

AGENDA

Denver Board of Water Commissioners

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

Wednesday, March 23, 2016 9:00 a.m.

I. BOARD ADMINISTRATIVE 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. Contract Amendment with Insight Public Sector for Annual Microsoft Enterprise Agreement
2. Annual Contracts Scheduled to Renew and/or Require Additional Funding in the 1st Quarter of 2016
3. Tabulation of Bids for S Platte Collection System - North Metro Howe-Haller A and B Reservoirs Flood Repair
4. Water Quality Strategy for the Downstream Reservoir Water Storage Program
5. Fifth Amendment to Agreement with Brown and Caldwell for the Design of the Hillcrest Reservoir Tank Replacement
6. CenturyLink Network Services – Second Master Agreement Amendment

Denver Water aspires to be the best water utility in the nation.

Integrity :: Vision :: Passion :: Excellence :: Respect



7. Youth Education Program
8. Printing Services
9. Aqua Ammonia Bid Tabulation
10. Interact Intranet, Inc. and Denver Water Agreement

B. Individual Approval Items

- | | | |
|--|-------------------------------|------------|
| 1. 2016 Purchase of Fleet Vehicles | Tom Roode | 2 minutes |
| 2. Agreement for Content Journalism with Ragan Communications | Stacy Chesney/Travis Thompson | 20 minutes |
| 3. North System Renewal Water Treatment Plant Owner's Representative Services | Peter McCormick | 10 minutes |
| 4. Armed Security Guards Services at Denver Water Facilities | Tom Roode | 2 minutes |
| 5. Denver Water Employees' Paid Leave Program | Gail Cagle | 10 minutes |

III. POLICY MATTERS

- | | | |
|-----------------------------------|--------------|------------|
| A. SBE/MWBE Program Update | Katie Knoll | 10 minutes |
| B. Continuous Improvement | David Winter | 15 minutes |
| C. AMI Meter Reading | Mike Aragon | 15 minutes |
| D. OCR Update | Jeremy Ross | 10 minutes |

IV. MONTHLY AND QUARTERLY REPORTS

- A. CEO Report**
- B. CFO Report**
 1. Monthly Financial Report
- C. Operations Report**

V. INFORMATION ITEMS

- A.** Scheduling of Future Board Meetings and Tentative Discussion Topics
- B.** Event Calendar

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: March 23, 2016

Board Item: II-A-1

**Contract Amendment with Insight Public Sector for
Annual Microsoft Enterprise Agreement**

Contract # 07733B

 Action by Consent

 Action

 Information

Summary:

Denver Water purchases Microsoft software licenses and associated annual software subscription and support services for client desktops, laptops, tablets, and for enterprise servers, through a Microsoft Enterprise Agreement (EA), under the State of Colorado Master Software Agreement with Insight Public Sector Inc., the third party Microsoft reseller in Colorado. The original Denver Water Microsoft EA was executed in April, 2008, while the current three-year product pricing terms within the EA are established for the period April 2014 – March 2017.

In 2014 and 2015, due to higher than planned needs for client desktops, laptops, tablets, and enterprise servers, the purchase of additional licenses for Microsoft SQL-Server, Remote-Desktop, Office-ProPlus and Office365 resulted in increased costs of \$165,800 under the Microsoft EA. As a result, the Microsoft EA will need to be amended to add additional approved funds to cover the costs in the third year of the Enterprise Agreement (April 2016 – March 2017).

Budget Information:

Funding for costs in the third year of the Microsoft EA are fully budgeted within the IT Support Services (CCCN 174) operating budget, under MPC 4JN0006 TOE 5012.

2016 Budget	\$ 720,934.00
Amount Requested This Item	\$ 165,800.00
YTD Expenditures	\$ 8,569.00
Dollars Budgeted for Future Years	\$ 664,500.00
Revised Estimate	\$ 720,934.00
Budget Adjustment	\$ 0.00

Recommendation:

It is recommended that the Board approve this eighth Amendment to Contract Number 07733B with Insight Public Sector Inc. for the Microsoft Enterprise Agreement, for an additional amount of \$165,800.00, for a total amended contract amount not to exceed \$5,754,763.00.

