



# SAN ANTONIO WATER COMPANY

CORPORATE COMMITMENT

SPRING  
EDITION 2021

To provide our shareholders with reliable and good quality water service at a cost effective rate

# SAWCO WATERWORKS

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## RAINFALL DATA

	2019	2020	2021
Jan	8.63	.17	3.31
Feb	12.02	.24	.03
Mar.	9.13	4.69	1.52
April	.41	5.71	.88
May	3.16	.15	
June	.20	.01	
July	.00	.00	
Aug.	*.22	.00	
Sept.	.00	.00	
Oct.	.00	.00	
Nov	3.7	1.15	
Dec	6.38	1.95	
<b>TOTAL</b>	<b>43.85</b>	<b>14.07</b>	<b>5.74</b>

1958-2013 Annual rainfall average: 22.40"  
 Rainfall data collected from  
[www.usace.army](http://www.usace.army)  
 \*correction

## Automated Meter Reading

San Antonio Water Company is wrapping up the installation of 1,200 new Advanced Metering Infrastructure (AMI) water meters across our entire system. These new meters are intended to increase the availability of water consumption data for both Company and Shareholder use. Since the Company previously read meters by hand once a month, leaks on shareholder systems could have gone unchecked for weeks, leading to a high loss of water and associated high water bill. The newly installed AMI meters provide daily water reads that show hourly water consumption over a 24-hour period. AMI meters are tied into computers systems that can automatically alert the Company and Shareholder if their system hits certain thresholds; 24-hours of continuous use, extremely high-water use, etc.

In August of 2020, after about a year of research, the Company selected Metron-Farnier, primarily due to their use of open cellular networks instead of a proprietary communication system. The new AMI meters cost about \$770k to install with a ten-year service contract. To offset this cost for the next ten years the Company's budget of \$70k per year for meter replacement will drop to \$0 because the AMI meters are warranted for the entire 10-year service contract. The net financial result is a budget increase of \$7k per year for the next ten years. We consider this a reasonable cost for water conservation. Your current water rates will not be impacted by this program. But if your new meter identifies a leak on your system that is repaired, your monthly water bill will go down. Most likely it will be a small reduction in your bill but fixing large leaks could result in significant savings.

Now that we have installed the AMI system company wide, we are seeing real-world results. From April 22<sup>nd</sup> through April 28<sup>th</sup> estimated leak-water was 130k gallons per day. We expect that number to increase as we head into warmer weather and increased irrigation. From this information we estimate about 240 units of water loss per day on average for the year (7,200 units a month or 16 acre-feet per month). That amounts to about \$60k in water per year that shareholders are paying for with no direct benefit. From the Company side of things, if the leaks are fixed, this 'leak water' would be available for sale to other shareholders. It does not translate directly into a revenue loss. Getting these leaks identified and fixed is a win-win for everyone.

The Company will soon be contacting shareholders with suspected leaks. We'll start with the larger suspected leaks and work our way down the list. Additionally, by the end of summer we

Time  Date

**LEAK STATISTICS**

Current Leak Statistics

Date: **4/28/2021 12:00:00 AM**

Avg. Leak Rate **0.26 GPM**

Leak Consumption **128,636.00 G**

Daily Total Consumption **1,022,071.36 G**

Total Leak Meters **341**

will be providing each shareholder with access to their individual meter information. That way, you can keep track of your own water usage on a day-to-day basis and receive automated alerts of suspected leaks or high usage.

San Antonio Water Company understands that strong water conservation measures benefit everyone. Conservation measures that don't cost an arm-and-leg while helping reduce your water bill are a double win!

## GENERAL MANAGER'S CORNER

### General Manager's Message - Spring 2021

I want to start by thanking the shareholders who virtually attended our annual Shareholder's meeting on April 6<sup>th</sup>. Great questions were asked, and I hope we answered them fully. Secondly, I want to express my public appreciation for our two outgoing Board Members: José Sanchez and Gino Fillipi. Mr. Sanchez and Mr. Fillipi served this company with distinction and personally contributed to the financial health and overall well-being of San Antonio Water Company. A very public 'Thank you' to each of you! And finally, I want to welcome our two newest Board Members, Director Bill Velto and Director Kati Parker. Many of you know Mr. Velto as the Mayor of Upland and Ms. Parker is bringing significant knowledge to our Board through her past service at the Inland Empire Utilities Association (IEUA). It is exciting to continue the 140 years of successful stewardship of this Company. IF you haven't, please take a moment to review our 2020 Annual Report and yearly audit, delivered by mail in late March. I am happy to report that your water company ended 2020 in good fiscal health with a clean auditor's report. You can also obtain a copy of the 2021 Annual Report on our website at [www.sawaterco.com](http://www.sawaterco.com).

We are finishing many replacement and improvement projects in our service area this Spring. We are also conducting some important studies that will help guide this Company forward focused on supply resiliency. I encourage all of you to read our *Project Update* section in the newsletter.

