

# RECORD OF PROCEEDINGS

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## MINUTES OF SPECIAL JOINT MEETING

### BOARD OF DIRECTORS

#### PLATTE CANYON WATER AND SANITATION DISTRICT

#### AND

#### SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT<sup>1</sup>

Friday  
December 18, 2009  
Jefferson County, Colorado

A special joint 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, December 18, 2009, at 8:30 a.m. in the Districts’ office located at 8739 West Coal Mine Avenue, Littleton, Colorado 80123. Although jointly conducted, a portion of the meeting pertained solely to one District or the other, and accordingly at times only the vote of one Board or the other was required.

The following Platte Canyon Directors were in attendance, to-wit:

Kenneth D. Bradford  
Jack C. Dice  
Anthony M. Dursey  
Richard C. Eckert  
Richard Spielman

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

Kenneth D. Bradford  
Anthony M. Dursey  
Kenton C. Ensor, Jr.  
George E. Hamblin, Jr.  
Chuck Hause

The following Platte Canyon staff members were in attendance: Patrick J. Fitzgerald, manager; Scott Morse, assistant manager; Dennis Morse, construction

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<sup>1</sup> and each District’s Water and Sanitary Sewer Activity Enterprise.

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coordinator and inspector; Vanessa Shipley, financial administrator; and Scott Hand, operations supervisor.<sup>2</sup>

Also in attendance was Timothy J. Flynn, from Collins, Cockrel & Cole, P.C., legal counsel for both Districts.

### CALL TO ORDER

The meeting was called to order by Jack C. Dice, who presided as Chair.

### PLATTE CANYON ACTION ITEMS

1. **Approval of Revised Platte Canyon Agenda.** A motion was made by Platte Canyon Director Bradford and seconded by Platte Canyon Director Spielman to approve the Platte Canyon revised agenda as presented. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

Kenneth D. Bradford	Aye
Jack C. Dice	Aye
Anthony M. Dursey	Aye
Richard C. Eckert	Aye
Richard Spielman	Aye

2. **Platte Canyon Accounts Payable.** The Boards reviewed a list and supplemental list of Platte Canyon vouchers paid and payable for December 2009 in the aggregate amount of \$376,620.92 represented by Platte Canyon check nos. 25849 through 25905, inclusive. Following a brief discussion, a motion was made by Platte Canyon Director Bradford and seconded by Platte Canyon Director Eckert to: (a) ratify, approve and confirm all checks written and all electronic fund transfers occurring since the Board's November 20, 2009 meeting, including all checks written by the District manager for less than \$2,500.00; and (b) approve for payment the payables presented to the Platte Canyon Board at this meeting which included authority for the Platte Canyon Directors to execute checks in payment thereof. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

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<sup>2</sup> 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.

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Kenneth D. Bradford	Aye
Jack C. Dice	Aye
Anthony M. Dursey	Aye
Richard C. Eckert	Aye
Richard Spielman	Aye

3. **Platte Canyon Investment/Deposit Transaction Report.** The Boards reviewed the Schedule of Investment Principal Activity for Platte Canyon for the month of November 2009, which reflects the following transactions:

(a) **New Purchases.** No treasury or agency securities were purchased by Platte Canyon during the month; and

(b) **Redemptions.** No treasury notes or other securities owned by Platte Canyon matured during the month of November, 2009; and

(c) **Renewals.** On November 15, 2009, Platte Canyon renewed a \$150,000 certificate of deposit at Bank of Choice for a period of one year at an interest rate of 1.51% per annum. On November 27, 2009, Platte Canyon renewed ten (10) certificates of deposit each in the amount of \$150,000 at various 1<sup>st</sup> Banks of Colorado for a period of one year at an interest rate of 1.2% per annum.

