

**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: 895 1924 4533, Password: 144376
or Dial-in: (669) 900-6833, Meeting ID: 895 1924 4533

Wednesday, December 14, 2022

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, December 14, 2022, beginning at 9:00 a.m. in the Board Room and via Zoom Video Conference: <http://zoom.us/join>, Meeting ID: 895 1924 4533, Password: 144376 or via Dial-in: (669) 900-6833, Meeting ID: 895 1924 4533. Members of the Board present during the Regular Meeting were:

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

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

J.S. Lochhead, CEO/Manager	D. Lopez, IT Support Specialist
J.A. Anderson, Chief of Staff	J. Martin, Project Engineer
A. Bricmont, Chief Financial Officer	D. Martinelli, Finance Associate Analyst
J. Brody, General Counsel	P. McCormick, Project Engineer
B.D. Good, Chief Administrative Officer	M. McGavin, Engineer
D. Gorgemans, Chief Internal Auditor	K. Oligney, Director IT Infrastructure
R. Mahoney, Chief Engineering Officer	S. Overby, Business Operations Support
R. Marsicek, Chief Water Resource Strategy Officer	B. Peterson, Finance Supervisor
	C. Proctor, Communications Sr. Specialist

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
J. Archer, Engineering Manager
J. Barbier, Engineer Sr.
K. Bates, Attorney
A. Cavallaro, Paralegal
S. Chavez, Finance Supervisor
S. Chesney, Director Public Affairs
J. Daly, Finance Sr.
J. Daly, Procurement Specialist
L. Ellingson, Engineer Sr.
D. Fairburn, Engineer
C. Fikan, Finance Associate Analyst
C. Flynn, Procurement Specialist
K. Forbes, Director Human Resources
M. Freeman, Grants Administrator
P. Freeman, Business Operations Manager
A. Heidema, Director Engineering - Property
J. Light, Engineer Sr.

L. Quintana, Administrative Sr. Assistant
D. Rendon, Web Administrator & Developer
K. Riegle, Attorney
J. Ross, Director Engineering - Projects
B. Scott, IT Manager
U. Sharma, Treasurer
L. Southard, Business Operations Support
R. Stitt, Planning Manager
K. Unger, Communications Sr. Specialist
R. Walsh, Engineering Manager
J. Walter, Finance Analyst
W. Williams, IT Support Manager
O. Bannan, Western Resource Advocates
C. Garcia
E. Jorgensen, South Metro Water Supply Authority
C. Lane, Platte Canyon Water and Sanitation District
M. Nelson

INTRODUCTORY BUSINESS

Commissioner Jones called the meeting to order at 9:07 a.m.

Public Comment and Communications

Commissioner Jones issued an invitation to members of the public to comment to the Board on any matters not included in the meeting Agenda. 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: CONDUIT NO. 20 EXPANSION JOINT REPLACEMENT – CONTRACT 505547

Approved Contract 505547 with Garney Companies, Inc. for the Conduit No. 20

Expansion Joint Replacement for the contract period from December 14, 2022 to January 15, 2024, for a total contract amount not to exceed \$975,000.

2. ITEM II-A-2: WISE DIA CONNECTION – PROFESSIONAL SERVICES – CONTRACT 505528

Approved Contract 505528 with Tetra Tech, Inc. for the WISE DIA Connection Professional Services for the contract period from December 14, 2022 to December 31, 2025, for a total contract amount not to exceed \$2,611,022.

3. ITEM II-A-3: APPROVAL OF INTERNAL AUDIT CHARTER REFRESH

Approved the refreshed Internal Audit Charter, which was last revised and approved by the Board on August 12, 2015.

4. ITEM II-B-1: DECLINING PARTICIPATION IN THE COLORADO PAID FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM AND ADDING DENVER WATER COFAM LEAVE

Ms. Forbes presented a proposed Resolution Declining Participation in the Colorado Family and Medical Leave Insurance Program, a copy of which is attached to and incorporated in these Minutes as Exhibit A. She reported that Colorado's Paid Family and Medical Leave Insurance (FAMLI) Initiative will begin on January 1, 2024. Denver Water currently offers robust, employer-paid leave and wage replacement programs, in addition to job protection pursuant to the federal Family and Medical Leave Act. Staff intends to provide the Board with modifications to Denver Water's benefits later this year to align with the newly created FAMLI program.

Approved the Resolution Declining Participation in the Colorado Family and Medical Leave Insurance Program.

5. ITEM II-B-2: RECOMMENDED REVISIONS TO PERSONNEL POLICIES

Ms. Forbes presented proposed changes to the Personnel Policies, a summary of which is attached to and incorporated in these Minutes as Exhibit B. She reported that as part of its annual review of Denver Water's personnel policies, staff has identified recommended changes that align with best practices and support the business needs of Denver Water. Substantive changes include:

- 1) an increase in allowable Limited-Term Employees to fully staff capital projects;

2) the addition of two holidays to expand focus on diversity, equity, and inclusion; and 3) the elimination of obsolete provision for discretionary Location Pay.

Approved the adoption of revisions to the Personnel Policies effective January 1, 2023.

6. ITEM II-B-3: INTERGOVERNMENTAL AGREEMENT 505517 WITH DOUGLAS COUNTY FOR THE TRANSFER OF HORSE CREEK PROPERTY AND SHARED COMMUNICATION TOWER LEASE 505557

Ms. Heidema reported that this Intergovernmental Agreement with Douglas County proposes a no-cost transfer of Denver Water's 10-acre Horse Creek property in exchange for construction of a shared communication tower and continued police presence in the region. She presented a map showing the proposed property to be designated as surplus, a copy of which is attached to and incorporated in these Minutes as Exhibit C. Douglas County will pay the full cost of the tower construction, estimated at \$3.5 million. The proposed Communication Tower Lease term is for ten years with four potential ten-year extensions. She said this is a great deal for Denver Water, which has shared a partnership with Douglas County for many years.

In response to questions from the Board, Mr. Lochhead explained that the Horse Creek property is not necessary for Denver Water operations. Ms. Heidema added that Douglas County plans to build a complex on the property in the next five years that will house their sheriffs.

Approved declaration of 10-acres of Horse Creek property as surplus as it is no longer needed for water works purposes.

Approved Intergovernmental Agreement 505517, Quit Claim Deed, and Communication Tower Lease 505557 with Douglas County, for the purposes of constructing and maintaining a shared communication tower and providing police presence in the North Fork of the South Platte River valley region.

POLICY MATTERS

7. ITEM III-A: GROSS RESERVOIR EXPANSION PROJECT UPDATE

Mr. Martin presented the Board with the Gross Reservoir Expansion (GRE) Update, a copy of which is attached to and incorporated in these Minutes as Exhibit D. He reported on the progress of construction on site and provided a

forecast of key activities, noting current successes and challenges. He also noted the one-year anniversary since construction was approved.

To date, the team has moved over 866,000 cy to create 24-acres of flat ground, completed almost 200,000 sq. ft. of hydro-demolition of the dam surface, and excavated 120,500 cy of foundation rock. Although foundation excavation is behind schedule, it has not necessitated moving any project milestones, and after a three-week winter shutdown, excavation will be re-sequenced to extend through the winter months to regain momentum. Key activities for 2023 include completing the foundation rock excavation, finishing all foundation treatment concrete, and completing the foundation grouting. The team remains engaged with the community through public outreach and local activities, including “kitchen table” discussions involving Gross Dam Road, a holiday food drive, and improvements in response to community feedback on concrete placement.

Mr. Martin stated that the contingency fund liability is \$11.5 million with a fund balance of \$21.5 million. The forecasted contingency need is greater than the contingency fund and staff will make a recommendation on how to address the shortfall between the contingency and liability. The cumulative construction costs through November for the GRE 2022 program cost curve are behind forecast by about \$20 million, mostly due to labor issues, work sequencing, and delayed non-critical work.

EXECUTIVE UPDATE

8. ITEM IV-A: CEO UPDATE

Mr. Lochhead restated his announcement made the week prior regarding his intent to leave Denver Water, effective when a successor is found. He said he has enjoyed an amazing 12 years with Denver Water, and his greatest honor has been to serve the community and prepare the organization to meet the challenges of the future. Denver Water is currently in a strong position: staff has successfully managed many initiatives while navigating through a pandemic; the Board is engaged and ready to lead with a new refreshed Strategic Plan; and the executive team is well-positioned to take Denver Water forward with a workforce of over 1,100 people working every single day on its incredibly complex operation.

Commissioner Jones thanked Mr. Lochhead for his leadership, transparency, expertise, cooperation, and commitment to the organization. He congratulated Mr. Lochhead on his accomplishments, stating it will be hard to see him leave.

Commissioner Reiff stated that Mr. Lochhead made Denver Water a modern utility, commenting that his leadership and vision on policy in western water is premier. He noted that Mr. Lochhead will be missed.

ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into an Executive Session at approximately 9:56 a.m.

DocuSigned by:
Jim Lochhead
DEDE8A34877B484...
Secretary

DocuSigned by:
Craig Jones
6963021DBFEB4D7...
President