



## SAN ANTONIO WATER COMPANY

### BOARD OF DIRECTORS SPECIAL MEETING

Tuesday, June 30, 2026 at 5:00 p.m.

At Carnegie Library

123 East D St., Upland, CA 91786 And

Virtual/Online or Teleconference

Members of the public may join the meeting by computer, tablet or smartphone.

<https://meet.goto.com/161266541>

You can also dial in using your phone.

Access Code: 161-266-541

United States: [+1 \(408\) 650-3123](tel:+14086503123)

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 action 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 May 19, 2026.
- B. Planning, Resources, and Operations Committee (PROC) Meeting Minutes  
No meeting minutes to approve.
- C. Administration and Finance Committee (AFC) Meeting Minutes  
Regular Meeting Minutes of January 27, 2026 and March 24, 2026.
- D. AdHoc Committee for Office Feasibility Study  
No meeting minutes to approve.
- E. Financial Statement  
Income Statement and Balance Sheet for April 30, 2026.
- 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

5. Board Committee – Delegate Report:

- A. PVPA Representative Report  
Verbal report by Director Parker.
- B. Six Basins Representative Report  
Verbal report by Mr. Lee.
- C. Chino Basin Representative Report  
Verbal report by Mr. Lee.
- D. Cucamonga Basin Representative Report  
Verbal report by Mr. Lee.
- E. Administration and Finance Committee (AFC) Chairman's Report  
Verbal report by Director Velto on meeting on May 26, 2026.
- F. Planning, Resources, and Operations Committee (PROC) Chairman's Report  
No meeting to report.
- G. Office & Yard Feasibility Study Ad Hoc Committee  
No meeting to report.

6. Salary Table Adjustment

Discussion and possible action to consider adjusting employee salary tables to match local inflation.

7. Conducting an Appraisal of Surplus Property

Discussion and possible action to obtain an appraisal of select Company's property holdings.

8. Meter Downsizing Policy

Discussion and possible action approving to adopt a meter downsizing policy.

9. Replace Main SCADA Equipment and Software

Discussion and possible approval of contract for main SCADA equipment and software replacement.

10. Legislative Matters: SB 1417 and SB 1291

Legal Counsel Update, Discussion and Possible Action Regarding Proposed Legislation.

11. Director's Comments and Future Agenda Items

Adjournment

*The next regular Board Meeting is Tuesday, August 18, 2026 at 5:00 PM.*

NOTE: All agenda report items and back-up materials are available for review and/or acquisition from the Company Office (139 N. Euclid Avenue, Upland, CA.) during regular office hours, Monday through Thursday [7:30a – 11:30a and 12:30p – 5:00p] 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 June 25, 2026 a true and correct copy of this agenda was posted at the entry of the Water Company’s office (139 N. Euclid Avenue), on the City of Upland public bulletin board (460 N. Euclid Ave.), Public Library (450 N. Euclid Ave.), and on the Water Company’s website.

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

An open meeting of the Board of Directors of the San Antonio Water Company (SAWCo) was called to order at 5:02 p.m. on the above date at the City of Upland Council Chambers, 460 N. Euclid Ave., Upland, California. Directors present were Rudy Zuniga, Will Elliott, Becky Miller, Kati Parker, and Bob Bowcock. Also in attendance were SAWCo's General Manager Brian Lee, General Legal Counsel Derek Hoffman, and Senior Administrative Specialist Tiffany Dickinson. President Zuniga presided.

President Zuniga led all in attendance in the flag salute.

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

1. Recognitions and Presentations: None.
2. Additions-Deletions to the Agenda: None.
3. Shareholder-Public Testimony: None.
4. Consent Calendar Items:
  - A. Approval of Board Meeting Minutes  
Regular Meeting Minutes of April 21, 2026
  - B. Special Board Meeting Minutes  
Special Meeting Minutes of May 11, 2026
  - C. Planning, Resources and Operations Committee (PROC) Meeting Minutes  
Regular Meeting Minutes of February 24, 2026.
  - D. Administration and Finance Committee (AFC) Meeting Minutes  
No Meeting Minutes to approve.
  - E. AdHoc Committee for Office Feasibility Study  
No Meeting Minutes to approve.
  - F. Financial Statement  
Income Statement and Balance Sheet for March 31, 2026.
  - G. Investment Activity Report  
Monthly Report of Investments Activity.
  - H. Water Production and Consumption  
Monthly water production and consumption figures.
  - I. Prominent Issues Update  
Status summaries on certain on-going active issues.
  - J. Projects and Operations Update  
Status summaries on projects and operations matters.
  - K. Groundwater Level Patterns [Quarterly in January, April, July, and October]  
Tracking patterns of groundwater elevations relative to ground surface.
  - L. Conservation Program Update [Quarterly in January, April, July, and October]  
Update on SAWCo's existing water conservation programs.
  - M. Correspondence of Interest

Direct Miller moved and Director Elliott seconded to approve the Consent Calendar as presented. Motion carried unanimously.

5. Board Committee – Delegate Report:

- A. **Pomona Valley Protective Association (PVPA) Representative’s Report** – Director Parker provided an update following an engineering committee meeting that was held earlier that same day and a board meeting that was held the previous month. PVPA is advancing discussions with Lewis Companies maintaining an exclusive escrow agreement that has been in place for at least 12 years. PVPA plans to construct a recharge basin in the northern section on land they own below Mt. Baldy Road down to Baseline Road while also possibly looking to sell the land south of this area to Lewis Companies for future development. PVPA is discussing hiring a dedicated person to represent PVPA and their interests through this process moving forward. She added Three Valleys Municipal Water District is currently seeking an easement on this same property, with PVPA mandating the easement location be placed where they cannot impact the value of the land in the future or development potential.
  - B. **Six Basins Representative Report** – Mr. Lee stated there was no update to report.
  - C. **Chino Basin Representative Report** – Mr. Lee stated there was no update to report.
  - D. **Cucamonga Basin Representative Report** – Mr. Lee stated there was no update to report.
  - E. **Administration and Finance Committee (AFC) Chairman’s Report** –No meeting to report.
  - F. **Planning, Resources, and Operations Committee (PROC) Chairman’s Report** – Director Elliott stated there was nothing new to report.
  - G. **Special Board of Directors Meeting**- Director Zuniga reported the Board met on May 11, 2026, and staff reported some minor changes made to the Company’s 401k plan which came at no cost to the shareholders.
  - H. **Office Feasibility Study Ad Hoc Committee** – No meeting to report.
6. Public Hearing and Consideration to Adopt Resolution No. 2026-05-01 for the 2025 Urban Water Management Plan (UWMP): Mr. Lee stated this is an opportunity for the Board and public to consider the 2025 UWMP.

Director Zuniga called the public hearing to order.

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

Director Zuniga closed the public hearing.

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

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

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

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

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

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

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

10. Closed Session:

A. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION

[Initiation of Litigation]

[Gov't Code § 54956.9](d)(4)]: One potential matter

B. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

[Government Code § 54956.9(d)(1)]

Name of Case: San Antonio Water Company v. Foothill Irrigation Company, et al., San Bernardino Superior Court Case No. 92645

C. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

(Significant Exposure)

[Gov't Code § 54956.9(d)(2)]: One potential matter

D. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

[Gov't Code § 54956.9(d)(1)]

Name of Case: Aqueous Film-Forming Foams Product Liability Litigation,  
Master Docket No. 2:18-mn-2873-RMG

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

Director Zuniga left the meeting at 6:04 PM.

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

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

Adjournment:

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

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Assistant Secretary  
Brian Lee

DRAFT

SAN ANTONIO WATER COMPANY  
ADMINISTRATION and FINANCE COMMITTEE (AFC)  
MINUTES  
January 27, 2026

An open meeting of the Administration and Finance Committee (AFC) of the San Antonio Water Company (SAWCo) was held at the Company office and called to order at 4:00 p.m. on the above date as noticed. Committee Members present were Bill Velto, Becky Miller, and Rudy Zuniga. Also in attendance were SAWCo's General Manager Brian Lee, General Legal Counsel Derek Hoffman, and Senior Administrative Specialist Tiffany Dickinson. Director Velto presided.

1. Recognitions and Presentations: None.
2. Additions-Deletions to the Agenda: None.
3. Public Comments: None.
4. Approval of Committee Meeting Minutes: Director Zuniga moved and Director Miller seconded to approve the meeting minutes of October 7, 2025. Motion carried unanimously.
5. Administrative and Financial Issues: Mr. Lee gave an update on several administrative and financial issues. The first update was regarding staffing; the new auditor has started their work and working with staff in preparation for the Annual Shareholder's Meeting in April. He also added the Company now has a full staff, with 10 employees, for the first time in several years. There was discussion on potential for the local agencies forming an internship program to find opportunities to tap into talent and educational pipelines to both, advertise opportunities at the Company and have more of a presence in that field, in the community.

An update was given on the Company's 401K and the issues staff are having with their 3<sup>rd</sup> Party Advisor (TPA) and the potential for a new TPA.

Staff stated the new rates went into effect January 1, 2026, and will first be seen in the municipal billing in February. Staff are expecting some feedback from shareholders when residential billing goes out in March. Staff emphasized that the Company operates at cost and how the cost is allocated and distributed.

It was reported the SCADA system is 8 years old and the system has now reached the end of its design life, and they do not make upgrades anymore, therefore a whole new system is needed. The whole new system and upgrading each site will be an expensive project but needed. Two firms are being brought in for the server bid, which an RFP will be released soon.

Staff added an Ad Hoc Meeting will be called soon to discuss how to bid for the new campus/yard project, how to pay for the project, and what the long-term plans are, to keep costs under control.

Last item of discussion was staff requested for the Prominent Issues report to be removed from the Consent Calendar and made into its' own agenda item or as suggested, General Manager's Report.

6. Committee Comments and Future Agenda Items: None.
7. Adjournment: Seeing no further business, the meeting was adjourned at 4:53 p.m.

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Assistant Secretary  
Brian Lee

DRAFT

SAN ANTONIO WATER COMPANY  
 ADMINISTRATION and FINANCE COMMITTEE (AFC)  
 MINUTES  
 March 24, 2026

An open meeting of the Administration and Finance Committee (AFC) of the San Antonio Water Company (SAWCo) was held at the Company office and called to order at 4:02 p.m. on the above date as noticed. Committee Members present were Bob Cable and Becky Miller. Also in attendance were SAWCo's General Manager Brian Lee and Senior Administrative Specialist Tiffany Dickinson. General Legal Counsel Derek Hoffman and Directors Rudy Zuniga and Bill Velto were present via remote live videoconferencing. Mr. Lee presided.

1. Recognitions and Presentations: None.
2. Additions-Deletions to the Agenda: Mr. Lee stated staff received Company insurance premiums for the 2026 year, due by April 1<sup>st</sup> after the agenda packet had been posted and distributed. Staff sent the necessary documents to the Committee members prior to meeting start time to review. Staff asked if the committee had any objections to the General Manager executing the insurance premium policies, and with no objections made, staff will bring this item to the full Board in April for ratification of staff's action.

Director Velto moved and Director Miller seconded to add this item to the agenda to approve the General Manager signing the insurance premium documents for 2026 year and asking for ratification at the April Board meeting. Motion carried unanimously.

3. Public Comments: None.
4. Approval of Committee Meeting Minutes: Meeting minutes of January 27, 2026 were not approved.
5. Administrative and Financial Issues:
  - A. Internship Program- Mr. Lee stated with time constraints, this agenda item will be discussed at a later date.
6. Committee Comments and Future Agenda Items: None.
7. Adjournment: Seeing no further business, the meeting was adjourned at 4:07 p.m.

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Assistant Secretary  
 Brian Lee



San Antonio Water Company, CA

# Income Statement Group Summary

For Fiscal: 2026 Period Ending: 04/30/2026

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 - Water Sales - Domestic	387,400.00	387,400.00	125,178.65	189,909.34	197,490.66
1230 - Water Fixed Charges - Domestic	591,000.00	591,000.00	98,825.06	198,370.04	392,629.96
1245 - Water Sales - Municipal	3,322,000.00	3,322,000.00	254,091.00	692,886.95	2,629,113.05
1268 - Water Fixed Charges - Municipal	974,000.00	974,000.00	72,819.70	303,539.13	670,460.87
1274 - Water Sales - Misc.	280,000.00	280,000.00	11,194.17	35,826.39	244,173.61
1288 - Water Fixed Charges - Misc.	47,000.00	47,000.00	7,726.05	30,857.91	16,142.09
1295 - Water Fixed Charges - Inactive Shareholders	50,000.00	50,000.00	8,847.57	17,720.01	32,279.99
1300 - Sale of Water/From Storage	0.00	0.00	0.00	97,875.00	-97,875.00
1309 - Shareholder Fees	10,000.00	10,000.00	590.00	2,545.00	7,455.00
<b>SubCategory: 40 - Shareholder Revenue Total:</b>	<b>5,661,400.00</b>	<b>5,661,400.00</b>	<b>579,272.20</b>	<b>1,569,529.77</b>	<b>4,091,870.23</b>
<b>SubCategory: 42 - Non-Shareholder Revenue</b>					
1725 - Misc. Income	2,000.00	2,000.00	0.00	3,650.90	-1,650.90
1750 - Service/Litigation Agreements	0.00	0.00	138.70	583.32	-583.32
1753 - Ground Lease Income	62,000.00	62,000.00	5,070.54	20,282.16	41,717.84
1755 - Interest Earned	130,000.00	130,000.00	28,155.22	58,216.50	71,783.50
<b>SubCategory: 42 - Non-Shareholder Revenue Total:</b>	<b>194,000.00</b>	<b>194,000.00</b>	<b>33,364.46</b>	<b>82,732.88</b>	<b>111,267.12</b>
<b>Category: 4 - Income Total:</b>	<b>5,855,400.00</b>	<b>5,855,400.00</b>	<b>612,636.66</b>	<b>1,652,262.65</b>	<b>4,203,137.35</b>
<b>Category: 5 - O &amp; M Expense</b>					
<b>SubCategory: 50 - Operating Facilities</b>					
2175 - Field Labor	500,000.00	500,000.00	42,341.43	159,388.08	340,611.92
2235 - Repairs to Facilities and Equipment	350,000.00	350,000.00	21,351.20	165,575.59	184,424.41
2265 - Power-Gas & Electric (utilities)	1,100,000.00	1,100,000.00	83,604.48	230,578.62	869,421.38
<b>SubCategory: 50 - Operating Facilities Total:</b>	<b>1,950,000.00</b>	<b>1,950,000.00</b>	<b>147,297.11</b>	<b>555,542.29</b>	<b>1,394,457.71</b>
<b>SubCategory: 51 - Operating Activities</b>					
2475 - Customer Service	11,000.00	11,000.00	477.09	4,610.80	6,389.20
2498 - Conservation	10,000.00	10,000.00	0.00	0.00	10,000.00
<b>SubCategory: 51 - Operating Activities Total:</b>	<b>21,000.00</b>	<b>21,000.00</b>	<b>477.09</b>	<b>4,610.80</b>	<b>16,389.20</b>
<b>SubCategory: 52 - Other Operating Expense</b>					
2210 - O & M - All Other	3,500.00	3,500.00	635.13	1,532.45	1,967.55
2295 - Supplies (Inventory & Tools Expense)	15,000.00	15,000.00	1,896.08	5,002.88	9,997.12
2565 - Depreciation/Amortization	1,200,000.00	1,200,000.00	106,615.18	427,197.23	772,802.77
2715 - Property Taxes	245,000.00	245,000.00	0.00	152,414.70	92,585.30
2805 - Water Resource Mgmt.	200,000.00	200,000.00	0.00	85,189.63	114,810.37
<b>SubCategory: 52 - Other Operating Expense Total:</b>	<b>1,663,500.00</b>	<b>1,663,500.00</b>	<b>109,146.39</b>	<b>671,336.89</b>	<b>992,163.11</b>
<b>Category: 5 - O &amp; M Expense Total:</b>	<b>3,634,500.00</b>	<b>3,634,500.00</b>	<b>256,920.59</b>	<b>1,231,489.98</b>	<b>2,403,010.02</b>
<b>Category: 6 - G &amp; A Expense</b>					
<b>SubCategory: 60 - Personnel</b>					
2115 - Administrative Labor	600,000.00	600,000.00	38,953.39	277,477.92	322,522.08
2325 - Payroll Taxes	90,000.00	90,000.00	7,518.06	40,384.87	49,615.13
2355 - Worker's Compensation Insurance	18,000.00	18,000.00	-1,291.05	683.95	17,316.05
2385 - Benefit Pay (Vac., sick, etc.)	230,000.00	230,000.00	14,805.27	60,625.06	169,374.94
2415 - Benefit Insurance (Pension,Life,Medical,Vision etc)	275,000.00	275,000.00	23,596.45	102,889.55	172,110.45
<b>SubCategory: 60 - Personnel Total:</b>	<b>1,213,000.00</b>	<b>1,213,000.00</b>	<b>83,582.12</b>	<b>482,061.35</b>	<b>730,938.65</b>
<b>SubCategory: 61 - Other</b>					
2445 - Office/IT Support	80,000.00	80,000.00	10,501.60	43,096.11	36,903.89
2505 - Directors Fees & Expense	40,000.00	40,000.00	4,562.09	15,768.88	24,231.12
2535 - Liability Insurance	90,000.00	90,000.00	110,553.76	110,553.76	-20,553.76
2595 - Communication	40,000.00	40,000.00	2,100.16	22,086.74	17,913.26
2625 - Dues & Publications	14,000.00	14,000.00	0.00	9,665.00	4,335.00

**Income Statement**

**For Fiscal: 2026 Period Ending: 04/30/2026**

<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>
2655 - Outside Services	30,000.00	30,000.00	0.00	13,164.01	16,835.99
2745 - Income Tax Expense	20,000.00	20,000.00	0.00	0.00	20,000.00
2775 - Accounting	25,000.00	25,000.00	0.00	21,040.00	3,960.00
2776 - Legal	240,000.00	240,000.00	18,457.20	103,836.90	136,163.10
2790 - Human Resources Expense	2,000.00	2,000.00	1,494.00	1,532.01	467.99
2865 - All other	20,000.00	20,000.00	114.98	5,407.66	14,592.34
<b>SubCategory: 61 - Other Total:</b>	<b>601,000.00</b>	<b>601,000.00</b>	<b>147,783.79</b>	<b>346,151.07</b>	<b>254,848.93</b>
<b>Category: 6 - G &amp; A Expense Total:</b>	<b>1,814,000.00</b>	<b>1,814,000.00</b>	<b>231,365.91</b>	<b>828,212.42</b>	<b>985,787.58</b>
<b>Total Surplus (Deficit):</b>	<b>406,900.00</b>	<b>406,900.00</b>	<b>124,350.16</b>	<b>-407,439.75</b>	

Income Statement

For Fiscal: 2026 Period Ending: 04/30/2026

**Fund Summary**

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
10 - 10	406,900.00	406,900.00	124,350.16	-407,439.75	814,339.75
<b>Total Surplus (Deficit):</b>	<b>406,900.00</b>	<b>406,900.00</b>	<b>124,350.16</b>	<b>-407,439.75</b>	



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	797,463.26
<a href="#">10-00-00-10415-00000</a>	D&O Checking Account	794,297.95
<a href="#">10-00-00-10438-00000</a>	Depre/Obsolescene Res (LAIF)	2,901,257.65
	<b>Total BalSubCategory 10 - Cash:</b>	<b>4,493,268.86</b>
<b>BalSubCategory: 11 - Accounts Receivable</b>		
<a href="#">10-00-00-11100-00000</a>	Accounts Receivable-Domestic	230,416.35
<a href="#">10-00-00-11200-00000</a>	Accounts Receivable-Municipal	626,178.65
<a href="#">10-00-00-11250-00000</a>	Accounts Receivable-Misc.	19,169.05
<a href="#">10-00-00-11260-00000</a>	Accounts Receivable - Dormant	9,640.70
<a href="#">10-00-00-11275-00000</a>	Contra Accounts Receivable - Unapplied C	-80,494.40
<a href="#">10-00-00-11300-00000</a>	Accounts Receivable-Other	165,236.12
<a href="#">10-00-00-11400-00000</a>	Accounts Receivable-Metron Meters	28,618.74
	<b>Total BalSubCategory 11 - Accounts Receivable:</b>	<b>998,765.21</b>
<b>BalSubCategory: 12 - Inventory</b>		
<a href="#">10-00-00-12100-00000</a>	Inventories-Materials & Supply	107,582.80
	<b>Total BalSubCategory 12 - Inventory:</b>	<b>107,582.80</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
	<b>Total BalSubCategory 13 - Prepaid:</b>	<b>9,237.75</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	167,806.14
	<b>Total BalSubCategory 14 - Investments:</b>	<b>167,807.14</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"	556,614.43
<a href="#">10-00-00-15110-2201</a>	Work in Progress	124,213.91
<a href="#">10-00-00-15110-2203</a>	Work in Progress-Proj 2203	422,685.55
<a href="#">10-00-00-15110-25010</a>	Work in Progress 25010	192,378.42
<a href="#">10-00-00-15110-26010</a>	Work in Progress - 26010	142,600.74
<a href="#">10-00-00-15110-26030</a>	Work in Progress - 26030	63,470.20
<a href="#">10-00-00-15110-26040</a>	Work in Progress - 26040	38,090.98
<a href="#">10-00-00-15150-00000</a>	Buildings & Site Improvements	1,827,589.96
<a href="#">10-00-00-15200-00000</a>	Wells-Shafts, Bldgs, & Equip	8,181,748.24
<a href="#">10-00-00-15250-00000</a>	Boosters-Bldgs & Equip	2,629,884.62
<a href="#">10-00-00-15300-00000</a>	Reservoirs	5,302,886.16
<a href="#">10-00-00-15350-00000</a>	Tunnels, Forebay, & Ponds	1,592,905.29
<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	19,760,949.15
<a href="#">10-00-00-15500-00000</a>	Autos & Equipment	1,040,943.99
<a href="#">10-00-00-15550-00000</a>	Tools	134,863.26
<a href="#">10-00-00-15600-00000</a>	Telemetry System	704,419.66
<a href="#">10-00-00-15650-00000</a>	Office Equipment	445,499.72
<a href="#">10-00-00-15990-00000</a>	Accumulated Depreciation	-18,605,605.33
	<b>Total BalSubCategory 15 - Property, Plant, &amp; Equipment:</b>	<b>25,581,394.92</b>
<b>BalSubCategory: 16 - Other Assets</b>		
<a href="#">10-00-00-16100-00000</a>	Documents & Studies	953,173.47

**Balance Sheet**

**As Of 04/30/2026**

Account	Name	Balance
<a href="#">10-00-00-16105-24010</a>	Work in Progree	33,074.00
<a href="#">10-00-00-16105-25020</a>	Work in Progress - 25020	32,964.44
<a href="#">10-00-00-16105-26050</a>	Work in Progress - 26050	40,000.00
<a href="#">10-00-00-16990-00000</a>	Accumulated Amortization	-740,613.38
	<b>Total BalSubCategory 16 - Other Assets:</b>	<b>318,598.53</b>
	<b>Total Assets:</b>	<b>31,676,655.21</b>
		<b><u>31,676,655.21</u></b>

**Liability**

<b>BalSubCategory: 20 - Short-term less than 1 year</b>		
<a href="#">10-00-00-20100-00000</a>	Trade Accounts Payable	134,919.37
<a href="#">10-00-00-20115-00000</a>	D&O Trade Accounts Payable	61,141.25
<a href="#">10-00-00-20261-00000</a>	Section 125 - Dental	0.33
<a href="#">10-00-00-20262-00000</a>	Section 125 - Vision	0.41
<a href="#">10-00-00-20263-00000</a>	Section 125 - Medical	0.32
<a href="#">10-00-00-20350-00000</a>	Employer Pension Payable	967.12
<a href="#">10-00-00-20600-00000</a>	Water Hydrant Meter Deposit	1,700.00
<a href="#">10-00-00-20820-00000</a>	Accrued Vacation Payable	89,636.00
	<b>Total BalSubCategory 20 - Short-term less than 1 year:</b>	<b>288,364.80</b>

<b>BalSubCategory: 21 - Long-term more than 1 year</b>		
<a href="#">10-00-00-20152-00000</a>	457B Deferred Comp Liability	167,806.14
<a href="#">10-00-00-21500-00000</a>	Unclaimed Credits	65,958.77
	<b>Total BalSubCategory 21 - Long-term more than 1 year:</b>	<b>233,764.91</b>
	<b>Total Liability:</b>	<b>522,129.71</b>

**Equity**

<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 Earnngs-Brd Designated	3,913,781.21
<a href="#">10-00-00-30410-00000</a>	Retained Earnings-Unrestricted	24,129,769.25
	<b>Total BalSubCategory 30 - Stockholder equity:</b>	<b>31,561,965.25</b>

	<b>Total Beginning Equity:</b>	<b>31,561,965.25</b>
Total Revenue		1,652,262.65
Total Expense		2,059,702.40
<b>Revenues Over/Under Expenses</b>		<b>-407,439.75</b>
	<b>Total Equity and Current Surplus (Deficit):</b>	<b>31,154,525.50</b>

**Total Liabilities, Equity and Current Surplus (Deficit): 31,676,655.21**

Monthly Investment Activity Summary - Compiled from Banking Statements for Correlation with Monthly Financials						Reserves		
	Institution	Type of Investment	Date of Maturity	Rate of Interest	4/30/2026	Operating	Depreciation & Obsolescence	
						target: \$1.06M-\$2.12M	target: \$1.27M-\$5.08M	
Undesignated	Citizens Business Bank (CBB)	Checking	N/A	None	\$ 797,463.26	\$ 797,463.26	Capital Investment & Depreciation	Modernization
Designated	Citizens Business Bank (CBB)	Checking	N/A	None	\$ 794,297.95		\$ 794,297.95	
	Local Agency Investment Fund	LAIF	N/A	3.811%	\$ 2,901,257.65		\$ 1,118,095.45	\$ 1,783,162.20
					\$ 4,493,018.86	\$ 797,463.26	\$ 1,912,393.40	\$ 1,783,162.20

2026 Production

CHINO BASIN	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR
Yearly Production Rights = 1232	52.31%	52.31%	52.31%	52.32%	52.44%	52.43%	-	-	-	-	-	-	-
Well #12 - inactive	-	-	-	-	-	-	-	-	-	-	-	-	-
Well #15 - Domestic	0.06	0.00	-	0.03	-	-	-	-	-	-	-	-	0.0910
Well #16 - Domestic	0.12	-	-	0.04	1.44	-	-	-	-	-	-	-	1.60
Well#18 - inactive	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>0.17</b>	<b>0.00</b>	<b>-</b>	<b>0.08</b>	<b>1.44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.69</b>
<b>CUCAMONGA BASIN</b>	<b>Jan-26</b>	<b>Feb-26</b>	<b>Mar-26</b>	<b>Apr-26</b>	<b>May-26</b>	<b>Jun-26</b>	<b>Jul-26</b>	<b>Aug-26</b>	<b>Sep-26</b>	<b>Oct-26</b>	<b>Nov-26</b>	<b>Dec-26</b>	<b>THIS YEAR</b>
Yearly Production Rights = 6401 (1901 10-yr Average Spread)	5.62%	8.84%	19.02%	29.33%	40.69%	48.75%	58.52%	67.73%	77.07%	86.42%	95.77%	105.13%	-
Well #2	107.32	79.30	120.39	105.01	108.57	-	-	-	-	-	-	-	520.59
Well #3	0.12	-	0.08	0.24	-	-	-	-	-	-	-	-	0.44
Well#19 - inactive	-	-	-	-	-	-	-	-	-	-	-	-	-
Well #22	8.63	8.64	41.38	29.28	43.62	-	-	-	-	-	-	-	131.55
Well #24	0.43	0.00	241.23	350.69	365.47	-	-	-	-	-	-	-	957.83
Well #31	-	-	-	-	-	-	-	-	-	-	-	-	-
Well #32 - Domestic	-	-	-	-	-	-	-	-	-	-	-	-	-
Upl. # 15 (SAWCo's Rts)	243.29	118.39	248.11	175.02	209.45	-	-	-	-	-	-	-	994.26
<b>Subtotal</b>	<b>359.78</b>	<b>206.33</b>	<b>651.19</b>	<b>660.25</b>	<b>727.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,604.66</b>
Upl. # 15 (WECWCo's Rts) Memo Only	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>SIX BASINS</b>	<b>Jan-26</b>	<b>Feb-26</b>	<b>Mar-26</b>	<b>Apr-26</b>	<b>May-26</b>	<b>Jun-26</b>	<b>Jul-26</b>	<b>Aug-26</b>	<b>Sep-26</b>	<b>Oct-26</b>	<b>Nov-26</b>	<b>Dec-26</b>	<b>THIS YEAR</b>
Yearly Production Rights = 932	5.12%	15.85%	28.22%	40.89%	48.62%	60.79%	71.68%	82.63%	93.70%	104.66%	115.66%	126.64%	-
Well #25-A	-	-	-	-	-	-	-	-	-	-	-	-	-
Well #26	47.73	54.33	47.63	63.79	72.08	-	-	-	-	-	-	-	285.56
Well 27-A	0.01	45.63	67.69	54.28	-	-	-	-	-	-	-	-	167.598
<b>Subtotal</b>	<b>47.74</b>	<b>99.96</b>	<b>115.32</b>	<b>118.07</b>	<b>72.08</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>453.16</b>
<b>TOTAL PUMPED</b>	<b>407.69</b>	<b>306.29</b>	<b>766.50</b>	<b>778.39</b>	<b>800.63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,059.51</b>
<b>GRAVITY FLOW</b>	<b>Jan-26</b>	<b>Feb-26</b>	<b>Mar-26</b>	<b>Apr-26</b>	<b>May-26</b>	<b>Jun-26</b>	<b>Jul-26</b>	<b>Aug-26</b>	<b>Sep-26</b>	<b>Oct-26</b>	<b>Nov-26</b>	<b>Dec-26</b>	<b>THIS YEAR</b>
V screen	688.66	648.16	1,133.32	1,098.84	1,025.76	-	-	-	-	-	-	-	4,594.75
backwash from city treatment plant	-	0.08	-	1.76	1.29	-	-	-	-	-	-	-	3.14
San Antonio Tunnel (forebay)	226.28	194.43	254.60	258.19	264.35	-	-	-	-	-	-	-	1,197.84
San Antonio Tunnel (Upland TP)	-	-	-	-	-	-	-	-	-	-	-	-	-
Frankish & Stamm Tunnel 8" PRODUCTION	110.88	65.60	98.99	61.56	43.16	-	-	-	-	-	-	-	380.18
San Ant. Tunnel Connect to City	-	-	-	-	-	-	-	-	-	-	-	-	-
Discharge to waste	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL GRAVITY</b>	<b>1,025.82</b>	<b>908.26</b>	<b>1,486.91</b>	<b>1,420.36</b>	<b>1,334.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,175.91</b>
<b>Monthly</b>													
San Antonio Tunnel to Forebay	226.28	194.43	254.60	258.19	264.35	-	-	-	-	-	-	-	1,197.84
San Antonio Tunnel to Upland TP	-	-	-	-	-	-	-	-	-	-	-	-	-
V Screen, Frankish & Stamm Tunnel and TP Backwash	799.54	713.84	1,232.31	1,162.17	1,070.21	-	-	-	-	-	-	-	4,978.07
<b>Gravity Production</b>	<b>1,025.82</b>	<b>908.26</b>	<b>1,486.91</b>	<b>1,420.36</b>	<b>1,334.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,175.91</b>
<b>Cumulative</b>													
San Antonio Tunnel to Forebay	226.28	420.71	675.31	933.50	1,197.84	-	-	-	-	-	-	-	1,197.84
San Antonio Tunnel to Upland TP	-	-	-	-	-	-	-	-	-	-	-	-	-
V Screen, Frankish & Stamm Tunnel and TP Backwash	799.54	1,513.38	2,745.69	3,907.86	4,978.07	-	-	-	-	-	-	-	4,978.07
<b>Gravity Production</b>	<b>1,025.82</b>	<b>1,934.09</b>	<b>3,421.00</b>	<b>4,841.35</b>	<b>6,175.91</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,175.91</b>
Purchased Water - Upl. City to Dom. Sys.	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Production</b>	<b>1,433.52</b>	<b>1,214.55</b>	<b>2,253.41</b>	<b>2,198.75</b>	<b>2,135.19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,235.42</b>
<b>Total Cumulative Production</b>	<b>1,433.52</b>	<b>2,648.07</b>	<b>4,901.48</b>	<b>7,100.23</b>	<b>9,235.42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Domestic Production</b>	<b>Jan-26</b>	<b>Feb-26</b>	<b>Mar-26</b>	<b>Apr-26</b>	<b>May-26</b>	<b>Jun-26</b>	<b>Jul-26</b>	<b>Aug-26</b>	<b>Sep-26</b>	<b>Oct-26</b>	<b>Nov-26</b>	<b>Dec-26</b>	<b>THIS YEAR</b>
	226.45	194.43	254.60	258.27	265.79	-	-	-	-	-	-	-	1,199.53
<b>Irrigation Production</b>	<b>1,207.06</b>	<b>1,020.12</b>	<b>1,998.82</b>	<b>1,940.48</b>	<b>1,869.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,035.89</b>
<b>RainFall (Inches)</b>	<b>Jan-26</b>	<b>Feb-26</b>	<b>Mar-26</b>	<b>Apr-26</b>	<b>May-26</b>	<b>Jun-26</b>	<b>Jul-26</b>	<b>Aug-26</b>	<b>Sep-26</b>	<b>Oct-26</b>	<b>Nov-26</b>	<b>Dec-26</b>	
	2.40	4.67	0.09	1.23	-	-	-	-	-	-	-	-	
<b>Cumulative (Inches)</b>	<b>2.40</b>	<b>7.07</b>	<b>7.16</b>	<b>8.39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

