

PLANNING & ZONING WORK SESSION-4:30 PM

- Flume - Ron McLaughlin

SPECIAL MEETING - 5:30 PM

- I. CALL TO ORDER
- II. ROLL CALL
- III. REVIEW AGENDA
- IV. NEW BUSINESS
 - a. Approve/Disapprove Engineering Plans - School Water System
 - b. Approve/Disapprove School Property Memo
- V. ADJOURN

REGULAR WORK SESSION

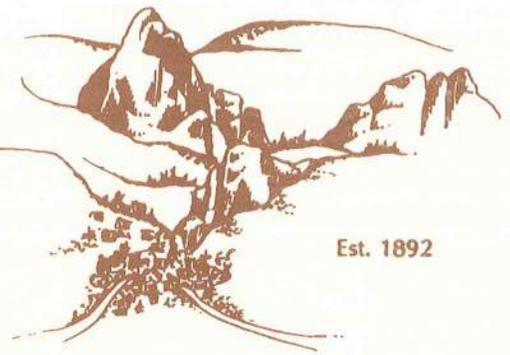
- Flume - Ron McLaughlin
- Recycle Creede - Revisit Lease
- Budget 2015 Final Work Session
- RMJ Packet [Read Only, online w/ two articles submitted]
 - Any Other Business

Posted 11/14/14

City of Creede

A Colorado Town

P.O. Box 457
Creede, CO 81130
(719) 658-2276
Fax 658-2017



November 5, 2014

Creede School District
Attn: Buck Stroh
PO Box 429
Creede, CO 81130

Dear School Board Members,

We understand that the Creede School Board is in the process of determining the manner and process of selling the existing school property in the City of Creede. The City is committed to cooperate with the School District. In that regard, we anticipate that a number of details will need to be addressed before the property is redeveloped, including streets and utility extensions. We suggest that some collective forward thinking may help to expedite the due diligence process that any investor or developer will need to conduct once the property is listed for sale and placed under contract. Also, we believe there are alternative methods of selling the property that may be worth exploring, including City/County partnerships to acquire and develop the property for workforce housing and/or assisted living housing. We believe the current playgrounds are valuable to the community and would like to explore potential options to keep the playgrounds intact. Overall, we think the redevelopment of the school property in the City is likely to have an impact on the City and that such redevelopment can be best managed for the community with cooperative planning. There are potential grant sources for technical assistance that may be helpful for this effort. We appreciate the goal and mandate of the school to sell the property in a manner that generates the maximum proceeds for the School District. It is our hope that cooperative planning and collaboration would not inhibit that goal, rather, it would enhance that goal.

Attached is some information we've identified that is relevant to the school property in the City.

Respectfully,

Eric Grossman, Mayor
City of Creede

Old School Property

The city would like to help the School District maximize their return on their property in town when they get ready to sell. It sounds like there is a lot of confusion on the titles and please know we're willing to help you along those lines as well.

Depending on how the property is sold (one parcel or individual lots) AND depending on the intent of the purchaser(s) we've discussed some preliminary thoughts we'd like to share with you.

The current playgrounds are of interest to the city and if possible we'd like to see them stay. The majority of the equipment is located on platted east Third St. and that may be subject to change with the results of the title search.

If the property is sold to individuals or a developer who intends to build residences the playgrounds would be a direct asset to their neighborhood. On the other hand however, the residences would need infrastructure and access to their properties and the playground equipment would probably interfere.

It would be convenient if one purchaser bought everything the school occupies and develops it as a single project using the same infrastructure, access and zoning., it's probably more likely your property will be desired for residential uses. The property is already zoned residential, the lots (for the most part) are already platted and the school will likely realize more revenue if sold as individual lots. A realtor should be consulted on that. The down side of this concept is it's likely to take longer to sell all your property. However you may easily sell some of your property sooner than finding a single purchaser for all your property. Again check with a realtor.

The most recent survey I've found is from 1971. I don't think it's ever been replatted, so the lots and blocks shown on the map still exist. It's the streets and alleys we're more concerned about as the property is re-developed. They were needed for school purposes and I imagine the city cooperated every way they could to help the school. When the school is no longer there, we likely will need the streets and alleys.

Ordinance 229, approved in 1981 altered the use of the north twenty (20) foot of east 5th Street to be used by the city and the school for a public park and installation of a tennis court. This ordinance does have reverter verbiage.

Ordinance 188, approved in 1972 vacated and closed 4th Street east of La Garita. I don't know if a deed was ever issued and there is no reverter verbiage.

I've not found any conveyance documents on the alley in Block 14 or east 3rd St. In 1892 a resolution was adopted accepting the plat of the school land as laid out by the State Board of Land Commissioners, but I think that was part of the enabling act for sections 16 & 36 in each township.

In March of 1947, the school petitioned the city council to close 3rd & 4th streets, but no action was taken. In Sept. of 1948 the city council approved closing of La Garita between 2nd and 3rd during the school year (just FYI).

October 17, 2014

City of Creede
c/o Clyde Dooley, Manager
Box 456
201 N. Main
Creede, Colorado 81130

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Denver, Colorado 80211
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www.merrick.com

RE: CREEDE FLUME REHABILITATION

Clyde:

The proposed Creede Flume Rehabilitation Project will be a major project for the City. It should be managed in three basic steps as with all significant projects (similar to the water system replacement project), i.e.:

1. Preliminary Design
 - Evaluate existing flume.
 - Develop and compare alternatives (longevity, capital and O & M, aesthetics, safety).
 - Prepare report and obtain City selection of plan.
 - Use Preliminary Engineering Report (PER) to obtain funding.
2. Final Design
 - Prepare plans and specifications for construction.
 - Obtain competitive Contractor bids as required by Colorado statutes.
3. Construction

To date, we have one complete preliminary report prepared by USDA Engineer; a couple of partial reports prepared by us, and a proposal from Bohannon Huston.

This is an unusual project – because of the existence of the historic masonry flume. It is my opinion that a current, comprehensive PER should be prepared, evaluating all alternatives, so that the Board can make an informed, intelligent decision.

The PER could evaluate the concrete cloth alternative, as proposed by Bohannon Huston. Attached are our comments regarding that proposal.

It generally pays to do things right. Creede and other Cities have been hurt (i.e. not received long term value from investment) by short-cutting time proven procedures.