Following Vanessa Shipley's discussion of the above-referenced investment transactions, a motion was made by Platte Canyon Director Dursey and seconded by Platte Canyon Director Bradford to ratify, approve and confirm the Platte Canyon Investment Principal Activity Report for the month of November 2009. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

Kenneth D. Bradford	Aye
Jack C. Dice	Aye
Anthony M. Dursey	Aye
Richard C. Eckert	Aye
Richard Spielman	Aye

4. **Approval of First Amendment to Agreement for General and Emergency Maintenance Services.** Following a brief discussion, a motion was made by Platte Canyon Director Spielman and seconded by Platte Canyon Director Bradford to approve the First Amendment to Agreement for General and Emergency Maintenance Services with C&L Water Solutions, Inc. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

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Kenneth D. Bradford	Aye
Jack C. Dice	Aye
Anthony M. Dursey	Aye
Richard C. Eckert	Aye
Richard Spielman	Aye

The Amendment extends the current agreement with C&L Water Solutions, Inc. for calendar year 2010 at the same rates and on the same terms and conditions as existed during 2009.

5. **Approval of First Amendment to Agreement for Asphalt/Concrete Restoration Services.** Following a brief discussion, a motion was made by Platte Canyon Director Eckert and seconded by Platte Canyon Director Dursey to approve the First Amendment to Agreement for Asphalt/Concrete Restoration Services with Metro Pavers, Inc. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

Kenneth D. Bradford	Aye
Jack C. Dice	Aye
Anthony M. Dursey	Aye
Richard C. Eckert	Aye
Richard Spielman	Aye

The Amendment extends the current agreement with Metro Pavers, Inc. for calendar year 2010 at the same rates and on the same terms and conditions as existed during 2009.

6. **Approval of Second Addendum to Water/Wastewater Removal and Site Cleanup Services.** Following a brief discussion, a motion was made by Platte Canyon Director Bradford and seconded by Platte Canyon Director Eckert to approve the Second Addendum to Water/Wastewater Removal and Site Cleanup Service Agreement with Belfor, Inc. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

Kenneth D. Bradford	Aye
Jack C. Dice	Aye
Anthony M. Dursey	Aye
Richard C. Eckert	Aye
Richard Spielman	Aye

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The Second Addendum extends the current agreement with Belfor, Inc. for calendar year 2010 at the same rates and on the same terms and conditions as existed during 2009.

7. **Approval of Investment Policy Revisions.** Vanessa Shipley and the District's manager reviewed with the Board revisions to the investment policy which incorporate the Board's direction given at last month's meeting to permit investments in debt instruments having longer maturities. The revisions permit purchase of U.S. government securities and agency securities having maturities of up to ten years, provided not more than 25% of the District's investment portfolio consists of debt instruments having a maturity in excess of five years. The revisions also increase the percentage of the District's investment portfolio that can consist of U.S. government instrumentalities from 35% to 45% with a maximum of 20% of the portfolio being from any single issuer. Finally, certificates of deposit are authorized through qualifying purchases in the Certificate of Deposit Account Registry Service program offered by a number of community banks in Colorado.

At the conclusion of the discussion, a motion to approve the Platte Canyon investment policy as revised was made by Platte Canyon Director Eckert and seconded by Platte Canyon Director Bradford. The Chair called for a vote, and the vote was as follows:

Kenneth D. Bradford	Aye
Jack C. Dice	Aye
Anthony M. Dursey	Aye
Richard C. Eckert	Aye
Richard Spielman	Aye

8. **Approval of CDARS Agreement and Custodial Agreement with Millennium Bank.**

Staff reviewed with the Board the CDARS Deposit Placement Agreement with Millennium Bank and Millennium's Custodial Agreement for the purpose of allowing Platte Canyon to utilize the Certificate of Deposit Account Registry Service offered through Millennium Bank. At the conclusion of the discussion, a motion was made by Platte Canyon Director Dursey and seconded by Platte Canyon Director Bradford to accept and authorize execution of the tendered CDARS Deposit Placement Agreement and the Millennium Bank Custodial Agreement. The Chair called for a vote, and the vote was as follows:

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Kenneth D. Bradford	Aye
Jack C. Dice	Aye
Anthony M. Dursey	Aye
Richard C. Eckert	Aye
Richard Spielman	Aye

It was noted during the above discussion that a maximum of ten percent (10%) of Platte Canyon's investment portfolio may be invested through the CDARS program at any one time, but that the maximum maturity of certificates of deposit is still limited to three years.

### **PLATTE CANYON INFORMATION/DISCUSSION ITEMS**

1. **Collins, Cockrel & Cole Billing Rates for 2010.** The Board reviewed a letter from Collins, Cockrel & Cole advising of an increase in billing rates for calendar year 2010. It was noted that Mr. Flynn's rate is increasing from \$295.00 per hour to \$315.00 per hour. The Board accepted the rate increase but requested that whenever possible, Mr. Flynn delegate legal tasks to lower cost associates and/or paralegals.

### **NEW BUSINESS**

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

### **TEMPORARY RECESS**

A motion was made by Platte Canyon Director Spielman and seconded by Platte Canyon Director Bradford to recess the joint meeting so that the Platte Canyon Board could reconvene as the Board of the Platte Canyon Water and Sanitation District Subdistrict No. 2. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

Kenneth D. Bradford	Aye
Jack C. Dice	Aye
Anthony M. Dursey	Aye
Richard C. Eckert	Aye
Richard Spielman	Aye

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

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Kenneth D. Bradford	Aye
Anthony M. Dursey	Aye
Kenton C. Ensor, Jr.	Aye
George E. Hamblin, Jr.	Aye
Chuck Hause	Aye

Whereupon the joint meeting temporarily recessed at approximately 9:05 a.m.

### **JOINT PARTICIPATION PORTION OF THE MEETING**

The joint meeting reconvened at approximately 9:15 a.m. with Jack C. Dice continuing to act as Chair.

1. **Approval of Joint Meeting Agenda.** A motion was made by Platte Canyon Director Eckert and seconded by Platte Canyon Director Dursey to approve, as presented, the agenda for the joint participation portion of the meeting. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

Kenneth D. Bradford	Aye
Jack C. Dice	Aye
Anthony M. Dursey	Aye
Richard C. Eckert	Aye
Richard Spielman	Aye

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

Kenneth D. Bradford	Aye
Anthony M. Dursey	Aye
Kenton C. Ensor, Jr.	Aye
George E. Hamblin, Jr.	Aye
Chuck Hause	Aye

2. **Approval of Minutes of the Board's November 20, 2009 Regular Joint Meeting.** Following a brief discussion, a motion was made by Platte Canyon Director Eckert and seconded by Platte Canyon Director Spielman to approve, as written, the minutes of the Board's November 20, 2009 regular joint meeting. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

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Kenneth D. Bradford	Aye
Jack C. Dice	Aye
Anthony M. Dursey	Aye
Richard C. Eckert	Aye
Richard Spielman	Aye

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

Kenneth D. Bradford	Aye
Anthony M. Dursey	Aye
Kenton C. Ensor, Jr.	Aye
George E. Hamblin, Jr.	Aye
Chuck Hause	Aye

The approved minutes were then presented to the members of each Board for signature as further evidence of ratification, confirmation and approval.

### **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 eleven month period ending November 30, 2009 were presented to the Boards:

(i) Statement of Net Assets dated November 30, 2009 showing Platte Canyon's Assets, Liabilities and Net Assets;

(ii) Statement of Revenue, Expenses and Changes in Net Assets for the eleven month period ending November 30, 2009;

(iii) Statement of Net Assets – Comparisons dated November 30, 2009;

(iv) Schedule of Revenue and Expenditures – Budget and Actual PTD/YTD Actuals Compared to Annual Budget for the eleven month period ending November 30, 2009; and

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(v) Schedule of Revenue and Expenditures Budget and Actual PTD/YTD Actuals Compared to PTD/YTD Budget for the eleven month period ending November 30, 2009.

Vanessa Shipley highlighted certain variances between the adopted budget and actual year-end expenditures/revenues. In particular, it was noted that real property tax revenues are down as is interest income. Contract maintenance expenditures and wages are also different than budgeted but the variances in these areas are favorable to Platte Canyon.

