

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

March 17, 2026

CALL TO ORDER AND FLAG SALUTE: President Steve Farrell called the Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:04 pm, on Tuesday, March 17, 2026.

ROLL CALL: Present were President Steve Farrell, Directors Kenneth Stone, Leslie Brister, William Barrera, and Cory Hubbell.

Staff members present were General Manager Thomas Weddle, Office Manager Josselyn Quine, Operations Manager Dave Sale, and District Counsel Ronald Van Blarcom via Zoom.

Public in attendance: None

MINUTES OF PREVIOUS MEETINGS:

The Board reviewed the minutes of the February 2026 Regular Board Meeting. Director Farrell noted a few corrections and on a motion by Director Brister, and seconded by Director Hubbell, the minutes for the February 24, 2026, meeting were approved with corrections with the following vote:

AYES: Directors Stone, Brister, Barrera, Hubbell, and Farrell.

NOES: None.

ABSENT: None.

ABSTAINED: None.

CASH DISBURSEMENTS:

There was general discussion about the cash disbursements. On a motion by Director Hubbell, and seconded by Director Brister, the cash disbursements for February 2026 were approved with the following vote:

AYES: Directors Stone, Brister, Barrera, Hubbell, and Farrell.

NOES: None.

ABSENT: None.

ABSTAINED: None.

MONTHLY FINANCIALS:

The Board reviewed and discussed the monthly financials for February 2026.

PUBLIC COMMENTS:

None.

REGULAR SESSION:

CONSIDER APPROVAL OF RESOLUTION NO. 513, UPDATES TO PERSONNEL MANUAL

Resolution No. 513 is updating the holidays observed by the District. We are currently observing nine of the 11 Federal Holidays. Staff presented the addition of Juneteenth and Indigenous People's Day, previously known as Columbus Day. President Farrell introduced a Flex Day option. When reviewing the intricacies of a Flex Day, staff found it would be best to follow the holiday schedule as it currently is within the District Personnel Manual. After final discussions regarding the addition of Juneteenth and Indigenous People's Day, it was approved to add the 2 Federal Holidays to the Personnel Manual with the following roll call vote:

AYES: Directors Stone, Brister, Barrera, Hubbell, and Farrell.

NOES: None.

ABSENT: None.

ABSTAINED: None.

CONSIDER NOMINATING BOARD MEMBER OR GENERAL MANAGER FOR CSDA SOUTHERN NETWORK – SEAT C FOR 2027 – 2029 TERM:

Manager Quine received notice of the upcoming election for all CSDA Networks, Seat C for all regions. All nominations must be in by April 10, 2026. President Farrell expressed he would like to run but because of time restraints and prior obligations, he will not be able to participate in running for Seat C within the Southern Network for the next term.

REVIEW BUDGET

The Board reviewed the presented draft budget for the 2026 - 2027 fiscal year. Manager Quine and Manager Sale reviewed each item and considered the increasing costs across the board, between purchasing supplies, insurance, and salaries. As of 10-month totals, we are running in a deficit. Manager Quine will update the budget for next month's meeting for more precise figures. Staff had a few items listed as a priority for next year including two vehicle replacements, well exploration, and a generator at our Wilson well site.

CONSIDER MOVING FORWARD WITH UPDATED 2 TIER RATE STRUCTURE:

The Board and staff continued to discuss the options to increase rates for District needs. President Farrell expressed concerns with the option presented, decreasing the basic allocation to 500 cubic feet, and increasing the consumption costs from \$5.10 and \$7.65, to \$6.00 and \$8.55. Concerns of penalizing the homes who might be using over 500 cubic feet per month, but under the current basic allocation of 1300 cubic feet per month that is set currently. When calculating a few accounts, it is approximately \$25-\$30 more per month for a house that currently uses 1000 cubic feet. General discussion agreed that 500 cubic feet might be too minimal an amount for basic allocation. The intention would be to spread the increase across all customers more evenly. Director Stone suggested that 800 cubic feet per month's basic allocation might be a better solution. General Manager Weddle, Director Brister and President Farrell have scheduled a meeting to discuss and analyze further data to determine what basic allocation allotment will alleviate strain on the users who already use less. President Farrell had a few mentions to ensure are included in the rate study: future project costs, current grant monies or future, the number of part time homes or vacant homes that would raise the basic allocation when considering the number of homes who don't use

water regularly and are lowering the average by having zero consumption, and Crestline-Lake Arrowhead Water Agency increases that are known for the next 5 years.

