

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

DECEMBER 20, 2016

CALL TO ORDER AND FLAG SALUTE: Vice President Bracher called the Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:00 pm, on Tuesday, December 20, 2016, at the regular meeting place of said Board at its office in Crestline, California.

ROLL CALL: Present were Vice President Connie Bracher, Directors Steven Farrell, and Kenneth Stone.

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

Absent was Director Darel Davis.

Gail Fry from The Alpenhorn News arrived at approximately 3:20 pm.

MINUTES OF PREVIOUS MEETING: On a motion by Director Farrell and a second by Director Stone, the minutes of the Regular Meeting of October 18, 2016 were unanimously approved as written, by those Directors present.

On a motion by Director Farrell and a second by Director Stone, the minutes of the Regular Meeting of November 8, 2016 were unanimously approved as written, by those Directors present.

CASH DISBURSEMENTS: The Board reviewed the cash disbursements for the month of December 2016. On a motion by Director Stone and a second by Director Farrell the cash disbursements for the month of November 2016 were unanimously approved, by those Directors present.

PUBLIC HEARING; PROPOSED WATER RATE INCREASE: Vice President Bracher opened the public hearing on the proposed increase to the monthly minimum charge to the District's water rate at 3:05 pm. There were no members of the public present at the hearing. Manager Drew provided a general presentation highlighting the following documents which constitute the record of proceedings upon which the Boards' decision will be based.

- Notice and Publication Documents
- Written Protests
- PowerPoint presentation
- October 2016 Financial Forecast and Water Rate Study
- Written protests received.

McCance, Gloria; Account No. 91-9005-00; 566 Electra Dr.

Kolander, Kiona; Account No. 08-4460-00; 23453 Kay Road
Santo, Sharon; Account No. 32-9150-00; 23996 Wildwood Lane
Buchanan, Sherie; Account No. 63-1555-00; 433 Darfo Dr.
Reedy, William; Account No. 32-9816-00; 23910 Pioneer Camp Road

There was general discussion about the protest letters and Directors were particularly sympathetic of low income and fixed income customers.

Vice President Bracher closed the public hearing at 3:13 pm.

PUBLIC COMMENTS: None

RESOLUTION NO. 430, ADOPTING NEW WATER RATE SCHEDULE: Manager Drew reviewed the proposed resolution with the Board. The resolution increases the Monthly Charge for all meter sizes by \$8.00 per month.

Section 1. The following water rate schedule is hereby set for the Crestline Village Water District:

Water Rate Schedule

Water Conservation Program - Phase I general conservation measures in effect

Monthly Minimum Charge:

5/8 X 3/4 inch meter	\$25.50*
3/4 inch meter	26.50
1 inch meter	27.50
1 inch meter (Residential fire service)	29.75
1-1/2 inch meter	31.50
2 inch meter	36.50
3 inch meter	42.50
4 inch meter	65.50

* 5/8 X 3/4 inch meter is standard for most residential accounts.

Quantity Rates:

Basic Allocation - 0 to 1300 cubic feet	\$4.20 per 100 cubic ft
Quantity in excess of 1300 cubic feet	\$6.30 per 100 cubic ft

Water Rate Schedule - Commercial Fire Services: Commercial Fire Services have detector check meters to detect any water that passes through the fire service water line. The detector check meter is a 5/8 X 3/4 inch meter.

Monthly Minimum Charge:

5/8 X 3/4 inch meter	\$29.00
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Quantity Rates:

Basic Allocation	\$4.20 per 100 cubic ft
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Section 2. Exemption from the California Environmental Quality Act. The Board of Directors finds that the imposition of rates and charges pursuant to this Resolution No. 430 is exempt from the provisions of the California Environmental Quality Act (CEQA) since the rates and other charges have been imposed for the purposes of meeting operating expenses, purchasing or leasing supplies, equipment or materials, meeting financial reserve needs and requirements, and obtaining funds for capital projects necessary to maintain service within existing service areas, and, additionally, since the imposition of these rates and charges constitutes the creation of government funding mechanisms which do not involve commitment to any specific project which may result in a potentially significant physical impact on the environment or which will be used to fund projects which have CEQA documentation or will have CEQA documentation in place prior to construction of any facility or facilities.

