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, June 26, 2020, at 8:30 a.m., in the District’s 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 were not comfortable physically attending, could attend by telephone or by online virtual meeting. The web address and the 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.
Richard Rock

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

Anthony M. Dursey
George E. Hamblin, Jr.
Chuck Hause

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

Bernard J. Sebastian, Jr.

The following Platte Canyon staff members were physically in attendance in the Board Room: Patrick J. Fitzgerald, manager. The following Platte Canyon staff members attended virtually although they were physically present in their office: Cynthia Lane, assistant manager; Vanessa Shipley, financial administrator; Scott Hand, operations supervisor; Tony Cocozzella, construction program manager; and Alyssa Quinn, business programs specialist coordinator; ²

Also, in attendance by telephone 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 Fohn 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 Fohn 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 June

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.
2020 in the aggregate amount of $267, 226.32 represented by Platte Canyon Check Nos. 33110 through 33167, inclusive, together with various electronic fund payments for employee salaries, utility payments, and other authorized electronic fund payment vendors.

2. **Platte Canyon Investment/Deposit Transaction Report.** During the month of May 2020, Platte Canyon did not purchase any treasury notes or agency securities, nor did any Platte Canyon certificates of deposit mature or renew.

   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 Integrated System Agreement with Denver Water.** The manager provided background information and history on why an Integrated System Agreement is necessary with Denver Water. The Colorado Primary Drinking Water Regulations (“Regulation 11”) establish rules for the safety of public drinking water supplies and enable the State of Colorado to assume responsibility for enforcing the standards established by the federal Safe Drinking Water Act. Under Regulation 11, public water systems, such as Platte Canyon’s, are required to comply with monitoring, record keeping and recording, and Maximum Contaminate Level (MCL) requirements unless the public water system is a part of an “Integrated System” where the wholesaler assumes responsibility for compliance.

   An Integrated System is defined by Regulation 11 as a system consisting of a wholesale system with one or more consecutive systems having distribution systems that are physically connected where the wholesaler assumes responsibility for compliance with one or more of the regulatory requirements applicable to the supplier and the consecutive system.

   Platte Canyon has had an Integrated System Agreement with Denver Water for a number of years. The Integrated System Agreement has allowed Platte Canyon to, in essence, delegate to Denver Water the responsibility for monitoring and testing for water quality and complying with other important aspects of Regulation 11. Recently, the State of Colorado has asked Denver Water to update its Integrated System Agreement. The last
agreement executed between Platte Canyon and Denver Water was on June 4, 2018. The new agreement brings the Integrated System Agreement into compliance with current regulations and requires Denver Water to assume responsibility for compliance with all source water and treated water quality rules. The manager noted that Platte Canyon does not assume any responsibility for the Cross-Connection Rule because that responsibility has also been delegated to Denver Water.

At the conclusion of the manager’s discussion and based upon manager’s and staff recommendation, a motion to approve and authorize execution of the most recent Integrated System Agreement was made by Platte Canyon 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

1.A. Southwest Integrated System Agreement. For efficiency purposes, the Southwest Board also took up at this time, the new Integrated System Agreement between Southwest and Denver Water. The rationale and purposes for the Southwest to enter into the agreement are the same as those for Platte Canyon. Accordingly, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Hause to authorize Southwest to enter into and execute the Integrated System Agreement between Southwest and Denver Water.

The Chair then called for a vote, 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

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.

**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 Hause 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 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 May 22, 2020 Joint Regular Meeting.** Following a brief discussion, a motion was made by Southwest Director Hause and seconded by Southwest Director Sebastian to approve, as written, the minutes of the Boards May 22, 2020 Joint Regular Meeting. 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

The approved minutes of the Boards May 22, 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


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

   (i) Statement of Net Assets, dated May 31, 2020, showing Platte Canyon’s Assets, Liabilities, and Net Assets;

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

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

Vanessa Shipley noted that Denver Water has been late in remitting service fee revenue, but that the amount of revenue is coming in as expected. She also noted that net investment income is down slightly due to the recent reduction in interest rates. Following her review of the May Platte Canyon Financial Statements, a motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Hamblin 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 five-month period ending May 31, 2020, were presented to the Boards:

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

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

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

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

Vanessa Shipley noted that there were no unusual variances to highlight in 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:
(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 May 31, 2020, Platte Canyon’s investments and deposits totaled $10,279,715.95, itemized as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Checking</td>
<td>$256,015.49</td>
<td>2.49%</td>
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<tr>
<td>Certificates of Deposit</td>
<td>$744,000.00</td>
<td>7.52%</td>
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<tr>
<td>ColoTrust-Prime</td>
<td>$0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>ColoTrust-Plus</td>
<td>$3,055,367.97</td>
<td>29.72%</td>
</tr>
<tr>
<td>ColoTrust-Trust Account</td>
<td>$2,469,159.14</td>
<td>24.02%</td>
</tr>
<tr>
<td>Treasury Bills</td>
<td>$0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>Treasury Notes</td>
<td>$2,255,173.35</td>
<td>21.94%</td>
</tr>
<tr>
<td>U.S. Government Agencies and</td>
<td>$1,500,000.00</td>
<td>14.59%</td>
</tr>
<tr>
<td>Instrumentalities</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$10,279,715.95</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

The average yield on Platte Canyon’s investments for the month of May 2020, as calculated by staff, was 1.1347% per annum.

