

**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: 882 3417 6376, Password: 600590
or Dial-in: (669) 900-6833, Meeting ID: 882 3417 6376

Wednesday, April 26, 2023

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, April 26, 2023, beginning at 9:00 a.m. in the Board Room and via Zoom Video Conference: <http://zoom.us/join>, Meeting ID: 882 3417 6376, Password: 600590 or via Dial-in: (669) 900-6833, Meeting ID: 882 3417 6376. Members of the Board present during the Regular Meeting were:

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	A. Hill, Government Relations Liaison
J.A. Anderson, Chief of Staff	A. Ingram, Procurement Supervisor
A. Bricmont, Chief Financial Officer	A. Joseph, Attorney Sr.
J. Brody, General Counsel	J. Kirk, Communications Sr. Specialist
R. Mahoney, Chief Engineering Officer	D. Lopez, IT Support Sr. Specialist
R. Marsicek, Chief Water Resource Strategy Officer	J. Lorton, Director Accounting
T.J. Roode, Chief Operations and Maintenance Officer	J. Martin, Project Engineer
S. Abram, Director Financial Planning & Performance	D. Martinelli, Finance Associate Analyst
	K. Nash, Business Operations Support
	K. Oligney, Director IT Infrastructure
	S. Overby, Business Operations Support

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

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



S. Adamkovics, Finance Sr. Analyst	C. Proctor, Communications Sr. Specialist
B. Akins, Finance Sr. Analyst	L. Quintana, Administrative Sr. Assistant
J. Alexander, Scientist Lead	D. Raitt, Engineering Manager
R. Badger, Planning Manager	A. Rettig, Finance Supervisor
S. Behunek, Public Affairs Manager	K. Riegle, Attorney Sr.
C. Brummitt, Attorney	U. Sharma, Treasurer
A. Cavallaro, Paralegal Sr.	R. Shepler, Planner Lead
J. Daly, Finance Sr. Analyst	K. Unger, Communications Sr. Specialist
F. Davis, Rates Manager	J. Walter, Finance Analyst
S. Dozier, Water Quality Lead	C. Garcia, CAC
L. Duffy, Finance Sr. Specialist	D. Hand
C. Fikan, Finance Associate Analyst	C. Lane, Platte Canyon Water and Sanitation District
C. Gonzales, Internal Sr. Auditor	A. Quinn, CAC
L. Hammett, Finance Sr. Analyst	

INTRODUCTORY BUSINESS

Commissioner Gómez called the meeting to order at 9:05 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 Gómez issued an invitation to members of the public to comment to the Board on any matters not included in the meeting Agenda.

Communication:

The Board received a letter from the Citizen Advisory Committee (CAC), expressing significant reservations about the Uinta Basin Project, which entails daily trains carrying large amounts of waxy crude oil passing through the Moffat Tunnel Railway in Colorado. The CAC's concerns include the risk of derailments in Glenwood Canyon and the Colorado River and increased greenhouse-gas emissions. Additionally, this corridor already transports a number of hazardous materials.

Staff proposed reaching out to the Department of Transportation and the National Transportation Safety Board, urging further review of potential impacts along the corridor, with the Board's authorization. Mr. Lochhead added that while this project would not impose significant risk to Denver Water facilities, the organization has a significant interest in watershed health and an investment in Colorado communities.

Public Comment:

Ms. Hand spoke to the Board regarding a water main break on February 2, 2023 that caused damage to her vehicle for which she has been unable to receive reimbursement through Denver Water's claims process. She requested a copy of the insurance adjuster's documentation, noting her belief that her vehicle meets the claims criteria under the guidelines.

The Board thanked Ms. Hand for her comments, stating that staff will respond to her request promptly.

Legislative Update

Mr. Hill reported that the General Assembly adjourns sine die on May 8, 2023 and today is the last update before the end of the Legislative Session. He provided a summary of several notable bills that Denver Water staff are reviewing and tracking, including SB23-295 Colorado River Drought Task Force; SB23-270 Projects to Restore Natural Stream Systems; SB23-213 Land Use; SB23-274 Water Quality Control Fee-setting By Rule; HB23-1257 Mobile Home Park Water Quality; and HB23-1282 Protect Consumers from Additional Entities. He also added that the Colorado Open Records Act bill was referred to appropriations with no hearing set.

Mr. Hill was available to answer any questions regarding the Legislative Update Briefing Paper. The Board had no questions.

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: WATER WORKS FUND – INVESTMENT POLICY CHANGES AND CSIP RESOLUTION APPROVAL

Ms. Rettig presented the Board with the Water Works Fund (WWF) Investment Policy Changes and Colorado Statewide Investment Pool (CSIP) Resolution Approval, copies of which are attached to and incorporated in these Minutes as Exhibits A-B. She reported that the Investment Policy Statement (IPS) sets forth Denver Water's investment goals and objectives and governs the investment activities of the WWF within the boundaries established by the Colorado Revised Statutes. The IPS is reviewed annually to determine whether modifications to the current policy statement are necessary. Staff recommends the following

changes: 1) addition of negotiable certificate of deposit; 2) increase in the maximum allowable concentration to the investment that provide daily liquidity; 3) increase to the maximum allowable concentration in each individual government money market fund; and 4) update to the timelines for reporting and policy review frequency. These changes will allow for an increase in investments in liquid instruments to address current operational needs, increase portfolio diversification, and follow best practices.

Ms. Rettig further explained that adding the CSIP, a local government investment pool (LGIP), will increase overall diversification and liquidity of the portfolio by allowing access to a wider range of investments. Denver Water currently invests in two of the three LGIPs available to Colorado public governments.

Approved the proposed amendments to the Investment Policy Statement for the Water Works Fund.

Approved and adopted the resolution to join the Colorado Statewide Investment Pool.

POLICY MATTERS

2. ITEM III-B: GROSS RESERVOIR EXPANSION UPDATE

Mr. Martin presented the Board with the Gross Reservoir Expansion Update, a copy of which is attached to and incorporated in these Minutes as Exhibit C. He reported on the progress of construction and key activities on site. The extension of excavation activities through the winter months allowed the team to regain schedule momentum, amounting to a 15% gain in the excavation process. The concrete production rate is on schedule and grouting is anticipated to commence in late April. The dam raise phase in 2024 remains achievable.

He stated that the cumulative construction billings through February are slightly less than forecasted, with the planned work for 2023 leading to the achievement of a crucial construction milestone in early 2024. The team has invested a great deal of effort in forming relationships within the community and remains engaged with public outreach as ongoing roadway improvement projects continue. The team has also initiated a collaborative value innovation process to evaluate past decisions and consider new innovations to reduce cost, labor, schedule, and risk. Mr. Raitt presented Mr. Lochhead with the much-coveted Beaver Award, which is an award that recognizes exemplary employee performance. Mr. Lochhead

stated that it is a tremendous honor to receive the award and that it reflects the effort of many Denver Water Boards through the years.

EXECUTIVE UPDATE

3. ITEM IV-B: CEO UPDATE

Mr. Lochhead reported that last week he, along with Rick Marsicek, and Jessica Brody, met with some key staff for the Central Arizona Project (CAP), which serves as a collaborative partner and innovative leader in sustainable management and reliable delivery of water to central and southern Arizona. CAP was constructed in the 1970s and will have a key role in efforts to reduce demands on the Colorado River. Mr. Lochhead said the meeting was a great opportunity to establish relationships, discuss water operations, and learn how the CAP plans to deal with inevitable water shortages, concluding that it was a good exchange of information and a valuable trip.

4. ITEM IV-C: OPERATIONS UPDATE

Ms. Kirk and Mr. Shepler presented the Board with the Summer Watering Rules and Peak Shaving Pilot update, a copy of which is attached to and incorporated in these Minutes as Exhibit D. Ms. Kirk reported that as the summer watering season kicks off, Denver Water shares outdoor water efficiency information through several outlets, including mailers, events, advertising, partnerships, and social media. This year, the annual mailer will include messaging for a "Peak Shaving" pilot project to over 2,000 Advanced Metering Infrastructure (AMI) customers.

Mr. Shepler explained that for the past two years, water use in July has been 10% higher on Monday, Wednesday, and Friday, peaking between the hours 4–8 a.m. and 5–7 p.m. The peak shaving program will shift demand from peak water use times through assignment of watering days and times for single family customers. The benefits of peak shaving equate to lower energy and infrastructure costs, less sedimentation in the collection system, and operational efficiencies and sustainability.

The pilot program is a voluntary program that will start this summer for customers with AMI. If the program is successful, peak shaving could be implemented across the entire service area as soon as 2024, with the potential to decrease peak day demands by 15–20 million gallons.

In response to questions from the Board, Mr. Shepler explained that customers who have an AMI meter and have created an account can view the available water usage data. He added that there may be additional opportunities for future customer and infrastructure savings.

BRIEFING PAPERS & REPORTS

5. ITEM V-A-1: BRIEFING PAPER FOR LEGISLATIVE STRATEGY

The Board received a Briefing Paper for Legislative Strategy, a copy of which is incorporated and attached to these Minutes as Exhibit E.

6. ITEM V-B-1: LEAD REDUCTION PROGRAM REPORT

The Board received a Report for the Lead Reduction Program, a copy of which is incorporated and attached to these Minutes as Exhibit F.

ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into an Executive Session at approximately 9:49 a.m.

DocuSigned by:
Jim Lochhead
DEFE0A34B77B484...
Secretary

DocuSigned by:
Dominique Gomez
D314D3464634469
Vice President