MINUTES OF JOINT REGULAR MEETING

BOARD OF DIRECTORS

PLATTE CANYON WATER AND SANITATION DISTRICT

AND

SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT\(^1\)

Friday
October 25, 2019
Jefferson County, Colorado

The joint 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, October 25, 2019, 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 D. 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.

{00719715.DOCX / }
RECORD OF PROCEEDINGS

administrator; Scott Hand, operations supervisor; Tony Cocozzella, construction programs manager; Alyssa Quinn, business programs specialist; and Bridget Butterfield, communication 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 President, Richard Rock, who presided as Chair.

APPROVAL OF PLATTE CANYON AGENDA.

Following a brief discussion, 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 D. 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 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 October 2019 in the aggregate amount of $623,641.87 represented by Platte Canyon Check Nos. 32710 through 32749, inclusive, together with various electronic fund payments for employee’s salaries, utility payments, and other authorized electronic fund payment vendors.

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. **Platte Canyon Investment/Deposit Transaction Report.** During the month of September 2019, Platte Canyon did not purchase any treasury notes or agency securities, nor did Platte Canyon have any treasury notes, agency securities or other investments redeem or mature, nor were any certificates of deposit renewed or rolled over.

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

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

**PLATTE CANYON ACTION ITEMS**

1. **Approval of Platte Canyon Short-Term and Long-Term Disability Plan.** The assistant manager, Cynthia Lane, reviewed with the Platte Canyon Board the short-term disability and long-term disability coverages provided by Platte Canyon to its employees. The short-term disability and long-term disability plan is offered to the District by the Colorado Employer Benefit Trust, and underwritten by a company known as The Standard.

   For 2020, rates for short-term disability and long-term disability are not changing; however, a premium increase may occur due to expected salary adjustments for 2020. Currently, the monthly premium is $1,006.00, for an annual cost of $12,080.00. Staff is budgeting a 5% increase for 2020, which would result in an annual cost for these benefits of $12,684.00.

   Following a review, and based upon Cynthia Lane and staff’s recommendation, a motion was made by Platte Canyon Director Fohn and seconded by Platte Canyon Director Buckner to approve Platte Canyon’s enrollment in the CEBT plan for short-term disability and long-term disability coverage for Platte Canyon employees for 2020. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:
RECORD OF PROCEEDINGS

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

PLATTE CANYON INFORMATION/DISCUSSION ITEMS

1. **Proposed 2020 Platte Canyon Budget.** To facilitate all Board Members and, in particular, the Platte Canyon Board understanding of the Platte Canyon proposed 2020 budget, Vanessa Shipley provided a comprehensive overview of the budget. The overview included a review of the 2020 budget highlights, a summary of anticipated revenues and expenditures, including capital expenditures for 2020, a discussion of Platte Canyon reserves and Platte Canyon’s updated Ten-Year Financial Plan.

   As part of her review, Vanessa Shipley reviewed the budgets for Subdistrict Nos. 1 and 2 which, at this point in time, are devoted entirely to servicing the debt that each subdistrict incurred in order to upgrade the water and sewer facilities within their respective boundaries.

2. **Platte Canyon 10-Year Financial Plan.** The Ten-Year Financial Plan projects an ending fund balance in 2020 of $8,389,115.00, which will increase by 2029 to $9,689,711.00. It is the policy of Platte Canyon to annually review and establish an adequate level of cash reserves for operation, capital improvements, debt service, and any other needs prescribed by the Platte Canyon Board to meet expected service levels and provide adequate resources for infrastructure repair and replacement. The Ten-Year Financial Plan demonstrates how Platte Canyon will achieve this objective.

   The Ten-Year Financial Plan shows significant increases occurring in Platte Canyon’s infrastructure fee over the next 20 years. The manager pointed out that this was, in part, the result of the recently adopted Platte Canyon Cash Reserve Policy. The Platte Canyon Board and the manager discussed, in some detail, the benefits of modifying the Capital Reserve component of that policy. Currently, the District tries to have on hand a reserve in an amount to cover five years in anticipated capital expenditures. It was felt that three years was more than adequate and, if the Board adjusted the Capital Reserve component of the Capital Reserve Policy to have cash funds available for only three years of anticipated capital expenditures, the anticipated fee level increases could be modified significantly.
RECORD OF PROCEEDINGS

At the conclusion of the discussion, the Board directed staff to prepare an amendment to the Capital Reserve component of the Capital Reserve Policy to require the greater of ten percent of the replacement costs of each asset adjusted for depreciation or, the total capital expenditures identified in the first three years of the most recent ten year financial plan.

