

Villa Del Monte Mutual Water Company

P.O. Box 862
Los Gatos, CA 95031-0862

October 18, 2016

Villa Del Monte Mutual Water Company Members

Subject Storage tank issue

Members,

The water company's 300,000 gallon clear water storage tank has been noted to have a center roof support post listing causing the roof to distort. We have contracted an inspection company to perform a tank inspection and provide a repair proposal. (We are waiting to hear their availability to schedule)

In the meantime, we are preparing to install (6) 5,000-gallon temporary storage tanks up by the reservoir to allow the repairs or modifications to be done with minimal service disruption to our customers.

I am suspicious that the inspection may reveal our tank is beyond repair and a new tank will be required. So I have reached out to National Storage Tank Company to see what a new tank will cost.

At first glance, it looks like we will need to budget +/- \$300K which should include the temporary tanks, removal of the old tank, new foundation, new tank installation and controls relocation.

We do have +/- \$100K in reserves, so additional funding will be required. We are just beginning to review options including a 1-time assessment, private loan funding, and public assisted funding from Cal Rural Water.

If enough members are interested I would be willing to set up a site visit to review our tank conditions; otherwise I would be happy to discuss it by phone with you.

Additionally, if you would like to be included in the planning process, please let me know. Feel free to email me at mike@vdmwater.com

Sincerely,

Mike Miller President
Villa Del Monte Water Company
408-348-4792 cell