

DRAFT - FALLS CREEK RANCH ASSOCIATION, INC.

2019 ANNUAL MEETING MINUTES

July 13, 2019

Pursuant to Notice duly provided to the membership, Association President Jim McCarthy called the Annual Meeting of the Falls Creek Ranch Association (FCRA) to order at 9:06 a.m., July 13, 2019 at the FCRA Picnic Grounds.

President McCarthy announced a quorum was present with a total of 75 lot owners represented at the annual meeting, 52 in person and 23 by proxy. Board members present were President, Jim McCarthy; Vice President, Joan Heil; Treasurer, Robin Lucie; Secretary, Jen Waddill; At Large, Peggy Yotti; At Large, Terry Greiner; and Special Projects, Susan Morton.

1. Introductions and Agenda Approval

President Jim McCarthy welcomed the residents and thanked them for attending. President McCarthy introduced all the Board Members and noted appreciation to the 5 Board Members who will be leaving the Board this year: Jim McCarthy, Robin Lucie, Jen Waddill, and Peggy Lynch, and Joan Heil.

The President recognized our new Falls Creek residents which include Brian, Jill and Millie Williamson; John and Suzanne McBride; Roger Miller and Diane Brady; and Zachary and Jackie Zimmat (plus a tiny Zimmat).

President McCarthy noted what a difficult year 2018 had been with the 416 fire last year in June that burned within yards of our homes. He noted that the Durango Fire Chief stated that it was the FCR mitigation efforts and the firefighters who kept the fire from reaching downtown Durango. After the fire, the rains came down and FCR had to continue our efforts in mitigating for the water, mud and debris that came down from the burn scar. Not only did we do a good job of protecting our homes and roads, but residents generously ponied up \$21,000 in donations to help defray the cost of these efforts. In addition to the threat of water flowing down, we had residents of CR 203 threaten us with a lawsuit due to water that could come further down in the valley from our location. President McCarthy indicated that the so-called “Muck, Mud, and Mire” Committee made a herculean effort to safely route the water into our meadows and natural drainages. President McCarthy recognized all the residents involved in this effort but made note of Paulette Church’s leadership of the team.

Another example of FCR volunteerism occurred during the “carp caper” when we had a massive fish kill at the lake (due to drought and low oxygen levels). President McCarthy specifically recognized Scott Southworth for leading this effort and thanked all the volunteers who gathered the dead fish.

Once again, President McCarthy stated, FCR runs on a strong sense of volunteerism and FCR STRONG!

By motion duly made and seconded, the Agenda for the July 13, 2019 FCRA Annual Meeting, distributed with the Notice of this meeting, was unanimously approved.

2. Approval of Minutes for the 2018 Annual Meeting

By motion duly made and seconded, the Minutes of the August 25, 2018 FCRA Annual Meeting, distributed with the Notice of this meeting, were unanimously approved.

3. Post Wildfire Recovery Team (Mud, Muck, and Mire) Report

Paulette Church introduced the committee members of the Post Wildfire Recovery Team as follows: James Glover (Environmental Engineer with Hydrology), Chris Heine (Geologist), Phil Boroff (Common Property Chair), Clyde Church (Geology background and Tractor Jockey), Ed Kileen (Road Chair), Barry and Mary Ann Bryant (FCR Radio Spotters), Doug Parmentier (Durango Emergency Communication Ctr.), Mark Smith (Geo Tech), Marge Rebovich (Master Gardener), Tom Allen (Geo Tech), Mike McQuinn (Project Management), Don Henry (Archeologist)

Accomplishments:

- 1) No homes or structures have been damaged at Falls Creek or High Meadows from the debris and flows. We can't guarantee that will continue in the face of extreme downpours.
- 2) No homes or structures have been damaged below us on CR 203 or Highway 550. We can't guarantee that will continue in the face of extreme downpours.
- 3) So far, we have not been named as a defendant in a lawsuit. No damage, no lawsuit.
- 4) We continue to remove large debris from the settling ponds by No Name and Dyke Canyon drainages.
- 5) Using their knowledge of geology, water hydrology, and input from a variety of sources, the committee worked together with measurements by James Glover and drawings from Chris Heine to design water crossings and revise culvert installations to effectively protect our roads. We have worked to harden the lower side of culvert installations, so they do not wash out. Again, no guarantees in case of intense rainfall.
- 6) You can see that Tom Allen and Marge Rebovich successfully helped us purchase the correct grass seed mixtures, weed-free wattles, and weed-free straw to begin to slow erosion.
- 7) Dozens of Ranch volunteers, Ian McCarthy's Scout Troop, and the Fort Lewis women's softball team and men's soccer team spent over 2,000 hours installing the wattles, spreading seeds, and covering them with straw mulch. It is amazing how the seeded areas and the forest burn areas have recovered so well.
- 8) We have met with residents and business owners below us on CR 203 and on Red Ridge Road formally three times and provided tours of the Ranch. I keep in touch with the owner

of the most threatened home on CR 203 as does Mark Smith to advise her of increased flows coming her way.

- 9) Mark Smith removed much of the large debris from the north meadow. We need to remove more before they are hayed.
- 10) The water engineer hired by the law firm representing Trimble inspected the No Name Canyon flowage and found nothing to critique and suggested anything done in the future should be paid for by Trimble as it would benefit only them. No requests for additional work to date.
- 11) Our insurance company hired water engineers to survey all our work in the Fall and no concerns emerged. Our work uses historical drainage features to divert runoff onto our alluvial fans and meadows, which are mostly gravel and porous. This was a potato farm and then a hay farm so there are prehistoric and historic diversion swales and ditches designed to direct water onto the meadows and to keep it there to soak in. Our roads cross the normal drainage and we must work around them.
- 12) Most of the water flows are heading toward the lake but none have reached it to date.
- 13) We have been awarded an allocation by NRCS and USDA to help purchase more grass seed for the burned areas on the Ranch and next to it, to be planted this fall.
- 14) The committee calculations indicate that each big meadow has absorbed more water than our lake holds.

Plans for the Coming Year:

- 1) Continue to remove debris from the settling ponds as needed.
- 2) Continue to monitor water flows and make small adjustments as needed. Please let committee members move sandbags and such. Small movements can have huge consequences on the Ranch and especially 800 feet below us.
- 3) The committee prepared a detailed report for the Board of work needed to improve water crossings, harden culvert installations, and smooth roads where culverts have been installed. The committee also recommended some additional culverts and replacement of those too small to carry the flow without plugging up.
- 4) We are working with NRCS to try for some financial support for lot owners who did the emergency repairs with their own funds. La Plata County is sponsoring this effort.
- 5) Additionally, we are working with the Columbine Resilient Forest Health Coalition to address problems left by the 416 Fire. We hope to gain some funding from NRCS to reimburse the Ranch for infrastructure work on roads.
- 6) A Doppler radar has been installed in a permanent location so that it can see our region clearly and more rain gauges have been placed in key areas of the 416-burn scar so we will get better warnings of heavy rains.

4. FireWise Report

Paulette Church introduced the committee members of the FireWise Team as follows: Clyde Church (Chain Saw Gang), Phil Boroff (Common Property), Chris Heine (Forester), Debbie Boroff, Steve Allen (Roadside Trimmer), Barry and Mary Ann Bryant (FCR Radio Spotters and Architectural Review), Mary Ann McCarthy (Fire Danger Sign), James Grizzard (Forester), Doug Parmentier (Air Curtain Burner Chair; Durango Fire and USFS Liaison), Sara Carver, Eb

Redford (Water Utilities), K Redford and Nancy Peake (Architectural Review Committee), Byard Peake (Historian and Past Common Property Chair), Michael Morton.

Past FireWise Ambassadors: Nancy Peake, Mary Ann Bryant, Judy Winzell, Sara Carver

Accomplishments:

- 1) We have treated 42 acres of common property. Primarily through our contract with Waggoner Timber Services: Chet and Cole Waggoner. James Grizzard was able to negotiate the contract that brought their small logging and transporting firms to treat a planned 92 acres at no charge to Falls Creek. They sell the logs to a variety of buying with uses from log homes, to dimension lumber, to poles and firewood.
- 2) We have worked 1,785 volunteer hours during this period. Value = \$46,321.
- 3) We invested the 3rd highest number of volunteer hours recorded in the Ready, Set, Go Program in 2018.
- 4) We were recognized with one of seven 2019 Wildfire Mitigation Awards from International Association of Fire Chiefs, National Fire Protection Association, National Association of State Foresters, and the US Forest Service.
- 5) For the third year we received one of the \$500 National Wildfire Preparedness Day awards funded by State Farm Insurance. Funds were used to buy 750 compostable leaf bags for pine needles and cones and for food and beverages for the potluck after the meeting.
- 6) We received a \$5,000 mitigation grant from International Association of Fire Chiefs and a \$6,000 fuels treatment allocation from the Wildfire Adapted Partnership.
- 7) We have been awarded an 8-member team from Southwest Conservation Corps to treat weeds for one day funded by Mountain Studies Institute.
- 8) The Ranch has been awarded 12 slots in the Cost Share Program for mitigation assessments on individual lots by the Wildfire Adapted Partnership.
- 9) Falls Creek Ranch was selected by NFPA to produce a nationally distributed documentary on the success of our fire mitigation work in preventing destruction of homes, preventing injuries to firefighters, and in preventing the 416 Fire from entering Durango.
- 10) Received the official FireWise USA Certification for the 8th year in a row.
- 11) Received recognition for our successful mitigation work in the Durango Herald in two feature articles and one column covering the Lessons Learned from the 416.
- 12) Held the annual FireWise Educational Meeting with presentations by three partner agencies; Durango Fire, Colorado State Forest Service and Wildfire Adapted Partnership.
- 13) Hosted practitioners and agency representatives from 8 states for a 4-hour tour and presentation on our mitigation and recovery work. The 3-day training was sponsored by Fire Adapted Colorado. Twelve of our volunteers made presentations on their role in mitigation and the Bryants hosted the reception and presentation.
- 14) We received a gift from the Mocks and Clarks of two more digital RCA radios to add to those already donated so that we can communicate around the ranch during an incident, even if cell towers are overloaded or down. This is a critical need we have had from the beginning. Volunteers are responsible for the radios and communicating conditions during area fires, heavy rain, heavy snow melt, lightning strikes, and other emergencies.

