

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

A regular meeting of the Falls Creek Ranch Association, Inc., Board of Directors occurred on January 16, 2019 beginning at 6:35 p.m. at the home of Peggy Yotti Lynch. 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. Additional community members present were William Waddill, Jim Grizzard, Steve Autry and Lisa Autry.

1. APPROVAL OF MINUTES

A motion duly made to approve the minutes of the November 28, 2018, Board of Directors' meeting was seconded and unanimously approved.

2. APPROVAL OF AGENDA

The agenda for the November 28 meeting was amended to add a discussion and vote on the proposal submitted for the Book Library House under New Business and then was unanimously approved.

3. LIAISON/SUPERVISOR REPORT

Mike McQuinn submitted the Operator's log for the December/January 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 15th of each month.
- ❖ Completed Compliance Advisory – Lead and Copper Rule – Request for Information survey and submitted it to the Health Department.
- ❖ Took the Dodge to Durango Truck Accessories and had the sander installed.
- ❖ Plowed snow on three different occasions.
- ❖ Piled snow at all cul-de-sacs with the backhoe.
- ❖ Cleared solar panels on both tanks and performed the last 2018 quarterly tank inspection.
- ❖ Performed nitrogen test for depth on Well #2 and provided the data to Eb Redford.

The ranch house froze up in December due to the cold temperatures. We spent a couple of days thawing out and had to place the heater in the basement for the first time in several years. The sander that was purchased and installed on the Dodge works very well. It is much more efficient than the old one on the dump truck, which is rusted out and needs major repairs. FCR should consider removing it and allowing the storage bay to be

dedicated to the Dodge and the items used with it. The Dodge is setup to be a very good piece of equipment and is performing well.

4. TREASURER'S REPORT

Robin Lucie reported that cash balances totaled \$475,000 across all accounts (operating and reserve accounts), which does not include the second half of outstanding HOA fees. Robin also stated that there is still one outstanding HOA assessment from the first billing and that we are beginning to receive payments from the second billing, which are due by the end of February.

Robin noted that the Word Press Site now has three separate password protected areas available for the HOA's use, as follows: Financial (limited access); Board only; and Members only. The board will have to decide the best way to provide the URL and password to the Members once this Members Only area is ready for use.

Robin also provided Joan Heil with a hard copy of FCR's insurance policy.

5. COMMITTEE REPORTS

Fire Wise Ambassador - Paulette Church provided a report via e-mail as follows:

We received the FireWise USA certification and now our *Ready, Set, Go* membership certificate from the International Association of Fire Chiefs that indicates 2,049 community wildfire mitigation hours recorded in calendar year 2018. One neighbor reported a \$175 savings on his homeowners' insurance renewal because we have the FireWise Certification. I have submitted the FireWise USA Certificate to be posted to our website, so residents can simply download and print a copy. I will also provide printed copies when needed.

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

Paulette has been named one of seven national 2019 Wildfire Mitigation Award Winners and the award will be presented at the Wildland Urban Interface March conference in Reno. Sponsors include the International Association of Fire Chiefs, the U. S. Forest Service, FEMA, the U. S. Department of Homeland Security, the U.S. Forest Service, and the U.S. Department of the Interior. An announcement will be made on January 17 (see note below).

Paulette and other FCR FireWise volunteers and board members will present to pass out our two big 416 Fire Thank You banners to Durango Fire and Rescue at the FireWise meeting to be held

on January 22nd. Smaller posters will be passed out to all area fire districts for their stations. Many residents signed these at the annual meeting in August.

Paulette will use some of the FireWise budget to purchase bare root trees and bushes from the Colorado State Forest Service Nursery to plant in FCR burned areas. It is a small beginning and we are waiting to hear about a Watershed Restoration Grant that may provide additional seeds, forbs, mulch, and manpower to plant in our burn areas this spring.

Paulette is also applying again for the \$500 Wildfire Preparedness Day Grant for May 4, 2019. Plans are being made for an FCR meeting to keep up the work on mitigation and on watershed restoration.

Love the snow and pray the melt is gradual!

(Note: The announcement for the winners of the 2019 Wildfire Mitigation Awards was made on January 21, and can be found at <https://ohsonline.com/articles/2019/01/21/2019-wildfire-mitigation-award-winners-announced.aspx?admgarea=news>)

Architectural Control – Mary Ann Bryant provided, via e-mail, the status of open projects as 9, with 3 being active and 6 inactive.

