

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR ^{June}~~May~~ MEETING OF THE
PUEBLO CONSERVANCY DISTRICT ON JUNE 29, 1998

DIRECTORS PRESENT: Sandstrom, Kelly and Farley

ALSO PRESENT : Koester and Buxman (for Banner)

The meeting was called to order at 7:30 a.m. on the above date, and the minutes of the May 20, 1998 meeting were approved as prepared.

The Treasurers report for May was approved as prepared. The following bills were approved for payment:

1610	G. Sandstrom	Directors Fee	55.41
1611	K. Farley	Directors Fee	55.41
1612	P. Kelly	Directors Fee	55.41
1613	Banner	Legal Fee & Exp	335.59
1614	Banner	Quiet Title Work	13,385.00
1615	Fairfield & Woods	QT-Legal Assis.	1,312.84
1616	Engineer Koester	Eng/Admin Fee	1,735.00
1617	KLH Part	Office Rent	100.00
1618	Westplains Ener.	Power at Runyan	90.00
1619	NorthStar Eng		1,695.00
1620	Chem-Way, Inc.	Suppl. Weed Spray	275.00
1621	Spaccamonti Exc	Cross Conn	6,416.42
1622	U.S. Postoffice	Box Rent + Stamps	136.00
1623	Pueblo Arts Council	-Mural Coord	2,500.00
1624	Internal Revenue Serv.	(2nd Qtr)	82.52

Buxman (for Banner) indicated that trial date tomorrow is ready and Banner will be here to conduct that presentation on the Quiet Title for the HARP footprint.

Pat Kelly noted that the HARP O&M budget dictates that 20% of it is to come from the PCD, and as such \$20,000 was budgeted for 1997-98, and is now due and payable. It was also pointed out that the HARP budget will grow in the next four years, with the 20% approaching \$38,000. The Board will take this information under advisement and discover an amount for the 1999 Budget for this District, having considered some other expenses that might be trimmed in order to allow a larger allowance for HARP O&M (account 112).

The Board reviewed the mural drawing submitted by a group headed by Buck Weimer entitled SNUFF (out), and unanimously approved the limited licence agreement. Placement is just west of the Main Street bridge.

There being no further business, the meeting was adjourned at 8:00 a.m. with the regular July meeting scheduled for Thursday August 6, 1998 at 7:00 a.m. at the District Office, 111 East 5th Street.

APPROVED:

Patricia Kelly
Rachael M. Farley

[Signature]
Secretary

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

JULY 30, 1998

NOTICE OF JULY MEETING

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DATE : August 6, 1998 (Thursday)
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TIME : 7:00 a.m.
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PLACE : District Office - 111 East 5th Street
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- A G E N D A -

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1. Roll Call
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2. Approval of Minutes of June (June 29, 1998) meeting.
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3. Treasurers Report for June 1998:
 a. Pay bills for July
 b. Review 1997 Audit (MBLD) and
 discuss agreement for 1998
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4. Old Business -
 a. Hear Report on Quiet Title on old River (Banner)
 c. Hear report on Fishing is Fun meet July 20
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5. New Business-
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6. Set date for August Board meeting. x
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7. Adjourn
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THE PUEBLO CONSERVANCY DISTRICT
111 East Fifth Street
Pueblo, Colorado

TREASURERS REPORT:

DATE: June 30, 1998

Vouchers No. 1610 through 1624

Total Expended during current Month: \$ 28,330

Deposits: \$ 18,411 + \$13,000 transfer from Colo Trust

@ 6/30/98:

Minnequa Money Market (1) \$ 3,495.

CNB Savings (2) \$ closed

Minnequa Checking (3) \$ 428.

CNB Checking (4) \$ closed

Norwest Money Market (5) \$ 2,065.

Colo Trust \$ 107,000.

Total CD's: \$ 330,000. Treasury Bills: \$ 600,000.

Treasury Inv. : \$ 187,014.

TOTAL of @12/31/96 = \$1,377,974. @ 03/31/98 = \$1,297,238

of ALL @12/31/97 = \$1,310,582. @ 05/31/98 = \$1,252,901-1997

Accounts: @01/31/98 = \$1,312,849. @ 06/30/98 = \$1,230,002

@ 1st of Mo. Income Expenses @ end of Mo.
(\$1,252,887 + \$ 5,422 - \$28,330 = \$1,229,979

Checking Account Balance (3&4) @ 05/31/98: \$ 10,347.

Savings Account Balances (1,2&5) @ 05/31/98: 5,540.

Matured Treasury Bills 0.

Matured CD's 0.

Interest Earned - CD's 0.

Colo Trust 549.

Savings Accounts 15.

Money Market (Norwest) 5.

Dain Bosworth 0.

Smith Barney 0.

Everen 3,875.

Piper Jaffray 986.

Minnequa Bank (C.D.) 0.

Lease Payments 0.

Other Income 0.- -x

\$ 21,317.<

Money Market - Piper Jaffray \$ 0.

Money Market Transfer(Colo Trust) (13,000.)

CD's Purchased (Minnequa Bank) 0.

Treasury Bills Purchased \$ 0.

Current Months Vouchers \$ 28,329.

CASH BALANCE @ 06/30/98 (1,2,3,4,5) \$ 5,988.

Interest Earned in 1998: TOTAL TO DATE: \$ 40,605.

Jan \$10,412 Mar \$4,278 May \$8,687

Feb 4,922 Apr \$6,899 June \$5,422

T R E A S U R E R ' S R E P O R T <

DATE: June 30, 1998

ACCT No.	ACCOUNT	Spent 1997	1998 BUDGET	USED @ 5-31-98	CURRENT MONTH EXPENSE	USED to 6/30/98	UNUSED PORTION BUDGET
80	Legal Fees	\$2,400	\$ 3,600	\$ 1500	\$ 300	\$ 1800	\$1,800
81	Director Fees	2,160	4,000	900	180	1080	2,920
82	FICA Taxes	165	500	41	41	82	418
83	Engineer/Admin	4,800	4,800	2000	400	2400	2,400
90	Audit Fees	1,800	1,800	0	0	0	1,800
92	Insurance/Bonds	406	2,000	2360	0	2360	(360)
96	Office Expense	606	650	86	136	222	428
97	Office Rent	1,200	1,200	500	100	600	600
100	Professional Fees	0	12,000	0	0	0	12,000
103	Travel	299	2,500	254	0	254	2,246
105	Repairs/Maint.	31,440	75,000	10465	2865	13330	30,312
	(advance)			31359	0	31359	
105a	1997 Grant	12,500	12,500	6083	6417	12500	0
	1998 Grant	0	25,000	25,000	0	25,000	0
108	Contingencies	0	500	0	0	0	500
109	Emergency Repair	0	20,000	0	0	0	20,000
110	Capital Impr.	59,261	53,048	520	0	520	52,528
110b	OLD Grants	2,734	9,452	7028	0	7028	2,424
111	Plan. & Dev	17,520	25,000	1,195	16033	17.228	7,772
112	HARP - O & M	0	25,000	3068 (eng)	1695	5085	19,593
				186 (lg1)	136	322	

TOTALS: \$155,181 \$278,550 \$ 92,545 \$28,303 \$120,848\$157,702

PCD.bud ray

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ACCOUNTS PAYABLE - -

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Check	VENDOR	PURPOSE	AMOUNT
July	Accounts Payable to Approve 08-06-98:		
1625	G. Sandstrom	Directors Fee (July) (81)	\$ 55.41
1626	K. Farley	Directors Fee (July) (81)	55.41
1627	P. Kelly	Directors Fee (July) (81)	55.41
1628	Banner	Legal Fee (July) (80)	300.00
		Expenses (June) (112)	20.50
1629	Engineer Koester	Eng/Admin (July) (83)	400.00
1630	KLH Partnership	Office Rent (Jul) (97)	100.00
1631	Westplains Energy	Power at Runyon (105)	90.00
1632	NorthStar Eng & Sur	QT Mapping (June) (112)	1,430.00
		X-connection Eng. (110b)	1,420.00
		Total \$2,850.00)	
1633	Spaccamonti Excavating	Const Application #5 from March	3,105.77
1634	Spaccamonti Excavating-	West 4th Fence Repair(105)	397.00
		Weed Cutting in Grove (105)	2,150.30
		Total \$2,547.30	
1635	The Pueblo Chieftain-	Adv. Final Pmt on X-Conn(105)	52.25
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\$9632.05

Pueblo Levee Project

"The LONGEST Mural in the World"

Founded 1979

Water Conservancy Board
Update: Pueblo Levee Mural Project
(May 20th Meeting)
1998-99 Calender

Cynthia Ramu

As a follow up to our meeting in April I am proposing that this summer I will commit to over see the renovation of previous murals on the levee, integrate new murals, and publicly encourage more community envolement in the process. I am asking the conservancy board for \$2500. for my labor and I will also hire an art student as my assistants at a minmium wage in this process.

