

SAN ANTONIO WATER COMPANY
MINUTES OF THE SAN ANTONIO WATER COMPANY
Tuesday, January 19, 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, Gino Filippi, Bob Cable, Martha Goss and Jose Sanchez. Also in attendance were City of Upland Interim Public Works Director Steve Nix, 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: Mr. Lee advised the information for Item 4I did not make it into the packet and therefore the item is being deleted from the agenda.
3. Shareholder-Public Testimony: None.
4. Consent Calendar Items:
 - A. Approval of Board Meeting Minutes
Regular Meeting Minutes of December 15, 2020.
 - B. Planning, Resources and Operations Committee (PROC) Meeting Minutes
No meeting minutes to approve.
 - C. Administration and Finance committee (AFC) Meeting Minutes
No meeting minutes to approve.
 - D. Financial Statement
Income Statement and Balance Sheet for November 30, 2020.
 - 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

Mr. Lee requested to pull Item 4H. Discussion for Item 4H took place under Item 8 of the agenda.

Director Sanchez moved and Director Zuniga 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 January 13th.

The likelihood of the National Monument, H.R. 116-385 bill moving forward in 2021 seems to be a real possibility. They are redoubling their efforts with their lobbyist to make certain PVPA land is not included in the bill.

Maintenance work on the spreading grounds has also taken place.
 - B. **Six Basins Representative Report** – Director Thomas advised the next Six Basins meeting will be held on January 27th. The officers for 2021 will be determined at that meeting.
 - C. **Chino Basin Representative Report** – Mr. Lee reported mediation between the Agricultural Pool and Appropriative Pool is scheduled to take place soon. The judge gave the parties until March to come to an agreement.
 - D. **Cucamonga Basin Representative Report** – Ms. Layton reported the working group met on January 5th. They are awaiting on the Cucamonga Valley Water District (CVWD) to provide their legal comments in order to sign the Terms of Reference document.

The group discussed the proposed timetable to go out to bid for a new engineer starting January 2021. CVWD wanted to include West Yost (formerly Wildermuth Environmental, Inc.) in the bid process. There was concern expressed by SAWCo about continuing with the same engineer. There was also discussion as to who owns the Cucamonga Basin model when there is a change in engineers.

Another meeting was held on January 11th with discussion to separate the SGMA report that is due April 1st. SAWCo relented to have the current engineer West Yost conduct the SGMA and take the time to fully vet the new engineer. The proposals are due February 1st and will be reviewed at the next meeting. Modernizing the judgment has been put on hold until the new engineer is brought onboard and the technical analysis is completed.

The group will meet again February 8th.

- E. Administration and Finance Committee (AFC) Chairman's Report – No meeting to report
- 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. **Holly Drive Booster Generator** – Mr. Lee advised that Southern California Edison (SCE) has shut power off to the San Antonio Canyon. It appears they will make a habit of this every time the winds pick up in the area. The proposed generators will allow key facilities Booster 15, Booster 17, and Shaft 6 to remain operational in the event SCE shuts the power off again.

Quotes for generators were received; one for each of these key sites. There has been a struggle to get quotes from additional vendors. Mr. Lee authorized the purchase of the two lower priced quotes, however, he is not able to authorize the \$60,000 quote. He would like to receive at least one more quote before authorizing the purchase of that generator.

There was consensus on the Board that the General Manager authorizing the purchase of the two lesser priced generators was appropriate.

Director Goss moved and Director Cable seconded to authorize the General Manager to spend up to \$61,366 for the purchase of a generator with the caveat that a minimum of one additional quote for a generator of that size is requested. Motion carried unanimously.

- B. **Company Response to COVID-19** – Mr. Lee reported that the longer office staff is required to work remotely the more complicated things become. Four laptops have been purchased and the office phone system installed for the office staff to use remotely. Management has looked at grant funding for these types of COVID-19 related purchases but have found SAWCo does not qualify for any of them.

Mr. Lee and the Directors further discussed the handling of the pandemic as it pertains to the company and its contractors.

Item 4H Discussion – Mr. Lee spoke about the difficulties staff experienced with the contracted meter installation employees. The contracted employees were made aware of how to include the homeowners/residents in the meter replacement process. In December Mr. Lee had to pull the meter installers off the job and did so again in January because they were unable to provide the appropriate customer service during install. There is a high possibility Mr. Lee will cancel the contract and have a local, trusted construction company complete the remainder of the installations.

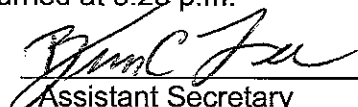
7. Closed Session: None

- 8. Director's Comments and Future Agenda Items: Director Sanchez inquired whether or not there will be an update of the financial reporting at the upcoming AFC meeting. Mr. Lee advised that with staff currently focused on closing out 2020, the budget, and the upcoming audit the update will most likely be verbal.

Director Thomas informed the Board, staff, and attendees of the passing of past longtime Board member and close friend Ken Willis. Sympathies were expressed and Director Thomas suggested a proclamation and card be sent to Mr. Willis' wife Jane.

Adjournment:

With no further business to discuss the meeting was adjourned at 5:28 p.m.


Assistant Secretary
Brian Lee