

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

JANUARY 17, 2006

President McGehee called the Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:00 pm, on Tuesday, January 17, 2006, 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 Kenneth Stone.

Staff members present were Manager/Secretary Norman L. Hunt, Attorney Ronald Van Blarcom, Engineer Fred Hanson, Field Supervisor Donald Wagner and Office Manager Karl Drew.

MINUTES OF PREVIOUS MEETINGS: On a motion by Director Stone and a second by Director Clanin, the minutes of the Regular Meeting of December 13, 2006 were approved as submitted.

PUBLIC COMMENTS: None.

EXECUTIVE SESSION, HEALTH BENEFITS AND RETIREMENT PROGRAMS, CONFERENCE WITH LABOR NEGOTIATORS: The Board entered into closed session at 3:04 pm and returned to open session at 4:13 pm. After returning to open session, Attorney Van Blarcom announced that no reportable action was taken during closed session.

REORGANIZATION OF BOARD OF DIRECTORS AND STAFF: President McGehee opened the meeting for consideration of the reorganization of the Board of Directors and Staff.

Director Clanin nominated Director Spinks for President of the Board. Director Spinks declined the nomination. There was a discussion about possibly establishing a policy of rotating the officer positions among all of the board members. There was no action taken to establish such a policy. Director Spinks then nominated Director Huckell for the President of the Board position. Director Huckell declined the nomination.

Director Stone nominated Director McGehee for President and Director Spinks seconded the nomination. Director Stone then nominated Director Clanin for Vice President and Director Spinks seconded the nomination. Director Stone then nominated Director McGehee as the ACWA-JPIA Director with a second by Director Clanin. The above Board officer positions were unanimously approved by the Board.

On a motion by Director Clanin and a second by Director Huckell, it was unanimously decided that there would be no changes to the current organization of the Staff positions.

The current Board and Staff positions are as follows:

President of the Board: C. N. "Bud" McGehee
 Vice President of the Board: Alan E. Clanin
 General Manager and
 Secretary to the Board: Norman L. Hunt
 General Counsel: Ronald Van Blarcom
 District Engineers: Albert A. Webb Associates
 District Auditor: Jay Zercher of Rogers, Anderson, Malody and Scott
 Acting Secretary in the
 Absence of the Secretary: Karl B. Drew
 ACWA-JPIA Director: C. N. "Bud" McGehee

PINECREST WATER STORAGE EXPANSION PROJECT, PHASE I & II, PROGRESS

REPORT: Manager Hunt reported that Superior Tank is cutting, forming and shop priming the steel that will be used to construct the two water tanks. This work is being done at their facility. Work will resume at the tank site in April or May, 2006. Engineer Hanson reported that Superior Tank is in the process of finalizing the shop drawings for the tanks.

The District has made a partial payment of \$330,084 to Superior Tank for the site work that has been completed.

HEALTH BENEFITS AND RETIREMENT PROGRAMS: There was no discussion or action taken on this item.

URBAN WATER MANAGEMENT PLAN: Engineer Hanson reported that their office is working on the draft of the Urban Water Management Plan. The new format is taking more time than expected to incorporate into the plan.

RESOLUTION NO. 349, AMENDING SERVICE CONNECTION CHARGES: The Board reviewed the proposed resolution, which amends certain provisions of the District's Rules and Regulations pertaining to service connection charges. Section 3.1.2.3 of the District's Administrative Code would be changed to reflect increases to the new water service connection charges. The proposed charges are as follows:

New Service and 5/8" x 3/4" meter	\$2,800.00
New Service and 3/4" meter	\$2,905.00
New Service and 1" meter	\$3,010.00

The Service Connection Charges were last adjusted in September 1991 and the current charges no longer cover the District's actual costs. The new charges would go into effect March 20, 2006.

After discussion, on a motion by Director Stone and a second by Director Huckell, the Board adopted Resolution No. 349, amending the Service Connection Charges on the following roll call vote:

AYES: Directors McGehee, Huckell, Clanin, Spinks and Stone

NOES: None
ABSENT: None
ABSTAINED: None

MANAGER'S REPORT: Manager Hunt reported that the two trucks the Board had declared surplus have been sold for the following prices:

<u>Description</u>	<u>Min. Bid</u>	<u>Sale Price</u>
1991 Ford F150	\$2,300	\$3,205
1990 Ford F-350	\$2,855	\$3509

Manager Hunt also provided a memo to the Board discussing other charges that need to be adjusted to reflect the District's current costs. Some of the charges that need to be adjusted are the Non-Payment Charge, After-Hours Charge, Discontinuance of Service Charge, and the Delinquency and 48 Hour Notice Charge. These charges, as well as some other miscellaneous charges have not been adjusted for a number of years. These charges will be addressed at future meetings.

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

DIRECTORS' REPORT: There was a request to reschedule the next meeting from February 21 to February 28, 2006. The Board agreed to this change.

As there was no further business, the meeting was adjourned at 4:54 pm. The next Regular Meeting scheduled for Tuesday, February 21, 2006 will be held on February 28, 2006 at 3:00 pm.