

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

MARCH 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, March 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 Alan Clanin, Charles Spinks and James Gonzales. Absent was Director William Huckell. Staff members present were Manager/Secretary Norman L. Hunt, Attorney Ronald Van Blarcom, Field Foreman Chris Heryford and Office Manager Karl Drew. Absent were Engineer Fred Hanson and Field Supervisor Donald Wagner.

MINUTES OF PREVIOUS MEETINGS: On a motion by Director Spinks and a second by Director Clanin, the minutes of the Regular Meeting of February 15, 2005 were unanimously approved as corrected.

PUBLIC COMMENTS: None.

REPORT ON JANUARY STORM DAMAGE: Manager Hunt reported to the Board on the repairs being made to District facilities that were damaged by a series of storms in January 2005. The roads on Balfrin and Valle Drives have been repaired by the County and the main on Balfrin Drive has been repaired. The main on Valle is scheduled to be repaired during the next month.

PROPOSAL TO PURCHASE ADJOINING LOT AT CHILLON TANK SITE: Manager Hunt reported to the Board that lot 43, which is adjoining the Chillon Tank site, is in escrow. The purchase price agreed on by the seller is \$9,000 plus ½ of the closing costs. The final total price will be approximately \$10,500.

Manager Hunt has scheduled a meeting with the District engineer and Sid Geotechnical to review the site and develop a plan to stabilize the hillside.

PINECREST WATER STORAGE EXPANSION PROJECT, PHASE I, SITE DEVELOPMENT PROGRESS REPORT: Manager Hunt reported on the work progress at the Pinecrest Tank Site. The trees have been removed, but the work has stopped because of accessibility problems created by the work being done on Highway 18.

SALE OF SURPLUS LEAK CORRELATION EQUIPMENT: Manager Hunt reported that representatives from Lake Arrowhead Community Services District have inspected the leak correlation equipment. They have agreed to proceed with the purchase of the equipment for \$8,000 net to the District. The District has sent the equipment to FCS for repairs and software upgrades.

RESOLUTION NO. 342, ADOPTING LOCAL HAZARD MITIGATION PLAN: Office Manager Drew reported to the Board that the District's draft Hazard Mitigation Plan (HMP) has

been reviewed by the State Office of Emergency Services (OES) and the Environmental Protection Agency (EPA). EPA made some recommendations about information included in the HMP and these recommendations have been incorporated into the plan. The County of San Bernardino has asked that the HMP be approved by the District by March 15, so that the County can incorporate it into the County Multi-Jurisdictional Hazard Mitigation Plan. The final Multi-Jurisdictional HMP will then be adopted by the County of San Bernardino.

On a motion by Director Clanin and a second by Director Spinks, the Board adopted Resolution No. 342, adopting the Hazard Mitigation Plan, on the following roll call vote:

AYES: Directors McGehee, Clanin, Spinks and Gonzales

NOES: None

ABSENT: Director Huckell

ABSTAINED: None

PROPOSED CASH BUDGET FOR FISCAL YEAR 2005-06: Office Manager Drew discussed the proposed cash budget for fiscal year 2005-06 with the Board. Last year the District increased its water rates for the first time since 1993. The District also lost about \$145,000 in tax revenues due to the Proposition 1A tax shift. The tax shift will continue for one more year and then will be discontinued. Based on the preliminary information contained in the proposed budget, the District should be able to continue operating without a rate increase to compensate for the two year tax shift.

There was discussion regarding the proposed budget. The budget will be brought back to the next meeting for Board approval.

MANAGER'S REPORT: There was a brief discussion regarding the monthly Financial, Investment and Water Production reports.

DIRECTORS' REPORT: None.

As there was no further business, the meeting was adjourned at 3:58 pm. The next Regular Meeting is scheduled for Tuesday, April 19, 2005 at 3:00 pm.