

SAN ANTONIO WATER COMPANY
MINUTES OF THE SAN ANTONIO WATER COMPANY
Thursday, December 1, 2022

An open meeting of the Board of Directors 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. Directors present were Will Elliott, Rudy Zuniga, Martha Goss, Bill Velto, Kati Parker, and Bob Bowcock with Director Bob Cable absent. Also in attendance were SAWCo's General Manager Brian Lee, Assistant General Manager Teri Layton, and Senior Administrative Specialist Kelly Mitchell. Director Elliott presided.

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 of November 15, 2022** - Director Velto moved and Director Goss seconded to approve the Board Meeting Minutes of November 15, 2022. Motion carried unanimously.

6. Budget Workshop:

A. **"Draft" CY2023 Administration and Operations Budget** – Mr. Lee briefly reviewed the draft budget. He advised staff proposes maintaining 13,000-acre feet (AF) entitlement for 2023. Total production including surface water and basin water is estimated at 12,570 AF. Projected revenue for 2023 is expected at roughly \$5.4 million with projected expenses increasing mainly due to electricity costs and capital improvement projects.

Director Velto moved and Director Goss seconded to hold any recommendation until the upcoming Board meeting. Motion carried unanimously.

B. **"Draft" CY2023 Capital Improvement and Capital Outlay Budget** – Mr. Lee explained 2023's capital improvement budget is more aggressive than the proposed budget for 2022 in part due to some projects being carried over from the previous year. A little more than \$4.8 million has been budgeted to complete projects in 2023. The amount budgeted brings SAWCo into the reserve amount range the Board set for what they believe would be considered healthy savings reserves for the company. Specific projects for 2023 were then reviewed.

Director Parker moved and Director Zuniga seconded to hold any recommendation until the upcoming Board meeting. Motion carried unanimously.

C. **Well 31 Rehabilitation** – Mr. Lee advised the bowls in Well 31 failed in October rendering the well inoperable. This well is the only source of water to Reservoir 1 which is the main supplier to Holliday Rock. The equipment has been pulled and inspected. A quote from General Pump is included in the agenda packet.

Mr. Lee recommended the Board authorize a construction contract with General Pump Company for a not-to-exceed amount of \$200,000 for the rehabilitation of Well 31.

Director Velto moved and Director Goss seconded to authorize a construction contract with General Pump Company for a not-to-exceed amount of \$200,000 for the rehabilitation of Well 31. Motion carried unanimously.

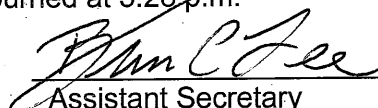
7. Closed Session: None.

8. Director's Comments and Future Agenda Items: Director Goss inquired about the approval of the monies for architectural design for the Campus property. Mr. Lee advised that will go to the Board for approval with the proposed calendar year budget.

Mr. Lee reminded the Board of the End of Year Luncheon being held at Sycamore Inn on Tuesday, December 6th beginning at 11:30 a.m.

Adjournment:

With no further business to discuss the meeting was adjourned at 3:28 p.m.


Assistant Secretary
Brian Lee