

MINUTES OF THE SEPTEMBER 17, 2008 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom, Farley

Also Present: Administrator Rick Kidd, Counselor Don Banner

Guests: Shirley Filer, Treasurer's Office; Phil Sierra, Dillon Beauvais and Rick Jones of the County GIS/Mapping department

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 4:02 pm.

Ice House – Sandstrom reported that Ice House has held meetings with the Urban Renewal Authority (URA). The URA is looking at what kind of package can be put together for participation including the City and HARP. The PCD has not been involved in this process. HARP Authority has requested that the PCD not approve anything in the project until the Authority has seen a presentation and has evaluated the maintenance impact.

COLOTTRUST – A designee had to be appointed with Valerie Haynes resignation from the Board. Sandstrom requested ratification of Kathy Farley, since she is the Treasurer. Farley so moved and the motion passed.

DeSalvo Proposal – Sandstrom has not met with him yet.

HARP – Sandstrom said that they are still receiving applications. September 30 is the cut-off date. He anticipates that three to five will be selected for interview.

Minutes -- The Minutes of the August 20 Regular Meeting and September 2 Special Meeting were reviewed. Farley moved to approve the Minutes. The Minutes were approved as posted.

Funding Process – The County reported that they are pretty much done with what they could find. Phil Sierra requested a copy of the Court Order for the PCD for Department of Local Affairs (DOLA). Banner is to email it to Dylan Beauvais. Banner will also send him the State statute that originally set up the PCD through the legislature. We will have a progress check at our scheduled October 15 meeting. If progress is sufficient to make the November 1 deadline for certification we will have a special meeting to certify and approve transmittal of the "PCD Maintenance Fund" to the Treasurer's office. The County is to get the revised Book No. 1 and No.2 to us next week.

Treasurer's Report:

The accountant's report for August was reviewed. Farley moved to receive and file the accountant's report. Motion passed.

Bills – The following bills were posted for review and approval

\$ 250.00	MBD&G, Accountant fees
\$ 117.72	Aquila, Electricity
\$ 400.00	Don Banner, Attorney fees
\$ 500.00	Kidd Engineering, Administrator/Engineer fees
\$ 3,330.00	Kidd Engineering, Appraised Benefits Listing and Parcel No. Coord.
\$ 55.41	Sandstrom, Director's Fee
\$ 55.41	Farley, Director's Fee
\$ 55.41	Arteaga, Director's Fee

Farley moved to pay the bills. Motion passed.

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River Cleaning – Farley said that Williams' have stated that the water is still backed up in the River. Kidd is to check the River section below Aberdeen Bluffs and report back at the next meeting.

East High Levee Painting – Kidd presented their request to redo their logo on the levee. Farley moved to approve the painting and execute the Limited License Agreement. Motion passed.

2009 Budget – Kidd is to bring a draft budget to the next meeting. The meeting should be advertised as being both the regular meeting and budget hearing.

There being no further business to come before the Board, the business meeting was adjourned at 5:00 pm. The next meeting date is October 15, 2008.

APPROVED:



Gus Sandstrom, Director



Kathleen Farley, Director

Carmen Arteaga, Director

THE PUEBLO CONSERVANCY DISTRICT

NOTICE OF MEETING

DATE: SEPTEMBER 17, 2008 (WEDNESDAY) AT 4:00 P.M.

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

AGENDA

1. ROLL CALL
2. ICE HOUSE PROJECT UPDATE
3. FUNDING PROCESS UPDATE
4. RATIFICATION OF COLOTRUST REPRESENTATIVE
5. OTHER BUSINESS AS MAY BE BROUGHT BEFORE THE BOARD
6. ADJOURNMENT

*Minutes
Treasurer's Report
Bills*

Fast Mail

Future meetings scheduled at 4:00 pm on:

October 15

November 19

December 17

MINUTES OF THE AUGUST 20, 2008 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom, Farley, Arteaga

Also Present: Administrator Rick Kidd, Counselor Don Banner

Guests: Russel DeSalvo; Mikal Torgerson; Dennis Maroney, City Drainage Engineer; Frank Beltan, County Assessor; Aurelio Sisnerous, County Treasurer; Shirley Filer, Treasurer's Office; Phil Sierra, Robert DeHerrera, Dillon Beauvais, and Sharon Vigil of the County GIS/Mapping department.

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 8:00 am.

Minutes -- The Minutes of the July 16, 2008 Regular Meeting were reviewed. Farley moved to approve the Minutes. The Minutes were approved as posted.

