

**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: 974 9132 8348, Password: 225086
or Dial-in: (669) 900-6833, Meeting ID: 974 9123 8348

Wednesday, November 17, 2021

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, November 17, 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: 974 9132 8348, Password: 225086 or via Dial-in: (669) 900-6833, Meeting ID: 974 9132 8348. 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	C. Mbakogu, Division Sr. Analyst
J.A. Anderson, Chief of Staff	P. McCormick, Project Engineer
D. Arnold, <i>Acting</i> General Counsel	H. Miller, Internal Controls Manager
A.C. Bricmont, Chief Financial Officer	J. Mitchell, Financial Planning & Performance Manager
B.D. Good, Chief Administrative Officer	K. Oligney, Director IT Infrastructure
D. Gorgemans, Chief Internal Auditor	J. Park, IT Application Sr. Developer
R. Mahoney, Chief Engineering Officer	C. Proctor, Communications Sr. Specialist
R. Marsicek, Chief Water Resource Strategy Officer	A. Rettig, Finance Supervisor

Denver Water aspires to be the best water utility in the nation.

Integrity :: Vision :: Passion :: Excellence :: Respect



T.J. Roode, Chief Operations and Maintenance Officer
 E. Abbott, IT Program Manager
 S. Abram, Director Finance Plan & Performance
 S. Adamkovics, Finance Sr. Analyst
 B. Akins, Finance Analyst
 R. Badger, Planning Manager
 S. Behunek, Public Affairs Manager
 J. Bogner, Finance Sr. Analyst
 C. Brummitt, Attorney
 A. Cavallaro, Paralegal
 S. Chesney, Director Public Affairs
 J. Daly, Procurement Specialist
 P. Freeman, Business Operations Manager
 A. Hill, attorney
 A. Ingram, Procurement Supervisor
 D. Lopez, IT Support Specialist
 J. Martin, Project Engineer

K. Riegler, Attorney
 L. Schulz, Customer Relations Manager
 U. Sharma, Treasurer
 J. Shaw, Community Relations Sr. Specialist
 R. Stitt, Planning Manager
 J. Taussig, Director EMSS
 J. Walter, Finance Analyst
 P. Williams, Executive Assistant
 N. Willis, Web Developer
 A. Woodrow, Lead Program Manager
 F. Albanese, Financial Investment News
 J. Crockett, Jacobs
 C. Frient, City and County of Denver
 G. Hood, Jacobs
 R. Hungerbuhler, Segal Marco Advisors
 C. Lane, Platte Canyon Water and Sanitation District
 G. McCarthy, Portfolio Evaluations, Inc.
 T. Penoyer

INTRODUCTORY BUSINESS

Commissioner Reiff called the meeting to order at 9:02 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.

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-A-1: MINUTES FROM OCTOBER 27, 2021

Approved the Minutes from the October 27, 2021 Board Meeting.

2. ITEM II-A-2: FIFTEENTH AUTHORIZATION FOR ADDITIONAL CONTRACT FUNDS FOR ORACLE AMERICA INC. – CONTRACT 500409

Approved the Fifteenth Amendment to Contract 500409 with Oracle America Inc. for the Customer Care and Billing (CC&B) software maintenance and support for an extension of the contract period through December 27, 2022, and an additional \$347,697, for a total amended contract amount not to exceed \$6,077,518.

3. ITEM II-A-3: CITY DITCH NON-POTABLE WATER LEASE AGREEMENT – CONTRACT 504950

Approved Contract 504950 with the City and County of Denver for a perpetual Non-Potable Water Lease Agreement for irrigation at the Harvard Gulch Park and Golf Course.

4. ITEM II-A-4: WEBSITE HOSTING AND TECHNICAL SUPPORT SERVICES – CONTRACT 504952

Approved Contract 504952 with Interpersonal Frequency for website hosting and technical support services for the contract period from December 1, 2021 to December 31, 2025, for a total contract amount not to exceed \$460,000.

5. ITEM II-A-5: PURCHASE AND SALE AGREEMENT FROM SHEA HOMES, LIMITED PARTNERSHIP FOR HIGH LINE CANAL PROPERTY – CONTRACT 504879

Approved Contract 504879 with Shea Homes, LP to acquire property adjacent to the High Line Canal.

6. ITEM II-B-1: MEMORANDUM OF UNDERSTANDING TO ESTABLISH THE HIGH LINE CANAL COLLABORATIVE – CONTRACT 505050

Mr. Roode reported that the High Line Canal Conservancy (HLCC) desires to establish a collaborative approach that will help guide the planned direction of the High Line Canal, ensuring the Canal is preserved and enhanced as a greenway for future generations. This collaborative includes 13 regional jurisdictional partners that have interests in the Canal.

The HLCC will serve as the backbone to the collaborative, facilitating communication and coordination to enhance shared goals and funding opportunities. The current contribution from each of the collaborative partners is \$10,000 a year.

