

**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 May 17, 2016 at the home of Jim McCarthy. Present were President, Jim McCarthy; Vice President, Michael McQuinn; Treasurer, Larry Hansen; At Large, Peggy Yotti and Secretary, Deirdre Heine. Also present were Eb Redford, Chris Heine, Nancy Peake, Scott Southworth, Barbara Belanger, Joe Scarpino and Robin Southworth.

**1. APPROVAL OF MINUTES**

A motion, duly made by Larry Hansen, to approve the minutes of the April 19, 2016 Board of Directors Meeting was seconded and unanimously approved.

**3. APPROVAL OF AGENDA**

The agenda was approved.

**4. LIAISON REPORT**

Scott Southworth reported:

In early May, Ray attended a Water System Operators Seminar in Delta. The focus of the seminar was Distribution Maintenance, Disinfection Procedures, Data Reporting and an Introduction of New "Back Flow" Prevention Regulations. He also took bacterial samples and delivered them to the San Juan Basin Health Department and worked to correct some paperwork flow issues with the Health Department.

In April he also finished the seasonal road work, grading and rebuilding roads and applying magnesium chloride. I was pleased with our results and believe that the culvert work we did should be part of an ongoing maintenance program. Ray also made repairs to the Thompson ditch irrigation system at the corner of Starwood and Falls Creek Main.

At the shop we completed repairs to the main bay and continued general cleanup work. The old, unused pickup truck was sold, the old backhoe was hauled to the scrap pile and Ray made several trips to the dump to get rid of oil barrels and other stuff left over from ongoing equipment maintenance. The shop looks good.

Ray also completed scheduled maintenance on the road grader and backhoe; rotated the tires and changed the two grader tires in most need of replacement. The thumb for the backhoe has arrived and placed on the backhoe.

We continued our work together on the budget and believe that we are finished with our part of this process. During April, after the roads were done, Ray took one week of vacation.

### 3. TREASURER'S REPORT

Larry Hansen, Treasurer, reported:

#### 1. Cash Balances:

- a. Operating Fund: Balance at April 30, 2016 is \$139,286. Projected to be spent down to \$19,000 by year end.
  - b. Reserve Fund: Balance April 30, 2016 is \$82,843. Projected to increase to \$89,000 by year end.
  - c. Grant Fund: Balance April 30, 2016 is \$29,946. Projected balance at year end will depend on amount of grant-related work done and billed.
2. **Past due accounts**: A lien has been recorded on an undeveloped lot that is in default of this year's annual member assessments and water billings.
3. **2016-17 Budget Update**: Budget numbers are still being finalized, however as of now, we are projecting the following ending cash balances (end of next budget year), assuming not increase in dues:

Operating Fund: \$13,000 deficit

Reserve Fund: \$103,000

Grant Fund: Will depend on how much mitigation work gets done this year and how much carries over to next budget year.

The projected Operating Fund cash deficit is expected to be a short term situation. By end of next budget year, we will have completed \$70,000 in capital projects (this budget year and next), mainly Utilities related plus our cost sharing of the air curtain burner purchased this year. These capital expenditures are expected to be non-recurring which should increase cash flows in future years once these costs are behind us. Therefore, it is recommended that we fund the projected Operating Fund deficit by temporarily borrowing from the Reserve Fund, rather than increase dues. And that we skip the annual reserve fund contribution for this next budget year. (We are still budgeting an estimated \$19,000 from water usage fees that will go to the Reserve Fund.)

### 4. COMMITTEE REPORTS

## FireWise Ambassador

Paulette Church, Firewise Ambassador, reported via email:

### **1. Air Curtain Burner (ACB) Grant Update:**

The DNR Purchase Order is in the mail to Larry Hansen so we can write the first check for \$8,000 to Jim Grizzard; this is the Ranch's cash match for the grant. We need to submit a copy of the check (written May 3 or later) and documentation of 600 volunteer hours completed May 3 or later and we will receive a check for \$23,000 to pay off the balance of the ACB. We can use the hours working to widen our Main, our Firewise meeting, and all the volunteer hours on Saturday to kick off the matching requirement. We plan to continue doing mitigation that uses the ACB on a regular basis, posting signs so residents know when to bring pine needles and slash to the air curtain burner. We can count all volunteers hours toward the grant used for raking, hauling, cutting slash, and cutting beetle trees that we burn.

### **2. Grant for Trimming Along Falls Creek Main:**

This grant is fully funded and the grant is authorized with FireWise of SW CO holding the DNR Purchase Order for us. I have enough hours to match this from work done along Main as we re-marked the trees, trimmed them up, and moved the slash out of the way after the authorization and PO were issued. This is a small \$3,000 grant so not much match is required by the Ranch - \$750 of which \$400 goes to FireWise of SW CO for grant administration.

