

**MINUTES OF A SPECIAL MEETING  
OF THE BOARD OF DIRECTORS  
OF LAZY H MUTUAL WATER COMPANY  
ON AUGUST 22, 2016**

A special meeting of the Board of Directors of Lazy H Mutual Water Company was held at the Pauma Valley Community Center, 16650 Highway 76, Pauma Valley, CA on Monday, August 22, 2016 at 6:00 p.m.

Special Meeting  
08/22/2016

**1. ROLL CALL – DETERMINATION OF QUORUM**

President Continelli called the meeting to order at 6:00 p.m.

Call to Order  
6:00 pm

Directors Present:

Continelli, Maher, West and Cardone

Present: 4

Directors Absent:

Hall

Absent: 1

Others Present:

Lori A. Johnson, YMWD General Manager

Shareholders:

Jack & Constance Lee

Leslie Grubaugh

Steve & Jinny Merhar

Sunshine Peralta

Ronda Hipshman

Charles Smith

Others Present: 9

**2. APPROVAL OF AGENDA**

No changes to the posted Agenda were proposed. Director Continelli made a motion to approve the agenda with no changes, which was seconded by Director Cardone and carried.

Approval of  
Agenda

**3. PUBLIC COMMENTS**

President Continelli opened the public comment period, noting that comments regarding specific agenda items would be taken up when those items are being considered. No comments from the public were forthcoming.

Public Comments:

None

**I. ACTION/DISCUSSION**

**1. Workshop – Discuss Consolidation of Water System**

Workshop

President Continelli gave a brief background of the consolidation study grant that the Lazy H Board requested Yuima to apply for on their behalf. Yuima

has been successful in securing a recommendation to award Lazy H \$254,600 in grant funds under the Proposition 84 DAC Planning Grant program to study consolidation of the water system. As part of the grant funding process the Lazy H Shareholders will be required to vote if they would like the Board to continue to study possible consolidation and accept the grant funding to pay for the study.

Potential Consolidation

Grant Funds

President Continelli introduced Yuima's General Manager, Lori Johnson and requested she provide an overview of the grant and address questions regarding the grant and consolidation study. Manager Johnson reviewed the grant application with those in attendance and answered numerous questions as part of the presentation.

President Continelli stated at this time the Board is trying to reach out to the shareholders to educate them on the issues facing the water company. He stated that there will be another informational workshop on Wednesday, August 31<sup>st</sup> at 6:00 pm and requested those present to encourage their neighbors to attend. He stated following the next workshop a letter and ballot will be mailed to the shareholders to vote if the Water Company should accept the planning grant funds and study potential consolidation of the water system. He reiterated that this is just a study to see what might be involved with the consolidation concept. After the study comes back to the shareholders there will be additional informational meetings to answer questions and see if the shareholders would like the Board to move forward with consolidation of the water system.

## II. ADJOURNMENT

1. There being no further business to come before the Board, upon motion offered by Director Maher, seconded by Director West and carried unanimously, the meeting was adjourned at 7:06 p.m.

Adjournment  
7:06 pm

  
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Kirk Maher, Secretary