A memorandum commenting on the Bohannan Huston proposal is attached.

Respectfully submitted,

McLaughlin Water Engineers

A Division of Merrick & Company



Ronald C. McLaughlin, PE & LS

Town Engineer

Enclosure: Memorandum re Bohannan Huston Proposal

cc: Eric Heil

MEMORANDUM

October 17, 2014

TO: City of Creede
c/o Clyde Dooley, Manager

FROM: Ron McLaughlin, Engineer

RE: REHABILITATION OF CREEDE FLUME – BOHANNAN HUSTON PROPOSAL

Bohannan Huston has prepared a proposal involving the use of concrete cloth for repairing the existing masonry flume. Following is commentary regarding that proposal.

Proposal Structure

Bohannan Huston is evidently an engineering firm based in Albuquerque. However, their approach has been typical of a marketing engineer for one specific manufactured product. Typical professional ethical practices would have included contacting the Town’s Engineer to explain/justify the proposal; this was not done.

The situation may be acceptable; we just don’t know. However, the appearance is that the Proposal is trying to sell a job and a product; a professional engineer must put the interests of the Town first. If there is only one supplier, who establishes the material cost? How do you achieve cost competition? What are the warranty provisions?

We have experience with Engineers and Supplier’s presenting many products that promote themselves as excellent performance at low cost. Much of our experience is in later replacing, or repairing, these “innovative” products – with the result being a much higher total cost.

These “innovative” products should always be approached with some skepticism and carefully evaluated.

This Proposal should only be evaluated after the Preliminary Engineering Report (PER) is developed and approved. A description of the finished project and a preliminary cost estimate should be available.

Use of Concrete Cloth

The existing masonry channel has served for many years, and it is mostly still in good, repairable condition.

- Lining a high velocity, cold weather masonry channel is not a typical application for concrete cloth. See attached manufacturer's sheets, showing the typical use of lining an irrigation canal.
- Durability. Is the cloth to extend to the top of the slope? How will the cloth prevent freeze/thaw damage of the masonry below?
- Aesthetics. The existing flume might almost be considered an historical feature. Does the Town want to retain this appearance? (We previously agreed that plain concrete would be undesirable.)
- Safety. The existing masonry banks are steeper than the irrigation canal shown. It is suggested that climb-outs and possibly guardrail/fence be considered at some locations.
- Outlet. Does this proposal cover outlet improvements to preclude erosion?

Concrete Cloth > Applications



APPLICATIONS
 Cost Effective Alternative
 to Conventional Concrete

Applications

Imagine being able to use concrete on slopes, in water, and in other hard to reach places - with no molds, no mixing, and minimal equipment. Concrete Cloth is flexible and will bend and curve, enabling it to follow the natural contours of ditches and slopes.

Ditch Lining

Easy to roll, quick to install and flexible enough to conform to different curves and ditch profiles, Concrete Cloth™ can be a cost effective alternative to conventional concrete. Concrete Cloth™ can be rapidly unrolled and hardens in 24 hours to form a waterproof concrete ditch. Use it in road, rail, agricultural and other ditch lining applications.

Erosion Control & Slope Protection

Concrete™ Cloth can be installed on vertical (or nearly vertical) surfaces, making it an ideal solution for erosion control, excavation, retaining walls, berm lining and other slope protection needs. Using Concrete Cloth™ is a quick way to apply a thin, uniform, protective concrete covering to a slope surface and can be applied in all weather conditions. Protection can be a permanent covering or a temporary measure.

Lining

Flexible, cut to size with standard tools and able to set underwater, Concrete Cloth™ can be used as a temporary or permanent solution to line any size or shape of ditch, trench, tank, reservoir or sump.

Mining

Concrete Cloth™ provides a fast alternative for erecting strong permanent or temporary blast and vent structures. Because it's prefabricated, Concrete Cloth™ can be easily transported and stored underground, can be fixed to the rock face using standard power tools, and comes in a man-portable roll form that solves the logistical difficulties associated with traditional methods. Mining applications include spall lining, ventilation structures, blast walls, drainage and water management, ground stabilization and pipe protection.

Building & Shelters

Whether you need gabion wall reinforcement, building cladding, roofing or even a quick shelter, Concrete Cloth™ makes it easy to get concrete in your building application - without the scheduling and time hassles of poured concrete. And, it's waterproof, fireproof and provides a unique textured surface.

The possibilities are endless...

Flexible and easy to use without special concrete mixing tools, Concrete Cloth™ can be used for any application that needs a strong, weather resistant material, from weed control to pipe protection to building to design!

Standards by Application



It's easy to install Concrete Cloth™ - just add water. And, Concrete Cloth™ meets ASTM and other standards. [Learn more»](#)

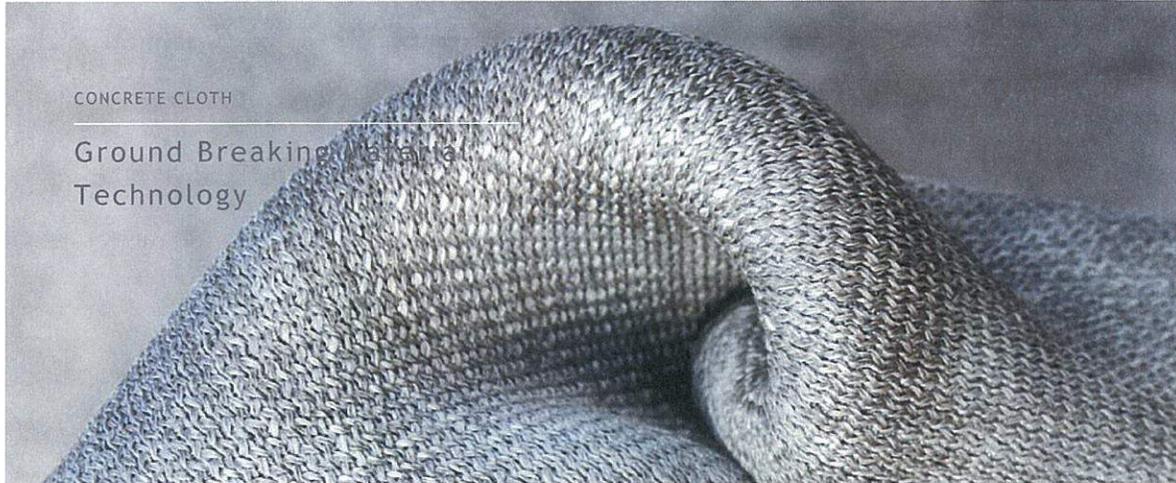
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Concrete Cloth >



Imagine being able to use concrete on slopes, in water, and in other hard to reach places - with no molds, no mixing, and minimal equipment. Concrete Cloth is flexible and will bend and curve, enabling it to follow the natural contours of the land, including ditches and slopes.

