

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: December 19, 2012

Board Item: 2-B-2

Plan Review Operating Rule Change

Action by Consent

Action

Information

Prior to the installation of distribution mains, fire hydrants or large taps in the water system, Denver Water must review and approve the plans. Plan review involves many different areas of Denver Water, including Water Sales, Meter Inspection, Water Quality, Hydraulics, Distribution Engineering, Corrosion and Property Management. The process is iterative and complicated and has been the source of some frustration for developers and their contractors.

In October, plan review was the subject of a LEAN rapid improvement event, which produced more than 20 recommendations for changes in the process. The changes included website revisions; the extent of Survey's involvement in easements and Legal's involvement in title commitments; consolidation of documents; categorization of plan reviews with appropriate review fees; and other streamlining efforts.

Only one of the recommendations involved an Operating Rule requiring Board approval – the requirement for the contractor to post a bond to provide protection against incorrect installation. The RIE team recommended removing the bond requirement for the following reasons:

- 1- Denver Water has never previously called a maintenance bond.
- 2- The contractor has no contract with Denver Water, but is responsible to the developer. The ultimate responsibility for the infrastructure is the developer or property owner.
- 3- New pipe installations are under warranty by the general contractor for 12 months, and repairs can be made under the warranty.

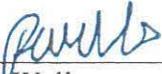
In order to implement the team's recommendations the bonding requirement must be removed from the Operating Rules. The proposed amendment has been discussed with the Distributors Forum.

Recommendation:

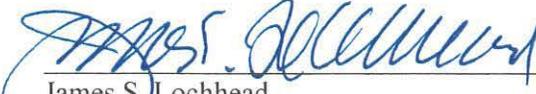
It is recommended that the Board approve the proposed rule changes shown in the attachment.

Approvals:

Respectfully submitted,



Patricia Wells
General Counsel



James S. Lochhead
CEO/Manager



Julie A. Anderson
Director of Customer Relations