

**New Avenue Mutual Water Company**  
**Board of Directors Meeting Minutes**

July 22, 2021

Held virtually on Zoom,  
Gilroy, CA

Board Members New Avenue Mutual Water Company (NAMWCO); Mike DiPietro, Joe Cardinalli, Alan Heinzen, Jae Schwartz, Jim Armstrong, Dave Biasotti.

Board Member Jae Schwartz absent, all other Board Members present.

Guests: None

Meeting called to order by Mike DiPietro 7:01 pm

1. Welcome by Mike, attendance recorded.
2. Review and approval of minutes for June 24, 2021.  
Motion to approve made by Alan, seconded by Dave. Minutes approved.
3. Financial Report, Jim Armstrong.

Jim Reported: Chase Checking balance \$213,997. Chase Savings balance \$168,657.  
(FYI Last Month: Chase Checking balance \$201,528. Chase Savings balance \$168,654).

4. Presidents Report General Discussion: Mike DiPietro.

Valley Water – Water Production Statement # GS121030, period 1/1/2021 to 6/30/2021. The Statement Total due was \$44,160.90. Breakdown statement was Metered Acre Feet 7.890 x \$467.00 AF = \$44,215.56, minus credit of \$54.66 = \$41,160.90. The statement was calculated by Egleberry Tax Service. Joe reviewed statement; the calculations were not correct. Joe notified Mike that the correct billing should be \$3,684.63 less \$54.66 credit for total due of \$3,629.97. Mike contacted Gloria at Egleberry and she will make corrections.

The Annual Shareholders meeting was discussed, to continue to hold live or virtual, we currently are planning a face-to-face meeting. The date for the annual meeting is scheduled for August 19, 2021, at Alan's house. We will follow COVID guidelines, we can set up on the lawn and spread the tables and seating out. Meeting only, will not have dinner as in the

past. However, due to current COVID negative numbers moving upward and spiking again, the final decision to go live or virtual will be made closed to the annual shareholders meeting date. We scheduled a Board of Directors meeting on August 10, 2021, to review Board presentations and make the final decision on meeting live or zoom. Also, at the meeting shareholders will be seated far from the video monitor, because of this the decision was made for the Board member presentations to be printed handouts. Mike will talk to Jae if he can be the repository for all the reports and send them to the printer for the meeting.

5. Water Quality updates: Jae Schwartz.

No report, Jae is out of town. If there were any water quality issues Jae will send the report to the Board for discussion.

6. Water Levels: Dave Biasotti.

All water levels still very low, drought continues with no end in sight. Santa Clara Valley Water has been recharging the aquifer in Morgan Hill. Because of the condition of the Coyote reservoir, the lake is approximately 40% capacity filled. Coyote reservoir is in the middle of a federal study to determine Dam safety, report is 2 years out. If Coyote Dam were to fail water would flow into Anderson dam and would not flood the community. Because of Anderson dam safety retrofit the federal government will not fill Anderson more than 20%. Retrofit for Anderson is a 10-year project. This information will be part of Dave's annual meeting report.

7. Road Committee – On Hold: Dave Biasotti.

Action item on hold. Item to be discussed at general in person meeting to gather input from membership. Roads Committee item to be kept on agenda for future discussions.

8. Maintenance and Operations: Alan Heinzen.

Mike had questions on Chris Carrier's bill. Alan clarified the billing statement and Mike was satisfied.

Alan reported that the new hydrant installation at Andersons, 10430 Duke, is completed. He is working on the final bill. Anderson has agreed to pay half of the cost per our guidelines.

Water Storage capacity is still an issue. Alan is working with Chapple Pump on estimates

for additional storage tanks at lower Butch. Currently they are researching plastic tanks, with a life span of 10 to 15 years. Tanks over 6,000 gallons are required to be engineered and earthquake safe. Lower Butch tank controls are also being reviewed for improvements.

In dept discussion on how to address the drought and water percent cut backs for shareholders. It was discussed to adjust the water unit cost tiers structure. Currently Tier One is up to 100 units of water, the cost is \$3.00 per unit. Tier Two is over 100 units; the cost is \$3.84 per unit. It was recommended for Tier One to lower the usage to 50 units. Tier Two would start at 50 units instead of 100 units. This will help encourage users to be conservative and keep within the lower fee per unit structure. Jim made motion to change the Tier One and Tier Two definitions. Before a second, discussion followed on its effects and impact. It was agreed that more research is needed, to determine water savings, income implications and cost effect of the higher water users who will pay the increases. Action Item: This will be researched by the Board and be discussed at the next meeting for a recommendation at the annual shareholders meeting. The motion was tabled.

9. Old Business: Water Board Website, under construction. Web Site main page has notice of annual shareholders meeting, time, date and place. Joe continues to work with Ciara to add in minutes, agendas and updated information.

10. Next Board Meeting, August 10, 2021 @ 7 PM, Zoom meeting, Joe will send out notice. Meeting adjourned at 7:36 pm. Minutes respectively submitted by Joe Cardinalli Board Secretary.