

MINUTES OF THE BOARD OF DIRECTORS OF SERRANO WATER DISTRICT

The Board of Directors of the Serrano Water District met in a Special Board meeting on Tuesday, March 11, 2025. The meeting was held at the District Office located at 18021 Lincoln Street, Villa Park, California.

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

ROLL CALL:

BOARD OF DIRECTORS MEMBERS PRESENT:

Brad Reese	President
Frank Bryant	Vice-President
Greg Mills	Board Member
Jerry Haight	Board Member
Robbie Pitts	Board Member

BOARD OF DIRECTORS MEMBERS ABSENT:

None

STAFF PRESENT:

Jerry Vilander	General Manager
Jennifer Westrum	Administrative Assistant
Jeremy Jungreis	Legal Counsel

GUESTS PRESENT:

Scott Nelson	Starting Line Advisory (<i>via zoom platform</i>)
Tom Epperson	Tetra Tech (<i>via zoom platform</i>)
Lora Nichols	Fieldman, Rolapp & Associates (<i>via zoom platform</i>)
Robert Porr	Fieldman, Rolapp & Associates (<i>via zoom platform</i>)

PUBLIC COMMENT

None

ATTORNEY'S REPORT

General Counsel Jungreis announced that it is time to schedule the Biennial Harassment training. After some discussion, it was agreed to hold the training during a Special Board Meeting on Thursday, April 10 at 4:00 p.m.

STRATEGIC PLANNING WORKSHOP

General Manager Vilander mentioned that opening two hydrants simultaneously on each side of Serrano Water District to perform an ad-hoc pressure test, as discussed at the last Board meeting, would stir up a lot of sediment in the system. He noted that Serrano Water District regularly maintains their hydrants by flushing and testing each one to ensure proper operation. The district is currently in the process of testing hydrants and should be completed within a few more weeks. As an alternative to opening various

hydrants concurrently around the city, Engineer Tom Epperson was asked to conduct a Technical Evaluation (water model) of the water distribution system and provide a big picture summary of the findings to the Board.

Tom Epperson from Tetra Tech Engineering referred to Serrano Water District's water distribution model based on the projected 2025 water demands and water storage requirements. He reviewed a Technical Summary on the Serrano Water District Water Distribution System. The upper zone of the system had good distribution and could potentially have 3 hydrants open at 1500 GPM each for a total of 4500 GPM, without effecting the overall pressure in the system. The lower zone could accommodate having 3 hydrants on as long as the wells were operating at the same time. In summary, both zones could have up to 6 hydrants open simultaneously if the wells were on. If more than 6 hydrants were on at the same time, then the water pressure in the system would drop significantly.

Lora Nichols from Fieldman, Rolapp & Associates reviewed a financial model with the Board for the Smith Reservoir project and new well based off on 2024 estimates. The cost benefit analysis was reviewed for different storage options at Smith Reservoir. This gave fundamental groundwork to help determine the revenue needs for the district and in turn will assist with the rate analysis process.

Director Haight commented that local districts will be implementing Proposition 218 rate increases by July 1, 2025. He would like to see Serrano Water District put together a budget-based billing system similar to Irvine Ranch Water District's and run a side-by-side comparison for a year. Director Mills mentioned that he would like to keep our rates close to where they are now while everyone else's rates are going sky high.

All directors agreed that the rate increase scheduled for July 1, 2025 should be cancelled now that SWD had been relieved of the liability of Irvine Lake. After a lengthy discussion by the Board, the directors agreed that more work needs to be done determining our Smith reservoir/pump station and the new Well 6 projected costs so that a thorough rate evaluation can be done. General Manager Vilander apprised the Board that he will move forward with the design of Smith Reservoir and bring back to the Board the design bid for Well 6 for approval. Once we have the designs completed for both projects, a more reliable engineer estimate of the projects cost will be available to accurately assess the rate/revenue needs for the District.

The Board of Directors discussed that we need to announce to the customers the positive impacts of no longer having Irvine Lake and the delay in imposing any rate increases. The General Manager mentioned to the Board that the cancellation of the July 1, 2025 rate increase will be brought back to the Board in April for Board direction on the method of communication to the customers.

RESOLUTION NO. 2025-03-01 OF THE BOARD OF DIRECTORS OF THE SERRANO WATER DISTRICT CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY (JPIA)

A motion was made by Director Mills, seconded by Director Pitts, and unanimously carried with Directors Reese, Mills, Pitts, and Bryant voting yes to adopt Resolution No. 2025-03-01 concurring in the nomination of Melody Mc Donald for the ACWA JPIA Executive Committee.

Following discussion, it was moved by Director Pitts and seconded by Director Reese and unanimously carried with Directors Reese, Bryant, Mills and Pitts voting yes to authorize Director Mills to vote on behalf of Serrano Water District in the upcoming ACWA JPIA Executive Committee election.

The Board of Directors announced that they would be entering into closed session at 10:05 a.m.

RECESS TO CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL EXPOSURE TO LITIGATION (Government Code § 54956.9(d)): One case.

B. CONFERENCE WITH LEGAL COUNSEL TO DISCUSS SECURITY ISSUES AND POSSIBLE INITIATION OF LITIGATION (Government Code §§ Government Code 54956.9(d); 54957 (a)(1)).

The meeting was reconvened in open session at 10:19 a.m., and it was announced that there was no reportable action.

ADJOURNMENT

The meeting was formally adjourned at 10:20 a.m. The next regularly scheduled Board meeting will be held on March 25, 2025 @ 8:30 a.m.

Jennifer Westrum
Administrative Assistant