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: 870 7406 7947- Passcode: 213041 or

Dial in (719) 359-4580 - Meeting ID: 870 7406 7947- Passcode: 213041

Wednesday, January 28, 2026 9:00 a.m.

Board Breakfast 8:30 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

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. Contract for Clinic Occupational Health Physician – Contract 506458
2. Amended and Restated Non-potable Water Lease Agreement for Rocky Mountain Arsenal – Contract 05087B 500019
3. Purchase of Modular Data Center – Contract 506608

B. Individual Approval Items

1. Gross Reservoir Expansion	**Jeff Martin**	10 minutes
a) Fourth Amendment to Gross Reservoir Expansion Construction – Contract 504903		

III. POLICY MATTERS

A. Board Plan Overview	**Julie Anderson**	5 minutes
B. Strontia Phase 1 Update	**Dustin Jabin**	5 minutes
C. Drought Response Overview	**Nathan Elder**	20 minutes

IV. EXECUTIVE UPDATE

A. CEO Update

B. CFO Update

C. Operations Update

V. BRIEFING PAPERS & REPORTS

A. Briefing Paper

1. Legislative Update
2. Drought Response

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.

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: January 28, 2026 Board item: II-A-1

Contract for Clinic Occupational Health Physician Contract 506458

☒Action by Consent ☐Individual Action

Purpose and Background:
The purpose of this Board item is to seek approval for Contract 506458 with Concentra Medical Centers for Denver Water's services of an on-site occupational health physician. This contracted physician shall provide regularly scheduled, on-site examinations of Board employees with occupational injuries or illnesses at the Denver Water clinic.

Budget and Schedule:
The total amount of this contract is $450,000.00 and the term of the contract is March 01, 2026 through March 31, 2029. Funds for this contract will come from the 2026 budget for the Clinic, which has sufficient funds to pay the $125,000.00 estimated to be needed in 2026. The remaining $325,000.00 will be budgeted in years 2027 through 2029.

Selection of Business Partner:
Denver Water released a request for proposals for an on-site Clinic Physician in August 2025. Three proposals were received, and Concentra Health Services, Inc., was selected to provide the occupational injury and illness on-site physician based on cost, experience and qualifications.

Recommendation:
Staff recommends that the Board approve Contract 506458 with Concentra Medical Centers for Clinic Occupational Health Physician for the contract period of March 1, 2026 through March 31, 2029, for a total contract amount not to exceed $450,000.00.

Approvals

☒ Alan Salazar, 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

DENVER WATER

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: January 28, 2026 Board item: II-A-2

Amended and Restated Non-potable Water Lease Agreement for Rocky Mountain Arsenal Contract 05087B 500019

☒Action by Consent ☐Individual Action

Purpose and Background:
The purpose of this Board item is to seek approval for an Amendment to Contract 500019 with the United States of America, acting through the Department of the Army (Army), and the Fish and Wildlife Service (USFWS) for the lease of recycled water and raw water for non-potable uses at the Rocky Mountain Arsenal National Wildlife Refuge.

The Amendment modifies and restates Contract 500019 to make several revisions. Among the changes, the Army no longer desires to be a party to Contract 500019 and therefore is being removed.

Of the 1,000 acre-feet annually, that was originally leased under the contract, 700 acre-feet was to be delivered as recycled water and 300 acre-feet was to be delivered as raw water to augment the USFWS' well field depletions. These amounts will be reduced to 300 acre-feet of recycled water and 50 acre-feet of raw water, resulting in an active lease of 350 acre-feet. The remaining balance will be temporarily deactivated for a 15-year period to give the USFWS time to assess whether it needs the water. During this time, the USFWS may reactivate the deactivated portion which will be made available the following delivery season, in which case it may not be deactivated again. The USFWS will not be obligated to pay rates or any take-or-pay amount on the deactivated portion. If the USFWS does not reactivate the deactivated portion by the end of December 31, 2039, the deactivated portion will be permanently reduced from the lease.

Additionally, the Amendment increases the minimum delivery take-or-pay amount for leased water from 35% to 42.5%, updates water use restriction terms and conditions that apply in times of drought or shortage and modifies the termination provision to give the USFWS and the Board greater flexibility to terminate the Contract if needed. Lastly, the Amendment supplements raw water and recycled water delivery terms and incorporates new miscellaneous terms.

Budget and Schedule:
There is no budgetary impact for this item.

Recommendation:
Staff recommends that the Board approve the Amendment to Contract 500019 with the Army and USFWS amending Contract 500019.

Approvals

☒ Alan Salazar, 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

DENVER WATER

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: January 28, 2026 Board item: II-A-3

Purpose of Modular Data Center
Contract 506608

☒Action by Consent ☐Individual Action

Purpose and Background:
The purpose of this Board item is to seek approval for Contract 506608 with Critical Facilities Technology LLC to design, build, deliver and install a new data center for Denver Water.

Denver Water's current data center is likely to be displaced as part of the Operations Relocation Project. The current data center cannot be decommissioned until new facilities are in place to serve Denver Water's IT infrastructure needs, and due to long lead times, work needs to begin as soon as possible.

Budget and Schedule:
The total amount of this contract is not to exceed $5,000,000 and the term of the contract is January 28, 2026 through January 22, 2027. Funds for this contract will come from the 2026 budget for IT Network Services, which will require a variance to pay the $4,750,000 estimated to be needed in 2026. Remaining funds will be budgeted in 2027. Denver Water will be reimbursed for these costs pursuant to Contract 506568.

It is important to note that this Board item only covers purchase, delivery and startup of the replacement data center. Other major costs, that will be covered under separate agreements, and which may not come to the Board, include: site preparation; concrete pad placement; utility interconnections; fire alarm system; access control and security cameras; network switching, routing, and security equipment; and network cabling.

Selection of Business Partner:
The Operations Relocation Project is on an aggressive time schedule. Denver Water staff contacted four firms that manufacture data centers and, due to the current national demand for such facilities, Critical Facilities Technology LLC is the only firm that can meet the project schedule. Denver Water has worked with Critical Facilities Technology LLC in the past, and the company has a proven track record of success.

Recommendation:
Staff recommends that the Board approve Contract 506608 with Critical Facilities Technology LLC for the contract period January 28, 2026 through January 22, 2027, for a total contract amount not to exceed $5,000,000.

Approvals

☒ Alan Salazar, 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

DENVER WATER

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: January 28, 2026 Board item: II-B-1-a

Fourth Amendment to Gross Reservoir Expansion Construction Contract 504903

☐Action by Consent ☒Individual Action

Purpose and Background:
The purpose of this Board item is to seek approval for the Fourth Amendment to Contract 504903 with Kiewit-Barnard Joint Venture (KBJV). This amendment will increase the contract Owner Controlled Contingency Fund and extend the schedule of the KBJV construction contract associated with the Gross Reservoir Expansion (Project). The Owner Controlled Contingency Fund was established to account for changes to the Project stemming from: unforeseen scope changes, variation in unit price work quantities, cost escalation of materials and subcontractors, and increases in allowance values due to design progression and permit conditions.

The Owner Controlled Contingency Fund increase is warranted to manage the direct and indirect time related costs incurred by KBJV due to the injunction on construction activities, Xcel power reliability issues, and an unusual amount of adverse weather events experienced in 2025. It will also fund quantity variations experienced in the quarry and dam, engineering directives, and continued cost escalation on commodities, allowances, and subcontracts. Based on the current risk assessment to complete all remaining work, and a negotiated agreement on the time-related impacts, it is recommended an additional $36,000,000 be added to the Owner Controlled Contingency Fund.

Budget and Schedule:
The amount of the current agreement is $565,665,172.69. The Fourth Amendment, in the amount of $36,000,000, brings the total contract amount to $601,665,172.69. Funds for this contract will come from several sources in the Financial Plan and the Gross Reservoir Expansion business unit, which have sufficient funds to pay the $20,000,000 estimated to be needed in 2026. The remaining $16,000,000 will be budgeted in 2027. The Fourth Amendment will extend the contract Final Completion date from July 16, 2027 to December 31, 2027.

Recommendation:
Staff recommends that the Board approve the Fourth Amendment to Contract 504903 with Kiewit-Barnard Joint Venture for dam construction services for the Gross Reservoir Expansion for an extension of the contract period through December 31, 2027 and for an addition of $36,000,000 for a total amended contract amount not to exceed $601,665,172.69.

Approvals

☒ Alan Salazar, 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

DENVER WATER

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: January 28, 2026 Board item: V-A-1

Briefing Paper for Legislative Strategy

Summary

The Second Regular Session of the Seventy-fifth General Assembly convened on January 14, 2026. As of January 23, 2026, the General Assembly introduced approximately 100 bills. Staff are in the process of reviewing these bills and determining the potential impact on the organization.

Background

The following are summaries of notable bills that Denver Water staff are reviewing and tracking. A complete list of relevant legislation is attached to this briefing paper.

HB26-1030 Data Center & Utility Modernization. This bill would establish the Data Center Development and Incentive Program that would be managed by the Colorado Data Center Development Authority within the state Office of Economic Development. The bill would provide up to 100% state sales and use tax exemptions for data center operators that meet various efficiency standards. One of the efficiency standards requires the data centers to implement water stewardship measures that optimize operational water management through closed-loop cooling systems. Staff are currently analyzing the significance of the legislation's proposed standards and the potential impact on Denver Water operations. **Currently under review.**

SB26-024 State & Local Unmanned Aircraft Regulation. This bill limits the authority of local governments to regulate unmanned aircraft systems (i.e., drones). Specifically, the bill prohibits a local government from regulating ownership, operation, design, manufacture, testing, maintenance, licensing, registration, certification, equipment requirements or qualifications, training, or certification of a pilot. Staff are determining the potential impact on existing drone policies and determining whether it would limit the organization's ability to protect critical infrastructure. **Currently under review.**

Owner: Andrew Hill, Office of People and Strategy

Attachments: Summary Table – 2026 Legislation

Respectfully submitted,

☒ Andrew Hill, Government Affairs Liaison

☒ Julie Anderson, Chief of Staff

DENVER WATER

Summary Table – 2026 Legislation
As of January 23, 2026

Bill #	Title	Position	Status	Next Action Date	Review Status
HB26-1001	Housing Developments on Qualifying Properties	TBD	Introduced In House - Assigned to Transportation, Housing & Local Government	2/3/26	Under Review
HB26-1005	Worker Protection Collective Bargaining	TBD	Introduced In House - Assigned to Business Affairs & Labor	TBD	Under Review
HB26-1008	Colorado Outdoor Opportunities Act	TBD	Introduced In House - Assigned to Agriculture, Water & Natural Resources	TBD	Under Review
HB26-1030	Data Center & Utility Modernization	TBD	Introduced In House - Assigned to Energy & Environment	TBD	Under Review
HB26-1037	Ban Government Purchase of Personal Data from Third Party	TBD	Introduced In House - Assigned to Judiciary	TBD	Under Review
HB26-1054	Protections for Worker Safety	TBD	Introduced In House - Assigned to Business Affairs & Labor	TBD	Under Review
SB26-024	State & Local Unmanned Aircraft Regulation	TBD	Introduced In Senate - Assigned to Local Government & Housing	TBD	Under Review

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: January 28, 2026 Board item: V-A-2

Briefing Paper on Drought Response

Summary

Current snowpack within Denver Water's collection system is the second lowest level for this time of year since tracking began in 1978. If conditions do not improve significantly, staff will recommend a drought repsonse action to be taken by the Board. This briefing paper provides an overview of Denver Water's approach to drought preparedness and response, including a summary of Chapter 15 of our Operating Rules pertaining to water shortage, actions staff is taking and expectations of the Board.

