

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

Video Conference: <http://zoom.us/join>, Meeting ID: 288 166 065, Password: 033405
or Dial-in: (669) 900-6833, Meeting ID: 288 166 065

Wednesday, March 25, 2020

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, March 25, 2020, beginning at 9:00 a.m. via Video Conference: <http://zoom.us/join>, Meeting ID: 288 166 065, Password: 033405 or via Dial-in: (669) 900-6833, Meeting ID: 288 166 065. Members of the Board present during the Regular Meeting were:

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

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

J.S. Lochhead, CEO/Manager	P. McCormick, Project Engineer
J.A. Anderson, Chief of Staff	C. Martinez, Finance Associate Analyst
A.C. Bricmont, Chief Financial Officer	A. Menefee, Community Relations Sr. Specialist
J. Brody, General Counsel	A. Rettig, Finance Supervisor
B.D. Good, Chief Administrative Officer	V. Roberts, Director Enterprise IT
D. Gorgemans, Chief Internal Auditor	J. Ross, Director Engineering-Projects
M. King, Chief External Affairs Officer	U. Sharma, Treasurer
R. Mahoney, Chief Engineering Officer	M. Thomas, Director IT Operational Tech
T.J. Roode, Chief Operations and Maintenance Officer	B. Wedll, Purchasing Specialist
S. Abram, Budget Manager	A. Witheridge, Environmental Lead Scientist
S. Adamkovic, Finance Sr. Analyst	A. Woodrow, Community Relations Sr. Specialist
J. Alexander, Environmental Lead Scientist	
C. Bramon, Purchasing Supervisor	

A. Cavallaro, Paralegal
J. Christensen, Contract Specialist
E. Cinchock, Division Sr. Analyst
N. Elder, Planning Manager
Y. Her, Procurement Manager
K. Oligney, Director IT Infrastructure

J. Adams, Trammell Crow
L. Ferguson, Trammell Crow
C. Lane, Platte Canyon Water and
Sanitation District

INTRODUCTORY BUSINESS

Commissioner Austin called the meeting to order at 8:59 a.m.

Public Comment and Communications

Commissioner Austin 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.

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: SYNERTECH – CONTRACT 504249

Approved the Information Technology Batch Operation Services Contract 504249 with Synertech, Inc. for the contract period from April 1, 2020 to March 31, 2023, for a total contract amount not to exceed \$474,552.

2. ITEM II-A-2: RANCH CREEK AND MEADOW CREEK PIPELINE – CONTRACT 504071

Approved Contract 504071 with Garney Companies, Inc. for the Moffat Collection System, including both the Ranch Creek Canal Piping Project from Fraser Canal to Cub Creek and the Meadow Creek Pipeline Access Installation & Joint Repairs Project for the contract period from March 25, 2020 to June 15, 2021, for a total contract amount not to exceed \$5,681,576.

3. ITEM II-A-3: UNEMPLOYMENT INSURANCE CLAIMS ADMINISTRATION POWER OF ATTORNEY EXECUTION

Approved execution of power of attorney to permit ADP LLC and its subsidiaries and TALX UCM Service Inc. to administer its unemployment insurance claims.

March 25, 2020

4. ITEM II-B-1: 14TH AMENDMENT TO INSIGHT PUBLIC SECTOR – CONTRACT 500079

Ms. Roberts provided the Board with key details on the fourteenth amendment to Contract 500079. She reported that this contract extension is for the use of Microsoft services over the next three years for a variety of integrated business tools. New functionality has been added and bundling services in this new amendment has led to cost savings.

Approved 14th contract amendment to Contract 500079 with Insight Public Sector, Inc. for an additional three years for purchases and maintenance of Microsoft software entitlement through March 31, 2023, for a contract increase amount of \$10,667,048 and total contract cost of \$2,691,579.

5. ITEM II-B-2: NORTHWATER TREATMENT PLANT PROJECT UPDATE

Mr. McCormick presented the Board with the Northwater Treatment Plant Project Update, a copy of which is attached to and incorporated in these Minutes as Exhibit A. He reported that the team is on track to execute a total construction cost amendment, which is about \$8 million under the budgeted amount. There are no schedule changes and progress is ongoing in the field without any impact from COVID-19 to date. There are minor adjustments due to redesign costs, but no changes to the total project cost curve. Overall, the NTP project is still trending well under budget.

