

RECORD OF PROCEEDINGS

MINUTES OF THE BOARD OF WATER COMMISSIONERS

Open Session

December 8, 2010

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, December 8, 2010 beginning at 9:30 a.m. in the Board Room, Room 309, 1600 West 12th Avenue, Denver, Colorado. Members of the Board present during the Regular Meeting were:

John R. Lucero, President
H. Gregory Austin, First 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
M. L. Bassett, Director of Public Affairs	B. D. Good, Director of Operations & Maintenance
R. J. Mahoney, Director of Engineering	C. R. Dermody, Director of Information Technology
C. Elam-Floyd, Director of Human Resources	G. T. Malmberg, Sales Administrator
T. L. McGuire-Collier, Manager of Community and Media Relations	M. L. Walker, Attorney
D. Wyman, Engineering Specialist	M. Leister, Engineer
M.E. Elliott, Manager of Water Conservation	P. Coleman, Chief Internal Auditor
J. Light, Engineer	R. Wirth, Supervisor of Treasury Operations
A. Rettig, Treasury	T. Cristiano, Manager of Rate Administration
C. Piper, Intergovernmental Affairs Coordinator	D.M. Hamm, Staff Analyst
T. Hassman, Purchasing	T. Roode, Assistant Chief of Engineering
S.N. Niemi, Rate Analyst	J.S. Fischer, Engineer
S. Chesney, Community Relations Specialist	G. Barela, Manager of Real Estate
	S.A. Hall, Community Relations Specialist
	S.J. Dominick, Engineer

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T. Chavez, Community Relations Specialist	K. R. Keefe, Superintendent of Source of Supply
G. Fisher, Manager of Demand Planning	R.L. Riggs, IT Manager of New Business Solutions Development
W. C. Austin, Manager of Safety and Security	
D. Genrich, Information Technology Division	
Pat Fitzgerald, Distributor's Liaison Representative, Platte Canyon Water and Sanitation District and Southwest Metropolitan Water and Sanitation District	Jill Wuertz, Denver Parks and Recreation Terry Arnold, MWH
Cory Terry, RTL/Rock & Associates	

Commissioner Lucero called the meeting to order.

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

Upon motion regularly made, seconded and unanimously carried, the reading of the Minutes of the Regular Meetings of November 10 and November 17, 2010 was dispensed with and such Minutes were approved.

Upon motion regularly made, seconded and unanimously carried, the Minutes of the Executive Sessions of November 10 and November 17, 2010 were approved.

Public Comment

Commissioner Lucero invited members of the public to comment to the Board regarding matters not included on the Board's Agenda. There was no response.

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

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

Approved the human resource changes set forth in Agenda Item V-A-1 dated December 8, 2010, a copy of which is attached to and incorporated in these Minutes as Exhibit "A," effective the pay period beginning **October 30, 2010** unless otherwise noted.

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 **December 1, 2010**, unless otherwise noted:

Employee Name	Employment Date	Retirement Plan Participation Date <small>Unless otherwise noted^</small>	Division/Section
Nathan Smith^	05/18/2009	05/15/2010 ^Exclude Prior Service as Temporary Status 05/18/2009 to 05/14/2010	Mechanical Engineering, #212
Natalie Miles^	10/26/2009	05/15/2010 ^Exclude Prior Service as Temporary Status 10/26/2009 to 05/14/2010	Customer Care #460
Ian Oliver	05/10/2010	05/10/2010	South Platte Area #530
Scott Thomas^	04/06/2009	05/15/2010 ^Exclude Prior Service as Temporary Status 04/16/2010 to 05/14/2010	T&D Construction & Maintenance #710

3. ITEM V-A-3: ANNUAL CONTRACT FOR HIGH EFFICIENCY PLUMBING FIXTURES

Authorized award of contract to Wholesale Specialties, Inc., to provide Denver Water's requirements of high efficiency plumbing fixtures necessary for retrofit projects in collaboration with the Mile High Youth Corps, Denver

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Urban Renewal Authority and other non-profit organizations at the unit prices set forth in the Tabulation of Bidder's Proposal No. 13356A, for the contract period January 1, 2011 through December 31, 2011, for a total contract amount of \$449,830.

