THE BUBBLER

Blue Lake Springs Mutual Water Company Newsletter

April, 2016

California Achieves 96 Percent of Statewide Conservation Goal, Narrowly Missing Governor's Nine Month Mandate

Californians came just shy of meeting Governor Edmund G. Brown Jr.'s 25 percent water conservation mandate for the nine months since mandatory urban conservation began. Statewide cumulative savings from June 2015 to February 2016 totaled 23.9 percent compared with the same months in 2013.

"Twenty-four percent savings shows enormous effort and a recognition that everyone's effort matters," said State Water Resources Control Board Chair Felicia Marcus. "Californians rose to the occasion, reducing irrigation, fixing leaks, taking shorter showers, and saving our precious water resources in all sorts of ways."

With nearly 1.19 million acre-feet of water conserved from June 2015 through February 2016, the state achieved 96 percent of the savings goal of 1.24 million acre-feet of water. Water saved during the nine month period is enough to supply more than 5.9 million Californians for one year; this is approximately the combined population of San Diego, Riverside, and Tulare counties, or 15 percent of the state's population.

Statewide, the conservation rate dropped from 17.1 percent in January to 12 percent in February, likely because February 2016 was one of the warmest and driest Februaries since the drought began. In addition, residents generally use much less water for outdoor irrigation in the winter months, so there is less opportunity for high volume, and percentage, savings.

As the wet season draws to a close in April – and with water suppliers, residents, and businesses posing important questions about the future of water conservation in California – the State Water Board will hold a public workshop on April 20 to receive input on conservation needs through the summer. The workshop will consider adjustments to the current emergency regulations given available water supply, storage, and snowpack.

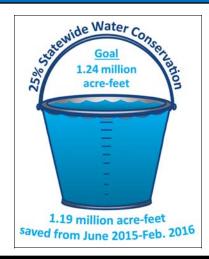
n the meantime, Californians are urged to continue applying their water conservation skills and habits through the spring months. These efforts should include complying with urban water supplier directives on when outdoor irrigation is permitted, not irrigating outdoors during and within 48 hours following a rain event, and fixing leaks that are discovered during individual water user audits.

"March brought us much needed rain and snow after a frightening February," Chair Marcus said. "It was more of a moderate March than the miracle March we hoped for, but we're grateful for every raindrop and every snowflake, and we are still hoping for more April showers. We are in better shape than last year, but are still below average in most of California. We need to keep up our efforts to conserve the water we've gotten. We can better tune up and adjust our emergency rules once we see our final rain and snowpack tallies in the next few weeks."



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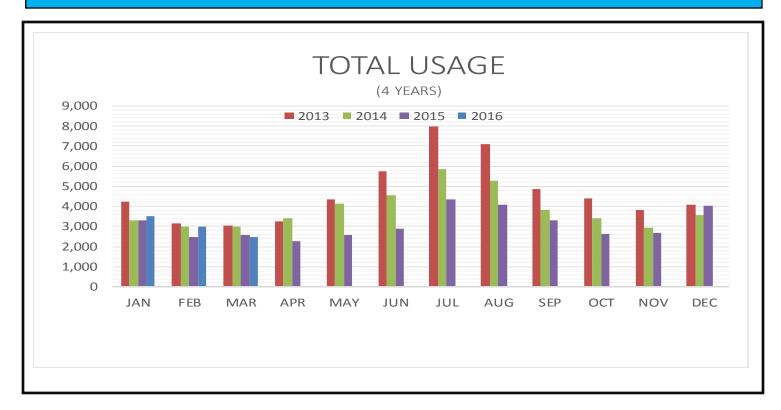
30 DAY NOTICE OF DELINQUENCY AND TERMINATION OF SERVICE

As of April 5, 2016, the Blue Lake Springs Mutual Water Company will be issuing 30 Day Notices for delinquency of 2016 Shareholders fees. Shareholders fees were due and payable by February 15, 2016, and considered delinquent as of March 15, 2016. A late penalty of \$65 has been assessed as well as a 1.5% interest charge on unpaid balances.

If you receive a letter of 30 day notice, the balance due must be paid before 12:00 noon on the termination date indicated on the notice. If the balance is not paid, there will be a 48 hr. notice/red tag placed on the residence, and after 48 hrs. a lien will be placed on the property with Calaveras County. A lien filing fee of \$150 will be added to the account balance if a lien is filed, and if the notice is for an improved property, your water will be locked off.

If you are unable to pay the delinquent bill in full, you may request amortization of the unpaid balance to be paid in full before December 1, 2016. For it to be considered, the Water Company must receive a written request for amortization of the outstanding balance prior to the termination date shown above. If you request amortization of the unpaid balance and fail to make the agreed upon payments, a lien will then be filed against the property, the lien filing fee will be applied to the account and water service provided to the above described premises will be terminated due to non-payment unless the delinquent balance due is paid in full.

White Pines Well Production Chart For March 2016



DATE	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	ост	NOV	DEC	TOTAL
2005	4,489	4,144	3,998	4,059	5,130	6,109	9,559	9,253	7,109	5,552	4,435	5,074	68,911
2006	4,347	4,626	4,703	4,153	5,299	7,067	9,473	8,502	7,188	5,151	4,296	5,141	69,946
2007	5,459	4,430	4,277	3,921	5,777	6,911	9,350	8,976	6,678	4,710	4,190	4,168	68,847
2008	4,156	4,641	3,968	3,978	5,429	6,430	8,661	8,548	6,612	4,857	4,307	4,764	66,351
2009	4,284	4,055	3,864	3,697	4,957	5,563	8,063	8,124	6,551	5,100	3,832	5,033	63,123
2010	3,992	3,120	3,031	3,509	3,842	4,999	7,564	6,722	5,679	4,233	3,590	4,232	54,513
2011	3,805	3,568	3,739	3,146	3,631	4,489	6,876	6,255	4,946	3,688	3,290	4,044	51,477
2012	3,624	3,425	3,092	3,108	4,560	5,100	6,902	6,435	5,540	4,173	3,355	4,133	53,447
2013	4,265	3,157	3,066	3,233	4,341	5,738	7,992	7,117	4,885	4,401	3,822	4,097	56,114
2014	3,305	2,974	2,973	3,393	4,152	4,532	5,878	5,262	3,834	3,430	2,946	3,579	46,258
2015	3,329	2,480	2,587	2,269	2,602	2,908	4,343	4,066	3,315	2,627	2,710	4,057	37,293
2016	3,495	2,993	2,488										8,976

General Manager's Report

Water Usage

March

2013= 3,066,000 gallons

2014= 2,973,000 gallons

2015= 2,587,000 gallons

2016= 2,488,000 gallons

Water usage has continued to decline in March, compared to previous years. March has always been a low usage month for us, but we are below all years, going back to 2005. This shows we are all watching our water use, which is a good thing to do, in spite of a better winter. The latest measurement on the snowpack so far is 88% of normal.

Drought

Thanks for conserving. It's getting warmer so please remember any watering must be done according to our Stage 2 Drought Plan.

Infrastructure improvements

The engineering firm of MC Engineering is working on a Preliminary Engineering Report. This report is necessary for applying for a USDA Loan to upgrade our infrastructure. The report will also pinpoint the most important replacement projects.

Office Relocation

A committee, made up of Board and staff members, is exploring options for our office. The Rabobank building we are in is for sale, so the committee is researching rental space in Arnold, and building an office on our property above the Treatment Plant in Blue Lake Springs. Modular structures are also being considered.

Well 4

The water sampling on well 4 came back excellent and a few minor parts need to be installed. The well will then be inspected by Dave Remick from the State Water Resources Control Board District Office. If everything goes as planned, Dave will complete the permit that will allow us to start pumping to our Treatment Plant. We should be operating by the middle of April.

Thanks

Dave

Dave Hicks

General Manager

Blue Lake Springs Mutual Water

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Have an idea?

The Bubbler is published to keep Blue Lake Springs
Mutual Water Company
shareholders informed about issues and upcoming events.
If you would like to submit an article or suggest ideas for improvement, please contact
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President's Message

Every month for the past couple of years, I have mentioned the importance of WATER CONSERVATION. We have all made an admirable effort and the savings has showed. Even though we have had substantial amounts of rain/snow the focus on that effort must continue. We have all developed ways to conserve and save. Let's all continue as saving water is still a good thing! Do not be duped by our recent precipitation. One of the unintended consequences of a lot of rain and snow is our consumption rate increases....because we are reacting to the "plethora" of water. CONSERVATION is still OK and a MUST!

COMPANY BUSINESS OFFICE

The Board in February formed a search committee to look at places for sale or rent in the Arnold business area, as the building that houses the water company office, at this time, is up for sale and our lease ends in June 2016. We are actively looking at alternatives. Also under consideration is leasing a business modular to place on our Blue Lakes Springs property.

WATER METERS

The "6o-Survey" is off and running. This is the group of 6o volunteers that report on a monthly basis to BLSMWC on how often their home is occupied. The water company, with the newer meter technology, reads the 6o meters. This meter reading process requires minimum effort, as the readings are read electronically. Again our goal is to develop a track of an overall use pattern that will allow BLSMWC to build and develop; and verify a more accurate consumption schedule for purposes of charging for water delivery. This goes hand in hand with the on-going meter install program. Last summer, for example for every real estate transaction, where there is a change of ownership, a meter is installed. As I have mentioned before, while meters are now required by State Law, the path to the meter program must be well planned.

WELL#4

The new well coming on line, our Well #4, is in the final State required testing process. We are planning to have the well in the mix very soon. This is one of two previously tested spots where water was discovered. As you recall there were about another dozen or so that were a complete bust. This translates to either water was discovered and the flow was insufficient for further exploration; or, after extended drilling, no water was found. The well is a long time coming, as part of its path to success included a legal challenge that halted the progress of the project. Our best estimate is that this new well will add 20-30% to the over all well production, or 50-75gpm. Since we partnered with CCWD, the demands on our wells have dropped dramatically but the wells still charge ½ of our overall system.

I have been asked what the overall cost of the newer well project was....as someone heard it was in excess of \$1M. The cost, including the legal fees that were paid for legal arbitration, was \$341,438. The overall cost to every BLS shareholder for the well development was about \$236.00 \$168.61. Since this well is on a long term lease, there will be additional costs over the life of the well. The life expectancy of the well is 30-35 years, which will include very minor costs for maintenance.

Wells 5 and 6 are still in the development mix located on property owned by the water company.

We learned that you have to go where the water is to be found.

OPEN POSITIONS ON THE BOARD

In June there will be two vacant positions on the Board of Directors. Two current members have decided not to seek reelection. This provides an opportunity for any current shareholder to run for the open spots. This is a your chance to work with the water company. If you are interested or think you might be, let us know.

Remember to keep up the CONSERVATION effort AND continue to WINTERIZE, as spring, though coming, isn't here quite yet.

Robert Maginnis

President