## 2026 Consumption

<b>DOMESTIC</b>	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR
Dom. Sys. - Base	50.05	38.87	84.64	50.22	82.02	-	-	-	-	-	-	-	305.80
Dom. Sys. - Supplemental	5.37	17.39	12.13	34.36	4.07	-	-	-	-	-	-	-	73.32
Dom. Sys. - Tier 3	3.36	13.48	3.97	30.76	1.03	-	-	-	-	-	-	-	52.60
Dom. Sys. - Del. to Upland(24th/Campus)	17.59	39.59	40.47	37.99	46.35	-	-	-	-	-	-	-	181.98
Dom. Sys. -Del. To Upland ( Well 16/15)	-	-	-	-	-	-	-	-	-	-	-	-	-
Dom. Sys. - Del. to Upland(24th/Mtn)-installed 4/2/19	0.01	33.16	49.34	42.59	37.34	-	-	-	-	-	-	-	162.44
Tunnel meter to the Upland	-	-	-	-	-	-	-	-	-	-	-	-	-
Tunnel meter to Upland TP	-	-	-	-	-	-	-	-	-	-	-	-	-
Discharge to waste	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>76.37</b>	<b>142.49</b>	<b>190.56</b>	<b>195.92</b>	<b>170.81</b>	-	-	-	-	-	-	-	<b>776.14</b>

Truck Loads - note only crosswall projects	-	-	-	-	-	-	-	-	-	-	-	-	-
Well 32 Hydrant Mtr. - note only( started 8/6/18)Crosswalls	-	-	-	-	-	-	-	-	-	-	-	-	-

Irr. Note only Del. to MVWD(wheeled through Upland)	-	-	-	-	-	-	-	-	-	-	-	-	-
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<b>IRRIGATION</b>	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR
Irrig. Sys. -Upland(Pump & Rec'd) (City W#15)	243.29	118.39	248.11	175.02	209.45	-	-	-	-	-	-	-	994.26
Irrig. Sys. - Upl. City - Tier 1	149.97	203.46	563.96	733.07	715.92	-	-	-	-	-	-	-	2,366.37
Irrig. Sys. - Upl. City - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Monte Vista - Tier 1	-	0.02	-	-	-	-	-	-	-	-	-	-	0.02
Irrig. Sys. - Monte Vista - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Ont. City - Tier 1	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Ont. City - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Cucamonga Valley - Tier 1	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Cucamonga Valley - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Holiday Rock Co - Tier 1	9.37	10.00	15.02	12.08	12.51	-	-	-	-	-	-	-	58.98
Irrig. Sys. - Holiday Rock Co - Tier 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Holiday Rock Co - Tier 3	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Red Hill Golf Course - Tier 1	8.27	8.29	23.78	26.50	32.61	-	-	-	-	-	-	-	99.45
Irrig. Sys. - Red Hill Golf Course - Tier 2	-	-	15.92	1.58	9.26	-	-	-	-	-	-	-	26.76
Irrig. Sys. - Red Hill Golf Course - Tier 3	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Red Hills HOA - Tier 1	0.17	0.21	1.02	1.14	1.40	-	-	-	-	-	-	-	3.93
Irrig. Sys. - Red Hills HOA - Tier 2	-	-	0.01	0.20	0.53	-	-	-	-	-	-	-	0.73
Irrig. Sys. - Red Hills HOA - Tier 3	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrig. Sys. - Minor Irrigators - Tier 1	0.61	0.40	2.02	1.57	4.85	-	-	-	-	-	-	-	9.45
Irrig. Sys. - Minor Irrigators - Tier 2	-	-	0.20	-	0.19	-	-	-	-	-	-	-	0.40
Irrig. Sys. - Minor irrigators - Tier 3	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>411.67</b>	<b>340.76</b>	<b>870.05</b>	<b>951.15</b>	<b>986.72</b>	-	-	-	-	-	-	-	<b>3,560.35</b>

<b>Paper Water Transfers</b>	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR
City of Upland	-	-	-	-	-	-	-	-	-	-	-	-	-
Monte Vista Water District	-	-	-	-	-	-	-	-	-	-	-	-	-
City of Ontario	-	-	-	-	-	-	-	-	-	-	-	-	-
Cucamonga Valley Water District	-	-	-	-	-	-	-	-	-	-	-	-	-
Minor Shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-

<b>COMPANY TOTALS</b>	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR
San Antonio Heights	58.78	69.74	100.74	115.34	87.12	-	-	-	-	-	-	-	431.72
City of Upland	410.85	394.59	901.89	988.66	1,009.06	-	-	-	-	-	-	-	3,705.06
Monte Vista Water District	-	0.02	-	-	-	-	-	-	-	-	-	-	0.02
City of Ontario	-	-	-	-	-	-	-	-	-	-	-	-	-
Cucamonga Valley Water District	-	-	-	-	-	-	-	-	-	-	-	-	-
Holiday Rock Company	9.37	10.00	15.02	12.08	12.51	-	-	-	-	-	-	-	58.98
Red Hills Golf Course	8.27	8.29	39.70	28.09	41.87	-	-	-	-	-	-	-	126.21
Red Hill HOA	0.17	0.21	1.03	1.33	1.92	-	-	-	-	-	-	-	4.66
Minor Irrigators	0.61	0.40	2.23	1.57	5.05	-	-	-	-	-	-	-	9.85
<b>TOTAL</b>	<b>488.05</b>	<b>483.26</b>	<b>1,060.60</b>	<b>1,147.07</b>	<b>1,157.53</b>	-	-	-	-	-	-	-	<b>4,336.50</b>

<b>IRRIGATORS</b>	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR
Irrigator Emberton	0.21	0.15	0.23	0.15	0.55	-	-	-	-	-	-	-	1.29
Irrigator Dicarilo	0.04	0.03	0.08	0.09	0.08	-	-	-	-	-	-	-	0.32
Irrigator Mistretta	-	-	0.60	-	0.74	-	-	-	-	-	-	-	1.34
Irrigator Scheu	-	-	0.67	0.79	3.17	-	-	-	-	-	-	-	4.64
Irrigator Pfister	0.36	0.22	0.65	0.53	0.49	-	-	-	-	-	-	-	2.26

## 2026 Spread and Storage

### Cucamonga Basin

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR
23rd St. (Meter) - Basin 6 - A	41.30	72.50	154.78	150.00	100.72	-	-	-	-	-	-	-	519.30
15th Street Basin	-	-	41.01	84.82	81.33	-	-	-	-	-	-	-	207.16
Basin 3 meter (23rd street Clock)	181.68	139.17	245.45	258.70	242.92	-	-	-	-	-	-	-	1,067.93
Frankish & Stamm Tunnel to Basin 3	113.26	66.69	100.75	62.35	43.51	-	-	-	-	-	-	-	386.56
Vscreen via Frankish & Stamm Meter to Basin 3	106.48	89.49	65.23	37.82	53.49	-	-	-	-	-	-	-	352.50
PRV Station (res 1)(basin 6)	7.68	2.47	60.90	73.48	74.32	-	-	-	-	-	-	-	218.85
<b>Monthly Spread</b>	<b>450.39</b>	<b>370.33</b>	<b>668.12</b>	<b>667.16</b>	<b>596.30</b>	-	-	-	-	-	-	-	<b>2,752.30</b>
<b>Cumulative Spread</b>	<b>450.39</b>	<b>820.72</b>	<b>1,488.85</b>	<b>2,156.01</b>	<b>2,752.30</b>	-	-	-	-	-	-	-	

### Six Basins

Note: City of Upland Well Exercising may contribute to spread

<b>Monthly Spread</b>	<b>281.03</b>	<b>163.72</b>	<b>150.09</b>	<b>43.54</b>	<b>1.94</b>	-	-	-	-	-	-	-	<b>640.31</b>
<b>Cumulative Spread</b>	<b>281.03</b>	<b>444.75</b>	<b>594.83</b>	<b>638.37</b>	<b>640.31</b>	-	-	-	-	-	-	-	

Note: Maximum end of year storage limit: 2,000 AF

Note: Maximum yearly spread limit: 1,000 AFY

Previous Storage	708.30	1,019.26	1,160.68	1,273.12	1,276.26	1,283.79	1,361.46	1,439.13	1,516.79	1,594.46	1,672.13	1,749.79	
Spread	281.03	163.72	150.09	43.54	1.94	-	-	-	-	-	-	-	
Paper Transfer to other agencies	-	-	-	-	-	-	-	-	-	-	-	-	
Unused Monthly OSY	29.93	(22.29)	(37.65)	(40.40)	5.59	77.67	77.67	77.67	77.67	77.67	77.67	77.67	
<b>Current Storage Estimate</b>	<b>1,019</b>	<b>1,161</b>	<b>1,273</b>	<b>1,276</b>	<b>1,284</b>	<b>1,361</b>	<b>1,439</b>	<b>1,517</b>	<b>1,594</b>	<b>1,672</b>	<b>1,750</b>	<b>1,827</b>	

932 yearly OSY = 77.67 monthly OSY

### Chino Basin

<b>Monthly Spread</b>	<b>166.24</b>	<b>221.64</b>	<b>400.96</b>	<b>401.05</b>	<b>382.76</b>	-	-	-	-	-	-	-	<b>1,572.66</b>
<b>Cumulative Spread</b>	<b>166.24</b>	<b>387.88</b>	<b>788.85</b>	<b>1,189.90</b>	<b>1,572.66</b>	-	-	-	-	-	-	-	

Local Supplemental Account (Spreading)*	7,802.50	7,968.74	7,968.74	8,369.71	8,770.76	-	-	-	-	-	-	-	
Carry Over Account	1,232.00	1,232.00	1,232.00	1,232.00	1,232.00	-	-	-	-	-	-	-	
Excess Carry Over Account*	8,412.32	8,514.81	8,617.48	8,720.15	8,822.74	-	-	-	-	-	-	-	
Preemptive Replenishment Account	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Storage</b>	<b>17,446.82</b>	<b>17,715.56</b>	<b>17,818.22</b>	<b>18,321.85</b>	<b>18,825.49</b>	-	-	-	-	-	-	-	
Spread	166.24	221.64	400.96	401.05	382.76	-	-	-	-	-	-	-	
Paper Transfer to other agencies	-	-	-	-	-	-	-	-	-	-	-	-	
Unused Monthly OSY	102.49	102.66	102.67	102.59	101.22	-	-	-	-	-	-	-	
<b>Current Storage Estimate*</b>	<b>17,716</b>	<b>18,040</b>	<b>18,322</b>	<b>18,825</b>	<b>19,309</b>	-	-	-	-	-	-	-	

1,232 yearly OSY = 102.67 monthly OSY

\* Does not include yearly storage losses calc of 0.07%

### Company Wide

<b>Monthly Spread</b>	<b>897.67</b>	<b>755.69</b>	<b>1,219.17</b>	<b>1,111.75</b>	<b>981.00</b>	-	-	-	-	-	-	-	<b>4,965.28</b>
<b>Cumulative Spread</b>	<b>897.67</b>	<b>1,653.35</b>	<b>2,872.52</b>	<b>3,984.27</b>	<b>4,965.28</b>	-	-	-	-	-	-	-	
<b>Total Current Storage Estimate</b>	<b>18,735</b>	<b>19,201</b>	<b>19,595</b>	<b>20,102</b>	<b>20,593</b>	<b>1,361</b>	<b>1,439</b>	<b>1,517</b>	<b>1,594</b>	<b>1,672</b>	<b>1,750</b>	<b>1,827</b>	

Meter to spread ponds (NOTE ONLY)	-	-	-	-	-	-	-	-	-	-	-	-	-
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# 2026 GW Production Rights

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

### Cucamonga Basin Production

Yearly Production Rights = 6401 (4,500AF + 1901AF 10-yr Average Spread)

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR
Production	359.78	206.33	651.19	660.25	727.11	-	-	-	-	-	-	-	
Cumulative Production	359.78	566.11	1,217.30	1,877.55	2,604.66	-	-	-	-	-	-	-	<b>2,604.66</b>
Cumulative Production Rights	533.43	1,066.85	1,600.28	2,133.71	2,667.13	-	-	-	-	-	-	-	<b>6,401</b>
<b>% of Production Rights*</b>	<b>5.62%</b>	<b>8.84%</b>	<b>19.02%</b>	<b>29.33%</b>	<b>40.69%</b>	<b>48.75%</b>	<b>58.52%</b>	<b>67.73%</b>	<b>77.07%</b>	<b>86.42%</b>	<b>95.77%</b>	<b>105.13%</b>	<b>40.7%</b>

### Six Basins Production

Yearly Production Rights = 932AF

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR
Production	47.74	99.96	115.32	118.07	72.08	-	-	-	-	-	-	-	
Cumulative Production	47.74	147.70	263.01	381.08	453.16	-	-	-	-	-	-	-	<b>453.16</b>
Cumulative Production Rights	77.67	155.33	233.00	310.67	388.33	-	-	-	-	-	-	-	<b>932</b>
<b>% of Production Rights*</b>	<b>5.12%</b>	<b>15.85%</b>	<b>28.22%</b>	<b>40.89%</b>	<b>48.62%</b>	<b>60.79%</b>	<b>71.68%</b>	<b>82.63%</b>	<b>93.70%</b>	<b>104.66%</b>	<b>115.66%</b>	<b>126.64%</b>	<b>48.6%</b>

### Chino Basin Production

Note: Chino Basin production rights are calculated from July through June.

Yearly Production Rights = 1232AF

	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR
Production		0.17	0.00	-	0.08	1.44	-	-	-	-	-	-	-	1.69
Cumulative Production for 2025	644.32	0.17	0.17	0.17	0.25	1.69	-	-	-	-	-	-	-	
<b>Water Year 25-26</b>														
Cumulative Production	644.32	644.49	644.49	644.49	644.57	646.01	-							646.01
Cumulative Rights	616.00	718.67	821.33	924.00	1,026.67	1,129.33	1,232.00							1,232.00
<b>% of Production Rights 25-26*</b>		<b>52.31%</b>	<b>52.31%</b>	<b>52.31%</b>	<b>52.32%</b>	<b>52.44%</b>	<b>52.43%</b>							
<b>Water Year 26-27</b>														
Cumulative Production								-	-	-	-	-	-	-
Cumulative Rights								102.67	205.33	308.00	410.67	513.33	616.00	1,232.00
<b>% of Production Rights 26-27*</b>								-	-	-	-	-	-	-

\* - Out months are Exponential Smoothing (ETS) forecasts based on basin production to date

Chino Basin	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	WY19-20
<b>Water Year 19-20</b>													
Cumulative Production	5.24	110.22	227.03	351.18	470.30	470.30	470.53	470.80	470.80	471.09	486.34	614.43	
Cumulative Rights	102.67	205.33	308.00	410.67	513.33	616.00	718.67	821.33	924.00	1,026.67	1,129.33	1,232.00	1,232.00
<b>% of Production Rights 19-20</b>	<b>5.10%</b>	<b>53.68%</b>	<b>73.71%</b>	<b>85.51%</b>	<b>91.62%</b>	<b>76.35%</b>	<b>65.47%</b>	<b>57.32%</b>	<b>50.95%</b>	<b>45.89%</b>	<b>43.06%</b>	<b>49.87%</b>	

## 2026 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%

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

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR
Consumption	488.05	483.26	1,060.60	1,147.07	1,157.53	-	-	-	-	-	-	-	
Cumulative Consumption	488.05	971.30	2,031.90	3,178.97	4,336.50	-	-	-	-	-	-	-	4,336.50
<i>Cumulative Entitlement (straight line)</i>	1,201.78	2,403.57	3,605.35	4,807.14	6,008.92	-	-	-	-	-	-	-	14,421
<b>% of Entitlement*</b>	<b>3.38%</b>	<b>6.74%</b>	<b>14.09%</b>	<b>22.04%</b>	<b>30.07%</b>	<b>36.39%</b>	<b>43.62%</b>	<b>50.60%</b>	<b>57.62%</b>	<b>64.65%</b>	<b>71.69%</b>	<b>78.72%</b>	<b>30.1%</b>

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

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR
Consumption	488.05	483.26	1,060.60	1,147.07	1,157.53	-	-	-	-	-	-	-	
Cumulative Consumption	488.05	971.30	2,031.90	3,178.97	4,336.50	-	-	-	-	-	-	-	4,336.50
<i>Cumulative Entitlement (straight line)</i>	1,250.00	2,500.00	3,750.00	5,000.00	6,250.00	-	-	-	-	-	-	-	15,000
<b>% of Entitlement*</b>	<b>3.25%</b>	<b>6.48%</b>	<b>13.55%</b>	<b>21.19%</b>	<b>28.91%</b>	<b>34.99%</b>	<b>41.93%</b>	<b>48.65%</b>	<b>55.40%</b>	<b>62.16%</b>	<b>68.92%</b>	<b>75.69%</b>	<b>28.9%</b>

### Production versus Consumption, Company Wide

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR
Production	1,433.52	1,214.55	2,253.41	2,198.75	2,135.19	-	-	-	-	-	-	-	9,235.42
Consumption	488.05	483.26	1,060.60	1,147.07	1,157.53	-	-	-	-	-	-	-	4,336.50
<i>Spread</i>	897.67	755.69	1,219.17	1,111.75	981.00	-	-	-	-	-	-	-	4,965.28
Total Consumption	1,385.71	1,238.94	2,279.78	2,258.81	2,138.53	-	-	-	-	-	-	-	9,301.77
Difference	47.81	(24.39)	(26.36)	(60.06)	(3.35)	-	-	-	-	-	-	-	(66.35)
<b>% of Production</b>	<b>3.3%</b>	<b>-2.0%</b>	<b>-1.2%</b>	<b>-2.7%</b>	<b>-0.2%</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>-0.7%</b>

### Production versus Consumption, Domestic System

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR
Production	226.45	194.43	254.60	258.27	265.79	-	-	-	-	-	-	-	1,199.53
Consumption	76.37	142.49	190.56	195.92	170.81	-	-	-	-	-	-	-	776.14
Monthly Difference	150.08	51.94	64.04	62.35	94.98	-	-	-	-	-	-	-	423.39
<b>% difference</b>	<b>196.51%</b>	<b>36.45%</b>	<b>33.61%</b>	<b>31.83%</b>	<b>55.61%</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>54.6%</b>

### Production versus Consumption, Irrigation System

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR
Production	1,207.06	1,020.12	1,998.82	1,940.48	1,869.40	-	-	-	-	-	-	-	8,035.89
<i>Addition from Domestic</i>	150.08	51.94	64.04	62.35	94.98	-	-	-	-	-	-	-	423.39
Total Production	1,357.14	1,072.06	2,062.86	2,002.83	1,964.38	-	-	-	-	-	-	-	8,459.28
Consumption	1,309.34	1,096.45	2,089.22	2,062.90	1,967.73	-	-	-	-	-	-	-	8,525.63
Monthly Difference	47.81	(24.39)	(26.36)	(60.06)	(3.35)	-	-	-	-	-	-	-	(66.35)
<b>% difference</b>	<b>3.65%</b>	<b>-2.22%</b>	<b>-1.26%</b>	<b>-2.91%</b>	<b>-0.17%</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>-0.8%</b>

\* - Out months are Exponential Smoothing (ETS) forecasts based on consumption to date

## 2026 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

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR	Shares
Consumption	488.05	483.26	1,060.60	1,147.07	1,157.53	-	-	-	-	-	-	-	-	6,142
Cumulative Consumption	488.05	971.30	2,031.90	3,178.97	4,336.50	-	-	-	-	-	-	-	4,336.50	
Cumulative Entitlement	1,201.78	2,403.57	3,605.35	4,807.14	6,008.92	7,210.71	8,412.49	9,614.28	10,816.06	12,017.85	13,219.63	14,421.42	14,421.42	
% of Yearly Entitlement*	3.38%	6.74%	14.09%	22.04%	30.07%	36.39%	43.62%	50.60%	57.62%	64.65%	71.69%	78.72%	30.07%	

### COMPANY TOTALS

#### All Shares

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR	Shares
Consumption	488.05	483.26	1,060.60	1,147.07	1,157.53	-	-	-	-	-	-	-	-	6,389
Cumulative Consumption	488.05	971.30	2,031.90	3,178.97	4,336.50	-	-	-	-	-	-	-	4,336.50	
Cumulative Entitlement	1,250.00	2,500.00	3,750.00	5,000.00	6,250.00	7,500.00	8,750.00	10,000.00	11,250.00	12,500.00	13,750.00	15,000.00	15,000.00	
% of Yearly Entitlement*	3.25%	6.48%	13.55%	21.19%	28.91%	34.99%	41.93%	48.65%	55.40%	62.16%	68.92%	75.69%	28.91%	

### San Antonio Heights

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR	Shares
Consumption	58.78	69.74	100.74	115.34	87.12	-	-	-	-	-	-	-	-	641.50
Cumulative Consumption	58.78	128.52	229.26	344.60	431.72	-	-	-	-	-	-	-	431.72	
Cumulative Entitlement	125.52	251.04	376.56	502.08	627.60	753.12	878.64	1,004.16	1,129.68	1,255.20	1,380.72	1,506.24	1,506.24	
% of Yearly Entitlement*	3.90%	8.53%	15.22%	22.88%	28.66%	35.28%	41.84%	48.23%	54.70%	62.33%	68.34%	74.89%	28.66%	

### City of Upland

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR	Shares
Consumption	410.85	394.59	901.89	988.66	1,009.06	-	-	-	-	-	-	-	-	4,511.50
Cumulative Consumption	410.85	805.44	1,707.33	2,695.99	3,705.06	-	-	-	-	-	-	-	3,705.06	
Cumulative Entitlement	882.75	1,765.50	2,648.25	3,531.00	4,413.75	5,296.50	6,179.25	7,062.00	7,944.75	8,827.50	9,710.25	10,593.00	10,593.00	
% of Yearly Entitlement*	3.88%	7.60%	16.12%	25.45%	34.98%	42.28%	50.73%	58.87%	67.07%	75.28%	83.49%	91.71%	34.98%	

### Monte Vista Water District

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR	Shares
Consumption	-	0.02	-	-	-	-	-	-	-	-	-	-	-	341.75
Cumulative Consumption	-	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	
Cumulative Entitlement	66.87	133.74	200.61	267.48	334.35	401.21	468.08	534.95	601.82	668.69	735.56	802.43	802.43	
% of Yearly Entitlement*		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.01%	0.00%	

### City of Ontario

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR	Shares
Consumption	-	-	-	-	-	-	-	-	-	-	-	-	-	295.25
Cumulative Consumption	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cumulative Entitlement	57.77	115.54	173.31	231.08	288.85	346.62	404.39	462.16	519.94	577.71	635.48	693.25	693.25	
% of Yearly Entitlement*														

\* - Out months are Exponential Smoothing (ETS) forecasts based on consumption to date

## 2026 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%

### Cucamonga Valley Water District

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR	Shares	4.00
Consumption	-	-	-	-	-	-	-	-	-	-	-	-	-		
Cumulative Consumption	-	-	-	-	-	-	-	-	-	-	-	-	-		
Cumulative Entitlement	-	-	-	-	-	-	-	-	-	-	-	-	-		9.39
<b>% of Yearly Entitlement*</b>															

### Holiday Rock Company

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR	Shares	132
Consumption	9.37	10.00	15.02	12.08	12.51	-	-	-	-	-	-	-	-		
Cumulative Consumption	9.37	19.37	34.39	46.47	58.98	-	-	-	-	-	-	-	-		58.98
Cumulative Entitlement	16.76	33.52	52.75	74.19	100.57	-	-	-	-	-	-	-	-		310.52
<b>% of Yearly Entitlement*</b>	<b>3.02%</b>	<b>6.24%</b>	<b>11.08%</b>	<b>14.96%</b>	<b>18.99%</b>	<b>23.00%</b>	<b>27.54%</b>	<b>31.46%</b>	<b>35.93%</b>	<b>39.92%</b>	<b>44.36%</b>	<b>48.39%</b>	<b>18.99%</b>		

### Red Hills Golf Course

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR	Shares	164
Consumption	8.27	8.29	39.70	28.09	41.87	-	-	-	-	-	-	-	-		
Cumulative Consumption	8.27	16.56	56.26	84.34	126.21	-	-	-	-	-	-	-	-		126.21
Cumulative Entitlement	20.72	41.44	65.22	91.72	124.33	-	-	-	-	-	-	-	-		383.90
<b>% of Yearly Entitlement*</b>	<b>2.15%</b>	<b>4.31%</b>	<b>14.65%</b>	<b>21.97%</b>	<b>32.88%</b>	<b>39.91%</b>	<b>51.45%</b>	<b>59.21%</b>	<b>70.22%</b>	<b>78.50%</b>	<b>89.28%</b>	<b>97.87%</b>	<b>32.88%</b>		

### Minor Irrigators

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	THIS YEAR	Shares	45
Consumption	0.61	0.40	2.23	1.57	5.05	-	-	-	-	-	-	-	-		
Cumulative Consumption	0.61	1.01	3.24	4.80	9.85	-	-	-	-	-	-	-	-		9.85
Cumulative Entitlement	5.73	11.47	18.05	25.39	34.41	-	-	-	-	-	-	-	-		106.25
<b>% of Yearly Entitlement*</b>	<b>0.57%</b>	<b>0.95%</b>	<b>3.05%</b>	<b>4.52%</b>	<b>9.27%</b>	<b>10.48%</b>	<b>12.88%</b>	<b>15.02%</b>	<b>17.27%</b>	<b>19.52%</b>	<b>21.77%</b>	<b>24.02%</b>	<b>9.27%</b>		

