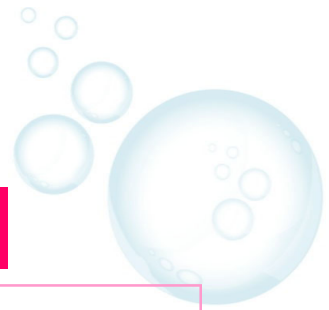


THE BUBBLER



Blue Lake Springs Mutual Water Company Newsletter

January 2022

A Message From the Accounts Manager...Kathy Powell

"Welcome Shareholder's to the 2022 year! We wish you the best.

We will proceed with the billing the same as last year starting with the first billing going out at the end of February. Billing months are: February, April, June, August, October and December. Bills will be due by the 25th of the following month. 2022 billing fees will be \$139.25 every two months. This includes the base rate of \$100.75 and the USDA loan payment of \$38.50. This billing rate includes the 700 cubic feet before water charges are applied. Lot Shareholder rates will be \$76.25 every two months. This includes \$57.00 and the USDA repayment of \$19.25.

Please consider setting up an account with our billing company if you have not done so. This allows you to enroll in auto pay and paperless billing.

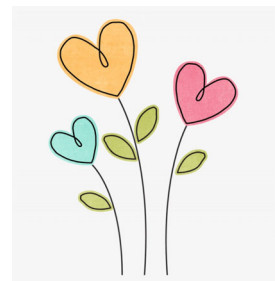
You can find the link on our website: blsmwc.com and click the pay my bill tab.

As always, please call with any questions or if I may be of assistance Monday – Friday from 8am to 4pm."

About Pressure Regulating Valves (PRV)

During the infrastructure improvement projects we provided "pressure regulating valves" (PRV's) to the shareholders. Most of these PRV's are located in the water box just in front of the meter/service box near one of your property corners and is marked with a blue snow stake. To check your water pressure, you'll need to attach a pressure gauge directly to a hose bib and turn the water on. You can then adjust your pressure at the PRV. There is a bolt located at the top of the PRV, turn the bolt clockwise to raise the pressure and turn it counter clockwise to lower the pressure. The maintenance and/or replacement of this PRV is the homeowner's responsibility.

If you have any questions about your pressure or other water related issues, we are available 7 days a week and are happy to help. Please call the main office M-F from 8-4pm at (209) 795-7025 or the 24hr emergency line at (209)795-7030. For more information regarding our water company please check out our website at www.blsmwc.com.