And as always... I need to talk about rain. Specifically, I need to talk about the lack of rain. We are currently showing a total of 5.7 inches of rainfall this year. That is less than a third of the 17 inches we consider 'normal'. Water conservation is a way of life in beautiful Southern California. We remain diligent in our efforts to conserve water. Please read our article regarding AMI water meters in this newsletter. Our new water meters are intended to assist the Company and shareholders in conserving this precious resource.



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# What's Happening?

## New Directors

## Annual Meeting 2021



### KATI PARKER

Newly elected director Parker has resided in the City of Upland with her family since 2000. She currently manages six historic residential investment properties in Downtown Upland. She has a background in Environmental Resources Engineering with a specialty in water quality and water resources and worked as an engineer for Inland Empire Utilities Agency from 1993 to 2004. Kati has served on several water related entities boards.



### Bill Velto

Bill Velto has been a resident of Upland for almost 60 years. Currently Mr. Velto is employed by Berkshire Hathaway Home Services California Properties as the California Business Development Manager. Prior to being elected Mayor of Upland, Bill was appointed to the Upland City Council and has also served on Upland Planning Commission.

### How do your water rates compare to the surrounding area?

Water Entity	Tier 1	Tier 2	Tier 3	Tier 4	Service Charge for 3/4" meter [bi-monthly]	Water Availability Charge per month per shares owned
San Antonio Water Co.	\$ 0.68	\$ 1.78	\$ 3.78	n/a	\$20.00	\$8.00
City of Upland	\$1.91	\$2.52	\$3.01	n/a	\$66.25	
Cucamonga Valley Water District	\$1.62 plus \$0.29 MWD Surcharge	\$2.16	\$2.71	\$3.07	\$50.00	
Monte Vista Water District	\$2.08	\$3.76	\$4.18	\$5.11	\$45.25	
City of Ontario	\$2.44	\$2.84	n/a	n/a	\$47.70	

San Antonio Water Company takes pride in providing the lowest water rates in the surrounding area. Your tiers are based on the number of shares you own. See the following example bill comparison for a customer who owns 1/4 share and another that owns 1 share of stock. Next to these two examples is the charge that the City of Upland would bill for the same amount of water usage. [Example: water usage: 18,000 cubic feet for Sept/Oct month]

	Customer A – 1/4 share	Customer B – 1 share	Upland Customer
Tier 1	\$ 32.13	\$ 122.40	\$ 38.20
Tier 2	\$ 84.12		\$ 75.60
Tier 3	\$323.11		\$391.30
Service Charge	\$ 20.00	\$ 20.00	\$ 66.25
Water Availability	\$ 4.00	\$ 16.00	
Total Bill	\$ 423.36	\$ 158.40	\$ 571.35

## SAWCo Waterworks

is produced quarterly to keep San Antonio Water Company shareholders informed about water-related issues and upcoming events. If you have any questions or comments, please call the office at 909-982-4107.



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### BOARD OF DIRECTORS

Tom Thomas-President  
Will Elliott-Vice Pres.  
Martha Goss-Secretary/CFO  
Bob Cable-Director  
Rudy Zuniga—Director  
Kati Parker-Director  
Bill Velto—Director

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### GENERAL MANAGER

Brian Lee

### DESIGNER/EDITOR

Roberta Thomas

## PROJECT UPDATES

### RESERVOIR 9 PIPELINE

Construction completed in April and final paving and site restoration should be completed soon. Thank you to the neighborhood for your patience and understanding.

### AUTOMATED METER READING

Meter replacement began in December of 2020. Full replacement was schedule for completion in April but we ended up about 30 meters short of our goal. The remaining meters have been ordered and should be installed by the end of May. Once the meters are fully integrated into the system, we will begin notifying customers regarding how to access their online meter records.

### BOOSTER STATION GENERATORS

In early 2021 the Board approved a \$73k project to install three natural gas-powered generators at key facilities within the Company's service area. These three generators will help ensure water remains flowing during SCE power outages, which appear to be a 'new normal' for Southern California.

### 2020 URBAN WATER MANAGEMENT PLAN

The Company is in the process of updating our Urban Water Management Plan, a federally mandated document that explains company demographics, water supply and water delivery. Our UWMP will:

- Assess the reliability of water sources over a 20-year planning time frame
- Describe demand management measures and water shortage contingency plans
- Report progress toward meeting a targeted 20 percent reduction in per-capita (per-person) urban water consumption by the year 2020
- Discuss the use and planned use of recycled water (we have no plans to use recycled water)

### RISK AND RESILIENCY ASSESSMENT

The Company is in the process of completing a federally mandated risk and resiliency assessment in compliance with the 2018 American Water Infrastructure Act (AWIA).

### Completed Projects

FRANKISH TUNNEL OUTFALL IMPROVEMENTS  
SMALL PIPELINE PROJECTS  
HOLLY DRIVE RESERVOIR - PHASE 2