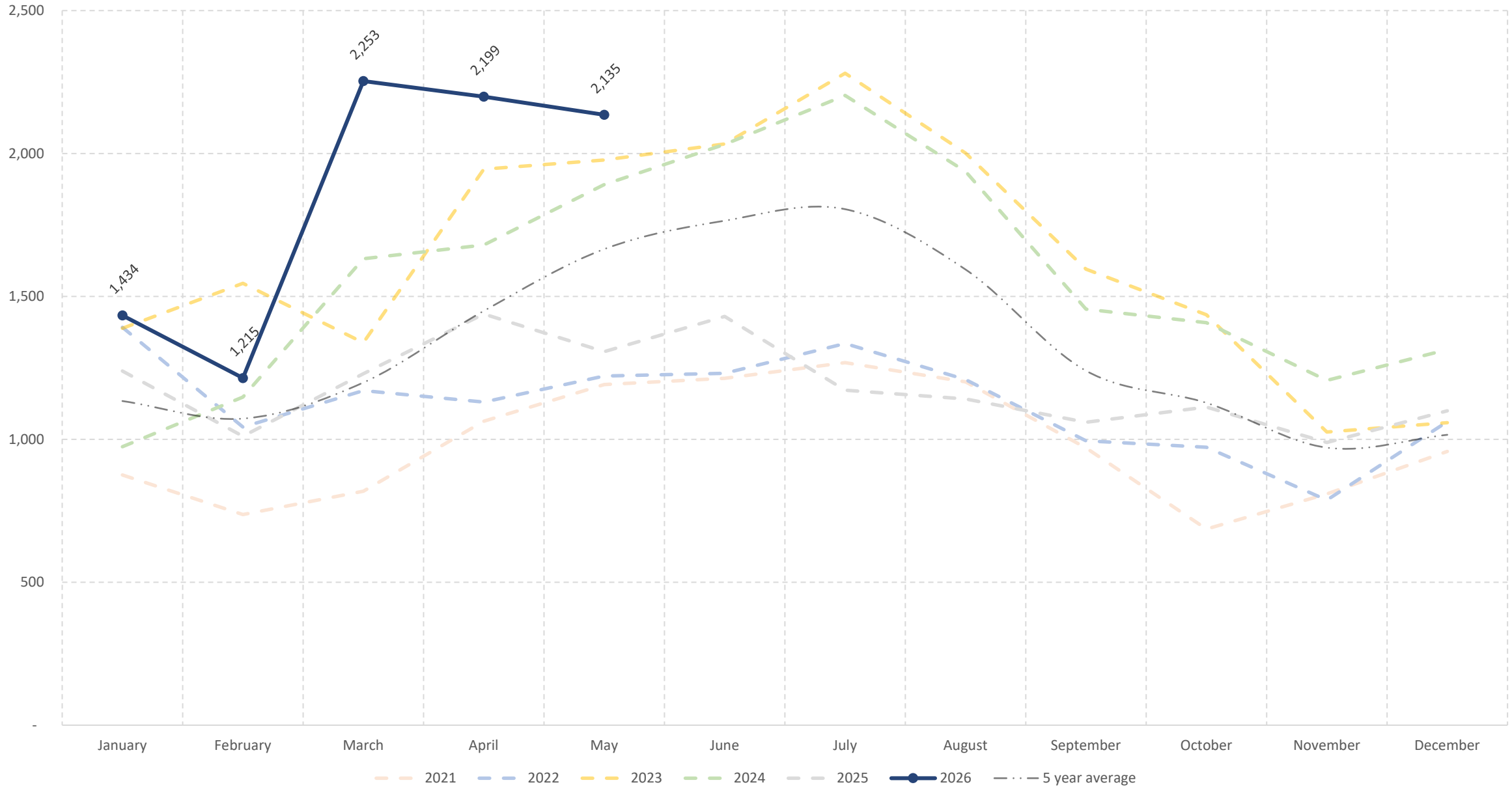
\* - Out months are Exponential Smoothing (ETS) forecasts based on consumption to date

### Cumulative Consumption to Date

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26
Domestic	58.78	128.52	229.26	344.60	431.72	-	-	-	-	-	-	-
Municipal	410.85	805.46	1,707.35	2,696.01	3,705.08	-	-	-	-	-	-	-
Misc	18.42	37.32	95.29	138.35	199.70	-	-	-	-	-	-	-
<b>Total Consumption</b>	<b>488</b>	<b>971</b>	<b>2,032</b>	<b>3,179</b>	<b>4,336</b>	-	-	-	-	-	-	-

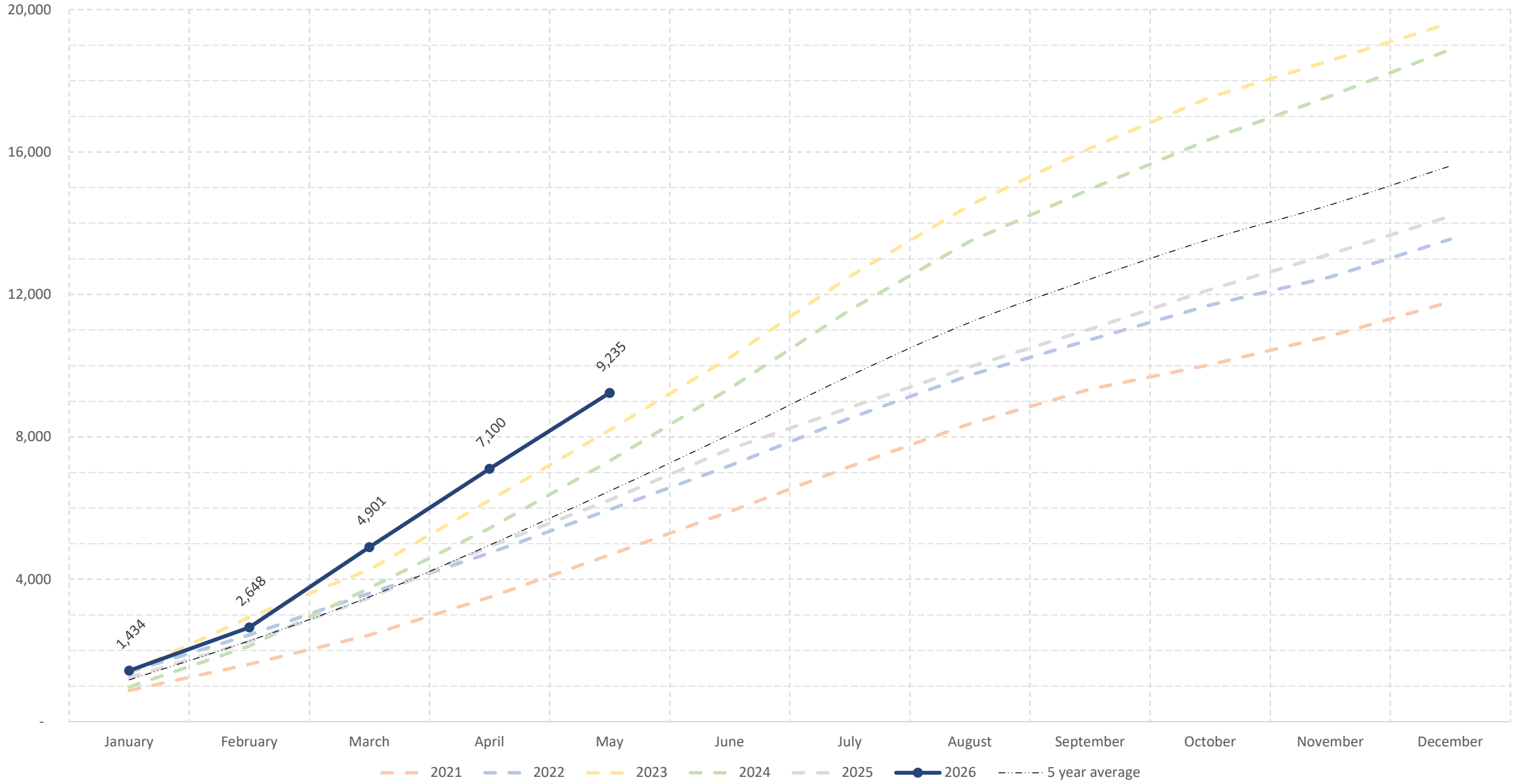
# 5yr Production

## 5 Year Production (AF)

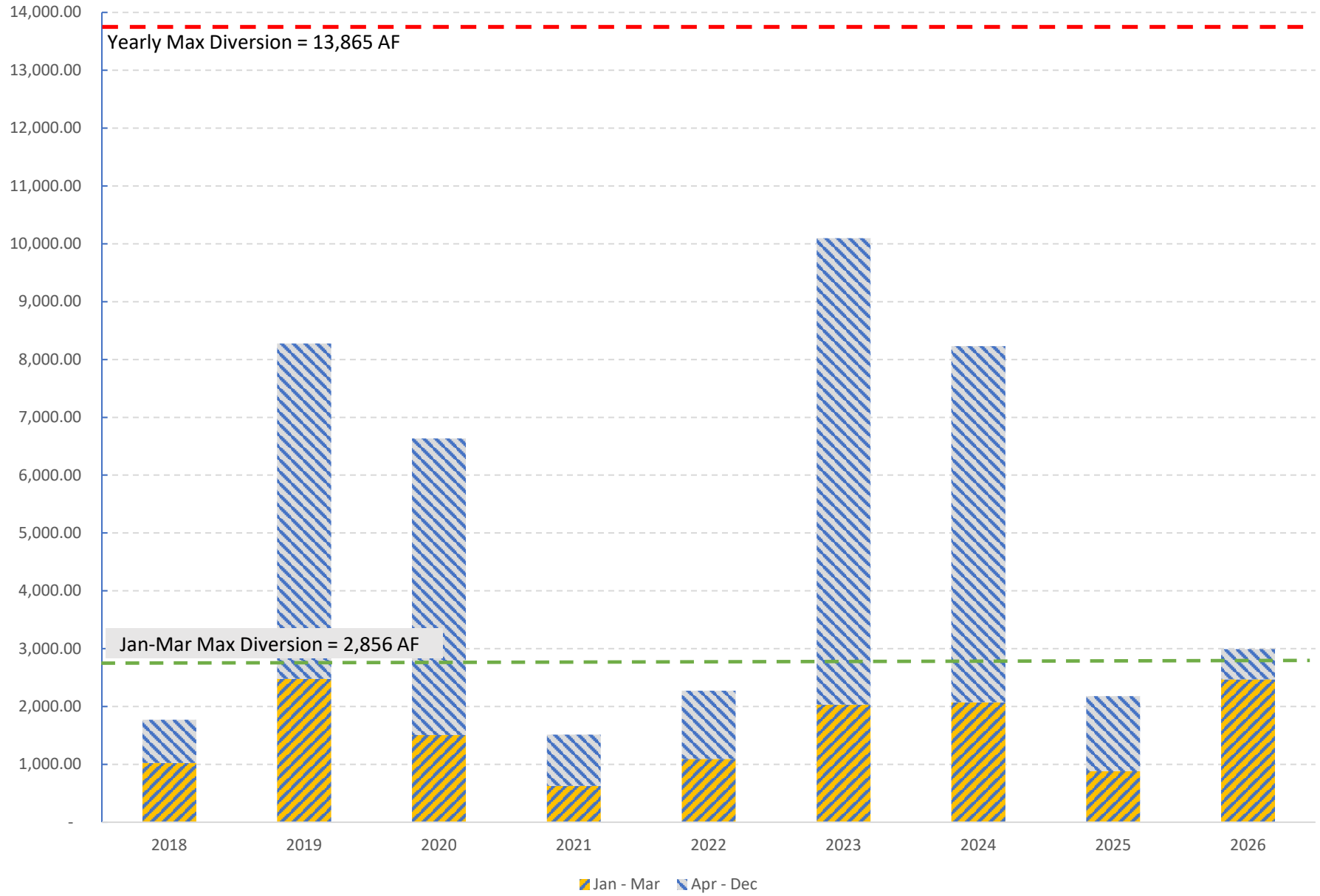


5yr Cumulative Production

5 Year Cumulative Production (AF)

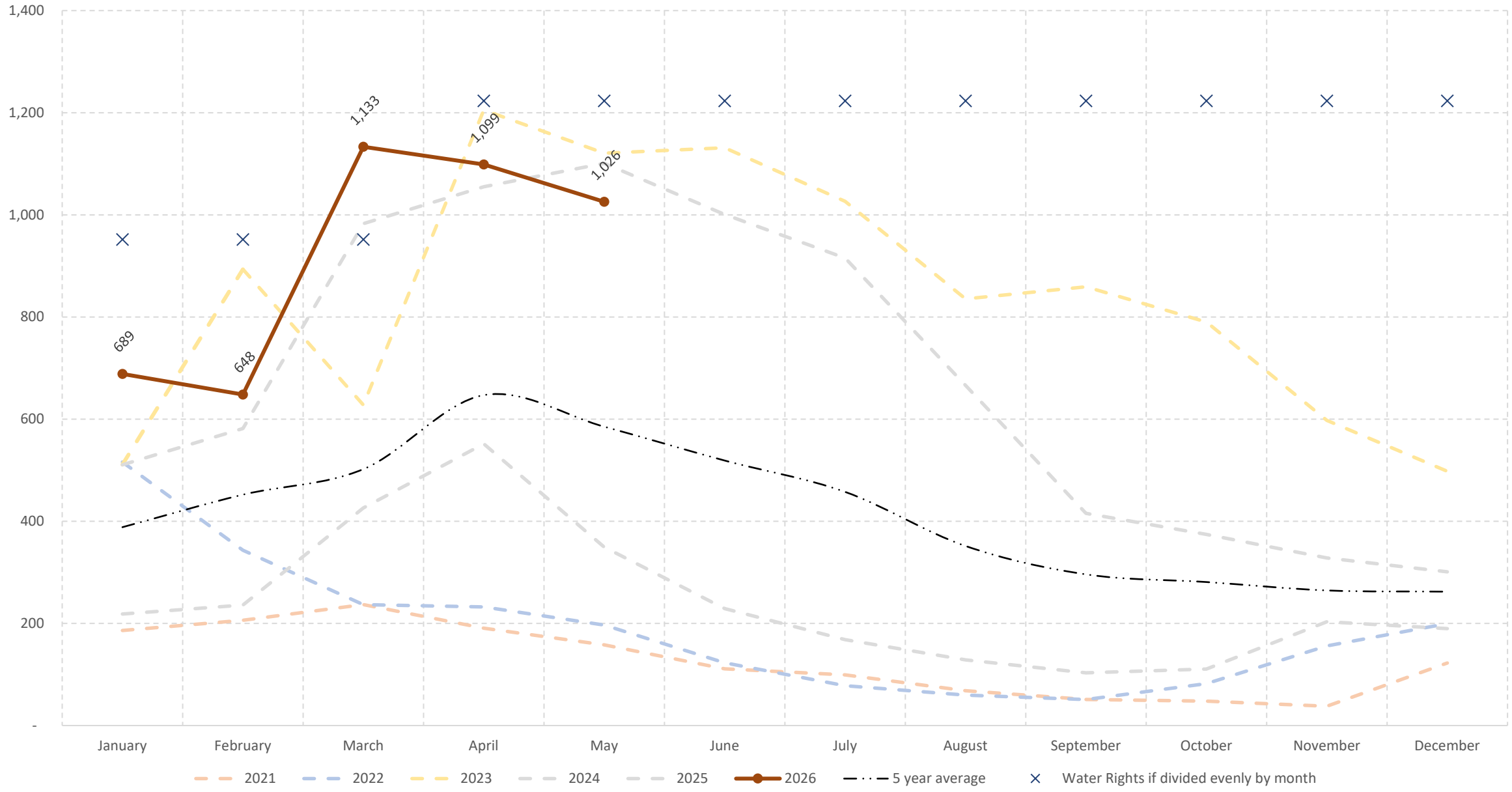


### Canyon Flow (AF)

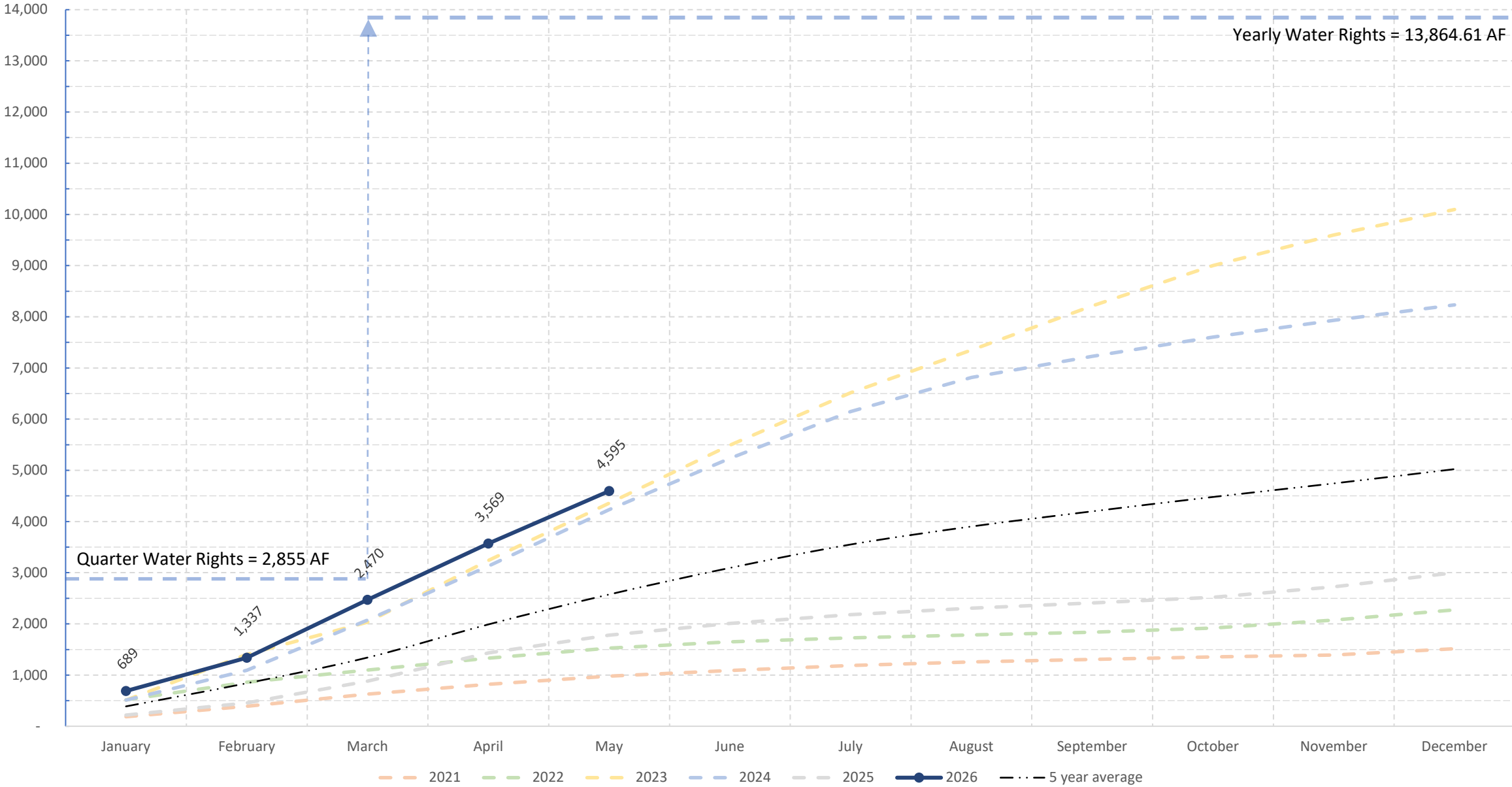


5yr V-Screen Production

5 Year V-Screen Monthly Production (AF)

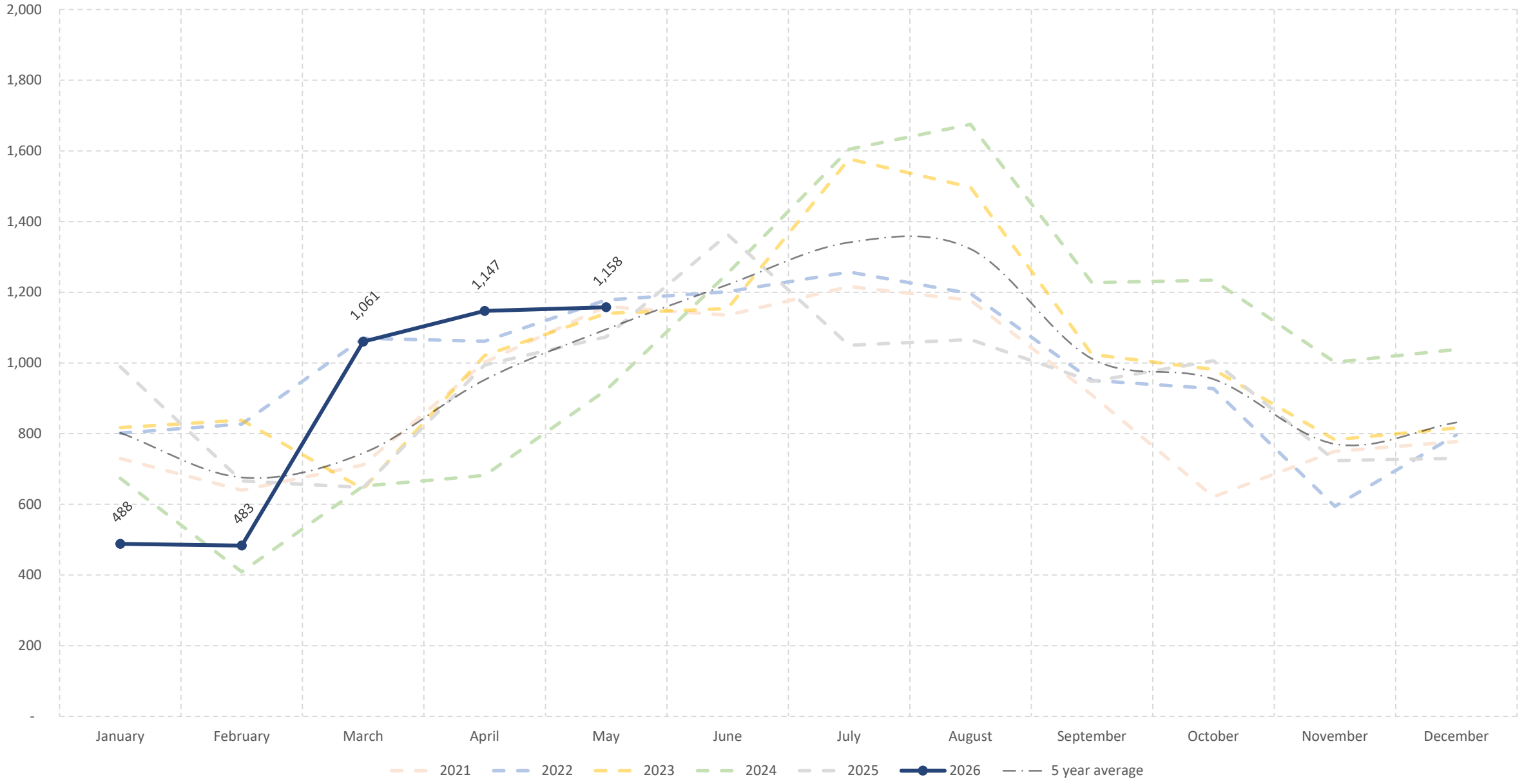


5 Year V-Screen Cumulative Production (AF)



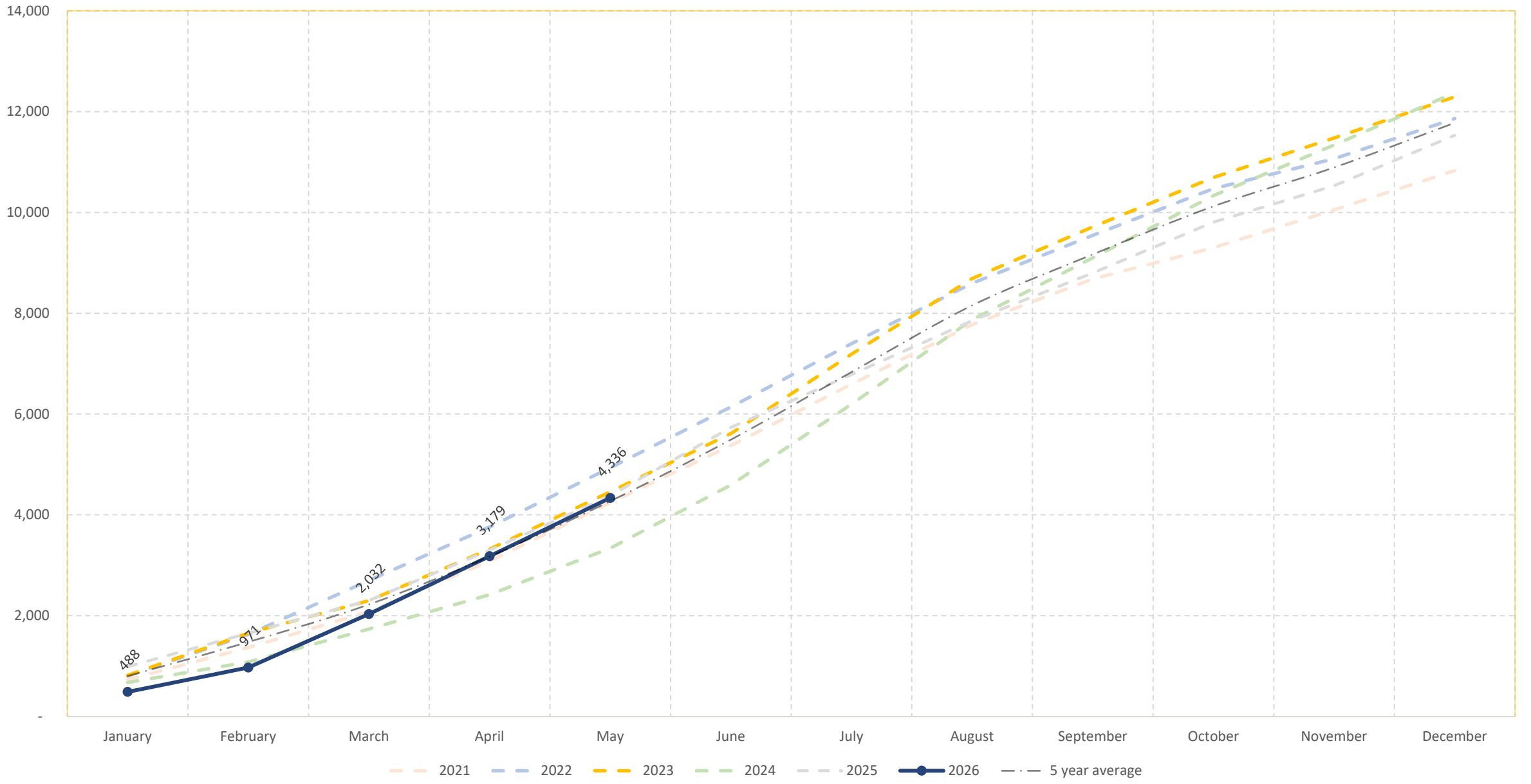
# 5yr Consumption

## 5 Year Consumption (AF)



# 5yr Cumulative Consumption

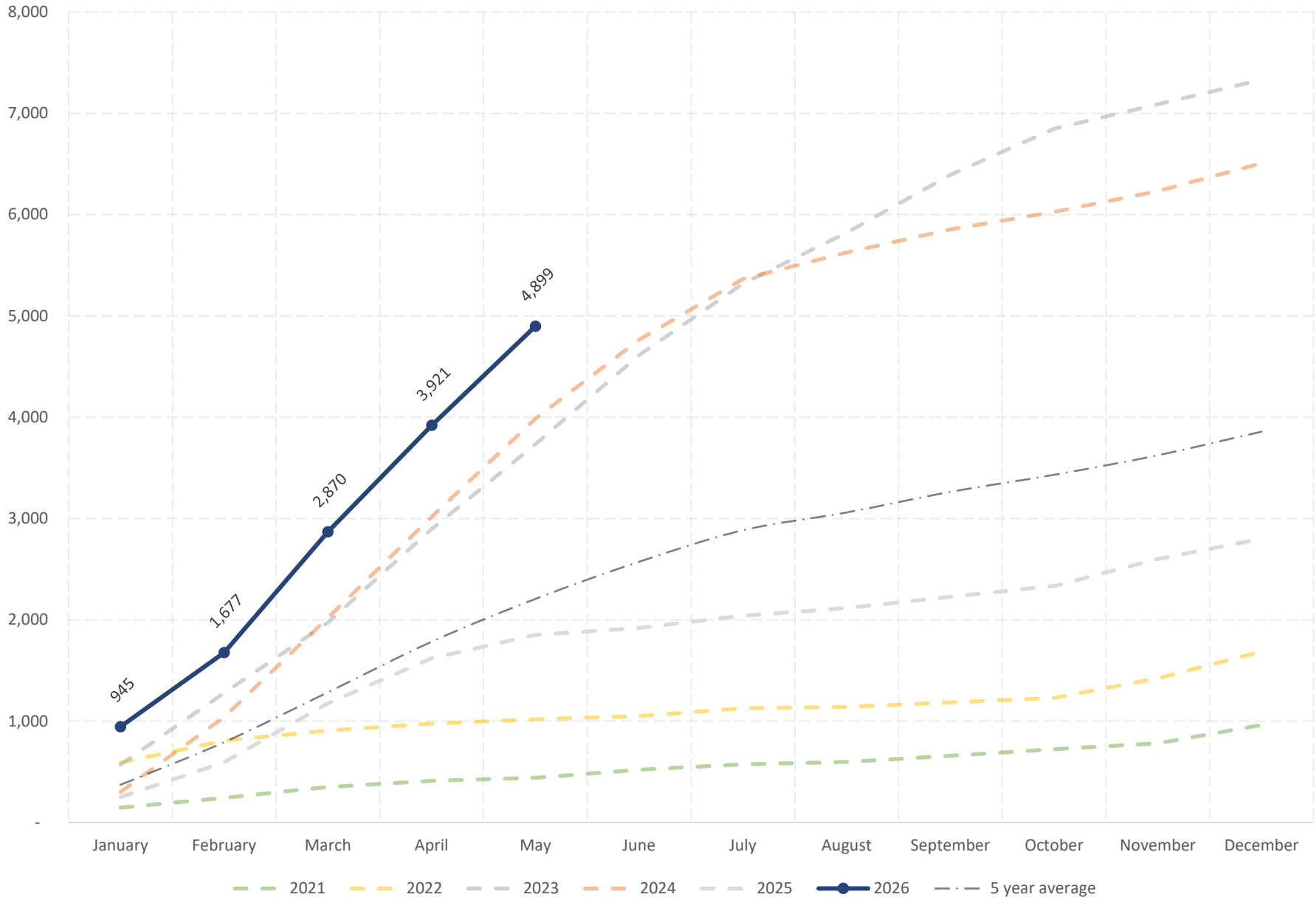
## Cumulative Consumption (AF)



