

SAN ANTONIO WATER COMPANY
MINUTES OF THE SAN ANTONIO WATER COMPANY
Tuesday, February 21, 2023

An open meeting of the Board of Directors of the San Antonio Water Company (SAWCo) was called to order at 5:01 p.m. on the above date at the City of Upland Council Chambers, 460 N. Euclid Ave., Upland, California. Directors present were Rudy Zuniga, Will Elliott, Bob Cable, Martha Goss, Bill Velto, Kati Parker, and Bob Bowcock. Also in attendance were SAWCo's General Manager Brian Lee, Assistant General Manager Teri Layton, General Legal Counsel Derek Hoffman, and Senior Administrative Specialist Kelly Mitchell. President Zuniga presided.

Director Velto led all in attendance in the flag salute.

1. Recognitions and Presentations: None.
2. Additions-Deletions to the Agenda: Mr. Lee removed Items 4E and 4F from the Consent Calendar Items due to the items being included in the 2022 Audit which has not yet been presented to the Board. The 2022 Audit will be brought to the Board in March at which time Items 4E and 4F will include December 2022 statement and report respectively for approval.
3. Shareholder-Public Testimony: None.
4. Consent Calendar Items:
 - A. Approval of Board Meeting Minutes
Regular Meeting Minutes of January 17, 2023.
 - B. Planning, Resources and Operations Committee (PROC) Meeting Minutes
No meeting minutes to approve.
 - C. Administration and Finance Committee (AFC) Meeting Minutes
No meeting minutes to approve.
 - D. AdHoc Committee for Office Feasibility Study
Approve meeting minutes of August 12, 2020.
 - E. Financial Statement
Income Statement and Balance Sheet for December 31, 2022.
 - 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 Velto moved and Director Goss seconded to approve the Consent Calendar with Items 4E and 4F removed. Motion carried unanimously.

5. Board Committee – Delegate Report:
 - A. **Pomona Valley Protective Association (PVPA) Representative's Report** – Director Parker reported PVPA met on Wednesday, February 8th for routine business. Discussion took place regarding Holliday Rock placing solar panels on property in order to power their conveyor belt for the new basin located north of Sycamore Heights.
 - B. **Six Basins Representative Report** – Ms. Layton reported a meeting was held on January 5th. The annual election of officers was held at that time with only one officer position changing. John Robles with the City of Upland now holds the position of Treasurer. Brian Bowcock was honored at the meeting with a resolution. The next meeting is scheduled for the following day.
 - C. **Chino Basin Representative Report** – Mr. Lee reported the 45th annual report was submitted to the courts. The City of Chino's request for an extension of time to challenge fiscal year 2021-2022 assessment packages was rejected by the court. Soon after the denial, the City of Chino filed a motion to challenge the watermaster's approval of the fiscal year 2022-2023 assessment packages. Also denied by the courts was the City of Chino's request to remove the watermaster from the Agricultural Pool terms of agreement for the appeal process.
 - D. **Cucamonga Basin Representative Report** – Mr. Lee stated the parties met virtually and are discussing the water model. Information is being relayed to the hydrogeologist regarding grid size, expected results, computing power, etc. Data is also being provided to the hydrogeologist for this year's Sustainable Groundwater Management Act (SGMA) submittal.

- 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** – Director Goss advised all committee members, Mr. Lee, and the architect met to review conceptual plans for a new, combined office and yard facility. Some changes discussed were not included in the plans provided in the Board packet. Erik Peterson with Claremont Environmental Design Group (CEDG) will discuss some of the ideas presented and take any additional comments and suggestions during Agenda Item 6D.

6. General Manager's Report on Activities:

- A. **Emporia Street and Fern Avenue Quitclaim Request** – Mr. Lee stated SAWCo has received a quitclaim request for the blanket easement it has on Emporia Street and Fern Avenue. SAWCo has no facilities at this location and does not have plans to build or install any in the future.

Mr. Lee recommended the Board authorize legal counsel to draft a quitclaim for the property that will reserve water rights.

