

MINUTES OF THE PUEBLO CONSERVANCY DISTRICT MEETING

SEPTEMBER 25, 1985

The Board of Directors met at 8:00 A.M. on the above date in the office of the District, at 111 E. 5th Street.

DIRECTORS PRESENT: P. Kelly, K. Farley and G. Sandstrom
ALSO PRESENT : L. Ward and R. Koester

The meeting was called to order and the minutes of the August meeting were approved as presented.

The Treasurer's Report was approved as prepared, and the following vouchers were approved for payment:

17154	McLaughlin Water Engineers	\$ 9,045.56
17155	Patricia Kelly	80.00
17156	Kathleen Farley	80.00
17157	Gus Sandstrom	40.00
17158	Predovich & Ward Attorneys	150.00
17159	K L H Engineering Consultants, Inc.	1,195.00
17160	State of Colorado PESSS	28.20
17161	Flower Aviation, Inc.	505.00
17162	Bank Western	100,000.00

The Board approved purchase of a Certificate of Deposit in the amount of \$100,000. from Bank Western for a period of 368 days. See Voucher No. 17162 above, and the Bid Tabulation Sheet attached to these minutes.

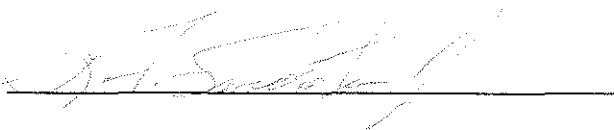
The Directors reviewed a draft of the 1986 Budget (copy attached).
The Board approved the proposed Budget for 1986.

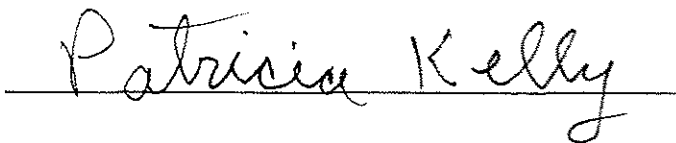
The Board approved the establishment of a general ledger account for payroll taxes, and the transfer of \$1200. into this account, and also to increase the Audit Fee Account by \$150., and the Contingencies Account decreased by the \$1350.00, as directed by the accountant. This constitutes an adjustment to the 1985 Budget Items.

The next regular meeting of the Board will be on Friday, November 1, at 8:30 A.M.

There being no further business, the meeting adjourned at 10:00 A.M.

APPROVED:






Kathleen Farley, Secretary-Treasurer

COMPLETE ENGINEERING SERVICES IN:

WATER RIGHTS AND RESOURCES
WATER TREATMENT AND DISTRIBUTION
SEWAGE COLLECTION, TREATMENT AND RE-USE
STORM DRAINAGE AND FLOOD CONTROL
SUBSURFACE DRAINAGE
IRRIGATION
RIPARIAN HABITAT
INDUSTRIAL WASTES
FIRE PROTECTION
SPECIALTY HYDRAULICS

McLAUGHLIN WATER ENGINEER
ENGINEERING CONSULTANTS

2420 ALCOTT STREET
DENVER, COLORADO 80211
(303) 458-5550

October 21, 1985

RONALD C. McLAUGHLIN
HALFORD E. ERICKSON
DOUGLAS T. SOVERN
WILLIAM C. TAGGART
ROBERT L. CARLEY
WILLIAM R. KENDALL
CHARLES L. HARDT
RALPH L. TOREN
JOHN T. McLANE
GENE A. BURRELL
MICHAEL E. MERCER
JOHN M. PFLAUM
MICHAEL R. GALUZZI
RONALD E. DVORAK
JON H. SORENSEN
SCOTT E. LEHMAN
KENNETH D. ZIEBART
J. HAROLD ROBERTS
JACK W. STEINMEYER
LEANDER L. URMY
DISON A. PALMER

