

RECORD OF PROCEEDINGS

 O'Brien Prtg. & Stat. 90912

MINUTES OF THE JUNE 16, 2011 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom, Barela

Also Present: Administrator Rick Kidd, Councilor Don Banner

Guests: None

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 8:10 am.

Minutes – The minutes of the May 19, 2011 Regular Meeting were reviewed. Barela moved to approve the minutes as posted. Motion passed.

Sandstrom and Banner reported that meeting notices had been posted at the Interim City Hall, Heritage Center, and Thatcher Building. Kidd emailed the notice with agenda to be posted at the County Courthouse on Friday.

Treasurer's Report:

Kidd reported that final payment in the amount of \$10,262.38 had been made to Sun Construction on May 26th. The range at the beginning of negotiation was a range from \$6,859.44 to \$16,880.07.

The accountant's report May was reviewed and the current bills discussed. Barela moved to receive and file the accountant's reports and pay the bills. Motion passed.

Bills – The following bills were posted for review and approval:

\$ 300.00	MBD&G, Accountant fees
\$ 400.00	Don Banner, Attorney fees
\$ 500.00	Kidd Engineering, Administrator/Engineer fees
\$ 94.35	Sandstrom, Director's Fee
\$ 56.61	Farley, Director's Fee
\$ 56.61	Barela, Director's Fee
\$ 977.75	Chem-Way Lawn Care, Weed Spraying and Levee Sterilant
\$ 41.26	The Pueblo Chieftain, Sun Construction Final Payment Advertisement
\$ 55.00	Postmaster, 6 month PO Box Rental

President's Report:

Sandstrom met with the Department of Corrections and discussed tree removal along the River above Dutch Clark Stadium. He reported that there are approximately 24 trees below Sharmar Village and Aberdeen Bluffs communities that are dead or need to be removed. The DOC is to provide a contract price for the tree removal.

The Colorado Meth Project contacted Sandstrom about painting a mural on the Levee. He directed them to Cindy Ramu for her review prior to approval from the District.

Sandstrom and Kidd reported that they had not heard or received any letters from the City concerning dissolution or payment of their maintenance fund assessment. Banner was requested

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to research to determine the best way to get an order for the City to pay. Banner said that he had met Florczak and that he had not been told by the Council to take any action.

Sandstrom had been down to the fish ladder/kayak course portion of the River to observe the high flows. He reported that when the water comes off of the fish ladders it swirls back against the Levee. This means that we need to plan reinforcement and protection in at least these areas of the Levee.

Administrator's Report:

Kidd reported that he had talked to Spaccamonti Excavating about cleaning the trash rack and removing more tree clusters along the Runyon Levee. Kidd researched and the lines of the City Limits do include the Runyon Lake area in its entirety.

Organization and Planning –
No discussions at this time.

Old Business –

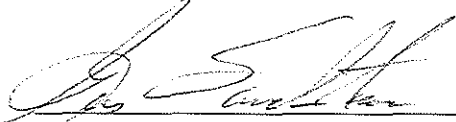
DOW Runyon Lease – Sandstrom reported that he had met with the City Police and County Sheriff about DOW's request for more patrolling in the area. Sandstrom will invite the DOW to the July meeting.

New Business –

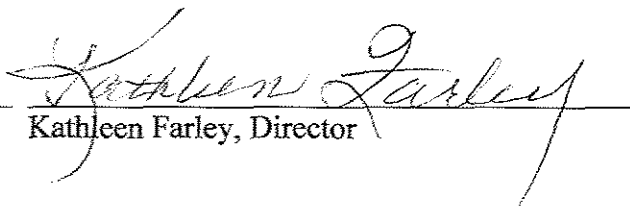
Runyon Walk – There was not much trash and the restrooms were fairly clean. The cordoned off fishing dock needs to be discussed with the Division of Wildlife.

There being no further business to come before the Board, the business meeting was adjourned at 8:28 am. The next regular meeting date will be July 21, 2011.

