

MINUTES OF JOINT REGULAR MEETING
BOARD OF DIRECTORS
PLATTE CANYON WATER AND SANITATION DISTRICT
AND
SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT¹

Friday
June 23, 2023
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, June 23, 2023, at 8:30 a.m. in the Districts’ office located at 8739 West Coal Mine Avenue, Littleton, Colorado 80123. For purposes of convenience, the meeting was also conducted virtually using Microsoft Teams.

Any Board member who could not physically attend, 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
George E. Hamblin, Jr.

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

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

The following Platte Canyon staff members were physically in attendance: Alyssa Quinn, assistant manager; Vanessa Shipley, financial administrator; Scott Hand, operations supervisor; and Tony Cocozzella, construction program manager. Bridget Butterfield,

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

communications and administrative services coordinator; and Adam Morse, GIS/Website/IT technician, both attended the meeting virtually via Microsoft Teams.

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

CALL TO ORDER

The meeting was called to order by Platte Canyon’s President, George E. Hamblin, Jr., who presided as Chair.

APPROVAL OF PLATTE CANYON AGENDA

A motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Dursey 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
George E. Hamblin, Jr.	Aye

DIRECTORS ABSENCE EXCUSED

Following a brief discussion, a motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Dursey to excuse the absence of Platte Canyon Directors Louis J. Fohn and Mark Swatek both of whom were unable to attend the 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
George E. Hamblin, Jr.	Aye

PLATTE CANYON CONSENT AGENDA

Following a brief discussion, a motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Dursey to approve Platte Canyon Consent Agenda Items No. 1 and No. 2, as set forth below, by a single motion:

2. Ratification of Interim Disbursements and Approval of Current Payables.

Platte Canyon payables and supplemental disbursements for the month of May 2023, in the aggregate amount of \$231,999.97, represented by Platte Canyon check numbers 34869 thru 34909, 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 employee salaries, utility payments and other authorized electronic fund vendors.

3. Platte Canyon Investment/Deposit Transaction Report. During the month of May 2023, Platte Canyon did not purchase any treasury notes or agency securities nor did Platte Canyon sell or have any treasury notes or other securities mature or redeem. No certificates of deposit were purchased by Platte Canyon during the month nor did any existing certificates of deposit mature or renew.

With respect to Consent Agenda Item Nos. 1 and 2 above, 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
George E. Hamblin, Jr.	Aye

PLATTE CANYON ACTION ITEM

1. Award of Construction Contract to Diaz Construction Group LLC. Tony Cocozzella reviewed the bids received by Platte Canyon for Platte Canyon’s 2023 Water Main Replacement Project 23-1W. Diaz Construction Group LLC was the low bidder in the amount of \$618,517.00. This is below the budgeted cost estimate of \$685,000.00. The other two bidders were Brannan Construction Company in the amount of \$720,675.00 and Diamond Contracting Group in the amount of \$645,159.00.

Tony Cocozzella’s written report recommended awarding a contract to Diaz Construction Group LLC. Contingent upon Diaz Construction completing certain paving that was part of the District’s 2022 Capital Improvement Project. Mr. Cocozzella note the paving work has since been completed and staff is now recommending award of a contract without any contingencies.

Following a brief discussion, a motion to award a contract to Diaz Construction Group and to authorize the manager to execute the contract once Diaz has provided proof of insurance and satisfied the bonding requirements, was made by Platte Canyon Director Buckner and seconded by Platte Canyon Dursey. Following a brief discussion, the Chair called for a vote and the vote was as follows:

William D. Buckner	Aye
Anthony M. Dursey	Aye
George E. Hamblin, 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

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

APPROVAL OF JOINT MEETING AGENDA

Following a brief discussion, a motion was made by Southwest Director Sebastian 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
George E. Hamblin, Jr.	Aye

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

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

JOINT MEETING CONSENT AGENDA

1. **Approval of the Minutes of the Boards' May 26, 2023 Joint Regular Meeting.** A motion was made by Platte Canyon Director Buckner and seconded by Southwest Director Rivas to approve the minutes of the Boards' May 26, 2023 joint regular meeting, as written. 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
George E. Hamblin, Jr.	Aye

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

Anthony M. Dursey	Aye
George E. Hamblin, Jr.	Aye
Chuck Hause	Aye
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 following the meeting, 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 five-month period ending May 31, 2023, were presented to the Boards:

(i) Statement of Net Assets, dated May 31, 2023, 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, 2023;

(iii) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to Annual Budget for the five-month period ending May 31, 2023; 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, 2023.

