

**The Blue Stone Ditch Association  
Spring Shareholder Meeting Minutes  
April 24, 2025 - 6:30 PM**

**Officers in Attendance: Zach Pigati, Meghan Nedvecki**

**Updates of activity on the ditch so far this year:**

- Guy has been very busy organizing the ditch cleanout and repairs. Zach commended him for how hard he's been working and his quick response when issues come up.
- There was a large rock fall at the narrows that required large machinery to break up and clear out of the ditch.
- Spring ditch cleaning has been completed
  - Undershoots were plugged up and needed to be cleared out
  - Several beaver dams were removed
  - Removed large trees that were on the easement and made it much safer for Guy to travel up and down the ditch.
  - Reminder that we are no longer cleaning out the entire ditch every year but will be strategically addressing areas that need it so we are utilizing the machinery more efficiently and not digging the ditch too deep/wide in areas.
- Please plan on the ditch cleaning to happen the first or second week every April. Also if you are making repairs to your headgate or other areas on the ditch and need it kept off to complete your repairs just let any of the board members know.
- Gate project has been completed and installations went well

**Discussion on bylaw changes:**

- 2.04 Notice of Meetings - include that notices will be sent to email on file
  - Clarification that meeting notices will be emailed if we have an email on file for your account. If we do not, we will mail out notices for voting meetings.
- 3.05 Special Meetings - Board work sessions to address projects or other issues that come up as needed.
- 3.13 Participation by Electronic Means - We will add the ability to attend meetings for both the board members and shareholders via Zoom or other electronic meeting platforms to allow more people to participate and vote.
- 4.02 Appointment and Term of Office (notes previously under 3.02) - staggered board terms.
  - There was discussion on the need to maintain at least one board member from year to year especially as we work on multi year projects and grants.
  - There were concerns about extending board terms and making it more difficult to remove board members if needed. It is also very uncommon for the entire board to turn over and usually it is difficult to get people to participate so adding this language isn't really necessary.

- 5.05 Transfer of Shares - add language to limit transfer to property owners or lessees
  - There was discussion on how to limit “speculative” shareholders who no longer owned or leased land within the area the ditch services. Colorado water law does not allow for speculative water rights and there is a risk of these shareholders no longer paying their dues since they don’t receive any benefits from holding them.
  - In addition there is growing concern about companies and municipalities acquiring shares so that they can control the water usage from the ditch in the future. It was suggested that wording be added into the bylaws to limit the number of shares that an entity can own to prevent them from becoming majority shareholders and voting changes that go against the will of the rest of the shareholders.
  - Additional discussion occurred about not wanting to tie a set number of shares to a property to allow shareholders to sell and acquire them as their needs change.
  - It was also suggested that we add wording that prevents current board members from purchasing delinquent shares unless it is at a public auction where all shareholders have the option to bid.
  - Zach will talk to the ditch’s attorney about options for adding additional language to cover these concerns.
  
- 5.08 Manner of Payment and Forfeiture - charging interest on past due fees, payment plans, notifications of past due shares
  - There is already sufficient language in the current bylaws that state when and how an account will be determined as delinquent, we just need to start following them and get better about communication.
  - Unless the shareholder has contacted a board member to set up an approved payment plan, current year and past due shares will incur an annual interest of

Other Updates:

- We currently have a balance of \$5677 for past due shares, down from \$20,057 at the end of 2023
- We are still working on the online billing setup, we are working to get invoices out the week of 4/27, if you would like to pay electronically please email us and we will get you added in Quickbooks