

RECORD OF PROCEEDINGS

MINUTES OF JOINT REGULAR MEETING

BOARD OF DIRECTORS

SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT

AND

PLATTE CANYON WATER AND SANITATION DISTRICT¹

Friday
April 22, 2022
Jefferson County, Colorado

The regular joint monthly meeting of the Board of Directors of the Southwest Metropolitan Water and Sanitation District (“Southwest”) and the Board of Directors of the Platte Canyon Water and Sanitation District (“Platte Canyon”) convened on Friday, April 22, 2022, at 8:30 a.m. in the Districts’ office located at 8739 West Coal Mine Avenue, Littleton, Colorado 80123. Due to COVID-19 and related virus concerns, the meeting was also conducted virtually using Microsoft Teams Meeting. Accordingly, those Board members who could not or were not comfortable physically attending, could attend by telephone or by on-line virtual meeting. The web address and call-in information were included in the meeting notice so that interested members of the public could also attend. Although jointly conducted, a portion of the meeting pertained solely to one District or the other and, accordingly, at times only the vote of one Board or the other was required.

The following Southwest Directors were in attendance, to-wit:

Anthony M. Dursey (Via Telephone)
George E. Hamblin, Jr.
Chuck Hause
Bernard J. Sebastian, Jr.

The following Platte Canyon Directors were in attendance, to wit:

William D. Buckner
Anthony M. Dursey (Via Telephone)
Louis J. Fohn
George E. Hamblin, Jr.

The following Platte Canyon staff members were physically in attendance: Cynthia Lane, manager; Alyssa Quinn, assistant manager; Vanessa Shipley, financial administrator;

¹ and each District’s Water and Sanitary Sewer Activity Enterprise.

and Tony Cocozzella, construction program manager, and Bridget Butterfield, communications and administrative services coordinator attended by Microsoft Teams.²

Also physically in attendance was Timothy J. Flynn, from Collins Cole Flynn Winn & Ulmer, PLLC, legal counsel for both Districts.

CONTINUED SOUTHWEST VARIANCE HEARING

George E. Hamblin Jr., Southwest's Secretary/Treasurer, reopened the continued Southwest variance hearing on Toll Brothers' appeal of Southwest staff's denial of Toll Brothers' request for a variance from Southwest's sanitary sewer specifications as applied to the Parkvue on The Platte Subdivision within the South Santa Fe Park development on South Santa Fe Drive.

Cynthia Lane, Southwest's manager, advised the Southwest Board that this past week Toll Brothers submitted a revised set of plans that she believes will substantially comply with Southwest's engineering standards and specifications. At the present time, Southwest engineer RG & Associates is reviewing the submittal and will be in a position to report back to Cynthia Lane prior to next month's meeting.

After Cynthia Lane's introductory remarks, and because this matter has not been fully resolved, Director Hamblin continued the Toll Brothers variance hearing until 8:30 a.m. Friday May 27th, 2022, with the understanding that the hearing may be cancelled if the submitted plans comply with Southwest's engineering standards and specifications. If the submitted plans comply with Southwest's engineering standards, Cynthia Lane will send out a notice to both the Southwest and Platte Canyon Boards and to Toll Brothers advising all that the continued hearing has been vacated and that Toll Brothers variance request is deemed to have been withdrawn.

EXECUTIVE SESSION

Because of the Toll Brothers variance request was continued for another month, the Executive Session as noticed on the agenda was not held.

CALL TO ORDER

The Southwest Board meeting was then called to order by Southwest's Secretary/Treasurer, George E. Hamblin Jr., who presided as Chair.

² Southwest has no employees. The above-named personnel are Platte Canyon employees who, pursuant to contract with Platte Canyon, provide management, operation, and maintenance services for Southwest.

APPROVAL OF SOUTHWEST AGENDA

Following a brief discussion, a motion was made by Southwest Director Hause and seconded by Southwest Director Sebastian to approve the Southwest agenda, as presented. The Chair called for a vote of the Southwest Board, and the vote was as follows:

Anthony M. Dursey	Aye
George E. Hamblin, Jr.	Aye
Chuck Hause	Aye
Bernard J. Sebastian, Jr.	Aye

SOUTHWEST CONSENT AGENDA ITEMS

Following a brief discussion, a motion was made by Southwest Director Hause and seconded by Southwest Director Sebastian to approve Southwest Consent Agenda Items 1 and 2, as set forth below, by a single motion:

1. Ratification of Interim Disbursements and Approval of Current Payables. The Southwest payables and supplemental disbursements for the month of April 2022, in the aggregate amount of \$163,809.58, represented by Southwest check nos. 20551 thru 20571, inclusive, including any checks for less than \$5,000 written by the manager pursuant to prior Board authorization, together with various electronic fund payments for utility and other authorized electronic fund payment vendors.

2. Southwest Investment/Deposit Transaction Report. During the month, Southwest did not purchase any treasury notes or other securities nor did any Southwest treasury or other securities redeem or renew. During the month, Southwest did not roll over or open any new certificates of deposit.

With respect to the above referenced Consent Agenda Items the Chair called for a vote of the Southwest Board, and the vote was as follows:

Anthony M. Dursey	Aye
George E. Hamblin, Jr.	Aye
Chuck Hause	Aye
Bernard J. Sebastian	Aye

SOUTHWEST ACTION ITEMS

There were no action items to come before the Southwest board.

SOUTHWEST INFORMATION/DISCUSSION ITEMS

1. Relocation of 16” Water Line in Connection with CDOT Project on South Santa Fe. The manager and Tony Coccozella briefed the Board on plans to relocate,

as soon as possible, a 16” Southwest Metro water main located in South Santa Fe Drive from Mineral Avenue on the North to Blakeland Drive on the South. The water main, which is cast iron, was installed in 1970 and is located in the Southbound lane of South Santa Fe Drive. The age of the water main and maintenance issues identified by operations staff prompted expediting plans to relocate this main. It is important to get the relocation accomplished before CDOT starts a road widening project that will extend from Grant Ranch Blvd North to Dad Clark Gulch, A thirty-month road widening project.

CDOT has informed Southwest that upon completion of the road widening project, CDOT will impose a five-year moratorium on the disturbance of any new pavement. Given the age of the main, the problems with maintenance issues associated with the main, and safety concerns of employees working in South Santa Fe Drive if there are leaks, the manager and staff have decided to expedite the relocation of this 16” main. This information was provided to the Board to give them a heads up that more definitive plans will be coming to the Board for approval in the near future. Following the discussion, the Southwest Board expressed no concerns about the expedited relocation project and understands and agrees that RG & Associates should be working on a design. Staff was also given the go ahead to coordinate with any other entities that would be involved in the relocation project, so once it is approved, it can move forward without any delays.

2. Update on Hogback Pump Station Renovation. The manager advised the Board that the planned final phase of the Hogback Pump Station Rehabilitation did not go as planned. For reasons that have not yet been determined there was a failure with a pump in the pump station causing a water outage in the surrounding area. As of 2:30 a.m., it was believed that water service to the bulk of the customers served by the Hogback Pump Station had been restored. Cynthia Lane advised the Board that Scott Hand had been onsite working to restore water service for over 24-hours straight and that is the reason he is not present for the meeting this morning. The cause of the incident is under investigation and once the cause has been determined, a full presentation will be given to both Boards.

SOUTHWEST NEW BUSINESS

There was no new business to come before the Southwest Board.

JOINT PARTICIPATION PORTION OF THE MEETING

George E. Hamblin, Southwest’s Secretary/Treasurer, continued to act as Chair of the joint participation portion of the meeting.

APPROVAL OF JOINT MEETING AGENDA

A motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Fohn to approve the joint meeting agenda, as presented. The Chair called for a vote of the Southwest Board, and the vote was as follows:

Anthony M. Dursey	Aye
George E. Hamblin, Jr.	Aye
Chuck Hause	Aye
Bernard J. Sebastian, Jr.	Aye

The Chair then called for a vote of the Platte Canyon Board, and the vote was as follows:

William Buckner	Aye
Anthony M. Dursey	Aye
Louis J. Fohn	Aye
George E. Hamblin, Jr.	Aye

JOINT MEETING CONSENT AGENDA ITEM

1. Approval of the Minutes of the Boards' March 25, 2022, Joint Regular Meeting. Following a brief discussion, a motion was made by Platte Canyon Director Buckner and seconded by Southwest Director Hause to approve the minutes of the Boards March 25, 2022, joint regular meeting, as presented. The Chair called for a vote of the Southwest Board, and the vote was as follows:

Anthony M. Dursey	Aye
George E. Hamblin, Jr.	Aye
Chuck Hause	Aye
Bernard J. Sebastian, Jr.	Aye

The Chair then called for a vote of the Platte Canyon Board, and the vote was as follows:

William Buckner	Aye
Anthony M. Dursey	Aye
Louis J. Fohn	Aye
George E. Hamblin, Jr.	Aye

The approved minutes will be presented to the members of each Board for signature, as soon as practical following the meeting, as further evidence of the Board members ratification, confirmation, and approval.

