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, August 12, 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.

1. Minutes from July 8, 2026
2. Minutes from July 22, 2026
3. Second Amendment to Hazeltine Pump Station Building, Mechanical, and Electrical – Contract 505761
4. 2026/2027 Vault Modifications 64th Avenue Pump Station Inlet Valves & PRV Vault – Contract 506527

5. First Amendment to Power Purchase Agreement with Public Service Company of Colorado – Contract 10246A/500264

6. Approval of 2026 DCIP Resolution

B. Individual Approval Items

III. POLICY MATTERS

A.	**Quarterly Performance Update**	**Stephanie Abrams**	5 minutes
B.	**Drought Update**	**Greg Fisher, Stacy Chesney, Lindsey Schultz**	15 minutes
C.	**Main Replacement Update**	**Mike Aragon**	10 minutes

IV. EXECUTIVE UPDATE

A. CEO Update

B. CFO Update

C. Operations Update

V. BRIEFING PAPERS & REPORTS

A. Briefing Paper

B. Report

1. June Monthly Financial 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: August 12, 2026 Board item: II-A-3

Second Amendment to Hazeltine Pump Station Building, Mechanical, and Electrical Contract 505761

☒Action by Consent ☐Individual Action

Purpose and Background:
The purpose of this Board item is to seek approval for the Second Amendment to Contract 505761 with Hensel Phelps Construction Co. for the Hazeltine Pump Station Buildings Mechanical and Electrical project. When completed, Hazeltine Pump Station will provide drought resilience to Denver Water by ensuring that reusable South Platte River flows are captured and exchanged. The exchanges will result in an equivalent amount of water stored upstream, available to send through treatment plants for delivery to Denver Water customers.

The North Complex Hazeltine Pump Station project is a multi-phase project. Previous work included site electrical and pump station sump construction to prepare for pump station construction. Contract 505761 provides pump station construction and includes construction of masonry buildings and mechanical and electrical systems. This contract was originally executed in April of 2026 to allow formal initiation of shop drawing and submittal efforts, and the first amendment provided for early equipment procurement.

This second amendment will provide construction of the pump station, and a future third amendment will allow procurement of the electrical equipment to meet the pump station startup goal of July 1, 2027.

Budget and Schedule:
The amount of the original contract and the first amendment totaled $12,549,890. This second amendment for $8,851,887 results in a total contract amount to date of $21,401,777. Funds for this contract will come from North Complex Hazeltine Pump Station Buildings, Mechanical, and Electrical which will need a variance to pay the $5,000,000 estimated to be needed in 2026. The remaining $16,401,777 will be budgeted in 2027.

Selection of Business Partner:
Denver Water previously solicited bids from four general contractors for the heavy civil contract. Hensel Phelps Construction Co. was selected based on the lowest cost bid. Hensel Phelps performed well on the Heavy Civil contract with successful on-time and on-budget completion and have the ability and capacity to complete this fast-paced project. They have agreed to move forward on an open book fixed fee approach with full transparency on vendor quotes and overhead/profit rates to complete the final phase of the project.

Recommendation:
Staff recommends that the Board approve this Second Amendment to Contract 505761 with Hensel Phelps Construction Co. for the Hazeltine Pump Station Buildings, Mechanical, and Electrical project for the contract period April 22, 2026 through December 29, 2027, and for an addition of $8,851,887 for a total amended contract amount not to exceed $21,401,777.

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

☒ Jeremy M. Ross, Interim Chief Engineering Officer

☐ Thomas J. Roode, Chief Operations Officer

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: August 12, 2026 Board item: II-A-4

2026/2027 Vault Modifications
64th Avenue Pump Station Inlet Valves & PRV Vault
Contract 506527

☒Action by Consent ☐Individual Action

Purpose and Background:
The purpose of this Board item is to seek approval for Contract 506527 with American West Construction, LLC for the 2026/2027 Vault Modifications, 64th Avenue Pump Station Inlet Valves & PRV Vault.

The Filling Valve Vault at the 64th Avenue Pump Station was constructed in 1991 and is used to transmit water to the Denver International Airport and surrounding customers. The purpose of the project is to replace the two 24-inch pressure regulating valves and 24-inch cone valve with a 14-inch sleeve valve and 12-inch pressure relief valve to simplify operations and better serve the needs of the pump station by regulating pressure going into the 64th Avenue Reservoir. These improvements will ensure the longevity and resilience of the distribution system.

Budget and Schedule:
The total amount of this contract is $944,000, and the term of the contract is August 12, 2026 through July 16, 2027. Funds for this project will come from the 2026 budget for 2026/2027 Vault Modifications, which has sufficient funds to pay the $169,020 needed in 2026. The remaining $774,980 will be budgeted in 2027.

Selection of Business Partner:
Denver Water solicited bids from five general contractors listed on the prequalified contractors list. This contract was a restricted bid process using invitations to bid on the QuestCDN platform. On July 21, 2026, bids were received from five contractors. American West Construction, LLC was selected based on the lowest cost bid.

Recommendation:
Staff recommends that the Board approve Contract 506527 with American West Construction, LLC for the 2026/2027 Vault Modifications project for the contract period of August 12, 2026 through July 16, 2027, for a total contract amount not to exceed $944,000.

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
☒ Jeremy M. Ross, Interim Chief Engineering Officer
☐ Thomas J. Roode, Chief Operations Officer

DENVER WATER

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: August 12, 2026 Board item: II-A-5

First Amendment to Power Purchase Agreement with Public Service Company of Colorado Contract 10246A/500264

☒Action by Consent ☐Individual Action

Purpose and Background:
The purpose of this Board item is to seek approval for a one-year extension to Contract 10246A/500264 with Public Service Company of Colorado (PSCo). Denver Water and PSCo entered into a Power Purchase Agreement on March 22, 2006, under which PSCo agreed to purchase power generated by six of Denver Water's hydroelectric generating facilities. This first amendment only applies to four of the original six locations, as Denver Water has decided to negotiate with another electric utility to sell power from two locations located within that utility's service territory, thereby avoiding costs associated with wheeling generated power to PSCo.

The four facilities included in this agreement are:

- Strontia Springs Dam Hydroelectric Generating Unit
- Dillon Dam Hydroelectric Generating Unit
- Hillcrest Hydroelectric Generating Unit
- Gross Reservoir Hydroelectric Generating Unit

The current contract is scheduled to expire on March 31, 2027 and this amendment, until March 31, 2028, will give the parties time to finalize terms for a new agreement.

Budget and Schedule:
This is a revenue contract. The amount of revenue generated by these four facilities varies depending on available water rights and associated stream flows, as well as customer demand. For context, the total average annual revenue generated from the sale of hydroelectric power from these four facilities averaged $2,411,000 from 2020 through 2025.

Recommendation:
Staff recommends that the Board approve the First Amendment to Contract 10246A/500264 with Public Service Company of Colorado for sale of electricity generated by four Denver Water hydroelectric facilities to PSCo for an extension of the contract period by one year, through March 31, 2028.

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
☐ Jeremy M. Ross, Interim Chief Engineering Officer
☐ Thomas J. Roode, Chief Operations Officer

DENVER WATER

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: August 12, 2026 Board item: II-A-6

Approval of 2026 DCIP Resolution

☒Action by Consent ☐Individual Action

Purpose and Background:
The purpose of this Board item is to seek approval of a resolution authorizing the CEO/Manager to submit a Fiscal Year 2026 Defense Community Infrastructure Program (DCIP) grant application and, if awarded, execute the resulting grant agreement and related documents for the Strontia Springs Security and Communications Hardening Project.

By letter dated August 7, 2026, the Office of Local Defense Community Cooperation formally invited Denver Water to apply for grant funding for the Strontia Springs Security and Communications Hardening Project under the Fiscal Year 2026 DCIP. The invitation allows Denver Water to apply for up to $19,286,800 in federal funding toward a total project cost of $20,163,400. To qualify for the funding, Denver Water must submit a complete grant application by August 21, 2026, and the award agreement must be executed by September 24, 2026. Given these tight timeframes, it might not be possible to present a final agreement to the Board for approval.

