

# AGENDA

## Denver Board of Water Commissioners

Denver Water Administration Building  
1600 West 12<sup>th</sup> Avenue  
Denver, CO  
Board Room, Third Floor

**Wednesday, February 22, 2017 9:00 a.m.**

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### I. INTRODUCTORY BUSINESS

#### A. Call to Order and Determination of Quorum

#### B. Public Comment and Communications

At this point in the agenda, the Board may allow members of the public to address the Board on any item of interest within the jurisdiction of the Board, and not on the agenda for action. Speakers wishing to address a specific Action Item will be invited to address the Board when the item is being considered. Three minutes are allowed for each person unless the President determines otherwise.

1. Distributor Communications
2. Citizen Advisory Committee Communications

#### C. Ceremonies, Awards and Introductions

### II. ACTION ITEMS

#### A. Consent Items

Items listed below are considered routine and may be enacted by one motion and vote. If any Board member desires discussion beyond explanatory questions, or corrections to the Minutes, the President may order that item to be considered in a separate motion and vote.

1. Contract 15792A First Amendment for Asphalt and Concrete Repair
2. Contract 14063B Amendment No. 2 with Western Summit Constructors Inc. for the Ashland Reservoir Tank Replacement Work Package No. 1 – Main Work Package Fencing
3. Designation of Surplus Property Conduit No. 74 at I-70 and Peoria Street
4. Contract # 14032A Second Contract Amendment with Everbridge, Inc. for Mass-Notification Services

**B. Individual Approval Items**

**III. POLICY MATTERS**

<b>A. OCR Update</b>	Jeremy Ross	10 minutes
<b>B. CRCA</b>	Patti Wells	30 minutes

**IV. EXECUTIVE UPDATE**

**A. CEO Update**

**B. CFO Update**

1. Monthly Financial Update

**C. Operations Update**

**V. BRIEFING PAPERS & REPORTS**

**A. Briefing Paper**

1. Legislative Update

**B. Report**

**VI. ADJOURNMENT**

**VII. TRUSTEE MATTERS**

1. Approval of December 14, 2016 Trustee Meeting Minutes
2. Pension Plan changes update – Cindy Birley (Davis Graham & Stubbs LLP)
3. 2016 Q4 Performance Review – Janet Becker-Wold (*Callan Associates, Inc.*)
  - a. Retirement Plan Q4 Report – Jeff Bogner

## **VIII. EXECUTIVE SESSION**

The Board may adjourn the regular meeting and reconvene in executive session on topics authorized by C.R.S. Sec. 24-6-402 or D.R.M.C Sec. 2-34.

- A. Confidential Report § 24-6-402(4)

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: February 22, 2017

Board Item: II-A-1

## First Amendment for Asphalt and Concrete Repair Contract # 15792A

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Action by Consent

Individual Action

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### **Summary:**

Damage to streets, curb and gutter and sidewalks occurs as a result of water main breaks and leaks, and replacement and repair projects. Denver Water uses a vendor to perform street restoration work. The usage varies significantly from year to year, from job to job and from city to city. In some metro areas an entire section of concrete must be fully replaced even if only a small corner is impacted by the work. Quantities of asphalt and concrete are difficult to estimate and vary from year to year depending on the location of projects. Concrete is more expensive than asphalt and there were several leaks over the last 18 months that caused increased concrete usage, as well as large planned jobs along Broadway, University and Dry Creek. Details of these jobs were not fully developed at the time this contract was scoped and bid so the level of concrete usage was significantly underestimated. This contract has not been extended and will be bid later this year. This amendment is to add sufficient funds to cover work through the remaining contract period.

### **Budget Information:**

The total amount of this contract is \$12,500,000.00, and the term of the contract is April 1, 2015 through March 31, 2018. Funds for this service/contract will come from the 2017 budget for Water Distribution, which has sufficient funds to pay the \$5,800,000.00 estimated to be needed in 2017. The remaining \$1,500,000 will be budgeted in 2018.

### **Selection of Business Partner:**

The Invitation for Bids ("IFB") was open to any company prequalified by the City and County of Denver to perform this type of work. This was sent to eight prospective vendors via direct solicitation, BidNet, and emailed to the Small Business Enterprise (SBE)/Minority Women Business Enterprise (MWBE) trade organizations. Due to the complexity of the bid, it was mandatory that vendors attend the pre-bid conference to be eligible to submit a bid. A total of three vendors attended the conference and all three vendors submitted a bid, one being a SBE. The vendor selection criteria evaluated cost, pricing structure in relation to fluctuations of oil cost, service level, ability to perform work afterhours, equipment, past performance, subcontracted work and financial stability.

### **S/MWBE Information:**

Colorado Asphalt Services Inc. is neither an SBE nor an MWBE. For 2016 O&M set an overall 15% target for MWBE participation in contracts.


**Recommendation:**

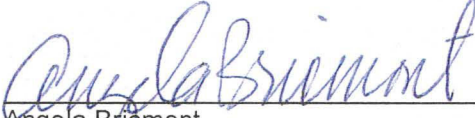
It is recommended that the Board approve the First Amendment to Contract 15792A with Colorado Asphalt Services Inc. for concrete and asphalt paving for an additional \$5,000,000.00, and for a total amended contract amount not to exceed \$17,500,000.00.

**Approvals:**

  
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Thomas J. Roode  
Chief Operations and Maintenance Officer

Respectfully submitted,

  
\_\_\_\_\_  
James S. Lochhead  
CEO/Manager

  
\_\_\_\_\_  
Angela Brimont  
Chief Finance Officer

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: February 22, 2017

Board Item: II-A-2

## **Contract 14063B, Amendment No. 2 with Western Summit Constructors Inc. for the Ashland Reservoir Tank Replacement Work Package No. 1 – Main Work Package Fencing**

Action by Consent

Individual Action

### Summary:

The Ashland Reservoir Tank Replacement Project is in its final stages. Tanks 1 and 2 are now complete as is much of the conduit work, however, there are still packages of work that must be designed, bid and constructed in order to complete the entirety of the work. This planned amendment for fencing, is one of these work packages that must be completed so as to complete the entire Ashland project.

The approved budget for Contract 14063A and 14063B (Ashland Treated Water Tank Replacements and Ashland Reservoir Tank Replacement Work Package No. 1 – Main Work Package), approved on February 13, 2013, did not include the bids for the Fencing bid package. The original Board Item did note this work package was to be bid out at a later date through the CMAR Contractor. Amendment No. 2 adds the competitively bid fencing bid package to Work Package No. 1.

### Budget Information:

The original CMAR contract with Western Summit Constructors Inc. was awarded on October 10, 2012 in the amount of \$28,879,423.00. Total Change Orders and Amendments to this contract amount to \$465,322.87. The cost of Amendment No. 2 is \$290,730.62 increasing the current contract price to \$29,635,476.49. Funds are available and included in the Ashland Replacement of Storage Reservoirs 2017 budget.

2017 Ashland Budget	\$	4,432,870.00
Amount Requested This Item	\$	290,730.62
YTD Expenditures	\$	22,256.69
Dollars Budgeted for Future Years	\$	4,432,870.00
Revised Estimate	\$	4,432,870.00
Budget Adjustment	\$	0.00

### Selection of Business Partner:

Western Summit Constructors Inc. is the Construction Manager-at-Risk for the Ashland Reservoir Tank Replacements Project. This anticipated additional work to Contract 14063B was competitively bid by Western Summit Constructors Inc. on November 17, 2016. Five bids were received and Steelock Corporation was the low bidder and is the recommended subcontractor to complete the work.

### Recommendation:

It is recommended the Board approve Amendment No. 2 to Contract 14063B with Western Summit Constructors Inc., for the addition of fence work to the Ashland Reservoir Tank Replacement Project for the contract period February 13, 2013 through August 4, 2017 for a total amended contract amount not to exceed \$29,635,476.49.

**Approvals:**

  
\_\_\_\_\_  
Robert J. Mahoney  
Chief Engineering Officer

Respectfully submitted,

  
\_\_\_\_\_  
James S. Lochhead  
CEO/Manager

  
\_\_\_\_\_  
Angela Brighmont  
Chief Finance Officer

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: February 22, 2017

Board Item: II-A-3

## Designation of Surplus Property Conduit No. 74 at I-70 and Peoria Street

Action by Consent

Individual Action

### Summary:

In 1993, CDOT relocated a portion of Conduit No. 74 for the widening of I-70 between Peoria Street and Chambers Road. It has been recently discovered that although CDOT intended to grant Denver Water a new easement for this relocated conduit, the 2.51 acres of property was deeded in fee. To correct this error, Denver Water will deed the fee title property back to the surrounding property owner, MWBP, LLC and acquire a 70-foot easement underlying the conduit.

### Recommendation:


It is recommended that the Board declare 2.51 acres of Conduit No. 74 fee property ownership surplus, as it is not required for water works purposes.

### Approvals:

  
\_\_\_\_\_  
Robert J. Mahoney  
Chief Engineering Officer

Respectfully submitted,

  
\_\_\_\_\_  
James S. Lochhead  
CEO/Manager

  
\_\_\_\_\_  
Patricia L. Wells  
General Counsel



## DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: February 22, 2017

Board Item: II-A-4

### Second Contract Amendment with Everbridge, Inc. for Mass-Notification Services Contract # 14032A

Action by Consent

Individual Action

**Summary:**

Denver Water has contracted with Everbridge, Inc. for the use of their mass-notification system for the past five years. The Everbridge system is integrated with Denver Water's employee management system (PeopleSoft) and its customer information and billing system (CC&B) to enable timely and accurate notifications to employees in the event of emergencies, snow-days and system issues, as well as issuing notifications to customers in the event of water service emergencies. The Everbridge system is a cloud-based system which allows Denver Water to issue mass-notifications even if our internal systems are down. Mass-notifications can be sent using recorded voice messages to land-lines or mobile phones, and/or text messages or email.

This Board Item requests authorization of funding for one additional year's subscription for the Everbridge system. The Information Technology division plans to rebid mass-notification services later in 2017.

**Budget Information:**

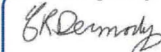
The total amount of this one-year contract extension is \$172,795.00, consistent with the prior year's cost. Funds for this service/contract are included in the approved 2017 IT budget under Business Unit 1004060550 (IT Asset Management) and Object Account 623140 (Software & Support).

**Recommendation:**

It is recommended that the Board approve this contract amendment with Everbridge Inc. for Mass Notification Services in the amount of \$172,795.00 for the contract period March 14, 2017 through March 13, 2018 for a total contract amount not to exceed \$1,024,195.00.

**Approvals:**

DocuSigned by:



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Chris Dermody  
Chief Information Officer

Respectfully submitted,

  
James S. Lochhead  
CEO/Manager

Angela Bricmont  
Chief Finance Officer

# CRCA UPDATE



*Patti Wells*

*Board meeting, February 22, 2017*

# CRCA Milestones

- Signing ceremony for four Eagle County entities – **February 2012**
- Signing ceremony for Denver Water, Summit County, Grand County, Middle Park – **May 2012**
- Glenwood Springs and Rifle – **June 2012**
- River District – **June 2013**
- Six Grand Valley Irrigators – **Sept 2013**

**Effective Date – September 26, 2013**

# Structure of Agreement

- Article I – Limits on DW’s water supply obligations
- Article II – Conservation and Reuse
- Article III – DW Commitments
  - A – General
  - B – Summit County
  - C – Clinton Reservoir
  - D – Eagle County
  - E – Grand County
  - F – Grand Valley
  - G – Middle Colorado River
- Article VI – DW’s Water Rights
- Article V – Green Mountain Administration
- Article VI – Shoshone Call
- Article VII – Bilateral Commitments

# Selected Accomplishments

## Water Outside DW Service Area

- Permanent water limited to 4000 AF. Now 3993, leases to Gilpin and Jefferson County for road maintenance
- West Slope Fund established by River District
- One spot sale and five temporary leases subject to 15% West Slope Charge
- WISE agreement – 12.5% West Slope Charge incorporated into standard WISE rate for water

# Selected Accomplishments, cont.

## DW Commitments

- 29,000 AF of conservation by 2016
- Old Dillon Reservoir water rights
- Expanded use of Montezuma Shaft by Keystone Ski Area
- Grand County Operating Plan executed
- Grand County and Glenwood Springs RICD applications
- Amendments to Clinton Reservoir agreements
- Green Mountain Administration Protocol

# Selected Accomplishments, cont.

## DW Payments

- 1/2014 – **\$1 million** to Summit County for wastewater plant water quality projects
- 1/2014 – **\$1million** to Summit County for environmental projects
- 1/2014 - **\$1.95 million** to Grand County for two water supply projects
- 2011 - **\$50,000** for Berthoud Pass sediment trap
- 5/2015 - **\$500,000** to Grand Valley Fund for water projects
- 11/2015 - **\$500,000** to Glenwood Springs and Rifle for WWTP's
- 2016 - **\$50,000** for LBD project on Fraser Flats

# Selected Accomplishments, cont.

## Environmental Benefits

- Environmental Flow decree issued March 2016
  - Grand County and CWCB co-applicants
  - Water stored in Gross Reservoir, and released from Fraser collection system for environment
  - Water delivered to CWCB at many instream locations
  - Will allow delivery and protection from diversion of environmental water from Fraser Collection and Williams Fork, and also delivery of 375 AF of water for municipal use
- Learning By Doing agreement executed
  - Management committee organized and functioning – CPW and Northern Water new members
  - Fraser Flats Project will use \$50,000 of aquatic habitat funding in CRCA
  - DW bypassed 119 AF in August to reduce temperature in Ranch Creek



# Selected Accomplishments, cont.

## Support for Gross Enlargement

- During comment period on Final EIS in May/June 2014, River District, Grand Valley irrigators and Clinton Reservoir submitted comments consistent with CRCA
- Submittals stated that concerns previously raised in response to 2009 Draft EIS will be resolved by the combination of CRCA and mitigation requirements in permits

# Selected Accomplishments, cont.

## DW Water Rights

- Revised BRD filed in state water court and supplemental resume notice published
- Shoshone Outage Protocol signed by Bureau of Reclamation 9/2016, allowing revised BRD to be filed in federal court 12/2016
- Dillon Refill decree final 8/2014
- Williams Fork and Fraser exchange decrees final 3/2016
- Decrees granting Williams Fork applications for diligence and amounts absolute entered 12/2014

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: February 22, 2017

Board Item: V-A-1

## Briefing Paper for Legislative Update

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### **Summary:**

Negotiations on the St. Jude's issue and coming legislation have yielded a good outcome. You will recall that St. Jude's was a Colorado Supreme Court decision in which the court ruled that aesthetic, recreational, and piscatorial water rights could not be held privately and that only the legislature could create such water rights. Denver Water and others agreed with this decision. The Colorado River District disagreed and has been trying to find a way to "clarify" the court's decision. After many months of negotiations with Front Range water providers, the River District has offered a new approach to the one we have been against. This new approach is one which Denver Water and others can support. This agreement will prevent the need for what could have been a difficult battle at the legislature. The River District has been very gracious of our diligence in seeing this process through and helping find a mutually agreeable solution. A bill that presents this solution will be introduced soon.

Other updates are outlined as follows:

- Christina Burri, Planning Division, testified on SB17-050, which reauthorizes two programs related to forest health and wildfire risk reduction and the bill passed the Senate Ag, Natural Resources and Energy Committee unanimously,
- We continue to wait and see if CDPHE will deal with the graywater regulation issue in HB-1008 administratively, which would result in the bill being withdrawn. If not, we will likely recommend a position of support on that bill.
- Denver Water has provided comments on draft legislation that seeks funding for testing for lead in public schools and proponents continue to redraft the bill. We are currently waiting for an updated version of the bill for analysis.

We have attached a full report of all of the legislation that we are following with additional details on each.

### **Owner(s):**

Chris Piper, Government Relations, Public Affairs

### **Attachments:**

Report on 2017 Legislation