



SAN ANTONIO WATER COMPANY

BOARD OF DIRECTORS MEETING

Tuesday, April 16, 2019

5:00 p.m.

In the Upland City Hall Council Chambers

- 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 19, 2019.
- B. Ratification of Personnel Committee Recommendation Regarding GM Six Month Review
Recommend ratification of Committee's determination that GM Lee has met contractual requirements at his six-month review
- C. Planning, Resources, and Operations Committee (PROC) Meeting Minutes
Meeting minutes of November 27, 2018.
- D. Administration and Finance Committee (AFC) Meeting Minutes
No meeting minutes to report.
- E. Financial Statement
Income Statement and Balance Sheet for February 28, 2019 and year-to-date.
- F. Investment Activity Report
Monthly Report of Investments Activity
- G. Water Production
Bi-Monthly water production [Jan/Feb, Mar/Apr, May/June, July/Aug, Sept/Oct, Nov/Dec.]
- 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. Correspondence of Interest

5. Board Committee – Delegate Report:

- A. PVPA Representative's Report
Verbal report on activities at the Pomona Valley Protective Association that have an impact on the Company.
- B. Six Basins Representative Report
Verbal report on activities at the Six Basins Watermaster that have an impact on the Company.
- C. Chino Basin Representative Report
Verbal report on activities at the Chino Basin Watermaster that have an impact on the Company.
- D. Cucamonga Basin Representative Report
Verbal update by staff.
- E. Administration and Finance Committee (AFC) Chairman's Report
No meeting to report.
- F. Planning, Resources, and Operations Committee (PROC) Chairman's Report
Report on meeting held March 26, 2019.
- G. Office Feasibility Study Ad Hoc Committee
No meeting to report.

6. General Manager's Report on Activities

- A. Resolutions for Outgoing Board Members
Recommend approval of Resolutions
- B. Article X of Company Bylaws; Right to Service, Classes of Service, Tolls or Charges, and Basic and Extended Area
Recommend ratification of existing Bylaws
- C. Workers Compensation Insurance
Approve Workers Compensation Insurance for 2019
- D. San Antonio Heights Association Request for Donation
Authorize \$1,000 donation

7. Closed Session: None.

8. Director's Comments and Future Agenda Items:

Adjournment:

The next regular Board Meeting will be held on Tuesday, May 21, 2019 at 5:00 p.m.

NOTE: All agenda report items and back-up materials are available for review and/or acquisition at the Company Office (139 No. Euclid Avenue, Upland, CA.) during regular office hours, Monday through Friday [7:30 am – 11:30 am & 12:30 pm – 4:30 pm]. The agenda is also available for review and copying at the Upland Public Library located at 450 N. Euclid Avenue.

POSTING STATEMENT: On April 12, 2019 a true and correct copy of this agenda was posted at the entry of the Company Office (139 No. Euclid Avenue), on the public bulletin board at 450 No. Euclid Avenue (Upland Public Library) and on the Company Website.

SAN ANTONIO WATER COMPANY
MINUTES OF THE SAN ANTONIO WATER COMPANY
Tuesday, March 19, 2019

An open meeting of the Board of Directors of the San Antonio Water Company (SAWCo) was called to order at 5:00 p.m. on the above date at the Upland City Hall Council Chambers, 460 North Euclid Avenue, Upland, California. Directors present were Tom Thomas, John Gerardi, Jose Sanchez, Bob Cable, and Gino Filippi. Also in attendance were SAWCo's General Manager Brian Lee, Assistant General Manager Teri Layton, and Senior Administrative Specialist Kelly Mitchell. Director Thomas presided.

- Salute to the Flag
- 1. Recognitions and Presentations: Director Thomas recognized City of Upland Councilmembers Janice Elliott and Ricky Felix in the audience. Also noted was Director Will Elliott's absence from the meeting due to a family emergency.
- 2. Additions-Deletions to the Agenda: None.
- 3. Shareholder-Public Testimony: Mr. Bob Bowcock announced himself as representing California Materials or CalMat Co. He stated that CalMat is a shareholder entitled to all rights and equally shares all responsibility as a shareholder at SAWCo. Annually, SAWCo performs a pro-rata calculation incorporating seasonal use. Based on shareholder allocation, each share cumulatively represents 1.9 acre feet (AF) of water. CalMat has elected to take its water allocation while paying the full service rate without use of the infrastructure, treatment, or distribution systems. This represents a significant savings to the other shareholders. CalMat is current and pays all other assessments and fees levied by SAWCo amounting to an additional \$100 per share. CalMat made its water purchase request over six months ago and was denied just this past Friday, March 15th. Alternatively, staff has indicated they are willing to sell CalMat water at some self-described market price of \$655/AF as opposed to meeting its obligation to a shareholder as trustee of our collectively held water resources. CalMat respectfully requests the Board honor this shareholder's rights and cause the transfer to occur immediately for both the 2018 and 2019 water years.

Director Thomas advised that since the item is not on the agenda they are not authorized to make a motion on the matter.

Mr. Lee advised that SAWCo has not denied the request for water transfer. He clarified that staff has denied taking water out of a water storage account in Chino Basin. Mr. Lee stated that if there is an alternate method to provide the entitlement to water staff is willing to consider it.

Mr. Bowcock stated that historically the previous general manager had decided to take the entitlement out of the Chino Basin water storage account. He stated he would take it out of this year's water allocation which he claimed was underutilized.

Director Thomas reminded Mr. Bowcock to fill out a speaker card and requested the item be put on a future committee meeting agenda.

- 4. Consent Calendar Items:
 - A. Approval of Board Meeting Minutes
Regular Meeting Minutes of February 19, 2019.
 - B. Planning, Resources and Operations Committee (PROC) Meeting Minutes
No meeting minutes to report.
 - C. Administration and Finance committee (AFC) Meeting Minutes
Meeting minutes of October 23, 2018.
 - D. Financial Statement
Income Statement and Balance Sheet for January 31, 2019 and year-to-date.
 - E. Investment Activity Report

- Monthly Report of Investments Activity
- F. Water Production
 - Bi-Monthly water production [Jan/Feb, Mar/Apr, May/June, July/Aug, Sept/Oct, Nov/Dec]
- G. Prominent Issues Update
 - Status summaries on certain on-going active issues.
- H. Projects and Operations Update
 - Status summaries on projects and operations matters.
- I. Groundwater Level patterns [Quarterly in January, April, July, and October]
 - Tracking patterns of groundwater elevations relative to ground surface.
- J. Correspondence of Interest –

Director Gerardi moved and Director Sanchez seconded to approve the Consent Calendar Items as presented. Motion carried.

5. Board Committee – Delegate Report:

- A. Pomona Valley Protective Association (PVPA) Representative’s Report** – Director Thomas reported on the March PVPA meeting held on Wednesday, March 13th. Mr. Craig Miller, certified Public Accountant with Bowen McBeth, Inc., presented the audit report and annual financials. The Board reviewed and approved the report.

The amount of water being spread in the basin is greater than it was at this time the previous year. Though rainfall has been significant this year, Director Thomas cautioned that one good year of rainfall does not replenish supplies that the previous year were at a 50-year low.

- B. Six Basins Representative Report** – Mr. Lee reported that following the most recent Six Basins Watermaster meeting discussions took place on whether or not Six Basins wished to collaborate with, in particular, Chino Basin in developing a strategic plan. Consensus on the Six Basins Watermaster Board was to continue to move forward with their own strategic plan but share information with Chino Basin Watermaster when it’s available and appropriate. A meeting was to be scheduled with Chino Basin Watermaster’s General Manager. An update will be provided at the next meeting.

- C. Chino Basin Representative Report** – Ms. Layton reported there was a court hearing held on March 15th and the issues before the court were hopefully resolved. Time will tell if any further disputes will come about since the Watermaster is in the process of recalculating the Safe Yield again.

Ms. Layton also advised that the Watermaster’s 41st Annual Report was filed and received and Mr. Lee will be attending the upcoming Appropriative Pool closed session, Advisory Pool meeting and the OBMP Update in her stead.

Director Filippi noted that both the City of Upland and SAWCo are being mindful of the legal fees involved in the Safe Yield reset issue.

- D. Cucamonga Basin Representative Report** – Ms. Layton informed the Board that the working group met on March 5th regarding shared costs for the Memorandum of Understanding going through legal review. Cucamonga Valley Water District (CVWD) committed \$60,000 to their budget and were billed for their share of desilting Basin 6. SAWCo, CVWD, and West End Consolidated Water Company continue to work on a modernized judgment. Staff hopes to schedule a brainstorming session in the future for the possibility of partnering on groundwater remediation facilities.

The next meeting is scheduled for April 2nd at 1:30 p.m.

- E. **Administration and Finance Committee (AFC) Chairman's Report** – Director Sanchez reported the items discussed at the AFC have been moved to General Manager's report for action by the full Board.
- 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. **Sale of Property – 17th Street and Benson Avenue** – Mr. Lee advised staff and the City of Upland have been coordinating for some time the sale of the southern portion of this property for the building of an emergency reservoir. The contract for the sale was approved by the City of Upland City Council at its most recent meeting. That same contract is before the Board this evening for approval.

Director Cable moved and Director Filippi seconded to approve Resolution 2019-01-02 declaring as surplus and authorizing the sale of a portion of the Benson Avenue property as written in the Purchase and Sale Agreement and Escrow Instructions. Motion carried.

- B. **Award of Construction Contract – Reservoir 7** – Mr. Lee reported this project is for the replacement of a wooden roof with an aluminum geodesic dome along with appurtenant work at Reservoir 7. The bid opening took place on March 7th with 4 bidders participating. The lowest apparent responsible bidder came in at \$1,013,415 which is under the Engineer's Estimate of \$1,022,125.

Staff recommends the Board authorize the General Manager to execute contract documents with SCW Contracting necessary to construct the aluminum geodesic dome and associated site work at a not-to-exceed cost of \$1,013,415.00. There is no contingency included in the estimate therefore any changes in the contract will be brought back to the Board for approval.

Director Gerardi moved and Director Filippi seconded to authorize the General Manager to execute contract documents with SCW Contracting necessary to construct the aluminum geodesic dome and associated site work at a not-to-exceed cost of \$1,013,415.00. Motion carried.

- C. **Nominees for the Position of Director of the Company** – Director Thomas advised he will be abstaining from voting on this item as he is carrying the proxy for the City of Upland.

Mr. Lee presented the slate of officers submitted on the City of Upland's proxy; Director Will Elliott (who was previously confirmed), Councilmember Rudy Zuniga, and Martha Goss. He then asked the Board consider this matter as it relates to giving notice and preparation for the Annual Shareholder's Meeting.

Director Filippi moved and Director Cable seconded to approve the slate of officers as submitted by the City of Upland. Motion carried with Director Thomas abstaining.

- D. **General Liability Insurance Renewal** – Mr. Lee advised this item was presented to the AFC who recommended it for approval by the full Board.

Director Thomas advised exposure was higher this year therefore the total dollar amount is up slightly however, he did not believe there was an actual rate increase.

Director Sanchez moved and Director Filippi seconded to approve the premium update and Cyber Insurance with JPRIMA for the General Liability renewal as presented by EPIC Insurance at the annual premium of \$28,891. Motion carried.

- E. Cost of Living Salary Range Adjustment** – Mr. Lee reiterated the salary range adjustment simply adjusts the pay ranges for employees, it does not automatically provide for a cost of living adjustment raise and does not directly impact the budget. He also informed the Board that, if approved, SAWCo would now utilize the Federal Bureau of Labor Statistics consumer price index for the newly tracked area of Riverside/San Bernardino/Ontario area instead of the previously used Los Angeles-Long Beach-Anaheim area.

Director Cable moved and Director Gerardi seconded to approve adjusting the Company's salary tables 3.0% upward based on the Riverside/San Bernardino/Ontario Consumer Price Index for Urban Wage Earners and Clerical Workers' change from January 2018 to January 2019. Motion carried.

- F. Stock Auction for May 2019** – Mr. Lee advised one stockholder has paid their previously accrued debt and has been removed from the auction list therefore, there are currently 11 stock certificates up for auction.

Director Filippi inquired as to how SAWCo will notify people of the auction. Ms. Layton replied stating a letter was mailed to current shareholders, it is being advertised in SAWCo's quarterly newsletter and on its website, and is also being advertised in the local newspaper.

Director Sanchez moved and Director Filippi seconded to approve the proposed stock auction and timeline as presented. Motion carried.

7. Closed Session: None.

8. Director's Comments and Future Agenda Items:

Director Gerardi informed the Board and attending staff that this will be the last Board meeting he will attend. He expressed how privileged and honored he felt being appointed to the Board and to work with the current Board members and staff.

Director Thomas thanked Director Gerardi for the effort and knowledge he has brought. He commended his service on the Board as it has been invaluable and leaves big shoes to fill.

Adjournment: Seeing no further business, the meeting was adjourned at 5:22 p.m. The Annual Shareholder's Meeting will be held on Tuesday, April 9, 2019 at 6:00 p.m.

Assistant Secretary
Brian Lee

Agenda Item No. 4B

Item Title: GM Six Month Review

Purpose:

To Provide a Six-Month Review of General Manager's Performance

Issue:

General Manager's Contract provides for a Six-Month Performance Review

Manager's Recommendation:

Ratify Personnel Committee's Recommendation Regarding General Manager's Six-Month Performance Review.

Background:

General Manager began his employment with the Company on September 17, 2018. As a contractual condition of employment, the General Manager and Board agreed to review his performance at the six-month anniversary. March 17, 2019 was the six-month anniversary of employment. Based on a satisfactory evaluation as determined by the Board, the General Manger's annual base salary will be adjusted upward by \$5,000, per his employment contract.

On Wednesday, April 10, 2019 the Ad hoc Personnel Committee met with the General Manger to discuss his performance to date. The Committee unanimously recommended that the full Board determine the General Manager's performance has been satisfactory.

Six-month accomplishments include:

- Completion of the Cucamonga Crosswall Construction
- Sale of Benson Avenue property to City of Upland
- Inclusion of the water production/consumption charts and updated project status reports in the monthly Board packet
- Modernized website
- Successful implementation of a 9/80 work schedule

Looking forward toward the annual employee evaluation, it will be important for the Board and General Manger to develop strategic Goals and Objectives for the next year. To that end, staff proposes working with the AFC and PROC to bring back proposed Goals and Objectives to the full Board for discussion at the August regular Board meeting.

Impact on the Budget:

\$5,000 yearly impact to salary

Previous Actions:

None

MINUTES OF THE SAN ANTONIO WATER COMPANY
PLANNING, RESOURCES, and OPERATIONS COMMITTEE
November 27, 2018

An open meeting of the Planning, Resources, and Operations Committee (PROC) of the San Antonio Water Company (SAWCo) was called to order at 3:00 p.m. on the above date at the company office located at 139 N. Euclid Avenue, Upland, California. Committee members present were Will Elliott, John Gerardi, Gino Filippi, and Tom Thomas. Also in attendance were SAWCo's General Manager Brian Lee, Assistant General Manager Teri Layton, and Senior Administrative Specialist Kelly Mitchell. Mr. Elliott presided.

1. Recognitions and Presentations – None.
2. Additions-Deletions to the Agenda – None.
3. Public Comments – None.
4. Approval of Committee Meeting Minutes:
 - A. ***Regular Committee Minutes of September 25, 2018*** – Mr. Gerardi moved and Mr. Filippi seconded to approve the meeting minutes of September 25, 2018. Motion carried.
5. Planning and Operational Issues:
 - A. ***IEUA Water Rates & Charges*** - Mr. Thomas stated if the letter is to be sent, time is of the essence as the General Manager of IEUA has resigned her post effective the end of the year.

Mr. Filippi moved and Mr. Gerardi seconded to recommend the Board approve sending the letter response to IEUA as presented. Motion carried.
 - B. ***SBCTA Easement Request*** – Mr. Lee advised the Committee that he had spoken with Tommy Hudspeth, the Water Utility Superintendent, regarding this item who had no issue with the construction easement request. The temporary construction easement will last for a period of 60-months on the property located at East 6th Street in Ontario, California for a total of \$8,040.

Mr. Gerardi moved and Mr. Filippi seconded to recommend the Board approve authorizing the General Manager, after review by SAWCo legal counsel, to execute all paperwork necessary to allow the SBCTA a 60-month temporary construction easement at SAWCo property located at East 6th Street in Ontario, California. Motion carried.
 - C. ***SCADA Server Replacement*** – Mr. Lee advised that Committee that although this project was budgeted for this year, when he went to purchase the hardware for the SCADA system he discovered the item was not brought to the Board for formal approval.

Mr. Lee requested the PROC recommend the Board authorize him to execute a not-to-exceed \$99,337 contract with TESCO, a not-to-exceed \$17,750 equipment purchase from Inland Productivity Solutions, and to authorize project expenditures up to \$130,000.

Mr. Gerardi moved and Mr. Filippi seconded to recommend the Board authorize the General Manager to execute a not-to-exceed \$99,337 contract with TESCO, a not-to-exceed \$17,750 equipment purchase from Inland Productivity Solutions, and to authorize project expenditures up to \$130,000. Motion carried.

6. Planning and Operational Update -

A. Project Status Report –

- **Cucamonga Crosswalls Project** – SAWCo’s portion of the project is complete. GRB Equipment is now processing the materials to sell. A percolation test at the site proved the project successful as the water soaked in nearly too fast to allow for accurate registering.
- **Holly Drive Booster Station** – The door to the building needs to be realigned and there is some rock work needed otherwise the project is complete.
- **Holly Drive Reservoir Phase I** – Bid opening for the project is scheduled for December 13th.
- **Reservoir 7** – Reroofing – Staff met with Civiltec Engineering earlier in the day. The estimated cost is \$1,000,000 which is \$200,000 over the estimated cost.
- **Campus Avenue Pipeline Replacement** – The project is in the design phase. On the lower end of North Campus Avenue the pipeline runs through backyards. This project will consist of abandoning that area and installing a pipeline in the roadways.
- **Edison Pond Sluice Gate** – the trash rack was retrieved by the company that built it. The trash rack will be rebuilt to fit the location and installed.

7. Basin Issues and Updates

- **San Antonio Canyon Watershed** – A committee meeting is scheduled for December 5th.
- **Chino Basin** – Ms. Layton stated a closed session meeting was held earlier in the day. The Appropriative Pool approved the 2018 agreement to the Appropriative Pool Pooling Plan and CAMA Amendments (11/21/2018 version) and conditioned upon the approval of each of Appropriative Pool member’s governing body intends to sign said agreement. Further, the Appropriative Pool directs its counsel to join in the motion to approve the Appropriative Pool Pooling Plan and CAMA Amendments.

The Agricultural Pool filed a claim for writ of mandate on November 19th asking the Court to implement its order to reset the safe yield. Previously, the Non-Agricultural Pool filed a motion with the Court changing their Pooling Plan which requires the changes yet made in the Appropriative Pool parties agreement.

The six Appropriative Pool parties Cucamonga Valley Water District (CVWD), the City of Pomona, Monte Vista Water District (MVWD), Jurupa Community

Services District (JCSD), the City of Chino, and the City of Ontario filed an Ex Parte Application which granted the parties a hearing on December 5th.

- ***Six Basins*** – Mr. Thomas stated the safe yield was set at 13,000AF and the annual assessment was set at \$24/AF. PVPA contributed \$150,000 to the Six Basins budget which helped keep the annual assessment low. The annual budget was also approved. One notable project for the upcoming year is the pump and treat in the City of Pomona near the Pomona Fairgrounds. This project will most likely qualify for grant funding.
- ***Cucamonga Basin*** – A meeting with CVWD, West End Consolidated Water Company (WECWC), and SAWCo to discuss modernizing the judgment is scheduled for December 4th. SAWCo recently offered to CVWD 1AF of water from Chino Basin for 2AF of water from Cucamonga Basin. Mr. Lee will update the Board on whether or not the offer was taken.

8. Closed session: – None.

9. Committee's Comments and Future Agenda Items: Ms. Layton advised of some personnel changes at JCSD, IEUA, CVWD, and Chino Basin Water Conservation District.

Adjournment: – The meeting was adjourned at 3:22 p.m. Motion carried.

Assistant Secretary
Brian Lee



San Antonio Water Company, CA

Item 4E
Balance Sheet
Account Summary
 As Of 02/28/2019

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	991,775.07
10-00-00-10300-00000	Savings-Money Market	1,596,197.24
10-00-00-10400-00000	Savings-CD Accounts	20,000.00
10-00-00-10415-00000	D&O Checking Account	469,543.70
10-00-00-10438-00000	Depre/Obsolescene Res (LAIF)	2,937,073.74
	Total BalSubCategory 10 - Cash:	6,014,839.75
BalSubCategory: 11 - Accounts Receivable		
10-00-00-11100-00000	Accounts Receivable-Domestic	86,949.93
10-00-00-11200-00000	Accounts Receivable-Municipal	156,545.53
10-00-00-11250-00000	Accounts Receivable-Misc.	8,435.36
10-00-00-11260-00000	Accounts Receivable - Dormant	7,983.06
10-00-00-11275-00000	Contra Accounts Receivable - Unapplied Cre	-13,155.14
10-00-00-11300-00000	Accounts Receivable-Other	30,141.69
	Total BalSubCategory 11 - Accounts Receivable:	276,900.43
BalSubCategory: 12 - Inventory		
10-00-00-12100-00000	Inventories-Materials & Supply	90,096.40
	Total BalSubCategory 12 - Inventory:	90,096.40
BalSubCategory: 13 - Prepaid		
10-00-00-13100-00000	Prepaid Insurance	8,868.75
10-00-00-13105-00000	PREPAID POSTAGE	369.00
	Total BalSubCategory 13 - Prepaid:	9,237.75
BalSubCategory: 14 - Investments		
10-00-00-14150-00000	P.V.P.A. Investment	1.00
10-00-00-14151-00000	457B Plan Investment	182.78
	Total BalSubCategory 14 - Investments:	183.78
BalSubCategory: 15 - Property, Plant, & Equipment		
10-00-00-15100-00000	Land & Water Rights	924,864.03
10-00-00-15110-1507J	Work in Progress "Proj J"	41,133.01
10-00-00-15110-1601N	Work in Progress	24,362.61
10-00-00-15110-1602U	Work in Progress	173,941.90
10-00-00-15110-1701A	Work in Progress	75,109.07
10-00-00-15110-1801B	Work in Progress	345,995.62
10-00-00-15110-1802E	Work in Progress	78,286.96
10-00-00-15110-1803H	Work In Progress	67,256.75
10-00-00-15110-1804G	Work In Progress	88,693.10
10-00-00-15110-1805F	Work In Progress	119,182.19
10-00-00-15110-1806K	Work In Progress	7,419.55
10-00-00-15110-1807P	Work In Progress	26,503.84
10-00-00-15110-1808D	Work In Progress	17,809.60
10-00-00-15150-00000	Buildings & Site Improvements	1,746,624.52
10-00-00-15200-00000	Wells-Shafts, Bldgs, & Equip	4,877,875.22
10-00-00-15250-00000	Boosters-Bldgs & Equip	2,181,280.63
10-00-00-15300-00000	Reservoirs	1,644,764.98
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	15,613,893.22
10-00-00-15500-00000	Autos & Equipment	484,595.87
10-00-00-15550-00000	Tools	76,492.47

Balance Sheet

As Of 02/28/2019

Account	Name	Balance	
10-00-00-15600-00000	Telemetry System	482,714.06	
10-00-00-15650-00000	Office Equipment	496,625.90	
10-00-00-15990-00000	Accumulated Depreciation	-11,991,293.28	
	Total BalSubCategory 15 - Property, Plant, & Equipment:	19,296,337.72	
BalSubCategory: 16 - Other Assets			
10-00-00-16100-00000	Documents & Studies	867,778.67	
10-00-00-16990-00000	Accumulated Amortization	-583,789.72	
	Total BalSubCategory 16 - Other Assets:	283,988.95	
	Total Assets:	25,971,584.78	<u>25,971,584.78</u>

Liability

BalSubCategory: 13 - Prepaid			
10-00-00-20650-00000	Deferred Revenue Deposit	6,432.00	
	Total BalSubCategory 13 - Prepaid:	6,432.00	
BalSubCategory: 20 - Short-term less than 1 year			
10-00-00-20100-00000	Trade Accounts Payable	35,861.15	
10-00-00-20115-00000	D&O Trade Accounts Payable	11,101.35	
10-00-00-20261-00000	Section 125 - Dental	0.16	
10-00-00-20262-00000	Section 125 - Vision	0.22	
10-00-00-20263-00000	Section 125 - Medical	0.08	
10-00-00-20410-00000	State Franchise Tax Payable	2,430.00	
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:	95,466.13	
BalSubCategory: 21 - Long-term more than 1 year			
10-00-00-20152-00000	457B Deferred Comp Liability	5,711.54	
10-00-00-21500-00000	Unclaimed Credits	408,013.25	
	Total BalSubCategory 21 - Long-term more than 1 year:	413,724.79	
	Total Liability:	515,622.92	

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	2,426,040.00	
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	3,529,386.35	
10-00-00-30410-00000	Retained Earnings-Unrestricted	18,439,411.18	
	Total BalSubCategory 30 - Stockholder equity:	25,480,995.55	
	Total Beginning Equity:	25,480,995.55	
Total Revenue		490,953.80	
Total Expense		515,987.49	
Revenues Over/Under Expenses		-25,033.69	
	Total Equity and Current Surplus (Deficit):	25,455,961.86	
	Total Liabilities, Equity and Current Surplus (Deficit):		<u>25,971,584.78</u>



San Antonio Water Company, CA

Income Statement

Group Summary

For Fiscal: 2019 Period Ending: 02/28/2019

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)	340,000.00	340,000.00	17,790.29	17,807.91	322,192.09
1215 - Domestic Water Income (Supplemental)	246,000.00	246,000.00	10,773.50	10,773.50	235,226.50
1220 - Domestic Water Income (Tier 3)	206,000.00	206,000.00	19,213.27	18,939.56	187,060.44
1230 - Domestic Water Income (Readi/Chrg)	200,000.00	200,000.00	33,230.33	33,265.33	166,734.67
1235 - Domestic Water Availability Charge (WAC)	60,000.00	60,000.00	9,993.27	9,999.27	50,000.73
1245 - Municipal Water Income (Base)	2,500,000.00	2,500,000.00	110,183.53	238,801.72	2,261,198.28
1268 - Municipal Water Income (Readi/Chrg)	80,000.00	80,000.00	6,650.00	13,300.00	66,700.00
1274 - Misc Water Income (Base)	189,000.00	189,000.00	4,575.22	9,736.83	179,263.17
1275 - Misc Water Income (Supplemental)	174,000.00	174,000.00	0.00	5,358.92	168,641.08
1276 - Munnicipal Water Availability Charge (WAC)	477,000.00	477,000.00	39,712.00	79,422.00	397,578.00
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	1,860.00	3,720.00	19,280.00
1290 - Misc Water Availability Charge (WAC)	23,000.00	23,000.00	1,922.00	3,844.00	19,156.00
1295 - Dormant Water Availability Charge (WAC)	54,000.00	54,000.00	8,882.06	8,874.06	45,125.94
1400 - Stock Transfer	5,000.00	5,000.00	150.00	360.00	4,640.00
1410 - Late/Re-establishment Fee	5,000.00	5,000.00	1,125.00	1,125.00	3,875.00
1420 - Return Check Fee	0.00	0.00	25.00	50.00	-50.00
1430 - Stock Certificate Storage and Handling Fee	0.00	0.00	20.00	20.00	-20.00
SubCategory: 40 - Shareholder Revenue Total:	4,597,000.00	4,597,000.00	266,105.47	455,398.10	4,141,601.90
SubCategory: 42 - Non-Shareholder Revenue					
1725 - Misc. Income	1,000.00	1,000.00	0.00	447.34	552.66
1728 - Plans & Spec Fee	2,000.00	2,000.00	0.00	0.00	2,000.00
1750 - Service/Litigation Agreements	1,000.00	1,000.00	54.38	110.12	889.88
1753 - Ground Lease Income	52,000.00	52,000.00	6,315.84	13,273.68	38,726.32
1755 - Interest Earned	48,000.00	48,000.00	310.46	21,724.56	26,275.44
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:	448,000.00	448,000.00	6,680.68	35,555.70	412,444.30
Category: 4 - Income Total:	5,045,000.00	5,045,000.00	272,786.15	490,953.80	4,554,046.20
Category: 5 - O & M Expense					
SubCategory: 50 - Operating Facilities					
2175 - Facility Related Field Labor	228,000.00	228,000.00	17,059.97	32,070.07	195,929.93
2235 - Repairs to Facilities and Equipment	393,000.00	393,000.00	3,380.44	53,929.02	339,070.98
2265 - Power-Gas & Electric (utilities)	725,000.00	725,000.00	568.39	20,068.05	704,931.95
SubCategory: 50 - Operating Facilities Total:	1,346,000.00	1,346,000.00	21,008.80	106,067.14	1,239,932.86
SubCategory: 51 - Operating Activities					
2475 - Customer Service	85,000.00	85,000.00	3,122.87	7,788.29	77,211.71
2498 - Conservation	45,000.00	45,000.00	184.05	854.58	44,145.42
SubCategory: 51 - Operating Activities Total:	130,000.00	130,000.00	3,306.92	8,642.87	121,357.13
SubCategory: 52 - Other Operating Expense					
2205 - Non-Facility Related Labor	87,000.00	87,000.00	7,806.05	9,374.14	77,625.86
2210 - O & M - All Other	2,000.00	2,000.00	0.00	0.00	2,000.00
2295 - Supplies (Inventory & Tools Expense)	10,000.00	10,000.00	170.73	1,970.39	8,029.61
2565 - Depreciation/Amortization	822,000.00	822,000.00	75,503.74	149,555.70	672,444.30
2715 - Property Taxes	247,000.00	247,000.00	0.00	0.00	247,000.00
2805 - Water Resource Mgmt.	300,000.00	300,000.00	1,580.33	22,445.59	277,554.41
SubCategory: 52 - Other Operating Expense Total:	1,468,000.00	1,468,000.00	85,060.85	183,345.82	1,284,654.18
Category: 5 - O & M Expense Total:	2,944,000.00	2,944,000.00	109,376.57	298,055.83	2,645,944.17

Income Statement

For Fiscal: 2019 Period Ending: 02/28/2019

IncomeStatement	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Category: 6 - G & A Expense					
SubCategory: 60 - Personnel					
2115 - Administrative Services	223,000.00	223,000.00	20,965.00	40,095.44	182,904.56
2130 - Development/Water Svc. App.	2,000.00	2,000.00	0.00	0.00	2,000.00
2325 - Payroll Taxes	70,000.00	70,000.00	6,279.02	13,219.30	56,780.70
2355 - Worker's Compensation Insurance	18,000.00	18,000.00	0.00	1,702.00	16,298.00
2385 - Benefit Pay (Vac., sick, etc.)	143,000.00	143,000.00	13,069.33	31,245.66	111,754.34
2415 - Benefit Insurance (Pension,Life,Medical,Vision etc	223,000.00	223,000.00	23,002.91	40,348.08	182,651.92
2430 - Benefit Administrative Services	2,000.00	2,000.00	0.00	0.00	2,000.00
SubCategory: 60 - Personnel Total:	681,000.00	681,000.00	63,316.26	126,610.48	554,389.52
SubCategory: 61 - Other					
2445 - Office/IT Support	62,000.00	62,000.00	3,925.91	11,221.79	50,778.21
2505 - Directors Fees & Expense	35,000.00	35,000.00	2,520.46	4,080.22	30,919.78
2535 - Liability Insurance	32,000.00	32,000.00	0.00	0.00	32,000.00
2595 - Communication	92,000.00	92,000.00	2,121.26	15,695.35	76,304.65
2625 - Dues & Publications	4,000.00	4,000.00	400.00	1,109.00	2,891.00
2655 - Outside Services	81,000.00	81,000.00	417.30	557.37	80,442.63
2745 - Income Tax Expense	8,000.00	8,000.00	0.00	0.00	8,000.00
2775 - Accounting	59,000.00	59,000.00	21,776.96	37,235.61	21,764.39
2776 - Legal	242,000.00	242,000.00	6,913.11	13,404.50	228,595.50
2790 - Human Resources Expense	39,000.00	39,000.00	2,227.89	5,355.94	33,644.06
2865 - All other	40,000.00	40,000.00	1,332.39	2,661.40	37,338.60
SubCategory: 61 - Other Total:	694,000.00	694,000.00	41,635.28	91,321.18	602,678.82
Category: 6 - G & A Expense Total:	1,375,000.00	1,375,000.00	104,951.54	217,931.66	1,157,068.34
Total Surplus (Deficit):	726,000.00	726,000.00	58,458.04	-25,033.69	

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
10 - 10	726,000.00	726,000.00	58,458.04	-25,033.69	751,033.69
Total Surplus (Deficit):	726,000.00	726,000.00	58,458.04	-25,033.69	

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	*Accumulated Yearly Service Fees	Accumulated Yearly Interest Earnings
			(A.P.Y.)	as of 02/28/2019	thru February	thru February
Citizens Business Bank (CBB)	*Checking	N/A	No Interest	991,775.07	-	N/A
Citizens Business Bank (CBB)	*D&O Checking	N/A	No Interest	469,543.70		N/A
Citizens Business Bank	Pref. Money Mrkt	N/A	0.25%	1,596,197.24		642.46
Local Agency Investment Fund	LAIF	N/A	1.66%	2,937,073.74		21,068.52
Golden State Business Bank	12 Month C.D.	April 15,2019	0.40%	20,000.00		13.58
TOTAL:				\$ 6,014,589.75		
TOTAL IN CD'S:				\$ 20,000.00		

A. Water Supply for 2019

- Annual entitlement for CY2019 is 12,000 AF
- Cumulative yearly production through March was 3,030 AF
- Cumulative yearly consumption through March was 1,589 AF
- Cumulative yearly spread through March was 1,943 AF
- Cumulative unaccounted water through March was 73 AF

Six Basins Production for 2019

- Annual production right is 932.10 AF.
- Cumulative production through March was 237 AF.
- Production is sent to the WFA treatment facility to meet City of Ontario and MVWD entitlement.
- The Company has spread a total of 335 AF through March.

Cucamonga Basin Production for 2019

- Annual production right is 6,060 AF.
- Cumulative production through March was 624 AF.
- The Company has spread a total of 1,290 AF through March.

Chino Basin Production for 2019

- Annual production right is 1,232 AF.
- Cumulative production through March was 3.22 AF.
- The Company has spread a total of 303 AF through March.

Surface Water (San Antonio Creek) flow for 2019

Total flow through March was 1,988 AF.

San Antonio Tunnel flow for 2019

Tunnel flow through March was 653 AF.

B. Company Stock

There are no shares of water stock moving from dormant to active this transfer period. One and one-half share is moving from active to dormant.

C. Communication and Information Activities

GM attended meetings:

- 3/27 - Six Basins Educational Workshop
- 4/9 – Tour of Microvi facility under construction for CVWD
- 4/11 Lunch with Van Jew from MVWD

Staff is communicating on our new “Facebook” page with 176 friends liking our page. Communication is posted regularly. Staff currently merging the two Facebook pages.

D. Administration Matters

E. Groundwater Basin Matters

Chino Basin

Safe Yield Court & Appeal -

There was a court hearing held on March 15th and the issues before the court were resolved. Time will tell if any further disputes will come about since Watermaster is in the process of recalculating the Safe Yield again.

Watermaster's 41st Annual Report was filed and received through the Pool process.

Six Basins

Regular Board Meeting held on March 27, 2019.

Cucamonga Basin

The working group met on April 2nd.

- Shared costs for projects
 - Memorandum of Understanding was complicated through legal review – CVWD trying to simplify and bring back to the group
 - Cucamonga Valley Water District – committed \$60K to budget and were billed for their share of desilting basin 6
 - West End Consolidated Water Company has given us the go ahead to invoice their share of the costs.
 - Continuing to review and modernize the judgement.
- Will schedule brainstorm session in future for the possibility of partnering on groundwater remediation facilities

Next scheduled meeting is May 7, 2019.

F. Monitoring of Assembly Bills Affecting the Water Company

- In his inaugural address and subsequent budget proposal, Governor Newsom expressed interest in a State wide 'water tax' that would fund infrastructure in impoverished areas impacted by contaminated water sources or a lack of water sources. As currently understood, the State proposes to enforce a monthly 'per meter' tax on each water utility. How that tax is passed on to actual customers has not been addressed, specifically regarding Prop 218. There is opposition to the proposal, and nothing has been finalized yet. Staff assumes this concept is similar to SB845 (Monning) titled, "The Safe and Affordable Drinking Water Fund" that died in committee last year. Additional details remain are scarce at the moment. Staff will continue to watch and update as this concept progresses.

1. AB 1668 and SB 606 - "Statewide Water Saving Mandates"

AB1668 was approved by the Governor on May 31, 2018 – Establishes an immediate Statewide standard of 55 gallons per capita daily for indoor residential water use, eventually reducing to 50 gpcd by January 1, 2030. By October 1, 2021

the State Water Resources Control Board will adopt long-term standards for the efficient use of water.

In February of 2019 residential customers used 17 AF. Assuming 30% irrigation occurred in February (personal experience of a 3-person household with smart irrigation controller installed), 11.90 AF represents total indoor water use. Extrapolating out over 12 months and a population of 3,371 (2010 census) provides an average of 41.1 gpcd.

SB606 was approved by the Governor on May 31, 2018. – Requires the Company to calculate an ‘urban water use objective’ no later than November 1, 2023 and every November thereafter. An urban water use objective is an estimate of aggregate efficient water use for the previous year based on adopted water use efficiency standards and local service area characteristics for that year. Additionally, the Company’s Urban Water Management Plan will be required to incorporate a water shortage contingency plan.

Staff continues to assess the impact of these two approved Bills and will update as new information becomes available.

2. AB3057 – California Water Not-For-Profit Tax Rules for Mutual Water Companies
Proposed amendment to the California Revenue and Taxation Code to conform to federal income tax law by exempting not-for-profit mutual water, mutual ditch, or Irrigation corporations from California income taxes and franchise fees beginning on or after January 1, 2018. Ab3057 currently listed as ‘In Committee: Held under submission’
3. SB 998 (Dodd) - SB 998 was approved by the Governor on Sept 28, 2018. This bill requires the Company to have a written policy on discontinuation of water service to certain types of residences for nonpayment available in; English, Spanish, Chinese, Tagalog, Vietnamese and Korean. The bill requires the policy to include certain components, be available on the Company’s web site, and be provided to customers in writing, upon request. The bill provides for enforcement of these provisions, including making a violation of these provisions punishable by a civil penalty issued in an amount not to exceed \$1,000 for each day in which the violation occurs. The bill prohibits the Company from discontinuing residential service for nonpayment until a payment by a customer has been delinquent for at least 60 days. The bill requires the Company to contact the customer named on the account and provide the customer with the Company’s policy on discontinuation of residential service for nonpayment no less than 7 business days before discontinuation of residential service.

This bill prohibits residential service from being discontinued under specified circumstances. The bill requires that when the Company discontinues residential service, the Company will provide the customer with information on how to restore service. The bill requires the Company to waive interest charges on delinquent bills and limits the amount of a reconnection of service fee imposed on a residential customer who demonstrates household income below 200% of the federal poverty line. The bill requires the Company to make every good faith effort to inform the residential occupants by written notice that service will be terminated and that the residential occupants have the right to become customers. The bill requires the Company to report the number of annual discontinuations of residential service for inability to pay on its web site and to the State.

The bill requires the Company to comply with the bill's provisions on and after February 1, 2020.

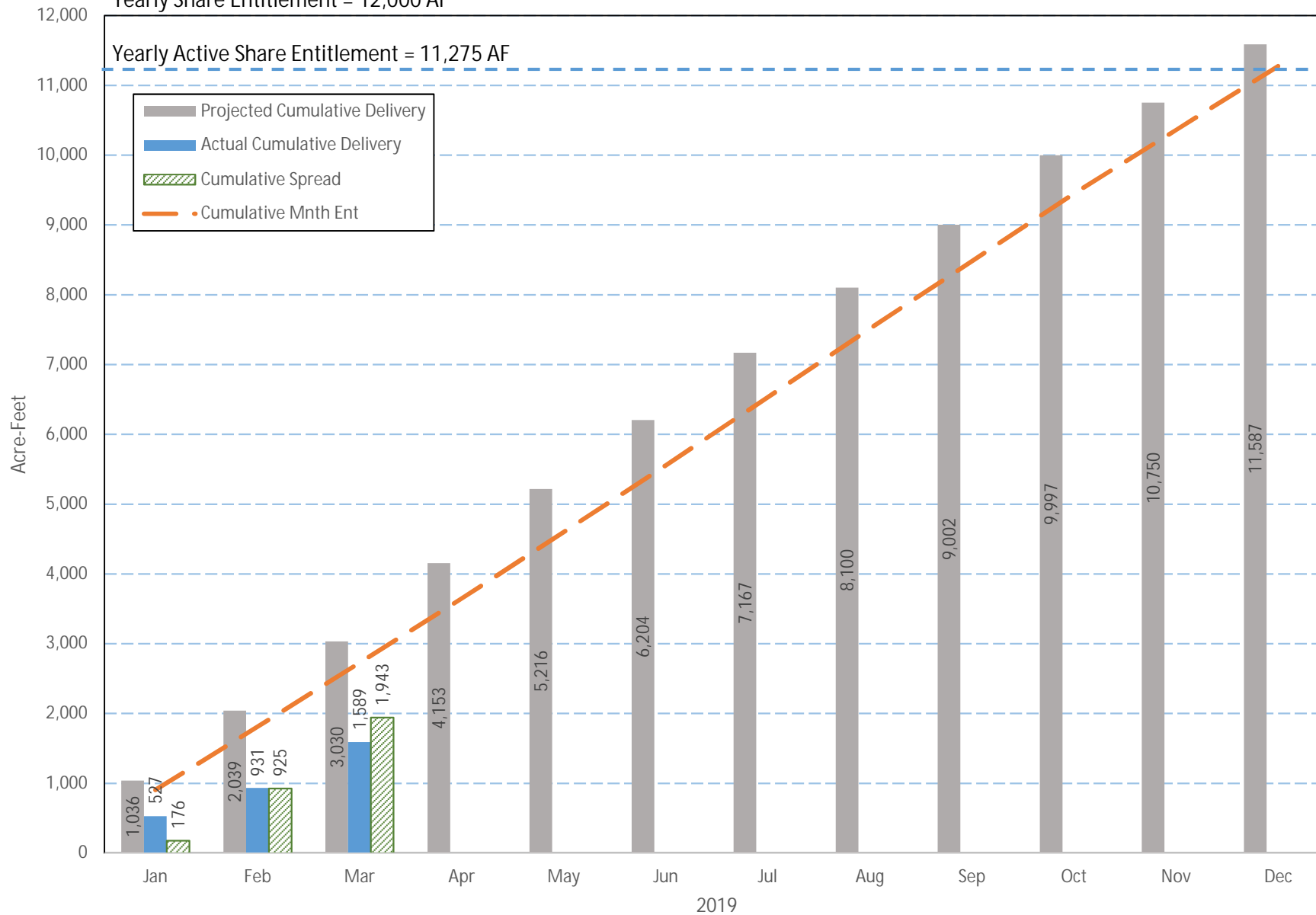
Later this year staff will be presenting for review by the Board a shut-off policy that conforms to SB998 requirements.

