





The Blue Stone Ditch Association

Special Board Meeting November 16, 2023





Our Bluestone Ditch is one of the oldest ditches in Colorado with a senior water right that predates the Colorado River Compact of 1922. This puts our ditch and the associated shares in “rarified air”. Our Colorado River water right is one of the oldest and most senior within the boundaries of the State of Colorado.



NAMES LISTED IN COURT DECREES

- **Bluestone Valley Ditch**
- **The Bluestone Valley Ditch**
- **Bluestone Ditch Association**
- **The Bluestone Ditch Association**

Do I have a right to vote as a Shareholder?

Shareholders have the right to vote at the Annual Shareholder Meetings - primarily for the purpose of electing Board members, determining assessments on shares of the corporation and for the approval of the annual budget. The Board members are elected by Shareholders to conduct the business of the Ditch and act in accordance with what is in the best interest of all shareholders collectively.

In Bylaws Section 3.01 - The business and affairs of the corporation shall be managed by its Board of Directors.



COMPLETED WORK FOR 2023

COMPLETED WORK FOR 2023 - NARROWS

BEFORE



AFTER



COMPLETED WORK FOR 2023 - HAYES FLUME

BEFORE



AFTER



COMPLETED WORK FOR 2023 - CULVERT

BEFORE



AFTER



TYPES OF MANAGEMENT STRATEGIES

REACTIVE MANAGEMENT

- When a problem occurs, you simply react to it.
- The problem was never rooted out before it occurred and may have been prevented had the possibility of the problem been identified and addressed.
- This is otherwise known as “firefighting”.

PROACTIVE MANAGEMENT

- Thinking ahead to try and eliminate the possibility of a problem even occurring in the first place.
- Strive to think out problems that may occur.
- Implement safeguards and strategies to keep the problem from occurring.

Money Spent on Repairs

Reactive

- Beaver hole in Narrows
Oct 2023
- Rock Slide in Narrows
April 2023
- Muskrat breach off of
W Road July 2022

Proactive

- Replace Hayes Flume
2023
- Remove Culvert 2023

2009 BREACH

Table 2-1

Blue Stone Ditch Income

| | |
|-------------------------------|--------------------|
| 2008 Special Assessments | \$110,230.00 |
| 2008 Ditch Assessments | \$ 29,897.69 |
| Transfer Fees & Miscellaneous | <u>\$ 2,364.16</u> |
| Total Income | \$142,491.85 |

Blue Stone Ditch Expenses

| | |
|------------------------------|---------------------|
| Bank Charges & Supplies | \$ 3,082.98 |
| Contract Labor & Ditch Rider | \$ 19,053.64 |
| Insurance | \$ 2,615.00 |
| Legal Expenses | \$ 7,139.90 |
| Maintenance & Repairs | \$ 7,032.50 |
| Ditch Breach Expenses | <u>\$104,593.75</u> |
| Total Expenses | \$143,517.77 |



MISCONCEPTIONS VS TRUTHS

MISCONCEPTION VS TRUTH

MISCONCEPTION

If we do not use all of our water, the state/government will take it.

TRUTH

A water right is considered abandoned if the water has not been put to beneficial use for an extended period of time, at least ten years. If there is non-use and an intent to abandon, could be a year, BUT THERE HAS TO BE AN INTENT OR PROOF.

MISCONCEPTION VS TRUTH

MISCONCEPTION

Adding in measuring devices
at head gates is very
expensive.

TRUTH

The most common weirs
for our use needs average
around \$2500.

These costs can be written
into Ditch or private grants.

MISCONCEPTION VS TRUTH

MISCONCEPTION

If we apply for and receive grants, the government will be involved in our business.

TRUTH

The entire legality of water is in the Colorado Constitution - The ditch rights were adjudicated to us by the government and can be taken as well (a very lengthy and formal process). Your shares allow you to use the water - ultimately the water is owned by the people of Colorado.

MISCONCEPTION VS TRUTH

Misconception

The ditch runs through my property and I do not have to allow anyone access to the ditch because it is private property.

Truth

Ditch companies have the right to enter your property to maintain the ditch and perform “reasonably necessary” operations.



WESTERN SLOPE DITCH COMPANIES

WATER MANAGEMENT PLAN/ENGINEERING STUDY 2009 FINDINGS

- It was recommended by Dan Crabtree that we create a new Water Budget once measuring devices were installed since ALL data for this study was estimated due to the lack of historical water use measurements.
- Shareholders participating in a survey for the study indicated that one of the issues was not having measuring devices or a distribution system in place.
- Recommendations were made to line/pipe all or parts of the Ditch.
- Recommendations were made for future water measurement devices along the Ditch.
- Dan also stressed the importance of developing long-term goals for the Ditch.

