

MINUTES OF THE OCTOBER 11, 2007 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom, Farley, Haynes

Also Present: Administrator Rick Kidd, Counselor Don Banner

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 8:03 am.

BUDGET HEARING:

The budget hearing was called to order at 8:05 am. Kidd reported that he had received no public requests or comments. Farley moved to adopt the proposed budget. There was a discussion about the budgeted attorney fees not be sufficient to allow for extra costs as we move toward a maintenance assessment. The additional costs will be funded through the allocation for Professional Fees. There was discussion questioning if the HARP allocation should be shown as two line items. This is not necessary since the \$50,000 contribution, agreed to be paid on an "as available" basis, is to support the operation and maintenance costs; as well as the normal annual payment of \$10,000. The motion passed. The budget hearing was closed at 8:10 am.

MINUTES:

The Minutes of the September 20, 2007 Regular Meeting were reviewed. Haynes moved to approve the Minutes. The Minutes were approved as posted.

TREASURER'S REPORT:

There was not an accountant's report available by the meeting date.

Bills – The following bills were posted for review and approval

\$ 250.00	MBD&G, Accountant fees
\$ 114.41	Aquila, Electricity
\$ 300.00	Don Banner, Attorney fees
\$ 306.00	Don Banner, Court Order copies and recording fees
\$ 400.00	Kidd Engineering, Administrator/Engineer fees
\$ 59.05	Kidd Engineering, Postage and office supplies
\$ 55.41	Sandstrom, Director's Fee
\$ 55.41	Haynes, Director's Fee
\$ 55.41	Farley, Director's Fee
\$ 26.88	Pueblo Chieftain, Budget notice publication

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

ACE Levee Report – Kidd reviewed the Army Corps of Engineers report on their August 1, 2006 inspection of the Floodway Levee Extension. Their report gave the levee a "Minimally Acceptable" rating. The report states that the deficiencies must be corrected by February 2009 or the project will receive an "Unacceptable" rating. Sandstrom is to prepare a letter of response. Some of the issues to be addressed are: 1)Some of the work has already been done, 2)The Levee' Owner's Manual that was stated to be included with the 2006 inspection letter was not provided, 3)Will the ACE provide the training referenced that is needed by the sponsor?, 4)There is a discrepancy between whether the trees 2" and larger or 2" and smaller are to be removed, and 5)The ACE sod cover requirement.

HARP IGA – Sandstrom is to meet with Steve Arveschoug and discuss his and Banner's comments on the IGA. Haynes wants a copy of the original draft before providing her comments. Haynes wants consideration to Section 9 – Default and Termination. She does not feel the wording is appropriate for this agreement and all the governmental bodies involved.

September 20, 2007 Minutes, Page 2 of 2

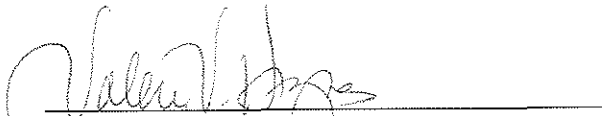
Assessment Records – Kidd reported that we apparently have only book number two of two books. There are 2219 line entries in the spreadsheet generated from the one book. Kidd is to check more records in the Heritage Center storage, call Mark Koester, and Dave Stravia.

There being no further business to come before the Board, the business meeting was adjourned at 8:55 a.m.

APPROVED:


Gus Sandstrom, Director


Kathleen Farley, Director


Valerie V. Haynes, Director

THE PUEBLO CONSERVANCY DISTRICT

NOTICE OF MEETING

DATE: OCTOBER 11, 2007 (Thursday) AT 8:00 A.M.

