

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, April 25, 2023. 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 8:33 a.m.

ROLL CALL:

BOARD OF DIRECTORS MEMBERS PRESENT:

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

BOARD OF DIRECTORS MEMBERS ABSENT:

Mike Pelly	Board Member
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STAFF PRESENT:

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

GUESTS PRESENT:

John Lewis	<i>Director, Mesa Water District</i>
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APPOINTMENT TO FILL THE VACANCY IN THE OFFICE OF DIRECTOR OF DIVISION 2 OF THE DISTRICT

General Manager Vilander remarked that the position had been filled at the Special Board Meeting held on April 21, 2023 and that Mike Pelly had been sworn in officially on April 24, 2023.

BOARD REORGANIZATION

Following discussion, it was moved (Director Reese), seconded (Director Haight) and carried with Directors Reese, Haight, Mills and Bryant voting yes to approve committee assignments as recorded by Laura Heflin, Administrative Assistant.

PUBLIC COMMENT

Director Lewis introduced himself and extended his sympathies on the passing of Director Pharris. He also congratulated the Board on their appointment of Director Mike Pelly. Director Lewis stated that Mesa Water District is aware and understands the challenges that the District is facing and reported that Mesa is offering their support. The Board of Directors thanked Director Lewis.

BOARD MINUTES

Consideration of Serrano Water District Board Meeting minutes of the board meetings of March 28, 2023, March 30, 2023 and April 6, 2023. Director Mills moved that the minutes of the March 28, 2023, March 30,

2023 and April 6, 2023 meetings be approved as submitted with slight revision to the minutes of March 30, 2023, Director Haight seconded the motion, and the motion was unanimously carried with Directors Bryant, Haight, Mills and Reese voting yes.

GENERAL MANAGER REPORT

General Manager Vilander summarized the status of Board Committee and management matters as agendized for the month of March. Highlights included a review of various meetings attended and current issues. General Manager Vilander reported that full reimbursement would be received from OCWD for the lost water and that the water quality report is complete pending review by the Transparency Committee. Options for distribution were discussed, and it was decided that it would be mailed out. Well #3 is up and running and it is still being flushed. General Manager Vilander remarked that he is still working with the design firm for the Smith Reservoir and is nailing down operational items. When this is completed, the Construction Committee will be meeting to review. General Manager Vilander will seek reimbursement through James Productions or the County of Orange for miscellaneous expenses accrued during the last few weeks. Required reporting to the State was discussed, and a lobbyist report was given. Director Haight requested that non-issue funding opportunities not be listed moving forward. General Manager Vilander reported that he will be bringing contracts for lobbyist services to the Board of Directors at the next meeting as well as the fiscal budget. General Manager Vilander, Director Reese and Mills will be attending the ACWA Conference the second week of May. Various updates to the District's website were also discussed and will be made. General Manager Vilander reported that he will be calendaring the Town Hall meeting at City Hall to discuss capital improvement projects. Additionally, a Special Board Meeting was scheduled for June 2, 2023.

The closed session agenda item was moved out of sequence and the Board of Directors entered into closed session at 9:15 a.m.

RECESS TO CLOSED SESSION

Conference with real property negotiators (Government Code Section 54956.8)
Property: Storage Rights and other District Real Property at 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

The Board of Directors announced that the meeting was reconvened into open session at 10:00 a.m. with no reportable action.

FINANCIAL REPORT

Business Manager Roggero presented the financials for the month of March. It was moved (Director Mills) seconded (Director Haight), and unanimously carried with Directors Bryant, Reese, Haight and Mills voting yes to approve the disbursements in the amount of \$323,483.81. Director Haight requested that capital improvement projects be included on the reserves page and that all numbers be updated.

WATER REPORT

General Manager presented the water report for the month of March. The report was received and filed.

SANTIAGO RESERVOIR PROJECT UPDATE

General Manager Vilander reported on the status of the Santiago Reservoir Project.

RESOLUTION NO. 2023-04-01 OF THE BOARD OF DIRECTORS OF THE SERRANO WATER DISTRICT IN SUPPORT OF THE NOMINATION OF CATHY GREEN AS A CANDIDATE FOR THE POSITION OF ASSOCIATION OF CALIFORNIA WATER AGENCIES PRESIDENT

Following discussion led by General Manager Vilander, it was moved (Director Mills), seconded (Director Reese), and unanimously carried with Director Reese, Mills, Haight and Bryant voting yes to adopt Resolution No. 2023-04-01 as presented.

RESOLUTION NO. 2023-04-02 RESOLUTION OF THE BOARD OF DIRECTORS OF SERRANO WATER DISTRICT REVIEWING, AMENDING, AND RESTATING THE DISTRICT'S STATEMENT OF INVESTMENT POLICY

Following discussion led by General Manager Vilander, it was moved (Director Mills), seconded (Director Reese), and unanimously carried with Director Reese, Mills, Haight and Bryant voting yes to adopt Resolution No. 2023-04-02 as presented.

RESOLUTION NO. 2023-04-03 OF THE BOARD OF DIRECTORS OF SERRANO WATER DISTRICT ESTABLISHING CERTAIN RESERVE GOALS AND ALLOCATING DISTRICT FUNDS TO DESIGNATED RESERVE ACCOUNTS

Following discussion led by General Manager Vilander, it was moved (Director Mills), seconded (Director Reese), and unanimously carried with Director Reese, Mills, Haight and Bryant voting yes to adopt Resolution No. 2023-04-03 as presented.

ANNUAL ADJUSTMENTS TO 5 YEAR RATE STRUCTURE

Business Manager Roggero presented the annual adjustments to the 5-year rate structure as previously adopted by the Board of Directors through the Prop 218 hearing and notice as an informational item.

DISTRICT FINANCING: WIFIA (THE WATER INFRASTRUCTURE FINANCE AND INNOVATION ACT) LOAN

Following discussion led by General Manager Vilander, it was moved (Director Mills), seconded (Director Haight), and unanimously carried with Director Reese, Mills, Haight and Bryant voting yes to authorize staff to submit the application with the \$25,000 application fee for the WIFIA loan with corresponding payments as required.

CORRESPONDENCE

Following discussion, it was moved (Director Reese), seconded (Director Bryant), and unanimously carried with Director Reese, Mills, Haight and Bryant voting yes to authorize ACWA/JPIA Representative, Director Mills, to vote on behalf of the District for the ACWA/JPIA Executive Committee selection.

DIRECTORS COMMENTS AND REPORTS

Director Haight thanked his fellow Board members for the lively discussion and input.

ATTORNEY'S REPORT

None.

ADJOURNMENT

The meeting was formally adjourned at 11:10 a.m. The next regularly scheduled meeting is scheduled for May 23, 2023 @ 8:30 a.m.

Laura Heflin
Administrative Assistant