

RECORD OF PROCEEDINGS
MINUTES
OF THE
BOARD OF WATER COMMISSIONERS

Open Session

August 11, 2010

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, August 11, 2010 beginning at 9:20 a.m. in the Board Room, Room 309, 1600 West 12th Avenue, Denver, Colorado. Members of the Board present during the Regular Meeting were:

Penfield W. Tate, III, President
John R. Lucero, First Vice President
Thomas A. Gougeon, Vice President

Board employees and others present during portions of the Meeting were:

R.J. Mahoney, <i>Acting</i> CEO/Manager	M. L. Bassett, Director of Public Affairs
A.C. Bricmont, Director of Finance	M. L. Walker, Attorney
D. L. Little, Director of Planning	S. Miller, <i>Acting</i> Director of Human Resources
P. L. Wells, General Counsel	A. Turney, Chief of Distribution and Property Management
C. R. Dermody, Director of Information Technology	T. Cristiano, Manager of Rate Administration
B. D. Good, Director of Operations & Maintenance	A. T. Spaulding, Manager of Purchasing
R. G. Steger, Manager of Raw Water Supply	B. Lopez, Purchasing
G. Barela, Manager of Real Estate	M. Peden, Warehouse
G. Fisher, Manager of Demand Planning	D. Hamm, Staff Analyst
G. Wilcox, Manager of Budgeting	L. Billeter, Staff Analyst
G. Rygh, Superintendent of Water Control	M. Lewellen, Water Resource Engineer
L. Paule, Human Resources	N. Myers, Engineer
L. S. Likes, Appraiser-Negotiator	M. Keilwitz, Engineer
N. Smith, Engineering	M. Nguyen, Engineering Specialist
S. Hansz, Engineering	
C. Piper, Intergovernmental Affairs Coordinator	Richard Lewis, RTL Networks
	Jill Wuertz, Denver Parks and Recreation

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Commissioner Tate called the meeting to order.

Upon motion regularly made, seconded and unanimously carried, Commissioners Herzmark and Austin were found to be absent for substantial cause and were excused.

Upon motion regularly made, seconded and unanimously carried, the reading of the Minutes of the Regular Meetings of July 14 and July 28, 2010 was dispensed with and such Minutes were approved.

Upon motion regularly made, seconded and unanimously carried, the Minutes of the Executive Sessions of July 14 and July 28, 2010 were approved.

Public Comment

Commissioner Tate invited members of the public to comment to the Board on any matters not included in the Agenda for the meeting. There was no response.

Introduction of Employees Attending the Meeting

Mr. Good, Mr. Little and Mr. Mahoney introduced employees attending the meeting who would not otherwise be involved in presentations to the Commissioners during the meeting.

Upon motion regularly made, seconded and unanimously carried by the Commissioners then present, unless otherwise noted, the Board acted upon the following agenda items:

1. ITEM V-A-1: HUMAN RESOURCE CHANGES

Approved the human resource changes set forth in Agenda Item V-A-1 dated August 11, 2010, a copy of which is attached to and incorporated in these Minutes as Exhibit "A," effective the pay period beginning **July 10, 2010** unless otherwise noted.

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2. ITEM V-A-2: EMPLOYEES ELIGIBLE FOR REGULAR STATUS

The following employees were classified as regular employees of the Board, with all rights and privileges thereof, effective **August 11, 2010**, unless otherwise noted:

Employee Name	Employment Date	Retirement Plan Participation Date Unless otherwise noted^	Division/Section
Brad Kramer	01/11/2010	01/11/2010	Conservation #022
James Parent	01/25/2010	01/25/2010	Information Technology #160
Michele Diamond	01/11/2010	01/11/2010	Construction Project Mgt #271
Elizabeth Gustin^	11/04/2008	1/23/2010 ^Exclude Prior Service as Temporary Status 11/04/2008 to 1/22/2010	Customer Service – Field #465
Steven Golden	01/11/2010	01/11/2010	T&D Construction & Maintenance #710
Timothy Stewart^	04/21/2009	01/09/2010 ^Exclude Prior Service as Temporary Status 04/21/2009 to 01/08/2010	T&D Construction & Maintenance #710
Christopher White	02/01/2010	02/01/2010	T&D Construction & Maintenance #710

3. ITEM V-A-3: RECEIPT OF MOTORBOAT COLORADO GRANT FUNDS FOR ANTERO SOUTH BOAT RAMP

Accepted a grant in the amount of \$170,050 from Motorboat Colorado for improvements to the South Boat Ramp area at Antero Reservoir and authorized entering into a Sub-grant Agreement with the State of Colorado Department of Natural Resources, Division of Wildlife, in the form of Exhibit "B", attached to and incorporated in these Minutes, regarding the construction of various improvements at Antero Reservoir, which Agreement requires the expenditure of an additional \$56,683 by the Board.

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4. ITEM V-A-4: RATIFICATION OF CONSTRUCTION CONTRACT CHANGE ORDERS AND AMENDMENTS TO AGREEMENTS

Ratified Construction Contract Change Orders and Amendments to Agreements authorized by the Manager/CEO in June and July, 2010, as follows:

Change Order No. 2 to Contract 11992D with Moltz Construction for the Marston Filter Plant No. 2 Upgrade;

Change Order No. 11 to Contract 12019A with Lillard and Clark Construction Co., Inc. for the relocation of Conduits No. 12 and 18;

Change Order No. 5 to contract No. 12082A with Concrete Works of Colorado for Cat Reservoir Site Improvements;

Change Orders No. 6 and 7 to Contract 12307A with BT Construction for the replacement of a portion of Conduit No. 94;

Change Order No. 3 to Contract 12414A with BT Construction, Inc., for the Fulton Inlet Pipeline System;

Change Order No. 3 to Contract No. 12422A with Lillard and Clark Construction, Inc. for the 2009/2010 Vault Modification Project;

Change Order No. 1 to contract No. 12575A with Panattoni Construction, Inc., for the Einfeldt Decentralization Station;

Change Order No. 1 to Contract No. 12635A with U.S.A. Construction, Inc., for the 10-year maintenance of the Dillon Dam Hydroelectric Power Plant;

Change Orders No. 1 and 2 to Contract 12687A with Weinland Construction, Inc., for the First Creek Drainage Crossing;

Extensions of Completion Dates for various General Engineering Service Contracts with the following firms: Bates Engineering, Inc.; Brown and Caldwell; Burns & McDonnell Consulting Engineers; Carollo Engineers,

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PC; GEI Consultants, Inc.; Geocal, Inc.; Integra Engineering, LLP; Kumar & Associates, Inc.; Lyman Henn; Muller Engineering Company; NEI Electric Power Engineering, Inc.; Shannon & Wilson, Inc.; SM&RC Structural Engineers; TechniCAD, Inc.; Tetra Tech RMC; URS Corporation; Wiss Janney Elstner Associates, Inc.; ABSG Consulting, Inc.; RJH Consultants, and Weston Solutions, Inc.;

Third Amendment to Agreement 11109F with AECOM USA, Inc., for Hydropower and Alternative Energy Visionary Plan Assistance;

Third and Fourth Amendment to Task Order Agreement 11111D with Burns & McConnell Consulting Engineers for on-call services regarding water treatment plants;

First Amendment to Task Order Agreement 11111F with Burns & McDonnell Consulting Engineers for the Lamar Pump Station Renovations Project;

First Amendment to Task Order Agreement 11127G with Lintjer + Haywood Architects, P.C., for design services for standard specifications;

Fifth Amendment to Agreement 11480A with GEI Consultants, Inc., for the Dillon Dam Seismic Stability Evaluation;

Fourth Amendment to Agreement 11805A with URS Corporation for Cheesman Dam Trashracks;

Second Amendment to Agreement 12234A with GEI Consultants, Inc., for Construction Phase Services for the Fulton Inlet Pipeline System;

First Amendment to Agreement 12391A with Carollo Engineers for 30-Percent Design Services for the Hazeltine Pump Station;

First Amendment to Task Order Agreement 12508B with J.F. Sato and Associates for the Conduit No. 74 Valve Vault Structural Design;

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First Amendment to Task Order Agreement 12509C with Malcolm Pirnie for the Foothills and Ralston Solid Waste Facilities Closure/Post-Closure Liability Study;

First Amendment to Task Order Agreement 12509D with Malcolm Pirnie for Lakeridge Pump Station Electronic O&M Manuals;

First Amendment to Agreement 12558A with Brown and Caldwell for services involving Lakeridge Pump Station Standby Generator;

First Amendment to Agreement 12559A with CH2M Hill for the Lone Tree Pump Station and Highlands Pump Station Standby Generator Projects;

First Amendment to Agreement 12769A with URS Corporation for the Cheesman Dam Upstream Control Project – Phase 2;

First Amendment to Agreement 12842A with CH2M Hill for the Moffat Water Treatment Plant Evaluation;

