

AGENDA

Denver Board of Water Commissioners

Video Conference: <http://zoom.us/join>, Meeting ID: 987 3500 8639, Password: 083542 or Dial – in: (669) 900-6833, Meeting ID: 987 3500 8639

Wednesday, July 8, 2020 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. Minutes from June 10, 2020
2. Family Medical Leave Administration, Disability, Life, and Accidental Death & Dismemberment Insurance – Contract 504485
3. Appointment to the Citizens Advisory Committee Public Interest Group Representative

B. Individual Approval Items

- | | | |
|--|------------|------------|
| 1. Gross Reservoir Expansion Update | Doug Raitt | 10 minutes |
| a. Fourth Amendment for Gross Reservoir Expansion Project Owner's Representative – Contract 501750 | | |

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b. Seventh Amendment
for Gross Reservoir
Expansion Design
Engineer – Contract
503074

c. Gross Reservoir
Outlet Works
Modifications – Contract
504363

III. POLICY MATTERS

A.

IV. EXECUTIVE UPDATE

A. CEO Update

B. CFO Update

C. Operations Update

V. BRIEFING PAPERS & REPORTS

A. Briefing Paper

B. Report

VI. ADJOURNMENT

VII. TRUSTEE MATTERS

I. ACTION ITEMS

A. Meeting as Trustee: Minutes from June 10, 2020 Trustee Meeting

- B. Meeting as Plan Sponsor: Denver Water's Supplemental Retirement Savings Plan (401(k)) and Deferred Compensation Plan (457) Contract 504495

VIII. EXECUTIVE SESSION

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

- A. Confidential Report

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 8, 2020

Board Item: II-A-2

Family Medical Leave Administration, Disability, Life, and Accidental Death & Dismemberment Insurance Contract 504485

Action by Consent

Individual Action

Purpose and Background:

As part of the total rewards package, Denver Water provides job protection pursuant to the Family and Medical Leave Act (FMLA) and Colorado law, and the option to take advantage of Disability, Life, and Accidental Death and Dismemberment insurance. The insurance policy and associated leave management service is currently provided by Unum. This service was last bid out in December of 2015 and was awarded to Unum for a period of five years ending in December of 2020. The purpose of this Board Item is to request that the Board approve Contract 504485 to continue services provided by Unum. The Contract contains additional provisions that would permit Unum to perform administrative services pertinent to the Americans with Disabilities Act, as amended, should those services be required. These additional services are included in the Contract's not-to-exceed (total dollar) amount.

Budget and Schedule:

The total amount of this contract is \$5,290,000 and the term of the contract is January 1, 2021 to December 31, 2025. Funds for this contract will be budgeted as part of the 2021 budget approval process. The remaining \$4,232,000.00 will be budgeted in each of the remaining four years of the contract term.

Selection of Business Partner:

In February of 2020, Denver Water released a Request for Proposal (RFP) for services and insurance related to employee benefits. To aid in this competitive selection, Denver Water utilized Aon Consulting Inc. (Aon), which is currently under a separate contract with Denver Water to provide actuarial services and total benefits consulting.

Aon conducts a publicly advertised Request for Qualifications (RFQ) for insurance and service providers. The qualifications in this RFQ are based on industry best practices and standards. Aon reviews responses to the RFQ and creates a list of qualified vendors. Each of these qualified vendors were invited to respond to Denver Water's RFP for FMLA leave administration, Disability, Life, and Accidental Death and Dismemberment Insurance and services. Denver Water received Proposals from eight companies including the incumbent, Unum. Denver Water analyzed the Proposals received based on the following evaluation criteria

- Understanding of the work to be performed
- Ability to meet work requirements (i.e. provide coverage and associated services for all areas of insurance)
- Proposed Pricing

Based upon these factors, the evaluation team selected Unum's proposal.

S/MWBE Information:

Small/Minority and Women-owned Business Enterprise goals are not applicable for this item.

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Recommendation:

It is recommended that the Board approve Agreement 504485 with Unum for FMLA leave administration and Disability, Life, and Accidental Death and Dismemberment Insurance and Services for the contract period January 1, 2021 through December 31, 2025 for a total contract amount not to exceed \$5,290,000.

Approvals:

- | | |
|---|---|
| <input checked="" type="checkbox"/> James S. Lochhead, CEO/Manager | <input checked="" type="checkbox"/> Brian D. Good, Chief Administrative Officer |
| <input checked="" type="checkbox"/> Julie Anderson, Chief of Staff | <input type="checkbox"/> Mike King, Chief External Affairs Officer |
| <input type="checkbox"/> Jessica R. Brody, General Counsel | <input type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer |
| <input checked="" type="checkbox"/> Angela C. Bricmont, Chief Financial Officer | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer |

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 8, 2020

Board Item: II-A-3

Appointment to the Citizens Advisory Committee Public Interest Group Representative

Action by Consent

Individual Action

Purpose and Background:

Denver Water's Citizens Advisory Committee (CAC) is a 10-member volunteer committee that advises Denver Water staff and the Board of Water Commissioners on a variety of issues while encouraging and coordinating public participation in the organization's policymaking process.