Approvals:

DocuSigned by:



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Chris Dermody
Director of Information Technology

Respectfully submitted,


James S. Lochhead
CEO/Manager
Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 23, 2016

Board Item: II-A-2

**Annual Contracts Scheduled to Renew and/or Require
Additional Funding in the 1st Quarter of 2016**

Action by Consent

Action

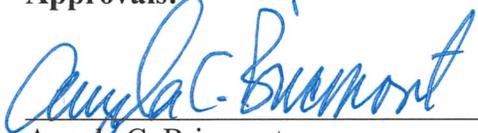
Information

Denver Water has a number of contracts that renew on an annual basis, some of which require additional funding for the following contract year. Contract administrators have determined that the contracts described in the attachments continue to be of value and are necessary to the operation of Denver Water and were originally procured following our procurement policy at the time of the contract. The original terms and conditions of these contracts remain unchanged. However, for the coming year the contracts require additional funding of more than \$100,000 or additional funding that will cause the total contract expenditures to exceed \$100,000.

Recommendation:

It is recommended that the Board approve the additional funding indicated for each of the contracts described in the attached Authorizations for Additional Contract Funds.

Approvals:



Angela C. Bricmont
Director of Finance



Terri Bryant, CPA
Controller

Respectfully submitted,



James S. Lochhead
CEO/Manager

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 23, 2016

Board Item: II-A-3

**Tabulation of Bids for S Platte Collection System - North Metro
Howe-Haller A and B Reservoirs Flood Repair
Contract 16556A**

Action by Consent

Action

Information

Summary:

On March 10, 2016, bids were received for the S Platte Collection System - North Metro Howe-Haller A and B Reservoirs Flood Repair Project. The project consists of regrading and reconstructing the reservoir slopes damaged during the September 2013 flooding and constructing a new concrete rundown and spillway structure to pass future flood flows from First Creek safely into Howe-Haller A Reservoir. Currently, the reservoirs will not be permitted by the Colorado State Engineer for storage until the repairs are made and reservoir liner system is recertified. Denver Water plans on placing the reservoirs in service as early as early as 2017. We anticipate completing the slope repair work by September 15, 2016, which will qualify the project for up to \$274,256.00 in flood assistance reimbursement from FEMA.

Budget Information:

The 2016 Capital Improvement Plan (MPC 2AA5058) does not include sufficient funds for this project. A project budget adjustment is recommended by the System and Program Managers.

2016 Budget	\$	0.00
Amount Requested This Item	\$	1,249,760.00
YTD Expenditures	\$	0.00
Other Committed Expenditures		52,000.00
Dollars Budgeted for Future Years	\$	0.00
Revised 90% Estimate	\$	1,616,185.00
Budget Adjustment	\$	1,301,760.00

Selection of Business Partner:

Denver Water notified all 16 Contractors on our Prequalified Contractor List under the Heavy Civil General Contractor discipline. This Contract was a public open-competitive bid conducted by using Invitation for Bids on the QuestCDN platform. Sixteen General Contractors were pre-qualified to bid on the work. Three firms bid on the project, and the lowest qualified bid was submitted by Tezak Heavy Equipment Co., Inc. of Canon City, Colorado in the amount of \$1,249,760.00. The 90% Opinion of Probable Cost for the work was \$1,616,185.00.

The Minority and Women Business Enterprise (MWBE) goal established for this construction project is 5% participation. Tezak Heavy Equipment Co., Inc. achieved 5.10% MWBE participation.

Recommendation:

It is recommended that the Board approve Contract 16556A with Tezak Heavy Equipment Co., Inc. for construction of the S Platte Collection System - North Metro Howe-Haller A and B Reservoirs Flood Repair Project for contract period of April 6, 2016 through September 15, 2016 for a total contract amount not to exceed \$1,301,760.00.

Approvals:

Respectfully submitted,



Robert J. Mahoney
Director of Engineering



James S. Lochhead
CEO/Manager



Patricia Wells
General Counsel



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 23, 2016

Board Item: II-A-4

Water Quality Strategy for the Downstream Reservoir Water Storage Program Contract #16647A

Action by Consent

Action

Information

Summary:

On December 18, 2015 proposals were received to provide lake management expertise and identify an effective water quality strategy for the Downstream Reservoir Water Storage Program. A water quality control strategy is necessary to prevent the formation of hydrogen sulfide that can be harmful to both employees and the public.

The project consists of evaluating technologies including, but not limited to, recirculation, aeration by pumping vertical flow mixing units, and a diffused air mixing system to maintain water quality in the gravel pit reservoirs. The project also consists of developing water quality management plans with operational recommendations for the South Complex, North Complex, and Lupton Lakes Complex.

Budget Information:

The 2016 Capital Improvement Plan (MPC 4AN0030) has sufficient funds for this project.

2016 Budget	\$	200,000.00
Amount Requested This Item	\$	194,959.00
YTD Expenditures	\$	0.00
Dollars Budgeted for Future Years	\$	0.00
Revised Estimate	\$	200,000.00
Budget Adjustment	\$	0.00

Selection of Business Partner:

Seventeen firms from the General Engineering Services Consultants List were evaluated for their water resource and lake management capabilities of which only five firms were found to have the lake management expertise necessary to perform the required evaluation. Using a Quality-Based Selection (QBS) process, a Request for Proposal (RFP) was issued to all five qualified firms, and three submitted proposals.

A team of five Denver Water employees reviewed the proposals and ranked them based on evaluation criteria provided within the RFP document. All of the evaluators ranked Reservoir Environmental Management, Inc. (REMI) as the best team for the project for a contract amount of \$194,959.00.

A Minority and Women Business Enterprise (MWBE) participation goal was not established for this professional service contract but participation was included as part of the evaluation criteria and awarded points for MWBE participation. REMI is a Small Business Enterprise (SBE).

Recommendation:

It is recommended that the Board approve Contract No. 16647A with Reservoir Environmental Management, Inc. to develop a water quality strategy for the Downstream Reservoir Water Storage Program for the contract period March 23, 2016 thru January 31, 2017 for a total contract amount not to exceed \$194,959.00.

Approvals:

Respectfully submitted,



Robert J. Mahoney
Director of Engineering



James S. Lochhead
CEO/Manager



Patricia Wells
General Counsel



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 23, 2016

Board Item: II-A-5

Fifth Amendment to Agreement with Brown and Caldwell for the Design of the Hillcrest Reservoir Tank Replacement Agreement #15598A

Action by Consent

Action

Information

Summary:

On August 27, 2014, the Board entered into Agreement 15598A for the preliminary design of the Hillcrest Reservoir Basin Replacement Project. These storage basins are more than 50 years old and are near the end of their useful life. The original agreement was for \$862,809.00 and has been amended four times due to anticipated phasing. The design is complete and the project is moving into the construction phase. It is desirable at this time, as anticipated at the time the agreement was made, to amend Brown and Caldwell's agreement in the amount of \$1,127,282.00 to add construction-phase services. Included will be project management and administration; reviews for change orders, submittals and requests for information; attendance at construction meetings; construction observations; and record drawings.

Budget Information:

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

2016 Budget	\$	12,000,000.00
Amount Requested This Item	\$	1,127,282.00
YTD Expenditures	\$	278,959.50
Dollars Budgeted for Future Years (2017-2019)	\$	51,000,000.00
Revised 2016 Estimate	\$	12,000,000.00
Budget Adjustment	\$	0.00

Selection of Business Partner:

The structural design of this type of tank is highly specialized, and there are only three firms in the local area that have satisfactorily delivered the post-tensioned tanks required by Denver Water. One of the firms is working for Denver Water on the tank replacement project at Ashland that overlaps this project. The other two firms have teamed up to deliver this project. The approach of Brown and Caldwell teaming with Bates Engineering was discussed with the Board and approved on May 28, 2014.

Recommendation:

It is recommended that the Board approve the Fifth Amendment to Agreement 15598A with Brown and Caldwell for construction-phase services of the Hillcrest Reservoir Basin Replacement Project for an extension of the contract period through December 31, 2019, and for an additional \$ 1,127,282.00, for a total amended contract amount not to exceed \$3,282,839.00.

Approvals:

Respectfully submitted,



Robert J. Mahoney
Director of Engineering



James S. Lochhead
CEO/Manager



Patricia Wells
General Counsel



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 23, 2016

Board Item: II-A-6

**CenturyLink Network Services – Second Master Service Agreement Amendment
Contract # 13396A**

 Action by Consent Action InformationSummary:

In December, 2010, Denver Water entered into a five-year Master Service Agreement (MSA) with CenturyLink in order to consolidate 13 separate contracts and obtain special customer loyalty pricing for voice and data network services. In 2014, the fourth year of the MSA, Denver Water and CenturyLink began the conversion of existing network circuits using older Frame Relay technology to CenturyLink's new network technology called Multiprotocol Label Switching (MPLS). These circuits provide voice and data network services for the Operations Complex, Treatment Plants, Pump Stations, Vaults, Decentralization Centers and SOS facilities. Upgrading these circuits to MPLS technology requires coordination and scheduling with Operations for small down-time outages. While good progress has been made with the conversion, it was not possible to complete the work prior to expiration of the MSA. In December, 2015, CenturyLink and Denver Water agreed to amend the MSA, extending it by one year, providing additional time to complete the MPLS conversion under the existing MSA pricing model. Due to an administrative oversight, additional approved funding was not included in the first amendment of the MSA. This second MSA amendment requests the authorization for additional funds to cover monthly network service fees through the remainder of 2016. Denver Water will negotiate a new Master Service Agreement with CenturyLink prior to the expiration of the current MSA in December, 2016.

