

MINUTES
FALLS CREEK RANCH ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
October 4, 2011

A regularly scheduled meeting of the Falls Creek Ranch Association, Inc. Board of Directors occurred on October 4, 2011. Present were: President, Mary Ann Bryant; Vice President, David Rohdy; Treasurer, Jim Wallace; At Large/Asst. Treasurer, Kelly Lupton. Secretary, Becca Steinbach was not present and David Rohdy took meeting notes in her absence.

An Executive Session was held from 1:00-2:00 pm to discuss water rights litigation. Jim McCarthy, liaison for the Board to the FCR attorney concerning water rights, gave an update of the litigation status.

The Regularly Scheduled Meeting started at 2:00 pm. Present were the BOD members mentioned above. Also present were: CPC Chairman Jim Winzell, Firewise Ambassador Judy Winzell, Ranch Liaison Byard Peake, and residents Steve & Lisa Autry, Ceci McQuinn, Don Southworth, Jim McCarthy (Falls Creek Main), Mark Sword and Randall McKown.

Prior to the beginning of the meeting, Lisa Autry made a request that Board meetings be held in the evening. She also asked if the FCR By-Laws allow for residents' motor homes to be as living space while parked on their property. Mary Ann Bryant explained that motor homes or campers are allowed to be parked on residents' property, but they are not allowed to be lived in unless during home construction.

1. APPROVAL OF MINUTES

By motion duly made, seconded and unanimously approved, the Minutes of the August 23, 2011 Board meeting were approved as submitted.

2. LIAISON REPORT

Byard Peake reported that Ray is replacing the fire hydrant at FC Main and Mason Cabin.

Ray Smith, FCR Caretaker, submitted the following report:

During the month of September 2011 tasks performed were:

- Attended water class in Montrose and re-certified Water treatment license
- Prepped area in front of firehouse for landscaping
- Graded FCR Main and internal roads
- Compiled all previous test results data, copied for FCR
- Performed Lead and Copper sampling on upper well
- Began Fire Hydrant replacement project on Mason Cabin and FCR Main

- Dressed interior roads with maintainer

Received a phone call from Bryan Pilson CDPHE a trigger level on our last lead and copper occurred. So needed to re-sample and try for reduction at the 90th percentile to avoid treatment. It seems that this occurs when homes are left unoccupied for any length of time. We should look at a place to store keys to homes that are sampled and format a procedure for sampling when vacant. (ADDED NOTE: this is only an issue with 5-6 homes on the Ranch that are located at the end of water lines)

Am currently working on fire hydrant at Mason Cabin and Main, the unit has been purchased, hope to have installed by today 10/04/2011 and back in service by no later than Friday 10/07/2011.

Ray Smith, Caretaker FCR

3. COMMITTEE REPORTS

Architectural Control Committee

No report.

Beautification Committee

No report.

Common Property Committee

Former Chairman Jim McCarthy requested time to discuss and report several issues, as follows:

- The oak sapling removal project in the firebreak across from the corrals has now been completed. Contractor Don Hinkley was let go before the project was finished and consequently volunteer residents completed the final slash pick-up and hauled the brush to the slash pile.
- The CPC rules and regulations are now in great shape, and Jim acknowledged the help of both Barry and Mary Ann Bryant in this effort to provide all committee rules on the FCR website.
- Jim requested that the Board not use its time resolving issues that should be resolved by committees (for example, a past discussion regarding the location of a bathroom at the lake) – rather, the Board should task committees to solve such problems before the Board considers them.
- Jim is concerned about the “robustness” of the Board Meeting minutes and that sometimes the minutes do not accurately reflect the details of items discussed (for

example, the contract for the Ranch House bathroom renovation and the fire mitigation project at the firebreak were not properly reflected in prior minutes) – so, he recommended to the new CPC Chairman Jim Winzell that he not sign any contracts until the project has been properly reflected in Board Meeting minutes. Mary Ann noted that there are times that Board approval of various items occurs between Board meetings and those items are often missed being recorded in the next meeting minutes. The current and future Boards need to be aware of this and make a better effort to record such actions.

- Lastly, Jim reported that the format of FCR’s budget spreadsheet does not accurately reflect the actual committee structure (for example, Lake Committee expenditures fall under the Common Property Committee, but the Ranch House does not). The Board agreed to review the budget structure and make some modifications for next year’s budget.

Resident Ceci McQuinn presented a proposal to use goats for brush clearance. She wanted to be clear that this is NOT a proposal to raise livestock on the Ranch, and that it is only a trial on her own property that she will personally take responsibility for and pay for herself. This would involve three goats, and she would track progress before, during and after the test to see what the goats actually eat, and to determine if goats are a feasible option for brush clearance on the Ranch. Goats cost \$5/head/month and must be provided water and be tethered if not fenced-in.

The Board approved Ceci’s request to execute her project next Spring.

