

MINUTES OF THE APRIL 26, 2017 REGULAR MEETING

Directors Present: Barb Bernard, Matt Cordova, Bud O'Hara, Corinne Koehler, Dennis Maroney, Donna Phillips, Ron Serna

Also Present: Administrator Rick Kidd, Attorney Don Banner

Guests: Kim Kock, NorthStar Engineering

The regular meeting of the Pueblo Conservancy District was called to order by Vice President Phillips at 10:30 am. A quorum was present.

Minutes:

The minutes of the March 22, 2017 regular meeting were reviewed. Koehler moved to approve the minutes and Cordova seconded. Motion passed.

Public Forum:

None

Treasurer's Report:

There was a glitch in the cash flow last month with regard to the reserve that Bank of the San Juans requires as a part of the loan agreement. Therefore, it was necessary to get a release to pay the bills. Kidd said that there needs to be \$26,000 transferred into the Vectra account to pay the bills this month. Bernard moved to transfer \$50,000 from the Morgan-Stanley money market account to the Vectra checking account. Cordova seconded and the motion passed.

Bills – Bernard said that she had reviewed the construction related invoices and moved for payment of the bills. Cordova seconded. The motion to pay the bills passed.

The following bills were posted for review and approval:

Vectra:

\$ 425.00	MBD&G, Monthly Accountant fees
\$ 500.00	Banner and Bower, Attorney fees
\$ 12.00	Banner and Bower, E-filing fees
\$ 1,700.00	Kidd Engineering, Administrator/Engineer fees
\$ 200.00	Bernard, Director's Fee
\$ 200.00	Cordova, Director's Fee
\$ 200.00	Koehler, Director's Fee

\$ 200.00	Maroney, Director's Fee
\$ 78.30	Maroney, Fountain Creek committees' mileage
\$ 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
\$ 1,500.00	Kidd Engineering, Levee Phases 2&3 CA/CO, Construction and Planning meetings
\$ 375.50	Kidd Engineering, City of Pueblo 11 th Street Bridge Project
\$23,360.00	NorthStar Engineering, Arkansas Tasks F.2 Final design, construction documents, and bidding
\$ 118.00	NorthStar Engineering, Arkansas reimburseables
\$ 1,890.00	NorthStar Engineering, Wildhorse Task D – Construction support services
\$ 2,850.00	NorthStar Engineering, Maintenance Fund Assessment Support, Appraisal Phase III Services, Property Acquisitions, Artwork and Recreational Opportunities meetings
\$ 1,225.00	NorthStar Engineering, City of Pueblo 11 th Street Bridge Project
\$ 300.25	Altman, Keilbach, Lytle et.al., Wildhorse Creek Area Eminent Domain and Land Acquisitions 2-28-17 invoice
\$ 6,550.00	Banner & Bower, 1 st quarter billings

CNB Reserve Account:

\$ 0.00

CNB Draw Account:

\$ 0.00

President's Report –

None

Administrator's Report –

Kidd reported that the Kim Kock had invited him to participate with him in a presentation to the Downtown Pueblo Association. They gave a brief over view of the District, the work remaining to be done, and the potential need to increase the maintenance fund assessment rates. They also discussed some of the enhancements that are being considered. The presentation was well received, with interest in the enhancements and concern about how much and for how long the maintenance fee will be increased. Kidd said that he has also been invited to set on a panel at the Arkansas Basin Water Forum in Colorado Springs. He made a short PowerPoint presentation about the Pueblo Conservancy District.

Kidd said that he had been contacted by Joe Jarrett about the maintenance fund assessment rate that he is paying. Kidd invited Mr. Jarrett to come to the meeting but he was not present.

Mr. Jarrett's concern is that he lives on the west side of Pueblo Boulevard, is in the Arkansas River floodplain but does not receive any direct flood protection from the Levee, and yet is charged at the high Tier 3 rate. He may receive benefit from channel maintenance but not from the Levee. Kock said that the Tier 3 boundaries are based on the new FEMA mapping of the potential flood inundation lines. Maroney suggested that Jarrett be allowed to come voice his concerns before action to change is assessment rate is taken.

Fountain Creek Committees Reports –

Maroney said that the work CDOT is currently doing at the Highway 47 Bridge is only a temporary measure to move the flow of the water back into the previous channel area and prevent more damage to the bridge abutment area. CDOT is going to enter into a Memorandum of Understanding with the Fountain Creek District to make improvements. They currently have a 2018 target date for the improvements.

In the effort to adapt the Colorado Springs Drainage Manual for the outlying areas, their consultant is taking out Chapter 5, which is a regulatory chapter. In lieu of this chapter, they are going to do a streamside overlay of flood plain areas to be regulated by the District. There is going to be a presentation by Colorado Springs at the Fountain City Hall on May 3rd.

Recreation Committee-

Serna reported that the City has received a CDOT grant, along with a grant from DOLA. The paddle boarder group did a presentation to City Council a couple of weeks ago. Serna said that the City is applying for a \$2M GOCO grant for connectivity improvements. Phillips said that she had a client a couple of weeks ago that was very impressed with the whitewater park area.

Arkansas and Wildhorse Levee Construction –

Kock reported that ASI, Pueblo BOWW, NorthStar and Kidd met to walk the Board of Water Works access road to determine any repairs required as the ASI contract is closed out. There was only a minor amount of work needed, and most of it was not due to ASI activities. There was also a meeting with ASI, in the prior week, to discuss project closeout; the sale of ASI, Inc. to ASI, LLC; and contracting for the remainder of the levee construction work. There is an option in the RFP that would allow negotiation with the successful contractor to perform the rest of the construction work. Kock believes there would be significant savings to the District if this option is exercised. Willumstad voiced his concern, due to the prior complaints about our solicitations, that if we do not go out to another public bid there could again be complaints. Banner said that it could be an issue that the new ASI is not the same ASI as the one we have the contract with. Kock pointed out that we still have the competitive unit pricing that would be the basis for the negotiation. He said that it could be possible for ASI, Inc. to assign their contract to ASI, LLC. The solicitation for Phase 1 received five responses with ASI being the low; Phase 2 received three responses with Swerdfeger being low; and Phase 3 only received two responses with ASI being \$1M lower than Swerdfeger. If the project is rebid, will Swerdfeger come down, or will ASI go up? Banner pointed out that ASI did buy a special screed for consistent slope paving. They also have a portable concrete batch plant on

site. So one would think that they would still have the lower bid price of any other competitor. Banner affirmed that the RFP was written so that the scope of work could be expanded, and at the meeting ASI offered to work jointly with Swerdfeger if lower costs could be realized. Phillips and Bernard both said that this could be a good process. O'Hara asked if there is a local precedent for doing a continuation or negotiation of a project without rebidding. Kock said that ASI's bid on Phase 3 held closely to their unit prices on Phase 1. Bernard suggested ASI submitting a proposal for the Board's consideration. Banner suggested a negotiating team and then bring the results of the negotiation to the Board. It was decided to discuss this more at a later meeting.

There have been some issues with unpaid bills as ASI works toward the project close-out and ownership transition. ASI, their attorney, and their surety company have worked out that the surety will pay all certified and substantiated claims and invoices for the project. All future payments from the District will be paid to the surety rather than to ASI. ASI is to provide us with a listing of vendors who are or will be due payment. We can then notify these vendors of the process for them to follow to get payment.

Old Business:

MFA Order - Banner said that he expects that the Judge will make a decision regarding the motion to increase the maintenance fund fee within a week of the hearing. He asked that he be allowed to go out to banks to see if there is interest in a \$22M loan with a balloon payment in 7 years. During that time period, the District to go to a bond advisor to get the permanent bond for the long term project financing. This would get the money faster, we would know exactly how much is needed, and we will have a longer term track record of the Maintenance Fund Assessment cash flow. The risk is that interest rates could significantly increase.

11th Street Bridge – Kidd said that the project is about to where they should no longer be affecting the Levee.

Runyon Lighting – Kidd said that the City is currently going through evaluation trying to determine whether to go with solar or some other lighting, at 11th Street, that may be less subject to vandalism. He suggested waiting to see what they come up with and then consider what they have learned as we decide what to do at Runyon. O'Hara said that Dan Winslow, with the Colorado DPW is looking forward to working with us at Runyon per the recent legislation.

New Business:

Weed Contracts – Kidd presented proposals from Colorado Weed Management for applying sterilant at the concrete cracks and joints on the River side of the Levee, and Chem-Way for sterilant and broadleaf weed control in the other areas that we have been working to control weeds. Kidd said that he is considering soliciting proposals next year for a single firm and also expanding to do broadleaf control on the Runyon stretch of the Arkansas River Levee. Koehler moved to approve the proposals and Bernard seconded. Motion passed.

No Trespassing signage – Kidd presented a proposal by Spaccamonti Excavating to furnish and install signs on either delineator posts or square tubing posts. Banner said that from a legal position he recommends signage so that the public is aware that they do not have permission to be on site and are responsible for their actions. Koehler moved to have Spaccamonti furnish and install 40 square tubing posts and signs at \$100 each. Motion passed.

Bonding – Banner said that on government projects it is possible to get bonding for up to a 40-year term. Going to 40 years would reduce the amount of funding needed from the maintenance fund assessment. However, our resolution only allows for 30-years and would have to be changed if we decide to go for 40-year term bonding. Banner will not be at the May meeting but will provide a report of any findings and interest in our finance needs.

Other Business:

18th Street Bridge – Serna said that he has talked to Ed Posa about painting a mural on the wall along the north side of the bridge. Posa is a nationally renowned local artist. He proposed using a group of high school kids and other interested artists to help with the mural. NorthStar provided dimensional information so that Posa can start working on a design concept. He does want for the District to apply a protective sealant after the mural is completed. It will be a southwest design. He wants formal authorization from the Board before he proceeds. Kock and Serna are to get more information about this to present at the next meeting.

There being no other business to come before the Board the meeting was adjourned at 11:53 am. The next regular meeting date will be May 24, 2017, at 10:30 am.

APPROVED:

Paul Willumstad, President

Matt Cordova, Secretary