

MINUTES OF THE SAN ANTONIO WATER COMPANY
PLANNING, RESOURCES, and OPERATIONS COMMITTEE
June 30, 2010

An open meeting of the Planning, Resources, and Operations Committee (PROC) of the San Antonio Water Company (SAWCo) was called to order at 3:03 p.m. on the above date at the company office located at 139 N. Euclid Ave., Upland, California. Committee members present were Robb Quincey, and Tom Thomas. Also in attendance were General Manager Charles Moorrees, Assistant Manager of Administration & Finance Teri Layton, Director Dr. Fred Gattas, and City of Upland Public Works Director Anthony La. Mr. Quincey presided.

1. Recognitions & Presentations – None.
2. Additions-Deletions to the Agenda – None.
3. Public Comments – None.
4. Approval of Committee Meeting Minutes – Mr. Thomas moved and Mr. Quincey seconded to approve the meeting minutes of April 28, 2010 as presented. Motion carried.

5. Planning & Operational Issues:

- A. San Antonio Creek - Wild & Scenic Designation – Mr. Moorrees reported on the opportunity to present the environmental group Friends of the River's campaign to designate portions of the San Antonio Creek as Wild and Scenic. The portion that will be wild and scenic will be source water from Mount San Antonio to the Falls. Mr. Moorrees recommended the committee consider the request made by the Friends of the River to support their proposed designation of the San Antonio Creek and make recommendations as appropriate to staff and/or the Board.

(Director Brian Brandt entered at 3:06 p.m.)

Mr. Quincey moved and Mr. Thomas seconded the motion to approve the manager's recommendation. Motion carried.

- B. Adopt Resolution No. 2010-7-03 for Leasing of Shares – Mr. Moorrees stated that he had received a request for a five year long lease. According to Resolution No. 98-5-01 the Board must review any leases longer than 2 years to ensure there is enough water available. Mr. Moorrees noticed that this resolution had an err in it with regards to leasing to non-shareholders and would like to correct this by adopting Resolution No. 2010-7-03 amending it.

Mr. Brandt moved and Mr. Thomas seconded to take Resolution No. 2010-7-03 to the Board for adoption. Motion carried.

- C. Mr. Charles Pfister – Extended Lease Request – Mr. Moorrees reported that he looked at SAWCo's projected future water as the resolution for leasing of shares requires. Mr. Thomas also questioned why it was necessary for the Board to consider five-year leases and considered removing this requirement. Mr. Moorrees noted that he would check to see if there was any legal reason to maintain this requirement.

Mr. Thomas moved and Mr. Quincey seconded to approve sending to the Board the five year lease agreement for Charles Pfister. Motion carried.

6. Planning & Operational Update -
Project Status Report

- o **Tunnel Pipeline Improvement** – SAWCo submitted a request for a proposal (RFP) from City of Upland to design a connection between the Tunnel discharge piping to the City's well pipeline implementing the reciprocal services agreement.
- o **Well 25A-Drilling** – SAWCo submitted a RFP to the City of Upland to develop engineering plans & specs for drilling Well 25A implementing the Reciprocal Services Agreement.
- o **Cucamonga Basin – Desilting Project at Crosswalls** – Waiting to hear back from the County regarding environmental clearances to be submitted with application to Department of Fish and Game.
- o **Forebay Improvements** – Public hearing upcoming.
- o **Water Rights Investigation-Activity** – Next meeting hopefully scheduled for July. Meeting with Slater and Ridgeway scheduled for July 20th.
- o **Title Research** – Bob Reid has begun his research. Once finished it will be given to legal counsel Thomas McPeters to draft up notice.
- o **Well 27A** – Production is less than expected. May get 500 gallons per minute. Water quality is still an issue.
- o **Water Master Plan Update** – Copies were given out at this meeting.

7. Basin Issues & Updates

- A. San Antonio Canyon Watershed – Watershed Clean Up Day is scheduled for Saturday, July 10th.

B. Cucamonga Basin

Cucamonga Basin Study - WEI – Meeting scheduled for July 12th to go over comments on the data WEI provided. Mr. Moorrees is concerned about the time frame the data is being generated around. In the early 1980's the channel was newly lined. A lot of water percolated into the Cucamonga Basin before it was lined and Mr. Moorrees wants to be certain is accounted for in the Basin.

Cucamonga Basin MOU's – Mr. Moorrees inquired with Ken Ecke with San Bernardino County Flood Control to look at the draft submitted. He stated he would take a look and get back to SAWCo.

- C. Six Basins – Joint meeting with Administration and Finance Committee and Engineering and Technical Committee. When transferring water rights priority rights designations would remain the same.

D. *Chino Basin* – The courts ruled in favor of Chino Basin Watermaster on the purchase of overlying non-agriculture water. The Appropriative Pool may seek reimbursement for legal costs incurred.

Service Agreement-Ontario Water Transfer – It is going before the Appropriative Pool meeting to transfer 765 acre feet just as was done last year for Fiscal Year 2009/2010.

8. Closed Session – None.

9. Committee's Comments and Future Agenda Items – Mr. Moorrees inquired as to when the mid-year budget would be available for the committee. Ms. Layton thought they would be available in September.

Adjournment – Due to no further business, the meeting was adjourned at 3:40 p.m.

Assistant Secretary
Charles Moorrees