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

AGENDA

1. ROLL CALL
2. BUDGET HEARING
3. APPROVAL OF SEPTEMBER 20, 2007 MINUTES
4. TREASURER'S REPORT
 - a. PAYMENT OF BILLS
5. HARP IGA
6. ACE REPORT ON LEVEE EXTENSION
7. OTHER BUSINESS AS MAY BE BROUGHT BEFORE THE BOARD
8. ADJOURNMENT

Future meetings scheduled for:

October 29

November 14

December 19

DRAFT PROPOSAL
PUEBLO CONSERVANCY DISTRICT
2008 BUDGET

	2004 Budget	2004 Actual	2005 Budget	2005 Actual	2006 Budget	2006 Actual	2007 Budget	2007 Actual to 8-31-2007	2007 Projected	2008 PROPOSED BUDGET
REVENUES										
Interest	\$ 58,000	\$ 47,597	\$ 50,000	\$ 41,816	\$ 40,000	\$ 45,926	\$ 30,000.00	\$ 27,783	\$ 47,117	\$ 47,117
Unrealized Gains	\$ -	\$ 8,273	\$ -	\$ (22,500)	\$ -	\$ (2,309)	\$ -	\$ 459	\$ 459	\$ 459
Leases, Books, Other	\$ 3,500	\$ 5,308	\$ 2,500	\$ 12,541	\$ 2,500	\$ 2,700	\$ 2,500.00	\$ 4,668.00	\$ 5,500.00	\$ 5,500
Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cost of Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (6,290)	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ 61,500	\$ 61,178	\$ 52,500	\$ 31,857	\$ 42,500	\$ 40,027	\$ 32,500	\$ 32,910	\$ 53,076	\$ 53,076
EXPENDITURES										
Legal Fees	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 8,833	\$ 7,000	\$ 2,400	\$ 3,600	\$ 4,800
Directors Fees	\$ 3,000	\$ 2,220	\$ 2,160	\$ 2,160	\$ 2,160	\$ 2,160	\$ 3,000	\$ 1,440	\$ 2,160	\$ 3,000
FICA Taxes	\$ 240	\$ 170	\$ 166	\$ 165	\$ 166	\$ 165	\$ 240	\$ -	\$ 166	\$ 166
Engineer/Administrative	\$ 4,800	\$ 4,400	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800	\$ 2,800	\$ 4,400	\$ 6,000
Audit & Bookkeeping	\$ 2,400	\$ 2,200	\$ 2,400	\$ 2,700	\$ 2,700	\$ 2,400	\$ 3,000	\$ 1,750	\$ 3,000	\$ 3,000
Insurance/Bonds	\$ 2,000	\$ 2,823	\$ 2,500	\$ 1,616	\$ 2,500	\$ 2,034	\$ 2,500	\$ 2,908	\$ 2,908	\$ 3,000
Office Expense	\$ 650	\$ 433	\$ 650	\$ 271	\$ 650	\$ 264	\$ 650	\$ 389	\$ 389	\$ 500
Office Rent/Storage	\$ 1,200	\$ 1,189	\$ 1,800	\$ 1,984	\$ 1,800	\$ 1,420	\$ 500	\$ 500	\$ 500	\$ 500
Professional Fees	\$ 4,700	\$ 691	\$ 5,000	\$ 751	\$ 5,000	\$ 3,462	\$ 8,000	\$ -	\$ -	\$ 18,000
Appraisal						\$ -	\$ 60,000	\$ -	\$ -	\$ -
Travel	\$ 500	\$ 40	\$ -	\$ -	\$ -	\$ -	\$ 250	\$ -	\$ -	\$ 3,500
Repairs & Maintenance	\$ 45,000	\$ 21,920	\$ 45,000	\$ 22,991	\$ 80,000	\$ 24,982	\$ 90,000	\$ 8,164	\$ 8,664	\$ 90,000
Piping Repairs						\$ -	\$ 75,000	\$ -	\$ -	\$ 75,000
Contingencies	\$ 500	\$ -	\$ 500	\$ -	\$ 500	\$ -	\$ 500	\$ -	\$ -	\$ 500
Emergency Repairs	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ -	\$ 20,000
Capital Improvements	\$ 25,000	\$ -	\$ 25,000	\$ 845	\$ 25,000	\$ -	\$ 25,000	\$ -	\$ -	\$ 25,000
Planning & Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ 5,000
HARP - O&M	\$ -	\$ 200	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 60,000
Sales Tax	\$ -	\$ 50	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 113,590	\$ 39,936	\$ 163,676	\$ 91,883	\$ 198,876	\$ 100,820	\$ 325,440	\$ 40,351	\$ 45,787	\$ 317,966
Excess of Revenues Over (Under) Expenditures	\$ (52,090)	\$ 21,242	\$ (111,176)	\$ (60,026)	\$ (156,376)	\$ (60,793)	\$ (292,940)	\$ (7,441)	\$ 7,289	\$ (264,890)
Beginning Reserve Fund Balance	\$ 1,117,553	\$ 1,117,553	\$ 1,142,486	\$ 1,138,795	\$ 1,142,486	\$ 1,079,187	\$ 1,018,394	\$ 1,018,394	\$ 1,018,394	\$ 1,025,683
Ending Reserve Fund Balance	\$ 1,065,463	\$ 1,138,795	\$ 1,031,310	\$ 1,078,769	\$ 986,110	\$ 1,018,394	\$ 725,454	\$ 1,010,953	\$ 1,025,683	\$ 760,793

