

# AGENDA

## Denver Board of Water Commissioners

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

Wednesday, December 12, 2018, 9:00 a.m.

---

### 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. Veterans Park Recycled Water Conversion
2. Identification of Discretionary Employees and Proposed Changes to the Personnel Policies Related to Discretionary Employees

#### B. Individual Approval Items

- |   |                 |            |
|---|-----------------|------------|
| 1. <b>Line of Credit Agreement &amp; Board Resolution</b> | Angela Bricmont | 15 minutes |
|---|-----------------|------------|

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

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



- |  |                  |            |
|--|------------------|------------|
| 2. <b>Eighth Amendment to Contract 501515 for Design Phase Services for Northwater Treatment Plant</b>   | Pete McCormick   | 20 minutes |
| 3. <b>Site Services Work Package Guaranteed Maximum Price (GMP) 1B for Northwater Treatment Plant</b>    | Pete McCormick   |            |
| 4. <b>Early Procurement Work Package Guaranteed Maximum Price (GMP) 3 for Northwater Treatment Plant</b> | Pete McCormick   |            |
| 5. <b>Citizens Advisory Committee Appointments</b>   | Heather Stauffer | 5 minutes  |

### III. POLICY MATTERS

- |                      |             |            |
|----------------------|-------------|------------|
| A. <b>OCR Update</b> | Jeremy Ross | 10 minutes |
|----------------------|-------------|------------|

### IV. EXECUTIVE UPDATE

- A. **CEO Update**
- B. **CFO Update**
- C. **Operations Update**

### V. BRIEFING PAPERS & REPORTS

- A. **Briefing Paper**
  - 1. **Government Relations Strategy**
- B. **Report**

### V. ADJOURNMENT

## **VI. TRUSTEE MATTERS**

## **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: December 12, 2018

Board Item: II-A-1

## Veteran's Park Recycled Water Conversion Contract 503772

Action by Consent

Individual Action

### Purpose and Background:

Denver Water entered into Contract 501297 with the City and County of Denver's Department of Parks and Recreation (Parks) in 2016, in part, to help coordinate conversion of Parks' sites from irrigation with potable water to recycled water. One aspect of this agreement is a mechanism to provide capital funding for modifications associated with converting service from potable water to recycled water. These capital funds are recouped by Denver Water charging potable water rates at the converted site until the funding is recovered. Once the funding is recouped, the rate for the converted site is changed to the recycled water rate which is approximately 85% less than the City potable water rate.

In 2018, Veteran's Park, near I-25 and University, was identified for conversion to recycled water. This conversion required work covered under Contract 501297 and modifications to Denver Water's system. Parks and Denver Water identified an opportunity for cost savings by combining Parks' and Denver Water's scope of work under one contract. The cost for modifications to Denver Water's system is \$56,520. This covers work to tap the recycled water main and install a service line and meter pit. Parks has agreed to complete the work through their contractor and invoice Denver Water for \$56,520 under the contract 503772.

### Budget and Schedule:

The total amount of this contract is \$56,520, and the term of the contract is December 1, 2018 to January 31, 2019. Funds for this contract are included in the 2018 and 2019 budgets for the Recycled Distribution Program.

### Recommendation:

It is recommended to execute this contract to cover Denver Water's portion of work for the recycled water conversion as planned in the 2018 budget.

### Approvals:

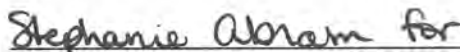
Respectfully submitted,



Mike King  
Chief External Affairs Officer



James S. Lochhead  
CEO/Manager



Angela Bricmont  
Chief Finance Officer

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: November 14, 2018

Board Item: II-A-2

## Identification of Discretionary Employees and Proposed Changes to the Personnel Policies Related to Discretionary Employees

Action by Consent

Individual Action

### **Purpose and Background:**

The Denver Charter allows the Board to hire up to 2% of its workforce outside of the classified service as “at-will” employees who serve solely at the pleasure of the Board, meaning they are not entitled to civil service protections. Denver Water refers to these employees as discretionary employees. Discretionary positions are, generally, senior level or policymaking positions that report directly to the CEO/Manager or to a Chief, or positions held by lower level employees whose actions could have broad organizational impact or put Denver Water at significant risk.

