

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

**MAY 24, 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, May 24, 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 and Charles Spinks.

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.

Also present were Steven Farrell, Sheila Rendell-Baker, Darel Davis and Shonna Davis.

MINUTES OF PREVIOUS MEETINGS: On a motion by Director Spinks and a second by Director Clanin, the minutes of the Regular Meeting of April 19, 2005 were unanimously approved as corrected.

PUBLIC COMMENTS: None.

VACANCY ON BOARD OF DIRECTORS: Manager Hunt reported that the "Notice of Vacancy" had been posted and the District had received responses from three individuals that were interested in filling the vacancy. The three individuals that expressed interest were Darel Davis, Steven Farrell and Sheila Rendell-Baker.

The Board interviewed each of the three candidates individually. While each candidate was being interviewed, the other two candidates left the room. It was explained to the candidates that the meeting was a public meeting and they had the right to stay in the board room during all of the interviews. The candidates voluntarily left the board room during the interviews. After the interviews were completed, there was discussion regarding the various candidates.

There was a motion by Director Huckell and a second by Director Spinks, to appoint Mr. Farrell as director to fill the vacancy on the Board of Directors. The motion failed with Directors Huckell and Spinks voting for and Directors Clanin and McGehee voting against the motion.

There was a motion by Director Clanin and a second by Director McGehee, to appoint Mr. Davis as director to fill the vacancy on the Board of Directors. The motion failed with Directors Clanin and McGehee voting for and Directors Huckell and Spinks voting against the motion.

There was discussion on how to proceed with filling the vacancy. Attorney Van Blarcom stated that the Board has two options. 1) Appoint a director at a meeting prior to June 17, 2005; or 2) do nothing and let the County Board of Supervisors appoint a director. With the next Board

election scheduled for November 2005, there was question if the Board of Supervisors would appoint anyone or if they would let it go to the election.

There was general discussion about possibly scheduling a special meeting to resolve this issue.

CHILLON TANK SITE SLOPE REPAIR: The Board reviewed pictures of the Chillon Tank site and Manager Hunt reported on the progress of the slope repair. The engineers and the soils consultants had visited the site to gather additional information. The engineers are in the process of preparing various alternatives to repair the slope.

PINECREST WATER STORAGE EXPANSION PROJECT, PHASE I, SITE DEVELOPMENT PROGRESS REPORT: The Board reviewed pictures of the work being done at the site. Manager Hunt reported that work at the site is progressing well.

Manager Hunt also reported that the bid specifications for the tank construction had been sent out to a select bidder list. The bid opening is scheduled for June 16, 2005 and the awarding of the tank construction contact is planned for the June 21, 2005 board meeting.

CREST FOREST COMMUNITY GENERAL PLAN: The Board was given a copy of the most recent draft of the Crest Forest Community General Plan. Manager Hunt reviewed with the Board the areas of the draft plan that address the water and wastewater issues. There was general discussion about the general plan. Manager Hunt has been involved in contributing to the preparation of the plan and will continue providing input to the county.

RESOLUTION NO. 344, DETERMINING APPROPRIATION LIMITATION FOR FISCAL YEAR 2005-06: Office Manager Drew discussed the proposed resolution with the Board. The proposed resolution uses “the percentage change in California per capita personal income from the preceding year” as the “change in the cost of living” factor and the “change of population within the county in which it is located” as the “change of population” factor. The proposed Appropriation Limitation for fiscal year 2005-06 is \$896,968.

On a motion by Director Huckell and a second by Director Clanin, the Board adopted Resolution No. 344, determining the Appropriation Limitation for fiscal year 2005-06 to be \$896,968 on the following roll call vote:

AYES: Directors McGehee, Huckell, Clanin and Spinks  
NOES: None  
ABSENT: None  
ABSTAINED: None

COST OF LIVING ADJUSTMENT FOR EMPLOYEES: The Board reviewed the change in the Consumer Price Index (CPI) for the past year ending in April 2005. The average change in the two CPI indexes for the U.S. City Average is 3.6% and the average change in the change for the Los-Angeles-Riverside-Orange County area is 4.85%. Staff is recommending a 4.5% Cost of Living Adjustment (COLA) for all regular employees, including the General Manager, effective June 4, 2005. This would increase annual wages by approximately \$37,500.

There was discussion regarding the proposed COLA. The average regular full-time employee has been with the District 17 years. All regular full-time employees have been with the District at least 7 seven years and are no longer receiving annual step increases. The COLA is an annual wage adjustment that attempts to maintain the employees' earnings at a comparable level from year to year.

After discussion, on a motion by Director Clanin and a second by Director Spinks, the Board unanimously approved a 4.5% Cost of Living Adjustment for all regular employees, including the General Manager, effective June 4, 2005. The Board also expressed their appreciation to the staff and employees of the District for their efforts.

ACWA-JPIA CONFERENCE: Director McGehee reviewed with the Board his written report about the meetings that he attended at the conference during the week of May 2. There was some discussion about the report.

MANAGER'S REPORT: Manager Hunt reported that three seasonal employees had been hired for the summer to assist with the field work. The District is not expecting much help from the Pilot Rock crews in abating the weeds on District properties. With Crest Forest Drive still being used as a detour for Highway 18, it is unknown if the pipeline work scheduled for Crest Forest Drive will be completed this year.

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

VACANCY ON BOARD OF DIRECTORS: On a motion by Director Huckell and a second by Director Clanin, the Board unanimously scheduled a special meeting for June 14, 2005 at 3:00 pm to reconsider the vacancy on the Board of Directors.

Director Clanin made a motion to post the Notice of Vacancy again. The motion died due to a lack of a second.

There was a motion by Director Spinks and a second by Director Huckell, to reconsider the motion to appoint Mr. Farrell as director to fill the vacancy on the Board of Directors. The motion failed with Directors Huckell and Spinks voting for and Directors Clanin and McGehee voting against the motion.

DIRECTORS' REPORT: None.

As there was no further business, the meeting was adjourned at 5:45 pm. A Special Meeting is scheduled for Tuesday June 14, 2005 at 3:00pm and the next Regular Meeting is scheduled for Tuesday, June 21, 2005 at 3:00 pm.