

MINUTES OF THE MAY 23, 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 8:14 am.

The Minutes of the April 18, 2007 Regular Meeting were reviewed. Haynes moved to approve the Minutes. The Minutes were approved as posted.

Treasurer's Report:

Sandstrom reported that Calvin Mason said that we had \$30,000 available to roll over into a new investment. Mason recommended a certificate of deposit.

The accountant's reports for April 2007 were reviewed.

Bills – The following bills were posted for review and approval

\$ 250.00	MBD&G, Accountant fees
\$ 120.69	Aquila, Electricity
\$ 300.00	Don Banner, Attorney fees
\$ 400.00	Kidd Engineering, Administrator/Engineer fees
\$ 55.41	Sandstrom, Director's Fee
\$ 55.41	Haynes, Director's Fee
\$ 55.41	Farley, Director's Fee
\$ 300.00	SCA Insurance, United Fire & Casualty Bonding

Haynes moved to receive and file the reports, approve payment of the monthly bills, and roll the Wachovia funds into a new certificate of deposit. Motion passed.

Funding / Official Plan – Discussed the publication of the Motion for Approval of the Amended Official Plan. The Board requested Sandstrom to try to get the Pueblo Chieftain to run an article along with the official publication. Banner will give the final Order to Sandstrom and he will deliver it to Judge Maes.

Pueblo Ice House (Alpha-Beta) -- According to 1971 documents that the Ice House got from the Colorado Department of Transportation the box culverts and open channel that had conveyed the Historic Arkansas River flows under the railroad tracks and to Santa Fe Avenue were filled. Apparently the Santa Fe siphon had been relocated further north at an earlier time. The Ice House is requesting an easement for the box culverts. The Board agreed that they would be willing to enter into negotiations for the sale, not an easement, of this area that would be contingent upon the Ice House locating the culverts and preparing the legal description.

Fishing Is Fun Contract -- Haynes moved to authorize the Sub-Grant Agreement for the project. Kidd pointed out that there was a considerable amount of design and administration time that the agreement stipulated was the responsibility of the sponsor. This is work that the City of Pueblo and the Colorado Division of Wildlife had originally said that they would do. The motion was approved contingent upon receiving confirmation that the City and the State will do the work as originally agreed.

May 23, 2007 Minutes, Page 2 of 2

Levee Certification – Banner met with SEH Engineering. Mr. McKnight used to work for Range Engineering. They want to see a copy of a certification that has been done by another engineering firm before they will offer a proposal. Kidd said that the Colorado Water Conservation Board will be holding workshops in June and they are to have an example. Kidd will not be able to attend, but has requested a copy of all information presented. He will provide copies to the Board as soon as the CWCB sends him the information.

UBS Financial Agreement – Kidd presented the 2007 UBS annual agreement. Sandstrom signed the agreement on behalf of the Board.

Levee Piping – Kidd reported that he and Pat Edelmann and a USGS technician met on the site. The River is currently too high for any testing. The USGS determined that they will also have to get more dye than they currently have available. It is estimated that it will be July before the River flows are low enough to allow testing.

Weeds – Kidd is to request Chem-Way to provide a proposal for spraying the weeds on the concrete face of the levee facing Union Depot. It was agreed that Chem-Way should proceed with this work after submitting their proposal.

June 20 Meeting – After the business of the Board is conducted at the regularly scheduled meeting we will dismiss for a tour of the River corridor. The goal is to be finished by noon.

The next meetings are scheduled for:

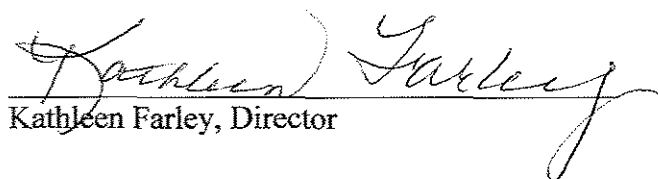
July 18	August 15	September 19
October 17	November 14	December 19

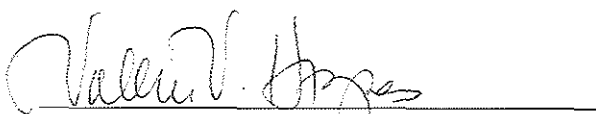
Kidd is to request Spaccamonti Excavating to provide a cost proposal for removal of trees along the River levee and demolition of the old toilets at Lake Ruyon.

There being no further business to come before the Board, the meeting was adjourned at 9:25 a.m.

