

THE TRUJILLO WATER COMPANY
SHAREHOLDERS ANNUAL MEETING

MAY 23, 2016

AGENDA

1. Call to Order –President David Austin
2. Roll Call/Quorum – President Austin
 - City of Riverside 157.83 Shares
 - Mary Hamilton 20.46 Shares
 - Sarah Garner 20.46 Shares
 - Ignacio & Manuela Arroyo 2.40 Shares
 - James & Janice Dickey 2.00 Shares
3. Approval of Minutes of April 17, 2015 Meeting – President Austin
4. Motion to accept Resignation of General Manager/Secretary/Treasurer Kevin Milligan – President Austin
5. Motion to appoint Todd Jorgenson as General Manager/Secretary/Treasurer – President Austin
6. General Managers Report – Todd Jorgenson
7. Motion to accept Resignation of Susan Cash – President Austin
8. Approve to assign 1 share each to: David Crohn and Kevin Foust
9. Motion to approve transfer of 2.40 shares Ignacio & Manuela Arroyo shares to new owner Amy Console. - President Austin
10. Report of Actions by Directors for 2015 Meeting – President Austin
 - A. Assessment Levied - Assessments of \$3.94 were levied by Board of Directors for Calendar Year 2015
11. Motion to Ratify Actions by Directors for 2015 – President Austin
12. Election of Board of Directors – President Austin
13. Motion to change the annual meetings of the shareholders to the second Monday in April, at 6:30 p.m.
14. Other Business – President Austin
15. Adjournment – President Austin

MINUTES OF ANNUAL SHAREHOLDER MEETING
THE TRUJILLO WATER COMPANY
RIVERSIDE, CALIFORNIA
APRIL 17, 2015

THE ANNUAL MEETING OF THE SHAREHOLDERS OF THE TRUJILLO WATER COMPANY was called to order at 3900 Main Street, Riverside, CA, in the Riverside City Hall Council Chambers, on Friday, April 17, 2015 at 8:33 A.M.

President Susan Cash presided for the meeting.

ROLL CALL was taken by General Manager Kevin Milligan with the following shareholders present:

| | |
|--|---------------|
| CITY OF RIVERSIDE | |
| (Per Proxy by Justin Scott-Coe) | 157.83 Shares |
| DICKEY, James & Janice | 2.0 Shares |
| Quorum Present | 159.83 Shares |
| Total Shares of Trujillo Water Company | 203.15 Shares |

MINUTES

MOVED by Director Walcker, second by Director Scott-Coe and unanimously carried that the shareholders dispense with the reading of the minutes of the last ANNUAL MEETING held on April 18, 2014, and accept them as presented.

UNANIMOUSLY CARRIED

MANAGER'S REPORT

The Company did not deliver water to shareholders in calendar year 2014 due to unserviceable conditions of the company's distribution pipeline. Water source for the company continues to be water from the North Orange Well Field production.

Riverside operations and engineering staff have evaluated the condition of the company's 16-inch service pipeline in Placentia Lane and determined that a full replacement is required before the pipeline can be placed back in service. The estimated cost of a replacement pipeline is \$250,000.

It was unanimously carried by all to receive and file the 2015 General Managers report.

UNANIMOUSLY CARRIED

MOTION TO ACCEPT RESIGNATION OF IAN DAVIDSON FROM THE BOARD

MOVED by Director Cole, second by Director Ferguson and unanimously carried to accept the resignation of Ian Davidson from the Board.

UNANIMOUSLY CARRIED

APPROVE TRANSFER OF 1.00 TRUJILLO SHARE TO JENNIFER O'FARRELL

MOVED by Director Ferguson, second by Director Austin and unanimously carried to transfer 1.00 Trujillo share to Jennifer O'Farrell.

UNANIMOUSLY CARRIED

ACTIONS BY BOARD OF DIRECTORS FOR CALENDAR YEAR 2014

President Cash reviewed the actions taken by the Board of Directors for Calendar Year 2014:

1. Levy of Assessment – Assessment of \$4.92 per share was set by Board of Directors for the projected expenses for the 2014 Calendar Year.

MOVED by Director Walcker, second by Director Scott-Coe, that the Actions by the Board of Directors for Calendar Year 2014 be ratified.

UNANIMOUSLY CARRIED

ELECTION OF DIRECTORS OF THE TRUJILLO WATER COMPANY

President Cash called for the shareholders nominations to fill the nine (9) Director positions:

NOMINATIONS FOR BOARD OF DIRECTORS

Darrell Ament
Dave Austin
Susan Cash
Ronald Cole
Sarah Garner
Mary Hamilton
David Roberts
Justin Scott-Coe
Andrew Walcker

MOVED by Director Walcker, second by Director Cole and unanimously carried that the slate of shareholders as nominated be elected to the Board of Directors of The Trujillo Water Company to serve the Calendar Year 2015-2016.

UNANIMOUSLY CARRIED

THE TRUJILLO WATER COMPANY – Annual Shareholders Meeting
Page 3
April 17, 2015

OTHER BUSINESS

None

At 8:40 AM with no other business to come before the Shareholders it was MOVED by Director Roberts, second by Director Austin that the 2015 shareholders meeting be adjourned.

UNANIMOUSLY CARRIED



Kevin S. Milligan
General Manager - Assistant Secretary/Treasurer

THE TRUJILLO WATER COMPANY

SHAREHOLDERS

2015

| <u>NAME</u> | <u>NUMBER OF SHARES</u> |
|--------------------|--------------------------------|
|--------------------|--------------------------------|

| | |
|---------------------------------|----------------|
| <u>CITY OF RIVERSIDE</u> | 157.83* |
|---------------------------------|----------------|

3900 Main Street
Riverside, California 92522

| | |
|--------------------------------|--------------|
| <u>HAMILTON, Mary .</u> | 20.46 |
|--------------------------------|--------------|

3940 San Gregorio Way
San Diego, CA 92130

| | |
|-----------------------------|--------------|
| <u>GARNER, Sarah</u> | 20.46 |
|-----------------------------|--------------|

2973 Carlsbad Boulevard
Carlsbad, CA 92008

| | |
|--|-------------|
| <u>ARROYO, Ignacio & Manuela S.</u> | 2.40 |
|--|-------------|

3783 Bartlett Avenue
Riverside, California 92501

| | |
|--|--------------------|
| <u>DICKEY, James V. & Janice L.</u> | <u>2.00</u> |
|--|--------------------|

2135 N. Linden Avenue
Rialto, CA 92377

| | |
|---------------------|----------------------|
| TOTAL SHARES | <u>203.15</u> |
|---------------------|----------------------|

| | | |
|----------------------------------|---|---------------|
| <u>*CITY OF RIVERSIDE</u> | - | 148.83 Shares |
|----------------------------------|---|---------------|

| | | |
|------------------------------|---|------------|
| <u>AMENT, Darrell</u> | - | 1.00 Share |
|------------------------------|---|------------|

| | | |
|----------------------------|---|------------|
| <u>AUSTIN, Dave</u> | - | 1.00 Share |
|----------------------------|---|------------|

| | | |
|---------------------------|---|------------|
| <u>CASH, Susan</u> | - | 1.00 Share |
|---------------------------|---|------------|

| | | |
|-------------------------|---|------------|
| <u>COLE, Ron</u> | - | 1.00 Share |
|-------------------------|---|------------|

| | | |
|-----------------------------|---|------------|
| <u>DAVIDSON, Ian</u> | - | 1.00 Share |
|-----------------------------|---|------------|

| | | |
|---------------------------------|---|------------|
| <u>FERGUSON, Nicolas</u> | - | 1.00 Share |
|---------------------------------|---|------------|

| | | |
|-----------------------------|---|------------|
| <u>ROBERTS, Dave</u> | - | 1.00 Share |
|-----------------------------|---|------------|

| | | |
|---------------------------------|---|------------|
| <u>SCOTT-COE, Justin</u> | - | 1.00 Share |
|---------------------------------|---|------------|

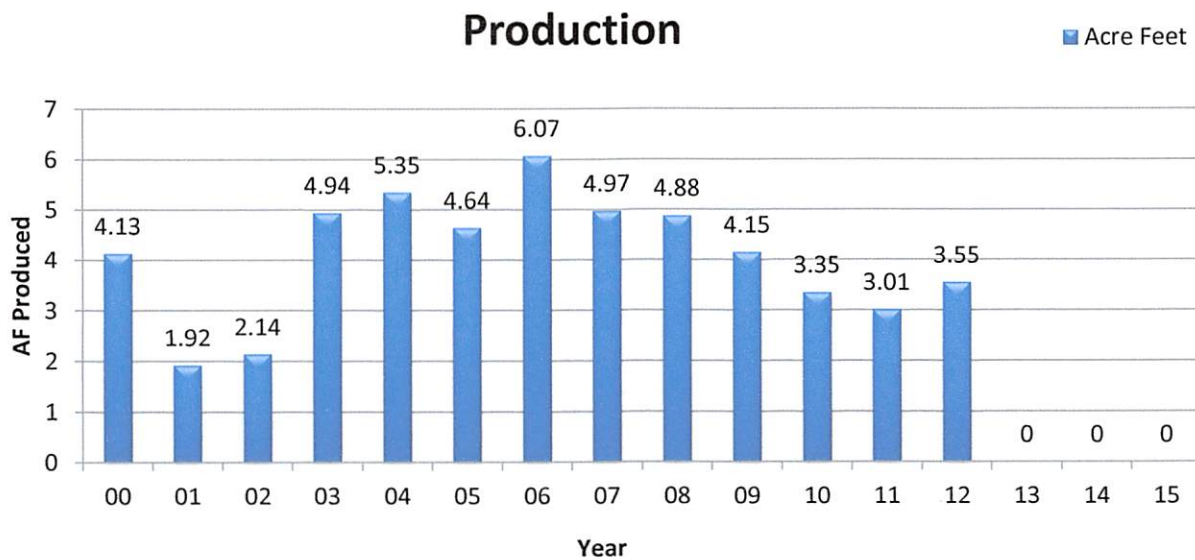
| | | |
|-------------------------------|---|------------|
| <u>WALCKER, Andrew</u> | - | 1.00 Share |
|-------------------------------|---|------------|

TRUJILLO WATER COMPANY

2016 Manager's Report

The City Continues to operate a pipeline facility located in Placentia Lane and Main Street to service non-potable irrigation water for share-holders. The Company did not deliver water to shareholders in calendar year 2015 due to unserviceable conditions of the company's distribution pipeline. Water source for the company continues to be water from the North Orange Well Field production.

Riverside operations and engineering staff have evaluated the condition of the company's 16-inch service pipeline in Placentia Lane and determined that a full replacement is required before the pipeline can be placed back in service. The estimated cost of a replacement pipeline is \$250,000.



Amy P. Console
Post Office Box 2468
Riverside, California 92516-2468
(951)750-4622

April 8, 2016

Trujillo Water Company

Re: Shares transfer to Ms. Console following purchase of property located at 3783/3789 Bartlett Avenue

To Whom It May Concern:

I purchased from the Arroyo Family the parcels located at 3783/3789 Bartlett Avenue in Riverside in January 2016. There are water shares that are due to be transferred to me, the current owner, from the (seller) prior owner. The shares should be transferred into my name at the earliest possible time.

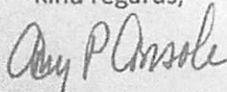
My information is as follows:

Amy P. Console
Post Office Box 2468
Riverside, CA 92516
(951)750-4622

In the event you have any questions or need any clarification please contact me directly at (951)750-4622.

Thank you for your assistance with the transfer of the water shares.

Kind regards,

A handwritten signature in cursive script that reads "Amy P. Console".

Amy P. Console

LAW OFFICE OF RICHARD NEVINS

3895 Brockton Avenue
Riverside, California 92501-3202
TELEPHONE: 951-750-6630 – FACSIMILE: 951-750-1034
E-Mail: *Richard@NevinsLawOffice.Com*

CERTIFICATION OF TRUSTEE AUTHORITY

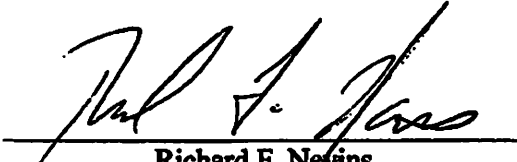
The Law Office of Richard Nevins represents Dolores L. Arroyo, Trustee of The Arroyo Family Trust dated January 20, 1996. This declaration is to certify and affirm the following information:

1. The Arroyo Family Trust was established as a revocable trust, via a declaration of trust signed by Ignacio Arroyo and Manuela S. Arroyo, husband and wife, as both Settlers and Co-Trustees, on January 20, 1996 in Riverside California.
2. Ignacio Arroyo, Settlor and Co-Trustee of the Arroyo Family Trust dated January 20, 1996 is the same person as Ignacio Arroyo, who is the decedent named in the certified copy of the "Certificate of Death" dated July 27, 1999 on file with the County of Riverside as certificate number 911815, issued 8/3/1999.
3. Manuela S. Arroyo, Settlor and Co-Trustee of the Arroyo Family Trust dated January 20, 1996 is the same person as Manuela Salazar Arroyo, who is the decedent named in the certified copy of the "Certificate of Death" dated May 30, 2001 on file with the County of Riverside as certificate number 1083466, issued 6/7/2001.
4. Ignacio Arroyo and Manuela S. Arroyo are the owners of 2 and 2/5th shares of The Trujillo Water Company, via Stock Certificate Number 238, dated September 7, 1950.
5. Section II, Paragraph A of The Arroyo Family Trust dated January 20, 1996 authorizes the Settlers and Trustees to add property to the trust by gift, grant, conveyance, assignment or will.
6. The Last Will and Testament of Ignacio Arroyo and the Last Will and Testament Manuela S. Arroyo both provide in Section I of their documents that all of their personal property is to be transferred to The Arroyo Family Trust dated January 20, 1996. Section II of their Last Will and Testament also transfers the residue of their estate to the Trustee of said Trust.
7. Therefore, the Trustee of The Arroyo Family Trust dated January 20, 1996 holds title to the Trujillo Water Company Stock certificate Number 238, dated September 7, 1950 as an asset of the Trust.

8. Section IX, Paragraph A of The Arroyo Family Trust dated January 20, 1996 provides that upon the death of the surviving settlor, the terms of the Trust shall be irrevocable.
9. Section III, Paragraph B, of The Arroyo Family Trust dated January 20, 1996 provides that upon the death of the original co-Trustees, the First Successor Trustee is authorized to immediately and without court approval to become the Trustee of said Trust.
10. Section III, Paragraph C, of The Arroyo Family Trust dated January 1996 nominates Dolores L. Arroyo to serve as the First Successor Trustee. She has consented to serve as the Trustee and she is the currently acting Trustee of said Trust.
11. Section XI, Paragraph 3 of The Arroyo Family Trust dated January 1996 authorizes the Trustee to have the power to do all acts and exercise all rights and privileges in the management of Trust property, whether real or personal or mixed, as the absolute owner, including, without limitation, the right to sell, convey, exchange, trade, or assign any Trust property, without court approval.
12. Section XI, Paragraph 4 of The Arroyo Family Trust dated January 1996 authorizes the Trustee to exercise all rights, power and privileges of an owner to hold title to securities and is further authorized to execute, deliver or receive any document necessary to carry out the power contained within the declaration of trust.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct.

January 22, 2016


Richard F. Newins
Attorney at Law

Certificates of the Capital Stock of The Trujillo Water Company shall only be issued in connection with, and as an appurtenance to, land specifically described in each certificate, and the party asking for a transfer of such stock shall present his conveyance of the land to the Secretary before the issuance of a new certificate, and water shall only be sold, supplied, distributed or delivered to the owners of shares of the Capital Stock of said The Trujillo Water Company, and for use only on the land described in the certificate issued to the parties who make application to have water supplied to them. The certificates of stock of this company shall only be transferred with the land described in said certificates; and said certificates shall, in all cases, pass as an appurtenance to said lands, and no transfer, or attempted transfer of stock of this company, other than as above specified, will be recognized by this company or by its officers as a valid transfer of such certificate or of its stock. Shares in the company, subject to these provisions, may be transferred at any time, by the owner or by attorney legally constituted, or by legal representative, but no transfer shall be valid except made on the books of the company. The party to whom transfer is made shall be required to sign the By-Laws, and no transfer of stock shall be valid upon which any assessments are due and unpaid, or the holder of which is indebted to the company on any account whatever, without the consent of the Board of Directors.

