

**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, May 22, 2024

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, May 22, 2024, 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, President
Tyrone Gant, Vice President
Craig Jones, Vice President
Gary M. Reiff, Vice President

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

A. Salazar, CEO/Manager	A. Ingram, Procurement Supervisor
J.A. Anderson, Chief of Staff	A. Joseph, Attorney Sr.
J. Brody, General Counsel	H. Judd, Organization Improvement Facilitator
B.D. Good, Chief Administrative Officer	L. Kleats, Treasurer
D. Gorgemans, Chief Internal Auditor	J. Martin, Project Engineer
A. Heidema, <i>Acting</i> Chief Engineering Officer	M. McDonald, Watershed Scientist
J. Lorton, <i>Acting</i> Chief Financial Officer	J. Mellette, Organization Improvement Sr. Facilitator
R. Marsicek, Chief Water Resource Strategy Officer	T. Nguyen, Director Information Security
T.J. Roode, Chief Operations and	S. Nnuro, Internal Sr. Auditor

Maintenance Officer	K. Oligney, Director IT Infrastructure
A. Aslamy, Finance Supervisor	I. Oliver, Director SOS
S. Behunek, Public Affairs Manager	J. Potts, Finance Sr. Analyst
L. Brown, Strategic Sourcing Specialist	C. Proctor, Communication Sr. Specialist
C. Brummitt, Attorney	L. Quintana, Administrative Sr. Assistant
H. Carroll, IT Support Manager	B. Ransom, Recreation Manager
A. Cavallaro, Paralegal Sr.	J. Reich, IT Infrastructure Tech.
J. Chavez, IT Project Manager	A. Rettig, Finance Supervisor
S. Chesney, Director Public Affairs	K. Riegle, Attorney Sr.
M. Crosswright, Executive Assistant	L. Schulz, Customer Relations Manager
J. Daly, Procurement Specialist	L. Southard, Business Operations Support
F. Davis, Rates Manager	J. Spitze, Director IT Business Tech & PMO
L. Duffy, Finance Sr. Analyst	R. Walsh, Engineering Manager
C. Easom, Attorney	M. Warden, Law Clerk
H. Ego, Organization Improvement Sr. Facilitator	P. Williams, Executive Assistant
C. Fikan, Finance Associate Analyst	A. Witheridge, Scientist Sr.
P. Freeman, Business Operations Manager	D. Hodges, Goldman Sachs
E. Gebhardt, Systems Administrator	J. Munoz, Marsh
C. Gonzales, Internal Sr. Auditor	D. Woolfrey, GRS

INTRODUCTORY BUSINESS

Commissioner Gómez called the meeting to order at 9:00 a.m. Upon motion regularly made, seconded and unanimously carried, Commissioner Donner 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. 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: SETTLEMENT OF CASE NO. 24CV30378, DENVER WATER V. HENKELS & MCCOY, INC. – CONTRACT 506076

Approved the settlement of Denver District Court Case No. 24CV30378 with Henkels & McCoy in the amount of \$280,093.

2. ITEM II-A-2: FINANCIAL ADVISORY SERVICES – CONTRACT 506010

Approved Contract 506010 with PFM Financial Advisors LLC for financial advisory services, for the contract period from June 1, 2024 to May 31, 2029, for a total contract amount not to exceed \$1,300,000.

3. ITEM II-A-3: AQUATIC NUISANCE SPECIES (ANS) INSPECTIONS – CONTRACT 506075

Approved Contract 506075 with Colorado Parks and Wildlife for aquatic nuisance inspections, for the contract period from January 1, 2024 to December 31, 2028, for a total contract amount not to exceed \$1,000,000.

4. ITEM II-A-4: PROPERTY, CASUALTY, AND CYBER INSURANCE POLICY RENEWALS/PURCHASES

Approved the delegation of authority to the CEO/Manager to renew and bind annual coverage for the policies related to property and equipment, excess liability, fiduciary, crime, cyber, terrorism, and malicious attack, and to obtain a new policy for standalone employment practice liability. The total amount of this renewal is not to exceed \$2,100,000.

5. ITEM II-B-1: FROM FORESTS TO FAUCETS 3: USFS AND CSFS AGREEMENT - PRESENTATION

Ms. McDonald presented the Board with the From Forests to Faucets Partnership (Partnership) update, a copy of which is attached to and incorporated in these Minutes as Exhibit A. She reported that the goal of the Partnership is to implement forest and watershed health projects to reduce the risk of catastrophic wildfire and restore forests impacted by catastrophic wildfire events in Denver Water's priority watersheds. She provided an overview of wildfire mitigation programs, outlining the impacts to Denver Water, mitigation projects and goals, and the structure of agreements within the Partnership.

Approved Contract 506060 with the U.S. Forest Service for forest health and wildfire risk reduction, for the contract period from May 22, 2024 to April 15, 2029, for a total contract amount not to exceed \$1,361,832.

Approved Contract 506068 with the Colorado State Forest Service for forest health and wildfire risk reduction, for the contract period from May 31, 2024 to May 31, 2029, for a total contract amount not to exceed \$3,800,000.

6. ITEM II-B-2: INTERGOVERNMENTAL AGREEMENT WITH ARAPAHOE COUNTY FOR THE HIGH LINE CANAL – CONTRACT 506071

Mr. Roode discussed the Intergovernmental Agreement (IGA) with Arapahoe County for the High Line Canal, explaining that through the Purchase and Sale Agreement signed in December 2023, Denver Water agreed to transfer approximately 45 miles of fee ownership of its High Line Canal property (Property) through Arapahoe, Denver, and Adams counties to Arapahoe County Board of County Commissioners. This IGA establishes transition maintenance commitments and ongoing roles and responsibilities following the land transfer of portions of the Property and confirms Denver Water's agreement to perform maintenance and administrative activities through December 31, 2026.

Approved the Intergovernmental Agreement 506071 with Arapahoe County for transition maintenance commitments and the on-going roles and responsibilities for the High Line Canal.

7. ITEM II-B-3: 2024 MISCELLANEOUS FEES

Mr. Potts presented the Board with the 2024 Miscellaneous Fees update, a copy of which is attached to and incorporated in these Minutes as Exhibit B. He explained that miscellaneous fees are categorized as either service fees or penalty fees. Based on an updated review of the costs to provide special services, staff recommends increases to nine service fees and one penalty fee. In addition, staff recommends that starting in 2026, miscellaneous fees be increased annually by the Bureau of Labor Statistics Denver Metropolitan over-the-year inflation rate, and that full cost analysis reviews be completed on a 5-year basis.

Approved an increase to 10 miscellaneous fees to take effect on January 1, 2025.

Approved yearly inflationary increases to 25 service fees with full cost analysis reviews every 5 years.

POLICY MATTERS

8. ITEM III-A: RECREATION UPDATE

Mr. Ransom presented the Board with the Denver Water Recreation update, a copy of which is attached to and incorporated in these Minutes as Exhibit C. He reported that Denver Water employs diverse strategies for managing recreation at its reservoirs, including direct management, indirect management, and working in collaboration with public and private partners. The pandemic brought about challenges that led to changes in developing programs to ensure quality experiences. The recreation team strives to strike the right balance between recreation and operational requirements, taking into consideration the many recreational offerings at its various facilities. Future recreational considerations include commercial use permits in areas like Antero and Williams Fork, finalizing recreation plans, and continued Board input on recreation locations and fee structures.

EXECUTIVE UPDATE

9. ITEM IV-A: CEO UPDATE

Mr. Salazar reported that the City of Denver announced an expansion of the Denver Downtown Authority (DDA), potentially bringing up to \$500 million to finance improvements and revitalize downtown Denver. Mr. Salazar is prepared to participate in related discussions regarding water implications and their impact on sustainable development and smart growth in the future.

10. ITEM IV-B: CFO UPDATE

Ms. Lorton reported that the April 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.

11. ITEM IV-C: OPERATIONS 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 E. He provided an update on construction activities, highlighting key activity progress and accomplishments. He stated that with the first roller-

compacted concrete (RCC) placement completed, the team is planning to place 312 vertical feet of RCC in 2024. The center arch concrete was completed in April and the schedule is on track for all critical path activities. Construction billing through March 2024 was approximately \$206 million.

He stated that severe weather conditions and power outages due to high wind events continue to be met with a collaborative approach to avoid impacting the construction schedule. Safety measures are a high priority, and a state-of-the-art system has been developed to help crews remain safe. The system measures lightning strike distances and atmospheric electrical values. This is one tool in a comprehensive safety approach.

BRIEFING PAPERS & REPORTS

12. ITEM V-B-1: REPORT FOR NORTHWATER TREATMENT PLANT UPDATE

The Board received a Report for Northwater Treatment Plant, 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 9:51 a.m.

DocuSigned by:
Alan Salazar
Secretary

DocuSigned by:
Dominique Gomez
President