3. **2020-2029 Capital Master Plan.** Tony Cocozzella reviewed with the Platte Canyon Board the Platte Canyon Capital Master Plan for the 2020-2029 planning period. Over the 10-year planning horizon, the Capital Master Plan proposes expenditures of $18,194,334.00, consisting of $16,409,197.00 for capital water improvements and $1,785,137.00 for vehicle and equipment and other capital expenditures. No capital sewer expenditures are contemplated for the 10-year planning period.

**PLATTE CANYON NEW BUSINESS**

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

**JOINT PARTICIPATION PORTION OF THE MEETING**

Platte Canyon’s President, Richard Rock, continued to act as Chair for the joint participation portion of the meeting.

**APPROVAL OF JOINT MEETING AGENDA**

Following a brief discussion, a motion was made by Southwest Director Hamblin and seconded by Platte Canyon Director Buckner 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 D. 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:
JOINT MEETING CONSENT AGENDA ITEM

1. Approval of the Minutes of the Boards September 27, 2019 Joint Regular Meeting. Following a brief discussion, a motion was made by Platte Canyon Director Buckner and seconded by Southwest Director Hause to approve, as written, the minutes of the Boards’ September 27, 2019 joint regular meeting. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

   William D. 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

The approved minutes of the Boards’ September 27, 2019 joint regular meeting were then presented to the members of each Board for signature as further evidence of ratification, confirmation, and approval.

JOINT MEETING ACTION ITEMS

There were no action items to come before this joint regular meeting of the Boards.

JOINT MEETING INFORMATION/DISCUSSION ITEMS

1. Maintenance Goals for 2020. Scott Hand reviewed the maintenance goals for Platte Canyon, Southwest, the Bow Mar Water and Sanitation District, the Columbine Valley Water and Sanitation District and the Valley Sanitation District for 2020. The
maintenance goals are prepared to facilitate the scheduling of water and wastewater facility maintenance for these Districts, utilizing labor, equipment and materials in the most efficient and cost-effective manner. Mr. Hand described the quality assurance procedures Platte Canyon has in effect and how Platte Canyon utilizes a computerized maintenance system to schedule maintenance, generate work orders and record all maintenance activities in each District. The maintenance plan goals for 2020 maintain the current maintenance schedules and job standards that have been established over the years by Platte Canyon and Southwest. It was noted, however, that it may be necessary to hire seasonal temporary employees to accommodate preventative maintenance water work. For the past several years, maintenance goals have been accomplished with current operations staff. Should a new or extended task arise, season temporary employees would be considered to accomplish the maintenance goals.

Following a brief discussion, a motion was made by Platte Canyon Director Fohn and seconded by Platte Canyon Director Dursey to approve the 2020 maintenance goals, as presented and discussed by Mr. Hand. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

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

Because the maintenance goals also affect Southwest, a motion was made by Southwest Director Hamblin and seconded by Southwest Director Sebastian to approve the Platte Canyon 2020 maintenance goals. 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. **Financial Matters.**

(a) **Platte Canyon Financial Statements.** The following unaudited Platte Canyon financial statements, prepared by Vanessa Shipley, for the nine-month period ending September 30, 2019, were presented to the Boards:
(i) Statement of Net Assets, dated September 30, 2019, showing Platte Canyon’s Assets, Liabilities, and Net Assets;

(ii) Statement of Revenue, Expenses and Changes in Net Assets for the seven-month period ending September 30, 2019;

(iii) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to Annual Budget for the seven-month period ending September 30, 2019; and

(iv) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to CM/YTD Budget for the seven-month period ending September 30, 2019.

Vanessa Shipley noted that Platte Canyon’s expenditures year-to-date are at a variance from the adopted budget. She explained the reason for the variance and, in certain instances, indicated that by the end of the year, the variance should be less or, perhaps, disappear.

At the conclusion of her review, a motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Dursey 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 D. 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 nine-month period ending September 30, 2019, were reviewed by the Boards:

(i) Statement of Net Assets, dated September 30, 2019, showing Southwest’s Assets, Liabilities, and Net Assets;

(ii) Statement of Revenue, Expenses, and Changes in Net Assets for the seven-month period ending September 30, 2019;
RECORD OF PROCEEDINGS

(iii) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to Annual Budget for the seven-month period ending September 30, 2019; and

(iv) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to CM/YTD Budget for the seven-month period ending September 30, 2019.

Vanessa Shipley, again, reviewed the financial statements, pointing out any year-to-date variances. She noted certain items, such as utilities and telephone, that have increased due to the security system that has been put in place.

At the conclusion of the presentation, 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
- 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 local government investment pools. As of September 30, 2019, Platte Canyon’s investments and deposits totaled $10,202,223.32, itemized as follows:
**RECORD OF PROCEEDINGS**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Checking</td>
<td>$222,709.94</td>
<td>2.18%</td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>$744,000.00</td>
<td>7.29%</td>
</tr>
<tr>
<td>ColoTrust-Prime</td>
<td>$0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>ColoTrust-Plus</td>
<td>$3,073,664.46</td>
<td>30.13%</td>
</tr>
<tr>
<td>ColoTrust-Trust Account</td>
<td>$1,420,082.94</td>
<td>13.92%</td>
</tr>
<tr>
<td>Treasury Bills</td>
<td>$0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>Treasury Notes</td>
<td>$2,241,765.98</td>
<td>21.97%</td>
</tr>
<tr>
<td>U.S. Government Agencies and</td>
<td>$2,500,000.00</td>
<td>24.50%</td>
</tr>
<tr>
<td>Instrumentalities</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$10,202,223.32</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

The average yield on Platte Canyon’s investments for the month of September 2019, as calculated by staff, was 2.0810% per annum.

Following a brief discussion, a motion was made by Platte Canyon Director Dursey and seconded by Platte Canyon Director Buckner 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 D. 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 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 September 30, 2019, Southwest’s investments and deposits totaled $24,481,433.37, itemized as follows:
## RECORD OF PROCEEDINGS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Checking</td>
<td>$13,643.89</td>
<td>0.06%</td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>$494,000.00</td>
<td>2.02%</td>
</tr>
<tr>
<td>ColoTrust-Prime</td>
<td>$0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>ColoTrust-Plus</td>
<td>$6,655,706.75</td>
<td>27.19%</td>
</tr>
<tr>
<td>ColoTrust-Trust Account</td>
<td>$305,036.96</td>
<td>1.25%</td>
</tr>
<tr>
<td>Treasury Bills</td>
<td>$0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>Treasury Notes</td>
<td>$7,005,967.10</td>
<td>28.62%</td>
</tr>
</tbody>
</table>
| U.S. Government Agencies and
  Instrumentalities                   | $10,007,078.67 | 40.88%    |
| **TOTAL**                            | **$24,481,433.37** | **100.00%** |

The average yield on Southwest’s investments for the month of September 2019, as calculated by staff, was 2.2814\% per annum.

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

### 3. Management Report

The manager and assistant manager reviewed, as more particularly set forth below, the written Management Report dated October 2019. A copy of the Management Report was previously provided to the members of both Boards.

(a) **Sanitary Sewer Standards and Specifications.** The manager reported that RG & Associates is in the process of incorporated staff’s comments, and making final revisions, to the draft Sanitary Sewer Standards and Specifications for both Districts. Following a brief discussion as to whether the Boards wanted to review the Standards and Specifications in detail, a motion was made by Platte Canyon Director Buckner and seconded by Southwest Director Sebastian to delegate to the Districts’ manager the authority to administratively adopt the Sanitary Sewer Standards and Specifications for both Platte Canyon and Southwest once they have been finalized and are satisfactory to staff. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:
RECORD OF PROCEEDINGS

William D. 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

(b) Cyber Security. Cynthia Lane updated the Boards on the efforts that staff is undertaking to research and inquire as to best practices used across the industry to ensure an acceptable level of cyber security for both Districts. The discussion included information for the Board Members on how to download security updates for their ipads. If any Board Member is in need of assistance, staff is always available to assist with respect to these matters.

(c) Valley Sanitation District Project. Due to the delays in procuring the equipment needed for the new Valley lift station and building, the construction start date for this project has been pushed back to January 2, 2020. The construction contractor requested this schedule adjustment to keep from incurring additional costs and multiple mobilization and to guarantee consistent resource allocation throughout the duration of the project. While not optimal, Valley has agreed to the requested adjustment and the contract time and will continue to keep impacted residents and stakeholders informed of the construction project.

In addition to the foregoing, Cynthia Lane noted that the fourth requisition request submitted by Valley to the Colorado Department of Public Health and Environment was approved and which provided funds to pay Dewberry for work performed on the project and the first pay application to Iron Woman Construction, the contractor.

(d) District Communication Plans. Bridget Butterfield noted that, following the Platte Canyon Board’s adoption of a service and infrastructure fee, Staff developed an article announcing the decision. The article was published in the September newsletter and on the District’s website. Beginning the week of October 5th, Staff began receiving calls and emails from customers. As of October 16th, a total of
eleven calls or emails were handled by Ms. Butterfield. She reported that most of the customers were satisfied and that there were only two customers that appeared unhappy about the Board’s decision.

