

January 11, 2014

The **annual meeting** of the shareholders of DeWeese-Dye Ditch and Reservoir Company held at the Golden Age Center, 728 Main Street, Canon City, Colorado, was called to order by President Ron Dorn at 7:05 p.m. Directors Dick Poyner, Joe Brunetto, and Jim Roberson were present. Board member Jeff Boccaccio was unable to attend. Ditch Superintendent Dave Luscomb and shareholder Penny Johnston served as clerks. Shareholders and proxies representing 1051.67 shares were certified to be in good standing.

At the opening of the meeting, President Ron Dorn introduced the Board members and Ditch Superintendent Dave Luscomb.

President Dorn called for additions or corrections to the minutes from the 2013 annual meeting read by the Secretary/Treasurer. There were none. Tim Payne moved to accept the minutes, Charlie Roberts seconded, and the motion passed with a show of hands.

Copies of financial reports for 2013 and the budget for 2014 were distributed to Shareholders at the registration desk. The Secretary/Treasurer pointed out key points on the income statement and balance sheet. The checking account balance December 31, 2013 was \$20,257.94. The balances of the two certificates of deposit were \$17,751.31 and \$48,358.24. The budget is similar to last year's with no increases in salaries. It was proposed that assessments remain the same. Lou Hargis moved to accept the 2014 budget, Charlie Roberts seconded, and the motion passed.

Dick Poyner talked about the Company website. The purpose of the site is to make the activities of the Board and the Company more transparent, to provide general information, and to provide other sites for specific information about snow depth at South Colony (Snowtel), water content, and stream flow.

The roundabout project at 9th Street was discussed by Dick Poyner. In the process of creating the roundabout, the State replaced DeWeese pipe under 9th Street, constructed new boxes on both sides of 9th, replaced the box at 9th & Grand, and installed new pipe under driveways, all at no cost to the Ditch Company.

A major project underway is the repair of the headgate at Lake DeWeese as explained by Dick Poyner. It is 42 feet from the top of the dam to the headgate, so it was necessary to hire a diving company to assess the repairs needed and to perform the work. Stems installed 102 years ago on the gate gave way to corrosion and wear. It was decided by the Board to replace the stems and guides on both gates because of their condition and to avoid more expense in the near future. The cost of this project will most likely be \$16,000 to \$20,000. This work will be done in the spring after the ice on the lake melts. Charlie Roberts asked if others who lease space in Lake DeWeese will share the repair costs. The answer was "No" since the Lake belongs to the Ditch Company. Larry Farmer asked if the headgates would be replaced. The gates themselves are in good repair according to the divers, so they will be retained.

As a result of the dam breach inundation mapping done in 2013, the dam has been reclassified by the State Engineer as "High Hazard". The Company is required to set monuments at the Lake DeWeese dam by a qualified surveyor to determine if there is any movement in the dam.

Other items of interest were presented to the Shareholders by Ron Dorn, Dick Poyner, and Dorothy Ormsby:

The water commissioner has requested the Company to build a new weir on Grape Creek. Due to settling of the weir, the Ditch Company is being charged for 10% more water than what is being delivered, though the commissioner has made adjustments the last 2 years.

The CWCB loan has a balance of \$177,212.07, and six payments remain.

The Ditch Company neither owed nor paid any income tax for year 2012, and there is no tax bill anticipated for tax year 2013.

The snowpack at the present time is average and it looks like the reservoir will fill before March 15, 2014.

The small reservoir by the tool shed needs to be deepened and the sides made more vertical to discourage cattail growth and increase the capacity.

The Grape Creek bridge project has been assigned to Jan Lowans at the BLM. The Ditch Company has answered all of the environmental concerns. The local BLM officials are scheduled to travel to Denver to seek approval from the State Office.

The Department of Wildlife who holds the lease at Lake DeWeese recently made a request to the Board for approval to do improvement in fish habitat in Grape Creek above the lake and below the dam. The Board agreed and the fishing in these areas should be better.

At this point in the meeting Ron Dorn asked Dick Poyner to conduct the business of electing one member to the Board. Ron Dorn's term has expired. Dick Poyner explained that Ron Dorn is willing to run again. Tim Payne nominated Ron Dorn, and Tony Zupan seconded. Mr. Poyner asked for other nominations. There were none. Anthony DiMarino moved that nominations cease and that Ron Dorn be elected by acclamation. Lou Hargis seconded. The motion passed with a show of hands, and there were no objectors.

Business completed, the meeting was adjourned at 7:48 p.m.

Respectfully submitted,

Dorothy Ormsby
Secretary/Treasurer