

RESOLUTION NO. 2018-001

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SAN MIGUELITO MUTUAL WATER COMPANY
ESTABLISHING A POLICY TO PROTECT WATER AND SEWER FACILITIES**

WHEREAS, the San Miguelito Mutual Water Company ("SMMWC") is a mutual water company incorporated under the laws of the State of California and is in the business of providing potable water and wastewater conveyance and treatment services to its shareholders; and

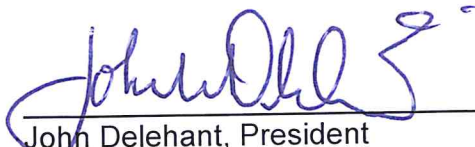
WHEREAS, this policy is intended to preserve and protect SMMWC water and sewer facilities when SMMWC shareholders or customers (hereinafter "Customer") perform work which involve or may affect SMMWC facilities, including, but not limited to, development and redevelopment of property, construction and reconstruction of roadways, and maintenance and repair activities of any work or improvement (collectively herein referred to as a "construction project").

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Miguelito Mutual Water Company as follows:

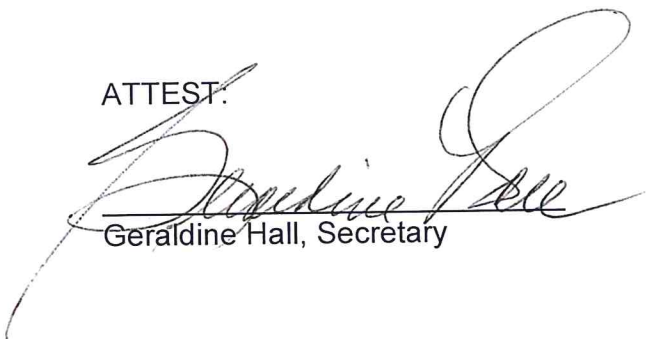
1. Any Customer who desires to undertake a construction project within the SMMWC boundaries shall enter into a Facilities Protection and Cost Reimbursement Agreement in the form attached hereto as Exhibit A, prior to commencing any work.
2. Customer shall provide SMMWC with complete plans and specifications for the construction project, prior to commencing any work.
3. SMMWC shall review the construction project plans and specifications and provide directives, comments and recommendations to avoid or minimize impacts to water and sewer facilities, and when requested, to connect to SMMWC water and sewer systems.
4. When necessary or appropriate, SMMWC staff will meet with Customer, Customer's contractors and consultants to assist and coordinate work on a construction project that involves or impacts SMMWC facilities, and will inspect such work to ensure it complies with SMMWC rules, regulations and directives, and does not negatively impact SMMWC facilities.
5. Customer shall pay all costs and expenses incurred by SMMWC in reviewing plans and specifications, providing directives, comments and recommendations, coordinating and inspecting the construction project, including, but not limited to, SMMWC staff, engineering, legal or other consulting fees and expenses.
6. Customer shall pay all costs and expenses to repair damage to the Company's equipment and facilities resulting from a construction project.

7. Failure to comply with this policy may result in termination of existing water and sewer service, or a refusal to provide water and sewer service.

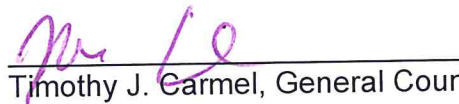
PASSED AND ADOPTED this 21st day of February, 2018.


John Delehant, President
Board of Directors

ATTEST:


Geraldine Hall, Secretary

APPROVED AS TO FORM:


Timothy J. Carmel, General Counsel