2019

Production and Consumption

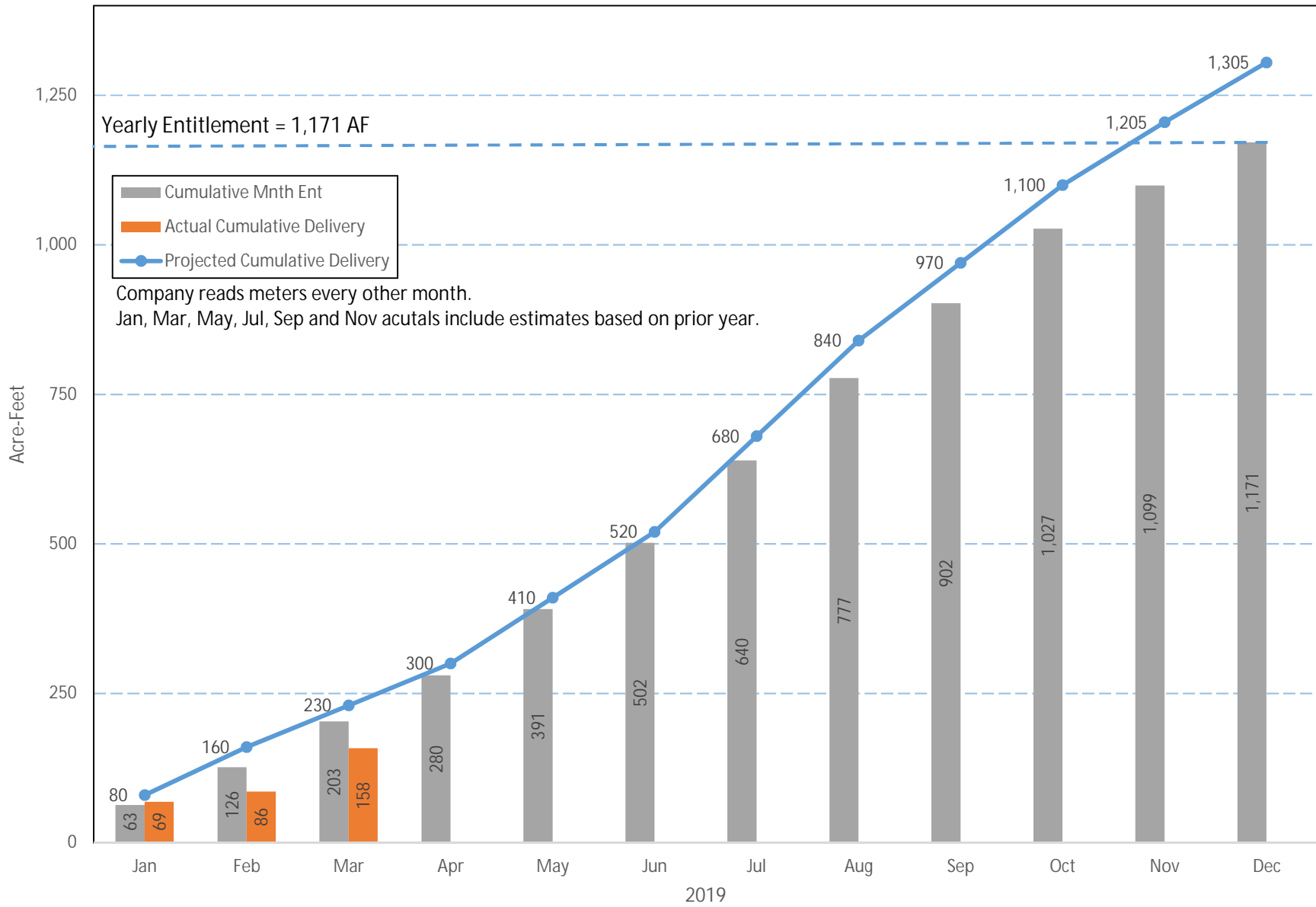
Yearly Share Entitlement = 12,000 AF

Yearly Active Share Entitlement = 11,275 AF



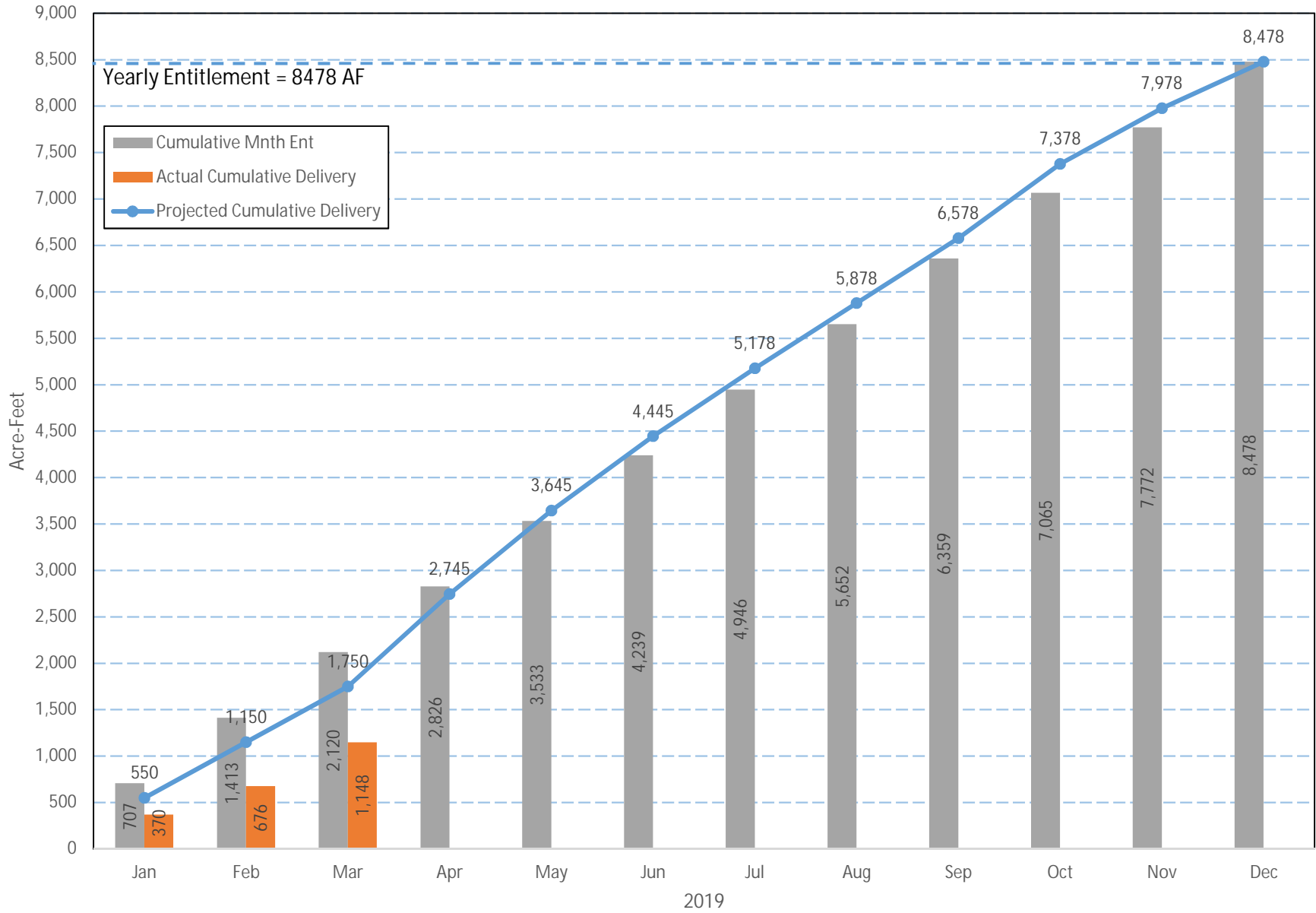
2019

Domestic Deliveries



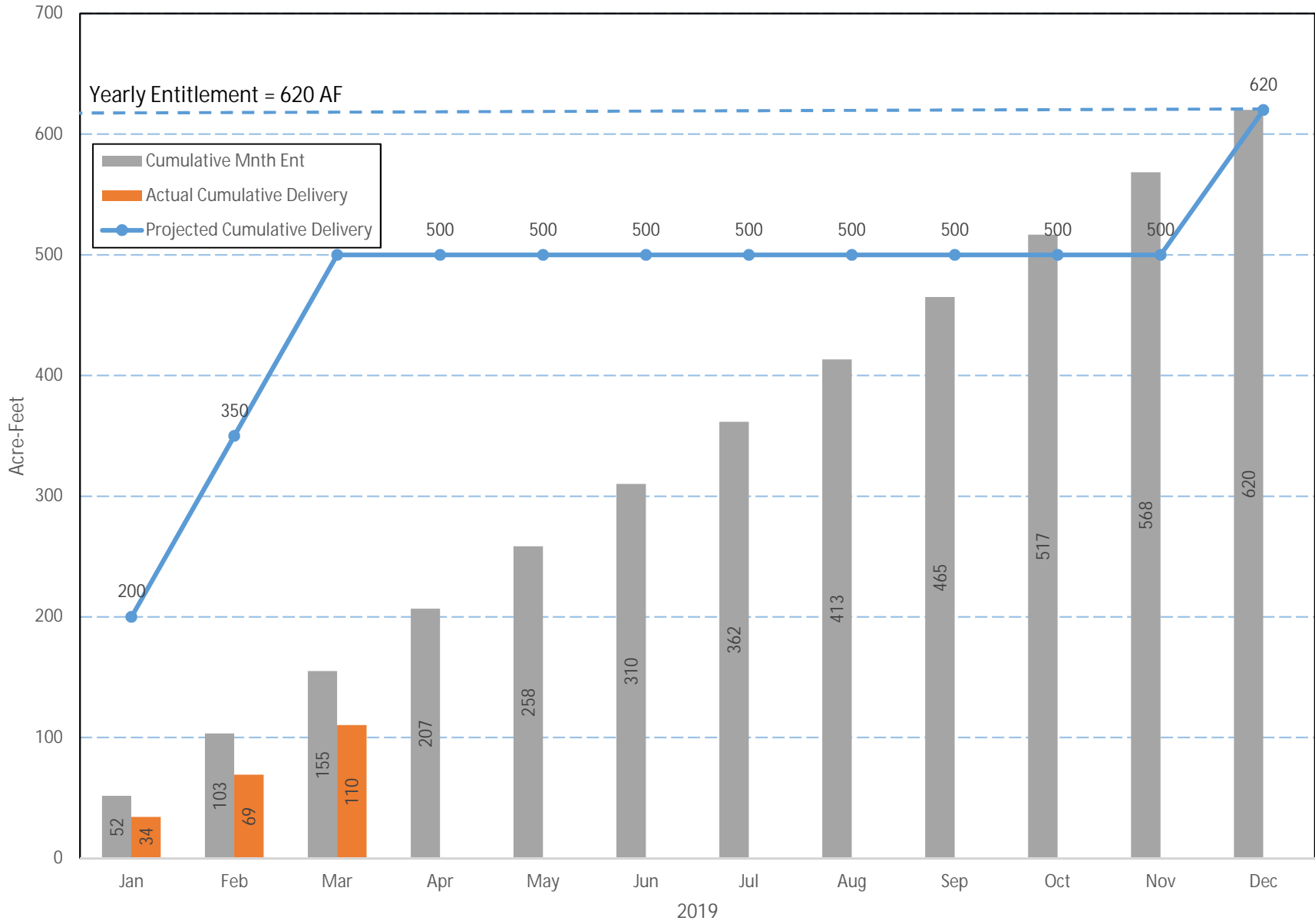
2019

City of Upland Deliveries



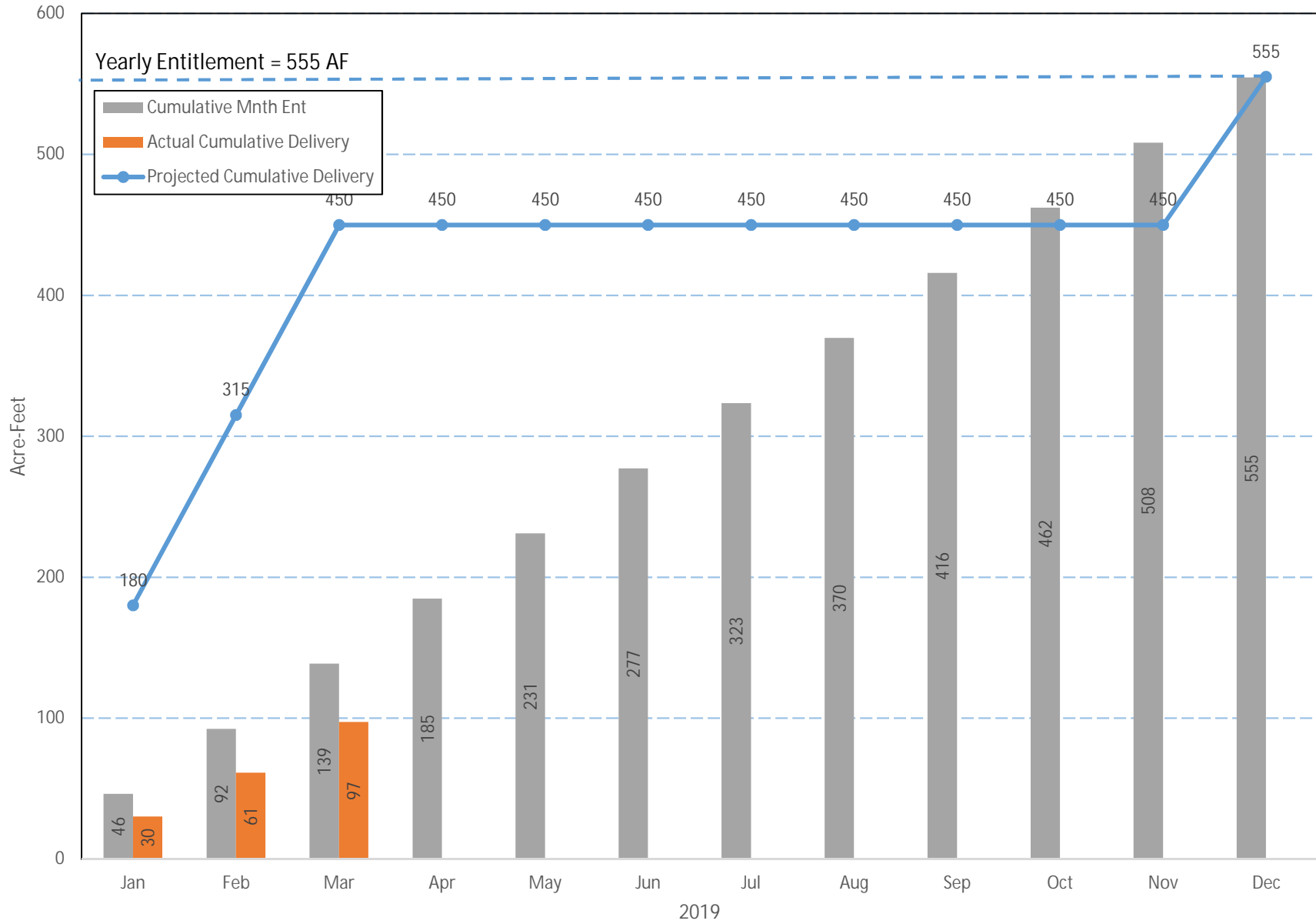
2019

Monte Vista Deliveries



2019

Ontario Deliveries

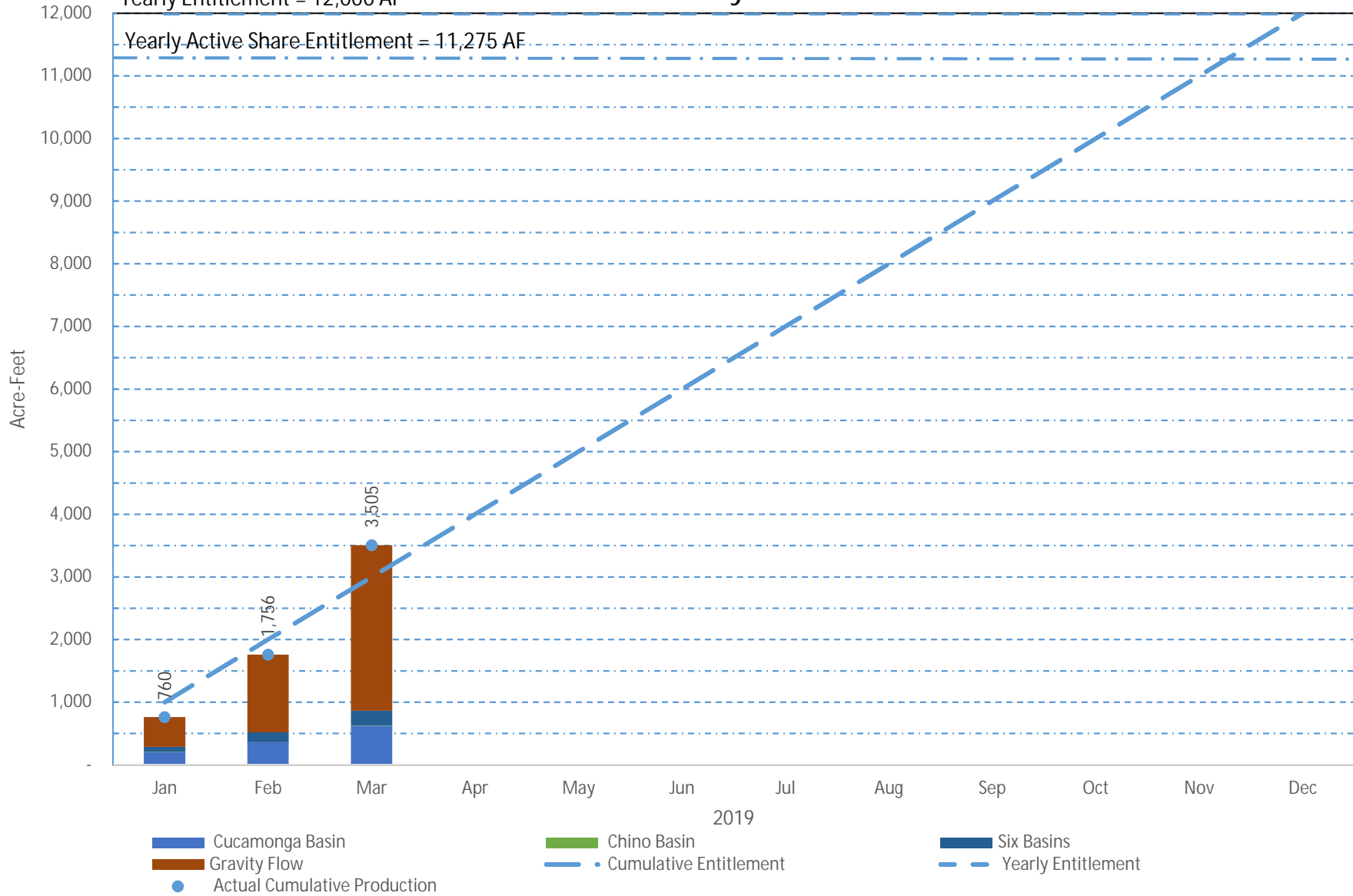


2019

2019 Yearly Production

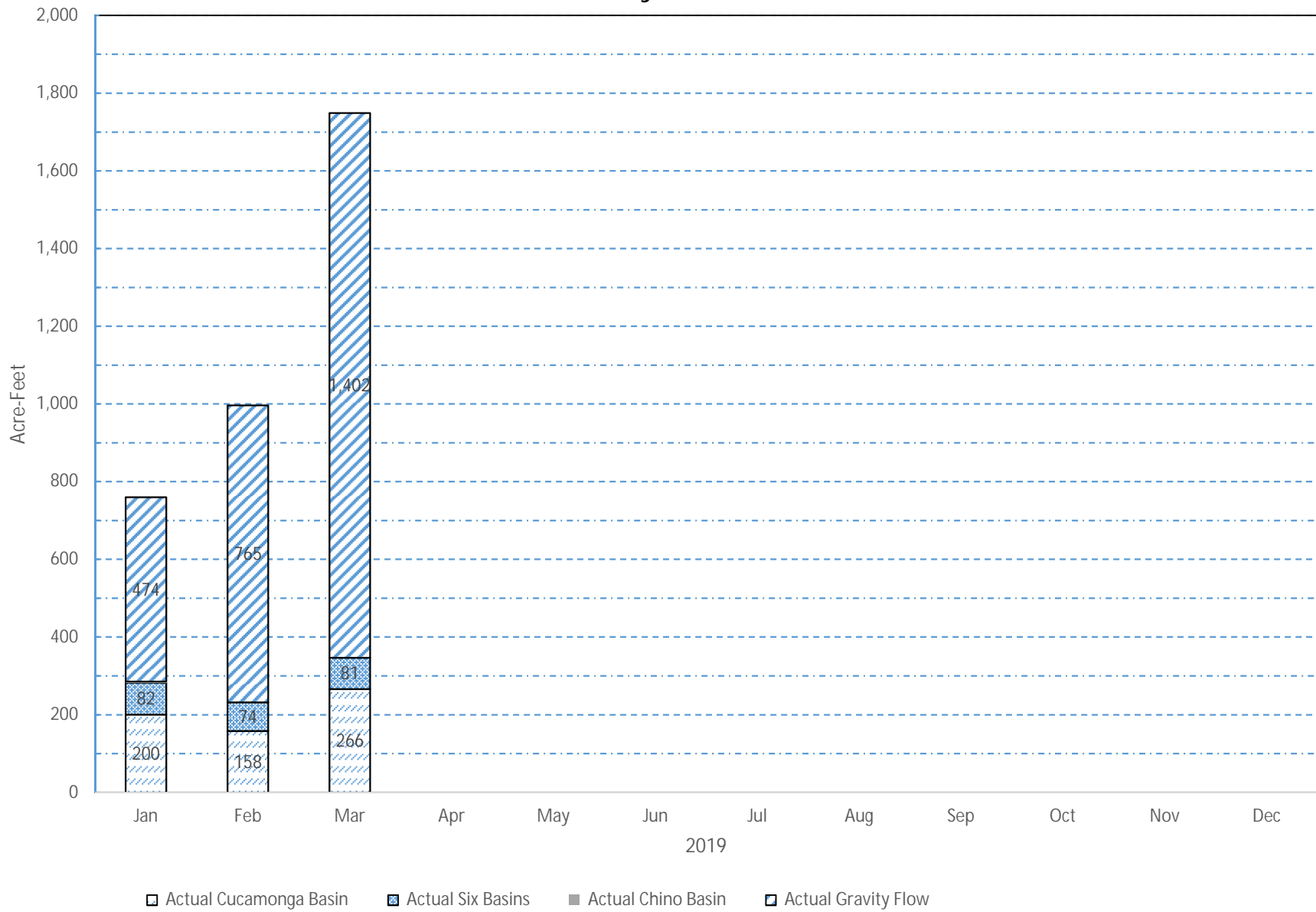
Yearly Entitlement = 12,000 AF

Yearly Active Share Entitlement = 11,275 AF



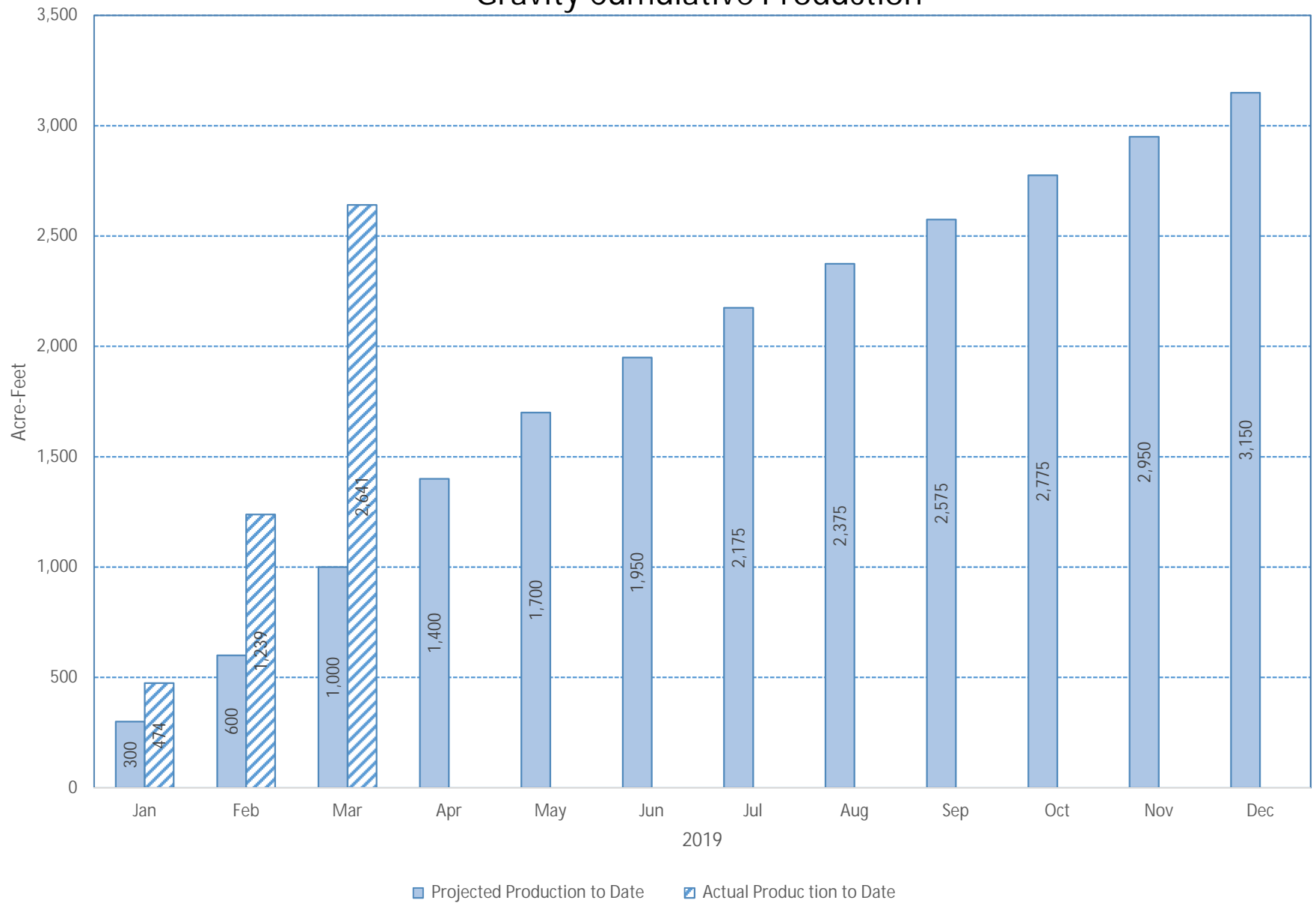
2019

Monthly Production



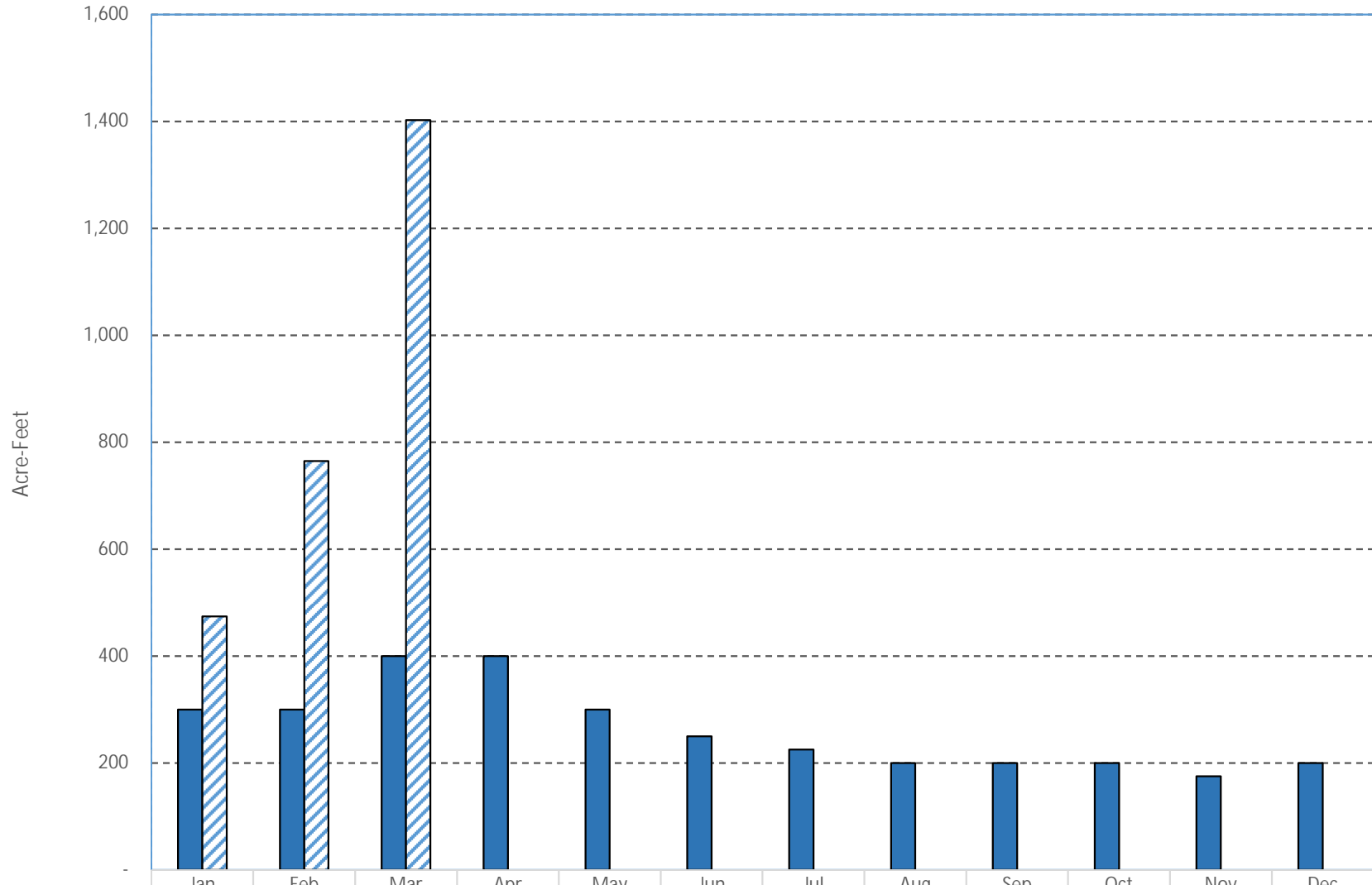
2019

Gravity Cumulative Production



2019

Gravity Monthly Production

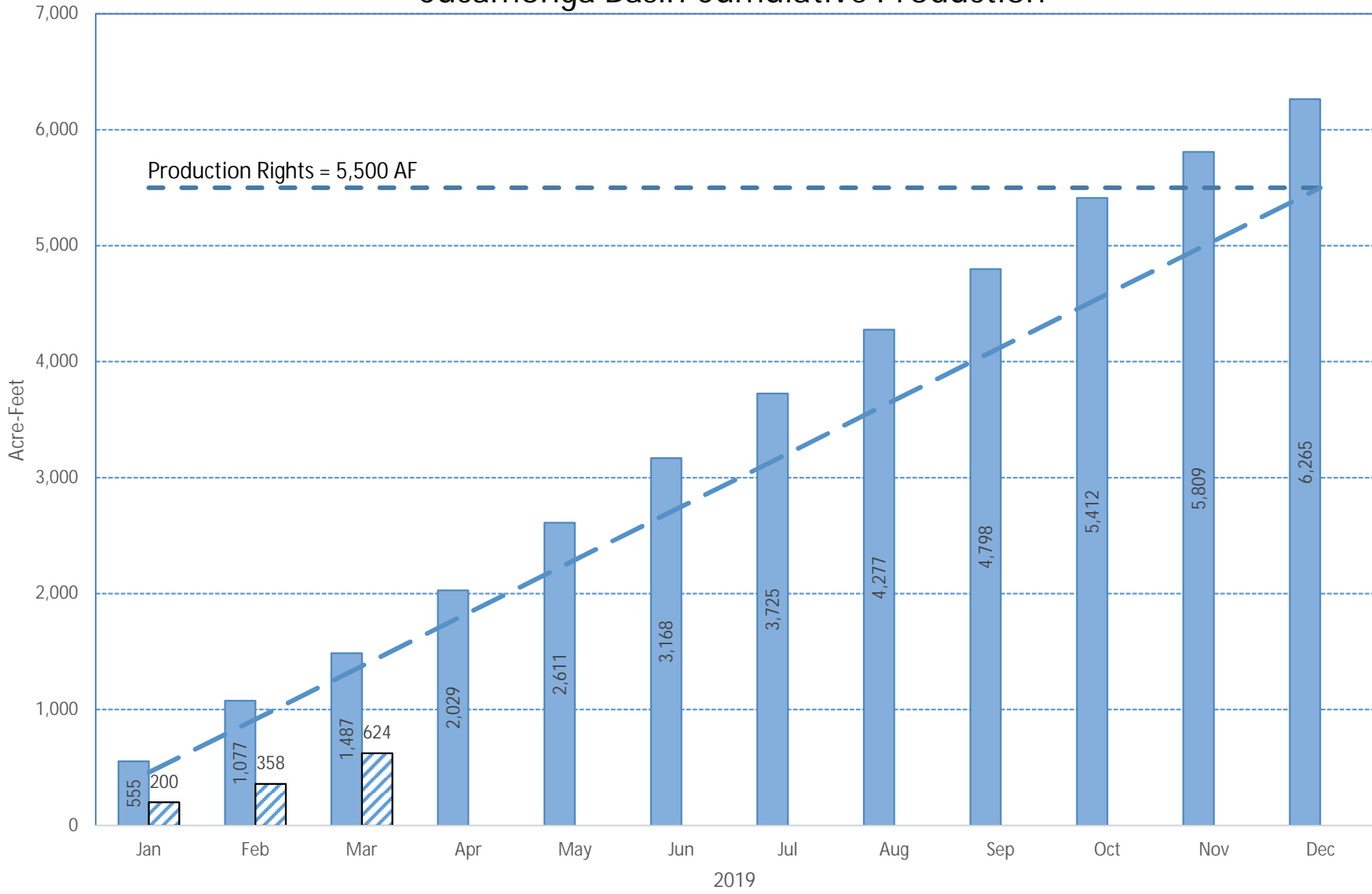


■ Projected Gravity Flow	300	300	400	400	300	250	225	200	200	200	175	200
▨ Actual Gravity Flow	474	765	1,402									

2019

2019

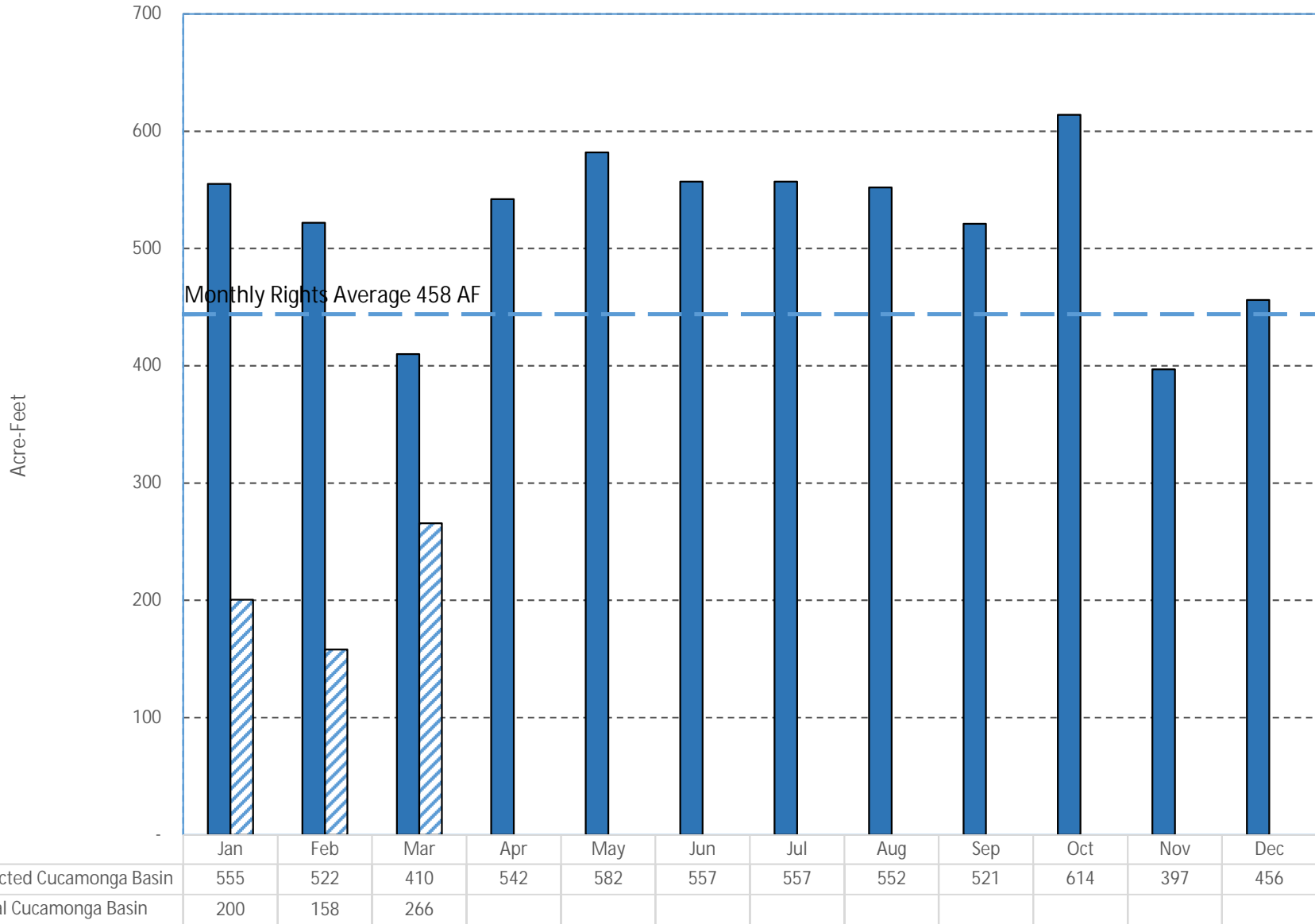
Cucamonga Basin Cumulative Production



Projected Production to Date Actual Production to Date Yearly Production Rights Cumulative Production Rights

