

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

Video Conference: <http://zoom.us/join>, Meeting ID: 972 5531 4158, Password: 447473
or Dial-in: (669) 900-6833, Meeting ID: 972 5531 4158

Wednesday, February 24, 2021

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, February 24, 2021, beginning at 9:00 a.m. via Zoom Video Conference: <http://zoom.us/join>, Meeting ID: 972 5531 4158, Password: 447473 or via Dial-in: (669) 900-6833, Meeting ID: 972 5531 4158. Members of the Board present during the Regular Meeting were:

**Gary M. Reiff, President
Craig Jones, First Vice President
H. Gregory Austin, Vice President
Paula Herzmark, Vice President
John R. Lucero, Vice President**

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

J.S. Lochhead, CEO/Manager	K. Oligney, Director IT Infrastructure
J.A. Anderson, Chief of Staff	J. Park, IT Application Sr. Developer
A.C. Bricmont, Chief Financial Officer	C. Proctor, Communication Sr. Specialist
J. Brody, General Counsel	A. Rettig, Finance Supervisor
B.D. Good, Chief Administrative Officer	K. Riegler, Attorney
D. Gorgemans, Chief Internal Auditor	E. Rubenstein, Water Treatment Plant Supervisor
M. King, Chief External Affairs Officer	U. Sharma, Treasurer
R. Mahoney, Chief Engineering Officer	J. Shaw, Community Relations Sr. Specialist
T.J. Roode, Chief Operations and Maintenance Officer	J. Smith, Engineer Sr.
E. Abbott, IT Program Manager	L. Southard, Administrative Sr. Assistant
S. Adamkovics, Finance Sr. Analyst	A. Turney, Director Engineering – Property
D. Arnold, Attorney	J. Walter, Finance Analyst
R. Badger, Planning Manager	
J. Bogner, Finance Analyst	

A. Cavallaro, Paralegal
S. Chesney, Director Public Affairs
J. Christensen, Contract Specialist
J. Daly, Finance Sr. Analyst
C. Dick, Engineer Sr.
P. Freeman, Business Operations
Manager
E. Gleason, Engineer Sr.
D. Lopez, IT Support Specialist
J. Lorton, Director Accounting
J. Martin, Project Engineer
C. Mbakogu, Division Sr. Analyst
P. McCormick, Project Engineer
T. Moore, Finance Analyst
L. Morales, Community Relations Sr.
Specialist

P. Williams, Executive Assistant
A. Woodrow, Community Relations Sr.
Specialist
F. Albanese, Financial Investment News
C. Anstaett, Black & Veatch
J. Becker-Wold, Callan
A. Browning, Callan
J. Crockett, Jacobs
P. Fitzgerald, Platte Canyon Water and
Sanitation District
C. Lane, Platte Canyon Water and
Sanitation District
S. Ravel, Mott MacDonald
L. Suer, Jacobs
G. Zamensky, Black & Veatch

INTRODUCTORY BUSINESS

Commissioner Jones called the meeting to order at 9:06 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 Agenda for the meeting. There was no public comment.

Legislative Update

Mr. King stated there were no substantive updates this week and formal legislative briefings will resume at the next Board Meeting.

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: AGREEMENT WITH THE SOUTHEAST METRO
STORMWATER AUTHORITY AUTHORIZING STORMWATER USES IN THE
HIGH LINE CANAL – CONTRACT 504789**

Mr. Roode presented this intergovernmental agreement to the Board for consideration and approval. In response to a question from Commissioner Austin, Mr. Roode explained that Southeast Metro Stormwater Authority (SEMSWA), prior to discharging stormwater into a 1.5-mile reach of the High Line Canal (HLC), will pre-treat the stormwater added to the HLC to comply with its municipal storm sewer (MS4) permit. This stormwater entering the HLC will be beneficial to the surrounding trees and vegetation.

Mr. Roode thanked Ms. Turney and Mr. Arnold for their assistance in preparing and negotiating this Agreement.

Approved Contract 504789 with Southeast Metro Stormwater Authority (SEMSWA) authorizing stormwater uses in the High Line Canal from Marion Street to Peakview Avenue in the City of Centennial.

Approved delegation of authority to the CEO/Manager to approve future High Line Canal stormwater use authorizations to SEMSWA on the same terms and conditions as those in Contract 504789.

**2. ITEM II-B-2: GROSS RESERVOIR PRIMARY OUTLET WORKS
TRASHRACK MODIFICATIONS – CONTRACT 504683**

Mr. Dick presented the Board with an update on the Gross Reservoir Trashrack Modifications Project, a copy of which is attached to and incorporated in these Minutes as Exhibit A. He reported that the trashrack is a 25-foot structure, located 300 feet underwater at the bottom of Gross Reservoir, and prevents debris from entering the outlet works system. The existing trashrack, constructed in 1952, needs to be upgraded to meet current seismic design criteria and address a dam safety deficiency as required by the Federal Energy Regulatory Commission and the Colorado Office of the State Engineer (Dam Safety).

He explained that the trashrack modification must take place under water because Gross Reservoir cannot be drained due to water demand. A team of four specialized saturation divers will live in a pressurized chamber for the duration of the project. The divers will work 12-hour shifts, 24 hours per day and 7 days a week for approximately one month. Removal of accumulated sediment around the structure will take approximately seven days and will be followed by

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demolition of the existing structure, which will take an additional seven days. Once demolition is complete, the new prefabricated steel structure, assembled on shore, will be dropped into the remaining slab. The final structure will look similar to the existing structure but be constructed of steel and be more robust.

Mr. Dick noted that while unforeseen conditions could impact costs, mitigation measures include high-resolution underwater survey of the trashrack structure, constructability review by the diving contractor, and owner-controlled contingency. Due to the specialized nature of the construction work, only two contractors were considered qualified, and Global Diving & Salvage was selected by an evaluation team as providing the best value for Denver Water.

In response to a question from Commissioner Jones, Mr. Dick explained that the existing trashrack is approximately 65 years old. The newly constructed trashrack is expected to last one hundred years or more. While corrosion is a possible concern, there are protections in place to prevent that from occurring.

Approved Contract 504683 with Global Diving & Salvage, Inc. for construction of the Gross Reservoir Trashrack Modifications Project for the contract period from February 24, 2021 to December 31, 2021, for a total contract amount not to exceed \$5,892,180.

POLICY MATTERS

3. ITEM III-A: LEAD REDUCTION PROGRAM UPDATE

Ms. Woodrow presented the Board with an update on the Lead Reduction Program (LRP), a copy of which is attached to and incorporated in these Minutes as Exhibit B. She reported that the project team is continuing to meet all regulatory deadlines and project milestones. Both the Environmental Protection Agency and the Colorado Department of Public Health and Environment have recognized the efforts and commitment Denver Water has made to the LRP.

The Accelerated Lead Service Line Replacement construction has continued through January and February, and contractors are slated to replace about 3,200 lead service lines (LSLs) this year, while Denver Water crews will remove approximately 1,400 to meet the minimum regulatory target of 4,477 LSLs. Staff is closely monitoring the schedule in order to stay within budget. Filter distribution is also ongoing, and starting in mid-March, new Brita filters will be delivered to customers enrolled in the program.

A new water podcast *Water is for Fighting* recently featured Denver Water's LRP, including many positive interviews about the program. Additional news and social media sources have featured customer testimonials and positive experiences with the LRP. The program's community outreach and engagement efforts continue through Denver Water's Ambassador Program to spread program awareness. Denver Water is also maintaining a virtual helpdesk to assist customers in multiple languages.

The Board thanked Ms. Woodrow for the great progress.

4. ITEM III-B: NORTHWATER TREATMENT PLANT

Mr. McCormick presented the Board with the Northwater Treatment Plant Update, a copy of which is attached to and incorporated in these Minutes as Exhibit C. He highlighted the team's progress in the field, noting that the Pre-treatment and Filter Buildings, the two largest structures on site, are both on schedule and proceeding well.

