



SAN ANTONIO WATER COMPANY

BOARD OF DIRECTORS MEETING AGENDA

Tuesday, April 11, 2023

Organizational Meeting Following the Annual Shareholders Meeting
Starting at 6 pm in the Upland City Hall Council Chambers

Please join us from your computer, tablet, or smartphone:

<https://meet.goto.com/924406949>

Or dial in using your phone:

United States: [+1 \(224\) 501-3412](tel:+12245013412)

Access Code: **924-406-949**

▪ Call to Order

1. Recognitions and Presentations: None

2. Additions-Deletions to the Agenda: None

3. Public Comments

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

4. Organizational Activities:

Selection of a temporary Chairman for the election of Board Officers

- A. Election for the Office of President
- B. Election for the Office of Vice President
- C. Election for the Office of Secretary/Chief Financial Officer

5. Designations and Authorities:

- A. Representative to the Six Basins Watermaster (Primary) and (Alternate).
- B. Representative to Chino Basin Appropriative Pool (Primary) and (Alternate).
- C. Representative to Cucamonga Basin Management Committee (Primary) and (Alternate).
- D. Representative to Pomona Valley Protective Association [PVPA]
- E. Assistant Secretary/Assistant Financial Officer
- F. Representatives for the Administration & Finance Committee
- G. Representatives for the Planning, Resources & Operations Committee
- H. Company General Counsel
- I. Company Special Counsel
- J. Company Auditor
- K. Company Depositories
- L. Signatories for Company checks, establishing accounts and account withdrawals
- M. General Manager's Authority

6. Director's Fiduciary Duties and Liabilities

Annual review of Director's responsibilities

7. Conflict of Interest Rules and AB54 Compliance for Directors:

Brief review by Legal Counsel

8. Closed Session:

A. General Manager's Annual Review, Goals, and Objectives [CGC §54957 subdivision 9(b)].

Adjournment:

The next regular Board Meeting will be on April 18, 2023.

NOTE: All agenda report items and back-up materials are available for review and/or acquisition through the Company Office (139 N. Euclid Avenue, Upland, CA.) during regular office hours, Monday through Thursday [8:00am – 11:30am & 12:30pm – 4:00pm] and alternating Fridays [8:00 a.m. – 11:30 a.m. & 12:30 p.m. – 3 p.m.]. The Agenda is also available for review and copying at the Upland Public Library located at 450 N. Euclid Avenue and on the Company website www.sawaterco.com.

POSTING STATEMENT: On April 6, 2023 a true and correct copy of this agenda was posted at the entry of the Company Office (139 N. Euclid Avenue), on the Company website, at the Upland Public Library (450 N. Euclid Avenue), and the City of Upland (460 N. Euclid Ave.).
Agenda Print Date: 4/6/2023

Agenda Item No. 5

Item Title: Designations and Authorities

Issue:

That the Board review the proposed designations and make recommendations as appropriate.

Background:

This grouped item, as considered annually by the Directors during the Organizational Meeting, contains the Company's designation of representatives to other entities; appointment of subordinate officers; the specification of authorities, fiscal depositories and signatories all on behalf of the Company.

The current designations for each function are shown for reference. Each may be changed or re-designated by an action of the Board of Directors.

- A. Representatives to the Six Basins Watermaster
Currently, the Assistant General Manager, Teri Layton serves as the Primary representative and Mr. Tommy Hudspeth, Water Utility Superintendent, serves as the Alternate.

Recommendation –Staff recommends no changes in representation.
- B. Representatives to Chino Basin Appropriative Pool
Currently, the General Manager, Brian Lee serves as the Primary representative and Assistant General Manager, Teri Layton serves as the Alternate.

Recommendation –Staff recommends no changes in representation.
- C. Representatives to Cucamonga Basin Management Committee
Currently, the Assistant General Manager, Teri Layton serves as the Primary representative and General Manager, Brian Lee serves as the Alternate.

Recommendation –Staff recommends no changes in representation.
- D. Representative to Pomona Valley Protective Association [PVPA]
Currently, the Primary representative is Kati Parker.

Recommendation - Staff recommends no changes in representation.
- E. Assistant Secretary/Assistant Financial Officer
General Manager Brian Lee currently serves in this position.

Recommendation –Staff recommends no change.
- F. Representatives for the Administration & Finance Committee (AFC)
Current committee members – Martha Goss (Chair), Bob Cable, Bill Velto.

Recommendation: - Staff recommends no change.
- G. Representatives for the Planning, Resources and Operations Committee (PROC)
Current committee members – Will Elliott (Chair), Kati Parker, Bob Bowcock.

Recommendation – Staff recommends no change.
- H. Company General Counsel – Services currently provided by Fennemore

Recommendation – Staff recommends no change.
- I. Special Counsel – Fred Fudacz of Nossaman LLP

[Note: On November 21, 2006, the Board approved to engage Fred Fudacz as Special Counsel to work specifically on special projects and to work closely with general counsel.]

Recommendation – Staff recommends no change.

J. Company Auditor – Bowen, McBeth, Inc.

Recommendation – Staff recommends no change.

K. Company Depositories – Citizens Business Bank, Local Agency Investment Fund (LAIF) and any other qualifying financial institution (FDIC Insured) that conforms with the Company's Investment Policy is designated for and as a valid depository for Company funds.

L. Signatories for Company Checks, Withdrawals and Establishing Accounts – Any two (2) signatures, including that of the President, Vice President, Secretary/Chief Financial Officer, the General Manager **or** the Assistant General Manager are hereby authorized and required to sign checks, withdraw funds, and establish accounts on behalf of the Company with at least one Corporate Officer signing on any transaction greater than \$5,000, except for fund transfers between Company accounts or on routine payments for operations expense (e.g. electrical energy usage, taxes, et al.) and as otherwise granted under authority to the General Manager. In addition, the Accounting and Personnel Specialist has authority to transfer up to \$45,000 to facilitate payroll and electronic payments with provisions of internal accounting controls in place.

M. General Manager Authority -

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

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

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

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