Director Elliott moved and Director Goss seconded to approve executing a quitclaim deed for the property located at Emporia Street and Fern Avenue with the caveat that it be at no expense to the SAWCo. Motion carried unanimously.

- B. **Euclid Avenue and Foothill Boulevard Quitclaim Request** – Mr. Lee advised SAWCo also received a quitclaim request for the blanket easement at Euclid Avenue and Foothill Boulevard. The reason for the quitclaim is to separate the portion of the parcel that has the Vons gas station. SAWCo has no facilities at this location and does not have plans to build or install any in the future. Should they need to install any pipelines in the future they would go in the right-of-way.

Regarding fees, Mr. Lee advised there is a \$1,500 charge for quitclaims which is paid to SAWCo by the developer.

Director Velto moved and Director Parker seconded to approve executing a quitclaim deed for the property located at Euclid Avenue and Foothill Boulevard. Motion carried unanimously.

- C. **Glendale Road Pipeline Replacement/Upgrade Project Award** – Mr. Lee advised SAWCo put the design of this project out to bid. The staff estimate of \$230,000 was approved in the budget. This figure was based off numbers from projects bid 2 years ago. The engineer's estimate came in at \$457,000 after the budget had been approved. The low bid came in at \$437,931 from C.P. Construction. The increase in the cost of the project isn't due to the pipelines but the externals such as the fittings, joints, brass, and metal components due to supply issues. Additionally, staff found that most contractors now are paying prevailing wage even for non-union work to maintain their workforce.

In addition, San Bernardino County is moving forward with a paving project in SAWCo's domestic service area. Staff thought it beneficial to perform early, two smaller pipeline projects scheduled for future replacement prior to the County paving the roads. A bid was received from C.P. Construction for the work, however, the costs came in at nearly \$500,000. These two projects are not budgeted for this year and the high cost made moving up the timeframe not advisable.

Mr. Lee recommended the Board approve moving forward with C.P. Construction for the Glendale Road Pipeline Replacement/Upgrade project at a cost of \$437,931.

Director Velto moved and Director Parker seconded to approve contracting with C.P. Construction in the amount of \$437,931 for the Glendale Road Pipeline Replacement/Upgrade project. Motion carried unanimously.

Director Zuniga inquired whether staff had reached out to Supervisor Jesse Armendaréz on slowing the paving process. Mr. Lee replied staff have been working with the County Public Works Department to allow for SAWCo to perform work prior to paving, however, with the cost of the two projects being at such high cost, SAWCo will likely wait more than a year to put the projects out to bid.

Director Velto suggested having the County delay paving just the two streets affected by the two proposed small pipeline projects. Director Cable stated if the funds used for the paving come from the BIL funding, those funds are spread out over 5 years.

- D. **SAWCo Office & Yard Relocation** – Mr. Lee reiterated the Ad Hoc Committee for the office and yard relocation met in January to review and discuss concept plans. Mr. Peterson with CEDG spoke to the Board regarding what was discussed and took additional suggestions and ideas from the Board. Of great importance was keeping 20th Street traffic to a minimum and having an aesthetically pleasing site to maintain the look of the surrounding neighborhood. Suggested

changes to the concept plans will be made and submitted to Mr. Lee. The contract for CEDG will be brought to the March Board meeting for review and possible approval.

7. Closed Session:

A. General Manager's Annual Review, Goals, and Objectives [CGC §54957 subdivision 9(b)] –


The Board went into closed session at 5:40 p.m. Upon return from closed session at 6:15 p.m., Mr. Hoffman stated the Board discussed the General Manager's review and that there was no reportable action.

8. Director's Comments and Future Agenda Items: Director Parker announced SAWCo will be featured on the Upland Heritage Home Tour on Sunday, April 16th. Most recently, SAWCo was featured on the tour in 2008.

Director Zuniga requested placing an item on the agenda to discuss the possibility of SAWCo partnering with the City of Upland for events such as the 4th of July celebration and Christmas Parade.

Adjournment:

With no further business to discuss the meeting was adjourned at 6:17 p.m.



Assistant Secretary
Brian Lee