### **3. FireWise Annual Meeting April 16:**

Our event from 10 to noon included presentations by Kent Grant, District Forester for the Colorado State Forest Service, Pam Wise Executive Director of FireWise of SW CO, and a fire extinguisher demonstration by Art Rieke a volunteer with Durango Fire and Rescue. Judy Winzell was recognized by Kent, Pam and Falls Creek Ranch for the national FireWise Pioneer Ambassador Award she received.

Due to snow and cold weather, the event was held in the Fire House and ended with a potluck, including grilled hotdogs and bratwurst. We had 37 FCR residents attend the event.

Compostable bags funded by a national FireWise USA grant for the collection of pine needles were distributed along with FireWise door hangers that included Ranch emergency and County nonemergency phone numbers.

### **4. New Grant Possible for Widening of CR 205 South of Ranch:**

As a result of a meeting of Jim McCarthy, Phil Boroff, Chris Heine, Sandy Turner, and Paulette Church, Paulette contacted the Superintendent of La Plata County Roads and Bridges, Jim Davis, and Matt Janowiak, District Ranger for Columbine District of San Juan National Forest regarding the encroaching trees and shrubs south of the Ranch entrance. During conversation among the partners who agreed the work needed to be done, a press release announced the availability of funds for right-of-way work on lands bordering the National Forest. Paulette

contacted the County and National Forest staff to learn how to apply for the funds. She prepared a proposal and submitted it to the County Commissioners and met with them to answer any questions they had. Two proposals were advanced by the Commissioners, with FCR's proposal for \$10,860 to trim up and trim back 0.6 miles from our entrance south was chosen as their top priority. Other projects have applied for the remaining \$20,740 minimum amount available for La Plata County. The District Ranger provided a letter of support and Jim Davis verbally endorsed our project during our Commissioner meeting and is submitting a different project by his department but said he could accept less for it. Paulette will meet with the San Juan Resource Advisory Committee on September 24 to answer questions and support our application.

#### **5. FireWise Committee Membership Expanded:**

In order to better coordinate and communicate with related Ranch committees, including Weeds, Water, Common Property, Architectural Control and others, new members were invited to join the FireWise Committee so that it has grown from six to 14 members. All met to plan the May 7<sup>th</sup> Awareness Day, setting priorities for slash removal and noting areas that need work in the future. Three certified Wildland Firefighter shirts were purchased by the Ranch and distributed to the Air Curtain Burner Chair, Chris Heine. He will also provide hard hats for those who want to wear them. FireWise T-shirts, funded by Paulette and Clyde Church, were distributed to committee members and a few more have been ordered for the new committee members.

#### **6. National FireWise Awareness Day May 7:**

This new event was held on a day that featured sleet, hail, snow, rain and gusty cold winds. Because of careful planning by the newly expanded FireWise Committee, we had 44 residents participate in gathering slash (from old slash piles and recently trimmed up trees along road ways), pine needles, firewood, and then loading and running the air curtain burner. Work lasted for four hours and generated 176 volunteer hours valued at \$4,418 toward our soft match for the air curtain burner grant.

Prior to this event, members of the Common Property and FireWise Committee planned out a smaller, controlled footprint for the slash pile and labeled where firewood, slash, and compost should be deposited. They also put up warning signs to keep people out of the mud and defined a loop road in the dryer portion of the slash area. Signs will inform Ranchers when the slash pile is open and a gate has been installed to show when it is closed and we hope it will eliminate illegal use. Phil Boroff and his son Tyler spent five days using the lift trailer trimming up trees along Falls Creek Main and side streets to eliminate safety hazards. This slash was then cut into smaller pieces by volunteers on May 7<sup>th</sup> so it was easier to load and haul to be burned in the ACB.

## **7. Scholarship Awarded for Wood Utilization Workshop:**

I wrote to Pam Wilson to ask if there were any scholarships for FireWise Ambassadors to attend this special workshop to be held at the Air Force Academy in June. I offered to give a report to a FireWise meeting and a written report to be shared. She asked the Firewise Advisory Board and they agreed to offer me a \$750 scholarship to cover registration for Clyde and I, hotel for two nights, and mileage. We have registered and Phil Boroff will attend as well. We will pay for his registration and he will stay with friends in Colorado Springs. The focus is to learn what wood products generated by mitigation can be sold to generate funds to pay for ongoing mitigation.

### Architectural Control Committee

Nancy Peake, co-Chair reported:

The committee has reviewed and visited on site all open ACC projects to provide updates. There are seven open projects and one upcoming new project currently going through the ACC process. Six projects have been closed.

### Beautification Committee

No new business

### Common Property

Phil Boroff, Chairman, reported:

#### **Forest Management**

The CPC team high-trimmed a total of 73 trees for the Firewise grant project; the slash pile has grown considerably since last month's open burn. An Air Curtain Burner (ACB) schedule is in work. In order to maintain a manageable effort, the CPC is considering opening the slash pile only in conjunction with the ACB schedule.

