

Annual Shareholders Meeting
7:00 pm Tuesday November 16, 2021
Zoom Meeting

- A. Call to Order
- B. Ascertain Presence of Quorum
- C. Proof of Notice of Meeting - Included a letter in the October Billing statement as well as a test message for those who have enabled that service.
- D. Approve Minutes from 2020 Annual Shareholders' Meeting
 - i. Motion: Ross Sacco made motion to accept meeting minutes as outlined by Michael Webb
 - ii. Second: Phyllis
 - iii. Unanimous
- E. President's Report
 - a. Review of Annual letter

Fiscal Year 2021 Events

1. 3 lots added on Spiral Springs - Holly Jones development
2. 26 lots added as part of Lake Shore Ranch Subdivision
3. Cross Connection Control Program is functioning (upgrade meters, irrigation backflow)
4. Added another certified water operator
5. Nelson Well Refurbished
6. Sediment in water issue
7. SCADA upgrades programming to run and operate both wells simultaneously
8. Chlorine System performed with no issues
9. Meter Box and Water Meter Setter upgrades postponed for 1 year
10. Covid-19
11. Water Usage
12. Drought preparation & contingencies
13. Leak Alert Letter
14. Erda Incorporation passed

a.

EAWC Overview:

In FY 2021 EAWC finances improved due to the fees collected to additional lots added in the Lake Shore Ranch Subdivision and Holly Jones Development. However, due to the increased cost to refurbished the Nelson well, only a small Net Income was achieved.

2021 both the Lake Shore Ranch (26 lots) and Holly Jones (3 lots) subdivisions progressed quickly.

In 2020 EAW started using our chlorination system. The system has operated with no major issues for 22 months.

The water system, which includes a storage tank, two wells, two water pumps, a booster station, a generator and a distribution system are all functioning properly. However, repairs and upgrades to the system are consistently required to address meter reading issues, leaks, and operation of fire hydrants.

Backflow prevention. Remember water can flow two directions in a hose or irrigation system. An unexpected drop in water pressure may reverse water flow from a hose into your home. Some helpful hints. Ensure water leaving a hose

runs through an air space gap of at least 2 inches before it enters into a container. Another tip is to make sure there is a hose-bib vacuum breaker attached to all outdoor spigots.

The proposed budget for 2021- 2022, the minutes from last year's Shareholder Meeting, the voting proxy form and this year's meeting agenda are posted at www.erdawater.com. Please attend, participate, and vote on the decisions that will shape our water company's future.

If you have any questions, comments or concerns, feel free to contact me or any of the other board members (a list of board members can also be found on the company website).

- b.
- b. Update on connections

Metric	Fiscal Year						
	2021	2020	2019	2018	2017	2016	2015
Average Number of Connections	295	293	285	279	253	220	202
Total Gallons Pumped	97,149,115	106,875,483	77,811,339	89,888,073	76,208,775	75,062,919	53,653,620
Total Gallons Metered	93,391,660	102,743,110	74,319,160	82,838,310	69,371,390	64,526,298	45,666,880
Billing Efficiency	96%	96%	96%	92%	91%	86%	85%
Average Gallons used per connection	316,582	350,659	260,769	296,912	274,195	293,301	226,074
Average Gallons Used per Month	8,095,760	8,906,290	6,484,278	7,490,673	6,350,731	6,255,243	4,471,135
Average Acre Ft/year	298	328	239	276	234	230	165
Average Acre Ft/Connection	0.97	1.08	0.80	0.91	0.84	0.90	0.69
Gallons in 1.5 Acre Feet	488,777	488,777	488,777	488,777	488,777	488,777	488,777
Gallons in 1 Acre Feet	325,851	325,851	325,851	325,851	325,851	325,851	325,851

- a.
- c. Update on water used

Max flow is the maximum				
FY 2020	Month	Usage (gallons)	Max Flow	Max #
	Oct 2019	3,258,720	345,600	1
	Nov 2019	2,017,440	259,200	2
	Dec 2019	1,945,440	260,640	1
	Jan 2020	1,833,120	259,200	1
	Feb 2020	1,522,080	257,760	1
	Mar 2020	2,043,360	266,400	1
	Apr 2020	4,885,920	506,880	1
	May 2020	13,799,520	656,640	1
	Jun 2020	15,904,800	875,520	1
	Jul 2020	21,070,080	923,040	2
	Aug 2020	22,147,200	923,040	2
	Sept 2020	15,726,240	679,680	1
FY 2021	Month	Usage (gallons)	Max Flow	Max #
	Oct 2020	7,855,200	455,040	1
	Oct 2020		403,200	1
	Nov 2020	2,177,280	223,200	1
	Dec 2020	2,103,840	208,800	1
	Jan 2021	2,501,280	230,400	1
	Feb 2021	1,651,680	221,760	1
	Mar 2021	1,903,680	203,040	1
	Apr 2021	3,322,080	237,600	1
	Apr 2021		217,440	2
	May 2021	12,117,600	538,560	1
	May 2021		442,080	2
	Jun 2021	18,286,560	681,120	1
	Jun 2021		188,640	1
	Jul 2021	18,783,360	681,120	1
	Aug 2021	13,184,640	593,280	1
	Sept 2021	13,118,400	522,720	1