2019

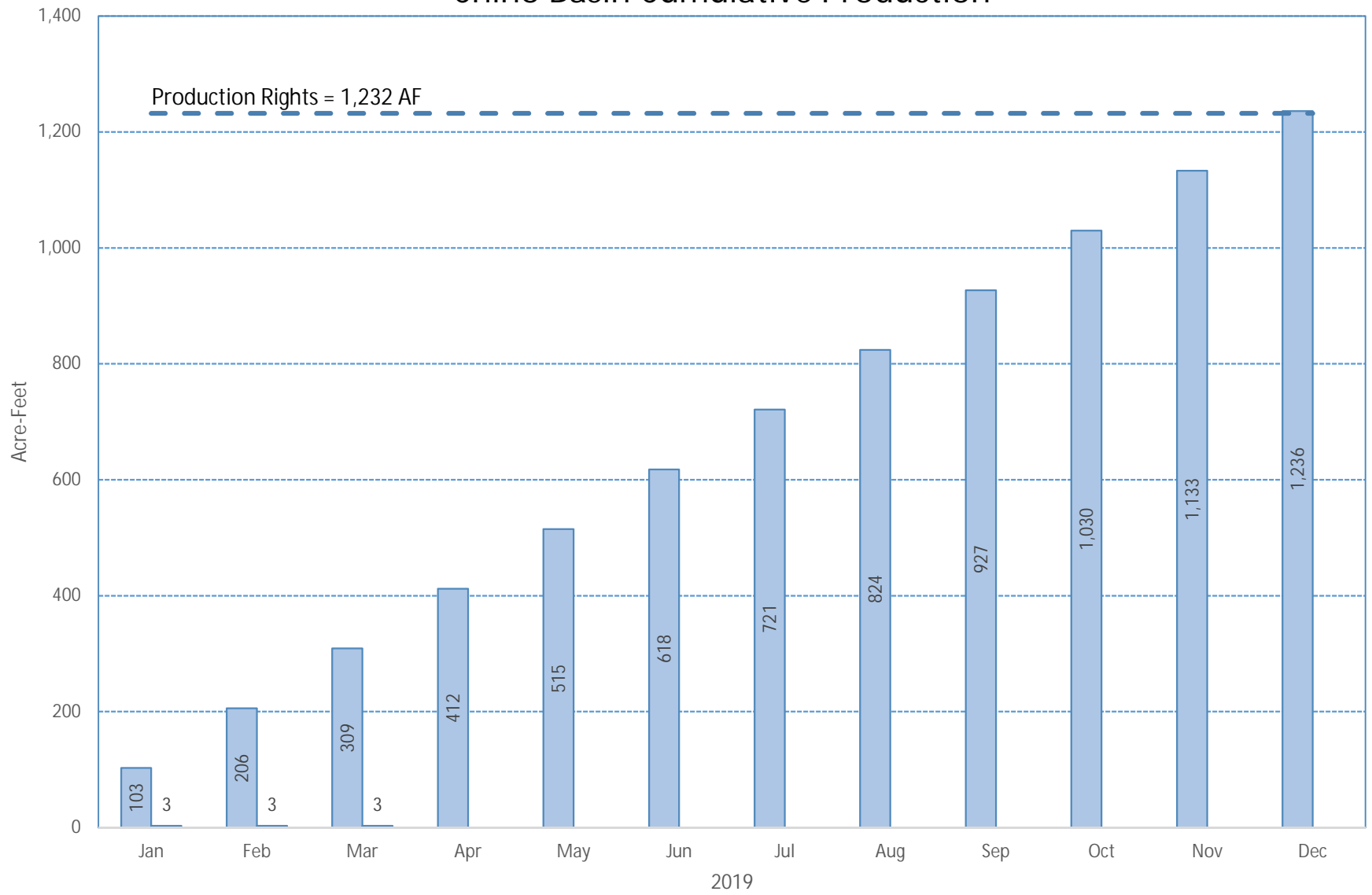
Cucamonga Basin Monthly Production



2019

2019

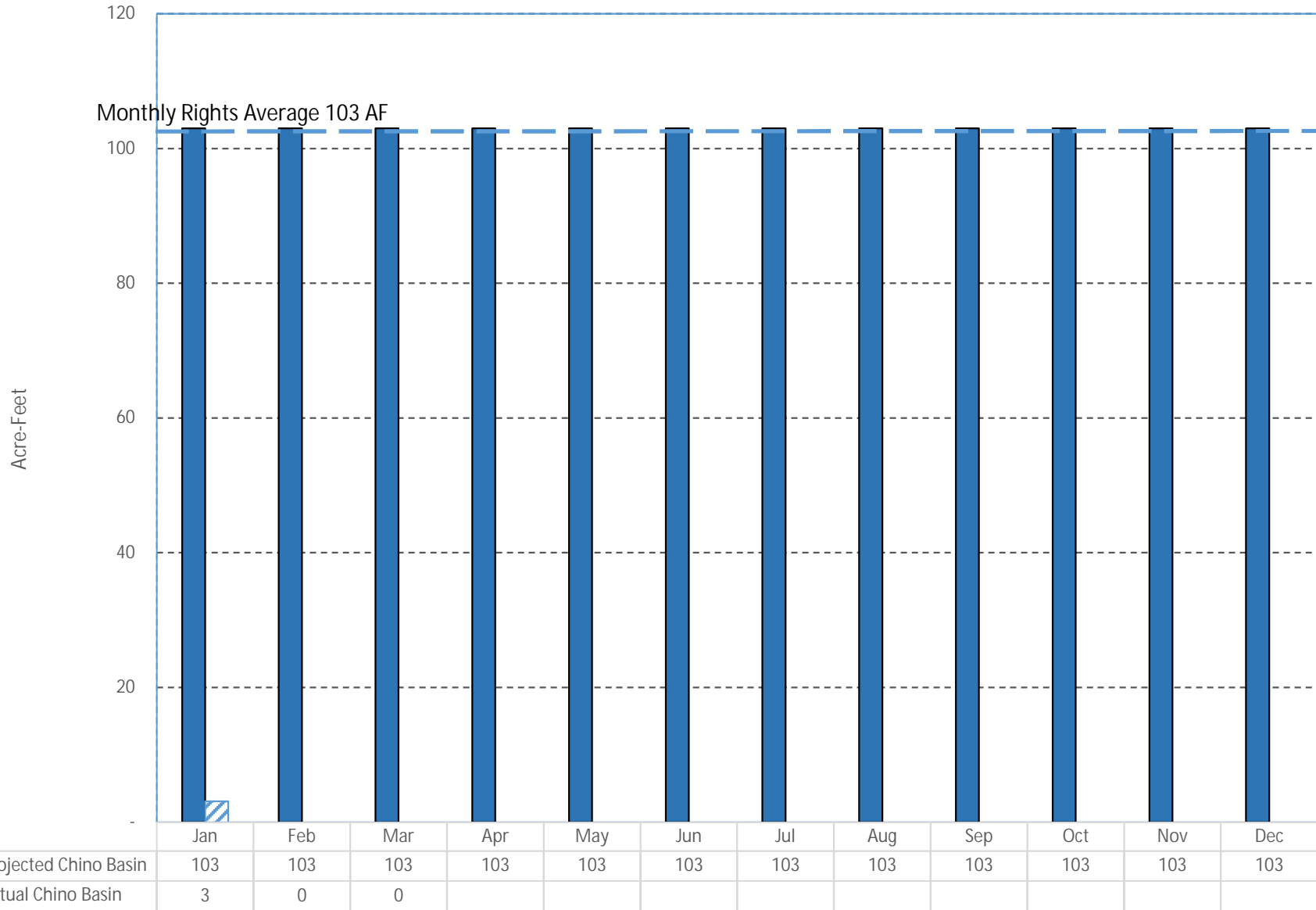
Chino Basin Cumulative Production



Projected Production to Date Actual Production to Date Yearly Production Rights

2019

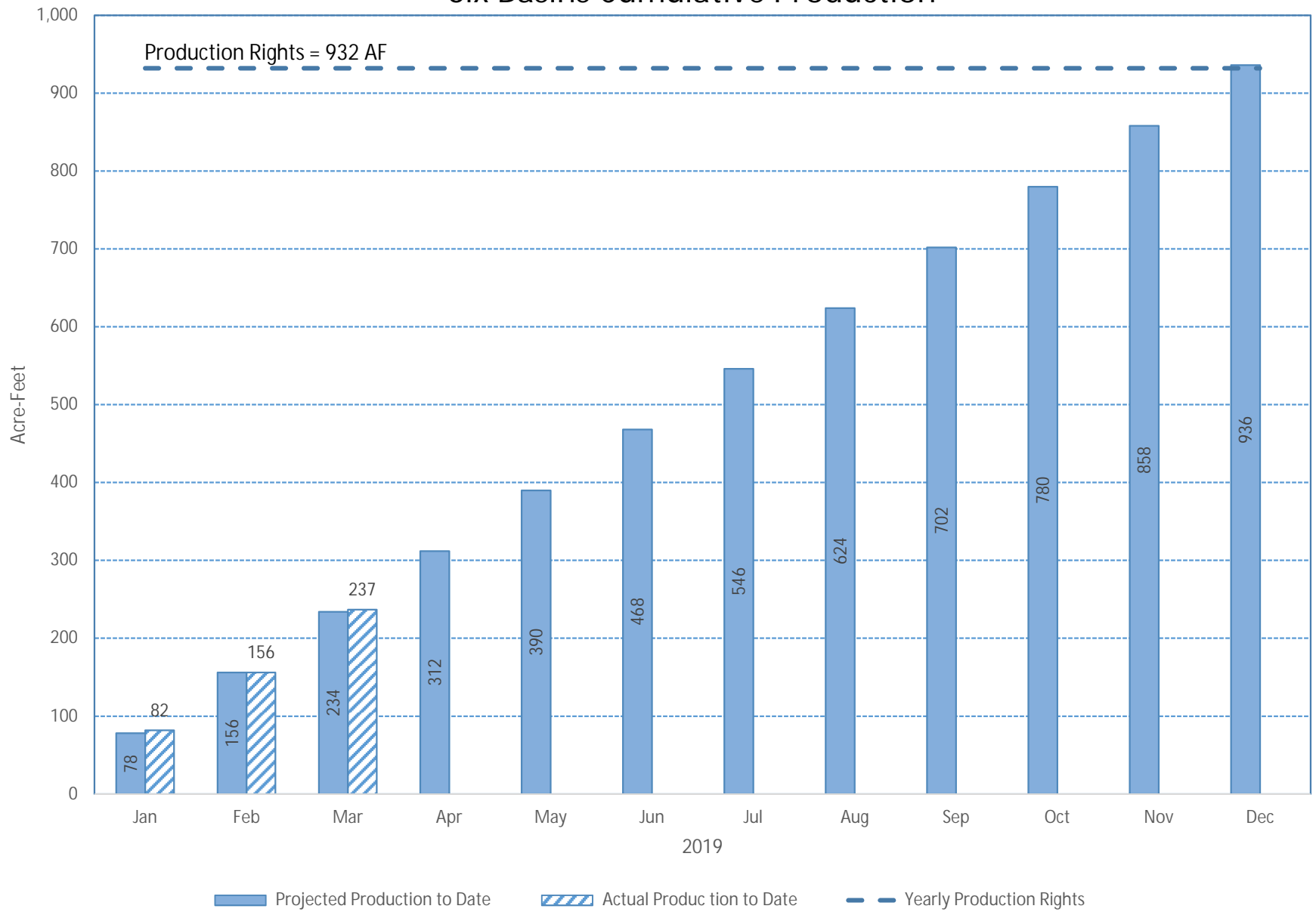
Chino Basin Monthly Production



2019

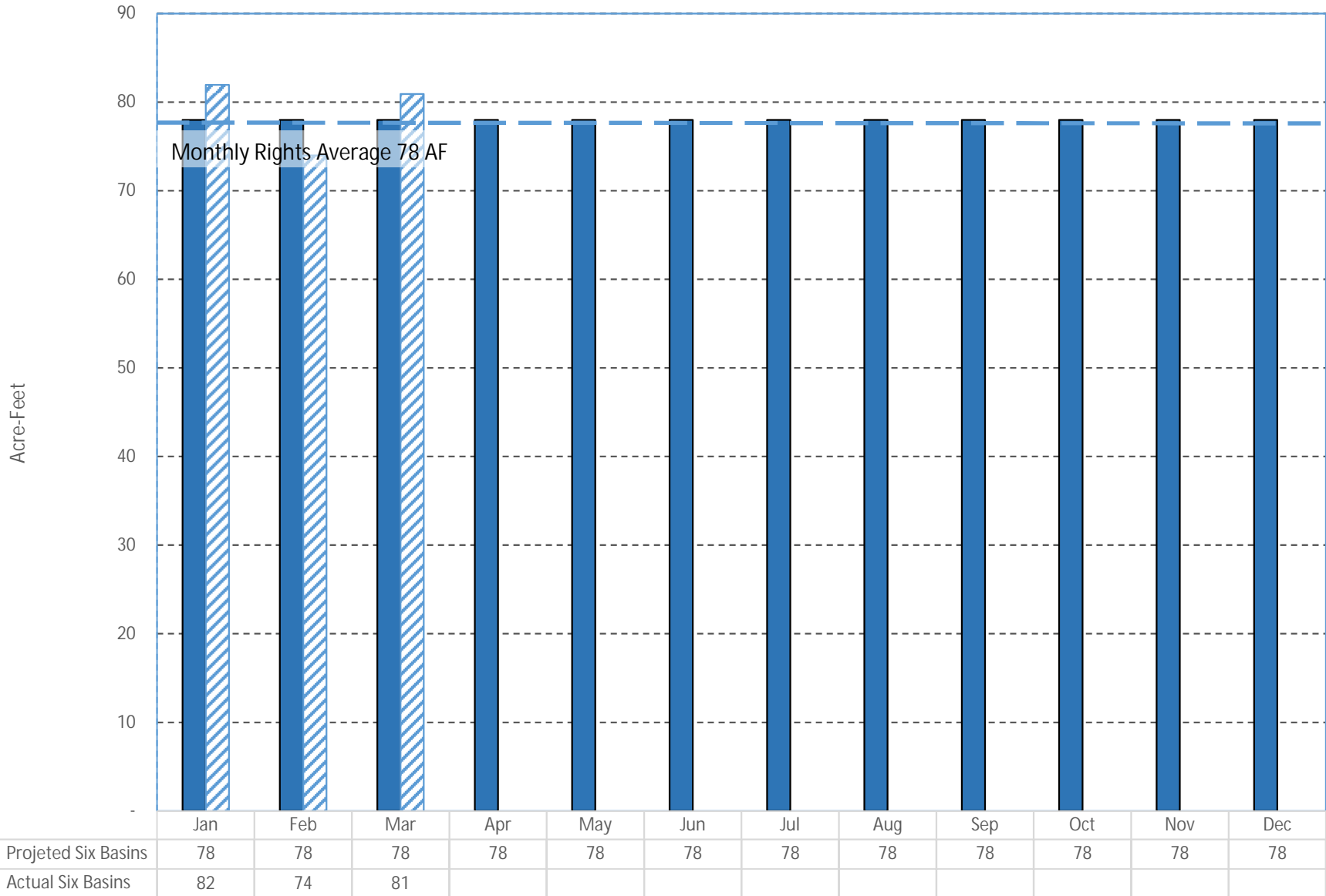
2019

Six Basins Cumulative Production



2019

Six Basins Monthly Production



2019

Project Title: Edison Box 24" Drain Valve

Construction Order:

Total Budget: \$44,000

Construction: \$44,000

Fiscal Year 2019 Budget: \$26,400 (remainder covered by City of Pomona under 60/40 split cost share.)

Schedule:

Purchase and Install Valve: Summer 2019

Project Description

Location: Edison Box



Justification: Current drain line drop gate is damaged and unable to hold back water. Water is passing under gate and discharging back to San Antonio Creek. Proposal is to purchase and install inline drain valve downstream of drop gate.

Status:

12/06/18 – BL – Bring to Board @ Budget Workshop.

12/18/18 – BL – Board approved 2019 budget, which contains this project.

Contacts

Name

Phone / email

Project Title: Edison Box 24" Drain Valve
 Construction Order:
 Approved Budget: \$ 44,000

	Estimated	Actual
Design Start Date:	6/17/2019	
Design Completion Date:	6/30/2019	
Construction Start Date:	7/1/2019	
Constuction Completion Date:	7/30/2019	
Project Close Out Date:	9/30/2019	

Budget	Firm	Contract/Budget	Invoiced/Spent to Date	Remaining
Staff	SAWCo	\$ 44,000.00	\$ -	\$ 44,000.00
			\$ -	\$ -
	TOTAL	\$ 44,000.00	\$ -	\$ 44,000.00

Total Budget: \$517,000
Construction: \$485,000

Fiscal Year 2018 Invoiced: \$21,000
Fiscal Year 2019 Budget: \$496,000

Schedule:

- Design: Late 2018
- Bid Project: Winter 2019
- Award Contract: March 2019
- Construct Pipeline: Spring – Summer 2019
- Close Contract: Fall 2019

Project Description



Location: Campus Ave, between 20th and 22nd Street

Justification: Replace aging 8" and 10" pipeline that traverses over private property within backyards. Relocate pipeline alignment to Campus Ave and 20th Street.

Status:

- 07/2018 – Contract awarded and authorization to proceed issued.
- 11/30/2018 – BL – 100% plans reviewed. Engineer authorized to prepare Bid Documents.
- 12/18/18 – BL – Board approved 2019 budget, which contains this project.
- 03/13/19 – BL – plans under review by City of Upland.
- 04/11/19 – BL – City finalizing review

Contacts	Name	Phone / email
Civiltec Engineering, Inc.	Terry Kerger	626.357.0588 tkerger@civiltech.com

Project Title: Campus Avenue Pipeine
 Construction Order: 1807
 Approved Budget: \$ 517,000 12/18/2018

	Estimated	Actual
Design Start Date:		7/2/2018
Design Completion Date:	12/1/2018	
Construction Start Date:	4/1/2019	
Constuction Completion Date:	6/1/2019	
Project Close Out Date:	8/1/2019	

Budget	Firm	Contract/Budget	Invoiced/Spent to Date	Remaining
Staff	SAWCo		\$ -	\$ -
Engineer	CivilTech	\$ 58,324.00	\$ 24,998.78	\$ 33,325.22
Prime Contractor			\$ -	\$ -
	TOTAL	\$ 58,324.00	\$ 24,998.78	\$ 33,325.22

Total Budget: \$25,000

Construction: \$25,000

Fiscal Year 2019 Budget: \$25,000

Schedule:

Purchase Meters: Winter 2019

Install Meters: Throughout 2019

Project Description

Location: Various locations within Company's retail service area.

