

**FALLS CREEK RANCH ASSOCIATION, INC.  
BOARD OF DIRECTORS MEETING**

A regular meeting of the Falls Creek Ranch Association, Inc. Board of Directors occurred on March 27, 2019, beginning at 6:45 p.m. at the home of Terry Greiner. Present were: President, Jim McCarthy; Vice President, Joan Heil; Treasurer, Robin Lucie; Secretary, Jennifer Waddill; Member at Large, Peggy Yotti Lynch; Member at Large Terry Greiner; and Member at Large/Special Projects, Susan Morton. Also present were Phil Boroff, Donald Henry, Nancy Henry, and Jonni Greiner, as well as Eb Redford, who joined the meeting at 7:25 p.m.

**1. APPROVAL OF MINUTES**

A motion duly made to approve the minutes of the January 16, 2019, Board of Directors meeting was seconded and unanimously approved.

**2. APPROVAL OF AGENDA**

The agenda for the March 27, 2019, meeting, after amending it to add an Executive Session and two discussion items under New Business including adopting a policy regarding how to deal with flooding, debris flow, etc. on the portion of owners' driveways that is on common property and what needs to be done to protect the electrical box at Deer Trail and Mason Cabin Roads, was unanimously approved.

**3. LIAISON/SUPERVISOR REPORT**

Mike McQuinn submitted the Operator's Log for the February/March period via e-mail as follows:

During the past work period tasks performed have been;

- ❖ Collected bacteriological samples and delivered to San Juan Basin Health before the 15<sup>th</sup> of each month.
- ❖ Plowed snow and kept the roads open during several storms.
- ❖ Piled snow at all cul-de-sacs with the backhoe and Dodge.
- ❖ Serviced road grader.
- ❖ Assisted with pump and motor replacement on Well #1.
- ❖ Graded Falls Creek Main two times, from the front entrance to Starwood Trail.
- ❖ Worked on dumpster lids.
- ❖ Replaced snow plow spring on the Dodge.

This winter we experienced an unusually large amount of snowfall. At the end of February and throughout March the snow became wet and heavy. As the snow began to melt, I was able to grade Falls Creek Main from the front entrance to Starwood Trail twice in an attempt to smooth out some of the potholes that had accumulated. The Ranch House sewer septic

tank is full and needs to be pumped and I plan to have Ball Septic perform this task. My internet service has been discontinued so I am working on getting a new provider, however my e-mail address will remain the same. I am putting bear proof lids on dumpsters and plan to have this task completed in early April.

#### **4. TREASURER'S REPORT**

Robin Lucie presented the Fiscal Year 2018 Financial Statements with the Independent Accountant's Review Report. She noted the Schedule of Future Major Repairs and Replacements as of July 31, 2018, that is attached to the Report, needs to be updated, as it was last updated in 2015. She also stated that she would initiate the preliminary 2020 budget planning process by sending out an e-mail of actuals vs. budget files to Committee Chairs.

Robin reported that cash balances totaled \$474,000 across all accounts, which includes the operating, capital reserve and grants accounts. Robin also stated that there is still one outstanding HOA assessment.

Robin noted that in Fiscal Year 2019 we received voluntary contributions from homeowners and neighbors of \$21,000 which was used to offset the \$33,000 cost paid to McCarty to build culverts, dips, etc. after the 416 Fire. She also noted that Paulette has returned from the conference in Reno so we will now provide her \$1,000 to help cover some of the travel costs incurred. She further stated that in the past Ray has used his home internet for his duties on the Ranch. However, recently, his home internet services have not been good, so he has used the emergency phone hotspot for his work internet connection and therefore the data usage on the emergency phone has increased. As a result, she has increased the amount of data available on the Verizon plan so that we will not incur overage charges. Terry Greiner stated he would look at another supplier to see if the costs could be reduced.

#### **5. COMMITTEE REPORTS**

**Fire Wise Ambassador** - Paulette Church provided the following report via e-mail:

We are still working to find a mill or log processor to take our 500 logs from the center of the ranch along Falls Creek Main that are marked to be removed. James Grizzard continues to work on this, but we do have a shortage of mills within a reasonable distance. More are opening and one expanding so the opportunities will improve for next year. We are trying to reach net-zero cost of removal for FCR.

On February 26, several of our FCR FireWise volunteers presented a summary of our wildfire mitigation and health forest restoration efforts over the past two decades to 25 wildfire preparation professionals from eight states. They included fire districts, state forest staff, municipalities, HOAs, area collaborations, and nonprofits. Barry and Mary Ann Bryant hosted the presentation and we provided cookies, veggies, apple cider, and hot cocoa since they came at

3 pm from Mancos after hiking in the snow most of the day. The event was a two-day training by Fire Adapted Colorado's Learning Network. Our presentation was highly rated by those attending and greatly appreciated. This fulfills one of our pledges made when we submitted an application for the 2019 Wildfire Mitigation Award.

Paulette applied again for the \$500 **Wildfire Preparedness Day Grant for May 4, 2019**. Please save this date! Plans are being made for an FCR meeting to keep up the work on healthy forest and watershed restoration. The committee will meet in March to plan this event.

All the precipitation is wonderful, but it will cause everything to grow much more rapidly next summer, including grasses, trees, weeds, and shrubs. We really do need to keep up as best we can. Grant money has been cut in half in Colorado and new federal money won't be available until 2020. Our volunteer efforts will be essential plus any funds we can earmark for hourly workers to assist us.

Clyde and I will attend the Wildfire Urban Interface international conference in Reno later this month. We have both registered to attend the pre-conference and conference and hope to bring back some new techniques, research, partnership, and grant opportunities to boost our efforts.

Note: I will be bringing information about the Round-Headed Pine Beetle to our May 4<sup>th</sup> meeting. It is destroying every Ponderosa pine, young and mature, in a large, rapidly spreading stand in Dolores County and could reach here in a couple years. Individual spraying is the only prevention now so you might want to select the Ponderosas you want to keep and plan to have them sprayed. Clearing out competing bushes, grasses, and hazards like junipers this spring can provide more water for those you want and keep them healthier so they can fight bugs and diseases.

**Architectural Control** – No report

**Beautification/Entrance** – No new business

**Common Property** – Phil Boroff reported that equipment needed for Spring is being tuned up. He also stated that it looks like they have found a logger from Grand Junction that can take the 500+ logs off the Ranch, including trees impacted by beetles.

**Horses** – No report

**Lake, Recreation, Beach and Dam** – Barbara Belanger provided the following report via e-mail:

### **Fish**

The lake currently contains primarily Grass Carp and Largemouth Bass. There may still be a few Rainbows present, but here is no real opportunity for reproduction and the bass are extremely predatory. It would be preferable to have some additional species introduced to both add some

variety and balance the fish populations. Also, additional, smaller Grass Carp are necessary to better control the weed growth.

Mark has met with both Parks and Wildlife and Trout Unlimited regarding the possibility of restocking the lake with something other than only Grass Carp and Largemouth Bass. No final decision has been made, however, we are considering the addition of both larger Brown Trout and Tiger Trout. Browns will potentially both breed in the lake and feed heavily on the smaller bass. Tiger Trout are a cross between Brook and Brown Trout. They would also prey upon the bass and can grow very large. Tiger Trout are sterile (cannot reproduce). If Rainbow Trout are desired, it is recommended that sterile Rainbows be used because any fish that escape from the lake over the spillway will get into the Animas and Fish and Wildlife would prefer that they not be able to interbreed with any native fish in the Animas. Rainbows pose the biggest risk of diluting the native Cutthroat population.

### **Dam**

We have met with Clyde Church regarding the operation of the dam this Spring under the present heavy snowpack conditions. We feel confident that the dam, spillway and bypass devices are more than adequate to handle this year's run off. We will also be visiting with downstream water users in order to set up some friendly communications regarding what and when to expect with regard to downstream flows.

We expect that there will be more than enough water from this heavy snow year to both fill the lake and to meet our responsibilities to downstream users.

### **Lake Projects**

We are in Year 2 of our Lake (not Dam & Fish) five-year plan.

Year Two: 2018/19 Proposed Budget

• Capital Improvements & Maintenance	\$3,800
Actual Funds Expended	<u>1,270</u>
Remaining Funds	\$2,530
*Proposed Immediate Expenditures	
2 Chairs and 1 Picnic Table	<u>\$2,328</u>
Remaining Funds at July 31, 2019	<u>\$ 202</u>

Jim McCarthy also noted that the Lake, Recreation, Beach & Dam Committee will be meeting tonight. One of the topics that they will be discussing is a problem with residents not putting boats on the racks, but rather leaving them out on the beach. They are considering instituting a storage fee of \$100 per year, per boat, which they believe will help alleviate the number of boats being left on the beach. They will present this proposal to the Board if they decide to move forward with it.

**Road** – Ed Kileen provided the following report via e-mail:

January and February work was mainly managing snow and keeping roads clear. In mid-February we experienced a significant storm such that we had McCarty Excavation (FCR road

contractor) and Z Excavation come onto the ranch to assist in not only clearing snow, but to open the roads wider to allow plowing to continue. While this was expensive (+/- \$10,000), we maintained the safety for our residents and kept all roads open.

In early March the snow pack began to melt with warming temperatures which caused significant pot holes to appear in the first mile of Falls Creek Main, starting at the entrance gate. In the first half of March Ray was able to take the grader and work this section of road. While there was quite a bit of moisture in the road, it appears that the road conditions improved significantly with this work.

Lastly, the Roads Committee met with several residents on the Mud, Muck and Mire Committee to discuss plans for the Spring snow melt and potential issues this may create. It was decided that we would “stay the course” and make any changes to the roads, including keeping all of the low water crossings (LWCs) in place. For the major LWCs (Dyke Canyon and Greenberg) we are importing substantial pebble base (3”+) to place at bottom of each to help keep erosion in check and allow vehicles to safely pass while small amounts of water run through them – which we assume could happen consistently over the next two months.

Jim McCarthy noted that Ray has done a good job with snow removal this year, but with the amount of snow we received it was more than he could handle. To help keep the Ranch roads safe during the heavier snow fall we hired contractors Z and McCarty to help clear the accumulating snow and widen the roads that were down to one lane in many areas.

**Utilities** – Ed Redford reported the following:

#### **Well-1 Replacement Project**

The Lower System Well #1 pump was starting to wear out. The pump was last replaced in 1998. Brooks Well Service was onsite in mid-February to replace the pump, motor, galvanized pipe string and the electrical wiring. The cost of this project was \$8845.77. Thanks to Ray Smith, Barry Bryant, Chris Heine and Eb Redford for helping out with the project.

#### **SCADA System Power Upgrade Project**

Quotes are being solicited to modify the SCADA system power wiring. This includes installing a power UPS (battery based short term power supply) system and re-wiring the system to power various sensors to keep them running during short term power outages. The backup generators provide power for longer outages. This upgrade will eliminate middle of the night phone calls to the SCADA monitoring person and prevent undesirable changes to operating parameters.

#### **Water Tanks Repair Projects**

Our Distribution System engineering contractor and the Utility Committee have determined that both the Upper and Lower tanks need major work. This includes repainting the outside metal skin plus relining the inner parts of the tanks. The Utility Committee needs to find a contractor for both of these projects and obtain bids for next fiscal year’s budget.

Eb reported that with the recent snow melt Well #1 water level has increased from 76 feet to 83 feet and Well #2 water level has increased from 27 feet to 42.5 feet. He also reported that Well #1 has now returned to pumping at a rate of 46 gallons per minute, up from 36 gallons per minute prior to the pump replacement.