Recommendation:
Staff recommends that the Board approve the resolution authorizing Alan Salazar, CEO/Manager, to submit a Fiscal Year 2026 DCIP grant application for the Strontia Springs Security and Communications Hardening Project and, if awarded, to execute any resulting grant agreement and related documents negotiated by Jessica Brody, General Counsel.

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
☐ Jeremy M. Ross, Interim Chief Engineering Officer
☐ Thomas J. Roode, Chief Operations Officer

DENVER WATER

DENVER WATER

Board Resolution

#006-2026

TITLE: AUTHORIZING THE CEO/MANAGER TO SUBMIT A DEFENSE COMMUNITY INFRASTRUCTURE PROGRAM GRANT APPLICATION AND EXECUTE ANY RESULTING GRANT AGREEMENT FOR THE STRONTIA SPRINGS SECURITY AND COMMUNICATIONS HARDENING PROJECT

ADOPTED AND APPROVED ON AUGUST 12, 2026 BY THE CITY AND COUNTY OF DENVER ACTING BY AND THROUGH ITS BOARD OF WATER COMMISSIONERS

_____ _____

Board President CEO/Manager

The Board of Water Commissioners finds that:

A. By letter dated August 7, 2026, the Office of Local Defense Community Cooperation (OLDCC) formally invited Denver Water to apply for grant funding of up to $19,286,800 in federal funding for the Strontia Springs Security and Communications Hardening Project under the Fiscal Year 2026 Defense Community Infrastructure Program, for a total project amount of $20,163,400.

B. To qualify for the funding, Denver Water must submit a completed grant application by August 21, 2026.

C. In addition, the award must be countersigned by Denver Water by September 24, 2026.

Based on the foregoing findings, the Board:

1. Authorizes Alan Salazar, CEO/Manager, to submit a grant application for the Fiscal Year 2026 Defense Community Infrastructure Program funding for the Strontia Springs Security and Communications Hardening Project.

2. Directs Jessica Brody, General Counsel, to review and negotiate the grant agreement to ensure that Denver Water will be able to comply with its terms and advise the CEO/Manager and the Board of the same.

3. Authorizes Alan Salazar, CEO/Manager, upon advice of the General Counsel, to execute, and deliver the grant agreement and any related documents required to accept and administer the grant, if awarded.