Treasurer's Report:

The accountant's report for July was reviewed. Farley reported that she had withdrawn \$30,000 from the Wachovia money market account for deposit to the Vectra checking account. There is a \$28,000 balance in the money market account. Farley moved to receive and file the accountant's report. Motion passed.

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

\$ 250.00	MBD&G, Accountant fees
\$ 112.57	Aquila, Electricity
\$ 400.00	Don Banner, Attorney fees
\$ 500.00	Kidd Engineering, Administrator/Engineer fees
\$ 2,139.90	Kidd Engineering, Ownership Map
\$ 1,090.200	Kidd Engineering, Appraisal Listing and Parcel No. Coord.
\$ 55.41	Sandstrom, Director's Fee
\$ 55.41	Haynes, Director's Fee
\$ 55.41	Farley, Director's Fee
\$ 208.00	Chem-Way, Levee weed control
\$10,000.00	HARP, Balance 2008 O&M

Farley moved to pay the bills. Motion passed.

Farley moved to deposit the \$30,000 into checking and retain the \$28,000 balance in the money market for future transfer to checking. Motion passed.

Russel DeSalvo -- Their investment group is interested in purchasing various parcels along the bluff, between West 4th Street and the South Main bridge. They want to do some development to improve the view corridors and regentrify the urban area. The developments would include housing. They are primarily interested in three areas. DeSalvo presented maps showing these areas. The investment group wants to get started fairly quickly. They already own properties in the area of Corona and South Main. They hope to get started with this area by the end of the year. Kidd is to confirm ownership of parcels in the area and provide an updated map to Sandstrom.

Mikal Torgerson -- Torgerson wanted to let the Board know that they are still interested in the triangle of land between HARP and the Ice House. Sandstrom said that their offer was way below what we have been selling properties for. Torgerson acknowledged that he had looked at

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"comps" in the area and that an appropriate purchase price is in the area of \$15,000. He said that the comparables have been between \$0.69 and \$1.00 per square foot. He asked that we consider

a lower price since they are hoping to give the land and access tunnels back to the City and to HARP. Torgerson said that he has been talking to the Urban Renewal Authority about this concept and them paying some of the costs. Sandstrom stated that he wanted to talk to HARP and URA about this project. Kidd expressed a concern that the legal description in the offer is just a "paper" description rather than having monumented corners, as has been being required. Kidd also stated that some of the reference lines do not match up with Conservancy District records.

Funding Process – The Board explained what we were trying to accomplish and why we are using the original assessment of benefits. The assessments need to be certified to the Treasurer's office by November 1. Phil Sierra reported that there are approximately 413 parcels that have to be researched, that could not be identified through Kidd's work. The ones that they have done have taken about an hour each. Beltran said that they will have to set up four new taxing districts. He stated that they are having to do reappraisals this year and do not have normal staff time available for this project. Beltran estimates that it will take from \$7,900 to \$15,000 of overtime for the Assessor's office to do the required work. Sisnerous said that when we determine the assessments that the values have to be divisible by "2" for first half and second half tax payments.

The PCD Board needs for the County Attorney's office to prepare a contract of Not-To-Exceed \$15,000 for the required overtime work. The County Board of Commissioners will have to approve the contract. Beltran will talk to Valerie Haynes about preparing the contract. Farley moved that the PCD Board authorize the Assessor's office to go forward with the work based on \$15,000 for overtime pay. Motion passed with Arteaga absent. The Treasurer's office will contact their programmer about programming problems.

A follow-up meeting was scheduled for September 2, at 8:00 am. The meeting is to be at the Heritage Center.

Dennis Maroney – FEMA has not yet sent the letter requiring that District certify the Levee through the PAL program. Maroney stated that both the City and the District will receive a letter from FEMA this year. This letter will state that we have been put into the PAL program. We will have to sign an agreement to certify the Levee. The letter will come after Anderson completes their hydrology and hydraulics (H&H) study. Federal 6510 is the FEMA certification requirement. There are no variations as had been previously indicated as a possibility for our Levee. The Board will also have to develop a notification and operations plan. Part of this plan will require that the owners be notified that they are in an area being protected by a levee and that levees are subject to failure or overtopping. We will also have to develop an awareness and alarm notification system. People have to be notified that there is a risk. The District will need an operations plan, a maintenance plan, and an evacuation plan. Maroney said that there are private firms that are doing levee certifications. He knows that HDR is working in Colorado. He said that there is another firm working in California. Maroney said that we will not have time to get congressional approval and funding for the Army Corps of Engineers to do the certification. He said that an earlier quote that the City received was about \$400,000 for certification of their levee, and that ours is more complex. Maroney said that there is a published template for a levee owner's manual. It is "Levee Owners Manual for Non-federal Flood Control Works, March 2006". It is available over the web.

There being no further business to come before the Board, the business meeting was adjourned at 10:35 a.m. The next meeting is a special meeting scheduled for September 2, 2008, at 8:00 am.

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APPROVED:

Gus Sandstrom, Director

Kathleen Farley, Director

Carmen Arteaga, Director

MINUTES OF THE SEPTEMBER 2, 2008 SPECIAL MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom, Farley

Also Present: Administrator Rick Kidd, Counselor Don Banner

Guests: Shirley Filer, Treasurer's Office; Phil Sierra, Dillon Beauvais, and Sharon Vigil of the County GIS/Mapping department.

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 8:04 a.m.

County personnel reported that progress is better than had been anticipated. They expect to be done in a couple of weeks.

Legal ownerships for the utility companies are reported under their original names. The old parcel numbers can be brought up to date, but the utility and railroad entities are "State assessed" and do not go through the County system.

When there are multiple parcels with one tax ID number we need to total all of the assessments for that ID. Remember that it must be divisible by "2".

Kidd to ask Frank Beltran and Aurelio Sisnerous to come to the September 17 meeting. Shirley Filer thinks that we can work through the County system to get the State assessed tax funding.

There being no further business to come before the Board, the business meeting was adjourned at 8:45 a.m. The next regular meeting date is September 17, 2006, at 4:00 pm.

APPROVED:

Gus Sandstrom, Director

Kathleen Farley, Director

Carmen Arteaga, Director



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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 August 31, 2008 and December 31, 2007, and the related comparative statements of revenue and expenditures – actual and budget – general fund for the eight months ended August 31, 2008, and the twelve months ended December 31, 2007, 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

September 15, 2008

PUEBLO CONSERVANCY DISTRICT
BALANCE SHEET - GENERAL FUND ONLY
AUGUST 31, 2008 AND DECEMBER 31, 2007

	<u>8/31/2008</u>	<u>12/31/2007</u>
ASSETS		
VECTRA BANK CHECKING	\$ 22,004	\$ 44,778
VECTRA BANK MONEY MARKET	11,794	11,738
BROKERAGE MONEY MARKET ACCOUNTS	158,017	17,205
COLOTRUST INVESTMENT	25,000	25,000
WACHOVIA SECURITIES INVESTMENT	480,856	587,679
PIPER JAFFRAY INVESTMENT	253,625	352,817
ACCRUED INTEREST	<u>-</u>	<u>6,424</u>
 TOTAL ASSETS	 <u>\$ 951,296</u>	 <u>\$ 1,045,641</u>
 LIABILITIES AND FUND EQUITY		
ACCOUNTS PAYABLE	\$ -	\$ 4,766
PAYROLL TAXES PAYABLE	110	330
DEFERRED INCOME	<u>1,875</u>	<u>1,042</u>
 TOTAL LIABILITIES	 <u>1,985</u>	 <u>6,138</u>
 RESERVE FOR EMERGENCIES	 6,000	 6,000
DESIGNATED FOR SUBSEQUENT YEAR'S EXPENDITURES	156,376	264,890
UNDESIGNATED	<u>786,935</u>	<u>768,613</u>
 TOTAL FUND EQUITY	 <u>949,311</u>	 <u>1,039,503</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 951,296</u>	 <u>\$ 1,045,641</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURES -
ACTUAL AND BUDGET - GENERAL FUND
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2008
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2007

