

MINUTES OF THE SAN ANTONIO WATER COMPANY
PLANNING, RESOURCES, and OPERATIONS COMMITTEE
August 27, 2013

An open meeting of the Planning, Resources, and Operations Committee (PROC) of the San Antonio Water Company (SAWCo) was called to order at 3:10 p.m. on the above date at the company office located at 139 N. Euclid Avenue, Upland, California. Committee members present were Ken Willis, Will Elliott, and John Gerardi. Also in attendance was SAWCo's General Manager Charles Moorrees. Mr. Willis presided.

1. Recognitions & Presentations – None.
2. Additions-Deletions to the Agenda – Mr. Moorrees added the Forebay Hydro Station as Item 5G.
3. Public Comments – None.
4. Approval of Committee Meeting Minutes –
 - A. Regular Committee Minutes of July 9, 2013 - Mr. Elliott moved and Mr. Gerardi seconded to approve the meeting minutes of July 9, 2013. Motion carried.
5. Planning & Operational Issues:
 - A. **CORO – 5th Annual Water Solutions Forum** – Mr. Moorrees reported that last year the Board approved SAWCo being a Bronze sponsor of this event by contributing \$2,500. This year staff is recommending a Silver sponsorship of \$5,000 for a full table of 10 and inviting the City of Upland's West End Consolidated Water Company to the conference.

Mr. Elliott moved and Mr. Gerardi seconded to recommend the Board approve the Silver Sponsorship for the 5th Annual CORO Conference. Motion carried.

- B. **Development Update** - Mr. Moorrees updated the committee on the Magnolia Residential Project – 19th Street/Campus in Upland, the Crestwood Communities – 20th Street east of Euclid, the Crestwood Communities – Hidden Lane in San Antonio Heights and the Rose Court – Single Family Residence developments.

SAWCo maintains a booster line running right through the Magnolia Residential Project. The water company has advised the builder as such. The Rose Court development has issues with the waterline not being installed where the recorded easement shows. Crestwood Communities has shown interest in developing residential units on Hidden Lane as well as 20th Street. Work has already begun on 20th Street with SAWCo's fence being temporarily relocated and will eventually be replaced with a masonry wall.

- C. **Paloma Curve Hydro Station** - Mr. Moorrees advised that he was unable to establish if the water company ever owned this station. Research indicates that the Southern California Edison Company (SCE) owned and operated the hydroelectric power project. In the early 1920's the Water Company sold all of its rights in the Ontario Power Company, which is now SCE. Staff found no transfer

of this asset from SCE to SAWCo. SAWCo leased the facility to the City of Upland to allow use for equipping and developing hydroelectricity. The City of Upland has no plans to continue to utilize this facility.

SAWCo field staff stated they would like to keep the structure for storage purposes. Additionally, staff checked out the facility to see how the water courses through the facility to determine if something can be done to lessen the noise created by redirecting water flow. Mr. Moorrees met with City of Upland staff to discuss the dismantling and removal of the existing piping and electrical components but is uncertain if the noise will be eliminated.

Mr. Gerardi suggested a sound engineer to go and investigate the humming noise.

It was agreed that staff would further explore the low frequency hum and possible ways, if any, to eliminate it.

D. Proposed Interconnection and Water Delivery to Cucamonga Valley Water District - Mr. Moorrees informed the committee that for the last two years SAWCo has been able to provide emergency water to Cucamonga Valley Water District (CVWD) via a “wheeling” agreement with a connection to CVWD that the City of Upland has. He presented four different scenarios to allow for direct delivery to CVWD.

SAWCo proposed delivery of water utilizing the Water Company’s groundwater wells in Cucamonga Basin but utilizing CVWD’s rights in the basin. SAWCo anticipates the charge for delivering this water will be based on agreed costs for SAWCo to operate and maintain the wells. As a benefit to the Company’s shareholders, SAWCo proposed that for each acre foot delivered, SAWCo would receive one acre foot of CVWD’s right to pump in that calendar year without carryover to make up for an inability to recharge SAWCo’s average into Cucamonga Basin during the dry years. On August 5, 2013, staff sent a follow up letter to CVWD presenting the proposed Scenario 1 for consideration. A copy of this correspondence was also included in the August Board packet. Pending a favorable response from CVWD, staff proposes inclusion of the interconnect in SAWCo’s project planning budget for CY2014.

This item was brought to the committee to discuss viability, benefit, and approval for possible inclusion in SAWCo’s project planning budget.

E. CalWARN Membership – Resolution No. 2013-09-02 - Mr. Moorrees proposed consideration to join a regional group, California Water/Wastewater Agency Response Network (CalWARN), for aid in emergency preparedness. CalWARN’s mission is to support and promote statewide emergency preparedness, disaster response, and mutual assistance matters for public and private water and wastewater utilities.