APPROVED:


Gus Sandstrom, Director


Kathleen Farley, Director


Valerie V. Haynes, Director

THE PUEBLO CONSERVANCY DISTRICT

NOTICE OF MEETING

DATE: MAY 23, 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 APRIL 18, 2007 MINUTES
3. TREASURER'S REPORT
 - a. APRIL 2007 ACCOUNTANT'S REPORTS
 - b. PAYMENT OF BILLS
4. FUNDING PROCESS
5. ALPHA-BETA RAILROAD TUNNEL
6. OTHER BUSINESS AS MAY BE BROUGHT BEFORE THE BOARD
7. ADJOURNMENT

Future meetings scheduled for:
June 20

✓ CBS
✓ FIRE Contract
✓ weeds
✓ Piping
✓ Certificate

MINUTES OF THE APRIL 18, 2007 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: 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 8:04 am.

The Minutes of the March 14, 2007 Regular Meeting were reviewed. Haynes moved to approve the Minutes. The Minutes were approved as posted.

Treasurer's Report:

The final accountant's report for March 2007 were reviewed. Haynes 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
\$ 118.91	Aquila, Electricity
\$ 300.00	Don Banner, Attorney fees
\$ 400.00	Kidd Engineering, Administrator/Engineer fees
\$ 55.41	Sandstrom, Director's Fee
\$ 55.41	Haynes, Director's Fee
\$ 55.41	Farley, Director's Fee
\$ 1,350.00	Spaccamonti Excavating, Wildhorse Creek Levee Cleaning

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

Funding – Banner provided an update since Farley was not at the last meeting. There is a mechanism in the Conservancy District statute for putting money into a maintenance fund once the construction is completed. The Supreme Court has ruled that maintenance fees are not taxes. The first thing that we need to do is to get the District's official plan updated and approved. The official plan does not currently include the environmental and trails work that we are authorized to do.

Official Plan – Banner has drafted a plan and it is in a motion to file with the Court. Haynes moved to adopt the Official Plan and file it with the Court. The adoption of the plan was approved.

Banner will file the motion after discussing timing with Sandstrom. Banner suggested that the District may want to publish the Official Plan in the paper. Banner says that the amount of levy against the properties must be determined prior to November. The process to determine the assessment amount has to be approved by the judge. Publishing of the Official Plan should not be done until after the judge approves the Plan.

PCD Board – Banner has a motion to reappoint Sandstrom and Farley to the PCD Board. He will file it with the Court.

County Easement – The County requested an easement to install a culvert under the sidewalk along Thomas Phelps Creek. They provided a draft easement. Kidd explained that the purpose is to help take the "top" off of some of the flood water that collects in the area east of the baseball diamonds. Banner recommended that maintenance also be included in the easement, and that the District not warrant the title to the property in question. Farley moved to approve the easement subject to the changes and improvement of the legal description. Motion passed.

RECORD OF PROCEEDINGS

April 18, 2007 Minutes, Page 2 of 2

4th Street Bridge Easement – It was moved to formally accept the \$4500 counter proposal offered by the District to CDOT. The proposed CDOT easement must be put into acceptable form. Farley moved and motion passed.

Levee Piping – Kidd reported that Pat Edelmann, with the USGS, says that he has some dye and the equipment together. Kidd and Edelmann will be scheduling to meet to do trial work.

Levee Certification – Banner suggested going to a third party and get a proposal for what they believe it should take for certification of the levees. The District would then send this proposal to FEMA to see if they would accept the plan for certification. It was agreed that Banner would talk to SEH Engineering about preparing a proposal.

The next meeting is set for May 23 at 8:00 am.

There being no further business to come before the Board, the meeting was adjourned at 9:00 a.m.

APPROVED:

Gus Sandstrom, Director

Kathleen Farley, Director

Valerie V. Haynes, Director



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Pueblo, CO 81002-0918
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ACCOUNTANTS' COMPILATION REPORT

Board of Directors
The Pueblo Conservancy District
Pueblo, Colorado

We have compiled the accompanying balance sheets – general fund only – of the Pueblo Conservancy District as of April 30, 2007 and December 31, 2006, and the related comparative statements of revenue and expenditures – actual and budget – general fund for the one month and four months ended April 30, 2007, and the twelve months ended December 31, 2006, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements mentioned above, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

