

SAN ANTONIO WATER COMPANY
MINUTES OF THE SAN ANTONIO WATER COMPANY
Tuesday, March 15, 2022

An open meeting of the Board of Directors of the San Antonio Water Company (SAWCo) was called to order at 5:01 p.m. on the above date at the Upland City Hall Council Chambers, 460 North Euclid Avenue, Upland, California. Directors present were Will Elliott, Bob Cable, Martha Goss, Rudy Zuniga, Bill Velto, and Kati Parker. Also in attendance were SAWCo's General Manager Brian Lee, Assistant General Manager Teri Layton, and Senior Administrative Specialist Kelly Mitchell. Director Elliott presided.

1. Recognitions and Presentations: Mr. Lee shown a video presentation commemorating former SAWCo Board President Tom Thomas' time and service on the company's Board of Directors. The Board members thanked and appreciated Mr. Lee for recognizing Mr. Thomas.

SAWCo employees and all SAWCo Board Members took time to share fond memories of Mr. Thomas.

Mr. Lee also recognized staff and board from the Monte Vista Water District (MVWD). Sandra Rose, MVWD board president, spoke about meeting and learning about water from Mr. Thomas.

City of Montclair councilman Mr. Bill Ruh spoke about working with Mr. Thomas over the years on various efforts throughout the community. He echoed other's statements that Mr. Thomas was a gracious and compassionate human being that loved the City of Upland.

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 February 15, 2022.
- B. Planning, Resources and Operations Committee (PROC) Meeting Minutes
Meeting minutes of August 24, 2021.
- C. Administration and Finance Committee (AFC) Meeting Minutes
No meeting minutes to report.
- D. Financial Statement
Income Statement and Balance Sheet for December 31, 2021.
- E. Investment Activity Report
Monthly Report of Investments Activity.
- F. Water Production and Consumption
Monthly water production and consumption figures.
- G. Prominent Issues Update
Status summaries on certain on-going active issues.
- H. Projects and Operations Update
Status summaries on projects and operations matters.
- I. Groundwater Level Patterns [Quarterly in January, April, July, and October]
Tracking patterns of groundwater elevations relative to ground surface.
- J. Conservation Program Update [Quarterly in January, April, July, and October]
Update on SAWCo's existing water conservation programs
- K. Correspondence of Interest

Director Velto moved and Director Parker seconded to approve the Consent Calendar as presented. Motion carried unanimously.

Mr. Lee brought attention to the 10-year forecast of Metropolitan Water District's (MWD) water rates and charges presented by Inland Empire Utilities Agency (IEUA). Currently, MWD charges \$799 per acre foot (AF) while SAWCo charges \$296/AF. MWD charges more for treated water at \$1,143/AF.

5. Board Committee – Delegate Report:

- A. **Pomona Valley Protective Association (PVPA) Representative's Report** – No report was given.
- B. **Six Basins Representative Report** – Ms. Layton reported the proposed recharge basin was approved at the most recent meeting. PVPA will monitor the next recharge event. The next meeting is scheduled to take place the following week.

Mr. Thomas was the City of Upland representative and the president of Six Basins. Chris Diggs from the City of Pomona will step into the position.

Braden Yu, City of Upland Public Works Director, advised the alternate for the City of Upland is the Acting Utility Manager John Robles who will now be the fulltime representative. Acting Chief Operator Norberto Ferreira will become the alternate. City of Upland is in full support of Mr. Diggs taking over the role of President.

- C. **Chino Basin Representative Report** – Mr. Lee advised there are no reportable actions for Chino Basin.
- D. **Cucamonga Basin Representative Report** – No report given.
- 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 items discussed at the PROC meeting are included in the General Manager’s Report on Activities.
- G. **Office Feasibility Study Ad Hoc Committee** – No meeting to report.

6. General Manager’s Report on Activities:

- A. **Paloma Curve Hydraulic Break** – Mr. Lee stated he visited the location in response to a letter received from the homeowner’s lawyer. There are a number of things SAWCo can consider doing to reduce or eliminate the low frequency rumble noise that is heard when there are high flows. He suggests hiring an engineering firm to perform the studies to determine what option is the best solution.

Nearly all the water that passes through the hydraulic break is surplus water; almost exclusively going to spreading grounds. It is important water to have, making a solution to the noise issue necessary.

Director Goss moved and Director Velto seconded to authorize the General Manager to execute a contract with WSC for a not to exceed amount of \$40,000 time and material contract to conduct an engineering assessment of the Paloma Curve Hydraulic Break. Motion carried unanimously.

