

MINUTES OF THE SAN ANTONIO WATER COMPANY  
PLANNING, RESOURCES, and OPERATIONS COMMITTEE  
March 27, 2018

An open meeting of the Planning, Resources, and Operations Committee (PROC) of the San Antonio Water Company (SAWCo) was called to order at 2:59 p.m. on the above date at the company office located at 139 N. Euclid Avenue, Upland, California. Committee members present were Will Elliott, John Gerardi, Jose Sanchez and Tom Thomas. Also in attendance were SAWCo's General Manager Charles Moorrees, Assistant General Manager Teri Layton, Senior Administrative Specialist Kelly Mitchell, and Accounting/Personnel Specialist Salena Holley. Mr. Elliott presided.

1. Recognitions and Presentations – Mr. Moorrees introduced the Committee members to SAWCo's new Accounting/Personnel Specialist Salena Holley.
2. Additions-Deletions to the Agenda – Mr. Moorrees informed the Committee he is attempting to solicit bids for replacing the surface waterline at the Forebay. He will present this information at the next Board meeting.

Mr. Mark Campbell, General Manager of Red Hill Country Club (RHCC) entered the meeting at 3:00 p.m.

3. Public Comments – None.

The Committee moved to Item 5B on the agenda due to Mr. Campbell's attendance at the meeting.

5. Planning and Operational Issues:
  - B. Red Hill Country Club** - Mr. Campbell spoke to the Committee about RHCC's situation with owned and leased water shares, and exceeding entitlement as it pertains to their request for special consideration regarding how they are billed their entitlement to water.

Director Elliott suggested directing staff to look into alternative ways for shareholders with more than 100 shares in the Water Company to take delivery and/or be billed for their water usage.

There was consensus on the Committee to have SAWCo staff present options at the May PROC meeting for possible adoption.

Mr. Campbell exited the meeting at 3:15 p.m.

4. Approval of Committee Meeting Minutes:
  - A. Regular Committee Minutes of January 23, 2018** – Mr. Gerardi moved and Mr. Sanchez seconded to approve the meeting minutes of January 23, 2018. Motion carried.

5. Planning and Operational Issues:

**A. General Liability Insurance and Cyber Liability** – Mr. Thomas explained SAWCo has signed up for a three year program with this being year two of the program. The cost increased slightly due to the addition of cyber liability. Cyber Liability Insurance in the past has been provided through a separate policy with Philadelphia Insurance Companies. That policy will be cancelled if the JPRIMA proposal is accepted.

Mr. Gerardi moved and Mr. Sanchez seconded to recommend the Board ratify and receive and file the General Liability renewal as presented by EPIC at the annual premium of \$27,547. Motion carried.

**C. Well 31 Pilot Biological Treatment - MIH** – Mr. Moorrees explained the MIH Pilot Biological Treatment Plant was successful but the final product cost exceeded SAWCo's current tier 1 rate structure in cost per acre foot. Since the Evoqua post treatment was a major cost factor in the product cost, MIH would like to test another post treatment system that could reduce capital costs by 30%. In order to test this post treatment system MIH will need an additional 60 days at the well site. During that time MIH will cover the cost and any additional power costs at the site.

Mr. Moorrees asked the PROC to recommend the Board approve a 60 day extension to MIH for the existing Pilot Plant to remain at SAWCo's Well 31 site to test another post treatment alternative.

Mr. Sanchez moved and Mr. Gerardi seconded to approve the General Manager's request. Motion carried.

**D. Water Company Facility Tour** – Mr. Moorrees presented the draft itinerary for the SAWCo Facility Tour to be held on March 30<sup>th</sup>. There are currently eight people scheduled to attend and seven spots still available.

The committee affirmed the itinerary presented.

6. Planning and Operational Update -

**A. Project Status Report** –

- **Cucamonga Crosswalls** – The draft Nationwide permit is expected by the end of the week.
- **Basin 6 Desilting** – Staff is waiting for the last permit which is from the Regional Water Quality Control Board.

7. Basin Issues and Updates

- **San Antonio Canyon Watershed** – The Watershed CleanUp day is typically held the Saturday after Independence Day but most likely will be held this year on the Saturday after Labor Day.
- **Six Basins** – Mr. Moorrees reported the next meeting will be held tomorrow and will include the adoption of the Annual Report and the request from Vulcan Materials to intervene in the basin.

- **Cucamonga Basin** – Staff drafted a technical memo for review by the involved parties. The memo and comments will be used as talking points when meeting with Cucamonga Valley Water District to discuss modernizing the judgment.
- **Chino Basin** – Ms. Layton advised there was a Budget Distribution Meeting held today. The budget was reduced by \$3,000,000.00 largely due to projects.

A court date is scheduled for April 13<sup>th</sup> for the presenting of the Annual Report.

The parties will likely ask the court for an extension on the appeal and give either the terms of or a draft agreement.

8. Committee's Comments and Future Agenda Items: – Mr. Thomas inquired about a pump for the Tunnel if it collapses. Mr. Moorrees replied that item is included in the Water Master Plan. Electrical at the site needs to be reconnected in order for the pump to operate.

Adjournment: –The meeting was adjourned at 3:40 p.m. Motion carried.

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Assistant Secretary  
Charles Moorrees