4. **Operations and Maintenance Summary Report.** Scott Hand reviewed the Operations and Maintenance Summary Report dated September 20, 2019. During the reporting period, neither Southwest nor Platte Canyon had any sewer service interruptions. Platte Canyon experienced four water service interruptions on September 21st, 23rd, 29th and 30th, respectively. Southwest experienced one water service interruption. Mr. Hand briefly reviewed these water line breaks and presented a PowerPoint presentation which demonstrated some of the repair activities that were undertaken in order to restore water service.

Due to the heavy meeting agenda, Mr. Hand did not comment further on the operations and maintenance summary report other than to ask Board Members if they had any questions. There were no questions from any Board Members.

5. **Construction Project Report.** Tony Cocozzella reviewed with both Boards the Capital Projects Information report for Platte Canyon and Southwest. As part of his review, Mr. Cocozzella updated the Boards as to the status of all ongoing Platte Canyon and Southwest projects, including developer and District specific projects. Those projects that are in the design phase were also included in Mr. Cocozzella’s report.

**NEW BUSINESS**

There was no new business to come before the joint participation portion of the meeting. The next regular joint meeting of the Boards is scheduled for Friday, November 22, 2019, at 8:30 a.m. in the Districts’ office located at 8739 West Coal Mine Avenue, Littleton, Colorado 80123.

**SOUTHWEST ACTION ITEMS**

**CALL TO ORDER**

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

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

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Anthony M. Dursey</td>
<td>Aye</td>
</tr>
<tr>
<td>Kenton C. Ensor, Jr.</td>
<td>Aye</td>
</tr>
<tr>
<td>George E. Hamblin, Jr.</td>
<td>Aye</td>
</tr>
<tr>
<td>Chuck Hause</td>
<td>Aye</td>
</tr>
<tr>
<td>Bernard J. Sebastian, Jr.</td>
<td>Aye</td>
</tr>
</tbody>
</table>

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

1. Approval of Accounts Payable and Ratification of Interim Disbursements. The Southwest payables and supplemental payables for month of October, 2019 in the aggregate amount of $293,290.99 represented by Southwest Check Nos. 19665 through 19695, inclusive, including any checks written by the manager pursuant to prior Board authorization for less than $2,500, as well as various electronic payments for utility and other authorized electronic fund payment vendors.

2. Southwest Investment/ Transaction Report. During the month of September, 2019 Southwest did not purchase any treasury or agency securities or have any treasury, agency, or other securities mature or be redeemed. No certificates of deposit were renewed or rolled over during the month

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

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Anthony M. Dursey</td>
<td>Aye</td>
</tr>
<tr>
<td>Kenton C. Ensor, Jr.</td>
<td>Aye</td>
</tr>
<tr>
<td>George E. Hamblin, Jr.</td>
<td>Aye</td>
</tr>
<tr>
<td>Chuck Hause</td>
<td>Aye</td>
</tr>
<tr>
<td>Bernard J. Sebastian, Jr.</td>
<td>Aye</td>
</tr>
</tbody>
</table>
RECORD OF PROCEEDINGS

SOUTHWEST ACTION ITEMS

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

SOUTHWEST INFORMATION/DISCUSSION ITEMS

1. **Draft 2020 Southwest Budget.** As earlier in the meeting, to facilitate all Board Members and, in particular, the Southwest Board Members and understanding of the Southwest proposed 2020 budget, Vanessa Shipley provided a comprehensive overview of the budget. The overview included a review of the 2020 budget highlights, a summary of the anticipated revenues and expenditures, including capital expenditures for 2020, and a discussion of Southwest updated ten year financial plan.

2. **Ten Year Financial Plan.** The ten year financial plan projects that capital projects over the planning period will total $7,369,107 and that the accumulated annual deficit will be approximately $5,200,000 over the ten year period. It was noted that the District service charge, revenue plus investment income, will enable the District to meet or exceed its operating needs through 2029. For future planning purposes, additional adjustments to the service fee may be necessary to maintain adequate reserves and mitigate the impact of the significant capital outlay that is required over the planning period.

3. **2020 -2029 Capital Master Plan.** Tony Cocozzella reviewed with the Southwest Board, the Southwest Capital Master Plan for the 2020-2029 planning period. Over the ten year planning horizon, the Capital Master Plan projects expenditures of $9,690,249. These are for water line replacement projects. There are no sewer replacement projects scheduled in the ten year planning period. 2020 expenditures are expected to be approximately $519,372.

SOUTHWEST 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:
RECORD OF PROCEEDINGS

William D. 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 11:15 a.m. The next joint regular meeting of the Boards will be held on Friday, November 22, 2019, 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

SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT

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

PLATTE CANYON WATER AND SANITATION DISTRICT

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