

# AGENDA

## Denver Board of Water Commissioners

Denver Water Board Room, 1600 W 12<sup>th</sup> Avenue, Denver, Co 80204 and  
Video Conference: <http://zoom.us/join>, Meeting ID: 951 0865 9791 - Passcode: 465121 or  
Dial in (669) 900-6833 - Meeting ID: 951 0865 9791 - Passcode: 465121

**Wednesday, August 11, 2021 – 9:30 a.m.**

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### 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

1. Administer oath of office to new board member

### 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. Minutes from July 14, 2021
2. Minutes from July 28, 2021
3. Farmers Reservoir and Irrigation Company Bypass Structure Agreement – Contract 504964

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**B. Individual Approval Items**

**III. POLICY MATTERS**

A. Q2 Performance Report and Process                      Stephanie Abram                      30 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.

- A. Confidential Report**

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: August 11, 2021

Board Item: II-A-1

## Farmers Reservoir and Irrigation Company Bypass Structure Agreement Contract 504964

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Action by Consent

Individual Action

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### **Purpose and Background:**

The purpose of this Board item is to approve an agreement with the Farmers Reservoir and Irrigation Company (FRICO), under which Denver Water will receive a right to carry up to 20 cubic feet per second (cfs) of our water through a bypass structure. This structure is owned and operated by FRICO at the Burlington Canal diversion dam and headgate (Burlington ditch) located on the South Platte River north of Denver. In exchange, Denver Water will pay \$500,000 and commit to paying a portion of ongoing operations and maintenance costs as well as replacement costs.

At times when water rights divertible at the Burlington ditch are in priority, the ditch can capture and divert the entire flow of the South Platte River. A portion of this water may include Denver Water's water, including our reusable lawn irrigation return flows and effluent discharged to the South Platte River. Although FRICO is not legally entitled to this water, prior to the construction of the bypass they could not avoid capturing our water because the Burlington ditch could not physically bypass small amounts of water.

FRICO has installed a structure capable of bypassing and measuring small increments of water (Bypass Structure) up to a maximum amount of 150 cfs. Under the Agreement, FRICO will make available to Denver Water 20 cfs of a non-revocable interest in capacity in the Bypass Structure at a cost of \$500,000. Denver Water will reimburse FRICO for Denver's pro rata amount (13.33%) of overall annual operations and maintenance (O&M) costs and as needed replacement costs for the bypass structure. If Denver Water's portion of the annual O&M Costs exceed \$10,000 or Denver Water's portion of the replacement costs exceed \$20,000, as adjusted by the Consumer Price Index (CPI), Denver Water and FRICO will enter into an additional written agreement for our reimbursement expenses. If Denver Water does not reimburse FRICO for O&M Costs or replacement costs for three consecutive years, FRICO may terminate Denver Water's interest in capacity in the Bypass Structure after a failure to cure.

### **Budget and Schedule:**

The total up-front cost of this Agreement is \$500,000, and this perpetual agreement will become effective once fully executed by all parties. Denver Water will incur the annual O&M Costs and as needed replacement costs that do not exceed \$10,000 and \$20,000 respectively, as adjusted by the CPI. Funds for this contract will come from the 2021 budget for Water Rights-Maintenance, Evaluation, and Acquisitions, which has sufficient funds to pay the \$510,000 estimated to be needed in 2021. In subsequent years the O&M Costs and replacement cost will be estimated based on the best available information and budgeted in Raw Water Supply Business Unit.

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**Recommendation:**

Staff recommends that the Board:

1. Approve Contract 504964 with FRICO for use of a bypass structure at the Burlington ditch; and
2. Delegate to the CEO/Manager the authority to expend annual O&M and replacement costs that do not exceed \$10,000 and \$20,000 respectively, as adjusted by the CPI.

**Approvals:**

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> James S. Lochhead, CEO/Manager              | <input type="checkbox"/> Brian D. Good, Chief Administrative Officer                           |
| <input type="checkbox"/> Julie Anderson, Chief of Staff                         | <input checked="" type="checkbox"/> Richard B. Marsicek, Chief Water Resource Strategy Officer |
| <input type="checkbox"/> Jessica R. Brody, General Counsel                      | <input type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer                          |
| <input checked="" type="checkbox"/> Angela C. Bricmont, Chief Financial Officer | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer                             |