

APPROVED

8-22-06

**SHAREHOLDERS ANNUAL MEEETING
OF THE CEDAR PINES PARK
MUTUAL WATER COMPANY
SATURDAY JULY 29. 2006**

President Friedman, Director Morrissey, Director Steiner, Director Dahlstrom and Mcleod were present.

President Friedman called the meeting to order.

Board and audience introductions.

Shareholders that signed in were Walter & Karen Steinbrin, Mary Pedersen, Kathy Holcomb Dole, William Holcomb, Penny Holcomb, Frances Martin, Lorrie Smith and Ron Albright.

CPPMWC employees Office Manager/Treasurer Terry Mabile and Field Manager Darel Davis were present.

Shares needed for quorum is 2159 plus one.

Shares in person or proxy is 328.

No quorum, therefore the Board of Directors proceeded to hold a meeting with the shareholders present.

Announcement by President Friedman that Director Steiner's position is available and there were no applicants. This will be dealt with in organizational meeting.

Financial Report:

Fiscal Year end April 30 2006 Finance report was given by CPPMWC Treasurer Terry Mabile.

General Status of Water Company:

President Friedman spoke briefly about the status of the Cedar Pines Park Water Company.

19 wells in service and are available for service, We rotate the wells.

Member of CLAWA. Our baseline allocation of CLAWA water is calculated on 2004(heavy use year). Possible improvement of CLAWA connections to our system.

1999—2000 Finished Installation of New Pipe Line for our system

Future: New urban water plan for our area to be implemented.

Corporate Charter states we serve only shareholder within our district. Some boundaries are in dispute. We are working on defining these boundaries.

Saw Pit Canyon site has an ongoing problem. Possible flooding and earthquake problems. Working on plan to salvage site.

Emergency Electrical hook-up for pumps in place with new trailer mounted generator.

One new work truck(Ford F-350 with service bed) purchased and in service.

Water Company Office has several improvements: office painted, parking lot paved and the water diversion project adjacent to the office is still in progress.

Meter replacement is being studied and will be on going. Capital improvement and not anticipated assessment to shareholders.

Exploring other water sources. Looking to the future to prevent, if possible the purchase of CLAWA water.

Possible Tiered Water Rate.

No legal obligations(law suits) known at this time.

General Discussion:

Lori Smith had several comments about water usage, fire fighting and water conservation.

Board spoke about various water sources for fire fighting.

Unknown person spoke about large developments possibly around Mozumdar. Developers have not contacted CPPWC.

President Friedman gave a brief history about the water request for the church at the end of Mozumdar.

General discussion of growth//no growth and water usage.

President Friedman led a brief discussion about the water usage of the Vovi Property and the Collins Property.

There was a brief discussion of emergency escape routes for Cedar Pines Park Residents.

Audience states do not annex//planned growth is essential to sustaining the existing quality of life in Cedar Pines Park.

Director Dahlstrom receives praise from the audience about his past work for the CPPWC and his present position on the board.

Director Dahlstrom spoke about the urban water plan and planning for the future of growth and water usage.

General discussion on water conservation.

President Friedman invites everyone to our Board Meetings.

End:

**HWM
Secretary CPPMWC**