

# AGENDA

## Denver Board of Water Commissioners

Video Conference: <http://zoom.us/join>, Meeting ID: 944 6993 0070, Password: 817481 or Dial –  
in: (669) 900-6833, Meeting ID: 944 6993 0070

**Wednesday, July 22, 2020 9:30 a.m.**

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### I. INTRODUCTORY BUSINESS

#### A. Call to Order and Determination of Quorum

#### B. Public Comment and Communications

At this point in the agenda, the Board may allow members of the public to address the Board on any item of interest within the jurisdiction of the Board, and not on the agenda for action. Speakers wishing to address a specific Action Item will be invited to address the Board when the item is being considered. Three minutes are allowed for each person unless the President determines otherwise.

1. Distributor Communications
2. Citizen Advisory Committee Communications

#### C. Ceremonies, Awards and Introductions

### II. ACTION ITEMS

#### A. Consent Items

Items listed below are considered routine and may be enacted by one motion and vote. If any Board member desires discussion beyond explanatory questions, or corrections to the Minutes, the President may order that item to be considered in a separate motion and vote.

1. Amended Green Mountain Protocol Agreement

#### B. Individual Approval Items

### III. POLICY MATTERS

A. National Western Update	Tom Roode	15 minutes
B. North Water Treatment Plant Update	Jill Crockett	5 minutes
C. Lead Reduction Program Update	Alexis Woodrow	10 minutes
D. Final OCR Update	Lee Ferguson	25 minutes
E. 2021 Draft Business Plan, Programs and Metrics	Julie Anderson	5 minutes

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**F. Preliminary Financial Planning  
Scenarios**

Angela Bricmont

15 minutes

**IV. EXECUTIVE UPDATE**

- A. CEO Update**
- B. CFO Update**
- C. Operations Update**

**V. BRIEFING PAPERS & REPORTS**

- A. Briefing Paper**
- B. Report**

**VI. ADJOURNMENT**

**VII. TRUSTEE MATTERS**

**A. Information Items**

1. Meeting as Trustee and/or Plan Sponsor: 2019 Annual and Popular Report for Retirement Plans

**VIII. EXECUTIVE SESSION**

The Board may adjourn the regular meeting and reconvene in executive session on topics authorized by D.R.M.C Sec. 2-34.

- A. Confidential Report**

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 22, 2020

Board Item: II-A-1

## Amended Green Mountain Protocol Agreement

Action by Consent

Individual Action

### **Purpose and Background:**

The Green Mountain Protocol Agreement will resolve a dispute regarding administration of the Green Mountain Reservoir, maintain consistency with the Blue River Decree, and avoid a potential loss to Denver Water's yield.

Green Mountain Reservoir (GMR) and power plant are located on the Blue River downstream of Dillon Reservoir. GMR is part of the Colorado Big Thompson project and provides replacement water to Northern Colorado Water Conservancy District and compensatory storage to the West Slope. GMR is senior to Denver's Blue River water rights. Under the Blue River Decree, Denver may store water against the senior rights of GMR; provided that, Denver provide (1) water or substitution water to Green Mountain Reservoir in years it does not fill; and (2) pay power interference.

In 2004, a dispute arose concerning a change in administration of Green Mountain Reservoir and power plant by the division engineer in water division 5. The parties to the Blue River Decree which include, Climax, United States Bureau of Reclamation (USBR) and the State Engineer, then commenced discussions on an administrative protocol describing how the state should administer GMR and power right. The parties completed a final agreement in February 2013, which entailed having the federal court approve the settlement under its retained jurisdiction under the Blue River Decree. However, in March 2017, the federal court refused to take jurisdiction over the matter. Instead, the federal court remanded the case back to state water court. The original agreement required federal court approval of the protocol, the parties therefore need to amend the Protocol Agreement and amend the application in state water court.

The amended agreement and application authorize the state court to determine that the Green Mountain Protocol is consistent with the Blue River Decree. A state court decree will then authorize the State Engineer to administer Green Mountain in accordance with the Protocol, thereby maintaining consistency with the terms of the Blue River Decree and avoiding a potential loss in yield.

### **Recommendation:**

It is recommended that the Board approve the Amended Green Mountain Protocol Agreement.

