

AGENDA

Denver Board of Water Commissioners

Denver Water Administration Building
1600 West 12th Avenue
Denver, CO
Board Room, Third Floor

Wednesday, July 13, 2016 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

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. Minutes from June 8, 2016 – Open and Executive
2. Minutes from June 22, 2016 – Open and Executive
3. Construction and Maintenance Contracts for Non-Operating, Outlying Areas Contracts 16672A, 16672B, 16672C, 16672D, 16672E, 16672F, 16672G, 16672H, 16672I
4. Sale of Wynetka Reservoir Property to Bowmar Villas, LLC Agreement 16779A
5. Tabulations of Proposals for the Foothills Treatment Plant Alum Solids Landfill Cap – Contract 16744A
6. Tabulation of Proposals for the Design Services for the Foothills WTP Unit Substation 1, 2, 3, 4 and Source Water VFDs Replacement Project – Contract 16737A

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7. Tabulations of Proposals for the Foothills Treatment Plant Drying Bed Decant and Headworks Modifications – Contract 16524A
8. Tabulation of Proposals for the Conduit No. 20 Outlet Structure Modifications and Chatfield Pump Station Modifications Projects – Contract 16808A
9. Tabulation of Proposals for Conduit No. 12 Isolation Valves and Internal Joint Seals – Contract 16695A
10. Tabulation of Proposals for the Vault Modifications 2016/2017 – Contract 16458A
11. Amendment No. 1 with Brown & Caldwell for Hillcrest Pump Station Replacement Project – Contract 16652A
12. Amendment No. 1 with Jacobs Engineering Group, Inc. for North System Renewal Water Treatment Plant (NSRWTP) Owner’s Representative Services – Contract 16676A
13. Fire Alarm & Backflow Inspections, Preventative Maintenance and Repairs – Contract 16720A
14. Ratification of Amendments to Non Construction Contracts/Agreements – Contract # 14656A, 16344A, 14510A, 13557A, 15398B, 13795A, 15911A, 14064B
15. Ratification of Construction Contracts Change Orders and Amendments to Contracts/Agreements

B. Individual Approval Items

1. Personnel Policies Recommended Revisions Related to Adoption of a PTO Program	Gail Cagle	10 minutes
2. IT Strategy Review Consultant Contract # 16473B	Prescott Coleman	15 minutes
3. Revisions to Operating Rules – Service Lines	Patricia Wells	5 minutes

III. POLICY PRESENTATIONS

A. IRP	Mike King	1.5 hours
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IV. REPORTS

- A. CEO Report**
- B. CFO Report**
- C. Operations Report**

V. INFORMATION ITEMS

A. Briefing Papers

- 1. Property Management Leasing Program
- 2. Water Efficiency Working Group

B. Reports

- 1. 2015 – 2018 (“On-Call”) General Engineering, Construction Management, and Planning Services Contracts
- 2. Reporting of Staff Administered Construction Contract Contingences and Allowances

VI. ADJOURNMENT

VII. TRUSTEE MATTERS

VIII. EXECUTIVE SESSION

The Board may adjourn the regular meeting and reconvene in executive session on topics authorized by C.R.S. Sec. 24-6-402 or D.R.M.C Sec. 2-34.

- A. Confidential Report § 24-6-402(4)**

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2016

Board Item: II-A-3

Construction and Maintenance Contract for Non-Operating, Outlying Areas Contracts 16672A, 16672B, 16672C, 16672D, 16672E, 16672F, 16672G, 16672H, 16672I

Action by Consent

Action

Information

Background:

Denver Water owns non-operating property in a number of remote locations for the purposes of water rights or potential future water storage projects. An example of which is over 5,800 acres of Two Forks Reservoir property located on the South Platte River in western Jefferson and Douglas Counties. These types of outlying properties and the structures on them require a variety of maintenance that is not practical for Denver Water personnel to perform due to the extensive travel distance. Property Management staff maintains and performs construction projects at these properties by utilizing local contractors. Due to the variety of maintenance needs from weed control to road grading, a number of contractors were solicited to submit bids for the work they are able to perform. Denver Water will utilize Contracts 16672B, 16672C, 16672D, 16672E, 16672F, 16672G, 16672H, 16672I, as specific needs arise. The contracts require the contractors to submit individual quotes for each task prior to conducting the service.

Selection of Business Partner:

Denver Water issued an Invitation for Bid to the public on the Rocky Mountain E-Purchasing System (BidNet), Denver Water's website, the local chambers of commerce and notified the SBE and MWBE communities. Denver Water received eight bids, five were SBE and two were MWBE. Agisi Environmental Services LLC is neither SBE nor MWBE. The following are SBEs: City Block Solutions LLC, Colorado Premier Restoration Inc., Concrete Stabilization Technologies Inc., Habcon Services Inc., and Loewen Construction Inc. Elk Creek Sand & Gravel LLC and Latcon Corp are MWBEs.

Budget Information:

The 2016 Capital Improvement Plan (4JX0001) includes sufficient funds for these agreements at approximately \$100,000 per year for a period of three years. Future years will be budgeted to include funds for this as-needed construction/maintenance on the outlying area properties.

2016 Budget	\$	191,650
Amount Requested This Item (\$100,000 per year for 3 years)	\$	300,000
YTD Expenditures	\$	64,404
Dollars Budgeted for Future Years	\$	0
Revised Estimate	\$	191,650
Budget Adjustment	\$	0

Recommendation:

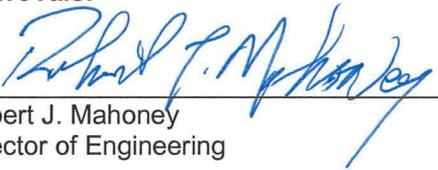
It is recommended that the Board approve Contracts 16672A, 16672B, 16672C, 16672D, 16672E, 16672F, 16672G, 16672H, 16672I with Agisi Environmental Services LLC, City Block Solutions LLC, Colorado Premier Restoration Inc., Concrete Stabilization Technologies Inc., Elk Creek Sand & Gravel LLC, Habcon Services Inc., Latcon Corp, and Loewen Construction Inc. for construction and maintenance services for the contract period July 13, 2016 to June 30, 2019 for a total contract amount not to exceed \$300,000.00.

