Due to the COVID-19 pandemic and the Governor’s Stay at Home Order, 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, April 24, 2020, at 8:30 a.m. as an online virtual meeting and by conference call. The web address and the call-in information for the meeting was included in the meeting notice so that interested members of the public could 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.
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.

1 and each District’s Water and Sanitary Sewer Activity Enterprise.
The following Platte Canyon staff members were in attendance: Patrick J. Fitzgerald, manager; Cynthia Lane, assistant manager; Vanessa Shipley, financial administrator; Scott Hand, operations supervisor; Tony Cocozzella, construction programs manager; Alyssa Quinn, business programs specialist coordinator; and Bridget Butterfield, communications and administrative services coordinator.  

Also, in attendance were: 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 Dursey and seconded by Platte Canyon Director Hamblin 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 Hamblin 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 April 2020 in the aggregate amount of $235,244.74 represented by Platte Canyon Check Nos. 33014 through 33060, inclusive, together with various electronic fund payments for employee salaries, utility payments, and other authorized electronic fund payment vendors.

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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 March 2020, Platte Canyon did not purchase any treasury notes or agency securities, nor did any Platte Canyon certificates of deposit renew. On March 3, 2020, a Federal Farm Credit Bank note held in Platte Canyon’s portfolio, matured generating $1,000,000 in principal proceeds, plus interest to Platte Canyon.

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 2020 Capital Improvements Projects Construction Contracts.** Tony Cocozzella reviewed with the Platte Canyon Board the Bid Summary that was received for 5 combined water main replacement projects within Platte Canyon. Bid’s were received from Levi Contractor’s, Inc., and Diaz Construction Group, LLC. Diaz Construction Group, LLC was the low bidder at $1,091,653.

During the discussion it was noted that approximately 5 years ago, Platte Canyon staff was not completely satisfied with the work Diaz Construction performed in another District. However, staff believes that at the present time, Diaz Construction has improved its staffing significantly along with its ability to handle a project of this size and nature. Following a brief discussion and based upon the recommendation of staff, and RG & Associates, LLC, Platte Canyon’s engineer, a motion was made by Platte Canyon Director Dursey and seconded by Platte Canyon Director Buckner to authorize staff to award a contract to Diaz Construction subject to staff’s meeting with Diaz Construction and being satisfied that Diaz Group Construction can handle this project in the way staff would like it performed. 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 motion included authority for Platte Canyon’s manager to execute the contract and related documents, including the Notice of Award and Notice to Proceed.

2. **Addoption of Resolution Establishing an Electronic Board Meeting Policy During COVID-19 Emergency.** Legal counsel reviewed with the Board Platte Canyon Resolution 2020-4-01, which establishes an electronic board meeting policy during the COVID-19 emergency. During the Governor’s Stay at Home Order it is no longer physically possible to convene board meetings because of among other things the social distancing requirements that must be complied with. It was noted that many special districts are adopting electronic board meeting policies and are meeting via Zoom or other webinar-based tools. Following a brief discussion, a motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Hamblin to adopt resolution 2020-4-01, a copy of which is attached to the original of these minutes as **Exhibit A**.

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 INFORMATION/DISCUSSION ITEMS**

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

**PLATTE CANYON NEW BUSINESS**

1. **Emergency Sewer Connection.** The manager informed the Board that property located at 5300 W. Bowles Avenue owned by Douglas J. Case and his wife Kimberly G. Case recently experienced a complete septic system failure. The Case’s have requested inclusion in Platte Canyon and have paid the appropriate fee for the processing of the inclusion as well as the District’s inclusion fee. The manager requested that the Platte Canyon Board authorize staff to approve an emergency connection for this property.
to Platte Canyon’s sanitary sewer collection system while the inclusion process is proceeding. At the conclusion of the discussion, a motion to authorize the emergency connection to Platte Canyon sewer system was made by Platte Canyon Director Dursey and seconded by Platte Canyon Director Hamblin. The Chair called for a vote, 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

**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**

A motion was made by Southwest Director Sebastian and seconded by Southwest Director Hause 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:

Anthony M. Dursey    Aye
Kenton C. Ensor, Jr.  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 Board’s March 27, 2020 Joint Regular Meeting.** Following a brief discussion, a motion was made by Platte Canyon Director Dursey and seconded by Southwest Director Sebastian to approve, as written, the minutes of the Boards March 27, 2020 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 March 27, 2020 joint regular meeting will be presented to the members of each Board for signature as soon as practical, 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. **Financial Matters.**

   (a) **Platte Canyon Financial Statements.** The following unaudited Platte Canyon financial statements, prepared by Vanessa Shipley, for the three-month period ending March 31, 2020, were presented to the Boards:

      (i) Statement of Net Assets, dated March 31, 2020, showing Platte Canyon’s Assets, Liabilities, and Net Assets;
(ii) Statement of Revenue, Expenses and Changes in Net Assets for the three-month period ending March 31, 2020;

(iii) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to Annual Budget for the three-month period ending March 31, 2020; and

(iv) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to CM/YTD Budget for the three-month period ending March 31, 2020.

Following Vanessa Shipley’s review of the March Platte Canyon Financial Statements, which contained no usual items requiring special comment, a motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Fohn to accept the Platte Canyon financial statements, as presented: The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

William 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 three-month period ending March 31, 2020, were presented to the Boards:

(i) Statement of Net Assets, dated March 31, 2020, showing Southwest’s Assets, Liabilities, and Net Assets;

(ii) Statement of Revenue, Expenses, and Changes in Net Assets for the three-month period ending March 31, 2020;

(iii) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to Annual Budget for the three-month period ending March 31, 2020; and

(iv) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to CM/YTD Budget for the three-month period ending March 31, 2020.
Following Vanessa Shipley’s review of the foregoing Financial Statements, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Ensor 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 March 31, 2020, Platte Canyon’s investments and deposits totaled $9,887,380.86, itemized as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Checking</td>
<td>$230,357.46</td>
<td>2.33%</td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>$744,000.00</td>
<td>7.52%</td>
</tr>
<tr>
<td>ColoTrust-Prime</td>
<td>$0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>ColoTrust-Plus</td>
<td>$2,692,292.05</td>
<td>27.23%</td>
</tr>
<tr>
<td>ColoTrust-Trust Account</td>
<td>$2,465,869.49</td>
<td>24.94%</td>
</tr>
<tr>
<td>Treasury Bills</td>
<td>$0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>Treasury Notes</td>
<td>$2,254,861.86</td>
<td>22.81%</td>
</tr>
<tr>
<td>U.S. Government Agencies and Instrumentalities</td>
<td>$1,500,000.00</td>
<td>15.17%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$9,887,380.86</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

The average yield on Platte Canyon’s investments for the month of March 2020, as calculated by staff, was 1.6091% per annum.

Following a brief discussion, a motion was made by Platte Canyon Director Hamblin 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:
Vanessa Shipley informed the Board that due to the recent dramatic drop in interest rates, a number of Platte Canyon agency securities were called resulting in funds being invested in Platte Canyon’s ColoTrust account. Platte Canyon’s investment policy allows for approximately 35% of Platte Canyon’s total investments to be held in ColoTrust although at the present time, the amount of funds invested in ColoTrust as a percentage of total investments is close to 52%. Due to the unusual market conditions, Vanessa Shipley asked the Platte Canyon Board to approve a temporary variance from Platte Canyon’s investment policy. A motion was then made by Platte Canyon Director Hamblin and seconded by Platte Canyon Director Buckner to approve a temporary variance to last as long as the current low interest rate environment prevails or until further notice by the Platte Canyon Board. The Chair called for the 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 March 31, 2020, Southwest’s investments and deposits totaled $24,831,122.05, itemized as follows:
The average yield on Southwest’s investments for the month of March 2020, as calculated by staff, was 1.9831% 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

Vanessa Shipley then advised the Southwest Board that Southwest’s investment portfolio has experienced a significant number of agency securities being called due to the low interest rate environment. As a result, Southwest has also exceeded the percentage of its total investments that can be held in ColoTrust under the Southwest investment policy.

Following a brief discussion and at Vanessa Shipley’s request, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Dursey to authorize a temporary deviation from the Southwest investment policy to remain in effect until further notice from the Southwest Board. The Chair called for a vote of the Southwest Board and the vote as follows:
2. **Management Report.** The manager and assistant manager reviewed, as more particularly set forth below, the written Management Report dated April 2020. A copy of the Management Report was previously provided to each member of both Boards.

(a) **Denver Water Rates and Fees Technical Advisory Committee.** The Manager updated the Boards on the Denver Water Rates and Fees Technical Advisory Committee’s (TAC) effort to pursue an understanding with Denver Water as to how the significant costs associated with Denver Water’s lead service line replacement program will be allocated between inside and outside City customers. A meeting recently occurred that was attended by the manager, the TAC’s rate consultants, and Denver Water’s CEO and rates staff. At the conclusion of the meeting, everyone agreed that the rate experts from each group should meet for the purpose of mutually agreeing on an acceptable cost allocation methodology for the cost of Denver Water’s lead service line replacement program. Currently, Denver is proposing to allocate those costs approximately 50% to the suburban distributors. The TAC would like to see approximately 11% of those costs allocated to the suburban distributors because of the lack of lead service lines in the outside city service area. The manager will keep both Boards advised as to the outcome of the meeting between Denver Water and the TAC’s rate consultants. It is hoped that the technical experts can come up with a solution that allocates the costs of Denver Water’s lead service line replacement program in a way that is acceptable to both groups.

(b) **COVID-19 Operations Update.** The assistant manager updated the Boards on the adjustments that have been made in the way each District is currently operating due to the COVID-19 pandemic. Staff is currently divided into two groups with each group alternating in terms of when they come into the Districts office. At all times social distancing is being observed. Customer contact is being kept to a minimum and many of Platte Canyon’s employees, especially the administrative staff employees are currently working remotely from home.

(c) **Communications to Customers.** Bridget Butterfield updated the Boards as to the communications that are currently ongoing between Platte Canyon and Southwest and their respective customers. Platte Canyon staff is communicating actively
with both sets of customers to let them know what efforts the Districts are making to continue to provide reliable and safe water and sewer service.

3. **Operations and Maintenance Summary Report.** Scott Hand stated that due to technical difficulties, he was not able to include the normal Operations and Maintenance Summary Report in the meeting packet. He noted that during the last month, neither Southwest nor Platte Canyon had any sewer service or water service interruptions. There was a number of remedial water repairs during the month of April and a power point presentation on those repairs was provided by Mr. Hand to the Boards. The presentation included the valve repairs that occurred at 8456 S. Hoyt Street and at 9535 W. Coal Mine Avenue.

4. **Construction Project Report.** Tony Cocozzella reviewed with both Boards the Capital Projects Information 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. Projects that are in the design phase were also included as part of the 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, May 22, 2020, at 8:30 a.m. Because of the COVID-19 pandemic, the meeting will most likely be held as a virtual meeting on the web and/or by conference call.

**SOUTHWEST ACTION ITEMS**

**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**

A motion was made by Southwest Director Hamblin and seconded by Southwest Director Sebastian to approve, as presented, the Southwest agenda. The Chair called for a vote of the Southwest Board, and the vote was as follows:
A motion was made by Southwest Director Hamblin and seconded by Southwest Director Sebastian to approve Southwest Consent Agenda Items 1 and 2, as set forth below, by a single motion.

1. **Approval of Accounts Payable and Ratification of Interim Disbursements.** The Southwest payables and supplemental payables for month of April 2020 in the aggregate amount of $160,871.74 represented by Southwest Check Nos. 19848 through 19888, 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 payment vendors.

2. **Southwest Investment/ Transaction Report.** During the month of March 2020 Southwest did not purchase any treasury or agency securities. On March 3rd a Federal Farm Credit Bank note matured on March 12, a Federal Home Loan Bank note matured generating in the aggregate 5 million dollars in principal, plus accrued interest to Southwest. No Southwest certificates of deposit were purchased, renewed, or rolled over during the month.

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 ACTION ITEMS**

1. **Approval of Construction Contract for 2020 Capital Improvement Projects.** Tony Cocozella reviewed with the Southwest Board the Bid Summary received for 3 combined water main replacement projects within Southwest. Bids were received from Levi Contractor’s, Inc., and Diaz Construction Group in the amounts of $448,936 and $455,751 respectively.
Following a brief discussion, and based upon the recommendation from staff and Southwest’s engineer, RG & Associates, LLC., a motion was made by Southwest Director Hause and Seconded by Southwest Director Sebastian to award a contract to the low bidder, Levi Contractor’s, Inc., for an amount not to exceed $448,936. 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

The motion included authority for Southwest manager to execute the construction contract and related documents including the Notice of Award and Notice to Proceed.

2. Adoption of Resolution Establishing an Electronic Board Meeting Policy During the COVID-19 Emergency. As discussed during the Platte Canyon meeting, during the Governor’s Stay at Home Order, physical meetings are no longer possible or practical due to the social distancing requirements. Following a brief discussion, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Hause to adopt Resolution 2020-4-01, a copy of which attached to the original of these minutes. The Chair called for a vote of the Southwest Board and the vote was follows:

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

SOUTHWEST INFORMATION/DISCUSSION ITEMS

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

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 Southwest Director Hamblin 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 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 9:30 a.m. The next joint regular meeting of the Boards will be held on Friday, May 22, 2020, at 8:30 a.m. As noted earlier, the meeting will most likely be a virtual meeting on the web and/or by conference call.

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