Unlike regular concrete, Concrete Cloth can be installed in the rain, and other wet conditions, virtually eliminating rescheduling due to weather conditions. It comes in a variety of sizes, including man-portable rolls that two men can carry, reducing the need for heavy machinery.

The fabric structure also reinforces the concrete and reduces cracking, while using up to 95% less concrete than conventional methods. Concrete Cloth has a low alkaline reserve and a low wash rate for a low ecological impact. It meets many ASTM and other standards and is resistant to chemicals, weather, wear, and UV.

The unique structure of Concrete Cloth facilitates ease of installation. Cement mix is trapped in a flexible 3D fabric, backed with a waterproof layer. The fabric can be hung vertically, laid in trenches, or cut and formed into shapes to create a durable layer of concrete, all without the need for molds or mixers. Wet the fabric to activate the cement, and within 24 hours, the product has cured to 80% strength.

[Download brochure»](#)

Applications



Concrete Cloth™ can be used in traditional poured concrete applications - and many more. [Learn more»](#)

Specification & Use



It's easy to install Concrete Cloth™ - just add water. And, Concrete Cloth™ meets ASTM and other standards. [Learn more»](#)

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Join our "Innovative Solutions for Erosion Control Measures" Webinar. Several dates available! Reserve your place today! [Learn More»](#)

View current news and events. [Learn more»](#)

FAQs



View frequently asked questions about Concrete Cloth™. [Learn more»](#)

Safety, Health & Environment



Concrete Cloth™ has a low ecological impact and is safe to use with standard PPE. [Learn more»](#)

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16 CFR 1610 Products

To: Planning & Zoning Commission, Board of Trustees,

The Flume Committee met on 10/27/14 and discussed the issues raised at the 10/7/14 BOT meeting and chose to clarify our recommendations. Various members of our community and the Flume Committee have spent many hours gathering information on possibilities for the flume. The table below compares the options that the flume committee deemed most viable:

OPTION	McLaughlin	McLaughlin	Bohannon Houston	NRCS (Least Expensive Option)
GENERAL DESCRIPTION	Remove damage, 12" Reinforced Concrete Slab, 12" Curb at each groin	Install 12" Curb at each groin (More comprehensive design report and cost estimate required for this proposal.)	Shotcrete Damage Repair & Concrete Blanket Liner Along Groin	Lined Trapezoidal Channel Replacement
REPAIR/REPLACEMENT	Replacement	Repair	Repair	Replacement
TOTAL EST. COST	\$2,047,150*	\$1,187,900*	\$618,484	\$4,019,418*
EST. LIFE EXPECTANCY	50 yrs	50 yrs	25 yrs	50 yrs
INSTALLATION TIME	Can be done in one season	Can be done in one season	Can be done in one season	Can be done in one season
CAN START?	Fall 2016 (per 10/17/14 Letter, Evaluation, Alternative Comparison, Preliminary Engineering Report required before beginning)	*Also need clarification on whether Merrick is willing to do a similar project.	Fall 2015	Unknown
EASEMENT ISSUES	Yes	Yes	No	Yes
REPAIR/MAINT.	Not addressed, most likely inspections only for many years.	Not addressed.	Can replace small portions of concrete blanket and can most likely be performed locally.	Not addressed, most likely inspections only for many years..
FUNDING REQUIRED	Yes	Yes	Possibly not, but still desired.	Yes
404 Permit Assistance?	Unknown	Unknown	Yes, approx. \$1,000, good working relationship	Unknown
Phased Approach Possible	Unknown	Unknown	Yes, can be done over 2 or even 3 seasons	Unknown

*2014 Dollars Calculated By Inflation Only (Does not account for sharper increases in specific materials, etc.)

The flume committee has reviewed a substantial amount of information in coming to this conclusion. The following information is available in the Info Library at www.creedetownhall.com, under Flume Information:

1989 USACE Feasibility Assessment

2012 USACE Periodic Inspection

2003 NRCS Channel Replacement Feasibility Report

2008 McLaughlin Preliminary Engineering Report

2013 Bohannon Houston Flume Proposal

2013 Bohannon Houston Flume Approach Presentation

Quite a bit of additional historical information and correspondence is available for inspection at Town Hall.

The flume has deteriorated rapidly over the last several years. Based on the current situation of disrepair and need for maintenance we recommend immediate action to address this problem, especially on 1st street, 4th street, and south of 7th street. Damaged areas of the "groin" or toe, i.e., along the water line are now wide enough that ice and water damage have made huge cavernous areas that are in immediate danger of collapsing. Please take a walk to assess this damage for yourself, and please take a look at the forecasted consequences of flume failure in the USACE Feasibility Assessment from 1989. It is the feeling of the Flume Committee that, if a decision cannot be made on one of the above more extensive repairs, that steps be taken immediately to pursue a shotcrete repair beginning in the fall of 2015 at the very latest. Furthermore, the Flume Committee strongly recommends a decision by January to allow plenty of time for seeking funding opportunities, working with the Army Corps of Engineering for permits, and allowing for plenty of time in the event that more than one state or federal government agency has to collaborate.

After extensive discussion and review, the Flume Committee feels confident engaging Bohannon Houston to pursue a repair of the flume using shotcrete or an equivalent cavity fortification method and concrete blankets as demonstrated last fall lengthwise along each groin. This project can be completed in one or two years, is financially feasible, and the firm seems eager to work with our unique challenges.

Respectfully,

The Flume Committee

Kathleen Murphy

Gwen Nelson

Robert Schlough

Kay Wyley

Randi Snead

RECYCLE-CREEDE, INC.

