

MINUTES OF JOINT REGULAR MEETING

BOARD OF DIRECTORS

PLATTE CANYON WATER AND SANITATION DISTRICT

AND

SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT¹

Friday
November 17, 2017
Jefferson County, Colorado

The regular monthly meeting of the Board of Directors of the Platte Canyon Water and Sanitation District (“Platte Canyon”) and the Board of Directors of the Southwest Metropolitan Water and Sanitation District (“Southwest”) convened on Friday, November 17, 2017, at 8:30 a.m. in the Districts’ office located at 8739 West Coal Mine Avenue, Littleton, Colorado 80123. 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 Platte Canyon Directors were in attendance, to wit:

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

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

Anthony M. Dursey
Kenton C. Ensor, Jr.
George E. Hamblin, Jr.
Chuck Hause
Bernard J. Sebastian, Jr.

The following Platte Canyon staff members were in attendance: Patrick J. Fitzgerald, manager; Cynthia Lane, assistant manager; Vanessa Shipley, financial

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

administrator; Scott Hand, operations supervisor; Tony Cocozzella, construction, plan review and special projects coordinator; and Alyssa Quinn, administrative assistant.²

Also in attendance was Timothy J. Flynn, from Collins Cockrel & Cole, P.C., legal counsel for both Districts.

CALL TO ORDER

The meeting was called to order by Platte Canyon President, Richard Rock, who presided as Chair.

APPROVAL OF PLATTE CANYON AGENDA

A motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Fohn 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
Richard Rock	Aye

PLATTE CANYON CONSENT AGENDA ITEMS

Following a brief discussion, a motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Fohn to approve the Platte Canyon Consent Agenda Items 1 through 7 as set forth below by a single motion. 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
Richard Rock	Aye

1. **Ratification of Interim Disbursements and Current Payables.** The Platte Canyon interim disbursements paid and current payables for the month of November 2017 in the aggregate amount of \$294,548.94, represented by Platte Canyon check numbers 31453 through 31503, inclusive, including those checks written by the manager pursuant to prior Board authority for less than \$2,500.

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.

2. **Ratification of Platte Canyon Investment Transactions.** The renewal on October 4, 2017 of a \$100,000 Certificate of Deposit for one year at the Bank of Denver, maturing October 4, 2018, and bearing interest at the rate of 1% per annum.

3. **Approval of 2017 Audit Engagement Letter.** The approval of and authorization to sign Shilling & Company, Inc.'s audit engagement letter dated October 25, 2017 for the 2017 Platte Canyon Audit for an amount not to exceed \$7,200.

4. **Amendment to Emergency and Non-Emergency Services Agreement.** The First Amendment to the C&L Water Solutions' Agreement for Emergency and Non-Emergency Maintenance Services dated January 1, 2016, approving C&L's 2018 rates as set forth in Exhibit B to the First Amendment.

5. **Approval of Amendment to Geographic Information Consulting Agreement.** The First Amendment to Merrick & Company's General Geographic Consulting Services Agreement dated January 1, 2017, authorizing specific and general consulting services for GIS system and auto-cad mapping during 2018 for an amount not to exceed \$20,000.

6. **Amendment to Agreement for General Engineering Services.** The First Amendment to Agreement for Professional General Engineering Services with Dewberry Engineers dated April 1, 2017 approving Dewberry's proposed rate increase for 2018, which rate adjustment ranges from 2.4% to 6.7%, with an average rate increase overall of 4.1% for all engineering positions that would be performing work for Platte Canyon during 2018 in an amount not to exceed \$30,000 with the prior written approval of the District.

7. **Approval of Capital Master Plan.** Approval of the Platte Canyon Capital Master Plan for the period 2018-2027, as reviewed in detail by the Board at its October meeting.

PLATTE CANYON ACTION ITEMS

1. **Adoption of 2018 Budget.** The Chair opened the public hearing on Platte Canyon's proposed 2018 Budget. Notice of the Budget Hearing was published in accordance with the Local Government Budget Law by staff. No members of the public appeared in person, or otherwise registered any objections or offered any amendments to the proposed 2018 Budget, which is balanced as required by law. The Chair then closed the public hearing on the 2018 Budget.

Following a brief discussion, a motion was made by Platte Canyon Director Fohn and seconded by Platte Canyon Director Buckner to adopt Platte Canyon Resolution 2017-11-1, a copy of which is attached to the original of these minutes, which Resolution formally adopts the proposed 2018 Budget, as heretofore submitted and amended, as the

official budget for Platte Canyon for calendar year 2018, subject to whatever minor adjustments, if any, need to be made when the final assessed valuations are received from Arapahoe and Jefferson Counties. 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
Richard Rock	Aye

A copy of Resolution 2017-11-1 is attached to the original of these minutes as **Exhibit A.**

The Platte Canyon Board then considered Platte Canyon Resolution 2017-11-2, which Resolution authorizes and appropriates the sum of \$4,001,420 for expenditure by Platte Canyon in calendar year 2018. The motion to adopt said Resolution was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Fohn. 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
Richard Rock	Aye

A copy of Resolution 2017-11-2 is attached to the original of these minutes as **Exhibit B.**

Platte Canyon's 2018 Budget contemplates the expenditure of property tax revenues, and the manager addressed the need for certifying a property tax mill levy. Following a brief discussion, a motion was made by Platte Canyon Director Fohn and seconded by Platte Canyon Director Buckner to adopt Resolution 2017-11-3, which Resolution formally authorizes certification of an operations and maintenance mill levy of 7.104 mills for tax year 2018. 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
Richard Rock	Aye

A copy of Resolution 2017-11-3 is attached to the original of these minutes as **Exhibit C**.

As referenced earlier, the budget resolution, appropriations resolution, and mill levy certification resolution were adopted subject to whatever adjustments are necessary when the final assessed valuation for Platte Canyon is received from the Arapahoe and Jefferson County Assessor's offices.

2. **Adoption of Resolution 2017-11-4 Approving a Fee Schedule for 2018.**

The manager then reviewed Resolution 2017-11-4 which approves and confirms Platte Canyon's fee schedule for 2018. Following a brief discussion, a motion to adopt Resolution 2017-11-4 was made by Platte Canyon Director Fohn and seconded by Platte Canyon Director Buckner. 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
Richard Rock	Aye

A copy of Resolution 2017-11-4 is attached to the original of these minutes as **Exhibit D**.

3. **2018 Employee Medical, Dental, Vision, Life, and Disability Insurance Benefit Package.** For 2018, Platte Canyon's manager and assistant manager are recommending that the employee medical, dental, and other insurance benefits be obtained through the Colorado Employers Benefit Trust ("CEBT"), except for short and long-term disability. CEBT is a multi-employer trust for public institutions that provides employee benefits by spreading the insurance risk over a large base of members to reduce both insurance and administrative costs. The insurance coverage is provided by traditional insurance companies, and Platte Canyon would remain with United Healthcare for medical insurance, although under a slightly different plan.

Cynthia Lane explained in detail the medical, dental, vision and short and long-term disability plans being proposed for the employees. Medical insurance is proposed under a United Healthcare PPO 4 Plan that CEBT can provide for slightly less cost to Platte Canyon and slightly less cost to the employees as compared to 2017. The way that the employees will be reimbursed for out-of-pocket medical costs will be different in 2018, as Platte Canyon staff is recommending that the District adopt a health reimbursement arrangement that reimburses employees for Section 213(d) medical expenses that are eligible for reimbursement.

To be a member of CEBT, Platte Canyon needs to adopt the trust indenture by approving an Employer Participation Agreement in CEBT, as well as an agreement with Willis Towers Watson which administers the trust for the benefit of all participating employers and their employees. Platte Canyon also needs to adopt a Health Reimbursement Arrangement and enter into an employer benefit plan services agreement with Rocky Mountain Reserve (“RMR”) which administers the Health Reimbursement Arrangement on the District’s behalf. In addition, Platte Canyon will need to sign a business associate agreement with RMR to comply with HIPPA and other privacy requirements imposed by both state and federal law.

At the conclusion of the discussion which highlighted every significant aspect of the proposed employee health and other benefits package for 2018, including a comparison of the costs and coverages between the existing benefit package and the 2018 proposed benefit package, a motion was made by Platte Canyon Director Dursey and seconded by Platte Canyon Director Buckner to: (i) approve the Health Reimbursement Arrangement as outlined by staff; (ii) approve and authorize execution of the Employer Participation Agreement in CEBT by appropriate officers of Platte Canyon, along with a Business Arrangement with Willis Towers Watson; and (iii) approve and authorize execution of the Rocky Mountain Reserve Employer Benefit Plan Services Agreement as well as a Business Associate Agreement with RMR. The Chair called for a vote, and the vote was as follows:

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

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.

TEMPORARY RECESS

A motion was then made by Platte Canyon Director Fohn and seconded by Platte Canyon Director Hamblin to temporarily recess the joint regular meeting so that the Platte Canyon Board could reconvene as the ex-officio Board of the Platte Canyon Water and Sanitation Sub-District No. 1 and Sub-District No. 2. 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
Richard Rock	Aye

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

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

Whereupon the joint regular meeting was temporarily recessed at approximately 9:50 a.m.

JOINT PARTICIPATION PORTION OF THE MEETING

The joint participation portion of the Platte Canyon and Southwest Boards reconvened at approximately 10:00 a.m. Platte Canyon’s president, Richard Rock, continued to act as Chair for the joint participation portion of the meeting.

APPROVAL OF JOINT MEETING CONSENT AGENDA ITEMS

Following a brief discussion, a motion was made by Platte Canyon Director Hamblin and seconded by Southwest Director Ensor to approve the joint meeting consent agenda items 1-3 as set forth below:

1. **Minutes of the October 27, 2017 Joint Regular Meeting.**
2. **Joint Regular Meeting Schedule for 2018.** The proposed joint regular meeting schedule for Platte Canyon and Southwest for 2018 will be on the fourth Friday of each month during calendar year 2018, except during the month of November, when the Boards will meet on Friday, November 16, 2018 due to the Thanksgiving Day holiday.
3. **The Rescheduling of the Boards’ Regular December 2017 Meeting.** The Board’s joint regular meeting scheduled for December 22, 2017 is canceled and rescheduled to Friday, December 15, 2017.

The Chair called for a vote with respect to the Joint Regular Meeting Consent Agenda Items by 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
Richard Rock	Aye

The Chair then called for a vote with respect to the Joint Regular Meeting Consent Items by the Southwest Board, and the vote was as follows:

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

JOINT MEETING ACTION ITEMS

There were no action items presented to both Boards.

JOINT MEETING /DISCUSSION ITEMS

1. **Financial Matters.**

(a) **Platte Canyon Financial Statements.** The following unaudited Platte Canyon financial statements, prepared by Vanessa Shipley for the ten-month period ending October 31, 2017, were presented to the Boards:

(i) Statement of Net Assets, dated October 31, 2017, showing Platte Canyon’s Assets, Liabilities, and Net Assets;

(ii) Statement of Revenue, Expenses, and Changes in Net Assets for the ten-month period ending October 31, 2017;

(iii) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to Annual Budget for the ten-month period ending October 31, 2017; and

(iv) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to CM/YTD Budget for the ten-month period ending October 31, 2017.

At the conclusion of Vanessa Shipley’s review of the Platte Canyon financial statements, a motion was made by Platte Canyon Director Fohn and seconded by Platte Canyon Director Buckner 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
Richard Rock	Aye

(b) **Southwest Financial Statements.** The following unaudited Southwest financial statements, prepared by Vanessa Shipley for the ten-month period ending October 31, 2017, were presented to the Boards:

(i) Statement of Net Assets, dated October 31, 2017, showing Southwest’s Assets, Liabilities, and Net Assets;

(ii) Statement of Revenue, Expenses, and Changes in Net Assets for the ten-month period ending October 31, 2017;

(iii) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to Annual Budget for the ten-month period ending October 31, 2017; and

(iv) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to CM/YTD Budget for the ten-month period ending October 31, 2017.

At the conclusion of Vanessa Shipley’s review of the Southwest financial statements, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Hause 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
Kenton C. Ensor, Jr.	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 investment pools. As of October 31, 2017, Platte Canyon’s investments and deposits totaled \$10,514,968.69, itemized as follows:

<u>Description</u>	<u>Amount</u>	<u>Percentage</u>
Checking	\$248,677.98	2.36%
Certificates of Deposit	\$994,000.00	9.45%
ColoTrust-Prime	\$0.00	0.00%
ColoTrust-Plus	\$2,773,123.18	26.37%
ColoTrust-Trust Account	\$512,003.96	4.87%
Treasury Bills	\$0.00	0.00%
Treasury Notes	\$996,449.09	9.48%
U.S. Government Agencies and Instrumentalities	\$4,990,714.48	47.46%
TOTAL	\$10,514,968.69	100.00%

The average yield on Platte Canyon’s investments for the month of October 2017, as calculated by staff, was 1.3996% per annum.

Following a brief discussion, a motion was made by Platte Canyon Director Fohn and seconded by Platte Canyon Director Dursey to accept the Platte Canyon Schedule of Deposits and Investments, 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
Richard Rock	Aye

(d) **Southwest Investment/Deposit Report.** The Boards received 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 October 31, 2017, Southwest investments and deposits totaled \$24,866,305.30, itemized as follows:

<u>Description</u>	<u>Amount</u>	<u>Percentage</u>
Checking	\$6,800.80	0.03%
Certificates of Deposit	\$2,348,117.16	9.44%
ColoTrust-Prime	\$0.00	0.00%
ColoTrust-Plus	\$2,527,457.56	10.16%
ColoTrust-Trust Account	\$4,929,151.96	19.82%
Treasury Bills	\$0.00	0.00%
Treasury Notes	\$5,022,414.46	20.20%
U.S. Government Agencies and Instrumentalities	\$10,032,363.36	40.35%
TOTAL	\$24,866,305.30	100.00%

The average yield on Southwest’s investments for the month of October 2017, as calculated by staff, was 1.9080% per annum.

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

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

2. **Manager’s Information Report.** The manager and assistant manager reviewed the Manager’s Information Report with respect to the portions of that report prepared by each. The Report is dated November 17, 2017, a copy of which was previously provided to the members of both Boards. As part of the Information Report, the manager and assistant manager discussed the following matters:

(a) **Replacement of Roof and Siding at Scott J. Morse Pump Station.** The manager noted that the roof has been replaced on the Scott J. Morse Pump Station building; however, the siding replacement has not yet been completed. Delivery of the siding materials was delayed due to an accident. It is anticipated that once the materials have been delivered, the siding will be completed within approximately one week.

(b) **Distributor’s Denver Water Rates and Fees Technical Advisory Committee (“TAC”).** The manager reviewed with the Board a letter that he, on behalf of the TAC, sent to Denver Water with respect to the hearing that will occur this week on Denver Water’s 2018 rates. The TAC supported Denver Water’s proposed rates for 2018. He noted that Denver Water staff was very cooperative, that information was received timely, and the TAC was able to provide substantive comments. The TAC had

three basic recommendations to Denver Water and they were as follows: (1) stabilize the service charge which is now at 20% of total revenue. The TAC believes that increasing it further will have an adverse effect on rates in the future; (2) update Denver Water's System Development Charge study and in connection therewith, consider the elimination of the System Development Charge inside-city subsidy that currently exists. At the present time, the SDC for inside-city connections is 40% less than what is charged outside-city; and (3) use debt in the future to help keep rate increases to a minimum. It was noted that Denver Water has large capital expenditures going forward and that it will need to utilize debt more liberally in order to keep future rate increases lower. The alternative of cash financing more of that debt would require higher rate increases.

(c) **City of Littleton Election.** The manager noted that as a result of the City of Littleton municipal election, there will be a significant change in the Littleton City Council beginning in 2018. The number of city council members who had positions that were adverse to suburban connections insofar as rates and fees were concerned were not re-elected. The manager hopes that this will allow for greater cooperation and communication going forward.

(d) **Valley Sanitation Relocation Project.** Cynthia Lane reported that the election which was necessary in order to finance the Valley Sanitation Interceptor Relocation Project passed with overwhelming support at the November 2017 election. It is anticipated that design of the Project will now go forward and at the December meeting, the Boards will be asked to approve a contract with Dewberry Engineers for finalizing the design and construction services.

She noted that there were some comments regarding the Project from both Englewood and the City of Sheridan which need to be addressed. Meetings have been scheduled with the City of Sheridan and hopefully those issues can be resolved in a timely manner.

The assistant manager also talked briefly about the inclusion project which is ongoing. There are currently a number of commercial properties and residential properties that Valley Sanitation provides service to which aren't inside the Valley Sanitation District. Attention at the present time is being focused on the commercial properties. There are approximately 16 commercial properties that are moving forward with the inclusion process. This will represent approximately \$15,000 in additional property tax revenue that will be realized by Valley Sanitation beginning in 2019.

3. **Operations and Maintenance Summary Report.** Scott Hand reviewed the Operations and Maintenance Summary Report dated October, 2017.

During the October 2017 reporting period, neither Platte Canyon nor Southwest had any sanitary sewer interruptions. Platte Canyon had three water service interruptions that occurred on the same line in Morning Glory Lane on October 26, October 29, and

November 2 respectively. Southwest had two service interruptions that occurred on October 4 and 5 on South Yukon Way and on October 31 at South Garland Street. Mr. Hand reviewed what had occurred and the repair activities undertaken to address these service interruptions. During the discussion, he noted that the water line in Morning Glory Lane is scheduled to be repaved and repaired as part of Southwest's replacement program for 2018.

The SCADA Communications System upgrade for Southwest is proceeding. In October, Dewberry Engineers provided the first recommendation for the upgrade. Staff is reviewing the document and will meet with Dewberry to discuss. A final recommendation is due on or before November 27, 2017. It is the first phase of the replacement proposal.

Mr. Hand also noted that during October, employees Armando Quintana, Bruce Yarrow and Justin Rocquemore registered to and attend an operator certification short course program. All three are taking the exams today, November 17, 2017.

4. **Construction Project Report.** Tony Cocozzella reviewed with both Boards the Capital Project Information and Construction Status Report for both Platte Canyon and Southwest. The Report updated the Boards as to the status of all ongoing Platte Canyon and Southwest projects, including developer and District-specific projects. As part of the review, Mr. Cocozzella also addressed those projects that are in the design phase at the present time.

NEW BUSINESS

There was no new business to come before the joint participation portion of the meeting. The next joint meeting of the Boards will be a special meeting as described earlier and will be held on Friday, December 15, 2017, due to the Christmas holiday. The special meeting will be held in the Districts' offices located at 8739 West Coal Mine Avenue, Littleton, Colorado, 80123. This will be the third Friday of the month instead of the fourth Friday of the month as originally scheduled.

SOUTHWEST PORTION OF THE JOINT REGULAR MEETING

CALL TO ORDER

The Southwest portion of the joint meeting was called to order by Southwest President, Anthony M. Dursey, who presided as Chair.

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
Kenton C. Ensor, Jr.	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 Sebastian and seconded by Southwest Director Dursey to approve the Southwest consent agenda items 1-7 as set forth below by a single motion. The Chair called for a vote of the Southwest Board, and the vote was as follows:

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

1. **Ratification of Interim Disbursements and Current Payables.** The Southwest interim disbursements paid and current payables for the current month of November 2017, in the aggregate amount of \$173,544.04, represented by Southwest check numbers 18909 through 18939, inclusive, including any checks written by the manager pursuant to prior Board authority for less than \$2,500.
2. **Ratification of Southwest Investment Transactions.** The redemption on October 13, 2017 of a \$1,000,000 treasury note and the renewal on October 1, 2017 of a one-year certificate of deposit at Bank of Denver in the amount of \$100,000, earning interest at the rate of 1% per annum.
3. **Approval of 2017 Audit Engagement Letter.** The approval and authorization to sign Shilling & Company, Inc.'s audit engagement letter dated October 25, 2017 for the 2017 Southwest Audit for an amount not to exceed \$5,550.
4. **Amendment to Emergency and Non-Emergency Services Agreement.** The First Amendment to the C&L Water Solutions' Agreement for Emergency and Non-Emergency Maintenance Services dated January 1, 2016, approving C&L's 2018 rates as set forth in Exhibit B to the First Amendment.
5. **Approval of Amendment to Geographic Information Consulting Agreement.** The First Amendment to Merrick & Company's General Geographic

Consulting Services Agreement dated January 1, 2017, authorizing specific and general consulting services for GIS system and auto-cad mapping during 2018 for an amount not to exceed \$15,000.

6. **Approval of Amendment to Agreement for General Engineering Services.** The First Amendment to Kennedy/Jenks Agreement for General Professional Engineering Services dated January 1, 2017, approving Kennedy/Jenks' 2018 rates as set forth in Exhibit B to the First Amendment.

7. **Approval of Amendment to Agreement for General Engineering Services.** The First Amendment to Agreement for General Professional Engineering Services with Dewberry Engineers dated April 1, 2017, approving Dewberry's proposed rate increase for 2018, which rate adjustment ranges from 2.4% to 6.7%, with an average increase overall of 4.1% for all engineering positions that would be performing work for Southwest during 2018 in an amount not to exceed \$30,000, with the prior written approval of Southwest.

SOUTHWEST ACTION ITEMS

1. **Adoption of 2018 Budget.** The Chair opened the public hearing on Southwest's proposed 2018 Budget. Notice of the budget hearing was published in accordance with the Local Government Budget Law by staff. No members of the public appeared in person, or otherwise registered any objections or offered any amendments to the proposed 2018 Budget, which is balanced as required by law. The Chair then closed the public hearing on the 2018 Budget.

