

**Moab Irrigation Company
Annual Shareholders Meeting
February 4, 2019**

The meeting opened at 7:00 pm.

Total company shares are 1081.06. 540.53 shares are needed for a quorum. 560.464 shares were present either in person or by proxy, representing 58 shareholders out of the company's 207 shareholders. The board of directors appreciate all those who either attended the meeting in person or who made the effort to return proxy votes.

Board members attending – Ken Minor, George Dalton, David Engleman, Mike Duncan and Lee Sjoblom. Water Master Sam Lewis also present. 12 shareholders were in attendance this year.

President Ken Minor conducted the meeting.

Lee Sjoblom presented the Proof of Notice for the meeting.

George Dalton read the minutes from the 2018 Annual meeting. A motion was made by Duncan to accept the minutes, second by Sjoblom. Motion passed.

Ken Minor gave the Officer's Report for 2018. Water shortages last summer made for a challenging summer. A lot of work was done on the system last summer to repair multiple issues. Water Rights, that were being held as collateral for the loan to build Ken's Lake, was returned to the company from the Conservancy District when they paid off their loan this past spring. Adjudication was completed with the State.

Mike Duncan went over the Financial Report. Over all the company is in good financial shape. The loan the company has had with the Board of Water Resources for the past 20 years for the installation of HDPE pipe in the lower valley was paid off back in January. A motion as made by Sjoblom to accept the Financial Report, 2nd by Duncan. Motion passed.

Lee Sjoblom's five year term has ended as a director. He was willing to run again. No other nominations were received. Lee was voted in - Yes – 560.464 votes and No – 0 votes.

Ken Minor presented the proposed bylaw change. There was one bylaw change proposed this year.

A new section was proposed in Article 5 to require shareholders to use Arbitration for disputes with the company. A brief discussion was held on the proposal. The vote for the change was Yes – 560.464 votes and No – 0 votes.

President Minor opened the meeting to general questions or any new business. A discussion was initiated by George Carter regarding all the water studies being done in the Moab Valley and possible impacts they could have for the company. It was mentioned that a new USGS meter was installed just below the confluence of Pack Creek and Mill Creek.

A brief discussion was also held on the pumps of the Conservancy District that are used to supplement the water flow in the summer. Dana stated all pumps were up and running to the best of her knowledge..

Fred Powel made a motion to adjourn the meeting, 2nd by Stan Holland. All approved.

The meeting adjourned at 7:51 pm.

Proposed bylaw change at the Annual Meeting

Article 5 – FINANCES

Section 3 Arbitration (new section)

For disputes \$100,000 and less or for unspecified damages -

If a dispute arises between a shareholder and the board, and if the dispute cannot be settled through direct discussions, the parties agree to endeavor first to settle the dispute by mediation administered by an impartial mediation service. The parties further agree that any unresolved controversy or claim not settled by mediation, shall be settled by arbitration administered by an impartial arbitration service and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

For disputes over \$100,000 -

If a dispute arises between a shareholder and the board, and if the dispute cannot be settled through direct discussions, the parties may agree to endeavor first to settle the dispute by mediation administered by an impartial mediation service. The parties further agree that any unresolved controversy or claim not settled by mediation, may be settled by arbitration administered by an impartial arbitration service and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.