CERTIFICATE

FOR

2 1/2

SHARES

Capital Stock

The Trujillo Water

Company

Riverside, California

ISSUED TO

Manuel Lopez
1/4 annuity
BARTON

Sept 7, 1955

For Value Received, hereby sell, assign and transfer unto _____

_____ Shares
of the Capital Stock represented by the within
Certificate, and do hereby, irrevocably, constitute and appoint
to transfer the said Stock, on the books of the within named
Corporation, with full power of substitution, in the premises.

Dated _____ 19__

In presence of _____

NOTICE: THE SIGNATURE OF THIS ASSIGNEE MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE. IN EVERY PARTICULAR, WITHOUT ATTENTION OR ENLARGEMENT ON ANY CHANGE WHATSOEVER.

Capital Stock \$2,640.

Incorporated under the laws of the State of California, September 8, 1910.

264 Shares, \$10 each.



THE CHICO MILK COMPANY

Livermore, California

This Certifies that

Share of the Capital Stock of

The Chico Milk Company

which

attached to the following described note

County of Riverside, State of California, to wit:

and is receivable only on the books of the Corporation of record, and is subject to the certificate of the certificate.

By _____

SHARES

\$10.00

PAY TO

To : Trujillo Water Company

I Dolores Arroyo, successor Trustee of the Arroyo Family Trust dated January 20, 1996


transfer all water shares (2.40 shares) , water rights and water stock from Trujillo Water Company

to Buyer (Amy P. Console) whose address is : P.O. Box 2468, Riverside, CA 92506.

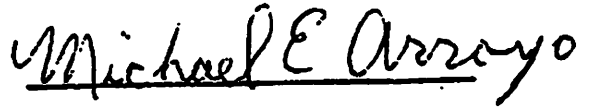
My Siblings (Robert I. Arroyo, R. Adrian Arroyo, Michael E. Arroyo and Ernest Arroyo)

do not contest the transfer of these water shares (2.40 shares) , water rights and water stock

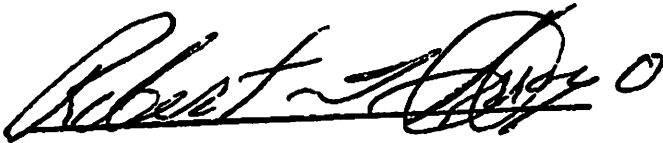
and agree to have Dolores Arroyo transfer all shares to Buyer.



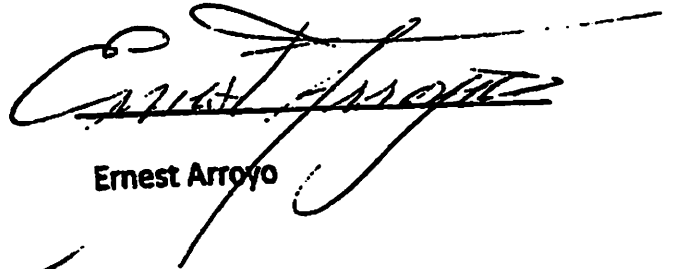
Dolores Arroyo



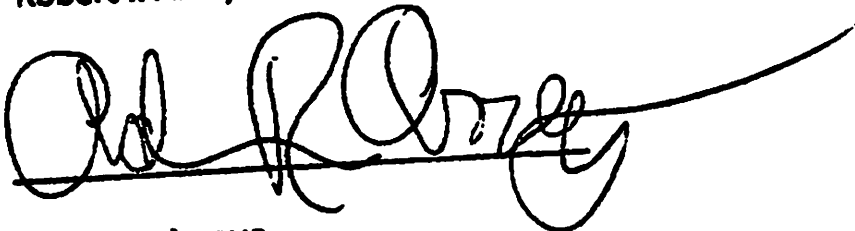
Michael E. Arroyo



Robert I. Arroyo



Ernest Arroyo



R. Adrian Arroyo

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Riverside

On 1-20-11 before me, Jennifer Sanchez

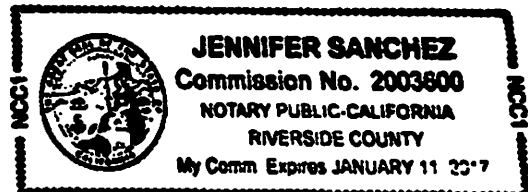
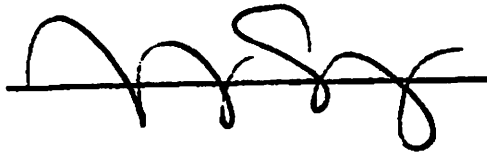
A Notary Public personally appeared Robert T Arroyo

