

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

SEPTEMBER 18, 2001

President Olson called the Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:05 PM, on Tuesday, September 18, 2001, at the regular meeting place of said Board at its office in Crestline, California.

At the request of Director McGehee, the Board observed a moment of silence in memory of the victims of the September 11, 2001 terrorist attacks in New York and Washington DC.

ROLL CALL: Present were President David Olson, Directors C. N. McGehee, William Huckell, William Valko and Alan Clanin. Staff members present were Manager/Secretary Norman L. Hunt, Attorney Ronald Van Blarcom, Engineer Fred Hanson, Field Supervisor Robert Jobe and Office Manager Karl Drew. Also present were Mark Bulot and Mike Bracher of Independent Geo-Environmental Consultants, and Jay Zercher from Rogers, Anderson, Malody and Scott.

MINUTES OF PREVIOUS MEETING: On a motion by Director McGehee and a second by Director Valko, the Board unanimously approved the minutes of the Regular Meeting of August 21, 2001 as corrected.

PUBLIC COMMENTS: None.

PROGRESS REPORT ON FUTURE WELL SITES: Mark Bulot and Mike Bracher, of Independent Geo-Environmental Consultants reported to the Board about four potential well sites in the Pinecrest area. They feel that due to the geology of the area, there are several areas that could be good water producing sites. There is one potential site near the Pinecrest tank site, one near the new Chamois tank site and two located in the area between the tanks. The consultants have not had an opportunity to map the fractures zones on a map of the area that shows the topographical features. The District has just provided them with new maps that will make the mapping more accurate. It would cost the District an estimated \$1,000 per site to have each site mapped and ranked according to its potential as a well site. This work would be completed by the next regular Board meeting. On a motion by Director McGehee and a second by Director Valko, the Board unanimously authorized the consultants to proceed with the mapping and ranking of the four sites.

Manager Hunt reported that he has not had a response from his letter or messages that he has left for the McMahons.

PRESENTATION OF AUDIT REPORT FOR FISCAL YEAR ENDING APRIL 30, 2001: Jay Zercher, the District's auditor, presented the audit report for the fiscal year ending April 30, 2001 to the Board. The audit report conforms to the new requirements of the Governmental Accounting Standards Board Statement Number 34 (GASB 34) and is the first audit report from the firm of Rogers, Anderson, Malody and Scott to conform to this statement. GASB 34 attempts to standardize the financial statements for all cities, counties and special districts across

the nation, so that they can be compared on an equal basis. As a result of conforming to GASB 34, there are some changes in the language and terminology in the report.

The audit report received an unqualified opinion from the auditor that the financial statements fairly present the financial position of the District. Mr. Zercher reviewed and discussed the financial statements with the Board. The District is in a good financial condition, although the cash in the Local Agency Investment Fund (LAIF) and the Income Before Contributions (Net Income) is less than prior years. The District has not had a water rate increase since 1993 and increased Purchased Water costs and other increased costs have resulted in a lower net income. This, in addition to the amount spent on capital improvements during the past year has resulted in a lower amount of cash in LAIF.

2001 MAIN REPLACEMENT JOBS –BALSAM/ SYCAMORE DRIVES AND RIDGE

PLACE: Manager Hunt and Field Supervisor Jobe discussed the process of obtaining bids for the final paving of Balsam and Sycamore Drives. The District needs to obtain 3 bids for this paving job since the County is participating in the joint paving of these streets. The District wants to complete the paving of these streets by the middle of October. Field Supervisor Jobe also reported that the 150' of mainline on Ridge Place would be installed this year if time permits.

LAKEVIEW TANK SITE, CUT SLOPE REPAIR AND SITE REHABILITATION: Manager Hunt reported that work was progressing on building a retaining wall at the Lakeview tank site. He is coordinating with the neighbor to correct the drainage problem so that the slope does not fail again.

TELEMETRY PROPOSALS: Field Supervisor Jobe reviewed with the Board, a memorandum that addressed some concerns that the Board had about the telemetry proposal from Agricast. The proposal from Agricast is to replace the telemetry equipment at 13 sites for a cost of \$20,624. The proposal does not include the cost of the computers needed to run the system. After some discussion, the Board, on a motion by Director Huckell and a second by Director McGehee, unanimously approved the replacement of the District's existing telemetry system with a system from Agricast for a cost not to exceed \$25,000.

BROOKSIDE TANK: Manager Hunt reported that the fire retardant that was dropped on the Brookside Tank has etched the exterior paint and the exterior of the tank needs to be washed down, sanded and repainted with a new finish coat. Manager Hunt has received a proposal from Joe Colon to do the necessary work for \$7,900. The total amount to repaint the tank, plus the inspection costs is estimated to be about \$9,000.

A claim will be filed with ACWA-JPIA for the cost of repairing the tank. The District's deductible is \$5,000.

SALE OF 1995 FORD F150 4X4 PICKUP: Manager Hunt reported that the 1995 Ford F150 4x4 Pickup had been sold to Office Manager Drew for \$4,885. This is the current low Kelley Blue Book value for this vehicle. The vehicle had been previously advertised and no bids were received during the period set to receive bids. After the close of the bid period, the District received one offer of \$3,250 for the vehicle. On a motion by Director McGehee and a second by Director Huckell, the Board unanimously approved the sale of the vehicle for \$4,885.

ACWA-JPIA AND ACWA CONFERENCE, NOVEMBER 26-30, IN SAN DIEGO: Director McGehee will be attending the ACWA-JPIA conference and Director Huckell would like to attend the ACWA conference. On a motion by Director Clanin and a second by Director Valko, the Board unanimously approved the attendance of Directors McGehee and Huckell at the conferences in San Diego.

MANAGER'S REPORT: There was a brief discussion regarding the monthly financial and water production reports.

DIRECTORS' REPORT: The Board discussed the possibility of changing the dates of the October and November Board meetings. At this time, there were no scheduling conflicts and no change was made to the dates of these meetings.

As there was no further business, the meeting was adjourned at 5:35 PM. The next Regular Meeting is scheduled for Tuesday, October 16, 2001 at 3:00 PM.