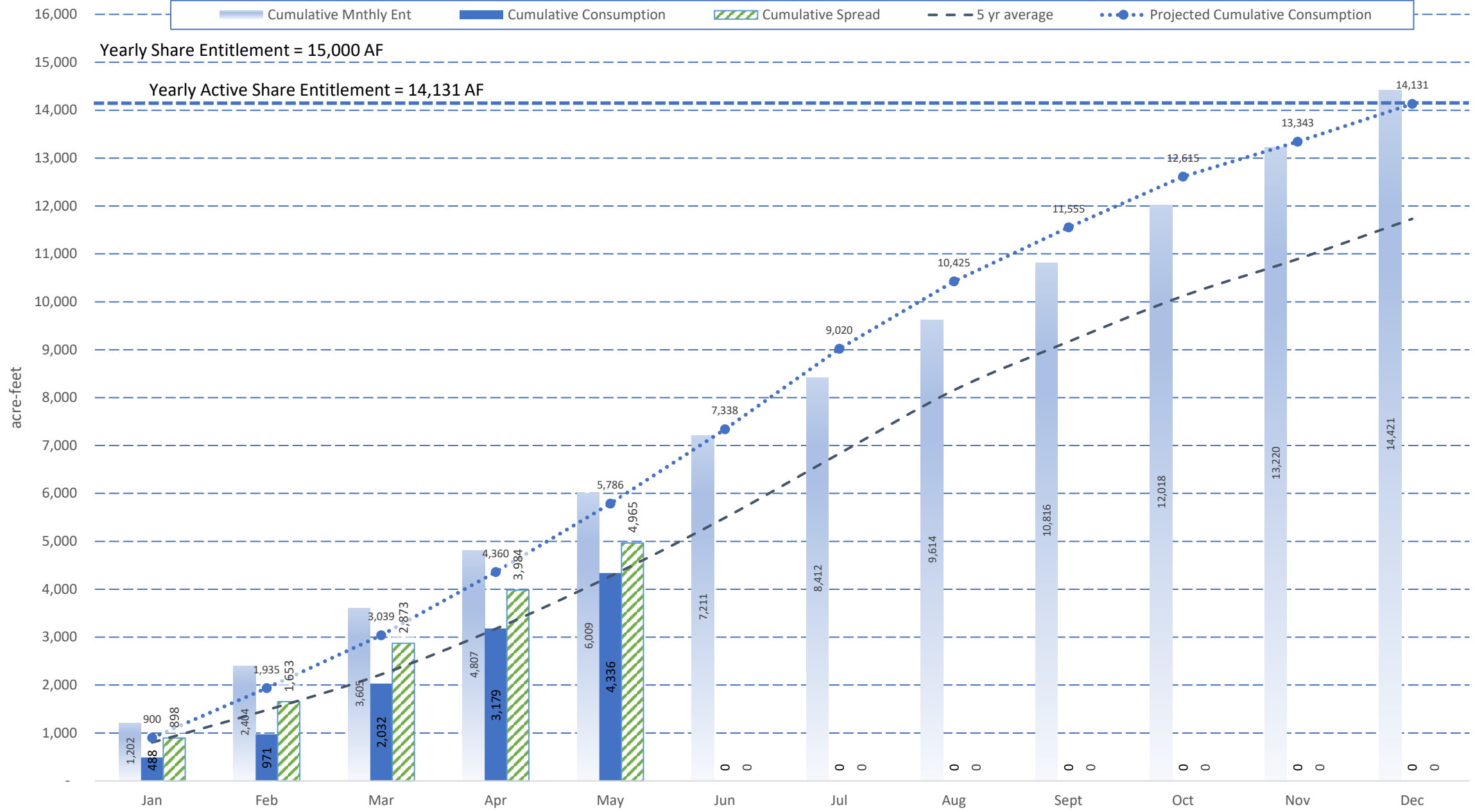
Production minus Consumption (AF)



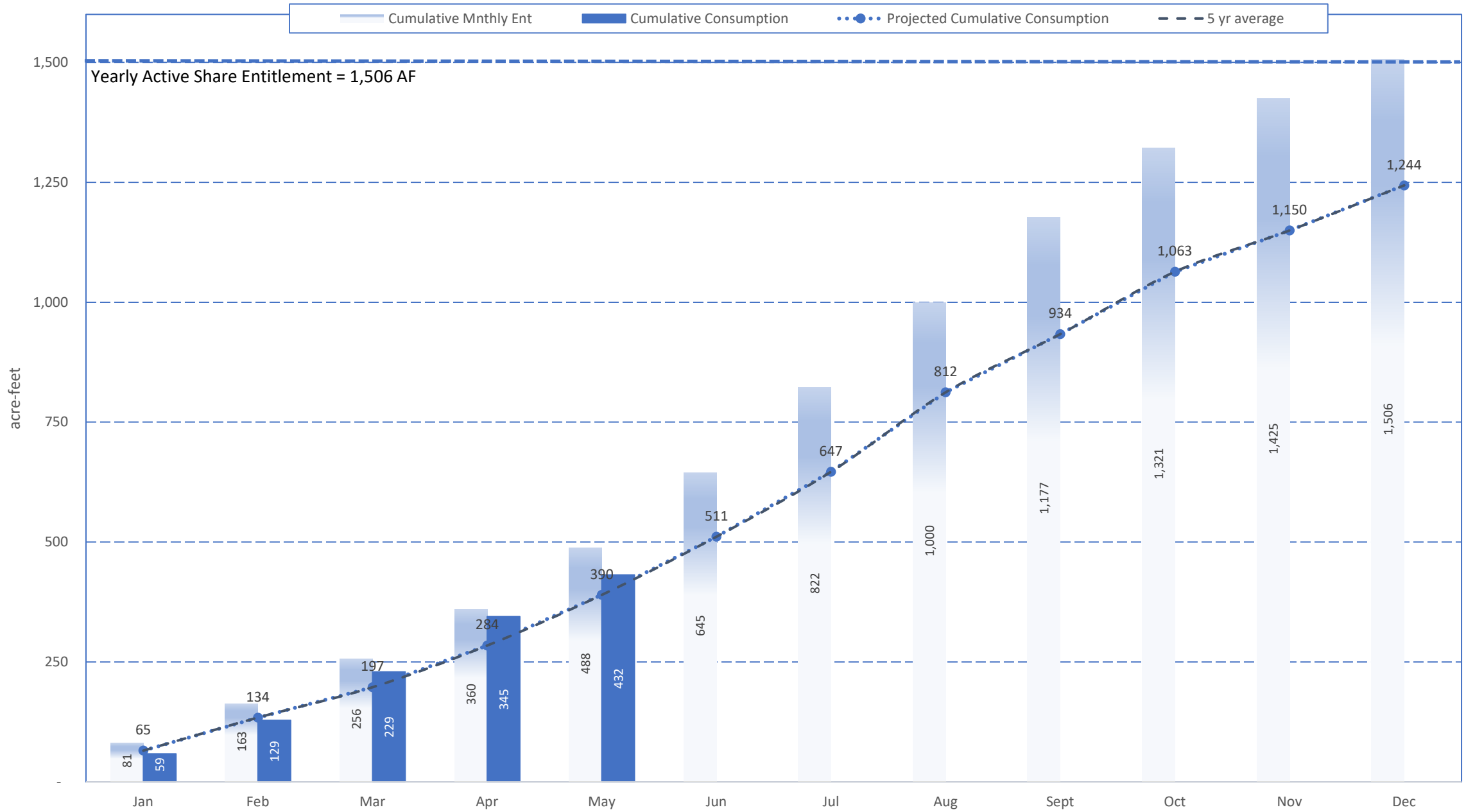
5-YR Cumulative Production Minus Consumption (AF)