First Amendment to Agreement 12999A with Federico Carrera dba Carrera Topographics for digital mapping at Eleven Mile Canyon Reservoir;

First Amendment to Agreement 13027A with Bates Engineering, Inc., for services related to the Williams Fork Small Hydro Outlet Works Project;

First Amendment to Agreement 11581A with Rodney Hunt Company regarding renovation of cone valves for the Williams Fork Dam Outlet Works;

Payment to American Portable Building for lease of a trailer, Contract 08214A; and

Second Amendment to Agreement 11255A with Ventyx for the MWFA Implementation Project,

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all as more particularly described in Agenda Item V-A-4, a copy of which is attached to and incorporated in these Minutes as Exhibit "C."

5. ITEM V-E-1: DESIGNATION OF SURPLUS PROPERTY NEAR HARRIMAN LAKE

Declared a 7,497 square-foot parcel of property located in the NE ¼ Section 9, Township 5 South, Range 69 West of the 6th Principal Meridian in Jefferson County, Colorado, adjacent to West Quincy Avenue and west of South Kipling, all as more particularly described on the attached Exhibit "D," no longer useful for or required in the waterworks operations and authorized sale of the described property to Jefferson County, Colorado which property is necessary for widening the intersection at West Quincy and Kipling Parkway.

Ms. Turney described the location of the property, the needs of Jefferson County and explained the declaration would not affect Denver Water facilities.

6. ITEM V-E-2: DECLARATION OF SURPLUS PROPERTY AND AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH GRAND COUNTY WATER AND SANITATION DISTRICT

Declared a 4.751 acre parcel of property located in the SE ¼ SE ¼ of Section 32, Township 1 South, Range 75 West, of the 6th Principal Meridian in Grand County, Colorado, as described on the attached Exhibit "E", no longer useful for or required in the waterworks operations and authorized conveyance of the property to the Grand County Water and Sanitation District pursuant to the terms of a Purchase and Sale Agreement, a copy of which is attached to and incorporated in these Minutes as Exhibit "F".

Ms. Turney explained the property is currently encumbered with an existing water tank and appurtenances which were installed by the District pursuant to an easement agreement. Denver Water has no current or foreseeable use for the property and the assumption of financial responsibility for requirements of a Grand County Special Use Permit, as provided in the Agreement, provided sufficient additional consideration. The Commissioners discussed whether

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conveyance of the property would impact forest health issues and the values ascribed to the property.

7. **ITEM V-E-3: GREENPRINT DENVER 2010 (RATIFICATION OF 2ND AMENDMENT TO CONTRACT 10759C)**

Consideration of ratification of the Second Amendment to Contract 10759C was tabled to the Board's August 25, 2010 meeting.

8. **ITEM V-E-4: AWARD OF A CONTRACT FOR LAMAR PUMP STATION PUMP REPLACEMENT AND RENOVATIONS**

Authorized award of a contract to Aslan Construction, Inc., for the Lamar Pump Station-Pump Replacement and Renovation Project at a cost of \$962,428.

Mark Keilwitz introduced the design team of Garth Rygh, Mon Nguyen, Nathan Myers, Nathan Smith and Sean Hansz. Mr. Keilwitz then provided a short presentation regarding the location of the pump station, its use and the issues to be addressed in the renovation project. The original scope for the renovation project was to revise electrical and SCADA systems. However, as the design team reviewed the current condition of the facility and took into consideration the critical nature of the facility, the team recommended replacement of additional equipment including pumps, motors, telemetry equipment, sump pumps and valves. Mr. Rygh explained the short and long term impact of the potential loss of use of the Lamar Pump Station and the need to improve the overall reliability of water service, especially fire flow, in the area served by the pump station. Mr. Keilwitz explained the expanded project scope will not only address motor control and electrical equipment issues, but will also bring the facility into compliance with building code and engineering standards.

The Commissioners agreed that the improvements needed to be made and asked that Staff provide a more complete explanation of adjustments and scope changes to other projects which would be required to accommodate expanding the scope of the current project. The Commissioners were especially interested in the potential impact of the Project on the 2011 Budget.

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9. **ITEM VI-B-1: DISCUSSION AND INFORMATION: RALSTON
RESIDUALS MANAGEMENT FACILITY**

The Commissioners received an explanation regarding rehabilitation of Drying Beds 1 and 4 at the Ralston Residuals Management Facility, located near Ralston Reservoir, a copy of which is attached to and incorporated in these Minutes as Exhibit "G."

Mr. Good explained that improving the drying beds used for handling Moffat Treatment Plant sludge accelerates the time for drying the material and also provides a means to capture the water which is contained in sludge from the water treatment process. The construction project will be handled by personnel from Operations and Maintenance. The project has been approved by the appropriate State regulatory authorities.

10. **ITEM VI-B-1: DISCUSSION AND INFORMATION: LEGISLATIVE
REPORT**

Mr. Piper provided the Commissioners with an outline addressing the issues involved in Amendments 60 and 61, a copy of which is attached to and incorporated in these Minutes as Exhibit "H." The Commissioners and Staff discussed the statewide efforts to defeat the proposed amendments. Ms. Wells explained the Board could pass a resolution and post that resolution and other information regarding the impact of the amendments on Denver Water's operations on its website. Staff is reviewing whether to include information regarding such impact in the monthly billing inserts. The Staff will provide more complete information of suggested means of communicating the impacts of the Amendments on Board operations at a coming meeting.

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11. **ITEM VI-C-1: DISCUSSION AND INFORMATION: WATER SUPPLY & DEMAND: 2010 UPDATE¹**

Mr. Fisher provided the Commissioners with graphs of water supply and demand, a copy of which is attached to and incorporated in these Minutes as Exhibit I." Mr. Fisher noted that, although the 2010 weather in the Denver Metro Area has been closer to normal than in 2009, water use continues to be below forecasted amounts. The Commissioners discussed contributing factors to the lower demand, including impact of conservation messages.

12. **ITEM VI-F-1: DISCUSSION AND INFORMATION: STATUS OF THE INVESTMENT PORTFOLIO**

The Commissioners received the report, "Denver Water Investment Portfolio as of July 30, 2010" as set forth in Agenda Item VI-F-1 dated August 11, 2010, a copy of which is attached to and incorporated in these Minutes as Exhibit "J."

13. **ITEM VI-F-2: DISCUSSION AND INFORMATION: STATUS OF CONTRACT WORK AND CONSULTANT SERVICES**

The Board was furnished with two reports: Status of Contract Work and Status of Consultant Services dated August 11, 2010, copies of which is attached to and incorporated in these Minutes as Exhibit "K."

14. **ITEM VI-F-3: DISCUSSION AND INFORMATION: BUDGET STATUS REPORT**

The Commissioners received the 2010 Year-to-Date Board Budget Status Summary for the period ending **July 31, 2010**, a copy of which is attached to and incorporated in these Minutes as Exhibit "L."

¹ Commissioner Lucero left the meeting following the discussion of legislative matters. He did not return for either the remainder of the Regular Meeting or the Executive Session.

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15. ITEM VI-G-1: SCHEDULING OF FUTURE BOARD MEETINGS

The Board confirmed a Study Session will take place on **Wednesday, August 25, 2010**, at **9:00 a.m.** in the Board Room, Room 309, 1600 W. 12th Avenue, Denver, Colorado. An Agenda covering the matters to be discussed will be posted prior to the meeting.

The Board confirmed that the first regular meeting in September would take place on **Wednesday, September 8, 2010**, at **9:15 a.m.** in the Board Room, Room 309, 1600 W. 12th Avenue, Denver, Colorado.

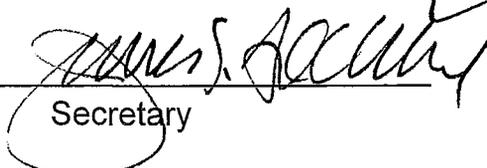
No further business appearing, the Board voted unanimously to adjourn into Executive Session at approximately 10:20 a.m.

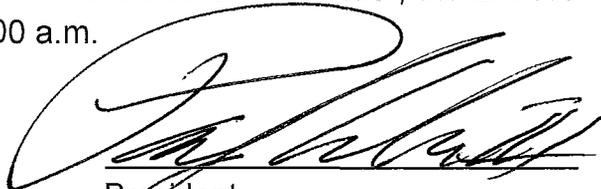
EXECUTIVE SESSION

On Wednesday, August 11, 2010, commencing approximately at 10:25 a.m. in the Manager's Office, located in the Administration Building, 1600 West 12th Avenue, Denver, Colorado, the Board of Water Commissioners met in Executive Session. The following matters which are authorized by C.R.S. § 24-6-402 or D.R.M.C. § 2-34 were discussed during the Executive Session:

1. Mediation §24-6-402(4)(a)(b)&(e)

There being nothing further for the Board to consider, the Executive Session concluded at approximately 11:00 a.m.


Secretary


President