- a.
- d. 2021 Erda Acres Water Scholarship winners – \$500
- a. ?
- e. 2022 Projects

Fiscal Year 2022 list of major projects

- ∞ Scada Upgrades **\$24,300**
 - o Connect Booster System \$8,300
 - o Programming both wells \$3,000
 - o New tank transducer \$500
 - o Connect Chlorine System \$8,500
 - o Connect Pump to Waste Alarm \$4,000
- ∞ GIS upgrade **\$10,000**
- ∞ Update Replace 10 Meters and Meter Boxes **\$15,000**
- ∞ Repair and service 5 hydrants on Campbell and 570 **\$7,500**
- ∞ Nelson Well Generator **\$60,000**

Budget Review:

- ∞ Scada Importance
 - o Putting off upgrades for over 5 years due to budget
 - o Vital for operational efficiency (operator and state reporting)
- ∞ Nelson Well Generator
 - o Attended drought mitigation class.
 - First importance is to ensure operational redundancy
 - o Seeking maximum flexibility
 - o Board experience - Electrician and commercial equipment
- ∞ Cross Connection
 - o State requires back flow prevention device at meter connection
 - o State allows gradual improvement
- ∞ GIS Upgrade
 - o Software system, from our mapping company vendor, that can track work upgrades, infrastructure per location and allows creation of work orders.

- a.
- F. Treasurer's Report of fiscal year 2021 and Presentation of 2021-2022 Budget
 - i. Motion: Ross Sacco made motion to accept the 2021 Treasurer's report as outlined by Blanche.
 - ii. Second: Larry Brown
 - iii. Vote: Unanimous

- iv. Motion: Larry made motion to approve the 2022 budget as outlined by Blanche
 - v. Second: Phyllis
 - vi. Vote: Unanimous
- G. Other Business
 - a. \$5 increase to base payment due to increased operational, maintenance and administrative expenses. Base fee will increase from \$50/month to \$55/month.
 - 1. Motion: Michael Webb made the motion to increase the base fee by \$5 to account for increased operational and maintenance costs.
 - 2. Second: Rob
 - 3. Vote: Unanimous
 - b. Additional payment made to state loan in FY 2021 (\$35,260).
 - c. State loan balance after fiscal year 2021 payments \$696,110.
 - d. Used \$10 base fee increase to cover any budget shortfalls.
 - e. Nelson well Refurbish. Discolored water.
 - f. Resume updating meters and meter boxes. Active part of the Cross Connection program.
 - g. Lake Shore Ranch Subdivision (20 of 26 contract fees)
 - h. Covid-19 no shut-offs program started and ended
 - i. Drought contingencies - Nelson well generator
 - j. Revenue shortfall
 - 1. Full time operator
 - 2. No new developments
 - 3. Nelson well generator
 - k. Miscellaneous
- H. Shareholder Q&A
- I. Election of Directors
 - a. Position held by Tom Isom - Yes
 - b. Position held by Rob Adams- Yes
 - c. Position held by Dave Gunderson - Yes
 - d. Position held by Phyllis Kimple - Yes
 - e. Position held by Jake Jacobson - TBD, but we think Yes
 - a. Motion: Blanche made motion that the above mentioned people are approved to serve on the board for the next 2 years.
 - b. Second: Larry Brown
 - c. Vote: Unanimous
- J. Shareholder Adjourn
- K. November 2021 board meeting

Attendees:

1. Tom Isome
2. Blanche Smith
3. Larry Brown
4. Robert Adams
5. Brian Townley
6. Mike Natividad
7. Cody Spencer
8. Dave Gunderson
9. Jess Bird
10. Keith and Philip Toone

11. Justin Smart
12. Phyllis Kimple
13. Ross Sacco
14. Eric & Penny Murdock
15. Diane Hernandez
16. Marianne and Al Deware