MINUTES OF JOINT REGULAR MEETING
BOARD OF DIRECTORS
PLATTE CANYON WATER AND SANITATION DISTRICT
AND
SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT

Friday
September 23, 2022
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, September 23, 2022, at 8:30 a.m. in the Districts’ office located at 8739 West Coal Mine Avenue, Littleton, Colorado 80123. Due to COVID-19 and related virus concerns and for purposes of convenience, the meeting was also conducted virtually using Microsoft Teams. Any Board member who could not or was not comfortable physically attending, could attend by telephone or virtually. 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
Samuel Rivas, Jr. (by telephone)
Bernard J. Sebastian, Jr.

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

Also, in attendance was Timothy J. Flynn, from Collins Cole Flynn Winn & Ulmer, PLLC, legal counsel for both Districts.

**CALL TO ORDER**

The Platte Canyon portion of the join meeting was called to order by Platte Canyon President, George E. Hamblin, Jr. who presided as Chair.

**APPROVAL OF PLATTE CANYON AGENDA**

Following a brief discussion, a motion was made by Platte Canyon Director Swatek and seconded by Platte Canyon Director Fohn to approve the Platte Canyon agenda, as presented. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Vote</th>
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<tbody>
<tr>
<td>William Buckner</td>
<td>Aye</td>
</tr>
<tr>
<td>Anthony M. Dursey</td>
<td>Aye</td>
</tr>
<tr>
<td>Louis J. Fohn</td>
<td>Aye</td>
</tr>
<tr>
<td>George E. Hamblin, Jr.</td>
<td>Aye</td>
</tr>
<tr>
<td>Mark Swatek</td>
<td>Aye</td>
</tr>
</tbody>
</table>

**PLATTE CANYON CONSENT AGENDA**

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 No. 1 and No. 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 September 2022, in the aggregate amount of $560,448.93 represented by Platte Canyon check numbers 34445 through 34474 inclusive, including any checks for less than $5,000 written by the manager pursuant to prior Board authorization, together with various electronic fund payments for employees’ salaries, utilities, and other authorized electronic fund payment vendors.

2. **Platte Canyon Investment/Deposit Transaction Report.** On August 24, 2022, Platte Canyon purchased a $517,000 par value treasury note having a face rate of interest of .125%, a maturity date of August 15, 2023, for a discounted purchase price of $499,208.26, and a yield to maturity of 3.20% per annum. No Platte Canyon treasury notes

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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.
or other securities matured during the month of August and Platte Canyon did not renew, roll over, or purchased any new CDs during the month of August.

With respect to the above referenced Consent Agenda Items No. 1 and No. 2, the Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

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

PLATTE CANYON ACTION ITEMS

1. **Approval of Resolution 2022-9-01 Declining Participation in the Family and Medical Leave Insurance Program (FAMLI).** The Chair opened the public hearing on the Family and Medical Leave Insurance Program, written notice of which had been provided to all Platte Canyon employees. In addition, the matter was listed on the meeting agenda that was posted as required by law. The public hearing is for the purpose for considering whether or not Platte Canyon will participate in the FAMLI Program offered by the State of Colorado. The manager provided testimony regarding the notice that had been provided to each of the employees and summarized staff’s reasons for recommending that Platte Canyon not participate in FAMLI. No employee appeared at the meeting to testify or provide comments to the Board. The Chair then closed the public hearing. At the conclusion of the public hearing, staff reiterated its recommendation that Platte Canyon does not participate in FAMLI. A motion was made by Platte Canyon Director Fohn and seconded by Platte Canyon Director Dursey to adopt Resolution 2022-9-01 which evidences the Board’s decision to decline participate in the Program. 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

2. **Approval of 2023-2032 Capital Master Plan.** The manager and Scott Hand reviewed in detail Platte Canyon’s 2023-2032 Capital Master Plan, a copy of which had previously been provided to each member of the Board. The purpose of the Capital Master Plan is to itemize and schedule the water and wastewater facility rehabilitations and expansions that will be undertaken during the planning period as well as the replacement of vehicles and equipment. In developing the Plan, it was noted that staff considered the likelihood of failure of Platte Canyon’s facilities, as well as the impact that failure would have on Platte Canyon’s customers. It was noted that recent inflationary pressures have substantially increased the estimated cost of the proposed capital improvements planned over
the next ten years. During the discussion it was decided that during the fourth quarter of next year, staff will prepare a document that contains a formal plan and schedule for all of Platte Canyon’s capital projects for the next five years. Five years is the time frame in which staff is more comfortable with future cost projections. The five-year plan will be presented to the Board for consideration.

At the conclusion of the discussion a motion to accept the Platte Canyon 2023-2032 Capital Master Plan as presented was made by Platte Canyon Director Fohn and seconded by Platte Canyon Director Swatek. 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 information or discussion items to come before this meeting of the Platte Canyon Board.

NEW BUSINESS

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

SOUTHWEST PORTION OF THE JOINT MEETING

CALL TO ORDER

For the purpose of allowing both Boards to more easily compare their respective Capital Master Plans presented to them for approval, both Boards decided to proceed with the Southwest portion of the joint meeting at this time. Accordingly, the Southwest portion of the joint meeting was called to order by Southwest President, Chuck Hause, who presided as Chair.

APPROVAL OF SOUTHWEST AGENDA

Following a brief discussion, a motion was made by Southwest Director Dursey 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:

Anthony M. Dursey       Aye
George E. Hamblin, Jr.   Aye
Chuck Hause             Aye
Samuel Rivas, Jr.        Aye
Bernard J. Sebastian, Jr. Aye
SOUTHWEST ACTION ITEMS

1. Approval of Southwest 2023-2032 Capital Master Plan. Scott Hand and Cynthia Lane reviewed in detail the 2023-2032 Capital Master Plan for Southwest, noting the goals of the Plan and the process that was followed in developing the Plan. Staff noted that the infrastructure within Southwest is not as old as the infrastructure within Platte Canyon. Even though Southwest does not have a significant amount of capital improvements to make in the next ten years the rate of inflation still impacts the cost of the Southwest Capital Master Plan as noted by the manager and Scott Hand.

At the conclusion of staff’s discussion and explanation of the Southwest 2023-2032 Capital Master Plan, a motion to approve the Plan, as presented, was made by Southwest Director Dursey and seconded by Southwest Director Sebastian. The Board 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
Samuel Rivas, Jr.        Aye
Bernard J. Sebastian, Jr. Aye

APPROVAL OF SOUTHWEST CONSENT AGENDA

A motion was made by Southwest Director Sebastian and seconded by Southwest Director Dursey to approve Southwest Consent Agenda Items No. 1 and No. 2, as set forth below, by a single motion:

1. Ratification of Interim Disbursements and Approval of Current Payables. Southwest payables and supplemental disbursements for the month of September 2022, in the aggregate amount of $223,605.69 represented by Southwest check numbers 20692 through 20716, inclusive, including checks written by the manager for less than $5,000 pursuant to prior Board authorization, as well as various electronic fund payments for utilities and other authorized electronic fund payment vendors.

2. Southwest Investment/Deposit Transaction Report. During the month of August 2022, Southwest did not purchase any treasury notes or other securities nor did any Southwest treasury notes or securities mature or redeem. Southwest did not sell any treasury notes or securities during the month. Also, Southwest did not rollover or purchase any new certificates of deposit.

With respect to the above referenced Consent Agenda Items, 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
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.

JOINT PARTICIPATION OF THE MEETING

Southwest President, Chuck Hause, 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 Hamblin and seconded by Platte Canyon Director Swatek 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:

<table>
<thead>
<tr>
<th>Name</th>
<th>Vote</th>
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<tbody>
<tr>
<td>William Buckner</td>
<td>Aye</td>
</tr>
<tr>
<td>Anthony M. Dursey</td>
<td>Aye</td>
</tr>
<tr>
<td>Louis J. Fohn</td>
<td>Aye</td>
</tr>
<tr>
<td>George E. Hamblin, Jr.</td>
<td>Aye</td>
</tr>
<tr>
<td>Mark Swatek</td>
<td>Aye</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Name</th>
<th>Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anthony M. Dursey</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>Samuel Rivas, Jr.</td>
<td>Aye</td>
</tr>
<tr>
<td>Bernard J. Sebastian, Jr.</td>
<td>Aye</td>
</tr>
</tbody>
</table>

JOINT MEETING CONSENT AGENDA

1. Approval of the Minutes of the August 28, 2022, Joint Regular Meeting.

Following a brief discussion, a motion was made by Southwest Director Dursey and seconded by Platte Canyon Director Buckner to approve the minutes of the Boards’
August 28, 2022, 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 the Southwest Board, and the vote was as follows:

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

The approved minutes 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**

1. **Financial Matters.**

   (a) **Platte Canyon Financial Statements.** The following unaudited Platte Canyon financial statements prepared by Vanessa Shipley, for the eight-month period ending August 31, 2022, were presented to the Boards:

      (i) Statement of Net Assets, dated August 31, 2022, showing Platte Canyon’s Assets, Liabilities, and Net Assets; and

      (ii) Statement of Revenue, Expenses and Net Assets for the eight-month period ending August 31, 2022; and

      (iii) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to Annual Budget for the eight-month period ending August 31, 2022; and

      (iv) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to CM/YTD Budget for the eight-month period ending August 31, 2022.

      Vanessa Shipley noted those line items that had a significant variance from the adopted budget and explained the reasons for the variance to the Board. Following Vanessa Shipley’s discussion of the Platte Canyon financial statements, a motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Swatek 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:
(b) **Southwest Financial Statements.** The following unaudited Southwest financial statements, prepared by Vanessa Shipley for the eight-month period ending August 31, 2022, were presented to the Boards:

(i) Statement of Net Assets, dated August 31, 2022, showing Southwest’s Assets, Liabilities, and Net Assets;

(ii) Statement of Revenue, Expenses and Changes in Net Assets for the eight-month period ending August 31, 2022;

(iii) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to Annual Budget for the eight-month period ending August 31, 2022; and

(iv) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to CM/YTD Budget for the eight-month period ending August 31, 2022.

Again, Vanessa Shipley noted the various line items that had a significant variance from the adopted budget and explained the reasons, therefore. At the conclusion of the Southwest financial statements, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Hamblin, to accept the Southwest financial statements, as presented. The Chair called for a vote of the Southwest Board, and the vote was as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anthony M. Dursey</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>Samuel Rivas, Jr.</td>
<td>Aye</td>
</tr>
<tr>
<td>Bernard J. Sebastian, Jr.</td>
<td>Aye</td>
</tr>
</tbody>
</table>

**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 August 31, 2022, Platte Canyon’s investments and deposits totaled $10,291,472.52 itemized as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Checking</td>
<td>$110,611.62</td>
<td>1.07%</td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>$495,000.00</td>
<td>4.81%</td>
</tr>
<tr>
<td>ColoTrust-Edge</td>
<td>$1,726,016.92</td>
<td>16.77%</td>
</tr>
<tr>
<td>ColoTrust-Plus</td>
<td>$1,301,476.40</td>
<td>12.65%</td>
</tr>
</tbody>
</table>
The average yield on Platte Canyon’s investments for the month of August 2022, as calculated by staff, was 0.13483% per annum.

Following a brief discussion, a motion was made by Platte Canyon Director Dursey and seconded by Platte Canyon Director Fohn 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

(c) 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 August 31, 2022, Southwest’s investments and deposits totaled $25,202,154.58, itemized as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Checking</td>
<td>$7,594.56</td>
<td>0.03%</td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>$494,000.00</td>
<td>1.96%</td>
</tr>
<tr>
<td>ColoTrust-Edge</td>
<td>$4,302,601.15</td>
<td>17.07%</td>
</tr>
<tr>
<td>ColoTrust-Plus</td>
<td>$367,074.63</td>
<td>1.46%</td>
</tr>
<tr>
<td>ColoTrust-Trust Account</td>
<td>$39,549.21</td>
<td>0.16%</td>
</tr>
<tr>
<td>CSAFE-Core</td>
<td>$537,017.62</td>
<td>2.13%</td>
</tr>
<tr>
<td>Treasury Bills</td>
<td>$0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>Treasury Notes</td>
<td>$13,454,317.41</td>
<td>53.39%</td>
</tr>
<tr>
<td>U.S. Government Agencies and</td>
<td>$6,000,000.00</td>
<td>23.81%</td>
</tr>
<tr>
<td>Instrumentalities</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$25,202,154.58</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

