



SAN ANTONIO WATER COMPANY

BOARD OF DIRECTORS

MEETING

Tuesday, February 15, 2022

5:00 p.m.

In the Upland City Hall Council Chambers
460 N. Euclid Avenue, Upland, CA 91786

The San Antonio Water Company encourages public participation during our Board Meetings. Attendance at meetings is preferred. Recognizing that an adjustment period is appropriate for recently lifted pandemic restrictions and ongoing individual concerns, emails or phoned-in comments are also acceptable.

If you wish to provide comments by phone, please email blee@sawaterco.com at least two hours in advance of the meeting with your phone number and item you wish to comment on. Company staff will call you when the item comes up for discussion and you will be placed on speaker to address the Board.

Public comments regarding upcoming agenda items can be emailed to the Company at blee@sawaterco.com. Comments received by email at least two hours prior to the start of the meeting will be read at the appropriate time during the meeting.

- 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 January 18, 2022.
- B. Planning, Resources, and Operations Committee (PROC) Meeting Minutes
No meeting to report.
- C. Administration and Finance Committee (AFC) Meeting Minutes
Approve meeting minutes of November 23, 2021.
- D. Financial Statement
Income Statement and Balance Sheet for November 30, 2021
- E. Investment Activity Report
Monthly Report of Investments Activity.
- F. Water Production and Consumption
Monthly water production and consumption figures.
- G. Prominent Issues Update
Status summaries on certain on-going active issues.

- H. **Projects and Operations Update**
Status summaries on projects and operations matters.
- I. **Groundwater Level Patterns [Quarterly in January, April, July, and October]**
Tracking patterns of groundwater elevations relative to ground surface.
- J. **Conservation Program Update [Quarterly in January, April, July, and October]**
Update on SAWCo's existing water conservation programs
- K. **Correspondence of Interest**

5. **Board Committee – Delegate Report:**

- A. **PVPA Representative Report**
Verbal report by representative.
- B. **Six Basins Representative Report**
Verbal report by representative.
- C. **Chino Basin Representative Report**
Verbal report by representative.
- D. **Cucamonga Basin Representative Report**
Verbal update by representative.
- E. **Administration and Finance Committee (AFC) Chairman's Report**
Report on meeting held Tuesday, January 25, 2022.
- 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. **AFC Schedule for 2022**
Discussion of topics to address in 2022
- B. **Annual Shareholder's Meeting Appointment of Inspectors**
Discussion of upcoming Annual Shareholder Meeting
- C. **COVID Response**
Verbal update

7. **Closed Session:**

8. **Director's Comments and Future Agenda Items:**

Adjournment:

The next regular Board Meeting will be held on Tuesday, March 15, 2022 at 5:00 p.m.

NOTE: All agenda report items and back-up materials are available for review and/or acquisition by calling the Company Office (909) 982-4107 (139 N. Euclid Avenue, Upland, CA) during regular office hours, Monday through Thursday [7:00 am – 11:30 am & 12:30 pm – 5:00 pm] and alternating Fridays [7:00 am – 11:30 am & 12:30 pm – 4:00 pm] and on the company's website www.sawaterco.com. The agenda is also available for review and copying at the Upland Public Library located at 450 N. Euclid Avenue.

POSTING STATEMENT: On February 11, 2022 a true and correct copy of this agenda was posted at the entry of the Company's Office (139 N. Euclid Avenue), on the public bulletin board at 450 No. Euclid Avenue (Upland Public Library) and on the Company's website.

SAN ANTONIO WATER COMPANY
MINUTES OF THE SAN ANTONIO WATER COMPANY
Tuesday, January 18, 2022

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

1. Recognitions and Presentations: Mr. Lee provided a presentation on the progress of SAWCo projects and status of its facilities.
2. Additions-Deletions to the Agenda: None.
3. Shareholder-Public Testimony: None.
4. Consent Calendar Items:
 - A. Approval of Board Meeting Minutes
Regular Meeting Minutes of December 1, 2021.
 - 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 September 28, 2021.
 - D. Financial Statement
Income Statement and Balance Sheet for October 31, 2021.
 - E. Investment Activity Report
Monthly Report of Investments Activity.
 - F. Water Production and Consumption
Monthly water production and consumption figures.
 - G. Prominent Issues Update
Status summaries on certain on-going active issues.
 - H. Projects and Operations Update
Status summaries on projects and operations matters.
 - I. Groundwater Level Patterns [Quarterly in January, April, July, and October]
Tracking patterns of groundwater elevations relative to ground surface.
 - J. Conservation Program Update [Quarterly in January, April, July, and October]
Update on SAWCo's existing water conservation programs
 - K. Correspondence of Interest

Director Parker questioned over pumping taking place in Cucamonga Basin as shown in Item 4H. Mr. Lee advised Cucamonga Valley Water District (CVWD) does not utilize all its entitlement in Cucamonga Basin and has made an arrangement with SAWCo that for every 2 acre feet (AF) SAWCo utilizes over entitlement in Cucamonga Basin, CVWD receives 1 AF of water in Chino Basin.

Director Parker moved and Director Zuniga seconded to approve the Consent Calendar as presented. Motion carried unanimously with Directors Bill Velto, Martha Goss, and Will Elliott absent.

5. Board Committee – Delegate Report:
 - A. **Pomona Valley Protective Association (PVPA) Representative's Report** – Director Thomas reported on the most recent PVPA Meeting. There has been close to 12 inches of rain recently which has allowed for some water spreading. Currently, there is a study taking place on water recharge below the dam.

During the January PVPA meeting, taking place the following week, the officers are chosen. The recommendation is for the officers stay the same for 2022.

The National Recreation Area bill that includes privately owned PVPA land continues to be at a standstill. It appears Congresswoman Judy Chu does not want to remove private land from the bill but it is not gaining any traction.

A weed abatement notice from the Los Angeles County Fire for PVPA land located in an area of habitat continues to be disputed. The Fish and Wildlife are advising to not abate. PVPA will not act until the issue is resolved.

Three Valleys Municipal Water District is looking at purchasing land located north of the 210 freeway once owned by PVPA, now owned by Cal Trans, in order to drill a well. There is opposition to this from another agency as it may reduce draw from other wells in the area.

The current PVPA president, William McDonald, retiring from Golden State Water Company in April will continue in his role at PVPA until he officially retires.

- B. Six Basins Representative Report** – Ms. Layton reported the approval of the Operating Safe Yield which remained the same as the previous year. The assessments for the year also remain the same as the previous year.

Director Thomas mentioned PVPA's \$150,000 contribution to projects which helps keep the cost of yearly assessments low.

- C. Chino Basin Representative Report** – Mr. Lee informed the Board of the Appropriative Pool elections. CVWD will remain Chair of the Pool, however, Eduardo Espinoza will take over for John Bosler and Chris Diggs from the City of Pomona will be Vice Chair of the Pool. Jurupa Community Services District (JCSD) will be Chair of the Advisory Committee while Mr. Lee and Justin Scott-Coe of Monte Vista Water District (MVWD) will be the Minor Chairs.

- D. Cucamonga Basin Representative Report** – Mr. Lee stated interviews for the two remaining hydrogeologists being considered for the basin will take place on February 1st.

Director Thomas reiterated the desire to in the future schedule a joint meeting of the Board members from each agency involved in the basin.

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

- F. Planning, Resources, and Operations Committee (PROC) Chairman's Report** – No meeting to report.

- G. Office Feasibility Study Ad Hoc Committee** – No meeting to report.

6. General Manager's Report on Activities:

- A. San Antonio Heights Citizen's Patrol** – Mr. Lee reminded the Board of the services the San Antonio Heights Citizen's Patrol provides SAWCo such as notification of water waste and graffiti. On an annual basis, SAWCo typically donates \$1,000 to the Citizen's Patrol in part as a thank you for these services.

After brief discussion it was agreed the amount of \$1,000 was sufficient.

Director Parker moved and Director Zuniga seconded to approve a donation in the amount of \$1,000 to the San Antonio Heights Citizen's Patrol. Motion carried unanimously with Directors Bill Velto, Martha Goss, and Will Elliott absent.

B. COVID Response – Mr. Lee advised of possible staff exposures but no positive cases. Staff continues to monitor and update procedures as information regarding how to handle COVID-19 cases changes.

7. Closed Session: None.

8. Director's Comments and Future Agenda Items: Mr. Lee advised that due to equipment upgrades, the City of Upland Council Chambers will be unavailable during the months of March and April. As such, SAWCo will take its Board meetings, as well as its Annual Shareholder's Meeting, virtual.

Adjournment:

With no further business to discuss the meeting was adjourned at 5:23 p.m.

