the certificate please write-in to whom the shares are being transferred and the number of shares being transferred. **This should match the vesting of the property** (i.e. husband and wife as joint tenants, community property, trustee, etc.).
- A Water Stock Transfer Instructions form (Form A) must be completed by the seller.
- A Water Account Application (Form B) must be completed by the buyer. If the seller is retaining shares in SAWCo, they too must complete a Form B.
- If any of the named certificate holders is deceased a copy of the certificate of death must be provided. A copy of the decedents Will, Trust, or Court Order must also be submitted unless the certificate is listed as “joint tenants” or “with right of survivorship”.
- If all named certificate holders are deceased a copy of the trustee’s authority (trust papers) to act on the deceased shareholder(s) behalf must be provided along with a copy of the certificate(s) of death.
- All payments due the Water Company must be paid before the water stock can be transferred.

In the event of a loss of the original stock certificate, a lost instrument bond may be substituted.

❖ **Lost Instrument Bond (LIB)**

- A standard LIB form (insured at \$4,500) must contain the exact information as it is written on the original stock certificate – certificate number, name(s), pledgee (if any) original issue date, and number of shares.
- The LIB must have a **notarized signature** of all parties named on the original stock certificate.
- If any of the named certificate holders is deceased a copy of the certificate of death must be provided. A copy of the decedents Will, Trust, or Court Order must also be submitted unless the certificate holders are listed as “joint tenants” or “with right of survivorship”.
- If all named certificate holders are deceased a copy of the trustee’s authority (trust papers) to act on the deceased shareholder(s) behalf must be provided along with a copy of the certificate(s) of death.
- A Water Stock Transfer Instructions form (Form A) must be completed, **notarized (listing the stock certificate number)**, and submitted with the LIB.
- A Water Account Application (Form B) must be completed by the buyer. If the seller is retaining shares in SAWCo, they too must complete a Form B.
- All payments due the Water Company must be paid before the water stock can be transferred.

***If additional information is needed on the requirements for a LIB, contact the office for the LIB Criteria printout. ***

FORM A

SAN ANTONIO WATER COMPANY
WATER STOCK TRANSFER INSTRUCTIONS

The record holder(s) named within the below referenced Capital Stock share are deemed, as regards the corporation, its shareholder, and as such do represent said shares and exercise all rights therewith. The rights and interest of the record holder(s) [and of any successor or person appearing by the certificate to be the owner of said shares] and the title to said shares, may be transferred upon the books of the corporation, and a new certificate issued (upon the surrender of the below referenced Capital Stock share), subject to and showing said pledgee, if a pledgee appears on said certificate, without the act, consent or endorsement of the pledgee.

Written transfer instructions are required as stated on the reverse side of the original Water Stock certificate or otherwise provided with the original certificate or its replacement instrument bond, if necessary.

Stock Certificate No: _____ and No. of Shares _____

Please assign and transfer the shareholdings in the above referenced Stock Certificate to:

New Shareholder(s) of Record Information as it Will Appear on the New Certificate (SHOULD MATCH PROPERTY TITLE/VESTING OF PROPERTY):

1. _____
Number of Shares: _____

If the Certificate is Being Split into Two or More Certificates, Write the Second Shareholder(s) of Record Information as it Will Appear on the New Certificate (SHOULD MATCH PROPERTY TITLE/VESTING OF PROPERTY):

2. _____
Number of Shares: _____

Service Address of new Shareholder(s): 1. _____

2. _____

Mailing Address for stock certificate(s): 1. _____

2. _____

1. Phone: () _____ 1. Alternate Phone: () _____

2. Phone: () _____ 2. Alternate Phone: () _____

This Portion Is To Be Completed By The Current Record Holder/Seller:

Assigning (Selling) Shareholder(s) Name(s): _____
Printed Name

Printed Name

Assigning (Selling) Shareholder(s) Signature(s): _____ Date:

Date:

Date:

Date:

Forwarding Address: _____

Phone Number: () _____ Email Address: _____

This Form MUST be notarized if the original stock certificate has been misplaced and a Lost Instrument Bond is being used to replace it

FORM B



**139 N Euclid Ave
Upland, CA 91786
909-982-4107 phone
www.sawaterco.com**

**WATER ACCOUNT APPLICATION
(New Shareholder)**

When submitting a request for a water account to be opened for water service the new shareholder must provide the following information in **legible and complete** form to the Company office. The requested information is basic and must be filled out by the new Shareholder. Please note an incomplete submittal will not be accepted for consideration.

Name: _____ No. of Shares: _____
(Print New Shareholder Name as it will appear on the bill)

Mailing Address: _____

Service Address: _____

Telephone/Cellphone: () _____ () _____

Signature: _____ Dated: _____
(New Shareholder)

Drivers License # _____ OR Mothers Maiden Name _____

E-mail Address: _____

For Office Use Only

Date entered: _____ By _____

San Antonio Water Company



FINAL READ REQUEST

Request must be submitted no later than 11:30 a.m. the day prior to read request date.

Email completed form to kmitchell@sawaterco.com

****Please note that we are unable to read meters on Fridays, Saturdays, or Sundays****

(Date)

Re: Water Service at _____
(Property Address)

San Antonio Water Company,

Please take a Final Reading of the meter at _____
(Property Address)

on _____ ** and send the Final Water Bill to
(Day of the week, Month, and Day)

(Email address for and name of Escrow Company/Responsible Party)

Please contact me at _____ should you have any questions.
(Escrow Company/Responsible Party Phone Number)

Thank you,

(Shareholder's Name-PRINTED)

(Shareholder's Signature)

****The Final Water Bill must be paid along with the stock transfer fee(s) and submittal of all properly executed stock transfer paperwork by the close of the following business day to avoid water shut off****

Item Title: Update to Records Retention Guide

Purpose: To update and revise the company's records retention schedule

Issue:

Does Board agree with AFC's recommendation of the changes and updates to the records retention schedule?

Manager's Recommendation:

That Board approve the revised records retention schedule.

Background:

A records retention schedule was developed by staff in 1993 using the auditor's expertise. The schedule was then revised in 1999 and was done internally.

A records management plan was prepared by a consultant in 2007 and a slightly different retention guide was proposed. Staff incorporated the help from our auditor for their recommendations and a revised schedule was developed in 2010.

The current records retention schedule format was based on filing system requirements that are no longer administered. Staff has condensed the records retention schedule to those items that are generally used in company business and separated the listing based on job functions for ease of usability. The staff and our auditor were asked for their feedback. Any feedback was incorporated in the document.

Impact on the Budget:

None.