Vanessa Shipley reviewed the financial statements, noting maintenance supplies were unusually high but explained the reason therefore. 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
George E. Hamblin, Jr.	Aye

(b) **Southwest Financial Statements.** The following unaudited Southwest financial statements, prepared by Vanessa Shipley for the five-month period ending May 31, 2023, were presented to the Boards:

(i) Statement of Net Assets, dated May 31, 2023, 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, 2023;

(iii) Schedule of Revenue and Expenditures – Budget & Actual CM/YTD Actuals Compared to Annual Budget for the five-month period ending May 31, 2023; 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, 2023.

Following Vanessa Shipley's review of the 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:

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

(c) **Platte Canyon Investment/Deposit Report.** The Boards reviewed a list of Platte Canyon 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, 2023, Platte Canyon's investments and deposits totaled \$10,308,700.81, itemized as follows:

[TABLE OF FIGURES TO FOLLOW ON NEXT PAGE]

<u>Description</u>	<u>Amount</u>	<u>Percentage</u>
Checking	\$216,360.70	2.10%
Certificates of Deposit	\$495,000	4.80%
COLOTRUST-Edge	\$548,026.53	5.32%
COLOTRUST-Plus	\$2,300,057.81	22.31%
COLOTRUST-Trust Account	\$552,669.35	5.36%
CSAFE-Core	\$413,287.48	4.01%
Treasury Bills	\$0.00	0.00%
Treasury Notes	\$4,280,710.82	41.53%
U.S. Government Agencies and Instrumentalities	\$1,502,588.12	14.85%
TOTAL	<u>\$10,308,700.81</u>	<u>100.00%</u>

The average yield on Platte Canyon’s investments for the month of May 2023, as calculated by staff, was 2.6832% per annum.

Following a brief discussion, a motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Dursey 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 D. Buckner	Aye
Anthony M. Dursey	Aye
George E. Hamblin, Jr.	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, 2023, Southwest’s investments and deposits totaled \$24,861,256.73 itemized as follows:

[TABLE OF FIGURES TO FOLLOW ON NEXT PAGE]

<u>Description</u>	<u>Amount</u>	<u>Percentage</u>
Checking	\$10,554.14	0.04%
Certificates of Deposit	\$494,000.00	1.99%
COLOTRUST-Edge	\$850,309.92	3.42%
COLOTRUST-Plus	\$1,892,449.96	7.61%
COLOTRUST-Trust Account	\$153,999.31	0.62%
CSAFE-Core	\$1,200,570.72	4.03%
Treasury Bills	\$0.00	0.00%
Treasury Notes	\$14,457,372.68	58.15%
U.S. Government Agencies and Instrumentalities	\$6,000,000.00	24.13%
TOTAL	<u>\$24,861,256.73</u>	<u>100.00%</u>

The average yield on Southwest’s investments for the month of May 2023, as calculated by staff, was 1.8699% per annum.

Following a brief discussion, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Rivas to accept the Southwest Investment/Deposit Report, as presented. The Chair called for a vote of the Southwest Board, and the vote was as follows:

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

INFORMATION/DISCUSSION ITEMS

1. **Management Report.** In the absence of Cynthia Lane, the assistant manager, Alyssa Quinn reviewed the management report for the month of May 2023, a copy of which was included in the meeting packet. Rather than a detailed review, the assistant manager asked if there were any questions concerning the report. There being no questions, Alyssa provided the following additional information update to the Board:

(a) **Denver Water Board CEO Selected.** The Board of Water Commissioners recently appointed Alan Salazar to serve in the position of Chief Executive Officer. Mr. Salazar will serve for a period of one year, at which time both the Board and Mr. Salazar will evaluate whether he wants to continue in that position. The current CEO, Jim Lockhead, will continue to serve until the beginning of August. At that time his retirement will become official, and it was noted that at Mr. Lockhead’s request there will be no official retirement party for him.

2. **Operations and Maintenance Summary Report.** Scott Hand reviewed the Operations and Maintenance Summary Report for May 2023. During the reporting period, Platte Canyon had no water service interruptions and Southwest had no sewer service

interruptions. Southwest experienced a water service interruption on May 18, 2023 when a 12” ductile iron water main broke due to electrolysis at 11173 West Caley Avenue. Mr. Hand presented a PowerPoint presentation which showed the repair operations which consisted of installing a 12” clamp over the portion of the water main that ruptured.