Jim Winzell, new CPC Chairman, reported the following:

- Weed spraying equipment is quickly deteriorating. The sprayer on the truck has an unpleasant tendency to spray on the user and spray without notice when the sprayer is turned off and the generator is turned on. The backpack sprayers also leak. At a future meeting, Jim will be presenting a recommendation for repairing the spraying system. Ceci McQuinn asked if spraying can be done on Ranch property without prior notice and the answer is no.

Lastly, the Board gave a big thank you to Jim McCarthy for his six years as CPC Chairman and to Jim Winzell for stepping up to be the new chairman.

Dam Committee

Chairman Clyde Church was not present, but Mary Ann Bryant reported that he is trying to get the State out for our dam inspection this month.

Firewise Ambassador

Chairman Judy Winzell reported:

- Project 2.0 was inspected on 9/12. We passed the inspection and will be receiving a \$5,000 reimbursement. Dan Noonan, Chief of Durango Fire & Rescue Authority was very pleased with all our road improvements. He also has recommendations for how we can improve our dry hydrant area at the lake. A meeting will be held with Ranch representatives and DFRA regarding the latter issue on October 10, 2011.
- Craig Goodell, Fire Mitigation & Education Specialist, will be on the Ranch this month to do free property assessments for residents.
- Judy gave the Firewise Council of Southwest Colorado a briefing on our CWPP and received great feedback.
- We will be granted membership in Firewise Communities nationwide, which will allow us many more grant opportunities in the future.
- Judy also submitted the attached status report on all of her projects.

Horse Committee

No report.

Lake Committee

No report. However, since the last Board meeting, the Board did vote via email and phone to approve Steve Matthews as the new Lake Committee Chair effective immediately.

Road Committee

Chairman Barry Bryant was not present but Mary Ann Bryant reported that there have been wash-outs on the hill on Falls Creek Main, just south of Snowshoe Lane. Mother Nature has decided to move the channel draining the hillside in the National Forest to the west of Main in that area. The Forest Service came out to assess the area and what to do about it. They will not take any responsibility for mitigation of the problem, so FCR will need to address this.

Utilities Committee

Co-Chairman Eb Redford was not present, but Mary Ann Bryant reported that our application for the disinfection system was submitted to the State and that we have not received a response yet.

4. TREASURER'S REPORT

Treasurer Jim Wallace reported the following:

- The promissory notes for the water disinfection system are now complete.

- There are only three outstanding annual assessment payments remaining.
- Before the next Board meeting, Jim will be procuring a safe deposit box to be used to store important FCR documents.

CPC Chair Jim Winzell asked if the monthly financial reports could be provided to committee chairs. The Board agreed to have these reports available to all residents on the Ranch website after review at the monthly Board meetings.

5. OLD BUSINESS

There are only three remaining property deeds for lots resurveyed that need to be recorded with La Plata County.

Mary Ann Bryant will send the revised By-Laws to the Board and when approved by the Board they will then be sent to all residents.

6. NEW BUSINESS

Resident Ceci McQuinn requested time on the agenda to discuss the following question: “Does the Board really have to approve all committee members and appoint all committee chairpersons?” Ceci expressed the opinion that a current Lake Committee member should have been considered for the Lake Committee Chairman position and requested that the Board reconsider their Chair appointment decision. There was a lengthy discussion among the Board Meeting attendees about this question, but the Board subsequently reconfirmed that it has the authority to name committee chairpersons and that Steve Matthews will remain as Lake Committee Chairman. Mary Ann Bryant noted that the Board does have the authority to approve Committee chairs and members. This policy is provided on the Ranch website for Committees. As always, FCR members are encouraged to contact Committee Chairs if they wish to join a committee. The Committee chair then notifies the Board for approval.

Resident Lisa Autry asked about the status of the gold mine up Dyke Canyon, as she had seen evidence of activity up there. Mary Ann Bryant will follow-up with Bill Bales to see if he has an update on this issue.

Review of the home rental Covenant and Policies: As follow-up to a request made at the Annual Meeting, the Board confirmed that it will investigate this issue and see if our covenant regarding home rental should be modified. Mary Ann Bryant requested that Kelly Lupton and David Rohdy research this question and present their findings at the next Board Meeting. Resident Mark Sword requested time to express his opinion about this issue. He is currently renting his home on a short-term basis (which is allowed, per the Covenants) and would like to continue to do so. He also apologized for any of his renters that may have broken any rules, specifically Lake rules, this Summer.

7. NEXT MEETING

The next FCR Board of Directors Meeting will be held November 9, 2011 at 2:00 pm at the home of Jim Wallace.

8. ADJOURNMENT

The Board, by motion duly made, seconded and unanimously approved, adjourned its regular meeting at 4:20 pm.

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

Respectfully submitted,

David Rohdy
Vice President
October 4, 2011