The CAC was created because of the 1979 Foothills Agreement that, among other terms of the agreement, required Denver Water to form a citizens group charged with representing public interests in specific categories of stakeholder groups. One of those is the "public interest group" representative. The CAC's public interest group representative, Loretta Pineda, vacated her position in late 2019 requiring the position to be refilled.

CAC recommends candidates to the Board and the Board has appointing authority for the CAC. According to the CAC bylaws, qualifications for the public interest group representative include being a customer in Denver Water's service area, a United States citizen, and a resident of Colorado for five years or more. The person must not be employed by Denver Water at the time of serving and must have the ability and willingness to have contact with stakeholders. The bylaws do not provide further guidance or definition of public interest group representative requirements or expectations.

Denver Water staff and members of the CAC conducted outreach for the vacancy and received applications from two individuals: Nona Shipman and Kaye Kavanagh. Both applicants meet the requirements for the position and were interviewed by CAC. While both candidates are excellent, CAC is recommending the Board appointment Nona Shipman as the "public interest group" representative for a three-year term. The CAC believes Ms. Shipman's professional and community involvement in water-related issues will add significant value to the committee.

Recommendation:

The CAC is recommending the Board appoint Nona Shipman for a three-year term for the "public interest group" representative.

Approvals:

- James S. Lochhead, CEO/Manager
- Julie Anderson, Chief of Staff
- Jessica R. Brody, General Counsel
- Angela C. Bricmont, Chief Financial Officer

- Brian D. Good, Chief Administrative Officer
- Mike King, Chief External Affairs Officer
- Robert J. Mahoney, Chief Engineering Officer
- Thomas J. Roode, Chief Operations Officer

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DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 8, 2020

Board Item: II-B-1a

Fourth Amendment for Gross Reservoir Expansion Project Owner's Representative Contract 501750

Action by Consent

Individual Action

Purpose and Background:

The Gross Dam and Reservoir facility includes an outlet works that provides required releases to South Boulder Creek and supports the Gross hydroelectric powerhouse. Several components of the outlet works, including abandoned ball valves installed in 1954, are functionally obsolete and require rehabilitation. Rehabilitation of the outlet works is a dam safety-related effort regulated by the Federal Energy Regulatory Commission and the Colorado Office of the State Engineer (Dam Safety). The project is necessary to provide a flexible, maintainable, and safe facility for the long term. Although a dam safety-related project, the Gross Reservoir Outlet Works Modifications project is managed as part of the Gross Reservoir Expansion program to ensure coordination with current requirements and future changes in loading due to the raised reservoir.

Black & Veatch Corporation provides Owner Representative services for the project and through this amendment will provide construction management oversight services to Denver Water's construction manager. Construction management oversight services will include site inspection, reporting, testing, and administrative services as necessary to satisfy quality control and Denver Water requirements.

The purpose of this board item is to execute the Fourth Amendment with Black & Veatch Corporation for support of the construction management oversight services for the Gross Reservoir Outlet Works Modifications project.

Budget and Schedule:

The amount requested for the Fourth Amendment to Contract 501750 is \$420,018. A table showing the history of amendments is below.

Item	Cost	Description	Notes
Original Contract	\$1,174,925	Phase 1 Owner's Representative Services for Gross Reservoir Expansion	Board Approved April 12, 2017
First Amendment	\$6,999,834	Phase 2 (design services) scope addition	Board Approved December 13, 2017
Second Amendment	\$0	Co-location Office requirements	Board Approved February 12, 2018
Third Amendment	\$1,200,000	Scope addition – ICE services	Board Approved March 13, 2019
Fourth Amendment	\$420,018	Construction Management Oversight Services for Gross Reservoir Outlet Works Modifications	For Board Approval on July 8, 2020
Total Amount:	\$9,794,777		

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The total amount of this Fourth Amendment to Contract 501750 is \$420,018 and the term of the contract is July 8, 2020 to July 1, 2021. Funds for this amendment will come from the 2020 budget for Gross Reservoir Expansion business unit, which has sufficient funds to pay the estimated \$105,018 needed in the year 2020. The remaining \$315,000 will be budgeted in the year 2021.

Selection of Business Partner:

Black & Veatch Corporation, the owner representative, was selected through a value-based competitive selection process which considered qualifications and cost. Contract 501750 with Black & Veatch Corporation was approved by the Board on April 12, 2017 for owner representative services associated with the Gross Reservoir Expansion project.

