

RECORD OF PROCEEDINGS

**Kawanee Gardens Irrigation Company
Annual Meeting of the Stockholders
Wheat Ridge Recreation Center
4005 Kipling St., Wheat Ridge, Colorado
February 26, 2019**

I Call to Order / Quorum

President Dave Devine called the meeting to order at approximately 7:10 PM.

Seventy seven and one-half shares are required for a quorum. A quorum of 83 shares was represented, 37 and one-half in attendance, and 45 and one-half by proxy. Fred Clarke motioned to recognize a quorum. Sean Mallory seconded the motion. It passed on a voice vote; there were no dissenting votes.

II Reading & Adoption of Minutes from 2018 Annual Meeting

Copies of the Minutes of the 2018 Annual meeting were made available to shareholders. President Devine allowed some time for the shareholders to read the Minutes.

Fred Clarke motioned that the Minutes of the Annual meeting be approved. Sean Mallory seconded the motion. The motion passed on a voice vote; no dissenting votes were noted.

III Reading & Adoption of 2018 Financial Statement

Treasurer Roger Schneider read the Treasurer's Report for the calendar year 2018. A copy was made available to the shareholders.

Roger noted that the balance in our bank account increased by about \$2400 primarily because the Company did not incur any costs for ditch improvements. Roger indicated that the Ag Ditch assessment for 2019 will remain the same as last year - \$9,240. The cost for insurance went down about \$150. Roger asked if there were any questions on the Treasurer's Report. None were forthcoming.

Dean Berggren motioned to accept the Financial Statement for 2018. Gary Dyer seconded the motion. It passed on a voice vote; no dissenting votes were noted.

IV Discussion of Improvements & Maintenance Projects

Dave discussed three projects that require the Company's attention. First and most importantly is the collapse of the main ditch just west of Kipling. Repair will require approximately 120 feet of 15 inch pipe, pulling out and disposing of the concrete, and backfilling. Jeff McKinney estimated the pipe would cost \$2500 for this project.

A second project involves the property at 2415 Garland which was owned by Rob Neal. The concrete lining across the back of the property has collapsed. Replacement pipe is available on the property. Jeff will bring in equipment to complete this project.

A third project involves property at 2040 Garland where the ditch has dropped about 2 and a half feet. Approximately 40 to 60 feet of 12 inch pipe will be needed for this repair. Dave indicated we may be able to do this during the cleaning day.

Alius Kaleda discussed the low flow on Lateral 2 this last watering season. Rich Keasling mentioned that there is a problem at the lateral 1 & 2 division box. A temporary repair will be attempted by placing a plate at the division box. Dave said a long term fix will require contacting the property owner near the box. Another area of concern is on Lateral 3 near 2280 Field.

V Vote on 2020 Assessment

Roger noted again that our bank balance increased by about \$2500 without any costs incurred for ditch repairs and improvements. He also stated that having a balance in the bank of about one year's expenses without taking into account costs for ditch improvements, (about \$11,000) would be prudent. The projects noted above will require the purchase of pipe, the use of equipment and labor. Jeff McKinney offered up the services of his construction company as he has in the past. He also offered to submit estimates of how much the company will have to incur to complete these projects. Without knowing the precise amounts needed to complete the repairs, but understanding that costs will be incurred, Alius Kaleda motioned that the assessment for 2020 be increased by \$10 per share to \$110 per share. Kim Massey seconded the motion. After considerable discussion, the motion passed on a voice vote. There was one dissenting vote.

VI Election of 2019 Board of Directors

The current Directors of the Board indicated a willingness to continue to serve. Fred Clarke motioned to retain the Board. Peter Marcogliese seconded the motion. After discussion, the motion passed on a voice vote; there were no dissenting votes.

VII New Business

Roger explained that Goes Lithographing Co made a printing error on stock certificates used by our company. The word "Irrigation" was misspelled "Irrigation". Shareholder Mike Armstrong noticed the error but not before several misspelled certificates were issued. Roger had the printer redo the order. To account for this error, Roger suggested the following motion:

Stock certificates 1125, 1126, 1127, 1128 and 1129 are hereby determined to be legally valid and effective despite the misspelling of the word "Irrigation".

Dave Devine made the motion and Sean Mallory seconded it. It passed on a voice vote with no dissenting votes noticed. Dirk Sutphin asked if he could be issued a new certificate and Roger said he could do that.

Lateral Supervisors were identified for 2019:

- Lat 1 John Schmuck
- Lat 2 Rich Keasling
- Lat 3 Jeff Bennett
- Lat 4 Peter Marcogliese

Saturday April 6, 2019 was selected for ditch cleaning; April 13^h was selected as a backup.

VIII Vote to Adjourn

There being no other business, Sean Mallory motioned to adjourn the meeting. Fred Clarke seconded the motion. It passed on a voice vote; no dissenting votes were noted. The meeting was adjourned at approximately 8:35 PM.

