

MINUTES OF THE FEBRUARY 14, 2007 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom; Farley; Haynes

Also Present: Counselor Don Banner; Administrator Rick Kidd

Guests: Annalee Beck (Colorado Outdoor Performing Arts Association), Scott Whited (Pueblo Performing Arts Guild)

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 8:06 am.

The Minutes of the January 17, 2007 Regular Meeting were reviewed. Farley moved to approve the Minutes. The Minutes were approved as posted.

Treasurer's Report:

The accountant's reports for January were reviewed. Farley moved to receive and file the reports. Motion passed.

Bills – The following bills were posted for review and approval

\$ 250.00	MBD&G, Accountant fees
\$ 118.94	Aquila, Electricity
\$ 300.00	Don Banner, Attorney fees
\$ 400.00	Kidd Engineering, Administrator/Engineer fees
\$ 120.57	Kidd Engineering, Stamps and Minutes Binders
\$ 55.41	Sandstrom, Director's Fee
\$ 55.41	Haynes, Director's Fee
\$ 55.41	Farley, Director's Fee
\$ 534.38	Special District Association, SDA Membership Dues
\$ 1165.00	Colo Special Dist P&L Pool, Liability Insurance Premium

Farley moved to approve payment of the monthly bills. Motion passed.

COPAA – Annalee Beck and Scott Whited presented a background on their two associations and their importance to the development of Pueblo. They proposed that the District allow an additional member on the Board for a representative from the arts. Sandstrom informed them that the Pueblo Conservancy District was created under a special State statute and that the board was limited to three members. The Colorado State Legislature would have to make the change to increase the size of the board. Sandstrom said that the PCD Board meetings are open to the public and that COPAA and PPAG are welcome to attend at any time. The main focus for the District is flood control, with arts and recreation allowed on our property. The District supports the arts, but that is a small part of our charge. Whatever is done on PCD property cannot adversely impact flood flows through town.

CDOT ROW Acquisition – Banner reported that the Starr offer is approximately \$0.1252 /sqft and Kidd said that the Dawson purchase was \$0.903 /sqft. Kidd is to assemble the Starr and Dawson sales documents and provide them to CDOT.

Starr Purchase -- Banner presented a contract agreement signed by John Starr. The offer is \$3000 for 0.55 acres of property between Starr and the Arkansas River. Starr has done the survey and provided a plat. He is to pay for all title work and has agreed to allow the Pueblo Conservancy District access for maintenance of the River corridor. Conveyance is to be made via a Quit Claim Deed. Haynes moved to accept the offer. Motion passed. The contract was signed by Sandstrom.

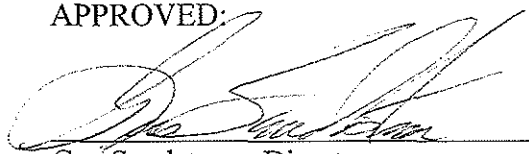
February 14, 2007 Minutes, Page 2 of 2

Terrance Valdez -- Kidd reported on a call that Farley had received. The Valdez property lies along the east bank of the Wildhorse Creek levee, between 12th and 13th streets. The levee bank is eroding and the sediment and runoff water is coming into the Valdez yard. Kidd is to get Spaccamonti Excavating to provide an estimate to remove trees and cut a ditch through this area.

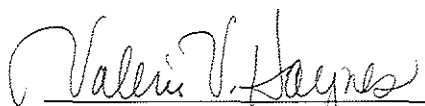
The next meeting is set for March 14 at 8:00 am.

There being no further business to come before the Board, the meeting was adjourned at 9:30 a.m.

APPROVED:


Gus Sandstrom, Director


Kathleen Farley, Director


Valerie V. Haynes, Director

THE PUEBLO CONSERVANCY DISTRICT

NOTICE OF MEETING

DATE: FEBRUARY 14, 2007 (Wednesday) AT 8:00 A.M.

PLACE: SOUTHEASTERN COLORADO HERITAGE CENTER,
201 WEST B STREET, PUEBLO, COLORADO

AGENDA

1. ROLL CALL
2. APPROVAL OF JANUARY 17, 2007 MINUTES
3. TREASURER'S REPORT
 - a. JANUARY 2007 ACCOUNTANT'S REPORTS
 - b. PAYMENT OF BILLS
4. COPPA
5. CDOT R-O-W
6. LEVEE UPDATE
7. POTENTIAL APPRAISERS
8. ELECTION OF OFFICERS
9. HARP FOUNDATION
9. OTHER BUSINESS AS MAY BE BROUGHT BEFORE THE BOARD
10. ADJOURNMENT

Future meetings scheduled for:

March 14

May 23

April 18

June 20

MINUTES OF THE JANUARY 17, 2007 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom; Farley; Haynes

Also Present: Counselor Don Banner; Administrator Rick Kidd

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 8:10 am.

The Minutes of the December 13, 2006 Regular Meeting were reviewed. Farley moved to approve the Minutes. The Minutes were approved as posted.

Treasurer's Report:

The accountant's draft reports for December were reviewed. Farley moved to receive and file the December reports. Motion passed. Kidd is to ask the accountant if we are on an accrual or cash accounting basis.

Bills -- The following bills were posted for review and approval

\$ 225.00	MBD&G, Accountant fees
\$ 118.91	Aquila, Electricity
\$ 300.00	Don Banner, Attorney fees
\$ 400.00	Kidd Engineering, Administrator/Engineer fees
\$ 1100.00	Kidd Engineering, Wildhorse Creek flood HWL and topo
\$ 150.00	4 th Street Bridge DOT ROW survey descriptions
\$ 55.41	Sandstrom, Director's Fee
\$ 55.41	Haynes, Director's Fee
\$ 55.41	Farley, Director's Fee
\$ 330.48	United States Treasury, Form 944 W/H

Farley moved to approve payment of the monthly bills. Motion passed.

Investments -- Sandstrom said that there is \$61,000 available at Wachovia to reinvest, and that Calvin Mason is suggesting that it be put into housing bonds rather than certificates of deposit this time. Farley moved to invest \$50,000 in housing bonds. Motion passed.

4th Street Bridge -- Sandstrom said that the HARP Quiet Title action documentation has a statement of what the State said was the value of the river bed. This information is in a box somewhere. Banner is to look at the Starr proposal and Kidd is to get the documents on the sale to Dawson. If the values are favorable, this documentation will be provided to CDOT to justify our request for a higher reimbursement for the ROW.

Wildhorse Levee -- Kidd reported that his surveys show that the land side is at least two feet higher than the high water line from the flood last fall. Kidd says that Maroney (City drainage engineer) is now going back on this being a 200-year storm. Maroney says that some models are showing that this was maybe only a 25-year flood.

Potential Appraisers -- Sandstrom offered the following names for consideration: John Vigil (Wells Fargo Bank), Richard Mullineaux (Insurance), Mark Lang (Houston Construction estimator), and Alan Ward (Pueblo Board of Water Works). Sandstrom has talked to Vigil and Mullineaux and they have both said they are willing to be on the appraisal panel. Sandstrom and Banner are to work together to develop a panel of six potential appraisers, with resumes. Banner is to then prepare a motion to the Court.

January 17, 2007 Minutes, Page 2 of 2

FEMA: Special presentation at 9:00 am

Guests: Nancy Steinberger (FEMA), Shandi Teltschik (FEMA), Dawn Gladwell (CWCB), Mark Kempton (Anderson Consulting), Ryan Carroll (Michael Baker, Inc.), and Dennis Maroney (Pueblo Storm Water).

Maroney said that FEMA and the City wanted to discuss the Provisionally Accepted Levees Program (PAL). If certification is not done by the time of DFIRM mapping, the PAL allows an additional 24 months for actual certification. There has to be an agreement that the Owner will certify the levee within that 24 month period. If this option is used, the maps will include a warning statement that the levee was not yet certified at the time of the mapping. Kidd said that the District cannot commit to doing the certification within 24 months when we do not even know yet what reaches of the levees have to be certified, or what the certification requirements are. Teltschik said that the requirements for certification are in the Army Corps of Engineer (ACE) manuals, that this information has been provided to us and is available over the internet under CFR 65.10. Kidd said that at the meeting last summer Anderson and Baker said that they would be working with FEMA to develop criteria for the District because the standing criteria probably was in excess of what should be required for the District's levees.