Under the current policies, the Board is responsible for identifying those positions it considers discretionary. Below are two tables. **Table 1** includes the positions currently identified as discretionary and the persons who hold those positions. **Table 2** includes positions that are currently part of the classified service that are recommended to be changed to discretionary.

The proposed changes to the Personnel Policies incorporate language appropriate to the changing nature of positions, technology and information. The proposed policy language will permit, if appropriate, these discretionary employees to report to positions other than the CEO/Manager or a division Chief.

### **Budget and Schedule:**

None.

**Table 1: Current Discretionary Positions and Incumbents**

Discretionary Position	Current Holder of Discretionary Position	Date of Employee's Discretionary Status
CEO/Manager	Lochhead, James S	6/1/2010
Chief of Staff	Anderson, Julie A	9/3/2011
General Counsel	Brody, Jessica R	8/7/2018
Chief Administrative Officer	Good, Brian D	1/3/2004
Chief Engineering Officer	Mahoney, Robert J	11/1/2006
Chief Human Resource Officer	Cagle, Doris G	1/13/2014
Chief Operations & Maintenance Officer	Roode, Thomas J	7/27/2009
Chief Information Officer	Dermody, Christopher R	7/10/2000
Chief Financial Officer	Bricmont, Angela C	7/26/2010
Chief External Affairs Officer	King, Michael E	2/8/2016
Chief Internal Auditor	Coleman, Prescott B	5/18/2009
Director of Engineering	Reum, Stephen C	9/17/2011
Director of Public Affairs	Chesney, Stacy L	4/8/2018
Treasurer	Sharma, Usha	4/13/2009
Rates Manager	Davis, Fletcher W	1/17/2017
Budget Manager	Abram, Stephanie M	9/21/2016
Government Relations Manager	Piper, Christopher N	8/23/2017

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

Integrity: Vision: Passion: Excellence :: Respect



**Table 2: Current Classified Positions to be Reclassified and Discretionary**

<b>Classified Position</b>	<b>Current Holder of Classified Position</b>
Director of Human Resources – Total Rewards	Open Position
Director of IT Cybersecurity	Open Position

**Recommendation:**

It is recommended that the Board adopt the following recommendations:

1. Adopt the proposed changes to the Personnel Policies as described in the attachment.
2. Approve the reclassification of positions in Table 2; the Director of Human Resources and the Director of IT Cybersecurity from classified service to discretionary.

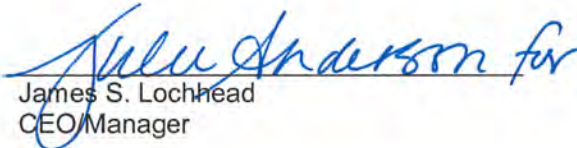
**Approvals:**

Respectfully submitted,



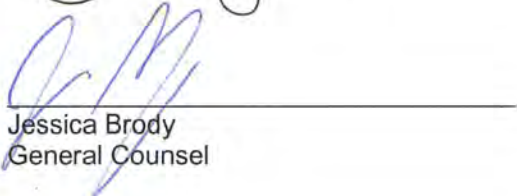
---

Gail Cagle  
Chief Human Resource Officer



---

James S. Lochhead  
CEO/Manager



---

Jessica Brody  
General Counsel

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: December 12, 2018

Board Item: II-B-1

## Line of Credit Agreement & Board Resolution

Action by Consent

Individual Action

### **Purpose and Background:**

Staff, with assistance from George K. Baum, the Board's Financial Advisor, requested proposals for a revolving line of credit to replace and enhance the expiring \$30 million facility with Bank of America N.A. Following an evaluation of proposals from four banks, staff is recommending PNC Bank, N.A. ("Lender") as the provider of a Five-Year Credit Facility for \$60 million, effective January 1, 2019 ("Credit Facility"). Draws on the Credit Facility are used for:

- Interim financing of capital projects to optimize long-term bond issuance,
- Managing interest rate risk - avoiding volatile market environment,
- Minimizing negative arbitrage with just in time draw-down, and
- Providing financial flexibility to address revenue challenges due to weather

The Credit Facility is a special, limited obligation of the Board, payable solely from net revenue and secured by a lien on net revenue that is subordinate to the lien of the revenue bonds. The first draw on the Credit Facility is anticipated in late 2019. The outstanding balance on the Credit Facility is anticipated to be paid with revenue bond proceeds in 2020.

There are two documents attached requiring the Board's approval:

1. The Board Resolution, "Credit Facility (PNC Bank, N.A.) Resolution," authorizing the execution and delivery of a revolving credit facility with PNC Bank, N.A., as lender, and providing for related delegation of authority to the Chief Finance Officer or the Treasurer to execute certain related documents.
2. Credit Agreement between the Lender and the Board, in substantially the form as set forth on Exhibit A to this Credit Facility (PNC Bank, N.A.) Resolution, detailing the terms and conditions of the revolving line of credit.

The Bond Counsel reviewed the Credit Agreement and drafted the resolutions for the Board's approval.

### **Budget and Schedule:**

The Credit Agreement contemplates advances on the Credit Facility of up to \$60 million with the initial maturity date of December 31, 2023. Denver Water may request an increase in the amount available not to exceed an additional \$20 million and an extension of the maturity date for a period not to exceed two years.

The Credit Agreement specifies the commitment fees and applicable interest rate on the advances. Funds to pay those fees will come from the annual budget for Debt Service, which has sufficient funds to pay the interest estimated to be needed in 2019.

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

Denver Water with assistance from George K. Baum, the Board's Financial Advisor, issued a Request for Proposals ("RFP") for a revolving line of credit in the amount of \$60 million. The RFP was posted on the Rocky Mountain E-Purchasing System (BidNet), Denver Water's website, and sent directly via email to known lenders. Denver Water received proposals from four lending institutions. PNC's proposal was selected due to favorable terms and experience with this type of credit facility.

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

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



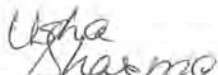
**S/MWBE Information:**

No S/MWBE goals were established for participation in this contract. PNC Bank, N.A. is neither an SBE nor a certified MWBE.


**Recommendation:**

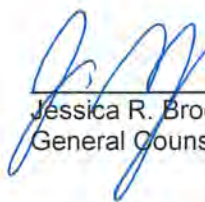
It is recommended that the Board adopt the attached reimbursement resolution, thereby declaring its official intent to reimburse itself for the capital expenditures from the debt proceeds, as well as the attached Credit Facility (PNC Bank, N.A.) Resolution authorizing the Credit Agreement between the Board and PNC Bank, N.A.

**Approvals:**

FOO   
\_\_\_\_\_  
Angela Bricmont  
Chief Finance Officer

Respectfully submitted,

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

  
\_\_\_\_\_  
Jessica R. Brody  
General Counsel



# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: December 12, 2018

Board Item: II-B-2

## Eighth Amendment to Contract 501515 for Design Phase Services for Northwater Treatment Plant

Action by Consent

Individual Action

**Purpose and Background:**

Denver Water (DW) is in the process of designing the NTP, to be constructed on DW's Ralston Reservoir property north of Golden, to supplement the production of drinking water at the Moffat Water Treatment Plant (WTP). The scope of work for the Project includes the construction of a 75 MGD initial capacity NTP, expandable to 150 MGD; and continuing Moffat WTP operations with a capacity of up to 60 MGD through 2040, as needed. The purpose of this Board Item is to execute the Eighth Amendment to Kiewit Infrastructure Co. (Kiewit) Professional Services Agreement, in accordance with the phased contracting approach on the Project, finalizes services through the end of the Project and Construction (Task 5). Services to be provided under this Amendment include the following:

- Ongoing design support for constructability and value engineering reviews, quantity tracking from 60% to 90% design, facilities commissioning planning activities, and specifications development;
- Development of a 90% cost estimate following final design completion;
- Extension of co-location office support services for internet and printers through the current lease end in November 2022 (co-location office is needed for this duration so the design team can continue to provide Engineering Services during Construction); and
- Construction support services including procurement activities and field office dry utilities for the duration of construction (power and internet). It should be noted that these costs were moved from the Construction Management Agreement to the Professional Services Agreement to allow DW to reimburse utility charges at cost rather than incurring fees, bonds, and insurance charges.

In accordance with the NTP Project Objectives, the Project planning, design, and construction are being completed in a series of Tasks, as shown in Table 1.

**Table 1: Project Delivery Tasks**

Task	Status
Task 1: Mobilization	Complete
Task 2: Design Services Procurement	
Task 3: Preliminary Design	
Task 4A: 30% Design	
Task 4B: Final Design	Complete mid 2019
Task 5A: Construction Support/Oversight	Start January 2019
Task 5B: Construction	Complete 2024
Task 6: Transfer of Facility Ownership	TBD

**Budget and Schedule:**

The total amount of this amendment is \$3,377,003 to Kiewit's Professional Services Agreement. The contract period is extended through December 31, 2022 to align with the current November 2022 lease end date of the co-location office. Funds for these services/contracts will come from the 2019 through 2022 budget for the NTP Business Unit. Construction related services contracted through this Amendment will be included within the budgetary tracking of the Total Construction Cost of \$414,000,000.

**Selection of Business Partner:**

Kiewit was competitively selected as the Construction Manager for the NTP in 2016.

**MWBE Information:**

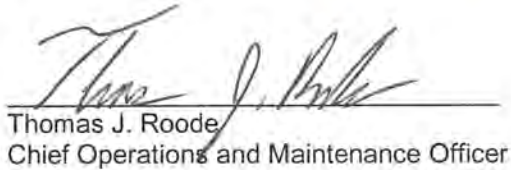
Goals were established for each design contract prior to initiation of procurement. There is no goal set for the Construction Manager professional services contract; however, an 8% goal for construction MWBE participation has been set.

**Recommendation:**

It is recommended that the Board approve the Eighth Amendment to Agreement 501515 with Kiewit for Design Services for an extension of the contract period through December 31, 2022 and for an addition of \$3,377,003 for a total amended contract amount not to exceed \$11,401,323.

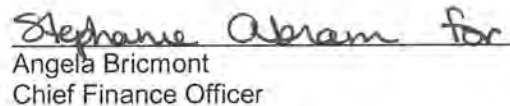
**Approvals:**

  
Robert J. Mahoney  
Chief Engineering Officer

  
Thomas J. Roode  
Chief Operations and Maintenance Officer

Respectfully submitted,

  
James S. Lochhead  
CEO/Manager

  
Angela Bricmont  
Chief Finance Officer

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: December 12, 2018

Board Item: II-B-3

## Site Services Work Package Guaranteed Maximum Price (GMP) 1B For Northwater Treatment Plant Contract 503736

Action by Consent

Individual Action

**Purpose and Background:**

Denver Water (DW) is in the process of designing the NTP, to be constructed on DW's Ralston Reservoir property north of Golden, to supplement the Moffat Water Treatment Plant (WTP). The scope of work for the Project includes the construction of a 75 MGD initial capacity NTP, expandable to 150 MGD; and continuing Moffat WTP operations with a capacity of up to 60 MGD through 2040, as needed. The purpose of this Board Item is to execute the Site Services Work Package (WP), also known as GMP 1B, under the Construction Services Agreement with Kiewit Infrastructure Co. (Kiewit) (Agreement 503388) in support of advancing the Northwater Treatment Plant (NTP) Project (Project) through Task 5 – Construction.

GMP 1B is comprised of 15 discrete bid packages and includes labor and expenses associated with initial setup, maintenance, and demolition of site facilities required to compliment GMP 1A – General Conditions and facilitate construction. GMP 1B includes initial site development work, as well as support services that span the entirety of construction. Table 1 summarizes the bid packages within GMP 1B.

**Table 1: GMP 1B Bid Package Summary**

Bid Pkg	Scope of Work	Bid Pkg	Scope of Work	Bid Pkg	Scope of Work
08-001	Staff and Expenses	08-007	Stormwater Management Plan BMP Establishment	08-013	IT Wiring and Audio/Visual Equipment
08-002	Third Party Materials Testing	08-008	Miscellaneous Site Grading	08-014	Temporary Facilities Office Furnishings
08-003	Unmanned Aerial Vehicle Survey and Photography	08-009	Miscellaneous Services (Waste, Janitorial, Street Sweeping, Trucking, etc.)	08-015	Temporary Facilities (Trailers, Maintenance)
08-004	Security and Time Lapse Cameras	08-010	Temporary Power	08-016	Not Used
08-005	Temp Fencing, Gates, Turnstile and Badging	08-011	Not Used	08-017	Crane Supply and Operation
08-006	Security Guards	08-012	Water and Sewer Utility Installation		

**Budget and Schedule:**

The Total Construction Cost for the project is currently estimated at \$414,000,000, including an Owner Contingency of \$20,000,000, of the total \$520,000,000 Total Project Cost approved by the Board on June 27, 2018. Owner Contingency is allocated from the \$20,000,000 budget to individual GMPs as they are executed; however, the Contractor does not have access to the funds until a release is issued to them by the Owner. Owner Contingency is allocated based on risks identified within the risk register attached to the Amendment and summarized under Contingencies and Allowances below.

The attached Figure 1 shows the projected budget for each WP. A \$1,500,000 allocation of Owner Contingency is included in the GMP 1B for a total of \$48,384,434. The cost of GMP 1B is in line with the budget estimate. Funds for GMP 1B will come from the 2018 through 2024 budget for the NTP Business Unit.

**Contingencies and Allowances:**

As part of GMP 1B, Kiewit is assuming the risks related to the duration of services, the number of bid packages being managed over that duration, and the potential for changes in scope and growth in quantities, staffing requirements, and utility charges. Potential scope and quantities growth for GMP 1B have been carried as allowance items, budgeted at \$1,645,418. Contractor risks such as scope gaps, subcontract changes, and escalation have been included as Contractor Contingency in the amount of \$3,070,858. This results in a total Contractor Contingency allocated to date of \$5,076,009, leaving \$22,923,991 of unallocated Contractor Contingency out of an overall \$28,000,000 budget.

Consistent with the Construction Services Agreement (Agreement 503388), Denver Water retains risks associated with differing site conditions, Arvada-driven scope changes (associated with wet utility connections to City systems), and permitting impacts such as delayed permit approval or endangered species. Owner Contingency is included in the GMP to mitigate these risks. The allocation of \$1,500,000 in Owner Contingency as part of GMP 1B, results in \$18,053,183 remaining in the \$20,000,000 Owner Contingency budget. Owner Contingency usage will be reported to the Board as part of the NTP monthly update.

**Selection of Business Partner(s):**

Multiple subcontractors were solicited by Kiewit through competitive bids for the Site Services GMP. Kiewit will self-perform those bid packages that span the entirety of the construction, specifically: Bid Packages 08-001 (Staff and Expenses), 08-008 (Miscellaneous Site Grading), and 08-017 (Cranes Supply and Operation). The total value of the Kiewit self-performed work is approximately 60% of the overall GMP, which includes approximately \$12,000,000 in crane and other heavy equipment rental, purchase, and operation. All heavy equipment purchased under GMP 1B will have an associated salvage value returned to the Owner following construction. Purchased items will be tracked and salvage values will be presented to the Board as they are realized.

