

**MINUTES OF SPECIAL MEETING OF SHAREHOLDERS
OF
WEST SLOPE WATER COMPANY**

This special meeting of the Shareholders, constituting all of the members having a right of use of **West Slope Water Company**, a Utah Corporation, was held at 51 East 400 North, Bldg #1, Cedar City, Utah, on the 10th day of September, 2010, at the hour of 5:00 p.m.

Upon the motion duly made, seconded and unanimously carried, **Kenneth Knudson** called said meeting to order. The Shareholders waive all right to prior notice and stipulate that the meeting may proceed, and no Shareholders who were present protested notice to the meeting.

The Shareholders discussed the nature of the meeting, specifically, an accounting was given regarding the fact that the developer has, for a considerable time, funded and carried the Water Company, but was unwilling to do so on a continuous basis. A review of accounting of the dues paid was presented by Kenneth Knudson.

The Shareholders had a long discussion as a whole and between various Shareholders regarding West Slope Water Company's intent to transfer water and infrastructure to the Central Iron County Water Conservancy District so that the system could be turned over to a public entity. The benefits were discussed in detail, particularly the age of the system, the potential for breakdowns and costs of repairs, the push by the federal government to unify systems and its unwillingness to grant loans or provide federal grants to private water companies. The economy scale of numbers was discussed and the viability of multiple sources of funding available through public versus private entity funding was reviewed and discussed.

The Shareholders had a long discussion as a whole and between various Shareholders regarding the disadvantages of transfer which was mainly the lack of control of the cost of water. It is understood that the Shareholders will be subject to the rates of the Conservancy District and will be subject to their control. Rates were discussed significantly and it was emphasized that future rates would be much higher if they remained private.

The Shareholders were informed of the easements which will be transferred to the Conservancy District so that services could be rendered. There was a discussion regarding where liability existed for repairs from the meter in and outside the meter. The Shareholders were informed that they will be liable for any breaks inside property lines beyond the water meter.

The Shareholders were informed that upon transfer of the water and system to the Conservancy District the Company would be dissolved. Nobody objected to dissolution. It appeared that all Shareholders agreed, or at least no one expressed opposition to transferring the water and water system to Conservancy District.

BE IT RESOLVED, by the Shareholders of the Corporation are as follows, and that all of the water and the water system be transferred to the Central Iron County Water Conservancy District upon the execution of an acceptable agreement between the Company and the Water District.

BE IT FURTHER RESOLVED, that upon completion of the transfer, the Company be dissolved.


There being no further business, the Shareholders Special Meeting was adjourned.

DATED this 10th day of September, 2010.

WEST SLOPE WATER COMPANY, INC.



KENNETH KNUDSON, Board Member



DAVID KNUDSON, Board Member



ANN WRIGHT, Board Member