

THE BUBBLER

Blue Lake Springs Mutual Water Company Newsletter

June 2021



OUT AND ABOUT



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Here are a few photos of our Water

Masters at work!

Top Left: .Capping Unit 13 going across the golf course

Top Right: Hydrant Maintenance

Bottom Left: Capping AC Pipe at Tank #6



June, 2021

General Manager Report

Shareholders,

My name is Tyler Mayo and I am the new General Manager of BLSMWC. I'm looking forward to working with my wonderful team, as well as serving all the Blue Lake Springs shareholders. My professional experience comes from 8 years as Water Master for BLSMWC, as well as a small business owner in this area. If you have any questions, please feel free to reach out to me directly. I look forward to getting to know all of you.



May Usage

The usage for May 2021 is 23% lower than May 2020. Your conservation efforts are working and is greatly appreciated. We need to continue these efforts throughout the year, as it looks like we'll be heading into another drought. Please be mindful of your usage, there's info on how to read your meter at blsmwc.com.

In the Field

The Watermasters are working hard on removing old services and disconnecting the old main from the new mains. We now have 99% of the old mains off and all mains are now located in the roadway and services in front of the homes. Throughout the summer you'll see the guys out maintaining the fire hydrants, please be mindful while driving through Blue Lake Springs.

Lead & Copper Testing

Our water operators will soon be reaching out to the homeowners in our Lead and Copper Sampling Program. Homeowners are asked to take a sample from their primary faucet (i.e. Kitchen sink). We are required to check for lead and copper levels every 3 years per our state regulators.

Thank you for your cooperation.

Tyler Mayo

General Manager, BLSMWC

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LRPC Report

As we progress through 2021, the LRPC primary focus will be on both short-term and long-term financial planning and management to ensure we maintain our currently strong financial position. Looking forward, there are factors that we must take into account that will make this a challenging task, including developing plans to cope with another potential drought as well as funding our long-term capital asset replacements.

Specific areas of support the LRPC will provide to the BLSMWC management & staff will include:

Updating & analyzing multi-year cash flow to validate the current and forecasted health of financial reserves by identifying all potential reserve liens through our established Reserves Fund Policy process, including Asset Management Plan funding requirements.

Assist in the BLSMWC Asset Management Plan annual database updates and implementation of capital asset replacements and repairs. This includes documenting all asset changes and recalculating funding plan options.

Continue to collect and analyze water meter usage data for consideration in the development of future rate structures. With nearly 100% of meters now installed, usage levels and trends will be re-evaluated to determine if an adjustment to metered water usage rates is in order.

Continue to review and make recommendations for future operating and reserve budgets and expenses to minimize shareholder rate increases.

Managing and maintaining our long-term financial reserves, as listed in item #1 above, will clearly be the most significant challenge. Our potential reserve liabilities outweigh assets. Therefore, careful planning and thought-out decisions on how we prioritize spending to meet our most critical long-term liabilities will be necessary. The major reserve liabilities, which include completing several unfunded USDA project tasks, the potential need to purchase increased CCWD water capacity, and funding our long-term asset management plan will be fully assessed over the next few months with all recommendations presented to the board for review and approval.

Have an idea?

The Bubbler is published to keep Blue Lake Springs Mutual Water Company shareholders 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

The Blue Lake Springs Mutual Water Company's Annual Meeting was held via ZOOM on June 5th. The hope is that future Annual Meetings will be held in person.

Most notable at this meeting was the final Board Meeting in Dave Hick's long and distinguished career. Dave will move on to a well earned and deserved quieter life. We all wish Dave a long and prosperous retirement.

Tyler Mayo has assumed the position of General Manager. In the business world, Tyler is known as a perfect job/person match. He has full support from the Board and staff. We all wish Tyler well and hope that his career with Blue Lake Springs Water will last as long as Dave's 33 years.

Board member Bill Cover, who volunteered to be the point person as the Director of Elections, as called for in our By-Laws, relayed the election results. There were four running for 3 positions. Jeff Jones, who was the incumbent Board member was re-elected, and the two new vacant positions were filled by Jon Dashner and Bruce Utter. Each position is elected for a three-year term. Thank you, shareholders, for doing your part in the voting process.

Tom Schneider, the chair of the Long-Range Planning Committee (LRPC) delivered his annual report, which is included in this Bubbler. The Water Company is in a very stable financial position, thanks to a lot of staff oversight.

I know that you know that the State of California is in a drought. The State Water Resource Board is looking for sizable use reductions. Several water companies have already put their drought measures in place. Simply stated: We MUST use less water!! We have done so before and we can do this again. Think CONSERVATION and be mindful of where water use can be reduced or better used. CONSERVATION is a practice and starts with a state of mind that professes "we CAN use less water". Check out the blsmwc.com website and learn of the water saving programs already in place. We have a rebate program for the purchase of a low-flow toilets, and once we approach drought stage 2, we will again offer tokens to the local car wash. They recycle their water which saves your water at home!

Earlier I mentioned the results of the election, and after the Annual Meeting, the Board held its regular scheduled meeting, which was open to all, for the purpose of electing the Officers of the Board. This year, Sharon Tobias was elected President, Andy Rich Vice-President, Bill Cover to the position of Secretary/Treasurer; and, Andy Rich, Jeff Jones, John Dashner were appointed to the LRPC.

For me, this ends 13 plus years of being a member of the Board. One day I received a call from the then sitting President John Speakman, who asked if I would fill in for a member that had left. Sure, I said, after all John is a friend. Very soon I found myself elected President.

The staff and I stayed strong through the events of the times, including a time when our water supply was summarily cut-off. The search for additional and replacement wells, the results of which were at its best GRIM; and the current infrastructure was wearing thin.

The water company's true grit showed as we found new well water sources, and with the help of their new manager, engaged CCWD and secured a partnership driven contract that guarantees water flow delivery. This launched a 3-4 year 12.3M contract to rebuild and modernize the entire system, all designed to service the future needs of BLSMWC customers.

This entire effort profits all. Homeowner's property values, when addressing water flow, is solid. New water lines specifically designed to compliment and enhance firefighting have been installed, and the entire system is set for a minimum of 50-70 years.

I leave with a true sense of accomplishment and will forever be in awe of the Water Company staff that pulled this all together.

I wish you all the best.

Bob Maginnis