APPROVED:



Gus Sandstrom, Director



Kathleen Farley, Director



Carla Barela, Director

THE PUEBLO CONSERVANCY DISTRICT

NOTICE OF
REGULAR MEETING

DATE: JUNE 16, 2011 (THURSDAY) AT 8:00 A.M.
PLACE: SOUTHEASTERN COLORADO HERITAGE CENTER,
201 WEST B STREET, PUEBLO, COLORADO

AGENDA

1. ROLL CALL
2. APPROVAL OF THE MAY 19, 2011 MINUTES
3. TREASURER'S REPORT
 - a. ACCOUNTANT'S COMPILATION REPORT
 - b. PAYMENT OF BILLS
4. PRESIDENT'S REPORT
5. ADMINISTRATOR'S REPORT
 - a. LEVEE REPAIRS FINAL PAYMENT
6. CONSERVANCY DISTRICT ORGANIZATION AND PLANNING
7. OLD BUSINESS
 - a. DISCUSSION OF LAKE RUNYON WALK
 - b. DIVISION OF WILDLIFE RUNYON LEASE
8. NEW BUSINESS
9. OTHER BUSINESS AS MAY BE BROUGHT BEFORE THE BOARD
10. ADJOURNMENT

2011 MEETING DATES:

Regular meetings will generally be held on the third Thursdays of the month.
Adjustments will be made as required. Special meetings may be scheduled as needed.
Please contact the District's Administrator at 719-544-5239 to confirm dates and locations of all meetings.

July 21
October 20

August 18
November 17

September 1*
December 15

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MINUTES OF THE MAY 19, 2011 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom, Farley

Also Present: Administrator Rick Kidd, Jessica Boynton for Councilor Don Banner

Guests: None

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 8:02 am.

Minutes – The minutes of the April 20, 2011 Regular Meeting were reviewed. Farley moved to approve the minutes as posted. Motion passed.

Sandstrom posted meeting notices at the City Hall and Heritage the morning of Monday, May 16th. Kidd emailed the notice with agenda to be posted at the County Courthouse on Monday also.

Treasurer's Report:

Kidd stated that the final payment to Sun Construction is scheduled for May 26th. He is still in negotiations with them with a range from \$6,800 to \$17,000. Farley moved to approve payment to Sun Construction on May 26th, after Kidd completes negotiation. Motion passed.

The accountant's reports for March and April were reviewed and the current bills discussed. Farley moved to receive and file the accountant's reports and pay the bills. Motion passed.

Bills – The following bills were posted for review and approval:

\$ 300.00	MBD&G, Accountant fees
\$ 400.00	Don Banner, Attorney fees
\$ 500.00	Kidd Engineering, Administrator/Engineer fees
\$ 15,165.00	Kidd Engineering, Arkansas River Levee Repair Oversight and Administration
\$ 1,453.50	Kidd Engineering, Fish Ladder Bypass Planning
\$ 94.35	Sandstrom, Director's Fee
\$ 56.61	Farley, Director's Fee
\$ 56.61	Barela, Director's Fee

President's Report:

Sandstrom reported that he had met with City Council concerning the dissolution of the District. He informed the Council that Florzcak initiated the process in an antagonistic manner and the process needs to get to a more cooperative tenor. He wants the City to be fully aware of the responsibilities should they assume the role of the District, they must have the financial capacity to conduct the work of the District including maintenance, repairs, reconstruction, and operations, and the City must have the willingness to do the work as a priority task. Sandstrom provided them a packet of information and detailed a five step process to move forward in the discussion of the dissolution. He informed the Council that the City must also pay their back and current assessments, and that the City Council must send a letter to the District requesting the District to consider dissolution and turning over their responsibilities and assets to the City.

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Farley reported that she had also discussed the dissolution with Councilwoman Judy Weaver.

Sandstrom said that the County has entered into a weed removal/spraying agreement with a new firm. They requested that the District assist in paying part of the costs for weed control along the Levee. The County will provide information about the company and address so that the District can pay them directly. The amount requested is \$4400. Farley so moved. Motion passed.

Administrator's Report:

Kidd reported that City Waste Water had verbally requested to make a cut through the Wildhorse Levee for relocation of a sanitary sewer main. This is a part of the 11th Street Bridge replacement project. Kidd informed them that this would probably be approved but that the City would have to provide details of the cut, the slopes would have to be laid back to get bonding and recompaction of the backfill, that the same or better material would have to be used for the backfill, that the compaction would have to be a minimum of 95% Proctor, and that the City would have to prepare new easement documents.

Organization and Planning – No discussion in addition to Sandstrom's report about his meeting with the Council.

Old Business – None

New Business –

Tree Removal. Sandstrom responded to a call he had received regarding dead trees along the trail up River from Dutch Clark Stadium. He found approximately 20 trees that are either dead or dying and suggested that we contract with the State DOC for their crew to remove trees. The DOC has done this type of work for us in the past. Farley moved for Sandstrom to meet with DOC to have these trees removed. Motion passed.

HARP. HARP has requested all IGA partners to contribute \$3000 to the Foundation for an events fund. It was discussed that this program does not fit within the District's authority of allowed payments. We can pay only for elements of HARP as they affect the operation and maintenance of the District's facilities and mission.

Sandstrom reported that he had talked to the Sheriff about increasing patrols of the Lake Runyon area. This was as a result of concerns expressed by the Division of Wildlife at our April 20 meeting.

There being no further business to come before the Board, the business meeting was adjourned at 8:30 am with the Board proceeding to Lake Runyon for a maintenance review walk. The next regular meeting date will be June 16, 2011.

APPROVED:

Gus Sandstrom, Director

Kathleen Farley, Director

Carla Barela, Director



503 N Main, Suite 740
Pueblo, CO 81003
Phone (719) 543-0516
Fax (719) 544-2849

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Board of Directors
The Pueblo Conservancy District
Pueblo, Colorado

We have compiled the accompanying balance sheets – general fund only – of the Pueblo Conservancy District as of May 31, 2011 and December 31, 2010, and the related comparative statements of revenue and expenditures – actual and budget – general fund for the five months ended May 31, 2011 and the year ended December 31, 2010. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

McPherson, Breyfogle, Daveline & Goodrich, PC

June 14, 2011

PUEBLO CONSERVANCY DISTRICT
BALANCE SHEET - GENERAL FUND ONLY
MAY 31, 2011 AND DECEMBER 31, 2010

	<u>5/31/2011</u>	<u>12/31/2010</u>
ASSETS		
VECTRA BANK CHECKING	\$ 121,845	\$ 78,575
VECTRA BANK MONEY MARKET	11,892	11,889
BROKERAGE MONEY MARKET ACCOUNTS	28,912	111,913
COLOTRUST INVESTMENT	25,000	25,000
WELLS FARGO INVESTMENT	556,390	591,717
STIFEL NICOLAUS INVESTMENT	286,319	309,261
ACCRUED INTEREST	<u>-</u>	<u>3,669</u>
 TOTAL ASSETS	 <u>\$ 1,030,358</u>	 <u>\$ 1,132,024</u>
LIABILITIES AND FUND EQUITY		
ACCOUNTS PAYABLE	\$ -	\$ 800
PAYROLL TAXES PAYABLE	62	395
DEFERRED INCOME	<u>2,500</u>	<u>1,042</u>
 TOTAL LIABILITIES	 <u>2,562</u>	 <u>2,237</u>
RESERVE FOR EMERGENCIES	7,000	6,000
DESIGNATED FOR SUBSEQUENT YEAR'S EXPENDITURES	92,330	-
UNDESIGNATED	<u>928,466</u>	<u>1,123,787</u>
	-	
 TOTAL FUND EQUITY	 <u>1,027,796</u>	 <u>1,129,787</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 1,030,358</u>	 <u>\$ 1,132,024</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURES -
ACTUAL AND BUDGET - GENERAL FUND
FOR THE FIVE MONTHS ENDED MAY 31, 2011
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2010

