

**FIRE MOUNTAIN CANAL & RESERVOIR CO.
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17 July 2014

The regular monthly meeting of the Fire Mountain Canal and Reservoir Company was called to order at 7:30 PM by President Dixie Luke. Directors present were Bill Houseweart, Wes Spore, John Stroh, and Dan Robinson. Also present were Trey Denison, Ron Smith, and Randy Fisher.

The Rogers Mesa Water Distribution Association board was in attendance along with Brian Deeter of J-U-B Engineering.

The RMWDA board and Brian Deeter led a discussion on a change to the original plans for the trash rack at the Slack and Patterson laterals. Bids for the original planned trash rack were too high and RMWDA is requesting a motion to accept the changes in the proposed trash removal structures designed by J-U-B Engineering for the RMWDA piping project.

A discussion followed on the questions of who would own the structures and be responsible for the maintenance. Trey said FMC employees are at the site daily and could clean the structure but questioned who would be responsible for repair, maintenance, and replacement.

Wes S. motions the design be approved, provided the Bureau of Reclamation approves as well, along with the repair and replacement of the trash rack being permanently the responsibility of the RMWDA, Dan R. seconds and the motion carries.

The RMWDA board and Brian Deeter excuse themselves for their meeting.

John S. motions and Wes S. seconds the June meeting minutes be approved as corrected and the motion carries.

Bill H. motions and Wes S. 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.

Wes S. motions and John S. seconds the transfers be approved and the motion carries.

Secretary Randy Fisher lead a budget discussion regarding the revised budget spread sheet and the delineation of expenses between Fire Mountain Canal and the North Fork Water Conservancy District.

Consultant Dan Crabtree is available to help negotiate a new agreement and will attend a meeting with FMC Board members at Randy Fisher's office on July 23, 2014 at 3:00pm.

After discussion, Wes S. moved and John S. seconds the 2014 assessments be set at \$0.90 per share with a \$55.00 user fee and the motion carries.

SUPERINTENDENT REPORT:

--Trey reported that he has not pulled water from the reservoir as yet but will very soon.

--Trey and Dixie attended a meeting with the NoChico Brush group in Montrose; the Colorado River Basin has been designated a Critical Conservation Area and available for federal grant money. The federal agencies involved in providing funding for the area want to see partnering of diverse groups in grant applications. Conservation groups involved in the grant process have to be established groups with a ten to fifteen year track record in this area.

The preliminary grant application for the NFWCD/FMC is set at \$5 million dollars to be used for diversions, automation, safety gates and modernization.

--Trey stated that the dam security inspection was scheduled for next week and said the inspection several years ago also promised fence material that was never delivered.

--The lessee of the Cline property in Bowie has not been cleaning the box properly and water is flowing onto the railroad; Trey reported the headgate is now locked.

--Bill Moore has been working on improving the overflow at the Jay Creek and Hubbard Creek siphons; there were several low freeboard areas along the canal that Bill has repaired as well.

--There was a storm event at the grape farm on Sunshine Mesa but no damage was done.

--Trey reported 168 cfs at the diversion headgate and still have full delivery of water to Rogers Mesa (94 to 96 cfs); 2013 and 2014 repairs have improved water delivery efficiency.

--Algae and moss have been bad this year.

--Trey discussed the J-U-B proposal of \$50,000 for the canal Master Plan.

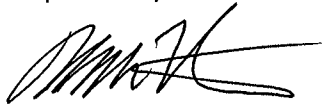
NEW BUSINESS:

- 1) One of FMC's main contractors has not paid his Mapco bill in full; perhaps a rolling balance from last year.
- 2) John S. motions to retain Dan Crabtree as a consultant to assist FMC in moving forward with a new contract with the NFWCD, Wes S. seconds and the motion carries.
- 3) Wes S. motions for FMC to hire attorney Larry Beckner (Williams, Turner, and Holmes) to look into the NFWCD's flexibility with mil levy monies, with consultation fees capped at \$500 dollars, Dan R. seconds and the motion carries.

ADJOURNMENT:

Dan R. motions to adjourn the meeting at 10:30pm, Bill H. seconds and the motion carries.

Respectfully submitted,



Randall W. Fisher, Secretary-Treasurer