

**RECORD OF PROCEEDINGS
MINUTES
of the
Board of Water Commissioners**

Denver Water Administration Building
1600 West 12th Avenue
Denver, CO
Board Room, Third Floor

Wednesday, February 22, 2017

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, February 22, 2017, beginning at 9:00 a.m. in the Board Room, Room 309, 1600 West 12th Avenue, Denver, Colorado. Members of the Board present during the Regular Meeting were:

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

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

J.A. Anderson, Chief of Staff	J. Bogner, Finance Analyst
A.C. Bricmont, Chief Financial Officer	T. Bryant, Treasurer
G. Cagle, Chief Human Resources Officer	P. Carey, Purchasing & Contract Manager
T. McGuire-Collier, <i>Acting</i> Chief Public Affairs Officer	P. Coleman, Chief Internal Auditor
C.R. Dermody, Chief Information Officer	F. Davis, Rates Manager
B.D. Good, Chief Administrative Services Officer	R. DeCoursey, Finance Sr. Analyst
M. King, Chief Planning Officer	C. Funk, Attorney
J.S. Lochhead, CEO/Manager	M. Garfield, Customer Relations Manager
R.J. Mahoney, Chief Engineering Officer	D. Hamm, Division Analyst
T.J. Roode, Chief Operations and Maintenance Officer	J. Lorton, Accounting Manager
P.L. Wells, General Counsel	B. Maulis, Contract Specialist
D. Arnold, Attorney	C. Piper, Public Affairs Manager
	U. Sharma, Treasurer
	J. Adams, Trammel Crow
	J. Becker-Stowe, Callan

Denver Water aspires to be the best water utility in the nation.

Integrity :: Vision :: Passion :: Excellence :: Respect



K. Bates, Attorney
D .Bennett, Planning Manager
L. Billeter, Community Relations Sr.
Specialist

W. Mosher, Trammel Crow
M. Sullivan, Trammel Crow

INTRODUCTORY BUSINESS

Commissioner Herzmark called the meeting to order at 9:18 a.m.

Public Comment and Communications

Commissioner Herzmark 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.

POLICY MATTERS

1. ITEM III-A: OCR UPDATE

Ms. Adams presented the Board with an OCR update, a copy of which is attached to and incorporated in these Minutes as Exhibit A. She noted that the Trade Shops will experience a four day delay to the building schedule, and that the interiors are being installed in all Phase I Operation Buildings. Phase II design documents have been priced by Mortenson and development of the GMP is in progress. In response to a question from Commissioner Tate, Ms. Adams said that Work Package 6 documents are 100% at the design development stage, and competitive bidding will begin soon, with outreach to MWBE entities scheduled for February 28, 2017. Excavation for Pond B has uncovered some old foundation, vaults, piping and ash. An estimate for remediation is underway.

ACTION ITEMS

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: CONTRACT 15792A FIRST AMENDMENT FOR ASPHALT AND CONCRETE REPAIR

Approved the First Amendment to Contract 15792A with Colorado Asphalt Services, Inc. The Amendment adds \$5,000,000, for a total amended contract amount not to exceed \$17,500,000.

2. ITEM II-A-2: CONTRACT 14063B AMENDMENT NO. 2 WITH WESTERN SUMMIT CONTRACTORS, INC. FOR THE ASHLAND RESERVOIR TANK REPLACEMENT WORK PACKAGE NO. 1 – MAIN WORK PACKAGE AND FENCING

Approved the Second Amendment to Contract 14063B with Western Summit Contracts, Inc. The Amendment extends the contract period through August 4, 2017 and adds \$290,730.62, for a total amended contract amount not to exceed \$29,635,476.49.

3. ITEM II-A-3: DESIGNATION OF SURPLUS PROPERTY CONDUIT NO. 74 AT I-70 AND PEORIA STREET

This item was removed from the Agenda.

4. ITEM II-A-4: CONTRACT 14032A SECOND CONTRACT AMENDMENT WITH EVERBRIDGE, INC. FOR MASS-NOTIFICATION SERVICES

Approved the Second Amendment to Contract 14032A with Everbridge, Inc. The Amendment extends the contract period through March 13, 2018 and adds \$172,795, for a total amended contract amount not to exceed \$1,024,195.

POLICY MATTERS

5. ITEM III-B: CRCA

Ms. Wells presented the Board with an update of the Colorado River Cooperative Agreement (CRCA), a copy of which is attached to and incorporated in these Minutes as Exhibit B. The CRCA became effective in September 2013, and since that time many of the contract's provisions have been accomplished, including: the establishment of a West Slope Fund; the WISE agreement; one spot sale and five temporary leases subject to a 15% West Slope charge; 29,000 acre feet of conservation; expanded use of Montezuma Shaft by Keystone Ski Area; execution of the Grand County

Operating Plan; Grand County and Glenwood Springs RICD applications; amendments to the Clinton Reservoir agreements; and the establishment of the Green Mountain Administration Protocol. Additionally, \$5,050,000 in payments have been made pursuant to the agreement, for projects such as the Summit County wastewater plant water quality projects and environmental projects, two water supply projects in Grand County, a sediment trap on Berthoud Pass, and wastewater treatment plants in Glenwood Springs and Rifle.

In response to a question from Commissioner Austin, Ms. Wells said that the agreement contains several provisions that are contingent on Denver Water obtaining all of the necessary permits for the Gross Reservoir expansion project. If permitting is not successful, Denver Water is not obligated to perform those three activities. The parties to the contract agreed that they would submit favorable comments during the EIS comment period containing statements that their previous concerns will be resolved by the CRCA and mitigation efforts noted in the permits.

Ms. Wells commended the efforts of Denver Water's Source of Supply staff for all of their work implementing portions of the CRCA on a daily basis. Going forward, they will be part of the CRCA working group.

EXECUTIVE UPDATE

6. ITEM IV-A: CEO REPORT

Mr. Lochhead said that he recently attended, and spoke at, the Urban Water Institute meeting regarding Denver Water's planning perspective.

He noted that the High Line Canal Conservancy group recently held a visioning sessions, which was facilitated by Mr. Roode and attended by the officials and staff representing each of the jurisdictions through which the canal flows. Mr. Roode said that the session was very positive and plans to share more information with the Board at the March 8, 2017 meeting.

Finally, Mr. Lochhead said he, Laurina Kaatz and Marc Waage each helped Pat Mulroy, former Manager of the Southern Nevada Water Authority, to author portions of her recently published book, entitled *The Water Problem: Climate Change and Water Policy in the United States*.

7. ITEM IV-B: CFO REPORT

The Board received the Monthly Financial Report dated 1/31/2017, as set forth in Agenda Item IV-B-1, which is attached and incorporated in these Minutes as Exhibit C.

8. ITEM IV-C: OPERATIONS REPORT

Mr. Roode reported that his teams are working on maintenance projects to prepare the load season.

BRIEFING PAPERS & REPORTS**9. ITEM V-A: LEGISLATIVE UPDATE**

The Board received a Legislative Update Briefing Paper, a copy of which is attached to and incorporated in these Minutes as Exhibit D. In response to a question from Commissioner Tate regarding HB 17-1001, mandating paid leave for parents to attend certain events, Mr. Piper explained that Denver Water already provides this type of paid leave through its PTO program.

In response to another question from Commissioner Tate regarding HB 17-1033, regarding Colorado Water Conservation Board (CWCB) grants, Ms. Wells said that the CWCB plans to oppose this bill because they would prefer to grant the funds for different projects than those identified in the bill.

ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into a Trustee Meeting at approximately 10:30 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 22, 2017 commencing at 10:30 a.m., in the Board Room, Room 309, 1600 West 12th Avenue, Denver, Colorado. The Minutes of


the Trustee Meeting are maintained separately. The Trustee Meeting concluded at 11:23 a.m., at which time the Board voted unanimously to adjourn Executive Session.

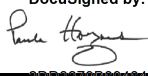
EXECUTIVE SESSION

On Wednesday, February 22, 2017, commencing approximately at 11:23 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:

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

There being nothing further for the Board to consider, the Executive Session concluded at approximately 11:47 a.m.

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Secretary

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President