Budget Information:

This request for additional funding is fully budgeted in the 2016 IT Network Communications budget under MPC 4JM0001, TOE 5250.

2016 Budget	\$ 3,000,850.00
Amount Requested This Item	\$ 2,500,000.00
YTD Expenditures	\$ 217,900.00
Revised Estimate	\$ 3,000,850.00
Budget Adjustment Required	\$ 0.00

Recommendation:

It is recommended that the Board approve this second amendment to Contract number 13396A with Qwest Corporation dba CenturyLink QC for \$2,500,000.00 for a total contract amount not to exceed \$14,855,250.00.

Approvals:

DocuSigned by:

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Chris Dermody
Director of Information Technology

Respectfully submitted,



James S. Lochhead
CEO/Manager



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 23, 2016

Board Item: II-A-7

Youth Education Program Contract #16414A

Action by Consent

Action

Information

Summary:

Established in 2009, Denver Water's award-winning youth education program is focused on kindergarten through high school students and educators in the combined service area. Over the past seven years the program has grown steadily and currently includes classroom and web-based offerings and learning tools, as well as field trips and tours. It also includes special events such as the Denver Metro Water Festival, held in partnership with Metropolitan State University of Denver's One World One Water program, and partnerships with the Denver Zoo, the Children's Museum and History Colorado.

Denver Water first contracted with Youth Education consultant Rob Buirgy in 2009 to help create the program and guide its development and expansion. Since that time the consulting team has grown to include subcontractors -- an educator, special projects coordinator, and administrative support staff -- who, along with Buirgy, support the organization's Youth Education Program Manager. The contract's proposed scope of work in 2016 includes the following:

- Expanding the reach of the program into all nine school districts in the combined service area.
- Revising the Teacher Resource Packet (TRP) to better meet the needs of educators and service-area school districts, primarily linking the packet to Colorado Academic Standards, offering enhanced lessons and activities, developing electronic and web-based resources, etc.
- Enhancing program evaluation and metric development.
- Complete transitioning management of the program from consultant-based to an in-house functional area within the Public Affairs division.

Budget Information:

Funds for these services were included in the 2016 Public Affairs budget.

2016 Budget	\$	344,560
Amount Requested This Item	\$	310,000
YTD Expenditures	\$	22,442
Dollars Budgeted for Future Years	\$	
Revised Estimate	\$	310,000
Budget Adjustment	\$	

Selection of Business Partner:

In November 2015, Denver Water issued a Request for Proposals via the Rocky Mountain E-Purchasing System (BidNet), the Denver Water public website, and direct e-mail to several potential respondents and the SBE/M/WBE Bid List. Denver Water received one response, from Buirgy Consulting, Inc., a SBE. The selection committee reviewed the proposal and the consultant's understanding of the work, staffing plan, professional references, and proposed pricing/hourly rates. The committee also conducted an interview with the consultant and their sub-contracted staff.

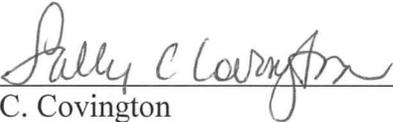
Denver Water's youth education program requirements were previously bid in 2012, at which time Denver Water received two responses. Buirgy Consulting, Inc. was the consultant selected for the previous contract in 2012.

Recommendation:

It is recommended that the Board approve Agreement No. 16414A with Buirgy Consulting, Inc. for Youth Education Program services for the contract period April 1, 2016 through March 31, 2017 for a total contract amount not to exceed \$310,000.

Approvals:

Respectfully submitted,



Sally C. Covington
Director of Public Affairs



James S. Lochhead
CEO/Manager



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 23, 2016

Board Item: II-A-8

Printing Services Contract # 16525A-D

Action by Consent

Action

Information

Summary:

Denver Water requires printing services for a variety of collateral materials including WaterNews, Pipeline, special reports, brochures, wall calendars and direct mail to customers with information on water quality, summer watering rules and other messages. These publications represent Denver Water and affect the image that ratepayers and the general public have of the organization. Under the recently issued Request for Proposals (RFP) seeking printing services, Denver Water considered proposals for four schedules of print job groupings or any combination thereof.

Because paper is a commodity, Denver Water sought a four-year contract to lock in the price.

Budget Information:

Sufficient funds for printing services are included in the 2016 budget under MPC 4JA0100.

2016 Budget	\$ 190,000
Amount Requested This Item	\$ 638,212
YTD Expenditures	\$ 16,357
Dollars Budgeted for Future Years	\$ 480,000
Revised Estimate	\$ N/A
Budget Adjustment	\$ 0.00

*In addition to the 2016 budget amount, additional amounts will be budgeted in 2017-2020 to cover the contract.

Selection of Business Partner:

Denver Water issued a Request for Proposals via the Rocky Mountain E-Purchasing System (BidNet), the Denver Water public website and sent notifications to the Small Business Enterprise (SBE) / Minority Women Business Enterprise (MWBE) trade organizations. Denver Water received 11 responses, one of which was an MWBE.

Commercial printing is a covered spend category under Denver Water's Covered Goods and Services MWBE program and qualifying awards under this competitive selection will support the Covered Goods and Services 2016 target. The selection criteria included production capabilities, experience, quality of print samples, MWBE certification, and pricing. Three contractors were selected to provide print services to Denver Water, one being a MWBE.

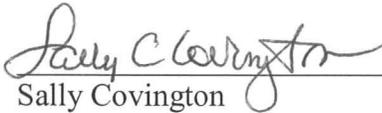
The approximate contract amounts, based on per unit negotiated pricing are:

- 16525B with OneTouchPoint for \$529,964
- 16525C with Beacon Printing (certified MWBE) for \$38,360
- 16525D with FuseCreates for \$69,888

Recommendation:

It is recommended that the Board approve Contract No. 16525B with OneTouchPoint Mountain States, Contract No. 16525C with Beacon Printing, and Contract No. 16525D with FuseCreates for printing services for the contract period of March 23, 2016, through February 28, 2020, for a total contract amount not to exceed \$638,212.

Approvals:



Sally Covington
Director of Public Affairs

Respectfully submitted,



James S. Lochhead
CEO/Manager



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 23, 2016

Board Item: II-A-9

Aqua Ammonia Bid Tabulation Contract # 16576A

Action by Consent

Action

Information

Summary:

Denver Water requires aqua ammonia (liquid ammonium hydroxide) for use in the water treatment process. The current contract will expire at the end of March.

Budget Information:

Funds for this material were included in the 2016 Operations and Maintenance budget and will be included in 2017 through 2019 budgets.

2016 Budget	\$	132,969.57
Amount Requested This Item	\$	450,000.00
YTD Expenditures	\$	0.00
Dollars Budgeted for Future Years	\$	335,167.28
Revised Estimate	\$	0.00
Budget Adjustment	\$	0.00

Selection of Business Partner:

Denver Water issued an Invitation for Bids (IFB) in February 22, 2016 for Bulk Aqua Ammonia. The IFB was posted on Rocky Mountain E-Purchasing System (BidNet), and was sent via direct e-mail to the SBE Bid Hotline list. Due to the significant upfront capital investment and technical knowledge required to enter the chemical manufacturing industry there are a limited number of manufacturers. The two major manufacturer's for this chemical are both located in the mid-west, and both responded to our solicitation. Neither is a SBE or MWBE. Agfinity, Inc. was the lowest bidder.

Recommendation:

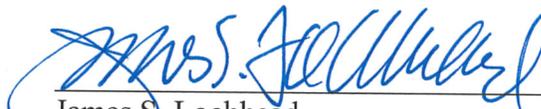
It is recommended that the Board approve Contract 16576A with Agfinity, Inc for Aqua Ammonia for the contract period April 1, 2016 through March 31, 2019 for a total contract amount not to exceed \$450,000.00.

Approvals:



Tom Roode
Director of Operations and Maintenance

Respectfully submitted,



James S. Lochhead
CEO/Manager



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: April 13, 2016

Board Item: II-A-10

Interact Intranet, Inc. and Denver Water Agreement Contract # 16640A

Action by Consent

Action

Information

Summary:

Denver Water's employee intranet site, Inflow, was built in 2010 and has not received significant updates since that time. The site is built on SharePoint, which limits the communications tools and features common to best-practice intranet sites. Public Affairs is seeking to redesign the site and move to a different platform. Public Affairs partnered with IT for the RFP process to ensure IT's needs were included, and that the technology solution would meet the organization's collective needs.

A request for proposals was posted to denverwater.org and Rocky Mountain e-Purchasing System. We received four proposals, none from a SBE or MWBE business. Research was done to identify SBE/MWBE businesses that specialize in intranets in order to extend a personal invitation to bid, but none were identified.

