

**FIRE MOUNTAIN CANAL & RESERVOIR CO.**  
**P.O. BOX 414**  
**PAONIA, CO 81428**  
**(970) 527-3662**  
**FAX (970) 527-3023**

May 13, 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, Bob Madden, and Anna Kampe Gall.

Bill H. motions the 04/08/2010 meeting minutes be approved as corrected, Dan R. seconds and the motion carries.

Wes S. motions that the treasurer's report be accepted, Bill H. seconds and the motion carries.

At that time, Bill H. asks about the legal costs to the Company regarding the McCarthy matter and Dan R. asked about price differences between All American Resources and United Companies. A discussion followed. Kent Cotton of All American Resources has thanked Fire Mountain Canal for the spring work.

Bill H. motions that the bills be paid, Dan R. seconds and the motion carries.

Superintendent Report:

All American Resources dug out the Hubbard Creek Siphon and Trey pumped out the water. Trey was able to repair the bad joint using non-shrink grout, hydraulic cement and 3 coats of Belzona.

The Leroux Creek drain has been repaired and the Hubbard Creek drain valve is scheduled for repair soon. Leroux Creek, Jay Creek and Hubbard Creek Siphons have all been repaired in the last three to four years.

The Cline box repair is completed and there has been no leakage from this box onto railroad property.

The Patterson parshall bridge has been installed and Wes commented on how smoothly the water flows through the parshall.

The Jay Creek siphon was flushed at 100 cfs and there are no apparent problems and no feedback from Mr. McCarthy.

The Fire Mountain Extension is running well; water is being measured accurately. Mr. Hildenbrand has installed two automatic gates. Bob Stechert still needs to install an automatic gate.

Trey reported that cracks in the Cline box have been sealed. Also, Terror Creek, Barrow Mesa, and Wolf Creek crack repairs have been sealed.

It was discussed that good quality concrete has been obtained from both All American Resources and United Companies.

The Pitkin Mesa Pipeline has been told by the Bureau of Reclamation that they will have to bore under the Fire Mountain Canal rather than breach it for their planned project. A second alternative would be to breach the canal and follow with full repair and maintenance, compaction and lining on both sides.

The Bureau of Reclamation will begin looking into the waste water ditches above the canal on Garvin and Stucker Mesas approx the second week of June.

The five year mechanical inspection of the dam is scheduled for May 20, 2010 as part of the comprehensive maintenance inspection that is done every five years.

Trey reported that 160-165 cfs is currently in the ditch and that Leroux Creek is not really running. Trey is trying to run as much water to Rogers Mesa as possible without Leroux Creek runoff. Trey and Paul Schmucker are working together to get as much water out of Leroux Creek as possible.

Wes asks about the Terror Creek sealing done last year and Trey reported that the sealing looks great. Trey learned at the seminar training to pour concrete as a liner without expansion joints, let it crack and then seal the cracks.

Trey discussed income opportunities and said there was gravel available at Hubbard Creek and a mini-hydro facility was also a possibility.

John Stroh asked about the May 20 inspection and Trey stated that they will look at hydraulics, gates and mechanical aspects of the dam. Bob Norman from the Bureau will attend the inspection. Mr. Norman engineered the automatic controls. Wes said that he felt Brian Mitchum of Mountain Peak Controls should be there as well.

Trey estimates 80,000 acre feet of runoff for 2010 (average runoff is 75,000 acre feet); Trey said that approx 40,000 acre feet have yet to come. Trey further stated that the reservoir is at a critical stage in siltation and that if the reservoir loses fall from the Muddy to the dam that the water will lose too much velocity to cut the channel needed. Trey said that Fire Mountain Canal could go from losing 100 acre feet per year to 500 acre feet per year if the water velocity lowers.

Trey is trying to flush at high water but the weather has been making this difficult. We need 14,000 acre feet to fill and have approx 40,000 acre feet of runoff. Trey met with the Bureau of Reclamation in Grand Junction yesterday (May 12) to review the new SOP.

Dredging from a maintenance point of view instead of a restoration point of view would only remove build up accumulated from last year but per the Bureau, might be easier to get done.

Old Business:

- 1) The grant application has been successful. Dixie is reviewing the contract and should be done tomorrow.
- 2) Bob Stechert needs to get a letter now regarding the automatic gate.
- 3) The ditch headgates have been completely mapped. The Board will have to make some decisions regarding salinity in the coming months.

New Business:

- 1) Bureau of Reclamation review in July will provide an overview of the Fire Mountain Canal delivery systems.
- 2) Dixie discussed the Roundtable meeting and said that it appears that the Eastern Slope interests are determined to prove that the Colorado River in Grand Junction has 1 million acre feet of "excess" water and that Fire Mountain Canal needs to be aware that this is an ongoing situation.

A general discussion followed regarding the Rogers Mesa-Leroux Creek floodwater.

Wes motions that the meeting adjourn, John seconds and the motion carries.

Meeting adjourned at 9:15 PM

Respectfully submitted,



Randall W. Fisher  
Secretary-Treasurer