

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

Video Conference: <http://zoom.us/join>, Meeting ID: 987 3500 8639, Password: 083542
or Dial-in: (669) 900-6833, Meeting ID: 987 3500 8639

Wednesday, July 8, 2020

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, July 8, 2020, beginning at 9:00 a.m. via Video Conference: <http://zoom.us/join>, Meeting ID: 987 3500 8639, Password: 083542 or via Dial-in: (669) 900-6833, Meeting ID: 987 3500 8639. 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	C. Fransen, Contract Specialist
J.A. Anderson, Chief of Staff	P. Freeman, Business Operations Manager
A.C. Bricmont, Chief Financial Officer	Y. Her, Procurement Manager
J. Brody, General Counsel	A. Ingram, Contract Supervisor
B.D. Good, Chief Administrative Officer	K. Legg, Records Management Manager
D. Gorgemans, Chief Internal Auditor	D. Lopez, IT Support Specialist
M. King, Chief External Affairs Officer	C. Mbakogu, Division Sr. Analyst
R. Mahoney, Chief Engineering Officer	K. Oligney, Director IT Infrastructure
T.J. Roode, Chief Operations and Maintenance Officer	D. Raitt, Engineering Manager
S. Abram, Budget Manager	B. Raso, Contract Specialist
D. Arnold, Attorney	A. Rettig, Finance Supervisor
J. Bogner, Finance Sr. Analyst	K. Riegle, Attorney
D. Brinker, Engineering Manager	U. Sharma, Treasurer
K. Burgess, Director Human Resources	

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

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



A. Cavallaro, Paralegal	J. Shaw, Community Relations Sr. Specialist
S. Chesney, Director Public Affairs	L. Southard, Administrative Sr. Assistant
E. Cinchock, Division Sr. Analyst	A. Fiegel, Ellwood
J. Christensen, Contract Specialist	C. Lane, Platte Canyon Water and Sanitation District
J. Daly, Finance Sr. Analyst	E. Martel, Ellwood
M. Decker, Contract Specialist	S. Rutherford
A. Denault, Community Relations Sr. Specialist	G. Zamensky, Black & Veatch
C. Dick, Engineer Sr.	

INTRODUCTORY BUSINESS

Commissioner Austin called the meeting to order at 9:02 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.

Ceremonies, Awards, and Introductions

Mr. Lochhead announced that Denver Water has been awarded the 2020 US Water Prize by the US Water Alliance for outstanding achievement in the advancement of sustainable, integrated, and inclusive solutions to the nation's water challenges. In addition to recognizing Denver Water's regulatory work with the CDPHE, this award also recognizes Denver Water's integrated water management strategy for the redevelopment of its operations complex and sustainable water system. This prestigious award will be presented virtually on July 21, 2020.

Commissioner Herzmark remarked that this is a nice step in the direction of being the best utility in the nation and in line with Denver Water's mission statement.

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: MINUTES FROM JUNE 10, 2020

Approved the Minutes from the June 10, 2020 Board Meeting.

July 8, 2020

2. ITEM II-A-2: FAMILY MEDICAL LEAVE ADMINISTRATION, DISABILITY, LIFE, AND ACCIDENTAL DEATH & DISMEMBERMENT INSURANCE – CONTRACT 504485

Approved Contract 504485 with UNUM for FMLA, Disability, Life, and Accidental Death and Dismemberment Insurance and services for the contract period from January 1, 2021 to December 31, 2025, for a total contract amount not to exceed \$5,290,000.

3. ITEM II-A-3: APPOINTMENT TO THE CITIZENS ADVISORY COMMITTEE PUBLIC INTEREST GROUP REPRESENTATIVE

Approved the appointment of Nona Shipman for a three-year term as the “public interest group” representative.

4. ITEM II-B-1: GROSS RESERVOIR EXPANSION UPDATE

Mr. Raitt presented the Board with the Gross Reservoir Expansion update, a copy of which is attached to and incorporated in these Minutes as Exhibit A. He reported that the project objectives include removing abandoned valves originally installed on the dam in the 1950s, replacing valves installed in the 1970s that have reached the end of their service life, and replacing components that do not meet future raised dam water pressures.

Mr. Raitt noted a savings of about \$380,000 from the original cost estimate for the project, with the overall cost of these improvements totaling \$7.8 million. The CM/GC process was used to refine the pricing. The contingency funds are set aside in the program budget for changes that may develop during the final design and construction.

The current estimate for MWBE participation is 5% of construction costs in areas including trucking, fuel, janitorial services, and sanitary services. The direct work includes specialized demolition and pipe installation, which provided limited MWBE opportunities. Project construction is expected to commence in October once approval from the Federal Energy Regulatory Commission (FERC) is received, and project completion is expected by April 2021.

In response to a question from Commissioner Herzmark, Mr. Raitt explained that while this is a maintenance project, the components and instrumentation being put into place now are compatible with planned changes to the reservoir system.

Approved the Fourth Amendment to Contract 501750 with Black & Veatch Corporation for owner representative construction management oversight services, for an extension of the contract period through July 1, 2021 and an additional \$420,018, for a total amended contract amount not to exceed \$9,794,777.

Approved the Seventh Amendment to Contract 503074 with Stantec Consulting Services, Inc. for design engineer services, for an extension of the contract period through July 1, 2021 and an additional \$382,039, for a total amended contract amount not to exceed \$17,182,039.

Approved Contract 504363 with Kiewit-Barnard Joint Venture for the Gross Reservoir Outlet Works Modification project for the contract period from July 8, 2020 to May 29, 2021, for a total contract amount not to exceed \$5,821,895.

EXECUTIVE UPDATE

5. ITEM IV-A: CEO REPORT

Mr. Lochhead reported that Denver Water continues to operate within its modified stay-at-home telework environment due to the pandemic and plans to continue its remote operations for the foreseeable future. He expects that COVID-19 related protocols will remain in place until there is a vaccine, possibly extending into next year. Denver Water will continue to reduce its expenses, having already eliminated travel, reduced usage of contingent employees, and reduced and tailored its marketing strategy. Overall, projections to date show a \$6 million budget reduction.

The hot dry weather is driving water use about 3% above normal. The increase is mostly driven by residential water use, which remains higher than commercial use. Water sales have exceeded the budget by \$7.9 million. Revenues for System Development Charges (SDC's) remain at about \$4 million under budget, with an end of year projection of about \$8 million under budget.

There has been an uptick in customer delinquent notices, although that continues to be a very small percentage of overall revenue. There has not been a significant increase in aging accounts. In April, the total amount owed to Denver Water was \$2.3 million, with no significant increase between April and June.

ADJOURNMENT


No further business appearing, the Board voted unanimously to adjourn into a Trustee Meeting at approximately 9:21 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, July 8, 2020, commencing at 9:22 a.m., via Video Conference. The Minutes of the Trustee Meeting/Plan Sponsor are maintained separately. The Trustee/Plan Sponsor Meeting concluded at 9:25 a.m., at which time the Board voted unanimously to adjourn into the meeting of the Board of Water Commissioners and into Executive Session.

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Secretary

DocuSigned by:

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President