

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

OCTOBER 16, 2001

President Olson called the Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:00 PM, on Tuesday, October 16, 2001, at the regular meeting place of said Board at its office in Crestline, California.

ROLL CALL: Present were President David Olson, Directors C. N. McGehee, William Huckell, William Valko and Alan Clanin. Staff members present were Manager/Secretary Norman L. Hunt, Attorney Ronald Van Blarcom, Engineer Fred Hanson, Field Supervisor Robert Jobe and Office Manager Karl Drew. Also present were Mark Bulot and Mike Bracher of Independent Geo-Environmental Consultants.

MINUTES OF PREVIOUS MEETING: On a motion by Director McGehee and a second by Director Valko, the Board unanimously approved the minutes of the Regular Meeting of September 18, 2001 as submitted.

PUBLIC COMMENTS: None.

PROGRESS REPORT ON FUTURE WELL SITES: Mark Bulot, of Independent Geo-Environmental Consultants reported to the Board that there are two very promising potential well sites in the Pinecrest area. There is one potential site near the new Chamois tank site and one located near the entrance to Pinecrest Conference Center. After further research, the other two sites that they had originally thought might have good potential do not look promising.

The consultants also noted that the lot located next to the McMahon lot on Lake Gregory Drive is for sale by owner. This lot would also make a good site if the District is unable to acquire the McMahon property.

The consultants would like to drill test wells at the three locations to see what water is available and then develop the sites as funds and time permits. It is the consultants' opinion that environmental impact reports would not be necessary to drill the test wells. It would cost about \$5,000 to drill each test well. It is felt that the site on Lake Gregory Drive has the best potential to be a producing well.

General discussion ensued regarding drilling the test wells, acquiring property on Lake Gregory Drive and if the drilling of the test wells are exempt from the California Environmental Quality Act.

On a motion by Director Clanin and second by Director Huckell, the Board unanimously approved the following actions:

1. Authorized Manager Hunt to make a conditional offer of \$18,000 plus costs for the properties on Lake Gregory Drive. Manager Hunt can negotiate a price up to \$20,000. The District will enter into an escrow for the purchase of the property of the owner that

firsts accepts the District's offer. The purchase will be completed if the test well drilled on the property indicates that there is sufficient water to develop a producing well.

2. Authorized Manager Hunt to have up to three test wells drilled as soon as possible.
3. Authorized the consultants to monitor the drilling process.
4. Declared that the drilling of the test wells is exempt from the provisions of the California Environmental Quality Act.

2001 MAIN REPLACEMENT JOBS –BALSAM/ SYCAMORE DRIVES AND RIDGE

PLACE: Field Supervisor Jobe reported that Balsam and Sycamore Drives were being paved today. The County of San Bernardino is participating in the paving of these roads. The mains and services have been installed on Ridge Place.

The District crews were repairing a leak today at the intersection of Bernard and Altdorf Drives. During the process of repairing the leak, the "Tee" at the intersection blew off and it is taking longer than expected to repair.

LAKEVIEW TANK SITE, CUT SLOPE REPAIR AND SITE REHABILITATION: The Board reviewed a slide presentation that showed the repairs that were made at the Lakeview Tank site. There is some work that needs to be completed to finish the job. A cap needs to be installed on the top of the wall and the fencing needs to be repaired.

BROOKSIDE TANK: The Board reviewed pictures of the tank before and after the repainting of the tank. The total cost to repaint the exterior of the tank, including inspection, is approximately \$8,000.

MORMON SPRINGS VERTICAL WELL: Manager Hunt reported that it is believed that there is a problem with the pump that was installed by Sam Crum and the pump needs to be pulled and examined. The machine that Crum uses to pull pumps is broken down and until it is repaired, he is unable to do the required work.

MONEY PURCHASE PENSION PLAN: Office Manager Drew reviewed with the Board a request by the employees to add Lincoln Financial Group as an approved financial institution to provide investment productions for the Money Purchase Pension Plan. He reported that he had talked with the third party administrator, and was advised that it was very unusual for a pension plan to have more than one approved institution. Office Manger Drew is scheduling a meeting of the trustees and the third party administrator to discuss this matter.

MANAGER'S REPORT: Field Supervisor Jobe reported that the telemetry system had been ordered and was being assembled. The installation of the system should be completed in 45 days.

Manager Hunt reported that former Director Darrel Boyer had died after falling from the deck at his house.

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

DIRECTORS' REPORT: President Olson expressed concern about the well driller that the District had used on the Mormon Springs job and would like to see more options for the upcoming jobs.

As there was no further business, the meeting was adjourned at 5:15 PM. The next Regular Meeting is scheduled for Tuesday, November 20, 2001 at 3:00 PM.