

Minutes  
Forest Lakes Mutual Water Company  
Board of Directors Meeting On-line Meeting  
January 14, 2025 - 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, C. Kelly, L. Dennis, C. Linstrum (7:06), and D. Pattillo (7:07); Firewise liaison S. Greco; HR Committee member L. West; and shareholder L. Mondot

SHAREHOLDER/PUBLIC COMMENTS:

Forest Lakes Firewise and Safety Association Update: Greco reported that FW was in a quiet period, not meeting last month because of the holiday. The new 2025 Fire Wise certificate is available on website. The boundaries of our association were expanded and now include 780 residences. There is one new board member and another on the way to represent new areas

APPROVAL OF MINUTES:

An error was identified in the roll call for the December 10, 2024 public session meeting. There was a motion to approve the minutes for December 10 as corrected. The motion was seconded, and the motion carried with five votes, two directors abstaining due to absence last month.

COMPANY REPORTS:

• Financial Report: Manager Cortez reported on Company finances. As of December 31st: Cash on Hand: \$1,015,661.85; Total Revenue: \$928,608.92; Year-to-Date Expenses: \$ 802,515.95; Net Income to Date: 126,092.97. Cortez also reported on investments and their earnings and on budget overages and underages. There is some carryover from 2024.

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

• Operations Report [Cortez]: December Production: 1,043,640; Loss rate: 26.1%. There were 6 excessive users. Higher than normal loss rate is attributable to leaks in a service line and in a hydrant, both on Lakeside, and also to necessary flow associated with servicing and repair of Well 1D.

In addition to servicing water infrastructure, staff took final measurements upstream and downstream of the fire protection reservoir and submitted the annual report to the CDFW website; attended an RCD event focused on maintaining roads and culverts on rural roads; and replaced an injector at Tank 4.

Discussion: The high loss rate is concerning, and staff will continue to be vigilant.

The septic tank at the office is still leaking; Cortez is expecting a callback from the contractor.

Some of the problems with infrastructure last month were due to deferred maintenance in the past; there is now a schedule that will help us to keep track of regular maintenance.

ADVISORY COMMITTEE REPORTS:

- Water Conservation and Water Committee: no meeting
- Recreation Committee: no meeting
- HR Committee will be meeting this week to advance the hiring process for a new General Manager.
- Road & Safety Committee: no meeting
- Rules Committee: no meeting
- Finance Committee: no meeting
- Strategic Planning Committee: no meeting
- Community Fire Prevention Committee: no meeting

NEW BUSINESS:

1. Discussion/Action Item: Root mapping – Douglas fir on Lakeview at the reservoir. Manager Cortez reminded the board that professional arborists have recommended NOT removing the tree because removal could damage the reservoir structure. However, the tree falling on its own could carry the same risk. Root mapping is recommended to determine the feasibility of removing the tree. Mapping the roots will cost \$3,500. Cortez reported that there is money in the budget for this work and recommended approving the work.

There was a motion to approve hiring the arborist to map the roots of the fir tree at the reservoir at a cost of \$3,500. The motion was seconded, and the motion carried.

2. Discussion/Action Item: Redwood Rd repairs/paving estimate(s). Manager Cortez provided updated estimates from Valley Paving for full repaving (option 1) and filling potholes (option 2). Redwood Road is essential egress for Forest Lakes residents. The estimate for full repaving is \$195,500.00 not counting engineering. The estimate for filling potholes is \$11,850. Due to budget limitations at this time, Cortez recommends filling potholes now and aiming for the more long-term fix in three or four years. Management is already building a fund earmarked for this project.

There was a motion to approve Valley Paving's option 2 in the amount of \$11,850 for filling potholes. The motion was seconded, and the motion carried.

3. Discussion/Action Item: Return to in-person Board meetings. President Gonda proposed returning to in-person board meetings. In discussion, directors in general expressed a preference for live meetings and also some concern for the logistics of space. Directors were in favor the idea of making the live meetings accessible to shareholders via internet in a hybrid format, acknowledging the technical challenge.  
There was motion to pilot the hybrid format for the meeting of February 11, the board to meet in person at the FL office, with the capacity for remote access for shareholders. The motion was seconded, and the motion carried.

PUBLIC MEETING ADJOURNMENT TO CLOSED SESSION at 7:58

Reconvened at 9:10 for Closed-Session Action-Item reporting. The board agreed by consensus in the closed session to move forward in the hiring process for a new General Manager, having selected a preferred candidate.