

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

APRIL 16, 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, April 16, 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 Valko and Alan Clanin. Absent was Director William Huckell. Staff members present were Manager/Secretary Norman L. Hunt, Attorney Ronald Van Blarcom, Engineer Fred Hanson, Field Supervisor Don Wagner and Office Manager Karl Drew. Also present was property owner Mike O'Connor.

MINUTES OF PREVIOUS MEETING: On a motion by Director McGehee and a second by Director Clanin, the Board approved the minutes of the Regular Meeting of March 19, 2002 as corrected.

PUBLIC COMMENTS: None.

REQUEST FOR ADJUSTMENT TO WATER BILL, MIKE O'CONNOR, 967 FERN DR, ACCOUNT NO. 22-3620-00: Manager Hunt reviewed with the Board a letter written by Mr. O'Connor to the District. This property was originally served water from a main located at the rear of the property. A number of years ago, the District installed a new main in the street in front of the property. It appears that the customer's old service line from the house to the old meter location was not properly abandoned and disconnected. As a result, during this past winter it appears to have frozen and broke near the old meter location. Mr. O'Connor was not the owner of the property at the time of the installation of the new water main and is actually the second or third owner since that time. He purchased the property in December 2001 and is in the process of refurbishing it. The water bill that resulted from the leak during January 2002 was \$3,292.62.

Mr. O'Connor also addressed the Board and reviewed the situation. There was general discussion regarding this matter. Manager Hunt recommended that due to the circumstances, that all the water consumption be billed at the lowest rate of \$3.75 per 100 cubic feet for that billing. This would result in an adjustment of \$1,075.87. Manager Hunt also recommended that as part of the terms for the adjustment, that the old service line be properly abandoned and disconnected by Mr. O'Connor so that this situation does not occur again.

On a motion by Director Clanin and a second by Director McGehee, the Board unanimously approved an adjustment of \$1,075.87, provided that Mr. O'Connor properly abandons and disconnects the customer's old service line between the house and the old meter location.

CEDARPINES PARK MUTUAL WATER COMPANY, MUTUAL AID AGREEMENT: Manager Hunt reviewed and discussed with the Board a draft agreement that Attorney Van Blarcom had

prepared. There was general discussion regarding the proposed agreement and its attachments. This item was tabled until further information is gathered.

PROGRESS REPORT ON FUTURE WELL SITES: Manager Hunt reported that the Lake Gregory site was ready for the drillers to begin work. Harich Construction will begin work as soon as they complete the current job they are working on and should begin drilling in about a week. Pinecrest Conference Center has returned the paperwork that the District has been waiting for.

MORMON SPRINGS VERTICAL WELL: Field Supervisor Wagner reported that he had received the results of the latest radiation testing. The results indicate that the radiation levels are acceptable. The District will conduct quarterly testing on the well for one year. If the combined uranium levels exceed 80 pCi/L during the next year, the District may need to treat the well water.

CHILLON PUMP STATION AND STORAGE TANK: Manager Hunt reported that the piping on the interior of the Chillon Pump Station is being worked on. Once the piping is completed, the Chillon Storage Tank can be taken off line and the rehabilitation work on the tank can begin. The tank will have the overflow lowered; the ladder system updated and the tank will be recoated. The Saxon Storage Tank is scheduled to have similar work done.

CASH BUDGET FOR FISCAL YEAR 2002-03: Office Manager Drew discussed the Proposed Cash Budget for fiscal year 2002-03 with the Board. There was general discussion regarding the proposed capital expenditures and the Board questioned the amounts budgeted for several items. Manager Hunt discussed the maintenance problems that he has recently had with the 1996 Blazer. The Board approved adding \$20,000 to the Proposed Cash Budget for the replacement of the Blazer.

While the Proposed Cash Budget is balanced, there is concern about the amount of water the District will need to purchase from Crestline-Lake Arrowhead Water Agency to supplement the District's wells. With the drought conditions that currently exist and the extremely dry winter, it is unknown how much supplemental water the District will need to purchase in the coming year. An amount has been budgeted for the purchase of supplement water. Staff is cautious about making too many capital purchases until there is a better understanding about how much water will be purchased.

There was a general discussion regarding water rates and the Annual Availability Assessment. There are no rate changes proposed in the Proposed Cash Budget and Crestline-Lake Arrowhead Water Agency has indicated that they will not be increasing their rates. The District's water rates have remained unchanged since 1993.

On a motion by Director McGehee and a second by Director Clanin, the Board unanimously adopted the Cash Budget as amended. Director Huckell was absent.

RESOLUTION NO. 325, ESTABLISHING WATER AVAILABILITY ASSESSMENTS FOR FISCAL YEAR 2002-2003: The Board reviewed the proposed resolution. There are no changes in the assessments from prior years.

On a motion by Director Clanin and a second by Director McGehee, the Board adopted Resolution No. 325, establishing the water availability assessment for fiscal year 2002-2003 at Thirty Dollars (\$30.00) per acre for the first acre or portion thereof plus Fifteen Dollars (\$15.00) per acre over one acre for all unimproved property, or Fifteen Dollars (\$15.00) per acre for the first acre or portion thereof plus Fifteen Dollars (\$15.00) per acre over one acre for all improved property within the District, on the following roll call vote:

AYES: Directors Olson, McGehee, Valko and Clanin

NOES: None

ABSENT: Director Huckell

ABSTAINED: None

UNCOLLECTABLE ACCOUNTS FROM 1996: Office Manager Drew discussed with the Board the accounts that had balances older than five years. He requested that the Board write off the balances for 51 closed accounts and 9 abandoned accounts from 1996, totaling \$13,629.79.

On a motion by Director Clanin and a second by Director Valko, the Board unanimously approved the writing off of the unpaid balances from 1996.

MANAGER'S REPORT: Manager Hunt reported that he had been contacted by the Local Agency Formation Commission (LAFCO) about the District possibly assuming the park and recreation functions for the Crestline area if the Rim of the World Park and Recreation District is dissolved. There was general discussion regarding this matter. Staff will report to the Board when there is more information.

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

DIRECTORS' REPORT: Director McGehee reported on the LAFCO meeting that he had attended on April 4, 2002, for the selection of the special districts' voting member and an alternate. Bob Colven from Big Bear City Community Services District was elected as the special districts' voting member.

As there was no further business, the meeting was adjourned at 5:20 PM. The next Regular Meeting is scheduled for Tuesday, May 21, 2002 at 3:00 PM.