

MINUTES
Forest Lakes Mutual Water Company
Board of Directors Meeting On-line Meeting
April 12, 2022 7:00 p.m.
Public Session
910 Fern Avenue, Felton CA

This meeting will be conducted by video/teleconference. Shareholders are welcome to attend all public session meetings via Zoom:

CONVENE MEETING/ROLL CALL: The meeting was called to order at 7:03 p.m. by President D. Wade. Attending: Directors Davidson, Dennis, Gonda, Maskolunas, Mobley, Wade, West. Staff: G.M. Cortez. Shareholders: C. Barauskas, S. Hector, A. Kelly.

ADDITIONS/DELETIONS TO AGENDA: Quote from Valley Paving for various road projects.

SHAREHOLDER/PUBLIC COMMENTS:

The Board invites shareholders and residents to speak no more than 3 minutes each on any subject not on the agenda. Please hold comments/questions on agenda items until brought up below.

One shareholder asked if FLMWC could provide any assistance in helping her with a place to put chipped materials.
Suggested: to be discussed off-line.

APPROVAL OF MINUTES:

- March 8, 2022 public session meeting: Motion to approve the 3/8/22 public session minutes was seconded. Motion passed.

COMPANY REPORTS:

- Financial Reports: Cortez summarized the financial report for March, 2022 as follows: Cash on hand beginning of month, \$966,213.69; end of month, \$963,564.07. YTD income: \$563,175.01; YTD expenses, \$149,161.27; YTD net income, \$414,013.74. There were no new overages.
- Operations Report: System production for the month was 955,616 gal, compared to last month's 929,289. There were 2 excessive users. There were no call-outs. Loss rate was 14.7%; this could be due to a tank being operated manually. Staff will monitor. Average shareholder use was 77gpd, down about 8% from last year at this time. Granite has again been asked about the status of necessary upgrades and maintenance to Well 10A. Granite assures these will be completed in May. Staff is searching all existing maps for as-builts for the Ferrari well, as the original agreement required they be provided to FLMWC. Cortez has communicated with the State regarding all requirements for permitting that well; the as-builts are one of the requested components. Staff has developed a plan for aerating the water in the reservoir, to be used throughout the swim season to help keep the water clear. SBA has granted a 60-day extension and offered a 6-month extension for disbursement as soon as receipts have been submitted. RCD is assisting in permitting the Quarry Road culver. 2 contractors are working on estimates, both with and without prevailing wage calculations.

ADVISORY COMMITTEE REPORTS:

- Water Conservation and Water Committee: Did not meet. It was noted that 26 homes had water use above 150 gpd, which has been suggested as a threshold for use limits in drought years. Committee to meet and discuss.
- Recreation Committee: Easter event was well-attended.
- HR Committee: Report in Executive Session
- Road & Safety Committee: Did not meet.
- Rules Committee: Update: Did not meet, but a draft of form for excessive use fee appeals was circulated. The name/s of the appellant/s will not be shared when the appeal is presented to the Board. Committee to meet and finalize before bringing it to the Board.
- Finance Committee: Did not meet.
- Strategic Planning Committee: Did not meet.

- Community Fire Prevention Committee: Shareholder Kelly explained why not-for-profit status was needed, so that the group could work on seeking grants. NFP status has been recognized by the State; a bank account has been opened; donations can be accepted and website will soon be up and running.

NEW BUSINESS:

- **Discussion/Action item:** Storage sheds for corp. yard: Existing structures are in need of replacement. Staff have cleared the surrounding area and created a place for 2 buildings. Provided replacement buildings do not exceed size requirements, permitting would not be required, which is helpful as the land is not owned by FLMWC but rather is an easement. Staff has researched three different options. Of these, the preference is for either the heavy-duty metal sheds or a fire-resistant wood shed to be built by staff. It was noted that the sheds were not included in the 2022 budget, but one could be done this year without exceeding budget limits. Cortez will get estimates for the two preferred options and bring back to the Board in May.
- **Discussion/Action item:** Altamount easements: Two title search providers have been contacted. Awaiting responses.
- **Discussion/Action item:** Internal and Payroll audits: Internal audit was scheduled for 4/30/22 at 10 a.m. Payroll audit to be scheduled at a later date.
- **Discussion/Action item:** Annual shareholder meeting and Board election: Election and shareholder meeting set for Sunday, 6/5/22. Barbecue and pot-luck will resume this year.
- **Discussion/Action item:** Lake opening/lake opening events: 6/7/22 is the last day of school; tentative opening set for 6/8 or 6/10/22. A lake opening event will be planned for 6/11/22, the first weekend the lake will be open. Staff suggested a BBQ to celebrate. Staff may bring family and friends.
- **Discussion/Action item:** In-person Board meetings: Decided to continue Zoom meetings for the present.
- **Discussion/Action item:** Request to create MOU for Forest Lakes Neighborhood Firewise and Safety Assoc.: Shareholder Kelly spoke to the collaborative nature of FLMWC and Firewise, which would like to develop a Memorandum of Understanding with the Company. The Firewise group would like to bring a draft MOU to the Board in the next 30-60 days, and would like two Board members to volunteer to work with Firewise on this. Responding to questions about funding the association, Kelly noted that as a NFP organization, it can now accept donations and grants, and also can hold fundraiser activities. Firewise has planned a presentation in the Park on 5/15/22 with Capt. Audrey Dawson to speak on fire safety. There will be a community potluck.
- **Discussion/Action item:** Cortez reviewed bids received from Valley Paving for 3 different needed projects: on Pool for a crushed culvert; for repairs on McLellan, and for a sinkhole and deteriorating swale on Lakeside by the park. Discussed. Motion to accept the bid for all three projects was seconded and passed. Cortez will ask Valley Paving for a discount as all 3 projects were approved.

PUBLIC MEETING ADJOURNMENT TO CLOSED SESSION: The public meeting was adjourned at 8:55 p.m.

RECONVENE TO OPEN SESSION FOR CLOSED SESSION ACTION ITEM REPORTING: The meeting was reconvened at 9:55 p.m. to report the approval of an employee annual performance review and wage increase as per budget.

MEETING ADJOURNED: The meeting was adjourned at 10:00 p.m.

Louise West, Secretary

David Wade, President