

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

OCTOBER 20, 2015

CALL TO ORDER AND FLAG SALUTE: President Davis called the Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:00 pm, on Tuesday, October 20, 2015, at the regular meeting place of said Board at its office in Crestline, California.

ROLL CALL: Present were President Darel Davis, Alan Clanin, Steven Farrell, Kenneth Stone and Connie Bracher.

Staff members present were General Manager Karl B. Drew, Engineer Wally Franz, Attorney Ronald Van Blarcom, Field Supervisor Chris Heryford and Office Manager Larrie Davis.

Also present were Jennifer Spindler and Stephen Pleasant.

MINUTES OF PREVIOUS MEETING: On a motion by Director Stone and a second by Director Clanin, the minutes of the Regular Meeting of September 15, 2015 and were unanimously approved as corrected.

CASH DISBURSEMENTS: The Board reviewed the cash disbursements for the month of September 2015. On a motion by Director Clanin and a second by Director Stone the cash disbursements for the month of September 2015 were unanimously approved.

PUBLIC COMMENTS: Assistant General Manager, Crestline-Lake Arrowhead Water Agency, Jennifer Spindler and Director, Crestline-Lake Arrowhead Water Agency, Stephen Pleasant introduced themselves.

REPORT ON ZURICH II & III TANK PROJECTS: Manager Drew reported the District is waiting for State Water Resources Control Board approval to place the Zurich III tank into service. Once approval is received, the Zurich II tank will be drained for the 1 year inspection and to determine the cause of the taste and odor issue.

REPORT ON VALLE AND ELECTRA WELL PROJECTS: Engineer Franz reported the biological reports are back and the District can now proceed. Manager Drew reported the Notice of Exemptions, for each well is now ready to file with the County Clerk. Board approval is not required to file the Exemptions.

REPORT ON LAKEVIEW MAIN RELOCATION PROJECT AND STATUS OF EASEMENT DOCUMENTS: Manager Drew reported the necessary easement documents are together but not yet signed by property owners. The District will obtain the necessary signatures over the coming winter months. The construction work will begin in the spring of 2016. The District is considering the possibility of assisting property owners with meter conversions to the new locations. Total project is estimated to be complete within 2-3 months of construction start.

CONSIDER HEALTH BENEFIT PREMIUMS AND ADJUSTMENT TO MAXIMUM MONTHLY HEALTH BENEFIT: Director Davis recused himself from the discussion of this agenda item due to a personal interest in the outcome.

Manager Drew reviewed with the Board the ACWA Health Benefit premiums going into effect January 1, 2016. The average health premium will decrease an average of 1.05%. On a motion by Director Clanin and a second by Director Stone, a 0.53% decrease in the maximum monthly health benefits paid by the District, effective January 1, 2016, was approved on the following vote:

AYES:	Directors Stone, Clanin, Farrell, and Bracher
NOES:	None
ABSENT:	None
ABSTAINED:	Director Davis

The maximum monthly health benefit will decrease from \$1,429 per month per employee to \$1,411 at a total annual savings to the District of approximately \$1,469.

REVIEW AGREEMENT WITH RON VAN BLARCOM FOR GENERAL COUNSEL SERVICES: The Board reviewed the current agreement with Attorney Ronald Van Blarcom for general counsel services. The agreement is for a prepaid retainer of \$2,000 per month for up to 10 hours of provided service, plus a rate of \$250 for every hour in excess of the 10 hours per month. The agreement has worked well for everyone. On a motion by Director Farrell and a second by Director Bracher, the Board unanimously approved the continuance of the agreement with Attorney Van Blarcom for an additional year.

CONSIDER CHANGES TO ON-CALL PROCEDURES: Manager Drew provided the Board with background on the District's on-call procedures and the elimination of 2nd call. Recently two employees have moved; one to Hesperia and one to Running Springs. In the best interest of the District, Manager Drew is looking at reinstating 2nd call. It may also be necessary to shorten response time from 30 minutes to 20 minutes. Manager Drew will bring this item back to the Board next month for additional discussion.

Director Farrell would like the District to re-visit mutual aid within the mountain area. With the expected El Nino this winter it would be wise for the District to have a mutual aid policy in effect.

REVIEW DISTRICT'S DEPRECIATION SCHEDULE, AGE AND COST: Manager Drew provided the Board with a current asset schedule. Director Bracher requested additional time to review the schedule. This item will be brought back to the Board next month.

UPDATE ON SMART UTILITY SYSTEMS AND PACE PAYMENT SYSTEMS: Manager Drew reported the Document of Understanding will soon be approved by District personnel.

UPDATE ON REQUEST TO SERVE WATER TO DART CANYON RESIDENTS:

Crestline-Lake Arrowhead Water Agency (CLAWA) responded to Manager Drew's letter regarding providing water to the residents of Dart Canyon. If there is a health and safety issue the District could serve water and notify CLAWA. There have been no further inquiries to serve water.

REPORT ON OBTAINING DISTRICT GRANTS: Director Farrell reported that Penny Shubnell has been out of town so he has been unable to obtain any further information. This item will be placed on next month's agenda.

DISCUSS TRANSITION OPTIONS FOR REPLACING GENERAL MANAGER:

Manager Drew does not have anything prepared at this point and requested input from the Board on how they would like to proceed. Director Stone would like to see the District move forward in hiring an Assistant Manager to train. Director Farrell would like to see the job requirements/description of the General Manager.

RECONSIDER AGENDA ITEM NUMBER 4; HEALTH BENEFIT PREMIUMS AND ADJUSTMENT TO MAXIMUM MONTHLY HEALTH BENEFIT:

Director Davis recused himself from the discussion of this agenda item due to a personal interest in the outcome. On a motion by Director Farrell and second by Director Clanin the Board approved reconsidering Agenda Item No. 4; Consider Health Benefit Premiums and Adjustment to Maximum Monthly Health on the following vote:

AYES:	Directors Stone, Clanin, Farrell, and Bracher
NOES:	None
ABSENT:	None
ABSTAINED:	Director Davis

There was discussion regarding the decrease in the District paid health benefit amount. Director Clanin stated as much as he feels for the employee, he does not want to jeopardize past practices. Director Stone stated that past practices were to split the increase in health benefits with the employee and the employees should now share in the decrease in health benefits. The District needs to remain consistent.

On a motion by Director Stone and a second by Director Bracher, a 0.53% decrease in the maximum monthly health benefits paid by the District, effective January 1, 2016, was approved on the following vote:

AYES:	Directors Stone, Clanin, and Bracher
NOES:	Director Farrell
ABSENT:	None
ABSTAINED:	Director Davis

The maximum monthly health benefit will decrease from \$1,429 per month per employee to \$1,411 at a total annual savings to the District of approximately \$1,469.

REPORTS ON MEETINGS REGARDING POTENTIAL MOUNTAIN COMMUNITIES INCORPORATION: Office Manager Davis submitted a written report from the Lake

Arrowhead Community Republican Women Federated, "Mountain Communities" Incorporation meeting held on September 24, 2015. Director Farrell also attended. There was general discussion about the topics presented at the meeting

Manager Drew and Director Farrell attended a Joint MAC Meeting held at Rim of the World High School on October 14, 2015. The LAFCO Preliminary Feasibility Study of Rim of the World Incorporation was presented. There was general discussion about the feasibility study.

REPORT ON CALIFORNIA SPECIAL DISTRICTS ASSOCIATION,

"UNDERSTANDING THE BROWN ACT, SEPTEMBER 28, 2015, APPLE VALLEY, CA:

Director Bracher and Director Clanin submitted their written reports from their attendance of California Special District's seminar on "Understanding the Brown Act". There was general discussion about the Brown Act.

MANAGER'S REPORT: Manager Drew reported Albert A. Webb and Associates have again invited Directors attending the ACWA Conference in December to their dinner on Wednesday night of the conference. Board Members planning on attending the conference were requested to provide Manager Drew with their reservation information by November 13, 2015.

Manager Drew and Office Manager Davis attended an annual review of the District's Other Post Employment Benefits with the Public Agency Retirement Services.

Manager Drew announced that Director Farrell has been elected to the ACWA Region 9 Board. His term will begin on January 1, 2016. Congratulations were offered.

As there was no further business to discuss, the meeting was adjourned at 5:28 pm.

The next meeting is scheduled for Tuesday, November 17, 2015 at 3:00 pm.