P.O. Box 245
Creede, CO 81130
303-503-9975

OVERVIEW OF BUSINESS MODEL

Prepared for
Creede Board of Trustees
Mineral County Commissioners
September 21, 2014

Overview of Recycle Creede

Recycle-Creede is a 501(c)(3) non-profit organization dedicated to providing recycling services for the residents of Creede, Mineral County, adjacent counties and tourists and transporting recycled materials to end users, thus significantly extending the life of the local landfill and making Creede environmentally conscious. Recycle-Creede is the only recycling project within 70 miles of the City of Creede. No recycling is offered by local trash haulers, nor by the City or County, the Town of Del Norte or Rio Grande County. For a rural drop off non-profit recycling company, Recycle-Creede is unique in that it accepts and diverts almost all recyclable items rather than just a small number of items. For instance, the Alamosa center does not accept glass. The nearest center that will accept all items is several hours away. This service has grown over the past 8 years, surpassing all expectations, and the service has become extremely popular in Creede. We are at a crossroads, however, as to the future viability of the expanded project and need the financial assistance of the City and County.

History and Current Status of Recycle-Creede

Recycle-Creede was born in the summer of 2007 of the vision of Cary Bush. There had never been a viable recycling effort in Creede and Cary felt that there was enough interest to make this project work. It started in Cary and Randy's 1-car garage in town, collecting and hauling recyclables for her neighbors. The project quickly outgrew the garage. Recycle-Creede became a Colorado non-profit corporation in December of 2007 and received Federal tax exempt status in February of 2009. With the help of a grant from the state (who provided approximately 80% of the funds) the City of Creede providing a small piece of land, and the County providing a portion of the initial dirt work, we built a 1600 square foot recycling drop off center which opened in June of 2010.

Originally, all materials were taken to Boulder Eco-Cycle, a regional recycling center. Comprehensive MRFs did not exist in Colorado Springs or Pueblo at that time. We knew this was not cost effective originally because we paid more in fuel than we made selling the materials to Eco-Cycle. However, we hoped, that in time, with the implementing of the business vision we had, we could get the project to the point where it could support itself. We eventually acquired a vertical baler, a fork lift, a flatbed gooseneck trailer and a fleet of four 14 foot closed trailers,

again with a great deal of state grant money. The baler was put into service in November of 2012. Having this equipment allows us to bale all of our materials except for glass and transport baled materials to end users, where we are paid considerably more than when we were taking materials loose to Boulder. We now take our materials to the following manufacturers:

Glass is shipped to Miller Coors/Rocky Mountain Bottling in Wheat Ridge, Colorado where it is remanufactured into glass bottles within 30 days. Metal cans, aluminum cans, appliances and scrap metal are taken to Dionisio, a metal wholesaler in Pueblo. We separate mixed paper from chipboard and cardboard, which can be baled together, and take both products to BioPappel in Colorado Springs from where it is transported to New Mexico and Mexico for remanufacture. We also separate mixed plastic into #1 (clear screw top bottles like water bottles) and #2 (opaque milk bottles and colored hard plastic bottles like laundry detergent) and #3 through 7 plastics. We take #1s to Alpine in Denver and #2s to Repsco in Denver, both remanufacturers of plastic products. The #3s through 7s are shipped to China by Alpine. By separating and selling materials to end users, we receive far more per ton than we would by not separating materials. For instance, #1 and 2 plastic pays \$200 to \$250 per ton while mixed plastic pays \$15 per ton. Besides getting more for the materials, we are also able to transport 12 to 15 bales at a time on the flatbed trailer significantly cutting down on the number of trips necessary to haul materials, cutting down on expenses, and making those trips far more efficient.

From a start of diverting just over 40,000 pounds of material in 2007, we have grown to the point where we are diverting that much monthly. Recycle-Creede broke even for the first time in 2013, but that included a significant grant from a local foundation which gave us a grant of \$16,000. That foundation has not committed to a donation this year. The 2013 Profit & Loss statement is attached. This shows revenue of just over \$65,000 and expenses in the same amount.

On the income side, there were \$32,540 in deductible donations received, \$16,000 of which was from that one local foundation. Almost \$6,000 of the donations were received in response to our annual fundraising letter. Additionally, we brought in almost \$3000 from satellite operations where we pick materials up, \$16,000 in state rebate money and \$14,000 in materials sales. This year, so far through mid-September, we have almost \$15,000 in material sales including one receivable and are ready to bill another \$1700. Our donations are only \$18,000 (including a \$10,000 from Cary and Randy) so far but we still have money coming in daily responding to the fundraising letter. We will also be receiving an additional \$8,000 in the next few weeks from the second half of the State Rebate program. On the expense side, our expenses through September are just over \$32,000 so we are on track to have a much lower overhead this year.

Currently, besides the Creede drop off center, we pick up materials in Crestone two times per month where we operate as a "pay as you throw" program, requesting donations when people drop recycling with us. We have been doing this for several years now and the program has caught on in Crestone. We also pick up privately from the Crestone Baca POA, the Crestone Charter School, the Dharma Zen Center, the Orient Land Trust and from several businesses in South Fork. We haul glass-only from Adams State College. All of these entities pay a monthly fee for this service. We also partner with WeRecycle in Pueblo to haul their glass. We have a

contract worker who hauls this for us directly from Pueblo to Miller Coors and we turn a small profit per trip.

Where we go from here

As is apparent, Recycle-Creede in its present form is dependent on donations and State grant programs to continue. While our sales of recyclables continues to grow, that source alone does not produce enough revenue to cover the expenses of running the center. The vast majority of non-profit recycling businesses in the state owned by or subsidized by local governments. Other private haulers use a pay-as-you-throw method and either require payment at the drop off center to leave materials or charge a monthly fee for curbside pickup as opposed to having a free to the public drop off center. We did not think either of these models would work in Creede as a startup, although this could be an option in time. We felt that if we charged people initially every time they dropped off recyclables, most people would go back to throwing everything away. These models also both require full time employees, thus greatly increasing the cost of the operation. Recycle-Creede operates with only one paid employee who bales materials and hauls the materials. Everything else (particularly sorting of materials) depends on volunteers and some interim part-time employees we have been using. Cary does all the administrative and fundraising work.

