

IN THE FLOW

Newsletter of the San Andreas Mutual Water Company -- February - 2024

To contact Owen Sharp, our manager, call 831-728-3850 and leave a message

President's Message

By Jay Zucca, SAMWAC Board President

Annual Shareholders' Meeting

Sunday, May 4th, at the Lee House, 12:00 noon

Dear SAMWAC Shareholders and Water Users:

It is time again to start thinking about this year's election of Directors for the SAMWAC Board. Board members serve two year terms which start when elected at the Annual Shareholder meeting and end two years later at the Annual Meeting. This year, the terms of Tony Lee and Paul Lego will end at this year's Annual Meeting unless re-elected. Anyone interested in running for election or reelection should submit a ballot statement to samwacwater@gmail.com by March 31, 2024 so that the statements and ballots can be mailed out to shareholders. April 30, 2024 will be the close of the mail-in balloting. The ballots will be counted at the Annual Shareholders' Meeting which will take place on May 5th. Like last year, we will be having an in-person meeting this year. Shareholders may change their vote on the day of the meeting in person before the ballots are counted. We are working to coordinate schedules and will announce details of a time and place in a later newsletter.

The State of California still has not formally issued the new Chromium-6 (Cr-6) regulation as of the writing of this newsletter. It is not clear to me or others I talk to why this is being delayed. Just to remind you, we will have 4 years to comply with the standard once it is formally released. One option for compliance is to install point-of-use (POU) systems where people get drinking water in their house. Currently in California, there are a handful of small water systems that are using POU systems to meet drinking water standards. There are many hurdles to overcome for a POU system to be acceptable to SAMWAC shareholders and California regulators including finding a system that is easy to maintain, reduce contaminants to an acceptable level, and operate reliably. Your Board has purchased a few systems and is testing them to see if they might meet these criteria. We can discuss this issue further at the annual meeting.

Best regards, Jay Zucca President, SAMWAC Board of Directors

Financial Report

Paul Lego, Treasurer, pglego@gmail.com

2024 Financial Performance Through February 29th, 2024

So far, 2024 has started off as a better financial year for our water company than we had in 2023. Revenues through February 2024 were \$21,239 versus \$17,944 last year. Higher revenues were most likely due to the new water rates that went into effect this year, since the amount of water delivered was similar to last year. Overall expenses through February were \$19,131 versus \$16,312 last year. The higher expense number is mostly due to the timing of our County license fees and not to any substantial increase in expenses. Our water company had a net operating profit of \$2,108 through February of 2024 versus a net profit of \$1,632 for the same period last year. There are no new connection fees so far in 2024. Year-to-date in 2024, our Charles Schwab Reserve account had \$1,701 in interest versus \$1,390 last year.

As of February 29th, 2024, our water company had a total of \$396,415 in its bank accounts including \$18,984 in its Wells Fargo Checking account and \$377,431 in its Schwab Reserve Account. The Schwab Reserve account is primarily invested in Certificates of Deposit (CD's) with a 6-24 month time to maturity and bearing 4-5% in annual interest.

While I am pleased that our water company is again operating profitably after last year's loss, we are still not contributing nearly as much as necessary to build reserves for the future. We will continue to look at revenues vs expenses and reserve requirements over the next several months and may need to propose additional rate increases later in 2024.

Additional Bill Payment Options

Please be aware that we are offering the option of email delivery of the water bills for the customers that are trying to stick with high tech options. You can request both email and post mail, or just the email delivery. Email matches well with Zelle payment for an instant resolution!

System Report

Owen Sharp, oz_@sbcglobal.net, Cell = 831-809-7997

Major System Fixing

I am able to repeat for this newsletter that the last two months were very quiet compared to the first part of last year. The violent winter of last year has not materialized yet. We still have one major gate valve that needs repair, but it is functioning for now.

Staying Current

I am being more proactive about informing customers about leaks and high water usage. It is policy today that meters are scanned every month for leak detection. The radio endpoints we use will report if water flows, even very small drips, for 24 hours continuously. I will be informing those unlucky accounts via email once I get a reading. If your usage is really large, I will give you a call. Thus, it is critical that I have a current email and phone for everyone!! Please send me a note if your email/phone has changed or you wish someone else to get notices! It is not that hard. 😊

Distribution System Water Quality

"Distribution System Water," that is, the water that comes out of your tap, comes from blending the controlled production of our two wells. To provide an ongoing source of quality drinking water, monthly water quality samples are drawn and tested from throughout our community system. This is how we ensure you continue to enjoy safe and pleasant tasting drinking water. Following are recent test results:

Bacteriological Examination

Jan 2024	Coliforms: Absent	E.coli: Absent	Feb 2024	Coliforms: Absent	E.coli: Absent
-----------------	-------------------	----------------	-----------------	-------------------	----------------

General Physical (GP) Examination at Delivery Point

	pH	Nitrate (as N)	Turbidity	Color	Odor
Jan 2024	7.4	8.0	ND	ND	1
Feb 2024	7.9	7.5	ND	3	<1

The County/State have changed our source reporting requirements from Quarterly to Yearly due to the stability of our sources. However, we are testing nitrates monthly on all wells.

General Physical (GP) of Each Source (2023)

2024	pH	Nitrate (Nov)	Nitrate (Dec)	Turbidity	Color	Odor
Well-1	7.5	6.0	6.0	0.7	none	1
Well-3	7.4	6.9	8.4	0.15	none	<1

Conservation Report

We are continuing this familiar chart, but it is always a bit boring for this first data point. The reference year for conservation is 2020. Last year we came in UNDER our goal for every period for the entire year! That was a major accomplishment given the landscape watering in the summer and that we reduced total usage by 17% from 2022. This year we started a few percent over the goal and noticeably above last year at this time.

The goal, set by the State because of drought concerns, is "15% reduction of 2020 usage," which is the **Goal** "diamond" line. Our **Actual** from last year are the pyramid points. This year, our **Actual** usage points are the large circles. While the State says the "drought is over", I bet it is back very soon.

Please examine your individual usage tables and see how you compare to last year.

Conservation Goals

