



# SAN ANTONIO WATER COMPANY

## BOARD OF DIRECTORS MEETING

Tuesday, April 19, 2022

5:00 p.m.

By Virtual/Online or Teleconference Only

Please join the meeting from your computer, tablet or smartphone

<https://meet.goto.com/679180549>

You can also dial in using your phone. United States: [+1 \(224\) 501-3412](tel:+12245013412)

Access Code: 679-180-549

- Call to Order
- Salute to the Flag

1. Recognitions and Presentations:

2. Additions-Deletions to the Agenda:

3. Shareholder-Public Testimony:

This is the time for any shareholder or member of the public to address the board members on any topic under the jurisdiction of the Company, which is on or not on the agenda. Please note, pursuant to the Brown Act the board is prohibited from taking actions on items not listed on the agenda. For any testimony, speakers are requested to keep their comments to no more than four (4) minutes, including the use of any visual aids, and to do so in a focused and orderly manner. Anyone wishing to speak is requested to voluntarily fill out and submit a speaker's form to the manager prior to speaking.

4. Consent Calendar Items:

All items listed hereunder are considered to be routine and there will be no separate discussion of these items unless members of the board request specific items to be removed from the consent calendar for separate action. All items listed or remaining will be voted upon in a single action.

- A. Approval of Board Meeting Minutes  
Regular Meeting Minutes of March 22, 2022.
- B. Approval of Organizational Meeting Minutes  
Meeting Minutes of April 5, 2022.
- C. Planning, Resources, and Operations Committee (PROC) Meeting Minutes  
No meeting to report.
- D. Administration and Finance Committee (AFC) Meeting Minutes  
Approve meeting minutes of January 25, 2022.
- E. Financial Statement  
Income Statement and Balance Sheet for January 31, 2022
- F. Investment Activity Report  
Monthly Report of Investments Activity.
- G. Water Production and Consumption  
Monthly water production and consumption figures.
- H. Prominent Issues Update  
Status summaries on certain on-going active issues.
- I. Projects and Operations Update  
Status summaries on projects and operations matters.
- J. Groundwater Level Patterns [Quarterly in January, April, July, and October]  
Tracking patterns of groundwater elevations relative to ground surface.
- K. Conservation Program Update [Quarterly in January, April, July, and October]  
Update on SAWCo's existing water conservation programs
- L. Correspondence of Interest  
Letters of support for AB2041 and AB2054

5. Board Committee – Delegate Report:
  - A. PVPA Representative Report  
Verbal report by representative.
  - B. Six Basins Representative Report  
Verbal report by representative.
  - C. Chino Basin Representative Report  
Verbal report by representative.
  - D. Cucamonga Basin Representative Report  
Verbal update by representative.
  - E. Administration and Finance Committee (AFC) Chairman’s Report  
Report on meeting held Tuesday, March 22, 2022.
  - 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. Property and Casualty Insurance Renewal  
Ratify AFC decision to approve renewal proposal
  - B. Worker’s Compensation Insurance Renewal  
Review renewal proposal and provide recommendation
  - C. Salary Table Adjustment  
AFC recommendation to adjust salary table to account for inflation
  - D. Test Well Construction at Well Site 19  
Proposal to provide professional services
  - E. Board Member Vacancy  
Consideration of nominees to fill Director vacancy
7. Closed Session:
8. Director’s Comments and Future Agenda Items:

Adjournment:

*The next regular Board Meeting will be held on Tuesday, May 17, 2022 at 5:00 p.m.*

**NOTE:** All agenda report items and back-up materials are available for review and/or acquisition by calling the Company Office (909) 982-4107 (139 N. Euclid Avenue, Upland, CA) during regular office hours, Monday through Thursday [7:00 am – 11:30 am & 12:30 pm – 5:00 pm] and alternating Fridays [7:00 am – 11:30 am & 12:30 pm – 4:00 pm] and on the company’s website [www.sawaterco.com](http://www.sawaterco.com). The agenda is also available for review and copying at the Upland Public Library located at 450 N. Euclid Avenue.

**POSTING STATEMENT:** On April 14, 2022 a true and correct copy of this agenda was posted at the entry of the Company’s Office (139 N. Euclid Avenue), on the public bulletin board at 450 No. Euclid Avenue (Upland Public Library) and on the Company’s website.

**SAN ANTONIO WATER COMPANY**  
**MINUTES OF THE SAN ANTONIO WATER COMPANY**  
**Tuesday, March 15, 2022**

An open meeting of the Board of Directors of the San Antonio Water Company (SAWCo) was called to order at 5:01 p.m. on the above date at the Upland City Hall Council Chambers, 460 North Euclid Avenue, Upland, California. Directors present were Will Elliott, Bob Cable, Martha Goss, Rudy Zuniga, Bill Velto, and Kati Parker. 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: Mr. Lee shown a video presentation commemorating former SAWCo Board President Tom Thomas' time and service on the company's Board of Directors. The Board members thanked and appreciated Mr. Lee for recognizing Mr. Thomas.

SAWCo employees and all SAWCo Board Members took time to share fond memories of Mr. Thomas.

Mr. Lee also recognized staff and board from the Monte Vista Water District (MVWD). Sandra Rose, MVWD board president, spoke about meeting and learning about water from Mr. Thomas.

City of Montclair councilman Mr. Bill Ruh spoke about working with Mr. Thomas over the years on various efforts throughout the community. He echoed other's statements that Mr. Thomas was a gracious and compassionate human being that loved the City of Upland.

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 February 15, 2022.
  - B. Planning, Resources and Operations Committee (PROC) Meeting Minutes  
Meeting minutes of August 24, 2021.
  - C. Administration and Finance Committee (AFC) Meeting Minutes  
No meeting minutes to report.
  - D. Financial Statement  
Income Statement and Balance Sheet for December 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 Velto moved and Director Parker seconded to approve the Consent Calendar as presented. Motion carried unanimously.

Mr. Lee brought attention to the 10-year forecast of Metropolitan Water District's (MWD) water rates and charges presented by Inland Empire Utilities Agency (IEUA). Currently, MWD charges \$799 per acre foot (AF) while SAWCo charges \$296/AF. MWD charges more for treated water at \$1,143/AF.

5. Board Committee – Delegate Report:

**A. Pomona Valley Protective Association (PVPA) Representative’s Report** – No report was given.

**B. Six Basins Representative Report** – Ms. Layton reported the proposed recharge basin was approved at the most recent meeting. PVPA will monitor the next recharge event. The next meeting is scheduled to take place the following week.

Mr. Thomas was the City of Upland representative and the president of Six Basins. Chris Diggs from the City of Pomona will step into the position.

Braden Yu, City of Upland Public Works Director, advised the alternate for the City of Upland is the Acting Utility Manager John Robles who will now be the fulltime representative. Acting Chief Operator Norberto Ferreira will become the alternate. City of Upland is in full support of Mr. Diggs taking over the role of President.

**C. Chino Basin Representative Report** – Mr. Lee advised there are no reportable actions for Chino Basin.

**D. Cucamonga Basin Representative Report** – No report given.

**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 items discussed at the PROC meeting are included in the General Manager’s Report on Activities.

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

6. General Manager’s Report on Activities:

**A. Paloma Curve Hydraulic Break** – Mr. Lee stated he visited the location in response to a letter received from the homeowner’s lawyer. There are a number of things SAWCo can consider doing to reduce or eliminate the low frequency rumble noise that is heard when there are high flows. He suggests hiring an engineering firm to perform the studies to determine what option is the best solution.

Nearly all the water that passes through the hydraulic break is surplus water; almost exclusively going to spreading grounds. It is important water to have, making a solution to the noise issue necessary.

Director Goss moved and Director Velto seconded to authorize the General Manager to execute a contract with WSC for a not to exceed amount of \$40,000 time and material contract to conduct an engineering assessment of the Paloma Curve Hydraulic Break. Motion carried unanimously.

**B. Holly Drive Reservoir Phase III** – Mr. Lee advised this is the final phase of a three-phase project. The first phase included geotechnical work and constructing a retaining wall. The second included constructing a 120,000-gallon reservoir next to the original 60,000-gallon reservoir. This final phase includes demolishing the old 60,000-gallon reservoir and constructing a 120,000-gallon reservoir in its place. Mr. Lee will also have the engineers explore how SAWCo can move the water down from Holly Drive to the upper zone.

Mr. Lee recommends the Board authorize him to execute the contract with TKE Engineering for a not to exceed \$105,000 time and material contract.

Director Velto moved and Director Goss seconded to authorize the General Manager Brian Lee to execute the contract with TKE Engineering for a not to exceed \$105,000 time and material contract. Motion carried unanimously.

- C. Holly Drive Booster Station Screening** – Mr. Lee stated SAWCo has recently completed some significant upgrades to the Holly Drive Booster Station from an underground vault-style booster station to an above ground building and installation of a back-up generator. The neighboring homeowner has expressed concern over the visual changes that have occurred. Staff has worked with the homeowner and hired Soltis Landscaping to prepare a plan for visually softening and shielding the new station which is included in the Board meeting packet.

During the PROC meeting there was talk about what could be done about the front facing portion of the booster station as well. Screening or having a mural painted on the booster station was discussed.

Director Velto suggested planting creeping fig. Director Zuniga mentioned having a wrap that looks like plants or a bush placed around the booster.

Director Elliott stressed the importance of being a good neighbor and felt this item was a good example of doing just that.

Director Parker moved and Director Zuniga seconded to authorize the General Manager to execute the contract with Soltis and Company for a not to exceed \$13,520 contract. Motion carried unanimously.

- D. Proposed Well 19** – Mr. Lee informed the Board that BEEST has constructed several wells in the area and has also worked with Cucamonga Valley Water District on their high nitrate wells in the Cucamonga Basin. Staff originally budgeted \$175,000 for a test well however, after talks with BEEST it was found that a larger test well would allow for more test equipment and therefore a better profile for the proposed well. A deeper test well would allow a more accurate read of the water quality in the basin in that location. It is expected this test well will be dug to between 1,200 and 1,300 feet. This type of modified test well is one that would transition easily into a permanent well and would cost an estimated \$1,131,000.

Mr. Lee explained the original Well 19 was one of SAWCo's best producing wells until an attempt to insert a sleeve to line the well failed causing the well to require being taken offline shortly thereafter.

Director Velto inquired whether staff has put this project out to bid. Mr. Lee responded in this instance, BEEST would be the consultant hired to develop, design, and build the test well. The final development of the official well would be a separate cost. The total budget to construct Well 19 is over two million dollars. SAWCo has not gone out to bid on this project because of BEEST's expertise in drilling wells and because of their knowledge of the area and the specific basin.

Director Velto suggested the item be tabled until he can gather more information and have a better understanding of well drilling.

Director Goss asked for more information on the location and the benefit of the proposed Well 19. Mr. Lee responded it is located in the Cucamonga Basin and provided a map of the location of the abandoned Well 19 and the proposed location of the new Well 19. The Cucamonga Crosswalls and nearby percolation basin aid in the production of water in this area.

Director Cable questioned if SAWCo is going to drill a well anyways, and the chances the test well will be bad is negligible, is it wise to drill a small \$175,000 test well to only then have to come back to start the drilling process all over again? Or is it better to just drill the bigger test well that will convert easier into the official well?

Director Velto moved and Director Cable seconded to table the item until the April Board meeting. Motion carried unanimously.

**E. COVID Response** – Mr. Lee proposed this be the last COVID response update placed on the agenda.

7. Closed Session: None.

8. Director's Comments and Future Agenda Items: Director Velto brought up placing the topic of a replacement for the vacant seat on SAWCo's Board of Directors on the next agenda. Mr. Lee responded he hoped to bring that item up at possibly the regular April Board Meeting. He stated the Bylaws place the burden of filling the vacancy on the Board. Director Velto also noted the need to fill the role of President on the Board. Mr. Lee advised officers are traditionally appointed at the Organizational Meeting held directly after the Annual Shareholder's Meeting which will take place in early April but if the Board wishes to defer the appointment until the vacancy is filled, they may do so.

Adjournment:

With no further business to discuss the meeting was adjourned at 5:45 p.m.

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Assistant Secretary  
Brian Lee

**SAN ANTONIO WATER COMPANY**  
**BOARD OF DIRECTORS ORGANIZATIONAL MEETING MINUTES**  
**Tuesday, April 5, 2022**

Immediately following the Annual Meeting of Shareholders of the Company, the Board of Directors of the San Antonio Water Company (SAWCo) met at the Upland City Hall Council Chambers, 460 North Euclid Avenue, Upland, California at 6:22 p.m. Directors present were Will Elliott, Bob Cable, Martha Goss, Bill Velto, and Kati Parker. Also in attendance were San Antonio Water Company General Manager Brian Lee, Assistant General Manager Teri Layton, and Senior Administrative Specialist Kelly Mitchell.

▪ Call to Order

1. Recognitions and Presentations: None.
2. Additions-Deletions to the Agenda: None.
3. Public Comments: None.
4. Organizational Activities:

Director Will Elliott advised the office of President would be left as is for now and asked for recommendations or nominations for the office of Vice President and Secretary/Chief Financial Officer.

Director Velto moved and Director Goss seconded to have Director Elliot remain as Vice President. Motion carried unanimously by voice vote.

Director Velto moved and Director Parker seconded to have Director Goss remain as Secretary/CFO. Motion carried unanimously by voice vote.

Director Velto moved and Director Goss seconded to approve the Designations and Authorities as presented. Motion carried unanimously.

The following is the result of the above motions:

- A. President – vacant
- B. Vice-President – Will Elliott
- C. Secretary/Chief Financial Officer – Martha Goss
5. Designations and Authorities:
  - A. Representative to the Six Basins Watermaster – Teri Layton (primary) and Tommy Hudspeth (alternate) as representatives to the Six Basins Watermaster.
  - B. Representative to Chino Basin Pool and Advisory Committees – Brian Lee (primary) and Teri Layton (alternate) as representatives to the Chino Basin Pool and Advisory Committees.
  - C. Representative to Cucamonga Basin Management Committee – Teri Layton (primary) and Brian Lee (alternate) as representatives to Cucamonga Basin Management Committee.
  - D. Representative to Pomona Valley Protective Association (PVPA) – Director Kati Parker as the primary representative to the PVPA.
  - E. Assistant Secretary/Assistant Financial Officer –General Manager, Brian Lee as Assistant Secretary/Assistant Financial Officer.
  - F. Representatives for the Administration and Finance Committee (AFC) – Director Goss, Director Cable, and Director Velto. Director Goss as chair of the committee.
  - G. Representatives for the Planning, Resources, and Operations Committee (PROC) – Director Elliott, Director Zuniga, and Director Parker. Director Elliott as chair of the committee.
  - H. Company General Counsel –Tom McPeters, Esq.
  - I. Company Special Counsel – Fred Fudacz of the firm Nossaman LLP.
  - J. Company Auditor – Bowen, McBeth, Incorporated.
  - K. Company Depositories - That Citizens Business Bank, Local Agency Investment Funds (LAIF) and any other qualifying financial institution (FDIC insured) that conforms with the Company's Investment Policy is designated for and as a valid depository for Company funds;
  - L. Signatories for Company Checks, Withdrawals and Establishing Accounts – Any two (2) signatures, including that of the President, Vice President, Secretary/Chief Financial Officer, the General Manager or the Assistant General Manager are hereby authorized and required to sign checks, withdraw funds, and establish accounts on behalf of the Company with at least one Corporate Officer signing on any transaction greater than \$5,000, except for fund transfers between Company accounts or on routine payments for operations

expense (e.g. electrical energy usage, taxes, et al.) and as otherwise granted under authority to the General Manager. In addition, the Accounting and Personnel Specialist has authority to transfer up to \$45,000 to facilitate payroll with provisions of internal accounting controls in place.

M. General Manager's Authority –

A. General Manager's expenditure authority limitation is \$50,000.

[Note: Prior to October 20, 1997, the general manager's expenditure authority was limited to \$5,000. Due to the timely nature of certain repair needs, as well as the usual range of such costs, the Board acted to increase the expenditure authority limitation to \$50,000. This was done with the understanding that such necessary expenditures would be reported to the Board in a timely manner].

B. General Manager's authorized to execute professional service agreements.

[Note: On November 19<sup>th</sup> and December 17<sup>th</sup> of 2001, the general manager was authorized to approve and execute professional service agreements once they had been reviewed and approved by corporate counsel and after the Board's review and approval of funding. No such action may be taken on any agreement or amendment to an agreement that would cause the expenditure to exceed any prior Board approved funding authorization.]

6. Review of Director's Fiduciary Duties and Liabilities:

7. Conflict of Interest Rules for Directors:

Director Velto moved and Director Goss seconded to table Item 6 and Item 7 until the vacated position on the Board is filled. Motion carried unanimously by voice vote.

8. Closed Session: None.

Adjournment: There being no further business the meeting was adjourned at 6:24 p.m.

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Assistant Secretary



SAN ANTONIO WATER COMPANY  
ADMINISTRATION and FINANCE COMMITTEE (AFC)  
MINUTES

January 25, 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 3:04 p.m. on the above date as noticed. Committee Members present were Bob Cable and Tom Thomas. Also in attendance were, SAWCo's General Manager Brian Lee 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 Thomas moved and Director Cable seconded to approve the meeting minutes of November 23, 2021. Motion carried unanimously with Directors Bill Velto and Martha Goss absent.

Director Bill Velto entered the meeting at 3:05 p.m.

5. Administrative and Financial Issues:
  - A. ***AFC Schedule for 2022*** – Mr. Lee presented seven items staff would like to accomplish in 2022. The items are up for discussion by the Committee to provide feedback and direction.

In 2022 staff will send a Request for Proposals (RFPs) for general legal services as well as IT services. Mr. Lee felt it important to review contracts every few years to determine whether SAWCo is getting the best value for their money.

Director Thomas felt the entire Board should discuss these items at the next Board meeting to determine whether there are any objections.

Director Cable stated it made good business sense to review contracts every few years.

SAWCo's accounting and financial software package, Tyler Incode, is a large and complicated package often used by municipalities and cities. Staff feels a smaller package would be more suitable and, as such, would like to search for an alternative to what they are currently using.

Staff would also like to look at outsourcing payroll and along with that, redefine the Accounting and Personnel Specialist position to make it more of a clerical position rather than have it deal in personnel matters.

Mr. Lee would like to create an end-of-year 2021 budget review for the March AFC meeting that would then be taken to the Board in April. In accordance with that, Mr. Lee would like to create a midyear 2022 budget review for August.

Director Thomas stated he likes the idea of a midyear budget review as it helps to determine if too much or too little is being spent in specific areas and can help address new areas of need.

There was consensus on the Committee to move forward with the items presented. The items will be brought to the full Board for any additional comments or suggestions.

- B. *COVID Response*** – Mr. Lee advised staff continues to monitor the response to COVID mandates from San Bernardino County as well as the City of Upland.

Director Velto inquired whether SAWCo has any rapid COVID test kits available for staff. Mr. Lee advised two boxes with a total of four test kits were purchased. Some have been used by staff. Director Velto advised of how SAWCo can come into additional test kits through the City of Upland and then offered to drop some off at the SAWCo office.

6. Closed Session: None.
7. Committee Comments and Future Agenda Items: None.
8. Adjournment: Seeing no further business, the meeting was adjourned at 3:16 p.m.

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Assistant Secretary  
Brian Lee



San Antonio Water Company, CA

# Income Statement

## Group Summary

For Fiscal: 2022 Period Ending: 01/31/2022

IncomeStatement	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
<b>Category: 4 - Income</b>					
<b>SubCategory: 40 - Shareholder Revenue</b>					
1185 - Domestic Water Income (Base)	300,000.00	300,000.00	65.88	65.88	299,934.12
1215 - Domestic Water Income (Supplemental)	150,000.00	150,000.00	61.41	61.41	149,938.59
1220 - Domestic Water Income (Tier 3)	200,000.00	200,000.00	-243.89	-243.89	200,243.89
1230 - Domestic Water Income (Readi/Chrg)	200,000.00	200,000.00	103.34	103.34	199,896.66
1235 - Domestic Water Availability Charge (WAC)	61,000.00	61,000.00	18.53	18.53	60,981.47
1245 - Municipal Water Income (Base)	3,100,000.00	3,100,000.00	212,261.91	212,261.91	2,887,738.09
1268 - Municipal Water Income (Readi/Chrg)	80,000.00	80,000.00	6,400.00	6,400.00	73,600.00
1274 - Misc Water Income (Base)	200,000.00	200,000.00	6,067.88	6,067.88	193,932.12
1275 - Misc Water Income (Supplemental)	50,000.00	50,000.00	0.00	0.00	50,000.00
1276 - Munnicipal Water Availability Charge (WAC)	477,000.00	477,000.00	39,756.00	39,756.00	437,244.00
1280 - Misc Water Income (Tier 3)	5,000.00	5,000.00	0.00	0.00	5,000.00
1288 - Misc Water Income (Readi/Chrg)	23,000.00	23,000.00	1,860.00	1,860.00	21,140.00
1290 - Misc Water Availability Charge (WAC)	23,000.00	23,000.00	1,922.00	1,922.00	21,078.00
1295 - Dormant Water Availability Charge (WAC)	53,000.00	53,000.00	0.00	0.00	53,000.00
1400 - Stock Transfer	5,000.00	5,000.00	510.00	510.00	4,490.00
1410 - Late/Re-establishment Fee	4,000.00	4,000.00	190.00	190.00	3,810.00
1430 - Stock Certificate Storage and Handling Fee	0.00	0.00	20.00	20.00	-20.00
<b>SubCategory: 40 - Shareholder Revenue Total:</b>	<b>4,931,000.00</b>	<b>4,931,000.00</b>	<b>268,993.06</b>	<b>268,993.06</b>	<b>4,662,006.94</b>
<b>SubCategory: 42 - Non-Shareholder Revenue</b>					
1725 - Misc. Income	2,000.00	2,000.00	0.00	0.00	2,000.00
1753 - Ground Lease Income	75,000.00	75,000.00	6,111.84	6,111.84	68,888.16
1755 - Interest Earned	20,000.00	20,000.00	1,962.43	1,962.43	18,037.57
1785 - Gain on Sale of Asset	344,000.00	344,000.00	0.00	0.00	344,000.00
<b>SubCategory: 42 - Non-Shareholder Revenue Total:</b>	<b>441,000.00</b>	<b>441,000.00</b>	<b>8,074.27</b>	<b>8,074.27</b>	<b>432,925.73</b>
<b>Category: 4 - Income Total:</b>	<b>5,372,000.00</b>	<b>5,372,000.00</b>	<b>277,067.33</b>	<b>277,067.33</b>	<b>5,094,932.67</b>
<b>Category: 5 - O &amp; M Expense</b>					
<b>SubCategory: 50 - Operating Facilities</b>					
2175 - Facility Related Field Labor	260,000.00	260,000.00	22,400.18	22,400.18	237,599.82
2235 - Repairs to Facilities and Equipment	300,000.00	300,000.00	32,073.83	32,073.83	267,926.17
2265 - Power-Gas & Electric (utilities)	650,000.00	650,000.00	46,745.27	46,745.27	603,254.73
<b>SubCategory: 50 - Operating Facilities Total:</b>	<b>1,210,000.00</b>	<b>1,210,000.00</b>	<b>101,219.28</b>	<b>101,219.28</b>	<b>1,108,780.72</b>
<b>SubCategory: 51 - Operating Activities</b>					
2475 - Customer Service	84,000.00	84,000.00	4,684.17	4,684.17	79,315.83
2498 - Conservation	16,000.00	16,000.00	0.00	0.00	16,000.00
<b>SubCategory: 51 - Operating Activities Total:</b>	<b>100,000.00</b>	<b>100,000.00</b>	<b>4,684.17</b>	<b>4,684.17</b>	<b>95,315.83</b>
<b>SubCategory: 52 - Other Operating Expense</b>					
2205 - Non-Facility Related Labor	70,000.00	70,000.00	5,047.25	5,047.25	64,952.75
2210 - O & M - All Other	4,000.00	4,000.00	550.00	550.00	3,450.00
2295 - Supplies (Inventory & Tools Expense)	10,000.00	10,000.00	707.38	707.38	9,292.62
2565 - Depreciation/Amortization	950,000.00	950,000.00	85,905.86	85,905.86	864,094.14
2715 - Property Taxes	210,000.00	210,000.00	-274.63	-274.63	210,274.63
2805 - Water Resource Mgmt.	170,000.00	170,000.00	19,250.30	19,250.30	150,749.70
<b>SubCategory: 52 - Other Operating Expense Total:</b>	<b>1,414,000.00</b>	<b>1,414,000.00</b>	<b>111,186.16</b>	<b>111,186.16</b>	<b>1,302,813.84</b>
<b>Category: 5 - O &amp; M Expense Total:</b>	<b>2,724,000.00</b>	<b>2,724,000.00</b>	<b>217,089.61</b>	<b>217,089.61</b>	<b>2,506,910.39</b>
<b>Category: 6 - G &amp; A Expense</b>					
<b>SubCategory: 60 - Personnel</b>					
2115 - Administrative Services	300,000.00	300,000.00	18,123.62	18,123.62	281,876.38
2130 - Development/Water Svc. App.	1,000.00	1,000.00	0.00	0.00	1,000.00
2325 - Payroll Taxes	80,000.00	80,000.00	6,796.65	6,796.65	73,203.35

**Income Statement**

**For Fiscal: 2022 Period Ending: 01/31/2022**

<b>IncomeStatement</b>	<b>Original Total Budget</b>	<b>Current Total Budget</b>	<b>MTD Activity</b>	<b>YTD Activity</b>	<b>Budget Remaining</b>
2355 - Worker's Compensation Insurance	15,000.00	15,000.00	1,633.00	1,633.00	13,367.00
2385 - Benefit Pay (Vac., sick, etc.)	195,000.00	195,000.00	15,845.35	15,845.35	179,154.65
2415 - Benefit Insurance (Pension,Life,Medical,Vision etc	263,000.00	263,000.00	19,678.44	19,678.44	243,321.56
2430 - Benefit Administrative Services	2,000.00	2,000.00	0.00	0.00	2,000.00
<b>SubCategory: 60 - Personnel Total:</b>	<b>856,000.00</b>	<b>856,000.00</b>	<b>62,077.06</b>	<b>62,077.06</b>	<b>793,922.94</b>
<b>SubCategory: 61 - Other</b>					
2445 - Office/IT Support	70,000.00	70,000.00	6,220.02	6,220.02	63,779.98
2505 - Directors Fees & Expense	34,000.00	34,000.00	1,963.41	1,963.41	32,036.59
2535 - Liability Insurance	30,000.00	30,000.00	0.00	0.00	30,000.00
2595 - Communication	40,000.00	40,000.00	1,455.10	1,455.10	38,544.90
2625 - Dues & Publications	3,000.00	3,000.00	1,507.00	1,507.00	1,493.00
2655 - Outside Services	30,000.00	30,000.00	9,842.82	9,842.82	20,157.18
2745 - Income Tax Expense	12,000.00	12,000.00	0.00	0.00	12,000.00
2775 - Accounting	75,000.00	75,000.00	5,479.33	5,479.33	69,520.67
2776 - Legal	150,000.00	150,000.00	0.00	0.00	150,000.00
2790 - Human Resources Expense	40,000.00	40,000.00	3,399.62	3,399.62	36,600.38
2865 - All other	30,000.00	30,000.00	1,010.00	1,010.00	28,990.00
<b>SubCategory: 61 - Other Total:</b>	<b>514,000.00</b>	<b>514,000.00</b>	<b>30,877.30</b>	<b>30,877.30</b>	<b>483,122.70</b>
<b>Category: 6 - G &amp; A Expense Total:</b>	<b>1,370,000.00</b>	<b>1,370,000.00</b>	<b>92,954.36</b>	<b>92,954.36</b>	<b>1,277,045.64</b>
<b>Total Surplus (Deficit):</b>	<b>1,278,000.00</b>	<b>1,278,000.00</b>	<b>-32,976.64</b>	<b>-32,976.64</b>	

**Fund Summary**

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
10 - 10	1,278,000.00	1,278,000.00	-32,976.64	-32,976.64	1,310,976.64
<b>Total Surplus (Deficit):</b>	<b>1,278,000.00</b>	<b>1,278,000.00</b>	<b>-32,976.64</b>	<b>-32,976.64</b>	

# Balance Sheet

## Account Summary

As Of 01/31/2022



San Antonio Water Company, CA

Account	Name	Balance
<b>Fund: 10 - 10</b>		
<b>Assets</b>		
<b>BalSubCategory: 10 - Cash</b>		
<a href="#">10-00-00-10100-00000</a>	Petty Cash	250.00
<a href="#">10-00-00-10201-00000</a>	Checking Account-8431	2,653,863.44
<a href="#">10-00-00-10415-00000</a>	D&O Checking Account	227,376.58
<a href="#">10-00-00-10438-00000</a>	Depre/Obsolescene Res (LAIF)	3,410,769.09
	<b>Total BalSubCategory 10 - Cash:</b>	<b>6,292,259.11</b>
<b>BalSubCategory: 11 - Accounts Receivable</b>		
<a href="#">10-00-00-11100-00000</a>	Accounts Receivable-Domestic	33,013.60
<a href="#">10-00-00-11200-00000</a>	Accounts Receivable-Municipal	460,475.70
<a href="#">10-00-00-11250-00000</a>	Accounts Receivable-Misc.	9,817.88
<a href="#">10-00-00-11260-00000</a>	Accounts Receivable - Dormant	4,907.23
<a href="#">10-00-00-11275-00000</a>	Contra Accounts Receivable - Unapplied Cre	-19,926.21
<a href="#">10-00-00-11300-00000</a>	Accounts Receivable-Other	579,063.21
<a href="#">10-00-00-11301-00000</a>	Note Receivable	688,000.00
	<b>Total BalSubCategory 11 - Accounts Receivable:</b>	<b>1,755,351.41</b>
<b>BalSubCategory: 12 - Inventory</b>		
<a href="#">10-00-00-12100-00000</a>	Inventories-Materials & Supply	161,631.25
	<b>Total BalSubCategory 12 - Inventory:</b>	<b>161,631.25</b>
<b>BalSubCategory: 13 - Prepaid</b>		
<a href="#">10-00-00-13100-00000</a>	Prepaid Insurance	8,868.75
<a href="#">10-00-00-13105-00000</a>	PREPAID POSTAGE	369.00
<a href="#">10-00-00-13200-00000</a>	Prepaid State Franchise Tax	2,858.00
	<b>Total BalSubCategory 13 - Prepaid:</b>	<b>12,095.75</b>
<b>BalSubCategory: 14 - Investments</b>		
<a href="#">10-00-00-14150-00000</a>	P.V.P.A. Investment	1.00
<a href="#">10-00-00-14151-00000</a>	457B Plan Investment	55,058.23
	<b>Total BalSubCategory 14 - Investments:</b>	<b>55,059.23</b>
<b>BalSubCategory: 15 - Property, Plant, &amp; Equipment</b>		
<a href="#">10-00-00-15100-00000</a>	Land & Water Rights	920,161.26
<a href="#">10-00-00-15110-1507J</a>	Work in Progress "Proj J"	72,466.00
<a href="#">10-00-00-15110-1602U</a>	Work in Progress	1,174,633.41
<a href="#">10-00-00-15110-2003</a>	Work In Progress	696,735.38
<a href="#">10-00-00-15110-2101</a>	Work In Progress	17,783.35
<a href="#">10-00-00-15110-2102</a>	Work In Progress	10,869.37
<a href="#">10-00-00-15110-2103</a>	Work In Progress	123,678.77
<a href="#">10-00-00-15110-2104</a>	Work In Progress	9,558.60
<a href="#">10-00-00-15110-2108</a>	Work In Progress	80,965.44
<a href="#">10-00-00-15110-2109</a>	Work In Progress	11,232.00
<a href="#">10-00-00-15110-2110</a>	Work In Progress	13,709.84
<a href="#">10-00-00-15150-00000</a>	Buildings & Site Improvements	1,746,624.52
<a href="#">10-00-00-15200-00000</a>	Wells-Shafts, Bldgs, & Equip	4,910,918.85
<a href="#">10-00-00-15250-00000</a>	Boosters-Bldgs & Equip	2,500,593.23
<a href="#">10-00-00-15300-00000</a>	Reservoirs	3,081,787.33
<a href="#">10-00-00-15350-00000</a>	Tunnels, Forebay, & Ponds	1,587,111.19
<a href="#">10-00-00-15400-00000</a>	Spreading Works-Cucamonga Wash	54,859.53
<a href="#">10-00-00-15410-00000</a>	Spreading Works-SanAntonio Wsh	50,235.18
<a href="#">10-00-00-15450-00000</a>	Pipelines	18,532,025.08
<a href="#">10-00-00-15500-00000</a>	Autos & Equipment	513,205.56
<a href="#">10-00-00-15550-00000</a>	Tools	110,134.46
<a href="#">10-00-00-15600-00000</a>	Telemetry System	600,886.90
<a href="#">10-00-00-15650-00000</a>	Office Equipment	523,290.87

Balance Sheet

As Of 01/31/2022

Account	Name	Balance
<a href="#">10-00-00-15990-00000</a>	Accumulated Depreciation	-14,444,708.28
<b>Total BalSubCategory 15 - Property, Plant, &amp; Equipment:</b>		<b>22,898,757.84</b>
<b>BalSubCategory: 16 - Other Assets</b>		
<a href="#">10-00-00-16100-00000</a>	Documents & Studies	907,379.38
<a href="#">10-00-00-16100-1905</a>	WIP- Master Plan and Asset Management Prc	156,883.47
<a href="#">10-00-00-16100-2105</a>	WIP-2020 URBAN WATER MANAGEMENT PI	42,440.28
<a href="#">10-00-00-16100-2106</a>	WIP- WATER INFRASTRUCTURE ACT AND RE	44,875.16
<a href="#">10-00-00-16100-2111</a>	WIP-2021 Amer's Water INFRA Act Emerg R	387.34
<a href="#">10-00-00-16100-2112</a>	WIP-Budgetary technical memorandum	495.00
<a href="#">10-00-00-16990-00000</a>	Accumulated Amortization	-733,483.20
<b>Total BalSubCategory 16 - Other Assets:</b>		<b>418,977.43</b>
<b>Total Assets:</b>		<b>31,594,132.02</b>
		<b><u>31,594,132.02</u></b>
<b>Liability</b>		
<b>BalSubCategory: 13 - Prepaid</b>		
<a href="#">10-00-00-20650-00000</a>	Deferred Revenue Deposit	12,816.00
<b>Total BalSubCategory 13 - Prepaid:</b>		<b>12,816.00</b>
<b>BalSubCategory: 20 - Short-term less than 1 year</b>		
<a href="#">10-00-00-20100-00000</a>	Trade Accounts Payable	90,369.66
<a href="#">10-00-00-20115-00000</a>	D&O Trade Accounts Payable	26,741.25
<a href="#">10-00-00-20261-00000</a>	Section 125 - Dental	0.06
<a href="#">10-00-00-20262-00000</a>	Section 125 - Vision	0.08
<a href="#">10-00-00-20263-00000</a>	Section 125 - Medical	0.04
<a href="#">10-00-00-20600-00000</a>	Water Hydrant Meter Deposit	1,700.00
<a href="#">10-00-GN-20820-00000</a>	Accrued Vacation Payable	20,404.60
<a href="#">10-00-OP-20820-00000</a>	Accrued Vacation Payable	24,818.57
<b>Total BalSubCategory 20 - Short-term less than 1 year:</b>		<b>164,034.26</b>
<b>BalSubCategory: 21 - Long-term more than 1 year</b>		
<a href="#">10-00-00-20152-00000</a>	457B Deferred Comp Liability	55,058.23
<a href="#">10-00-00-21500-00000</a>	Unclaimed Credits	614,939.12
<a href="#">10-00-00-22100-00000</a>	Deferred Gain	686,118.88
<b>Total BalSubCategory 21 - Long-term more than 1 year:</b>		<b>1,356,116.23</b>
<b>Total Liability:</b>		<b>1,532,966.49</b>
<b>Equity</b>		
<b>BalSubCategory: 30 - Stockholder equity</b>		
<a href="#">10-00-00-30200-00000</a>	Contributed Capital - Ext. Fee	447,258.02
<a href="#">10-00-00-30210-00000</a>	Contr. Property, Plant & Equip	2,432,256.77
<a href="#">10-00-00-30300-00000</a>	Capital Account	1,500,000.00
<a href="#">10-00-00-30310-00000</a>	Unissued Capital Stock	-861,100.00
<a href="#">10-00-00-30400-00000</a>	Retained Earnings-Brd Designated	3,707,315.36
<a href="#">10-00-00-30410-00000</a>	Retained Earnings-Unrestricted	22,868,412.02
<b>Total BalSubCategory 30 - Stockholder equity:</b>		<b>30,094,142.17</b>
<b>Total Beginning Equity:</b>		<b>30,094,142.17</b>
Total Revenue		277,067.33
Total Expense		310,043.97
<b>Revenues Over/Under Expenses</b>		<b>-32,976.64</b>
<b>Total Equity and Current Surplus (Deficit):</b>		<b>30,061,165.53</b>
<b>Total Liabilities, Equity and Current Surplus (Deficit):</b>		<b><u>31,594,132.02</u></b>

**Monthly Investment Activity Summary - Compiled from Banking Statements for Correlation with Monthly Financials**

Institution	Type of Investment	Date of Maturity	Rate of Interest	Account Balance as of 1/1/2022	Reserves		
					Operating	Depreciation & Obsolescence	Modernization
Citizens Business Bank (CBB)	*Checking	N/A	No Interest	2,653,863.44	2,653,863.44		
Citizens Business Bank (CBB)	*D&O Checking	N/A	No Interest	227,376.58		\$ 227,376.58	
Local Agency Investment Fund	LAIF	N/A	0.234%	3,410,769.09	\$ -	\$ 2,335,008.49	\$ 1,075,760.60
<b>TOTAL:</b>				\$ 6,292,009.11	\$ 2,653,863.44	\$ 2,562,385.07	\$ 1,075,760.60



2022 Production

Item 4G

CHINO BASIN	8EQ%)	5I F%)	9E T%)	1ST%)	9E Z%)	8VQ%)	8VQ%)	1VK%)	>I S%)	; G%)	: R%)	3I G%)	?6 7C41=
Subtotal	0.41	0.17	-	-	-	-	-	-	-	-	-	-	0.57

CUCAMONGA BASIN	8EQ%)	5I F%)	9E T%)	1ST%)	9E Z%)	8VQ%)	8VQ%)	1VK%)	>I S%)	; G%)	: R%)	3I G%)	?6 7C41=
Subtotal	422.10	371.76	630.26	-	-	-	-	-	-	-	-	-	1,424.12

SIX BASINS	8EQ%)	5I F%)	9E T%)	1ST%)	9E Z%)	8VQ%)	8VQ%)	1VK%)	>I S%)	; G%)	: R%)	3I G%)	?6 7C41=
Subtotal	83.65	75.09	79.00	-	-	-	-	-	-	-	-	-	237.74

<b>TOTAL PUMPED</b>	<b>506.16</b>	<b>447.02</b>	<b>709.25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,662.44</b>
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GRAVITY FLOW	8EQ%)	5I F%)	9E T%)	1ST%)	9E Z%)	8VQ%)	8VQ%)	1VK%)	>I S%)	; G%)	: R%)	3I G%)	?6 7C41=
TOTAL GRAVITY	885.80	596.04	461.58	-	-	-	-	-	-	-	-	-	1,943.42

Monthly	8EQ%)	5I F%)	9E T%)	1ST%)	9E Z%)	8VQ%)	8VQ%)	1VK%)	>I S%)	; G%)	: R%)	3I G%)	?6 7C41=
San Antonio Tunnel	232.89	221.11	222.35	-	-	-	-	-	-	-	-	-	676.35
V Screen, Frankish & Stamm Tunnel and TP Backwash	652.91	374.93	239.23	-	-	-	-	-	-	-	-	-	1,267.07
Gravity Production	885.80	596.04	461.58	-	-	-	-	-	-	-	-	-	1,943.42

Cumulative	8EQ%)	5I F%)	9E T%)	1ST%)	9E Z%)	8VQ%)	8VQ%)	1VK%)	>I S%)	; G%)	: R%)	3I G%)	?6 7C41=
San Antonio Tunnel	232.89	454.00	676.35	-	-	-	-	-	-	-	-	-	676.35
V Screen, Frankish & Stamm Tunnel and TP Backwash	652.91	1,027.84	1,267.07	-	-	-	-	-	-	-	-	-	1,267.07
Gravity Production	885.80	1,481.84	1,943.42	-	-	-	-	-	-	-	-	-	1,943.42

<WIG.EU HABEVITAN@QAWVIRFP &AZL&A	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA
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<b>Total Production</b>	<b>1,391.96</b>	<b>1,043.07</b>	<b>1,170.83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,605.85</b>
<b>Total Cumulative Production</b>	<b>1,391.96</b>	<b>2,435.02</b>	<b>3,605.85</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,605.85</b>

Domestic Production	8EQ%)	5I F%)	9E T%)	1ST%)	9E Z%)	8VQ%)	8VQ%)	1VK%)	>I S%)	; G%)	: R%)	3I G%)	?6 7C41=
Irrigation Production	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA	AAAAAAAAAA

RainFall (Inches)	8EQ%)	5I F%)	9E T%)	1ST%)	9E Z%)	8VQ%)	8VQ%)	1VK%)	>I S%)	; G%)	: R%)	3I G%)	?6 7C41=
Cumulative (Inches)	0.22	0.66	2.50	-	-	-	-	-	-	-	-	-	-

## 2022 Consumption

DOMESTIC	:HU%	7L1%*	=H%*	2W%*	=H%*	:U%*	:S%	2[N%*	BLW%	?JZ%*	>V1%*	5LJ%*	C9-BG62A
5VT & B&R&L	7.79	25.76	11.98	-	-	-	-	-	-	-	-	-	419.55
Dom. Sys. - Supplemental	3.12	21.92	2.87	-	-	-	-	-	-	-	-	-	
Dom Sys - Tier 3													
5VT & B&R&L SA&VWBUK*, Z04 HTW\#													
5VT & B&R&L S&V WSHUK\SSA)-#													
5VT & B&R&L SA&VWBUK*, Z0= Z\#Z\SSLK\#1													
QUULSAL Z\X\DLBWSHUKA													
5PYOHL Z\#HY Z													
<b>TOTAL</b>	<b>125.24</b>	<b>141.67</b>	<b>152.63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>419.55</b>

C\J R\#VHK\#JVA\US\X\YHSS\#X\QZ\													
F LSS\#Q\K\I\U\# Z\#JVA\US\X\Z\K\# ' )0#4X\YHSS\Y													
X\#AVZ\W\S\A\B\#A\Z\EF 5' ) CL\#K\Z\# NOAD\#L\K\#													

IRRIGATION	:HU%	7L1%*	=H%*	2W%*	=H%*	:U%*	:S%	2[N%*	BLW%	?JZ%*	>V1%*	5LJ%*	C9-BG62A
XPNB\Y\#DWSHUK\T WA\#L\K\#4PZ\F A)-#													
XPNB\Y\#DWSHUK\T WA\#L\K\#4PZ\F A)-#													
Irrig. Sys. - Upl. City - Tier 2													
XPNB\Y\#DWSHUK\T WA\#L\K\#4PZ\F A)-#													
Irrig. Sys. - Monte Vista - Tier 2													
XPNB\Y\#DWSHUK\T WA\#L\K\#4PZ\F A)-#													
Irrig. Sys. - Ont. City - Tier 2													
XPNB\Y\#DWSHUK\T WA\#L\K\#4PZ\F A)-#													
Irrig Sys. - Cucamonga Valley - Tier 2													
XPNB\Y\#DWSHUK\T WA\#L\K\#4PZ\F A)-#													
Irrig. Sys. - Holiday Rock Co - Tier 2		3.99	12.30										
Irrig. Sys. - Holiday Rock Co - Tier 3													
XPNB\Y\#DWSHUK\T WA\#L\K\#4PZ\F A)-#													
Irrig. Sys. - Red Hill Golf Course - Tier 2			0.12										
Irrig. Sys. - Red Hill Golf Course - Tier 3													
Irrig. Sys. - Red Hills HOA - Tier 1													
Irrig. Sys. - Red Hills HOA - Tier 2													
Irrig. Sys. - Red Hills HOA - Tier 3													
XPNB\Y\#DWSHUK\T WA\#L\K\#4PZ\F A)-#													
Irrig. Sys. - Minor Irrigators - Tier 2			0.53										
Irrig. Sys. - Minor irrigators - Tier 3													
<b>TOTAL</b>	<b>676.55</b>	<b>685.55</b>	<b>915.21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,277.30</b>

COMPANY TOTALS	:HU%	7L1%*	=H%*	2W%*	=H%*	:U%*	:S%	2[N%*	BLW%	?JZ%*	>V1%*	5LJ%*	C9-BG62A
BHU\Z\U\#P\#PNOZ													204.65
4PZ\F WSHUK													2,095.74
= VUZ\EP\Z\# HZ\#P\#P Z													197.42
4 PZ\F WIA\Z\#V													194.30
4J HTVUNH\SS\# HZ\#P\#P Z													-
9VSPK\#VJ\#VT WHU\^													69.88
ALK\#PS\#V\#W\#X\#Y													61.32
ALK\#PS\#V\#W\#X\#Y													14.14
= RUV\#X\#H\#Z\#Y													6.40
<b>TOTAL</b>	<b>801.79</b>	<b>827.22</b>	<b>1,067.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,696.85</b>

IRRIGATORS	:HU%	7L1%*	=H%*	2W%*	=H%*	:U%*	:S%	2[N%*	BLW%	?JZ%*	>V1%*	5LJ%*	C9-BG62A
X\#PZ\X\#T\ L\X\Z\													0.39
X\#PZ\X\#T\ L\X\Z\													-
X\#PZ\X\#T\ L\X\Z\													-
X\#PZ\X\#T\ L\X\Z\													-
X\#PZ\X\#T\ L\X\Z\													-
X\#PZ\X\#T\ L\X\Z\	0.89	1.67	2.45										5.02

2022 Spread and Storage

Cucamonga Basin

	6AL"&&	3EB"&&	8A O"&&	. NO"&&	8A T"&&	6RL"&&	6RJ&&	. RF"&&	=EN"&&	: CQ&&	9MS"&&	1EC"&&	>4 5#&2.<
Monthly Spread	195.83	164.20	74.94	-	-	-	-	-	-	-	-	-	434.97
Cumulative Spread	195.83	360.03	434.97	-	-	-	-	-	-	-	-	-	

Six Basins

Monthly Spread	63.35	25.27	19.84	-	-	-	-	-	-	-	-	-	108.46
Cumulative Spread	63.35	88.62	108.46	-	-	-	-	-	-	-	-	-	

5 F=J@IGX HD F=>	2,027	2,055	2,074	2,151	2,229	2,307	2,384	2,462	2,540	2,617	2,695	2,773
7 E F=<												
8 CIG=<3 DCPH 4 7 9												
Current Storage Estimate	2,027	2,055	2,074	2,151	2,229	2,307	2,384	2,462	2,540	2,617	2,695	2,773

Chino Basin

Monthly Spread	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Spread	-	-	-	-	-	-	-	-	-	-	-	-	-

2D::A X IEEA=B=C H A ; ; DICH X E F=<@>!	7,259.25	7,361.51	7,464.01	-	-	-	-	-	-	-	-	-
0: FL A 4 J=FA ; ; D I G												
1 K:=G G A FL A J=FA ; ; D I G H												
5 F=BEI@-5 =EAC@B=C H ; ; DICH												
Total Storage	7,259.25	7,361.51	7,464.01	-	-	-	-	-	-	-	-	-
7 E F=<												
8 CIG=<3 DCPH 4 7 9												
Current Storage Estimate*	7,362	7,464	7,567	-	-	-	-	-	-	-	-	-

Company Wide

Monthly Spread	259.18	189.47	94.78	-	-	-	-	-	-	-	-	-	543.43
Cumulative Spread	259.18	448.65	543.43	-	-	-	-	-	-	-	-	-	
Total Current Storage Estimate	9,389	9,519	9,640	2,151	2,229	2,307	2,384	2,462	2,540	2,617	2,695	2,773	

8 EQB QMRCADANL DP A9 >2 A:9 7@												
---------------------------------	--	--	--	--	--	--	--	--	--	--	--	--



## 2022 Production v Consumption

Yearly %	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
	8%	17%	25%	33%	42%	50%	58%	67%	75%	83%	92%	100%

### Consumption versus Entitlement, Company Wide **Active Shares**

	6?J#'	3C@#'	7?M#'	/ LN#'	7?S#'	6PJ#'	6PH#'	/ PE#'	<CL#'	9A@#'	8KQ#'	1 CA#''	=4 5-2/;
OKJNPI L@KJ	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA
0 PI PH@C@KJNPI LOG	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	2,696.85
<i>Cumulative Entitlement (straight line)</i>	1,049.42	2,098.84	3,148.26	-	-	-	-	-	-	-	-	-	12,593
<b>% of Entitlement*</b>	<b>6.37%</b>	<b>12.94%</b>	<b>21.42%</b>	<b>29.49%</b>	<b>37.03%</b>	<b>44.89%</b>	<b>52.79%</b>	<b>60.56%</b>	<b>68.38%</b>	<b>76.71%</b>	<b>83.78%</b>	<b>91.86%</b>	<b>21.4%</b>

### Consumption versus Entitlement, Company Wide **Total Shares**

	6?J#'	3C@#'	7?M#'	/ LN#'	7?S#'	6PJ#'	6PH#'	/ PE#'	<CL#'	9A@#'	8KQ#'	1 CA#''	=4 5-2/;
OKJNPI L@KJ	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA
0 PI PH@C@KJNPI LOG	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	2,696.85
<i>Cumulative Entitlement (straight line)</i>	1,083.33	2,166.67	3,250.00	-	-	-	-	-	-	-	-	-	13,000
<b>% of Entitlement*</b>	<b>6.17%</b>	<b>12.53%</b>	<b>20.74%</b>	<b>28.57%</b>	<b>35.87%</b>	<b>43.48%</b>	<b>51.13%</b>	<b>58.66%</b>	<b>66.24%</b>	<b>74.31%</b>	<b>81.16%</b>	<b>88.98%</b>	<b>20.7%</b>

### Production versus Consumption, Company Wide

	6?J#'	3C@#'	7?M#'	/ LN#'	7?S#'	6PJ#'	6PH#'	/ PE#'	<CL#'	9A@#'	8KQ#'	1 CA#''	=4 5-2/;
: MKBP@KJ	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA
<i>Consumption</i>	801.79	827.22	1,067.84	-	-	-	-	-	-	-	-	-	2,696.85
<i>Spread</i>	259.18	189.47	94.78	-	-	-	-	-	-	-	-	-	543.43
=KOH@KJNPI L@KJ	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA
1 GD@JAC	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA
<b>% of Production</b>	<b>23.8%</b>	<b>2.5%</b>	<b>0.7%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.00%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>10.1%</b>

### Production versus Consumption, Domestic System

	6?J#'	3C@#'	7?M#'	/ LN#'	7?S#'	6PJ#'	6PH#'	/ PE#'	<CL#'	9A@#'	8KQ#'	1 CA#''	=4 5-2/;
: MKBP@KJ	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	676.92
OKJNPI L@KJ	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	419.55
7 KJ@H@GD@JAC	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	257.38
<b>% difference</b>	<b>86.28%</b>	<b>56.19%</b>	<b>45.67%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>61.3%</b>

### Production versus Consumption, Irrigation System

	6?J#'	3C@#'	7?M#'	/ LN#'	7?S#'	6PJ#'	6PH#'	/ PE#'	<CL#'	9A@#'	8KQ#'	1 CA#''	=4 5-2/;
<i>Production</i>	1,125.08	788.88	925.55	-	-	-	-	-	-	-	-	-	2,839.51
<i>Addition from Domestic</i>	108.05	79.61	69.71	-	-	-	-	-	-	-	-	-	257.38
=KOH@KJNPI L@KJ	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	2,096.89
OKJNPI L@KJ	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	2,820.73
7 KJ@H@GD@JAC	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	AAAAAA	276.16
<b>% difference</b>	<b>31.78%</b>	<b>-0.75%</b>	<b>-1.46%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>9.8%</b>

!@# P@ KJ@N@M@R@L@K@J@G@?H@A@K@E@G@J@E@< @X@C@N@D@?@S@B@J@A@K@N@P@I@L@O@K@L@B@?@C

# 2022 Consumption Analysis

Yearly %	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
	8%	17%	25%	33%	42%	50%	58%	67%	75%	83%	92%	100%

### COMPANY TOTALS

#### Active Shares

	6>I#"	3B?#	7 >I#'	/ KI#'	7 >R#'	6OI#'	6OG#	/ OD#'	; BK#	9 @#'	8JP#'	1 B@#'	<4 5A=2/:
0JIM OHKINJI	AAA%SA	AAA%AAA	A%(-)	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA
0OHOGFB JIMOHKINJI	AAA%SA	AAA%SA	A%+*	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	2,696.85
0OHOGFB INFQBIBIN	AAA%SA	AAA%SA	A%\$&	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	2,593.05
<b>% of Yearly Entitlement*</b>	<b>6.37%</b>	<b>12.94%</b>	<b>21.42%</b>	<b>29.49%</b>	<b>37.03%</b>	<b>44.89%</b>	<b>52.79%</b>	<b>60.56%</b>	<b>68.38%</b>	<b>76.71%</b>	<b>83.78%</b>	<b>91.86%</b>	<b>21.42%</b>

;E >LBM| AAA%AAA

### COMPANY TOTALS

#### All Shares

	6>I#"	3B?#	7 >I#'	/ KI#'	7 >R#'	6OI#'	6OG#	/ OD#'	; BK#	9 @#'	8JP#'	1 B@#'	<4 5A=2/:
0JIM OHKINJI	AAA%SA	AAA%AAA	A%(-)	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA
0OHOGFB JIMOHKINJI	AAA%SA	AAA%SA	A%+*	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	2,696.85
0OHOGFB INFQBIBIN	AAA%SA	AAA%SA	A%\$&	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	2,000.00
<b>% of Yearly Entitlement*</b>	<b>6.17%</b>	<b>12.53%</b>	<b>20.74%</b>	<b>28.57%</b>	<b>35.87%</b>	<b>43.48%</b>	<b>51.13%</b>	<b>58.66%</b>	<b>66.24%</b>	<b>74.31%</b>	<b>81.16%</b>	<b>88.98%</b>	<b>20.74%</b>

;E >LBM| AAA%AAA

### San Antonio Heights

	6>I#"	3B?#	7 >I#'	/ KI#'	7 >R#'	6OI#'	6OG#	/ OD#'	; BK#	9 @#'	8JP#'	1 B@#'	<4 5A=2/:
0JIM OHKINJI	AAA%SA	AAA%AAA	A%(-)	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA
0OHOGFB JIMOHKINJI	AAA%SA	AAA%SA	A%+*	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	244.65
0OHOGFB INFQBIBIN	AAA%SA	AAA%SA	A%\$&	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	285.96
<b>% of Yearly Entitlement*</b>	<b>5.03%</b>	<b>11.75%</b>	<b>19.02%</b>	<b>26.70%</b>	<b>33.82%</b>	<b>41.12%</b>	<b>48.43%</b>	<b>55.69%</b>	<b>62.97%</b>	<b>70.25%</b>	<b>77.52%</b>	<b>84.80%</b>	<b>19.02%</b>

;E >LBM| AAA%AAA

### City of Upland

	6>I#"	3B?#	7 >I#'	/ KI#'	7 >R#'	6OI#'	6OG#	/ OD#'	; BK#	9 @#'	8JP#'	1 B@#'	<4 5A=2/:
0JIM OHKINJI	AAA%SA	AAA%AAA	A%&\$	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA
0OHOGFB JIMOHKINJI	AAA%SA	AAA%SA	A%*(\$)	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	2,085.74
0OHOGFB INFQBIBIN	AAA%SA	AAA%SA	A%\$&+	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	1,189.94
<b>% of Yearly Entitlement*</b>	<b>6.75%</b>	<b>13.60%</b>	<b>22.70%</b>	<b>31.22%</b>	<b>39.20%</b>	<b>47.51%</b>	<b>55.90%</b>	<b>64.13%</b>	<b>72.41%</b>	<b>80.69%</b>	<b>88.98%</b>	<b>97.26%</b>	<b>22.70%</b>

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### Monte Vista Water District

	6>I#"	3B?#	7 >I#'	/ KI#'	7 >R#'	6OI#'	6OG#	/ OD#'	; BK#	9 @#'	8JP#'	1 B@#'	<4 5A=2/:
0JIM OHKINJI	AAA%SA	AAA%AAA	A%(-)	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA
0OHOGFB JIMOHKINJI	AAA%SA	AAA%SA	A%\$&	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	137.42
0OHOGFB INFQBIBIN	AAA%SA	AAA%SA	A%\$&*	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	672.48
<b>% of Yearly Entitlement*</b>	<b>8.40%</b>	<b>14.29%</b>	<b>20.43%</b>	<b>27.06%</b>	<b>33.17%</b>	<b>39.44%</b>	<b>45.71%</b>	<b>51.95%</b>	<b>58.20%</b>	<b>64.45%</b>	<b>70.70%</b>	<b>76.96%</b>	<b>20.43%</b>

;E >LBM| AAA%AAA

### City of Ontario

	6>I#"	3B?#	7 >I#'	/ KI#'	7 >R#'	6OI#'	6OG#	/ OD#'	; BK#	9 @#'	8JP#'	1 B@#'	<4 5A=2/:
0JIM OHKINJI	AAA%SA	AAA%AAA	A%(-)	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA
0OHOGFB JIMOHKINJI	AAA%SA	AAA%SA	A%\$&	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	111.30
0OHOGFB INFQBIBIN	AAA%SA	AAA%SA	A%\$&	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	AAA%AAA	600.76
<b>% of Yearly Entitlement*</b>	<b>6.59%</b>	<b>12.43%</b>	<b>18.53%</b>	<b>25.10%</b>	<b>31.16%</b>	<b>37.38%</b>	<b>43.61%</b>	<b>49.79%</b>	<b>55.99%</b>	<b>62.20%</b>	<b>68.40%</b>	<b>74.60%</b>	<b>18.53%</b>

;E >LBM| AAA%AAA

!A9ONAH NIA BAZKJI BI NFA;HJJNE DAA<; ACB@MNI>NBAII@JIMOHKINJIJA>B

# 2022 Consumption Analysis

Yearly %	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
	8%	17%	25%	33%	42%	50%	58%	67%	75%	83%	92%	100%

A

### Cucamonga Valley Water District

	5=H'&&	2A>'&&	6 =K&&	. JK'&&	6 =Q&&	5NH&&	5NF&&	. NC&&	: AJ"&&	8 ?N&&	7IO "&&	0 A? "&&	; 3 4<1.9
/IHL NGJNEIH	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA
/NG NF=H/IHL NGJNEIH	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA
/NG NF=H/A HEMAGH	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA
<b>% of Yearly Entitlement*</b>													<b>8.14</b>

:D =KAL | AAAAAA AAAAAAA

### Holiday Rock Company

	5=H'&&	2A>'&&	6 =K&&	. JK'&&	6 =Q&&	5NH&&	5NF&&	. NC&&	: AJ"&&	8 ?N&&	7IO "&&	0 A? "&&	; 3 4<1.9
/IHL NGJNEIH	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA
/NG NF=H/IHL NGJNEIH	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA
/NG NF=H/A HEMAGH	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA
<b>% of Yearly Entitlement*</b>	<b>4.61%</b>	<b>11.49%</b>	<b>22.25%</b>	<b>31.50%</b>	<b>40.32%</b>	<b>49.39%</b>	<b>59.00%</b>	<b>68.07%</b>	<b>77.29%</b>	<b>86.50%</b>	<b>95.69%</b>	<b>104.89%</b>	<b>22.25%</b>

:D =KAL | AAAAAA AAAAA

### Red Hills Golf Course

	5=H'&&	2A>'&&	6 =K&&	. JK'&&	6 =Q&&	5NH&&	5NF&&	. NC&&	: AJ"&&	8 ?N&&	7IO "&&	0 A? "&&	; 3 4<1.9
/IHL NGJNEIH	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA
/NG NF=H/IHL NGJNEIH	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA
/NG NF=H/A HEMAGH	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA
<b>% of Yearly Entitlement*</b>	<b>1.60%</b>	<b>5.34%</b>	<b>11.56%</b>	<b>16.74%</b>	<b>21.71%</b>	<b>26.99%</b>	<b>32.27%</b>	<b>37.46%</b>	<b>42.68%</b>	<b>47.90%</b>	<b>53.10%</b>	<b>58.31%</b>	<b>11.56%</b>

:D =KAL | AAAAAA AAAAA

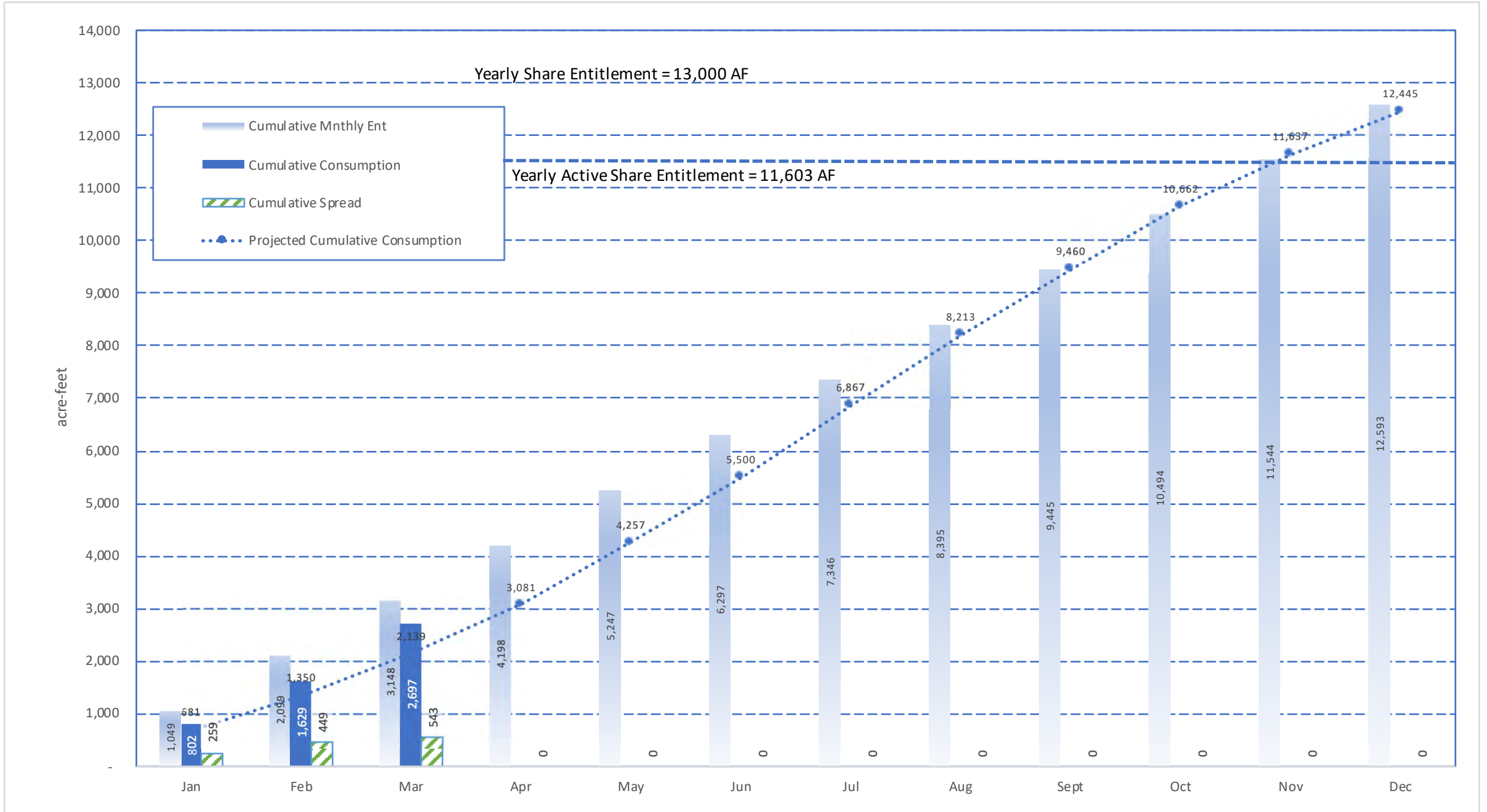
### Minor Irrigators

	5=H'&&	2A>'&&	6 =K&&	. JK'&&	6 =Q&&	5NH&&	5NF&&	. NC&&	: AJ"&&	8 ?N&&	7IO "&&	0 A? "&&	; 3 4<1.9
/IHL NGJNEIH	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA
/NG NF=H/IHL NGJNEIH	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA
/NG NF=H/A HEMAGH	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA	AAAAA
<b>% of Yearly Entitlement*</b>	<b>0.91%</b>	<b>2.63%</b>	<b>5.28%</b>	<b>7.58%</b>	<b>9.76%</b>	<b>12.01%</b>	<b>14.39%</b>	<b>16.64%</b>	<b>18.92%</b>	<b>21.20%</b>	<b>23.47%</b>	<b>25.75%</b>	<b>5.28%</b>

