

Minutes
Forest Lakes Mutual Water Company
Board of Directors Meeting On-line Meeting
November 12, 2024 - 7:00 p.m.
Public Session
910 Fern Avenue, Felton CA

CONVENE MEETING/ROLL CALL: Meeting was called to order at 7:01 by President P. Gonda. Also present: General Manager D. Cortez; Directors, W. Baer, M. Baptista, L. Dennis, C. Kelly, C. Linstrum, and D. Pattillo; Firewise liaison S. Greco; HR Committee member L. West; and shareholders L. Mondot and S. Hector.

ADDITIONS/DELETIONS TO AGENDA: No changes

SHAREHOLDER/PUBLIC COMMENTS:

- L. Mondot expressed concern for security and loss-prevention, especially regarding foot traffic on Lakeview. She also reported that PG&E will be doing some cleanup on her property and suggested that the Company might do some cleanup around the Lake Complex.
- Forest Lakes Firewise and Safety Association Update: S. Greco reported that the tree removal on Lakeview went very well. Everyone is happy with the results. There might be some more work done with remaining grant money.
Almost 300 people attended the movie night in Scotts Valley "The Rising Giants."
Going forward FW will be focusing on zone-zero clearance and making addresses easily identifiable.

APPROVAL OF MINUTES:

There was a motion to approve the minutes of October 8. The motion was seconded, and the motion carried.

COMPANY REPORTS:

Financial Report: Manager Cortez reported on Company finances. As of October 31st, Cash on Hand: \$1,073,422.59; Total Revenue: \$905,383.49; Year-to-Date Expenses: \$720,021.16; Net Income to Date: \$185,362.33. There were no new overages exceeding \$250.00. Cortez also reported on investments and their earnings.

There was a motion to approve the Financial Report, which was seconded. The motion carried.

Operations Report: Manager Cortez reported that production in October was 1,103,500 gallons, and loss rate was 15.9%; there was one customer leak and a couple of Scenic tank leaks.

Staff made necessary repairs, replaced faulty equipment, and worked on maintenance of roads, culverts, and hydrants. Staff also resolved an issue of chlorine residuals in Tank 7.

Scenic tank replacement plans were approved by the fire department, and the geotechnical report has been approved by Environmental Planning. State Water Resources Control Board sent a list of questions and comments which have been forwarded to our engineer for response.

Again, Cortez reported on misuse of garbage cans at the office. Following garbage pickup on 10/28, someone filled the garbage can completely with rugs and home garbage. It may be necessary to purchase or build a locked unit to store garbage and recycling cans to prevent further abuse of property.

ADVISORY COMMITTEE REPORTS:

- Water Conservation and Water Committee: no report.
- Recreation Committee: There will be Pie in the Park on Nov. 23. L. Mondot reported that she is working “subtly” on the 100-year Anniversary, talking to people.
- HR Committee met and will present recruitment and other items for discussion in Executive Session.
- Road & Safety Committee: no report.
- Rules Committee: no report.
- Finance Committee: no report.
- Strategic Planning Committee: no report.
- Community Fire Prevention Committee: no report.

NEW BUSINESS:

1. Discussion/Action Item: 125 Premium Only Plan 2025 Adoption and Resolution (Cortez)
Cortez brought forward the Premium Only health plan for employees. Pres. Gonda explained that this is a process we must undertake every year. There was a motion to approve the plan and adopt the resolution approving the Premium Only plan. The motion was seconded, and the motion carried.
2. Discussion/Update: 2025 Draft Budget (Cortez, Gonda)
Cortez called attention to various items in the draft budget, pointing out a few changes from the draft viewed at the October meeting. Certain items will be covered only in Executive Session. In response to a question, Cortez explained the reasons for some of the increases. There was discussion about whether the 5% increase in assessments would be sufficient, given possible structural deficit and unknown payroll expenses. Cortez provided reassurance. Gonda said that he would follow up with some analysis before the December meeting.

Public meeting adjourned at 7:58.

Public session reconvened at 9:02 to report on action items taken in Executive Session: 1) Approved revisions to job description for General Manager; 2) Approved employee pay increase; 3) Approved year-end gifts for staff and manager.

Pete Gonda, President

Winnie Baer, Secretary