

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

APRIL 21, 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, April 21, 2015, at the regular meeting place of said Board at its office in Crestline, California.

ROLL CALL: Present were President Darel Davis, Directors 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.

Absent was Director Alan Clanin.

MINUTES OF PREVIOUS MEETING: On a motion by Director Stone and a second by Director Farrell, the Board that was present unanimously approved the minutes of the Regular Meeting of March 17, 2015, as corrected.

CASH DISBURSEMENTS: The Board reviewed the cash disbursements for the month of March 2015. On a motion by Director Stone and a second by Director Bracher, the Board that was present unanimously approved the cash disbursements for the month of March 2015.

PUBLIC COMMENTS: None.

REPORT ON DEMOLITION OF ZURICH I TANK: Manager Drew reported to the Board that the demolition of the Zurich I tank is complete. The oil sand and the steel have been removed from the site.

REPORT ON PROGRESS OF ZURICH III TANK: Manager Drew reported the Zurich III tank site has been over-excavated by seven feet; soil has been tested and re-compacted. The sub-contractor is scheduled to begin work at the tank site the week of April 27, 2015.

REPORT ON LAKEVIEW MAIN RELOCATION: Manager Drew presented the Board with a map of the proposed relocation of the Lakeview main. Manager Drew reported Brad Brier is currently completing the survey work and preparing the necessary easement documents for the property owners affected by the main relocation. Relocating the main will provide better water pressure, fire flow and water quality. Work should begin by the end of May.

REVIEW AND ADOPT CASH BUDGET FOR FISCAL YEAR 2015/16: The overall budget is very similar to the preliminary budget that was presented at the March 2015

board meeting. Purchased water was increased. The budgeted figure for 2015-16 is \$400,000 but the District is expecting to spend about \$500,500. The difference will be taken from the Reserve for Purchased Water. Discretionary Appropriations are budgeted at \$1,121,000 which includes the Lakeview Main relocation, completion of Zurich III Tank, development of two new wells, telemetry equipment upgrade, new billing software, and office facility improvements.

On a motion by Director Stone and a second by Director Bracher, the Board that was present unanimously approved the cash budget as presented for the fiscal year 2015-2016.

Director Bracher would like to see the overages to budgeted items approved by the Board, prior to spending, as the Board is responsible for expenditures. Attorney Van Blarcom led a general discussion on the topic. This item will be placed on next month's agenda.

ADOPT RESOLUTION NO. 420, ESTABLISHING WATER AVAILABILITY

ASSESSMENT FOR FISCAL YEAR: Attorney Van Blarcom discussed the proposed resolution with the Board. There is no change in the amounts of the proposed assessments from prior years.

On a motion by Director Stone and a second by Director Farrell, the Board adopted Resolution No. 420, establishing the water availability assessment for fiscal year 2015-16 at Thirty Dollars (\$30.00) per acre for the first acre or portion thereof plus Fifteen Dollars (\$15.00) per acre over one acre for all unimproved property, or Fifteen Dollars (\$15.00) per acre for the first acre or portion thereof plus Fifteen Dollars (\$15.00) per acre over one acre for all improved property within the District, on the following roll call vote:

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

DISCUSS WATER CONSERVATION AND CONSIDER ADOPTION OF RESOLUTION NO. 421, EXPANDING WATER CONSERVATION ORDINANCES: Manager Drew reported that the State Office of Administrative Law approved the State Water Board's Emergency Regulation for Urban Water Conservation. A copy of the Emergency Regulation for extended and expanded water use restrictions was reviewed.

On a motion by Director Stone and a second by Director Bracher, the Board adopted Resolution No. 421, amending the District's water conservation program to include temporary restrictions established by the State Water Resources Control Board, on the following roll call vote:

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

Manager Drew reviewed with the Board the Governor's April 1, 2015 Executive Order and State Water Resources Control Board, proposed emergency regulations requiring water conservation to achieve 25% reduction statewide. There was general discussion on the emergency regulations and District plans for meeting the reduction requirements.

Director Farrell would like to see a profile of the District's excessive water consumption users and accounts.

REVIEW UNCOLLECTIBLE ACCOUNTS FROM 2009: Manager Drew discussed with the Board the accounts that have balances older than five years. He requested that the Board write off the balances for 19 closed accounts totaling \$150.26. The total amount of \$150.26 represents less than approximately 0.00006% of the water sales in 2009. On a motion by Director Stone and a second by Director Bracher, the Board that was present unanimously approved the writing off of the unpaid balances of \$150.26 from 2009.

REPORTS ON CALIFORNIA WATER POLICY CONFERENCE 24, MARCH 19 AND 20, 2015; CLAREMONT MCKENNA COLLEGE: Manager Drew and Director Farrell provided oral reports of their attendance of the California Water Policy Conference 24 on March 19 and March 20, 2015. There was general discussion relating to their reports.

MANAGER'S REPORT: Manager Drew reported on the San Juan Capistrano's law suit challenging their tiered rate structure under Proposition 218. Tiered rates are acceptable as long as they can be supported. The District's tiered rates were established prior to Proposition 218 and are based on the additional cost of imported water. Any adjustments to the tiered rates in the future will be subject to the Proposition 218 requirements.

FUTURE AGENDA ITEMS: Personnel Salary and Benefit Survey, General Manager's Performance Evaluation, and Board Approval of Budget Overages.

As there was no further business to discuss, the meeting was adjourned at 5:05 pm.

The next meeting is scheduled for Tuesday, May 19, 2015 at 3:00 pm.