

## **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, February 19, 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 8:30 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:

None.

#### PUBLIC COMMENT

None.

#### BOARD MINUTES

Consideration of Serrano Water District Board Meeting minutes of January 15, 2019. Director Mills moved that the minutes of the January 15, 2019 meeting be approved as amended, Director Haight seconded the motion, and the motion was unanimously carried with Directors Bryant, Mills, Haight, Reese and Pharris voting yes. Director Haight enquired about the status of suspending the beer and wine license from ABC. General Manager Vilander replied that he had contacted ABC and the only available option is to give up the license and reapply if needed in the future.

#### GENERAL MANAGER REPORT

General Manager Vilander summarized the status of Board Committee and management matters as agendized for the month of February. 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. Highlights included upcoming meetings with staff from the Irvine Ranch Water District and legal counsel regarding easements and the haul road, etc. A meeting to discuss the water storage program is also on calendar. A meeting with the SWD/IRWD Ad-Hoc Committee will be scheduled to review and make recommendations based on the outcome of the meetings prior to the next Board meeting. A settlement has been reached pertaining to the Smith Reservoir incident a few years ago in the amount of \$120,000. Additionally, a claim has been

placed with ACWA-JPIA for the recent Mesa break in the amount of \$60,000. The website is currently being transferred to I.T. Problem Solver as Unipoint is retiring the server that the District's website is on. Both websites will be operated in tandem to ensure a seamless transition. Director Haight asked General Manager Vilander if the readjustment was ever made for the dredging with Irvine Ranch Water District. General Manager Vilander reported that he will be providing the Board with an explanation of the water report at next month's meeting. Director Haight requested that staff track the number of bills that are paid online, mailed in and dropped off at the office. General Manager Vilander will work with the Transparency Committee to develop the verbiage that will be used on the website to let the ratepayers know that there aren't any property taxes subsidizing the water rates.

#### FINANCIAL REPORT

Business Manager Roggero presented the financials for the month of January. It was moved (Director Mills), seconded (Director Reese), and unanimously carried with Directors Bryant, Reese, Pharris, Haight and Mills voting yes to approve the disbursements in the amount of \$826,758.45. Business Manager Roggero reported that domestic water sales as well as water sales to the City of Orange are down. Main line breaks increased costs this month, and the cash report was slightly revised.

#### 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. Director Haight commented on the difference between production versus consumption. General Manager Vilander remarked that the District is suffering approximately 10% water loss, and he is currently pulling 30 meters to have tested to try to determine the cause. Staff is also being trained on leak noise correlators in order to test main pipelines. General Manager Vilander will report back to the Board with his findings.

#### RETROACTIVE BOARD APPROVAL FOR EMERGENCY MAIN BREAK ON MESA TO PAULUS ENGINEERING IN THE AMOUNT OF \$70,864.42

Following discussion led by General Manager Vilander, it was moved (Director Reese), seconded (Director Mills), and unanimously carried with Directors Haight, Pharris, Reese, Bryant and Mills voting yes to approve the emergency expenditure in the amount of \$70,864.42 payable to Paulus Engineering for repair of the main break on Mesa.

#### CORRESPONDENCE

None.

#### DIRECTORS COMMENTS AND REPORTS

None.

#### ATTORNEY'S REPORT

Attorney Jungreis reviewed historic claims against the District and SWD Recreation, Inc. Attorney Jungreis also gave an update on the State Wetland policy and explained that local agencies' existing facilities are exempt at this time.

*It was announced that it would not be 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, March 19, 2019 @ 8:30 a.m. at the District office.

Laura Heflin, Administrative Assistant