

SAN ANTONIO WATER COMPANY
MINUTES OF THE SAN ANTONIO WATER COMPANY
Tuesday, November 16, 2021

An open meeting of the Board of Directors of the San Antonio Water Company (SAWCo) was called to order at 5:00 p.m. on the above date at the Upland City Hall Council Chambers, 460 North Euclid Avenue, Upland, California. Directors present were Tom Thomas, Will Elliott, Martha Goss, Rudy Zuniga, Bob Cable, and Kati Parker. Also in attendance were Mark Norton from the Santa Ana Watershed Project Authority, SAWCo's General Manager Brian Lee, Assistant General Manager Teri Layton, and Senior Administrative Specialist Kelly Mitchell. Director Thomas presided.

Director Zuniga led all in attendance in the flag salute.

1. Recognitions and Presentations: None.
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 October 19, 2021
 - B. Planning, Resources and Operations Committee (PROC) Meeting Minutes
No meeting minutes to report. Meeting minutes of June 22, 2021
 - C. Administration and Finance committee (AFC) Meeting Minutes
No meeting minutes to report.
 - D. Financial Statement
Income Statement and Balance Sheet for September 30, 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 Elliott moved and Director Goss seconded to approve the Consent Calendar as presented. Motion carried unanimously with Director Bill Velto absent.

5. Board Committee – Delegate Report:
 - A. **Pomona Valley Protective Association (PVPA) Representative's Report** – Director Thomas reported on the Annual PVPA Meeting which is a series of meetings that includes the consumer, directors, and shareholders meeting. The current PVPA president, William McDonald, has retired from Golden State Water Company. Director Thomas has now moved into the role of president.
 - B. **Six Basins Representative Report** – Ms. Layton reported the Budget Assessment and Operating Safe Yield was discussed at the last Six Basins meeting and will be discussed further and voted on at tomorrow's meeting.
 - C. **Chino Basin Representative Report** – Mr. Lee reported at the court hearing regarding the Appropriative Pool's (AP) contest of paying the Agricultural Pool (Ag) legal fees of nearly \$500,000, the judge denied the Ag Pool's request in its entirety because they did not meet their obligation. This ruling may complicate any settlement offers or the ability of the two pools to come to consensus and focus on larger issues in the basin.

The plan for the Safe Yield Reset due in 2025 is being developed. Chino Basin Watermaster has proposed a first-year budget of \$700,000. The AP Pool is questioning that figure as it seems high. A closed session meeting is being held to further discuss.

The City of Ontario is questioning the basin's Dry Year Yield Program. A letter signed by representatives for Inland Empire Utilities Agency, Chino Basin Watermaster, Three Valleys Municipal Water District, and Metropolitan Water District in 2019 has the City of Ontario questioning whether they have the right to do so as it materially impacts how the Dry Year Yield Program is administered. Assessment packages given to the AP Pool annually and the amount of water participating agencies draw from the basin directly impacts the assessment package. There is an interpretation that individual agencies have taken water out of the basin under the Dry Year Yield Program that should have been charged assessment fees. SAWCo is not able to utilize import

water from Metropolitan Water District so the program does not directly impact them, however, Mr. Lee believes the concerns expressed are legitimate.

- D. **Cucamonga Basin Representative Report** – Mr. Lee stated the three proposals received for the hydro geotechnical work have been narrowed to two agencies. Interviews will take place in early December to help determine the right fit for the basin.
- E. Administration and Finance Committee (AFC) Chairman's Report – No meeting to report.
- F. Planning, Resources, and Operations Committee (PROC) Chairman's Report – No meeting to report.
- G. Office Feasibility Study Ad Hoc Committee – No meeting to report.

6. General Manager's Report on Activities:

- A. **Presentation by Mr. Mark Norton, Santa Ana Watershed Project Authority** – Mr. Lee introduced Mark Norton, Water Resources and Planning Department Manager from the Santa Ana Watershed Project Authority (SAWPA). Mr. Norton contacted Mr. Lee regarding SAWPA's cloud seeding project and offered to provide a presentation on the topic to the SAWCo Board.

Mr. Norton briefly explained SAWPA has existed since the 1970s and is a joint powers authority (JPA) with five member agencies that also works with stakeholders and other water related agencies throughout the watershed. He then provided information on cloud seeding; how it works and what it produces, and SAWPA's cloud seeding pilot program. The program is expected to bring an estimated 8 to 11 percent increase in precipitation at a cost of less than 10% of imported water.

Director Goss inquired if any of the cloud seeding equipment is being operated in the local area. Mr. Norton stated there are not any operating in the local watershed. The nearest operating system is in Santa Barbara and there is another in San Luis Obispo.

Director Thomas asked whether individual agencies participating in the program are shielded from legal liability. Mr. Norton advised participating agencies would most likely be included in the liability insurance policy.

Director Parker questioned the differences in donation amounts asked of other agencies. Mr. Norton responded SAWPA adjusted their ask amount to hopefully allow for more agencies to participate.

Director Parker felt SAWCo could have a direct benefit from such a program. Mr. Lee pointed to the presentation given by Mr. Norton estimating a benefit of up to 2,000-acre feet (AF) of water per year.

SAWPA is currently seeking a grant and asking for donations to continue moving the pilot program forward. Should they be successful in receiving the grant monies, the program could start as early as November 2022. The grant money should cover the entire four-year pilot program.

Director Parker moved to contribute \$5,000 to the cloud seeding project.

Director Cable stated he would feel more comfortable contributing if the program had California Environmental Quality Act (CEQA) approval.

Director Thomas seconded the motion with the additional caveat the monies would not be delivered until after the program received CEQA approval. Motion carried unanimously with Director Bill Velto absent.

- B. **Discussion and Possible Action Regarding Vacation Buy-Back Policy** – Mr. Lee explained the Board authorized a Vacation Buy-Back Policy earlier in the year. Staff is now requesting the addition of Administrative Leave and Floating Holiday Leave as part of the policy.

Director Goss moved and Director Parker seconded to approve including Administrative Leave and Floating Holiday Leave as leave taken when considering the Vacation Buy-Back Policy previously approved by the Board. Motion carried unanimously with Director Velto absent.

- C. **COVID Response** – Mr. Lee advised staff continues to monitor information regarding COVID-19 but is currently in a holding pattern as there have been no recent changes with the San Bernardino County.

7. Closed Session: None.

- 8. Director's Comments and Future Agenda Items: The date of the Board meeting scheduled for Tuesday, December 21, 2021 at 5 p.m. was discussed. The Board requested the 2022 Budget be placed as a possible action item on the agenda for the Board Budget Workshop being held on Wednesday, December 1st. If an additional Board meeting is necessary, it can be scheduled for later in the month.

Adjournment:

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



Assistant Secretary
Brian Lee