

## RECORD OF PROCEEDINGS

**MINUTES OF THE REGULAR MEETING OF THE  
PUEBLO CONSERVANCY DISTRICT ON MAY 4, 1994**

DIRECTORS PRESENT: K. Farley, P. Kelly, G. Sandstrom  
OTHERS PRESENT: R. Koester, Dale Enck for D. Banner

The meeting was called to order at 8:00 A.M. on the above date and the minutes of April 04, 1994 meeting were approved as mailed.

The Treasurer's report was approved as prepared (copy attached) and the following bills were approved for payment:

| Ck No. | Vendor                                 | Amount   |
|--------|----------------------------------------|----------|
| 1063   | K. Farley (fee)                        | \$ 55.41 |
| 1064   | P. Kelly (fee)                         | 55.41    |
| 1065   | G. Sandstrom (fee)                     | 55.41    |
| 1066   | D. Banner (fee)                        | 200.00   |
| 1067   | WestPlains (power)                     | 50.00    |
| 1068   | KLH Partnership (rent)                 | 100.00   |
| 1069   | KLH Engineering Consultants, Inc (May) | 600.00   |
| 18178  | Design Studios West (April stmt)       | 11518.58 |

Attorney reported on Lease adjustments and indicated:

|               |                                                                                                             |
|---------------|-------------------------------------------------------------------------------------------------------------|
| Stewart Lease | - \$150/year agreed upon                                                                                    |
| D&RG Lease    | - \$1500/year agreed upon                                                                                   |
| Patterson     | - no reply. Will be notified by Attorney Banner that lease is not to be extended and site should be vacated |

Board postponed Engineer's Agreement decision to an executive session of this board. Executive session meeting will be on May 24, 1994, at 1:00 P.M. at Gus Sandstrom's Office

There being no further business, the meeting adjourned at 8:30 A.M.

**MINUTES OF THE EXECUTIVE SESSION MEETING OF THE  
PUEBLO CONSERVANCY DISTRICT ON MAY 24, 1994**

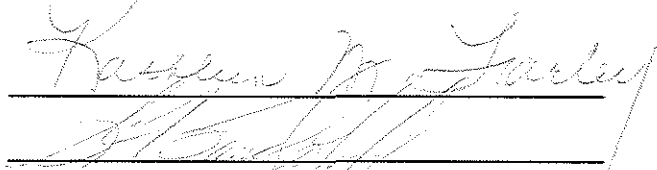
DIRECTORS PRESENT: K. Farley, P. Kelly, G. Sandstrom  
OTHERS PRESENT : R. Koester, D. Banner

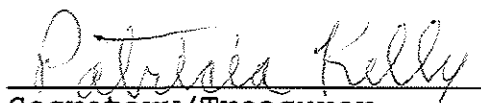
The Board reviewed and discussed the contents of the Independent Contractor Agreement with Koester, and approved it as prepared and edited by Attorney Banner (copy attached) by unanimous vote.

It was moved, seconded and approved signing agreement for painting on the levee with Dave Roberts.

There being no further business, the meeting adjourned at 1:30 P.M. The next regular meeting was set for June 8, 1994 at 8:00 A.M. (after Fishing is Fun) at Walkingstick Club House Restaurant.

APPROVED:

  
\_\_\_\_\_  
K. Farley

  
\_\_\_\_\_  
Secretary/Treasurer

# 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: May 31, 1994

TOTAL EXPENDED THROUGH CURRENT MONTH \$ 58,216.

VOUCHERS NO. 1062 THROUGH 1069  
VOUCHERS NO. 18178 THROUGH           

AMOUNT TO BE TRANSFERRED \$            CNB TO CHECKING             
AMOUNT TO BE TRANSFERRED \$ 14,200. MINN TO SAVINGS XX

DEPOSITS \$ 6,505.

MINNEQUA MONEY MARKET \$ 29,428.  
CNB SAVINGS \$ 797.  
MINNEQUA CHECKING \$ 16,565.  
CNB CHECKING \$ 102.  
NORWEST MONEY MARKET \$ 1,857.

TOTAL CD'S \$ 189,000. TREASURY BILLS \$ 1,290,000.

|                               |                 |                        |
|-------------------------------|-----------------|------------------------|
| CHECKING ACCT BALANCE         | <u>04/30/94</u> | \$ 6,825.              |
| TELEPHONE TRSF BALANCE        | <u>04/30/94</u> | 46,648.                |
| MATURED T BILL'S              |                 | 00.                    |
| MATURED CD'S                  |                 | 00.                    |
| INTEREST EARNED - CD'S        |                 | 406.                   |
| INTEREST EARNED - SAVINGS     |                 | 30.                    |
| OTHER EARNINGS - MONEY MARKET |                 | 70.                    |
|                               |                 | - DAIN BOSWORTH 3,438. |
|                               |                 | - SMITH BARNEY 2,563.  |
| REFUND - CITY                 |                 | 00.                    |
| LEASE -                       |                 | 00.                    |

|                         |            |
|-------------------------|------------|
|                         | \$ 59,980. |
| CD'S PURCHASED          | 00.        |
| T BILLS'S PURCHASED     | 00.        |
| CURRENT MONTHS VOUCHERS | 13,099.    |

CASH BALANCE @ 05/31/94 \$ 46,881.

INTEREST EARNED:

|      |           |       |                  |
|------|-----------|-------|------------------|
| Jan. | \$ 6,673. | July  | TOTAL \$ 25,312. |
| Feb. | \$ 8,081. | Aug.  |                  |
| Mar. | \$ 7,336. | Sept. |                  |
| Apr. | \$ 4,053. | Oct.  |                  |
| May  | \$ 6,505. | Nov.  |                  |
| Jun. |           | Dec.  |                  |

# 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: MAY 31, 1994

| ACCT # | ACCOUNT                | SPENT<br>1993 | 1994<br>BUDGET | TOTAL<br>USED<br>04/30/94 | CURRENT<br>MONTH<br>EXPENSES | TOTAL<br>USED<br>05/31/94 | UNUSED<br>PORTION<br>BUDGET |
|--------|------------------------|---------------|----------------|---------------------------|------------------------------|---------------------------|-----------------------------|
| 80     | LEGAL FEES             | \$2,400       | \$2,400        | \$800                     | \$200                        | \$1,000                   | \$1,400                     |
| 81     | DIRECTOR'S FEES        | \$3,000       | \$4,000        | \$1,260                   | \$180                        | \$1,440                   | \$2,560                     |
| 82     | FICA TAXES             | \$377         | \$500          | \$303                     | \$0                          | \$303                     | \$197                       |
| 83     | ENGINEER/ADMIN         | \$4,560       | \$4,560        | \$1,520                   | \$380                        | \$1,900                   | \$2,660                     |
| 90     | AUDIT FEES             | \$1,400       | \$1,400        | \$0                       | \$0                          | \$0                       | \$1,400                     |
| 92     | INSURANCE & BONDS      | \$1,404       | \$1,400        | \$1,086                   | \$0                          | \$1,086                   | \$314                       |
| 96     | OFFICE EXPENSE         | \$528         | \$650          | \$87                      | \$0                          | \$87                      | \$563                       |
| 97     | OFFICE RENT            | \$900         | \$1,200        | \$400                     | \$100                        | \$500                     | \$700                       |
| 100    | PROFESSIONAL FEES      | \$1,618       | \$12,000       | \$0                       | \$450                        | \$450                     | \$11,550                    |
| 103    | TRAVEL                 | \$426         | \$2,500        | \$213                     | \$0                          | \$213                     | \$2,287                     |
| 105    | REPAIRS/MAINTEN        | \$28,654      | \$71,388       | \$21,178                  | \$270                        | \$21,448                  | \$49,940                    |
| 105B   | TOPO FOR SPECIAL STUDY | \$9,154       | \$3,612        | \$3,612                   | \$0                          | \$3,612                   | \$0                         |
| 108    | CONTINGENCIES          | \$0           | \$500          | \$0                       | \$0                          | \$0                       | \$500                       |
| 109    | EMERGENCY FLOOD REPAIR | \$0           | \$20,000       | \$0                       | \$0                          | \$0                       | \$20,000                    |
| 110    | CAPITAL IMPROVEMENTS   | \$0           | \$44,000       | \$0                       | \$0                          | \$0                       | \$44,000                    |
| 110A   | SPECIAL STUDY          | \$39,067      | \$31,000       | \$14,658                  | \$11,519                     | \$26,177                  | \$4,823                     |
|        |                        | \$93,488      | \$201,110      | \$45,117                  | \$13,099                     | \$58,216                  | \$142,894                   |

## ***INDEPENDENT CONTRACTOR AGREEMENT***

***THIS AGREEMENT***, is entered into by and between the **PUEBLO CONSERVANCY DISTRICT**, hereinafter referred to as "*District*", and **RAYMOND F. KOESTER**, hereinafter referred to as "*Koester*".

