

**THE TRUJILLO WATER COMPANY**  
**DIRECTORS ORGANIZATIONAL MEETING**

**JUNE 24, 2019**

**AGENDA**

1. Call to Order – President
2. Approval of Minutes of June 11, 2018
3. Election of Officers -
  - a. President
  - b. Vice President
  - c. Secretary Treasurer
4. Trujillo Water Company Infrastructure Overview – Michael Plinski
5. Irrigation Pipeline Assessment
6. Financial Report by Assistant Secretary-Treasurer
7. Levy of Assessment for 2018 – General Manager recommends \$4.05 per share
8. Other Business
9. Adjournment

**MINUTES OF REGULAR MEETING**  
**BOARD OF DIRECTORS**  
**THE TRUJILLO WATER COMPANY**  
**RIVERSIDE, CALIFORNIA**  
June 11, 2018

**The Board of Directors of THE TRUJILLO WATER COMPANY met in a regular session at 6:40 P.M. on Monday, June 11, 2018, at 3900 Main Street, Riverside, CA, in the Riverside City Hall Council Chambers.**

**PRESENT:** Directors: Dave Austin, Sarah Garner, David Crohn, Andrew Walcker, Kevin Foust, Gil Oceguela, and Elizabeth Sanchez-Monville.

Also present General Manager, Todd Jorgenson

**ABSENT:** Directors: Jennifer O'Farrell and Mary Hamilton

**CITIZENS PARTICIPATION**

None.

**MINUTES – 2017 ORGANIZATIONAL MEETING**

MOVED by Director Russo-Pereyra / Second by Director Garner and unanimously carried that the Board dispense with the reading of the minutes of the last REGULAR MEETING held on June 12, 2017, and accept them as presented.

**U N A N I M O U S L Y   C A R R I E D**

**BOARD OF DIRECTORS - ELECTION OF OFFICERS, PRESIDENT, VICE PRESIDENT AND SECRETARY/TREASURER**

The following were nominated by Director Oceguela for the 2018 Trujillo Water Company calendar year:

Jo Lynne Russo-Pereyra – President  
Dave Austin – Vice-President  
Sarah Garner – Secretary-Treasurer

MOVED by Director Oceguela / Second by Director Crohn and unanimously carried

**U N A N I M O U S L Y   C A R R I E D**

**TRUJILLO WATER COMPANY INFRASTRUCTURE OVERVIEW / IRRIGATION PIPELINE ASSESSMENT**

Presentation was presented by General Manager Jorgenson, who noted that the history and condition of the pipeline needs to be replaced eventually / Received and filed unanimously.

**U N A N I M O U S L Y   C A R R I E D**

**FINANCIAL REPORT**

The General Manager reviewed with the Board the financial position of the Corporation as of December 31, 2017 and the cash flow requirements through June 11, 2018. He referred the Board to the Corporation's Balance Sheet and Statement of Income and Expenses through December 31, 2017.

After the General Manager reviewed the 2017 Financial Report, the Report was received and filed and unanimously carried.

**UNANIMOUSLY CARRIED**

**LEVY OF ASSESSMENT FOR 2018 – GENERAL MANAGER JORGENSEN RECOMMENDS \$4.05 PER SHARE**

Directors Garner and Walcker requested that the City of Riverside develop a Fair Market Value of the Trujillo Water Company stock.

MOVED by Director Austin, Second by Director Garner and unanimously carried that an Assessment charge of \$4.05 be levied upon the shares of the Corporation, payable to the General Manager at 3750 University Ave., Riverside, CA.

**UNANIMOUSLY CARRIED**

**OTHER BUSINESS**

None

**ADJOURNMENT**

There being no further business to come before the Board - the 2018 Board of Director's meeting was adjourned at 6:54 P.M.

MOVED by Director Austin, Second by Director Garner and unanimously carried.

**UNANIMOUSLY CARRIED**



Todd L. Jorgenson, General Manager - Assistant Secretary/Treasurer

**THE TRUJILLO WATER COMPANY**  
**TRUJILLO IRRIGATION PIPELINE ASSESSMENT**  
**JUNE 24, 2019**

**BACKGROUND:**

The Trujillo Ditch was originally developed as a diversion from the Santa Ana River to provide water to the Spanishtown settlement. In 1874, construction of the Lower Riverside Canal by the Riverside Water Company (RWC) interfered with the Trujillo Ditch. The Trujillo Ditch owners settled with RWC allowing for the construction of the canal and delivery of water to the Trujillo Ditch.

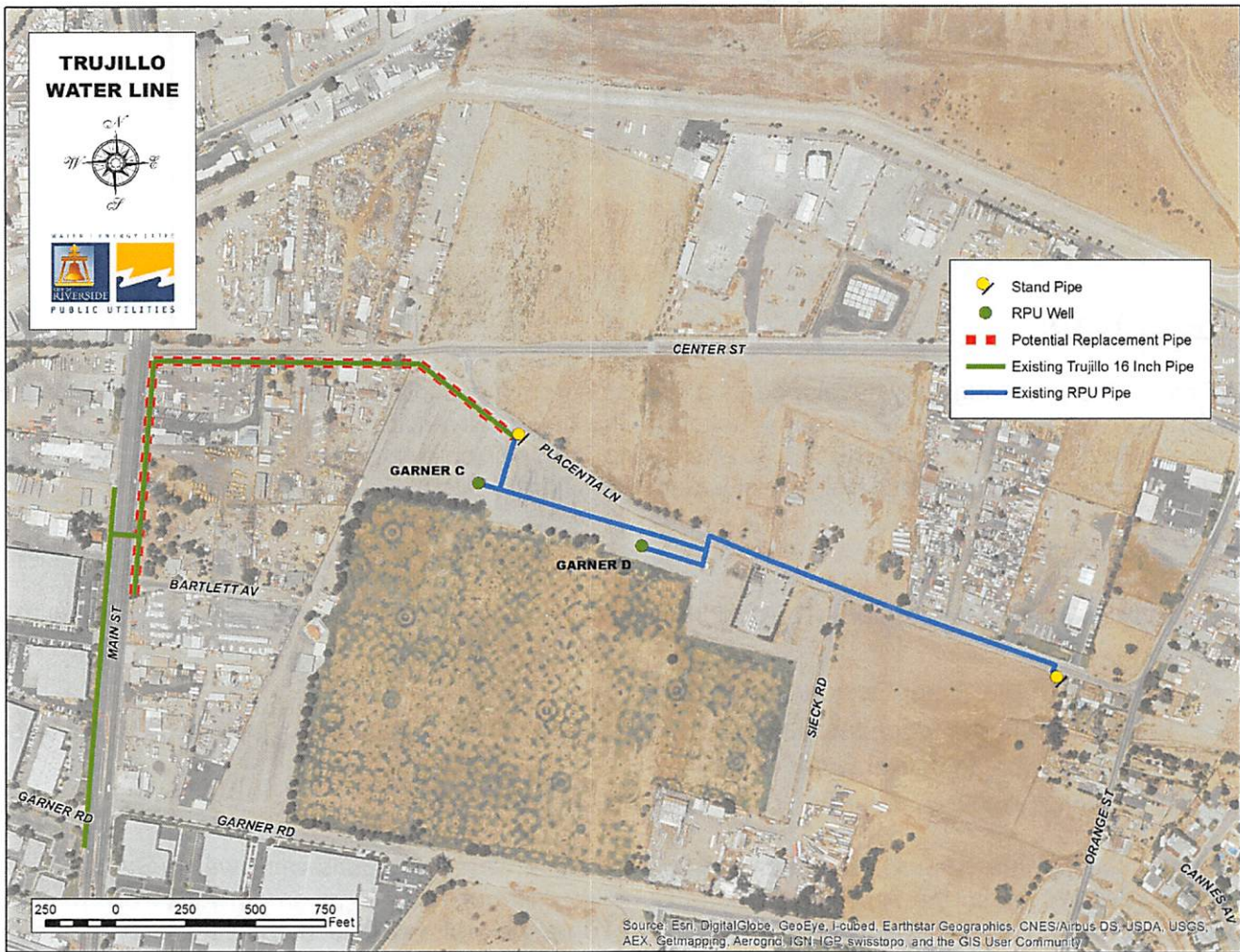
Other significant events include:

- 1884 courts decreed that the Trujillo Ditch was entitled to a continuous 100 miner's-inch flow (900 gpm).
- 1910 the Trujillo Water Company (Trujillo) formed.
- 1913 the RWC abandoned the Lower Riverside Canal. RWC established a pipeline from the Upper Riverside Canal to deliver water to Trujillo.
- 1959 the City of Riverside (City) condemned the RWC.

Eventually, the City transferred the water supply from canal water to groundwater wells (Garner C and Garner D) located within the Ab Brown Sports Complex. Requested, irrigation deliveries are made to shareholders at two standpipes located on Placentia Lane; the first one is located at the entrance to the north parking lot of the Ab Brown Sports Complex, and the second one is located next to 3610 Placentia Lane. Please see the attached photos. Deliveries are done bi-weekly for 2-hour intervals at a flow rate of 900 gpm. In recent years, Trujillo has only taken water from the first standpipe (parking lot entrance). A 16-inch pipeline conveyed water from that standpipe to customers along Placentia Lane and Main Street (see attached map).

Over time, the 16-inch pipeline leaked in several locations. The City repaired these leaks and was reimbursed by Trujillo for the costs. In May of 2013, the City ceased delivering water to Trujillo as the 16-inch pipeline located along Placentia Lane and Main Street deteriorated to a condition beyond repair. That same year, the City determined that the cost to replace a portion of the pipeline was \$233,300. In 2014, the City assessed the pipeline by means of a camera survey. The camera could only reach a portion of the pipeline due to debris build-up within the pipeline. The camera survey visually confirmed multiple cracks, deficiencies, and debris. Please see the attached photos.

Figure 1. Trujillo Irrigation Line



### FISCAL IMPACT:

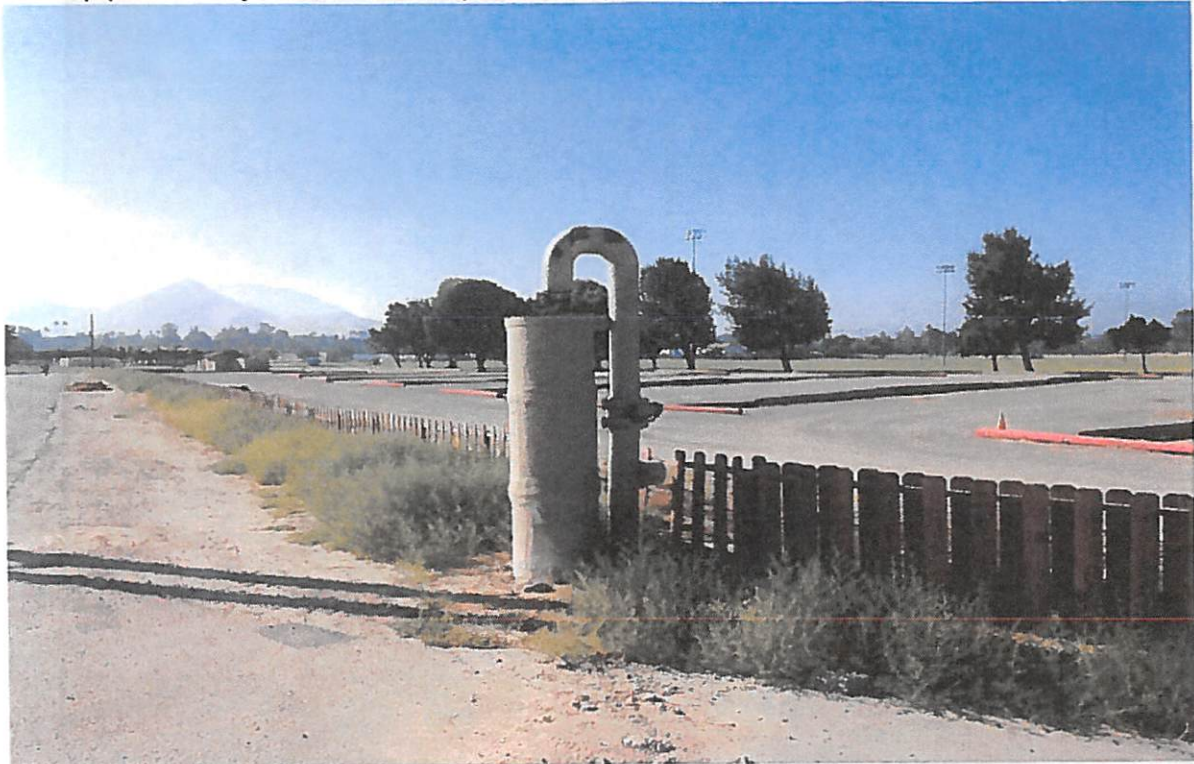
There is no fiscal impact associated with this report.

