

**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: 858 7071 9900, Password: 580731
or Dial-in: (669) 900-6833, Meeting ID: 858 7071 9900

Wednesday, December 7, 2022

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, December 7, 2022, 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: 858 7071 9900, Password: 580731 or via Dial-in: (669) 900-6833, Meeting ID: 858 7071 9900. Members of the Board present during the Regular Meeting were:

Gary M. Reiff, President
Craig Jones, First Vice 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	A. Joseph, Attorney
J.A. Anderson, Chief of Staff	R. Kuhn, Finance Supervisor
A.C. Bricmont, Chief Financial Officer	D. Martinelli, Finance Associate Analyst
J. Brody, General Counsel	H. Miller, Internal Controls
B.D. Good, Chief Administrative Officer	J. Mitchell, Financial Planning & Performance Manager
R. Mahoney, Chief Engineering Officer	C. Palmore, Division Analyst
R. Marsicek, Chief Water Resource Strategy Officer	J. Park, IT Application Sr. Developer

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
J. Bogner, Finance Sr. Analyst
A. Cavallaro, Paralegal Sr.
F. Davis, Rates Manager
A. Denault, Community Relations Sr. Specialist
C. Fikan, Finance Associate Analyst
K. Forbes, Director Human Resources
L. Fraser, Business Operations Sr. Support
M. Freeman, Grants Administrator
P. Freeman, Business Operations Manager

J. Potts, Finance Analyst
C. Proctor, Communications Sr. Specialist
L. Quintana, Administrative Sr. Assistant
A. Rettig, Finance Supervisor
K. Riegle, Attorney
B. Scott, IT Manager
U. Sharma, Treasurer
J. Walter, Finance Analyst
P. Williams, Executive Assistant
A. Woodrow, Lead Program Manager
D. Bookhardt, Butler Snow LLP
K. Crawford, Butler Snow LLP
C. Garcia
R. Hungerbuhler, Segal Marco Advisors
E. Jourgensen, South Metro Water Supply Authority
D. Kelley, Butler Snow LLP
C. Lane, Platte Canyon Water and Sanitation District

INTRODUCTORY BUSINESS

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

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.

ADJOURNMENT

The Board voted unanimously to adjourn into its Annual Meeting at approximately 9:03 a.m.

Reconvened Open Session

At approximately 9:06 a.m., on Wednesday, December 7, 2022, in the Board Room, Room 106, 1600 West 12th Avenue, Denver, Colorado and via Video Conference: <http://zoom.us/join>, Meeting ID: 858 7071 9900, Password: 580731 or via

Dial-in:(669) 900-6833, Meeting ID: 858 7071 9900, Commissioner Jones reconvened the Regular Meeting of the Board of Water Commissioners, which had been commenced and adjourned earlier in the day. Members of the Board present 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 reconvened meeting were:

J.S. Lochhead, CEO/Manager	A. Joseph, Attorney
J.A. Anderson, Chief of Staff	R. Kuhn, Finance Supervisor
A.C. Bricmont, Chief Financial Officer	D. Martinelli, Finance Associate Analyst
J. Brody, General Counsel	H. Miller, Internal Controls
B.D. Good, Chief Administrative Officer	J. Mitchell, Financial Planning & Performance Manager
R. Mahoney, Chief Engineering Officer	C. Palmore, Division Analyst
R. Marsicek, Chief Water Resource Strategy Officer	J. Park, IT Application Sr. Developer
T.J. Roode, Chief Operations and Maintenance Officer	J. Potts, Finance Analyst
E. Abbott, IT Program Manager	C. Proctor, Communications Sr. Specialist
S. Abram, Director Finance Plan & Performance	L. Quintana, Administrative Sr. Assistant
S. Adamkovics, Finance Sr. Analyst	A. Rettig, Finance Supervisor
B. Akins, Finance Analyst	K. Riegler, Attorney
R. Badger, Planning Manager	B. Scott, IT Manager
J. Bogner, Finance Sr. Analyst	U. Sharma, Treasurer
A. Cavallaro, Paralegal Sr.	J. Walter, Finance Analyst
F. Davis, Rates Manager	P. Williams, Executive Assistant
A. Denault, Community Relations Sr. Specialist	A. Woodrow, Lead Program Manager
C. Fikan, Finance Associate Analyst	D. Bookhardt, Butler Snow LLP
K. Forbes, Director Human Resources	K. Crawford, Butler Snow LLP
L. Fraser, Business Operations Sr. Support	C. Garcia
M. Freeman, Grants Administrator	R. Hungerbuhler, Segal Marco Advisors
P. Freeman, Business Operations Manager	E. Jourgensen, South Metro Water Supply Authority
	D. Kelley, Butler Snow LLP
	C. Lane, Platte Canyon Water and Sanitation District

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 NOVEMBER 9, 2022

Approved the Minutes from the November 9, 2022 Board Meeting.

2. ITEM II-A-2: MINUTES FROM NOVEMBER 16, 2022

Approved the Minutes from the November 16, 2022 Board Meeting.

3. ITEM II-A-3: NINETEENTH AUTHORIZATION FOR ADDITIONAL CONTRACT FUNDS FOR ICONICS INC. – CONTRACT 500408

Approved the Nineteenth Authorization to Contract 500408 with Iconics Inc. for Iconics SupportWorX Premier Plan for an extension of the contract period through December 21, 2023, and for an additional \$137,383, for a total amended contract amount not to exceed \$1,430,746.

