

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

JUNE 17, 2008

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 17, 2008, 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, Kenneth Stone, and Steve Farrell.

Staff members present were General Manager Karl Drew, Attorney Ronald Van Blarcom, Engineer Fred Hanson, Field Supervisor Donald Wagner, and Office Manager Joyce Barkley.

Also present was Norman Hunt

MINUTES OF PREVIOUS MEETINGS: On a motion by Director Stone and a second by Director Clanin the minutes of the Regular Meeting of May 20, 2008, and the minutes of the Special Meeting of May 28, 2008 were approved. Director Farrell abstained from voting since he was not in office during the May sessions.

APPROVAL OF CASH DISBURSEMENTS: The Board reviewed the Cash Disbursements for the month of May 2008. On a motion by Director Clanin and a second by Director Stone the cash disbursements for May 2008 were unanimously approved.

PUBLIC COMMENTS: None

ADOPT RESOLUTION NO. 371, VINEYARD BANK SIGNATURE CARDS:

General Manager Drew reviewed the proposed resolution with the Board. With the resignation of Director Spinks, the addition of Director Farrell, and the hire of Office Manager Joyce Barkley, the District needs to update the bank signature cards for the two checking accounts at Vineyard National Bank. The seven authorized signers for the accounts are Board Members C. N. "Bud" McGehee, William Huckell, Alan Clanin, Kenneth Stone, Steve Farrell, Secretary/General Manager Karl Drew, and Office Manager Joyce Barkley.

Two authorized signatures are required for withdrawal of funds from the checking accounts. One authorized signature is required to make transfers between any District accounts at Vineyard Bank and to make wire transfers to the District's account with the Local Agency Investment Fund in Sacramento.

On a motion by Director Stone and a second by Director Huckell, the Board adopted Resolution No. 371, authorizing the accounts with Vineyard Bank, on the following roll call vote:

AYES: Directors McGehee, Huckell, Clanin, Stone, and Farrell

NOES: None

ABSENT: None

ABSTAINED: None

REVIEW AND CONSIDER RENEWAL OF EMPLOYMENT AGREEMENT FOR GENERAL MANAGER EMERITUS, NORMAN L. HUNT: On a motion by Director Stone and a second by Director Farrell, the Board unanimously approved the renewal of Norman Hunt's employment agreement with the District, extending the contract from June 1, 2008 through December 1, 2008.

DISCUSS PURCHASE OF NEW VEHICLES: General Manager Drew led a general discussion regarding the replacement of various vehicles. The water truck is over twenty years old. It was suggested that the truck be replaced with a used truck chassis with a new tank installed. The Ranger will be moved into service as a field vehicle and replaced with a more fuel-efficient automobile. There was also discussion of replacing the Element, which has over 60,000 miles, with a new hybrid vehicle.

DISCUSS UPCOMING STORAGE TANK INSPECTIONS AND REHABILITATION: General Manager Drew provided an inspection chart and discussed regulations for tank inspections. It was proposed that four tanks be inspected this year. The Beacon storage tanks and the Zurich tank will not be inspected as they are scheduled to have rehabilitation work completed within the next few years. He also discussed the possibility of building a new, larger tank at Zurich.

MANAGERS REPORT: General Manager Drew reported that on November 4, 2008 a special advisory vote will be held to determine whether the Crestline Sanitation District should remain under county control or begin forming a special district governed by a locally elected Board of Directors. Also on the ballot, if a majority of voters approve the change, will be the establishment of a five-member advisory panel to study the independence issue and make recommendations to the County Supervisors. A discussion ensued as to whether or not the Crestline Village Water District Board of Directors should take a position on the issue. General Manager Drew also inquired if the Board would consider being a sponsor for the Crestline Rotary Annual Golf Tournament in September.

DIRECTORS' REPORTS: President McGehee discussed sending some form of water saving tips out with our mailers. We are currently putting water saving tips in the memo section at the bottom of our water bills and will consider other available options.

As there was no further business, the meeting was adjourned at 3:56 p.m. The next regular meeting is scheduled for Tuesday, July 15, 2008 at 3:00 pm.