

City Managers Report

Date: February 12, 2008
To: Board of Trustees
From: Clyde Dooley
Subject: Manager's Report for January

Norm Higley, Environmental Attorney– Administrative Direction

We all had a chance to meet and speak with Norm Higley in our work session last month. To me, he seemed like what the doctor ordered. He brought up some strategies that seemed to be tailored for our situation and I look forward to getting these negotiations going again. I'm also hoping we will be able to negotiate Norm's fees with Creede Resources / Hecla. With your direction, I'll get Norm started.

I've also attached a Road Map of the things I see that need to happen to move forward with the Creede Resource property. This is the property south of town and includes the old Mill Site. I've also attached a memo I wrote to the Board of Trustees on Sept. 26, 2006 as well as a note from Mark Walker with the Colorado Department of Health and Environment (CDPHE) concerning a Volunteer Cleanup Plan (VCUP). Once we engage Norm, I'll set up a conference call with Norm, Mark Walker and the EPA to get us a VCUP plan. Once this is accomplished, we'll contact Creede Resources about their responsibility in the VCUP.

Mineral County Commissioners – FYI

As you know and for the record, a Special Meeting was held by Mineral County, on Jan. 23rd, 2008, to discuss a letter of support for Don Shank and the Law Enforcement agreement.

The Commissioners voted unanimously to "NOT" write a letter of support for Don Shank railroad project. It was an excellent meeting with outstanding turn-out in favor of the petition for Adverse Abandonment. I've attached a copy of the article from the paper.

The Commissioners also decided to accept the Law Enforcement agreement for 2008.

Mineral County Resolution 2008-02 - FYI

I've attached the Counties Resolution concerning the Road and Bridge Tax Levy Contributions to the City. Since I've been here, we've allowed the County to make this tax levy contribution in materials and labor and I feel it we have always got our monies worth.

Tom Malecek Request – Administrative Direction

Tom Malecek, the U.S. Forest Service District Ranger and BLM Manager has asked if the City would be willing to work with them and the county in putting a new radio tower.

The area they are considering is where the old Homestake "water house" is located. I believe Homestake gave the City the building, but they still own the land. They would like to demolish the building and use this site. They will arrange to have the building removed if we say "Okay".

Federal Appropriations Request – Administrative Direction

I've attached "Appropriations Request Form Instructions" from Senator Wayne Allard and Senator Ken Salazar. I'll also get one from Congressman John Salazar.

As you remember, when we met with Lieutenant Colonel Estok with the Army Corps we discussed a Maintenance Deficiency Correction Plan that included a repair schedule AND seeking funding for replacing the flume in the future. Those discussions included Doris Morgan of Senator Allard's office and Charlotte Bobicki of Senator Salazar's office. I later talked with Erin Minks of Congressman Salazar's office as well and they all suggested we apply for Federal funding for 2009.

As you can see from the instructions, these requests are due by March 5, 2008. I've never done anything like this before and suggest we start a small committee to start working on this right away. Rex mentioned that he has some familiarity with things like this and I'm thinking we will want to invite Zeke from the Willow Creek side. The only numbers I know of to begin working on the are the estimates provided to us from USDA Natural Resources Conservation Service back in Aug. of 2003. Cost estimates ranged from three and a half million to seven million dollars.

So with your direction, I will contact Zeke and get the ball rolling. I'm also looking for volunteers.

Speaking of the Flume – FYI

I've also been talking with Dwayne's Engineering & Construction about repairing our flume. Zeke and I met with Dwayne last fall and his company can "Shot Crete" the lower joints of the flume where the side walls meet the floor.

Dwayne sent me the attached bid for this project and I forwarded it to Zeke with Willow Creede for his review. Willow Creek will seek the majority of the funding for this project on the City's behalf and more than likely, we will also seek some funding through DOLA and the Colorado Water Conservation Board. Janelle Kukuk mentioned that she had some fund raising thoughts that we will also look at. Once we get a better plan in place, we will ask the Board to approve a Resolution for this project.

Finances – FYI

I've attached our financial reports for our last quarter. We had some big projects last year and you can see how they impacted our funds. The Skate Park and the Visitor's Center impacted the General Fund with some out of year expenses. And Phase 1 of our Water Main Distribution project impacted our Water and Sewer Fund.

My biggest concerns at this time are our General Fund. Per Ordinance #236, one half of our sales tax goes to the General Fund and one half goes to our Capital Improvement Fund. I've thought about changing that distribution, but we still need to concentrate on building our Capital Improvement Fund for our future expenses. I'm also waiting to hear from USDA to address this with you because I'm anticipating they will want us to separate our Water and Sewer Fund.

EPA's Superfund National Priorities List – FYI

I've attached a copy of the letter Governor Ritter sent to the EPA concerning the listing of the Nelson tunnel and the waste rock pile.

Chuck Powers Update – FYI

I'll have the latest info when I return from Texas. I did create another "History" report for our records to help us keep track of the timing of the different events for the MCED, MMP and the MMI property.

Creede 2008 Hockey Tournament – FYI

The Chamber of Commerce, Tommyknocker's and Kip's Grill are organizing another pond hockey tournament planned for March 1st and 2nd. The last tournament was a success and filled the Snowshoe Lodge and Blessings Inn for two nights as well as kept the eateries in town busy for the weekend. And in spite of the cold weather, the bleachers were kept full throughout the games. This tournament has the potential of becoming a "Winter Festival" event for the community with additional planned events for next year.

The town will again donate the property for the games as well as provide the use of our Zamboni. The Chamber is providing the insurance and Brian at Tommyknocker's and Kip of Kip's Grill will partner closely with the Chamber to provide another successful event.

Work Session's for February- Administrative Direction

How about having our February work session on Tuesday the 26th at 5:30 PM?

Past Due Utility Bills (90 days plus)

Account No.	Amount Due	Months Past Due	Comments
161	\$ 194.08	3	Send shut off notice for 2/25/08
324	\$ 142.85	3	Send shut off notice for 2/25/08
Total	\$ 336.93		

General Fund Revenues

Funds Received in	January	Last Year	Diff.
Property Tax	\$ 583	\$ -	\$ 583
Delinquent Tax/Int.	\$ 39	\$ -	\$ 39
Specific Ownership Tax	\$ 403	\$ 406	\$ (3)
City Sales Tax (1/2)	\$ 3,411	\$ 5,558	\$ (2,147)
County Sales Tax	\$ 4,505	\$ 3,826	\$ 679
Building Permits	\$ -	\$ 1,885	\$ (1,885)
Franchise Tax	\$ -	\$ -	\$ -
Liquor Licenses	\$ 300	\$ -	\$ 300
Highway Users Tax	\$ 1,491	\$ 1,566	\$ (75)
Cigarette Tax	\$ 108	\$ 121	\$ (13)
Building User Tax	\$ -	\$ -	\$ -
Motor Vehicle Sales Tax	\$ -	\$ -	\$ -
Motor Vehicle Fees	\$ 113	\$ 125	\$ (12)
Court Fines	\$ -	\$ 35	\$ (35)
Micellaneous	\$ 169	\$ 302	\$ (133)
Total	\$ 11,122	\$ 13,824	\$ (2,702)