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SUNNY SLOPE WATER COMPANY
MINUTES OF ANNUAL SHAREHOLDERS MEETING

PASADENA, CALIFORNIA
MONDAY, MARCH 18, 2024

1 COMPANY REPRESENTATIVES PRESENT AT MEETING

2
3 DIRECTORS:

4
5 LAP T. NG, PRESIDENT

6 MARK J. SEDLACEK, VICE PRESIDENT

7 PETER C. JEONG, SECRETARY

8 JOHN L. SHAW, TREASURER

9 STEVEN R. SEILER, ASSISTANT SECRETARY/TREASURER

10
11 OTHER SUNNY SLOPE REPRESENTATIVES:

12
13 KEN TCHENG, VICE PRESIDENT AND GENERAL MANAGER

14 TROY HOLLAND, SUPERINTENDENT

15 NACHO MAGALLON, IT AND FACILITIES

16 KAREN MAAS, OFFICE LEAD AND HR

17 MATT HSU, ACCOUNTING

18 JOHN LANGMAN, PROJECT AND BUSINESS MANAGEMENT

19 PAUL KAYMARK, CPA, NIGRO & NIGRO, PC

20 AIDA BABAYAN, INVESTMENT ADVISOR, UBS

21 JOHN L. SHAW, ATTORNEY AT LAW

22
23 KAREN MAAS, INSPECTOR OF ELECTION

24 PATTIE ANN DALESSANDRO, ANNUAL MEETING COORDINATOR

25 JOHN LANGMAN, RECORDING SECRETARY.

PASADENA, CALIFORNIA

MONDAY, MARCH 18, 2024

10:00 A.M.

CALL TO ORDER

President, Lap T. Ng, called the 129th Annual Shareholders Meeting to order and introduced board and meeting support staff. Eight shareholders were in attendance.

ANNUAL SHAREHOLDER MEETING NOTICE

Secretary, Peter C. Jeong, read the notice for the 129th Annual Shareholders Meeting.

CONFIRM QUORUM

Inspector of Election, Karen Maas, verified that 20% quorum had been achieved with 4,418 proxy shares.

APPROVE MINUTES OF 2023 ANNUAL SHAREHOLDER MEETING

Secretary, Peter C. Jeong, recommended that the reading of the 2023 annual shareholder meeting minutes be waived in consideration of time and approved as written. The motion was moved, seconded, and carried.

GENERAL MANAGERS REPORT

General Manager, Ken Tcheng, presented the General Managers report.

- 2023 water production decreased 10% due to conservation efforts.
- Water quality meets all Federal and State standards.
- Basin WaterMaster cost for fiscal year 2023 was \$607,523.

- 1 - Key Well water table level is at 223.2ft, which is 33.5ft higher than last year's level
2 of 189.7ft
- 3 - Property tax for the year was \$18,603.
- 4 - Insurance cost was \$100,023.
- 5 - Electricity cost was \$570,142.
- 6 - Key 2023 Accomplishments:
- 7 o Completed required 10-year update of the Water Master Plan.
- 8 o Completed Reservoir 4 **bypass** engineering design in support of the future
9 Reservoir 4 rehabilitation project.
- 10 o Replaced existing 12" butterfly valve with a new Cla-Valve to improve
11 Nitrate Treatment System flow by 200%.
- 12 o Replaced 2,600' of existing 6" mainline piping on Reno with new 8" pipe
13 from Hermosa to Longden.
- 14 o Modernized 15-year-old SCADA pump control system server hardware and
15 software.
- 16 o A Water Conservation program was implemented last year that helped us
17 reduce production by 10%.
- 18 - Key 2024 Projects:
- 19 o Replace 1,200ft of existing 6" mainline piping on Rosemead (West side of
20 street) with new 12" pipe from Emperor to Longden.
- 21 o Implement Reservoir 4 **bypass** piping from La Presa to El Campo on
22 Huntington Dr in preparation for future Reservoir 4 rehabilitation project.
- 23 o Perform engineering work in preparation for future Reservoir 4 rehabilitation
24 project.
- 25 o Modernize SCADA remote control units at 6 locations.

- 1 ○ Replace existing 15-year-old billing system.

2

3 GENERAL MANAGER REPORT APPROVAL

4 President, Lap T. Ng, moved to approve the General Manager report; motion was made,
5 seconded, and carried.

6

7 2023 ANNUAL REPORT

8 Treasurer, John L. Shaw, announced that copies of the 2023 Annual Report were available in
9 hard copy at the office or electronically on the Sunny Slope Water Company Website.

10

11 2023 ANNUAL REPORT APPROVAL

12 President, Lap T. Ng, moved to approve the 2023 Annual Report; motion was made,
13 seconded, and carried.

14

15 NOMINATION OF DIRECTORS

16 President, Lap T. Ng, opened nominations for the board of directors and read aloud the list of
17 qualifications.

18

19 Chairman of Proxy, Steven R. Seiler, nominated existing board members Peter C. Jeong, Lap
20 T. Ng, Mark J. Sedlacek, Steven R. Seiler, and John L. Shaw.

21 President, Lap T. Ng, requested additional nominations from the floor. Hearing none, the
22 nominations were then closed.

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24 VOTING

25 Ballots were marked and provided to Inspector of Election, Karen Maas, to be tallied.

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ELECTION RESULTS

Inspector of Election, Karen Maas, reported a total of 4,459 votes for each nominee.

RATIFICATION OF BOARD OF DIRECTORS

Hearing no challenges to election results, President, Lap T. Ng, declared that the election was approved.

Ratification of the Board of Directors was motioned, seconded, and carried.

NEW BUSINESS

There was no new business.

ADJOURNMENT

President, Lap T. Ng, motioned for adjournment. The motion was seconded and carried.