Justification: Best practice is to replace retail water meters every seven to ten years. Staff is recommending replacement of 141 retail water meters: 125 – ¾" meters and 16 1" meters.

Staff is currently preparing budgetary numbers for installation of an Automated Meter Reading (AMR) system that would allow the Company to read meters on a daily basis, providing early detection of leaks or other problems on customer accounts. Additionally, AMR has the potential to allow customers direct web-based access to their water consumption records.

The missing additional component of an AMR system is a service area radio communication network that would read all smart meters from a single location. Sensus' network is called FlexNet. Staff has initiated a radio survey to determine best locations for installation of a FlexNet antenna. The survey will cost \$400. Once the survey is complete staff will be able to develop a budgetary cost proposal for implementation of an AMR system.

Status:

12/18/18 – BL – Board approved 2019 budget, which contains this project.

02/04/19 – BL – Staff met with Aquametrics, current meter supplier and meter reading support company, to discuss what options are available for 'smart' meters. Currently, the District is replacing aged meters with new Sensus iPERL meters. The iPERL is a 'smart' meter and can be adapted to an Advanced Metering Infrastructure System (AMI) with the correct transmitter installed at the meter box. About 30% of the Company's currently installed meters are iPERL.

03/07/19 – BL – Field staff met with Aquametrics to review available locations for receiver antenna.

Contacts	Name	Phone / email
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Total Budget: \$110,000

Engineering/Project Management: \$31,000

Construction: \$79,000

Fiscal Year 2018 Invoiced: \$21,000

Fiscal Year 2019 Budget: \$89,000

Schedule:

Design Project: 2018

Bid Project: Winter 2019

Award Bid: Spring 2019

Construction: Summer 2019

Project Description

Location: WFA facilities @ Benson Avenue



Justification: Install 16" pipeline connecting Company's existing surface water pipeline on Benson Avenue to WFA Facilities. The intent of this project is to allow San Antonio Creek surface water to be delivered straight to the WFA facilities. Delivering surface water to the WFA facilities will increase the Company's ability to meet entitlement for those stockholders that are members of, and receive water from, WFA; City of Upland, City of Pomona and Monte Vista Water District.

Status:

02/19/2016 – BL – Design contract and Authorization-to-Proceed issued to CivilTech Engineering.

12/17/18 – BL – CivilTech emailed draft schematic of lab layout and pipeline design to WSA for review.

12/18/18 – BL – Board approved 2019 budget, which contains this project.

1/14/19 – BL – WFA provided comments on draft plans back to Civiltech, who will make modification and finish design.

1/15/19 – BL – Staff notified that WFA is currently reviewing water quality analyzers, which will impact location and availability of space on the lab walls. WFA states they are at least a few months away from selecting.

1/31/19 – BL – Civiltec provided modified concept drawings to WFA showing possible pipeline alignments.

2/5/19 – BL – WFA provided comments and questions regarding proposed pipeline alignments.

2/27/19 – BL – emails between consultant and WFA staff regarding design and layout.
WFA staff estimate a few months remaining to selecting analyzer.

Contacts	Name	Phone / email
Civiltec Engineering, Inc.	Terry Kerger	626.357.0588 tkerger@civiltech.com

Project Title: WFA Connection
 Construction Order: 1601
 Approved Budget: \$ 110,000

	Estimated	Actual
Design Start Date:	7/9/1905	7/9/1905
Design Completion Date:	12/1/2018	
Construction Start Date:	5/1/2019	
Constuction Completion Date:	7/1/2019	
Project Close Out Date:	9/1/2109	

Budget	Firm	Contract/Budget	Invoiced/Spent to Date	Remaining
Staff	SAWCo		\$ -	\$ -
Permitting/CEQA			\$ -	\$ -
Engineering	CivilTech	\$ 30,895.00	\$ 20,707.50	\$ 10,187.50
Geotechnical			\$ -	\$ -
Surveyor			\$ -	\$ -
Environmental			\$ -	\$ -
Prime Contractor		\$ -	\$ -	\$ -
	TOTAL	\$ 30,895.00	\$ 20,707.50	\$ 10,187.50

Total Budget: \$621,000

Engineering/Project Management: \$221,000

Construction: \$400,000

Fiscal Year 2016 Invoiced: \$62,000

Fiscal Year 2017 Invoiced: \$51,000

Fiscal Year 2018 Invoiced: \$48,000

Fiscal Year 2019 Budget: \$460,000

Schedule:

Design Project: 2016-2018

Bid Project: December 2018

Award Bid: Spring 2019

Construction: Summer 2019

Project Description

Location: Holly Drive, North of San Antonio Heights



Justification: Initially, project was conceived as a simple 60,000-gallon tank replacement. Predesign analysis determined that fire flow and storage requirements would be better served by installing two 120,000-gallon tanks at the site. Design costs jumped due, in part, to necessary surveying, geotechnical and environmental requirements enlarging site to accommodate two tanks. Project construction is currently split into three parts; geotechnical earthwork, install new second tank, demolish and replace existing tank. The first construction project (earthwork) design is completed. Bid award is scheduled for December 18, 2018. Design for the Second phase, constructing the new tank, is scheduled to be completed in the first quarter of FY 2019. Bidding the second phase is scheduled for the second quarter of FY2019, with construction beginning soon after.

The third phase, demolishing the original 60,000-gallon tank and replacing with a new 120,000-gallon tank, is not yet scheduled.

Status:

02/19/2016 – Design contract and Authorization-to-Proceed issued to TKE Engineering.

10/2018 – BL – Phase I 100% Plans and Specs reviewed. Engineer authorized to prepare bid documents.

11/2018 – BL – Phase I contract advertised for bid.

- 12/12/18 – BL – Five bids received and opened for Phase I.
- 12/18/18 – BL – Board approved 2019 budget, which contains Phase 1 & 2 for this project.
- 12/18/18 – BL – Board authorizes staff to execute construction contract with McMinn Construction for \$238,600.
- 12/26/18 – BL – Company issues Notice of Award
- 1/2/19 – BL – McMinn executes Notice of Award
- 1/2/19 – BL – McMinn executes Construction Agreement
- 1/2/19 – BL – McMinn provides Certificate of Liability Insurance
- 1/3/19 – BL – Water Board informed Dodson of new CEQA guidelines adopted by California Natural Resources Agency. Dodson reviewing to see if any changes are required to project IS/MND prior to circulation.
- 1/8/19 – BL – Company returns fully executed Construction Agreement to McMinn
- 1/23/19 – BL – MND sent to clearing house, starting the 30-day comment period. Review period ends 2/22/19
- 1/24/19 – BL - Notices posted at site, office and County Clerk. Affidavit of posting signed by BL and returned to the State.
- 2/7/19 -BL – Staff, consultant and contractor working to schedule a preconstruction meeting.
- 2/22/19 – BL – MND comment period ends. One comment received; SCAQMD
- 2/27/19 – BL – consultant finalized MND
- 3/1/19 – BL – Preconstruction meeting held at offices of TKE. BL signed contract and emailed to engineer and contractor.
- 3/25/19 – BL – CEQA process official complete per email from water board.
- 3/27/19 – BL – Material Submittals being provided.

Contacts	Name	Phone / email
TKE Engineering, Inc.		
	Terry Renner Vice President	951.680.0440 trenner@tkeengineering.com
McMinn, Inc.		
	Gabriel Melgoza, Estimator	909.514.1231 gabriel@jmige.com
	Keith Archibek Project Manager	909.514.1231 keith@jmige.com
Tom Dodson & Associates		
	Kaitlyn Dodson Environmental Analyst	909.882.3612 kaitlyn@tdaenv.com
State Water Board		
	Wendy Pierce Senior Env. Planner	916.449.5178 wendy.pierce@waterboards.ca.gov

Sara Paiva-Lowry
Senior Env. Scientist

916.323.0626

sara.paiva-lowry@waterboards.ca.gov

Project Title: Holly Drive Reservoir, Phase 1&2
 Construction Order: 1602
 Approved Budget: \$ 621,000 12/18/2018

	Estimated	Actual
Design Start Date:		4/15/2016
Design Completion Date:		10/17/2018
Construction Start Date:	1/15/2019	
Constuction Completion Date:	1/12/2020	
Project Close Out Date:	3/1/2020	

Budget	Firm	Contract/Budget	Invoiced/Spent to Date	Remaining
Staff	SAWCo		\$ -	\$ -
Engineering	TKE Eng	\$ 186,970.00	\$ 164,122.84	\$ 22,847.16
Construction Services, P1	TKE Eng	\$ 60,000.00	\$ 6,681.45	\$ 53,318.55
Prime Contractor, P1	James McMinn, Inc.	\$ 228,600.00	\$ -	\$ 228,600.00
Prime Contractor, P2			\$ -	\$ -
	TOTAL	\$ 475,570.00	\$ 170,804.29	\$ 304,765.71

Total Budget: \$1,160,000

Engineering/Project Management: \$160,000

Construction: \$1,000,000

Fiscal Year 2017 Invoiced: \$57,000

Fiscal Year 2018 Invoiced: \$44,000

Fiscal Year 2019 Budget: \$1,059,000

Schedule:

Design Project: 2018

Bid Project: Winter 2019

Award Bid: Spring 2019

Construction: Spring/Summer 2019

Project Description

Location: Intersection of North Mountain Avenue and North Euclid Avenue



Justification: Reservoir 7 currently has a wooden roof that is in serious disrepair. Water quality issues require secure and safe roofing on reservoirs. The Company is planning on installing an aluminum roof to replace the wood roof. Installing a new roof will require installing a concrete perimeter, new access stairways and associated appurtenances.

Status:

04/25/2017 - BL – Design contract and Authorization-to-Proceed issued to CivilTech Engineering.

11/30/2018 – BL – 100% Design reviewed. Engineer authorized to prepare bidding docs.

12/18/18 – BL – Board approved 2019 budget

1/3/19 – BL – Contract docs reviewed and returned to engineer for bidding preparation.
BL removed federal fund requirements from contract

1/9/19 – BL – BL signed County encroachment permit. Engineer to process.

1/11/19 – BL- BL eMailed plans to State Waterboard Engineer for review and comment

1/16/19 – BL – State responded by eMail with no comments.

2/7/19 – BL – Bid schedule set. Bid package available on 2/14, prebid mtg on 2/26 and bid opening on 3/7

2/12/19 – BL – Bid package uploaded an available on company website.

2/26/19 – BL – prebid meeting held. Five contractors showed; four prime and one sub.
 Visited job site with at least two contractors

3/1/19 – BL – prebid Q&A posted to website and emailed to those contractors in attendance.

3/7/19 – BL – bid opening. Four bids received.

3/19/19 – BL – Contract awarded to SCW Contracting for \$1,013,415.

3/20/19 - BL – NOA executed

4/9/19 – BL – Preconstruction meeting

4/15/19 – BL – NTP Signed for April 22, 2019.

Contacts	Name	Phone / email
Civiltec Engineering, Inc.	Terry Kerger	626.357.0588 tkerger@civiltech.com
SCW Contracting, Inc.	Juniper Filanc_Bowen Project Manager	760.728.1308 juniper@scwcompanies.com
	Peter Kogler Senior Project Manager	760.728.1308 pkogler@scwcompanies.com
Sate Waterboard	Hector Cazares Water Resource Control Engineer	909.383.4312 hector.cazares@waterboards.ca.gov
	Eric Zuniga District Engineer	eric.zuniga@waterboard.ca.gov

Project Title: Reservoir 7 Roof Repair
 Construction Order: 1701
 Approved Budget: \$ 1,160,000 12/18/2018

	Estimated	Actual
Design Start Date:		7/2/2018
Design Completion Date:	12/1/2018	2/11/2019
Construction Start Date:	4/1/2019	
Constuction Completion Date:	8/1/2019	
Project Close Out Date:	10/1/2019	

Budget	Firm	Contract/Budget	Invoiced/Spent to Date	Remaining
Staff	SAWCo		\$ -	\$ -
Structural Inspection	Harper	\$ 51,230.00	\$ 51,230.00	
Engineer	CivilTech	\$ 62,750.00	\$ 59,340.00	\$ 3,410.00
Geologist	Geocon		\$ 6,072.50	\$ (6,072.50)
Prime Contractor			\$ -	\$ -
	TOTAL	\$ 113,980.00	\$ 116,642.50	\$ (2,662.50)

Total Budget: \$130,000

TESCO Contract:	\$100,000
Inland Productivity Contract:	\$18,000
Contingency:	\$12,000

Fiscal Year 2018 Budget: \$130,000

Proposed Carry Over to 2019: \$130,000

Schedule:

Develop HMI Screens:	October 2018
Purchase Equipment:	December 2018
Integrate System:	December 2018 – January 2019
Install System:	January – February 2019

Project Description

Location: Various locations throughout Company service area. Primary location of servers will be at Company main office.

The Company currently has 21 remote Supervisory Control and Data Acquisition (SCADA) control sites consisting of reservoirs, booster stations and wells. A SCADA system is used to remotely monitor, record and control remote sites by computer (e.g. record reservoir levels or turn on booster stations) through radio, wifi, cellular or modem communication. A SCADA system consist of the control computer and remote Programable Logic Controllers (PLCs) at each control site. The master control and recording computer currently sits at the corner of a desk in the Company's office meeting room.

SAWCo currently uses an Iconics SCADA control system. It is an older system that has been experiencing communication issue s with the Company's remote sites.

Staff is proposing replacing the master control and recording computer with new hardware and software. The new hardware would be installed in the Company's computer closet, providing better protection and environmental control.

Staff is proposing new software from ClearSCADA. As a product of Schneider Electric, it is predominant in the industry, has a long history within the marketplace, is extremely scalable, easy to integrate, compatible and adaptable with leading industry PLC products, and is highly supported. PLCs are the computers located at remote sites that communicate with the central SCADA control computer.

Staff is working with TESCO Controls, Inc., an industry leading system integrator. A system integrator assembles all the hardware and software components into a viable system.

Status:

-
- 11/27/18 – BL / Bring TESCO proposal and Inland Productivity quote to PROC for ratification.
- 11/27/18 – BL / PROC unanimously approved moving staff recommendation to the full Board.
- 12/18/18 – BL – Board approved 2019 budget, which contains this project.
- 12/18/18 – BL – Board authorizes \$120k for project and purchase of equipment.
- 12/27/18 – BL – BL executes equipment purchase order. Emailed Inland Productivity
- 1/25/18 – BL – Hardware has arrived and is being shipped to TESCO in Sacramento for integration.
- 2/22/19 – BL – TESCO and Inland Productivity coordinating for installation at end of March.
- 4/8/19 – BL – TESCO informed Company that software is not performing as desired and requested to work directly with Inland Productivity to resolve issue.

Contacts	Name	Phone / email
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System Integrator: TESCO Controls Inc

Alex Leeth	aleeth@tescocontrols.com
Technical Sales	916.395.8800 ext. 2606

John Zitlau	jsitlau@tescocontrols.com
Project Manager	(O) 916.395.8800 ext. 3005 (D) 916.596.4529

Hardware Procurement: Inland Productivity

Eric Hanson	ehanson@inland-prod.com
Sr. Solution Developer	909.981.4500

Project Title: New Company SCADA
 Construction Order: 1808
 Approved Budget: \$ 130,000 12/18/2018

	Estimated	Actual
Design Start Date:		7/2/2018
Design Completion Date:	12/1/2018	1/15/2019
Construction Start Date:	4/1/2019	
Constuction Completion Date:	6/1/2019	
Project Close Out Date:	8/1/2019	

Budget	Firm	Contract/Budget	Invoiced/Spent to Date	Remaining
Staff	SAWCo		\$ -	\$ -
Material Supplier	Inland Productivity	\$ 17,750.09	\$ 17,809.60	\$ (59.51)
Engineer	TESCO	\$ 100,000.00	\$ -	\$ 100,000.00
Prime Contractor			\$ -	\$ -
	TOTAL	\$ 117,750.09	\$ 17,809.60	\$ 99,940.49

Total Budget: \$250,000

Environmental Monitoring: \$100,000

Environmental Mitigation: \$150,000

Fiscal Year 2019 Budget: \$50,000

Environmental Monitoring: \$20,000

Environmental Mitigation: \$30,000

Schedule:

Mitigation Request for Proposals: Jan-Feb 2019

Mitigation for 2019: Mar- Apr 2019

Mitigation for 2020: Mar- Apr 2020

Mitigation for 2021: Mar- Apr 2021

Mitigation for 2022: Mar-Apr 2022

Mitigation for 2023: Mar-Apr 2023

Project Description



As a condition of the Cucamonga Crosswalls repair project, the Company committed to conduct mitigation and associated environmental monitoring for a period of no less than five years. This commitment was a condition of the California Department of Fish and Wildlife Streambed Alteration Agreement.

The mitigation includes yearly removal of invasive plant species and seeding of native plant species. Mitigation will occur in the late winter-early spring months. The intent is to provide enough time for native and invasive seed to germinate but not establish strong roots or go to seed.

Status:

12/18/18 – BL – Board approved 2019 budget, which contains 2019 mitigation phase for this project.

1/9/19 – BL – BL email to Millington/Spencer regarding possible contractors for remediation work.

1/11-ish/19 – BL – earthen-fill crosswalls breached due to river flow.

1/29/19 – BL – Met with contractor and County on-site. Contractor working to make temporary repairs to the breached areas of the walls. Repairs consist of pushing rock and soil back into place with bulldozers.

2/1-ish/19 – BL – Storm breached two of the repaired crosswalls. Other repairs are holding.

4/2/19 – BL – Company met with MB International to discuss mitigation contractor services. Company requested MBI to coordinate with five contractors and return with a recommendation.

4/12/19 – BL – Company contracted with MBI to coordinate restoration services.

Contacts	Name	Phone / email
<hr/>		
TKE Engineering, Inc.	Terry Renner Vice President	951.680.0440 trenner@tkeengineering.com
Michael Baker International	Ashley M. Spencer Biologist	949.472.3454 Ashley.spencer@mbakerintl.com
	Tom Millington Senior Biologist	949.855.5777 tommillington@mbakerintl.com

Project Title: Cucamonga Crosswalls
 Construction Order: 1405
 Approved Budget: \$ 20,000 *2019 mitigation

	Estimated	Actual
Design Start Date:		7/18/2014
Design Completion Date:		7/15/2018
Construction Start Date:		7/16/2018
Constuction Completion Date:		11/15/2018
Project Close Out Date:	2/1/2019	

Budget	Firm	Contract/Budget	Invoiced/Spent to Date	Remaining
Staff	SAWCo		\$ 1,605.91	\$ (1,605.91)
Permitting/CEQA			\$ -	\$ -
RWQCB		\$ 90,000.00	\$ 90,000.00	\$ -
NWP31 (5-yr maint/ plan)		\$ 11,000.00	\$ -	\$ 11,000.00
Noise Monitoring		\$ 12,145.00	\$ 12,145.00	\$ -
Engineering	TKE Engineering	\$ 65,040.00	\$ 80,402.83	\$ (15,362.83)
Geotechnical			\$ -	\$ -
Surveyor			\$ -	\$ -
Environmental	Altum/Baker Int	\$ 126,295.00	\$ 120,801.82	\$ 5,493.18
CO#1		\$ 5,012.00	\$ 7,829.00	\$ (2,817.00)
Prime Contractor	GRB	\$ -	\$ -	\$ -
	TOTAL	\$ 309,492.00	\$ 312,784.56	\$ (3,292.56)

Total Budget: \$4,000,000

Engineering/Project Management: \$400,000

Construction: \$3,600,000

Fiscal Year 2016 Invoiced: \$32,000

Fiscal Year 2019 Budget: \$100,000

Out Year's Budget: \$3,868,000

Schedule:

Design Project: 2018

Bid Project: Winter 2019

Award Bid: Spring 2019

Construction: Spring/Summer 2019

Project Description

Location: Benson Ave just south of 18th Street



Justification: The Company's main office on Euclid Ave. has served as the company headquarters for almost one hundred years. When initially constructed, the main office provided a local presence for agricultural shareholders to conduct company business. Changing demographics of the surrounding area has shifted the company's retail customer base almost exclusively into the San Antonio Heights.

Current Company facilities are old and showing their age. Issues include needed modern seismic construction, energy efficiency and security. Additionally, space constraints are evident. Parking space is inadequate. Office space is at a premium. There is no additional room for desks, much less the work space necessary for productivity. Field crew and office crew are separated on two parcels. Records storage is at a premium. Office computer servers are housed in a closet. Company SCADA hardware is located on a corner desktop in the meeting room. Due to a lack of adequate public meeting space, the Company currently utilizes the City of Upland Council chambers for its Board Meetings.

The Company has an opportunity to consolidate onto property located at Benson Avenue and 18th Street. Relocating to the Benson Property will allow the Company to build a presence closer to our retail customers while modernizing our facilities.

Status:

06/15/2016 – Needs Assessment contract and Authorization-to-Proceed issued to Claremont Environmental Design Group.

12/18/18 – BL – Board approved 2019 budget, which includes conceptual/design services for this project.

03/11/19 – BL – City of Upland Council approved purchase of south portion of Benson Property.

Contacts	Name	Phone / email
CEDG	Erik Peterson	909.973.7282 info@cedg-design.com

Project Title: Office Relocation
 Construction Order: 1507
 Approved Budget: \$ 100,000

	Estimated	Actual
Design Start Date:	2016	2016
Design Completion Date:	6/1/2019	
Construction Start Date:	10/1/2019	
Constuction Completion Date:	6/1/2022	
Project Close Out Date:	8/1/2022	

Budget	Firm	Contract/Budget	Invoiced/Spent to Date	Remaining
Staff	SAWCo		\$ -	\$ -
Permitting/CEQA			\$ -	\$ -
Architect	CEDG	\$ 40,060.00	\$ 32,000.00	\$ 8,060.00
Engineering			\$ -	\$ -
Geotechnical			\$ -	\$ -
Surveyor			\$ -	\$ -
Environmental			\$ -	\$ -
Prime Contractor		\$ -	\$ -	\$ -
	TOTAL	\$ 40,060.00	\$ 32,000.00	\$ 8,060.00

GROUNDWATER LEVELS JAS OND
 (feet below ground surface) 3rd Qtr 4th Qtr

	2012				2013				2014				2015				2016				2017				2018				2019			
CUCAMONGA BASIN	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr
	-211	-192	-202	-195	-191	-199	-210.5	-213	-202	-230	-255	-238	-239	-239	-249	-259	-251	-251	-261	-280	-301	-296	-312	-298	-305	-313	-321	-324	-300			
CHINO BASIN	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr
	-309	-307	-341	-328	-368	-353	-341.3	-385	-357	-391	-409	-418	-423	-424	-427	-427	-430	-452	-462	-466	-451	-441	-441	-442	-450	-451	-468	-473	-458			
SIX BASINS	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr
Six Basins																																
Well 26 & 27A & 25A	-282	-322	-358	-347	-380	-385	-448	-421	-477	-425	-439	-454	-450	-428	-459	-439	-467	-472	-528	-482	-447	-463	-547	-451	-525	-432	-506	-437	-337			
Well 28	-265	-268	-271	-273	-277	-278	-279.4	-280	-281	-280	-280		-277	-281	-282	-283	-283	-283	-284	-286	-283	-270	-270	-272	-267	-277	-281	-283	-228			

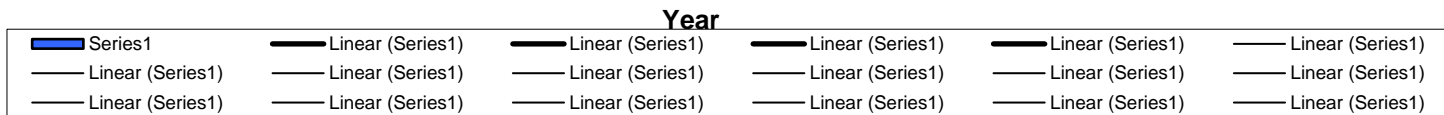
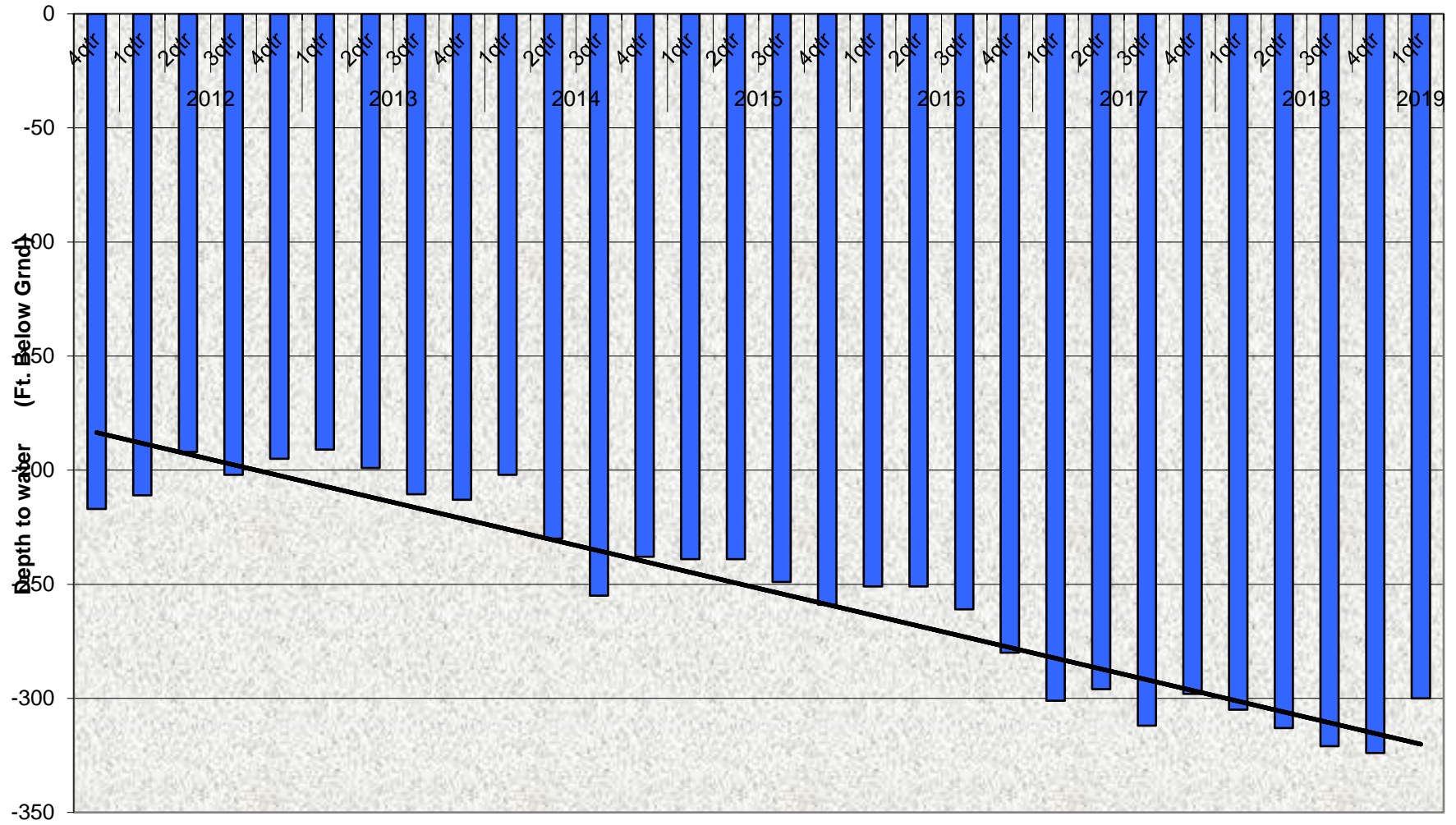
* six basin levels come from well 25A only, the other wells (26&27A) were not shut down during the third quarter 2017.

Static water levels for Cucamonga Basin wells 2, 3, 22, 24, 31, 32

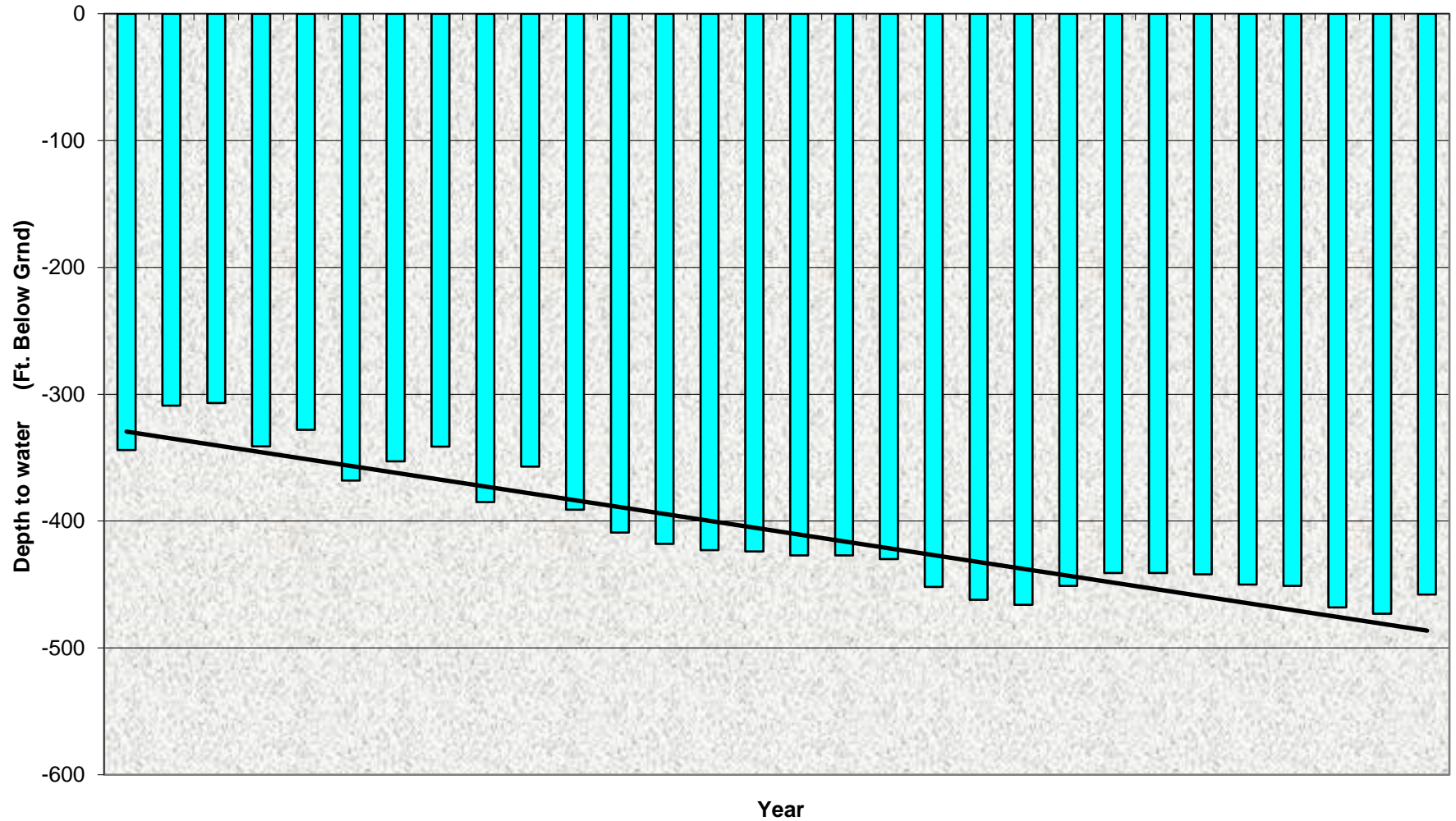
Static water levels for Chino Basin wells 15, 16

Staic water levels for 6 Basin wells 25a, 26 and 27a

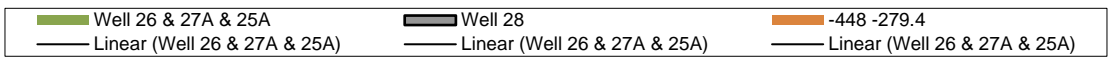
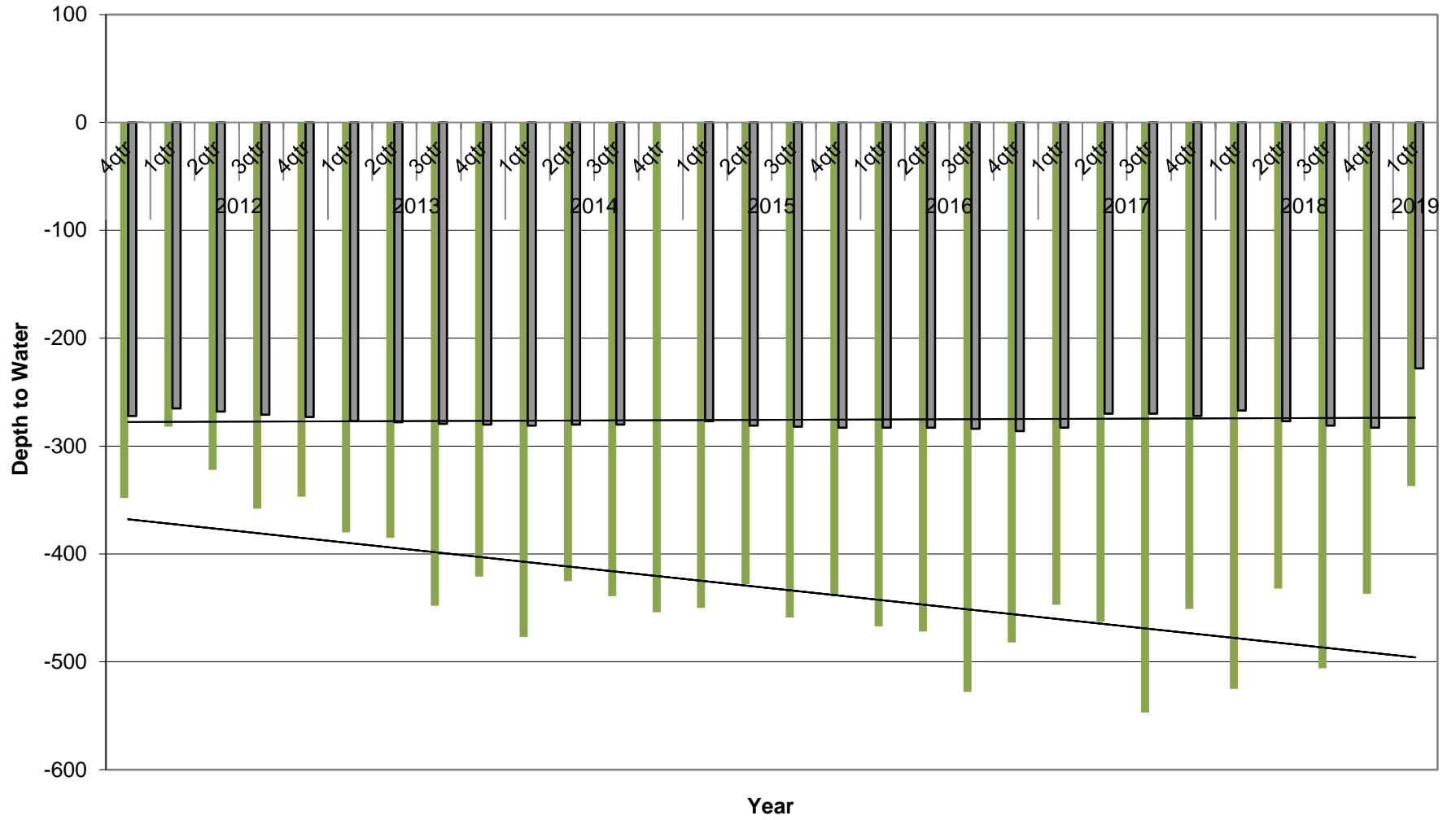
Cucamonga Basin Water Levels



Chino Basin Water Levels



Six Basins



Item Title: Resolutions of Appreciation for Outgoing Board Members

Purpose:

To Recognize the Efforts of Outgoing Directors John Gerardi and Sue Sundell

Issue:

John and Sue retired from the Board this year. It is appropriate for the Company to recognize their contributions

Manager's Recommendation:

Approve Resolutions 19-04-01 and 19-04-02, recognizing John and Sue for their contributions to the Company.

Background:

Earlier this year, Directors John Gerardi and Sue Sundell independently announced their retirement from the Board. It is appropriate for the Company to recognize their contributions to the Company while serving as Directors.

Staff will reach out to both Sue and John about hosting a luncheon in their honor, whereby the Board and staff can present the Resolutions of Appreciation and celebrate their time as Directors.

Impact on the Budget:

None

Previous Actions:

None

RESOLUTION NO. 2019-04-01

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN ANTONIO WATER COMPANY

Entitled

RECOGNITION AND APPRECIATION OF DISTINGUISHED SERVICE BY JOHN GERARDI

WHEREAS, San Antonio Water Company (“SAWCo”) was founded in 1882 to provide exemplary water service to land owners in and around Upland, CA; and

WHEREAS, Elected to the Board in 2012, John Gerardi has served the shareholders of SAWCo with distinction as a Director of the Company;

WHEREAS, John has provided outstanding guidance, performing his duties in good faith and in the best interests of the corporation and its shareholders;

WHEREAS, with honor and integrity, John has faithfully upheld the high moral and ethical standards expected of a Board Member;

WHEREAS, In 2019 John decided to retire from his Directorship;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors that the San Antonio Water Company hereby extends its appreciation and gratitude to John Gerardi, honoring his years of loyal service to the San Antonio Water Company, its shareholders and employees.

I, Tom Thomas, President of the Board of the San Antonio Water Company, do hereby certify that the foregoing Resolution was adopted on April 16, 2019 at a regular meeting of the Directors of the San Antonio Water Company by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Tom Thomas, President

RESOLUTION NO. 2019-04-02

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN ANTONIO WATER COMPANY

Entitled

RECOGNITION AND APPRECIATION OF DISTINGUISHED SERVICE BY SUE SUNDELL

WHEREAS, San Antonio Water Company (“SAWCo”) was founded in 1882 to provide exemplary water service to land owners in and around Upland, CA; and

WHEREAS, Elected to the Board in 2012, Sue Sundell has served the shareholders of SAWCo with distinction as a Director of the Company;

WHEREAS, Sue has provided outstanding guidance, performing her duties in good faith and in the best interests of the corporation and its shareholders;

WHEREAS, with honor and integrity, Sue has faithfully upheld the high moral and ethical standards expected of a Board Member;

WHEREAS, In January of 2019 Sue decided to retire from her Directorship;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors that the San Antonio Water Company hereby extends its appreciation and gratitude to Sue Sundell, honoring her years of loyal service to the San Antonio Water Company, its shareholders and employees.

I, Tom Thomas, President of the Board of the San Antonio Water Company, do hereby certify that the foregoing Resolution was adopted on April 16, 2019 at a regular meeting of the Directors of the San Antonio Water Company by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Tom Thomas, President

Item Title: Article X of Company Bylaws; Right to Service, Classes of Service, Tolls or Charges and Basic and Extended Area

Purpose:

To review the Company's Bylaws

Issue:

Are the Bylaws being applied appropriately regarding entitlement deliveries?

Manager's Recommendation:

Review Company Bylaws and, if desired by the Board, provide direction to staff.

Background:

The Company Bylaws identify:

- How water is to be supplied to shareholders (Section 10.01),
- Three distinct classes of service (Section 10.02) with specific definitions, and
- Requirements for service in the Extended Area (Section 10.04 (3)).

