

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

JANUARY 15, 2002

President Olson called the Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:00 PM, on Tuesday, January 15, 2002, 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, System Supervisor Don Wagner and Office Manager Karl Drew.

MINUTES OF PREVIOUS MEETING: On a motion by Director McGehee and a second by Director Huckell, the Board approved the minutes of the Regular Meeting of December 18, 2001 as presented.

PUBLIC COMMENTS: None.

PROGRESS REPORT ON FUTURE WELL SITES: Manager Hunt reported that he had the surveyor check the property corners on the McMahan and Lankford properties and found that none of the property corners are in the large turnout on Lake Gregory Drive. The turnout is entirely in the road right-of-way. Manager Hunt has applied for and received an encroachment permit from the County Transportation Department for the purpose of drilling a test well in the turnout area. The County Transportation Department is aware that the District intends to develop a producing well if the test well indicates that this is a good site. With the County issuing the encroachment permit, it is not necessary to purchase either of the lots.

Manager Hunt has had discussions with the management of the Pinecrest Conference Center and they are agreeable to the District drilling test wells on their property. They just want to insure that the well near the entrance does not interfere with their master development plan.

The Notices of Exemption for the drilling of the three monitoring wells is ready to be posted and Manager Hunt will be getting proposals from drillers for drilling the three test wells.

MORMON SPRINGS VERTICAL WELL: System Supervisor Wagner reported on the progress of getting the Mormon Springs well back online. After the pump had been replaced, there was an electrical wiring problem that had to be corrected. The well has been operational for about two weeks. There is high radioactivity in the well and the District has been flushing it for about two weeks. System Supervisor Wagner would like to flush it for another two weeks to get the radioactivity levels down to acceptable levels. The well is currently pumping about 25 gallons per minute.

FLETCHER PARK, ACCOUNT NO. 22-2732-00: The Board reviewed a letter from the Eagle's Nest Garden Club requesting a reduced water rate for the Fletcher Park project. The Garden Club is helping to develop the park and is planting it with low water plants. After reviewing the

options for establishing water rates and considering their responsibilities to all the District's customers, the Board, on a motion by Director McGehee and a second by Director Clanin, unanimously denied the Garden Club's request for a reduced water rate for the Fletcher Park project.

The Board was pleased to see progress in establishing a demonstration garden that promotes the use of native and low water use plants. There is a continuing need to educate people in the community about xeriscape and water conservation. The Board indicated that they would consider assisting these types of projects in the following ways if the Garden Club and the Crestline Community Development Alliance demonstrate that they have the commitment to complete and maintain their projects.

- Consider making a limited grant on an annual basis to the Fletcher Park project to offset development or operating costs.
- Consider making available some land in front of the District office for the purpose of a demonstration garden. The use of the land would include the necessary water for the garden at no charge.

INVESTMENT POLICY REVIEW: The Board reviewed the District's Investment Policy. On a motion by Director McGehee and a second by Director Valko, the Board made no changes to the Investment Policy.

The Board also reviewed a report on the District's investments. All of the investments are with the Local Agency Investment Fund and during the last quarter earned 3.52%.

MANAGER'S REPORT: Manager Hunt reported that over 300 water meters were checked over a three week period and none of them were found to be defective. The meters are selected to be checked if they had recorded no consumption over a four month period.

Manager Hunt also reported on the cost of having names put on the field crew's uniforms. The Board directed staff to proceed with this project.

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

Manager Hunt reported that Field Supervisor Jobe had moved from being Field Supervisor to Project Coordinator. System Supervisor Wagner will be assuming some of the responsibilities that Mr. Jobe had. System Supervisor Wagner will be attending the Board meetings.

DIRECTORS' REPORT: None.

As there was no further business, the meeting was adjourned at 4:25 PM. The next Regular Meeting is scheduled for Tuesday, February 19, 2002 at 3:00 PM.