Following a brief discussion, a motion was made by Platte Canyon Director Spielman and seconded by Platte Canyon Director Bradford 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:

Kenneth D. Bradford	Aye
Jack C. Dice	Aye
Anthony M. Dursey	Aye
Richard C. Eckert	Aye
Richard Spielman	Aye

(b) **Southwest Financial Statements.** The following unaudited Southwest financial statements prepared by Vanessa Shipley for the eleven month period ending November 30, 2009 were presented to the Boards:

(i) Statement of Net Assets dated November 30, 2009 showing Southwest's Assets and Liabilities and Net Assets;

(ii) Statement of Revenue, Expenses and Changes in Net Assets for the eleven month period ending November 30, 2009;

(iii) Statement of Net Assets – Comparisons dated November 30, 2009;

(iv) Schedule of Revenue and Expenditures – Budget and Actual PTD/YTD Actual Compared to Annual Budget for the eleven month period ending November 30, 2009; and

(v) Schedule of Revenue and Expenditures Budget and Actual PTD/YTD Actual Compared to PTD/YTD Budget for the eleven month period, ending November 30, 2009.

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Vanessa Shipley highlighted certain variances between the adopted budget and actual year-end expenditures/revenues. She noted that Southwest's interest income was significantly less than projected.

A motion was then made by Southwest Director Bradford 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:

Kenneth D. Bradford	Aye
Anthony M. Dursey	Aye
Kenton C. Ensor, Jr.	Aye
George E. Hamblin, Jr.	Aye
Chuck Hause	Aye

(c) **Platte Canyon Investment/Deposit Report.** The Boards received a list of Platte Canyon investments in U.S. government treasury notes, agency securities, and money market funds, together with a report showing the funds Platte Canyon has in approved state depositories and authorized investment pools. As of November 30, 2009, Platte Canyon's investments and deposits totaled \$9,145,099.55, itemized as follows:

Description	Amount	Percentage
Checking	\$4,805.90	0.05%
Certificates of Deposit	\$3,842,000.00	42.01%
ColoTrust Prime	\$0.00	0.00%
ColoTrust Plus	\$1,303,887.99	14.26%
ColoTrust-Trust Account	\$38,311.06	0.42%
Treasury Bills	\$0.00	0.00%
Treasury Notes	\$709,491.13	7.76%
U.S. Government Agencies and Instrumentalities	\$3,246,603.47	35.50%
TOTAL	\$9,145,099.55	100.00%

The yield on Platte Canyon's investments for the month of November 2009 as calculated by staff was 1.9015% per annum. Following a brief discussion, a motion was made by Platte Canyon Director Bradford and seconded by Platte Canyon Director Eckert 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:

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Kenneth D. Bradford	Aye
Jack C. Dice	Aye
Anthony M. Dursey	Aye
Richard C. Eckert	Aye
Richard Spielman	Aye

During the discussion, Vanessa Shipley noted that the District’s custodial bank, American National Bank, which is the depository for District investments is being taken over by UMB Bank and that the Platte Canyon staff expects the takeover to be positive in a number of important respects.

(d) **Southwest Investment/Deposit Report.** The Boards received a list of Southwest investments in U.S. government treasury notes, agency securities, and money market funds, together with a report showing the funds Southwest has in approved state depositories and authorized investment pools. As of November 30, 2009, Southwest’s investments and deposits totaled \$37,916,761.67, itemized as follows:

Description	Amount	Percentage
Checking	\$47,973.33	0.13%
Certificates of Deposit	\$7,391,000.00	19.49%
ColoTrust Prime	\$0.00	0.00%
ColoTrust Plus	\$4,966,630.60	13.10%
ColoTrust-Trust Account	\$275,904.53	0.73%
Treasury Bills	\$0.00	0.00%
Treasury Notes	\$12,162,587.68	32.08%
U.S. Government Agencies and Instrumentalities	\$13,072,665.53	34.48%
TOTAL	\$37,916,761.67	100.00%

The yield on Southwest’s investments for the month of November 2009 as calculated by staff was 2.9282% per annum. Following Vanessa Shipley’s review of the Investment/Deposit Transaction report, a motion was made by Southwest Director Dursey and seconded by Southwest Director Hause to accept the Southwest Schedule of investment balances as presented. The Chair called for a vote of the Southwest Board, and the vote was follows:

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Kenneth D. Bradford	Aye
Anthony M. Dursey	Aye
Kenton C. Ensor, Jr.	Aye
George E. Hamblin, Jr.	Aye
Chuck Hause	Aye

2. **Manager's Information Report.** The manager reviewed his written Information Report dated December 2009, a copy of which had been previously provided to both Boards. The manager highlighted the following portions of his report:

(a) **Increase in Water Consumption Data Costs.** The manager explained that Denver Water is going to drastically increase the fee they charge for providing water consumption data to Platte Canyon, Southwest and all other distributors. The fee increase results from the necessity of Denver Water to recover its Customer Service Information System and meter reading costs. Platte Canyon and Southwest utilize the data for their annual reports. Other distributors use the data for sewer billing purposes. Preliminarily, it was indicated by Denver Water that the fee to Platte Canyon and Southwest may be as high as \$13,000. This matter is being reviewed internally by Denver Water and it is hoped that the ultimate charge to Platte Canyon and Southwest will be much less.

(b) **Moffatt Collection System Expansion.** It was noted that the EIS for the Moffatt Collection System Expansion Project has been released and an initial round of public hearings scheduled. In addition, the U.S. Army Corps of Engineers extended the comment period through March 1, 2010. The manager will prepare comments and send them to the Corps for inclusion in the public record at one of the public meetings. He noted that the opposition to the project has no viable alternative to present to the Corps for consideration. He specifically commented on a presentation that was given by some of the key opposers at a recent Denver Water Citizens Advisory Committee meeting.

(c) **IRS Compliance Audit.** The manager informed the Boards that Platte Canyon is in the middle of an IRS compliance audit. He noted that this is not a fraud audit or a tax audit, but merely a compliance audit. One of the things the IRS auditor has brought to the staff's attention is that Platte Canyon and Southwest should withhold income and FICA taxes from each Board member's check. Going forward, both Platte Canyon and Southwest intend to implement this suggested change.

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The matter was explained to all of the Board members and none had any serious objection to having income and FICA taxes withheld from their monthly Director's check.

3. **Operations and Service Interruptions Report.** Scott Hand reviewed his Operations and Service Interruptions Report dated December 18, 2009 for the period beginning November 11, 2009 and ending December 10, 2009, a copy of which had been previously provided to both Boards. During the reporting period, Platte Canyon experienced two water line breaks and Southwest experienced one break. There were no sewer service interruptions experienced by either District.

Southwest is experiencing pressure fluctuations with its Hogback Pump Station. A technician was called to troubleshoot the problem and it appears that the problem is related to one or two of the variable disk drives in the computer that operates the variable speed pumps. It is anticipated that the malfunction will be corrected by the next Board meeting.

Scott Hand also briefly reviewed with the Board the leak detection process that went on in both Districts pursuant to a contract awarded by Denver Water. The leak detection contractor discovered very few leaks in either the Platte Canyon or Southwest's water distribution system. On average each District is experiencing less than 3% loss in water through leakage. Both systems are very tight and everyone has been very impressed with the way in which the leak detection crew performed.

### **NEW BUSINESS**

There was no new business to come before the Board. It was noted that the next regular meeting of the Board's scheduled for Friday, January 22, 2010.

### **EXECUTIVE SESSION**

Following a brief discussion, a motion was made by Platte Canyon Director Dursey and seconded by Platte Canyon Director Bradford to go into executive session pursuant to § 24-6-402(4)(f), C.R.S. for the purpose of discussing personnel matters specifically evaluating the District's manager's performance and setting his salary for 2010. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

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Kenneth D. Bradford	Aye
Jack C. Dice	Aye
Anthony M. Dursey	Aye
Richard C. Eckert	Aye
Richard Spielman	Aye

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

Kenneth D. Bradford	Aye
Anthony M. Dursey	Aye
Kenton C. Ensor, Jr.	Aye
George E. Hamblin, Jr.	Aye
Chuck Hause	Aye

The manager had received prior notice of the executive session and did not request that the discussion take place in open public meeting. Whereupon the Boards went into executive session at approximately 9:57 a.m. Those present during the executive session consisted of the Platte Canyon Directors, the Southwest Directors, the Districts' legal counsel, and the manager. After being in the executive session for approximately five minutes, the manager left the room.

The Boards then considered the manager's performance during 2009 and evaluated and discussed his salary for 2010. The entire executive session was recorded as required by law. At approximately 10:20 a.m. the Boards returned to open public meeting.

