

FALLS CREEK RANCH ASSOCIATION, INC. BOARD OF DIRECTORS MEETING

A regularly scheduled meeting of the Falls Creek Ranch Association, Inc. Board of Directors occurred on August 23, 2016 at the home of Larry Hansen. Present were President, Jim McCarthy; Vice President, Michael McQuinn; Treasurer, Larry Hansen; At Large, Peggy Yotti and Secretary, Deirdre Heine. Also present were Phil Boroff, Ed Kileen, Chris Heine, Joe Scarpino, Steve Autry, Bob Strachan and Don Felix.

1. APPROVAL OF MINUTES

A motion, duly made by Mike McQuinn, to approve the minutes of the June 25, 2016 Town Hall meeting and the August 3, 2016 Special Board of Directors Meeting was seconded and unanimously approved.

2. APPROVAL OF AGENDA

The agenda was approved.

3. LIAISON REPORT

Mike McQuinn reported:

Our Ranch Manager, Ray Smith, performed the following tasks in July and August:

- Collected and delivered Bactis to San Juan Basin Health for both months
- Assisted with dirt work for air curtain burner
- Made the Zetor ready for mowing at corrals
- Continued work on file transfer to new state templates
- Sprayed for pine beetles 100 feet both sides of Main from Starwood to Aspen Ln.
- Assisted with slash pile and area surrounding
- Performed maintenance on ranch house
- Turned fertilizer at the corals
- Performed annual monitoring sample collection
- Purchased new pump for fire protection at air curtain burner site
- Continued with file transfer to meet state standards (this task will take at least another month) updating will be on going
- Received labor help in the equipment shed, work was of excellent quality and shop looks very good now
- Several loads to transfer station, and Lon's wrecking yard
- Worked with lake committee on new privacy area
- Replaced three meter read outs within distribution system
- Graded FCR Main

4. TREASURER'S REPORT

Larry Hansen, Treasurer, reported:

Budget

It looks like we will have come in under budget for FY2015-16 however will wait for financial report to verify.

Past due accounts

Full payment received and lien released on undeveloped lot in default of FY2015-16 annual member assessments and water billings.

Grant Fund

Ended the year with a \$30,000 (rounded) cash balance, after all cost-reimbursements received. Traced balance back to transfers from operating account in 2014 and 2015. Transfers were to set up a grant reimbursement fund to use to pay vendor / contractor mitigation invoices prior to reimbursement from grantor. No record of board approval noted in prior minutes so asking for formal board approval of this transfer at this time, to be recorded in minutes. An accounts payable to operating fund will be set up and funds will be returned to the operating fund should there come a time when cost-reimbursable grants no longer awarded.

Fiscal year end CPA Reviewed financial statements

Should be completed by September 30. Will post to website when received.

Larry Hansen made a motion to have the Board formally approve of the prior year transfer of \$30,000 from operating funds to the Grant Fund. The \$30,000 transfer will remain in the Grant Fund as long as cost-reimbursable grants are being awarded, after which it will be transferred back to operating funds. Deirdre Heine seconded the motion and the motion was unanimously approved.

5. COMMITTEE REPORTS

FireWise Ambassador

Paulette Church, Firewise Ambassador, reported via email:

Air Curtain Burner (ACB) Grant Update

Final report has been submitted, validated by the CSFS, and accepted as complete. Payment has been received.

Grant for Trimming Along Falls Creek Main

The tall tree trimming along Main has been completed by Phil Boroff and his son, and the rental of the lift trailer was lower than the estimated price. We were approved to use about \$1,200 of this grant to pay our part-time seasonal workers who are supervised by FCR committee chairs. Inspection of work will take place week of August 22nd by Kent Grant, CSFS, and Pam Wilson, ED of FireWise of SW CO, since she submitted this grant for us combined with those of 5 other Firewise Communities.

Grant for Widening of CR 205 South of Ranch

The Safe Passage that was approved for \$10,860 to trim up and trim back 0.6 miles from our entrance south will be done next spring. The USFS requires several months to complete the paperwork and negotiate the contracts for this grant. They will hire the SW Conservation Corps to put a team of 8 sawyers on the project for 40 hours and use that as a match, which simplifies their paperwork and our record keeping. The corps has walked the project with FCR committee chairs and identified only two trees they cannot remove, due to diameter. We are on their schedule for early May, 2017 and will hire some temporary help to haul slash to the County site for this large project so we do not overwhelm our volunteers.

Paulette Named to FireWise Advisory Council

Paulette was unanimously elected to this regional council that acts as a board under the San Juan Mountains Association for FireWise of SW CO. The committee meets 6 times per year, alternating months with the Firewise Ambassador meetings.

Work Continues on Watershed and Stephens Grants

Our fire mitigation contractor is working to pull out and burn the piles of slash left from these two grants. We have also hired temporary part-time help to handle much of the work and have been approved to use grant funds withheld from the contractor to pay for this labor. Negotiations with the contractor have been cordial. The original Watershed grant was for 21 acres and only 15.5 were completed due to the steepness of the western edges of the grant area. Slash is still being pulled and burned from this area until October 15, 2016. Stephens was completed but \$8000 remained available as the work was done under budget. Contractor did additional work at Oakcrest, east of Main, with the extra funding. I have sent in formal requests to extend the date of work on both grants so the slash can be removed. I'm waiting to hear response.

