

MINUTES OF THE SAN ANTONIO WATER COMPANY
PLANNING, RESOURCES, and OPERATIONS COMMITTEE
July 9, 2013

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 Tom Thomas, Ken Willis, Will Elliott, and John Gerardi. Also in attendance were SAWCo's General Manager Charles Moorrees and Dr. Justin Scott Coe with Monte Vista Water District (MVWD). Mr. Willis presided.

1. Recognitions & Presentations – Mr. Moorrees introduced Dr. Justin Scott Coe with MVWD to listen in on agenda item 5C; Assembly Bill AB 240 discussion. He also presented copies of free Drinking Water Workshops to the members of the advisory committee for anyone interested in participating in the classroom or online classes.
2. Additions-Deletions to the Agenda – None.
3. Public Comments – None.
4. Approval of Committee Meeting Minutes –
 - A. Regular Committee Minutes of May 21, 2013 - Mr. Elliott moved and Mr. Gerardi seconded to approve the meeting minutes of May 21, 2013. Motion carried.
5. Planning & Operational Issues:
 - A. ***Tunnel Spread & Edison Ponds – Additional Cost Consideration*** – Mr. Moorrees explained that this project was budgeted for this year at a cost of \$20,000. Mr. Moorrees stated at the previous PROC meeting that staff was considering adding additional sand and gravel at the bottom to enhance filtration. Staff did eventually add the sand and gravel at a cost of \$8,450.

Mr. Moorrees requested the Committee recommend the Board ratify, receive and file the additional expenditure of \$8,450 on the Tunnel Spread Ponds.

Director Gerardi questioned why, after removing silt, would sand and gravel be added. Mr. Moorrees replied that each time it's desilted more land is taken out and the ponds get deeper. Replacing the silt with sand and gravel brings the depth of the ponds back up, lasts longer than the silt currently in the ponds and enhances filtration.

Director Elliott moved and Director Gerardi seconded to recommend the Board ratify, receive and file the additional expenditure of \$8,450 on the Tunnel Spread Ponds. Motion carried.

- B. ***Assembly Bill AB 240 (Rendon) – Mutual Water Companies*** - Mr. Moorrees reported that this is a pending bill that would add sections to the Corporations Code and the Health and Safety Code. Many of the items in this bill such as the Brown Act and the Freedom of Information Act are already followed by the water

company. Additional items in the bill would require Board members to have six hours of water education every six years. Legal counsel will keep SAWCo apprised if the bill passes and if any changes are needed. Part of the bill identifies the water companies whose shares are appurtenant to land. SAWCo does not fall into that category. In keeping with that, when SAWCo received a request from LAFCO to provide its service area boundaries they complied but stated they would not reply to future requests due to the fact that its shares are not appurtenant to land. This bill will also permit the board of directors, if authorized by its articles or bylaws, to record a notice of lien against a shareholder's property if the shareholder has not timely paid. This would be a new tool to collect water charges and assessments and would require an amendment to the bylaws to accommodate if that Section ends up becoming law.

- C. *Assembly Bill AB 145 (Perea) – Transfer of Safe Drinking Water Programs*** - Mr. Moorrees advised that he sent a letter to the Senate Committee stating the water company's opposition to AB 145. MVWD has also sent a couple of letters to the same affect. Although the state revolving fund does need to be fixed, the drinking water program itself does not need to be transferred. SAWCo is experiencing delayed response from the State Water Resources Control Board (SWRCB) in regards to water rights, adding the drinking water program would not solve any problems but more likely create them.

Dr. Justin Scott Coe stated that the bill did just in fact pass to the Senate level. There is a good chance that there will be modifications to the bill considering the amount of feedback in opposition to the bill that has been received. It may be that just the state revolving fund is transferred to SWRCB or possibly the entire program transferred to California Environmental Protection Agency (Cal/EPA).

Mr. Moorrees questioned who was pushing the issue if most water agencies are against it. Dr. Scott Coe replied that it was being pushed by a group of legislators who are particularly interested in the central valley drinking water quality issues.