	ACTUAL				
	CURRENT MONTH	YEAR TO DATE	2008 BUDGET	UNUSED BUDGET	2007 ACTUAL
REVENUES					
INTEREST INCOME					
COLOTRUST	\$ 51	\$ 435	\$ -	\$ -	\$ 1,283
MONEY MARKET ACCOUNTS	130	1,003	-	-	1,167
WACHOVIA SECURITIES	4,770	19,770	-	-	31,970
PIPER JAFFRAY	758	5,450	-	-	13,237
UNREALIZED GAINS (LOSSES)	3,481	4,350	-	-	6,288
TOTAL INTEREST INCOME	9,190	31,008	47,117	16,109	53,945
LEASE PAYMENTS	208	1,866	2,500	634	2,500
OTHER INCOME	-	4,500	3,000	(1,500)	17,368
COST OF SALES	-	-	-	-	-
TOTAL REVENUES	\$ 9,398	\$ 37,374	\$ 52,617	\$ 15,243	\$ 73,813
EXPENDITURES					
80 LEGAL FEES	\$ 400	\$ 3,100	\$ 4,800	\$ 1,700	\$ 3,600
81 DIRECTORS FEES	180	1,440	3,000	1,560	2,160
82 FICA TAXES	-	-	166	166	165
83 ENGINEER/ADMINISTRATIVE	500	3,500	6,000	2,500	4,800
90 AUDIT & BOOKKEEPING	250	1,750	3,000	1,250	3,000
92 INSURANCE/BONDS	-	2,506	3,000	494	2,908
96 OFFICE EXPENSE	-	328	500	172	2,276
97 OFFICE RENT	-	680	500	(180)	500
100 PROFESSIONAL FEES	3,230	24,928	18,000	(6,928)	-
APPRAISAL	-	-	-	-	-
103 TRAVEL	-	-	3,500	3,500	-
105 REPAIRS & MAINTENANCE	321	11,335	90,000	78,665	12,930
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	78,000	60,000	(18,000)	20,000
113 SALES TAX	-	-	-	-	-
TOTAL EXPENDITURES	14,881	127,567	317,966	190,399	52,339
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (5,483)	\$ (90,193)	\$ (265,349)	\$ (175,156)	\$ 21,474

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
8/31/2008

9/15/2008 4:19 PM

<u>BROKER</u>	<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>PAR VALUE</u>	<u>BALANCE 12/31/2007</u>	<u>ADDITIONS</u>	<u>MKT VALUE CHANGE</u>	<u>REDEMPTION SALES</u>	<u>BALANCE 1/31/2008</u>	<u>INTEREST RECEIVED 4/30/2008</u>
<u>CASH ACCOUNTS</u>										
VECTRA BANK	Money Market Account				11,738.31	55.91	-	-	11,794.22	55.91
PIPER JAFFRAY	Money Market Account				11,435.55	101,638.63	-	-	113,074.18	825.89
WACHOVIA SEC.	Evergreen Money Mkt Fund				5,769.64	114,173.13	-	75,000.00	44,942.77	120.88
TOTAL CASH ACCOUNTS WITH BROKERS					28,943.50	215,867.67	-	75,000.00	169,811.17	1,002.68
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,000.00	-	-	-	25,000.00	536.39
TOTAL COLOTRUST					25,000.00	-	-	-	25,000.00	536.39
WACHOVIA SEC.	FNMA 05-27 GA REMIC MULTICLASS CMO	4/25/2034	5.500%	450,000.00	40,713.77	-	209.46	18,052.97	22,870.26	1,260.01
	FHLMC 3040 CA REMIC MULTICLASS CMO	9/15/2019	5.000%	108,000.00	-	-	-	-	-	-
	FHLMC 3334 WW RETAIL LOTTERY	9/15/2036	6.250%	30,000.00	30,237.30	-	15.59	11,000.00	19,252.89	1,026.04
	FHLMC 2646 LL RETAIL LOTTERY	8/15/2033	5.000%	78,000.00	32,122.08	-	793.44	-	32,915.52	1,350.00
	FHLMC 2688 DD RETAIL LOTTERY	11/15/2033	5.500%	36,000.00	33,993.36	-	(740.88)	-	33,252.48	1,485.00
	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	45,682.21	-	1,097.11	-	46,779.32	1,837.53
	FHLMC 3133 MB REMIC MULTICLASS CMO	3/15/2036	6.000%	150,000.00	144,406.50	-	2,352.00	-	146,758.50	6,750.00
	FNMA 05-16 WD REMIC MULTICLASS CMO	1/25/2035	5.000%	56,000.00	13,774.69	-	(236.11)	2,115.76	11,422.82	482.98
	GNMA 06-27 WE REMIC MULTICLASS CMO	6/20/2036	6.000%	50,000.00	49,928.50	-	51.15	16,070.97	33,908.68	2,249.09
	FHLMC 3230 BB REMIC MULTICLASS CMO	4/15/2036	5.750%	50,000.00	47,407.50	-	(30.00)	-	47,377.50	2,156.22
	FHLMC 3264 UU REMIC MULTICLASS CMO	6/15/2036	5.750%	50,000.00	46,130.40	-	(392.64)	-	45,737.76	2,070.00
	FHLMC 3290 WA REMIC MULTICLASS CMO	4/15/2007	5.000%	58,000.00	46,519.90	-	(767.67)	17,312.55	28,439.68	1,594.03
	FHLMC 3357 AA REMIC MULTICLASS CMO	12/15/1936	6.000%	32,000.00	31,728.96	-	411.44	20,000.00	12,140.40	1,070.00
	NATIONAL CITY CD	6/15/2007	5.150%	30,000.00	-	-	-	-	-	-
	WORLD SAVINGS BK FSB CD	5/2/2008	5.200%	25,000.00	25,033.25	-	(33.25)	25,000.00	-	1,303.56
TOTAL WACHOVIA SEC.					587,678.42	-	2,729.64	109,552.25	480,855.81	24,634.46
PIPER JAFFRAY	GNMA POOL #24920	6/15/2008	8.250%		291.78	-	(20.64)	271.14	-	7.16
	FEDL HOME LN MTG CORP FREDDIENOTES B/E	12/15/2009	3.000%	120,000.00	118,602.00	-	1,131.60	-	119,733.60	2,400.00
	FEDL NATL MTG ASSN INVT NOTES B/E	8/20/2010	4.000%	100,000.00	99,813.00	-	187.00	100,000.00	-	822.22
	FEDL NATL MTG ASSN INVT NOTES B/E	6/24/2011	4.000%	130,000.00	129,756.90	-	243.10	-	130,000.00	3,466.64
	FHLMC #170217	3/1/2017	8.000%		4,353.19	-	79.75	541.60	3,891.34	212.15
TOTAL PIPER JAFFRAY					352,816.87	-	1,620.81	100,812.74	253,624.94	6,908.17
TOTAL INVESTMENTS					965,495.29	-	4,350.45	210,364.99	759,480.75	32,079.02
TOTAL ALL ACCOUNTS					994,438.79	215,867.67	4,350.45	285,364.99	929,291.92	33,081.70

PUEBLO CONSERVANCY DISTRICT

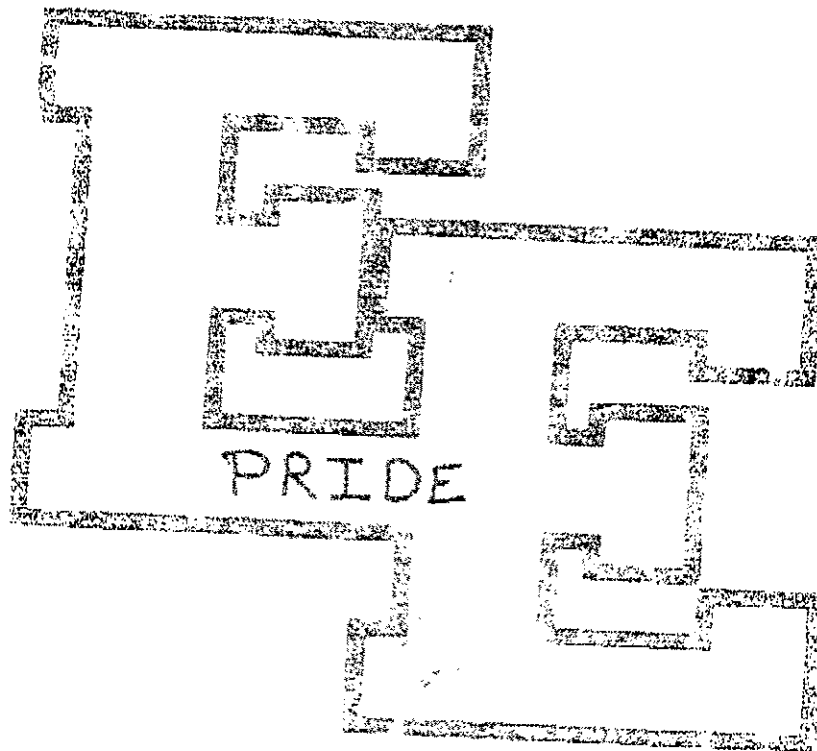
AUGUST 2008 - SEPTEMBER 2008

RECEIPTS

VENDOR	ITEM	AMOUNT
First Clearing, LLC	Interest Payment	\$ 2,042.71
First Clearing, LLC	Interest Payment	\$ 249.09
First Clearing, LLC	Interest Payment	\$ 165.35
		\$ 2,457.15

DEBITS

VENDOR	ITEM	AMOUNT	CHECK	CODE
Aquila	Electrical Billing	\$ 117.72	3553	105
MBDG, PC	Bookkeeping	\$ 250.00	3554	90
Don Banner - B&B, PC	Attorney Fees	\$ 400.00	3555	80
Kidd Engineering	Engineer/Admin Fees	\$ 500.00	3556	83
	Appraised Benefits	\$ 3,330.00	"	100
Director Sandstrom	Fees	\$ 55.41	3557	81
Director Farley	Fees	\$ 55.41	3558	81
Director Arteaga	Fees	\$ 55.41	3559	81
		\$ 4,763.95		



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