As you can see from the Profit & Loss, it takes a considerable amount of money for an employee, insurances, fuel, vehicle maintenance and repair and other expenses to make this project work, amounting to \$65,000 in 2013 although that did include a \$6,000 capital expenditure. Neither Cary nor Randy has ever taken any kind of salary. Instead, over the last eight years, Randy and Cary put over \$60,000 of their own money into this project and bought and donated the 2006 Ford F-350 diesel truck that hauls the materials. That truck now has over 300,000 miles on it and will have to soon be replaced. While the project broke even last year, a big issue is that Recycle-Creede remains \$37,000 in debt for past operating losses (monthly credit card use for fuel, supplies, and maintenance is approximately \$2,500/month) and our share of the building projects and capital purchases. The building cost over \$55,000 of which the State provided \$45,000. The three phase electric to run the baler cost almost \$10,000 to install and the State only reimbursed us just over \$3000. Each time we bought a trailer, we had to put up \$1000. We have not been able to make a lot of headway in paying the debt off and it costs the project over \$3000 a year in interest. The debt is in the names of Cary and Randy personally as no one would loan money to the project that has yet to show a significant profit so we remain responsible for that debt.

If we could pay the debt off and increase materials sales, we believe the project could become self-supporting with continued donations from the residents and financial assistance from the City and County. As we increase the amount of materials we receive and become more efficient in sorting and baling, our profit margin from shipping materials should increase.

Most of our original business plan is in place – we have the baler which we bought new and a fleet of trailers so that we sell baled materials rather than haul loose materials as we did originally. Sooner or later, we will need to replace the truck.

Ideally, we would like to see the City or County take this project over as a municipal service. The County benefits in that we have extended the life of the landfill and the people of this community have embraced this service and do not want to see it stop. The City could add a modest amount to the current City utility bill and both the City and County already have a public works department in place that could take over the staffing of the operation. We would, however, have to “sell” the operation in order to be able to pay off the existing debt and hopefully make back a portion of our personal loss. Numerous recyclers have offered their support to the idea of including recycling in the monthly City invoice, and/or to have a portion of landfill dollars go to recycling, or even to include a recycling fee in their County Property Taxes. The down side there is that any billing scenario would eliminate donations from local sources.

A second option is to receive help in paying off the large existing debt. If we were even with the board financially, we feel we could pay expenses from current income, although we do not pay our employee market value and his salary should be raised and we could use a second employee. Again, we always come back to the issue of the aging truck.

Basically, we’ve achieved our original business plan and now need to refine our current operations. We welcome the opportunity to discuss the issues surrounding the continued operation of Recycle-Creede personally and would be available to do so at a joint meeting of the City Trustees and County Commissioners.

2007-2014 comparisons of recyclable materials diverted

<u>month/year</u>	<u>lbs</u>								
	2007	2008	2009	2010	2011	2012	2013	2014	2015
Jan/Feb	0	7,300	17,160	9,120	8,780	25,572	34,580	44,052	
March	0	5,760		9,260	22,180	18,720	23,180	25,280	
April	0	8,320	14,280	9,220	9,383	21,901	36,180		
May	0	6,400	10,240	2,060	10,370	29,029	36,680		
June	2,240	9,960	11,740	12,100	9,040	47,964	44,080		
July	4,880	12,440	10,320	9,091	27,460	37,100	42,320		
Aug	9,060	15,660	8,420	11,640	27,465	49,984	71,298		
Sep	8,660	15,020	12,000	18,447	15,560	39,507	39,140		
Oct	8,580	10,040	3,640	15,283	14,385	23,277	33,360		
Nov/Dec	8,360	10,120	3,600	14,375	35,120	79,620	66,113		
TOTALS	41,780	101,020	91,400	110,596	179,743	372,674	426,931	69,332	

This spreadsheet gives
a good indication of the
exponential growth we've gone through.

I apologize there is no more info on
2014 yet, but haven't had time to do it.

Feb 2014 lbs is only through February 14, 2014.

Thanks, *Cary*

RECYCLE CREEDE, INC. LEASE AGREEMENT

This Lease Agreement is entered into this 29th day of July 2009, by and between the City of Creede, a Colorado municipality, by and through the Board of Trustees' ("Landlord") and Recycle Creede, Inc. a Colorado non-profit corporation ("Tenant").

For good and valuable consideration, and for the mutual promises and covenants contained herein, the parties agree as follows:

1. The Landlord, by entering this Lease, expresses its intention to lease the subject property to the Tenant for a period of twenty (20) years, at a minimal cost, as a "donation in kind". The Board recognizes the Tenant is providing a necessary public service with its recycling drop-off center. At the end of this Lease, there will be an option to renew for another twenty (20) years with the mutual consent of Landlord and Tenant.
2. Landlord hereby leases and lets to Tenant a Parcel of Land, lying and being situate within the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 36, Township 42 North, Range 1 West, New Mexico Principal Meridian, City of Creede, County of Mineral, State of Colorado and further described in the attached: "EXHIBIT "A". Exhibit A shall be developed by a survey of the above parcel of property and upon receipt thereof will be incorporated as part of this Agreement.
3. Landlord does grant this Lease for a term of twenty (20) years beginning August 1, 2009 and ending July 31, 2029. This Lease will be reviewed every five-years by the Board of Trustees to consider the rental amount of the agreement. Any increase in the rental amount will be negotiated by the Tenant and the Landlord, with the understanding that the original intent of the Board of Trustees is stated in paragraph 1 above. Notice of non-renewal of the Lease, must be for reasonable cause by either party, and provided in writing, at least 270 days prior to the expiration of the Lease, to the other party. The Lease will terminate automatically in the event that the premises ceases to be used for recycling collection activity or the Tenant is no longer a non-profit organization.
4. As consideration for the granting of this lease, Tenant agrees to:
 - a. Pay the Landlord the sum of One Dollar (\$1.00) for each year of the lease due and payable on the first (1st) of August each year.
 - b. Pay all costs associated with building permits and connecting to the City's infrastructure.
5. Tenant shall, at its expense, provide liability insurance for the leased building and provide the City with a copy of the policy listing the City of Creede as "Additional Insured".
6. Tenant shall use said premises for the sole purpose of a recycling drop-off center and associated activities. The Tenant shall not permit the accumulation of trash or refuse outside the building and no storage of materials or equipment not

- directly associated with the recycling collection activities is permitted on the property.
7. Tenant shall be responsible for any real improvements on the leased property, including the installation of and payment for all utilities it elects to install at the premises. These utilities include, but are not limited to; electricity and heating costs, telephone service, trash removal service, water, sewer and drainage.
 8. Tenant further agrees to maintain the interior of the building and the associated property in a manner, to the extent reasonably possible, free from common hazards to occupants and visitors to the premises. Tenant shall be responsible for removal of snow and ice from accesses to the premises.
 9. Tenant further agrees and warrants that:
 - a. Upon breach of this Lease it shall return possession of the leased premises in good condition, wear and tear and fire casualty excepted to the Landlord.
 - b. Tenant shall not assign or sublet said premises or allow any other person or entity to occupy the leased premises without Landlord's prior written consent.
 - c. Tenant shall be responsible for the cost of any material alteration to the premises. Tenant shall further notify Landlord of any material alteration to the premises.
 - d. Tenant shall comply with all building, zoning and health codes and other applicable laws for use of said premises.
 - e. Tenant shall not conduct or permit to be conducted any activity on the premises which violate any Federal, State, County or City law or ordinance.
 - f. Tenant shall not conduct or permit to be conducted any operation or activity on the premises which may be deemed to be ultra-hazardous or which would require an increase in the casualty insurance premium for the premises. The Tenant further agrees that it shall not permit any form of hazardous waste to be unreasonably accumulated or disposed of on the premises.
 - g. Tenant will notify the City within 30 days of any change in its non-profit status.
 10. Tenant agrees and stipulates that in the event that it is in breach of the terms or covenants of this Lease, and does not correct said breach within thirty (30) days of receipt of written notice from Landlord, Landlord may enter and take possession of the premises without further notice or legal action.

GOVERNING THOUGHTS

TO: Mayor and Trustees
FROM: Clyde
SUBJECT: Some final thoughts
DATE: November 14, 2014

Constantly measuring various financial tools to make sure you're headed in the right direction with solid controls on fiscal prudence is the best way to keep budgets from getting out of control. We use a number of tools because to get an adequate picture of our financial health, we need multiple indicators to assess the various dimensions of financial stability.

The economics of the private sector versus the economics of the public sector was one of the first things I had to learn. A private company maximizes revenues and profits while a government should concentrate on maximizing usage and financial stability. The idea surprised me at first because I was use to economists preaching the virtues of profit and the efficiencies of the private sector. In the private sector, high profit margins are often viewed as success dictating large bonuses, but usually end up being short term. Municipalities are more about long term and to the extent high "fees for use" sound good, they invariably reduce use and thus overall social and economic benefit. But this economic proof is rarely discussed.

This doesn't mean we should never raise our fees, we have to keep pace with inflation, but if the price of public service is kept low it can attract and sustain public use. This isn't about socialism, it's about getting the maximum use of public resources. We just can't forget there are public values, even in economics, which differ from those applied to the private sector.

I penciled on my last memo that one of our constant challenges is to expect new boards to completely understand the impacts on our long-term financial goals by the new or short-term ideas that always face us. What I didn't have time to pencil, was how important the new ideas are to keep us successful and moving forward.

That's exactly why we need all of us doing exactly what we're doing while we embark on programs involving fiscal restructuring, major public improvements complimented with solid financial health. We have a lot to do and prioritizing them to provide the most important civic needs will help us maintain solid forward movement.

Thanks to you, the taxpayers of the City of Creede can feel comfortable that we're headed in the right direction and we ain't done yet.

Absent any surprises with the new school plans, this is the proposed 2015 budget I'll ask you to approve on the 2nd of Dec.

2015 Proposed Budget

11/14/2014

1 GENERAL FUND		2013	2014	2014	2015
2 Revenues		Actual	Proposed	Revised	Proposed
3 General Property Tax	1410.10	68,391	70,000	72,000	74,000
4 Delinquent Taxes	1410.20	153	250	100	125
5 Delinquent Interest	1410.30	329	250	250	250
6 Specific Ownership Tax	1410.50	8,703	5,000	6,500	6,000
7 1/2 City Sales Tax	1410.61	93,614	87,000	95,000	92,000
8 County Sales Tax	1410.62	104,237	105,000	120,000	110,000
9 Franchise Tax	1410.80	8,301	8,000	9,000	8,500
10 Liquor Licenses	1440.30	1,910	3,000	4,000	4,000
11 Building Permits	1440.40	16,676	5,000	7,000	7,000
12 Building User Tax	1440.50	6,496	6,000	9,000	8,000
13 Highway User's Tax	1450.10	20,872	18,000	19,000	18,000
14 Motor Vehicle Sales Tax	1450.20	156	100	100	100
15 Cigarette Tax	1450.30	1,685	1,200	1,400	1,200
16 Motor Vehicle Fees	1450.40	2,679	2,400	2,500	2,400
17 Severance Tax	1450.50	11,511	5,000	-	10,000
18 Mineral Lease Royalty	1450.60	225	-	-	300
19 Road and Bridge	1450.70	3,888	3,800	3,900	3,800
Fuel Tax Refund	1450.80	-	-	270	250
20 Grants	1450.90	-	-	-	-
21 Court Fines	1460.00	-	-	-	-
22 Interest Income	1470.00	366	700	240	300
23					
24 Recreation Fees	1480.10	3,737	3,200	3,700	3,200
25 Recreation Grants	1480.20	-	-	-	-
26 Recreation Donations	1480.30	3,264	5,800	500	2,000
27 Recreation Misc.	1480.90	796	5,500	-	750
28 Refunds	1490.20	170	1,200	25	-
29 Rec. (300x3)	1490.40	-	-	-	-
30 Miscellaneous	1490.90	17,187	20,000	15,000	10,000
31					
32 Operating Revenues		375,346	356,400	369,485	362,175