Assistant Secretary
Brian Lee

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

November 23, 2021

An open meeting of the Administration and Finance Committee (AFC) of the San Antonio Water Company (SAWCo) was held virtually and called to order at 3:07 p.m. on the above date as noticed. Committee Members present were Bill Velto and Tom Thomas. Also in attendance were, SAWCo's General Manager Brian Lee, Assistant General Manager Teri Layton, and Senior Administrative Specialist Kelly Mitchell.

1. Recognitions and Presentations: None.
2. Additions-Deletions to the Agenda: None.
3. Public Comments: None.
4. Approval of Committee Meeting Minutes: Director Thomas moved and Director Velto seconded to approve the meeting minutes of September 28, 2021. Motion carried unanimously with Directors Bob Cable and Martha Goss absent.
5. Administrative and Financial Issues:
 - A. ***Annual Review of Employee Health and Welfare Benefits*** – Mr. Lee reported a less than 0.5% increase in the premium for health care for 2022. The premium for life insurance and dental insurance for 2022 is at a 2% increase and vision and AD&D insurance premiums remain the same for 2022.

Director Velto moved and Director Thomas seconded to recommend the Board approve maintaining SAWCo's current employee health and welfare benefits package. Motion carried unanimously with Directors Goss and Cable absent.
 - B. ***First Review of Proposed 2022 Operating and Capital Budget*** – Mr. Lee advised projects for 2022 will be more in line budget wise with 2020 and previous years. He noted the 2021 budget for projects was considerably higher in order to reduce reserves to what the Board agreed was an appropriate amount.

Mr. Lee then provided some highlights from the proposed budgets. He is recommending the entitlement to water remain at 13,000 acre-foot (AF) for the year. There was a brief discussion about cloud seeding and the possible benefits to water supply and entitlement.

Director Thomas moved and Director Velto seconded to recommend the Board approve the proposed 2022 Operating Budget and Capital Budget as presented. Motion carried unanimously with Directors Goss and Cable absent.
6. Closed Session: None.
7. Committee Comments and Future Agenda Items: None.
8. Adjournment: Seeing no further business, the meeting was adjourned at 3:19 p.m.

Assistant Secretary
Brian Lee



San Antonio Water Company, CA

Income Statement

Group Summary

For Fiscal: 2021 Period Ending: 11/30/2021

IncomeStatement	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Category: 4 - Income					
SubCategory: 40 - Shareholder Revenue					
1185 - Domestic Water Income (Base)	301,000.00	301,000.00	160.38	236,200.00	64,800.00
1215 - Domestic Water Income (Supplemental)	148,000.00	148,000.00	87.93	208,858.39	-60,858.39
1220 - Domestic Water Income (Tier 3)	104,000.00	104,000.00	8.51	282,657.83	-178,657.83
1230 - Domestic Water Income (Readi/Chrg)	200,000.00	200,000.00	126.16	167,966.16	32,033.84
1235 - Domestic Water Availability Charge (WAC)	60,000.00	60,000.00	19.28	50,791.99	9,208.01
1245 - Municipal Water Income (Base)	3,100,000.00	3,100,000.00	175,919.48	2,380,928.10	719,071.90
1268 - Municipal Water Income (Readi/Chrg)	80,000.00	80,000.00	6,400.00	70,900.00	9,100.00
1274 - Misc Water Income (Base)	220,000.00	220,000.00	13,139.70	193,314.73	26,685.27
1275 - Misc Water Income (Supplemental)	126,000.00	126,000.00	3,663.10	8,738.71	117,261.29
1276 - Munnicipal Water Availability Charge (WAC)	477,000.00	477,000.00	39,756.00	437,212.00	39,788.00
1280 - Misc Water Income (Tier 3)	15,000.00	15,000.00	0.00	47.85	14,952.15
1288 - Misc Water Income (Readi/Chrg)	23,000.00	23,000.00	1,880.00	21,490.00	1,510.00
1290 - Misc Water Availability Charge (WAC)	24,000.00	24,000.00	1,922.00	21,142.00	2,858.00
1295 - Dormant Water Availability Charge (WAC)	54,000.00	54,000.00	0.00	43,632.34	10,367.66
1300 - Sale of Water/From Storage	0.00	0.00	0.00	180,000.00	-180,000.00
1400 - Stock Transfer	5,000.00	5,000.00	600.00	4,680.00	320.00
1410 - Late/Re-establishment Fee	4,000.00	4,000.00	0.00	795.00	3,205.00
1420 - Return Check Fee	0.00	0.00	0.00	25.00	-25.00
1430 - Stock Certificate Storage and Handling Fee	0.00	0.00	0.00	200.00	-200.00
SubCategory: 40 - Shareholder Revenue Total:	4,941,000.00	4,941,000.00	243,682.54	4,309,580.10	631,419.90
SubCategory: 42 - Non-Shareholder Revenue					
1725 - Misc. Income	2,000.00	2,000.00	0.00	7,950.30	-5,950.30
1750 - Service/Litigation Agreements	0.00	0.00	83.11	830.96	-830.96
1753 - Ground Lease Income	54,000.00	54,000.00	6,111.84	63,402.24	-9,402.24
1755 - Interest Earned	90,000.00	90,000.00	0.00	15,546.55	74,453.45
1785 - Gain on Sale of Asset	344,000.00	344,000.00	0.00	0.00	344,000.00
SubCategory: 42 - Non-Shareholder Revenue Total:	490,000.00	490,000.00	6,194.95	87,730.05	402,269.95
Category: 4 - Income Total:	5,431,000.00	5,431,000.00	249,877.49	4,397,310.15	1,033,689.85
Category: 5 - O & M Expense					
SubCategory: 50 - Operating Facilities					
2175 - Facility Related Field Labor	225,000.00	225,000.00	22,044.81	224,485.62	514.38
2235 - Repairs to Facilities and Equipment	300,000.00	300,000.00	42,917.48	325,693.31	-25,693.31
2265 - Power-Gas & Electric (utilities)	600,000.00	600,000.00	64,787.79	727,222.09	-127,222.09
SubCategory: 50 - Operating Facilities Total:	1,125,000.00	1,125,000.00	129,750.08	1,277,401.02	-152,401.02
SubCategory: 51 - Operating Activities					
2475 - Customer Service	85,000.00	85,000.00	6,651.88	78,666.13	6,333.87
2498 - Conservation	20,000.00	20,000.00	1,960.00	11,987.26	8,012.74
SubCategory: 51 - Operating Activities Total:	105,000.00	105,000.00	8,611.88	90,653.39	14,346.61
SubCategory: 52 - Other Operating Expense					
2205 - Non-Facility Related Labor	75,000.00	75,000.00	3,706.63	56,408.80	18,591.20
2210 - O & M - All Other	3,800.00	3,800.00	0.00	5,788.50	-1,988.50
2295 - Supplies (Inventory & Tools Expense)	10,000.00	10,000.00	-339.24	10,841.52	-841.52
2565 - Depreciation/Amortization	903,000.00	903,000.00	78,702.17	860,558.10	42,441.90
2715 - Property Taxes	220,000.00	220,000.00	118,320.06	222,111.53	-2,111.53
2805 - Water Resource Mgmt.	200,000.00	200,000.00	2,231.27	56,858.36	143,141.64
SubCategory: 52 - Other Operating Expense Total:	1,411,800.00	1,411,800.00	202,620.89	1,212,566.81	199,233.19
Category: 5 - O & M Expense Total:	2,641,800.00	2,641,800.00	340,982.85	2,580,621.22	61,178.78

Income Statement

For Fiscal: 2021 Period Ending: 11/30/2021

IncomeStatement	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Category: 6 - G & A Expense					
SubCategory: 60 - Personnel					
2115 - Administrative Services	290,000.00	290,000.00	20,953.89	279,672.22	10,327.78
2130 - Development/Water Svc. App.	1,000.00	1,000.00	0.00	0.00	1,000.00
2325 - Payroll Taxes	80,000.00	80,000.00	3,662.42	68,747.81	11,252.19
2355 - Worker's Compensation Insurance	15,000.00	15,000.00	1,633.00	14,518.00	482.00
2385 - Benefit Pay (Vac., sick, etc.)	185,000.00	185,000.00	10,106.07	143,440.64	41,559.36
2415 - Benefit Insurance (Pension,Life,Medical,Vision etc	250,000.00	250,000.00	19,595.56	224,377.60	25,622.40
2430 - Benefit Administrative Services	3,000.00	3,000.00	0.00	2,275.00	725.00
SubCategory: 60 - Personnel Total:	824,000.00	824,000.00	55,950.94	733,031.27	90,968.73
SubCategory: 61 - Other					
2445 - Office/IT Support	63,000.00	63,000.00	3,042.25	52,123.43	10,876.57
2505 - Directors Fees & Expense	34,000.00	34,000.00	1,813.60	29,905.36	4,094.64
2535 - Liability Insurance	30,000.00	30,000.00	0.00	35,510.00	-5,510.00
2595 - Communication	40,000.00	40,000.00	2,163.69	37,813.94	2,186.06
2625 - Dues & Publications	3,000.00	3,000.00	0.00	2,652.95	347.05
2655 - Outside Services	30,000.00	30,000.00	230.32	11,756.89	18,243.11
2745 - Income Tax Expense	14,000.00	14,000.00	0.00	11,856.00	2,144.00
2775 - Accounting	70,000.00	70,000.00	4,724.23	69,943.96	56.04
2776 - Legal	250,000.00	250,000.00	11,797.50	177,130.92	72,869.08
2790 - Human Resources Expense	45,000.00	45,000.00	3,193.05	67,938.35	-22,938.35
2865 - All other	35,000.00	35,000.00	99.96	14,100.22	20,899.78
SubCategory: 61 - Other Total:	614,000.00	614,000.00	27,064.60	510,732.02	103,267.98
Category: 6 - G & A Expense Total:	1,438,000.00	1,438,000.00	83,015.54	1,243,763.29	194,236.71
Total Surplus (Deficit):	1,351,200.00	1,351,200.00	-174,120.90	572,925.64	

