

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 26, 2022. The meeting was held at the District Office located at 18021 Lincoln Street, Villa Park, California.

CALL TO ORDER: President Mills called the meeting to order at 8:35 a.m.

ROLL CALL:

BOARD OF DIRECTORS MEMBERS PRESENT:

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| Greg Mills | President |
| Brad Reese | Vice President |
| C.L. "Larry" Pharris, Jr. | Board Member |
| Frank Bryant | Board Member |

BOARD OF DIRECTORS MEMBERS ABSENT:

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| Jerry Haight | Board Member |
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STAFF PRESENT:

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

GUESTS PRESENT:

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| Lora Carpenter | Fieldman Rolapp & Associates |
| Robert Poor | Fieldman Rolapp & Associates |
| Pete Evich | Van Scoyoc Associates |
| Joey Soto | Soto Resources |

PUBLIC COMMENT

None.

General Manager Vilander announced that it would be necessary to add an emergency item to the agenda entitled Santiago Reservoir Dam Project Analysis - Fieldman Rolapp & Associates. It was then moved (Director Bryant), seconded (Director Pharris), and carried with Directors Reese, Pharris, Bryant and Mills voting yes to add this emergency item to the agenda.

The following items were moved out of sequence on the agenda to accommodate schedules.

SANTIAGO RESERVOIR DAM PROJECT ANALYSIS – FIELDMAN ROLAPP & ASSOCIATES

General Manager Vilander provided the Board of Directors with a dam project cost benefit analysis (asset valuation). He presented the newly adopted MET water rates and their projected increases over the next 10 years. General Manager Vilander presented the average rainfall/inflow captured behind Santiago Reservoir over the last 24 years. Lastly, General Manager Vilander took a safe and conservative estimate of what water capture would be after the dam improvements were complete out to 100 years. The increasing cost of MET purchased water over the next 10-30 years clearly demonstrates the value of continuing onward with

the design and construction of the Dam improvements. Lengthy discussion ensued. A presentation followed by Lora Carpenter of Fieldman Rolapp & Associates. A question-and-answer period followed. Ms. Carpenter was thanked for her presentation.

PRESENTATION FOR GOVERNMENT RELATIONS AND STRATEGIC ADVOCACY SERVICES:
VAN SCOYOC ASSOCIATES – PETE EVICH, VICE PRESIDENT

Pete Evich of Van Scoyoc Associates was introduced. Mr. Evich presented an overview of the services that his organization would be providing to the District via an informative slide show presentation. Highlights included background, experience, partnership, strategic engagement on critical issues, and federal grant and loan program focus. A question-and-answer period followed. Mr. Evich was thanked for his presentation.

PRESENTATION FOR GRANT WRITING AND FUNDING OPPORTUNITIES: JOEY SOTO, SOTO RESOURCES

Joey Soto of Soto Resources was introduced. Ms. Soto presented an overview of the services that her organization would be providing to the District via an informative slide show presentation. Highlights included experience, funding strategy, and potential funding opportunities. A question-and-answer period followed. Ms. Soto was thanked for her presentation.

BOARD MINUTES

Consideration of Serrano Water District Board Meeting minutes of March 22, 2022 (regular), March 22, 2022 (special), and March 28, 2022. Director Pharris moved that the minutes of the March 22 (regular and special) and March 28 meetings be approved as submitted, Director Bryant seconded the motion, and the motion was carried with Directors Bryant, Mills, Reese, and Pharris voting yes.

GENERAL MANAGER REPORT

General Manager Vilander summarized the status of Board Committee and management matters as agenda items for the month of March. Highlights included a review of various meetings attended and current issues. General Manager Vilander reported on his schedule in the coming weeks. Discussion ensued as well as a question-and-answer period. It was agreed that an item would be agenda item in May seeking authorization to authorize General Manager Vilander to issue funds in an amount not to exceed \$250,000 for grant writing and lobbyist services. The Construction Committee and General Manager will research a potential State lobbyist for potential retention.

FINANCIAL REPORT

Business Manager Roggero presented the financials for the month of March. It was moved (Director Pharris), seconded (Director Reese), and carried with Directors Bryant, Pharris, Reese, and Mills voting yes to approve the disbursements in the amount of \$569,599.45.

WATER REPORT

General Manager presented the water report for the month of March and noted that he will be purchasing 600 acre-feet of water. The report was received and filed.

PFAS PROGRESS REPORT

General Manager Vilander reported on this item under the General Manager agenda item.

SWD HEADQUARTERS ASPHALT REPLACEMENT

General Manager Vilander reviewed and presented a proposal from Ben's asphalt for the asphalt replacement at District headquarters. Another bid is pending and hasn't been received yet. Following discussion, it was moved (Director Pharris), seconded (Director Bryant), and carried with Directors Bryant, Pharris, Reese, and

Mills voting yes to authorize General Manager Vilander to enter into an agreement with the asphalt company that bid 7.5% or higher in savings compared to the Ben's Asphalt bid.

CORRESPONDENCE

Correspondence was reviewed as agendized.

DIRECTORS COMMENTS AND REPORTS

None.

ATTORNEY'S REPORT

Attorney Jungreis reported on virtual meetings, and the drought situation was discussed.

GOVERNOR'S ORDER WATER CONSERVATION EMERGENCY REGULATION DROUGHT RESPONSE

Attorney Jungreis reviewed the Governor's order regarding emergency regulation drought response and stated that the District should continue to monitor due to our small size.

It was announced that it was not necessary to enter 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

ADJOURNMENT

The meeting was formally adjourned at 11:15 a.m. The next regularly scheduled Board meeting is scheduled for May 24, 2022 @ 8:30 a.m. at the District offices.

Laura Heflin
Administrative Assistant