

**MINUTES OF THE ANNUAL MEETING OF SHAREHOLDERS
OF THE SAN ANTONIO WATER COMPANY**

The Annual Meeting of Shareholders of the San Antonio Water Company (SAWCo) was held as noticed on April 8, 2025 in the Carnegie Library, 123 D St, Upland, California.

1. Shareholder Sign-In: Shareholders were requested to sign-in to document their presence at the Annual Meeting. All outstanding proxies submitted were verified for validity and effect.
2. Welcome:
 - A. Introductions – President Rudy Zuniga introduced the members of the Board in attendance; Vice President Will Elliott, Secretary Bob Cable, Becky Miller, Kati Parker, CFO Bill Velto, Bob Bowcock, and himself Rudy Zuniga. He then announced Inspector of Election; Brian Lee as well as Water Company Staff General Manager Brian Lee, General Legal Counsel Derek Hoffman, SAWCo's auditor's representative Craig Miller, and staff members Assistant General Manager Teri Layton, and Senior Administrative Specialist Tiffany Dickinson.
 - B. Validation of Annual Meeting Quorum – President Zuniga asked if the meeting was properly noticed and whether a quorum was present. Mr. Lee confirmed the meeting was properly noticed, and there is a quorum present.
3. Call to Order: President Zuniga called the meeting to order at 6:02 pm.
 - A. 2023 and 2024 Annual Meeting Minutes: Director Elliott moved and Director Miller seconded to approve the minutes of the 2023 and 2024 Annual Meeting as presented. Director Zuniga asked for a voice vote and the motion carried unanimously.
 - B. General Manager's Report: Mr. Lee conducted a PowerPoint presentation highlighting the Water Company features and the previous year's events. He emphasized that staff want their shareholders to understand there is a tremendous amount of information available on the website including the annual report, operating and capital improvement budget for fiscal year January 1-December 31, and a comprehensive water master plan. He thanked staff for the work being done and put in to prepare for the annual meeting and to the Board for time and dedication put into the meeting.

Mr. Lee stated he wanted to focus on SAWCo's water portfolio. He wants to discuss the water sources the Company has; San Antonio Canyon, surface water and ground water, retrieved through the tunnel. There is Six Basins Groundwater, Cucamonga Basin Groundwater and Chino Basin Groundwater.

Mr. Lee reported the San Antonio Canyon was the Company's original source back in 1882 and was adjudicated in 1913, a judge has divided up appropriately. The Company's surface water intake by the adjudication is allowed to pull 13,864.61-acre feet per year. The Company's five-year average 5,751-acre feet per year from 2000 to 2024, pulling substantially below our rights of the canyon surface water if it was available. The groundwater tunnel is not allowed to enlarge or expand it, with five-year average of 2,500-acre feet, with total average for the San Antonio Canyon for the last five year has been 8,200-acre feet per year.

Mr. Lee moved onto Six Basins Groundwater that has six basins within the six subbasins that was adjudicated in 1930. The original adjudication was 1,142-acre feet per year and the current adjudication is 932-acre feet. Therefore, because of groundwater availability, the Company has a declining yield from Six Basins Groundwater, but the Company is allowed to store water in Six

Basins up to 2,000-acre feet. Spreading water in Six Basins increases available yield bumping the average up above 932-to-1,197-acre feet per year.

Cucamonga Basin Groundwater is probably the most unique basin, adjudicated in 1958, with a base adjudication of 4,500-acre feet a year, but can add 2,000-acre feet a year on a one-on-one basis if there is an average spread in Cucamonga Basin. Cucamonga Basin currently does not allow for storage.

Chino Basin Groundwater was adjudicated in 1978 for 1556-acre feet per year, with current adjudication being 1,232-acre feet, with the decrease being due to issues surrounding Chino Basin Groundwater. Current storage in Chino Basin is 17,000-acre feet, the most sizable, long-term storage. The five-year average is 493-acre feet, substantially below the current adjudication that is 1,232 AF. That is due to water quality in Chino Basin, with a history of water quality issues.

Mr. Lee explained in total, in comparison, there are 27,000-acre feet available with all water sources with 15,660-acre feet being our, five-year average. The company is not leaving 11,368-acre feet on the table, the reason being is because San Antonio Canyon surface water is very weather dependent seasonal, dependent of rainfall, and dry years have a huge impact on water availability. Additionally, Cucamonga Canyon Water is dependent on bringing in water and spreading that water, and Chino Basin availability will require a new source, treatment, or both.

The question staff poses is, "Can the Company maximize a water portfolio and increase the availability of local water to shareholders?", and the answer is "yes". It is just a matter of how and one first thing to do is install stream gauges in San Antonio Canyon. The next proposed project would be to replace the diversion and delivery pipelines in San Antonio Canyon to carry higher flows, and to develop a project to spread San Antonio Canyon water in Cucamonga Canyon. Another idea is getting a percentage of credit for Cucamonga Crosswalls capture in Cucamonga Canyon, shared with Cucamonga Valley Water District and West End Consolidated. He also added that drilling a new well in Chino Basin is important to find cleaner water and see if that can be extracted out. Lastly, another idea is to develop ways to maximize flow from San Antonio Canyon Tunnel. The tunnel cannot be enlarged or expanded but with proper maintenance and care of the tunnel, there can be an increase in flow.

Mr. Lee concluded the Company has a possibility to deliver to its Shareholders an additional 4,000-acre feet a year of local water and later this year staff will be presenting a 'white paper' of further-developed concepts to maximize the Company's water portfolio.

Director Zuniga brought up item 3A and the fact needed a second from a shareholder. It was decided to amend the motion with Director Cable moved and Director Miller seconded to approve the minutes of the 2023 and 2024 Annual Shareholder's Meeting. Motion carried unanimously.

4. Directors Terms and Other Business: Director Zuniga advised of the terms current Directors are serving. The current Directors of the company are as follows:

A. Directors serving a 4-year term [2023-2027]

- Director Will Elliott
- Director Becky Miller
- Director Rudy Zuniga

B. Presentation of the nominees for election as Directors serving a 4-year term [2025-2029]

- Director Bob Cable
- Director Bill Velto
- Director Kati Parker

- Director Bob Bowcock

Director Elliott moved and Director Miller seconded to close the nominations for Office of Director. Motion passed unanimously.

- C. Election Inspector's Proxy Report – Mr. Brian Lee reported 4351 shareholdings by proxy present at the meeting and therefore have a quorum.

Director Miller moved and Director Elliott seconded to approve the slate of nominees for election as Directors serving a 4-year term for 2025-2029 as stated. Motion passed unanimously.

- D. Shareholders and Public Testimony – President Zuniga asked if there were any shareholders present that wished to address the Board on any topic under the jurisdiction of the Company, which is on or not on the agenda.

Seeing no shareholders wishing to address the Board, Director Parker moved and Director Cable seconded to adjourn the meeting. Motion passed unanimously.

Adjournment:

President Zuniga announced the meeting was adjourned at 6:25 p.m. with the Organizational Meeting immediately following.

Assistant Secretary
Brian Lee



ANNUAL SHAREHOLDERS MEETING
OF THE
SAN ANTONIO WATER COMPANY
CARNEGIE LIBRARY
123 D St. Upland, CA 91786
TUESDAY, APRIL 14, 2026 at 6:00 PM

AGENDA

Please join my meeting from your computer, tablet or smartphone.
<https://meet.goto.com/173018109>

You can also dial in using your phone.
Access Code: 173-018-109
United States: [+1 \(872\) 240-3212](tel:+18722403212)

1. SHAREHOLDER CHECK-IN {Begins at 5:30 p.m.}
For verifying representation and quorum [Company Staff]
2. WELCOME
 - A. Introductions [Chair-Company President]
 - B. Validation of Annual Meeting Quorum [Chair and Company Staff]
3. CALL TO ORDER (6:00 p.m.)
 - A. Minutes of the 2025 Annual Meeting (Shareholder Action Needed) [Chair]
 - B. General Manager's Report [General Manager]
4. DIRECTOR TERMS & OTHER BUSINESS
 - A. Directors serving 4-year term [2023-2027] [Chair]
 - o Director Will Elliott
 - o Director Becky Miller
 - o Director Rudy Zuniga
 - B. Directors serving 4-year term [2025-2029] [Chair]
 - o Director Bob Cable
 - o Director Bill Velto
 - o Director Kati Parker
 - o Director Bob Bowcock
 - C. Election Inspector's Proxy Report [Company Staff]
 - D. Shareholders and Public Testimony [Attendees]

(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. 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.)

ADJOURNMENT

The Board will adjourn the Annual Shareholders Meeting and reconvene to the Organizational Meeting of the Board of Directors.