

DDMWC Annual Meeting, March 4, 2014

Water Company 2013 Activity Report

Del Dios Mutual Water Company

Mission: "To supply to its members only, for cost and not for profit, water for domestic, irrigation and beneficial use."

- Founded in 1934
- California nonprofit mutual benefit corporation
- Owned by shareholders
- 173 Shares
- 5 member Board of Directors elected annually



Where does our water come from?

Three Wells

- Deep underground
- Watershed Northeast to Palomar and Vulcan mountains
- Groundwater in granite
- Continuous flow

Well Number 3



Water Tank

- Built in 1984
- Capacity: 250,000 gallons
- Relined, repaired, repainted in 2012
- Emergency tie-in to Rincon Water Co. installed in 2012
- Vents improved in 2013



Pipeline system

Originally dug and built by volunteers.

Gravity fed system.

8" main installed in 1984, along Lake Drive south to Nutmeg.

Older 6" and 4" mains from Nutmeg to South end of town.



Water Pipeline Extension Project



- To replace old 6" and 4" pipes with new 10" main pipeline.
- Provide adequate flow and pressure to all parts of town.
- Meet modern RSF FD fire suppression requirements.
- Provide additional fire hydrants.
- Install high-quality 10" PVC pipe.
- To be completed in three phases over ten years: 2014 - 2024

Phase One: 2014



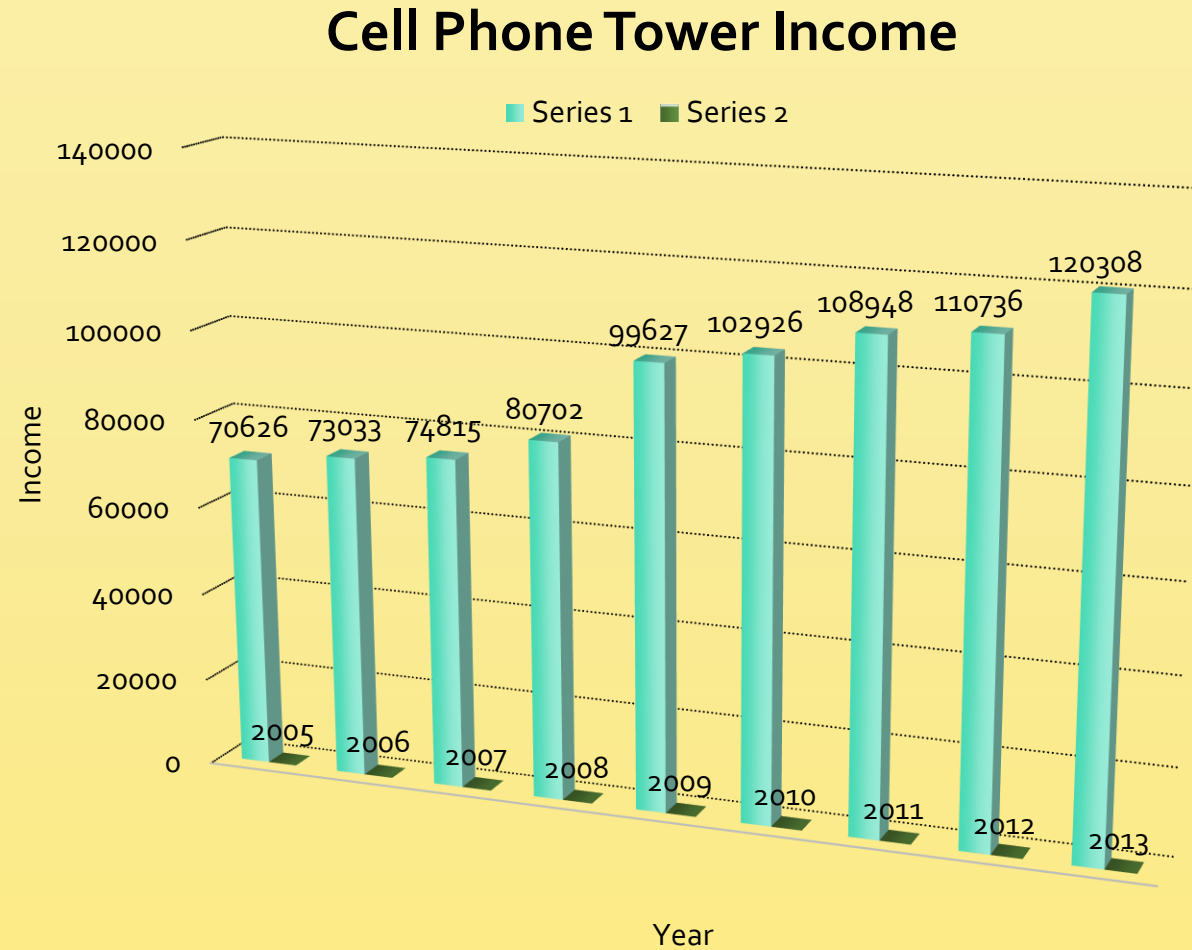
- PK Mechanical Systems, Inc. selected as contractor.
- Design plans approved and permitted.
- Install 10" main line along Lake Drive from Nutmeg to Quince
- Excavate, install pipe, test, fill and repave Lake Drive
- Install new fire hydrants
- Begin Spring, 2014: approx. 4-6 weeks to complete
- One lane of Lake Drive to remain open during construction
- Construction updates will be posted on DDMWC website

Cell Phone Tower Contracts

- Verizon, Global Towers Partners, ATT, Sprint, T-Mobile, etc.
- Multiyear contracts
- Equipment mounted on water tank and “tree”
- 2013 annual income: \$120,308
- Provides for capital improvements and reserve fund



Cell Phone Tower Income



Land Purchase

- Purchased from City of San Diego.
- To secure top of the hill for Water Company use.



New Website: www.ddmwc.org

Features:

- Who to contact
- Company news
- Construction updates
- Water quality report
- Board agendas and minutes
- Water conservation tips

Share Certificates



- Reconstructed records after 2007 fire
- New share certificates provided to shareholders 2013-14
- Digital files of shareholder records

Strategic Plan

- Financial Plan
- Reserve Fund
- Operation and maintenance
- Capital project priorities

Reserve Fund

- \$200,000
- Invested conservatively
- Designed to restore service in event of:
 - Natural disaster (earthquake, fire)
 - Well failure
 - Unforeseen events

Operation and Maintenance

- Superintendent
- Meter Reading/Billing
- Maintenance and repairs
- Operations manual
- Training



Capital Project Priorities

Water Tank

- ✓ Reline and upgrade – completed
- ✓ Regular maintenance schedule

Fire Suppression

- ✓ Rincon tie-in – completed
- ✓ Fire hydrants – new hydrants on Lake Drive

Main pipeline upgrade

- ✓ Plan/design/permits: 2013 - completed
- ✓ Three Phases: 2014 - 24

10 Year Financial Plan 2014 - 2024

- ✓ Provides funding for capital improvement
- ✓ Creates reserve fund
- ✓ Keeps water rates low
- ✓ Limits tax liability
- ✓ Reflects non-profit status



Water Conservation

- Drought Emergency declared 1/17/14
- California's driest year on record
- Lack of rainfall in our watershed
- Our wells are pumping at same rate as always
- Our income is steady.
- Voluntary measures urged
- Sustainability, not growth
- 7 generations worldview



DDMWC Conservation Policy

Article XIX of Company Bylaws: Conservation Policies

- *"The Board of Directors shall from time to time, adopt and distribute such water conservation policies and charges as it deems necessary for the effective use of the water available to the corporation. Such policy shall give priority to providing water in the following descending order of preference:*
 - *A. Health needs for a single residential living unit on land to which a share is appurtenant*
 - *B. Reasonable needs of a business operating legally on land to which a share is appurtenant;*
 - *C. Other reasonable needs of a single residential living unit on land to which a share is appurtenant;*
 - *D. Other water uses, if sufficient supplies are available."*

Del Dios Water Use

- 2013 water usage: 2.5 million cubic feet
- 10 year average: 2.7 million cubic feet
- Highest year in last decade: 3.3 million cubic feet

Water Conservation Tips: it's easy!

- ✓ Fix leaky faucets and sprinklers
- ✓ Use new water/energy efficient appliances
- ✓ Turn water off when you brush your teeth
- ✓ Replace grass with groundcover
- ✓ Native drought-tolerant planting
- ✓ Water gardens in morning/evening, not in the heat of the day.
- ✓ Use a broom, not a hose, to clean your patio/deck
- ✓ Take your car to a recycling carwash



Del Dios Water

Appreciate it

Take care of it

Don't waste it

It belongs to all of us

Now and forever

