

# AGENDA

## Denver Board of Water Commissioners

Denver Water Board Room, 1600 W 12<sup>th</sup> Avenue, Denver, CO 80204 and

Video Conference: <http://zoom.us/join>, Meeting ID: 882 3417 6376 - Passcode: 600590 or

Dial in (669) 900-6833 - Meeting ID: 882 3417 6376 - Passcode: 600590

Members of the public are welcome to attend either in person or by video conference

**Wednesday, October 11, 2023 9:00 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

1. Award – Utility of the Future Today

### 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. Minutes from September 13, 2023
2. Minutes from September 27, 2023
3. South Platte Collection System Hazeltine to South Platte River Spillway – Contract 505661
4. Business Analytics Platform Project with Quisitive LLC – Contract 505535

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**B. Individual Approval Items**

1. **Approval of the 2024 Rate Schedules** Fletcher Davis 10 minutes

**III. POLICY MATTERS**

**IV. EXECUTIVE UPDATE**

- A. CEO Update
- B. CFO Update
- C. Operations Update
  - 1. Safety Update

**V. BRIEFING PAPERS & REPORTS**

- A. Briefing Paper
- B. Report

**VI. ADJOURNMENT**

**VII. TRUSTEE MATTERS**

**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: October 11, 2023

Board Item: II-A-3

## South Platte Collection System Hazeltine To South Platte River Spillway Contract 505661

Action by Consent

Individual Action

### **Purpose and Background:**

The purpose of this Board item is to approve Contract 505661 to construct the Hazeltine Reservoir Spillway. Hazeltine Reservoir is the largest of the five reservoirs that create the North Reservoir Complex southwest of the intersection of Brighton Blvd. and 104th Ave., in Adams County, Colorado. Hazeltine Reservoir will store approximately 8,000 acre-feet of the total 20,000 acre-feet in the North Reservoir Complex using a combination of gravity storage and pump storage. These supplies are used to exchange treated reusable effluent for west slope water collection.

This project will provide armoring and bank protection to the spillway. This work will limit the risk of a Hazeltine Reservoir embankment failure due to overtopping flood events up to and including a 100-year flood by bi-directionally routing flood water from the South Platte River in and out of Hazeltine Reservoir.

### **Budget and Schedule:**

The total amount of this contract is \$1,442,500 and the term of the contract is October 11, 2023 through August 31, 2024. Funds for this contract will come from the 2023 and 2024 budget for the Hazeltine Reservoir Spillway business unit, which has sufficient funds to pay the \$100,000 estimated to be needed in 2023. The remaining \$1,342,500 is included in the 2024 budget.

### **Selection of Business Partner:**

Denver Water solicited proposals from three general contractors listed on the prequalified contractor list under the Heavy Civil discipline. This contract was a restricted bid process using invitations to bid on the QuestCDN platform. On September 21, 2023, bids were received from one general contractor. American West Construction, LLC of Colorado's bid was assessed against the project's Opinion of Probable cost and deemed acceptable and is therefore the lowest responsible bid at \$1,442,500.

### **S/MWBE Information:**

The Small/Minority and Women-owned Business Enterprise goal established for this project is 5% participation. American West Construction, LLC has proposed 5% participation.

### **Recommendation:**

Staff recommends that the Board approve Contract 505661 with American West Construction, LLC for the South Platte Collection System Hazeltine to South Platte River Spillway Project for the contract period October 11, 2023 through August 31, 2024 for a total contract amount not to exceed \$1,442,500.

### **Approvals**

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Alan Salazar, CEO/Manager                 | <input type="checkbox"/> Brian D. Good, Chief Administrative Officer                |
| <input type="checkbox"/> Julie Anderson, Chief of Staff                       | <input type="checkbox"/> Richard B. Marsicek, Chief Water Resource Strategy Officer |
| <input type="checkbox"/> Jessica R. Brody, General Counsel                    | <input checked="" type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer    |
| <input checked="" type="checkbox"/> Angela C. Bricmont, Chief Finance Officer | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer                  |

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# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: October 11, 2023

Board Item: II-A-4

## Business Analytics Platform Project with Quisitive LLC Contract 505535

Action by Consent

Individual Action

### **Purpose and Background:**

The purpose of this Board item is to hire a consultant to assist Denver Water with work required to complete the Business Analytics Platform Project. This project will replace Denver Water's existing on-premise reporting platform with a cloud-based solution. The platform will provide data storage and data management for business analysis and decision-making. The consultant's work will include implementation and migration services to replace hundreds of reports developed for Denver Water over the past sixteen years, as well as testing and training for IT developers and business users. This project was approved through the EPMO prioritization process and will modernize Denver Water's enterprise reporting tools by utilizing cost-efficient resources that provide greater flexibility, accessibility and performance to meet Denver Water's changing data and reporting needs.

### **Budget and Schedule:**

The Business Analytics Platform Project began in 2023 using staff time and other resources. Quisitive LLC will assist with the next phase of that project. The total amount of this contract is \$351,350. The contract will begin on the agreement effective date and end December 19, 2024. Funds for this contract will be included in the 2024 budget.

### **Selection of Business Partner:**

In January 2023, the services for a Business Analytics Platform Project were competitively bid through a request for proposals issued via Rocky Mountain E-Purchasing System (BidNet). Denver Water received nine (9) proposals for this solicitation and decided to do an interview and demonstration with Quisitive LLC, and three other proposers. The evaluation team selected Quisitive LLC for this contract due to their extensive experience with data collection/reporting at other utilities and competitive cost.

### **S/MWBE Information:**

Small/Minority and Women-owned Business Enterprise goals are not applicable for this item.

### **Recommendation:**

Staff recommends that the Board approve Contract 505535 with Quisitive LLC for the Business Analytics Platform Project for the contract period starting on the agreement effective date through December 19, 2024, for a total contract amount not to exceed \$351,350.

### **Approvals**

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Alan Salazar, CEO/Manager                 | <input checked="" type="checkbox"/> Brian D. Good, Chief Administrative Officer     |
| <input type="checkbox"/> Julie Anderson, Chief of Staff                       | <input type="checkbox"/> Richard B. Marsicek, Chief Water Resource Strategy Officer |
| <input type="checkbox"/> Jessica R. Brody, General Counsel                    | <input type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer               |
| <input checked="" type="checkbox"/> Angela C. Bricmont, Chief Finance Officer | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer                  |

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# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: October 11, 2023

Board Item: II-B-1

## Approval of the 2024 Rate Schedules

Action by Consent

Individual Action

### **Purpose and Background:**

The purpose of this Board item is to request approval of the 2024 Denver Water rate schedules. The rates proposed represent a 5% overall increase to water sales revenue to meet the revenue requirements forecasted in the long-range financial plan.

Denver Water is investing \$1.9 billion in infrastructure over the next 10 years. The proposed 5% increase will support funding large strategic capital projects underway, including the new Northwater Treatment Plant, expanding Gross Reservoir to provide a more reliable future water supply, replacing customer-owned lead service lines, planning for upgrades to the south side of our system, and repairing and replacing aging water pipes. In addition to major projects, the effect of inflation and supply chain issues also has affected costs.

The first reading of the attached rate schedules occurred on August 23, 2023, which served as notice of a proposed change to rates. In addition to Board presentations, the financial plan and proposed rates were presented at the Distributor Forum and the Citizens Advisory Committee on August 24, 2023.

### **Budget and Schedule:**

The 2024 revenue requirement totals \$719 million, consisting of operating and maintenance expenses, capital and debt service. The revenue requirement is met from a combination of water sales and miscellaneous revenues (including hydropower sales and System Development Charges), bond proceeds and cash reserves. The requested 2024 rate revenue increase of 5% is needed to meet the total revenue requirement from rates of \$371 million.

### **Recommendation:**

Staff recommends that the Board approve the 2024 rate schedules, which would result in an annual increase in water sales revenue of 5%. If approved by the Board, the rates would be implemented on January 1, 2024.

### **Approvals**

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Alan Salazar, CEO/Manager                 | <input type="checkbox"/> Brian D. Good, Chief Administrative Officer                |
| <input checked="" type="checkbox"/> Julie Anderson, Chief of Staff            | <input type="checkbox"/> Richard B. Marsicek, Chief Water Resource Strategy Officer |
| <input type="checkbox"/> Jessica R. Brody, General Counsel                    | <input type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer               |
| <input checked="" type="checkbox"/> Angela C. Bricmont, Chief Finance Officer | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer                  |

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**Denver Water**  
**Rate Schedule 1**  
**Treated Water Rates**  
*For Meters Read On or After January 1, 2024*

**A. Monthly Fixed Charges, \$ per Bill**

Meter Size inches	Inside City of Denver	Outside City		
		Read & Bill	Total Service	Wholesale
5/8" & 3/4"	\$18.40	\$18.40	\$18.40	\$18.40
1"	27.01	27.01	27.01	27.01
1 1/2"	53.70	53.70	53.70	53.70
2"	90.71	90.71	90.71	90.71
3"	195.72	195.72	195.72	195.72
4"	342.91	342.91	342.91	342.91
6"	764.69	764.69	764.69	764.69
8"	1,354.32	1,354.32	1,354.32	1,354.32
10"	2,112.66	2,112.66	2,112.66	2,112.66
12"	3,040.62	3,040.62	3,040.62	3,040.62

**B. Treated Water Volume Rates, \$ per 1,000 gallons**

Customer Class	Tier Threshold 1,000 gallons	Inside City of Denver	Outside City		
			Read & Bill	Total Service	Wholesale
<b>Single Family Residential</b>					
Tier 1	0 to AWC (note D.3)	\$2.78	\$2.84	\$4.10	N/A
Tier 2	AWC + 15	5.00	5.12	7.38	
Tier 3	Greater than AWC + 15	6.67	6.82	9.84	
<b>Nonresidential (note D.4, D.5)</b>					
Tier 1	0 to AWC	\$3.22	\$3.48	\$4.85	
Tier 2	AWC to 4 x AWC	4.51	4.87	6.79	N/A
Tier 3	Greater than 4 x AWC	5.15	5.57	7.76	
<b>Irrigation</b>					
	Winter (Nov. 1 through April 30)	\$1.65	\$1.53	\$2.28	N/A
	Summer (May 1 through October 31)	6.60	6.12	9.12	
<b>Wholesale</b>					
	Master Meter				\$4.90
	Outside the Combined Service Area				5.12

**C. Private Fireline**

Fireline Size inches	Inside City of Denver	Outside City		
		Read & Bill	Total Service	Wholesale
1"	\$3.78	\$2.56	\$4.05	
2"	6.31	4.27	6.76	
4"	9.74	6.60	10.45	
6"	13.92	9.43	14.93	N/A
8"	24.36	16.51	26.13	
10"	34.80	23.58	37.33	
12"	55.68	37.73	59.72	
16"	139.20	94.32	149.31	
Fire Hydrants	\$13.92	\$9.43	\$14.93	

**D. Notes**

- 1. Applicability:** See Chapter 2 of [Denver Water's Operating Rules](#)
- 2. Payment:** Bills are due and payable to Denver Water upon issuance. Monthly bills are delinquent 20 days after the billing date. Late charges will be assessed per Denver Water policy.
- 3. Single Family AWC:** A customer's average winter consumption (AWC) is used to determine the tier 1 threshold. The AWC is calculated by averaging each customer's billed monthly water use from January through March, which is a way of determining essential indoor water use. Denver Water has set the tier 1 minimum threshold at 5,000 gallons, and a maximum of 15,000 gallons. For example, if the customer's AWC is less than 5,000 gallons, tier 1 is 0 to 5,000 gallons. If the AWC is over 15,000 gallons, tier 1 is 0 to 15,000 gallons. Volume rates are applied to billed monthly usage.
- 4. Nonresidential AWC:** The tier 1 threshold is based on each customer's average winter consumption (AWC). This represents demands during the system off-peak period. The AWC is the average of a customer's billed water use for the months of January, February, and March. Volume rates are applied to billed monthly usage. Tier 2 is equal to 4 times the customer's AWC. Tier 3 is for usage in excess of 4 times the AWC.
- 5. Small Multifamily:** The small multifamily class (duplex through 5-plex) is now included in the nonresidential class.

**Denver Water**  
**Rate Schedule No. 2**  
**Nonpotable Water Rates**  
*For Meters Read On or After January 1, 2024*

**A. Monthly Fixed Charges, \$ per Bill**

Meter Size inches	Inside City of Denver	Outside City	Outside Combined Service Area
5/8" & 3/4"	\$18.40	\$18.40	\$18.40
1"	27.01	27.01	27.01
1 1/2"	53.70	53.70	53.70
2"	90.71	90.71	90.71
3"	195.72	195.72	195.72
4"	342.91	342.91	342.91
6"	764.69	764.69	764.69
8"	1,354.32	1,354.32	1,354.32
10"	2,112.66	2,112.66	2,112.66
12"	3,040.62	3,040.62	3,040.62

**B. Nonpotable Water Volume Rates, \$ per 1,000 gallons**

Customer Class	Inside City of Denver	Outside City	Outside Combined Service Area
<b>Recycled</b>			
\$ per 1,000 gallons	\$1.11		\$1.44
\$ per Acre-Foot	361.69	N/A	469.23
<b>Raw Water (Monthly Fixed Charges Not Applicable)</b>			
\$ per 1,000 gallons	\$1.04	\$1.51	\$1.40
\$ per Acre-Foot	338.89	492.04	456.19

**C. Notes**

- 1. Applicability:** See Chapter 2 of [Denver Water's Operating Rules](#)
- 2. Payment:** Bills are due and payable to Denver Water upon issuance. Monthly

**Denver Water**  
**Rate Schedule 3**  
**City and County of Denver Governmental Rates**  
**For Meters Read On or After January 1, 2024**

**A. Monthly Fixed Charges, \$ per Bill**

Meter Size inches	Fixed Charge
5/8" & 3/4"	\$18.40
1"	27.01
1 1/2"	53.70
2"	90.71
3"	195.72
4"	342.91
6"	764.69
8"	1,354.32
10"	2,112.66
12"	3,040.62

**B. Treated Water Volume Rates, \$ per 1,000 gallons**

<b>Domestic</b>	
Year-Round	\$2.50
<b>Irrigation</b>	
Winter (Nov. 1 through April 30)	\$1.04
Summer (May 1 through October 31)	\$2.60

**C. Nonpotable Water Volume Rates, \$ per 1,000 gallons**

Raw	\$0.41
Recycled	\$0.24

**D. Private Fireline**

Fireline Size inches	Fixed Charge
1"	\$3.78
2"	6.31
4"	9.74
6"	13.92
8"	24.36
10"	34.80
12"	55.68
16"	139.20
Fire Hydrants	\$13.92

**E. Notes**

- 1. Applicability:** See Chapter 2 of [Denver Water's Operating Rules](#)
- 2. Payment:** Bills are due and payable to Denver Water upon issuance. Monthly bills are delinquent 20 days after the billing date. Late charges will be assessed per Denver Water policy.