### **Approvals:**

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> James S. Lochhead, CEO/Manager    | <input type="checkbox"/> Brian D. Good, Chief Administrative Officer          |
| <input type="checkbox"/> Julie Anderson, Chief of Staff               | <input checked="" type="checkbox"/> Mike King, Chief External Affairs Officer |
| <input checked="" type="checkbox"/> Jessica R. Brody, General Counsel | <input type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer         |
| <input type="checkbox"/> Angela C. Bricmont, Chief Financial Officer  | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer            |

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## DRAFT DENVER WATER 2021 BUSINESS PLAN

TYPE	STRATEGIC PERSPECTIVE	DURATION	ANNUAL PRIORITY	CONTINUOUS IMPROVEMENT (value streams (VS) & workshops (WS))	ORGANIZATIONAL METRIC	OWNER(S)
TOP PRIORITY	Trusted Reputation	1918 – Present	Providing High-Quality Water and Outstanding Service to Our Customers	<ul style="list-style-type: none"> <li>Safety VS</li> <li>Procurement &amp; Contracting VS</li> <li>Continuous Improvement VS</li> <li>Capacity Planning WS</li> <li>Affordability Evaluation WS</li> <li>Review and Revision of Enterprise Policies and Procedures Writing Cell</li> </ul>	Balanced Scorecard Performance	Executive Team
ORGANIZATIONAL PRIORITIES	Inspired People	2020-2021	COVID-19 Response	<ul style="list-style-type: none"> <li>Scenario Planning</li> </ul>	Balanced Scorecard Performance	Executive Team
	Trusted Reputation	2020-2034	Lead Program		Lead Program Performance	Roode, King
	Excellent Operations	2017-2026	<b>North System Renewal</b> <ul style="list-style-type: none"> <li>Gross Dam Raise</li> <li>Northwater Treatment Plant</li> <li>Conduit 16</li> </ul>	<ul style="list-style-type: none"> <li>Construction Phase VS</li> </ul>	Operating Cost per Account	Mahoney, Roode, King
	Excellent Operations	2017-2022	<b>National Western</b> <ul style="list-style-type: none"> <li>Water Quality Lab</li> <li>Pillars</li> </ul>	<ul style="list-style-type: none"> <li>National Western VS</li> </ul>	Operating Cost per Account Water Quality Index	Roode, King
	Excellent Operations	2020-2021	Enterprise Project Management Office	<ul style="list-style-type: none"> <li>Enterprise Project Management Office VS</li> </ul>	Operating Cost per Account	Anderson

# DRAFT DENVER WATER 2021 ORGANIZATIONAL PROGRAMS

PROGRAM	CADENCE	OWNER
Business Technology Transformation	Bi-Annually	Good
Water Efficiency	Bi-Annually	King
Watershed Health	Bi-Annually	King
Sustainability	Bi-Annually	Good
Risk Management	Bi-Annually	Good
Highline Canal Transformation	Bi-Annually	Roode
Continuous Improvement	Annually	Anderson
Marketing Strategy	Annually	King
Communications Strategy	Annually	King
Government & Stakeholder Relations Strategy	Annually	King

- The above programs have been identified as key strategic initiatives that provide significant contributions towards the attainment of the Strategic Plan Goals and Objectives
- The progress of these programs will be shared with the Board either by briefing paper or by presentation using the defined cadence for each program

## Denver Water 2021 Balanced Scorecard Draft

Perspective	Measurement	Annual Target	Owner
<b>Excellent Operations - An organization that is effective, efficient and strategically driven</b>			
	Customer Outage Hours	30,000	O&M
	Operating Costs per Account in Dollars (does not include operating projects)	\$614	FIN
<b>Strong Financials - An organization that is financially strong and stable</b>			
	Operating Budget Performance (does not include operating projects or debt service)	+ / - 2%	FIN
	Capital & Operating Project Budget Performance	+ / - 5%	ENG
<b>Inspired People - An organization that is passionate about our customers and our community</b>			
	Safety Maturity Index	3.75	ADM SVC
	Bi-annual Employee Net Promoter Score	10	HR
<b>Trusted Reputation - An organization with satisfied and supportive customers and strategically effective relationships</b>			
	Quarterly Customer Satisfaction Survey Index	87%	EA
	Lead Program Execution	TBD	O&M