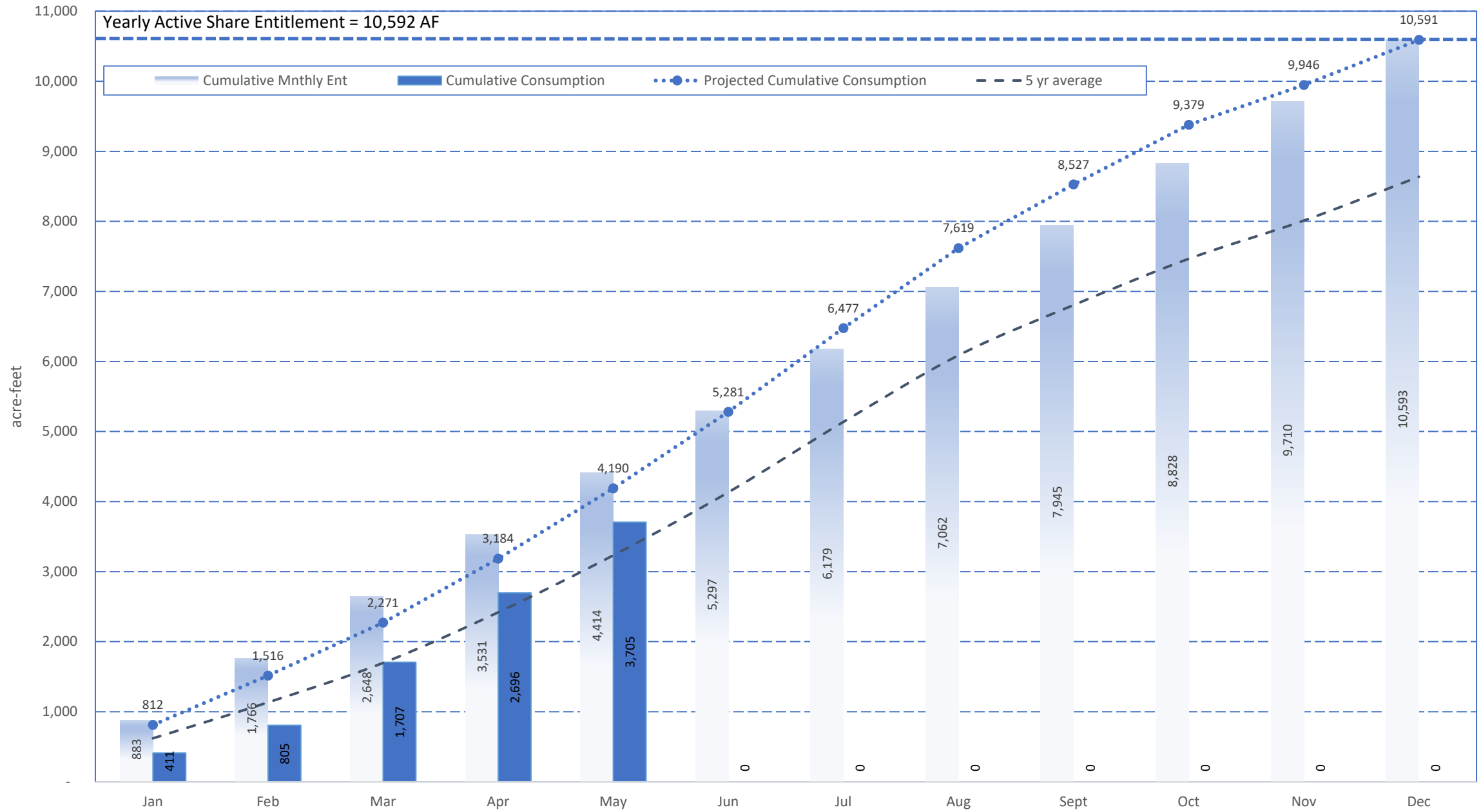
## 2026 Consumption Chart



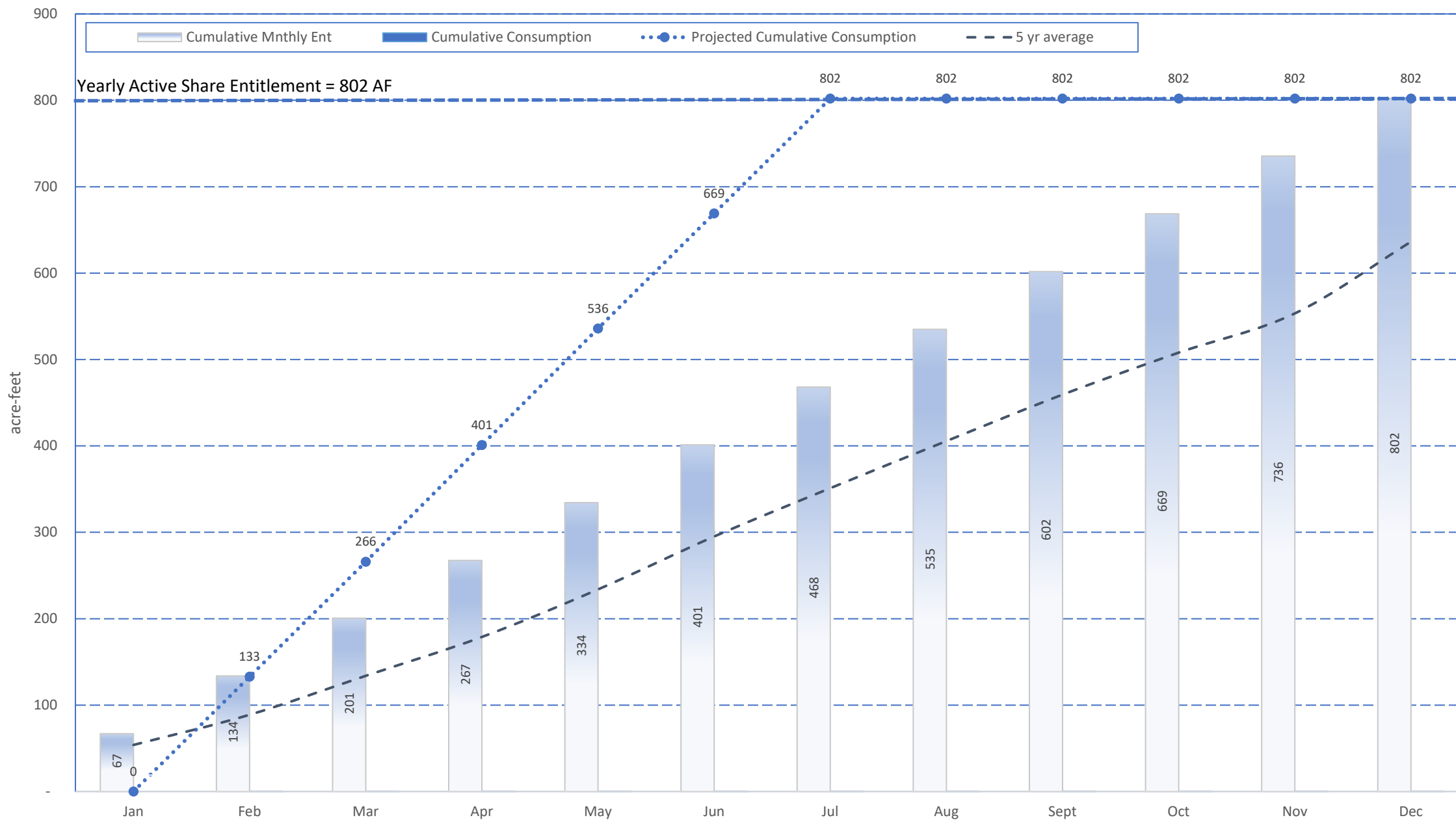
## 2026 Domestic Consumption



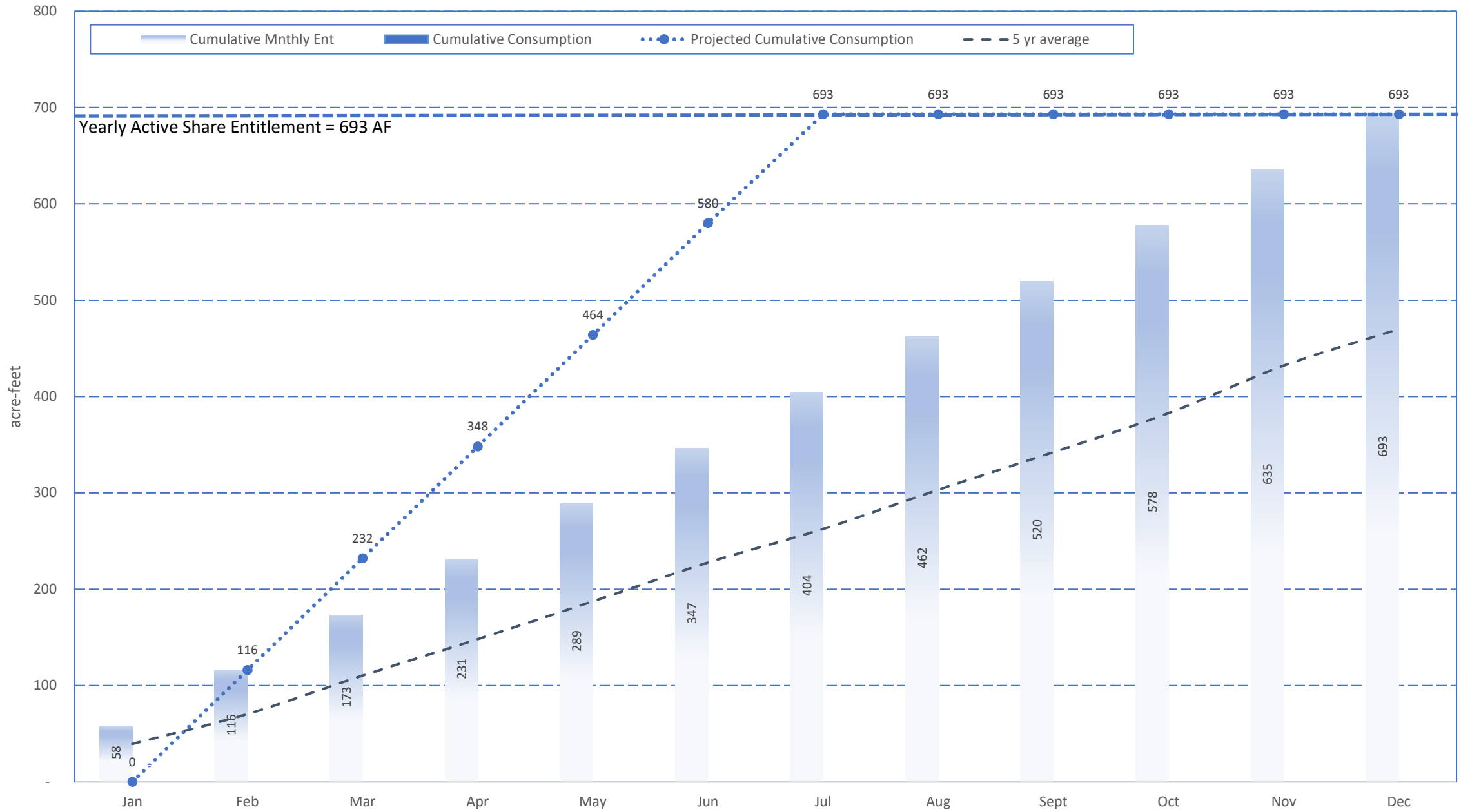
## 2026 Upland Consumption



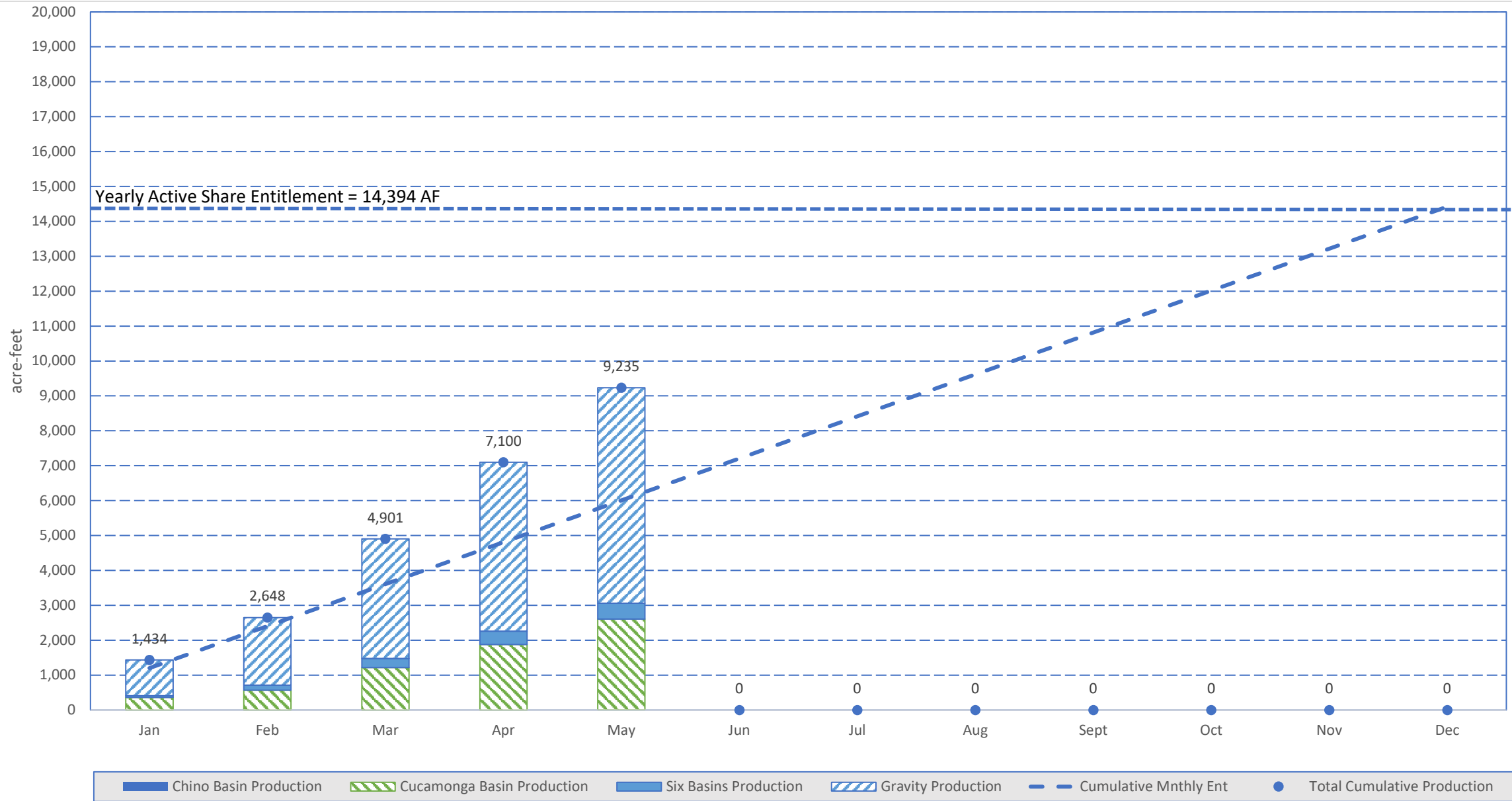
### 2026 Monte Vista Consumption



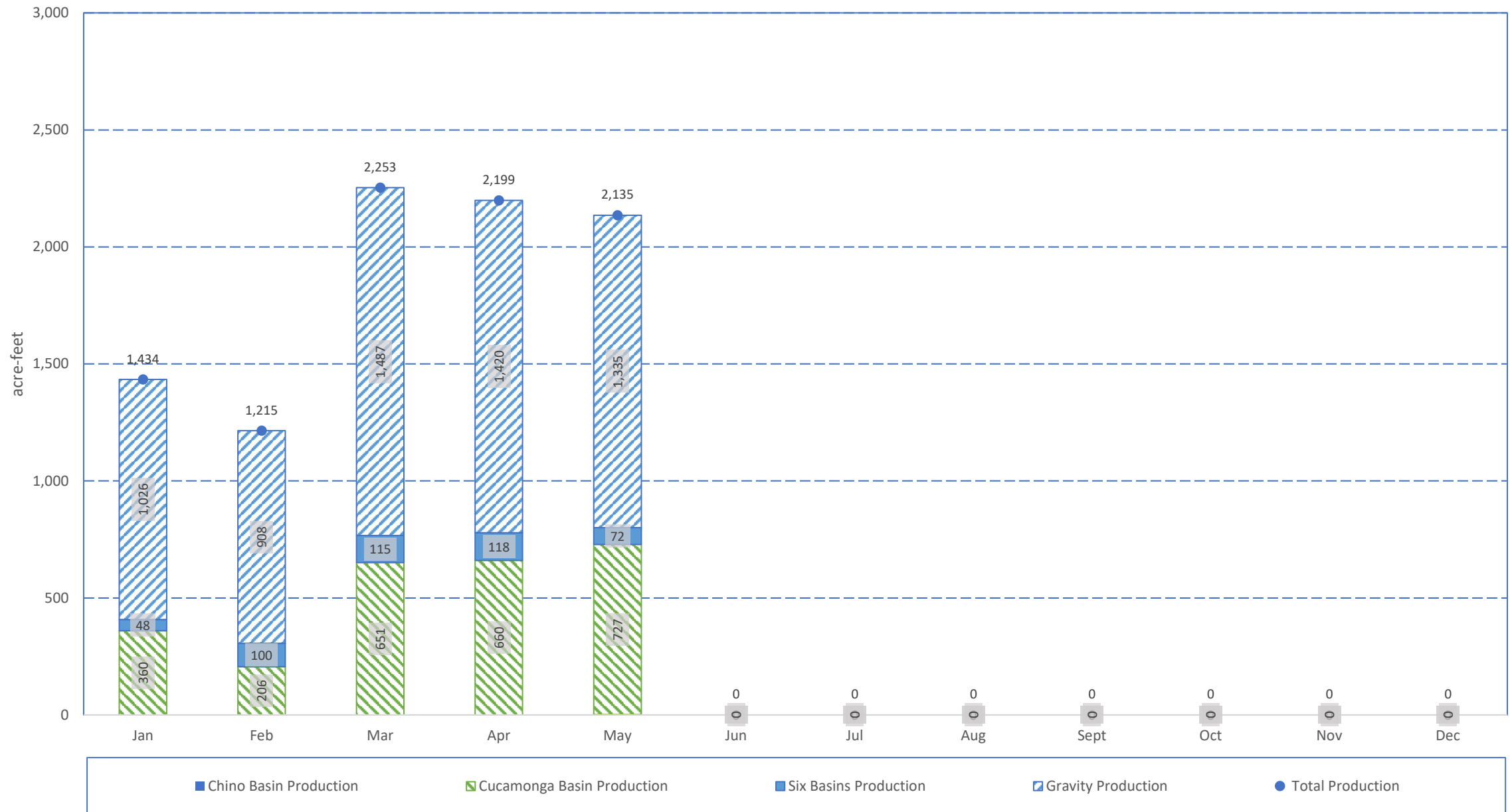
## 2026 Ontario Consumption



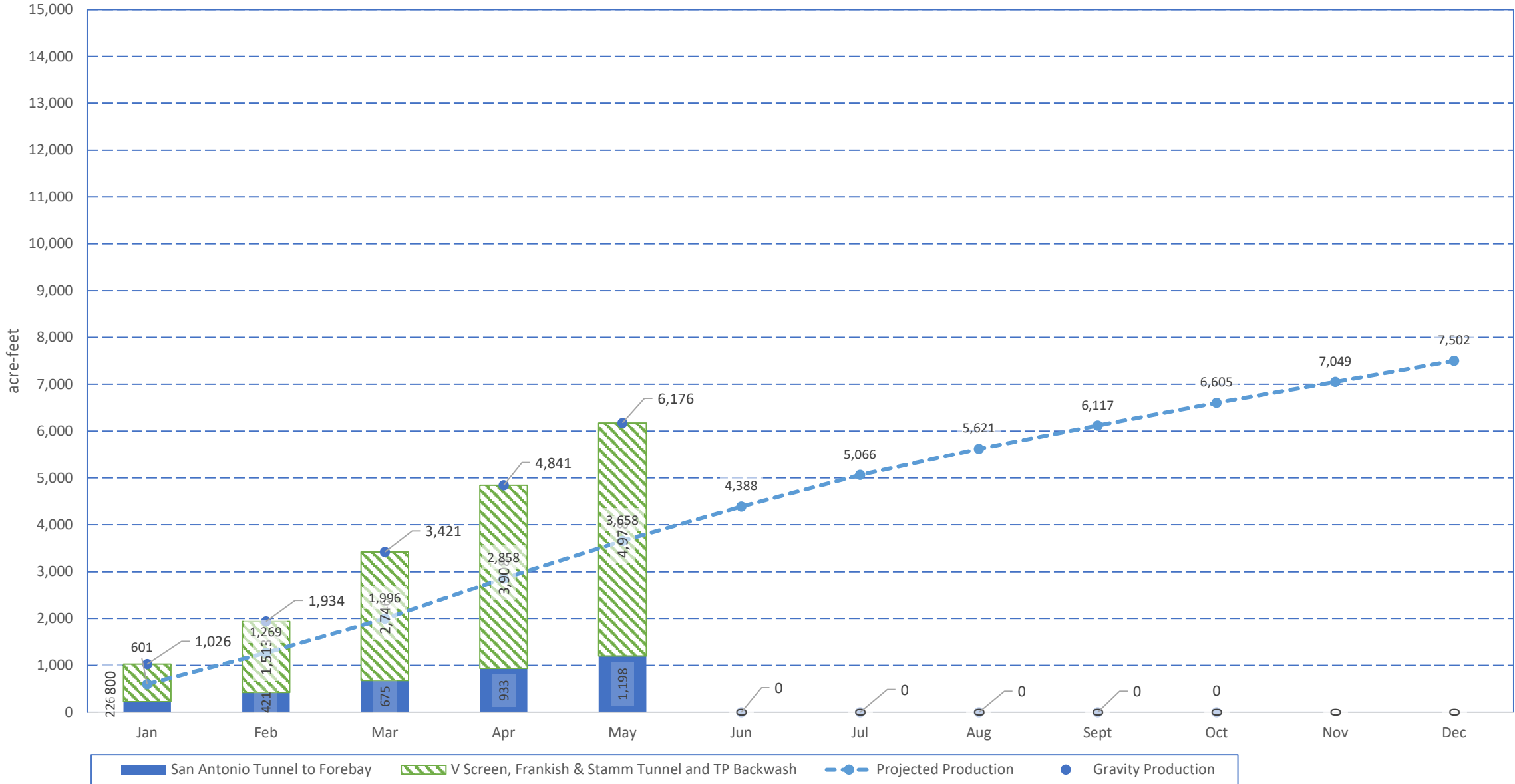
### 2026 Total Yearly Production



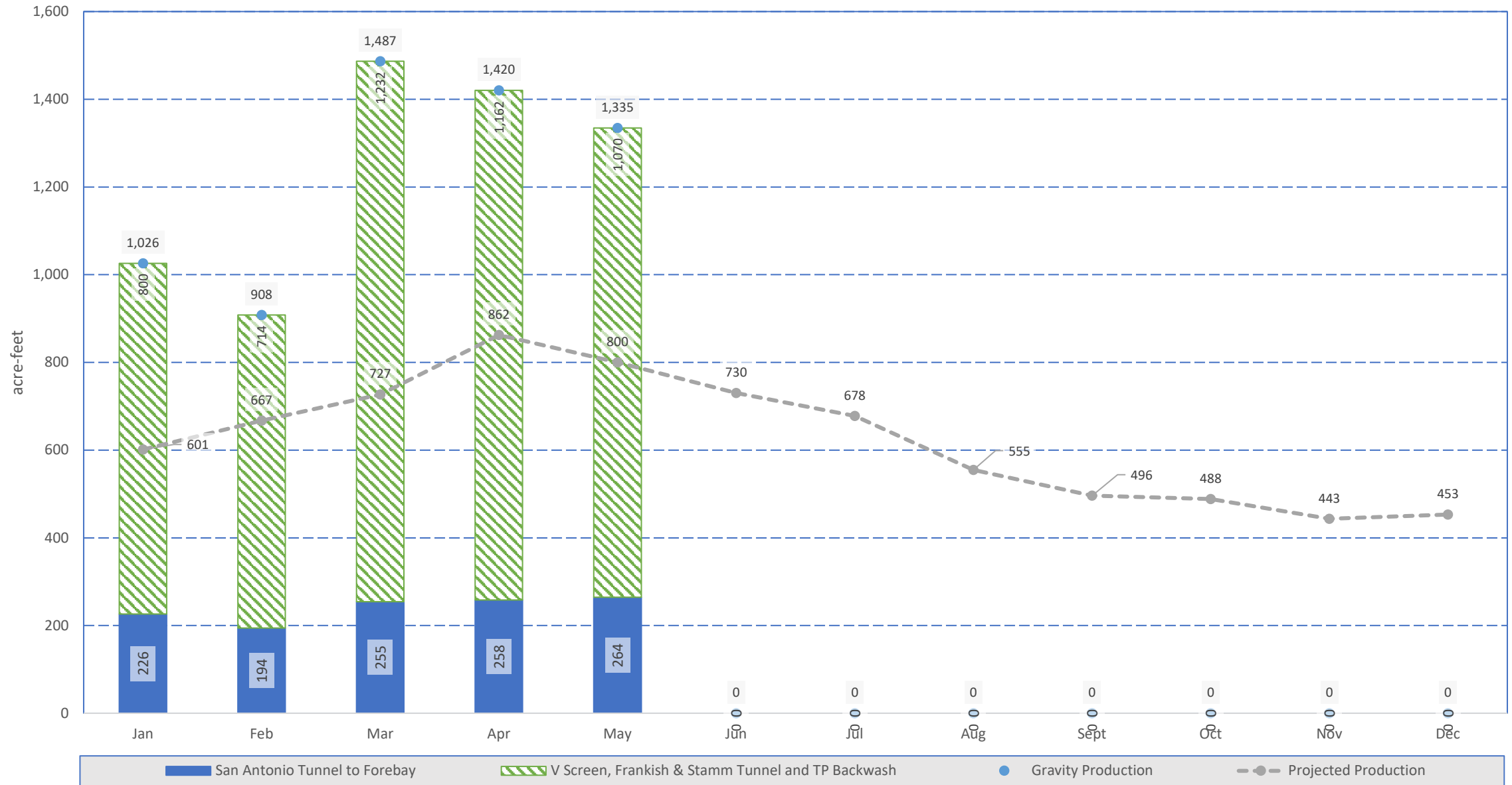
## 2026 Monthly Production



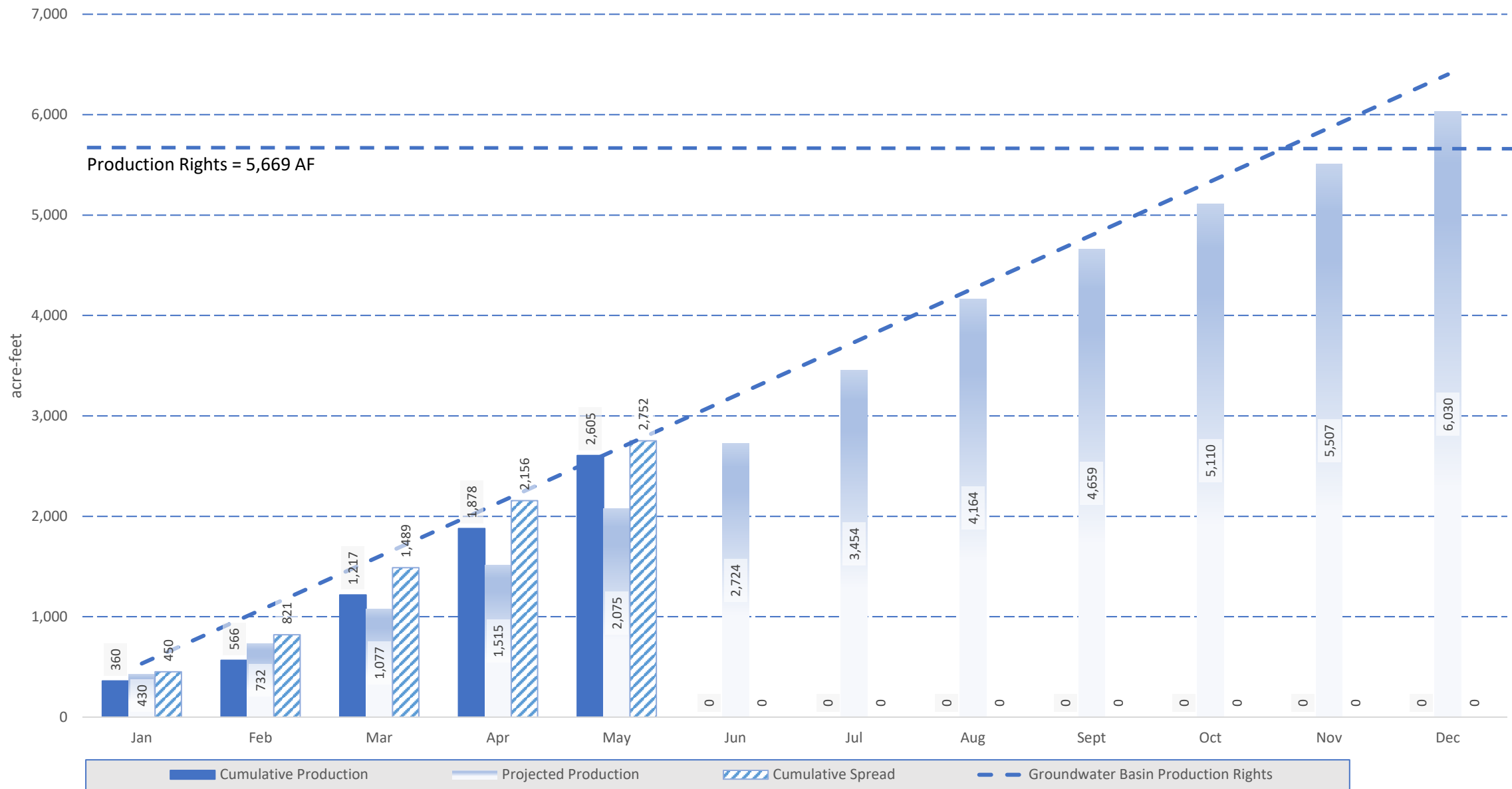
2026 Gravity Cumulative



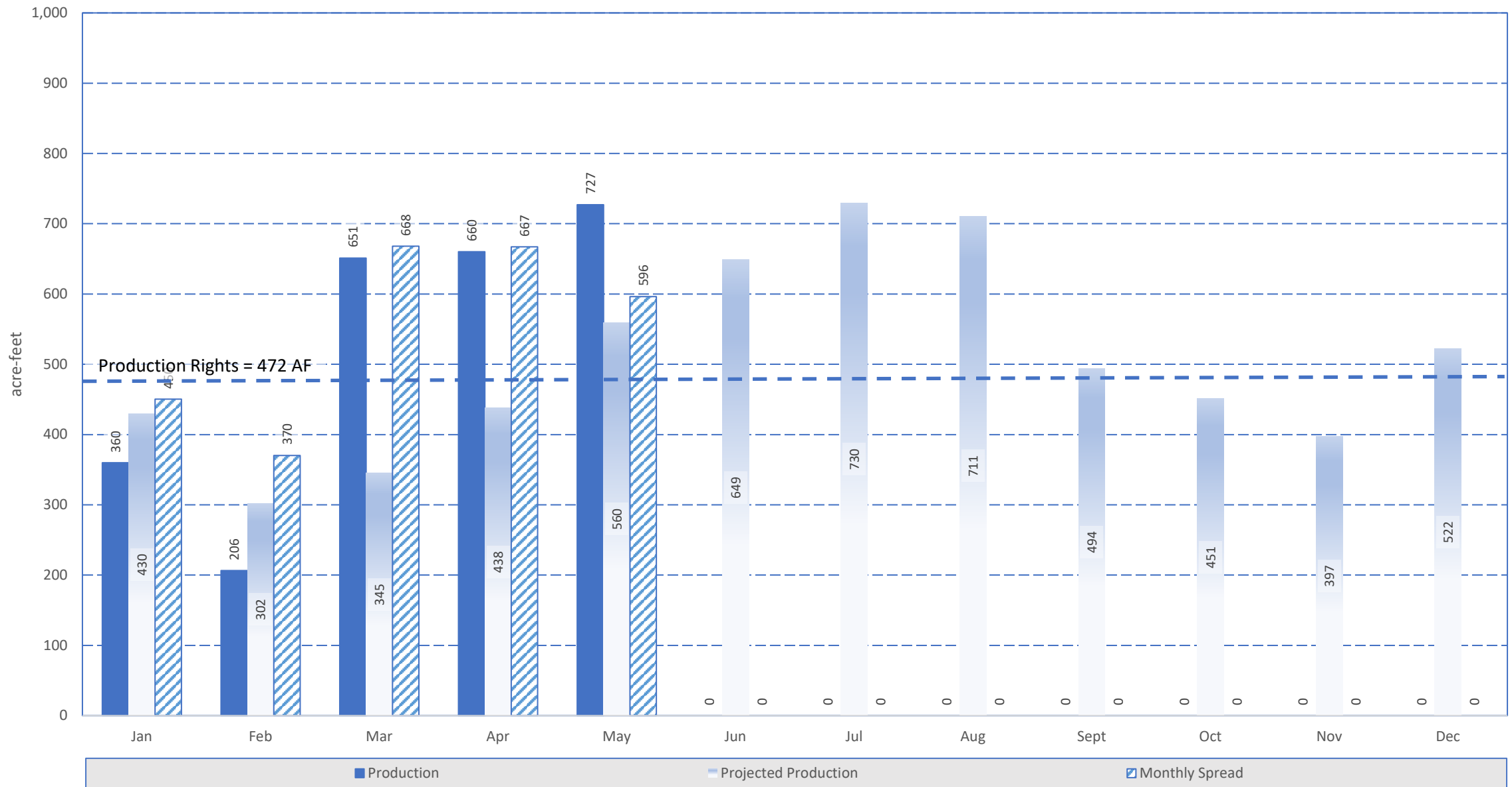
## 2026 Gravity Monthly



### 2025 Cucamonga Basin Cumulative



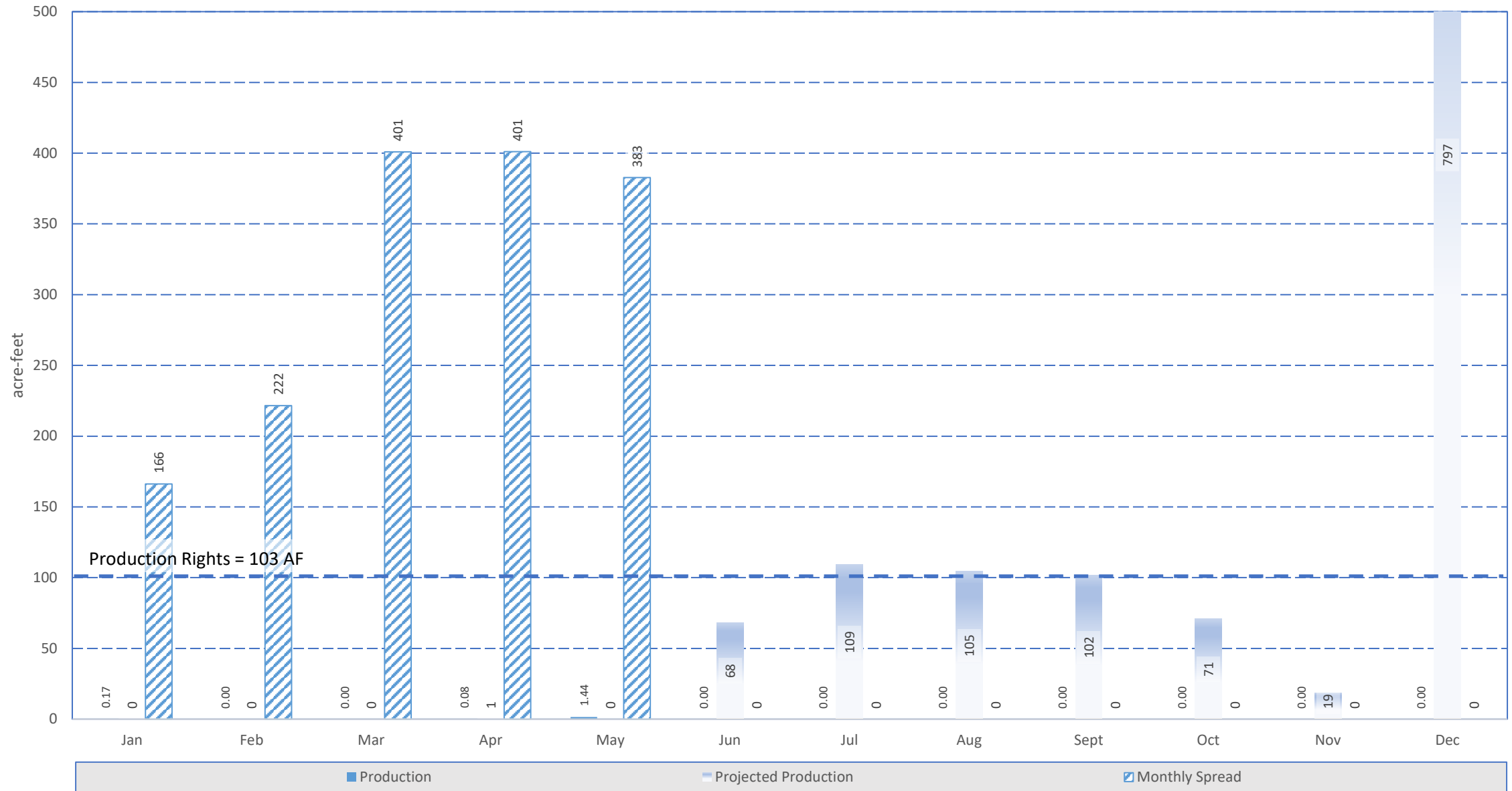
### 2026 Cucamonga Basin Monthly



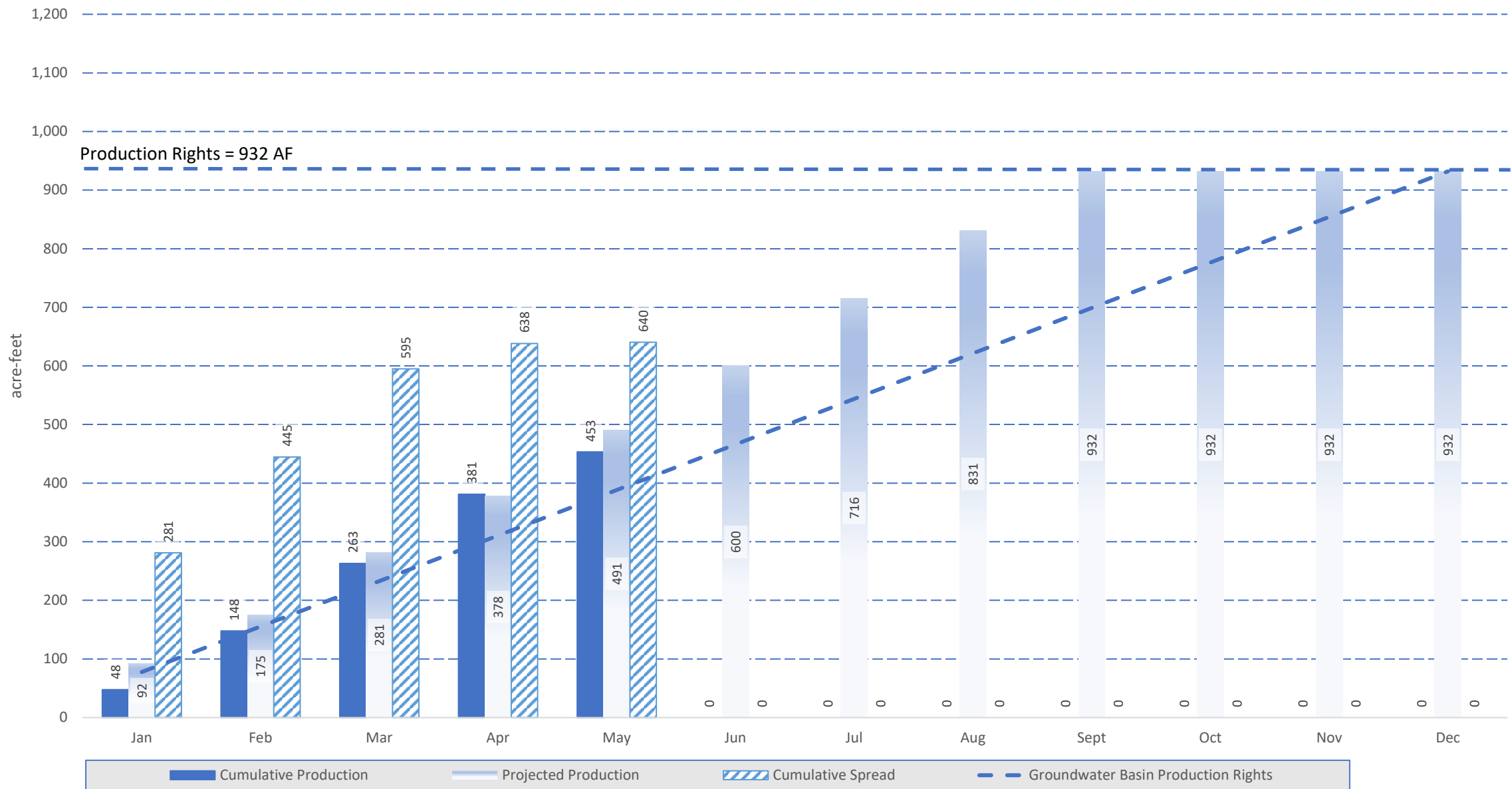
# 2026 Chino Basin Cumulative



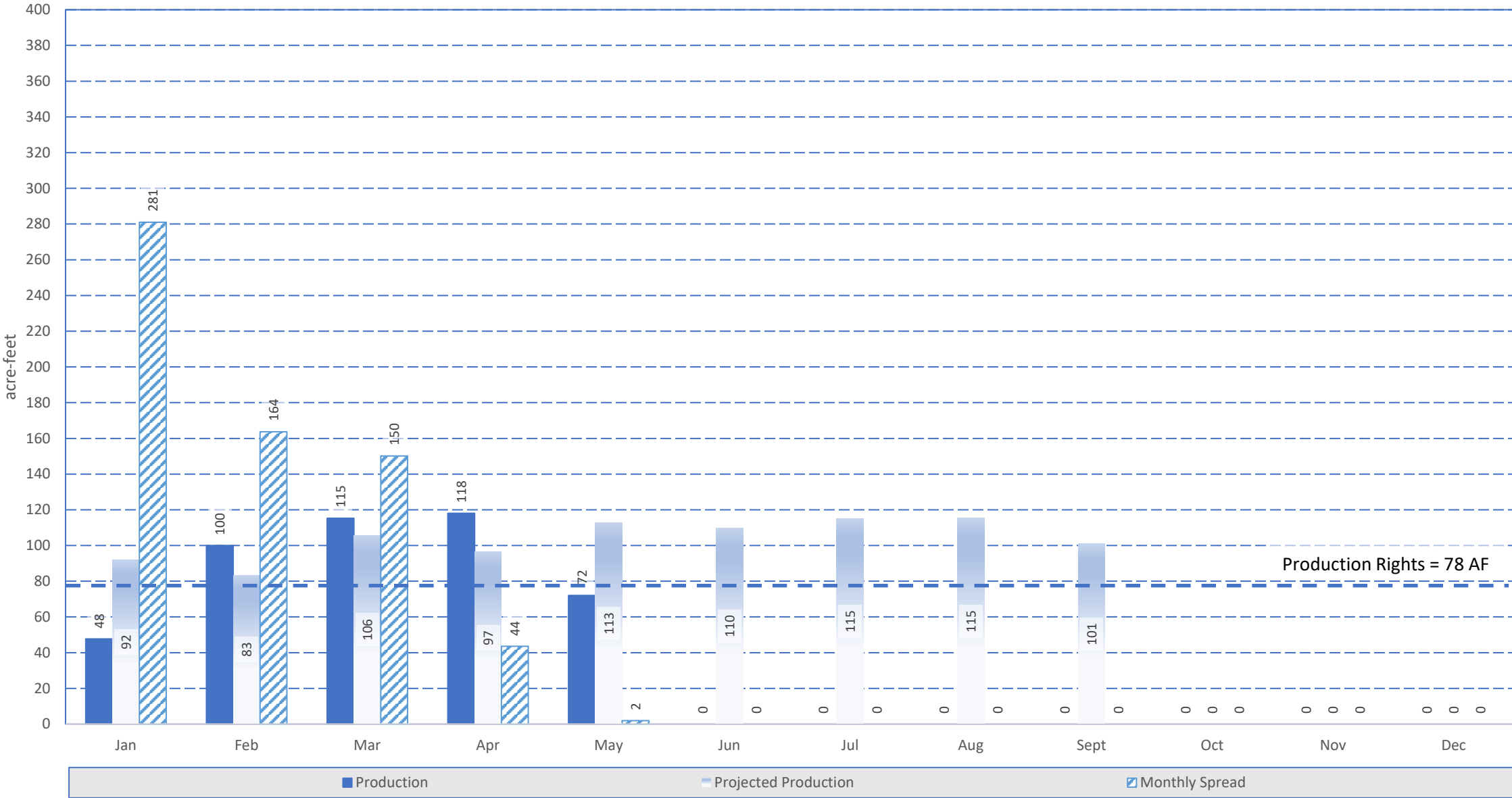
### 2026 Chino Basin Monthly



### 2026 Six Basins Cumulative



2026 Six Basins Monthly



- Water Supply through May 2026
  - Annual entitlement for CY2025 is 15,000 AF
    - Cumulative yearly production is 9,235 AF
    - Cumulative yearly consumption was 4,336 AF
    - Cumulative yearly spread was 4,965 AF
    - Cumulative unaccounted water was 66 AF

Six Basins Production for 2026

- Annual production right is 932 AF.
- Cumulative production is 453 AF.  
*Production is sent to the WFA treatment facility to meet City of Ontario and MVWD entitlement.*
- The Company spread a total of 640 AF.

Cucamonga Basin Production for 2026

- Annual production right is 5,637 AF.
- Cumulative production was 2,605 AF.
- The Company spread a total of 2,752 AF.

Chino Basin Production for 2026

- Annual production right is 1,232 AF.
- Cumulative production was 2 AF.
- The Company spread a total of 1,573 AF.

Surface Water (San Antonio Creek) flow for 2026

Total flow was 4,595 AF.

Tunnel flow for 2026

San Antonio Tunnel flow was 1,198 AF.  
Frankish and Stamm Tunnel flow was 380 AF.

- Company Stock
  - One-quarter (1/4) shares of water stock moved from active to dormant this transfer period.
  - One (1) shares of water stock moved from dormant to active this transfer period.
- Communication and Information Activities

The quarterly Newsletter (Summer) was mailed via email to approximately 640 shareholders.
- Administration Matters

Meetings of interest:

  - Thu May 21 – GM attended CBWM advisory committee
  - Wed May 27 – GM attended 6Basin GWB board meeting
  - Tue Jun 1 – GM virtually attended Cucamonga GWB meeting
  - Thu Jun 11 – GM attended CBWM Appropriative Pool Committee meeting
  - Thu Jun 18 – GM attended CBWM advisory committee meeting
- Groundwater Basin Matters

Chino Basin –

Safe Yield – CBWM has begun discussions on the court mandated 2025 safe yield reset. AP is actively discussing impacts of proposed safe yield reset. Draft Safe Yield Report was distributed. Consultant's recommendation is to lower safe yield from 131,000 AF per year to 117,500 AF per year.

Spread Water from SAWCo - Application to spread 2,500 AF per year for years 21/22 through 25/26 was approved by WM Board in July 22. We started spreading water in January 2023.

Given storms in late December SAWCO requested to start spreading water in Chino Basin mid-January. We began spreading around 10AF per day Jan 16.

SAWCo submitted a new application to the Watermaster for spreading up to 17,500 AF through 2031. Application is currently making its way through the process. On May 14 the application was included in the consent package for AP, NonAg and AG pools. The AP unanimously voted approval of the consent package.

Legal Issues-

- Fiscal Year 21-22 and 22-23 Assessment Packages
  - Appeals court has issued a tentative ruling against Watermaster. Oral arguments were held in early April. Appeals Court has ruled in Ontario's favor.
  - Court issued partial recovery of attorney fees for Ontario. Ontario has appealed court's ruling.
- San Sevaine Basin
  - Storm water silt from upstream development. Notice has been sent to offending party for failure to meet Storm Water Pollution Prevention Plan (SWPPP) requirements. City of Fontana is currently reluctant to act. Two legal actions possible; tort suite and/or Clean Water Act suite.

Six Basins –

Meeting was held on Wednesday, May 27. No reportable action.

Cucamonga Basin –

The group met in June. No reportable action.

**Agenda Item No. 41**

Item Title: Projects and Operations Update

Purpose:

To update the Board and Shareholders on Company capital projects.

Updates:

**1507 – Office Relocation**

The Board approved a design and construction management contract at its March 2023 regular meeting. Contract has been executed and Architect is currently working on plans. Consultant has started discussions with Edison regarding eastern easement onto property. Company hired a CEQA consultant in May 2024. Architect hired civil engineering, geotechnical and survey subconsultants in May 2024.

Plans were submitted to the Building Department in December 2025. Comments were minor and a resubmittal was made in March. ~~Staff is anticipating final Building Department Comments on May 19, 2026. Assuming Building Department comments are minor we~~ We are scheduling a project bid for the August Board Meeting. A draft bid package is currently under legal review before release. May with anticipated award of construction contract for June Board Meeting, possibly July Board Meeting. The AdHoc Committee met on March 31 to review design elements and discuss construction schedule and material.

The architect is engaged with SCE to solidify access across their property.

Original Budget.....	\$4,000,000
Original Contracts .....	\$283,550
New Contracts or	
Authorized Change Orders .....	\$163,550
Current Contracts .....	\$447,100

**1902 – Cucamonga Crosswalls Mitigation**

Permits have been closed. Staff is also looking into long-term maintenance permits that will allow the Company yearly access to the site for clearing and grubbing.

**2201 Paloma Hydraulic Break**

Company awarded a construction contract to Merlin Johnson at the September 2025 Regular Board Meeting. Material submittals are being reviewed. Construction start date is scheduled for March/April, depending on when material arrives. There remains a long lead time for construction material. Contractor confirmed earlier this month that pipeline material should be ready in early April. Contractor is tentatively scheduled to begin construction at the end of April. Alignment and existing utility conflict avoidance is currently being confirmed. Contractor has started work and is installing pipeline up from Reservoir 4 towards the Forebay. Staff and Contractor are working with the City regarding and permits required for processing of spoils at the Company’s 20<sup>th</sup> Street Property. Contractor has completed potholing and should begin pipe installation within the week.

Original Predesign Budget .....	\$40,000
Original Design/Const. Budget.....	\$1,500,000

Original Contracts .....	\$2,067,435
Authorized Change Orders.....	NA
Current Contracts .....	\$2,067,435

**2204 GIS Update**

At the August 2022 Special Meeting, the Board authorized a contract with WSC to update the Company's GIS maps. Contract has been executed. Consultant working on updates. WSC conducted training and system review with staff in May. Staff is providing field updates into the GIS system for consultant to correct on a quarterly/half year basis. Staff has executed a change order extending GIS services for another year.

Original Budget.....	\$11,110
Original Contracts .....	\$11,110
Authorized Change Orders.....	\$6,221
Current Contracts .....	\$17,331

**2501 Well 19 Pipeline**

A professional services contract was awarded to CivilTech Engineering at the regular September 2025 Board meeting. Survey is currently being conducted. Staff and consultant have been in communication as predesign report is being prepared. Alignment is being discussed.

Original Budget.....	\$3,340,000
Original Contracts .....	\$849,070
Authorized Change Orders.....	NA
Current Contracts .....	\$849,070

**2502 Urban Water Management Plan 2025**

For economy of scale, the Company has teamed with nine regional partners to complete each agency's individual 2025 UWMP. Water Systems Consultants (WSC) was awarded the contract for all agencies. A cost sharing agreement was signed on March 31, 2025. The project has started and staff is coordinating with consultant regarding data collection. Urban Water Management Plan was adopted by the Board at its regular May Board Meeting. ~~Draft UWMP is on tonight's agenda for consideration and possible adoption.~~

Original Budget.....	\$50,000
Original Contracts .....	\$42,402
Authorized Change Orders.....	NA
Current Contracts .....	\$42,402

2602 SCADA Server Update

The main computer components of our SCADA system are eight years old, which is about the life expectancy of computer equipment. Some of our current equipment is no longer supported by the manufacturer. Staff was hoping we could squeeze another year or two out of the existing equipment until the move to our new facilities. ~~Staff will be bringing a full report to the Board as soon as it is available, likely with a recommendation to replace our SCADA Server system.~~ For budgetary purposes, this will be a \$100k+ project. Staff has met with consultant and provided review documentation. Consultant is working on proposal. Proposal to replace central SCADA system is on tonight's agenda.

