



SAN ANTONIO WATER COMPANY

CORPORATE COMMITMENT

To provide our shareholders with reliable and good quality water service at a cost effective rate

WINTER
EDITION 2022

SAWCO WATERWORKS

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BID RESULTS

On November 15, 2022, the San Antonio Water Company held a stock auction to clear outstanding debts owed by shareholders. Two stock certificates were up for auction. The company received a total of 9 bids with the highest bidders and bid amounts received as follows:

<u>Stock Certificate #</u>	<u>Share Amount</u>	<u>Minimum Bid</u>	<u>High Bidder's Name</u>	<u>High Bid Amount</u>
A11575	¼ share	\$ 7,500.00	Daryl Caringi	\$ 15,053.00
A12711	¼ share	\$ 7,500.00	Huiling Von	\$ 16,888.00

Thank you to all of those that bid on the auction shares and congratulations to our highest bidders.



RAINFALL DATA

	2020	2021	2022
Jan	.17	3.31	.22
Feb	.24	.03	.44
Mar.	4.69	1.52	1.84
April	5.71	.88	1.06
May	.15	.45	.36
June	.01	.01	.21
July	.00	.19	.00
Aug.	.00	.00	.00
Sept.	.00	.00	1.65
Oct.	.00	1.21	.99
Nov	1.15	.00	5.57
Dec	1.95	11.25	
TOTAL	14.07	18.85	12.34

1958-2013 Annual rainfall average: 22.40"
Rainfall data collected from
www.usace.army

Stock Transfer

DID YOU PUT YOUR HOUSE IN YOUR TRUST? WHAT ABOUT YOUR WATER STOCK?

Many homeowners hold title to their homes as 'joint tenants' or as 'community property'. While some retain this original property title, some generate a trust for their assets. If you have updated the title to your property since the original purchase, please remember to update your water stock certificate as well. Transferring the water stock certificate into the name of the trust ensures it will be governed under the trust.

Reasons for transferring water stock:

- 1. Selling Home:** If you are selling your home in the Heights, notify escrow there is water stock that should be transferred and have the escrow company coordinate the transfer with SAWCO.
- 2. Changing Vesting Title:** If you change the vesting title with the county, the water stock should be changed to match the title. Whether the title changes to community property, joint tenants, a Trust, the water stock should be held under the proper vesting title.
- 3. Deceased:** If any party named on the Certificate should become deceased, the water stock should be updated.

For any of these reasons, locate the Original Stock Certificate and follow SAWCO's stock transfer instructions found on our website @ sawaterco.com. All original documents and payments for the final water bill and stock transfer fee are due in our office at the same time. These instructions apply to any type of stock transfer. The stock should be in the appropriate owner's name.

GENERAL MANAGER'S CORNER

Many people don't understand that San Antonio Water Company (SAWCO) is not a public agency. We are a private nonprofit company providing service only to shareholders. To receive water from SAWCO, an individual must own at least one quarter share of SAWCO stock. We are legally prevented from selling water to non-shareholders. Additionally, there are a limited number of SAWCO shares; 6,389 total.

The Water Company does not have shares to sell. All shares have been fully distributed. Unlike a municipal water company, someone who would like to receive water from SAWCO must purchase an existing share of stock from another individual, not the company. Normally, that transaction should occur with the sale of a house, during escrow. But not always.

The sale or exchange of SAWCO shares is not controlled by the Company. We do not provide escrow services or facilitate the exchange. However, the Company does play a role in the transfer of shares. SAWCO staff will make sure the old share is correctly invalidated and then will issue a new share in the new owner's name. We work with the new shareholder to ensure the certificate is legally and correctly listed with the proper shareholder-of-record.

Because SAWCO shares are so valuable, there is a process that must be followed when buying or selling a share. Staff has put together a list of instructions on how to transfer shares. Those instructions, along with some forms to be completed, can be found on our website at <https://www.sawaterco.com/water-shares-stock>.



Occasionally a share gets 'abandoned'. That is, monthly charges begin accumulating unpaid. If staff's repeated attempts to contact the shareholder (or their next of kin) are unsuccessful, the Company may auction off the share to recover the debt. We have conducted three such auctions in the past few years.

SAWCO conducts silent auctions where individuals looking to acquire shares submit sealed bids. At a set time and place those bids are publicly opened and the highest bid wins the share. Bid proceeds, minus company costs, remain the property of the prior shareholder. The company holds those proceeds for a time as we continue to attempt contact. Eventually, if contact is unsuccessful, bid proceeds are sent to the state as unclaimed property. The State of California has a web page where you can search for and file a claim for lost property that belongs to you; https://www.sco.ca.gov/upd_msg.html.

One interesting point of thought in closing... Today exists the same number of shares that SAWCO started with back in 1882. Those same number of shares continue to provide water to roughly the same service area that also existed back in 1882. But today, instead of raising citrus, those same water shares are being used to raise families.

What's Happening?

Shareholder's Meeting & Elections



Each year, San Antonio Water Company (SAWCo) holds a meeting of the shareholders. At this meeting, there is a recap of the past year's activities and every two years there is an election of directors. SAWCo is governed by a seven member Board. The next annual shareholder's meeting will be held on April 11, 2023, at which time the following four directors will be up for election:

Martha Goss, Will Elliott, Rudy Zuniga and Bob Bowcock

Since the City of Upland owns a majority of the stock (approx. 68%), they would have the majority of votes. The City provides a proxy of directors for election as determined by the City of Upland's elected officials. Since they have the majority of votes, they would ultimately be electing the Board members.

2023 Capital Improvement Projects

After a brief unintentional lull during the *hard-to-acquire-parts* 2022 calendar year, SAWCO has a very aggressive list of Capital Improvement projects scheduled for 2023:



- Complete our Holly Drive Reservoir Improvement project with the installation of twin 120,000-gallon storage tanks at the upper end of Holly Drive.
- Continue modernizing our System Control and Data Acquisition (SCADA) system that allows us to monitor and adjust our facilities remotely.
- We intend to construct a test well in Cucamonga Canyon to begin replacement of a well abandoned some years ago.
- We will be modernizing two wells with new motors and electrical equipment
- Two drinking water pipeline replacement projects; Glendale Road and San Mateo Drive
- Two irrigation water pipeline replacement projects; Well 31 pipeline and Paloma Curve Hydraulic Break Modernization.
- We are also conducting a preliminary design study on moving our operations from the two current locations on Euclid and A Street up to our property on 20th Street and Campus Avenue.

All told, the Company has plans to install almost \$5 million of replacement facilities in 2023. So be on the lookout for construction equipment this year!

SAWCo Waterworks

is produced quarterly to keep San Antonio Water Company shareholders informed about water-related issues and upcoming events. If you have any questions or comments, please call the office at 909-982-4107.



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BOARD OF DIRECTORS

Rudy Zuniga—President
Will Elliott-Vice Pres.
Martha Goss-Secretary/CFO
Bob Cable-Director
Kati Parker-Director
Bill Velto—Director
Bob Bowcock-Director

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**GENERAL
MANAGER**

Brian Lee

DESIGNER/EDITOR

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Where does the time go?



Scott's 30th year anniversary with SAWCo

Scott Weiland started working for the water company in 1976. Yes, he has been a dedicated, hardworking employee for 46 years. Scott is a local boy whose grandfather, Peter Weiland was on our Board of Directors from 1963 through 1982. As you can see loyalty and longevity runs in the family. And family is exactly what Scott has been to us through the years. His retirement at the end of the year will mark an end to one chapter and a beginning to a new one. Scott has seen a lot in his many years with the company and his tacit knowledge will be missed.