He noted that the project has experienced its first pandemic-related equipment delay, which is not expected to impact the project completion timeline. The total project cost curve through December 2020 is just under \$200 million. The budget for 2021 is projected at \$125 million, and this year will be the busiest year to date. The estimate at completion (EAC) is \$512 million, and the project forecast remains at \$7.5 million below budget with 32% of construction complete. Work Package 8 remains the last portion of work to be contracted.

There are no changes to minority and women-owned business enterprise (MWBE) spending, which is still on track to achieve \$31.5 million in targeted participation. There are no major changes to the contractor or owner construction contingency. The project team continues to focus on safety and quality in the field and completing the project in early 2024.

In response to a question from Commissioner Lucero, Mr. McCormick stated the COVID-19 positivity rate has been low the last few months and much of the exposure has been due to activities outside the work environment. He added that the team has been quick to provide exposure notification and COVID-19 protocols on site have been effective at minimizing the number of cases.

EXECUTIVE UPDATE

5. ITEM IV-A: CEO REPORT

Mr. Lochhead reported that the executive team and a group of employees held a COVID-19 Transition Value Stream regarding transition into a post-pandemic work environment. Discussions included transition challenges, opportunities to create a more flexible work environment, and logistical details for a safe transition back to an office setting. Denver Water is not mandating a return to the office until at least the end of August, but a voluntary phased-in return to work could begin before that time. For those already reporting to a Denver Water worksite, the team is planning a return to more normal operations as employees are able to get vaccinated and the general environment becomes safer.

Mr. Lochhead also reported that the executive team continues to pursue its scenario planning exercises and monitor the impacts of COVID-19 on the economy and revenues, as well as prepare for the potential for drought in 2021. He noted that water use was lower than normal in December, mostly in the non-residential sector, but did not significantly affect revenues because December is a low water use period. Accounts greater than 60 days past due at year end totaled \$4.4 million or 1.4% of budgeted water sales, which has not significantly impacted revenues at this time. Total water sales revenues were up about \$36 million last year, mostly due to the hot dry summer. Systems development charge revenues were lower than budgeted in 2020 and expected to remain lower into 2021. From an operations standpoint, projects were delivered on time and on budget for 2020. Denver Water is maintaining a conservative approach with a lean budget going into 2021.

In response to a question from Commissioner Jones, Mr. Lochhead explained that while there was a hiring freeze in 2020, vacancy rates have been planned into the 2021 budget, and hiring for critical positions is a priority.

Commissioner Austin commented that this is a remarkable report and that staff has done a wonderful job during this period of uncertainty. Mr. Lochhead agreed that the challenges created by the pandemic have been met with a remarkable performance by all employees.

6. ITEM IV-B: CFO REPORT

Ms. Bricmont reported that the 2021 budget is lean and staff continues to monitor revenues and prepare in the event revenues are lower than expected.

7. ITEM IV-C: OPERATIONS REPORT

Ms. Gleason presented the Board with the Ralston Spillway Construction Project Update, a copy of which is attached to and incorporated in these Minutes as Exhibit D. She reported that the Ralston Reservoir is a key component in Denver Water's North System. The Ralston Dam and Spillway were originally constructed in 1936, and the spillway is currently being replaced to meet today's engineering design standards.

She explained that the replacement process required demolition of the existing un-reinforced spillway and constructing a solid support for the new spillway. A robust system of drains and anchors were added to prevent uplift and minimize the potential for erosion. The new concrete slabs are anchored into the bedrock with rebar, reducing the potential to shift over time. Reinforcement of the concrete slab and walls minimizes crack width and provides needed structural strength.

The project used 22,000 cy of repurposed concrete rubble from the demolished spillway and rock from the nearby quarry in the buttress to provide additional stability for construction loads and increase long-term stability. The concrete placement is expected to be complete in the next couple of weeks and final completion of the project is anticipated in mid-April. The construction contract is currently \$8.8 million.

ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into a Trustee Meeting at approximately 10:02 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, February 24, 2021, commencing at 10:03 a.m., via Video Conference. The Minutes of the Trustee Meeting/Plan Sponsor are maintained separately. The Trustee/Plan Sponsor Meeting concluded at 10:40 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