

AGENDA

Denver Board of Water Commissioners

Denver Water Board Room, 1600 W 12th Avenue, Denver, CO 80204 and

Video Conference: <http://zoom.us/join>, Meeting ID: 870 7406 7947- Passcode: 213041 or

Dial in (719) 359-4580 - Meeting ID: 870 7406 7947- Passcode: 213041

Wednesday, March 25, 2026 9:00 a.m.

Board Breakfast 8:30 a.m.

I. INTRODUCTORY BUSINESS

A. Call to Order and Determination of Quorum

B. Public Comment and Communications

At this point in the agenda, the Board may allow members of the public to address the Board on any item of interest within the jurisdiction of the Board, and not on the agenda for action. Speakers wishing to address a specific Action Item will be invited to address the Board when the item is being considered. Three minutes are allowed for each person unless the President determines otherwise.

1. Distributor Communications
2. Citizen Advisory Committee Communications

C. Ceremonies, Awards, and Introductions

D. Legislative Update	Andrew Hill	5 minutes
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II. ACTION ITEMS

A. Consent Items

Items listed below are considered routine and may be enacted by one motion and vote. If any Board member desires discussion beyond explanatory questions, or corrections to the Minutes, the President may order that item to be considered in a separate motion and vote.

1. Denver International Airport 2026/2027 Vault Improvements – Contract 506500
2. Declaration of Surplus Property for Westwood Property at 3355 W. Mississippi Avenue
3. Identification of Discretionary Positions

B. Individual Approval Items

- | | | |
|--|--|------------|
| 1. Board Resolution for Stage 1 Drought Declaration | Nathan Elder,
Travis Thompson | 15 minutes |
| 2. Appointment to the Citizens Advisory Committee – HBA Representative | Ashley Denault | 5 minutes |
| 3. Watershed Health Update | Madelene McDonald | 15 minutes |
| a) U.S. Forest Service 2026 Collection Agreement From Forests to Faucets – Contract 506616 | | |

III. POLICY MATTERS

IV. EXECUTIVE UPDATE

A. CEO Update

B. CFO Update

C. Operations Update

V. BRIEFING PAPERS & REPORTS

A. Briefing Paper

1. Legislative Update

B. Report

1. February Monthly Financial Report

VI. ADJOURNMENT

VII. TRUSTEE MATTERS

VIII. EXECUTIVE SESSION

The Board may adjourn the regular meeting and reconvene in executive session on topics authorized by D.R.M.C Sec. 2-34.

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 25, 2026

Board item: II-A-1

Denver International Airport 2026/2027 Vault Improvements Contract 506500

Action by Consent

Individual Action

Purpose and Background:

The purpose of this Board item is to seek approval for Contract 506500 with R&D Pipeline Construction, Inc. for Denver International Airport 2026/2027 Vault Improvements. This project will replace failed vault hatch lids under the annual Denver International Airport (DEN) Vault Improvement Program.

DEN has been in operation for 31 years and has proven to be a harsh environment for maintaining utility infrastructure due to poor drainage conditions that allow water and deicing fluid to accumulate and deteriorate existing utility vaults. The annual DEN Vault Improvement Program includes replacement of existing vault hatches that have failed, or are prone to failure, and replacement of corroding vault access ladders. The work in 2026 and 2027 includes repairs and improvements to 10 vaults.

Budget and Schedule:

The total amount of this contract is \$1,853,980 and the term of the contract is March 25, 2026 through January 30, 2028. Funds for this contract will come from the 2026 budget for 2026/27 DIA Vault Improvements, which has sufficient funds to pay the \$964,258 estimated to be needed in 2026. The remaining \$889,722 will be budgeted in years 2027 and 2028.

Selection of Business Partner:

Denver Water solicited bids from three general contractors on the prequalified contractors list under the Civil – Vaults discipline. This contract was a restricted bid process using invitations to bid on the QuestCDN platform. On March 3, 2026, bids were received from three general contractors. R&D Pipeline Construction, Inc. was selected based on the lowest bid.

Recommendation:

Staff recommends that the Board approve Contract 506500 with R&D Pipeline Construction, Inc. for Denver International Airport 2026/2027 Vault Improvements for the contract period March 25, 2026 through January 30, 2028, for a total contract amount not to exceed \$1,853,980.

Approvals

Alan Salazar, CEO/Manager

Julie Anderson, Chief of Staff

Jessica R. Brody, General Counsel

Angela C. Bricmont, Chief Finance Officer

Brian D. Good, Chief Administrative Officer

Richard B. Marsicek, Chief Water Resource Strategy Officer

Robert J. Mahoney, Chief Engineering Officer

Thomas J. Roode, Chief Operations Office

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 25, 2026

Board item: II-A-2

Declaration of Surplus Property for Westwood Property at 3355 W. Mississippi Avenue

Action by Consent

Individual Action

Purpose and Background:

The purpose of this Board item is to seek approval to declare the Westwood Property located at 3355 W. Mississippi Avenue in Denver, Colorado (Property), as surplus. The Property was acquired in 1948, with the additional acquisition of a contiguous parcel in 1985. The Property had been operated as a dispatch point for Denver Water by one or two partial water distribution crews until it was taken out of service in 2023. The small site and aging buildings do not allow for a full water distribution crew to operate out of the facility, including parking the heavy equipment necessary to repair and replace water mains, the materials required for this work and the office space required for employees to perform administrative work. The Property is essentially two lots in a residential neighborhood, and the 24-hour operation generated complaints from the surrounding residents.

The Property consists of a 0.40 acre fenced land parcel with two buildings providing shop and office space. Following the decommissioning of the Property, Denver Water has not found a replacement use and does not anticipate any future waterworks purposes. Over the last three years, this vacancy has been a maintenance and security obligation for Denver Water. Regular patrolling is required to discourage squatters and damage to the fencing and structures. Despite current security measures, the Property has experienced squatters occupying the vacant buildings and extensive dumping of trash on the grounds, resulting in a degradation of Denver Water's community reputation.

Staff has evaluated the Property for potential public and private uses. The Property's disposal value will vary depending on a buyer's intended use with the highest and best use likely to fall under a private multi-family redevelopment and lowest from a nearby non-profit community garden organization. Disposal options will be presented to the Board for consideration once viable alternatives are identified.

Budget and Schedule:

There is no budgetary impact for this item, but a future disposal is anticipated to generate revenue for Denver Water. All contractual agreements regarding revenue for disposal will be presented individually to the Board for approval.

Recommendation:

Staff recommends that the Board declare 3355 W. Mississippi Avenue known as the Westwood Property as surplus as it is no longer necessary for waterworks purposes.

Approvals

Alan Salazar, CEO/Manager

Julie Anderson, Chief of Staff

Jessica R. Brody, General Counsel

Angela C. Bricmont, Chief Finance Officer

Brian D. Good, Chief Administrative Officer

Richard B. Marsicek, Chief Water Resource Strategy Officer

Robert J. Mahoney, Chief Engineering Officer

Thomas J. Roode, Chief Operations Officer

**TITLE: RESOLUTION DECLARING SURPLUS PROPERTY FOR WESTWOOD PROPERTY
AT 3355 W. MISSISSIPPI AVENUE**

ADOPTED AND APPROVED ON MARCH 25, 2026 BY THE CITY AND COUNTY OF
DENVER ACTING BY AND THROUGH ITS BOARD OF WATER COMMISSIONERS

Tyrone Gant, Board President

Alan Salazar, CEO/Manager

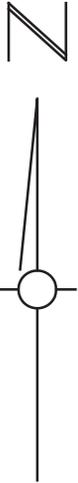
The Board of Water Commissioners finds that:

- A. The Board acquired certain property known as Westwood Property for operational purposes.
- B. Westwood Property is no longer functional for Denver Water operations and has been vacant since 2023.
- C. The property is not fit for purpose because of its small size and residential location.
- D. Vacancy of the property has been a maintenance and security obligation for Denver Water.
- E. Staff has evaluated the Board's property holdings and finds this property has no operational functionality, is administratively burdensome, is an attractive nuisance, and presents the potential for positive disposal revenue.

Based on the foregoing findings, the Board:

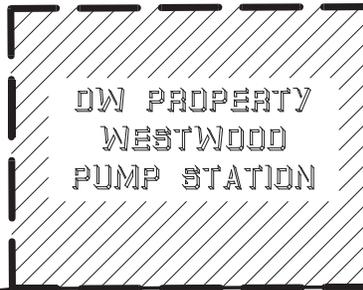
- 1. Declares 3355 W. Mississippi Avenue, Denver, Colorado known as Westwood Property as described on Exhibit A, surplus as it is no longer necessary for waterworks purposes.
- 2. This Resolution shall be effective following its adoption by the Board of Water Commissioners.

SW 1/4 SECTION 17, TOWNSHIP 4 SOUTH, RANGE 68 WEST 6th PM
----- CITY AND COUNTY OF DENVER -----



SW1/4
SEC 17

S IRVING ST



DW PROPERTY
WESTWOOD
PUMP STATION

W MISSISSIPPI AVE

S JULIAN ST

NW1/4
SEC 20

PARCEL CONTAINS 0.40 ACRES±

The Westwood Pump Station property depicted and hatched above is no longer useful or required for present or future Water Works purposes. It is recommended that this property be presented to the Board for consideration as surplus only.

DocuSigned by:
Thomas J. Roode
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Thomas J. Roode
Maintenance Officer

DocuSigned by:
Robert J. Mahoney
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Robert J. Mahoney
Manager

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Angela Brimont
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Angela Brimont
Chief Finance Officer

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Jessica Brody
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Jessica Brody
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Signed by:
Richard B. Marsicek
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Richard B. Marsicek
Resource Strategy

DocuSigned by:
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Brian Good
Chief Administrative Officer

I agree with the staff recommendation and instruct that a board item be prepared and presented at the earliest possible regular board meeting, requesting surplus designation.

DocuSigned by:
Alan Salazar
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Alan Salazar
CEO/Manager



DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 25, 2026

Board item: II-A-3

Identification of Discretionary Positions

Action by Consent

Individual Action

Purpose and Background:

The purpose of this Board item is to approve updates to the list of discretionary positions.

The Denver Charter, section 10.1.6, allows the Board to establish a classification of employment for persons who are not part of the classified system and who serve solely at the pleasure of the Board, meaning they are not entitled to civil service protections. Denver Water refers to these employees as discretionary employees.

The Charter states, "The Board may establish classifications of employment for persons outside the civil service system who serve solely at the pleasure of the Board. Such employees shall include the number of temporary employees the Board deems necessary and not more than 2% of all regular employees of the Board."

Discretionary positions are generally senior-level or policymaking positions that report directly to the CEO/Manager or to a Chief, or positions held by lower-level employees whose actions could have a broad organizational impact or place Denver Water at significant risk. The Board is responsible for identifying those positions it considers discretionary. Denver Water periodically reviews discretionary positions and brings recommended updates to the Board for approval as organizational needs change.

The following is a list of updates to the discretionary positions:

Discretionary Position	Current Incumbent	Discretionary Status	Comments
CEO/Manager	Salazar, Alan	No change	Replaced Jim Lochhead on 8/7/2023
Executive Administrative Assistant	Crosswright, Mary	New	Executive support for Alan Salazar 9/5/2023
Chief of Staff	Anderson, Julie	No change	
General Counsel	Brody, Jessica	No change	
Chief Administrative Officer	Good, Brian	No change	
Chief Engineering Officer	Mahoney, Robert	No change	
Chief Finance Officer	Bricmont, Angela	No change	
Chief Operations & Maintenance Officer	Roode, Thomas	No change	
Chief Internal Auditor	Gorgemans, Denis	No change	
Director of Financial Planning and Performance	Abram, Stephanie	No change	
Director of Financial Reporting and Assurance	Lorton, Julie	New	Position responsibilities include accounting, payroll and financial controls
Director of Human Resources	Burgess, Kim	No change	
Director of IT Cybersecurity	Nguyen, Tung	No change	
Director of Public Affairs	Chesney, Stacy	No change	
Rates Manager	Davis, Fletcher	No change	

Treasurer	Leila Kleats	No change	Replaced Usha Sharma on 11/13/2023
Chief Water Resource Strategy Officer	Marsicek, Richard	No change	
Director of Enterprise IT	John Nolte	No change	Replaced Virginia Roberts on 8/4/2024
Director of Emergency Management, Safety and Security	Taussig, Jason	No change	

Budget and Schedule:

There is no budgetary impact for this item.

Recommendation:

Staff recommends the Board approve the updates to the list of discretionary positions detailed as Required Actions in the table above.

Approvals

- | | |
|--|---|
| <input checked="" type="checkbox"/> Alan Salazar, CEO/Manager | <input type="checkbox"/> Brian D. Good, Chief Administrative Officer |
| <input checked="" type="checkbox"/> Julie Anderson, Chief of Staff | <input type="checkbox"/> Richard B. Marsicek, Chief Water Resource Strategy Officer |
| <input type="checkbox"/> Jessica R. Brody, General Counsel | <input type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer |
| <input type="checkbox"/> Angela C. Bricmont, Chief Finance Officer | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer |

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 25, 2026

Board item: II-B-1

Board Resolution for Stage 1 Drought Declaration

Action by Consent

Individual Action

Purpose and Background:

The purpose of this Board item is to seek approval for adoption of the 2026 Board Resolution to implement a Stage 1 drought response pursuant to Chapter 15 of the Operating Rules.

Staff continuously monitor a variety of drought indicators, including snowpack levels, watershed conditions, and both current and projected reservoir storage. At present, the South Platte Basin snowpack is at a 40-year record low. Snowpack in the Colorado River Basin is similarly concerning, ranking among the lowest five years on record.

Streamflows from snowmelt are forecasted to be significantly below average and insufficient to fill Denver Water's reservoirs. Additionally, the current water year, which began in October, is the warmest on record by a substantial margin, and long-term weather forecasts do not indicate relief. On March 17, Governor Polis activated the state's Drought Task Force and Phase 2 of Colorado's Drought Response Plan.

The goal of Denver Water's drought response is to protect the community's investment in landscapes and preserve water for health, safety, and economic vitality to the greatest extent possible. Given the severity of current drought conditions and the uncertainty surrounding future weather and snowfall, a 20% water use reduction target has been established for 2026 to help preserve water supplies. Measures to achieve water use reduction targets include limiting lawn watering to two days per week, reducing contract deliveries, and conducting extensive public outreach to promote the drought restrictions and steps customers can take to save water. Our customers have become more efficient in the last two decades, and we need their continued cooperation to save even more water this year. Water supplies will be augmented through the Shoshone Relaxation Agreement and recovery of minimum flows in Waterton Canyon. Further supply enhancements will be investigated.

Budget and Schedule:

Water use reductions, which are necessary to preserve reservoir storage, result in lower water sales revenue. While variable operating costs decrease with reduced consumption, we may experience increased drought-related operating and capital costs. Denver Water has taken proactive steps to reduce its operating costs. Additional changes may be necessary as we gain more understanding of both our water supply and associated financial impacts.

Recommendation:

Staff recommend the Board adopt Resolution 002-2026 for Stage 1 Drought Declaration effective March 25, 2026 through April 30, 2027.

Approvals

Alan Salazar, CEO/Manager

Julie Anderson, Chief of Staff

Jessica R. Brody, General Counsel

Angela C. Bricmont, Chief Finance Officer

Brian D. Good, Chief Administrative Officer

Richard B. Marsicek, Chief Water Resource Strategy Officer

Robert J. Mahoney, Chief Engineering Officer

Thomas J. Roode, Chief Operations Officer

TITLE: Board Resolution for Stage 1 Drought Declaration

ADOPTED AND APPROVED ON MARCH 25, 2026 BY THE CITY AND COUNTY OF DENVER ACTING BY AND THROUGH ITS BOARD OF WATER COMMISSIONERS

Tyrone Gant, Board President

Alan Salazar, CEO/Manager

The Board of Water Commissioners finds that:

- A. As of March 19, 2026, storage in Denver Water's supply reservoirs is currently at 80% of full, which is lower than the historic median for storage at this time of year.
- B. Denver Water's supply system depends primarily on snowmelt in the South Platte and Colorado River watersheds. As of March 19, 2026, snowpack is 53% of normal for this date in the South Platte Basin, which is at a 40-year low, and 69% of normal for this date in the Colorado River Basin, which ranks as the second lowest snowpack on record.
- C. The U.S. Drought Monitor for Colorado categorizes Denver Water's water collection system watersheds as being in a Severe to Exceptional Drought and the Denver Water service area as being in a Severe Drought.
- D. The National Weather Service's long-range temperature outlooks forecast above normal temperatures and below normal precipitation for Denver Water's service area and water collection system watersheds.
- E. Stream flow, soil moisture, and precipitation are projected to be below normal.
- F. Denver Water staff project that supply reservoirs will not fill this year.
- G. Governor Jared Polis activated Colorado's Drought Task Force and Phase 2 of Colorado's Drought Response on March 17, 2026.
- H. Implementation of a drought response plan will conserve and manage water resources and protect public health and safety in the event of a prolonged drought.
- I. The goal of the drought response measures is to reduce total water demand by 20% from March 25, 2026 through April 30, 2027.

- J. In order for Denver Water to meet its obligation to continually provide an adequate supply of water inside Denver as required by the Charter, a drought response must be implemented requiring everyone who receives the Board's water (inside and outside Denver, inside and outside the Combined Service Area, and lessees who receive nonpotable water and potable water under fixed-amount contracts) to participate in water conservation measures designed to achieve a system-wide reduction of 20% in water consumption.
- K. The source of water for recycled water deliveries is primarily reusable effluent, which has different supply characteristics and may be more abundant during drought years.

Based on the foregoing findings and pursuant to Article X of the Charter of the City and County of Denver and Denver Water Operating Rules, the Board declares a Stage 1 Drought and takes the following actions, effective March 25, 2026 through April 30, 2027, or until further notice:

- 1. Water Use Restrictions: The Board implements the following water use restrictions, except as permitted by a Denver Water approved water budget or variance:
 - a. Irrigation.
 - i. Grass Watering Restrictions.
 - a) Watering of grass shall be limited to two days per week in accordance with a watering schedule developed and published by Denver Water staff.
 - b) Watering of grass is prohibited between the hours of 10:00 a.m. and 6:00 p.m.
 - ii. Irrigation of Trees, Shrubs and Perennials. Trees, shrubs, and perennials may be watered any day by means of a hand-held hose or low-volume non-spray irrigation, but not between 10:00 a.m. and 6:00 p.m.
 - iii. Irrigation of Annuals and Vegetables. Annuals and vegetables may be watered any day by means of a hand-held hose or low-volume non-spray irrigation, but not between 10:00 a.m. and 6:00 p.m.
 - iv. Irrigation System Installation, Operation, and Repair. An irrigation system may be operated outside the watering schedule for installation, repair, or reasonable maintenance, so long as the system is attended throughout the period of operation and water waste does not occur. All irrigation control systems must be reprogrammed for operation in compliance with the schedule provided by the Board or must be operated manually.

b. Washing of Vehicles.

- i. Personal Vehicles. At locations other than commercial car washes, washing of personal vehicles shall be done using a bucket or a hand-held hose equipped with an automatic shut-off nozzle.
- ii. Fleet Vehicles. Vehicles in commercial operations or fleets may be washed no more than once per week, unless public health or safety requires more frequent washing.
- iii. Commercial Car Washes. Commercial car washes shall practice efficient use of water.

c. Washing of Impervious Surfaces.

- i. Power Washing by Individuals. Power washing may occur only on the assigned watering days pursuant to the day-of-the-week watering schedule, except for immediate health or safety reasons. Cleaning without water should be done prior to power washing.
- ii. Commercial Power Washing. Commercial enterprises for whom cleaning with water is an essential element of their business are not subject to day-of-the-week restrictions, but they must clean without water prior to power washing, use only high-efficiency equipment, and assure that water waste does not occur.

d. Food and Lodging Establishments.

- i. Restaurants and Food Service Operations. Restaurants and catering businesses shall serve water only upon request.
- ii. Lodging. Lodging establishments shall not change sheets more often than every four days for guests staying more than one night, except for health or safety reasons or upon express request of guests.

2. Fixed-Amount Contracts: The Board directs the following for water deliveries to lessees who receive nonpotable water or potable water under fixed-amount contracts:

- a. Delivery Reduction Agreements. For agreements with provisions for reduction in deliveries under drought conditions, the amount delivered shall be reduced by 20%.
- b. Curtailment and Use Restriction Agreements. For agreements with provisions requiring progressive curtailment or the adoption of the same or similar water use restrictions as the Board during drought conditions, the lessee shall implement the restrictions contained in Section 1 (Water Use Restrictions) of this Board Resolution.

c. Recycled Water Agreements. For agreements involving recycled water deliveries, the Board is not reducing recycled water deliveries at this time to the extent that reusable return flows are available for treatment at the Recycle Plant. (Operating Rule 15.01.2.) Licensees are allowed to water under the conditions imposed in Denver Water Operating Rule 4.04. If only water from storage is available for treatment at the Recycling Plant, recycled water Licensees are to implement the restrictions contained in Section 1 of this Board Resolution and/or additional restrictions as determined by the Board.

d. Time of Day Restrictions. For all fixed-amount contracts, water delivered by Denver Water shall not be used for outdoor watering between the hours of 10:00 a.m. to 6:00 p.m. during all months of the year.

3. Operating Rules Remain in Effect: The Board directs that all provisions of the Operating Rules, including but not limited to rules regarding water conservation and prohibiting water waste, remain in full force and effect to the extent not superseded by this resolution.

4. Further Monitoring and Action: The Board directs the Manager and staff to:

a. Implementation. Take all necessary actions to implement the provisions, restrictions, and conservation measures adopted in this Resolution.

b. Continued Monitoring. Continue to monitor current and projected water use, current and projected water supply reservoir contents, Colorado and South Platte basin water supply indicators such as temperature, precipitation, snowpack, stream flow, and soil moisture and to recommend to the Board any changes or further action as may be necessary or prudent based on changes in conditions.

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 25, 2026

Board item: II-B-2

Appointment to the Citizens Advisory Committee – HBA Representative

Action by Consent

Individual Action

Purpose and Background:

The purpose of this Board item is to appoint Adam Heyman to the Citizens Advisory Committee (CAC) as the Home Builders Association (HBA) of Metro Denver representative for a three-year term.

Denver Water's CAC is a 10-member volunteer citizen committee that advises Denver Water staff and the Board of Water Commissioners on a variety of issues while encouraging and coordinating public participation in the organization's policymaking and planning processes.

The CAC was created as part of the 1979 Foothills Agreement that, among other things, required Denver Water to form a citizens group charged with representing public interests in specific categories of stakeholder groups: Denver citizen representatives (3), West Slope representatives (2), suburban customer representative (1), environmental representative (1), public interest group representative (1), distributor representative (1) and Homebuilders Association of Metro Denver representative (1).

The CAC recommends candidates to the Board, and the Board has appointing authority for the CAC. CAC members are 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.

The second term for the outgoing HBA representative, Jim Fitzmorris, will end in April 2026. The CAC relies on HBA members to select potential candidates to represent the group's perspective. Adam Heyman has been an active member of HBA since 2024. A brief statement of the candidate's interests, as well as his resume, are attached.

The CAC voted unanimously to recommend Adam Heyman for a three-year term, which would go through April 2029.

