

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 Ron Dorn at 7:00 p.m. Directors Dick Poyner, Jeff Boccaccio, Arlin Bolkema, and Kevin Camerlo were introduced to the attendees. Also recognized were Ditch Superintendent Ken Fulton and Secretary/Treasurer Dorothy Ormsby. Penny Johnston served as clerk. Shareholders and proxies representing 1014.5 shares were certified to be present and/or in good standing.

The minutes from the January 2016 shareholders' meeting were read by the Secretary/Treasurer. President Dorn asked if there were any additions or corrections. There were none. Dick Poyner moved to accept the minutes, Eric Moore seconded, and the motion passed with a show of hands. There were no objections.

Financial statements for year ending December, 2016 were provided. Some income and expense items were reviewed as well as expenditures for pipe and large trimmers. The year-end checking account balance is \$33,375.23. The balance of the CD at Sunflower Bank is \$52,708.25. The loan balance with the Colorado Water Conservation Board is \$93,733.85, with only three (3) more payments left on the note. Dorothy Ormsby reported that the Company had no tax liability for year 2015, and none is expected for year 2016. Following the discussion on finances for year ended December 31, 2016, the proposed budget for 2017 was reviewed by Dorothy Ormsby. The line items are almost unchanged from the 2016 budget. The assessments and fees will be the same as in 2016. Tim Madone asked why the proposed budget for office equipment was approximately \$600.00 more than the actual in 2016. It was explained that the Ditch computer may need to be replaced. Dick Poyner moved to accept the budget for 2017, Penny Johnston seconded. The motion passed with a show of hands. There were no objections.

On conditions at Lake DeWeese, Dick Poyner reported that the lake is about two feet from spilling. It is expected that it will overflow by the end of January. The snow depth at South Colony is about 30", which is right in line with the historical average.

On maintenance Dick Poyner reported that the yearly inspection of the dam at Lake DeWeese yielded the following information: The cracks in the dam as noted a year ago are still in need of repair. The inspections and subsequent repairs cannot be completed due to the high level of water. This is not a dam safety issue, but the repairs will be completed as soon as the water level allows. Dick informed attendees that the 36" outlet pipe had been opened and closed this year to insure operability, as required by the State Engineer. In regards to the 36" outlet pipe on the dam, Dick read from the 2016 report, "Based on the observed condition of the 36" riveted steel pipe (thickness, drummy sounding within the pipe, and corroded rivets) we are requiring that the dam owner develop a plan to address the long term operability of the pipe. The safety concern would be that the pipe could fail during high flow releases and obstruct the outlet discharge." A proposal for inspection of the 36" pipe was received from Mike Graber's firm. The amount quoted for the inspection/recommendations for repair was \$19,000. The water is not low enough for the inspection, and all options will be examined in the meantime.

Work on the Grape Creek bridges has been slow due to equipment failure and some health issues experienced by the installer, Dick Poyner. The work on the new weir on Grape Creek is delayed, because of the expenses at the dam. Some new instrumentation is being looked at in lieu of putting in a concrete weir.

No disposition or work on Dam #2 off New York Ave. has been done. It would cost \$1500.00 to breach the dam. In regards to Dam #2, Jim Hoar of the Canon City Parks & Recreation spoke. He stated that the Walter Schepp property which is near or adjacent to the DeWeese holding has been donated to the Parks Department. Jim Hoar felt that it would be an asset to City Parks if Dam #2 would also be donated. The dam itself could be preserved and all the safety requirements could be met by Parks & Rec. Some discussion and questions followed. Eric Moore moved to let the Board of Directors dispose of the property, Ken Estes seconded, and there was a show of hands in favor. There were no objections.

Dick Poyner called everyone's attention to the fact that Joe Brunetto, a shareholder and long-time member of the Board had died during the year. In addition to his involvement on the Board, he did much gratuitous machining and wood work for the ditch which saved the Company many dollars over the years.

At this juncture in the meeting Dick Poyner gave a history of the service to DeWeese-Dye Ditch and Reservoir by Ron Dorn. Ron has given 23 years. In those years he negotiated many contracts, the largest of which was raising the dam at Lake DeWeese. It required some ingenuity in getting financing for the project, as well as many hours of working with engineering to make the expansion a reality. The 23 years translates to over 300 meetings attended. Ron Dorn was applauded and presented with a gift from the Ditch Company. Ron Dorn is retiring.

A vacancy exists on the Board with Ron Dorn's retirement, and Dick Poyner asked Dorothy Ormsby to conduct the election. Arlin Bolkema nominated Ken Estes for the Board, Dick Poyner seconded. Dorothy asked for other nominations. There were none. Mrs. R.L. Davison moved that nominations cease, Dick Poyner seconded. There were no objections. Eric Moore moved that Ken Estes be elected to the Board of Directors by acclamation. Dick Poyner seconded. There was a show of hands in favor of Ken Estes' election to the Board.

With all the business considered, the meeting was closed at 7:50 p.m.

Respectfully submitted,

Dorothy Ormsby
Secretary/Treasurer