

**RECORD OF PROCEEDINGS
MINUTES
of the
Board of Water Commissioners**

Denver Water Administration Building
1600 West 12th Avenue
Denver, CO
Board Room, Third Floor

Wednesday, March 27, 2019

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, March 27, 2019, beginning at 9:00 a.m. in the Board Room, Room 309, 1600 West 12th Avenue, Denver, Colorado. Members of the Board present during the Regular Meeting were:

Paula Herzmark, President
H. Gregory Austin, Vice President
Craig Jones, Vice President
Gary Reiff, Vice President

Board employees and others present during portions of the meeting were:

J. Lochhead, CEO/Manager	L. Kaatz, Environmental Lead Supervisor
J. Anderson, Chief of Staff	A. Mays, Finance Supervisor
A. Bricmont, Chief Financial Officer	C. Mbakogu, Division Sr. Analyst
D. Arnold, Acting General Counsel	J. Mitchell, Sr. Finance Analyst
G. Cagle, Chief Human Resources Officer	V. Roberts, Director Business Technology
C. Dermody, Chief Information Officer	U. Sharma, Treasurer
T. Mountfort, Acting Chief Administrative Services Officer	J. Shaw, Community Relations Sr. Specialist
M. King, Chief External Affairs Officer	H. Stauffer, Community Relations Specialist
K. Petrik, Acting Chief Engineering Officer	J. Taussig, Director EMSS
N. Poncelet Johnson, Acting Chief Operations and Maintenance Officer	J. Walter, Finance Analyst

Denver Water aspires to be the best water utility in the nation.

Integrity :: Vision :: Passion :: Excellence :: Respect



B. Akins, Finance Analyst
K. Bates, Attorney
N. Elder, Planning Manager
P. Freeman, Finance Sr. Analyst
G. Lombardi, Community Relations
Specialist

J. Adams, Trammell Crow
W. Mosher, Trammell Crow
C. Lane, Platte Canyon Water and
Sanitation District

INTRODUCTORY BUSINESS

Commissioner Herzmark called the meeting to order at 9:10 a.m. Upon motion regularly made, seconded and unanimously carried, Commissioner Lucero was found to be absent for good cause and was excused.

Public Comment and Communications

Commissioner Herzmark issued an invitation to members of the public to comment to the Board on any matters not included in the Agenda for the meeting. There was no response.

Legislative Update

Ms. Stauffer presented a legislative update, noting that HB 19-1200, Reclaimed Domestic Wastewater Point of Compliance, passed the Senate with a vote of 31-1, and will be presented to Governor Polis for signature.

ACTION ITEMS

Upon motion regularly made, seconded and unanimously carried by the Commissioners then present, unless otherwise noted, the Board acted upon the following agenda items:

1. ITEM II-A-1: INTERGOVERNMENTAL AGREEMENT WITH COLORADO WATER CONSERVATION BOARD FOR AIRBORNE SNOW OBSERVATORY FLIGHTS IN THE BLUE RIVER BASIN – CONTRACT 503944

Approved Contract 503944 with the Colorado Water Conservation Board for Airborne Snow Observatory flights and data analysis for the contract period of April 1, 2019 through December 31, 2019, for a total contract amount not to exceed \$177,769.

2. ITEM II-A-2: INTERGOVERNMENTAL AGREEMENT WITH SOUTHERN NEVADA WATER AUTHORITY FOR COLORADO RIVER CLIMATE AND HYDROLOGY RESEARCH – CONTRACT 503945

Approved Contract 503945 with Southern Nevada Water Authority to collaboratively advance scientific understanding of the Colorado River Basin for the contract period of March 27, 2019 through December 31, 2023, for a total contract amount not to exceed \$250,000.

3. ITEM II-A-3: BOARD RESOLUTION OPPOSING PROPOSED BALLOT INITIATIVE

Adopted a Resolution opposing Ordinance 300, known as “The Denver Right to Survive Initiative.” A copy of the Resolution is attached to and incorporated in these Minutes as Exhibit A.

POLICY MATTERS

4. ITEM III-A: OCR UPDATE

Ms. Adams presented the Board with an OCR Update, a copy of which is attached to and incorporated in these Minutes as Exhibit B. She noted that the project has experienced eight weather-day delays, which will be reconciled in June. A recent “stop work” order from Metro Wastewater has caused additional delays to the schedule. This order is due to questions associated with the project’s novel water recycling system and Metro Wastewater’s desire to ensure complete understanding among reviewers and inspectors.

The parking garage received its temporary certificate of occupancy and opened March 25th. The Wellness Building final inspection will occur March 28th with a temporary certificate of occupancy expected the first week of April.

MWBE participation continues to exceed the 18% goal and is currently 23.6%. There will be additional opportunities for participation during the demolition phase of the project.

5. ITEM III-B: 2018 FINANCIAL UPDATE

The Board received a 4th Quarter 2018 Performance Report, a copy of which is attached to and incorporated in these Minutes as Exhibit C.

6. ITEM III-C: SYSTEM AND PROGRAMS UPDATE

Mr. Mitchell presented the Board with a System and Programs Update, a copy of which is attached to and incorporated in these Minutes as Exhibit D. He noted that each System and Program project includes participation from members of each Division in Denver Water, whether it is a Collection, Treatment, Distribution, Expansion or Support Services project. Throughout the year, the System and Program managers face many decision points and annually utilize Continuous Improvement methodology to improve the project prioritization process, review project metrics, evaluate the long-range capital plan and refresh standard work for Systems and Programs.

7. ITEM III-D: ANNUAL STRATEGY REPORT: BUSINESS TECHNOLOGY TRANSFORMATION

Ms. Roberts presented the Board with an Annual Strategy Report: Business Technology Transformation, a copy of which is attached to and incorporated in these Minutes as Exhibit E. She said that the Business Technology Management Office (BTMO) developed from the high-level directives to: 1) reduce the IT spend; 2) improve governance practices; and 3) improve IT advancement principles. Many successes were achieved in 2018, including monthly IT project reporting and forecasting, business case evaluations, value verification, staff reduction and a 4.9% reduction of business application expenses. Lessons learned include the need to increase time for up-front planning, which in turn reduces uncertainty, and early issue detection through monthly forecasting, which provides opportunities to course-correct. The BTMO is on course to reduce IT expenditures toward the 2023 goal of \$29.1 million.

EXECUTIVE UPDATE**8. ITEM IV-A: CEO REPORT**

Mr. Lochhead reported on progress of negotiations toward a Drought Contingency Plan (DCP). One open matter is the Imperial Irrigation District's (IID) request for money to restore the Salton Sea, which continues to dry and causes salt and pesticides to blow into the wind. The IID had agreed to reduce its water consumption in the early 2000's, in exchange for state funding for such restoration. California has not yet provided this funding. To raise awareness of

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this highly political matter, the IID has reached out to members of Congress for support. As a result, representatives of the Basin States continue to modify the DCP language. Mr. Lochhead stated that he is cautiously optimistic that the modified language may be acceptable to the Lower Basin States and that he is not certain of the Upper Basin States' position.

In response to a question from Commissioner Austin, Mr. Lochhead stated that if curtailment is required, the Upper Basin states would release water from the Colorado River System Project Reservoirs to Lake Powell, and if water levels continued to decline, the state engineers and the Colorado Upper River Commission would coordinate proportionate demand reductions.

9. ITEM IV-C: OPERATIONS REPORT

Ms. Anderson reported that staff is in final negotiations with a third-party to review capital procurement processes.

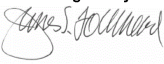
BRIEFING PAPERS & REPORTS

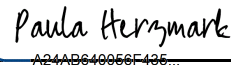
10. ITEM V-A-1: LEGISLATIVE UPDATE

The Board received a Legislative Update, a copy of which is attached to and incorporated in these Minutes as Exhibit F.

ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into an Executive Session at approximately 9:50 a.m. Commissioner Lucero joined this portion of the meeting.

DocuSigned by:

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Secretary

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A24AD640056F436...
President