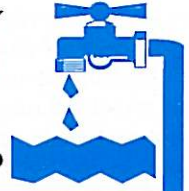




DAVIDSON WATER INC.



1969-1999

WELCOME, NC

30th YEAR

“OPEN HOUSE CELEBRATION”

Davidson Water, Inc. will be celebrating it's 30th anniversary on May 15, 1999 from 10:00 am to 2:00 pm. Please come visit us and take a tour of our new office, maintenance, and warehouse facilities in Welcome, 7040 Old US Hwy 52. There will be a short film presentation, door prizes, food, special guests, bus tours to our water plant facility on the Yadkin River and much more. Take time to come see how a water tap is made, and learn and see the different processes that take place in purifying the water you use everyday. On behalf of the Board of Directors, Management and Staff, we would like to thank you for allowing us to provide water service to you, your family, schools, businesses and churches for the past 30 years. We will continue to make improvements to the water system to ensure a plentiful supply of safe, clean, potable water for now and future generations.

In October we will be providing you a consumer confidence report showing all testing done and the results, all chemicals that are added to the water and other information pertinent to our water treatment. See you May 15, 1999.

The following article is a history of your water system that was last printed in 1989 and has since been updated. Hope you enjoy it again.

“THROUGH THE YEARS”

In the spring of 1965, a group of concerned citizens comprised of C. Boyce Sink, Harold Lanier, Howard Craver, Luther Berrier, and Robert Ripple, met at the home of C. Boyce Sink to discuss incorporation of Welcome. Instead of incorporation the group determined that a safe dependable water system was needed not only for Welcome, but also for northern Davidson County. They decided to hold a public meeting at Welcome Elementary School. Speakers from the Institute of Government and the mayor of Lexington spoke to the group and reaffirmed the need and benefits of a water system. A small group of those present continued to meet in an effort to find a way to construct a water system. Clyde Pickle, Farmers Home Administration's local representative, was instrumental in helping to obtain the needed funds. Farmers Home Administration would require an engineer to show the feasibility of the project. Could enough wells be dug to supply the needed water? What size lines would be large enough, and what type of treatment would the water need? These questions needed to be answered. The group retained Campbell Wallace Consulting Engineers of Knoxville, Tennessee to prepare plans for the needed water system. Campbell Wallace prepared a plan showing that water could be taken from the Yadkin River and pumped into a man-made lake to allow mud to settle out. Then the water would be pumped into settling

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basins and flocculators, where chemicals could be added to help filter the water and prevent bacterial growth. Fluoride could be added to help prevent tooth decay. After the water traveled through the settling basins, it would go through dual media filters. These filters consist of layers of coal, sand and rocks. The water would then go to a clear well where it would be pumped out through a network of waterlines, with additional pump stations and elevated tanks used for storage and pressurizing. The water plant would also have a certified lab to insure safe water. The proposed facility would need over 3,000 customers to justify its existence.

In 1966, the people of North Davidson County acting individually through civic clubs, volunteer fire departments and church related organizations worked to have proposed water users sign contracts to show Farmers Home Administration that the water system was needed and the people of this area would make the system a real success. On March 1, 1967 North Davidson Water, Inc., a non profit corporation, was chartered to construct and operate the proposed water system. A Board of Directors made up of many of the first group that had met in 1965 was elected. The first Board consisted of C. Boyce Sink, President; James A. Craver, Vice President; Robert L. Ripple, Secretary; Ralph A. Kimel, Treasurer; Dr. W. B. Butler; Howard Craver; L. H. Berrier, Jr.; Gene Essick; Jasper Younts; Joseph M. Meredith and Carl W. Price. The Farmers Home Administration loaned the newly formed corporation \$3,680,000. Construction began on the water system in 1967. Robert Hedrick was hired as the Corporation attorney with Dwight Hedrick of Turlington and Company as the accountant. They were very important in the initial set up of the corporation. Carl W. Price and Jasper Younts resigned as directors, and on August 4, 1969, Dr. E. H. Reich and Owen T. Horton, Sr. were elected to serve as directors. Jasper Younts was employed as general manager for the water system operated by the corporation. The first annual meeting of the members of North Davidson Water, Inc. was held at North Davidson Senior

High School on March 24, 1970, several months after the contractors had completed the system. The following directors were elected at the annual meeting: C. Boyce Sink, Robert L. Ripple, Wilbert E. Ball, Ellis Ray Myers, James Benefield, Ralph A. Kimel, Reoberson, James A. Craver, Dr. E. H. Reich, Dr. W. B. Butler and Foy Young. In 1969 the water system began to serve almost 3,000 customers water. Already other areas of the county wanted water service. Farmers Home Administration had a four million limit that it would loan to one entity. Therefore, North Davidson Water was limited in its ability to expand, but it could sell water and provide management and maintenance to other non profit systems.

