



San Antonio Creek Diversion - 2024

# **San Antonio Water Company** **Annual Operating & Capital Improvement Budget**

## **Fiscal Year Ending December 31, 2025**

Approved December 17, 2024

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# General Manager's Message

**Dear Board of Directors and Shareholders,**

I am pleased to present you with the recommended budget for Fiscal Year 2025 (FY2025). We begin the year in a healthy financial position with the fiscal resources available to continue providing high quality service, continue advancing infrastructure replacement, while maintaining emergency reserves. With the completion of our Master Plan and the state of national inflation over the last few years the Company will be conducting a rate study in 2025 to ensure our revenues and expenses remain in alignment. Pending completion of the rate study, staff also proposes a midyear budget review.

As presented for FY2025, budget revenue is projected to be \$4.87M and expenditures are projected to be \$5.00M. Expenditures include all expected operating, non-operating and capital costs for the next year.

The Company's anticipated operating (non-capital) expenses total \$3.83M, an 3.2% increase over the previous year's budget. The increase is a result of inflationary pressure.

Staff recommends keeping Company entitlement at 13,000 acre-feet. Operating revenue is expected to increase slightly from prior year, for a total of \$4.87M. Setting the entitlement at 13,000 acre-feet assumes that rainfall will be near average this upcoming winter. The Company currently has about 10,000 acre-feet in groundwater storage, which will help offset any reduction in rainfall in 2025.

Water sales in 2025 are anticipated to account for 97% of the company's revenue; funding full operation and a large chunk of capital projects (pipes, pumps and tanks). Remaining revenue comes from lease and interest income.

The Company's budgeted capital expenses total \$1.17M. Projects scheduled for 2025 include an irrigation pipeline replacement, design of a new pipeline and continued design of new company facilities. After past years of aggressive capital expenditures, this year's projected capital program reflects a more standard pay-as-you-go philosophy. Depending on the outcome of the rate study the Company may decide to accelerate additional pipeline projects later this year. Money for the new company facility is expected to come from the sale of surplus property, not rates.

Our year-end review shows an approximately \$5.1M balance in the Company's capital and operating reserves. Our 2025 budget relies on the use of approximately \$137K of our reserve funds for infrastructure replacement. At the end of 2025 remaining reserves available for use should total about \$5.0M.

I would like to thank every staff member of SAWCo for their hard work and dedication over the last year. They are truly this company's most important asset. I remain thankful to the community for their input, both Committees for their efforts, and the full Board for providing both the vision and guidance necessary as we respond to the ever-changing challenges facing this Company.



# 2025 Quick Data

- Annual Entitlement..... 13,000 acre-feet  
(No change from 2024)
- Total Company Shares as of January 1, 2025 ..... 6,389 shares
- Active Shares as of January 1, 2025 ..... 6,178 shares  
(inactive shares are those shares currently not taking entitlement water)
- Yearly 2025 entitlement per share ..... 2.035 acre-feet
- Total 2025 active share entitlement ..... 12,570 acre-feet

- Estimated 2025 Water Production, by source:

Surface Water .....	4,425 acre-feet
Chino Groundwater Basin.....	1,232 acre-feet
Cucamonga Groundwater Basin.....	5,981 acre-feet
Six Basins Groundwater Basin .....	932 acre-feet
TOTAL .....	12,570 acre-feet

- Projected 2025 Revenue:

Shareholder .....	\$4,741,000
Non-shareholder .....	\$126,000
TOTAL .....	\$4,867,000

- Projected 2025 Operating Expenses:

Operations and Maintenance.....	(\$2,109,500)
General Administrative.....	(\$1,721,000)
TOTAL .....	(\$3,830,500)

- Projected 2025 Capital Expenses..... (\$1,173,000)

- Projected 2025 Revenue minus Expenses..... (\$136,500)

- Reserves:

Targets:

- Operating Reserves: .....\$960,000  
(3 months of 2025 Budget Operating Expenses)
- Capital Reserves: ..... \$1.3M - \$5.2M  
(5% - 20% of 2022 audited property, plant and equipment)

TOTAL TARGET RESERVES:..... \$2.3M - \$6.2M

Cash on Deposit as of October 2024.....	\$4,675,000
Projected CoD as of December 2024 .....	\$5,150,000
Projected CoD as of December 2025 .....	\$5,013,000

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# Company at a Glance

## ORGANIZATIONAL

San Antonio Water Company (SAWCO) is a California mutual water company formed under the General Corporation Law in 1882 and exempt from taxation under Section 501(c)(12) of the Internal Revenue Code. SAWCO is regulated under the United States Environmental Protection Agency (USEPA) Safe Drinking Water Act, monitored by the State of California pursuant to applicable provisions of the Water Code & Health and Safety Code. SAWCO reports to the San Bernardino County Local Agency Formation Commission (LAFCo).

The Company does not import any water. Instead we are dependent on our local San Antonio Canyon watershed and groundwater basins. Utilizing local water sources dramatically keeps costs down but also increases the risk associated with long term drought. Currently, our shareholders include most residents of the unincorporated area of San Antonio Heights, the Cities of Upland and Ontario, the Monte Vista Water District, the US Forest Service, the San Bernardino County Flood Control District, local quarries and the proud heritage of remaining local grove irrigators.

## HEADCOUNT

The Company's vision is to be an organization that defines excellence in delivering high quality water in a cost-effective manner by meeting shareholder needs and entitlements. We will lead the way for water agencies in the region by developing key strategic partnerships, making maximum use of water capture and delivery facilities and technologies, and attracting high caliber employees by being a recognized employer of choice in the field.

None of this vision would be possible without an innovative, self-managed staff that has pride of ownership for their work product while providing exceptional service. This is all done currently with 9 full-time and 1 part-time employees.

## Changes in 2024

- Office & Field: No change.

## STRATEGIC PLAN

In 2015, the Company went through a strategic planning process and out of this process, the following goals were developed:

- Evaluate and Prioritize Projects for Supply Maximization
- Develop Strategic Partnerships Initiate and Further Joint Projects
- Invest in Technology
- Define SAWCo's Assets & Needs
- Develop the Workforce of the Future
- Improve Internal Relationships

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In 2025 the Company plans to continue reaching towards our goals by the following actions:

**Evaluate and Prioritize Projects for Supply Maximization** – Staff completed a 2020 Water Master Plan Update. This update evaluates and prioritizes projects for supply maximization.

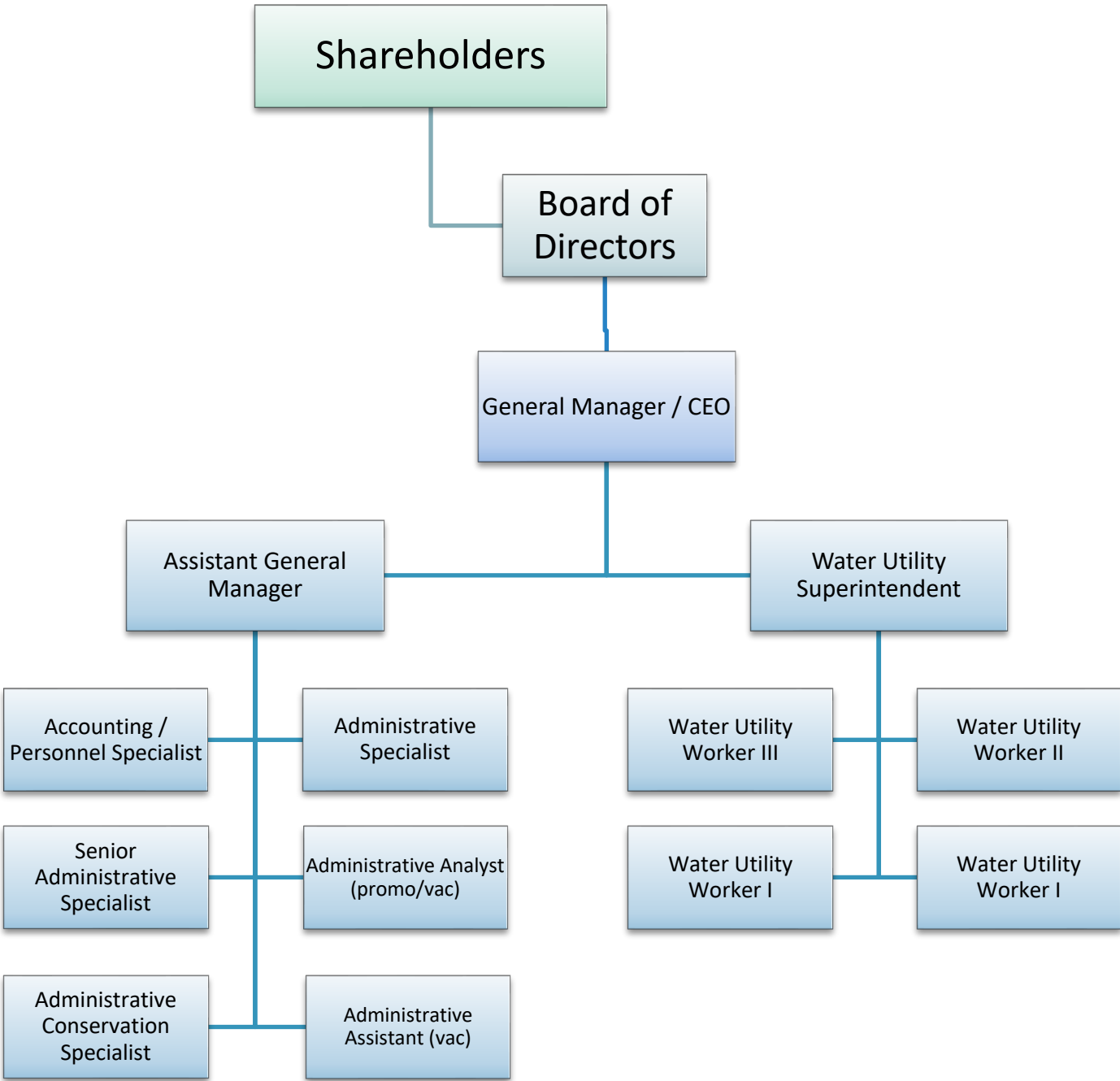
**Develop Strategic Partnerships to Initiate and Further Joint Projects** – Staff continues to reach-out and build relationships with the different shareholders. We will continue to discuss joint projects that may be beneficial to our shareholders. The Master Plan update may uncover future possibilities.

**Define SAWCo's Assets & Needs** – The company continues to take on additional responsibilities with limited staff and space. In order to meet these needs, staff is utilizing outside consultants and adjusting priorities. The office is currently not up to seismic code nor is it ADA compliant. To correct these deficiencies would be costly for a building that is over 90 years old. In 2015, the Board formed a committee to start the process of relocating the office and yard into one facility at a property the Company already owns. In 2024, the Company is continuing to address the limited space, safety for its employees, and functionality for its shareholders and staff.

**Develop the Workforce of the Future** – Management continues to provide ongoing training for current employees and assess the needs of the company. Limited advancement opportunities due to our small staff and a perceived lower benefits package compared to local public water companies continue to hinder the recruitment process. The Company is currently attempting to obtain an eligibility letter from the Federal Government which would allow us to engage CalPERS [Public Employees Retirement System] to compare actual costs and benefits. In 2020, we hired a consultant to perform a benefit and comp study to keep us competitive with the current market.

**Improve Relationships** – Recent public conversations have exposed a need to improve the distribution of information to our shareholders and employees. It is apparent that misinformation needs to be curtailed and corrected. The Company will conduct a public outreach campaign intended to inform and solicit feedback from our shareholders and employees. Strong leadership will help to carry the company in one direction.

San Antonio Water Company  
Organization Chart  
Board Approved on November 15, 2016



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# San Antonio Water Company

## **2024 ACCOMPLISHMENTS:**

- Design of Forebay Outfall Pipeline (formerly the Paloma Curve Hydraulic Break modernization)
- Design of Well 31 Pipeline replacement
- Construction of Glendale Road pipeline replacement
- State mandated Supply Assessment report
- State mandated Water Audit Validation report

## **2025 GOALS & OBJECTIVES:**

- Revise and improve standard financial reports and reporting policy
- Well 31 pipeline replacement
- Design of Well 19 Transmission Pipeline
- Finalize design and permitting of new office/yard facilities on 20<sup>th</sup> Street

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# FINANCIALS



**2025 OPERATING BUDGET OVERVIEW**

	2025	2024	2024	2024	2023	2022
	<u>Budget</u>	<u>Budget</u>	<u>Actual thru Sept</u>	<u>Projected</u>	<u>Actual</u>	<u>Actual</u>
<b>SHAREHOLDER REVENUE</b>						
Water Sales - Domestic	\$ 500,000	\$ 730,000	\$ 388,282	\$ 495,000	\$ 448,434	\$ 683,293
Water Fixed Charges - Domestic	\$ 261,000	\$ 261,000	\$ 176,317	\$ 261,000	\$ 264,513	\$ 263,312
Water Sales - Municipal	\$ 3,050,000	\$ 3,100,000	\$ 2,272,103	\$ 2,950,000	\$ 3,093,095	\$ 3,019,350
Water Fixed Charges - Municipal	\$ 554,000	\$ 554,000	\$ 415,530	\$ 554,000	\$ 553,912	\$ 553,872
Water Sales - Misc.	\$ 275,000	\$ 260,000	\$ 192,517	\$ 241,000	\$ 315,944	\$ 372,343
Water Fixed Charges - Misc.	\$ 46,000	\$ 46,000	\$ 34,760	\$ 46,000	\$ 46,740	\$ 46,304
Water Fixed Charges - Inactive Shareholders	\$ 45,000	\$ 52,000	\$ 34,261	\$ 43,000	\$ 50,999	\$ 51,860
Shareholder Fees	\$ 10,000	\$ 8,800	\$ 13,927	\$ 13,927	\$ 9,591	\$ 10,451
Capital Facilities Connection Fee	\$ -	\$ -	\$ 20,547	\$ 20,547	\$ -	\$ 5,691
<b>TOTAL</b>	<b>\$ 4,741,000</b>	<b>\$ 5,011,800</b>	<b>\$ 3,548,243</b>	<b>\$ 4,624,474</b>	<b>\$ 4,783,228</b>	<b>\$ 5,256,476</b>
<b>NON-SHAREHOLDER REVENUE</b>						
Development Plan Check Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous Income	\$ 2,000	\$ 2,000	\$ 11,529	\$ 11,500	\$ 325	\$ 1,356
Plans & Spec Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction Permit & Inspection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Service/Litigation Agreements	\$ -	\$ -	\$ 1,795	\$ 1,795	\$ 2,094	\$ 1,348
Ground Lease Income	\$ 74,000	\$ 70,000	\$ 46,835	\$ 74,000	\$ 74,408	\$ 74,950
Interest Income	\$ 50,000	\$ 20,000	\$ 93,627	\$ 100,000	\$ 144,366	\$ 35,612
Quitclaim of Easements	\$ -	\$ -	\$ -	\$ -	\$ 4,440	\$ -
Overhead Income	\$ -	\$ -	\$ -	\$ -	\$ 1,620	\$ 1,628
Gain on Sale of Assets	\$ -	\$ -	\$ -	\$ -	\$ 357,509	\$ 343,059
<b>Subtotal:</b>	<b>\$ 126,000</b>	<b>\$ 92,000</b>	<b>\$ 153,786</b>	<b>\$ 187,295</b>	<b>\$ 584,762</b>	<b>\$ 457,953</b>
<b>DEPRECIATION &amp; OBSOLESCENCE REVENUE</b>						
Water Sales from Stored G. W. [D&O Reserves]	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000
<b>Subtotal:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>
<b>Revenue Total:</b>	<b>\$ 4,867,000</b>	<b>\$ 5,103,800</b>	<b>\$ 3,702,029</b>	<b>\$ 4,811,769</b>	<b>\$ 5,617,990</b>	<b>\$ 5,964,429</b>
Non-Shareholder as a percentage of Total Revenue:	2.6%	1.8%	4.2%	3.9%	14.9%	11.9%

	2025	2024	2024	2024	2023	2022
	Budget	Budget	Actual thru Sept	Projected	Actual	Actual
<b>FACILITIES &amp; O&amp;M EXPENSES</b>						
<b>Operating Facilities</b>						
Facility Related Field Labor	\$ 400,000	\$ 480,000	\$ 319,915	\$ 400,000	\$ 426,553	\$ 324,071
Repairs to Facilities and Equipment	\$ 300,000	\$ 350,000	\$ 219,480	\$ 274,000	\$ 575,000	\$ 381,852
Power-Gas & Electric (utilities)	\$ 915,000	\$ 900,000	\$ 691,327	\$ 864,000	\$ 921,769	\$ 1,053,356
Operating Facilities Total:	\$ 1,615,000	\$ 1,730,000	\$ 1,230,722	\$ 1,538,000	\$ 1,923,322	\$ 1,759,279
<b>Operating Activities</b>						
Customer Services/Billing	\$ 11,000	\$ 10,000	\$ 8,777	\$ 11,000	\$ 11,703	\$ 67,771
Conservation Activities	\$ 15,000	\$ 26,000	\$ 11,128	\$ 14,000	\$ 12,502	\$ 45,204
Operating Activities Total:	\$ 26,000	\$ 36,000	\$ 19,905	\$ 25,000	\$ 24,205	\$ 112,975
<b>Other Operating Expense</b>						
O&M - All Other	\$ 3,500	\$ 3,500	\$ 3,065	\$ 3,800	\$ 4,086	\$ 1,420
Purchased Water	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies (Inventory & Tools Expense)	\$ 20,000	\$ 10,000	\$ 16,508	\$ 21,000	\$ 22,010	\$ 8,677
Property Taxes	\$ 245,000	\$ 240,000	\$ 127,296	\$ 240,000	\$ 240,000	\$ 249,238
Wtr. Resource Mgmt. (Basin Assm'ts)	\$ 200,000	\$ 143,000	\$ 209,439	\$ 210,000	\$ 143,000	\$ 147,002
Loss on Disposal of Asset	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory Shrinkage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,112
Other Operating Expense Total:	\$ 468,500	\$ 396,500	\$ 356,307	\$ 474,800	\$ 409,096	\$ 408,449
<b>O &amp; M Expense Total:</b>	<b>\$ 2,109,500</b>	<b>\$ 2,162,500</b>	<b>\$ 1,606,934</b>	<b>\$ 2,037,800</b>	<b>\$ 2,356,623</b>	<b>\$ 2,280,703</b>

<b>GENERAL ADMINISTRATIVE EXPENSES</b>						
<b>Personnel</b>						
Administrative Labor	\$ 540,000	\$ 540,000	\$ 412,672	\$ 516,000	\$ 550,229	\$ 292,286
Payroll Taxes	\$ 90,000	\$ 80,000	\$ 67,961	\$ 85,000	\$ 90,615	\$ 74,509
Worker's Compensation Insurance	\$ 16,000	\$ 18,000	\$ 10,948	\$ 14,000	\$ 14,597	\$ 16,170
Benefit Pay (Vac., Sick, Etc.)	\$ 225,000	\$ 195,000	\$ 179,357	\$ 225,000	\$ 239,142	\$ 204,124
Benefit Insurance (Pension, Life, Medical, Dental, Vision)	\$ 260,000	\$ 250,000	\$ 198,953	\$ 249,000	\$ 265,271	\$ 246,698
Benefit Administrative Services	\$ 1,000	\$ 2,000	\$ 100	\$ 100	\$ 133	\$ 100
Personnel Total:	\$ 1,132,000	\$ 1,085,000	\$ 869,990	\$ 1,089,100	\$ 1,159,987	\$ 833,887
<b>Other</b>						
Office/ IT Support	\$ 80,000	\$ 60,000	\$ 77,455	\$ 97,000	\$ 80,000	\$ 42,943
Directors Fees & Expenses	\$ 40,000	\$ 32,000	\$ 29,454	\$ 40,000	\$ 39,272	\$ 32,540
Liability Insurance (Non-empl. benef.)	\$ 90,000	\$ 60,000	\$ 79,418	\$ 80,000	\$ 58,979	\$ 41,692
Communications	\$ 40,000	\$ 43,000	\$ 29,989	\$ 37,000	\$ 39,986	\$ 39,757
Dues & Subscriptions	\$ 14,000	\$ 3,500	\$ 10,403	\$ 13,000	\$ 13,871	\$ 4,483
Outside Services	\$ 20,000	\$ 20,000	\$ 16,161	\$ 20,000	\$ 20,000	\$ 25,486
Taxes - Income	\$ 20,000	\$ 12,500	\$ 19,200	\$ 19,200	\$ 9,700	\$ 9,676
Accounting Expense	\$ 23,000	\$ 20,000	\$ 21,889	\$ 22,000	\$ 19,448	\$ 76,184
Legal Expense	\$ 240,000	\$ 200,000	\$ 198,441	\$ 248,051	\$ 264,588	\$ 151,565
Human Resource Expense	\$ 2,000	\$ -	\$ 1,360	\$ 1,700	\$ 1,149	\$ 52,440
All Other	\$ 20,000	\$ 30,000	\$ 5,311	\$ 6,639	\$ 7,081	\$ 30,168
Other Total:	\$ 589,000	\$ 481,000	\$ 489,081	\$ 584,590	\$ 554,074	\$ 506,934
<b>G. &amp; A. Expense Total:</b>	<b>\$ 1,721,000</b>	<b>\$ 1,566,000</b>	<b>\$ 1,359,072</b>	<b>\$ 1,673,690</b>	<b>\$ 1,714,061</b>	<b>\$ 1,340,821</b>

<b>Capital Expenditure</b>						
Facilities	\$ 925,000	\$ 4,895,000	\$ 492,725	\$ 520,000	\$ 4,834,129	\$ 60,000
Equipment/Studies/Reports	\$ 248,000	\$ 405,000	\$ 261,620	\$ 345,000	\$ 97,592	\$ 120,000
CIP Total:	\$ 1,173,000	\$ 5,300,000	\$ 754,345	\$ 865,000	\$ 4,931,721	\$ 180,000

<b>Total Revenue:</b>	<b>\$ 4,867,000</b>	<b>\$ 5,103,800</b>	<b>\$ 3,702,029</b>	<b>\$ 4,811,769</b>	<b>\$ 5,617,990</b>	<b>\$ 5,964,429</b>
<b>Total Expenses excluding CIP:</b>	<b>\$ 3,830,500</b>	<b>\$ 3,728,500</b>	<b>\$ 2,966,006</b>	<b>\$ 3,711,490</b>	<b>\$ 4,070,684</b>	<b>\$ 3,621,524</b>
<b>Total Expenses including CIP:</b>	<b>\$ 5,003,500</b>	<b>\$ 9,028,500</b>	<b>\$ 3,720,351</b>	<b>\$ 4,576,490</b>	<b>\$ 9,002,405</b>	<b>\$ 3,801,524</b>
<b>Net Income without D&amp;O funds:</b>	<b>\$ 1,036,500</b>	<b>\$ 1,375,300</b>	<b>\$ 736,023</b>	<b>\$ 1,100,279</b>	<b>\$ 1,297,306</b>	<b>\$ 2,092,905</b>
<b>Net Income with D&amp;O funds:</b>	<b>\$ 1,036,500</b>	<b>\$ 1,375,300</b>	<b>\$ 736,023</b>	<b>\$ 1,100,279</b>	<b>\$ 1,547,306</b>	<b>\$ 2,342,905</b>

Depreciation	\$ 1,100,000	\$ 1,100,000	\$ 852,775	\$ 1,100,000	\$ 1,137,033	\$ 947,867
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<b>Net income excluding Capital Expenditures less Depreciation</b>	<b>\$ (63,500)</b>	<b>\$ 275,300</b>	<b>\$ (116,752)</b>	<b>\$ 279</b>	<b>\$ 410,273</b>	<b>\$ 1,395,038</b>
<b>Net income including Capital Expenditures less Depreciation</b>	<b>\$ (1,236,500)</b>	<b>\$ (5,024,700)</b>	<b>\$ (871,097)</b>	<b>\$ (864,721)</b>	<b>\$ (4,521,448)</b>	<b>\$ 1,215,038</b>
<b>Net income including Capital Expenditures</b>	<b>\$ (136,500)</b>	<b>\$ (3,924,700)</b>	<b>\$ (18,322)</b>	<b>\$ 235,279</b>	<b>\$ (3,634,415)</b>	<b>\$ 1,912,905</b>
<b>Net income including Capital Expenditures less NSR</b>	<b>\$ (262,500)</b>	<b>\$ (4,016,700)</b>	<b>\$ (172,108)</b>	<b>\$ 47,984</b>	<b>\$ (4,219,177)</b>	<b>\$ 1,454,952</b>

2025 OPERATING BUDGET CAPITAL IMPROVEMENTS

	DRAFT 2025 CIP												TOTAL
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
<b>Domestic Water System</b>													
SCADA PLC Controller Replacement		\$ 40,000											\$ 40,000
Well 19 Pipeline Design						\$ 32,500	\$ 32,500	\$ 32,500	\$ 32,500				\$ 130,000
Total	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ 32,500	\$ 32,500	\$ 32,500	\$ 32,500	\$ -	\$ -	\$ -	\$ 170,000
<b>Irrigation System</b>													
SCADA PLC Controller Replacement			\$ 80,000										\$ 80,000
Well 31 Pipeline Relocation/Replacement	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 50,000								\$ 450,000
Paloma Curve Hydraulic Break		\$ 25,000											\$ 25,000
Total	\$ 100,000	\$ 125,000	\$ 180,000	\$ 100,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 555,000
<b>General Company</b>													
Consolidated Campus		\$ 100,000				\$ 100,000							\$ 200,000
<b>TOTAL CIP</b>	\$ 100,000	\$ 265,000	\$ 180,000	\$ 100,000	\$ 50,000	\$ 132,500	\$ 32,500	\$ 32,500	\$ 32,500	\$ -	\$ -	\$ -	\$ 925,000
<b>Total CIP + Equipment + Reports</b>	\$ 110,000	\$ 275,500	\$ 210,000	\$ 235,500	\$ 50,000	\$ 169,000	\$ 57,500	\$ 33,000	\$ 32,500	\$ -	\$ -	\$ -	\$ 1,173,000

2025 OPERATING BUDGET EQUIPMENT/STUDIES/REPORTS

		DRAFT 2025 EQUIPMENT												TOTAL
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
#	<b>Equipment Purchases</b>													
1	Computers						\$ 6,000							\$ 6,000
2	Misc. Hand Tools for Trucks		\$ 500		\$ 500		\$ 500		\$ 500					\$ 2,000
3	Replacement Valve Actuator and vacuum				\$ 100,000									\$ 100,000
4	Three Chlorine Analyzers (Forebay, Well15/16, Well 32)			\$ 20,000										\$ 20,000
	Total	\$ -	\$ 500	\$ 20,000	\$ 100,500	\$ -	\$ 6,500	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ 128,000

		DRAFT 2025 STUDIES AND REPORTS												TOTAL
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
#	<b>Studies and Reports</b>													
1	Five Year Rate Study	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000									\$ 40,000
2	Benefit and Comp Study						\$ 30,000							\$ 30,000
3	UWMP				\$ 25,000			\$ 25,000						\$ 50,000
	Total	\$ 10,000	\$ 10,000	\$ 10,000	\$ 35,000	\$ -	\$ 30,000	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,000

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# CAPITAL IMPROVEMENTS

Project Title: **SCADA PLC Controller Replacement**

**Total Budget: \$40,000**

Construction: \$40,000

**Schedule:**

Installation: February 2024

**Location:** System Wide

**Justification:** A water system is controlled in-part through the System Control and Data Acquisition (SCADA) computer network. Communications occur between the central control server and Programmable Logic Controllers (PLCs) located at each facility. PLCs contain instructions on site specific activities ranging from reservoir water levels, chlorination levels and site security alarms. The Company's current PLC inventory contains almost 40 PLCs of differing electronics from different companies programmed by different people, without the benefit of standardization or documentation retained by the Company.

Staff is proposing the modernization of Company PLCs on a multi-year basis, replacing two to four per year. Replacement will include standardization of instruction sets and documentation of each PLC's programming, input and output.

Project Title: **Well Site 19 Pipeline**

**Total Budget: \$2,920,000**

Design and Permitting: \$130,000 (scheduled for 2025)

Construction Management: \$130,000 (scheduled for 2026-27)

Construction: \$2,660,000 (scheduled for 2026-27)

**Schedule:**

Design: 2024

Construction: 2025

**Location:**



**Justification:** The Well 19 drilling and development project was completed in 2023. The next phase is construction of a well head and pump house, including bringing in electricity and the construction of a pipeline to deliver well water into the Company system. Pipeline is estimated to be about 5,400 LF. At an estimated \$500/LF the pipeline is estimated to be \$2.16M construction cost. Wellhead and power is estimated to be \$500,000 for a total estimated construction cost of \$2.66M. Engineering and Construction Management estimated at 12% of construction cost - \$260k

Project Title: **Irrigation SCADA PLC Controller Replacement**

**Total Budget: \$80,000**

Installation: \$80,000

**Schedule:**

Installation: March 2023

**Location:** System Wide

**Justification:** A water system is controlled in-part through the System Control and Data Acquisition (SCADA) computer network. Communications occur between the central control server and Programmable Logic Controllers (PLCs) located at each facility. PLCs contain instructions on site specific activities ranging from reservoir water levels, chlorination levels and site security alarms. The Company's current PLC inventory contains 12 PLCs, with differing electronics from different companies programmed by different people, without the benefit of standardization or documentation retained by the Company.

Staff is proposing the modernization of Company PLCs on a multi-year basis, replacing two to four per year. Replacement will include standardization of instruction sets and documentation of each PLC's programming, input and output.



**Project Title: Well 31 Pipeline Relocation/Replacement**

**Total Budget: \$500,085**

Soft Costs (Engineering, Permitting, Easements, Inspection, Testing): \$86,500

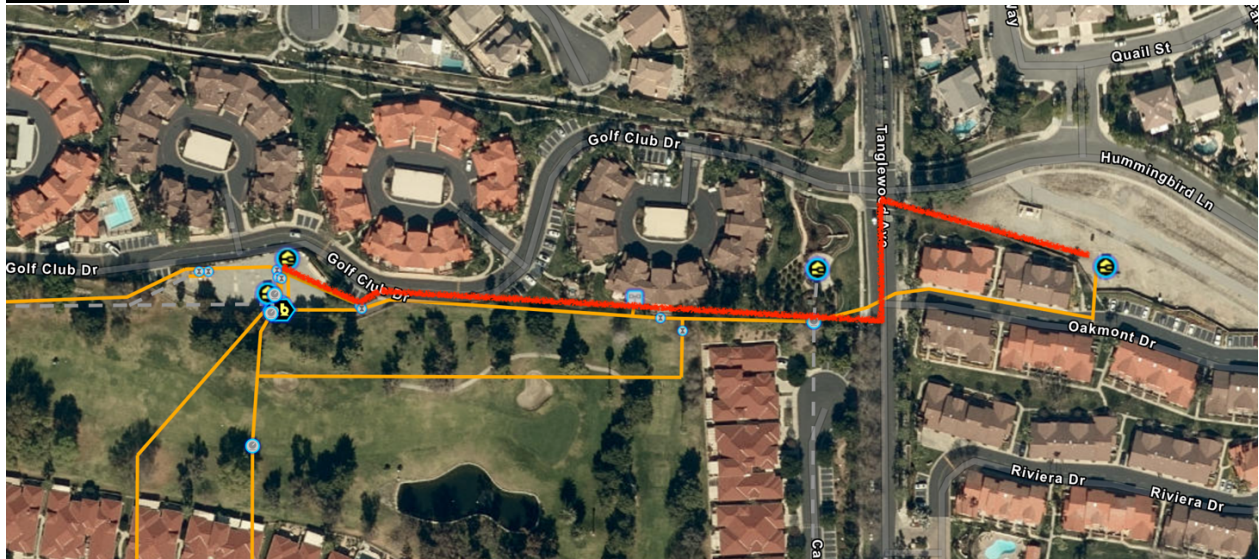
Construction: \$413,585

**Schedule:**

Design: 2023-24

Construction: 2025

**Location:**



**Justification:**

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

Project Title: **Paloma Curve Hydraulic Break**

**Total Budget: \$1,500,000**

Engineering: \$140,000

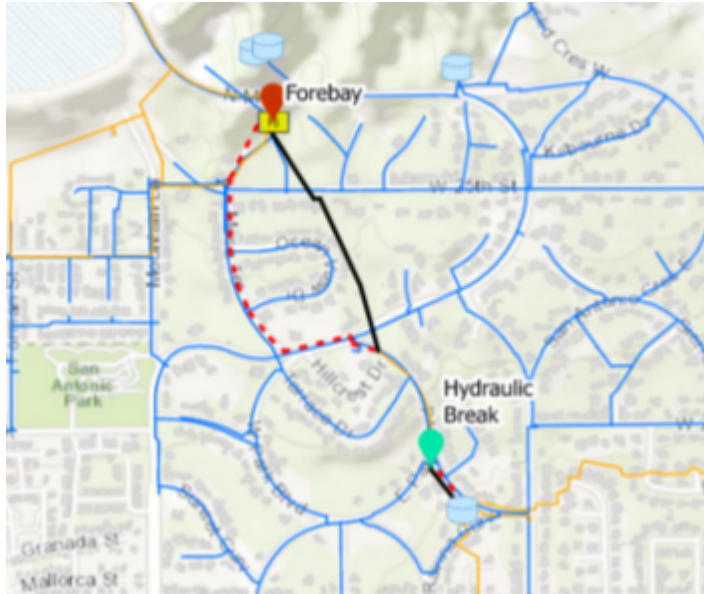
Construction: \$1,360,000

**Schedule:**

Design: 2023-24

Construction: 2025-26

**Location:**



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

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

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

Project Title: **Consolidated Facilities**  
Architecture and Design: \$283,550 contracted  
Construction: TBD

**Schedule:**

Design: 2023-2025  
Construction: 2025-26

**Location:**



**Justification:** The Company currently operates out of two facilities (Operations Yard and Office Building), each over 100 years old. The Company is researching consolidation of both facilities onto a single site.

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# ENTITLEMENT PROJECTIONS

		2025 Projections												Entitlement
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	
<b>San Antonio Heights</b>	Projected Monthly Delivery	60	65	60	62	112	140	150	160	160	120	100	80	
	Projected Cumulative Delivery	60	125	185	247	359	499	649	809	969	1,089	1,189	1,269	= 1,269
<b>City of Upland</b>	Projected Monthly Delivery	500	500	400	400	800	1,300	1,300	1,100	950	720	620	596	
	Projected Cumulative Delivery	500	1,000	1,400	1,800	2,600	3,900	5,200	6,300	7,250	7,970	8,590	9,186	= 9,186
<b>Monte Vista Water District</b>	Projected Monthly Delivery	48	48	48	48	52	52	52	52	52	48	48	48	
	Projected Cumulative Delivery	48	96	144	192	244	296	348	400	452	500	548	596	= 672
<b>City of Ontario</b>	Projected Monthly Delivery	38	38	38	38	42	42	42	42	42	38	38	38	
	Projected Cumulative Delivery	38	76	114	152	194	236	278	320	362	400	438	476	= 601
<b>Holiday Rock Company</b>	Projected Monthly Delivery	20	20	20	20	24	25	30	30	30	20	20	10	
	Projected Cumulative Delivery	20	40	60	80	104	129	159	189	219	239	259	269	= 269
<b>Red Hills Golf Course</b>	Projected Monthly Delivery	8	15	8	20	45	55	60	60	55	50	40	30	
	Projected Cumulative Delivery	8	23	31	51	96	151	211	271	326	376	416	446	= 444
<b>Red Hills HOA</b>	Projected Monthly Delivery	1	1	1	1	1	2	2	2	2	2	1	1	
	Projected Cumulative Delivery	1	2	3	4	5	7	9	11	13	15	16	17	= 20
<b>Minor Irrigators</b>	Projected Monthly Delivery	1	2	1	1	6	8	8	10	10	8	6	4	
	Projected Cumulative Delivery	1	3	4	5	11	19	27	37	47	55	61	65	= 102
<b>COMPANY TOTAL (EX. INACTIVE)</b>	Projected Monthly Delivery	676	689	576	590	1,082	1,624	1,644	1,456	1,301	1,006	873	807	
	<b>Projected Cumulative Consumption</b>	<b>676</b>	<b>1,365</b>	<b>1,941</b>	<b>2,531</b>	<b>3,613</b>	<b>5,237</b>	<b>6,881</b>	<b>8,337</b>	<b>9,638</b>	<b>10,644</b>	<b>11,517</b>	<b>12,324</b>	
	Straight Line Mnthly Ent	1,047.56	1,047.56	1,047.56	1,047.56	1,047.56	1,047.56	1,047.56	1,047.56	1,047.56	1,047.56	1,047.56	1,047.56	
	Cumulative Mnthly Ent	1,048	2,095	3,143	4,190	5,238	6,285	7,333	8,380	9,428	10,476	11,523	12,571	
	Active Share Ent	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571	

		Projected Production												
	Gravity	300	600	600	600	600	400	300	200	100	100	100	100	
	Gravity Cumulative	300	900	1500	2100	2700	3100	3400	3600	3700	3800	3900	4000	= 4,425
	Chino						100	100	100	100	100	100	100	
	Chino Cumulative	0	0	0	0	0	100	200	300	400	500	600	700	= 1,232
	Cucamonga	200	200	300	600	600	700	700	700	600	600	400	400	
	Cucamonga Cumulative	200	400	700	1300	1900	2600	3300	4000	4600	5200	5600	6000	= 5,981
	Six Basins	80	80	80	80	80	80	90	100	100	90	80	80	
	Six Basins Cumulative	80	160	240	320	400	480	570	670	770	860	940	1020	= 932