:D =KAL | AAAAAA AAAAA

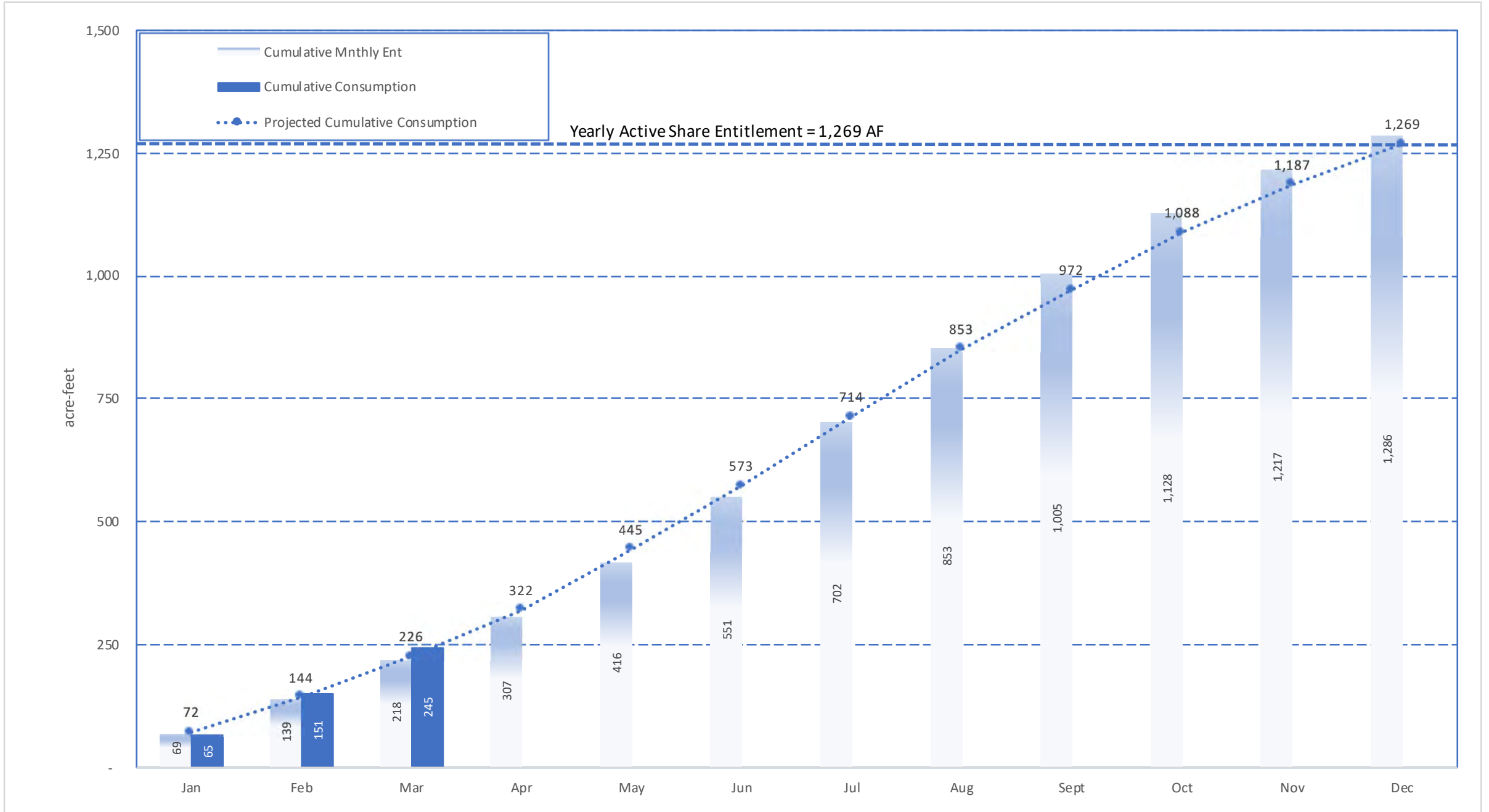
!AASNMAIGMDA+AA PJI HAHMBA:GI | MBHCAA:; ABA? =LMA =LAC@H/IHLNGJNEIHWA@=M

# 2022 Consumption Chart

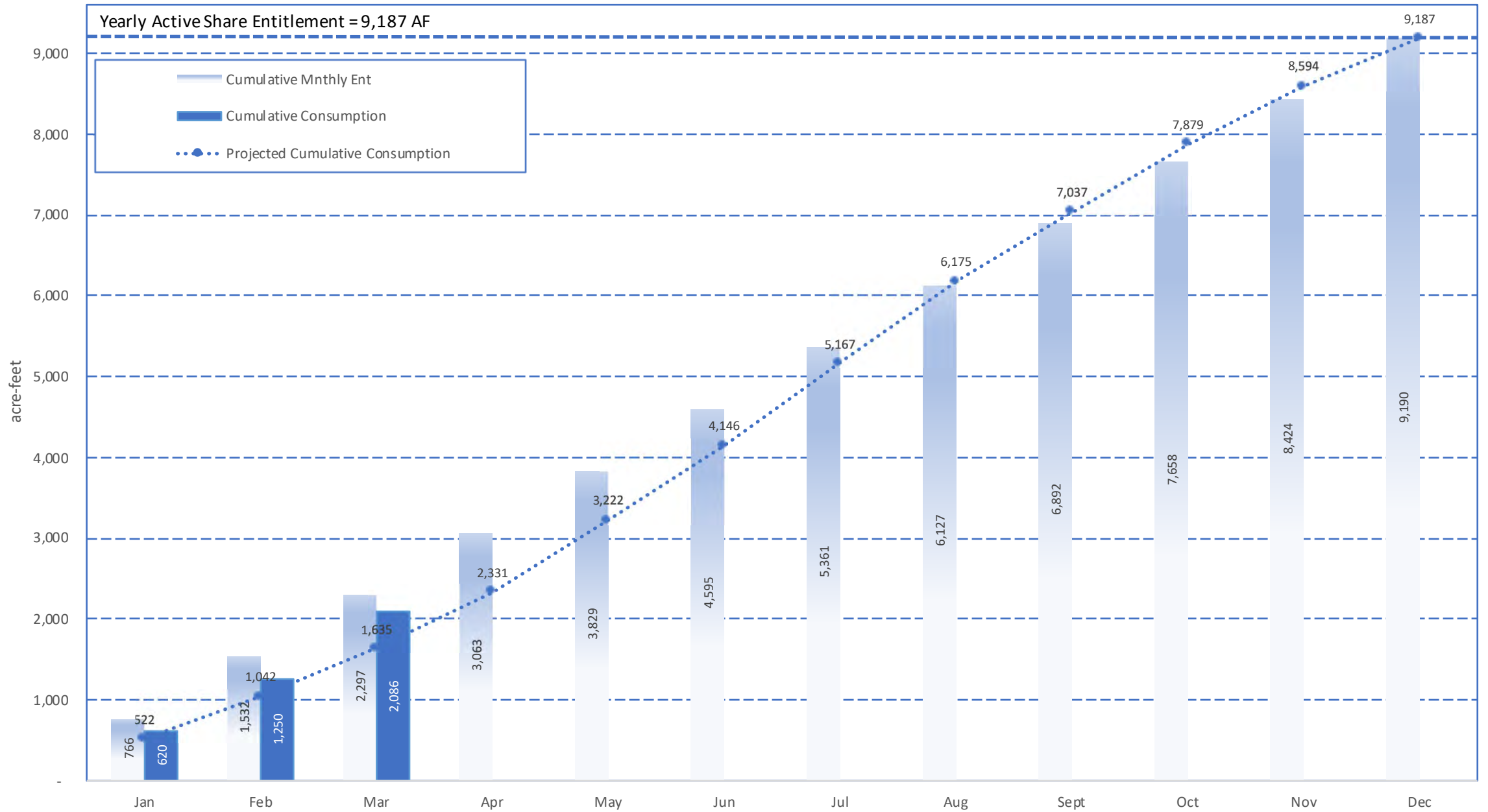




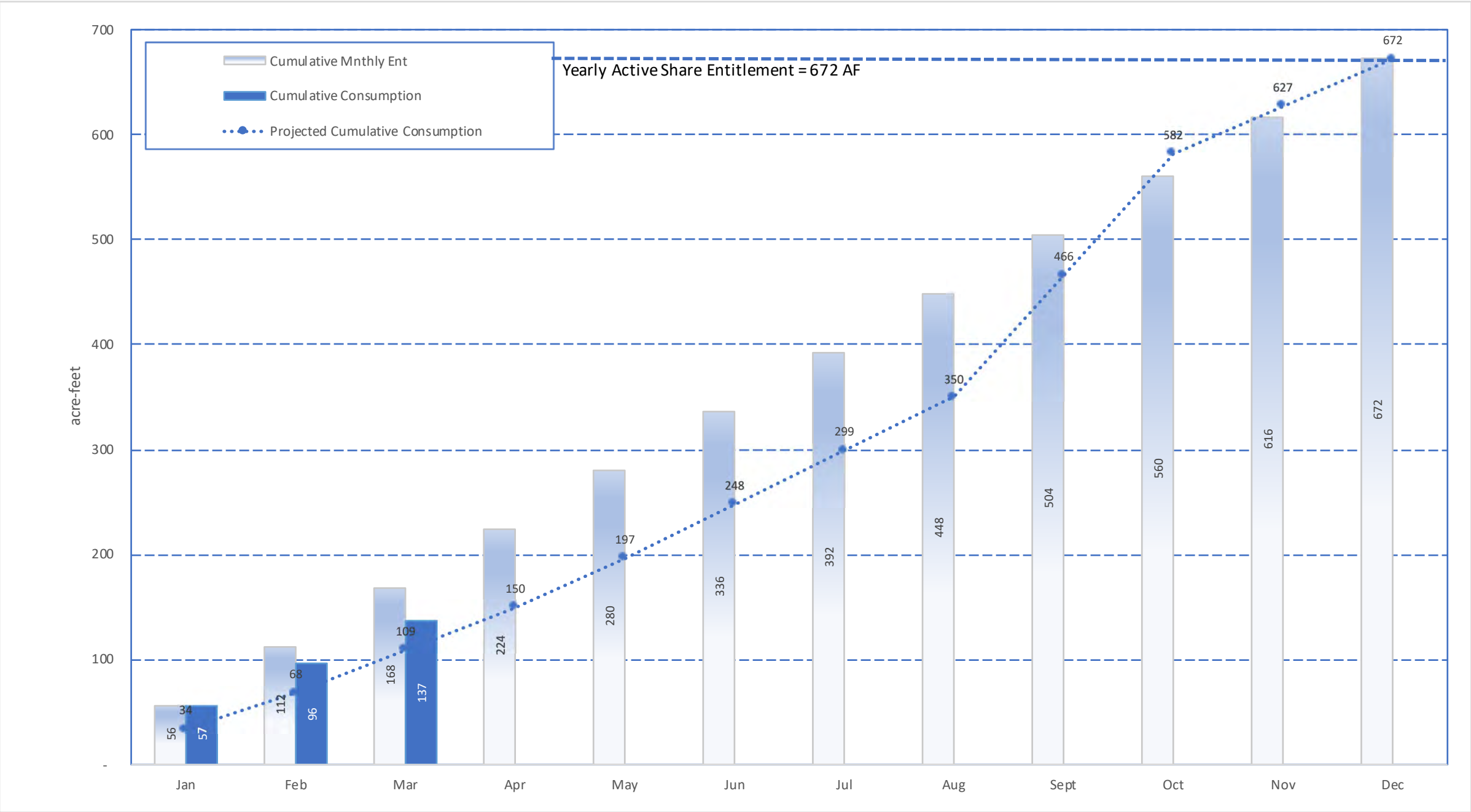
# 2022 Domestic Consumption



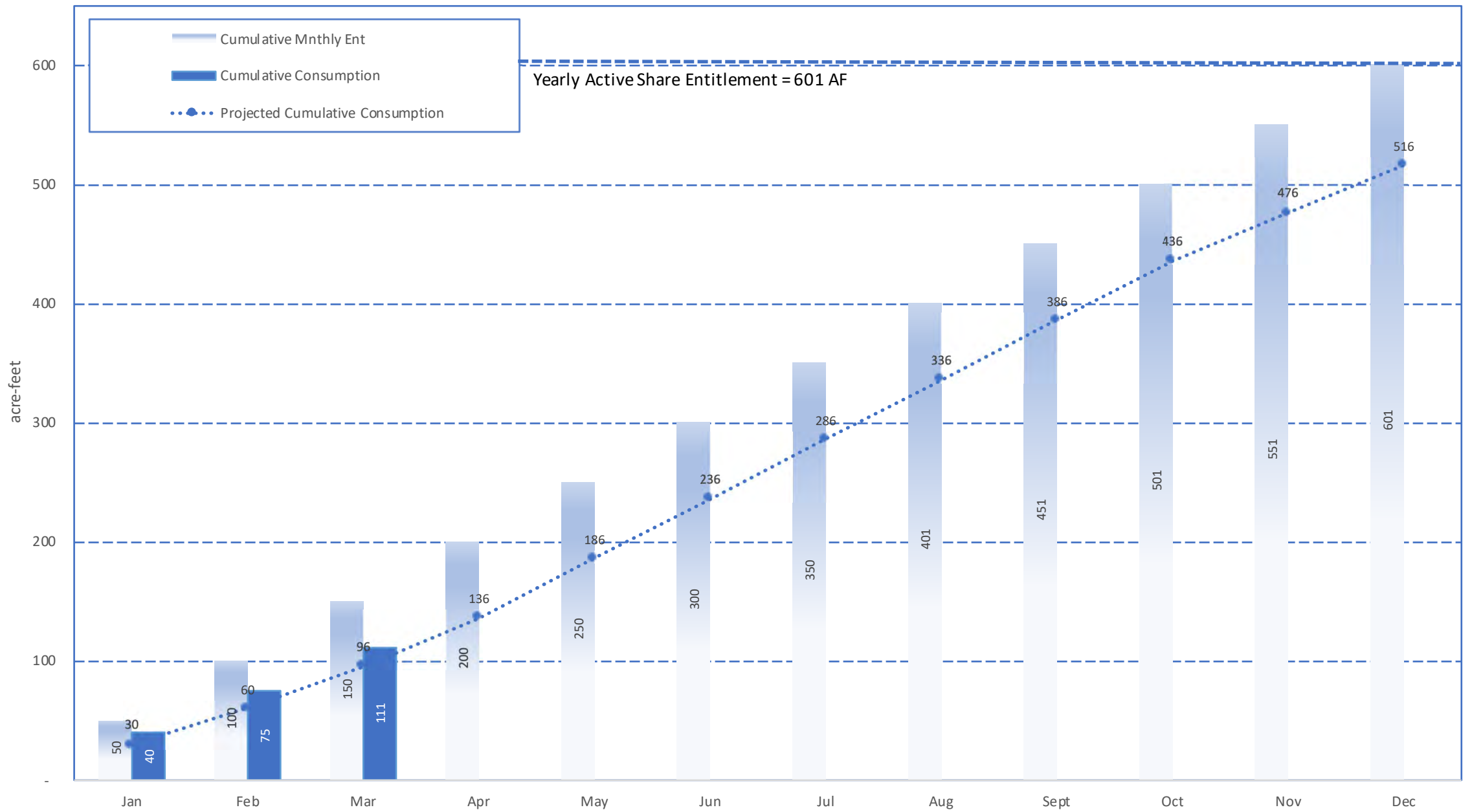
# 2022 Upland Consumption



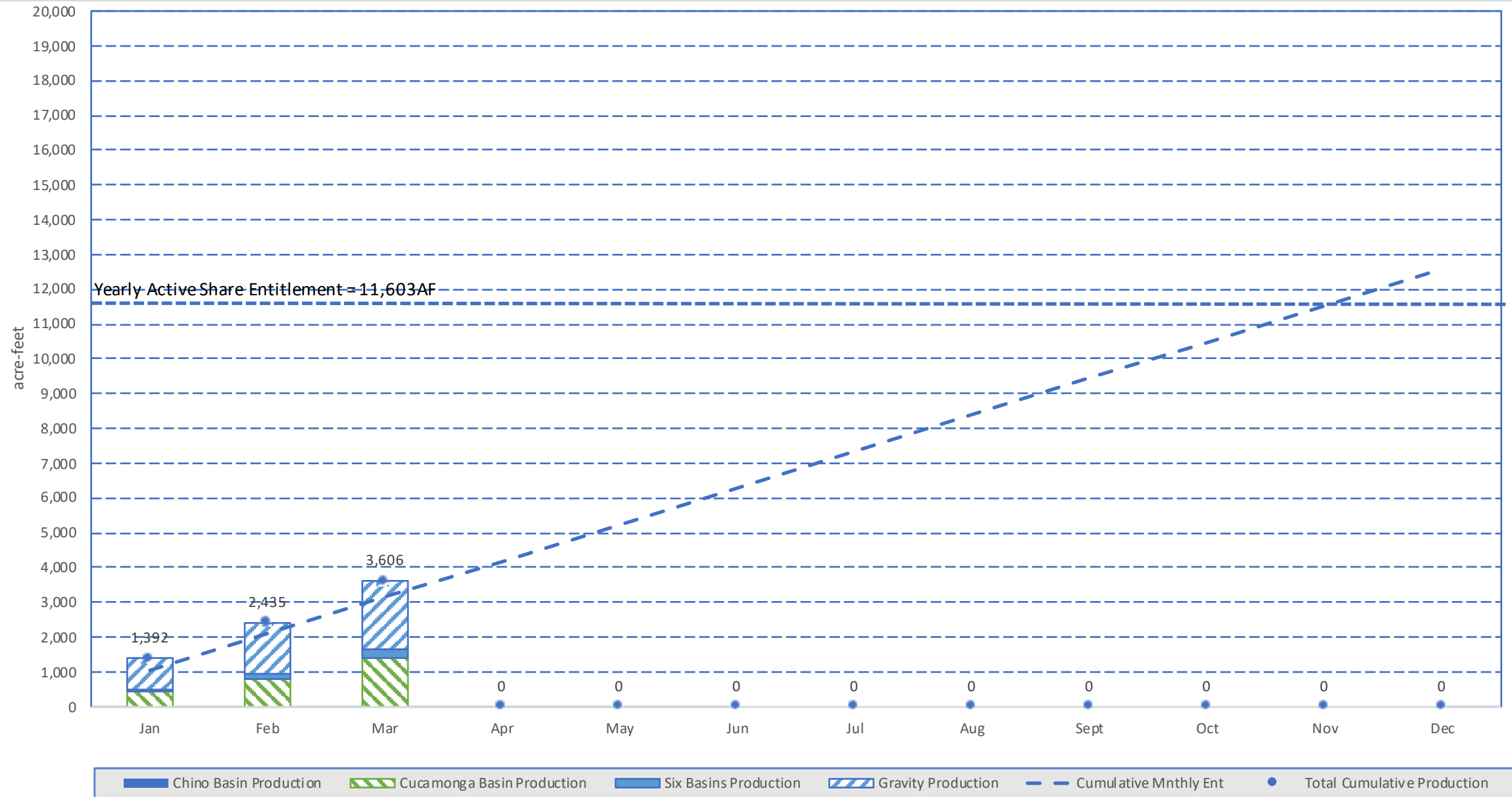
# 2022 Monte Vista Consumption



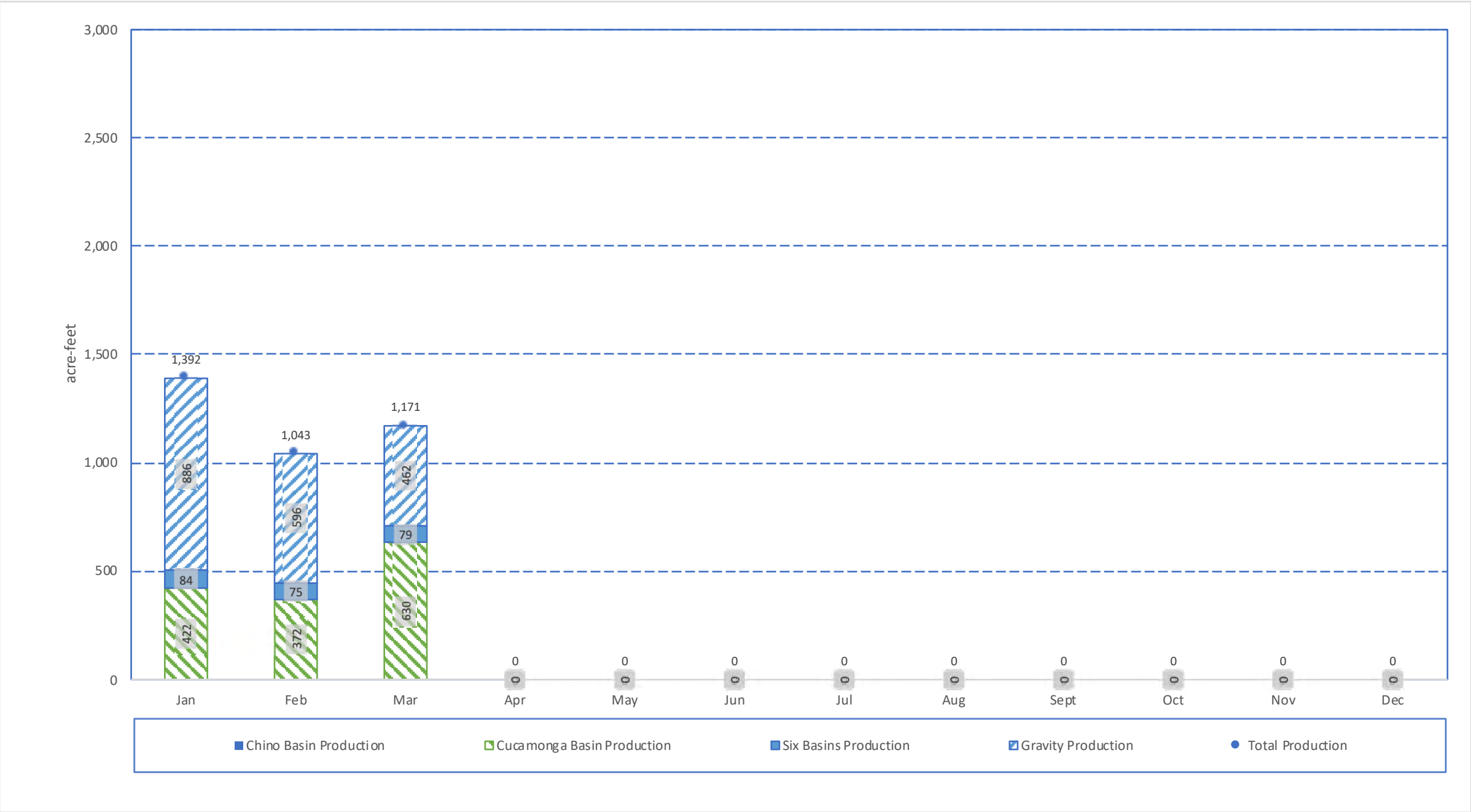
# 2022 Ontario Consumption



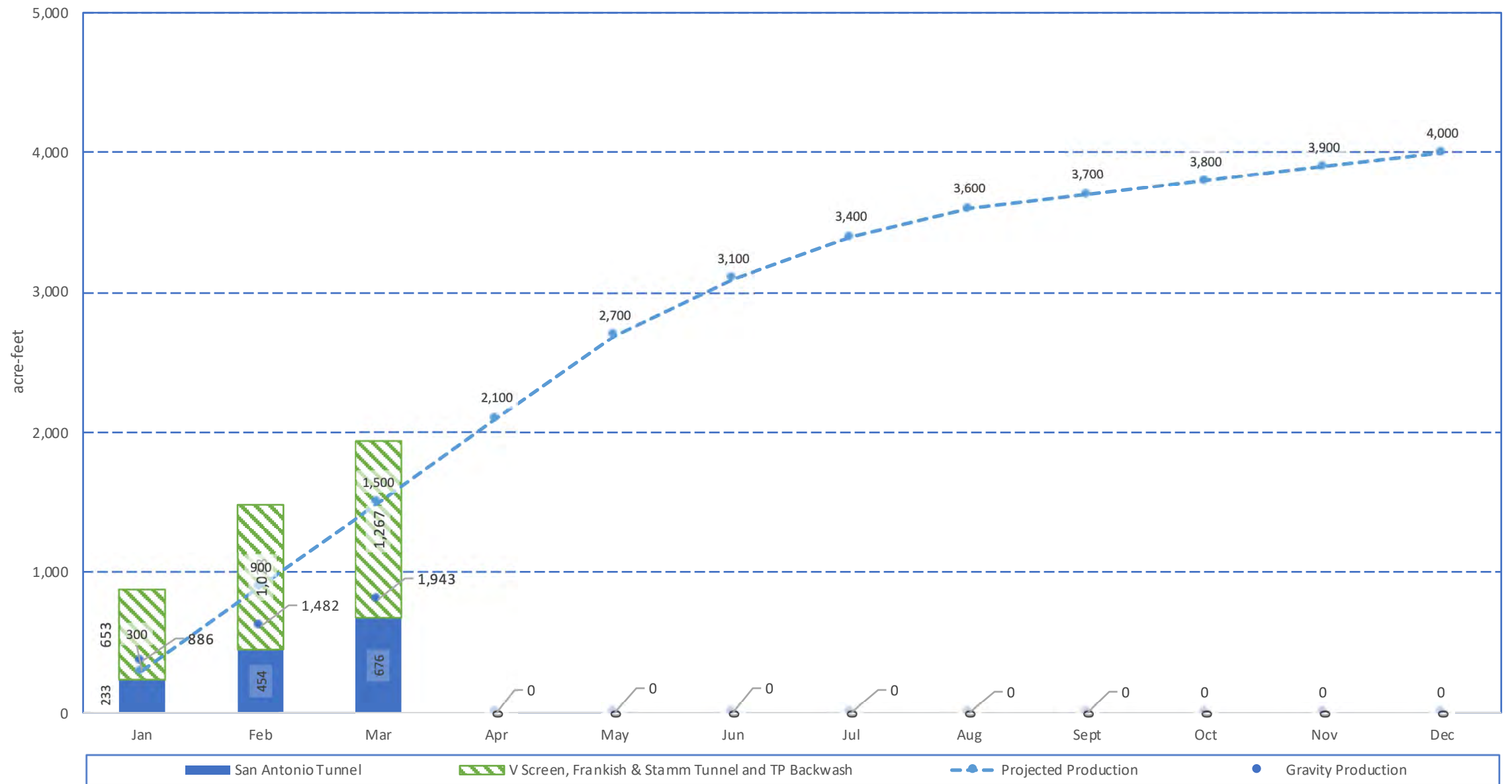
# 2022 Total Yearly Production



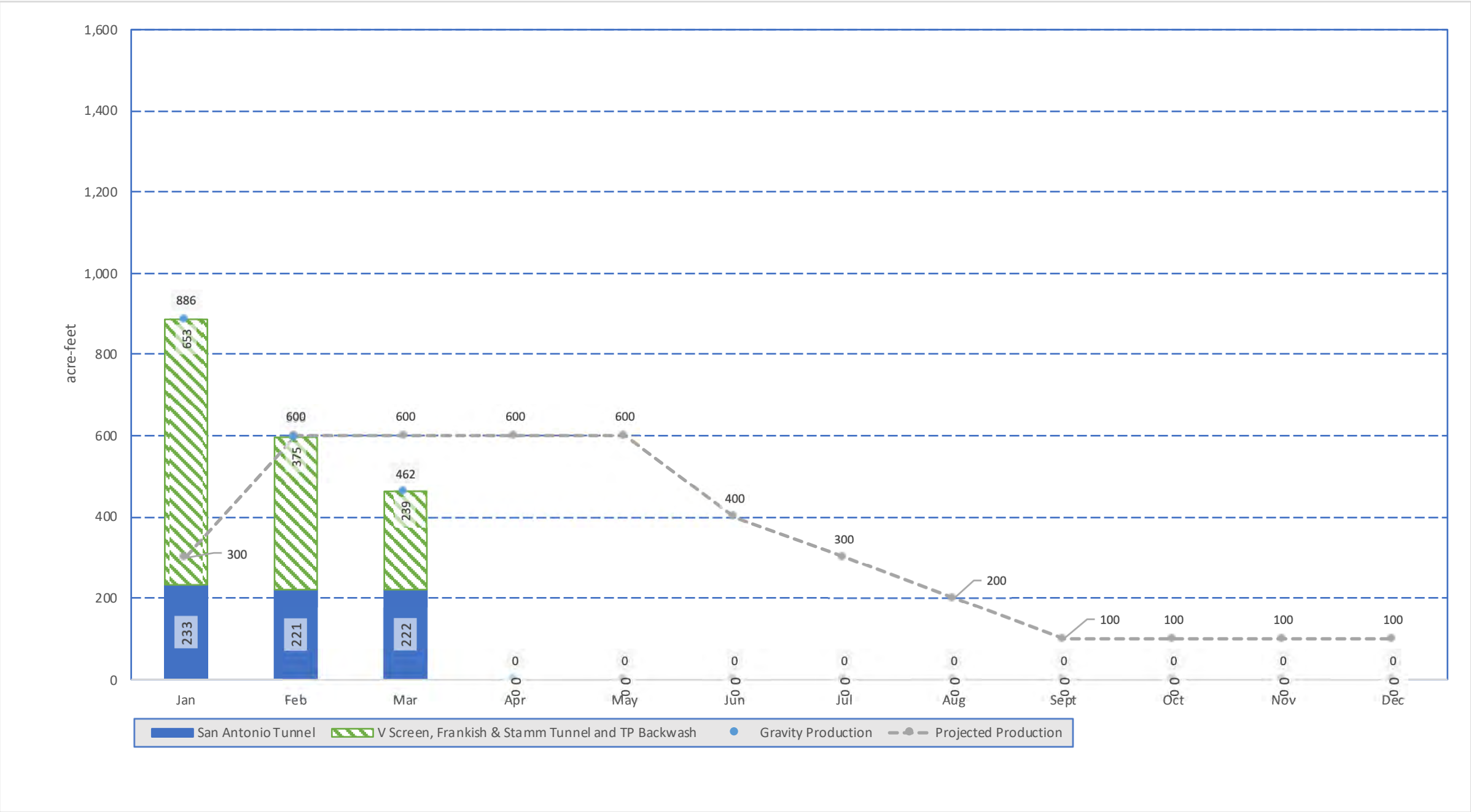
# 2022 Monthly Production



# 2022 Gravity Cumulative

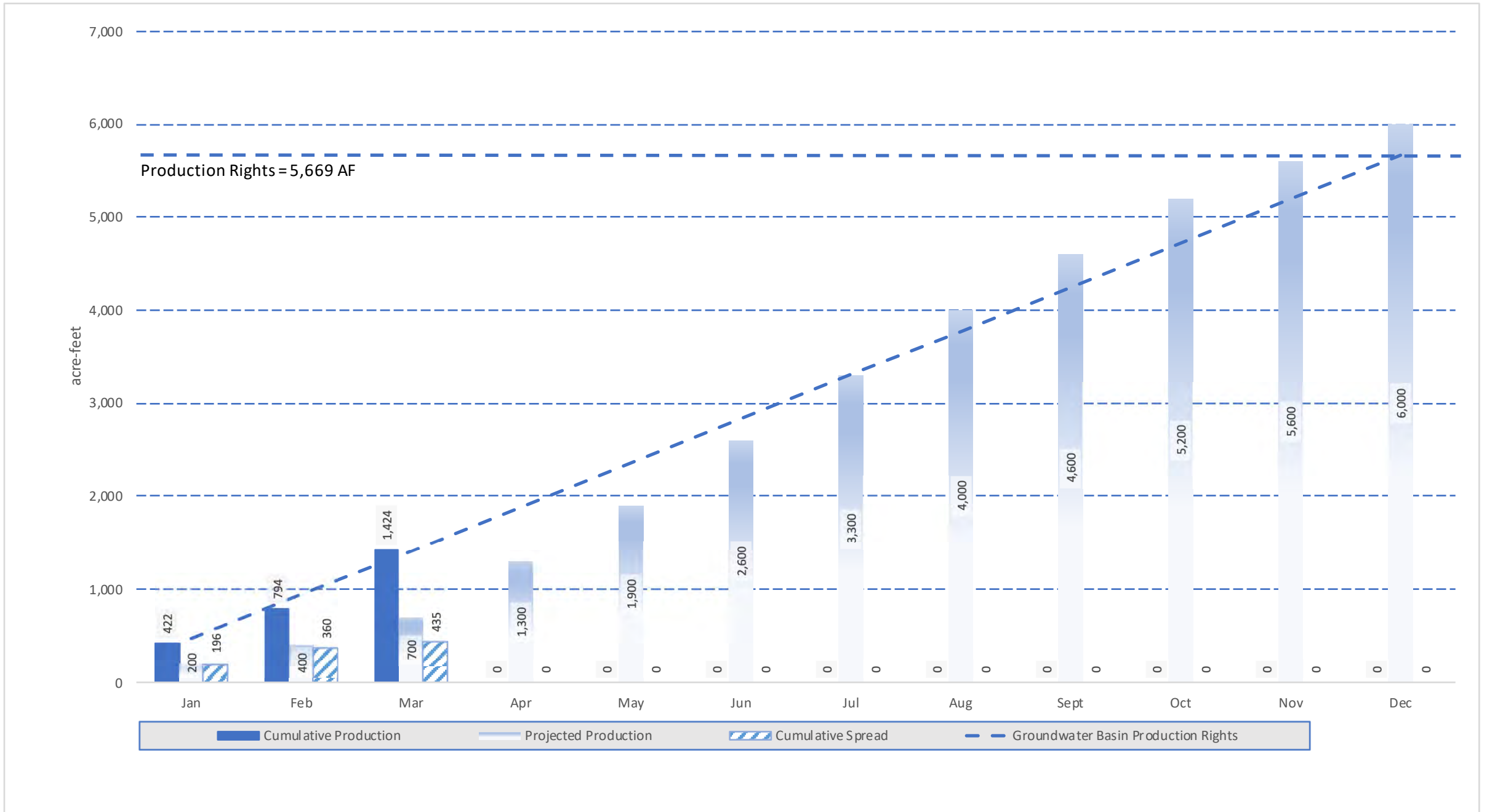


# 2022 Gravity Monthly

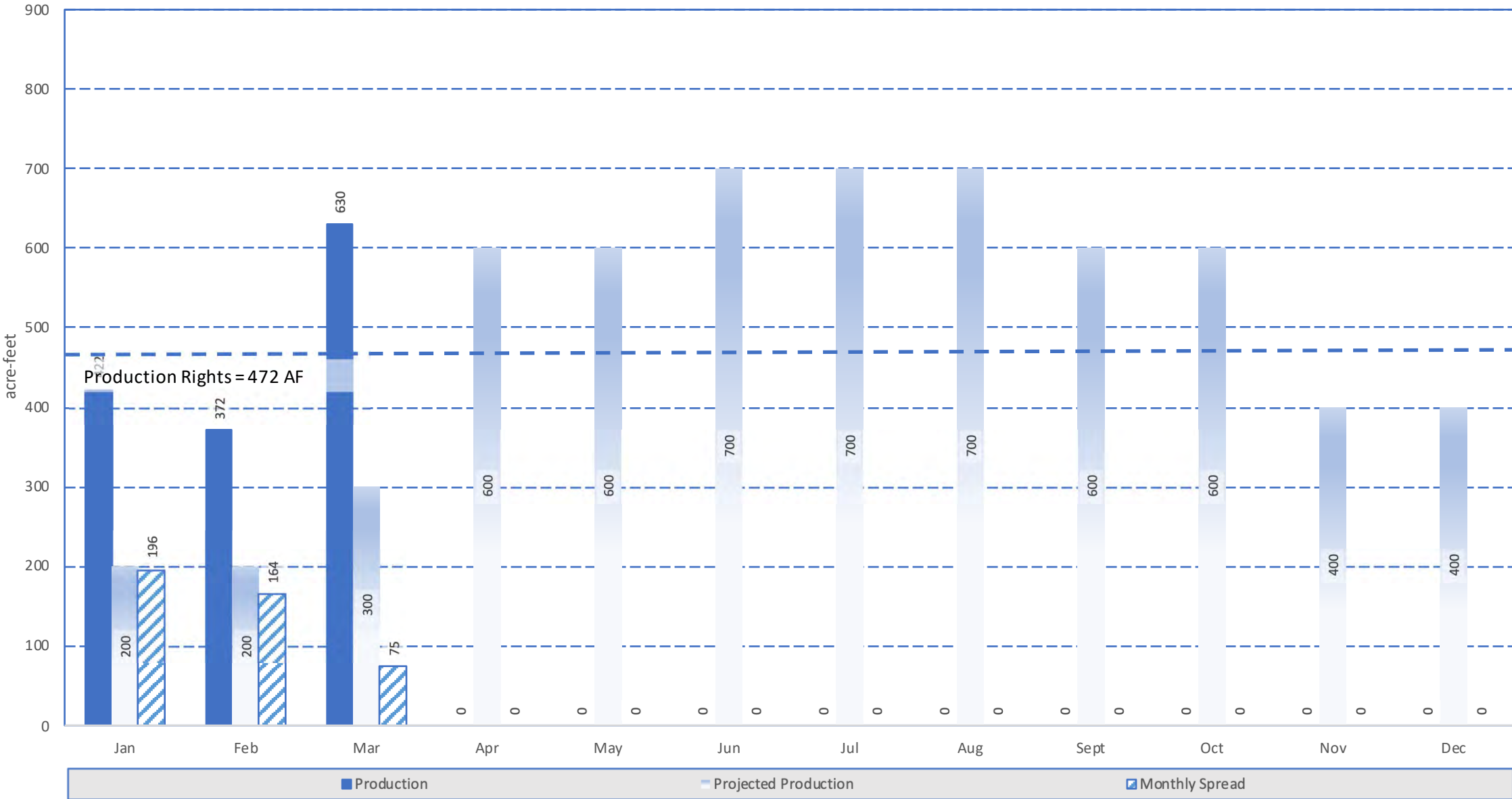




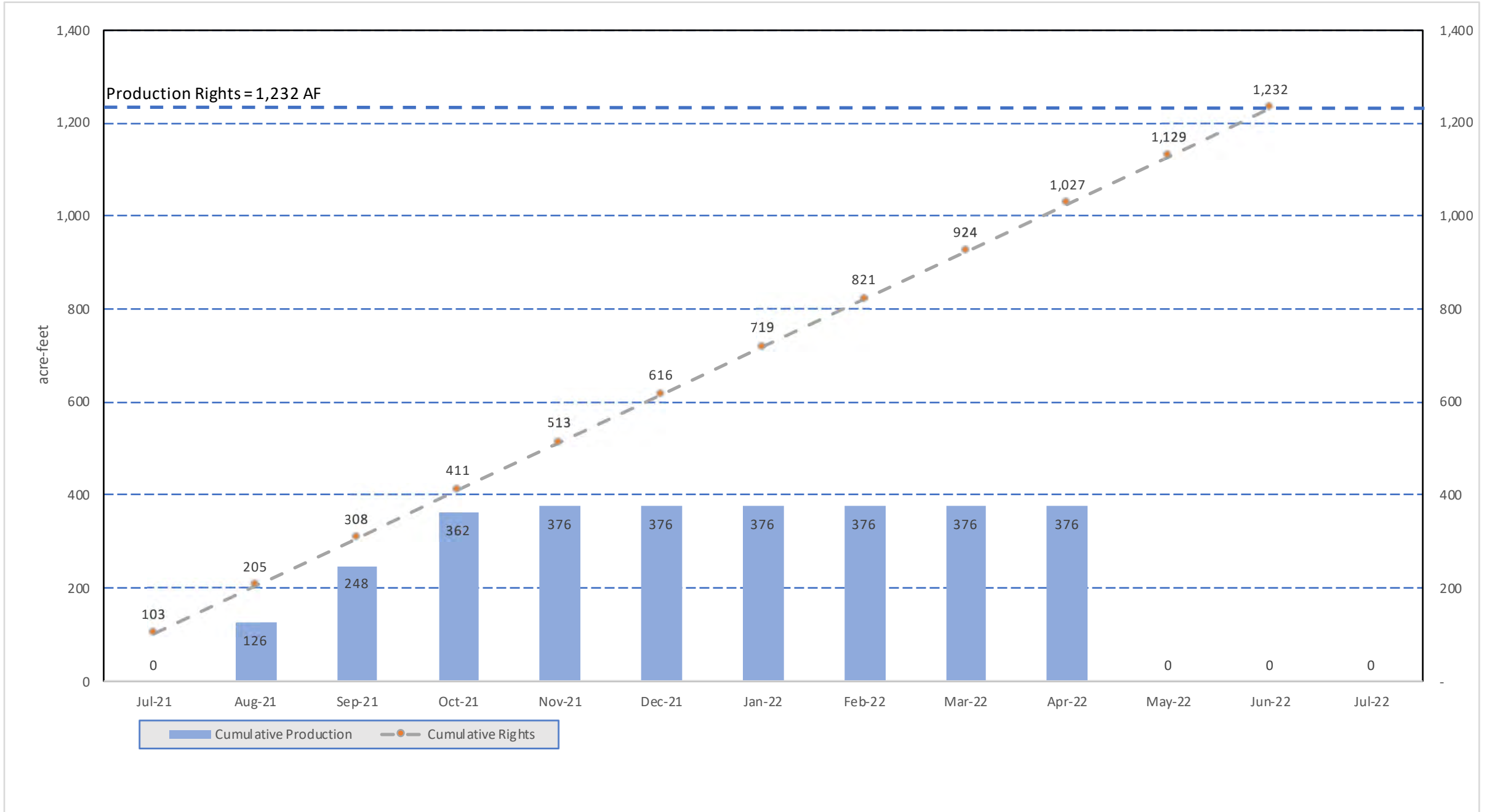
# 2022 Cucamonga Basin Cumulative



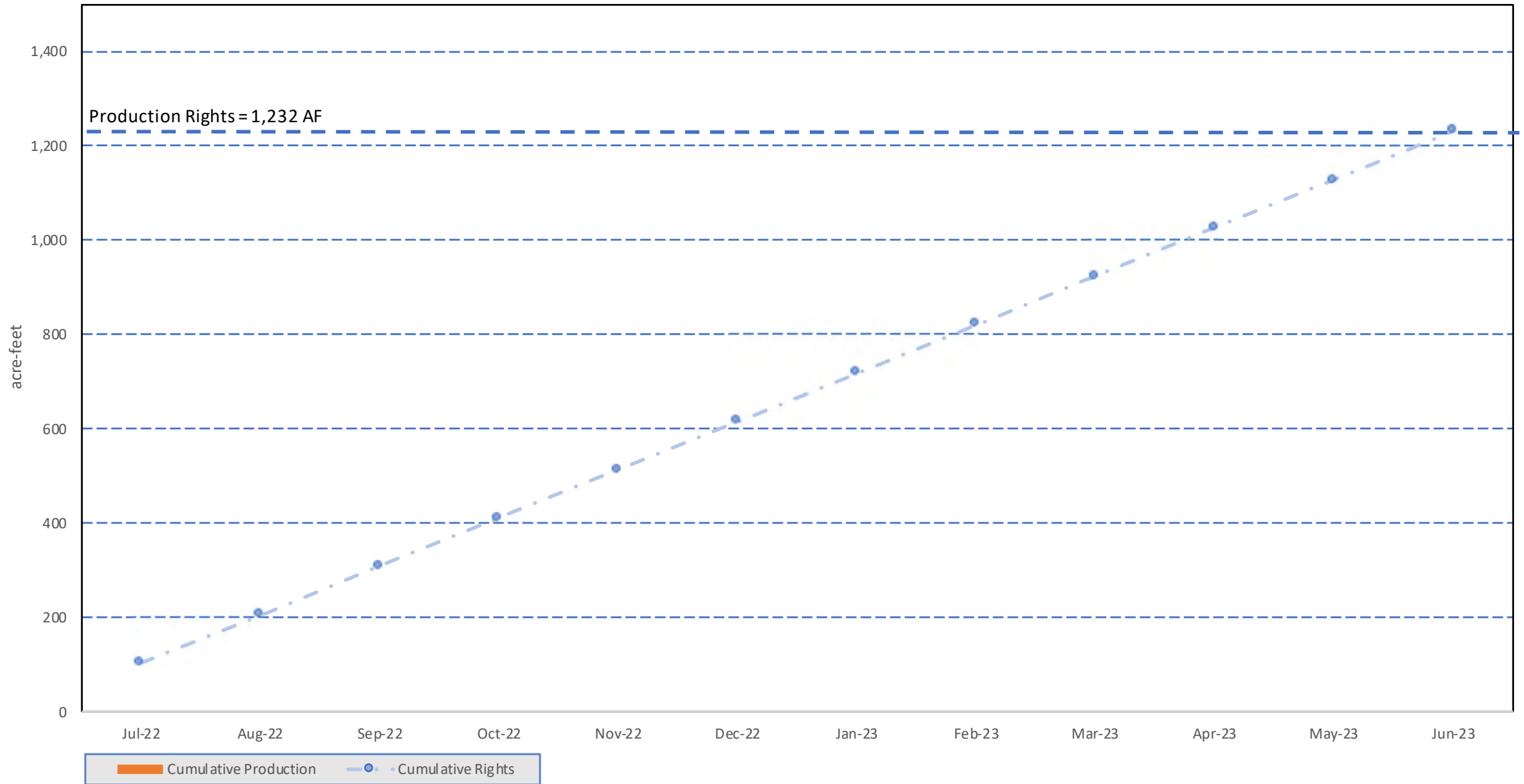
# 2022 Cucamonga Basin Monthly



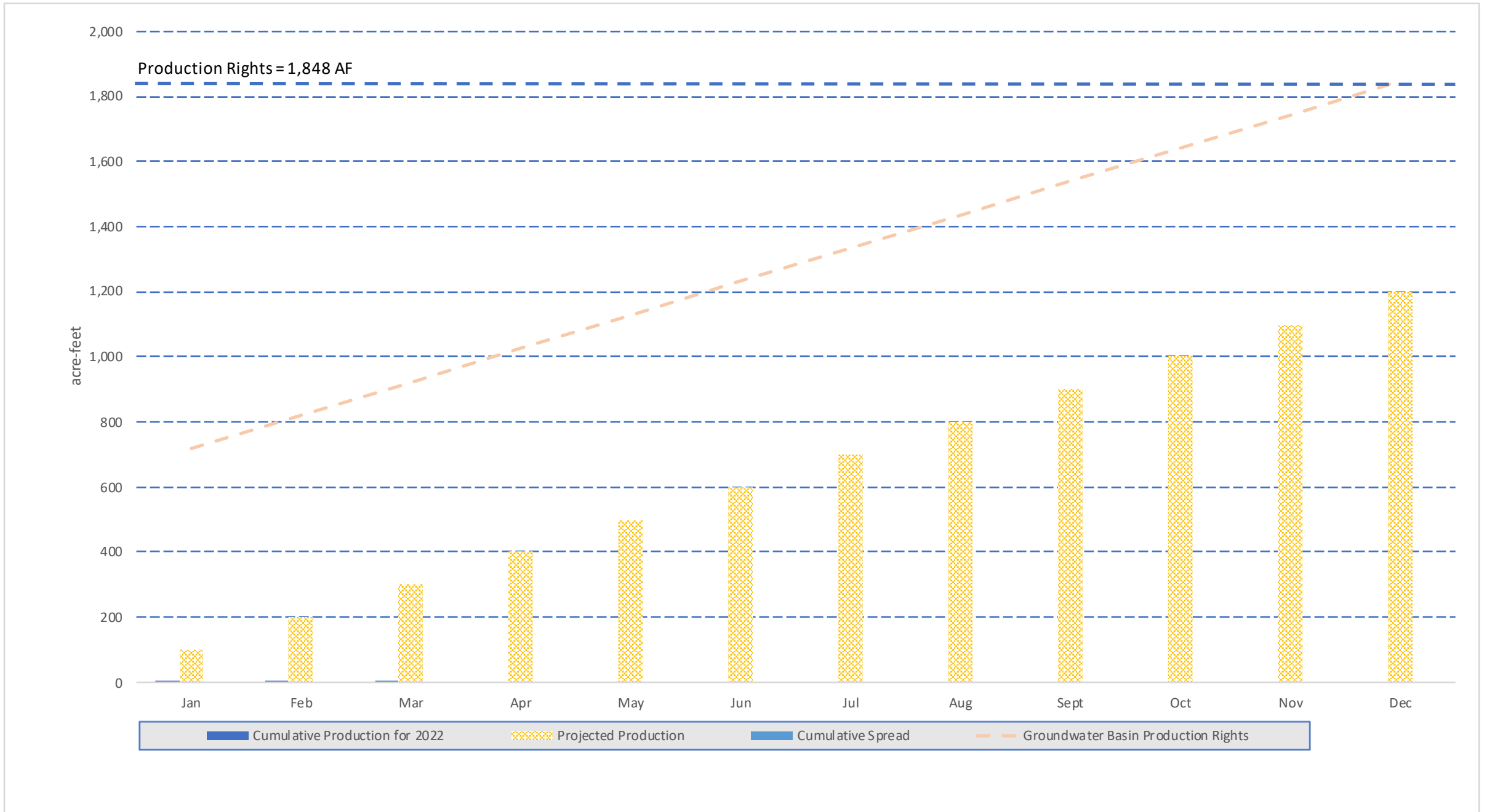
# 21-22 Chino Basin Cumulative



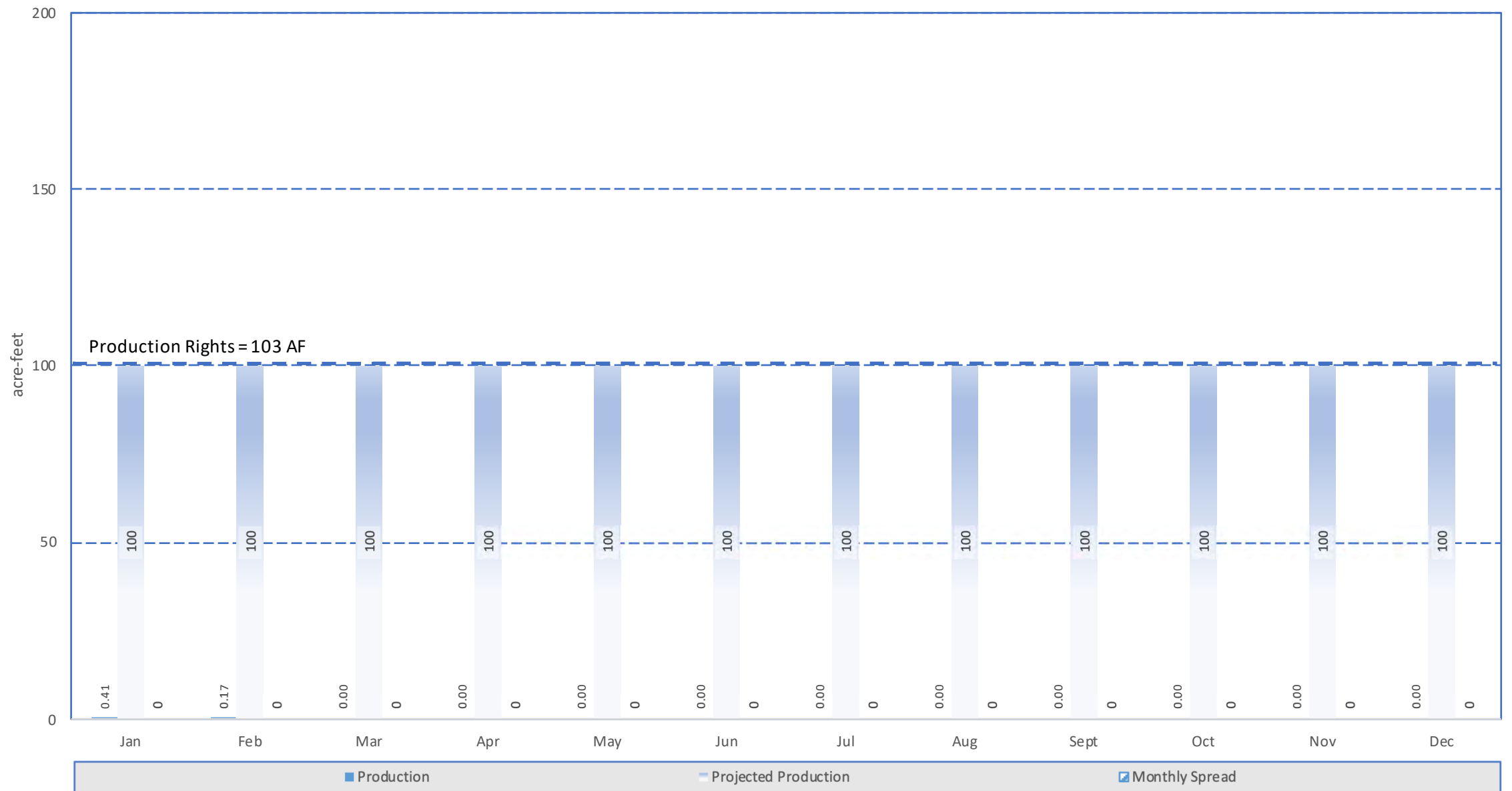
# 22-23 Chino Basin Cumulativ



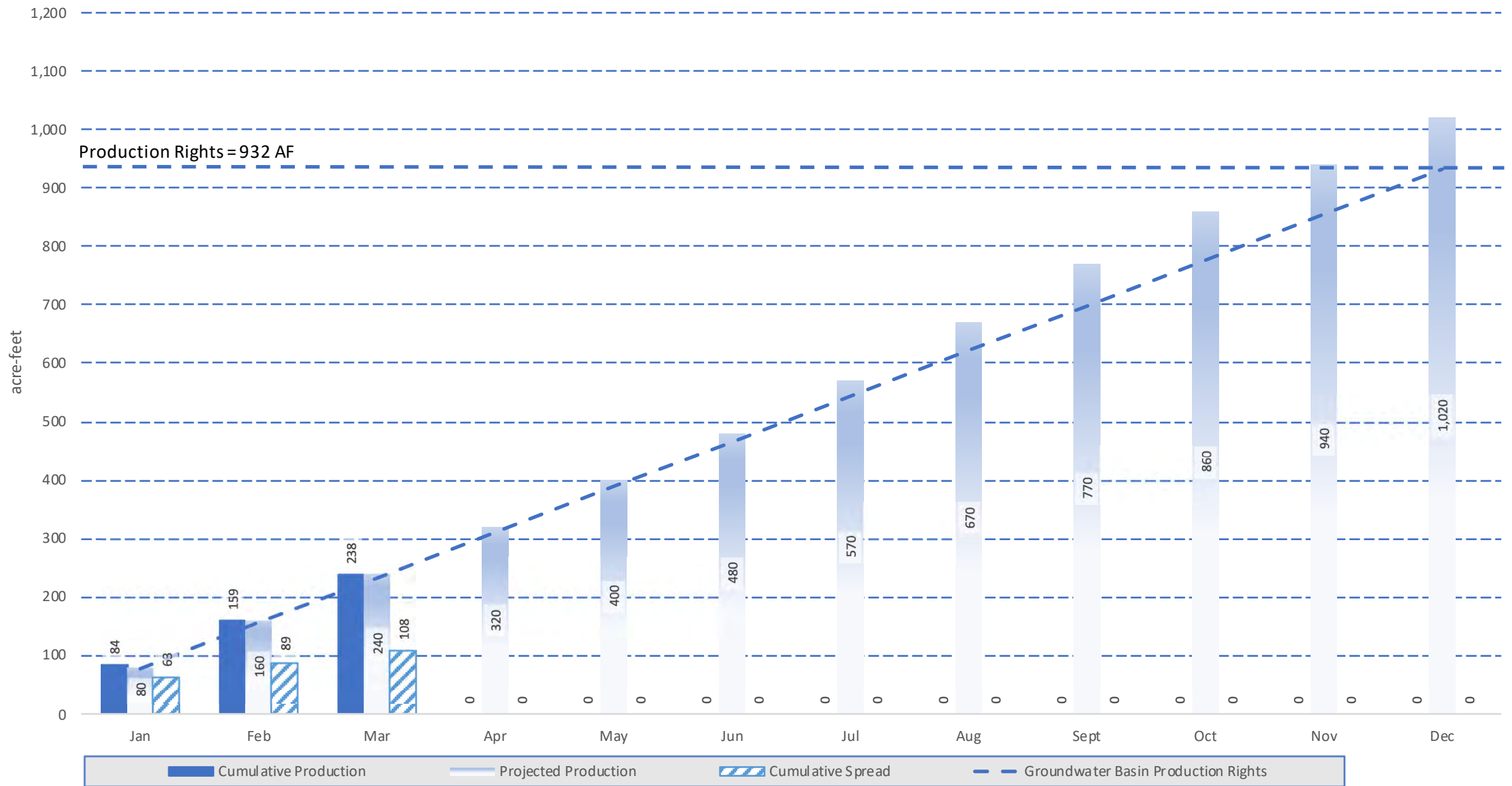
# 2022 Chino Basin Cumulative



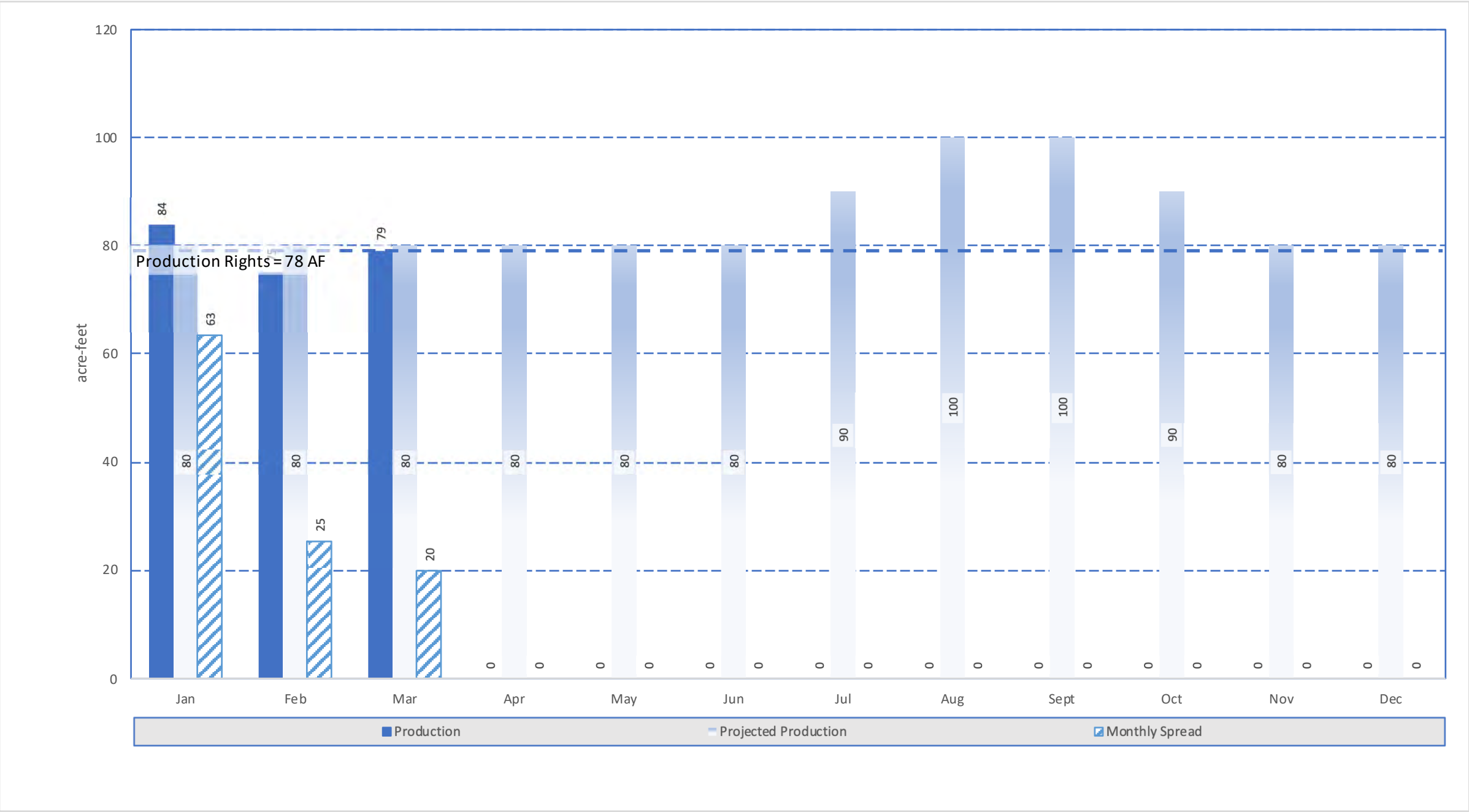
# 2022 Chino Basin Monthly



# 2022 Six Basins Cumulative



# 2022 Six Basins Monthly





A. Water Supply through March 2022

- Annual entitlement for CY2022 is 13,000 AF
  - Cumulative yearly production was 3,606 AF
  - Cumulative yearly consumption was 2,697 AF
  - Cumulative yearly spread was 543 AF
  - Cumulative unaccounted water was 366 AF

Six Basins Production for 2022

- Annual production right is 932 AF.
- Cumulative production was 238 AF.  
*Production is sent to the WFA treatment facility to meet City of Ontario and MVWD entitlement.*
- The Company spread a total of 108 AF.

Cucamonga Basin Production for 2022

- Annual production right is 5,669 AF.
- Cumulative production was 1,424 AF.
- The Company spread a total of 435 AF.

Chino Basin Production for 2022

- Annual production right is 1,232 AF.
- Cumulative production was 1 AF.
- The Company spread a total of 0 AF.

Surface Water (San Antonio Creek) flow for 2022

Total flow was 1,096 AF.

Tunnel flow for 2022

San Antonio Tunnel flow was 676 AF.  
Frankish and Stamm Tunnel flow was 86 AF.

B. Company Stock

A total of 3 ½ shares of water stock moved from dormant to active this transfer period.

C. Communication and Information Activities

“Facebook” - 179 friends liking our old FB page and 71 customers have liked our new FB page. No new communication posted on the new page and no new communication on the old Facebook page. Facebook is not able to merge the two Facebook pages; therefore, we are in discussion of possibly deleting the old page.

D. Administration Matters

Meetings of interest:

- Thu, Mar 17 – GM virtually attended CBWM AP Confidential Meeting and Advisory Committee
- Thu, Apr 7 – GM virtually attended CBWM AP Confidential Meeting
- Mon, Apr 11 – Director Parker and GM attended a virtual meeting with IEUA regarding MEU dispute

E. Groundwater Basin Matters

Chino Basin -

Spread Water from SAWCo - Application to spread 1,500 AF per year for years 21/22 through 25/26 was approved by WM Board in July. We have not yet spread any water in 21/22.

Ag Pool Contest and Legal Expenses – In May 2017 the Agricultural Pool initiated adversarial proceedings contesting Appropriative Pool storage within the Chino Basin.

The Appropriative Pool has objected to those Ag Pool legal costs being ‘expenses’ as defined by the Peace Agreement. The courts agreed with the AP.

On July 26<sup>th</sup> the Ag Pool filed a motion for Attorney’s Fees of about half a million dollars.

At a Nov 5<sup>th</sup> hearing the judge denied Ag Pool’s motion for attorney’s fees. The order was filed and Ag Pool has appealed.

Additionally, Chino has filed a motion regarding reimbursement of funds from Ag Pool back to CBWM and AP. That motion remains in limbo.

~~The motion was originally scheduled to be heard on February 4<sup>th</sup>, 2022. However, at the start of the hearing the Ag Pool attorney improperly stated that settlement terms between the Ag Pool and AP were reached or within reach. This statement prompted the judge to defer the hearing until April, hoping the pools could reach a settlement before then.~~

On March 22<sup>nd</sup> the AP voted on a Terms of Agreement with the AgPool. The Terms of Agreement are attached. The motion to approve the agreement passed with 59% affirmative. SAWCO voted against the agreement along with Chino, Ontario and Monte Vista. After the vote Chino, Ontario and Monte Vista filed a rebuttal with the Court.

My primary concern with the agreement is that it fundamentally changes the Peace Agreement, which requires affirmation from all parties to the Peace Agreement. Chino, Ontario and Monte Vista have raised legitimate concerns regarding the Agreement as outlined in their rebuttal (attached).

The April 9<sup>th</sup> hearing was rescheduled to later this month because the judge had yet to receive the Terms of Agreement.

Six Basins –

A meeting was held on March 23, 2022. Comments and sentiments were shared at the recent passing of President Tom Thomas. The Board elected Chris Diggs as the new President. The annual report for CY2021 was discussed.

The next meeting is scheduled for April 27, 2022 and will be held in person.

Cucamonga Basin –

The working group met virtually throughout the month of February.

CVWD has received Basin Model data from West Yost.

~~An RFQ / RFP process has been initiated by the Basin representatives for future engineering/hydrogeologic work. Based on the responses to the RFQ, three firms were shortlisted to continue with the RFP process. An addendum to the Request for Proposal was discussed and feedback was given by all the parties. No change to the current schedule was made. Proposals were received from all three consultants by the Oct 12 deadline.~~

~~Proposals were reviewed and discussed. Interviews were held with all three firms. From the~~

~~interviews two firms were selected to continue the process. One additional interview for each of the two firms was held on February 1<sup>st</sup>. After many discussions the working group has tentatively selected Provost and Prichard represent the Cucamonga Basin Watermaster. More details will be provided at next month's Board meeting.~~

Provost and Prichard have begun work on the Cucamonga Basin State Filing to comply with the Sustainable Groundwater Management Act (SiGMA). The working group met on April 12 to discuss with Provost and Prichard gaps that exist in our existing groundwater model and the possible steps we need to take to develop a fully functioning model.

## ATTACHMENT 2

### TERMS OF AGREEMENT

These Terms of Agreement by and between the Chino Basin Appropriative Pool Committee (AP) and Overlying (Agricultural) Pool Committee (Ag Pool) (sometimes herein collectively referred to as the Parties) are for the purpose of comprehensively resolving the current dispute and avoiding future disputes between the Ag Pool and AP (the Parties) with respect to Peace Agreement Section 5.4(a).

These Terms of Agreement are in furtherance of and without abrogation of the provisions of the May 28, 2021, San Bernardino Superior Court Order (the Order).

These Terms of Agreement are made for purposes of settlement within the interpretational parameters of the Order. These Terms of Agreement and the Order shall be construed together.

Payment of the amount of \$370,000 within 60 days of both parties execution of these Terms of Agreement, which amount is being made as a compromise and settlement of disputed issues while recognizing the Order and the December 3, 2021, Court Order. The Parties further acknowledge and stipulate that these Terms of Agreement shall be deemed to constitute conclusive evidence of the good-faith nature of the negotiated settlement and neither party will consider, deem, or suggest that anything in these Terms of Agreement constitutes the other party's admission of liability.

1. The amount of \$102,557.12 which was advanced from Watermaster administrative reserves to cover Ag Pool legal expenses, will be returned to Watermaster by the Ag Pool within 30 days after said payment to the Ag Pool is made.
2. For Fiscal Year 2021/2022 through the initial term of the Peace Agreement, the AP agrees to pay Ag Pool expenses pursuant to the Order, which may include the payment of a specific amount as agreed-upon for the conduct of the Ag Pool's regular business, such as meetings and review of Watermaster documents and reports.
3. The Ag Pool and AP, represented by at least two members from each Pool, shall meet and confer at least quarterly. These meetings are intended to:
  - a. Review the Ag Pool's known and forecasted expenses;
  - b. Develop solutions to improve Watermaster efficiencies for the mutual benefit of the Parties; and,
  - c. Address any other issues or concerns, which if not raised beforehand shall be considered per se adverse to the AP, including prior to the Ag Pool's expenditure of efforts or funds for any matter that is or is likely to be disputed as adverse to the AP.
4. The AP and Ag Pool agree to explore opportunities to undertake technical basin studies and other basin related working together as it relates to Watermaster business that may impact the Ag Pool.
5. Ag Pool agrees to the following, upon execution of this Terms of Agreement:
  - a. To dismiss its appeal of the December 3, 2021, Court Order.

- b. To dismiss the storage contests, as amended, in their entirety with prejudice.
  - c. To support or not oppose storage applications and transfers, the OBMP Update, the Safe Yield Reset, and grant funding opportunities unless the Ag Pool determines following notice to and after consultation with the AP, that support or non-opposition is adverse to the Ag Pool.
6. The Parties agree to abide by the Order. The Agreement is not and shall not be asserted to abrogate or be deemed to be a waiver of the rights of the Ag Pool or AP. Specifically, and consistent with the Order, the Parties agree to the following:
- a. The AP shall not be responsible for the payment of any Ag Pool expenses associated with any lawsuit or contested proceeding filed by the Ag Pool against the AP, any individual members of the AP, or Watermaster where the Ag Pool's position is adverse to the AP.
  - b. The Ag Pool shall submit all invoices to be paid by the AP to Watermaster in a form that enables a determination by the AP that all invoiced expenses are not adverse to the AP and benefits the Ag Pool, and are in accordance with the Order. Watermaster shall allow the AP the opportunity to review said invoices for 30 days prior to processing payment. At the expiration of the 30 days period, and without objection, invoices shall be paid.
  - c. In the event of a disputed invoice either because of form or content, the Parties shall appoint two representatives to negotiate a good faith resolution. In the event a Court order is sought by either or both Parties, the losing Party shall be responsible for the cost of the prevailing Party's attorney's fees and expenses.