The selected company, Interact Intranet, provides intranet software that improves how companies communicate, collaborate, share knowledge and streamline processes. The new intranet will be cloud-based, allowing employees to access important organizational information from any computer, which is not available with the current intranet.

As part of its intranet software offerings, Interact includes a forms feature, which can be used by IT to meet current form technology solution needs.

Budget Information:

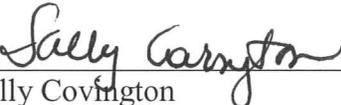
Funds were included in the 2016 budget and the remainder of contract dollars will be budgeted for 2017 and 2018.

2016 Budget	\$ 870,000.00
Amount Requested This Item	\$ 282,260.00
YTD Expenditures	\$ 4,447.50
Dollars Budgeted for Future Years	\$ 0.00
Revised Estimate	\$ 0.00
Budget Adjustment	\$ 0.00

Recommendation:

It is recommended that the Board approve 16640A with Interact Intranet, Inc.

Approvals:

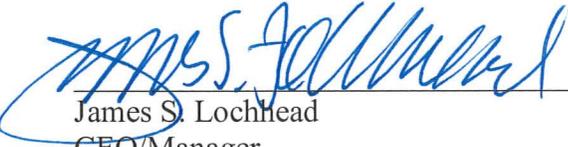


Sally Covington
Director of Public Affairs



Patti Wells
Legal Counsel

Respectfully submitted,



James S. Lochhead
CEO/Manager



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 23, 2016

Board Item: II-B-1

2016 Purchases of Fleet Vehicles Contract #16664A

Action by Consent

Action

Information

Summary:

Denver Water Fleet Operations submitted a 2016 Capital budget of \$7,000,000.00 to procure new equipment and vehicles. The amount requested is consistent with the program plan to reach the optimal six-year replacement cycle to minimize maintenance costs and maximize resale value. Some equipment will be traded-in to offset the purchase price; the remaining replacement units will be sent to auction. The replacement vehicles listed below have an average age of 13 years and an average life-to-date maintenance cost of \$19,453 for the units being replaced. Fleet has standardized Denver Water equipment brands to gain efficiencies in standard work, operator efficiencies, increased uptime, and less parts downtime. This allows fleet to continue the reduction in operating cost of fleet services.

The individual breakdown of vehicle types is as follows:

3/4 Ton Trucks	63	Dump Trucks	6	Motor Graders	2
1 Ton Trucks	7	Low Bed Tractors	1	Sweepers	2
1.5 Ton Trucks	4	Backhoes	3	Skidsteers	2
Large Utility Trucks	3	Wheeled Loaders	3	Utility/Crew Trailers	8
Flat Bed Trucks	1	Excavators	2		

Budget Information:

Funds for these services were included in the 2016 Operations and Maintenance Capital budget.

2016 Budget	\$	7,000,000.00
Amount Requested This Item	\$	7,000,000.00
YTD Expenditures	\$	0.00
Dollars Budgeted for Future Years	\$	0.00
Revised Estimate	\$	0.00
Budget Adjustment	\$	0.00

Selection of Business Partner:

Denver Water is using the NJPA (National Joint Powers Alliance) consortium contract for its construction equipment purchases. Denver Water leverages awards from the State of Colorado for the large utility bodies and light duty trucks purchased. For some specific utility/crew trailers purchased there will be a need for sole source approval that would be submitted to Purchasing for approval prior to the transaction. Purchasing will ensure all procurement procedures are aligned with Denver Water policy prior to issuing purchase orders to the selected vendors.

Recommendation:

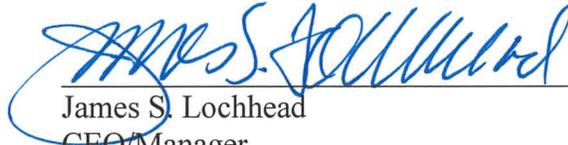
It is recommended that the Board authorize the execution of funds for the procurement of new vehicles and equipment between March 23, 2016 and December 31, 2016 for a total amount not to exceed \$7,000,000.

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: March 23, 2016

Board Item: II-B-2

Agreement for Content Journalism with Ragan Communications Contract # 16021A

Action by Consent

Action

Information

Summary:

In recent years, methods to educate and inform the public have changed dramatically due largely to a changing communications landscape made up of new channel preferences, technology and behaviors.

In response, Denver Water in 2014 began a shift from traditional PR/communication operations to a self-publishing/newsroom model called content journalism. This approach relies less on traditional channels and instead incorporates more proactive approaches aimed at spurring conversations with customers, employees, stakeholders and industry professionals. Denver Water is one of the first water utilities in the country to shift to this strategy and process.

Over the last two years, the Communications and Marketing team has completed two phases of transition to a content journalism structure for both internal and external communications. Accomplishments to date include establishing content generation standards and strategies; editorial processes and guidelines; restructured staff roles; a news room; writing and editing skills for new media; and enhanced video, photography and infographics capabilities. Work is underway to design and program a news site, which will be complimentary to the upcoming redesign of our internal and external websites.

The shift also helped increase our social media presence from 2014 to 2015 by nearly 325 percent in blog views, 50 percent in Twitter followers, 300 percent in Instagram followers and 250 percent in YouTube views. The team looks forward to creating a Facebook page later this year.

After a competitive bidding process, the Board approved a contract with Ragan Communications in 2015 to assist the Communications and Marketing team with this transition. Incorporated in 1975, Ragan is a Chicago-based, nationally recognized corporate communications consulting firm that specializes in developing and training communication professionals, particularly in new media and content journalism. Work slated for this contract year includes completing the design and programming of our news site; developing a marketing campaign to build awareness and encourage subscribers and followers; ongoing training; and testing, practicing and fine-tuning processes.

Ragan has committed to a 10 percent MWBE participation goal through subcontracting. Staff wishes to continue its transition work, using Ragan's guidance and expertise, through the final phase of work, slated for 2017.

Budget Information:

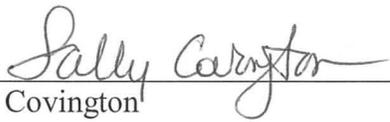
2016 Budget	\$ 150,000.00
Amount Requested This Item	\$ 150,000.00
YTD Expenditures	\$ 0.00
Dollars Budgeted for Future Years	\$ 0.00
Revised Estimate	\$ 0.00
Budget Adjustment	\$ 0.00

Recommendation:

It is recommended that the Board approve contract # 16021A with Ragan Communications for content journalism consulting services, for the contract period of April 1, 2016 through January 31, 2017, for a total contract amount not to exceed \$325,000.

Approvals:

Respectfully submitted,



Sally Covington
Director of Public Affairs



James S. Lochhead
CEO/Manager



Patti Wells
Legal Counsel



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 23, 2016

Board Item: II-B-3

North System Renewal Water Treatment Plant Owner's Representative Services Contract #16676A

Action by Consent

Action

Information

Summary:

The North System Renewal Water Treatment Plant (NSRWTP) is a new 150 million gallons per day (MGD) facility (250-MGD ultimate capacity) to be constructed on Denver Water's Ralston Reservoir property north of Golden on Colorado State Highway 93. Denver Water is engaging 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 sequential tasks to efficiently make decisions and obtain approvals before proceeding to subsequent phases.

In this first phase (Tasks 1 and 2) the OR will develop the project management plan, delivery structure, document management systems, and assist Denver Water with the hiring and selection of the design team and the Construction Manager-At-Risk (CMAR). Denver Water has agreed to negotiate the scope and fee of future Tasks 3-6 in a phased contract approach with the OR, based on the project schedule and OR's performance. Each subsequent phase will be brought to the Board for consideration and approval.

Budget Information:

The 2016 Capital Improvement Plan (MPC 1CE0065) includes sufficient funds for this project.

2016 Budget	\$	1,500,000.00
Amount Requested This Item	\$	740,000.00
YTD Expenditures	\$	4,756.99
Dollars Budgeted for Future Years (2017-2024)	\$	393,000,000.00
Revised 2016 Estimate	\$	1,500,000.00
Budget Adjustment	\$	0.00

Selection of Business Partner:

In October 2015, Denver Water posted a solicitation for Letters of Interest from firms interested in performing the scope of work outlined for the OR. Twelve firms responded to Denver Water's solicitation indicating an interest. On January 7, 2016, Denver Water posted a formal Request for Proposals (RFP) to denverwater.org, the Daily Construction Journal and a direct email was sent to over 500 firms from Denver Water's engineering contact list notifying potential proposers of the RFP. A mandatory pre-proposal meeting was held in Denver Water's Board Room on January 14, 2016, where twenty-eight (28) firms attended.

