

BLUE LAKE SPRINGS MUTUAL WATER COMPANY
Minutes of the 11th Interim Meeting
Blue Lake Springs, Arnold, California
Saturday, April 11, 2009 9:00 a.m.

- 010** **CALL TO ORDER:** At 9:06 a.m. President Speakman called the meeting to order. Directors present were Carlsen, Multhaup, Owen, Speakman, Watson and Wood; Director Maginnis was absent. In addition, General Manager Maynard (Mike) Herreid and Recording Secretary Jeri Cline were present.
- 020** **AGENDA APPROVAL:** *Director Wood moved to approve the agenda; seconded by Director Carlsen, and the vote was unanimous.*
- 030** **APPROVAL OF MINUTES:**
- 031 The 10th Interim Meeting Minutes of March 14, 2009: Director Multhaup pointed out that the first date mentioned tentatively for the next meeting with CCWD, described under Unfinished Business, Quarterly Meetings with CCWD, should be *June 5, not June 7.* **Director Watson moved to approve the March 14, 2009 Interim Meeting Minutes as corrected; seconded by Director Carlsen, and the vote was unanimous.**
- 040** **VISITOR'S RECOGNITION:** The board recognized Doug Rischbieter of Lots 362/363/364 in Unit 3, and Don Stump.
- 050** **FINANCIAL REPORTS:**
- 051 March 2009 Balance Sheet & Income Statement: On the March 2009 Income report, our total income year to date for March 2009 is \$1,023,719 with our Total Annual Income Budget at \$1,238,159. Non-operating income for the year is \$385. Total expenses year to date are \$444,298 with our Total Annual Expenses Budget at \$1,170,039.
- 052 Bills for March 2009: The bills of note for March include payment to the Department of Public Health in the amount of \$4,142.54 for Water System Fees, covering the period July 1, 2008 through December 31, 2008; and \$570 to the Department of Motor Vehicles for registration renewal of 1982 Chevrolet and 2003 Ford. In addition, there was \$1,266.17 payable to SCIF for March Worker's Comp, and \$292.70 in Annual Meeting costs payable to Foothill Printing for *Call for Candidates and Financial Review Summary.*
- Director Wood moved to approve March bills in the amount of \$20,378.34; seconded by Director Watson, and the vote was unanimous.**
- 060** **MANAGER'S REPORT:**
- 061 Water Consumption/Losses/New Connections/White Pines Wells Production: In March, General Manager Herreid reported 2,099,000 gallons of water produced and 1,695,000 gallons purchased from CCWD. Daily Average Produced in March was 68,000 gallons. Wells Draw Down average was 124 feet of water above the pump in March. The last page compares the last twelve years by month for Total Usage, which was 3,864,000 gallons in March. We had no new connections in March. There are 1,699 homes connected. Average usage per home in March was 2,227 gallons with 81,000 gallons lost.
- 070** **OPERATIONS/LONG RANGE PLANNING:**
- 071 Systematic Replacement and/or Improvements:
A. Stephanie Drive/Patricia Lane Project: This item will remain on the agenda until the old main is

072 Long Range Planning:

A. CCWD Amendment to Agreement of September 10, 1992: MOU in the works.

B. Greensboro Way/Del Rio Dr & Dorothy Dr: Closed bids were opened at a closed session meeting held on March 28, 2009; the contract was awarded to Twain Harte Construction, of Twain Harte. General Manager Herreid has submitted a letter to Calaveras County requesting a permit for the project, which has been promised for May 1; he also reported the bond has been received and recorded.

C. 7 Year Plan: Treasurer Wood suggested a need to inform shareholders of additional projects after the completion of those scheduled in the existing 7 year plan, as he has been approached by shareholders asking if water rates will decrease after those projects currently scheduled are complete; he believes there is a feeling in the community that the board intends to keep rates high without continuing the replacement program. Recording Secretary/Office Manager Jeri Cline reported hearing from callers asking the same question, and was directed not to attempt an answer herself, but to refer questions of that type to General Manager Herreid or a member of the board.

Also under the topic of long range planning, shareholder and association board member Doug Rischbieter said he had been designated by his board to act as liaison between the Blue Lake Springs Homeowners' Association Board and the BLSMWC Board, regarding a possible alternative water source project that was discussed at the water company's March board meeting; further discussion on the viability of that project was put on hold for the foreseeable future.

080 **COMMITTEES:**

081 Budget & Rates Committee: Nothing to report.

082 Salary & Benefits Committee: Nothing to report.

083 Personnel Policy Committee: Nothing to report.

084 Projects Committee: Closed bids were opened March 28; see Item 72-B, above.

090 **PUBLIC RELATIONS:**

091 Lodge Log Article: Due Apr 1.

110 **UNFINISHED BUSINESS:**

111 Quarterly Meetings with CCWD: The next meeting between CCWD and BLSMWC is tentatively scheduled for June 5 or 12th.

1. MOU / CCWD Amendment to Agreement of September 10, 1992, Res. No. 92-112: CCWD is in the process of preparing an updated MOU.

112 Calaveras General Plan: Nothing new to report on the General Plan. For informational purposes only, Treasurer Wood presented General Manager Herreid with a copy of a *draft* questionnaire prepared by LAFCO, who is required to conduct a Municipal Service Review for each county every 5 years. Sometime in the next 60 days General Manager Herreid should receive by mail a similar questionnaire that he will be asked to complete.

113 Blue Shield Renewal: **Director Carlsen moved to approve renewal of the Blue Shield of California Medical Plan; seconded by Treasurer Wood, and the vote was unanimous.** In advance of 2010 budget discussions taking place in the fall, Treasurer Wood asked that the

agenda in August include a sub-heading, under Salaries and Benefits, to discuss medical benefits.

120 NEW BUSINESS:

- 121 Correspondence: A request for waiver of the late penalty for cause was discussed by the board; after a review of the shareholder's payment history that showed payments received no later than January every year, ***Director Multhaup moved to waive the penalty; seconded by Treasurer Wood, and the vote was unanimous.***
- 122 Motherlode CD: ***Treasurer Wood moved that the Motherlode CD be allowed to rollover on April 27 for another 6 months; seconded by Director Owen, and the vote was unanimous.***
- 123 Rischbieter Letter: Shareholder Rischbieter retracted his letter addressed to the board and distributed via e-mail prior to the meeting.
- 124 Annual Meeting: ***Treasurer Wood moved to approve Procedures for Handling Proxies; seconded by Director Watson, and the vote was unanimous.*** General Manager Herreid reported that Larry Larson has agreed to serve as Inspector of Elections.
- 125 Closed Session to discuss a water matter.

130 ADJOURNMENT: The meeting was adjourned at 10:25 a.m.

Respectfully submitted, Jeri Cline, Recording Secretary
Transcribed from tapes of the meeting

APPROVED: