

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

JANUARY 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 3:04 pm, on Tuesday, January 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 and Connie Bracher. Kenneth Stone was absent from the meeting.

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.

MINUTES OF PREVIOUS MEETING: On a motion by Director Clanin and a second by Director Farrell, the minutes of the Regular Meeting of November 18, 2014 and were unanimously approved.

CASH DISBURSEMENTS: The Board reviewed the cash disbursements for the months of November 2014 and December 2014. On a motion by Director Farrell and a second by Director Bracher the cash disbursements for the months of November 2014 and December 2014 were unanimously approved.

PUBLIC COMMENTS: None.

EMPLOYEE RECOGNITION FOR 30 YEARS OF SERVICE, CHRIS HERYFORD: The Board presented Field Supervisor Chris Heryford with a framed certificate acknowledging Chris' 30 years of service with the District.

REPORT ON ZURICH II TANK SITE: Manager Drew reported the new Zurich II Tank is now in use. The contract with Speiss Construction has not been finalized as there is still a list of items that need to be completed. Manager Drew provided a slide presentation of the work that needs to be completed. The work includes fixing the ring wall that was chipped, the drain is not centered over the drain box, bolts need to be placed in the cathodic protection hand holds, and inserting the bottom bracket on the safety climb.

REPORT ON ZURICH III TANK PROJECT: Bid specifications were sent out to a select group of contractors. District personnel will do more of the work themselves on this tank project. The pre-bid walk is scheduled for January 29, 2015 with the bid opening scheduled for February 10, 2015. Zurich III is identical to Zurich II, just flipped. Once Zurich I have been demolished soil testing and compaction testing will begin. Albert Webb & Associate estimates the cost of Zurich II will be around \$430,000 - \$450,000.

REPORT ON WELL PROJECTS: Manager Drew continues to work with Independent Geo-Environmental Consultants locating possible well sites. There are two potential sites; one is Valle Vertical and the other Electra Vertical. To date Albert Webb Associates has not been able to find anyone to give a quote on the proposed Valle "slant" well. Manager Drew recommends proceeding with a vertical well and coming back to the slant well at a later date.

Attorney Van Blarcom reported on the legality of the existing contract between the District and Independent Geo-Environmental Consultants, owned by Michal Bracher, the spouse of Director Connie Bracher. Because Independent Geo-Environmental Consultants has been providing services under the contract with the District for more than five years prior to the beginning of Director Bracher's term, her interest in the contract is considered "remote" and the contract remains valid. However, Director Bracher must recuse herself, and not take part in any future decisions involving the Independent Geo-Environmental Consultants contract.

ANNUAL REVIEW OF INVEST POLICY: Manager Drew explained that the Investment Policy is to be reviewed by the Board annually. Currently the District only invests in the State of California Local Agency Investment Fund (LAIF) which diversifies their investments. He recommended that no changes be made to the Investment Policy. On a motion by Director Farrell and a second by Director Clanin, the Board unanimously approved the Investment Policy with no change.

REPORT ON ATTENDANCE OF ACWA AND ACWA/JPIA FALL CONFERENCE, WEEK OF DECEMBER 1-5, 2014, SAN DIEGO, CA: Manager Drew, Director Davis and Director Farrell submitted their written reports from the 2014 ACWA Fall Conference in San Diego, CA. There was general discussion about the topics presented at the conferences.

CONSIDER CHANGE OF DATE FOR THE FEBRUARY 17, 2015 BOARD MEETING: Manager Drew will be out of the country for the February 17, 2015 board meeting. Other possible dates were discussed. Director Bracher requested that in the future alternate dates be included in the agenda package. No action was taken on this item.

MANAGER'S REPORT: Manager Drew reported on new legislation that went into effect January 1st involving termination of service. A ten day notice is now required for water users at single family residences and not just users at multiple unit residences. The notice must also be printed in six languages.

Attorney Van Blarcom is working with Albert Webb and Associate on Department of Industrial Wage's new bidding laws for prevailing wages on public works projects. The contractor must now be registered and reporting wages electronically.

Manager Drew announced that the District received the "President's Special Recognition Award for ACWA/JPIA for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums" in the Property Program for the period 04/01/10 through 03/31/13.

FUTURE AGENDA ITEMS: Director Farrell suggested the Board may want to change the date of the March meeting if the February meeting ends up being changed.

As there was no further business to discuss, the meeting was adjourned at 4:45 pm.

The next meeting is scheduled for Tuesday, February 17, 2014 at 3:00 pm.