

RECORD OF PROCEEDINGS

MINUTES OF THE BOARD OF WATER COMMISSIONERS

OPEN SESSION

April 9, 2014

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, April 9, 2014, beginning at 9:17 a.m. in the Board Room, Room 309, 1600 West 12th Avenue, Denver, Colorado. Members of the Board present during portions of the Regular Meeting were:

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

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

B.D. Good, <i>Acting</i> CEO/Manager	P.L. Wells, General Counsel
A.C. Bricmont, Director of Finance	D.L. Little, Director of Planning
M.E. Elliott, <i>Acting</i> Director of Public Affairs	J.A. Anderson, Director of Customer Relations
R.J. Mahoney, Director of Engineering	T.J. Roode, Director of Operations and Maintenance
G. Cagle, Director of Human Resources	C.R. Dermody, Director of Information Technology
K. Bates, Attorney	P.A. Carey, Manager of Purchasing and Contracting
D.M. Hamm, Staff Analyst	P.B. Coleman, Chief Internal Auditor
J.S. Walker, Contracts Supervisor	W.C. Austin, Manager of Safety and Security
S. Snyder, Special Projects Coordinator	D.J. Arnold, Attorney
T. Segura, Senior Financial Analyst	C.S. Funk, Attorney
A. Chavez, Staff Analyst	J. Wittler, Attorney
R. Steger, Manager of Raw Water Supply	J. Ross, Engineer

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G. Gulley, Engineer

A. Chotiner, Accountant

J. Adams, Communications Specialist

P. McCormick, Engineer

A. Strasser, Manager of Treated Water
Planning

Mike Walker, Contractor

Jim Jones, South Adams County
Water and Sanitation District

Commissioner Austin called the meeting to order.

Public Comment and Communications

Commissioner Austin 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 no response.

Ceremonies, Awards, and Introductions

Ms. Elliott announced that the Colorado Legislature passed Senate Bill 103, the legislation promoted by Denver Water regarding high-efficiency water fixtures. It is awaiting the Governor's signature.

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 II-A-1: MINUTES OF OPEN MEETINGS

The reading of the Minutes of the Regular Meetings of March 12, 2014, and March 26, 2014, was dispensed with and such Minutes were approved.

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2. ITEM II-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 April 1, 2014, unless otherwise noted:

Employee Name	Employment Date	Retirement Plan Participation Date Unless otherwise noted^	Division/Section
Palmore, Brandam L.	2012-07-09	2013-07-20 ^Exclude prior service as temporary 9/4/2012 to 7/19/2013	Customer Relations Division Customer Service – Field, #465
Cdebaca, Lenora	2013-09-23	2013-09-23	Finance Division Accounting, #140
Morrow, Mary I.	2013-09-30	2013-09-30	Finance Division Accounting, #140
Wedll, Brandon J.	2013-09-30	2013-09-30	Finance Division Purchasing, #130
Beltinck, Tammy L.	2013-09-16	2013-09-16	Human Resources Division Employee Health Services, #425
Denzer, Mary A.	2013-09-09	2013-09-09	Operations and Maintenance Division Moffat, #640
Grant, Travis L.	2013-09-23	2013-09-23	Operations and Maintenance Division South Boulder Area, #510
Ciotola, Nick A.	2013-09-30	2002-08-10 ^Returning employee with break in service	Operations and Maintenance Division T&D Construction & Maintenance, #710
Ruvalcaba, Daniel	2012-09-04	2013-07-20 ^Exclude prior service as temporary 9/4/2012 to 7/19/2013	Operations and Maintenance Division T&D Construction & Maintenance, #710

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Thomas, Michael J.	2013-05-01	2013-09-14 ^Exclude prior service as temporary 9/4/2012 to 7/19/2013	Public Affairs Division Conservation, #022
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3. ITEM II-A-3: CONTRACT FOR MARSTON TREATMENT PROCESS IMPROVEMENTS PROJECT

Approved entering into Contract 15084A with Garney Companies, Inc., for the Marston Treatment Plant Treatment Process Improvements Project for a total contract amount not to exceed \$1,798,000.00, at the prices shown on the tabulation of proposals attached to and incorporated in these Minutes as Exhibit "A."