DENVER WATER FINANCIAL REPORT
JUNE 2026

$ in thousands	Current Budget	YTD Actuals	Rem. Mo. Forecast	Full Year Forecast	Budget Over/(Under)	Budget Var %	Variance Comments
Water sales	409,630	153,249	235,257	388,507	(21,123)	-5.2%	Anticipated revenue impacts due to drought have been incorporated
Hydropower	4,544	1,343	3,003	4,346	(198)	-4.3%	
Special assessments and fees	6,171	3,185	2,999	6,184	12	0.2%	
Interest income	4,044	4,298	5,705	10,003	5,959	147.4%	Variance due to higher cash balance for the first half of year and favorable interest rates
Other revenue	9,853	13,081	1,714	14,794	4,941	50.2%	Legal settlement timing ($5.9M)
Contributions	19,480	10,121	8,957	19,077	(402)	-2.1%	
SDC revenue	34,764	30,207	9,382	39,589	4,825	13.9%	Increase primarily due to new large volume user and mixed-use family development
TOTAL REVENUE	**$ 488,486**	**$ 215,483**	**$ 267,017**	**$ 482,501**	**$ (5,986)**	**-1.2%**	
Proceeds from debt/loans	375,000	100,000	275,000	375,000	-	0.0%	
TOTAL SOURCES OF FUNDS	**$ 863,486**	**$ 315,483**	**$ 542,017**	**$ 857,501**	**$ (5,986)**	**-0.7%**	
Regular wages	107,643	53,663	53,162	106,825	(818)	-0.8%	Budgeted vacancy rate of 5.5%; forecasted vacancy rate, including LTE wages, is 6.6% due to hiring freeze (drought reductions)
Limited Term Employee wages	2,062	847	833	1,679	(383)	-18.6%	Included in vacancy rate above
Seasonal Labor	665	71	167	238	(427)	-64.2%	2026 internship program (drought reductions)
Other pay	9,613	4,326	5,459	9,786	172	1.8%	
Applied labor	(11,810)	(4,834)	(6,122)	(10,957)	853	-7.2%	
Benefits	52,489	27,339	24,814	52,153	(336)	-0.6%	Benefits savings related to additional salary savings (drought reductions)
Salaries and Benefits	**160,663**	**81,412**	**78,313**	**159,725**	**(938)**	**-0.6%**	
Professional services	8,294	2,968	4,305	7,273	(1,021)	-12.3%	Various changes across all divisions (drought reductions)
Contingent staffing	874	386	514	901	27	3.1%	
Purchased services	24,330	13,393	9,727	23,120	(1,210)	-5.0%	Various changes across all divisions (drought reductions)
Construction and field services	16,690	5,825	9,356	15,181	(1,508)	-9.0%	O&M: Repairs at SOS facilities ($180K), WD paving (-$524K), hauling and trucking (-$179K); various changes across all divisions (drought reductions)
Lead Service Line transfer	(1,813)	(244)	(1,726)	(1,970)	(157)	8.7%	
Waste disposal services	2,802	1,334	1,704	3,038	236	8.4%	
Facility services	7,730	2,772	4,185	6,958	(772)	-10.0%	Various changes across all divisions (drought reductions)
Utilities	10,337	4,783	5,696	10,479	142	1.4%	Electricity increased mostly due to higher energy rates/Foothills outage ($585K); Shoshone ($168K) and WAPA (-$554K) power interference variances due to drought
Professional and Purchased Services	**69,243**	**31,218**	**33,761**	**64,979**	**(4,264)**	**-6.2%**	
Materials and supplies	20,140	9,173	10,619	19,792	(348)	-1.7%	O&M: Repairs at SOS facilities ($88K); Various changes across all divisions (drought reductions)
Chemicals	11,012	3,919	7,319	11,238	226	2.1%	Powder activated carbon ($1.3M); reduced forecast due to anticipated reductions in treated water due to drought, includes cost increases to A5/Alum (-$1.0M)
Materials, Supplies, and Chemicals	**31,152**	**13,093**	**17,938**	**31,030**	**(122)**	**-0.4%**	
Travel	650	129	62	191	(458)	-70.5%	Various changes across all divisions (drought reductions)
Training	422	156	218	374	(48)	-11.3%	Various changes across all divisions (drought reductions)
Conferences Registration	316	43	9	52	(264)	-83.5%	Various changes across all divisions (drought reductions)
Travel, Training, and Conferences	**1,388**	**329**	**288**	**618**	**(770)**	**-55.5%**	
Rents and leases	735	328	452	780	45	6.1%	
Other insurance and legal claims	450	730	800	1,530	1,080	240.0%	
Misc. expenses	287	69	26	95	(193)	-67.1%	O&M: Inventory adjustments (-$114K); other various changes across all divisions (drought reductions)
Other Expense	**1,472**	**1,127**	**1,278**	**2,404**	**932**	**63.3%**	
TOTAL OPERATING COSTS w/o PROJECTS	**$ 263,917**	**$ 127,178**	**$ 131,578**	**$ 258,756**	**$ (5,161)**	**-2.0%**	
Collection	2,408	1,519	858	2,377	(31)	-1.3%	Strontia Watershed Program ($100K)
Distribution	1,022	88	947	1,034	12	1.2%	
Expansion	3,284	531	2,670	3,201	(83)	-2.5%	Forest to Faucets (-$200K)
Operations Support/Other	12,399	4,605	8,088	12,693	294	2.4%	No-fault Main Break Program ($925K), deferral of multiple IT projects (-$802K)
Treatment	28	8	14	23	(6)	-20.5%	
Operating Projects (incl. applied labor)	**19,141**	**6,752**	**12,576**	**19,327**	**186**	**1.0%**	
TOTAL OPERATING COSTS	**$ 283,058**	**$ 133,930**	**$ 144,154**	**$ 278,084**	**$ (4,975)**	**-1.8%**	