A

2015 Proposed Budget

11/14/2014

33 GENERAL FUND		2013	2014	2014	2015		
34 Expenses		Actual	Proposed	Revised	Proposed		
35	Administrative Salaries	1510.10	35,869	40,164	40,164	42,172	
36	Payroll Taxes	1510.21	2,847	2,611	3,170	3,265	
37	Benefits	1510.23	8,192	7,242	8,580	8,840	
38	Operating Supplies	1510.31	1,531	4,000	2,000	4,000	
39	Postage	1510.32	655	600	400	600	
40	Telephone	1510.33	2,837	2,500	3,000	2,500	
41	Dues & Subscriptions	1510.34	3,447	3,000	3,100	3,000	
42	Printing & Advertising	1510.35	2,194	3,500	2,000	3,000	
43	Building & Plant	1510.40	1,710	2,000	2,000	2,000	
44	Insurance & Bonds	1510.50	2,960	6,500	8,500	8,500	
45	Professional Services	1510.60	24,861	30,000	20,000	25,000	
46	Travel	1510.70	1,363	5,000	3,100	5,000	B
47	Board of Trustees	1511.00	16,468	17,000	17,000	17,000	
48	Judicial	1512.00	-	1,500	-	1,500	
49	Elections	1513.00	-	1,500	200	-	
50	Treasurers Fees	1514.00	1,378	1,300	2,400	2,500	
51	Miscellaneous (+1519)	1519.00	8,275	5,000	5,400	15,500	
52	Code Enforcement	1520.50	-	10,000	-	10,000	G
53	PUBLIC WORKS						
54	Public Works Payroll	1530.10	40,913	46,720	46,750	49,088	
55	Payroll Taxes	1530.21	3,232	3,495	3,720	3,832	
56	Benefits	1530.23	8,529	10,863	12,500	12,875	
57	Operating Expenses	1530.31	5,641	5,000	5,000	5,000	
58	Telephone	1530.33	712	1,600	600	1,000	
59	Repairs & Maintenance	1530.40	2,105	6,000	6,000	6,000	
60	Insurance & Bonds	1530.50	3,557	6,500	6,500	6,500	
61	Streets & Alleys	1530.70	12,102	15,000	15,000	15,000	
62	Electricity	1530.81	11,928	14,000	12,000	14,000	
63	Propane	1530.82	7,304	9,000	9,000	9,000	
64	Miscellaneous	1530.90	1,720	5,000	5,000	5,000	
65	Parks & Recreation						
66	Park Payroll	1540.10	16,100	13,650	17,000	17,000	
67	Park Taxes	1540.20	1,256	1,292	1,300	1,300	
68	Park Benefits --- Not used	0.00	-	-	-	-	
69	Park Expenses (+1580.70)	1540.50	7,481	20,000	20,000	20,000	D
70	Rec. Salaries	1580.10	16,653	16,228	16,228	16,715	
71	Rec. Taxes	1580.21	1,191	1,308	1,300	1,340	
72	Recreation Expenses	1580.50	8,585	15,000	15,800	20,000	D
73	Donations	1580.60	10,000	15,000	10,000	10,000	
74	Hatchery Utilities	1580.80	1,439	2,000	1,500	2,000	
75	Operating Expenses		275,035	351,073	326,212	370,027	
76							
77	Operating Income/Loss						
78	Operating Revenues		375,346	356,400	369,485	362,175	
79	Operating Expenses		275,035	351,073	326,212	370,027	
80	Operating Income/Loss		100,311	5,327	43,273	(7,852)	

2015 Proposed Budget

11/14/2014

81 GENERAL FUND (Cont.)		2013	2014	2014	2015	
82 Non-Operating		Actual	Proposed	Revised	Proposed	
83 Transfer In (Parks -from VC)	1498.00	20,000	20,000	20,000	20,000	D
84 Transfer in (Recreation - from VC)	1499.00	-	-	-	20,000	D
85 Non-Operating Revenues		20,000	20,000	20,000	40,000	
86						
87 Transfer Out (to CI)	1598.20	-	-	-	-	
88 Non-Operating Expenses		-	-	-	-	
89						
90						
91 Total Revenues		395,346	376,400	389,485	402,175	
92 Total Expenses		275,035	351,073	326,212	370,027	
93 Net Income/Loss		120,311	25,327	63,273	32,148	
94 Fund Balance Beginning of Year		617,272	737,583	737,583	800,856	
95 Fund Balance End of Year		737,583	762,910	800,856	833,004	

96 CAPITAL IMPROVEMENT		2013	2014	2014	2015	
97 Revenues		Actual	Proposed	Revised	.	
98 1/2 City Sales Tax	2410.00	93,614	85,000	95,000	92,000	
99 Interest	2470.00	452	1,000	500	500	
100 Total Revenues		94,066	86,000	95,500	92,500	
101						
102 Expenses						
103 Capital Improvements	2510.00	28,647	75,000	30,000	75,000	
104 Paving		-	-	-	-	
105 Flume Repair	2501.00	-	-	-	-	
106 Total Expenses		28,647	75,000	30,000	75,000	
107						
108 Operating Revenues		94,066	86,000	95,500	92,500	
109 Operating Expenses		28,647	75,000	30,000	75,000	
110 Operating Income/Loss		65,419	11,000	65,500	17,500	
111						
112 Non-Operating						
113 Transfer in (VC)	2420.00	70,000	65,000	65,000	50,000	
116 Transfer from Fund Balance	2497.00	-	-	-	-	
117 Non-Operating Revenues		70,000	65,000	65,000	50,000	
118						
119 Non-Operating Expenses		-	-	-	-	
120						
121						
122 Total Revenues		164,066	151,000	160,500	142,500	
123 Total Expenses		28,647	75,000	30,000	75,000	
124 Net Income/Loss		135,419	76,000	130,500	67,500	
125 Fund Balance Beginning of Year		225,204	360,623	360,623	491,123	
126 Fund Balance End of Year		360,623	436,623	491,123	558,623	

2015 Proposed Budget

11/14/2014

127 VIRGINIA CHRISTENSEN		2013	2014	2014	2015
128 Revenues		Actual	Proposed	Revised	Proposed
129 Trust Revenue	8460.00	184,144	180,000	180,000	180,000
130 Market Increase/Decrease	8470.00	228,390	1,000	1,000	1,000
131 Operating Revenues		412,534	181,000	181,000	181,000
132 Expenses					
133 Willow Creek Reclamation		1,500	10,000	10,000	10,000
134 Distributions	8510.00	53,000	50,000	50,000	50,000
135 Management Fee		15,428	35,500	35,500	20,000
136 Operating Expenses		69,928	95,500	95,500	80,000
137					
138 Operating Revenues		412,534	181,000	181,000	181,000
139 Operating Expenses		69,928	95,500	95,500	80,000
140 Operating Income/Loss		342,606	85,500	85,500	101,000
141					
142 Non-Operating					
143 Non-Operating Revenues		-	-	-	-
144					
145 Transfer to Capital Improvement	8520.00	70,000	65,000	65,000	50,000
146 Transfer to Parks	8540.00	20,000	20,000	20,000	20,000
147 Transfer to Arts & Recreation	8550.00				20,000
147 Non-Operating Expenses		90,000	85,000	85,000	90,000
148					
149					
150 Total Revenues		412,534	181,000	181,000	181,000
151 Total Expenses		159,928	180,500	180,500	170,000
152 Net Income/Loss		252,606	500	500	11,000
153 Fund Balance Beginning of Year		4,105,333	4,357,939	4,357,939	4,358,439
154 Fund Balance End of Year		4,357,939	4,358,439	4,358,439	4,369,439

