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

October 6, 2025

Call to Order: President Bolkema called the meeting to order at 5:00 p.m.

Board Directors Present:
Arlin Bolkema

Kenn Estes
Bill Brogoitti
Marc Thompson
Leo French

Board Directors Absent:

Others Present:
Annette Reed-Pugh, Secretary/Treasurer
4 Shareholders

Absent

Minutes:
The minutes from the September 1, 2025 meeting and minutes from the September 26, 2025 Special Meeting were e-mailed prior to the meeting. All Board Directors indicated they had read the minutes. President Bolkema called for a motion to approve both minutes as written, Director Thompson moved to accept the minutes, Director Brogoitti seconded, all voted in favor.

Financial Report:

- **Presentation of the bills:**
  The list of September bills was provided to the Board for review. Secretary/Treasurer Reed-Pugh provided a list of bills. President Bolkema called for a motion to approve payment of the bills. Vice President Estes moved to pay the bills, Director Brogoitti seconded, and all voted in favor of the motion.

- **Balance Sheet and Income Summary:**
  The financial reports were provided to the Board to review prior to the meeting, and anyone with questions were directed to speak with Secretary/Treasurer Reed-Pugh. Discussion ensued on both the format and where we are at with the budget.

Old Business:

- **Reservoir Extension Update:**

Resolution 2025-3 was provided for full agreement of the original proposal from Upper Arkansas Water Conservancy District to move forward with the purchase of 150 af of storage space with future negotiations in enlarging the dam. Resolution 2025-3 **REPLACES** Resolution 2025-2 from the previous September 26, 2025 special meeting held by the Board to accept a revised (V2) proposed agreement from Upper Arkansas Water Conservancy District to purchase 50 af of storage this year and move forward with negotiations.

- **BLM/CWCB Grant Update:**
  Project remains on hold until costs and contractors can be researched.

New Business:

- **Secretary/Treasurer Business Items:** Secretary/Treasurer Reed-Pugh discussed business items and issues, and provided an update on receivables for 2024 and 2025.
  - 501 C(12) application has been approved by the IRS!
  - In the process of completing the insurance renewal
  - 2026 Draft budget provided to the Board for review and consideration in making 2026 budget decisions
  - Project water delivery notification provided by SEWCD for the delivery of project water. Will coordinate with the BLM on timing.
  - Resolution 2025-3 to adopt proposed agreement (150 af storage purchase UAWCD) replacing Resolution 2025-2 (50 af storage purchase UAWCD) has been provided to the Board for consideration and approval.
  - Resolution 2025-4 to adopt an employee manual has been provided to the Board for consideration and approval.

- **Major Ditch Repairs:**
  Director Brogoitti and Director Thompson provided an update. Discussion ensued of several projects. The pipe will need replaced on Grand where the trash truck drove over it. 220' of pipe has been installed on South Canyon location and awaiting inspection from the NRCS for grant compliance.

- **Ditch Superintendent Update:**
  A list of projects was discussed. We need concrete on the double bulk head at 1332 Poplar, the big reservoir has a leak, the double bulk head from Logan to Birch is leaking, upper portion on Division 3 needs repaired, road pipe issues exist at Chandler Road. The headgate on the V ditch causes 90 degree circles, and the pipe by the Plum Creek location is leaking.

- **Shareholder questions:** The floor was opened to shareholders questions and/or comments. There were no questions or comments brought before the Board.

NOTE: Reminder to Shareholders: Shareholders are expected to clean and maintain their laterals, as per our governing By-laws. Violations will be issued to Shareholders for non-compliance with our by-laws; up to and including termination of water delivery.

- **Other Business:**
  - President Bolkema spoke with a Westcliffe contractor about building the road to the dam. He also spoke with RJH about the outlet pipe repairs. Mike Graber is retiring, and the owner of the company is taking the task on. New costs will be provided for the outlet. It will take 3 to 5 months for the engineering, then we will seek contractor bids based upon those costs. We are also awaiting costs from 5-Star and Nomad on the scata system. UAWCD had expressed their intent on installing a new system at the dam with a possible cost-share, which will save us some money. Avalanche Construction was also contacted about lining the reservoir with bentonite. Bentonite cannot be found, so it will be replaced with clay. This will be expensive to truck in. There is 20" of silt in the southwest corner of the reservoir and cat tails need to be removed. Lining the reservoir was discussed to keep cat tails out, but the liner would silt in.. Clay will be brought in and spread to the water line. Further discussion with Avalanche will occur. South Canyon syphon was also discussed. We will need to purchase pipe, concrete, and cable.
  - Resolution 2025-3: Discussion ensued on the proposed agreement from UAWCD to purchase 150 af of firm storage space in the dam for the amount of $1,425,000.00; with further negotiations on enlarging the dam. Water operations were discussed and considered, and the resolution was discussed in detail. Upon conclusion of discussion, President Bolkema called for a motion to adopt Resolution 2025-3 in agreement to move forward and

agree to the terms and conditions set therein of the proposed final agreement from Upper Arkansas Water Conservancy District dated June 9, 2025 for the purchase of 150 af of firm storage space, with further negotiations of future dam enlargement. The proposed agreement was thoroughly reviewed, considered, and revised until full agreement was reached by both UAWCD and DDD attorneys and by the Board of Directors of each entity. This resolution 2025-3 replaces previously adopted resolution 2025-2, which resolved to move forward with the purchase of 50 af. Director Thompson motioned for approval to adopt; Director Brogoitti seconded, and all voted in favor. Resolution 2025-3 for the purchase of 150 af of firm storage space, replacing Resolution 2025-2 for the purchase of 50 af of storage space, is now adopted.

- Resolution 2025-4 was presented to adopt an employee manual. The employee manual is to provide guidelines for employees and directors for the company, and to be in compliance for insurance purposes. All Directors indicated they had read the employee manual prior to the meeting. President Bolkema called for a motion to adopt Resolution 2025-4 Employee manual. Director Brogoitti moved to adopt; and Director French seconded, all voted in favor Resolution 2025-4 Employee manual is now adopted.

Adjournment: With no other business to consider, President Bolkema called for a motion to adjourn. The meeting was adjourned at 6:12 p.m., via a motion by Vice President Estes and seconded by Director Thompson, and a unanimous vote in favor.

Respectfully submitted,

Annette Reed-Pugh
Secretary/Treasurer