

# AGENDA

## Denver Board of Water Commissioners

CSU SPUR Campus, Hydro Building, 4817 National Western Drive, Denver, CO 80216 and

Video Conference: Microsoft Teams, Meeting ID: 288 035 542 399 –  
Passcode: pSkYwc or Dial in (720) 647- 5730 - Phone Conference ID: 184 150 537#

Members of the public are encouraged to attend by  
video conference due to limited on-site parking.

**Wednesday, May 10, 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

D. **Legislative Update** **Andrew Hill** **5 minutes**

### 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 April 12, 2023
2. Minutes from April 26, 2023
3. Inter-governmental Agreements for Expert Support to Evaluate Proposed Molybdenum Standard Contract 505711 and 505712
4. Authorization for Additional Contract Funds for Temporary Staffing Contracts 504266, 504261, and 504264

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5. Temporary Staffing Services Contracts 505696, 505694, and 505493

**B. Individual Approval Items**

- |                                       |             |           |
|---------------------------------------|-------------|-----------|
| 1. 2023 PNC Line of Credit Resolution | Usha Sharma | 5 minutes |
|---------------------------------------|-------------|-----------|

**III. POLICY MATTERS**

- |                           |                  |            |
|---------------------------|------------------|------------|
| A. Water Supply Update    | Nathan Elder     | 5 minutes  |
| B. 2023 Insurance Program | Usha Sharma      | 15 minutes |
| C. Q1 Performance Report  | Stephanie Abrams | 15 minutes |

**IV. EXECUTIVE UPDATE**

- A. CEO Update**
- B. CFO Update**
- C. Operations Update**

**V. BRIEFING PAPERS & REPORTS**

**A. Briefing Paper**

1. Briefing Paper for Insurance Strategy

**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: May 10, 2023

Board Item: II-A-3

## Intergovernmental Agreements for Expert Support to Evaluate Proposed Molybdenum Standard Contracts 505711 and 505712

Action by Consent

Individual Action

### **Purpose and Background:**

The purpose of this Board item is to approve two Intergovernmental Agreements (Contracts) between a group of West Slope water providers consisting of the Northwest Colorado Council of Governments (NWCCOG), Copper Mountain Consolidated Metro District, Clinton Ditch and Reservoir Company, Eagle Park Reservoir Company, Town of Frisco, and Summit County to share the costs of two experts who will provide technical support in a stakeholder process and rulemaking hearing concerning proposed revisions to the statewide Molybdenum drinking water supply stream standard.

Revisions to the Molybdenum standard could potentially lead to the discharge of higher concentrations of Molybdenum within Denver Water's Blue River watershed. Denver Water desires to ensure that any proposed Molybdenum standard that is adopted is scientifically justified and protective of human health. The rulemaking hearing is tentatively scheduled to occur in June 2024 before the Water Quality Control Commission. In addition, there will be a need to participate in a series of stakeholder meetings, and evaluate technical information provided during the stakeholder and rulemaking process. Under the Contracts, Denver Water will contribute up to \$10,000 per Contract to be used for technical support. NWCCOG will invoice the water providers who are parties to the Contracts for their respective share of costs, including Denver Water. NWCCOG will also manage payments made by the parties, process invoices from the experts, and make payments to the experts.

### **Budget and Schedule:**

The total amount of each contract is \$10,000 for a total combined amount of \$20,000 and the term of the contract will extend from April 5, 2023 through August 1, 2024. Funds for the Contracts will come from the 2023 and 2024 budget for Office of General Counsel business unit, which has sufficient funds to pay the \$20,000 estimated to be needed in 2023. The remaining unspent funds will be budgeted in 2024.

### **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 505711 and 505712 with NWCCOG and other parties to share costs of technical experts for the contract period April 5, 2023 through August 1, 2024 for a total combined contract amount not to exceed \$20,000.

### **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 checked="" 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: May 10, 2023

Board Item: II-A-4

## Authorization for Additional Contract Funds for Temporary Staffing Contracts 504266, 504261, and 504264

Action by Consent

Individual Action

*Boxes above for Manager's Office ONLY*

### **Purpose and Background:**

The purpose of this Board item is to seek authorization for additional funds for Contracts 504266, 504261, and 504264 for temporary staffing services. These contracts expire May 31, 2023.

Denver Water uses these contracts for IT staffing as well as other roles. Work on the Cybersecurity project roadmap, growing operational needs to support cybersecurity maturity, project management, and vacancies in hard-to-fill IT positions created greater than anticipated need for contingent staffing and reducing funds available on these contracts for April and May 2023. Specific needs for each contract are as follows:

- Contract 504266 – Colorado Network Staffing, Inc. – Funds required for Utility Technicians, IT Security Architect, Water Quality and Treatment Technicians, and Marketing Coordinator.
- Contract 504261 – Compri Consulting, Inc. – Funds required for Infrastructure Administrator and Linux Windows Administrator.
- Contract 504264 – The Doyle Group, LLC – Funds required for Windows System Administrator, Senior Database Administrator, and various other IT roles.

### **Budget and Schedule:**

The total amount requested for this authorization is \$236,800:

- Contract 504266 - \$92,000, resulting in a total contract amount of \$2,822,000.
- Contract 504261 - \$70,000, resulting in a total contract amount of \$816,000.
- Contract 504264 - \$74,800, resulting in a total contract amount of \$1,640,083.49.

Funds will come from the 2023 Human Resources budget which will have sufficient funds to pay for the temporary services listed above.

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

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

### **Recommendation:**

Staff recommends the Board approve the Authorization for Additional Contract Funds for Contracts 504266, 504261 and 504264 in the amount of \$92,000, \$70,000, and \$74,800 respectively.

### **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 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 Office                   |

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# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: May 10, 2023

Board Item: II-A-5

## Temporary Staffing Services Contracts 505696, 505694, and 505493

Action by Consent

Individual Action

### **Purpose and Background:**

The purpose of this Board item is to seek approval of Contracts 505696, 505694 and 505493 for temporary staffing services. Denver Water augments our regular personnel with temporary staffing services to ensure efficiency of operations. These positions are required due to the seasonal nature of the work or for projects that do not support hiring a permanent employee. The specific scopes of staffing services for each contract are as follows:

- Contract 505696 – Colorado Network Staffing, Inc. specializes in temporary Water Treatment Technicians, Utility Technicians, and Market Coordinators and Safety Specialists for project related work.
- Contract 505694 – Compri Consulting, Inc. specializes in temporary IT staffing for positions such as Infrastructure Administrators, Windows System Administrators, and IT Project Managers.
- Contract 505493 – The Doyle Group, LLC specializes in temporary IT staffing and provides staffing for roles such as IT Project Managers, Microsoft Windows Administrators, and IT Security.

### **Budget and Schedule:**

The total amount of all three contracts is \$5,835,000 and each contract has a 3-year term of June 1, 2023 through June 1, 2026. The breakout for each contract is as follows:

- Contract 505696 - Colorado Network Staffing, Inc.: The total amount of the contract is \$3,200,000. Funds will come from the 2023 budget for Human Resources, which has sufficient funds to pay the \$1,066,667 estimated to be needed in 2023. The remaining \$2,133,333 will be budgeted in years 2024 through 2026.
- Contract 505694 – Compri Consulting, Inc.: The total amount of the contract is \$835,000. Funds will come from the 2023 budget for Human Resources, which has sufficient funds to pay the \$278,334 estimated to be needed in 2023. The remaining \$556,666 will be budgeted in years 2024 through 2026.
- Contract 505493 – The Doyle Group, LLC: The total amount of the contract is \$1,800,000. Funds will come from the 2023 budget for Human Resources, which has sufficient funds to pay the \$600,000 estimated to be needed in 2023. The remaining \$1,200,000 will be budgeted in years 2024 through 2026.

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

In January 2023, Denver Water issued a request for proposals on the Rocky Mountain E-Purchasing System. Staff received 29 proposals and selected four companies, each with its own area of specialization, to meet Denver Water's temporary staffing needs. Selected companies include Cogent InfoTech Group, Compri Consulting, Inc., The Doyle Group, LLC, and Colorado Network Staffing, Inc. The contract for Cogent InfoTech Group is not submitted as a Board Item as the contract amount, \$37,000, falls below the threshold requiring Board approval.

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**S/MWBE Information:**

Temporary staffing services is a covered spend category under Denver Water’s Covered Services MWBE program. Colorado Network Staffing, Inc., The Doyle Group, LLC and Compri Consulting, Inc. are all S/WBE.

**Recommendation:**

Staff recommends that the Board approve the following contracts:

- 505696 – Colorado Network Staffing, Inc. for temporary staffing services for the contract period June 1, 2023 through June 1, 2026, in the amount of \$3,200,000.
- Contract 505694 – Compri Consulting, Inc. for temporary staffing services for the contract period June 1, 2023 through June 1, 2026, in the amount of \$835,000.
- Contract 505493 – The Doyle Group, LLC for temporary staffing services for the contract period June 1, 2023 through June 1, 2026, in the amount of \$1,800,000.

**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 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                  |

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: May 10, 2023

Board Item: II-B-1

## Approval of 2023 PNC Line of Credit Resolution and Amendment of Contract 503597

Action by Consent

Individual Action

### **Purpose and Background:**

The purpose of this Board item is to seek approval of the 2023 Line of Credit (LOC) Resolution authorizing the amendment of the Credit Facility with PNC Bank, N.A. (PNC) and delegate authority to execute certain related documents to the Chief Finance Officer and the Treasurer.

The current LOC has been in place since January 2019 and will need to be amended and renewed as the current benchmark index rate, London Interbank Offered Rate (LIBOR), will cease to exist as of June 30, 2023, and will be replaced by the new benchmark, Secured Overnight Financing Rate (SOFR). SOFR is considered a more accurate and secure pricing benchmark according to the Federal Reserve Board. The Credit Facility is in the amount of \$60,000,000, with an uncommitted \$40,000,000 accordion if needed. The Credit Facility has an effective date of May 31, 2023, with a maturity date of May 31, 2024. Any funds drawn from the LOC will be used as interim financing for capital improvements until the new commercial paper program is in place, at which time the Credit Facility with PNC Bank, N.A. will be discontinued.

Some key provisions of the 2023 Line of Credit Resolution are:

- Authorizes execution and delivery of a \$60 million Revolving Line of Credit with a maturity date of May 31, 2024.
- Increases the uncommitted accordion amount from \$20 million to \$40 million.
- Replaces the current monthly reset benchmark index rate, LIBOR, with the new daily reset benchmark index rate, SOFR.
- Requires an initial investment amount of \$15 million to be placed in a liquid, interest bearing public funds account collateralized at 102%.
- Approves the form of the Financing Documents and other documents authorizing the execution of the Credit Facility.
- Authorizes certain administrative responsibilities to limited members of staff to facilitate draw down of funds once the Credit Facility is executed.

### **Budget and Schedule:**

The proposed 2023 budget includes an estimated \$191 million in new debt issuance in June. Funds will be drawn down as needed from the LOC to fund capital program in lieu of a lump sum issuance of \$191 million in new debt. The commercial paper program, once implemented, will refund any drawn balance in the LOC and provide additional amount of funding for capital improvements. Funds to pay loan fees and interest will come from the annual budget for Debt Service.

### **Recommendation:**

Staff recommends that the Board adopt the attached 2023 Line of Credit Resolution authorizing the amendment of the Revolving Line of Credit Agreement between the Board and PNC Bank, N.A. and delegate authority to execute certain related documents to the Chief Finance Officer and the Treasurer.

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## 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



**TITLE: RESOLUTION AUTHORIZING THE FIRST AMENDMENT TO CREDIT FACILITY AGREEMENT WITH PNC BANK AS LENDER**

A RESOLUTION DESIGNATED BY THE SHORT TITLE "FIRST AMENDMENT TO CREDIT FACILITY (PNC BANK) RESOLUTION", APPROVING A FIRST AMENDMENT TO THE CREDIT FACILITY AGREEMENT ORIGINALLY APPROVED BY THE BOARD OF WATER COMMISSIONERS ON DECEMBER 12, 2018.

ADOPTED AND APPROVED ON MAY 10, 2023 BY THE CITY AND COUNTY OF DENVER, ACTING BY AND THROUGH ITS BOARD OF WATER COMMISSIONERS

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Craig Jones, Board President

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James S. Lochhead, CEO/Manager

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The Board of Water Commissioners finds that:

- A. The Board of Water Commissioners (the Board) previously adopted a resolution on December 12, 2018 (the Credit Facility (PNC Bank) Resolution), approving the execution and delivery of a Credit Facility consisting of a Credit Agreement and Note (collectively, the Original Credit Agreement) to provide short term financing for various improvements to the water works system (the System).
- B. The Original Credit Agreement matures on December 31, 2023.
- C. The current benchmark index rate, London Interbank Offered Rate (LIBOR), will cease to exist as of June 30, 2023, and will be replaced by the new benchmark, Secured Overnight Financing Rate (SOFR).
- D. In order to provide for short-term financing on a cost-effective and expedient basis and in order to bridge funding gaps between the issuance of long-term obligations, the Board desires to extend the Original Credit Agreement and amend certain terms of the Original Credit Agreement as shown in the First Amendment to Credit Agreement (the First Amendment) attached hereto as Exhibit A.
- E. Unless otherwise provided herein or in the First Amendment, the provisions of the Credit Facility (PNC Bank) Resolution and the Original Credit Agreement remain in full force and effect.

Adopted by the Board on May 10, 2023

Based on the foregoing findings, the Board:

1. Unless otherwise defined herein, all capitalized terms shall have the meaning ascribed to them in the Credit Facility (PNC Bank) Resolution, the Original Credit Agreement and the First Amendment.

2. Ratification and Approval of Prior Actions. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Board or the officers, agents or employees of the Board or Denver Water relating to the Original Credit Agreement, the implementation of public improvements, and the execution and delivery of the First Amendment is hereby ratified, approved and confirmed. Except as amended hereby, the provisions of the Original Credit Agreement and the Credit Facility (PNC Bank) Resolution are hereby ratified, approved and confirmed.

3. Approval of Documents. The First Amendment, in substantially the form presented to the Board and on file with Denver Water, is in all respects approved, authorized, and confirmed, and the President and the Secretary are hereby authorized and directed for and on behalf of the Denver Water to execute and deliver the First Amendment in substantially the form and with substantially the same contents as presented to the Board, provided that such First Amendment may be completed, corrected or revised as deemed necessary with the approval of the Chief Finance Officer or the Treasurer in order to carry out the purposes of this Resolution. The President, the Secretary, the Chief Finance Officer, the Treasurer, and the General Counsel are authorized and directed to take all actions necessary or appropriate to carry out the provisions of this Resolution, the documents authorized or approved herein and the transactions described herein or in such other documents, including, without limitation, the execution and delivery of any certificates or other documents necessary or appropriate in connection with the execution, delivery and performance of the First Amendment, including, without limitation, certificates with respect to: the tenure and identity of the Board or the officers of Denver Water; the absence of litigation, pending or threatened; expectations and covenants relating to the First Amendment, and the execution and delivery of the First Amendment.

4. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution, the intent being that the same are severable.

5. Repealer. All orders, resolutions, by laws and regulations of the Board, or parts thereof, inconsistent with this Resolution are hereby repealed to the extent only of such inconsistency.

Adopted by the Board on May 10, 2023

6. Recording. This Resolution, immediately on its passage, shall be recorded in the Board's official records and shall be authenticated by the signatures of the President and Secretary.

7. Electronic Transactions. Each of the President, Secretary, Chief Finance Officer, Treasurer, or other employee or official of the Board or Denver Water that is authorized or directed to execute any agreement, document, certificate, instrument, or other paper in accordance with this Resolution (collectively, the Authorized Documents) is hereby authorized to execute Authorized Documents electronically via facsimile or email signature. Any electronic signature so affixed to any Authorized Document shall carry the full legal force and effect of any original, handwritten signature. This provision is made pursuant to Article 71.3 of Title 24, C.R.S., also known as the Uniform Electronic Transactions Act. It is hereby determined that the transactions described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law.

8. Effective Date. This Resolution shall take effect immediately upon its adoption and approval.