

BLUE LAKE SPRINGS MUTUAL WATER COMPANY
Minutes of the 10th Interim Meeting
Arnold, California
Saturday, March 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 (via phone), Paul Penney, Tom Schneider (via phone) 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 Accounts Manager Pam Bowman.

00:00:32

APPROVAL OF MINUTES:

9th Interim Meeting of February 11, 2017:

With no changes, the Minutes of February 11, 2017 stand as printed.

00:01:09

DISCUSSION OF MATTERS NOT ON AGENDA:

No items were brought before the Board.

00:01:42

FINANCIAL REPORT:

2016 Financial Review:

Treasurer Schneider reports on the 2016 financial review and recommends approval.

MOTION

A **MOTION** to approve the 2016 Financial Review, as provided by Ebbetts Pass Accounting, was made by Director Penney; seconded by Director Tobias and approved by all present.

00:05:25

Accrual Accounting:

Director Schneider and Director Bateman suggest changing the financial reporting from a cash basis to the accrual basis. A **MOTION** to accept the accrual reporting for all records and accounting was made by Director Bateman, seconded by Director Schneider and approved by all present.

MOTION

00:19:30

February Financials:

Treasurer Schneider reports on the February Financials.

00:47:28

MANAGER'S REPORTS:

Water Production / Consumption:

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

01:00:37

Leak Abatement Policy:

GM Hicks and GC Minkler report on the progress of the Leak Abatement Policy.

01:23:57

Drought:

GM Hicks reports we are staying in Stage 2.

01:27:43

Car Wash:

GM Hicks reports on progress of car wash tokens for BLSMWC shareholders.

01:28:40

COMMITTEES:

Long Range Strategic Planning Committee:

Director Schneider reports on refining the rate structure.

01:55:56

USDA Loan/Interim Financing Waiver:

GM Hicks reports on interim financing for the USDA loan. GC Minkler explains interim financing.

02:04:12

Engineering Contract:

Director Tobias reports on concerns regarding the schedule and costs on the engineering contract. Recommends sending out our own Request for Proposal (RFP) for due diligence.

02:14:57

UNFINISHED BUSINESS:

Office Listing through Realtor:

GM Hicks reports on progress of leasing the Rabobank side of building.

02:16:55

Property Tax:

GC Minkler reports on steps to protest the property tax on new office building.

02:17:57

Board Meeting Schedule Changes:

President Maginnis mentions possible date changes for future meetings. This will be on April Agenda for discussion.

02:21:15 **NEW BUSINESS:**
 Correspondence:
 No correspondence was noted.

02:21:20 **ACTION ITEMS REPORT:**
 New action items noted.

02:31:40 **ADJOURNMENT:**
 As there were no items to be presented in Executive Session, President Maginnis asks for a motion to adjourn. **MOTION** made by Director Bateman. Meeting was adjourned at 11:32am.

MOTION

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

APPROVED: