

**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, July 26, 2023

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, July 26, 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:

Craig Jones, 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	J. Light, Engineer Sr.
J.A. Anderson, Chief of Staff	D. Lopez, IT Support Sr. Specialist
A. Bricmont, Chief Financial Officer	J. Martin, Project Engineer
J. Brody, General Counsel	D. Martinelli, Finance Associate Analyst
B.D. Good, Chief Administrative Officer	P. McCormick, Project Engineer
D. Gorgemans, Chief Internal Auditor	M. McGavin, Engineer Sr.
R. Mahoney, Chief Engineering Officer	K. Nash, Business Operations Support
R. Marsicek, Chief Water Resource Strategy Officer	K. Oligney, Director IT Infrastructure
T.J. Roode, Chief Operations and Maintenance Officer	I. Oliver, Director SOS
	S. Overby, Business Operations Support
	C. Palmore, Business Sr. Analyst

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

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



S. Abram, Director Financial Planning & Performance	E. Pinedo, Intern
S. Adamkovics, Finance Sr. Analyst	J. Potts, Finance Analyst
J. Adams, Communication Sr. Specialist	C. Proctor, Communications Sr. Specialist
B. Akins, Finance Sr. Analyst	L. Quintana, Administrative Sr. Assistant
J. Alexander, Scientist Lead	A. Rettig, Finance Supervisor
M. Aragon, Director Customer Relations	K. Riegle, Attorney Sr.
A. Aslamy, Risk Sr. Analyst	G. Rygh, Director Water Distribution
D. Babyak, Construction Project Sr. Manager	E. Salgado, Intern
L. Bissey, Paralegal	R. Sanchez, Real Estate Specialist - Engineering
L. Brown, Strategic Sourcing Specialist	L. Southard, Business Operations Support
H. Carroll, IT Support Manager	R. Stitt, Planning Manager
A. Cavallaro, Paralegal Sr.	K. Taft, Sustainability Manager
Y. Cha, Procurement Manager	J. Taussig, Director EMSS
S. Chesney, Director Public Affairs	M. Thomas, Director IT Operational Tech
E. Crain, Procurement Specialist	J. Walter, Finance Analyst
J. Daly, Procurement Specialist	G. Austin
F. Davis, Rates Manager	J. Brody, Piper Sandler
J. DeLiefde, Director Organizational Development	S. Carter, Arapahoe County
C. Fikan, Finance Associate Analyst	J. Crockett, Jacobs
P. Freeman, Business Operations Manager	C. Gray, City of Arvada
G. Gonzalez, Business Operations Sr. Support	M. Hilton
A. Heidema, Director Engineering – Property	G. Hollis, Highline Canal Conservancy
A. Joseph, Attorney Sr.	S. Jones, Highline Canal Conservancy
	H. LeMair, Highline Canal Conservancy
	R. Moore, Piper Sandler
	J. Phillips, Highline Canal Conservancy

INTRODUCTORY BUSINESS

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

Public Comment and Communications

Commissioner Jones 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

Commissioner Jones commenced the meeting with the introduction of a video commemorating Mr. Lochhead's legacy and tenured leadership at Denver Water. During his 13 years at Denver Water, Mr. Lochhead embraced a visionary approach, leading the way on a wide range of initiatives. Notable projects include the expansion of Gross Reservoir, implementation of the Lead Reduction Program, construction of the Northwater Treatment Plant, repurposing of the High Line Canal, redevelopment of Denver Water's Operations Complex, advancement of CSU Spur, and support of ongoing sustainability efforts and infrastructure upgrades.

In a recorded video, leaders from around the state recognized Mr. Lochhead's decades of work on water issues and expertise on the Colorado River, emphasizing his innovation, creativity, and tremendous leadership qualities.

Commissioner Reiff commended Mr. Lochhead for his integrity, leadership, intellect, and honesty, stating that he has been integral to handling challenges at Denver Water.

Commissioner Gant congratulated Mr. Lochhead on his accomplishments and his legacy.

Commissioner Donner stated that Mr. Lochhead leaves a legacy across Denver Water and Colorado for decades to come. She thanked him for his confidence in the Board.

Commissioner Jones relayed a message from Commissioner Gómez expressing her gratitude to Mr. Lochhead for his leadership and tenure at Denver Water.

Commissioner Jones applauded Mr. Lochhead for being a great teacher and collaborator and improving Denver Water through transparency, inclusiveness, and effectiveness.

The Board presented Mr. Lochhead with a framed photograph in appreciation of his leadership, thanking him for his lasting legacy and wishing him well in his future endeavors.

Mr. Lochhead reflected on Denver Water's achievements, stating they are the result of the dedication and work performed by the 1100 people within the organization, rather than any single individual. He noted that it is the collective moments that allow us to celebrate what we have accomplished together. He shared that it has been an honor to work at Denver Water, and notwithstanding the challenges ahead, the organization is poised for an incredible future. He expressed his gratitude to the Board and the organization for the work accomplished, adding that he would miss it.

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: 2023/2024 VAULT MODIFICATIONS 56TH AVENUE PUMP STATION & RESERVOIR – CONTRACT 505378

Approved Contract 505378 with Rice Lake West, Inc. for the 2023/2024 Vault Modification 56th Avenue Pump Station & Reservoir project, for the contract period from July 26, 2023 to July 19, 2024, for a total contract amount not to exceed \$4,099,100.

2. ITEM II-A-2: 2023 CONDUIT VALVE REPLACEMENTS – CONTRACT 505556

Approved Contract 505556 with American West Construction, LLC for the 2023 Conduit Valve Replacements project, for the contract period from July 26, 2023 to May 29, 2024, for a total contract amount not to exceed \$1,684,000.

3. ITEM II-B-1: MEMORANDUM OF UNDERSTANDING BETWEEN DENVER WATER AND ARAPAHOE COUNTY REGARDING THE HIGH LINE CANAL – CONTRACT 505799

Mr. Roode explained that the Memorandum of Understanding (MOU) sets forth the process and timeframe for conveyance of a portion of the High Line Canal (HLC) corridor to Arapahoe County over a 2-year transition period.

Mr. Carter of Arapahoe County and Ms. LeMair of the High Line Canal Conservancy thanked Denver Water for their contributions to the canal and community and acknowledged Mr. Lochhead for his involvement in the HLC transformation project.

Mr. Lochhead thanked Mr. Carter for his steadfastness and willingness to work with other jurisdictions to create a true partnership and Ms. LeMair for her persistence, passion, vision, and leadership.

Approved the Memorandum of Understanding, Contract 505799 with Arapahoe County regarding the parties' intentions to work together on the long-term protection and property ownership of the High Line Canal.

4. ITEM II B-2: SECOND AMENDMENT TO GROSS RESERVOIR EXPANSION CONSTRUCTION – CONTRACT 504903

Mr. Martin briefly explained that the purpose of this amendment is to increase the Owner Controlled Risk Contingency Fund (Contingency Fund) of the Kiewit-Barnard Joint Venture Construction Contract associated with the Gross Reservoir Expansion Project (Project). The high-inflation environment experienced since contracting has resulted in an increase of about 40% of the cost of Denver Water's risk items, totaling \$34 million. The \$34 million increase to the Contingency Fund will buy out the escalation risk associated with cement, fly ash, and most of the other eligible commodities/subcontracts, and fund the estimated fuel escalation until the end of the Project.

Approved the Second Amendment to Contract 504903 with Kiewit-Barnard Joint Venture for dam construction services, for an additional \$34,000,000, for a total amended contract amount not to exceed \$565,519,402.

5. ITEM II B-3: AUTHORITY TO EXECUTE TOLL PROPERTY CONVEYANCE DOCUMENTS TO THE UNITED STATES FOREST SERVICE IN CONNECTION WITH CONTRACT 16893A/501501

Ms. Alexander provided historical background regarding the Toll Property in connection with the Resolution Authorizing Execution of Toll Property Conveyance Documents in Connection with Contract 16893A, a copy of which is attached to and incorporated in these Minutes as Exhibit A. She explained that in 2016, the Board entered into a Settlement Agreement with the United States Forest Service (USFS) in support of the Gross Reservoir Expansion project, with a portion of the settlement including Denver Water's conveyance of 539 acres of

the Toll Property to mitigate habitat loss and environmental impacts resulting from the development of the Gross Reservoir Expansion Project.

This conveyance will donate approximately 379 acres of the Board's Toll Property in Gilpin County, Colorado to the USFS by the end of 2024, which is in addition to the 160 acres conveyed by the Board in 2017.

Approved and adopted the Resolution Authorizing Execution of Toll Property Conveyance Documents in Connection with Contract 16893A/501501.

POLICY MATTERS

6. 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 B. He exhibited photos of the 16 buildings on site, all in various stages of completion, and provided an update on project milestones as equipment testing progresses through next month.

He stated that the project schedule continues to be affected by the delivery delay of a critical piece of replacement equipment. A temporary piece of equipment has been installed for testing purposes until the permanent replacement arrives, at which time, the team's goal is to avoid any additional delays.

The project estimate at completion (EAC) remains at \$518.1 million, which is just under the project forecast of \$520 million. Costs are approaching \$459.3 million spent to date. The owner contingency is projected to finish slightly under budget.

Mr. Lochhead thanked Mr. McCormick for his leadership on the NTP project.


EXECUTIVE UPDATE

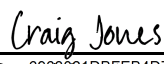
7. ITEM IV-B: CFO UPDATE

Ms. Bricmont reported that the annual and popular retirement program reports have been made publicly available. She also introduced Ms. Moore and Ms. Brody, both of Piper Sandler, who highlighted key aspects of the structuring process for Denver Water's commercial paper program.

ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into an Executive Session at approximately 10:01 a.m.

DocuSigned by:

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Secretary

DocuSigned by:

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President