

**RECORD OF PROCEEDINGS
MINUTES
of the
Board of Water Commissioners**

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

Wednesday, June 22, 2016

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, June 22, 2016, beginning at 9:00 a.m. in the Board Room, Room 309, 1600 West 12th Avenue, Denver, Colorado. Members of the Board present during the Regular Meeting were:

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

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

J.A. Anderson, Chief of Staff	M. King, Director of Planning
T. Bryant, <i>Acting</i> Director of Finance	J.S. Lochhead, CEO/Manager
S. Covington Director of Public Affairs	R.J. Mahoney, Director of Engineering
C.R. Dermody, Director of Information Technology	L. Martinez, <i>Acting</i> Director of Human Resources
B.D. Good, Director of Administrative Services	T.J. Roode, Director of Operations and Maintenance
J. Archer, Engineer	D. Higham, Recycled Water Specialist
J. Barbier, Engineer	D. Hughes, Engineer
W. Bates, Manager of Water Rights Protection	L. Kaatz, Environmental Scientist
P. Carey, Manager of Purchasing and Contracting	S. Ludwig, Process Control Technician
A. Chotiner, Division Office Business Manager	J. Marks, Environmental Scientist
	B. Maulis, Contract Specialist
	N. Miles, Administrative Assistant
	R. Peters, Water Resource Engineer

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

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



B. Cochran, Engineer
P. Coleman, Chief Internal Auditor
P. Daukas, Manager of Environmental Planning
R. DeCoursey, Finance Manager
M. Garfield, Customer Care Manager
J. Gelmini, Engineer
B. Gogas, Environmental Scientist
D. Hamm, Staff Analyst
Y. Her, Contracts Supervisor
J. Adams, Trammel Crow

A. Rettig, Finance Manager
G. Rosenschein, Attorney
J. Spitze, IT Project Manager
M. Thomas, IT Infrastructure Technician
J. Tucker, Office Management Assistant
K. Urie, Environmental Scientist
M. Waage, Manager of Water Resource Planning
J. Jacobsmeir, Pericle
W. Mosher, Trammel Crow
M. Sullivan, Trammel Crow

I. INTRODUCTORY BUSINESS

Commissioner Tate called the meeting to order at 9:15 a.m.

Public Comment and Communications

Commissioner Tate issued an invitation to members of the public to comment to the Board on any matters not included in the Agenda for the meeting. There was none.

Item III-A was taken out of order.

III. POLICY PRESENTATIONS

1. ITEM III-A: OCR UPDATE

Mr. Mosher presented the Board with an OCR update, a copy of which is attached to and incorporated in these Minutes as Exhibit A. Trammel Crow is working with the CDPHE regarding the ash contamination issues underlying the Trades Building site. A beneficial use determination was approved on June 16, 2016 and the Attorney General’s office is preparing the first draft of the environmental covenant. Design of Phase II of the project is 60% complete. Design for the administration building and parking areas are on hold until July. Currently \$1.64 million of work is under contract with MWBE service providers and it is projected that \$30 million, or 18% of the work in work package three will be contracted with MWBE businesses.

II. ACTION ITEMS

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

2. ITEM II-A-1: NETWORK AND CABLING SERVICES #16666A

Approved Contract 16666A with Team Linx, LLP, d/b/a Linx, for network and cabling services for the contract period July 1, 2016 through June 30, 2021, for a total contract amount not to exceed \$750,000.00.

3. ITEM II-A-2: PARTICIPATION IN THE ROCKY MOUNTAIN FEN RESEARCH PROJECT (RMFRP) #16768A

Approved Contract 16768A with Colorado Mountain Local College District, for participation as a funding party in the Rocky Mountain Fen Research Project for the contract period August 1, 2016 through July 31, 2021, for a total contract amount not to exceed \$150,000.00.

4. ITEM II-A-3: EUROFINs EATON ANALYTICAL #16394A

Approved Contract 16394A with Eurofins Eaton Analytical for drinking water sample analysis for the contract period June 22, 2016 through June 30, 2019, for a total contract amount not to exceed \$260,000.00.

5. ITEM II-A-4: DENOVO VENTURES LLC – SECOND CONTRACT AMENDMENT #15743A

Approved the Second Amendment to Contract 15734A with Denovo Ventures, LLC for professional services. The Amendment extends the contract period through December 31, 2016 and adds \$221,000.00, for a total amended contract amount not to exceed \$856,124.00.

