

BLUE LAKE SPRINGS MUTUAL WATER COMPANY
Minutes of the 4th Interim Meeting
Arnold, California
Saturday, November 11, 2017 9:00am

00:00:00

CALL TO ORDER:

At 9:00am the meeting was called to order. Directors present were Lee Bateman, Bob Maginnis, Dave Owen, Paul Penney, Andy Rich and Sharon Tobias. Also in attendance were General Manager Dave Hicks, General Counsel Michael Minkler, Administrative Operations Manager Lee Schmedes, Accounts Manager Carrissa Schlaht, Watermaster Bill Heinle, Kris Morris and Tom Schneider. In addition, MC Engineering John Pedri and Rick Relyea were in attendance.

00:01:21

APPROVAL OF MINUTES:

4th Interim Meeting of September 9, 2017

With no corrections needed, the Minutes of September 9, 2017 stand as printed.

00:01:34

DISCUSSION OF MATTERS NOT ON AGENDA:

No matters were brought up for discussion.

02:36:19

A new arrival to the audience was given the opportunity to discuss items not on the Agenda.

FINANCIAL REPORT:

00:01:42

1. September Financials:

Treasurer Bateman reports on the September Financials.

00:03:06

2. October Financials:

Treasurer Bateman reports on the October Financials.

00:16:12

3. 2018 Budget:

Treasurer Bateman reports on the 2018 Budget. The Board discusses rate increases. The approval of the 2018 Budget is deferred until our next meeting.

00:31:47

President Maginnis proposes the water company pay for the homeowners who must, or have, moved their services lines.

MOTION

A **MOTION** was made by Director Rich to move toward reimbursing our shareholders for the cost of relocating their service line; seconded by Director Tobias and approved by all. Staff, along with GC Minkler and President Maginnis, will meet to present Board with options at a later date.

01:50:24

4. New Agenda Policy:

This Agenda item is deferred to the January Meeting.

MANAGER'S REPORTS:

01:50:49

1. Water Production / Drawdown / Usage:

GM Hicks reports on well production, drawdown, usage and leaks.

01:53:20

2. Service Lateral Program:

This item covered previously under 2018 Budget (00:31:47)

COMMITTEE REPORTS:

01:53:27

1. Long Range / Strategic Planning:

Tom Schneider reports, on a summary level, the committee's October meeting.

USDA INFRASTRUCTURE IMPROVEMENT / METER INSTALLATION PROJECT:

02:12:32

1. USDA Loan

a. Interim Financing Waiver:

John Pedri reports on letters, written and received, regarding interim financing.

02:18:38

2. Shareholder's Hook-up Costs:

This is discussed under 2018 Budget.

02:18:40

3. Unimproved Lot Fees:

This Agenda item is deferred to the January Board Meeting.

02:18:44

2. MC Engineering

a. Progress Report by John Pedri, MC Engineering:

John Pedri gives the Board an update.

UNFINISHED BUSINESS:

02:41:31

1. Auditor:

The Board discusses hiring an auditor for the 2017 yearend.

MOTION

A **MOTION** was made by Director Tobias; seconded by Director Owen to open a contract with Atherton & Associates and approved by all with one Director abstaining.

NEW BUSINESS:

02:46:06

Correspondence:

A request from a shareholder was received asking for a waiver for a late fee.

MOTION

A **MOTION** was made by Director Bateman; seconded by Director Rich, and approved by all, to deny the request,

02:48:30

Appointment to LRPC:

MOTION

A **MOTION** was made by Director Penney; seconded by Director Owen, and approved by all, to appoint Director Rich to the LRPC committee.

02:48:53

Appointment to Board:

Due to the resignation of Tom Schneider the Board elected to fill the vacant position.

MOTION

A **MOTION** was made by Director Rich; seconded by Director Owen, and approved by all, to appoint John (Jay) Brethhauer to fill the remainder of Director Schneider's position.

02:50:12

New Parcels in Subdivision:

President Maginnis explains the addition of several lots in the subdivision being sold by the HOA as "Membership Lots".

MOTION

A **MOTION** was made by President Maginnis; seconded by Director Bateman, and approved by all, to accept these lots and charge them a \$25 annual fee.

03:02:28

ADJOURNMENT TO EXECUTIVE SESSION:

03:45:15

RECONVENE TO OPEN SESSION:

During Executive Session, the Board adopted the salary recommendation presented by the Salary / Benefits Committee.

03:47:29

ADJOURNMENT:

The meeting was adjourned at 12:47pm.

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

APPROVED: