SAN ANTONIO WATER COMPANY

MINUTES OF THE SAN ANTONIO WATER COMPANY
Tuesday, October 20, 2026

An open meeting of the Board of Directors of the San Antonio Water Company (SAWCo) was called to order at 5:06 p.m. on the above date at the City of Upland Council Chambers, 460 N Euclid Avenue, Upland, California. Directors present were Bill Velto, Bob Bowcock, Becky Miller, Bob Cable, and Kati Parker. Also in attendance were SAWCo's General Manager Brian Lee, General Legal Counsel Derek Hoffman, and Senior Administrative Specialist Tiffany Dickinson. Chief Financial Officer (CFO) Velto presided.

Director Miller led all in attendance in the flag salute.

Director Miller moved and Director Parker seconded to excuse Director Will Elliott from the meeting. Motion carried unanimously.

Director Rudy Zuniga entered the meeting at 5:12 PM.

1. *Recognitions and Presentations:* None.

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 September 15, 2026
   - B. Planning, Resources and Operations Committee (PROC) Meeting Minutes
     No Meeting Minutes to approve.
   - C. Administration and Finance Committee (AFC) Meeting Minutes
     Regular Meeting Minutes of May 26, 2026.
   - D. AdHoc Committee for Office Feasibility Study
     No Meeting Minutes to approve.
   - E. Financial Statement
     Income Statement and Balance Sheet for August 31, 2026.
   - F. Investment Activity Report
     Monthly Report of Investments Activity.
   - G. Water Production and Consumption
     Monthly water production and consumption figures.
   - H. Prominent Issues Update
     Status summaries on certain on-going active issues.
   - I. Projects and Operations Update
     Status summaries on projects and operations matters.
   - J. Groundwater Level Patterns [Quarterly in January, April, July, and October]
     Tracking patterns of groundwater elevations relative to ground surface.
   - K. Conservation Program Update [Quarterly in January, April, July, and October]
     Update on SAWCo's existing water conservation programs.
   - L. Correspondence of Interest

Director Cable moved and Director Miller 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 Velto stated PVPA did not meet, therefore no update to report.

B. Six Basins Representative Report – Mr. Lee stated there was no update to report.

C. Chino Basin Representative Report – Mr. Lee stated there was no update to report.

D. Cucamonga Basin Representative Report – Mr. Lee stated there was no update to report.

E. **Administration and Finance Committee (AFC) Chairman's Report** –Director Velto reported the agenda item regarding the unused entitlement was discussed and has been brought back to the full Board for further discussion.

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. Board's Annual End-Of-Year Employee Gift: Mr. Lee reported the end-of-year employee gift is an annual budgeted item, which has traditionally been $1,500.00 or prorated for part-time employees and partial years of service.

   Director Parker moved and Director Bowcock seconded to approve the Board's annual end-of-year employee gift in the amount of $1,500.00 or prorated for partial years. Motion carried unanimously.

7. Review of Major Activities Calendar 2027: Staff presented the major activities calendar for 2027 to give the Board opportunity to review the proposed meeting schedule.

   Director Velto moved and Director Cable seconded to approve the Company's major activities calendar for 2027 as presented. Motion carried unanimously.

8. Pomona Valley Protective Association (PVPA) Annual Shareholders Meeting Proxy: Staff reported the PVPA annual meeting, which is typically held in November, has been deferred to January 2027. It has been tradition of the Board to appoint Director Parker in October to serve as SAWCo's proxy voter.

   Director Velto moved and Director Miller seconded to approve assigning Director Parker as proxy to PVPA Annual Shareholder's Meeting. Motion carried unanimously.

9. Resolution Authorizing Sale of 2026 Unused Entitlement and Application of Temporary Tier 2 Municipal Rate: Staff stated if Resolution 2026-10-01 is approved by the Board, this will give staff the ability to sell unused entitlement by the end of the year. This will allow the Company to meet its entirety of the 2026 entitlement of 16,000-acre feet.

   Director Miller moved and Director Cable seconded to approve the adoption of Resolution 2026-10-01 authorizing the sale of 2026 unused entitlement and application of temporary tier 2 municipal rate. Motion carried unanimously.

10. Closed Session:

    A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
    [Gov't Code § 54956.9(d)(2)]
    Significant exposure to litigation: One potential case

    B. CONFERENCE WITH LABOR NEGOTIATOR
    [Gov't Code § 54956.9(d)(1)]
    Name of Case: Aqueous Film-Forming Foams Product Liability Litigation,
    Master Docket No. 2:18-mn-2873-RMG

    Mr. Hoffman stated the Company has been made aware of potential claims involving items on the agenda. Director Velto and Director Zuniga will be recused from the closed session items, as members of the City of Upland City Council.

    The Board went into closed session at 5:18 PM. Upon return from the closed session at 5:50 PM, Mr. Hoffman stated there is no reportable action.

11. Director's Comments and Future Agenda Items: None.

Adjournment:

With no further business to discuss the meeting was adjourned at 5:52 PM.

Assistant Secretary
Brian Lee