

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.



Assistant Secretary  
Brian Lee