

BLUE LAKE SPRINGS MUTUAL WATER COMPANY
Minutes of the 3rd Interim Meeting
Blue Lake Springs, Arnold, California
Saturday, August 08, 2009 9:00 a.m.

- 010** **CALL TO ORDER:** At 9:00 a.m. President Speakman called the meeting to order. Directors present were Carlsen, Owen, Maginnis, Multhaup, Speakman, Watson, and Wood. In addition, General Manager Maynard (Mike) Herreid and Recording Secretary Lee Schmedes were present.
- 020** **AGENDA APPROVAL:** *Director Watson moved to approve the agenda. Seconded by Director Carlsen, and the vote was unanimous.*
- 030** **APPROVAL OF MINUTES:**
031 2nd Interim Meeting of July 11, 2009: *Director Maginnis moved to approve the minutes, seconded by Director Carlsen, and the vote was unanimous.*
- 040** **VISITOR'S RECOGNITION:** No visitors were in attendance at this meeting.
- 050** **FINANCIAL REPORTS:**
051 July 2009 Balance Sheet & Income Statement:
Director Wood noted that our equity (total assets) has increase by the current projects which ties back to the depreciation. General Manager Herreid mentioned we received \$66,000 in new connections and we are slowly getting the lock-offs paid also. Our year-to-date income is almost to the budgeted amount (about \$40,000 short) with money still coming in. Director Wood noted that the ratio of expenses for the year looks really good and thinks we're still on line to make budget for our expenses for the year.
052 Bills for July 2009: Director Wood requested the IRA not include personal info and it will be deleted. ***A motion was made by Director Wood to approve the bills for payment, seconded by Director Owen and the vote was unanimous.***
The bills of note for July include payment to: CCWD for water in the amount of \$6,412.22 and Edward Jones for SEP IRA in the amount of \$1,667.72
- 060** **MANAGER'S REPORT:**
061 Water Consumption/Losses/New Connections/White Pines Wells Production: General Manager Herreid reported that water consumption is still down. This year we have pumped a little more out of the wells than we did last year (last year it was 2,000,000, this year it was close to 4,000,000). The 4712 gallons/per cabin/per month, is low and attributable to good detection (i.e.: spotting leaks quickly).
- 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 abandoned November 1, 2009.
B. *Greensboro Way/Del Rio Dr/Dorothy Dr Project:* Dorothy is done except for paving. Greensboro needs the 2" pvc installed.
C. *Mauna Kea Project:* About 65% done with main line already and 7 hydrants installed. Still need to put the service lines in. Future projects are going to be harder and more expensive because the old water line is already in the street which makes excavating more difficult.
D. *Weir Project.* See: Daus Report under UNFINISHED BUSINESS.

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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.

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PUBLIC RELATIONS:

- 091 Lodge Log Article: Articles for the Lodge Log are due October 1st. President Speakman asked for article suggestions. Possible articles:
 - 1) Let shareholders know we've been able to accelerate the projects but we need to recapitalize before we can move forward again.
 - 2) Locking in rates for the "2010 project".

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UNFINISHED BUSINESS:

- 111 Quarterly Meetings with CCWD: Director Wood saw Larry Diamond (CCWD Interim Manager), mentioned the outstanding MOU and found out we are 1 of 7 agencies waiting.
- 112 Calaveras General Plan: Nothing to report.
- 113 Daus Report: General Manager Herreid reported that Daus has finalized the report and is still waiting for the 1600 report for Fish and Game from CCWD. Once that's in, then we need to decide what we're going to do as far as repairing the gate. President Speakman mentioned he'd like to get that done before winter.

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NEW BUSINESS:

- 121 Correspondence: Further research needed to respond to two shareholder letters received.
 - 1) Dale Ward letter – Checking on past account activity, then sending appropriate letter in response.
 - 2) Tim & Rose Garretson letter – Find original letter. Question raised: Can we shut water off on a residence when fees are past due on their lot? Do we have policy other than a lien? Leave on agenda for next month.
- 122 Closed Session: None

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ADJOURNMENT: The meeting was adjourned at 9:47am.

Respectfully submitted, Lee Schmedes, Recording Secretary
Transcribed from tapes of the meeting

APPROVED: