

OVERLAND DITCH AND RESERVOIR COMPANY  
ANNUAL SHAREHOLDERS MEETING  
February 7, 2011

CALL TO ORDER

President Ceriani called the meeting to order at 7:08

In attendance were:

Directors; Dave Kuntz, Bryan Klaseen, Jerry Adams and Debbie Gray.

Secretary/Treasurer; Debbie Christner

Operations Manager, Bob Church

ROLL CALL

Debbie Christner called roll.

The credentials Committee, of Mary Helen Church, Kay Adams and Chris Dahlstrom confirmed a Quorum of 7,167 consisting of 4,167 shares present and 3,000 shares represented by proxy. A quorum was declared.

HANDOUTS

The following were handouts at the meeting: Agenda, 2010 Annual meeting minutes, 12/31/2010 Balance sheet, 2010 Budget vs actual, 2011 Budget, and the Presidents Letter

AGENDA

Phil asked for additions or changes to the agenda, there were none.

MINUTES

Debbie Christner read the 2010 Annual meeting minutes. Bryan Klaseen made the motion to accept the agenda and the 2010 Annual meeting minutes, seconded by Bob Church... Motion passed unanimously

PRESIDENT'S REPORT

Board President, Philip Ceriani gave an interesting and informative power-point presentation.

The Presentation talked about the history of water rights, irrigation systems and the structure of a Mutual Ditch Company. The presentation then went on to talk more specifically about Overland Ditch & Reservoir Company.

KEY ISSUES for the past year were the sink hole and maintenance. Applegate Engineering was hired to engineer a permanent fix for the sink hole. This will be accomplished using French drains at an estimated cost of \$52,000.00. A Bureau of Reclamation grant has been applied for covering 50% of the cost.

The Leroux Creek flume pillars were repaired this year along with improving the road to access this structure. The road repair was shared with Cow Creek, Redlands Mesa Water Users, Current Creek and Leroux Creek Water Users.

The numerous undershots along the ditch are a maintenance headache and per the suggestion of the water commissioner were abandoned. The water is gathered and there

is one turn out at West Hubbard & West Terror during the call periods. This system worked very well last year.

Remote sensing costs have dropped significantly, the proposal for remote sensing at Oak Mesa has been included in the BOR Grant.

**WATER MANAGEMENT**-The Study was completed, the information has already come in very useful for the Dam Expansion. Many agencies are surprised that Overland, a small ditch company, has so much information on its system.

**EXPANSION**-The issues to be addressed are bypass flows, yield analysis, environmental (FENS) and costs. Current bypass flows were addressed in the 1987 expansion and the FLPMA agreement. The Core of Engineers stated approximately three weeks ago that they were ready to start the permitting process. The first item to be worked on will be the Purpose and Needs Statement and then a public comment period. These two items should happen in May & June, 2011.

It looks like a NEPA will be accepted, which is the least expensive EA environmental assessment. Final permits could be issued in the summer of 2012 for a Fall 2012 construction. The costs are still estimated to be in the \$1.8 Million range. Currently overland still has a loan secured with CWCB for \$1,141,300.00.

Dave Kuntz commented on the costs of the project, he believes they will be higher than projected. Marvin White talked about other alternatives for storing the additional water, mainly West Reservoir. The board has looked into this alternative extensively, at this time there are numerous problems and extensive costs. Tom Howe asked about the expiration date of the permits, once received. The answer is unknown but the board will get this information. Discussion was had about these items along with bypass flows and the yield analysis. If additional Water Rights are not stored by 2020 we can lose them. Overland has been and will remain active in finding a way to store these Water Rights.

#### **TREASURER'S REPORT/2011 BUDGET AND ASSESSMENT**

2010 Balance Sheet, 2010 Budget vs. Actual and 2011 Budget were presented as handouts at the beginning of the meeting. The cost for the slide repair and receiving the BOR Grant are included in the budget along with spending \$100,000.00 on the Reservoir expansion NEPA and monies drawn on the CWCB loan. If the grant is not received then the board will re-visit the fix for the slide area.

Bill Bishop made the motion to approve the budget as presented, seconded by Bob Church.. Motion passed unanimously.

Bob Church moved to set the assessment at \$18.00 to be called as and if needed, seconded by Bill Bishop. Motion passed unanimously.

The Share holders thanked those responsible for bringing all the goodies to eat at the Meeting, it was much appreciated.

#### ELECTION OF BOARD MEMBERS

The seats held by Philip Ceriani, Bryan Klaseen and David Kuntz are up for election. The current board members are willing to fulfill another term. The floor was opened for nominations. Bill Bishop nominated the current board members to fulfill another term, this was seconded by Steve Wolcott, Sue Whittlesey moved the nominations cease, seconded by Tom Howe. Phil asked three times for more nominations. Bill Bishop motion, seconded by Steve Wolcott to have the current board members remain in office for another term was accepted by acclamation.

Nomi Gray moved to adjourn, seconded by Bob Church.  
Meeting was adjourned at 9:16.

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Debbie Christner, Secretary