**IN CONSIDERATION** of the engineering qualifications, service history to the District and capability to perform the operational functions needed by the District, the District Board has determined it is in the best interest of the District to retain the following services to be performed by Koester.

1. Service as the Chief Engineer and Administrator for the District effective upon execution of this Agreement and continuing thereafter until terminated with not less than a 30-day notice of intent to terminate.
2. Service shall include the following duties to be performed by Koester or at his direction and cost.
  - a. Maintaining the books and records of the District;
  - b. Providing the bookkeeping and secretarial services of the District in the normal course of the District business. In the event the District expands its expectations related to the development of special projects, services for those expanded projects shall be separately contracted;
  - c. Providing notices, arranging meeting places, performing the banking functions related to District business;
  - d. Maintaining and preparing the minutes of the District meetings, preparing invoices and documents necessary to the financial transactions of the District;
  - e. Providing engineering expertise in advising the District on project needs and the status of the property of the District and its state of repair. Those engineering services that are advisory or necessary in the normal course of maintenance and repair identification shall be services performed as part of this Agreement;
  - f. Provide storage space for the files, safe and records of the District.
3. It is further acknowledged that for specific projects and for survey or engineering needed for construction, maintenance and repairs that are beyond the normal inspection, annual cleaning and normal wear and tear on the property of the District, services will be contracted separately with Koester or with such other professionals as are approved by the District.

4. It is further acknowledged that it is the intent of Koester to, from time to time, contract or hire Ricky A. Kidd, Registered Professional Engineer, to assist Koester for the purpose of introducing Kidd to the history, function and operation of the District. Any compensation due Kidd will be paid by Koester unless the District contracts separately with Kidd for services.
5. It is further agreed that for engineering services beyond those described herein will be performed by Koester after separate District approval at a rate of \$30 per hour invoiced to the District.
6. It is further acknowledged that as part of this Agreement, Koester leases to the District furnished office space for meetings of the District directors as well as for storage and that payment for such space will be paid in the amount agreed to the name of the party or parties as directed by Koester.
7. The District, in consideration for the services and agreements expressed herein, agrees to pay Koester the sum of \$400 per month for the ordinary and necessary services rendered pursuant to this Agreement.
8. The District further agrees to pay Koester or such party or parties as Koester directs the sum of \$100 per month for the lease of space as described in this Agreement.
9. The parties intend their relationship to be an independent contractor relationship, and pursuant to CRS 8-40-102, the parties further agree as follows:
  - a. The District does not require Koester to work exclusively for the District.
  - b. Except with respect to plans and specifications regarding work to be performed by Koester for the District, Koester shall be exclusively responsible to establish a quality standard for Koester's work. The District shall not oversee the actual work or instruct Koester as to how the work will be performed.
  - c. The District shall have no right to terminate Koester during the term of this Agreement unless Koester violates the terms of this Agreement or fails to produce a result that meets the specifications of this Agreement.
  - d. Koester acknowledges that he does not require, nor has he received, any training from the District.
  - e. The District shall not provide any tools or benefits to Koester.
  - f. The District shall not dictate the time of performance by Koester, excepting, however, Koester shall complete the work in accordance with

a range of negotiated and mutually agreeable work hours established between the parties.

- g. The District shall not combine its business operations in any way with the business operations of Koester, and all of the parties' separate business operations shall be maintained separate and distinct.
- h. **Koester acknowledges that as an independent contractor he is not entitled to worker's compensation benefits, and Koester is obligated to pay federal and state income tax on any monies earned pursuant to this Independent Contractor Agreement between the parties.**

10. This Agreement shall be binding upon the parties and is not subject to assignment without prior written consent of both parties.

**AGREED AND ENTERED** into this 1st day of June, 1994.

PUEBLO CONSERVANCY DISTRICT

By Kathleen M. Farley  
President

ATTEST:

Patricia Kelly  
Secretary

Raymond F. Koester  
Raymond F. Koester