

MINUTES OF THE BOARD OF DIRECTORS OF SERRANO WATER DISTRICT

The Board of Directors of the Serrano Water District met (via teleconference) in a regular board meeting on Tuesday, January 19, 2021. The meeting was held at the District Office located at 18021 Lincoln Street, Villa Park, California.

CALL TO ORDER: President Mills called the meeting to order at 8:35 a.m.

ROLL CALL:

BOARD OF DIRECTORS MEMBERS PRESENT:

Greg Mills	President
Brad Reese	Vice President
C.L. "Larry" Pharris, Jr.	Board Member
Jerry Haight	Board Member
Frank Bryant	Board Member

BOARD OF DIRECTORS MEMBERS ABSENT:

STAFF PRESENT:

Jerry Vilander	General Manager
Vittorio Roggero	Business Manager
Laura Heflin	Administrative Assistant
Jeremy Jungreis	Legal Counsel

GUESTS PRESENT:

Bob Bowcock	IRM
Kevin Sage	IRM

PUBLIC COMMENT

None.

The following item was moved out of sequence to accommodate delays in logging onto the meeting:

GENERAL MANAGER REPORT

General Manager Vilander summarized the status of Board Committee and management matters as agendaized for the month of December. Highlights included a review of various meetings attended and current issues. General Manager Vilander reported that staff has been working on the spillway and making very minor repairs. Three hundred-acre feet of water has been purchased. Legal review should be done by the end of the week on the proposal submitted by Brown and Caldwell for the Smith Reservoir evaluation, and proposals for the master plan will be presented in the coming months.

ANNUAL BOARD REORGANIZATION

President Mills suggested that the Board may want to consider consolidation of the various Committees, potential rotation of members as well as adding the Ad-Hoc designation. It was moved (Director Mills), seconded (Director Haight), and unanimously carried with Directors Reese, Haight, Pharris, Bryant and Mills voting yes to leave existing committee assignments status quo with the exception of replacing Director Bryant with Director Haight on the Finance Committee.

BOARD MINUTES

Consideration of Serrano Water District Board Meeting minutes of December 15, 2020. Director Haight moved that the minutes of the December 15, 2020 meeting be approved as submitted, Director Pharris seconded the motion, and the motion was unanimously carried with Directors Bryant, Mills, Reese, Haight, and Pharris voting yes.

Consideration of Serrano Water District Board Meeting minutes of January 6, 2021. Director Haight moved that the minutes of the January 6, 2021 meeting be approved as submitted, Director Pharris seconded the motion, and the motion was unanimously carried with Directors Bryant, Mills, Reese, Haight, and Pharris voting yes.

FINANCIAL REPORT

Business Manager Roggero presented the financials for the month of December. The District is being dramatically affected by reduced sales to the City of Orange. Director Reese asked about the status of the check for F&M Bank for the credit cards. It was moved (Director Bryant), seconded (Director Pharris), and unanimously carried with Directors Bryant, Reese, Pharris, Mills and Haight voting yes to approve the disbursements in the amount of \$540,150.87 subject to modifications to the ledger by the Business Manager. Missing checks to be included next time is a check to F&M Bank for credit cards and three reimbursement payments to residents. This information will be presented for approval at the February Board meeting.

WATER REPORT

Following presentation by General Manager Vilander, it was moved (Director Pharris), seconded (Director Mills), and unanimously carried with Director Haight, Pharris, Mills, Reese, and Bryant voting yes to receive and file the water report.

The following item was moved out of sequence to accommodate schedules:

WATER RATE SURVEY – BOB BOWCOCK, IRM

Bob Bowcock of IRM presented an overview of the water rate survey. Lengthy discussion ensued, and recommendations were made. General Manager Vilander suggested that the Transparency Committee meet with staff from IRM to discuss further and make recommendations so that the next steps in the process may be pursued.

PFAS PROGRESS REPORT

General Manager Vilander provided a status report on the PFAS project including recent correspondence sent to residents based upon their recent input. Director Haight recommended placing information related to PFAS be placed on the District's website. This will be developed in collaboration with the Transparency Committee.

IRVINE LAKE AGREEMENTS

Attorney Jungreis reported that the County of Orange has submitted a proposal to the District and this has been reviewed by the SWD/IRWD Ad-Hoc Committee.

RESOLUTION NO. 2021-01-01 OF THE BOARD OF DIRECTORS OF THE SERRANO WATER DISTRICT ESTABLISHING CERTAIN RESERVE GOALS AND ALLOCATING DISTRICT FUNDS TO DESIGNATED RESERVE ACCOUNTS

Following discussion and review led by Business Manager Roggero, it was moved (Director Pharris), seconded (Director Reese), and unanimously carried with Directors Haight, Pharris, Reese, Bryant and Mills voting yes to adopt Resolution No. 2021-01-01 as presented.

HUNTER ELECTRICAL – FUTURE GENERATOR CONDUIT INSTALLATION WELL 3 AND 5

Following discussion and review led by General Manager Roggero, it was moved (Director Mills), seconded (Director Pharris), and unanimously carried with Directors Haight, Pharris, Reese, Bryant and Mills voting yes to authorize the General Manager to issue a purchase order to Hunter Electric in the amount of \$47,500 to install a conduit for a future generator for wells 3 and 5.

CORRESPONDENCE

Correspondence was reviewed as agendized.

DIRECTORS COMMENTS AND REPORTS

None.

ATTORNEY’S REPORT

None.

It was announced at 10:40 a.m. that the Board of Directors would be entering into closed session.

RECESS TO CLOSED SESSION

*Conference with real property negotiators
(Government Code Section 54956.8)*

Property: Santiago Reservoir (Irvine Lake), adjacent to 4621 Santiago Canyon Road, Silverado Canyon, CA 92676.

Agency Negotiator: Jerry Vilander

Negotiating Parties: County of Orange

Under Negotiation: Price and terms

*Conference with real property negotiators
(Government Code Section 54956.8)*

Property: Storage Rights, Santiago Reservoir (Irvine Lake), adjacent to 4621 Santiago Canyon Road, Silverado Canyon, CA 92676.

Agency Negotiator: Jerry Vilander

Negotiating Parties: Irvine Ranch Water District

Under Negotiation: Price and terms

Conference with legal counsel – anticipated litigation - initiation of litigation [Government Code Section 54956.9(d)(4)]: One case. Orange County Water District et al. vs 3M Company, Case No. 30-2020-01172419-CU-PL-CXC.

The Board meeting was reconvened into open session at 11:20 a.m., and it was announced that there was no reportable action.

ADJOURNMENT

The meeting was formally adjourned at 11:21 a.m. The next regularly scheduled meeting will be held on Tuesday, February 16, 2021 @ 8:30 a.m. at the District office.

Laura Heflin, Administrative Assistant