

**SAN ANTONIO WATER COMPANY**  
**MINUTES OF THE SAN ANTONIO WATER COMPANY**  
**Tuesday, May 18, 2021**

An open meeting of the Board of Directors of the San Antonio Water Company (SAWCo) was held virtually and called to order at 5:00 p.m. on the above date. Directors present were Tom Thomas, Will Elliott, Rudy Zuniga, Bob Cable, Kati Parker, and Bill Velto. Also in attendance were City of Upland Public Works Director Braden Yu and SAWCo's General Manager Brian Lee, Assistant General Manager Teri Layton, and Senior Administrative Specialist Kelly Mitchell. Director Thomas presided.

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 April 20, 2021.
  - B. Planning, Resources and Operations Committee (PROC) Meeting Minutes  
Meeting minutes of February 23, 2021.
  - C. Administration and Finance committee (AFC) Meeting Minutes  
No meeting minutes to report.
  - D. Financial Statement  
Income Statement and Balance Sheet for March 31, 2021.
  - E. Investment Activity Report  
Monthly Report of Investments Activity.
  - F. Water Production and Consumption  
Monthly water production and consumption figures.
  - H. Prominent Issues Update  
Status summaries on certain on-going active issues.
  - I. Projects and Operations Update  
Status summaries on projects and operations matters.
  - J. Groundwater Level reports (Quarterly in January, April, July, and October)  
Tracking patterns of groundwater elevations relative to ground surface.
  - K. Conservation Program Update (Quarterly in January, April, July, and October)  
Update on SAWCo's existing water conservation programs.
  - L. Conflicts of Interest.

Mr. Lee presented some pictures of the Reservoir 9 project included in Item 4I and explained the work that took place replacing and rerouting the 24-inch pipeline. There was question on what happens to the pipeline easement now that SAWCo has abandoned the waterline. Staff will be quitclaiming it to the property and contacting legal counsel to determine whether that absolves the Company of any future liability.

Director Velto advised Mr. Lee to look at Civil Code Section 1542. Mr. Lee talked about the possibility of slurry sealing in the old line to prevent future problems.

Mr. Lee presented a picture of Burt Street where the area over the newly installed pipeline has been repaved. After 28 days a slurry seal will be put over the top of the entire street which will even out the color of the pavement.

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

5. Board Committee – Delegate Report:
  - A. **Pomona Valley Protective Association (PVPA) Representative's Report** – Director Thomas reported on the PVPA meeting held on May 12<sup>th</sup>. Very little water spreading has taken place this year due to lack of rain. The City of Pomona has begun weed abatement of PVPA properties.  
  
Regarding the National Recreation Area bill, PVPA is still in attempts to get their private land removed from the bill. The City of Claremont would still like to put a kiosk at the entrance to the Claremont Wilderness Park. The PVPA attorney is working with them to get an agreement for the use of the location on PVPA owned property.  
  
The City of Upland July 4<sup>th</sup> event includes fireworks that are located just south of PVPA land. The PVPA Board feels the area is safe and there should be no cause for fire concerns.  
  
The PVPA website has been recently updated.
  - B. **Six Basins Representative Report** – Ms. Layton informed the Board about the Six Basins meeting held on April 28<sup>th</sup>. Water Utility Superintendent, Tommy Hudspeth, attended the meeting as the

alternate. The main topic of discussion was the objection letter the City of Pomona penned on behalf of PVPA regarding PVPA owned land that would be affected by the proposed San Gabriel Mountains National Recreation Area.

- C. **Chino Basin Representative Report** – Mr. Lee reported the annual budget is currently being discussed. The Appropriative Pool is reviewing it line by line and making recommendations to the watermaster. More discussion will take place at the Committee meeting later in the week.

Regarding the Agricultural Pool vs. the Appropriative Pool, the judge will issue a final ruling in 10 days to allow time for the Agricultural Pool to submit a brief explaining why they believe past rules of the watermaster should apply in this instance. The Agricultural Pool submitted this document earlier in the day and now the Appropriative Pool will generate a response. If the judge rules consistent with his tentative ruling, an appeal by the Agricultural Pool is anticipated.

- D. **Cucamonga Basin Representative Report** – Ms. Layton stated the working group met virtually on May 4<sup>th</sup>. The Term of Reference document is closer to being signed as it has worked its way through some committees at Cucamonga Valley Water District (CVWD) and their staff will now walk their general manager through the document for signature.

The working group has also been participating in interviews with interested engineering consultants. Statements of Qualifications (SOQ) were due by May 11<sup>th</sup>. Management is reviewing these SOQs and discussions will take place at the June 1<sup>st</sup> meeting. A short list of qualified consultants will then be generated, and each sent a Request for Proposal (RFP).

- 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 reported an update of current projects was provided at the recent PROC meeting. The Committee has brought to the Board for approval, Item 6B regarding abandonment of surplus property. He encouraged SAWCo to continue being a good member of the community by keeping properties they own looking good.
- G. **Office Feasibility Study Ad Hoc Committee** – No meeting to report.

6. General Manager's Report on Activities:

- A. **Transfer of Funds** – Mr. Lee stated staff is currently modernizing company reserve policies. At this time, a transfer of funds from Operating Reserves to Depreciation & Obsolesces Reserves is needed. Prior policy would require this transfer be made at the end of the calendar year. As part of modernizing reserve policies, staff will be recommending the policy allow for these types of transfers throughout the year as needed.

Mr. Lee recommended the Board ratify prior transfer of \$1.6 million from Operating Reserves to Depreciation & Obsolesces Reserves and recommend additional transfer of LAIF Operating Reserve \$1,822,529.98 to Depreciation & Obsolescence Reserves.

Director Cable moved and Director Zuniga seconded to ratify prior transfer of \$1.6 million from Operating Reserves to Depreciation & Obsolesces Reserves and to approve additional transfer of LAIF Operating Reserve \$1,822,529.98 to Depreciation & Obsolescence Reserves. Motion carried unanimously.

- B. **Abandonment of Surplus Property** – Mr. Lee explained the two surplus properties being discussed were booster stations once used to move water northward from Well 18. They were abandoned when the 210 freeway was built. Well 18 was also decommissioned at that time. Staff does not see any opportunity for revenue generation from these sites and would instead like to demolish the facilities and quitclaim the 15<sup>th</sup> Street property to the City of Upland for additional green space in Magnolia Park and the San Antonio Avenue property to the adjacent homeowner(s).

Director Cable moved and Director Velto seconded to authorize the General Manager to execute a not-to-exceed \$80,000 contract with CP Construction for the demolition of the two surplus properties and to acquire demolition permits from the City of Upland. Motion carried unanimously.

- C. **COVID Response** – Mr. Lee informed the Board that staff plans on holding an in-person Board meeting for the June monthly Board meeting. Mandates from the governor of California are scheduled to be lifted on June 15<sup>th</sup> which happens to be the date of SAWCo's June Board meeting. Staff also plans to facilitate the Board tour of facilities in June. The office is currently operating with 3 staff members in office and 2 working remotely. In June this will change to 4 staff members in office and 1 working remotely. The office has been open to the public with modified hours.

7. Closed Session: None

- 8. Director's Comments and Future Agenda Items: Director Cable stated, as a San Antonio Heights resident, the work done on the streets after waterline replacement looks phenomenal.

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Director Thomas inquired about the status of the new meter install. Mr. Lee updated the Board on the final stages of the meter install project and the steps to be taken in order to present the program to the shareholders.

Director Thomas advised the next Board meeting is scheduled for Tuesday, June 15<sup>th</sup> at 5 p.m.

Adjournment:

With no further business to discuss the meeting was adjourned at 5:25 p.m.



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Assistant Secretary  
Brian Lee