

SAN ANTONIO WATER COMPANY  
ADMINISTRATION and FINANCE COMMITTEE (AFC)

MINUTES

May 24, 2022

An open meeting of the Administration and Finance Committee (AFC) of the San Antonio Water Company (SAWCo) was held virtually and called to order at 3:00 p.m. on the above date as noticed. Committee Members present were Martha Goss, Bill Velto, and Rudy Zuniga. Also in attendance were, SAWCo's General Manager Brian Lee, Assistant General Manager Teri Layton, and Senior Administrative Specialist Kelly Mitchell.

1. Recognitions and Presentations: None.
2. Additions-Deletions to the Agenda: None.
3. Public Comments: None.
4. Approval of Committee Meeting Minutes: Director Velto moved and Director Zuniga seconded to approve the meeting minutes of March 22, 2022. Motion carried unanimously.

5. Administrative and Financial Issues:

- A. Draft RFP for Legal Services** – Mr. Lee reported he has spoken to long-time legal counsel, Mr. Tom McPeters, about issuing a Request for Proposals (RFP) for general legal counsel services. Mr. McPeters will be SAWCo's general legal counsel for as long as possible. Mr. Lee would like to have the back-up general legal counsel eventually handle the day-to-day while Nossaman would handle special counsel, or back-up to the general counsel.

Mr. Lee stated he does not have any specific legal firms in mind for the RFP but has received a suggestion and will take others. He is not looking for a large legal firm as he feels a smaller firm would be better suited. Whomever is chosen will be brought up to speed by Mr. Peters.

Director Velto moved and Director Goss seconded to recommend the Board approve the Request for Proposal (RFP) for legal services as presented. Motion carried unanimously.

- B. Stock Auction – November 2022** – Mr. Lee stated there are no updates from the writing of the agenda item. There are  $\frac{3}{4}$  share of water stock, split among three shareholders that have liens against them and have met the requirements for being auctioned. SAWCo has been attempting to locate these shareholders to have them bring their account current, however, if they are unsuccessful staff would like to follow the proposed timeline in order to recoup the lost fees.

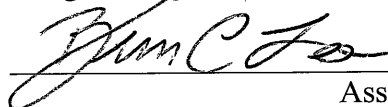
Director Velto inquired whether the information was publicly available so that if someone knows the individual, they can reach out to them. Mr. Lee answered the information is considered private. He would need to look into whether there was a compelling need to release the information.

Kelly Mitchell entered the meeting at 3:03 p.m.

Director Velto replied stating a lot of San Antonio Heights residents know each other and he is also familiar with a lot of them and would hate for them to lose their stock in the company. Mr. Lee stated that as Directors of the Company, they are privy to the shareholder information. Director Velto asked that the information be forwarded to him at his City of Upland email address. Director Goss requested being cc'd the same information.

There was consensus on the Committee to recommend the Board approve the Stock Auction timeline as presented.

6. Closed Session: None.
7. Committee Comments and Future Agenda Items: None.
8. Adjournment: Seeing no further business, the meeting was adjourned at 3:06 p.m.



Assistant Secretary  
Brian Lee