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, July 22, 2026 9:00 a.m.

Board Coffee 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

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.

B. Individual Approval Items

1.	Marston Water Treatment Plant Disinfection Improvements - Construction – Contract 506585	Ryan Walsh	10 minutes

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III. POLICY MATTERS

A.	**Denver Water's 2026 Draft Business Plan and Board Governance Document**	**Julie Anderson**	5 minutes
B.	**Long-Term Financial Plan**	**Angela Bricmont**	15 minutes
C.	**GRE Update**	**Jeff Martin**	10 minutes
D.	**Sustainability Update on Solar Expansion**	**Kate Taft, David Hughes**	10 minutes

IV. EXECUTIVE UPDATE

A. CEO Update

B. CFO Update

C. Operations Update

V. BRIEFING PAPERS & REPORTS

A. Briefing Paper

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: July 22, 2026 Board item: II-B-1

Marston Water Treatment Plant Disinfection Improvements - Construction Contract 506585

☐Action by Consent ☒Individual Action

Purpose and Background:
The purpose of this Board item is to seek approval for Contract 506585 with Hensel Phelps Construction Co. for construction services for the Marston Water Treatment Plant Disinfection Improvements project. The Marston Treatment Plant Disinfection Improvements project was identified as a key initiative of the South System Planning Program. Recent inspections of the existing, century-old disinfection contact basin show significant deterioration including spalling concrete, cracks, and exposed rebar. The project will include the replacement of the disinfection contact basin with a new basin for continued reliability.

Budget and Schedule:
The total amount of this contract is $62,599,000 and the term of this contract is July 22, 2026 through October 31, 2028. Funds for this contract will come from the 2026 budget for Marston DCB-Phase II, which will require a variance to pay the $13,261,605 estimated to be needed in 2026. The remaining $49,337,395 will be budgeted in future years.

The award is based on 60% design progression to allow for early procurement of materials. A contract amendment is anticipated for design progression through final design.

Selection of Business Partner:
Denver Water solicited proposals from four general contractors listed on the prequalified contractor list under the Heavy Civil discipline. This contract was a restricted request for proposal process using invitations to propose on the QuestCDN platform. On June 16, 2026, proposals were received from four general contractors. The evaluation consisted of a quality-based selection including cost, team qualifications, and proposed project plan and schedule. Hensel Phelps Construction Co. achieved the highest score.

Recommendation:
Staff recommends that the Board approve Contract 506585 with Hensel Phelps Construction Co. for Marston Treatment Plant Disinfection Improvements project for the contract period July 22, 2026 through October 31, 2028, for a total contract amount not to exceed $62,599,000.

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

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Inter-Office Communications

Date: July 22, 2026

To: Board of Water Commissioners

Cc: Alan Salazar

From: Julie Anderson, Chief of Staff

Subject: Denver Water's 2027 Draft Business Plan

Denver Water uses its strategic planning process to set long-range priorities that guide decisions, align work across the organization and advance our vision.

In prior years, we used a gap analysis to assess progress against the Strategic Plan and identify high-impact areas for resource alignment. That work informed the Business Plan, including Strategic Projects, Organizational Priorities and Divisional Initiatives.

This year, however, the executive team took a different approach. Building on our past strategic planning work, we used Continuous Improvement tools (Strategic A3) to refresh our organizational priorities in response to a more urgent set of circumstances: Denver Water is coming off the largest capital buildout in its history; debt service has reduced financial flexibility; and drought risk, affordability concerns, operational complexity, and broader economic and regulatory pressures require a more focused and disciplined enterprise response to reduce long-term operating costs.

The refresh also more intentionally connects continuous improvement, technology and workforce readiness to reduce operating costs, improve service to our customers and strengthen long-term financial resilience while supporting employees through change. The executive team identified organizational priorities and related opportunities with the greatest potential to improve efficiency and performance. Implementation will begin over the next 18 months and is expected to continue over the next three to five years, with work sequenced to reflect organizational capacity and brought to the Board as major projects and funding needs emerge.

Each year, the Board reviews a draft Business Plan at the start of the budget cycle. Staff then use that plan to develop the proposed budget, so resources align with Strategic Projects and Organizational Priorities. The Board will review the draft Business Plan again with the proposed budget at the November budget workshop.

At this meeting, we will answer questions and seek feedback on the draft Business Plan so staff can move forward with budget development in the coming months. A brief overview of the draft Business Plan is provided below, along with the corresponding attachments and Organizational Scorecard.

Top Priority
The draft Business Plan maintains Denver Water's top priority: providing outstanding service and high-quality water to customers. This reflects the essential daily work required to operate and maintain the water system around the clock.

Strategic Projects
These major efforts remain central to the organization's long-term commitments and will continue to come before the Board for guidance and oversight.

1. Gross Reservoir Expansion: In 2027, key milestones for the Gross Reservoir Expansion are expected to include completion of the crest slab and parapet wall in March, the start of site renewal construction for the reclamation and recreation site in July, the start of tree removal in September, and substantial project completion in October and final project completion in December.

2. Main Replacement Program: We will add two small crews to support removal of service lines, which will increase our rate of pipe installation. The 2027 target will be to replace 102,000 feet of pipe, which is 0.7% of the mains in the system. The team will also continue to experiment with means and methods to find efficiencies.

3. Lead Reduction Program: As in previous years, we will complete 4,477 lead service line replacements, maintain the water chemistry through pH control, continue maintenance of the filter program and execute the communication, outreach, and education elements of the program to increase participation and support of the program. We will begin the process of planning for the closeout of the program, which is anticipated to be completed in 2031.

4. Operations Relocation Project: In anticipation of a final agreement with the Denver Broncos, we expect to begin the relocation of our seven operational buildings to accommodate a new stadium. This would include relocating operations to the Elyria-Swansea neighborhood at 40th and Clayton, critical services to Lot M of the current stadium site, as well as reconfiguring the remaining campus to ensure the safety and security of the operations that will remain in close proximity to the new stadium. This project would follow the same project management standards used for all Denver Water engineering projects, with regular reporting to the Board to ensure transparency.

Organizational Priorities
The refresh updates Denver Water's organizational priorities to focus enterprise effort on the areas with the greatest potential to reduce operating costs, improve customer service, strengthen decision-making and increase long-term flexibility.

Some priorities carry forward from the 2026 Business Plan, while others are newly identified through the Strategic A3 refresh. Brief descriptions are provided below.

1. Water Efficiency: Align drought response actions with evolving conditions and strategically advance landscape transformation and indoor efficiency measures to improve long-term resilience.

2. IT Strategy: Align larger IT projects with Denver Water's business strategy and provide the necessary resources to allow completion of various IT governance initiatives and address recent audit findings.

3. Asset Management: Strengthen asset planning, maintenance and lifecycle decision-making to improve reliability, reduce avoidable costs, and support long-term system performance.

4. Customer Experience: Examine the full tap, meter and billing cycle to improve accuracy, timeliness, customer experience and financial performance.

5. Sustainability: Optimize energy production and use by improving how Denver Water produces, purchases and uses energy in ways that lower operating costs and support long-term sustainability.

Important Note: Watershed Health, Innovation and Technology, and Safety, are no longer listed as organizational priorities, but work in these areas will continue as part of Denver Water's core operations. We will bring updates to the Board on these programs as warranted.

Operational Value Streams
We also identified several operational areas where Denver Water has the greatest opportunities to streamline work, improve coordination, and create efficiencies over time. These operational value streams include warehouse inventory management, large meter optimization, back-office processes, work planning and scheduling, and the contract lifecycle. Together, this work is intended to reduce manual effort, improve consistency and decision-making, better support field and administrative operations, and help reduce long-term operating costs over time. We will share progress on this work throughout the year as part of our regular operational updates to the Board.

Balanced Scorecard and Organizational Dashboard
Staff is evaluating the Balanced Scorecard and Organizational Dashboard to align metrics with the refreshed Plan and better connect objective-level measures to higher-level performance outcomes. The Board will review final versions during the Board Budget Workshop later this year.

Attachments:
- Draft 2027 Business Plan
- Draft 2027 Board Governance Topics

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2027 Annual Business Plan					
TYPE	**STRATEGIC PERSPECTIVE**	**DURATION/ KICKOFF**	**ANNUAL PRIORITY**	**ORGANIZATIONAL METRIC**	**OWNER(S)**
Top Priority	Trusted Leader	1918 - Current	Provide high-quality water and outstanding service to our customers	Balanced Scorecard Performance	Executive Team
Strategic Projects	Excellent Operations	2017-2027	Gross Reservoir Expansion	Project Execution	Chief Engineering Officer
	Excellent Operations	2025-2031	Main Replacement Program	Project Execution	Roode
	Trusted Leader	2020-2030	Lead Reduction Program	Project Execution	Roode, Anderson
	Excellent Operations	2025 - 2031	Operations Relocation Project	Project Execution	Roode
Organizational Priorities	Trusted Leader	Ongoing	Water Efficiency (Drought)	Water Efficiency	Marsicek
	Excellent Operations	Q4 2026	IT Strategy	Operating Cost per Account	Chief Administrative Officer
	Excellent Operations	Q1 2027	Sustainability	Carbon Reduction	Chief Administrative Officer
	Excellent Operations	Q2 2027	Asset Management	Asset Availability	Roode
	Trusted Reputation	Q2 2027	Customer Experience	Customer Satisfaction	Bricmont, Anderson

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2027 Board Governance Topics			
STRATEGIC PERSPECTIVE	**TOPIC**	**CADENCE**	**OWNER**
Excellent Operations	Performance Reporting	FEB, MAY, AUG, NOV	Bricmont
	Audit Committee Meetings	JAN, APR, JUL, OCT	Gorgemans
	Cyber Security	MAY, NOV	Chief Administrative Officer
	Risk Management	JUN, DEC	Chief Administrative Officer
	Operating Rules Updates	Biennial	Bricmont
	Board Bylaws Updates	As Needed	Brody
Strong Financials	Annual Business Plan	JUL	Anderson
	ACFR and External Auditor opinion	JUN	Bricmont
	Long-Term Financial Plan	JUL - SEP	Bricmont
	Revenue and Rate Setting	SEP - OCT	Bricmont
	Annual Budget	NOV - DEC	Bricmont
	Financial Policies	As Needed	Bricmont
Inspired People	Retirement Plans (Trustee Matters)	FEB, JUN, AUG, DEC	Bricmont
	Total Rewards (Pay Structure & Benefits)	JUN - JUL	Anderson
	Personnel Policy Updates	DEC	Anderson
Trusted Reputation	Legislative Updates	JAN - MAY	Anderson