4. **ITEM V-A-4: EXTENSION OF ANNUAL CONTRACT FOR SQUEEGEE SAND**

Authorized extension of the January 10, 2007 contract with Ready Mixed Concrete Company, Contract No. 10681A to supply Denver Water's requirements of squeegee sand through January 31, 2012 for an additional \$70,000, and a total amended contract amount not to exceed \$203,600.

In response to questions raised by the Commissioners, Mr. Good explained that extending the contract will permit Denver Water to bid Denver Water's requirements of road base and squeegee sand at the same time.

5. **ITEM V-A-5: AUTHORIZATION OF ADDITIONAL FUNDS FOR WASTE REMOVAL**

Authorized additional expenditures up to \$80,000 pursuant to the September 18, 2009 contract with Waste Management of Colorado, Inc., Contract No. 12456A, to provide waste removal services for Denver Water facilities within the Metropolitan area through September 30, 2011, for a total amended contract amount not to exceed \$170,000.

6. **ITEM V-A-6: AUTHORIZATION OF ADDITIONAL FUNDS FOR MECHANICAL JOINT RESTRAINTS**

Authorized additional expenditures up to \$80,000 pursuant to the March 11, 2009 contract with Star Pipe, Inc., Contract No. 12139A, to provide Denver Water's requirements of mechanical joint restraints through March 31, 2011, for a total amended contract amount not to exceed \$487,979.25.

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7. **ITEM V–A–7: IRRIGATION EFFICIENCY - DEMAND SIDE
MANAGEMENT AGREEMENT WITH SOUTHPARK HOMEOWNERS
ASSOCIATION NUMBER 2**

Approved entering into an Irrigation Efficiency – Demand Side Management Agreement with Southpark Homeowners Association Number 2, to replace irrigation controllers, retrofit spray heads, and replace irrigation lines, with a total potential payment to the HOA not to exceed \$104,600, all as more particularly described in the Agreement, a copy of which is attached to and incorporated in these Minutes as Exhibit “B.”

8. **ITEM V–A–8: DENVER PUBLIC SCHOOLS PHASE III — 2011
RESTROOM FIXTURE RETROFIT PROGRAM**

Approved entering into a water saving letter agreement with the Denver Public Schools to provide up to \$250,000 in rebates for water efficient hardware purchased by the school system for use at various facilities, all as more particularly described in the Agreement, a copy of which is attached to and incorporated in these Minutes as Exhibit “C.”

9. **ITEM V–A–9: ANNUAL CONTRACTS SCHEDULED TO RENEW IN
THE FIRST QUARTER OF 2011**

The Board approved renewal or additional funding for the following contracts:

Contract with J D Edwards (ORACLE) to provide OneWorld Software for the period January 1, 2011 to January 1, 2012 at an additional cost of \$147,000;

Contract with Hewlett Packard to provide Dialogue Software for the contract period 1/1/2011 to 12/31/2012 at an additional cost of \$65,000;

Contract with SYBASE, Inc., to provide Power Designer Software for the contract period February 27, 2011 to February 28, 2012 at an additional cost of \$23,000;

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Contract with ITRON for Meter Reading Hardware and Software for the contract period March 31, 2011 to March 31, 2012, at an additional cost of \$66,000;

Contract with ORACLE Corporation to provide CC&B Software for the contract period January 1, 2011 to January 1, 2012, at an additional cost of \$348,000;

Contract with CAD-1, Inc., to provide AutoCad Software for the contract period March 31, 2011 to March 31, 2012, at an additional cost of \$82,000;

Contract with IBM Corporation to provide Data Analysis and Reporting Software until August 1, 2011, at an additional cost of \$36,000;

Contract with Xerox Corporation for the lease of Print Shop Printing Equipment for the contract period January 1, 2011 to December 31, 2011 at an additional cost of \$180,000;

Contract with Western Union Phone Service to provide Electronic Payment Services for the contract period March 31, 2011 to March 31, 2012 at an additional cost of \$710,000; and

Contract with Insight Public Sector, Inc. to provide Microsoft Software, for the contract period December 31, 2010 to December 31, 2011;

all as more particularly described in the Attachment to Agenda Item V-A-9, dated December 8, 2010, a copy of which is attached to and incorporated in these Minutes as Exhibit "D."

10. **ITEM V-A-10: SECOND AMENDMENT TO AGREEMENT WITH MCDADE-WOODCOCK, INC. FOR THE 2010 LIGHTNING PROTECTION SYSTEM TESTING PROGRAM**

Approved the Second Amendment to the July 7, 2010 Agreement with McDade-Woodcock, Inc., Contract No. 13112A, to perform additional work in support of the Board's 2010 Lightning Protection System Testing Program, at a cost of \$51,110, and a total amended contract amount not to exceed

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\$109,829.36, all as more particularly described in the Second Amendment, a copy of which is attached to and incorporated in these Minutes as Exhibit "E."

11. **ITEM V-A-11: CONTRACT FOR THE FOOTHILLS TREATMENT PLANT SODIUM HYDROXIDE SYSTEM IMPROVEMENTS PROJECT**

Authorized award of a contract to Jennison Construction Company, Inc. to furnish and install the Foothills Treatment Plant Sodium Hydroxide System Improvements Project, at a cost not to exceed \$221,729.

12. **ITEM V-A-12: AGREEMENT WITH J. KENT STAFFING, INC. FOR TEMPORARY EMPLOYMENT AND PAYROLL SERVICES**

Authorized entering into an Agreement with J. Kent Staffing, Inc., to provide payroll services through December 31, 2011 for two temporary employees, one which will provide electrical, instrumentation and control construction inspection services, and one employee that will work on Denver Water's online manual system for various Denver Water projects at a cost of \$295,000 all as more particularly described in the Agreement, a copy of which is attached to and incorporated in these Minutes as Exhibit "F."

13. **ITEM V-A-13: FIRST AMENDMENT TO TASK ORDER AGREEMENT WITH DEWBERRY GOODKIND, INC. FOR DESIGN OF THE FOOTHILLS TREATMENT PLANT SODIUM HYDROXIDE IMPROVEMENTS PROJECT**

Approved the First Amendment to Task Order Agreement No. 11119N with Dewberry Goodkind, Inc., formerly known as Integra Engineers, amending the July 19, 2010 Task Order Agreement to provide additional services in support of the Foothills Treatment Plant Sodium Hydroxide Storage and Feed System Improvement Project, extending the time for completion of the project to July 30, 2011, and increasing the compensation by \$19,096 to a total amended compensation amount not to exceed \$117,632, all as more particularly described in the First Amendment, a copy of which is attached to and incorporated in these Minutes as Exhibit "G."

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14. **ITEM V–A–14: SECOND AMENDMENT TO AGREEMENT WITH MWH AMERICAS, INC. FOR A SEISMIC HAZARD ASSESSMENT REPORT FOR DILLON DAM AND WILLIAMS FORK DAM**

Authorized additional work pursuant to a Second Amendment to the December 23, 2008 with MWH Americas, Inc. for the development of a seismic hazard assessment report for Dillon Dam and Williams Fork Dam, at an additional cost of \$39,815 and a total amended compensation amount not to exceed \$137,967, all as more particularly described in the Second Amendment, a copy of which is attached to and incorporated in these Minutes as Exhibit "H."

15. **ITEM V–A–15: RATIFICATION OF CONSTRUCTION CONTRACT CHANGE ORDERS AND AMENDMENTS TO AGREEMENTS**

Ratified Construction Contract Change Orders and Amendments to Agreements authorized by the CEO/Manager in the period October through November 2010 as follows:

Change Order No. 6 to Contract 11577A with Global Diving & Salvage, Inc., for the Cheesman Dam Upstream Control Project – Phase 1;

Change Order No. 5 to Contract 11992B with Moltz Construction for the Marston Filter Plant No. 2 Upgrade;

Change Order No. 6 to Contract 11992B with Moltz Construction for the Marston Filter Plant No. 2 Upgrade;

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

Change Order No. 2 to Contract 12688A with BT Construction for the Conduit 302, Phase 1A Project;

Change Order No. 1 to Contract 13115A with Eckstine Electric Company for the South Boulder Diversion Canal Communications Raceway;

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First Amendment to Task Order Agreement 11110I with Brown and Caldwell for the Dunes Outlet Works Electrical Drafting Work;

First Amendment to Task Order Agreement 11111H with Burns and McDonnell for the Moffat Treatment Plant Access Doorway to Storage Room Design;

First Amendment to Task Order Agreement 11116H with Geocal, Inc., for Subsurface Investigation, Environmental Investigation and Geotechnical Baseline Report for Conduit 302, Phase 2;

Third Amendment to Agreement 11119A with Integra Engineering now known as Dewberry Goodkind, Inc.;

Second Amendment to Task Order Agreement 11127G with Lintjer + Haywood Architects, P.C. for design services for DW Standard Specs;

Third Amendment to Agreement 11903A with Black & Veatch Corporation for the Treated Water Study;

Second Amendment to Task Order Agreement 12518B with Weston Solutions, Inc., for the 2010 Dillon Dam Security Modification Project;

Second Amendment to Agreement 12573A with Camp Dresser McKee for the De-Icing Pad Vault Drainage at DIA;

First Amendment to Agreement 12581A with Vision Land Consultants, Inc.;

Second Amendment to Agreement 12853A with Bureau Veritas for the Williams Fork Small Hydro Project;

First Amendment to Agreement 12924A with Short & Brennan Architects for the Antero Dam and Reservoir Headquarters;

First Amendment to Agreement 12928A with BAB Associates, P.C./Architects, for the Antero/Ralston Dam and Reservoir Caretaker House Design;

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First Amendment to Agreement 13039A with Integra Engineering now known as Dewberry Goodkind, Inc.; and

First Amendment to Contract 12384A with CSM Industrial Constructors for Fabrication of the Trashracks for Cheesman Reservoir,

all as more particularly described in the attachment to Agenda V-A-15, a copy of which is attached to and incorporated in these Minutes as Exhibit "I."

16. **ITEM V-A-16: SECOND AMENDMENT TO AGREEMENT WITH COOK STREET CONSULTING**

Approved extension of the March 30, 2006 Contract with Cook Street Consulting, Inc., an independent investment consultant and co-fiduciary for the Board's Supplemental Retirement Savings 401(k) plan and the 457 Deferred Compensation plan, extending services through December 31, 2011 at the existing retainer of \$11,875 per quarter, all as more particularly described in the Second Amendment to Contract, a copy of which is attached to and incorporated in these Minutes as Exhibit "J."

17. **ITEM V-D-1: ADOPTION OF 2011 SYSTEM DEVELOPMENT CHARGES**

Adopted System Development Charges for 2011 as are more particularly described in Rate Schedule No. 8, a copy of which is attached to and incorporated in these Minutes as Exhibit "K," which charges will become effective March 3, 2011.

Mr. Cristiano explained the overall increase for 2011 is approximately 11% over the 2010 SDCs. The increase in each customer class varies slightly based upon demand requirements. Mr. Cristiano compared existing and proposed SDCs for various customer classes both Inside and Outside the City. He concluded his presentation by providing a comparison of the proposed 2011 charges with 2010 charges of other water utilities along the Front Range. In response to questions from the Commissioners, Mr. Cristiano noted that future comparisons will identify those utilities for which the figures in the comparison chart include Denver Water's System Development Charge.

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18. **MOBILE WORKFORCE AUTOMATION PROJECT**

Prior to the Board's consideration of Agenda Items V-E-1 through V-E-4, Mr. Dermody provided an update regarding the use of the consultants whose contracts were the subject of the Agenda Items. Mr. Dermody explained the efforts involving the Mobile Workforce Automation Project are a key element of the 2011 Advancement Project of the IT Division. Mr. Dermody explained the continuing need for consultant staffing and the savings which would be obtained by the use of more contemporary technology for deployment of various Denver Water field personnel.

Mr. Dermody introduced Phil Ragsdale, a senior SOA Architect and Developer from the Confluence Group who provided a demonstration of a mobile workforce unit and its capabilities. The software for the unit has been developed by Denver Water and its consultants. Truck-mounted computers will be installed in vehicles utilized by Transmission & Distribution locate personnel and are expected to significantly improve the development and efficiency of the locate efforts. Mr. Ragsdale opined that the Board could realize a net cost savings over a two-year period of approximately \$1,000,000, using the recently designed units. The Board will own the asset, as opposed to other programs, for which Denver Water is required to maintain a software license.

The Commissioners noted the costs of the project are significant and raised the question of whether use of such technology will result in a reduction of personnel and equipment costs. The Commissioners asked for an evaluation of the savings once the deployment of the new mobile workforce automation system has been completed. Various staff members spoke regarding the advantage of the project to their personnel and opined that use of the automation could eliminate steps previously taken by Denver Water personnel.

19. **ITEM V-E-1: CONTRACT EXTENSION WITH KFORCE FOR GIS SOFTWARE DEVELOPER**

Approved extension of the March 2008 Contract with Kforce, Inc., Contract No. 11568A, to provide the services of Ryan Bae to augment staffing in the Tier III New Solutions Section of the Information Technology Division at the

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current charge of \$105 per hour for an additional 12 months for \$105,000 and a total amended contract amount not to exceed \$558,600.

20. **ITEM V-E-2: CONTRACT EXTENSION WITH BURNTSAND, INC. FOR IT BUSINESS ANALYST**

Approved extension of the December 2007 Contract with Burntsand, Inc., Contract No. 11421A, to provide the services of Brent Milne, a senior business analyst augmenting staffing in the Tier III New Solutions Section of the Information Technology Division at the current rate of \$120 per hour for an additional 12 months at a cost of \$240,000, and a total amended contract amount not to exceed \$960,000.

21. **ITEM V-E-3: CONTRACT EXTENSION WITH SEMPRA PROFESSIONAL SERVICES, LLC FOR IT PROJECT MANAGER**

Approved extension of the August 2010 Contract with Sempra Professional Services, Contract No. 13175A, to provide the services of Jim Browne as a project manager augmenting staffing in the Tier III New Solutions Section of the Information Technology Division at the current rate of \$110 per hour for an additional 12 months at a cost of \$220,000, and a total amended contract amount of \$308,000.

22. **ITEM V-E-4: CONTRACT EXTENSION WITH THE CONFLUENCE GROUP, LLC. FOR ENTERPRISE APPLICATION INTEGRATION SERVICES INCLUDING MOBILE PLATFORM & APPLICATION DEVELOPMENT**

Approved extension of the March 2009 Contract with The Confluence Group, Contract No. 12206A, to provide the services of Phil Ragsdale and Max Pitard as senior SOA architects and developers, augmenting staffing in the Tier III New Solutions Section of the Information Technology Division for additional 12 months at a cost of \$703,000, and a total amended contract amount not to exceed \$1,459,000.

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23. **ITEM V-E-5: CONTRACT TO FURNISH AND INSTALL CONDUIT NO. 74, CONSISTING OF 36-INCH AND 42-INCH WATER PIPELINES AND 12-INCH AND 16-INCH MAINS IN SMITH ROAD NEAR HAVANA STREET**

Awarded a contract to Concrete Works of Colorado to furnish and install Conduit No. 74, a combination of 36-inch and 42-inch water pipelines and 12 and 16-inch mains and various appurtenant structures, at a cost to the Board not to exceed \$2,073,465.45.

Mr. Light presented information regarding the proposed project which is being undertaken as a part of the relocation project necessary for the DIA East Corridor Line. Mr. Wyman explained that under the terms of the easement agreements with Union Pacific, Denver Water is required to relocate the water pipeline facility at its cost. Mr. Wyman commented regarding ongoing negotiations with RTD to extend Denver Water relocation projects involving the East Corridor Line facility into 2012. The East Corridor Line is to be constructed and operated by Denver Transit Partners. Denver Water's estimate of costs for relocation work associated with the East Corridor Line in 2011 and 2012 is \$2.5 million and \$2.4 million, respectively. Mr. Light commented the projects may include system upgrades. As Denver Water staff review individual relocations, upgrading facilities at the time they are relocated saves costs of upgrades at a later date.

24. **ITEM V-E-6: CHANGE ORDER NO. 3 WITH MOLTZ CIVIL, LLC FOR THE WILLIAMS FORK SMALL HYDRO/OUTLET WORKS**

Approved Change Order No. 3 to the October 28, 2009 Contract with Moltz Civil, LLC for the Williams Fork Small Hydro/Outlet Works Project, Contract No. 11596A, in the amount of \$69,782, and extended the contract 26 days resulting in a total amended contract amount of \$17,570,538, and a final completion date of March 6, 2012, all as more particularly described in the Change Order, a copy of which is attached to and incorporated in these Minutes as Exhibit "L."

Jon Fischer provided a brief project update. Mr. Fischer reported two contract amendments and two change orders have been funded using the contract contingency. The additional work addressed in the amendments was

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required in order to replace and relocate the existing leach field system. The change orders were required because of unexpected conditions.

25. **ITEM V-E-7: MASTER SERVICE AGREEMENT WITH QWEST COMMUNICATIONS**

Approved entering into a five-year Master Service Agreement with Qwest Communications pursuant to which thirteen separate contracts for individual service have been consolidated into a single Master Service Agreement. The total cost for the five year program is \$12,355,250.

26. **ITEM V-E-8: FIRST AMENDMENT TO AGREEMENT WITH COMMUNICATION INFRASTRUCTURE GROUP**

Authorized the First Amendment to the January 2010 Agreement with Communication Infrastructure, LLC, Contract 12593A, to provide strategic counsel involving employee communications to the Public Affairs and Human Resources Divisions through December 31, 2011 at an additional cost of \$50,000, and a total amended contract amount of \$110,000.

27. **ITEM V-E-9: FIRST AMENDMENT TO AGREEMENT WITH SUKLE ADVERTISING & DESIGN, INC.**

Approved entering into the First Amendment to Agreement with Sukle Advertising & Design, amending the January 2010 Agreement, Contract No. 12594A, to extend the time for completion of work under the Agreement to December 31, 2011 at an additional cost of \$650,000, and a total amended contract amount of \$1,460,000, all as more particularly described in the First Amendment, a copy of which is attached to and incorporated in these Minutes as Exhibit "M."

28. **ITEM V-E-10: AMENDMENT TO AGREEMENT WITH TACITO DESIGN, INC.**

Approved entering into the Fifth Amendment to Agreement with TaCito Design, Inc., further amending the February 13, 2008 Agreement, Contract No. 11351A, to provide ongoing graphic design support for Denver Water's print, electronic and collateral materials through December 31, 2012 at an

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additional cost of \$276,000, and a total amended compensation amount not to exceed \$586,400, all as more particularly described in the Fifth Amendment, a copy of which is attached to and incorporated in these Minutes as Exhibit "N."

29. **ITEM V-E-11: FIRST AMENDMENT TO AGREEMENT WITH XCELENTE MARKETING AND PUBLIC RELATIONS**

Approved the First Amendment to the February 2010 Agreement with Xcelente Marketing and Public Relations, Contract No. 12693A, to develop a communication and marketing plan to educate customers of specific ethnic identities regarding wise water use, extending the time for completion of services to December 31, 2011 at an additional cost of \$125,000, and a total amended contract amount not to exceed \$250,000, all as more particularly described in the First Amendment, a copy of which is attached to and incorporated in these Minutes as Exhibit "O."

During the Commissioners' discussion of Agenda Items V-E-8 through 11, Commissioner Tate noted that Staff should be alert to the impression that is given when Denver Water chooses to extend the time for completion of services, rather than rebidding. Commissioner Herzmark asked that Staff also address the use of in-house personnel rather than entering into contracts with outside consultants. The Commissioners agreed that it was important to not outsource key functions and that use of outside consultants should be carefully considered.

30. **ITEM VI-B-1: DISCUSSION AND INFORMATION: REVIEW OF 2010 PROPERTY BURDENS AND DISPOSALS**

The Commissioners received a report of property burdens and disposals for the year 2010, a copy of which is attached to and incorporated in these Minutes as Exhibit "P."

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31. **ITEM VI-B-2: DISCUSSION AND INFORMATION: REPORTING OF STAFF ADMINISTERED CONSTRUCTION CONTRACT CONTINGENCY AMOUNTS**

The Commissioners received a Quarterly information report regarding the ongoing status of contingency funds for the Marston Treatment Plant upgrades, Williams Fork Small Hydro/Outlet Works Project, and the Cheesman Dam Upstream Control Diving Project, a copy of which report is attached to and incorporated in these Minutes as Exhibit "Q."

32. **ITEM VI-B-3: DISCUSSION AND INFORMATION: CONTRACT FOR OFFICE SUPPLIES**

Ms. Bricmont explained that since 2007, Denver Water has participated in a purchasing alliance for the purchase of office supplies. Office Depot has been supplying Denver Water's office supply requirements under an agreement based upon costs offered by the alliance. Office Depot was not selected as a potential supplier by the purchasing alliance for 2011. Office Depot has approached Denver Water and offered to guarantee current prices through December 31, 2011 with the same level of service that is now provided. The Purchasing Section is currently reviewing the proposal.

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

The Commissioners received the report, "Denver Water Investment Portfolio as of November 30, 2010" as set forth in Agenda Item VI-F-1 dated December 8, 2010, a copy of which is attached to and incorporated in these Minutes as Exhibit "R."

34. **ITEM VI-F-2: DISCUSSION AND INFORMATION: BUDGET STATUS REPORT**

The Commissioners received the 2010 Year-to-Date Budget Status Summary for the period ending **November 30, 2010**, a copy of which is attached to and incorporated in these Minutes as Exhibit "S."

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35. **ITEM VI-F-3: DISCUSSION AND INFORMATION: STATUS OF CONSULTANT SERVICES AND CONTRACT WORK**

The Board was furnished with a report outlining the Status of Consultant Services and Status of Contract Work as of December 7, 2010, a copy of which is attached to and incorporated in these Minutes as Exhibit "T."

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

The Board confirmed that the next regular meeting would take place on **Wednesday, December 15, 2010**, at **9:15 a.m.** in the Board Room, Room 309, 1600 W. 12th Avenue, Denver, Colorado. The Agenda for the meeting will be posted prior to the meeting and will include both Action and Study Session Items. A portion of the meeting will take place in Executive Session.

The Board confirmed that it would meet **Wednesday, January 12, 2011**, at **9:15 a.m.** in the Board Room, Room 309, 1600 W. 12th Avenue, Denver, Colorado. An Agenda will be posted prior to the meeting. A portion of the meeting will take place in Executive Session.

No further business appearing, the Board voted unanimously to adjourn into Executive Session at approximately 11:15 a.m.

EXECUTIVE SESSION

On Wednesday, December 8, 2010, commencing approximately at 11:15 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. Negotiations § 24-6-402(4)(e)
2. Security § 24-6-402(4)(d)

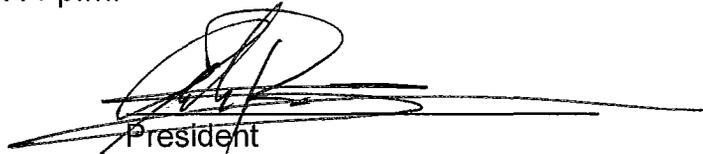
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There being nothing further for the Board to consider, the Executive Session concluded at approximately 12:44 p.m.



Sec. Secretary, J.S. Lochtefeld



President