Budget and Schedule:

There is no budgetary impact for this item.

Recommendation:

Staff recommends the Board appoint Adam Heyman for a three-year term for the HBA representative position.

Approvals

Alan Salazar, CEO/Manager

Julie Anderson, Chief of Staff

Jessica R. Brody, General Counsel

Angela C. Bricmont, Chief Finance Officer

Brian D. Good, Chief Administrative Officer

Richard B. Marsicek, Chief Water Resource Strategy Officer

Robert J. Mahoney, Chief Engineering Officer

Thomas J. Roode, Chief Operations Officer

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 25, 2026

Board item: II-B-3-a

U.S. Forest Service 2026 Collection Agreement From Forests to Faucets Contract 506616

Action by Consent

Individual Action

Purpose and Background:

The purpose of this Board item is to seek approval for Contract 506616 with the U.S. Forest Service (USFS) to conduct wildfire risk reduction forest treatments on approximately 12,183 acres of National Forest System lands within priority watersheds.

Since 2010, the From Forests to Faucets Partnership (Partnership) has been a successful collaborative partnership aimed at protecting Denver Water's infrastructure and water supply from high-severity wildfire. The Partnership implements forest and watershed health projects to reduce the risk of catastrophic wildfire and restore forests impacted by wildfire events in Denver Water's priority watershed. The Partnership leverages resources and expertise to achieve these shared goals.

The Partnership has continued through a Memorandum of Understanding (MOU) that was signed in June 2022 by Denver Water, USFS, Colorado State Forest Service, Natural Resources Conservation Service, and the Colorado Forest Restoration Institute.

Every year under the MOU, the USFS submits a collection agreement for the proposed forest health projects. In addition to Denver Water's contribution of \$1,749,975, USFS is providing \$2,215,673.80 in matching funds.

Budget and Schedule:

The total amount of this contract is \$1,749,975 and the term of the contract is from the date the contract is fully signed through five years after the date of the last signature. Funds for this contract will come from the From Forests to Faucets business unit which has sufficient funds to pay the estimated amount of \$100,000 needed in 2026. The remaining funds will be budgeted in years 2027 through 2031.

Recommendation:

Staff recommends that the Board approve Contract 506616 with USFS for forest resilience and wildfire risk reduction projects for the contract period of the date the contract is fully signed through five years after the date of the last signature for a total contract amount not to exceed \$1,749,975.

Approvals

- | | |
|---|--|
| <input checked="" type="checkbox"/> Alan Salazar, CEO/Manager | <input type="checkbox"/> Brian D. Good, Chief Administrative Officer |
| <input type="checkbox"/> Julie Anderson, Chief of Staff | <input checked="" type="checkbox"/> Richard B. Marsicek, Chief Water Resource Strategy Officer |
| <input type="checkbox"/> Jessica R. Brody, General Counsel | <input type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer |
| <input checked="" type="checkbox"/> Angela C. Bricmont, Chief Finance Officer | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer |

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 25, 2026

Board item: V-A-1

Briefing Paper for Legislative Strategy

Summary

As of March 20, 2026, there are approximately 480 bills under consideration. The General Assembly continues to grapple with the state budget as the Joint Budget Committee learned that the state's funding gap has grown to \$1.5 billion, about \$500 million more than when the session began. Since the last Board meeting, Denver Water testified in opposition to HB26-1279 Public Utility Notice to Real Property Owner, which was postponed indefinitely. On March 18, the Senate Transportation and Energy Committee heard testimony for over 6 hours on SB26-102 Large-Load Data Centers but laid the bill over for further action. Its counterpart, HB26-1030 Data Center & Utility Modernization, will be heard in the House Energy and Environment Committee on March 26. Denver Water is monitoring both bills.

Background

The following are summaries of notable bills that Denver Water staff are reviewing and tracking. A complete list of relevant legislation is attached to this briefing paper.

HB26-1310 Wildfire Resiliency Grant Money. Starting in fiscal year 2027, this bill would use money from the Wildfire Mitigation Capacity Development Fund to fund the Wildfire Resilient Homes Grant Program. Staff have significant concerns with this approach. Under the From Forests to Faucets Partnership, Denver Water has matched funding provided to local governments from the Wildfire Mitigation Capacity Development Fund, and over the last two years, our partners have been awarded approximately \$1.6M in funding. Removing this funding opportunity would hurt wildfire mitigation efforts. **Recommended position: Oppose.**

SB26-131 Sports Betting Protections. This bill would impose new restrictions on sports betting, including prohibiting betting operators from accepting more than five deposits a day, prohibiting proposition bets, and prohibiting betting operators from accepting deposits using a credit card. Currently, most tax revenue collected on sports betting goes to the Water Plan Implementation Cash Fund, which is annually appropriated to the Colorado Water Conservation Board through the annual CWCB Projects Bill. The fiscal note estimates that these new restrictions would decrease revenue to the Water Plan Implementation Fund by approximately \$2.6 million in FY 2028-29. Although Denver Water currently does not directly receive CWCB funding, some of our partners do, and Denver Water does benefit from their work. This bill could reduce available funding for these projects in the future. **Recommended position: Monitor.**

Owner: Andrew Hill, Office of People and Strategy

Attachments: Summary Table – 2026 Legislation

Respectfully submitted,

Andrew Hill, Government Affairs Liaison

Julie Anderson, Chief of Staff

**Summary Table – 2026 Legislation
As of March 20, 2026**

Bill #	Title	Position	Status	Next Action Date	Review Status
HB26-1005	Worker Protection Collective Bargaining	Monitor	Passed House as amended; Introduced in Senate – Assigned to Business, Labor, & Technology	TBD	Complete
HB26-1008	Colorado Outdoor Opportunities Act	Monitor	Passed House as amended; Introduced in Senate – Assigned to Agriculture & Natural Resources	3/26/20	Complete
HB26-1013	Ratio Utility Billing Systems	Monitor	Bill Passed	N/A	Complete
HB26-1030	Data Center & Utility Modernization	Monitor	Introduced in House - Assigned to Energy & Environment	3/26/26	Complete
HB26-1034	Modifications to Standards for Irrigation Equipment	Monitor	Referred Amended to Senate COW	TBD	Complete
HB26-1037	Ban Government Purchase of Personal Data from Third Party	Monitor	House Committee on Judiciary Witness Testimony and/or Committee Discussion Only	TBD	Complete
HB26-1054	Protections for Worker Safety	Monitor	Referred Amended to Appropriations	TBD	Complete
HB26-1101	Criminal Offenses Related to Critical Infrastructure Metals	Monitor	Referred Amended to House COW	3/20/26	Complete
HB26-1112	Regulation of Underground Injection Control Wells	Monitor	Referred Amended to Appropriations	TBD	Complete
HB26-1121	Public Accessibility of Emissions Records	Monitor	Postponed Indefinitely	N/A	Complete
HB26-1145	Mobile Home Park Water Quality	Monitor	Passed House; Introduced in Senate – Assigned to Local Government & Housing	3/26/26	Complete
HB26-1205	Colorado State Forest Service Good Neighbor Authority	Monitor	Referred to Senate COW	TBD	Complete
HB26-1272	Extreme Temperatures Worker Protections	Monitor	Referred Amended to Appropriations	TBD	Complete

HB26-1279	Public Utility Notice to Real Property Owner	Oppose	Postponed Indefinitely	N/A	Complete
HB26-1310	Wildfire Resiliency Grant Money	Oppose	Introduced in House - Assigned to Agriculture, Water & Natural Resources	3/23/26	Complete
HB26-1319	Right to Be Out at Work	Monitor	Introduced in House - Assigned to Business Affairs & Labor	TBD	Complete
HB26-1323	Wildfire Resiliency Prohibiting Taking of Beavers	Monitor	Introduced in House - Assigned to Agriculture, Water & Natural Resources	3/23/26	Complete
SB26-016	Prohibit Discharge Preproduction Plastic Materials	Monitor	Bill Passed	N/A	Complete
SB26-024	State & Local Unmanned Aircraft Regulation	Monitor	Postponed Indefinitely	N/A	Complete
SB26-025	Monument Records Placement Submission Maintenance	Support	Passed Senate; Introduced in House – Assigned to Transportation, Housing, & Local Government	3/24/26	Complete
SB26-070	Ban Government Access Historical Location Information Database	Amend	Referred Amended to Appropriations	TBD	Complete
SB26-090	Exempt Critical Infrastructure from Right to Repair	Monitor	Introduced in Senate - Assigned to Business, Labor, & Technology	TBD	Complete
SB26-093	Workers Compensation Verification	Monitor	Referred Amended Appropriations	TBD	Complete
SB26-102	Large Load Data Centers	Monitor	Laid Over Unamended	TBD	Complete
SB26-107	Modify Colorado Open Records Act	Monitor	Postponed Indefinitely	TBD	Complete
SB26-131	Sports Betting Protections	Monitor	Referred Amended to Appropriations	TBD	Complete

DENVER WATER FINANCIAL REPORT

FEBRUARY 2026

<i>\$ in thousands</i>	Current Budget	YTD Actuals	Rem. Mo. Forecast	Full Year Forecast	Budget Over/(Under)	Budget Var %	Variance Comments
Water sales	409,630	40,955	369,595	410,549	919	0.2%	Water use for January and February slightly above average
Hydropower	4,544	219	4,352	4,571	27	0.6%	
Special assessments and fees	6,171	853	5,318	6,171	(0)	0.0%	
Interest income	4,044	1,148	2,925	4,073	29	0.7%	
Other revenue	9,853	2,535	7,332	9,868	15	0.1%	
Contributions	19,480	3,401	16,078	19,480	(0)	0.0%	
SDC revenue	34,764	12,183	22,581	34,764	0	0.0%	
TOTAL REVENUE	\$ 488,486	\$ 61,295	\$ 428,182	\$ 489,477	\$ 991	0.2%	
Proceeds from debt/loans	375,000	-	375,000	375,000	-	0.0%	
TOTAL SOURCES OF FUNDS	\$ 863,486	\$ 61,295	\$ 803,182	\$ 864,477	\$ 991	0.1%	
Regular wages	107,643	16,147	90,761	106,908	(735)	-0.7%	Budgeted vacancy rate of 5.5%; forecasted vacancy rate, including LTE wages, is 6.4% due to implemented hiring delay (drought reductions)
Limited Term Employee wages	2,062	249	1,596	1,845	(217)	-10.5%	
Seasonal Labor	665	15	285	300	(365)	-54.9%	2026 internship program (drought reductions)
Other pay	9,613	1,274	8,441	9,715	101	1.1%	
Applied labor	(11,810)	(1,665)	(10,007)	(11,672)	138	-1.2%	
Benefits	52,489	9,121	43,258	52,379	(110)	-0.2%	Benefits savings related to additional salary savings (drought reductions)
Salaries and Benefits	160,663	25,140	134,335	159,475	(1,188)	-0.7%	
Professional services	8,294	608	7,254	7,862	(432)	-5.2%	Various changes across all divisions (drought reductions)
Contingent staffing	874	79	816	894	20	2.3%	
Purchased services	24,330	3,613	20,488	24,100	(230)	-0.9%	Various changes across all divisions (drought reductions)
Construction and field services	16,690	1,133	15,397	16,530	(159)	-1.0%	
Lead Service Line transfer	(1,813)	-	(1,813)	(1,813)	-	0.0%	
Waste disposal services	2,802	345	2,528	2,873	71	2.5%	
Facility services	7,730	609	7,119	7,728	(2)	0.0%	
Utilities	10,337	1,242	9,096	10,338	1	0.0%	
Professional and Purchased Services	69,243	7,629	60,884	68,513	(730)	-1.1%	
Materials and supplies	20,140	2,846	17,266	20,112	(27)	-0.1%	O&M: Repairs at SOS facilities (\$88K); Various changes across all divisions (drought reductions)
Chemicals	11,012	932	10,066	10,998	(14)	-0.1%	
Materials, Supplies, and Chemicals	31,152	3,778	27,332	31,110	(42)	-0.1%	
Travel	650	36	497	533	(117)	-18.0%	Various changes across all divisions (drought reductions)
Training	422	53	367	420	(2)	-0.5%	
Conferences Registration	316	27	190	217	(99)	-31.2%	Various changes across all divisions (drought reductions)
Travel, Training, and Conferences	1,388	116	1,054	1,170	(217)	-15.7%	
Rents and leases	735	94	638	732	(3)	-0.4%	
Other insurance and legal claims	450	151	899	1,050	600	133.3%	
Misc. expenses	287	138	158	296	9	3.1%	
Other Expense	1,472	383	1,695	2,078	606	41.2%	
TOTAL OPERATING COSTS w/o PROJECTS	\$ 263,917	\$ 37,047	\$ 225,300	\$ 262,347	\$ (1,570)	-0.6%	
Collection	2,408	1,048	1,506	2,554	146	6.1%	Moffat Siphon 2 Assessment (\$72K), Strontia Permanent Bypass Study (\$50K), Strontia Watershed Program (\$50K)
Distribution	1,022	8	1,089	1,096	74	7.2%	Willow Creek C128 Protection (\$171K)
Expansion	3,284	31	3,003	3,035	(249)	-7.6%	Forest to Faucets (-\$200K)
Operations Support/Other	12,399	818	10,724	11,542	(857)	-6.9%	Deferral of multiple IT projects (drought reductions)
Treatment	28	5	28	33	5	16.2%	
Operating Projects (incl. applied labor)	19,141	1,909	16,350	18,260	(882)	-4.6%	
TOTAL OPERATING COSTS	\$ 283,058	\$ 38,956	\$ 241,650	\$ 280,607	\$ (2,452)	-0.9%	

**DENVER WATER FINANCIAL REPORT
FEBRUARY 2026**

<i>\$ in thousands</i>	Current Budget	YTD Actuals	Rem. Mo. Forecast	Full Year Forecast	Budget Over/(Under)	Budget Var %	Variance Comments
Collection	117,267	7,338	126,069	133,407	16,141	13.8%	Gross Reservoir (\$15.6M), Meadow Creek Upstream Controls (\$483K), Dillon Hydro Overhaul (\$369K) Tower Road Recycled Water Main (\$747K), Main Replacements (\$460K), Castlewood PS (\$453K), Highlands PS - low side (-\$1.9M) Hazeltine Wet Wells (\$886K), North Complex Aeration (-\$316K) Recycle TP Solar (\$1.6M), Marston TP Solar (-\$8.0M) Foothills TP Caustic/Alum Upgrade (\$444K)
Distribution	64,633	8,345	56,477	64,822	188	0.3%	
Expansion	9,920	2,090	8,454	10,543	623	6.3%	
Operations Support/Other	78,664	4,362	66,695	71,057	(7,607)	-9.7%	
Treatment	8,582	820	8,060	8,880	298	3.5%	
TOTAL CAPITAL (incl. applied labor)	279,066	\$ 22,954	\$ 265,755	288,709	\$ 9,643	3.5%	
Interest expense	65,678	-	66,280	66,280	602	0.9%	Additional 2 months of interest due to timing shift on commercial paper refunding
Principal payments	205,922	-	205,922	205,922	-	0.0%	
Debt Service	\$ 271,599	\$ -	\$ 272,202	\$ 272,202	\$ 602	0.2%	
TOTAL USES OF FUNDS	\$ 833,724	\$ 61,910	\$ 779,607	\$ 841,518	\$ 7,794	0.9%	

Metrics

Revenue: +/- 5%
Operating expense categories: +/- 5%
Total Operating w/o Projects: +/- 2%

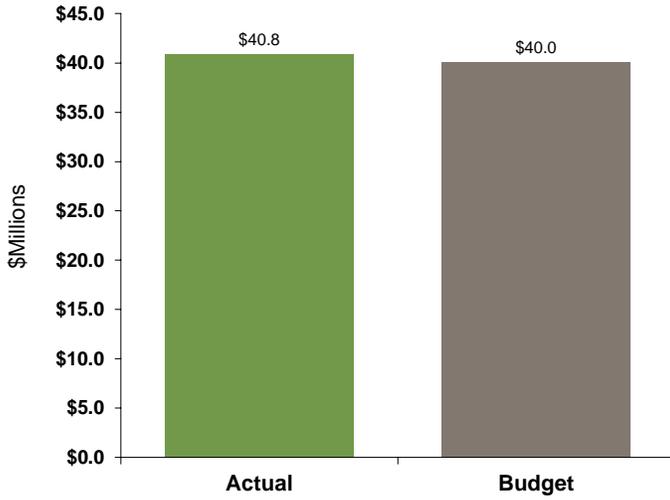
Gray: Items from prior months
Black: Items from current month