The people of West Davidson on November 20, 1968 formed a corporation and elected a board of directors consisting of Cliff Fitzgerald, Hugh H. Sheppard, Sidney Lyle, C. W. Long, Jewell Peck and R. V. Potter, Sr. The West Davidson Water System obtained a loan from Farmers Home Administration in the amount of \$3,000,000 and contracted with North Davidson Water, Inc. to buy water and services. The water lines installed by West Davidson Water, Inc. could service approximately 2,840 customers.

Soon to follow West Davidson was Wallburg Water, Inc. On January 16, 1969. The Farmers Home Administration loaned Wallburg Water, Inc. \$1,200,000 to service 1,020 customers. Wallburg Board of Directors consisted of Jack Hoots, Poe Jilcott and C. V. Teague.

Hasty Water, Inc. was chartered on February 17, 1969 to install lines to service 1,250 customers. Hasty elected Robert Blair, Jr., Rev. Linwood Hubbard, Lonnie Fitzgerald, Woodrow Simerson, Harold Petty, Guy Braswell and Y. A. Wright to serve on their Board. Farmers Home Administration loaned Hasty Water, Inc. \$1,250,000.

On May 10, 1969 East Central Water, Inc. was organized and installed water lines to service 3,050 users. As always the Farmers Home Administration saw the needs of the people of Davidson County and the willingness of the people to work to make the

water system a success and loaned the corporation \$2,860,000. The first East Central Board of Directors were Rex Gallimore, N. Douglas Taylor, Ralph W. Burkhart, Chleo L. Fritts, Franklin M. Swing, Therrell J. Grimes, Carlie F. Beck, Howard B. Green and D. Leon Rickard.

North Davidson Water, Inc. supplied water, maintenance and management to each system. In 1973 the law limiting the amount of funding Farmers Home Administration could loan to one entity was changed. This allowed the five system's to consolidate in October 1973 to form Davidson Water, Inc. The new corporation's board was comprised of three members from each of the five old systems. They were C. Boyce Sink, Jack Hoots, Thad Hartley, Linwood L. Hubbard, Ralph W. Burkhart, Franklin M. Swing, Therrell J. Grimes, Harold M. Petty, Lonnie M. Fitzgerald, C. P. Jilcott, Fred H. Craver, Robert L. Ripple, Owen T. Horton, H. Banks Sharpe, and R. V. Potter, Sr. These men, past board members and many others, have given many hours of their time to make a dream a reality.

Today, we have three intake stations on the Yadkin River including screw pumps extending down into the river pulling the water up into troughs leading to the lakes. The three intake stations have a total pumping capacity of 31 million gallons a day. We have three lakes connected together that the intake stations pump into. The lakes hold approximately 75 million gallons of water. If spills get into the river we can cut our intake pumps off and use the lakes until the contamination passes by. We have three raw water pump stations that can pump 32 million gallons per day out of the lakes to the settling basins. Our settling basins are set up to handle up to 20 million gallons of water a day. Track-vacs have been installed in these settling basins to continually clean the basins of sediments instead of allowing it to build up. This helps us provide better water quality. We have 20 dual media filters with each one capable of filtering I million gallons of water a day. We are continually planning and building for the future needs of our members. Larger distribu-

tion lines going into all parts of the system will begin being laid this summer. Three more water tanks are planned for the future. Two large 2000 kw generators for emergency use and load management have been installed at our water plant. Three portable units can be used at booster pump stations during power outages to keep our members with water service. A large 750 kw generator has been installed at our Hyattown pumping station. We also have a 350 kw generator at the office facility. A new telemetering system working off of radio signals has been installed to control tank levels and pump station status. If we have a problem we know it much sooner, and in what area of the county. We have installed a mapping system of our water lines displaying valve locations, hydrant locations and pressure, meter locations and much more valuable information. Phone calls after hours are automatically transferred to our water plant, which is manned 24 hours a day. We have emergency connections with Winston-Salem, Lexington, Handy Sanitary District, Thomasville, and High Point.

In 1988 and 1989 the Farmers Home Association was offering a discount on all loans previously made, if the borrower could refinance the loans. Davidson Water, Inc. paid off over \$23,000,000 in Farmers Home Administration loans. This will eventually save the company \$9,000,000 in principal and even more on interest savings by reducing the remaining term to 15 years.

Davidson Water, Inc. was instrumental in starting the North Carolina Rural Water Association and was one of the eight charter members of the National Rural Water Association. Our past manager, J. A. Younts, served on both boards and was president of both organizations.

A small group of men just over 30 years ago took the first steps in forming a water system that has become the largest Farmers Home Administration financed, privately owned, rural water system in the world.