

**RESOLUTION 2021 – 0_
OF THE BOARD OF DIRECTORS
OF CRESTVIEW MUTUAL WATER COMPANY
TO REIMBURSE QUALIFYING PROPERTY OWNERS
FOR QUALIFYING COSTS AND EXPENSES**

WHEREAS, the Company is a mutual, non-profit water company, and

WHEREAS, Crestview Mutual Water Company (Crestview) is responsible for providing reliable water supply to our shareholders, and

WHEREAS, proposed replacement Well #7 has significant community support, and would provide essential, reliable water at a reasonable cost, without causing noise in excess of applicable noise regulations, and having the same design and appearance as the surrounding homes; and

WHEREAS, Crestview has exhaustively investigated alternative sites in response to the limited but still relevant community opposition to the proposed location of Well #7, and has not identified any alternative site or water delivery solution that can provide essential, reliable water at a reasonable cost; and

WHEREAS, Crestview has commissioned and accepted studies from experts, and has made those studies available to the public, that conclude that there is no expectation that groundwater nitrates or pathogens will be increased or will approach regulatory thresholds as a result of the installation of Well #7 at the proposed 191 Alviso Drive location; and

WHEREAS, Crestview nonetheless wishes to ensure and confirm that the neighbors whose septic systems are located within the regulatory-established 600-foot radius of proposed Well #7 at 191 Alviso Drive will not face any costs or expenses to their septic systems as a result of the location and operation of proposed Well #7.

NOW THEREFORE, BE IT RESOLVED, that if Crestview installs and operates proposed Well #7 at 191 Alviso Drive, then Crestview will reimburse the property owners whose septic systems are located within a 200-foot radius of Well #7 from any costs and expenses incurred in: (a) responding to a regulatory agency request for advanced treatment, (b) providing any regulatory agency-required advanced treatment, and/or (c) such similar septic system treatment costs and expenses that future regulations and regulatory agencies may require; where those septic system treatment costs and expenses are caused by the location or operation of Well #7.

NOW THEREFORE, BE IT FURTHER RESOLVED, that any property owner who meets the terms of Crestview's reimbursement commitment shall obtain reimbursement by providing Crestview with: (a) a copy of all invoices for

reimbursable septic system treatment costs and expenses; (b) a copy of all documents that demonstrate that each such cost and expense was incurred to satisfy a regulatory requirement; and (c) a copy of all documents that demonstrate that each such cost and expense was caused by the location or operation of Well #7.

NOW THEREFORE, BE IT ADDITIONALLY RESOLVED, that any dispute that arises hereunder regarding whether or not a property owner qualifies for or is entitled to reimbursement from Crestview shall be submitted by Crestview and the property owner to binding arbitration to a mutually agreeable arbitrator pursuant to the arbitration rules of the American Arbitration Association, and that this arbitration shall be the sole and exclusive remedy.

I, _____, hereby certify that I am the Secretary of Crestview Mutual Water Company, a California Corporation, and that the above resolution was duly and regularly passed at a regularly scheduled meeting of the Board of Directors of said corporation at which time a quorum of said Board was present and voting and which meeting was held on the ____ day of _____, 2021.

Date: _____ Signature: _____