

**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: 882 3417 6376, Password: 600590
or Dial-in: (669) 900-6833, Meeting ID: 882 3417 6376

Wednesday, June 14, 2023

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, June 14, 2023, beginning at 9:00 a.m. in the Board Room and via Zoom Video Conference: <http://zoom.us/join>, Meeting ID: 882 3417 6376, Password: 600590 or via Dial-in: (669) 900-6833, Meeting ID: 882 3417 6376. Members of the Board present during the Regular Meeting were:

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

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

J.S. Lochhead, CEO/Manager	C. Gonzales, Internal Sr. Auditor
J.A. Anderson, Chief of Staff	C. Harris, IT Manager
A. Bricmont, Chief Financial Officer	A. Hill, Government Relations Liaison
J. Brody, General Counsel	A. Ingram, Procurement Supervisor
B.D. Good, Chief Administrative Officer	A. Joseph, Attorney Sr.
D. Gorgemans, Chief Internal Auditor	T. Kilroy, IT Network Sr. Engineer
R. Mahoney, Chief Engineering Officer	J. Lorton, Director Financial Reporting & Assurance
R. Marsicek, Chief Water Resource Strategy Officer	D. Martinelli, Finance Associate Analyst
T.J. Roode, Chief Operations and Maintenance Officer	K. Oligney, Director IT Infrastructure
	S. Overby, Business Operations Support

S. Abram, Director Financial Planning & Performance	B. Peterson, Finance Supervisor
S. Adamkovics, Finance Sr. Analyst	J. Potts, Finance Analyst
B. Akins, Finance Sr. Analyst	C. Proctor, Communications Sr. Specialist
J. Arriaga, Business Operations Support	L. Quintana, Administrative Sr. Assistant
A. Aslamy, Risk Sr. Analyst	V. Roberts, Director Enterprise IT
J. Bandy, Planning Manager	U. Sharma, Treasurer
L. Bissey, Paralegal	M. Slosson, Law Clerk
J. Bogner, Treasury Sr. Analyst	L. Southard, Business Operations Support
A. Cavallaro, Paralegal Sr.	K. Taft, Sustainability Manager
S. Chavez, Finance Supervisor	M. Thomas, Director IT Operational Tech
S. Chesney, Director Public Affairs	P. Williams, Executive Assistant
J. Daly, Procurement Specialist	T. Winchell, Planner Sr.
F. Davis, Rates Manager	J. Wittler, Attorney
L. Duffy, Finance Sr. Analyst	L. Albanese, Financial Investment News
L. Ellingson, Engineer Sr.	S. Hellwege, CliftonLarsonAllen, LLP
C. Fikan, Finance Associate Analyst	J. LeChevallier, CliftonLarsonAllen, LLP

INTRODUCTORY BUSINESS

Commissioner Gant called the meeting to order at 9:00 a.m. Upon motion regularly made, seconded and unanimously carried, Commissioner Jones was found to be absent for good cause and was excused.

Public Comment and Communications

Commissioner Gant 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.

Ceremonies, Awards, and Introductions

Mr. Lochhead reported that on Monday, the Water Research Foundation awarded Denver Water the Subscriber Impact Award, which honors subscribing utilities that have made notable improvements to their treatment, delivery, and/or management processes. He stated that this is a prestigious award, and he is proud of the contributions made by the Denver Water team.

Legislative Update

Mr. Hill reported that the Board received a briefing paper highlighting notable bills from the First Regular Session of Colorado's 74th General Assembly, which adjourned sine de May 8, 2023. He noted that the General Assembly consisted of significant Democratic majorities in both chambers. A total of 617 bills were introduced and considered. Of the 47 bills tracked by the Denver Water Legislative Review Team, the majority addressed employment-related matters, watershed health and sustainability, water rights, water quality, and local government issues.

Mr. Hill stated that during the summer months, staff will pursue legislation to limit installation of nonfunctional turf and continue to expand outreach with legislators and external stakeholders. He also pointed to topics that could be considered during the next legislative session.

Mr. Hill thanked the Board for their thoughtful engagement throughout the session and the Board thanked Mr. Hill for his partnership and focus.

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 MAY 1, 2023

Approved the Minutes from the May 1, 2023 Board Meeting.

2. ITEM II-A-2: MINUTES FROM MAY 24, 2023

Approved the Minutes from the May 24, 2023 Board Meeting.

3. ITEM II-B-1: INTERGOVERNMENTAL AGREEMENT FOR RESERVATION OF CHATFIELD RESERVOIR REALLOCATION PROJECT SHARES FOR THE ENVIRONMENTAL POOL – CONTRACT 505644

Mr. Bandy stated that in 2016, Denver Water and The Greenway Foundation pledged to dedicate an additional 500 acre-feet to the already allocated 1,600 acre-feet, to the Chatfield Reservoir Reallocation Project. Denver Water pledged to match the funds raised by The Greenway Foundation in the amount of \$1,525,000 for each entity and equivalent to 407 acre-feet. The Colorado Water Conservation Board will pay the balance of 93 acre-feet, bringing the total to 500

acre-feet of additional environmental pool storage space. The environmental pool will be operated at the discretion of Colorado Parks and Wildlife.

Approved Contract 505644 with the State of Colorado, the Colorado Water Conservation Board, and The Greenway Foundation for the dedication of 500 acre-feet of storage space in the Chatfield Reallocation storage Project, for a total contract amount of \$1,525,000.

4. ITEM II-B-2: 2022 AUDITED FINANCIAL STATEMENTS

Ms. Lorton presented the Board with the 2022 Annual Comprehensive Financial Report (ACFR), a copy of which is attached to and incorporated in these Minutes as Exhibit A. She reported that the external audit was 100% clean and thanked the accounting team and staff across the organization for their contributions.

Mr. LeChevallier of CliftonLarsonAllen, LLP (CLA) reported that Denver Water's external auditors conducted an audit of the financial statements in accordance with Generally Accepted Auditing Standards, resulting in a very smooth and clean unmodified audit opinion. CLA encountered no difficulties in performing the audit, no uncorrected misstatements, no corrected misstatements, no disagreements with management, and no significant issues to discuss with management.

Mr. LeChevallier thanked Denver Water's finance and accounting teams for their cooperation.

Accepted the 2022 Annual Comprehensive Financial Report for Denver Water.

POLICY MATTERS

5. ITEM III-A: PROPOSED 2024 BUSINESS PLAN

Ms. Anderson and Ms. Bricmont presented the Board with the proposed 2024 Denver Water Business Plan, a copy of which is attached to and incorporated in these Minutes as Exhibit B.

Ms. Anderson provided a brief overview of the 2024 Business Plan, explaining that the annual Business Plan (the Plan) is informed by Denver Water's Strategic Plan, and focuses on strategic projects, and organizational priorities and programs. In addition to noting Denver Water's top priority to provide high quality water and outstanding customer service to its customers, she highlighted the

projects, priorities, and programs, along with key strategic initiatives and potential policy implications that could be anticipated to come before the Board in 2024. She stated that the Plan includes four strategic projects that are ongoing and make up approximately 72% of capital spending, seven organizational priorities implemented through continuous improvement project management processes, and six strategic programs that reflect work that is ongoing in the organization. The Plan, which will be brought before the Board in July, will be used as a basis to develop the proposed budget for the upcoming year.

Ms. Bricmont provided the Board with an overview of the proposed financial plan, discussing the funding strategy for projects in the near-term and providing a look ahead to future funding and long-range planning. She stated that \$2.4 billion in capital needs will be required over the next ten years, with 70% of capital comprised of priority projects in the next three years. Debt is the largest component of the financing strategy in the early years of the plan, and she underscored the importance of maintaining flexibility to allow for possible future capital financing and the ability to adapt to future unknowns.

BRIEFING PAPERS & REPORTS

6. ITEM V-A-1: BRIEFING PAPER FOR EXTERNAL STAKEHOLDER ENGAGEMENT PLAN

The Board received a Briefing Paper for External Stakeholder Engagement Plan, a copy of which is incorporated and attached to these Minutes as Exhibit C.

7. ITEM V-B-1: BRIEFING PAPER FOR LEGISLATIVE UPDATE

The Board received a Briefing Paper for Legislative Update, a copy of which is incorporated and attached to these Minutes as Exhibit D.

ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into a Trustee Meeting at approximately 10:04 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, June 14, 2023, commencing at 10:05 a.m., in the Board Room, Room 106, 1600 West 12th Avenue, Denver, Colorado and via Zoom Video Conference. The Minutes of the Trustee/Plan Sponsor Meeting are maintained separately.

The Trustee/Plan Sponsor Meeting concluded at 10:07 a.m., at which time the Board voted unanimously to adjourn the meeting into Executive Session of the Board of Water Commissioners.

DocuSigned by:
Jim Lockhead
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Secretary

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[Signature]
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Acting President