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
10 - 10	1,351,200.00	1,351,200.00	-174,120.90	572,925.64	778,274.36
Total Surplus (Deficit):	1,351,200.00	1,351,200.00	-174,120.90	572,925.64	



Account	Name	Balance
Fund: 10 - 10		
Assets		
BalSubCategory: 10 - Cash		
10-00-00-10100-00000	Petty Cash	250.00
10-00-00-10201-00000	Checking Account-8431	2,457,012.79
10-00-00-10415-00000	D&O Checking Account	343,685.96
10-00-00-10438-00000	Depre/Obsolescene Res (LAIF)	3,408,806.66
	Total BalSubCategory 10 - Cash:	6,209,755.41
BalSubCategory: 11 - Accounts Receivable		
10-00-00-11100-00000	Accounts Receivable-Domestic	42,093.12
10-00-00-11200-00000	Accounts Receivable-Municipal	235,782.25
10-00-00-11250-00000	Accounts Receivable-Misc.	20,827.27
10-00-00-11260-00000	Accounts Receivable - Dormant	2,450.93
10-00-00-11275-00000	Contra Accounts Receivable - Unapplied Cre	-20,890.20
10-00-00-11300-00000	Accounts Receivable-Other	216,059.13
10-00-00-11301-00000	Note Receivable	1,032,000.00
	Total BalSubCategory 11 - Accounts Receivable:	1,528,322.50
BalSubCategory: 12 - Inventory		
10-00-00-12100-00000	Inventories-Materials & Supply	93,522.15
	Total BalSubCategory 12 - Inventory:	93,522.15
BalSubCategory: 13 - Prepaid		
10-00-00-13100-00000	Prepaid Insurance	8,868.75
10-00-00-13105-00000	PREPAID POSTAGE	369.00
10-00-00-13200-00000	Prepaid State Franchise Tax	144.00
	Total BalSubCategory 13 - Prepaid:	9,381.75
BalSubCategory: 14 - Investments		
10-00-00-14150-00000	P.V.P.A. Investment	1.00
10-00-00-14151-00000	457B Plan Investment	46,088.06
	Total BalSubCategory 14 - Investments:	46,089.06
BalSubCategory: 15 - Property, Plant, & Equipment		
10-00-00-15100-00000	Land & Water Rights	920,161.26
10-00-00-15110-1507J	Work in Progress "Proj J"	72,466.00
10-00-00-15110-1602U	Work in Progress	1,174,433.41
10-00-00-15110-1901	Work In Progress	807,390.59
10-00-00-15110-2001	Work In Progress	1,153,882.86
10-00-00-15110-2002	Work In Progress	129,543.49
10-00-00-15110-2003	Work In Progress	640,526.88
10-00-00-15110-2004	Work In Progress	51,902.93
10-00-00-15110-2101	Work In Progress	815.38
10-00-00-15110-2102	Work In Progress	3,165.16
10-00-00-15110-2103	Work In Progress	110,900.22
10-00-00-15110-2104	Work In Progress	9,558.60
10-00-00-15110-2108	Work In Progress	80,000.00
10-00-00-15110-2109	Work In Progress	11,232.00
10-00-00-15110-2110	Work In Progress	13,709.84
10-00-00-15150-00000	Buildings & Site Improvements	1,746,624.52
10-00-00-15200-00000	Wells-Shafts, Bldgs, & Equip	4,910,918.85
10-00-00-15250-00000	Boosters-Bldgs & Equip	2,448,690.30
10-00-00-15300-00000	Reservoirs	3,081,787.33
10-00-00-15350-00000	Tunnels, Forebay, & Ponds	1,587,111.19
10-00-00-15400-00000	Spreading Works-Cucamonga Wash	54,859.53
10-00-00-15410-00000	Spreading Works-SanAntonio Wsh	50,235.18
10-00-00-15450-00000	Pipelines	16,441,208.14