6. ITEM II-A-5: TABULATION OF BIDS FOR KENDRICK RESERVOIR AND PUMP STATION LANDSCAPE AND IRRIGATION RENOVATIONS #16645A

Awarded Contract 16645A to Environmental Logistics for construction of the Kendrick Pump Station Landscape and Irrigation Renovations Project for the contract period June 22, 2016 through October 28, 2016, for a total contract amount not to exceed \$225,375.00. The Tabulation of Bids is attached to an incorporated in these Minutes as Exhibit B.

7. ITEM II-A-6: TABULATION OF PROPOSALS FOR MARSTON SPEECE CONE PUMP AND CABLE REPLACEMENT #16699A

Awarded Contract 16699A to Global Diving & Salvage, Inc. for the Marston Speece Cone Pump and Cable Replacement project for the contract period June 22, 2016 through August 31, 2016, for a total contract amount not to exceed \$109,180.00. The Tabulation of Bids is attached to and incorporated in these Minutes as Exhibit C.

8. ITEM II-A-7: TABULATION OF BIDS FOR THE RALSTON DAM PRIMARY AND AUXILIARY SPILLWAY REPAIRS #16409A

Awarded Contract 16409A to Concrete Works of Colorado, Inc. for the Ralston Dam Primary and Auxiliary Spillway Repairs project for the contract period August 1, 2016 through October 14, 2016, for a total contract amount not to exceed \$642,320.00. The Tabulation of Bids is attached to and incorporated in these Minutes as Exhibit D.

9. ITEM II-A-8: TABULATION OF BIDS FOR THE MOFFAT TREATMENT PLANT CENTRIFUGE DEWATERING SYSTEM #15547A

Awarded Contract 15547A to Aslan Construction, Inc. for the Moffat Treatment Plant Centrifuge Dewatering System project for the contract period of June 22, 2016 through December 1, 2017, for a total contract amount not to exceed \$2,615,060.00. The Tabulation of Bids is attached to and incorporated in these Minutes as Exhibit E.

10. ITEM II-A-9: AMENDMENT NO. 3 WITH AECOM (FORMERLY URS CORPORATION) FOR THE RALSTON DAM OUTLET WORKS AND RESERVOIR BYPASS PIPELINE ALTERNATIVES STUDY #15777A

Approved the Third Amendment to Contract 15777A with AECOM for the Ralston Dam Outlet Works and Reservoir Bypass Pipeline Alternatives Study. The Amendment extends the contract period through January 31, 2017 and adds \$479,630.00, for a total amended contract amount not to exceed \$811,000.00.

11. ITEM II-A-10: CHANGE ORDER NO. 3 WITH ASI CONSTRUCTORS, INC. FOR THE HIGH LINE CANAL DIVERSION DAM REPLACEMENT #16420A

Approved Change Order No. 3 with ASI Constructors. The Change Order adds \$228,734.78.

12. ITEM II-A-11: ANNUAL RENEWALS

Approved Annual Contracts scheduled to renew and/or require additional funding in the Third Quarter of 2016, as follows:

Twenty-first authorization for additional funds for Contract 04312A with Oracle America, Inc. for annual software license maintenance and support for the Board's Oracle PeopleSoft Enterprise;

Second authorization for additional funds for Contract 15076A with CDW, LLC;

Fourth authorization for additional funds for Contract 15098A with Optimatics, LLC; and

First Amendment for additional funds to Contract 13813A with BASF Corp.,

all as more particularly described in the attachment to Agenda Item II-A-11.

13. ITEM II-A-12: FIRST AMENDMENT FOR POLYDADMAC POLYMER #13813A

Approved the First Amendment to Contract 13813A with BASF for PolyDADMAC Polymer. The Amendment extends the contract period through April 30, 2017 and adds \$225,000.00, for a total amended contract amount not to exceed \$3,150,000.00.

14. ITEM II-B-1: RADIO TOWER LEASE AGREEMENT #16756A

Approved Contract 16756A with Bear Creek Development Corp. for a ten year lease of its radio tower at Mt. Morrison, for the contract period May 1, 2016 through April 30, 2026, for a total contract amount not to exceed \$575,000.00.

15. ITEM II-B-2: WIRELESS COMMUNICATIONS CONSULTANT SECOND AMENDMENT #15443A

Approved the Second Amendment to Contract 15443A with Pericle Communications Co. for wireless communication consulting and project management services. The Amendment extends the contract period through August 31, 2018 and adds \$274,612.00, for a total amended contract amount not to exceed \$402,732.00.

16. ITEM II-B-3: PROVIDE STRATEGIC CONSULTING SERVICES FOR DENVER WATER'S INTERGRATED RESOURCE PLAN (IRP) #16781A

Approved Contract 16781A with GBSM, Inc. for strategic consulting services for the IRP for the contract period June 27, 2016 through September 30, 2018, for a total contract amount not to exceed \$360,000.00.

