

**Bailey Mutual Water Company**  
**PO Box 44, Palomar Mountain, CA 92060**

## **Annual Operations Report**

For the period January 1. 2024 – December 31. 2024

June 30, 2025

The Board of Directors of Bailey Mutual Water Company (BMWCo) is pleased to present this year's Operations Report. This report to shareholders is designed to inform you about the quality and distribution of our drinking water as well as important updates.

### ***Board of Directors and Operations***

At last year's annual meeting, the 5 Board Members were all reelected and agreed to continue to serve from September 2024 – September 2025

Laura Lorenzen, President  
Robert Lopez, Vice President,  
Henry Castillo, Operations Manager  
Shane Kochon, Treasurer  
Laurie Gerber, Secretary

Special thanks to Mark and Terri Sproul for their day-to-day operations assistance.

### ***General Information on Drinking Water*** (From the California State Water Resources Control Board)

*Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that the water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the U.S. EPA's Safe Drinking Water Hotline (1-800-426-4791).*

*Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. U.S. EPA/Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by Cryptosporidium and other microbial contaminants are available from the Safe Drinking Water Hotline (1-800-426-4791).*

### ***Our Water Quality in 2024***

Bailey Mutual Water Company routinely monitors for contaminants in our drinking water according to state and federal guidelines. For many years, that monitoring has taken place quarterly at the upper water storage tank.

**In January 2024, County regulators required that we update our water sampling plan to take samples from 4 locations at service connections around the system**, rotating between the 4 locations quarterly. The county, and later the State, approved our proposed 4 locations on our main delivery lines: East Line (two locations on separate branches), Old Center Line, and West Line.

**In June, 2024, we had our first sample that tested positive for coliform bacteria** (not e. Coli, and not dangerous, but the presence of any coliform bacteria is an indicator that it is time to disinfect the system.)

The table below contains the results of our monitoring over the period of January 1 to December 31 of 2024. In the table you will see two tests with coliform bacteria present in June 2024. The second one is a customary confirmation sample in case the bacteria were accidentally introduced from the environment in the first test.

<b>Quarterly Sample</b>	<b>Coliform E-Coli</b>	<b>Total Coliform</b>
3/16/2024	Absent	Absent
6/02/2024	Absent	Present
6/10/2024	Absent	Present

#### *System-wide disinfection July 15-19, 2024*

<b>Monthly Sample</b>	<b>Coliform E-Coli</b>	<b>Total Coliform</b>
7/22/2024	Absent	Absent
8/13/2024	Absent	Absent
9/19/2024	Absent	Absent
10/08/2024	Absent	Absent
11/20/2024	Absent	Absent
12/05/2024	Absent	Absent

**System-wide disinfection: from July 15-19, 2024**, our recently-hired drinking water operator, Ed Stone from Choice Water Solutions (who also services Palomar Mountain Mutual Water Company), disinfected the system with chlorine, following which he got

clean confirmation samples from multiple locations. Notices were placed on each cabin before the disinfection. **Disinfection uses the lowest effective levels of chlorine so the water remains potable throughout the process**, though residents may notice some chlorine odor in the water in the days following the disinfection.

**We have not added any chlorine to the system since the July 2024 disinfection.**

Because we had a positive test for coliform bacteria in June 2024, the county required that we switch to monthly sampling going forward. We are happy to report that we have had no positive tests for coliform bacteria since then.

### ***Bailey Mutual is now a State Public Water System***

On September 27, 2024 we were informed that our system is no longer a “State Small” water system (which was overseen by the San Diego County Department of Environmental Health). We are a “State Public” water system, overseen by the San Diego office of the California State Water Resources Control Board. **The transition involves additional reporting and applications which we are still working through.**

Last year in this letter, we mentioned a **requirement from the SD County DEH is to update aging infrastructure**. These requirements are still outstanding, and the increased oversight from the county, and now the state, require that we go through a design and permitting process for each upgrade.

As you know, we have been an all-volunteer-run system in the past. Beginning in 2024, we hired a certified Drinking Water operator (Ed Stone with Choice Water Solutions) to conduct our monthly sampling and periodic system disinfection. However, day-to-day system monitoring, project planning and execution of all administrative tasks and operations projects still lies with our team. With so few shareholders able to participate, and most volunteers living off of the mountain with competing demands for their time, we have extremely limited capacity to move projects forward on our own.

We continue to anticipate additional operational costs, to be paid for with service fees and assessments for system upgrades. **Future projects include replacement of the 8,000 gallon and 10,000 gallon concrete water tanks; completion of the “New Center Line;” replacing galvanized lateral water delivery lines; and installation of a wireless pumping system.** As in the past, each share of BMWCo stock is to be assessed annually to cover the expenses incurred with the ongoing infrastructure improvements. Persons owning stock, but who are without water service, as well as persons with more than one share of stock will be assessed equally on a per-share basis.

### **Monthly Work Parties**

At the 2024 shareholder meeting, Jack Weisgerber announced a new tradition of monthly water system work parties to be held from 10:00am to Noon on the first Saturday of each

month. **These work parties have successfully been held each month since October 2024**, and have included monitoring water distribution volume (averaging just under 30,000 gallons per month); exercising valves around the system; planning upgrades; organizing our equipment and spare parts; sealing our system against contaminants; and removing flammable wood (fallen branches, etc.) from Bailey Mutual property to mitigate fire risk in our community. Please consider joining us on the first Saturday of the month!

## **BMWCo CONTACT INFORMATION**

Bailey Mutual Water Company is committed to providing shareholders and users with high quality drinking water at a reasonable cost. The board of directors and water service personnel continue to serve our water company on a daily basis, year-round, largely as unpaid volunteers. This, in large part, helps BMWCo to keep operational costs to a minimum. Through periodic water treatment and testing services, system maintenance and upgrade, and the protection of our mutual water resources the Company continues to provide reliable service.

If you have any questions about this report, or BMWCo in general, please contact us at

### **Bailey Mutual Water Company**

**PO Box 44, Palomar Mountain, CA 92060**

#### ***For Daily Operational Matters:***

Laurie Gerber, Secretary

text 619 200-8344 or [secretary@bmwco.org](mailto:secretary@bmwco.org)

Marc & Terri Sproul

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***Thank you for your continued efforts and support.***

*Bailey Mutual Water Company Board of Directors*