

**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: 916 8486 7577, Password: 969623
or Dial-in: (669) 900-6833, Meeting ID: 916 8486 7577

Wednesday, August 25, 2021

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, August 25, 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: 916 8486 7577, Password: 969623 or via Dial-in: (669) 900-6833, Meeting ID: 916 8486 7577. 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:

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| J.S. Lochhead, CEO/Manager | K. Greenleaf, Administrative Sr. Assistant |
| J.A. Anderson, Chief of Staff | D. Lopez, IT Support Specialist |
| R. Badger, <i>Acting</i> Chief of Water Resource Strategy | J. Lorton, Director Accounting |
| A.C. Bricmont, Chief Financial Officer | J. Martin, Project Engineer |
| J. Brody, General Counsel | C. Mbakogu, Division Sr. Analyst |
| B.D. Good, Chief Administrative Officer | P. McCormick, Project Engineer |
| R. Mahoney, Chief Engineering Officer | K. Oligney, Director IT Infrastructure |
| T.J. Roode, Chief Operations and Maintenance Officer | J. Park, IT Application Sr. Developer |
| | C. Proctor, Communications Sr. Specialist |
| | B. Ransom, Recreation Manager |

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

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



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| E. Abbott, IT Program Manager | A. Rettig, Finance Supervisor |
| S. Abram, Director Finance Plan & Performance | K. Riegler, Attorney |
| S. Adamkovics, Finance Sr. Analyst | U. Sharma, Treasurer |
| B. Akins, Finance Analyst | C. Shaw, Division Analyst |
| D. Arnold, Attorney | J. Shaw, Community Relations Sr. Specialist |
| J. Bogner, Finance Sr. Analyst | L. Southard, Administrative Sr. Assistant |
| C. Brummitt, Attorney | P. Williams, Executive Assistant |
| A. Cavallaro, Paralegal | L. Albanese, Financial Investment News |
| S. Chesney, Director Public Affairs | L. Dory |
| E. Cinchock, Division Sr. Analyst | C. Espanol, Pageant Media |
| J. Daly, Finance Sr. Analyst | R. Jerath |
| F. Davis, Rates Manager | C. Lane, Platte Canyon Water and Sanitation District |
| R. Davis, Finance Analyst | G. McCarthy, Portfolio Evaluations, Inc. |
| D. Fairburn, Engineer | L. Suer, Jacobs |
| C. Fikan, Finance Associate Analyst | |
| P. Freeman, Business Operations Manager | |

INTRODUCTORY BUSINESS

Commissioner Reiff called the meeting to order at 9:03 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.

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: INTERGOVERNMENTAL AGREEMENT FOR LEAD SERVICE LINE REPLACEMENTS WITH BANCROFT-CLOVER WATER AND SANITATION DISTRICT – CONTRACT 504955**

Approved Contract 504955 with the City of Bancroft-Clover for lead service line replacements for the contract period from August 25, 2021 to July 1, 2022, for a total contract amount not to exceed \$273,000.

2. ITEM II-A-2: COST SHARING AGREEMENT WITH UNITED STATES FOREST SERVICE FOR PATROLS ALONG THE SOUTH PLATTE RIVER – CONTRACT 504974

Approved Contract 504974 with the United States Forest Service (USFS) for patrols on the South Platte River for the contract period from August 25, 2021 to June 30, 2026, for the annual funding amount of \$12,768 for the five-year period.

3. ITEM II-B-1: APPROVAL OF CASH RESERVE POLICY AND DEBT MANAGEMENT POLICY

Ms. Rettig presented the Board with the Approval of Cash Reserve and Debt Management Policies, a copy of which is attached to and incorporated in these Minutes as Exhibit A. She explained that the cash reserve and debt management policies establish a foundation for annual financial planning processes, which are subject to annual review by the Chief Financial Officer and presented to the Board for approval at least every three years. At this time, no material changes to either policy are recommended.

She reported that the objective of the Cash Reserve Policy is to maintain adequate flexibility in terms of cash balances while maintaining reserves required from a legal and operational perspective. The Debt Policy establishes the objectives and practices of debt management to ensure Denver Water has the ability to repay its debt obligations, maintains financial flexibility, seeks optimal financing options, and manages interest rate risk. Overall, Denver Water has a strong financial position that is recognized by rating agencies and other utilities.

Approved and adopted the amended Cash Reserve and Debt Management Policies.

POLICY MATTERS

4. ITEM III-A: NORTHWATER TREATMENT PLANT OVERVIEW AND UPDATE

Mr. McCormick presented the Board with the Northwater Treatment Plant (NTP) Update, a copy of which is attached to and incorporated in these Minutes as Exhibit B. He provided an overview of the NTP project timeline and budget process, including a brief history and summary of the project. He reported that construction on the NTP project commenced in 2019 and has reached over a million person-hours in 2021. The Northwater Treatment Plant will be capable of

treating up to 75 million gallons of water a day by the time its fully operational in 2024. With about 50% of the construction completed, this year remains one of the busiest years for construction with \$125 million of work planned.

Mr. McCormick stated that the project estimate at completion (EAC) is \$512 million, which is about \$7.5 million below the project forecast of \$520 million. Minority and women-owned enterprise (MWBE) participation is on track to exceed the original 8% participation project goal, and the project continues to meet critical schedule milestones and make significant progress despite previous weather delays. Going forward, he noted that the NTP updates will be presented to the Board on a quarterly basis.

In response to questions from the Board, Mr. McCormick explained that early in the project, as a cost savings measure, a single supplier was chosen for the bulk of the materials and prices were locked for those commodities, which are currently 10-30% below market. He noted that the goal of the NTP project is to provide a facility that can last 100 years and push the boundaries of sustainability.

5. ITEM III-B: HIGH LINE CANAL UPDATE

Mr. Roode presented the Board with the High Line Canal Transformation, a copy of which is attached to and incorporated in these Minutes as Exhibit C. He provided an overview of the history of the Canal and its transformation from an outdated water conveyance to that of a stormwater structure and 71-mile greenway for future generations. He explained that the High Line Canal Conservancy (HLCC) was formed as a non-profit entity in 2014 in collaboration with Denver Water to lead the transition of the Canal. This transition includes six stormwater conversion projects currently underway for approximately 11 miles of the Canal, as well as converting High Line Canal water customers from water delivery systems that are increasingly inefficient to more efficient water sources.

A few of the HLCC's key accomplishments include engaging over 6,000 residents, raising \$6.6 million since 2015, and developing over 500 successful volunteer and community programs. This list of accomplishments also includes the formation of the Canal Collaborative, which formalizes and expands existing collaborations with over a dozen local governmental entities.

Mr. Roode highlighted key aspects of the master funding agreement between the HLCC and Denver Water, which will provide continued funding support for maintenance and operations and long-term care of the Canal, resulting in a lower total cost to Denver Water. This agreement helps guide the planned direction of the Canal in continuing to implement customer water conversions and continuing to formalize stormwater agreements and the Canal Collaborative.

EXECUTIVE UPDATE

6. ITEM IV-B: CFO UPDATE

Ms. Bricmont reported that the July Financial Report has been prepared for the Board's review, a copy of which is attached to and incorporated in these Minutes as Exhibit D. She noted that the financial performance measures are within the metrics for overall operating revenues with no major changes through the second quarter.

BRIEFING PAPERS & REPORTS

7. ITEM V-A-1: LEAD REDUCTION PROGRAM

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

ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into a Trustee Meeting at approximately 10:13 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, August 25, 2021, commencing at 10:14 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 10:44 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 Lockhead
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Secretary

DocuSigned by:
Gary M. Reiff
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President