17. ITEM II-B-4: PROVIDE TECHNICAL AND PLAN DEVELOPMENT CONSULTING SERVICES FOR DENVER WATER'S IRP #16783A

Approved Contract 16783A with CH2M Hill Engineers, Inc. for technical and plan development consulting services for the IRP for the contract period June 27, 2016 through September 30, 2017, for a total contract amount not to exceed \$1,200,000.00.

18. ITEM II-B-5: JIM CREEK REPLACEMENT PROJECT 4TH CONTRACT AMENDMENT FOR JOHNSON ENVIRONMENTAL CONSULTING, INC. #15505A

Approved the Fourth Amendment to Contract 15505A with Johnson Environmental Consulting, Inc. to provide technical expertise in the final phase of the permitting process for the Jim Creek Siphon Replacement Project. The Amendment extends the contract period through May 31, 2017 and adds \$52,007.00, for a total amended contract amount not to exceed \$125,874.00.

19. ITEM II-B-6: PERSONNEL POLICIES – MISCELLANEOUS RECOMMENDED REVISIONS

Approved revisions to Chapters 1, 2, 4 and 12 of Denver Water's Personnel Policies. A copy of these revised policies is attached to and incorporated in these Minutes as Exhibit F.

III. POLICY PRESENTATIONS

20. ITEM III-B: IRP POLICY DISCUSSION

Mr. Waage and Mr. King provided the Board with a compilation of guidance that was obtained from meetings with individual Commissioners regarding IRP policy and process issues. A copy of the presentation is attached to and incorporated in these Minutes as Exhibit G. Mr. Waage explained the process for selecting CH2M Hill as the technical consultant. Although the contract will be for \$1,200,000.00 and one year, it is expected to be amended for a second year for an additional

\$1,000,000.00. He also explained the process for selecting GBSM as the strategic consultant to develop policy, process, regional strategies, organizational coordination, stakeholder involvement, communication and messaging, workshop facilitation, report writing and plan rollout. Mr. King shared a high level overview of the proposed process moving forward and said that the next IRP discussion will take place on July 13, 2016.

IV. REPORTS

21. ITEM IV-A: CEO REPORT

Mr. Lochhead reported that Denver Water's women's tapping team is competing at the AWWA conference this week.

Mr. Lochhead distributed a draft Enterprise Policy regarding sustainability. This policy is intended to articulate Denver Water's sustainability plan and commitments, which aspire to go above and beyond compliance with regulations and best practices. The goal is to do everything in an environmentally responsible manner. A copy of the draft policy is attached to and incorporated in these Minutes as Exhibit H.

22. ITEM IV-B: CFO REPORT

The Board received the Monthly Financial Report dated May 31, 2016, as set forth in Agenda Item IV-B-1, which is attached and incorporated in these Minutes as Exhibit I. Ms. Bryant noted that consumption and revenue are down due to heavy snow and rain this spring. Revenues from SDC's are up because of new construction, mitigating revenue losses from water sales. She also reported that the ORCA project is on track to go live on July 5, 2016.

23. ITEM IV-C: OPERATIONS REPORT

Mr. Roode reported that the Denver Water women's tapping team missed first place by seven seconds and that the men's team missed the finals. Additionally, he said that there have been no major issues or damages created by the spring runoff.

V. INFORMATION ITEMS

24. ITEM V-A: 2016 SALARY BUDGET

The Board received a Briefing Paper on the 2016 Salary Budget. A copy of the paper is attached to and incorporated in these Minutes as Exhibit J.

25. ITEM V-B: UPDATE ON CONTRACTS FOR THE STRONTIA SPRINGS DAM EMERGENCY RESERVOIR DRAINAGE SYSTEM (ERDS) REHABILITATION #16678A AND #16706A

The Board received an update on contracts for the Strontia Springs Dam Emergency Reservoir Drainage System. A copy of the update is attached to and incorporated in these Minutes as Exhibit K.

VI. ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into a Executive Session at approximately 10:50 a.m.

EXECUTIVE SESSION

On Wednesday, June 22, 2016, commencing approximately at 10:50 a.m. in the Board Room, Room 309, 1600 West 12th Avenue, Denver, Colorado, the Board of Water Commissioners met in Executive Session. The following matter, which is authorized by C.R.S. § 24-6-402 or D.R.M.C. § 2-34, was discussed during the Executive Session:

- 1. Negotiations §24-6-402(4)(e)

There being nothing further for the Board to consider, the Executive Session concluded at approximately 11:10 a.m.

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Secretary

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President