AFFIDAVIT OF PUBLICATION

THE PUEBLO CHIEFTAIN

State of Colorado)

Pueblo Chieftain

RICK KIDD
PUEBLO CONSERVANCY DIST
PO BOX 234
PUEBLO CO 81002-0234

REFERENCE: 811122
L23235 PROPOSED BUDGET

Gerri L. Elizondo, being first duly sworn upon oath and says: That she is a representative of THE STAR-JOURNAL PUBLISHING CORPORATION, and has personal knowledge of the facts set forth herein; that said Corporation is a corporation organized under the laws of the State of Colorado and that its principal office and place of business is in the city of Pueblo, in the County of Pueblo, in the State of Colorado; that it is the proprietor, printer and publisher of THE PUEBLO CHIEFTAIN, which is, and at all times herein mentioned was a daily newspaper of general circulation printed and published in said City of Pueblo; that said newspaper is, and at all times was published daily, has been admitted to the United States Mails as a second class matter under the provisions of the Act of Congress of March 3, 1879, and any amendments thereof, and is duly qualified for publishing legal notices and advertisements within the meaning of the laws of the state of Colorado of which is attached a true copy cut from said newspaper and was published on the following dates:

PUBLISHED ON: 10/03

FILED ON: 10/05/07

In witness whereof, I have hereunto set my hand this 5th day of October A.D. 2007

Subscribed and sworn to before me this 5th day of October A.D. 2007
My commission expires November 29, 2007.

Notary

PUEBLO CONSERVANCY DISTRICT
NOTICE OF PROPOSED BUDGET

The Board of Directors of THE PUEBLO CONSERVANCY DISTRICT, hereby gives notice that the proposed budget for the fiscal year commencing January 1, 2008 shall be open for inspection by the public at the office of the District at 44811 East US Highway 50, Avondale, Colorado at such times as may be arranged by appointment with the District Administrator, Rick Kidd, whose phone number is (719)544-5239. The Board of Directors will consider the adoption of such proposed budget on the 11th day of October, 2007, at 8:00 o'clock a.m. at the meeting place of the District, Southeastern Colorado Heritage Center, 201 West B Street, Pueblo, Colorado. Any interested elector may inspect such proposed budget and file or register any objections thereto at any time prior to the final adoption of the budget.

DIANE C. TAFOYA
NOTARY PUBLIC
STATE OF COLORADO

PUEBLO CONSERVANCY DISTRICT

SEPTEMBER 2007 - OCTOBER 2007

RECEIPTS

VENDOR	ITEM	AMOUNT
First Clearing, LLC	Interest Payment	\$ 1,983.63
First Clearing, LLC	Interest Payment	\$ 250.00
First Clearing, LLC	Interest Payment	\$ 323.08
UBS	Interest	\$ 1,100.51
Wells Fargo - Colotrust	Dividend	
		\$ 3,657.22

DEBITS

VENDOR	ITEM	AMOUNT	CHECK	Code
Aquila	Electrical Billing	\$ 114.41	3460	105
MBDG, PC	Bookkeeping	\$ 250.00	3461	90
Don Banner -- B&B, PC	Attorney Fees	\$ 300.00	3462	80
Kidd Engineering	Engineer/Admin Fees	\$ 400.00	3463	83
	Postage & Office Supplies	\$ 59.05	"	96
Director Sandstrom	Fees	\$ 55.41	3464	81
Director Farley	Fees	\$ 55.41	3465	81
Director Haynes	Fees	\$ 55.41	3466	81
Pueblo Chieftain	Budget Notice	\$ 26.88	3467	96
		\$ 1,316.57		



