

BLUE LAKE SPRINGS MUTUAL WATER COMPANY
Minutes of the 2nd Interim Meeting
Blue Lake Springs, Arnold, California
Saturday, July 12, 2008, 9:00 AM

- 010** **CALL TO ORDER:** At 9:01 a.m. President Speakman called the meeting to order. Directors present were Carlsen, Multhaup, Speakman, Watson and Wood. Directors Maginnis and Owen were 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 1st Interim Meeting Minutes of June 14, 2008: Director Carlsen moved to approve the June 14 Interim Meeting Minutes; seconded by Director Multhaup, and the vote was unanimous.
- 040** **VISITOR'S RECOGNITION:** The board recognized Lori Kalika, Darwin Boblet, and Steve Berdion.
- 050** **FINANCIAL REPORTS:**
- 051 June 2008 Balance Sheet & Income Statement: On the June 2008 Income report, our total income year to date for 2008 is \$1,133,447 and our annual budget is at \$1,264,619. Non-operating income for the year is \$50,642. Total expenses year to date are \$773,403 with our annual budget at \$1,192,220. Director Wood requested a detail of Miscellaneous expenses for the August Board Meeting, as well as an Accounts Receivable Listing.
- 052 Bills for June 2008: The bills of note for June include \$3,256.05 payable to Simonds Machinery to rebuild and reinstall pump; and \$3,091.21 to Hydec for pressure reducing valve. In addition, June Worker's Comp Insurance was \$954.35. Director Wood moved to approve June bills in the amount of \$26,813.93; seconded by Director Carlsen, and the vote was unanimous.
- 060** **MANAGER'S REPORT:**
- 061 Water Consumption/Losses/New Connections/White Pines Wells Production: In June, General Manager Herreid reported 3,368,000 gallons of water produced and 3,123,000 gallons purchased from CCWD. Daily Average Produced in June was 112,000 gallons. Wells Draw Down average was 92 feet of water above the pump in June. The last page compares the last twelve years by month for Total Usage, which was 6,430,000 gallons in June. We had one new connection in June, for a total of 4 connections year to date. There are now 1,698 homes connected. Average usage per home in June was 3,781 gallons with 10,000 gallons lost. The wells are not recouping as hoped. 216 meters are installed.
- 070** **OPERATIONS/LONG RANGE PLANNING:**
- 071 Systematic Replacement and/or Improvements:
A. *Stephanie Drive/Patricia Lane Project:* The first progress billing has paid in the amount of \$23,000 for Payment & Performance Bonds, installation of 420 feet of pipe, and one (1) tie in.

- 072 Long Range Planning:
A. CCWD Amendment to Agreement of September 10, 1992: Nothing to report.

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: Nothing to report.

090 PUBLIC RELATIONS:

- 091 Lodge Log Article: Suggested topic for inclusion in the Lodge Log article is a need to continue conservation efforts in this historic fire season.

110 UNFINISHED BUSINESS:

- 111 Quarterly Meetings with CCWD: A date for the next meeting has not been set. President Speakman will talk to Dave Anders about scheduling another meeting sometime in September or October. Director Wood volunteered to contact Fred Burnett regarding the disputed rate increase; he will cc President Speakman and General Manager Herreid on the outcome. There was discussion regarding General Manager Herreid's meeting with CCWD, and the Fish and Game Commission regarding the Mill Pond at White Pines Lake. General Manager Herreid reported he had received a letter from CCWD stating there would be no further action by CCWD at the Mill Pond.
- 112 New Hire: Moved to closed session.
- 113 Certificate of Deposits: Director Watson reported on the Certificates of Deposit @ \$100,000 each, of which there are three. The term limits are 100 days, 4 months, and 9 months. The 9-month CD with Bank of America is no-risk, paying 2.6% interest and funded by the Fidelity Operating Investment Account. The remaining 2 CD's were funded by the Fidelity Expansion and Improvement Fund, and were opened with Motherlode Bank paying an interest rate of 3%, and El Dorado Bank with an interest rate of 2.92%. This item will be dropped from the agenda in August.

120 NEW BUSINESS:

- 121 Correspondence: General Manager Herreid reviewed the quote received from Aqua Store for SCADA telemetry in the amount of \$41,000. Installation was not included in the Scope of Work. Director Wood recommended working this into next year's project costs, and more investigation.
- 122 Lori Kalika: Director Wood reported on the contract hours provided by Lori Kalika year to date.
- 123 Rental Homes: Director Wood asked that this item be tabled until August, when he hopes to be able to report back on the rental tax paid for weekend rentals in BLS.

130 ADJOURNMENT: Adjournment to closed session @ 10:05 a.m.

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

APPROVED: