

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

Video Conference: <http://zoom.us/join>, Meeting ID: 921 3444 7191, Password: 925715
or Dial-in: (669) 900-6833, Meeting ID: 921 3444 7191

Wednesday, December 16, 2020

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, December 16, 2020, beginning at 9:00 a.m. via Video Conference: <http://zoom.us/join>, Meeting ID: 921 3444 7191, Password: 925715 or via Dial-in: (669) 900-6833, Meeting ID: 921 3444 7191. Members of the Board present during the Regular Meeting were:

**Gary M. Reiff, President
Craig Jones, First Vice President
H. Gregory Austin, Vice President
Paula Herzmark, Vice President
John R. Lucero, Vice President**

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

J.S. Lochhead, CEO/Manager	B. Piede, Engineer Sr.
J.A. Anderson, Chief of Staff	C. Proctor, Communication Sr. Specialist
A. Bricmont, Chief Financial Officer	Julieta Quinonez, Community Relations Sr. Specialist
J. Brody, General Counsel	D. Raitt, Engineer Manager
B.D. Good, Chief Administrative Officer	S. Ravel, Independent Contractor
D. Gorgemans, Chief Internal Auditor	A. Rettig, Finance Supervisor
M. King, Chief External Affairs Officer	K. Riegle, Attorney
R. Mahoney, Chief Engineering Officer	P. Ries, Engineer Sr.
T.J. Roode, Chief Operations and Maintenance Officer	J. Ross, Director Engineering-Projects
S. Adamkovics, Finance Sr. Analyst	U. Sharma, Treasurer
A. Andrews, Finance Sr. Analyst	J. Shaw, Community Relations Sr. Specialist
J. Archer, Engineering Manager	L. Southard, Administrative Sr. Assistant
D. Arnold, Attorney	M. Trubee, Public Affairs Manager
A. Aslamy, Finance Sr. Analyst	

R. Badger, Planning Manager	A. Turney, Director Engineering-Property
J. Bogner, Finance Sr. Analyst	P. Williams, Executive Assistant
C. Bramon, Procurement Manager	A. Woodrow, Community Relations Sr. Specialist
T. Bray, Interagency Project Manager	T. Young, Water Treatment Sr. Technician
K. Burgess, Director Human Resources	C. Abramson
A. Cavallaro, Paralegal	L. Albanese, Financial Investment News
S. Chesney, Director Public Affairs	C. Anstaett, Black & Veatch
J. Daly, Finance Sr. Analyst	J. Crockett, Jacobs
A. Denault, Community Relations Sr. Specialist	P. Fitzgerald, Platte Canyon Water and Sanitation District
K. Dudas, Public Affairs Manager	K. Friedman, High Line Canal Conservancy
N. Elder, Planning Manager	G. Hollis, High Line Canal Conservancy
P. Freeman, Business Operations Manager	H. LaMair, High Line Canal Conservancy
S. Hansz, Engineer Sr.	E. Martinez, High Line Canal Conservancy
A. Joseph, Attorney	D. McDermott, Board Chair, High Line Canal Conservancy
D. Lopez, IT Support Specialist	L. Moery, High Line Canal Conservancy
R. Marsicek, Planning Manager	M. Rosser, High Line Canal Conservancy
J. Martin, Project Engineer	L. Suer, Jacobs
C. Mbakogu, Division Sr. Analyst	K. Tyree, High Line Canal Conservancy
P. McCormick, Project Engineer	Tom Waymire, High Line Canal Conservancy
M. McGavin, Engineer	Suzanne White, High Line Canal Conservancy
L. Morales, Community Relations Sr. Specialist	T. Young, High Line Canal Conservancy
T. Mukoda, EMSS Manager	G. Zamensky, Black & Veatch
K. Oligney, Director IT Infrastructure	
I. Oliver, Director SOS	
C. Palmore, Division Analyst	

INTRODUCTORY BUSINESS

Commissioner Reiff called the meeting to order at 9:07 a.m.

Public Comment and Communications

Commissioner Reiff 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 public comment.

Commissioner Reiff, observing that it was the last Board meeting of 2020, thanked the Commissioners and Denver Water staff and applauded their efforts in serving the public during a very difficult year.

Mr. Lochhead recognized Mr. Roode's birthday and wished him well.

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: MOFFAT TUNNEL COLLECTION SYSTEM EAST PORTAL OUTLET STRUCTURE CONCRETE IMPROVEMENTS – CONTRACT 503801

Approved Contract 503801 with Concrete Express, Inc. for the Moffat Tunnel Collection System East Portal Outlet Structure Concrete Improvements for the contract period from December 16, 2020 to December 10, 2021, for a total contract amount not to exceed \$1,397,000.

2. ITEM II-A-2: LUPTON LAKES INLET OUTLET FACILITY – CONTRACT 504380

Approved Contract 504380 with Moltz Construction, Inc. for the Lupton Lakes Inlet Outlet Facility project for the contract period from December 16, 2020 to December 31, 2021, for a total contract amount not to exceed \$6,959,889.

3. ITEM II-A-3: INTERGOVERNMENTAL AGREEMENT WITH EAST CHERRY CREEK VALLEY WATER AND SANITATION DISTRICT – AGREEMENT NO. 504702

Approved Agreement 504702 with East Cherry Creek Valley Water and Sanitation District for up to 600 acre-feet of non-potable water.

4. ITEM II-A-4: TWENTY-THIRD AUTHORIZATION FOR ADDITIONAL FUNDS FOR ORACLE AMERICA INC. – CONTRACT 500013

Approved the Twenty-Third Authorization to Contract 500013 with Oracle America Inc. for annual licensing and support, extending the contract period through December 31, 2022, for an additional \$400,976 and a total amended contract amount not to exceed \$4,880,649.

5. ITEM II-B-1: RESOLUTION AUTHORIZING ACQUISITION OF TEMPORARY EASEMENTS VIA EMINENT DOMAIN FOR THE CLARKSON PUMP STATION CONSTRUCTION PROJECT

Ms. Turney reported that due to constrained site conditions, two temporary construction easements are required for the Clarkson Pump Station Construction Project. Staff is requesting authority to begin the process of acquiring the easements, if necessary.

Adopted and approved the Resolution for the Acquisition of Temporary Construction Easements via Eminent Domain for the Clarkson Pump Station Construction Project.

6. ITEM II-B-2: LEAD PROGRAM UPDATE

Ms. Woodrow presented the Board with an update on the Lead Reduction Program (LRP), a copy of which is attached to and incorporated in these Minutes as Exhibit A. She reported that the final 2020 program costs will be available in January and are expected to be over \$2 million under budget. The LRP remains on track to meet all project milestones and regulatory deadlines. Denver Water's fourth quarterly report will be submitted in January as required under the Environmental Protection Agency (EPA) variance.

She stated that the team is expecting to surpass its regulatory target of 4,477 lead service line (LSL) replacements and reach 5,000 replacements by the end of the year. She commended distribution crews and contractors for this remarkable accomplishment and for working tirelessly to attain this goal despite delays incurred as a result of COVID-19. Filter distribution was completed last month, and filter surveys have been received with a high return rate, indicating a strong filter usage rate for drinking water and baby formula preparation. Overall, the filter adoption rate was calculated at 79%.

Ms. Woodrow provided an overview of the customer contact and issue resolution workflow, noting that all customers are directed to Denver Water's call center and have the opportunity to call in and email inquiries. There were over 20,000 inquiries received from March through October 2020, averaging approximately 500 calls and emails per week regarding the LRP.

Community outreach efforts continue to reach a variety of communities, including holding focus groups for audiences in multiple languages. Ms. Woodrow noted that the public work area map is now available on Denver Water's website,

showcasing main replacement projects and lead service line work areas for this year and those planned through 2021. Staff will continue to update the map throughout the year as work areas change.

In response to a question from Commissioner Austin, Mr. Roode agreed that the LRP has been both well-received and hugely successful, noting that the LRP management team has done a remarkable job. He explained there may be cost savings opportunities for Denver Water in the foreseeable future.

Approved the Fourth Amendment to Contract 504012 with Mott MacDonald, LLC for the Lead Reduction Program Plan to extend the term of the contract through December 31, 2021, for an additional \$8,675,329 and a total amended contract amount not to exceed \$26,316,982.

7. ITEM II-B-3: FUNDING AGREEMENT WITH THE HIGH LINE CANAL CONSERVANCY – CONTRACT 504668

Mr. Roode highlighted key aspects of the funding agreement, explaining that it is a five-year agreement and establishes requirements for the High Line Canal Conservancy (HLCC) to raise \$20 million in private funding to support the canal, \$10 million of which will go to the Stewardship Fund. Denver Water will match funding of \$5 million to the Stewardship Fund and convey interest in two properties, which are adjacent to the canal, to be used by the Conservancy to enhance the canal experience. He noted that the Stewardship Fund will provide beneficial maintenance for the High Line Canal at a lower long-term cost to Denver Water.

Commissioner Reiff applauded Commissioner Herzmark's contribution to the High Line Canal Conservancy Board and thanked Mr. Roode and Ms. Turney for their efforts.

Commissioner Lucero thanked Commissioner Herzmark for moving this project forward and Mr. Roode and Ms. Turney for their contributions.

Commissioner Herzmark stated that this project has been extraordinary in terms of participation, contributions, and maintenance commitments, noting that this collaboration has involved a huge effort from multiple people, and resulted in a great partnership. Ms. Lamair has been an extraordinary leader and this project is a great resource for the community and a model for the entire country. She thanked the Denver Water Board for their support and Mr. Roode and Ms. Turney for being amazing resources for the High Line Canal Conservancy.

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Adopted and approved the Funding Agreement Contract 504668 with the High Line Canal Conservancy for the contract period from December 16, 2020 through January 31, 2026, for a total contract amount not to exceed \$5,000,000.

8. ITEM II-B-4: RECOMMENDED REVISIONS TO PERSONNEL POLICIES

Ms. Burgess reported that Denver Water's Personnel Policies were reviewed to ensure they meet with current law, align with best practices, and support the business needs of Denver Water. She added that going forward, the policies will be reviewed annually, and any recommended revisions will be presented to the Board in December, while recommendations requiring immediate action will be presented throughout the year, as needed.

Commissioner Austin moved to amend the Recommended Revisions in two respects: 1) reference to Denver Water employees' public duties be changed for clarification to employees' official duties under sections 2-12-(1) Duty to Act in the Public Interest and 2-12-(14) Gifts; and 2) the policy prohibiting Denver Water employees from hunting, trapping, angling, or other similar sporting activity on Denver Water property that is not open to the public, be moved from section 2-12. Employee Code of Ethics to section 2-5. Conduct at Work. The motion was seconded and unanimously carried by the Commissioners then present.

Adopted and approved the revisions to the Personnel Policies, effective January 1, 2021, as amended, and attached to and incorporated in these Minutes as Exhibit B.

POLICY MATTERS

9. ITEM III-A: NORTHWATER TREATMENT PLANT

Mr. McCormick presented the Board with the Northwater Treatment Plant (NTP) Update, a copy of which is attached to and incorporated in these Minutes as Exhibit C. He reported that project construction is continuing at a very accelerated pace, currently two months ahead of schedule. The team remains heavily focused on safety and COVID-19 protocols with no transmissions at the worksite.

Progress on construction continues to meet project milestones, including commencement of the upper decking on the pretreatment building. Additionally, the filter building, the second largest structure in the project, is taking shape with the exterior and interior walls starting to be poured. The project has completed

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over 25,000 feet of pipe installation with a significant amount of dirt and earth moved to date.

Mr. McCormick reported there are no major adjustments to the project cost curve, which is approaching \$185 million in total spending and anticipated to grow to \$400,000 a day in 2021. There are also no adjustments to minority and women-owned business enterprise (MWBE) spending, which remains on track to achieve targeted participation of \$31.5 million or 8% of total construction. The estimate at competition (EAC) currently remains unchanged, and the contingency forecast remains healthy. The project forecast is \$7.5 million below budget with 29% of construction complete. The year-end report will be prepared in February.

He explained that the Conduit 16 site issue, which involved settlement under Highway 93, has been resolved. All previous pipe backfill material was removed and replaced to prevent subsidence from recurring. The repair cost was \$345,000, which was \$200,000 less than the projected cost.

Mr. McCormick, on behalf of the project team, thanked the Board, Mr. Lochhead, and staff for their feedback, support, and time.

Commissioner Lucero thanked Mr. McCormick for delivering the project on time and within budget.

10. ITEM III-B: GROSS RESERVOIR EXPANSION

Mr. Martin presented the Board with the Gross Reservoir Expansion Project update, a copy of which is attached to and incorporated in these Minutes as Exhibit D. He reported that 2020 was a significant year, and the project has been driven by both internal and external factors, which include adapting to COVID-19 impacts through collaboration workshops in lieu of in-person meetings.

He stated that obtaining the Federal Energy Regulatory Commission order ends a 17-year federal and state permitting process and allows the Gross Reservoir project to move forward. The project is both extraordinary and unique in that it employs complex, state-of-the-art engineering and is setting precedent on how concrete dam design is done. In leveraging innovation, the project has also been able to realize cost savings in 2020. Overall, this project signifies Denver Water's commitment to collaboration, natural resources stewardship, and social responsibility.

Looking ahead to 2021, he noted that work will include finishing the design effort, moving through both local and federal regulatory review and approval, to dam completion. The estimated timeline includes starting construction by July 2022 and completing construction by July 2027, per the FERC order.

Mr. Martin thanked the Board and Mr. Lochhead for their leadership, noting that Denver Water should be proud of the significant amount of collaboration that went into this process.

EXECUTIVE UPDATE

11. ITEM IV-A: CEO REPORT

Mr. Lochhead joined the Board in acknowledging the extraordinary efforts of Denver Water employees as we close out the year, noting a year-end review will be prepared for the Board. He shared with the Board that he sent a letter to the Environmental Protection Agency and the Colorado Department of Public Health and Environment staff, expressing his gratitude for their assistance with implementing the Lead Reduction Program (LRP). He also acknowledged the contribution and commitment of other stakeholders, the stakeholder advisory committee, and the staff at the City and County Building. He stated that the LRP was a regional effort and an extraordinary accomplishment.

12. ITEM IV-B: CFO REPORT

The Board received a copy of the Financial Report dated November 30, 2020, a copy of which is attached to and incorporated in these Minutes as Exhibit E.

Ms. Bricmont highlighted the November Financial Report, stating that revenue is anticipated to be over budget, which has helped offset a year of uncertainty. System development charges (SDC) are trending lower and are projected under budget through year-end. Materials and supplies for water distribution remain higher than budgeted.

She noted that after much hard work, 1.3 million kilowatt hours were saved among five of the buildings as part of the OCR project, resulting in a \$330,000 rebate from Xcel Energy. Due to budget reductions this year, total operating costs without operating projects remain within 0.8% of budget. Overall, year-end financials are in a good place to start 2021.

BRIEFING PAPERS & REPORTS

13. ITEM V-A-1: BRIEFING PAPER FOR LEAD REDUCTION PROGRAM'S COMMUNICATIONS, OUTREACH & EDUCATION STRATEGY

The Board received a Briefing Paper for Lead Reduction Program's Communications, Outreach & Education Strategy, a copy of which is incorporated and attached to these Minutes as Exhibit F.

14. ITEM V-A-2: BRIEFING PAPER FOR LEGISLATIVE STRATEGY

The Board received a Briefing Paper for Legislative Strategy, a copy of which is incorporated and attached to these Minutes as Exhibit G.

15. ITEM V-A-3: BRIEFING PAPER FOR GOVERNMENT & COMMUNITY RELATIONS STRATEGY

The Board received a Briefing Paper for Government & Community Relations Strategy, a copy of which is incorporated and attached to these Minutes as Exhibit H.

16. ITEM V-A-4: BRIEFING PAPER FOR YEAR-TO-DATE CONTINUOUS IMPROVEMENT UPDATE

The Board received a Briefing Paper for Year-to-Date Continuous Improvement Update, a copy of which is incorporated and attached to these Minutes as Exhibit I.

ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into a Trustee Meeting at approximately 10:03 a.m.

Trustee/Plan Sponsor Meeting

The Board of Water Commissioners, serving in their capacity as Trustees of the Employees' Retirement Plan Trust Fund and Plan Sponsor of the Employees' Retirement Plan, and as Sponsor of the Supplemental Retirement Savings Plan of the Board of Water Commissioners of the City and County of Denver, met on Wednesday, December 16, 2020, commencing at 10:04 a.m., via Video Conference. The Minutes of

the Trustee Meeting/Plan Sponsor are maintained separately. The Trustee/Plan Sponsor Meeting concluded at 10:14 a.m., at which time the Board voted unanimously to adjourn into the meeting of the Board of Water Commissioners and into Executive Session.

DocuSigned by:
Jim Lockhead
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Secretary

DocuSigned by:
Gary M. Reiff
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President