

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

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

Wednesday, April 24, 2019

Open Session

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, April 24, 2019, beginning at 9:00 a.m. in the Board Room, Room 309, 1600 West 12th Avenue, Denver, Colorado. Members of the Board present during the Regular Meeting were:

Paula Herzmark, President
H. Gregory Austin, Vice President
Gary Reiff, Vice President

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

J.S. Lochhead, CEO/Manager	M. Iverson, Business Operations Manager
J.A. Anderson, Chief of Staff	J. Martin, Project Engineer
A.C. Bricmont, Chief Financial Officer	C. Mbakogu, Division Sr. Analyst
J. Brody, General Counsel	P. McCormick, Project Engineer
G. Cagle, Chief Human Resources Officer	C. Piper, Government Relations Manager
C.R. Dermody, Chief Information Officer	B. Ransom, Recreation Manager
B.D. Good, Chief Administrative Services Officer	K. Riegle, Attorney
M. King, Chief External Affairs Officer	J. Ross, Engineer Sr.
R. Mahoney, Chief Engineering Officer	J. Seagren, Distribution Relations Manager
T.J. Roode, Chief Operations and Maintenance Officer	U. Sharma, Treasurer
A. Andrews, Finance Sr. Analyst	R. Stitt, Engineer
M. Barela, Finance Supervisor	M. Trubee, Public Affairs Manager

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

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



K. Bates, Attorney
G. Booth, Real Estate Manager
D. Brinker, Engineering Manager
S. Chesney, Director Public Affairs
U. Daley, Finance Sr. Analyst
C. Dick, Engineer
E. Gleason, Engineer Sr.

A. Turney, Director Engineering -
Property
J. Adams, Trammell Crow
J. Crockett, Jacobs
L. Ferguson, Trammell Crow
L. Suer, Jacobs
W. Mosher, Trammell Crow

INTRODUCTORY BUSINESS

Commissioner Herzmark called the meeting to order at 9:10 a.m. Upon motion regularly made, seconded and unanimously carried, Commissioners Lucero and Jones were found to be absent for good cause and were 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 public comment.

Legislative Update

Mr. Piper was available for questions concerning the Legislative Update Briefing Paper. The Board had no questions. Mr. Piper mentioned that HB 19-1327, which would authorize a ballot measure regarding whether taxes collected on the net proceeds of sports betting could be used to pay for some of the cost to implement the state water plan, has passed the House Finance and Appropriation Committees. Denver Water is a member of the coalition of water providers and conservation organizations supporting the measure, although there are concerns that the tax would be subject to TABOR and that it would provide only a fraction of the funds necessary for the implementation efforts.

Mr. Piper also referenced SB 19-188, which would create a family and medical leave insurance program. It is under review by the senate.

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: FOURTH AMENDMENT FOR ANNUAL SOFTWARE SUBSCRIPTION AND SUPPORT FOR IBM COGNOS BUSINESS INTELLIGENCE SOFTWARE – CONTRACT 500683

Approved the Fourth Amendment to Contract 500683 with Insight Public Sector, Inc. for annual subscription and support of IBM Cognos Business Intelligence. The Amendment extends the contract period through April 30, 2020 and adds \$138,916.25, for a total amended contract amount not to exceed \$767,921.64.

2. ITEM II-A-2: INTERGOVERNMENTAL AGREEMENT WITH SOUTH SUBURBAN PARKS AND RECREATION DISTRICT CONCERNING THE FARNELL LANE WELLS AND NEVADA DITCH – CONTRACT 503980

Approved Contract 503980 with South Suburban Parks and Recreation District to convey the Board's interest in the Farnell Lane Wells and to receive South Suburban Park and Recreation District's interest in the Nevada Ditch. The total amount of this Contract is \$425,000 for construction and replacement of the well and appurtenant facilities.

3. ITEM II-A-3: SECOND AMENDMENT WITH BOULDER COUNTY SHERIFF'S OFFICE FOR PATROLS AT GROSS RESERVOIR – CONTRACT 501315

Approved the Second Amendment to Contract 501315 with the Boulder County Sheriff's Office for patrols at Gross Reservoir. The Amendment extends the contract period through March 31, 2020 and adds \$88,309.23.

4. ITEM II-B-1: FIRST AMENDED WATER SERVICE AGREEMENT (MASTER METER, TOTAL SERVICE AND TOTAL SERVICE IMPROVEMENT) WITH ALAMEDA WATER AND SANITATION DISTRICT – INTERGOVERNMENTAL AGREEMENT 500614

Approved the First Amendment to Contract 500614 with Alameda Water and Sanitation District, by which Denver Water will take over operation of the Read and Bill portion of the District's distribution system, and the facilities and related property interests on May 1, 2019. While Denver Water will operate the system,

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the District will construct the necessary upgrades and acquire the needed property interests identified in the agreement and convey them to Denver Water as completed. If the District fails to complete the upgrades within five years, Denver Water will finish construction and recover its costs by applying a surcharge to the customers in the District's Total Service Improvement area. This Amendment does not modify service to current Master Meter or Total Service areas within the District.

