

MINUTES OF THE JULY 25, 2018 REGULAR MEETING

Directors Present: Barb Bernard, Matt Cordova, Bud O'Hara, Donna Phillips, Ron Serna, Paul Willumstad

Also Present: Administrator Rick Kidd, Attorney Don Banner

Guests: Kim Kock, NorthStar Engineering
Larry Daveline, MBD&G – District Accountants
Sam DeNardo, GR&D – District Auditors
Jason Levison, Keller-Williams Real Estate

The regular meeting of the Pueblo Conservancy District was called to order by Secretary O'Hara at 10:03 am. A quorum was present.

Minutes:

The minutes of the June 29, 2018 regular meeting and July 10, 2018 special meeting were reviewed. Willumstad moved to approve the minutes and Serna seconded. Motion passed.

President Phillips assumed chairmanship of the meeting.

Public Forum:

None

President Phillips invited Levinson to provide a update on the excess properties, during the public forum time allotted. Levinson asked for an opportunity to update the Board on properties in the "Blocks" area. He said that four properties had sold in the last two years. Their value has averaged approximately \$20,000 per acre. He passed out a summary of District and City owned parcels in the area and their projected values. Willumstad questioned if the City could participate on mutual sales with the District. Banner said that he understands that the City can transfer land to a governmental entity. So he believes the District could have an agreement between the agencies. Phillips said that a previous investor was concerned about boundaries between City and District properties and that by combining them into one sale it could clean this up. She said that there is more coordination required before we could launch the sales campaign but she believes that the District should move forward with the potential. Phillips said that it could be beneficial to have a surveyor establish boundaries of the larger land areas. Banner suggested have all area identified with survey and then do quiet title to clear up any potential ownership issues. Cordova suggested that Levinson come into his office and go over the possible available properties and Cordova could check out where the nearest known control points are. O'Hara moved to have Levinson meet with Cordova to determine what is feasible and report back at the August meeting. The Board agreed by consent.

Treasurer's Report:

Accountant's Compilation Report – Bernard said that she had reviewed the financial report and the bills to be paid. The report appears in order and the bills are in line with normal costs. Kidd reported that the MFA collections year to date are \$1,698,570.96, and there were \$1,146,633.49 at the same time last year. This is an increase of over \$500,000. The increase is mostly attributable to bringing in the State Assessed properties. Bernard moved for approval to receive and file the accountant's report. O'Hara seconded and the motion passed.

Bills - Bernard moved to pay the bills. O'Hara seconded and the motion passed.

The following bills were posted for review and approval:

BSJ Operations and Maintenance Account:

\$ 450.00	MBD&G, Monthly Accountant fees
\$ 267.74	MBD&G, QuickBooks checks
\$ 500.00	Banner and Bower, Attorney fees
\$ 750.00	Banner and Bower, Preparations for retreat (Attendance NC), other research, emails, etc.
\$ 1,700.00	Kidd Engineering, Administrator/Engineer fees
\$ 387.50	Kidd Engineering, Retreat planning and preparation (Attendance NC)
\$ 187.35	Kidd Engineering, Retreat catering and refreshments
\$ 200.00	Bernard, Director's Fee
\$ 200.00	Cordova, Director's Fee
\$ 200.00	Koehler, Director's Fee
\$ 200.00	Maroney, Director's Fee
\$ 79.03	Maroney, Fountain Creek meeting mileage
\$ 200.00	Martin, Director's Fees
\$ 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

BSJ Construction Draw Account:

\$ 310.00	Kidd Engineering, Phase 2 Construction Admin, etc., June 23 through July 20, 2018
\$ 387.50	Kidd Engineering, Future phases construction planning and funding, June 23 through July 20, 2018
\$11,657.50	NorthStar Engineering, Arkansas Phase 5, Task I.2, Price Quotation and Construction Documents, thru July 20, 2018
\$ 0.00	NorthStar Engineering, Arkansas Phase 5, Task I.3., I.4. and I.5., Bid and Construction Staking, Construction Observation, and Construction Testing, thru July 20, 2018

\$ 38.50	NorthStar Engineering, Arkansas Phase 5, Reimbursable copies, mileage, etc. thru July 20, 2018
\$ 6,287.50	NorthStar Engineering, Maintenance Fund Assessment Support, Consultations, 16 th Street Properties, Hanging Bridge, FEMA Requirements
\$ 358.50	NorthStar Engineering, Maintenance Fund Assessment reimbursable copies
\$153,848.76	ASI Construction LLC, Arkansas River Levee Phase 4 Schedule 1 and Add Alt #1 Final Payment
\$ 1,500.00	Williams Valuation Services, Balance on 1912 W 16 th Street appraisal fee
\$ 900.00	Banner and Bower, CWCB Load
\$ 1,425.00	Banner and Bower, 1912 W 16 th Street and CORA requests

President's Report –

Phillips reported that we do have an executed contract for the purchase of the property at 1912 West 16th Street and the title company is working on the closing. Banner prepared the purchase contract. He also prepared a non-disparagement agreement that is binding of both sides. He is waiting for Marston and Degenhart to sign the agreement and then we can move forward. The property does have a clean title. The title company is waiting on a payoff statement from Marston, but he is traveling in Europe.

