

REDLANDS MESA WATER USERS, INC.
ANNUAL SHAREHOLDERS MEETING
January 30, 2015

CALL TO ORDER

The annual meeting of the Redlands Mesa Water Users, Inc. was called to order at 7:00p.m. by President Reg Cridler.

CALL OF THE MEETING

Secretary, Debbie Christner read the call of the meeting.

INTRODUCTIONS

Reg Cridler, the president introduced himself and the other board members: Dan Hawkins, Kay Adams, Karen Marty and Pete Klaseen. He then introduced the personnel: Bryan Klaseen, ditch manager, Lawrence McKendrick and Steve Widner, box setters

QUORUM

The credentials committee (of Sue Whittlesey, Amy Daniels and Deb Christner), reported that 15 shareholders were present and 31 were represented by proxy, for a total of 46. A quorum was declared.

DITCH MANAGER'S REPORT

Bryan Klaseen, ditch manager reported that it was a good year. The maintenance was normal.

Bryan thanked Lawrence and Steve for all their work throughout the season.

MINUTES

Debbie read the minutes of the 2014 Annual Meeting.

Amy Daniels made the motion to approve the minutes, 2nd by Bryan Klaseen.

Motion passed with all in favor.

FINANCIAL STATEMENTS

Shareholders received copies of the 2014 Balance Sheet. 2014 Budget comparison and proposed 2015 budget. The Leroux Creek water is shown on the budget as an expense and income, it is a flow through. The 2014 Leroux Creek water budget was for \$35.00 a B-1 share and \$.50 a B-2 share, the actual call was \$20.00 a B-1 share and \$.50 a B-2 share.

NEW BUSINESS

Box Set Charge

Reg Cridler explained the Redlands Mesa Water Users consist of the Stull Ditch, Lawhead Ditch and Cedar Gulch Ditch, he then read portions from the Redlands Mesa Water Users Articles of Amendment to the Articles of Incorporation, Article II; The object for which said company is organized is for the purpose of acquiring water rights, ditch rights, reservoir rights and to distribute water to its stockholders. To employ employee employees to supervise, operate and maintain all of said systems, and including the distribution of irrigation water of whatsoever kind of nature and domestic water.

Discussion was held on the Box Set Fee. David Kuntz said that David Sievers had told him there was an agreement between Overland Ditch and Reservoir Company and Redlands Mesa Water Users stating Overland would let Redlands use their existing ditches in exchange for boxes being set.

David Kuntz expressed that in the Spring he does not get all his water and if a fee is assessed then he wants the boxes set. Bryan Klaseen stated how difficult that was with the high fluctuation of Spring water.

Dave Whittlesey expressed his frustration of never knowing about or being able to attend Redlands Meetings.

Kay Adams explained how Redlands Mesa Waters Users Association operates is not by regular monthly meetings, when a problem arises they go to the site, assess the problem and come up with a remedy.

Bryan Klaseen made the motion to accept a flat box set fee , 2nd by Lawrence MacKendrick, who was there representing a proxy.

The vote was Yes 8 present, 27 proxy

No 4 present, 1 proxy

Abstain 3 present, 3 proxy

Motion passed.

A joint meeting will be held before irrigation season to discuss the details.

BUDGET

The proposed 2015 budget was presented reflecting income from box setting fees.

Lou Bridges moved to accept the 2015 budget, Amy Daniels 2nd the motion.
Motion passed with all in favor.

Amy Daniels moved to set the assessments at \$4.25, to be called as needed,
Ray Penland 2nd the motion
Motion passed with all in favor.

OLD BUSINESS

Water Commissioner Paul Schmucker explained how the diversion wall in the creek is getting real worn and needs maintenance. It is in the main creek at the Stull Ditch.

Reg Cridler attended the Salinity meeting, the salt criteria is higher than previous and it likely Redlands level is not high enough. Installing a closed system where sprinklers will have to be installed does not work for Redlands.

Lou Bridges went to the Forest Service meeting where it was reiterated that if you are not installing a pressurized system then you are low on the priority list. They also want ditch companies to combine and be financially responsible.

ELECTION OF BOARD MEMBERS

The terms of Karen Marty, Reg Cridler and Pete Klaseen are expiring. They all agreed to serve again.

Bryan Klaseen moved to retain the present board, Ray Penland 2nd the motion. Motion passed, by acclamation, with all in favor.

SHAREHOLDERS CONCERNS

Doug Paasch has 25 shares of B-2 that currently cannot be delivered, he will investigate further and Contact Deb Christner to advertise on the Overlandditch.com web page if something is not figured out.

ADJOURNMENT

Kay Adams made a motion to adjourn, Bryan Klaseen 2nd the motion. Motion passed with all in favor.

Meeting adjourned at 8:20 p.m.

Debbie Christner, Secretary