

MINUTES OF THE BOARD OF DIRECTORS OF SERRANO WATER DISTRICT

The Board of Directors of the Serrano Water District met (via teleconference) in a regularly scheduled board meeting on Tuesday, June 16, 2020. The meeting was held at the District Office located at 18021 Lincoln Street, Villa Park, California.

CALL TO ORDER: President Pharris called the meeting to order at 8:30 a.m.

ROLL CALL:

BOARD OF DIRECTORS MEMBERS PRESENT:

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

Joel Kuperberg	Consultant
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PUBLIC COMMENT

None.

BOARD MINUTES

Consideration of Serrano Water District Board Meeting minutes of May 19, 2020. Director Haight moved that the minutes of the May 19, 2020 meeting be approved as submitted, Director Bryant seconded the motion, and the motion was unanimously carried with Directors Bryant, Mills, Reese, Haight, and Pharris voting yes.

GENERAL MANAGER REPORT

General Manager Vilander summarized the status of Board Committee and management matters as agendaized for the month of May. Highlights included a review of various meetings attended and reported that the office has been reopened, and the refund check has been received by Ferguson. Director Haight reported that there are 9 cases now of COVID-19 in Villa Park. Carbon is currently being replenished at the treatment plant, and we are currently on the third filter. A meeting will be held with the Transparency Committee to discuss the update on District activities to be placed on the website. The Urban Water Management Plan is due December 2020, and staff will be going out to bid in the next few months. This item was not included in the proposed budget and will cost approximately \$20,000 to \$25,000. The Water Quality Report 2020 has been mailed out to residents. The 740 valve has been fixed by DiveCorr. It was moved (Director Mills), seconded (Director Reese), and unanimously carried with Director Haight, Pharris, Mills, Reese, and Bryant voting yes to receive and file the General Manager report.

FINANCIAL REPORT

Business Manager Roggero presented the financials for the month of May. Revenues for the month were off by \$350,000 and expenses were down which offset the revenue. Chemicals have been reclassified with General Manager Vilander. Director Pharris asked about an item in the financials and asked if it was in the right column and Business Manager Roggero provided clarification—this was due to the Cal-Pers adjustment. The voided checks this month are due to a large paper jam. It was moved (Director Reese), seconded (Director Mills), and unanimously carried with Directors Bryant, Reese, Pharris, Mills and Haight voting yes to approve the disbursements in the amount of \$161,476.16.

WATER REPORT

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

PFAS PROGRESS REPORT

General Manager Vilander reported that the District and Tetra Tech are currently looking at GAC and IX as treatment options. Lengthy discussion ensued about the current status.

CSDA SEAT C BALLOT – BOARD ELECTIONS

Following discussion led by General Manager Vilander, it was moved (Director Haight), seconded (Director Reese), and unanimously carried with Director Haight, Pharris, Mills, Reese, and Bryant voting yes to authorize President Pharris to cast the vote on behalf of Serrano Water District, for Greg Mills for Southern Network Seat C to the CSDA Board of Directors.

ANNUAL BUDGET FOR 2020/2021

Business Manager Roggero led a lengthy and in-depth discussion in review of the annual budget for 2020/2021. *At this point, President Pharris announced that this item would be pended, awaiting further discussion in closed session.* General Manager Vilander informed the Board of Directors that an additional \$125,000 capital increase has been added to the budget for miscellaneous support associated with the dam tower and spillway project as well as an additional \$25,000 for the Urban Water Management Plan report. It was then moved (Director Reese), seconded (Director Haight), and unanimously carried with Director Haight, Pharris, Mills, Reese, and Bryant voting yes to approve the annual budget for 2020/2021 with the addition of a \$25,000 (approximate) expenditure for the Urban Water Management report under the G&A section and an additional \$125,000 capital increase to the budget for miscellaneous support associated with the dam tower and spillway.

ANNUAL STATEMENT OF EMPLOYEE REIMBURSEMENT

Business Manager Roggero presented the annual statement of employee reimbursement as presented.

BAD DEBT WRITE-OFFS FOR FISCAL YEAR 2019-2020

Following discussion led by Business Manager Roggero, it was moved (Director Bryant), seconded (Director Haight), and unanimously carried with Director Haight, Pharris, Mills, Reese, and Bryant voting yes to authorize staff to write off bad debt in the amount of \$2,720.08.

SMITH RESERVOIR BOOSTER PUMP REPAIR

Following discussion led by General Manager Vilander, it was moved (Director Reese), seconded (Director Bryant), and unanimously carried with Director Haight, Pharris, Mills, Reese, and Bryant voting yes to authorize the General Manager to issue a purchase order in the amount of \$51,667.63 to General Pump Company for emergency repairs of Smith Booster Pump U-1 as well as a 10% contingency of \$5,167 for any unforeseen issues that may arise during the repairs.

IRVINE LAKE AGREEMENTS

Attorney Jungreis and General Manager Vilander provided an informational update on status of agreements (First Amendment, Easements, Reversionary Rights, Two Party, Recreational Rights Transfer) pertaining to Irvine Lake/Santiago Reservoir.

CORRESPONDENCE

Correspondence was reviewed as agendized.

DIRECTORS COMMENTS AND REPORTS

None.

ATTORNEY’S REPORT

Attorney Jungreis briefly discussed shut off and eviction moratoriums and stated that the Governor has not given any cut off dates. Additionally, Consultant Kuperberg will be joining the meeting for the real property discussions.

It was announced that the Board of Directors would be entering into closed session at 10:10 a.m. and that Joel Kuperberg, Consultant, will be joining the meeting.

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 potential case

The meeting was reconvened into open session at 11:35 a.m., and it was announced that there was no reportable action.

ADJOURNMENT

The meeting was formally adjourned at 11:37 a.m. The next regularly scheduled meeting will be held on Tuesday, July 21, 2020 @ 8:30 a.m. at the District office.

Laura Heflin, Administrative Assistant