

MINUTES OF THE SAN ANTONIO WATER COMPANY
PLANNING, RESOURCES, and OPERATIONS COMMITTEE
September 27, 2016

An open meeting of the Planning, Resources, and Operations Committee (PROC) of the San Antonio Water Company (SAWCo) was called to order at 3:00 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 Tom Thomas. Also in attendance were City of Upland Public Works Director Rosemary Hoerning, resident Jane Willis, Greg Ripperger with Civiltec Engineering, Inc., SAWCo's General Manager Charles Moorrees and Administrative Specialist Kelly Mitchell. Mr. Elliott presided.

1. Recognitions and Presentations – Mr. Elliott recognized the meeting attendees; City of Upland's Public Works Director Rosemary Hoerning, resident Jane Willis, and Greg Ripperger with Civiltec Engineering, Inc.
2. Additions-Deletions to the Agenda – Mr. Moorrees added Item 5E City of Upland Request to purchase a portion of SAWCo property to construct a new reservoir.
3. Public Comments – None.
4. Approval of Committee Meeting Minutes:
 - A. ***Regular Committee Minutes of July 26, 2016*** – Mr. Thomas moved and Mr. Willis seconded to approve the meeting minutes of July 26, 2016. Motion carried.
5. Planning and Operational Issues:
 - A. ***Water Master Plan Update*** – Mr. Ripperger distributed a Technical Memo in accordance with Subtask 1.3 of the Scope of Work for preparation of SAWCo's 2015 Water Master Plan. The committee reviewed the criteria set forth in the memo. Adjustments were made to some items as needed.

It is SAWCo's goal to have the Water Master Plan updated by the end of the year. If SAWCo's system does not meet all of the requirements in the final document the items that need improvement will be listed in order of importance.

Mr. Elliott recommended Mr. Ripperger make the revisions based on the comments received by the committee and submit it for inclusion in the October Board meeting packet. There was consensus on the committee that the revised memo would be submitted by Mr. Ripperger in time for inclusion in the October Board meeting packet.

Mr. Ripperger and Ms. Mitchell exited the meeting at 3:45 p.m.

- B. ***Tolle Nursery – Ground Lease Extension*** – Mr. Moorrees advised this item is simply a renewal of the ground lease with Tolle Nursery, Co. using the same terms as the previous year.

Mr. Thomas moved and Mr. Willis seconded to extend the ground lease for Tolle Nursery, Co., for another term of 12 months beginning November 1, 2016 through

October 31, 2017 for the water company property site located at 20th Street and Campus Avenue at an annual rate of \$2,500. Motion carried.

- C. ***Upland Memorandum of Understanding (MOU)*** – Mr. Moorrees was instructed by the board of directors to draft an MOU with the City of Upland for receipt of emergency water delivery via existing interagency connections. Although not legally binding, the MOU establishes a formal agreement between the parties involved. Mr. Moorrees reviewed the draft MOU with Ms. Hoerning prior to the PROC meeting for any corrections. Ms. Hoerning identified a typographical error under Recital B and deleted item number three of the agreement that required the City of Upland to provide a reasonable constant pressure at the point of delivery to SAWCo. In place of item number three Ms. Hoerning added system deliveries stating deliveries are emergency water and SAWCo is accepting it based upon however the City of Upland is able to provide. Ms. Hoerning stated language will be added that allows the City of Upland to discontinue service if they feels it's necessary. The document will be revised and submitted to the City of Upland city manager and city attorney. Ms. Hoerning also deleted item four regarding emergency failures on the part of the City of Upland and inserted an alternate payment option that will allow SAWCo to repay water accepted through these emergency connections with recharge water in lieu of direct payment. Also added by Ms. Hoerning was a termination clause and a change in whom the notices in regards to the MOU would be issued.

Mr. Thomas moved Mr. Willis seconded to approve revisions discussed being made to the draft MOU and submitted for inclusion in the October Board meeting packet. Motion carried.

- E. ***City of Upland Request to Build Reservoir on SAWCo Property*** – Ms. Hoerning stated she submitted a letter to Mr. Moorrees notifying him that the City of Upland is having problems with their existing reservoir that receives water from the Water Facilities Authority (WFA), SAWCo, and West End. The City of Upland is proposing building a replacement reservoir on SAWCo property located at 17th Street and Benson Avenue. Ms. Hoerning will create a term sheet or proposal to SAWCo for utilizing roughly half of this property. There is an aggressive timeline for the reservoir project. Ms. Hoerning will work on a letter of intent and submit it to SAWCo staff.

The committee was receptive to the idea of the City of Upland purchasing a roughly 2.4 acre feet portion of SAWCo's property at 17th Street and Benson Avenue to build a reservoir. They asked that the City of Upland to submit a letter of intent.

Ms. Hoerning exited the meeting.

- D. ***Cucamonga Basin Management*** – Mr. Moorrees asked the committee to consider engaging with Thomas Harder & Co. to deliver a third party review of the 2012 State of the Cucamonga Basin Report and Safe Yield Recalculation. Thomas Harder & Co. is a groundwater consulting company located in Anaheim, California. They specialize in groundwater quality, hydrogeology and water

resources management. Staff would like to request Thomas Harder & Co. provide technical resource oversight when SAWCo begins the process of developing sustainable groundwater resource solutions in the Cucamonga Basin with Cucamonga Valley Water District and the City of Upland.

Mr. Thomas questioned why the item did not go out to bid. Mr. Moorrees responded the consultant came highly recommended by the water quality engineer SAWCo utilized for its Tunnel water quality issues. The consultant has also worked as an advocate in Chino Basin and vetted by the Appropriative Pool. The committee was satisfied that the consultant company proposed was well qualified to complete the work.

Mr. Thomas moved and Mr. Willis seconded to recommend the Board approve engaging with Thomas Harder & Co. to provide the technical review of the 2012 State of the Cucamonga Basin Report and Safe Yield Calculation and appropriate \$30,000 from the Depreciation and Obsolescence Reserves. Motion carried.

6. Planning and Operational Update -
 - A. ***Project Status Report*** – No report provided.
7. Basin Issues and Updates
 - A. ***San Antonio Canyon Watershed*** – The Sanitary Survey is 95% complete.
 - B. ***Chino Basin*** – The court hearing regarding operating safe yield was held on Friday, September 23rd.
 - C. ***Six Basins*** – A Board meeting is scheduled for the following day.
 - D. ***Cucamonga Basin*** – This item was discussed earlier in the meeting.
8. Committee's Comments and Future Agenda Items: – None.

Adjournment: –The meeting was adjourned at 4:15 p.m. Motion carried.

Assistant Secretary
Charles Moorrees