

BLUE LAKE SPRINGS MUTUAL WATER COMPANY
Minutes of the Open Session Teleconference Meeting
Arnold, California
Wednesday, November 29, 2017 1:00pm

00:00:00

CALL TO ORDER:

At 1:03pm the meeting was called to order. Directors present, via phone or in person, were Lee Bateman, Jay Brethauer, Dave Owen, Bob Maginnis, Paul Penney and Sharon Tobias. Absent was Director Andy Rich. Also in attendance were General Manager Dave Hicks, General Counsel Michael Minkler, Administrative Operations Manager Lee Schmedes and John Pedry with MC Engineering. In addition, Joe Morgan and Tom Schneider were also present.

00:00:25

UNFINISHED BUSINESS:

2018 Rate Structure:

Long Range Planning Committee member Tom Schneider discussed recommendations from the LRPC for the 2018 Rate Structure. Rates to be as follows:

Residence Base Rate: \$848

Residence with Water Meter: \$776

Unimproved Bare Lot: \$487

Combined Lot: \$122

00:03:48

President Maginnis calls for a motion.

MOTION

A **MOTION** was made by Director Tobias; seconded by Director Owen and approved by all present, to accept the 2018 Rate Structure as identified above.

00:05:03

Discussion regarding changing the due date of the Shareholder's fee from February 15th to March 31st. Consensus was to keep the February 15th due date.

00:13:36

Discussion regarding increasing water usage rates. Consensus was to not increase the rate for 2018.

00:17:22

Discussion regarding beginning surcharges in 2018 due to interim financing. Consensus was, due to the USDA loan to possibly begin late 2020, no need to begin surcharges in 2018. Further discussion resulted in asking Pete Yribarren of the USDA, to send BLSMWC a letter denying waiver.

00:31:27

Discussion regarding reserves and rebate program. Consensus was to be cautious.

2018 Budget:

00:36:46

A discussion on the changes to the 2018 Budget before approving.

MOTION

A **MOTION** was made by Director Bateman; seconded by Director Penney and approved by all present, to approve the 2018 Budget, as presented, which includes the 3% rate increase and staff is authorized to make all other adjustments related to that change.

00:39:40

USDA Interim Financing Waiver:

John Pedri suggests beginning a discussion with CoBank regarding interim financing, as well as inquiring about a bridge loan through them. While interim financing moves forward, we continue asking for a waiver from USDA.

00:46:34

Proposal for Project Manager for USDA Engineering Contract:

Director Tobias submitted a proposal to apply for the position of Assistant Project Manager to GM Hicks and oversee the engineering contract.

MOTION

A **MOTION** was made by Director Penney; seconded by Director Owen and approved by all present, with 2 Board members abstaining, to accept the proposal for Project Manager.

00:51:56

Performance Adjustment:

President Maginnis brings a request to increase the salary percentage of an employee of BLSMWC.

MOTION

A **MOTION** to accept the performance adjustment was made by Director Owen; seconded by Director Penney and approved by all in attendance.

00:54:06

ADJOURNMENT:

With no other items to come before the Board, President Maginnis wishes all a happy holiday. The meeting was adjourned at 1:58pm.

Respectfully Submitted by AOM Lee Schmedes
In conjunction with the digital recording of the meeting

APPROVED: