

BLUE LAKE SPRINGS MUTUAL WATER COMPANY
Minutes of the 2nd Interim Meeting
Arnold, California
Saturday, November 10, 2018 9:00am

00:00:00

CALL TO ORDER:

The meeting was called to order at 9:03am. Directors present were Lee Bateman, Jay Brethauer, Jeff Jones, Bob Maginnis, 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 and LRPC Chair Tom Schneider.

00:00:47

APPROVAL OF MINUTES:

1st Interim Meeting of October 13, 2018:

With no corrections needed, the Minutes of October 13, 2018 stand as printed.

00:01:01

DISCUSSION OF MATTERS NOT ON AGENDA:

No matters were brought up for discussion.

00:01:44

FINANCIAL REPORT:

October Financials:

Treasurer Bateman asks the Board for any questions on the October Financials.

00:02:33

MANAGER'S REPORTS:

Water Production / Drawdown / Usage:

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

00:02:46

Lead & Copper:

GM Hicks reports information regarding lead & copper is posted on the website.

00:07:58

Final Easement Payment on Well 4:

GM Hicks reports that since Well 4 is producing as anticipated, the final easement payment was made.

00:13:01

USDA INFRASTRUCTURE IMPROVEMENT / METER INSTALLATION PROJECT:

Project Report:

Director Tobias and GM Hicks report on the status of the infrastructure improvement project.

00:19:26

COMMITTEE REPORTS:

Long Range / Strategic Planning:

LRPC Chair Tom Schneider reports on the Asset Management Plan and Reserves Fund Policy and the Operating Procedure that the committee has been creating/working on. The Policy and Procedure will be on the January Agenda for Board approval.

01:31:04

President Maginnis requests a 10 minute break.

01:32:07

UNFINISHED BUSINESS:

2019 Budget:

Treasurer Bateman brings to the Board's attention the proposed increases in shareholder fees and how that would effect the proposed budget. Board discusses income and expenses for 2019.

MOTION

A **MOTION** was made by Treasurer Bateman to adopt the 2019 Budget with a 3% increase in shareholder fees, seconded by Director Brethauer and approved by all, with Director Rich abstaining.

02:21:19

Long Term Water Rate Plan:

Treasurer Bateman asks the Board to consider a new timeframe for approving the 2020 budget and implementing a new rate plan.

02:03:59

NEW BUSINESS:

Correspondence:

None.

02:04:02

Report on Audit Deficiencies:

The report on audit deficiencies and staff's remedies was presented with no Board questions.

02:04:11

Board Vacancy:

Will be discussed in Executive Session.

02:04:17 Rate Consultant:
Director Tobias will reach out to a consulting firm for a possible pro-bono rate study.

02:07:13 Cal Trans Agreement:
GM Hicks reports on a tentative agreement with Cal Trans to place radio equipment at tank 4.

02:08:31 President Maginnis introduces Jeff Graham, Senior Project Manager of Mazingo Construction to the Board.

ACTION ITEMS REPORT:

02:15:14 2019 Meeting Schedule:
Changing the meeting schedule was discussed. Board to send President Maginnis their individual preferences before end of November for consideration.

02:19:37 New Action Items:
New action items were noted.

ADJOURNMENT TO EXECUTIVE SESSION:

02:38:50 President Maginnis adjourned to Executive Session.

RECONVENE TO OPEN SESSION:

03:29:42 Contractual obligations and salaries/wages were discussed.

ADJOURNMENT:

03:31:04 President Maginnis adjourned the meeting at 12:31pm.

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

APPROVED:

Next Regularly Scheduled Meeting: January 12, 2019