

RECORD OF PROCEEDINGS

 O'Brien Prtg. & Stat. 90912

MINUTES OF THE JANUARY 20, 2011 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom, Farley, Barela

Also Present: Administrator Rick Kidd, Councilor Don Banner

Guests: None

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 8:08 am.

Minutes – The minutes of the December 16, 2010 Regular Meeting were reviewed. Barela moved to approve the minutes as posted. Motion passed.

Treasurer's Report:

The December 2010 accountant's reports were reviewed. Kidd noted that it was a draft until all year-end documents are filed and the year-end financial report is prepared. Farley moved to receive and file the accountant's draft report and pay the bills. Motion passed.

Bills – The following bills were posted for review and approval:

\$ 450.00	Black Hills Energy, Runyon Lake electricity
\$ 300.00	MBD&G, Accountant fees
\$ 400.00	Don Banner, Attorney fees
\$ 6.00	Don Banner, Budget Filing Fee
\$ 3997.50	Don Banner, Dissolution Discussions and Draft IGA
\$ 500.00	Kidd Engineering, Administrator/Engineer fees
\$ 373.75	Kidd Engineering, Levee repair meetings and coordination
\$ 258.75	Kidd Engineering, Document move from Heritage Center
\$ 92.35	Sandstrom, Director's Fee
\$ 55.41	Farley, Director's Fee
\$ 55.41	Barela, Director's Fee
\$ 1500.00	Imperial Arborists, Tree removals at Corona and Union
\$ 2428.18	Colorado Special Districts Property and Liability Pool, 2011 Liability Ins.
\$ 233.40	Two Men and a Truck, Move of materials from Heritage Center
\$ 394.74	United States Treasury, Form 944 Withholdings
\$ 840.00	Southeastern Colorado Heritage Center, 2011 Membership
\$ 50000.00	HARP, IGA Agreement Amount

Kidd reported that the map files, the file cabinet, and all of the boxes that were in the Heritage Center's metal building have been moved to his office at 1001 East Evans.

Kidd presented the contract form for Sun Construction for the diversion and dewatering of the areas of Levee repair. Kidd reported that he had received an email from the Corps of Engineers stating that they should have a contract with Conservation Services by the end of the week. Farley moved to authorize signing the contract with Sun Construction. Motion passed.

Dissolution – Sandstrom reported that Chris Kaufman had asked if two council members at a time could meet with him to discuss the dissolution question. Barela suggested that an outline

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for the discussion be drafted so that the meetings be kept on track and consistent information provided. Banner stated that he believed that the meetings and communication should be set up.

Sandstrom is to contact Tom Jagger, former City Attorney, to discuss his view of the maintenance fund assessment program discussions.

HARP – Sandstrom requested authorization for Kidd to prepare a check for the IGA payment of \$50,000.00. Barela so moved. Motion passed.

Sandstrom is no longer the Chairman of the HARP. Gary Anzuini is the new Chair. HARP is going through some budget problems the same as everyone. The City took \$64,000 of last year budget and put into Park Maintenance earmarked for HARP. So the City's funding was flat for HARP. Sandstrom reported that the HARP Foundation is essentially broke. He is working with them to help.

Historic East Side – Sandstrom stated that there have not been any meetings for a while. All of the planning is currently being done by City Planning and Development. There is a project for work on some of the buildings along 4th Street.

Meeting Place – The cost to maintain our membership at the Heritage Center is \$840.00 for next year. This entitles the District to some storage and space to meet once per month. Barela moved to continue the agreement for \$840.00 and continue holding the monthly meetings at the Heritage Center. Motion passed.

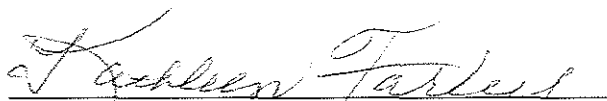
Posting Locations – After discussion Farley moved that the Notice of the meetings of the Board of Directors of the Pueblo Conservancy District shall be posted no less than 24 hours prior to the meetings. The Board designates the Southeastern Colorado Heritage Center at 201 West B Street, Pueblo, CO 81003, City Hall at 1 City Hall Place, Pueblo CO 81003 (as soon as its remodeling is completed and the Interim City Hall at 301 West B Street, Pueblo, CO 81003 until City Hall is remodeled) and the New Thatcher Building at 503 North Main Street, Pueblo CO 81003 as the places for posting notices. To the extent possible at the time Notices are posted, the Notices should include specific agenda information. Motion passed.

Transparency Notice – Sandstrom reported that he had posted the Transparency Notice through the Special Districts Association web site.

Due to scheduling conflicts it was decided to move the scheduled September meeting to September 1st.

There being no further business to come before the Board, the business meeting was adjourned at 9:10 am. The next regular meeting date will be February 17, 2011.

APPROVED:


Gus Sandstrom, Director
Kathleen Farley, Director
Carla Barela, Director

THE PUEBLO CONSERVANCY DISTRICT

NOTICE OF
REGULAR MEETING

DATE: JANUARY 20, 2011 (THURSDAY) AT 8:00 A.M.

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

AGENDA

1. ROLL CALL
2. APPROVAL OF THE DECEMBER 16, 2010 MINUTES
3. TREASURER'S REPORT
 - a. PAYMENT OF BILLS
4. DISSOLUTION UPDATE
5. HARP UPDATE
6. HISTORIC EAST SIDE PROJECT REPORT
7. LEVEE REPAIRS
 - a. Corps of Engineers Scope
 - b. PCD Scope
8. 2011 MEETING LOCATIONS
9. POSTING OF 2011 MEETING NOTICES
10. OTHER BUSINESS AS MAY BE BROUGHT BEFORE THE BOARD

2011 MEETING DATES:

Regular meetings will generally be held on the third Thursdays of the month. Adjustments will be made as required. Special meetings may be scheduled as needed. Please contact the District's Administrator at 719-544-5239 to confirm dates and locations of all meetings.

January 20
April 21
July 21
October 20

February 17
May 19
August 18
November 17

March 17
June 16
September 15 /
December 15

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MINUTES OF THE DECEMBER 16, 2010 REGULAR MEETING OF THE PUEBLO CONSERVANCY DISTRICT

Directors Present: Sandstrom, Farley, Barela

Also Present: Administrator Rick Kidd, Councilor Don Banner

Guests: Tom Florczak, City of Pueblo Attorney

With a quorum present, the Pueblo Conservancy District board meeting was called to order at 8:05 am.

Minutes – The minutes of the November 17, 2010 Regular Meeting were reviewed. Farley moved to approve the minutes as posted. Motion passed.

Treasurer's Report:

The November 2010 accountant's reports were reviewed. Farley moved to receive and file the accountant's reports and pay the bills. Motion passed.

Bills – The following bills were posted for review and approval:

\$ 300.00	MBD&G, Accountant fees
\$ 400.00	Don Banner, Attorney fees
\$ 500.00	Kidd Engineering, Administrator/Engineer fees
\$ 460.00	Kidd Engineering, Levee repair meetings, plans, etc.
\$ 92.35	Sandstrom, Director's Fee
\$ 55.41	Farley, Director's Fee
\$ 55.41	Barela, Director's Fee
\$ 49.50	Pueblo Chieftain, Budget notice publication
\$ 295.00	Spaccamonti Excavating, Weed mowing at Moffat and Locust

Dissolution – Sandstrom reported that he met with Jerry Pacheco, City Manager, and they agree that a push to make a decision in December 2010 is not realistic. Sandstrom said that Pacheco and the Council are not in a rush but that Tom Florczak is. Sandstrom stated that the District cannot be dissolved without a provision to take care of the areas outside of Pueblo. Florczak said that he feels that if the District moved forward with dissolution that the County could make a petition against the move. He said his view is that the outer area is receiving benefit based on City money. Sandstrom responded that the County properties have paid in the past and that the County is now paying their full assessments. Banner asked if the City would champion an IGA with the County to take care of the District areas outside of the City. Florczak said that they would help and participate with an IGA. He said that the City would work on projects outside of the City that would otherwise cause damage to the City. Florczak said that when the City created their Stormwater Enterprise that the County was asked to do one of their own. The County was not receptive to this idea. Farley recommended getting far more information and research of the early Pueblo Conservancy District documents about responsibilities and agreements. She also said that the City needs to learn more about the District and what we do. Barela supported Farley's comments and that we all learn more about what is involved. Florczak does not feel that the District's mistrust of the City is warranted. Sandstrom said that we have to be able to ensure the Court that obligations will be met. Banner stated that the Pueblo Conservancy District is a long term commitment that needs long term planning, not with fluctuation as elected officials

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come and go. Sandstrom and Kidd are to pull records and look at more history of the District, our work, and our obligations. Florczak said that when the Fountain Greenway District was created it has authority and representation to the County line.

HARP -- Sandstrom said that the work on Veteran's Bridge is completed. HARP still needs \$160,000 for construction work. There is space on the skirt of the bridge to install more name plaques. Money from the additional plaques should cover this additional funding. They are waiting on federal funding to help pay for construction of the new boat house. Jim Munch is working with the Urban Renewal Authority on plans for how the Convention Center development may lead to changes and improvements to concepts of the HARP development.

Historic East Side -- Sandstrom reported that the City has approved development of a baseball park. The Committee has not had a meeting for a while.

Levee Repair -- Kidd received a proposal from Sun Construction to divert the River and dewater the work site to enable the Army Corps of Engineers' contractor to get in and perform the repairs. Sun Construction is the contractor who originally built the Legacy Project and is very familiar with the work required for the diversion and compliance with the ACE. Their proposal is \$94,821 for the diversion, \$18,600 to set up and for the first week of dewatering, and \$990 per day for dewatering after the first week. The total costs will be approximately \$150,000 for a 45 day construction window. Farley moved to approve the agreement with Kidd negotiating and coordinating the construction activity. Motion passed.

Election of Officers -- Farley suggested that we add Louie Carleo's appointment to the HARP Foundation Board. Farley moved that the District's officers stand plus Carleo for two years as the District representative on the HARP Foundation. Motion passed. The officers are: Gus Sandstrom, President; and Kathy Farley, Secretary and Treasurer.

Moffat Area Weeds -- The District received a notice of weed violation off of Moffat street, on the south side of the River. Kidd reported that Spaccamonti went down and mowed weeds where they could access. The problem is that there are two old buildings and some fencing around this area that is owned by the District and that the neighbors were using this area. Sandstrom, Kidd, and Banner are to meet to discuss meeting with the adjacent landowners, having a land survey done, demolition, etc. Barela so moved. Motion passed.

Corona Area Tree Removal -- Kidd solicited proposals to remove the remaining stump of the tree that fell across to the neighbor's property last summer, a decade cotton wood tree just above it, and three dead/dicing willow trees. Imperial Arborists provided a proposal of \$1500 for the work, not including grinding the stumps. Barela moved to approve Imperial's proposal. Motion passed.

Highline Canal -- Kidd reported that he had been contacted by Dan Henrichs, Highline Canal Superintendant, and went on a site visit with him. There is an area downstream, between the Highline and Catlin headgates where the River has eroded to within approximately 100-feet of the Highline. There had been some revetment works in the area but it was overtopped and washed out by the River in 1995. The revetment was approximately 40-feet out from where the River is now. And then in 2002-2003 a tank had washed down the River and is currently lodged on the north side of the River and directed the channel toward the Canal on the south side. Henrichs asked if the District could provide any help in applying for an Army Corps of Engineers 404 Permit and/or re-establishment of bank protection. Sandstrom suggested that we agree to help with the application for the 404 Permit and then research what additional support we may be able to provide. Farley so moved. Motion passed.

Kidd requested approval for moving the flat files, file cabinets, and certain other items and records from the storage at the Heritage Center to his office so that he would have better access

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to old record documents and information needed for certification of the Levee. Farley moved to approve this request and have the moving done by Two Men and a Truck. Motion passed.

Future Meeting Dates -- Meetings have been being held on the third wednesday of the month with adjustments as required. After discussion it was decided that the third thursday may better accomodate the Board members' schedules. Therefore, it was decided that the regular meetings in 2011 will be held on the third thursday of the month with adjustments and special meetings as required. The required place of posting the notices will be discussed at the January meeting.

There being no further business to come before the Board, the business meeting was adjourned at 9:17 am. The next regular meeting date will be January 20, 2011.

APPROVED:

Gus Sandstrom, Director

Kathleen Farley, Director

Carla Barela, Director



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

503 N Main, Suite 740

Pueblo, CO 81003

Phone (719) 543-0515

Fax (719) 544-2849

INDEPENDENT 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 December 31, 2010 and December 31, 2009, and the related comparative statements of revenue and expenditures – actual and budget – general fund for the years then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, 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

January 18, 2011

PUEBLO CONSERVANCY DISTRICT
BALANCE SHEET - GENERAL FUND ONLY
DECEMBER 31, 2010 AND DECEMBER 31, 2009

	<u>12/31/2010</u>	<u>12/31/2009</u>
ASSETS		
VECTRA BANK CHECKING	\$ 78,575	\$ 107,526
VECTRA BANK MONEY MARKET	11,889	11,870
BROKERAGE MONEY MARKET ACCOUNTS	111,913	29,775
COLOTRUST INVESTMENT	25,000	25,000
WELLS FARGO INVESTMENT	591,717	521,407
STIFEL NICOLAUS INVESTMENT	309,261	351,076
ACCRUED INTEREST	<u>3,669</u>	<u>5,890</u>
 TOTAL ASSETS	 <u>\$ 1,132,024</u>	 <u>\$ 1,052,544</u>
LIABILITIES AND FUND EQUITY		
ACCOUNTS PAYABLE	\$ 800	\$ 800
PAYROLL TAXES PAYABLE	395	330
DEFERRED INCOME	<u>1,042</u>	<u>1,042</u>
 TOTAL LIABILITIES	 <u>2,237</u>	 <u>2,172</u>
RESERVE FOR EMERGENCIES	6,000	6,000
DESIGNATED FOR SUBSEQUENT YEAR'S EXPENDITURES	-	156,376
UNDESIGNATED	<u>1,123,787</u>	<u>887,996</u>
	-	-
 TOTAL FUND EQUITY	 <u>1,129,787</u>	 <u>1,050,372</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 1,132,024</u>	 <u>\$ 1,052,544</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURES -
ACTUAL AND BUDGET - GENERAL FUND
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2009

	ACTUAL				
	CURRENT MONTH	YEAR TO DATE	2010 BUDGET	UNUSED BUDGET	2009 ACTUAL
REVENUES					
INTEREST INCOME					
COLOTRUST	\$ 8	\$ 50	\$ -	\$ -	\$ 106
MONEY MARKET ACCOUNTS	3	38	-	-	141
WELLS FARGO	3,889	26,656	-	-	26,570
STIFEL NICOLAUS	3,540	18,258	-	-	5,660
UNREALIZED GAINS (LOSSES)	(13,487)	2,674	-	-	(17,630)
TOTAL INTEREST INCOME	(6,047)	47,676	49,800	2,124	14,847
MAINTENANCE FUND ASSESSMENT	32	169,415	330,000	160,585	179,620
LEASE PAYMENTS	208	2,500	2,500	-	2,600
OTHER INCOME	-	-	-	-	2,175
TOTAL REVENUES	\$ (5,807)	\$ 219,591	\$ 382,300	\$ 162,709	\$ 199,242
EXPENDITURES					
80 LEGAL FEES	\$ 400	\$ 4,800	\$ 4,800	\$ -	\$ 4,800
81 DIRECTORS FEES	220	2,580	3,000	420	2,160
82 FICA TAXES	197	197	166	(31)	165
83 ENGINEER/ADMINISTRATIVE	1,000	6,000	6,000	-	6,000
90 AUDIT & BOOKKEEPING	600	3,600	3,600	-	3,600
92 INSURANCE/BONDS	-	817	3,000	2,183	4,541
96 OFFICE EXPENSE	49	228	500	272	330
97 OFFICE RENT	-	940	750	(190)	720
100 PROFESSIONAL FEES	-	6,241	30,000	23,759	18,270
APPRAISAL	-	-	-	-	-
103 TRAVEL	-	-	3,500	3,500	-
105 REPAIRS & MAINTENANCE	755	30,508	140,000	109,492	31,525
PIPING REPAIRS	-	-	-	-	-
108 CONTINGENCIES	-	-	500	500	-
109 EMERGENCY REPAIR	-	-	20,000	20,000	-
110 CAPITAL IMPROVEMENTS	-	23,265	25,000	1,735	-
111 PLANNING & DEVELOPMENT	-	-	5,000	5,000	-
112 HARP - O & M / HARP - IGA CNTRB	-	61,000	60,000	(1,000)	65,000
113 SALES TAX	-	-	-	-	-
TOTAL EXPENDITURES	3,221	140,176	305,816	165,640	137,111
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (9,028)	\$ 79,415	\$ 76,484	\$ (2,931)	\$ 62,131

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT
INVESTMENTS
12/31/2010

1/18/2011 4:17 PM

<u>BROKER</u>	<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>PAR VALUE</u>	<u>BALANCE 12/31/2009</u>	<u>ADDITIONS</u>	<u>MKT VALUE CHANGE</u>	<u>REDEMPTION SALES</u>	<u>BALANCE 12/31/2010</u>	<u>INTEREST RECEIVED 12/31/2010</u>
<u>CASH ACCOUNTS</u>										
VECTRA BANK	Money Market Account				11,870.02	18.95	-	-	11,888.97	18.95
STIFEL NICOLAUS	Money Market Account				13,014.16	110,203.89	-	70,143.06	53,074.99	16.89
WELLS FARGO	Cash Sweep Account				16,760.81	630,635.78	-	588,558.30	58,838.29	2.78
TOTAL CASH ACCOUNTS WITH BROKERS					41,644.99	740,858.62	-	658,701.36	123,802.25	38.62
<u>INVESTMENTS</u>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,000.00	-	-	-	25,000.00	51.51
TOTAL COLOTRUST					25,000.00	-	-	-	25,000.00	51.51
WELLS FARGO	FNMA 05-27 GA REMIC MULTICLASS CMO	4/25/2034	5.500%	450,000.00	24,161.73	-	9.43	24,171.16	-	775.46
	GNMA 09-73 CD REMIC MULTICLASS CMO	9/16/2038	5.000%	45,000.00	41,807.68	-	(238.59)	41,569.09	-	1,470.74
	FHLMC 2646 LL RETAIL LOTTERY	8/15/2033	5.000%	78,000.00	35,321.76	-	753.38	19,000.00	17,075.14	1,812.50
	FHLMC 2640 LL RETAIL LOTTERY	7/15/2033	5.000%	70,000.00	-	70,530.00	(530.80)	69,000.00	999.20	2,595.86
	FHLMC 2688 DD RETAIL LOTTERY	11/15/2033	5.500%	36,000.00	35,943.12	-	56.88	36,000.00	-	779.17
	FHLMC 3004 GG RETAIL LOTTERY	7/15/2034	5.000%	80,000.00	28,003.92	-	(3.92)	28,000.00	-	554.16
	FHLMC 3133 MB REMIC MULTICLASS CMO	3/15/2036	6.000%	150,000.00	150,355.50	-	(355.49)	150,000.01	-	2,374.97
	FNMA 05-16 WD REMIC MULTICLASS CMO	1/25/2035	5.000%	56,000.00	7,419.01	-	(5.32)	7,413.69	-	229.66
	FNMA 06-107 PD REMIC MULTICLASS CMO	6/25/2035	5.000%	78,000.00	78,207.48	-	4,246.32	-	82,453.80	3,900.00
	FHLMC 3264 UU REMIC MULTICLASS CMO	6/15/2036	5.750%	50,000.00	27,178.74	-	(178.74)	27,000.00	-	868.31
	GNMA 08-7 PN REMIC MULTICLASS CMO	1/20/2037	4.250%	60,000.00	-	45,782.56	446.49	10,984.95	35,244.10	1,038.62
	FHLMC 3393 BY REMIC MULTICLASS CPN	11/15/2037	5.500%	94,000.00	93,008.30	-	7,102.64	-	100,110.94	5,600.79
	FNMA 2008-74B REMIC MULTICLASS CMO	9/25/1938	5.000%	50,000.00	-	56,847.50	170.96	-	57,018.46	315.80
	FHLMC 3626 UA REMIC MULTICLASS CMO	9/15/2039	5.000%	50,000.00	-	49,870.01	(170.94)	10,907.53	38,791.54	1,584.32
	FHLMC 3622 CC RETAIL LOTTERY	12/15/2039	5.000%	70,000.00	-	70,267.50	(267.50)	70,000.00	-	1,404.17
	GNMA 10-62 LA REMIC MULTICLASS CMO	1/20/2040	4.500%	50,000.00	-	50,130.00	230.30	12,468.99	37,891.31	1,070.37
	GNMA 10-85 HQ REMIC MULTICLASS CMO	3/20/2040	5.000%	144,000.00	-	149,045.00	(3,907.43)	9,534.88	135,602.69	2,383.87
	FNMA 10-141 AL REMIC MULTICLASS CMO	12/25/2040	4.000%	90,000.00	-	89,667.50	(3,137.90)	-	86,529.60	(290.00)
TOTAL WELLS FARGO					521,407.24	582,140.07	4,219.77	516,050.30	591,716.78	28,468.77
STIFEL NICOLAUS	FEDL HOME LN MTG CORP #170217	3/1/2017	8.000%	1,120,000.00	2,953.04	-	(5.53)	581.52	2,365.99	199.30
	GNMA POOL #676875	3/15/2023	6.500%	235,000.00	195,138.73	-	(38.41)	35,642.17	159,458.15	10,989.63
	GNMA POOL #003851	5/20/2036	5.500%	165,000.00	97,429.91	-	434.12	24,849.07	73,014.96	4,501.69
	GNMA REMIC SER 2009-79	2/20/2039	5.500%	56,000.00	55,554.34	-	(995.15)	47,337.38	7,221.81	2,500.04
	GNMA REMIC SER 2010-98	7/20/2039	4.000%	70,000.00	-	69,917.50	(940.85)	1,776.86	67,199.79	474.09
TOTAL STIFEL NICOLAUS INVESTMENT					351,076.02	69,917.50	(1,545.82)	110,187.00	309,260.70	18,664.75
TOTAL INVESTMENTS					897,483.26	652,057.57	2,673.95	626,237.30	925,977.48	47,185.03
TOTAL ALL ACCOUNTS					939,128.25	1,392,916.19	2,673.95	1,284,938.66	1,049,779.73	47,223.65

PUEBLO CONSERVANCY DISTRICT

DECEMBER 2010 - JANUARY 2011

RECEIPTS

VENDOR	ITEM	AMOUNT
First Clearing, LLC	Interest Payment	\$ 864.08
First Clearing, LLC	Interest Payment	\$ 854.00
First Clearing, LLC	Interest Payment	\$ 867.92
Stifel Nicolaus	Interest Payment	\$ 1,427.33
Wells Fargo / ColoTrust	Dividend	\$ 4.11
Pueblo County Treasurer	Maintenance Fund Assessment	\$ 31.96
Pueblo County Treasurer	Maintenance Fund Assessment	\$ 357.16
Pueblo County Treasurer	County Share of Runyon Road Repave	\$ 15,000.00
		\$ 19,406.56

DEBITS

VENDOR	ITEM	AMOUNT	CHECK	CODE
Black Hills Energy	Electrical Billing	\$ 450.00	3780	105
MBDG, PC	Bookkeeping	\$ 300.00	3781	90
Don Banner - B&B, PC	Attorney Fees	\$ 400.00	3782	80
	Budget Filing Fee	\$ 6.00	"	96
	Dissolution Discussions and Draft IGA	\$ 3,997.50	"	80
Kidd Engineering	Engineer/Admin Fees	\$ 500.00	3783	83
	Levee Repair Meetings & Coordination	\$ 373.75	"	105
	Document Move from Heritage Center	\$ 258.75	"	96
Director Sandstrom	Fees	\$ 92.35	3784	81
Director Farley	Fees	\$ 55.41	3785	81
Director Barela	Fees	\$ 55.41	3786	81
Imperial Arborists	Tree Removals, Corona and Union	\$ 1,500.00	3787	105
Colorado Special Districts Property and Liability Pool	2011 Liability Insurance	\$ 2,428.18	3788	92
Two Men and a Truck	Move of Materials from Heritage Center to Kidd Engineering	\$ 233.40	3789	96
United States Treasury	Form 944 Withholdings	\$ 394.74	3790	82
Southeastern Colorado Heritage Center	2011 Membership, including storage and meeting space	\$ 840.00	3791	97
HARP	IGA Amount	\$ 50,000.00	3792	112
		\$ 61,885.49		

PUEBLO CONSERVANCY DISTRICT

DECEMBER 2010 - JANUARY 2011

RECEIPTS

VENDOR	ITEM	AMOUNT
First Clearing, LLC	Interest Payment	\$ 864.08
First Clearing, LLC	Interest Payment	\$ 854.00
First Clearing, LLC	Interest Payment	\$ 867.92
Stifel Nicolaus	Interest Payment	\$ 1,427.33
Wells Fargo / ColoTrust	Dividend	\$ 4.11
Pueblo County Treasurer	Maintenance Fund Assessment	\$ 31.96
Pueblo County Treasurer	Maintenance Fund Assessment	\$ 357.16
Pueblo County Treasurer	County Share of Runyon Road Repave	\$ 15,000.00
		\$ 19,406.56

DEBITS

VENDOR	ITEM	AMOUNT	CHECK	CODE
Black Hills Energy	Electrical Billing	\$ 450.00	3780	105
MBDG, PC	Bookkeeping	\$ 300.00	3781	90
Don Banner - B&B, PC	Attorney Fees	\$ 400.00	3782	80
	Budget Filing Fee	\$ 6.00	"	96
	Dissolution Discussions and Draft IGA	\$ 3,997.50	"	80
Kidd Engineering	Engineer/Admin Fees	\$ 500.00	3783	83
	Levee Repair Meetings & Coordination	\$ 373.75	"	105
	Document Move from Heritage Center	\$ 258.75	"	96
Director Sandstrom	Fees	\$ 92.35	3784	81
Director Farley	Fees	\$ 55.41	3785	81
Director Barela	Fees	\$ 55.41	3786	81
Imperial Arborists	Tree Removals, Corona and Union	\$ 1,500.00	3787	105
Colorado Special Districts Property and Liability Pool	2011 Liability Insurance	\$ 2,428.18	3788	92
	Move of Materials from Heritage Center to Kidd Engineering	\$ 233.40	3789	96
Two Men and a Truck	Form 944 Withholdings	\$ 394.74	3790	82
United States Treasury		\$ 3791	3791	97
<i>Southwestern Bell</i>				
		\$ 11,045.49		

HAPP

IGA

10,000 3790 112

Sun Construction, Inc

AGREEMENT WITH DISTRICT

This Agreement ("Agreement") is entered into by and between SUN CONSTRUCTION, INC. ("Contractor") and the Pueblo Conservancy District ("District") for a project known as the ARKANSAS RIVER LEVEE 2011 REPAIR PROJECT located in Pueblo, Colorado (the "Project") owned by the District.

ARTICLE 1 **THE CONTRACT DOCUMENTS**

1.1. The contract Documents consist of (1) this Agreement; (2) the Memorandum For Record of December 22, 2010 ("Memorandum") by Julie Alcon with Enclosures 1 through 7; (3) Modifications issued subsequent to the execution of the Agreement between the District and Contractor, after the execution of this Agreement; and (4) the Drawings and Specifications for the work ("Specifications") as prepared by the Army Corps of Engineers. These documents form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations or agreements, either written or oral.

1.2. Omitted.

1.3. The Contractor represents and agrees that it has carefully examined and understands this Agreement and the other Contract Documents, has investigated the nature, locality and site of the Work and the conditions and difficulties under which it is to be performed, and that it enters into this Agreement on the basis of its own examination, investigation and evaluation of all such matters and not in reliance upon any opinions or representations of the Contractor, or the District, or of any of their respective officers, agents, or employees.

1.4. All of the Work shall be performed in strict accordance with all the Contract Documents, and any Addenda and Modifications thereto, according to the true intent and meaning of the Contract Documents including all labor, material, and engineering incident thereto, or as are usually performed or furnished in connection with such work, it being the intention of the parties that all work shall be performed by the Contractor. Should it appear that the work hereby intended to be done or the material to be furnished, or any of the matters relating to said Work or materials, are not sufficiently detailed or explained in the Contract Documents, the Contractor shall request from the District in writing such other and further information or explanations as may be necessary, and shall conform to the same without extra compensation as part of this Contract.

ARTICLE 2 **MUTUAL RIGHTS AND RESPONSIBILITIES**

Omitted

ARTICLE 3 **CONTRACTOR**

3.1. SERVICES PROVIDED BY THE CONTRACTOR

3.1.1. The Contractor shall cooperate with the District and the Army Corps of Engineers and its Contractor in scheduling and performing the Contractor's Work to avoid conflicts or interference in the Contractor's Work and shall provide written responses to submittals made by the District or Army Corps of Engineers within a reasonable period of time.

3.1.2. The Contractor shall provide suitable areas for storage of the Contractor's materials and equipment during the course of the Work. Security for the Contractor's staged equipment or materials, other than what is inherent to the existing site conditions at the time of staging, is the sole responsibility of the Contractor.

3.1.3. The Contractor shall cooperate with the City of Pueblo and its Contractor and the Colorado Department of Transportation and its Contractor flatiron Construction with respect to work they are doing in the area of the Project for erosion control and trail repair.

3.2. COMMUNICATIONS

3.2.1. The District shall make available to the Contractor information which affects this Contract and which becomes available to the Contractor

subsequent to execution of this Contract.

3.2.2. The District shall not give verbal instructions or orders directly to employees or workmen of the Contractor, except to persons designated as authorized representatives of the Contractor.

3.3. CLAIMS BY THE DISTRICT

3.3.1. The Contractor shall be responsible for the District's damages, including any liquidated damages, for delays caused by or contributed to by the Contractor, the Contractor's employees and agents, Sub-contractors, suppliers or any other person or entity for whose acts the Contractor may be liable. In the event damages are caused by the Contractor and another entity the District shall have the right to reasonably apportion said damages between the parties, and such apportionment shall be final and binding on the Contractor.

3.4. DISTRICT'S REMEDIES

3.4.1. If the Contractor defaults or neglects to carry out the Work in accordance with this Agreement and fails within one (1) work day after receipt of written notice from the District to provide a written plan of action to cure the default and/or fails within two (2) work days of receipt of written notice to commence and continue correction of such default or neglect with diligence and promptness, the District may, without prejudice to any other remedy the District may have, make good such deficiencies and may deduct the direct cost thereof together with an administrative fee of 15% and any attorney's fees and costs from any payments then or thereafter due the Contractor.

ARTICLE 4 CONTRACTOR

4.1. EXECUTION AND PROGRESS OF THE WORK

4.1.1. The Contractor shall cooperate with the District in scheduling and performing the Contractor's Work to avoid conflict, delay in or interference with the work of the other contractors. The Contractor shall provide the District the durations for each of the various parts of the Work necessary to complete the entirety of the Work as defined in Article 7, within two (2) work days of this Agreement. The Contractor expressly agrees that an extension of time shall constitute its sole and exclusive remedy should the Contractor be delayed, interfered with, interrupted, or hindered in its Work by the District or any other contractors, in which case the District shall provide the Contractor only an extension of time for completion equal to the delay caused but only if a written notice of delay is provided to the District within five (5) work days from the start of the delay, interference, disruption, or hindrance; and under no circumstances shall the District be liable to pay the Contractor any compensation for Contractor caused delays.

4.1.2. Omitted

4.1.3. Omitted

4.1.4. The Contractor agrees that the District's Engineer will have the authority to reject Work which does not conform to the requirements of the Contract Documents, or does not meet the quality standards of the District, and that Contractor shall promptly remedy any rejected Work at its sole cost and expense.

4.1.5. Omitted

4.1.6. The Contractor shall take necessary precautions to properly protect the Work of the Contractor, of other contractors, of separate Contractors to the District or the Army Corps of Engineers from damages caused by Contractor's operations under this Contract.

4.1.7. The Contractor shall cooperate with the Army Corps of Engineers or its contractors whose Work might interfere with the Contractor's Work. The Contractor shall participate in the preparation of coordinated drawings in areas of congestion, if required by the Prime Contract, specifically noting and advising the District of potential conflicts between the Work of the Contractor and that of the Army Corps of Engineers and its contractors.

4.1.8. Omitted

4.1.9. Omitted

4.1.10. The Contractor shall provide all necessary employees, equipment, materials and utilities required to complete its Work and to protect its Work and materials from weather, fire, traffic, flood, theft and any and all hazards.

4.1.11. The Contractor shall perform all Work made necessary by its operations, or caused by its operations such as cutting, patching, demolition, clean-up, repair of damaged facilities, and renovation and fill-in of areas left open by its removals.

Contractor's Initials _____

4.1.12 The Contractor shall ensure the professional conduct at all times of its officers, agents or employees in the performance of its Work, recognizing that, while working on the Project, its conduct directly reflects upon the reputation of the District. Should the Contractor fail to act professionally and such misconduct is recognized by the District, a written notice of reprimand may be sent to the Contractor,

4.1.13 The Contractor shall provide, at its own expense, whatever storage sheds, workshops and offices are necessary for the performance of its Work, and to remove same and thoroughly clean the premises upon completion of the Work.

4.1.14 The Contractor will not remove guards or safety appliances, except on authority of the District, and the Contractor will replace such guards and appliances promptly. Failure to make such replacement will authorize the District to do such work and charge the costs thereof to the Contractor.

4.2. LAWS AND NOTICES

4.2.1. The Contractor shall give notices and comply with laws, ordinances, rules, regulations and orders of public authorities bearing on performance of the Work of this Contract. Notwithstanding the foregoing, all Federal permits for working in the river shall be obtained by the Army Corps of Engineers and Contractor shall review said permits prior to commencing the Work and advise the District immediately of any required permit not issued but needed to commence the Work.

4.2.2. The Contractor shall comply with Federal, state and local tax laws, social security acts, unemployment compensation acts and workers' or workmen's compensation acts insofar as applicable to the performance of this Contract.

4.3. SAFETY PRECAUTIONS AND PROCEDURES

4.3.1. The Contractor shall take reasonable safety precautions with respect to performance of this Contract, shall comply with safety measures and with applicable laws, ordinances, rules, regulations and orders of public authorities for the safety of persons or property.

4.3.2. Omitted

4.3.3. In the event the Contractor encounters on the site material reasonably believed to be hazardous which has not been rendered harmless, the Contractor shall immediately stop Work in the affected area and report the condition to the District in writing.

4.3.4. The Contractor shall indemnify and hold harmless the District, the District's agents and employees or any of them from and against claims, damages, losses and expenses, arising out of or resulting from performance of the Work in the affected area if in fact hazardous materials are encountered and has not been rendered harmless, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or injury to or destruction of tangible property (other than the Work itself) including loss of use resulting therefrom, but only to the extent caused by negligent acts or omissions of the Contractor, regardless of whether or not such claim, damages, loss or expense is caused in part by a party indemnified hereunder.

4.4. CLEANING UP

4.4.1. The Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations performed under this Contract. The Contractor shall not be held responsible for unclean conditions caused by other contractors. The Contractor is solely responsible for its own waste materials or rubbish and that of any of its subcontractors.

4.5. WARRANTY

4.5.1. The Contractor warrants to the District that materials furnished under this Contract will be of the specified quality and new unless otherwise required or permitted by the Contract Documents, that the Work of this Contract will be free from defects not inherent in the quality required or permitted, and that the Work will conform with the requirements of the Contract Documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, shall be considered defective. The Contractor's warranty excludes remedy for damage or defect caused by abuse, modifications not executed by the Contractor, improper or insufficient maintenance, improper operation, or normal wear and tear under normal usage. This warranty shall be in addition to and not in limitation of any other warranty or remedy required by law or by the Contract Documents. If the Contractor is notified of a warranty item, the Contractor is required to respond in writing to said notification within one (1) work day of its receipt of the notification. The written response shall define the timeframe and method of remedy to provide the corrective measures. Unless agreed to otherwise, corrective action shall be commenced within two (2) work days. If the Contractor fails to fully coordinate correcting the deficiency, thus causing the District to provide the remedy, the Contractor will be charged for any administrative time and other contracted services necessary to complete the remedy, with overhead at a rate of 15%.

4.6. INDEMNIFICATION

4.6.1. To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold the District and its agents and employees harmless from and against all claims, damages, losses and expenses, including but not limited to attorney's fees and costs, arising out of or resulting from performance of the Contractor's Work under this Contract, to the extent caused by the negligent acts or omissions of the Contractor, the Contractor's Sub-contractors or suppliers, anyone directly or indirectly employed by them or anyone for whose acts they may be liable. Such obligation shall not be construed to negate, abridge, or otherwise reduce other rights or obligations of indemnity which would otherwise exist as to a party or person

described in this subparagraph 4.6. Contractor shall also indemnify, defend and hold the District harmless, from and against all claims, damages, losses, expenses, liens, and claims against Contractor's Payment Bond (if any), including attorney's fees and costs, asserted by any of Contractor's Sub-contractors and/or suppliers arising out of Contractor's failure to pay the Sub-contractor and/or supplier all amounts due or claimed to be due.

ARTICLE 5

CHANGES IN THE WORK

5.1. The District may make changes in the Work by issuing Modifications to the Contract and giving prompt notice of same to Contractor. Unless otherwise directed by the District, the Contractor shall not thereafter order materials or perform Work which would be inconsistent with the changes made by the Modifications to the Contract. The Contractor shall review each Modification issued by the District, and advise the District in writing within five (5) work days of receipt of the Modification as to the impact, if any, on the Contractor's work, including any adjustment in Contract time or price. If the Contractor fails to respond to a Modification within the defined timeframe, the failure to respond will be conclusively determined to be a representation by Contractor that no additional costs or time will be required to complete the Modification. If this is the case, and the District chooses to proceed with the work described in the Modification, a Change Order will be issued to the Contractor, identifying the additional work, but providing for no cost or time adjustments.

5.2. Omitted

5.3. The Contractor shall make claims to the District for additional costs, extensions of time or other causes within five (5) work days of when the claim arose or it will be irrevocably waived.

ARTICLE 6

TERMINATION, SUSPENSION OR ASSIGNMENT OF THE CONTRACT

6.1. TERMINATION BY THE CONTRACTOR

6.1.1. The Contractor may terminate the Contract for nonpayment of amounts due under this Contract for 60 days or longer. In the event of such termination by the Contractor for any reason which is not the fault of the Contractor, Sub-contractors or their agents or employees or other persons performing portions of the Work under contract with the Contractor, the Contractor shall be entitled to recover from the District payment for Work properly executed prior to the date of termination as its sole and exclusive remedy. Under no circumstances shall Contractor be entitled to any incidental or consequential damages, including, but not limited to, any lost profits on the uncompleted portion of the Work.

6.2. TERMINATION BY THE DISTRICT

6.2.1. If the Contractor fails or neglects to carry out the Work in accordance with the Contract Documents or otherwise to perform in accordance with this Agreement and fails within two (2) work days after receipt of written notice to commence and continue correction of such default or neglect with diligence and promptness, the District may, without prejudice to any other remedy the District may have, terminate the Contract and finish the Contractor's Work by whatever method the District may deem expedient. If the unpaid balance of the Contract Sum exceeds the cost of completing Contractor's work, together with an administrative fee of 15% of the cost of completing the Contractor's Work and any attorney's fees and costs, such excess shall be paid to the Contractor, but if such cost exceeds such unpaid balance, the Contractor shall pay the difference to the District.

6.2.2. Omitted

6.3. SUSPENSION / ASSIGNMENT

6.3.1. Omitted

6.3.2. The Contractor shall not assign the Work of this Contract nor further contract portions of this Contract without the prior written consent of the Contractor.

ARTICLE 7

THE WORK OF THIS CONTRACT

7.1. The Contractor shall execute the following portion of the Work described in the Contract Documents, including all labor, materials, equipment, services and other items required to fully and properly complete such portion of the Work, except to the extent specifically indicated in the Contract Documents to be the responsibility of others. DIVERSION OF THE RIVER, PUMPING AND DOWATERING AND ACCESSWAYS TO ALLOW THE ARMY CORPS OF ENGINEER'S CONTRACTOR TO COMPLETE REPAIRS ON THE LEVEE IN ACCORDANCE WITH SPECIFICATIONS TO BE PROVIDED BY THE ARMY CORPS OF ENGINEERS. THE AREA OF WORK FOR THIS CONTRACT IS FROM DROP STRUCTURE #3 TO DROP STRUCTURE #5, AND IN THE VICINITY OF THE UNION AVENUE BRIDGE. THE CONTRACTOR SHALL ALSO EXERCISE APPROPRIATE CARE AND PROTECTION FOR THE ACCESS ROAD INTO THE SITE, SURFACED AND UNSURFACED TRAILER AND OTHER IMPROVEMENTS AND LANDSCAPING. CONTRACTOR IS RESPONSIBLE FOR REMOVAL OF ALL MATERIALS AND EQUIPMENT USED BY CONTRACTOR FOR DIVERSION AND DOWATERING.

Contractor's Initials _____

ARTICLE 8
COMMENCEMENT AND SUBSTANTIAL COMPLETION

- 8.1. The Contractor shall commence Work upon execution of this Agreement.
- 8.2. The Work of this Contract shall be substantially completed as directed by the District subject to adjustments of this Contract Time as provided in the Contract Documents.
- 8.3. Time is of the essence of this Contract.
- 8.4. No extension of time will be valid without the Contractor's written consent after claim made by the Contractor in accordance with this Agreement.
- 8.5. Payment to the Contractor by the District shall not constitute acceptance of the Work.

