

RECORD OF PROCEEDINGS

MINUTES OF THE BOARD OF WATER COMMISSIONERS

OPEN SESSION

February 25, 2015

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, February 25, 2015, beginning at 9:16 a.m. in the Cheesman Room, Three Stone Buildings, 1600 West 12th Avenue, Denver, Colorado. Members of the Board present during the Regular Meeting were:

H. Gregory Austin, President
Thomas A. Gougeon, 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
U. Sharma, Treasurer	P.B. Coleman, Chief Internal Auditor
M.K. Frishman, Attorney	M.E. Elliott, Assistant Director of Public Affairs – Government, Stakeholder Relations and Conservation
T. Bryant, Controller	A. Woodrow, Employer of the Future Program Manager
D.M. Hamm, Staff Analyst	J. Bogner, Finance Analyst
S. Snyder, Special Projects Coordinator	L. Robinson, Human Resources Specialist
B. Peters, Water Resource Engineer	A. Montez, Human Resources Specialist
L. Billeter, SBE/MWBE Program Outreach Coordinator	

RECORD OF PROCEEDINGS

MINUTES OF THE BOARD OF WATER COMMISSIONERS

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| A. Turney, Chief of Distribution and Property Management | S. Franey, Senior Internal Auditor |
| B. Haggerty, Human Resources Specialist | D. Cogan, Occupational Health Nurse Supervisor |
| T. Johnson, Manager of Compensation and Performance Management | Y. Her, Contracts Supervisor |
| G. Chapman, Manager of Employee Relations | M. Waage, Manager of Water Resource Planning |
| J. Bedwell, Occupational Health Nurse | A. Pokua-Nuako, Associate Finance Analyst |
| D. Raitt, Construction Project Manager | A. Rettig, Finance Manager/Supervisor |
| D. Batt, Construction Project Manager | J. Davis, Manager of Organizational Development and Training |
| M. Faulkner, Talent Acquisition Manager | G. Hempelman, Engineer |
| A. Chavez, Staff Analyst | L. Likes, Appraiser-Negotiator |
| A. Ingram, Contract Specialist | K. Bates, Attorney |
| J. Tucker, Office Management Assistant | D. Arnold, Attorney |
| B. Riggs, IT Manager of New Business Solutions Development | L. Davis, Human Resources Specialist |
| | D. Castaneda, Human Resources Specialist |
| | N. Miles, Administrative Assistant |
| | R. Sheehan, Manager of Accounting |
| | S. Miller, Manager of Health Care and Benefits Administration |
| | K. Riegle, Attorney |

Pat Fitzgerald, Platte Canyon Water and Sanitation District

Elliot Susseles, Segal Waters Consulting

Commissioner Austin called the meeting to order.

RECORD OF PROCEEDINGS

MINUTES OF THE BOARD OF WATER COMMISSIONERS

Upon motion regularly made, seconded and unanimously carried, Commissioners Lucero and Herzmark were found to be absent for substantial cause and were excused.

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.

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: SECOND AMENDMENT TO AGREEMENT FOR EMPLOYEE AWARD AND RECOGNITION PROGRAM**

Approved the Second Amendment to Agreement 14592A with Scherr Advertising for awards given by the Employee Award and Recognition Program. The amendment extends the agreement through December 31, 2015, and adds \$75,000.00 for a total amended contract amount not to exceed \$155,000.00. A copy of the amendment is attached to and incorporated in these Minutes as Exhibit "A."

2. **ITEM II-A-2: SECOND AMENDMENT TO AGREEMENT FOR CIS-RELATED SOFTWARE DEVELOPMENT SERVICES**

Approved the Second Amendment to Agreement 14590A with Infinity Tech Group, Inc., for the software development services of Ashok Prakasam for the Oracle Customer Information & Billing System. The amendment extends the agreement through May 31, 2016, and adds \$224,400.00 for a total amended contract amount not to exceed \$557,600.00. A copy of the amendment is attached to and incorporated in these Minutes as Exhibit "B."

RECORD OF PROCEEDINGS

MINUTES
OF THE
BOARD OF WATER COMMISSIONERS

3. **ITEM II-A-3: CONTRACT FOR WEST SIDE COMPLEX
ADMINISTRATION BUILDING COMPUTER ROOM AIR CONDITIONING
UNIT INSTALLATION**

Approved Contract 15799A with Murphy Company for the West Side Complex Administration Building Computer Room Air Conditioning Unit Installation Project for a total contract amount not to exceed \$239,786.00.

4. **ITEM II-A-4: SECOND AMENDMENT TO TASK ORDER
AGREEMENT FOR CONSTRUCTION MANAGEMENT INSPECTION
SERVICES FOR LONG LAKE DITCH DIVERSION AND RALSTON CREEK
FLUME**

Approved the Second Amendment to Task Order Agreement 15585A with Engineering Support Services for construction management inspection services for the Long Lake Ditch Diversion and Ralston Creek Flume projects. The amendment extends the agreement through June 30, 2015, and adds \$44,800.00 for a total amended contract amount not to exceed \$128,048.00. A copy of the amendment is attached to and incorporated in these Minutes as Exhibit "C."

5. **ITEM II-A-5: PERSONNEL POLICIES CHANGES REGARDING
POST-EMPLOYMENT CORRECTIVE ACTION**

Approved changes to Sections 11-1-(2) and 11-1-(2)(b)(v) of the *Personnel Policies* to provide the notice required by due process that corrective action may apply to employees after termination of employment. A copy of the revised sections is attached to and incorporated in these Minutes as Exhibit "D."

6. **ITEM II-B-1: AGREEMENT FOR FINANCIAL SYSTEM CHART OF
ACCOUNTS REIMPLEMENTATION ORCA PROJECT**

Approved Agreement 15743A with Denovo Ventures, LLC, dba Denovo, to reconfigure and reimplement the chart of accounts within the JD Edwards

RECORD OF PROCEEDINGS

MINUTES OF THE BOARD OF WATER COMMISSIONERS

Enterprise One system, for the contract period February 25, 2015, through September 30, 2016, and a total contract amount not to exceed \$635,124.00. A copy of the Agreement is attached to and incorporated in these Minutes as Exhibit "E."

Mr. Dermody explained Agenda Items II-B-1 and II-B-2 involve subprojects of the ORCA project implementation. Denver Water already owns the software necessary for these subprojects.

Staff will seek the Board's approval of additional contracts to complete other ORCA subprojects in 2015. The total cost of the contracts for the subprojects including those approved under Agenda Items II-B-1 and II-B-2 is budgeted at \$3.4 million. The subprojects are based on best practices in the industry and recommendations of PriceWaterhouse Coopers, which consulted on the ORCA project.

Mr. Dermody's presentation for Agenda Items II-B-1 and II-B-2 is attached to and incorporated in these Minutes as Exhibit "F."

7. **ITEM II-B-2: AGREEMENT FOR TIME & ATTENDANCE SYSTEM IMPLEMENTATION ORCA PROJECT**

Approved Agreement 15744A with Dimension Systems, Inc., for implementation of the PeopleSoft Time and Labor and Absence Management modules, for the contract period February 25, 2015, through May 31, 2016, and a total contract amount not to exceed \$204,950.00. A copy of the Agreement is attached to and incorporated in these Minutes as Exhibit "G."

8. **ITEM II-B-3: AGREEMENT FOR COMPENSATION AND JOB DESCRIPTION ANALYSIS CONSULTING SERVICES**

The Board tabled the vote on this agenda item.

RECORD OF PROCEEDINGS

MINUTES
OF THE
BOARD OF WATER COMMISSIONERS

9. **ITEM II-B-4: CONTRACTS FOR AQUIFER STORAGE PILOT PROJECT**

Approved Agreement 15911A with Leonard Rice Engineers, Inc., for services in furtherance of Phase I-A of the Aquifer Storage and Recovery Pilot Project, for a total contract amount not to exceed \$40,000.00. A copy of the Agreement is attached to and incorporated in these Minutes as Exhibit "H."

Mr. Peters explained this project will test the economic and technical feasibility of using wells to inject and store potable water supplies in Denver Basin nontributary aquifers below the City and County of Denver for later use during droughts. Staff and the consultant expect to select and drill the test boring sites and complete data analysis this year. Construction of the pilot well facility could begin in 2017 and pilot operations in 2018. The consultant will use a competitive bidding process to subcontract with a company to perform the test bore drilling work, for which staff will seek the Board's approval to increase funds under the consultant's contract.

Mr. Peters' presentation is attached to and incorporated in these Minutes as Exhibit "I."

10. **ITEM II-B-5: RESOLUTION AUTHORIZING ACQUISITION OF TWO PROPERTIES BY EMINENT DOMAIN FOR OPERATIONS COMPLEX REDEVELOPMENT PROJECT**

Adopted a Resolution authorizing and directing the acquisition by eminent domain of properties to the north of Denver Water's Operations Complex. A copy of the Resolution is attached to and incorporated in these Minutes as Exhibit "J."

Ms. Turney explained the properties are needed for parking during and after construction of the Operations Complex Redevelopment project. Denver Water will seek immediate possession of the properties. Ms. Turney's presentation is attached to and incorporated in these Minutes as Exhibit "K."

RECORD OF PROCEEDINGS

MINUTES
OF THE
BOARD OF WATER COMMISSIONERS

11. **ITEM II-B-6: SALE OF WYNETKA RESERVOIR PROPERTY TO 4501 WEST BOWLES, LLC**

Approved the Contract to Buy and Sell Real Estate (Agreement 15909A) with to 4501 West Bowles, LLC, for the sale of Denver Water's Wynetka Reservoir property for \$2,075,000.00, less transaction, survey, and closing costs. A copy of the agreement is attached to and incorporated in these Minutes as Exhibit "L."

Ms. Turney explained Denver Water purchased the 9.798-acre property at 4501 West Bowles Avenue in Littleton in 1940 to eventually construct a treated water reservoir. However, when the Foothills Treatment Plant was constructed in the 1970s, staff determined the reservoir would not be necessary. The property was declared surplus in 2002. Ms. Turney's presentation is attached to and incorporated in these Minutes as Exhibit "M."

12. **ITEM III-A: EMPLOYER OF THE FUTURE UPDATE**

Ms. Woodrow presented an update on the Employer of the Future initiative, which began in 2013. She described the milestones and accomplishments to date, employee participation numbers, the transition of certain programs to the Human Resources division, and current and upcoming projects. Ms. Woodrow emphasized that the initiative should create a legacy to encourage employees to carry out their ideas with support and resources from the organization. Her presentation is attached to and incorporated in these Minutes as Exhibit "N."

Commissioner Gougeon suggested that staff consider developing a relationship with the Denver Housing Authority through the initiative.

13. **ITEM IV-A: CEO REPORT**

Mr. Lochhead reported he was asked to serve on a new economic advisory council established by the Mayor of Denver. The council meets quarterly.

RECORD OF PROCEEDINGS

MINUTES
OF THE
BOARD OF WATER COMMISSIONERS

14. **ITEM IV–B–1: CFO REPORT: MONTHLY FINANCIAL REPORT**

The Board received the Monthly Financial Report dated January 31, 2015, as set forth in Agenda Item IV-B-1, which is attached to and incorporated in these Minutes as Exhibit "O."

15. **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 "P."

16. **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 "Q."

No further business appearing, the Board voted unanimously to adjourn into a Trustee Meeting at 10:59 a.m.

TRUSTEE MEETING

The Board of Water Commissioners, serving in their capacity as Trustees of the Employees' Retirement Plan Trust Fund and as Sponsor of the Supplemental Retirement Savings Plan of the Board of Water Commissioners of the City and County of Denver, met on Wednesday, February 25, 2015, commencing at 11 a.m., in the Cheesman Room, Three Stone Buildings, 1600 West 12th Avenue, Denver, Colorado. The Minutes of the Trustee Meeting are maintained separately. The

RECORD OF PROCEEDINGS

MINUTES
OF THE
BOARD OF WATER COMMISSIONERS

Trustee Meeting concluded at 11:07 a.m., at which time the Board voted unanimously to adjourn into Executive Session.

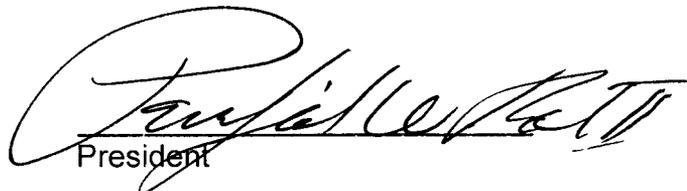
EXECUTIVE SESSION

On Wednesday, February 25, 2015, commencing at 11:08 a.m. in the Cheesman Room, Three Stone Buildings, 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. 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 11:30 a.m.


Secretary


President