



New Avenue Mutual Water Company
**2015 Annual
Shareholders' Meeting
July 16 2015**

Summary of Presentations

Web site

Joe Cardinalli

Treasury Report

Jim Armstrong

New Well #3 History

Jae Schwartz

S C Valley Water District

Dave Biasotti

Water Quality

Tim Burke

Maintenance

Alan Heinzen

Q&A and Elections

All



:2: Shareholders in Attendance*

Apologies if your name does not appear here

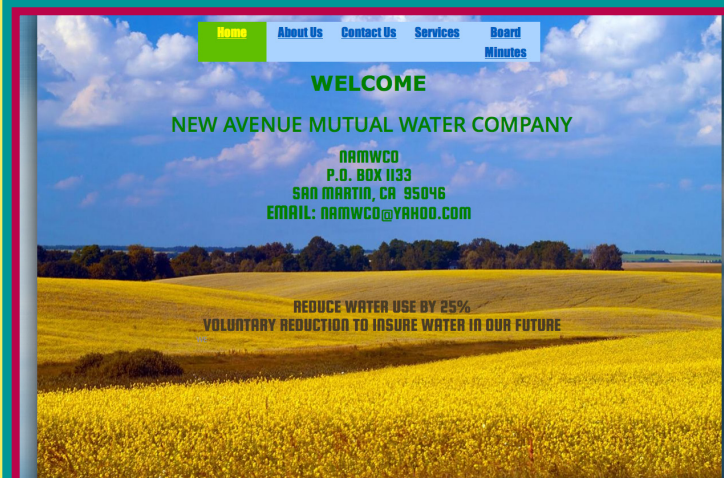


Jim and Susan Armstrong
Tim Burke
Dave and Sandy Biasotti
Joe Cardinalli
Marie and Yoli Camacho
Mike DiPietro

Mary Donohue
Alan and Janice Heinzen
Bill Hopkins
Joanne Kraemer
Oscar Montenegro
Karen Neunzig

Stefan and Christina Parker
Don Sanford
Jae and Becky Schwartz
Chad and Kim Stickels
Diane Veltkam
Keith and Dorothy Verble

Web site ~ Joe Cardinalli



www.newavemutualwater.com

Use our website to access information sheets, Board minutes, and by-laws.

- Information on the drought and water conservation.
- Contact numbers.
- Links:
 - Department of Public Health
 - System map
 - Consumer Confidence Report.

Treasurer Report : Jim Armstrong

Fiscal Year 2014 Ended February 28, 2015

Revenues:	182,220
Expenses.....	139,358
Profit/Loss.....	43,659

Major Expenses

Maintenance.....	39,663
Utilities.....	42,485
Well Tax.....	27,637
Accounting.....	7,950
Corporate Income Tax.....	800
Property Tax.....	1,274
Miscellaneous.....	1,257
Board Fees.....	13,110
Water Analysis/ Fees/ Permits	1,918



WELL #3 History & Update ~ Jae Schwartz :3:



Well #3 Completed in 2015

Jim and Mike review the finished project in September.

- ▶ Vision for New Well from "Senior" Board Members dates way back....
- ▶ Motivation:
 - ▶ Improve System Capacity, allow backup scenario's
 - ▶ Avoid SCVWD Well Tax, which keeps increasing!!
 - ▶ Since 1999 to 2012 tax from \$108 to \$295/af
 - ▶ Paid up to \$51K in previous years
- ▶ In 2008 (My first Shareholders Meeting) they were still looking for appropriate site
 - ▶ Outside Tax Zone
 - ▶ Convenient Access
 - ▶ Close to PG&E Power and Water Main
 - ▶ Willing Resident
 - ▶ East Side of Duke was Identified as candidate general locale
- ▶ 2009-2012 Geo Consultants hired to surveyed (> 12 sites) for potential sites along Duke Dr. Best sites were Bishop and Dufur lots
- ▶ Signed Easement Letter of Intent with William and Diana Dufur and Permits Obtained March 2012
- ▶ Drilling Contractor Bids taken Sept 2012
- ▶ Gary Carnes survey well site Feb 2013
- ▶ Chappell Drills well Sept 2013
- ▶ PGE contract Dec 2013
- ▶ PGE sets Poles and Runs Power May 2014
- ▶ Control Electronics Installed May 2014
- ▶ Well connected to System May 2014
- ▶ Well Online June 2014!!!!
- ▶ Electronic Control and Communication System Refined Dec 2014
- ▶ Total Cost: \$244,455

WELL
#3



WELL
#2

:4: Santa Clara Valley Water District ~ Dave Biasotti

Monthly Water Extraction Rate Increases

- rate increased in 2013/14 by 3.4% to \$305/af
we paid \$62.8K in tax fee's (PG&E was \$43k)
- rate is increased for 2014/15 by 4.6% to \$319/af
we paid \$___K in tax fee's (PG&E was \$___k)
- rate is increased for 2015/16 by **11.6%** to \$356/af
effective July 1, 2015

What you get

Benefits

- Reliable, healthy & clean drinking water
- Diverse water supply sources
- Protected & sustained water resources
- Maximized water conservation and recycling

What we do

Replenish the groundwater basin

- Operate & maintain local reservoirs to capture water and fill recharge ponds.
- Purchase imported water.

