

# 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: 815 6610 4497 - Passcode: 139000 or

Dial in (669) 900-6833 - Meeting ID: 815 6610 4497 - Passcode: 139000

Members of the public are asked to participate via video conference due to COVID-19 safety protocols

**Wednesday, August 24, 2022 – 9:00 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

### 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. Marston Facility High Side Redundancy and Valve Replacements and Cathodic Protection Improvements – Contract 505072
2. The U.S. Forest Service 2022 Collection Agreement From Forests to Faucets Partnership – Contract 505368
3. Survey Engineering Base Map Services, Colfax Main Replacement Project – Contract 505376

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**B. Individual Approval Items**

- |   |             |           |
|---|-------------|-----------|
| 1. Second Amendment to Intergovernmental Agreement City of Arvada – Contract 500817 | Usha Sharma | 5 minutes |
|---|-------------|-----------|

**III. POLICY MATTERS**

- |   |                 |            |
|---|-----------------|------------|
| <b>A. Northwater Treatment Plant Update</b>                           | Peter McCormick | 15 minutes |
| <b>B. Gross Reservoir Expansion Update</b>                            | Jeff Martin     | 15 minutes |
| <b>C. 2023 Financial Plan Presentation and First Reading of Rates</b> | Angela Bricmont | 20 minutes |

**IV. EXECUTIVE UPDATE**

**A. CEO Update**

**B. CFO Update**

1. Monthly Financial Report – July 31, 2022

**C. Operations Update**

**V. BRIEFING PAPERS & REPORTS**

**A. Briefing Paper**

**B. Report**

1. Lead Reduction Program Dashboard

**VI. ADJOURNMENT**

## VII. TRUSTEE MATTERS

### I. ACTION ITEMS

1. Meeting as Trustee: Minutes from April 27, 2022 Trustee Meeting
2. Meeting as Trustee and or Plan Sponsor: Kim Forbes 5 minutes  
First Amendment John Hancock Retirement Plan Services, LLC Contract – 503097

### II. INFORMATION ITEMS

1. Meeting as Plan Sponsor: 2Q 2022 Performance Report for 401(k) Plan and 457 Plan – Portfolio Evaluations, Inc. Aneta Rettig 5 minutes
2. Meeting as Trustee: DB Plan – 2Q 2022 Performance Report Rob Hungerbuhler 10 minutes
3. Meeting as Trustee and/or Plan Sponsor: 2Q 2022 Summary Retirement Program Report for DB Plan, 401(k) Plan and 457 Plan

## 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 24, 2022

Board Item: II-A-1

## Marston Facility High Side Redundancy and Valve Replacements and Cathodic Protection Improvements Contract 505072

Action by Consent

Individual Action

### **Purpose and Background:**

The purpose of this Board item is to approve Contract 505072 to replace an inoperable 36-inch valve on the Marston Pump Station discharge line, replace a leaking 42-inch valve that isolates the energy dissipation line, and install a 12-inch water main to act as a backup supply main to the Bow Mar pressure zone in case of Conduit No. 95 outages. Additionally, cathodic protection systems will be improved at Marston Treatment Plant, including test stations, anodes, and electrical isolation kits to extend the serviceable life of steel pipe at the treatment plant by reducing the risk of external corrosion.

### **Budget and Schedule:**

The total amount of this contract is \$2,907,000 and the term of the contract is August 24, 2022 through June 22, 2023. Funds for this contract will come from the 2022 budget for Marston Yard Piping and Potable Distribution and Marston CP Improvements business unit, which has sufficient funds to pay the \$500,000 estimated to be needed in 2022. The remaining \$2,407,000 will be budgeted in year 2023.

### **Selection of Business Partner:**

Denver Water solicited bids from four contractors listed on the prequalified contractor list under the Civil-Pipelines discipline. This contract was a restricted process using invitations to bid on the QuestCDN platform. On August 9, 2022, bids were received from two contractors. T. Lowell Construction, Inc. was selected based on the lowest cost bid.

### **S/MWBE Information:**

The Small Minority and Women-owned Business Enterprise goal established for this project is 5% participation. T. Lowell Construction Inc. has proposed 5% participation.

### **Recommendation:**

Staff recommends that the Board approve Contract 505072 with T. Lowell Construction, Inc. for Marston Facility High Side Redundancy and Valve Replacements and Cathodic Protection Improvements for the contract period August 24, 2022 through June 22, 2023 for a total contract amount not to exceed \$2,907,000.

### **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 type="checkbox"/> Richard B. Marsicek, Chief Water Resource Strategy Officer |
| <input type="checkbox"/> Jessica R. Brody, General Counsel                    | <input checked="" type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer    |
| <input checked="" type="checkbox"/> Angela C. Bricmont, Chief Finance Officer | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer                  |

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# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: August 24, 2022

Board Item: II-A-2

## The U.S. Forest Service 2022 Collection Agreement From Forests to Faucets Partnership Contract 505368

Action by Consent

Individual Action

### **Purpose and Background:**

Since 2010, the From Forests to Faucets Partnership (Partnership) has been a successful collaborative partnership between Denver Water and the U.S. Forest Service (USFS). The goals of the Partnership are to implement forest and watershed health projects to reduce the risk of catastrophic wildfire and restore forests impacted by catastrophic wildfire events in Denver Water's priority watersheds.

The Partnership has continued through a Memorandum of Understanding (MOU) that was signed in June 2022 by Denver Water, USFS, Colorado State Forest Service, Natural Resources Conservation Service, and the Colorado Forest Restoration Institute.

