

RECORD OF PROCEEDINGS

MINUTES OF JOINT REGULAR MEETING

BOARD OF DIRECTORS

PLATTE CANYON WATER AND SANITATION DISTRICT

AND

SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT¹

Friday
December 17, 2021
Jefferson County, Colorado

The regular joint 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, December 17, 2021, at 8:30 a.m. in the Districts’ office located at 8739 West Coal Mine Avenue, Littleton, Colorado 80123. Due to the COVID-19 pandemic, 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 Platte Canyon Directors were in attendance, to wit:

William D. Buckner
Anthony M. Dursey
Louis J. Fohn
George E. Hamblin, Jr.
Mark Swatek

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

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

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

The following Platte Canyon staff members were physically in attendance in the boardroom: Cynthia Lane, manager; Vanessa Shipley, financial administrator; Scott Hand, operations supervisor; Tony Cocozzella, construction program manager; and Bridget Butterfield, communications and administrative services coordinator.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's President, George E. Hamblin, Jr., who presided as Chair.

APPROVAL OF PLATTE CANYON AGENDA

A motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Swatek 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
Mark Swatek	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. Ratification of Interim Disbursements and Approval of Current Payables. Platte Canyon payables and supplemental disbursements for the month of December 2021, in the aggregate amount of \$493,542.14, represented by Platte Canyon check nos. 34026 thru 34071, inclusive, including any checks for less than \$5,000 written by the manager prior to Board authorization, together with various electronic fund payments for employee salaries, utility payments and other authorized electronic fund vendors.

2. Platte Canyon Investment/Deposit Transaction Report. The report reflects that during the month of November 2021, Platte Canyon did not purchase treasury

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.

notes or agency securities nor did any agency securities or treasury notes mature or redeem. In addition, Platte Canyon did not roll-over or renew any certificates 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
Mark Swatek	Aye

PLATTE CANYON ACTION ITEMS

1. **Resolution Approving Platte Canyon’s Fees for Calendar Year 2022.** The manager reviewed with the Board the schedule of Platte Canyon rates, fees, and charges currently in effect and which for calendar year 2022 staff recommends remain the same as set forth in Resolution 2021-12-1, which ratifies, approves, and confirms the fees and charges for Platte Canyon for calendar year 2022.

Following a brief discussion and based upon staff’s recommendation, a motion to adopt Resolution 2021-12-1 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
Mark Swatek	Aye

A copy of Resolution 2021-12-1 is attached to the original of these minutes as **Exhibit A.**

2. **Resolution Establishing the Dates and Times for Board Meetings and Designating the Location for Posting Meeting Notices.** The manager reviewed with the Board, Resolution 2021-12-2 which reaffirms the Platte Canyon regular meeting schedule for calendar year 2022 as being on the fourth (4th) Friday of each month, except for the months of November and December, when the meeting will be held on third (3rd) Friday of the month. The Resolution designates the Platte Canyon website as the location for posting open meeting law notices, which when available, will include a meeting agenda and will be posted at least twenty-four (24) hours prior to each Board meeting.

Following a brief discussion, a motion to adopt Resolution 2021-12-2 was made by Platte Canyon Director Dursey 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
Mark Swatek	Aye

A copy of Resolution 2021-12-2 is attached to the original of these minutes as **Exhibit B**.

3. Approval of Legal Services Engagement Letter. Legal counsel reviewed with the Board the terms and provisions of the engagement letter tendered by his new firm, Collins Cole Flynn Winn & Ulmer, PLLC, for providing legal services during calendar year 2022. The Board had previously authorized the transfer of Platte Canyon's file from Collins Cockrel & Cole, P.C. to the new firm.

Following a brief discussion, a motion was made by Platte Canyon Director Fohn and seconded by Platte Canyon Director Swatek to approve the engagement letter and authorize its execution by an appropriate officer of Platte Canyon. 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
Mark Swatek	Aye

4. Approval Schilling & Company, Inc. 2021 Audit Engagement Letter. Vanessa Shipley and the manager reviewed with the Board the 2021 audit engagement letter dated November 11, 2021 submitted by Schilling & Company, Inc. for the performance of Platte Canyon's 2021 audit. The audit engagement letter contains the same terms and conditions as prior engagement letters with the exception that the audit fee not to exceed amount has been increased by approximately \$400 to \$7,800.

Following a brief discussion, a motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Fohn to approve Schilling & Company, Inc.'s 2021 audit engagement letter and authorize its execution by an appropriate officer of Platte Canyon. 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
Mark Swatek	Aye

PLATTE CANYON INFORMATION/DISCUSSION ITEMS

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

PLATTE CANYON NEW BUSINESS

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

JOINT PARTICIPATION PORTION OF THE MEETING

George E. Hamblin, Jr., continued to act as Chair for the joint participation portion of the meeting.

APPROVAL OF JOINT MEETING AGENDA

A motion was made by Platte Canyon Director Buckner and seconded by Southwest Director Sebastian to approve the joint meeting agenda, 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
Mark Swatek	Aye

The Chair then 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

JOINT MEETING CONSENT AGENDA ITEM

1. Approval of the Minutes of the Boards' November 19, 2021 Joint Regular Meeting. Following a brief discussion, a motion was made by Southwest Director Sebastian and seconded by Platte Canyon Director Swatek to approve the minutes of the

Boards' November 19, 2021 joint regular meeting, 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
Mark Swatek	Aye

The Chair then 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 approved minutes will be presented to the members of each Board for signature as soon as practical following the meeting, as further evidence of 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 eleven-month period ending November 30, 2021, were presented to the Boards:

(i) Statement of Net Assets, dated November 30, 2021, showing Platte Canyon's Assets, Liabilities, and Net Assets;

(ii) Statement of Revenue, Expenses and Changes in Net Assets for the eleven-month period ending November 30, 2021;

(iii) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to Annual Budget for the eleven-month period ending November 30, 2021; and

(iv) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to CM/YTD Budget for the eleven-month period ending November 30, 2021.

Following 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
Mark Swatek	Aye

(b) **Southwest Financial Statements.** The following unaudited Southwest financial statements, prepared by Vanessa Shipley for the eleven-month period ending November 30, 2021, were presented to the Boards:

(i) Statement of Net Assets, dated November 30, 2021, showing Southwest’s Assets, Liabilities, and Net Assets;

(ii) Statement of Revenue, Expenses and Changes in Net Assets for the eleven-month period ending November 30, 2021;

(iii) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to Annual Budget for the eleven-month period ending November 30, 2021; and

(iv) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to CM/YTD Budget for the eleven-month period ending November 30, 2021.

Following Vanessa Shipley’s review of the Southwest financial statements, which included a discussion of the cost incurred to repair certain emergency water line breaks that occurred during the prior period, a motion to accept the Southwest financial statements, as presented was made by Southwest Director Sebastian and seconded by Southwest Director Hause. 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 November 30, 2021, Platte Canyon’s investments and deposits totaled \$9,232,385.40, itemized as follows:

<u>Description</u>	<u>Amount</u>	<u>Percentage</u>
Checking	\$99,035.62	1.07%
Certificates of Deposit	\$744,000.00	8.06%
ColoTrust-Edge	\$1,725,468.56	18.69%
ColoTrust-Plus	\$563,262.20	6.10%
ColoTrust-Trust Account	\$259,127.90	2.81%
CSAFE-Core	\$803,558.68	8.70%
Treasury Bills	\$0.00	0.00%
Treasury Notes	\$3,534,024.61	38.28%
U.S. Government Agencies and Instrumentalities	\$1,503,907.83	16.29%
TOTAL	\$9,232,385.40	100.00%

The average yield on Platte Canyon’s investments for the month of November 2021, as calculated by staff, was 0.5386% per annum.

Following a brief discussion, a motion was made by Platte Canyon Director Dursey and seconded by Platte Canyon Director Swatek 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
Mark Swatek	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 November 30, 2021 Southwest’s investments and deposits totaled \$24,777,355.86 itemized as follows:

<u>Description</u>	<u>Amount</u>	<u>Percentage</u>
Checking	\$13,676.83	0.06%
Certificates of Deposit	\$494,000.00	1.99%
ColoTrust-Edge	\$4,301,234.26	17.36%
ColoTrust-Plus	\$449,896.17	1.82%
ColoTrust-Trust Account	\$73,480.69	0.30%
CSAFE-Core	\$3,482,547.98	14.06%
Treasury Bills	\$0.00	0.00%
Treasury Notes	\$9,962,519.93	40.21%
U.S. Government Agencies and Instrumentalities	\$6,000,000.00	24.22%
TOTAL	<u>\$24,777,355.86</u>	<u>100.00%</u>

The average yield on Southwest’s investments for the month of November 2021, as calculated by staff, was 0.6040% per annum.

Following a brief discussion, a motion was made by Southwest Director Hause and seconded by Southwest Director Sebastian 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

2. Management Report. The manager asked if there were any questions concerning the written management report because she wanted to save time to review in detail the response and investigation results that are now available concerning the Southwest water line that ruptured when a boring contractor bored through the water line at approximately the intersection of West Bowles Avenue and South Wadsworth Boulevard. The Board had no questions concerning the management report, a copy of which was previously provided to each member of both Boards.

3. South Wadsworth and West Bowles Avenue Water Line Incident. The manager provided a brief overview of what occurred earlier in the month when a boring contractor bored through a Southwest Metro sixteen-inch (16”) asbestos cement pipe that was located in South Wadsworth Boulevard just south of the West Bowles Avenue intersection. This is a section of line that is on the outer limits of where Southwest’s distribution system connects with the distribution system of Denver Water. In connection with the transfer of ownership of pipes in this area that occurred many years ago, this section of pipe was not identified as being part of Southwest’s distribution system on the map and in other information that is available to field persons who perform locates for Southwest. As a result, the pipe was not located when the boring contractor requested the usual and customary locates.

Based upon an investigation of the entire matter and discussion with staff, it was determined that there was no process failure with respect to the field inspection personnel; all CO811 locate tickets were responded to appropriately based upon the information that the field staff had available at the time the locate request came in. It was noted that the field staff receives approximately 2,200 locate requests each year and on average performs approximately ten (10) locates every day. These locates are professionally performed and it is extremely infrequent when any type of incident occurs as a result of either a Platte Canyon or Southwest field locate.

Scott Hand then briefed the Board on the repair activities that Southwest and its contractor performed, including the number of hours it took to repair the break. Southwest crews were able to isolate the break from the rest of Southwest's distribution system. This made it possible to perform the repair activities at night and without inconveniencing Southwest customers. The total cost of the repairs for the outside contractor work is currently estimated at \$126,340. A PowerPoint presentation was presented to both Boards as part of Mr. Hand's presentation.

Bridget Butterfield, the District's communications staff person reviewed with the Boards the efforts that staff made to notify Southwest's customers of this incident and what those customers could do to minimize their inconvenience and to advise when the repairs in the road would be completed. A comprehensive effort was made through an email blast and through information on Facebook, Nextdoor and other social media outlets that are available to Southwest. Southwest received several complementary comments on the information that was provided. Many customers thanked staff for keeping everyone well informed.

Cynthia Lane concluded by discussing the lessons that have been learned from this incident. Staff is redoubling its efforts to make sure that its system maps are as up to date as possible. Staff has been inculcated with the culture of asking questions, trying to follow-up and to notify other staff members if they discover something in the GIS or mapping system that doesn't seem to quite make sense. The operations team has renewed its emphasis on locate procedures, on processing and documenting a locate request, and on asking questions.

At the conclusion of the presentation, members of each Board directed a couple of questions to staff. Overall, each Board was very pleased with the way in which the incident was responded to, especially noting that the defective map information which gave rise to this incident occurred many many years ago, both Boards believed that the response was excellent and well-done.

4. Operations and Maintenance Summary Report. Given the length of time devoted to the Wadsworth/Bowles water line matter, Mr. Hand did not go into any detail regarding his Operations and Maintenance Summary Report for November 2021. He noted that during the reporting period, Platte Canyon had no water service interruption reports

and that the only Southwest water service interruption report was the incident on West Bowles Avenue, fifty feet east of the South Wadsworth Boulevard intersection. Neither District had any sewer service interruptions during the month. Mr. Hand then asked the Board if there were any questions. There were no questions.

5. Capital Projects Report. Tony Cocozzella reviewed the Capital Projects Report for Platte Canyon and Southwest. As part of his report, Mr. Cocozzella updated the Boards as to the status of all ongoing Platte Canyon and Southwest projects, including developer and District-specific projects. He also updated the Boards as to the capacity analysis that is being conducted in connection with the development that is occurring in the South Santa Fe and West Mineral Avenue corridors. It was noted that the property is developing and Aspen Grove is undergoing redevelopment, all of which will place additional demands on the Southwest Interceptor Line which serves those areas.

NEW BUSINESS

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

EXECUTIVE SESSION

The Executive Session scheduled for this portion of the joint meeting was deferred until end of the Southwest portion of the meeting.

SOUTHWEST PORTION OF THE JOINT MEETING

CALL TO ORDER

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

APPROVAL OF SOUTHWEST AGENDA

Following a brief discussion, a motion was made by Southwest Director Hause seconded by Southwest Director Hamblin to approve the Southwest agenda, as presented with the understanding that an Executive Session for both Boards would be conducted at the end of the Southwest portion of the joint meeting. 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 Sebastian and seconded by Southwest Director Hause to approve Southwest Consent Agenda Items 1 and 2, as set forth below, by single motion:

1. Approval of Accounts Payable and Ratification of Interim Disbursements. The Southwest payables and supplemental payables for the month of December 2021, in the aggregate amount of \$259,569.01 represented by Southwest check nos. 20432 through 20461 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 utility and other authorized electronic fund payment vendors.

2. Southwest Investment/Deposit Transaction Report. The report reflects that during the month of November 2021, Southwest did not purchase treasury notes or agency securities, nor did any treasury notes or agency securities mature or redeem. In addition, during the month, Southwest did not rollover or renew any certificates of deposit. 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 ACTION ITEMS

1. Director's Absence Excused. Following a brief discussion, a motion was made by Southwest Director Hamblin and seconded by Southwest Director Hause to excuse the absence of Southwest Director Kenton C. Ensor, who was unable to attend the meeting. 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

2. Amendment of 2021 Budget. The Chair opened the public hearing on Southwest's proposed 2021 budget amendment. Notice of the budget amendment 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 2021 budget amendment. The Chair then closed the public hearing on the 2021 budget amendment.

Following a brief discussion, which included Vanessa Shipley’s explanation that the 2021 budget amendment was necessitated by unanticipated emergency water line and other repair activities, a motion was made by Southwest Director Hamblin and seconded by Southwest Director Hause to adopt Resolution 2021-12-1 which formally amends the Southwest 2021 budget to increase total General Fund expenditures by \$349,500 from \$2,524,204 to \$2,873,704. 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

A copy of Southwest Resolution 2021-12-1 is attached to the original of these minutes as **Exhibit C**.

2. Adoption of Resolution Approving a Monthly Service Fee Increase. As had been discussed at length during prior Board meetings, the manager reviewed with the Southwest Board the reasons why staff is recommending that the Southwest monthly water and sanitary sewer service fee increase effective January 1, 2022 from \$8.00 per single-family residential equivalent tap to \$12.00 per single-family residential equivalent tap.

Following a brief discussion, a motion to adopt Resolution 2021-12-2 was made by Southwest Director Hause 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
George E. Hamblin, Jr.	Aye
Chuck Hause	Aye
Bernard J. Sebastian, Jr.	Aye

A copy of Southwest Resolution 2021-12-2 is attached to the original of these minutes as **Exhibit D**.

3. Adoption of Resolution Approving Southwest’s Fee Schedule for 2022. The manager then advised the Southwest Board that other than Southwest water and sanitary sewer service fee increase, Southwest fees and charges will remain the same for 2022 as they were in 2021. She then reviewed briefly the provisions of Resolution 2021-12-3 which reaffirms those Southwest fees for calendar year 2022.

Following a brief discussion, a motion was made by Southwest Director Hause and seconded by Southwest Director Sebastian to adopt Resolution 2021-12-3 which reaffirms Southwest’s fee schedule for 2022 noting that all fees will be same except for the water

and sanitary sewer service fee previously approved by the Board. 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

A copy of Southwest Resolution 2021-12-3 is attached to the original of these minutes as **Exhibit E**.