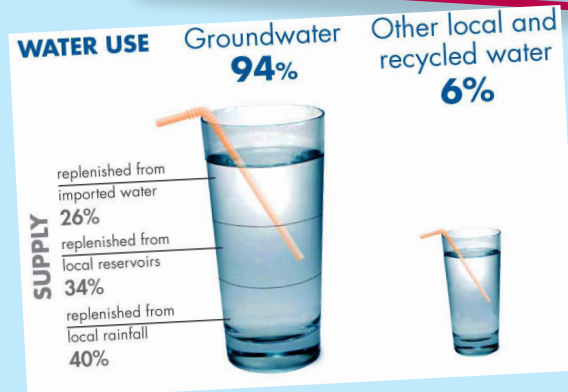
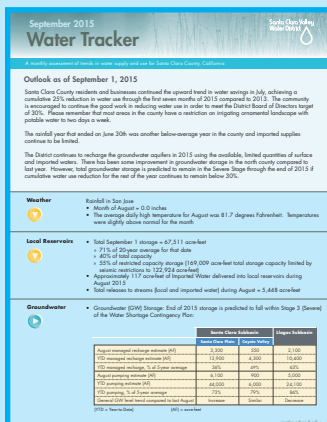
Ensure safe drinking water

- Monitor and protect groundwater from pollutants.
- Ensure proper construction and destruction of wells.

Drought Facts

- Last year we were in a severe drought, now is worse this year.
- Sierra snowpack of June 1 is 0%, lowest on record
- Larger state reservoirs (Shasta, San Luis) are at 53% Orville at 44 capacity, similar as last yr
- Local reservoirs are at 51% (49% last yr) total capacity; 69% (67%) of their restricted capacity
- Groundwater – total storage at end of 2014 is projected to be within Stage 4 (Critical) level

<http://www.vallewater.org/WaterTracker.aspx>





Water Quality Report 2015 Annual Shareholders' Meeting July 16, 2015 Tim Burke

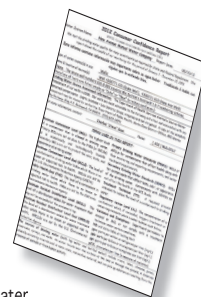


Introduction:

Water is pumped by three wells from underground aquifer(s); water samples are drawn at the surface.
Samples taken by Steve Keen.
Chlorine is injected in small doses as each well pumps.

Consumer Confidence Report (CCR):

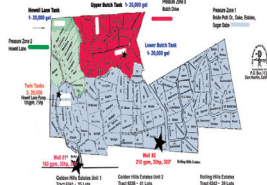
Annual Report. Required by law.
Must be given to all water customers.
CCR lists tests done the previous year and the results.
Describes possible contaminants and potential effects of chemical and bacteriological contaminants.
Maximum contaminant levels (MCLs) and test results for the year.



Water Testing: Bacteriological and chemical contaminants.

Done by a State Certified Laboratory: C&M Analytical, Gilroy.
Results sent to the Department of Public Health, Office of Drinking Water.
Tests are Public knowledge.

Samples are taken from three zones at specific sites (map below).



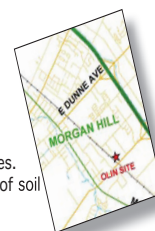
Monthly Bacteriological tests are done each for Coliform bacteria. Results are sent to the water company.

Annual tests are for

- Perchlorate Results ☐
- Nitrates. ☐

Three-year cycles:

Lead and copper, Volatile Organic Chemicals (VOCs), Industrial solvents and chemicals.



New Avenue Mutual Water Company's History of chemicals:

- 1980s MTBE: gasoline additive, 1980s
- 1980s-90s Copper and lead: change in plumbing from galvanized to copper. Lead is in the solder. Sheetrock mud in older homes.
- 1984 TRICHLOROETHANE: Fairchild Semiconductor: Contamination of soil and water in service area of Great Oaks Water Co.
- 1986 Radiological: Chernobyl
- 2000 Perchlorate: Olin flare factory in Morgan Hill. Ten-mile plume.

Preserving the aquifer:



Sig Sanchez: "What goes on the ground can end-up in the aquifer."

(Gilroy mayor, councilman, Board Member SCVWD)
Recycle paint, oil, chemicals, batteries to keep the aquifer clean. Use the county hazardous waste program.



:6: Maintenance ~ Alan Heinzen



Three-Year Average of water pumped from all wells 2012 - 2014*

*Fiscal Year Totals • Measurements in gallons

2012 56,945,700
2013 67,642,400
2014 51,470,303

24% reduction in water use in 2014

Total (3-year) 176,058,403

