

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

September 24, 2024

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, Bob Cable, Becky Miller, and Rudy Zuniga. Also in attendance were SAWCo's General Legal Counsel Derek Hoffman, General Manager Brian Lee, 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 Miller moved and Director Cable seconded to approve the meeting minutes of July 23, 2023. Motion carried unanimously.
5. Administrative and Financial Issues:

**A. *Employee Year End Gift-Discussion and possible action regarding Board's Year End Gift to Employees***- Mr. Lee stated historically the board has given a gift to the employees as a thank you for their efforts of the past year and added is already worked in the budget.

Director Cable moved and Director Miller seconded to approve the Board's year end gift to employees as presented and bring to the full Board. Motion carried unanimously.

**B. *Major Activities Calendar 2025-Review, comment, and possibly approve the major activities calendar for 2025***- Mr. Lee pointed out the board meetings, committee meetings and company holidays are highlighted as presented on the 2025 major activities calendar.

Director Cable moved and Director Miller seconded to approve the major activities calendar for 2025 as presented and move forward to the Board. Motion carried unanimously.

**C. *Workplace Violence Prevention Plan-Recommend approving a workplace violence prevention plan***- Mr. Lee explained the company's training program was bought out and the new training program company has a workplace violence program that requires staff to have a workplace violence prevention plan policy and while working on said policy realized this was required by the state by July 1, 2024. Staff went ahead with a template the state provided and fit it to staff as best possible. Legal counsel is currently reviewing and making minor adjustments to meet the needs of the program and the state.

Director Cable moved and Director Miller seconded to approve sending the workplace violence prevention plan to the full Board for approval after final review from legal counsel and staff. Motion carried unanimously.

**D. *Outside Payroll Services RFP-Discussion regarding Outside Payroll Services Request for Proposal (RFP)***- Mr. Lee stated now that the company has moved to a 4/10 schedule, staff believes there is a cost and time savings involved in moving to an outside payroll service. Moving to an outside payroll service will help alleviate staff time to focus on other issues and staff will also get help on HR issues. He added the RFP's have been issued and once proposals come back, those results will be brought back to the AFC and then moving to the full board.

**E. *Rate Study Proposal-Consider a proposal to conduct a Rate Study***- Mr. Lee reported staff received one proposal from the four firms staff reached out to. Wildan, the firm that submitted the proposal provided a comprehensive proposal and the budget they proposed is just right, and for reference the last rate study done in 2017 with Corollo was about \$60,000 and the budget proposed by Wildan is half that.

Director Velto questioned if the budgets are impacted percentage wise.

Mr. Lee responded yes, with inflation over the past four years plus the rate study budgets will be impacted, especially construction.

Mr. Lee added the rate study consultant will take the dollar figures in the master plan update them for inflationary purposes and apply those to forward looking rates.

Director Zuniga asked if a four-tier rate study would be beneficial for the company.

Mr. Lee responded he would like the consultant to look at having a base tier that would be applied evenly across to all shareholders. Then look at the cost of service to the upper zone, Holly zone and the Canyon zone and have an 'add-on' for the cost of electricity it takes to pump up to the upper zones.

Mr. Hoffman added in part of Wildan's response, Wildan will propose different concepts for the Board and staff to consider, and different structures. They are offering a model to toggle different components to evaluate different structures and how it is translated into rates and assessments.

Mr. Lee concluded he believe Wildan's proposal is well done and proposed rate and cost is good and would like to negotiate a contract with Wildan providing the AFC approves to move this item to the Board for approval.

There was consensus on the Committee to bring the item to the Board for consideration and approval.

6. Closed Session

General Manager's Annual Review, Goals and Objectives [Government Code § 54957 subdivision 9(b)0]

The AFC went into closed session at 4:18 PM. Upon return from the closed session at 4:43 PM, Mr. Hoffman stated the AFC met in closed session for the one item on the agenda and there is no reportable action.

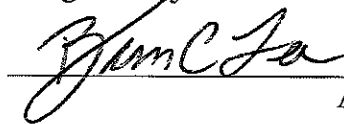
7. General Manager:

Discussion and Possible Action Related to Annual Performance Evaluation/Compensation Adjustment Pursuant to Employment Contract

Director Velto stated he would like the total compensation package, the total gross number, rather than just the salary be sent to all directors prior to the next meeting.

8. Committee Comments and Future Agenda Items: None

9. Adjournment: Seeing no further business, the meeting was adjourned at 4:46 p.m.



Assistant Secretary  
Brian Lee