SAN ANTONIO WATER COMPANY

MINUTES OF THE SAN ANTONIO WATER COMPANY
Tuesday, May 19, 2026

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 City of Upland Council Chambers, 460 N. Euclid Ave., Upland, California. Directors present were Rudy Zuniga, Will Elliott, Becky Miller, Kati Parker, and Bob Bowcock. Also in attendance were SAWCo's General Manager Brian Lee, General Legal Counsel Derek Hoffman, and Senior Administrative Specialist Tiffany Dickinson. President Zuniga presided.

President Zuniga led all in attendance in the flag salute.

Director Elliott moved and Director Bowcock seconded to excuse the absence of Director Velto and Director Cable from the Board of Directors Meeting. Motion carried unanimously.

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 April 21, 2026
   B. Special Board Meeting Minutes
      Special Meeting Minutes of May 11, 2026
   C. Planning, Resources and Operations Committee (PROC) Meeting Minutes
      Regular Meeting Minutes of February 24, 2026.
   D. Administration and Finance Committee (AFC) Meeting Minutes
      No Meeting Minutes to approve.
   E. AdHoc Committee for Office Feasibility Study
      No Meeting Minutes to approve.
   F. Financial Statement
      Income Statement and Balance Sheet for March 31, 2026.
   G. Investment Activity Report
      Monthly Report of Investments Activity.
   H. Water Production and Consumption
      Monthly water production and consumption figures.
   I. Prominent Issues Update
      Status summaries on certain on-going active issues.
   J. Projects and Operations Update
      Status summaries on projects and operations matters.
   K. Groundwater Level Patterns [Quarterly in January, April, July, and October]
      Tracking patterns of groundwater elevations relative to ground surface.
   L. Conservation Program Update [Quarterly in January, April, July, and October]
      Update on SAWCo's existing water conservation programs.
   M. Correspondence of Interest

Direct Miller moved and Director Elliott 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 Parker provided an update following an engineering committee meeting that was held earlier that same day and a board meeting that was held the previous month. PVPA is advancing discussions with Lewis Companies maintaining an exclusive escrow agreement that has been in place for at least 12 years. PVPA plans to construct a recharge basin in the northern section on land they own below Mt. Baldy Road down to Baseline Road while also possibly looking to sell the land south of this area to Lewis Companies for future development. PVPA is discussing hiring a dedicated person to represent PVPA and their interests through this process moving forward. She added Three Valleys Municipal Water District is currently seeking an easement on this same property, with PVPA mandating the easement location be placed where they cannot impact the value of the land in the future or development potential.

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** –No meeting to report.

F. **Planning, Resources, and Operations Committee (PROC) Chairman's Report** – Director Elliott stated there was nothing new to report.

G. **Special Board of Directors Meeting**- Director Zuniga reported the Board met on May 11, 2026, and staff reported some minor changes made to the Company's 401k plan which came at no cost to the shareholders.

H. **Office Feasibility Study Ad Hoc Committee** – No meeting to report.

6. Public Hearing and Consideration to Adopt Resolution No. 2026-05-01 for the 2025 Urban Water Management Plan (UWMP): Mr. Lee stated this is an opportunity for the Board and public to consider the 2025 UWMP.

   Director Zuniga called the public hearing to order.

   No public comments were received and there was no further discussion from the Board.

   Director Zuniga closed the public hearing.

   Director Bowcock moved and Director Parker seconded to adopt Resolution No. 2026-05-01 for the 2025 Urban Water Management Plan. Motion carried unanimously.

7. SB 1417 and SB 1291 Opposition: Staff explained that both SB 1417 and SB 1291 are in the Senate and are being opposed by mutual water companies for a variety of reasons. Included in the agenda is a letter prepared by staff in opposition of SB 1291 at the request of California Association of Mutual Water Companies.

   Mr. Hoffman added SAWCo, being a unique mutual water company, is subject to the Brown Act and Public Records Act, where most mutual water companies are not subject to those laws. He added the proposed bills would impose obligations similar to the Brown Act and Public Records Act, but not consistent with those laws. If these bills were to pass, they would create potentially inconsistent legal obligations greater than the Brown Act to SAWCo.

   Director Elliott moved and Director Miller seconded to authorize staff to take further action as necessary to continue to oppose SB 1417 and SB 1291. Motion carried unanimously.

8. Amend Employee Recognition Rewards Program: Staff stated the Company has a policy to recognize and reward individual employees for longevity. In the past employees picked a gift from a catalog however, that company is no longer in existence. Staff are using this as an opportunity to update the policy and add some additional recognition when an employee reaches key milestone years of service.

   Director Parker moved and Director Miller seconded to approve to amend the employee recognition rewards program as presented. Motion carried unanimously.

9. Reschedule Regular June Board Meeting to a Different Date: Staff reported this item also pertains to the July Board meeting. Due to the unavailability of the City of Upland Council Chambers for both dates, staff proposed combining the June and July Board meetings. Staff requested approval from the Board to coordinate with directors and City staff to secure the Carnegie Library as an alternative venue.

10. Closed Session:

A. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION
[Initiation of Litigation]
[Gov't Code § 54956.9](d)(4)]: One potential matter

B. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
[Government Code § 54956.9(d)(1)]
Name of Case: San Antonio Water Company v. Foothill Irrigation Company, et al., San Bernardino Superior Court Case No. 92645

C. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
(Significant Exposure)
[Gov't Code § 54956.9(d)(2)]: One potential matter

D. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
[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

The Board went into closed session at 5:19 PM.

Director Zuniga left the meeting at 6:04 PM.

Upon return from the closed session at 6:27 PM, Mr. Hoffman stated there was no reportable action.

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

Adjournment:
With no further business to discuss the meeting was adjourned at 6:28 PM.

Assistant Secretary
Brian Lee