	ACTUAL				
	CURRENT MONTH	YEAR TO DATE	2011 BUDGET	UNUSED BUDGET	2010 ACTUAL
REVENUES					
INTEREST INCOME					
COLOTRUST	\$ 3	\$ 17	\$ -	\$ -	\$ 50
MONEY MARKET ACCOUNTS	1	14	-	-	38
WELLS FARGO	2,813	8,955	-	-	26,656
STIFEL NICOLAUS	1,293	4,670	-	-	18,258
UNREALIZED GAINS (LOSSES)	6,516	8,719	-	-	2,674
TOTAL INTEREST INCOME	10,626	22,375	40,000	17,625	47,676
MAINTENANCE FUND ASSESSMENT	116,935	141,070	332,000	190,930	169,415
LEASE PAYMENTS	208	1,042	2,500	1,458	2,500
OTHER INCOME	132	15,132	-	(15,132)	-
TOTAL REVENUES	\$ 127,901	\$ 179,619	\$ 374,500	\$ 194,881	\$ 219,591
EXPENDITURES					
80 LEGAL FEES	\$ 400	\$ 5,998	\$ 4,800	\$ (1,198)	\$ 4,800
81 DIRECTORS FEES	220	1,100	3,000	1,900	2,580
82 FICA TAXES	-	-	230	230	197
83 ENGINEER/ADMINISTRATIVE	500	2,187	6,000	3,813	6,000
90 AUDIT & BOOKKEEPING	300	1,200	3,900	2,700	3,600
92 INSURANCE/BONDS	-	3,056	3,200	144	817
96 OFFICE EXPENSE	8	595	500	(95)	228
97 OFFICE RENT	-	840	1,000	160	940
100 PROFESSIONAL FEES	-	3,790	10,000	6,210	6,241
APPRAISAL	-	-	3,000	3,000	-
103 TRAVEL	-	-	1,200	1,200	-
105 REPAIRS & MAINTENANCE	-	11,618	50,000	38,382	30,508
ARKANSAS RIVER LEVEE REPAIRS	25,427	189,774	220,000	30,226	-
LEVEE CERTIFICATION-PRELIM	-	-	50,000	-	-
108 CONTINGENCIES	-	-	5,000	5,000	-
109 EMERGENCY REPAIR	-	-	15,000	15,000	-
110 CAPITAL IMPROVEMENTS	-	-	25,000	25,000	23,265
111 PLANNING & DEVELOPMENT	1,453	1,453	5,000	3,547	-
112 HARP - O & M / HARP - IGA CNTRB	-	60,000	60,000	-	61,000
113 SALES TAX	-	-	-	-	-
TOTAL EXPENDITURES	28,308	281,611	466,830	185,219	140,176
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 99,593	\$ (101,992)	\$ (92,330)	\$ 9,662	\$ 79,415