Prepared by: Todd Jorgenson, General Manager / Secretary

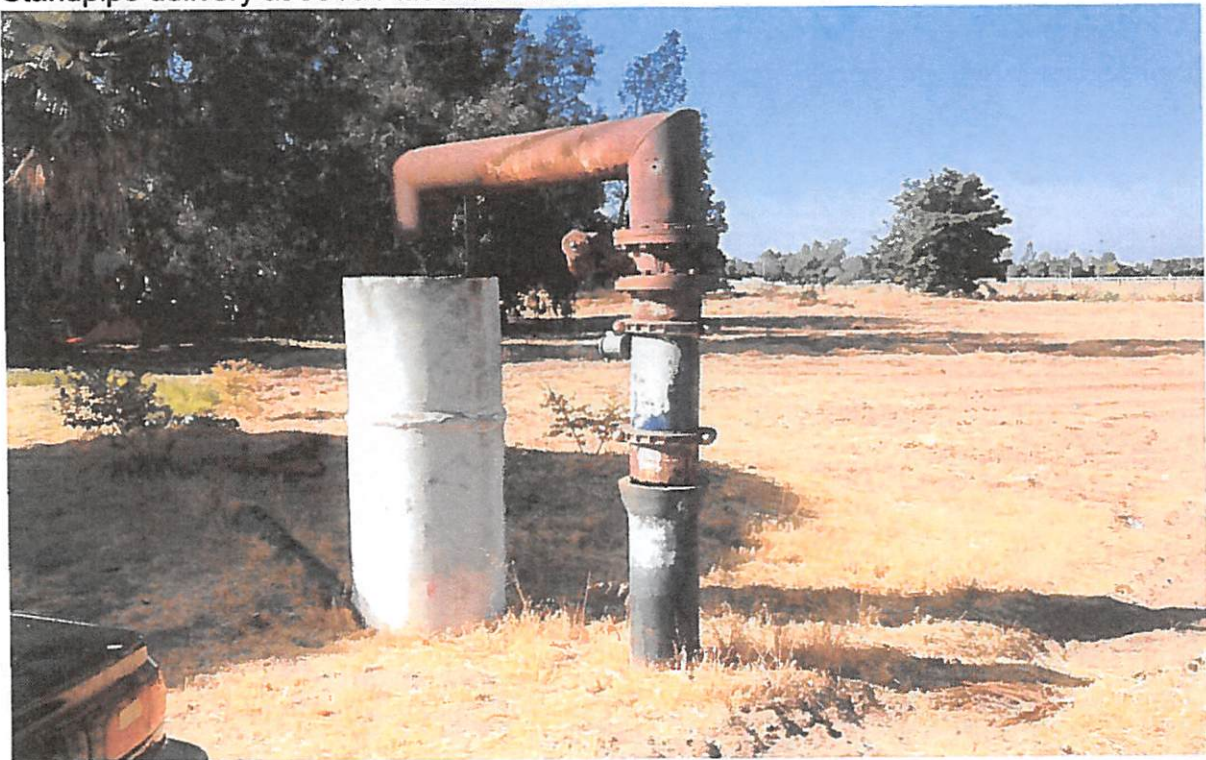
Attachment: Select images of the stand pipes and pipeline assessment



Standpipe delivery at Ab Brown Sports Complex North parking area



Standpipe delivery at 3610 Placentia Lane





MH:3700 PLACENTIA LN TO MH:END  
PLACENTIA LN. D/STREAM  
EST:(')

16  
DIP  
MAP#

0015.5' 07/01/14 9:09 am

MH:3700 PLACENTIA LN TO MH:END  
PLACENTIA LN. D/STREAM

19.6 FEET  
DSC(Deposits Settled Compacted)  
06 O'CLOCK TO O'CLOCK  
010%  
CONTINUOUS DEFECT NUMBER:  
REMARKS:

16 DIP MAP#

0019.6' 07/01/14 9:17 am



MH:3700 PLACENTIA LN TO MH:END  
PLACENTIA LN. D/STREAM

57.2 FEET  
CM(Crack Multiple )  
03 0'CLOCK TO 03 0'CLOCK  
%  
CONTINUOUS DEFECT NUMBER:  
REMARKS:

16 DIP MAP#

0057.2' 07/01/14 9:20 am

MH:3700 PLACENTIA LN TO MH:END  
PLACENTIA LN. D/STREAM  
EST:(')