- 15) Received notification that we do not need re-certification of our air curtain burner every five years and can continue to use it in partnership with our open burn permit from Durango Fire and Rescue.
- 16) Common Property purchased a 500-gallon water tank and trailer to use next to the air curtain burner.
- 17) Common Property purchased one new chain saw and a pole saw to trim up trees.
- 18) Our budget is increased for the coming year from \$600 to \$1,000.

Plans for the Coming Year:

- 1) Complete the Dense Pine Thinning Project with Waggoner Timber. This includes work primarily on common property and as requested on lots by their owners.
- 2) Complete the cleanup of pine needles harvested by volunteers with the air curtain burner.
- 3) Complete the cleanup of slash from the thinning and other mitigation projects.
- 4) Collaborate with Common Property in planning and completing at least two general Ranch cleanup days.
- 5) Making plans with the Daybreak Rotary Club to remove the firewood not gathered by residents to be processed and delivered to elderly and low-income families, which use firewood for heating.
- 6) Find a mill or business that will accept cottonwood. We desperately need to trim them up along the meadow, along FC Main, and along Falls Creek, including in the picnic grounds. Their many dead branches fall during wind gusts and create a serious hazard.
- 7) Request a neighborhood wildfire mitigation assessment by Wildfire Adapted Partnership to include in our revised Community Wildfire Protection Plan.
- 8) Apply for continued certification by FireWise USA and the Ready, Set, Go Program from International Association of Fire Chiefs.
- 9) Have the FireWise Committee assess needs for equipment, maintenance, and temporary staffing for next summer to continue mitigation and healthy forest restoration work.
- 10) Vigilantly watch for grant and partnership opportunities to help us reach our healthy forest goals.
- 11) Continue to host visiting neighborhoods and organizations that have been referred to us as an example of a well-mitigated community.
- 12) Inventory all our equipment and locate maintenance materials in one location.

5. Water Supply Task Force (WSTF) Report

Susan Morton, WSTF lead, provided a report on the team's activities during the last year as follows:

- The Water Supply Task Force was formed last year to continue the work another important sub-team of the Utilities Committee had done in looking at an option for using the Animas Water Company (AWC) for a long-term solution for water for the Ranch.

The team members are Susan Morton, Mary Ann Bryant, Barry Bryant, Jim McCarthy (Main), James Glover, Chris Heine, and Eb Redford.

- Our mission is to not only consider the AWC but to also look at short and medium-term alternatives that would be less costly and as an interim solution to a more longer-term solution.
- We have had several years of drought and more years predicted, but we have been blessed this year by more water than usual; some say the only positive thing from the 416 fire is that it resulted in great water flows for us from the abundant moisture we've gotten. Our well levels are all rising as well as our lake. I think you can look around and see just how much moisture we've gotten this year. It's an anomaly and one that may benefit us for several years, but it is still imperative that we continue to make sure our water supplies are adequate for our future.
- In addition to the team members, we have been working with 2 engineering firms: Wright Water Engineering (out of Denver with a satellite office in Durango) and Southwest Hydrologics which is headed by a hydrologist quite familiar with the Ranch, Win Wright. Because of potential legal issues, we have also engaged Steve Bushong, a successful water attorney who helped us through our last legal wrangling over water.
- As noted, today we appear to have adequate water, but with the predicted drought conditions, it is important that we position ourselves to be ready to always have a good, reliable water supply.
- There are 3 phases to this project:
 - **Phase 1 (FY 19-20):** Replace Well #2 (upper well) with a new well. The upper well has been a work horse for 43 years. Unfortunately, the well was not properly constructed causing us to replace the pump many times along with other maintenance issues. Our belief is that by moving this well to a new location and constructing it properly, that it will continue to supply the upper system.
 - Locate and drill a test well in another location, to be called the middle well, which will be used as a back up to our upper and lower wells. This well will initially not be put into production until the next year.
 - Begin the legal search and planning for a well in the Falls Creek drainage.
 - **Phase 2 (FY 20-21):** Put the middle well into production. Continue the legal search and planning for a potential well somewhere in the Falls Creek drainage. If conditions look right, based on our research, we will drill a test well in the Falls Creek drainage but not put it into production.
 - **Phase 3 (FY 21-22):** This is the decision point year. By this time, we will have experience as to how our upper, middle, and lower wells are producing and will