Professional Fire Adapted Community Evaluations of FCR Lots

Kent Grant, CSFS, provided professional evaluation of five home sites on the Ranch, walking the properties with homeowners. The fee is usually \$52, but he charged just \$20 each since we clustered them on two half-days. We will offer this service again next spring.

Red Flag Warning Sign Instituted

At the request of residents, I have added a small red flag warning sign to our Wildfire Risk Sign near the mailboxes. We hang a red flag there and list the times the warning is in effect for that day. Note: The wildfire danger level on the sign is regularly updated by Firewise Committee members from the San Juan National Forest website.

New Grant Applications Approved by FCR Board

At a special meeting on August 3, 2016, the FCR Board heard a presentation about two DNR grant proposals from the Firewise Committee. Several committee members attended the meeting to discuss options regarding equipment requests under the WRRG Capacity Building Grant and the areas to be treated under the WRRG Fire Mitigation Grant being submitted with FireWise of SW CO. Consensus was reached and a formal vote approved both grants, including the FCR 25% cash match obligation for each. Equipment selected are a heavy duty utility ATV; a pull behind, offset brush cutter to handle oak and brush up to 3 inches in diameter; and a 14 foot dump trailer. These will enable volunteers and summer workers to pull out slash; mow regrowth areas previously treated, including new areas of high grass and bush around trees, clumps, and along roads; and haul slash to our pile to be burned or to the County site. Both grants were submitted on August 8, 2016. Awards will be made by September 19 with project completions required by May 31, 2018.

Strong Letters of Support Received for DNR Grants

Once again, we needed to submit letters of support for our DNR Capacity Building grant application. Letters were submitted from Falls Creek Ranch Board, La Plata County Commissioners, Durango Fire, and Colorado State Forest Service. Here is an example from Kent Grant, CSFS:

Please accept this letter of support for Falls Creek Ranch Subdivision's Wildfire Risk Reduction Grant application. Falls Creek Ranch is one of our premier Firewise Communities USA here in southwest Colorado. It has evolved over time from a subdivision that was reluctant to cut any vegetation to one of the true leaders in wildfire hazard mitigation in our area. It continues to do more every year, and residents donate a significant amount of volunteer time and effort in doing so. Falls Creek Ranch is a fine example of a proactive community that has done and continues to do an outstanding job of wildfire hazard mitigation. It is striving to be self-sufficient in this regard, and financial assistance from a Wildfire Risk Reduction Grant award would greatly help it to achieve this goal. In addition, Falls Creek Ranch has an excellent track record in regard to grant performance, so you can be assured that it will follow through on what it plans to accomplish.

Recognizing Great Volunteers!

We have had more than 1,500 volunteer hours this year and I would like to recognize a few who contribute much more than their share:

Phil Boroff – Common Property, beetle trees, work days, and tall tree trimming

Chris Heine – Air Curtain Burner chair, help with slash pile planning, hauling pine needles and slash to County and ACB shed construction

Steve Allen – Falls Creek Main trimming back, special thinning for homeowners

Sandy Turner – Weed removal and control, Beautification at entrance
James Grizzard – ACB support, shed construction, Common Property work
Mike McQuinn – Work on old slash removal from Main and Stephens area, ACB support, liaison with Ray for the Volvo for slash pile loading
Clyde Church – ACB support, Common Property work, slash and pine needle hauling to County, tractor work on old slash removal and slash pile

In a summary of active grants, it was noted that a total of \$268,341.38 in grant monies was awarded to FCR. With our FCR “cash” match requirements of \$9,033.62, and our FCR volunteer hours valued at \$54,816, a net gain of \$204,810 was realized by the Ranch.

Architectural Control Committee

No report.

Beautification Committee

Marge Rebovich, co-chair, report via email:

The gardens have benefited from the spring and early summer rains as well as those more recent. The drip irrigation system was needed only twice thus far this season. We continue to monitor and modify the gardens, eliminating “thirsty” plants and replacing with those we know to be more Xeric.

Common Property

Phil Boroff, Chairman, reported:

Forest Management

- The CPC continues to work in concert with the Firewise team as many of our projects overlap. The team has accumulated over 100 hours on the Air Curtain Burner (ACB) since beginning. The hired hands have been a tremendous help keeping the effort manageable. The CPC is considering restricting slash pile open times if residents continue to disregard the rules.
- The CPC sprayed substantially more Sevin this year in lieu of pheromone treatment for beetle prevention. Sevin treats for more beetle species than the pheromone treatment.
- The team located, felled and removed 38 beetle trees this calendar year to date compared to over 100 by this time last year. An additional 7 trees have been felled and are waiting removal.
- The team completed phase one of the CPC thinning plan in the area between Rock Ridge and Alpenglow; felling in excess of 30 trees. The team removed over 39 trees

for the Snowshoe thinning project. We are seeking advisement from Firewise before continuing.