Mr. Raymond F. Koester
Engineer/Administrator
Pueblo Conservancy District
P. O. Box 234
Pueblo, Colorado 81002

RE: Additional engineering services regarding 404 Permit for the Arkansas River Project

Dear Mr. Koester:

As you know the Arkansas River Grade Control Structure and Boat Chute has been given fairly intensive scrutiny by the Corps of Engineers in the 404 Permit process. This has resulted in increased expenditures of \$1,887.82* through September. Basically, we have been furnishing the Corps with the additional backup information they have been requesting, answering their questions and meeting with the EPA representative to satisfy their concerns. During October we will conduct a backwater analysis utilizing the survey information provided by you and submit the results to FEMA and the Corps. Hopefully that data will satisfy their concerns and the permit can be issued. As you know this item is billed on an hourly basis and has a budgeted amount, not a maximum as we cannot predict or control governmental review. We are estimating that the \$1,200 budget should be increased to \$5,000.00, excluding the survey work performed by KLH Engineers.

Sincerely,


John M. Pflaum

JMP:cn
83-113.01

\$	173.42	July
	1,024.90	August
	689.50	September
\$	<u>1,887.82</u>	*

G. F. SANDSTROM
DISTRICT ATTORNEY
10th Judicial District

JAMES S. WHITMIRE
Assistant District Attorney

SCOTT B. EPSTEIN
Chief Trial Deputy

LARRY E. TRUJILLO, Sr.
Administrator

LEN L. McDANIEL
Chief Investigator



10th & Main, Pueblo, CO 81003
543-3550 Ext. 253 or 544-0075

September 10, 1985

Steel City Agencies
Attention Mr. Bret Kelly
1414 West 4th Street
Pueblo, CO 81003

Gentlemen:

Enclosed is a Notice of Claim filed under C.R.S. 24-10-109 dated August 30, 1985, received by me Certified Mail and filed by Dawn Amick through her attorney James V. Phelps.

It is my understanding that you should receive this Notice of Claim and that the attorneys for the Pueblo Conservancy District, Predovich, Ward & Banner, have also received a copy. You should also be aware that paragraph C. of the Notice of Claim identifies the alleged accident to have occurred 1 1/2 miles East of the Pueblo Dam. That area of the bicycle trail in question is not on land owned by, operated by, maintained by or funded through any resources related to the Pueblo Conservancy District.

Sincerely,


G. F. Sandstrom
District Attorney

GFS/jn

cc: Predovich, Ward & Banner
Pueblo Conservancy District

PREDOVICH, WARD & BANNER

WALTER J. PREDOVICH
LESTER L. WARD
DONALD J. BANNER

ATTORNEYS AT LAW
727 THATCHER BUILDING
FIFTH AND MAIN STREET
PUEBLO, COLORADO 81003

TELEPHONE 544-5081
AREA CODE 303

September 3, 1985

Steel City Agencies
Attn: Mr. Bret Kelly
1414 West 4th
Pueblo, CO 81003

Gentlemen:

As you know, this office represents Pueblo Conservancy District. Your office is the agent for the directors liability insurance policy which we understand is with Transamerica Title Insurance Company.

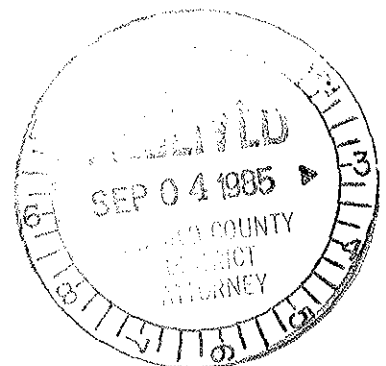
Please find enclosed Notice of Claim Under C.R.S. 24-10-109 dated August 30, 1985 received by us this date, certified mail, filed by Dawn Amick through her attorney, James V. Phelps.

