

RECORD OF PROCEEDINGS

MINUTES OF THE BOARD OF WATER COMMISSIONERS

Open Session

May 25, 2011

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, May 25, 2011 beginning at 10:33 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.E. Elliott, Interim Director of Public Affairs	B. D. Good, Special Assistant to the CEO/Manager
T. Roode, Interim Director of Operations and Maintenance	R. J. Mahoney, Director of Engineering
C. R. Dermody, Director of Information Technology	C. Elam-Floyd, Director of Human Resources
M. L. Walker, Attorney	P. Coleman, Manager of Internal Auditing
R.K. Plakke, Water Treatment Plant Supervisor	K.A. Bates, Attorney
M.J. Miller, Engineer	M. Leister, Chief of Construction Management
U. Sharma, Treasurer	D. B. Engleman, Senior Benefits Administrator

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E.M. Cinchock, Public Affairs	S. Miller, Manager of Health Care Administration
R. Wirth, Supervisor of Treasury Operations	J.A. Anderson, Customer Care Manager
G. Brockett, Human Resource Specialist	R.F. Lucero, Vehicle Mechanic
S. Chesney, Community Relations Specialist	A.M. Baker, Community Relations Specialist
A.M. Rettig, Treasury Analyst	E. Wakefield, Human Resource Specialist
K. O. Balu, Human Resource Specialist	G. Rygh, Superintendent of Water Control
L. Paule, HRIS Administrator	
Patricia A. Kahle, Milliman	Pat Fitzgerald, Distributor's Liaison Representative, Platte Canyon Water and Sanitation District and Southwest Metropolitan Water and Sanitation District
Patty Ortiz, Diverse Project Consultants, LLC	

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 by the Commissioners then present, unless otherwise noted, the Board acted upon the following agenda items:

1: **ITEM II-A-1: 2011 RETIREMENT PLAN CONTRIBUTION**

Consideration of this matter was tabled to the June 22, 2011 meeting.

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2. ITEM II-A-2: RENEWAL OF INSURANCE POLICIES

Authorized renewal of the following insurance policies: Property/boiler and machinery coverage with XL Insurance America for 1 year beginning June 1, 2011 at an annual premium of \$512,888; Fiduciary coverage with Ace Insurance for 1 year at a premium of \$20,400; and Crime with Travelers Casualty & Surety at a cost of \$4,300 per year for three years.

3. ITEM II-A-3: AWARD OF CONTRACT FOR CONSTRUCTION OF THE DUNES RESERVOIR OUTLET WORKS PROJECT

Authorized award of a contract to BT Construction for the Dunes Reservoir Outlet Works Project at a cost of \$3,426,275.

Mr. Mahoney explained that construction of the Dunes Outlet Works Project is a time-sensitive project, in that the contractor may not interfere with deliveries of water in the Fulton Ditch, which deliveries extend from March 1 to October 31. Mr. Mahoney then introduced Mr. Miller who explained the contracts which were the subject of Agenda Items II-A-3 through II-A-5. Mr. Miller also described the facilities to be constructed for the Dunes Reservoir Outlet Works Project, the projects completed and the major remaining projects to be completed before the North Complex of the Downstream Reservoir Project will be fully operational. Mr. Miller explained that because the Fulton Inlet Pipeline is operational, water will be storable in the Dunes Reservoir as soon as the Dunes Outlet project is completed. The reservoir will not be able to store the full amount until the Hazeltine Pump Station is on line. The interconnect pipelines between Howe Reservoirs A and B and between Howe Reservoir B and Hazeltine are designed, and budgeted for 2012. As soon as the interconnects are constructed, Denver Water will be able to store water in Howe Reservoirs A and B. Once the excess material in Hazeltine is removed, the foundation for the Hazeltine pump station can be constructed. Water could then be stored in Hazeltine. Storage of the full amount in Dunes, Hazeltine and Tanabe Reservoirs will not occur until the Hazeltine Pump Station and the Tanabe Inlet pipeline are completed.

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4. **ITEM II-A-4: TASK ORDER AGREEMENT WITH DIVERSE PROJECT CONSULTANTS, LLC FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE DUNES RESERVOIR OUTLET WORKS**

Authorized award of a contract to Diverse Project Consultants, LLC to provide construction management services for the Dunes Reservoir Outlet Works Project at a cost not to exceed \$277,610, all as more particularly described in the Construction Management Task Order Agreement, a copy of which is attached to and incorporated in these Minutes as Exhibit "A."

Ms. Ortiz, principal of Diverse Project Consultants was in attendance and was introduced to the Commissioners.

5. **ITEM II-A-5: AGREEMENT WITH MULLER ENGINEERING COMPANY FOR THE DUNES RESERVOIR OUTLET WORKS**

Authorized award of a contract to Muller Engineering Company, Inc. to provide consulting and construction phase services for the Dunes Reservoir Outlet Works Project, at a cost not to exceed \$126,251, all as more particularly described in the Agreement, a copy of which is attached to and incorporated in these Minutes as Exhibit "B."

No further business appearing, the Board voted unanimously to adjourn into the Study Session at approximately 10:48 a.m.

STUDY SESSION

The Study Session consisted of a presentation by representatives of the Compensation Change Work Group. The presentation included an outline of the recommendation for a new pay system for Denver Water. The Study Session concluded at 11:40 a.m., at which time the Board voted unanimously to adjourn the Regular Meeting and convene in Executive Session.

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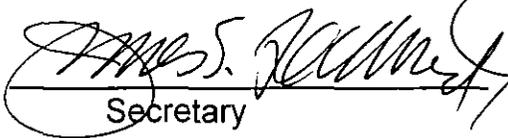
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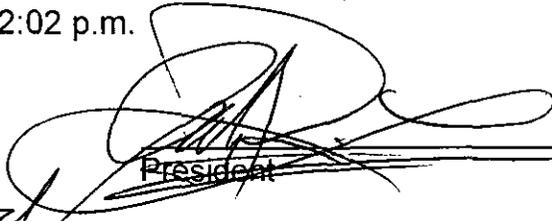
EXECUTIVE SESSION

On Wednesday, May 25, 2011, commencing approximately at 11:45 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. Attorney/Client § 24-6-402(4)(b)
2. Mediation § 24-6-402(4)(a)(b)&(e)

There being nothing further for the Board to consider, the Executive Session concluded at approximately 12:02 p.m.


Secretary


President