Previous Actions:

- 1993 – established records retention schedule
- 1999 – update to schedule
- 2007 – Records Management Plan/Policy established with retention schedule
- 2010 – last update of records retention schedule

San Antonio Water Company's

SPECIFIC

RECORDS RETENTION SCHEDULE

ESTABLISHED: May 1993

(Rev. 1999, 2010)

(Revised: August 2021)

❖ **ACCOUNTING**

| | |
|---|-------------|
| Accounts Payable Ledgers and schedules..... | 7 |
| Accounts Receivable Ledgers and schedules..... | 7 |
| Assessment Notices..... | 7 |
| Audit Reports..... | Permanently |
| Audit Services [i.e. workpapers, memoranda, correspondence, conclusions]..... | 5 |
| Bank Statements & Reconciliations [cancelled checks]..... | 7 |
| Charts of Accounts..... | Permanently |
| Financial Misc. (Budgets, rate schedules etc.)..... | 5 |
| Financial Statements and Cash Books..... | Permanently |
| General and Private Ledgers (incl. Payroll), Journals and end-of-year trial balances..... | Permanently |
| Inventories of Products, Materials, Supplies and Scrap & Salvage records..... | 7 |
| Invoices (to customers, from vendors)..... | 7 |
| Purchase Order Copies, Requisitions..... | 1 |
| Purchase Order Log/Journal..... | Permanently |
| Subsidiary Ledgers [incl. Domestic Ledger]..... | 7 |
| Tax Returns, Assessor's Audits and worksheets..... | Permanently |
| Unclaimed Property Records (date of last report) and Stock Auctions..... | 10 |
| Uncollectable accounts and write offs..... | 7 |

❖ **ADMINISTRATION**

| | |
|--|-------------|
| Accident Reports and Claims (settled cases)..... | 7 |
| Annual Reports..... | Permanently |
| Conflict-of-interest disclosure forms..... | 5 |
| Contracts, Licenses and Leases still in effect..... | Permanently |
| Contracts, Leases, Notes, Permits, Water Rate Studies expired [except for legal]..... | 7 |
| Correspondence (general) (routine) with customers or vendors (i.e., service orders)..... | 3 |
| Correspondence and special expired contracts (legal and important)..... | Permanently |
| Deeds, Easements, Mortgages, Bills of Sale..... | Permanently |
| Insurance Records, Claims, Policies, current Accident Reports, etc..... | Permanently |
| Internal Memos and Physical Reports (Board Reports) [Digital kept permanently]..... | 3 |
| Policies (i.e. Insurance and all types expired)..... | 7 |

San Antonio Water Company's

SPECIFIC

RECORDS RETENTION SCHEDULE

ESTABLISHED: May 1993

(Rev. 1999, 2010)

(Revised: August 2021)

| | |
|--|-------------|
| Procedures (Obsolete)..... | 2 |
| Property Appraisals by outside appraisers..... | Permanently |
| Property Records..... | Permanently |
| Proxies (signed)..... | 1 |
| ❖ <u>CORPORATE</u> | |
| Articles of Incorporation and Bylaws..... | Permanently |
| Capital Stock and Bond records;[Ledgers; Transfer Registers etc.]..... | Permanently |
| Capital Stock and Bond Certificates (cancelled)..... | 7 |
| Corporate Resolutions..... | Permanently |
| Minute Books of directors and stockholders incl. Bylaws and Charter..... | Permanently |
| Water Rights Opinions..... | Permanently |
| ❖ <u>HUMAN RESOURCES</u> | |
| Employment Applications (unsolicited)..... | 3 |
| Employee orientation & training materials, handbook (after end use)..... | 7 |
| Employee benefit plan records – [i.e. Form 5500, notices, old 401k plans]..... | 7 |
| Employee Garnishments..... | 3 |
| Employee personnel records - after termination - [Incl. hazmat handling]..... | 12 |
| IRS form I-9 (stored separate from personnel file) – after termination..... | 3 |
| Payroll records & summaries (Note: Journals kept permanently)..... | 7 |
| Safety (OSHA) reports and logs..... | 7 |
| ❖ <u>OPERATIONS</u> | |
| Construction documents..... | 7 |
| Equipment files and maintenance records..... | 7 |
| Fire Dept. Inspection reports..... | 3 |
| Water Quality Testing including Calif. Dept. of Public Health Reports..... | 10 |
| Water Records (Production and Levels)..... | Permanently |
| Water Services (i.e. Work Orders, Turn-off List, etc.)..... | 2 |

Item Title: Update to Records Management Policy

Purpose: To update and revise the company's records management policy

Issue:

Does Board agree with AFC recommendation to approve changes and updates to the records management policy?

Manager's Recommendation:

That Board approve the revised records management policy.

Background:

A records management policy was created by an outside consultant and adopted in 2007. An internal update was made in 2012.

Staff, management and IT consultant have reviewed and made minor revisions to the document. One change was to remove records retention schedule from being embedded in document {will be done once approved] and have it as an appendix which allows periodical updates without changing the policy.

Most changes were minor like title changes, verbiage, and additional information on electronic documents was added.

Impact on the Budget:

None.

Previous Actions:

- 2007 – records management policy created
- 2012 – minor update

San Antonio Water Company

Records Management Policy

Revised 2021

Version 2.7

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SAN ANTONIO WATER COMPANY

RECORDS MANAGEMENT POLICY

This policy is intended to be of use to Staff who are responsible for record keeping or those who are reviewing existing record-keeping procedures within the Office. It provides practical guidelines on record-keeping in accordance with best practices which all staff are obliged to adhere to. The function of the policy is to promote the creation and maintenance of complete, authentic, reliable, accessible and accountable records.

The objectives, therefore, are:

- To ensure a systematic method of filing and retrieving records;
- To ensure we systematically dispose of records when their administrative use has ceased;
- To help us ensure that permanent and vital records are protected;
- To help us comply with Freedom of Information legislation.

THE PURPOSE OF RECORDS MANAGEMENT

- To outline guidelines and standards for the administration of office records.
- To produce records management procedures and to create retention/disposal schedules for office records.
- To ensure preservation of records of permanent value and to establish archival criteria to maintain and assure continued access to appropriate historical records.
- To support both protection of privacy and freedom of information services throughout the water company.

THE BENEFITS OF RECORDS MANAGEMENT

- To manage the creation and growth of records
- To reduce operating costs
- To improve efficiency and productivity
- To ensure regulatory compliance
- To minimize litigation risks
- To safeguard vital information
- To support better management decision-making
- To preserve our business history/memory
- To foster professionalism

WHAT IS THE SCOPE OF RECORDS MANAGEMENT

All information created or received by office employees in the course of their duties on behalf of the water company, preserved in the form of records, are covered by this policy. Records can be in a variety of physical forms including:

- Paper documents - both written and printed matter
- Electronic records (i.e. word processing files, data base, spreadsheet files, emails, electronic data on any media, etc.)