**MWBE Information:**

The MWBE participation goal for the Site Services GMP 1B was established at 3%, as accounted for within the original 8% MWBE goal for NTP Construction. Based on the outcome of bids, MWBE participation for GMP 1B is anticipated to exceed the established goal at 5.1%. Additional opportunities for increased participation will continue to be sought throughout the performance of the Site Services GMP 1B.

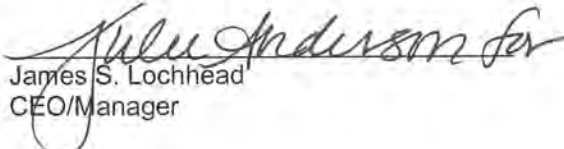
**Recommendation:**

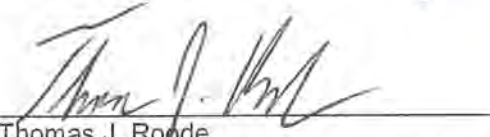
It is recommended that the Board approve proposed Contract 503736 with Kiewit for Site Services GMP 1B for the NTP Project for the contract period of December 12, 2018 to January 11, 2024 with a total not-to-exceed cost of \$48,384,434.

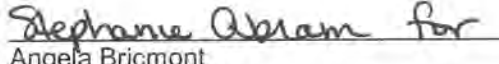
**Approvals:**

Respectfully submitted,

  
Robert J. Mahoney  
Chief Engineering Officer

  
James S. Lochhead  
CEO/Manager

  
Thomas J. Ropde  
Chief Operations and Maintenance Officer

  
Stephanie Abram for  
Angela Bricmont  
Chief Finance Officer

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: December 12, 2018

Board Item: II-B-4

## Early Procurement Work Package Guaranteed Maximum Price (GMP) 3 For Northwater Treatment Plant Contract 503744

Action by Consent

Individual Action

### **Purpose and Background:**

Denver Water (DW) is in the process of designing the NTP, to be constructed on DW's Ralston Reservoir property north of Golden, to supplement the Moffat Water Treatment Plant (WTP). The scope of work for the Project includes the construction of a 75 MGD initial capacity NTP, expandable to 150 MGD; and continuing Moffat WTP operations with a capacity of up to 60 MGD through 2040, as needed. The purpose of this Board Item is to execute the Early Procurement Work Package (WP), also known as GMP 3, under the Construction Services Agreement with Kiewit Infrastructure Co. (Kiewit) (Agreement 503388) in support of advancing the Northwater Treatment Plant (NTP) Project (Project) through Task 5 – Construction. GMP 3 includes:

- The pre-selection of equipment necessary to finalize the design of the plant (UV reactors, CO<sub>2</sub> systems, diesel generators, etc.);
- The pre-selection of equipment with long lead times to avoid potential construction delays (sleeve valves, hydroturbines, etc.);
- The pre-purchase of select long-lead items for future GMP 4A (large-diameter steel pipe, valves, etc.);
- Approximately \$700,000 is allocated to purchase options for critical commodities (concrete, aggregates, rebar) to provide cost certainty, mitigate escalation risk, and eliminate the need for multiple contractors to procure lesser quantities at a higher price; and

### **Budget and Schedule:**

The Total Construction Cost is currently estimated at \$414,000,000, including Owner Contingency of \$20,000,000, of the total \$520,000,000 Total Project Cost approved by the Board on June 27, 2018. There is no allocation of Owner Contingency requested for GMP 3. The attached Figure 1 shows the projected budget for each WP. The total value of GMP 3 is \$12,524,809. The cost of GMP 3 is below the budget estimate because the team will use pre-selection rather than pre-purchase for the majority of the equipment and commodities. Pre-selection only requires a 10% payment to lock in the equipment selection and approval of the shop drawings, with the remainder of the purchase cost assigned to later WPs and the associated installing contractor. Funds for GMP 3 will come from the 2018 through 2024 budget for the NTP Business Unit.

### **Contingencies and Allowances:**

As part of this GMP, Kiewit is assuming risks related to variance between potential bidders' costs, tariffs, and supply quantities. Items have been included in GMP 3 using budgetary numbers from likely bidders, which could vary based on timing, vendor selection, and market conditions. Potential bid variance has been included as an allowance, which is estimated at \$524,508. Contractor risks associated with potential tariffs, increased cost for U.S. fabrication, and aggregate density have been carried as Contractor Contingency in the amount of \$331,375. This results in a total Contractor Contingency allocated to date of \$5,407,384, leaving \$22,592,616 of unallocated Contractor Contingency out of an overall \$28,000,000 budget.

Consistent with the Construction Services Agreement (Agreement 503388), Denver Water retains risk associated with delayed decision-making, which could result in a need to pre-purchase equipment rather than pre-select it to maintain the construction schedule. Should this occur, it will require a future Board-approved change order to facilitate increasing the GMP 3 budget from 10% of the equipment cost to the full purchase cost. As such, no allocation of Owner Contingency is requested as part of GMP 3, resulting in \$18,053,183 remaining in the \$20,000,000 Owner Contingency budget.

**Selection of Business Partner(s):**

Due to the nature of GMP 3, most subcontractors have not yet been selected for GMP 3. It is anticipated that all subcontractors selected under this GMP will be procured based on low bid, or quality-based selection in the case of critical equipment.

**MWBE Information:**

Due to the nature of GMP 3 as primarily a pre-selection package, the MWBE participation goal for the Early Procurement WP was established at 0%, as accounted for within the original 8% MWBE goal for NTP Construction. Based on the outcome of bids for fuel supply, MWBE participation for GMP 3 is anticipated to exceed the established goal at 21.8%. Additional MWBE participation will be sought in all viable bid packages procured within the Early Procurement GMP 3.

**Recommendation:**

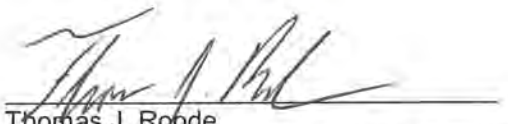
It is recommended that the Board approve proposed Contract 503744 with Kiewit for Early Procurement GMP 3 for the NTP Project for the contract period of December 12, 2018 to January 11, 2024, with a total not-to-exceed cost of \$12,524,809.

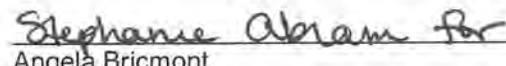
**Approvals:**

  
Robert J. Mahoney  
Chief Engineering Officer

Respectfully submitted,

  
James S. Lochhead  
CEO/Manager

  
Thomas J. Roode  
Chief Operations and Maintenance Officer

  
Stephanie Abram for  
Angela Bricmont  
Chief Finance Officer

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: December 12, 2018

Board Item: II-B-5

## Citizens Advisory Committee Appointments

Action by Consent

Individual Action

### Purpose and Background:

The Denver Water Citizens Advisory Committee solicited applications for two vacancies in the fall: a West Slope representative and a Denver representative.

Luke Gingerich (J-U-B Engineers, specializing in water resource planning) was the sole West Slope applicant. The CAC interviewed him on November 27 and nominates him to fill this position.

Ten people applied to be the Denver representative, and the CAC interviewed four applicants on November 27. The CAC chose to put forward as candidates for the Board's consideration Andrew Ross (Denver Department of Public Health and Environment, Environmental Programs Manager) or Doug Laird (Janus Henderson, senior vice president and head of U.S. Operations) to fill this position.

Following selection of the new West Slope representative and the new Denver representative, we will ask that they attend an upcoming Board meeting, so the Board can welcome them to the CAC.

