

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

Denver Water Administration Building
1600 West 12th Avenue
Denver, CO
Board Room, First Floor

Video Conference: <http://zoom.us/join>, Meeting ID: 821 6854 8162, Password: 816159
or Dial-in: (669) 900-6833, Meeting ID: 821 6854 8162

Wednesday, November 16, 2022

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, November 16, 2022, beginning at 9:00 a.m. via Zoom Video Conference: <http://zoom.us/join>, Meeting ID: 821 6854 8162, Password: 816159 or via Dial-in: (669) 900-6833, Meeting ID: 821 6854 8162. Members of the Board present during the Regular Meeting were:

Gary M. Reiff, President
Craig Jones, First Vice President
Stephanie Donner, Vice President
Tyrone J. Gant, Vice President
Dominique Gómez, Vice President

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

J.S. Lochhead, CEO/Manager	M. Laws, Business Analyst - EPMO
J.A. Anderson, Chief of Staff	D. Lopez, IT Support Specialist
A. Bricmont, Chief Financial Officer	P. McCormick, Project Engineer
N. DiMascio, <i>Acting</i> General Counsel	H. Miller, Internal Controls
B.D. Good, Chief Administrative Officer	J. Mitchell, Financial Planning and Performance Manager
D. Gorgemans, Chief Internal Auditor	J. Nolte, GIS Manager
R. Mahoney, Chief Engineering Officer	K. Oligney, Director IT Infrastructure
R. Marsicek, Chief Water Resource Strategy Officer	S. Overby, Business Operations Support
T.J. Roode, Chief Operations and	C. Proctor, Communications Sr. Specialist

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

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



Maintenance Officer
 S. Abram, Director Finance Planning & Performance
 S. Adamkovics, Finance Sr. Analyst
 B. Akins, Finance Analyst
 A. Cavallaro, Paralegal
 J. Chavez, IT Project Manager
 S. Chesney, Director Public Affairs
 K. Dudas, Public Affairs Manager
 M. Freeman, Grants Administrator
 P. Freeman, Business Operations Manager
 G. Gonzales, Business Operations Sr. Support
 M. Haro, IT Ind. Control Sr. Engineer
 D. Herrera, IT Application Manager
 A. Ingram, Procurement Specialist
 A. Joseph, Attorney
 J. Kirk, Communications Sr. Specialist

L. Quintana, Administrative Sr. Assistant
 B. Ransom, Recreation Manager
 J. Reddig, Graphic Designer
 D. Rendon, Web Administrator & Developer
 K. Riegle, Attorney
 V. Roberts, Director Enterprise IT
 B. Scott, IT Manager
 L. Southard, Business Operations Support
 S. Stephen, IT Support Sr. Specialist
 K. Unger, Communications Sr. Specialist
 J. Walter, Finance Analyst
 W. Williams, IT Support Manager
 A. Woodrow, Lead Program Manager
 M. Backwater
 J. Crockett, Jacobs
 G. Hood, Jacobs
 M. Nelson

INTRODUCTORY BUSINESS

Commissioner Reiff called the meeting to order at 9:00 a.m.

Public Comment and Communications

Commissioner Reiff issued an invitation to members of the public to comment to the Board on any matters not included in the meeting Agenda. 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: EIGHTH AUTHORIZATION FOR ADDITIONAL CONTRACT FUNDS WITH ADVANCED NETWORK MANAGEMENT INC. – CONTRACT 10201

Approved the Eighth Authorization to Contract 10201 with Advanced Network Management Inc. for CISCO Smartnet and ISE, for an extension of the contract

period through January 2, 2026, and an additional \$152,388, for a total amended contract amount not to exceed \$807,926.

**2. ITEM II-A-2: THIRD AMENDMENT WITH TACITO DESIGN –
CONTRACT 504393**

Approved the Third Amendment to Contract 504393 with TaCito Design for graphic design and signage wayfinding, for an additional \$450,000, for a total amended contract amount not to exceed \$700,000.

3. ITEM II-B-1: LEAD REDUCTION PROGRAM UPDATE

Ms. Woodrow presented the Board with the Lead Reduction Program (LRP) update, a copy of which is attached to and incorporated in these Minutes as Exhibit A. She provided an overview of the LRP Dashboard, highlighting 2022 program goals and accomplishments. She noted that the project team has already met its annual target of 4,477 lead service line (LSL) replacements with over 4,600 lines replaced. Since the program launched in 2020, over 15,000 LSLs have been replaced and the team is continuing to accelerate LSL inventory investigations. The program's ongoing community outreach efforts continue to raise program awareness and engage the public through online, in-person, and social media platforms.

She reported that the variance renewal from the EPA is expected in late November with an effective date of January 1, 2023. In addition, Denver Water's application for funding made available through the Bipartisan Infrastructure Law for water infrastructure improvements has been approved by the Colorado Water Resources and Power Development Authority. She also noted two contracts for the Board's approval, which will facilitate ongoing lead service line replacement and pitcher filter supply and distribution.

Approved Contracts 505505 with AGL Construction, 505506 with Five Star Energy Services, and 505507 with KR Swerdfeger for ALSLR, for the contract period from January 1, 2023 to December 31, 2023, to be administered for a project completion total of \$35,100,000.

Approved delegation of authority to the CEO/Manager to award subsequent task orders to the contractors throughout 2023 based on costs and contractors' capacity to perform replacements, up to the number of task orders needed to meet the replacement target and within the \$35,100,000 budget. Status of

contract performance and task order authorization will be reported to the Board monthly throughout 2023.

Approved the First Amendment to Contract 504210 with 120 Water Audit, Inc. for ongoing pitcher filter supply and distribution, for the amount of \$9,543,000 during the contract period from January 1, 2020 to April 30, 2024, for a total contract amount not to exceed \$26,840,000.

4. ITEM II-B-2: SPONSORSHIP OF THE CHILDREN'S MUSEUM OF DENVER AT MARISCO CAMPUS – CONTRACT 505472

Ms. Unger presented the Board with the Children's Museum of Denver Sponsorship Agreement update, a copy of which is attached to and incorporated in these Minutes as Exhibit B. She reported that over the past seven years, the Children's Museum has served over three million visitors with 11,000 visitors reached through Youth Education museum events. Since December 2015, Denver Water has been the title sponsor of the museum's WATER exhibit, with the goal of informing and educating visitors in a 2,200 sq. ft. water laboratory created for children to learn and experience water. Denver Water's messaging in this exhibit connects the activities in Denver Water operations, creates awareness of water conservation, and promotes the value of water. Through this partnership, Denver Water will continue to build trust in its activities and support for its programs and initiatives over the next five years.

Approved Contract 505472 with The Children's Museum of Denver at Marisco Campus for a title sponsorship of the WATER exhibit and inclusion in the member communications and events, for the contract period from January 1, 2023 to December 31, 2027, for a total contract amount not to exceed \$375,000.

POLICY MATTERS

5. ITEM III-A: NORTHWATER TREATMENT PLANT

Mr. McCormick presented the Board with the Northwater Treatment Plant (NTP) Update, a copy of which is attached to and incorporated in these Minutes as Exhibit C. He reported on the progress of construction on site, noting upcoming project milestones and featuring photos of the Chemical, Pre-treatment, Filter, and Operations Buildings and the 10 million gallon Clearwells. Construction is currently 78% complete and production remains higher than expected. Minority and women-owned enterprise (MWBE) spending has exceeded its targeted participation of \$31.5 million, despite some MWBE struggles to remain in

business. Contractor contingency spend has risen and become more commensurate with project completion percentage and the Allowance is still trending on track. The project estimate at completion (EAC) is \$517.7, which is currently below the project forecast of \$520 million, and approaching \$408.4 million spent to date.

The team's focus for 2023 remains on the schedule, and as the team starts the transition over to a testing period with the manufacturers, the operators, and the engineers, the team also remains focused on performance of the subcontractors and global supply chain delays. The schedule will be very busy over the next 15 months, and completion of the project is anticipated to be on time and under budget.

6. ITEM III-B: INFORMATION TECHNOLOGY STRATEGY

Ms. Roberts presented the Board with the IT Strategy Update, a copy of which is attached to and incorporated in these Minutes as Exhibit D. She reported that information technology (IT) is integral to Denver Water's operations and supports the organization's operations through water collection and distribution, water quality, customer service, and regulation of security and risk. IT strategy objectives include aligning IT services with Denver Water's strategy and operational needs, planning beyond the annual budget cycle and preparing for anticipated changes, and mitigating risk of service disruption and breach of protected information. In its support of Denver Water's mission, IT strives to serve the organization's customers by being a national leader in delivering clean water, operating and maintaining a reliable and resilient system, and protecting the water resources of the West.

7. ITEM III-C: Q3 PERFORMANCE REPORT

Ms. Abram presented the Board with the Third Quarter Performance Report, a copy of which is attached to and incorporated in these Minutes as Exhibit E. She provided an overview of the organizational scorecard metrics and highlighted portions of the 2022 Financial Report, noting no significant changes from the Second Quarter Performance Report.

She reported minimal change to Revenue from the second quarter, noting that System Development Charges were flat for the third quarter. Total Operating Costs without operating projects was 4.5% over budget. Construction and Field Services continue to see increased costs for hauling, trucking, and paving. Waste

Disposal Services were higher, mostly due to fuel surcharges by vendors. Higher fuel costs affected costs for Materials and Supplies, which also saw increased costs for materials in Water Distribution, Water Quality and Treatment and Support Services. Chemical costs were higher, primarily due to price increases for specific chemicals and freight costs, and higher demand through the summer months into fall. Operating and Capital Projects are currently forecast to be 11.6% under budget, primarily due to timing shifts on projects.

EXECUTIVE UPDATE

8. ITEM IV-A: CEO UPDATE

Mr. Lochhead reported that Denver Water will host a reception today, welcoming the Colorado Water Conservation Board (CWCB) in the Three Stones Building. CWCB represents each major water basin in the state and other state agencies in a joint effort to conserve, develop, protect, and manage Colorado's water for future generations.

9. ITEM IV-C: OPERATIONS UPDATE

Mr. Nolte presented the Board with the Innovative Approach to Wildfire Mitigation, a copy of which is attached to and incorporated in these Minutes as Exhibit F. He described Denver Water's collaboration with Urban Sky on a new innovative way to collect aerial imagery, which was featured in the 2022 winter edition of Popular Science. Urban Sky's new imaging vehicle, a balloon that floats in the stratosphere, is capable of stratospheric sensing to collect aerial imagery quickly and easily.

Mr. Nolte explained that because aerial imagery is expensive, it is typically only collected every two years. However, with this innovation, Denver Water has been able to quickly collect burn scar imagery within its watershed and analyze possible increased sedimentation in its streams and reservoirs. He emphasized that despite the challenges of the new technology, the benefits are that it can be deployed quickly and more often because it is less expensive; it does not require permits or interfere with work on the ground; and the imagery is capable of identifying issues in the watershed.

BRIEFING PAPERS & REPORTS

10. ITEM V-A-1: BRIEFING PAPER FOR INFORMATION TECHNOLOGY STRATEGY UPDATE

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

ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into an Executive Session at approximately 9:56 a.m.

DocuSigned by:
Jim Lockhead
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Secretary

DocuSigned by:
Gary M. Reiff
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President