Following a brief discussion during which Vanessa Shipley noted that Platte Canyon’s investment in ColoTrust exceeded the percentage guidelines in Platte Canyon’s investment policy. At Vanessa Shipley’s request, a motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Hamblin to authorize the deviation from Platte Canyon’s investment policy and 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:
RECORD OF PROCEEDINGS

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 May 31, 2020, Southwest’s investments and deposits totaled $24,834,607.65, itemized as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Checking</td>
<td>$5,856.14</td>
<td>0.02%</td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>$494,000.00</td>
<td>1.99%</td>
</tr>
<tr>
<td>ColoTrust-Prime</td>
<td>$0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>ColoTrust-Plus</td>
<td>$6,845,022.22</td>
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<tr>
<td>ColoTrust-Trust Account</td>
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<td>Treasury Notes</td>
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<td>24.20%</td>
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<tr>
<td>U.S. Government Agencies and</td>
<td>$1,999,999.99</td>
<td>8.05%</td>
</tr>
<tr>
<td>Instrumentalities</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$24,834,607.65</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

The average yield on Southwest’s investments for the month of May 2020, as calculated by staff, was 1.3997% per annum.

Following a brief discussion during which Vanessa Shipley noted that Southwest’s investments in ColoTrust exceeded the percentage limitations in Southwest’s investment policy, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Hause to accept the Southwest Financial Statements, as presented, and to approve investment policy percentage exceedance, noting that the exceedance approval will remain in effect until further notice from the Southwest Board. The Chair called for a vote of the Southwest Board, and the vote was as follows:
RECORD OF PROCEEDINGS

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

2. **Management Report.** The manager and assistant manager reviewed, as more particularly set forth below, the written Management Report dated June 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 and leadership group of the Denver Water Rates and Fees Technical Advisory Committee (TAC) recently met with the rates section of Denver Water and Jim Lochhead, Executive Director of Denver Water to discuss how the cost of the Lead Service Line Reduction Program should be allocated between inside and outside City customers. The model runs for the most recently suggested rate methodology for allocating these costs for 2021 show that there would be a 5%-7% increase inside the City and County of Denver with very little increase outside Denver. During the meeting, Denver Water suggested that a rate increase of that nature inside the City is unacceptable. Rather than try to allocate additional Program costs to the Suburban Distributors, Denver Water will not seek a significant increase, of any type, either inside or outside the City for 2021 rates. In essence, Denver Water will finance the coming years Lead Service Line Reduction Program costs from reserves and will defer a decision as to how to recover those costs until later in 2021.

   (b) **Denver Water Lead Service Line Reduction Program.** Cynthia Lane updated the Boards on the status of Denver Water’s Lead Service Line Replacement Program. She noted that Platte Canyon and Southwest are not currently part of that program because of the very few lead service lines, if any, located within the two districts. She is currently working with Denver Water with respect to 13 homes in the Bow Mar Water and Sanitation District that are suspected of having lead service lines. Ms. Lane noted that the Valley Sanitation District’s Sanitary Sewer Interceptor Project is going smoothly and that Tony Cocozzella will comment on it further during his construction project report to the Board.

   (c) **COVID-19 Operations Update.** The assistant manager updated the Boards on the adjustments that Platte Canyon has continued to implement in response to the COVID-19 pandemic. No individuals on Platte Canyon’s staff have tested positive for COVID. The staff is continuing to follow best management practices, although more employees are slowly starting to return to work in the office. Schedules are set up so as to make sure not everyone is in the office at the same time. At all times, social distancing is
being observed. Customer contact is continuing to be kept to a minimum and many of Platte Canyon’s administrative staff continue to work remotely from home.

3. **Operations and Maintenance Summary Report.** Scott Hand reviewed the Operations and Maintenance Summary Report dated May 2020. During the reporting period, neither Platte Canyon nor Southwest had any sewer service interruptions. Platte Canyon experienced one interruption on May 26, 2020 at 7195 South Chase Court and Southwest experienced two water service interruptions – one on May 5, 2020 at 6644 South Field Street, and the other on May 12, 2020 at 5906 South Jellison. Scott Hand presented a PowerPoint presentation showing the repair activities that were undertaken in response to the water service interruptions.

He also noted that both Districts continue to perform certain remedial repairs on the fire hydrants and valves throughout their systems. Funds will be spent shortly to expand the asphalt surface area within the Scott J. Morris Pump Station to facilitate weed control and to allow for more parking.

Mr. Hand reported that the repair project at the Hogback Pump Water Station has not been completed. Due to the pandemic, the repairs were postponed but they are currently scheduled to be done at night soon. It should take approximately 2 hours to complete and the fire department has been notified that the pump station will be down when these repairs are undertaken.

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 the Valley Sanitary Sewer Interceptor Replacement Project. He also updated the Board 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, July 24, 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 Hause 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:

- 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

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

1. **Approval of Accounts Payable and Ratification of Interim Disbursements.** The Southwest payables and supplemental payables for month of May 2020 in the aggregate amount of $646,836.34 represented by Southwest Check Nos. 19911 through 19940, 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 May 2020 Southwest did not purchase any treasury or agency securities redeem or mature. No certificates of deposit were matured or rolled over during the month.

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

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 Integrated Service Agreement with Denver Water. This matter was discussed and voted on during the Platte Canyon portion of the joint meeting.

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 Hause 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 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 9:15 a.m. The next joint regular meeting of the Boards will be held on Friday, July 24, 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

<table>
<thead>
<tr>
<th>SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT</th>
<th>PLATTE CANYON WATER AND SANITATION DISTRICT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anthony M. Dursey</td>
<td>William D. Buckner</td>
</tr>
<tr>
<td>Kenton C. Ensor, Jr.</td>
<td>Anthony M. Dursey</td>
</tr>
<tr>
<td>George E. Hamblin, Jr.</td>
<td>Louis J. Fohn</td>
</tr>
<tr>
<td>Chuck Hause</td>
<td>George E. Hamblin, Jr.</td>
</tr>
<tr>
<td>Bernard J. Sebastian, Jr.</td>
<td>Richard Rock</td>
</tr>
</tbody>
</table>