have a good basis to make decisions on whether we finish construction on a well in the Falls Creek drainage, implement the Animas Water Company pipeline, or turn to other options such as harvesting lake water.

- Phase 1 cost - The anticipated cost for FY 19-20 is \$99,000. Future years are undetermined at this point but will be detailed out as we approach those phases of the project.
- Funding - Right now, we will be using capital reserve funds which a water rate base fee increase will help reimburse. Longer-term and more expensive projects have the potential for low interest state loan funding.

After the presentation, Mary Ann Bryant led a Q & A session and directed residents to the Q & A in a handout provided. Questions included: Will the AWC still have water for us in 3 years; what is the quality of AWC water after the Gold King spill; How will we prevent another Well #4 mistake; How do we prevent leaks in our current system; Who were the experts that we worked with; and a statement about how important conservation is.

6. Treasurers Report and 2019-2020 Budget (discussion and vote)

Robin Lucie report that we are still closing the books for FY19 that ends 7/31/19. Outstanding items are primarily July payroll and utilities. Cash balances as of 7/5/18 totaled \$338,627, made up of \$67,428 operating, \$242,602 capital reserve, and \$28,597 grant reserve. Prior year total reported at the annual meeting was \$285,372.

The proposed budget for FY2020 reflects no change in HOA dues, with an annual fee of \$3,000 for an improved lot and \$2,900 for an unimproved lot. There are 6 unimproved lots remaining. The budget proposes increasing the water base fee from \$25 per month to \$50 per month. This will bring in an additional \$30,000 in cash that will be used for water system costs. Water usage rates will remain the same. The budget also allocates \$40,000 from HOA dues to capital.

Most of the fire recovery costs from the 416 fire last summer were incurred in August so they are in our current year actuals, along with the contributions we've been so fortunate to receive. Costs in the current year that were identified as specifically attributed to the fire are \$45,300, and contributions from members came to \$21,700, so net cost to the budget this year was \$23,600.

Most of the Association's operating costs this year have been within budget. The board approved \$14,000 in additional gravel for the roads to maintain the integrity of the first half of Falls Creek Main and approved an additional amount in next year's budget to do the rest of Main. Insurance and dumpster costs are exceeding budget, and both are expected to continue to go up. An additional trash dumpster has been ordered and should be in place soon at a cost of ~\$250 per month. We've been operating with the same 2 trash dumpsters for many years. We also receive notices from Waste Management about once a quarter that our recycling dumpsters

are contaminated and that causes us to pay higher fees. Please carefully follow the rules for recycling. The rules are posted on the recycle bins.

The current year capital budget of \$40,000 for an engineering study of a possible pipeline from the Animas Valley was not incurred. Instead, the Water Task Force used \$15,000 for a study of possible new wells, as was described in the Water Task Force report. Other capital items this year included: \$7k for a sander for the Ranch truck; \$8,800 to replace the pump in well #1; and \$8,000 for road culverts.

We paid off \$30,000 in notes from the Dam Spillway project in this fiscal year, which were the last of those notes outstanding. We have \$50,000 in notes outstanding for the easements purchased last year, with \$30,000 due in October 2020 and \$20,000 due in October 2021.

The FY2020 operating budget increases include the gravel mentioned previously for Roads, a cost of living payroll increase, higher insurance and dumpster costs, and Lake area improvements. Capital costs identified for FY2020 are: 1) an estimated \$30,000 for exterior painting of the water tanks; 2) an estimated \$6,000 for replacement fire hydrants; and 3) the proposed new well drilling and system hook up as presented by the Water Task Force. Funding options for the well drilling costs are still being evaluated and may include a special assessment, notes, or financing. Options will be presented to the membership.

Invoices for the FY2020 HOA dues will be issued on or before August 1 based on the budget passed in today's meeting, and will be due on or before August 30, after which late fees will be assessed. Dues can also be paid in 6-month increments, with half due now and half due in February with no interest.

Call for Budget approval: The annual meeting packet includes the Board's proposed budget for FY2020. As per CCIOA rules, we must call for a vote to DISAPPROVE, or VETO, this budget; NOT APPROVE it. If it is vetoed, we default to using the existing budget approved at the prior annual meeting. If it is not vetoed, we adopt the proposed budget. The vote was held to VETO the budget and it did not pass.