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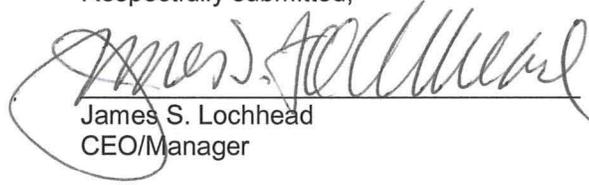
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Approvals:


Robert J. Mahoney
Director of Engineering

Respectfully submitted,


James S. Lochhead
CEO/Manager


Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2016

Board Item: II-A-4

Sale of Wynetka Reservoir Property to Bowmar Villas, LLC Agreement 16779A

Action by Consent

Action

Information

Summary:

Denver Water's 9.798 acres of vacant land located at 4501 West Bowles Avenue in Littleton Colorado was declared surplus property by the Board on July 10, 2002. Since October 2014, Denver Water has professionally marketed the property for sale. To date, two previous contracts failed due to entitlement concerns and physical constraints resulting in unanticipated costs to develop. The former buyers desired development of single-family homes with slab-on-grade construction. Preliminary site evaluation identified slab-on-grade construction as high risk due to expansive soils and shallow groundwater. The geotechnical report recommended overexcavation of the site and replacement of the excavated materials with moisture-treated fill. Report conclusions, along with the anticipation of a limited number of entitled lots, resulted in termination of the agreement.

The current purchase offer is from, Bowmar Villas, LLC, dba Renaissance Homes, who is aware of the physical condition of the site. The purchase price is \$2,500,000.00, with a 60-day due diligence period. Within three business days after full execution of the Agreement, the buyer shall deliver an initial deposit of \$50,000.00. This deposit is refundable to the buyer if the agreement is terminated on or before the end of the 60-day due diligence deadline. If the buyer chooses to move forward with entitlements after 60 days, the initial deposit becomes non-refundable, and an additional deposit in the sum of \$25,000.00 is required. This purchase agreement is contingent on entitling the property for residential development with 20 lots. Denver Water will reimburse survey/mapping costs, not to exceed \$4,000.00, upon the successful closing.

Recommendation:

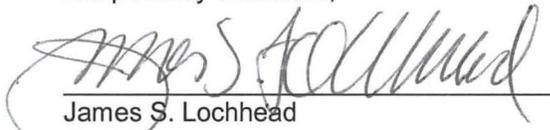
It is recommended that the Board approve Agreement 16779A with Bowmar Villas, LLC for the conveyance of vacant land for a contract price of \$2,500,000.00 less closing costs and reimbursement of survey costs.

Approvals:



Robert J. Mahoney
Director of Engineering

Respectfully submitted,



James S. Lochhead
CEO/Manager



Patricia Wells
Office of the General Counsel



Terri Bryant
Controller

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DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2016

Board Item: II-A-5

Tabulations of Proposals for the Foothills Treatment Plant Alum Solids Landfill Cap Contract 16744A

Action by Consent

Action

Information

Background:

Foothills Treatment Plant obtained a permit to landfill alum solids on-site in 1995. The landfill consists of disposal cells for alum solids, a by-product of the water treatment process. Personnel from Denver Water Operations have traditionally maintained and capped the disposal cells. However, this year in-house personnel and equipment are no longer available to construct the landfill cap. One disposal cell, approximately 50-foot wide by 1,200-foot long remains open and needs to be capped to comply with CDPHE regulations.

Selection of Business Partner:

Denver Water solicited proposals from four Contractors on the Prequalification Contractor List under the General Contractor – Heavy Civil and Earthwork Disciplines. This Contract was a restricted proposal process using Instructions for Proposers on the QuestCDN platform. Four Contractors were pre-qualified to propose on the work and four submitted proposals. Proposal selection was based solely on cost, and the lowest qualified proposal was submitted by R.E. Monks Construction Company, LLC, of Colorado Springs, Colorado for \$231,649.00. The Engineer's Opinion of Probable Cost for the work was \$296,959.00.

Proposal Costs				
Opinion of Probable Cost	R.E. Monks Construction Company, LLC	Ames Construction, Inc.	SEMA Construction, Inc.	Tezak Heavy Equipment
\$296,959.00	\$231,649.00	\$260,715.00	\$336,800.00	\$346,714.33

Budget Information:

The 2016 Capital Improvement Plan (MPC 4JX9001) does not include sufficient funds for this project, since this work is being completed under the Emergency/Unplanned flow cell which has a minimal budget. A project adjustment will be made within the overall annual budget to provide sufficient funds.

2016 Budget	\$	100,000
Amount Requested This Item	\$	231,649
Current Year Expenditures	\$	12,071
Dollars Budgeted for Future Years	\$	0.00
Revised Estimate (Rounded Value)	\$	250,000
Project Adjustment	\$	150,000

S/MWBE Information:

The Minority and Women Business Enterprise (MWBE) goal established for this construction project is 3% participation. R.E. Monks Construction Company, LLC achieved 5.6% MWBE participation.

Summary and Recommendation:

It is recommended that the Board approve Contract 16744A with R.E. Monks Construction Company, LLC for the Foothills Treatment Plant Alum Solids Landfill Cap project for the contract period July 13, 2016 through November 14, 2016 for a total contract amount not to exceed \$231,649.00.

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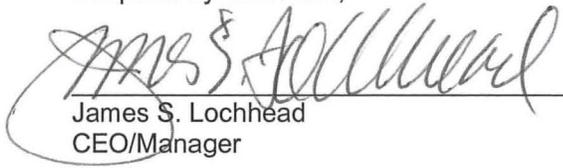


Approvals:



Robert J. Mahoney
Director of Engineering

Respectfully submitted,



James S. Lochhead
CEO/Manager



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2016

Board Item: II-A-6

Tabulation of Proposals for the Design Services for the Foothills WTP Unit Substation 1, 2, 3, 4 and Source Water VFDs Replacement Project Contract 16737A

Action by Consent

Action

Information

Background:

During the 2015 Foothills Treatment Plant facility assessment, four unit substations and four variable frequency drives were identified as either having exceeded, or will exceed their normal life expectancy by 2017. The equipment is critical to plant operations and replacement will improve both reliability and personnel safety. The Capital Improvement Projects budget includes funds for replacing the equipment in 2017 and 2018.

This proposal consists of the necessary engineering and design services for electrical equipment replacement, and provides for engineering design services through 30% design, with options to extend engineering design services through final design, as well as for the Consultant to provide services during construction.

Selection of Business Partner:

Requests for Proposals were sent to four Consultants on our General Engineering Services Agreement. Two proposals were received on June 28, 2016 and reviewed and scored by a team of Denver Water evaluators in accordance with the quality based selection criteria listed in the Request for Proposals with the price assessed for reasonableness. Two proposals were received and the best value proposal was submitted by CH2M Hill Engineers, Inc. of Englewood, Colorado in the amount of \$126,858. The Opinion of Probable Cost for the work was \$125,000.

Budget Information:

The 2016 Capital Improvement Plan (MPC 2CE0109) does not include sufficient funds for this project. A project budget adjustment in the amount of \$365,000 was previously approved by the System Managers.

2016 Budget	\$	0
Amount Requested This Item	\$	126,858
Current Year Expenditures	\$	0
Previously Obligated Funds	\$	0
Dollars Budgeted for Future Years	\$	2,750,000
2016 Revised Estimate	\$	127,000
Project Adjustment	\$	127,000

S/MWBE Information:

Due to the specialized nature of the work, no Minority and Women Business Enterprise (MWBE) goal was established for the design portion of the project. Participation will be required during project construction.

Summary and Recommendation:

It is recommended that the Board approve Agreement 16737A with CH2M Hill Engineers, Inc. for Design Services for the Foothills WTP Unit Substation 1, 2, 3, 4 and Service Water VFDs Replacement Project for the contract period July 13, 2016 through December 31, 2016 for a total contract amount not to exceed \$126,858.

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Approvals:



Robert J. Mahoney
Director of Engineering

Respectfully submitted,



James S. Lochhead
CEO/Manager



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2016

Board Item: II-A-7

Tabulations of Proposals for the Foothills Treatment Plant Drying Bed Decant and Headworks Modifications Contract 16524A

Action by Consent

Action

Information

Background:

Foothills Treatment Plant uses drying beds to dewater solids before disposal. About 600 to 800 acre-feet of water each year is collected from the underdrains of the drying beds before being discharged. This project will install a pump station to recover and reuse the water from the underdrains of the drying beds instead of wasting the water. The work includes installing a new wet well, two submersible pumps, 3,800 linear feet of 10 inch pipe, valves, power, and instrumentation and controls.

Another component of the project includes installing a redundant vertical turbine pump in the Headworks Building to ensure the afterbay can be dewatered in a reliable and timely manner for critical Plant shutdown work.

Selection of Business Partner:

Denver Water solicited proposals from five Contractors on the Prequalified Contractor List under the Water Treatment and Pump Stations Discipline. This Contract was a restricted proposal process using Instructions for Proposers on the QuestCDN platform. Five Contractors were pre-qualified to propose on the work and three submitted proposals. Proposal selection was based solely on cost, and the lowest qualified proposal was submitted by Garney Companies, Inc., of Littleton, Colorado for \$1,457,000. The Engineer's Opinion of Probable Cost for the work was \$1,252,600.

Proposal Costs			
Opinion of Probable Cost	Garney Companies, Inc.	Aslan Construction, Inc.	Western Summit Constructors, Inc.
\$1,252,600	\$1,457,000	\$1,622,722	\$2,126,801

Budget Information:

The 2016 Capital Improvement Plan (MPC 1CE0076) does not include sufficient funds for this project. Expenditures for this project will be paid in 2016 through 2017. A project budget adjustment is recommended by the System and Program Managers.

2016 Budget	\$ 560,000
Amount Requested This Item	\$ 1,457,000
Current Year Expenditures	\$ 5,178
Previously Obligated Funds	\$ 0
Necessary Dollars Budgeted in 2017	\$ 934,822
Revised Estimate	\$ 1,500,000
Project Adjustment to the 2016 budget	\$ 0

S/MWBE Information:

The Minority and Women Business Enterprise (MWBE) goal established for this construction project is 5% participation. Garney Companies, Inc. achieved 5.14% MWBE participation.

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Summary and Recommendation:

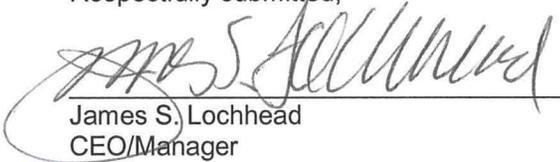
It is recommended that the Board approve Contract 16524A with Garney Companies, Inc. for the Foothills Treatment Plant Drying Bed Decant and Headworks Modifications project for the contract period July 13, 2016 through April 7, 2017 for a total contract amount not to exceed \$1,457,000.

Approvals:



Robert J. Mahoney
Director of Engineering

Respectfully submitted,



James S. Lochhead
CEO/Manager



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2016

Board Item: II-A-8

Tabulation of Proposals for the Conduit No. 20 Outlet Structure Modifications and Chatfield Pump Station Modifications Projects Contract 16808A

Action by Consent

Action

Information

Background:

The Chatfield Pump Station and Conduit No. 20 Outlet Structure are located within the same vicinity and both facilities require engineering design services for the planned replacements and additions to electrical and limited mechanical systems. The systems at Conduit No. 20 Outlet Structure are obsolete and antiquated approaching 50 plus years of service. Chatfield Pump Station has obsolete variable frequency drives which pose a reliability concern, a broken pressure reducing valve and controls that are not consistent with other recently upgraded pump stations. The overall design objectives for the modifications are to improve system reliability, integrity, safety, and consistency in the distribution system. Construction is planned to occur between 2017 through 2018.

The recommended Consultant, CH2M Hill Engineers, Inc., will provide engineering design services from project initiation through 30% design. Thereafter, Denver Water has the option to extend, amend or eliminate services beyond the 30% milestone depending on the Consultant's performance to include services through 100% design and services during construction.

Selection of Business Partner:

A Request for Proposals for was sent to four pre-qualified engineering firms. Of the four firms, two responded with cost proposals, CH2M Hill Engineers, Inc., and Burns & McDonnell. Two proposals were received on June 21, 2016 and reviewed and scored by a team of Denver Water evaluators in accordance with the quality based selection criteria listed in the Request for Proposals. The best value proposal was submitted by CH2M Hill Engineers, Inc. of Englewood, Colorado in the amount of \$106,956. The Opinion of Probable Cost for the work was \$ 200,000.

Budget Information:

The 2016 Capital Improvement Plan (MPC 2AA5050 and MPC 1DB0061) includes sufficient funds for this project.

2016 Budget	\$	200,000
Amount Requested This Item	\$	106,956
Current Year Expenditures	\$	0
Previously Obligated Funds	\$	0
Dollars Budgeted for Future Years	\$	0
Revised Estimate	\$	200,000
Project Adjustment	\$	0

S/MWBE Information:

Due to the specialized nature of the work, no Minority and Women Business Enterprise (MWBE) goal was established for the design portion of the project. Participation will be required during project construction.

Summary and Recommendation:

It is recommended that the Board approve Agreement 16808A with CH2M Hill Engineers, Inc. for Conduit No. 20 Outlet Structure Modifications and Chatfield Pump Station Modifications Projects for the contract period July 13, 2016 through January 31, 2017 for a total contract amount not to exceed \$106,956.

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Summary and Recommendation:

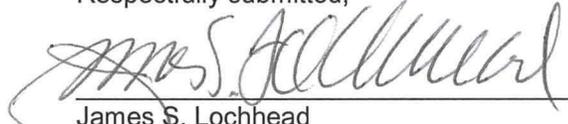
It is recommended that the Board approve Agreement 16808A with CH2M Hill Engineers, Inc. for Conduit No. 20 Outlet Structure Modifications and Chatfield Pump Station Modifications Projects for the contract period July 13, 2016 through January 31, 2017 for a total contract amount not to exceed \$106,956.

Approvals:



Robert J. Mahoney
Director of Engineering

Respectfully submitted,



James S. Lochhead
CEO/Manager



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2016

Board Item: II-A-9

Tabulation of Proposals for Conduit No. 12 Isolation Valves and Internal Joint Seals Contract 16695A

Action by Consent

Action

Information

Background:

The purpose of this project is to improve known defective components of Conduit No. 12, a 66-inch pipeline installed in the 1920s. The conduit improvements include removal and replacement of an existing broken isolation valve, installation of two additional isolation valves, and the repair of two joint leaks identified in a recent leak detection inspection.

Broken and an insufficient quantity of isolation valves force Denver Water Operations and Maintenance (O&M) to expand conduit outages to the nearest operable valves which then cover an excessively large length of conduit and require a significant amount of time and effort to drain, disinfect, and fill the conduit. More isolation valves provide more flexibility to O&M and reduce the impact a conduit outage has on the operation of the distribution system. Also, the additional valves improve O&M's ability to provide double-valve isolation to allow for safer entries into the conduit for inspections and repairs.

Selection of Business Partner:

Denver Water solicited proposals from five Contractors on the Prequalified Contractor List under the Civil - Pipelines discipline. This Contract was a restricted proposal process based solely on cost, using Instructions for Proposers on the QuestCDN platform. Four Contractors were pre-qualified to propose on the work and three submitted proposals. The lowest qualified proposal was submitted by T. Lowell Construction, Inc., of Castle Rock, Colorado for \$1,080,000. The Engineer's Opinion of Probable Cost for the work was \$1,150,000.

Proposal Costs			
Opinion of Probable Cost	T. Lowell Construction, Inc.	Layne Heavy Civil, Inc.	BT Construction, Inc.
\$1,150,000.00	\$1,080,000	\$1,300,458	\$1,590,000

Budget Information:

The 2016 Capital Improvement Plan (MPC 2DD0094) does not include sufficient funds for this project. A project budget adjustment is recommended by the System and Program Managers.

2016 Budget	\$ 1,000,000
Amount Requested This Item	\$ 1,080,000
Current Year Expenditures	\$ 203,162
Previously Obligated Funds	\$ 0
Dollars Budgeted for Future Years	\$ 1,700,000
Revised Estimate	\$ 1,300,000
Project Adjustment	\$ 300,000

S/MWBE Information:

The Minority and Women Business Enterprise (MWBE) goal established for this construction project is 8% participation. T. Lowell Construction, Inc. achieved 8.24% MWBE participation.

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Summary and Recommendation:

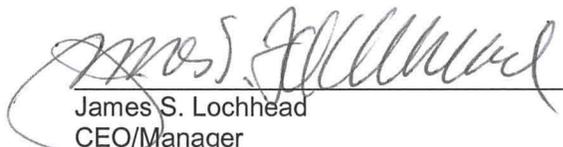
It is recommended that the Board approve Contract 16695A with T. Lowell Construction, Inc. for Conduit No. 12 Isolation Valves and Internal Joint Seals for the contract period of July 13, 2016 through January 2, 2017 for a total contract amount not to exceed \$1,080,000.

Approvals:



Director of Engineering
Robert J. Mahoney

Respectfully submitted,



James S. Lochhead
CEO/Manager



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2016

Board Item: II-A-10

Tabulation of Proposals for the Vault Modifications 2016/2017 Contract 16458A

Action by Consent

Action

Information

Background:

Denver Water owns, operates, and maintains approximately 350 underground treated water vaults that contain control and/or pressure regulating valves (PRVs). Because of their control and regulating role, these vaults are critical to everyday operation of the treated water system. These vaults are comprised of the underground structure itself, piping, valves, HVAC, and the electrical, instrumentation and monitoring systems. Denver Water's Vaults Master Plan includes programs for vault inspection, maintenance, and an annual vault rehabilitation contract. The annual contract is the mechanism by which full replacements or major upgrades of vaults are designed by Engineering and built by outside contractors. A team of O&M and Engineering stakeholders select locations based on the existing condition, criticality of the vault, outage constraints and how the estimated cost fits into the annual budget of approximately 4,000,000 per year.

The 2016-2017 vault project is comprised of 7 sites located in Jefferson, Douglas and Arapahoe Counties. The general scope consists of replacement or rehabilitation of the underground concrete structure, new piping and valving, new HVAC equipment, new sump pumps and outfalls, and new power, instrumentation, control and communication systems.

Selection of Business Partner:

Denver Water solicited proposals from three interested Contractors on the Prequalified Contractors List under the Vaults discipline. This Contract was a restricted proposal process using Instruction to Proposers on the QuestCDN platform. On June 23, 2016, proposals were received from the three prequalified General Contractors. Proposal selection was based solely on cost, and the lowest qualified proposal was submitted by Concrete Works of Colorado for \$3,846,000. The Engineer's Opinion of Probable Cost for the work was \$3,394,200.

Proposal Costs			
Engineer's Opinion of Probable Cost	Concrete Works of Colorado, Inc.	Archer Western	Layne Heavy Civil, Inc.
\$3,394,200	\$3,846,000	\$5,130,000	\$6,110,000

Budget Information:

The project is scheduled through June 2017. The 2016 Capital Improvement Plan (MPC 2DE006) includes sufficient funds for the estimated 2016 expenditures. A portion of the contract will be paid in 2017 and will be budgeted for the 2017 Capital Improvement Plan.

2016 Budget	\$ 1,700,000
Amount Requested This Item (For 2016 and 2017)	\$ 3,846,000
YTD Expenditures	\$ 56,056
Previously Obligated Funds	\$ 0
Required 2017 budget	\$ 2,202,056

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S/MWBE Information:

The Minority and Women Business Enterprise (MWBE) goal established for this construction project is 8% participation. Concrete Works of Colorado, Inc. achieved 8.04% MWBE participation.

Summary and Recommendation:

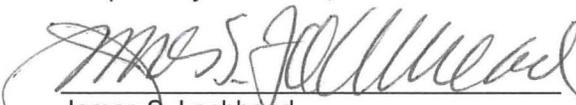
It is recommended that the Board approve Contract 16458A with Concrete Works of Colorado, Inc. for the Vault Modifications 2016/2017 for the contract period of July 13, 2016 through June 30, 2017 for a total contract amount not to exceed \$3,846,000.

Approvals:



Robert J. Mahoney
Director of Engineering

Respectfully submitted,



James S. Lochhead
CEO/Manager



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2016

Board Item: II-A-11

Amendment No. 1 with Brown & Caldwell for Hillcrest Pump Station Replacement Project Contract 16652A

Action by Consent

Action

Information

Background:

A proposal has been negotiated for the final structural, architectural and soils design of the Hillcrest Pump Station Replacement Project, which is part of the overall Hillcrest Reservoir and Pump Station Project. The project consists of the demolition of the existing 12,000 square foot pump station, switch gear, switch yard, and pumps, and the construction of a new 16,000 square foot pump station, switch gear, switch yard and 11 large pumps. The existing pump station structure has had multiple issues with expansive soils that have permanently damaged the structure. The Hillcrest Pump Station is also more than 50 years old.

The consulting services include 30% through final design level of completion for structural design (Brown and Caldwell), architectural design (OZ Architecture), soils investigation (Shannon & Wilson), and drafting services. Brown and Caldwell will be subcontracting design for architecture and soils. The mechanical, electrical, civil, and landscape design will continue to be performed by Denver Water. It is anticipated that construction-phase services will be amended to Agreement 16652A at a later date.

Selection of Business Partner:

During the competitive selection for the Hillcrest Reservoir Replacement Consultant Services Agreement 15598A, Brown and Caldwell's structural group was to coordinate with Bates Engineering for site structural design. Bates Engineering agreed to provide design for the Hillcrest Tanks and all other site structural design would be provided by Brown and Caldwell. Denver Water is unable to staff the pump station structural design as originally anticipated, so Brown and Caldwell was utilized to provide structural design services for the Pump Station Replacement Project.

Budget Information:

The 2016 Capital Improvement Plan (MPC 2DB0329 and MPC 1DB0062) includes sufficient funds for this project.

2016 Budget	\$	12,200,000
Amount Requested This Item	\$	664,867
YTD Expenditures	\$	4,329,851
Other 2016 Committed Funds	\$	7,205,282
Revised 2016 Estimate	\$	12,200,000
Dollars Budgeted for Future Years	\$	75,490,000
Project Adjustment	\$	0

S/MWBE Information:

There was no Minority Women Business Enterprise (MWBE) participation goal required for the design portion of the project. MWBE participation will be obtained through the project's construction phase which has been set at 8%.

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Summary and Recommendation:

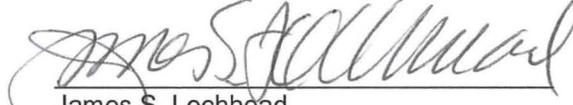
It is recommended that the Board award the First Amendment to Agreement 16652A with Brown and Caldwell, OZ Architecture, and Shannon & Wilson for the final design of the Hillcrest Pump Station Replacement Project for an extension of the contract period through June 2018 and for an additional \$664,867 for a total amended contract amount not to exceed \$820,435.

Approvals:



Robert J. Mahoney
Director of Engineering

Respectfully submitted,



James S. Lochhead
CEO/Manager



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2016

Board Item: II-A-12

Amendment No. 1 with Jacobs Engineering Group, Inc. for North System Renewal Water Treatment Plant (NSRWTP) Owner's Representative Services Contract 16676A

Action by Consent

Action

Information

Background:

The NSRWTP is a new 150 million gallons per day (MGD) facility to be constructed on Denver Water's Ralston Reservoir property north of Golden on Colorado State Highway 93. Denver Water has engaged an Owner's Representative (OR) to jointly manage and execute the design and delivery of the NSRWTP on or before 2023. The OR's responsibilities include project management services during design, construction and startup of the NSRWTP. The project will be completed using a step-wise phasing approach using six tasks in order to make decisions and obtain approvals before proceeding to subsequent phases.

NSRWTP Project Delivery Tasks	
Major Tasks	Current Schedule
Task 1: Mobilization of Owner's Representative	Complete
Task 2: Design Phase Service Procurement (Design Team and Construction Manager-at-Risk)	In Progress
Task 3: Preliminary Design (0 to 20% completion) Board Workshop at 20% Design Milestone	8/2016 – 2/2017
Task 4: Final Design (20 to 100% completion through bidding) Finalize Project Budget at 30% Design Milestone	3/2017 – 2018-2021 (varies)
Task 5: Construction	2018 – 2023
Task 6: Transfer of Facility Ownership	2023

The purpose of this Board Item is to execute the First Amendment to the NSRWTP OR contract and approve the NSRWTP Task 3 Preliminary Design Scope of Services. On March 23, 2016, the Board approved the contract for Tasks 1 and 2 with the NSRWTP OR to develop the project management plan, structure, document management systems and assist Denver Water with the hiring and selection of the design team and construction manager-at-risk (CMAR). Tasks 1 and 2 project deliverables are being completed ahead of schedule and the project is prepared to begin Task 3 – Preliminary Design Phases Services with this First Amendment.

In Task 3, the OR will be responsible for implementing elements of the project management plan, integrating the Design Package (DP) consultants and CMAR teams into the project and coordinating design activities, and supplementing Denver Water staff with additional resources to provide design oversight and management.

Denver Water has negotiated the scope and fee of Task 3 and will continue in a phased contract approach for future Tasks 4-6 with the OR, based on the project schedule and OR performance. Each subsequent phase will be brought to the Board for consideration and approval.

Selection of Business Partner:

NSRWTP OR Services Amendment No. 1 (Task 3) is a continuation of the phased contracting method for the NSRWTP OR Services. The original Contract 16676A (Tasks 1 and 2) was competitively bid in February 2016 and Denver Water stakeholders agreed to award the contract to Jacobs Engineering Group, Inc. for a five-month duration.

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The negotiated fee and schedule for Amendment No. 1 is \$2,712,196.00, which includes a contingency which will require Project Leadership Team approval prior to starting any contingency-based work. Task 3 scope of services is expected to last eight months, with an anticipated completion date of February 2017.

Budget Information:

The 2016-2017 Capital Improvement Plan (MPC 1CE0065) includes sufficient funds for this project. The current capital cost estimate for the NSRWTP is \$394,500,000 with a 30% contingency. The project estimate will be refined as the design progresses and a formal approval of the project budget will be requested of the Board at the 30% Design Milestone.

2016 Budget	\$	1,500,000
Amount Requested This Item (\$760,000 in 2016)	\$\$	2,712,196
Other 2016 Committed Funds	\$\$	740,000
Revised 2016 Estimate	\$\$	1,500,000
Dollars Budgeted for Future Years (2017)	\$\$	15,800,000
Project Adjustment	\$\$	0

S/MWBE Information:

Due to the specialized nature of the work, there was no MWBE goal established for this Contract. However, the overall NSRWTP will establish participation goals for the design and construction phases of the program.

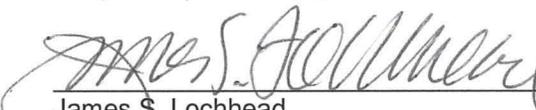
Summary and Recommendation:

It is recommended that the Board approve the First Amendment to Contract 16676A with Jacobs Engineering Group, Inc. for the NSRWTP OR Task 3 – Preliminary Design Phase Services for an extension of the contract period through February 28, 2017 and for an additional \$2,712,196.00 for a total amended contract amount not to exceed \$3,452,196.00.

Approvals:


Robert J. Mahoney
Director of Engineering

Respectfully submitted,


James S. Lochhead
CEO/Manager


Thomas J. Roode
Director of Operation and Maintenance


Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2016

Board Item: II-A-13

Fire Alarm & Backflow Inspections, Preventative Maintenance and Repairs

Contract # 16720A

Action by Consent

Action

Information

Summary:

Denver Water uses a contractor for the inspection, testing and repair of smoke detectors and backflow prevention devices at Denver Water facilities throughout Denver Water's combined service area. In previous contracts, the backflow prevention testing was included with the alarm systems, but has now been separated into two schedules to allow companies that specialize in backflows the opportunity to bid.

Budget Information:

Funds for these services are included in the 2016 Operations and Maintenance budget and sufficient funds will be budgeted in future years to cover the remainder of this contract.