Eb requested approval for an expenditure of approximately \$6,000, which was not included in the FY 2019 budget, for installing a power UPS system and re-wiring the system to power the sensors to keep them running during short-term power outages. He stated that the UPS units should be replaced every three years, but he was previously unaware of this timing and that it had been four years since the current units had been replaced. Eb would purchase the UPS System directly and Timberline Electric Company, out of northern Colorado, would travel to Durango to do the work.

***MOTION & APPROVAL - Jim McCarthy made a motion to approve an expenditure of \$6,000, plus/minus 10%, for the UPS System purchase and re-wiring. Joan Heil seconded the motion and the motion was unanimously approved.***

**Water Supply Task Force** – Susan Morton reported the following:

The Water Supply Task Force (WSTF) has met multiple times with Wright Water Engineering (WWE) and Win Wright regarding alternative water supplies. It is expected that WWE will have a report with recommendations to us by the first of April. At that time, the WSTF team will review and recommend the best course(s) of action that will include how best to discuss with membership for our future water supplies. Meanwhile, due diligence work on the Animas Water Company continues.

**Post -Wildfire Recovery Team** – Paulette Church provided the following report via e-mail:

### **Save the Dates**

We will be receiving bare root seedlings for a variety of trees and large tubes of perennial wildflowers on **Friday, April 18<sup>th</sup>**. These will need to go into the ground right away. I need volunteers to plant them on that day. We will mark with colored stakes where each variety goes ahead of time so there is no confusion. Some will come with protectors and special water-retaining mulch materials. We plan to put these on areas with moderate burn and on margins of the burn area to retain soils and give a boost to regrowth. **Saturday, May 4<sup>th</sup>** is National Wildfire Preparedness Day and we will meet in the Fire House from 9 am to about noon for a debrief on the 416 Fire, learn about new research on healthy forest restoration, and get an update on the Roundheaded Pine Beetle that is killing all Ponderosa pines in its path in Dolores County. Of course, we'll end with our famous FCR potluck and BBQ some brats and such!

### **Update on NRCS**

The County is gathering bids from engineers to provide updated Natural Resources Conservation Service (NRCS) plans for homeowners. They have revised their estimates of flows from Dyke Canyon and Greenberg Canyon downward, but we have not experienced any heavy rains on these canyons directly and will continue to be vigilant and plan on heavy flows. Individual homeowners will receive new NRCS plans and the County is pushing to have all who were at risk supported with reimbursements for the protection work advised. I'm not sure when this will be done but keep track of all receipts and hours put in on planning and working. Clyde has attended several presentations by NRCS, USFS, and FEMA and will keep us posted. The Sheriff is buying thousands of sand bags this spring and they will fill and deliver them for free later this spring – watch for a notice in the paper and from Paulette.

### **Grants**

My first noxious weed grant application was turned down and I was referred to apply for a post-disaster weed treatment and prevention grant opportunity, which I did on March 1.

I have not received word on the two funding requests through USDA and NRCS. One would provide funding to protect our infrastructure and slow erosion with planned plantings of seeds, forbs, and mulches to add to what we completed in the spring. The second one is to provide hourly workers and materials to do noxious weed prevention and elimination in the 32 burned acres.

I have proposed a grant to the three Rotary Clubs in Durango for funds to be matched by the Rotary District 5470 to provide funding for chipper rebates this year. The grant that funded this program last year was not awarded to Wildfire Adapted Partnership and this is a critical need. Rotary Club of Durango (Evening) would be the lead and then ask the others to contribute funds that the District would match. We will know the result in April or May.

### **Planning**

Some members of our committee met recently and began advance planning for spring with a focus on permanent road crossings, adjustments to flow patterns across the meadows and alluvial fans, and the addition of culverts and/or larger culverts in areas as appropriate. The recommendations will be made to the Board as they will involve expenses from general funds.

