

**FIRE MOUNTAIN CANAL & RESERVOIR CO.**  
**P.O. BOX 543**  
**HOTCHKISS CO 81419**  
**(970) 872-3664 FAX (970) 872-3667**

January 22, 2015

The annual meeting of the Fire Mountain Canal and Reservoir Company shareholders was called to order at 6:30 PM by President Dixie Luke. Directors present were Bill Houseweart, Wes Spore, John Stroh, and Dan Robinson. Also present were Superintendent Trey Denison, Ditch Rider Bill Moore, Assistant Ditch Rider Don Brekke, Secretary-Treasurer Randy Fisher, and non-voting board members Ron Smith and Susan Raymond.

Dixie L. starts the meeting with the Pledge of Allegiance.

All in attendance introduced themselves.

Trey Denison thanked the Board of Directors for their support, Bill Moore and Don Brekke for their great job performance, and Jakki Taylor and Randy Fisher for their office assistance. Trey then presented his 2014 report on maintenance issues and accomplishments:

- A record number of acre feet of water was delivered this year (63,300 AF)
- There were no canal breaks this year
- Discussion re: the challenges at the reservoir outlet this fall
- Work was started on the Leroux Creek Diversion project
- USGS inflow and outflow sedimentation monitoring was discussed
- Discussion of CRSP MOA grant funding
- Discussion of weed control and how FMC controls weeds
- Weed control workshops and weed control grants
- Grant funding opportunities through CRSP MOA, weed control grants, salinity FOA's and RCPP grant funding.

Dixie L. discussed the relationship between the Colorado River Water District (CRWD), FMC, and the North Fork Water Conservancy District (NFWCD); Dixie L. discussed the support FMC receives from the CRWD and the NFWCD and the time and effort Dave Kanzer put into the RCPP grant proposal.

Dixie L. opened the floor for shareholder questions/comments/discussion:

Don Grant had a question regarding weed control; he had an herbicide intrusion this year and was questioning FMC's weed control efforts. Trey D. discussed the mechanical methods FMC uses to control weeds, the FMC's Integrated Pest Management Plan, how commercial applicators must be licensed, and that FMC had not sprayed weeds since after the water was turned off in the Fall of 2013.

Joe Yeamans discussed his hydroelectric plans for his lateral on Pitkin Mesa; he has contacted the Grand Junction Bureau office for their permission; Dixie L. discussed that FMC will be filing for a hydroelectric decree.

Cary Denison, Trout Unlimited representative, discussed the RCPP funding process. He discussed that \$8 million dollars was granted to four water districts on the Western Slope; there will be public outreach meetings in Montrose on 02/03/2015 and Hotchkiss on 02/19/2015.

Secretary Randy Fisher presented the financial report and announced a quorum of shares (110,589.50) was present at the meeting; 110,078 shares are needed for a quorum.

Dixie L. announced the two board seats currently held by John Stroh and Wes Spore are up for election.

Myles Roberts nominates Wes Spore and Jerry Dance seconds;  
Dion Luke nominates John Stroh and Carl Roberts seconds.

After three additional calls for nominations by Dixie L., Paul Schmucker moves and Dion Luke seconds that nominations be closed and the motion carries with a shareholder voice vote. Jeff Armstrong motions to forego an election ballot due to no additional nominations, Dan Bolton seconds and the motion carries. The FMC Board will remain the same and no election will be held.

Dixie L. discussed that the monthly meetings are open to shareholders interested in attending and learning about what the Board does and the issues discussed; the meetings are held on the second Thursday of the month at the Delta County NF Annex building at 7:30pm. Jeff Armstrong is interested in becoming a non-voting member of the board.

Ron Smith discusses the possibility of a canal tour sometime this summer.

Myles Roberts gave an update on the Rogers Mesa piping project.

The annual meeting adjourned at 7:45pm.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'RW Fisher', written in a cursive style.

Randall W. Fisher, Secretary-Treasurer