Following a brief discussion, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Dursey to adopt Southwest Resolution 2017-11-1, which Resolution formally adopts the proposed 2018 Budget, as heretofore submitted and amended, as the official budget for Southwest for calendar year 2018. The Chair called for a vote of the Southwest Board, and the vote was as follows:

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

A copy of Southwest Resolution 2017-11-1 is attached to the original of these minutes as **Exhibit E**.

The Southwest Board then considered Southwest Resolution 2017-11-2, which Resolution authorizes and appropriates the sum of \$2,738,034 for expenditure by

Southwest in calendar year 2018. The motion to adopt said Resolution was made by Southwest Director Sebastian and seconded by Southwest Director Dursey. The Chair called for a vote of the Southwest Board, and the vote was as follows:

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

A copy of Southwest Resolution 2017-11-2 is attached to the original of these minutes as **Exhibit F**.

The Southwest 2018 Budget as adopted does not contemplate receipt or expenditure of any property tax revenue by Southwest. Following a brief discussion, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Dursey to adopt Southwest Resolution 2017-11-3, which Resolution authorizes certification of a zero property tax mill levy to the Boards of County Commissioners of Arapahoe, Jefferson and Douglas Counties, Colorado. The Chair called for a vote of the Southwest Board, and the vote was as follows:

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

A copy of Southwest Resolution 2017-11-3 is attached to the original of these minutes as **Exhibit G**.

2. **Approval of Southwest Capital Master Plan for 2018-2027**. The manager then reviewed briefly the Southwest Capital Master Plan for 2018-2027. The Capital Master Plan had been reviewed in detail at last month's meeting and the manager noted that there had been no material changes to the Plan since that time. Following a brief discussion, a motion was made by Southwest Director Hause and seconded by Southwest Director Sebastian to approve the Southwest Capital Master Plan for 2018-2027. The Chair called for a vote of the Southwest Board, and the vote was as follows:

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

3. **Adoption of Southwest Resolution 2017-11-4 Amending Southwest's Water/Sewer Fee.** The manager reviewed with the Boards Southwest Resolution 2017-11-4 which increases the Southwest water and sanitary sewer service fee effective January 1, 2018 from \$2.00 per single family residential equivalent tap to \$5.00 per single family residential equivalent tap. Following a brief discussion, a motion to adopt Southwest Resolution 2017-11-4 was made by Southwest Director Dursey and seconded by Southwest Director Sebastian. The Chair called for a vote of the Southwest Board, and the vote was as follows:

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

A copy of Southwest Resolution 2017-11-4 is attached to the original of these minutes as **Exhibit H**.

4. **Adoption of Southwest Resolution 2017-11-5 Approving a Fee Schedule for 2018.** The manager reviewed Southwest Resolution 2017-11-5, which Resolution approves Southwest's fee schedule for 2018. Following a brief discussion, a motion to adopt Southwest Resolution 2017-11-5 was made by Southwest Director Hause and seconded by Southwest Director Hamblin. The Chair called for a vote of the Southwest Board, and the vote was as follows:

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

A copy of Southwest Resolution 2017-11-5 is attached to the original of these minutes as **Exhibit I**.

SOUTHWEST INFORMATION/DISCUSSION ITEMS

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

NEW BUSINESS

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

ADJOURNMENT

There being no further business to come before this joint regular meeting of the Platte Canyon and Southwest Boards, a motion to adjourn was made by Platte Canyon Director Fohn and seconded by Southwest Director Hamblin. 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
Richard Rock	Aye

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

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

Whereupon, this joint regular meeting of the Platte Canyon and Southwest Boards of Directors adjourned at approximately 10:45 a.m. The next meeting of the Boards will be a special meeting to be held on Friday, December 15, 2017, at 8:30 a.m. in the Districts' office, located at 8739 West Coal Mine Avenue, Littleton, Colorado 80123. The Boards' regular joint meeting scheduled for Friday, December 22, 2017 is canceled due to the Christmas holiday.

Respectfully submitted,

Timothy J. Flynn, Recording Secretary

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 REGULAR MEETING OF THE DISTRICT'S BOARD 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

Kenton C. Ensor, Jr.

Anthony M. Dursey

George E. Hamblin, Jr.

Louis J. Fohn

Chuck Hause

George E. Hamblin, Jr.

Bernard J. Sebastian, Jr.

Richard Rock