- B. **Holly Drive Reservoir Phase III** – Mr. Lee advised this is the final phase of a three-phase project. The first phase included geotechnical work and constructing a retaining wall. The second included constructing a 120,000-gallon reservoir next to the original 60,000-gallon reservoir. This final phase includes demolishing the old 60,000-gallon reservoir and constructing a 120,000-gallon reservoir in its place. Mr. Lee will also have the engineers explore how SAWCo can move the water down from Holly Drive to the upper zone.

Mr. Lee recommends the Board authorize him to execute the contract with TKE Engineering for a not to exceed \$105,000 time and material contract.

Director Velto moved and Director Goss seconded to authorize the General Manager Brian Lee to execute the contract with TKE Engineering for a not to exceed \$105,000 time and material contract. Motion carried unanimously.

- C. **Holly Drive Booster Station Screening** – Mr. Lee stated SAWCo has recently completed some significant upgrades to the Holly Drive Booster Station from an underground vault-style booster station to an above ground building and installation of a back-up generator. The neighboring homeowner has expressed concern over the visual changes that have occurred. Staff has worked with the homeowner and hired Soltis Landscaping to prepare a plan for visually softening and shielding the new station which is included in the Board meeting packet.

During the PROC meeting there was talk about what could be done about the front facing portion of the booster station as well. Screening or having a mural painted on the booster station was discussed.

Director Velto suggested planting creeping fig. Director Zuniga mentioned having a wrap that looks like plants or a bush placed around the booster.

Director Elliott stressed the importance of being a good neighbor and felt this item was a good example of doing just that.

Director Parker moved and Director Zuniga seconded to authorize the General Manager to execute the contract with Soltis and Company for a not to exceed \$13,520 contract. Motion carried unanimously.

- D. **Proposed Well 19** – Mr. Lee informed the Board that BEEST has constructed several wells in the area and has also worked with Cucamonga Valley Water District on their high nitrate wells in the Cucamonga Basin. Staff originally budgeted \$175,000 for a test well however, after talks with BEEST it was found that a larger test well would allow for more test equipment and therefore a better profile for the proposed well. A deeper test well would allow a more accurate read of the water quality in the basin in that location. It is expected this test well will be dug to between 1,200 and 1,300 feet. This type of modified test well is one that would transition easily into a permanent well and would cost an estimated \$1,131,000.

Mr. Lee explained the original Well 19 was one of SAWCo's best producing wells until an attempt to insert a sleeve to line the well failed causing the well to require being taken offline shortly thereafter.

Director Velto inquired whether staff has put this project out to bid. Mr. Lee responded in this instance, BEEST would be the consultant hired to develop, design, and build the test well. The final development of the official well would be a separate cost. The total budget to construct Well 19 is over two million dollars. SAWCo has not gone out to bid on this project because of BEEST's expertise in drilling wells and because of their knowledge of the area and the specific basin.

Director Velto suggested the item be tabled until he can gather more information and have a better understanding of well drilling.

Director Goss asked for more information on the location and the benefit of the proposed Well 19. Mr. Lee responded it is located in the Cucamonga Basin and provided a map of the location of the abandoned Well 19 and the proposed location of the new Well 19. The Cucamonga Crosswalls and nearby percolation basin aid in the production of water in this area.

Director Cable questioned if SAWCo is going to drill a well anyways, and the chances the test well will be bad is negligible, is it wise to drill a small \$175,000 test well to only then have to come back to start the drilling process all over again? Or is it better to just drill the bigger test well that will convert easier into the official well?

Director Velto moved and Director Cable seconded to table the item until the April Board meeting. Motion carried unanimously.


E. COVID Response – Mr. Lee proposed this be the last COVID response update placed on the agenda.

7. Closed Session: None.

8. Director's Comments and Future Agenda Items: Director Velto brought up placing the topic of a replacement for the vacant seat on SAWCo's Board of Directors on the next agenda. Mr. Lee responded he hoped to bring that item up at possibly the regular April Board Meeting. He stated the Bylaws place the burden of filling the vacancy on the Board. Director Velto also noted the need to fill the role of President on the Board. Mr. Lee advised officers are traditionally appointed at the Organizational Meeting held directly after the Annual Shareholder's Meeting which will take place in early April but if the Board wishes to defer the appointment until the vacancy is filled, they may do so.

Adjournment:

With no further business to discuss the meeting was adjourned at 5:45 p.m.



Assistant Secretary
Brian Lee