Numerous safety precautions have been taken for field staff who are following social distancing protocols for COVID-19. Despite this, work continues at the site, and there are no material delivery delays to date. There are no major adjustments to the contingency budgets and MWBE participation is above the current target for GMP7. An increase in owner contingency has pushed GMP7 slightly over budget.

In response to Commissioner Reiff's question, Mr. McCormick explained that, as of now, construction has not been impacted due to COVID-19, but the situation will continue to be monitored for any delays.

Approved GMP 7 Architectural and HVAC Contract 504226 with Kiewit Infrastructure Co. for GMP 7 for the contract period from March 25, 2020 to September 30, 2022, for a total not to exceed \$38,296,560, including owner contingency.

6. ITEM II-B-3 AMENDED 2020 BUDGET AND DEBT FINANCING STRATEGY

Ms. Abrams presented the Board with an Amended 2020 Budget and Debt Financing Strategy, a copy of which is attached to and incorporated in these Minutes as Exhibit B. She reported that the amended budget includes both amended sources of funds and uses of funds and relates to three major components: 1) additional debt proceeds; 2) funds to support the Accelerated Lead Service Line Replacement Program and associated activities and; 3) the settlement to acquire property interests at Lupton Lakes.

Approved the Amended 2020 Budget.

7. ITEM II-B-4 EMERGENCY-RELATED DELEGATION OF AUTHORITY TO CEO/MANAGER TO MAKE EXCEPTIONS TO PERSONNEL POLICY

Ms. Anderson provided the Board with the Personnel Policy Section 2-1-(1)-(b) as it relates to Emergency-Related Delegation of Authority to CEO/Manager, a copy of which is attached to and incorporated in these Minutes as Exhibit C.

Commissioner Lucero moved to amend the proposed Personnel Policy Section 2-1-(1)-(b) to read as follows, seconded by Commissioner Herzmark :

Emergency-Related Delegation of Authority to CEO/Manager to Make Exceptions to the Personnel Policies to Address the COVID-19 Emergency. The CEO/Manager may grant exceptions to Board-adopted policies for the purposes of responding to emergency situations or under unusual circumstances where compliance with the policies could adversely impact Denver Water operations or the health and safety of employees or the public. Exceptions to the policies will be made on a case- by- case basis. Each exception to the policies granted by the CEO/Manager under this section shall be issued in writing and shall identify the applicable emergency or unusual circumstances and the need for the exception. Exceptions shall be reported to the Board in a timely manner. This delegation of authority shall expire on June 25, 2020.

Ms. Anderson reported that staff anticipates a need for flexibility to be able to respond to emergency situations associated with the COVID-19 pandemic. The proposed policy change would allow the CEO/Manager to make exceptions to personnel policies on a case-by-case basis for Denver Water operations or to protect the health or safety of the public or

employees during this time. Per the proposed amendment, this policy would expire in three months.

The Board voted to approve the amendment and to adopt the amended Personnel Policy Section 2-1-(1)-(b).

POLICY MATTERS

8. **ITEM III-A: 2019 YEAR END PERFORMANCE AND FINANCIAL REPORT**

Ms. Bricmont provided the Board with the 2019 Year End Performance and Financial Report, a copy of which is attached to and incorporated in these Minutes as Exhibit D. She noted that the Board received the Financial Report for review and that 2019 ended on a very strong note financially.

9. **ITEM III-B: OCR UPDATE**

Mr. Ross presented the Board with the OCR Update, a copy of which is attached to and incorporated in these Minutes as Exhibit E. He reported that exterior demolition resumed the first week of February following the Denver landmark review and that the building has been demolished with sorting and recycling activities to continue for the next few months. Three Stone renovation continues with good progress on drywall and utility work, with preparation for plumbing installation underway. Due to safety measures put in place by the contractor related to COVID-19, there has been a decrease in productivity, and some work delays are anticipated due to social distancing.