Records Management Policy

- Customer/Shareholder, vendor, and contractor files.
- Financial records.
- Legal documents (agreements, contracts, and deeds).
- Project files and reports.
- Employee (HR) files
- Business transaction information
- Drawings/Maps
- Photographs, video, and audio recordings.

Anything on which information is recorded or stored by graphic, electronic or mechanical means, or copies thereof, received by any office or administrative staff member of the water company in connection with the transaction of the business and retained by such office as evidence of the activities of the water company or because of the information contained therein is considered within the scope of records management. It is emphasized here that this policy is equally applicable to records created and preserved in electronic format as it is to paper records.

This policy is applicable to all areas and locations of the San Antonio Water Company and includes all departments, offices, field units, and areas of work which form any part of the San Antonio Water Company structure.

The Critical Factor

OWNERSHIP OF RECORDS

Any policy if it is to be successful and effective has to have organization-wide support and commitment at every level. Therefore, we as an organization require commitment across the organization from Management at every level to all employees. It is the responsibility of every employee to manage their own records effectively. For a full list of all classes of records please refer to the water company's Records Retention Schedule (Appendix D) which identifies records and the Departments/Functions responsible for them. All records, irrespective of format, (i.e. both textual and electronic, including emails) created or received by water company officers or employees in the course of their duties on behalf of the San Antonio Water Company, are the property of the San Antonio Water Company and subject to its overall control.

Employees leaving the employment of the San Antonio Water Company or changing positions within the organization are to leave all records for their successors.

MANAGEMENT OF WATER COMPANY RECORDS

- All records created by water company managers or staff members in the course of their duties on behalf of the Company are retained for as long as they are required to meet the legal, administrative, financial and operational requirements of the Water Company, after which time they are either destroyed or transferred to the Company Archives. The final disposition (either destruction or transfer to the Archives) of records is carried out according to approved schedules as outlined in the accompanying Guidelines.

Records Management Policy

- While the records schedules prescribe the minimum period that SAWCO records must be retained, offices may, at their discretion, keep the records for a longer period of time if it is deemed necessary.

PROCEDURES FOR RECORDS MANAGEMENT

- The creating person drafts a records retention schedule or recommended change to an existing policy to define the length of time that specified types of records (records series) are to be retained in their active and semi-active phases, as well as their final disposition once they become inactive. (For definitions of these terms, records retention schedules, records series, active and semi-active see Appendix A)
- The draft schedule(s) are then forwarded to the General Manager for approval.
- Following final approval by the General Manager, it is then the responsibility of all office employees to review, understand, and adhere to the guidelines described in the approved records management policy.
- After the records have been retained by the Senior Administrative Assistant (on-site or off-site storage) for the requisite time as stipulated in the records schedules, they are either destroyed or stored in the local office Archive or other approved storage, for permanent retention.
- It should be noted that the Guidelines in the appendices contain schedules which give a generic outline of recommended retention and disposition periods for records series. This is designed to facilitate departments/centers/units etc. in the development of retention and disposal schedules for records. These schedules are based on a determination of the following: legal retention requirements as defined in relevant statutes and regulations, administrative and operational requirements and general best practice. The potential historical value of records is also a consideration.

ELECTRONIC RECORDS

- The same records management principles and policies applied to paper records must also govern the management of electronic records. However, the technological nature of electronic records requires that special consideration be given to matters such as authenticity, accessibility, version control, preservation and disposal.
- Effective electronic records management is only possible through the use of electronic records management software in the context of an overall records management program defining classification schemes, retention schedules, metadata standards, access rights, etc. In other words, electronic documents must be managed from creation to final disposition and destruction.
- In the absence of any electronic records management systems, staff should be encouraged to employ good housekeeping practices in the management of electronic documents (i.e. employ a naming convention, have a backup schedule, delete regularly (especially emails), use passwords, produce paper copies if required to maintain the integrity of manual files, etc).
- Electronic records should take on the same retention schedule as their paper counterparts.
- Directory structures on company computer systems should follow the same organizational structure as the document management plan. The only exception or

Records Management Policy

consideration that must be additionally considered when designing your directory structure is access control. This issue is further described under the E-mail/Electronic Files portion of the Records Management Recommendations section.

Records Management Recommendations Moving Forward

1. ESTABLISHMENT OF A RECORDS MANAGEMENT WORKING GROUP

It must be realized that this is a working plan in process. To achieve a highly scalable and efficient means of managing records requires a continuous look and re-engineering of processes as time moves forward. To accomplish this, a San Antonio Water Company Records Working Group should be established to:

- Review policy for the creation, management and disposition of Water Company records;
- Consider recommendations as contained in retention and disposal schedules recommended by staff;
- Discuss issues relating to the retention or disposition of Water Company records;

The Records Management Working Group comprises of:

- The Assistant General Manager
- The Senior Administrative Assistant
- The General Manager
- Others may be solicited by the working group from time to time

2. SECURE FILING AREAS

SAWCO has a walk in safe for securing archived information and historical records. All staff personnel records should be maintained in a secured and confidential location. Files specific to any employee of SAWCO must be secure with limited access. If Customer files contain financial information (social security and credit related data), these files should also be secured.

3. USE OF REMOTE BACKUP SYSTEM

To preserve the storage and protection against loss of computer files stored on SAWCO computer systems, it is recommended to locally backup files to a tape or other industry recognized storage system on a daily basis. In addition to locally backing up files, it is strongly recommended to employ the use of a Remote Backup System. Such systems will allow the unattended backup of prescribed files stored on your system to a remote (off-site) data center on a daily basis.

4. USE OF AN ELECTRONIC DOCUMENT MANAGEMENT SYSTEM

The easiest way to store and retrieve critical records when needed is through use of an Electronic Document Management System. There are inexpensive systems available that work with a local scanning device to allow SAWCO employees to scan, index, and archive documents for retrieval via a “search & find” interface. SAWCO is currently utilizing DocStar for this purpose.

Records Management Policy

5. E-MAIL / ELECTRONIC FILES:

E-Mails that are deemed to be important must be stored in a manner for later retrieval. Methods available to SAWCo would be to print important e-mails to a document storage system or copy/move important e-mails to an archive folder within SAWCo's mail system. Such systems will need to be established by your IT Systems Provider to support the proper filing and storage of your mail.

The key factor in determining the electronic directory structure used by SAWCO will be based on the access rules used to limit access of directories to a particular person or group within an organization. It is important to discuss file directory access control with your IT Service Provider that maintains SAWCO computer systems prior to deploying a particular file directory structure.

In the case of electronic records stored in file servers or data stored in relational databases where the computer equipment is maintained by an IT System Service Provider, the department which created or maintains these records must formally agree on specific backup and recovery procedures with the IT System Services Provider. This is to ensure that there is no ambiguity as to which department is responsible for records in the event of hardware failure or accidental deletion of records. Such procedures should be documented in a Disaster Recovery or Business Continuity plan. Further analysis and investigation of the issues relating to electronic records management is required before more detailed guidelines or procedures can be formulated.

Appendix A

DEFINITIONS

San Antonio Water Company Records

Records created or received by Water Company officers or employees in the course of their duties on behalf of the Company, can be in a variety of physical forms including: paper documents including both written and printed matter, books, drawings, electronic data on any media, photographs, or anything on which information is recorded or stored by graphic, electronic or mechanical means, or copies thereof received by an academic or administrative office of SAWCO in connection with the transaction of SAWCO business and retained by such office as evidence of the activities of SAWCO or because of the information contained therein.

Active Records

Active records are records which are required and referred to constantly for current use, and which need to be retained and maintained in office space and equipment close to users.

Semi-active Records

Semi- Active records are records which are referred to infrequently and are not required constantly for current use. Semi-active records may be removed from office space to the off-site storage until they are no longer needed.

Records Management Policy

Inactive records

Inactive records are records for which the active and semi-active retention periods have lapsed and which are no longer required to carry out the functions for which they were created. They are kept in the off-site storage until their respective destroy dates.

Permanently valuable records – Archives

Permanently valuable records include those with legal, operational, administrative, historical, scientific, cultural and social significance.

Vital Records

Vital records contain information that is essential to the operations and/or survival of the organization and are necessary to preserve its claims and rights and those of its stakeholders.

Records Retention Schedule

A Records Retention Schedule is a control document that describes the length of time for maintaining corporate records in an industry acceptable reconstructable format. After documents and electronic files have been maintained, as prescribed in the company's record retention schedule, this document serves as the legal authorization for the disposal and destruction of records.

Disposition

Disposition is the action taken in regard to the disposal of records, which can involve physical destruction by means of security shredding or recycling; transfer to archival storage for selective or full retention; or special disposition through a formal act of separation from the custody of the water company.

Record Series

Groups of related records, which are created and used with a common purpose, for example, business transaction records; personnel records; examination results, committee minutes etc.

Permanent

To be retained permanently by the office. Alternatively, if the records are considered inactive, arrangements may be made to have them transferred to an external storage facility.

Appendix B

San Antonio Water Company Records Management Guidelines for Staff

WHY DO WE KEEP RECORDS?

We create records to support and enable us to conduct our business process, to ensure accountability, to meet our legal obligations and to ensure the continuous operation of the Water Company in the event of a disaster. As such they have administrative, evidential, legal and fiscal value. Further, with regard to legislation most notably the 1997 & 2003 Freedom of Information

Records Management Policy

Act, we are obliged to keep up-to-date records and efficient means of accessing them to fulfill our legal commitments.

Areas of particular concern in the context of Freedom of Information compliance include:

- Difficulties in identifying records or files in their entirety without an enormous amount of detective work. Files will be scattered amongst multiple locations. This problem is caused by practices that include holding of hybrid paper and electronic versions of files without any form of integration and cross referencing, related information being held by several members of staff and poor management of draft and definitive versions of documents.
- Rampant duplication of information. Under Freedom of Information, a requester is entitled to be informed of the existence of duplicate copies of a record and access these copies if he or she so wishes. Although this is an unlikely request, it may cause problems if the request is vexatious in intent.
- Poor informational quality of some records or absence of documentary evidence of a transaction caused by concerns that keeping confidential information related to an individual may be problematic.

WHAT IS THE LIFECYCLE OF A RECORD?

Each record has a Life Cycle, which is as follows:

1. Current Records - Are those that are held on site in offices and are used on a very regular basis.
2. Non-current Records - These are records that are needed for occasional reference, may be held on site in a dedicated storage area or stored off site.
3. Disposition - Records should either be archived or disposed of.

Documents will be handled and stored based on the document handling schedule described in Appendix C.

RETENTION AND DISPOSAL

The San Antonio Water Company Records Retention Schedule details all records within the Company. This will be approved by the Board of Directors and reviewed every five years. It is the responsibility of the Assistant General Manager to ensure that records are scheduled as necessary to be retained in the appropriate storage facility or disposed of. If a file is to be destroyed, then a Records Destruction Certificate needs to be completed by the employee for that area and countersigned by the General Manager and approved by the Board. The Destruction Certificates should be filed and kept permanently.

The **benefits** of using records schedules are as follows:

- Ensures that our important records are organized and maintained in such a way as to be easily retrieved and identifiable as evidence of our activities especially in the event of an audit, a Freedom of Information request or discovery in a lawsuit. Conserves office space

Records Management Policy

and equipment by using filing cabinets only to store active paper records and conserves server space by streamlining electronic records captured into electronic document management packages.

- Saves money by moving inactive files to other storage areas until they are ready for final disposition.
- Helps preserve those records that are valuable for historical or other research purposes.
- Controls the growth of records in the offices through the systematic disposition of non-current records.

Current Record Keeping

Staff should ensure that the filing cabinets they are using are updated regularly and well organized.

VITAL RECORDS

A list of the vital records held within the company are as follows:

- Board meeting minutes
- Committee meeting minutes
- Annual meeting minutes
- Organizational meeting minutes
- Deeds
- Easements
- Quitclaims
- Maps
- Water Rights
- Legal Documents

This list is not exclusive and may be revised as necessary. It is recommended that vital records be electronically scanned and stored off site electronically to mitigate the risk of disaster, such as could be caused by fire or water.

ACCOUNTABILITY

Overall responsibilities as an organization

Responsibilities at the office level is to make and preserve records that contain adequate and proper documentation of the organization, functions, policies, decisions, procedures and essential transactions of the water company. Systems are also designed to protect the legal and financial rights of those directly affected by Business activities.

EMPLOYEE RESPONSIBILITIES

This policy will impact on all areas of our organizational work practices, e.g., those who create records in any format, have access to records, or have management responsibility for staff engaged in any of these activities.

All employees, supervisors, and managers are responsible for making and keeping the records of their work and should

Records Management Policy

- Create records needed to do the business of the water company, record decisions and actions taken, and generally document activities for which they are responsible and take care of those records so that information can be found when needed. This means establishing or adhering to good directories and files, and filing materials (in any format) regularly and carefully in a manner that allows them to be safely stored and efficiently retrieved when necessary.
- Carry out the disposition of records, which are under their control in accordance with the water company's record retention schedule per the retention and disposition section.

LEGISLATION

There is a wide variety of legislation governing records and record keeping in the United States. With increasing demands for the public sector to adhere to a more accountable and transparent

way of operating, the volume of legislation governing record keeping is constantly growing. This has implications for those responsible for systems maintenance, review and auditing, business continuity, records retention and disposition. For example, relating to law there are the following Acts:

THE FREEDOM OF INFORMATION (FOI) ACT

It is important to note that the Freedom of Information Act does not preclude the destruction of records. Therefore, FOI does not need to be considered when formulating a records retention and disposition policy. However, where it does have impact is the need for the Water Company to fully document all procedures in order to remain open and accountable.

As already mentioned, all employees have a responsibility to ensure their records are created with care and due consideration for the records management process.

Due to guidelines dictated by the Department of Homeland Security, certain items are excluded from the Freedom of Information Act:

1. Location of sites (GPS Coordinates)
2. Well locations
3. Boosters
4. Reservoirs
5. Storage of Water Systems
6. Delivery of Water Systems
7. Tunnels
8. Shareholder Information

PRIVACY AND CONFIDENTIALITY

The San Antonio Water Company is committed to adhering to sound procedures to ensure the security, privacy and confidentiality of all its records. However, San Antonio Water Company falls within the scope of The Freedom of Information Act and, therefore, is legally obliged to make its records available to the public on request. Notwithstanding, the San Antonio Water Company will endeavor to protect information that is received in confidence and on the understanding that it will be treated as such.

Records Management Policy

PERFORMANCE MANAGEMENT

The San Antonio Water Company is committed to ensuring that this Records Management policy is adhered to and is being used in a proper and adequate manner. It endeavors to continuously review the process on a regular basis so that the best practice can always be applied to our records management system.

Appendix C

DOCUMENTATION / FILING STANDARDS

1. All papers presented for filing must be flat, firmly bound together at the top, on paper of standard quality, and 8 ½ x 11 inches or 8 ½ x 14 inches in size. All papers must be typewritten or prepared by some other duplication process that will produce clear and permanent copies equally legible to printing.

2. All general paper documents will not exceed 8 1/2 inches x 14 inches in size. Papers which are smaller than 8 ½ inches x 11 inches must be copied onto an 8 ½ x 11 inch paper for filing.

3. Signatures should be placed above the typed or clearly printed name to ensure legibility.

4. Document Hierarchy

Use as few levels in the filing structure as possible. Make titles of folders and files as simple as possible. The simpler and logical, the easier the system will be to use.

- Always arrange from general to specific. For example, North America \ USA \ San Bernardino County \ Rancho Cucamonga.
- Names should be clear and consistent. People should be able to understand the filenames on sight. Filenames should have a consistent structure for filing ease.

5. Label Working Files

Label action, project and reading files by purpose or function, *e.g.*, "Prospects," "Marketing," "Education." Use broad, generic headings that will be meaningful to you. If the files are shared, the categories and headings must make sense to everyone involved.

- **Tips:**
 1. Don't create "thin" file headings that are hard to keep track of. Use headings that cover a substantial amount of material
 2. File sizes should not exceed the capacity of file folder. Once a file reaches the limit of the folder, create a second file. Re-label file to read NAME 1 of 2. Box containers are great for thicker files.
 3. Design your system, complete with headings and sub-headings, before actually creating the files.
 4. Use nouns for headings. Adjectives tend to get lost in memory.
 5. Always use a label machine for creating file labels.

6. Label Development Files

- Assessor's Parcel Number (APN)/Last Name, First Name/Address

Records Management Policy

7. Sort in Project Files

- Projects Files will be kept electronically and will have a folder for Contract Documents and Bids and Administration

8. Cluster folder names that are similar and come up with a hanging folder that will contain several of your manila folders.

- Create a list for others to quickly find the resources on a specific area.

9. Limit the number of drawers for file folders. If you create more than two, plan on reviewing the first two drawers to remove or archive files. Do not mix files you need right away with those you archive.

10. Filing Locations and Fixtures

SAWCo has a centralized filing area, a secure vault location, and filing in the board room. Additionally, files are maintained throughout the office. The personnel files are secured and locked.

11. Arrange the Files

Arrange files by categorizing them. The primary categories for the San Antonio Water Company are:

- **Corporate:** Files specific to corporate functions and the board of directors.
- **Customer Files:** Files specific to customers of SAWCO.
- **Accounting:** Files specific to the accounting and financial operations of the business.
- **Facilities:** Documents pertaining to SAWCO facilities, including facilities owned and managed by SAWCO.
- **Water Quality:** Department of Public Health reports, water quality reports.
- **Legal:** Agreements and legal documents pertinent to SAWCO.
- **Maps:** Maps.
- **Operations:** Files specific to the general operation of the business
- **Personnel:** Human Resource related documents.
- **Reference Data:** This includes files, catalogs, periodicals, historical, and reference material.
- **Vendor:** Files specific to vendors that provide services to SAWCO.
- **Developments:** Customer development files.

Examples of how SAWCO documents are categorized are shown in **Appendix D**.

Electronic Files

Arrange files by position duties as follows:

- Accounting
- Administration
- Human Resources
- Engineering
- Operations
- Customer Service

Records Management Policy

Once you have the files properly categorized, then they must be properly labeled so they can be easily identified. Files should be arranged and labeled as follows:

- **Alphabetically** — great for client or customer name files.
- **Subject** — a good choice if you're using subfolders.
- **Numerically** — excellent for dated material, such as purchase orders and bills.
- **Geographical** — appropriate if you have satellite operations.
- **Chronological** — a good solution for back-up files that need to be set up by month.

12. Special Filing Categories

Product samples, photos and catalogs are examples of items that don't readily fit into file folders. Organizing fixtures for filing or storing such items include:

- Boxes that hold both samples and hanging file folders
- Cardboard, metal or plastic holders (great for magazines and catalogs) that sit nicely on your bookshelf
- Tubes that accommodate large, rolled-up prints or maps
- Large envelopes that hold oversized papers in the bottom of a file drawer

13. Permanent Files

After the project is finished or the action complete, temporary files move into the permanent file category. Moving from temporary to permanent files requires analysis and purging. Decide if items contain quality information worth keeping and storing. Are they timely? Can they be obtained elsewhere? Are they accurate and reliable (and will they continue to be so)? How will you use them in the future?

Files that have been determined as not active (files that will be rarely needed), can be stored in the off-site storage. These records should always be indexed prior to storing off-site. This is done in case of an inadvertent need.

