

DeWeese-Dye Ditch & Reservoir Company
Annual Shareholder Meeting
PO Box 759
Cañon City, CO. 81215

January 12, 2019

Call to Order:

The **Annual Shareholders' Meeting** of DeWeese-Dye Ditch and Reservoir Company was held at Brookside Community Center, 1720 Brookside Ave., Canon City, Colorado. The meeting was called to order by President Arlin Bolkema at 7:00 p.m. Vice President Dick Poyner, Director Kenn Estes, and Director Marc Thompson were introduced to the attendees. Director Fran Ackley was absent. Also recognized were Ditch Superintendent Kevin Bourgeois and Secretary/Treasurer Annette Ortega. Shareholder Penny Johnston served as clerk. Shareholders and proxies representing 1,003 shares were certified to be present and/or in good standing.

2018 Minutes:

The minutes from the January 2018 shareholders' meeting were read by Secretary/Treasurer Ortega. President Bolkema asked if there were any additions or corrections. There were none. Director Kenn Estes motioned to accept the minutes, Shareholder Gary Ransom seconded, and the motion passed. There were no objections.

Financial Report 2018:

Financial statements for year ending December, 2018 were provided. Some income and expense items were reviewed as well as expenditures for pipe. President Bolkema went over the financials and some of the project and pipe expenses. We will build on reserves for 36" pipe at the bottom of the Reservoir. We still need to construct the bridge over Grape Creek, which will show under line items "maintenance operations" and "equipment rental". Shareholder Mike Stiehl inquired of where the pipe was placed. Vice President Poyner clarified location of installation of pipe at the cemetery, then 200' on Pinion. There is also stored pipe at Skyline Steel for the 2019 projects. The year-end checking account balance is \$98,250.14. The balance of the CD at Sunflower Bank is \$54,401.85. The loan balance with the Colorado Water Conservation Board is \$33,662.80, with only one (1) more payment left on the note. Shareholder Mike Stiehl also asked if the State Engineer required measuring of upflow, to which Vice President Poyner responded no, because we do not have tail water.

2019 Budget:

Following the discussion on finances for year ended December 31, 2018, the proposed budget for 2019 was reviewed by President Bolkema and Annette Ortega. The line items are similar from the 2018 budget, with the exception of the Cedar lease, which was explained to the Shareholders. The assessments and fees will be the same as in 2018. Shareholder Stiehl stated he would like to see an increase in the budget for pipe to prevent leakage. President Bolkema called for a motion to accept the 2019 Budget. Shareholder Rex Ashlock motioned to accept, and Director Marc Thompson seconded, and the motioned passed with a show of hands. There were no objections.

Updates and Projects:

Updates and projects were presented by President Bolkema and Vice President Poyner. The 2018 Dam inspection was conducted in October. Specifics on the repairs included repairing the cracks in the Dam. The cracks were repaired by Inland Marine and the inspection went well, with no issues. Previous proposals to fix the issues are from \$358,100.00 for CIPP; \$376,300.00 for grouted slip lining; and \$473,500.00 for compressed fit lining. The Ditch is working with Upper Arkansas Water Conservancy District to secure funding for a feasibility study moving forward.

Superintendent Bourgeois did work on the overflow. Water Commissioner Livengood sets the gate and measures, and informed the Ditch of repairs needed to one of the gates. Shareholder Smith inquired of warranty work and Vice President Poyner stated Inland Marine will be contacted to repair.

President Bolkema provided further information: 360' of 15" pipe has been installed at Lakeside Cemetery in November, and 210' of 24" pipe was installed in the ditch next to the west side of Pinion Avenue. There is still 200' of 36" pipe stored at Skyline Steel for installation in the main ditch on the north side of Pioneer Cemetery, west of 1st Street and above New York Avenue. This will be done prior to the 2019 irrigation season, weather permitting. Installation of the pipe will be a long process, as the road is a one-track road and pipe will need to be hauled one stick at a time.

Election of 2 Board Members:

Current Board Members Fran Ackley (replaced Kevin Carmello) and Marc Thompson (replaced Jeff Boccaccio) had previously expressed their interest in continuing to serve. President Bolkema called for nominations from the floor. Shareholder Tim Madone nominated Shareholder Matt Donovan, and Shareholder Robert Holman seconded for Matt Donovan. President Bolkema called for any other nominations, there were none. Vice President Poyner motioned to close nominations, and Shareholder Grant Bell seconded the motion. All aye. President Bolkema asked attending Shareholders to vote for 2 Directors as Superintendent Kevin Bourgeois, Clerk Penny Johnston, and Secretary/Treasurer Annette Ortega collected and tallied votes. Election of Directors totaled as follows: Fran Ackley, 716.5 votes; Marc Thompson, 682 votes; and Matt Donovan, 330.5 votes. Fran Ackley and Marc Thompson will serve a 3-year term.

Election of By-Law change of Legal Address:

President Bolkema read aloud the By-Law change of Legal Address. Change of address will be as follows:

Article I. Offices The principal office of the corporation shall be located at 1720 Brookside Avenue, Brookside, Colorado 81212. The Corporation may have other offices as designated by the Board of Directors to conduct business of the Corporation.

Vice President Poyner motioned to accept the legal address change; Shareholder Lenny Merriam seconded, motion passed with all in favor.

Shareholder questions/concerns:

A Shareholder inquired about who to call if the water is running after 6:30 pm. President Bolkema responded to first call Superintendent Kevin, and if no answer, contact Secretary/Treasurer Annette.

Shareholder Tim Madone explained how the water runs and why you might see water at night after reservoirs are full....the water has to go somewhere.

Shareholders questioned what will happen if someone is found to be in violation. President Bolkema replied the Ditch will speak with the Shareholder first. If matter is not resolved, then Shareholder will receive a violation notice and can be sealed off from access to water until compliant, in accordance with our By-Laws.

With no other items or business needing discussion, President Bolkema asked for a motion to adjourn. Vice President Poyner motioned, Shareholder Mike Stiehl seconded, motion carried. Meeting was adjourned at 8:17 pm.

President Bolkema and Secretary/Treasurer Ortega presented a Power Point for shareholders who were interested in watching after the meeting, for the year in review 2018. Shareholders were able to see pictures of the Dam, Lake DeWeese, and the spillway.

Respectfully submitted,

Annette Ortega
Secretary/Treasurer