

ANIMAS CONSOLIDATED DITCH COMPANY

February 06, 2018

Greetings Shareholders!!

Hoping this finds everyone doing well. Our annual meeting is scheduled for Saturday, March 03, 2018 at the Animas Valley Grange Hall at 10:00 am. See more complete information on your proxy. Enclosed is your annual invoice, proxy, and the *Contact Information Form*. Prior to the meeting, please go to our website at animasconsolidatedditch.com to review the 2017 minutes, 2017 financials and the 2018 budget. Lots of good, very pertinent information regarding the upcoming expected dry season will be presented, so come one and all!!

Ed Zink and Brett Shaffer are both up for re-election and have agreed to be nominated for retention of their board positions. Other nominations can be received from the assembly at the annual shareholders meeting. If you are unsure you will be attending the annual meeting, please complete the enclosed proxy and return the proxy to me no later than March 02, 2018. If you are in attendance, your proxy will not be used. Make sure your proxy is signed. Proxies will be audited for accuracy. Please call with any questions you may have.

Get ready.....here comes the broken record part!! It is very important to have accurate contact information on all shareholders. We have over 300 shareholders on our ditch, and accuracy is important because only the name of the water certificate holder has **legal right** to the water. If you are the person designated to be responsible for paying all expenses related to the water certificate(s) listed on your invoice, this does not ensure that you are the legal owner of the water certificate(s). So again, if there has been a change in the status of ownership (ie: marriage; death; divorce; change of name; sale of property; change of entity; etc.) please contact me so I may assist you in having valid water rights ownership.

Transfer of water certificates can only be completed using the **ORIGINAL** water certificate(s), no exceptions! If you are unable to locate your original water certificate(s), a process called an "Affidavit of Lost Stock Certificate" must be completed. This is not only an expense for you the shareholder, the process can take eight to ten weeks to complete. Once the process is complete, I would issue a new certificate. Please take the time to locate and secure your water certificate!

Here is an example which may help clarify ownership....

If you bought my home and I said you could also have the car that was parked in the garage, the car would not really be owned by you until I transferred the title to you.

Enclosed is our company *Contact Information Form*. Even if your information hasn't changed, and even though you have filled it out before, **please, pretty please**, complete and return the form to me, as it helps me to know your status in writing each year.

Your board wants everyone to know that with the impending water shortage this summer, we will need to work together to make what water we can get go further. Your ditch board is working on contingency plans in case the Animas River goes on "call". Being on "call" means that the Colorado Division of Water

Resources will be checking carefully to ensure no-one is using more water than they are entitled to use. Success can be reached by following the steps outlined below:

1. Our first step is to make sure all head-gates are operating well so flows can be accurately controlled.
2. Secondly, each of our members needs to review how many shares they own and understand fully how much water flow that really is. One share will fill a 27-gallon trash can in one minute, or a five-gallon bucket in 11 or 12 seconds. Many people "over water" their land and that actually reduces plant growth and productivity. A good rule of thumb is to water every 10 to 14 days during the heat of the summer. If your pasture or lawn isn't used to that schedule it might take the roots a little time to grow down deeper to make this work. There are many soil types in the Animas Valley and all have different water requirements. Visit with our NRCS office for specifics on your land. If we all use our water carefully we should get by just fine even in these drought conditions. Thank you for your help. You can visit our website, Animas Consolidated Ditch.com, select the *Handy Info* tab and select the *Cubic Feet Per Second* document for more information.

Dan James, our board president, also wanted everyone to know that board member, Eric Bikis, will be giving his annual run off and water assessment report at the annual meeting. There will also be an additional expert guest to give an update on the water quality and aquatic life conditions in the Animas Watershed.

The board also wants to make you aware of the La Plata County's *Use Code Revision Project*. Throughout the west, the urbanization of rural areas presents challenges for agricultural ditch companies like ours. In an ongoing effort to protect the ditch's easement and its operations, your board has been active in upgrading the process to evaluate and approve landowner encroachments. Our goal is to protect our ditch, so it can still operate smoothly 50 or 100 years from now. As part of that effort, we have presented suggested language to La Plata County for protection of ditch easements in the proposed update of the land use code. To date, the County has been very supportive of protecting agricultural ditches.

If you would like to know more about the suggested up-date of the La Plata County *Use Code Revision Project*, you can visit to their website at:

http://www.co.laplata.co.us/government/news/what_s_new/land_use_code_revision_project

On a personal note, this will be my last year working with the ditch. I have very much enjoyed getting to know you all, and it truly has been my pleasure to be of service to you. In the meantime, while the board is seeking my replacement, I will continue to provide you with the best service I can, so if you have any questions or concerns, please do not hesitate to contact me. If I don't have the answer to your question or have the information you might need, be assured I will seek out the counsel of those much wiser than myself!!

Most Kindly,

Meme 😊

Meme Eberspacher
Bookkeeper