

Minutes  
Lakes Mutual Water Company  
Board of Directors Meeting On-line Meeting  
September 10, 2024  
Public Session

Meeting was called to order at 7:02 by President P. Gonda. Also present: General Manager D. Cortez; Directors W. Baer, M. Baptista, L. Dennis, C. Linstrum, D. Pattillo; shareholders S. Greco, S. Hector, L. Mondot, A. Seronick, and L. West. Director C. Kelly joined at 8:02.

ADDITIONS/DELETIONS TO AGENDA: none

SHAREHOLDER/PUBLIC COMMENTS

S. Greco gave a Forest Lakes Firewise and Safety Association Update. 1) Final signature on the \$100,000 grant was received, so bids for improvement projects can now be collected. 2) Firewise data is being sent to a third-party collector that sells that data to insurance companies for the purposes of risk assessment and to the State of California for Firewise status verification. An email was sent to shareholders reminding them to submit hours and expenses directed at maintaining Firewise status. 3) On Sept. 14, Firewise will join with FL Recreation Committee to host a Potluck/Movie Night event at the office park.

There was a question about how secure the community is in our Firewise status, to which Greco answered that as of yesterday afternoon, there had been 65 responses out of 350 homes. We need a certain percentage of homes reporting certain number of hours to maintain status. The email from Forest Lakes will likely bring the numbers up sufficiently.

APPROVAL OF MINUTES

Two errors were identified in the August minutes. A motion to approve the August 13<sup>th</sup> minutes of the public session, with corrections, was seconded. The motion carried.

COMPANY REPORTS

Financial Report: General Manager Cortez reported on the Company finances through August 31, reviewing cash on hand, total revenue and expenses, budget overages of \$250 or more, yields on investments, and new investments. On August 31<sup>st</sup>, Cash on Hand: \$1,142,951.32; Total Revenue: \$855,116.67; Year-to-Date Expenses: \$598,904.20; Net Income to Date: \$256,212.47. No new unreported overages exceeding \$250.00.

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

Operations Report:

Manager Cortez reported on water production, leaks, and loss rate. The loss rate for the month of August was 14.3%, a reduction from July's loss rate. Staff engaged in routine repairs and tasks and continues work (including digging and completing a spreadsheet) to meet an October 1<sup>st</sup> deadline for the required lead and copper survey. Within the next two to three years FLMWC will be required to have an intertie with a neighboring agency. Depending on the status of the Scenic booster, we may need two interties. There will soon be more new regulations from the state regarding PFAs ("forever chemicals").

The septic project at the office was completed.

Plans for the Scenic tank replacement should be submitted this week and may take 4 – 6 months to process, but by including pictures of the leaking tanks, we may get an expedited process. Cortez has anticipated issues that might arise and will work with Valley Paving to develop a plan to make the roadway navigable by heavy vehicles.

Staff determined that elevations of tanks 7 and 6 would enable flow from Ferrari to tank 6 if necessary. Todd Creamer will investigate available systems.

Cortez again spoke of an increase in inappropriate, offensive, possibly criminal behavior, including swimming at the lake when it is closed and the dumping of household garbage and unwanted items at the office park.

#### ADVISORY COMMITTEE REPORTS

- Water Conservation and Water Committee: No report
- Recreation Committee: No report
- HR Committee: Has been meeting regularly to plan for management succession.
- Road & Safety Committee: Will meet Sept. 13<sup>th</sup>.
- Rules Committee met and drafted proposed language for Name Signs rules and Lake Rule #12 (see New Business below).
- Finance Committee: No report
- Strategic Planning Committee: No report
- Community Fire Prevention Committee: No report

#### NEW BUSINESS

- 1. Discussion:** Proposed draft of Lake Rule #12 for Fire Protection Reservoir. On behalf of the Rules Committee, Dir. Baer presented a proposed draft of Lake Rule #12. There was a consensus that no open-flame fires or charcoal barbecues will be allowed in the lake complex (lake enclosure and adjacent picnic area). There was a discussion of whether propane grills should 1) be absolutely prohibited along with fires and charcoal barbecues, 2) be allowed only in the picnic area for Company sponsored community events only, or 3) be allowed in the picnic area by any shareholder with some mechanism for enforcing responsible use. In view of the seasonal Lake closure, the board agreed to postpone action on this item so that board members could give the matter more thought.
- 2. Discussion:** Draft Name Sign Policy. On behalf of the Rules Committee, Dir. Baer presented a proposed draft of a new Name Sign Policy, granting shareholders authorization to “make their own” signs. After a discussion of possible complications arising from this rule, the board agreed by consensus to keep the original Name Sign policy as posted in Rules and Regulations: “SIGNS: Name standards at road intersections are the property of FLMWC and can only be installed by the Company. Contact FLMWC for a name sign application. Signs of direction, sales, or other notifications may not be erected except on the owner’s private property, or by consent of FLMWC Board of Directors.”
- 3. Discussion/Update:** 100-yr Anniversary of Forest Lakes. Manager Cortez reported that a few more shareholders have submitted histories and memories. Plans for a celebration have yet to be formed, but a suggestion was made to consider tying a Centennial Celebration to the 2025 Annual Shareholders Meeting.

Public meeting adjourned at 8:36.

---

Pete Gonda, President

---

Winnie Baer