Once you decide to store a file, it is absolutely necessary to set up a *retention guide* specifying how long the material will be kept before purging. Without a retention guide, your office files will eventually flow into any space available, including public storage units. Maintain the retention guide separately from the files themselves. The dates for consideration/purging should show up on your calendar (or a shared calendar) and should be the same every year so that consideration/purging become a habit for those involved.

If an electronic document storage system is employed, discipline should be enforced to ensure documents are regularly scanned into permanent archive by the designated document manager.

General Filing Guidelines

1. Before filing a piece of paper, ask yourself, "Will I need this in the future?" Don't keep a piece of paper just on the chance that you may need it "someday."
2. Don't always save every draft of a document. For most purposes the final version is sufficient.
3. Don't file multiple copies of the same document.

Records Management Policy

4. The originator normally keeps copies of reports and correspondence. Just because a document is sent to you doesn't obligate you to keep it indefinitely. If you need to see it again, ask the originator for another copy.
5. Color-coding the different categories of files is a useful tool. Use colored dots placed on file labels to indicate permanent files.
6. Spell out acronyms and abbreviations whenever possible.
7. Use staples rather than paper clips in folders.
8. Never use post-it sticky notes. If sticky notes are pertinent to a file, photocopy the note and add the copy to the file.
9. Discard envelopes if the return address is available on the document itself. Most phone messages, illegible notes, and routine acknowledgements can also be discarded.
10. Do not overstuff your file folders. If they are overstuffed, divide them into several folders with the same name and number them. Your file headings may be too broad - being more specific may help. On the other hand, being too specific may result in one document per folder.
11. Do not overstuff your file drawers.
12. Weed files annually, using the established retention guide.
13. Extra care should be used for sensitive or private information. Company financial data or personnel records that contain performance reviews, salary information, and any health related information should be kept in a secure area with limited access to only those that have a "need to know" such as the General Manager or the Assistant Manager.

Appendix D

Sample Filing Categorization

The following Table lists the major file types and their respective categories, and location. Based on our initial site assessment, the following represents a sample as to how current files should be grouped and re-organized to meet the standards outlined in this Records Management Policy. The header shows the file category and the shaded area below the category shows where the files should be located.

Appendix D

Company Document Management Table

Location: Boardroom

Facilities:

- CA Regional Water Quality Control Board
- Chino Basin
- Cucamonga Basin

Records Management Policy

Emergency Events
Fire Hydrants
Groundwater
Mt. Baldy Ski Area
Ontario, City of
PVPA
San Antonio Canyon
San Antonio Canyon Watershed
San Antonio Dam
San Antonio Creek
San Antonio Flood Control Basin
San Bernardino County
Santa Ana River/Watershed
Six Basins
State Regional Water Quality Control Board
State Water Resources Control Board
Upland, City of
Upland Hills Country Club
Upland Well Field
Water Facility Authority
Water Levels
City Well 15
Wells
Well 2
Well 3
Well 4
Well 12
Well 14
Well 15
Well 15 & Well 32
Well 16
Well 18
Well 19
Well 22
Well 24
Well 25A
Well 26
Well 27A
Well 28
Well 31
Well 32
Well 33
Well 35
Reservoir
Reservoir 1
Reservoir 4
Reservoir 6
Reservoir 7
Reservoir 8
Reservoir 9
Reservoir 11

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- Reservoir 12
- Reservoir 14
- 19th Street Clock
- 23rd Street Clock
- Booster Station #1
- Booster Station #2
- Booster Station #4 & #12
- Booster Station #9
- Booster Station #10
- Booster Station #12
- Booster Station #14
- Booster Station #16
- Booster Station #17
- Booster Station #18
- Booster Station #19
- Canyon Spread Ponds
- Captive Air Tanks @ V-Screen
- Council Avenue
- Edison Box/Ponds
- General
- Pipelines
- Tunnel
- Tunnel/Forebay
- V-Screen

Vendors/Maps:

- Mapping & Survey
- Vendors

Operations:

- Associations
- Conservation
- Office
- Reports
- Safety
- SCADA
- Shares/Stock
- Southern California Edison

Water Quality:

- CA Department of Public Health
- Contaminates
- Cross-Connection
- Environmental Protection Agency
- General
- Samples

Location: General Manager's Office

Legal:

- Quitclaim
- California Water Code

Records Management Policy

- Colonies
- Corporations Code
- General
- Lawsuits
- Ontario
- Water Rights

Corporate:

- Administration
- Agreements
- Board of Directors
- Chino Basin Watermaster
- Contracts
- Cucamonga Basin
- Fees/Rates
- Financing
- Master Plan
- Monte Vista Water District
- Ontario, City of
- Policies/Procedures
- PVPA
- Sale of Stored Water
- Six Basins
- State of California
- Surveys
- Upland, City of

Location: Main Office

Accounting:

- Financials
- Insurance
- Purchase Orders
- Taxes
- Vehicle
- Vendor Services

Customer:

Location: Assistant Manager's Office

Personnel:

- Dental
- Employment
- Health
- Human Resources
- Retirement
- Vision

Developments:

- Water Availability Letters 2000-2006
- Water Availability Letters 2007
- Development Index
- Pending Will Serve Letters

Appendix E

Document Retention Period

Policy: The Company will retain records in an orderly fashion for time periods that comply with legal and governmental requirements and as needed for general business requirements.

Purpose: To outline the methods for filing, retaining and disposing of business records.

Scope: This procedure applies to all business documentation generated by the company. However, this does not necessarily cover internal or certain day-to-day business correspondence.

Responsibilities: The Senior Administrative Assistant will be responsible for categorizing and maintaining a listing of records maintained and their location. The Senior Administrative Assistant is responsible for overseeing the execution of company policy for Record Retention, Storage and Destruction of obsolete company records.

Procedure:

1.0 RECORD RETENTION AND LONG-TERM STORAGE

- 1.1 Digital copies of archived records will be maintained off-site.
- 1.2 Non-permanent files will be stored in cardboard file boxes. Each file box will be labeled on the front with the contents, dates covered, and destruction date if applicable and stored off-site.
- 1.3 Non-permanent files should be stored only in boxes with similar items, dates and retention periods. This will allow easier access and purging of records. A general rule to keep in mind is that it is better to only half-fill a file box than to file dissimilar types of files in the same box.
- 1.4 Maintain all files for as long as is necessary but only to the extent they serve a useful purpose or satisfy business or legal requirements. The retention periods provided are suggested with federal requirements in mind. Be sure to check with local and state authorities for specific record retention requirements.
- 1.5 Copies of critical records that are vital to the daily operations of the Company should be kept off site in case of possible disasters. This may include information needed to file insurance claims (assets lists, insurance contacts, policy numbers), financial data for tax purposes (wages paid, income and expenses), contacts lists to inform or restart the business (vendors, customers, investors and employees), and other data that would assist in rebuilding the business (business plans, intellectual property, or proprietary information). A Remote Backup System should be used to protect the retention of this information.

2.0 RECORD DESTRUCTION

- 2.1 Three to six months after each year-end, the Senior Administrative Assistant will proceed with destruction of all files that have exceeded their recognized holding period and have been approved by the Board for destruction.

Records Management Policy

- 2.2 A listing of file categories to be destroyed will be circulated to the Board prior to destruction for review and comment. The actual listing of records destroyed will be maintained permanently for future reference.
- 2.3 If you come across a file that is clearly dated outside the retention period for the type of file or document, either remove the file from the filing system or affix a sticky note marked “Destroy” on the folder visible when looking over the files.

RECORDS RETENTION GUIDE

PERMANENTLY HELD RECORDS

1. Annual Reports
2. Articles of Incorporation
3. Audit Reports of accounts
4. Auditor management letters
5. Capital Stock and Bond records; Ledgers; Transfer Registers, Stubs showing issues; Record of Interest Coupons; Options; etc.
6. Cash Books
7. Charts of Accounts
8. Checks, cancelled, for important payments (i.e., taxes, purchases of property, special contracts, etc.) *should be filed with the papers pertaining to the underlying transaction (see also #34)*
9. Construction documents
10. Contracts, Licenses and Leases still in effect (see also #35)
11. Corporate Resolutions
12. Correspondence (legal and important matters only)
13. Deeds, Easements, Mortgages, Bills of Sale
14. Employee benefit plan records – current (previously 7 yrs)
15. Employment Handbook (current)
16. Financial Statements (end-of-year, other months optional)
17. General and Private Ledgers, Journals and end-of-year trial balances
18. Insurance Records, Claims, Policies, current Accident Reports, etc.
19. Minute Books of directors and stockholders incl. Bylaws and Charter
20. Patents (previously 7 yrs)
21. Property Appraisals by outside appraisers
22. Property Records (including costs, depreciation reserves, end-of-year trial balances, depreciation schedules, blueprints and plans, inherited valuations)
23. Stock and Bond Certificates (cancelled)
24. Tax Returns and worksheets, Revenue Agents' reports and other documents relating to determination of income tax liability
25. Trademark Registrations
26. Water Records (Production and Levels) (see also #51)
27. Water Rights Opinions

Records Management Policy

SEVEN (7) TO TWELVE (12) YEAR

| | |
|--|----|
| 28. Accident Reports and Claims (settled cases) | 7 |
| 29. Accounts Payable Ledgers and schedules | 7 |
| 30. Accounts Receivable Ledgers and schedules | 7 |
| 31. Bank Statements & Reconciliations | 7 |
| 32. Billing (Sales Records and Invoices to customers, incl. Domestic Ledger) | 7 |
| 33. Check Register and Schedule | 7 |
| 34. Checks, cancelled, (see also #8) | 7 |
| 35. Contracts, Leases, Notes, Permits – expired (see also #10) | 7 |
| 36. Electronic fund transfer documents | 7 |
| 37. Employee orientation & training materials (after end use) | 7 |
| 38. Employee personnel records -after termination- for those who have handled hazardous materials (see also #56) | 12 |
| 39. Equipment files and maintenance records | 7 |
| 40. Inventories of Products, Materials, Supplies and stockroom withdrawal forms (previously 1 yr) | 7 |
| 41. Invoices to customers | 7 |
| 42. Invoices from vendors, employees, etc. (including allowances and reimbursement for expenses) | 7 |
| 43. Notes Receivable Ledgers and Schedules | 7 |
| 44. Option Records (expired) | 7 |
| 45. Payroll records, Work Time Sheets and summaries including payments to pensioners | 7 |
| 46. Purchase Orders purchasing department copy (see also #69) | 7 |
| 47. Safety (OSHA) reports and logs | 7 |
| 48. Scrap and Salvage Records (inventories, sales, etc.) | 7 |
| 49. Subsidiary Ledgers | 7 |
| 50. Uncollectable accounts and write offs | 7 |
| 51. Water Quality Testing including DHS/DPH Reports | 10 |

Records Management Policy

ONE (1) YEAR TO SIX (6) YEARS

| | | |
|-----|---|---|
| 52. | Conflict-of-interest disclosure forms | 5 |
| 53. | Correspondence (routine) with customers or vendors | 1 |
| 54. | Correspondence (general and routine (with customers/vendors) previously 1yr– i.e., Clipboard) | 3 |
| 55. | Employee Garnishments | 3 |
| 56. | Employee Personnel Records after termination (see also #38) | 4 |
| 57. | Employment Applications (unsolicited) | 3 |
| 58. | Employment offer letter (after all obligations end) | 4 |
| 59. | Expense Analysis and Distribution Schedules | 3 |
| 60. | Financial Misc. (Budgets, Monthly Trial Balances, Petty Cash Vouchers, etc.) | 4 |
| 61. | Fire Dept. Inspection reports | 3 |
| 62. | Internal Audit Reports | 3 |
| 63. | IRS form I-9 (stored separate from personnel file) – after termination | 3 |
| 64. | Internal Memos and Reports (Board Reports) | 3 |
| 65. | Petty Cash Vouchers | 3 |
| 66. | Physical Inventory Tags | 3 |
| 67. | Policies of Insurance, all types expired (see also #18) | 4 |
| 68. | Proxies (signed) | 1 |
| 69. | Purchase Order Copies, Requisitions (see also #46) | 1 |
| 70. | Receiving and Shipping Sheets | 1 |
| 71. | Stockroom Withdrawal Forms | 1 |
| 72. | Water Services (Work Orders, Turn-off-List, etc.) | 2 |

Certificate of Records Destruction

This form documents the destruction of public records in accordance with the SAWCO Records Management Policy

- 1) Records Destroyed by: _____ 2) Date of Destruction: _____
3) Division / Department / Title: _____ 4) Location: _____ 5) Phone No. (& ext.) _____

6) Records to Be Destroyed

a) Schedule and Records Series No. b) Records Series Title c) Date Range (mo/yr) d) Location e) Volume f) Method of Destruction

DESTRUCTION APPROVALS

NOTE: Public records may not be destroyed without receiving prior approval from the Office Manager

We certify that the records listed above have been retained for the scheduled retention period, required audits have been completed, and no pending or ongoing litigation or investigation involving these records is known to exist.