Original Budget .....	\$150,000
Original Contracts .....	\$0
Authorized Change Orders.....	NA
Current Contracts .....	\$0

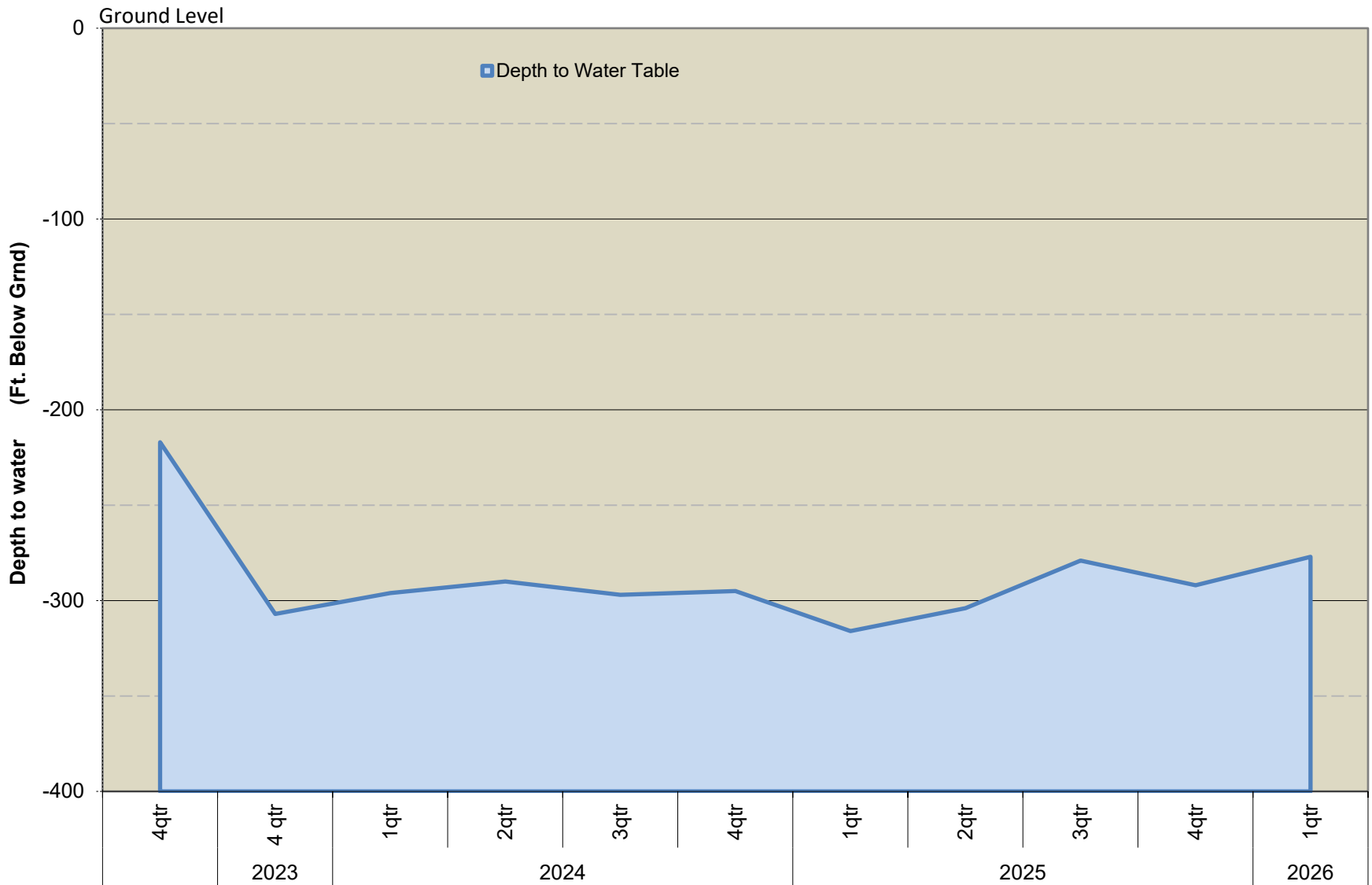
2604 San Antonio Stream Gauge

The Company is exploring how to maximize diversions for the San Antonio Canyon. The first step is to measure actual flow from the canyon. At its regular November 2025 meeting the Board authorized a contract with Rincon Consulting to install a stream gauge in San Antonio Canyon. The stream gauge was installed in February 2026 and is currently collecting data. Initial results will be presented to the Board at a later date.

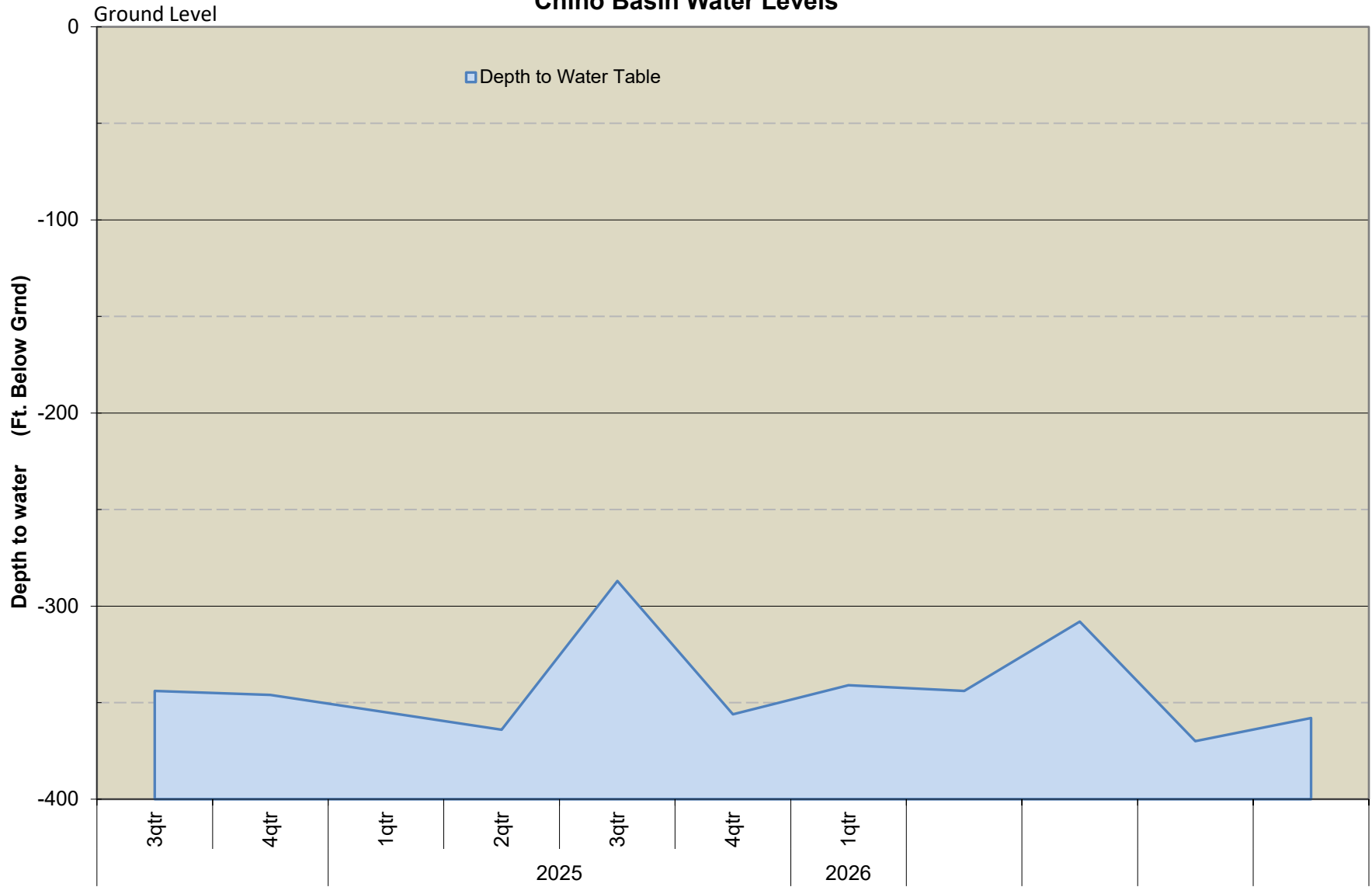
Original Budget .....	\$100,000
Original Contracts .....	\$85,679
Authorized Change Orders.....	NA
Current Contracts .....	\$0



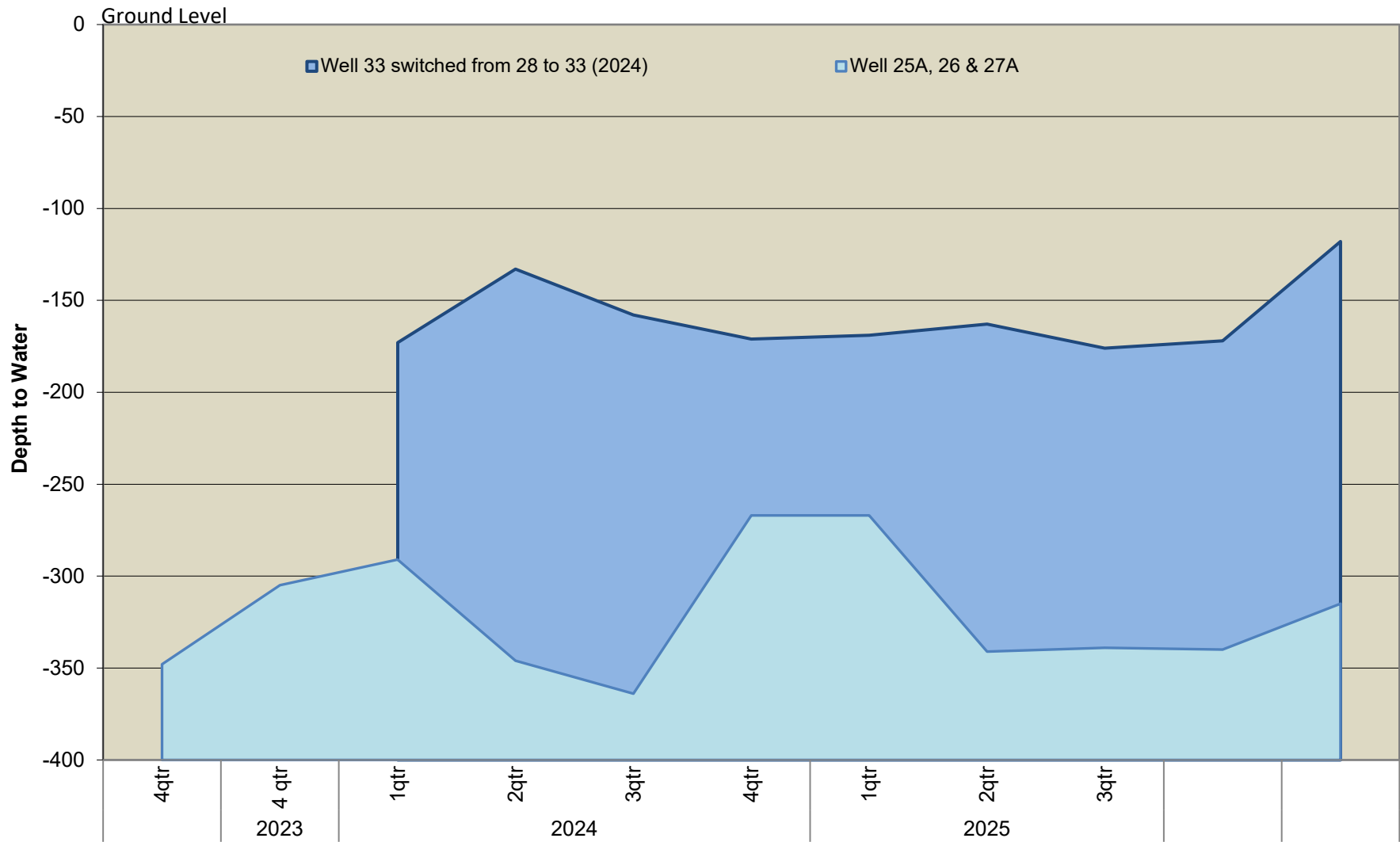
### Cucamonga Basin Water Levels



# Chino Basin Water Levels



# Six Basins



Item Title: Conservation Programs Update

Purpose:

Update on the Company’s existing water conservation programs

SAWCo Efforts in meeting Demand Mgmt. Measures (DMM’s)

\*\*SAWCo new WBIC program started 2025

SAWCo-New Weather Based Irrigation Controller-WBIC Program- (2026)	Total Budget: \$10,000	WBIC Installed  5
WBIC Installation for SAWCO customers	Cost to date: \$1,725.00	5
TOTAL	\$1,725.00	5

SAWCo Financial Assistant Program

SAWCo Financial Assistance	2025 \$2,388.57	2026 \$1,026.81					
SAWCo Financial Assistance	2024 \$2,675.82	2023 \$1,042.07	2022 \$662.70	2021 \$ 4,551.00	2020 \$9,198.53	2019 \$31,782.54	2018 \$8,474.70

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

**Agenda Item No. 6**

Item Title: Salary Table Adjustment

Purpose:

To consider adjusting employee salary tables to match local inflation.

Issue:

Does the Board wish to adjust the Company salary tables to match inflation?

Manager's Recommendation:

Adjust the Company's salary tables 3.44% upward based on the Riverside / San Bernardino / Ontario 'Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W)' change from January 2025 to January 2026.

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 2025	Jan 2026	Change	% Change
Riverside, et al.	135.718	140.384	4.666	3.44

The COLA adjustment only shifts the salary tables. It does not have an immediate impact on an employee's rate-of-pay. Individual employees' rate-of-pay are only adjusted once per year, during the individual employee's annual review. The adjustment in individual employee's rate-of-pay are strictly performance based. The company follows a fixed percentage raise-in-pay formula based on an employee's performance

and where the employee is currently located on their pay scale (see salary performance rating system box on attachment).

The AFC considered this item at its regularly scheduled May 26, 2026 meeting and unanimously recommended adjusting the Company's salary tables 3.44%

Impact on the Budget:

Implementing a COLA increases salary ranges only. It does not adjust current salary rates, except in two instances for 2026. The recommended COLA adjustment would place two employees below the salary range for their position. The Company would adjust these employees' salary upward to bring these employees back into the newly adjusted range (full year cost increase would be \$3,619). All other employees would be eligible for performance-based salary adjustments at the time of their annual review.

Previous Actions:

None.

Item Title: Conducting an Appraisal of Surplus Property

Purpose:

To obtain an appraisal of select Company's property holdings.

Issue:

What is the appraised value of the Company's select property holdings?

Manager's Recommendation:

Authorize the General Manager to hire Valuation Source to conduct an appraisal of select company property for a not-to-exceed \$5,200.

Background:

Staff has identified 8 Company-owned parcels that do not currently contain active facilities in use and no planned usage in the future. Additionally, the Company holds 4 parcels whose sale has been earmarked to fund the new Company office on 20<sup>th</sup> Street.

Location	Size (acres)
<b>Vacant Parcels to fund future Capital Expansion</b>	
W 4 <sup>th</sup> St and San Antonio Avenue APN 104801139	0.55
N Council Ave and Hwy 10 APN 104742305	0.62
6 <sup>th</sup> Street near Hwy 10 APN 104742404	0.06
Cucamonga Demons Trail APN 104343107	2.05
Mountain Ave north of Mesa Terrace APN 100343108 APN 100346106 APN 100345101 APN 100344101	51.24
TOTAL	54.52
<b>Parcels to fund New Company Building</b>	
Benson Ave APN 100527103	2.3
139 Euclid APN 104662208	0.16
1 <sup>st</sup> Street APN 104660206 APN 104660205	0.32
TOTAL	2.78

In 2019 the Company sold 2.41 acres on Benson Ave for a price of \$1,720,000 (\$713,693 per acre). When asked Google Ai indicates that land values have increased 43.8% in San Bernardino County since 2019.

$$\$713,693 / \text{acre} \times 1.438\% = \$1,026,290 / \text{acre}$$

This does not suggest that the Company is holding \$57M in vacant parcels. Staff does not believe that the Benson example above is indicative of the value of our remaining vacant parcels. Staff simply presents the above as a single data point in the complex calculation of land value. There are many factors that impact the price of vacant land; ease of development, proximity to utilities, ease of ingress/egress, surrounding neighborhoods, etc. To establish fair market value staff proposes hiring an appraiser for those parcels the Board may be interested in declaring surplus for possible sale.

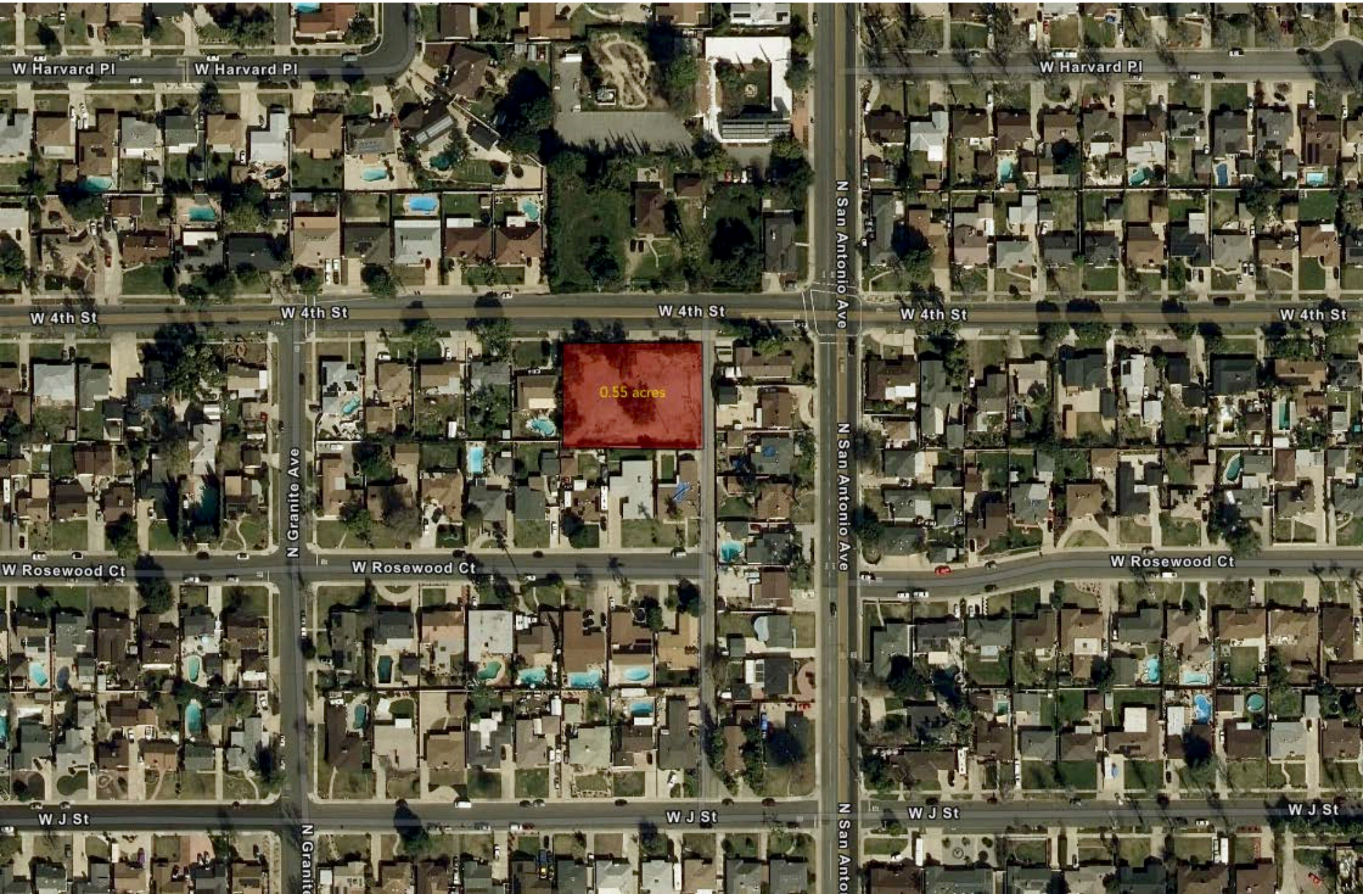
In prior discussions we have considered utilizing the sale of surplus property to assist in funding a cross-Colony pipeline that would deliver San Antonio Canyon water to the Cucamonga Crosswalls for spreading and storage. Obtaining appraisals of these parcels is the first step in that journey.

Staff reached out to four appraisers provided by legal counsel. Three of those appraisers have provided proposals. The fourth respectfully declined, stating that their focus was on water value appraisals.

Valuation Source .....	\$5,200
The Dore Group .....	\$25,500
Hoffman, Vance & Worthington .....	\$27,500

Impact on the Budget:  
\$5,200

Previous Actions:  
None.





E 6th St

E 6th St

E 6th St

E 6th St

0.06 acres

0.62 acres

N Allyn Ave

Allyn Ave

Orchard Ln

Orchard Ln

N Council Ave

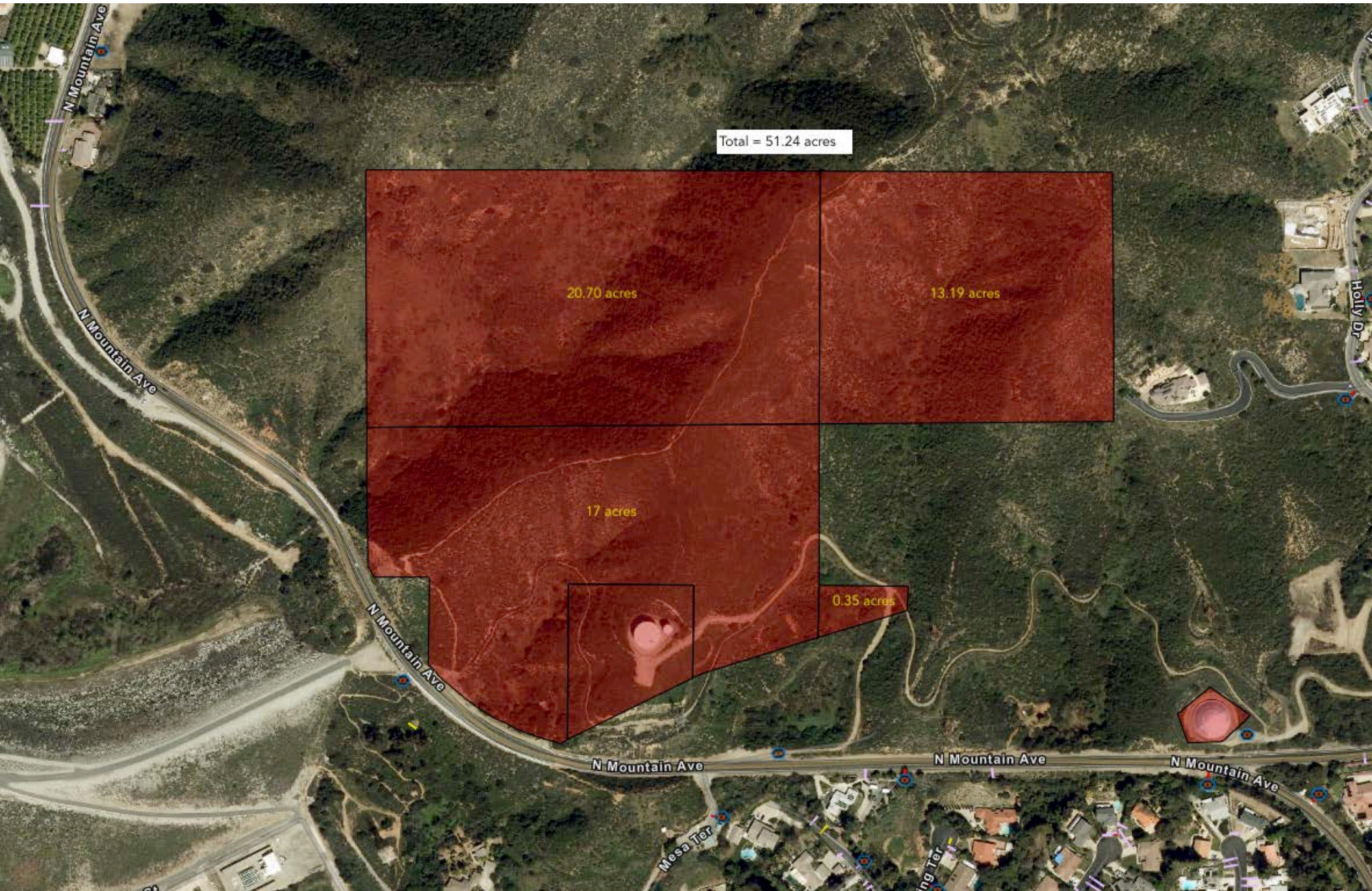


Allyn Ave



2.05 acres

Cucamonga/  
demens Trail Rest





May 26, 2026

Brian C. Lee  
General Manager  
San Antonio Water Company  
139 North Euclid Avenue  
Upland, CA 91786

Re: San Antonio Water Company Surplus Land

Dear Mr. Lee:

Thank you for the opportunity to provide real estate consultation and valuation services on the San Antonio Water Company Surplus Land project as described above.

### Real Estate Strategies

Real estate consultation and valuation services, as detailed in the Scope of Work, aim to assist the San Antonio Water Company, to provide market value for due diligence and potential sale. The subjects are identified as follows:

- 0.55-acres of land identified as assessor parcel number (APN) 1048-011-39, San Bernardino County, CA.
- 0.62-acres of land identified as APN 1047-423-05, San Bernardino County, CA.
- 0.06-acres of land identified as APN 1047-424-04, San Bernardino County, CA.
- 2.05-acres of land identified as APN 1043-431-07, San Bernardino County, CA.
- 51.24-acres of land identified as APNs 1003-431-08, 1003-461-06, 1003-451-01, and 1003-441-01, San Bernardino County, CA.
- 2.3-acres of land identified as APN 1005-271-03, San Bernardino County, CA.
- 0.16-acres of land identified as APN 1046-622-08, San Bernardino County, CA.
- 0.32-acres of land identified as APNs 1046-602-06 and 1046-602-05, San Bernardino County, CA.

### SCOPE OF WORK

The consultation and valuation services will provide all necessary due diligence of the real estate assets, which will be prepared by The Doré Group, as they relate to the San Antonio Water Company Surplus Land project.

I will submit eight (8) Appraisal Reports and Complete Analyses abiding by all State of California, USPAP (Uniform Standards of Professional Appraisal Practice). I will provide the market value of the real estate subject to the following assumptions:

The method(s) to value may include the Sales Comparison Approach to value.

The provided values will include 1) Market Value (of each property)

### INTEREST VALUED | ESTATE

Fee Simple Estate

**INTENDED USERS | CLIENT**

The client and intended user is the San Antonio Water Company. It may not be distributed to or relied upon by other persons or entities without written permission of The Doré Group.

**INTENDED USE**

The intended use is to provide market value.

(Appraisal Institute) Market Value is defined as:

Market value means the most probable price, as of a specified date, in cash, or in terms for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently and knowledgeably, and for self-interest, and assuming that neither is under duress.<sup>1</sup>

**DATE OF VALUE**

Current

**DELIVERY DATE**

6 weeks from a signed engagement letter and receipt of retainer.

**DELIVERY METHOD**

Electronic delivery. Hard copies upon request.

**FEE**

\$25,500 inclusive of all travel and related expenses. Post Delivery of the Appraisal and Review: Hourly Rates shall apply. See Conditions of Engagement Item 8. General Issues

**RETAINER**

50% of fee and signed engagement letter.

**RESPONSIBLE PARTY(IES)**

Lance W. Doré, MAI, FRICS

**EXPIRATION OF AGREEMENT**

This Agreement is valid only if signed by both Appraiser and Client within 5 days of the Date of Agreement specified.

**FURTHER CONDITIONS OF ENGAGEMENT**

The Conditions of Engagement attached hereto are incorporated herein and are part of this letter of engagement. The report referred to herein is also referred to as the “appraisal”.

I have not performed appraisal services on the subject property in the past three years for the same client.

This agreement, or related appraisal services cannot be used for IRS form 8283 unless authorized and approved by the responsible party.

**EXECUTED BY APPRAISER:**

**EXECUTED BY CLIENT:**

\_\_\_\_\_  
(Signature)

Lance W. Doré, MAI, FRICS

\_\_\_\_\_  
(Printed Name)

May 26, 2026

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Date)

<sup>1</sup> The Appraisal of Real Estate, 15<sup>th</sup>. Edition, Appraisal Institute, Pag 48.