Administrator's Report –

Kidd reported that the District received a couple of weed violation notices for properties in the West 16th area. He made a site inspection and then contacted Spaccamonti Excavating. Kidd then contacted City Code Enforcement and told them that the District would address the weeds on their property but that it would be a couple of weeks before their contractor would be able to be on site. Kidd said that he voiced a concern about the District needing to cut weeds when their property does not have as big of a weed problem as adjacent City and Board of Water Works properties. Kidd said that earlier in the month he had received a call from Code Enforcement about a triangular piece of land the District owns near the access road into the Whitlock Water Treatment Plant. The lady told him that there were trees and tree limbs piled on it, and that the person doing it was an adjacent land owner. Before the City took action they wanted to know if the District had granted him permission. Kidd said that no permission had been granted. The lady from Code Enforcement told him that they would take care of it. Willumstad expressed a concern about the District's liability for increased flooding hazard with the trees on the properties that the District purchased that are now within the confines of the Wildhorse Creek Levee, and for trash and debris accumulations on District owned properties. Kock responded that the affect of the trees is considered in the flood hydraulics. Kidd said that he also saw that someone, presumably the City, had just installed

concrete barriers at the openings under the 11th Street Railroad Bridge. Kidd said that when he and Kock reviewed the City's final completion of the new 11th Street Bridge that there had

been boulders placed in these openings. They met on site with Mickey Beyer, the then Assistant Public Works Director, and those boulders had been removed. Willumstad asked

Banner if the District should send the City a forewarning about trash, trees and debris, and the flood hazard caused by the concrete barriers.

Fountain Creek Committees -

O'Hara reported that he attended the tour hosted by the Fountain Greenway and Flood Control District. They are spending a lot of money to try to stabilize the banks of Fountain Creek. They are trying to protect both private property and public improvements. The storm this week took out some of the Highway 47 work. Willumstad asked if they are fighting a losing battle. O'Hara said that Wright Water Engineers said that maintenance would be necessary on a continual basis.

Willumstad moved to move agenda Item 12 up so that the accountants could present their report on the audit. O'Hara seconded and the motion passed.

2017 Draft Audit Report –

Sam DeNardo passed copies of the audit report to the Board. He stated that he, Daveline, Kock, Bernard and Kidd met a couple of months ago to work out some of the questions concerning distributions of expenses. He and Daveline sent some early information to Bernard, which she then forwarded to the Board. DeNardo said that the numbers have not changed much between the preliminary work and the current report. Unless someone on the Board has a concern, he believes that this can be the final version rather than just a draft. DeNardo went on to say that the 2016 Audit Report listed a few concerns with respect to the investments and those conditions have all been rectified. The 2017 Budget Amendment took care of funding so there are not budget compliance issues. Bernard moved for approval of the 2017 Audit Report and authorize filing. O'Hara seconded the motion. The motion was passed. DeNardo said that he would file the report with the Colorado Secretary of State.

Recreation Committee –

Kock reported that Beritt Odom is trying to schedule a meeting next week to discuss some potential grant applications. The meeting is to include herself, Kock, Kidd, Scott Hobson and Steven Meier. The Master Plan document for the development of the whitewater area and the river corridor is being closed out. Then they will be proceeding with designs. Bernard said that there may be a way that the District could be brought on board with CIRSA and their insurance program could be cheaper and provide better recreation liability protection than the current coverage through the Special Districts Association. Banner will talk to Ralph Williams and Sam Azad about that.

18th Street Bridge Painting –

Serna said that he had talked to Tonio this morning. He has spent approximately \$100 on paint and is over half done with his mural.

Levee Mural Project -

Serna said that he could like to see the Levee murals start with painting of the school logos across from Dutch Clark Stadium. The high schools are interested, but CSU-Pueblo does not seem to have an interest. The schools are concerned about how they can fund the paint and painting. Kock said that NorthStar would donate \$500 toward paint for the school logos. Kock said that the Master Plan design team has put a lot of thought and recognition of restoring art and the mural project from 4th Street to Union Avenue. O'Hara asked if the Board wanted to keep painting over the graffiti that is being painted onto the Levee. It was agreed that we should continue so that there will hopefully be some control maintained.

Phase 5 Design –

Kock said that they are moving forward quickly. They have a plan to work the trail under the bridges and then on to Lake Runyon. They anticipate some costing numbers from ASI next week. They are also working with ASI to develop some early numbers for work through the whitewater park area to help insure that sufficient funds are reserved for this work. They are looking at methods for stabilizing the toe of the Levee through this area, without having to do complete dewatering and removal of the existing concrete facing and drop structures. It is thought that this stabilization could be coordinated with the Phase 5 construction activities easier than with Phase 6. It would also allow a longer construction period for performance of Phase 6.

CWCB Loan –

Banner said that there was a meeting with Rachel Pittinger and Kirk Russel last week. Himself, Bernard, Daveline, DeNardo, Kock and Kidd were in attendance. CWCB will cover all of the design and construction costs. They will not cover land acquisition and similar costs. The accountants and Kidd will work to separate out these costs. There is a parity situation and a written statement that must be worked out. The accountants will work on this and with CWCB to meet their requirements. The parity statement must show that the income will cashflow the funding required for loan and bond re-payments, and the regular operations costs of the District. Proceeds from the CWCB loan will be used to pay off the 2016 Bond and the 2017 Bond, with Bank of the San Juans, will be capped at \$5M. The Bank has agreed to this. CWCB wants the District to provide all of the design and contracting documentation for the prior work. Kock said that he was talking to Pittinger yesterday to discuss the information that they have available and seeking direction on what they want for him to provide.

Other Business –

Bernard asked about having a completion ceremony. If we are able to maintain our schedule for the work, the Levee reconstruction will be finished in 2021. This will be the year of the 100-year anniversary for the 1921 flood. O'Hara moved for Bernard to take the lead in planning for this celebration. Cordova seconded and the motion passed.

Cordova reported that he received an email stating that he had been re-appointed to the Board.

There being no other business to come before the Board the meeting was adjourned at 11:43 am. The next regular meeting will be a week earlier next month. It will be on August 15, 2018, at 10:00 am.

APPROVED:

Donna Phillips, President

Bud O'Hara, Secretary