

**SAN ANTONIO WATER COMPANY**  
**MINUTES OF THE SAN ANTONIO WATER COMPANY**  
**Tuesday, March 20, 2018**

An open meeting of the Board of Directors of the San Antonio Water Company (SAWCo) was called to order at 5:00 p.m. on the above date at the Upland City Hall Council Chambers, 460 North Euclid Avenue, Upland, California. Directors present were Tom Thomas, Will Elliott, Sue Sundell, John Gerardi, Bob Cable, Jose Sanchez, and Gino Filippi. Also in attendance were SAWCo's General Manager Charles Moorrees, Assistant General Manager Teri Layton, and Senior Administrative Specialist Kelly Mitchell. Director Thomas presided.

- Salute to the Flag
- 1. Recognitions and Presentations: Mr. Moorrees recognized a shareholder in the audience as well as Councilwoman Janice Elliott and Mr. Robert DeLoach of DeLoach & Associates as attendees.

On the dais a copy of legislation on voting powers of the Board was placed.

- 2. Additions-Deletions to the Agenda: Mr. Moorrees stated Item 6D will be discussed after the Consent Calendar Items portion of the meeting followed by the Closed Session. The meeting will then continue with Item 5A.
- 3. Shareholder-Public Testimony: None.
- 4. Consent Calendar Items:
  - A. Approval of Board Meeting Minutes  
Regular Meeting Minutes of February 20, 2018.
  - B. Planning, Resources and Operations Committee (PROC) Meeting Minutes  
No meeting minutes to report.
  - C. Administration and Finance committee (AFC) Meeting Minutes  
Meeting minutes of October 24, 2017.
  - D. Financial Statement  
Comparative Income Statement and Balance Sheet for January 31, 2018 and year-to-date.
  - E. Investment Activity Report  
Monthly Report of Investments Activity
  - F. Water Production  
Bi-Monthly water production [Jan/Feb, Mar/Apr, May/June, July/Aug, Sept/Oct, Nov/Dec]
  - G. Prominent Issues Update  
Status summaries on certain on-going active issues.
  - H. Projects and Operations Update  
Status summaries on projects and operations matters.
  - I. Groundwater Level patterns [Quarterly in January, April, July, and October]  
Tracking patterns of groundwater elevations relative to ground surface.
  - J. Correspondence of Interest

Director Gerardi moved and Director Elliott seconded to approve the Consent Calendar as presented. Motion carried.

- 6. General Manager's Report
  - D. Executive Recruitment** – Director Thomas reported the AdHoc Personnel Committee met with Mr. DeLoach the previous week. The Committee feels DeLoach & Associates is a good fit for the recruitment of SAWCo's new general manager as Mr. DeLoach has worked locally in the water industry and is currently doing recruitment work for another local water agency.

The AdHoc Personnel Committee recommends giving Director Thomas the authority to sign the contract with DeLoach & Associates for the recruitment of SAWCo's next general manager.

Director Sundell moved and Director Elliott seconded to approve Director Thomas signing the contract with DeLoach & Associates for the recruitment of SAWCo's next general manager. Motion carried.

7. Closed Session:

Executive Recruitment Process [subdivision 9b) of §54957, CGC].

The Board and staff recessed to closed session at 5:03 p.m. and returned at 5:15 p.m.

Director Thomas informed all that Mr. DeLoach will now begin the recruitment process.

5. Board Committee – Delegate Report:

**A. Pomona Valley Protective Association (PVPA) Representative's Report** – Director Thomas attended the most recent PVPA meeting held March 14<sup>th</sup> and advised there was nothing new to report.

**B. Six Basins Representative Report** – Mr. Moorrees reported on the February 28<sup>th</sup> Board meeting for Six Basins. The Three Valleys Municipal Water District (TVMWD) agreement regarding funding and preparation of a Programmatic Environmental Impact Report under California Environmental Quality Act (CEQA) for the Strategic Plan was approved by the Board.

Staff presented the 'draft' CY2018 Annual Report for comments due by March 14<sup>th</sup>. Watermaster provided a report on PVPA spreading at the San Antonio Spreading Grounds of water year 2018 and update on the quarterly groundwater level monitoring program.

The City of Pomona, as the lead for the MS4 Permittees Collaboration, provided a status update.

A Strategic Plan Workshop was held after the Board meeting providing the schedule and status of the Plan implementation and the baseline scenario. Based on the Programmatic Environmental Report (PEIR) Program, a new baseline will need to be re-established for each party based on the last 10 years.

**C. Chino Basin Representative Report** – Ms. Layton reported staff is still awaiting a draft agreement. It was expected by the end of February but has yet to be received. The involved parties have until April 3<sup>rd</sup> to dismiss or file a motion regarding the appeal. The Court hearing regarding staying the Judgment is scheduled for September 14, 2018 at 1:30 p.m.

The watermaster presented another storage framework workshop on March 14<sup>th</sup>. A presentation was given and a report is due by the next meeting.

A presentation regarding the Chino Basin 2018 Recharge Master Plan Update was made by Wildermuth Environmental, Inc. The conclusion was the Basin has an adequate number of recharge facilities.

**D. Cucamonga Basin Representative Report** – Mr. Moorrees stated he has drafted a memo with talking points for review by SAWCo staff, West End Consolidated Water Company, and special counsel Fred Fudacz. Once comments on the memo are received Mr. Moorrees will finalize the report and send it to Cucamonga Valley Water District with prospective meeting dates to begin the process of modernizing the judgment.

**E. Administration and Finance Committee (AFC) Chairman's Report** – Nothing to report.

F. **Planning, Resources, and Operations Committee (PROC) Chairman's Report** – No meeting to report.

G. **Office Feasibility Study Ad Hoc Committee** – No meeting to report.

6. General Manager's Report on Activities:

A. **Amendment to Water Company 401(K) Plan** – Mr. Moorrees explained that in December of 2010 the Board approved SAWCo becoming sole sponsor and Trustee of its 401(K) Plan and to contract with a Third Party Administrator (TPA). Mr. Moorrees was established as the Trustee of the plan at that time.

With Mr. Moorrees upcoming retirement, it is necessary to appoint a new Trustee for the 401(K) Plan. His recommendation is that the Board consider the AFC recommendation to designate the Assistant General Manager, Teri Layton, as the 401(K) Plan Trustee and make recommendation as deemed appropriate.

Director Cable moved and Director Elliott seconded to approve designating Ms. Layton as the 401(K) Plan Trustee. Motion carried.

B. **Salary Range Adjustment**– Mr. Moorrees explained the request for a salary range adjustment is based on annual percentage change in the Consumer Price Index (CPI). According to the Bureau of Labor Statistics there was an increase of 2.18% for Urban Wage Earners and Clerical Workers from December 2016 to December 2017. Approval of this item only adjusts the salary range of each job position, it does not raise current pay rates. Should the Board continue to approve these types of adjustments, there will be reduced need for additional Classification & Compensation Studies.

Mr. Moorrees recommended the Board agree with the AFC and approve adjusting the existing job position wage range 2.18% based on the Bureau of Labor Statistics for the Los Angeles Area for December 2017 as presented.

Director Gerardi moved and Director Cable seconded to approve the General Manager's recommendation. Motion carried.

C. **Project Status Report** –

- **Edison Pond – New Sluice Gate Replacement** – The City of Pomona has drafted the engineering plans. Staff will make comments and submit the plans back to Pomona for revisionment.
- **Holly Drive Reservoir** – TKE has completed the site layout and profile.
- **Basin 6 Desilting** – Notice of Determination has been received. The State Water Resources Control Board is reviewing the environmental document.
- **Cucamonga Basin – Desilting Project at Crosswalls** – The division chief advised if a draft report is not received shortly, he will reassign the project.
- **Well 31 Biological Treatment** – Staff has received a request for an additional 60 days for an alternative back-end treatment that will reduce costs by 30% which may align with SAWCo's current rates. This item will be presented to the PROC for recommendation.
- **Holly Drive Boosters** – SAWCo is awaiting quotes from KSM Electric and HK. The Holly Hills Homeowners Association will be given an opportunity to make comments on the design.
- **SCADA Upgrade from Iconics to Clear Scada/Tesco** – The purchase order has been received. Staff is working with Clear Scada to develop the proper equipment moving forward.
- **Forebay Surface Waterline** – Receiving bids from Norstar Plumbing and C.P. Construction to award and begin the project.

8. Director's Comments and Future Agenda Items: None.

Adjournment: Seeing no further business, the meeting was adjourned at 5:26 p.m.

The Board Organization Meeting will be held on Tuesday, April 10, 2018.

The next Board Meeting will be held on Tuesday, April 17, 2018 at 5:00 p.m.

---

Assistant Secretary  
Charles Moorrees