C

D

D

155 CONSERVATION TRUST		2013	2014	2014	2015
156 Revenues		Actual	Proposed	Revised	Proposed
157 Lottery Funds	3410.00	3,115	3,500	3,000	3,000
158 Interest	3470.00	10	-	-	-
159 Operating Revenues		3,125	3,500	3,000	3,000
160 EXPENDITURES:					
161 Park Supplies	3500.40	-	3,400	2,954	2,900
162 Operating Expenses		-	3,400	2,954	2,900
163					
164					
165 Total Revenues		3,125	3,500	3,000	3,000
166 Total Expenses		-	3,400	2,954	2,900
167 Net Income/Loss		3,125	100	46	100
168 Fund Balance Beginning of Year		6,506	9,631	9,631	9,677
169 Fund Balance End of Year		9,631	9,731	9,677	9,777

2015 Proposed Budget

11/14/2014

170 WATER AND SEWER		2013	2014	2014	2014	
171 Revenues		Actual	Proposed	Revised	Proposed	
172 Water Lease	6405.00	27,750	35,000	35,000	35,000	
173 Water Revenues	6410.00	176,995	179,058	179,058	184,430	
174 Sewer Revenues	6420.00	80,384	79,552	80,000	82,400	
175 Drainage Revenues	6440.00	6,011	6,500	6,500	6,500	
176 Miscellaneous	6450.00	909	5,000	4,200	10,000	E
177 W/S Finance Charge	6460.00	3,515	2,500	3,000	2,500	
178 Water Meters / Taps	6480.00	4,788	3,000	880	3,000	
179 TOTAL OPERATING REVENUES		300,352	310,610	308,638	323,830	
180 Expenses						
181 W/S Administrative Salaries	6500.11	35,868	40,164	40,164	42,172	
182 W/S Salaries	6500.12	40,913	46,720	46,800	49,088	
183 Taxes	6500.21	6,070	6,106	6,900	7,107	
184 Benefits	6500.23	18,939	18,105	21,200	21,836	
185 Office Supplies	6500.31	657	2,000	1,000	2,000	
186 Postage	6500.32	1,874	2,600	3,000	3,000	
187 Telephone	6500.33	676	800	700	800	
188 Sewer Supplies	6500.35	1,369	5,000	4,000	5,000	
189 Water Supplies (& meters)	6500.36	162	5,000	12,100	5,000	
190 Repair & Maintenance	6500.41	2,755	7,000	7,000	7,000	
191 Sewer Testing	6500.42	3,189	5,000	5,000	5,000	
192 Water Testing	6500.43	1,065	5,000	5,000	5,000	
193 Insurance	6500.50	4,293	6,500	6,500	6,500	
194 Professional Services	6500.60	10,119	15,000	15,000	15,000	
195 Travel	6500.70	-	1,000	1,000	1,000	F
196 Electricity - Sewer Plant	6500.81	11,118	13,000	10,000	11,000	
197 Propane - Water Plant	6500.85	1,007	1,000	1,500	1,500	
198 Electricity - Water Plant	6500.86	29,413	31,000	30,000	31,000	
199 Capital Improvements	6540.00	-	-	-	5,000	E
200 Sewer Miscellaneous	6500.91	2,090	3,000	3,000	3,000	
201 Water Miscellaneous	6500.92	1,642	3,000	3,000	3,000	
202 Miscellaneous/Contingency	6500.93	5,504	7,000	7,700	8,000	
203 TOTAL OPERATING EXPENSES		178,723	223,995	230,564	238,003	
204						
205 Operating Revenues		300,352	310,610	308,638	323,830	
206 Operating Expenses		178,723	223,995	230,564	238,003	
207 Operating Income/Loss		121,629	86,615	78,074	85,827	
208						
209 NON-OPERATING:						
210 Capital Contributions (Tap SD fees)	6430.00	37,130	12,000	16,000	35,000	
211 Loans / Impact Fees / Grants	6450.8+.9	-	-	-	-	
212 Interest Income	6470.00	3,648	200	100	200	
213 Non-Operating Revenues		40,778	12,200	16,100	35,200	
214						
215 Transfers out (Capital Improvement)	6495.00	-				
216 Loans Principal	6515+6.2	36,938	33,000	33,000	33,000	
217 Loans Interest	6515+6.1	21,604	35,000	35,000	35,000	
218 Non-Operating Expenses		58,542	68,000	68,000	68,000	
219						
220						
221 Total Revenues		341,130	322,810	324,738	359,030	
222 Total Expenses		237,265	291,995	298,564	306,003	
223 Net Income/Loss		103,865	30,815	26,174	53,027	
224 Fund Balance Beginning of Year		310,413	414,278	414,278	424,452	
225 Fund Balance End of Year		414,278	445,093	440,452	477,479	**

2015 Proposed Budget

11/14/2014

** This is the audited unrestricted amount. The total amount is \$2,057,747 (page 4)

A Comnet Lease, Pass thru expenses, Land Use Fees

B Anticipated/Normal Board Travel

C Flood plain maintenance

D VC transfer to Parks - acct. 8540

D VC transfer to Recreation - acct. 8550

D VC into Parks - 1498

D VC into Recreation - 1499

D Parks Expenses - 1540.50

D Recreation Expenses - 1580.50

E CRWA - Source Water Protection plan

F Discussion from work session - Operators training

G Added back in for possible agreement

Notice of Budget

The proposed 2015 budget for the City of Creede was presented to the Trustees at their Oct. 7, 2014 meeting. The hearing and date of adoption is planned for Dec. 2, 2014. Copies are available at Town Hall