

# **CAC MINUTES**

## **FOR THE MEETING OF FEBRUARY 16, 2012**

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**CAC MEMBERS IN ATTENDANCE:** Mel Rettig, David Spector, Phil Lidov, Bruce Hutchins, Jeff Willis, Don Schlup, Jim Ives, Barry Hudson

**ABSENT:** Becky Long

**GUESTS:** Tim Flynn, Jeffrey Erb

**DENVER WATER STAFF:** Melissa Elliott, Sally Covington, Bob Steger, Chris Piper, Ellen Cinchock

### **OPENING REMARKS, PUBLIC COMMENTS, AGENDA AND MINUTES**

The minutes were approved with one change and the agenda was approved without comment. CAC member Barry Hudson provided the committee with copies of a letter from the Chairman of the Distributor's Forum, Mr. Pat Fitzgerald that was sent to the Denver Water Board regarding their review of a new water rate model. The CAC invited the Distributors to discuss their position on the rate model discussions.

### **DENVER WATER UPDATE (Melissa Elliott) –**

The Executive Team held a retreat in November, 2011 to discuss the values of the Strategic Plan. Values were created at this retreat and were sent to the employees. These values will be included in employee performance reviews. The Executive Team is now reviewing how the value statements should be measured.

David Spector asked for additional information on the Lean initiative. Lean is a program that will allow employees to make suggestions for improving processes throughout Denver Water. Customer Service is the first area being reviewed.

### **OVERVIEW OF WATER SUPPLY/DROUGHT RESPONSE (Robert Steger) –**

David Spector thanked Mr. Steger for attending the meeting. Mr. Steger showed a graph with 2012 and 2002 snowpack levels, explaining that while the current available reservoir storage is above average at 88.4% the snowpack levels in both the Colorado and South Platte river basins are significantly below average for this time of year. It was a wet year in 2011, and all reservoirs were filled. The latest three month forecast (Feb. – Apr.) is showing a dryer spring.

Mr. Steger explained what steps are taken in preparation for drought:

- Drought Response Committee meetings
- Monitoring conditions
- Outreach to stakeholders
- Coordinating plans with other metro utilities

- Development of a drought surcharge plan
- Limiting the treatment rate at the Moffat Water Treatment Plant

Mr. Steger said proactive measures can greatly assist Denver Water in preparing for drought. Barry Hudson recommended letting customers know early if a rate surcharge would be implemented. Ms. Elliott agreed, and said Denver Water will ask customers to conserve before reverting to surcharges. Don Schlup added the green industry is much better prepared for a drought than they were in 2002.

Currently Denver Water is advising customers that they are monitoring the water system and asking customers to be watchful of their watering habits. David Spector asked if there is a time frame to increase the level of messaging to Denver Water customers. Melissa Elliott said an update is provided to the Board every two weeks, and if reservoir projections are worse in mid-March the Board would discuss whether it would be appropriate to ask customers to voluntarily refrain from outdoor irrigation during the spring while we see if snowpack improves. Mr. Steger noted that it is still early in the season, but that we are always watching snowpack in the spring.

### **LEGISLATIVE UPDATE (Chris Piper) –**

Mr. Piper said there are currently three bills of interest:

- House Bill 12-1078, Exempt Drinking Water Certification
- House Bill 12-1285, Intergovernmental Cooperative Wild Land Fire Mitigation
- Senate Bill 12-097, Streamline Change of Surface Water Diversion Point

David Spector asked if Denver Water was interested in House Bill 12-1176, the Oil and Gas Drilling Setback bill. Mr. Piper said the bill had died in the House on February 6. He noted Senate Bill 12-087, Local Government Sprinkler Installation Requirements, had been postponed indefinitely.

David Spector said the CAC appreciates Mr. Piper's updates and Mr. Piper thanked the CAC members for inviting him to the meeting.

### **CAC BUSINESS –**

- Denver Residents Representative Interview
  - The CAC selected two candidates to forward to the Commissioners at the March 15, 2012 Board meeting.
- David Spector updated CAC members who were unable to attend the February 8, breakfast with the Board meeting. Members discussed the Cost of Service model, and David Spector asked Ms. Elliott what would happen if the schedule for implementation of the new rate model were to be pushed to a later date. Ms. Elliott said she had not heard of many changes to the schedule. The CAC members asked that all Distributors were heard before the new rate model is approved. Barry Hudson said the Distributors are not currently being given input on the creation of the new rate model, and added the Distributors want to be recognized as a partner in this plan.
- A motion by Phil Lidov was made to approve the 2012 CAC Work Plan. The motion was seconded by Barry Hudson and approved unanimously by those members present.

The public meeting was adjourned at 6:56 P.M.