4. ITEM II-A-4: CONTRACT FOR CONDUIT NO. 74 REPLACEMENT IN SMITH ROAD FROM SAND CREEK TO HAVANA STREET

Awarded Contract 15143A to Layne Heavy Civil, Inc., for the Conduit No. 74 Replacement in Smith Road from Sand Creek to Havana Street Project for a total contract amount not to exceed \$1,905,000.00.

5. ITEM II-A-5: RATIFICATION OF CONSTRUCTION CONTRACT CHANGE ORDERS AND AMENDMENTS TO AGREEMENTS

Ratified Construction Contract Change Orders and Amendments to Agreements authorized in the period February 2014 through March 2014 as follows:

Change Order No. 1 to Contract 13054A with New Design Construction for the South Platte Collection System – North Metro Welby Reservoir Regulating Pond and Gardeners Ditch Improvements;

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Change Order No. 1 to Contract 14977C with M.A. Mortenson Company for the Foothills Treatment Plant – Flocculation Drain Line Modifications;

Change Order No. 1 to Contract 14977D with M.A. Mortenson Company for the Foothills Treatment Plant – Rectifier and Groundbed Replacement;

Change Order No. 1 to Contract 14977F with M.A. Mortenson Company for the Foothills Treatment Plant – Evaporator Equipment Installation;

Change Order No. 1 to Contract 14977G with M.A. Mortenson Company for the Foothills Treatment Plant – Filter Channel Structural Repairs; and

First Amendment to Task Order Agreement 14309D with Brown and Caldwell, Inc., for the Strontia and Cheesman Valve House and Hillcrest Powerhouse Roof Replacements,

all as more particularly described in the attachment to Agenda Item II-A-5, which is attached to and incorporated in these Minutes as Exhibit “B.”

6. **ITEM II–B: INTERGOVERNMENTAL AGREEMENT WITH SOUTH ADAMS COUNTY WATER AND SANITATION DISTRICT**

Approved an Intergovernmental Agreement (“IGA”) with South Adams County Water and Sanitation District regarding the Downstream Reservoir Project (Contract 15042A). A copy of the IGA is attached to and incorporated in these Minutes as Exhibit “C.”

Mr. Arnold discussed the history of agreements between the parties leading up to the IGA. The IGA involves downstream reservoir facilities, many of which have been constructed. In a 1998 contract, Denver Water agreed to

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provide 4,000 acre-feet of water to South Adams, and South Adams agreed to provide 8,000 acre-feet of storage to Denver Water. In a 1999 agreement settling a water rights dispute, Denver Water agreed to deliver 5,000 acre-feet of reusable water to downstream ditch companies, which divert at the Burlington Canal. South Adams is purchasing this water. In exchange for conveyance of additional downstream storage, Denver Water agreed to make firm direct deliveries of the reusable water to South Adams. In a 2009 Financial Reconciliation Agreement, Denver Water committed to negotiate an operational agreement with South Adams for the North and South Complexes and to develop a financial reconciliation of South Adams' remaining financial obligations.

Under the IGA, South Adams will reimburse Denver Water for \$15.8 million plus interest by making semi-annual payments from 2015 to 2025. Additionally, South Adams will pay \$1.4 million for the use of dedicated inlet and outlet facilities at the North and South Complexes. The operational provisions of the IGA include temporary storage capacity of 400 acre-feet for South Adams in the South Complex, deliveries of the 5,000 acre-feet of reusable water by Denver Water, conveyance of various property interests, and eventually for South Adams a 500 acre-foot storage pool at the North Complex and use of the inlet and outlet facilities at the North and South Complexes up to 10 cubic feet per second.

Mr. Jones of South Adams spoke about the great partnership and historical relationship formed with Denver Water.

Commissioner Austin asked whether staff is confident that it is aware of the obligations related to the downstream reservoirs. Mr. Walker explained that the IGA addresses all previous contracts with South Adams. Ms. Wells reinforced the importance of the parties entering into the IGA to provide the long-term basis for the operations at the North and South Complexes.

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Mr. Arnold's presentation is attached to and incorporated in these Minutes as Exhibit "D."

7. **ITEM II-C: AGREEMENT FOR ARMED SECURITY GUARD SERVICES AT DENVER WATER FACILITIES**

Approved entering into Agreement 15328A with G4S Secure Solutions (USA) Inc. for armed security guard services at Denver Water facilities for the period May 1, 2014, through April 30, 2016, for a total contract amount not to exceed \$2,800,446.00. A copy of the Agreement is attached to and incorporated in these Minutes as Exhibit "E."

8. **ITEM IV-C-1: OPERATIONS REPORT**

Mr. Mahoney announced that Denver Water held its largest event for SBEs and MWBEs on March 27, 2014. All of the Denver Water divisions were represented, and approximately 150 people attended. Several businesses showed interest in assisting with the campus plan. Staff will arrange meetings to introduce them to the architect and general contractor on the project. Mr. Mahoney thanked Ms. Elliott, Katie Knoll, Manager of Stakeholder Relations, and Laurie Billeter, SBE/MWBE Program Outreach Coordinator, for organizing the annual event.

9. **ITEM V-A: SCHEDULING OF FUTURE BOARD MEETINGS AND TENTATIVE DISCUSSION TOPICS**

The Board received the Schedule of Future Board Meetings and Tentative Discussion Topics, which is attached to and incorporated in these Minutes as Exhibit "F."

10. **ITEM V-B: EVENT CALENDAR**

The Board received a calendar of upcoming community events to be attended by various staff, which is attached to and incorporated in these Minutes as Exhibit "G."

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11. ITEM V-C: 2014 ("ON-CALL") GENERAL ENGINEERING AND CONSTRUCTION MANAGEMENT SERVICES CONTRACTS

The Board received a tabulation of contracts entered into under On-Call General Engineering Design Services and Construction Management Services Contracts for the period August 2012 through March 2014, which is attached to and incorporated in these Minutes as Exhibit "H."

12. ITEM V-D: NEW CONTRACT SUMMARY

The Board received a report of contracts entered into in the First Quarter of 2014 for amounts between \$20,000.00 and \$100,000.00, which is attached to and incorporated in these Minutes as Exhibit "I."

13. ITEM V-E: STATUS OF CONTRACT WORK AND CONSULTANT SERVICES

The Board received the reports "Status of Contract Work" and "Status of Consultant Services" dated April 3, 2014, which are attached to and incorporated in these Minutes together as Exhibit "J."

No further business appearing, the Board voted unanimously to adjourn into Executive Session at 10:05 a.m.

EXECUTIVE SESSION

On Wednesday, April 9, 2014, commencing at approximately 10:05 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 matters, which are authorized by C.R.S. § 24-6-402 or D.R.M.C. § 2-34, were discussed during the Executive Session:

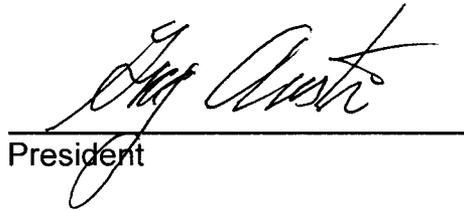
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1. Attorney-Client Matters § 24-6-402(4)(b)
2. Negotiations § 24-6-402(4)(e)

There being nothing further for the Board to consider, the Executive Session concluded at 10:40 a.m.


Secretary


President