Gladwell and Kempton entered the meeting. Gladwell said that prior to 1980 there was no need to do levee evaluations and certifications. Due to concern over the Nation's levee systems, in 1986 FEMA set up requirements under CFR 65.10. Gladwell said that there are three options for the FEMA delineated flood insurance rate mapping (DFIRM). The options are: 1) Get certified and show the levee on DFIRM, 2) Uncertify and redo the flood plain maps, or 3) Agreement to the PAL for certification within 24 months. Teltschik said that all of our levees would have to meet the CFR 65.10 certification. The requirement for certification applies only to the portions where the ground side is less than the 100-year HWL. FEMA and Baker are reviewing the City's study on Wildhorse Creek. CWCB had last year's storm analyzed and they say that it was only a 25-year storm versus the 200-year storm as thought by the City. Kempton confirmed that, per the meeting last summer, Baker is to provide the District recommendations for the soils borings and other requirements for the levee certification.

The discharges in the Arkansas River are driven by Goodnight Arroyo and Wildhorse Creek. The composite and flows need to be determined. The corresponding flood elevation in Fountain Creek also needs to be determined. After these determinations are made, Anderson will remodel the flood flows and elevations from the confluence with Fountain Creek, up the Arkansas River, and on up Wildhorse Creek to determine the 100-year flood elevations. Anderson can then tell the District what portions of the levee system need to be certified. FEMA and Baker are to provide the District with guidance on what needs to be done for certification.

The District's 24 months under the PAL agreement, per CWCB and Anderson, does not start until we know the criteria.

The next meeting is set for February 14 at 8:00 am.

There being no further business to come before the Board, the meeting was adjourned at 10:25 a.m.

APPROVED:

Gus Sandstrom, Director

Kathleen Farley, Director

Valerie V. Haynes, Director

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
1/31/2007

2/13/2007 5:20 PM

<u>BROKER</u>	<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>PAR VALUE</u>	<u>BALANCE 12/31/2006</u>	<u>ADDITIONS</u>	<u>MKT VALUE CHANGE</u>	<u>REDEMPTION SALES</u>	<u>BALANCE 12/31/2007</u>	<u>INTEREST RECEIVED 12/31/2007</u>
<u>CASH ACCOUNTS</u>										
VECTRA BANK	Money Market Account				11,592.88	13.00	-	-	11,605.88	15.00
PIPER JAFFRAY	Money Market Account				8,703.05	324.47	-	-	9,027.52	37.27
WACHOVIA SEC.	Evergreen Money Mkt Fund				57,100.82	7,818.72	-	50,237.60	14,681.94	129.58
TOTAL CASH ACCOUNTS WITH BROKERS					77,396.75	8,156.19	-	50,237.60	35,315.34	179.85
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,000.00	-	-	-	25,000.00	110.31
TOTAL COLOTRUST					25,000.00	-	-	-	25,000.00	110.31
WACHOVIA SEC.	FNMA 05-27 GA REMIC MULTICLASS CMO	4/25/2034	5.500%	450,000.00	102,107.43	-	(62.99)	3,152.59	98,891.85	670.11
	FHLMC 3040 CA REMIC MULTICLASS CMO	9/15/2019	5.000%	108,000.00	-	-	-	-	-	-
	FNMA 03-52 BD REMIC MULTICLASS CMO	3/25/2033	5.500%	28,000.00	-	-	-	-	-	-
	FHLMC 2646 LL RETAIL LOTTERY	8/15/2033	5.000%	78,000.00	32,194.08	-	276.12	-	32,470.20	150.00
	FHLMC 2688 DD RETAIL LOTTERY	11/15/2033	5.500%	36,000.00	34,173.36	-	359.64	-	34,533.00	330.00
	FHLMC 2804 UC REMIC MULTICLASS CMO	11/15/2033	6.000%	8,000.00	-	-	-	-	-	-
	FHLMC 3004 GG RETAIL LOTTERY	7/15/2034	5.000%	80,000.00	64,572.27	-	415.93	4,000.00	60,988.20	587.50
	FHLMC 3133 MB REMIC MULTICLASS CMO	3/15/2036	6.000%	150,000.00	148,267.50	-	(100.50)	-	148,167.00	1,500.00
	FNMA 05-16 WD REMIC MULTICLASS CMO	1/25/2035	5.000%	56,000.00	18,973.61	-	(28.44)	536.55	18,408.62	83.86
	GNMA 06-27 WE REMIC MULTICLASS CMO	6/20/1936	6.000%	50,000.00	49,494.00	-	(54.50)	-	49,439.50	-
	FHLMC 3230 BB REMIC MULTICLASS CMO	4/15/1936	5.750%	50,000.00	49,170.00	-	(41.50)	-	49,128.50	479.16
	FHLMC 3264 UU REMIC MULTICLASS CMO	6/15/1936	5.750%	50,000.00	-	50,006.00	(52.00)	-	49,954.00	(231.60)
	NATIONAL CITY CD	6/15/2007	5.150%	30,000.00	30,000.00	-	-	-	30,000.00	-
TOTAL WACHOVIA SEC.					528,952.25	50,006.00	711.76	7,689.14	571,980.87	3,569.03
PIPER JAFFRAY	GNMA POOL #24920	6/15/2008	8.250%		1,729.94	-	(6.98)	98.27	1,624.69	11.84
	FEDL HOME LN MTG CORP FREDDIENOTES B/E	12/15/2009	3.000%	120,000.00	113,568.00	-	(273.60)	-	113,294.40	300.00
	FEDL NATL MTG ASSN INVT NOTES B/E	8/20/2010	4.000%	100,000.00	96,688.00	-	(313.00)	-	96,375.00	333.33
	FEDL NATL MTG ASSN INVT NOTES B/E	6/24/2011	4.000%	130,000.00	124,677.80	-	(568.10)	-	124,109.70	433.33
	FHLMC #170217	3/1/2017	8.000%		5,225.72	-	48.83	188.93	5,085.62	35.01
TOTAL PIPER JAFFRAY					341,889.46	-	(1,112.85)	287.20	340,489.41	1,113.51
TOTAL INVESTMENTS					895,841.71	50,006.00	(401.09)	7,976.34	937,470.28	4,792.85
TOTAL ALL ACCOUNTS					973,238.46	58,162.19	(401.09)	58,213.94	972,785.62	4,972.70

PUEBLO CONSERVANCY DISTRICT
BALANCE SHEET - GENERAL FUND ONLY
JANUARY 31, 2007 AND DECEMBER 31, 2006

	<u>1/31/2007</u>	<u>12/31/2006</u>
ASSETS		
VECTRA BANK CHECKING	\$ 44,582	\$ 42,348
VECTRA BANK MONEY MARKET	11,606	11,593
BROKERAGE MONEY MARKET ACCOUNTS	23,710	65,804
COLOTRUST INVESTMENT	25,000	25,000
WACHOVIA SECURITIES INVESTMENT	571,981	528,952
PIPER JAFFRAY INVESTMENT	340,489	341,889
ACCRUED INTEREST	4,805	4,805
BOOK INVENTORY	-	-
TOTAL ASSETS	<u>\$ 1,022,173</u>	<u>\$ 1,020,391</u>
LIABILITIES AND FUND EQUITY		
ACCOUNTS PAYABLE	\$ -	\$ 625
PAYROLL TAXES PAYABLE	14	330
DEFERRED INCOME	833	1,042
TOTAL LIABILITIES	<u>847</u>	<u>1,997</u>
RESERVE FOR EMERGENCIES	6,000	6,000
DESIGNATED FOR SUBSEQUENT YEAR'S EXPENDITURES	156,376	156,376
UNDESIGNATED	858,950	856,018
TOTAL FUND EQUITY	<u>1,021,326</u>	<u>1,018,394</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 1,022,173</u>	<u>\$ 1,020,391</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURES -
ACTUAL AND BUDGET - GENERAL FUND
FOR THE ONE AND ONE MONTH ENDED JANUARY 31, 2007
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2006