4. ITEM II-B-1: APPOINTMENTS TO THE CITIZENS ADVISORY COMMITTEE (CAC)

Ms. Denault explained that Denver Water's Citizens Advisory Committee (CAC) is comprised of ten volunteer members who advise Denver Water staff and the Board on a variety of issues. The CAC holds monthly meetings that are open to the public, and each CAC member is appointed for one three-year term, with the opportunity to serve a second three-year term if recommended by the CAC and approved by the Board. She described the nomination process and detailed each candidate's qualifications for their respective recommended positions.

Approved the appointment of Alan Hassler for a second, three-year term for one of two West Slope representative positions on the CAC.

Approved the appointment of Mike Eytel for a two-year term for the West Slope representative position.

Approved the appointment of Charles Garcia for a three-year term for the environmental representative position.

5. ITEM II-B-2: APPROVAL OF 2022 STATE REVOLVING FUND LOAN RESOLUTION

Ms. Sharma provided the Board with an overview of key provisions in the 2022 State Revolving Fund (SRF) Loan Resolution and Loan Agreement, copies of which are attached to and incorporated in these Minutes as Exhibit A. The SRF Loan Resolution, which includes both loan and principal forgiveness components, will finance a portion of the expenditures related to Denver Water's Lead Reduction Program. She stated that it authorizes execution and delivery of a Drinking Water Revolving Fund loan in the approximate amount of \$76.1 million, with \$40 million in the form of principal forgiveness and \$36.1 million in loaned funds, amortized over 30 years at a fixed interest rate of 2.75%. The first drawing will be in the second quarter of 2023.

Mr. Lochhead expressed his appreciation to everyone involved and the incredible amount of work that went into securing the loan, noting the huge achievement for Denver Water and the communities that will benefit from it.

Adopted the 2022 State Revolving Fund Loan Resolution authorizing execution and delivery of a Loan Agreement between the Board and the Colorado Water Resources and Power Development Authority.

6. ITEM II-B-3: APPROVAL OF 2023 BUDGET

Ms. Abram provided the Board with the 2023 Budget Summary, a copy of which is attached to and incorporated in these Minutes as Exhibit B. She highlighted key points of the 2023 budget, stating that Denver Water's budget development approach is similar to prior years in minimizing the impact of cost increases and taking into account inflationary impacts on key items. The majority of Denver Water's budget for projects and programs in 2023 is to support the Business Plan priorities and programs, and annual maintenance programs.

She reported that Denver Water is currently at the peak of its largest capital plan in history, with the Gross Reservoir Expansion, Lead Replacement Program, and Northwater Treatment Plant making up 76% of the 2023 project budget. Sources of funds and revenues are budgeted at \$455.7 million, which is an increase of \$41.6 million from 2022 and reflects the approved 5% water rate increase for 2023. Proceeds from debt will see an increase of \$86.3 million to \$206.3 million, and operating expenses without projects are budgeted at \$234 million, an increase of \$18.1 million from 2022.

Mr. Lochhead expressed his appreciation for the dedication and work contributed by the budget team in developing the 2023 Budget.

Approved the proposed 2023 Budget.

EXECUTIVE UPDATE

7. ITEM IV-A: CEO UPDATE

Mr. Lochhead provided an update on Colorado River Basin matters, noting that the 2007 guidelines that regulate water use from Lake Powell and Lake Mead expire at the end of 2025, and the states are moving toward renegotiation of those guidelines. The U.S. Department of the Interior (DOI) is taking action and starting a Supplemental Environmental Impact Statement (SEIS) process to begin the environmental compliance necessary to review the 2007 guidelines. Current conditions are at a point where decisive action is necessary to protect the Colorado River system.

He indicated that if dry conditions continue, it is possible that Lakes Powell and Mead could reach dead pool levels within the next two years. The DOI has presented a number of alternative approaches they are considering and are asking for comments on the scope of the SEIS to be submitted by December 20th. Some of the DOI's alternatives include deep cuts for water deliveries from Lakes Mead and Powell. The DOI has also asked the basin states for a collaborative alternative by the end of January.

Mr. Lochhead also stated that the 2022 Colorado River Water Users Association's (CRWUA) annual conference will be held next week in Las Vegas, NV. CRWUA serves as an annual forum for discussion on use and management of the Colorado River.

8. ITEM IV-B: CFO UPDATE

Ms. Bricmont reported that the October Financial Report has been prepared for the Board's review, a copy of which is attached to and incorporated in these Minutes as Exhibit C.

ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into a Trustee Meeting at approximately 9:30 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, December 7, 2022, commencing at 9:31 a.m., in the Board Room, Room 106, 1600 West 12th Avenue, Denver, Colorado and via Zoom Video Conference. The Minutes of the Trustee/Plan Sponsor Meeting are maintained separately.

The Trustee/Plan Sponsor Meeting concluded at 9:57 a.m., at which time the Board voted unanimously to adjourn the meeting of the Board of Water Commissioners.

DocuSigned by:
Jim Lockhead
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Secretary

DocuSigned by:
Craig Jones
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President