

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

**JUNE 19, 2007**

President McGehee called the Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:00 pm, on Tuesday, June 19, 2007, 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, Alan Clanin, Charles Spinks and Kenneth Stone.

Staff members present were Manager/Secretary Norman L. Hunt, Attorney Ronald Van Blarcom, Field Supervisor Donald Wagner and Office Manager Karl Drew. Absent was Engineer Fred Hanson.

Also present was Steven Farrell.

MINUTES OF PREVIOUS MEETINGS: On a motion by Director Clanin and a second by Director Stone, the minutes of the Regular Meeting of May 15, 2007 were unanimously approved as corrected.

PUBLIC COMMENTS: None.

PINECREST WATER STORAGE EXPANSION PROJECT: Manager Hunt reported that the contractor, Superior Tank, is working on the remaining site work of installing the curbing and class II base around the tanks. When the contractor has completed this work, the District will pave the site and have it fenced.

CHAMOIS VERTICAL WELL: Manager Hunt reported that the plan to repair the well has been accepted by the state and county health departments and a permit has been issued. The District is waiting for the contractor to proceed.

SMALL TOWN SATURDAY NIGHT, FILM LOCATION, GIGI BANNISTER: The Board reviewed a request from Gigi Bannister to let the producers of "Small Town Saturday Night" use shots of the exterior of the District's Administrative and Maintenance Facility in their independent film. The shots would be used to represent the exterior of a Sheriff's station in their film. Manager Hunt reported that the film company has agreed to provide appropriate insurance and will sign a facilities use agreement. After some discussion, on a motion by Director Clanin and a second by Director Stone, the Board unanimously approved the use of the District facilities for the film and authorized Manager Hunt to sign the appropriate contracts.

HYBRID POWERED SERVICE VEHICLE: Manager Hunt reviewed with the Board a memo regarding a proposal to purchase a new hybrid service vehicle to replace an older service truck.

The District currently has a 2001 Ford ½ ton 4X4 pickup that is used primarily for service calls and checking the system. This vehicle averages 7.6 mpg.

In 2003, the District purchased a new 4WD Honda Element that is used for similar purposes of the 2001 ½ pickup. The Honda is rated at 21 mpg in the city and 26 mpg highway and is currently averaging approximately 16.25 mpg, an improvement of 8.65 mpg over the Ford pickup.

Considering the current and future cost of gasoline, Manager Hunt is investigating the possibility of purchasing a service vehicle that uses more fuel efficient alternatives. There are vehicles that are powered by natural gas, but there are no fueling stations in the area and it would cost approximately \$75,000 to install a station capable of servicing up to five vehicles at the District facilities. The Gas Company does not use any natural gas vehicles in the mountain area. This does not appear to be a practical option.

Manager Hunt has been researching the possibility of purchasing a hybrid vehicle. In talking to various dealers, it appears that a hybrid vehicle may perform fairly well in the mountain areas, but he has not been able to document their efficiency in the mountains. He has received a quote from Fairview Ford for a 2008 Ford Escape 4WD vehicle which is rated at 29 mpg city and 27 mpg highway. The quote to purchase this vehicle is \$26,403, including sales tax.

There was general discussion comparing the benefits of purchasing a hybrid vehicle or purchasing additional vehicles such as the Honda Element. Manager Hunt will research this matter further and report additional information to the Board at a future meeting.

RESOLUTION NO. 363, APPROVING SIXTH AMENDED JOINT POWERS AGREEMENT RELATING TO THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY: The Board reviewed information from the Special District Risk Management Authority (SDRMA) regarding the proposed amended Joint Powers Agreement (JPA). The amendment requires approval of two-thirds of the SDRMA members.

The major changes to the JPA are as follows:

- Eliminates the 1% administrative fee to California Special District Association.
- Reduces the number of Board members from nine to seven.
- Clarifies language regarding member participation and voluntary withdrawal from programs.

On a motion by Director Huckell and a second by Director Spinks, the Board adopted Resolution No. 363, approving the Sixth Amended Joint Powers Agreement relating to the Special District Risk Management Authority on the following roll call vote:

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

RESOLUTION NO. 364, IN SUPPORT OF “NO TIME TO WASTE: A BLUEPRINT FOR CALIFORNIA WATER”: The Board reviewed the proposed resolution. After discussing the

proposed resolution and the water situation in California, the Board, on a motion by Director Stone and a second by Director Huckell, adopted Resolution No. 364, supporting the “No Time To Waste: A Blueprint for California Water” program on the following roll call vote:

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

**RESOLUTION NO. 365, PRE-TAX PAYROLL DEDUCTION PLAN FOR SERVICE CREDIT**

**PURCHASES**: The Board reviewed the proposed resolution which would allow employees to purchase service credit for CalPERS with pre-tax earnings. After discussion, on a motion by Director Stone and a second by Director Clanin, adopted Resolution No. 365, approving a pre-tax deduction plan for CalPERS service credit purchases on the following roll call vote:

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

**COST OF LIVING ADJUSTMENT FOR EMPLOYEES**: The Board reviewed this item in conjunction with consideration of proposed Resolution No. 366.

The average change in the two Consumer Price Index (CPI) indexes for the past year ending in April 2007 are as follows: the U.S. City Average is 2.55% and the average change in the change for the Los-Angeles-Riverside-Orange County area is 3.55%. Staff recommended a 3.0% Cost of Living Adjustment (COLA) for all employees, including the General Manager, effective June 16, 2007. This would increase annual wages by approximately \$25,500.

After discussing this item and proposed Resolution No. 366, on a motion by Director Stone and a second by Director Spinks, the Board unanimously approved a 3.0% Cost of Living Adjustment for all employees, including the General Manager, effective June 16, 2007.

**RESOLUTION NO. 366, EMPLOYER PAID MEMBER CONTRIBUTIONS**: The Board reviewed the proposed resolution which would have the District pay 100% of the CalPERS employee contributions. When the District terminated the Money Purchase Pension Plan and adopted the California Public Employees Retirement System plan, the employees began paying the 8% employee contribution. Under the prior plan, the employees did not pay any contributions to the pension plan. The amount of the CalPERS employee contributions before the above cost of living adjustment is \$58,789 per year.

After considerable discussion, on a motion by Director Huckell and a second by Director Clanin, the Board adopted Resolution No. 366, electing to pay the Employer Paid Member Contributions effective June 30, 2007 on the following roll call vote:

AYES: Directors McGehee, Huckell, Clanin, Spinks and Stone  
NOES: None

ABSENT: None  
ABSTAINED: None

After the Board adopted Resolution No. 366, Manager Hunt asked if the Board would consider reimbursing the employees the amount of the contributions that the employees paid during May and June. The Board asked that the matter be brought back at the next meeting for consideration.

MANAGER'S REPORT: Manager Hunt reported that advertisements for the General Manager position had been posted with trade publications and web sites. There has been some activity on the District's web page that contains the application package for the position. No applications have been received as of this time.

Manager Hunt reported that the properties that had been declared surplus had been advertised with the necessary agencies and none had expressed any interest in the properties. The properties are now being advertising in the two local newspapers and have been posted at Vineyard Bank, the Post Office and the District office. Bids are due July 13, 2007.

There was a brief discussion regarding the monthly financial, investment and production reports.

DIRECTORS' REPORT: None.

As there was no further business, the meeting was adjourned at 4:30 pm. The next meeting is scheduled for Tuesday, July 17, 2007 at 3:00 pm.