

**SAN ANTONIO WATER COMPANY**  
**MINUTES OF THE SAN ANTONIO WATER COMPANY**  
**Tuesday, August 16, 2022**

An open meeting of the Board of Directors of the San Antonio Water Company (SAWCo) was called to order at 5:00 p.m. on the above date at the City of Upland Council Chambers, 460 N. Euclid Ave., Upland, California. Directors present were Rudy Zuniga, Will Elliott, Martha Goss, Kati Parker, and Bob Bowcock. Also in attendance were SAWCo's General Manager Brian Lee, Assistant General Manager Teri Layton, and Senior Administrative Specialist Kelly Mitchell. President Zuniga presided.

Director Elliott led all in attendance in the flag salute.

1. Recognitions and Presentations: None.

Mr. Lee advised he was aware Director Bill Velto would not be in attendance but inquired if any had heard from Director Bob Cable. Seeing no word was heard regarding Director Cable's absence the meeting continued.

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 July 19, 2022.
- B. Planning, Resources and Operations Committee (PROC) Meeting Minutes  
No meeting minutes to report.
- C. Administration and Finance Committee (AFC) Meeting Minutes  
Approve meeting minutes of May 24, 2022.
- D. Financial Statement  
Income Statement and Balance Sheet for May 31, 2022.
- 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 Parker seconded to approve the Consent Calendar as presented. Motion carried unanimously with Director Bob Cable and Director Bill Velto absent.

5. Board Committee – Delegate Report:

- A. Pomona Valley Protective Association (PVPA) Representative's Report** – Director Parker reported that an update on the weed abatement was provided at the most recent PVPA meeting. A special meeting will be held on Wednesday, August 24<sup>th</sup> to discuss the updated expenditures for attorney's fees incurred for the research on tax ramifications for selling PVPA property to Lewis Homes. Thus far, nearly one million dollars has been spent researching this topic.
- B. Six Basins Representative Report** – Ms. Layton advised she was unable to attend the most recent meeting therefore no report was given.
- C. Chino Basin Representative Report** – Though Ms. Layton attended the meeting, Mr. Lee reported on the main topic of discussion which was the Programmatic Environmental Impact Report (PEIR) for the Optimum Basin Management Plan Implementation Plan. They are attempting to figure out how to initiate PEIR with the support of the majority of the basin parties.
- D. Cucamonga Basin Representative Report** – Mr. Lee advised the contract for the hydrogeologist was approved. Results are expected in the upcoming months. The goal for SAWCo is to maximize the use of this basin by capturing as much water as possible.
- E. Administration and Finance Committee (AFC) Chairman's Report** – Director Goss reported the Committee discussed the employment review of the General Manager. A questionnaire regarding Mr. Lee's evaluation was provided to the Board. Also brought up at the Committee meeting was the project to build a new office and yard location in hopes of moving the project forward. Also discussed and with a recommendation to the Board was a gasoline credit card for the General Manager.

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. **San Antonio Avenue Property Quitclaim** – Mr. Lee explained that previously SAWCo demolished abandoned facilities at two locations in Upland. One facility was in a park located in Upland with the property quitclaimed to the City of Upland for their use. The other facility was located on San Antonio Avenue. The City of Upland now requires a portion of the San Antonio Avenue property for a sidewalk and possible utility easements. The City of Upland is under the impression both properties were being quitclaimed to them. Mr. Lee was asked to return to the Board for approval to quitclaim the San Antonio Avenue property to the City of Upland. At the same time, a residential property located behind the San Antonio Avenue property has asked to extend the residential lot into SAWCo's vacant. SAWCo's facility on San Antonio Avenue was constructed prior to homes being built in the area and therefore caused two residential lots to be misshapen. Mr. Lee inquired what was the Board's will; quitclaim the property to the City of Upland for a sidewalk and let them go through the process required to sell surplus city land to the residential property owner(s), sell the property directly to the residential owner(s) or quitclaim the area for sidewalk to the City of Upland and sell the remaining property to the residential property owner(s).

Director Elliott stated that when the abandoned facilities were demolished there was no intent to quitclaim both properties to the City of Upland. When looking at a parcel map it makes more sense for the property to go to the owners of the adjacent residential lots as well as allow space for the City of Upland to make improvements to the sidewalk area. It is likely that if the entire lot is quitclaimed to the City of Upland it will remain vacant forever due to all of the hurdles they must go through in order to sell it to the residential lot owners. He suggested it would be best to see if the owners of the residential lots will cover the costs related to getting the vacant lot to line up with the residential lot property lines to allow them to expand their lot size as well as allow for the City of Upland to make the necessary improvements to the sidewalk area.

Director Zuniga agreed that the City of Upland be allowed the area for sidewalk access and suggested SAWCo contact both residential lot owners to determine their interest in expanding their lots with the caveat they pay the fees associated with the transfer and purchase of the lots.

Director Elliott moved and Director Parker seconded to direct the General Manager to negotiate the sale of the vacant lot to the two residential property owners and quitclaim the necessary area to the City of Upland all resulting in no expense to SAWCo. Motion carried unanimously with Director Cable and Director Velto absent.

B. **General Manager Gas Card** – Director Goss explained she believes providing a credit card for gasoline only purchases to the General Manager is the appropriate way to deal with the high rate of inflation. The card would be issued for use from the current time until his employment contract is renewed.

Director Bowcock moved and Director Elliott seconded to approve issuing a credit card for gasoline to the General Manager through the end of his employment contract in 2023.

Mr. Lee spoke about a timeframe for renegotiating his employment contract. He asked the Board to consider appointing two Directors to negotiate with him on a new contract with the expectation that it would be resolved by preferably the end of the year or by March 2023 at the latest. He proposed the Committee Chairs as the negotiating Directors.

There was consensus on the Board to have the two Committee Chairs, Director Martha Goss and Director Will Elliott, enter negotiations with Mr. Brian Lee on his employment contract of 2023.

Motion carried unanimously with Director Cable and Director Velto absent.

C. **General Manager's Goals and Objectives** - Mr. Lee advised in preparation for his annual review he provided the Goals and Objectives he was given in 2021 and a status updated as to whether those goals were achieved.

Director Elliott suggested and there was consensus on the Board that all Directors fill in their remarks on the goals and objectives and send them to both him and Director Goss. They will in turn provide a proposal to the Board. Remarks were expected to be submitted by the end of the month. Mr. Lee will email all Directors a reminder and they can then submit their feedback to both Director Elliott and Director Goss.

7. Closed Session: None.


8. Director's Comments and Future Agenda Items: Mr. Lee reminded the Board of next week's Special Board Meeting taking place at the Company office beginning at 1:00 p.m. to interview the four firms that submitted proposals for SAWCo's general legal counsel RFP. Current general legal counsel will join via

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conference call and any Directors that are unavailable to attend in person can also join by conference call. If any Directors have questions they would like to ask potential legal counsel, they are advised to email them to Mr. Lee for him to compile a list.

Adjournment:

With no further business to discuss the meeting was adjourned at 5:27 p.m.

  
Assistant Secretary  
Brian Lee