ARTICLE 9
CONTRACT SUM

- 9.1. The District shall pay the Contractor in current funds for the proper performance of the Contract Work, subject to additions and deductions as provided in the Contract Documents, as follows:
- a. Diversion Structures, Mobilization and Demobilization: \$94,821.00
 - c. Set-up and one week of dewatering: \$18,600.00
 - d. Daily rate for continued dewatering: \$990.00

ARTICLE 10
PROGRESS AND FINAL PAYMENTS

- 10.1. Omitted
- 10.2. The District, in its sole discretion, may issue payment to Contractor in the form of joint checks made payable to Contractor and any of its Sub-contractors and/or suppliers. In the event of any lien or claim, actual or threatened, by any of Contractor's Sub-contractors and/or suppliers, the District, in its sole discretion, may directly pay the Sub-contractor and/or supplier all undisputed amounts to which the Sub-contractor and/or supplier is entitled.
- 10.3. Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by District to Contractor within thirty (30) days of when the Work has been completed in accordance with the Contract Documents.
- 10.4. Omitted

ARTICLE 11
INSURANCE AND BONDS

- 11.1. The Contractor shall purchase and maintain insurance of the following types of coverage and limits of liability:

Commercial General Liability

- | | | |
|---------------------------------|---|-------------------------------------|
| 1. | Combined Single Limit Bodily Injury/
Property Damage | <u>\$2,000,000.00</u>
Occurrence |
| | | <u>\$2,000,000.00</u>
Aggregate |
| 2. | Products/Completed Operations Aggregate | <u>\$1,000,000.00</u> |
| 3. | Personal and Advertising Injury Limit | <u>\$1,000,000.00</u> |
|
<u>Automobile Liability</u> | | |
| 4. | Umbrella Coverage | \$5,000,000.00 |
| | Combined Single Limit Bodily Injury/ | <u>\$1,000,000.00</u> |

Contractor's Initials _____

Property Damage

Workmen's Compensation

1. Each Accident As required by law
2. Each Occupational Disease As required by law

11.2. The District shall be named as an Additional Insured on a primary and non contributory basis on Contractor's Commercial General Liability policy and, as a condition precedent to Contractor's entitlement to any payments under this Agreement, Contractor shall provide District with ISO Endorsement No. CG 20 10 which identifies District as an additional insured.

11.3. Coverages, whether written on an occurrence or claims-made basis, shall be maintained without interruption from date of commencement of the Contractor's Work until the date of final payment and for a period of six (6) years after substantial completion of the Work.

11.4. Certificates of insurance acceptable to the District shall be filed with the District prior to commencement of the Contractor's Work. These certificates and the insurance policies required by this Article 11 shall contain a provision that coverages afforded under the policies will not be cancelled or allowed to expire until at least thirty (30) days' prior written notice has been given to the District. If any of the foregoing insurance coverages are required to remain in force after final payment and are reasonably available, an additional certificate evidencing continuation of such coverage shall be submitted with the final application for payment as required in Article 10. If any information concerning reduction of coverage is not furnished by the insurer, it shall be furnished by the Contractor with reasonable promptness according to the Contractor's information and belief.

11.5. Omitted

11.6. Omitted

ARTICLE 12
WORKING CONDITIONS

12.1. The Contractor is responsible for verifying the dimensions and elevations at the site by field measurement prior to ordering materials or in any way commencing to perform Work.

12.2. The Contractor shall notify the District in writing of any deficiencies in any work at the site prior to the commencement of the Contract Work. Any unreported deficiencies shall be deemed accepted by the Contractor as of the commencement of the Contractor's Work in such areas and become the responsibility of the Contractor.

ARTICLE 13
MEDIATION AND ARBITRATION

13.1. MEDIATION

13.1.1. Any Contractor claim arising out of or related to this Agreement not previously waived shall be subject to mediation as a condition precedent to arbitration. Any Contractor demand for mediation shall be made within six (6) months of substantial completion of the Project or be barred thereafter. The mediation shall be conducted by a mediator acceptable to District and Contractor. If District and Contractor are unable to agree upon a mediator, the mediation shall be conducted under the auspices of the American Arbitration Association using the then current Construction Industry Arbitration Rules and Mediation Procedures. The costs of the mediation shall be borne equally by the parties.

13.2. ARBITRATION ****

13.2.1. In the event any Contractor claim is not resolved by mediation, the claim shall be resolved by binding arbitration conducted under the auspices of the American Arbitration Association using the then current Construction Industry Arbitration Rules and Mediation Procedures. Any Contractor demand for arbitration shall be made within six (6) months of the mediation conducted in accord with subparagraph 13.1.1 or be barred thereafter. The costs of the arbitration shall be borne equally by the parties subject to reallocation by the arbitrator in the arbitration award. Judgment on any award may be entered by any Court of competent jurisdiction.

13.2.2. Judgment on any award may be entered by any Court of competent jurisdiction.

13.2.3.

ARTICLE 14
MISCELLANEOUS PROVISIONS

14.1. This Contract shall be governed by the laws of the State of Colorado. Subject to subparagraph 13.2.3, exclusive venue for any action arising out of or related to this Agreement shall be in Pueblo County, Colorado.

Contractor's Initials _____

14.2. NOTICES

14.2.1. Any notice required under this Agreement shall be sent via first class mail postage prepaid, by facsimile transmission, or email transmission. Notice sent via first class mail shall be effective on the work day following deposit. Notice sent via facsimile or email shall be effective upon receipt.

14.2.2. Notices shall be sent to the following:

Contractor: Sun Construction, Inc.
1001 Mark Dublin Blvd
Colorado Springs, CO 80907

District: Rick Kidd, District Engineer
P.O. Box 234
Pueblo, CO 81002-

This Agreement entered into as of the ____ day of January, 2011.

CONTRACTOR – SUN CONSTRUCTION, INC.

By: _____

Its: CEO

PUEBLO CONSERVANCY DISTRICT

By: _____
Gus F. Sandsrom

Its: President

Contractor's Initials _____