Very truly yours,



LLW/lb
Enclosure

c: Pueblo Conservancy District



NOTICE OF CLAIM UNDER C.R.S. 24-10-109

Please be advised that pursuant to C.R.S. 24-10-109, notice of injury is hereby given to the State of Colorado, the City of Pueblo, and the Pueblo Conservancy District.

A. The name and address of claimant is: Dawn Amick, 67 Fordham Circle, Pueblo, Colorado 81005.

B. The name and address of claimant's attorney is: James V. Phelps, 475 United Bank Building, P. O. Box 872, Pueblo, Colorado 81002.

C. Concise statement of claim: On June 4, 1985, at about 7:25 p.m. claimant was riding her bicycle on the "river hike/bike trail" approximately 1 and 1/2 miles east of the Pueblo Dam at a point at which that trail crosses a drainage ditch, arroyo, or creek. Claimant's bicycle toppled throwing claimant off the bridge some 8 feet into the bottom of the drainage ditch or arroyo. The act or omission complained of is in the construction and maintenance of the bridge in that it failed to comply with the American Association of State Highway and Transportation Officials design requirements for pedestrian/bicycle railings and in that said bridge railings were so constructed and maintained as to permit persons to fall from the said bridge through openings therein.

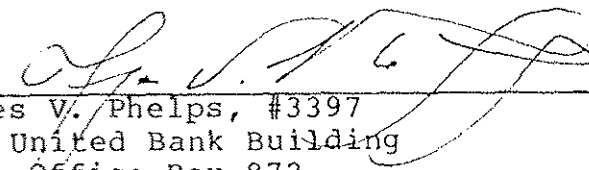
D. Name and address of public employee, if known: Names of public employees are not known by the claimant at this time.

E. Nature and extent of injuries: Contusions, trunk; contusions, left upper extremity; contusions, sacrum; slightly comminuted fracture midshaft tibia and fibula left.

F. Monetary damages claimed: The claimant has not yet been released by her doctor and had not reached maximum recovery. The amount of her claim is therefore presently unknown but is not expected at this time to exceed the sum of \$150,000.00.

Respectfully submitted this 30th day of August, 1985.

JAMES V. PHELPS



James V. Phelps, #3397
475 United Bank Building
Post Office Box 872
Pueblo, Colorado 81002
Telephone: (303) 543-3422

G. F. SANDSTROM
DISTRICT ATTORNEY
10th Judicial District

JAMES S. WHITMIRE
Assistant District Attorney

LARRY E. TRUJILLO, Sr.
Administrator

LEN L. McDANIEL
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SCOTT B. EPSTEIN
Chief Trial Deputy



10th & Main, Pueblo, CO 81003
543-3550 Ext. 253 or 544-0075

June 24, 1985

Mr. Ernest G. Hall
304 S. Union
Pueblo, CO 81003

Dear Mr. Hall:

I received your letter concerning questions that you have related to the Pueblo Conservancy District Funds.

I might first note for your information that a copy of the annual audit prepared by McDonald, Halbig and Associates, C.P.A., is available for your inspection at KKH Engineering, where all of the Conservancy District records are housed, as well as the Clerk of the District Court in the Judicial Building, and the Department of Local Affairs at the State Capital. Our budget has been published annually and I am sure that you would be able to easily examine these records and learn that the members of the District's Board have in fact conserved and increased its assets, at the same time providing extensive improvements to the protective devices of the levy through the City of Pueblo and the Arkansas River.