Appropriative Pool

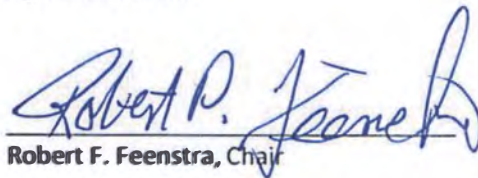


Eduardo Espinoza P.E., Chair

Date:

3/22/2022

Agricultural Pool



Robert F. Feenstra, Chair

Date:

3-18-2022

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**EXEMPT FROM FILING FEE  
PER GOV. CODE, § 6103**

6 Attorneys for CITY OF ONTARIO

7 *[Additional Parties on Following Page]*

8

9

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
11 FOR THE COUNTY OF SAN BERNARDINO

12

13 CHINO BASIN MUNICIPAL WATER  
DISTRICT,

14 Plaintiff,

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vs.

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CITY OF CHINO, ET AL.,

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Defendants.

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Case No: RCVRS 51010

*Assigned for All Purposes to:  
Honorable Stanford E. Reichert*

**REBUTTAL BRIEF AND OBJECTIONS  
RE: JOINT STATEMENT REGARDING  
SETTLEMENT BETWEEN  
APPROPRIATIVE POOL AND  
AGRICULTURAL POOL RE: PEACE  
AGREEMENT 5.4(A), WHICH DOES  
NOT SETTLE THE REIMBURSEMENT  
MOTION**

[Concurrently Filed with Declaration of S.  
Burton; Declaration of J. Gutierrez]

Date: April 8, 2022

Time: 1:30 p.m.

Department: S35

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1 **I. INTRODUCTION AND SUMMARY**

2 The City of Ontario (“Ontario”), the City of Chino (“Chino”), and Monte Vista Water  
3 District and Monte Vista Irrigation Company (collectively, “Monte Vista”), are parties to the  
4 pending Motion for Reimbursement of Attorney’s Fees and Expenses Paid to the Agricultural  
5 Pool (“Reimbursement Motion”) filed by Chino on or about January 4, 2022.<sup>1</sup> The hearing on  
6 this motion originally was set for February 4, 2022. The hearing was continued to April 8 after  
7 counsel for the Agricultural Pool (“Ag Pool”) represented to the Court that a settlement had been  
8 reached – thereby implying that the alleged settlement encompassed the Reimbursement Motion.  
9 As of the date of this Rebuttal Brief and Objections, there continues to be no settlement of the  
10 Reimbursement Motion.

11 The Ag Pool and AP recently signed a document entitled “Terms of Agreement” (“TOA”)  
12 and filed it with the Court as Exhibit A to the Pools’ Joint Statement dated March 24, 2022 (“Joint  
13 Statement”). (Declaration of S. Burton, filed herewith [“Burton Decl.”], ¶ 3 & Ex. 1.) Ontario,  
14 Chino, and Monte Vista (collectively, the “Moving Parties”) voted against the TOA and  
15 registered their objections to it on the record. (*Id.* at ¶ 4.) The Moving Parties object to the TOA  
16 and Joint Statement for many reasons summarized herein, not least of which is that the TOA  
17 provides for payment of many hundreds of thousands of dollars of Ag Pool legal expenses for  
18 which supporting documentation (i.e., attorney invoices) has never been provided as required by  
19 the May 28 Order. (*Id.* at ¶¶ 7-8.)

20 The AP is not a party to the Reimbursement Motion and cannot settle it on behalf of the  
21 Moving Parties. Nor can the AP relinquish rights or benefits obtained by the Moving Parties  
22 through the Motion of AP Member Agencies re: Ag Pool Legal and Other Expenses, filed on or  
23 about September 18, 2020 (“Original Motion”). The Original Motion was brought by AP  
24 member agencies (not the AP) to protect members’ individual rights and financial interests. The  
25 Original Motion resulted in the Court’s Order of May 28, 2021 (“May 28 Order”),<sup>2</sup> which

26 <sup>1</sup> Monte Vista filed its joinder in the Motion on or about January 6, 2022. Ontario filed its  
27 joinder on January 11.

28 <sup>2</sup> The May 28 Order was not appealed from, and it is now final. Time to appeal expired sixty  
days after entry of the Order. (California Rules of Court, Rule 8.406(a).)

1 interprets Section 5.4(a) of the Peace Agreement to include appropriate legal limitations on fee-  
2 shifting. The May 28 Order led to the Court’s December 3 Order (“December 3 Order”) denying  
3 the Ag Pool’s motion for legal expenses incurred in fiscal years (“FY”) 2019-20 and 2020-21,<sup>3</sup>  
4 which led to the pending Reimbursement Motion.

5 To be clear, the Moving Parties do not dispute that other AP members are free to settle  
6 their own claims or disputes with the Ag Pool, to the extent their agreement comports with public  
7 law and policy. Other AP members cannot, however, by virtue of their collective membership in  
8 the AP, force the Moving Parties to relinquish rights and impose financial obligations on them  
9 contrary to the May 28 and December 3 Orders. The lack of AP authority to impose the TOA on  
10 the Moving Parties without their consent and over their objections is evidenced by reference to  
11 the Judgment including the AP Pooling Plan, the Peace Agreement, and the May 28 Order:

- 12 • It is the AP members (not the Pool) that hold water rights and incur obligations to pay  
13 assessments under the Judgment. (Judgment, §§ 9, 43(c), 55; Exhibit E; Exhibit H ¶¶  
14 6, 7, 10(b)(5).)
- 15 • It is the AP members (not the Pool) that pay Ag Pool expenses under Section 5.4(a) of  
16 the Peace Agreement.<sup>4</sup> (Peace Agreement, §§ 1.1(b); 5.4(a); Burton Decl., ¶ 10.)
- 17 • AP members (not the Pool) filed the Original Motion, which resulted in the May 28  
18 Order and its interpretation of Section 5.4(a) of the Peace Agreement to include  
19 appropriate legal limits on legal fee-shifting.
- 20 • The Moving Parties (not the Pool) filed the pending Reimbursement Motion to recover  
21 funds they paid to cover Ag Pool legal expenses in FY 2019-20 and 2020-21, which  
22 the Ag Pool failed to substantiate as required by the May 28 Order.

23 <sup>3</sup> On March 28, 2022, the Ag Pool filed a notice of abandonment of its pending appeal from the  
24 December 3 Order (Case No. E078377). The Ag Pool did so despite having been informed of  
25 the Moving Parties’ objection to the Pools’ TOA and declination of any benefits. (Declaration of  
J. Gutierrez, filed herewith [“Gutierrez Decl.”], ¶¶ 15-18 & Ex. 2.)

26 <sup>4</sup> Section 1.1(b) of the Peace Agreement defines “Appropriative Pool” to “have the **meaning as**  
27 **used in the Judgment and shall include all its members.**” (Emphasis added.) Section 5.4(a)  
28 of the Peace Agreement provides that “all assessments and expenses of the Agricultural Pool . . .  
shall be paid by the Appropriative Pool.” Watermaster assesses and invoices the individual  
appropriators, not the Pool, for expenses under Section 5.4(a). (Burton Decl., ¶ 10.) The AP has  
no funds apart from what is paid to Watermaster by AP members. (*Ibid.*)

- 1 • Each of the Moving Parties is a signatory and party to the Peace Agreement. The  
2 TOA constitutes an amendment that cannot be implemented without unanimous  
3 approval of all the parties to the Peace Agreement. (Peace Agreement, § 10.14.)
- 4 • The AP lacks authority to bind the Moving Parties to the TOA without their consent.  
5 Under Section 38(a) of the Judgment, the role of the AP is limited to developing  
6 policy recommendations for its particular Pool, not obligating the Moving Parties to an  
7 agreement and payments to which they objected and voted against.
- 8 • The Joint Statement was inappropriately filed by counsel for the AP without  
9 authorization as explained below in Part IV at ¶ 5.

10 In short, the Pools lawfully cannot renounce or compromise the rights and interests of the  
11 Moving Parties under Paragraph 5.4(a) of the Peace Agreement as interpreted and applied by the  
12 May 28 and December 3 Orders. The Moving Parties respectfully request that the Court  
13 disregard the TOA and proceed with ruling on the Reimbursement Motion.

## 14 **II. BACKGROUND**

15 There is a straightforward reason why the Moving Parties have not agreed to settle the  
16 Motion for Reimbursement with the Ag Pool: there have not been any settlement negotiations.  
17 While the Moving Parties have not been silent about their interest in discussing settlement, the Ag  
18 Pool has shown none. Soon after filing the Reimbursement Motion, counsel for Chino invited  
19 counsel for the Ag Pool to discuss settlement of the matters presented in the Motion but received  
20 no response. (Gutierrez Decl., ¶¶ 4-8 & Ex. 1.) At the February 4 hearing, counsel for Ontario  
21 and Chino disputed the representation of Ag Pool's counsel as to the existence of a settlement by  
22 stating unequivocally that, in fact, there was no settlement. (Burton Decl., ¶ 17.) Counsel for the  
23 AP confirmed this fact for the Court. (*Ibid.*) Then, in open court, counsel for Chino reiterated his  
24 invitation to the Ag Pool to communicate with him about settlement, but the Ag Pool never  
25 accepted that invitation. (Gutierrez Decl., ¶¶ 10-11.)

26 Rather than engage in settlement negotiations with the Moving Parties, members of the Ag  
27 Pool negotiated with other members of the AP. (See Gutierrez Decl., ¶ 12.) Those negotiations  
28 led to the TOA between the Pools containing provisions contrary to the May 28 and December 3

1 Orders, in an apparent attempt to deprive the Moving Parties of their rights and/or benefits under  
2 those Orders without their consent and despite their objections.

3 The Moving Parties are willing to negotiate. They have been ready and willing to  
4 participate in good faith negotiations with the Ag Pool. (Burton Decl., ¶¶ 11-16.) Ontario helped  
5 initiate such negotiations through an in-person meeting with representatives of the Ag Pool in  
6 early 2020. (*Id.* at ¶ 12; see also Suppl. Decl. of S. Burton, filed Oct. 16, 2020, ¶ 2.) Thereafter,  
7 Ontario, Monte Vista, and others wrote letters expressing their concerns. (Burton Decl., ¶ 13; see  
8 also Decl. of S. Burton, filed Sep. 21, 2020, ¶¶ 6-10 & Exhibits.) Even after AP members  
9 including the Moving Parties jointly filed their Original Motion, they continued to participate in  
10 negotiations with the Ag Pool. (Burton Decl., ¶ 14.) For example, they participated in mediation  
11 with the Ag Pool in early 2021. (*Ibid.*) After mediation failed, Ontario continued to participate in  
12 direct negotiations with the Ag Pool until about July 2021. (Burton Decl., ¶ 15; see also Decl. of  
13 J. Bosler, filed Sep. 27, 2021, ¶ 4.) Since that time, however, Ontario’s representative has been  
14 excluded from further negotiations. (Burton Decl., ¶¶ 15-16.) Monte Vista proposed settlement  
15 terms reflecting concerns of the Moving Parties to the AP in September 2021 and again in  
16 February and March 2022, but Monte Vista’s settlement proposals were not seriously considered  
17 by the Pools. (*Id.* at ¶ 18.)

18 Given this history of exclusion, there can be no surprise that the Moving Parties did not  
19 consent to be bound by the TOA and objected to its approval by the AP. (See Burton Decl., ¶ 19.)  
20 Tellingly, neither the TOA nor the Joint Statement assert that the Moving Parties are obligated  
21 under its terms. More importantly, the TOA does not identify the pending Motion for  
22 Reimbursement nor does it assert that the Motion for Reimbursement will be dismissed by the  
23 Moving Parties.

### 24 **III. OBJECTIONS TO THE TERMS OF AGREEMENT (TOA)**

25 The Moving Parties (Chino, Ontario, and Monte Vista) were parties to the Original  
26 Motion and active participants in the litigation that resulted in the May 28 and December 3 Court  
27 Orders. Yet, the Moving Parties are not parties to the TOA advanced by the two Pools, and they  
28 object to the TOA on both procedural and substantive grounds.

1 The Moving Parties voted against the TOA and objected to its approval by the AP, as  
2 shown by the AP vote report attached as Exhibit B to the Joint Statement. (Ex. 1 to Burton Decl.)  
3 Furthermore, the Moving Parties immediately informed the Ag Pool of their objection to the TOA  
4 and their declination of its benefits. (Gutierrez Decl., ¶¶ 15-18 & Ex. 2.) The Pools cannot  
5 lawfully bind the Moving Parties to an agreement without their consent and over their objections,  
6 as explained in Part 5.B below. No legal authority empowers the AP to enter into an agreement  
7 on behalf of the Moving Parties, as explained in Part 5.C below.

8 Furthermore, the Moving Parties object to the substance of the TOA because it represents  
9 both a modification of the May 28 and December 3 Orders and an amendment to the Peace  
10 Agreement, in the following respects:

- 11 1. The TOA would modify the May 28 Order by paying hundreds of thousands of dollars  
12 of past Ag legal expenses without ever obtaining documentation showing any amount  
13 is payable under Section 5.4(a) of the Peace Agreement.
- 14 2. The TOA's fourth un-numbered paragraph would require a payment of \$370,000 for  
15 Ag Pool legal expenses incurred for prior fiscal years, even though payment of such  
16 legal expenses was denied by the December 3 Order.<sup>5</sup> The \$370,000 payment would  
17 be in addition to \$483,202.54 already paid,<sup>6</sup> for total payments of \$853,202.54, all  
18 without adequate supporting documentation.<sup>7</sup>
- 19 3. The TOA is silent as to how the \$370,000 payment would be allocated among the AP  
20 members. The Pools appear to expect Moving Parties to make substantial payments  
21 even though they have not agreed to do so.
- 22 4. Paragraph No. 1 of the TOA would require the \$102,557.12 expended on Ag legal  
23 expenses from Watermaster's administrative reserves to be repaid from the \$370,000

24 \_\_\_\_\_  
25 <sup>5</sup> The payment was calculated, in part, based on giving back to the Ag Pool amounts that had  
26 been held in escrow, and which the December 3 Order directed Watermaster to refund to AP  
27 payors. (Ex. 3 to Burton Decl.)

26 <sup>6</sup> The TOA is silent as to how any of the \$483,202.54 already paid to the Ag Pool would be  
27 reimbursed to Ontario, Chino and Monte Vista as parties that have not agreed to the TOA.

27 <sup>7</sup> The amounts already paid for Ag legal expenses, broken down by fiscal year, are as follows:  
28 \$483,202.54 = \$367,938.66 (FY 2019-20) + \$115,263.88 (FY 2020-21).

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payment by the AP – even though the December 3 Order relieves the AP from any such obligation.

5. Although Paragraph No. 6 purports to prohibit abrogation or waiver of the rights of the AP under the May 28 Order, that representation is contradicted by other provisions of the TOA described herein. For example, Paragraph No. 6(b) would limit the rights granted by the May 28 Order, because it appears to exclude individual appropriators such as the Moving Parties from the review of Ag Pool invoices and injects an arbitrary 30-day limit on the review process.

6. Paragraph No. 6(c) would impose an attorney fee-shifting provision, representing an amendment of the Peace Agreement, without the consent of all the parties to the Peace Agreement in violation of its terms. (Peace Agreement, § 10.14.) Relevant sections of the Peace Agreement contradict this provision: Section 5.4 is devoid of any attorney fee-shifting provision, and Section 9.2(d) limits the grant of attorneys’ fees to adversarial proceedings and specifically excludes them for dispute resolution.

In short, the TOA would modify the May 28 and December 3 Orders and the Peace Agreement without the consent of all parties, including the Moving Parties. Among other troubling terms, it purports to require AP members to pay hundreds of thousand dollars for legal expenses incurred while this dispute has been pending – to which the Ag Pool has never established any entitlement whatsoever. These payments so egregiously exceed any reasonably determined valuation of the Ag Pool’s claims as to constitute an illegal gift of public funds. (Cal. Const., art. XVI, § 6.)

**IV. OBJECTIONS TO THE JOINT STATEMENT**

The Moving Parties object not only to the TOA as summarized above, but also to the contents of the Joint Statement and its filing, as follows:

- 1. The entirety of the Joint Statement is based on a false characterization of the AP as the “sole obligor” under Section 5.4(a) of the Peace Agreement. Section 5.4(a) obligates the “Appropriative Pool,” as defined by Section 1.1(b) of the Peace Agreement to “have the meaning **as used in the Judgment . . . includ[ing] all its**

1           **members**” to pay certain assessments and expenses of the Ag Pool. (Emphasis  
2           added.) Each of the Moving Parties is a member of the AP and therefore an obligor  
3           under Section 5.4(a) – as well as an independent party with rights and interests under  
4           the Judgment, the Peace Agreement, and the May 28 and December 3 Orders.  
5           Nothing in the Judgment (see especially, Section 38) nor the Peace Agreement  
6           empowers the AP to act collectively to bind individual members to the TOA.

7           2. The TOA incorrectly represents that the TOA “is a comprehensive resolution of the  
8           current fees dispute arising under Section 5.4(a) of the Peace Agreement between the  
9           named obligee and obligor.” The TOA does not comprehensively resolve anything  
10          because it does not include the Moving Parties for all the reasons explained herein.

11          3. Likewise, the TOA is not a “comprehensive resolution of the current appeal taken on  
12          this Court’s December 3, 2021 Order.” The Ag Pool abandoned this appeal on March  
13          28, 2022, despite having been informed in advance of the Moving Parties’ objection  
14          to the TOA and declination of any benefits. (Gutierrez Decl., ¶¶ 15-18 & Ex. 2.)

15          4. Any withdrawal of the Storage Contests by the Ag Pool is made with full knowledge  
16          of the Moving Parties’ objection to the TOA and declination of any benefits.  
17          (Gutierrez Decl., ¶¶ 15-18 & Ex. 2.)

18          5. Counsel for the AP filed the Joint Statement without authority to do so either under  
19          the Judgment or by the AP.<sup>8</sup>

20          While neither the TOA nor the Joint Statement expressly assert that the Moving Parties  
21          are obligated under the terms of the TOA, nonetheless, the Joint Statement strongly implies that  
22          the Moving Parties are bound by the TOA apparently because it was approved by a majority vote  
23          of the Ag Pool and AP. Likewise, the Joint Statement and TOA do not mention the  
24          Reimbursement Motion, and yet, the Joint Statement seems to imply that the TOA somehow  
25          requires the Moving Parties to dismiss it. However, the Joint Statement acknowledges that the

26          \_\_\_\_\_  
27          <sup>8</sup> Section 38(c) of the Judgment establishes the limited role of Pool counsel by empowering each  
28          Pool to “employ counsel . . . in the event . . . such Pool . . . seeks review of any Watermaster  
        action or failure to act.” Action by Pool counsel outside this limited scope of authority  
        established by the Judgment requires the consent of all Pool members.



1 Moving Parties refused to consent to and to be bound by the TOA by attaching the AP's action  
2 report detailing the AP's motions and voting on the TOA as Exhibit B to the Joint Statement.

3 **V. LEGAL ARGUMENTS**

4 The TOA is invalid and unenforceable to the extent it purports to resolve the Moving  
5 Parties' pending claims for reimbursement and renounce their rights and interests under the  
6 Peace Agreement as interpreted by the May 28 and December 3 Orders, including without  
7 limitation, the right to conduct a meaningful review of invoices before paying legal expenses.  
8 Entering into such an expansive agreement is beyond the scope of the AP's role and the authority  
9 of the Pools under the Judgment.

10 **A. There Is No Settlement of the Reimbursement Motion.**

11 The TOA does not address the Reimbursement Motion, and it does not resolve the issues  
12 presented by the Reimbursement Motion. Conspicuously absent from the Joint Statement is any  
13 recitation of the Pools' intention to compromise the claims of the Moving Parties against the Ag  
14 Pool in the pending Reimbursement Motion. The Joint Statement acknowledges the Moving  
15 Parties refused to consent to and to be bound by the TOA. (See Exhibit B to the Joint Statement,  
16 Burton Decl., at Ex. 1.) Accordingly, the TOA lacks the requisite element of a valid agreement,  
17 i.e., mutual consent.

18 **B. The TOA Does Not Bind the Moving Parties.**

19 As explained above, the Joint Statement indicates an extremely broad intention of the  
20 Pools to resolve issues regarding payment of Ag Pool legal expenses and Section 5.4(a) of the  
21 Peace Agreement, including the claims and interests of the Moving Parties. Entering into such an  
22 agreement is beyond the scope of the AP's role and authority under the Judgment.

23 **1. The TOA Unlawfully Modifies the May 28 and December 3 Orders.**

24 The Pool's TOA is invalid, first, because its terms would modify the May 28 and  
25 December 3 Orders. The Moving Parties were parties to the Original Motion and active  
26 participants in the litigation that resulted in the Court Orders. As a result of such litigation, the  
27 Moving Parties received (a) a judicial interpretation of the meaning of Paragraph 5.4(a) of the  
28 Peace Agreement, and (b) a denial the Ag Pool's request for payment of its attorney expenses by

1 members of the AP. The two Court Orders are important because they define the extent of the  
2 appropriators' obligation under Section 5.4(a) of the Peace Agreement and the methodology for  
3 ascertaining the amount of that obligation. The TOA would revise the meaning and methodology  
4 of Section 5.4(a) of the Peace Agreement as set forth in the May 28 and December 3 Orders to the  
5 detriment of the Moving Parties, over their objections and without their consent. Thus, the TOA  
6 is invalid and unenforceable.

7                   **2. The TOA Unlawfully Amends the Peace Agreement Without the**  
8                   **Consent of All Parties.**

9           The Pool's TOA is invalid, second, because it contains provisions that would amend the  
10 Peace Agreement. For example, the May 28 Order interprets Section 5.4(a) of the Peace  
11 Agreement to require production of invoices and that the expenses not be for adversarial purposes  
12 and benefit the Ag Pool. (May 28 Order, ¶¶ 6(c), 8, Ex. 2 to Burton Decl.) The TOA would  
13 abrogate this requirement by providing hundreds of thousands of dollars to the Ag Pool without  
14 any invoices, and for adversarial purposes. Another example is that Paragraph 6(b) of the TOA  
15 would limit the rights granted by the May 28 Order by excluding individual appropriators such as  
16 the Moving Parties from the review of Ag Pool invoices and injects an arbitrary 30-day limit on  
17 the review process. The May 28 Order contains no such limitations. Because the TOA  
18 contradicts the Court's interpretation of Section 5.4(a), it constitutes an amendment to the Peace  
19 Agreement. (Peace Agreement, § 10.14 ["The Parties hereby agree that no amendments may be  
20 made to this Agreement without the express written approval of each Party to this Agreement."].)  
21 Under Section 10.14, there can be no such amendment without the unanimous consent of all  
22 parties.<sup>9</sup>

23           Each of the Moving Parties (Ontario, Chino, and Monte Vista) is a party and signatory to  
24 the Peace Agreement, and none of these parties has signed the TOA. Thus, the TOA is an invalid  
25 amendment to the Peace Agreement.

26 \_\_\_\_\_  
27 <sup>9</sup> The Court Order entered April 28, 2017, which declines to approve the Safe Yield Reset  
28 Agreement in light of objections by certain parties, underscores that a party cannot be forced to  
agree to a Peace Agreement amendment.

1                                   **3.     These Proceedings Were Initiated to Protect the Interests of AP**  
2                                   **Members – Not the AP.**

3             The TOA is invalid, third, because interested parties have not consented to it. Individual  
4 AP members hold water rights and incur obligations to pay assessments under the Judgment.  
5 (Judgment, §§ 9, 43(c), 55; Exh. E; Exh. H ¶¶ 6, 7, 10(b)(5).) For this reason, AP members (not  
6 the Pool) filed the Original Motion challenging the Ag Pool’s “‘all’ means ‘all’” interpretation of  
7 Section 5.4(a) of the Peace Agreement, and in particular, the Ag Pool’s insistence that only it may  
8 determine what constitutes payable legal expenses. The AP was not a party to the Original  
9 Motion.

10            Ontario initially led the effort (Burton Decl., ¶ 13), and many AP members joined in and  
11 benefitted from the May 28 Order resolving the Original Motion. The Ag Pool responded to the  
12 May 28 Order by bringing a motion for its legal expenses for FY 2019-20 and 20-21, which was  
13 denied in its entirety by the Court by its December 3 Order. Then, Moving Parties brought the  
14 pending Reimbursement Motion to recover amounts they already paid for Ag Pool legal expenses,  
15 for which the Ag Pool failed to establish any entitlement. Once again, the AP is not a party to the  
16 Reimbursement Motion.

17            The Moving Parties, collectively, have a financial stake that represents roughly a third of  
18 the total amounts at issue for FY 2019-20, 20-21, and 21-22, as shown by information presented  
19 in the Reimbursement Motion and Ontario’s joinder. Other AP members hold the remaining  
20 financial stake (roughly two-thirds). The Pools’ agreement is not effective to resolve matters  
21 embraced in these proceedings without the consent, and over the objection, of the Moving Parties  
22 whose financial interests are directly at issue.

23            The AP itself is not the payor for any Ag Pool legal expenses. Unlike AP members, the  
24 AP holds no water rights under the Judgment, and it pays no assessments. The AP has no funds  
25 apart from what is paid to Watermaster by AP members. (Burton Decl., ¶ 10.) The AP serves  
26 administrative functions on behalf of the AP members pursuant to the Judgment and the Peace  
27 Agreement. (See Part V.C below for further discussion.) The AP lacks any financial interest in  
28

1 the outcome of these proceedings that it could settle.<sup>10</sup> The administrative role of the AP does not  
2 confer authority to cram down an agreement on public agencies over their objections.

3 **4. The TOA Violates Public Policy, Including the Prohibition Against**  
4 **Gifts of Public Funds.**

5 The TOA is invalid and unenforceable, fourth, because it violates public policy. Courts  
6 interpret contracts such as the TOA to avoid violations of public policy. (Civ. Code, § 1667.2 [a  
7 contract that violates public policy is illegal].) Relevant here:

8 Unlawful delegation of governmental entities' settlement authority. Each Moving Party is  
9 an independently constituted public entity under the law of the State of California. Each has its  
10 own governance structure including a City Council or Board of Directors, which holds the  
11 authority to settle matters to which it is a party. (*Reams v. Cooley* (1915) 171 Cal. 150 [a contract  
12 not executed in the manner authorized by law is not enforceable against the public agency].) This  
13 governmental authority to settle claims has never been delegated to the AP.

14 Public accountability for expenditures. Public water suppliers such as the Moving Parties  
15 have a responsibility to ensure that expenses passed through to the public through water rates are  
16 documented and justified as being payable. Additionally, the Moving Parties are governmental  
17 entities with public duties that prevent them from funding a “blank check” to benefit private  
18 parties like many members of the Ag Pool. (See, e.g., *Ecco-Phoenix Electric Corp. v. Howard J.*  
19 *White, Inc.* (1969) 1 Cal.3d 266, 272 [unilateral fee-shifting provisions are unenforceable].) Yet,  
20 the TOA would permit the Ag Pool to retain hundreds of thousands of dollars without ever  
21 providing supporting documentation. Further, the TOA proposes to pay an additional \$370,000  
22 without any showing whatsoever that such funds are payable to the Ag Pool under Section 5.4(a)  
23 of the Peace Agreement as interpreted by the Court.

24 \_\_\_\_\_  
25 <sup>10</sup> The Court of Appeal appears to have recognized AP's limited role and non-party status when  
26 it rejected a Notice of Association of Counsel submitted on behalf of the AP on February 9, 2022  
27 in the Ag Pool's now-abandoned appeal from the December 3 Order (Case No. E078377). Had  
28 the Ag Pool not abandoned its appeal, the Moving Parties would have opposed the AP's motion  
for party status on grounds the AP is not an aggrieved party and would lack standing in  
connection with such an appeal. (See *Dow v. Lassen Irrigation Co.* (2022) 75 Cal.App.5th 482  
[watermaster did not have the right to appeal from a court order where it was the water rights  
holders' pecuniary interests that would be affected by the order, not the watermaster's].)

1            Unlawful gift of public funds. The TOA would result in payments of Ag Pool legal  
2 expenses totaling more than eight hundred thousand dollars for FY 2019-20 and 2020-21, in  
3 contravention of the May 28 and December 3 Orders. As determined by the December 3 Order,  
4 the Ag Pool failed to establish any entitlement to payment of its legal expenses incurred in these  
5 fiscal years, because the limited information presented by the Ag Pool demonstrated that many  
6 activities “were adversarial to the Appropriative Pool,” and otherwise, the Court could not  
7 determine what the legal expenses were for. (December 3 Order, Ex. 3 to Burton. Decl.) In light  
8 of the Court’s determinations, the payments to the Ag Pool would be so egregiously in excess of  
9 any reasonably determined valuation of the Ag Pool’s claims as to constitute an illegal gift of  
10 public funds. (Cal. Const., art. XVI, § 6 [Public agencies are prohibited from making “any gift . .  
11 . of any public money or thing of value to any individual, municipal or other corporation  
12 whatever.”]; *Jordan v. Department of Motor Vehicles* (2002) 100 Cal.App.4th 431, 453 [“An  
13 award of a gift of public funds is not authorized by law; the state could not agree to it, the  
14 Legislature could not authorize it, and neither this nor any court could confirm it.”].)

15            Additionally, as determined by the May 28 Order, requiring payment of someone else’s  
16 legal expenses in the absence of adequate documentation is fundamentally unfair and a violation  
17 of due process. (May 28 Order, Ex. 2 to Burton Decl.) Unredacted invoices for Ag Pool legal  
18 expenses have never been provided to members of the AP, contrary to the May 28 Order. (Burton  
19 Decl., ¶¶ 7-8.) Based on the information available to the Moving Parties (and the AP), the Ag  
20 Pool is not entitled to any payments of its legal expenses going back at least to the beginning of  
21 the fee dispute. Under these circumstances, payments totaling more than eight hundred thousand  
22 dollars for legal expenses incurred by the Ag Pool in FY 2019-20 and 2020-21 would constitute  
23 an unlawful gift of public funds.

24            **C.        The AP Lacks Authority to Bind Its Members to the TOA Without Their**  
25                            **Consent.**

26            The AP is not created by any statute or law of the State. It is not a city, water district,  
27 corporation, nor any other type of entity with an enabling statute. Rather, it is empowered and  
28 limited by the specific documents that created it, i.e., the Judgment. (See, e.g., *Holt v. Santa*

1 *Clara County Sheriff's Ben. Ass'n* (1967) 250 Cal.App.2d 925, 929 [It is a “well-established  
2 principle that the constitution or by-laws of an unincorporated association have the force and  
3 effect of a contract between the association and its members as to which the members are  
4 bound”.].) Nothing in the Judgment and its AP Pooling Plan allows a majority of the AP or the  
5 Ag Pool to bind other AP members to an agreement such as the TOA.

6 Section 38 of the Judgment (especially 38(a)) empowers and limits the role of AP and the  
7 Ag Pool as follows:

8 38. Powers and Functions. The powers and functions of the respective  
Pool Committees . . . **shall** be as follows:

9 (a) Pool Committees. Each Pool Committee **shall have the**  
10 **power and responsibility for developing policy recommendations for**  
**administration of its particular pool**, as created under the Physical Solution. . . .

11 (Emphasis added.) The Judgment uses mandatory language “shall,” which indicates that  
12 “developing policy recommendations for administration of its particular pool” is the full scope of  
13 the Pool’s role. A resolution of the Special Joint Pool Committee (i.e., the 2009 Memo) confirms  
14 this limited role of the Pools, as follows:

15 . . . **Under Section 38(a) Pool Committees are limited to ‘developing policy**  
16 **recommendations for administration of its particular Pool.’** Special Project  
17 expense necessarily must be part of the Physical Solution which is under the  
18 control of the Court and its Court appointed Watermaster. While **the Pool**  
**Committees are there to provide advice and assistance to Watermaster** they  
may not supplant Watermaster’s Physical Solution authority under Section 41.

19 (Ex. 4 to Burton Decl., emphasis added.) Nothing in the Judgment or the Pooling Plan expands  
20 the role of the AP, nor gives it the ability to collectively decide matters on behalf of its members  
21 that goes beyond the scope of Section 38 or the Judgment.<sup>11</sup> Likewise, nothing in the Judgment  
22 or the Pooling Plans authorizes the Ag Pool to impose legally binding obligations on the AP or  
23 AP members.

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27 <sup>11</sup> Paragraph 6 of the AP Pooling Plan (Exhibit H to the Judgment) provides for imposition of  
28 administrative assessments to recover costs of administration of the AP and its share of general  
Watermaster expense from appropriators.

1 In short, the AP provides administrative services on behalf of the AP members pursuant to  
2 the Judgment. The administrative role of the AP does not confer authority to cram down a  
3 settlement on public agencies over their objections.

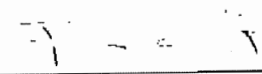
4 **VI. CONCLUSION**

5 For all the above-stated reasons, the Pools lawfully cannot, and have not, renounced the  
6 rights and interests of the Moving Parties under Paragraph 5.4(a) of the Peace Agreement as  
7 interpreted and applied by the May 28 and December 3 Orders. The Moving Parties respectfully  
8 request that the Court disregard the TOA and proceed with ruling on the Moving Parties'  
9 Reimbursement Motion.

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Dated: April 1, 2022

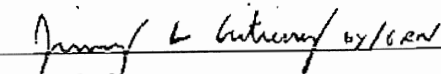
NOSSAMAN LLP  
FREDERIC A. FUDACZ  
GINA R. NICHOLLS

By: 

Frederic A. Fudacz  
Attorneys for CITY OF ONTARIO

Dated: April 1, 2022

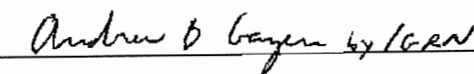
JIMMY L. GUTIERREZ LAW CORPORATION

By: 

Jimmy L. Gutierrez  
Attorneys for CITY OF CHINO

Dated: April 1, 2022

KIDMAN GAGEN LAW LLP

By: 

Andrew B. Gagen  
Attorneys for MONTE VISTA WATER DISTRICT  
and MONTE VISTA IRRIGATION COMPANY

**Agenda Item No. 4I**

Item Title: Projects and Operations Update

Purpose:

To update the Board and Shareholders on Company capital projects.

Updates:

1507 – Office Relocation

Staff intends to initiate conversations regarding Company plans to either move this project forward or remove it from the books.

1602 – Holly Drive Reservoir, Phase 3

Proposed construction of a second 120,000-gallon tank at the Holly Drive Tank site. ~~Proposal to be discussed at tonight's meeting.~~ Professional services agreement has been fully executed. Predesign meeting being scheduled.

1902 – Cucamonga Crosswalls Mitigation

TKE Engineering is working with staff to close out certain State and Federal Permits. Staff is also looking into long-term maintenance permits that will allow the Company yearly access to the site for clearing and grubbing.

1905 – 2020 Master Plan

Computer Water Model being constructed by consultant. Staff is coordinating with consultant regarding areas of concern in the water model to improve accuracy. Revised schedule is to complete Master Plan by Spring. Staff is currently reviewing draft chapters.

Original Budget .....	\$240,000
Original Contracts .....	\$204,085
Authorized Change Orders .....	NA
Current Contracts .....	\$204,085

2007 Well 19

Staff is working on a Request for Proposals to construct a new Well 19. RFP should be released next year for consideration by the Board. ~~Proposal to be discussed at tonight's meeting.~~ This project is returning to the Board tonight for further discussion.

2103 Booster 19 (Holly Drive) Generator

Purchase Order has been submitted. Generator has been installed.

At the request of property owner Staff is working to hire a landscape architect with the intent to install screening landscaping. Staff has hired Soltis Landscaping to develop a screening plan. Staff and consultant met with homeowner last week to discuss proposed plan. ~~Landscaping proposal to be discussed at tonight's meeting.~~ Waiting on homeowners approval before start of construction.



Original Budget .....\$75,000  
Original Contracts .....\$61,366  
Authorized Change Orders ..... NA  
Current Contracts ..... \$61,366

2112 Treatment Plant

Technical memorandum discussing the pros and cons of a company treatment plant. Contract with TKE fully executed. Scheduling pre-design meeting. Pre-design meeting held and data review is ongoing. Consultant conducted a site visit in late February.

Original Budget .....\$27,000  
Original Contracts .....\$24,500  
Authorized Change Orders..... NA  
Current Contracts ..... \$24,500

2201 Paloma Hydraulic Break

Technical study to review available options to modernize the facility and reduce low frequency noise during high waterflow events. Contract has been fully executed. Predesign meeting being scheduled.

Original Budget.....\$40,000  
Original Contracts .....\$39,750  
Authorized Change Orders..... NA  
Current Contracts ..... \$39,750

Basin Water Levels 2012-2020

**GROUNDWATER LEVELS**  
(feet below ground surface)

	2012				2013				2014				2015				2016				2017				2018				2019				2020				2021				2022			
<b>CUCAMONGA BASIN</b>	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr
	-211	-192	-202	-195	-191	-199	-210.5	-213	-202	-230	-255	-238	-239	-239	-249	-259	-251	-251	-261	-280	-301	-296	-312	-298	-305	-313	-321	-324	-300	-299	-306	-308	-279	-271	-297	-297	-283	-283	-308	-306	-305			
<b>CHINO BASIN</b>	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr
	-309	-307	-341	-328	-368	-353	-341.3	-385	-357	-391	-409	-418	-423	-424	-427	-427	-430	-452	-462	-466	-451	-441	-441	-442	-450	-451	-468	-473	-458	-428	-396	-402	-396	-389	-326	-383	-386	-384	-354	-321	-417			
<b>SIX BASINS</b>	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr	1qtr	2qtr	3qtr	4qtr
Six Basins																																												
Well 26 & 27A & 25A	-282	-322	-358	-347	-380	-385	-448	-421	-477	-425	-439	-454	-450	-428	-459	-439	-467	-472	-528	-482	-447	-463	-547	-451	-525	-432	-506	-437	-337	-414	-439	-338	-380	-320	-420	-355	-379	-406	-375	-364	-356			
Well 28	-265	-268	-271	-273	-277	-278	-279.4	-280	-281	-280	-280	-277	-281	-282	-283	-283	-283	-284	-286	-283	-270	-270	-272	-267	-277	-281	-283	-228	-243	-257	-267	-271	-272	-245	-271	-275	-278	-280	-280					

\* six basin levels come from well 25A only, the other wells (26&27A) were not shut down during the third quarter 2017.

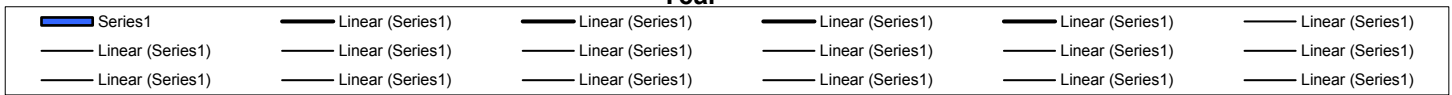
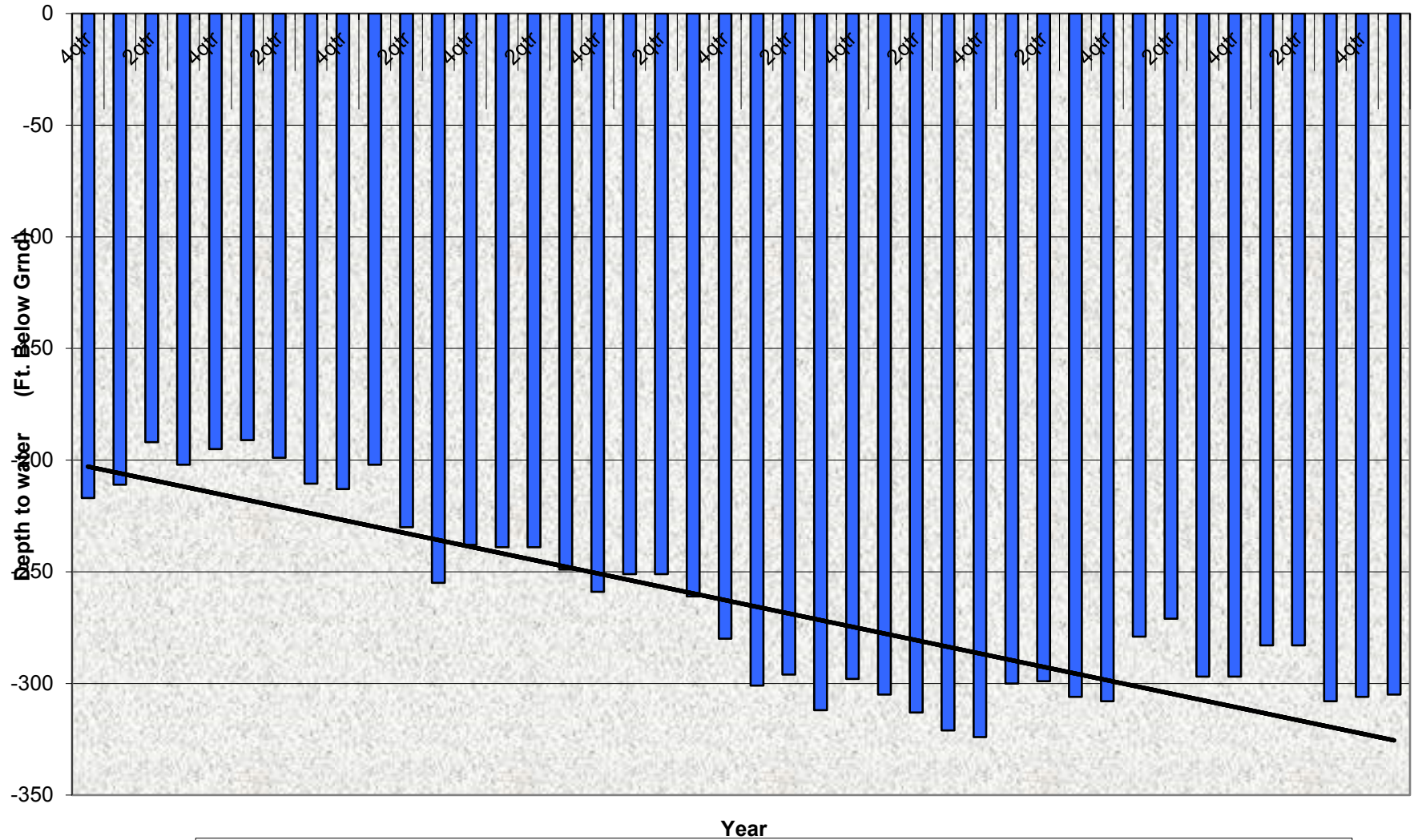
Static water levels for Cucamonga Basin wells 2, 3, 22, 24, 31, 32

Static water levels for Chino Basin wells 15, 16

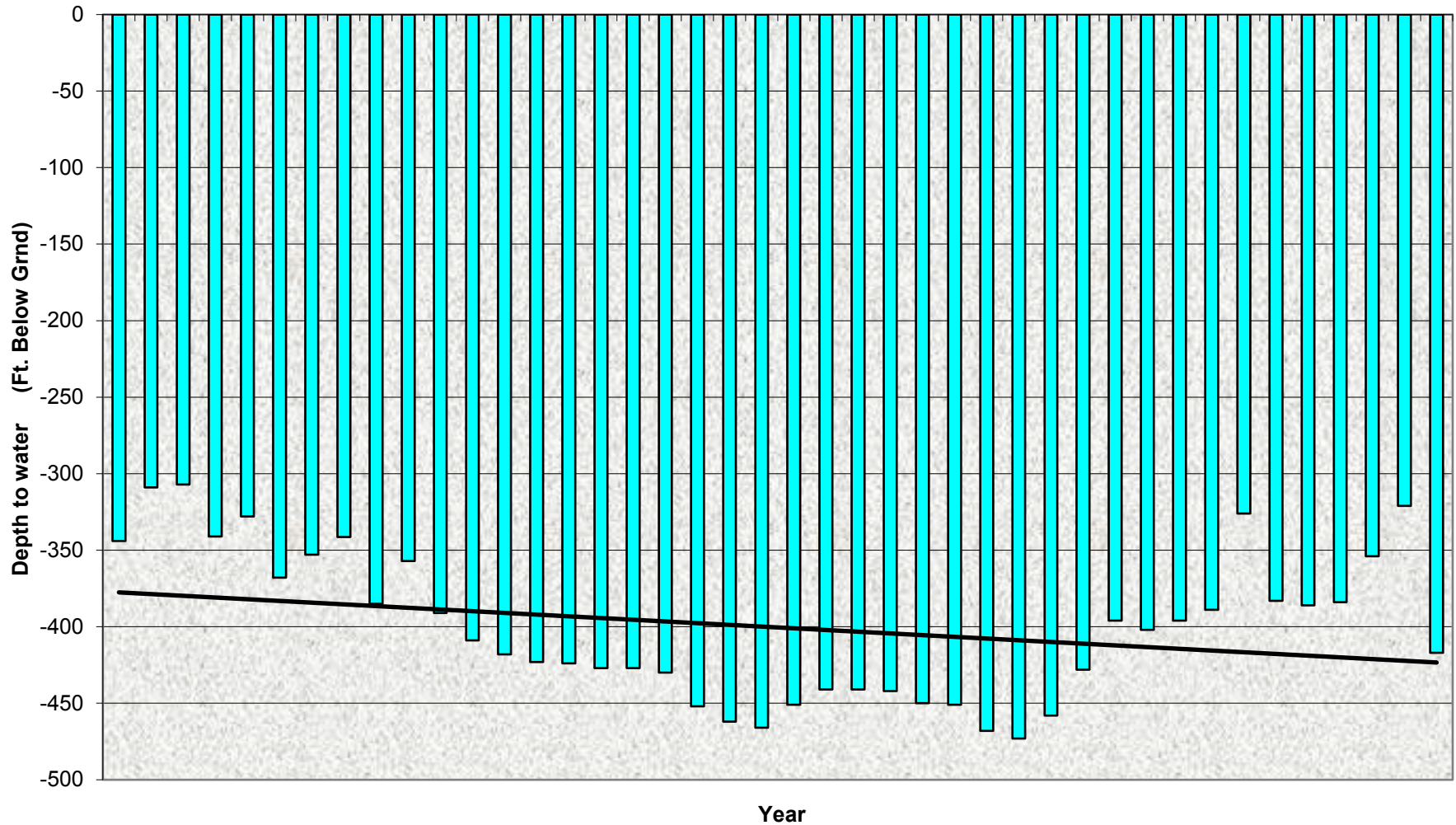
Static water levels for 6 Basin wells 25a, 26 and 27a

Note\* 10/11/2019 pumping levels for wells 26 and 27A 416'

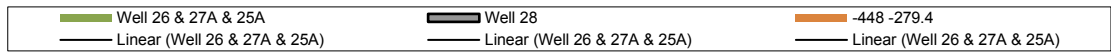
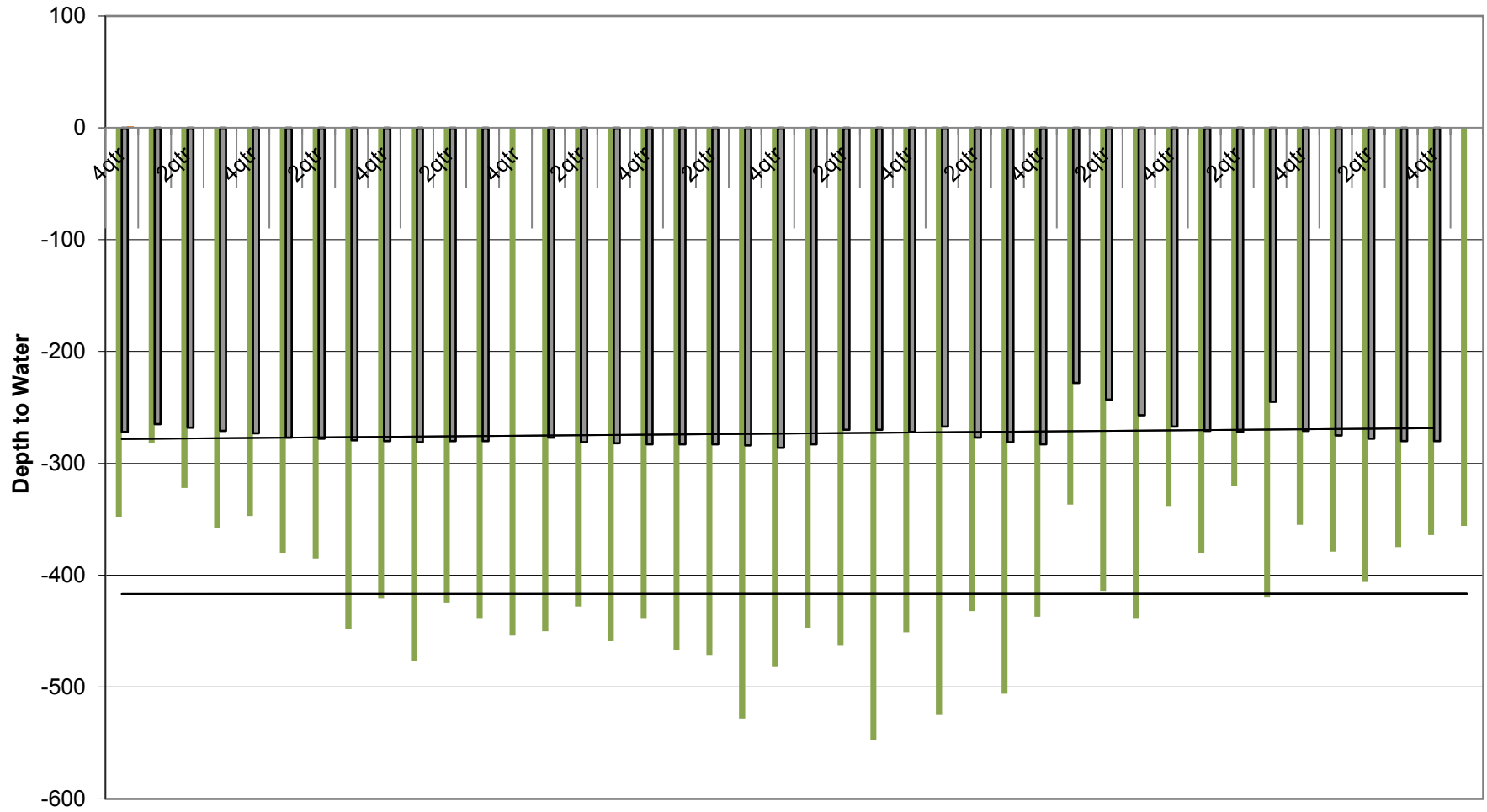
### Cucamonga Basin Water Levels



# Chino Basin Water Levels



# Six Basins



Item Title: Conservation Programs Update

Purpose:

Update on the Company's existing water conservation programs

I. Local Assistance in meeting Best Management Practices

Conservation rebates 2022: not available

Residential Rebate Programs- (Fiscal year) thru Metropolitan Water Dist.	Devices/ Rebates	Est. gallons saved/ device/year	Total est. gallons saved per year*
High Efficiency Clothes Washers	0	11,243	
Rotating Nozzles	0		
Weather Based Irrigation Controllers	0	105,917	
High Efficiency Toilets (premium)	0	13,851	
Rain Barrels	0	619	
Turf Removal	0		
Residential Program thru Chino Basin Water Conservation District			
Landscape Audit		3485	
Total Savings for calendar year – n/a			

Funding is limited and rebates issued on first come, first served basis.

II. SAWCo Efforts in meeting Demand Mgmt. Measures (DMM's) as of 3/31/2022

SAWCo Programs- (2022)	Total Budget: \$16,000	Devices/Rebates	Est. gallons saved per device per year	Total est. gallons saved per year
Toilet Direct Installation for SAWCO customers	\$3,000 Cost to date: 0	0	15,600	
SAWCo Wholesale Agencies Assistance- Toilet Direct installation	\$13,000 Cost to date: \$2,813.75 (9 toilets)	9	15,600	140,400
TOTAL		9		140,400

April 19, 2022

	2022	2021	2020	2019	2018
SAWCo Financial Assistance for leaks	\$300.59	\$ 4,551.00	\$9,198.53	\$31,782.54	\$8,474.70

Financial Assistance Program – Adjustments made when customer has requested in writing a reprieve on their bill after repairing leak(s).



# San Antonio Water Company

Incorporated October 25, 1882  
Serving the original Ontario Colony lands

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March 17, 2022

The Honorable Eduardo Garcia  
56<sup>th</sup> Assembly District  
State Capitol, Room 4140  
Sacramento, CA 95814

Dear Assemblymember Garcia:

**Subject: AB2041 Safe Drinking Water Compliance Affordability**

I am writing on behalf of San Antonio Water Company in support of AB 2041. SAWCO is the oldest operating Mutual Water Company in California and represents 1,300 retail and dozens of large wholesale customers in San Bernardino and Los Angeles Counties, California. Our wholesale customers include the Cities of Upland, Pomona, and Ontario. With AB2041, the Division of Drinking Water (DDW) under the State Water Resources Control Board ("State Water Board") would be required to devise a plan and determine funding to help small water systems comply with new drinking water regulatory standards.

In 2017, the California Superior Court invalidated the proposed maximum contaminant level (MCL) standard for Chromium 6 because the Department of Public Health did not conduct an economic feasibility study. A judge found that costs for small water suppliers to comply with the invalidated Chromium 6 standard would have been as high as \$5,000 per household.

In 2020, the State Water Resources Control Board indicated it *would not* be conducting an economic feasibility study in proposing a new Chromium 6 MCL. This creates great uncertainty for water suppliers that must comply with new drinking water standards threatened by potential stranded costs. Enacting AB2041 would require that DDW evaluate which water systems can and cannot afford compliance with a new standard and formulate a funding plan to help water systems that otherwise cannot afford compliance. Our hope is that AB2041 will thwart challenges to new drinking water regulations because economic feasibility would be built-in to the passage of a regulation. This increases certainty for water suppliers with respect to the economic impact such new regulatory standards will have on them, which is especially important for the state's smallest water systems.

Arguments that AB2041 is not needed because of the establishment of the SAFER Program and that program's provision of funding for failing water systems do not address how the costs of new drinking water regulations will be managed. For example, if the standard for Chromium 6 had not been invalidated in 2017, the number of water systems at risk of not complying with safe drinking water standards would be over 500, double the number that exists today without





# San Antonio Water Company

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a Chromium 6 MCL. In the absence of an economic feasibility study on Chromium 6 and other contaminants, many small water systems may end up unable to comply due to the extreme financial burden they must bear. Current funding under the SAFER Program would not be sufficient and would have to be re-prioritized. Having a compliance plan with funding is the best solution to uncertainty in the quest for safe drinking water.

Once again, thank you for introducing AB2041 and for all you have already done to help California's mutual water companies and small water systems.

Sincerely yours,

*Brian C. Lee*

Brian C. Lee, PE  
General Manager / CEO  
San Antonio Water Company



# San Antonio Water Company

Incorporated October 25, 1882  
Serving the original Ontario Colony lands

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March 17, 2022

The Honorable Sharon Quirk-Silva  
65<sup>th</sup> Assembly District  
State Capitol, Room 6012  
Sacramento, CA 95814

Dear Assemblymember Quirk-Silva:

**Subject: Support for AB2054 Mutual Water Companies Tax Status**

I am writing on behalf of San Antonio Water Company in support of AB2054. SAWCO is the oldest operating Mutual Water Company in California and represents 1,300 retail and dozens of large wholesale customers in San Bernardino and Los Angeles Counties, California. Our wholesale customers include the Cities of Upland, Pomona, and Ontario, cities with sizable disadvantaged community zones. Under AB2054 California's tax code would recognize the Federal 501(c)(12) tax-exempt status of mutual water companies. Under California's current tax laws, mutuals are taxed when accepting state grants. Passage of AB2054 will relieve residents who are served by mutual water companies of tax burdens that are not imposed on residents when municipal utilities and water districts accept grants, hold reserves or use non-water sale funds to improve our water systems.

AB2054 is a simple bill that conforms the California Revenue and Taxation Code with Section 501(c)(12) of the Internal Revenue Code, which provides federal tax-exempt status for mutual water companies. Without such tax-exempt status under existing California law, mutual water companies serving disadvantaged communities and eligible for funding under Propositions 1 will be taxed for grants they receive. Without correction of the California tax law under AB2054, mutual water companies are also exposed to tax liabilities for earning interest on reserve accounts meant for water system maintenance; and those desiring consolidations with public agencies may see years in delays due to tax complications.

Mutual water companies are not-for-profit corporations whose customers are our shareholders or members. As shareholders we are responsible for providing safe drinking water and must comply with the same safe drinking water laws that apply to municipal water systems, water districts and regulated utilities. AB2054 also includes provisions that ensure that mutual water companies that gain tax-exempt status comply with the various state laws that have been enacted to safeguard their proper corporate conduct. The law will also sunset, providing an opportunity to evaluate if tax exemptions in California for grants stimulate their use to improve poorer and smaller water systems.



# San Antonio Water Company

Incorporated October 25, 1882  
Serving the original Ontario Colony lands

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We thank you for introducing AB2054 to place California's tax laws in line with other states that recognize the Federal 501(c)(12) tax-exempt designation.

Sincerely yours,

*Brian C. Lee*

Brian C. Lee, PE  
General Manger / CEO  
San Antonio Water Company

**Agenda Item No. 6A**

Item Title: Property and Casualty Insurance Renewal

Purpose:

To review the Company's annual Property and Casualty insurance renewal.

Issue:

Should the Company renew our Property and Casualty Insurance with JPRIMA?

Manager's Recommendation:

Ratify AFC decision to approve renewal proposal.

Background:

In CY2016, California AB656 passed, allowing mutual water companies to work with public agencies to form a Joint Powers Risk Insurance Management Authority (JPRIMA).

The commercial package with JPRIMA runs from 4/1/22 to 4/1/23.

Following is a summary of past renewal premiums:

Policy Period	Premium	% of rate change
4/1/17 – 4/1/18	\$28,254	
4/1/18 – 4/1/19	\$27,547	- .02%
4/1/19 – 4/1/20	\$28,891	+ 5%
4/1/20 – 4/1/21	\$29,894	+ 3%
4/1/21 – 4/1/22	\$35,376	+18%
4/1/22 – 4/1/23	\$41,555	+17.5%

Just as last year, the increase in this year's premium is due to the following:

- Increase in property and equipment values
- Increase in field payroll
- Marketplace losses in the areas of Employment Practices and Public Officials Liability
- Premium loads for wildfire and inverse condemnation exposures

Company specific premium increases account for about 5%. The remainder is marketplace driven.

The proposal was received on March 15<sup>th</sup>. Staff requested approval of the quote by the AFC so that coverage does not lapse. We are now bringing the quote to the full Board for ratification.

During last year's Board discussion there was a desire to conduct a market review and seek quotes from other firms this year. Short staffing required focusing on other issues and we were unable to conduct a market review or seek alternative quotes. If the AFC and Board are agreeable to an additional year with JPRIMA, staff will conduct a market review and alternative quotes prior to policy expiration next year.

Impact on the Budget:

Over budget [budgeted \$30,000 and actual considered is \$41,555].

Previous Actions:

None.

Item Title: Workers Compensation Insurance

Purpose:

Annual renewal for workers' compensation insurance is due by May 1, 2022. California's system of workers' compensation is compulsory, meaning that employers are required to provide workers' compensation insurance for their employees.

Issue:

We received a quote from Cal Mutual JPRIMA via The Zenith, a Fairfax Insurance Company for review and recommendation.

Manager's Recommendation:

Approve the automatic renewal of our Workers' Compensation with Cal-Mutual JPRIMA The Zenith, a Fairfax Insurance Company for 5/1/2022 to 4/30/2023 at an annual premium of \$16,565.

Background:

In 2017, the Board approved changing the Company's Workers' compensation insurance to Cal-Mutual JPRIMA via The Zenith, a Fairfax Insurance Company.

The renewal for 5/01/2022 to 4/30/2023 is attached to this report. The Waterworks Ops base rates have remained the same from last year, although payroll has increased. Other classes have increased in both payroll and base rate. Zenith has calculated an ExMod of 79% for this year which remains unchanged from last year. State surcharge has increased from \$585 to \$928 (58% increase).

See attached comparison.

Impact on the Budget:

\$16,565 to Workers Comp budget item. (\$15,000 budgeted)

Previous Actions:

None.

# SAN ANTONIO WATER COMPANY

## Workers Compensation Comparison

		5/1/2021 to 5/1/2022			5/1/2022 to 5/1/2023		
		Cal Mutual JPRIMA The Zenith			Cal Mutual JPRIMA The Zenith		
State/Class Code	Description	Estimated Payroll	Base Rate	Net Rate	Estimated Payroll	Base Rate	Net Rate
CA 7520	Waterworks Ops	\$423,491	3.85	2.74	\$443,672	3.85	2.74
CA 8742	Salespersons-Outside	\$388,866	0.88	0.63	\$407,972	0.92	0.65
CA 8810	Clerical – NOC	\$181,405	0.59	0.42	\$183,842	0.63	0.45
Experience Modification (estimated)		79%			79%		
Total Payroll		\$993,762			\$1,035,487		
<b>Estimated Premium</b>		<b>\$14,786</b>			<b>\$15,637</b>		
State Surcharges		\$585			\$928		
<b>TOTAL ESTIMATED PREMIUM</b>		<b>\$15,371</b>			<b>\$16,565</b>		

# TheZenith®

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## The Premier Workers' Compensation Specialist

Renewal Proposal of # Z137711001

Date: 03/31/2022

**SAN ANTONIO WATER COMPANY**

139 N Euclid Ave

Upland CA 91786-6036

George Pappas

ALLIED COMMUNITY INSURANCE SERVICES LLC

Prod Cd: 093499A 20.0

(717) 657-9671

11452 EL CAMINO REAL

SUITE 250

SAN DIEGO CA 92130

### Workers' Compensation Proposal

Policy Period: 05/01/2022 at 12:01 a.m. to  
05/01/2023 at 12:01 a.m.

Employer's Liability Limits: 1,000,000/1,000,000/1,000,000

Group Membership: WATER INDUSTRY GROUP >= \$10,000

Estimated Payroll : **\$1,035,486**

Total Estimated Premium (without fees): \$15,637

Total State Fees & Assessments: \$928

Total Estimated Premium Incl Charges: **\$16,565**

### Selected Payment Plan

Selected Payment Option: Installment Plan

Billing Type: Direct Bill

Frequency: Monthly

Deposit Premium: \$2,345 / 15%

State Fees & Assessments: \$139

Total Due Up Front: \$2,484

Zenith Insurance Company and its wholly owned subsidiary ZNAT Insurance Company (together, "Zenith") offer flexible payment options and there is never a charge for installments.

You will be billed directly by Zenith Insurance Company.

The remaining amount due will be paid in 8 installments of \$1,760.

### Dividend Plan for WATER INDUSTRY GROUP >= \$10,000

This proposal is based on the employer's membership in the WATER INDUSTRY GROUP >= \$10,000, and if accepted, will make the insured member eligible for future dividends which may be declared by the Zenith Insurance Company Board of Directors. Under California workers' compensation insurance, a dividend is a refund to the policyholder that represents a portion of the premium that the insurer did not need to pay claims or meet expenses.

Under California law it is unlawful for an insurer to promise the future payment of dividends under an unexpired workers' compensation policy or to misrepresent the conditions for dividend payment. Dividends are payable only pursuant to conditions determined by the Board of Directors or other governing board of the Zenith Insurance Company following policy expiration. Forfeiture of a right to, reduction in the amount of, or delay in the payment of a policyholder's dividend due to the policyholder's failure to accept renewal of the policy or subsequent policies issued by the same insurer is illegal and constitutes an unfair practice.

It is a misdemeanor for any insurer or officer or agent thereof, or any Insurance broker or solicitor, to promise the payment of future workers' compensation dividends. Past dividend performance is no guarantee of an insurer's future dividend performance.

Proposal # Z137711001  
SAN ANTONIO WATER COMPANY  
Page 1 of 6



This proposal is good until 05/01/2022 at 12:01 a.m. and is subject to the terms and conditions of the policy for which this proposal is given, including any special conditions and/or exclusions that may apply. This proposal does not constitute an insurance policy.

- \* This proposal is based on information given to us. Please verify the information contained in this proposal and read the Proposal Disclaimer carefully.
- \* This proposal was issued by: Zenith Insurance Company, 7440 N. Palm Avenue Suite #103, Fresno, CA 93711 Phone: (559) 432-6660, Underwriter: Mason Trout

## California Premium Calculation Zenith Insurance Company

STATE COVERAGE									
State	From	Through	Class Code	Description	No. of Emp FT/PT	Est. Payroll	Manual Rate	Est. Manual Premium	Est Net Rate*
CA	05/01/22	05/01/23	7520-0	WATER COMPANIES--ALL EMPLOYEES--INCLUDING CONSTRUCTION OR EXTENSION OF LINES.	5/0	443,672	3.85	17,081	2.74
CA	05/01/22	05/01/23	8742-0	SALESPERSONS--OUTSIDE.	2/0	407,972	0.92	3,753	0.65
CA	05/01/22	05/01/23	8810-0	CLERICAL OFFICE EMPLOYEES--N.O.C.	1/1	183,842	0.63	1,158	0.45

\*Est. Net Rate is the manual rate modified by an experience modification factor (if applicable) and other adjustments.

## California Adjustments and Calculation Details

05/01/22 to 05/01/23

State Manual Premium			\$21,992
Modified Premium (estimated)		(79.00%)	\$-4,618
Employers Liability Limits 1,000,000 Per Accident 1,000,000 Per Disease 1,000,000 Policy Limit		(.00%)	\$0
Risk Adjustment		(-10.00%)	\$-1,737
State Regulatory Assessment		.054462	\$852
Ciga Charges		0	\$0
State Regulatory Fraud Assessment		.004856	\$76
Total State Assessments			\$928
<b>Total Estimated Policy Premium &amp; Fees</b>			<b>\$16,565</b>

The experience modification factor has been estimated. When the actual experience modification factor is published, it will be endorsed to our policy with no change in risk adjustment factor.

