

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

**AUGUST 24, 2004**

President McGehee called the Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:00 PM, on Tuesday, August 24, 2004, at the regular meeting place of said Board at its office in Crestline, California.

ROLL CALL: Present were President C. N. McGehee, Directors William Valko, Alan Clanin and Charles Spinks. 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.

MINUTES OF PREVIOUS MEETING: On a motion by Director Spinks and a second by Director Valko, the minutes for the Regular Meeting of July 20, 2004 were unanimously approved as corrected.

PUBLIC COMMENTS: None.

SMITHSON OFFER TO SELL PROPERTY TO DISTRICT: The Board reviewed the Groundwater Resource Evaluation for the Tyler Smithson Property prepared by Independent Geo-Environmental Consultants. The reports conclude that a new vertical well on this property would likely be productive, but would likely negatively impact or possibly end all production from the existing horizontal wells that are in the area. It is the consultants' recommendations that the district consider other higher ranked sites that are in areas that will not negatively impact existing wells.

The Board expressed to General Manger Hunt that they are not interested in acquiring the Smithson property at this time.

REMOVAL OF THE STEWART RANCH WATER STORAGE TANK: Manager Hunt reported that Mike Murphy Salvage will begin work on our project after he completes his current projects. He is expected to begin work by the end of the month. The job should take 4 to 5 days to complete.

Attorney Van Blarcom reviewed the process of declaring the property surplus and disposing of the property. Once the property has been declared surplus, it can be offered to the adjacent property owners before any additional steps are taken to dispose of the property.

Manager Hunt discussed the original agreement for serving the Stewart Ranch area and how the value of the property offsets a portion of the cost of providing water storage facilities to serve the area. The tank that serves the Stewart Ranch area is the Brookside Tank. The old water system assets, including the tank site, were deeded to the District by the homeowners association as part of the consideration for the District to annex the area and provide water service for those properties.

On a motion by Director Spinks and a second by Director Valko, the Board unanimously declared the Stewart Ranch Tank site property surplus, and instructed staff to obtain an informal appraisal of the property value and then offer the property to the adjacent property owners once the tank is removed.

PROPOSED PINECREST II WATER STORAGE TANK: Manager Hunt reported that the engineers have begun the environmental review process for the Pinecrest Tank site. The Initial Study should be completed by the September Board meeting and the Board should be able to hold a public meeting in October to approve the environmental reports.

MAINLINE REPLACEMENT PROJECTS, AROSA DRIVE: Field Supervisor Wagner reported that work on both sections of the Arosa Drive project were completed, except for final paving, and were in service. Manager Hunt reported that while the District was responsible for paving the road half width, we would probably pave the road full width, with the County paying for one half the paving costs. The Crest Forest Drive mainline project probably would not be completed this year, since Crest Forest Drive is being used as a detour for Highway 18 and Highway 138 construction projects.

SAN BERNARDINO COUNTY MULTI-JURISDICTIONAL HAZARD MITIGATION PLAN: Office Manager Drew reported that the District had submitted its portion of the draft Multi-Jurisdictional Hazard Mitigation Plan to the County on schedule. Once the draft is submitted and reviewed by the State Office of Emergency Services and corrections are made, the Board of Directors will be asked to approve the District's portion of the plan, before it is submitted to FEMA.

LOCAL AGENCY FORMATION COMMISSION ELECTION OF REGULAR SPECIAL DISTRICTS REPRESENTATIVE: The Board reviewed the information received from the Local Agency Formation Commission (LAFCO) regarding the runoff election for a Special Districts Representative to serve on the commission. In the first election, Kimberly Cox received 17 votes, Gerald Smith 19 votes and Bruce Field received 4 votes. The two remaining candidates for the seat are: Kimberly Cox, Mojave Water Agency Director; and Gerald Smith, Baldy Mesa Water District Director and the current LAFCO incumbent.

After discussion, on a motion by Director Clanin and a second by Director Valko, the Board unanimously cast the District's vote for the incumbent, Gerald Smith.

CALIFORNIA SPECIAL DISTRICTS ASSOCIATION, BOARD OF DIRECTORS ELECTION: The Board reviewed the information received from the California Special District Association (CSDA) regarding the Board of Directors election. The two candidates for Seat B are: John Fox, Goleta Sanitary District and CSDA incumbent; and David Voigt, Chino Valley Independent Fire District. Attorney Van Blarcom reported that he had worked with David Voigt and felt that he was a very capable person.

After reviewing the candidates' resumes and after considerable discussion, on a motion by Director Spinks and a second by Director Valko, the Board unanimously cast the District's vote for David Voigt.

MANAGER'S REPORT: Office Manager Drew provided copies of the audit report for fiscal year 2003-04 to the Board members. The auditor, Jay Zercher, will be at the September Board meeting to present the audit report. There was a brief discussion regarding the monthly Financial, Investment and Water Production reports.

DIRECTORS' REPORT: Director Valko submitted his resignation from the Board of Directors to President McGehee. He has recently moved from the Crestline area to Huntington Beach. He has served on the Board for about nine years. The Board accepted his resignation with regret. The other Board members and Manager Hunt expressed their appreciation to Director Valko for his service to the District.

As a result of Director Valko's resignation, there is now a vacancy on the Board of Directors. Manager Hunt will post a Notice of Vacancy as is required. The Board will schedule to review the people interested in filling the vacancy and possibly appoint a new board member at the September Board meeting.

As there was no further business, the meeting was adjourned at 3:55 PM. The next Regular Meeting is scheduled for Tuesday, September 21, 2004 at 3:00 PM.