

CAC MINUTES

FOR THE MEETING OF February 21, 2013

CAC MEMBERS IN ATTENDANCE: Bruce Hutchins, Jim Ives, Don Schlup, Jeff Erb, Phil Lidov, Jeff Willis, Barry Hudson, Bethany Gravell, Mel Rettig (phone), Peter Mueller (phone)

CAC Members Absent: None

Guests: Tim Flynn, Ed Markham, Bob Raynolds

Denver Water Staff: Melissa Elliott, Heather Stauffer, Todd Cristiano, Lurna Kaatz, Stephanie Neimi, Bob Steger, Bob Peters,

OPENING REMARKS, PUBLIC COMMENTS, AGENDA AND MINUTES

The agenda was approved without comment. January minutes were approved with attendance revisions.

Ed Markham of the Rocky Mountain Sod Growers spoke during public comment. Mr. Markham asked the Citizens Advisory Committee and Denver Water as a whole to please keep sod growers in mind during this summer's drought. Mr. Markham said that while the sod farmers do feel that action (including restrictions and proper customer education) should be taken to curb water waste during drought conditions, he felt that the amount of water used to establish new sod was inconsequential compared to the amount of water used in Denver Water's service area. Mr. Markham stated that turf increases property values, and is a great asset to the community. Mr. Markham asked Denver Water staff if/ how the 2013 drought response plan would allow for watering of new sod. Melissa Elliott of Denver Water explained that Denver Water has not yet determined what the policy will be for watering new sod in the summer of 2013. Historically during drought conditions Denver Water has allowed customers with new sod to apply for a permit, through the Sod and Seed program, which exempt them from drought watering restrictions anywhere from 20-30 days after planting.

There were no other comments from the public.

DENVER WATER UPDATE- (Melissa Elliott)

The last two Denver Water board meetings have focused on internal topics in Denver Water. The Board has been working to formalize retiree medical coverage to reduce a funding issue caused by new government accounting policies. The Board is also taking a look at a new campus plan for the Denver Water office and operating campus and considering plans to move forward. In addition, the Board is doing a lot of work focusing in on the upcoming drought this year. We have a bill in the legislature, SB-41, "the Storage Bill." The legislation is aimed at correcting an issue stemming from a Supreme Court decision that puts our water at risk. We are also partnering with Denver Parks and Recreation to apply for a grant that would allow Parks and Recreation to make improvements to their irrigation system.

Snowpack Update/ Drought Planning- (Bob Steger)

Bob Steger gave a presentation to the CAC on current snowpack conditions and what we are planning in terms of the drought thus far. Overall, Denver Water is not feeling optimistic that the remaining winter

weather will provide the amount of moisture we need in order to avoid a water restrictions this summer. Bob then gave an overview of the “tools” that Denver Water uses to plan for drought. The primary strategy is reducing demand. We limit the days people are allowed to water, have scheduled watering times, and reduce the amount of water we provide through delivery contracts. This year we are assuming that the Board will go into a stage 2 drought preparation. We will confirm this with the Board at their meeting either on March 13 or March 27. However, they may wait to declare drought and monitor the weather conditions for another few weeks. In the meantime Denver Water staff is working hard to finalize a drought action plan before we implement the plan this summer.

Presentation on System Development Charge changes (Todd Cristiano and Stephanie Niemi)

Denver Water updates its system development charges on an annual basis. Rates Administration went to the Board in January to talk about 2013 System Development Charges (SDC) needs. They went over updates to the 2013 SDC and comparisons of existing SDC. They also looked at the value of the system, infrastructure, current projects and future growth related projects among other variables. The current value of a water right is a substantial part of the total SDC charge. The last study was done in 2008 where Denver Water’s water rights were valued at \$13,000 per acre foot, which is much lower than it should be. A 2012 study showed that our water rights cost around \$15,750 per acre foot. Rates Administration proposed to the Board that the extra charges to customers to make up this revenue be phased in over a 7 year process so as not rate shock to customers. There will be different effects for different customer classes. While large duplexes will probably see their rates go up, single family and multifamily units will most likely see their rates go down.

Presentation on Deep Aquifer Storage (Bob Raynolds and Bob Peters)

Bob Raynolds of the Denver Museum of Nature and Science presented to the CAC on the geological aspect of deep aquifer storage in Colorado. Essentially the water within Denver Water’s service area primarily consists of surface water with a few pockets of deep aquifer resources. The City and County of Denver has a moderate aquifer resource. This water is very old; they were able to date the water in rock pockets underneath Parker to about 30,000 years old. These deep aquifer water pockets are now being harvested as water resources however they are non-renewable resources. Bob then explained that the creation of these deep aquifers in the Denver basin dates back to the creation of the Rocky Mountains when ancient oceans began to retreat sandstone began to form. The main aquifers can be seen fanning out from the base of the Rocky Mountains to create a big river system which deposited sandy debris. The water in the aquifer is located within this sandstone layer of rock that fans out from the Mountains; it requires a tremendous amount of energy to get water out of these sandstones and even more energy to put it into the sandstones. Putting water into deep aquifer storage areas is still being experimented with; however it has become very successful in Tucson, Arizona. There may also be man-made changing of the aquifers that we do not fully understand yet such as water seepage through the aquifer system. Ground water can be used as a resource in Denver Water’s water system as long as we realize that it is a finite resource and treat it as such. Bob Peters asked the CAC to think about three things that they needed feedback on: 1) Potential water quality implications of putting water into the ground for storage. 2) How would they create facilities especially in urban areas that would be visible to the Public? 3) Pumping into the basin to help us recover from the drought.

CAC Business

There was a brief discussion about the quarterly breakfasts with the Board of Water Commissioners. Phil would like to see more committee members attend these breakfasts or if you cannot make it please

communicate it to Phil in advance. Phil would like to have written communication by the Monday before the breakfast meeting. If there are too few CAC members who can make it Phil will cancel the breakfast.

Typically throughout the years the CAC has provided the Board with some written communication. If there is anything that we would like to send to the Board regarding drought before the next meeting please send it to Phil and he will send a note to Commissioner Austin.

The CAC voted to approve the 2013 work plan.

Meeting Adjourned at 7:08pm