Balance Sheet

As Of 11/30/2021

Account	Name	Balance
10-00-00-15500-00000	Autos & Equipment	513,205.56
10-00-00-15550-00000	Tools	110,134.46
10-00-00-15600-00000	Telemetry System	600,886.90
10-00-00-15650-00000	Office Equipment	523,769.10
10-00-00-15990-00000	Accumulated Depreciation	-14,283,841.12
Total BalSubCategory 15 - Property, Plant, & Equipment:		22,965,278.56
BalSubCategory: 16 - Other Assets		
10-00-00-16100-00000	Documents & Studies	907,379.38
10-00-00-16100-1905	WIP- Master Plan and Asset Managment Prc	148,210.97
10-00-00-16100-2105	WIP-2020 URBAN WATER MANAGEMENT PI	31,667.78
10-00-00-16100-2106	WIP- WATER INFRASTRUCTURE ACT AND RE	37,387.66
10-00-00-16100-2111	WIP-2021 Amer's Water INFRA Act Emerg Ri	387.34
10-00-00-16990-00000	Accumulated Amortization	-725,168.75
Total BalSubCategory 16 - Other Assets:		399,864.38
Total Assets:		31,252,213.81
		<u>31,252,213.81</u>
Liability		
BalSubCategory: 13 - Prepaid		
10-00-00-20650-00000	Deferred Revenue Deposit	15,216.00
Total BalSubCategory 13 - Prepaid:		15,216.00
BalSubCategory: 20 - Short-term less than 1 year		
10-00-00-20100-00000	Trade Accounts Payable	119,985.87
10-00-00-20115-00000	D&O Trade Accounts Payable	20,910.00
10-00-00-20261-00000	Section 125 - Dental	0.11
10-00-00-20262-00000	Section 125 - Vision	0.16
10-00-00-20263-00000	Section 125 - Medical	0.08
10-00-00-20600-00000	Water Hydrant Meter Deposit	1,700.00
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:		187,819.39
BalSubCategory: 21 - Long-term more than 1 year		
10-00-00-20152-00000	457B Deferred Comp Liability	46,088.06
10-00-00-21500-00000	Unclaimed Credits	614,939.12
10-00-00-22100-00000	Deferred Gain	1,029,178.33
Total BalSubCategory 21 - Long-term more than 1 year:		1,690,205.51
Total Liability:		1,893,240.90
Equity		
BalSubCategory: 30 - Stockholder equity		
10-00-00-30200-00000	Contributed Capital - Ext. Fee	447,258.02
10-00-00-30210-00000	Contr. Property, Plant & Equip	2,432,256.77
10-00-00-30300-00000	Capital Account	1,500,000.00
10-00-00-30310-00000	Unissued Capital Stock	-861,100.00
10-00-00-30400-00000	Retained Earnings-Brd Designated	5,436,069.53
10-00-00-30410-00000	Retained Earnings-Unrestricted	19,831,562.95
Total BalSubCategory 30 - Stockholder equity:		28,786,047.27
Total Beginning Equity:		28,786,047.27
Total Revenue		4,397,310.15
Total Expense		3,824,384.51
Revenues Over/Under Expenses		572,925.64
Total Equity and Current Surplus (Deficit):		29,358,972.91
Total Liabilities, Equity and Current Surplus (Deficit):		<u>31,252,213.81</u>

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

Institution	Type of Investment	Date of Maturity	Rate of Interest	Account Balance as of 11/30/2021	Reserves		
					Operating	Depreciation & Obsolescence	Modernization
Citizens Business Bank (CBB)	*Checking	N/A	No Interest	2,457,012.79	2,457,012.79		
Citizens Business Bank (CBB)	*D&O Checking	N/A	No Interest	343,685.96		\$ 343,685.96	
Local Agency Investment Fund	LAIF	N/A	0.203%	3,408,806.66	\$ -	\$ 2,696,447.66	\$ 712,359.00
TOTAL:				\$ 6,209,505.41	\$ 2,457,012.79	\$ 3,040,133.62	\$ 712,359.00

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

Institution	Type of Investment	Date of Maturity	Rate of Interest	Account Balance as of 12/31/2021	Reserves		
					Operating	Depreciation & Obsolescence	Modernization
Citizens Business Bank (CBB)	*Checking	N/A	No Interest	2,409,823.15	2,409,823.15		
Citizens Business Bank (CBB)	*D&O Checking	N/A	No Interest	298,508.70		\$ 298,508.70	
Local Agency Investment Fund	LAIF	N/A	0.212%	3,408,806.66	\$ -	\$ 2,696,447.66	\$ 712,359.00
TOTAL:				\$ 6,117,138.51	\$ 2,409,823.15	\$ 2,994,956.36	\$ 712,359.00

A. Water Supply through January 2022

- *** Water production report for January 2022 was unavailable in time for agenda production. Staff is tracking down errors in the report and will provide to the Board as soon as available. ***

- ~~Annual entitlement for CY2022 is 13,000 AF~~
 - ~~Cumulative yearly production was X AF~~
 - ~~Cumulative yearly consumption was X AF~~
 - ~~Cumulative yearly spread was X AF~~
 - ~~Cumulative unaccounted water was X AF~~

Six Basins Production for 2022

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

Cucamonga Basin Production for 2022

- ~~Annual production right is X AF.~~
- ~~Cumulative production was X AF.~~
- ~~The Company spread a total of X AF.~~

Chino Basin Production for 2022

- ~~Annual production right is X AF.~~
- ~~Cumulative production was X AF.~~
- ~~The Company spread a total of X AF.~~

Surface Water (San Antonio Creek) flow for 2022

Total flow was X AF.

Tunnel flow for 2022

San Antonio Tunnel flow was X AF. Frankish and Stamm Tunnel flow was X AF.

B. Company Stock

A total of ½ share of water stock moved from active to dormant this transfer period.

C. Communication and Information Activities

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

D. Administration Matters

Meetings of interest:

- Wed, Jan 26 – Board President and GM attended lunch meeting with GM of MVWD, GM of CVWD, GM of WECWC and CBWM Director Curatallo.
- Thu, Jan 27 - GM attended CBWM virtual AP Confidential Meeting and Board Meeting
- Wed, Feb 2 – GM attended lunch with Oscar Gonzalez, former CVWD Director and current consultant.
- Thu, Feb 3 – GM attended CBWD virtual AP Confidential Meeting
- Thu, Feb 10 – GM attended CBWM virtual AP Confidential Meeting and Advisory Committee

E. Groundwater Basin Matters

Chino Basin -

Spread Water from SAWCo - Application to spread 1,500 AF per year for years 21/22 through 25/26 was approved by WM Board in July. We have not yet spread any water in 2021.

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

The Appropriative Pool has objected to those costs being ‘expenses’ as defined by the Peace Agreement. The courts agreed with the AP.

On July 26th the Ag Pool filed a motion for Attorney’s Fees of about half a million dollars.

At a Nov 5th hearing the judge denied Ag Pool’s motion for attorney’s fees. The order was filed and Ag Pool has appealed.

Additionally, Chino has filed a motion regarding reimbursement of funds from Ag Pool back to CBWM and AP. The motion was originally scheduled to be heard on February 4th, 2022. However, at the start of the hearing the Ag Pool attorney improperly stated that settlement terms between the Ag Pool and AP were reached or within reach. This statement prompted the judge to defer the hearing until April, hoping the pools could reach a settlement before then.

Six Basins –

A meeting was held on January 26, 2022. The annual election of officers for 2022 was held with the current officers being re-elected for another term. They are as follows:

President	Tom Thomas
Vice President	Chris Diggs
Secretary	Jennifer Stark
Treasurer	Ben Lewis

The next meeting is scheduled for February 23, 2022 and will be held virtually.

Cucamonga Basin –

The working group met virtually on January 4th.

CVWD is still working to get Basin Model data from West Yost.

An RFQ / RFP process has been initiated by the Basin representatives for future engineering/hydrogeologic work. Based on the responses to the RFQ, three firms were shortlisted to continue with the RFP process. An addendum to the Request for Proposal was discussed and feedback was given by all the parties. No change to the current schedule was made. Proposals were received from all three consultants by the Oct 12 deadline.

Proposals were reviewed and discussed. Interviews were held with all three firms. From the interviews two firms were selected to continue the process. One additional interview for each of the two firms was held on February 1st. The Basin members are still weighing a final decision.