S/MWBE Information:

Denver Water staff requested strong and meaningful MWBE participation from the owner representative versus setting a specific MWBE goal for owner representative services. The owner representative utilized Katz & Associates, a Woman-owned Business Enterprise, which accounted for 11% of the total Phase 1 services. The budgeted MWBE participation for the Phase 2 owner representative services includes support from Katz & Associates and Sigler Communications accounting for 14% of the contract. MWBE participation is monitored and reported in the project's bi-monthly Board report.

Recommendation:

It is recommended that the Board approve the Fourth Amendment to Contract 501750 with Black & Veatch Corporation for owner representative construction management oversight services for an extension of the contract period through July 1, 2021 and for an addition of \$420,018 for a total amended contract amount not to exceed \$9,794,777.

Approvals:

- | | |
|---|--|
| <input checked="" type="checkbox"/> James S. Lochhead, CEO/Manager | <input type="checkbox"/> Brian D. Good, Chief Administrative Officer |
| <input type="checkbox"/> Julie Anderson, Chief of Staff | <input type="checkbox"/> Mike King, Chief External Affairs Officer |
| <input type="checkbox"/> Jessica R. Brody, General Counsel | <input checked="" type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer |
| <input checked="" type="checkbox"/> Angela C. Bricmont, Chief Financial Officer | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer |

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 8, 2020

Board Item: II-B-1b

Seventh Amendment for Gross Reservoir Expansion Design Engineer Contract 503074

Action by Consent

Individual Action

Purpose and Background:

The Gross Dam and Reservoir facility includes an outlet works that provides required releases to South Boulder Creek and supports the Gross hydroelectric powerhouse. Several components of the outlet works, including abandoned ball valves installed in 1954, are functionally obsolete and require rehabilitation. Rehabilitation of the outlet works is a dam safety-related effort regulated by the Federal Energy Regulatory Commission and the Colorado Office of the State Engineer (Dam Safety). The project is necessary to provide a flexible, maintainable, and safe facility for the long term. Although a dam safety-related project, the Gross Reservoir Outlet Works Modifications project is managed as part of the Gross Reservoir Expansion program to ensure coordination with current requirements and future changes in loading due to the raised reservoir.

Stantec Consulting Services Inc. is the Engineer of Record responsible for the design of the Gross Reservoir Outlet Works Modifications project. Given the regulatory environment, specific oversight, and verification requirements, the Engineer of Record needs to certify that the constructed project meets the original design intent. This amendment provides Engineer of Record scope of services to support the construction effort and to certify the project was completed per the design intent.

The purpose of this board item is to execute the Seventh Amendment to Contract 503074 with Stantec Consulting Services, Inc., for support of the Engineer of Record services for the Gross Reservoir Outlet Works Modifications project.

Budget and Schedule:

The amount requested for Seventh Amendment to Contract 503074 is \$382,039. A table showing the history of amendments is below:

Item	Cost	Description	Notes
Original Contract	\$13,000,000	Design of Gross Reservoir Expansion	Board Approved December 13, 2017
First Amendment	\$0	Co-location office requirements	Approved January 23, 2018
Second Amendment	\$0	Corrections to design engineering labor rates	Approved February 12, 2018
Third Amendment	\$539,522	Scope addition – design changes and additions	Board Approved September 12, 2018. Improved communications infrastructure and unexpected regulatory requests.
Fourth Amendment	\$260,000	Scope addition – design changes and additions	Design definition, slightly increased monitoring requirements, unexpected regulatory requests and the addition of Owner-controlled contingency.
Fifth Amendment	\$200,000	Scope addition - Outlet Works requirements	Board Approved February 27, 2019

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Item	Cost	Description	Notes
Sixth Amendment	\$2,800,478	Scope addition – Construction Manager/General Contractor incorporation, Board of Consultants, regulatory requirements, and additional management time	Board Approved July 10, 2019. Construction Manager/General Contractor integration; incorporation of design innovation; response to regulatory requirements; key staff extension through completion of Phase 2.
Seventh Amendment	\$382,039	Engineer of Record services for the Outlet Works Modifications	For Board Approval on July 8, 2020
Total Amount:	\$17,182,039		

The total amount of this Seventh Amendment to Contract 503074 is \$382,039 and the term of the contract is July 8, 2020 to July 1, 2021. Funds for this amendment will come from the 2020 budget for Gross Reservoir Expansion business unit, which has sufficient funds to pay the \$144,396 estimated to be needed in the year 2020. The remaining \$237,643 will be budgeted in the year 2021.

Selection of Business Partner:

Stantec Consulting Services, Inc., was selected as the design engineer through a value-based competitive selection process which considered qualifications and cost. Contract 503074 with Stantec Consulting Services Inc. was approved by the Board on December 13, 2017 for design engineer services associated with Gross Reservoir Expansion project.

S/MWBE Information:

No specific Minority and Women-owned Business Enterprise (MWBE) goal was set for the design engineer services, although MWBE participation during design was strongly encouraged by Denver Water. The Stantec/AECOM team will achieve approximately 4.8% MWBE participation for the total of the Phase 2 services.

Recommendation:

It is recommended that the Board approve the Seventh Amendment to Contract 503074 with Stantec Consulting Services, Inc., for design engineer services for an extension of the contract period through July 1, 2021 for an addition of \$382,039 for a total amended contract amount not to exceed \$17,182,039.

Approvals:

- | | |
|---|--|
| <input checked="" type="checkbox"/> James S. Lochhead, CEO/Manager | <input type="checkbox"/> Brian D. Good, Chief Administrative Officer |
| <input type="checkbox"/> Julie Anderson, Chief of Staff | <input type="checkbox"/> Mike King, Chief External Affairs Officer |
| <input type="checkbox"/> Jessica R. Brody, General Counsel | <input checked="" type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer |
| <input checked="" type="checkbox"/> Angela C. Bricmont, Chief Financial Officer | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer |

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 8, 2020

Board Item: II-B-1c

Gross Reservoir Outlet Works Modifications Contract 504363

Action by Consent

Individual Action

Purpose and Background:

Several components of the Gross Reservoir Outlet Works, including abandoned ball valves installed during the original dam construction in 1954, are functionally obsolete and require rehabilitation. Specifically, the 2018 Federal Energy Regulatory Commission-mandated Independent Consultant Safety Inspection Report, which is required every five years, identified seepage and corrosion of the abandoned valves and concrete encasement and recommended further investigation and evaluation to ensure safe operation of the system. Testing and investigations of the system were inconclusive in verifying safety requirements necessitating reconstruction of the system. Removal of the abandoned valves and replacement of the multi-branch outlet piping that connects to the valve house and powerhouse penstock will meet current design practice, reduce failure risk, and be capable of handling the anticipated reservoir expansion. Additionally, three of the five fixed cone valves installed in the 1970s and used to regulate discharge from the reservoir have reached the end of their service life and will be replaced.

The purpose of this board item is to execute Contract 504363 with Kiewit-Barnard Joint Venture for the Gross Reservoir Outlet Works Modifications to rehabilitate and upgrade the outlet works configuration and to replace three of the five fixed cone valves located in the valve house.

Budget and Schedule:

The total amount of this contract is \$5,821,895 which includes \$120,000 in Owner-controlled contingency for identified risks. An additional \$400,000 reserve is included for an Owner-controlled risk contingency to address potential project risks, unforeseen existing infrastructure, and geologic conditions. Funds for this contract will come from the Gross Reservoir Expansion project business unit, which has sufficient funds to pay the \$2,821,895 estimated to be needed in 2020. The remaining \$3,000,000 will be budgeted for the year 2021.

Selection of Business Partner:

Kiewit-Barnard Joint Venture, the Gross Reservoir Expansion Construction Manager/General Contractor, was selected through a value-based competitive process which considered qualifications, project approach, technical approach, and cost. Contract 504090 with Kiewit-Barnard Joint Venture was approved by the Board on July 10, 2019 for planning and pre-construction services associated with the Gross Reservoir Expansion project. Throughout the design development process of the Gross Reservoir Outlet Works Modifications, a series of constructability workshops, design phase cost estimates, construction innovations, and risk reduction measures have been adopted to reach a mutually agreeable negotiated cost for the project.

The price for the work and the proposed approach for construction has been examined by an Independent Cost Estimator team working on behalf of Denver Water, which found the cost proposal to be within a reasonable range for similar work of this type.

S/MWBE Information:

The Minority and Women-owned Business Enterprise goal established for this construction project is 5% participation. Kiewit-Barnard Joint Venture proposed 5% participation.

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Recommendation:

It is recommended that the Board approve Contract 504363 with Kiewit-Barnard Joint Venture for the Gross Reservoir Outlet Works Modifications project for the contract period July 8, 2020 to May 29, 2021 for a total contract amount not to exceed \$5,821,895.

Approvals:

- | | |
|---|--|
| <input checked="" type="checkbox"/> James S. Lochhead, CEO/Manager | <input type="checkbox"/> Brian D. Good, Chief Administrative Officer |
| <input type="checkbox"/> Julie Anderson, Chief of Staff | <input type="checkbox"/> Mike King, Chief External Affairs Officer |
| <input type="checkbox"/> Jessica R. Brody, General Counsel | <input checked="" type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer |
| <input checked="" type="checkbox"/> Angela C. Bricmont, Chief Financial Officer | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer |