

**MINUTES**  
**Forest Lakes Mutual Water Company**  
**Board of Directors Meeting On-line Meeting**  
**August 8, 2023 7:00 p.m.**  
**Public Session**  
**910 Fern Avenue, Felton CA**

**This meeting was conducted by video/teleconference.**

**CONVENE MEETING/ROLL CALL:** The meeting was called to order at 7:03 p.m. by President Gonda. Attending were Directors Baer, Dennis, Gonda, Kelly, Linstrum, Wade and West. Staff: General Manager Cortez. Shareholders: S. Hector

**ADDITIONS/DELETIONS TO AGENDA:** None.

**SHAREHOLDER/PUBLIC COMMENTS:** None.

**APPROVAL OF MINUTES:**

- Minutes of July 11, 2023 public session meeting: A motion to approve the minutes of the July 11, 2023 public session meeting was seconded. The motion passed with 6 "aye" votes, Dir. Kelly abstaining because he did not attend that meeting.
- Minutes of July 27, 2023 emergency on-line meeting: A motion to approve the minutes of the July 27, 2023 emergency on-line meeting was seconded. The motion carried by unanimous vote.

**COMPANY REPORTS:**

- Financial report: General Manager Cortez provided the July, 2023 Financial Summary, noting the following: Beginning cash on hand, \$911,214.66; ending cash on hand, \$1,168,749.03. Revenue through 7/31/23: \$816,830.97; net income through 7/31/23, \$491,386.42. There were no new overages to report and no new investments. Reviewing the previous overages, Dir. Kelly asked if the next budget year should include provision for one pump failure per year. Cortez answered that one pump per year is included in the budget, but this year two failed, which has never happened before. An electrical storm on Scenic was implicated in one pump failure. A motion to approve the July, 2023 Financial Summary was seconded. Motion carried by unanimous vote.
- Operations Report: Cortez reviewed operations in July: Production was 1,179,115 up from previous month's 1,019,145. There were 11 excessive users with 2 customer leaks and one system leak on Early Dr. The loss rate was 10.4% including the leak on Early. This leak was repaired, as was the road repair needed following leak repair. A new bitorq valve and solenoid were installed at 10D. The filter at 4C was cleared. Brush piles were removed. All road construction sites were marked. Aquapault patching was done at 1500 Lakeside. A leak on Lakeview was investigated and an unidentified 3" line capped. The chlorine pump was repaired, and chlorinator rebuilt, at the 3A/3B plant.

**ADVISORY COMMITTEE REPORTS:**

- Water Conservation and Water Committee: No report
- Recreation Committee: Dir. Wade reported on the success of the movie night. The last open lake date is set for 8/26, followed by a dog swim on 8/27. Another movie night is planned for 8/27. There will be a Halloween event, and Pie in the Park in November.
- HR Committee: Next meeting set for 8/17/23.
- Road & Safety committee: No report.
- Rules Committee: No report.
- Finance Committee: Meeting set for 8/17/23.
- Strategic Planning Committee: No report.
- Community Fire Prevention Committee: Dir. Wade indicated that no one wanted to take on coordinating the RCD chipping program. He contacted Firewise, and recommended that we think about how to coordinate with Firewise going forward. Dir. Dennis said that there is a FireSafe Council Zoom meeting scheduled for 8/9/23 p.m. with all Firewise leaders; Chief Armstrong of CalFire will be the speaker. She will try to get more info. Cortez said that shareholder Scott Greco is now the liaison between FLMWC and FLFSA.

**NEW BUSINESS:**

1. **Discussion/Action item:** Potential revision to bylaws/ratification of Board appointments: Pres. Gonda referred to the July meeting, at which possible revisions to the bylaws were discussed. In his review of the bylaws, it is clear that the Board has authority to appoint directors to fill vacant seats. This year's appointments were unusual in that the vacancies occurred at the time of the election, and therefore were for a full two years. There was discussion about whether the bylaws should be revised to anticipate other unusual or unlikely situations, such as resignation of a majority of Board members. There was a suggestion that there should be at least 3 or 4 Board members to make appointments, and lacking this, an election should be held. After discussion, it was decided that for now, a

good first step would be to send an email to shareholders informing them of the appointments and soliciting feedback. Dirs. Gonda and Kelly to confer further.

2. **Discussion/Action item:** RCD Chipping Program: Dir. Wade said that this is the 3<sup>rd</sup> year of the RCD chipping program. If this year's program is like last year's, it would behoove us to work with Firewise, as the program requires a time commitment our staff can't supply. Dir. Gonda noted that the chipping program happens in spring and fall; the fall plan requires payment in advance before reimbursement. This year, Firewise offered to coordinate under the Early Bird portion, and requested participants to write checks directly to the tree company. This was followed by a message indicating that the Early Bird deadline had passed. It was suggested that coordinating this activity is an area of Firewise expertise, and that although the Early Bird deadline has passed, there is still opportunity to sign up. Perhaps the committee could contact Scott Greco, who is the liaison with Firewise. Dir. Casey noted that the program will chip but not remove the chips, and wondered if Firewise could negotiate a grant to haul the chips away. Gonda added that the fire department does not like chips remaining near structures. Perhaps the Fire Prevention Committee could take this on, by working with Mr. Greco to coordinate with Firewise.
3. **Discussion/Action item:** Scenic tank replacement: Type and size: Per Cortez, the two 20,000 gal tanks on Scenic need to be replaced. One engineering estimate has been received, with the engineer's recommendation that the two tanks be replaced with one 40,000 gal tank. Neither Cortez nor Water Operations Supervisor Busa consider this to be a good option. Both would prefer 2 tanks. Cortez provided the following information:
  - Estimates for one 40,000 gal tank included \$32,600 for engineering, exclusive of geotechnical engineering/boring.
  - The type and size of tank/s affects the price, foundation requirements, and permitting.
  - Options include welded steel, with a life span of 40-50 years; bolted steel, up to 40 years; and poly, 25-30 years.
  - The engineer estimated a cost of \$182,000.00 for a 40,000 gal bolted steel tank, including concrete pad and structural calculations, which could cost as much as \$12,000.00 if completed by an engineering firm.
  - A poly tank would cost \$25,000 + shipping.

Questioned about smaller tanks, Cortez said that if 5,000 gal tanks are used, no concrete foundation or permitting would be required, but 8 tanks that size would be needed to replace the current 40,000 gal capacity. It was noted that while poly tanks are less expensive, they have a shorter life span and a lower melt point. The current Scenic tanks are welded steel. The engineer who recommended the 40,000 gal tank recommended bolted steel. One advantage to the steel tanks is that they are assembled on site, while poly tanks have to be trucked in. This might require both tree work and bringing in a crane, which could substantially increase overall costs. It was noted that FLMWC is unable to purchase insurance for the tanks. It was suggested that 2 tanks, by providing redundancy, could reduce risk of loss.

Cortez said that FLMWC can get by with smaller tanks, down to 10,000 gal. We are *under* capacity for production, per the State's calculations, but *over* capacity for storage. Those two factors when combined allow our permit. We could be OK with two 10,000 gal tanks or two 15,000's. It was suggested that two 15,000 gal tanks would create redundancy of water storage.

Space for multiple tanks could be an issue. The available space is narrow with not much leeway. And, the tank placement must consider gravity and relationship to the treatment plant.

In response to a query, Cortez said that the existing pads probably cannot be used as there is no history of documented permitting, engineering, etc.

With so many variables to weigh, it was suggested that a matrix would help evaluate the pros and cons of each tank type. We do not have an arrangement with any engineering firm to assist with this process. In conclusion, Pres. Gonda suggested tasking the Water Committee with developing a matrix, weighing the options, and coming back to the Board with its findings. Noting that the existing tanks are in rough shape, he asked if the Committee could do this by September. Cortez said that the tanks need replacing ASAP, but a month's delay will not make a material difference. Committee members thought October completion would be realistic.

**PUBLIC MEETING ADJOURNMENT TO CLOSED SESSION:** The public meeting was adjourned to executive session at 8:52 p.m.

**RECONVENE TO OPEN SESSION FOR CLOSED SESSION ACTION ITEM REPORTING:** The open session was reconvened at 9:16 p.m. to report that a decision was made on an excessive water use appeal.

**MEETING ADJOURNED:** The meeting was adjourned at 9:17 p.m.

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Pete Gonda, President

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Louise West, Secretary