

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF
DIRECTORS OF CRESTLINE VILLAGE WATER DISTRICT**

MAY 21, 2002

President Olson called the Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:00 PM, on Tuesday, May 21, 2002, at the regular meeting place of said Board at its office in Crestline, California.

ROLL CALL: Present were President David Olson, Directors C. N. McGehee, William Huckell, William Valko and Alan Clanin. Staff members present were Manager/Secretary Norman L. Hunt, Attorney Ronald Van Blarcom, Engineer Fred Hanson, Field Supervisor Don Wagner and Office Manager Karl Drew. Also present was property owners Mike and Lonanne O'Connor, Susan Spoeneman, President of the Eagle's Nest Garden Club, and David Harich of Harich Construction.

MINUTES OF PREVIOUS MEETING: On a motion by Director McGehee and a second by Director Valko, the Board approved the minutes of the Regular Meeting of April 16, 2002 as submitted.

PUBLIC COMMENTS: None.

REQUEST FOR ADJUSTMENT TO WATER BILL, MIKE O'CONNOR, 967 FERN DR, ACCOUNT NO. 22-3620-00: Manager Hunt reviewed with the Board the action taken at the last Board meeting. The Board had approved an adjustment of \$1,075.87, provided that Mr. O'Connor properly abandoned and disconnected the customer's old service line between the house and the old meter location. The adjustment was based on the assumption that the old water line was active and had frozen during the winter. After the last Board meeting, Mr. O'Connor discovered that the old line had not been plugged and the "leak" occurred because someone had opened the valve that fed the old line.

Mr. O'Connor addressed the Board and reviewed his qualifications as a builder. His position on the leak was that the District did not plug the customer's old water line when the meter was relocated and he is not responsible for the line not being plugged. Mr. O'Connor also presented a list of questions to the Board.

Attorney Van Blarcom addressed the issue of the abandoned line. The District is not responsible for the customer's water system, including any lines abandoned by the customer. The previous owner had a valve on the old line that prevented water from flowing through it and there appears to have been no problems with it for the past 11 years. Recently, someone turned on the valve and caused the leak. The District did not turn on the valve.

There was considerable discussion regarding this matter. On a motion by Director Huckell and a second by Director McGehee, the Board unanimously agreed to standby their decision made at the previous meeting. District staff will provide a written response to Mr. O'Connor's questions.

EAGLES NEST GARDEN CLUB, REQUEST FOR FINANCIAL ASSISTANCE FOR

FLETCHER PARK, ACCOUNT NO. 22-2732-00: Ms. Spoeneman, President of the Eagles Nest Garden Club, addressed the Board regarding the progress being made in improving Fletcher Park. The garden club is setting up the park as a demonstration "Water Wise" garden. The club is having a plaque made that includes the District's name on it, as the District has indicated that it would consider making limited grants to the Fletcher Park project. There was general discussion regarding the garden club's efforts in developing the park and the benefit of having a demonstration garden in the community.

On a motion by Director McGehee and a second by Director Valko, the Board unanimously approved reimbursing the garden club approximately \$156 for the purchase of sprinkler heads. The Board will consider additional requests for financial assistance as they are presented.

PROGRESS REPORT ON FUTURE WELL SITES: Mr. Harich reported that Harich Construction had completed the first test well located near the Chamois Storage Tank. They drilled 600' and installed 500' of casing in the test well. They estimate that the well will produce 50 to 70 gpm. They are now in the process of moving their equipment to the next test well site that is located near the Pinecrest entrance.

RIM OF THE WORLD PARK AND RECREATION DISTRICT: Manager Hunt reported that the park district seems to be making an effort to continue operating. There has been no further discussion about the District assuming any park and recreation functions.

OFFER TO PURCHASE DISTRICT PROPERTY, LOT 918, VENUS WAY: The District has received an offer from Bill Goble of Huskey Real Estate, on behalf of George Hoenig, to purchase Lot 918 for \$1,000. Lot 918 is the location of the old Toll House Well that was abandoned in the 1970's. The lot is a triangular parcel located at the intersection of Crest Forest Drive and Venus Way. The lot is considered unbuildable. Mr. Hoenig has purchased the neighboring property and would like to purchase Lot 918 for additional parking. Mr. Hoenig has agreed not to use the well if he purchases the property.

On a motion by Director Huckell and a second by Director Clanin, the Board unanimously accepted the offer of \$1,000 for Lot 918, subject to any applicable requirements that may apply to the disposal of this surplus property. Attorney Van Blarcom will review the requirements for the disposal of this lot.

LOCAL AGENCY FORMATION COMMISSION, ALTERNATIVE FUNDING METHODS: The Board reviewed 3 alternative funding methods that have been presented to fund the Special District's share of the LAFCO budget. Alternative "A" is the formula that was used last year and the District's share for this year would be \$4,954.63. Alternative "B" is a formula developed by the District and the District's share this year would be \$2,548. Alternative "C" was developed by San Bernardino Valley Water Conservation District and the District's share this year would be \$4,289.

On a motion by Director McGehee and a second by Director Huckell, the Board unanimously voted for Alternative "B" to fund the Special District's share of the LAFCO budget.

PROGRESS REPORT ON FUTURE WELL SITES: Manager Hunt reported further on the progress of the test wells. The Chamois test well is completed. Manager Hunt met with Jane McNairn of the Church of Spiritual Technology this morning. The Chamois test well is located near their horizontal wells. Their wells are producing very poorly now and they are concerned about how the District's well will affect their wells in the future. Manager Hunt discussed their wells and water usage with Ms. McNairn.

Manager Hunt reported that Harich Construction is ready to begin drilling at the Pinecrest site and he discussed with the Board the proposed location of the test well at the Lake Gregory Drive site. The property corners of the McMahan's lot extend further into the turnout area than was previously thought and therefore, the test well will be nearer the street.

CHILLON PUMP STATION AND STORAGE TANK: The Board viewed a slide show of the drilling of the Chamois Tank test well and the work being done at the Chillon Pump Station and Storage Tank.

PORTABLE BOOSTER PUMP: Manager Hunt reported on the status of the District's Portable Booster Pump. The District's master development plan originally showed a need for two portable booster pumps that could be used to pump water from a lower pressure zone to a higher pressure zone if needed. The District purchased one pump and it has been virtually unused. With the pump stations that have been built over the years, there is no longer a need for a portable booster pump. It would also be very difficult to get the diesel engine on the pump permitted by the South Coast Air Quality Management Board.

On a motion by Director McGehee and a second by Director Clanin, the Board unanimously declared the District's Portable Booster Pump surplus.

PURCHASE NEW FORD RANGER PICKUP, 4X4, SUPER CAB: Field Supervisor Wagner reported that the District had received the following three proposals for the purchase of a new 2002 Ford Ranger Super Cab with four wheel drive.

Fairview Ford	\$19,989.00
Raceway Ford	\$20,627.00
Moss Bros Ford	\$20,690.15

On a motion by Director McGehee and a second by Director Huckell, the Board unanimously approved the purchase of a 2002 Ford Ranger Super Cab, 4X4 from Fairview Ford for \$19,989.00.

RESOLUTION NO. 326, DETERMINING THE DISTRICT'S APPROPRIATION LIMITATION FOR FISCAL YEAR 2002-2003: The Board reviewed the proposed resolution. The calculation for determining the appropriations limitation for fiscal year 2002-2003 uses the change in California per capita personal income from the proceeding year as the "change in the cost of living" factor and the change in population within the County of San Bernardino as the "change in population" factor. The appropriations limitation is calculated to be \$748,237.

On a motion by Director Huckell and a second by Director McGehee, the Board adopted Resolution No. 326, establishing the amount of \$748,237 as the District's appropriations limitation for fiscal year 2002-03, on the following roll call vote:

AYES: Directors Olson, McGehee, Huckell, Valko and Clanin
NOES: None
ABSENT: None
ABSTAINED: None

EMPLOYEE COST OF LIVING ADJUSTMENT: The Board reviewed the change in the Consumer Price Index (CPI) for the past year ending in April 2002. The average change in the two CPI indexes for the U.S. City Average is 1.45% and the average change in the change for the Los-Angeles-Riverside-Orange County area is 3.15%. Staff is recommending a 3.0% Cost of Living Adjustment for all employees, including the General Manager, effective May 25, 2002. This would increase annual wages by approximately \$27,000.

After discussion, on a motion by Director Huckell and a second by Director Clanin, the Board unanimously approved a 3.0% Cost of Living Adjustment for all employees, including the General Manager, effective May 25, 2002.

PAID TIME OFF PLAN: The Board reviewed a memorandum from Office Manager Drew that recommended replacing the District's existing Paid Vacation and Sick Leave plan with a Paid Time Off (PTO) plan. A draft of the proposed plan was included in the memo. The proposed plan combines the existing vacation and sick leave plans into a single PTO plan. The amount of PTO accumulated each year is based on the amounts of vacation and sick leave currently accumulated. The discussion that followed centered on the difficulty of monitoring and enforcing the use of sick leave.

After considerable discussion, on a motion by Director Huckell and a second by Director McGehee, the Board unanimously approved the adoption of the Paid Time Off Plan which replaces the District's existing Paid Vacation and Sick Leave plans.

ACWA AND ACWA-JPIA SPRING CONFERENCE REPORTS: Director Huckell discussed with the Board his written report of the meetings he attended at the ACWA Spring Conference. Director McGehee also reviewed with the Board his written report of the meetings he attended at the ACWA-JPIA Spring Conference. Manager Hunt then reported on the various meetings he attended at the ACWA Conference.

MANAGER'S REPORT: There was a brief discussion regarding the monthly financial and water production reports.

DIRECTORS' REPORT: None.

As there was no further business, the meeting was adjourned at 6:10 PM. The next Regular Meeting is scheduled for Tuesday, June 18, 2002 at 3:00 PM.