Section 3. Repeal of Prior Water Rate Schedule. The water rate schedule for Crestline Village Water District as set by Board action on May 25, 2004, and any other motions or resolutions of Crestline Village Water District inconsistent with the new water rate schedules established in Section 1 of this Resolution No. 420, are hereby repealed effective as of the effective date specified in Section 4 below.

Section 4. Effective Date. This Resolution and the water rate schedule imposed pursuant hereto shall become effective for all billing periods that begin in January 2017.

On a motion by Director Stone and a second by Director Farrell, the Board adopted Resolution No. 430, adopting a new water rate schedule for Crestline Village Water District, on the following roll call vote:

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

CONSIDER APPLICANTS AND APPOINT BOARD MEMBER TO FILL VACANCY ON THE BOARD OF DIRECTORS: Attorney Van Blarcom stated the Board has until January 7, 2017 to appoint a director to fill the vacancy left by Director Clanin. The Board stated they would like an opportunity to meet with the candidates. The application period will be extended to allow additional letters of interest to be submitted to the District. No action was taken and a Special Meeting was scheduled for Thursday, January 5, 2017 at 3:00 p.m. to interview candidates and fill the vacancy.

CONSIDER CALIFORNIA URBAN WATER CONSERVATION BALLOT: Manager Drew provided the Board with background information on why the District originally joined this group. No action was taken.

CONSIDER ATTENDANCE OF GOVERNANCE TRAINING; LAFCO 101- UNDERSTANDING AND APPLYING THE BASICS, JANUARY 24, 2017, NORTON REGIONAL EVENT CENTER, SAN BERNARDINO, CA: Manager Drew reviewed with the Board the upcoming training event sponsored by LAFCO. There is no cost to attend

this event. On a motion by Director Farrell and a second by Director Stone the Board that was present unanimously approved the attendance of this event by any Director or Staff wishing to attend.

MANAGER'S REPORT: 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 Liability Program.

Manager Drew reported that the State Water Resource Control Board has passed a permit amendment requiring all community water systems in California to test schools in their service area for lead if sampling is requested by the school's officials.

Manager Drew reported he has been contacted by the Park District. The Park District is looking for a location for a community park. The Park District has two locations for consideration; one location is the old dump off of Old Mill Road. This location would require a half mile main extension and annexation which would be quite expensive. The other location is the old Crestline Mountain Park in Valley of Enchantment which is currently owned by Rim of the World School District. There is already a main running across this property and it would be less expensive to serve. Director Farrell suggested if the Park District is really interested in the Old Mill Road location, the District may want to apply for an Out of Area service with LAFCO rather than an annexation.

DIRECTORS' REPORTS:

Director Farrell provided a written report on his attendance at the ACWA/JPIA Fall Conference, November 28, 2016 through December 2, 2016 in Anaheim, CA. There was general discussion about the topics presented at the conferences.

Director Farrell requested an update on Smart Utility Systems, a software provider with an online portal for customers to view and pay their water bills. Manager Drew reported he has requested Assistant Manager Clanin to look into new billing software with online capabilities for the District. Director Farrell requested that we look at our web page as well to make it more compatible with Smart phones.

Director Farrell also shared with the Board an article regarding the high levels of mercury measured in fish in Lake Gregory. The California Environmental Protection Agency's Office of Environmental Health Hazard Assessment provided safe eating advice for fish caught at Lake Gregory.

Director Bracher stated she has a conflict with the April 18, 2017 Board Meeting date.

As there was no further business to discuss, the meeting was adjourned at 4:12 pm.

A special meeting is scheduled for Thursday, January 5, 2017 at 3:00 pm for the consideration of candidates for the Board vacancy.

The next regular board meeting is scheduled for Tuesday, January 17, 2017 at 3:00 pm.