

MINUTES OF THE SAN ANTONIO WATER COMPANY
PLANNING, RESOURCES, and OPERATIONS COMMITTEE
January 23, 2018

An open meeting of the Planning, Resources, and Operations Committee (PROC) of the San Antonio Water Company (SAWCo) was called to order at 3:01 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, and Senior Administrative Specialist Kelly Mitchell. Mr. Elliott presided.

1. Recognitions and Presentations – Mr. Moorrees stated Mr. Steve Sentes, Executive Director of Chino Basin Water Conservation District, would be attending the meeting to discuss Item 5C.
2. Additions-Deletions to the Agenda – None.
3. Public Comments – None.
4. Approval of Committee Meeting Minutes:
 - A. ***Regular Committee Minutes of November 28, 2017*** – Mr. Gerardi moved and Mr. Sanchez seconded to approve the meeting minutes of November 28, 2017. Motion carried.
5. Planning and Operational Issues:
 - A. ***American Leak Detection (ALD)*** – Mr. Moorrees gave a brief explanation of the current Leak Detection program that SAWCo adopted in March of 2017. Current data loggers show 24 hour usage but by the time SAWCo downloads the information the leak has already happened.

Originally SAWCo partnered with Mitchell's Plumbing, however, they no longer have the equipment necessary to provide leak detection. Since parting ways with Mitchell's Plumbing the program has not been successful.

SAWCo recently met with ALD to discuss designing a program for leak detection. Staff was also informed of a FLO device ALD is involved with that attaches to a homes' main water supply and signals the customer by way of smartphone of indoor leaks. Mr. Moorrees suggested SAWCo be involved with a pilot program for the device.

Rosemary Hoerning entered the meeting at 3:07 p.m.

Mr. Moorrees suggested finding 5 customer for the pilot program and possibly present the idea to Inland Empire Utilities Agency or Chino Basin Water Conservation District.

Steve Sentes entered the meeting at 3:08 p.m.

Mr. Thomas inquired as to whether or not SAWCo would cover all costs regarding the pilot program. The details pertaining to payment of the device and installation had not been determined at the time of the meeting.

The committee conversed about what services other local water agencies provide for leak detection and discussed what costs SAWCo would cover and the shareholder would cover should they decide to move forward with the pilot program.

Mr. Gerardi moved and Mr. Sanchez seconded to recommend the Board approve partnering with ALD to provide leak detection services for SAWCo's Leak Detection program and to bring more information on the Flo device pilot program to the Board for comment and potential action. Motion carried.

B. Entitlement Transfer – Mr. Moorrees distributed copies of information regarding water deliveries to the City of Upland, City of Ontario, and Monte Vista Water District (MVWD). He reported the City of Upland and MVWD had received water delivery above their annual entitlement. He explained this was due in part to the Water Service Agreements not going into effect until July 1, 2017 and the City of Upland's Well 15 becoming inoperable partway through the year.

Mr. Gerardi moved and Mr. Sanchez seconded to recommend the Board approve the water transfer to the City of Ontario in the amount of 62.086 acre feet (AF) as defined in Exhibit 1. Motion carried.

C. Chino Basin Water Conservation District – Mr. Moorrees explained Mr. Sentes approached him regarding the development of a groundwater replenishment project at the confluence of the San Antonio Creek and Chino Creek. Although it's a great location for a basin to collect storm flows normally lost, Mr. Moorrees expressed some concern over challenges with respect to percolation rates. He suggested there were options to pump the water from that location to another recharge basin.

Mr. Sentes spoke about the options for the land being purchased. He is attempting to have a project team find the best purpose for the property. If no viable project is found the land can then be sold.

Mr. Elliott suggested the item be reported to the Board at the next Board meeting.

D. Policy on Water Service Agreements – Mr. Moorrees stated this is a follow up from the November PROC meeting. After several discussions with legal counsel it was determined there is no need for a policy on Water Service Agreements (WSA). Unless it's mutually beneficial to do so, there is no need for a WSA.

There was consensus on the committee that a WSA policy is not needed.

E. Executive Recruitment – Mr. Moorrees presented information on a recruiter, Deloach & Associates, in the water industry to begin the search for the new General Manager of the Water Company. He felt a personnel committee needs to

be put together to discuss the proposal from Deloach & Associates and any other proposals requested from recruiters.

Mr. Moorrees distributed copies of a document listing his recommendations for the process of hiring a new General Manager.

Mr. Thomas suggested the personnel committee consist of himself, Mr. Elliott and Bob Cable.

Mr. Elliott advised this item will need to be added to the next Board meeting agenda.

6. Planning and Operational Update -

A. *Project Status Report* –

- *Basin 6 Desilting* – Staff believes there is only 2 to 3 inches of silt to remove in the basin. Costs will be reduced due to less silt needing to be removed. CHJ has redlined the Professional Service Agreement and SAWCo rejected the changes. Staff will give them until the end of the week to agree to the terms before they look elsewhere for services.

7. Basin Issues and Updates

- *San Antonio Canyon Watershed* – The Sanitary Survey is being submitted for eligibility for an award of distinction.
- *Chino Basin* – There is a push for all parties to agree to a non-binding term sheet. SAWCo’s legal counsel felt it appropriate to sign the non-binding term sheet. The court gave only 90 days to review the information.
- *Six Basins* – Mr. Moorrees reported the next meeting will be held tomorrow and will include the election of officers. The Three Valleys Municipal Water District Memorandum of Understanding is also being presented to the Six Basins Board during the meeting.
- *Cucamonga Basin* – Staff met with special counsel and the City of Upland to review the Cucamonga judgment. SAWCo will meet with Cucamonga Valley Water District to discuss talking points.

Ms. Hoerning inquired whether or not a watermaster was needed for Cucamonga Basin or might it be better to have more of an advisory committee.

9. Committee’s Comments and Future Agenda Items: – None.

Adjournment: –The meeting was adjourned at 4:05 p.m. Motion carried.

Assistant Secretary
Charles Moorrees