16  
DIP  
MAP#

0057.4' 07/01/14 9:20 am

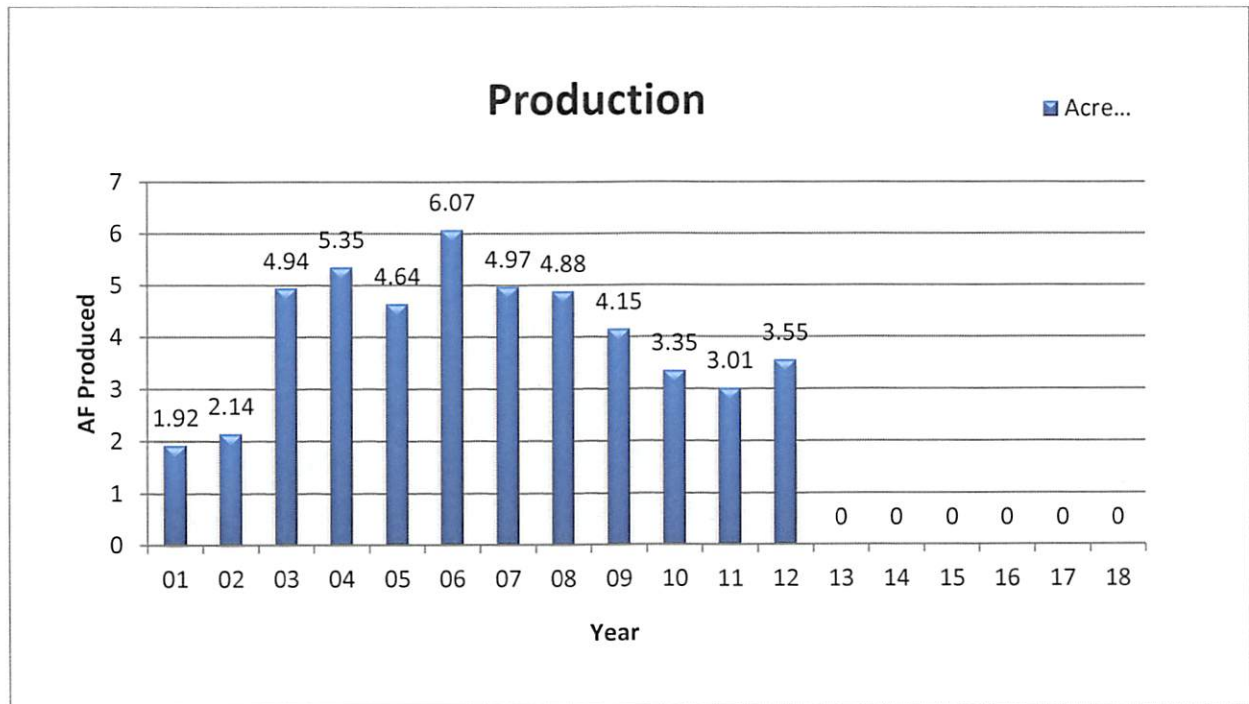


# TRUJILLO WATER COMPANY

## 2019 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 2018 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.



**THE TRUJILLO WATER COMPANY**

Balance Sheet

January 1 - December 31, 2018

**ASSETS**

Cash in Bank - Bank of America – December 2018		\$ 14,288.46
Water System Plant	\$ 10,134.55	
LESS: Accumulated Depreciation	<b><u>\$ (10,134.55)</u></b>	<u>0.00</u>
		<b><u>\$ 14,288.46</u></b>

**LIABILITIES AND CAPITAL**

Capital Stock \$10 par value; Authorized and issued 211.55		
Shares, of which 8.4 shares are in treasury		\$ 2,115.50
Retained Earnings		<u>\$12,127.46</u>
<b>TOTAL LIABILITIES AND CAPITAL</b>		<b><u>\$14,288.46</u></b>

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**STATEMENT OF INCOME AND EXPENSES**

Cash Basis

January 1 - December 31, 2018

**INCOME**

Assessments Levied For Calendar Year 2018	\$ 822.75
<b>Total income</b>	<b><u>\$ 822.75</u></b>

**EXPENSES**

Estimated Franchise Tax Board - Year 2018	\$ 800.00
<b>Total Expenses</b>	<b><u>\$ 800.00</u></b>

<b>NET INCOME</b>	<b>\$ 22.75</b>
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**CASH STATEMENT - 2018**

Cash in Bank - January 2018	\$ 14,265.71
ADD: Deposits during calendar year 2018	<u>\$ 822.75</u>
	<u>\$ 15,088.46</u>
LESS: Expenses during calendar year 2018	<b><u>\$ 800.00</u></b>
<b>BALANCE IN BANK DECEMBER 31, 2018</b>	<b><u>\$ 14,288.46</u></b>

## **PROPOSED ASSESSMENT FOR 2019**

<u>Balance In Bank</u>	(December 31, 2018)	\$14,288.46
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Estimated Expenses:

STATE FRANCHISE TAX (2019 ESTIMATED TAX)	\$ 800.00
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<u>ESTIMATED EXPENSES FOR 2019</u>	<u>\$ 800.00</u>
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**To Maintain Current Balance:**

$$\$800 \div 203.15 \text{ Shares} = \$4.05 \text{ per share}$$

**2019 Assessment - \$4.05 per share**