JOINT MEETING ACTION ITEMS

No action items came before this joint regular meeting of the Boards.

JOINT MEETING INFORMATION/DISCUSSION ITEMS

1. Financial Matters.

(a) **Platte Canyon Financial Statements.** The following unaudited Platte Canyon financial statements, prepared by Vanessa Shipley, for the three-month period ending March 31, 2022, were presented to the Boards:

(i) Statement of Net Assets, dated March 31, 2022, showing Platte Canyon’s Assets, Liabilities, and Net Assets; and

(ii) Statement of Revenue, Expenses and Changes in Net Assets for the three-month period ending March 31, 2022; and

(iii) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to Annual Budget for the three-month period ending March 31, 2022; and

(iv) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to CM/YTD Budget for the three-month period ending March 31, 2022.

Vanessa Shipley stated that there were no significant deviations from the financial statements that she wanted to bring to the Boards attention, she asked if there were any questions concerning the financial statements. Thereafter, a motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Fohn to accept the Platte Canyon financial statements, as presented.

The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

William Buckner	Aye
Anthony M. Dursey	Aye
Louis J. Fohn	Aye
George E. Hamblin, Jr.	Aye

(b) **Southwest Financial Statements.** The following unaudited Southwest financial statements, prepared by Vanessa Shipley for the three-month period ending March 31, 2022, were presented to the Boards:

(i) Statement of Net Assets, dated March 31, 2022, showing Southwest’s Assets, Liabilities, and Net Assets;

(ii) Statement of Revenue, Expenses and Changes in Net Assets for the three-month period ending March 31, 2022;

(iii) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to Annual Budget for the three-month period ending March 31, 2022; and

(iv) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to CM/YTD Budget for the three-month period ending March 31, 2022.

Vanessa Shipley stated that there were no significant deviations from the financial statements that she wanted to bring to the Boards attention, she asked if there were any questions concerning the financial statements. Thereafter, a motion was made by Southwest Director Hause and seconded by Southwest Director Sebastian to accept the Southwest financial statements, as presented. The Chair called for a vote of the Southwest Board, and the vote was as follows:

Anthony M. Dursey	Aye
George E. Hamblin, Jr.	Aye
Chuck Hause	Aye
Bernard J. Sebastian, Jr.	Aye

(c) **Platte Canyon Investment/Deposit Report.** The Boards reviewed a list of Platte Canyon’s investments in U.S. Government treasury notes, agency securities, certificates of deposit, and money market funds, together with a report showing the funds Platte Canyon has in approved state depositories and authorized local government investment pools. As of March 31, 2022, Platte Canyon’s investments and deposits totaled \$8,213,961.18, itemized as follows:

<u>Description</u>	<u>Amount</u>	<u>Percentage</u>
Checking	\$217,950.38	2.65%
Certificates of Deposit	\$744,000.00	9.06%
ColoTrust-Edge	\$1,718,250.04	20.92%
ColoTrust-Plus	\$585,292.55	7.13%
ColoTrust-Trust Account	\$42,033.56	0.51%
CSAFE-Core	\$628,833.48	7.66%
Treasury Bills	\$0.00	0.00%
Treasury Notes	\$2,773,985.27	33.77%
U.S. Government Agencies and Instrumentalities	\$1,503,615.90	18.31%
TOTAL	<u><u>\$8,213,961.18</u></u>	<u><u>100.00%</u></u>

The average yield on Platte Canyon’s investments for the month of March 2022, as calculated by staff, was 0.5536% per annum.