This paper also contains a retrospective of the previous droughts of 2002-2004 and 2012-2013 to provide perspective and lessons learned. Our experiences in past droughts inform the drought response structure and plan we have today. Denver Water's drought strategy centers on the following principles that guide our response:

- Preserve water supplies
- Maintain the health, safety and economic vitality of the community
- Maintain customer trust
- Maintain the integrity of the system
  - Operations
  - Infrastructure
  - Financial strength and stability
- Take a multi-year approach
- Implement extensive public information programs

Background

In most years, Denver Water's reservoirs fill or nearly fill in early July and reserviors are then drawn down with customer water use over the summer, fall, and winter until the following spring snowmelt. Reservoirs follow this typical pattern of seasonal fluctuation but are also important for carry-over storage from one year to the next for droughts and emergencies. Reservoir levels falling below this typical pattern, or less than approximately 90% full on July 1, are the primary indicators of drought. Reservoir levels are projected using mountain snowpack conditions, projected runoff, projected customer water use, and facility outages or operational constraints. Additional considerations include weather forecasts, State drought declarations, and any drought response actions taken by neighboring water providers to ensure regional consistency and situational awareness. Taken together, these indicators inform recommendations staff brings to the Board for consideration

The Board is the ultimate decision-maker on when and how to respond to drought given staff recommendations based on operational analysis and drought indicators. The formal action would be to adopt a drought declaration resolution that staff drafts under Board guidance and within the framework of Chapter 15 of the Operating Rules.

Denver Water's drought response is implemented through a tiered set of water use guidelines and restrictions aligned with the severity of prevailing conditions. These measures are supported by coordinated communications, outreach, and

education efforts, including direct community engagement to promote actions to reduce water use and ensure compliance. Drought pricing may also be employed as a supplemental tool when warranted by hydrologic and operational conditions.

Operating Rules – Chapter 15 – Drought and Water Shortage Response
Chapter 15 sets the framework for drought reponse actions and declarations. It describes the provisions under four stages of drought: Drought Watch, Stage 1, Stage 2, and Stage 3. There is flexibility in each stage for restrictions and messaging to match the unique circumstances of each drought. The table below shows the basic elements of each stage.

Drought Stages

	Drought Watch	Stage 1	Stage 2	Stage 3
Peak Storage Level	70% to 100%	45% to 85%	30% to 60%	<50%
Water Use Reduction Target	Up to 10%	15-30%	35%	50%
Fixed Contract Reductions*	Up to 10%	Up to 30%	Up to 50%	Up to 50%
Private Lawn Watering Restrictions	Voluntary	Mandatory 1-2 day per week	Private lawn watering prohibited	Private lawn watering prohibited
Trees, Shrubs, Annuals and Vegetables	Voluntary	Any day, low volume, not between 10:00 am and 6:00 pm	No more than once a week, schedule in declaration. No new plantings	May be prohibited
Washing Impervious Surfaces	Voluntary	Only on assigned days	Prohibited except public health/safety	May be prohibited
Recent Years	2002, 2003, 2004, 2012	2002, 2003, 2004, 2013		

* Reduction % determined by contract provisions and/or Board Resolution

Drought watering restrictions are designed to reduce water use by a targeted amount that increases as conditions worsen. For example, in a Stage 1 response, customers are limited to two assigned watering days per week and can be reduced to one day per week if conditions warrant it. Two days of watering per week will keep bluegrass alive through the hot summer months but may have brown spots and localized damage. We place a high priority on trees and maintaing their health by allowing irrigation of trees even under a Stage 2 drought when residential lawn watering is banned.

Recycled water has different supply characteristics than potable water and therefore Denver Water reserves the right to adopt different water use restrictions (or no restrictions at all) for recycled water customers.

Under mandatory restrictions, enforcement is primarily education-focused and carried out by trained field staff who work with customers to explain watering rules and provide practical tips to reduce water use. After a written warning, repeat violations for single family residential customers range from $250 for the second violation to $1,000 for a fourth violation and from $500 to $2,000 for all other account types. The fourth violation may also include the installation of a flow restrictor or suspension of service.

Staff Actions
Regardless of the water supply situation, Denver Water staff routinely monitor hydrologic conditions and operational considerations, and this monitoring intensifies during dry periods. The Water Shortage Committee meets on a weekly basis to monitor conditions and appropriately plan for a potential drought response. Below are some of the many actions that staff are taking to prepare for a potential drought declaration.

The raw water supply group is closely monitoring snowpack and performing reservoir storage projections, as well as exploring opportunities to augment supplies under various drought stages. Examples of this are relaxing the Shoshone Water Rights call under the 2007 Call Relaxation Agreement, recovering minimum flow in Waterton Canyon, reducing Big Lake Ditch diversions, or increased use of water stored in Chatfield Reservoir. Each of these actions come with unique provisions that can be called on under certain drought conditions.