### **NEW BUSINESS**

1. **Manager's Salary for 2010.** Following a brief discussion during which both the Platte Canyon and the Southwest Boards expressed their pleasure with the manager's performance during calendar year 2009, a motion was made by Platte Canyon Director Bradford and seconded by Platte Canyon Director Eckert to increase the manager's salary for 2010 by 4%. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

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Kenneth D. Bradford	Aye
Jack C. Dice	Aye
Anthony M. Dursey	Aye
Richard C. Eckert	Aye
Richard Spielman	Aye

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

Kenneth D. Bradford	Aye
Anthony M. Dursey	Aye
Kenton C. Ensor, Jr.	Aye
George E. Hamblin, Jr.	Aye
Chuck Hause	Aye

Immediately following the vote, Platte Canyon Director Eckert and Platte Canyon and Southwest Director Bradford left the meeting.

### **SOUTHWEST ACTION ITEMS**

The Southwest action item portion of the joint meeting was called to order by Anthony M. Dursey who presided as Chair.

1. **Approval of Southwest Agenda.** Following a brief discussion, a motion was made by Southwest Director Hause and seconded by Southwest Director Hamblin to approve the Southwest agenda 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

2. **Southwest Accounts Payable.** The Boards reviewed a list and supplemental list of Southwest vouchers paid and payable for December 2009 in the aggregate amount of \$86,683.28. Following a brief discussion, a motion was made by Southwest Director Hause and seconded by Southwest Director Ensor to ratify, approve and confirm the payables as presented and to authorize Southwest Directors to execute Southwest check nos. 15836 through 15866 inclusive, in payment thereof. The Chair called for a vote of the Southwest Board, and the vote was as follows:

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

3. **Southwest Investment/Deposit Transaction Report.** The Boards reviewed the Schedule of Investment Principal Activity for Southwest for the month of November 2009, which reflects the following transactions:

(a) **New Purchases.** No treasury or agency securities were purchased by Platte Canyon during the month; and

(b) **Redemptions.** On November 15, 2009, a treasury note matured generating \$1,100,000 in principal proceeds plus accrued interest to Southwest; and

(c) **Renewals.** On November 15, 2009, Southwest renewed a \$150,000 certificate of deposit at Bank of Choice for 395 days at an interest rate of 1.510% per annum. On the same date, Southwest renewed a \$100,000 certificate of deposit at Guaranty Bank and Trust for 365 days at an interest rate of 1.65% per annum. On November 27, 2009, Southwest renewed \_\_\_\_\_ certificates of deposit each in the amount of \$\_\_\_\_\_ at various First Banks of Colorado for a period of one year at an interest rate of 1.2% per annum.

Following Vanessa Shipley's discussion of the above-referenced investment transactions, a motion was made by Director Hause and seconded by Director Ensor to ratify, approve and confirm the Southwest Investment Principal Activity Report for the month of November 2009. 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

4. **Approval of First Amendment to Agreement for General and Emergency Maintenance Services.** Following a brief discussion, a motion was made by Southwest Director Hamblin and seconded by Southwest Director Ensor to approve the First Amendment to Agreement for General and Emergency Maintenance Services with C&L Water Solutions, Inc. The Chair called for a vote of the Southwest Board, and the vote was as follows:

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

The Amendment extends the current Agreement with C&L Water Solutions for calendar year 2010 at the same rates and on the same terms and conditions as existed during 2009.

5. **Approval of First Amendment to Agreement for Asphalt/Concrete Restoration Services.** Following a brief discussion, a motion was made by Southwest Director Ensor and seconded by Southwest Director Hamblin to approve the First Amendment to Agreement for Asphalt/Concrete Restoration Services with Metro Pavers, Inc. 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

The Amendment extends the current Agreement with Metro Pavers for calendar year 2010 at the same rates and on the same terms and conditions as existed during 2009.

6. **Approval of Second Addendum to Water/Wastewater Removal and Site Cleanup Services Agreement.** Following a brief discussion, a motion was made by Southwest Director Hamblin and seconded by Southwest Director Ensor to approve the Second Addendum to Water/Wastewater Removal and Site Cleanup Service Agreement with Belfor, Inc. 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

The Second Addendum extends the current agreement with Belfor, Inc. for calendar year 2010 at the same rates and on the same terms and conditions as existed during 2009.

