

**REDLANDS MESA WATER USERS, INC.
ANNUAL SHAREHOLDERS MEETING
JANUARY 31, 2025**

CALL TO ORDER

The Annual Meeting of the Redlands Mesa Water Users, Inc. was called to order at 6:40 p.m. by President Tom Meyers.

CALL OF THE MEETING

Secretary, Deb Christner read the call of the meeting.

INTRODUCTIONS

Everyone introduced themselves:

Tom Meyers, President,

Board Members, Greg Knight, Bryan Klaseen and David Whittlesey

Secretary, Deb Christner

Credentials, Shellie Gies and Sue Whittlesey

PRESIDENT'S REPORT-Tom Meyers

This year the board decided to meet informally every other month during the water season, following the Overland monthly board meeting. This allowed this group to keep up with changing conditions, including some personnel change.

As you all may know, Lawrence Mckendrick decided to switch to the dark side and take a position as a local Water Commissioner. Lawrence has been one very dependable constant among our staff. I spent a bit of time with him chasing water scofflaws during one of our lean water years and learned a few stealthy water diversion tricks. Because of his diligence, we were able to get a handle on a number of our serial self-help irrigators. I want to personally thank Lawrence for his efforts and willingness to share the knowledge that he acquired in his decade and a half service to our ditch company. Lawrence's departure also left the southwest portion of the mesa in limbo. Affectionately known as Burritville, this area has distribution of both Redlands and Durkee water. There was an informal system whereby Lawrence informally hand calculated and set some of those boxes. During one of our summer sessions, the board decided to formally take on the box setting duties there as well.

Fortunately, Evan Cummings acquired even more knowledge from Lawrence than I did and was able to take over those box setter duties. He now serves both Redlands and Durkee as a box setter. We were also able to rehire Andy Kasper with his long history setting boxes on the Mesa. I wish to thank both of them for taking on the added burdens and doing superior work this past year.

I also need to acknowledge Evan for his skills in reverse engineering Dan Hawkin's box setting program. Over time, the program became increasingly buggy and unreliable. Now Evan has cleaned it up and has it functioning perfectly. This saved us all from needing to hire a programmer and attempt to create something new from the ground up. In addition, Evan was charged by the board to develop a new spreadsheet program to help monitor and accurately account for late water distribution. Late water has proven to be the most complicated part of our multi-color system and this is a first step toward better automation.

Sometime in the next few months, he will install a simple to use program on our website that will allow B-1 shareholders to see the status of their remaining shares and to calculate water runs until those shares run out.

I recently attended the Leroux Creek Water Association annual meeting. RMWU are the majority shareholders as Leroux Creeks B-1 Late and B-2 Early shares are the ones we deliver as Redlands B-1 and B-2. If there is any confusion as to what those shares represent, I have a few copies of a document I put together to explain that with me. Please see me afterward.

In the last couple of years, their board with the help of Steve Tuck have made tremendous progress in correcting some serious maintenance issues with a number of their dams. This year they did some work on the Carl Smith, replacing the pipe that contains the valve control stem used to operate the spill gate.

They are also looking at the possibility of raising the dam height on Patterson #1 to reach their full decree capacity. Fortunately, the dam is located on private property so the Forest Service and their policies are off the table. The only issue is cost, estimated at \$500k.

Assessments were called at \$40 for B-1 and \$0.75 for B-2. This is consistent with last year and will be reflected in our budget.

Which leads me to one more significant loss. Our Secretary/Treasurer, Deb Christner will be stepping down as of the conclusion of this meeting. Deb was one of the first of our new neighbors that we met after buying our land in 2010. In our then confusion about our ditch water, a call to Paul Schmucker resulted in a referral to the Redlands ditch rider, Doug Christner and ultimately to Deb when they generously gave us a tour of the entire ditch network. I am really grateful for their welcome and willingness to share a lot of complex information.

As you may know, Deb's experience with land development and project management brought a new level of business management expertise to our organization. She was really the one that kept this outfit running and really knew everything that was going on at all times. I can't sing her praises enough and want to emphasize that her day-to-day involvement will be greatly missed!

With that, I want to welcome Shellie Gies as our Secretary/Treasurer in waiting. At least until I get to new business where I will solicit a motion for a resolution formally appointing her in that position. Thank you to Shellie for being willing to step up and take on that role.

DITCH MANAGER'S REPORT-Josh Kasper, given by Tom Meyers

2024 Recap

Irrigation season began on April 13th with the turning of 13 cfs of water into the Project Ditch. Early flows were gradually increased as demand grew with a peak early season flow of 51 cfs in late May and early June. Total diversions into the ditch were 8,025 acre feet (early and late water) according to the water commissioner's provisional diversion records. 2023 diversions totaled 6,000 acre feet and 2022 saw 7,318 acre feet diverted. Total flows in Leroux Creek in 2024 were much lower than previous years, but diversions were higher due to the fact that the water users were ready for water when it became available. We also started our diversions approximately one week earlier than the Fire Mountain Canal, which is pretty unheard of.

Another highlight is that the box setters only had to lock one box in 2024 due to improper taking of water. This is much lower than the previous two years. Also, a cat walk was set at the Moore box to

make the crossing the structure on foot much safer.

2025 Outlook

As of January 30th, the Snotel site at the Overland Reservoir is reporting 78% of median, which is about where it was one year ago. The other site that seems to be helpful in predicting Leroux Creek flows is Park Reservoir, which is at 63% of median (5.2 inches of water below median). This is well below last year's readings. Additionally, the National Weather Service is predicting below average precipitation for the next 90 days. Don't sell all of your excess hay.

2025 Maintenance

Below is a list of needed ditch maintenance for the upcoming season:

- Repairs to leaky headgate at Leroux Creek
- Annual spring cleaning of ditch from Leroux Creek to the Moore Box
- Installation of additional catwalk at CG 02L
- Cleaning of sub lateral CG 07L
- Reworking of the streambed at Leroux Creek diversion

We intend to have the same box setters as last season – Evan Cummings and Andy Kasper

Lastly, I would like to thank Lawrence McKendrick for his 15 years of service to the water users as a box setter.

As always, please call, text, or email with questions or concerns.

Josh Kasper

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QUORUM

The credentials committee of Shellie Gies and Sue Whittlesey reported that 13 shareholders were present and 26 were represented by proxy, for a total of 39. 29 is needed for a quorum.

MINUTES OF THE ANNUAL SHAREHOLDERS MEETING

MOVED BY:

Greg Knight moved to approve the Annual Shareholders Meeting, January 26, 2024 Minutes.

SECONDED BY: Wyatt Wilson

MOTION CARRIED with no opposing votes.

FINANCIALS

Shareholders received copies of the 2024 Balance Sheets and 2024 Budget Comparison, proposed 2025 Budget and water delivery fee detail. Secretary Deb Christner went over the financials.

MOVED BY: Dave Whittlesey to approve the 2024 financials

SECONDED BY: Barry Willits

MOTION CARRIED with no opposing votes.

2025 BUDGET

Secretary Deb Christner went over the 2025 Budget, there are no significant changes from 2024.

MOVED BY: Greg Knight to approve the 2025 Budget and set the call at \$5.00 as needed.

SECONDED BY: Sue Whittlesey

MOTION CARRIED with no opposing votes.

Board member Lance Rundle joined the meeting.

OLD BUSINESS

Ditch Piping Project-The Salinity Grants are currently delayed due to the U.S. Presidential transition period. There is talk of changes in some agencies, the BLM being one. This could affect the BLM's interpretation of presumptive ditches on BLM property.

Reg Cridler stated he reached out to the BLM to inquire about the progress of the piping project that Redlands and Overland have been working on. The BLM wrote back that they have nothing to do with the funding of the project and no formal documents have been submitted. They also said there would be an annual payment for an easement for the piped ditch. Tom Meyers reminded everyone that the issue was not that the BLM wanted an annual payment, the issue is, as part of the piping project, the BLM will rescind the perpetual easement in favor of a renewable easement. Renewable easements may not be eventually be renewed depending upon political pressure or other demands.

Water Delivery Fee-The water delivery fee was discussed, a couple different ways of calculating this fee were presented.

MOVED BY: Reg Cridler to form a committee to evaluate the water delivery fee and bring the findings back to the board of directors

SECONDED BY: Barry Willits

MOTION CARRIED with no opposing votes.

A signup sheet for the committee was created.

Annie Sievers was concerned about a gate that she uses being locked and wanted it noted that she would be adding her own lock to the gate

NEW BUSINESS

MOVED BY: Janet Quinn for the approval to hire Shellie Gies as Secretary/Treasurer and add her to the bank account.

SECONDED BY: Wyatt Wilson

MOTION CARRIED with no opposing votes.

Late Water ordering-The late water submittal time deadline needs to be changed from 6:00 pm to 5:00 pm allowing proper time to correctly put the order together and get it to Shellie.

Evan will accept texts and e-mails for water orders, these need to have all the information a water order form has and be submitted by 5:00p.m.

There was a suggestion of filling out the order form and sending a picture to Evan.

Evan's contact info: Phone 970 640-2284, Evan.Cummings94@gmail.com

Reminder-If you lease water you need to fill out an official Water Lease form. These forms are on the Overlandditch.com website under Redlands Mesa.

SHAREHOLDERS CONCERNS-

Reg Cridler-stated the Applegate piping study water loss amounts were not correct. The project is currently stalled if and when it become active these concerns will be addressed.

Reg Cridler also said that he was concerned that the board was having special meetings and the minutes are not being taken. The board has not had any special meetings and all meeting minutes are on the website.

ELECTION OF BOARD MEMBERS

The terms of Bryan Klaseen, Dave Whittlesey and Lance Rundle are expiring. They all stated they would be willing to serve another 2-year term.

President, Tom Meyers announced his immediate resignation from the board, thereby relinquishing his remaining one year term.

He then turned the meeting over to Vice President Bryan Klaseen.

MOVED BY: Reg Cridler to nominate Lawrence MacKendrick to the board to fill Tom Meyers 1-year vacancy.

SECONDED BY: Shellie Gies, on behalf of Ray Penland proxy

MOTION CARRIED with no opposing votes

MOVED BY: Sue Whittlesey to retain the present board by acclamation.

SECONDED BY: Shellie Gies, on behalf of Ray Penland proxy

MOTION CARRIED with no opposing votes

ADJOURNMENT

MOVED BY: Wyatt Wilson to adjourn

SECONDED BY: Barry Willits

MOTION CARRIED with no opposing votes.

Meeting adjourned at 8:00 p.m.

Deb Christner

Deb Christner, Secretary