Robin also asked the residents to please mail all checks to FCR Processing as stated on our utility bills. Sending checks to the main FCR address, on the Ranch, delays the check processing and causes additional work.

7. Election of New FCR Board Members (3 needed – discussion and vote)

Jim McCarthy opened the floor for nominations for 3 new Board members.

David Hardy nominated Paulette Church, Will Waddill nominated Les Lynch, and Doug Parmentier nominated Joan Heil. The motions were seconded, and all approved the new Board Members.

Departing Board Members include: President Jim McCarthy; Treasurer Robin Lucie; Secretary Jen Waddill; At-Large Peggy Lynch; Vice-President Joan Heil.

8. Architectural Control Committee Report

Mary Ann Bryant presented the Architectural Control Committee Report.

The Architectural Control Committee (ACC) currently has five members: Mary Ann Bryant (Co-chair), Nancy Peake (Co-chair), Jonni Greiner, Linda Johnson and Gale Marinelli. We have openings for two more members. We encourage anyone who is interested and wants to learn more about our Committee's work to please contact any of us.

The ACC reviews all exterior improvement projects of members' homes (renovations or new construction) as required by the FCR Covenants and ACC Rules/Regulations. ACC review and approval are required BEFORE any work may begin. If you're planning any kind of exterior project, please contact the ACC with any questions you may have. We respond quickly so we don't hold up your project.

Currently, there are 12 open ACC projects on the Ranch.

9. Beautification Committee Report

Marge Rebovich presented the Beautification Committee report.

Committee Members: Nancy Wallace and Marge Rebovich, Co-Chairs; Gale Marinelli, Mary Ann McCarthy, Mary Grizzard, Mindy Self, Nancy Henry, Susan Morton, Jenny Hardy, Jonni Greiner and Bill Rebovich.

The purpose of this Committee is to maintain the gardens at FCR entrance as a welcoming first impression for visitors. Additionally, the gardens are designed to be educational demonstrations for residents

There are 100 examples of plants that are water wise as well as deer resistant. To that end, each Committee member has contributed research on 10 plants which has been compiled into a Garden Guide. Nancy Henry and Jonni Greiner are managing the introduction of that guide and how residents may access it once it is posted to the FCR website.

Linda Johnson. Barry and Mary Ann Bryant are acknowledged for their dedication to the Adopt a Highway Program along the Forest Service road.

Marge reported that she had recently attended the International Association of Erosion Control Specialists and received good information about weeds, erosion control, and an application for a smart phone called EddMapS to help identify plans. This can be accessed at this url: <https://www.eddmaps.org/>

10. Common Property Committee Report

Phil Boroff, Chairman of the Common Property Committee (CPC), was called away due to a family emergency and Clyde Church stepped in to give the report as follows:

Forest Management

- In accordance with the FCR-published Community Wildfire Protection Plan, the CPC has teamed with the FireWise Committee to contract additional forest restoration toward well-spaced trees with an eye on diversity in age and structure to ensure long-term healthy forests. This work requires a sustained effort with many volunteer hours to conduct post-logging cleanup and restoration operations.
 - ✓ Residents are encouraged to pick up downed firewood for their personal use. In combination with the FireWise Committee, the CPC will continue to pursue no-cost outside assistance options for our remaining wood focusing on First Responders, charity organizations, and forest product reutilization.
 - ✓ The CPC has requested a shift of monies from the weed control budget line to the part-time payroll line to aid in removing scattered slash from the ranch proper and chipped or taken to the slash pile following logging operations.
- CPC volunteers and FCR residents continue to inspect for beetle infestation and fell as needed; as a result of increased efforts, overall numbers have remained steady for the past two years. We anticipate even better results as forest restoration efforts continue.

Weed Mitigation

- The CPC requests all residents to be aware of weed growth and mitigate as necessary. If you see something,,Pull something! In accordance with La Plata County procedures, weeds can be placed in closed bags and brought to the slash pile for burning (please do NOT put big bags of weeds in our trash dumpsters).
- Weed spraying has been light this year with only a few badly infested areas requiring attention. In addition, we will be getting Conservation Corps weed-mitigation assistance in some of our most remote areas.

Annual Clean-up Day

- Annual clean-up day is postponed as to not interfere with logging efforts. We are working to de-conflict schedules and will announce as soon as we can nail down possible dates.

