

BLUE LAKE SPRINGS MUTUAL WATER COMPANY
Minutes of the 5th Interim Meeting
Blue Lake Springs, Arnold, California
Saturday, October 13, 2007 9:00 AM

- 010 CALL TO ORDER:** At 9:00 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:** Closed Session was struck from the agenda. Director Watson moved to approve the agenda as amended; seconded by Director Owen, and the vote was unanimous.
- 030 APPROVAL OF MINUTES:**
- 031 The 4th Interim Meeting Minutes of September 8, 2007: Director Carlsen moved to approve the September Interim Meeting Minutes; seconded by Director Owen, and the vote was unanimous.
- 040 VISITOR'S RECOGNITION:** There were no visitors.
- 050 FINANCIAL REPORTS:**
- 051 September 2007 Balance Sheet & Income Statement: On the September Income report, our total income year to date is \$968,150, and our annual budget is at \$1,012,331. Non-operating income for the year is \$46,935. Total expenses year to date are \$763,514 with our annual budget at \$941,931.
- 052 Bills for September 2007: The bills of note for September include \$3,895.05 paid to Bruce Whittle Electric to install conduit and new wiring for the glass fused to steel tanks at the treatment plant; \$6,085.40 paid to Peri Street Welding to install exterior piping at the tanks; \$1,116.04 (equals \$703.07 plus \$412.97) payable to Condor Technologies for materials testing at the Marti/Jerrilyn Drive project, and \$217,996.07 paid to Twain Harte Construction for work done at the treatment plant, tanks, and the Marti/Jerrilynn Drive project. The amount of \$535.80 was paid to CCWD for CPPA power reimbursement, period August 6 through September 5, 2007; \$35,618.88 payable to CCWD for water purchased during the period July 1 through August 31, 2007; and September worker's comp was \$1,007.61 payable to SCIF. Director Wood moved to accept September bills in the amount of \$224,081.47, specifying that \$4,598.12 is to be reimbursed out of the Expansion and Improvement Fund for payments made to Bruce Whittle Electric (\$3,895.05) and Condor Earth Technologies (\$703.07) out of the Operating Account, and the balance of \$412.97, owed to Condor Earth Technologies, will be paid out of the Expansion and Improvement Fund in November; seconded by Director Owen and the vote was unanimous.
- 060 MANAGER'S REPORT:**
- 061 Water Consumption/Losses/New Connections/White Pines Wells Production: In September, General Manager Herreid reported 2,988,000 gallons of water produced and 3,388,000 gallons purchased from CCWD. Daily Average Produced in September was 99,000 gallons. Wells Draw Down average was 115 feet of water above the pump in September. The last page compares the last twelve years by month for Total Usage, which was 6,678,000 gallons in September. We had no new connections in September, for a total of 2 connections year to date. There are now 1,693 homes. Average usage per home in June was 3,914 gallons with 52,000 estimated gallons lost.

070 OPERATIONS/LONG RANGE PLANNING:071 Systematic Replacement and/or Improvements:

A. *Marti/Jerrilyn Drive Project*: General Manager Herreid reported that over 40 services and 3,300 feet of 6 inch pipe with fire hydrants are completed.

072 Long Range Planning:

A. Start date of next project is estimated to be April or May of 2008.

B. *CCWD Wholesale Rate Increase*: The board discussed the October 12 meeting with CCWD regarding the new rate structure, as well as replacement of boards at the Mill Pond. President Speakman volunteered to call CCWD General Manager Dave Anders in a few weeks to request that the Mill Pond board replacement issue be placed on the CCWD agenda. Director Watson suggested that Bertha Underhill be invited to the November BLSMWC board meeting to hear the board's concerns in reaction to CCWD's new rate structure. He also suggested a follow up letter be sent to those from CCWD who attended the October 12 meeting, thanking them for agreeing to meet and exchange ideas; notify them, as well, the board would like to continue having these meetings and list some items for discussions to take place at future meetings. Director Owen felt the letter should also state that BLSMWC does not agree with the new CCWD rate structure, and specify the board's reasons for dissent. General discussion included extending an invitation to CCWD for a tour of the treatment plant, and potential options for solving the impact of CCWD's rate increase on the 2008 budget.

C. *CCWD Amendment to Agreement of September 10, 1992, Res. No 92-112 (MOU)*: 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:

91 Lodge Log Article: Jan/Feb article is due **Dec 1**. Suggested topics include seasonal watering; winterizing; completion of the Marti/Jerrilyn Drive project; BLSMWC meeting with CCWD; new project for 2008.

110 UNFINISHED BUSINESS:

111 Quarterly Meetings with CCWD: Leave on agenda

112 Black Mountain Software: Nothing to report.

113 New Hire: Nothing to report.

114 HDR: Nothing to report.

115 Audit: The board reviewed for General Manager Herreid, the audit proposal received from Sandra Vaughan of Ebbetts Pass Accounting for \$3,500. The board unanimously recommended and approved the proposal at the September 8, 2007, board meeting not attended by General Manager Herreid because of a family emergency.

120 NEW BUSINESS:

121 Correspondence: None

122 Other: Director Wood distributed materials on classes available pertaining to various water issues. Water rights were discussed. Director Wood reviewed a map which illustrates methods of county water use; old mining ditches; service areas.

130 ADJOURNMENT: Director Carlsen moved to adjourn; seconded by Director Owen and the meeting was adjourned at 10:55 a.m.

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

APPROVED: