

FIRE MOUNTAIN CANAL & RESERVOIR CO.
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February 11, 2010

The monthly meeting of the board of directors of the Fire Mountain Canal and Reservoir Company was called to order by President Luke at 7:30 pm. Directors present were Bill Houseweart, Dan Robinson, John Stroh and Wes Spore. Also present were Trey Denison, and shareholder Susan Raymond.

Wes S. motions the 01/21/2010 Annual Meeting minutes be approved as read, Bill H. seconds and the motion carries.

Dan R. motions that the January meeting minutes be approved as corrected. Wes S. seconds and the motion carries.

John S. motions that the treasurer's report be accepted, Dan R. seconds and the motion carries.

Bill H. motions that the bills be paid, Wes S. seconds and the motion carries.

Wes S. motions the stock transfers be approved, Bill H. seconds and the motion carries.

Susan Raymond announced the Soil Conservation Board has an upcoming election, nominations are due February 26, 2010 and asked if the FMC Board had any recommendations for nominees.

Superintendent Report:

Trey reported the snow percentage at McClure is 95%, roughly equivalent to 10" of water; optimal amount would equal 16". Overall drainage is at 95% of normal/average.

Spring 2010 work to be done:

Belzona Colorado plans to return in March to repair/replace the prior work.

Vegetation needs to be removed on south groin of dam. The Hubbard Creek joint repair will cost approx \$3,000; the drain valve installation/repair for the Hubbard Creek and Leroux Creek siphons will cost approx \$600 and the Cline concrete needs to be sealed.

Trey would like to pour approx 100' linear feet of concrete in the Blue Ribbon drain area.

Sunshine Mesa ditch reshaping ¼ to ½ mile.

New Patterson lateral parshall: Trey would like to oversize at extra cost, approximately \$2,000; Trey would like to buy a couple of 6" and a couple of 9" parshalls (approx cost of \$450 and \$700 each). Patterson parshall to be set on concrete footers.

Fire Mountain Extension – head ditches to be repaired and pipe at L road replaced, approximate cost \$5,000.

Leroux Creek undercut at diversion can be fixed after spring runoff.

OLD BUSINESS

1) Grant Proposals: Wes and Dixie are working on the Bureau of Reclamation grant and Dixie is working on the CRCD grant.

2) Trey, Dixie and Wes attended the Bureau of Reclamation district workshop on February 3, 2010. Fire Mountain Canal and Reservoir was on the agenda twice; once for how FMC and the Bureau worked together to handle bridge and easement issues and again for how FMC handled the Jay Creek siphon work and McCarthy letter. The Bureau was complimentary of how FMC handled these matters.

The district workshop also presented information on zebra mussels, salinity and selenium. Transmountain diversions were also discussed and the presenters think that the battle will be protracted and the Front Range interests will eventually win.

An attorney spoke about Colorado water rights, easements, and tail water, and was followed by a question and answer session.

3) URS of Glenwood Springs (John Sikora) will attend the next salinity/selenium grant meeting in Delta on Feb 18, 2010. Sikora will attend the March FMC meeting and discuss the salinity/selenium grant situation. The March FMC meeting will begin at 7:00 pm.

4) Bill H. motioned and Dan Robinson seconded to request that Jeff Henion, EA review the financials. Motion carries.

5) Hildebrandt gate was discussed and decided that a definitive letter needed to be sent to both the Denver and Hotchkiss addresses.

NEW BUSINESS

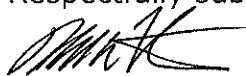
1) Randy to look into off-site storage of digital records

2) The contract with the North Fork Water Conservancy District was discussed and should be reviewed every five years per Tom Alvey and Dixie Luke.

3) There was general discussion on hydro power and Susan Raymond offered the name of Curt Johnson of Telluride Energy for additional information.

Meeting adjourned at 9:45 PM

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'R. Fisher', with a stylized flourish at the end.

Randall W. Fisher
Secretary-Treasurer