

Minutes of the Richmond Irrigation Company (RIC) Stockholder Meeting on the Proposed High Creek Piping Project  
August 23, 2014

Notice to attend a stockholder meeting for the purpose of providing information to stockholders on a proposed piping project of the High Creek Canal System was distributed as follows. The meeting was scheduled for August 23 from 3-4 pm at the Richmond City Hall. Notices were sent to individual shareholders on June 28, 2014 and posted on the bulletin board at the Richmond City post office, Richmond City Office and the RIC web page (Richmond City web site) on June 29, 2014.

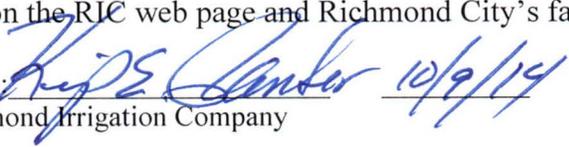
Terry Spackman called the meeting to order at 3:15 pm on August 23, 2014. Tim Christensen, Bret Christensen, Ed Ogden, John Apedaile and Kip Panter attended from RIC. Eric Franson attended from Franson Engineers. A roll was distributed at the beginning of the meeting and 112 stockholders signed the roll. Stockholders continued to arrive during the early part of the meeting and additional chairs were set up. There were approximately 150 stockholders in attendance at the end of the meeting.

Terry provided a verbal agenda to include introduction of Eric Franson, President and P.E. Franson Civil Engineers, American Fork, UT. Terry explained that at the end of the meeting a vote of shareholders would be taken to determine if the RIC should move forward with the project. Each share of water would receive 1 vote and proxy letters should be presented to Kip for verification if voting for absentee owners. Terry turned the time over to Eric Franson.

Eric briefly explained the qualifications of his company and commented on other projects they have completed then gave an overview of the proposed piping project of the High Creek Canal from the diversion to the Logan and Northern pond south and west of Richmond. He explained that the design had not been done yet and he would try to answer any questions, although his information at this time would be based on preliminary data. Eric mentioned the proposed power generation on the system and the potential to offset some of the cost. He indicated the project would be funded through a Bureau of Reclamation Grant, a low interest loan from the State of Utah and funds from Richmond Irrigation Company. This would facilitate a modest increase in stock rates in the coming years. Eric indicated the proposed construction timeline would be to start construction Fall of 2015 with completion in the Spring of 2016 in time for the water season. Eric suggested that piping the canal should result in at least a 40% reduction in water lost due to seepage and evaporation. This could potentially reduce the time when users are put on turns by a month or so depending on the season. This would also save on maintenance, pumping cost, liability etc.

Terry opened up the discussion for questions or comments from those attending. There were numerous questions and comments from the group. A question was asked how the project would affect High Creek water flow? Eric said that until High Creek reached its natural reduced flow to 40 cfs in the summer there would be more water flowing to Cub River and on to Bear River. How will the project affect springs and seeps along the canal? Eric referred to Utah Water Law on this question and indicated those seeps that occur above the canal will not be affected but those that occur because the canal is there could be dried up or reduced when the canal is piped. There were other questions about the project and the discussion was well received for the most part. Terry then closed the discussion and the vote was taken by paper vote. The paper ballots were brought to the front and Kip collected the papers. Kip organized a committee consisting of Kevin Forsgren (local farmer), Derek Kimball, (Engineer Richmond City) and Terrie Wierenga (city shareholder). The committee was excused to count the votes. Kip presented the results to the board and audience, 3,752 shares of the 6040 shares were represented with 3362 votes in favor of proceeding and 390 votes against (~90% in favor).

Terry thanked everyone for their participation in the meeting and adjourned. The results of the meeting were subsequently posted on the RIC web page and Richmond City's facebook page.

Approved: Date and Signature:  10/9/14  
Kip E. Panter, Secretary Richmond Irrigation Company