THE BUBBLER

Blue Lake Springs Mutual Water Company Newsletter

CALL FOR CANDIDATES FOR DIRECTORS

of

BLUE LAKE SPRINGS MUTUAL WATER COMPANY

March 2019

In accordance with the Bylaws of Blue Lake Springs Mutual Water Company, the following appointment of Nomination Chairperson has been made:

Paul Penney

P.O. Box 3524

Arnold, CA 95223

The Chairperson hereby calls for shareholders in good standing who are willing to serve as Director for a full term following the June Annual Meeting to submit their names and qualifications to the Chairperson via mail at the above address or by email at: penney905@comcast.net by April 12, 2019.

WE NEED A BRIEF RESUME that should contain:

Personal information, including, your name, location of your property in Blue Lake Springs, a permanent residence location (if different), any background information you deem pertinent; and

 Statement of qualifications, including any experience you feel would be valuable to serving on Blue Lake Springs Mutual Water Company Board and the reasons why you chose to run.

YOU NEED TO MAKE A COMMITMENT to attend the meetings as well as the Annual Meetings.

BLUE LAKE SPRINGS MUTUAL WATER COMPANY

3 Directors to be elected

Term: 3 years each

Meetings: 1st Saturday of January, March, May, August, September and November 9am to 2pm

Annual Meeting on the 2nd Saturday in June

It is suggested that interested applicants attend at least one Board Meeting prior to the June 8^{th} elections, if possible.

Thank you,

Paul Penney

Paul Penney

Director, Nomination Chairperson

Board of Directors

Blue Lake Springs Mutual Water Company

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Report



General Manager's Report

February was a month of cold, snow and heavy rain.

We had some frozen and broken pipes in some cabins and this caused a higher water usage than normal for February.

Some cabin's pipes froze overnight, even with occupants home, and the heater on. Please check your house shutoff if you haven't checked it lately. It should be insulated and protected from the outside air. If you have a open vent close by the shutoff valve make sure the vent is covered for winter, and pipes insulated. If your shutoff is outside the house and in a box, check to see that it is well insulated. Shutoff all irrigation, or any exposed pipes outside.

When we get cold temps...20 degrees or colder for several days at a time, the possibility of frozen pipes at your cabin is great. Of course, if you are gone, make sure the cabin is winterized, but when you come up and the temps are below 32 degrees, check the house shutoff to make sure it's insulated.

A lot of people came up for the President's Day, and Washington's Birthday weekends in spite of the storms and this contributed to the high usage also.

Here are the numbers:

February Water Usage

2019 4,242,000 gallons

2018 3,286,000

2017 3,007,000

2016 2,993,000

2015 3,329,000

We saved no water compared to February 2013 the State Drought Reporting Year.

We are at +26%

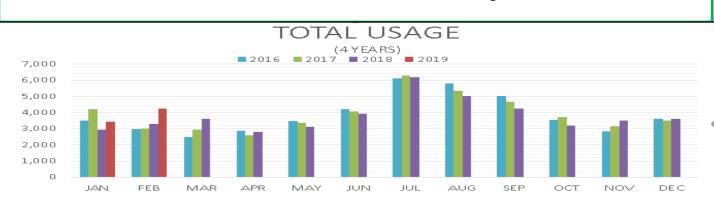


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USAGE CHART FOR FEBRUARY 2019



LRPC Report

Over the next year while the USDA construction contract is completed and the remaining water meters are installed and connected, the LRPC will continue to research and discuss our rate structure design options, taking into account meter study usage levels and trends. As we proceed, the progress and analysis updates will be presented to the BOD. Our USDA loan repayment, and resulting impact on rates are not estimated to start until 2021, one year after construction is complete. The final rate structure is anticipated to be comprised of a base rate and consumptive rates designed to cover the full cost of providing water service to all shareholders today and into the future, including the full suite of operating and maintenance costs, as well as debt service payments, capital improvements, and contributions to our reserve funds. The goal will be to develop and achieve a design that results in the most fair and equitable rate structure for all shareholders.

Development efforts continue on the Asset Management Plan. During February, MC Engineering completed a first draft of the pipeline GIS file/map and database extract. They are currently working together with the BLSMWC Staff to finish populating the Inventory Database with the goal to complete this initial phase of the plan by month-end March. As mentioned previously, this comprehensive interactive database tool will provide on-going information on the life expectancy and estimated replacement cost of each asset, which will be utilized to determine the annual amounts required in our Capital Assets Reserve Fund. Once this phase is complete, the proposed scope for the remaining tasks will be reviewed and agreed to by the LRPC, with a recommended path forward presented to the BOD for approval.

MC Engineering also continues to work with Mozingo Construction, Inc. to obtain firm cost quotes and schedule impacts to the USDA Project if the BOD were to authorize several new scope tasks requested by the BLSMWC staff. As mentioned last month, once this information has been received, each additional task will be reviewed by the LRPC and BOD to determine cost and schedule risks, and only authorized if economically and technically necessary.

Have an idea?

The Bubbler is published to keep Blue Lake Springs Mutual Water Company share-holders informed about issues and upcoming events. The Bubbler is a "monthly" newsletter and comes out following a regular scheduled Board Meeting so that we can keep you up to date on the most current information.

If you would like to submit an article or suggest ideas for improvement, please contact:

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PRESIDENT'S REPORT

In June there will be two openings on the Board of Directors, and you are encouraged to apply. There are few requirements, you must be a shareholder in good standing, and you must be interested in the future of the Water Company. The Board meets every other month and there is an additional meeting in June. If you are interested, refer to the front page of this publication.

The Board met in early March and covered several items. First and foremost, the Board welcomed our new attorney, Andrew Ramos. Andrew is in the Water and Real Estate field and came highly recommended. Our prior counsel, Michael Minkler assumed the position of General Manager of CCWD and we wish him well.

The Project has succumbed to the wishes of the weather and will continue as soon as the weather changes. As you know the project includes, among other things, an increase in Fire Suppression Hydrants. A resident, who was affected by the addition of hydrants, called his hazard/homeowners insurance agent and his annual payment was reduced.

The Long-Range Planning Committee (LRPC) has recommended to the Board that staff create a loan program to assist those who are having their rear property access line moved out to the front of the property, into the utility right-of-way and maybe in need of some help. The program should be ready by May 2019.

Since we are the recipient of Federal Money, in this case the US Department of Agriculture we are required to obtain an audit that lists all our assets and liabilities. This is an expensive and lengthily process that demands hundreds of hours of research. These annual audits will be required through the end of the construction project.

Make a note on your calendar that the Annual Meeting date has been changed to Saturday June 8th, from the 1st and will be at 9:00AM.

Over the past several months the water Company has preached WINTERIZATION. Winter isn't over quite yet and the attention to the severe cold is still in business.

We have fielded about 20 residences with ruptured pipes, which are all the homeowner's responsibility. Simply stated: DON'T FORGET to WINTERIZE.

We also field calls on how to un-freeze frozen pipes. One word: Carefully. If you are not sure how, give the company a call and we'll give you some help. Be wary of those who suggest that you use a small blow-torch or an automotive heat-gun. Too much heat can do lasting damage and frequently cause sudden rupture.

Reminders:

- 1. You can pay your water bill by credit card
- 2. Check your system for any leaks. We do and we find some.

3. If you have an issue give us a call. If needed, we will come to your home.

Please remember:

NextDoor doesn't make house calls

If you see water running, please call us. If you aren't sure where the water is coming from, call us.

Visit our website for the latest: BLSMWC.COM

AND......do we have your email address? If you are unsure, its as simple as emailing to cschlaht@blsmwc.com. Carrissa would be happy to put your email on file!!

Spring is coming!!

Bob Maginnis

BLSMWC President



