

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

OCTOBER 23, 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 3:03 pm, on Tuesday, October 23, 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, Darel Davis and Rosemarie Wiegand.

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

Also present was Ed Adams.

MINUTES OF PREVIOUS MEETING: On a motion by Director Stone and a second by Director Davis, the minutes of the Regular Meeting of September 18, 2012 were unanimously approved as submitted.

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

PUBLIC COMMENTS: Ed Adams introduced himself to the Board. He is one of the family members that has an interest in the property where the District is researching putting a well site.

REPORT ON HYDROLOGICAL CONDITIONS AND POSSIBLE WELL SITE

LOCATIONS: Manager Drew reviewed a report from Independent Geo-Environmental Consultants which reported on the hydrological conditions and possible well sites on District property on Basel Drive and on the Adams Trust Property. The report indicates that there are two well sites, one on each of the two properties which have the potential of being good producing wells. The Board instructed staff to proceed with getting approvals and cost estimates necessary for drilling test wells at these locations.

LETTER OF RESIGNATION FROM ROSEMARIE WIEGAND: Director Wiegand discussed her letter of resignation with the Board. She is resigning effective the end of today's meeting. She has bought property outside of the District and has made it her primary residence. The Board expressed their appreciation for Director Wiegand's service to the District and the community.

On a motion by Director Stone and a second by Director Davis, the Board declared a vacancy on the Board of Directors and instructed General Manger Drew to post the required notices for the vacancy. The Board would like to receive letters of interest

from community members so that a new Board member can be appointed at the November Board meeting.

AGREEMENT 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 Stone and a second by Director Davis, the Board unanimously approved the continuance of the agreement with Attorney Van Blarcom.

XEROX COLOR COPIER LEASE: The lease for the District's current copier expires in December. The Board reviewed several proposals for the replacement of the copier. The best option is the 5 year lease of a new Xerox WC 7545PT copier at \$225 per month. Service and copy supplies, excluding paper, are charged on a per copy basis of \$.0051 for black and white copies and \$.0505 for color copies. On a motion by Director Davis and a second by Director Wiegand, the Board unanimously approved the lease of the Xerox WC 7545PT copier.

DIRECTOR IN GOOD STANDING POLICY: The Board reviewed a list of different governmental regulations pertaining to members of the Board of Directors. After further discussion, the Board agreed that there are sufficient regulations in place that pertain to board member conduct that the District does not need to adopt its own policy at this time.

CONSIDER INCREASE IN 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 increase in ACWA Health Benefit premiums, effective January 1, 2013. The average health premium will increase an average of 4.75%. On a motion by Director Stone and a second by Director Wiegand, a 2.37% increase in the maximum monthly health benefits paid by the District, effective January 1, 2013, was approved. Director Davis abstained from the voting. The employees will pay the other 50% of the increase, or 2.37%. The maximum monthly health benefit will increase from \$1,306 per month per employee to \$1,337 at a total additional annual cost to the District of approximately \$4,407.

UPDATE ON 2011 URBAN WATER MANAGEMENT PLAN: While Engineer Franz was incorporating the District's comments into the draft plan, he realized that there was additional cleanup work that was needed. He will have the draft Urban Water Management Plan to the Board prior to the November Board meeting for board review.

CONSIDER RESCHEDULING NOVEMBER 20, 2012 BOARD MEETING: There was no need to reschedule the November meeting date.

MANAGER'S REPORT: The Board reviewed the monthly Financial and Water Production Reports.

DIRECTORS' REPORT: The Board again expressed their thanks and appreciation to Director Wiegand for her service to the District and community.

FUTURE AGENDA ITEMS: There were no requests for future agenda items from Board members.

As there was no further business to discuss, the meeting was adjourned at 5:01 pm. The next meeting is scheduled for Tuesday, November 20, 2012 at 3:00 pm.