GRANT FUNDS - SUMMARY

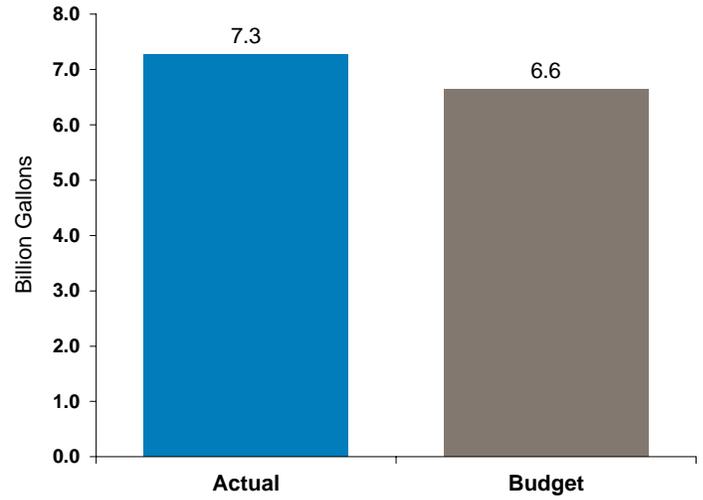
Grant Name	Revenue			Expense			Comments
	Actuals to Date	Current Year Forecast	Future Years Forecast	Actuals to Date	Current Year Forecast	Future Years Forecast	
CWBC - Turf Replacement Award amount: \$25,000	\$ 17	\$ 8	\$ (0)	\$ 24	\$ 1	\$ (0)	Awarded by the Colorado Department of Natural Resources to remove and replace bluegrass with a native grass requiring little to no water at specified DW locations.
PFAS Independent Environmental Study Award amount: \$47,190	\$ 47	\$ -	\$ 0	\$ 47	\$ -	\$ 0	Awarded by the Colorado Department of Public Health to conduct water quality sampling quarterly at specific locations and report on the findings.
Clean Fleet Vehicle and Technology Award amount: \$145,000	\$ -	\$ 145	\$ -	\$ 145	\$ -	\$ -	Awarded by the Colorado Department of Public Health to help organizations transition their fleets to low- or zero-emission vehicles.
Fleet-ZERO EV Charging Award amount: \$86,000	\$ -	\$ 86	\$ -	\$ -	\$ 86	\$ -	Awarded by the Colorado Energy Office to provide funding for electric vehicle (EV) charging to support light-, medium- and heavy-duty EV fleets.
CWBC - Turf Replacement 25/26 Award amount: \$70,000	\$ -	\$ 70	\$ -	\$ -	\$ 70	\$ -	Awarded by the Colorado Department of Natural Resources to remove and replace bluegrass with a water efficient option at specific locations
Clean Fleet Vehicle and Technology - 26 Award amount: \$250,000	\$ -	\$ 250	\$ -	\$ -	\$ 250	\$ -	Awarded by the Colorado Department of Public Health to help organizations transition their fleets to low- or zero-emission vehicles.

*Note: The revenue and expenditures listed in this summary are not included in the preceding Denver Water financial report

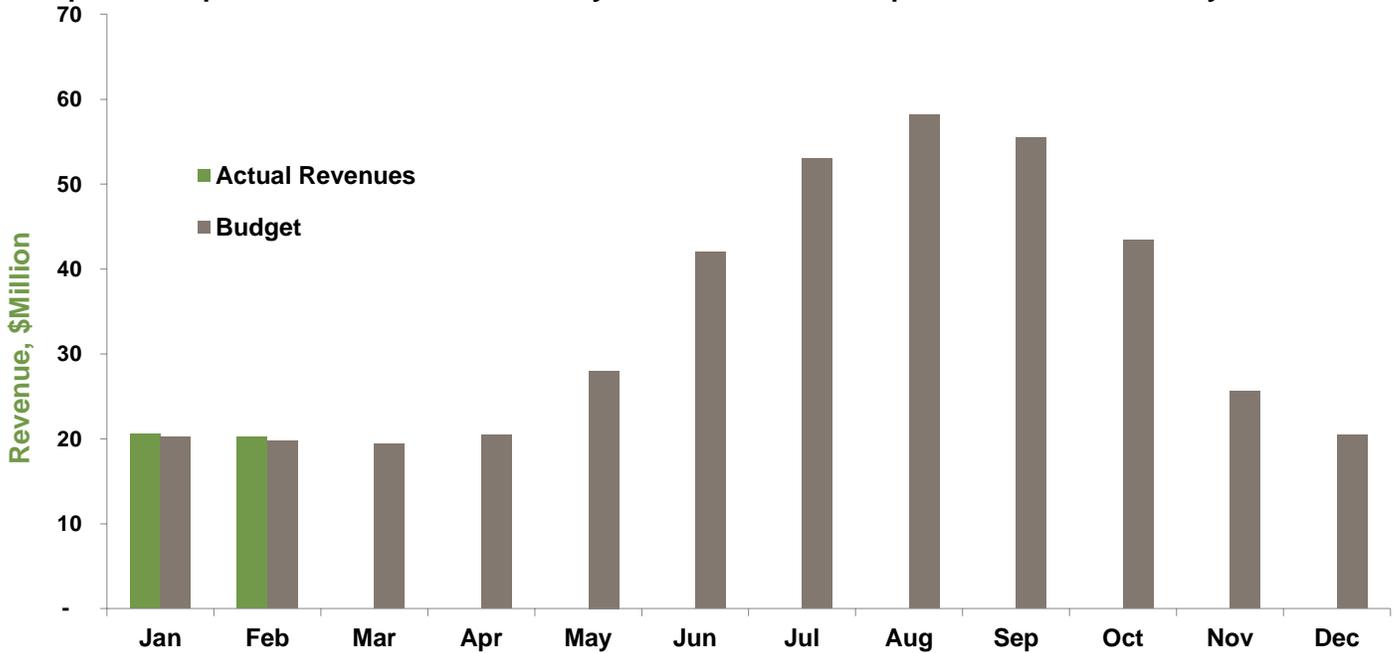
Graph 1: YTD revenue comparison¹



Graph 2: YTD consumption comparison



Graph 3: Comparison of 2026 actual monthly revenue and consumption to forecast monthly revenue



1. The values in this report are based on bill cycle periods which may not correspond with calendar month periods. As a result, the revenue and consumption in this report can vary from the revenue and consumption reported by accounting.

The Billed Revenue and Consumption report compares the budgeted revenue and consumption with the actual revenue and consumption on both a monthly and year-to-date basis.

Graph 1: This bar chart compares year-to-date actual revenue to the budgeted revenue. Actual revenue is \$40.8 million. Budgeted Revenue is \$40 million.

Graph 2: This bar chart compares year-to-date actual consumption to the budgeted consumption. Actual consumption is 7.3 billion gallons. Budgeted consumption is 6.6 billion gallons.

Graph 3: This graph shows actual monthly revenue versus budget for each month in 2026 through February. January and February exceed the budget. No month is below the budget