

MINUTES OF THE BOARD OF DIRECTORS OF SERRANO WATER DISTRICT

The Board of Directors of the Serrano Water District met in a regularly scheduled board meeting on Tuesday, May 21, 2019. 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:

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:

James Fisler	<i>Mesa Water District</i>
Doug Davert	<i>East Orange County Water District</i>
John Lewis	<i>Municipal Water District of Orange County</i>

President Pharris announced that agenda items will be moved out of sequence to accommodate guests' schedules.

DECLARATION OF QUALIFICATION TO VOTE – ORANGE COUNTY SPECIAL DISTRICT SELECTION COMMITTEE ELECTION AND NOMINATION FORM 2019

Mr. Fisler introduced himself to the Board of Directors and gave a brief background on his accomplishments and prior experience to date. He asked for the Board's vote in the Special District Selection Committee election for Regular member. Mr. Davert and Mr. Lewis expressed their support of Mr. Fisler and offered their endorsement.

Following discussion, it was moved (Director Bryant), seconded (Director Haight), and unanimously carried with Directors Haight, Pharris, Reese, Bryant and Mills voting yes to authorize President Pharris to vote in the Orange County Special District Selection Committee election as a regular voting member on behalf of the Board of Directors of Serrano Water District.

PUBLIC COMMENT

None.

BOARD MINUTES

Consideration of Serrano Water District Board Meeting minutes of April 12, 2019. Director Mills moved that the minutes of the April 12, 2019 meeting be approved as submitted, Director Haight seconded the motion, and the motion was unanimously carried with Directors Bryant, Mills, Haight, Reese and Pharris voting yes. Director Haight remarked that the Harassment Certificates should be placed on the District's website.

Consideration of Serrano Water District Board Meeting minutes of April 16, 2019. Director Mills moved that the minutes of the April 12, 2019 meeting be approved as submitted, Director Haight seconded the motion, and the motion was unanimously carried with Directors Bryant, Mills, Haight, Reese 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 May. Highlights included a six month look ahead calendar that will be included in the General Manager's report moving forward, a guest speaker event at the Villa Park Rotary to discuss upcoming capital projects, landscaping improvements, inspection of the dam tower and spillway by Division of Safety of Dams, and pilot storage agreement status amongst other items. It was then moved (Director Mills), seconded (Director Reese), and unanimously carried with Director Mills, Haight, Pharris, Reese and Bryant voting yes to receive and file the report.

General Manager Vilander announced that it would be necessary to add an item to the agenda that had developed after the regular agenda posting. The agenda item will be to discuss the Orange County Grand Jury report and possible District response to the media coverage that has developed subsequent to its release. It was then moved (Director Mills), seconded (Director Bryant), and unanimously carried with Director Mills, Haight, Pharris, Reese and Bryant voting yes to add this emergency item to the meeting agenda.

ORANGE COUNTY GRAND JURY REPORT AND RELATED ARTICLES

Following discussion amongst the Board members, it was decided that an Ad-Hoc Committee meeting will be scheduled prior to the meeting with Supervisor Wagner in order to develop talking points for the meeting.

FINANCIAL REPORT

Business Manager Roggero presented the financials for the month of April. It was moved (Director Reese), seconded (Director Mills), and unanimously carried with Directors Bryant, Reese, Pharris, Haight and Mills voting yes to approve the disbursements in the amount of \$161,197.54. Business Manager Roggero remarked that the cash projection and policy statement under investments and balances have been added to comply with the current investment policy.

WATER REPORT

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

METER REPLACEMENT RECOMMENDATION

Following discussion, it was moved (Director Bryant), seconded (Director Mills), and unanimously carried with Directors Haight, Pharris, Reese, Bryant and Mills voting yes to authorize staff to further negotiate prices for replacement meters and enter into a purchase agreement in an amount not to exceed \$185,000.

BAD DEBT WRITE-OFFS FOR FISCAL YEAR 2018-2019

Following discussion, it was moved (Director Mills), seconded (Director Reese), and unanimously carried with Directors Haight, Pharris, Reese, Bryant and Mills voting yes to authorize staff to write off bad debt in the amount of \$575.74.

RESOLUTION NO. 2019-05-01 OF THE BOARD OF DIRECTORS OF SERRANO WATER DISTRICT
REVIEWING, AMENDING AND RESTATING THE DISTRICT'S STATEMENT OF INVESTMENT
POLICY

Following discussion, it was moved (Director Mills), seconded (Director Reese), and unanimously carried with Directors Haight, Pharris, Reese, Bryant and Mills voting yes to adopt Resolution No. 2019-05-01 as presented.

CORRESPONDENCE

Correspondence was reviewed as agendized.

DIRECTORS COMMENTS AND REPORTS

None.

ATTORNEY'S REPORT

None.

It was announced that it was not necessary to enter into 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

ADJOURNMENT

The meeting was formally adjourned at 9:50 a.m. The next regularly scheduled meeting will be held on Tuesday, June 18, 2019 @ 8:30 a.m. at the District office.

Laura Heflin, Administrative Assistant