

BLUE LAKE SPRINGS MUTUAL WATER COMPANY

Minutes of the 1st Interim Meeting Blue Lake Springs, Arnold, California Saturday, June 13th, 2015 9:00am

PART A

CALL TO ORDER:

At 8:59am the meeting was called to order. Directors present were Steve Alberts, Robert Maginnis, George Paul, Tom Schneider, Paul Penney and Sharon Tobias. Absent was Dave Owen. General Manager Hicks and Recording Secretary Nhu Bergstrom were also in attendance.

Several guests were present at the meeting.

00:01:00

APPROVAL OF MINUTES:

12th Interim Meeting of May 9, 2015:

The Minutes of the May 9, 2015 meeting will stand as printed with correction.

Organization Meeting of June 6, 2015:

With no additions or deletions, the Organization Minutes of the June 6, 2015 meeting will stand as printed.

00:01:30

DISCUSSION OF MATTERS NOT ON AGENDA:

A shareholder mentioned that CCWD mandatory water restrictions has been cut in half per the State Water Board (from 32% to 16%) and wanted to know if this would impact us in anyway, especially in regards of the CCWD surface water purchase agreement. President Maginnis responded that it's too early to tell what kind of impact this will make.

00:03:45

UNFINISHED BUSINESS:

Outside Water Usage – Pressure Washing:

President Maginnis stated the water company has entered Stage 3 of the Drought Action Plan with a mandatory restriction on outside water use. Currently there are no provisions for outside watering such as pressure washing. Board and Staff invited several painting contractors to discuss how much water is used with a pressure washer. Kevin Dye from Dye Painting reported they can use up to 500-800 gallons per day which is a 30% reduction. Some of the conservation methods Dye Painting has adopted includes using a stop valve, downgrading equipment that takes less water and not pressure washing areas that can be cleaned by hand. Mr. Dye mentioned they are not taking any deck work due to the drought conditions and the high amount of water required for the task. Another contractor mentioned homes with mold must be treated with bleach and needs to be pressured washed to rid the bleach prior to painting or staining. A shareholder stated he is a part time homeowner who visits approximately 6 weeks out of the year and would like to pressure wash his deck for the maintenance of his property. GM Hicks recommended pressure washing should be allowed with caveats such as no driveway or cars but okay for painting a home or deck maintenance. Treasurer Schneider suggested there should be prior approval from GM Hicks before any job can be done, that the situation would be reviewed on a case by case basis and permit issued by the office.

MOTION

00:35:10

A motion was made by Director Alberts to issue a pressure washing permit at no cost. The permit will allow the homeowner or contractor the use of a pressure washer for maintenance the home and/or deck. The application would be reviewed on a case by case basis and approved by the General Manager. Seconded by Director Penney. 6-0, motion passes.

00:37:25

FINANCIAL REPORTS:

April 2015 Balance Sheet & Income/Expense Statements:

Treasurer Schneider reported May 2015 Balance Sheet and Income/Expense Statements. Director Paul suggested we not label the new land acquisitions Well 5 & 6 because it creates the perception the water company has six completed wells.

01:09:17

MANAGER'S REPORT:

Water Production/Consumption:

GM Hicks reported May water production and consumption. GM Hicks noted data from the master meter was pulled and in May 2015 compared to May 2014, there was a 37% in reduction in water usage. If comparing May 2015 to May 2013, a total of 40% in reduction in water usage.

A sample of 25 full time homes had their meters read; usage for May was 161 gallons/per day higher than April's 115 gallons/per day. GM Hicks pointed out though the gallons per day is higher than the previous month he expects the number to remain the same, and the 161gal/per day is not an outrageous average. Director Paul suggested a 35% reduction in the bi-monthly allotment of 700 cubic feet for metered residences, which is in line with the Drought Stage 3 restrictions. Secretary Tobias would like Treasurer Schneider to look into the feasibility of new homeowners installing new meters and to have the costs included in escrow; to see if this will eliminate our opportunity to get a grant.

Drought – Toilet Rebate Program:

GM Hicks reported three toilet rebate program applications have been received and would like to encourage shareholders who have not already done so to take advantage of the toilet rebate program. The rebate program is retroactive from March 2014 and homeowners could qualify for a \$50 credit; up to two per household.

Water Agreement with CCWD:

GM Hicks reported the last correspondence received, CCWD engineers would like to do a detailed rate analysis before they can provide us with an answer. BLSMWC responded the water company would like to be part of the rate analysis process before we can come to any type of agreement. President Maginnis reiterated that the ongoing negotiations for a water agreement with CCWD is to purchase surface water not a merger or annexation. President Maginnis purposed we complete the development of Well #4 and have it online; the well would provide an additional 50/gallons per minute.

PART B
00:15:30

NEW BUSINESS:

Change BLSMWC Water Board Meeting Date:

After discussion, the board decided the meeting date and location will remain the same.

00:18:41

COMMITTEES:

Long Range / Strategic Planning Committee:

Treasurer Schneider reported the June 2015 LRSP Committee Notes.

Treasurer Schneider and Director Penney were excused from the meeting at 11:23am.

00:26:56

PROJECT MANAGER'S REPORT:

Well #4, #5, #6:

Director Alberts reported Well #4 will be scheduled for completion. Director Alberts suggested removal of Well #5 & 6 from the agenda since both projects are now shelved.

491 Blue Lake Springs Drive:

Director Alberts reported stumps were removed, septic installed and the restroom for the treatment plant is scheduled next.

00:30:09

PUBLIC RELATIONS:

Website:

RS Bergstrom reported website statistics for May 2015 and e-mail subscribers were up 100. RS Bergstrom mentioned we are receiving positive feedback in the Board's communication efforts and transparency.

00:31:42

HWY 4 COORDINATING COMMITTEE:

GM Hicks reported on the last Highway 4 Coordination Committee meeting.

00:34:06

CALAVERAS CONSERVES:

GM Hicks reported on the last Calaveras Conserves meeting.

NEW BUSINESS:

Correspondence:

Correspondence will be answered individually.

Teleconference of May 27, 2015:

With no additions or deletions, the Minutes of the May 27, 2015 teleconference will stand as printed.

ACTION ITEMS REPORT:

RS Bergstrom reported the current Action Items.

ADJOURNMENT:

The meeting was adjourned at 11:41am.

Respectfully Submitted by Nhu Bergstrom, Recording Secretary
Reviewed by Administrative Operations Manager Lee Schmedes
Summarized from digital recording of the meeting

APPROVED: July 11, 2015