

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

**FEBRUARY 15, 2005**

President McGehee called the Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:00 PM, on Tuesday, February 15, 2005, at the regular meeting place of said Board at its office in Crestline, California.

ROLL CALL: Present were President C. N. McGehee, Directors William Huckell, Alan Clanin, Charles Spinks and James Gonzales. Staff members present were Manager/Secretary Norman L. Hunt, Attorney Ronald Van Blarcom, Field Supervisor Donald Wagner and Office Manager Karl Drew. Absent was Engineer Fred Hanson.

MINUTES OF PREVIOUS MEETINGS: On a motion by Director Spinks and a second by Director Gonzales, the minutes of the Regular Meeting of January 18, 2005 were unanimously approved as submitted.

PUBLIC COMMENTS: None.

REPORT ON JANUARY STORM DAMAGE: Manager Hunt updated the Board on the damage caused by a series of storms in January 2005. The road and main on Berne Drive has been repaired. The new 12" main in the Valley of Enchantment area and the main on Dart Canyon Road have also been repaired. Temporary repairs have been made to the mains and services on the other roads that were washed out and final repairs will be made when the road repairs are completed by the County. The Board was shown a slide show of the various damage areas.

PROPOSAL TO PURCHASE ADJOINING LOT AT CHILLON TANK SITE: Manager Hunt reported to the Board on the situation regarding the landslide on the slope above the Chillon Tank. The slope behind the tank is very steep and when improvements were made to the tank site several years ago, a retaining wall was built at the base of the slope. During the January storms, a portion of the slope slid. Most of the area that slid is on District property, but it is affecting the adjoining property. At the top of the slide area, there is a crack in the soil that indicates that another slide may occur, and the crack is on the adjoining lot. To properly stabilize the slope above the tank, it would be beneficial to the District to purchase the adjoining lot.

The adjoining lot is currently for sale. Manager Hunt has been negotiating with the realtor in regards to possibly purchasing the lot. A price that seems to be agreeable to the property owner is \$9,000.

On a motion by Director Gonzales and a second by Director Clanin, the Board unanimously authorized the purchase the adjoining lot, described as Lot 43 of Tract 2744, APN 0339-202-08, for \$9,000 plus ½ of the closing costs, not to exceed a total price of \$12,900. Manager Hunt is authorized to sign documents on behalf of the District as specified in Resolution No. 190.

PINECREST WATER STORAGE EXPANSION PROJECT, PHASE I, SITE DEVELOPMENT PROGRESS REPORT: Manager Hunt reported on the progress at the Pinecrest Tank Site. The County Road Department has been removing some excess dirt that was stored by the District at the site. The dirt is being used for road repairs and is not in the area covered by the contract with Kanayan Construction. The District had to repair the road to the Pinecrest Tank site, which crosses Pinecrest property, as it was damaged by the heavy equipment used for tree removal and the heavy rains that have been received this year.

SALE OF STEWART RANCH LOT: Manager Hunt reported that the property is in escrow and is scheduled to close soon.

REQUEST FOR ADDITIONAL ADJUSTMENT, RICHARD ARMENDARIZ, 25012 MOON DRIVE, ACCOUNT NO. 93-1049-00: Office Manager Drew reviewed with the Board a memorandum that was presented to the Board regarding this situation. Mr. Armendariz had a leak at his property. 37,400 cubic feet of water was used and his December 17, 2004 water bill was \$2,350. Staff has authorized a \$235 adjustment to his bill. Mr. Armendariz is requesting an additional adjustment.

Every year, notices are sent to customers advising them to have their own shut off valves and to use them when they are not at the property. A large water bill of the type Mr. Armendariz had may have been prevented if he had shut off his water when the property was not in use.

On a motion by Director Clanin and a second by Director Spinks, the Board unanimously denied the request by Mr. Armendariz for an additional adjustment to his water bill.

PROPOSED SALE OF SURPLUS LEAK CORRELATION EQUIPMENT: When the District purchased its Accucor 3000 digital correlator in July 2002, the old Tri-Corr 2001 correlator was listed as a trade in item. The old correlator was never sent back to FCS or picked up by them. Recently, the District received an inquiry about possibly purchasing the old correlator from the District. Manager Hunt has contacted FCS to see if it was alright for us to sell the equipment as surplus District equipment and they are in agreement with it. The equipment needs software upgrading and some other minor maintenance done and FCS would do that for whoever purchased the equipment.

Manager Hunt has been approached by Dwight Cuthbert of Worldwide Water Utility Services, who has offered to purchase the equipment for \$6,500 net to the District. Lake Arrowhead Community Services District (LACSD) has also expressed an interest in purchasing the equipment for \$8,000 net to the District.

After considerable discussion, on a motion by Director Gonzales and a second by Director Huckell, the Board accepted the offer from LACSD to purchase the Tri-Corr 2001 equipment for \$8,000 net to the District. The District will also provide two days of informal training to LACSD staff. Director Clanin abstained from the discussion and vote on this matter as he is employed by LACSD.

UPDATE OF URBAN WATER MANAGEMENT PLAN: Office Manager Drew reported to the Board that the District is required to update its Urban Water Management Plan every five years,

in the years that end with 5 and 0. Staff is beginning the planning for the update that is required this year.

REVIEW OF INVESTMENT POLICY: Office Manager Drew reviewed the District's Investment Policy with the Board. There were no changes to be made to the policy.

ACWA AND ACWA-JPIA SPRING CONFERENCES: The ACWA and ACWA-JPIA Spring Conferences are to be held in San Jose during the week of May 2-6, 2005. There was a brief discussion of the upcoming conferences. On a motion by Director Clanin and a second by Director Gonzales, the Board unanimously approved the attendance of any Board Members that desire to attend these conferences.

MANAGER'S REPORT: Manager Hunt reported to the Board that the District had finally been notified of the impact of Proposition 1A. \$145,026 of the District's annual property tax revenues will be shifted from the District to the State for each of two years. The shift will only be in effect for fiscal years 2004-05 and 2005-06. As a result, the District is scheduled to receive only \$20, 898 of its total tax revenues for this year. The total 2004-05 property tax revenues is \$165,924.

There was a brief discussion regarding the monthly Financial, Investment and Water Production reports.

Field Supervisor Wagner reported that all of the Crestline-Lake Arrowhead Water Agency connections are currently turned off as well production is currently supplying all of the District's water needs.

Meter Reading: There was a discussion about water meters and meter reading. Most of the water meters are over ten years old and it is time to begin considering replacing them. Staff has also been considering implementing a radio meter reading system. There would be a cost savings in implementing both programs together.

A radio meter reading system would reduce the man hours spent in reading meters and would enable the District to read meters during snowy conditions. During the past few months, the District has had to twice estimate bills and there have been some customer problems that have gone undetected for up to 90 days. A radio meter reading system would enhance customer service while reducing the time spent by the servicemen reading meters.

DIRECTORS' REPORT: None.

As there was no further business, the meeting was adjourned at 4:49 pm. The next Regular Meeting is scheduled for Tuesday, March 15, 2005 at 3:00 pm.