

Approved April 3, 2018

**NORTH FORK WATER COMPANY
31111 GREENSPOT RD.
HIGHLAND, CA 92346**

SPECIAL SHAREHOLDERS MEETING

JANUARY 18, 2018

MINUTES

President Coats called the Special Shareholders meeting to order at 2:00 p.m. Mr. Milroy led the flag salute.

PRESENT: Ron Coats
Chris Carrillo
Charles Kiel
James Morales Jr.
Margaret Wright
Vacancy

ABSENT: David Smith

EVWD Staff: John Mura
Brian Tompkins
Jeff Noelte
Justine Hendricksen
Patrick Milroy
Nate Paredes
Eliseo Ochoa
Martha Duran
Shayla Gerber

LEGAL COUNSEL: Michele Staples
Jean Cihigoyenetche (East Valley Water District)

STOCKHOLDERS: Caroline Kiel Ray (Kiel Family Trust)
Charles Kiel
Lisa McComber (Wright Family Trust)
Thomas Hooker
Fred McNeal
Tom McNeal
Kenneth Meddock (representing First American Title)

GUEST(S): Members of the public

APPROVAL OF AGENDA

M/S/C (Carrillo-Morales) that the January 18, 2018 agenda be approved as submitted.

PUBLIC COMMENTS

There being no written or verbal comments the public participation section was closed.

PRESENTATION OF DRAFT SUMMARY APPRAISAL REPORT OF THE NORTH FORK WATER COMPANY PREPARED BY BRIAN J. BRADY & ASSOCIATES

The General Manager introduced Mr. Brian J. Brady, North Fork Water Company consultant appointed to determine the value of NFWC shares.

Mr. Brady provided a brief presentation of the North Fork Water Company (NFWC) Valuation Report: he reviewed important valuation assumptions; gave a summary of share value and stated that he determined the value of each share equates to \$546; displayed an engineering drawing of eight miles of canal and stated that there was a considerable amount of service life depreciation; gave a summary of the value of operating assets; presented the value of NFWC Santa Ana River rights; and disclosed the value of each share by evaluation method. Mr. Brady gave a comparison of the approximate per share value of Bear Valley Mutual Water Company stock based on the same method used to evaluate the NFWC shares.

There were no questions or comments from the Shareholders or the public.

Director Kiel stated that this was a long and exhausting process; that Mr. Brian Brady is knowledgeable and hopes the shareholders are confident in his work.

Ms. Wright stated that the valuation report is very thorough.

Vice Chairman Carrillo stated that his experience being on the NFWC Legal Ad-Hoc Committee was quite a process and Mr. Brady did a thorough job.

Information only.

DIRECTOR COMMENTS

No comments at this time.

LEGAL COUNSEL COMMENTS

No comments at this time.

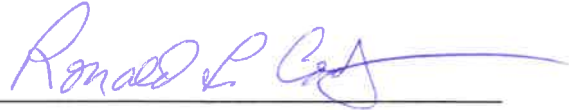
GENERAL MANAGER COMMENTS

The General Manager announced that he and Brian Brady are available for questions regarding the report. He stated that if there is no feedback from the shareholders, the item will go for approval at the Annual Shareholders meeting scheduled for April 3, 2018; however, a second meeting will be held to discuss the report prior to the Annual Shareholders meeting if necessary.

The meeting was adjourned at 2:41 p.m.



Justine Hendricksen, Secretary



Ronald L. Coats, President