On May 16, 2023, Platte Canyon staff responded to a sewer backup in the Platte Canyon District at 4708 South Webster Street which was caused by a protruding sewer service line repair. Staff milled off that portion of the sewer service line that was protruding into the District’s main and which caused the backup. The homeowner reported damage in their basement. Staff reported the incident to the District’s insurance carrier; no response from the insurance company has been received as of the date of this meeting.

During May, the maintenance staff, as part of the Platte Canyon and Southwest ongoing hydrant remedial repairs, replaced the bonnets on nine (9) fire hydrants.

Finally, during May, all staff attended a sexual harassment course that was conducted on May 16, 2023 and sponsored by the Special District Property Liability Pool.

3. Capital Projects Report. Tony Cocozzella reviewed the Capital Projects Report for Platte Canyon and Southwest. He reported that the Southwest water main replacement project, which consists of replacing 26,000 linear feet of 16” cast iron pipe with 16” PVC pipe in South Santa Fe Drive, is being designed by RG and Associates. In addition, Mr. Cocozzella updated the Board as to the status of all other ongoing Platte Canyon and Southwest projects including developer and District specific projects such as status of the South Santa Fe Park Toll Brothers Project, work that is being done at Millstone at Columbine, as well as the Platte Canyon Water Main Replacement Project in South Depew Street from Ken Caryl to West Canyon Trail.

He also reported the sewer main that the Valley Sanitation District had planned to replace along West Oxford Drive north of the Kent Property was stopped and the contract terminated due to unsafe working conditions caused by the presence of methane gas in the project area.

NEW BUSINESS

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

SOUTHWEST PORTION OF THE JOINT MEETING

CALL TO ORDER

The Southwest portion of the joint meeting was called to order by Southwest’s President, Chuck Hause, who presided as Chair.

APPROVAL OF SOUTHWEST AGENDA

Following a brief discussion, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Rivas 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 CONSENT AGENDA

Following a brief discussion, a motion was made by Southwest Director Sebastian. and seconded by Southwest Director Rivas 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 June 2023, in the aggregate amount of \$165,189.62, represented by Southwest check numbers 202924 through 202945, 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 May 2023, Southwest did not purchase any investment securities, nor were any Southwest investment securities redeemed, sold, or mature. In addition, no certificates of deposit were renewed or rolled over.

With respect to the above referenced consent 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
Samuel Rivas, Jr.	Aye
Bernard J. Sebastian, Jr.	Aye

SOUTHWEST ACTION ITEMS

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

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 the joint regular meeting of the Platte Canyon and Southwest Boards, a motion to adjourn the Southwest meeting was made by Southwest Director Sebastian and seconded by Southwest Director Rivas.

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
George E. Hamblin, Jr.	Aye

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

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

Whereupon, this joint regular meeting of the Platte Canyon and Southwest Boards of Directors adjourned at approximately 9:05 a.m. The next regular joint meeting of the Boards will be held on Friday, July 28, 2023, 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

THE MINUTES OF THIS JOINT REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT AND THE BOARD OF DIRECTORS OF THE PLATTE CANYON WATER AND SANITATION DISTRICT ARE HEREBY RATIFIED, CONFIRMED AND APPROVED BY THE FOLLOWING NAMED INDIVIDUALS WHO, INDIVIDUALLY AND AS MEMBERS OF THE BOARD OF DIRECTORS OF SAID DISTRICTS, WAIVE ANY AND ALL NOTICE THAT MAY BE REQUIRED BY THE STATUTES OF THE STATE OF COLORADO PERTAINING TO THE CONVENING AND THE CONDUCTING OF THIS SPECIAL MEETING OF THE DISTRICTS' BOARDS OF DIRECTORS; AND THE UNDERSIGNED DO HEREBY CONSENT TO THE SAID MEETING BEING HELD ON THE DATE, AT THE TIME AND AT THE PLACE AS HEREINABOVE SET FORTH.

**SOUTHWEST
METROPOLITAN WATER
AND SANITATION DISTRICT**

**PLATTE CANYON WATER
AND SANITATION DISTRICT**

Anthony M. Dursey

William D. Buckner

George E. Hamblin, Jr.

Anthony M. Dursey

Chuck Hause

Louis J. Fohn

Samuel Rivas, Jr.

George E. Hamblin, Jr.

Bernard J. Sebastian, Jr.

Mark Swatek