

Villa del Monte Mutual Water Company

P.O. Box 862
Los Gatos, CA 95031-0862

SAMPLE WELCOME LETTER

Dear New Member,

Welcome to membership in the Villa Del Monte Mutual Water Company (VDM). The company is organized as a non-profit mutual benefit corporation under the laws of the State of California. Each member is an equal owner of the company, and all members must be treated equally, both as to benefits and expenses.

If you would like a copy of the Bylaws, please request them or view them online at this internet address <https://www.vdmwater.com/background-information>

Each certificate of membership is attached to the property and therefore may not be sold as a separate item. If you sell your property, the membership goes with the land. Certificates of membership are automatically transferred to a new owner of the property. Your membership, by parcel number, is recorded with the Environmental Health Services of the County of Santa Cruz, and our Articles of Incorporation and Bylaws are recorded in the County Recorder's Office. (If you wish, you can change your listing in the Assessor's office to reflect water company connection for your parcel instead of a well. If you are simply moving into the neighborhood and acquiring an existing connection, this is not necessary.)

VDM is run by a volunteer Board of Directors who are elected for two year staggered terms in March of each year at the annual meeting of shareholders. You will be notified several weeks in advance of each annual meeting. You are requested to attend or send in your proxy. You are also invited to attend regular Board meetings held on the third Monday of each month. Contact one of the Board members for further information.

Our water currently comes from Laurel Creek and is processed through a treatment plant into a holding tank and then through the distribution pipe system. The water is regularly tested to meet Federal and State health standards. Our system is operated and maintained by an independent water master with the appropriate credentials to manage our water system. We are also connected to the San Jose Water system and able to purchase water from them as an alternate or increased source of water.

Our monthly assessments are as follows:

Basic monthly assessment ~ VDM	\$101
Required monthly assessment ~ SJWC	\$9
Required monthly assessment ~ SRF	\$48
Required monthly assessment ~ TPL	\$86.93

Mutual water companies provide water service in rural areas that have no alternative supplies, and in urban pockets where property owners continue to hold mutual water company shares and liability for the integrity of the water system.

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The VDM assessment covers monthly operations, repairs, some improvements. The SJWC assessment is levied on us by San Jose Water Company in order to have the connection to their system. The SRF assessment is levied on us by the State of California to cover our State Revolving Fund loan which was necessary to bring the system into compliance with new State and Federal regulations. The TPL assessment is charged on member accounts who opted to be part of a loan group for replacement Tank Project. Several members opted to pay \$14,000 up front for the Tank Project and in that case, the TPL monthly assessment is not charged.

The cost of metered water is based on total usage and is tiered as follows:

Water Used up to 500 cubic feet	.06
Water Used from 501 to 1000 cubic feet	.15
Water Used from 1001 to 2000 cubic feet	.30
Water used from 2001 to 4000 cubic feet	.60
Water used over 4000 cubic feet	1.20

Please note that most of our members consistently use around 1000 cubic feet and so are rarely charged above the second tier. However, if you do extensive landscaping, fill a pool or have a leak, you may see those higher charges.

If you have any questions about VDM and/or its operations please contact our President Mike Miller at atsunset2@verizon.net or by phone at 408 348-4792. For billing questions, contact our bookkeeper, Jennifer LaForce either by email at jenniferlaforce@gmail.com or by phone at 408 203-5360. For system issues or emergencies, contact Gary MacKenzie at 408 353-0271.

You can also check system status, get the latest news and sign up for alerts and boil water notices at our website www.vdmwater.org.

Sincerely yours,
Mike Miller, President

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