

## RECORD OF PROCEEDINGS

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### MINUTES OF THE BOARD OF WATER COMMISSIONERS

#### OPEN SESSION

January 14, 2015

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, January 14, 2015, beginning at 9:08 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**  
**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:

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.J. Roode, Director of Operations and Maintenance
R.J. Mahoney, Director of Engineering	C.R. Dermody, Director of Information Technology
G. Cagle, Director of Human Resources	P.A. Carey, Manager of Purchasing and Contracting
M.K. Frishman, Attorney	M.E. Elliott, Assistant Director of Public Affairs – Government, Stakeholder Relations and Conservation
T.L. McGuire-Collier, Assistant Director of Public Affairs – Communications and Marketing	S.L. Chesney, Manager of Media and Executive Communications
T. Bryant, Controller	T. Thompson, Senior Media Relations Coordinator
D.M. Hamm, Staff Analyst	

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S. Snyder, Special Projects Coordinator	K. Dudas, Manager of Marketing and Special Projects
D. Shable, Engineer	J. Mahaffey, Communications Specialist
B. Cochran, Engineer	J. Martin, Engineer
D. Raitt, Construction Project Manager	R. Sheehan, Manager of Accounting
J. Tejral, Manager of Water Conservation	J. Shaw, Conservation Specialist

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. Bryant introduced the new Manager of Accounting, Rick Sheehan, who comes to Denver Water from the City and County of Denver.

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 DECEMBER 10, 2014**

The reading of the Minutes of the Regular Meeting and Annual Meeting of December 10, 2014, was dispensed with and such Minutes were approved.

The Minutes of the Executive Session of December 10, 2014, were approved.

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**2. ITEM II–A–2: MINUTES OF DECEMBER 17, 2014**

The reading of the Minutes of the Regular Meeting of December 17, 2014, was dispensed with and such Minutes were approved.

The Minutes of the Executive Session of December 17, 2014, were approved.

**3. ITEM II–A–3: EMPLOYEES ELIGIBLE FOR REGULAR STATUS**

The following employees were classified as regular employees of the Board, with all rights and privileges thereof, effective January 1, 2015, unless otherwise noted:

<b>Employee Name</b>	<b>Employment Date</b>	<b>Division/Section</b>
Nelson, Nisha	2014-06-16	Engineering Division Electrical Engineering, #213
Tucker, Jonathan L.	2014-06-16	Human Resources Division Director of Human Resources, #420
Castaneda, David G.	2014-06-16	Human Resources Division Organizational Development & Training, #424
Lewis, Jefferson J.	2014-06-30	Operations and Maintenance Division Recycled Water Plant, #650

**4. ITEM II–A–4: ANNUAL MAINTENANCE & SUPPORT FEES FOR INTERNET FIREWALLS AND LAPTOP ENCRYPTION**

Approved additional funding for Contract 07307A with Dirsec, Inc., for annual maintenance and support for Internet firewalls and laptop encryption. The addition of \$110,918.25 results in a total amended contract amount not to exceed \$667,328.25.

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5. **ITEM II-A-5: SECOND AMENDMENT TO CONTRACT FOR CONSTRUCTION MANAGEMENT SOFTWARE SERVICES**

Approved the Second Amendment to Contract 14609A with EADOC, LLC, for construction management software services. The amendment extends the contract through June 30, 2018, and adds \$317,000.00 for a total amended contract amount not to exceed \$389,400.00. A copy of the amendment is attached to and incorporated in these Minutes as Exhibit "A."

6. **ITEM II-A-6: DESIGNATION OF PLACES FOR POSTING NOTICES OF MEETINGS**

Designated the following places for posting notices of Board meetings during 2015: (1) the glass-enclosed bulletin board near the main entrance to the Administration Building at 1600 West 12<sup>th</sup> Avenue, Denver, Colorado, and (2) on a bulletin board near the elevators on the fourth floor of the City and County Building, Denver, Colorado.

7. **ITEM II-A-7: AMENDMENT NO. 1 TO CONTRACT FOR CONDUIT NO. 70 VALVE REPLACEMENT AT SHERIDAN BOULEVARD AND WEST 5<sup>TH</sup> AVENUE**

Approved Amendment No. 1 to Contract 15143A with Layne Heavy Civil, Inc., for the Conduit No. 70 Valve Replacement at Sheridan Boulevard and West 5<sup>th</sup> Avenue. The amendment adds \$247,850.00 for a total amended contract amount not to exceed \$2,239,428.13. A copy of the amendment is attached to and incorporated in these Minutes as Exhibit "B."

8. **ITEM II-A-8: CHANGE ORDER NO. 1 TO CONTRACT TO FURNISH AND INSTALL THE LONG LAKE FEEDER DITCH DIVERSION STRUCTURE REPLACEMENT AND RALSTON CREEK FLUME REPLACEMENT**

Approved Change Order No. 1 to Contract 15605A with Western Summit Constructors, Inc., to furnish and install the Long Lake Feeder Ditch diversion

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structure replacement and Ralston Creek flume replacement for an amount not to exceed \$167,597.00. A copy of the change order is attached to and incorporated in these Minutes as Exhibit "C."

9. **ITEM II-A-9: RATIFICATION OF CONSTRUCTION CONTRACT CHANGE ORDERS AND AMENDMENTS TO AGREEMENTS**

Ratified Construction Contract Change Orders and Amendments to Agreements authorized in December 2014 as follows:

Change Order No. 12 to Contract 13327A with Gracon, LLC, for the Dillon Dam Outlet Works Gate Repairs;

Change Order No. 6 to Contract 14062A with Garney Construction for the Highlands Reservoir & Pump Station Replacement of Basin Nos. 1 & 2;

Change Order No. 1 to Contract 14203A with Archer Western Construction for the Green Mountain Pump Station Renovation;

Change Order No. 1 to Contract 14421A with Mainlining America, LLC, for the 2014 Pipe Rehabilitation;

Change Order No. 5 to Contract 14913A with T. Lowell Construction, Inc., for the Tanabe Reservoir Outlet and Interconnect;

Change Order No. 2 to Contract 15143A with Layne Heavy Civil for the Conduit No. 74 Replacement in Smith Road from Sand Creek to Havana Street;

Change Order No. 2 to Contract 15253A with Concrete Works of Colorado, Inc., for the South Platte Collection System – North Complex Outlet;

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Change Order No. 1 to Contract 15671A with Garney Construction for the Conduit No. 16 – 72-Inch Diameter Steel Pipeline Installation on McIntyre Street Crossing;

Second Amendment to Contract 15020A with SiteWise Corporation for the Removal of Debris and Groundwater from Pipes, Vaults, Water Meters and Appurtenances; and

First Amendment to Agreement 15292A with Trimble Navigation Limited for Global Positioning Services,

all as more particularly described in the attachment to Agenda Item II-A-9, which is attached to and incorporated in these Minutes as Exhibit “D.”

#### 10. **ITEM II-B-1: ADOPTION OF CONSERVATION PLAN**

Mr. Tejral presented the updated Conservation Plan for Denver Water. A draft of the plan was made available for public comment in 2014. Staff also reached out to various stakeholders, including Denver Water distributors, environmental groups, other municipalities, and other water utilities, for additional input.

The plan reflects the current goal to reduce water consumption by 22 percent – to 165 gallons per person per day. Consumption by Denver Water customers has already dipped below this projection for the past five to six years. The reduction goal is measured through active programs with a goal to save 1,000 acre-feet annually; the programs dedicate resources to achieve the goal.

The Board adopted the plan, which staff will provide to the Colorado Water Conservation Board for approval. If approved, the plan will remain in effect for seven years. A copy of the plan is attached to and incorporated in these Minutes as Exhibit “E.”

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#### 11. **ITEM IV–A: CEO REPORT**

Mr. Lochhead reminded the Board that employees are in the midst of performance evaluation season. He also mentioned that work on the state water plan continues and that he participated in a recent webinar on transmountain diversions with the Colorado Water Congress.

Mr. Lochhead also reported that staff plans to make a year-in-review presentation for 2014 at the next meeting of the Board. In 2015, he expects significant accomplishments at Denver Water, including the start of construction for the redevelopment of the Operations Complex, receiving a Record of Decision on the Gross Reservoir expansion project, implementation of technology improvements that enhance budgeting and accounting capabilities, further tying budgeting and the strategic objectives, completing a new rate study, work on a comprehensive conservation strategy, beginning to implement the Total Rewards strategy, spending \$104 million in capital investments, improving operations and customer satisfaction through the Lean process, and rolling out a new communication and branding strategy.

Commissioner Austin commented that the organization's accomplishments in the last couple of years and the anticipated accomplishments are remarkable. He complimented the organization for its strong leadership, teamwork, and management.

#### 12. **ITEM IV–C: OPERATIONS REPORT**

Mr. Roode reported on some recent assistance Denver Water staff provided to the Town of Frisco, which was facing a possible requirement to construct a reverse osmosis treatment plant to address water quality issues. He said Steve Price, Engineer, and Zeke Campbell, System Manager for Water Quality and Treatment, were instrumental in helping the town find an alternative solution.

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Mr. Roode also discussed the results of a Lean event that was held to reduce the size of the warehouse for the redeveloped Operations Complex. The participants examined the current processes for inventory and delivery of goods. The exercise resulted in plans for a significantly smaller warehouse – from the current 57,000 square feet to 24,000 square feet.

13. **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.”

14. **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.”

15. **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 December 2014, which is attached to and incorporated in these Minutes as Exhibit “H.”

16. **ITEM V–D: NEW CONTRACT SUMMARY**

The Board received a report of contracts entered into in the Fourth 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.”

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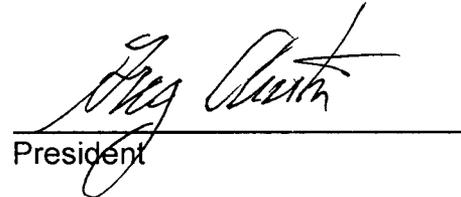
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17. **ITEM V-E: ROCKY MOUNTAIN PBS SPOTS**

Mr. Thompson presented two prime-time television spots that Denver Water has produced for the Rocky Mountain PBS station. Denver Water has been a sponsor of the station since 2009, and the spots are televised at no cost. They can reach up to 900,000 weekly viewers of the station. The spots show how employees' personal lives are connected with the work they do at Denver Water to benefit the natural environment. The two spots currently running showcase David Bennett, a water resource manager, and Lurna Kaatz, a climate scientist. The Public Affairs division is spreading the word about the PBS spots through all of Denver Water's social media outlets.

No further business appearing, the Board voted unanimously to adjourn at 9:43 a.m.

  
Secretary

  
President