DEPARTMENT OF THE ARMY
ALBUQUERQUE DISTRICT, CORPS OF ENGINEERS
4101 JEFFERSON PLAZA NE
ALBUQUERQUE NM 87109-3435

BUCKEL SM
BOURGEOIS MB
SHAMPINE CH

August 13, 2007

Operations Division
Emergency Management Branch

Mr. Gus Sandstrom
Pueblo Conservancy District
P.O. Box 234
Pueblo, Colorado 81003

Dear Mr. Sandstrom:

The Floodway Levee Extension, Arkansas River, and Pueblo County, Colorado was built by the U.S. Army Corps of Engineers (Corps) in 1949 and 1952. At that time the Pueblo Conservancy District took ownership of the project and became responsible for operation and maintenance. This project is currently in the Corps' rehabilitation and inspection program, and may be eligible for rehabilitation by the Corps if damaged during an infrequent and unusual flood event.

Last year, on August 1, 2006 Corps representatives, Suzanne Hess and Thomas Ryan, made an inspection of the project with Mr. Rick Kidd of your office. Inspection results were discussed with your representative, during and at the conclusion of the inspection. Due to deficiencies identified during the inspection, this project was rated "Minimally Acceptable". Based upon this rating the project will remain in "Active" status, making it eligible for rehabilitation, in this program. Deficiencies identified during the inspection, including tree growth and rutting occurring on the land side of the levee embankment, are noted in the enclosed inspection report. These maintenance deficiencies must be corrected within 18 months of the date of this letter.

Mr. Rick Kidd showed LTC Estok, the Albuquerque District Commander, and I the extent of the project during a subsequent visit in January 2007. The Pueblo Conservancy District needs an on-going proactive maintenance program that will maximize the life of these projects and maintain project design function for the people of the City of Pueblo.

These maintenance deficiencies must be corrected by February 2009, or the project will receive an 'Unacceptable' rating and be placed on "inactive" status. Once a project has been placed on inactive status it will no longer be eligible for rehabilitation in the event of damage from an unusual storm event.

The Pueblo Conservancy District's participation in these inspections and their continued cooperation on these matters is greatly appreciated. Please feel free to call me at (505) 342-3267 or Mr. Thomas Ryan at (505) 342-3268 if you have questions regarding the suggestions or any phase of the project.

Sincerely,



Matthew M. Bourgeois, P.E.
Chief, Emergency Management
Branch

Enclosures

Copies Furnished:

Ms. Kathy Farley
Pueblo Conservancy District
PO Box 234
Pueblo, CO 81003

Mr. Van A. Truan
Albuquerque District US Army Corps of Engineers
Southern Colorado Regulatory Office
421 North Main
Suite 205
Pueblo, Colorado 81003-3046

CESPA-OD-E

MEMORANDUM FOR FILE

SUBJECT: Inspection of work performed as FLOODWAY LEVEE EXTENSION, ARKANSAS RIVER, PUEBLO, COLORADO, under Contract Number DA-29-005 ENG-759.

1. Inspection date: 01 August 2006
2. Scope of Work: The work consisted of enlarging the existing levee (Contract No. W-29-005 eng-704), constructing a new levee and installing three drainage structures. This work was completed 11 November 1952.
3. Sponsor: Pueblo Conservancy District.
4. Contact: Mr. Rick Kidd: Office: (719) 544-5239;
Mobile: (719) 258-1881
5. Observed Conditions: The project continues to have tree growth (woody vegetation) both on the top of the levee and near the riverside and landside levee toes. A pathway has become worn on the landside of the levee by foot or wheeled traffic. The project is rated Minimally Acceptable based on the current criteria, which the District does not yet have a copy of but is to be sent with this evaluation.
6. Recommendations: Remove all woody vegetation on the levee and within 15 feet of the toe. Place a traffic restriction device at both the toe and the top of the worn path just west of the interior drain pathway and fill in and compact area as needed.
7. General: Mr. Kidd accompanied Suzanne Hess (Geotech) and myself on the inspection.

Thomas Ryan
Civil Engineer
Emergency Management Branch