

**SAN ANTONIO WATER COMPANY**  
**MINUTES OF THE SAN ANTONIO WATER COMPANY**  
**Tuesday, November 17, 2020**

An open meeting of the Board of Directors of the San Antonio Water Company (SAWCo) was held virtually and called to order at 5:02 p.m. on the above date. Directors present were Tom Thomas, Will Elliott, Rudy Zuniga, Gino Filippi, Bob Cable, and Martha Goss. Also in attendance were Shivaji Deshmukh and Kathy Besser with Inland Empire Utilities Agency (IEUA), and SAWCo's General Manager Brian Lee and Senior Administrative Specialist Kelly Mitchell. Director Thomas presided.

1. Recognitions and Presentations: Mr. Lee thanked Mr. Shivaji Deshmukh with IEUA for attending the meeting and advised Mr. Deshmukh would be speaking to the Board later in the meeting.
2. Additions-Deletions to the Agenda: Mr. Lee had no additions but did point out on the screen was a current picture of the Frankish-Stamm Tunnel outlet. Director Thomas asked for the picture to be emailed to the Board of Directors for a closer look along with a map of its location in the system.
3. Shareholder-Public Testimony: None.
4. Consent Calendar Items:
  - A. Approval of Board Meeting Minutes  
Regular Meeting Minutes of October 20, 2020.
  - B. Planning, Resources and Operations Committee (PROC) Meeting Minutes  
Meeting minutes of August 25, 2020.
  - C. Environmental and Financial Committee (EFC) Meeting Minutes  
Meeting minutes of August 25, 2020.
  - D. Financial Statement  
Income Statement and Balance Sheet for September 30, 2020.
  - E. Investment Activity Report  
Monthly Report of Investments Activity.
  - F. Water Production and Consumption  
Monthly water production and consumption figures.
  - H. Prominent Issues Update  
Status summaries on certain on-going active issues.
  - I. Projects and Operations Update  
Status summaries on projects and operations matters.
  - J. Cucamonga Basin project (Cucamonga Valley Water District)  
Timeline planning for the water facilities mainline to be constructed.
  - K. Cucamonga Project Update (Cucamonga Valley Water District)  
Update on the Cucamonga Valley Water District project.
  - L. Update on State of Texas

Director Elliott moved and Director Goss seconded to approve the Consent Calendar as presented. Motion carried unanimously.

5. Board Committee – Delegate Report:
  - A. **Pomona Valley Protective Association (PVPA) Representative's Report** – Director Thomas stated that due to Veteran's Day, the PVPA meeting was moved to the 3<sup>rd</sup> Wednesday of the month and will therefore take place the day following SAWCo's Board meeting.  
  
Director Thomas also noted the Six Basins meeting was moved to the same date as the PVPA meeting. The Operating Safe Yield, the annual budget, and the contract with Wildermuth Environmental, Inc. who has recently merged with West Yost.
  - B. **Six Basins Representative Report** – Mr. Lee stated SAWCo will be over by roughly 300 acre feet (AF) of storage in the basin. SAWCo is willing to negotiate the purchase of this remaining storage water with other parties in the basin that are shareholders in the water company.
  - C. **Chino Basin Representative Report** – Mr. Lee reported on the court hearing regarding Agricultural Pool's legal invoices and the Appropriative Pool's objection to paying them. The judge has ordered both parties to a 90-day mediation. If after that time an agreement between the parties has not been reached the judge will then make a ruling.  
  
The parties are still moving forward on the implementation plan and the California Environmental Quality Act (CEQA) light, which is for storage only rather than the entire Optimum Basin Management Program (OBMP), in order to simplify and increase the amount of storage in the basin.
  - D. **Cucamonga Basin Representative Report** – Mr. Lee advised the working group is still working on getting the Terms of Reference document finalized as Cucamonga Valley Water District (CVWD) is running the document by their legal counsel for a second time.

In early 2021 the group will issue a Request for Proposal (RFP) for geotechnical work.

- E. *Administration and Finance Committee (AFC) Chairman's Report* – No meeting to report.
- F. **Planning, Resources, and Operations Committee (PROC) Chairman's Report** – Director Elliott reported there were no motions other than for the meeting minutes that came out of the most recent PROC meeting, just updates on current projects.
- G. *Office Feasibility Study Ad Hoc Committee* – No meeting to report.

6. General Manager's Report on Activities:

- A. **Inland Empire Utility Agency (IEUA) General Manager Shivaji Deshmukh**– Mr. Lee introduced Mr. Shivaji Deshmukh, the general manager of IEUA.

Mr. Deshmukh informed the Board he has been the general manager of IEUA since 2019 and gave a brief history of his experience in the water industry. He then explained all of the services IEUA provides as well as their regional contracts with seven local agencies for wastewater and the possibility of utilizing Proposition 1 funding for a Chino Basin Program allowing for local infrastructure to be built in exchange for 15,000 AF of water given to the State. IEUA is still analyzing whether or not the Chino Basin Program is a viable option.

- B. **Award of Contracts for Reservoir 9 Pipeline Replacement** – Mr. Lee explained the bids for the project came in at nearly twice the budgeted amount. The primary reason was due to relocation of about 3/4 of the project out of a dirt road and into a paved road which added costs to the trenching. Two vaults with meters were also added along with rearrangement of the pipeline at the site. Staff believes good value was added with these changes and additions. It was explained that there was a failure on this pipeline recently and an emergency replacement was considered.

Director Thomas noted the revised engineers estimate came in higher than the low bidder on the project.

Director Goss inquired when the commencement date was for the project. Mr. Lee replied that once approval is received he will issue the notice to proceed. Material availability will determine the actual start date.

Director Elliott moved and Director Zuniga seconded to authorize the General Manager to enter into contract with Downing Construction, Inc. for the Reservoir 9 Pipeline Replacement project for a not to exceed amount of \$807,090. Motion carried unanimously.

- C. **2021 Major Activities Calendar** – Director Thomas inquired if there was anything noteworthy regarding the calendar for the upcoming year. Mr. Lee replied there was none at the staff level.

Director Thomas advised the calendar shows the Committee and Board meetings, the Annual Shareholders Meeting, etc. He asked if there were any questions; seeing none he called for a motion.

Director Zuniga moved and Director Cable seconded to approve the 2021 Major Activities Calendar as presented. Motion carried unanimously.

- D. **Company Response to COVID-19** – Mr. Lee advised staff has been able to maintain operations. Field staff is still working a normal schedule while office staff is rotating days working at the office and working from home. He stated the End of Year Luncheon as of last week is still taking place at the Magic Lamp restaurant on December 3<sup>rd</sup> at 11:30 a.m. Director Filippi encouraged staff to entertain the use of a different venue for the luncheon as there have been issues with San Bernardino County and the Magic Lamp restaurant. Mr. Lee agreed he would look into alternatives.

Director Thomas suggested all staff and Board members attending the luncheon have their temperatures taken via an infrared digital thermometer. He also advised one be available for staff at the company office.

7. Closed Session: None

- 8. Director's Comments and Future Agenda Items: Director Thomas spoke about the recharge basin in the northwest portion of the San Antonio spreading grounds. The City of Claremont felt the master plan and environmental report needed completion before moving forward. A 25 acre, 10 foot deep basin was originally proposed, however, a 50 acre, 200 foot deep basin is what is now being proposed. The engineer is now charged with expanding the scope to include a more rational size basin. This item will be on the agenda for the upcoming Six Basin meeting.

Adjournment:

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

November 17, 2020

A handwritten signature in black ink, appearing to read "B. Lee", is written over a horizontal line.

Assistant Secretary  
Brian Lee