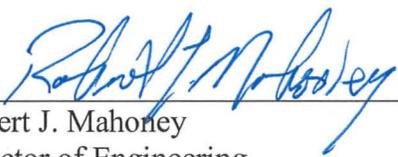
On February 9, 2016, Denver Water received three (3) proposals in response to the RFP and a quality-based selection process was used to determine the best fit for the project. Proposals were reviewed for quality, technical insights, and creativity in project approach, personnel experience and depth of the proposed team. A panel of Engineering and Operations & Maintenance stakeholders reviewed the proposals and conducted interviews with the top two firms. At the conclusion of the selection process, Denver Water's stakeholders were in unanimous agreement on the selection of Jacobs Engineering Group, Inc. as the as the strongest candidate for OR services on the NSRWTP.

Recommendation:

It is recommended that the Board approve Agreement 16676A with Jacobs Engineering Group, Inc. for Owner's Representative Services for the NSRWTP project for the contract period April 4, 2016 through September 30, 2016 for a total contract amount not to exceed \$740,000.00.

Approvals:

Respectfully submitted,



Robert J. Mahoney
Director of Engineering



James S. Lochhead
CEO/Manager



Patricia Wells
General Counsel



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 23, 2016

Board Item: II-B-4

Armed Security Guard Services at Denver Water Facilities Contract #16604A

Action by Consent

Action

Information

Summary:

Denver Water requires armed security guard services to protect its critical infrastructure and key resources located in the Denver Metropolitan Area as well as in the surrounding mountain areas.

Budget Information:

Funds for these services were included in the 2016 Operations and Maintenance budget; sufficient funds will be added to the 2017 through 2019 budgets.

2016 Budget	\$	2,200,000.00
Amount Requested This Item	\$	7,000,000.00
YTD Expenditures	\$	76,462.36
Dollars Budgeted for Future Years	\$	7,500,000.00
Revised Estimate	\$	0.00
Budget Adjustment	\$	0.00

Selection of Business Partner:

Denver Water issued a request for proposal (RFP) to the public on the Rocky Mountain E-Purchasing System, Denver Water's website, and notified the SBE and MWBE Chambers. Seventeen vendors were individually notified by email, nine of which were certified with the City and County of Denver as SBE and / or MWBE and specialized in security guard services. Denver Water received six proposals: one of which was both an SBE and MWBE; one of which was an SBE only. The supplier selection criteria was experience, the ability to meet our work requirements, staffing plans and qualifications, certification status as an SBE or MWBE, and price.

Security guard and patrol services is a covered spend category under Denver Water's Covered Goods and Services MWBE program and qualifying awards under this competitive selection will support the Covered Goods and Services 2016 target. As part of the contract language the selected bidder, Allied Barton, has committed to achieving 11% MWBE participation through a subcontract with a certified MWBE approved by Denver Water.

Recommendation:

It is recommended that the Board approve Agreement 16604A with Allied Barton for armed security guard services at Denver Water facilities for the contract period March 23, 2016 through April 30, 2019 for a total contract amount not to exceed \$7,000,000.00.

Approvals:



Tom Roode
Director of Operations and Maintenance

Respectfully submitted,



James S. Lochhead
CEO/Manager



Terri Bryant
Controller

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 23, 2016

Board Item: II-B-5

Denver Water Employees' Paid Leave Program

Action by Consent

Action

Information

Summary:

As part of the Total Rewards initiative, Denver Water's benefit programs are being evaluated with regard to their alignment with the Total Rewards Philosophy and the practices of peer employers. Paid Time Off is an important element of the benefits program, and has been the subject of significant study and discussion with employees and the Board over the last several months.

Based on the results of that study and discussion, it is recommended that the Board approve changes to Denver Water's paid leave program that will: 1) lower the Board's accrued leave liability by reducing the maximum allowable amount of accrued leave to 480 hours; 2) convert existing sick and vacation leave balances on an hour-for-hour basis to paid time off (PTO); 3) reduce the leave balances of employees to 400 hours of PTO on December 31, 2016 and buy out hours over 400 by means of a non-elective employer contribution to the 401(k) accounts of affected employees; 3) continue the tenure-based accrual system; 4) provide short-term disability coverage to all employees; and 5) retain the annual option to cash out future accruals of leave. The details of the proposed paid leave program are contained in the attached document.

If approved, the new paid leave program will take effect on January 1, 2017. Before the plan may be fully implemented, several Personnel Policies and other documents will be revised and brought to the Board for review and approval.

The revised program has no effect on the 2016 budget.

Recommendation:

It is recommended that the Board approve the revised Denver Water employees' paid leave program, with an implementation date of January 1, 2017.

Approvals:



Gail Cagle
Director of Human Resources



Angela Brimont
Director of Finance

Respectfully submitted,



James S. Lochhead
CEO/Manager



Terri Bryant
Controller