McPherson, Breyfogle, Daveline & Goodrich, PC

May 15, 2007

PUEBLO CONSERVANCY DISTRICT
BALANCE SHEET - GENERAL FUND ONLY
APRIL 30, 2007 AND DECEMBER 31, 2006

	<u>4/30/2007</u>	<u>12/31/2006</u>
ASSETS		
VECTRA BANK CHECKING	\$ 51,130	\$ 42,348
VECTRA BANK MONEY MARKET	11,641	11,593
BROKERAGE MONEY MARKET ACCOUNTS	21,616	65,804
COLOTRUST INVESTMENT	25,000	25,000
WACHOVIA SECURITIES INVESTMENT	578,998	528,952
PIPER JAFFRAY INVESTMENT	343,744	341,889
ACCRUED INTEREST	-	4,805
BOOK INVENTORY	<u>-</u>	<u>-</u>
 TOTAL ASSETS	 <u>\$ 1,032,129</u>	 <u>\$ 1,020,391</u>
 LIABILITIES AND FUND EQUITY		
ACCOUNTS PAYABLE	\$ -	\$ 625
PAYROLL TAXES PAYABLE	55	330
DEFERRED INCOME	<u>208</u>	<u>1,042</u>
 TOTAL LIABILITIES	 <u>263</u>	 <u>1,997</u>
 RESERVE FOR EMERGENCIES	 6,000	 6,000
DESIGNATED FOR SUBSEQUENT YEAR'S EXPENDITURES	156,376	156,376
UNDESIGNATED	<u>869,490</u>	<u>856,018</u>
 TOTAL FUND EQUITY	 <u>1,031,866</u>	 <u>1,018,394</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 1,032,129</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 THREE MONTHS ENDED APRIL 20, 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	\$ 320	\$ -	\$ -	\$ 1,224
MONEY MARKET ACCOUNTS	119	477	-	-	1,550
WACHOVIA SECURITIES	4,360	7,119	-	-	29,739
PIPER JAFFRAY	1,108	2,962	-	-	13,413
UNREALIZED GAINS (LOSSES)	1,249	7,521	-	-	(2,309)
TOTAL INTEREST INCOME	6,946	18,399	30,000	11,601	43,617
LEASE PAYMENTS	208	834	2,500	1,666	2,700
OTHER INCOME	-	3,001	-	(3,001)	-
COST OF SALES	-	-	-	-	(6,290)
TOTAL REVENUES	\$ 7,154	\$ 22,234	\$ 32,500	\$ 10,266	\$ 40,027
EXPENDITURES					
80 LEGAL FEES	\$ 300	\$ 1,200	\$ 7,000	\$ 5,800	\$ 8,833
81 DIRECTORS FEES	180	720	3,000	2,280	2,160
82 FICA TAXES	-	-	240	240	165
83 ENGINEER/ADMINISTRATIVE	400	1,200	4,800	3,600	4,800
90 AUDIT & BOOKKEEPING	250	750	3,000	2,250	2,700
92 INSURANCE/BONDS	-	2,199	2,500	301	2,034
96 OFFICE EXPENSE	-	121	650	529	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	1,469	1,707	100,000	98,293	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	2,599	8,397	325,440	317,043	100,820
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 4,555	\$ 13,837	\$ (292,940)	\$ (306,777)	\$ (60,793)