## Notices and Disclaimers

**PROPOSAL DISCLAIMER:** *This proposal is subject to the information provided by you and/or the insurance agent, verification of this information and the applicable rates and underwriting guidelines applicable at the time. All proposals are for illustration purposes only; the actual premiums and coverage will be based on certain underwriting criteria, manuals, rates, rating plans and classifications. We reserve the right to change our manuals and apply the changes to the policy if authorized by law or a governmental agency regulating this insurance. The premium calculation details shown are estimates. The final premium will be determined after the policy ends by using the actual, not the estimated, premium basis and the proper classifications and rates that lawfully apply to the business and work covered by the policy. The final premium may also be affected by certain state legislative and/or regulatory changes. If the final premium is more than the premium you paid to us, you must pay us the balance. If the final premium is less, we will refund the balance to you. The final premium will not be less than the highest minimum premium for the classifications covered by this policy. You may be subject to a cancellation penalty in the event you cancel the policy prior to the policy expiration date. In the event any provision of this proposal and any provision of the policy, including endorsements, if any, are inconsistent or conflicting, the inconsistent or conflicting provision of the policy shall control.*

**POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE:** *Coverage for acts of terrorism is included in the proposal. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury - in consultation with the Secretary of Homeland Security, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under the coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019, and 80% beginning on January 1, 2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits United States government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced. The portion of the annual premium that is attributable to coverage for acts of terrorism is CA \$0.00 per \$100 of payroll and does not include any charges for the portion of losses covered by the United States government under the Act.*

**NOTICE OF MEDICAL PROVIDER NETWORK/PANEL:** *Our medical management team maintains a comprehensive medical provider network or panel depending on the region, that includes a full range of health care providers, primary, and specialty care physicians, as well as hospitals and associated services. The health care service providers in our network have been selected based on their geographic location, specialty and credentials. All workers' compensation medical treatment provided under the policy will be administered by appropriately credentialed providers according to nationally accepted evidence-based treatment guidelines.*

**CALIFORNIA EXECUTIVE OFFICER, PARTNER, MANAGING MEMBER EXCLUSIONS:** *Any Officer, Director, Partner or Managing Member that desires to be excluded from coverage must complete the attached waiver (one signed waiver per excluded individual) - the law strictly prohibits our ability to exclude these individuals from coverage until we have received and accepted a signed waiver. Please return any/all signed waivers with binding order or instructions to your local Zenith underwriting office.*

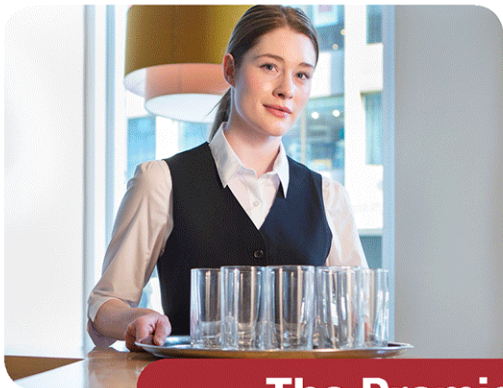
**California Short-Rate Cancellation Disclosure Notice**

**IMPORTANT NOTICE ABOUT THE POLICY OF INSURANCE FOR WHICH YOU HAVE APPLIED  
PLEASE READ THE FOLLOWING INFORMATION CAREFULLY**

The policy for which you have applied contains a cancellation provision that permits us to refund premium on a basis other than the pro rata when you cancel the policy. Under the policy for which you have applied, if you cancel the policy, your final premium will be calculated based on the time your policy was in force with us, increased by the percentage specified in the short-rate cancellation table listed below.

Short Rate Cancellation Table

Short Rate Cancellation Table FOR TERM OF ONE YEAR							
Days Policy In Force	Percent of One Year Premium	Days Policy In Force	Percent of One Year Premium	Days Policy In Force	Percent of One Year Premium	Days Policy In Force	Percent of One Year Premium
1	5%	95-98	37%	219-223	69%		
2	6%	99-102	38%	224-228	70%		
3-4	7%	103-105	39%	229-232	71%		
5-6	8%	106-109	40%	233-237	72%		
7-8	9%	110-113	41%	238-241	73%		
9-10	10%	114-116	42%	242-246	74%	(8 mos.)	
11-12	11%	117-120	43%	247-250	75%		
13-14	12%	121-124	44%	251-255	76%		
15-16	13%	125-127	45%	256-260	77%		
17-18	14%	128-131	46%	261-264	78%		
19-20	15%	132-135	47%	265-269	79%		
21-22	16%	136-138	48%	270-273	80%	(9 mos.)	
23-25	17%	139-142	49%	274-278	81%		
26-29	18%	143-146	50%	279-282	82%		
30-32	19%	147-149	51%	283-287	83%		
33-36	20%	150-153	52%	288-291	84%		
37-40	21%	154-156	53%	292-296	85%		
41-43	22%	157-160	54%	297-301	86%		
44-47	23%	161-164	55%	302-305	87%	(10 mos.)	
48-51	24%	165-167	56%	306-310	88%		
52-54	25%	168-171	57%	311-314	89%		
55-58	26%	172-175	58%	315-319	90%		
59-62	27%	176-178	59%	320-323	91%		
63-65	28%	179-182	60%	324-328	92%		
66-69	29%	183-187	61%	329-332	93%		
70-73	30%	188-191	62%	333-337	94%	(11 mos.)	
74-76	31%	192-196	63%	338-342	95%		
77-80	32%	197-200	64%	343-346	96%		
81-83	33%	201-205	65%	347-351	97%		
84-87	34%	206-209	66%	352-355	98%		
88-91	35%	210-214	67%	356-360	99%		
92-94	36%	215-218	68%	361-365	100%	(12 mos.)	



## The Premier Workers' Compensation Specialist



# TheZenith<sup>®</sup>

A FAIRFAX Company

Zenith is the premier specialist in workers' compensation nationally. We combine depth of expertise with a forward-thinking approach to achieve the highest level of service and outcomes for our clients. We foster strong relationships with our valued independent agents and brokers. Together, we're able to explore solutions and address your business needs. We believe insurance is a long-term investment in your employees and the success of your business. Great businesses become even better when they invest in the best.

### YOU CAN EXPECT US TO:

- Help you reduce workplace injuries and claims, so your business stays productive
- Put your employees first, helping anyone injured on the job get the medical care they need
- Fight fraud, so you can protect what you've built
- Provide attentive and responsive service, so you can focus on your business
- Help you strengthen your business reputation, so you can compete for talent

**Your business challenges are unique, and a one-size-fits all solution rarely works.**

Our commitment to you includes a focus on helping you reduce claims and their costs, which can lead to a lower experience modification over time. The proof is in the numbers: Zenith's loss ratios are consistently 20 to 30 points better than the industry average.\*

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\*Source: Industry data is from NCCI's 2016 Calendar-Accident Year Underwriting Results and WCIRB Quarterly Experience Report as of 2017, weighting by Zenith's premium distribution by state.

**Agenda Item No. 6C**

Item Title: Salary Table Adjustment

Purpose:

To consider adjusting employee salary tables to match local inflation.

Issue:

Should the Company adjust salary tables to match inflation?

Manager's Recommendation:

Recommend adjusting the Company's salary tables 9.4% upward based on the Riverside / San Bernardino / Ontario 'Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W)' change from January 2021 to January 2022.

Background:

A Consumer Price Index (CPI) measures changes in the price of consumer goods and services purchased by households. The Federal Bureau of Labor Statistics (BLS) tracks CPI for geographical areas in the States ([www.bls.gov](http://www.bls.gov)).

Based on changes in the CPI tables, companies may adjust wages to ensure employee's 'cost of living' is not impacted negatively by inflation. Adjustment to salary tables based on CPI are called, "Cost of Living Adjustments (COLA)".

Yearly, the Company considers adjustments to its salary tables based on published federal changes to a CPI index.

The CPI numbers and respective yearly change are shown below for the Riverside / San Bernardino / Ontario 'Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W)':

Geographic Area	Jan 2021	Jan 2022	Change	% Change
Riverside, et al.	110.204	119.557	9.353	9.4

This item was discussed at the March AFC meeting. The AFC supported making the change and recommended bringing this item to the full Board.

Impact on the Budget:

Implementing a COLA increases salary ranges only. It does not adjust current salary rates, except in a single instance for 2022. The recommended COLA adjustment would place a single employee below the salary range for their position. The Company would adjust this one employee's salary upward 1.3% to bring it back into the newly adjusted range (full year cost increase would be \$707). All other employees would be eligible for performance-based salary adjustments at the time of their annual review.

Previous Actions:

None.

Salary Performance Rating System			
Performance Rating	Bottom Third	Middle Third	Top Third
Outstanding	9.5%	9%	8%
Exceeds Expectations	8.0%	7%	6%
Meets Expectations	6.0%	5%	4%
Fails to Meet Expectations	0 to 2%	0%	0%

Current hourly rate			
	Low	Mid Point	High
General Manager	\$ 93.74	\$ 111.32	\$ 128.89
Assistant General Manager	\$ 72.45	\$ 86.04	\$ 99.62
Water Utility Superintendent	\$ 43.99	\$ 52.24	\$ 60.49
Senior Administrative Specialist	\$ 27.31	\$ 32.44	\$ 37.56
Accounting/Personnel Specialist	\$ 27.31	\$ 32.44	\$ 37.56
Admin/Conservation Specialist	\$ 22.57	\$ 26.81	\$ 31.04
Water Utility Worker 1	\$ 24.83	\$ 29.49	\$ 34.14
Water Utility Worker 1	\$ 24.83	\$ 29.49	\$ 34.14
Water Utility Worker 2	\$ 30.04	\$ 35.68	\$ 41.31
Water Utility Worker 3	\$ 33.05	\$ 39.25	\$ 45.45

COLA Adjustment

9.4%
------

Proposed hourly rate			
	Low	Mid Point	High
General Manager	\$ 102.55	\$ 121.78	\$ 141.01
Assistant General Manager	\$ 79.26	\$ 94.12	\$ 108.98
Water Utility Superintendent	\$ 48.13	\$ 57.15	\$ 66.18
Senior Administrative Specialist	\$ 29.88	\$ 35.48	\$ 41.09
Accounting/Personnel Specialist	\$ 29.88	\$ 35.48	\$ 41.09
Admin/Conservation Specialist	\$ 24.69	\$ 29.32	\$ 33.96
Water Utility Worker 1	\$ 27.16	\$ 32.26	\$ 37.35
Water Utility Worker 1	\$ 27.16	\$ 32.26	\$ 37.35
Water Utility Worker 2	\$ 32.86	\$ 39.03	\$ 45.19
Water Utility Worker 3	\$ 36.16	\$ 42.94	\$ 49.72

Item Title: Well 19 Construction

Purpose:

To discuss a proposal from BEEST to construct a new Well 19.

Issues:

Should the Company consider construction of an expanded test well?

Manager's Recommendation:

Authorize the General Manger to contract with BEEST Inc to design and construct a Long Screened Test Well at the Well 19 location with the intent to develop a production well design based on the data collected.

Background:

Staff has been working with BEEST on development of specifications for a new production Well 19 within the Cucamonga Basin. Staff originally proposed to construct a test well/pilot hole in 2022. As plans continue to progress the concept of constructing a permanent outer well wall during testing along with striated testing levels within the well has risen as a potential concept. The upfront cost to construct a more permanent casing along with the test well is significantly higher than constructing a simple test well. Staff originally budgeted \$175k in 2022 for the test well. A modified test well that would transition into a permanent well would cost an estimated \$1,131,000.

Staff brought this item to the PROC for discussion in February. The Committee agreed to move this item to the full Board regarding the direction this project is heading before committing additional time. The full Board considered this item at its regular meeting on March 15, 2022. At that time the Board agreed to defer any decision, allowing more time to research and learn about the proposed project.

After the March Board meeting staff requested that BEEST prepare a presentation regarding Long Screened Test Wells for the April Board Meeting. That presentation is attached and will be discussed tonight.

Previous Action:

None

Impact on Budget:

To be determined



Project Title: **Well Site 19**

Total Budget: **\$2,500,000**

**Engineering:** \$500,000 (\$330k reserved in 2021) (\$25,000 in 2022)

**Construction:** \$2,000,000 (\$150,000 in 2022)

**Schedule:**

Engineering: ~~June 2021~~ January 2022 – ~~March~~ November 2022

Bidding: ~~June~~ July early 2023

Construction: ~~October 2022 – February 2023~~ mid to late 2023

**Location:**



**Justification:** The 2008 Master Plan recommended a new well to meet supply requirements. Construct a new well at Site 19 was identified in the 2017 Master Plan as a high priority project.

Staff is proposing the design and construction of a pilot hole and full well design in 2022. The pilot hole is intended to provide hydrogeologic information regarding material and estimated yield of proposed production well.



# CONTRACTOR RESPONSE TO REQUEST FOR PROPOSAL

SAN ANTONIO WATER COMPANY



## Long Screen Test Well

Drilling, Installation, and Testing of (1) Long  
Screen Test Well



February 21<sup>st</sup>, 2022

Brian Lee  
General Manager  
San Antonio Water Company  
139 N. Euclid Ave  
Upland, CA 91786



**Re: Long Screen Test Well**  
***Drilling, Installation, and Testing of (1) Long Screen Test Well***

Thank you for considering Layne Christensen Company as a candidate for the Long Screen Test Well project. We are excited about the opportunity to provide San Antonio Water Company with the background and evidence to prove why Layne Christensen Company is the partner of choice for this great project.

Our team members have had the pleasure of working with the San Antonio Water Company team in the past and appreciate the opportunity to provide our services on this upcoming project. This is an opportunity that our team does not take lightly. Throughout this proposal we have worked diligently to prove not only our experience as a company for this project, but also, and most importantly, our experience as a team and a reputable group of extraordinary professionals.

Through our prior experience we hope that we have been able to prove to you that we are the team that you can trust. Through every step of the way, our group of industry-leading professionals will provide transparency and partnership so that your team will always feel that they are receiving the best cost, quality, schedule, and safety for your construction dollar. Through our project experience you can rest assured that our staff will always utilize the best practices of the industry to ensure a quality project is being delivered with a best value approach every step of the way.

The Layne Christensen Company team appreciates the opportunity to expand on our qualifications to San Antonio Water Company, and we look forward to further discussing the experience and value we can bring to your project.

Sincerely,

Handwritten signature of Ricky Trujillo in black ink.

Account Manager  
Water Resources Division  
[Ricky.Trujillo@gcinc.com](mailto:Ricky.Trujillo@gcinc.com)

Handwritten signature of Timothy Oman in black ink.

Division Business Development Manager  
Water Resources Division  
[Timothy.Oman@gcinc.com](mailto:Timothy.Oman@gcinc.com)



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## Section 01 | General Company Information



**Established in 1882, Layne offers a rich history of delivering safe, professional, and reliable water solutions throughout North America.**

Layne began as a domestic water-well drilling company in South Dakota. From those humble roots Layne has evolved into a national water and minerals solutions provider serving both public and private sectors. In June 2018, Layne became a wholly owned subsidiary of Granite Construction, Inc. Layne is headquartered in the Woodlands, Texas and has 24 offices from upstate New York to Southern California.

Water users look to Layne when they are seeking a trusted partner that will consistently deliver projects safely, on time, on budget, and as promised. Layne's full circle of water solutions provide clients a single point of accountability for even the most complex projects. With 138 years of experience, Layne has earned a reputation for minimizing risk while maximizing peace of mind through operational excellence and client satisfaction.

The water resources division is the national leader in water wells. Layne has drilled nearly 1,000 wells in the past 5 years alone, with a combined pumping capacity of 1 billion gallons per day. In Layne's 130+ year history, we have successfully completed more than 50,000 water wells. As a trusted partner in pump design and maintenance services, our team provides capabilities to optimize our customers pump assets. Our team is largely comprised of veteran employees providing exceptional service that renders success to each client by increasing production, improving efficiency, and reducing cost.

**Layne is uniquely qualified to safely complete the work under this contact per the required expectations of San Antonio Water Company.**

## Corporate Resources

## LANYE, A GRANITE COMPANY

**GRANITE**  
IS  
**AMERICA'S**  
INFRASTRUCTURE  
**COMPANY**<sup>™</sup>

**Granite Construction Incorporated** offers a national workforce of 7,200 and a combined revenue of \$3.6 billion annually. As an industry leader in the transportation, water resources and mineral exploration markets throughout North America, Granite provides infrastructure solutions for construction, program management, alternative procurement, and is a vertically integrated contractor with aggregate materials reserves throughout the U.S.

**RECENT ACCOLADES:**

- 2019, Named to World's Most Ethical Companies List for ten consecutive years
- 2018, Forbes Magazine, one of America's Best Mid-Size Employers
- 2018, Engineering News Record (ENR) Magazine Top 400 Contractors List - Ranked #24
- 2018, ENR Sourcebook, #1 Highways, #5 Mining, #6 Solar, #7 Bridges, #10 Dams/Reservoirs, #16 Airports, #17 Mass Transit/ Rail, #21 Power

**SAFETY BY CHOICE**

The protection of our employees, the public and the environment is at the core of everything we do. Safety is more than a business commitment—it's our moral obligation.

**MARKETS**

Granite specializes in complex infrastructure projects for transportation, industrial and specialty markets.

**SERVICES**

General Contracting, Construction Management, Design-Build, CMAR, CM/GC, Pavement Preservation, Disaster & Emergency Response, and Construction Materials Testing.

**NATIONAL WORKFORCE**

7,200 employees

**HEADQUARTERS**

Established in 1922, Corporate Headquarters located on 585 West Beach St., Watsonville, CA 95076. Phone (831)724-1011

**STOCK MARKET/TRADING SYMBOL**

New York Stock Exchange (NYSE: GVA) and is part of the S&P MidCap 400 Index, the MSCI KLD 400 Social Index and the Russell 2000 Index.

**OFFICE LOCATIONS**

Granite and its subsidiaries operate over 75 office locations throughout the United States, Canada, Mexico, and South America.

**EQUIPMENT FLEET**

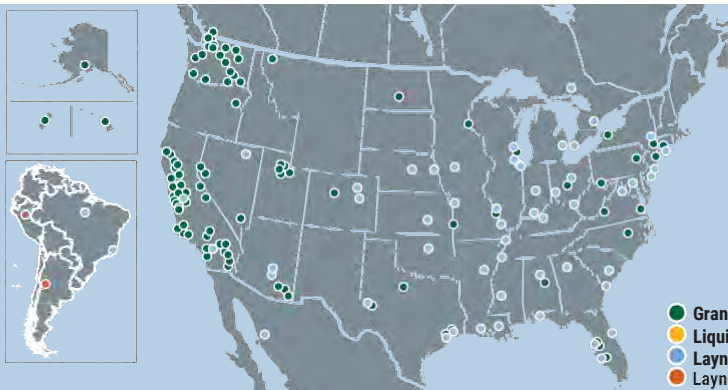
Granite's equipment fleet exceeds \$650 Million and includes more than 1,500 pieces of heavy equipment and 3,500 trucks, trailers, and vehicles.

**CONSTRUCTION MATERIALS**

Granite operates 50 aggregate facilities throughout the west, producing specialty aggregates, sand/gravel, and asphalt concrete.

**ANNUAL REVENUE & BONDING CAPACITY**

\$3.4 billion annual revenue  
\$5 billion aggregate bonding capacity

**LAYNE CORPORATE COMMITMENT**

Layne's senior management teams support the effort to secure and complete this project work. Senior management has provided its support in committing company-wide resources to successfully complete this project.



**GRANITE**

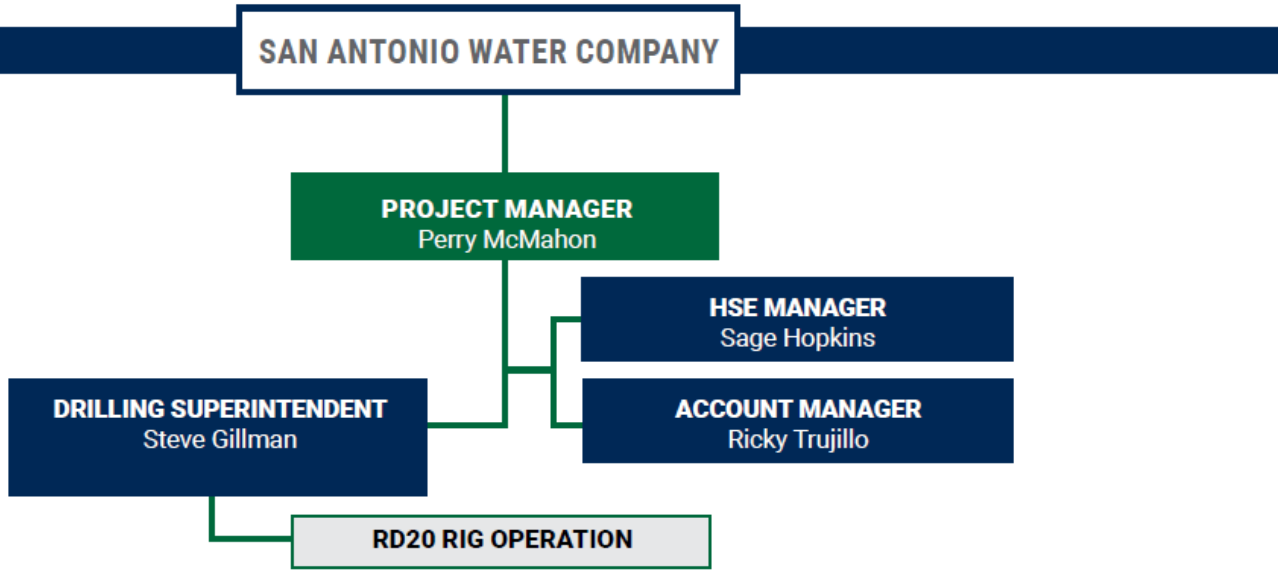


GRANITE INDUSTRIAL, INC.  
A GRANITE COMPANY  
**inliner**



- Granite
- LiquiForce
- Layne
- Layne Affiliates

## Section 02 | Proposed Management Personnel



Resumes for all key personnel will be provided upon request

## Section 03 | Proposed Project Implementation

### Management Plan and Strategy

The foundation of Layne's project execution is open, honest, and daily communication. Our Operator, Project Manager, and Operations Manager communicate daily. Layne's field crews are provided with a detailed job letter that explains the entire scope of work, completion schedule, major material items deliveries, and the use of subcontractors required to successfully carry out the timely completion of our work.

Our operator will communicate daily with your field representative the status of the work and discuss critical path items that will need coordination between our two companies. Our project manager and field operations manager will communicate with your office project manager frequently to ensure project objectives are being completed as specified.

Our pre-mobilization activities will consist of the following:

- Project scheduling and material ordering will commence once the written contract for the project is executed.
- Utility locates will be initiated as required.
- Obtain any required work permits.
- Ensure field crews have proper training
- Ensure all field equipment has been inspected and readied for field work
- Project submittals will be provided as required. Provide SDS for all chemical products brought onto the site.
- Layne will develop the field performance plan, site-specific health and safety plan, quality assurance/quality control plan and activity hazard analysis.
- A pre-mobilization conference will be completed in advance of mobilization to confirm and verify project completion parameters.
- Following the pre-mobilization conference, Layne will mobilize our equipment, tooling, personnel, and materials to the job site.

Once fieldwork begins, Layne will perform the following items:

- Daily equipment inspections
- Daily tailgate safety meetings before the beginning of each work shift
- Daily communication with the on-site field representative
- Daily field report completed and signed by the on-site field representative
- Daily review of qa/qc compliance with all field efforts
- Daily "look ahead" of upcoming work and complete pre-planning objectives
- Our on-site field project manager will attend all meetings as require

There will be occasions when our plans and procedures will have to be modified to meet unanticipated conditions, weather conditions, or other unforeseen external factors. These changes will be documented and discussed with your firm as required.

### Project Scope

Scope of work includes the following:

Mobilization/Demobilization of RD20 drill rig and support equipment

Installation of a 36 inch conductor casing to 50 ft. below ground surface

Drilling of 14 ¾ inch flooded reverse circulation test hole to a depth of 1,200 ft. below ground surface

Optional Item (If needed, not included in current bid total) – Installation of 24 inch conductor casing up to 300 ft

Geophysical Logging

Wiper run to clean out borehole

Installation of 6 inch fiberglass blank (600 ft) and screen (600 ft)

Installation of gravel pack to surface from 1200 ft with (4) 15 ft bentonite seals and 5 ft sand transitions

Disposal of drilling fluids off site up to 13,500 gallons

Rental of 3 21,000 gallon settling tanks for up to 60 days



20 hours of initial airlift development with PFD

Mobilization/Demobilization of pump rig and support equipment

Installation/Removal of packer and 4" submersible pump

Securing well head and cleanup of site

Besst profiling, workplan, site management, and report preparation

## Section 04 | Work Schedule

### Project Schedule

With our current backlog we would anticipate a start date in June 2022 and would anticipate a timeline of roughly 50 days to complete the proposed scope of work. This is subject to the penetration rate encountered which could impact or improve the days estimated for completion.

Please note: Schedule is tentative to availability at the time notice to proceed is issued.

## Section 05 | Safety, Health, and Environmental Plan

### Contractors Health, Safety, and Environmental Standards, Policies, and Procedures

Layne considers safety as our number one priority on this project. Layne safety performance standards meet and often exceed compliance with federal, state, and local laws and regulations. As a result of this culture, Layne's safety record has outpaced industry averages because we know that safer employees, contractors, and work environments result in more effective operations. Layne believes that all accidents are preventable, so we continue to work towards the goal of 100% safe working hours.

#### Layne's employee commitment to HSE is as stated below:

- I will take ownership of safety for myself and those around me.
- I will respect the communities I work in and always be a role model for safe behavior.
- I will assess the risks involved in every task before I begin.
- I will properly inspect, maintain, and operate all vehicles, tools, and equipment.
- I will exercise STOP WORK where I perceive a situation to be unsafe or otherwise have concerns about safety.

#### At Layne, we have the following expectations of each other:

- We expect that every employee is committed to ZERO incident operations and performing work safely or not at all.
- We expect that employees will follow and hold your co-workers accountable for following all of our safety policies and wearing/using all of the required PPE.
- We expect that employees will report all incidents (injury, illness, property damage, environmental or vehicle) so that we can ensure that we do a thorough incident investigation and prevent reoccurrence.
- We expect that employees will not text and drive and use a hands-free device when talking on a cell phone.
- We expect that employees will do a JSA before each task (at a minimum once per shift for each task)
- We expect that employees will operate and maintain all vehicles, tools, and equipment as if it were your own
- We expect that if an employee see something that does not look or feel right, they will say something.

#### To carry out a safe work environment, Layne will implement the following improvement cycle:

1. **Plan:** Plan the work so that all crew members are protected and know what needs to be done.
  - Participate and follow the daily Take 5 plan
  - Be active in protecting oneself, others, the public and the environment
  - Participate in safety processes
  - Stop and ask for guidance if you do not understand or have any doubts about a how to do something
  - Set a plan in motion and stick to the plan
  - Follow safe work practices
  - Don't deviate from your supervisors Take 5 without approval and a new plan
  - Assess hazards continuously throughout the shift
  - Maintain good housekeeping and organization
  - Request training or guidance
  - Report Near Misses
  - Set a good example
2. **Check:** Make sure the plan is the right plan
  - Conduct observations and planned inspections
  - Speak up when an unsafe act or condition is noticed
  - Don't walk by something that is wrong
  - Evaluate the tasks recorded in the Take 5 and note any confusion or additional direction needed
  - Ask for feedback from the crew
3. **Adjust:** Use the information you get from checking. Continue the same path or adjust the plan.
  - Employees notify your supervisor of unsafe work conditions that exist OR that you THINK might exist so the plan can be adjusted
  - Supervisors use your observations and inspections to improve the plan

If required, Layne's HSE department can deliver in-house safety training to any team member requiring it that covers all phases of the health and safety field and it is compliant with the most up-to-date OSHA, MSHA, and DOT regulations.

On the job site, all Layne field employees will possess the necessary personal protective equipment and detailed, site-specific safety information that covers issues including confined space entry, blow out preventers, environmental health and safety plans, and on-site monitoring. Every Layne field employee has Stop Work Authority because every employee is responsible for safety. Layne has a comprehensive, industry-leading health and safety program, which can be viewed at [www.graniteconstruction.com/company/safety-choice](http://www.graniteconstruction.com/company/safety-choice). All Layne field employees have access to this data in the development and implementation of site-specific health and safety plans.

**Our safety program is composed of, but not limited to, the following:**

- Supervisor’s Accident Prevention Manual
- Safety Practices Manual
- Hazard Communication Manual
- Fleet Manual
- Emergency Response Plans
- Site Specific Health and Safety Plan Auditing Forms
- Procedures Mentoring Program

All Layne field employees tasked with project execution have OSHA construction site training (forklifts, backhoes, manlifts, and cranes). Most of the Layne field employees have Red Cross First Aid and CPR training. As required, training compliance documentation can be provided prior to project mobilization.

Our standard personal protective equipment for each field employee is as follows: hard hats per ANSI Z89.1-1997, safety glasses with side protection per ANSI Z87.1-1989, steel toed boots per ASTM F2413-11, high visibility vest or shirt per ANSI/ISEA 107-2010, hearing protection and appropriate work gloves. While working in a high dust environment, employees are required to wear dust masks. All company vehicles come equipped with a working-Class A/B/C fire extinguisher, first aid kits, and have current proof of insurance and vehicle registration.

Layne is committed to working diligently and safely on this project. A site-specific health and safety plan will be prepared and administered while on site. Layne will practice a behavioral-based safety program that utilizes a hazard identification risk assessment. Each work shift will begin with a tailgate safety meeting. The crew will review the expected field operations each day and determine what the potential risks are in performing that work. The crew will then review and implement safe work practices to eliminate and/or reduce the risk of a safety incident. All our crews are expected to work in the “green” (safe) zone and to not take any risks with respect to performing their work. All field employees and site visitors have the ability to stop work if they feel there is a safety risk associated with performing the work.

Layne’s field crews will be supported by Layne’s corporate health and safety program should the need arise. As needed, Layne can provide a regional health and safety coordinator on site for portions of this project to review and ensure safety compliance.

**Contractors Health, Safety, and Environmental Records**

3 year history (2019-2021)

<b>Layne Christensen Company</b>			
	2019	2020	2021
<b>Man Hours</b>	1,852,578	1,311,210	1,505,647
<b>Days: Lost Time</b>	191	241	0
<b>Days: Restricted Duty</b>	183	214	360
<b>Deaths</b>	0	0	1
<b>Lost Time Cases</b>	2	4	0
<b>Restricted Cases</b>	6	1	5
<b>Medical Cases (Other Recordable Cases)</b>	4	5	3
<b>Total OSHA Recordable Cases</b>	12	10	9
<b>OSHA Recordable Incident Rate</b>	1.30	1.53	1.20
<b>Lost Time Incident Rate</b>	0.22	0.61	0.00
<b>Average Number of Employees</b>	890	630	724
<b>DART RATE (Days Away Restricted Time)</b>	0.9	0.76	0.66

## Section 06 | Equipment

**LAYNE, A GRANITE COMPANY**5810 East 77<sup>th</sup> Avenue, Commerce City, CO 80022

Phone: (303) 755-1281 + Fax: (303) 755-1236

**RIG SPECIFICATION SHEET: ATLAS COPCO RD20-III****RIG MOUNTING:**

Heavy duty 5-axle crane carrier with 281-inch wheelbase,  
90,000 lb. GVWR, Full power Tridem rear axles

**RIG POWER:**

Caterpillar C13 380 HP diesel engine  
Fuller RTO-14908LL transmission: 10 speeds forward, 3 speeds reverse

**RIG DECK POWER:**

Deck mounted Cummins QSK-19C, 755 HP diesel engine  
w/ silencer muffler  
2 fuel tanks-335 gallons total fuel storage

**AIR COMPRESSOR:**

Ingersoll-Rand air compressor, 1,250 CFM x 120 PSI to 350 PSI

**DERRICK:**

Dimensions 61'-11-1/2" Length x 48-1/2" Wide x 41" Deep  
51'-7" feet vertical working space between spindle-table  
Pull back: 120,000 lbs. - Pull down: 30,000 lbs.

**TOP HEAD TRAVEL SPEED AND PERFORMANCE:**

Drill feed rate: 29 feet per minute  
Fast feed up (regen. on): 106 ft. /min; Fast feed up (regen. off): 72 ft. /min  
Fast feed down: 180 feet per minute  
Head rotation speed 0 to 120 RPM  
Drilling torque 8,000 ft-lb @ 120 RPM, floating spindle

**MAIN HOIST AND JIB BOOM: 7,500 LB., HYD POWERED CASING**

hoist winch-operating line speed up to 225 ft./min  
4,000 lb. Hydraulic jib hoist and boom-operating line speed up to 106ft./min

**CONTROL PANEL:**

Hydraulic control panel with aluminum protective cover

**HYDRAULIC LEVELING JACKS:**

4-1/4" front stabilization jack – one (1) 48" stroke  
4-1/4" front main leveling jacks – two (2) 48" stroke  
5" rear main leveling jacks – two (2) 48" stroke

**RIG TRAVEL DIMENSIONS:**

Overall height (derrick up position) = 62'- 6";  
Overall height (derrick down position) = 13'- 10"  
Overall width = 8'- 4"; overall weight dry (approx.) = 88,000lbs.

