

**BLUE LAKE SPRINGS MUTUAL WATER COMPANY**  
**Minutes of the 4th Interim Meeting**  
**Arnold, California**  
**Saturday, September 9, 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 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, Accounts Manager Carrissa Schlaht and Tom Schneider. In addition, Realtor Mike Karnes and MC Engineering John Pedri were in attendance.

00:00:25

President Maginnis informs the Board that 2 Agenda items will be moved to the beginning of the Meeting:  
1: **UNFINISHED BUSINESS:** Office Lease and 2: **NEW BUSINESS:** Board Vacancy

**APPROVAL OF MINUTES:**

00:08:49

2<sup>nd</sup> Interim Meeting of July 8, 2017

A correction is needed on the July 8, 2017 Minutes. GC Minkler noted that some entries on the Minutes had GS Minkler not GC Minkler. With those corrections, the Minutes of the July 8, 2017 were approved.

**DISCUSSION OF MATTERS NOT ON AGENDA:**

00:09:40

A shareholder questioned the transfer fee for a new piece of property when he already owns a parcel in the subdivision.

**FINANCIAL REPORT:**

00:13:15

July Financials:

Treasurer Bateman reports on the July Financials.

00:35:00

August Financials:

Treasurer Bateman reports on the August Financials.

00:48:12

**MOTION**

GM Hicks requests to raise the second signature requirement on checks to \$5,000.

A **MOTION** was made by Treasurer Bateman to waive the limitation (requirement) of a second signature on checks, seconded by Director Owen and approved by all present.

00:59:00

President Maginnis recognizes Pete Padelford, who just entered the meeting, and asks if he would like to speak to the Board on anything not on the Agenda. Pete informs the Board that the HOA just received another grant.

**MANAGER'S REPORTS:**

00:59:57

Water Production / Drawdown / Usage:

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

Radio-Read Meters:

01:16:11

a. Phase 2 Progress Report:

GM Hicks reports the replacement of old meters with radio-read meters is complete.

01:20:07

b. Meter Propagation Study:

GM Hicks reports on Fixed Base Meters and the proposal received.

01:35:25

c. Service Lateral Loan Program:

President Maginnis recaps the proposed program and the Board discusses pros and cons.

**USDA INFRASTRUCTURE IMPROVEMENT / METER INSTALLATION PROJECT**

1. USDA Loan

02:58:15

a. Interim Financing Waiver:

GC Minkler reports the waiver request was not accepted by USDA. They are now requiring additional bank information and a hardship letter.

02:06:38

2. MC Engineering

a. Progress Report by John Pedri, MC Engineering:

John Pedri gives the Board an update of work going on in the subdivision prior to going out to bid for infrastructure improvements.

## **COMMITTEES:**

03:08:27 Long Range Strategic Planning Committee:

Tom Schneider speaks to the strategies, goals, responsibilities and Charter for LRPC.

03:59:08 After pausing his LRPC report for the discussion on his replacement (see: NEW BUSINESS: Board Vacancy) and the Motion appointing Tom Schneider as a volunteer on the LRPC (see immediately below), Tom Schneider resumes his report to the Board.

04:01:24 A Town Hall Meeting is to be held in November to inform the shareholders about the progress on the USDA Infrastructure Improvement / Meter Installation Project.

03:57:24 a. Volunteer on Committee:

**MOTION** A **MOTION** was made by Director Penney to approve the appointment of Tom Schneider as a volunteer to Long Range Planning Committee, seconded by Director Tobias and approved by all present.

## **UNFINISHED BUSINESS:**

04:05:31 Board Meeting Schedule:

**MOTION** President Maginnis discusses modifying the Meeting Schedule from 12 to 6 times a year. A **MOTION** was made by Treasurer Bateman to approve the changes of the monthly meeting schedule, effective immediately, to January, March, May, June, September and November, seconded by Director Owen and approved by all present. The Meeting dates will remain the second Saturday of each month, except for June which will be the first Saturday.

04:41:53 Open Meeting Act:

GC Minkler gave a refresher course on the Open Meeting Act.

00:01:40 Office Lease:

Mike Karnes informed the Board on the progress of leasing the building.

04:10:21 Auditor:

President Maginnis discusses the proposals received from 2 auditing firms. Tom Schneider points out that we will still need Ebbetts Pass Accounting to complete the yearend reports and filing of taxes.

## **NEW BUSINESS:**

04:18:30 Correspondence:

A request from a shareholder was received. A letter will be sent with the Board's decision.

00:12:08 Board Vacancy:

Due to the resignation of Tom Schneider from the Board of Directors, there is a need to elect a Treasurer.

**MOTION** A **MOTION** was made by Dave Owen to appoint Director Lee Bateman as Treasurer, seconded by Paul Penney and approved by all present.

03:28:57 The Board also discusses a replacement for Director Schneider.

04:31:33 Correction of Banking Resolution:

**MOTION** With the resignation of Treasurer Schneider, the Banking Resolution adopted at the July 8, 2017 Board Meeting needs to be corrected. Resolution No: 17-9-9A is a Resolution of Support for a USDA Loan Application Requirement to Open Bank Accounts. A **MOTION** was made by Director Penney to adopt Resolution No: 17-9-9A, seconded by Director Tobias and approved by all present.

04:34:24 Resolution No: 17-9-9B: To Approve a New Signer on all Banking Accounts

**MOTION** A **MOTION** was made by Director Tobias to approve Resolution No: 17-9-9B, seconded by Director Owen and approved by all present.

04:34:58 Resolution No: 17-9-9C: A Resolution Authorizing Application to the Director of Industrial Relations, State of California for a Certificate of Consent to Self-Insure Workers' Compensation Liabilities. A **MOTION** was made by Director Owen to approve Resolution No: 17-9-9C, seconded by Director Penney and approved by all present.

## **ACTION ITEMS REPORT:**

Action Items were reported.

## **ADJOURNMENT:**

With no items to be discussed in Executive Session, A **MOTION** to adjourn was made by Director Penney. The meeting was adjourned at 2: 31pm.

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

## **APPROVED:**