

Oak Trail Estates Mutual Water Company

The following is a general description of the OTE Mutual Water Company (OTEMWC) and its operations and finances. Full details of the company's structure and operation are contained in the OTEMWC bylaws.

The Company

Oak Trail Estate Mutual Water Company was established in 1977 for the specific purpose of owning and operating a water system for its shareholders. The goals and purposes of the OTEMWC are to develop, supply and deliver water for domestic, municipal and irrigation uses or any one of such uses to its shareholders at actual cost, plus necessary expenses.

The OTEMWC is governed by its bylaws and the California Corporation Code and managed by a five-person board of directors. The directors are elected at an annual meeting by majority vote of the shareholders. For the annual meeting to be valid, at least 50% of the shareholders must attend in person or by proxy. The board actively seeks nominees from the shareholders before the annual meeting. Any shareholder may nominate himself/herself, as well as any other shareholder at the annual meeting. Shareholders are encouraged to volunteer.

The board meets regularly at the home of one of its members. These meetings usually occur every other month. Any shareholder may attend a board meeting. Written notification must be made to the secretary of the board if a shareholder wishes to make a presentation at a board meeting.

The board contracts with a water master, who handles the day-to-day operations of the water system. The board oversees the services of the water master, whose duties include system-monitoring; making recommendations to the board regarding necessary improvements, maintenance, and meter reading; assisting with new hookups; and providing a report of activities and status of the water system at each board meeting. The board also creates an annual budget and manages the necessary contingency funds for future well maintenance and construction. The OTEWMC contracts with an accounting firm to handle billing to shareholders.

Revenue is derived from the sale of water to shareholders. Each shareholder pays a monthly fee which covers the shareholder's share of administrative expenses and funding for the reserve account. Water is charged at a rate per cubic foot. The board adjusts these rates in order to meet current budget requirements. These adjustments are a result of the board's review of its 30-year reserve study. The reserve study is updated every 3-5 years. Current water usage rates are noted in each billing statement.

The System

The water system consists of three active wells located along Woodstock Road. Seven brick and plaster underground cisterns, each with 30,000 gallons of storage capacity, are located at the highest point in Oak Trail Estates (an easement on Lot 8). When the water levels in the cisterns drop to a certain level, a message is sent by radio signal to the pumps. Water is then pumped uphill from the wells to the cisterns via underground pipes. Pumping is done during the hours when utility rates are lowest. The largest expense for the OTEMWC is electricity.

Water flows from the cisterns by gravity through an underground pipe system to the hookup location for each shareholder. Lots at the lower elevations have higher water pressure than lots located higher up. The higher lots may require on-site water pressure pumps. In contrast, the lower lots may require a regulator to decrease the water pressure.

Shareholders supply and connect their initial meter to the mainline. Each shareholder must also supply and install a backflow device to prevent any contaminants entering the water system from an individual site. After the initial installation of a meter, it becomes the property of the OTEMWC which assumes responsibility for all future repairs and/or replacement of water meters. The backflow device continues to be the responsibility of the shareholder.

If a roadside hydrant is not located close enough to a dwelling, the fire department may require the shareholder to provide and connect an un-metered hookup for a hydrant at the site in question. In the case of a major leak on a shareholder property, e.g. a contractor ruptures a line while digging, the domestic and irrigation water can be shut off at the backflow device. Each hydrant has an underground shut off valve in case a leaking hydrant needs repairs. There are additional valves throughout the system which can be shut off for periodic maintenance.

Conservation

The greatest usage of OTEMWC water is irrigation of landscaping, not domestic or agriculture. Shareholders are encouraged to select drought tolerant plants and trees; keep lawn areas to a minimum; use efficient irrigation methods, such as drip lines; and avoid sprinkler systems. No irrigating should be done between noon and 6 p.m. Irrigating during this time of peak temperatures is very inefficient and very expensive.

Members of the OTEMWC board are available to answer your water company questions or direct you to the proper source of information.

Revised January 24, 2024