

SAN ANTONIO WATER COMPANY
MINUTES OF THE SAN ANTONIO WATER COMPANY
Tuesday, October 19, 2021

An open meeting of the Board of Directors of the San Antonio Water Company (SAWCo) was called to order at 5:02 p.m. on the above date at the Upland City Hall Council Chambers, 460 North Euclid Avenue, Upland, California. Directors present were Tom Thomas, Will Elliott, Martha Goss, Rudy Zuniga, Bob Cable, Bill Velto, and Kati Parker. Also in attendance were Inland Empire Utilities Agency (IEUA) General Manager Shivaji Deshmukh, SAWCo's General Manager Brian Lee, Assistant General Manager Teri Layton, and Senior Administrative Specialist Kelly Mitchell. Director Thomas presided.

Director Cable led all in attendance in the flag salute.

1. Recognitions and Presentations: None.
2. Additions-Deletions to the Agenda: Mr. Lee requested the addition of the Pomona Valley Protective Agency (PVPA) Proxy Vote as Agenda Item 6H.

Director Goss moved and Director Cable seconded adding the PVPA Proxy Vote as Agenda Item 6H. Motion carried unanimously by voice vote.

3. Shareholder-Public Testimony: None.

4. Consent Calendar Items:

- A. Approval of Board Meeting Minutes
Regular Meeting Minutes of September 21, 2021
- B. Planning, Resources and Operations Committee (PROC) Meeting Minutes
No meeting minutes to report. Meeting minutes of June 22, 2021
- C. Administration and Finance committee (AFC) Meeting Minutes
Meeting minutes of July 27, 2021.
- D. Financial Statement
Income Statement and Balance Sheet for August 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 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 reported on the PVPA meeting held on October 13th.

The National Recreation Area bill that includes privately owned PVPA land was discussed. There are other private land holders in Utah that are also opposed to this bill. The bill is currently at a standstill.

A weed abatement notice from the Los Angeles County Fire for PVPA land located in an area of habitat is being disputed. The Fish and Wildlife are currently working on a Programmatical Environmental Impact Report that involves this property and does not want it abated. PVPA will not act until the issue is resolved.

PVPA also adopted a balanced budget that includes a surplus.

- B. **Six Basins Representative Report** – Director Thomas reported on the Six Basins meeting held on September 22nd. The Strategic Planning Workshop provided an update on the Programmatical Environmental Impact Report.
- C. **Chino Basin Representative Report** – Mr. Lee reported the court hearing for the Appropriative Pool (AP) contest of paying the Agricultural Pool (Ag) legal fees was pushed to November.

D. Cucamonga Basin Representative Report – Mr. Lee stated the Terms of Reference document has been signed. It is a staff-level commitment to work together. The working group intends to put the document into a more formal, board approved document.

Three proposals have been received for the hydro geotechnical work. The proposals are being reviewed and recommendation is expected shortly.

E. Administration and Finance Committee (AFC) Chairman's Report – Director Goss reported the Committee discussed and approved presenting to the Board the tracking code changes and the Board gift.

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. Conversation with Shivaji Deshmukh – Mr. Lee reintroduced the Board to Shivaji Deshmukh, General Manager of IEUA. Mr. Deshmukh spoke at a SAWCo Board meeting roughly a year ago when all meetings were being held virtually. This is the first time he and the Board have met in person.

Mr. Deshmukh provided a PowerPoint presentation to the Board and staff with a water supply condition update. He stated there is anticipation of an announcement from the governor's office declaring a drought emergency.

Mr. Deshmukh also gave a brief history of IEUA's formation as well as its current offerings and projects. A brief history of California water was provided as well as specifics about local regional water and water conservation.

IEUA's new meter equivalent unit (MEU) rate was explained. The rate is relatively new, established in 2016, and provides funds for regional supply programs, coordination with Chino Basin Watermaster programs, and conservation programs. Currently, SAWCo staff has declined passing this roughly \$1.00 per meter, per month fee on to its shareholders or pay the fees themselves. Mr. Deshmukh is working with Mr. Lee on resolving this matter.