Every year under the MOU, the USFS submits a collection agreement for the proposed forest health projects. This collection agreement (Contract 505368) for \$1,689,213 is from the committed funds as part of the partnership. The focus of this agreement is to conduct wildfire risk reduction, watershed restoration and improvements, and maintenance of past and current treatments on approximately 7,350 acres on National Forest System lands within priority watersheds.

### **Budget and Schedule:**

The total amount for this contract is \$1,689,213 and the term of the contract is August 24, 2022 through August 24, 2027. Funds for this contract will come from the 2022 budget for the From Forests to Faucets business unit, which has sufficient funds to pay the \$1,000,000 estimated to be needed in 2022. The remaining \$689,213 will be budgeted in years 2023 through 2027.

### **Recommendation:**

Staff recommends that the Board approve Contact 505368 with the USFS for forest health and wildfire risk reduction for the contract period August 24, 2022 through August 24, 2027 for a total contract amount not to exceed \$1,689,213.

### **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 Finance Officer | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer                             |

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# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: August 24, 2022

Board Item: II-A-3

## Survey Engineering Base Map Services Colfax Main Replacement Project Contract 505376

Action by Consent

Individual Action

### **Purpose and Background:**

The purpose of this Board item is to obtain approval for Contract 505376 for survey base map services required for the Colfax Avenue Main Replacement Project. The Colfax Avenue Main Replacement Project extends from Broadway to Kearney.

The Survey section supports the Operations and Maintenance mains replacement program by providing survey base maps identifying precise locations of existing conditions and utility conflicts on which the Distribution Engineering team base their waterline designs. The Survey section is currently at full capacity in support of other engineering projects. Due to the proposed schedule for design and construction of this project, outsourcing to a qualified survey firm allows the Survey section to continue to provide quality service in support of other engineering projects.

### **Budget and Schedule:**

The total amount of this contract is \$388,288.09 and the term of the contract is August 24, 2022 through December 31, 2023. Funds for this contract will come from the 2022 budget for Main Replacements/Improvements business unit, which has sufficient funds to pay the \$180,000.00 estimated to be needed in 2022. The remaining \$208,288.09 will be budgeted in year 2023.

### **Selection of Business Partner:**

This contract is a task order initiated through Denver Water's competitively awarded General Consulting Services On-Call program. Harris Kocher Smith was one of several firms competitively selected for survey base map services during the 2018 request for proposals. Three On-Call providers provided pricing and their ability to meet the project's schedule. Harris Kocher Smith was selected based upon lowest cost and ability to deliver on schedule.

### **S/MWBE Information:**

No Small/Minority and Women-owned Business Enterprise submitted for General Consulting Services work in the Surveying area of expertise, so no goal was established for this task order.

### **Recommendation:**

Staff recommends that the Board approve Contract 505376 with Harris Kocher Smith for survey base map services for the Colfax Mains Replacement project for the contract period August 24, 2022 through December 31, 2023 for a total contract amount not to exceed \$388,288.09.

### **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 type="checkbox"/> Richard B. Marsicek, Chief Water Resource Strategy Officer |
| <input type="checkbox"/> Jessica R. Brody, General Counsel                    | <input checked="" type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer    |
| <input checked="" type="checkbox"/> Angela C. Bricmont, Chief Finance Officer | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer                  |

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# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: August 24, 2022

Board Item: II-B-1

## Second Amendment to Intergovernmental Agreement with City of Arvada - Contract 500817

Action by Consent

Individual Action

### **Purpose and Background:**

The purpose of this Board item is to amend the existing intergovernmental agreement (IGA) with the City of Arvada (Arvada) to clarify the terms of the distribution of interest earning on the escrow account. In 2013, Denver Water signed an IGA (15146A) with the City of Arvada to participate in the construction of the Gross Reservoir Expansion (GRE) Project. With commencement of construction of GRE in April 2022, Denver Water can now begin to draw down funds and associated interest from the escrow account, deposited by the City of Arvada for GRE. The only term for the drawdown of raw water capacity charge is the issuance of notice to proceed. However, an amendment to the IGA providing further clarification of the conditions for the initial and subsequent distributions of escrow interest earnings would benefit both parties.

The IGA articulated the terms under which Arvada would participate in the construction of the future Gross Reservoir Expansion project for 3000 acre feet of Contingent Water. The terms included Arvada paying 16.67% of the overall construction costs in addition to a raw water capacity charge of \$33,822,000 deposited into an interest-bearing escrow account by September 30, 2013. Pursuant to the agreement, Denver Water has recently started draw down of the raw water capacity charge in equal amount over the 20 consecutive quarters to fund the project. There is more than one condition for the initial and ongoing distributions of escrow interest between Denver Water and Arvada which are issuance of bonds by Denver Water for construction of GRE and the construction on the project commences. While the conditions for the distribution of interest have been met, they can be further clarified to facilitate better understanding of when and how the interest earnings should be distributed. This is partially a result of the long interval between the execution of the original IGA and the start of the construction of GRE. For the above reason, staff is recommending that the terms for the distribution of interest be further clarified with an amendment to the 2013 IGA.

### **Budget and Schedule:**

With the approval of the amended IGA, there will be a \$1,231,617.37 positive variance to miscellaneous interest income. Arvada's participation in the construction of the GRE is reflected in the long-range financial plan and will be included in the proposed 2023 Budget.

### **Recommendation:**

Staff recommends that the Board approve the Second Amendment to Agreement 500817 with City of Arvada for escrow interest.

### **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 type="checkbox"/> Richard B. Marsicek, Chief Water Resource Strategy Officer |
| <input type="checkbox"/> Jessica R. Brody, General Counsel                    | <input checked="" type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer    |
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