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
4/30/2007

5/15/2007 1:01 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	48.14	-	-	11,641.02	48.14
PIPER JAFFRAY	Money Market Account				8,703.05	1,215.95	-	-	9,919.00	151.39
WACHOVIA SEC.	Evergreen Money Mkt Fund				57,100.82	29,833.84	-	75,237.60	11,697.06	277.59
TOTAL CASH ACCOUNTS WITH BROKERS					77,396.75	31,097.93	-	75,237.60	33,257.08	477.12
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,000.00	-	-	-	25,000.00	430.50
TOTAL COLOTRUST					25,000.00	-	-	-	25,000.00	430.50
WACHOVIA SEC.	FNMA 05-27 GA REMIC MULTICLASS CMO	4/25/2034	5.500%	450,000.00	102,107.43	-	246.69	15,693.42	86,638.70	2,043.66
	FHLMC 3040 CA REMIC MULTICLASS CMO	9/15/2019	5.000%	108,000.00	-	-	-	-	-	-
	FNMA 03-32 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	-	826.56	-	33,020.64	600.00
	FHLMC 2688 DD RETAIL LOTTERY	11/15/2033	5.500%	36,000.00	34,173.36	-	752.04	-	34,925.40	825.00
	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	-	1,253.39	11,000.00	54,825.66	1,375.00
	FHLMC 3133 MB REMIC MULTICLASS CMO	3/15/2036	6.000%	150,000.00	148,267.50	-	1,351.50	-	149,619.00	3,750.00
	FNMA 05-16 WD REMIC MULTICLASS CMO	1/25/2035	5.000%	56,000.00	18,973.61	-	75.98	1,860.83	17,188.76	322.07
	GNMA 06-27 WE REMIC MULTICLASS CMO	6/20/2036	6.000%	50,000.00	49,494.00	-	122.50	-	49,616.50	750.00
	FHLMC 3230 BB REMIC MULTICLASS CMO	4/15/2036	5.750%	50,000.00	49,170.00	-	387.00	-	49,557.00	1,197.90
	FHLMC 3264 UU REMIC MULTICLASS CMO	6/15/2036	5.750%	50,000.00	-	50,006.00	(414.17)	1,000.00	48,591.83	477.56
	NATIONAL CITY CD	6/15/2007	5.150%	30,000.00	30,000.00	-	-	-	30,000.00	-
	WORLD SAVINGS BK FSB CD	5/2/2008	5.200%	25,000.00	-	24,994.75	-	-	24,994.75	(5.25)
TOTAL WACHOVIA SEC.					528,952.25	75,000.75	4,601.49	29,556.25	578,998.24	11,335.94
PIPER JAFFRAY	GNMA POOL #24920	6/15/2008	8.250%		1,729.94	-	(25.85)	505.39	1,198.70	42.48
	FEDL HOME LN MTG CORP FREDDIENOTES B/E	12/15/2009	3.000%	120,000.00	113,568.00	-	1,069.20	-	114,637.20	1,200.00
	FEDL NATL MTG ASSN INVT NOTES B/E	8/20/2010	4.000%	100,000.00	96,688.00	-	750.00	-	97,438.00	1,333.32
	FEDL NATL MTG ASSN INVT NOTES B/E	6/24/2011	4.000%	130,000.00	124,677.80	-	1,016.60	-	125,694.40	1,733.32
	FHLMC #170217	3/1/2017	8.000%		5,225.72	-	109.35	559.17	4,775.90	135.07
TOTAL PIPER JAFFRAY					341,889.46	-	2,919.30	1,064.56	343,744.20	4,444.19
TOTAL INVESTMENTS					895,841.71	75,000.75	7,520.79	30,620.81	947,742.44	16,210.63
TOTAL ALL ACCOUNTS					973,238.46	106,098.68	7,520.79	105,858.41	980,999.52	16,687.75

PUEBLO CONSERVANCY DISTRICT

APRIL 2007 - MAY 2007

RECEIPTS

VENDOR	ITEM	AMOUNT
First Clearing, LLC	Interest Payment	\$ 1,801.87
First Clearing, LLC	Interest Payment	\$ 250.00
First Clearing, LLC	Interest Payment	\$ 1,793.54
First Clearing, LLC	Interest Payment	\$ 498.91
UBS Financial	Interest Payment	\$ 1,106.53
Wells Fargo	Monthly Dividend	\$ 106.52
Colorado Division of Wildlife	Runyon Lake Lease	\$ 2,500.00
		\$ 8,057.37

DEBITS

VENDOR	ITEM	AMOUNT	CHECK	Code
Aquila	Electrical Billing	\$ 120.69	3415	105
MBDG, PC	Bookkeeping	\$ 250.00	3416	90
Don Banner -- B&B, PC	Attorney Fees	\$ 300.00	3417	80
Kidd Engineering	Engineer/Admin Fees	\$ 400.00	3418	83
Director Sandstrom	Fees	\$ 55.41	3419	81
Director Farley	Fees	\$ 55.41	3420	81
Director Haynes	Fees	\$ 55.41	3421	81
SCA Insurance	United Fire & Casualty Bonding	\$ 300.00	3422	92
		\$ 1,536.92		

10/20/71

rr

~~TEMPORARY EASEMENT~~
~~TO BE ACQUIRED~~
FROM

PARCEL NO. TR-5A
STA. 14+ TO STA. 16+

THE PUEBLO CONSERVANCY DISTRICT

FOR

T 7300(1)
Ilax - Santa Fe Ry.

