

**RECORD OF PROCEEDINGS
MINUTES
of the
Board of Water Commissioners**

Denver Water Administration Building
1600 West 12th Avenue
Denver, CO
Board Room, First Floor

Video Conference: <http://zoom.us/join>, Meeting ID: 917 8235 3392, Password: 892523
or Dial-in: (669) 900-6833, Meeting ID: 917 8235 3392

Wednesday, October 27, 2021

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, October 27, 2021, beginning at 9:00 a.m., in the Board Room, Room 106, 1600 West 12th Avenue, Denver, Colorado and via Zoom Video Conference: <http://zoom.us/join>, Meeting ID: 917 8235 3392, Password: 892523 or via Dial-in: (669) 900-6833, Meeting ID: 917 8235 3392. Members of the Board present during the Regular Meeting were:

Gary M. Reiff, President
Stephanie Donner, Vice President
Tyrone J. Gant, Vice President
Dominique Gómez, Vice President

Board employees and others present during portions of the meeting were:

J.S. Lochhead, CEO/Manager	F. Davis, Rates Manager
J.A. Anderson, Chief of Staff	R. Davis, Finance Analyst
A.C. Bricmont, Chief Financial Officer	P. Freeman, Business Operations Manager
J. Brody, General Counsel	A. Ingram, Procurement Supervisor
B.D. Good, Chief Administrative Officer	G. Johnson, Planning Manager
D. Gorgemans, Chief Internal Auditor	J. Lorton, Director Accounting
R. Mahoney, Chief Engineering Officer	C. Mbakogu, Division Sr. Analyst
R. Marsicek, Chief Water Resource Strategy Officer	J. Mitchell, Financial Planning & Performance Manager
T.J. Roode, Chief Operations and	

Maintenance Officer	K. Oligney, Director IT Infrastructure
E. Abbott, IT Program Manager	I. Oliver, Director SOS
S. Abram, Director Finance Plan & Performance	J. Park, IT Application Sr. Developer
B. Akins, Finance Analyst	C. Proctor, Communications Sr. Specialist
D. Arnold, Attorney	A. Rettig, Finance Supervisor
R. Badger, Planning Manager	K. Riegle, Attorney
K. Bates, Attorney	L. Schulz, Customer Relations Manager
S. Behunek, Public Affairs Manager	U. Sharma, Treasurer
J. Bogner, Finance Sr. Analyst	J. Shaw, Community Relations Sr. Specialist
C. Brummitt, Attorney	L. Southard, Administrative Sr. Assistant
R. Carlyle, Organizational Improvement Facilitator	J. Walter, Finance Analyst
A. Cavallaro, Paralegal	A. Woodrow, Lead Program Manager
A. Cerchiaro, Contract Specialist	F. Albanese, Financial Investment News
Y. Cha, Procurement Manager	S. Israel, City of Arvada
S. Chesney, Director Public Affairs	E. Jorgensen, South Metro Water Supply Authority
E. Cinchock, Division Sr. Analyst	M. Nelson
J. Daly, Procurement Specialist	B. Woppert, Mid City Corporation

INTRODUCTORY BUSINESS

Commissioner Reiff called the meeting to order at 9:01 a.m. Upon motion regularly made, seconded and unanimously carried, Commissioner Jones was found to be absent for good cause and was excused.

Public Comment and Communications

Commissioner Reiff issued an invitation to members of the public to comment to the Board on any matters not included in the Agenda for the meeting. There was no public comment.

Ceremonies, Awards, and Introductions

Ms. Chesney announced that Denver Water's public affairs team received three awards from the Public Relations Society of America's Colorado Chapter at its annual Gold Pick Awards ceremony. These awards, which are considered the state's most prestigious awards for public relations practitioners, recognized the team for its communications outreach and education efforts on the Lead Reduction Program (LRP). She stated that the teams' outreach efforts will continue to expand into next year and thanked everyone who played an integral role in achieving this recognition.

ACTION ITEMS

Upon motion regularly made, seconded and unanimously carried by the Commissioners then present, unless otherwise noted, the Board acted upon the following agenda items:

1. ITEM II-B-1: APPROVAL OF 2022 RATES AND LEAD REDUCTION PROGRAM COST ALLOCATION

Ms. Bricmont presented the Board with the Final Reading of Proposed Rates, a copy of which is attached to and incorporated in these Minutes as Exhibit A. She provided a brief overview of the rates, highlighting that the overall rate increase includes a 4% revenue adjustment, which will help fund the capital program to maintain a long-term safe and reliable water supply. Treated water rates include the cost allocation methodology for the LRP based on the distribution lines for potable water customers plus 19% for Outside-of-City customers. Raw water rates will increase 8%, which will smooth out anticipated rate increases over two years due to greater investments in raw water infrastructure.

Ms. Bricmont explained that the rate increases will have a relatively low impact on a typical single-family bill and will fall within the average range of bills when compared with other Front Range water providers. Residential affordability remains, with water bills averaging less than 2.5% of median household income. The proposed rate increase implementation date is January 1, 2022.

Approved the 2022 rate schedules, including the allocation of the LRP costs with the 19% multiplier, designed to meet the financial needs of Denver Water as forecasted in Denver Water's financial plan.

POLICY MATTERS

2. ITEM III-B: LEAD REDUCTION PROGRAM UPDATE

Ms. Woodrow presented the Board with the Lead Reduction Program update, a copy of which is attached to and incorporated in these Minutes as Exhibit B. She reported that the project team continues to meet all regulatory deadlines and project milestones. To date, the total cumulative lead service line (LSL) replacements are over 9,200, the estimated filter adoption rate is 82%, and overall, the project is trending under budget for 2021.

The program's key accomplishments through September 2021 include completing 89% of the annual regulatory target of 4,477 lead service line

replacements; advancing additional investigative water quality and potholing activities; receiving the required number of filter adoption survey responses; obtaining 2022 Accelerated Lead Service Line Replacement (ALSLR) construction bids and selecting contractors; and continuing neighborhood outreach and virtual community meetings.

Ms. Woodrow reported that overall program expenditures for 2021 through the end of September are just over \$45 million. The estimated 2022 Program Management Budget is \$11 million and the estimated 2022 ALSLR Budget is \$33 million. The program is expected to meet or exceed its 10% Minority and Women-owned Business Enterprise (MWBE) participation. The LRP's ongoing education and community outreach efforts continue to reach a diverse population in different languages and raise program awareness through various forms of traditional and social media platforms.

EXECUTIVE UPDATE

3. ITEM IV-A: CEO UPDATE

Mr. Lochhead reported that he attended a meeting with the Water Utility Climate Alliance (WUCA), which comprises 12 of the nation's largest water providers, including Denver Water. Topics of discussion included improving water resource planning and mitigation, developing climate adaptation strategies, and developing water-related policies for long-term planning.

Mr. Lochhead stated that meetings continue to be held with Denver City Council Members regarding updates to Denver Water's Lead Reduction Program, proposed water rates, and ongoing projects. He also recognized Ms. Shaw, a member of Denver Water's public affairs team, for her work with Denver City Council.


ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into a Trustee Meeting at approximately 9:29 a.m.

Trustee/Plan Sponsor Meeting

The Board of Water Commissioners, serving in their capacity as Trustees of the Employees' Retirement Plan Trust Fund and Plan Sponsor of the Employees' Retirement Plan, and as Sponsor of the Supplemental Retirement Savings Plan of the Board of Water Commissioners of the City and County of Denver, met on Wednesday, October 27, 2021, commencing at 9:30 a.m., in the Board Room, Room 106, 1600 West 12th Avenue, Denver, Colorado and via Zoom via Video Conference. The Minutes of the Trustee Meeting/Plan Sponsor are maintained separately.

The Trustee/Plan Sponsor Meeting concluded at 9:32 a.m., at which time the Board voted unanimously to adjourn into the meeting of the Board of Water Commissioners and into Executive Session.

DocuSigned by:

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Secretary

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President