

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

DECEMBER 16, 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, December 16, 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, Field Supervisor Don Wagner and Office Manager Karl Drew. Absent was Engineer Fred Hanson.

MINUTES OF PREVIOUS MEETING: On a motion by Director Clanin and a second by Director Spinks, the minutes for the Regular Meeting of November 18, 2003 were unanimously approved as corrected.

PUBLIC COMMENTS: None.

REAPPOINTMENT OF DIRECTORS: Directors Huckell, Valko and Spinks were reappointed in-lieu-of-an-election as Directors by the County of San Bernardino Board of Supervisors, since the directors ran unopposed in the November 2003 election. The new term of office began on the first Friday of December and is for four years. All three directors were sworn in prior to the Board meeting.

REORGANIZATION OF BOARD OF DIRECTORS AND STAFF: President McGehee opened the meeting for consideration of the reorganization of the Board of Directors and Staff. On a motion by Director Clanin and a second by Director Huckell, Director McGehee was nominated for and was unanimously elected as President of the Board of Directors.

On a motion by Director Huckell and a second by Director Valko, Director Clanin was nominated for and was unanimously elected as Vice President of the Board of Directors.

On a motion by Director Spinks and a second by Director Clanin, the Board unanimously retained the current staff. The current Board and Staff positions are as follows:

President of the Board:	C.N. "Bud" McGehee
Vice President of the Board:	Alan E. Clanin
General Manager and Secretary to the Board:	Norman L. Hunt
General Counsel:	Ronald Van Blarcom
District Engineers:	Albert A. Webb Associates
District Auditor:	Jay Zercher of Rogers, Anderson, Malody and Scott
Acting Secretary in the	

Absence of the Secretary: Karl B. Drew

PROGRESS REPORT ON PINECREST WELL: Field Supervisor Wagner reported that Edison had received permission from the Pinecrest Conference Center to install the power lines to the new well. Edison is expected to begin work in 1 to 2 weeks. It may take longer depending on how the holidays affect their work schedule. There was some discussion regarding other wells. The Felsen Well is currently producing about 35 gpm and the Chamois Well is producing about 22 gpm. The Mormon Springs Well has been temporarily turned off because of low production and higher radiation levels.

HIGHWAY 138 - CRESTLINE MOUNTAIN PARK MAINLINE EXTENSION PROJECT: Manager Hunt reported that all of the 12" water main and the entire section of 8" main through the old Crestline Mountain Park property, except for last 450', had been installed. When this main project is completed, the District will be able to abandon the old Stewart Ranch Storage Tank. The Stewart ranch area will then be served by the Brookside Storage Tank.

PROPOSED PINECREST II WATER STORAGE TANK: Manager Hunt reported that the District had received the environmental reports for the proposed Royal Rangers project. Attorney Van Blarcom will review the reports for the District.

Manager Hunt reviewed with the Board the District's need for additional storage in the Pinecrest area and the possible configuration of additional tanks at the Pinecrest Storage Tank site. The District has planned to add storage at this site, but the fire flow requirements for the proposed Royal Rangers project will require the District to enlarge the planned storage. The Royal Rangers would be responsible for the cost of expanding the planned storage. Manager Hunt also discussed with the Board the possibility of constructing two or three smaller tanks to meet the water storage need at that location, instead of a single large tank. This is being considered due to the terrain and the amount of "cut and fill" that would be required by a single large tank.

BILL ADJUSTMENTS FOR HOMES LOST DUE TO OLD FIRE: Office Manager Drew discussed with the Board the loss of 25 active water services in the Skyland area. The power and gas utilities waived their billings for the month in which the fire occurred for these properties. On a motion by Huckell and a second by Director Spinks, the Board unanimously ratified the staffs' decision to waive the final billing for those properties where the homes were lost as a result of the Old Fire. The amount of billings waived is \$1,671.15.

CUSTOMER REQUESTS FOR WATER BILL ADJUSTMENTS: Office Manager Drew discussed with the Board requests from 14 other customers who requested an adjustment for the billing period during which the Old Fire occurred. Some of the properties had large bills because water was left running during the time they were evacuated. Others had large bills because of problems that developed with their water lines while they were evacuated.

Manager Hunt reviewed with the Board the normal process that staff usually follows with requests for adjustments. Staff had not taken any action with these requests because of the circumstances of the Old Fire and evacuation. On a motion by Director Valko and a second by Director Spinks, the Board unanimously directed staff to treat these requests as they normally

would. If any of the customers are unsatisfied with staff's decision, they can appeal to the Board at a future meeting.

RESOLUTION NO. 334, IN APPRECIATION OF THE SERVICES OF THE DISTRICT EMPLOYEES DURING THE OLD FIRE: The Board reviewed the proposed resolution that expresses the Board's appreciation to the employees of the District for their service to the District and community during the Old Fire. On a motion by Director Clanin and a second by Director Huckell, the Board adopted Resolution No. 334, expressing the Board's appreciation of the services of the District's employees during the Old Fire, on the following roll call vote:

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

ACWA AND ACWA-JPIA FALL CONFERENCE REPORTS: President McGehee reviewed with the Board and Staff his written report on the meetings he attended at the ACWA-JPIA Spring Conference on December 1 - 2, 2003. President McGehee was the only director to attend the conference.

MANAGER'S REPORT: Manager Hunt reported to the Board on the application that was being made to FEMA for reimbursement of expenses incurred during the Old Fire. The request will be for \$15,000 to \$20,000.

Manager Hunt is also investigating the possibility of obtaining a grant from the County of San Bernardino that would reimburse the District for the cost of the brush chipper. The County has grant money available to help dispose of waste wood.

Manager Hunt discussed with the Board the problems employees had in returning to work during the Old Fire. Law enforcement officers did not honor the District's Emergency Service Pass that should have allowed employees to return to the mountain during the evacuation period. Manager Hunt is planning to meet with the other utilities in January 2004 to discuss this problem.

There was a brief discussion regarding the monthly Financial, Investment and Water Production reports.

DIRECTORS' REPORT: None.

As there was no further business, the meeting was adjourned at 4:23 PM. The next Regular Meeting is scheduled for Tuesday, January 20, 2004 at 3:00 PM.