

# Diamond A Mutual Water Company Newsletter



Spring 2016

## Report on Our Water Company

Our water company is continuing to make progress with upgrading the system. The original parts were built in the 1960's, so much like an old car, it needs a lot of attention. As most of you know, our biggest effort is devoted to replacing our wood tanks which have served us way past their expected life-spans. Thus, we are charging \$200 per quarter to build up funds to take this on. When all is said and done, a new tank costs about \$300,000. A lot of this cost is site and foundation preparation.

Our longtime board-member Mike Buckley decided not to run when his term was up. He generously served this community for 33 years! Remember, all board-members are not compensated for their service. We are so fortunate to have a board composed of highly capable engineers, a former CFO, geologist, and landscape architect. If we had to pay these people, the rates would be much higher than they are.

Next year we intend to apply for a FEMA grant to improve our system's ability to withstand a significant seismic event.

Our current tiered rates are under evaluation by the Finance Committee to determine if they are in sync with our financial and conservation goals

We have received the annual Independent Accountant's Review Report from Judd & Boone CPAs, LLP on DAMWC financial operations for 2015. The report will be posted on the Water Company page of the Diamond A website. Members may obtain a copy of the report upon written request to Diamond A Municipal Water Company, PO Box 150, El Verano, CA 95433

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## Finances

We are consistent with Budget thus far in 2016. Our balance sheet looks strong with \$140,000 in cash and our only liability is our loan from Westamerica Bank for the White Oak Tank project, which has a balance of \$165,000.

We are reevaluating our insurance coverage and providers for adequacy and cost-effectiveness. One of the coverages we are considering is earthquake.

The Company relationship bank has shown interest in financing the next replacement tank at Well # 4. Our current plans are to replace this tank in 2019. If financed at \$200,000 under current loan terms, we should be able to accelerate this replacement to 2017 and still retain adequate cash reserves within the company.

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## Projects



The big news is we replaced the old wooden tank in Zone 1 (at White Oak Court). The wood tank had been repaired a number of times in recent years in an attempt to extend its usable life. How-

ever, it was leaking to the point that it could no longer be filled to its capacity. Below and to the left is a photograph of the original tank.

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The new 100,000 gallon tank will give us many years of reliable service and meets all current seismic standards. Page two has a photograph of the new tank.

We have replaced chlorinators at the White Oak Court tank and intend replace all the remaining ones this year. The new chlorinators provide much greater accuracy in that they are injecting chlorine based on the volume of water pumped rather than just water flow. This will provide much better consistency which should reduce spikes in chlorination we have experienced over the last year or so.



We are starting preliminary engineering and environmental studies for replacement of the Zone 2 tank which is just below 4480 Grove St. (approximately 100 yards below Viewcrest Dr.)

## Conservation

Over 2015, we produced, treated and distributed 33 million gallons. We were able to meet the 2015 State water conservation target (of 25% reduction compared with 2013).

State has delegated responsibility for wise water use to the local water purveyors (which is our water company) since the rainfall was at about “average”. Local water conditions appear favorable in that the reservoirs are essentially full. However, we do not have any redundancy as does V.O.M. Water, for example. They have a number of sources for their water: the Russian River, reservoirs, and a number of wells. We do not have this. We rely solely on recharge of our aquifers. So, the bottom line is be frugal.

We no longer have to meet a target for the amount of water produced but do have to report production by month from December 2015 through November 2016 compared to the same period in 2013. We also need to report actions we take to encourage or require our members to conserve water.

## Tips-Suggestions

### READING A WATER METER AND CHECKING FOR LEAKS

In the illustration below, the large sweep hand on the dial measures water use in gallons. One gallon of water passes through the water meter as the sweep hand moves from one number to the next (e.g., 0 to 1). A complete rotation equals 10 gallons. Most analog dials have a low-flow indicator that turns as water moves through the water meter. This typically looks like a small triangle (shown), star or gear.

Example: The sweep hand is on the “1” so the read is 1,356,411 gallons. The last number on the right is a static zero (does not change). When the sweep hand is on the “3” the read will be 1,356,413 gallons.

To test for leaks, do not use water or operate any water-using devices in or around your home during the test. Observe the water meter. If the sweep hand or the low-flow indicator is moving, there is a continuous leak in the system.

Another test that is effective for very small leaks is to read the meter and record the numbers using the number indicated by the sweep hand as the final digit. Wait 20 minutes and read the meter again and record the numbers. Subtract the first reading from the second. If the number is greater than zero there is a continuous leak.