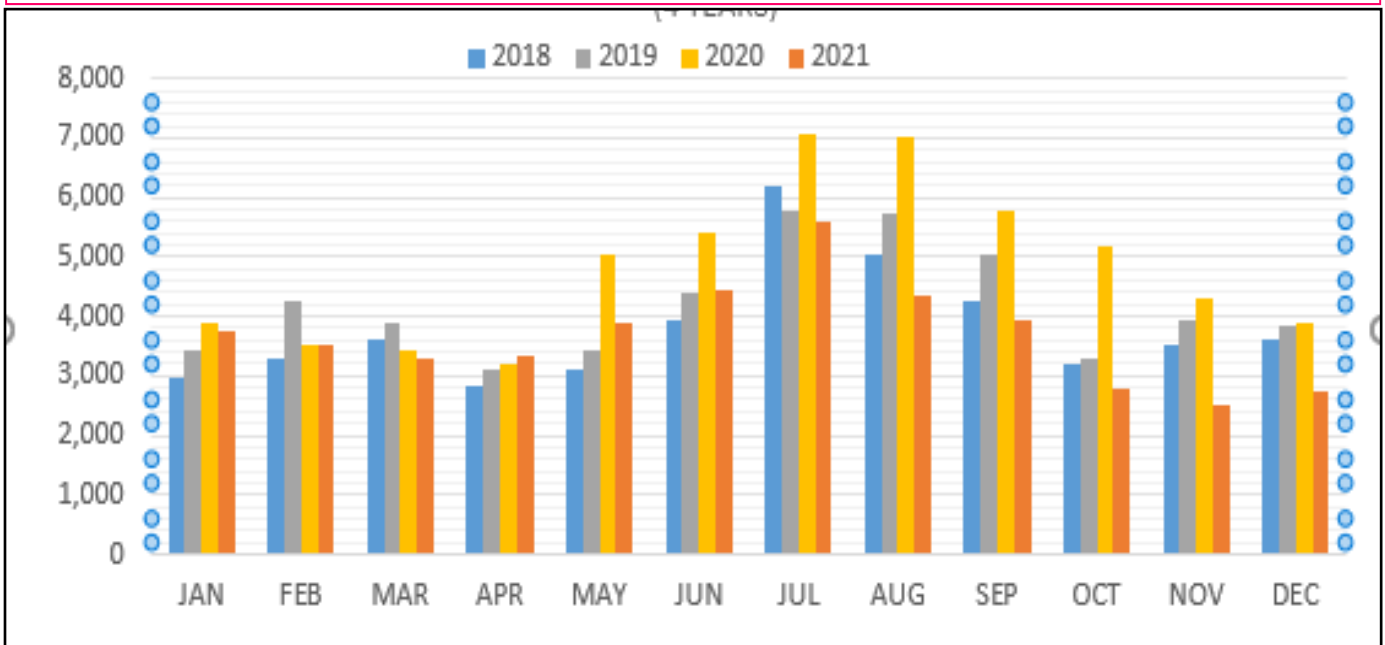
January 2022

GENERAL MANAGER'S REPORT

Dear Shareholders,

I would like to thank the shareholders for their conservation efforts. Our usage total from 2021 was 44,110,000 gallons which is a 24% savings from the 57,671,000 gallons used in 2020. Below is a chart showing our water usage every month for the past four years.

As a reminder when you leave your home, even if it's only for a few days, you should shut off your water. This will help protect your home from possible water damage and costly water leaks.



Usage (1,000 Gals)

DATE	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2010	3,992	3,120	3,031	3,509	3,842	4,999	7,564	6,722	5,679	4,233	3,590	4,232	54,513
2011	3,805	3,568	3,739	3,146	3,631	4,489	6,876	6,255	4,946	3,688	3,290	4,044	51,477
2012	3,624	3,425	3,092	3,108	4,560	5,100	6,902	6,435	5,540	4,173	3,355	4,133	53,447
2013	4,265	3,157	3,066	3,233	4,341	5,738	7,992	7,117	4,885	4,401	3,822	4,097	56,114
2014	3,305	2,974	2,973	3,393	4,152	4,532	5,878	5,262	3,834	3,430	2,946	3,579	46,258
2015	3,329	2,480	2,587	2,269	2,602	2,908	4,343	4,066	3,315	2,627	2,710	4,057	37,293
2016	3,495	2,993	2,488	2,860	3,479	4,225	6,109	5,804	5,033	3,527	2,842	3,609	46,464
2017	4,223	3,007	2,942	2,603	3,378	4,064	6,296	5,354	4,675	3,723	3,158	3,497	46,920
2018	2,956	3,286	3,598	2,815	3,114	3,938	6,183	5,037	4,234	3,188	3,498	3,618	45,465
2019	3,417	4,242	3,890	3,125	3,431	4,385	5,759	5,720	5,016	3,274	3,931	3,835	50,025
2020	3,873	3,501	3,408	3,201	5,058	5,411	7,067	7,014	5,767	5,187	4,296	3,888	57,671
2021	3,768	3,515	3,275	3,336	3,894	4,432	5,613	4,336	3,921	2,787	2,496	2,737	44,110

Tyler Mayo
 General Manager
 Blue Lake Springs Mutual Water Company

LRPC REPORT

At year-end 2021, it is with great pride and gratification to claim the achievement of another major BLSMWC/LRPC goal earlier in the year, the successful completion of our 32 month long USDA Infrastructure Improvement Project in January 2021. This goal was initially established at the inception of the Long Range Planning Committee (LRPC). Looking back at our history, the LRPC was proposed and approved by the Board of Directors (BODs) at the July 2013 BOD Meeting. The first LRPC meeting was held on August 5, 2013. The first LRPC presentation at our August 10, 2013 BOD Meeting provided details of the initial strategy and commitments to meeting our long term goals as follows:

The long-range plan strategy of this Committee and the Board of Directors will be to seek and fund a dependable long range water supply. This shall include a detailed, time-phased multi-year budget plan segregating Operations from Capital Improvement funding to provide the most cost-effective approach possible.

