

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

August 02, 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, Dan Robinson and Susan Raymond. Also present were Trey Denison, Bill Moore, Randy Fisher, Ralph D'Alessandra of the Delta Soil Conservation District and Cary Denison of Trout Unlimited.

Members of the Ed Tuft family were in attendance as visitors.

Wes S. motions and John S. seconds the 07/05/2012 meeting minutes be approved as read and the motion carries.

Dan R. motions and Bill H. 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 Dan R. seconds that the transfers be approved and the motion carries.

Guest Ed Tuft had concerns about extending the irrigation season for fruit growers as fruit trees are not rotatable crops and water has gone off in early August twice in ten years. Two topics were brought up and discussed.

Topic 1: Who is responsible for the reservoir and Dixie responded by explaining Fire Mountain Canals efforts to reduce sedimentation. Trey discussed efforts by Fire Mountain Canal and the Bureau of Reclamation to sustain current reservoir levels and not lose additional storage.

Topic 2: Why didn't Fire Mountain Canal cut back to 70-75% to save water for later in the season and was any polling of shareholders done on the subject? Dixie replied that due to evaporation and transit loss, it was decided to continue running the canal at 100%; Reducing the flow would have only extended the season 10-12 days at best.

Mr. Tuft brought up the subject of Board transparency as he was not aware that meeting minutes and policies were posted on the firemountaincanal.com website. Dixie asked Ed to come up with a plan this fall that would solve a short irrigation season issue in the future.

14,500 AF was stored this year and the original reservoir capacity was 18,000 AF

Ralph D'Alessandro and Cary Denison said that Delta Soil Conservation District submitted a proposal to NRCS to help fund a reengineering of Fire Mountain Canal diversion. The

Fire Mountain Canal project was one of 30 projects selected and funding would be for approximately 30% of either alternative proposal.

The goal of the project would be to allow fish to pass upstream without a low head dam and allow the diversion to operate without catching as much trash and sediment.

Ralph and Cary asked for feedback on Fire Mountain Canal Board goals as the diversion is sucking in most of the bed load sediment and, what is the cost to the water users:

- 1) Sucking in sediment bed load
- 2) Safety of diversion for Fire Mountain Employees
- 3) Ongoing cost of maintenance of the current structure

SUPERINTENDENT REPORT:

--Trey said that lack of suspended sediment in the water needed to seal the ditch is causing many leaks in the canal, most prominently between Terror Creek and the Bowie turn off and between Stucker and Sunshine Mesa.

--Trey and Bill have utilized the backhoe approx 200 hours and that has greatly helped with operation and maintenance this year.

--There was a discussion about artificially introducing clay sediment to the canal; Bill and Trey are currently using clay barrow sites to seal small areas of the canal, especially if the barrow site is near the leak location.

--Trey said many leaks need to be repaired and they may go over budget this fall.

--The canal will be shut off in the next day or so.

--Trey attended a Reservoir Sustainability Workshop, July 10-12 and mentioned that knowledgeable professionals from the world were in attendance. In an attempt to extend the life of the reservoir, sedimentation expert from the Bureau of Reclamation stated the Paonia Reservoir would be Bureau's flagship project.

--Bruce Marvin (Western Engineers) and Trey will be presenting information on sedimentation to the North Fork Water Conservancy District on the third Tuesday of August.

OLD BUSINESS:

1) The Hillyard crossing agreement was signed and returned to the Bureau of Reclamation as Board concerns were addressed in the document.

2) The FOA for salinity grants was released August 1 and are due on November 16, 2012 and there was discussion on which engineering firm to share the salt load numbers with. Three firms were discussed and JUB Engineering was selected.

NEW BUSINESS:

- 1) Operational plan for draw down approved by the Bureau of Reclamation is to draw down to 6362', two feet above sill of intake at 2-3 AF per day. Trey will follow this procedure and attempt a low flow flush.
- 2) Trey and Dixie revised the weed management plan and Tom Alvey has signed the plan for the North Fork Water Conservancy District.
- 3) Ballot initiatives regarding reallocation of water resources have been withdrawn.

Dan R. motioned to adjourn the meeting at 10:00 PM, John S. seconds and the motion carries.

Respectfully submitted,



Randall W. Fisher,
Secretary-Treasurer