5. ITEM II-B-2: RESOLUTION AUTHORIZING ACQUISITION OF PROPERTY VIA EMINENT DOMAIN FOR THE GROSS RESERVOIR PROJECT

Approved a Resolution authorizing the Office of General Counsel and staff of the Distribution and Property sections of the Board's Engineering Division to pursue negotiations with owners of property in Boulder County specifically for necessary easements for improvements to Gross Dam Road. A copy of the Resolution is attached to and incorporated in these Minutes as Exhibit A. A copy of the easement map is attached to and incorporated in these Minutes as Exhibit B.

6. ITEM II-B-3: FIRST AMENDMENT FOR RALSTON DAM PRIMARY SPILLWAY MODIFICATION PROJECT – CONTRACT 503731

Approved the First Amendment to Contract 503731 with AECOM for the design of the Ralston Spillway Modification. The Amendment adds \$29,242, for a total amended contract amount not to exceed \$316,982.

Ms. Gleason explained Denver Water takes a holistic approach to evaluating the safety of its dam inventory, which includes bringing non-FERC facilities to the level of the Board's FERC-regulated facilities; performing potential failure mode analyses (PFMA); developing data books, public safety plans and dam monitoring plans; and prioritizing dam work by risk.

She provided the Board with a presentation about the primary spillway analysis and planned modification for Ralston Dam, a copy of which is attached to and incorporated in these Minutes as Exhibit C. Ralston Dam was originally designed and constructed to standards in place in 1936 and did not include items such as concrete reinforcing, waterstop at joint, or a robust underdrain system found in current spillway designs. There have been several repairs to the spillway since original construction. Recent required maintenance and incidents at other dams, such as Oroville, and potential design deficiencies prompted Denver Water staff

to analyze the spillway for safety and structural integrity. As a result, Denver Water has decided to replace critical portions of the spillway chute to meet modern standards.

7. ITEM II-B-4: MASS EXCAVATION, DEMOLITION, UNDERSLAB PIPE INSTALL – FLOC/SED AND FILTERS WORK PACKAGE GMP 4A FOR NORTHWATER TREATMENT PLANT – CONTRACT 503839

Approved Contract 503839 with Kiewit Infrastructure Co. for mass excavation, demolition and installation of underslab filters/floc-sed piping (GMP 4A) for the Northwater Treatment Plant project, for the contract period of April 24, 2019 through April 30, 2020, for a total contract amount not to exceed \$11,724,062.62.

Mr. McCormick presented the Board with a project update and information regarding the Fifth Amendment, a copy of which is attached to and incorporated in these Minutes as Exhibit D. He noted that the project has experienced a four-to-eight week delay due to the discovery of unknown site conditions and the team is working to mitigate this delay. The project is on budget, with 30% of the total project contracted, 90% of design in progress and MWBE construction participation exceeding the 8% goal.

POLICY MATTERS

8. ITEM III-A: OCR UPDATE

Mr. Ferguson presented the Board with an OCR Update, a copy of which is attached to and incorporated in these Minutes as Exhibit E. He noted that the Temporary Certificate of Occupancy for the Wellness Building was received April 2, 2019, and that interior demolition and abatement is underway for the Three Stone Building. Interior work and glazing continues in the Administration Building. The budget reforecast shows a reduction of overall cost to \$203.8 million, assuming a 3% contingency spend and complete spend on remaining allocated contingency for environmental remediation. Awarded design MWBE for design exceeds the goal at 15.3% and for construction exceeds the goal at 23.9%. Commissioner Herzmark noted that it is exciting to see the new Administration Building, and to know that it will make a real contribution to enhance the surrounding area for neighbors and the public.

EXECUTIVE UPDATE

9. ITEM IV-A: CEO REPORT

Mr. Lochhead shared an update on the Colorado River Drought Contingency Plan (DCP). He stated that it has been approved by Congress and signed by President Trump. It now must be signed by the Department of the Interior and the seven basin states. In the Congressional approval process, the issue of compliance with federal environmental laws became an issue, and the authorization references that. Several Senators engaged in a colloquy to the effect that no additional environmental compliance is necessary beyond that undertaken with respect to the 2007 Guidelines and environmental compliance for upper basin reservoirs. This reflects the position of the Department of the Interior. Mr. Lochhead said that the Imperial Irrigation District (IID) declined to join the DCP because federal funding to remediate the Salton Sea was not included, and the Metropolitan Water District of Southern California undertook IID's obligation. Subsequently, the IID has filed a lawsuit to subject the DCP to compliance under California environmental law.

BRIEFING PAPERS & REPORTS

10. ITEM V-A-1: LEGISLATIVE UPDATE

The Board received a Legislative Update Briefing Paper, a copy of 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 Meeting at approximately 10:20 a.m.

Trustee Meeting


The Board of Water Commissioners, serving in their capacity as Trustees of the Employees' Retirement Plan Trust met on Wednesday, April 24, 2019, commencing at 10:20 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 10:30 a.m., at which time the Board voted unanimously to adjourn into Executive Session.

DocuSigned by:



Secretary

DocuSigned by:



President