

Silver Fork Pipeline Corporation
Minutes of the Annual Shareholders Meeting
Monday, May 4, 2009

The Annual Meeting of the stockholders of the Silver Fork Pipeline Corporation was held at the Whitmore Library Auditorium, 2197 East Fort Union Boulevard, Salt Lake City, Utah on May 4, 2009 at 7 p.m. pursuant to a call by the Board of Directors and written notice dated March 31, 2009.

Pursuant to provisions of the By-laws, Mr. Dan Knopp, President of the Corporation, presided over the meeting, assisted by Jolene Despain, Secretary of the Corporation, Avis Light, and Rick Halladay.

A full, true and complete alphabetic list of all stockholders entitled to vote at the ensuing election, with residence of each, and the number of shares held by each was available before the meeting and remained open for inspection during the entire meeting. Dan Knopp noted that we do not release this information to anyone, under any circumstance. Shareholders agreed that this is a good idea.

The Secretary ascertained that a quorum was present.

Special Order: (7:05 p.m.) Doug Evans and Vern Steel, representing the Rural Water Association of Utah, presented the "Best Water in Utah" Award to Silver Fork Pipeline shareholders. The prize is awarded to only one water system in Utah during the annual RWAU meeting.

Consumer Confidence Report: (7:10 p.m.) Phil Lanouette presented the CCR and noted that there were no system violations in 2008. The report is required by the EPA and insures that our water meets all federal and state requirements. A printed copy of the report was made available to shareholders.

Water Master's Report: (7:15 p.m.) Steve McIntosh reported that from January 1, 2008 to January 1, 2009 there were 22,246,400 gallons that passed through the mine tunnel meter, much less than in 2007 because the meter failed after 10 years of service and had to be replaced. It was replaced and the inflow reading will return to normal next year. The highest inflow to the system was 163.79 gpm in June '08 (68% more than in 2007), and the lowest was 44.96 gpm in April '08 (about the same as in 2007). The winter usage was 20.04 gpm (25% less than in 2007). The highest community usage was 38.68 gpm during July 2008. The lowest community usage was 14.56 gpm in May 2008. The reason usage appears to be down is because two leaks were fixed, so water isn't leaking to the ground. Also thanks to shareholders, several service lines were improved and there were no frozen lines this year.

There were no water quality violations in 2008. Monthly bacteria tests and nitrates are sampled each year. In 2008 radium, lead and copper were tested. All passed. There are currently 6 bleeders that are run at 13.5 gpm during the winter, which represents 25% of the system's water that is going into the ground. Bleeders will be eliminated as deeper pipeline is installed. Steve noted that the Silver Fork Pipeline Corporation is responsible for the maintenance of mainline pipe only. Each shareholder is responsible for their service line from the corporation stop to their cabin. He urged shareholders to insure that their service line is deep enough and insulated if necessary, and then thanked everyone who shoveled out fire hydrants this last winter.

Steve noted that he has updated Silver Fork assets on a GIS (Geographical Information System) map, marking such things as service line connections, cabins, pipes, and valves. He will triangulate the valve locations on a spreadsheet so that anyone will be able to find them. He is also marking service line valves with a PVC pipe and brass disc marker.

Question: (Dave Eckhoff) How much old pipe is still in the ground? *Answer:* Most of south side Silver Fork is done. There is a loop on north side Silver Fork that still needs to be installed.

Question: (James Keissler) Should we be concerned about water availability in winter? *Answer:* The only concern would be if a boulder blocks mine flow. We have shored up the mine, but anything can happen. At present, we have plenty of flow during the winter, thanks to the repairs this summer.

Elections: (7:20 p.m.) The President stated, “The purpose of the meeting is to elect three Directors, and to conduct any other business to properly come before the Shareholders.” The Secretary has ascertained that we have a quorum, including 55shareholders present tonight and 102 proxies. The Directors whose terms expire with this meeting are Patrick Eibs, Dan Knopp, and Phil Lanouette. The slate of incumbents was presented by President Knopp, who then opened the floor to further nominations. Nominees from proxies included Mark Disman and Bruce Engelhart. Nominations were closed and ballots were then collected to be tabulated.

Minutes: (7:25 p.m.) Dave Freed moved to approve the Minutes of the May 5, 2008 Annual Meeting, seconded by Sandy Anderson. Minutes were approved as printed by voice vote of shareholders.

President’s Report: (7:30 p.m.) Dan Knopp presented the system status report. Last summer we spent about \$45,000 on improvements near Kickers General Store. This summer we will bury the pipeline toward Bob Acey’s home. Also we will pay Dennis Borup the money he paid to install company line to his home two years ago. We still need to bury pipe near Fred Jones’ home and a reach of pipe near Jim and Avis Light’s home to finish south side Silver Fork. North side Silver Fork is the remaining major project. The long north side loop may take 4-5 years to complete. Following that, we must address pressure reducing vaults with valves. Some homes have over 200 pounds/sq/inch at the service line. There are no plans for a rate hike. Phil Lanouette noted how much Dan Knopp has worked for this water company and for this community. His generosity was applauded by all shareholders present.

Election Results: (7:45 p.m.) The President declared Phil Lanouette (147 votes), Patrick Eibs (147 votes), and Dan Knopp (145 votes) as duly elected Directors of the Corporation to serve for a term of two years until 2011. (Mark Disman received 4 votes, Bruce Engelhart received 3 votes.) As promised in the mailer, an annual assessment waiver for one water share was drawn. The winner of the random drawing was Francis and Donna Newman, who will have the \$200 annual assessment waived for the 2009 calendar year. The purpose of the drawing is to encourage shareholders to attend or send a proxy to the annual meeting (the winner need not be present to win). The cost required for a second meeting is more than that for one annual assessment.

The meeting was adjourned at 7:50 p.m.

Submitted by Barbara Cameron