

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

SEPTEMBER 18, 2007

President McGehee called the Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:00 pm, on Tuesday, September 18, 2007, 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, Attorney Bradley Neufeld, Engineer Fred Hanson, Field Supervisor Donald Wagner and Office Manager Karl Drew.

Also present was Steven Farrell.

MINUTES OF PREVIOUS MEETINGS: On a motion by Director Stone and a second by Director Spinks, the minutes of the Special Meeting of August 21, 2007 were unanimously approved as presented.

On a motion by Director Stone and a second by Director Clanin, the minutes of the Regular Meeting of August 21, 2007 were unanimously approved as presented.

PUBLIC COMMENTS: None.

EXECUTIVE SESSION - CONFERENCE WITH LABOR NEGOTIATORS: GENERAL MANAGER AND FUTURE GENERAL MANAGER: Pursuant to Government Code Section 54957.6 the Board entered into closed session at 3:02 pm to discuss employment agreements for the current General Manager, Norman Hunt and the future General Manager, Karl Drew. Attorney Neufeld was the agency designated representative. The Board returned to open session at 4:05 pm.

EMPLOYEMENT AGREEMENTS: GENERAL MANAGER AND FUTURE GENERAL MANAGER: On a motion by Director Stone and a second by Director Huckell, the Board unanimously approved the amended employment agreements for the current General Manager and the future General Manager.

LOT 938, TRACT 1835, TOLL HOUSE PATH: Manager Hunt discussed with the Board an offer from Milhem Kassouf to purchase Lot 938, Tract 1835 on Toll House Path for \$3,400. Mr. Kassouf had previously submitted a high bid to purchase Lot 937 for \$5,100. Mr. Kassouf had been unaware of the buried underground reservoir when he submitted his bid for Lot 937 and is now interested in purchasing both lots. The minimum bid for Lot 938 had been previously set at \$4,500.

On a motion by Director Spinks and a second by Director Clanin, the Board unanimously instructed Manager Hunt to make a counter offer of \$4,000 for Lot 938 to Mr. Kassouf.

PINECREST WATER STORAGE EXPANSION PROJECT: The Board of Directors reviewed a slide show of some photographs of the Pinecrest Tank site showing the paving of the site. Manager Hunt reported that the District's field crew had paved the site. Approximately \$25,000 had been spent on asphalt and District labor cost approximately \$6,000 for a total cost of about \$31,000. The cost to have a contractor do the job would have been about \$45,000.

CREST FOREST DRIVE MAIN: Manager Hunt reported that the County Inspector had approved the final paving that the District had done on the trench line on Crest Forest Drive and the District will not be required to do a paving overlay on this project. This is due to the excellent work that was done by the District's crew on this job and on past jobs. The District will save about \$20,000 by not having to do the overlay.

HYBRID POWERED SERVICE VEHICLE: Manager Hunt discussed with the Board an article from "Westways" magazine regarding hybrid vehicles. He asked the Board to consider the purchase of one Ford Escape AWD Hybrid for the purpose of evaluating the vehicle on a trial basis. There was considerable discussion regarding the Ford Escape Hybrid, the Toyota Highlander Hybrid and the Honda Element. There were concerns about the dependability of the hybrid vehicles and how the public would respond to the District purchasing these types of vehicles.

On a motion by Director Stone and a second by Director Clanin, the Board unanimously instructed staff to obtain bids for the Ford Escape AWD Hybrid, the Toyota Highlander AWD Hybrid and the Honda Element AWD and bring this item back to the Board for consideration at the next meeting.

MANAGER'S REPORT: None.

DIRECTORS' REPORT: None.

As there was no further business, the meeting was adjourned at 4:42 pm. The next meeting is scheduled for Tuesday, October 16, 2007 at 3:00 pm.