**DRILLING CAPABILITIES:**

Conventional air/mud rotary, dual tube rotary (4.5", 5.5", 7"), flooded reverse,  
casing advance, spot coring

**MISCELLANEOUS ITEMS:**

3" mud manifold with hydraulic valve; 3" air booster piping up to 1,500 PSI with auxiliary and booster compressor connections;  
single rod loader with a loader pod for 5-1/2" drill collars; 35 GPM water injection pump; 60 gallon DHD oiler; tattle-tale head  
indicator; dual tube reverse air rotary drilling tools available; automatic rod handler

*Specification will vary by specific drilling rig unit number*

## Section 07 | Cost Estimate

Bid Item	Description	Bid Quantity	Unit	Bid Price	Bid Total
1	36-IN CONDUCTOR & SEAL	50	LF	1,175.00	58,750.00
2	MOB & RIG UP RD20	1	LS	179,874.00	179,874.00
3	14-3/4-IN FLOODED RC TEST HOLE TO 1,200-FT	1,150	LF	126.00	144,900.00
4	GEOPHYSICAL LOGGING	1	LS	14,190.00	14,190.00
5	24-IN CONDUCTOR CASING (IF NEEDED; NOT INCLUDED)	300	LF	575.00	
6	CLEANOUT BOREHOLE TO 1,200-FT	30	HR	660.00	19,800.00
7	F&I 6-IN FIBERGLASS BLANK	600	LF	118.00	70,800.00
8	F&I 6-IN FIBERGLASS SCREEN	600	LF	133.00	79,800.00
9	F&I GRAVEL FILTER PACK	1,120	LF	28.00	31,360.00
10	15-FT INT BENTONITE SEALS & 5-FT SAND TRANSITIONS	4	EA	2,430.00	9,720.00
11	PROFILE, TRANSPORT, DISPOSE OF DRILLING FLUIDS	13,500	GAL	1.74	23,490.00
12	3-EA 21K-GAL SETTLING TANKS	60	DY	234.00	14,040.00
13	INITIAL AIRLIFT DEVELOPMENT W/ PFD	20	HR	1,015.00	20,300.00
14	RIG DOWN AND DEMOBILIZE	1	LS	179,874.00	179,874.00
15	MOBILIZE PUMP RIG & CREW	1	LS	7,580.00	7,580.00
16	F&I PACKER AND 4-IN SUB PUMP	1,200	LF	35.00	42,000.00
17	BESST DYE INJECTION AND TRACING	1	LS	73,333.00	73,333.00
18	BESST WORKPLAN AND SITE MANAGEMENT	1	LS	86,666.00	86,666.00
19	BESST REPORT PREP	1	LS	13,334.00	13,334.00
20	PACKER PUMP TESTING & SAMPLING	80	HR	490.00	39,200.00
21	REMOVE PACKER AND 4-IN SUB PUMP	600	LF	24.00	14,400.00
22	SECURE WELL HEAD, CLEANUP, DEMOB	1	LS	7,580.00	7,580.00
	<b>TOTALS</b>				<b>1,130,991.00</b>

Section 08 | Certificate of Insurance



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
09/21/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER LIC #0C36861 Alliant Insurance Services, Inc. 100 Pine Street, 11th Floor San Francisco, CA 94111	1-415-403-1491	CONTACT NAME: Kimberly Leikam PHONE (A/C, No, Ext): 415-403-1491 FAX (A/C, No): 415-874-4818 E-MAIL: kleikam@alliant.com ADDRESS: kleikam@alliant.com
INSURED Layne Christensen Company 585 West Beach Street Watsonville, CA 95076		INSURER(S) AFFORDING COVERAGE INSURER A: VALLEY FORGE INS CO 20508 INSURER B: CONTINENTAL CAS CO 20443 INSURER C: TRANSPORTATION INS CO 20494 INSURER D: AGCS MARINE INS CO 22837 INSURER E: INSURER F:

COVERAGES CERTIFICATE NUMBER: 63270912 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			GL2074978689	10/01/20	10/01/23	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 2,000,000 MED EXP (Any one person) \$ Nil PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 10,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			BUA2074978692	10/01/20	10/01/23	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB DED: RETENTION \$			CUE2068209453	10/01/21	10/01/22	EACH OCCURRENCE \$ 8,000,000 AGGREGATE \$ 8,000,000 \$
A	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	WC274978630 (CA)	10/01/21	10/01/22	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER
C				WC274978658 (NY)	10/01/21	10/01/22	E.L. EACH ACCIDENT \$ 2,000,000
A				WC274978644 (AOS/StopGap)	10/01/21	10/01/22	E.L. DISEASE - EA EMPLOYEE \$ 2,000,000
C				WC274978661 (MT, WI, HI)	10/01/21	10/01/22	E.L. DISEASE - POLICY LIMIT \$ 2,000,000
D	Owned, Leased/Rented Eqpt			MXI93059745	07/01/20	07/01/22	Limit 2,000,000 Per Occurrence

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
 EVIDENCE OF INSURANCE FOR BIDDING, PRE-QUALIFICATION AND COMPLIANCE PURPOSES GL Per ISO Form CG0001 10/01; AL Per ISO Form CA0001 10/13

<b>CERTIFICATE HOLDER</b> 5553 FOR INFORMATION ONLY 585 West Beach Street Watsonville, CA 95076 USA	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
--	--

ACORD 25 (2016/03)  
 kaleikam  
 63270912

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# SUPPLEMENT TO CERTIFICATE OF INSURANCE

DATE  
09/21/2021

NAME OF INSURED: Layne Christensen Company

The named insured reserves its rights to provide any additional coverages under the policies above to only those expressly negotiated for by contract.

SUPP (10/00)



## Section 09 | Contractor's License Copy



## Section 10 | Clarifications

1. This proposal is subject to mutual agreement on the contract terms and conditions. Layne Standard Terms and Conditions Attached.
2. Applicable Taxes are included
3. Bonds are not required
4. Prevailing Wage Rates are not required or included
5. Sound walls and noise mitigation are not included
6. Contractor will operate on a 24 hours per day, 7 days per week schedule as necessary
7. Client provides adequate ingress and egress to each site for all equipment needed
8. Client provides approximately 120-ft x 120-ft clear and level drill pads for each site
9. Client provides adequate and legal locations for discharging all drill cuttings and well development/testing fluid within 300ft of the well site.
  - a. Offsite drilling fluids disposal is included
  - b. 3-ea 21K-gal tanks are included to settle solids of well development testing fluid
  - c. No discharge treatment beyond this is included, any turbidity/TSS/TDS/etc. limitations are the responsibility of the Client and additional onsite Contractor time is subject to a standby rate of \$240/hr
10. Client provides constant 200-gpm minimum water supply (meter and backflow prevention if needed) within 300-ft of the drill site
11. Lost Circulation clause applies:
  - a. In the event subsurface and/or geologic conditions affect a lost of circulation and/or an adequate fluid level in the borehole cannot be maintained for at least two consecutive hours, the client will be notified, and drilling operations will revert to contractor's hourly rate of \$640/hr and material at cost plus 15% mark-up. When circulation is resumed and maintained for at least two consecutive hours, the drilling operation will revert to the footage rate
12. Hard formation/Slow Penetration clause applies:
  - a. In the event subsurface and/or geologic conditions slow the drilling rate below six feet per hour for at least two consecutive hours, the client will be notified, and drilling operations will revert to contractor's hourly rate of \$640/hr. If the drilling rate moves above six feet per hour and maintained for at least two consecutive hours, the drilling operation will revert to the footage rate
13. Geophysical Logging will be performed by Pacific Surveys and is limited to the following logs:
  - a. E-log
    - i. Long and short normal, SP, and SRP
  - b. Gamma
14. This quote is valid for 30 days
15. Final site restoration or grading are NOT included
  - a. Client is responsible for final restoration (if needed) of the project site post Contractor's demobilization
16. Test well abandonment and the construction of a production well will be quoted separately.

## TERMS AND CONDITIONS

**LIABILITY OF CONTRACTOR:** *Contractor shall not be liable for any bodily injury, death, or injury to or destruction of tangible property except as the same may have been caused by the negligence of Contractor, in no event shall Contractor be liable for any delays or special, indirect, incidental or consequential damages. Purchaser agrees that the total limit of Contractor's liability (whether based on negligence, warranty, strict liability or otherwise) hereunder, shall not exceed the aggregate amount due Contractor for services rendered under this contract. All claims, including claims for negligence or any other cause whatsoever, shall be deemed waived unless made in writing and received by Contractor within one (1) year after Contractor's completion of work hereunder.*

**INSURANCE:** Contractor shall provide workers' compensation insurance, public liability and property damage insurance covering its employees and operation. Purchaser, at its option, may maintain such insurance as will protect it against claims arising out of the work.

**REIMBURSABLE COST:** In addition to the hourly charge provided on the face of this contract, Purchaser will reimburse Contractor for travel and living expenses necessarily incurred by the Contractor in the performance of the work, minor incidental expenses such as overnight mail, telephone and petty cash expenditures necessarily incurred, cost of removal of all debris if so directed by Purchaser, sales, consumer, use and similar taxes required by law and the cost of permits and all licenses necessary for the execution of the work. The foregoing costs shall be billed at actual cost plus fifteen percent (15%) unless otherwise agreed upon.

**PRICE ADJUSTMENT:** Any cost estimates or time frames stated herein are subject to equitable adjustment in the event of differing or unforeseeable conditions, changes in applicable laws after the date of this contract, unforeseeable delays or difficulties caused by acts of God, Purchaser or any third parties. Prices of goods acquired by Contractor from others shall be adjusted to reflect Contractor's price in effect at time of shipment. The price of Contractor's goods will be adjusted to the price in effect at time of shipment in accordance with Contractor's current escalation policies or as specifically covered in this contract.

**TERMS:** Thirty (30) days net from date of invoice. For extended projects, Contractor shall submit invoices on a monthly basis for any and all work completed and materials or equipment provided during the previous month. Past due invoices shall be subject to a delinquency charge of one and one-half percent (1-1/2%) per month (eighteen percent (18%) per annum) unless a lower charge is required under applicable law, in which case the lower rate shall apply. Purchaser agrees to pay all collection fees, attorneys' fees and costs incurred in the collection of any past due amounts arising out of this contract. Contractor shall have the right to immediately terminate this contract without further liability if Purchaser fails to make timely payment or otherwise materially breaches this contract.

**MATERIAL SHORTAGES AND COST INCREASES:** If any portion of materials or equipment which Contractor is required to furnish becomes unavailable, either temporarily or permanently, through causes beyond the control and without the fault of Contractor, then in the case of temporary unavailability any completion time frames shall be extended for such period of time as Contractor shall be delayed by such above-described unavailability, and in the case of permanent unavailability Contractor shall be excused from the requirement of furnishing such materials or equipment. Purchaser agrees to pay Contractor any increase in cost between the cost of the materials or equipment which have become permanently unavailable and the cost of the closest substitute which is then reasonably available.

**DELAYS:** If Contractor is delayed at any time in the progress of work by labor disputes, fire, unusual delays in transportation, unavoidable casualties, weather, or any cause beyond Contractor's reasonable control, then any completion time frames shall be extended by a reasonable period of time, at least equal to the period of delay.

**CHANGED CONDITIONS:** The discovery of any hazardous waste, substances, pollutants, contaminants, underground obstructions or utilities on or in the job site which were not brought to the attention of Contractor or prior to the date of this contract will constitute a materially different site condition entitling Contractor, at its sole discretion to immediately terminate this contract without further liability.

**ESCALATION:** This contract is made with the understanding that Contractor will be able to begin and continuously proceed with its work on or before the proposed start date on the reverse side hereof. In the event Contractor is unable to commence its work on or before said date because the project is not ready for Contractor's work, Contractor will charge Purchaser the amount of increase in Contractor's cost attributable to such delay, plus C

Contractor's normal overhead percentage.

**GUARANTEE AND LIABILITY:** Contractor warrants that its labor supplied hereunder shall be free from defect and shall conform to the standard of care in effect in its industry at the time of performance of such labor for a period of twelve (12) months after substantial completion of Contractor's work. Contractor agrees, to the extent it is permitted, to pass on any warranties provided by the manufacturers of materials and/or equipment furnished under this contract. Contractor itself provides no warranty, express, implied or otherwise, on any such materials or equipment. Contractor will not be responsible for: work done, material or equipment furnished or repairs or alterations made by others.

*For any breach hereunder, Contractor shall be liable only for the value of the installation work or, if it wrongfully fails to install, then its liability is limited to the difference between the contract price herein, and the value of other similar installation work. If Contractor's breach damages any materials or equipment furnished hereunder, Contractor shall only be liable for the value of such materials or equipment. Under no circumstances will Contractor be liable for consequential, special or indirect damages, including without limitation, any crop loss or damage, damage to other equipment, structures or property, nor for any other similar or dissimilar damages or losses whether due to delay, failure to furnish or install, delay in installation, defective material or equipment, defective workmanship, defective installation, delay in replacing, nor for any cause or breach whatsoever. In any event, Contractor's total liability towards Purchaser for alleged faulty performance or nonperformance under this contract shall be limited to the total contract price. No materials, equipment or services contracted herein carries any guarantee not mentioned in this contract. THE ABOVE WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE HEREBY DISCLAIMED.*

**TITLE AND OWNERSHIP:** In case of default on Purchaser's part, Contractor shall have the right to enter the premises upon which any material or equipment furnished herein have been installed and retake such goods not then paid for and pursue any further remedy provided by law, including recovery of attorneys' fees and any deficiency to the maximum extent and in the manner provided by law. Such materials and equipment shall retain their character as personal property of Contractor until payment in full is received by Contractor, regardless of their mode of attachment. Unless prior specific written instructions are received to the contrary, surplus and replaced materials and equipment resulting from repair or installation work shall become the property of Contractor.

**DELIVERY:** Shipment schedules and dates, expressed or implied, are contingent on normal conditions. Contractor will not be responsible for any delays in shipment or completion caused by factors beyond its control such as, but not limited to, suppliers' failures, accidents, work stoppages or operation of or changes in the law. Shipments will be made as promptly as Contractor's ability to obtain materials and/or equipment and scheduling will permit. No delay in shipments or variances from shipping schedule shall be cause of cancellation or any claim for damage. Any changes in layout or design requested after acceptance of this contract will be made at Purchaser's additional cost. Any such change and/or time taken to supply engineering data or to approve drawings will automatically extend shipping schedules. Equipment will be shipped "knocked down" to the extent Contractor considers necessary, with small parts stripped from equipment and crated. On and after delivery to the carrier for transportation to the Purchaser's site, Purchaser shall be responsible for all loss or damage to materials or equipment due to any cause, including but not limited to loss or damage resulting from casualty.

**INDEMNIFICATION:** Purchaser agrees to indemnify and hold Contractor, its directors, officers, stockholders, employees, agents and subcontractors, harmless from and against any and all claims, demands, causes of action (including third party claims, demands or causes of action for contribution or indemnification), liability and costs (including attorneys' fees and other costs of defense) asserted and/or filed by Purchaser or any third party(ies), including without limitation Purchaser's employees, and arising out of or as a result of: (i) the presence of Contractor or its subcontractors at the job site, (ii) the work performed by Contractor or its subcontractors, or (iii) any negligent act or omission of Purchaser, its employees, agents, consultants, other contractors or any person or entity under Purchaser's control; except to the extent that such claims, demands, causes of action, liabilities or costs are caused by the negligence of Contractor or its subcontractors.

**INTERPRETATION:** This contract shall be governed by and construed in accordance with the laws of the state of the job site location. If any term, provision or condition contained herein shall, to any extent, be invalid or unenforceable, pursuant to state law or otherwise, the remainder of the terms, provisions and conditions herein (or the application of such term, provision, or condition to persons or circumstances other than those

e in respect of which it is invalid or unenforceable) shall not be affected thereby, and each term, provision and condition of this contract shall be valid and enforceable to the fullest extent permitted by law.

**ASSIGNMENT & SUBLETTING:** Purchaser shall not have the right to transfer or assign its rights and/or obligations under this contract to any third party, related or unrelated, without the express written consent of Contractor. Contractor shall have the right to transfer, assign or sublet all or any portion of its rights or obligations hereunder, but such transfer, assignment or subletting shall not relieve Contractor from its full obligations to Purchaser unless such transfer, assignment or subletting is pursuant to the sale of Contractor, or the division of Contractor responsible for this contract, to a third party.

**MISCELLANEOUS:** The terms and conditions set forth herein constitute the entire understanding of the parties relating to the work to be performed, and materials and equipment to be provided, by Contractor for the Purchaser. All previous proposals, offers, and other communications relative to the provisions of the subject work, oral or written, are hereby superseded, except to the extent that they have been expressly incorporated herein. Any modifications or revisions of any provisions herein or any additional provisions contained in any purchase order, acknowledgment, or other form of the Purchaser are hereby expressly objected to by Contractor and shall not operate to modify this contract. This contract shall take effect upon acceptance and execution by both parties.



# Profiling Long Screened Test Wells To Construct More Chemically Compliant Groundwater Production Wells

Presented By:  
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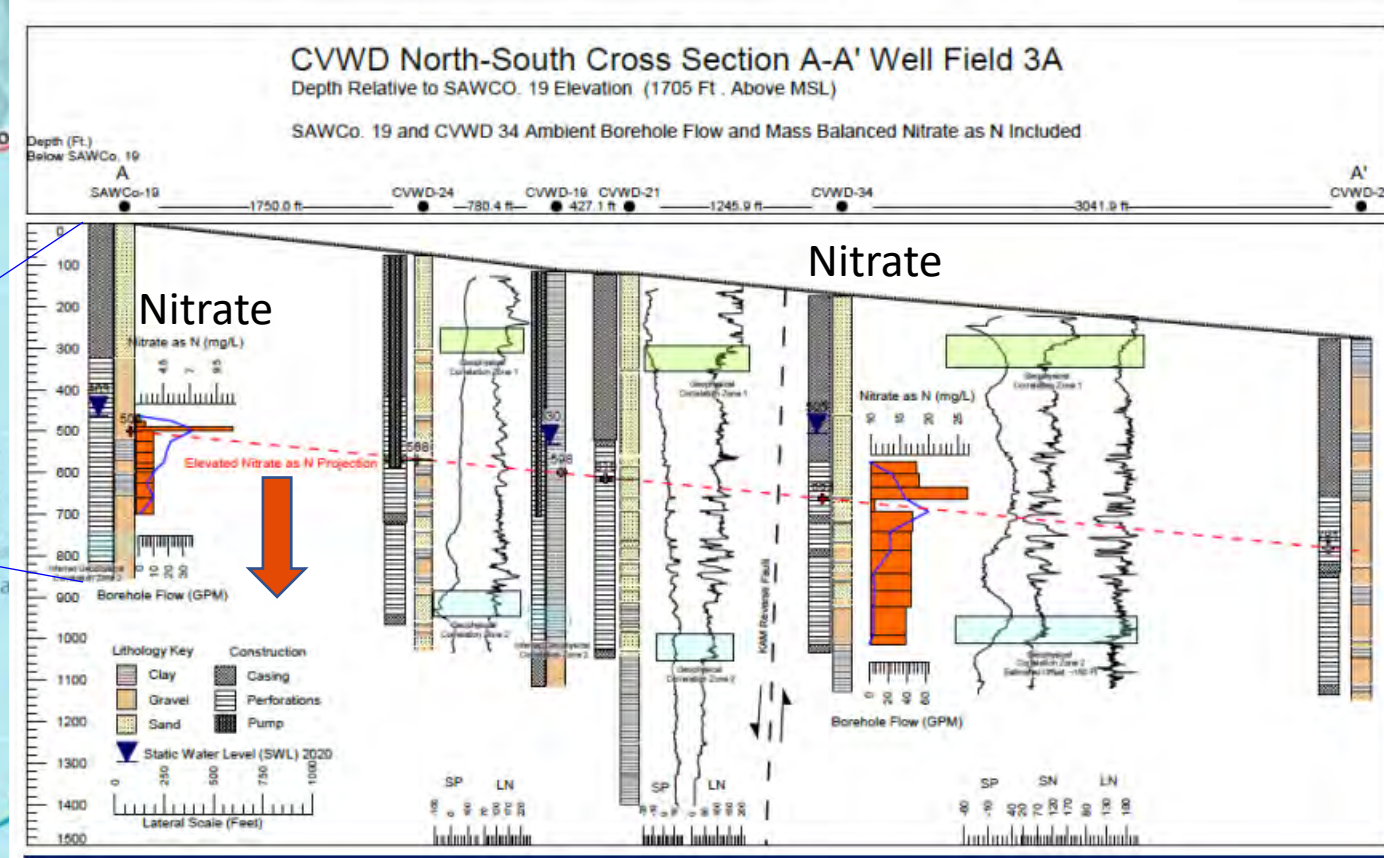
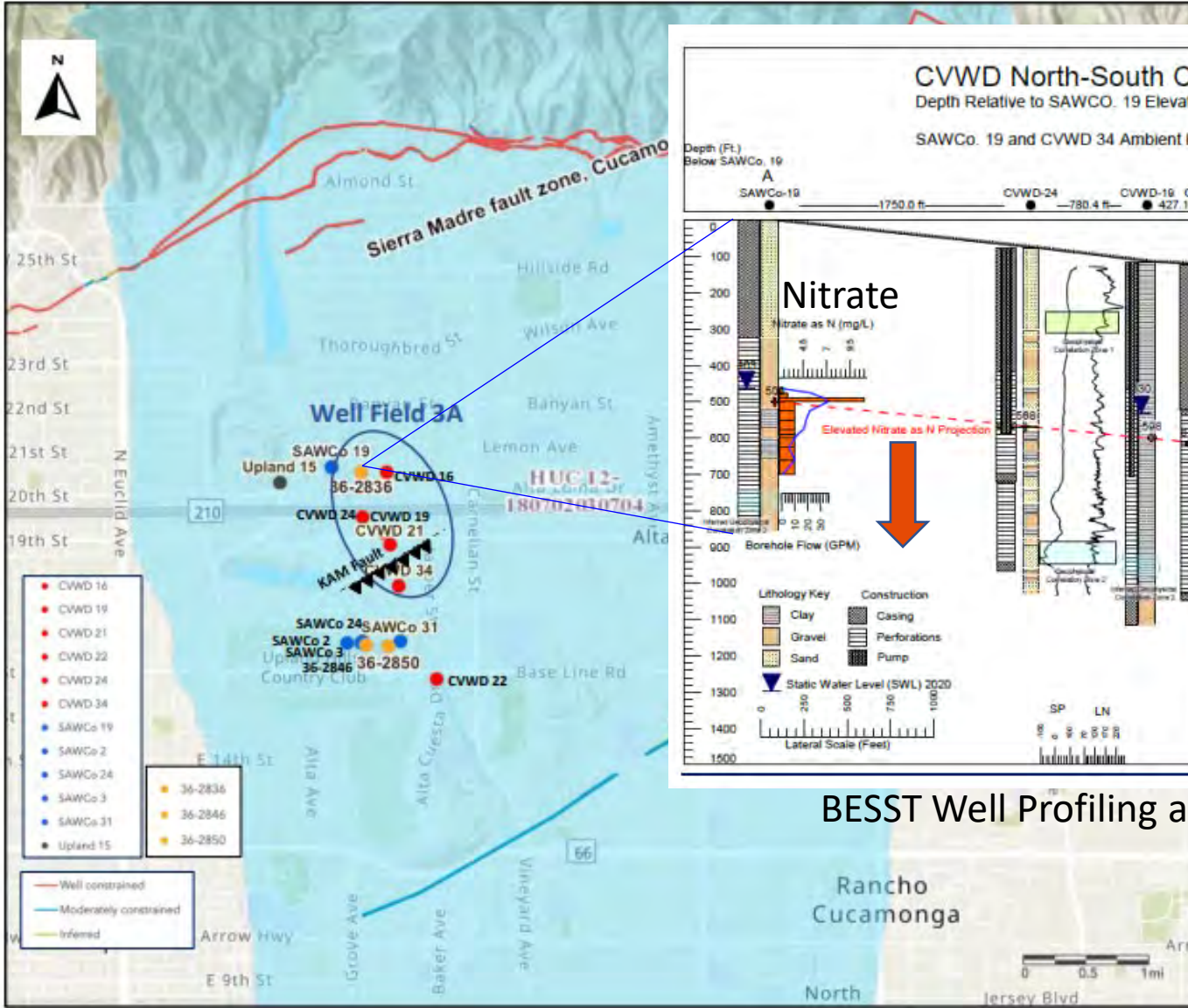
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# BESST Profiling and Hydrogeology History

- Extensive Flow and Chemistry Profiling in Surrounding Areas
  - Cucamonga Valley Water District
  - San Antonio Water Company
  - Fontana Water Company
  - California Steel, Inc.
- Key Contaminants of Concern
  - Nitrate
  - DBCP
  - Perchlorate
- Shut Down Wells in Area Conveying Millions of Gallons of Nitrate Contaminated Water Per Year.

# SAWCO Well 19 – Conveys ~35 MM Gallons Per Year of Nitrate Laden Groundwater From Shallow to Deep Zones



BESST Well Profiling and Cross Section Analysis for CVWD




# Goals

- Minimize the Risk of Wellhead Treatment and Maximize Production
  - First Identify Vertical Distribution of Contaminants of Concern and Potential for Future Impacts.
  - And Identify Zonal Flow Contribution Associated with Water Quality.

# Approach To Minimize Water Quality Risks

- The Long-Screened Test Well.
  - Proprietary Technology and Method: Based-on and Modified from USGS Technology
  - Patents and Patent Pending
    - US 10,677,626 B2 Flowmeter Profiling System for use in Groundwater Production Wells and Boreholes (Patent Issued June 2020)
    - US 10,738,603 B2 Groundwater Sampling Assembly and Method for Groundwater Production Wells and Boreholes (Patent Issued August 2020)
    - US Patent Pending: Stacked Dynamic Steady State Flow and Chemistry Profiling for Long Screened Test Wells used in Mud Rotary Pilot Holes (Serial No. 63/247,042, Date Filed September 22, 2021)
  - Only BESST Can Offer Technology and Method
  - Exclusively Licensed to Layne
  - Provides Superior Detail Compared to Conventional Zone Test Method



# The Long-Screened Test Well Construction and Case Histories

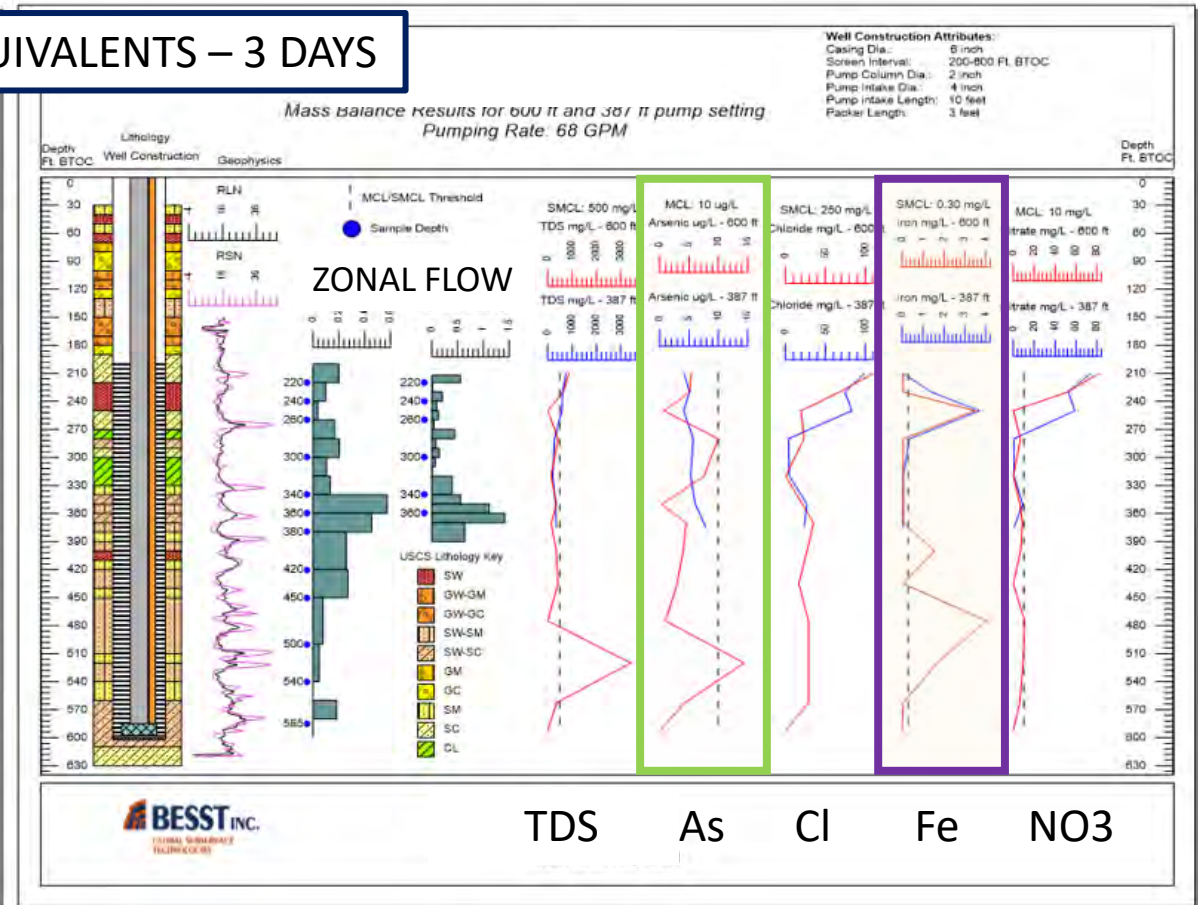
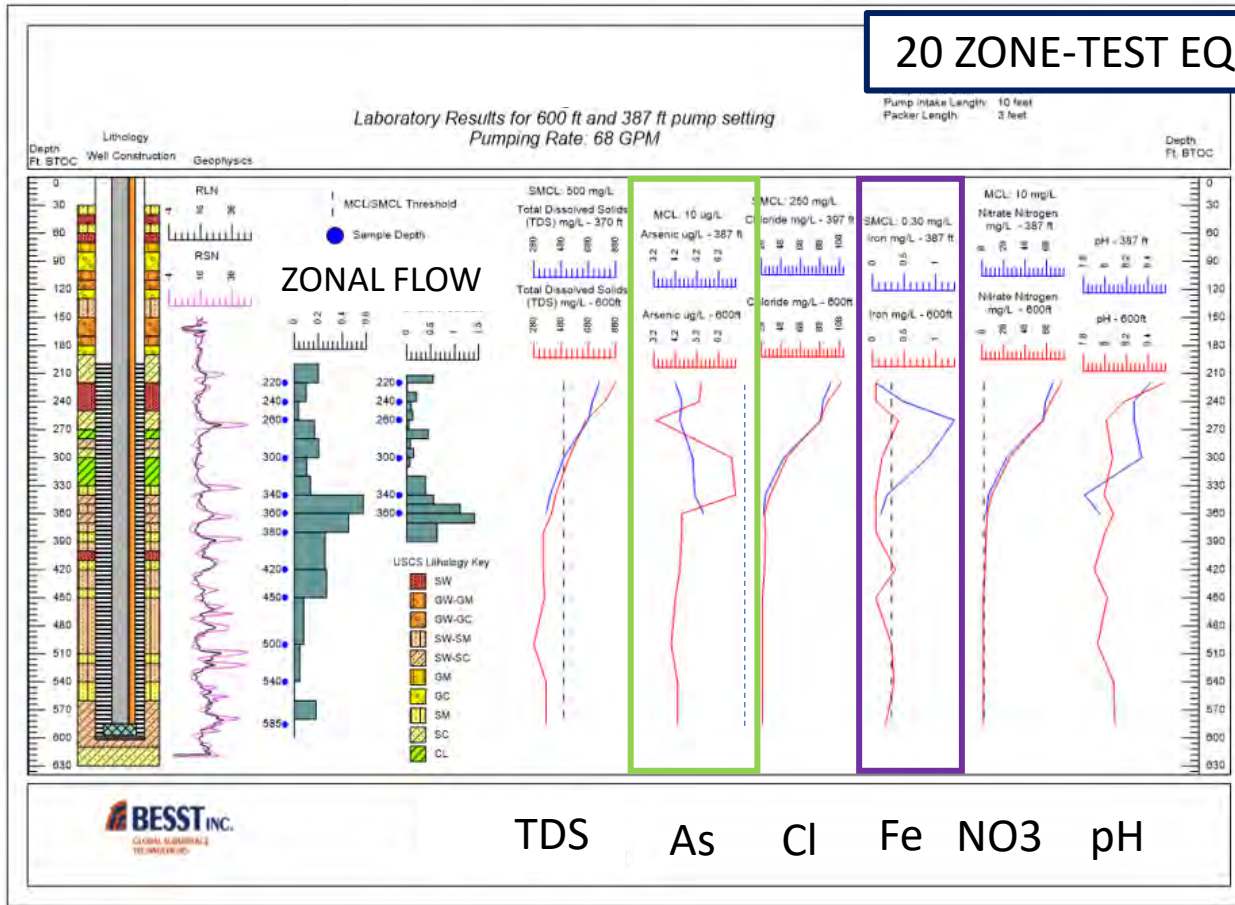


# EXAMPLE – Production and Chemistry Profile

Bottom and Upper Pump/Packer Positions

Bottom and Upper Pump/Packer Positions

20 ZONE-TEST EQUIVALENTS – 3 DAYS



= MCL Boundary

= Bottom Pump/Packer Profile

= Upper Pump/Packer Profile

▼

# For More Information or Questions

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Water Resources Division

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[www.graniteconstruction.com](http://www.graniteconstruction.com)

Item Title: Board Vacancy

Purpose:

To discuss appointment of a new Director.

Issues:

Who should the Board appoint as a new Director?

Manager's Recommendation:

Defer a decision to the May 17<sup>th</sup>, 2022 regular Board Meeting.

Background:

Section 3.04 of the Company's Bylaws states (*emphasis added*):

“Section 3.04 Vacancies - ***Vacancies in the Board of Directors may be filled by a majority of the remaining Directors*** though less than a quorum, or by a sole remaining Director, except that a vacancy created by the removal of a Director by the vote or written consent of the Shareholders or by court order may be filled by the Shareholders only in a manner specified in the California General Corporation Law. ***Each Director so elected shall hold office until the next annual meeting of the Shareholders and until a successor has been elected and qualified.***”

A vacancy or vacancies on the Board of Directors shall be deemed to exist in the event of the death, resignation, or removal of any Director, or if the Board of Directors by resolution declares vacant the office of a Director who has been declared of unsound mind by an order of court or convicted of a felony, or if the authorized number of Directors is increased, or if the Shareholders fail, at any meeting of Shareholder at which any Director or Directors are elected, to elect the number of Directors to be voted for at that meeting.

The Shareholders may elect a Director or Directors at any time to fill any vacancy or vacancies not filled by the Directors in the manner provided for elsewhere in these Bylaws. Any Director may resign effective on giving written notice to the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for that resignation to become effective. If the resignation of a Director is effective at a future time, the Board of Directors may elect a successor to take office when the resignation becomes effective.

No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.”

To date, individuals who have expressed a recent interest in serving on SAWCO's Board are:

- Michael Milhiser, Director of Monte Vista Water District, second largest shareholder.
- Robert DeLoach, representative of Redhill Country Club, fourth largest shareholder.
- Chris Diggs, Water Resource Director at City of Pomona, minor shareholder and 40/60 partner in San Antonio Canyon surface water diversions. Mr. Diggs is also a shareholder and neighbor in San Antonio Heights
- Bob Bowcock, representative of Vulcan Industries, minor shareholder. Mr. Bowcock is a resident of Upland and a former SAWCO Director who remains active in regional water issues.

Agenda Date: April 19, 2022

At its regular meeting of April 11, 2022, the City of Upland City Council committed to advertising for interested candidates and committed to review said applications at the first City Council meeting in May. The Council is requesting that the Board defer any decision until such time that the Council can make a recommendation to the Board.

Staff does not anticipate any issue with deferring a decision.

Previous Action:

None

Impact on Budget:

None