I realize that much of your concern is over newspaper articles that have been somewhat misleading toward the action and intentions of the Conservancy District Board of Directors. As you know, the range and river conditions created by the Pueblo Dam have also caused some differences in how we are able to maintain the levy and river bed. One of the requirements we had, while continuing proper maintenance, was to construct a maintenance road along the South bank of the Arkansas River along the levy system from Fourth Street to Santa Fe. We are now in the process of taking the necessary steps to prepare for that service road. As a result of our negotiations with the City and County for assistance with that maintenance we had thought that we might get a twenty year contract at a fixed rate to clean and maintain the road. In

Mr. Ernest G. Hall
June 24, 1985
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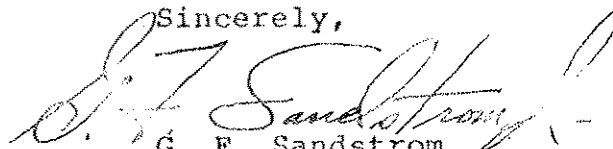
turn, if such a contract could be entered, we certainly had no objection and even suggested that the City and County might wish to assist the Nature Center and pay adjoining land owners a fair price for their lands as a solution to the proposed gravel mining operation. In many ways it is unfortunate, but that long-term contract appears to now be unlikely.

Be that as it may, it appears that your questions may have arisen from the newspaper articles concerning those negotiations, since your question itself was for an accounting of the funds. You state in your letter that you "have not made an extensive study of it, but I cannot remember of any accounting of the fund for perhaps the past 30 years or so . . .".

To assist you with any future study, I might note that there is an annual accounting that must be made to the state, the court, and to the public every year. That has been done every year that this Board of Directors has been in office. In addition to simply accounting to the court and state for the funds, we have also had a Certified Public Account, McDonald Halbig and Associates, audit the Conservancy District annually and no construction project has been undertaken without the auditors knowledge, incorporating it into the published budget and obtaining court approval.

I do not know the attitudes of Pat Kelly and Cathy Farley, the other members of the Board, but I suggest that I take offense at a suggestion that we may be doing something illegally and openly invite any inspection of the Conservancy District's expenditures.

Sincerely,


G. F. Sandstrom
District Attorney

GFS/dv

THE PUEBLO CONSERVANCY DISTRICT

BOARD OF DIRECTORS
P. KELLY
K. FARLEY
G. SANDSTROM

111 EAST FIFTH STREET
544-6823

PUEBLO, COLORADO

MAILING ADDRESS:
P. O. BOX 234
PUEBLO, COLO. 81002

TREASURER'S REPORT

Date September 20, 1985

Acct. #	Account	1984 Spent	1985 Budget	Current Month Vouchers	Total @ 9/25	Unused Portion of Budget
#80	Attorney's Fees	\$1,800.	\$1,800.	\$ 150.	\$ 1350.	\$ 450.
#81	Director's Fees	\$2,160.	\$3,000.	200.	2581.	419.
				FICA 28.		
#83	Engr.-Administrator	4,560.	4,560.	380.	3420.	1140.
#90	Audit Fees	1,200.	900.	--	900.	--
#92	Insurance & Bond Premium	931.	1,100.	--	793.	307.
#96	Office Supply & Postage	439.	500.	--	366.	134.
#97	Office & Equip. Rent	900.	900.	75.	675.	225.
#100	Professional Fees	300.	12,000.	--	816.	11,185.
#103	Travel	86.	2,500.	505.	533.	1,967.
#105	Repairs & Maint. of Flood Prot. Works	16,411.	640,300.	KLH 740. MCL 9,046.	124,708.	515,591.
#108	Contingencies	000	7,500.	--	--	7,500.
#109	Reserve for Emergency Flood Repairs	000	20,000.	--	--	20,000.
#110	Capital Improvements	153,566.	00.			
		\$182,353.	\$695,060.	\$11,124.	\$136,142.	\$558,918.

THE PUEBLO CONSERVANCY DISTRICT

BOARD OF DIRECTORS
P. KELLY
K. FARLEY
G. SANDSTROM

111 EAST FIFTH STREET
544-6823
PUEBLO, COLORADO

MAILING ADDRESS:
P. O. BOX 234
PUEBLO, COLO. 81002

DATE September 25, 1985

TOTAL EXPENDED THROUGH CURRENT MONTH \$ 136,142.

Vouchers # 17151 thru # 17161

Amount to be transferred \$ 11,125.

To checking XX
To savings

Deposits \$ 250,714.

Tel Transfer Savings Bal. \$ 18,415.

Checking Account Bal. \$ 150.

Total CD's \$ 1,910,000.

Checking acct. Bal 8/23	=	\$	150.
Tel Tfr. Bal. @ 8/23	=	\$	8,800.
Matured CD's		\$	
Pblo. Blvd. Bank		\$	130,000.
World Savings		\$	100,000.
Interest earned CD's		\$	20,599.
Interest earned Other		\$	141.
Other earnings		\$	

\$

\$ 259,690.

CD's Purchased	\$	100,000.
Central Bank		
Columbia	\$	130,000.

Current Month Expenses	\$	<u>11,124.</u>
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Cash Balance @ 9/25 = \$ 18 566.

INTEREST EARNED

TOTAL

January -		August	\$	20,599.	
February - 21,228.		September			\$160,697.
March - 21,607.		October			
April - 33,617.		November			
May - 29,934.		December			
June - 13,774.					
July - 19,937.					
Total			\$		

THE PUEBLO CONSERVANCY DISTRICT

BOARD OF DIRECTORS
P. KELLY
K. FARLEY
G. SANDSTROM

111 EAST FIFTH STREET
544-6823
PUEBLO, COLORADO

MAILING ADDRESS:
P. O. BOX 234
PUEBLO, COLO, 81002

September 24, 1985

FED ID #84-6002506

BID TABULATION: 2:00 PM

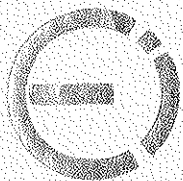
9/24/85

PURCHASE DATE: 9/27/85

BIDDER	INTEREST RATE% 368 DAYS (9/30/86)	INTEREST RATE % 182 DAYS (3/28/86)	INTEREST RATE % 91 DAYS (12/27/85)	TYPE	EFFECTIVE ANNUAL
Colorado National Bank - Pueblo	7.800			Simple	\$7,800.
		7.650		Simple	\$7,650.
			7.400	Simple	\$7,400.
Bank Western	8.250			Simple	\$8,250.
		8.050		Simple	\$8,050. *
			7.700	Simple	\$7,700.
United Bank of Pueblo	7.950			Simple	\$7,950.
		7.700		Simple	\$7,700.
			7.500	Simple	\$7,500.
Pueblo Boulevard Bank	7.856			Simple	\$7,856.
		--			
			--		
World Savings	--				
		7.890		Simple	\$7,890.
			7.750	Simple	\$7,750.

*APPARENT BEST BID:

BANK WESTERN - \$100,000. - 182 Days.



KLH ENGINEERING CONSULTANTS, INC.

ENGINEERING • SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT
206-208 Sutton Lane • Colorado Springs, Colorado 80907 • (303) 594-4200
111 East Fifth Street • P.O. Box 234 • Pueblo, Colorado 81003 • (303) 544-6823

DESCRIPTION OF WORK

<u>August 1985</u>	<u>Engineer</u>	<u>Administrative</u>	<u>Clerical</u>
Monitor & Direct Community Service Workers	1.0 hr. Staff		
Review of Maint. on Site	5.0 hr. Staff		
Study Drainage - Runyon	5.0 hr. Staff		
Operate Gates	6.0 hr. Staff		
Prepare Bids on CD's		4.0 K	
Books, Minutes & Corres.			5.0 H
Agenda, Treas. Report		2.0 K	8.0 H
Doing RFP's for CPA's		3.0 K	1.0 H
Director's meeting & Field Trips	4.0 K	2.0 K	
	21.0 Hrs.	11.0 Hrs.	14.0 Hrs.

Recap on Santa Fe Dam Work completed and billed for:

During December 1983	\$ 1,980.00
During January 1984	2,920.00
During February	1,920.00
During March	1,320.00
During April & May	365.00
During June	110.00
During July, Aug., Sept. Oct. Nov. and Dec.	0.00
During January 1985	455.00
During February 1985	130.00
During March 1985	120.00
During April 1985	120.00
During May 1985	57.50
During June thru September 1985	450.00

Total KLH Fees	\$ 9,947.50
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McLaughlin Water Engineers (thru August)	125,362.81
Lincoln-Devore	2,402.00

Total All Fees	\$137,712.31
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McDONALD, HOLLIGAN & McPHERSON, INC.

CERTIFIED PUBLIC ACCOUNTANTS

WILLIAM G. McDONALD, JR.
HAROLD H. HOLLIGAN
GERALD N. McPHERSON
HOWARD D. BILLUPS
ROY H. BREYFOGLE

SUITE 740, THATCHER BUILDING
P.O. BOX 918
PUEBLO, COLORADO 81002
TELEPHONE 303-543-0516

Board of Directors
The Pueblo Conservancy District
111 E. 5th Street
Pueblo, Colorado 81003

We have prepared and enclose estimates of 1985 income and expenditures as compared with the 1985 budget and a proposed 1986 budget for the District. Since income and expenditures to date have not been audited and those for the period to December 31, 1985 have been estimated, we do not express an independent accountants' opinion on these items, nor on the proposed budget which has been prepared in consultation with your Administrator.

Because in two instances it appears that the 1985 expenditures may exceed the budgeted amounts, we suggest the Board amend the 1985 budget by establishing a general ledger account for payroll taxes and setting up \$1,100 for 1985 costs. Also, we believe the budget should be increased \$150 for audit fees.

1985 expenditures and the 1986 budget estimates do not include anticipated funding from other sources for portions of the proposed Santa Fe Avenue dam, boat chute and bridge. It appears such funding will be used on a pass-through basis to cover portions of the project for which District funds cannot be used.

The sale of land for \$3,950 in March of 1985 is also not included in 1985 income; we believe it should be recorded as a reduction of the fixed assets and the investment therein.

McDonald, Holligan & McPherson, Inc.

September 17, 1985

PROPOSED 1986 BUDGET
THE PUEBLO CONSERVANCY DISTRICT

	1984 <u>Actual</u>	1985 <u>Budget Adjusted</u>	1985 <u>Income & Expenditures (Estimated)</u>	Proposed 1986 <u>Budget</u>
INCOME				
Interest	\$ 191,495	\$ 178,700	\$ 203,000	\$ 165,000
Lease	400	400	400	400
TOTAL INCOME	<u>\$ 191,895</u>	<u>\$ 179,100</u>	<u>\$ 203,400</u>	<u>\$ 165,400</u>
EXPENDITURES				
Directors' fees and expenses	\$ 2,160	\$ 3,000	\$ 3,000	\$ 3,600
F.I.C.A. taxes	-	1,200	1,100	500
Travel	86	2,500	1,000	2,500
Legal fees	1,800	1,800	1,800	1,800
Engineering and administrative expenses	4,560	4,560	4,560	4,560
Audit fees	1,200	1,050	1,050	1,200
Insurance and bonding	931	1,100	1,000	1,100
Office expense	431	500	500	600
Office rent	900	900	900	900
Professional fees	300	12,000	1,200	12,000
Repairs and maintenance	59,833	640,300	175,000	640,300
Contingencies	-	6,150	-	7,500
Emergency flood repairs	-	20,000	-	20,000
Capital improvements	72,187	-	-	-
TOTAL EXPENDITURES	<u>\$ 144,388</u>	<u>\$ 695,060</u>	<u>\$ 191,110</u>	<u>\$ 696,560</u>
EXCESS OF EXPENDITURES OVER INCOME				
	<u>\$ (47,507)</u>	<u>\$ 515,960</u>	<u>\$ (12,290)</u>	<u>\$ 531,160</u>