DENVER WATER FINANCIAL REPORT
JUNE 2026

$ in thousands	Current Budget	YTD Actuals	Rem. Mo. Forecast	Full Year Forecast	Budget Over/(Under)	Budget Var %	Variance Comments
Collection	117,267	53,361	82,209	135,570	18,304	15.6%	Gross Reservoir ($15.6M), Strontia Outlet Works and EIC ($1.4M), Eleven Mile Electrical Upgrade ($1.0M)
Distribution	64,633	28,777	37,626	66,403	1,769	2.7%	Tower Road Recycled Water Main ($1.1M), Vault Mods ($953K), Main Relocations ($633K), Highlands PS - low side (-$1.8M)
Expansion	9,920	6,534	11,740	18,275	8,354	84.2%	Hazeltine Pump Station ($8.6M), North Complex Aeration (-$570K)
Operations Support/Other	78,664	28,577	45,798	74,375	(4,289)	-5.5%	Recycle TP Solar ($2.0M), Marston TP Solar (-$8.0M)
Treatment	8,582	2,851	15,239	18,091	9,509	110.8%	Marston Disinfection Improvements and Electrical ($8.9M), Foothills TP Caustic/Alum Upgrade ($408K)
TOTAL CAPITAL (incl. applied labor)	**279,066**	**$ 120,101**	**$ 192,612**	**312,713**	**$ 33,647**	**12.1%**	
Interest expense	65,678	32,888	33,237	66,125	448	0.7%	Additional 2 months of interest due to timing shift on commercial paper refunding
Principal payments	205,922	428	205,494	205,922	(0)	0.0%	
Debt Service	**$ 271,599**	**$ 33,316**	**$ 238,730**	**$ 272,047**	**$ 447**	**0.2%**	
TOTAL USES OF FUNDS	**$ 833,724**	**$ 287,347**	**$ 575,497**	**$ 862,843**	**$ 29,120**	**3.5%**	

SOURCES AND USES
(without legal settlement)

$ in thousands	Current Budget	YTD Actuals	Rem. Mo. Forecast	Full Year Forecast	Budget Over/(Under)	Budget Var %
Revenue	488,486	215,483	267,017	482,501	(5,986)	-1.2%
less legal settlement	*(1,397)*	*(7,316)*	-	*(7,316)*	*(5,920)*	*423.9%*
TOTAL REVENUE	**487,090**	**208,167**	**267,017**	**475,184**	**(11,905)**	**-2.4%**
Proceeds from Debt/Loans	375,000	100,000	275,000	375,000	-	0.0%
TOTAL SOURCES ***(less Miscellaneous Revenue)***	**$ 862,090**	**$ 308,167**	**$ 542,017**	**$ 850,184**	**$ (11,905)**	**-1.4%**
Operating w/o Projects	263,917	127,178	131,578	258,756	(5,161)	-2.0%
Operating Projects	19,141	6,752	12,576	19,327	186	1.0%
TOTAL OPERATING	**283,058**	**133,930**	**144,154**	**278,084**	**(4,975)**	**-1.8%**
TOTAL CAPITAL	**279,066**	**120,101**	**192,612**	**312,713**	**33,647**	**12.1%**
Debt Service	271,599	33,316	238,730	272,047	447	0.2%
TOTAL USES OF FUNDS	**$ 833,724**	**$ 287,347**	**$ 575,497**	**$ 862,843**	**$ 29,120**	**3.5%**

Metrics
Revenue: +/- 5%
Operating expense categories: +/- 5%
Total Operating w/o Projects: +/- 2%

Gray: Items from prior months
Black: Items from current month

GRANT FUNDS - SUMMARY

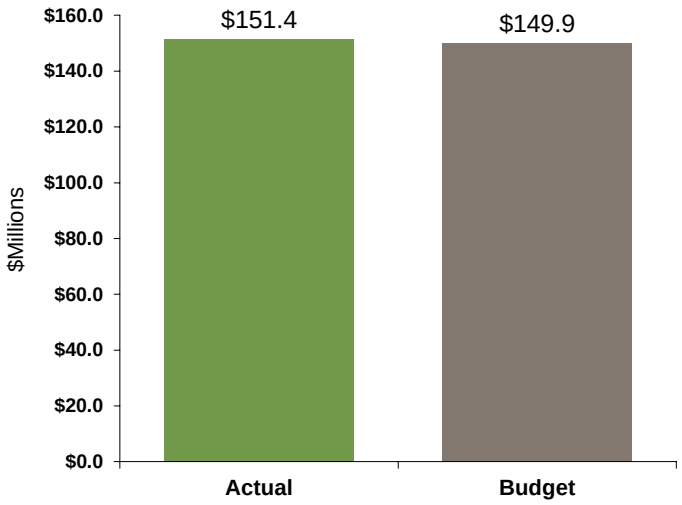
Grant Name	Revenue: Actuals to Date	Revenue: Current Year Forecast	Revenue: Future Years Forecast	Expense: Actuals to Date	Expense: Current Year Forecast	Expense: Future Years Forecast	Comments
CWBC - Turf Replacement Award amount: $25,000	$ 25	$ 0	$ -	$ 25	$ -	$ 0	Awarded by the Colorado Department of Natural Resources to remove and replace bluegrass with a native grass requiring little to no water at specified DW locations.
Clean Fleet Vehicle and Technology Award amount: $145,000	$ 145	$ -	$ -	$ 145	$ -	$ -	Awarded by the Colorado Department of Public Health to help organizations transition their fleets to low- or zero-emission vehicles.
Fleet-ZERO EV Charging Award amount: $86,000	$ -	$ 86	$ -	$ -	$ 86	$ -	Awarded by the Colorado Energy Office to provide funding for electric vehicle (EV) charging to support light-, medium- and heavy-duty EV fleets.
CWBC - Turf Replacement 25/26 Award amount: $70,000	$ -	$ 70	$ -	$ 30	$ 40	$ 0	Awarded by the Colorado Department of Natural Resources to remove and replace bluegrass with a water efficient option at specific locations
Clean Fleet Vehicle and Technology - 26 Award amount: $250,000	$ -	$ 250	$ -	$ -	$ 250	$ -	Awarded by the Colorado Department of Public Health to help organizations transition their fleets to low- or zero-emission vehicles.

**Note: The revenue and expenditures listed in this summary are not included in the preceding Denver Water financial report*

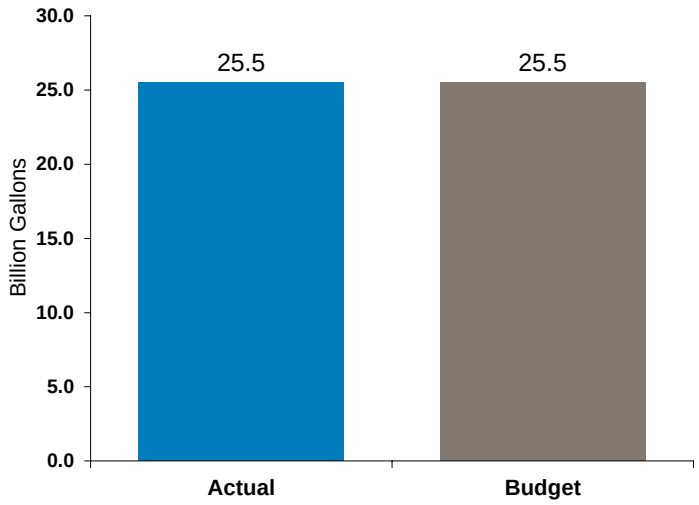
Billed Revenue and Consumption Actuals and Budget

June 2026

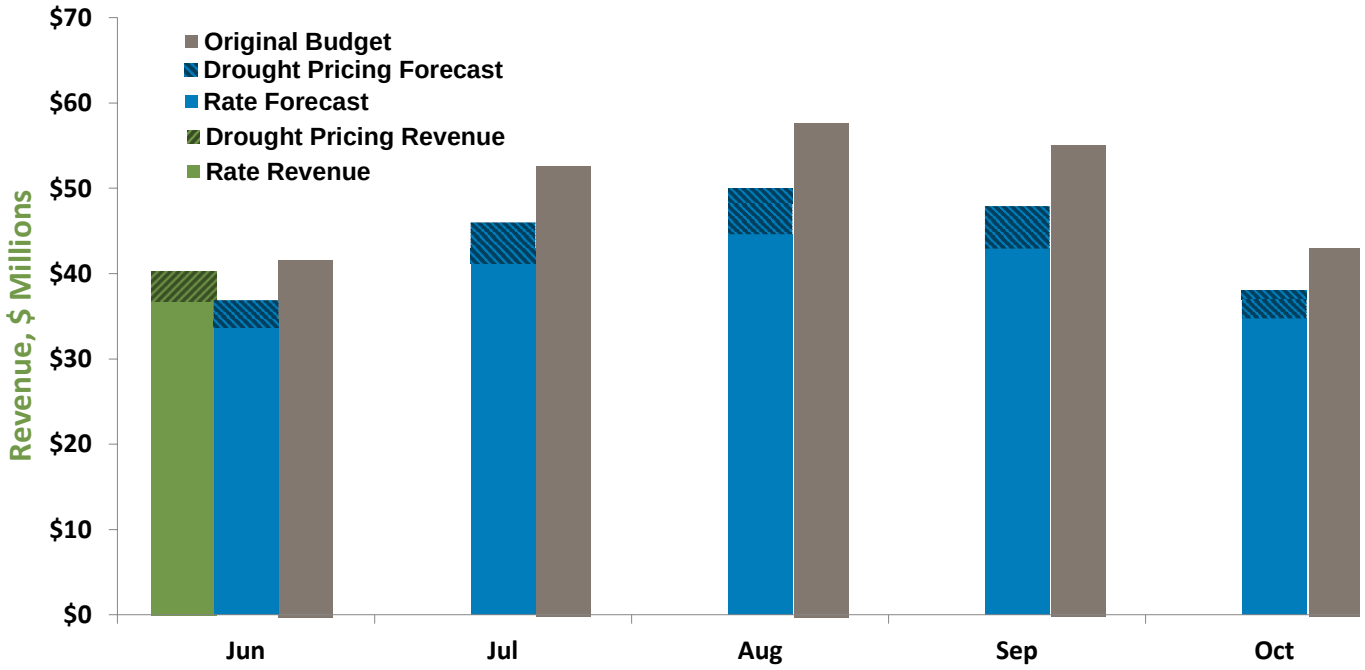
Graph 1: YTD revenue comparison[1]



Graph 2: YTD consumption comparison



Graph 3: Comparison of 2026 actual monthly revenue and consumption to forecast monthly revenue



1. The values in this report are based on bill cycle periods which may not correspond with calendar month periods. As a result, the revenue and consumption in this report can vary from the revenue and consumption reported by accounting.

The Billed Revenue and Consumption report compares the budgeted revenue and consumption with the actual revenue and consumption on both a monthly and year-to-date basis.

Graph 1: This bar chart compares year-to-date actual revenue to the budgeted revenue. Actual revenue is $151.4 million. Budgeted Revenue is $149.9 million.
Graph 2: This bar chart compares year-to-date actual consumption to the budgeted consumption. Actual consumption is 25.5 billion gallons. Budgeted consumption is 25.5 billion gallons.
Graph 3: This graph shows actual monthly revenue versus budget and versus drought forecast for each month in 2026 starting in June. June shows above the drought forecast and below the