4. Adoption of Resolution Establishing the Dates and Times for Board Meetings and Designating the Location for Posting Meeting Notices. The manager reviewed with the Board, Resolution 2021-12-4 which reaffirms the Southwest regular meeting schedule for calendar year 2022 as being on the fourth (4th) Friday of each month, except for the months of November and December, when the meeting will be held on third (3rd) Friday of the month. The Resolution designates the Southwest website as the location the posting open meeting law notices which, when available, will include a meeting agenda and will be posted at least twenty-four (24) hours prior to each Board meeting.

Following a brief discussion, a motion to adopt Resolution 2021-12-4 was made by Southwest Director Sebastian and seconded by Southwest Director Hause. 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

A copy of Southwest Resolution 2021-12-4 is attached to the original of these minutes as **Exhibit F**.

5. Approval of Legal Services Engagement Letter. Legal counsel reviewed with the Board the terms and provisions of the engagement letter tendered by his new firm, Collins Cole Flynn Winn & Ulmer, PLLC, for providing legal services during calendar year 2022. The Board had previously authorized the transfer of Southwest's file from Collins Cockrel & Cole, P.C. to the new firm.

Following a brief discussion, a motion was made by Southwest Director Hause and seconded by Southwest Director Dursey to approve the engagement letter and authorize its execution by an appropriate officer of Southwest. 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

6. Approval Schilling & Company, Inc. 2021 Audit Engagement Letter.

Vanessa Shipley and the manager reviewed with the Board the 2021 audit engagement letter dated November 11, 2021 submitted by Schilling & Company, Inc. for the performance of Southwest’s 2021 audit. The audit engagement letter contains the same terms and conditions as prior engagement letters with the exception that the not to exceed amount of the audit fee has been increased by approximately \$400 to \$7,800.

Following a brief discussion, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Dursey to approve Schilling & Company, Inc.’s 2021 audit engagement letter and authorize its execution by an appropriate officer of Platte Canyon. 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 INFORMATION/DISCUSSION ITEMS

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

SOUTHWEST NEW BUSINESS

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

EXECUTIVE SESSION

Following a brief discussion, a motion was made by Platte Canyon Director Dursey and seconded by Platte Canyon Director Hamblin for both Boards to go into Executive Session to discuss general personnel matters including the manager’s evaluation and performance goals for 2022 pursuant to Section 24-6-402(4)(f) C.R.S, and to discuss matters related to cyber security and IT services pursuant to Section 24-6-402(4)(d) C.R.S.

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
Mark Swatek	Aye

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

At approximately 9:50 a.m., both Boards entered into Executive Session. Present in the Board Room at that time were the Platte Canyon Board members, the Southwest Board members, the manager, and legal counsel. Although the manager did leave the room during a portion of the Executive Session to allow the Board members to discuss her performance and evaluation in her absence. The Executive Session was recorded as required by law. The Executive Session continued until approximately 11:05 a.m., at which time the Board returned to Open Public Meeting.

While in open public session, the Board instructed Platte Canyon’s manager to obtain the desired amount of cyber insurance coverage for both Districts.

Following a brief discussion, a motion was made by Platte Canyon Director Dursey and seconded by Platte Canyon Director Fohn to increase the Platte Canyon employee wage range categories by up to 4.25% as recommend by the manager and to include for this year an additional 1% increase in all employee’s salary as a cost-of-living increase. The manager was given authority to award salary increases based upon her and her staff’s evaluation of the Platte Canyon employees.

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
Mark Swatek	Aye

The Chair also 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

A motion was then made to increase the manager's salary by a lump sum amount which equates to approximately a 5% increase. 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
Mark Swatek	Aye

Although not required, 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 personnel committee for Platte Canyon and Southwest was then authorized to meet with the District's manager and go over her salary, performance and review as discussed during the Executive Session, and to advise her of the actions taken by the Board in open public meeting.

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 Southwest Director Hamblin and seconded by Southwest 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

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

Whereupon, this joint regular meeting of the Platte Canyon and Southwest Boards of Directors adjourned at approximately 11:05 a.m. The next regular joint meeting of the

Boards will be held on Friday, January 28, 2022, at 8:30 a.m. in the District's office located at 8739 West Coal Mine Avenue, Littleton, Colorado 80123.

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 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.

Mark Swatek