

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

JANUARY 21, 2003

President McGehee called the Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:00 PM, on Tuesday, January 21, 2003, at the regular meeting place of said Board at its office in Crestline, California.

ROLL CALL: Present were President C. N. McGehee, Directors William Huckell, William Valko, Alan Clanin and Charles Spinks. 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.

MINUTES OF PREVIOUS MEETING: On a motion by Director Huckell and a second by Director Spinks, the Board unanimously approved the minutes of the Regular Meeting of December 17, 2002 as submitted.

PUBLIC COMMENTS: None.

PROGRESS REPORT ON PINECREST AND CHAMOIS WELLS: Manager Hunt reported that the pump had been installed in the Chamois Well, and the connecting water main and the electrical conduit was being installed. The well should be operational soon. Not much progress has been made with the Pinecrest Well.

Jane McNairn from the Church of Spiritual Technology has been making inquiries about the Chamois Well. They are concerned that the new well may influence their wells. The District is also interested in their wells, as they may encroach in areas where the District has the water rights.

FELSEN WELL PROJECT - PUBLIC HEARING: Attorney Van Blarcom reviewed with the Board the Order of Procedure for the Public Hearings and the Adoption of the proposed Negative Declarations for the Felsen Well project.

President McGehee opened the public hearing at 3:10 PM. Secretary Hunt reported that notice of the public hearing had been given in the form and manner required by law. Before accepting any comments from the public, President McGehee asked staff to review and summarize the documents that were made available to the Board in connection with the hearing. Attorney Van Blarcom reviewed the following documents with the Board:

- Notice of Proposed Negative Declaration
- Proof of Publication in the San Bernardino Sun
- Notice Letter and Distribution List
- Initial Study / Negative Declaration
- State Clearinghouse Acknowledgement Letter
- State Clearinghouse Closing Letter
- Notice of Determination

- Certificate of Fee Exemption
- No Comment Letters were received

Attorney Van Blarcom also reviewed the Board Findings that are required prior to approval of the project. The findings cover the following items:

- Consider Initial Study and Negative Declaration
- Consider comments and all other record documents
- Negative Declaration reflects the independent judgment and analysis of the District
- On the basis of the whole record, there is no substantial evidence that the project will have a significant impact on the environment
- Find that the project is “de minimis” in its effect on fish and wildlife

President McGehee then opened the meeting for any comments from the public. There were no members of the public present and no comments were received. The public hearing was closed at 3:23 PM.

Director Huckell made the following motions:

1) “I move that this Board has considered the Initial Study and Negative Declaration for the Felsen Well Project and that those documents reflect the independent judgment and analysis of the District. This Board has also reviewed all of the other documents in the record of proceedings. All of the documents that comprise the record of proceedings shall be kept in the custody of the Secretary of the Board. On the basis of the record before this Board, I find that there is no substantial evidence that the Felsen Well Project will have a significant impact on the environment.”

2) “I move that this Board find, on the basis of the record before us, that the Felsen Well Project is de minimis in its effect on fish and wildlife and direct the staff to file the Certificate of Fee Exemption.”

3) “I move that this Board approve the Felsen Well Project and direct staff to proceed with the development of a production well for the benefit of the District and its customers.”

The motions were seconded by Director Clanin and were unanimously approved by the Board of Directors.

PROGRESS REPORT ON CHILLON AND SAXON STORAGE TANKS: Manager Hunt reported that due to defective paint from the paint manufacturer, the coating contractor had to completely recoat the interior of the Chillon Tank. Superior Tank is in the process of repairing the floor of the Saxon Tank. The recoating of the Saxon Tank will be delayed until spring, when the interior of the Saxon Tank and the exterior of both tanks will be completed.

ANNUAL REVIEW OF INVESTMENT POLICY: The Board reviewed the District’s Investment Policy. The Board noticed some typographical errors on page three of the policy. On a motion by Director Spinks and a second by Director Clanin, the Board unanimously accepted the Investment Policy as corrected for the typographical errors.

MANAGER'S REPORT: Manager Hunt reported on several items.

Employee Shirts: The t-shirts that District employees use during the summer months now have the employee's names on them.

Lake Arrowhead Community Services District: Manager Hunt asked Engineer Hanson to report on the Crestline-Lake Arrowhead Water Agency (CLAWA) board meeting where Lake Arrowhead Community Services District (LACSD) presented a proposal for supplemental water.

Engineer Hanson reported that LACSD had made two requests.

1. Interim Short-Term Supply of Water: LACSD would like CLAWA to consider treating and "wheeling" water through the CLAWA system to be delivered to LACSD. LACSD would purchase water in northern California and wheel it through the State Water Project to Silverwood Lake. CLAWA would then treat the water and wheel the water through their system as available capacity allows. An appropriate rate for treating and wheeling the water would have to be agreed on.
2. Long-Term Supply: LACSD is considering constructing a pipeline up the north side of the mountains to supplement their long-term water needs. They would like CLAWA to consider a joint powers agreement to accomplish this.

He also reported that any water treated and wheeled for LACSD would be at a higher rate than is charged to current CLAWA purveyors. An appropriate factor to compensate for the existing facilities would be calculated.

Thom Walden: Mr. Walden has sent a letter to Manager Hunt asking to be reinstated to the District's approved Backflow Device Tester list. As soon as he meets all of the County's requirements for testing backflow devices, he will be placed on the list.

Manager's Vehicle: Manager Hunt reviewed with the Board the use of the vehicle that is provided for his use. He generally uses it for District use only. There are occasions where he is in the San Bernardino/Riverside area on District business and then goes to his home in Desert Hot Springs for the weekend. On those occasions, the vehicle is parked for the weekend until he returns to Crestline. This occurs about a third of the time when he goes to the desert for the weekend. After discussion, the Board approved this use of the vehicle.

Manager Hunt also discussed the proposed replacement of the manger's vehicle. Its replacement is planned for in this year's budget. The Board authorized Manager Hunt to get proposals for a new vehicle.

There was also 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 4:26 PM. The next Regular Meeting is scheduled for Tuesday, February 18, 2003 at 3:00 PM.

