

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

**FEBRUARY 16, 2010**

CALL TO ORDER AND FLAG SALUTE: President Huckell called the Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:02 pm, on Tuesday, February 16, 2010, at the regular meeting place of said Board at its office in Crestline, California.

ROLL CALL: Present were President William Huckell, Directors Kenneth Stone, Steven Farrell, Rosemarie Wiegand and Darel Davis.

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

Also present was Norman Hunt, Arlo Hartin and Scott Bledsoe.

MINUTES OF PREVIOUS MEETINGS: On a motion by Director Stone and a second by Director Farrell, the minutes of the Regular Meeting of December 15, 2009 were unanimously approved as corrected.

CASH DISBURSEMENTS: The Board reviewed the cash disbursements for the months of December 2009 and January 2010. On a motion by Director Stone and a second by Director Davis the cash disbursements for December 2009 and January 2010 were unanimously approved.

PUBLIC COMMENTS: Scott Bledsoe of 1020 Venus Way addressed the Board. Mr. Bledsoe requested help in getting the road to his property plowed by the District. His contention is that we own the road and need to maintain it so that emergency services can get to his home and trash can be picked up by Mountain Disposal so as to not cause health hazards.

Manager Drew reviewed the history of how the District obtained ownership of the land the roads are located on and how the District does not have "road maintenance" powers. After considerable discussion, Mr. Bledsoe was advised that the District will continue its current practice of plowing Venus Way as needed to gain access to our Barn Tank site, but we will not provide regular snow plowing. The Board provided several options for Mr. Bledsoe to pursue.

ADOPT RESOLUTION NO. 382, CALIFORNIA BANK & TRUST SIGNATURE CARDS:

General Manager Drew reviewed the proposed resolution with the Board. With the addition and removal of two Board Members the District needs to update the bank signature cards for the two checking accounts at California Bank & Trust. The seven authorized signers for the accounts are Board Members William Huckell, Kenneth Stone, Steven Farrell, Rosemarie Wiegand and Darel Davis, Secretary/General Manager Karl Drew, and Office Manager Larrie Ann Davis.

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 California Bank & Trust 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 Farrell, the Board adopted Resolution No. 382, authorizing the accounts with California Bank & Trust, on the following roll call vote:

AYES: Directors Huckell, Stone, Farrell, Wiegand and Davis.  
NOES: None  
ABSENT: None  
ABSTAINED: None

ADOPT RESOLUTION NO. 383, ARROWHEAD CREDIT UNION SIGNATURE

CARDS: General Manager Drew reviewed the proposed resolution with the Board. With the addition and removal of two Board Members the District needs to update the bank signature cards for the two accounts at Arrowhead Credit Union. The seven authorized signers for the accounts are Board Members William Huckell, Kenneth Stone, Steven Farrell, Rosemarie Wiegand and Darel Davis, Secretary/General Manager Karl Drew, and Office Manager Larrie Ann Davis.

Two authorized signatures are required for withdrawal of funds from the accounts. One authorized signature is required to make transfers between any District accounts at Arrowhead Credit Union.

On a motion by Director Stone and a second by Director Farrell, the Board adopted Resolution No. 383, authorizing the accounts with California Bank & Trust, on the following roll call vote:

AYES: Directors Huckell, Stone, Farrell, Wiegand and Davis.  
NOES: None  
ABSENT: None  
ABSTAINED: None

ADOPT RESOLUTION NO. 384, LOCAL AGENCY INVESTMENT FUND (LAIF), AUTHORIZED SIGNERS: General Manager Drew reviewed the proposed resolution with the Board. With the removal of Board Member McGehee, the District needs to authorize Director Huckell as a signer. The three authorized signers are Board President Huckell, Secretary/General Manager Karl Drew and Office Manager Larrie Ann Davis.

One authorized signature is required for transfer of funds between LAIF and California Bank & Trust.

On a motion by Director Farrell and a second by Director Wiegand, the Board adopted Resolution No. 384, authorizing the signatures with LAIF, on the following roll call vote:

AYES: Directors Huckell, Stone, Farrell, Wiegand and Davis.  
NOES: None  
ABSENT: None  
ABSTAINED: None

ANNUAL REVIEW OF INVESTMENT POLICY: General Manager Drew explained that the Investment Policy is to be reviewed by the Board annually. He recommended that no changes be made to the policy. On a motion by Director Stone and a second by Director Farrell, the Board unanimously approved the Investment Policy with no changes.

ACWA AND ACWA/JPIA SPRING CONFERENCE: The ACWA and ACWA/JPIA Spring Conferences are scheduled to be held during the week of May 3, 2010 in Monterey, California. On a motion by Director Stone and a second by Director Davis, the Board unanimously approved the attendance of these conferences for the General Manager and any directors desiring to attend. Director Farrell will be attending the conferences.

DISCUSS FORM 700 FOR DIRECTORS: Attorney Van Blarcom reviewed with the Directors Form 700. All completed forms need to be returned to the District no later than March 31, 2010.

CONSIDER CANDIDATE NOMINATIONS FOR THE POSITION OF ALTERNATE AND SPECIAL DISTRICT MEMBER OF THE LOCAL AGENCY FORMATION COMMISSION (LAFCO): On a motion by Director Stone and a second by Director Davis, the Board unanimously approved the nomination of Director Farrell for the position of Alternate Special District Member of the Local Agency Formation Commission (LAFCO). Director Farrell will provide a resume in letter format to be included with the nomination.

CONSIDER ALTERNATE FORMULA TO APPORTION THE COST OF LOCAL AGENCY FORMATION COMMISSION (LAFCO), PURSUANT TO GOVERNMENT

CODE SECTION 56381: The Board reviewed the alternate funding formula for the independent Special Districts' share of LAFCO costs for fiscal year 2010-11 and thereafter. The proposed change would save the District \$5,000.00 per year.

On a motion by Director Farrell and a second by Director Davis, the Board approved the proposed modified formula – Four tiers with caps, on the following roll call vote:

AYES: Directors Huckell, Stone, Farrell, Wiegand and Davis.  
NOES: None  
ABSENT: None  
ABSTAINED: None

MANAGER'S REPORT: Manager Drew addressed the decline in total revenues. Operating revenues are down somewhat due to the number of foreclosures on the mountain. Non-Operating revenues are down considerably but this is only temporary as the District has not yet been notified by the County of San Bernardino as to what the District's share of the annual property taxes is. Once the tax revenues is recorded in the general ledger, the decline in non-operating revenues will disappear.

Manager Drew discussed a recent letter from the Department of Water Resources (DWR) regarding conservation measures for conserving 20% by 2020. The letter stated there will be three possible plans by October 1, 2010 and a fourth plan by December 31, 2010. The deadline for the Urban Water Management Plan has been extended to July 31, 2011.

Manager Drew met with San Bernardino County Regional Parks to discuss using lake water instead of potable water for a proposed water pad project. If potable water is used for this project, 10 acre feet would be needed annually at a cost of \$27,000.

Manager Drew reported that signal boosters have been installed at the two collector towers providing inconsistent readings. Readings now appear to be more consistent.

Manager Drew responded in January to Cedarpines Park Mutual Water Company's (CPPMWC) request for information on joining the District. To date, CPPMWC has not responded to our letter.

DIRECTORS' REPORT: The Board acknowledged the deaths of Patrick Marley and Putnam Henck.

REQUEST FOR FUTURE AGENDA ITEMS: Director Wiegand requested a review of the District's earthquake/emergency response plan.

As there was no further business, the meeting was adjourned at 5:20 pm. The next meeting is scheduled for Tuesday, March 16, 2010 at 3:00 pm.