To achieve this, the LRPC and BLSMWC:

- Has decided to become a self-sufficient water company by developing and owning its own supply and delivery of water via additional wells to our members within the next two years
- Will continue to investigate options for an emergency supply of water in case of catastrophic system failure
- Will make recommendations for decisive action to upgrade existing equipment and infrastructure on an accelerated basis
- Will pursue wells from different sources to assure long term supply for the next 20 years
- Will continue to seek sources of water as back up for possible long term drought conditions
- Will consider the option to fund capital improvements through long term financing so as not to disproportionately impact short-term financing
- Will develop and maintain cordial relationships with all parties in the sourcing and delivery of water to our shareholders
- Will provide frequent communication updates on the progress to achieve our goals

Over the past 8+ years, the LRPC and BLSMWC management & staff have remained consistently focused and committed to meeting our goals, many of which were long term, involved teaming with multiple outside agencies, and spanned several years to complete. These included increasing our water supply through the development of additional wells, reaching a wholesale water agreement with CCWD, completing the USDA Infrastructure Improvement Project with long-term government financing, and formally implementing a Reserves Fund Policy and Asset Management Plan. With all the above goal accomplishments, our financials are in great shape, and it is notable that our current reserve accounts at \$2.2M+ are significantly greater than our total bank account balances were back in September 2013.

As we move forward, there will be changes forthcoming with the LRPC structure. In the next few months, Tom Schneider will be stepping down from the Chair position, and a re-organization of the committee will take place. The final structure and responsibilities are currently being worked and should be finalized in the next couple months. In the meantime, LRPC support will continue to focus on assisting BLSMWC management & staff with rate structure recommendations, cash flow & reserves analysis, asset management planning oversight, and performing cost benefit analysis of water source options (i.e., CCWD, additional wells) should future water usage indicate the need for an increased supply.

Tom Schne

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 published 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: Pam Bowman

pbowman@blsmwc.com

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**Or for answers, visit us
on the web:
www.blsmwc.com**



President's Report

Happy New Year!

Welcome to 2022 - I hope it will be a good year for everyone!

We ended 2021 with several storms bringing an extraordinary amount of snow to the Arnold area.

I want to acknowledge the hard-working crew (Billy, Vince, and Tyler) at the water company who kept the water flowing during and after these snowstorms even though there was no electricity and Blue Lake Springs (BLS) received up to 6 feet of snow. This is accomplished through careful planning and preparation. First, they ensure that the tanks are full of water prior to the start of the storm. Then, the crew stays ahead of the storm by working around the clock constantly plowing access roads to the tanks, pump station, and treatment plant so that they can always reach these facilities if and when needed. They use a trailer-mounted generator that can be connected to run the booster pump station to distribute water to the tanks as needed. The treatment plant has its own generator so that the treatment plant can operate even if BLS does not have power. When there is a storm, the crew will often work 24-48 hours straight or until the next person comes on duty. Often the person who is not on duty will still come in to help out the person who is on duty during the storms. It is definitely a team effort that keeps the water flowing! So, when you see the guys out in the development checking for leaks, doing maintenance work, please say hello and thank them for keeping the water flowing.

It's so easy to take the water that comes through our pipes for granted.

In other news, the Board of Directors met in December and January. The 2022 budget was approved and will be sent out to shareholders very soon along with the Treasurer's Letter. Now that all cabins are metered, it will be easier to fairly evaluate water usage over the next several months which will help us further evaluate the rate structure. The Board voted to increase the improved property base rate by 2.77%; decrease the unimproved property base rate by -1.72%; keep the water allotment the same (350cf/per month); and the metered rate, above the allotment, was slightly increased from \$1.60ccf to \$1.75ccf.

In the Spring, there will be an election for three positions on the Board of Directors. Look for a mailing in the next month or so regarding nominations for candidates.

Please continue your conservation efforts. They are helping to preserve our water supply.

Lastly, I wish everyone good health and to stay safe. Please wear masks as needed to keep yourself and other safe, as well as follow other Covid protocols. I know it's tiring...but I think it's the right thing to do to protect those that can't get vaccinated.

Sharon Tobias
President
BLSMWC Board of Directors