

FIRE MOUNTAIN CANAL & RESERVOIR CO.
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June 11, 2009

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, Wes Spore, and Dave Stiller. Also present were Trey Denison, Robert Madden and Dan Bolton.

Wes S. motions that the 05/14/09 meeting minutes be approved as read, Dave S. seconds and the motion carries.

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

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

Trey reports that the headgate was shut off at the reservoir May 14, and spilled on May 23, at 8:30PM. From May 14 through May 23, 2009 12,000 acre feet of water was stored in the reservoir.

Trey, Scott, Dave S. and Dixie met with Fire Mountain extension shareholders at Harold Clay's house. The parshalls were reset, ditches have been cleaned and gates are open except for Hildebrand. Trey has talked with Hildebrand and hopes to work out a solution.

170 cfs at headgate, there are no leaks of notice but some seepage is evident.

Trey and Scott are spot spraying for toadflax and knapweed on the ditch banks and the sprayer is at Valley Machine being retrofitted. The spillway abutment was cleaned and large logs pulled up on the dam and weeds were spot sprayed at the dam.

Wes asked about the spillway cavity; a hole was drilled 3" into the concrete to inspect the cavity under the spillway and Tom Fowlds feels that the cavity was caused during construction. The cavity is approximately 4'x5' and 3" of concrete covered the void. The hole was fixed with belzona. When the spillway is shut off Trey can inspect the belzona application.

1) The Board is in receipt of a letter from Michael McCarthy dated May 6, 2009. Dixie will be in touch with Mr. McCarthy and let him know that the Board is waiting on the Bureau of Reclamation to research the situation before we respond.

2) Dave Stiller asks if emergency dumping is covered in the water management plan.

- 3) The Fire Mountain Extension meeting held with the shareholders was generally good with shareholders expressing positive opinions about the meeting, the repairs, and efforts made by the Board, Trey and Scott.
- 4) Dave S. motions to invite Bob Madden to become a non- voting board member; Wes S, seconds and the motion carried.
- 5) The Board is in receipt of a letter from Wink Davis regarding his concern about spraying on or near his property as it may compromise his organic status.
- 6) A general discussion was held on the budget spreadsheet and scheduled upcoming repairs regarding how much the Board will want or need to spend on repairs this Fall.
- 7) A discussion was held about establishing a financial review committee and Randy Fisher will contact David Lane, CPA.
- 8) A discussion was held regarding amendments and changes to the existing by-laws and it was decided that they would be ready to review in the Fall.
- 9) Phase I of the sedimentation study has been completed.
- 10) A discussion was held about spraying, mowing and burning in the Spring. Dixie stressed that toxic weeds such as toadflax and milkweed need to be controlled. Dave S. would like Trey to coordinate spraying and mowing within the current budget constraints and let the Board know if more funds are needed to control the weeds.

New business:

- 1) A meeting is scheduled between the Bureau of Rec and the North Fork Water Conservancy District on July 29, 2009 at Tom Alvey's packing shed.
- 2) The Board members would like the employee mileage logs scanned and emailed to them on a monthly basis.

EDUCATION AND INFORMATION:

Dan Bolton gave an overview of pivot irrigation systems.

The meeting adjourned at 10:15 PM

Sincerely,

Randall W. Fisher, CPA
Secretary-Treasurer