

**OVERLAND DITCH AND RESERVOIR COMPANY
ANNUAL SHAREHOLDERS MEETING
February 9, 2015**

CALL TO ORDER

President, Philip Ceriani called the meeting to order at 7:16

In attendance were:

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

Secretary/Treasurer; Debbie Christner

Colorado Division of Water Resources, Division 4 engineers; Bob Hurford, Steve Tuck, Paul Schmucker and Doug Christner

CALL OF THE MEETING

Philip Ceriani began the meeting.

HANDOUTS

The following were handouts at the meeting: Agenda, 2014 Annual Meeting Minutes, 2014 Budget vs. Actual, 2015 Proposed Budget, 12/31/2014 Balance Sheet.

QUORUM

A quorum was declared, the Credentials Committee, of Sue Whittlesey, Karen Marty and Kay Adams confirmed a quorum of 6,012 consisting of 4,121 shares present and 1,891 represented by proxy.

MINUTES

Phil asked if the members wanted the minutes read, it was agreed that due to the minutes being posted on the web page for a year, there was no reason to read them.

Dave Whittlesey moved the February 10, 2014 Annual Meeting Minutes be approved.

2nd by Bryan Klaseen. Motion passed unanimously.

2014 FINANCIALS

The 2014 financials were presented; the equipment rental category was over budget due to several repairs of slides and 15 miles of ditch being maintained.

Veronica Minch moved to accept the financials for 2014, 2nd by Marvin White.

Motion passed unanimously.

OPERATIONS/PRESIDENT'S REPORT

Phil presented a slide show; the presentation showed areas of the Overland ditch, ditch structures and what it looks like up on the ditch, in the Spring.

There was 3 good size slides this year, one that could have been terrible was caught early by Dave Kuntz , he was able to make adjustments immediately stopping a potential large blow out.

Each slide created a situation where the ditch had to be shut down for a couple of days for equipment to be brought in and repairs made. The ditch manager, Robert Stephenson, is an equipment operator and is able to perform the necessary work himself.

Phil also talked about and showed the upgrades made to the system in 2014, which is the dam automation and remote sensing, along with 15 miles of ditch being thoroughly cleaned, ditch banks being redefined and compacted.

The skidder was too large for our ditch banks and had to have repairs beyond its value so it was sold for scrap.

Currently the company is going to lease equipment when needed and see how that works.

The Oak Mesa flume that was installed in 2011 is already failing, it is too flimsy, reinstalling a stronger flume is on the agenda and budget for 2015.

Slides of the Reservoir expansion process, all the documents that have been produced and those remaining where shown.

Phil recently attended a four day Water Conference in Denver, he shared the information from that conference via slides, this information will be posted on the Web site in the upcoming months.

Bruce Marvin, Overland's engineer, updated dam expansion cost is now at 4.3 million.

Dave Kuntz shared his perspective of the expansion not being affordable and he is against investing any more funds into the process. Dave Kuntz talked about a sub ownership stock being formed for those who wanted to proceed.

Dave Whittlesey said that dollars would be better spent on more efficient ditches and updated on-farm irrigation systems and practices.

Bob Hurford, Division of Water Resources, Division 4 head engineer, spoke about the current water practices in the state.

Both Bob and Phil spoke about Colorado's Eastern slope highly populated area looking for water. This water is largely used and owned in the Western part of the state by agriculture.

Tom Howe suggested putting a group together to look into alternative solutions for funding the dam enlargement. Those who volunteered to participate in this group are Tom Howe, Philip Ceriani, David Kuntz, Larry Jones, Jerry Adams and Dave Whittlesey.

OLD BUSINESS-None

2015 BUDGET AND ASSESSMENT

Deb Christner presented the 2015 Budget that did not have any major changes from previous years. Phil Ceriani requested the dues be set at \$18.00 to be called as needed.

Bryan Klaseen moved to accept the 2015 budget, setting the dues at \$18.00, to be called as needed, 2nd by Tom Howe.

Motion passed unanimously.

NEW BUSINESS-Veronica Minch was very upset that the amount of water getting to her property has dwindled over the years. It was explained that Overland's responsibility was to operate and maintain the reservoir and ditch to the Moore box, then Redlands Mesa Water Users is responsible for delivery of water from the Moore box to the individuals. Veronica's issue is really the responsibility of Redlands Mesa Water Users, since she is an Overland Stockholder the Overland board will assist in any way they can. It was noted that Redlands Mesa Water Users has looked into her issue and the amount of water she is getting is the correct amount. Water Commissioner, Paul Schmucker has verified these measurements. Marvin White shared his experiences with Prairie Dog holes causing havoc in ditches where he would never expect it. Ms. Minch has a large run of open ditch, it was suggested she look into piping that could be installed and funded under an EQUIP program.

There was discussion regarding piping laterals and the various Salinity projects in the area, Redlands Mesa does not have the level of Salinity at this time that will qualify for the funding.

Discussion was had regarding a Box setting fee for all Overland and Redlands Water users on the mesa. John Hawkins was asked if there was an agreement between the two companies, he said if there was it was a gentlemen agreement. John also said this is not the first time a box setting fee has been talked about and after 50 years it could be time for change.

The two boards will get together in the next month and come up with an equitable amount to be assessed.

ELECTION OF BOARD MEMBERS

The seats held by Philip Ceriani, Bryan Klaseen and David Kuntz are up for election. Tom Howe asked if the current members were interested in continuing to be board members, they all were. Tom Howe moved to retain the 3 current board members, 2nd by Pete Klaseen. Phil asked three times for more nominations. Current board members remain in office for another term, by acclamation.

Meeting was adjourned at 9:25.

Debbie Christner, Secretary