

OVERLAND DITCH AND RESERVOIR COMPANY  
ANNUAL SHAREHOLDERS MEETING  
February 8, 2010

CALL TO ORDER

President Howe called the meeting to order at 7:06

In attendance were:

Directors; Tom Howe, Dave Kuntz, Bryan Klaseen, Phil Ceriani and Naomi Kasper.

Secretary/Treasurer; Debbie Christner

Operations Manager, Bob Church

Guests; Paul Schmucker and Steve Tuck, Water Commissioners,

Bruce Marvin of Western Engineers,

Kirk Russell of CWCB

Tom introduced Debbie Christner the Secretary/Treasure since June.

ROLL CALL

Debbie Christner called roll.

The credentials Committee, of Nomi Gray, Mary Helen Church and Steve Wolcott confirmed a Quorum of 6,892 consisting of 4,186 shares present and 2,706 shares represented by proxy. A quorum was declared.

AGENDA/2009 ANNUAL MEETING MINUTES

Agendas and 2009 Annual meeting minutes were presented as a handout at the beginning of the meeting. Tom asked for additions to the agenda, there were none.

Veronica Minch made the motion to accept the agenda and the 2009 Annual meeting minutes, seconded by Bill Bishop. Motion passed unanimously

PRESIDENT'S REPORT

The report was presented as a handout at the beginning of the meeting.

GUEST REPORTS

Jerry Otero from Senator Michael Bennet's staff called right before the meeting and stated due to a family emergency he would not be able to attend.

Bruce Marvin reviewed his work this year on behalf of the dam expansion project. He said that permitting began in 2005 and has a ways to go. He was more optimistic last year than he'd been in a couple of years and continues with that optimism. 2,500 square feet of FENS is holding up the progress, Black Lakes has a similar Fens concern and has received approvals. This provided a template for the 2008 Overland inundation of FENS

study. The results were the new inundation is part of a larger inundation and the case submitted showed no effect. Many agencies have viewed the report positively. The Core is working on an overall permit for the Grand Mesa, with Overland being a part of this. This last summer the EPA and Forest Service had an initial meeting, they have to decide what studies are warranted. There is no chance for construction in 2010. Bruce has determined the cost projections currently at \$1.8 million.

Discussion was had regarding the cost per share, with the answer being determined upon many factors. It will depend on any grants received and the timing in conjunction with a loan that will be paid in full in 2018.

Discussion was had regarding the storing of the additional shares.

## NEW DECREES

Steve Tuck gave his presentation. He stated that the additional shares can be stored in different ways.

With Steve Tuck, Water Commissioner and Aaron Clay, Overland's Attorneys, guidance and expertise Overland was able to obtain:

Absolute right for 970.73 acre feet to the Overland Reservoir No. 1 made absolute.  
Decree signed December 22, 2009.

Absolute right for 50.0 c.f.s. from the Overland Ditch, Roatcap Diversion.  
Decree signed February 8, 2010.

Conditional water right of 20.0 c.f.s. for hydropower. Decree to be signed this month

Kirk Russell from CWCB gave an overall synopsis of the CWCB (Colorado Water Conservation Bureau). The CWCB has two pots of money, one comes from severance tax and is to be used solely for new projects. The second pot is the construction fund and is used for the operation of CWCB. No general assembly funds are involved. The state has taken a lot of money from CWCB in the last few months. Overland is in good standing but in these times nothing is guaranteed. The type of project Overland is doing is at the top of their priority list. The CWCB does loan for Hydro projects.

Annie Sievers moved for the board to approve a steering or advisory committee, which would include one board member, to push on the dam expansion. This motion was seconded by Lance Badger. Motion passed unanimously

## TREASURER'S REPORT/2010 BUDGET AND ASSESSMENT

2009 Balance Sheet, 2009 Budget. 2009 Actual and 2010 Budget were presented as handouts at the beginning of the meeting.

The board recommends that an assessment of \$14.00, called as needed, be set for 2010. There was discussion about having the assessment be higher, since it is only used if needed and if needed this is usually caused by an emergency. Then it takes time to go through the process to raise the call assessment. Bob Church moved to approve the budget and set the assessment at \$17.00 to be called as and if needed, seconded by Annie Sievers. One opposed, Motion passed.

#### ELECTION OF BOARD MEMBERS

The seats held by Tom Howe and Naomi Kasper are up for election. The floor was opened for nominations. Susan Whittlesey nominated Debbie Gray, Bryan Klauseen nominated Jerry Adams. Tom Howe asked three times for more nominations. Bob Church moved that nominations cease, seconded by Dave Whittlesey. There was no discussion. Motion passed unanimously. Since there were two nominations for two vacant seats, there was no election.

Everyone thanked Tom Howe and Naomi Kasper for all their hard work and service on the Overland board. It was much appreciated by all.

Bryan Klaseen moved to adjourn, seconded by Dave Kuntz.  
Meeting was adjourned at 8:45.

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Debbie Christner, Secretary