### **Concerned Neighbors**

James Glover and a representative of Wright Water Engineering met with a water engineer representing Trimble Hot Springs in November and toured the drainage areas that affect Trimble's facility and parking lot. The Trimble representative was pleased with the work done, saw no problems, and offered to partner with us on cost of any additional work that benefits Trimble. We have not had any follow up contact with the Trimble representative or any representatives of those in Red Ridge or on CR 203. So far the snowmelt has not been a problem as the thirsty ground and vegetation are absorbing most of the run off.

### **Lack of Resources for Recovery**

Our region is woefully lacking in resources to help with planning and advice on recovery work from wildfires. The USFS is going to work only on recovery of hiking trails and campsites. CSFS has very few bare root and large tube trees and bush seedlings this year, thousands more in 2020. There is no nonprofit or collaborative gathering information, sharing resources, and advising on recovery, such as the Wildfire Adapted Partnership does on fire mitigation. This has made it very difficult to track down information pertinent to the 416 Fire recovery and financial resources to help defray costs. The County is working to put landowners together by drainage area to plan with the engineering firm(s) they hire and I hope this will fill the gap with all parties giving input to recovery plans.

Please turn in any volunteer hours and/or copies of receipts for recovery work you have done for your home and on our common property. This helps immensely with grant applications and grant reports that require matching funds and/or volunteer hours.

It's clear that Falls Creek Ranch is the demonstration site for recovery efforts and other neighborhoods and agencies are coming to see what we have done and to learn from our experiences. Thanks for all you have done and will do as our recovery continues!

## **6. OLD BUSINESS**

### **Church Camp Easement Agreement**

We have continued redrafting the agreement for the non-emergency use of our road by the Church Camp. The attorney from the First Baptist Church has added comments. Denny Ehlers has agreed to take the lead in completing a draft document. Upon approval by the Board, it would be distributed for review and comments to the FCR membership for a 30-day period. After this 30-day period, the Board will review the membership feedback and make changes to the agreement, if deemed appropriate, and vote again on the agreement. Once approved by the Board, the agreement would go into effect after 30 days.

### **Water Supply Task Force – Wright Water Engineers Contract**

In January 2019, the WSTF met and continued discussions regarding alternatives solutions to FCR's water supply issue. At that meeting the alternatives discussed and seriously considered, in addition to looking at Animas Water Company, were:

1. Harvest water from our lake
2. Drill a well near the lake
3. Drill a well near the lake and augment that with harvested lake water.

These alternatives seemed to have the greatest potential for lower cost and minimization of legal ramifications or water rights issues. In late January 2019, an e-mail request was made by the WSTF to engage Wright Water Engineers to assist the WSTF team to refine these alternatives and help with the initial efforts of the project, including lining up a drilling company to drill test wells. These initial efforts would cost about \$15,000 and the WSTF recommended using the approved \$40,000 budget item from the current year that had originally been intended for

continuing the design of the pipeline from Animas Water. There will be further costs for drilling the test wells, which is unknown at the time, but the costs will become firmer after discussions with area drilling companies. In addition, while this work is going on, other work continues on evaluating Animas Water Company, mainly in the due diligence area.

***MOTION & APPROVAL - Jim McCarthy made a motion, via e-mail, to approve an expenditure of \$15,000, which will come from the approved \$40,000 budget item that had originally been intended for continuing the design of the pipeline from Animas Water Company, to engage Wright Water Engineers to assist the WSTF team to refine water supply alternatives and line up a drilling company to drill test wells . The motion was unanimously approved, via e-mail, by the Board.***

## **7. NEW BUSINESS**

### **Planning for the July 2019 Annual Meeting**

Jen Waddill reported that she is just starting to plan and prepare for the July 2019 Annual Meeting, which will be held on Saturday, July 13, 2019, at the FCR Picnic Grounds. She stated that she will be meeting with Susan Morton later this month to discuss details of what is needed for the meeting and the timing of various tasks. It was noted that the number of Board members will automatically go back down to five Directors at the start of the next fiscal year as the resolution to increase the number of Directors to seven was temporary, lasting only a for one-year period.

