

**Notice of the Annual Membership Meeting of the  
Villa Del Monte Mutual Water Co.  
Monday August 31<sup>st</sup> at 7:30 P.M.**

*Pursuant to the California Governor's Executive Order N-29-20 this meeting will be held via Zoom teleconference. An option to participate by telephone only will also be provided.*

**Online Meeting LINK <https://zoom.us/j/4085689196> password 111111  
For Phone in only 669-900-6833 meeting ID 4085689196 password of 111111**

The Annual Meeting of the Shareholders/Members of Villa Del Monte Mutual Water Co. will be held on Monday August 31<sup>st</sup> at 7:30 p.m. All water company shareholders are urged to attend this important meeting. If you are able to log on to the web meeting, that is preferable to phone in, as you will be able to view the presentation and documents.

**If you have not already done so, please sign and send in your Proxy in order that we may assure a quorum and have a functioning board to ensure water comes to our homes.**

The purpose of the meeting is to:

- Elect positions for the Board of Directors.
- Report on the status of the Villa Del Monte Mutual Water system. Including the Storage tank replacement and treatment system improvement project.
- Review the 2020 Budget including:
  - Monthly SRF assessment reduction.
  - Storage Tank costs and finance options.
  - Status of the annual financial review.
- Transact any other business of the company.

PLEASE SEND IN THIS PROXY

The undersigned hereby appoints any member of the Board of Directors not up for election to vote for or against the election of the following to the Board of Directors and to vote at their discretion on such other business as may come before the Annual Meeting on August 31, 2020.

Mike Miller	two-year term	for _____	against _____
John Overstreet	two-year term	for _____	against _____
Fred Eggers	two-year term	for _____	against _____

DATE: \_\_\_\_\_ SIGNED: \_\_\_\_\_

**PRINT NAME:** \_\_\_\_\_

Sign and send your proxy asap to: PO Box 862, Los Gatos, CA 95031. If we don't get enough proxies, you will not have a functional board. If you vote against the volunteer candidates, please provide a write-in candidate who can fulfill the Board Director obligations. Feel free to send your proxy in with your bill payment.

# Villa del Monte Mutual Water Company

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

## Shareholder's Annual Meeting Agenda

Originally scheduled for April 2, 2020  
(Postponed due to the Corona Virus shelter in place order)  
*If the Governors Shelter in Place order is not removed in June,  
Pursuant to the California Governor's Executive Order N-29-20  
this meeting will be held via Zoom teleconference.*

### Determination of a quorum –

Number of shareholders = 125

One third of shareholders/members, including proxies = 42.

### Introductions

#### Board Members

- Mike Miller
- John Overstreet
- Jim Culp
- Fred Eggers
- Pradeep Sanders

#### Key Sub-Contracted Personnel

- Jennifer LaForce
- Gary MacKenzie
- David Montion

### Election of (2) Directors:

Mike Miller, John Overstreet and Fred Eggers for (2) year terms

Unfortunately, we only received 25 proxies by mail and did not meet the minimum shareholder votes. We will send a follow up request to get the remaining additional responses.

### Annual Operations Report

#### Item-1 Filter plant and pumping

- The filter plant has been out of service and will remain out of service until the storage tank replacement project is completed.
- For the most part, the temporary tank farm has worked. With limited storage (+/- 1 full days use of water), we are dependent on the operation of water delivery from San Jose Water Company (our alternate source).
- The uphill pressure system is still active and working well

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## Item-2 Source water from Laurel Creek

- During our storage tank replacement project we have not been able to utilize the water from Laurel Creek
- The pumping station has no issues at this time

## Item-3 Supplemental source water from SJW company (Montevina pipeline)

- We receive supplemental water from San Jose Mutual Water Company.
  - The water runs from the treatment plant at Lexington Reservoir up Old Santa Cruz highway and down summit road.
  - It passes through (3) pump stations owned and operated by SJW company and (1) pump station owned jointly by Villa Del Monte and Big Redwood Park.
- In 2017, SJW changed from “chlorine” disinfection to “chloramine” disinfection. This is significant because our VDM treatment plant was designed to disinfect our water with chlorine and the two methods are not compatible

Blending chlorine treated water with chloramine treated water destabilizes the disinfection properties. And nullifies the ability for either method to work properly.

**This has caused us to initiate an upgrade to our treatment plant.** As part of our project we are adding systems and controls to allow us to use chloramine disinfection in our system as well.

[\(See the attached Water treatment and water storage project update\)](#)

## Item-4 Tank condition

- The roof structure on our 50 plus year old water storage tank is failing!  
We have taken our large storage tank out of service.  
We have initiated a storage tank replacement project  
[\(See the attached Water treatment and water storage project update\)](#)

## Item-5 Distribution

- Pipe conditions
  - Our distribution piping is old and in need of repair.
  - We have reviewed several grant options to help fund a large pipe replacement project, but we do not qualify because of our average income levels.
  - We continue to repair leaks and replace pipe sections as our budget allows.
- Newly enforced “mandatory” rules for cross connection control.
  - Cross connection is a concern for any home connected to a public water system that may have an alternate source of water that could back feed into our distribution system.

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- We have been directed to implement a “Cross Connection Control Plan” that includes surveying individual properties to identify this risk. (State Board’s Division of Drinking Water Titles 17 and 22 California Code of Regulations)
- Most notably this would be a properties with a private well. And the well shares or is connected to the potable water at the home. (VDM water)
- When this occurs, a special backflow prevention device would be required to be installed and tested annually.
- (See the attached cross connection control update)

## **Item-6 Storage tank and disinfection project**

(See the attached Water treatment and water storage project update)

## **Treasurer’s report and presentation of the 2020 Budget; projected expenditures and financial needs of the company:**

Presented by;

- John Overstreet, Treasurer
- Jennifer LaForce, Book keeper

The Treasurer’s report is available for review upon request.

Review to comply with Senate Bill 240 for the 2018 financials was successfully completed by the third party CPA with no findings.

Jeremy Thielen, CPA  
Tax & Wealth Strategies  
Thielen & Associates Inc

The Financial Review is available for review upon request.

## **Questions and suggestions to the Board**

## **Adjournment**

**VDM News.....**

**We have a new website!!!**

**<https://www.vdmwater.com/>**