

DRAFT
DIAMOND “A” MUTUAL WATER COMPANY
A California Non-profit Mutual Benefit Corporation

MEETING NOTES

A Meeting of the Corporation was Monday, September 18, 2017 at 7:00 pm, at the Diamond “A” Recreation Center Building, 18843 Spring Drive, Sonoma County, California pursuant to order of the Board of Directors acting by authority of the Corporation By-Laws.

Presiding: Richard Bryan, President

ATTENDEES:

Board Members:

Richard Bryan
Joe Lieber
Dave Martinelli,
Ron Matteson
Celia Schake
Peter Hohorst
Patrick Treacy

Staff:

Dee Young- Administration and Finance Manager
Bill Angeloni-Operations Manager

The meeting was called to order upon determination of a quorum.

The Board approved the meeting notes from the Quarterly Board Meeting held June 18, 2017.

COMMITTEE REPORTS AND DISCUSSION:

1) Committee reports and discussion

a) Operations and Administration

(1) System status and maintenance

- (a) Major water main repaired on Canyon Road near Grove.
- (b) Water meter replaced on lower Canyon Road
- (c) Water main leak repaired on lower Canyon Road
- (d) Major water main repair under failed County culvert on Kenleigh Drive.
- (e) Tank 4 low water pump protection relay, cable and switch replaced due to failure of the relay.
- (f) Installation of the plywood sheathing for the roof replacement of the Zone 3S (Viewcrest) was completed. A waterproof thermoplastic membrane will next be overlaid on the plywood sheathing.

- (g) Well 4 pump output continues to diminish. The pump will be replaced after the Zone 2 Tank replacement project is completed at the end of the year.
- (h) The Zone 2 Tank replacement project permits have been received and the earthwork started,
 - (i) Tank procurement from Superior will be released for fabrication shortly.
 - (ii) The tank is scheduled to complete by the end of the year.
- (2) System Controls update
 - (a) JDY completed the installation of the timer and additional float in the Zone 1 Tank to implement off-peak pumping for Wells 1 and 2 so that pumping is only done during the off-peak and partial off-peak hours at night and early morning. We will be monitoring PGE billing for effectiveness.
 - (b) Two required ATT control circuits have been reinstated and are now operational. Two unused circuits have been cancelled.
 - (c) The water company still vulnerable to unexpected water outages of the Zone 3S Tank due to ATT control circuit failure. A Diamond A neighbor, Mark Covaro and owner of a local electronics company, has generously volunteered his skills to look into an alternative solution for monitoring the tank water depth and ultimately controlling a backup pump in the event of the primary pump failure. He is testing the use of a low cost system employing low power radios and ultrasonic water depth sensors.

The Board approved \$1,000 to support the control system initiative

- (3) Main line pipe lining
 - (a) Joe Lieber presented to the Board the outcome of his investigation of lining our pipes to improve earthquake resistance of our system. A vendor provided a ballpark estimate of \$6 million to do the entire system. For comparison, an estimate to replace our entire system with 6" plastic pipe is about \$4.5 million. Joe will pursue grants for replacing our supply lines from both an earthquake and safety perspective.
 - (b) Joe mentioned that the FEMA grants that we could perhaps qualify for are under FEMA's Pre-Disaster Mitigation Grant Program (PDM). It appears we would need to go through Sonoma County's Emergency Management Division as we cannot apply on our own. Joe is working on developing communications with this group.
- b) Financial Status
 - i) Our overall financial condition is generally in line with our Budget
 - i) YTD water sales (for usage in OND 2016 and JFMAMJ 2017) are \$4k lower this year vs. the same time period in the prior year
 - 1. This suggests we will end 2017 \$4-5k short on Water Sales Revenue
 - 2. October billings (JAS usage) are expected to be strong
 - ii) YTD Repairs and Maintenance are \$9k higher than prior year
 - 1. This is due to large breaks on Canyon and Kenleigh as well as Fix It items from the State Inspection

- iii) 2017 Capital Expenditures are tracking to come in below Budget
 - 1. Project \$20k savings from Ongoing Maintenance
 - 2. Currently \$13k below budget on engineering for Zone 2 Tank. Still have \$43k in contingency funds available in the budget as well
- iv) Cash Position is very strong with a cash balance of \$416k as of 9/7/17
 - 1. Based on our remaining tank budget of \$300k, we will still end 2017 with a significant (i.e.>\$100k) cash balance
- c. Conservation and Communication
 - i. An emergency response plan is in the process of being developed and will reference information contained in the Operations and Maintenance Plan currently under development for operational detail.
- d. Governance
 - i. A policy for claims of abnormally high water usage due to leaks was discussed and agreed upon.
 - ii. Access to DAMWC parcels is under evaluation
 - iii. Actions required for December meeting
 - a. Budget
 - b. Board approve candidate slate for board elections
 - iv. 2018 Annual Meeting will be held on March 25 at 4:00pm

The Board approved the draft of a Lost Water Policy

A motion to adjourn the meeting was approved at 8:40pm

Attachment:

Notes:

- (1) Approved Board Meeting Notes for the previous meeting are issued electronically with the Meeting Agenda for the upcoming meeting. The meeting notes are also posted on the Diamond A website (<http://diamondasonoma.com>) under Water Company Board Postings. Any member may obtain a copy of the report upon written request to Diamond A Municipal Water Company, PO Box 150, El Verano, CA 95433.
- (2) The 2016 Annual Report (financial information) has been posted on the Diamond A website and can also be obtained by mail (see above).
- (3) Board actions are in **bold underlined** type.