Following a brief discussion, a motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Buckner to accept the Platte Canyon

Investment/Deposit Report, as presented. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

William Buckner	Aye
Anthony M. Dursey	Aye
Louis J. Fohn	Aye
George E. Hamblin, Jr.	Aye

(d) **Southwest Investment/Deposit Report.** The Boards reviewed a list of Southwest’s investments in U.S. Government treasury notes, agency securities, certificates of deposit, and money market funds, together with a report showing the funds Southwest has in approved state depositories and authorized investment pools. As of March 31, 2022, Southwest’s investments and deposits totaled \$24,917,399.53, itemized as follows:

<u>Description</u>	<u>Amount</u>	<u>Percentage</u>
Checking	\$91,802.51	0.37%
Certificates of Deposit	\$494,000.00	1.98%
ColoTrust-Edge	\$4,283,239.96	17.19%
ColoTrust-Plus	\$490,081.95	1.97%
ColoTrust-Trust Account	\$59,873.55	0.24%
CSAFE-Core	\$2,533,649.78	10.17%
Treasury Bills	\$0.00	0.00%
Treasury Notes	\$10,964,751.78	44.00%
U.S. Government Agencies and Instrumentalities	\$6,000,000.00	24.08%
TOTAL	<u><u>\$24,917,399.53</u></u>	<u><u>100.00%</u></u>

The average yield on Southwest’s investments for the month of March 2022, as calculated by staff, was 0.7141% per annum.

Following a brief discussion, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Sebastian and seconded by Southwest Director Hause to accept the Southwest Investment/Deposit Report, as presented. The Chair called for a vote of the Southwest Board, and the vote was as follows:

Anthony M. Dursey	Aye
George E. Hamblin, Jr.	Aye
Chuck Hause	Aye
Bernard J. Sebastian, Jr.	Aye

3. Management Report. The manager briefly reviewed her written management report for the month of March 2022, a copy which was previously provided

to each member of both Boards. Her review consisted of an update as to the following items:

(a) **2022 District Goals.** The accomplishment of the District goals for 2022 are proceeding as indicated in the managers' report. The manager commented briefly on the safety manual revision which Alyssa Quinn is heading up. She noted that Alyssa Quinn has done a great job in updating the manual and making it more robust. She is working with the Special District Property and Liability Pool to make sure the manual has the most up to date language and has all the items necessary. To emphasize the importance of safety, a special safety day will be planned and budgeted for next year.

In addition to the foregoing, the employee performance evaluation system that the manager is working on is nearly complete. The manager has completed an initial draft and is putting the finishing touches on the draft. It is anticipated that revised final draft will be completed in the near future. Once the draft is finalized a new evaluation performance system will be put in place for all District employees.

4. **Operations and Maintenance Summary Report.** In Scott Hand's absence the Board briefly reviewed the written operations report he prepared for March 2022. During the reporting period it was noted that Platte Canyon experienced one water service interruption at 7875 West Glasgow Place. The steel tapping saddle had deteriorated, this was repaired by C&L Water Solutions and the amount of time District customers were out of water service was minimal.

Southwest experienced no water service interruptions during the reporting period. During the reporting period Platte Canyon had no sewer service interruptions, Southwest however, experienced a sewer service interruption at 12325 West Bowles Avenue, which is the West Bowles Community Church. Staff responded to the address and confirmed a main line blockage. The main was cleared right away, however, severe damage occurred to the basement of the Church which is approximately 3,000 square feet in area. The church, acting through its insurance company, has filed a claim with the Special District Property and Liability Pool. Sanitizing and cleaning activities are still in progress. An update will be given to the Board during next month's meeting. It appears that the cause of the backup was grease buildup in the sewer line.

5. **Capital Projects Report.** Tony Cocozzella reviewed the capital projects report for Platte Canyon and Southwest. Currently, there are thirteen (13) development projects underway. As part of his report, Mr. Cocozzella updated the Boards as to the status of all going Platte Canyon and Southwest projects, including developer projects and District specific projects. His report also gave a budget to actual comparison of the costs incurred by the District in a number of the District's capital sanitary sewer and water replacement projects that are scheduled for this year.

NEW BUSINESS

There was no new business to come before the Joint participation portion of the meeting.

1. **Search for New Director.** There was a brief discussion concerning the process that the Southwest Board wants to utilize to fill the vacancy created by the resignation of Director Kenton C. Ensor, Jr. Staff noted they had a couple of people who may be interested, as did Platte Canyon Director Fohn. These individuals will be invited to submit letters of interest and may come to a future Board meeting for purposes of being interviewed.

PLATTE CANYON PORTION OF THE JOINT MEETING

CALL TO ORDER

The Platte Canyon portion of the joint meeting was called to order by Platte Canyon’s President George E. Hamblin, Jr., who presided as Chair.

1. **Director’s Absence Excused.** Following a brief discussion, a motion was made by Platte Canyon Director Fohn and seconded by Platte Canyon Director Buckner to excuse the absence of Platte Canyon Director Mark Swatek, who is unable to attend the meeting. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

William Buckner	Aye
Anthony M. Dursey	Aye
Louis J. Fohn	Aye
George E. Hamblin, Jr.	Aye

APPROVAL OF PLATTE CANYON AGENDA

A motion was made by Platte Canyon Director Fohn and seconded by Platte Canyon Director Buckner to approve, as presented, the Platte Canyon agenda. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

William Buckner	Aye
Anthony M. Dursey	Aye
Louis J. Fohn	Aye
George E. Hamblin, Jr.	Aye

PLATTE CANYON CONSENT AGENDA ITEMS

Following a brief discussion, a motion was made by Platte Canyon Director Swatek and seconded by Platte Canyon Director Buckner to approve Platte Canyon consent agenda items 1 and 2, as set forth below, by a single motion:

1. **Approval of Accounts Payable and Ratification of Interim Disbursements.** The Platte Canyon payables and supplemental payables for the month of March 2022, in the aggregate amount of \$247,509.59 represented by Platte Canyon check nos. 34234 through 34276, inclusive, including any checks written by the manager pursuant to prior Board authorization for less than \$5,000 as well as various electronic fund payments for employee salaries, utilities and other authorized electronic fund payment vendors.

2. **Platte Canyon Investment/Deposit Report.** During the month, Platte Canyon did not purchase any treasury notes or other securities nor did any Platte Canyon treasury or other securities redeem or renew. During the month, Platte Canyon did not roll over or open any new certifications of deposit. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

William Buckner	Aye
Anthony M. Dursey	Aye
Louis J. Fohn	Aye
George E. Hamblin, Jr.	Aye

PLATTE CANYON ACTION ITEMS

There were no action items to come before the Platte Canyon Board.

PLATTE CANYON INFORMATION/DISCUSSION ITEMS

There were no information or discussion items to come before the Platte Canyon Board.

PLATTE CANYON NEW BUSINESS

There was no new business to come before the Platte Canyon Board.

ADJOURNMENT

There being no further business to come before this joint regular meeting of the Southwest and Platte Canyon Boards, a motion to adjourn was made by Platte Canyon Director Fohn and seconded by Platte Canyon Director Buckner. The Chair called for a vote of the Southwest Board, and the vote was as follows:

Anthony M. Dursey	Aye
George E. Hamblin, Jr.	Aye
Chuck Hause	Aye
Bernard J. Sebastian, Jr.	Aye

The Chair then called for a vote of the Platte Canyon Board, and the vote was as follows:

Anthony M. Dursey	Aye
William Buckner	Aye
Louis J. Fohn	Aye
George E. Hamblin, Jr.	Aye

Whereupon, this joint regular meeting of the Southwest and Platte Canyon Boards of Directors adjourned at approximately 9:15 a.m. The next regular joint meeting of the Boards will be held on Friday, May 27, 2022, at 8:30 a.m. in the Districts' office located at 8739 West Coal Mine Avenue, Littleton, Colorado 80123.

Respectfully submitted,

Timothy J. Flynn, Recording Secretary

RECORD OF PROCEEDINGS

THE MINUTES OF THIS JOINT REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT AND THE BOARD OF DIRECTORS OF THE PLATTE CANYON WATER AND SANITATION DISTRICT ARE HEREBY RATIFIED, CONFIRMED AND APPROVED BY THE FOLLOWING NAMED INDIVIDUALS WHO, INDIVIDUALLY AND AS MEMBERS OF THE BOARD OF DIRECTORS OF SAID DISTRICTS, WAIVE ANY AND ALL NOTICE THAT MAY BE REQUIRED BY THE STATUTES OF THE STATE OF COLORADO PERTAINING TO THE CONVENING AND THE CONDUCTING OF THIS SPECIAL MEETING OF THE DISTRICTS' BOARDS OF DIRECTORS; AND THE UNDERSIGNED DO HEREBY CONSENT TO THE SAID MEETING BEING HELD ON THE DATE, AT THE TIME AND AT THE PLACE AS HEREINABOVE SET FORTH.

SOUTHWEST METROPOLITAN
WATER AND SANITATION DISTRICT

PLATTE CANYON WATER AND
SANITATION DISTRICT

Anthony M. Dursey

William D. Buckner

George E. Hamblin, Jr

Anthony M. Dursey

Chuck Hause

Louis J. Fohn

Bernard J. Sebastian, Jr.

George E. Hamblin, Jr.