

FIRE MOUNTAIN CANAL & RESERVOIR CO.
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July 05, 2012

The regular 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 Wes Spore, John Stroh, Bill Houseweart and Dan Robinson. Also present were Trey Denison and Randy Fisher.

Bill H. motions and John S. seconds the 06/14/2012 meeting minutes be approved as corrected and the motion carries.

John S. motions and Dan R. seconds the treasurers report be approved and the motion carries.

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

No transfers were presented.

SUPERINTENDENT REPORT:

--Trey reported 350 to 360 acre feet of water usage from the reservoir per day, leaving 26 to 27 irrigation days left and estimated that the canal would turn off the first week of August.

--Eco Contracting completed the rock catch at Terror Creek;

--Trey stated the leak at the Hubbard Creek wasteway would be repaired in the fall.

--The backhoe has another 25 hours of use fixing leaks and repairing freeboard.

--TDS (Telecom) will be meeting with the Bureau of Reclamation regarding internet service up to the Bear Ranch area. Hughesnet is not operational now. Fire Mountain Canal would have to pay TDS to run a line from CR12 up to the dam.

--The Bureau of Reclamation has been surveying the muddy slides, but has not yet reached Garvin Mesa.

--Scott Howell filled in for Bill Moore this week and will fill in for Trey next week.

OLD BUSINESS:

1) Trey will attend the sedimentation workshop July 10-12 in Denver.

2) The 50th anniversary of the Paonia Reservoir, as the first completed Colorado River Storage Project, will be celebrated on August 6, 2012 and Fire Mountain Canal will contribute a donation toward the expense of the presentations.

3) Fire Mountain Canal could draw on past SOP shutoff and deliver approx 150AF to the North Fork of the Gunnison; Bureau of Reclamation is not sure Fire Mountain Canal can do this and certainly cannot charge for the water. The Bureau reps will meet with the Colorado State Engineer and discuss the issue further.

A general discussion followed and it was decided to speak to Steve Tuck for further clarification.

4) Bill H. moves and Dan R. seconds that the Hillyard utility agreement be signed after some clarifications.

5) There was a general discussion on salinity numbers and the salt load work sheet will be sent to John Sottolare at the Bureau of Reclamation.

NEW BUSINESS:

1) The budget was reviewed. Dan R. motions and Wes S. seconds that the 2012 assessments be \$0.80 per share with a \$45.00 user fee per shareholder and the motion carries.

2) The Board consensus is that water can be used for fire suppression.

3) The Board had a general discussion on security concerns.

Wes S. motioned to adjourn the meeting at 9:45 PM, Dan R. seconds and the motion carries.

Respectfully submitted,



Randall W. Fisher,
Secretary-Treasurer