Attached:

- Applications received for Luke Gingerich, Andrew Ross and Doug Laird.

### Recommendation:

Approve the CAC recommendations:

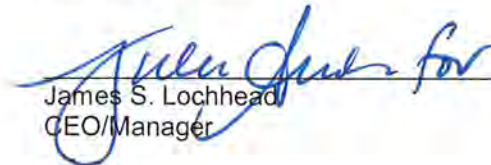
1. Luke Gingerich, West Slope representative (Mesa, Delta, Montrose or Garfield County)
2. Andrew Ross or Doug Laird, Denver representative

Approvals:

Respectfully submitted,



Mike King  
Chief External Affairs Officer



James S. Lochhead  
CEO/Manager

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: December 12, 2018

Board Item: V-A-1

## Briefing Paper for Government Relations Strategy

---

### Strategic Plan Alignment

Lenses:  Customer Centric  Industry Leader  Long-Term View

The Government Relations Plan supports Denver Water's objective to cultivate satisfied and supportive customers and effective strategic relationships. Government officials at the national, regional, state and local levels are our stakeholders, and our goal is to communicate actively, engage and advocate our policy positions with them.

### Summary

The government relations team supports Denver Water's goal to be the public's trusted source on water by raising awareness of the value and service Denver Water provides to the community and advocating for policies that benefit and support our operations through positive relationships with government officials. We build these relationships through a variety of means that include strategically planned meetings, tours and conferences, our membership in water, business and industry organizations, and communications on water-related issues that impact their communities and constituents.

Our goal is to build trust, position Denver Water as an expert organization that can be of assistance to them, and educate decision-makers on key issues.

This briefing paper provides an overview of the government relations strategy we use to support this goal and present the 2019 Government Relations Plan, attached hereto.

### Background

#### 2019 Government Relations Plan:

The government relations team has adopted the following Critical Focus Areas (CFAs), each of which helps achieve one or more of Denver Water's goals:

*Relationship Building.* In alignment with Denver Water's Strategic Plan, the government relations team builds relationships with governmental decision-makers provide them with a baseline understanding of how we operate to bring value and service to the community. We use various strategies and tactics to establish, grow and maintain relationships with government officials and their staff.

*Policy Advocacy.* Because of the influence of local, state and federal governments on our business, Denver Water takes an active role in advocating for policies that align with our strategic plan.

*Stakeholder Involvement.* The government relations team fosters coalitions and partnerships with other organizations that share our policy positions. We strive to



build strong relationships with stakeholders who can help us influence policy decisions.

The 2019 Government Relations Plan builds on these critical focus areas by outlining those aspirations and objectives on which we will focus in 2019. In particular, we plan to focus on the following policy goals in 2019:

*Recycled Water Uses for Toilet Flushing.* During the reclaimed water rulemaking process, we identified a problem with the new statutory definition of “point of compliance” in the recently enacted reclaimed water legislation. We are working with CDPHE and the original bill sponsors to modify this definition to make it consistent with the definition in the regulation.

*Colorado’s Water Plan Funding.* Legislators continue to discuss methods for raising funds to pay for the identified projects in the plan. Specifically, Senator Coram continues to suggest that he will run a bill to create a water provider surcharge as a mechanism to raise funds for Colorado’s Water Plan.

Lastly, we have included a summary of the 2018 election results for Denver Water’s service areas as an attachment.

<b>Budget</b>	N/A
<b>Alternatives</b>	N/A
<b>Approach</b>	See attached “2019 Government Relations Plan.”
<b>Owner(s)</b>	Chris Piper, Government Relations, External Affairs
<b>Attachments</b>	2019 Government Relations Plan 2018 Election Results Summary

Respectfully submitted,

  
\_\_\_\_\_  
Chris Piper  
Manager of Government Relations

  
\_\_\_\_\_  
Mike King  
Chief of External Affairs