



SAN ANTONIO WATER COMPANY

BOARD OF DIRECTORS MEETING

Tuesday, April 20, 2021

5:00 p.m.

By Virtual/Online or Teleconference Only

Please join the meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/430752693>

You can also dial in using your phone. United States: [+1 \(571\) 317-3122](tel:+15713173122)
Access Code: 430-752-693

- Call to Order
- Salute to the Flag

1. Recognitions and Presentations:

2. Additions-Deletions to the Agenda:

3. Shareholder-Public Testimony:

This is the time for any shareholder or member of the public to address the board 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 board 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. Consent Calendar Items:

All items listed hereunder are considered to be routine and there will be no separate discussion of these items unless members of the board request specific items to be removed from the consent calendar for separate action. All items listed or remaining will be voted upon in a single action.

- A. Approval of Board Meeting Minutes
Regular Meeting Minutes of March 16, 2021
- B. Approval of Organizational Meeting Minutes
Organizational Meeting Minutes of April 6, 2021
- C. Planning, Resources, and Operations Committee (PROC) Meeting Minutes
No meeting minutes to report
- D. Administration and Finance Committee (AFC) Meeting Minutes
Meeting minutes of January 26, 2021
- E. Financial Statement
Income Statement and Balance Sheet for February 28, 2021
- F. Investment Activity Report
Monthly Report of Investments Activity.
- G. Water Production and Consumption
Monthly water production and consumption figures.
- H. Prominent Issues Update
Status summaries on certain on-going active issues.
- I. Projects and Operations Update
Status summaries on projects and operations matters.
- J. Groundwater Level Patterns [Quarterly in January, April, July, and October]
Tracking patterns of groundwater elevations relative to ground surface
- K. Conservation Program Update [Quarterly in January, April, July, and October]
Update on SAWCo's existing water conservation programs
- L. Correspondence of Interest

5. Board Committee – Delegate Report:
 - A. PVPA Representative Report
Verbal report by representative.
 - B. Six Basins Representative Report
Verbal report by representative.
 - C. Chino Basin Representative Report
Verbal report by representative.
 - D. Cucamonga Basin Representative Report
Verbal update by representative.
 - E. Administration and Finance Committee (AFC) Chairman’s Report
Verbal update on meeting held March 23, 2021.
 - 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. Reservoir 9 Pipeline Paving Change Order
Discussion and Possible Action regarding a paving change order
 - B. Financial Reporting
Review of Draft Financial Reports
 - C. Reserve Fund Targets
Review of report format and process
 - D. Buy Back Policy for Vacation and Sick Leave
AFC recommendation to implement additional benefits for employees
 - E. Salary Table Adjustment
AFC recommendation to adjust salary table to account for inflation
 - F. Workers Compensation Insurance
Recommendation for renewal proposal
 - G. Honor Past Directors Gino Filippi and José Sanchez
Presentation of honorary stock certificates commemorating outgoing Directors
 - H. COVID Response
Verbal update

7. Closed Session: None

8. Director’s Comments and Future Agenda Items:

Adjournment:

The next regular Board Meeting will be held on Tuesday, May 18, 2021 at 5:00 p.m.

NOTE: All agenda report items and back-up materials are available for review and/or acquisition by calling the Company Office (909) 982-4107 (139 No. Euclid Avenue, Upland, CA) during regular office hours, Monday through Thursday [7:00 am – 11:30 am & 12:30 pm – 5:00 pm] and alternating Fridays [7:00 am – 11:30 am & 12:30 pm – 4:00 pm] and on the company’s website www.sawaterco.com. The agenda is also available for review and copying at the Upland Public Library located at 450 N. Euclid Avenue.

POSTING STATEMENT: On April 15, 2021 a true and correct copy of this agenda was posted at the entry of the Company’s Office (139 No. Euclid Avenue), on the public bulletin boards at 450 No. Euclid Avenue (Upland Public Library) and 460 N. Euclid Avenue (Upland City Hall), and on the Company’s website.

SAN ANTONIO WATER COMPANY

MINUTES OF THE SAN ANTONIO WATER COMPANY

Tuesday, March 16, 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 Mayor Bill Velto, and SAWCo's General Manager Brian Lee and Assistant General Manager Teri Layton. Director Thomas presided.

1. Recognitions and Presentations: Mr. Lee recognized City of Upland Mayor Bill Velto in attendance.
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 February 16, 2021
 - B. Planning, Resources and Operations Committee (PROC) Meeting Minutes
Meeting minutes of October 27, 2020.
 - C. Administration and Finance committee (FC) Meeting Minutes
No meeting minutes.
 - D. Financial Statement
Income Statement and Balance Sheet for January 31, 2021.
 - 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 pattern [Quarterly in, April, July, and October]
Tracking pattern 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 Sanchez moved and Director Elliott seconded to approve the Consent Calendar with a noted minor spelling correction to the February Board meeting minutes. Motion carried unanimously.

5. Board Committee – Delegate Report:
 - A. **Pomona Valley Protective Association (PVPA) Representative's Report** – Director Thomas reported on the most recent PVPA meeting. The National Recreation Area bill has gone through the House of Representative. PVPA's consultant has reached out to Sandra Padilla to see about getting the PVPA land removed from the bill.

The Interim City Manager of Claremont has now become the City Manager. Members of PVPA will reach out to him to educate him on the history and activities of PVPA.

PVPA is currently going through their yearly audit with Bowen McBeth, Inc.

- B. Six Basins Representative Report** – Ms. Layton informed the Board about the Six Basins meeting held on February 24th. The watermaster board approved doing a hydraulic analysis of the San Antonio Spreading Grounds to understand the movement of the water and recommend the ideal location for a recharge basin.

One issue being discussed is how the Six Basins Judgment prohibits the transfer of groundwater rights to non-Parties. The Judgment does, however, permit the pumping of groundwater by a Party for sale to a non-Party for use outside of the Six Basins.

Currently being implemented by Puente Basin Water Authority (PBWA) is a project to rehabilitate an old well. The City of La Verne will need to be able to lease its water rights to PBWA who is not a party to the Judgment in order for the project to be green lighted. Staff and legal counsel are recommending sending a letter to the City of La Verne and PBWA. More discussion will occur at the next Six Basins meeting.

Director Thomas commented the task order for West Yost to perform research on recharge in the San Antonio Spreading Grounds will dovetail with the PVPA's proposed water recharge basin.

- C. Chino Basin Representative Report** – Mr. Lee advised mediation between the Agricultural Pool and Appropriative Pool regarding the interpretation of the Peace Agreement as it relates to reimbursement of the Agricultural Pool's legal fees by the Appropriative Pool is scheduled to take place a week from Friday. He also advised there is currently no water being put into Chino Basin due to lack of rain.
- D. Cucamonga Basin Representative Report** – Ms. Layton reported with the concurrence of SAWCo, West End Consolidated Water Company (WECWCo), and Cucamonga Valley Water District (CVWD) the Request for Qualifications (RFQ) was released for future groundwater geotechnical expertise. The working group met virtually the previous day for a pre-Statement of Qualifications (SOQ) with several interested consultants. Those consultants have been offered the opportunity to meet with the three agencies to discuss ideas for the basin. A short list of qualified consultants will be provided a Request for Proposal (RFP) once vetted by the group.

The group will meet again on April 6th

- E. Administration and Finance Committee (AFC) Chairman's Report** – No meeting to report.

- F. Planning, Resources, and Operations Committee (PROC) Chairman's Report** – Director Elliott advised the items discussed at the most recent PROC meeting are covered under the General Manager's Report on Activities.

- G. Resource Feasibility Study and Hoc Committee** – No meeting to report.

6. General Manager's Report on Activities:

- A. General Liability Insurance Renewal** – Director Thomas advised there was a small increase in the cost of the liability insurance due to a number of things such as increase in property values and field staff payroll as well as an industry increase. He explained property rates are being increased due to the increase in number of both residential and commercial fires. Though the rate has increased it is still competitive.

Director Thomas moved and Director Sanchez seconded to approve renewal of the General Liability Insurance as presented. Motion carried unanimously.

- B. 2020 Urban Water Management Plan and American Water Infrastructure Act Reporting** – Mr. Lee explained SAWCo is required to provide an Urban Water Management Plan (UWMP) for 2020 as well as an American Water Infrastructure Act (AWIA) Report. The newly required AWIA report has a

risk and resilience portion and an emergency planning portion. Both The UWMP and AWIA are due by the end of June 2021.

SAWCo staff budgeted for the UWMP this year and has approached WSC Engineering (WSC) for a proposal for both it and the AWIA. WSC is currently working on SAWCo's Water Master Plan and also recently completed SAWCo's Geographical Information System (GIS) and because of this are very knowledgeable about SAWCo's system. Staff believes it would be a natural extension to have them complete these two reports. With both reports due by the end of June staff proposed getting started on the projects post haste. The PROC agreed by recommending the Board ratify the professional services contracts with WSC for the UWMP and AWIA report.

After release of the PROC agenda, staff was contacted by agencies who have collaboratively contracted with another engineering firm to complete their individual UWMPs. Staff engaged in a discussion about joining the collaboration. Their engineering firm provided a contract price of \$29,000 to complete the Company's UWMP. Obviously, this is lower than staff's recommendation, however, staff believes the best value remains with WSC because of their enhanced knowledge of the Company's infrastructure and its unique wholesale/retail corporate structure.

Director Thomas expressed the same viewpoint that SAWCo is unique and that it is best for them to utilize their own consultant for the reports. Director Goss agreed with starting the reports as quickly as possible.

Director Goss moved and Director Elliott seconded to ratify the professional services contracts with WSC Engineering for the UWMP and AWIA report. Motion carried unanimously.

- C. Holly Drive Reservoir Civil Construction** – Mr. Lee reminded the Board that the contract was signed last summer to construction the Holly Drive reservoir tank. At the time there were discrepancies in the tank bid. It was discovered that the cost for the civil portion of the work was substantially higher than what was budgeted. As such, the civil portion was pulled from the contract while the remainder of the bids were utilized.

Mr. Lee now requests the Board award C.P. Construction the contract for the civil portion of the project. Their proposal came in at half the cost of the original bids received last summer. Mr. Lee advised on page two of the Board memo for this item it incorrectly states there is a budget increase of \$150,455 for this portion of the project; this is actually the amount saved. The amount of the civil work comes in at \$149,985.

Director Sanchez moved and Director Zuniga seconded to authorize the General Manager to execute a construction contract with C.P. Construction for a not to exceed amount of \$149,985. Motion carried.

- D. Engineering and Construction Contract for Reservoir 9 Pipeline** – Mr. Lee informed the Board pipeline construction in the street has been completed. Pressure testing of the pipelines is expected to take place the following day. During potholing it was discovered that there are facilities located above the facilities SAWCo needs to tie into. Due to this, a significant redesign was needed of the onsite facilities. A change order was requested from Downey Construction for those redesigns. Their change order came in at \$73,169.75. Staff also reached out to C.P. Construction for a proposal for the work. C.P. Construction proposed an amount close to but higher than Downey Construction's change order amount.

Mr. Lee recommended the Board award the change order in the amount of \$73,169.75 for completion of the Reservoir 9 Pipeline project to Downey Construction and ratify the transfer of remaining funds from Civiltech's Small Pipelines Project Professional Services Contract to Civiltech's Frankish Tunnel Professional Services Contract and Civiltech's Reservoir 9 Pipeline Professional Services Contract.

Director Elliott moved and Director Cable seconded to authorize the General Manager to execute the contract with Downey Construction not to exceed \$73,169.75. Motion carried unanimously.

Katy Parker joined the meeting.

E. Nominees for the Position of Director of the Company – Director Thomas stated he believed the City of Upland did their due diligence in bringing forth nominees for the position of Director of the Company. He asked for a motion to approve the slate of directors; Tom Thomas, Bob Cable, Kati Parker, and Bill Velto.

Director Cable moved and Director Zuniga seconded to approve the slate of nominees as presented for the position of Company Director for the upcoming election held at the Annual Shareholders' Meeting. Motion carried unanimously.

F. COVID Response – Mr. Lee stated he awaits the word from the San Bernardino County before making any changes to how the Company is operating. He stated he plans also to wait until the City of Upland opens before beginning to reopen the office.

7. Closed Session: None

8. Director's Comments and Future Agenda Items: Director Thomas thanked Director Sanchez and Director Filippi for their service on the Board of Directors.

Director Sanchez commented he was very interested in the AWIA report as it speaks to the resiliency of the water system both from a supply perspective and an infrastructure perspective. He is hopeful it will show, just as Item 4H on the agenda, that staff has done a commendable job of making sure that the infrastructure is in good shape to make sure it can deliver the water available to SAWCo stockholders. Director Sanchez stated that although he hopes it confirms that fact, if it doesn't, he expects it will show good work has been done in many areas with recommendations on areas of improvement. He felt it could be a great tool to use for future capital improvement projects.

Mr. Lee reminded those in attendance of the Annual Shareholders' Meeting taking place virtually Tuesday, April 6th at 6 p.m.

Director Thomas advised the next Board meeting is scheduled for Tuesday, April 20th at 5 p.m.

Adjournment:

With no further business to discuss the meeting was adjourned at 5:25 p.m.

Assistant Secretary
Brian Lee

SAN ANTONIO WATER COMPANY

BOARD OF DIRECTORS ORGANIZATIONAL MEETING MINUTES

Tuesday, April 6, 2021

Immediately following the Annual Meeting of Shareholders of the Company, the Board of Directors of the San Antonio Water Company (SAWCo) met virtually via GoToMeeting at 6:36 p.m. Directors present were Tom Thomas, Will Elliott, Bob Cable, Rudy Zuniga, Martha Goss, Bill Velto, and Katy Parker. Also in attendance were San Antonio Water Company General Manager Brian Lee, Assistant General Manager Teri Layton, and Senior Administrative Specialist Kelly Mitchell.

- Call to Order
- 1. Recognitions and Presentations: None.
- 2. Additions-Deletions to the Agenda: None.
- 3. Public Comments: None.
- 4. Organizational Activities:

Director Tom Thomas assigned the General Manager, Brian Lee, as temporary chairperson for election of officers.

Mr. Lee advised and sought nominations for the offices of President, Vice President, and Secretary/Chief Financial Officer that are up for election.

It was suggested that the offices of the President and Vice President remain with Tom Thomas and Will Elliott respectively.

Director Velto moved and Director Cable seconded to have Tom Thomas serve as President and Will Elliott serve as Vice President. Motion carried unanimously.

Director Thomas took over as chairperson for the meeting.

Director Thomas moved and Director Zuniga seconded to have Director Goss serve as Secretary/CFO. Motion carried unanimously.

Director Thomas advised that two Directors have agreed to swapping seats on their respective committees. Director Zuniga would like to move to the PROC and Director Velto would like to move to the AFC. All other suggested designations listed under Item 5 would remain as presented.

Director Cable moved and Director Goss seconded to approve the Designations and Authorities with Director Zuniga moving to the PROC and Director Velto serving on the AFC and all other items remaining as presented. Motion carried unanimously.

The following is the result of the above motions:

- A. President – Tom Thomas
- B. Vice-President – Will Elliott
- C. Secretary/Chief Financial Officer – Martha Goss

- 5. Designations and Authorities:
 - A. Representative to the Six Basins Watermaster – Teri Layton (primary) and Tommy Hudspeth (alternate) as representatives to the Six Basins Watermaster.
 - B. Representative to Chino Basin Pool and Advisory Committees – Brian Lee (primary) and Teri Layton (alternate) as representatives to the Chino Basin Pool and Advisory Committees.
 - C. Representative to Cucamonga Basin Management Committee – Teri Layton (primary) and Brian Lee (alternate) as representatives to Cucamonga Basin Management Committee.
 - D. Representative to Pomona Valley Protective Association (PVPA) – Tom Thomas (primary) as representative to the PVPA.
 - E. Assistant Secretary/Assistant Financial Officer – General Manager, Brian Lee as Assistant Secretary/Assistant Financial Officer.
 - F. Representatives for the Administration and Finance Committee (AFC) – Director Goss, Director Cable, and Director Velto with Tom Thomas as ex-officio. Director Goss as chair of the committee.

- G. Representatives for the Planning, Resources, and Operations Committee (PROC) – Director Elliott, Director Zuniga, and Director Parker with Tom Thomas as ex-officio. Director Elliott as chair of the committee.
- H. Company General Counsel –Tom McPeters, Esq.
- I. Company Special Counsel – Fred Fudacz of the firm Nossaman LLP.
- J. Company Auditor – Bowen, McBeth, Incorporated.
- K. Company Depositories - That Citizens Business Bank, Local Agency Investment Funds (LAIF) and any other qualifying financial institution (FDIC insured) that conforms with the Company's Investment Policy is designated for and as a valid depository for Company funds;
- L. Signatories for Company Checks, Withdrawals and Establishing Accounts – Any two (2) signatures, including that of the President, Vice President, Secretary/Chief Financial Officer, the General Manager or the Assistant General Manager are hereby authorized and required to sign checks, withdraw funds, and establish accounts on behalf of the Company with at least one Corporate Officer signing on any transaction greater than \$5,000, except for fund transfers between Company accounts or on routine payments for operations expense (e.g. electrical energy usage, taxes, et al.) and as otherwise granted under authority to the General Manager. In addition, the Accounting and Personnel Specialist has authority to transfer up to \$45,000 to facilitate payroll with provisions of internal accounting controls in place.;
- M. General Manager's Authority –
 - A. General Manager's expenditure authority limitation is \$50,000.
[Note: Prior to October 20, 1997, the general manager's expenditure authority was limited to \$5,000. Due to the timely nature of certain repair needs, as well as the usual range of such costs, the Board acted to increase the expenditure authority limitation to \$50,000. This was done with the understanding that such necessary expenditures would be reported to the Board in a timely manner].
 - B. General Manager's authorized to execute professional service agreements.
[Note: On November 19th and December 17th of 2001, the general manager was authorized to approve and execute professional service agreements once they had been reviewed and approved by corporate counsel and after the Board's review and approval of funding. No such action may be taken on any agreement or amendment to an agreement that would cause the expenditure to exceed any prior Board approved funding authorization.]
- a. Review of Director's Fiduciary Duties and Liabilities: No review was provided by Mr. Tom McPeters, esq.
- b. Conflict of Interest Rules for Directors: Mr. Tom McPeters, esq. explained SAWCo, being a mutual water company, is governed by the general corporation's law. He stated it is completely different than the conflict of interest provisions that are applicable to public entities such as the City of Upland. The primary restriction that applies to a director of SAWCo when it comes to conflict of interest is that he or she has a duty of loyalty to act in the best interest of the company. He further explained that the members of the City of Upland Council serving on the SAWCo Board of Directors are not disqualified by virtue of them holding an office. The conflict of interest would occur only to their personal interests. For example, if SAWCo were to purchase a property that was owned or partially owned by a SAWCo Board member there would be a conflict of interest.
- c. Closed Session: None.

Director Thomas mentioned providing a tour of the facilities for the newly elected Board members. Both new and continuing Board members are eligible to attend.

Adjournment: There being no further business the meeting was adjourned at 6:46 p.m.

Assistant Secretary

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

January 26, 2021

An open meeting of the Administration and Finance Committee (AFC) of the San Antonio Water Company (SAWCo) was held virtually and called to order at 3:01 p.m. on the above date as noticed. Committee Members present were José Sanchez, Bob Cable, Rudy Zuniga, and Tom Thomas. Also in attendance were Interim Public Works Director for the City of Upland Steve Nix, and SAWCo's General Manager Brian Lee, Assistant General Manager Teri Layton, and Senior Administrative Specialist Kelly Mitchell.

1. Recognitions and Presentations: Mr. Lee recognized Director Cable's birthday.
2. Additions-Deletions to the Agenda: None.
3. Public Comments: None.
4. Approval of Committee Meeting Minutes: Director Zuniga moved and Director Cable seconded to approve the meeting minutes of November 24, 2020. Motion carried unanimously.
5. Administrative and Financial Issues:
 - A. **Financial Reporting** – Mr. Lee reiterated the items that have prevented further discussion and work on the financial reporting such as end of year financial audit and payroll taxes. He advised that all items are either well underway or have been completed. Once all items have been finalized, full attention can be paid to updating the financial reporting.
 - B. **Employee Benefits** – Director Sanchez reminded the Committee that it had requested staff look at the overall employee benefits package from a revenue neutral perspective to see if there were ways it could be enhanced.

Mr. Lee stated he and Ms. Layton collaborated on putting together a list of employee benefits the company could provide a little to no cost. There were a few such as the sick-leave buyout that come at an expense to the company, however the company is liable to payout accrued sick-leave when an employee leaves the company. Mr. Lee briefly reviewed and explained the remaining suggested employee benefits.

The Committee then discussed with staff each presented employee benefit option.

The Committee agreed that once the employee's medical benefits were covered by the company their dependents should be covered at the 50% rate. They also agreed to eliminate requiring employees to wait a full year of employment in order to contribute to the 401k plan and to add 4 hours of floating holiday time to account for moving to a 9/80 work schedule. There was consensus that vacation buyback and sick leave buyback related to retirement or termination of employment needed additional information before a decision could be made however the committee agreed to recommend allowing 300 hours of vacation accrual and 800 hour of sick leave accrual. Suggested sick leave payout at the end of each calendar year was not approved for recommendation. Offering a 457(B) deferred compensation plan for employees was also approved for recommendation while the possibility of a Flexible Spending Account was considered but eventually dropped.

- C. *Building Reserve Fund*** – Mr. Lee explained the company will have roughly \$1.7 million from the sale of the southern portion of the 17th Street and Benson Avenue property. The funds are not currently categorized for any specific use, however, staff questions whether or not they should be earmarked for a particular project or projects.

Director Sanchez stated there is concern that SAWCo has this large amount of reserves that was not identified to any particular project yet should be in order to justify such a large amount.

There was clarification that although funds can be earmarked for specific projects the Board is able to move the funds to a different project, if need be, later on.

Director Cable acknowledged that the discussions that took place during the sale of the southern portion of the 17th Street and Benson Avenue property was that the funds would go towards the building of a new office and yard facility on the northern part of that property. Building a new SAWCo office and yard on the northern part of the property was part of the intention of the sale of the southern part of the property.

Director Sanchez stated the idea is to establish a fund with the proceeds from the sale of the southern portion of the property for that exact purpose so that the funds are available when the project is approved. Adding that during the annual budgeting process it would be wise to attribute funds to each capital improvement project (CIP).

The Committee continued discussion and agreed a fund titled Facility Modernization should be set up to earmark funds for modernizing the office and yard facilities that the staff and Board is currently looking at building. It was also suggested that specific dollar amounts be earmarked for specific items such as wells, pumps, distribution system, etc. according to the CIP.

Mr. Lee pointed out the capital improvements are being funding by the sale of water. The \$1.7 million dollars SAWCo is receiving is not from the sale of water but the sale of real property. He clarified that the recommendation is to take the \$1.7 million dollars of revenue from the sale of real property and earmark it for use towards facility modernization of the office and yard. Management will then bring to the Board for approval in the near future how they propose to utilize the funds.

There was consensus on the Committee to bring to the Board the recommendation that the \$1.7 million dollars of revenue from the sale of real property be placed in a Facility Modernization fund for use towards building the office and yard facilities.

- D. *Ontario Museum Request*** – Mr. Lee reported staff received a request from the Ontario Museum to contribute to a local water exhibit. SAWCo will be donating some historical artifacts such as the mining cart and old pipeline to the museum for the exhibit which will likely open in 2022 or 2023. The items will be insured for the time they are with the museum.

- E. *COVID Response*** – Mr. Lee reported the stay-at-home orders have been lifted. No data was given as to why the State lifted the orders early. The move has not changed how the office and field are conducting day to day business.

6. Closed Session: None.

7. Committee Comments and Future Agenda Items: Director Sanchez commented financial reporting and a few of the employee benefits discussed but not approved will be placed on the next AFC agenda.

Director Thomas mentioned the entire Board reviewing CIP's for the upcoming 5 years. Mr. Lee advised the Water Master Plan is currently being updated and will be completed this year. Once completed it will be reviewed at both the Committee and Board level.

Director Zuniga stressed SAWCo having all of its facilities in good working order and aesthetically pleasing. The Committee concurred. Mr. Lee would like to take some funds to clean up any abandoned property or facilities SAWCo owns and reassess their usefulness or possibly sell.

8. Adjournment: Seeing no further business, the meeting was adjourned at 4:16 p.m.

Assistant Secretary
Brian Lee



San Antonio Water Company, CA

Balance Sheet

Account Summary

As Of 02/28/2021

Account	Name	Balance
Fund: 10 - 10		
Assets		
BalSubCategory: 10 - Cash		
10-00-00-10100-00000	Petty Cash	250.00
10-00-00-10200-00000	Checking Account	1,235,257.90
10-00-00-10201-00000	Checking Account-8431	501,000.00
10-00-00-10300-00000	Savings-Money Market	206,124.08
10-00-00-10400-00000	Savings-CD Accounts	20,000.00
10-00-00-10415-00000	D&O Checking Account	494,268.38
10-00-00-10438-00000	Depre/Obsolescence Res (LAIF)	5,132,834.15
	Total BalSubCategory 10 - Cash:	7,589,734.51
BalSubCategory: 11 - Accounts Receivable		
10-00-00-11100-00000	Accounts Receivable-Domestic	149,973.14
10-00-00-11200-00000	Accounts Receivable-Municipal	204,712.84
10-00-00-11250-00000	Accounts Receivable-Misc.	12,478.51
10-00-00-11260-00000	Accounts Receivable - Dormant	9,649.78
10-00-00-11275-00000	Contra Accounts Receivable - Unapplic	-13,383.12
10-00-00-11300-00000	Accounts Receivable-Other	218,144.83
10-00-00-11301-00000	Note Receivable	1,032,000.00
	Total BalSubCategory 11 - Accounts Receivable:	1,613,575.98
BalSubCategory: 12 - Inventory		
10-00-00-12100-00000	Inventories-Materials & Supply	92,215.72
	Total BalSubCategory 12 - Inventory:	92,215.72
BalSubCategory: 13 - Prepaid		
10-00-00-13100-00000	Prepaid Insurance	8,868.75
10-00-00-13105-00000	PREPAID POSTAGE	369.00
10-00-00-13200-00000	Prepaid State Franchise Tax	144.00
	Total BalSubCategory 13 - Prepaid:	9,381.75
BalSubCategory: 14 - Investments		
10-00-00-14150-00000	P.V.P.A. Investment	1.00
10-00-00-14151-00000	457B Plan Investment	36,133.02
	Total BalSubCategory 14 - Investments:	36,134.02
BalSubCategory: 15 - Property, Plant, & Equipment		
10-00-00-15100-00000	Land & Water Rights	920,161.26
10-00-00-15110-1507J	Work in Progress "Proj J"	72,466.00
10-00-00-15110-1602U	Work in Progress	797,306.29
10-00-00-15110-1901	Work In Progress	634,648.68
10-00-00-15110-2001	Work In Progress	466,966.46
10-00-00-15110-2002	Work In Progress	118,398.85
10-00-00-15110-2003	Work In Progress	381,020.02
10-00-00-15110-2004	Work In Progress	28,501.27
10-00-00-15110-2101	Work In Progress	54.21
10-00-00-15150-00000	Buildings & Site Improvements	1,746,624.52
10-00-00-15200-00000	Wells-Shafts, Bldgs, & Equip	4,887,026.90
10-00-00-15250-00000	Boosters-Bldgs & Equip	2,448,690.30
10-00-00-15300-00000	Reservoirs	3,081,787.33
10-00-00-15350-00000	Tunnels, Forebay, & Ponds	1,587,111.19
10-00-00-15400-00000	Spreading Works-Cucamonga Wash	54,859.53
10-00-00-15410-00000	Spreading Works-SanAntonio Wsh	50,235.18
10-00-00-15450-00000	Pipelines	16,441,208.14
10-00-00-15500-00000	Autos & Equipment	513,205.56
10-00-00-15550-00000	Tools	106,751.11
10-00-00-15600-00000	Telemetry System	600,886.90

Balance Sheet

As Of 02/28/2021

Account	Name	Balance
10-00-00-15650-00000	Office Equipment	523,769.10
10-00-00-15990-00000	Accumulated Depreciation	-13,620,961.95
Total BalSubCategory 15 - Property, Plant, & Equipment:		21,840,716.85
BalSubCategory: 16 - Other Assets		
10-00-00-16100-00000	Documents & Studies	906,358.61
10-00-00-16100-1905	WIP- Master Plan and Asset Managemen	71,523.80
10-00-00-16990-00000	Accumulated Amortization	-689,409.37
Total BalSubCategory 16 - Other Assets:		288,473.04
Total Assets:		31,470,231.87
		<u>31,470,231.87</u>
Liability		
BalSubCategory: 13 - Prepaid		
10-00-00-20650-00000	Deferred Revenue Deposit	4,824.00
Total BalSubCategory 13 - Prepaid:		4,824.00
BalSubCategory: 20 - Short-term less than 1 year		
10-00-00-20100-00000	Trade Accounts Payable	112,969.42
10-00-00-20115-00000	D&O Trade Accounts Payable	610,185.39
10-00-00-20600-00000	Water Hydrant Meter Deposit	850.00
10-00-GN-20820-00000	Accrued Vacation Payable	20,404.60
10-00-OP-20820-00000	Accrued Vacation Payable	24,818.57
Total BalSubCategory 20 - Short-term less than 1 year:		769,227.98
BalSubCategory: 21 - Long-term more than 1 year		
10-00-00-20152-00000	457B Deferred Comp Liability	36,133.02
10-00-00-21500-00000	Unclaimed Credits	614,939.12
10-00-00-22100-00000	Deferred Gain	1,029,178.33
Total BalSubCategory 21 - Long-term more than 1 year:		1,680,250.47
Total Liability:		2,454,302.45
Equity		
BalSubCategory: 30 - Stockholder equity		
10-00-00-30200-00000	Contributed Capital - Ext. Fee	447,258.02
10-00-00-30210-00000	Contr. Property, Plant & Equip	2,432,256.77
10-00-00-30300-00000	Capital Account	1,500,000.00
10-00-00-30310-00000	Unissued Capital Stock	-861,100.00
10-00-00-30400-00000	Retained Earngs-Brd Designated	5,436,069.53
10-00-00-30410-00000	Retained Earnings-Unrestricted	19,831,562.95
Total BalSubCategory 30 - Stockholder equity:		28,786,047.27
Total Beginning Equity:		28,786,047.27
Total Revenue		804,666.74
Total Expense		574,784.59
Revenues Over/Under Expenses		229,882.15
Total Equity and Current Surplus (Deficit):		29,015,929.42
Total Liabilities, Equity and Current Surplus (Deficit):		<u>31,470,231.87</u>



Income Statement Group Summary

For Fiscal: 2021 Period Ending: 02/28/2021

IncomeStatement	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Category: 4 - Income					
SubCategory: 40 - Shareholder Revenue					
1185 - Domestic Water Income (Base)	301,000.00	301,000.00	27,503.80	27,603.08	273,396.92
1215 - Domestic Water Income (Supplemental)	148,000.00	148,000.00	26,054.02	26,149.25	121,850.75
1220 - Domestic Water Income (Tier 3)	104,000.00	104,000.00	40,950.62	39,956.14	64,043.86
1230 - Domestic Water Income (Readi/Chrg)	200,000.00	200,000.00	33,365.00	33,494.95	166,505.05
1235 - Domestic Water Availability Charge (WAC)	60,000.00	60,000.00	10,176.66	10,201.54	49,798.46
1245 - Municipal Water Income (Base)	3,100,000.00	3,100,000.00	158,574.84	344,774.24	2,755,225.76
1268 - Municipal Water Income (Readi/Chrg)	80,000.00	80,000.00	6,400.00	13,300.00	66,700.00
1274 - Misc Water Income (Base)	220,000.00	220,000.00	8,332.67	15,425.08	204,574.92
1275 - Misc Water Income (Supplemental)	126,000.00	126,000.00	330.60	991.35	125,008.65
1276 - Munnicipal Water Availability Charge (WAC)	477,000.00	477,000.00	39,738.00	79,476.00	397,524.00
1280 - Misc Water Income (Tier 3)	15,000.00	15,000.00	0.00	0.00	15,000.00
1288 - Misc Water Income (Readi/Chrg)	23,000.00	23,000.00	1,880.00	3,740.00	19,260.00
1290 - Misc Water Availability Charge (WAC)	24,000.00	24,000.00	1,922.00	3,844.00	20,156.00
1295 - Dormant Water Availability Charge (WAC)	54,000.00	54,000.00	8,698.78	8,698.78	45,301.22
1300 - Sale of Water/From Storage	0.00	0.00	180,000.00	180,000.00	-180,000.00
1400 - Stock Transfer	5,000.00	5,000.00	120.00	660.00	4,340.00
1410 - Late/Re-establishment Fee	4,000.00	4,000.00	-65.00	100.00	3,900.00
1430 - Stock Certificate Storage and Handling Fee	0.00	0.00	40.00	40.00	-40.00
SubCategory: 40 - Shareholder Revenue Total:	4,941,000.00	4,941,000.00	544,021.99	788,454.41	4,152,545.59
SubCategory: 42 - Non-Shareholder Revenue					
1725 - Misc. Income	2,000.00	2,000.00	0.00	0.00	2,000.00
1750 - Service/Litigation Agreements	0.00	0.00	125.10	125.10	-125.10
1753 - Ground Lease Income	54,000.00	54,000.00	4,707.84	11,665.68	42,334.32
1755 - Interest Earned	90,000.00	90,000.00	-77.85	4,421.55	85,578.45
1785 - Gain on Sale of Asset	344,000.00	344,000.00	0.00	0.00	344,000.00
SubCategory: 42 - Non-Shareholder Revenue Total:	490,000.00	490,000.00	4,755.09	16,212.33	473,787.67
Category: 4 - Income Total:	5,431,000.00	5,431,000.00	548,777.08	804,666.74	4,626,333.26
Category: 5 - O & M Expense					
SubCategory: 50 - Operating Facilities					
2175 - Facility Related Field Labor	225,000.00	225,000.00	14,388.73	25,461.81	199,538.19
2235 - Repairs to Facilities and Equipment	300,000.00	300,000.00	22,582.25	70,267.58	229,732.42
2265 - Power-Gas & Electric (utilities)	600,000.00	600,000.00	42,434.58	58,908.85	541,091.15
SubCategory: 50 - Operating Facilities Total:	1,125,000.00	1,125,000.00	79,405.56	154,638.24	970,361.76
SubCategory: 51 - Operating Activities					
2475 - Customer Service	85,000.00	85,000.00	5,591.12	14,662.28	70,337.72
2498 - Conservation	20,000.00	20,000.00	0.00	2,780.00	17,220.00
SubCategory: 51 - Operating Activities Total:	105,000.00	105,000.00	5,591.12	17,442.28	87,557.72
SubCategory: 52 - Other Operating Expense					
2205 - Non-Facility Related Labor	75,000.00	75,000.00	4,044.13	7,206.00	67,794.00
2210 - O & M - All Other	3,800.00	3,800.00	0.00	0.00	3,800.00
2295 - Supplies (Inventory & Tools Expense)	10,000.00	10,000.00	580.45	1,943.66	8,056.34
2565 - Depreciation/Amortization	903,000.00	903,000.00	77,999.99	155,967.39	747,032.61
2715 - Property Taxes	220,000.00	220,000.00	0.00	0.00	220,000.00
2805 - Water Resource Mgmt.	200,000.00	200,000.00	4,268.35	22,978.36	177,021.64
SubCategory: 52 - Other Operating Expense Total:	1,411,800.00	1,411,800.00	86,892.92	188,095.41	1,223,704.59
Category: 5 - O & M Expense Total:	2,641,800.00	2,641,800.00	171,889.60	360,175.93	2,281,624.07
Category: 6 - G & A Expense					
SubCategory: 60 - Personnel					
2115 - Administrative Services	290,000.00	290,000.00	21,265.56	39,835.32	250,164.68

Income Statement

For Fiscal: 2021 Period Ending: 02/28/2021

IncomeStatement	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
2130 - Development/Water Svc. App.	1,000.00	1,000.00	0.00	0.00	1,000.00
2325 - Payroll Taxes	80,000.00	80,000.00	6,193.61	13,377.08	66,622.92
2355 - Worker's Compensation Insurance	15,000.00	15,000.00	0.00	1,411.00	13,589.00
2385 - Benefit Pay (Vac., sick, etc.)	185,000.00	185,000.00	13,411.63	37,055.73	147,944.27
2415 - Benefit Insurance (Pension,Life,Medical,Vision etc	250,000.00	250,000.00	20,045.51	40,037.81	209,962.19
2430 - Benefit Administrative Services	3,000.00	3,000.00	0.00	0.00	3,000.00
SubCategory: 60 - Personnel Total:	824,000.00	824,000.00	60,916.31	131,716.94	692,283.06
SubCategory: 61 - Other					
2445 - Office/IT Support	63,000.00	63,000.00	3,042.25	6,084.50	56,915.50
2505 - Directors Fees & Expense	34,000.00	34,000.00	2,750.00	7,000.00	27,000.00
2535 - Liability Insurance	30,000.00	30,000.00	0.00	0.00	30,000.00
2595 - Communication	40,000.00	40,000.00	2,944.69	4,712.77	35,287.23
2625 - Dues & Publications	3,000.00	3,000.00	0.00	1,277.95	1,722.05
2655 - Outside Services	30,000.00	30,000.00	1,099.22	8,706.94	21,293.06
2745 - Income Tax Expense	14,000.00	14,000.00	0.00	0.00	14,000.00
2775 - Accounting	70,000.00	70,000.00	5,555.47	9,945.94	60,054.06
2776 - Legal	250,000.00	250,000.00	15,037.00	38,116.03	211,883.97
2790 - Human Resources Expense	45,000.00	45,000.00	2,736.48	6,107.83	38,892.17
2865 - All other	35,000.00	35,000.00	323.05	939.76	34,060.24
SubCategory: 61 - Other Total:	614,000.00	614,000.00	33,488.16	82,891.72	531,108.28
Category: 6 - G & A Expense Total:	1,438,000.00	1,438,000.00	94,404.47	214,608.66	1,223,391.34
Total Surplus (Deficit):	1,351,200.00	1,351,200.00	282,483.01	229,882.15	

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
10 - 10	1,351,200.00	1,351,200.00	282,483.01	229,882.15	1,121,317.85
Total Surplus (Deficit):	1,351,200.00	1,351,200.00	282,483.01	229,882.15	

Monthly Investment Activity Summary - Compiled from Banking Statements for Correlation with Monthly Financials

Institution	Type of Investment	Date of Maturity	Rate of Interest	Amount of Deposit as of 2/28/2021	*Accumulated Yearly Service Fees	Accumulated Yearly Interest Earnings
					thru Feb	thru Feb
Citizens Business Bank (CBB)	*Checking (old)	N/A	No Interest	1,235,257.90	-	N/A
Citizens Business Bank (CBB)	*Checking (new)	N/A	No Interest	501,000.00	-	N/A
Citizens Business Bank (CBB)	*D&O Checking	N/A	No Interest	494,268.38		N/A
Citizens Business Bank	Pref. Money Mrkt	N/A	0.2000%	206,124.08		168.88
Local Agency Investment Fund	LAIF	N/A	0.4070%	5,132,834.15		4,338.37
Golden State Business Bank	12 Month C.D.	April 15,2021	1.00%	20,000.00		33.98
TOTAL:				\$ 7,589,484.51		
TOTAL IN CD'S:				\$ 20,000.00		

2021 Production

CHINO BASIN	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
Yearly Production Rights = 1232	48.22%	48.22%	48.22%	48.22%	48.22%	48.22%	-	-	-	-	-	-	-
Well #12 - inactive	-	-	-	-	-	-	-	-	-	-	-	-	-
Well #15 - Domestic	0.26	-	-	-	-	-	-	-	-	-	-	-	0.26
Well #16 - Domestic	0.38	-	-	-	-	-	-	-	-	-	-	-	0.38
Well#18 - inactive	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	0.63	-	-	-	-	-	-	-	-	-	-	-	0.63
CUCAMONGA BASIN	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
Yearly Production Rights = 5938 (1438 10-yr Average Spread)	6.36%	10.93%	16.24%	21.61%	26.66%	31.82%	37.00%	42.13%	47.28%	52.72%	57.76%	62.93%	-
Well #2	116.28	106.84	119.05	-	-	-	-	-	-	-	-	-	342.17
Well #3	0.36	-	-	-	-	-	-	-	-	-	-	-	0.36
Well#19 - inactive	-	-	-	-	-	-	-	-	-	-	-	-	-
Well #22	9.59	12.37	14.41	-	-	-	-	-	-	-	-	-	36.38
Well #24	82.97	-	-	-	-	-	-	-	-	-	-	-	82.97
Well #31	1.60	-	-	-	-	-	-	-	-	-	-	-	1.60
Well #32 - Domestic	-	-	-	-	-	-	-	-	-	-	-	-	-
Upl. # 15 (SAWCo's Rts)	166.97	152.06	181.80	-	-	-	-	-	-	-	-	-	500.83
Subtotal	377.76	271.27	315.27	-	-	-	-	-	-	-	-	-	964.30
Upl. # 15 (WECWCo's Rts) Memo Only	-	-	-	-	-	-	-	-	-	-	-	-	-
SIX BASINS	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
Yearly Production Rights = 932	9.99%	19.26%	29.56%	40.26%	50.24%	60.46%	70.69%	80.84%	91.03%	101.23%	111.42%	121.61%	-
Well #25-A	-	-	-	-	-	-	-	-	-	-	-	-	-
Well #26	43.34	39.01	42.64	-	-	-	-	-	-	-	-	-	124.99
Well 27-A	49.74	47.43	53.37	-	-	-	-	-	-	-	-	-	150.54
Subtotal	93.09	86.44	96.01	-	-	-	-	-	-	-	-	-	275.53
TOTAL PUMPED	471.48	357.71	411.27	-	-	-	-	-	-	-	-	-	1,240.46
GRAVITY FLOW	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
V screen	185.92	206.08	236.83	-	-	-	-	-	-	-	-	-	628.83
backwash from city treatment plant	0.47	0.44	0.57	-	-	-	-	-	-	-	-	-	1.47
San Antonio Tunnel (forebay)	217.65	172.74	169.73	-	-	-	-	-	-	-	-	-	560.12
Frankish & Stamm Tunnel 8"	-	-	-	-	-	-	-	-	-	-	-	-	-
San Ant. Tunnel Connect to City	-	-	-	-	-	-	-	-	-	-	-	-	-
Discharge to waste	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL GRAVITY	404.04	379.26	407.13	-	-	-	-	-	-	-	-	-	1,190.43
Monthly													
San Antonio Tunnel	217.65	172.74	169.73	-	-	-	-	-	-	-	-	-	560.12
V Screen, Frankish & Stamm Tunnel and TP Backwash	186.39	206.51	237.40	-	-	-	-	-	-	-	-	-	630.31
Gravity Production	404.04	379.26	407.13	-	-	-	-	-	-	-	-	-	1,190.43
Cumulative													
San Antonio Tunnel	217.65	390.39	560.12	-	-	-	-	-	-	-	-	-	560.12
V Screen, Frankish & Stamm Tunnel and TP Backwash	186.39	392.91	630.31	-	-	-	-	-	-	-	-	-	630.31
Gravity Production	404.04	783.30	1,190.43	-	-	-	-	-	-	-	-	-	
Purchased Water - Upl. City to Dom. Sys.	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Production	875.52	736.96	818.40	-	-	-	-	-	-	-	-	-	2,430.89
Total Cumulative Production	875.52	1,612.49	2,430.89	-	-	-	-	-	-	-	-	-	
Domestic Production	218.28	172.74	169.73	-	-	-	-	-	-	-	-	-	560.75
Irrigation Production	657.24	564.22	648.67	-	-	-	-	-	-	-	-	-	1,870.14
RainFall (Inches)	3.31	-	-	-	-	-	-	-	-	-	-	-	
Cumulative (Inches)	3.31	-	-	-	-	-	-	-	-	-	-	-	

2021 Consumption

DOMESTIC	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
Dom. Sys. - Base	61.06	32.19	65.32	-	-	-	-	-	-	-	-	-	158.57
Dom. Sys. - Supplemental	10.29	23.50	9.82	-	-	-	-	-	-	-	-	-	43.61
Dom Sys - Tier 3	4.81	20.39	4.48	-	-	-	-	-	-	-	-	-	29.68
Dom. Sys. - Del. to Upland(24th/Campus)	33.91	28.44	31.25	-	-	-	-	-	-	-	-	-	93.60
Dom. Sys. -Del. To Upland (Well 16/15)	-	-	-	-	-	-	-	-	-	-	-	-	-
Dom. Sys. - Del. to Upland(24th/Mtn)-installed 4/2/19	-	-	-	-	-	-	-	-	-	-	-	-	-
Tunnel meter to the Upland	-	-	-	-	-	-	-	-	-	-	-	-	-
Discharge to waste	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	110.07	104.52	110.87	-	-	-	-	-	-	-	-	-	325.46

Truck Loads - note only crosswall projects	-	-	-	-	-	-	-	-	-	-	-	-	-
Well 32 Hydrant Mtr. - note only(started 8/6/18)Crosswalls	-	-	-	-	-	-	-	-	-	-	-	-	-

Irr. Note only Del. to MVWD(wheeled through Upland)	35.64	-	-	-	-	-	-	-	-	-	-	-	35.64
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IRRIGATION	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
Irrig. Sys.-Upland(Pump & Rec'd) (City W#15)	166.97	152.06	181.80	-	-	-	-	-	-	-	-	-	500.83
Irrig. Sys. - Upl. City - Tier 1	297.99	268.16	296.42	-	-	-	-	-	-	-	-	-	862.57
Irrig. Sys. - Upl. City - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Monte Vista - Tier 1	85.54	46.00	49.90	-	-	-	-	-	-	-	-	-	181.44
Irrig. Sys. - Monte Vista - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Ont. City - Tier 1	44.20	40.70	44.30	-	-	-	-	-	-	-	-	-	129.20
Irrig. Sys. - Ont. City - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Cucamonga Valley - Tier 1	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Cucamonga Valley - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Holiday Rock Co - Tier 1	14.52	14.30	13.20	-	-	-	-	-	-	-	-	-	42.02
Irrig. Sys. - Holiday Rock Co - Tier 2	0.85	-	-	-	-	-	-	-	-	-	-	-	0.85
Irrig. Sys. - Holiday Rock Co - Tier 3	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Red Hill Golf Course - Tier 1	8.86	11.88	13.85	-	-	-	-	-	-	-	-	-	34.59
Irrig. Sys. - Red Hill Golf Course - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Red Hill Golf Course - Tier 3	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Red Hills HOA - Tier 1	0.06	0.05	0.05	-	-	-	-	-	-	-	-	-	0.16
Irrig. Sys. - Red Hills HOA - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Red Hills HOA - Tier 3	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Minor Irrigators - Tier 1	0.49	0.99	0.38	-	-	-	-	-	-	-	-	-	1.86
Irrig. Sys. - Minor Irrigators - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Minor irrigators - Tier 3	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	619.49	534.14	599.89	-	-	-	-	-	-	-	-	-	1,753.52

COMPANY TOTALS	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
San Antonio Heights	76.16	76.08	79.62	-	-	-	-	-	-	-	-	-	231.86
City of Upland	498.87	448.65	509.48	-	-	-	-	-	-	-	-	-	1,457.00
Monte Vista Water District	85.54	46.00	49.90	-	-	-	-	-	-	-	-	-	181.44
City of Ontario	44.20	40.70	44.30	-	-	-	-	-	-	-	-	-	129.20
Cucamonga Valley Water District	-	-	-	-	-	-	-	-	-	-	-	-	-
Holiday Rock Company	15.38	14.30	13.20	-	-	-	-	-	-	-	-	-	42.87
Red Hills Golf Course	8.86	11.88	13.85	-	-	-	-	-	-	-	-	-	34.59
Red Hill HOA	0.06	0.05	0.05	-	-	-	-	-	-	-	-	-	0.16
Minor Irrigators	0.49	0.99	0.38	-	-	-	-	-	-	-	-	-	1.86
TOTAL	729.57	638.66	710.76	-	-	-	-	-	-	-	-	-	2,078.98

IRRIGATORS	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
Irrigator Emberton	0.03	0.05	0.04	-	-	-	-	-	-	-	-	-	0.13
Irrigator McMurray	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrigator Mistretta	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrigator Nisbit	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrigator Scheu	-	0.07	-	-	-	-	-	-	-	-	-	-	0.07
Irrigator Pfister	0.46	0.87	0.34	-	-	-	-	-	-	-	-	-	1.66

2021 Spread and Storage

Cucamonga Basin	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
23rd St. (Meter) - Basin 6 - A	50.37	2.54	0.04	-	-	-	-	-	-	-	-	-	52.95
15th Street Basin	-	-	-	-	-	-	-	-	-	-	-	-	-
Basin 3 meter (23rd street Clock)	60.00	69.10	83.48	-	-	-	-	-	-	-	-	-	212.59
Frankish & Stamm Tunnel to Basin 3	-	-	-	-	-	-	-	-	-	-	-	-	-
Vscreen via Frankish & Stamm Meter to Basin 3	-	-	-	-	-	-	-	-	-	-	-	-	-
PRV Station (res 1)(basin 6)	0.32	-	-	-	-	-	-	-	-	-	-	-	0.32
Monthly Spread	110.69	71.64	83.53	-	-	-	-	-	-	-	-	-	265.86
Cumulative Spread	110.69	182.33	265.86	-	-	-	-	-	-	-	-	-	-

Six Basins	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
Monthly Spread	33.29	17.80	17.24	-	-	-	-	-	-	-	-	-	68.33
Cumulative Spread	33.29	51.09	68.33	-	-	-	-	-	-	-	-	-	-

Note: City of Upland Well Exercising may contribute to spread

Note: Maximum end of year storage limit: 2,000 AF

Previous Storage	1,953.00												
Spread	33.29	17.80	17.24	-	-	-	-	-	-	-	-	-	-
Unused Monthly OSY	(15.42)												
Current Storage Estimate	1,971	18	17	-	-	-	-	-	-	-	-	-	-

932 yearly OSY = 77.67 monthly OSY

Chino Basin	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
Monthly Spread	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Spread	-	-	-	-	-	-	-	-	-	-	-	-	-

Local Supplemental Account (Spreading)*	3,923.25	-	-	-	-	-	-	-	-	-	-	-	-
Carry Over Account	1,232.00	-	-	-	-	-	-	-	-	-	-	-	-
Excess Carry Over Account*	1,433.40	-	-	-	-	-	-	-	-	-	-	-	-
Preemptive Replenishment Account	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Storage	6,588.65	-	-	-	-	-	-	-	-	-	-	-	-
Spread	-	-	-	-	-	-	-	-	-	-	-	-	-
Unused Monthly OSY	102.04	-	-	-	-	-	-	-	-	-	-	-	-
Current Storage Estimate*	6,691	-	-	-	-	-	-	-	-	-	-	-	-

1,232 yearly OSY = 102.67 monthly OSY

* Does not include yearly storage losses calc of 0.07%

Company Wide	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
Monthly Spread	143.98	89.44	100.77	-	-	-	-	-	-	-	-	-	334.18
Cumulative Spread	143.98	233.42	334.18	-	-	-	-	-	-	-	-	-	-
Total Current Storage Estimate	8,662												

Meter to spread ponds (NOTE ONLY)	97.77	51.50	-	-	-	-	-	-	-	-	-	-	149.27
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2021 GW Production Rights

Yearly %	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
	8%	17%	25%	33%	42%	50%	58%	67%	75%	83%	92%	100%

Cucamonga Basin Production

Yearly Production Rights = 5938 (4,500AF + 1438AF 10-yr Average Spread)

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
Production	377.76	271.27	315.27	-	-	-	-	-	-	-	-	-	
Cumulative Production	377.76	649.03	964.30	-	-	-	-	-	-	-	-	-	964.30
Cumulative Production Rights	494.85	989.69	1,484.54	-	-	-	-	-	-	-	-	-	5,938
% of Production Rights*	6.36%	10.93%	16.24%	21.61%	26.66%	31.82%	37.00%	42.13%	47.28%	52.72%	57.76%	62.93%	16.2%

Six Basins Production

Yearly Production Rights = 932AF

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
Production	93.09	86.44	96.01	-	-	-	-	-	-	-	-	-	
Cumulative Production	93.09	179.53	275.53	-	-	-	-	-	-	-	-	-	275.53
Cumulative Production Rights	77.68	155.35	233.03	-	-	-	-	-	-	-	-	-	932
% of Production Rights*	9.99%	19.26%	29.56%	40.26%	50.24%	60.46%	70.69%	80.84%	91.03%	101.23%	111.42%	121.61%	29.6%

Chino Basin Production

Note: Chino Basin production rights are calculated from July through June.

Yearly Production Rights = 1232AF

	Dec-19	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
Production		0.63	-	-	-	-	-	-	-	-	-	-	-	0.63
Cumulative Production for 2020		0.63	0.63	0.63	-	-	-	-	-	-	-	-	-	
Water Year 20-21														
Cumulative Production	593.50	594.13	594.13	594.13	-	-	-							594.13
Cumulative Rights	616.00	718.67	821.33	924.00	1,026.67	1,129.33	1,232.00							1,232.00
% of Production Rights 19-20*		48.22%	48.22%	48.22%	48.22%	48.22%	48.22%							
Water Year 21-22														
Cumulative Production														-
Cumulative Rights														102.67
% of Production Rights 20-21*														-

* - Out months are Exponential Smoothing (ETS) forecasts based on basin production to date

2021 Production v Consumption

Yearly %	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
		8%	17%	25%	33%	42%	50%	58%	67%	75%	83%	92%

Consumption versus Entitlement, Company Wide **Active Shares**

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
Consumption	729.57	638.66	710.76	-	-	-	-	-	-	-	-	-	-
Cumulative Consumption	729.57	1,368.22	2,078.98	-	-	-	-	-	-	-	-	-	2,078.98
Cumulative Entitlement (straight line)	1,047.68	2,095.37	3,143.05	-	-	-	-	-	-	-	-	-	12,572
% of Entitlement*	5.80%	10.88%	16.54%	22.40%	27.87%	33.48%	39.09%	44.66%	50.25%	55.84%	61.42%	67.01%	16.5%

Consumption versus Entitlement, Company Wide **Total Shares**

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
Consumption	729.57	638.66	710.76	-	-	-	-	-	-	-	-	-	-
Cumulative Consumption	729.57	1,368.22	2,078.98	-	-	-	-	-	-	-	-	-	2,078.98
Cumulative Entitlement (straight line)	1,083.33	2,166.67	3,250.00	-	-	-	-	-	-	-	-	-	13,000
% of Entitlement*	5.61%	10.52%	15.99%	21.66%	26.96%	32.38%	37.80%	43.19%	48.59%	54.00%	59.40%	64.81%	16.0%

Production versus Consumption, Company Wide

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
Production	875.52	736.96	818.40	-	-	-	-	-	-	-	-	-	2,430.89
Consumption	729.57	638.66	710.76	-	-	-	-	-	-	-	-	-	2,078.98
Spread	143.98	89.44	100.77	-	-	-	-	-	-	-	-	-	334.18
Total Consumption	873.55	728.09	811.53	-	-	-	-	-	-	-	-	-	2,413.17
Difference	1.98	8.87	6.87	-	-	-	-	-	-	-	-	-	17.72
% of Production	0.2%	1.2%	0.8%	0.0%	0.0%	0.0%	0.00%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%

Production versus Consumption, Domestic System

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
Production	218.28	172.74	169.73	-	-	-	-	-	-	-	-	-	560.75
Consumption	110.07	104.52	110.87	-	-	-	-	-	-	-	-	-	325.46
Monthly Difference	108.21	68.23	58.86	-	-	-	-	-	-	-	-	-	235.29
% difference	98.30%	65.28%	53.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	72.3%

Production versus Consumption, Irrigation System

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR
Production	657.24	564.22	648.67	-	-	-	-	-	-	-	-	-	1,870.14
Addition from Domestic	108.21	68.23	58.86	-	-	-	-	-	-	-	-	-	235.29
Total Production	765.45	632.45	707.53	-	-	-	-	-	-	-	-	-	2,105.42
Consumption	763.47	623.58	700.66	-	-	-	-	-	-	-	-	-	2,087.71
Monthly Difference	1.98	8.87	6.87	-	-	-	-	-	-	-	-	-	17.72
% difference	0.26%	1.42%	0.98%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.8%

* - Out months are Exponential Smoothing (ETS) forecasts based on consumption to date

2021 Consumption Analysis

Yearly %	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
		8%	17%	25%	33%	42%	50%	58%	67%	75%	83%	92%

COMPANY TOTALS

Active Shares

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR	Shares	
Consumption	729.57	638.66	710.76	-	-	-	-	-	-	-	-	-			6,179
Cumulative Consumption	729.57	1,368.22	2,078.98	-	-	-	-	-	-	-	-	-	2,078.98		
Cumulative Entitlement	984.12	1,968.25	2,968.97	-	-	-	-	-	-	-	-	-	12,572.19		
% of Yearly Entitlement*	5.80%	10.88%	16.54%	22.40%	27.87%	33.48%	39.09%	44.66%	50.25%	55.84%	61.42%	67.01%	16.54%		

COMPANY TOTALS

All Shares

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR	Shares	
Consumption	729.57	638.66	710.76	-	-	-	-	-	-	-	-	-			6,389
Cumulative Consumption	729.57	1,368.22	2,078.98	-	-	-	-	-	-	-	-	-	2,078.98		
Cumulative Entitlement	1,083.33	2,166.67	3,250.00	-	-	-	-	-	-	-	-	-	13,000.00		
% of Yearly Entitlement*	5.61%	10.52%	15.99%	21.66%	26.96%	32.38%	37.80%	43.19%	48.59%	54.00%	59.40%	64.81%	15.99%		

San Antonio Heights

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR	Shares	
Consumption	76.16	76.08	79.62	-	-	-	-	-	-	-	-	-			624
Cumulative Consumption	76.16	152.24	231.86	-	-	-	-	-	-	-	-	-	231.86		
Cumulative Entitlement	68.48	136.95	215.53	-	-	-	-	-	-	-	-	-	1,268.66		
% of Yearly Entitlement*	6.00%	12.00%	18.28%	25.03%	31.27%	37.67%	44.07%	50.43%	56.80%	63.18%	69.56%	75.94%	18.28%		

City of Upland

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR	Shares	
Consumption	498.87	448.65	509.48	-	-	-	-	-	-	-	-	-			4,514.75
Cumulative Consumption	498.87	947.52	1,457.00	-	-	-	-	-	-	-	-	-	1,457.00		
Cumulative Entitlement	765.53	1,531.06	2,296.59	-	-	-	-	-	-	-	-	-	9,186.38		
% of Yearly Entitlement*	5.43%	10.31%	15.86%	21.55%	26.87%	32.32%	37.78%	43.20%	48.63%	54.36%	59.68%	65.15%	15.86%		

Apr-20 **9,186.88**

Monte Vista Water District

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR	Shares	
Consumption	85.54	46.00	49.90	-	-	-	-	-	-	-	-	-			331
Cumulative Consumption	85.54	131.54	181.44	-	-	-	-	-	-	-	-	-	181.44		
Cumulative Entitlement	56.04	112.08	168.12	-	-	-	-	-	-	-	-	-	672.48		
% of Yearly Entitlement*	12.72%	19.56%	26.98%	34.80%	42.06%	49.50%	56.95%	64.35%	71.77%	79.19%	86.60%	94.02%	26.98%		

City of Ontario

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR	Shares	
Consumption	44.20	40.70	44.30	-	-	-	-	-	-	-	-	-			295
Cumulative Consumption	44.20	84.90	129.20	-	-	-	-	-	-	-	-	-	129.20		
Cumulative Entitlement	50.06	100.13	150.19	-	-	-	-	-	-	-	-	-	600.76		
% of Yearly Entitlement*	7.36%	14.13%	21.51%	29.26%	36.46%	43.85%	51.24%	58.58%	65.94%	73.31%	80.66%	88.02%	21.51%		

* - Out months are Exponential Smoothing (ETS) forecasts based on consumption to date

2021 Consumption Analysis

Yearly %	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
		8%	17%	25%	33%	42%	50%	58%	67%	75%	83%	92%

Cucamonga Valley Water District

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR	Shares	4
Consumption	-	-	-	-	-	-	-	-	-	-	-	-			
Cumulative Consumption	-	-	-	-	-	-	-	-	-	-	-	-	-		
Cumulative Entitlement	-	-	-	-	-	-	-	-	-	-	-	-	8.14		
% of Yearly Entitlement*	-														

Holiday Rock Company

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR	Shares	132
Consumption	15.38	14.30	13.20	-	-	-	-	-	-	-	-	-			
Cumulative Consumption	15.38	29.68	42.87	-	-	-	-	-	-	-	-	-	42.87		
Cumulative Entitlement	14.52	29.05	45.72	-	-	-	-	-	-	-	-	-	269.10		
% of Yearly Entitlement*	5.71%	11.03%	15.93%	21.64%	26.84%	32.29%	37.39%	42.91%	48.03%	53.52%	58.64%	64.13%	15.93%		

Red Hills Golf Course

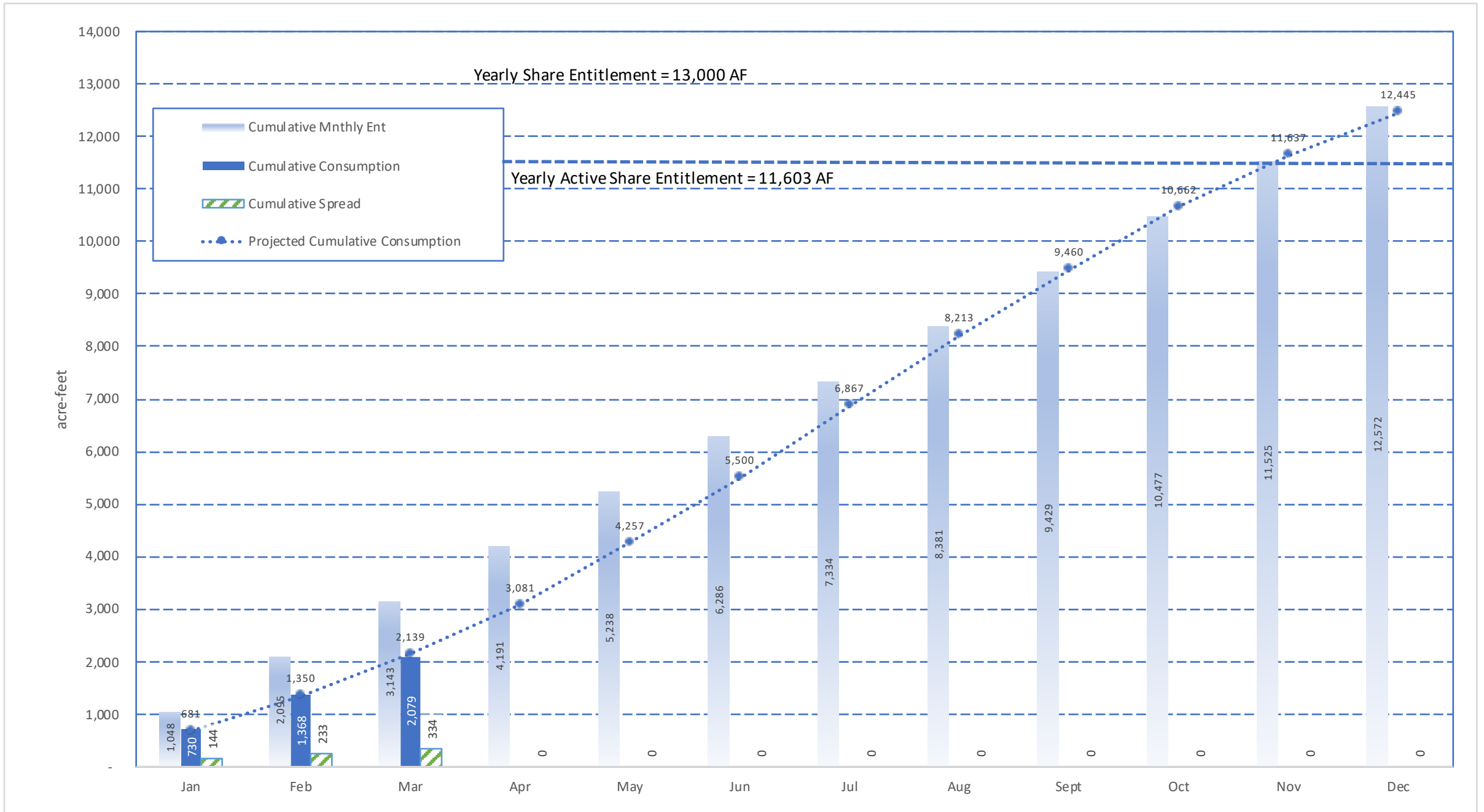
	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR	Shares	218
Consumption	8.86	11.88	13.85	-	-	-	-	-	-	-	-	-			
Cumulative Consumption	8.86	20.74	34.59	-	-	-	-	-	-	-	-	-	34.59		
Cumulative Entitlement	23.97	47.94	75.45	-	-	-	-	-	-	-	-	-	444.08		
% of Yearly Entitlement*	2.00%	4.67%	7.79%	10.94%	13.90%	16.93%	19.97%	22.98%	26.00%	29.18%	32.14%	35.17%	7.79%		

Minor Irrigators

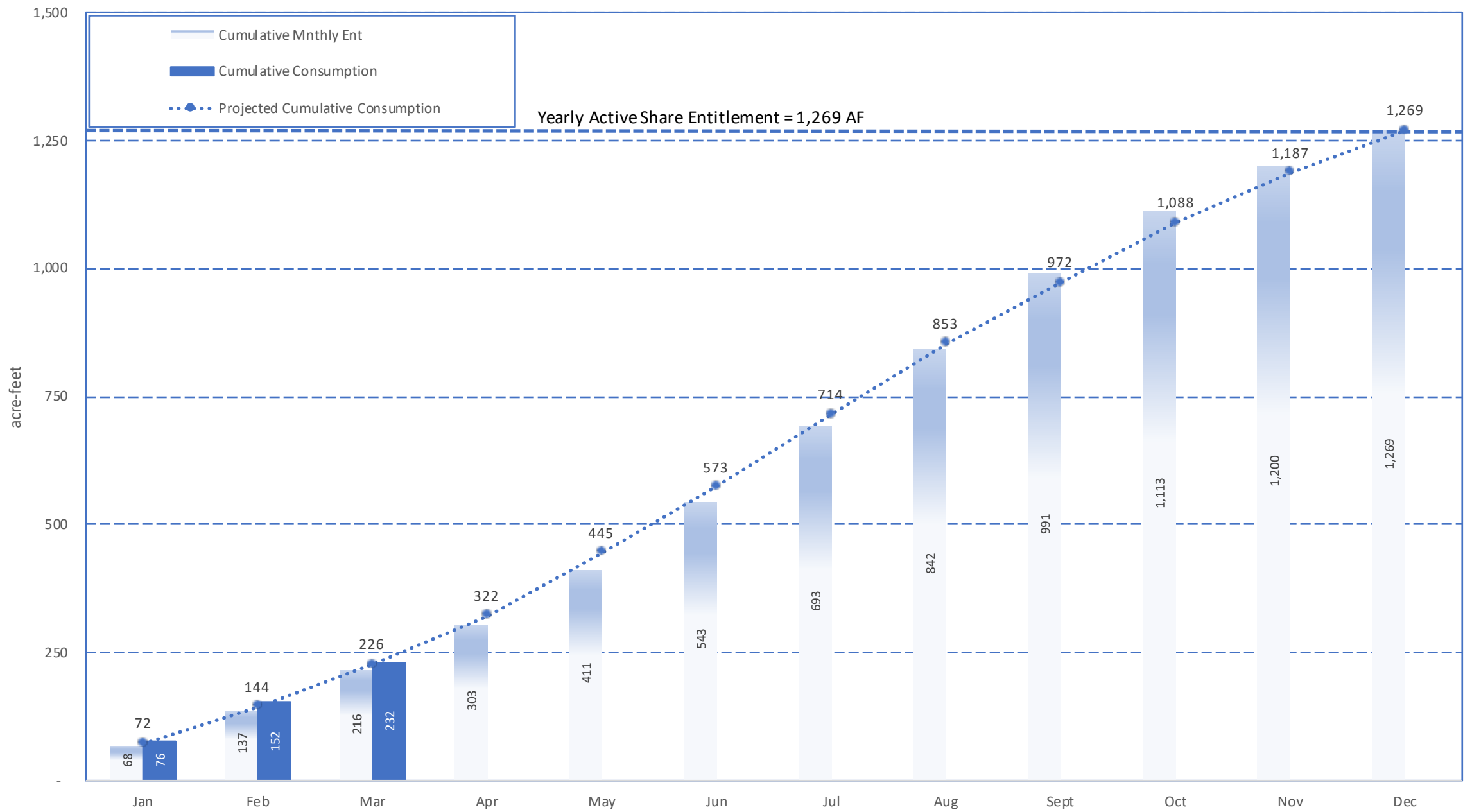
	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	THIS YEAR	Shares	50
Consumption	0.49	0.99	0.38	-	-	-	-	-	-	-	-	-			
Cumulative Consumption	0.49	1.49	1.86	-	-	-	-	-	-	-	-	-	1.86		
Cumulative Entitlement	5.52	11.04	17.37	-	-	-	-	-	-	-	-	-	102.25		
% of Yearly Entitlement*	0.48%	1.45%	1.82%	2.65%	3.32%	4.05%	4.57%	5.31%	5.87%	6.60%	7.16%	7.98%	1.82%		

* - Out months are Exponential Smoothing (ETS) forecasts based on consumption to date

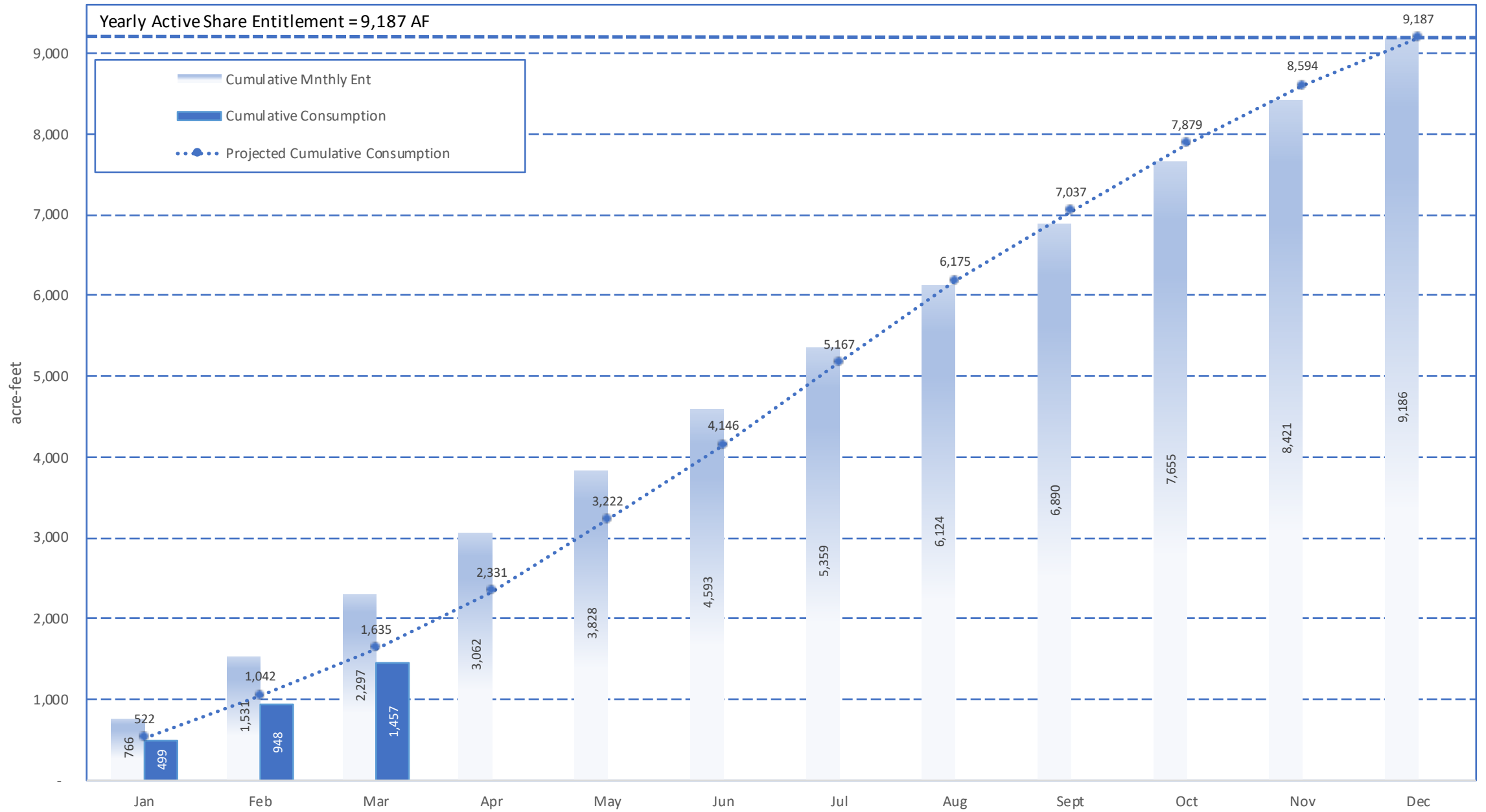
2021 Consumption Chart



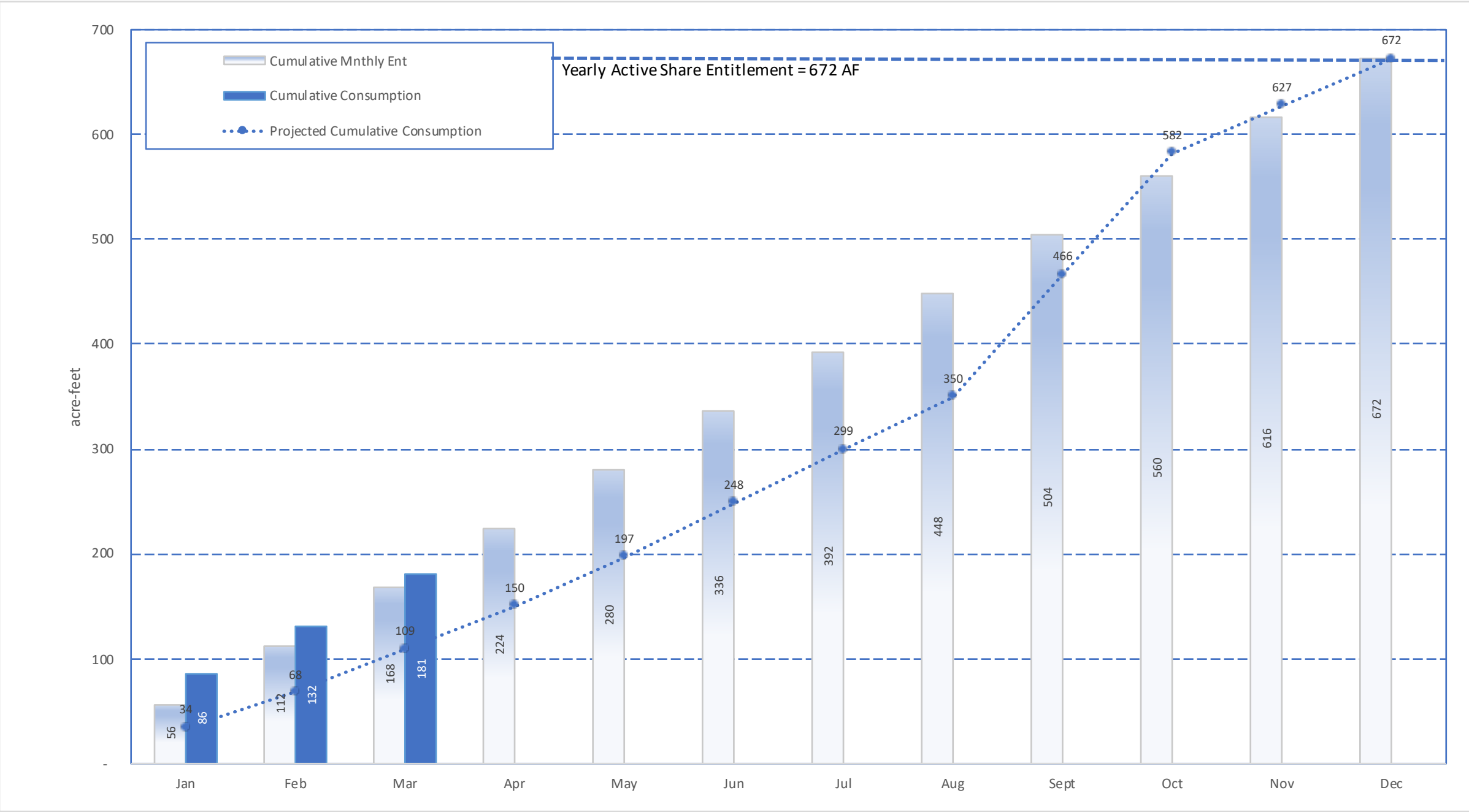
2021 Domestic Consumption



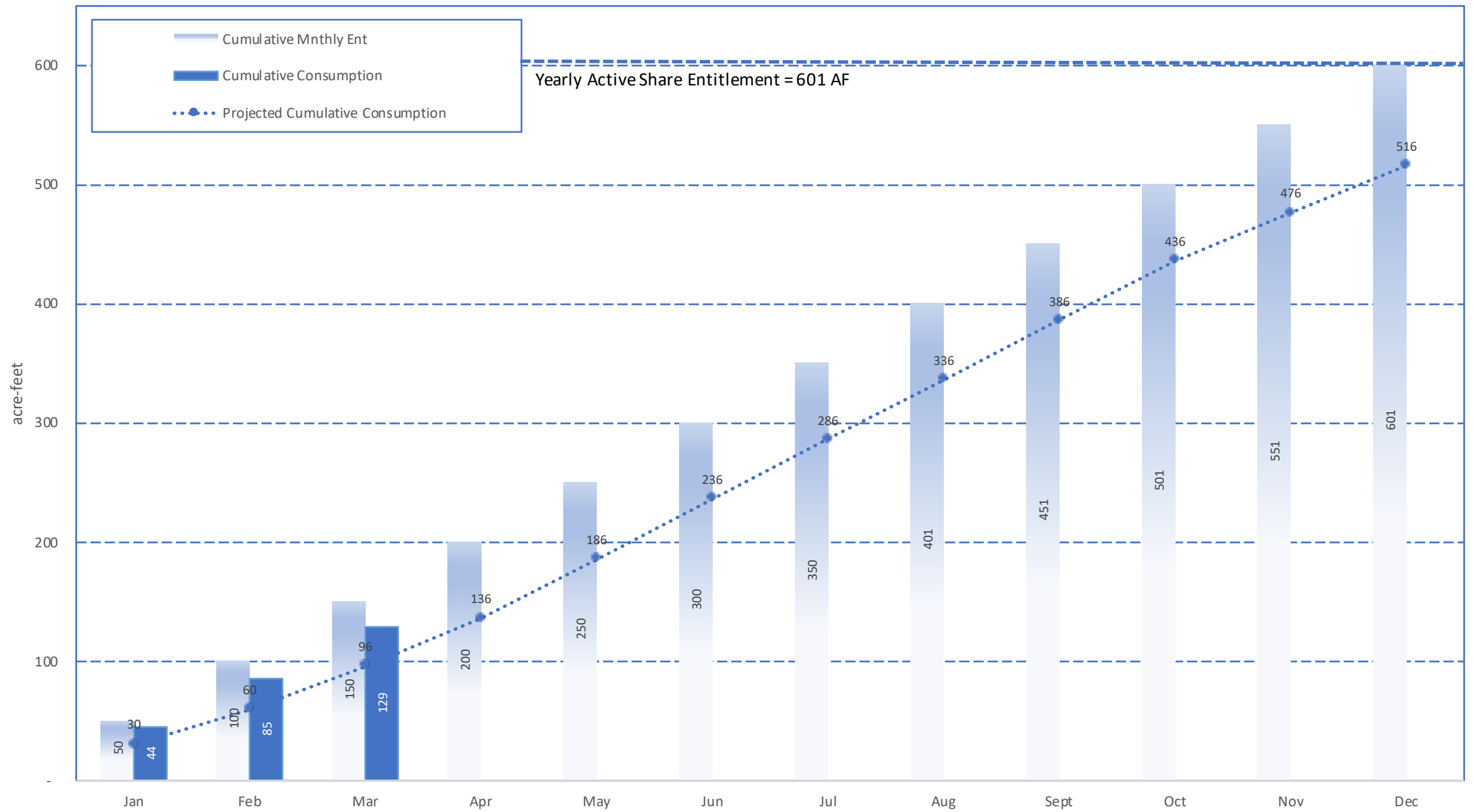
2021 Upland Consumption



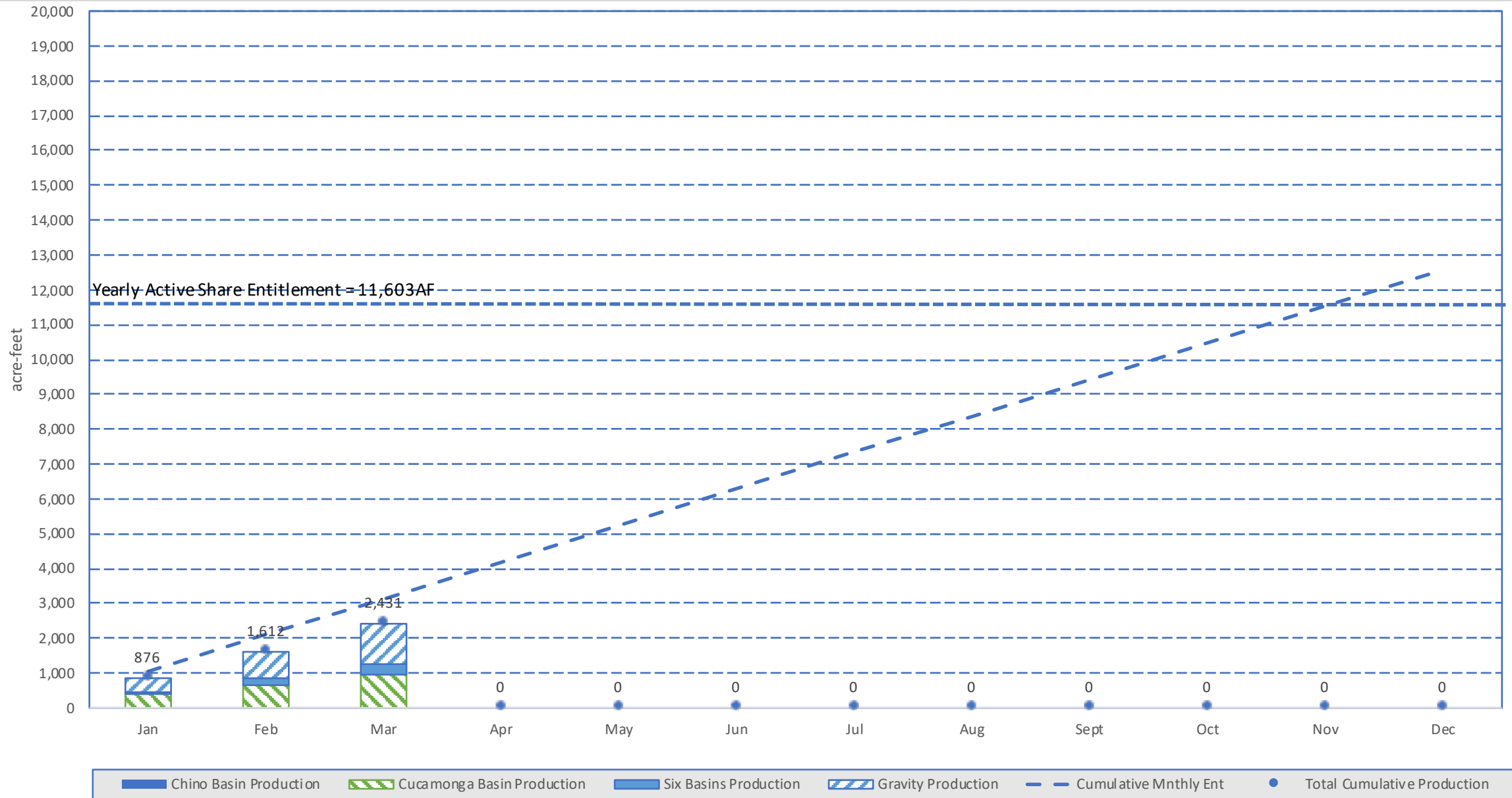
2021 Monte Vista Consumption



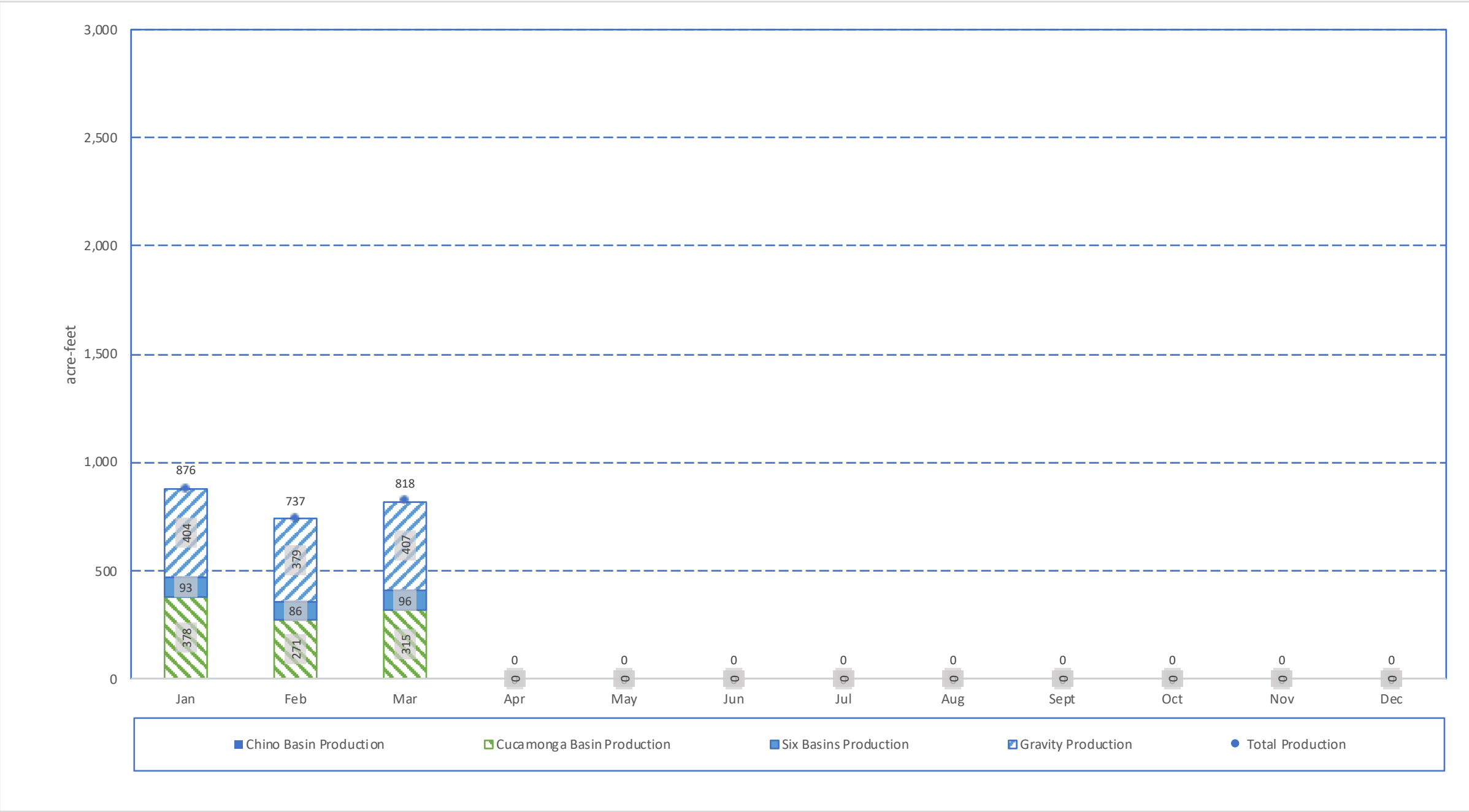
2021 Ontario Consumption



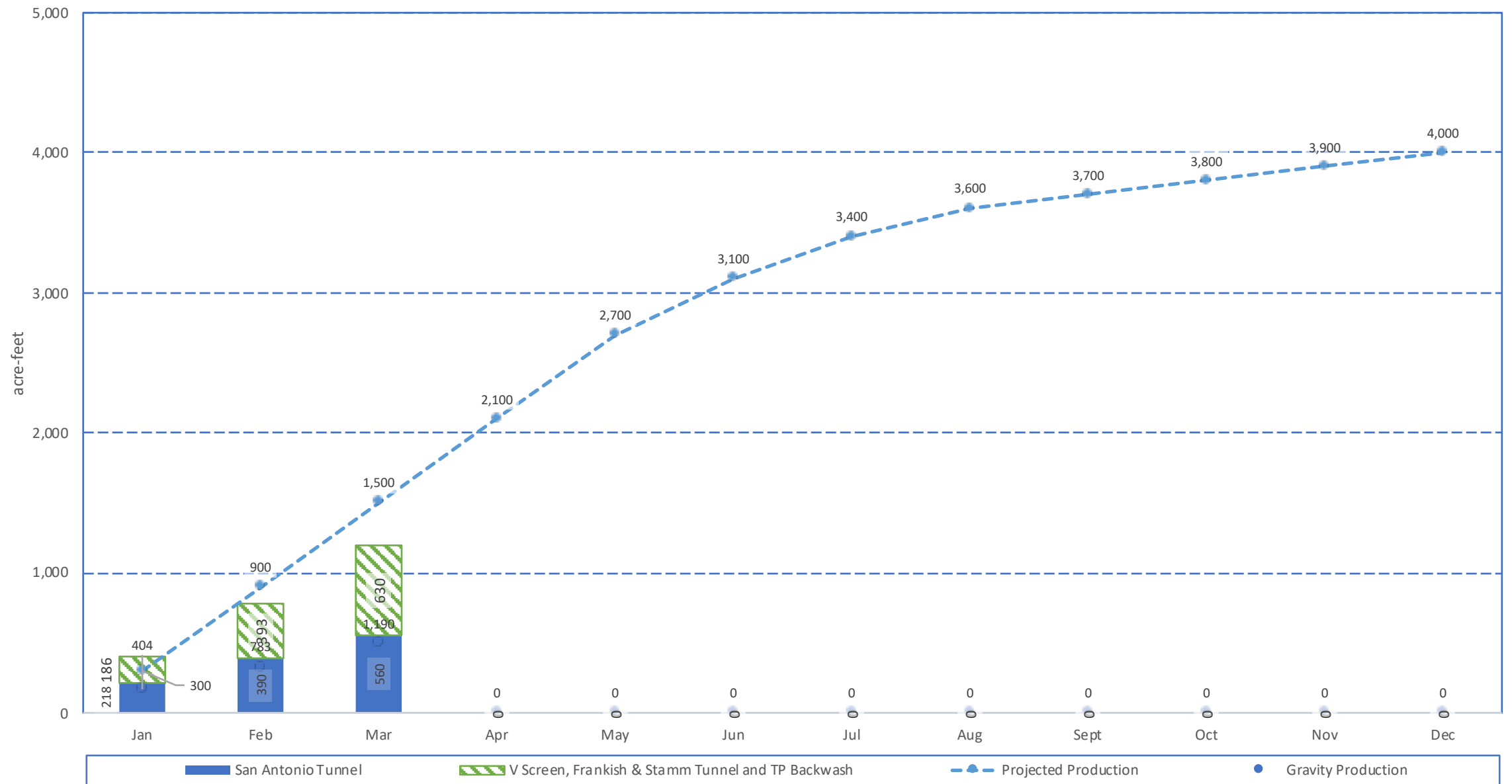
2021 Total Yearly Production



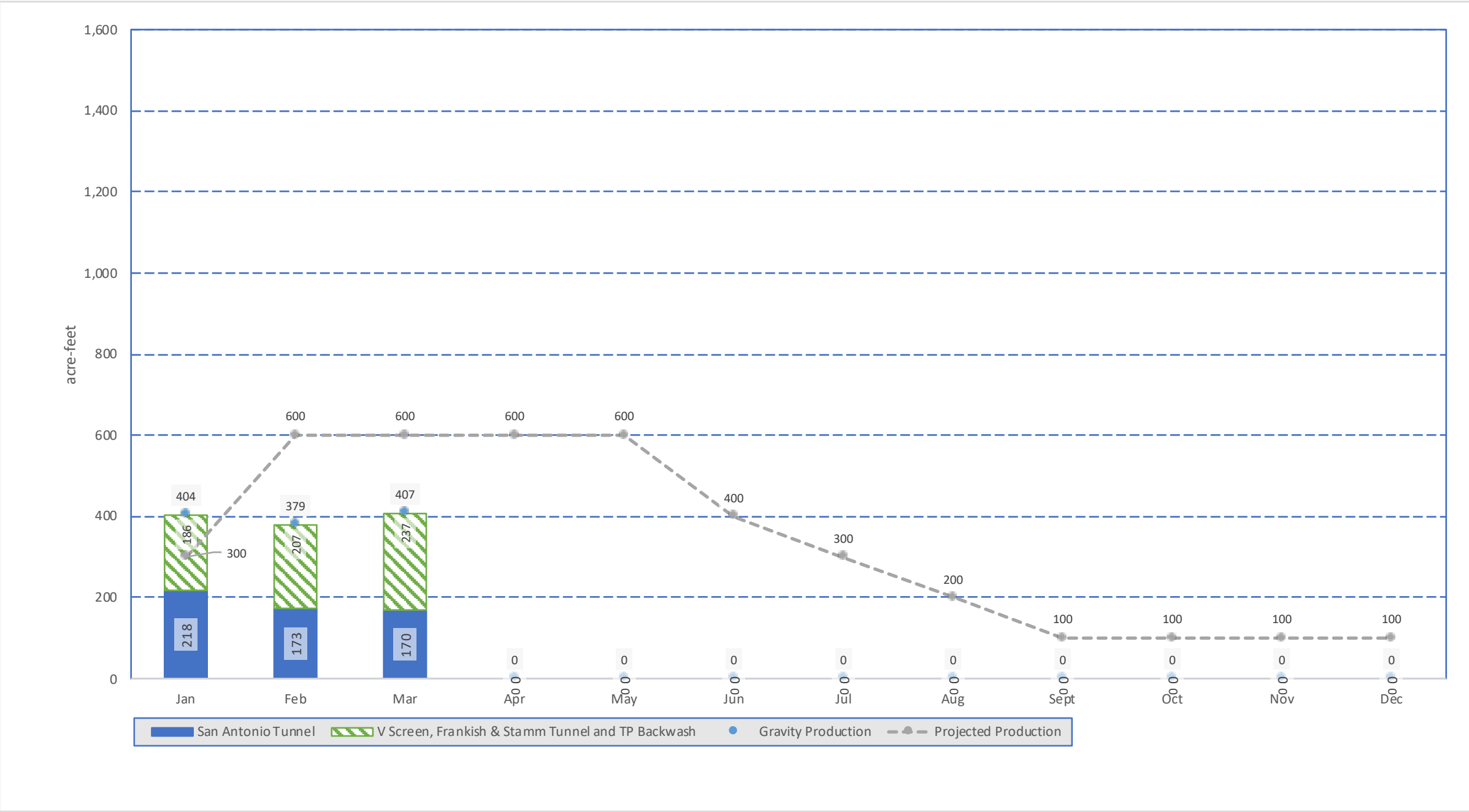
2021 Monthly Production



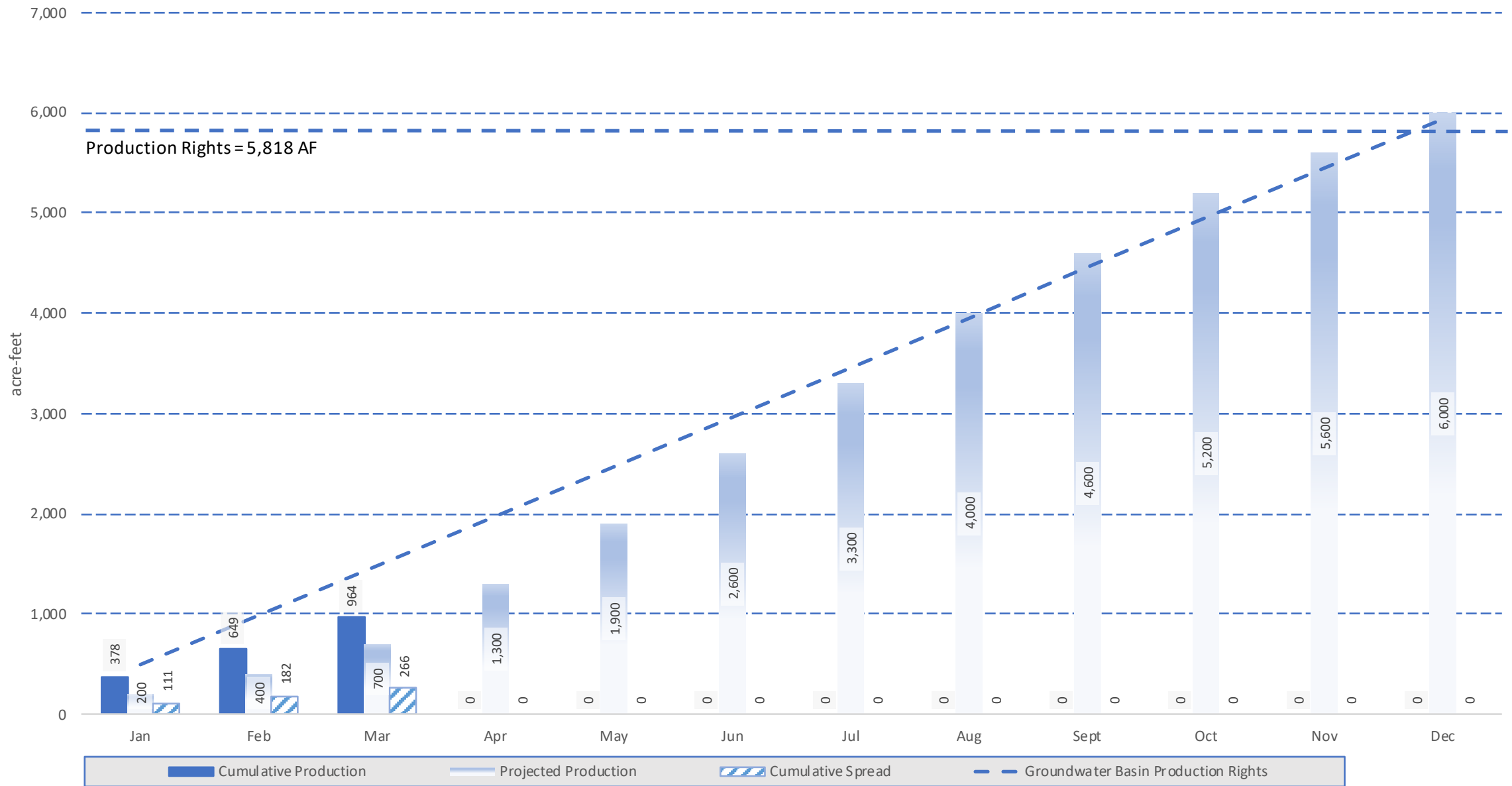
2021 Gravity Cumulative



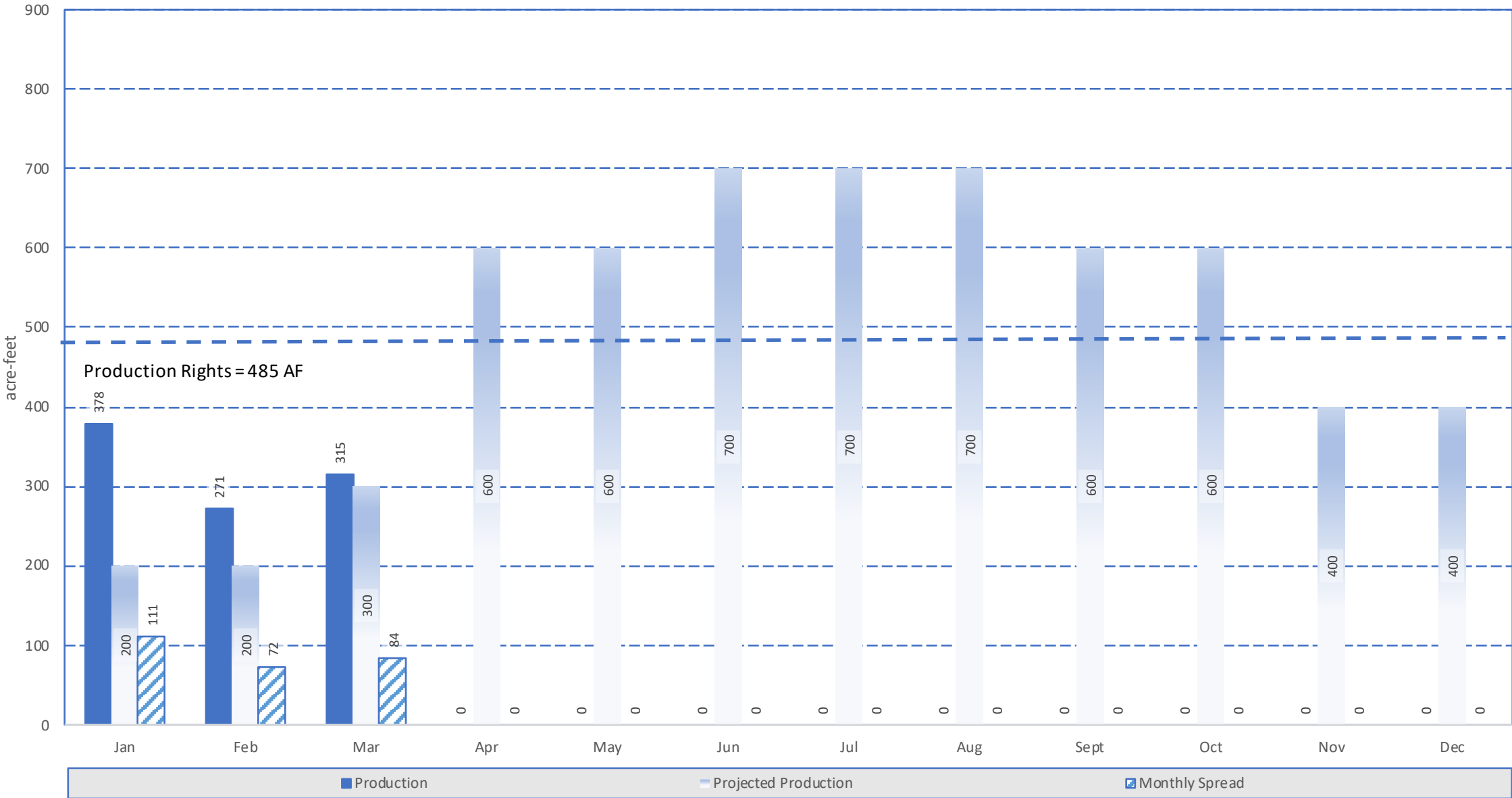
2021 Gravity Monthly



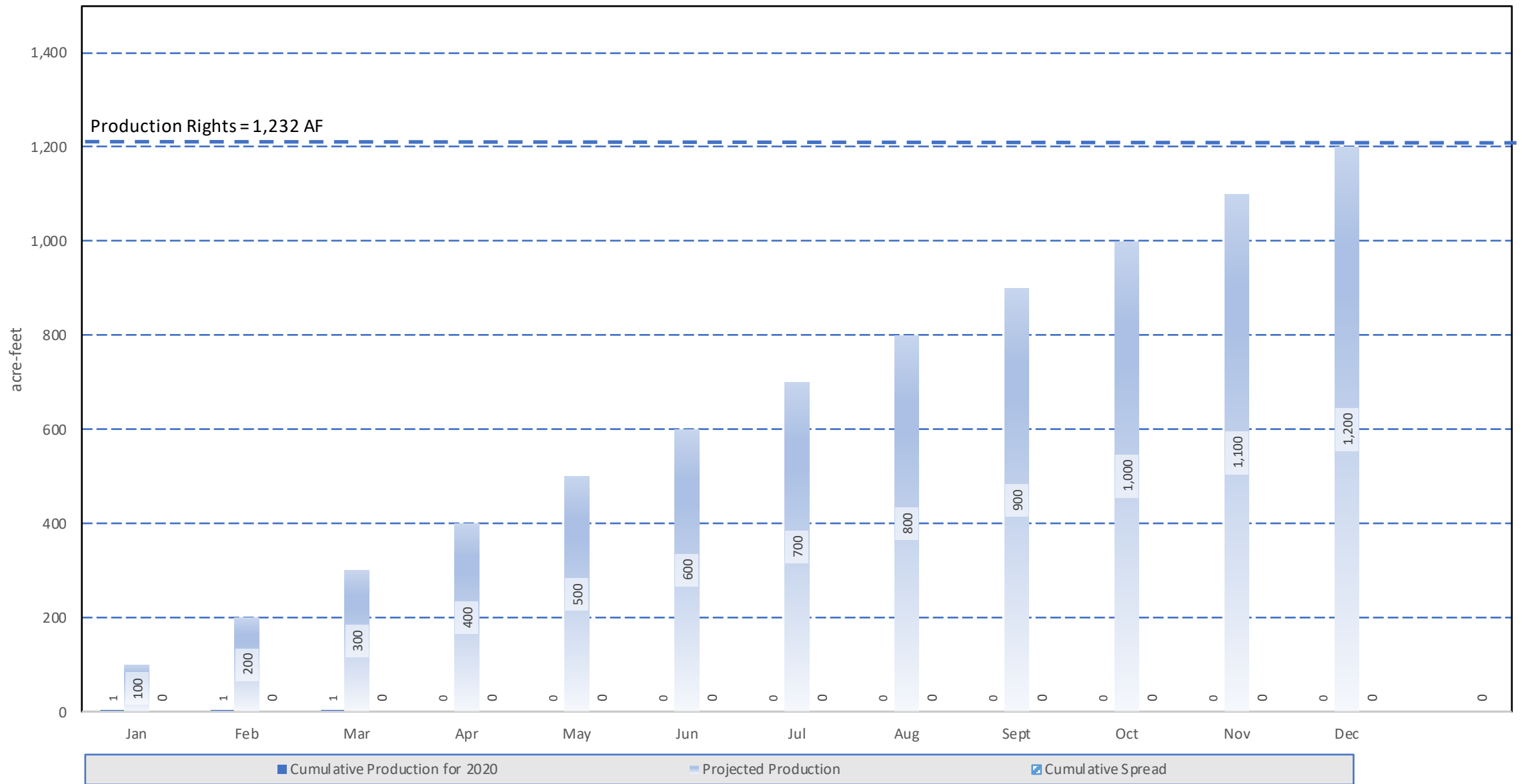
2021 Cucamonga Basin Cumulative



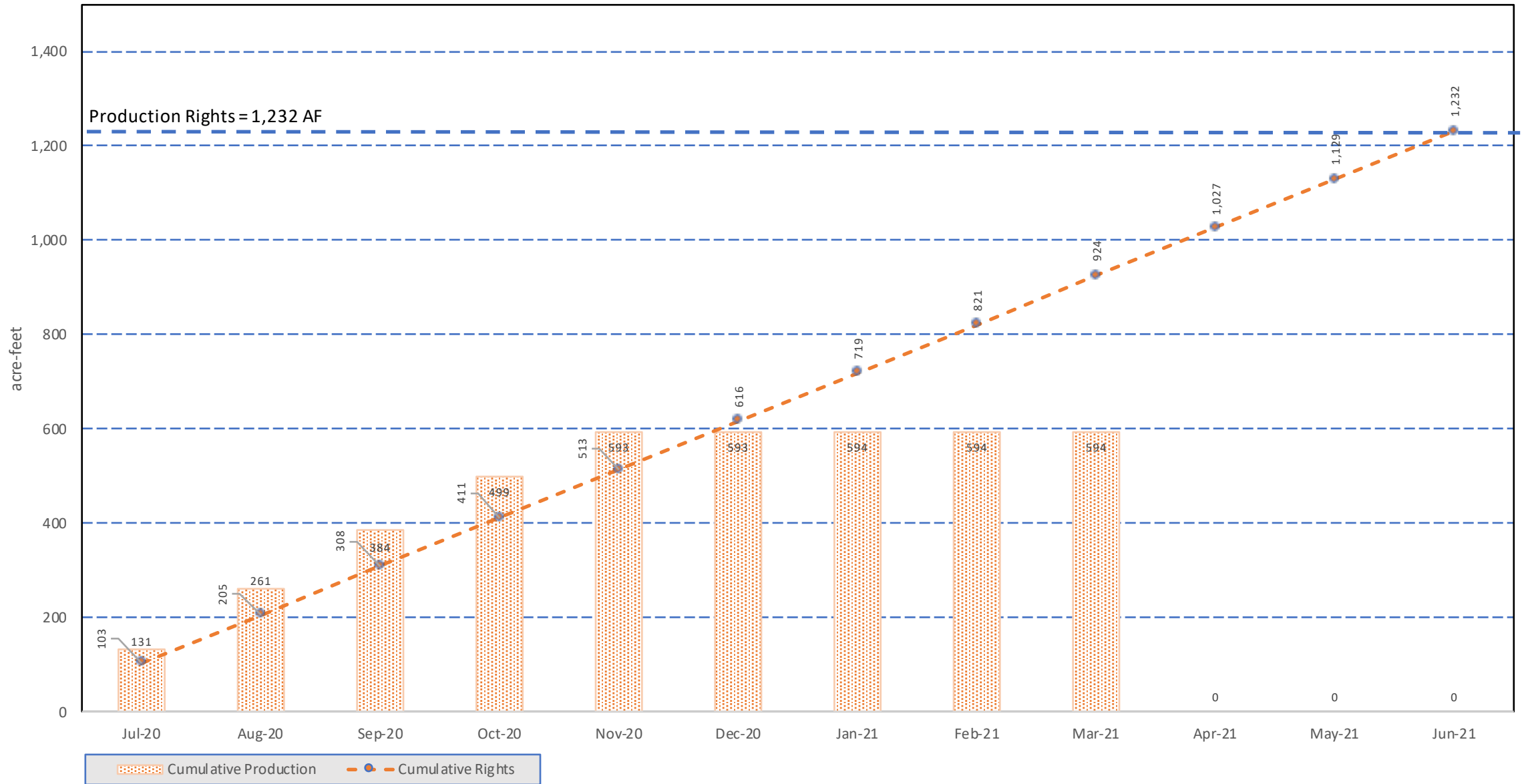
2021 Cucamonga Basin Monthly



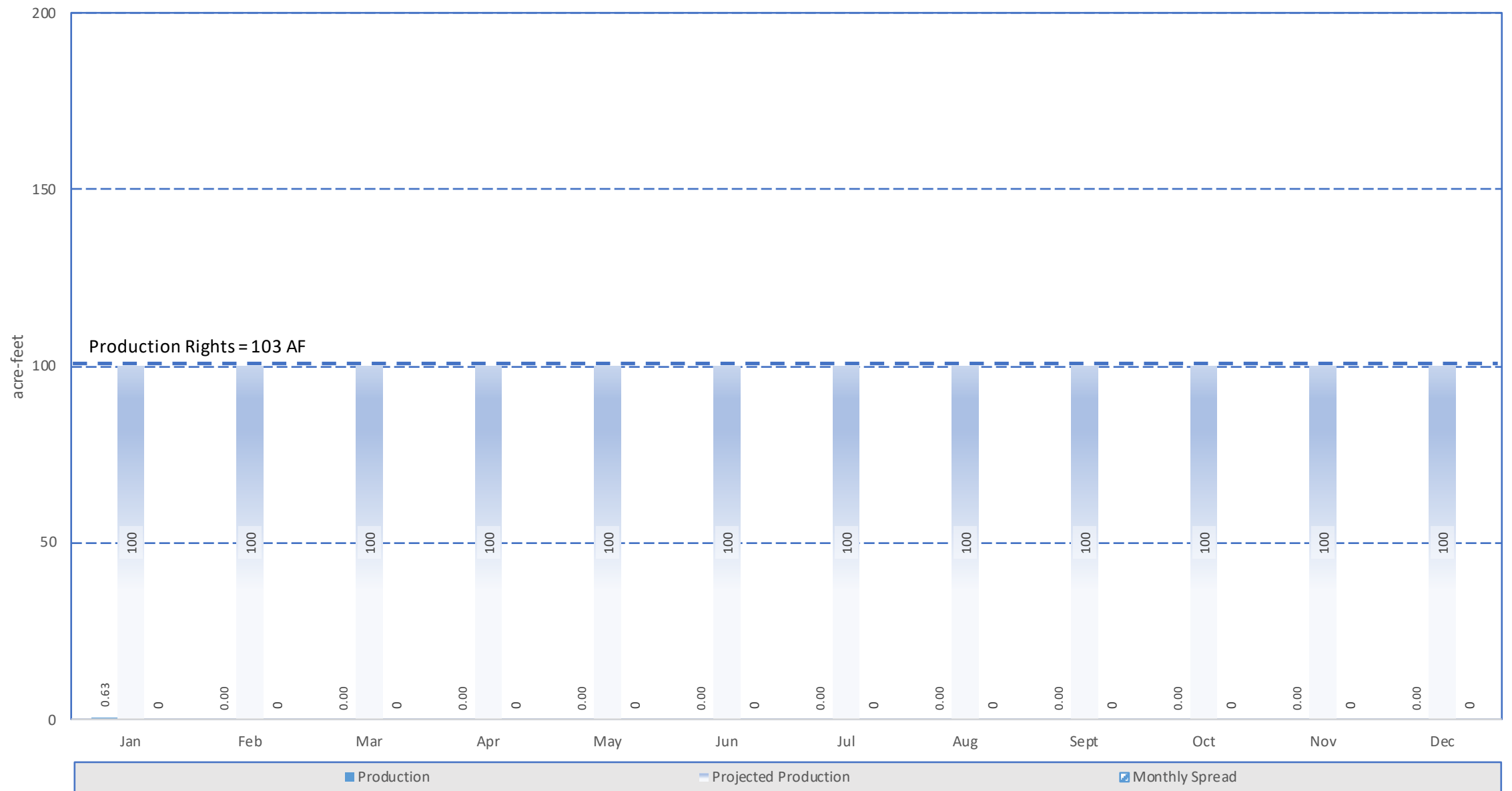
2021 Chino Basin Cumulative



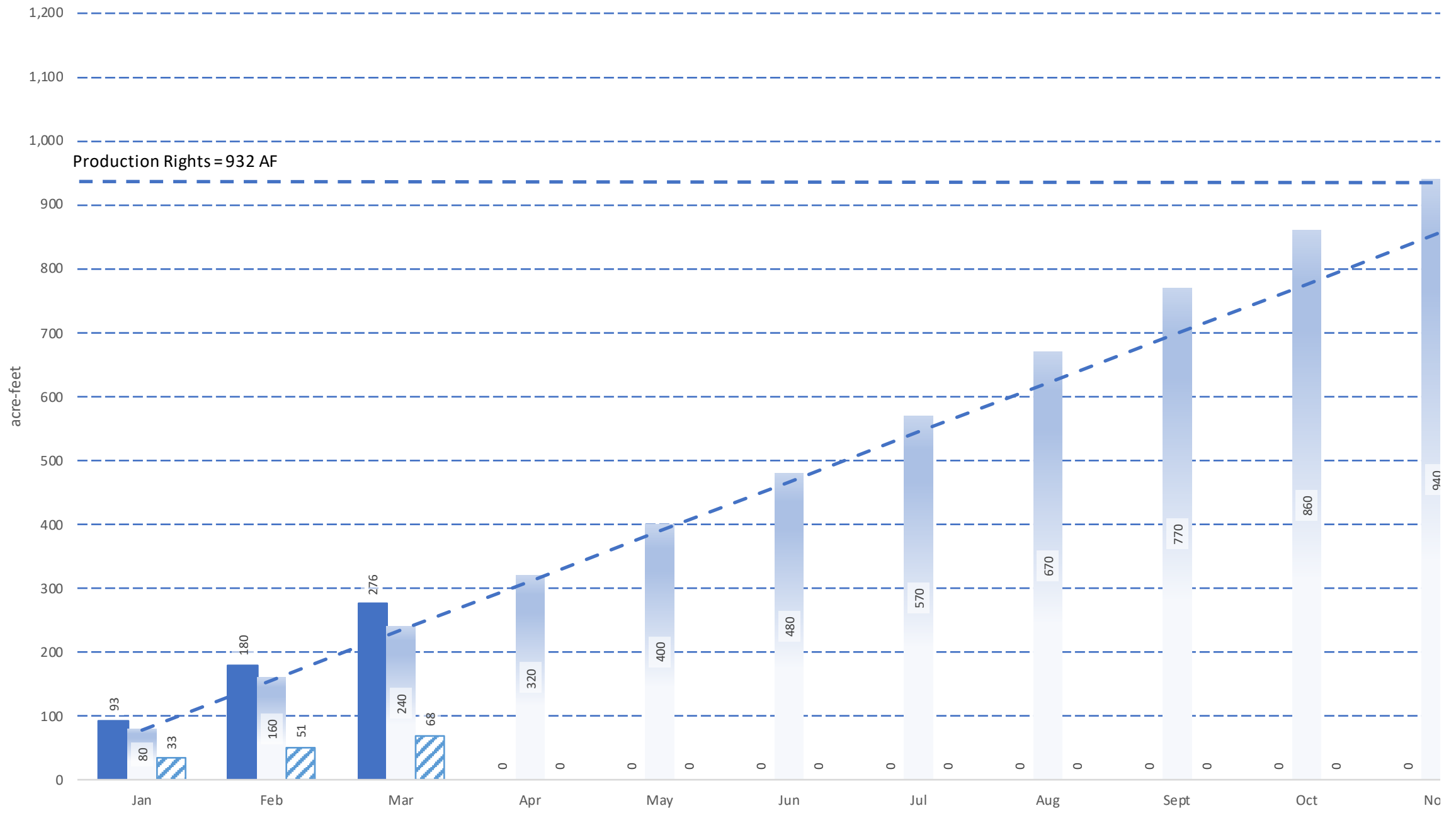
20-21 Chino Basin Cumulative



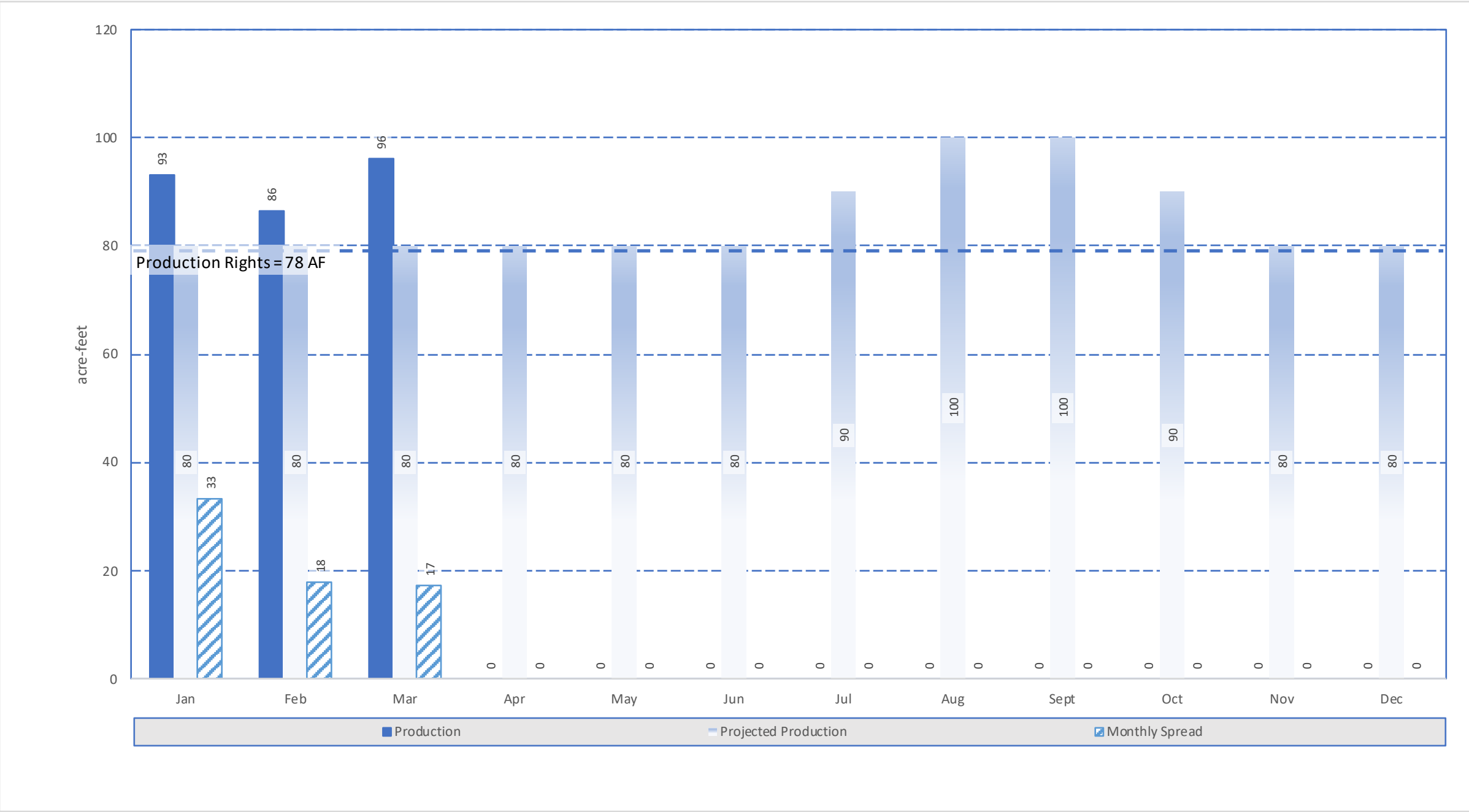
2021 Chino Basin Monthly



2021 Six Basins Cumulative



2021 Six Basins Monthly



A. Water Supply through March 2021

- Annual entitlement for CY2021 is 13,000 AF
 - Cumulative yearly production was 2,431 AF
 - Cumulative yearly consumption was 2,079 AF
 - Cumulative yearly spread was 334 AF
 - Cumulative unaccounted water was 18 AF

Six Basins Production for 2021

- Annual production right is 932 AF.
- Cumulative production was 276 AF. Production is sent to the WFA treatment facility to meet City of Ontario and MVWD entitlement.
- The Company spread a total of 68 AF.

Cucamonga Basin Production for 2021

- Annual production right is 5,938 AF.
- Cumulative production was 964 AF.
- The Company spread a total of 266 AF.

Chino Basin Production for 2021

- Annual production right is 1,232 AF.
- Cumulative production was 1 AF.
- The Company spread a total of 0 AF.

Surface Water (San Antonio Creek) flow for 2021

Total flow was 1,190 AF.

Tunnel flow for 2021

San Antonio Tunnel flow was 560 AF.
Frankish and Stamm Tunnel flow was 0 AF.

B. Company Stock

$\frac{3}{4}$ share of water stock moved from active to dormant this transfer period.

C. Communication and Information Activities

"Facebook" - 179 friends liking our old FB page and 71 customers have liked our new FB page. No new communication posted on the new page and no new communication on the old Facebook page. Facebook is not able to merge the two Facebook pages; therefore, we are in discussion of possibly deleting the old page.

D. Administration Matters

Meetings of interest:

- Thurs, Mar 18 – GM participated in CBWM AP Confidential Session and Advisory Committee Meeting
- Mon, Mar 22 – GM listened in on CBWM AP/AgP mediation teleconference
- Mon, Mar 22 – GM and AGM participated in CucBWM consultant RFQ teleconference
- Tue, Mar 23 – GM held field meeting with County Inspector at Res 9 Pipeline Project
- Wed, Mar 24 – GM and AGM participated in AWIA RRA Water Assets teleconference
- Thu, Mar 25 – GM listened in on CBWM Board Meeting
- Tue, Apr 6 – GM and AGM participated in CucBWM monthly meeting

- Wed, Apr 7 – GM and AGM participated in CucBWM consultant RFQ teleconference
- Thu, Apr 8 – GM participated in CBWM AP Confidential Session
- Thu, Apr 8 – GM met @ Benson Ave Reservoir site with City of Upland contractor to discuss project lay-down area.
- Tue, Apr 13 – GM participated in Holly Drive Reservoir construction meeting
- Tue, Apr 13 – GM and AGM participated in HR Law update seminar
- Wed, Apr 14 – GM participated in AWIA RRA Water IT Assets teleconference
- Wed, Apr 14 – GM and AGM participated in two CucBWM consultant RFQ teleconferences
- Thu, Apr 15 – GM participated in CBWM AP Confidential Session

E. Groundwater Basin Matters

Chino Basin -

Spread Water from SAWCo – SAWCo's application to spread 1,500 AF in 20/21 water year has been approved and fully executed. We have not yet spread any water in 2021.

Storage Management Plan / Optimum Basin Management Plan – Watermaster issued the final report on the 2020 Storage Management Plan on December 11th.

WM staff intend for the OBMP Implementation Plan to be attached to the Peace Agreement and will require a Peace Agreement amendment.

Discussion is currently focused on the CEQA requirements and a reduced focus on a storage only plan. AP has drafted a plan for the 'skinny storage' option that is currently being discussed amongst the Pools

Ag Pool Contest and Legal Expenses – In May 2017 the Agricultural Pool initiated adversarial proceedings contesting Appropriative Pool storage within the Chino Basin.

At the end of June 2020, the Agricultural Pool requested a last-minute considerable upward adjustment to their legal budget for the fiscal year ending June 30, 2020. The Agricultural Pool has also sizably increased its 2021 legal budget. These increases are directly related to the Agricultural Pool's actions against the Appropriative Pool. The Agricultural Pool expected that the Appropriative Pool would pay those costs per the Agricultural Pool's interpretation of the Peace Agreement.

The Appropriative Pool has objected to those costs being 'expenses' as defined by the Peace Agreement.

At a November 13th court hearing, the judge ordered parties to mediate.

~~At a court hearing on January 8 a mediator was selected, and a single day of mediation is scheduled. The Court is requiring mediation to be concluded by the next court hearing on March 26th. The Court has ordered both the AP and AgP to pay their own costs for mediation.~~

Mediation was held on March 22. Mediation was unsuccessful.

At the March 26 hearing, the Judge issued a tentative ruling in the AP's favor. Specifically:

The court rules that to be payable by the Appropriative Pool under Section 5.4(a) of the Peace Agreement, expenses incurred by the Agricultural Pool must be:

- (1) for actions, programs, or projects initiated by Watermaster; and
- (2) within a budget pre-approved following review through the Pool process including submission to and approval by the Advisory Committee to the Watermaster; and
- (3) consistent with the Peace Agreement and legitimate Ag Pool functions pursuant to Section 38 of the Restated Judgement; and
- (4) reasonable

The court also recognizes a certain fundamental unfairness in charging Appropriative Pool Member Agencies for bills they have not seen because the Agricultural Pool members claim they are privileged.

The court would order reimbursements to parties who paid assessments above the budget previously approved by the Advisory Committee to the Watermaster.

A hearing has been scheduled for April 30, 2021 to discuss further briefings.

Six Basins –

A meeting was last held on March 24, 2021. The Watermaster Board addressed the following:

- Limitations for Leasing Six Basins Water Rights to Non-Parties in the Six Basin Watermaster Judgment. The current Judgment does not allow for a non-party to pump water out of the basin. City of La Verne is working with a non-party on exporting water out of the basin. The Board decided to send a letter to the City of La Verne to amend their agreement to be consistent with the Judgment.
- The annual report for 2020 was approved with minor corrections.

Cucamonga Basin –

The working group met virtually on April 6th. Cucamonga Valley Water District (CVWD) stated they just need to run the Term of Reference document by a couple of committees, then they will be ready to sign.

With concurrence of SAWCO and WECWC, CVWD has released a Request for Qualifications (RFQ) for future ground water geotechnical expertise. The working group have been meeting with the interested consultants. We expect the statement of qualifications to be due in May. A short list of qualified consultants will be provided a Request for Proposals (RFP), once vetted by the group.

The next scheduled meeting is May 4th.

Agenda Item No. 4I

Item Title: Projects and Operations Update

Purpose:

To update the Board and Shareholders on Company capital projects.

Updates:

1507 – Office Relocation

Presentation to City of Upland originally scheduled for late September has been deferred until early 2021 at City Manager’s request.

1602 – Holly Drive Reservoir, Phase 2

A modified and reduced project was awarded to Paso Robles Tanks on September 15. Contract has been fully executed. Preconstruction meeting held. Material submittal process initiated.

Contractor has mobilized on site. Ring wall is complete and construction of steel tank has started.

The remaining civil portion of the contract was awarded at the March Board Meeting. Civil work was completed in March/April.

Tank contractor is scheduled to return to the project in late April, finalize tank coating and complete the project.

Original Budget	\$477,000
Original Contracts.....	\$862,130
Civil Contract.....	\$149,985
Authorized Change Orders	\$389,096
Current Contract w/ Civil	\$1,172,611

1901 – Automated Meter Reading (AMR)

Contracts has been fully executed for \$738,870 for supply and installation of all domestic and production meters. Supplier working to integrate meters with our accounting software. Domestic meter installation started December 8. Meter installation was halted due to QA/QC issues. Meter installation was started again on January 12, 2021. Company attempted a one-to-one communication effort with each meter account prior to installation, but that proved unsuccessful. Company has asked SAHA to spread the word about meter installations. Contractor is going door-to-door just prior to installation and distributing a Company letter discussing the process and providing contact information.

Company forces continue to assist in the project and will also be installing the larger flanged meters.

January effort installed about 200 more meters. Unnecessary customer service problems still occurred during the January install. Staff has negotiated a \$125 per meter install price from CP Construction. Staff has asked Metron Fairner to halt all meter installations.

At its regular February meeting the Board authorized CP Construction to complete the meter installations. CP Construction has installed about 670 meters. We have about 30 meters remaining to be installed. All meters originally ordered have been installed and

staff has ordered the remaining meters from Metron Fairner. Staff will install the remaining 30 meters once they arrive.

Staff is working on rolling out private digital access to their meter for each shareholder starting in the summer.

Original Budget	\$770,000
Original Contracts.....	\$731,220
Authorized Change Orders	8,000
Current Contracts.....	\$739,220

1902 – Cucamonga Crosswalls Mitigation

First of five years of mitigation occurred in April.
Check-up mitigation occurred in the first week in August 2020.

1905 – 2020 Master Plan

Computer Water Model being constructed by consultant. Hydrant flow testing occurred Nov 11th. Computer modeling being calibrated. Data gathering is an ongoing process. Company has purchased three data loggers and a pitot tube flow diffuser.

Consultant presented a Water Supply Resiliency presentation to the PRC in February.

Original Budget	\$240,000
Original Contracts.....	\$204,085
Authorized Change Orders	NA
Current Contracts.....	\$204,085

2001 Reservoir 9 Pipeline

Bid opening occurred on Nov 10. Project was awarded to Downing Construction on November 17. Contract has been fully executed. Preconstruction meeting held on Dec. 10.

Material has been ordered. Alignment is being refined in the field as conflicts are discovered. Pipeline installation is completed. Contractor has completed contract paving. Additional paving work is being proposed at tonight’s meeting.

Original Budget	\$408,000
Original Contracts.....	\$807,090
Authorized Change Orders	\$92,204
Current Contracts.....	\$899,295
Proposed Change Order	\$100,163
Proposed Contract	\$999,458

2002 Frankish Tunnel Improvements

Bid opening occurred on December 4th. Project was awarded to CP Construction on December 15, 2020. Project is complete. Consultant is finalizing paperwork.

Original Budget	\$50,000
Original Contracts.....	\$126,485
Authorized Change Orders	NA
FINAL project cost.....	\$126,485

2003 Small Pipelines Project

Bid opening occurred on December 4th. Project was awarded to CP Construction on December 15, 2020. Project is complete. Consultant is finalizing paperwork.

Original Budget	\$519,000
Original Contracts.....	\$738,290
Authorized Change Orders	NA
Current Contracts.....	\$738,290

2007 Well 19

Staff is working on a Request for Proposals to construct a new Well 19. RFP should be released next year for consideration by the Board.

2101 Booster 17 (V Screen) Generator

Purchase Order has been submitted. Waiting on delivery.

Original Budget	\$18,000
Original Contracts.....	\$14,510
Authorized Change Orders	NA
Current Contracts.....	\$14,510

2102 Shaft 6 Generator

Purchase Order has been submitted. Waiting on delivery.

Original Budget	\$8,000
Original Contracts.....	\$6,436
Authorized Change Orders	NA
Current Contracts.....	\$6,436

2103 Booster 19 (Holly Drive) Generator

Purchase Order has been submitted. Waiting on delivery.

Original Budget	\$75,000
Original Contracts.....	\$61,366
Authorized Change Orders	NA
Current Contracts.....	\$61,366

2105 Urban Water Management Plan

Contract was awarded at the March 2021 Board Meeting. Staff and consultant are exchanging and reviewing data.

Original Budget	\$60,000
Original Contracts.....	\$48,780
Authorized Change Orders	NA
Current Contracts.....	\$48,780

Agenda Date: April 20, 2021

2106 American Water Infrastructure Act Risk and Resiliency Assessment

Contract was awarded at the March 2021 Board Meeting. Staff and consultant are exchanging and reviewing data.

Original Budget	\$40,000
Original Contracts.....	\$29,075
Authorized Change Orders	NA
Current Contracts.....	\$29,075

Item Title: Conservation Programs Update

Purpose:

Update on the Company's existing water conservation programs

I. Local Assistance in meeting Best Management Practices

Conservation rebates: As of 12/31/2020

Residential Rebate Programs- (Fiscal year) thru Metropolitan Water Dist.	Devices/R ebates	Est. gallons saved/ device/year	Total est. gallons saved per year*
High Efficiency Clothes Washers	2	11,243	22486
Rotating Nozzles	0		
Weather Based Irrigation Controllers	1	105,917	105917
High Efficiency Toilets (premium)	1	13,851	13851
Rain Barrels	0	619	
Turf Removal	0		
Residential Program thru Chino Basin Water Conservation District			
Landscape Audit	1	3485	3485
Total Savings for calendar year – thru 12/31/2020			145,739

Funding is limited and rebates issued on first come, first served basis.

II. SAWCo Efforts in meeting Demand Mgmt. Measures (DMM's) as of 3/31/2021

SAWCo Programs- (2021)	Total Budget: \$20,000	Devices/Rebates	Est. gallons saved per device per year	Total est. gallons saved per year
Toilet Direct Installation for SAWCO customers	\$5,000 Cost to date: \$1,035.00 (4 toilets)	4	15,600	62,400
SAWCo Wholesale Agencies Assistance-Toilet Direct installation	\$15,000 Cost to date: \$3,860 (14 toilets)	14	15,600	218,400
TOTAL		18		280,800

April 20, 2021

SAWCo Financial Assistance for leaks	2021 to date	2020	2019	2018
Assistance Total	\$1,704.76	\$9,198.53	\$31,782.54	\$8,474.70

Financial Assistance Program – Adjustments made when customer has requested in writing a reprieve on their bill after repairing leak(s).

Item Title: Award of Change Order for Reservoir 9 Pipeline Replacement

Purpose:

To award a change order for paving of the Reservoir 9 Pipeline project to Downing Construction.

Issues:

Should the Board award a change order to Downing Construction for a not to exceed amount of \$100,163.31?

Manager's Recommendation:

Authorize General Manager to execute a construction change order with Downing Construction for a not to exceed amount of \$100,163.31.

Background:

The Reservoir 9 Pipeline project was included in the 2020 budget. The project abandons pipeline installed in backyards along Electric Avenue and Newman Street with new pipeline along 25th Street and Burt Street.

It was known that the contractor would be digging in alluvial soil with significant boulders and rocks. To get through the boulders the contractor had to employ a larger track-hoe in place of a rubber wheeled backhoe. Hydraulic rams were needed to break up large boulders that could not easily be removed from the trench. The spoils removed from the trench were processed within the neighborhood (sifted through large metal grates) to extract what little competent backfill was available to reduce import soil costs.

All of the above issues contributed to pavement damaged beyond what the design anticipated and more noise and disruption to the local neighborhood than a typical pipeline project.

As the project construction neared completion, staff was contacted by at least three residents regarding the noise and street damage. Staff agreed to meet with residents. Staff also invited the County Inspector to this meeting so we could discuss how the Company was going to finish the project.

Staff walked the entire project with the Contract, Design Engineer and County Inspector. We collectively developed a plan to address pavement damage beyond the scope of the original contract. The contractor prepared the attached Change Order request in response to the developed plan. The design engineer has reviewed the request and finds it reasonable.

Additionally, as a thank you to the community for tolerating the increased noise and disruption, staff asked the contractor to provide a proposal to slurry seal the street along the entire project. This slurry would seal cracks and extend the life of the entire pavement. It would also visually improve the street by making the entire pavement a uniform color, helping to hide various discolorations in pavement placed at different times, including the trench paving for our project.

The cost breakdown on the provided change order is roughly as follows:

Repair asphalt damaged beyond contract:	~\$70,000
Slurry street along entire project:	~\$30,000

Agenda Date: April 20, 2021

Tonight's action by the Board will be the final closing steps to the Reservoir 9 Pipeline Replacement Project.

Previous Action:

In November 2020 the Board awarded a contract to Downing Construction for \$807,090. To date, there have been 7 approved change orders on this project.

Impact on Budget:

Current:

Downing Construction Contract	\$807,090.00
Downing Construction CO#1	\$0.00
Downing Construction CO#2	\$0.00
Downing Construction CO#3	\$1,296.00
Downing Construction CO#4	\$3,000.00
Downing Construction CO#5	\$10,564.01
Downing Construction CO#6	\$ 73,169.75
<u>Downing Construction CO#7</u>	<u>\$4,175.00</u>
Total	\$899,294.76

Proposed:

Downing Construction	\$899,294.76
<u>Downing Construction CO#8</u>	<u>\$ 100,163.31</u>
Total	\$999,458.07

CHANGE ORDER REQUEST

From: *Downing Construction, Inc.*
32194 Outer Highway 10 South
Redlands, CA 92373

COR#: 011
Date: 4/06/2021

To: SAWCO c/o CIVILTEC
Attn: Terry Kerger, PE

Project: Reservoir 9 Waterline Replacement
Contract No. 2001

Amount of this Change Order Request: \$100,163.31

The contractor agrees to perform, and the owner agrees to pay for the following requested changes to this contract.

Offered by: Downing Construction, Inc.

REFERENCE:

SAWCo has decided to complete the trench resurfacing per the contract and add resurfacing and slurry seal to the project.

DESCRIPTION OF WORK

Asphalt Grind and Cap 30,550 SF @ 0.17' thick plus Slurry Seal Type II @ 74,300 SF as shown below and per Guzman quote. DCI Work is one day to support Cap with trucking haul of grindings and one day TC support during slurry seal. Per attached notes and report 12 breakdown for \$100,163.31.

Additional calendar days requested for this Change Order Request: **Five**

Approved by Owner's Representative:

Signature Date

Approved by San Antonio Water Company:

Signature Date

Submitted by Downing Construction, Inc:

Kevin Ellis 4/06/21

Signature Date

ADDITIONAL COR INFO

SAWCo has decided to complete the trench resurfacing per the contract and add resurfacing, slurry seal, and concrete cross gutter replacement to the project as follows:

I added some clarification for the resurfacing pavement material and the type of slurry seal
All the resurfacing material should be 0.17' thick Mix design PG54-16 1/2" Max Med "Type B".
Slurry Seal shall be "Type II general" per the county inspector.

Burt street:

Resurface the trench section per the contract, sawcut the trench edge 1 foot outside the trench width or to the limit of the damaged pavement, base pave with 4-inch minimum thickness pavement. Mix Design No. PG42-16 3/4" Max Med "Type B". Include replacing floater where distance from edge of gutter to sawcut line is less than 36 Inches.

Add grind and resurface the ~~East~~ West side of Burt Street from Centerline of Burt Street to edge of gutter. Resurfacing to be 0.17' thick Mix design PG54-16 1/2" Max Med "Type B". Approximately 21,600 SF

Add apply slurry seal Type II general full width of street from edge of gutter to edge of the gutter. Approximately 43,150 SF. Increase concrete replacement quantity to include Replacing concrete cross gutter at 25th Street full width of 25th street, add 156 SF.

25th, West of Electric:

Not sure if you mis worded the slurry seal description, but shouldn't we slurry seal from south gutter to north edge and not start from south edge of trench?

I recall that the south side of 25th was in good condition and we only wanted to Base pave and seal the north half?

25th St East of Electric:

Not sure why we would be slurry sealing center line to south edge of pavement if we're going to grind and overlay center to south edge of pavement. Are we not touching the North side of the street now?

Let me know. I'm meeting our pavement contractor on sight today.

I recall we wanted to slurry seal the new overlay?

Original Requested COR scope as follows:

24th street:

Resurface the trench section per the contract, sawcut the trench edge 1 foot outside the trench width or to the limit of the damaged pavement, base pave with 4-inch minimum thickness pavement. Mix Design No. PG42-16 3/4" Max Med "Type B"

Add application of slurry seal from Center line of street north to the edge of the gutter Approximately 8,100 square feet.

Increase concrete replacement quantity to remove and replace concrete cross gutter at Burt Street full width of Burt Street, add 120 SF.

Burt street:

Resurface the trench section per the contract, sawcut the trench edge 1 foot outside the trench width or to the limit of the damaged pavement, base pave with 4-inch minimum thickness pavement. Mix Design No. PG42-16 3/4" Max Med "Type B". Include replacing floater where distance from edge of gutter to sawcut line is less than 36 Inches.

Add grind and resurface the east side of Burt Street from Centerline of Burt Street to edge of gutter. Resurfacing to be 0.17' thick Mix design PG54-16. Approximately 21,600 SF

Add apply slurry seal full width of street from edge of gutter to edge of the gutter. Approximately 43,150 SF. Increase concrete replacement quantity to include Replacing concrete cross gutter at 25th Street full width of 25th street, add 156 SF.

25th Street Burt to Electric:

Resurface the trench section per contract, sawcut the trench edge 1 foot outside the trench width or to the limit of the damaged pavement, base pave with 4-inch minimum thickness pavement. Mix Design No. PG42-16 3/4" Max Med "Type B"

Spread and compact asphalt grindings from east end of AC pavement to west edge of pavement on Electric Avenue.

Add grind and resurface north side of 25th Street from South edge of trench base pavement to north pavement edge. Resurfacing to be 0.17' thick Mix design PG54-16. Approximately 3,700 SF

Add apply slurry seal North side of 25th street from South edge of trench base pavement north to the edge of pavement. Approximately 3,700 SF

25th Street Electric Avenue East:

Resurface the trench section per contract, sawcut the trench edge 1 foot outside the trench width or to the limit of the damaged pavement, base pave with 4 inch minimum thickness pavement. Mix Design No. PG42-16 3/4" Max Med "Type B"

Add grind and resurface south side of 25th street from center line to south pavement edge. Resurfacing to be 0.17' thick Mix design PG54-16. Approximately 9,300 SF.

Add apply slurry seal from Center line of 25th Street south to the edge of the gutter. Approximately 9,300 SF.



14030 Rose Ave
Fontana, CA 92337

QUOTE

Date	Estimate #
3/25/2021	52481

Name / Address
DOWNING CONSTRUCTION INC.

Job Location
24TH & MOUNTAIN AVE UPLAND/SAN ANTONIO HEIGHTS

Job Number	
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Description	Qty	Rate	Total
GRIND/REMOVE TEMP ASPHALT AND SOIL DOWN TO A DEPTH OF 4", COMPACT SOIL & PLACE 4" OF ASPHALT MATERIAL	1	24,500.00	24,500.00
ASPHALT GRIND AND CAP 30,550 SQFT @ .17' THICK	30,550	1.15	35,132.50
SLURRY SEAL TYPE II, 74,300 SQFT	74,300	0.38	28,234.00
PRICE INCLUDES: EMULSION, LABOR, EQUIPMENT, GRINDING, SWEEPING, SLURRY SEAL (1 DAY)		0.00	0.00
PRICE EXCLUDES: PERMITS, TESTS, ENGINEERING, REMOVALS, EXCAVATIONS, STRIPING, TRAFFIC LOOPS, RUBBERIZED ASPHALT, ASPHALT MATERIAL, TRUCKING, HAUL, ASPHALT REINFORCING FABRIC, ADJUSTING OF UTILITIES, ROCK BASE, OR ANY OTHER WORK NOT LISTED ABOVE.			
* ANY ADDITIONAL WORK EXCEEDING THE ORIGINAL PROPOSED ESTIMATE, WILL BE QUOTED AND AGREED UPON BEFORE CONTINUATION OF PROJECT *			
* CHANGES IN QUANTITIES MAY CAUSE PRICE PER SQFT TO GO UP/DOWN *			

Total	\$87,866.50
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1. Guzman Grading and Paving Corp. shall not be liable for any breakage of of underground pipes and/ or conduits not visible from the surface of the ground nor for any damage to approaches, sidewalks, curbs, berms, etc. due to breakage caused by poor subcompaction or wet conditions. 2. Guzman Grading and Paving shall not be held responsible for any uncompactable material due to poor soil, wet soil, etc. that is unforeseeable. 3. It is agreed that in case of suit is instituted to collect any amount due on this contract, reasonable attorney fees and all court cost will be added to this contract. 4. Permits and/or Bonds of any type are not included in this contract unless specifically stated. All agreements contingent upon strikes, accidents delays beyond control. 5. This contract price is to be paid in monthly installments in the amount equal to the work performed. The payments are due and payable on or before the tenth of the month.

NOTE: This proposal may be withdrawn from us if not accepted in 20 days.

ACCEPTANCE OF PROPOSAL

You are hereby authorizd to furnish all material, equipment and labor required to complete the work described in the above proposal, for which the undersigned agrees to pay the amount stated in said proposal and according to the terms therefore.

ACCEPTED BY _____

Guzman Grading and Paving Corp is union signatory with Operating Engineers & Labors International

Item Title: Review of Proposed Financial Statements

Purpose:

To review the proposed midyear financial statements format

Issue:

Develop statement and report formats that can be used to provide midyear snapshots of the Company's financial health.

Manager's Recommendation:

Review and provide feedback.

Background:

The Company Accounting / Personnel Specialist has put together the attached draft reports as an example of what we could implement for better midyear financial reporting based on comments received from Committee members.

The AFC reviewed these financial examples at their March Committee meeting and agreed to the following:

- Year to Date on the Balance Sheet on a monthly basis
- Income Statement to provide monthly and year to date information

While the current financials provide this information, the look and the naming conventions to the financials are limited through our current software. Staff has produced these mock financials for consideration before seeking how it would be accomplished with software limited capacity.

Staff is working on how to import the data from our accounting software (Tyler Incode) into the new format. Once we figure out how to do it, the reports will become a standard part of the Board package.

Impact on the Budget:

None.

Previous Actions:

None.



San Antonio Water Company

Monthly Income Statement

March

	Actual	Budget	\$ Variance	% Variance
Operating Revenues				
1185 - Domestic Water Income (Base)	27,558.44	25,000.00	(2,558.44)	110.23%
1215 - Domestic Water Income (Supplemental)	15,869.71	16,000.00	130.29	99.19%
1220 - Domestic Water Income (Tier 3)	19,883.67	18,000.00	(1,883.67)	110.46%
1230 - Domestic Water Income (Readi/Chrg)	33,450.74	34,000.00	549.26	98.38%
1235 - Domestic Water Availability Charge (WAC)	10,132.06	11,000.00	867.94	92.11%
1245 - Municipal Water Income (Base)	183,620.67	184,000.00	379.33	99.79%
1268 - Municipal Water Income (Readi/Chrg)	6,900.00	9,000.00	2,100.00	76.67%
1274 - Misc Water Income (Base)	11,075.60	15,000.00	3,924.40	73.84%
1275 - Misc Water Income (Supplemental)	4,205.78	10,000.00	5,794.22	42.06%
1276 - Munnicipal Water Availability Charge (WAC)	39,732.00	45,000.00	5,268.00	88.29%
1280 - Misc Water Income (Tier 3)	-	30,000.00	30,000.00	0.00%
1288 - Misc Water Income (Readi/Chrg)	1,860.00	1,800.00	(60.00)	103.33%
1290 - Misc Water Availability Charge (WAC)	1,922.00	5,000.00	3,078.00	38.44%
1295 - Dormant Water Availability Charge (WAC)	8,733.41	10,000.00	1,266.59	87.33%
1300 - Sale of Water/From Storage	-	-	-	0.00%
1400 - Stock Transfer	360.00	350.00	(10.00)	102.86%
1410 - Late/Re-establishment Fee	85.00	100.00	15.00	85.00%
1420 - Return Check Fee	-	-	-	0.00%
1430 - Stock Certificate Storage and Handling Fee	40.00	5,000.00	4,960.00	0.80%
Total Operating Revenues	365,429.08	419,250.00	53,820.92	87.16%
Operating Expenses				
2175 - Facility Related Field Labor	26,296.06	30,000.00	3,703.94	87.65%
2235 - Repairs to Facilities and Equipment	20,801.97	21,000.00	198.03	99.06%
2265 - Power-Gas & Electric (utilities)	18,468.50	15,000.00	(3,468.50)	123.12%
2475 - Customer Service	6,006.90	9,000.00	2,993.10	66.74%
2498 - Conservation	29.15	40.00	10.85	72.88%
2205 - Non-Facility Related Labor	9,745.06	12,000.00	2,254.94	81.21%
2210 - O & M - All Other	-	-	-	0.00%
2295 - Supplies (Inventory & Tools Expense)	519.17	1,000.00	480.83	51.92%
2715 - Property Taxes	-	-	-	0.00%
2805 - Water Resource Mgmt.	2,573.81	3,500.00	926.19	73.54%
2115 - Administrative Services	35,727.52	40,000.00	4,272.48	89.32%
2130 - Development/Water Svc. App.	-	-	-	0.00%
2325 - Payroll Taxes	8,715.01	15,000.00	6,284.99	58.10%
2355 - Worker's Compensation Insurance	1,995.00	2,000.00	5.00	99.75%
2385 - Benefit Pay (Vac., sick, etc.)	17,754.36	30,000.00	12,245.64	59.18%
2415 - Benefit Insurance (Pension,Life,Medical,Vision etc)	21,656.38	35,000.00	13,343.62	61.88%
2430 - Benefit Administrative Services	1,185.00	5,000.00	3,815.00	23.70%
2445 - Office/IT Support	3,027.25	10,000.00	6,972.75	30.27%
2505 - Directors Fees & Expense	4,250.00	6,575.00	2,325.00	64.64%
2535 - Liability Insurance	29,894.00	28,000.00	(1,894.00)	106.76%
2595 - Communication	2,849.88	4,575.00	1,725.12	62.29%
2625 - Dues & Publications	-	-	-	0.00%
2655 - Outside Services	459.31	1,500.00	1,040.69	30.62%
2745 - Income Tax Expense	-	-	-	0.00%
2775 - Accounting	5,767.79	6,000.00	232.21	96.13%
2776 - Legal	19,891.00	20,000.00	109.00	99.46%
2790 - Human Resources Expense	4,662.28	4,500.00	(162.28)	103.61%
2865 - All other	162.66	200.00	37.34	81.33%
Total Operating Expenses	242,438.06	299,890.00	57,451.94	80.84%

San Antonio Water Company



Income (Loss) From Operations	122,991.02	119,360.00	(3,631.02)	103.04%
Nonoperating Revenues (Expenses)				
1725 - Misc. Income	1,100.60	2,000.00	899.40	55.03%
1750 - Service/Litigation Agreements	76.93	100.00	23.07	76.93%
1753 - Ground Lease Income	4,707.84	5,000.00	292.16	94.16%
1755 - Interest Earned	12,101.49	15,000.00	2,898.51	80.68%
1785 - Gain on Sale of Asset	-	-	-	0.00%
Net Nonoperating Revenues (Expenses)	17,986.86	22,100.00	4,113.14	81.39%
Income (Loss) Before Depreciation	140,977.88	141,460.00	482.12	99.66%
2565 - Depreciation/Amortization	76,248.57	80,000.00	3,751.43	95.31%
Net Income (Loss)	64,729.31	61,460.00	(3,269.31)	105.32%



San Antonio Water Company

Income Statement 2020 Q1

Jan-Mar

	Actual	Budget	\$ Variance	% Variance
Operating Revenues				
1185 - Domestic Water Income (Base)	27,558.44	25,000.00	(2,558.44)	110.23%
1215 - Domestic Water Income (Supplemental)	15,869.71	16,000.00	130.29	99.19%
1220 - Domestic Water Income (Tier 3)	19,883.67	18,000.00	(1,883.67)	110.46%
1230 - Domestic Water Income (Readi/Chrg)	33,450.74	34,000.00	549.26	98.38%
1235 - Domestic Water Availability Charge (WAC)	10,132.06	11,000.00	867.94	92.11%
1245 - Municipal Water Income (Base)	183,620.67	184,000.00	379.33	99.79%
1268 - Municipal Water Income (Readi/Chrg)	6,900.00	9,000.00	2,100.00	76.67%
1274 - Misc Water Income (Base)	11,075.60	15,000.00	3,924.40	73.84%
1275 - Misc Water Income (Supplemental)	4,205.78	10,000.00	5,794.22	42.06%
1276 - Munnicipal Water Availability Charge (WAC)	39,732.00	45,000.00	5,268.00	88.29%
1280 - Misc Water Income (Tier 3)	-	30,000.00	30,000.00	0.00%
1288 - Misc Water Income (Readi/Chrg)	1,860.00	1,800.00	(60.00)	103.33%
1290 - Misc Water Availability Charge (WAC)	1,922.00	5,000.00	3,078.00	38.44%
1295 - Dormant Water Availability Charge (WAC)	8,733.41	10,000.00	1,266.59	87.33%
1300 - Sale of Water/From Storage	-	-	-	0.00%
1400 - Stock Transfer	360.00	350.00	(10.00)	102.86%
1410 - Late/Re-establishment Fee	85.00	100.00	15.00	85.00%
1420 - Return Check Fee	-	-	-	0.00%
1430 - Stock Certificate Storage and Handling Fee	40.00	5,000.00	4,960.00	0.80%
Total Operating Revenues	365,429.08	419,250.00	53,820.92	87.16%
Operating Expenses				
2175 - Facility Related Field Labor	26,296.06	30,000.00	3,703.94	87.65%
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2205 - Non-Facility Related Labor	9,745.06	12,000.00	2,254.94	81.21%
2210 - O & M - All Other	-	-	-	0.00%
2295 - Supplies (Inventory & Tools Expense)	519.17	1,000.00	480.83	51.92%
2715 - Property Taxes	-	-	-	0.00%
2805 - Water Resource Mgmt.	2,573.81	3,500.00	926.19	73.54%
2115 - Administrative Services	35,727.52	40,000.00	4,272.48	89.32%
2130 - Development/Water Svc. App.	-	-	-	0.00%
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San Antonio Water Company

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1785 - Gain on Sale of Asset	-	-	-	0.00%
Net Nonoperating Revenues (Expenses)	17,986.86	22,100.00	4,113.14	81.39%
Income (Loss) Before Depreciation	140,977.88	141,460.00	482.12	99.66%
2565 - Depreciation/Amortization	76,248.57	80,000.00	3,751.43	95.31%
Net Income (Loss)	64,729.31	61,460.00	(3,269.31)	105.32%



San Antonio Water Company

Income Statement YTD - April

YTD - April

	Actual	Budget	\$ Variance	% Variance
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San Antonio Water Company

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1785 - Gain on Sale of Asset	-	-	-	0.00%
Net Nonoperating Revenues (Expenses)	17,986.86	22,100.00	4,113.14	81.39%
Income (Loss) Before Depreciation	140,977.88	141,460.00	482.12	99.66%
2565 - Depreciation/Amortization	76,248.57	80,000.00	3,751.43	95.31%
Net Income (Loss)	64,729.31	61,460.00	(3,269.31)	105.32%



Balance Sheet 2020 Q1

Assets

Current Assets		Prior Period	Current Period	Change
10100	Petty Cash	250.00	250.00	-
10200	Checking Account	1,939,084.07	1,164,001.35	(775,082.72)
10300	Savings-Money Market	2,204,785.46	1,205,960.20	(998,825.26)
10400	Savings-CD Accounts	20,000.00	20,000.00	-
10415	D&O Checking Account	745,690.85	307,573.75	(438,117.10)
10438	Depre/Obsolescence Res (LAIF)	2,323,561.74	5,128,495.78	2,804,934.04
11100	Accounts Receivable-Domestic	227,497.48	205,388.42	(22,109.06)
11200	Accounts Receivable-Municipal	416,342.47	291,199.17	(125,143.30)
11250	Accounts Receivable-Misc.	34,977.77	20,708.55	(14,269.22)
11260	Accounts Receivable - Dormant	12,016.34	9,350.60	(2,665.74)
11275	Contra Accounts Receivable - Unapplied Credits	(12,311.29)	(11,184.53)	1,126.76
11300	Accounts Receivable-Other	216,249.64	215,973.85	(275.79)
12100	Inventories-Materials & Supply	107,569.56	96,954.45	(10,615.11)
13100	Prepaid Insurance	8,868.75	8,868.75	-
13105	PREPAID POSTAGE	369.00	369.00	-
Total Current Assets		8,244,951.84	8,663,909.34	418,957.50
Long Term and Fixed Assets				
11301	Note Receivable	1,376,000.00	1,032,000.00	(344,000.00)
14150	P.V.P.A. Investment	1.00	1.00	-
14151	457B Plan Investment	24,740.60	29,261.07	4,520.47
15100	Land & Water Rights	920,161.26	920,161.26	-
15110-1507J	Work in Progress "Proj J"	63,160.15	72,466.00	9,305.85
15110-1602U	Work in Progress	477,677.92	478,092.33	414.41
15110-1901	Work In Progress	400.00	349,467.33	349,067.33
15110-1904	Work in Progress-GIS	43,078.10	44,660.60	1,582.50
15110-2001	Work In Progress	44,830.16	66,435.50	21,605.34
15110-2002	Work In Progress	23,001.37	30,816.54	7,815.17
15110-2003	Work In Progress	77,571.14	85,511.31	7,940.17
15110-2004	Work In Progress	-	5,789.33	5,789.33
15150	Buildings & Site Improvements	1,746,624.52	1,746,624.52	-
15200	Wells-Shafts, Bldgs, & Equip	4,888,725.22	4,887,026.90	(1,698.32)
15250	Boosters-Bldgs & Equip	2,448,690.30	2,448,690.30	-
15300	Reservoirs	3,081,272.33	3,081,787.33	515.00
15350	Tunnels, Forebay, & Ponds	1,587,111.19	1,587,111.19	-
15400	Spreading Works-Cucamonga Wash	54,859.53	54,859.53	-
15410	Spreading Works-SanAntonio Wsh	50,235.18	50,235.18	-
15450	Pipelines	16,434,612.48	16,435,127.48	515.00
15500	Autos & Equipment	513,205.56	513,205.56	-
15550	Tools	106,751.11	106,751.11	-
15600	Telemetry System	600,886.90	600,886.90	-
15650	Office Equipment	519,101.84	522,200.61	3,098.77
15990	Accumulated Depreciation	(13,185,576.67)	(13,473,024.17)	(287,447.50)
16100	Documents & Studies	867,778.67	867,778.67	-
16100-1905	WIP- Master Plan and Asset Managment Program	35,818.92	49,710.71	13,891.79
16990	Accumulated Amortization	(664,955.91)	(681,379.76)	(16,423.85)
Total Net Long Term and Fixed Assets		22,135,762.87	21,912,254.33	(223,508.54)
Total Assets		30,380,714.71	30,576,163.67	195,448.96



Liability

Current Laibilities

20100	Trade Accounts Payable	126,267.70	13,187.07	(113,080.63)
20115	D&O Trade Accounts Payable	22,237.50	-	(22,237.50)
20600	Water Hydrant Meter Deposit	1,700.00	850.00	(850.00)
GN-20820	Accrued Vacation Payable	20,404.60	20,404.60	-
OP-20820	Accrued Vacation Payable	24,818.57	24,818.57	-
Total Current Laibilities		195,428.37	59,260.24	(136,168.13)

Long-term Laibilities

20152	457B Deferred Comp Liability	24,740.60	29,261.07	4,520.47
21500	Unclaimed Credits	614,939.12	614,939.12	-
22100	Deferred Gain	1,372,237.78	1,029,178.33	(343,059.45)
20650	Deferred Revenue Deposit	4,824.00	4,824.00	-
Total Long-term Laibilities		2,016,741.50	1,678,202.52	(338,538.98)

Stockholders' Equity

30200	Contributed Capital - Ext. Fee	447,258.02	447,258.02	-
30210	Contr. Property, Plant & Equip	2,432,256.77	2,432,256.77	-
30300	Capital Account	1,500,000.00	1,500,000.00	-
30310	Unissued Capital Stock	(861,100.00)	(861,100.00)	-
30400	Retained Earngs-Brd Designated	2,656,215.35	2,656,215.35	-
30410	Retained Earnings-Unrestricted	20,900,254.84	20,900,254.84	-
	Current YTD Net Income	1,093,659.86	1,763,815.93	670,156.07
Total Stockholders' Equity		28,168,544.84	28,838,700.91	670,156.07
Total Laibilities & Stockholders' Equity		30,380,714.71	30,576,163.67	195,448.96

Item Title: Reserve Fund Targets

Purpose:

To review the Reserve Fund Targets reporting format and process

Issue:

Develop a process and report for Reserve Fund Targets.

Manager's Recommendation:

Review and provide feedback.

Background:

On February 18, 2020, the Board approved the following reserve policies setting a target range:

- Operating reserve – 90-180 days budgeted operating expense
- Capital Investment and Depreciation Reserve Funds [D&O Reserve] – 5%-20% of Company's total property & equipment from auditor's statement
- Debt Service Reserves – Minimum as set forth in borrowing documents

The Company currently does not have any debt and does not require any reserves in the Debt Service Reserves Fund.

In addition to the above action, the Board on February 16th of this year, approved the AFC's recommendation to set up a Facility Modernization Fund for the purpose of funding rehabilitation of abandoned property and a new office and yard facility in the future.

Given this action, the current reserve policies through February 2021 is as follows:

Reserve	Desired Amount based on policy	Actual Amount
Operating Reserve	\$794,200 - \$1,588,400	\$4.1 million
D&O Reserve	\$1.0 million - \$4.0 million	\$2.8 million
Debt Service Reserves	\$ 0.0	\$ 0.0
Facility Modernization Fund	Actual proceeds from sale [current balance includes 2018/2019 revenue]	\$ 0.7 million

The recommendation by the AFC was to bring forth a monthly report to the Board. Management is noting that a continuing reduction in D&O Reserve will eventually require a Board action to officially transfer funds from the Operating Account to the D&O Reserve account. Currently, the D&O Reserve account is funded by sale of stored water and any positive amount at the end of the year.

Impact on the Budget:

None.

Previous Actions:

None.

Item Title: Buy Back Policy for Vacation and Sick Leave

Purpose:

To consider AFC recommendation for buy-back policy for vacation and sick leave.

Issue:

Does the Board agree with the AFC's recommendation?

Manager's Recommendation:

Approve AFC's recommendation for a buy-back policy for vacation and sick.

Background:

At the November 2020 AFC meeting, when the benefit study was discussed, it was suggested that staff look at some neutrally desirable additional employee benefits that would help the Company remain competitive with surrounding local agencies. After reviewing the benefit study, staff came up with additional benefits for consideration at the AFC's January 2021 meeting. The AFC reviewed staff's recommendation and after discussion the Committee adjusted some benefits, however wanted more information on the vacation time buy-back and sick leave payout on termination or retirement.

When the AFC met in March, they reviewed various scenarios and discussion. Below is the outcome of that discussion.

Vacation Buy-Back Investigation into several water agencies surveyed by our consultant and staff revealed several entities offered a vacation buy-back program. The City of Upland's program allowed employees to buy back 60 hours a year with a required amount of 40 hours to be taken in the same year. The amount is paid out in December. After reviewing several options, the AFC is recommending that the company require 40 hours on the books before allowing employees to cash in up to ½ of the hours taken in a year. This would be done once a year in November. So, if an employee takes 80 hours of vacation in a year, they would be able to buy back 40 hours of vacation if the remaining balance on the books was 40 hours or more.

Sick Leave – Again, research revealed most water entities surveyed offered some kind of sick leave pay out. It varied from 50% @ retirement to conversion to vacation leave. Following discussion of various scenarios and ideas, the Committee decided to recommend 50% of sick leave to be paid out when an employee retires.

Impact on the Budget:

Vacation buy-back - \$0 – \$10,000

Sick Leave pay-out - \$0 [no retirements anticipated this year]

Previous Actions: None

Item Title: Salary Table Adjustment

Purpose:

To consider adjusting employee salary ranges to match local inflation.

Issue:

Does the Board agree with the AFC recommendation to adjust the Company salary tables to match inflation?

Manager's Recommendation:

Recommend approval of adjusting the Company's salary tables 2.4% upward based on the Riverside / San Bernardino / Ontario 'Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W)' change from January 2020 to January 2021.

Background:

A Consumer Price Index (CPI) measures changes in the price of consumer goods and services purchased by households. The Federal Bureau of Labor Statistics (BLS) tracks CPI for geographical areas in the States (www.bls.gov).

Based on changes in the CPI tables, companies may adjust wages to ensure employee's 'cost of living' is not impacted negatively by inflation. Adjustment to salary tables based on CPI are called, "Cost of Living Adjustments (COLA)".

Yearly, the Company considers adjustments to its salary tables based on published federal changes to a CPI index.

In 2017 the BLS started tracking CPI for 'Riverside-San Bernardino-Ontario' on a bimonthly basis. In 2019 the AFC committed to using the 'Riverside-San Bernardino-Ontario' CPI 12-month change from December to December when considering COLA adjustments to Company salary tables.

The CPI numbers and respective yearly change are shown below:

Geographic Area	Jan 2020	Jan 2021	Change	% Change
Riverside, et al.	107.580	110.204	2.624	2.4

Impact on the Budget:

Implementing a COLA for 2021 would increase salary ranges only and would increase labor costs for those employees currently at the top of their range at the time of their performance evaluation.

Previous Actions:

None.

Item Title: Workers Compensation Insurance

Purpose:

Annual renewal for workers' compensation insurance is due by May 1, 2021. California's system of workers' compensation is compulsory, meaning that employers are required to provide workers' compensation insurance for their employees.

Issue:

We received a quote from Cal Mutual JPRIMA via The Zenith, a Fairfax Insurance Company for review and recommendation.

Manager's Recommendation:

That the Board approve the automatic renewal of our Workers' Compensation with Cal-Mutual JPRIMA The Zenith, a Fairfax Insurance Company for 5/1/2021 to 5/1/2022 at an annual premium of \$15,371.

Background:

In 2017, the Board approved changing the Company's Workers' compensation insurance to Cal-Mutual JPRIMA via The Zenith, a Fairfax Insurance Company.

The renewal for 5/01/2021 to 5/01/2022 is attached to this report. The Waterworks Ops base rates have decreased from prior year while the other classes have increased. Zenith has calculated an ExMod of 79% for this year which is down from 81% last year.

See comparison below:

Workers Compensation San Antonio Water Company							
		5/01/2021 to 5/01/2022 Cal Mutual JPRIMA The Zenith, a Fairfax Insurance Company			5/01/2020 to 5/01/2021 Cal Mutual JPRIMA The Zenith, a Fairfax Insurance Company		
State/Class Code	Description	Estimated Payroll	Base Rate	Net Rate	Estimated Payroll	Base Rate	Net Rate
CA 7520	Waterworks Ops	\$423,491	3.85	2.74	\$373,504	4.31	3.07
CA 8742	Salespersons-Outside	\$388,866	0.88	0.63	\$358,069	0.53	0.38
CA 8810	Clerical – NOC	\$181,405	0.59	0.42	\$179,446	0.38	0.27
Experience Modification Factor		79%			81%		
Total Payroll		\$993,763			\$911,020		
ESTIMATED ANNUAL PREMIUM		\$15,371			\$13,297		

Agenda Date: April 20, 2021

Previous Actions:

None.



SAN ANTONIO WATER COMPANY

Workers' Compensation Insurance Proposal

5/01/2021 to 5/01/2022

Presented by:
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SAN ANTONIO WATER COMPANY

Workers Compensation Comparison

		05/01/2020 to 05/01/2021			05/01/2021 to 05/01/2022		
		Cal Mutual JPRIMA The Zenith, a Fairfax Insurance Company			Cal Mutual JPRIMA The Zenith, a Fairfax Insurance Company		
State/Class Code	Description	Estimated Payroll	Base Rate	Net Rate	Estimated Payroll	Base Rate	Net Rate
CA 7520	Waterworks Ops	\$373,504	4.31	3.07	\$423,491	3.85	2.74
CA 8742	Salespersons-Outside	\$358,069	0.53	0.38	\$388,866	0.88	0.63
CA 8810	Clerical – NOC	\$179,446	0.38	0.27	\$181,405	0.59	0.42
Experience Modification Factor		81%			79%		
Total Payroll		\$911,020			\$993,763		
ESTIMATED ANNUAL PREMIUM		\$13,297			\$15,371		



TheZenith[®]

A FAIRFAX Company

The Premier Workers' Compensation Specialist

Proposal # R0AOVOA

Date: 03/17/2021

SAN ANTONIO WATER CO

139 N Euclid Ave

Upland CA 91786-6036

MIA GARZA

ALLIED COMMUNITY INSURANCE SERVICES LLC

Prod Cd: 093499A 20.0

Workers' Compensation Proposal

Policy Period: 05/01/2021 at 12:01 a.m. to
05/01/2022 at 12:01 a.m.

Employer's Liability Limits: 1,000,000/1,000,000/1,000,000

Group Membership: WATER INDUSTRY GROUP >= \$10,000

Estimated Payroll : **\$993,762**

Total Estimated Premium (without fees): \$14,786

Total State Fees & Assessments: \$585

Total Estimated Premium Incl Charges: \$15,371

Selected Payment Plan

Selected Payment Option: Installment Plan

Billing Type: Direct Bill

Frequency: Monthly

Deposit Premium: \$2,218 / 15%

State Fees & Assessments: \$88

Total Due Up Front: \$2,306

Zenith Insurance Company and its wholly owned subsidiary ZNAT Insurance Company (together, "Zenith") offer flexible payment options and there is never a charge for installments.

You will be billed directly by Zenith Insurance Company.

The remaining amount due will be paid in 8 installments of \$1,634.

Dividend Plan for WATER INDUSTRY GROUP >= \$10,000

This proposal is based on the employer's membership in the WATER INDUSTRY GROUP >= \$10,000, and if accepted, will make the insured member eligible for future dividends which may be declared by the Zenith Insurance Company Board of Directors. Under California workers' compensation insurance, a dividend is a refund to the policyholder that represents a portion of the premium that the insurer did not need to pay claims or meet expenses.

Under California law it is unlawful for an insurer to promise the future payment of dividends under an unexpired workers' compensation policy or to misrepresent the conditions for dividend payment. Dividends are payable only pursuant to conditions determined by the Board of Directors or other governing board of the Zenith Insurance Company following policy expiration. Forfeiture of a right to, reduction in the amount of, or delay in the payment of a policyholder's dividend due to the policyholder's failure to accept renewal of the policy or subsequent policies issued by the same insurer is illegal and constitutes an unfair practice.

It is a misdemeanor for any insurer or officer or agent thereof, or any Insurance broker or solicitor, to promise the payment of future workers' compensation dividends. Past dividend performance is no guarantee of an insurer's future dividend performance.

Proposal # R0AOVOA
SAN ANTONIO WATER CO
Page 1 of 10

This proposal is good until 05/01/2021 at 12:01 a.m. and is subject to the terms and conditions of the policy for which this proposal is given, including any special conditions and/or exclusions that may apply. This proposal does not constitute an insurance policy.

- * This proposal is based on information given to us. Please verify the information contained in this proposal and read the Proposal Disclaimer carefully.
- * This proposal was issued by: Zenith Insurance Company, 7440 N. Palm Avenue Suite #103, Fresno, CA 93711 Phone: (559) 449-4732, Underwriter: Giuliana Huter

California Premium Calculation Zenith Insurance Company

STATE COVERAGE									
State	From	Through	Class Code	Description	No. of Emp FT/PT	Est. Payroll	Manual Rate	Est. Manual Premium	Est Net Rate*
CA	05/01/21	05/01/22	0012-0	PAID FURLOUGHED WORKERS DURING A GOVERNMENTAL EMERGENCY ORDER IMPACTING EMPLOYMENT	0/0	0	0.00	0	0.00
CA	05/01/21	05/01/22	7520-0	WATER COMPANIES--ALL EMPLOYEES--INCLUDING CONSTRUCTION OR EXTENSION OF LINES.	5/0	423,491	3.85	16,304	2.74
CA	05/01/21	05/01/22	8742-0	SALESPERSONS--OUTSIDE.	2/0	388,866	0.88	3,422	0.63
CA	05/01/21	05/01/22	8810-0	CLERICAL OFFICE EMPLOYEES--N.O.C.	2/1	181,405	0.59	1,070	0.42

*Est. Net Rate is the manual rate modified by an experience modification factor (if applicable) and other adjustments.

