

**Gran Mutual Water Company**  
**Annual Stockholders Meeting – March 15<sup>th</sup>, 2022**  
**Nash’s Restaurant, 1717 Esplanade. Chico**

The meeting was called to order at 6:12pm by President Steve Moreland.

Board Members Present: Steve Moreland, President; Bob Gaines, Vice President; Eric Snedeker, Secretary.

Board Members Absent: Malcolm MacDonald, Director

Gran Mutual Staff Present: Kevin O’Shea, Water Master.

Gran Mutual Staff Absent: Bob Koch, Administrative Consultant.

Introductions of Board of Directors made by Steve Moreland and guest attending meeting

Guest Present: Terence Kato, Susan Kehm, Carol Moreland, Lynne Janinis and John Janinis, Bob Ryan

Minutes: Motion by Steve Moreland, seconded by Bob Gaines, to approve the Annual Stockholders Minutes of the January 27th, 2021 meeting as submitted was unanimously approved.

Steve reported that due to no quorum present (53 votes or proxies needed), tonight’s meeting would be informational only and no official business could be conducted. The election results for new board members will be discussed at the Adjourned Annual Meeting in April 2022. No new board members will be confirmed at tonight’s Annual Stockholders meeting. No official agenda items would be acted upon. The information shared at meeting was an overview of year-end reporting to stockholders.

Steve Moreland presented year-end summary report. Steve noted new billing system started February 2022 (base rate and cost per CCF usage). Steve noted capital improvements in 2022 budget will be placed on hold. Keven noted the capital improvements are not necessary at this time.

Financial Report: Steve provided a financial overview summary. Steve noted that Gran Mutual remains in very good financial shape. Steve noted that utility costs this year over last year were slightly lower, because of less water being used and therefore being pumped. Steve noted total Gran Mutual assets of 2022 were \$1,100,989.26.

Water Master Report: Kevin reviewed year end summary of activities including the following

- Meter installation to all lots completed.
- Homeowners will use new billing system paying for water use aligned to CCF (\$.74)

- Replacement and installation of by-pass valve in Spanish Gardens
- Pipeline in Skansen subdivision noted to be 60 years old. He noted the line is functional and does not present any issues to our water delivery system.
- Discussed reserve and capital account and will re-evaluate projections based on capital projects, if needed.
- Pipeline expenses are included in reserve and capital account.
- Billing system changed to cost for water usage (\$.74) and basic coverage fee (\$90.00)
- Storage tank will need “coating” in the future
- Chlorine is needed at this time and evaluated quarterly

#### Questions from Stockholders

Discussion regarding the water table levels over the years. Kevin noted the water table has been consistent over the years with a strong aquifer. He monitors the water level on a monthly basis. Stockholders are asked to continue to monitor water usage as we enter another drought year.

Will there be any impact on our wells coming from the projected development from the Tuscan Ridge development in the future? Kevin stated the project will not impact our aquifer, but will be monitored monthly

Who monitors the water tables throughout the state? Kevin stated the state of California has a system in place to monitor water tables and make appropriate adjustments to water allotments in each region.

Adjournment. The meeting was adjourned at 7:04p.m. to April 19, 2022, at 11:30a.m. at Nash’s Restaurant.

Respectfully submitted,

Eric Snedeker  
Secretary