Slash Yard

- Air curtain burning (ACB) operations will resume soon. Excessive moisture had created unsafe conditions but is receding. The CPC established a temporary holding point for needle bags but will discontinue as burning operations commence. With increased private and common property mitigation and restoration efforts, the slash yard continues to require an enormous number of volunteer and paid crew hours
- As a reminder, only the designated crew on duty is permitted to put anything into the ACB.
- The CPC has acquired a new and improved water tank that will serve several purposes. The additional mobility and water quantity (600 gallons) will serve to add an increased safety layer while burning slash and conducting multiple chainsaw operations as well as provide in-house road-watering capabilities.
- The increased budget and grant monies for chipper rental have greatly augmented our ability for in-place chipping as well as chipping at the slash yard.
- The Slash Yard is now open!

Budget

- The CPC has requested no net change in operating budget for the coming fiscal year.

The Team

- Many thanks to our many volunteers and regular CPC members: Chris Heine, Clyde and Paulette Church, Jim Grizzard, Steve and Lisa Autry, Gale Marinelli and Doug Parmentier. Keeping a clean and safe community in the Wildland Urban Interface is no accident and your efforts were indispensable in saving our community from a certain catastrophe from the 416 fire.

Air Curtain Burner

- Doug Parmentier addressed specific issues surrounding use of the Air Curtain Burner (ACB) and asked the following:
 - No rocks in bags destined for the ACB
 - Make sure you tell your contractors not to put rocks in bags destined for the ACB
 - Be sure to put weeds in paper bags for the ACB, no need to place weeds/yard clippings in the already over-full trash dumpsters or in the recycling dumpsters
 - Doug asked for help with a large truck and trailer to assist in hauling the pine needles from Starwood over to the ACB

There were a few questions/comments after this report which included:

- Be sure to log any mitigation efforts surrounding the logging activity and turn into Paulette Church
- Tall grass surrounding your homes or in Common Property, as it dries, is considered a fire hazard
- Clyde mentioned the potential of a chain saw safety class.
- A question was asked about mowing the meadows and their very tall grass and Clyde indicated that is supposed to happen in a week or so.
- There was mention that the NCRS (working with local engineering firm SGM) will be moving up here to do some cleanup/mitigation on specific properties. There is potential for some cost reimbursement. Don Henry asked if we can do our own work and the answer was “yes”, but “you will not be reimbursed”.
- Doug reminded everyone to read the rules on the front of the trash and recycling dumpsters. In recycling there should be ABSOLUTELY NO plastic bags of any kind, no glass. Please break down boxes before putting in the recycling dumpsters.

11. Lake, Dam, and Fish Committee Report

Paula Mills and Barb Belanger teamed up to give the Lake, Dam, and Fish Committee report as follows:

The Falls Creek Lake – a Jewel of Falls Creek Ranch

This year we combined the Dam Committee and added Fish to the Lake Committee.

Goals

1. To keep the lake area organized and pristine
2. To create additional areas around the lake for enjoyment

Objectives for 2019-2024

1. Complete one significant project per year
2. Assure continued maintenance

5yr Plan Improvement Projects

yr1 – Build Kayak Rack – Completed

yr2 – Build a Paddleboard Rack – in process

yr2 – Create a Shade Structure – in process

yr2 – Assure all boats at the lake are registered. Those not claimed will be auctioned off. – this is a new project added for 2019

yr3 – Establish Canoe Storage

yr4 – Replace/Repair Raft

yr5 – Improve Quiet Area/Dog Beach

Dam – The dam was inspected and passed

Fish – This year we had a massive kill of fish due to a perfect storm of low (drought) lake water and a very heavy winter. More than 10,000 lbs. of dead carp were pulled from the lake. \$2,500 was spent on adding juvenile grass carp. Also, Colorado Parks and Wildlife conducted a gill net experiment to determine if the FCR Lake was prime for establishing it as a brood lake for native San Juan trout growth. They determined it was not due to the plethora of bass that survived the winter kill, which would eat the juvenile trout. The plan forward is to continually add a load of carp each year to keep the grasses to a minimum. Through a generous member donation, several “nice sized” trout were added to the lake for catch and release sport fishing.

Maintenance Projects

1. Continually purchase commercial-grade furniture to increase the inventory over several years.
2. Continually add both grass carp and catch and release trout
3. Continually add truckloads of sand and gravel to existing beach and boat areas, as well as create new areas for enjoyment around the lake.

These maintenance projects would consume a large portion of the budget every year, leaving little to no money for new improvement projects. Therefore, we are asking the membership, if possible, to provide donations to the Lake and Dam Committee in order to repopulate the lake with fish and add to the commercial-grade furniture inventory. Checks are welcome and should be payable to FCR Homeowners Association with “lake donation” in the memo field and sent to 6350 Falls Creek Main, Durango, CO 81301. These donations will go a long way to meeting the goals and objectives and keep the Falls Creek Lake a jewel of our community.

