

BLUE LAKE SPRINGS MUTUAL WATER COMPANY
Minutes of the 7th Interim Meeting
Arnold, California
Saturday, December 17, 2016 9:00am

00:00:00

CALL TO ORDER:

At 9:00am the meeting was called to order. Directors present were Lee Bateman, Bob Maginnis, Paul Penney, Andy Rich, Tom Schneider and Sharon Tobias; Absent was Director Dave Owen. Also in attendance were General Manager Dave Hicks, General Counsel Michael Minkler, Watermaster Bill Heinle, Assistant Watermaster Tyler Mayo, Administrative Operations Manager Lee Schmedes and Accounts Manager Pam Bowman.

One guest was at the meeting along with John Pedri, from MC Engineering, who will speak about the PER/USDA loan.

00:00:42

APPROVAL OF MINUTES:

6th Interim Meeting of November 12, 2016:

With no changes, the Minutes of November 12, 2016 stand as printed.

DISCUSSION OF MATTERS NOT ON AGENDA:

No items were brought before the Board.

00:01:33

FINANCIAL REPORT:

September Financials:

Treasurer Schneider reports on the November Financials.

00:17:06

MANAGER'S REPORTS:

Water Production / Consumption:

GM Hicks reports on water production, usage, conservation and water purchased from CCWD.

00:21:45

Drought:

GM Hicks reports we are staying in Stage 2 for health and safety use and ask the shareholders for a 20% reduction in usage based on 2013.

00:38:25

CCWD Meeting:

GM Hicks reports meeting with CCWD GM Dave Eggerton, CCWD Director Bertha Underhill and BLSMWC Director Paul Penney on reducing the minimum wholesale water purchase.

00:49:11

Hwy 4 Working Group Meeting:

GM Hicks reports on issues the group discussed.

00:55:37

COMMITTEES:

Long Range Strategic Planning Committee:

Director Schneider gives a status update on the committee findings of the preliminary rate structure plan with additional data comparisons of the meter usage studies. Also discussed was putting the entire Board package on the website after the monthly meetings.

02:15:00

Grants / Loans:

John Pedri from MC Engineering spoke on the Preliminary Engineers Report for infrastructure improvements through a USDA loan, which was submitted on December 8, 2016. He explained the Letter of Conditions which must be understood and agreed to by BLSMWC before further consideration is given to the loan application.

02:51:50

MOTION

MOTION: A MOTION was made by Director Bateman; seconded by Director Tobias authorizing the General Manager to sign the two documents (Letter of Intent to Meet Conditions and the Request for Obligation of Funds) in consultation with legal counsel unless there is substantial change to the terms of the Letter of Conditions, as they were presented to the Board at this meeting. Approved by all present.

02:56:00

PUBLIC RELATIONS:

Website:

AM Bowman reports on the current website activity and Facebook.

UNFINISHED BUSINESS:

03:02:47

Office Lessee:

A letter was submitted by the possible tenant to the Rabobank side of the office building stating his request to scale back his original footprint to a smaller one. The Board denied his request and will seek other tenants who want to occupy the entire side.

NEW BUSINESS:

03:24:19

Correspondence:

President Maginnis reports on a letter he received from CCWD thanking BLSMWC for their assistance during the overnight water service shutdown on November 9 and 10, 2016.

03:24:56

Audit Review:

MOTION

An engagement letter was received from Ebbetts Pass Accounting. A **MOTION** was made by Director Rich; seconded by Director Bateman to accept the engagement letter from Ebbetts Pass Accounting for the annual audit review. Approved by all present.

03:29:02

ACTION ITEMS REPORT:

New action items noted.

03:33:31

ADJOURNMENT TO EXECUTIVE SESSION:

President Maginnis adjourns to Executive Session.

RECONVENE TO OPEN SESSION:

03:43:15

Report from Executive Session:

Contractual items were discussed.

03:44:02

ADJOURNMENT:

With no other items to come before the Board, the meeting was adjourned at 12:44pm.

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

APPROVED: