

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

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

**Wednesday, February 27, 2019**

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**Open Session**

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, February 27, 2019, beginning at 9:00 a.m. in the Board Room, Room 309, 1600 West 12<sup>th</sup> Avenue, Denver, Colorado. Members of the Board present during the Regular Meeting were:

**Paula Herzmark, President**  
**Gregory Austin, Vice President**  
**Craig Jones, Vice President**  
**Gary Reiff, Vice President**

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

J. Lochhead, CEO/Manager	A. Joseph, Attorney
J. Anderson, Chief of Staff	J. Lorton, Accounting Manager
A. Bricmont, Chief Financial Officer	J. Martin, Project Engineer
J. Brody, General Counsel	C. Mbakogu, Division Sr. Analyst
G. Cagle, Chief Human Resources Officer	P. McCormick, Project Engineer
C. Dermody, Chief Information Officer	A. Menefee, Community Relations Sr. Specialist
B. Good, Chief Administrative Services Officer	A. Rettig, Finance Supervisor
M. King, Chief External Affairs Officer	K. Riegle, Attorney
R. Mahoney, Chief Engineering Officer	L. Schulz, Customer Relations Manager
T. Roode, Chief Operations and Maintenance Officer	U. Sharma, Treasurer
S. Abram, Budget Manager	S. Snyder, Communication Sr. Specialist

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

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



S. Adamkovics, Finance Sr. Analyst	H. Stauffer, Community Relations Specialist
A. Antolovich, Engineering Manager	M. Trubee, Public Affairs Manager
M. Aragon, Director Customer Relations	J. Adams, Trammell Crow
J. Barbier, Engineer Sr.	C. Barsch
K. Bates, Attorney	A. Browning, Callan
D. Bennett, Director Water Resource Strategy	J. Crockett, Jacobs
J. Bogner, Finance Analyst	N. Cudahy, Green Mountain Water and Sanitation District
D. Brancio, Water Treatment Plant Supervisor	A. DeSilva, WateReuse Colorado
K. Burgess, Director HR – Total Rewards	S. Espinoza, Stantec
S. Chesney, Director Public Affairs	L. Ferguson, Trammell Crow
A. Chotiner, Business Operations Manager	S. Holman, UBS
U. Daly, Finance Analyst	R. Kahn, UBS
M. Decker, Contract Specialist	D. Kuntz, Mortenson
K. Dudas, Public Affairs Manager	C. Lane, Platte Canyon Water and Sanitation District
Y. Her, Procurement Manager	W. Mosher, Trammell Crow
D. Higham, Planner Sr.	L. Suer, Jacobs
M. Iverson, Business Operations Manager	R. Witt, Stantec

## INTRODUCTORY BUSINESS

Commissioner Herzmark called the meeting to order at 9:22 a.m. Upon motion regularly made, seconded and unanimously carried, Commissioner Lucero was found to be absent for good cause and was excused.

### **Public Comment and Communications**

Commissioner Herzmark issued an invitation to members of the public to comment to the Board on any matters not included in the Agenda for the meeting. There was no response.

### **Introductions, Awards, and Ceremonies**

Ms. Antolovich introduced Ms. DaSilva, former president of WateReuse Colorado and Denver Water employees involved in the water reuse program: Ms. Dudas, Mr. Higham, Mr. Brancio, Ms. Chesney and Ms. Stauffer. Each year the national

WaterReuse Association presents an award to a local chapter in recognition for its advocacy achievements. WaterReuse Colorado received the award in 2018, and Ms. DaSilva thanked Denver Water for its leadership, partnership and support toward expanding knowledge of water reuse throughout the state, and its efforts toward modifying Regulation 84 and on the Pure Water Colorado project. Commissioner Herzmark thanked WaterReuse Colorado and the Denver Water team for their efforts.

### **Legislative Update**

Ms. Stauffer was available to answer any questions regarding the Legislative Update Briefing Paper. The Board had no questions.

### **ACTION ITEMS**

Upon motion regularly made, seconded and unanimously carried by the Commissioners then present, unless otherwise noted, the Board acted upon the following agenda items:

**1. ITEM II-A-1: FIRST AMENDMENT FOR FEDERAL, STATE AND LOCAL GOVERNMENT OUTREACH – CONTRACT 501310**

Approved the First Amendment to Contract 501310 with Squire Patton Boggs, LLP for consulting services related to government relations and political policy strategies. The Amendment extends the contract period through May 31, 2021 and adds \$132,000, for a total amended contract amount not to exceed \$336,000.

**2. ITEM II-A-2: FIFTH AMENDMENT TO CONTRACT WITH ESRI FOR EXTENSION OF ENTERPRISE LICENSE AGREEMENT (ELA) – CONTRACT 500484**

Approved the Fifth Amendment to Contract 500484 with Environmental Systems Research Institute, Inc. for geospatial mapping and analytics software and tools. The Amendment extends the contract period through March 9, 2022 and adds \$504,000, for a total amended contract amount not to exceed \$1,721,900.

**3. ITEM II-A-3: DESIGN OF THE RANCH CREEK CANAL IMPROVEMENTS, PHASE 2 – CONTRACT 503894**

Approved Contract 503894 with HDR Engineering, Inc. for design of the Ranch Creek Canal Improvements, Phase 2, for the contract period of February 27,

February 27, 2019

2019 through December 31, 2020, for a total contract amount not to exceed \$579,300.

**4. ITEM II-A-4: MOFFAT TUNNEL COLLECTION SYSTEM VASQUEZ-ST. LOUIS COLLECTION CONDUIT SIPHON NO. 1 PHASE III – FRASER RIVER CROSSING – CONTRACT 503249**

Approved Contract 503249 with Ames Construction, Inc. for construction of the Moffat Tunnel Collection System, Vasquez-St. Louis Collection, Conduit Siphon No. 1 Phase III – Fraser River Crossing project for the contract period of February 27, 2019 through December 1, 2019, for a total contract amount not to exceed \$3,944,200.

**5. ITEM II-A-5: FOURTH AND FIFTH AMENDMENTS FOR GROSS RESERVOIR EXPANSION PROJECT DESIGN ENGINEER – CONTRACT 503074**

Approved the Fourth Amendment and Fifth Amendment to Contract 503074. The Fourth Amendment adds \$260,000 and the Fifth Amendment adds \$200,000, for a total amended contract amount not to exceed \$13,999,522.

**6. ITEM II-A-6: TREE REMOVAL PLAN GROSS RESERVOIR EXPANSION PROJECT CONTRACT – 503863**

Approved Contract 503863 with Tetra Tech, Inc. for development of the Tree Removal Plan for the Gross Reservoir Expansion Project for the contract period of February 27, 2019 through December 31, 2019, for a total contract amount not to exceed \$319,157.

**7. ITEM II-A-7: REVISIONS TO OPERATING RULES**

Approved revisions to Denver Water’s Operating Rules, to remove Rules 2.02.4 (a) and (b), 2.05.4, 2.07.5, 3.03, 5.02.3 and to make other nonsubstantive and conforming amendments. A copy of the revised Operating Rules is attached to and incorporated in these Minutes as Exhibit A.

**8. ITEM II-B-1: REIMBURSEMENT RESOLUTION FOR TAX-EXEMPT DEBT**

Adopted a Resolution declaring the Board’s intent to reimburse cash reserve

expenditures from the proceeds of one or more series of bonds, in an expected maximum aggregate principal amount of \$835 million. A copy of the Resolution is attached to and incorporated in these Minutes as Exhibit B.

**9. ITEM II-B-2: OPERATIONS COMPLEX REDEVELOPMENT  
PHOTOVOLTAIC INSTALLATION – CONTRACT 503911 AND OCR UPDATE**

Approved Contract 503911 with Namaste Solar for the procurement and installation of photovoltaics for the OCR Project for the contract period of February 27, 2019 through December 31, 2019, for a total contract amount of \$2,634,997. This Contract will require a corresponding increase to the OCR Project budget, for a total Project budget amount not to exceed \$204,530,173.

Ms. Adams explained that this Contract will enable Denver Water to meet one of its OCR Project goals: to achieve net-zero energy consumption. The cost for this Contract will be recovered over a 17-year period, assuming a 4.25% interest rate and contracting with the vendor to provide maintenance services.

Mr. Ferguson presented the Board with an OCR Update, a copy of which is attached to and incorporated in these Minutes as Exhibit C. He noted that Mortenson has published a revised target completion date for the Administration Building due to excessive weather events, delays associated with the wastewater recycle treatment tank and close-out of the parking garage and Wellness Building.

**10. ITEM II-B-3: NTP UPDATE**

**A. ALLOCATION OF ADDITIONAL OWNER CONTINGENCY EARLY  
WORK PACKAGE GMP 2B FOR NORTHWATER TREATMENT PLANT  
– CONTRACT 503448**

Approved the Sixth Amendment to Contract 503448 with Kiewit Infrastructure Co. to add additional Owner Contingency funds. The Amendment adds \$851,937.55, for a total contract amount of \$11,113,592.18.

Mr. McCormick explained that the additional funds are necessary due to weather delays, differing site conditions and owner-directed changes.

**B. ACCESS – IMPROVEMENTS TO HIGHWAY 93 WORK PACKAGE BMP  
2C FOR NORTHWATER TREATMENT PLANT – CONTRACT 503838**

Approved Contract 503838 with Kiewit Infrastructure Co. for Access Road GMP 2C for the Northwater Treatment Plant Project for the contract period of February 27, 2019 through September 24, 2019, for a total contract amount not to exceed \$2,173,219.11.

The Board received a Northwater Treatment Plant Project Update, a copy of which is attached to and incorporated in these Minutes as Exhibit D. Mr. McCormick noted that the project is on track with its schedule and budget, with 90% design anticipated in June. MWBE participation exceeds the 8% goal. Denver Water has received a notice to proceed and permits from CDOT to make the improvements to Highway 93.

**POLICY MATTERS****11. ITEM III-A: 2018 YEAR-IN-REVIEW**

The Board received a 2018 Year-In-Review Report, a copy of which is attached to and incorporated in these Minutes as Exhibit E. Mr. Lochhead expressed appreciation to all Denver Water employees for their efforts and achievements and pride in presenting the Report to the Board.

Each Division Chief remarked briefly upon his or her respective portions of the Balanced Scorecard and 2018 Work Plan.

Commissioner Austin commended the CEO/Manager and Executive Staff for their many accomplishments. Commissioner Herzmark remarked that this is the most recent of several years of very impressive accomplishments and recognized that everyone at all levels of the organization endured many organizational changes in the process. As difficult as it may be to adapt to changes, this organization has done so in an excellent manner, she said, and asked that the Board's deep appreciation be shared with employees. Commissioners Jones and Reiff reiterated appreciation and remarked on the high degree of transparency they have observed during their year of service.

## EXECUTIVE UPDATE

### 12.ITEM IV-A: CEO REPORT

Mr. Lochhead reported that Governor Polis has appointed Ms. Brody to be the representative for the City and County of Denver on the Colorado Water Conservation Board.

He also reported that negotiations continue regarding a drought management program for the Upper and Lower Basin states, as the March 19, 2019 deadline for submitting either an agreement or comments to the Department of Interior approaches.

## BRIEFING PAPERS & REPORTS

### 13.ITEM V-A-1: LEGISLATIVE UPDATE

The Board received a Legislative Update, which is attached to and incorporated in these Minutes as Exhibit F.

## ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into a Trustee/Plan Sponsor Meeting at approximately 10:35 a.m.

## Trustee Meeting

The Board of Water Commissioners, serving in their capacity as Trustees of the Employees' Retirement Plan Trust Fund and as Sponsor of the Supplemental Retirement Savings Plan of the Board of Water Commissioners of the City and County of Denver, met on Wednesday, February 27, 2019, commencing at 10:35 a.m., in the Board Room, Room 309, 1600 West 12th Avenue, Denver, Colorado. The Minutes of the Trustee Meeting are maintained separately. The Trustee Meeting concluded at 10:56 a.m., at which time the Board voted unanimously to adjourn into Executive Session.

DocuSigned by:



Secretary

DocuSigned by:



President