

AGENDA

Denver Board of Water Commissioners

Denver Water Board Room, 1600 W 12th Avenue, Denver, CO 80204 and

Video Conference: <http://zoom.us/join>, Meeting ID: 895 1924 4533 - Passcode: 144376 or

Dial in (669) 900-6833 - Meeting ID: 895 1924 4533 - Passcode: 144376

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

Wednesday, December 14, 2022 – 9:00 a.m.

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

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. Conduit No. 20 Expansion Joint Replacement – Contract 505547
2. WISE DIA Connection – Professional Services – Contract 505528
3. Approval of Internal Audit Charter Refresh

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B. Individual Approval Items

- | | | |
|--|-------------|-----------|
| 1. Declining Participation in the Colorado Paid Family and Medical Leave Insurance Program and adding Denver Water COFAM Leave | Kim Forbes | 5 minutes |
| 2. Recommended Revisions to Personnel Policies | Kim Forbes | 5 minutes |
| 3. Intergovernmental Agreement 505517 with Douglas County for the transfer of Horse Creek Property and Shared Communication Tower Lease 505557 | Amy Heidema | 5 minutes |

III. POLICY MATTERS

- | | | |
|--|-------------|------------|
| A. Gross Reservoir Expansion Project Update | Jeff Martin | 15 minutes |
|--|-------------|------------|

IV. EXECUTIVE UPDATE

- A. CEO Update**
- B. CFO Update**
- C. Operations 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: December 14, 2022

Board Item: II-A-1

Conduit No. 20 Expansion Joint Replacement Contract 505547

Action by Consent

Individual Action

Purpose and Background:

The purpose of this Board item is to approve Contract 505547 for the replacement of an expansion joint along the Conduit No. 20 aerial crossing in Waterton Canyon, and replacement of an air valve assembly on Conduit No. 20 located within the tunnel adjacent to the aerial crossing. Conduit No. 20 transports raw water to the Marston Water Treatment Plant from the South Platte River, just downstream of Strontia Springs Reservoir. The expansion joint and air valve were identified by Source of Supply for replacement to maintain efficient operating conditions. The Conduit No. 20 expansion joint was installed in 1912 to allow thermal expansion and contraction of the pipeline at the aerial river crossing. The joint is actively leaking and has significant corrosion along the bottom portion of the joint increasing the risk for additional leaks and/or failure. The air valve assembly is also highly corroded, and its gate valves are inoperable.

Budget and Schedule:

The total amount of this contract is \$975,000 and the term of the contract is December 14, 2022 through January 15, 2024. Funds for this contract will come from the 2023 budget for the Conduit No. 20 Expansion Joint Project business unit which has sufficient funds to pay the \$970,000 estimated to be needed in 2023. The remaining \$5,000 will be budgeted in 2024.

Selection of Business Partner:

Denver Water solicited bids from five contractors listed on the prequalified contractor list under the Civil Pipelines discipline. This contract was a restricted process using invitations to bid on the QuestCDN platform. On November 1, 2022, a single bid was received from Garney Companies, Inc. Due to a higher-than-expected bid cost and priority to complete the expansion joint work, Denver Water negotiated with Garney Companies, Inc. for revised contract scope and reduced cost. Garney Companies, Inc. was selected using single source waiver for having the resources and technical expertise necessary to meet the requirements of the contract.

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 505547 with Garney Companies, Inc. for the Conduit No. 20 Expansion Joint Replacement for the contract period December 14, 2022 through January 15, 2024 for a total contract amount not to exceed \$975,000.

Approvals

- | | |
|---|---|
| <input checked="" type="checkbox"/> James S. Lochhead, 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: December 14, 2022

Board Item: II-A-2

WISE DIA Connection - Professional Services Contract 505528

Action by Consent

Individual Action

Purpose and Background:

The purpose of this Board item is to approve Contract 505528 for the design of the Water Infrastructure and Supply Efficiency (WISE) Denver International Airport (DIA) Connection. The DIA Connection Project will construct infrastructure needed by the WISE Partnership, which is a cooperative regional water supply project between Denver Water, the City of Aurora (Aurora), and the South Metro WISE Authority (South Metro). WISE incorporates excess capacity in existing infrastructure, and as-available unused water supplies from Denver and Aurora to create a new sustainable water supply for South Metro. WISE will also provide a drought or emergency supply for Denver. The Board approved execution of the WISE Water Delivery Agreement in August 2013.

The DIA Connection will connect Denver Water's DIA infrastructure to Aurora's Prairie Waters system (raw water) at Prairie Waters Pump Station Number 2. The pipeline will convey a portion of Denver Water's water delivery obligation pursuant to the Water Delivery Agreement. Aurora will provide treatment and delivery to South Metro.

This professional services contract includes the design of a 6-mile-long pipeline, E-470 crossing and the regulating facility at Prairie Waters Pump Station Number 2, including bidding and construction phase services. The project's design will commence in 2023 with construction completed in 2025. Denver Water is responsible for managing the design and construction of the project, and for paying 15% of the total project cost. South Metro is responsible for paying the remaining 85% of the total project cost.

Budget and Schedule:

The total amount of this contract is \$2,611,022 (Denver Water's cost is \$391,653, South Metro's cost is \$2,219,369) and the term of the contract is December 14, 2022 through December 31, 2025. Funds for this contract will come from the 2023 budget for WISE DIA Connection business unit which has sufficient funds to pay the \$1,660,000 estimated to be needed in 2023. The remaining \$951,022 will be budgeted in years 2024 and 2025.

Selection of Business Partner:

Denver Water solicited proposals by posting a Request for Proposal on its website, followed by a mandatory preproposal meeting. On October 31, 2022, four proposals were received. Denver Water, Aurora and South Metro separately evaluated the proposals based on the scoring criteria included in the Request for Proposal. Each entity provided a representative score decided by an internal review committee. Interviews were conducted with Tetra Tech, Inc. and Carollo Engineers, which were scored highest by reviewing entities. The team selected Tetra Tech, Inc. for contract award, with the provision that they hire Carollo Engineers to perform the instrumentation and controls design as a subconsultant.

S/MWBE Information:

The Small/Minority and Women-owned Business Enterprise goal established for this project is 5% participation. Tetra Tech, Inc. has proposed 18% participation.

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Recommendation:

Staff recommends that the Board approve Contract 505528 with Tetra Tech, Inc. for the WISE DIA Connection Professional Services for the contract period December 14, 2022 through December 31, 2025 for a total contract amount not to exceed \$2,611,022.

Approvals

- | | |
|---|--|
| <input checked="" type="checkbox"/> James S. Lochhead, CEO/Manager | <input type="checkbox"/> Brian D. Good, Chief Administrative Officer |
| <input type="checkbox"/> Julie Anderson, Chief of Staff | <input checked="" 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 |

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: December 14, 2022

Board Item: II-A-3

Internal Audit Charter Refresh Approval

Action by Consent

Individual Action

Purpose and Background:

The purpose of this Board item is to approve the refreshed Internal Audit Charter.

The Internal Audit Charter provides the organization a blueprint for how internal audit will operate and helps the Board to clearly signal the value it places on internal audit's independence. The Charter establishes reporting lines for the chief internal auditor that support that independence and provides the internal audit activity the needed authority to achieve its tasks, e.g., unfettered access to records, personnel, and physical properties relevant to performing its work. Finally, the Charter also serves as a reference point to measure the effectiveness of the internal audit activity.

The Internal Audit Charter was last revised and approved by the Board on August 12, 2015.

The Institute of Internal Auditors, the internal audit profession's most widely recognized advocate, educator, and provider of standards, guidance, and certifications, updated its International Professional Practice Framework, which includes the Standards, effective January 1, 2017.

As a result, and considering Denver Water's corporate environment evolution since 2015, slight modifications to the Internal Audit Charter have been proposed to refresh the document and bring it in conformance with the current internal audit standards and in line with current practices, among others.

These modifications include:

- Clarifying the independence and reporting of the internal audit function;
- Adding reporting expectations for the Quality Assurance Program; and
- Removing the requirement to report annually on the adequacy of the organization's process controls to manage risk.

Budget and Schedule:

There is no budgetary impact for this item.

Recommendation:

Staff recommends that the Board approves the refreshed Internal Audit Charter.

Approvals

- James S. Lochhead, CEO/Manager
 Julie Anderson, Chief of Staff
 Jessica R. Brody, General Counsel
 Angela C. Bricmont, Chief Finance Officer

- Brian D. Good, Chief Administrative Officer
 Richard B. Marsicek, Chief Water Resource Strategy Officer
 Robert J. Mahoney, Chief Engineering Officer
 Thomas J. Roode, Chief Operations Officer

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DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: December 14, 2022

Board Item: II-B-1

Declining Participation in the Colorado Paid Family and Medical Leave Insurance Program and adding Denver Water COFAM Leave

Action by Consent

Individual Action

Purpose and Background:

The purpose of this Board item is to seek approval to decline participation in Colorado's Paid Family and Medical Leave Insurance (FAMLI) program and to expand Denver Water paid leave benefits to closely align with those provided under the FAMLI.

In November 2020, Colorado voters approved the Paid Family and Medical Leave Insurance Initiative (C.R.S. §§ 8-13.3-501, et seq.) creating a state-run family and medical leave insurance program. The law requires the state to collect insurance premiums to fund the program from both employers and employees. It provides for up to 12 weeks of paid family and medical leave in a 12-month period with job protection. An additional four weeks of paid leave and job protection is authorized for pregnancy-related complications. The state will begin collecting premiums on January 1, 2023, and the program will become operational on January 1, 2024.

The law allows local government employers to decline participation in the program by a vote of the governing body and notification to the state. (C.R.S. § 8-13.3-522 and 7 CCR §1107-2.6(A)). In such cases, employees may still opt in to participate in the program.

Denver Water currently offers robust, employer-paid leave and wage replacement programs including Personal Leave, Paid Time Off (PTO), Short-term disability and Long-term disability. In conjunction with these programs, Denver Water provides job protection pursuant to the federal Family and Medical Leave Act. While Denver Water's employer-paid leave is more generous than the state program in many respects, some gaps exist between current benefits and the newly created FAMLI program. Denver Water will provide the Board with proposed benefit enhancements to fill these gaps as part of the Total Rewards review in 2023.

Budget and Schedule:

This item will result in budgetary savings for both Denver Water and its employees because neither will be required to pay the premiums to participate in the FAMLI program. These savings will be slightly offset if employees who receive the proposed Denver Water benefits would otherwise be in no pay status.

Recommendation:

In 2024, Denver Water's benefit package will be enhanced to offer benefits aligned with the FAMLI program. Therefore, staff recommends the Board decline participation in the state administered FAMLI program.

Approvals

- | | |
|---|---|
| <input checked="" type="checkbox"/> James S. Lochhead, 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 checked="" type="checkbox"/> Jessica R. Brody, General Counsel | <input type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer |
| <input type="checkbox"/> Angela C. Bricmont, Chief Finance Officer | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer |

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TITLE: DECLINING PARTICIPATION IN THE COLORADO FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM

ADOPTED AND APPROVED ON DECEMBER 14, 2022 BY THE CITY AND COUNTY OF DENVER ACTING BY AND THROUGH ITS BOARD OF WATER COMMISSIONERS

Craig S. Jones, Board President

James S. Lochhead, CEO/Manager

The Board of Water Commissioners finds that:

- A. In November 2020, Colorado voters approved the Paid Family and Medical Leave Insurance Initiative (C.R.S. §§ 8-13.3-51, et seq.) creating a state-run family and medical leave insurance program for qualified workers (FAMLI).
- B. The insurance program provides for up to 12 weeks of paid family and medical leave in a 12-month period with job protection. An additional four weeks of paid leave and job protection is authorized for pregnancy-related complications.
- C. The law allows local government employers to decline participation in the program upon a vote of the governing body and notification to the state (C.R.S. § 8-13.3-522 and 7 CCR §1107-2.6(A)).
- D. Denver Water currently offers robust, employer-paid leave and wage replacement programs including Personal Leave, Paid Time Off (PTO), Short-term disability and Long-term disability. In conjunction with these programs, Denver Water provides job protection pursuant to the federal Family and Medical Leave Act. With minor modifications, the eligibility criteria for these programs and resulting program coverage will meet or exceed coverage available through FAMLI without additional cost to employees.

Based on the foregoing findings, the Board:

1. Declines participation in the Colorado Paid Family and Medical Leave Insurance Act and further resolves to modify Denver Water's current leave and job protection benefits to fill any gaps in coverage as compared against FAMLI.

Adopted by the Board on December 14, 2022

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: December 14, 2022

Board Item: II-B-2

Recommended Revisions to Personnel Policies

Action by Consent

Individual Action

Purpose and Background:

Denver Water staff has completed an annual review of the Personnel Policies, and the purpose of this Board item is to seek approval of changes to policies to ensure they comport with current law, align with best practice, and effectively support the business needs of the organization.

Recommended policy changes are presented in the attached memorandum with an explanation for each change. Substantive changes are:

- Increase in allowable Limited-Term Employees to fully staff capital projects (Northwater Treatment Plant and Gross Reservoir Expansion projects) as well as startup and commissioning of the new treatment plant;
- Addition of Cesar Chavez and Juneteenth to current list of paid holidays; and
- Elimination of obsolete provision for discretionary Location Pay because pay is set based on market comparisons and a review of internal equity.

Budget and Schedule:

There is no direct budgetary impact with the addition of these holidays, however, the potential for additional overtime may exist due to productivity loss in critical functions.

Recommendation:

Denver Water recommends the Board adopt the attached revisions to the Personnel Policies effective January 1, 2023.

Approvals

- James S. Lochhead, CEO/Manager
- Julie Anderson, Chief of Staff
- Jessica R. Brody, General Counsel
- Angela C. Bricmont, Chief Finance Officer

- Brian D. Good, Chief Administrative Officer
- Richard B. Marsicek, Chief Water Resource Strategy Officer
- Robert J. Mahoney, Chief Engineering Officer
- Thomas J. Roode, Chief Operations Officer

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DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: December 14, 2022

Board Item: II-B-3

Intergovernmental Agreement 505517 with Douglas County for the transfer of Horse Creek Property and shared Communication Tower Lease 505557

Action by Consent

Individual Action

Purpose and Background:

The purposes of this Board item are to:

- 1) Declare approximately 10 acres of Board-owned Horse Creek property to be surplus;
- 2) Approve the Intergovernmental Agreement 505517 with Douglas County along with the corresponding Communication Tower Lease (Contract 505557) for a shared communication tower and Quit Claim Deed to Douglas County for law enforcement personnel housing.

Denver Water owns approximately 6,000 acres of property for the future Two Forks Reservoir project along the North Fork of the South Platte River in Jefferson and Douglas counties. The property owned ranges from open space to residential rental properties. Douglas County Emergency Operations desires to construct a communication tower in this region to improve subpar communication coverage. They have identified an ideal parcel of Denver Water land, outside the proposed Two Forks Reservoir high water line, for the future tower location. Douglas County is willing to provide Denver Water space on the tower for our communication equipment and design and construct the tower in a manner that would allow coverage across our vast property holdings. Douglas County will pay the full cost of the tower construction, estimated at \$3.5 million. The proposed Communication Tower Lease term is for ten years with four potential ten-year extensions. The Lease provisions allow Denver Water to terminate it, if leased property is required for future reservoir needs.

For over twenty years Denver Water has leased two of its residential properties to Douglas County sheriffs at no cost to increase police presence and emergency response in the North Fork region. Currently, neither Douglas County nor Denver Water wishes to invest in the desired capital improvement to these rental properties. Denver Water also owns approximately 40 acres outside the southern boundary of the Two Forks Reservoir project in an area known as Horse Creek. The northeastern 10-acre parcel includes utilities and topography appropriate for Douglas County to build permanent housing for their sheriffs. The Intergovernmental Agreement proposes a no-cost transfer of the 10-acre Horse Creek property in exchange for the Communication Tower construction and continued police presence in the region. The 10-acre Horse Creek parcel has no current or future operational benefit to Denver Water. The Quit Claim Deed provides reservations for the commitments in the Intergovernmental Agreement and reverter language in the case of non-compliance.

Budget and Schedule:

There is no budgetary impact for this item.

S/MWBE Information:

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

Recommendation:

Staff recommends that the Board declare 10-acres of Horse Creek property surplus as it is no longer needed for water works purposes and approve Intergovernmental Agreement 505517, Quit Claim Deed

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and Communication Tower Lease 505557 with Douglas County for the purposes of constructing and maintaining a shared Communication Tower and providing police presence in the North Fork of the South Platte River valley region.

Approvals

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