7. _____
APPROVING OFFICIAL (PRINT NAME) SIGNATURE DATE

8. _____
DESIGNATED RECORDS OFFICER (PRINT NAME) SIGNATURE DATE

9. RECORDS DESTROYED BY: _____
NAME (SIGNATURE) DATE

Records Management Policy

Revision History:

| Revision | Date | Description of changes | Changed By |
|-----------------|-------------|-------------------------------|-------------------|
| 0 | 2/12/07 | Initial Release | Dessel |
| 1.3 | 3/1/07 | Corrected Release | Dessel |
| 2.1 | 4/2/07 | Enhanced Release | Dessel |
| 2.4 | 4/22/07 | Enhanced Release | Dessel |
| 2.5 | 5/2/07 | Enhanced Release | Dessel |
| 2.6 | 5/4/12 | Enhanced Release | SAWCo |
| 2.7 | 7/27/21 | Enhanced Release | SAWCo |

Item Title: Employee Scott Weiland's 45th anniversary

Purpose: To acknowledge employee Scott Weiland's 45 years of service and discuss possible recognition.

Issue:

Anything beyond 30 years of service, our policy states the recognition would be determined by the Board.

Manager's Recommendation:

That the Board approve AFC recommendation to acknowledge employee Scott Weiland by providing \$450 extra in his paycheck, a day off coupon, luncheon, and other form of acknowledgement not to exceed \$825 in gifts.

Background:

The Company recognizes employees every 5 years with the company. For Scott's 40th anniversary, the Board approved providing \$400 extra in his paycheck, a day off coupon, luncheon, and a personalized gift basket filled with his favorite things with a suggested not to exceed \$600 in gifts.

Scott Weiland started working at San Antonio Water Company on September 1, 1976. He has been a dedicated employee and management would like to recognize him in a way that he would appreciate. Staff plans to work with his supervisor to the other form acknowledgement mentioned in the Manager's recommendation above with a not to exceed \$825.

Employee's luncheon is scheduled for September 8, 2021 at Eden Garden Fusion Grill at 11:30am. Employees and Board members have been invited.

Impact on the Budget:

Anticipated \$1,500 expense not budgeted

Previous Actions:

Employee Recognition Program started in 2007
Employee recognized at 30yrs, 35yrs, and 40yrs.

Item Title: General Manager’s Goals and Objectives

Purpose:

To discuss the General Manager’s Goals and Objectives

Issues:

In preparation for the General Manager’s annual review next month, it is appropriate to review past Goals and Objectives and Consider future Goals and Objectives

Manager’s Recommendation:

No recommendation

Background:

In October of 2020 the Board set the following Goals and Objectives for the General Manager.

| 2020 Goals and Objectives | Achievements |
|---|--|
| Continue advancing our financial reporting. Finalize new reports to more clearly see monthly, quarterly and year-to-date comparisons of income and expenses against budgets for those same time periods. | Developed updated financial report format for Board approval. Working to integrate report format into Tyler-Incode software. |
| Update purchasing and contracting policies. Also, time permitting, consider capital asset, accounts receivable and accounts payable policies. Incorporate appropriate training for staff and Board on all updated policies | Policies updated this past year include Purchasing, Travel, Inventory, Investment, Service to Rental Property, Vacation & Sick Leave and Reserve Funds. |
| Start the review of our long-term consulting contracts, legal and IT for this upcoming year. Remaining consulting contracts for future review include auditor, 401k investment advisors and health insurance | New 5-year contract with ADT for security systems for office, yard and high-risk sites. Switched SCADA Consulting services Reinstatement of 401k plan Have not started review of legal or IT contracts. |
| Identify and initiate design on CIP projects totaling around \$1.5M total prioritizing based on regulatory compliance, safety, demand management, water supply reliability and water quality. Projects to be selected based on results of 2020 Master Plan update | CIP projects initiated or completed this past year totaled about \$4M and included Holly Drive Reservoir Tank Construction, Reservoir 9 Pipeline, AMR Meter Replacement, Frankish Tunnel Outfall Improvements, Cliff Drive, Primrose Drive, Euclid Crescent Drive and Linda Lane Pipeline Replacements, Generators for Holly Drive Booster Station, Booster Station #19 and Shaft 6 Chlorination Station, demolition of Booster Stations 5 and 15. 2020 Master Plan scheduled for completion this December. |
| Complete the Urban Water Management Plan (UWMP) and American Water Infrastructure Act (AWIA) reports by end of June (July deadline) | Urban Water Management Plan (UWMP) is scheduled for a public hearing in September. American Water Infrastructure Act Risk and Resiliency Assessment was completed in June. |

Agenda Date: August 17, 2021

| | |
|---|---|
| Develop and use the results of a risk assessment of a local or regional disaster to review and develop/update Emergency Response and Business Continuity plans in the event of losing essential employees and/or facilities | AWIA Emergency Response Plan contract initiated in July and scheduled for completion in December. Separate and independent Risk and a Resiliency Assessment of SCADA system initiated in June and scheduled for completion in December. |
| Full conversion to new automated meter reading system | All domestic meters converted to new AMR system in Spring of 2020. Reports being provided to Board monthly. |
| Continue moving forward on replacement facility with a 2023 completion date. | Coordinated with City of Upland regarding their Benson Ave Tank Replacement project and contractor's lease of SAWCO Benson Ave property |

Other progress achieved during the past year include:

- Navigating ever-changing conditions related to the COVID 19 pandemic and government's response. Company remained open and accessible all last year.
- Other reports completed include Benefits and Compensation study and update to Employee Handbook
- Negotiation of cell tower lease at Well 15 for an additional yearly \$43k non-water sale revenue.
- Initiated switch-over to fiber optic network for office, yard and Forebay for more reliable service.
- Initiated switch-over to new more reliable VOIP system. Completion dependent on Fiber Optic switch-over.
- Worked with the City of Upland and the Monte Vista Water District to provide an additional 322 acre-feet to the City and 15.6 acre-feet to the District above their entitlement, all at tier-1 rates during the month of December due to higher-than-normal canyon flow This Yearly water provided to the City exceeded entitlement by 3.5% and the District by 2.3%. The additional Tier-1 water sales provided savings of around \$90,000 for the City and about \$3,000 for the District compared to SAWCO tier-2 rates, which are still lower than standard MET rates.

Staff is proposing the following Goals and Objectives for the General Manger's 2021 Annual Review.

- Start the review of our long-term consulting contracts, legal and IT for this upcoming year. Remaining consulting contracts for future review include auditor, 401k investment advisors and health insurance.
- Wrap-up Master Plan (scheduled for completion in December 2021)
- Start the Design of Well-19 replacement. Release bid documents for construction of Well 19.
- Continue advancing our financial reporting.
- Continue moving forward on replacement facility with a planned 2023 completion date.

Previous Action:

General Manager's 2020 Annual Review setting Goals and Objectives

Impact on Budget:

None