

**MINUTES OF THE DECEMBER 16, 2015
FINAL BUDGET HEARING
and
REGULAR MEETING
OF THE PUEBLO CONSERVANCY DISTRICT**

Directors Present: Bill Alt, Barb Bernard, Matt Cordova, Bud O'Hara, Corrine Koehler, Dennis Maroney, Ron Serna, Paul Willumstad

Also Present: Administrator Rick Kidd, Attorney Joe Bower

Guests: Kim Kock, NorthStar Engineering
Chris Woodka, Pueblo Chieftain
Shanna Lewis, Colorado Public Radio

The regular meeting of the Pueblo Conservancy District was called to order by President Willumstad at 10:35 am. A quorum was present.

Public Forum:
None

BUDGET HEARING:

Kidd stated that the only change made from the draft budget presented in October was to increase the line item for the Administrator/Engineer from \$14,400 to \$20,400. This was done pursuant to the motion by Bernard and approved at the October meeting. Bernard moved to approve the budget for 2016. Seconded by Serna. There was a discussion concerning a line item budget for Professional Fees, which had not had anything charged to it in 2015, versus the line items for Legal Fees and Engineer/Administrative. Kidd said that there may have been some charges that should have charged to the Professional Fees line item rather than the construction coding. He would review the records to see. An executive session was requested. O'Hara moved that the Board recess and go into executive session. Maroney seconded. Motion passed. Exclusive of the Board, everyone was dismissed except for Attorney Bower.

The executive session was adjourned at 11:00 am and the budget hearing resumed. Questioned about the \$10,000,000 loan, Kidd said that it should be included in the 2015 Budget because the loan was closed in 2015. Mr. Bower was requested to have Don Banner prepare new letters of engagement for both Attorney and Engineer/Administrator services. The motion approving the 2016 Budget was approved.

Minutes:

The minutes of the November 18, 2015 regular meeting were reviewed. Cordova moved to approve the minutes and O'Hara seconded. O'Hara noted that he was mistakenly listed as an attendee at the meeting that Kock and Banner had with Swerdfeger. Kidd made a pen-in-ink change in the minutes. Motion passed.

Treasurer's Report:

Kidd reported that, due to the Thanksgiving Holiday and the early December meeting the accountant did not yet have the November compilation report completed.

December 16, 2015 Minutes, Page 2 of 4

Bills – Kidd reviewed the bills posted for payment. The following bills were posted for review and approval:

\$ 375.00	MBD&G, Monthly Accountant fees
\$ 420.00	Banner and Bower, Attorney fees
\$ 150.00	Banner and Bower, Web site design support
\$ 1,200.00	Kidd Engineering, Administrator/Engineer fees
\$ 200.00	Alt, Director's Fee
\$ 200.00	Bernard, Director's Fee
\$ 200.00	Cordova, Director's Fee
\$ 200.00	Koehler, Director's Fee
\$ 200.00	Maroney, Director's Fee
\$ 200.00	O'Hara, Director's Fee
\$ 200.00	Phillips, Director's Fee
\$ 200.00	Serna, Director's Fee
\$ 200.00	Willumstad, Director's Fee
\$ 9,726.00	Spaccamonti Excavating, Runyon Lake concrete demolition and cover
\$ 2,091.82	Colorado Special Districts P&L Pool, Property and Liability Insurance
\$ 1,050.00	Southeastern Colorado Heritage Center, 2016 Membership, Storage and Meeting spaces
\$ 315.00	Kidd Engineering, BHE Diversion, Wildhorse Creek Levee land needs and acquisition discussions, original drawings research, etc.
\$ 2,310.00	NorthStar Engineering, Task C Arkansas Levee Geotechnical Investigations
\$ 18,960.00	NorthStar Engineering, Task D Arkansas Levee Design, Permitting and Regulatory Approvals Contract
\$ 1,610.00	NorthStar Engineering, Task E Arkansas Levee Construction Support Services, Geotechnical Testing, Staking, As-Builts
\$ 5,400.00	NorthStar Engineering, Arkansas supplemental on Black Hills Diversion
\$ 636.00	NorthStar Engineering, Arkansas River reimbursable copies, etc.
\$ 3,100.00	NorthStar Engineering, Task C Wildhorse Levee Design, Permitting, and Regulatory Approvals
\$ 332.50	NorthStar Engineering, Wildhorse Reimbursable copies, fees, etc.
\$ 4,868.50	NorthStar Engineering, Maintenance Fund Assessment Support – Phase III Services
\$ 8,325.00	Banner & Bower, Levee Bid / Construction / Financing meetings, discussions, negotiations, and documents
\$ 437.50	Altman, Keilbach, Lytle, Parlipiano and Ware, Eminent domain legal fees
\$ 500.00	Paul Willumstad, Land purchase earnest money advanced
\$ 3,000.00	Williams Valuation Services, Land acquisition appraisal (1917 W 15 th)

O'Hara moved to pay the bills. Seconded by Cordova. Motion passed

President's Report –

Willumstad reported that the property at 1906 West 18th was offered for purchase at the amount of \$10,000. This offer was considered by the realtor and Banner and was found acceptable. Therefore, he signed a purchase agreement. Willumstad reported that Banner had solicited proposals for eminent domain attorney services. David Lytle offered and competitive proposal and was available within the required time frame. Dr. Hasan contacted him and is interested in some of the dirt off of the Arkansas Levee, for use at his new marijuana grow facility on the north side of Pueblo. Per the discussion at the October meeting, Willumstad sent a letter to Todd Zeiller to support the City's grant application for recreational planning and design along the Legacy Project area. The letter was given to Kidd for the District's records.

December 16, 2015 Minutes, Page 3 of 4

Administrator's Report –

Kidd reported that his primary activities had been related to the Levee project. He did receive a call from a novelist in Washington state who is writing a novel based in the Pueblo area. She requested information concerning the width of the Arkansas River, the height of the Levee, various landmarks, etc.

Fountain Creek Committees Reports –

Maroney said that there had been a study by CSU-Pueblo using birds as an indicator of Fountain Creek water quality. They found high levels of mercury in Monument and Fountain creeks. This information correlated with other studies. They are developing an monetary mitigation fund to help communities adopt the storm water management criteria manual developed for the region. Maroney said that this manual was developed by Colorado Springs and is a very good criteria manual. They have set up a new water quality subcommittee and Maroney volunteered to be a member of it. They will meet one hour before the regular meetings, so there will not be any additional travel expenses. He said that it appears the \$50M set aside for flood mitigation and control work along Fountain Creek may not go very far. It would help if everyone in the region would adopt the new storm water criteria manual. Kidd asked if the District should send a letter to the City of Pueblo and the County to encourage them to adopt it. Maroney said that it would not hurt. Woodka said that the Fountain Greenway District is looking at what parts they would like to adopt. Maroney said that the manual has flexibility to be adapted to various areas. Alt said that enforcement needs to follow adoption.

Land Acquisition –

One property is currently under contract and others are in consideration. It appears that acquisition of one property will require condemnation proceedings.

Arkansas River / Wildhorse Creek Levee Construction Contract –

Kock said that he has discussed the timeline for property acquisitions with Lytle. It looks like all of the properties should be available by the middle of February. Therefore NorthStar feels that we can move forward with advertising the construction contract. By starting the advertising right now proposals could be in and an award made at the January meeting. Since we do not have access to the buildings that will be demolished, the contract has been worded for the contractors to assume that there are no hazardous materials. Testing will be done after the District has possession and change orders will be negotiated if hazardous materials are detected. Maroney asked about drainage coming under the railroad tracks on the east side of Wildhorse Creek. Kock said that they have been working with the City for plans to address this drainage outlet. The contract calls for the contractors to assume that the excess materials removed from the Arkansas River Levee will be stockpiled at a site the City has designated on the old Honor Farm property. It is anticipated that 100-120 cubic yards of material would be stockpiled. Then the contractors are to provide pricing for a deductive alternate if they have a location where they can either use or sell the dirt. The contract award will be what is considered to be in the best interests of the District. They will let contractors know of those who have contacted either the District or NorthStar expressing an interest in using some of this material. Hasan, Cone, Pueblo and CDOT have all expressed some level of interest. The UP Rail Road is on board with an access permit to cross on the Board of Water Works access. The base bid includes removing dirt from the Arkansas Levee from where Phase 1 ended east to the Santa Fe railroad bridge. There is an alternate to also remove embankment materials on past this point. There have been meetings with BHE and PBWW concerning the BHE/HARP diversion control structure lowering. There is an existing control joint about 8-feet down. The structure will be taken down to this point under this phase. The work of the next phase of construction will rebuild this control structure to meet final grades and designs. There are approximately 60 drawings relating to work along the Arkansas Levee and 25 drawings for construction of the Wildhorse Creek Levee. All drawings and contract documents will be provided to the contractors in .pdf format on a USB drive. Koehler moved to advertise the project for proposals. Seconded by Alt. Kock said that the advertisement would start on December 21. There will be a mandatory pre-proposal

December 16, 2015 Minutes, Page 4 of 4

meeting on January 5, 2016 at the Heritage Center. Proposals will be due on January 22nd and hopefully a recommendation for award can be made at the January 27 meeting. Motion passed.

Nominating Committee –

Alt said that he and Donna have talked about a proposed slate of officers. They have not met, but no one has contacted them and expressed an interest in an officer position. Therefore, their recommendation is:

President	Paul Willumstad
Treasurer	Barb Bernard
Secretary	Matt Cordova
Vice President	Donna Phillips

After some discussion, Koehler moved to accept this proposed slate. Seconded by Maroney. Motion passed.

Old Business:

Levee Recreation Committee – Koehler reported that the City has applied for one grant. They are working on two more.

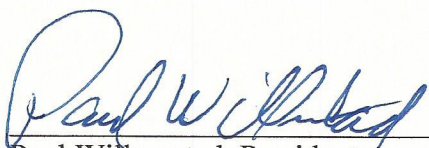
Koehler requested a presentation about the District's responsibilities. Willumstad suggested that Banner could do this at a future meeting.

Kidd is to print a set of PCD land ownership maps for exhibit.

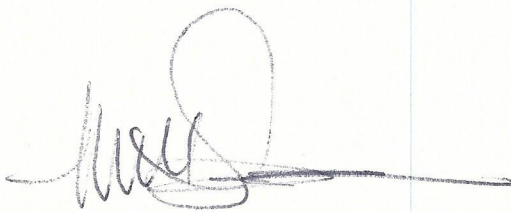
The meeting was adjourned at 12:03 pm.

The next regular meeting date will be January 27, 2016, at 10:30 am.

APPROVED:



Paul Willumstad, President



Matt Cordova, Secretary