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Riverside

On 1-22-2016 before me, Jennifer Sanchez

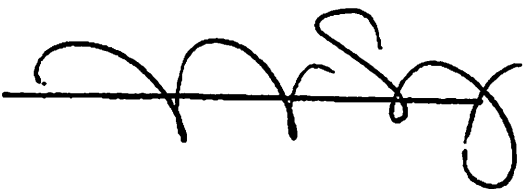
A Notary Public personally appeared Dolores Arroyo

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Riverside

On 1-20-16 before me, Jennifer Sanchez

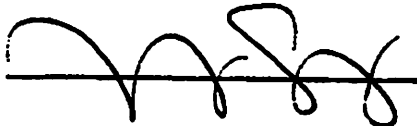
A Notary Public personally appeared R. Adrian Arroyo

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) (is) subscribed to the within instrument and acknowledged to me that (he) executed the same in (his) authorized capacity(ies), and that by (his) signature(s) on the instrument the person (s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Riverside

On 1-20-2016 before me, Jennifer Sanchez

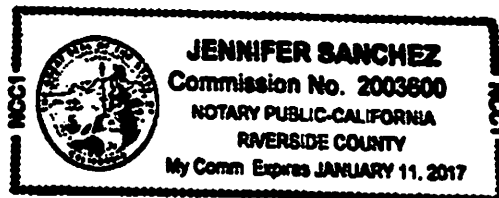
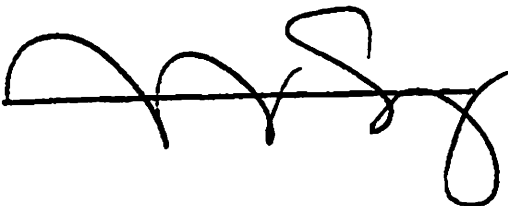
A Notary Public personally appeared Ernest Arayo

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) (is) are subscribed to the within instrument and acknowledged to me that (he) (she) (they) executed the same in (his) (her) (their) authorized capacity(ies), and that by (his) (her) (their) signature(s) on the instrument the person (s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Riverside

On 1-20-2016 before me, Jennifer Sanchez

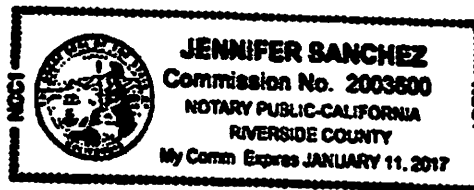
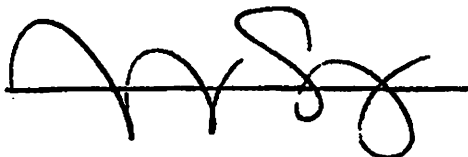
A Notary Public personally appeared Michael E. Arroyo

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person (s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)

TRUJILLO WATER COMPANY

NOMINATIONS FOR BOARD OF DIRECTORS FOR 2016

DARRELL AMENT

DAVE AUSTIN

RONALD COLE

SARAH GARNER

MARY HAMILTON

JENNIFER O'FARRELL

DAVID ROBERTS

JUSTIN SCOTT-COE

ANDREW WALCKER

**AMENDMENT
OF BY-LAWS OF THE
TRUJILLO WATER COMPANY**

ARTICLE II

Section 2. (First Paragraph only) **ANNUAL MEETINGS.** The annual meetings of the shareholders shall be held on the second Monday in April, at 6:30 p.m. of said day; provided, however, that should said day fall upon a legal holiday, then any such annual meeting of shareholders shall be held on the fourth Monday in April. At such meetings directors shall be elected, reports of the affairs of the corporation shall be considered and any other business which is within the powers of the shareholders.

Amended by shareholders at Annual Meeting of the Shareholders of Trujillo Water Company held May __, 2016.

Assistant Secretary/Treasurer