### **Damage to Fence on Watson Property During Snow Clearing**

Jim McCarthy reported that the residents on the Watson property, adjacent to the FCR property, contacted him about the damage done to their fence during the removal and clearing of the snow by contractors hired by the Ranch. After discussing the damage, Jim and the Watson residents were in agreement that the Watson residents will contact the individual/company that originally built the fence to perform the repair. The damage is minimal and will require three posts to be replaced.

Jim also reported that other damage caused by the removal of the excessive snow accumulation is being addressed by Ray, including repairing the damaged guardrail and removing the west portion of the entrance gate that was damaged during the snow removal.

### **Adopting a Policy Regarding how to Deal with Flooding, Debris Flow, etc. on the Portion of Owners' Driveways that is on Common Property**

Jim McCarthy noted that the Steinbach's can't access their home via their driveway due to heavy water flow over their driveway. The heavy water flow is occurring because heavy snow pack is keeping water from going through the culvert under their driveway. It was also noted that

regardless of the snow pack, water would not flow freely through the culvert as it has been clogged with debris for years. Part of their driveway is on common property, as is the case with many FCR residents' driveways.

Although their driveway is in a low-lying area that has had high water flow in the past, there is a question of whether or not the FCR HOA contributed to the current high waterflow by digging diversions and taking other measures to guide water, mud and debris flow from the canyons and higher elevations to meadows and away from homes after the 416 Fire in order to protect homes on the Ranch. Further, if the FCR HOA did somehow contribute to the current water flow, do they have any responsibility to help the residents in rectifying the situation? Jim found that it has always been that the residents served by the driveway are responsible for maintenance even though the driveway is on common property. Jim would like to document this policy/understanding so that the Board has a basis for making decisions on this issue in the future as it has been brought up by residents on several occasions. Once documented, exceptions could be made on a case-by-case basis if the resident presents a compelling argument for an exception, at which time the Board can discuss the resident's request for exception and vote on it.

### **What Needs to be Done to Protect the Electrical Box at Deer Trail and Mason Cabin Roads**

Nancy Henry e-mailed Ray about runoff and waterflow impacting the electrical box at the intersection of Deer Trail and Mason Cabin Roads. The electrical box has been undercut and is beginning to lift. This electrical box supplies electricity to four homes in the area. It was noted that the Galbraith rerouting has increased waterflow at this intersection. Phil Borhoff stated that we need to call LPEA to have them monitor Ray if he is to dig around the electrical box to fix the problem. The Board will direct the post wildfire recovery team to report to the Board about plans to protect the electrical box at the intersection of Deer Trail and Mason Cabin Roads.

## **8. NEXT MEETING**

The next Board of Directors meeting will be held on Wednesday, April 24, 2019, at 6:30 p.m. at the home of Jen Waddill.

## **9. ADJOURNMENT**

The Board, by motion duly made, seconded and unanimously approved, adjourned the meeting at 8:57 p.m. The Board remained for Executive Session while Phil Boroff, Jonni Greiner, Donald Henry and Nancy Henry left the meeting. Eb Redford, Utilities Committee Chair, was asked to stay for the Executive Session.

## **10. EXECUTIVE SESSION**

The Executive session was held as allowed under Governance Policies - Notice and Conduct of Board Meetings - Section 3.14 (a)(v) any matter the disclosure of which would constitute an unwarranted invasion of individual privacy. The matter discussed, in summary, was related to a resident seeking relief from an unusually high water bill.

The Executive Session adjourned at approximately 9:10 p.m.

This document constitutes a true and correct copy of the minutes of March 27, 2019, Falls Creek Ranch Board of Directors meeting.

Respectfully submitted,

Jennifer Waddill

Secretary

April 23, 2019