The average yield on Southwest’s investments for the month of August 2022, as calculated by staff, was 1.2767% per annum.
Following a brief discussion, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Dursey 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:

<table>
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<tr>
<th>Name</th>
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</thead>
<tbody>
<tr>
<td>Anthony M. Dursey</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>Samuel Rivas, Jr.</td>
<td>Aye</td>
</tr>
<tr>
<td>Bernard J. Sebastian, Jr.</td>
<td>Aye</td>
</tr>
</tbody>
</table>

2. **Management Report.** In lieu of a detailed review of the management report, the manager referred the members of each Board to her written management report for the month of September 2022, a copy of which is included in the meeting packet. In addition to answering questions concerning her report, the manager had the following additional updates:

(a) **Littleton Connector Agreements.** The manager noted that much of the concern, that she had expressed at earlier meetings regarding changes to the Connector Agreements that both Platte Canyon and Southwest have with the City of Littleton for wastewater treatment, have been alleviated. She attended a meeting with Jason Mumm and members of Littleton staff during the month. It appears that Littleton staff is not recommending any major changes to the Connector Agreements at this time. Once a draft of the new proposed Connector Agreement has been prepared by the City of Littleton, it will be circulated to Platte Canyon’s and Southwest’s legal counsel for further review before being presented to the Boards for approval.

(b) **Distributors Breakfast.** The manager noted that the Distributors breakfast, which was held on September 20, 2022, was recorded and that the link to that recording has been provided to all Board members. Those Board members from Platte Canyon and Southwest who were unable to attend the meeting can listen to the presentation by Jim Locket and Denver staff by going to that link.

(c) **Grease Moratorium.** The manager briefly described certain areas of the Platte Canyon wastewater system where the grease has been accumulating at a high rate. These areas have been put on an accelerated maintenance program.

(d) **Miscellaneous Matters.** With respect to the balance of the written management report, the manager asked if there were any areas of the written report that any Board member wanted additional information or discussion. No members of either Board had any questions for the manager.

3. **Operations and Maintenance Summary Report.** Scott Hand reviewed the operations and maintenance summary report for August 2022. During the reporting period neither Platte Canyon nor Southwest had any sewer service interruptions. Platte Canyon did not have any water service interruptions during the reporting period. Southwest had a break
in a ductal iron air vac pipe in the 7100 block of West Meadows Drive. The matter was handled in a routine manner and quickly repaired.

With respect to Southwest and Platte Canyon’s remedial repairs, two were performed by C&L Water Solutions during the month. Staff also replaced approximately twenty-three fire hydrant nozzle sections as part of both Districts fire hydrant repair program.

Platte Canyon staff attended the Southwest Metro Denver Water tour, which was held on August 3, 2022. Mr. Hand felt that the event was informative and educational for all District staff who attended.

Mr. Hand updated the Board with respect to each District’s capital purchases. None of the equipment ordered by either District has been received to date. However, staff has made a request to the manufacturers that deliveries be accelerated, and Mr. Hand reported on those equipment items that he believes will be delivered in the near future.

4. **Capital Projects Report**. Tony Cocozzella reviewed the Capital Projects Report for Platte Canyon and Southwest for the month of August 2022. As part of his report, Mr. Cocozzella updated the Boards as to the status of all ongoing Platte Canyon and Southwest projects, including developer projects and District-specific projects. Currently there are thirteen development projects underway. His report also gave a budget to actual comparison to the costs incurred by the District in a number of the Districts capital sanitary sewer and water main replacement projects that are scheduled for this year.

**NEW BUSINESS**

There was no new business to come before the joint participation portion of this 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 Platte Canyon Director Fohn and seconded by Southwest Director Sebastian. 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
Whereupon, this joint regular meeting of the Platte Canyon and Southwest Boards of Directors adjourned at approximately 9:50 a.m. The next regular joint meeting of the Boards will be held on Friday, October 28, 2022, 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

George E. Hamblin, Jr.

Chuck Hause

Bernard J. Sebastian, Jr.

Samuel Rivas, Jr.

PLATTE CANYON WATER AND SANITATION DISTRICT

William D. Buckner

Anthony M. Dursey

Louis J. Fohn

George E. Hamblin, Jr.

Mark Swatek