

FIRE MOUNTAIN CANAL & RESERVOIR COMPANY
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January 2, 2012

A special meeting of the board of directors of the Fire Mountain Canal and Reservoir Company was called to order by President Luke at 5:00 pm. Directors present were Bill Houseweart, John Stroh, Wes Spore, and Dan Robinson. Also present were Trey Denison and Susan Raymond.

The meeting was called to discuss the upcoming BLM oil and gas lease sale this August 2012, the potential impact on the Paonia Project, and to discuss the FMC board response during the initial comment period which expires 01/09/2012 (unless extended to 02/09/2012).


General discussion among the board regarding parcel locations, parcel locations in relationship to the Paonia Project and the canal, impact of crossing the canal with heavy equipment, lack of adequate bridge crossings, drilling in proximity to the dam and reservoir, drilling and construction activity in the vicinity of the canal, siphons, and diversion structures, drilling and construction activity in the vicinity of steep hillsides and shale deposits, and water quality issues relating to drilling fluids and torrential rain events.

Wes discussed that any written communication to the BLM should be copied the NFWCD, and the Bureau of Reclamation.

After further discussion, Wes motions to have Secretary Randy Fisher draft a letter outlining the board concerns and requesting total withdrawal for the reasons discussed above, from the August 2012 BLM sale, parcels 6195, 6196, 6206, 6207, 6215, and 6216, Dan seconds and the motion carries.

Randy will draft the letter and email to the board for comments and changes.

Meeting adjourned at 6:00 pm.


Randall W. Fisher
Secretary-Treasurer

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December 08, 2011

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, Dan Robinson, John Stroh and Bill Houseweart. Also present were Trey Denison and Susan Raymond.

Wes S. motions the 11/08/11 minutes be approved as corrected, John S. seconds and the motion carries.

Bill H. motions the treasurer's report be accepted, Dan R. seconds and motion carries.

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

Dan R. motions and John S. seconds that the transfers be approved and motion carries.

The financial compilation statement and agreed upon procedures for 2010 was reviewed by the Board. Dan R. motions to accept, John S. seconds and the motion carries.

SUPERINTENDENT REPORT:

Trey reported that concrete is being poured and ditch reshaping is completed on approximately 4.5 miles of canal; Tribble & Sons is working on the reshaping above Hotchkiss and adding freeboard. Trey said the canal reshaping is going well.

Trey stated the Bureau of Reclamation does not have signage for the Blanford crossing. Dixie will call Mr. Blanford and advise him to get a sign that Fire Mountain Canal employees will install for him.

OLD BUSINESS:

- 1) Dixie and Trey participated in a conference call with the Bureau of Reclamation to discuss the Hillyard bridge issue and a tree issue. DMEA has trimmed the tree to protect the power lines and nothing else will be done at this time.
- 2) The Bureau of Reclamation is finalizing the letters needed for the Vandenberg utility crossing.
- 3) Wes Spore and Randy Fisher attended a grant writing seminar in November and are putting together the application for a remote monitoring grant for Leroux Creek, Jay Creek and Stevens Gulch.

- 4) The sedimentation meeting held at the CSU Extension building was informative. The Bureau of Reclamation is interested in keeping the Paonia reservoir viable; sedimentation problems are not unique in the Western states. The Bureau is requesting pictures, sediment monitoring results and measurements of inflow vs outflow.
- 5) Board consensus is to lease a backhoe for 2012.
- 6) A headgate policy was posted on the Fire Mountain Canal website on December 8, 2011.
- 7) A general discussion was held regarding unpaid assessments and whether liens should be levied on the property of delinquent shareholders.

NEW BUSINESS:

- 1) The Bureau of Reclamation will host a workshop in Grand Junction on February 1, 2012.

Dan R. moves to adjourn the meeting at 9:10 PM, John S. seconds and the motion carries.

Respectfully submitted,



Randall W. Fisher
Secretary-Treasurer