

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

JUNE 27, 2000

The Adjourned Regular Meeting of the Board of Directors of Crestline Village Water District was called to order by President Olson at 3:00 PM, on Tuesday, June 27, 2000, at the regular meeting place of said Board at its office in Crestline, California.

ROLL CALL: Present were President David Olson, Directors William Huckell, C. N. McGehee, William Valko and Alan Clanin. Staff members present were Attorney Ronald Van Blarcom, Engineer Fred Hanson and Office Manager Karl Drew. Absent were Manager/Secretary Norman L. Hunt and Field Supervisor Robert Jobe. Also present was Crestline resident Thom Walden.

MINUTES OF PREVIOUS MEETING: On a motion by Director McGehee and a second by Director Valko, the Board unanimously approved the minutes of the Regular Meeting of May 16, 2000 as corrected.

PUBLIC COMMENTS: Thom Walden addressed the Board of Directors. Mr. Walden lives within the District's boundaries and is also a Backflow Prevention Assembly Tester in San Bernardino County. Mr. Walden was removed from the District's approved list of testers. This list is supplied to customers that have backflow devices that need annual testing.

Mr. Walden addressed several questions and comments to the Board of Directors. These questions and comments were in regard to his feelings that the District is denying him the right to do business in the District and is denying him the right of free speech by denying him the right to express his opinions. He also alleged that the District has defamed his character by removing his name from the approved list of testers and by the negative comments that have been made to his former customers. He also stated that since he has a state contractors license, pursuant to the State Constitution and case law, the District is illegally disciplining him by denying him the right to conduct business within the District. He also claimed that there appears to be several irregularities in the District's Cross-Connection Control Program due to the alleged improper conduct by the person who coordinates the program, inconsistent enforcement and by not requiring backflow prevention devices for customers that have high copper levels in their household plumbing.

The Board asked Mr. Walden if he would submit his questions and comments in writing so that these items can be investigated before the next meeting. He agreed to do so.

REPORT ON MORMON SPRINGS VERTICAL WELL: Office Manager Drew reported that the well house had been constructed, the pump had been installed in the well and power was run to the site. The electrician is scheduled to be on the job next week to install the controls and to connect the electricity. After the well is running, further water sampling will need to be done so that the source assessment can be completed. Once the source assessment has been completed and accepted by the State Health Department, the well can be put online.

PROGRESS REPORT ON FUTURE WELL SITES: Due to the schedules of the consultants and the court trial in progress, Manager Hunt has been unable to meet with the consultants to review and discuss the best possible placement of the proposed new well.

REPORT ON NEW 1 MG CHAMOIS STORAGE FACILITY: Office Manager Drew reported that the contractor, Superior Tank, had begun construction of the tank shell. The tank will have two 8' rings and two 6' rings. The first two rings have been installed and the third ring is in place and is in the process of being welded. Work on the forth ring should begin next week.

2000 MAIN REPLACEMENT JOBS - DART CANYON ROAD, CREST FOREST DRIVE, AND FAULHORN/FIDEN COURT: Office Manager Drew reported that about a total of 4,500' of new mains have been installed this year. Dart Canyon Road, 2500', is complete except for final paving and 1 service that needs to be connected. Crest Forest Drive, 1300', has the mainline and fire hydrant installed, and needs pressure testing, chlorination, guard posts for the fire hydrant installed, and final paving to be completed. Faulhorn/Fiden Court, 750', has the mainline installed, and needs pressure testing, chlorination, and final paving to be completed. Engineer Hanson reported that the permit application for Highway 138 had been submitted to Cal Trans for their review and approval. He is expecting that the permit will be issued soon.

RESOLUTION NO. 319, DETERMINING THE APPROPRIATION LIMITATION FOR FISCAL YEAR 2000-2001: The Board reviewed the calculation that was used to set the amount for the proposed appropriation limitation for fiscal year 2000-2001 at \$671,180. The calculation uses the percent change in California per capita personal income and the percent change in population within the County of San Bernardino in determining the appropriation limitation. On a motion by Director McGehee and a second by Director Huckell, the Board adopted Resolution No. 319, determining the District's Appropriation Limitation for fiscal year 2000-2001 to be \$671,180, on the following roll call vote:

AYES: Directors Olson, McGehee, Huckell, Valko and Clanin

NOES: None

ABSENT: None

ABSTAINED: None

PROPOSED FLEXIBLE BENEFITS PROGRAM: Office Manager Drew reviewed with the Board a proposed resolution that would adopt a flexible benefits program that would allow eligible employees to have payroll deductions for medical and other insurance to be made from pre-tax earnings. This program will comply with Section 125 of the Internal Revenue Code and will provide a tax savings to the employees. Several employees have purchased supplemental health and life insurance from AFLAC and would like to have the payroll deductions for this insurance made with pre-tax earnings rather than after-tax earnings. The plan would be administered by AFLAC and there are no ongoing costs associated with the plan other than payroll costs for setting up the deductions. The District's auditing firm, Rogers, Anderson, Malody and Scott, has a similar plan, which is also administered by AFLAC. After some discussion, the Board asked that this item be tabled until next month so that they would have additional time to review the proposed resolution.

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION; PURSUANT TO SUBDIVISION (a) OF SECTION 54956.9; GABLE vs. COUNTY OF SAN BERNARDINO (San Bernardino Superior Court Case No. SCV 39629): The Board did not enter into closed session to discuss this item. The trial has begun and the Attorney Gokoo has requested that Manager Hunt attend each day of court.

MANAGER'S REPORT: Office Manager Drew mentioned the change to the agenda in the Manager's Report section. Categories for the Monthly Financial Reports and Monthly Water Production Reports have been added so that when the agenda is posted on the District's Internet site, a link can be made to the detailed information relating to these items. The District's Internet address is <http://cvwater.eee.org>.

DIRECTOR'S REPORT: None.

As there was no further business, the meeting was adjourned at 4:05 PM. The next Regular Meeting is scheduled for Tuesday, July 18, 2000 at 3:00 PM.