Additionally, the CalWARN Agreement requires members to “maintain an insurance policy or maintain a self insurance program that covers activities that it may undertake by virtue of membership in the Mutual Aid and Assistance

Program.” Staff received confirmation from our insurance broker that our coverage includes the following: “Any person while providing services under a mutual aid agreement, joint powers agreement or similar arrangement, but only with respect to the conduct of your business and only to the extent of your participation of your interest.”

Mr. Elliott moved and Mr. Gerardi seconded to recommend to the Board adoption of Resolution No. 2013-09-02 joining CalWARN as proposed. Motion carried.

F. *Emergency Response Network of Inland Empire (ERNIE) Membership* - Mr. Moorrees also proposed consideration to join a local group, ERNIE, for more assistance in emergency preparedness.

Mr. Gerardi questioned why surrounding agencies such as Monte Vista Water District (MVWD) and the City of Upland do not participate in ERNIE. Mr. Moorrees was uncertain as to why they do not participate but did point out that agencies next door will be in the same predicament SAWCo is in if an emergency hits the area. Having agencies a bit further away would be a benefit as they may not be affected by the same event.

There was consensus on the committee to update this information and bring it to the Board for approval.

G. *Forebay Hydro Station* – Mr. Moorrees reported that when he requested information from MVWD on the Paloma Curve Hydro Station, Soar Technologies who has been working with MVWD advised staff that a new variable speed generator is now available. Since flows vary at the Forebay, the variable speed generator may resolve this issue. Soar Technologies is looking at the Forebay to determine if the variable speed generator will work at the site. If the generator will work at the Forebay site Mr. Moorrees will prepare a change order on the Forebay Improvement Project to include a vault, conduit and control panel so that during budgeting for the next calendar year the variable speed generator can be included.

6. Planning & Operational Update -

A. Project Status Report

- **ADA Ramp -SAWCo Office** – In process.
- **PRV - Cliff Road & Euclid Crescent East** – Materials have been ordered; installation pending receipt of materials. Design was done in-house and CP Construction is installing.
- **Basin 6 Desilting** – Waiting for a response back from the San Bernardino County. Should receive word in the next day or two.
- **Well 25A – Site Improvements per City CUP** – Staff should receive the final plans for signature shortly and will submit them to the City of Upland for final review.
- **Cucamonga Basin – Desilting project at crosswalls** – Mr. Moorrees met with the City of Upland staff and resolved some issues from previous planners assigned to the project. However, new planners at the San Bernardino County Flood Control District (SBCFCD) have emailed that SAWCo now needs

approval from the Regional Water Quality Control Board (RWQCB), the Department of Fish and Wildlife (DFW) and the Army Corps of Engineers (ACE). SAWCo previously submitted that information to SBCFCD and advised that it is the responsibility of SBCFCD to provide maintenance. The City of Upland has modified there projected approval date of the project from October 2013 to January 2014.

- **System Map Update** – Final plans should be received by the end of the week.
- **Water Rights Investigation** – Activity – Mr. Moorrees met Ms. Fran Spivey-Weber, who is the Vice Chair of the State Water Resources Control Board (SWRCB), at a water conference. He inquired with her if a response to SAWCo’s special counsel Fred Fudacz’s letter was possible. She stated that she had been on vacation but she will see that the letter receives a response. Mr. Moorrees also spoke with the City of Pomona who is receptive to write letters with regards to water rights. He will meet with Pomona staff to show what SAWCo is doing and what the plan is to capture more water for the benefit of SAWCo and the City of Pomona.
- **Chino Basin Recharge Pipeline** – Mr. Moorrees met with the Chino Basin Watermaster General Manager to speak about the basin’s storage and recovery plan. Mr. Moorrees asked about the plan more than a year ago but requested now that they look at the possibility of putting wet water in the basin via the San Antonio Channel. Mr. Moorrees stated that SAWCo would pay to put in a pipeline as long as they would receive credit for the water put in the basin using it.

7. Basin Issues & Updates

- A. **San Antonio Canyon Watershed** – Mr. Moorrees stated that the San Antonio Canyon Watershed Committee should be named the San Antonio Creek Watershed Committee. He will bring this up at their next meeting.
- B. **Chino Basin** – Mr. Moorrees emailed Curtis with Chino Basin Desalter Authority (CDA) to verify if December 10, 2013 is an available date for the CDA Tour. Majority of SAWCo Board members responded that this date was acceptable.
- C. **Six Basins** – Mr. Moorrees spoke with Andy Malone and discussed the basins strategic plan as well as establishing a baseline for the water company costs.

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

Adjournment – Due to no further business the meeting was adjourned at 4:06 p.m.

Assistant Secretary
Charles Moorrees