

January 8, 2011

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 Jeff Boccaccio attended. Director Honey Moschetti was excused for a family matter. Ditch Superintendent Dave Luscomb and shareholder Penny Johnston served as clerks. Shareholders and proxies representing 1,719.50 shares were certified to be in good standing.

At the opening of the meeting, President Ron Dorn introduced the Board members, the Ditch Superintendent, and the Secretary-Treasurer.

Minutes from the 2010 annual meeting were read by the Secretary.

Financial reports for 2010 were reviewed. The year-end bank balance was \$23,743.35, and the certificate of deposit held by the Company had a year-end balance of \$15,779.39. It was noted that shareholder assessment income was down about \$10,000.00 from the previous year. A question was asked about why approximately \$20,000.00 in accounts receivable was not reflected on the balance sheet. It was explained that the balance sheet is done on a cash basis. There was some discussion concerning collection of past due assessments and forfeiture of shares.

The 2010 budget was presented to the shareholders, and questions were fielded from the shareholders. There were no questions.

Dick Poyner reported that a gauge determining water height and rate of discharge from Lake DeWeese has been installed by Upper Arkansas Water Conservancy. Data from this gauge can be accessed by shareholders through the Company website, [deweese ditch.com](http://deweese ditch.com). There are presently 2700 acre feet of water in the reservoir.

Though progress is slow, Ron Dorn reported that he is confident that BLM will approve construction of bridges across Grape Creek. President Dorn explained the steps thus far in the difficult process of getting permission from the Bureau of Land Management.

On the subject of production of hydroelectric power at the dam of Lake DeWeese, Dick Poyner reported that the Company is in line to receive \$25,000 for a feasibility study for the installation of a plant. The feasibility study is key in determining whether the time, place, and circumstances are right for such an endeavor.

It is unclear at the present time if a portion of Grape Creek will receive Federal Wilderness designation. It is also questionable if the designation would be advantageous or not to the Ditch Company.

Ron Dorn's term on the Board has expired. President Dorn stated that he would be interested in serving another term, hoping to see results of his work on the bridges, hydroelectric, and the proposed Grape Creek Wilderness designation issue. Ron Dorn excused himself for the election.

Dick Poyner presided for the election proceedings. Jeff Boccaccio nominated Ron Dorn to serve on the Board of Directors, and the nomination was seconded. Dick called for other nominations; there were none. Ron Dorn was elected by acclamation of the assembled shareholders.

Dave Gossett made a motion to accept the reports and budget presented. Neysa Westback seconded. The motion carried.

With no other business, Ron Dorn declared the meeting adjourned at 8:15 p.m.

Respectfully submitted,

Dorothy Ormsby  
Secretary/Treasurer