## CONDITIONS OF ENGAGEMENT

1. Applicable requirements other than the Uniform Standards of Professional Appraisal Practice (USPAP) are the code of professional ethics and standards of professional appraisal practice of the Appraisal Institute.
2. If the property appraised is currently under contract for sale, Client shall provide to Appraiser a copy of said contract including all addenda.
3. Appraiser shall invoice Client for services rendered pursuant to this Agreement based upon the fees specified in this Agreement. Appraiser's invoices are considered due upon receipt by Client and shall be deemed delinquent if not paid within 30 days of the date of Appraiser's invoice. A 1% late charge will apply monthly to invoices past 15 days due.
4. Appraiser's obligations pursuant to this Agreement are complete when the Appraisal Report in the form specified in this Agreement is delivered to Client pursuant to this Agreement. Appraiser agrees to be responsive to Client's legitimate inquiries regarding the contents of the report after delivery.
5. Appraiser shall not provide a copy of the written Appraisal Report to or disclose the results of the appraisal prepared in accordance with this Agreement to, any party other than Client, unless Client authorizes, except as stipulated in the Confidentiality Section of the Ethics Rule of the Uniform Standards of Professional Appraisal Practice (USPAP).
6. Appraiser may use employees or independent contractors at Appraiser's discretion to complete the assignment, unless otherwise agreed by the parties. Notwithstanding, Appraiser shall sign the written Appraisal Report and take full responsibility for the services provided as a result of this Agreement.
7. The fees set forth in this Agreement apply to the appraisal services rendered by Appraiser as set forth in this Agreement. Unless otherwise specified herein, Appraiser's services for which the fees in this Agreement apply shall not include meetings with persons other than Client or Client's agents or professional advisors; Appraiser's deposition(s) or testimony before judicial, arbitration or administrative tribunals; or any preparation associated with such depositions or testimony. Any additional services performed by Appraiser not set forth in this Agreement will be performed on terms and conditions set forth in an amendment to this Agreement, or in a separate agreement.
8. Unless otherwise stated in this Agreement, Client agrees that Appraiser's assignment pursuant to this Agreement shall not include Appraiser's participation in or preparation for, whether voluntarily or pursuant to subpoena, any oral or written discovery; sworn testimony in a judicial, arbitration or administrative proceeding; or attendance at any judicial, arbitration or administrative proceeding relating to this assignment. If necessary, outside of the scope of this engagement, Client agrees to pay Appraiser, as compensation for the professional consulting services to be rendered, an hourly fee will be computed as follows:
  - Principals (Administrative Procedure/Deposition /Trial) – \$695/Hour
  - Vice President/Senior Management-\$595/Hour
  - Real Estate Advisor/Manager – \$495/Hour
  - Analyst/Support – \$395/Hour
9. In addition to the Fee to be paid to Appraiser as set forth above, Client shall reimburse Appraiser for any of the following out-of-pocket expenses incurred by Appraiser in connection with this assignment: **(None Noted)**.
10. Any changes to the assignment as outlined in this Agreement shall necessitate a new Agreement. The identity of the Client, intended users, or intended use; the date of value; type of value; or property appraised cannot be changed without a new Agreement.
11. Client may cancel this Agreement at any time prior to Appraiser's delivery of the Appraisal Report upon written notification to Appraiser. Client shall pay Appraiser for work completed on assignment prior to Appraiser's receipt of written cancellation notice, unless otherwise agreed upon by Appraiser and Client in writing.
12. This Agreement shall be governed by the law of the state in which Appraiser's office as specified in this Agreement is located, exclusive of that state's choice of law rules. The parties agree that any legal proceeding brought by either party to interpret or enforce this Agreement, or to enforce an arbitration award entered pursuant to this Agreement, shall be brought in a state or federal court having jurisdiction over the location of Appraiser's office as specified in this Agreement, and the parties hereby waive any objections to the personal jurisdiction of said court.
13. Appraiser cannot agree to provide a value opinion that is contingent on a predetermined amount. Appraiser cannot guarantee the outcome of the assignment in advance. Appraiser cannot ensure that the opinion of value developed as a result of this Assignment will serve to facilitate any specific objective of Client or others or advance any particular cause. Appraiser's opinion of value will be developed competently and with independence, impartiality and objectivity.
14. Any notice or request required or permitted to be given to any party shall be given in writing and shall be delivered to the receiving party by: a) registered or certified mail, postage prepaid; (b) overnight courier, such as Federal Express, United Parcel Service or equivalent; or (c) hand delivery. Unless otherwise specified herein, notice shall be effective the date it is postmarked or given to a third party for delivery to the receiving party, whether or not the receiving party signs for or accepts delivery of such notice.
15. Nothing in this Agreement shall create a contractual relationship between Appraiser or Client and any third party, or any cause of action in favor of any third party. This Agreement shall not be construed to render any person or entity a third party beneficiary of this Agreement, including, but not limited to, any third parties identified herein.
16. In the event of a dispute concerning the subject matter of this Agreement, the parties shall in good faith attempt to resolve such dispute by negotiation between the parties' principals, or, if such negotiation is unsuccessful, by mediation

conducted by a third-party mediator. If such mediation results in an impasse, the parties shall submit their dispute to binding arbitration. Such mediation or, if necessary, binding arbitration shall be conducted pursuant to the mediation procedures or the commercial arbitration rules of the American Arbitration Association. Any arbitration shall be conducted in the city in which Appraiser's office as specified herein is located. The parties shall share equally the costs of any mediation. In the event of binding arbitration, the arbitrators shall, in addition to any relief appropriate to be awarded to the prevailing party, enter an award in favor of the prevailing party for that party's costs of the arbitration, including the party's reasonable attorneys' fees and arbitration expenses incurred in prosecuting or defending the arbitration proceeding. Subject to the right of the prevailing party to recover its share of the costs of the arbitration services pursuant to the arbitrator's award, the costs of the arbitration services shall be borne equally by the parties. If the prevailing party seeks judicial confirmation of any arbitration award entered pursuant to this Agreement, the court shall, in addition to any other appropriate relief, enter an award to the prevailing party in such confirmation proceeding for its reasonable attorneys' fees and litigation expenses incurred in confirming or successfully opposing the confirmation of such an award.

17. Neither party shall under any circumstances be liable to the other party for special, exemplary, punitive or consequential damages, including, without limitation, loss of profits or damages proximately caused by loss of use of any property, whether arising from either party's negligence, breach of the Agreement or otherwise, whether or not a party was advised, or knew, of the possibility of such damages, or such possibility was foreseeable by that party. In no event shall Appraiser be liable to Client for any amounts that exceed the fees and costs paid by Client to Appraiser pursuant to this Agreement.
18. Neither party may assign this Agreement to a third party without the express written consent of the other party, which the non-assigning party may withhold in its sole discretion. In the event this Agreement is assigned by mutual consent of the parties, it shall become binding on the assigning party's permitted assigns.
19. In the event any provision of this Agreement shall be determined to be void or unenforceable by any court of competent jurisdiction, then such determination shall not affect any other provision of this Agreement and all such other provisions shall remain in full force and effect.
20. Client agrees to defend, indemnify and hold harmless Appraiser from any damages, losses or expenses, including attorneys' fees and litigation expenses at trial or on appeal, arising from allegations asserted against Appraiser by any third party that if proven to be true would constitute a breach by Client of any of Client's obligations, representations or warranties made in this Agreement, or any violation by Client of any federal, state or local law, ordinance or regulation, or common law (a "Claim"). In the event of a Claim, Appraiser shall promptly notify Client of such Claim, and shall cooperate with Client in the defense or settlement of any Claim. Client shall have the right to select legal counsel to defend any Claim, provided that Appraiser shall have the right to engage independent counsel at Appraiser's expense to monitor the defense or settlement of any Claim. Client shall have the right to settle any Claim, provided that Appraiser shall have the right to approve any settlement that results in any modification of Appraiser's rights under this Agreement, which approval will not be unreasonably withheld, delayed or conditioned.
21. Client represents and warrants to Appraiser that (1) Client has all right, power and authority to enter into this Agreement; (2) Client's duties and obligations under this Agreement do not conflict with any other duties or obligations assumed by Client under any agreement between Client and any other party; and (3) Client has not engaged Appraiser, nor will Client use Appraiser's Appraisal Report, for any purposes that violate any federal, state or local law, regulation or ordinance or common law.
22. This Agreement represents the entire and integrated agreement between the Client and Appraiser and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both Client and Appraiser. This Agreement includes the following Appendices, which are incorporated into, and made a part of this Agreement: **(None Noted)**



## LANCE W. DORÉ, MAI, FRICS

Lance W. Doré is the President and CEO of The Doré Group. In this role, he directs all valuation assignments involving a wide variety of conventional and complex real properties, serves as litigation support to both public and private clients, provides expert advisory services (including forensic analyses and market and feasibility studies), and manages the overall operations of The Doré Group.

Mr. Doré has been a real estate appraiser since 1983, initially working for Bank of America as a staff appraiser then as a senior appraiser with a fee appraisal firm in Del Mar, California. In 1988, he formed L.W. Doré, Real Estate Consultants and grew the firm through the addition of two partners forming Doré & Curry, Inc. (1990) and Doré, Curry, & Marschall, Inc. (1997). In 1999, Doré, Curry, & Marschall, Inc. became the San Diego office for Integra Realty Resources with Mr. Doré serving as Managing Director. In the fall of 2005, Mr. Doré joined Cushman & Wakefield as the National Practice Leader of the Government Affairs and Energy division. In 2007, he pursued an opportunity to serve as the President of European Emerging Markets and Vice President of Client Services for PGP, Inc./Colliers International. Mr. Doré's unique depth of experience, coupled with his high personal standards of service, led him to found The Doré Group in 2010.

### Experience

Mr. Doré's work experience spans a wide variety of property types with special expertise in the valuation of energy facilities, conservation land, open space corridors and ranches. In addition, he has also appraised planned-unit developments, residential income properties, senior housing, shopping centers, office, industrial, mixed-use properties, and a multitude of special purpose properties, including, but not limited to hotels, ski resorts, restaurants, hospitals, recreational camps, auto service and wrecking centers, equestrian facilities, and golf courses. He regularly serves as an expert advisor conducting appraisal reviews, forensic studies, and marketability and feasibility analyses. In addition, Mr. Doré is uniquely qualified and experienced in litigation testimony, consultation and advisory services for all real estate related issues. His geographical valuation expertise is focused in the western United States and extends to Tokyo (Japan), Central America, Mexico, Cyprus, and Moscow (Russia).

### *Licenses/Certifications/Affiliations*

Certified General Real Estate Appraiser – **State of California** (OREA No. AG002464)  
California Licensed Real Estate Broker & Realtor member - **San Diego Board of Realtors**  
Credentialed Mediator – **National Conflict Resolution Center**  
Member of the Appraisal Institute (**MAI No. 8471**)  
Fellow of the Royal Institute of Charter Surveyors (**FRICS Designation**)  
Registered Valuer - **Royal Institute of Charter Surveyors** for international valuation  
Member of the International Right of Way Association (**IR/WA**)  
Member of the Family Firm Institute – **FFI**  
Member of the Lambda Alpha International – Land Economic Society – **LAI**

### *Instructor Positions*

National Instructor (*Real Estate Valuation Principles & Practice*) - **Appraisal Institute**  
Adjunct Professor - **Russian Federation Finance Academy**  
National Instructor – (*Business Development and Leadership*) – **Royal Institute of Charter Surveyors**  
National Instructor - (Red Book Standards) - **Royal Institute of Charter Surveyors**  
National Instructor - (Hotel Valuation) - **Royal Institute of Charter Surveyors**  
National Instructor - (International Valuation and Property Measurement Standards) - **Royal Institute of Charter Surveyors**  
National Instructor - (Subdivision Development) - **Royal Institute of Charter Surveyors**  
National Instructor - (Automated Valuation Models) - **Royal Institute of Charter Surveyors**  
National Instructor - (Bridging the Gap of IVSC v. USPAP) - **Royal Institute of Charter Surveyors**

*Leadership/Committees*

Past President – **Appraisal Institute**, San Diego Chapter  
 Past member of *International Relations Committee* – **Appraisal Institute**  
 Past member of *Ethics & Standards Committee* – **Appraisal Institute**

*Speaking Engagements*

**Appraisal Institute (National Seminar Series, Los Angeles, CA)** - Land Valuation & Environmental Issues  
**The Trust for Public Land (San Diego, CA)** - Natural Communities Conservation Plan  
**Pan Pacific Conference (Auckland, New Zealand)** – Valuation of Submerged Lands  
**Government of Cyprus (Nicosia, Cyprus)** – Valuation of Golf Courses and Marinas  
**The Russian Federation (Moscow, Russia)** - Valuation of Land and Appraisal Principles  
**The Russian Federation (Goa, India)** - Valuation of Oil and Gas and Power Plants  
**Royal Institute of Charter Surveyors (Montego Bay, Jamaica)** – Government & Regulatory Risk  
**Graziadio School of Business & Management, Pepperdine (Los Angeles, CA)**–2008 US & California Forecast  
**Appraisal Institute (San Diego, CA)** – Unique Valuations in Real Estate  
**Appraisal Institute (San Diego, CA)** – International Financial Reporting Standards (IFRS)  
**California Redevelopment Agency (Workshop Series, CA)** – Real Estate Valuation for AB1X 26 & AB1484  
**Risk Management Association (RMA)** – Appraisal Risk and the Valuation Process  
**University of San Diego** – MBA program – Guest Lecturer  
**University of San Francisco** – Geller Family Business Center – Family Office Valuation  
**NAI Global Conference** – Real Estate Investment Pyramid

**Publications**

**Appraisal Journal** (October 2001) – “The Valuation of Submerged Land”  
**Energy Pulse** (March 2006) – “The Highest and Best Use of Power Plants”  
**Union of Pan America Valuers** (November 2010) – “Impact of Public to Private Partnerships in BRICS”  
**Wall Street Journal** (August 2001) – “Power Plant Owners Fight to Lower Taxes”  
**The Secret of Real Estate – Revealed** (2011)  
**IRWA Right of Way** (July/August 2018) – “Conservation Easements – Unraveling the Mystery”  
**IRWA Right of Way** (May/June 2025) – “The Value Impact of Fire on Real Estate”

**Representative Client List**

*Public Entities*

United States Department of the Interior	United States Forest Service
United States Department of Navy	United States Department of Justice
Government of Cyprus	Russian Federation
State of California – Judicial Courts	County of San Diego
State of California – Auditor	County of San Bernardino
County of Riverside	County of Los Angeles
County of Monterey	City of Riverside
City of San Diego	Port of Long Beach
Los Angeles Dept. of Water and Power	Port of Oakland
City of Monterey	Port of Vancouver

*Legal Clients* – Local, Regional, National and International Firms. Criminal, Transactional and Civil Litigation. Qualified Expert in Federal Bankruptcy Court, United States Judicial District Court, California Superior Court, San Diego Superior Court, Los Angeles Superior Court, Washington State Superior Court.

*Financial Institutions* – All Major Local, Regional and National Organizations. Savings and Loans, Banks, Insurance Companies, Investment Firms, Brokerage Firms and Insurance Companies.

*Non-Profit Conservation Groups* – Local, Regional and National Organizations.

*Family Offices* – Estate Planning, Tax Planning, Consultation

June 23, 2026

Brian C. Lee  
 General Manager  
 San Antonio Water Company  
 139 North Euclid Avenue  
 Upland, CA 91786

Sent via Email: Brian Lee <Blee@sawaterco.com>

**Re: Appraisal Proposal/Letter of Engagement**

Brian:

Below is an outline of the services requested, as well as the fee and time frame within which the assignment can be scheduled for completion.

**Subject Properties**

The subjects of the appraisal consist of eight properties. The list is summarized in the below table. See **Exhibit A** attached.

Property Reference	APN	Type	Size (acre)	Zoning
4th/San Antonio	104801139	Vacant Land	0.55	LDR-5 Low Density Resid.
N. Council/Hwy 10	104742305	Vacant Land	0.62	LDR-5 Low Density Resid.
6th Street/Hwy 10	104742305	Vacant Land	0.06	HDR-High Density Resid.
Cucamonga Demons Trail	104343107	Vacant Land	2.05	Hypothetical Low-Density Resid.
Mountain Ave	100343108, 6106, 5101, 4101	Vacant Land	51.24	RL-5 Rural Living 5 acre min.
Benson Ave	100527103	Vacant Land	2.3	LI - Light Ind.
139 Euclid	104662208	Office Bldg.	0.16	Downtown Specific Plan - Com'l
1st Street	104660205 & 206	Ind. Bldgs.	0.32	Downtown Specific Plan - SFR/Industrial

**Scope of Services**

Appraisal of the Fair Market Value of the Fee Simple interest in the subject properties as of the below stated date of value.

**Intended Use**

The intended use of the conclusions drawn in the appraisals is for internal management purposes.

**Dates of Value**

Current

**Fee**

**\$27,500** for appraisal services only.

**Retainer**

**\$13,750** due prior to commencement of appraisal assignment.

**Completion Date**

The above described appraisal services will be completed **as soon as possible**, but no later than **120 days** from execution of this letter of engagement.

It is possible that delays may occur, which will cause you to request a delay in the completion and delivery of services. Such delays may impact not only delivery timing but the total fee for job completion. An invoice will be prepared covering time expended through receipt of the notice of delay. The progress payment will be due upon receipt of said invoice. Receipt of payment is a requirement for recommencement of work.

Costs incurred for necessary overnight travel, aerial photography, messenger delivery services, and exhibits requested by counsel will be passed through in addition to the fees cited above. I understand and agree that any individual cost incurred on your behalf exceeding **\$500** must be pre-approved by you in writing.

It should be understood that these quoted rates are valid for a time period not to exceed 60 days from this writing and subsequent to that date are subject to revision in accordance with our standard fee schedule for such work in effect at that time. The delivery schedule set forth is effective as of the date of this letter. However, if there are significant changes in our work schedule prior to our receipt of notice to proceed with this assignment, the delivery schedule may require modification. If this is the case, I will notify you immediately upon receipt of this executed agreement and required retainer.

Work to be undertaken under this agreement will be prepared in conformity with and subject to the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute, as well as the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation.

It is understood that the fees quoted herein are for the provision of professional services and are not, in any way, contingent upon either the valuation reported or upon the outcome of any pending matter for which valuation is required.

In the event of any controversy, claim or dispute between us arising out of or related to this agreement or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, including all investigation, collection, attorneys', and arbitrators' fees and expenses.

A late fee of 1% per month will be charged on any balances outstanding over 30 days.

Brian Lee  
June 23, 2026  
Page 3

Thank you for the opportunity to provide this proposal. If any questions remain concerning this proposal or the subject matter thereof, please call and I will respond promptly.

Sincerely,

**HOFFMAN, VANCE & WORTHINGTON, INC.**

  
Kevin P. McAtee, MAI, AI-CRS

**AGREED AND ACCEPTED:**

\_\_\_\_\_  
Brian Lee

\_\_\_\_\_  
Date

# Exhibit A

## Subject Properties (Google Earth)









## Valuation Source

Real Estate. Businesses. Machinery & Equipment.

5555 Alden Bend Dr

Las Vegas, Nevada 89135

(702) 496-9923 –Direct

(888) 261-3292 - Fax

May 21, 2026

Client:

Brian C. Lee

General Manager

San Antonio Water Company

139 North Euclid Avenue

Upland, CA 91786

909.982.4107

[blee@sawaterco.com](mailto:blee@sawaterco.com)

Appraiser:

Andrew J. Johnson, MAI, SRA, ASA, MBA, CVA, CMEA

Valuation Source

5555 Alden Bend Dr

Las Vegas, Nevada 89135

(702) 496-9923 –Direct

(888) 261-3292 - Fax

[andrew@valsorceusa.com](mailto:andrew@valsorceusa.com)

[andrew@valuationsourcenv.com](mailto:andrew@valuationsourcenv.com)

---

Mr. Lee,

The fee to appraise the parcels (see following page) is \$5,200 and will take 2-3 weeks to complete.

Sincerely,



Andrew J. Johnson, MAI, SRA, ASA, MBA, CVA, CMEA

May 20, 2026

Location	Size (acres)
W 4 <sup>th</sup> St and San Antonio Avenue APN 104801139	0.55
N Council Ave and Hwy 10 APN 104742305	0.62
6 <sup>th</sup> Street near Hwy 10 APN 104742404	0.06
Cucamonga Demons Trail APN 104343107	2.05
Mountain Ave north of Mesa Terrace APN 100343108 APN 100346106 APN 100345101 APN 100344101	51.24
Benson Ave APN 100527103	2.3
139 Euclid APN 104662208	0.16
1 <sup>st</sup> Street APN 104660206 APN 104660205	0.32

Item Title: Meter Downsizing Policy

Purpose:

To consider adopting a meter downsizing policy.

Issue:

Under what situations should the Company consider a shareholder's request to downsize their meter?

Manager's Recommendation:

Approve the attached draft Meter Downsizing Policy.

Background:

Since the 2026 rate increase was implemented in January the Company has received multiple shareholder inquiries to reduce their meter size, thereby reducing their monthly Readiness-to-Serve Charge.

Staff has prepared the attached policy that would assist shareholders in understanding the physical aspects of a smaller meter (reduced flow rates and possible irrigation modifications). Additionally, homes with fire suppression systems (fire sprinklers) have a legal requirement for flow and pressure of water. Those homes have received prior approval from the Fire Marshal based on the results of flow and pressure with their current meter. It may be possible to meet fire suppression legal requirements with a smaller meter, but the Company would need verification from the Fire Marshal that a smaller meter is legally acceptable.

The San Bernardino Fire Marshal has reviewed and finds the attached policy and form acceptable.

Impact on the Budget:

Minimal but unknown

Previous Actions:

None.



## Purpose

To provide shareholders with the opportunity to save money on Readiness to Serve Charges (fixed meter charges) by installing a smaller meter while ensuring minimum service water flow requirements for private fire suppression systems (home fire sprinklers).

## General Provisions

The Company installs meters of certain sizes at shareholder property based on factors including shareholder preference, fire marshal requirements and the general size of the parcel receiving service. Meter size is determined during parcel development, working with the architect or engineer developing plans for the parcel. Currently, the smallest size installed will be a ¾" diameter meter.

Homes with a private fire suppression systems (home fire sprinklers) will require the approval of the San Bernardino County Fire Marshal before the Company downsizes a meter. Typically, the minimum sized meter that will provide the flow necessary for these fire suppression systems is a 1" diameter meter. But given ever-changing improvements in the plumbing industry it may be possible to provide the necessary flow rates for a fire suppression system through a ¾" diameter meter. The cost and effort to verify adequacy of a smaller meter shall be the sole responsibility of the shareholder. The services of a Civil or Mechanical Engineer may be required to satisfy the Fire Marshal.

Absent a home private fire suppression system, there are other considerations before downsizing a meter. Irrigation systems should be sized for a specific instantaneous flow rate. Flow rate is impacted by the meter size. A smaller meter has a lower instantaneous flow rate. Switching to a smaller meter may require the shareholder to reconfigure the irrigation systems on the property. More and smaller irrigation zones may be required if the instantaneous flow rate is reduced due to a smaller meter.

There is no cost to downsize a meter. However, there is a cost to upsize a meter. Should the shareholder change their mind and wish to reinstall a larger meter in the future the shareholder will be responsible to pay the Meter Upgrade Fee. Please refer to the Company's current Charge and Fee Schedule for meter upgrade fee.

## Process to Downsize Meter

Shareholders wishing to downsize the meter at their property must complete an Application for Water Meter Downsizing. Once a completed application has been submitted (including Fire Marshal approval if required) the Company will schedule for installation of the reduced meter. Installation will typically occur within two weeks of submitting a completed application. The new Readiness to Serve Charge will adjust downward and show on the next bill.



# San Antonio Water Company

Incorporated October 25, 1882  
Serving the original Ontario Colony lands

## Application for Water Meter Downsizing

Shareholder Name: \_\_\_\_\_

Property Service Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Account Number: \_\_\_\_\_ Assessor Parcel Number: \_\_\_\_\_

Does the Property have a Fire Suppression System? YES \_\_\_\_\_ NO \_\_\_\_\_

If YES, San Bernardino County Fire Authority approval is required.

Shareholder hereby requests that the San Antonio Water Company (SAWCO) install a \_\_\_\_\_" meter in place of the current \_\_\_\_\_" meter serving the above property, thereby downsizing the service, resulting in a lower monthly Readiness to Serve Charge and associated lower rate of water flow to the property.

Shareholder declares, under penalty of perjury, that they are the owner or authorized agent of the owner of the property identified above and that the information provided here is accurate and true to the best of their knowledge.

Shareholder understands that it is their responsibility to determine that the requested water meter size will provide adequate flow and pressure for the property. Shareholder acknowledges that the lower rate of water flow to the property resulting from the requested meter downsizing may impair the effectiveness or operation of any fire sprinkler system, irrigation system or other water system. Shareholder acknowledges that SAWCO disclaims any responsibility for evaluating the impact of the meter downsizing on the property or any water system thereon, including any fire sprinkler system. Shareholder acknowledges that they have been advised to consult with a civil or mechanical engineer to confirm that the meter downsizing is adequate for the water demands of the property. Shareholder is also encouraged to contact their Homeowner's Insurance Carrier.

Shareholder agrees that any future upsizing of the meter will be at the shareholder's cost.

Shareholder releases the Company from any and all liability arising out of or relating to the meter downsizing, including any change in water pressure or flow. Shareholder acknowledges that without this signed release the Company will not allow the meter downsizing.

Shareholders Signature: \_\_\_\_\_

Shareholder's Name: \_\_\_\_\_ Date: \_\_\_\_\_

Item Title: Replace Main SCADA Equipment and Software

Purpose:

To replace aging SCADA infrastructure.

Issue:

The central SCADA computers are 8 years old and have reached end-of-life status.

Manager's Recommendation:

Authorize the General Manager to hire SOFFA Electric to install and configure new SCADA Servers for a not-to-exceed \$132,000.

Background:

SCADA stands for System Control and Data Acquisition. The Company's central SCADA system does just that, sends instructions and collects data through radio transmissions to the various Company sites (reservoirs, pumps, wells). Additionally, if something goes wrong at one or more of the sites the central SCADA system will make a phone call to alert the Company's On-Call Operator.

The current central SCADA system was installed in 2018 at a cost of \$118,000. Although the current system works, it has never been without problems. Licensing and log-in credentials were not clearly documented originally, which has compounded various programming and hardware limitations. In 2025 our SCADA consultant announced they were shutting down, prompting the Company to begin searching for a new SCADA Consultant.

The Company is now at a point where licensing on the subcomponents of the system have or are expiring. Additionally, the hardware also shows signs of age and failure. Correcting these issues is becoming more costly and frustrating. One of the recent SCADA outages lasted multiple days. However, the bright side to recent troubles is that the Company has been able to bring in consultants on a case-by-case basis to assess their knowledge and expertise.

After SOFFA Electric has proven their worth on specific assignments staff requested a proposal to supply a new central SCADA system (attached).

Replacing the central SCADA system is the first step in modernizing the Company's SCADA system. Radios and Programmable Logic Controllers (PLCs) at each site also need replacement. Those projects will be brought to the Board on a site-specific basis in the coming years.

Impact on the Budget:

\$132,000 out of Capital Reserves

Previous Actions:

None.



## SAWCO San Antonio Water Company Scada Upgrade

### NOTICE

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SOFFA ELECTRIC  
[www.soffaelectric.com](http://www.soffaelectric.com)



**Head Office**  
5901 Corvette Street,  
Commerce, CA 90040

**Orange County Office**  
587 Apollo St,  
Brea, CA 92821

**Northern California Office**  
4523 B Street,  
Stockton, CA 95206

To: **SAWCO**  
Attention: Brian C. Lee  
Project Name: **SCADA System Upgrade**

Date: 3/19/2026  
Estimate No.: **E-3780**

Thank you for this valued business opportunity. SOFFA ELECTRIC, INC. (SOFFA), MBE/WBE, UL508A/UL698A Certified System Integrator is pleased to propose the following scope of work for the project referenced above.

### Scope of Work

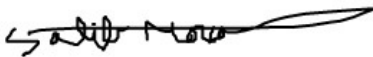
A. Engineering Services & Software	
Item	Description
Lot	<ul style="list-style-type: none"> <li>• Engineering Coordination</li> <li>• Scada Software upgrade including:               <ul style="list-style-type: none"> <li>- Purchasing new server hardware (Qty of one)</li> <li>- Purchasing new Scada software (with unlimited tags) including historian (<b>Ignition Scada platform software</b> with one configuration/ Runtime license)</li> <li>- Sofa will develop Screens based on existing Scada to carry on same functionality with the existing system. And create tag database to cover 1600 tags</li> <li>- Sofa will develop alarm notification (<b>as its part of Ignition Scada platform software</b>) based on existing Scada to carry on same functionality with the existing Win911.</li> </ul> </li> <li>• Start-up and Commissioning</li> <li>• O&amp;M Manual</li> <li>• Required Trainings</li> </ul> <p style="margin-top: 10px;">Project duration 8 – 10 weeks after submittal approval</p>
<b>Total Items cost including sales taxes:</b>	
<b>\$131,934.00</b>	

## F. Exceptions/Clarifications

- Any extra work beyond the approved scope of work will incur additional expenses based on time and materials used.
- MSB, MCC, VFD's, FSCP, UPS System, 480V Electric Power Service, Switchboard, Load center, Power Monitoring, Junction boxes, vaults, trenching, demolitions, pipe spools, pneumatic tubing, connectors and fittings, any conduit, wire, any cables and any electrical hardware and supports, unless otherwise noted.
- Any pre-packaged instruments (VCP), Purging, Piping, system and its control hardware other than listed above.
- Factory calibration of instruments will take precedence over field calibrations.
- Provision/Installation of any Fiber Optic Systems, Demolition, Mechanical Devices, Concrete Pads, Pipes, Motor Operation Valves, Solenoid Valves, Butterfly type Flow Control Valves, Current-to-Pressure Transducers, Limit Switches, Temperature Switches and its control hardware, Sunshields, stanchions, valves, and mounting items not included unless noted above.
- Unless otherwise noted above by the Scope of Work, quote is to furnish only and does not include installation labor, termination, construction work, site improvements, trade labor, contractor services and/or startup and testing services.
- Flow Meter Spools Excluded.
- SOFFA will only be responsible for calibrating SOFFA provided instrumentation and will not be held responsible for instrument calibrations for instrumentation provided by others.
- Instrumentation will be provided loose if not installed in an SOFFA provided panel.
- Electrical Power Studies, Seismic Calculation, NETA Testing and Insulation Testing are not included unless noted above.
- SOFFA is not responsible for verifying the accuracy of instrument installation, sizing type, proper electric circuits, correct number of control wires with their conduits.
- Existing instrument calibrations are not included.
- I&C Submittals to be provided **approximately 8-10 weeks** after receipt of purchase order or written notice of intent.
- I&C Delivery to be scheduled for **approximately 14-16 weeks** minimum after submittal approval and written notice of release.
- If bonding is required, please add **1.2944%** to the total purchase amount.
- This offer is good only for 90 days (till 9/28)

For any questions related to this proposal, please email [Sales@SOFFAELECTRIC.com](mailto:Sales@SOFFAELECTRIC.com).