- D. *Paloma Curve Hydro Station Disposition*** - Mr. Moorrees informed the committee that he was unable to find in the records showing exactly when the hydro station was built. SAWCo has received complaints of a low frequency hum that is generated from water flowing through the pipeline from a homeowner that purchased the property in 2009. In November of 2009 staff received a notice from the homeowner's legal counsel making a formal notice of the potential nuisance anticipated by the owner and neighbors if the proposed hydroelectric generator is operated full time.

The Water Company has no plans to activate this facility and has no issue with demolishing the existing building; however, the existing underground piping is to remain active which staff believes to be the source of the noise.

The committee suggested staff pursue possible disposal of the structure with the City of Upland and the homeowner. It was entertained whether or not MVWD would be interested in salvaging the existing hydro equipment. The committee

recommended the Board direct staff to work with the City of Upland, MVWD, and the property owner to determine the fate of the structure.

- E. Cucamonga Basin 6(A) - Budget Appropriation for desilting* - Mr. Moorrees proposed consideration to desilt recharge Cucamonga Basin 6 located at 19th Street and Campus Avenue this calendar year. Considering that the easterly basins have dried up and there is only a few remaining feet in the recharge basin, it would be prudent to desilt the basin at this time to enhance percolation. Staff received a proposal from GRB Equipment to do the work for \$98,610.

With a contingency of \$10,000, permitting \$2,000 and geotechnical consultant \$10,000 staff proposes the committee recommend a budget appropriation of \$120,000 to desilt Basin 6.

Director Elliott moved and Director Willis seconded to recommend to the Board the budget appropriation of \$120,000 to desilt Basin 6. Motion carried.

- F. Three Valleys Water District – Upland – SAWCo Interconnect Project* - Mr. Moorrees presented a draft tern sheet from Three Valleys Municipal Water District (TVMWD) to develop a pipeline interconnect to the TVMWD to provide flexibility in delivery options. In meeting with the City of Upland and TVMWD it was proposed to consider developing the project once labeled as the “Miramar Pipeline” that once was proposed to connect TVMWD to the Water Facilities Authority (WFA). With this line in place the Water Company and the City of Upland would be able to deliver water to TVMWD. It is anticipated that by utilizing this water there would be shared savings based on the difference in cost to deliver and treat the water as opposed to receiving Metropolitan Water District’s (MWD) treated water. TVMWD will fund, install, and operate the proposed pipeline provided that the City of Upland and the Water Company ensure minimum deliveries of 2,000 acre feet per year (AF/yr) based on a 5 year running average.

This report was presented to the committee for information only at this time with no action required. The committee recommended the report be presented to the Board.

6. Planning & Operational Update -

A. Project Status Report

- **City Treatment Plant Surface Water Delivery – Dissolved Air Issue** – Staff met with Mark Williams who will provide a technical report in August.
- **Well 25A – Site Improvements per City CUP** – Mr. Moorrees met with the engineer who will be revising the plans to resubmit with the City of Upland to move forward.
- **Cucamonga Basin – Desilting project at crosswalls** – Mr. Moorrees has a meeting scheduled with John Holliday to discuss revising some of the conditions on the permit issues with respect to sound. Mr. Moorrees is also putting together a temporary access agreement with Phil Burum to allow access use for the haul route on 20th Street. Approval is anticipated by October.
- **Forebay Improvements {CY2013 Budget \$1,932,798}** –The north and south retaining wall, and the new irrigation box are in process of being built and installed.
- **System Map Update** – Near completion.

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- **Water Rights Investigation** – Activity – Waiting for a response from the State Water Resources Control Board as well as Michael Gagan. Coordination with Congresswoman Judy Chu with respect to the United States Department of Agriculture’s response is also in the works.
- **WFA Pipeline Connection** – Mr. Moorrees submitted revised plans to the engineer.

7. Basin Issues & Updates

A. ***San Antonio Canyon Watershed*** – Director Thomas shared on the outcome of the Watershed Clean Up Day event that occurred on Saturday, July 6th.

B. ***Chino Basin*** – There was discussion on upcoming issues on the annotated Judgment.

C. ***Six Basins*** – Nothing new to report.

8. Committee’s Comments and Future Agenda Items – None.

Adjournment – Due to no further business the meeting was adjourned at 4:01 p.m.

Assistant Secretary
Charles Moorrees