Demand Planning is evaluating expected water savings under various drought restriction levels and will monitor the effectiveness of any drought response. This group also provides suggestions on how to achieve water savings targets and connects short-term drought savings to the ongoing efficiency program where appropriate.

The Finance Division is ensuring financial stability by projecting revenue losses under various drought Stages, identifying potential budget reductions, and assessing the need for drought pricing.

Legal is reviewing the Chapter 15 Operating Rules and starting the process of drafting a potential resolution for 2026.

Operations and Engineering are exploring operational efficiencies and coordination of facility outages to maximize water supplies. An example of this is reducing flushing of mains and/or capturing of flushing water to water trees. Another example is operating the Northwater Treament Plant at full capacity in the spring to capture as much Fraser River runoff that we can, since we have limited storage capability at Gross Reservoir.

Maintaining customer trust is central to effective drought response, as customer actions ultimately play a critical role in preserving reservoir levels during droughts. Customers are more likely to reduce use and comply with restrictions when they trust that Denver Water is taking steady, responsible, and appropriate actions grounded in clear reasoning. Transparent communication that explains not only what actions are being taken, but why they are necessary, helps reinforce confidence and shared responsibility. Public Affairs is already messaging dry conditions and will continue to modify messages based on the changing conditions. A communications plan will be developed for any drought response, including development of messaging, a stakeholder outreach and education plan, and a mix of media tactics.

Previous Droughts
The droughts that began in 2002 and 2012 provided important lessons in establishing appropriate restrictions and communicating effectively with customers. The 2002 drought developed rapidly and tested our ability to respond to swiftly deteriorating conditions. Compared with other regional providers,

Denver Water's response was slower, with voluntary restrictions not declared until June. Following significant reservoir declines and record water use in April and May, the Board implemented mandatory restrictions in July. In October 2002, the Board banned all outdoor watering. In March 2003, reservoirs were at an all-time low, with approximately one year worth of demand remaining in storage. Never wanting to be in this situation again, Denver Water embarked on the permitting process for Gross Reservior Expansion Project.

Conditions improved dramatically in spring 2003 due to a series of large snowstorms that boosted mountain snowpack and runoff. As a precaution, the Board still implemented strong restrictions and drought surcharges early in the spring. As runoff materialized and supply outlooks improved, these restrictions and surcharges were eased by July 2003, demonstrating the importance of maintaining flexibility and adjusting responses as conditions evolve.

Low snowpack returned in 2004, triggering a proactive response similar to the prior year. Mandatory restrictions and drought surcharges were again put in place in the spring to manage risk and protect supplies. Favorable late-season precipitation and runoff allowed reservoirs to recover to approximately 85% of capacity by mid-summer, enabling us to relax restrictions and surcharges again by July.

The 2012-2013 drought differed from the 2002 drought in that we entered the dry period with significantly higher reservoir storage and lower spring demand. This buffered conditions despite the fact that the 18 months preceding the Stage 1 drought declaration in March 2013 were the hottest and driest on record. Building on lessons from 2002, we began communicating dry conditions early in 2012 and declared a drought with voluntary restrictions in April, which remained in place through the end of the year. Snowpack conditions in 2013 showed little improvement, prompting preparation for mandatory response actions.

In late March 2013, the Board declared a Stage 1 drought, implementing two-day per week watering restrictions, extensive public messaging, and preparing to implement drought pricing. Supply conditions improved dramatically soon thereafter, eliminating an eight-foot snowpack deficit and allowing the Board to return to a voluntary stage by the end of June without implementing drought pricing.

In previous droughts, we used a comprehensive mix of communications, outreach, and education tactics to maintain a high level of customer awareness and drive needed behavior changes. This approach included a drought blog (which grew to what is today known as TAP), issuing news releases and conducting media relations, leveraging social media, bill inserts, direct mail, community events, presentations, outreach to elected officials and key stakeholders, paid media advertising, and internal employee communications.

In years when conditions were uncertain in the winter or early spring, and before formal drought determinations were made, Denver Water proactively created and distributed its own content and engaged the news media to communicate early actions customers could take, such as delaying irrigation system start-ups. These efforts were coordinated with neighboring utilities to reinforce shared messaging and maintain regional consistency, even when utilities were in different drought phases. During the 2012 drought, we quickly shifted from the planned "It's all connected" summer paid media campaign to a more urgent "Water less"

campaign focused on reducing outdoor water use through a broad, bilingual mass-media effort. In 2013, as Stage 1 restrictions were implemented, communications evolved again to the “Use Even Less” campaign, emphasizing specific indoor and outdoor conservation actions and ensuring messaging reached all customer segments, including multifamily residents, through an expanded mix of traditional, digital, earned, and community-based channels.

Together, the two previous droughts reinforced the value of early preparedness, clear and consistent restrictions on messaging, and the ability to adjust actions quickly in response to changing hydrologic conditions. These experiences continue to inform Denver Water’s current drought response framework, emphasizing early planning, simple rules, and adaptive management.

Conclusion & Recommendation

Continue proactive communication with customers regarding ongoing dry conditions and associated uncertainty until we have a clearer picture of the supply situation. Encourage customers to limit spring watering and delay irrigation system startups where feasible to reduce early-season demand. Staff will continue preparing potential escalation to a Drought Watch or Stage 1 drought response, including readiness for water use guidelines, communications, and operational actions. At the same time, staff will closely monitor snowpack, runoff forecasts, system conditions, and customer demand to ensure timely, informed recommendations as conditions evolve. Combined with early drought messaging, a formal drought response action is anticipated in March, once runoff conditions are better understood; however, this timing may shift earlier or later depending on evolving conditions.