Beautification/Entrance – No new business

Common Property – No report

Horses – No new business

Lake, Recreation, Beach and Dam – Scott Southworth reported the following via e-mail:

Scott met with Jeff Titus, Water Commissioner with the Colorado Division of Water Resources, to discuss FCR's Rights, Responsibilities and Operational Procedures for the lake and dam. Scott stated the Jeff described FCR as a first-class organization, the best managed HOA he has ever encountered and a pleasure to work with. During their meeting, Jeff provided Scott copies of the documents which govern administration of FCR's lake. Scott further stated that Jeff was very generous with his time, explaining in detail, procedures to be followed as FCR fulfills their legal obligations.

Scott also noted that Clyde Church has offered to spend time with the Lake, Recreation, Beach and Dam committee to bring them up to speed with the mechanical aspects of their job. The committee plans to visit with Clyde in early spring as snow melts and the lake begins to fill.

Road – No report

Utilities – Ed Redford reported the following via e-mail:

Well-1 Replacement Project: The Lower System Well-1 pump is starting to wear out. We think it was last replaced in 1998. We plan to replace the pump, motor, galvanized pipe string and the electrical wiring. The work was scheduled for January 17-18 but has been rescheduled to the first week of February due to the current and forecasted snow storms, as well as the travel schedule of the contractor. In addition, Ray Smith, our water operator, is an integral part of the project and he has been busy dealing with snow removal.

Low Well-2 water levels: The water levels in the Upper System Well-2 has dropped down to a level that requires supplementation by way of transferring water from the Lower System via our Transfer Pump System.

Water Tanks Repair Project: Our Distribution System engineering contractor and the Utility Committee have determined that both the Upper and Lower tanks need major work. This work 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 to be included in the next fiscal year's budget.

In late December Eb Redford sent an e-mail request to the Board, with price quotes, to: 1) replace the existing Well-1 pump, motor and possibly the pump string galvanized pipe and down hole motor electric wiring; and 2) brush and clean out well debris. Eb stated that the Well-1 pump was pumping ~42 GPM last year and is now down to ~36 GPM, an indication that the pump is wearing out. Eb further stated that the costs are an unplanned and unbudgeted capital replacement and therefore he would like approval from the Board to move forward with this repair. The estimated cost of this work is ~\$10,200. The Board, via e-mail, unanimously approved this unbudgeted capital replacement.

Water Supply Task Force – Susan Morton provided the following report via e-mail:

The Water Supply Task Force Core Team met on January 15, 2019, for a regularly scheduled team meeting. Below is a brief summary of the meeting.

James presented the work he has done during the past 60 days about potential alternatives for the water supply. The team agreed our best alternatives are for the short-term and the long-term.

The best short-term alternatives are:

1. Harvest surface water from the Lake;
2. Drill a well near the Lake; and
3. A combination of the two above – Drill a well near the lake and have an augmentation plan to replace the water with harvested lake water.

The only long-term alternative being considered is:

1. Connect to Animas Water Company (AWC) via an infrastructure that we build and maintain.

The third, but not very popular alternative, is to do nothing.

The team agreed that by the next meeting, on Monday, 2/19/19, James will have further refined the short-term alternatives so that the team can drill down to a recommendation that would be presented, town-hall style, to the membership and voted on later in the year.

Meanwhile, the other team members continue to work on aspects of the Animas Water Company long-term proposal with the majority of the work now being done on due diligence items. Long-term financing work, as well as continued AWC design engineering work, has been put on hold until after next month's meeting and a town-hall meeting can be held with membership. Mary Ann Bryant has done a lot of work on the financing aspect, as has Eb Redford on the design engineering. They will be ready to continue work and make recommendations at the appropriate time.

A sub-team is also getting together to go ahead and recommend a water rate change, primarily to encourage residents to continue to conserve water. Barry Bryant is heading up this effort. 10% of the membership (about 10 households) continue to use about 20% of the water in our system with usage of over 4,000 gallons a month. It is the team's thinking that with continued conservation of our water, we will be in a better position, overall.

Susan will be re-working the timeline based on the input from the team at this meeting.

There are also budget considerations for this team which include the following estimates:

- \$1,000 spent on pump data;
- \$10,000 potential cost for a water engineering firm to help us locate best area for a well;
- \$1,000 potential cost for AWC due diligence work; and
- \$5,000 cost for a water attorney to review Colorado River Compact impact with the long-term solution of AWC.

We need to discuss funding of these unbudgeted items with our Treasurer.

Jim Grizzard brought up a subject he has recently looked into regarding “unappropriated water” in Colorado that can be appropriated if a person can show they own the land the water is being diverted from and if they have a beneficial use for that water. He also stated that he asked the water attorney if there was any reason not to try and do this for certain water available to FCR and the attorney said no. The Board recommended that Jim put together a sub-committee to research further and prepare a presentation for the board. Jim agreed to proceed.