MANAGER'S REPORT.

Field Manager

24682 Valle Dr, there was a main break. This was about a 15' long split in the 8" pvc main. Customers where a house may have been affected have been notified. We have done the paving that can be replaced unless road conditions change in the future.

Beacon's DCU has been down. We are having a terrible time just trying to get someone out to check it. We do pay for this contract.

The Vault at CSD is still ongoing. We are waiting for all the parts to be delivered before we can resume.

All field personnel have taken defensive driving and a flagging class from our JPIA insurance.

Office Manager

We have not received an update on the grant application process with Circle for cybersecurity. Manager Quine has a standing meeting every other Friday with Circle and will follow up with them this week on the grant progression.

General Manager

2027 Federal Appropriations. We have applied for \$4,200,000 in Federal appropriations for FY 2027, through Obernolte's office. We received four letters of support for this project. The Congressman currently can support twenty projects for 2027, up from 15 the year before. This money would support the Wylerhorn main line replacement.

Visit From the Congressman's Office. We had to reschedule the visit due to the snow we had. We will set something up for some time at the end of March or the beginning of April.

Legislative Days Conference in Sacramento. I will be attending this conference April 6-8 in Sacramento with Jayson to meet with legislators.

King Capitol.

The two positions were called. \$250,000 FFCB 4.08% 3/17/27 called on 3/17 and \$250,000 FHLMC 4.125% 3/13/30 on 3/13.

We replaced each US Agency with another US Agency – please see \$250,000 FHLB 3.70% 9/17/27 and \$250,000 FNMA 4.00% 3/10/31.

FINAL

The portfolio has a healthy position of cash with appx: \$474k to reinvest or utilize as needed.

<u>Issuer</u>	<u>Type</u>	<u>Price</u>	<u>CPN</u>	<u>SIZE</u>	<u>YTM</u>	<u>MAT.</u>
Fidelity Govt MMKT	CASH	\$1.00	3.36%	\$ 465,869	3.36%	DAILY
Bank Insured MMKT	CASH	\$1.00	0.05%	\$ 2,645	0.05%	DAILY
Hawaii Central FCU	CD	\$100.00	5.50%	\$ 205,000	5.50%	10/27/2026
FFCB	AGCY	\$100.00	4.08%	\$ 250,000	4.08%	3/17/2027
FHLB	AGCY	\$100.00	3.70%	\$ 250,000	3.70%	9/17/2027
State Bank IN NY	CD	\$100.00	5.00%	\$ 205,000	5.00%	10/30/2028
Hiawatha Nat'l Bank	CD	\$100.00	4.25%	\$ 145,000	4.25%	10/26/2029
FHLMC	AGCY	\$99.88	4.125%	\$ 250,000	4.15%	3/13/2030
Morgan Stanley Bank	CD	\$100.00	4.200%	\$ 150,000	4.20%	7/17/2030
JPM Bank NA	CD	\$100.00	4.000%	\$ 240,000	4.00%	2/20/2031
FNMA	AGCY	\$100.00	4.000%	\$ 250,000	4.00%	3/10/2031

Strategic Plan.

We have begun to look at necessary items to put together a strategic plan for the District.

District Projects.

It was stated that the project list with cost estimates will be available to talk about at the April Board Meeting.

DIRECTORS' REPORTS:

1. Director's Reports: None.
2. Requests for Future Agenda Items: Director Stone mentioned he would like to review pay increases for staff.
3. Staff Items: President Steve Farrell will be sworn in on May 20, 2026, for the LAFCO Regular Special District Seat.

As there was no further business to discuss, the meeting was adjourned at 5:34 pm. The next meeting date is April 21, 2026. This meeting will be held in person at the District office at 3pm.