I intend for the majority of this process to be completed by the end of September 1998, inconjunction with the HARP's programing in the fall and the 20th anniversary of the Levee Project.

As part of my master plan for the Levee Project I have been collaborating with various oragnizations, to create more community involvement.

Collaborators as follows:

- *Pueblo Arts Coucill will their 501c
- *AquaFest Exhibition 1999
- *Nature Center Education Workshops
- Workshops for Youths on the Bike Path
- *Concerned Parents of Pueblo
- *Useful Public Service
- *Juvenile Diversion
- *University of Southern Colorado/Art Dept.
- *Pueblo School For the Arts and Sciences
- *Colorado School for the Deaf and Blind
- *and numerous schools in Dist. 60 and 70

Also in the works is a monthly walking tour of the murals this summer open to the community along the path we will be walking today. And I am designing a Website on Enternet through USC, giving history of the Levee Project and updates wth color images of the murals. This is a great way to reach other communities and use the Levee for education.

The vision is endless and I really would like to keep you involve on a regular bases and greatly appreciate your support and input.

151 Midway-Pueblo, Colorado 81004 U.S.A-719-546-0315

min BR
4-16-98

Water Conservancy Board
Update: Pueblo Levee Mural Project

1998-99 Calender

Cynthia Ramu

With the 20th Anniversary of the Pueblo Levee Mural Project approaching in 1999 I feel that it is time that we become an organized city project. HARP evolves so should our Project.

It is my plan to apply for non-profit status in the next year and create a board of directors. Presently the Pueblo Arts Council is letting us work under their umbrella and share their non-profit status which enables us to accept limited donations and apply for a few grants to cover operating expenses. Eventually most expenses come out of my pocket and limit my abilities for overseeing more productive murals.

The beauty of the Project is that it has always been available to the community. I promote it in my art classes as an expression of community pride. There are unlimited possibilities for a higher caliber of work.

Today I am looking to you for input and ideas to expand the project, form a non-profit and create more community support, address issues of funding, liability, documentation, and work with other city projects.

I thank you for your time and input.

Min BK

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

December 26, 1997

THE HARP FOUNDATION
c/o Ms. Mona Askwig
Secretary/Treasurer
414 Thatcher Bldg.
Pueblo, CO 81003

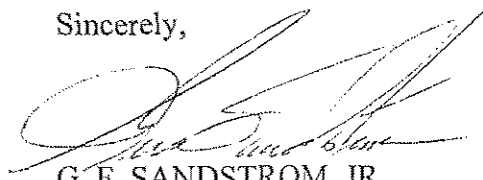
Dear Mona,

Following the December meeting of the HARP Foundation, I presented to the Pueblo Conservancy District a request to finalize the grant process of \$10,000 from the Pueblo Conservancy District to the HARP Foundation.

Originally a loan in that amount was given to initiate the operation of the HARP Foundation. Since that time, the HARP Foundation has provided the necessary support to consolidate resources necessary to relieve the Pueblo Conservancy District of some of their obligations related to this project. As a result, the Board is able to transfer and modify the loan to a grant for the HARP Foundation.

Our accounting firm has taken care of the necessary transfer of the line item accounting to accomplish this.

Sincerely,



G. F. SANDSTROM, JR.
President

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

CD \$90,000 - \$100,000

5-20-98

MINNEQUA BANK - (545-2345)
Alana Montoya

24 mo. (5-20-90)

5.96% w/yield of 6.09%

20

COCO TRUST -

ANNUALIZED YIELD - (1998) 5.55%

(VARIED FROM 5.50% TO 5.61% in APRIL 1998)

TREASURY -
NOTE

on \$100,000

SMITH BARNEY -

(545-6630
Rene DiDisio)

to 01-15-01 \$5.27%

to 10-15-01 5.40%



Reply to
Attention of:

DEPARTMENT OF THE ARMY
ALBUQUERQUE DISTRICT, CORPS OF ENGINEERS
4101 JEFFERSON PLAZA, NE
ALBUQUERQUE, NEW MEXICO 87109-3435
FAX (505) 342-3199

Engineering and Technical
Services Division
Planning and Environment
Branch

APR 6 1998

G.F. Sandstrom, Jr.
Chairman
The Pueblo Conservancy District
P.O. Box 234
Pueblo, Colorado 81002-0234

Dear Mr. Sandstrom:

Thank you for your letter, dated March 2, 1998, requesting assistance to plan and implement fish habitat improvement structures along the Arkansas River in Pueblo County, Colorado. We believe this project could be carried out through the U.S. Army Corps of Engineers' Section 206 Program, which was authorized in the Water Resources Development Act of 1986 for aquatic ecosystem restoration. This program requires that 35% of the total project cost be funded with non-federal dollars, and operation, maintenance, repair, rehabilitation, and replacement are the local sponsor's responsibility.

The first step in this program is to prepare a Preliminary Restoration Plan (PRP), which is fully federally funded. This brief document outlines the proposed project, ecosystem to be restored, benefits to be produced, cost of the project, and the rationale as to why project benefits are at least equal to project cost. We plan to initiate the PRP with an initial meeting with you and/or your staff and a site visit in June of this year. The PRP will be sent to our Headquarters in Washington for approval to initiate detailed planning and design.

We are looking forward to working with you on this project. If you have any questions or need additional information, please contact Mark C. Harberg, Chief, Environmental Section, at (505) 342-3351.

Sincerely,

A handwritten signature in cursive script that reads "Lloyd S. Wagner".

Lloyd S. Wagner
Lieutenant Colonel, EN
District Engineer



McPherson,
Breyfogle,
Lichtlyter &
Daveline, PC
Certified Public Accountants

740 Teller Bldg
Pueblo, CO 81003
Phone (719) 543-0516
Fax (719) 544-2849

Min for

April 30, 1998

Pueblo Conservancy District
111 East 5th. St.
Pueblo, CO 81003

We are pleased to confirm our understanding of the services we are to provide for Pueblo Conservancy District for the year ended December 31, 1997. We will audit the general purpose financial statements of Pueblo Conservancy District as of and for the year ended December 31, 1997.

The objective of our audit is the expression of an opinion as to whether the general purpose financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles. Our audit will be conducted in accordance with generally accepted auditing standards and will include tests of the accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion on the general purpose financial statements is other than unqualified, we will fully discuss the reasons with appropriate personnel in advance. If, for any reason, we are unable to complete the audit or are unable to express an opinion, we may decline to express an opinion or we may not issue a report as a result of this engagement.

In planning and performing our audit, we will consider the internal control sufficient to plan the audit in order to determine the nature, timing, and extent of our auditing procedures for the purpose of expressing our opinion on Pueblo Conservancy District's general purpose financial statements.

An audit is not designed to provide assurance on internal control or to identify reportable conditions. However, we will inform the governing body of any matters involving internal control and its operations that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgement, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

Identifying and ensuring that Pueblo Conservancy District complies with laws, regulations, contracts, and agreements is the responsibility of management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we will perform tests of Pueblo Conservancy District's compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include direct confirmation of certain assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. At the conclusion of our audit, we will also request certain written representations from management about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable assurance rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Because of the concept of reasonable assurance and because we will not perform a detailed examination of all transactions, there is a risk that a material misstatement may exist and not be detected by us. In addition, an audit is not designed to detect errors, fraud, or other illegal acts, that are immaterial to the general purpose financial statements. However, we will inform you of any material errors and any fraud that comes to our attention. We will also inform you of any other illegal acts that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to matters that might arise during any later periods for which we are not engaged as auditors.

Management is responsible for making all financial records and related information available to us. We understand that you will provide us with such information required for our audit and that you are responsible for the accuracy and completeness of that information. We will advise management about appropriate accounting principles and their application and will assist in the preparation of the financial statements, but the responsibility for the financial statements remains with management. This responsibility includes the establishment and maintenance of adequate records and effective internal control over financial reporting, and application of accounting principles, and the safeguarding of assets.

Our fees for these services will be at our standard hourly rates plus out-of-pocket costs (such as report production, typing, postage, copies, telephone, etc.). Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit.

We appreciate the opportunity to be of service to Pueblo Conservancy District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Larry A. Dayeline". The signature is fluid and cursive, with a large loop at the end.

Larry A. Dayeline, C.P.A.

RESPONSE:

This letter correctly sets forth the understanding of Pueblo Conservancy District

By: Raymond D. Kauter

Title: Administrator

Date: 5-20-98