

Minutes
Lakes Mutual Water Company
Board of Directors Meeting On-line Meeting
August 13, 2024
Public Session

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. Linstrom, C. Kelly, D. Pattillo; shareholders S. Greco, L. Mondot, and L. West.

ADDITIONS/DELETIONS TO AGENDA: none

SHAREHOLDER/PUBLIC COMMENTS

S. Greco gave a Forest Lakes Firewise and Safety Association Update. 1) They are still waiting for final signature from CalFire on the grant to make improvements to the infrastructure. 2) The Roaring Camp Firewise Festival had good attendance 300 people and better attended by people from Forest Lakes. 3) Future Movie Night: documentary on Coastal redwood trees, probably shown at Scotts Valley Cinema. 4) Focusing on education, especially informing people on what Firewise does and how they can help homeowners make their properties more fire safe. Three Firewise board members attended a 2-day training in July on assessing fire vulnerabilities and are now offering assessments to anyone who wants it.

STATEMENT BY BOARD PRESIDENT

President Gonda spoke about an increase in incidents of negative shareholder interactions that has been alarming. One shareholder contacted a contractor and tried to influence the work being done. In another incident at the lake, someone harassed and yelled at the lifeguard. The board will be addressing this moving forward.

APPROVAL OF MINUTES

A motion to approve the minutes of July 9, 2024 public session meeting was seconded. The motion carried.

COMPANY REPORTS

Financial Report: General Manager D. Cortez reported on Company finances through July 31, reviewing cash on hand, total revenue and expenses, budget overages of \$250 or more, yields on investments, and new investments. YTD income: \$ 832,421.35; YTD expenses: \$551,793.46; and YTD net income: \$280,627.89.

There was a motion to approve the financial report, which was seconded. The motion carried.

Operations Report: D. Cortez reported a higher than usual loss rate explained by leaks, especially problems with the Scenic tanks; she described several repairs to infrastructure made by staff, including road and drainage repairs on Lakeside, Willow, Redwood, Scenic, Early, and Laurel. Staff made repairs to booster line between tanks 6 and 5; service line and tank repairs at the Scenic treatment plant and Scenic tanks; repairs on Sylvan and McGee, repaired leak and replaced booster line at 3A-3B (Ferrari); and replaced a fuse to the backwash circuit board. Staff also built a small shed for the generator at tank 6, and installed a Tuff Shed at the corporation yard. In response to a question from the board, Cortez gave an update on both the Scenic tank replacement project and the septic tank issue at the office.

ADVISORY COMMITTEE REPORTS

- Water Conservation and Water Committee: No report
- Recreation Committee: D. Cortez mentioned the Dog swim for the last day of lake Aug. 18, followed by a Halloween party, followed by Pie in the Park.
- HR Committee continues developing job description and recruitment materials to hire a successor for General Manager Cortez
- Road & Safety Committee: no report
- Rules Committee met to discuss name signs policy and expects to have draft language by the September meeting.
- Finance Committee no report
- Strategic Planning Committee: no report
- Community Fire Prevention Committee: no report

NEW BUSINESS

1. Discussion: Regulations/limitations on shareholder use of FLMWC Fire Protection Reservoir: General Manager Cortez gave an exhaustive overview of the rigorous regulations and restrictions imposed on the maintenance of our fire protection reservoir. Few shareholders are aware of the difficulty of permitting and maintaining the lake, that the lake is permitted first and foremost as a fire protection reservoir, and many residents seem not to recognize that swimming there is a privilege, not a guarantee. Shareholder L. Mondot offered her historical perspective on the lake as a recreational resource and as a fire protection reservoir. There was discussion about prohibiting recreational fires and barbecues at the lake and possible consequences of violation.
2. Discussion/Update: 100-yr. Anniversary of Forest Lakes Mutual Water Company needs shareholder input. There was discussion about how to incentivize involvement in planning a celebration/commemoration of the milestone, possibly forming an ad hoc committee of shareholders to plan/organize activities around the centennial.

Public meeting adjourned at 8:34, and was reconvened at 9:30 in order for President Gonda to report that action was taken on an excessive use appeal.

Pete Gonda, President

Winnie Baer, Secretary