



SAN ANTONIO WATER COMPANY MEETING AGENDA

for ADMINISTRATIVE & FINANCE COMMITTEE

January 28, 2025 @ 4:00 pm
At Company Office 139 N. Euclid Ave., Upland, CA 91786 with
option of Virtual/Online or Teleconference

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

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Call to Order

1. Recognitions and Presentations

2. Additions-Deletions to the Agenda

3. Public Comment

This is the time for any shareholder or member of the public to address the committee 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 Committee 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. Approval of Committee Meeting Minutes

Regular Committee Minutes of September 24, 2024.

5. Administrative and Financial Issues

A. Company Driving Policy

Recommend approving a company driving policy.

6. Closed Session

General Manager's Annual Review, Goals and Objectives [Government Code § 54957 subdivision 9(b)]:
Discussion and Possible Action regarding General Manager's Performance and Goals

7. General Manager

Discussion and Possible Action Related to Annual Performance Evaluation/Compensation Adjustment Pursuant to Employment Contract

8. Committee Comments and Future Agenda Items

This is the time for committees' comments and consideration on future agenda items relative to the interests and business of the company and its shareholders.

9. Adjournment

The next regular Administration and Finance Committee meeting will be held on March 25, 2025 at 4:00pm

NOTE: All agenda report items and back-up materials are available for review and/or acquisition from SAWCo's Office (139 N. Euclid Avenue, Upland, CA.) during regular office hours, Monday through Thursday [7:30a – 11:30a and 12:30p – 5:00p] and on SAWCo's website www.sawaterco.com. The agenda is also available for review and copying at the Upland Public Library [450 N. Euclid Ave] and Upland City Hall [460 N. Euclid Ave.].

POSTING STATEMENT: On January 23, 2025, a true and correct copy of this agenda was posted at the entry of the Water Company's office (139 N. Euclid Avenue), the Upland City Hall at 460 N. Euclid Ave., the Upland Public Library at 450 N. Euclid Ave., and on SAWCo's website.

SAN ANTONIO WATER COMPANY
ADMINISTRATION and FINANCE COMMITTEE (AFC)
MINUTES

September 24, 2024

An open meeting of the Administration and Finance Committee (AFC) of the San Antonio Water Company (SAWCo) was held at the Company office and called to order at 4:00 p.m. on the above date as noticed. Committee Members present were Bill Velto, Bob Cable, Becky Miller, and Rudy Zuniga. Also in attendance were SAWCo's General Legal Counsel Derek Hoffman, General Manager Brian Lee, and Senior Administrative Specialist Tiffany Dickinson. Director Velto presided.

1. Recognitions and Presentations: None.
2. Additions-Deletions to the Agenda: None.
3. Public Comments: None.
4. Approval of Committee Meeting Minutes: Director Miller moved and Director Cable seconded to approve the meeting minutes of July 23, 2023. Motion carried unanimously.
5. Administrative and Financial Issues:

A. *Employee Year End Gift-Discussion and possible action regarding Board's Year End Gift to Employees*- Mr. Lee stated historically the board has given a gift to the employees as a thank you for their efforts of the past year and added is already worked in the budget.

Director Cable moved and Director Miller seconded to approve the Board's year end gift to employees as presented and bring to the full Board. Motion carried unanimously.

B. *Major Activities Calendar 2025-Review, comment, and possibly approve the major activities calendar for 2025*- Mr. Lee pointed out the board meetings, committee meetings and company holidays are highlighted as presented on the 2025 major activities calendar.

Director Cable moved and Director Miller seconded to approve the major activities calendar for 2025 as presented and move forward to the Board. Motion carried unanimously.

C. *Workplace Violence Prevention Plan-Recommend approving a workplace violence prevention plan*- Mr. Lee explained the company's training program was bought out and the new training program company has a workplace violence program that requires staff to have a workplace violence prevention plan policy and while working on said policy realized this was required by the state by July 1, 2024. Staff went ahead with a template the state provided and fit it to staff as best possible. Legal counsel is currently reviewing and making minor adjustments to meet the needs of the program and the state.

Director Cable moved and Director Miller seconded to approve sending the workplace violence prevention plan to the full Board for approval after final review from legal counsel and staff. Motion carried unanimously.

D. *Outside Payroll Services RFP-Discussion regarding Outside Payroll Services Request for Proposal (RFP)*- Mr. Lee stated now that the company has moved to a 4/10 schedule,

staff believes there is a cost and time savings involved in moving to an outside payroll service. Moving to an outside payroll service will help alleviate staff time to focus on other issues and staff will also get help on HR issues. He added the RFP's have been issued and once proposals come back, those results will be brought back to the AFC and then moving to the full board.

E. Rate Study Proposal-Consider a proposal to conduct a Rate Study- Mr. Lee reported staff received one proposal from the four firms staff reached out to. Wildan, the firm that submitted the proposal provided a comprehensive proposal and the budget they proposed is just right, and for reference the last rate study done in 2017 with Corollo was about \$60,000 and the budget proposed by Wildan is half that.

Director Velto questioned if the budgets are impacted percentage wise.

Mr. Lee responded yes, with inflation over the past four years plus the rate study budgets will be impacted, especially construction.

Mr. Lee added the rate study consultant will take the dollar figures in the master plan update them for inflationary purposes and apply those to forward looking rates.

Director Zuniga asked if a four-tier rate study would be beneficial for the company.

Mr. Lee responded he would like the consultant to look at having a base tier that would be applied evenly across to all shareholders. Then look at the cost of service to the upper zone, Holly zone and the Canyon zone and have an 'add-on' for the cost of electricity it takes to pump up to the upper zones.

Mr. Hoffman added in part of Wildan's response, Wildan will propose different concepts for the Board and staff to consider, and different structures. They are offering a model to toggle different components to evaluate different structures and how it is translated into rates and assessments.

Mr. Lee concluded he believe Wildan's proposal is well done and proposed rate and cost is good and would like to negotiate a contract with Wildan providing the AFC approves to move this item to the Board for approval.

There was consensus on the Committee to bring the item to the Board for consideration and approval.

6. Closed Session
General Manager's Annual Review, Goals and Objectives [Government Code § 54957 subdivision 9(b)0]

The AFC went into closed session at 4:18 PM. Upon return from the closed session at 4:43 PM, Mr. Hoffman stated the AFC met in closed session for the one item on the agenda and there is no reportable action.

7. General Manager:
Discussion and Possible Action Related to Annual Performance Evaluation/Compensation Adjustment Pursuant to Employment Contract

September 24, 2024

Director Velto stated he would like the total compensation package, the total gross number, rather than just the salary be sent to all directors prior to the next meeting.

8. Committee Comments and Future Agenda Items: None
9. Adjournment: Seeing no further business, the meeting was adjourned at 4:46 p.m.

Assistant Secretary
Brian Lee

Agenda Item No. 5A

Item Title: Company Driving Policy

Purpose:

Recommend approving a Company Driving Policy.

Issue:

Set a standard in applying uniform evaluation criteria of individual employee driver record information and establish disciplinary procedures for different types of driving violations.

Manager's Recommendation:

That the AFC approve the proposed Company Driving Policy.

Background:

During our annual review of the Company's insurance policy with the broker, we discussed our current property coverage and other issues. In our discussions of varied topics, he suggested having a company driving policy in place. While there is not a current concern, it would be in the company's best interest to have something in place before there is any problem. Staff researched other driving policies and drafted the proposed driving policy.

Previous Action:

The Company enrolls its employees in the DMV Pull notification policy

Impact on Budget:

None



Purpose

The purpose of this policy is twofold:

- a. Applying uniform evaluation criteria of individual employee driver record information; and
- b. Establishing disciplinary procedures for different types of driving violations

Scope

This policy applies to all regular, part-time and temporary Company employees who drive on behalf of the Company. All drivers shall comply with all applicable laws in the operation of any vehicle, Company owned or personally owned, while driving in the performance of Company business.

Policy

A regular, part-time or temporary Company employee who drives on behalf of the Company is referred to herein as a "Driver." Company owned vehicles are to be used for Company business and not for personal purposes unless approved in advanced by the General Manager (such approval shall be provided only under mitigating circumstances and on rare occasion).

PULL Program

The Company shall participate in the Department of Motor Vehicles (DMV) Employer Pull Notice Program (a.k.a.: "Pull Program"). Records for any Drivers operating vehicles in the performance of company business shall be requested from DMV:

- a. Upon employment, prior to first use of a Company vehicle; and
- b. On an annual basis
- c. Immediately in the event of new activity (e.g., moving violation, accident, etc.).

Drivers who have terminated employment with the Company will be deleted from the Pull Program.

An employee who receives notice from CA DMV that their driver's license has been suspended or revoked shall immediately notify the Company.

Negligent Operator Treatment System

The California Vehicle Code assigns violation points that are assessed and tracked by the California DMV via the Negligent Operator Treatment System (NOTS). NOTS is based on negligent operator points and is a series of warning letters and progressive penalties against your driving privilege. Most driving offenses, such as hit and run, reckless driving, and driving under the influence, are designated as 2 points and will remain on your record for seven years from the violation date.

Most other offenses are designated as 1 point and will remain on your record for three years from the violation date. Any “at fault” accident is normally counted as one point.

Disciplinary Procedures

1. A Driver will immediately attend a qualified defensive driver training course (State of California Defensive Driver Training, National Safety Council Defensive Driver Training, etc.) based on the following:

- a. NOTS Points accumulated on their driving record in the time period specified

Point Count	Time Period
2	Within 12 months
4	Within 24 months
6	Within 36 months

Or;

- b. The Driver receives any moving violation in a Company owned vehicle within a thirty-six (36) month period.

2. A Driver will be suspended from Company driving privileges for one hundred and twenty (120) days based on the following:

- a. NOTS Points accumulated on their driving record in the time period specified

Point Count	Time Period
3	Within 12 months
5	Within 24 months
7	Within 36 months

Or;

- b. The Driver receives a citation for DUI, reckless driving, or speeding on personal time within thirty-six (36) months (sanctions for these citations while operating any vehicle in the performance of Company business will result in permanent suspension of Company driving privileges);

Or;

- c. The Driver is involved in two (2) “at fault” accidents within twenty-four (24) months.

If the Driver's job routinely involves driving a vehicle and if temporary suspension of their driving privileges would impose a hardship on normal Company operations, the Driver will be terminated from employment.

3. A Driver will be permanently suspended from Company driving privileges if:
 - a. The Driver receives a citation for DUI, reckless driving, or speeding while operating any vehicle in the performance of Company business within thirty-six (36) months;
or
 - b. The Driver receives two (2) citations for DUI, or two (2) citations for reckless driving, or two (2) citations for speeding, or any combination thereof, while driving any vehicle during non-work hours, within thirty-six (36) months.

Complaints and Poor Driving

Occasionally, it may be brought to the Company's attention that a Driver is exposing the Company to undue liability through poor driving techniques, habits, reckless driving and/or speeding. All such complaints will be investigated and acted upon accordingly.