Denver Water 2021 Organizational Dashboard Draft					
Perspective	Strategic Goal	Strategic Objective	Measurement	Annual Target	Owner
<b>Excellent Operations - An organization that is effective, efficient and strategically driven</b>					
	We strategically align our projects and programs to provide the best value to our customers	We consistently tie our decisions to our Strategic Plan to ensure we implement the right projects and programs, at the right time and at the optimum cost	Percentage of Organizational Dashboard Metrics on Target	65%	COS
		We have a visionary, adaptable long-range planning approach that considers the challenges of a warming climate and ensures diversity in supply and delivery, and efficiency in use	Surface Water Supply Index	-2 to +3	EA
			Water Efficiency Index (estimated savings in acre feet)	550	EA
		We sustain healthy watersheds and an excellent collection, treatment and delivery system to provide high quality water at an affordable rate	We sustain healthy watersheds and an excellent collection, treatment and delivery system to provide high quality water at an affordable rate	Percentage Watershed Prioritization Complete (Chatfield & Bear Creek)	100%
	We employ best business practices in our day-to-day operations to increase efficiency and delivery of service to our customer	We have transparent and efficient business practices and inclusive and competitive procurement processes, resulting in the best value for our customers and communities.	MWBE Total Construction and Construction-related (Eng and O&M)	12%	ADM SVC
		We are driven to continuously improve in everything we do. We use standard work, work plans, asset and risk management practices, metrics and operational reporting to effectively and efficiently manage the business	Customer Outage Hours	30,000	O&M
			Cybersecurity Maturity Score	2.5	ADM SVC
	We lead the utility industry in environmental stewardship and sustainability	We execute a robust environmental sustainability plan and a healthy built environment across all our systems and operations	Operating Costs per Account in Dollars (does not include operating projects)	\$607	FIN
			Net Energy Usage in Kilowatt Hours (kW-hr) - (electric & gas) (monthly net usage is one month in arrears)	8,500,000	ADM SVC
	<b>Strong Financials - An organization that is financially strong and stable</b>				
	We sustain a financial plan that supports our strategic objectives	We effectively manage our debt and cash reserves to ensure the successful execution of our capital and long-range financial plans	Debt Service Ratio (number times debt covered by net income)	1.8	FIN
		We carefully manage rates and fees to optimize revenue stability from year to year, ensure equity and affordability across customer classes, and promote water use efficiency	Cash Balance Target	\$298.0	FIN
			Monthly Affordability Index	2.5%	FIN
	We make financial decisions keeping in mind the best long-term interests of our customers	We develop and execute our operating budget to ensure alignment with our strategic priorities	Revenue Budget performance (does not include proceeds from debt)	+ / - 5%	FIN
			Operating Budget Performance (does not include operating projects or debt service)	+ / - 2%	FIN
			Capital & Operating Project Budget Performance	+ / - 5%	ENG
We maintain a strong control environment by effectively tracking, managing and transparently reporting our financial resources, transactions and performance	We maintain a strong control environment by effectively tracking, managing and transparently reporting our financial resources, transactions and performance	Construction-Related Project Performance	90%	ENG	
		IT Project Performance	85%	ADM SVC	
Number of Overdue Audit Items	25	COS			
<b>Inspired People - An organization that is passionate about our customers and our community</b>					
	We are inspired by our mission, vision and values and we know we are a part of something meaningful and larger than our own self-interest	We place the highest priority on safety	Safety Maturity Index	3.75	ADM SVC
		We draw strength from our diversity and we utilize the unique gifts and contributions of our people	Applicant Pool Represents Denver's Diverse Population	32%	M&S
		We foster autonomy, creativity, initiative, innovation, calculated risk-taking and recognition of success	Bi-annual Employee Net Promoter Score	10	M&S
		We have a culture and organizational structure that removes barriers, advances strategic goals at all levels and is adaptable to changing business needs			
	We have leadership that inspires, fosters meaningful work and develops our people	We communicate to our people in ways that are clear, concise, transparent and delivered within the context of our values	Training hours per FTE compared to national benchmark	24.0	M&S
		We develop our people to realize their maximum potential, fulfill our mission and enhance Denver Water's reputation	Retention Rate of High Performers	90%	M&S
		We attract, grow and retain top talent	Leadership Engagement Index	75%	M&S
		We have inspirational leaders at all levels who maintain a strategic focus, strengthen management practices and align initiatives and goals to the Strategic Plan			
<b>Trusted Reputation - An organization with satisfied and supportive customers and strategically effective relationships</b>					
	We go beyond what is expected operating with the highest ethics and integrity	We resolve all issues ethically to achieve the best result for all sides	Brand Engagement Score	66%	EA
		We effectively engage our Board to enable it to lead our organization with vision	Board Engagement Score	90%	COS
		We are trusted leaders and willing partners with our neighbors in Colorado and throughout the West	Trusted Leader Index	70	EA
	We play an integral role in building communities and advancing economic and social health	We are a community partner through active outreach and engagement with business, governmental, education and non-governmental organizations	Community Partner Index	300	EA
		We foster strong relationships with government officials at the local, regional, state and national levels, and we ensure close coordination with the City of Denver as a key partner and customer	Government Official Satisfaction	36	EA
	We are the public's trusted source on water	We are a thought leader in local, regional, state and national issues that affect our mission, through research, forums and organizations and in legislative and regulatory matters	Thought Leader Index	140	EA
			Lead Program Performance	1.0	O&M
		We are passionate in providing outstanding customer service and making it easy for our customers to do business with us	Water Quality Index	1.0	O&M
			Quarterly Customer Satisfaction Survey Index	87%	EA
	We actively engage our community and customers through public education, media and targeted communication	Content Impressions (views of TAP stories per month)	270,000	EA	