B. Water Shortage Contingency Plan Adoption – Mr. Lee explained the water Shortage Contingency is part of the Urban Water Management Plan the Board adopted at the September Board meeting. Staff was unaware at that time that the Water Shortage Contingency Plan needed separate adoption. Mr. Lee then recommended the Board adopt Resolution No. 2021-10-01, the 2020 Water Shortage Contingency Plan.

Director Parker moved and Director Goss seconded to adopt Resolution No. 2021-10-01 for the 2020 Water Shortage Contingency Plan. Motion carried unanimously.

C. Adoption of the General Manager's Review – Mr. Lee advised that at the September meeting, the Board considered this year's review of the General Manager's performance. The performance review has been finalized and signed by both the Board President and General Manager; however, the Brown Act requires a vote of the Board during open session in order to adopt the General Manager's Review

Mr. Lee recommended the Board adopt the General Manager's review as previously accepted by the Board.

Director Vello moved and Director Zuniga seconded to adopt the General Manager's review as previously accepted by the Board. Motion carried unanimously.

D. Activities Calendar for 2022 – Mr. Lee presented the activities calendar for 2022 and inquired if the Board perceived any conflicts or would like to recommend any changes.

Director Goss moved and Director Zuniga seconded to approve the 2022 Major Activities Calendar as presented. Motion carried unanimously.

E. Tracking Code Changes to Chart of Accounts – Mr. Lee informed the Board this item went before the AFC who then recommended it to the Board for approval. Staff would like to update and simplify current tracking codes for SAWCo's Chart of Accounts (COA). The last change was done in the 1990s when a previous general manager wanted tracking by facility, materials, contract services and labor. This created an extensive chart of accounts. Since this change, staff has never had the need to breakdown this level of detail for management. The current set up requires an extensive COA. An example of the current set up and proposed set up was provided.

Director Cable moved and Director Goss seconded to approve the changes and updates to the tracking codes for SAWCo's Chart of Accounts. Motion carried unanimously.

- F. Board Gift** – Mr. Lee reminded the Board that in past years it had presented a monetary gift to employees at the end of the year celebratory luncheon. The gift is considered a “thank you” for service to SAWCo and is not based on merit. From 2007 to 2019 a \$1,250 Board gift was given to all SAWCo employees; prorated for part-time and employees with less than 1 year of employment. In 2020 the Board increased the gift to \$1,500.

In the past, it has been the pleasure of the Board to hand out the gifts to its employees at the end of the year luncheon. This year, COVID allowing, the luncheon will be held on Thursday, December 2, 2021.

Director Goss moved and Director Cable seconded to approve providing a \$1,500 Board Gift to full time SAWCo employees; prorated for part-time employees and employees with less than one year of employment. Motion carried unanimously.

- G. COVID Response** – Mr. Lee advised there is no new news regarding the response to COVID-19. Staff keeps abreast of any changes taking place with San Bernardino County operations as well as the City of Upland.

- H. Pomona Valley Protective Agency Annual Meeting Proxy** – Mr. Lee stated in November of each year the PVPA holds their annual shareholder meeting to elect their board of directors for the upcoming year and to conduct other annual business. To participate, SAWCo must authorize a person to carry its proxy and vote at the annual meeting. Mr. Lee recommended the Board appoint Director Thomas as the proxy to vote all shares at the PVPA annual shareholder’s meeting on November 10, 2021.

Director Velto moved and Director Goss seconded to approve Director Thomas as proxy to vote all SAWCo shares at the PVPA annual shareholder’s meeting on November 10, 2021. Motion carried unanimously.

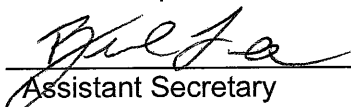
7. Closed Session: None.

8. Director’s Comments and Future Agenda Items: None.

The next Board meeting is scheduled for Tuesday, November 16, 2021 at 5 p.m.

Adjournment:

With no further business to discuss the meeting was adjourned at 5:58 p.m.



Assistant Secretary
Brian Lee