	ACTUAL				
	CURRENT MONTH	YEAR TO DATE	2007 BUDGET	UNUSED BUDGET	2006 ACTUAL
REVENUES					
INTEREST INCOME					
COLOTRUST	\$ 110	\$ 110	\$ -	\$ -	\$ 1,224
MONEY MARKET ACCOUNTS	180	180	-	-	1,550
WACHOVIA SECURITIES	3,569	3,569	-	-	29,739
PIPER JAFFRAY	1,114	1,114	-	-	13,413
UNREALIZED GAINS (LOSSES)	(401)	(401)	-	-	(2,309)
TOTAL INTEREST INCOME	4,572	4,572	30,000	25,428	43,617
LEASE PAYMENTS	208	208	2,500	2,292	2,700
OTHER INCOME	1	1	-	(1)	-
COST OF SALES	-	-	-	-	(6,290)
TOTAL REVENUES	\$ 4,781	\$ 4,781	\$ 32,500	\$ 27,719	\$ 40,027
EXPENDITURES					
80 LEGAL FEES	\$ -	\$ -	\$ 7,000	\$ 7,000	\$ 8,833
81 DIRECTORS FEES	180	180	3,000	2,820	2,160
82 FICA TAXES	-	-	240	240	165
83 ENGINEER/ADMINISTRATIVE	1,250	1,250	4,800	3,550	4,800
90 AUDIT & BOOKKEEPING	-	-	3,000	3,000	2,700
92 INSURANCE/BONDS	-	-	2,500	2,500	2,034
96 OFFICE EXPENSE	-	-	650	650	264
97 OFFICE RENT	-	-	500	500	1,420
100 PROFESSIONAL FEES	-	-	8,000	8,000	3,462
APPRAISAL	-	-	60,000	60,000	-
103 TRAVEL	-	-	250	250	-
105 REPAIRS & MAINTENANCE	-	-	100,000	100,000	24,982
PIPING REPAIRS	-	-	75,000	75,000	-
108 CONTINGENCIES	-	-	500	500	-
109 EMERGENCY REPAIR	-	-	20,000	20,000	-
110 CAPITAL IMPROVEMENTS	-	-	25,000	25,000	-
111 PLANNING & DEVELOPMENT	-	-	5,000	5,000	-
112 HARP - O & M	-	-	10,000	10,000	50,000
113 SALES TAX	-	-	-	-	-
TOTAL EXPENDITURES	1,430	1,430	325,440	324,010	100,820
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 3,351	\$ 3,351	\$ (292,940)	\$ (296,291)	\$ (60,793)

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT

JANUARY 2007 - FEBRUARY 2007

RECEIPTS

VENDOR	ITEM	AMOUNT
First Clearing, LLC	Interest Payment	\$ 1,592.08
First Clearing, LLC	Interest Payment	\$ 250.00
First Clearing, LLC	Interest Payment	\$ 554.48
UBS Financial	Interest Payment	\$ 1,112.32
Wells Fargo, COLOTRUST	Dividend	\$ 110.04
		\$ 3,618.92

DEBITS

VENDOR	ITEM	AMOUNT	CHECK	Code
Aquila	Electrical Billing	\$ 118.94	3390	105
MBDG, PC	Bookkeeping	\$ 250.00	3391	90
Don Banner -- BB&C, PC	Attorney Fees	\$ 300.00	3393	80
Kidd Engineering	Engineer/Admin Fees	\$ 400.00	3394	83
Kidd Engineering	Stamps & Minutes Binders	\$ 120.57	"	96
Director Sandstrom	Fees	\$ 55.41	3395	81
Director Farley	Fees	\$ 55.41	3396	81
Director Haynes	Fees	\$ 55.41	3397	81
Special District Association	SDA Membership Dues	\$ 534.38	3398	92
Colo Special Dist P&L Pool	Liability Insurance Premium	\$ 1,665.00	3399	92
		\$ 3,555.12		

The following individuals have agreed to have their names submitted to Judge Maes for appointment of three appraisers. All are sending me resumes to include with the motion for appointment.

John Vigil, financial consultant; Pam Guiterrez, Real Estate Broker; Terry Book, Water Works engineer; Louis Nazario, construction estimator; Dan Compton, Insurance casualty adjuster; Nadine Verna, Insurance Broker

