

RECORD OF PROCEEDINGS

**Kawanee Gardens Irrigation Company
Annual Meeting of the Stockholders
Wheat Ridge Recreation Center
4005 Kipling St., Wheat Ridge, Colorado
February 23, 2016**

I Call to Order / Quorum

President Dave Devine called the meeting to order at approximately 7:20 PM.

Seventy seven and one-half shares are required for a quorum. A quorum of 78 and one-half shares was represented, 31 in attendance, and 47 and one-half by proxy. Dave Devine motioned to recognize a quorum. Fred Clarke seconded the motion. It passed on a voice vote; there were no dissenting votes.

II Reading & Adoption of Minutes from 2015 Annual Meeting and the July 24, 2015 Board of Directors Meeting

Copies of the Minutes of the 2015 Annual meeting and the July 24, 2015 meeting were made available to each shareholder. President Devine allowed some time for the shareholders to read the Minutes.

Dave discussed the company's "Policies & Procedures" document and indicated that he is still working on them due to recommendations made by our attorneys.

Dave motioned that the Minutes of the Annual meeting be approved. Blair Miller seconded the motion. Dave also motioned that the minutes of the July meeting be approved. Fred Clarke seconded this motion. Both motions passed on a voice vote; no dissenting votes were noted.

III Reading & Adoption of 2015 Financial Statement

Treasurer Roger Schneider read the Treasurer's Report for the calendar year 2015. A copy was made available to all the shareholders.

Roger noted that the balance in our bank account decreased by about \$4000.00 primarily because of pipe purchases and ditch improvements of about \$6500. These improvements are discussed below. Roger indicated that the Ag Ditch assessment for 2016 will increase by \$2.00 an inch or \$264 since the Ag Ditch carries 132 inches for our Company. Roger also pointed out a contribution to the company in the amount of \$1000 from a

nonshareholder. This contribution was made by a home owner in connection with pipe laid in front of his property located on 24th between Field & Estes.

Janet Mallory noticed in Roger's report that expenditures were not added correctly. Expenditures should be 18,807, instead of 12,444. Roger asked that shareholders make this correction on their copies. This error does not affect the end of the year bank balance shown on the Report. The bank balance at 1/1/2015 is correct - \$4,077.

Beth Hurliman motioned to accept the Financial Statement for 2015, subject to the correction noted above. Janet Mallory seconded the motion. It passed on a voice vote; no dissenting votes were noted.

IV Discussion of Improvements & Maintenance Projects

Rich Keasling discussed the improvements made on 24th between Field & Estes. The ditch had been flooding certain properties in this area. Old corrugated pipe put in years ago was creating numerous problems with debris and occasional flooding. This section of the ditch was replaced with larger PVC pipe. Improvements were also made to the ditch between Field and Garrison, and on Lateral 3 at 2400 Garrison.

Rich stated that he received many phone calls from shareholders about low flows early in the watering season. Ag Ditch flows were sporadic and it took about a month for the Ag Ditch to iron things out.

Rich also discussed a future project on Lateral 2: approximately 300 feet from Garland west to the 1 & 2 division box. Jeff Bennett mentioned some projects on Lateral 3 between Field & Estes that he wants to work on.

Rich stated the City will replace culverts if they are on the City's right of way.

Shareholders should contact Rich & Jeff if they know of areas that need work. The company could use help running the ditch. Jeff explained that what we basically do is keep the ditch unclogged.

V Vote on 2017 Assessment

After discussion, Ron Horst motioned that the assessment for 2017 remain at \$100 a share. Jamieson Briscoe seconded the motion. It passed on a voice vote; there were no dissenting votes.

VI Election of 2016 Board of Directors

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

VII New Business

Dave discussed the lawsuit that had been filed against the company, stating that the suit was settled without cost to the company. He also credited our attorney Jeff Kahn for providing valuable services and advice throughout the ordeal.

April 2, 2016 was selected for ditch cleaning; April 9th was selected as a backup.

VIII Vote to Adjourn

Roger Schneider motioned to adjourn the meeting. Blair Miller seconded the motion. It passed on a voice vote; no dissenting votes were noted. The meeting was adjourned at approximately 9:15 PM.