

**BLUE LAKE SPRINGS MUTUAL WATER COMPANY**  
**Minutes of the 7th Interim Meeting**  
**Blue Lake Springs, Arnold, California**  
**Saturday, December 8, 2007 9:00 AM**

- 010 CALL TO ORDER:** At 9:04 a.m. President Speakman called the meeting to order. Directors present were Carlsen, Maginnis, Multhaup, Owen, Speakman, Watson and Wood. In addition, General Manager Maynard (Mike) Herreid and Recording Secretary Jeri Cline were present.
- 020 AGENDA APPROVAL:** Director Carlsen moved to approve the agenda; seconded by Director Owen, and the vote was unanimous.
- 030 APPROVAL OF MINUTES:**
- 031 The 6th Interim Meeting Minutes of November 10, 2007: Director Wood moved to approve the November Interim Meeting Minutes; seconded by Director Carlsen, and the vote was unanimous.
- 040 VISITOR'S RECOGNITION:** None
- 050 FINANCIAL REPORTS:**
- 051 November 2007 Balance Sheet & Income Statement: On the November Income report, our total income year to date is \$987,392, and our annual budget is at \$1,012,331. Non-operating income for the year is \$60,582. Total expenses year to date are \$847,192 with our annual budget at \$941,931.
- 052 Bills for November 2007: The bills of note for November include \$1,427.50 paid to Black Mountain Software for a 25% down payment on new utility billing software; \$502.97 paid to Hach for colorimeter assembly; \$2,010.29 to Pioneer Americas for chemicals; and \$1,265.58 to SCIF for November worker's compensation. Paid out of the Expansion and Improvement fund was \$1,256.59 payable to HDR Engineering for the Hydraulic Model Development, and \$26,596.60 to Twain Harte Construction for retention withheld on the Marti/Jerrilyn Drive Project. Director Wood moved to approve November bills in the amount of \$44,095.27; seconded by Director Carlsen and the vote was unanimous.
- 060 MANAGER'S REPORT:**
- 061 Water Consumption/Losses/New Connections/White Pines Wells Production: In November, General Manager Herreid reported 3,875,000 gallons of water produced and 4,426,000 gallons purchased from CCWD. Daily Average Produced in November was 131,000 gallons. Wells Draw Down average was 101 feet of water above the pump in November. The last page compares the last twelve years by month for Total Usage, which was 4,190,000 gallons in November. We had one new connection in November, for a total of 3 connections year to date. There are now 1,694 homes. Average usage per home in November was 2,470 gallons with 6,000 estimated gallons lost.
- 070 OPERATIONS/LONG RANGE PLANNING:**
- 071 Systematic Replacement and/or Improvements:
- A. Marti/Jerrilyn Dr Project: General Manager Herreid reviewed the letter to be sent to those who require connection to the new main. Director Wood suggested also adding the letter to the web site. There was discussion of **BLSMWC Rules and Regulations, Item #2, SPECIFICATIONS FOR CONNECTIONS, and Item 9, HIGH PRESSURE POLICY.** Director Watson moved to amend *Item #2, SPECIFICATIONS FOR CONNECTIONS*, to refer to a current drawing, rather than a specific drawing and date; seconded by Director Maginnis and the vote was unanimous. Director Wood asked that General Manager Herreid bring the current drawing to a future board meeting for board review. President Speakman also informed the board he would get a legal opinion about the prv's.
- B. Stephanie Drive/Patricia Lane Project: Nothing to report.

072 Long Range Planning:

A. CCWD Amendment to Agreement of September 10, 1992: President Speakman confirmed his intention to write a letter to CCWD regarding the meeting attended by various members of the board on Thursday, September 6, 2007.

080 **COMMITTEES:**

081 Budget & Rates Committee: Prior to the meeting, General Manager Herreid had distributed a spreadsheet detailing 2007 project and overtime wages for board review. The spreadsheet was for information only and no action was required.

082 Salary & Benefits Committee: General Manager Herreid reviewed the employee benefits package, last updated in 2005. In addition, due to the improvement projects in 2007, General Manager Herreid was unable to use all of his accrued vacation for 2007, and asked for board approval to rollover to 2008, a portion of his unused days. He asked to be paid for the rest, and the board agreed. There was discussion of the BLSMWC's vacation policy. Director Watson suggested there was a need to review the vacation policy for possible revision.

083 Personnel Policy Committee: Nothing to report.

084 Projects Committee: Nothing to report.

090 **PUBLIC RELATIONS:**

91 Lodge Log Article: President Speakman reported he submitted the Jan/Feb article to the Homeowners' Association on December 2, for inclusion in the Lodge Log. Some suggestions for the March/April 2008, Lodge Log article were a discussion of septic repair, and a reminder to shareholders that the BLSMWC Rules and Regulations can be found on the water company web site.

110 **UNFINISHED BUSINESS:**

111 Quarterly Meetings with CCWD: In his letter (see above: 072, Long Range Planning: CCWD Amendment to Agreement of September 10, 1992), President Speakman will suggest further meetings with CCWD, advise them of the next Blue Lake Springs Mutual Water Company project, and remind them of the open invitation to tour our treatment plant.

112 Black Mountain Software: Office Manager/Recording Secretary Jeri Cline reported that a revised proposal received from Black Mountain was approved unanimously via e-mail, and a preliminary conversion would be available for download the week of December 10 through December 14. The new computer had not yet been ordered.

113 New Hire: Job descriptions had been distributed to the directors at the November 10 board meeting. Director Wood noted that none of the job descriptions were updated to accommodate the **Americans with Disabilities Act** (ADA) requirements, and recommended they be scrutinized by an HR specialist for proper verbiage. In addition, he suggested using job descriptions from other companies as an example. General Manager Herreid said there were many examples in his office. Director Wood volunteered his time to revise BLSMWC water company job descriptions, using General Manager Herreid's examples. He also volunteered to have them reviewed by an HR specialist. Discussion followed regarding the level of certification required for a new field employee. General Manager Herreid preferred potential candidates possess a T2, D2 certification.

114 HDR: General Manager Herreid reported giving a copy of the Hydraulic model to Fire Chief Wilkes and that Chief Wilkes was impressed with the model.

115 Web Site FAQ: Office Manager/Recording Secretary Jeri Cline asked for board help in compiling a list of *Frequently Asked Questions*. In addition to the list already compiled by her, Director Wood suggested, "Who are local plumbing contractors? Do you recommend anyone?"

120 **NEW BUSINESS:**

- 121 Correspondence: 124-8, Folk: Letter thanking BLSMWC for the report and discussion which took place at the Annual Meeting, June 2, 2007
- 122 Other: Director Wood moved to approve a 3 year extension of the rental agreement with Blue Lake Springs Homeowners' Association for office space occupied by BLSMWC; seconded by Director Owen and the vote was unanimous.
- 123 Flooded Septic. General Manager Herreid was directed to finish documentation and inform the owner, in writing, that an on-site inspection was done, and the board does not feel BLSMWC is liable for flooding of the septic system. General Manager Herreid will also include with his letter photos taken of the site.

**130 ADJOURNMENT:** The meeting was adjourned to closed session at 11:25 a.m.

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

**APPROVED:**