

REVISED
AGENDA
Denver Board of Water Commissioners

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

Wednesday, September 13, 2017 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 August 9, 2017 - Open and Executive
2. Minutes from August 23, 2017 - Open and Executive
3. Contract 16114A Antero Dam Rehabilitation Phase IV
4. Contract 16243B Antero Dam Rehabilitation Phase IV Consultant
5. Contract 16899A Conduit No. 20 Diversion Dam Modifications
6. Contract 17088A South Boulder Diversion Dam Gate Rehabilitation
7. Contract 17087A Conduit No. 31 Replacements

8. Ratification of Construction Contract Change Orders and Amendments and Professional Services Agreement Amendments

B. Individual Approval Items

- | | | |
|--|-----------------|------------|
| 1. Downstream Reservoir Water Storage Project (DRWSP) North and South Complex Water Quality Improvements Project, 17203A | Brett Balley | 10 minutes |
| 2. Ratification of Budget and Spending Authorization Approach for Operations Complex Redevelopment and Hillcrest Projects | Bob Mahoney | 5 minutes |
| 3. ORCA Project – Increment 2 Enterprise Financial System – Procurement and Payment 2nd Amendment, 16759A | Jonathan Spitze | 15 minutes |
| 4. 2018 Health Care Benefits and Merit Recommendations | Gail Cagle | 5 minutes |
| 5. Resolution Regarding Duties of the CEO/Manager | | |

III. POLICY MATTERS

- | | | |
|--------------------------------|-------------|------------|
| A. 2018 Lead Reduction Program | Steve Price | 25 minutes |
|--------------------------------|-------------|------------|

IV. EXECUTIVE UPDATE

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

V. BRIEFING PAPERS & REPORTS

A. Briefing Paper

1. Colorado River Minute 323

VI. ADJOURNMENT

VII. 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: August 23, 2017

Board Item: II-A-3

Amendment No. 1 with Moltz Construction, Inc. Contract 16114A

Action by Consent

Individual Action

Summary:

Antero Dam is being modified to meet present day engineering standards and regulations. The construction of these modifications has been separated into discrete construction packages. The Antero Dam Rehabilitation Phase IV Project is the fourth and final division of work for the modifications. The major components of the project include construction of a new riprap-lined spillway structure in the existing unlined spillway channel, raising the outlet works intake structure to accommodate increased reservoir storage, and installing 3-phase power supply to the outlet works to increase gate speed and reduce voltage drop. Contract 16114A with Moltz Construction, Inc. was awarded for the Antero Dam Rehabilitation Phase IV Project on May 25, 2016.

Amendment No. 1 with Moltz Construction, Inc. provides for relining of the Outlet Works 120-inch and 36-inch diameter outlet pipelines with an epoxy coating. The two steel pipelines were originally coated during the original installation in 1994 but have experienced coating deterioration and subsequent corrosion since that time. Relineing of the pipelines is required in order to maintain the service life of the steel outlet pipes.

Budget Information:

The original agreement with Moltz Construction, Inc. was awarded on May 25, 2017 in the amount of \$6,351,115. Total previously approved Change Orders to this contract amount to a credit of \$110,569.50. The cost of Amendment No. 1 Antero Dam Rehabilitation Phase IV is \$299,902, increasing the current contract price to \$6,540,447.50. Funds for this Amendment will come from Antero Reservoir Rehabilitation Business Unit. A project budget adjustment to pay for these expenditures was approved by the System Managers.

Selection of Business Partner:

Moltz Construction, Inc. solicited proposals from three qualified specialty contractors for the relining work. The lowest priced proposal among the qualified specialty contractors was selected by Moltz.

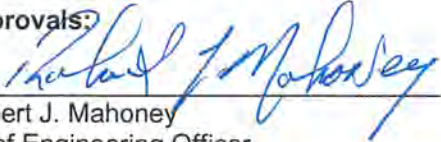
S/MWBE Information:

Due to the specialized nature of these lining activities, no Minority and Women Business Enterprise (MWBE) goal was established for the coating portion of the project. Moltz Construction, Inc. originally achieved a MWBE participation of 5.82%, and the participation goal will be met outside of the added Amendment No.1 work.

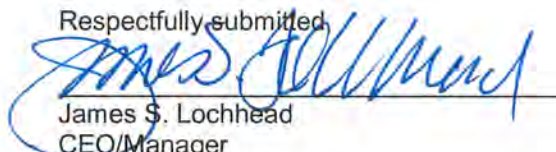
Recommendation:

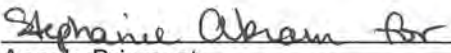
It is recommended that the Board approve Amendment No. 1 to Agreement 16114A with Moltz Construction, Inc. for relining of the Outlet Works 120-inch and 36-inch diameter outlet pipelines as well as an extension of the contract period through November 10, 2017 and for an addition of \$299,902 for a total amended contract amount not to exceed \$6,540,447.50.

Approvals:


Robert J. Mahoney
Chief Engineering Officer

Respectfully submitted,


James S. Lochhead
CEO/Manager


Stephanie Abram
Chief Finance Officer

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: September 13, 2017

Board Item: II-A-4

Amendment No. 1 with Engineering Support Services, Inc. Contract 16243B

Action by Consent

Individual Action

Summary:

Antero Dam is being modified to meet present day engineering standards and regulations. The construction of these modifications has been separated into discrete construction packages. The Antero Dam Rehabilitation Phase IV Project is the fourth and final division of work for the modifications. The major components of the project include construction of a new riprap-lined spillway structure in the existing unlined spillway channel, raising the outlet works intake structure to accommodate increased reservoir storage, and installing 3-phase power supply to the outlet works to increase gate speed and reduce voltage drop. On May 25, 2016, the Board approved the contract for the Antero Dam Rehabilitation Phase IV Project in the amount of \$6,351,115 (reference: Board Item II-A-7). An Agreement with Engineering Support Services, Inc. was approved on March 17, 2017 for construction oversight services for the 2017 season in the amount of \$91,577.68.

Amendment No. 1 with Engineering Support Services, Inc. provides for oversight of the added relining of the Outlet Works 120-inch and 36-inch diameter outlet pipelines with an epoxy coating. The two steel pipelines were coated during the original installation in 1994 but have experienced coating deterioration and subsequent corrosion since that time. Relineing of the pipelines is required in order to prevent further corrosion damage and maintain the service life of the steel outlet pipes.

Budget Information:

The amount of the original agreement is \$91,577.68. Amendment No. 1 in the amount of \$36,847.32, brings the total contract amount to \$128,425. Funds for this Amendment will come from Antero Reservoir Rehabilitation Business Unit. System Mangers approved the expenditure for this work.

Selection of Business Partner:

Engineering Support Services, Inc. was competitively selected through the on-call process.


S/MWBE Information:

Due to the specialized nature of the work, no Minority and Women Business Enterprise (MWBE) goal was established for the design portion of the project. Participation during the construction phase will meet or exceed the minimum participation level of 5% established for the project.

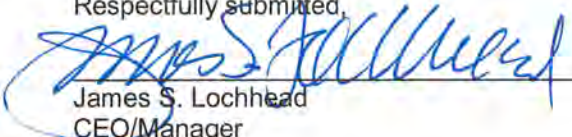
Recommendation:

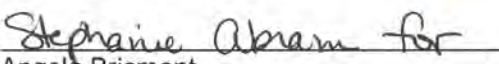
It is recommended that the Board approve Amendment No. 1 to Agreement 16243B with Engineering Support Services, Inc. for oversight of relining of the Outlet Works 120-inch and 36-inch diameter outlet pipelines as well as an extension of the contract period through December 31, 2017 and for an addition of \$36,847.32 for a total amended contract amount not to exceed \$128,425.

Approvals:


Robert J. Mahoney
Chief Engineering Officer

Respectfully submitted,


James S. Lochhead
CEO/Manager


Angela Bricmont
Chief Finance Officer

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: September 13, 2017

Board Item: II-A-5

Conduit No. 20 Diversion Dam Modifications Contract 16899A

Action by Consent

Individual Action

Summary:

The Conduit No. 20 Diversion Dam is located on the South Platte River in Waterton Canyon. The primary purpose of Diversion Dam is to divert raw water from the South Platte River to Marston Reservoir via Conduit No. 20. The facility was constructed in 1964 and has had limited modifications since operation began. The Conduit No. 20 Diversion Dam is a facility under the jurisdiction of the Colorado State Engineer's Office and is classified as a low hazard facility.

As part of the Programs and Systems approach to identifying and budgeting for projects, the Conduit No. 20 Diversion Dam was identified and prioritized as a facility in need of upgrades in order to meet the program's key performance indicators of reliability and safety.

This project generally consists of complete facility electrical, instrumentation and controls, and mechanical upgrades. Most of the 50 year old equipment will be replaced, including: electrical service equipment, motor control center, supervisory control and data acquisition, instrumentation, heating ventilation and air conditioning, hydraulic power unit, standby generator, and gate actuators.

New equipment and systems will improve operations efficiency, provide safety for Denver Water personnel, reduce the arc flash (electrical burn) safety hazard and satisfy the latest building code and Denver Water design requirements.

Budget Information:

The work begins in 2017 and will be completed in 2018. The 2017 Capital Improvement Plan for Conduit No. 20 Diversion Dam Modifications Business Unit includes sufficient funds for the estimated \$200,000 for the 2017 expenditures. The remaining funds will be budgeted for the 2018 Capital Improvement Budget.

Selection of Business Partner:

Denver Water solicited bids from three General Contractors listed on the Prequalified Contractor List under the Electrical General Contractor discipline. This Contract was a restricted bid process using Invitation to Bids on the QuestCDN platform. On August 29, 2017, bids were received from 3 General Contractors. Guarantee Electrical Contracting was selected based on the lowest cost bid.

S/MWBE Information:

The Minority and Women Business Enterprise (MWBE) goal established for this construction project is 5% participation. Guarantee Electrical Contracting achieved 13.38% participation.

Recommendation:

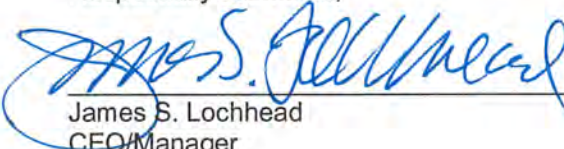
It is recommended that the Board approve Contract 16899A with Guarantee Electrical Contracting for Conduit No. 20 Diversion Dam Modifications for the contract period September 13, 2017 through May 30, 2018 for a total contract amount not to exceed \$1,199,000.

Approvals:

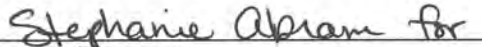


Robert J. Mahoney
Chief Engineering Officer

Respectfully submitted,



James S. Lochhead
CEO/Manager



Angela Bricmont
Chief Finance Officer

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: September 13, 2017

Board Item: II-A-6

South Boulder Diversion Dam Gate Rehabilitation Contract 17088A

Action by Consent

Individual Action

Summary:

The South Boulder Diversion Dam is a critical diversion in our collection system as water is diverted from South Boulder Creek to Ralston Reservoir, which is then transported to Moffat Treatment Plant (soon to supply the Northwater Treatment Plant). The dam was constructed in 1935 and has been a reliable piece of infrastructure for Denver Water. As such, the integrity of the gates and the dam structure is crucial in continuing to provide water to our treatment facilities.

The South Boulder Diversion Dam Gate Rehabilitation project includes performing analysis on and refurbishing the critical components of the dam. As part of the project, all five of the existing gates will be refurbished, electric service and gate actuation will be provided, and the ancillary components on the dam structure will be refurbished to continue to provide reliable, long-term operation. The condition of the concrete dam is still in excellent condition and no modifications are required.

Budget Information:

The work is scheduled to begin in 2017 and will be completed in 2018. The 2017 Capital Improvement Plan for South Boulder Diversion Dam Gate Rehabilitation Business Unit includes sufficient funds to pay the \$275,140 estimated for the 2017 expenditures. The remaining funds will be budgeted in the 2018 Capital Improvement Budget.

Selection of Business Partner:

Denver Water solicited bids from three General Contractors listed on the Prequalified Contractor List. This Contract was a restricted bid process using Invitation to Bids on the QuestCDN platform. On August 29, 2017, bids were received from two General Contractors. Gracon LLC was selected based on the lowest cost bid.


S/MWBE Information:

There was a 5% Minority and Women Business Enterprise (MWBE) participation goal required for this construction portion of the project. Gracon LLC achieved 3.23% participation.

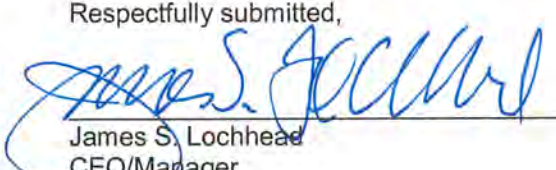
Recommendation:

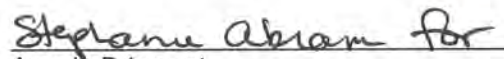
It is recommended that the Board approve Contract 17088A with Gracon LLC for South Boulder Diversion Dam Gate Rehabilitation for the contract period September 13, 2017 through April 30, 2018 for a total contract amount not to exceed \$1,799,900.

Approvals:


Robert J. Mahoney
Chief Engineering Officer

Respectfully submitted,


James S. Lochhead
CEO/Manager


Stephanie Abram for
Angela Bricmont
Chief Finance Officer

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: September 13, 2017

Board Item: II-A-7

Conduit No. 31 Replacement Contract 17087A

Action by Consent

Individual Action

Summary:

Conduit No. 31 (C31) is an approximately 3.8 mile-long conduit that carries water from Conduit No. 1 near Federal Boulevard and West 29th Avenue to Conduit No. 33 near Broadway Street and West 10th Avenue. This 24-inch diameter cast iron conduit was installed about 1889.

This Conduit has ruptured three times (May 2013, January 2017, and July 2017) near the intersection of West 29th Avenue and Zuni Street and each rupture caused significant water loss and property damage. Additionally, upsizing this pipeline from 24-inch to 30-inch is desired to meet expected future demand. The risk of future failures and the desire to upsize the pipeline are the reason to recommend the replacement of this portion of the pipeline.



The project scope includes following items:

- C31 Replacement: Replace approximately 4,450-feet of 24-inch diameter cast iron with 30-inch diameter ductile iron or steel pipe.
- Water Main: Install approximately 2,400-feet of 8-inch water distribution main to allow for the removal of existing services on C31.
- Service Line Replacements: Replace 12 service lines, which are believed to be lead service lines, with copper service lines.

Budget Information:

The work begins in 2017 and will be completed in 2018. The 2017 Capital Improvement Plan for Conduit Improvement Program Business Unit includes sufficient funds for the 2017 project expenditures. The remaining funds will be budgeted in the 2018 Capital Improvement Budget.

Concrete Works of Colorado, Inc. bid was higher than the Opinion of Probable Cost (OPC) due to perceived risks of working in the public right-of-way, limited availability of contractors due to the busy construction industry, and an additional work item (demolition of existing buried trolley tracks). The trolley tracks were identified in the July 2017 pipe failure (following development of the OPC), and following the failure, metal detectors confirmed the presence of the tracks throughout the project.

Selection of Business Partner:

Denver Water solicited bids from 4 General Contractors listed on the Prequalified Contractor List under the Civil-Pipeline discipline. This Contract was an unrestricted bid process using Invitation to Bids on the QuestCDN platform. On August 29, 2017, bids were received from 2 General Contractors. Concrete Works of Colorado, Inc. was selected based on the lowest cost bid.

S/MWBE Information:

The Minority and Women Business Enterprise (MWBE) goal established for this construction project is 8% participation. Concrete Works of Colorado, Inc. achieved 8% participation.

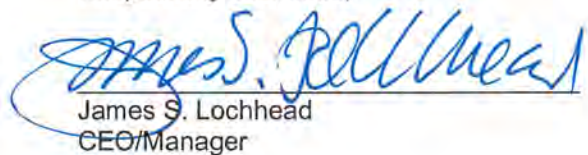
Recommendation:

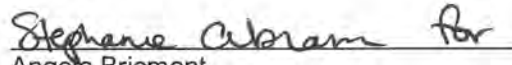
It is recommended that the Board approve Contract 17087A with Concrete Works of Colorado, Inc. for the Conduit No. 31 Replacement project for the contract period September 13, 2017 to May 14, 2018 for a total contract amount not to exceed \$5,989,777.00.

Approvals:


Robert J. Mahoney
Chief Engineering Officer

Respectfully submitted,


James S. Lochhead
CEO/Manager


Stephanie Abram for
Angela Bricmont
Chief Finance Officer

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: September 13, 2017

Board Item: II-A-8

Ratification of Construction Contract Change Orders and Amendments and Professional Services Agreement Amendments

Action by Consent

Action

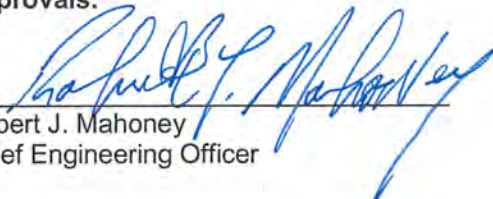
Summary:

The attached are Construction Contracts Change Orders and Amendments and Professional Services Agreement Amendments for Board ratification for June 2017 through August 2017.

Recommendation:

It is recommended that the Board ratify these Construction Contract Change Orders and Amendments and Professional Services Agreement Amendments.

Approvals:



Robert J. Mahoney
Chief Engineering Officer

Respectfully submitted,


James S. Lochhead
CEO/Manager

RATIFICATION OF CONSTRUCTION CONTRACT

CHANGE ORDERS AND AMENDMENTS AND PROFESSIONAL SERVICES AGREEMENT AMENDMENTS

Pursuant to procedure previously established, the following Construction Contract Change Orders and Amendments and Professional Services Agreement Amendments are hereby submitted for Board ratification.

CONSTRUCTION CONTRACT CHANGE ORDERS AND AMENDMENTS

ASHLAND RESERVOIR TANK REPLACEMENTS – WORK PACKAGE NO. 2 – WATER QUALITY MONITORING BUILDING

Contractor: Western Summit Constructors, Inc.
Change Order No. 1
Contract 14063C
Scope: Scope of work change.

DEDUCT	\$	(15,157.29)
Original Contract Amount:	\$	369,727.00
Authorized Contract Amendments:	\$	0.00
Authorized Change Orders:	\$	0.00
Current Contract Amount:	\$	369,727.00
Current Decrease in Contract:	\$	(15,157.29)
Revised Contract Amount:	\$	354,569.71
Percentage of Total Amendments to Date:		0.00%
Percentage of Total Change Orders to Date:		(4.10%)

CONDUIT NO. 16 TUNNEL INSTALLATIONS AT STATE HIGHWAY 58 & 93, BNSF RAILROAD CROSSINGS, & INTERSTATE 70 WITH OPEN CUT SEGMENTS FROM STA 348+50.00 TO STA 410+24.147

Contractor: Reynolds Construction, LLC
Change Order No. 1
Contract 15453A
Scope: Scope of work change.

DEDUCT	\$	(39,369.00)
Original Contract Amount:	\$	21,441,000.00
Authorized Contract Amendments:	\$	0.00
Authorized Change Orders:	\$	0.00
Current Contract Amount:	\$	21,441,000.00
Current Decrease in Contract:	\$	(39,369.00)
Revised Contract Amount:	\$	21,401,631.00
Percentage of Total Amendments to Date:		0.00%
Percentage of Total Change Orders to Date:		(0.18%)

MOFFAT TREATMENT PLANT CENTRIFUGE DEWATERING SYSTEM

Contractor: Aslan Construction, Inc.
Change Order No. 4
Contract 15547A
Scope: Scope of work change.

ADD	\$	8,569.50
Original Contract Amount:	\$	2,615,060.00
Authorized Contract Amendments:	\$	31,924.00
Authorized Change Orders:	\$	36,102.03
Current Contract Amount:	\$	2,683,086.03
Current Increase in Contract:	\$	8,569.50
Revised Contract Amount:	\$	2,691,655.53
Percentage of Total Amendments to Date:		1.22%
Percentage of Total Change Orders to Date:		1.71%

CONSTRUCTION OF THE OPERATIONS COMPLEX REDEVELOPMENT WORK PACKAGE NO. 4 – OPERATIONS BUILDINGS

Contractor: Mortenson Construction
Amendment No. 5
Contract 15630E
Scope: Scope of work change.

DEDUCT	\$	(264,441.00)
Original Contract Amount:	\$	43,535,620.00
Authorized Contract Amendments:	\$	989,567.25
Authorized Change Orders:	\$	188,737.74
Current Contract Amount:	\$	44,713,924.99
Current Decrease in Contract:	\$	(264,441.00)
Revised Contract Amount:	\$	44,449,483.99
Percentage of Total Amendments to Date:		1.67%
Percentage of Total Change Orders to Date:		0.43%

CONSTRUCTION OF THE OPERATIONS COMPLEX REDEVELOPMENT WORK PACKAGE NO. 4 – OPERATIONS BUILDINGS

Contractor: Mortenson Construction
Change Order No. 3
Contract 15630E
Scope: Scope of work change.

DEDUCT	\$	(730,358.00)
Original Contract Amount:	\$	43,535,620.00
Authorized Contract Amendments:	\$	725,126.25
Authorized Change Orders:	\$	188,737.74
Current Contract Amount:	\$	44,449,438.99
Current Decrease in Contract:	\$	(730,358.00)
Revised Contract Amount:	\$	43,719,125.99
Percentage of Total Amendments to Date:		1.67%
Percentage of Total Change Orders to Date:		(1.24%)

CONSTRUCTION OF THE OPERATIONS COMPLEX REDEVELOPMENT WORK PACKAGE NO. 4 – OPERATIONS BUILDINGS

Contractor: Mortenson Construction
Change Order No. 4
Contract 15630E
Scope: Scope of work change.

ADD	\$	36,001.00
Original Contract Amount:	\$	43,535,620.00
Authorized Contract Amendments:	\$	725,126.25
Authorized Change Orders:	\$	(541,620.26)
Current Contract Amount:	\$	43,719,125.99
Current Increase in Contract:	\$	36,001.00
Revised Contract Amount:	\$	43,755,126.99
Percentage of Total Amendments to Date:		1.67%
Percentage of Total Change Orders to Date:		(1.16%)

DRWSP NORTH COMPLEX ELECTRICAL, INSTRUMENTATION, AND CONTROL PROJECT

Contractor: Burns & McDonnell Engineering Company, Inc.
Amendment No. 1
Contract 16712A
Scope: Scope of work change.

ADD	\$	66,421.00
Original Contract Amount:	\$	6,369,400.00
Authorized Contract Amendments:	\$	0.00
Authorized Change Orders:	\$	49,862.52
Current Contract Amount:	\$	6,419,262.52
Current Increase in Contract:	\$	66,421.00
Revised Contract Amount:	\$	6,485,683.52
Percentage of Total Amendments to Date:		1.04%
Percentage of Total Change Orders to Date:		0.78%

CONDUIT 94 2017 PIPE REPLACEMENTS

Contractor: BT Construction, Inc.
Change Order No. 1
Contract 16834A
Scope: Scope of work change.

ADD	\$	36,397.09
Original Contract Amount:	\$	1,350,000.00
Authorized Contract Amendments:	\$	0.00
Authorized Change Orders:	\$	0.00
Current Contract Amount:	\$	1,350,000.00
Current Increase in Contract:	\$	36,397.09
Revised Contract Amount:	\$	1,386,397.09
Percentage of Total Amendments to Date:		0.00%
Percentage of Total Change Orders to Date:		2.70%

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: September 13, 2017

Board Item: II-B-1

Downstream Reservoir Water Storage Project (DRWSP) North and South Complex Water Quality Improvements Project Contract 17203A

Action by Consent

Individual Action

Summary:

The DRWSP North and South Complex is a series of reservoirs adjacent to the South Platte River in South Adams County used for water storage and exchange. Source water for the reservoirs contains elevated nutrient and organic matter that lead to the depletion of oxygen in the bottom waters of the reservoirs and the formation of hydrogen sulfide. The formation of hydrogen sulfide in the reservoirs limits Denver Water's ability to release water to the river and presents a hazard to equipment, employees and the public.

The purpose of the project is to design and construct aeration systems and infrastructure for four reservoirs (Welby, Bambei-Walker, Dunes, and Tanabe) in the DRWSP North and South Complex to mitigate the formation of hydrogen sulfide. The Design-Builder's services include design, project management, construction, commissioning, acceptance testing, and training for the water quality systems including all process, civil, structural, mechanical, electrical, and instrumentation and control work.

Budget Information:

The work is scheduled to begin in 2017 and will be completed in 2018. The 2017 Capital Improvement Plan for the DRWSP North and South Complex Water Quality Mitigation Business Unit includes sufficient funds to pay the \$615,000 estimated for the 2017 expenditures. The remaining funds will be budgeted for the 2018 Capital Improvement Budget.

Selection of Business Partner:

On April 20, 2017, Denver Water solicited proposals via Denverwater.org, and spoke with nine engineering and contracting firms, requesting them to find Design-Build partners and propose on this Project. Two Design-Build teams submitted Statements of Qualifications and both were found qualified to propose on the project. On August 15, 2017, proposals were received from both Design-Build teams. Proposals were graded in accordance with quality based selection criteria including team capability, project approach, and cost. Scoring was done by individuals from Engineering and Operations. The Design-Build team of Brown and Caldwell and J.R. Filanc Construction Company achieved the highest score, with an associated price of \$3,375,962.

S/MWBE Information:

The Minority and Women Business Enterprise (MWBE) goal established for this construction project is 3% participation. The Design-Build team of Brown and Caldwell and J.R. Filanc Construction Company achieved 4.67% participation.

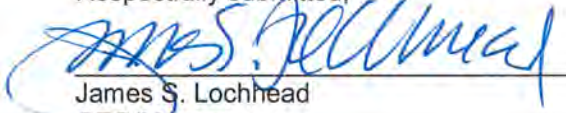
Recommendation:

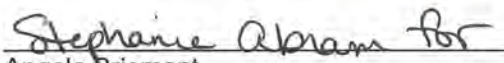
It is recommended that the Board approve Contract 17203A with Brown and Caldwell and J.R. Filanc Construction Company for Design-Build services for the DRWSP North and South Complex Water Quality Improvements Project for the contract period September 13, 2017 through August 31, 2018 for a total contract amount not to exceed \$3,375,962.00.

Approvals:


Robert J. Mahoney
Chief Engineering Officer

Respectfully submitted,


James S. Lochhead
GEO/Manager


Angela Bricmont
Chief Finance Officer

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: September 13, 2017

Board Item: II-B-2

Ratification of Budget and Spending Authorization Approach for Operations Complex Redevelopment and Hillcrest Projects

Action by Consent

Individual Action

Summary:

The purpose of this ratification is to memorialize the concept of obtaining Board approval for budget expenditures for the Operations Complex Redevelopment (OCR) and Hillcrest projects. Previously authorized approval of these projects allows Denver Water staff, under the direction of the Chief Executive Officer, to execute the contracts necessary to complete the projects within the total approved budget, even if some contracts exceed \$100,000.

Budget Information:

The Board approved the OCR total budget of \$195,802,331 on May 27, 2015. Also on May 27, 2015, the Board approved RNL's design contract of \$12,859,894 and Trammell Crow's Owner's Representative contract of \$9,947,666, both of which are accounted for under the overall OCR total budget. On August 26, 2015, the Board approved Mortenson's construction contract for \$154,500,081, which is also accounted for under the OCR total budget. Other project activities and costs make up the remainder of the OCR total budget.

The Board approved the Hillcrest Construction-Manager-At-Risk budget of \$102,000,000 on November 4, 2015. Six individual work packages were expected to be executed under the approved budget.

Execution of the OCR and Hillcrest projects within their approved budgets with periodic Board updates, but without additional Board approvals, was discussed and approved at the individual Board meetings. The status of both projects have been reported to the Board monthly, or at key milestones. While the Board President still counter-signs all contracts over \$100,000, per Denver Water policy, contracts over that amount for these two projects have not come back to the Board for individual action and approval. This Board item formally confirms, retroactive to the respective project approval dates of 5/27/15 for the OCR Project and 11/4/15 for the Hillcrest Project, Board approval for staff to execute the projects, within the approved project budgets and with proper counter signatures, as necessary, without requiring additional Board for contracts exceeding \$100,000.

Recommendation:

It is recommended the Board approve the approach of authorizing executing the OCR and Hillcrest projects, within their approved budgets and with proper counter signatures, as necessary, detailed above without requiring additional Board approvals items for contracts exceeding \$100,000

Approvals:


Robert J. Mahoney
Chief Engineering Officer

Respectfully submitted,


James S. Lochhead
CEO/Manager

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: September 13th, 2017

Board Item: II-B-3

ORCA Project – Increment 2 Enterprise Financial System - Procurement and Payment 2nd Amendment, Contract # 16759A

 Action by Consent

 Individual Action

Summary:

In order to achieve the objectives of the 2nd Increment of the ORCA (Organization Reporting & Communication Alignment) project, the Enterprise Financial System (JDE) Procurement and Payment project will be completed.

We are currently finishing Phase 2 of this project with an anticipated Go-Live in October and completion by the end of 2017. As a part of Phase 2, we are performing the following actions:

- Construction – The process of building out the system. This includes configuration, development, and customization work required to meet the requirements and design defined in Phase 1. Additionally, it will include all necessary testing, change management, and training to prepare the organization for deployment of the new solution.
- Transition – This includes the deployment of the solution, post-deployment support, and the hand-off of that solution to IT operations staff for continued maintenance and support.

This contract amendment requests an additional \$140,000 in approved funding for the Global Systems Integration, Inc. (GSI) contract. There are two distinct reasons for this additional funding:

- 1) \$90,000 for additional project management work, due to the early release of a contracted project manager from another contracted vendor.
- 2) \$50,000 for reconfiguration of the JDE Fixed Asset module, needed to resolve year-end financial reporting issues with Fixed Assets.

Budget Information:

The additional \$140,000 of approved funding under the GSI contract will be fully offset by spending reductions, as follows:

- 1) \$90,000 for additional GSI project management work will be offset by \$175,000 in reduced spending under the Doyle contract (16105F) caused by the early release of a contracted Project Manager.
- 2) \$50,000 for GSI to reconfigure the JDE Fixed Asset module will be offset by a decrease in the Finance division's 2017 operational spending, which will be reflected by a \$50,000 underspending Forecast in 2017.
 - Although the \$175,000 of under-spending on the Doyle contract described above could more than offset this additional \$50,000 amount on the GSI contract, we have instead chosen to offset it with a reduction in the Finance division's 2017 operational spending because the work to reconfigure the JDE Fixed Asset module is technically not part of the ORCA project scope.

The term of the contract with Global Systems Integration, Inc. (GSI) was established and will remain unchanged as 11/16/2016 to 1/31/2018, a duration sufficient for completion of both Phase 1 and Phase 2 of the Enterprise Financial System (JDE) Procurement and Payment project as well as the fixed asset reconfiguration.

Selection of Business Partner:

Denver Water issued a Request for Proposal (RFP) and engaged an open-competitive selection process in July 2016, resulting in the selection of Global Systems Integration, Inc. (GSI). The original contract term and amount was for fourteen months and \$343,200.00 for the Phase 1 scope, with the express intent to bring an amendment

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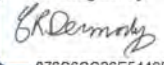


to the Board upon completion of Phase 1 to add accurate scope and funding for Phase 2 of the Enterprise Financial System (JDE) Procurement and Payment project. This first amendment was approved by the board on April 12th, 2017 for \$620,045 bringing the current contract total to \$963,245

Recommendation:

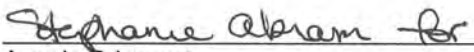
It is recommended that the Board approve this Second Amendment to contract 16759A with Global Systems Integration, Inc. for an additional amount of \$140,000, for a total amended contract amount not to exceed \$1,103,245.

Approvals:

DocuSigned by:

078C8CC26E5449B
Chris Dermody
Chief Information Officer

Respectfully submitted,


James S. Lochhead
CEO/Manager


Angela Bricmont
Chief Finance Officer

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: September 13, 2017

Board Item: II-B-4

Approval of 2018 Medical and Dental Rates for Employees and Retirees

Action by Consent

Individual Action

Summary:

Denver Water is self-insured for most medical and dental costs, which means that the total cost of claims is paid by Denver Water contributions, employee/retiree contributions, and employee/retiree out-of-pocket payments. As part of the annual process to establish employee and retiree contributions for plan coverage, the previous plan year performance is reviewed. For 2018, the Denver Water contribution is estimated to be similar to 2017 at approximately \$13.2 million. The employee/retiree contribution will be approximately \$2.5 million, distributed by plan type as depicted in the medical rate table below. The cost increase for 2018 for the dental plan is 5.9%, and it is recommended that employees be responsible for paying that increase. The rates need to be established at this time so that Open Enrollment communication for employees can begin during the first week in October. Open Enrollment runs from October 21, 2017 through November 5, 2017.

2018 Medical Plan:

- Plan contribution will increase from 2017 by 2%
- Shift to an 80%/20% contribution split over next 3 years (The 2018 contribution split averaged over all plans is 85%/15%)
- Wellness incentive at \$15/month will be continued
- No plan design changes

Employee & Retiree Medical Contributions:

2018 Monthly Medical Contributions - Full-Time Employee			
Full-time Active Employee (Does not include Wellness Incentive)		DW	Total
High Option			
Single	\$112	\$475	\$587
EE + 1	\$207	\$966	\$1,173
Family	\$306	\$1,454	\$1,760
Low Option			
Single	\$70	\$472	\$542
EE + 1	\$121	\$962	\$1,083
Family	\$178	\$1,447	\$1,625
Basic Option			
Single	\$25	\$487	\$512
EE + 1	\$36	\$987	\$1,023
Family	\$48	\$1,487	\$1,535

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2018 Monthly Medical Contributions - Retiree			
Retiree		DW	Total
High Option			
Single	\$398	\$471	\$869
EE + 1	\$791	\$945	\$1,736
Family	\$1,188	\$1,417	\$2,605
Low Option			
Single	\$355	\$447	\$802
EE + 1	\$709	\$894	\$1,603
Family	\$1,063	\$1,342	\$2,405
Basic Option			
Single	\$317	\$441	\$758
EE + 1	\$631	\$883	\$1,514
Family	\$948	\$1,324	\$2,272

2018 Dental Plan:

- Plan contribution cost will increase 5.9%
- No plan design changes

Employee & Retiree Dental Contributions:

2018 Monthly Dental Contributions – Full-time Employee			
Full-time Active Employee		DW	Total
Delta Dental PPO plus Premier Plan			
Single	\$14	\$31	\$45
EE + 1	\$22	\$51	\$73
Family	\$33	\$62	\$95

2018 Monthly Dental Contributions – Retiree			
Retiree		DW	Total
Delta Dental PPO plus Premier Plan			
Single	\$45	\$0	\$45
EE + 1	\$73	\$0	\$73
Family	\$95	\$0	\$95

Recommendation:

It is recommended the Board approve the 2018 Medical and Dental Contributions described above.

Respectfully submitted,

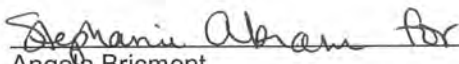
Approvals:



 Gail Cagle
 Chief Human Resources Officer



 James S. Lochhead
 CEO/Manager



 Angela Bricmont
 Chief Financial Officer

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: September 13, 2017

Board Item: II-B-5

Resolution Regarding Duties of the CEO/Manager

Action by Consent

Individual Action

From time to time since 1999, the Board has adopted resolutions assigning certain duties to the CEO/Manager, and allowing the CEO/Manager to act for the Board in certain defined circumstances. The most recent update occurred in 2012 and required that contracts in excess of \$100,000 would require Board approval.

Since 2012, significant improvements have been made in the areas of financial management and budget accountability. The Systems and Programs process is now being used to prioritize and manage capital and operating project spending. The ORCA project has consolidated budget and financial systems, so that managers can obtain real time information on budget and expenditures and can be held accountable for managing within budget limits. Another critical improvement has been initiation in 2017 of Quarterly Reports to the Board. These reports include the organizational dashboard and metrics, which allow the Board to see how the organization as a whole is meeting its goals; organizational initiatives and milestones, from which the Board can monitor progress on Denver Water's important programs and projects; and budget reports that identify and explain any exceptions, so that the Board can monitor expenditures and budget performance on a comprehensive basis.

The Board has for several years expressed its desire to increase its focus on the broad policymaking aspects of its duties, rather than the more administrative function of reviewing individual transactions, one at a time, when the purpose of the expenditure has already been approved in the budget. The 2012 resolution has resulted in Board focus and meeting time being dedicated to contracts that are relatively minor in relation to Denver Water's \$430 million budget. Given the improvements in financial management and communication with the Board described above, the Board has concluded that where the purpose of an expenditure has been approved in the budget, only transactions over \$750,000 will require individual approval. Unbudgeted transactions would require separate approval. This change in procedure will reduce the number of individual contracts the Board must approve to an appropriate level and will increase the time available in Board meetings for substantive policy discussions.

Budget Information:

The Resolution will not have any impact on the budget.

Recommendation:


It is recommended that the Board approve the attached Resolution regarding Duties of the CEO/Manager.

Approvals:



Patricia Wells
General Counsel

Respectfully submitted,



James S. Lochhead
CEO/Manager