



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

January 13, 2024

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. Introduction of Board Directors and staff was made to the attendees. Board Directors present: Director Thompson, Director French, Director Brogoitti, Vice President Estes, and President Bolkema. Staff members present: Secretary/Treasurer Annette Reed-Pugh, Superintendent Prendergast, Superintendent Brogoitti. Kyrie Pugh-Ortega and Superintendent Prendergast served as clerks. Shareholders and proxies representing 1,018.17 shares were certified to be present and/or in good standing. The Affidavit of Publication was received.

2023 Minutes:

The minutes from the January 14, 2023 Shareholders' meeting were read by Secretary/Treasurer Reed-Pugh. President Bolkema asked if there were any additions or corrections. There were none. President Bolkema called for a motion to accept the minutes, Shareholder Tim Payne motioned to accept the minutes, Shareholder Grant Bellm seconded, and the motion passed. There were no objections.

Financial Report 2023:

Financial statements for year ending December, 2023 were provided. President Bolkema and Secretary/Treasurer Reed-Pugh went over the financials and the project and pipe expenses. The year-end checking account balance is \$41,060.99. The balance of the CD at Sunflower Bank is \$64,178.34. Pipe purchased was \$17,947.16, and the repairs and maintenance expenses are \$24,025.04.

2024 Draft Budget:

Following the discussion on finances for year ended December 31, 2023, the proposed budget for 2024 was reviewed by President Bolkema. The line items are similar from the 2023 budget, with the exception of administrative and assessment revenue. Administrative fees increased from \$23.00 to \$30.00, and assessments are down from last year due to forfeitures. The assessment charges will remain the same as in 2023. We will continue to build upon reserves to cover the cost of future needed repairs. Even though assessments were not raised for 2024, attending Shareholders were still made aware that a raise in assessments will still be considered next year, as rising costs are a factor in maintenance of our system. Shareholders are to keep this in mind for future discussions. Discussion ensued about the raise in administrative charges. Secretary Reed/Pugh provided an explanation of what the raise included. Shareholder Rex Ashlock was not in agreement with the raise, and Director Thompson explained in detail what the costs come out to per Shareholders, which was very minimal. Administrative costs have gone up, and we need to be able to keep up. Shareholders were also made aware that online payment options are available, which have helped greatly in collecting past-due assessments, as well as timely payment of assessments. President Bolkema called for a motion to accept the 2024 Budget. Shareholder Jerry Klemm motioned to accept the 2024 budget, and Shareholder Eugene Erps seconded, and the motioned passed. There were no objections.

Updates and Projects:

Updates and projects were presented by President Bolkema. The 2023 Dam inspection was conducted On June 1, 2023, with no significant changes. The scheduled movement survey was rescheduled to 2024 due to weather conditions. A movement survey is required by the State to be conducted every 5 years to monitor movement of the structure. Repairs must still be made to the outlet pipe and grant/loan funding options are being considered by the Board. Major projects included:

- **160' of 36" pipe & box installed at 1332 Poplar**
- **New Telemetry station installed February 2023**
- **120' of 36" pipe installed on Woodpecker Hill**
- **80' of 36" pipe installed at Lakeside Cemetery**

- **140' of 36" pipe installed on West 1st Street**
- **Back fill 1st Street location**
- **Repairs conducted at east 1st Street, Pine Street, and the Big Reservoir**
- **32' of 36" pipe installed to complete 1st Street repairs**
- **Construct Big Reservoir 12" outlet wall**

Grant & Loan Funding Options:

The Board has been researching grant funding and loan funding options to repair our outlet pipe, which is State-mandated. While talks with Upper Arkansas Water Conservancy District to expand the dam (increase storage capacity) have been tabled for now, the outlet pipe repair is our first priority. The BLM approached DeWeese about grant funding options, and put us in touch with their grant writer. The Board has options to get the repairs completed. One option is grant funding, which is a 75%/25% split. 75% of the cost of the repairs will come from grant funding, while 25% will come from a match. Round Mountain Water is responsible for 12.04% of the 25% match and have already committed to their portion. DeWeese would then consider a loan for the portion of the 25% match. The other option we have is from Upper Arkansas Water Conservancy District. Their offer was to purchase space and pay an annual payment to DeWeese to help mitigate the lost revenue from forfeited shares. The Board has not made a decision on either option, but has been working with the grant writer to complete a grant application. The Board will counter Upper Ark's offer once more discussion has taken place, and a better understanding of the options has been reached.

Election of 1 Board Director:

Current Board Director Estes has previously expressed his interest in continuing to serve. President Bolkema called for nominations from the floor. There were no nominations from the floor. President Bolkema called for a motion to re-elect Vice President Estes. Shareholder Grant Bellm motioned for Vice President Estes to continue to serve. Shareholder Joretta Strong seconded, with a unanimous vote of all aye. Motion passed, Vice President Estes will continue to serve another 3-year term. Congratulations Vice President Estes!

Power Point Presentation – Year in Review 2023:

President Bolkema and Secretary/Treasurer Reed-Pugh presented the Power Point and provided a summary of 2023 operations. President Bolkema explained each of the pictures of the projects that had been completed this year, and what was involved with each project. Secretary/Treasurer Reed-Pugh provided a summary of the revenue and expenses. The Power Point and financials will be posted to the website for Shareholder review.

Shareholder questions/concerns:

The floor was opened to Shareholder questions and/or concerns. Overall discussion ensued with regard to repairs and issues that we face, as well as the grant and loan funding options for the outlet pipe repairs.

Shareholder Eugene Erps: expressed frustration with having to maintain laterals that do not belong to him, as Shareholders are not doing their part in maintaining their laterals, as in accordance with our By-Laws. He wanted to know about the easements and who is required to maintain the laterals and who is authorized to use the easements. Shareholder Jerry Klemm provided an explanation of easements and how they work, and who is responsible for maintenance of those easements. Each property that has an easement, utility or otherwise, the property encompasses the easement and Shareholders are responsible for maintaining the laterals.

Shareholder Tim Payne: Discussion ensued about water and storage, and his knowledge of storage that Upper Ark is desiring, how storage works, as well as Upper Ark's role in water conservancy.

With no other items or business needing discussion, President Bolkema called for a motion to adjourn. Shareholder Joretta Strong motioned to adjourn, and Shareholder Margaret Bellm seconded, motion carried. Meeting was adjourned at 8:54 pm.

Respectfully submitted,

Annette Reed-Pugh
Secretary/Treasurer