

**FIRE MOUNTAIN CANAL & RESERVOIR CO.
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October 11, 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 Bill Houseweart, Wes Spore and Dan Robinson. Also present were Randy Fisher, Trey Denison, Bill Moore and Susan Raymond.

Wes S. motions and Bill H. seconds the 09/13/2012 meeting minutes be approved as corrected and the motion carries.

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

Dan R. motions and Wes S. 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.

SUPERINTENDENT REPORT:

--Trey reported JUB sent a surveyor out to Rogers Mesa to survey the ditch involved in the FOA proposal.

--The park service wants to install a buoy line at the reservoir and is supposed to provide a plan to the Bureau of Reclamation for approval; Trey is concerned about trash accumulation. The park service is not to install the buoy until after high runoff is done and is supposed to remove the buoy after spilling.

--Division of Wildlife plans to eradicate pike from the Paonia reservoir this fall.

--Trey reported that a Garvin Mesa landowner's driveway was on Fire Mountain Canal land and the landowner would like a right of way agreement with Fire Mountain Canal. Randy Fisher and Trey would like a survey and portfolio made of Fire Mountain Canal land if Wilmore Surveying could put one together for under \$400.00.

--Trey and Bill completed rehab of 1000' of clay lining this fall in these areas: Coal Road area, downstream Garvin Mesa, Terror Creek, Sunshine Mesa/Grape Farm.

--160 yards of concrete was poured at two locations near Terror Creek and extending the lining at Coal Road.

--Fire Mountain Canal will need a small boat to go out and clean the trash rack around the intake during the full drain downs of the reservoir.

--Trey reported that the reshaping is mostly complete and they may do a small amount of reshaping at Leroux Creek in the Spring; Fire Mountain Canal may have to build a screen to filter rocks from the clay material.

--Trey complimented Bill Moore on the job he has done on the canal this year and recommended that Bill receive an increase in pay.

There was a general discussion about a canal crack seal product called Aqualastic (fixcanal.com).

--Zack Thode of Rubicon Water is preparing a preliminary proposal for automation at the major siphons.

--Trey met with Delta County road superintendent Ralph Clark regarding Garvin Mesa Road drainage; there was a discussion as to whether the county should close the road.

Dixie expressed her gratitude to Trey and Bill for all their hard work and the great job they do.

OLD BUSINESS:

1) The Bureau of Reclamation will allow the Hillyards to have an engineer sign off on the new bridge, but future bridges will need an engineer stamp before approval.

2) The Bureau of Reclamation is setting up a fund to study the sedimentation at the reservoir and will sample sediment next week, a bathymetric survey is to be done in the Spring of 2013.

Discussion: Should Randy apply for the technical assistance grant and is this the direction that Fire Mountain Canal wants to take:

Wes would like to move the canal forward with automation, lining, piping, etc and modernizing the system.

Dan basically agrees with Wes in promoting modernization and efficiency but would like to keep assessments from going too high in the future,

Bill would like to go slow and proceed with caution to be sure that Fire Mountain does not get into cost over runs.

Dixie is in favor of improving water efficiency.

3) Rubicon Water is preparing a preliminary proposal for automation at the major siphons.

4) JUB is to move forward with FOA salinity application.

5) Dixie has signed a crossing agreement with TDS Telecom.

6) Ed Tuft requested and received a list of Fire Mountain shareholders.

NEW BUSINESS:

- 1) The DOW will move forward on plans to remove pike from the reservoir.
- 2) Dixie stated that board meetings need to end by 10:00 PM and special meetings can be called for items like grant applications.
- 3) Evaluations and salary committee will meet in November.
- 4) The Bureau of Reclamation would like a more precise contract between the Bureau, Fire Mountain Canal and the North Fork Water Conservancy District.
- 5) DARCA presentation from 6:30-9:30 on November 29, 2012 for members at Memorial Hall. It will focus on Boards of Directors, director responsibilities, how to run a meeting, etc.

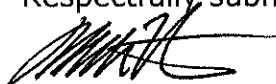
Dan R. motions and Wes S. seconds to have Wilmore provide a land portfolio for less than \$400.00 and the motion carries.

Dan R. motions and Wes S seconds to pay Bill Moore \$17.15 per hour for hours worked beyond the 1,400 agreed upon hours and the motion carries.

The next meeting of the Fire Mountain Board of Directors will be held Thursday, November 8, 2012.

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

Respectfully submitted,



Randall W. Fisher,
Secretary-Treasurer