Agenda Item No. 4H

Item Title: Projects and Operations Update

Purpose:

To update the Board and Shareholders on Company capital projects.

Updates:

1507 – Office Relocation

~~Presentation to City of Upland originally scheduled for late September has been deferred at City Manager’s request.~~ Staff intends to initiate conversations regarding Company plans to either move this project forward or remove it from the books.

1902 – Cucamonga Crosswalls Mitigation

~~County has retained GRB, our contractor for the crosswall work, to process spoils behind the Cucamonga Dam. The state Division of Safety of Dams has requested that the County ‘muck out’ behind the dam to regain lost storage. Staff has asked GRB to assist in site clean up while they have the equipment in operation.~~ TKE Engineering is working with staff to close out certain State and Federal Permits. Staff is also looking into long-term maintenance permits that will allow the Company yearly access to the site for clearing and grubbing.

1905 – 2020 Master Plan

Computer Water Model being constructed by consultant. Staff is coordinating with consultant regarding areas of concern in the water model to improve accuracy. ~~Staff directed consultant to divert focus onto the AWIA Emergency Response Plan.~~ Revised schedule is to complete Master Plan by Spring ~~end of the year.~~

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

2007 Well 19

Staff is working on a Request for Proposals to construct a new Well 19. RFP should be released next year for consideration by the Board. Discussion regarding this project is scheduled for February PROC.

2103 Booster 19 (Holly Drive) Generator

Purchase Order has been submitted. Generator has been installed.

At the request of property owner Staff is working to hire a landscape architect with the intent to install screening landscaping. Staff has hired Soltis Landscaping to develop a screening plan. Staff and consultant met with homeowner last week to discuss proposed plan.

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

2107 Risk and Resiliency Assessment of SCADA system

Company has contracted a detailed study to find and eliminate openings in our SCADA system to reduce risk of outside attacks. Draft final report has been submitted and is currently being reviewed by staff. Staff is addressing several minor deficiencies that were identified in the report. Majority of deficiencies are related to wires not being installed in conduit.

Original Budget\$15,000
Original Contracts\$12,000
Authorized Change OrdersNA
Current Contracts.....\$12,000

2112 Treatment Plant

Technical memorandum discussing the pros and cons of a company treatment plant. Contract with TKE fully executed. Scheduling pre-design meeting. Pre-design meeting held and data review is ongoing.

Original Budget\$27,000
Original Contracts\$24,500
Authorized Change OrdersNA
Current Contracts.....\$24,500

Agenda Item No. 6A

Item Title: AFC Items for 2022

Purpose:

To discuss a 2022 schedule for the AFC Committee.

Issue:

What topics does the AFC wish to review in 2022?

Manager's Recommendation:

That individual directors provide their topics of interest to staff for consideration by the AFC.

Background:

Staff proposed the following topics for AFC consideration this year:

- Request for proposal (RFP) for general legal services
- RFP for Information Technology (Computer) services
- Simplifying Company financial and accounting software
- Consider outsourcing payroll
- End of year budget review to be presented at the March AFC meeting and April Board Meeting

Previous Actions:

None

Impact on the Budget:

None

Agenda Item No. 6B

Item Title: Annual Shareholder's - Appointment of Inspectors of Election

Purpose:

To appoint Inspectors of Election for the Annual Shareholders meeting scheduled for April 5, 2022 at City Hall at 6pm.

Issue:

Does the Board wish to appoint Inspectors of Election?

Manager's Recommendation:

That the Board appoint General Manager Brian Lee and Assistant General Manager Teri Layton as Inspectors of Election for the 2022 Annual Meeting.

Background:

The Company learned last week that City Hall construction planned for late March/early April has been deferred. Therefore, the Council Chambers are currently available for our Annual Shareholder's Meeting.

Pursuant to Company By-laws, the annual meeting of the Shareholders shall be held each year on a date and time designated by the Board of Directors. Directors shall be elected at this time as well as conducting other business transactions as appropriate.

Before any meeting of Shareholders, the Board may appoint any persons other than nominees for office to perform duties as inspectors of election.

Given that there are no director positions up for re-election this year and the on-again off-again scheduling, staff is proposing the appointment of staff to the positions of Election Inspectors.

Previous Actions:

From 2013 to 2019 Pete Cherbak, Betty Garrison, and Donna Hawthorne performed the duties of the Inspectors of Election.

In 2020 and 2021 the Annual Meeting was conducted online due to restrictions imposed in response to the COVID19 pandemic. No inspectors were appointed for the online meetings.

Impact on the Budget:

None