

RECORD OF PROCEEDINGS

MINUTES OF THE BOARD OF WATER COMMISSIONERS

OPEN SESSION

December 18, 2013

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, December 18, 2013, beginning at 10:34 a.m. in the Board Room, Room 309, 1600 West 12th Avenue, Denver, Colorado. Members of the Board present during portions of the Regular Meeting were:

H. Gregory Austin, President
John R. Lucero, First Vice President
Thomas A. Gougeon, Vice President
Paula Herzmark, Vice President
Penfield W. Tate, III, Vice President

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

J.S. Lochhead, CEO/Manager	P.L. Wells, General Counsel
A.C. Bricmont, Director of Finance	M. Waage, <i>Acting</i> Director of Planning
S.C. Covington, Director of Public Affairs	J.A. Anderson, Director of Customer Relations
B.D. Good, Deputy Manager of Organizational Improvement	T.J. Roode, Director of Operations and Maintenance
R.J. Mahoney, Director of Engineering	C.R. Dermody, Director of Information Technology
C. Elam-Floyd, Director of Human Resources	P.B. Coleman, Chief Internal Auditor
M.K. Frishman, Attorney	U. Sharma, Treasurer
T. Bryant, Controller	M.E. Elliott, Assistant Director of Public Affairs – Government, Stakeholder Relations and Conservation
D.M. Hamm, Staff Analyst	G. Fisher, Manager of Demand Planning
R. Wirth, Supervisor of Treasury Operations	M. Price, Division Office Business Manager
L. Paule, HRIS Administrator	S.A. Miller, Manager of Health Care and Benefits Administration
S. Palmer, HRIS Analyst	

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G. Moore, Engineering Specialist	D. Engleman, Senior Benefits Administrator
P. Hahler, Administrative Assistant	G. Brockett, Human Resources Specialist
B. DeWitt, <i>Acting</i> Superintendent of Source of Supply	S. Price, Engineer
T. Johnson, Manager of Rewards and Recognition	V. Nealey, Human Resources Specialist
M. Iverson, Division Office Business Manager	A. Chotiner, Accountant
G. Chapman, Performance Management/Employee Relations Program Manager	J.D. Archer, Engineer
S. Franey, Senior Internal Auditor	J. Archiquette, Administrative Assistant
C. Ward, Senior Internal Auditor	P. Williams, Executive Office Manager
A. Montez, Human Resources Specialist	M. Martinez, Administrative Assistant
M. Tieslau, Law Clerk	B. Haggerty, Human Resources Specialist
T. Welch, Law Clerk	L. Robinson, Human Resources Specialist
	J.S. Fischer, Engineer
	S. Santomaso, HR Technician
	R. Manuel, HR Technician
	T. Segura, Budget Analyst
	J. Figurelli, Budget Analyst

Commissioner Austin called the meeting to order.

The Commissioners and staff recognized Ms. Elam-Floyd, Director of Human Resources, for her 19 years of service to Denver Water. She will retire this month. The Commissioners thanked her for serving as an advisor to the Board, for her advocacy for employees, and for her leadership. Mr. Lochhead remarked on Ms. Elam-Floyd's work to develop various initiatives as well as a strategic partnership between the Human Resources Division and the rest of the organization. Commissioner Austin and Mr. Lochhead presented Ms. Elam-Floyd with two plaques in appreciation of her work.

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ANNUAL MEETING

The first matter for the Board's consideration was the Annual Meeting. The Minutes of the Annual Meeting are maintained separately.

RECONVENED OPEN SESSION

Immediately following the conclusion of the Annual Meeting, the Commissioners reconvened the Open Session. Members of the Board present were:

H. Gregory Austin, President
John R. Lucero, First Vice President
Thomas A. Gougeon, Vice President
Paula Herzmark, Vice President
Penfield W. Tate, III, Vice President

Board employees and others present were:

J.S. Lochhead, CEO/Manager	P.L. Wells, General Counsel
A.C. Bricmont, Director of Finance	M. Waage, <i>Acting</i> Director of Planning
S.C. Covington, Director of Public Affairs	J.A. Anderson, Director of Customer Relations
B.D. Good, Deputy Manager of Organizational Improvement	T.J. Roode, Director of Operations and Maintenance
R.J. Mahoney, Director of Engineering	C.R. Dermody, Director of Information Technology
C. Elam-Floyd, Director of Human Resources	P.B. Coleman, Chief Internal Auditor
M.K. Frishman, Attorney	U. Sharma, Treasurer
T. Bryant, Controller	M.E. Elliott, Assistant Director of Public Affairs – Government, Stakeholder Relations and Conservation
D.M. Hamm, Staff Analyst	G. Fisher, Manager of Demand Planning
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M. Iverson, Division Office Business Manager	J.D. Archer, Engineer
S. Franey, Senior Internal Auditor	J.S. Fischer, Engineer
C. Ward, Senior Internal Auditor	T. Segura, Budget Analyst
	J. Figurelli, Budget Analyst
	M. Tieslau, Law Clerk
	T. Welch, Law Clerk

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

1. **ITEM 2-A-1: AMENDMENT TO BOND COUNSEL AGREEMENT**

Approved the First Amendment to Agreement 13894A with Peck Shaffer & Williams LLP for bond counsel services for an addition of \$65,000.00 and a total amended contract amount not to exceed \$175,000.00. The amendment is attached to and incorporated in these Minutes as Exhibit "A."

No further business appearing, the Board adjourned the Action portion of the meeting at 10:46 a.m.

STUDY SESSION

The Study Session consisted of consideration of nominations for the Citizens Advisory Committee. On December 13, 2013, the committee submitted a memorandum to Commissioner Austin nominating two potential candidates for the

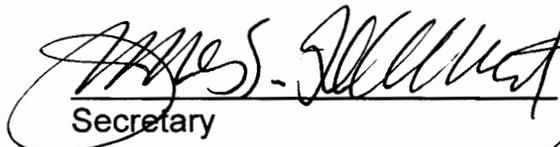
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seat being vacated by Mel Rettig, the committee's West Slope representative for Mesa, Garfield, Delta, and Montrose counties. The memorandum is attached to and incorporated in these Minutes as Exhibit "B." The Board approved the appointment of Karl Hanlon to the vacant seat.

The Board also received a presentation on budget accountability. Mr. Lochhead, Mr. Good, and Ms. Bricmont explained the changes staff is recommending for the budgeting process in 2014. The changes are intended to fulfill the financial perspective of the Strategic Plan and to eventually raise the spending authority of the CEO/Manager. They include a new decision-making process in which various systems and programs will be responsible for their own portions of the capital budget. Staff also recommends revising the standard agenda template for Board meetings, improving the regular reports the Board receives, and providing budget training to appropriate employees. Staff will implement these practices in January 2014 and seek feedback from the Board. The presentation is attached to and incorporated in these Minutes as Exhibit "C."

The Study Session concluded at 11:56 a.m., at which time the Board voted unanimously to adjourn the meeting.


Secretary


President