

## RECORD OF PROCEEDINGS

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### MINUTES OF THE BOARD OF WATER COMMISSIONERS

**Open Session**

**July 25, 2012**

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, July 25, 2012 beginning at 9:25 a.m. in the Board Room, Room 309, 1600 West 12<sup>th</sup> Avenue, Denver, Colorado. Members of the Board present during the Regular Meeting were:

**H. Gregory Austin, 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	D. L. Little, 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. 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	U. Sharma, Treasurer
P. B. Coleman, Chief Internal Auditor	M. L. Walker, Attorney
T.K. Segura, Budget Analyst	S. N. Niemi, Rate Analyst
G. Fisher, Manager of Demand Planning	G. Moore, Engineering Specialist
E. W. Helgeson, Rate Analyst	G. C. Berg, Treasury Analyst
D. Bennett, Environmental Scientist	K. D. Kuykendoll, Staff Analyst

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T. Cristiano, Manager of Rate Administration	M. N. K. Iverson, Staff Analyst
T. Lowe, Manager of Sales Administration	G. Wilcox, Manager of Budgeting
N.R. Babyak, Water Treatment	S. G. Green, Transmission and Distribution Mechanic
T. R. Thompson, Media Relations Coordinator	R. S. Peters, Water Resource Engineer
J. D. Tejral, Manager of Water Conservation	B. L. Honeycutt, Water Conservation Technician
A. T. L. Hall, Customer Care Specialist	K. D. Moe, Meter Inspector Supervisor
V. Haugen, Plan Review Coordinator	N. F. Sperandeo, Recreation Manager
C. M. Shaw, Executive Assistant	J. A. Capps, Accountant
V. L. Nealey, Office Management Assistant	T. A. Bryant, Project Manager
J.A. Figurelli, Budget Analyst	
Pat Fitzgerald, Platte Canyon Water and Sanitation District and Southwest Metropolitan Water and Sanitation District	Chad Masching, GEI Consultants

Commissioner Austin called the meeting to order.

Upon motion regularly made, seconded and unanimously carried, Commissioner Lucero was found to be absent for substantial cause and was excused.

Commissioner Austin noted the meeting was scheduled as a Study Session, but prior to taking up the Study Session agenda, the Board would consider three Action Items.

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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 2-A-1: AMENDMENT TO CHAPTER 14 OF THE OPERATING RULES**

Approved amendment to Operating Rule 14.02.4 regarding Soil Amendment for Irrigation of Turf at Newly Licensed Premises, which amendment is set forth on the attached Exhibit "A."

Jeff Tejral, Manager of Water Conservation then introduced the Turf Amendment players, employees who had participated in a recent Rapid Improvement Event involving soil amendment for newly-licensed premises: Brandi Honeycutt, Andrea Hall, Kjell Moe, Vicki Haugen, Neal Sperandeo and Charmaine Shaw. The skit demonstrated the bureaucracy of the process which had evolved since the Board enacted Operating Rules regarding amendment of soil for newly-developed properties.

During discussion of the proposed Amendment, Staff clarified that a list of qualified landscapers will be developed, and spot checks will be made to assure the soil is properly amended, rather than having to make individual inspections as were required under the old rule. Staff further clarified the builder, not the new homeowner, will be responsible for penalties which would be levied if proper soil amendment is not completed as required by the rule.

2. **ITEM 2-A-2: INTERGOVERNMENTAL AGREEMENT BETWEEN DENVER WATER AND CITY OF AURORA REGARDING WISE PARTNERSHIP DELIVERIES**

Approved entering into an Intergovernmental Agreement with the City of Aurora regarding WISE Partnership Deliveries and Other Operational Considerations, as more particularly described in the IGA, a copy of which is attached to and incorporated in these Minutes as Exhibit "B."

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Mr. Bennett explained that under the WISE Agreement, Denver Water and the City of Aurora will provide reusable water to districts which primarily supply ground water in the south metro area. Denver Water and Aurora will each commit to supplying one-half of the delivery obligations which average 10,000 acre-feet of water per year. Deliveries will range from 0 to 25,000 acre-feet in a given year. Aurora will be responsible for the operational and financial aspects of the project, including collecting and treating water through its Prairie Waters Project and billing the South Metro Water Authority. The IGA provides for the reservation of infrastructure capacity in the Prairie Waters Project for Denver Water and obligates the Board to pay the City of Aurora \$5 million for the reservation of such capacity. The \$5 million payment will serve as a credit against Denver Water's cost for water when the capacity is used, and reserves one-half of the Prairie Waters Project capacity, up to 25 MGD, which could be used by Denver Water in 15 out of 100 years.

Mr. Bennett explained that Denver Water, the City of Aurora and the South Metro Water Authority are currently negotiating a delivery agreement, which is required to be executed before the IGA is in effect.

In response to questions from the Commissioners, Mr. Little opined that Denver Water's use of the Prairie Waters Project infrastructure capacity could possibly permit deliveries into Denver Water's system during emergency circumstances, as in the second year of a continuing drought.

3. **ITEM 2-A-3: TASK ORDER AGREEMENT FOR A SECURITY VULNERABILITY ASSESSMENT OF THE WATER DISTRIBUTION SYSTEM**

Authorized entering into a Task Order Agreement with ABS Consulting, Inc., for a Security Vulnerability Assessment of the Denver Water Distribution System, at a cost of \$99,801.

No further business appearing, the Board adjourned the Action portion of the meeting at 10:05 a.m.

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The Board then took up the Study Session agenda, which included presentations of the Quarterly Budget Update and the proposed Ten Year Financial Plan. The Study Session concluded at 10:53 a.m., at which time the Board voted to adjourn into Executive Session.

**EXECUTIVE SESSION**

On Wednesday, July 25, 2012, commencing approximately at 10:58 a.m. in the Board Room, 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. Legal Issues Update § 24-6-402(4)(b)
2. Contract Negotiations § 24-6-402(4)(e)

There being nothing further for the Board to consider, the Executive Session concluded at approximately 11:45 a.m.

  
Secretary

  
President