

MEETING MINUTES
Forest Lakes Mutual Water Company
Board of Directors Meeting December 8th, 2020 | 7:00 p.m.
Public Session
910 Fern Avenue, Felton CA
On-line meeting due to COVID 19 Shelter-in-place order

CONVENE MEETING/ROLL CALL: The meeting was called to order at 7:08 PM by President D. Wade. Attending: Directors P. Gonda, S. Smith-Berdan, L. Dennis, B. Davidson, S. Yatson, and H. Wood. FLMWC Staff: D. Cortez Shareholders: C. Barauskas,

ADDITIONS/DELETIONS TO AGENDA: none

SHAREHOLDER/PUBLIC COMMENTS: none

APPROVAL OF MINUTES:

- November 10th, 2020 Board of Directors Meeting, Public Session
 - ✓ P. Gonda moved to approve the November 10th meeting minutes, B. Davidson seconded the motion. Motion approved by unanimous vote.

COMPANY REPORTS:

- **Financial Reports:**

General Manager D. Cortez reviewed the financial report:

- Beginning cash on hand: \$730,533.44
 - Ending cash on hand: \$669,817.76
 - Income through Nov. 30th: \$ 613,730.53
 - Spent through Nov 30th: \$616,059.37
 - Year to date Income: \$613,730.54
 - Year to date Expense: \$616,059.37
 - Net Income: -\$2,328.83
 - Note: over 83,000.00 of our expenses are funded by SBA loan, funds which are not included as revenue
- ✓ L. Dennis moved to approve the financial report; S. Smith Berdan seconded the motion. Motion approved by unanimous vote.

- **Operations Report:**

- All wells: 960,043 gal
- Last month's production: 1,131,897 gal.
- Quarry Wells this month: 275,300 gal Quarry Wells YTD: 15.7 /Acre Ft
- System leaks: 2, Leaking main line valve and service line leak
- Loss Rate 6.6%
- 9 excessive users, 2 known to be leaks
- High users meters were re-read 12/7 6 are below 250, one repaired leak on 11/3, number is lower. We will read again next week to verify that the problem was only due to the fixed leak.
- One with leak has had water shut off – use 1142.40 gpd – house is vacant – owner will address leak prior to our turning and leaving water on.
- Average use 92.5 GPD

ADVISORY COMMITTEE REPORTS:

- Water Conservation Committee: no updates
- Recreation Committee: no updates
- HR Committee: no updates
- Water Committee: no updates
- Road & Safety Committee: no updates

- Rules Committee: updates to be discussed in executive session
- Finance Committee: no updates
- Strategic Planning Committee: discussion item in new business

NEW BUSINESS:

- Discussion/Action item: Approval of 2021 Assessment
 - General Manager D. Cortez quickly summarized the flat budget for 2021, which reflects an approximate 10-12% deficit. Assessments will remain the same as 2020; only stock transfer fees have increased from \$500 to \$1,000
 - B. Davidson suggested discussing raising assessments by 10% to account for this deficit. P. Gonda summarized the history of rate increases since the 90s, and how our expenses are outpacing our revenue. Directors discussed the importance of approving the Finance committee's recommendation that assessments be raised by 12% to cover the budget deficit. Further discussed were details on recommendations from other California mutual water companies.
 - ✓ L. Dennis moved to approve the increase to the stock transfer fee; S. Yatson seconded the motion. Motion approved by unanimous vote.
 - ✓ L. Dennis moved to approve increasing the 2021 assessment by 12%; P. Gonda seconded the motion. Motion approved by unanimous vote.
- Discussion/Action item: Approval of 2021 Budget
 - ✓ L. Dennis moved to approve the 2021 budget, including the 12% assessment increase; S. Yatson seconded the motion. Motion approved by unanimous vote.
- Discussion/Action item: Approval of letter regarding ADU 2021 assessments
 - ✓ L. Dennis moved to approve the letter for the 2021 second assessment to those identified shareholders; S. Smith Berdan seconded the motion. Motion approved by unanimous vote.
- Discussion item: Strategic Planning Committee – Update on outline of priorities and next steps
 - Dir. P. Gonda shared overview of Strategic Planning Committee's progress, including priorities outlined by shareholders and committee members aimed to ensure future health of the organization, water systems, roads, etc. More work will be done to prepare for future years' projected capital improvement projects, increasing state and federal requirements, and sustainability of FLMWC's independence.
- Discussion item: Update from fire prevention community committee meeting
 - S. Smith Berdan shared updates from the fire prevention community committee meeting, including the efforts to find discounts in property hardening services by grouping properties together. Ongoing communication is planned with Felton's fire chief to help prepare our neighborhood for the possible future fire events. An email was created for shareholders to communicate with the fire prevention committee: FLfireprevention@gmail.com
- Discussion/Action item: Letter to CDFW regarding riparian mitigation
 - GM D. Cortez shared details from the ongoing communication with riparian mitigation, including a drafted letter requesting approval for a long term streambed alteration plan given the recent wildfire danger.
 - ✓ L. Dennis moved to approve the letter to send; S. Smith Berdan seconded the motion. Motion approved by unanimous vote.

PUBLIC MEETING ADJOURNMENT TO CLOSED SESSION: The meeting was adjourned at 8:18 PM

RECONVENE TO OPEN SESSION FOR CLOSED SESSION ACTION ITEM REPORTING

The executive session was adjourned at 9:24 PM and immediately reconvened to open session to report the following:

- ✓ The Board approved the November 10th Board Meeting executive session meeting minutes.
- ✓ The Board reviewed an annual review and compensation for a FLMWC employee.
- ✓ The Board discussed and approved year-end employee appreciation gifts.

MEETING ADJOURNED AT 10:05 P.M.