There is no change to the overall budget and no adjustments to date. The project is over 96% complete with good progress on irrigation and landscaping. Recent change orders have been executed for minor revisions due to building inspector changes. The 2020 budget forecast is currently showing a projected surplus, which will be monitored until the end of demolition. The highly specialized commissioning requirement remaining for the Water Recycling System (WRS) will commence later this year and any delays will be monitored.

10. **ITEM III-C: LEAD PROGRAM UPDATE**

Ms. Woodrow presented the Board with the Lead Program Update, a copy of which is attached to and incorporated in these Minutes as Exhibit F. She reported that the budget is still on track and spending will accelerate over the next couple

of months as service lines get replaced. The next upcoming milestone is the quarterly report due to the Environmental Protection Agency (EPA) and Colorado Department of Public Health and the Environment on April 10th, per the EPA variance.

Entrance to homes in conjunction with the Accelerated Lead Service Line Replacement program (ALSLR) has been paused for a few weeks due to COVID-19, and work has shifted to a focus on potholing and gathering property owner consent forms until home entry can resume. The project team will also focus on facilities that are currently closed, like schools, daycare centers, and commercial properties, in order to keep moving forward with lead line replacements. The team is also developing recovery plans to catch up on lead service line replacement work later in the year and will keep the Board updated on any supply chain or other impacts of COVID-19.

Filter distribution has not been halted or altered. Starting on March 30th, 3,000 to 8,000 filters will be distributed each week through early June. Community outreach efforts have expanded with mass mailings to customers, poster distribution, media coverage, and website updates. The team is exploring other methods of virtual outreach as an alternative to in-person communication due to COVID-19.

In response to Commissioner Lucero's inquiry, Ms. Woodrow stated that staff is working very closely with Denver Public Schools and its facilities maintenance team to coordinate entry into school buildings for the lead line replacements. The team is also looking at ways to take advantage of current business closures to remove lead service lines at commercial properties to minimize business disruption. She also noted that the EPA has requested that Denver Water keep EPA informed of any impacts COVID-19 is having on Denver Water's progress.

EXECUTIVE UPDATE

11. ITEM IV-A: CEO REPORT

Mr. Lochhead reported that on March 12th, Denver Water took an early proactive approach to COVID-19 by adopting telework and distancing protocols for the health and safety of all employees. At present time, there are very few people working in the Administration Building. Employees were also informed they would be provided with administrative leave during any sick time, in lieu of using PTO. Denver Water has been monitoring the situation closely and has acted quickly, ahead of most businesses and governments.

March 25, 2020

Mr. Lochhead recognized emergency services, security, and the employees for their flexibility, innovation, and patience. He has been providing daily email updates to employees, advising them of the most current situation and safety measures regarding COVID-19. The Executive Team has been meeting regularly in order to keep abreast of current circumstances and is undertaking a scenario planning exercise to understand possible short-term and long-term ramifications of COVID-19. Denver Water is adjusting operations in order to stay ahead of the curve.

Commissioner Lucero thanked Mr. Lochhead for keeping the Board and all of Denver Water informed about the current situation.

Commissioner Herzmark remarked that she was impressed with Mr. Lochhead's handling of the situation and that his caring for the employees comes through loud and clear.

Commissioner Austin stated that he was very proud of Denver Water's proactive stance and thinks Mr. Lochhead deserves a lot of credit for staying on top of it

12.ITEM IV-B: CFO REPORT

Ms. Bricmont reported on the February Financial Report, noting only a small dip in revenues, which may be partly due to a rate structure change, however revenues look good through March.

BRIEFING PAPERS & REPORTS

13.ITEM V-A-1: BRIEFING PAPER FOR LEGISLATIVE UPDATE


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


14.ITEM V-A-2 BRIEFING PAPER FOR WATER SUPPLY CONDITIONS

The Board received a Briefing Paper for Water Supply Conditions, a copy of which is incorporated and attached to these Minutes as Exhibit H.

ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into an Executive Session at approximately 9:32 a.m.

DocuSigned by:

DEDE0A34B77B404...
Secretary

DocuSigned by:

44266A886895454...
President