Owner(s)

Greg Fisher, Water Resource Strategy
Nathan Elder, Water Resource Strategy

Attachments

Chapter 15 Operating Rules

Respectfully submitted,

☒ Nathan Elder,
Raw Water Supply Manager

☒ Richard B. Marsicek,
Chief Water Resource Strategy Officer

☒ Greg Fisher,
Demand Planning and Efficiency Manager

Chapter 15 - DROUGHT AND WATER SHORTAGE RESPONSE

15.01 Application of this Chapter. Denver Water has developed a framework for addressing current and/or projected drought/water shortages. The goal of the Board's response is to maintain the health, safety and economic vitality of the community to the extent possible in the face of drought/water shortages. Four levels of response have been identified by the Board based on various drought/water shortage indicators such as:

- Current and projected supply reservoir contents;
- Watershed characteristics in the Colorado and South Platte River basins such as temperature, precipitation, snowpack, streamflow, wind, and soil moisture;
- Water use, including projected water use;
- Weather forecasts;
- Actions taken by local, regional, and/or state governments or water suppliers regarding water use;
- Drought response actions taken by state water officials;
- Water availability conditions and/or drought conditions in the Colorado and South Platte River basins; and
- A failure or emergency in the Water System.

These four responses are:

1) Drought/Water Shortage Watch – increased communication and outreach; possible water use restrictions as provided by contract.
2) Stage 1 Drought/Water Shortage – mandatory water use restrictions, including limited outdoor watering.
3) Stage 2 Drought/Water Shortage – increased mandatory water use restrictions, including certain prohibitions on outdoor watering.
4) Stage 3 Drought/Water Shortage – rationing of water.

Water shortages may be caused by drought, system failures, system emergencies, or other factors that cause a shortage in the Board's water supply. Historically, the Board has referred to a particular water shortage response using drought terms such as "Stage 1 Drought." This Chapter will continue to refer to water shortage responses using such terms for ease of reference, it being the Board's intent that water shortages requiring a particular response will have the water use restrictions as outlined in this Chapter whether caused by drought, system failures, system emergencies, or other factors.

The Board implements a particular drought/water shortage response by declaration and adopts an effective date for applicable restrictions. Upon a declaration, restrictions are enforceable pursuant to the Charter, the Denver Revised Municipal Code, these Rules, this Chapter, and provisions in Denver Water's water service agreements and water leases. This Chapter contains rules that apply during a particular response as declared by the Board, provided that nothing herein shall limit the ability of the Board to adopt, modify, change, expand, or otherwise take appropriate and necessary measures to address water shortages. Other aspects of drought and water shortage response will be contained in other documents, such as administrative and enforcement guidelines. Rules for a Stage 3 Drought will be adopted by the Board as the need arises.

15.01.1 Application of Drought/Water Shortage Response within Distributor Contract Areas. Water service furnished by Denver Water within Total Service, Read and Bill, and Master Meter Distributor contract areas (as such Distributors are defined in Rule 5.02) is governed by the Rules, including this Chapter 15. Distributors, if applicable and as provided in their respective water service agreements, retain the right to make and enforce their own rules that are not inconsistent with the Rules, and also agree to exercise their powers to assist Denver Water in enforcing the Rules.

15.01.2 Application of Drought/Water Shortage Response to Recycled Water Licensees. Recycled Water has different supply characteristics than Potable Water, and its source water may be more abundant than Potable Water during periods of drought or water shortage. Licensees who use Recycled Water are subject to regulations on usage that do not apply to Licensees of Potable Water. In recognition of these differing circumstances, Denver Water reserves the right to adopt different water use restrictions for Recycled Water Licensees, or to refrain from imposing any water use restrictions on Recycled Water Licensees, depending on the availability of the Recycled Water source at the time of a declaration.

15.01.3 Definitions.

a. "Green Roof" means "vegetated roofs" as defined in Article XIII of Chapter 10 of the Denver Revised Municipal Code ("Green Building Ordinance") that are in compliance with the Green Building Ordinance, including the rules governing the building requirements of such Article, as each may be amended from time to time.

b. "Compliance Period" means:

i. A period of time:

a. Beginning either January 1st or the effective date for an applicable response first adopted by the Board to address a drought/water shortage; and

b. Ending December 31st or the effective date on which the Board declares an end to a drought/water shortage.

ii. A Compliance Period shall be no longer than 12 months. A Compliance Period beginning the effective date for an applicable response first adopted by the Board or ending the effective date the Board declares an end to a drought/water shortage may be shorter than 12 months.

iii. A new Compliance Period begins every January 1st for so long as there is a declared response to a drought/water shortage.

iv. A Board declaration that increases or decreases the response during a drought/water shortage does not constitute the beginning of a new Compliance Period. For example, a declaration increasing the response from a Stage 1 Drought Response to a Stage 2 Drought Response effective July 1st does not mark the beginning of a new Compliance Period; the then current Compliance Period continues until December 31st.

c. Unless otherwise defined in this Chapter, all other terms used in this Chapter shall have the same meaning as defined in Chapter 1 of these Rules.

15.02 Drought Watch Response. A Drought Watch may include any or all of the following responses.

15.02.1 Increased Communication and Education. Denver Water will increase communication to:

a. Alert the general public that water supplies are below average, conditions are dry and/or continued dry weather could lead to mandatory water use restrictions.

b. Encourage efficient water use.

c. Provide suggestions for reducing water use.

15.02.2 Voluntary Water Use Restrictions. Denver Water may encourage Licensees to voluntarily:

a. Avoid outdoor water use/irrigation between the hours of 10:00 a.m. and 6:00 p.m. during all months of the year.

b. Implement a “drinking water upon request” program for food service operations.

15.02.3 Fixed-Amount Water Contracts. In connection with a Drought Watch, the Board may determine that providing an adequate supply of water for the people of Denver requires water use restrictions for water deliveries to lessees who receive Nonpotable Water or Potable Water under fixed-amount contracts. (Charter, Art. 10.1.13.) If such a determination is made, water deliveries pursuant to applicable contracts will be restricted as follows:

a. For agreements with provisions for reduction in deliveries under drought/water shortage conditions, the amount delivered shall be reduced as determined by the Board (by up to 10%) or as otherwise provided in the fixed-amount contract.

b. For agreements with provisions requiring progressive curtailment or the adoption of the same or similar water use restrictions as the Board during drought/water shortage conditions, the lessee shall implement the responses and voluntary water use restrictions contained in 15.02.1 and 15.02.2.

c. For all agreements, the Board reserves the ability to take all appropriate and necessary measures to address water shortages, including the adoption of drought pricing or other methods to achieve reduction in water consumption outside Denver as necessary to provide an adequate supply of water to the people of Denver.

d. Any water delivered by the Board during a Drought Watch shall not be used for irrigation between the hours of 10:00 a.m. and 6:00 p.m. during all months of the year, unless allowed by the Board.

15.03 Stage 1 Drought Response.

15.03.1 Irrigation. All Licensees shall conduct all watering without any water waste, as defined in Chapter 14.

a. Irrigation Watering Restrictions. All Licensees shall comply with the following watering restrictions, except as specifically allowed or exempted by Rule 15.03, specific written permission of the Board, or by means of a Board-approved water budget.

i. Watering shall be limited to one or two days per week in accordance with a schedule adopted by the Board. By way of example, the following is a watering schedule that may be adopted:

Example: 2-day per week watering schedule	
Single-family and small multi-family (less than 7 units) residential properties with odd-numbered addresses	Sunday Wednesday
Single-family and small multi-family (less than 7 units) residential properties with even-numbered addresses	Saturday Tuesday
Multi-family (7 or more units) and apartment properties	Monday Thursday
Office Buildings	Tuesday Friday
All others	Monday Friday

ii. Irrigation shall be done in accordance with any restriction limiting the number of minutes of irrigation that an area of turf may receive and/or a maximum total amount of time during which irrigation at a Licensed Premises may occur.

iii. Watering is prohibited between the hours of 10:00 a.m. and 6:00 p.m. during all months of the year.

iv. Outdoor lawn watering may be prohibited between October and April.

b. Irrigation of Trees, Shrubs and Perennials. Trees, shrubs, and perennials may be watered by means of a hand-held hose or low-volume non-spray irrigation on any day, but not between 10:00 a.m. and 6:00 p.m. during all months of the year.

c. Irrigation of Annuals and Vegetables. Annuals and vegetables may be watered any day by means of a hand-held hose or low-volume non-spray irrigation, but not between 10:00 a.m. and 6:00 p.m. during all months of the year.

d. Irrigation System Installation, Operation, and Repair. An irrigation system may be operated outside the watering schedule for installation, repair, or reasonable maintenance, so long as the system is attended throughout the period of operation and water waste does not occur. All irrigation control systems must be reprogrammed for

operation in compliance with the schedule provided by the Board or must be operated manually.

e. Green Roofs. The Board, in the interest of public safety and fire prevention, may exempt irrigation of Green Roofs in the Denver Water service area from the water schedule restrictions provided the Green Roof is irrigated within the limits specified by the Board.

15.03.2 Outdoor Water Features.

a. Outdoor Misting Devices. Operation of outdoor misting devices may be prohibited.

15.03.3 Washing of Vehicles.

a. Personal Vehicles. At locations other than commercial car washes, washing of personal vehicles shall be done using a bucket or a hand-held hose equipped with an automatic shut-off nozzle.

b. Fleet Vehicles. Vehicles in commercial operations or fleets may be washed no more than once per week, unless public health or safety requires more frequent washing.

c. Commercial Car Washes. Commercial car washes shall practice efficient use of water.

15.03.4 Washing of Impervious Surfaces.

a. Power Washing by Individuals. Power washing may occur only on the assigned watering days, except for immediate health or safety reasons. Cleaning without water should be done prior to power washing.

b. Commercial Power Washing. Commercial enterprises for whom cleaning with water is an essential element of their business are not subject to day-of-the-week restrictions, but they must clean without water prior to power washing, use only high-efficiency equipment, and assure that water waste does not occur.

15.03.5 Food and Lodging Establishments.

a. Restaurants and Food Service Operations. Restaurants and catering businesses may choose to not serve water automatically with meals but may serve water upon request. Restaurants choosing to do this must comply with Denver Water's signage program.

b. Lodging. Lodging establishments shall not change sheets more often than every four days for guests staying more than one night, except for health or safety reasons. Sheets may be changed upon request. Food service operations in lodging establishments may choose to not serve water automatically with meals but may serve water upon request. Restaurants choosing to do this must comply with Denver Water's signage program.

15.03.6 Water Restriction Variances. The Board may, in its discretion, grant variances from the restrictions in Rule 15.03.

a. The Board may approve written variances for specific uses, sources of water, times or seasons of use, or as otherwise needed. Variances are based on several factors, including public use of the Licensed Premises, frequency of use, extent and impact of each use, water efficiency practices, and whether the Licensee has a Board-approved water budget.

b. In addition to the penalties described in Rule 15.06, violation of any term or condition of a variance may result in immediate rescission of the variance.

15.03.7 Fixed-Amount Water Contracts. In connection with a Stage 1 response, the Board has determined that providing an adequate supply of water for the people of Denver requires the restrictions contained in this Rule 15.03.7. (Charter, Art. 10.1.13.) Water deliveries to Licensees who receive Nonpotable Water or Potable Water under fixed-amount contracts will be restricted as follows:

a. For agreements with provisions for reduction in deliveries under drought/water shortage conditions, the amount delivered shall be reduced as determined by the Board (by up to 30%) or as otherwise provided in the fixed-amount contract.

b. For agreements with provisions requiring progressive curtailment or the adoption of the same or similar water use restrictions as the Board during drought/water shortage conditions, the lessee shall implement the water use restrictions contained in Rule 15.03.

c. For all agreements, the Board reserves the ability to take all appropriate and necessary measures to address water shortages, including the adoption of drought pricing or other methods to achieve reduction in water consumption outside Denver as necessary to provide an adequate supply of water to the people of Denver.

d. Any water delivered by Denver Water during a Stage 1 response shall not be used for irrigation between the hours of 10:00 a.m. and 6:00 p.m. during all months of the year, unless allowed by the Board.

15.04 Stage 2 Drought Response.

15.04.1 Irrigation. All Licensees shall conduct any watering, if allowed, without any water waste, as defined in Chapter 14.

a. Prohibition on Irrigation. Irrigation shall be prohibited, except as specifically allowed or exempted by Rule 15.04, by specific written permission of the Board, or by means of a Board-approved water budget.

b. Irrigation of Trees, Shrubs, and Perennials. Existing trees, shrubs, and perennials may be watered by means of a hand-held hose or low-volume non-spray irrigation no more than once a week in accordance with the schedule set forth in the declaration. Such irrigation may not occur between the hours of 10:00 a.m. and 6:00 p.m. during all months of the year. No new trees, perennials, or shrubs may be planted.

c. Irrigation of Annuals and Vegetables. Existing annual and vegetable plantings in household and community gardens may be watered any day of the week by means of a hand-held hose or low-volume non-spray irrigation. Such irrigation may not occur between the hours of 10:00 a.m. and 6:00 p.m. during all months of the year. No new annual or vegetable plantings may be planted.

d. Irrigation System Installation, Operation, and Repair. An irrigation system may be operated despite the prohibition in Rule 15.04.1.a for installation or repair, so long as the system is attended throughout the period of operation and water waste does not occur.

e. Green Roofs. The Board, in the interest of public safety and fire prevention, may exempt irrigation of Green Roofs in the Denver Water service area from the water schedule restrictions provided the Green Roof is irrigated within the limits specified by the Board.

15.04.2 Outdoor Water Features.

a. Decorative and Interactive Water Features. Licensees shall be prohibited from operating any existing Decorative or Interactive Water Feature that sprays water into the air. No new Decorative or Interactive Water Feature may be put into operation during a Stage 2 response.

b. Outdoor Low Flow Water Features. Operation of outdoor Low Flow Water Features shall be prohibited.

c. Swimming Pools. Single-family residential pools shall not be filled or refilled. Operation of other pools is permitted.

15.04.3 Washing of Vehicles.

a. Personal Vehicles. Washing of personal vehicles shall be prohibited except at commercial car washes as described in subsection (c).

b. Fleet Vehicles. Vehicles contained in commercial operations or fleets may be washed no more often than once per month, unless public health or safety requires more frequent washing, and must be accomplished with no water waste.

c. Commercial Car Washes. Commercial car washes shall practice efficient use of water.

15.04.4 Washing of Impervious Surfaces.

a. Power Washing by Individuals. Use of water to clean outdoor impervious surfaces such as sidewalks, driveways and patios is prohibited, except when cleaning with water is necessary for immediate public health or safety reasons.

b. Commercial Power Washing. Commercial enterprises shall clean with water only for health or safety purposes, and must clean without water prior to power washing, use only high-efficiency equipment and assure that water waste does not occur.

c. Hydrant Permits. Water obtained by means of a hydrant permit shall not be used for cleaning equipment or any other use prohibited during a Stage 2 response.

15.04.5 Water Food and Lodging Establishments.

a. Restaurants and Food Service Operations. Restaurants and catering businesses shall not serve water automatically with meals but may serve water upon the customer's request. Restaurants must comply with Denver Water's signage program.

b. Lodging. Lodging establishments shall not change sheets more often than every four days for guests staying more than one night, except for health or safety reasons. Sheets may be changed upon request. Food service operations in lodging establishments shall not serve water automatically with meals but may serve water upon the customer's request. Food service operations in lodging establishments must comply with Denver Water's signage program.

15.04.6 Water Restriction Variances. The Board may, in its discretion, grant variances from the restrictions in Rule 15.04.

a. The Board may approve written variances for specific uses, sources of water, times or seasons of use, or as otherwise needed. Variances are based on several factors, including public use of the Licensed Premises, frequency of use, extent and impact of each use, water efficiency practices, and whether the Licensee has a Board-approved water budget.

b. In addition to the penalties described in Rule 15.06, violation of any term or condition of a variance may result in immediate rescission of the variance.

15.04.7 Fixed-Amount Water Contracts. In connection with a Stage 2 response, the Board has determined that providing an adequate supply of water for the people of Denver requires the restrictions contained in this Rule 15.04.7. (Charter, Art. 10.1.13.) Water deliveries to Licensees who receive Nonpotable Water or Potable Water under fixed-amount contracts will be restricted as follows:

a. For agreements with provisions for reduction in deliveries under drought/water shortage conditions, the amount delivered shall be reduced as determined by the Board (by up to 50%) or as otherwise provided in the fixed-amount contract.

b. For agreements with provisions requiring progressive curtailment or the adoption of the same or similar water use restrictions as the Board during drought/water shortage conditions, the lessee shall implement the water use restrictions contained in Rule 15.04.

c. For all agreements, the Board reserves the ability to take all appropriate and necessary measures to address water shortages, including the adoption of drought pricing or other methods to achieve reduction in water consumption outside Denver as necessary to provide an adequate supply of water to the people of Denver.

d. Any water delivered by Denver Water during a Stage 2 response shall not be used for irrigation between the hours of 10:00 a.m. and 6:00 p.m. during all months of the year, unless allowed by the Board.

15.05 Stage 3 Drought Responses.

15.05.1 A Stage 3 response activates a rationing program for the Board's Licensees. The Board may implement a rationing program for an indefinite period of time to ensure, to the extent possible, that there is adequate water for essential uses (e.g., domestic indoor use). All outdoor watering may be prohibited, and indoor water use may be restricted.

15.06 Enforcement of this Chapter.

15.06.1 Compliance. The Licensee shall be responsible for complying with all provisions of this Chapter, including the terms of any exemptions or variances. Those who fail to comply with any of the provisions in this Chapter will be subject to the provisions and penalties in this Rule 15.06.

a. For a first violation of any water use restriction during a Compliance Period, Denver Water will provide a written notice of a warning and that a monetary charge may be added to the water bill for subsequent violations. The notice will be provided to the Licensed Premises; the person normally billed for water service at the Licensed Premises; and a third party if Denver Water has been notified of the name and address of the third party.

b. For a second violation of any water use restriction at the same Licensed Premises during a Compliance Period, Denver Water will provide written notice of the violation and that a charge will be added to the water bill. The notice will be provided to the Licensed Premises; to the person normally billed for water service at the Licensed Premises; and to a third party if Denver Water has been notified of the name and address of the third party. The added charge may be up to $250 for single family residential accounts and up to $500 for all other accounts.

c. For a third violation of any water use restriction at the same Licensed Premises during a Compliance Period, Denver Water will provide written notice of the violation and that a charge will be added to the water bill. The notice will be provided to the Licensed Premises; to the person normally billed for water service at the Licensed Premises; and to a third party if Denver Water has been notified of the name and address of the third party. The added charge may be up to $500 for single family residential accounts and up to $1,500 for all other accounts.

d. For a fourth violation of any water use restriction at the same Licensed Premises during a Compliance Period, for violation of any term or condition of a variance granted under Rules 15.03.6 and 15.04.6, or for willful violation of any water use restriction, Denver Water will provide written notice of the violation and that a charge will be added to the water bill. The notice will be provided to the Licensed Premises; to the person normally billed for water service at the Licensed Premises; and to a third party if Denver Water has been notified of the name and address of the third party. The added charge may be up to $1,000 for single family residential accounts and up to $2,000 for all other accounts. In addition, Denver Water may install a flow restrictor on the service line that will remain in place until it is no longer deemed necessary or may suspend service

temporarily until the cause of the violation is corrected and all outstanding penalty and water service charges have been paid.

15.06.2 Suspension of Service. Failure to comply with any provisions of this Chapter 15, including failure to pay penalties assessed, shall be considered causes for suspension of service as provided in Chapter 2 and the Board may take any action authorized by Chapter 2.

15.06.3 Appeal Process. The Licensee or occupant of a Licensed Premises subject to a penalty for violation of a provision of this Chapter 15 may request an appeal pursuant to provisions of Chapter 16. Unless the appeal has already been approved, any charges that appear on the water bill must be paid by the due date of the water bill. If the appeal is approved after payment has been made, the disputed charge will be credited on the next water bill.

15.07 Use of Water Not Controlled or Provided by Denver Water. Some Licensees may have available to them sources of water that are not owned, controlled or provided by the Board. While the use of such water in a drought/water shortage is not under the direct control of the Board, the following rules apply to the owner or occupant of a Licensed Premises using non-Board water. Failure to comply with these rules will be deemed to be a response violation under Rule 15.06.

15.07.1 Certification. To ensure that the water is in fact not the Board's, the Licensee shall provide certification demonstrating the source of the water and that the water is being used in compliance with any legal restrictions on the use of water from that source.

15.07.2 Signage. The Licensed Premises where the non-Board water is being applied shall display prominent signage indicating that the water is not being supplied by the Board.

15.07.3 Contamination Prevention. To avoid potential contamination of the Board's Potable Water system, any irrigation or other system using non-Board water shall be physically disconnected from the Board's Potable Water system. In addition, the Board service line providing Potable Water to the Licensed Premises must include an approved backflow prevention device, and the Licensee must execute a Dual Water Supply Agreement with the Board.

15.07.4 Water Waste. To prevent the waste of water, which could increase the Licensee's need for the Board's supplies, irrigation with non-Denver water shall be prohibited during the hours from 10:00 a.m. to 6:00 p.m. during all months of the year, unless allowed by the Board.