

CAC MINUTES

FOR THE MEETING OF March 19, 2015

CAC MEMBERS IN ATTENDANCE: Karl Hanlon, Josh Baile, Kristin Maharg, Loretta Pineda, Bruce Hutchins, Bethany Gravell, Dulce Saenz, Don Schlup,

CAC Members Absent: Kevin Puccio, Peter Mueller

Guests: Tim Flynn

Denver Water Staff: Heather Stauffer, Melissa Elliott, Marc Waage, Grace Wilcox, Todd Cristiano

OPENING REMARKS, PUBLIC COMMENTS, AGENDA AND MINUTES

Minutes and agenda were approved

There were no comments from the public.

CAC Update

Melissa Elliott of Denver Water reviewed the CAC Update (attached) with the CAC.

Update on the Colorado State Water Plan

Marc Waage gave the CAC an update on the status of the Colorado State Water Plan. Marc explained that the Executive order from Governor Hickenlooper to create the State Water Plan initially stemmed from a report from the Statewide Water Supply Initiative (SWSI) which found a significant gap, at least 500,000 acre-feet, between projected future water supplies and future populations. From there, the Colorado Water Conservation Board decided that they wanted to put together a formal plan for the State of Colorado to address our water future. The State Water Plan has had representatives from all Colorado River basins and Metro Area have all had input on the plan.

The State water Plan's objectives focus on supporting a productive economy that supports vibrant and sustainable cities, viable and productive agriculture, a robust skiing, recreation and tourism industry. Efficient and effective water infrastructure promoting smart land use, and a strong environment that includes healthy watersheds, rivers and streams.

The plans success depends upon a collaborative effort to acknowledge that other's water uses are valid, strive to protect those water uses, and work toward 100 percent efficiency in all water use.

LEAN Update

Lean is a systematic approach of continuous improvement used for the identification and elimination of waste to provide value to the customer. The Core Lean values are: waste is disrespectful of society because it wastes our resources. And waste is disrespectful of individuals because it asks them to do more work with no value. The Core lean principles are the customer defines value. Work to deliver value

to the customer without waste. Identifying and eliminating the root causes of waste improve delivery of value. Foster mutual respect and shared responsibility to improve processes. Grace explained that the LEAN process is valuable to Denver Water because of the unique challenges that we face. Some of these challenges include fixed costs with revenue that is variable, a changing climate resulting in more frequent and severe droughts and increasing pressure to perform as efficiently as possible. Through the LEAN process Denver Water has worked to eliminate waste by doing only those things that add value to the customer. Recent examples of LEAN initiatives include work on customer rebates, plan review processes, paving projects and “just in time” aggregates and pipe deliveries. Through the LEAN process, of which nearly 600 Denver Water employees have participated in, workplace injuries are down 25%, nearly 4.5 million dollars of hard savings have been recovered and unplanned customer outages have decreased 33%.

Rate Structure Study Progress Update

Todd Cristiano gave an update on the rate structure study and took questions from the Committee. Todd explained that Denver Water has completed 5 meetings with stakeholder groups and distributors. The data and feedback gathered from these groups will help Denver Water provide a recommendation to the Board about the rate structure. The Board will approve the rate structure in September of this year and Todd is hopeful that the new rate structure will be implemented in January of 2016.

Operations Complex Redevelopment

Melissa Elliott gave the CAC an overview on the proposed operations complex redevelopment. Melissa explained that Denver Water wanted to give the CAC an opportunity to be part of the public involvement piece on this project. Denver Water has had facilities on their current site for 134 years, starting with the three stone buildings. With 900-1100 employees reporting to the administration and campus each day Denver Water has outgrown its current facilities. The first step of the process was to go through each building and analyze it. Of the 16 buildings currently on campus Denver Water will keep 3 of the newest buildings, the rest will be redeveloped and/ or be combined. Melissa explained that Denver Water expects to see construction begin in fall of 2015 and will wrap up in the spring of 2019. Because employees will still report to work on campus while construction is taking place Denver water anticipates that parking will be a problem and there are tentative plans to move parking off site and provide shuttles to and from campus.

Melissa explained that Denver Water is currently in the design phase of this process and will be contracting with RNL. Mortenson Construction will do the construction overseen by Tammell Crow. As the plans currently show building 15, 16, 5 and the three stone building will remain while the administration building will be pulled closer to 12th Ave. There will be a parking garage and behind the parking garage will be the wellness center. One of the things Denver Water wanted very much was for the campus to be a more efficient campus. They are considering options for a net-zero water campus and there will be solar panels installed on the roof of the parking garage to help with energy production.

Public presence and engagement is a big piece of the redevelopment process. Denver Water is hoping for more public access to the campus with a mind to safety and security. Culturally in our organization, there is not much interaction with neighbors and the neighborhoods around Denver Water. Melissa explained that by redeveloping the campus they are hoping to change the entire perspective on that.

CAC Business

Meeting adjourned at 7:00pm