Staff is seeking Board input regarding the Company Bylaws and how entitlements are and aren't to be provided within the Extended Area.

The PROC has discussed the issue and requested that staff and legal counsel re-review the situation and bring a report back to the full Board. Staff has discussed the issue at length with Tom McPeters, Company Counsel.

Per the Bylaws, the Company:

- Delivers water to domestic and miscellaneous classes through the Company's distribution system,
- Has no obligation to provide entitlements from any specific source,
- Has the discretionary authority to determine what water is or is not available for distribution.
- Has the discretionary authority to establish different tolls and charges for different water sources.
- Can only deliver water to a shareholder within the Extended Area at a place proposed by shareholder and approved by the Board.

Impact on the Budget:

None

Previous Actions:

None

Corporation or corporations may be exercised by any of these Officers in person or by any person authorized to do so by a proxy duly executed by these Officers.

Section 8.07 Construction and Definitions. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California General Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, the term “person” includes both a Corporation and natural person and the use of any gender, be it masculine, feminine or neuter, shall include all the genders.

ARTICLE IX

Amendments

Section 9.01 Amendment by Shareholders. New Bylaws may be adopted or these Bylaws may be amended or repealed by the vote or written consent of holders of a majority of the outstanding shares entitled to vote; provided, however, that if the Articles of Incorporation of the Corporation set forth the number of authorized Directors of the Corporation, the authorized number of Directors may be changed only by an amendment of the Articles of Incorporation.

Section 9.02 Amendment by Directors. Subject to the rights of the Shareholders as provided in Section 9.01, Bylaws, other than a bylaw or an amendment of a bylaw changing the authorized number of Directors, may be adopted, amended, or repealed by the Board of Directors.

ARTICLE X

Water Service

Section 10.01 Right to Service. No water shall be supplied by company to any one who is not a shareholder, and **all water shall be supplied at cost.** Subject to the rules, regulations, bylaws and determinations of the board, each shareholder shall be entitled to receive such part of the entire water of the company **that is available for distribution** as the number of shares of stock held by him bears to the number of shares outstanding.

Section 10.02 Classes of Service. There shall be three classes of service determined by use, to be known respectively as **“domestic”** (being water treated by the company and directly delivered to shareholders **through the company distribution system**), **“municipal”** (being untreated water and delivered to shareholders who in turn treat the water for delivery of domestic, commercial and other users through their delivery systems) and **“miscellaneous”** (being

untreated water directly delivered to shareholders through the company distribution system for a variety of legally permissible uses, including farm irrigation, golf course watering, and rock company operations). Any share or fractional share receiving one service shall not be entitled to any of the others, except in those instances, and then only to the extent necessary, where limitations of the distribution system require otherwise to efficiently deliver the shareholder's entitlement to water. Tolls or charges may be different in the different classes, and may also differ in the same class where the cost to the company of the service is not uniform.

Section 10.03 Right-of-Way for Distributing System. The company shall have a permanent and continuing easement and right-of-way in, over, upon and across all highways and streets contiguous to the lands served for the purpose of constructing, enlarging, inspecting, maintaining, protecting, and operating its water distributing system with all pipes, hydrants, connections and meters, and the right once exercised for one or more of said purposes shall not exclude the right to exercise it at some subsequent time for other, or others, of said purposes.

The company shall also have a like easement and right-of-way upon like conditions, in, over, upon and across the premises of each shareholder for the purpose of operating its water service to such shareholder.

Each shareholder, by applying for or taking service from company confers upon company such right-of-way, and consents that company may enter upon such highways and the premises of the shareholder from time to time and any time for the purpose of exercising such rights, and that cessation of service by or to the shareholder shall not affect or impair said rights.

Each shareholder shall, upon demand of company, either before or during the continuance of service, confirm and assure such right-of-way to and in company by executing, acknowledging and delivering to company a separate instrument in form and provisions prescribed by company.

Section 10.04 Basic Area and Extended Area. As used in this Section "Basic Area" means:

(1) All lands south of 14th Street prolonged east and west;

(2) All lands bounded by Campus Avenue on the East, 24th Street prolonged east and west from Euclid Avenue on the North, Mountain Avenue on the West and 14th Street on the South; and

(3) All other lands which were supplied with water by the company before the 23rd day of February, 1932, and as to which the right of service was established before September 1, 1937, pursuant to the provisions of Section 8 Article XVII of the Bylaws of the company which section was adopted February 26, 1937.

The term “Extended Area” as used herein means all lands not included in the Basic Area.

The water shall be furnished by the company within the Extended Area unless and until

(a) The shareholder proposing to receive such service of water shall have designated in writing to the company the place where delivery of water is to be made and the number and identity of the shares of the company under which such delivery is to be made; and

(b) The board shall have determined that such service will be feasible without adversely affecting service to other shareholders then entitled to receive water; and

(c) The board shall have fixed a “connection charge” and the manner in which it shall be paid; and

(d) Such shareholder shall have paid or provided for the payment of such connection charge, in the manner fixed by the board.

The connection charge shall be determined by, or in a manner fixed from time to time by the board, and shall be based upon and represent as nearly as may be the portion, if any, of the capital investment by the company for service to the extended area which has been or will be occasioned by the service applied for. The connection charge may be based upon capital costs incurred or to be incurred directly or indirectly for or by reason or in anticipation of the service applied for, including investments for pumps and installations, pipe lines, extensions and enlargements, whether within the Extended Area or Basic Area.

Further, in the Extended Area no shareholder shall be entitled to receive water at a different place of delivery than so designated or in a greater quantity than may be furnished under the number of shares that has been so designated except upon an additional designation, determination, fixing of connection charge if any, and payment of provisions for payment thereof as above provided.

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FAX (909) 253-7731

Lisa De Benedet
Senior Paralegal

SENT VIA EMAIL

April 15, 2019

Brian Lee
General Manager
San Antonio Water Company
139 North Euclid Avenue
Upland, CA 91786

Re: Obligation of Water Company to Deliver Entitlement to Shareholders

Dear Brian:

The jurisprudence with respect to mutual water companies is almost exclusively found in judicial decisions. The decisions date from about 1860.

The Statutory law with respect to mutual water companies is, and always has been, very slim.

The Statutory law only states that a mutual water company must be operated at cost, and deliver water only to its Shareholders in proportion to ownership. The Statutory law does not go beyond those conceptual points.

The Articles of Incorporation largely track the requirements of the Statutory law. No more detail than that is included in the Articles of Incorporation. This is true of all mutuals, not just the Water Company.

The Bylaws incorporate some of the basic concepts set forth in the judicial decisions, but not all.

The management of the Water Company is vested in its Board of Directors. The general obligation of the Board of Directors is to be reasonably well informed and to administer the operations of the Water Company in the best interest of the Shareholders as a whole, as it perceives that to be. The Board of Directors is exempt from legal liability as long as it meets the foregoing.

The Board of Directors determines what water is available for distribution to its Shareholders. In making that determination, the Board of Directors can take into account a whole host of factors if it deems those factors to be important to the overall operation of the Water Company.

April 15, 2019
Brian Lee
General Manager
Page Two

The Water Company delivers water to its Shareholders through its distribution system. Shareholders are connected to the distribution system with the consent of the Water Company. No shareholder can connect to the distribution system without the consent of the Water Company.

The Water Company is not obligated to deliver water to Shareholders by means other than through its distribution system. That is the way the Water Company has always operated. This is true with respect to all mutuals.

The Water Company may deliver water to Shareholders by means other than through its distribution system in its discretion. In exercising that discretion, the Water Company can take into account all of the impacts and implications of making the delivery in that non-traditional form.

The Water Company has entered into Water Service Agreements with certain municipalities who do not have connections to the Water Company distribution system. Delivery through these Agreements is completely discretionary. The public entities that have signed these Agreements recognize that deliveries pursuant to the Agreements is completely discretionary with the Water Company. The Agreements reflect what the law will otherwise require. The Water Company is not obligated to deliver water to Shareholders by non-traditional means. It's obligation is limited to delivery through the distribution system.

The Water Company has never included water in storage in the Chino Basin as available water for distribution. The Entitlement set each year is without regard to the water in storage.

The Water Company has determined not to make available to Shareholders the water in storage in Chino Basin. It is a decision that has been made taking into account the facts and implications for the Shareholders as a whole. That water is being reserved as a source for payment of a forthcoming "desalter obligation" of a considerable amount. That is a reasonable decision that has been made and cannot be successfully challenged.

The Water Company generally tries to treat similarly situated Shareholders alike. It is not strictly required to adhere to that standard, but has thus far adopted that. No Shareholder is slated to receive a distribution of water from water in storage at Chino Basin.

One rule of mutual water company jurisprudence that you should be aware of is this: a Shareholder cannot demand water service from any particular water source of the Water Company. The Water Company determines from what source water will be delivered to a Shareholder.

Very truly yours,



Thomas H. McPeters
S0270-427

Agenda Item No. 6C

Item Title: Workers Compensation Insurance

Purpose:

Annual renewal for workers' compensation insurance is due by May 1, 2019. California's system of workers' compensation is compulsory, meaning that employers are required to provide workers' compensation insurance for their employees.

Issue:

This renewal should have been presented to the AFC at the February meeting for recommendation; however, staff received the renewal after the AFC meeting. Therefore, it is being presented to the Board for review and approval.

Manager's Recommendation:

That the Board approve the automatic renewal of our Workers' Compensation insurance three year program with Cal-Mutual JPRIMA The Zenith, a Fairfax Insurance Company for 5/1/2019 to 5/1/2020 at an annual premium of \$14,319.

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 5/01/2019 to 5/01/2020 is attached to this report. The base rates have decreased from prior year. Zenith has calculated an ExMod of 84% for this year which is slightly up from 83% last year.

See comparison below.

Workers Compensation San Antonio Water Company							
		5/01/2018 to 5/01/2019 Cal Mutual JPRIMA The Zenith, a Fairfax Insurance Company			5/01/2019 to 5/01/2020 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	\$369,071	5.07	3.67	\$381,565	4.32	3.32
CA 8742	Salespersons-Outside	\$332,241	0.72	0.52	\$343,547	0.61	0.47
CA 8810	Clerical – NOC	\$176,904	0.57	0.41	\$186,379	0.46	0.35
Experience Modification Factor		83%			84%		
Total Payroll		\$878,217			\$911,492		
ESTIMATED ANNUAL PREMIUM		\$16,027			\$14,319		

Agenda Date: April 16, 2019

The proposal from CalMutuals JPRIMA (Joint Powers Risk Insurance Management Authority) provides a 3 year program for water systems. Although, the program is for 3 years, it has an “off ramp” for those to opt out if premiums increase 15%.

Impact on the Budget:

Staff budgeted \$18,000 for this year. [Anticipated savings of \$3,681]

Previous Actions:

None.



Workers' Compensation Insurance Proposal

SAN ANTONIO WATER CO.

**7/1/2017 to 7/1/2018
and
7/1/2017 to 5/1/2018 Short-Term**

Presented by:
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Insurance Summary

Carriers Approached

Carrier	Best's Rating	Result
7/1/2016 to 7/1/2017 State Compensation Ins. Fund	NR	Premium: \$20,277
7/1/2017 to 7/1/2018 State Compensation Ins. Fund	NR	Renewal Quote: \$16,744
Cal Mutual JPRIMA 3 Year Program	AIX	Short-Term Quote: \$12,233 (Estimated Annual Premium \$14,688) Needed to Bind – CSIP Certification
AmTrust Ins. Co.	AXI	Declined-Does Not Meet Underwriting Guidelines
BHHC (Cypress)	A++XV	Declined-Does Not Meet \$50,000 Minimum Premium
ICW (Ins. Co. of the West)	A- X	Declined-Does Not Meet Minimum Premium for Class
Starstone Insurance Co.	A-X1	Does Not Meet \$100,000 Minimum Premium
Alaska National Ins.	AIX	Does Not Meet \$400,000 Minimum Premium
CompWest Ins. Co.	A-X	Does Not Write Water
Employers Insurance Co.	A-X	Does Not Write Water
Everest Ins. Co.	A+XV	Does Not Write Water
Preferred Employers Ins. Co.	A-X	Does Not Write Water
Republic Indemnity Ins. Co.	AX	Does Not Write Water
Zurich Ins. Co.	A+XV	Does Not Write Water
Travelers Insurance Co.	A++ XV	Does Not Write Mono-Line Workers' Compensation
Liberty Mutual Ins. Co.	A XV	Does Not Write Mono-Line Workers' Compensation

28% ✓ ★

Premium Does Not Include State Taxes and Fees

**Workers Compensation
San Antonio Water Company**

State/Class Code	Description	Estimated Payroll	Base Rate	Net Rate	Estimated Payroll	Base Rate	Net Rate	Estimated Payroll	Base Rate	Net Rate	
		7/1/2016 to 7/1/2017 (Annual Term)		7/1/2017 to 7/1/2018 (Annual Term)		7/1/2017 to 5/1/2018 (Short-Term)		7/1/2017 to 5/1/2018 (Short-Term Payroll Used Cal Mutual JPRIMA The Zenith, a Fairfax Insurance Company			
		State Compensation Insurance Fund		State Compensation Insurance Company							
CA 7520	Waterworks Ops	341,422	9.06	5.09	348,121	6.90	4.08	289,942	5.07	3.58	
CA 8810	Clerical - NOC	298,446	0.99	.56	304,909	.80	.47	253,952	.59	.42	
CA 8742	Salespersons O/S	180,139	1.22	.69	188,122	.99	.58	156,682	.73	.52	
Experience Modification Factor		.77			.80			.80			
Total Payroll		\$820,007			\$841,152			\$700,576			
TOTALS: Estimated Annual Premium		\$20,277			\$16,744			\$12,233			
								\$14,688		Annual 1788	





Workers' Compensation Insurance Proposal

SAN ANTONIO WATER COMPANY

5/01/2019 to 5/01/2020

Presented by:
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Workers Compensation San Antonio Water Company							
		5/01/2018 to 5/01/2019 Cal Mutual JPRIMA The Zenith, a Fairfax Insurance Company			5/01/2019 to 5/01/2020 Cal Mutual JPRIMA The Zenith, a Fairfax Insurance Company		
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Total Payroll		\$878,217			\$911,492		
ESTIMATED ANNUAL PREMIUM		\$16,027			\$14,319		





CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES
JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY (JPRIMA)

WORKERS' COMPENSATION QUOTATION

PROPOSAL: J134325502	BROKER CONTACT: Mia Garza
DATE PREPARED: 03/13/2019	PRODUCER CODE: 093482A 21.0
MEMBER: SAN ANTONIO WATER COMPANY 139 N. EUCLID AVENUE UPLAND, CA 91786	
REINSURER: Zenith Insurance Company 21255 Califa Street Woodland Hills, CA 91367 (100% Risk Bearer)	INSURANCE ADMINISTRATOR: ALLIED PUBLIC RISK, LLC 11452 EL CAMINO SUITE 250 SAN DIEGO, CA 92130 National Producer Number: 3537131

JPRIMA and Zenith Insurance Company ... a partnership of service, alignment and member advocacy...

The California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (JPRIMA) was established as a result of California's legislature passing AB 656 in September 2015. This legislation was initiated by CalMutuals, Valley (Central) Ag Water Coalition, California Firefighters' Association, and scores of mutual water companies as well as independent insurance agencies. It allows mutual water companies to participate alongside water-related special districts in a joint powers authority for purposes of insurance and supporting services. Technical resources and augmented advisory assistance are a critical component of this legislation and our JPRIMA. As a public agency, we are committed to providing quality insurance products that blend competitive rates with meaningful value-added services and impeccable financial security.

Our reinsurance partner, which bears all the risk, is Zenith Insurance Company. They are an indirect, wholly-owned subsidiary of Fairfax Financial Holdings Limited and have been a specialist in workers' compensation for over sixty years. Zenith has built a reputation as an industry leader through its superior customer service and continuous underwriting innovation. These attributes have created one of the largest, oldest, and most stable workers' compensation carriers in California. Zenith is committed to workplace safety and health, quality medical care, managing claim costs, returning employees to work, and fighting fraud and abuse. In June 2015, A.M. Best Company affirmed their financial strength rating of A (Excellent). For the latest rating, please access www.ambest.com. Zenith proudly distributes its products through its network of appointed insurance agents and brokers.

This quote contains a 5.0% multi-policy discount.



**CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES
JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY (JPRIMA)**

Issued By

Allied Public Risk, LLC
Insurance Administrator
Attn: Mia Garza, JPRIMA Supervisor
mgarza@alliedpublicrisk.com
Telephone: 830-837-4369

This proposal is good until 05/01/2019 12:01 a.m. and is subject to the terms and conditions of the memorandum of coverage (MOC) for which this proposal is given, including any special conditions and/or exclusions that may apply. This proposal does not constitute an insurance policy, and is based on information given to us by your insurance agent or broker. Please verify the information contained in this proposal and read the Proposal Disclaimer carefully.

Policy Period:	05/01/2019 at 12:01 a.m. to 05/01/2020 at 12:01 a.m.
Group Membership:	JPRIMA

Estimated Manual Premium Calculation

Workers' compensation premium reflects the unique nature of a business. The price varies based on the amount of payroll a business has and the types of jobs its employees perform. Please review the following information carefully. Errors in classification and payroll estimates can lead to under-payments that can result in additional premium billings, or over-payments, which can affect a business' working capital.

COVERAGE							
State	From Through	Class Code	Description	Est. Payroll	No.of Employees FT/PT	Manual Rate	Est. Manual Premium
CA	05/01/19 05/01/20	7520-0	WATER COMPANIES--ALL EMPLOYEES--INCLUDING CONSTRUCTION OR EXTENSION OF LINES.	381,565	5/0	4.32	16,484
CA	05/01/19 05/01/20	8742-0	SALESPERSONS--OUTSIDE.	343,547	2/0	0.61	2,096
CA	05/01/19 05/01/20	8810-0	CLERICAL OFFICE EMPLOYEES--N.O.C.	186,379	3/2	0.46	857

Adjustments and Calculation Details

05/01/19 to 05/01/20



**CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES
JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY (JPRIMA)**

State Manual Premium		\$19,437
Modified Premium	(84.00%)	\$-3,110
Employers Liability Limits 1,000,000 Per Accident / 1,000,000 Per Disease / 1,000,000 Policy Limit	(.00%)	\$0
Risk Adjustment	(-6.00%)	\$-980
Premium Discount	(-6.70%)	\$-1,028
Total Estimated Policy Premium		\$14,319

Selected Payment Plan

Selected Payment Option: Billing Type: Frequency: Deposit Premium: This remaining premium will be paid in 8 installments of \$1,521	Installment Plan Direct Bill Monthly \$2,148 / 15%
You will be billed directly by Zenith Insurance Company on behalf of JPRIMA.	



**CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES
JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY (JPRIMA)**

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. 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.

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.

Your **EPIC** Account Team & Contact Information

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Principal

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Certificates909.919.7904

P&C Claims949.417.9118

WC Claims.....909.919.7502

Private Client.....866.722.2526

Employee Benefits.....877.225.2648

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:** Call our toll free number 800.282.2526
- **Fax:** Complete your paperwork and fax it to us at 888.789.5971

- **Internet:** Workers' Compensation Claims and questions
Email EPIC or Carrier directly for assistance

- **Internet:** Property & Casualty Claims and questions
Email Marie Engstrom – marie.engstrom@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 & advocacy
- Acting as liaison between you and the insurance carrier
- Reviewing summons and complaints prior to insurance carrier submission

Agenda Item No. 6D

Item Title: SAHA Request for Donation

Purpose:

To Consider a Financial Donation to the San Antonio Heights Association Community Pancake Breakfast

Issue:

San Antonio Heights Association has requested a donation from the Company

Manager's Recommendation:

Approve a donation in the amount of \$1,000 to the San Antonio Heights Association.

Background:

The San Antonio Heights Association is hosting a Community Pancake Breakfast for residents of the Heights and neighboring communities. The breakfast will be held on Saturday, May 4 at Life Bible Fellowship Church from 8am to 11am.

In past years the Company has provided a donation of \$1,000 in support of this community event.

Impact on the Budget:

\$1,000 from General Administrative Expenses

Previous Actions:

None