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7. **Approval of First Amendment to Agreement for Cleaning Services.**

Following a brief discussion, a motion was made by Southwest Director Ensor and seconded by Southwest Director Hause to approve the First Amendment to Agreement for Cleaning Services with JRS Janitorial, Inc. 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

The First Amendment extends the current agreement with JRS Janitorial for calendar year 2010 at the same rates and on the same terms and conditions as existed during 2009.

8. **Approval of First Amendment to Agreement for Grounds Maintenance and Snow Removal Services.** Following a brief discussion, a motion was made by Southwest Director Hause and seconded by Southwest Director Ensor to approve the First Amendment to Agreement for Grounds Maintenance and Snow Removal Services with ACC Landscape Services, LLC. 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

The First Amendment extends the current agreement with ACC Landscape Services, LLC for calendar year 2010 at the same rates and on the same terms and conditions as existed during 2009.

9. **Approval of Revisions to Investment Policy.** Vanessa Shipley and the District's Manager reviewed with the Southwest Board revisions to Southwest's Investment Policy which incorporates the Board's direction given at last months meeting to permit investments and debt instruments having longer maturities and other changes deemed appropriate and beneficial to the District by the Southwest Board. At the conclusion of the discussion, a motion to approve the revised investment policy was made by Southwest Director Hause and seconded by Southwest Director Ensor. The Chair called for a vote of the Southwest Board, and the vote was as follows:

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

10. **Approval of CDARS Agreement and Custodial Agreement with Millennium Bank.** Staff reviewed with the Board the CDARS Deposit Placement Agreement with Millennium Bank and Millennium's Custodial Agreement for the purpose of allowing Southwest to utilize the Certificate of Deposit Account Registry Service offered through Millennium Bank. At the conclusion of the discussion, a motion was made by Southwest Director Hause and seconded by Southwest Director Ensor to accept and authorize execution of the tendered CDARS Deposit Placement Agreement and the Millennium Bank Custodial Agreement. The Chair 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

### **SOUTHWEST INFORMATION/DISCUSSION ITEMS**

1. **Collins, Cockrel & Cole Billing Rates for 2010.** The Southwest Board reviewed a letter from Collins, Cockrel & Cole advising of an increase in billing rates for calendar year 2010. It was noted that Mr. Flynn's rate is increasing from \$295.00 per hour to \$315.00 per hour. The Board accepted the rate increase but requested that whenever possible, Mr. Flynn delegate legal tasks to lower cost associates and/or paralegals.

### **SOUTHWEST NEW BUSINESS**

There was no new business to come before the Southwest Board.

### **ADJOURNMENT**

There being no further business to come before this special joint meeting of the Boards, a motion was made by Southwest Director Hause and seconded by Southwest Director Hamblin to adjourn. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

## RECORD OF PROCEEDINGS

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Kenneth D. Bradford	Aye
Jack C. Dice	Aye
Anthony M. Dursey	Aye
Richard Spielman	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

Whereupon, this joint special meeting of the Platte Canyon and Southwest Boards of Directors adjourned at approximately 10:45 a.m. The next regular joint meeting of the Boards will be held on Friday, January 22, 2010 at 8:30 a.m. in the Districts' office located at 8739 West Coal Mine Avenue, Littleton, Colorado 80123.

Respectfully submitted,

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Timothy J. Flynn, Recording Secretary

**RECORD OF PROCEEDINGS**

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THE MINUTES OF THIS REGULAR JOINT MEETING OF THE BOARD OF DIRECTORS OF THE PLATTE CANYON WATER AND SANITATION DISTRICT AND THE BOARD OF DIRECTORS OF THE SOUTHWEST METROPOLITAN 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 REGULAR MEETING OF THE DISTRICT'S BOARD 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

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Kenneth D. Bradford

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Kenneth D. Bradford

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Kenton C. Ensor, Jr.

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Jack C. Dice

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Chuck Hause

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Anthony M. Dursey

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Anthony M. Dursey

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Richard C. Eckert

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George E. Hamblin, Jr.

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Richard Spielman