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
5/31/2011

6/14/2011 1:20 PM

<u>BROKER</u>	<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>PAR VALUE</u>	<u>BALANCE 12/31/2010</u>	<u>ADDITIONS</u>	<u>MKT VALUE CHANGE</u>	<u>REDEMPTION SALES</u>	<u>BALANCE 5/31/2011</u>	<u>INTEREST RECEIVED 5/31/2011</u>
<u>CASH ACCOUNTS</u>										
VECTRA BANK	Money Market Account				11,888.97	2.45	-	-	11,891.42	2.45
STIFEL NICOLAUS	Money Market Account				53,074.99	24,371.01	-	70,000.00	7,446.00	9.92
WELLS FARGO	Cash Sweep Account				58,838.29	42,628.00	-	80,000.00	21,466.29	1.69
TOTAL CASH ACCOUNTS WITH BROKERS					123,802.25	67,001.46	-	150,000.00	40,803.71	14.06
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,000.00		-	-	25,000.00	20.10
TOTAL COLOTRUST					25,000.00	-	-	-	25,000.00	20.10
WELLS FARGO	FHLMC 2646 LL RETAIL LOTTERY	8/15/2033	5.000%	78,000.00	17,075.14	-	(66.50)	11,000.00	6,008.64	212.50
	FHLMC 2640 LL RETAIL LOTTERY	7/15/2033	5.000%	70,000.00	999.20	-	0.80	1,000.00	-	4.17
	FNMA 06-107 PD REMIC MULTICLASS CMO	6/25/2035	5.000%	78,000.00	82,453.80	-	2,021.76	-	84,475.56	1,625.00
	GNMA 08-7 PN REMIC MULTICLASS CMO	1/20/2037	4.250%	60,000.00	35,244.10	-	143.21	4,355.59	31,031.72	452.29
	FHLMC 3393 BY REMIC MULTICLASS CPN	11/15/2037	5.500%	94,000.00	100,110.94	-	1,696.70	-	101,807.64	2,154.15
	FNMA 2008-74B REMIC MULTICLASS CMO	9/25/1938	5.000%	50,000.00	57,018.46	-	1,109.82	-	58,128.28	1,214.60
	FHLMC 3626 UA REMIC MULTICLASS CMO	9/15/2039	5.000%	50,000.00	38,791.54	-	(71.11)	3,741.98	34,978.45	758.62
	GNMA 10-62 LA REMIC MULTICLASS CMO	1/20/2040	4.500%	50,000.00	37,891.31	-	(170.18)	9,196.08	28,525.05	496.86
	GNMA 10-85 HQ REMIC MULTICLASS CMO	3/20/2040	5.000%	144,000.00	135,602.69	-	(332.04)	13,332.66	121,937.99	2,140.81
	FNMA 10-141 AL REMIC MULTICLASS CMO	12/25/2040	4.000%	90,000.00	86,529.60	-	2,967.30	-	89,496.90	1,500.00
TOTAL WELLS FARGO					591,716.78	-	7,299.76	42,626.31	556,390.23	10,559.00
STIFEL NICOLAUS	FEDL HOME LN MTG CORP #170217	3/1/2017	8.000%	1,120,000.00	2,365.99	-	(44.87)	141.33	2,179.79	69.97
	GNMA POOL #676875	3/15/2023	6.500%	235,000.00	159,458.15	-	542.95	3,666.33	156,334.77	3,928.46
	GNMA POOL #003851	5/20/2036	5.500%	165,000.00	73,014.96	-	959.28	7,188.05	66,786.19	1,519.35
	GNMA REMIC SER 2009-79	2/20/2039	5.500%	56,000.00	7,221.81	-	(13.93)	7,207.88	-	106.71
	GNMA REMIC SER 2010-98	7/20/2039	4.000%	70,000.00	67,199.79	-	(24.39)	6,157.50	61,017.90	1,107.47
TOTAL STIFEL NICOLAUS INVESTMENT					309,260.70	-	1,419.04	24,361.09	286,318.65	6,731.96
TOTAL INVESTMENTS					925,977.48	-	8,718.80	66,987.40	867,708.88	17,311.06
TOTAL ALL ACCOUNTS					1,049,779.73	67,001.46	8,718.80	216,987.40	908,512.59	17,325.12

PUEBLO CONSERVANCY DISTRICT

MAY 2011 - JUNE 2011

RECEIPTS

VENDOR	ITEM	AMOUNT
First Clearing, LLC	Interest Payment	\$ 601.44
First Clearing, LLC	Interest Payment	\$ 725.97
First Clearing, LLC	Interest Payment	\$ 867.92
Wells Fargo	Interest	\$ 2.56
Stifel Nicolaus	Interest	\$ 1,280.75
State of Colorado	Runyon Lease	\$ 2,500.00
Pueblo Country Treasurer	Maintenance Fund Assessments	\$ 18,199.31
		\$ 24,177.95

DEBITS

VENDOR	ITEM	AMOUNT	CHECK	CODE
Aquila	Electrical Billing	Pre-paid		105
MBDG, PC	Bookkeeping	\$ 300.00	3825	90
Don Banner - B&B, PC	Attorney Fees	\$ 400.00	3826	80
Kidd Engineering	Engineer/Admin Fees	\$ 500.00	3827	83
Director Sandstrom	Fees	\$ 94.35	3828	81
Director Farley	Fees	\$ 56.61	3829	81
Director Barela	Fees	\$ 56.61	3830	81
Chem-Way Lawn Care	Weed Spraying and Levee Sterilant	\$ 977.75	3831	105
The Pueblo Chieftain	Sun Construction Final Payment Ad	\$ 41.26	3832	96
Postmaster	6 Month PO Box Rental	\$ 55.00	3833	96
		\$ 2,481.58		

Sum \$6859.44 to \$16,880.07
Paid 10,262.38



ANDERSON CONSULTING ENGINEERS, INC.

Civil • Water Resources • Environmental

February 4, 2011

Mr. Earl Wilkinson
Director Pueblo Public Works Department
211 E. D Street
Pueblo CO 81003

RE: Preliminary Certification Costs for the Arkansas River and Wild Horse Creek Levees, Pueblo, CO

Dear Mr. Wilkinson:

Pursuant to our conversation concerning the potential engineering costs associated with the certification of the Arkansas River and Wild Horse Creek levees using the Federal Emergency Management Agency (FEMA) levee certification criteria found in Part 44 Section 65.10 of the National Flood Insurance Program (NFIP) regulations, this letter is intended to provide a preliminary engineering cost estimate to assess both levee systems and compile the necessary engineering data to meet FEMA's levee certification criteria.

Information regarding the levees associated with the Arkansas River and Wild Horse Creek in the City of Pueblo is summarized in the following paragraphs. Please note that the following paragraphs are based upon Anderson Consulting Engineers, Inc. (ACE) staff's understanding of the two levee systems at the present time, and we acknowledge that the preliminary costs put forth below may change considerably should additional data on the levees become available from sources such as the Pueblo Conservancy District or the United States Army Corps of Engineers (USACE).

Arkansas River Levee

As documented in the effective FEMA Flood Insurance Study (FIS) for the City of Pueblo and confirmed during conversations with representative from the Pueblo Conservancy District, a concrete-lined levee was constructed along the north bank of the Arkansas River in 1924-25 by the Pueblo Conservancy District. According to the FIS, in 1952 the USACE extended the levee downstream past Runyon Field toward the confluence with Fountain Creek. The Conservancy District continues to maintain the levee system today.

As shown on the effective FEMA floodplain maps, the Arkansas River levee extends from a point approximately ¼-mile west (upstream) of the confluence with Fountain Creek to the Denver and Rio

Grande Western Railroad at the confluence with Wildhorse Creek. The length of the levee system is approximately 2.8 miles. On the effective floodplain maps, this levee is shown to provide protection from the 100-year flood.

No information regarding the levee has been found in files provided by FEMA, and representatives from the Conservancy District have indicated that information regarding the construction of the levee may be available in the Conservancy District's archived files. However, due to the early date of construction, it is anticipated that this information would likely not be suitable for verifying certification of the floodwall as meeting current FEMA standards.

Wild Horse Creek Levee

As documented in the effective FIS for the City of Pueblo, there is an existing levee located along the east side of the lower portion of Wildhorse Creek, west of downtown Pueblo. As shown on the effective FEMA floodplain maps, this levee begins at 11th Street directly upstream of the Denver and Rio Grande Railroad, which is also the upstream terminus of the Arkansas River levee. The levee ends just downstream of 16th Street; however, at 15th Street there is break in the levee to accommodate a left bank tributary. According to the FEMA FIS, the levee is in poor condition upstream of this break. The length of the levee from 11th Street to 15th Street is 1,600 feet; the upper portion of the levee is approximately 200 feet in length. On the effective floodplain maps, this levee is shown to provide protection from the 100-year flood.

It is possible, although not certain, that the USACE may have constructed this levee. The Albuquerque District USACE was contacted by the Colorado Water Conservation Board (CWCB) in mid-December 2005, early January 2006 and late January 2006 in order to ascertain whether or not the Wildhorse Creek levee was constructed by the USACE and, if so, obtain any available documentation concern its original certification. To date, no information has been provided by the USACE. The Pueblo Conservancy District was contacted in early January 2006 to determine whether or not the District had constructed the levee. To date, the District has not provided any information.

The Wild Horse Creek levee was mentioned in the USACE's 1969 Flood Plain Information Report for Goodnight Arroyo, (East) Dry Creek and Wild Horse-Dry Creek. The floodplain mapping provided in that report shows this levee providing protection during the 100-year event.

Potential Levee Certification Costs

It should be noted that the engineering costs listed below are based upon ACE's current understanding of both levee systems which is limited to a review of a few readily available floodplain documents and sporadic conversations with City of Pueblo and Pueblo Conservancy District staff; therefore the engineering costs listed herein should be considered preliminary in nature, and should not be

considered as final costs. Given the lack of engineering information available at this time for both levees, two scenarios are proposed to aid in the preparation of preliminary cost estimates for levee certification.

It should also be noted that any potential levee construction remediation/rehabilitation costs associated with bringing either levee into compliance with FEMA's regulations are unknown at this time, and these engineering design and construction costs are not included in the preliminary certification engineering costs listed below.

The first certification scenario assumes that all of the necessary engineering data including engineering design calculations, as-built plans etc. exist for the design and construction both levees and the work effort required to certify the levee would consist of an engineering review and verification of the available data. It is ACE's opinion that the engineering certification costs associated with this scenario would be approximately \$176,000. This scenario could be considered a "best-case" scenario, in that little new engineering analyses are required nor would construction/remediation be required for either levee. A breakdown of the "best-case" scenario costs is shown below.

Table 1 – Best case scenario levee certification engineering costs

1. Data Collection & Review	\$8,848
2. Field Inspection & Surveying	\$11,779
3. Freeboard Evaluation	\$4,260
4. Closure Evaluation	\$5,630
5. Interior Drainage Evaluation	\$6,802
6. Embankment Protection Evaluation	\$12,707
7. Embankment & Foundation Stability Evaluation	\$6,768
8. Sediment Transport Risk Assessment	\$5,460
9. Settlement Potential Evaluation	\$2,614
10. Operation & Maintenance Plan	\$9,886
11. Levee Certification Submittal	\$22,436
12. Potential Risk Notification	\$3,810
Surveying	\$7,000
Structural Engineering	\$20,000
Geotechnical Engineering	\$48,000
<u>Total Cost</u>	<u>\$176,000</u>

The **second certification scenario** assumes that little to no engineering or as-built information is available for both levees, and that extensive new engineering analyses and surveying will be required to certify to FEMA that the levees meet the requirement of Part 44, Section 65.10 of the Code of Federal Regulations. It is ACE's opinion that the engineering certification costs associated with this scenario would be an **additional \$175,000**, above and beyond the best case scenario costs. This scenario could be considered a "**worst-case**" scenario, in that extensive new engineering analyses are required, and the levees could require additional engineering design and construction to bring them into compliance with FEMA's levee certification requirements. A breakdown of the "**worst-case**" scenario costs is shown below.

Table 2 – Worst case scenario levee certification engineering costs – additional to the best case scenario costs

1. Data Collection & Review	\$0
2. Field Inspection & Surveying	\$0
3. Freeboard Evaluation	\$5,348
4. Closure Evaluation	\$0
5. Interior Drainage Evaluation	\$4,702
6. Embankment Protection Evaluation	\$12,832
7. Embankment & Foundation Stability Evaluation	\$5,460
8. Sediment Transport Risk Assessment	\$9,210
9. Settlement Potential Evaluation	\$3,216
10. Operation & Maintenance Plan	\$12,024
11. Levee Evaluation Report & Compliance Plan	\$30,208
12. Potential Risk Notification	\$0
Surveying	\$2,000
Structural Engineering	\$20,000
Geotechnical Engineering	\$70,000
Total Cost	<u>\$175,000</u>

In summary, the approximate engineering costs to certify both levees will be in the range of **\$176,000** to **\$351,000**, depending on the amount of existing engineering data available for each levee.

If the City of Pueblo or the Pueblo Conservancy District wishes to further investigate the potential certification costs for the levees, and hone in on a more accurate certification cost estimate (including

this is
the
anticipated
number

both engineering fees and potential construction rehabilitation costs), it is suggested that a Levee Assessment effort be performed for both levees. The completion of the assessment, which is normally included as the initial tasks in a levee certification project, could provide both the City and the District with a better indication of potential levee certification costs, and any potential construction costs to rehabilitate all or parts of the levees. To accomplish this refinement of engineering and construction costs, ACE has prepared a separate scope and budget to perform both the Data Collection, Field Inspection, Freeboard Evaluation, and Levee Assessment Memorandum preparation efforts for both levees. Previous experience has shown that the completion of these tasks would aid both the City and the District greatly in discussions regarding the potential certification costs for both levees and provide levee owners with a much clearer idea of the costs and efforts associated with certifying their levee to FEMA.

If you have any questions concerning this information, please do not hesitate to contact me via phone at (970) 226-0120 or you can e-mail me at mkkempton@acewater.com.

Sincerely,
ANDERSON CONSULTING ENGINEERS, INC.

A handwritten signature in black ink that reads "Mark K. Kempton". The signature is written in a cursive, flowing style.

Mark K. Kempton, P.E.
Project Manager

AFFIDAVIT OF PUBLICATION

THE PUEBLO CHIEFTAIN

State of Colorado)

Pueblo Chieftain

RICK KIDD
PUEBLO CONSERVANCY DIST
PO BOX 234
PUEBLO CO 81002-0234

REFERENCE: 811122
L51220 F/S SUN CONSTRUCTION

GERRI ELIZONDO being first duly sworn upon her oath says: That she is a representative of THE STAR-JOURNAL PUBLISHING CORPORATION, and has personal knowledge of the facts set forth herein; that said Corporation is a corporation organized under the laws of the State of Colorado and that its principal office and place of business is in the city of Pueblo, in the County of Pueblo, in the State of Colorado; that it is the proprietor, printer and publisher of THE PUEBLO CHIEFTAIN, which is, and at all times herein mentioned was a daily newspaper of general circulation printed and published in said City of Pueblo; that said newspaper is, and at all times herein mentioned was, published daily: has been admitted to the United States Mails as a second class matter under the provisions of the Act of Congress of March 3, 1879, and any amendments thereof, and is duly qualified for publishing legal notices and advertisements within the meaning of the laws of the state of Colorado of which is attached a true copy cut from said newspaper and was published on the following dates:

PUBLISHED ON: 05/12 05/15 05/18

FILED ON: 05/20/11

In witness whereof, I have hereunto set my hand this 23rd day of

May A.D. 2011

Subscribed and sworn to before me this 23rd day of May A.D. 2011
My commission expires November 29, 2011.

Notary

DIANE C. TAFOYA
NOTARY PUBLIC
STATE OF COLORADO

NOTICE OF FINAL SETTLEMENT

The Pueblo Conservancy District has established Thursday, May 26, 2011 as the date of final settlement with Sun Construction, Inc. for work performed under the Arkansas River Levee 2010 Repair Project, Pueblo Conservancy District, Pueblo, Colorado.

Verified statements of claim against this project may be filed with the District Administrator, PO Box 234, Pueblo, Colorado 81002 before the above date. For further information you may call 719-544-5239.

L51220