Post -Wildfire Recovery Team – Paulette Church provided a report via e-mail as follows:

We are still waiting to hear from NCRS regarding individual property assessments, potential reimbursements and common property potential restoration resources for the watershed.

A water engineer representing Trimble came up to look at the work that has been done on No Name Canyon with James Glover and our water engineer in November. No concerns were expressed by Trimble's water engineer and no complaints have been received since the visit. It was suggested that any more work on the North Meadow and Oakcrest drainage areas should be planned and funded together as it would mainly benefit Trimble.

Paulette did submit a weed eradication grant application but has not been notified of awardees. We will need to work more on weeds this year to restore our meadows and prevent new infestations where fire damage occurred.

No work is planned at this time, but the committee will meet soon to begin plans for more planting and mulching this spring.

6. OLD BUSINESS

Church Camp Agreement

Jim McCarthy gave a brief summary of the current situation regarding the Church Camp Easement for the benefit of the meeting attendees that were not already up-to-date on the issue. Jim noted that for years, the only way to access the Church Camp was to drive across FCR property. Recently, the Church decided to upgrade the road but did not ask FCR or any other owners of portions of the road, for permission to upgrade it. As such, the Church has asked FCR to enter into an agreement with them that would allow the Church to use the road for non-emergency purposes.

Peggy Lynch reported that our attorney has written a draft agreement for the non-emergency use of our road by the Church. An FCR resident, Denny Ehlers, who is also an attorney, asked to review the draft agreement. After reviewing the agreement, Denny discussed his thoughts with Peggy and Jim McCarthy. An item that Denny would like to include in the agreement is to grant FCR residents permission to go across the Church Camp's property for hiking, biking, etc. Peggy stated that prior to adding this item to the draft agreement she is trying to set up a meeting with Rick Lorentz, the Church Camp's primary negotiator, in late January, at Denny's office, to discuss and get an idea how the Church Camp may respond to this request.

7. NEW BUSINESS

- Travel related to the Paulette and Clyde Church attending the NFPA National Conference in Reno – The Board discussed partially funding travel costs for the Churches to attend the conference in Reno, Nevada, where Paulette will receive one of seven national 2019 Wildfire Mitigation Awards. Jim noted that although FCR does not typically fund travel

that is not directly related to Ranch business, this prestigious award and the work that Paulette and FCR residents have done related to fire mitigation is deserving of an exception. Jim also noted that Paulette is working on getting some funding from the Fire Protection Agency to cover part of their travel costs. The Board was undecided on the amount to present to the Churches for this purpose, so Jim stated he would do some research and speak to Paulette about the estimated cost of the trip and would put out an e-mail to the Board with an amount and ask for a vote. On January 17, 2019, Jim sent an e-mail to the Board members proposing that FCR present the Churches \$1,000 to help offset some of their travel costs, which will consist of two roundtrip airfares, hotel for 2-3 nights and meals. This amount would be paid promptly to the Churches once their travel is completed. The Board, via e-mail, unanimously approved this proposal.

- Marg Rebovich reported, via e-mail, that since she is currently out of town Jen Salstrom is manning the Ranch Emergency phone and Lisa Eckert is checking the condition of the AEDs and sending monthly reports to Heart Safe La Plata. In addition, Mindy Self is serving as a backup, as needed.
- Book Library House – Jenny Hardy, the FCR Ladies Book Club Organizer, submitted a proposal to install a Book Library House by the community mailboxes. The Book Library House would be of no cost to FCR as it would be constructed of donated materials by one of the FCR residents. The proposal included a sketch of the Book Library House, showing that it would sit on a post approximately 3-4 feet high and would not be too much bigger than a bird house (approximately 20”W x 12”D x 24”H). The proposal also stated that it would blend into the environment and not be obtrusive. The FCR residents would be able to donate books to and borrow books from this Book Library House. After some discussion, the Board unanimously approved this proposal.

8. NEXT MEETING

The next Board of Directors meeting will be held on Wednesday, February 20, 2019, at Robin Lucie’s home at 6:30 p.m.

9. ADJOURNMENT

The Board, by motion duly made, seconded and unanimously approved, adjourned the meeting at 7:55 p.m.

This document constitutes a true and correct copy of the minutes of January 16, 2019, Fall Creek Ranch Board of Directors’ meeting.

Respectfully submitted,

Jennifer Waddill
Secretary
January 24, 2019