

O'Connor Tract Co-Operative Water Co.

P.O. Box 1375
Palo Alto, California 94302-1375
Telephone (650) 321-2723
oconnorwater@gmail.com

Dear Members,

January 6, 2025

Our annual membership meeting will be held via a Zoom videoconference call on Thursday, January 30, 2025, at 7:30 pm. Please participate in our member-owned co-op water company by joining the meeting or by giving your proxy to the Company or another member so that we may conduct necessary business.

Register in advance for the Zoom Meeting by going to bit.ly/water2025 or using this QR Code.



After registering, you will receive a confirmation email containing information to join the Zoom meeting.

Note: Registration for joining the Zoom meeting is required. You will be asked to provide your name, email address, street address, and status. The annual meeting is a private company meeting only Members of the Company and Customers (e.g., residents, and renters) in our service area can attend. Your name and street address will be used to confirm that you are eligible to attend and participate.

Below is the Agenda as well as important information about the proxy and emergency contact form included with this letter.

- Call to Order
- Introduction / Roll Call
- Approval of Minutes from last year's annual meeting. (Read them in advance at the Company's website under the Members area at oconnorwater.org. A printed copy is available upon request.)
- Operations & Planning Reports
 - Highlights of last year's operations
 - Annual Water Quality Report for information
 - Update on installing meters
- Administrative Reports
 - Presentation of and request that the Members accept the 2024 Audit Report
 - New water rate structure and water rates for metered connections
 - Presentation of and request that the Members approve the 2025 Operating & Capital Budget
- Nominate and Elect the Board of Directors and Alternates of the Board of Directors
- Member Questions

If you are unable to attend, it is essential that you return your proxy to the Company at the physical or email addresses above, to Ms. Ana Pedreiro (Secretary), or to one of the board members (listed at the bottom of this letter). We must have a minimum threshold of proxies and participants to conduct Company business at this meeting. If you cannot join, it only takes a few minutes to complete your proxy.

Water Meters and a New Rate Structure for Metered Connections

State law requires the Company to have every connection metered by January 1, 2032. We have begun that process and installed new smart meters at 22 connections in 2024. We are doing this gradually over the remaining years to spread out the costs to the Company and to minimize rate increases.

The water rate structure for unmetered accounts will not change until they become metered. However, for all metered connections (historically metered and newly metered), we will be changing our water rate structure from 100% usage-based to a two-component structure: 1) a fixed amount based on the size of the meter installed for the service line (“meter fee”), and 2) a variable amount based on water usage. Every water system in the surrounding area has this general structure. Some Members with metered connections will pay more going forward, and some will pay less (depending on the size of their meter and their water usage).

The financial analysis used to set water rates will be adjusted annually. By 2032, when all connections are metered, all users will pay the same rate for water usage and the same meter fee for each size of meter. We will be sharing more details and answering your questions at the Annual Membership Meeting.

Water Rate Increases. As of the date of this letter, it is not clear if a water rate increase will be required to cover 2025 anticipated operating and capital expenditures. The Board will prepare a proposed budget in January and will present it at this Annual Membership Meeting.

Board of Directors. The five directors on the board will be elected by ballot at this meeting. All five current directors have volunteered again to serve on the board for 2025.

Becoming an Alternate. Traditionally, members interested in serving on the board serve first as an alternate to learn about the Company’s operations. We would be delighted for you to participate as an alternate. You’ll learn what goes on behind the scenes to keep the water flowing from your taps. And you’ll be able to contribute your talents to our valuable neighborhood resource. If you have questions or wish to volunteer your time as an alternate or become a director on the board, please contact David Jones, president of the board of directors, at davidlawjones@gmail.com.

Additional Important Information

- Please call the office at 650-321-2723 if you see water leaks, need a water shut-off, or have other concerns. **The company is required to maintain up-to-date contact information in case of an emergency.** Please subscribe to the **email distribution list to receive scheduled and emergency water shutoffs and other important information.** To subscribe, please send an email to occonnorwater@gmail.com with the word “subscribe” in the subject line and include your name and street address.
- **For new members** and anyone wanting to know more about your water company, please see the website, www.occonnorwater.org.
- **Before digging for construction**, homeowners or their contractors should call **Underground Service Alert (811)** so the area may be marked by utilities, including your water company. This is to prevent breaking any lines while excavating. Also, homeowners must be sure not to cover the water shut-off valve with concrete or asphalt.

The directors, alternates, and staff look forward to seeing you at 7:30 pm on Thursday, January 30, 2025.

2024 Board of Directors:

David Jones, President
Judy Windt, Vice President
Mike Frank, Board Member

Todd Rosenthal, Board Member
Ron Garcia, Board Member