

OVERLAND DITCH AND RESERVOIR COMPANY
ANNUAL SHAREHOLDERS MEETING
February 10, 2020

CALL TO ORDER

President, Dave Kuntz called the meeting to order at 7:10 pm

In attendance were:

Directors: Bryan Klaseen, Jerry Adams, Wyatt Wilson and Debbie Gray

Secretary/Treasurer; Shellie Gies

Water Enhancement Authority Directors: Austin Kieser and Ron Shaver

Austin Kieser and Ron Shaver gave an informative talk about cloud seeding in the area. The Water Enhancement Authority runs 19 seeders in our area. They estimate the seeding process will produce 5% to 10% more moisture (snow) than without the cloud seeding program. Funding for the program comes from various places, Donations, Southern California, City of Grand Junction, State of Colorado, Powderhorn Ski Resort, etc... The seeders are operated by volunteers. Their base office is located in Grand Junction.

CALL OF THE MEETING

Shellie Gies read the Call of the Meeting

HANDOUTS

The following were handouts at the meeting: Agenda, 2019 Annual Meeting Minutes, 2019 Budget vs. Actual/2020 Proposed Budget and the 12/31/2019 Balance Sheet.

QUORUM

The Credentials Committee, of Sue Whittlesey and Deb Christner confirmed a quorum of 6,379 consisting of 4,286 shares present and 2,093 represented by proxy.

A quorum was declared.

MINUTES

MOVED BY: Dave Whittlesey to approve the February 11, 2019 minutes.

SECONDED BY: Tom Meyers

MOTION CARRIED with no opposing votes.

2019 FINANCIALS

The 2019 financials were presented. Annie Sievers was unhappy that the Reservoir was drained, and the new gauge rod was not done last fall. David Kuntz explained that we had such an abundance of water last year, it was assumed we would have too much water in the Reservoir to construct the new gauge rod. Our Engineer was not prepared to get the plans finished and into the State Engineer, before winter set in, at the last minute. Annie asked why the Reservoir was drained. David said it ended up being a hot and dry end of summer. He also said they asked for input about how to finish water out. Annie and Naomi said they were not asked. Shellie said this was asked at the monthly meetings. The GIS Mapping was over budget because we decided to have the Accessors information updated on the GIS Map. The Satellite Monitoring for 2019 was over budget. We had not received a bill from the State for several years. We did get one for 2019 and the cost was \$1,480.00. The State will not charge us for the years we did not receive a bill.

MOVED BY: Naomi Gray, to approve the 2019 financial report

DISCUSSION: Eli Wolcott asked if the Board thought we would have any major repairs this year. David said he did not think so, but we can never know. David discussed the slide between the Highline and Overland Ditch. There is not anything we can do at this point. Other than put more PAM in the Overland Ditch this Spring. David said if the hillside slides it will be a costly repair. But there is no way of knowing if the slide will hold or not.

SECONDED BY: Bryan Klaseen

MOTION PASSED: with no opposing votes

2020 BUDGET

The 2020 budget was presented. We will start the repayment of the Reservoir expansion loan on June 1, 2020. The payment will be \$12,979.01. Total amount due is \$271,654.57. This is a 30-year loan at 2.50% interest. The Colorado Water Conservation Board also requires us to have a Reserve Account. We will need to deposit \$1,300.00 a year, for the first 10 years. The funds have to be in a separate account. We can use these funds, as long as the funds are deposited back into the account within 90 days of withdrawal. We must have access to these funds at any given time. Overflow/Flap Gates are still on the 2020 budget, in hope that we may still be able to attain a Grant to help with costs. Engineering/Piezo is set at \$20,000 for 2020. \$12,000.00 of this is still on the budget for the Piezometer monitoring program, that Bruce Marvin has not completed yet. The other items budgeted under this are, 10-year, inspection of the Overland outlet. This was not completed in 2019, partly because the water situation and Jason Ward would not have time to get to it in 2019. There are a couple piezometers that need replaced or rehabilitated.

The State Engineer requires an Engineer to be present for this. There will also be a meeting with Bruce Marvin, Jason Ward and The Overland Board at some point to go over the Piezometer Monitoring program. Legal Fees was raised from \$1,000.00 to \$5,000.00, for 2020. Overland Board retained an attorney. The attorney wrote a letter to help protect the Overland from being liable for Overland Water that is encumbered into a conservation easement. The letter states that if the land trusts want Overland to protect the water shares from being sold away from the land, they will have to add their names on the stock certificates. Other than that Overland is not liable. Shellie said she wants the attorney to look over Overland's policy's and procedures as well. A payroll expense was added of \$475.00 a year. Office supplies and postage was separated for 2020. Postage rates have gone up and Shellie wanted to keep track of postage alone. The website item was increased to \$1,500.00. Shellie explained that the website is very outdated, and we are unable to do updates. Eventually we will not be able to use the website, if we do not hire someone to rebuild it. Naomi asked if it was possible to use a free service. Eli Wolcott said he new people that would be able to work on the website a lot cheaper. Shellie said the only reason it was so high is because of the quote she received from the current company we use. David asked a show of hands, of you would like to keep the website running. More than half the Shareholders raised their hands.

MOVED BY: Dave Whittlesey to adopt the 2020 Budget, setting the call at \$17.00, to call as needed.

SECONDED BY: Reg Cridler

MOTION CARRIED with no opposing votes.

OPERATIONS/PRESIDENT'S REPORT

David said things went very smoothly in 2019. There were a couple slides that needed attention by Windy Point. There was lots of water to be had. We had very few problems. Bryan said with the hillside issues between Overland and Highline, we were able to run some of the Overland in the Project Ditch. This worked very well, except the transfer ditch will only hold about 15 feet. So, we had to work around that. But he said it is possible. David talked about Andy Kasper resigning as Ditch Rider. He asked if anyone would be interested or knows someone who is interested in taking over Andy's position. The pay is \$18.00 an hour, plus mileage. David said we did have a couple people in mind. We need to get someone hired as soon as possible. We need someone on the entire ditch twice a week. Doug Christner said the release at the Reservoir had to be done on Mondays and Thursdays. The ditch is over 25 miles long.

OLD BUSINESS

Steve Wolcott asked about getting the Roatcap release fixed. Every year they have problems with it getting plugged up. They need a new system in place. A Flushing system was discussed. The cost is extremely high though. Phil Ceriani asked about who's responsibility it was to clean it and fix it. David said the ditch rider is up there twice a week, the Water Commissioners are up there as well. They clean it out when they are there. But other than that it is the Shareholder's responsibility to clean. Doug Christner said there is a box card placed on the release. The Stucker Mesa Shareholders can open it up and flush it out, then set the box back, according to the box card. Since this is also a release that the Water Commissioners set and release water from, we all need to get together and work out something to fix this problem. David said, Stucker Mesa Shareholders should look into grants that are available.

NEW BUSINESS

None

SHAREHOLDERS CONCERN

Eli Wolcott said he was on the upper ditch, by Windy Point and said it looked bad. Ray Penland said that section has always been a problem. We would have to dig back into the side of the hill quite a bit to try and fix it. It has always been buckled up there.

ELECTION OF BOARD MEMBERS

The seats held by Debbie Gray and Jerry Adams are up for election.

MOVED BY: Annie Sievers to retain the current Board Members

SECONDED BY: Debbie Christner

MOVED BY: Annie Sievers for nominations to cease.

David asked 3 times for any nominations. No nominations were presented

MOTION CARRIED: with no opposing votes

David asked if there was any other business. There was none.

Meeting was adjourned at 8:40pm

Shellie Gies, Secretary