

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, December 15, 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 8:31 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:

Jacob Moeder	Irvine Ranch Water District
Kevin Burton	Irvine Ranch Water District
Richard Mori	Irvine Ranch Water District

PUBLIC COMMENT

None.

DAM SAFETY PROGRAM – IRVINE RANCH WATER DISTRICT

Jacob Moeder of IRWD gave a presentation on IRWD's dam safety program. Highlights included background, risk-informed decision making, enhancements to the dam safety program, a strategic plan and next steps. The Board of Directors thanked Jacob for his informative presentation.

ANNUAL BOARD REORGANIZATION

It was moved (Director Pharris), seconded (Director Haight), and unanimously carried with Directors Reese, Haight, Pharris, Bryant and Mills voting yes to nominate Director Mills to the position of President of the Board of Directors. President Mills was congratulated on his new appointment.

It was moved (Director Mills), seconded (Director Pharris), and unanimously carried with Directors Reese, Pharris, Bryant and Mills voting yes to nominate Director Reese to the position of Vice President of the Board of Directors. Vice President Reese was congratulated on his new appointment.

It was moved (Director Mills), seconded (Director Pharris), and unanimously carried with Directors Reese, Pharris, Haight, Bryant and Mills voting yes to remain status quo with the Secretary and Assistant Secretary positions.

BOARD MINUTES

Consideration of Serrano Water District Board Meeting minutes of November 17, 2020. Director Bryant moved that the minutes of the November 17, 2020 meeting be approved as amended, Director Haight 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 agendized for the month of November. Highlights included a review of various meetings attended and current issues. General Manager Vilander reported that he is currently working on the estimated water consumption for homes that are outside of our service area but within our political boundaries. Additionally, the \$50M grant application with IRWD has been submitted to Cal-EOS for capital improvement projects. A quote is currently being obtained from Hunter Electric for a future generator conduit. General Manager Vilander reported that he may have to buy MET water by the end of the year if we don't receive rainfall. The District offices will close for Christmas and New Year's Eve in observation of the holidays. General Manager Vilander gave an overview of what will be presented at the January 6 Special Board meeting.

FINANCIAL REPORT

Business Manager Roggero presented the financials for the month of November. 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 \$338,776.78. Business Manager Roggero reported that the memorandum relating to capital reserves has been revised with adjusted language and presented to the Finance Committee. Director Haight requested that Business Manager Roggero provide clarification for budget years 17/18, 18/19, and 19/20 to explain the budgeted vs. actual items at the next regularly scheduled Board meeting.

WATER REPORT

Following presentation by General Manager Vilander, it was moved (Director Pharris), seconded (Director Haight), and unanimously carried with Director Haight, Pharris, Mills, Reese, and Bryant voting yes to receive and file the water report. General Manager reiterated that the District may need to purchase water at the end of the month for approximately 300 AF.

PFAS PROGRESS REPORT

General Manager Vilander provided a status report on the PFAS project. The project is underway and on track to begin groundbreaking on January 11.

IRVINE LAKE AGREEMENTS

Attorney Jungreis reported that The Irvine Company and Irvine Ranch Water District are still in discussion relating to the agreements. Attorney Jungreis will follow up with General Manager Vilander and the SWD/IRWD Ad-Hoc Committee.

PROCUREMENT POLICY REVISION

Following discussion led by Business Manager Roggero it was moved (Director Haight), seconded (Director Reese), and unanimously carried with Directors Haight, Pharris, Reese, Bryant and Mills voting yes to adopt the procurement policy as revised.

FIRE HYDRANT SPACING REQUIREMENTS

General Manager Vilander gave the Board of Directors an informational overview of fire hydrant spacing requirements in the District’s service area. Director Reese spoke about the fire department’s role as it relates to this topic. General Manager Vilander agreed to put this concept as a task item on the next master plan update.

CORRESPONDENCE

None.

SMITH RESERVOIR REPLACEMENT ALTERNATIVE ANALYSIS

Following discussion and review led by General Manager Vilander, it was moved (Director Pharris), seconded (Director Mills), and unanimously carried with Directors Haight, Pharris, Reese, Bryant and Mills voting yes to authorize the General Manager to issue a notice to proceed (and purchase order) to Brown and Caldwell for \$66,344 with a \$6,700 contingency to evaluate and develop conceptual replacement alternatives for Smith Reservoir. General Manager Vilander will follow up at the next Board meeting if information is available. On a separate note, General Manager Vilander will present proposals for the District’s master plan at the January or February regularly scheduled Board meeting.

DIRECTORS COMMENTS AND REPORTS

Director Mills thanked his fellow Board members for their appointment of him to Board President as well as Director Reese’s appointment to Board Vice President. Director Haight spoke about his concerns about COVID as it relates to the small size of the District and potential exposure. General Manager will explore this further.

ATTORNEY’S REPORT

None.

It was announced at 11:20 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 potential case

The Board meeting was reconvened into open session at 11:33 a.m., and it was announced that there was no reportable action.

DISCUSSION AND POSSIBLE RECOMMENDATION REGARDING PROPOSED CHANGES TO SALARY OF GENERAL MANAGER

Following discussion, it was moved (Director Pharris), seconded (Director Bryant), and unanimously carried with Director Reese, Bryant, Pharris, Haight and Mills voting yes to grant the General Manager a 5.5% pay increase. The Board of Directors thanked General Manager Vilander for his diligence and outstanding performance this past year.

ADJOURNMENT

The meeting was formally adjourned at 11:38 a.m. The next regularly scheduled meeting will be held on Tuesday, January 19, 2021 @ 8:30 a.m. at the District office. A Special Board meeting is scheduled for Wednesday, January 6, 2021 @ 8:30 a.m.

Laura Heflin, Administrative Assistant