

LAZY H MUTUAL WATER COMPANY

RESULTS OF THE SPECIAL BALLOT VOTE

Ballot to consider accepting \$254,600 in Planning Grant Funds to study potential Consolidation of the water system.

Question: Shall the Lazy H Mutual Water Company accept \$254,600 in Planning Grant funds to fund a study regarding the feasibility of consolidating the water system into the Yuima Municipal Water District.

Yes

No

[

]

Shareholder's Signature

Number of Shares: _____

President Continelli, Director Cardone and Manager Johnson opened the sealed ballots on September 17th.

Results of the special ballot vote:

Ballots for 47 of the 55 shares were received. The results are listed below

Yes = 42

No = 2 (1 no vote also included a recommendation to the board to get a grant to drill a well)

3 ballots were considered invalid due to no signature or vote indicated

One of the conditions for the grant recommendation was for the Lazy H Mutual Water Company to obtain a 2/3's vote of the Shareholders to approve studying the consolidation of the Lazy H Water system with the Yuima Municipal Water District. They received 42 of the required 37 votes needed to move forward with the grant. Congratulations!

The Board will hear an update of the Grant timelines at the regular quarterly meeting on October 11th at 3:00 pm.