Horizon Environmental completed spraying weeds the week of 25 July. The invoice came in at \$8762.60. Horizon charged \$222.97 for product and the rest was labor and equipment. They charged \$55/hour for operators. We may want to rethink next year's spraying plan particularly if our equipment grant comes through. Acquiring an ATV will be of considerable assistance reaching our more remote areas.

We had 33 hands on deck for annual clean-up day on 18 June. The group mitigated two major areas, cut several junipers and hauled slash from our thinning efforts for over four hours.

Water and Dam Committee

Mike Hicks, Chairman, reported via email:

Lake Level, Water Calls and Flows

No calls are in place either by Zink or the USFS.

Pasture Irrigation

No pastures under irrigation.

Grass Carp

150 Grass Carp were placed in the lake on 7/14/16. It should be noted that grass carp already in the lake had reached grass-eating limit and were no longer productive. CP&W estimate that the reservoir requires approximately 1000 grass carp of varying age classes to adequately control vegetation in the lake

Native Cut Throat Project

Due to the bacterial kidney infection found in native cutthroat populations in two CP&W hatcheries, and their subsequent depopulation, the introduction of native cutthroat into the lake will be postponed three to four years as brood stocks are rebuilt. In the meantime, CP&W will continue to work with FCRA to maintain a trout population in the lake. When the cutthroat is introduced they will be aboriginal Colorado River – San Juan Basin fish. In other words, these fish will be native to the San Juan Basin. This method of stocking is known as “the nearest neighbor approach” and should greatly increase the sustainability of the fishery.

CP&W will stock 500 catchable rainbows when the lake's surface temperature drops to the low 60's. Current surface temperature is currently 71 degrees. Stocking above the low 60's would cause a significant mortality among the stocked rainbows.

Horse Committee

Steve Autry put forth a request to the Board to waive the \$2500 per horse fee for two horses he wishes to board at the horse barn in light of his capital investment in pasture fencing made in 2006. The Board directed Steve to submit a complete application as is required to the Horse Committee. The Board asked the Horse Committee to reevaluate the \$2500 fee for those families who had already invested a significant amount of money to develop the horse property for their use and for use by subsequent horse owners. Report by the Horse Committee to be submitted at the September 2016 Board meeting.

Lake Recreation and Beach Committee

Barbara Belanger and Robin Lucie, Co-Chairs, reported via email:

Randal and helper finished the gravel and sand at the dog beach and will be doing more sand at the Secret Duck Habitat and boat storage areas. A thank you goes to Jim McCarthy and Paul Mills for donating umbrellas for the beach.

The personal flotation device/toy bin has been cleaned out of water and sand. All toys and flotation devices should be rinsed and air dried before replacing them in the bins.

The committee along with others have been trying to keep the weeds removed. The improved beaching at the boat and dry hydrant areas, along with the new raft, have received frequent positive feedback from users.

Road Committee

Ed Kileen, Chairman, reported:

A water truck was rented and Falls Creek Main was graded from the entrance gate to the top on August 20th. Road maintenance will continue through September. In addition, work will continue on repairing/replacing culverts to ensure proper drainage and minimal impact to the roads and properties. Traffic calming measures will be researched and considered.

Utilities Committee

Eb Redford, Chairman, reported:

AWC/FCR Water Systems Connection Project

A project meeting was held Aug 3, 2016 to discuss details for a Statement of Work (SOW) we plan to send to various engineering consulting companies to solicit bids for engineering analysis and project cost estimation. FCR homeowner and geo-technical engineer Tom Allen volunteered to join the project team to assist with the SOW creation and review of engineering proposals as

his full time job permits. He has experience with water pipeline projects and general construction project management.

System Repairs

The water meter transmitters for 3 lots were replaced with new devices from Neptune. A total of 5 devices were ordered. The remaining 2 devices are spares for future failures or new houses on existing lots. The 3 failed devices were sent back to Neptune for repair under a pro-rated warranty. (Free replacement during the first 10 years; pro-rated cost replacement for the next 20 years. The failed devices were manufactured August 2003)

6. OLD BUSINESS

Joe Scarpino presented his case for relocating his lot to another location on the Ranch due to a major safety issue of rock falls involved with building on his lot's current location. Joe has identified several possible locations and asked for the Board's approval to proceed and contact the lot owners who could be affected by the lot relocation. The Board supported Joe's request to identify a potential site and contact neighbors, and indicated that implementation of a lot swap would necessitate a legal review and approval by vote of the association members.

7. NEW BUSINESS

No new business was discussed.

8. NEXT MEETING

The next Board of Directors meeting will be held on Thursday, September 15, 2016 at the home of Deirdre Heine.

9. ADJOURNMENT

The Board, by motion duly made by Deirdre Heine, seconded and unanimously approved, adjourned the regular meeting at 8:20 p.m.

This document constitutes a true and correct copy of the minutes of the Board of Directors Meeting of the Falls Creeks Ranch Association, Inc.

Respectively submitted,

Deirdre Heine
Secretary
August 23, 2016