It was mentioned that all boats at the lake are now tagged and the membership is reminded to not use boats that do not belong to you. The Committee answered a question about tagging boats that are not stored at the lake and the Committee indicated it is not necessary to tag boats you store at your residence. The Committee also reminded membership to either take your paddles home with you or put your names on the paddles. The membership is also asked to make sure you have FCR stickers on your cars or that your guests have guest hang tags when parked at the lake. You risk your vehicle being towed without a tag.

Other reminders included: you can fish for and keep bass, but trout and carp are catch and release only; if you plan to have 10 guests or more, you must get approval from the Committee; please restrict your dogs from the Main Beach; fishing is to be only in specific areas; one member asks those fishing to crimp the barbs on their hooks; all trash, food, supplies, etc., etc., is to be packed out when leaving the area.

12. Horse Committee Report

Peggy Lynch gave the following report for the Horse Committee:

There are currently 4 horses at the stable with one corral available.

The pastures are in great condition thanks to the heavy snow and abundant irrigation water this spring. We continue to have great results using fly predators as well as various traps around the stable and pastures to control the flies. The manure pile to the south of the barn is always available and free for the taking!

A big thank you to Phil and Tyler for mowing around the corrals for us, we really appreciate that! This summer we plan to focus on weed mitigation in the pastures and around the corrals.

If anyone is interested in bringing a horse to Falls Creek Ranch please contact Lisa Eckert, Peggy Lynch, or Jessie Kileen.

13. Roads Committee Report

Ed Kileen of the Roads Committee gave the following report:

Members: Ed Kileen, Mike McQuinn, Mark Smith

Well, we made it through another year, with the roads holding up well, all things considered!

After the 416 Fire was extinguished, we received moisture across the upper section of Falls Creek at a rate much greater given the barren land created by the fire up the drainages. This caused us to look at how to safely handle the water flow while keeping our roads and access open. The (Mud, Muck and Mire) MMM Committee has done a great job running point on many of these initiatives.

The Roads Committee (with MMM input) installed several low water crossings and worked with the residents of surrounding neighborhoods to keep impacts downstream to a minimum. We have experienced a lot of dirt run off on our roads above Snowshoe which will need to be dealt with in the future, but for now the roads are manageable and can be maintained. There was some trial and error on how to manage, but many volunteers spent countless hours helping and we all benefited greatly!

This past spring after a heavy snowpack, we experienced a strong melt and the roads (and all work directing/managing water) held up well. We installed culverts on North Main over the low water crossing with MMM Committee. We did have some muddy weeks (with all the dirt that contaminated the roads) but we survived!

We have some work we are planning with the MMM Committee for late Summer/early Fall that will address a couple of key areas on the roads and some of the culverts to maintain safe and effective water flow.

Our most significant and difficult area to maintain is the FCR Main hill – from Starwood to Snowshoe – that section is the most difficult and expensive. This year we spent over \$40,000 in gravel and maintenance, most of that amount on the hill. We have requested a larger budget for 2019/20 to continue to maintain our roads and keep up with the demands created by a gravel road system – many areas that have not seen much maintenance (most of the side roads) will need to be addressed in the near future.

Last year we committed to the HOA to investigate costs to pave or chip seal roads. We discussed with several road contractors and the pricing for chip seal is significantly more cost effective (even with some additional maintenance costs) than asphalt. The cost to chip seal Falls Creek Main hill (roughly 5,000 lineal feet) would be \$90,000-\$100,000 (vs asphalt which would be \$360,000-\$400,000 for same length). Our question to the FCR homeowners is, if we were able to find a way to fund this expenditure over a seven to ten-year period, would the membership support this? If we looked at spending \$25,000 (gravel, maintenance, etc.) over that same period for just the hill, the costs would add up to \$175,000-\$250,000 for the same period.

We applied our annual Mag Chloride treatment in June on FCR Main from the gate to Oakcrest and as reported earlier in the year through Board minutes, we will be installing speed bumps on the FCR Main hill. The Mag Chloride treatment is holding up well with a lot of watering which Mark Smith and Mike McQuinn have led the charge on (along with several residents) to help keep dust down and the roadway compacted. Big thank you!!

Lastly, thank you to everyone that supports the Roads Committee by following the speed limits in Falls Creek. It helps maintain our roads, reduce the need to re-grade sections and most importantly, keeps our neighborhood safe for all to enjoy!

Some additional discussion followed to include:

- Note that the white flags are potential areas for future speed bumps – the speed bumps will be temporary in case they do not work as intended, we will monitor these.
- Chip sealing was briefly discussed as being from the bottom of Starwood to the top of the hill on Main – there was an objection to chip sealing from a member due to the belief that a smooth road would cause more speeding.

14. Utilities Committee Report

Eb Redford, Chairman of the Utilities Committee, gave the following report:

Committee Members: Eb Redford is in charge of Systems Operations, the SCADA system and is the Administrative Contact for the CO State Water Dept.; Shirley Jones, Jennifer Hardy & Nancy Peake collect monthly water meter readings; Mary Ann Bryant handles homeowner water usage discussions; Tom Allen, Barry Bryant, Chris Heine & Les Lynch assist with Systems Analysis, Leak Detection & other utility projects; Ray Smith is the official CO State registered water system operator (ORC) with Eb as certified operator backup and Ray takes monthly water samples for testing & reporting, is chief operator of the two Disinfectant Systems (Upper & Lower), and is responsible for system repairs

Thanks to all the members; great work!

- **System Repairs**
 - A Fire hydrant was replaced late July 2017; Located on Snowshoe near the Lower WTF (Water Treatment Facility).
 - Upper & Lower system household leaks. Faulty toilets the main culprit. One member used 47K gallons in one month (had a hose bib running). Another member used 41K gallons in one month; cause unknown.

- **Water Disinfectant System**
 - New Upper & Lower Treatment systems have continued operations without problems since 1June 2013.
 - Backup power generation systems were installed for the Upper & Lower treatment buildings October 2015. Upper System generator had a repaired, leaking crankcase seal Spring 2019.
 - One of the Lower system flow meters (used to measure pump water production) failed May 2018; Started using a backup flowmeter.

- **SCADA (System Control & Data Acquisition) System**
 - System operations are monitored on a daily basis. Eb monitors remotely during business trips.
 - Controls Well -1 and Well-2. Well-3 is manually operated but feeds the lower WTF (Water Treatment Facilities) system.
 - Well-4 is periodically manually operated to satisfy water permit, but the water is not suitable for treatment & usage.

- **Budgeted Capital Projects 2019-2020 fiscal year (if budget is approved)**
 - \$30K to repaint the outside of the Upper and Lower water tanks

- **Long Range Water Supply Status & Future Options**
 - Topic was discussed in detail in Susan Morton's WSTF (Water Supply Task Force) annual meeting presentation. Information was emailed to members prior to the Annual Meeting.

- **Distribution System Issues**
 - Upper & Lower Water Tanks:
 - We think the tanks were installed in 1995 with a 60-year lifespan. They should be re-painted and re-coated every 20 years.
 - They were inspected on the inside with some minor repairs in Jan 2015
 - They were repaired on the inside in Sept 2015.
 - We have some minor leaks in the Lower tank. Estimated repair cost is \$3K.
 - Both tanks need to be repainted on the outside. Estimated cost is \$30K (Included in the 2019-2020 budget request).
 - Both tanks need to be re-coated on the inside. Estimated cost is \$44K (2020-2021) Budget request.
 - Both tanks need to have a new frost proof vent installed. No estimated cost currently.

- **Distribution System - Long Range Replacement Project**
 - FCR hired the engineering firm SGM to analyze the Ranch Water Distribution System in 2018
 - Their conclusions are to plan and budget for a complete replacement of the existing system most of which was installed in the mid to late 1970's.
 - Their estimated cost for this project is around \$2,600,000.
 - This entails replacing all the waterlines, valves, fire hydrants and tanks throughout the system.
 - The WTF (Water Treatment Facilities) were completed spring of 2013 and are working well.
 - They recommend raising water rates to generate capital for this project. (The Treasurer, Robin Lucie, discussed this issue as part of her report).

There were a few questions about leaks in the system and the question was asked if there is a potential to have an electronic system that will help individual homeowners monitor their own leaks/system usage.

15. Ranch Manager and Liaison Report

No report

16. Old Business

A question was asked about the status of the legal agreement with Church Camp. Jim McCarthy responded that the current agreement has been in place since 2011 for emergency use of the roads. A new agreement is currently being developed with Church Camp and Peggy Lynch is the point person on this. Once the agreement is finalized, the membership will have 30 days to review it before it is signed and then we will have another 30 days before we can implement the agreement.

17. New Business

A member asked if hunting is allowed on FCR land and President McCarthy stated that hunting is not allowed, via our Protective Covenants, on FCR land, but that hunting is allowed on Forest Service land that is adjacent to FCR. President McCarthy stated he would talk with the member asking this question privately about an issue that had arisen previously regarding this topic.

Another member asked if we could have a sign OUTSIDE the gate that says "No Trespassing" since so many seem to not see the sign ON the gate. President McCarthy referred this to the Roads Committee.

18. Next Annual Meeting

The next Annual Meeting will be held on Saturday, July 11, 2020 at the Falls Creek Picnic Grounds.

19. Adjournment

The meeting was adjourned at 12:11 p.m. after a motion, a second, and all approving.

Respectfully Submitted,

Susan P Morton
Secretary
August 19, 2019