The CPC is planning substantially more Sevin spraying this year in lieu of pheromone treatment for beetle prevention. Sevin treats for more beetle species than the pheromone treatment.

Jim Grizzard and Chris Heine are teaming to locate and remove infested trees on common property.

The team felled and removed less than 20 beetle trees as compared to almost 75 by this time last year. The team initiated phase one of the CPC thinning plan in the area between Rock Ridge and Alpenglow; felling in excess of 30 trees. The next phase will focus on the common property between Lynch's and Wallace's. This will be a good area (smaller trees) for members to claim firewood.

Phil discovered garbage sacks strewn about on Starwood. A reminder to all that our bears are out and about. Keep your garbage, dog food etc. locked up tight inside. Do not leave food in your car if it is parked outside.

### **Weeds**

Sandy Turner completed preliminary weed mapping in advance of meeting with Horizon Environmental to discuss this year's spraying plan.

Annual clean-up day is scheduled for Saturday, June 18<sup>th</sup> from 8 a.m. until noon. Announcement and details are forthcoming.

Scott Southworth reported that he has made arrangements for the meadows to be mowed by an outside contractor at no cost to the Ranch. Thank you, Scott!

### Water and Dam Committee

Mike Hicks, Chairman, reported via email:

#### **Lake Level, Water Calls and Flows**

Falls Creek is running the reservoir is spilling. No calls are in place either by Zink or the USFS.

#### **Pasture Irrigation**

The repair was made to the ditch wall that was leaking and it seems to be holding. The Thompson Ditch is currently irrigating the lake pastures.

#### **USFS Wetland Expansion Project**

The project is underway and is not expected to have any detrimental impact on Fall Creek Ranch. In fact the impact may be beneficial to the Ranch. The increased size of the wetlands will hold more water that will eventually release back into Falls Creek. This may lessen the amount of water that FCR must release to Zink.

#### **Native Cut Throat Project**

Gill netting for the purpose of collecting data on the Turner Reservoir Fishery took place on May 4th and 5th. Preliminary results showed that the stocked brood fish were doing well. None of the stocked fingerlings were caught, as they are still small and able to swim through the net. The netting resulted in the capture of: grass carp (1), bass (8) and native cut throat (25). No rainbows were caught.

Temperature readings show that the lake is currently cool enough to sustain cut throats but there is a concern that a warming and drying climate may raise temperatures high enough to prevent the fishery from being self-sustaining in 20 to 30 years.

### **Legal Opinion – Zink Agreement**

The legal opinion being prepared by FCRA's water attorney first draft should be ready by week's end.

### Horse Committee

No new business

### Lake Recreation and Beach Committee

Barbara Belanger, Co-Chair, reported:

The Committee will be scheduling a date before work day for delivery of weed barrier, gravel and sand and will be purchasing chairs or chair kits, as needed. We will also be relocating some picnic tables from the picnic area to the lake and relocating the new raft before Memorial Day.

The new Lake Rules were presented to the Board for approval. Larry Hansen moved to approve the Lake Rules as amended contingent upon addressing off limit fishing areas. The motion was seconded and unanimously approved. The Rules will be posted under governing documents on the Ranch website and will become effective 30 days after the posting date. A copy of the Rules will also be attached to the minutes when distributed to the membership.

### Road Committee

Ed Kileen, Chairman, reported via email:

April was Mag Chloride Month; we successfully applied Mag Chloride to FCR roads on April 20, 2016.

### Utilities Committee

Eb Redford, Chairman, reported:

#### **AWC/FCR Water Systems Connection Project**

A meeting is planned for Tuesday 24 May 2016 with AWC board and operations members. We will continue our ongoing discussion of possible water pipeline routes from CO 203 to the Falls Creek Ranch water distribution.

A town hall meeting is planned for June 25<sup>th</sup> to discuss long range water supply options, the current AWC/FCR project status, options under consideration and future tasks. The meeting

topics will include the possibility of forming a Metropolitan Water District to provide long term financing as discussed during the April Board meeting.

**PWT (Potable Water Treatment)**

The double check valves and atmospheric vacuum breaker devices were calibrated in both the Upper and Lower PWT buildings by a technician from Roseberry Heating and Plumbing. This is an annual State Water Department requirement.

**5. OLD BUSINESS**

**6. NEW BUSINESS**

**7. NEXT MEETING**

There will be no Board of Directors meeting held in June. The next meeting will be the Annual Meeting on July 9, 2016 at the Falls Creek Ranch picnic area.

**8. ADJOURNMENT**

The Board, by motion duly made by Deirdre Heine, seconded and unanimously approved, adjourned the regular meeting at 7:35 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  
May 17, 2016