Sincerely,



Salib Mansour, PE  
Vice President  
Email: [Salib.Mansour@SOFFAELECTRIC.com](mailto:Salib.Mansour@SOFFAELECTRIC.com)

## GENERAL TERMS & CONDITIONS

- 1. Work.** SOFFA Electric Inc. shall execute and provide all labor, supervision, materials, and apparatus required to pursue and complete the Work described above. SOFFA shall perform the work in a professional and competent manner. Unless otherwise specified, work must be completed during normal business hours (Monday through **Thursday**, 7 a.m. to 4 p.m.) and pricing does not include overtime, shift, or off-hours work. Work performed outside of normal business hours is compensated for at overtime rates. This includes any time worked in excess of 8 hours but less than 12 hours during the week, and the first 8 hours worked on Saturday. Work performed outside of normal business hours in excess of 12 hours, in excess of 8 hours on Saturday, and on Sundays and holidays are compensated at double time rates.
- 2. Non-Solicitation.** To the fullest extent permitted by law, during the term of the Project and for a period of 18 months thereafter, both parties agree not to, directly or indirectly, solicit, recruit or employ any employee of either party without the prior written consent of the other.
- 3. Progress Payments.** Prior to each Monthly Billing date, SOFFA is required to provide Owner/Contractor with a progress payment application that outlines the value of the Work installed, also known as "Completed Work." Within 30 days of receiving this application, Owner/Contractor must make a progress payment to SOFFA that is equivalent to the value of the Completed Work as of the corresponding Monthly Billing date. As part of the Progress Payments a 5% "Project Initialization" charge will be billed upon receipt of a signed Purchase Order. When required, Retention of 5% will be billed at the point of substantial completion of SOFFA's portion of the work.
- 4. Final Payment.** A final payment, consisting of the unpaid balance of the Price, shall be made within 30 days after the last of the following to occur: (a) completion of the Work by the SOFFA, (b) furnishing of evidence satisfactory to Owner / Contractor that there are no claims, obligations, liens outstanding or unsatisfied for labor, services, materials, equipment, taxes or other items performed, furnished or incurred in connection with the Work, (c) delivery general release, in a form satisfactory to the Owner / Contractor, executed by SOFFA in favor of Owner / Contractor and Owner.
- 5. Payment Terms.** Interest and late charges shall accrue at 1.5% per month on any unpaid balances.
- 6. Change Orders.** Owner / Contractor may from time to time, by written order ("Change Order") to SOFFA, make changes in the Work. SOFFA shall thereby perform the changed Work in accordance with the terms of the Change Order. The Contract Price shall be adjusted by the net amount of any direct savings or direct cost attributable to the Change Order.
- 7. Storage of Materials on Site.** Materials stored on site or in third party storage to be installed by others are considered delivered to the site owner's care and custody.
- 8. Proposal.** This proposal and pricing are good for 30 days from the date of this proposal unless specified otherwise above. The proposal shall be incorporated into any contract or purchase order issued, whether or not this is expressly stated. Before beginning the task outlined here, the proposal must be accepted. Acceptance of this proposal is indicated by a notice to proceed or purchase order. Total price does not include applicable sales tax, tariffs, or shipping charges, unless otherwise noted. Lead times listed are estimates only. Fieldwork not included in the quotation will be subject to the rates and terms specified on the SOFFA Service Rate Schedule. Any exceptions must be stated and accepted in writing. Standby time is defined as the time during which the technician is available to work but is not working due to circumstances outside of the control of SOFFA, including weather conditions or by Client direction. Standby time will be billed at rates specified on the SOFFA Service Rate Schedule (including overtime if work is required outside normal business hours or the Field Technician's daily work hours).
- 9. Documents.** The proposal is based on the documents listed. We cannot agree to be bound by the terms of any document not furnished to us prior to bid. Costs associated with documents that are not listed or not provided prior to the date above are not included in the price above.
- 10. Limits of Liability.** In no event, regardless of cause, shall SOFFA assume responsibility for or be liable (a) under any penalty clause of for penalties of any description, (b) for indemnification of client or others for costs, damages, or expenses arising out of or related to the goods or services provided under the contract or for certification unless otherwise specifically provided herein, or (c) for any loss of profits, loss of use, business interruption, loss of data, or indirect, incidental, special, or consequential damages of any kind in connection with or arising out of the furnishing, performance, or use of the goods or services provided to client, including related documentation, or arising from delay in delivery or furnishing of any services or products, whether alleged as a breach of contract, or tortious conduct, including negligence, or otherwise, even if SOFFA has been advised of the possibility of such damages. Furthermore, SOFFA's liability arising out of or related to the contract, including for direct damages, shall not exceed the purchase price stated in the attached proposal. This limitation of liability is cumulative, with all payments for claims or damages in connection with the contract being aggregated to determine satisfaction of the limit, such that the existence of one or more claims will not enlarge the limit. In addition, this limitation of liability will apply regardless of the form of action, whether in contract or tort, including negligence.
- 11. Liquidated Damages.** SOFFA shall not be responsible for any failure to perform, or delay in performance of, its obligations resulting from acts of God, failure of its suppliers to ship or deliver on time, or other circumstances beyond SOFFA's reasonable control, including, but not limited to, sourcing, shipment or delivery issues caused by, related to, or resulting from COVID-19 or other similar national or global health situations. Under no circumstances is SOFFA liable for any penalties related to or identified as liquidated damages for failure to meet a delivery schedule regardless of the cause.

12. **Material Pricing /Delivery Delays.** If, during the performance of this contract, material pricing significantly increases, through no fault of SOFFA, the proposal price shall be equitably adjusted by an amount reasonably necessary to cover any such significant price increases. As used herein, a significant price increase shall mean any increase in price exceeding 3% as experienced by SOFFA from the date of the contract signing. Such price increases shall be documented through quotes, invoices, or receipts.

Where the delivery of material is delayed, through no fault of subcontractor, due to shortages or unavailability of materials, SOFFA shall not be liable for any additional costs or damages associated with such delay(s).

The parties understand and agree that (i) there are current issues with the manufacture and supply of various materials and equipment (all, collectively, "Goods"), which issues generally are referred to as "supply chain disruption" ("Disruption"), (ii) the Disruption arises from a variety of global, national, and local factors, all of which are beyond the control of SOFFA Systems, and (iii) the Disruption has impacted suppliers ability to provide goods by certain dates, in the quantities ordered, and/or for the specified price.

### 13. Accelerated/ Decelerated /Termination of Project Execution

#### **FAST TRACK:**

Client acknowledges that if Client requires a Systems Integrator (as defined below) to perform on an accelerated schedule (i.e. pace faster than the Systems Integrator's normal business procedure as dictated by the Systems Integrator's standard business practices), the risk of errors in the design and development of hardware and software increases as do certain costs such as but not limited to, express shipping of incoming purchases to the Systems Integrator, charges for expedited manufacture, development and/or delivery of hardware and/or software to the Systems Integrator and, express shipping to Client by the Systems Integrator. Client agrees that upon Client's request to the Systems Integrator to perform on an accelerated basis, Client will compensate the Systems Integrator (at Systems Integrator's then prevailing rates) for the additional costs incurred and work required as a result of the accelerated pace of project execution.

#### **SLOW TRACK:**

A decelerated pace of project execution also causes additional work and costs. If Client decelerates the pace of project execution, Client shall bear the additional costs and expenses associated with such deceleration including but not limited to paying the Systems Integrator for "spin-up" time (inefficiency caused by starting and stopping) at the System Integrator's then prevailing rates. As used herein, "System Integrator" refers to any person or entity responsible for integrating software, hardware or other materials or equipment provided by SOFFA into Client's computer network or other system(s).

#### **TERMINATION:**

Cancellations or stop-work requests by Client on any order or part thereof, must be made in writing. Notwithstanding any such request, Client agrees to pay SOFFA's standard contract labor rate for all labor incurred, and SOFFA's net material costs for all materials purchased for that order, including any restocking charges incurred.

If Client fails to comply with its obligations hereunder (including without limitation the full and timely payment to SOFFA), SOFFA may provide written notice of such default to Client and suspend further performance until such default is cured by Client. When such default is cured by Client, the amount to be paid for the Project will be equitably increased to account for SOFFA's damages arising from such suspension (including without limitation demobilization and remobilization expenses and increased costs of performance) and the time for SOFFA to complete the Project will be equitably extended to account for such suspension. If Client fails to cure such default within 30 days of its receipt of such notice from SOFFA, SOFFA may terminate its agreement with Client by providing written notice thereof and recover from Client payment for all portions of the Project performed (in whole or in part) through the date of such termination, SOFFA's demobilization expenses and other reasonable termination costs, the amount of expected overhead and profit SOFFA would have earned on the cancelled portions of the Project if not for Client's default, and any collection costs incurred by SOFFA in obtaining payment due from Client.

14. **Warranty.** SOFFA warrants all equipment manufactured by SOFFA to be free from defects in material and workmanship under normal use and service for a period of twelve (12) months OR as defined in the contract from date of shipment. All parts or products not manufactured by SOFFA will be covered only by the express warranty, if any, of the manufacturer. SOFFA's above- described limited warranty does not extend to damage or wear caused by misuse, negligence, accident, corrosion, modification by Client, faulty installation, loss of product, or tampering in a manner to impair normal operation of the equipment. SOFFA reserves the ultimate right to determine implicitly or explicitly what is or is not covered by the warranty.
15. **Ownership of Software.** Title to the application software provided to the Client by SOFFA under the Contract remains with the Client. SOFFA is granted a personal, paid-up, perpetual, nonexclusive, non-assignable, and non-transferable license to access and use said application software solely for maintenance and support purposes. The Client retains all rights to use the software in the application for which it was designed, in conjunction with the specified equipment. Security/Password Maintenance becomes the sole responsibility of SOFFA upon acceptance of the Certificate of Proper Operation (COPO).
16. **Intellectual Property.** Client shall retain all rights, title, and interest in all Intellectual Property (as defined herein) used, made, or arising in connection with the Contract or otherwise provided or communicated to Client by or on behalf of SOFFA. SOFFA may use any drawings or

specifications prepared for confirming the quality of design and manufacturing of the products set forth in the attached proposal; SOFFA shall not photocopy, duplicate, or reproduce any drawings, specifications, or software supplied by Client. SOFFA may only make copies of and use such software for internal purposes, and not for rendering services or selling products to third parties. SOFFA shall not sell, license, sublicense, assign, or otherwise transfer any Intellectual Property or any interest therein without Client's permission. 'Intellectual Property' means any and all software, specifications, designs, processes, techniques, concepts, improvements, discoveries, ideas, and inventions, whether patentable, and all related patents, copyrights, trade secrets, and other intellectual property rights.

17. **Returns.** All products and services described herein are sufficiently unique to prohibit any return for full or partial credit, other than under a warranty, unless specifically stated otherwise in the attached proposal. SOFFA is not responsible for loss of or damage to products returned to it, unless notified in advance of the return and the Purchaser is given a Return Authorization Number which is prominently placed upon the shipping documents and packing container.

18. **Dispute Resolution / Governing Law / Attorney Fees.** It is agreed that any dispute arising under the Contract, including without limitation disputes relating to interpretation of the Contract terms or the performance, negligent performance or non- performance of the Contract or any part thereof, will be determined by submission to binding arbitration in accordance with the California Arbitration Act (California Code of Civil Procedure ["CCP"] sections 1280 – 1294.2) or any successor statute then in effect. Any such arbitration shall be held and conducted in Los Angeles, California, before one (1) neutral arbitrator who shall be selected by mutual agreement of the parties; provided, however, if agreement is not reached on the selection of an arbitrator within fifteen (15) days of a party's written demand for arbitration, then such arbitrator shall be appointed by the presiding judge of the Superior Court of California County of Los Angeles in accordance with CCP section 1281.6. The discovery provisions of CCP section 1283.05 shall apply in the arbitration proceedings. The arbitrator's decision shall be based on California law. The arbitrator's decision may include monetary and/or equitable relief. The cost and fees of the arbitrator shall be borne by the non-prevailing party. In addition, the prevailing party shall be awarded reasonable attorney fees, witness costs and expenses, and other costs and expenses incurred in connection with the arbitration. ALL PARTIES TO THE CONTRACT, BY ENTERING INTO IT, ARE GIVING UP THEIR CONSTITUTIONAL RIGHT TO HAVE ANY SUCH DISPUTE DECIDED IN A COURT OF LAW BEFORE A JURY, AND INSTEAD ARE ACCEPTING THE USE OF ARBITRATION AS THEIR EXCLUSIVE REMEDY.

If any proceeding or lawsuit is brought by either party hereto against the other relating to any dispute arising out of or relating to the Contract or the subject matter thereof, the prevailing party in such proceeding or lawsuit shall be entitled to receive, in addition to any other relief that may be awarded, its costs of suit, expert witness fees and reasonable attorneys' fees of outside counsel, including costs and fees on any appeal.

**Insurance.** SOFFA carries the following insurance.

Workmen's Compensation	\$1,000,000 (state-required level)
General Liability Each Occurrence	\$1,000,000
Personal & Adv injury	\$1,000,000
Products Aggregate	\$1,000,000
General Aggregate	\$2,000,000
Automobile	\$1,000,000
Excess Liability	\$4,000,000
Professional Liability Each Occurrence	\$1,000,000
Aggregate	\$3,000,000

**Agenda Item No. 10**

Item Title: Legislative Matters: SB 1417 and SB 1291

Purpose:

Legal Counsel Update, Discussion and Possible Action Regarding Proposed Legislation.

Issue:

SB 1417 and SB 1291 would open mutual water companies up to requirements regarding the disclosure of shareholder and other information upon request to a broad range of individuals and government officials. The bills as initially proposed would further impose undue burdens on mutual water companies and create potentially conflicting and inconsistent legal obligations.

Background:

The Company recently became aware of proposed Senate Bills 1417 and 1291 targeting mutual water companies. At the May Board Meeting, the Board authorized taking action to oppose the proposed legislation.

Status Update:

SB 1291 (Gonzalez). This bill has been placed on suspense.

SB 1417 (Perez). Attached to this memorandum is a report from the June 24, 2026 hearing of the Assembly Committee on Utilities and Energy. The Committee has recommended favorable amendments to SB 1417 consistent with requests made by the California Association of Mutual Water Companies. Further amendments may occur through the legislative process.

Legal Counsel will provide a further update regarding SB 1291 and SB 1417 at the Board meeting.

Impact on the Budget:

None.

Previous Actions:

None.

Date of Hearing: June 24, 2026

ASSEMBLY COMMITTEE ON UTILITIES AND ENERGY

Cottie Petrie-Norris, Chair

SB 1417 (Pérez) – As Amended April 23, 2026

**SENATE VOTE:** 30-9

**SUBJECT:** Mutual water companies: assessments and water charges: notice

**SUMMARY:** Establishes additional transparency and public notice requirements for mutual water companies proposing to levy an assessment or increase water charges by more than 20%. Specifically, **this bill:**

- 1) Prohibits a mutual water company from charging, issuing a bill, or otherwise seeking to hold tenants of shareholders responsible for the costs of water or its delivery, except for tenants, as provided in Section 2705 of the Public Utilities Code, where the tenant is a lessee of the corporation's shares or stock, or the tenant is a lessee of land of a shareholder, and the corporation has approved the lease.
- 2) Requires all notices of charges for water to be sent to the last known address of the shareholder or tenant, as applicable.
- 3) Requires mutual water companies that operate a public water system and propose to levy an assessment or raise water charges by more than 20% to do all of the following at least 30 days before collecting:
  - a) Prepare a written proposal specifying the amount, the basis, necessity for, and use of the funds, and which board members voted for proposal to levy an assessment or raise water charges;
  - b) Convene a public meeting in a city or county building accommodating at least 100 participants, located within five miles of the service area or in a facility serving a county government that includes the service area;
  - c) Send the written proposal and meeting notice at least 45 days before the meeting to all eligible persons and to general-circulation newspapers and radio stations serving the county;
  - d) Include in the shareholder notice specified language on their right to vote for the board, participate in board meetings, and receive information about company and water system operations; and,
  - e) Include in the notice to non-shareholder eligible persons, such as tenants and local officials, specified language on their right to participate and obtain copies of company documents, including minutes, budget, accounting report, water quality records, annual report, shareholder list, and the written proposal.

- 4) Requires a mutual water company to make available to eligible persons, on request, the current shareholder list, including contact information, and any written proposal for an assessment or rate increase. Includes the chief administrative officer of each city, county, and government water agency in or within five miles of the service area within the definition of "eligible person."
- 5) Prohibits a mutual water company from charging duplication fees when records are provided digitally.

**EXISTING LAW:**

- 1) Authorizes corporations, known as "mutual water companies," organized to provide irrigation water. Requires corporations organized to provide domestic water service to distribute water only to their shareholders. Requires that shares be appurtenant to specified parcels of land, such that ownership of the property generally carries with it ownership of the water company share. (Corporations Code §14300)
- 2) Authorizes a mutual water company that is not a public utility to levy assessments upon its shares, except as provided. (Corporations Code §14303)
- 3) Requires the board of directors of a mutual water company that operates a public water system to allow an eligible person to attend a board meeting if the person provides at least 24 hours advance written notice of their intent to attend. Authorizes attendance by teleconference if an eligible person is denied attendance for failure to provide notice or because attendance exceeds room capacity and requires the board to provide teleconference participants with copies of documents to be discussed at the meeting, as specified. (Corporations Code §14305)
- 4) Defines, for the purposes of the above requirement, "eligible persons" to include, among others, shareholders of the mutual water company; a person who is an occupant, pursuant to a lease or rental agreement, of commercial space or a dwelling unit to which the mutual water company sells, distributes, supplies, or delivers drinking water; and an elected official of a city or county who represents people who receive drinking water directly from the mutual water company, as specified. (Corporations Code §14305(o))
- 5) Requires a mutual water company that operates a public water system to make certain records promptly available upon written request to an eligible person, as defined, upon payment of fees covering direct costs of duplication, including, among other documents, agendas and minutes of board meetings and copies of the mutual water company's annual budget and accounting report. (Corporations Code §14307)
- 6) Provides that any person, firm, or corporation that owns, controls, operates, or manages a water system and sells or delivers water is a public utility subject to the jurisdiction, control, and regulation of the California Public Utilities Commission (CPUC), except as otherwise provided. (Public Utilities Code §2701)

- 7) Provides that a mutual water company that delivers water at cost to its shareholders or members is not a public utility and is not subject to the jurisdiction, control, or regulation of the CPUC. Authorizes a mutual water company to engage in specified activities, including delivering water at cost to lessees of its shares, without becoming a public utility. Requires certain leases and contracts to be retained for 10 years and made available for CPUC inspection. Defines “cost” to mean without profit. (Public Utilities Code §2705)

**FISCAL EFFECT:** Unknown. According to the Seante Committee on Appropriations, the bill is expected to have negligible costs pursuant to Seante Rule 28.8

**BACKGROUND:**

*Mutual Water Companies* - Mutual water companies are private corporations, organized as either nonprofit mutual benefit corporations or general corporations, that provide water service only to their shareholders.<sup>1</sup> In mutual water companies that supply domestic water, the share is associated with a specific property, and ownership of the property generally includes the right to receive water service from the company. Mutual water companies originated in California in the 1800s, when shareholders financed and built irrigation channels, pumps, and plumbing to deliver water to their own properties. More than 1,000 of these companies continue to operate in the state today, serving an estimated 1.3 million Californians in rural, suburban, and urban communities throughout the state.<sup>2</sup>

Unlike investor-owned utilities, mutual water companies are governed by a board of directors elected by shareholders, who fund the operation, maintenance, and improvement of the water system through water charges and assessments.<sup>3</sup> The companies vary considerably in size and capacity. Some serve small communities and are managed largely by shareholder-volunteers, while others operate with full-time staff and serve larger communities. Aging infrastructure and limited access to upfront capital for capital improvement projects are among the most common challenges reported by mutual water companies, particularly smaller systems with limited administrative capacity.

Although mutual water companies are generally exempt from regulation by the CPUC, they remain subject to a range of state and federal oversight requirements. Companies with 200 or more service connections are regulated by the State Water Resources Control Board's Division of Drinking Water, while smaller systems are typically overseen by county health departments. Mutual water companies are also subject to the federal Safe Drinking Water Act, which establishes drinking water quality and public health standards for public water systems.

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<sup>1</sup> Corporations Code §14300.

<sup>2</sup> California Association of Mutual Water Companies, *FAQs About Mutual Water Companies* (stating that more than 1,000 mutual water companies operate in California and serve approximately 1.3 million residents, and that such companies are located in urban, suburban, and rural communities and vary in size and staffing).

<sup>3</sup> California Association of Mutual Water Companies, *FAQs About Mutual Water Companies* (shareholders elect a board of directors; shareholders fund and oversee the system).

**COMMENTS:**

- 1) *Author's Statement.* According to the author, "California is served by public and private water service providers, including mutual water companies that operate as small, private nonprofit corporations delivering water to shareholders within a designated area. Unlike public water providers, mutual water companies are not automatically subject to standard transparency requirements. That is why legislation was necessary to extend Brown Act-style open meeting, public record, audit, and budget requirements to these entities (Chapter 633, Statutes of 2013). Public agencies are also subject to Proposition 218, which requires advanced customer notification and engagement when rate changes are proposed. However, these requirements do not apply to private providers. As a result, shareholders are not guaranteed advance notice or a clear forum to provide feedback to a mutual water company's board on potential rate increases. In Altadena, approximately 25,000 residents receive water primarily from one of three companies: Lincoln Avenue Water Company, Rubio Cañon Land and Water Association, and Las Flores Water Company. As these companies have sought rate increases to recover financially from the Eaton Fire, they have done so without consistent timelines and outreach to shareholders. For instance, advanced notification and opportunities for public discussion of proposed charges have been unclear and insufficient. SB 1417 addresses this gap. It requires mutual water companies to provide standard shareholder notification and hold a public meeting before applying for a rate increase exceeding 20%. The bill ensures transparency by requiring a written explanation of the request and mandating that meetings be held in accessible locations. SB 1417 guarantees access to key information by requiring companies to provide, upon request, shareholder contact lists and any written rate increase proposal to qualified individuals."
- 2) *The Eaton Fire's Impact on Water Systems.* The January 2025 Eaton Fire killed at least 19 people, forced more than 100,000 residents to evacuate, and destroyed more than 9,000 homes and structures. The fire also affected water systems serving the community, including three mutual water companies in Altadena: Los Flores Water Company, Lincoln Avenue Water Company, and Rubio Canyon Land and Water Association. Rubio Canyon Land and Water Association serves approximately 9,600 residents through more than 3,140 service connections,<sup>4</sup> while Lincoln Avenue Water Company served more than 16,000 residents before the fire.<sup>5</sup> These companies had varying levels of insurance coverage to support infrastructure repairs and restoration of service.

The fire affected not only water infrastructure, but also the customer base on which these companies rely to recover costs and fund ongoing operations. Lincoln Avenue Water Company reported losing approximately 58% of its customers and revenue after the fire, while reports indicate that Los Flores Water Company also experienced significant customer losses. These losses highlight some of the challenges mutual water companies may face following a major disaster, including repairing damaged infrastructure and recovering costs while portions of their customer base remain displaced.

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<sup>4</sup> Rubio Canon Land and Water Association; "History"; <https://www.rclwa.org/our-company/history/>

<sup>5</sup> LAist; "Big decisions are in store for small Altadena water companies and their customers after Eaton Fire"; <https://laist.com/news/climate-environment/small-altadena-water-companies-eaton-fire>

3) *Need for this Bill.* Unlike public water agencies, mutual water companies are not subject to Proposition 218, which establishes notice and public participation requirements before certain rate increases are adopted. Current law requires mutual water companies that operate public water systems to comply with specified open meeting, recordkeeping, and budget requirements, but does not establish uniform requirements for notice and public meetings before significant assessments or water charge increases are considered. The author notes that the Eaton Fire and subsequent recovery efforts raised concerns regarding notice and public participation when mutual water companies consider assessments and water charge increases. Shareholders were not always provided with clear and consistent advance notice regarding when proposed charges would be discussed or adopted, and the timing and visibility of notifications varied among the three companies. The author cites the following examples:

- Los Flores Water Company: Applied a \$3,000 fee for customers that will be assessed over the next five years. The charge appeared to be discussed at October 2025 and January 2026 board meetings addressing wildfire recovery, but shareholders were not provided advance notice that the fee would be considered. A written notice dated March 2026 indicated that the charge had been adopted by the board at its February 5<sup>th</sup> meeting and would take effect on April 1<sup>st</sup>, 2026.
- Rubio Cañon Land and Water Association: Proposed an 11% rate increase and a fire recovery fee of up to \$30 per month.<sup>6</sup> A March 18<sup>th</sup> notice indicated that the charge would take effect on May 1<sup>st</sup> and referenced rate adjustments discussed at a February 3<sup>rd</sup> special meeting, but advance notice that a rate increase would be considered could not be identified.
- Lincoln Avenue Water Company: Adopted a \$15 rate increase that took effect in March 2026 and considered imposing an additional fee.<sup>7</sup> The advance notice specifically describing the proposed increase could not be identified. A letter was reportedly distributed after the decision was made, and the company's website did not provide additional information regarding a public forum or agenda related to the increase.

The author further notes that many residents affected by the fire were simultaneously facing the costs of rebuilding homes and returning to their community while also being asked to absorb costs associated with restoring local water systems. SB 1417 seeks to establish minimum notice and public meeting requirements before a mutual water company levies an assessment or implements a significant water charge increase. According to the author, these requirements are intended to provide shareholders and other interested persons with advance notice of proposed increases and an opportunity to review and comment on those proposals before they take effect.

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<sup>6</sup> PasadenaStarNews: “Altadena utility customers to see water rate increases in 2026, amid fire recovery”; <https://www.pasadenastarnews.com/2026/02/13/in-the-pipeline-altadena-utility-customers-to-see-water-rate-increases-in-2026-amid-fire-recovery/>

<sup>7</sup> PasadenaNow; “Another Altadena Water Company Calls Shareholder Meeting to Address Eaton Fire Financial Woes”; <https://pasadenanow.com/main/another-altadena-water-company-calls-shareholder-meeting-to-address-eaton-fire-financial-woes>

- 4) *Who Supported the Increase?* This measure requires a mutual water company proposing to levy an assessment or increase water charges by more than 20% to prepare a written proposal. The proposal must specify the amount of the assessment or water charge increase, explain why the increase is being proposed and how the funds will be used, and identify the board members who voted for the proposal. The author seeks to increase transparency by ensuring that shareholders receive information regarding proposed assessments and rate increases before they are imposed. Such information can help shareholders better understand the basis for proposals that may affect their water costs. However, requiring the written proposal to identify individual board members who voted for the proposal may shift attention from the merits of the proposal to the board members who supported it. *As such, the committee recommends deleting the requirement that the written proposal identify the board members voting in favor of the proposed assessment or water charge increase and instead requiring that the individual votes of board members be recorded in the minutes of the meeting at which the vote was taken.*
- 5) *Access to Public Meetings.* SB 1417 requires a mutual water company to convene a public meeting regarding a proposed assessment or water charge increase in a city or county building that can accommodate at least 100 participants and is located within five miles of the company's service area or serves a county that includes the company's service area. Providing shareholders with adequate space to attend public meetings can help ensure that interested participants are able to observe and participate in discussions regarding proposed assessments and water charge increases that may affect their households. It can also reduce the likelihood that interested shareholders are unable to attend due to space limitations. However, California's more than 1,000 mutual water companies are diverse in their size, structure, and operations. They serve urban, suburban, and rural communities throughout the state. Some are small systems managed by shareholders, while others operate more like municipal water systems with full-time staff. Therefore, the requirement that the meeting be held in a building with capacity for at least 100 participants may not be feasible for all mutual water companies, particularly those serving smaller or rural communities. *Given these reasons, the committee recommends that, if a facility meeting these requirements is not available, the company shall convene the meeting in the largest publicly accessible facility available.* Consistent with the bill, the facility shall otherwise be located in or within five miles of the company's service area or serve a county that includes the company's service area.
- 6) *Notice to Newspapers and Radio Stations.* This measure requires a mutual water company to provide or send a copy of the written proposal and notice of the public meeting at least 45 days before the meeting to all general circulation newspapers and radio stations serving the county in which the mutual water company operates. Providing notice to shareholders regarding proposed assessments and water charge increases can help ensure that affected customers receive information regarding decisions that may affect their water costs. However, requiring notice to all general circulation newspapers and radio stations serving the county may create additional administrative responsibilities and costs for mutual water companies, particularly with limited administrative and financial capacity. *Therefore, the committee recommends providing additional flexibility in how notice is provided. Such notice may be disseminated through a general circulation newspaper, radio station, county-maintained public notice portal, or digital bulletin*

*board serving the county in which the mutual water company operates, as well as through company websites or social media, as applicable.*

- 7) *Scope of Shareholder Information Rights.* Notices regarding proposed assessments and water charge increases can serve as an important opportunity to inform shareholders of their rights. SB 1417 requires notices regarding proposed assessments and water charge increases to include specified language informing shareholders of certain rights, including the right to vote for the company's board of directors, participate in board meetings, and receive all information regarding the operation of the company and its water system. However, the statement that shareholders have a right to “receive all information regarding the operation of the company and its water system” may create confusion regarding the scope of shareholder inspection rights under existing law. Current law provides shareholders with the right to inspect company books and records, while the bill's reference to “all information” goes beyond the specific rights provided under existing law. *To clarify the scope of shareholder rights, the committee recommends deleting the reference to receiving “all information regarding the operation of the company and its water system” and instead referencing a shareholder's right to inspect the company's books and records pursuant to existing law.*
- 8) *Shareholder Lists and Contact Information.* Current law requires a mutual water company that operates a public water system to make specified records available upon written request to eligible persons, including board meeting agendas and minutes, annual budgets, accounting reports, water quality test records, and annual reports. This bill would expand those disclosure requirements by adding the current shareholder list, including all contact information available to the mutual water company, to the records that must be provided upon request. Unlike the other records that provide information regarding the management and operation of the mutual water company, the shareholder list identifies private individuals who own shares in the corporation and may include personal contact information. Requiring disclosure of that information to any eligible person, including tenants and local officials, raises privacy concerns. *As such, the committee recommends deleting the requirement to disclose the shareholder list and associated contact information upon request.*
- 9) *Shareholder Contact Information in Required Notices.* SB 1417 further requires the Mutual Water company, when sending notice of a proposed assessment or water charge increase to non-shareholder eligible persons, to inform those recipients that they may obtain the current shareholder list and associated contact information. Non-shareholder eligible persons include tenants, local elected officials, and chief administrative officers of nearby cities and counties. The notice would inform persons who are not shareholders that they may obtain a list identifying individual shareholders and their contact information. Given the similar privacy concerns discussed above, *the committee recommends deleting the corresponding notice language regarding the availability of the shareholder list and associated contact information.*

10) *Related Legislation.*

SB 1291 (Gonzalez, 2026) Requires specified actions of mutual water companies and their boards, including providing teleconferencing for certain companies and adopting an annual budget. Status: Held In Senate Committee on Appropriations.

11) *Prior Legislation.*

AB 240 (Rendon) Requires mutual water companies to comply with open meeting, public record, audit, and budget requirements and allows them to impose liens to collect unpaid charges. Status: Chapter 633, Statutes of 2013.

**REGISTERED SUPPORT / OPPOSITION:****Support**

Los Angeles County  
Physicians for Social Responsibility - Los Angeles

**Oppose Unless Amended**

California Association of Mutual Water Companies  
Community Water Systems Alliance

**Opposition**

None on file.

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