2016 Budget	\$	45,000
Amount Requested This Item	\$	115,269
YTD Expenditures	\$	784
Dollars Budgeted for Future Years	\$	
Revised Estimate	\$	
Budget Adjustment	\$	0

Selection of Business Partner:

The Denver Water Purchasing and Contracting section issued a Request for Proposal (RFP) in May 2016 via the Rocky Mountain E-Purchasing System, the Denver Water public website, and a direct email to the SBE/MWBE Chambers List, as well as seven local contractors, two of which were Small Business Enterprises (SBE). Denver Water received seven proposals, two of which were SBE's. The selection committee evaluated all proposals based on experience, understanding of work, professional references and staffing plan, service level, and price. The committee selected Bronco Fire Alarm Systems, Inc. to perform the fire alarm inspections, maintenance and repairs, and Morrison Backflow Testing to perform the backflow inspections, maintenance and repairs, as they were the proposers with the best experience, certifications, relationship with Denver Water, and ability to meet Denver Water's needs. Morrison Backflow is an SBE; Bronco Fire Alarm Systems is not.

Recommendation:

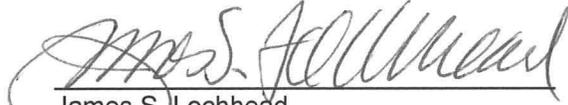
It is recommended that the Board approve Contract 16720A with Bronco Fire Alarm Systems, Inc. for fire alarm inspections, maintenance and repair and Morrison Backflow Testing for backflow testing, maintenance and repairs for the contract period July 1, 2016 to June 30, 2019 for a total contract amount not to exceed \$115,269.00.

Approvals:

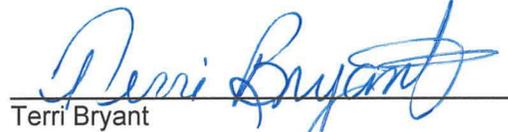


Thomas J. Roode
Director of Operations and Maintenance

Respectfully submitted,



James S. Lochhead
CEO/Manager



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2016

Board Item: II-A-14

Ratification of Amendments to Non Construction Contracts/Agreements

Action by Consent

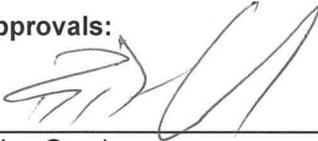
Action

Information

Summary:

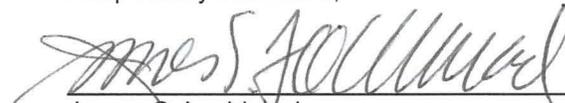
The attached are Amendments to Contracts for Board ratification for 2nd Quarter of 2016.

Approvals:



Brian Good
Chief Administrative Officer

Respectfully submitted,



James S. Lochhead
CEO/Manager



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2016

Board Item: II-A-15

Ratification of Construction Contracts Change Orders and Amendments to Contracts/Agreements

Action by Consent

Action

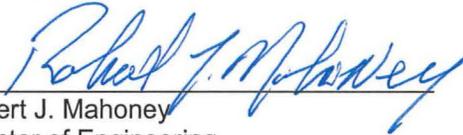
Information

Summary:

The attached are Construction Contracts Change Orders and Amendments to Contracts/Agreements for Board ratification for May and June 2016.

Approvals:

Respectfully submitted,



Robert J. Mahoney
Director of Engineering



James S. Lochhead
CEO/Manager



Terri Bryant
Controller

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DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2016

Board Item: II-B-1

Personnel Policies – Recommended Revisions Related to Adoption of a PTO Program

Action by Consent

Action

Information

Summary:

On March 23, 2016, the Board approved conceptual changes to the Denver Water Employees' Paid Leave Program, including "Paid Time Off" or PTO. The policy revisions below are necessary to implement the PTO program. While these changes if adopted by the Board will not become effective until January 1, 2017, it will take months to make the necessary system changes. For that reason, we are asking the Board to adopt the policies at this meeting so that the details of the program are final. The recommended revisions accomplish the following:

- Substitute PTO for sick and vacation leave throughout policies.
- Introduce the "Payroll Calendar Year" which runs from the first day after the last pay period in a year to the last day of the final pay period in the following year. This change is needed for system reasons. (§ 1-1(vv).)
- Maintain paid leave program at 31 – 41 days per payroll calendar year based on tenure. (§ 14-3-(1).)
- Reduce maximum allowable hours of accrued leave to 480 hours. (§ 14-3-(3).)
- Retain the annual option to cash out future accruals of leave. (§14-3-(5).)
- Modify "abuse of leave" policies to address unscheduled use of leave. (§§ 2-5-(1); 11-2-(1)(b).)
- Increase paid personal leave from one to nine days per payroll calendar year, designated as "use it or lose it" leave. (§14-5.)
- Allow for "exception" time reporting for exempt employees, *i.e.*, exempt employees only have to record leaves taken, not time worked. (§2-4-(6).)
- Decrease paid holidays from ten to nine per year by eliminating Cesar Chavez Day as a holiday. (§ 14-4-(1))
- Maintain the policy of allowing Human Resources to award additional PTO above the tenure-based level established in § 14-3-(1)(a), based on relevant experience. (§ 14-3-(1)(d).)
- Establish lower caps on maximum accruals of PTO for part-time employees. This is in keeping with industry standards. (§14-3-(3).)
- Eliminate extra holiday leave hours depending on the day of the week on which a holiday falls. (§ 14-4-(2))
- Designate "deferred holiday leave" as personal leave, which simplifies recordkeeping. (§ 14-4-(a)(2))

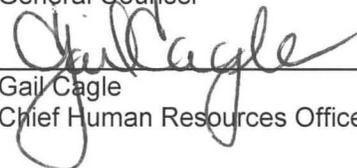
Recommendation:

It is recommended that the Board approve the changes to the sections of the *Personnel Policies* as designated in the attachment, to become effective January 1, 2017.

Approvals:

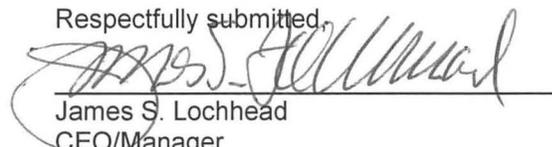


Patricia L. Wells
General Counsel



Gail Cagle
Chief Human Resources Officer

Respectfully submitted,



James S. Lochhead
CEO/Manager

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2016

Board Item: II-B-2

IT Strategy Review Consultant Contract # 16473B

Action by Consent

Action

Information

Summary:

Contract #16473B engages Grant Thornton LLP to conduct a strategic review of Denver Water's Information Technology program. Grant Thornton is being contracted to help the Board understand the following:

- Whether its current and proposed future IT investment, in terms of money and staff functions and size, are appropriate for a comparable-sized business or a local governmental utility of its kind;
- Whether it possesses and maintains an appropriate fleet/portfolio of user applications and middle-ware tools;
- Whether it has reasonable processes in place to manage and limit demand for IT services from the business; and
- Overall, to what degree Denver Water is positioned to implement an appropriate process that contains its future IT spending – in terms of both future technology wants versus needs.

The review will include

- Evaluating DW's IT spend against industry data. Appropriate processes will be in place to ensure an apples-to-apples comparison. Spending within IT (including SCADA) as well as IT-related spending in other Divisions will be included.
- Evaluating DW's portfolio of applications (their capabilities, costs, and effectiveness) against industry data and best practice to assist DW in determining the right size and make-up of this portfolio for the future. This review will include how applications are sourced and maintained.
- Evaluating DW's infrastructure and datacenter strategies. This part of the review will cover network and telecommunications; processing, storage, & backup; business continuity and recovery plans; and potential infrastructure needs. Though this review will not affect the datacenter being constructed in the near term as part of the OCR project, it will inform the future state of that datacenter. This review will include appropriate infrastructure to deliver the rationalized portfolio of applications (e.g. co-location, cloud, etc.).

The output of this effort will be a comprehensive report with detailed recommendations. This contract forms Phase One of a three-phase IT Master Planning effort, and is being overseen by Internal Audit. The two later phases, (Road Mapping and Transitioning to the Future State) will be separate efforts not run by IA. The horizon for this review is generally 3-5 years, though some policy recommendations may have longer implications.

Budget Information:

2016 Budget	\$	236,800
Amount Requested This Item	\$	250,000
YTD Expenditures	\$	12,668
Dollars Budgeted for Future Years	\$	0
Revised Estimate	\$	286,800
Budget Adjustment	\$	50,000

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Selection of Business Partner:

The Denver Water Purchasing and Contracting section issued a Request for Proposal (RFP) on March 11, 2016 via the Rocky Mountain E-Purchasing System, the Denver Water public website, and a direct email to the SBE/MWBE Chambers List. Denver Water received 18 proposals, two of which were SBE's, two MBE's and two WBE's. The selection committee evaluated the proposals based on Capability of the Firm/Proposer, Proposed Methodology/Work Plan, Understanding of the Work, Key Staff Experience/Qualifications, Professional References, Pricing and Exceptions to our Terms and Conditions

The committee selected Grant Thornton LLP to provide consultation services to the Board. The consultant expects to sub-contract with a certified WBE for around \$73,920.

Recommendation:

It is recommended that the Board approve Agreement 16473B with Grant Thornton LLP for IT Consultation for the contract period July 13, 2016 thru July 13, 2017 for a total contract amount not to exceed \$250,000.

Approvals:

Respectfully submitted,



Prescott B. Coleman
Chief Internal Auditor



James S. Lochhead
CEO/Manager



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 13, 2016

Board Item: II-B-3

Revisions to Operating Rules Regarding Service Lines

Action by Consent

Action

Information

Summary:

Denver Water's Operating Rule 9.04 contains a number of provisions governing the replacement of existing service connections. Under the current Rule, Denver Water may require replacement or updating to current Engineering Standards to a service connection in the event of redevelopment or "scrape-off", and where construction activities disturb or impact a service line. If street construction impacts a service line, replacement from the main to the water meter is required, unless the service line is lead, in which case it must be replaced from the main to a point where it can be removed without having to be cut.

The Rule has presented some problems in implementation. For example, "scrape-off" is not a term used in building permits, so the application of the Rule to a particular project has been unclear. In recent weeks we have renewed an arrangement with the Denver Building Department in which Denver Water reviews most building permit applications to determine if the service connection should be updated or replaced as part of the construction project. That process is working well, and the Rule should be revised to reflect this improved process. The revised Rule 9.04 provides that Denver Water will review certain building permit applications in cooperation with municipal building departments. If Denver Water determines that the proposed construction would impact a service connection in such a way as to pose a risk to water service, public health or water quality, then corrective action may be required, including updating to come into compliance with current standards.

Another aspect of the Rule requiring revision deals with lead service lines. We have learned that partial replacement of lead service lines can create problems and that full replacement of lead service lines from the main to the building is necessary to protect our customers from lead exposure. If a proposed construction project affecting a service line involves a building likely to have a lead service line, a water quality test will be required. If lead is detected, all non-copper components of the service connection will need to be replaced, from the main to the building. Street construction that impacts a lead service line would be subject to the same replacement requirement.

Minor changes to Rule 9.06 are also recommended to clarify that access to property must be provided for service line replacement, in addition to the other activities mentioned in the current rule. This change should facilitate lead service line replacement by Denver Water and by other entities.

Recommendation:

It is recommended that the Board approve replacement of Rule 9.04 in its entirety with the attached proposed language and modification of Rule 9.06 as described in the same attachment

Approvals:



Patricia Wells
General Counsel

Respectfully submitted,



James S. Lochhead
CEO/Manager



Sally Covington
Chief Public & Customer Affairs Officer

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