California Adjustments and Calculation Details

05/01/21 to 05/01/22

State Manual Premium			\$20,796
Modified Premium (estimated)		(79.00%)	\$-4,367
Employers Liability Limits 1,000,000 Per Accident 1,000,000 Per Disease 1,000,000 Policy Limit		(.00%)	\$0
Risk Adjustment		(-10.00%)	\$-1,643
Ciga Charges		0	\$0
State Regulatory Assessment		.034856	\$515
State Regulatory Fraud Assessment		.004734	\$70
Total State Assessments			\$585
Total Estimated Policy Premium & Fees			\$15,371

The experience modification factor has been estimated. When the actual experience modification factor is published, it will be endorsed to our policy with no change in risk adjustment factor.

Notices and Disclaimers

PROPOSAL DISCLAIMER: *This proposal is subject to the information provided by you and/or the insurance agent, verification of this information and the applicable rates and underwriting guidelines applicable at the time. All proposals are for illustration purposes only; the actual premiums and coverage will be based on certain underwriting criteria, manuals, rates, rating plans and classifications. We reserve the right to change our manuals and apply the changes to the policy if authorized by law or a governmental agency regulating this insurance. The premium calculation details shown are estimates. The final premium will be determined after the policy ends by using the actual, not the estimated, premium basis and the proper classifications and rates that lawfully apply to the business and work covered by the policy. The final premium may also be affected by certain state legislative and/or regulatory changes. If the final premium is more than the premium you paid to us, you must pay us the balance. If the final premium is less, we will refund the balance to you. The final premium will not be less than the highest minimum premium for the classifications covered by this policy. You may be subject to a cancellation penalty in the event you cancel the policy prior to the policy expiration date. In the event any provision of this proposal and any provision of the policy, including endorsements, if any, are inconsistent or conflicting, the inconsistent or conflicting provision of the policy shall control.*

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE: *Coverage for acts of terrorism is included in the proposal. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury - in consultation with the Secretary of Homeland Security, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under the coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019, and 80% beginning on January 1, 2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits United States government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced. The portion of the annual premium that is attributable to coverage for acts of terrorism is CA \$0.00 per \$100 of payroll and does not include any charges for the portion of losses covered by the United States government under the Act.*

NOTICE OF MEDICAL PROVIDER NETWORK/PANEL: *Our medical management team maintains a comprehensive medical provider network or panel depending on the region, that includes a full range of health care providers, primary, and specialty care physicians, as well as hospitals and associated services. The health care service providers in our network have been selected based on their geographic location, specialty and credentials. All workers' compensation medical treatment provided under the policy will be administered by appropriately credentialed providers according to nationally accepted evidence-based treatment guidelines.*

CALIFORNIA EXECUTIVE OFFICER, PARTNER, MANAGING MEMBER EXCLUSIONS: *Any Officer, Director, Partner or Managing Member that desires to be excluded from coverage must complete the attached waiver (one signed waiver per excluded individual) - the law strictly prohibits our ability to exclude these individuals from coverage until we have received and accepted a signed waiver. Please return any/all signed waivers with binding order or instructions to your local Zenith underwriting office.*

California Short-Rate Cancellation Disclosure Notice

**IMPORTANT NOTICE ABOUT THE POLICY OF INSURANCE FOR WHICH YOU HAVE APPLIED
PLEASE READ THE FOLLOWING INFORMATION CAREFULLY**

The policy for which you have applied contains a cancellation provision that permits us to refund premium on a basis other than the pro rata when you cancel the policy. Under the policy for which you have applied, if you cancel the policy, your final premium will be calculated based on the time your policy was in force with us, increased by the percentage specified in the short-rate cancellation table listed below.

Short Rate Cancellation Table

Short Rate Cancellation Table FOR TERM OF ONE YEAR							
Days Policy In Force	Percent of One Year Premium	Days Policy In Force	Percent of One Year Premium	Days Policy In Force	Percent of One Year Premium	Days Policy In Force	Percent of One Year Premium
1	5%	95-98	37%	219-223	69%		
2	6%	99-102	38%	224-228	70%		
3-4	7%	103-105	39%	229-232	71%		
5-6	8%	106-109	40%	233-237	72%		
7-8	9%	110-113	41%	238-241	73%		
9-10	10%	114-116	42%	242-246	74%	(8 mos.)	
11-12	11%	117-120	43%	247-250	75%		
13-14	12%	121-124	44%	251-255	76%		
15-16	13%	125-127	45%	256-260	77%		
17-18	14%	128-131	46%	261-264	78%		
19-20	15%	132-135	47%	265-269	79%		
21-22	16%	136-138	48%	270-273	80%	(9 mos.)	
23-25	17%	139-142	49%	274-278	81%		
26-29	18%	143-146	50%	279-282	82%		
30-32	19%	147-149	51%	283-287	83%		
33-36	20%	150-153	52%	288-291	84%		
37-40	21%	154-156	53%	292-296	85%		
41-43	22%	157-160	54%	297-301	86%		
44-47	23%	161-164	55%	302-305	87%	(10 mos.)	
48-51	24%	165-167	56%	306-310	88%		
52-54	25%	168-171	57%	311-314	89%		
55-58	26%	172-175	58%	315-319	90%		
59-62	27%	176-178	59%	320-323	91%		
63-65	28%	179-182	60%	324-328	92%		
66-69	29%	183-187	61%	329-332	93%		
70-73	30%	188-191	62%	333-337	94%	(11 mos.)	
74-76	31%	192-196	63%	338-342	95%		
77-80	32%	197-200	64%	343-346	96%		
81-83	33%	201-205	65%	347-351	97%		
84-87	34%	206-209	66%	352-355	98%		
88-91	35%	210-214	67%	356-360	99%		
92-94	36%	215-218	68%	361-365	100%	(12 mos.)	

PRIVACY NOTICE FOR CALIFORNIA RESIDENTS

This Privacy Notice for California Residents supplements the information contained in Zenith's Privacy Statement (<https://www.thezenith.com/zenith/privacy-center/privacy-statement>), Zenith's Privacy Policy for California Residents (<https://www.thezenith.com/zenith/privacy-center/privacy-policy-for-california-residents>), and any other privacy notices previously provided to you. This notice applies solely to natural persons who are residents in the State of California ("consumers" or "you"). We adopt this notice to comply with the California Consumer Privacy Act of 2018 ("CCPA") and any terms defined in the CCPA have the same meaning when used in this notice.

Information We Collect

As insurance companies that write workers' compensation insurance and commercial property and casualty insurance, we collect personal information about you when it is necessary to conduct the business of insurance.

When you or a business you are associated with applies for workers' compensation insurance or you or a business you are associated with is a workers' compensation insurance policyholder, we may collect the following information: 1) your name; 2) your physical and mailing address; 3) your email address; 4) your telephone number; 5) your signature; 6) your Social Security number, federal employer identification number or other federal or state identification number; 7) your date of birth; 8) your and your employees' driver's license numbers; 9) salaries and compensation paid by the business to you, other owners and your employees; 10) prior insurance policy numbers, loss runs and insurance experience and history; 11) information about your financial assets; 12) education, employment, and employment history and/or professional employment information to verify your eligibility or those of other owners for exclusion from coverage under the workers' compensation law; 13) your marital status and 14) your bank account number and details, credit card number and details, and other financial information to process premium payments and refunds.

Some of the items listed above may be considered personal information subject to the CCPA. In general, we will have collected the following categories of personal information from consumers similar to you within the last twelve (12) months (please see Zenith's Privacy Policy for CCPA referenced above for a complete list of categories Zenith will have collected):

Category	Examples	Business Purpose
A. Identifiers	A real name, alias, postal address, unique personal identifier, online identifier, Internet Protocol address, email address, account name, Social Security number, driver's license number, passport number, or other similar identifiers.	<ul style="list-style-type: none"> • Communicating with you • Underwriting your policy • Administering or investigating a claim • Making payments to you • Honoring our contractual obligations • Improving our products and services • Security Purposes • Complying with law
B. Personal information categories described in the California Customer Records Statute (Cal. Civ. Code § 1798.80(e))	A name, signature, Social Security number, physical characteristics or description, address, telephone number, passport number, driver's license or state identification card number, insurance policy number, education, employment, employment history, bank account number, credit card number, debit card number, or any other financial information, medical information, or health insurance information.	<ul style="list-style-type: none"> • Communicating with you • Underwriting your policy • Administering or investigating a claim • Making payments to you, taking payments from you • Honoring our contractual obligations • Improving our products and services • Security Purposes • Complying with law
C. Characteristics of protected classifications under California or federal law	Age (40 years or older), race, color, ancestry, national origin, citizenship, religion or creed, marital status, medical condition, physical or mental disability, sex (including gender, gender identity, gender expression, pregnancy or childbirth and related medical conditions), sexual orientation, veteran or military status, genetic information (including familial genetic information).	<ul style="list-style-type: none"> • Underwriting your policy • Administering or investigating a claim • Making payments to you, taking payments from you • Honoring our contractual obligations • Complying with law • Improving our products and services • Security Purposes
D. Commercial Information	Records of personal property, products or services purchased, obtained, or considered, or other purchasing or consuming histories or tendencies.	<ul style="list-style-type: none"> • Underwriting your policy • Administering or investigating a claim • Honoring our contractual obligations • Complying with law • Improving our products and services
E. Internet or other electronic network activity information	Browsing history, search history, information on a consumer's interaction with a website, application, or advertisement.	<ul style="list-style-type: none"> • Administering or investigating a claim • Improving our products and services • Underwriting your policy

I. Professional or employment-related information	Current or past job history or performance evaluations, income and salary details, credentialing information.	<ul style="list-style-type: none"> • Underwriting your policy • Administering or investigating a claim • Complying with law
J. Education information that is not publicly available and that is personally identifiable information as defined in the Family Educational Rights and Privacy Act (20 U.S.C. § 1232g)	Education records directly related to a student maintained by an educational institution or party acting on its behalf, such as grades, transcripts, class lists, student schedules, student identification codes, student financial information, or student disciplinary records.	<ul style="list-style-type: none"> • Underwriting your policy • Administering or investigating a claim • Complying with law

Personal information does not include:

- Publicly available information from federal, state or local government records.
- Deidentified or aggregated consumer information.
- Information excluded from the CCPA's scope such as personal information collected, processed, sold or disclosed pursuant to the Gramm-Leach-Bliley Act and implementing regulations ("GLBA"), the California Financial Information Privacy Act ("CFIPA"), and the Driver's Privacy Protection Act of 1994 ("DPPA").

When information is subject to an exclusion, your rights under the CCPA are limited.

Use of Personal Information

We may use or disclose the personal information we collect for one or more of the following business purposes:

- To fulfill or meet the reason you provided the information. For example, if you applied for Workers' Compensation insurance, we will collect your bank account details if you wish to pay your premium by electronic funds transfer.
- To review, investigate, process and pay claims.
- To provide you with support and respond to your inquiries, including investigating and addressing your concerns and monitoring and improving our responses.
- To create, maintain, customize, and secure your account with us, including detecting security incidents and debugging to identify and repair errors that impair existing functionality.
- To process your requests, premium payments transactions, and other payments to and from you and prevent transactional fraud.
- For testing, research, analysis, and product development, including to develop and improve our Website, products, and services.
- To respond to law enforcement requests, regulatory agency requests and as required or allowed by applicable laws, court order, rules or regulations.
- As described to you when collecting your personal information or as otherwise set forth in the CCPA or as otherwise set forth in this Privacy Policy and any other CCPA Privacy Notice (for example, the business purposes set forth in the chart above).
- To evaluate or conduct a merger, divestiture, restructuring, reorganization, dissolution, or other sale or transfer of some or all of Zenith's assets in which personal information held by Zenith is among the assets transferred.
- To conduct fraud investigations and report fraud pursuant to applicable laws, court order, rules or regulations.

Zenith will not collect additional categories of personal information or use the personal information we collected for materially different, unrelated, or incompatible purposes without providing you notice. The business purposes listed above may also apply to the categories of personal information in the chart above.

Your Rights and Choices

Effective January 1, 2020, the CCPA provides consumers (California residents) with specific rights regarding their personal information. You have the right to know about personal information collected, disclosed or sold. In addition, you have the right, subject to certain exceptions, to request deletion of personal information. You can learn more about your CCPA rights and how to exercise them by visiting our Privacy Policy for California Residents at <https://www.thezenith.com/zenith/privacy-center/privacy-policy-for-california-residents>.

CCPA WC PN (Ed. 01/20)

Insured Name : SAN ANTONIO WATER CO	Policy No:
Insurer/Company No :	Producing Branch: 004

WAIVER OF WORKERS' COMPENSATION COVERAGE

Pursuant to California Labor Code Sections 3351 and 3352, I hereby certify, under penalty of perjury, that I am: [check one box only]

If the Insured is a Corporation:

- An officer or member of the board of directors of the above-named insured, which is a **quasi-public or private corporation**, and that I own at least **ten percent (10%)** of the issued and outstanding stock of the above-named insured corporation. As a qualifying officer or director, I elect to be excluded from the corporation's workers' compensation insurance policy with the above-referenced insurer.

- An officer or member of the board of directors of the above-named insured, which is a **quasi-public or private corporation**, and: 1) I own at least **one percent (1%)** of the issued and outstanding stock of the above-named insured corporation; and 2) my parent, grandparent, sibling, spouse or child owns at least ten percent (10%) of the issued and outstanding stock of the above-named insured corporation; and 3) I am covered by a health insurance policy or a health care service plan. As a qualifying officer or director, I elect to be excluded from the corporation's workers' compensation insurance policy with the above-referenced insurer.

- An owner of a **professional corporation**, as defined in Section 13401 of the Corporations Code, and: 1) I am a practitioner rendering the professional services for which the professional corporation is organized; and 2) I am covered by a health insurance policy or a health care service plan. As a qualifying owner, I elect to be excluded from the corporation's workers' compensation insurance policy with the above-referenced insurer.

- An officer or member of the board of directors of the above-named insured which is a **cooperative corporation** organized pursuant to the Cooperative Corporation Law, as set forth in Part 2 (commencing with Section 12200) of Division 3 of Title 1 of the Corporations Code, and I am covered by both: 1) a health insurance policy or a health care service plan; and 2) a disability insurance policy that is comparable in scope and coverage, as determined by the Insurance Commissioner, to a workers' compensation insurance policy. As a qualifying officer or director, I elect to be excluded from the corporation's workers' compensation insurance policy with the above-referenced insurer.

If the Insured is a Partnership:

- A general partner of the above-named insured which is a **partnership**. As a qualifying general partner, I elect to be excluded from the partnership's workers' compensation insurance policy with the above-referenced insurer. If the Insured is a Limited Liability Company:

- A managing member of the above-named insured which is a **limited liability company**. As a qualifying managing member, I elect to be excluded from the limited liability company's workers' compensation insurance policy with the above-referenced insurer.

Applicable to All:

By signing this waiver, I understand and agree to the following:

- I am providing a sworn statement regarding my ownership interests in the above-named insured and my eligibility to choose to waive workers' compensation coverage for myself.
- Neither the insurer nor the producer will be required to investigate, verify or confirm the accuracy of the facts contained in this waiver.
- I will not be entitled to benefits under the policy even if the facts contained in the waiver are inaccurate. There will be a conclusive presumption that I will not be covered under the insured's workers' compensation policy with the above-referenced insurer if an employment-related injury occurs.
- The waiver shall be effective upon the date of receipt and acceptance by the above-referenced insurer.
- I consent to backdating the date of receipt and acceptance of the waiver to the policy inception date or up to 15 business days prior to the date of actual receipt by the insurer, whichever is less.
- The waiver shall remain in effect until I provide a written withdrawal of the waiver.

If none of these categories apply to the structure of your business, please consult your agent for guidance.

PRINT INDIVIDUAL'S FULL NAME

TITLE

SIGNATURE

DATE

ACCEPTED:

ZENITH AUTHORIZED REPRESENTATIVE

DATE

NOTE TO EMPLOYER: The exclusion will be endorsed to the policy upon our receipt and acceptance of a signed and properly completed form. The person electing exclusion must sign this form. Company representatives may not sign on behalf of the individual. One exclusion per form. Submit additional forms if needed.

Please return any/all signed waivers to your local Zenith underwriting office.



The Premier Workers' Compensation Specialist



TheZenith[®]

A FAIRFAX Company

Zenith is the premier specialist in workers' compensation nationally. We combine depth of expertise with a forward-thinking approach to achieve the highest level of service and outcomes for our clients. We foster strong relationships with our valued independent agents and brokers. Together, we're able to explore solutions and address your business needs. We believe insurance is a long-term investment in your employees and the success of your business. Great businesses become even better when they invest in the best.

YOU CAN EXPECT US TO:

- Help you reduce workplace injuries and claims, so your business stays productive
- Put your employees first, helping anyone injured on the job get the medical care they need
- Fight fraud, so you can protect what you've built
- Provide attentive and responsive service, so you can focus on your business
- Help you strengthen your business reputation, so you can compete for talent

Your business challenges are unique, and a one-size-fits all solution rarely works.

Our commitment to you includes a focus on helping you reduce claims and their costs, which can lead to a lower experience modification over time. The proof is in the numbers: Zenith's loss ratios are consistently 20 to 30 points better than the industry average.*

INVEST IN THE BEST

Learn More at TheZenith.com[®]

*Source: Industry data is from NCCI's 2016 Calendar-Accident Year Underwriting Results and WCIRB Quarterly Experience Report as of 2017, weighting by Zenith's premium distribution by state.

Your **EPIC** EPIC Account Team & Contact Information

David McNeil, ARM

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Overall Account Management

Shelly Birdzell

Account Manager
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Daily Account Management
Certificate Requests

Dan Ryan, CIC

Managing Principal
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dan.ryan@epicbrokers.com
Overall Client Satisfaction

Kiersten Okihara-Gaines

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Insurance Brokers & Consultants

We Are **EPIC**[®]

As a full service brokerage, EPIC provides you with a wide array of risk management, commercial insurance, personal insurance & employee benefits products and services

EPIC is a premier Independent Insurance Brokerage firm with expertise in the development, coordination and marketing of insurance portfolios. We already are one of the top insurance brokers in the United States of America with premium volume in excess of \$200 million.

Our client base is loyal and diversified which provides us with opportunities to trouble shoot the most complex of issues facing clients. We believe this experience makes us invaluable to our clients. Your challenges become our opportunities to prove our value to you. Our philosophy is "The client always comes first". We accomplish this through action as we do not have the corporate edits or bureaucracy many of our competitor's must endure.

With EPIC Partner's acquisition of Calco, we not only remain flexible and hands-on, we have \$100 million in financial and corporate backing to provide the resources our clients need. EPIC's backing will enable our clients to have the best of both worlds! We believe this is an unbeatable combination.

The principals of EPIC each bring over 25 years of industry experience working with clients like Salesforce, Yahoo, Peoplesoft and Sanmina, to name a few. Our expansion will continue in California with a focus on Employee Benefits, Business Insurance, Technology, Wind & Energy, Construction and other specialized industry segments. Plans are in place to open several new locations including San Francisco and the East Bay, along with explosive growth in Sacramento and Southern California.

Commercial Insurance

Property, Casualty, Auto, Environmental, Directors and Officers, Employment Practices Liability, Professional Liability, Excess, Workers' Compensation, Crime, K&R, Fiduciary, Marine, Multinational, Warranty/Recall, Patent Infringement, Internet & Cyber Liability, and more ...

Emphasis in particular Industry segments: Technology, Construction, Wind & Energy, Real Estate and more ...

Employee Benefits

Toll free HELP Line, On-line Human Resource Services, Health & Benefits Fairs, 5500 Filing Signature Ready, Compliance Audit, COBRA Compliance Audit, Employee Communications Materials, Multinational Benefits, Benefits Management, 125 Plans, ERISA & HIPAA Compliance, Industry Surveys and more

Medical, Dental, Vision, Key Man Life, Executive Benefits, STD/LTD, Life/AD&D, Flex Spending Accounts, Long-term Care, 401K, Cobra Administration, EAP and more ...

Private Client

Provides personalized coverage and service to protect personal assets such as Homes of any value, standard and unique Automobiles, Excess Liability (Umbrella) for that extra level of protection, Watercraft from Yachts to Sailboats, Personal Articles such as Jewelry, Fine Arts, Wine Collections, Silverware, Musical Instruments, Sports Memorabilia .Our Private Client Division goes the extra mile to provide the best service possible by offering clients an Asset Protection Review, and more ...

EPIC's Service Commitment

EPIC will provide you with the following services:

- Return all telephone calls within 24 hours.
- Issue Certificates of Insurance on a 24-hour turnaround or same day if received before 3:00 PM (as needed).
- Process requests for insurance program changes promptly.
- Track the status of all open claims.
- Review estimated payrolls and receipts.
- Review coverages with you as needed or at least.
- Present renewal insurance program in a timely manner.
- Keep you up-to-date about important insurance industry developments throughout the year.

When to Notify **E P I C**[®]

It is very important that we are informed whenever a significant change in your operation takes place.

We should be notified promptly of any change, such as:

- Additional locations, new construction/projects
- Change in property values
- Change of ownership
- Sudden changes in sales/income/payroll
- Change in hazards (increase or decrease)
- Change in security or protection
- Change in product line
- New contractual obligations
- Change of vehicles/drivers
- Change of operation
- Change in shipment
- Leased, rented and borrowed equipment

The above are listed *as examples* of situations we should be made aware of; there are many others as well. If any questions arise, please call us.

EPIC's Claims Advocacy

Claim reporting is simple!

Choose the most convenient method to report your claim:

- **Telephone:** 1.909.919.7880
- **Fax:** Complete your paperwork and fax it to us at 888.789.5971

- **Property & Casualty Claims and questions**
Kiersten Okihara-Gaines
Direct Line 1.909.919.7888
Email kiersten.okihara-gaines@epicbrokers.com

- **Workers' Compensation Claims and questions**
Max Rodriguez
Direct Line 1.909.919.7502
Email max.rodriquez@epicbrokers.com

Your EPIC Claims Team...second to none.

We have highly effective Claims Advocacy and Specialists with extensive depth and breadth. They have held positions with insurance carriers, insurance brokers and managing general agents representing reinsurance carriers. This experience provides our clients with broad-based claims expertise in multiple areas of insurance. Because of this diversity they are successful in communicating with all parties including claims adjusters, attorneys and you.

Our dedicated team responds to all of your Commercial Insurance claims needs including:

- Assisting you with reporting of Property & Casualty claims
- Providing you with Workers' Compensation claims reviews and advocacy
- Acting as liaison between you and the insurance carrier
- Reviewing summons and complaints prior to insurance carrier submission

Item Title: Directors Filippi and Sanchez

Purpose:

To honor outgoing Directors Filippi and Sanchez for their time and efforts to the betterment of the Company.

Issue:

The Company should recognize the time and effort outgoing Directors have provided during their term on the Board

Manager's Recommendation:

Recognize outgoing Directors with the attached honorary stock certificates

Background:

The Company has traditionally honored outgoing Directors with honorary stock certificates. With the Board's transition in April, it is appropriate we do so for Directors Gino Filippi and José Sanchez.

Impact on the Budget:

None

Previous Actions:

None.

Item Title: Company Response to COVID-19

Purpose:

To discuss the Company's response to the COVID-19 Pandemic.

Issue:

How are State and Local Government Recommendations and Orders impacting the Company during the COVID-19 Pandemic?

Manager's Recommendation:

No recommendation. For discussion only.

Background:

While the nation continues to grapple with appropriate responses to the pandemic there has been limited disruption to the Company's operations.

As the State starts to release mandated restrictions on its residents the Company will begin transitioning back into a 'normal' schedule. All of the actions discussed below anticipate that the State will not readjust their fluctuating directives.

Starting in May:

- The Company is planning to resume in-person meetings for Board and Committees. We are anticipating our Board meetings will again be held at the City of Upland's Council Chambers.
- The Company will begin conducting business face-to-face at the office again. Our doors will be open.
- Office staff will gradually be brought back to a full working schedule. During the first weeks in May, the office will be staffed by three person per day. Later in May we anticipate moving to a fully staffed office each day, with no less than four staff members present.

Impact on the Budget:

Company has purchased four laptops to increase efficiency of office staff working remotely, including software that allows remote Voice Over Internet Protocol (VoIP) Company phone access. - ~\$7,500

Previous Actions:

None.