

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

AUGUST 28, 2012

CALL TO ORDER AND FLAG SALUTE: President Farrell called the Adjourned Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:05 pm, on Tuesday, August 28, 2012, at the regular meeting place of said Board at its office in Crestline, California.

ROLL CALL: Present were President Steven Farrell, Directors William Huckell, Kenneth Stone and Darel Davis.

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

Absent were Director Rosemarie Wiegand and Attorney Ronald Van Blarcom.

MINUTES OF PREVIOUS MEETING: On a motion by Director Stone and a second by Director Huckell, the minutes of the Regular Meeting of July 17, 2012 were unanimously approved.

CASH DISBURSEMENTS: The Board reviewed the cash disbursements for the month of July 2012. On a motion by Director Stone and a second by Director Davis, the cash disbursements for July 2012 were unanimously approved.

PUBLIC COMMENTS: None.

UPDATE ON 2011 URBAN WATER MANAGEMENT PLAN (UWMP): Manager Drew sent the draft Urban Management Plan to Attorney Van Blarcom for markup. Manager Drew is working on integrating Director Farrell's and Davis' comments into the draft UWMP. Director Huckell would like to see the UWMP adopted as is and fine tune the Plan prior to the next adoption in 2015.

Manager Drew stated he will have the UWMP ready for the Directors at the September 18th Board Meeting.

Director Stone thanked Directors Farrell and Davis for all the work they did on the UWMP.

CONSIDER ATTENDANCE OF ACWA/ACWA-JPIA CONFERENCE, DECEMBER 3-7, 2012; SAN DIEGO, CA: The ACWA/JPIA Fall Conference is scheduled to be held the week of December 3, 2012 in San Diego, California. Director Davis and Director Farrell expressed an interest in attending. On a motion by Director Davis and a second by Director Huckell, the Board unanimously approved the attendance of this conference for the General Manager and any directors wishing to attend.

DISCUSS PROPOSED MISSION STATEMENT: Manager Drew proposed the District adopt "To provide our community with a reliable water system that delivers high quality water for its health and safety needs" as its Mission Statement. Manager Drew explained that community encompasses residents, businesses and visitors of our service area. On a motion by Director Stone and a second by Director Davis, the Board unanimously approved the District Mission Statement of "To provide our community with a reliable water system that delivers high quality water for its health and safety needs".

MANAGER'S REPORT: Manager Drew reminded the Board of several properties that were declared surplus in 2007. At that time there were offers made and accepted on five of the eight properties. Manager Drew informed the Board, that after contacting Attorney Van Blarcom he will correspond with adjacent properties in an effort to sell the remaining surplus properties.

Manager Drew informed the Board that Michael Bracher of Independent Geo-Environment Consultants has completed Phase I of the groundwater resources evaluation and is in the process of writing his report. It appears that the District property on Valle Drive looks to be the most promising. The property owned by the Adams Trust on North Road looks as though it may have uranium issues. It is hoped that the report will be available for the September Board Meeting.

Manager Drew informed the Board that the office Xerox machine is a lease and that the lease will be up in December. Manager Drew is looking at several options including purchasing the existing machine, leasing a new machine or buying a new machine.

Manager Drew has been in contact with the representative who located the cell tower site at Brookside for T-Mobile. The representative informed Manager Drew that there is an independent company interested in the site. The District is unable to proceed with negotiations with another company until T-Mobile's option has expired or they release their option to the District.

Captain Ells from the Twin Peaks Sheriff Station contacted Manager Drew in response to the letter he received requesting additional emergency service passes for District employees. Captain Ells was unwilling to provide the District with additional passes but did offer a few suggestions on how to obtain additional passes at the time of an emergency.

Manager Drew and Supervisor Heryford attended a tabletop MAST operational meeting. The meeting allowed for discussion amongst other utilities and was very informative.

Manager Drew informed the Board that during the most recent audit the auditors were concerned about two personal charges made on the District credit card. These charges were reimbursed by Manager Drew at the time they occurred and there was no intent to defraud the District.

Manager Drew informed the Board that the District is currently undergoing, with the help of Southern California, efficiency testing on its well and booster pumps. Supervisor Heryford has contacted an electrician about installing a generator with a three phase

converter. This would provide the District with four generators, which should be sufficient in an emergency.

DIRECTORS' REPORT: Director Huckell requested that the Public Agency Retirement Services (PARS) statement be included in the Board package. Manager Drew agreed to include the statement in the agenda package at least quarterly.

FUTURE AGENDA ITEMS: Director Stone reported on a situation at Crestline Sanitation District where a Board Director is not paying their sewer bill when due, but letting the sewer fees go to the County Tax Collector for collection. Director Stone would like a discussion on the District's policy of delinquent Directors.

Director Stone has a conflict with the October 16, 2012 Board Meeting date and would like the Board to consider moving the meeting to October 23, 2012. This item will be placed on the September 2012 agenda.

As there was no further business to discuss, the meeting was adjourned at 4:12pm. The next meeting is scheduled for Tuesday, September 18, 2012 at 3:00 pm.