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

September 1, 2025

Call to Order: President Bolkema called the meeting to order at 7:00 p.m.

Board Directors Present:
Arlin Bolkema

Kenn Estes
Bill Brogoitti
Marc Thompson

Board Directors Absent:
Leo French

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

Absent

Minutes:
The minutes from the August 4, 2025 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 the 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 August bills was provided to the Board for review. Secretary/Treasurer Reed-Pugh provided a list of bills, and some of the bills are estimated because statements have not come in yet. 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. Financials look differently due to the software.

Old Business:

- **Reservoir Extension Update (previous):**
  Awaiting a final review of the draft water **storage** proposal from Upper Ark's Attorney and DeWeese's Attorney. Information was provided to the Shareholders on the proposal at the Special Informational Shareholder meeting held on May 31, 2025. Further discussion will take place prior to entering into an agreement. Our water attorney has the most current revision and will review this week, and provide his comments/suggestions. Upper Ark has also provided some options with regard to funding.

- **BLM/CWCB Grant Update:**
  Project on hold, as we are still looking at some options.

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. Reports look different and Secretary/Treasurer Reed-Pugh is working with the software programmers on getting the reports and functions we need. In the meantime, a P&L Budget vs actual spreadsheet was provided to the Board. The IRS has not made a determination on our tax-exempt status, and there is a wait time before we will hear anything back. In the meantime, we are looking into options for receiving funding without paying high taxes. Our accountant has been emailed with more tax questions, and we will await their response, as well, prior to moving forward. In addition to this, we have until May 2026 to complete the NRCS project, and still have time on our CWCB grant funding before we will get started on the project.

  Correspondence was also received from a shareholder about repairs/installation of pipe in the lateral and if the Ditch would be willing to help. As we have many projects and little time, it was decided to provide a list of contractors to the shareholder, which will be paid by the shareholder for any repairs/installation to the lateral.

- **Major Ditch Repairs:**
  Director Brogoitti and Director Thompson provided an update. No major repairs at this time, but Supers are looking into winter projects and assessing the system.

- **Ditch Superintendent Update:**
  Superintendents are managing levels according to weather conditions, and the water levels have been erratic. Some winter projects were discussed, to include the tressle, the crossing at South Canyon Ranch, and the upper hanging pipe. President Bolkema will speak with Avalanche about the tressle repairs and set up a site visit, and will also discuss the upper portion of the hanging pipe. We have not heard back from Bruce with Hydrologik for possible automation.
  - Water shut down dates were dicussed. Estimated water calculations were provided by the Supers, along with some discussion on the thought process. If we continue our one-week runs for Thursdays, Fridays, and Saturdays through Saturday September 20, 2025, we will have approximately 600 af of native water to store thru the winter. President Bolkema called for a motion to approve the one-week runs through September 20, 2025, to run only Thursdays, Fridays, and Saturdays thru September 20, 2025. Director Thompson motioned to approve the water delivery schedule, with a season shut down date of Saturday September 20, 2025, and Vice President Estes seconded, all voted in favor. Notification via email and website will be posted for the Shareholers.

- **BLM Agreement:**
  Aaron Richter with the BLM contacted DeWeese to discuss the agreement we have in place. Information and the agreement was provided to the Board prior to the meeting. Discussion ensued. BLM desires to extend the agreement with a change that they would pay 30% one time a season. The reason for this is because several water transfers had to take place so they had to adjust accordingly each time. Instead of payment several times a season, the desire is to make one payment a season with unlimited water transfers. President Bolkema called for a motion to renew the agreement with the addendum that BLM pays 30% once a season with unlimited transfers of water, and that BLM's attorney draft the new agreement with the addendum and extended dates. Director Thompson moved to accept the proposed option, and Director Brogoitti seconded, all voted in favor. We will contact the BLM with what was decided.

- **Shareholder questions:** The floor was opened to shareholders questions and/or comments.
  - **Shareholder Bosco:** State the tree does NOT affect how the water is running or the flow of the ditch from the previous meeting. He also provided some names on who might have information on lining our leaking pond. We will look further into this.

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:**
  - The floor was opened to other business. President Bolkema will contact PB&T to discuss some loan options while we wait for our tax exempt status and funding from Upper Ark. President Bolkema has been in contact with Upper Ark already on the negotiations for the proposed agreement. We need a laser transit and a demo

saw to complete some of the projects we are planning this winter. Supers will look into costs and research the best options.

Adjournment: With no other business to consider, President Bolkema called for a motion to adjourn. The meeting was adjourned at 8:06 p.m., via a motion by Director Brogoitti and seconded by Vice President Estes, and a unanimous vote in favor.

Respectfully submitted,

Annette Reed-Pugh
Secretary/Treasurer