STATE HIGHWAY NO. 50

DESCRIPTION

A tract or parcel of land No. TR-5A of the State Department of Highways, Division of Highways, State of Colorado, Project No. T 7300(1) containing 0.40 acres, more or less, in the SE $\frac{1}{4}$ of Section 36, Township 20 South, Range 65 West, of the Sixth Principal Meridian, in Pueblo County, Colorado, said tract or parcel being more particularly described as follows:

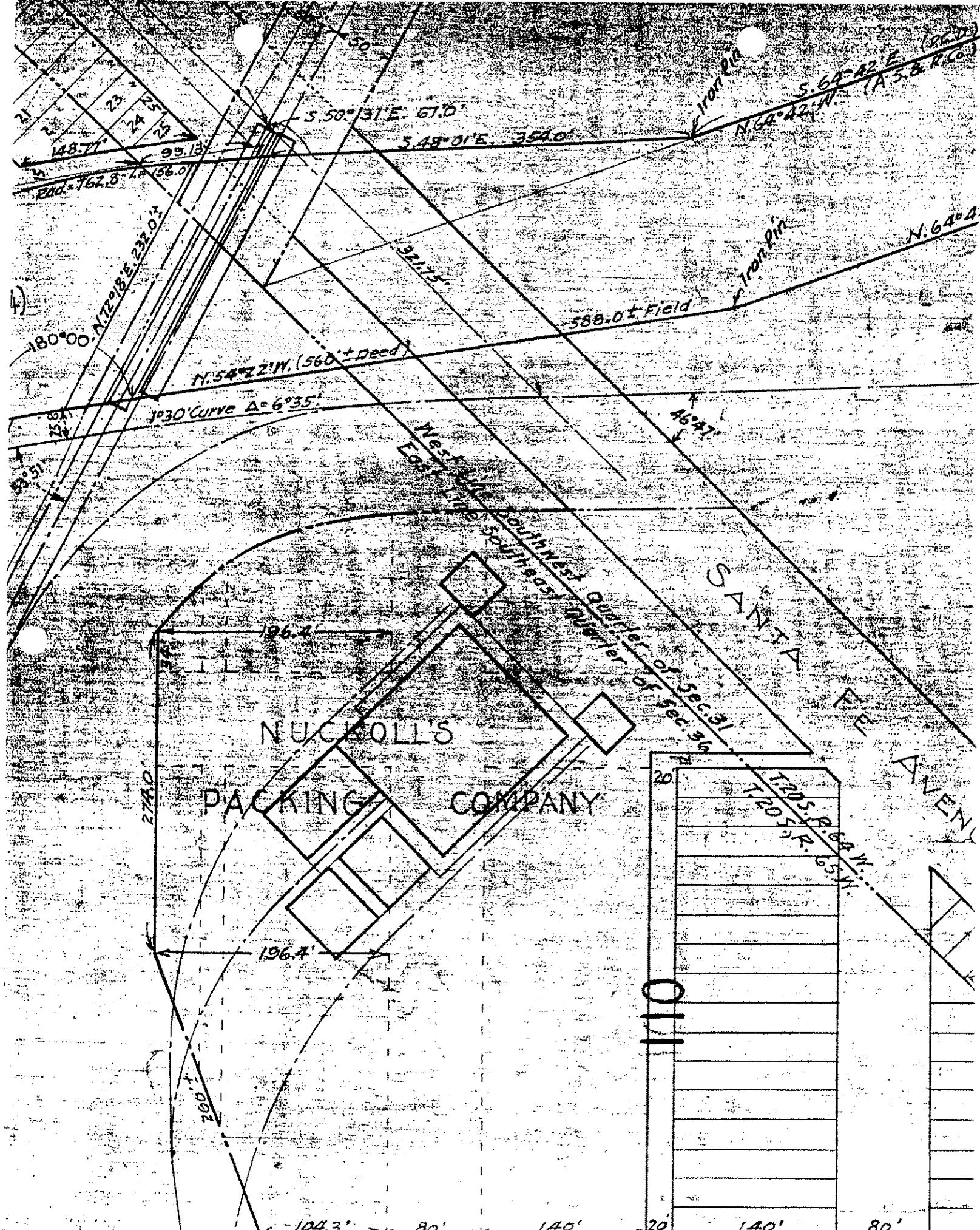
A strip of land 70.0 feet in width and lying 41.0 feet to the left of (northeasterly of) and 29.0 feet to the right of (southwesterly of) and adjacent to the following described line:

Beginning at a point which lies 294.4 feet to the right of (westerly of) Project T 7300(1) survey centerline station 14+77.0;

1. Thence S. 47° 17' E. a distance of 249.3 feet to a point which lies 110.0 feet to the right of (westerly of) Project T 7300(1) survey centerline station 16+44.8.

The above described temporary easement contains 0.40 acres, more or less.

The purpose for this temporary easement is to fill in an old channel.



DRAWING No 1068