MESA COUNTY IRRIGATION DISTRICT (Dave - Ditch Rider)

- **Require all subdivisions to have measuring devices as required by ditch rider.**
- **They use ultrasonic flow meters - a bit more expensive, but less maintenance.**

PALISADE IRRIGATION DISTRICT (Dan Crabtree)

- They have a similar CFS allotment as us (80 them/81 us).
- They require all subdivision and shared headgates to have a Water Association and a Metering Device.
- The entire ditch/system is piped.
- Grant monies were used to complete the majority of their water projects.
- Dan thinks our biggest issue as a Ditch Company is future development and being able to provide water to all users.
- Dan thinks most important thing is to complete a revised engineering study and create a water management plan that will ensure water availability for all users.
- When The Larkin Ditch was brought up, his only comment was “Those guys are going to be in trouble”.
- They hold monthly meetings.

GRAND VALLEY IRRIGATION COMPANY (Charlie Guenther)

- Weirs in use - important to have a standard that is required by Ditch Company (rectangular steel, boxes - size and type recommended by engineers).
- Have used grant money to complete infrastructure projects.
- JUB was their engineering firm for grant studies.
- Recommended we refer to the Water Measurement Manual (US Dept of the Interior)
- Recommendations for weirs - Delta Weirs and Irrigation Systems, Richard Shriner Welding.

THE ROSEMAN DITCH COMPANY(ELK CREEK/PEACH VALLEY)

- In 2013, the Water District 39 Commissioner required that all shareholders install measuring devices before water would be provided in 2014.
- Have not been able to track down the “why”.

Silt Water Conservancy District (Charlie Terrell)

- Weirs in use - they measure every inch of water.
- They use every bit of grant money that they can get their hands on.
- It was recommended to take money and support when we can because if we do not take the help that has been offered to us and “put our house in order”, they (the government) will put our house in order.
- The water use/shares etc has been adjudicated to all of us to use by the Federal Government - they can also take it away.
- They meet once per month.



**THINK GOVERNMENT IS NOT
INVOLVED IN OUR BUSINESS?**

STATE OBLIGATIONS FOR ALL DITCHES

Pursuant to section 37-84-116, C.R.S., all headgates, measuring weirs, flumes, and devices used in connection with canals, flumes and ditches or reservoirs for the measuring and delivering of waters, are under the supervision and control at all times of the State Engineer and the Division Engineer of that particular division. This does not mean that a water user is prohibited from reading the gauge. However, it does give the State Engineer and Division Engineer the right to examine all structures involved herein. This section also provides that any noncompliance with the provisions regarding the structures involved herein, sections 37-84-112 to 37-84-117, C.R.S. shall forfeit the right to divert and/or store water while in violation of this statute.

STATE OBLIGATIONS FOR ALL DITCHES

- The owner or persons in control of any canal or ditch used for the purposes of irrigation or carrying water for pay must keep enough water in the ditch or structure involved to meet the requirements of all persons entitled to the use of the water from that ditch or structure, and no more. See section 37-84-118, C.R.S.
- The owner or person in control of any canal or ditch used for the purposes of irrigation, shall maintain the ditch or canal in good repair. The ditch or canal must be able to receive water as of April first of each year, so far as can be accomplished by the exercise of reasonable diligence. All necessary outlets must be in good repair and reasonably placed to distribute the water efficiently. See section 37-84-119, C.R.S.

CAN THE BOARD BE LIABLE FOR WATER THAT IS NOT DELIVERED?

Should any person refuse to deliver water, or interfere with the proper delivery of water to the persons having right to such, that person is guilty of a misdemeanor and can be fined from ten to one hundred dollars for each offense. Imprisonment of up to one month can also result along with the fine. The owner of the ditch is liable for any damages incurred by the persons deprived of the use of the water involved.

See section 37-84-121, C.R.S.

CAN YOU AS A SHAREHOLDER BE LIABLE FOR THE WATER YOU ARE USING?

No person can take more water than they are entitled to. If a person or entity finds that they are receiving amounts in excess of those decreed, they must immediately take steps to prevent excess reception. If the person knowingly permits extra water and fails to take immediate corrective steps, that person or entity is liable for the damages incurred by the party aggrieved, including reasonable costs and attorneys fees.

See sections 37-84-124 and 37-84- 125, C.R.S.

(Someone could go after Ditch, we would have to go after shareholder)

FROM THE CSU EXTENSION OFFICE

Ditch companies generally own and maintain ditches from their head-gates to an established point where the individual landowners or lateral ditch associations manage the smaller ditch systems. Lateral ditch associations generally have by-laws and rules of cooperation in order to keep the lateral system functioning and to avoid conflicts.

WHAT WILL YOU DO WHEN (NOT IF) YOU ARE NOT DELIVERED THE WATER THAT YOU HAVE PAID FOR? WHOSE JOB IS IT TO ENSURE THAT YOU GET THE WATER THAT YOU HAVE PAID FOR?



I CANNOT SAY WHETHER THINGS
WILL GET BETTER IF WE
CHANGE; WHAT I CAN SAY IS
THEY MUST CHANGE IF THEY
ARE TO GET BETTER.

GEORG C. LICHTENBERG

Sources

<https://extension.colostate.edu/topic-areas/natural-resources/irrigation-ditches-and-their-operation-6-701/#:~:text=Ditch%20companies%20coordinate%20the%20use,water%20irrigation%20systems%20and%20conveyances.>

<https://cms9files.revize.com/laplatacounty/planning/Synopsis%20of%20Colorado%20Water%20Law.pdf>