Approved Contract 505050 with Arapahoe County, Aurora, Littleton, Cherry Hills, Denver Parks, Douglas County, South Suburban Park and Recreation District (SSPRD), Southeast Metro Stormwater Authority (SEMSWA), Greenwood Village, Highlands Ranch Metro, Mile High Flood District (MHFD), and the High Line Canal Conservancy for purposes of establishing the High Line Canal Collaborative for the contract period from November 17, 2021 to November 17, 2046, for a total contract amount not to exceed \$250,000.

7. ITEM II-B-2: 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 A. She described key efficiencies afforded by the four proposed contracts for 2022 and explained the basis for additional funds for the Accelerated Lead Service Line Replacement program.

In response to a question from Commissioner Donner, Ms. Woodrow stated that staff is looking into funds allocated for lead service line replacements in the federal infrastructure plan. Mr. Lochhead noted that any additional funds received from the plan would be added to the current program budget.

Approved the Fifth Amendment to Contract 504012 with Mott MacDonald, LLC for the Lead Reduction Program Plan for an extension of the contract period through January 31, 2023, and for an additional \$10,186,881, for a total amended contract amount not to exceed \$36,503,863.

Approved Contracts 505056 with AGL Construction, 505057 with KR Swerdfeger Construction, and 505058 with Mid City Corp. for the Accelerated Lead Service Line Replacement (ALSLR) program, for the contract period from January 1, 2022 to December 31, 2022, plus \$1,000,000 potholing to be administered, for a total contract amount not to exceed \$34,047,579.

Approved delegation of authority to the CEO to award subsequent task orders to the contractors throughout 2022 based on costs and contractors' capacity to perform replacements, up to the number of task orders needed to meet the replacement target and within the \$34,047,579 budget.

Approved delegation of authority to the CEO to exceed forecasted contractor cost allocations so long as the issuance of task orders does not exceed the total budget of \$34,047,579.

Approved Contracts 504686 and 504687 for \$1,607,000 of additional expenditures under the 2021 ALSLR contracts, for a total amount of \$36,090,050.

POLICY MATTERS

8. ITEM III-A: Q3 PERFORMANCE REPORT

Ms. Abram presented the Board with the 3rd Quarter 2021 Performance Report, a copy of which is attached to and incorporated in these Minutes as Exhibit B. She provided an update on the organizational business plan, scorecard, and dashboard metrics, highlighting portions of the third quarter financial report.

Ms. Abram reported that the business plan remains largely unchanged from the second quarter. Revenue is \$20.6 million over budget with third quarter water usage 3.6% above normal due to extended drier weather conditions. System Development Charge revenues are higher than expected and projected to be \$14 million over budget. Professional and Purchased Services remain close to budget. Construction and Field Services costs have increased due in part to continued increased costs for hauling and trucking. Materials and Supplies were slightly higher, and chemical costs are expected to be \$1.2 million over budget, due in part to higher water usage in the summer months.

Overall, through the end of the third quarter, projected costs are running 2.6% under budget, mostly due to timing shifts on projects. The operating budget, without projects, is close to budget due to careful management of variances.

9. ITEM III-B: NORTHWATER TREATMENT PLANT

Mr. McCormick presented the Board with Northwater Treatment Plant (NTP) Update, a copy of which is attached to and incorporated in these Minutes as Exhibit C. He provided several NTP construction photos of the clearwells, and filter, chemical, floc/sed and operations buildings, describing the construction progress and noting project milestones.

Mr. McCormick reported that wall construction for some buildings on site has been delayed due to manufacturer labor shortages but is anticipated to be back

in production in about six weeks. The project estimate at completion remains at \$512 million with about \$287 million spent to date, and about \$7.5 million below the project forecast of \$520 million. There have been no adjustments to the project cost this period. Minority and women-owned enterprise participation is still on track to exceed the original 8% participation project goal, and the project continues to meet critical schedule milestones despite manufacturing delays. The project remains on track for a projected 2024 completion.

EXECUTIVE UPDATE

10. ITEM IV-A: CEO UPDATE

Mr. Lochhead reported that employees have returned to in-person and hybrid work this week after 18 months of dispersed operations due to the pandemic. He stated that staff is being welcomed back to the Administration Building with a number of events and he looks forward to the energy and camaraderie, as well as the innovation, brainstorming, and creativity that happens when surrounded by co-workers.

11. ITEM IV-B: CFO UPDATE

Ms. Miller provided an overview of the Low-Income Housing Water Assistance Program that is focused on providing assistance to low-income households. She explained that the state has received \$15 million in funding, which is available on a first-come, first-served basis. The enrollment period is from November 1, 2021 through April 30, 2022. The state anticipates funds to go quickly, and Denver Water staff plans to communicate this information as quickly and efficiently as possible to its customers. The link for more information to Colorado's Low-Income Energy Assistance Program is available on Denver Water's website.

ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into a Trustee Meeting at approximately 9:56 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, November 17, 2021, commencing at 9:57 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 10:17 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:
Jim Lochhead
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Secretary

DocuSigned by:
Gary M. Reiff
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President