

**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, June 26, 2019**

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**Open Session**

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, June 26, 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**  
**John R. Lucero, First Vice President**  
**Craig Jones, Vice President**  
**Gary Reiff, Vice President**

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

J.S. Lochhead, CEO/Manager	A. Lainis, Intern
J.A. Anderson, Chief of Staff	J. Lorton, Accounting Manager
A.C. Bricmont, Chief Financial Officer	M. McDonald, Intern
J. Brody, General Counsel	J. Mitchell, Finance Supervisor
G. Cagle, Chief Human Resources Officer	J. Nolte, GIS Manager
C.R. Dermody, Chief Information Officer	K. Oligney, Director IT Infrastructure
J. Taussig, <i>Acting</i> Chief Administrative Officer	K. Riegle, Attorney
M. King, Chief External Affairs Officer	U. Sharma, Treasurer
R. Mahoney, Chief Engineering Officer	D. Walsh, Engineer Sr.
T.J. Roode, Chief Operations and Maintenance Officer	M. Warren, Intern
J. Bogner, Finance Analyst	J. Adams, Trammell Crow
	J. Crockett, Jacobs
	N. Cudahy, Green Mountain Water and Sanitation District

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

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



G. Bolt, Engineer Associate	L. Ferguson, Trammell Crow
K. Burgess, Director HR – Total Rewards	D. Kuntz, Mortenson
S. Chesney, Director Public Affairs	C. Lane, Platte Canyon Water and Sanitation District
U. Daly, Finance Sr. Analyst	M. Moreau, Gallagher
P. Daukas, Planning Manager	J. Pelegrin, North Fork Volunteer Fire Department
F. Davis, Rates Manager	L. Suer, Jacobs
L. Dennis, Engineer	
J. Ferguson, GIS Lead	
A. Hill, Attorney	

## INTRODUCTORY BUSINESS

Commissioner Herzmark called the meeting to order at 9:22 a.m. Upon motion regularly made, seconded and unanimously carried, Commissioner Austin 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 public comment.

## 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: VAULT MODIFICATIONS 2019 – 2020 – CONTRACT 503689**

Approved Contract 503689 with Aslan Construction, Inc. for the 2019-2020 Vault Modifications project for the contract period of June 26, 2019 to June 1, 2020, for a total contract amount not to exceed \$1,981,772.

**2. ITEM II-A-2: THIRD AMENDMENT FOR CHEMICAL FEED SYSTEMS DESIGN FOR MARSTON AND MOFFAT TREATMENT PLANTS – CONTRACT 503012**

Approved the Third Amendment to Contract 503012 with Brown and Caldwell for

services during construction of the Chemical Feed Systems for the Marston and Moffat Treatment Plants. The Amendment extends the contract period through June 30, 2020 and adds \$255,604, for a total amended contract amount not to exceed \$1,690,823.30.

**3. ITEM II-A-3: FIRST AMENDMENT FOR LEAD REDUCTION PROGRAM – CONTRACT 504012**

Approved the First Amendment to Contract 504012 with Mott MacDonald, LLC for program management services for Phase I of Denver Water's Lead Reduction Program. The Amendment adds \$1,197,000, for a total amended contract amount not to exceed \$1,497,000.

**4. ITEM II-A-4: APPROVAL OF 2020 MEDICAL, DENTAL AND VISION RATES FOR EMPLOYEES AND RETIREES**

Approved the 2020 Medical, Dental and Vision contribution rates for employees and retirees. A copy of the rate document is attached to and incorporated in these Minutes as Exhibit A.

**5. ITEM II-B-1: THE U.S. FOREST SERVICE 2019 COLLECTION AGREEMENT FORM FORESTS TO FAUCETS PARTNERSHIP – CONTRACT 504063**

Approved Contract 504063 with the U.S. Forest Service for forest health and wildfire risk reduction for the contract period of June 26, 2019 to June 26, 2024, for a total contract amount not to exceed \$1,949,084.

Ms. Burri showed the Board information about Denver Water's Watershed Protection and Management program and its From Forest to Faucets program. This information is located on [www.denverwater.org](http://www.denverwater.org).

Commissioner Herzmark stated that the Board is very proud of this effort and Mr. Lochhead remarked that the U.S. Forest Service is pleased with the program as well.

**POLICY MATTERS**

**6. 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 B. He noted that the Administration Building enclosure is substantially complete, furniture will be installed in August and September, and employees will begin to move to the new Administration Building in September and October. The schedule for modifying the Three Stone building is under review, due to delays associated with basement soils remediation.

Ms. Adams discussed that potential future risks to the project budget and/or schedule include environmental and unforeseen site conditions, installation of the wastewater recycling system and inspections by third parties.

#### **7. ITEM III-B: NORTHWATER TREATMENT PLANT UPDATE**

Mr. McCormick presented the Board with a Northwater Treatment Plant Update, a copy of which is attached to and incorporated in these Minutes as Exhibit C. He noted that the project is operating at approximately \$4 million below budget and with MWBE participation exceeding the goals. He discussed certain risks associated with the GMP-2B, including scheduling delays. These risks could be mitigated by accelerating certain negotiated scopes of work to maintain productivity, reduce impacts of delays and reduce escalation of costs.

### **EXECUTIVE UPDATE**

#### **8. ITEM IV-A: CEO REPORT**

Mr. Lochhead recognized the achievements and announced the upcoming retirements of Chris Dermody, Chief IT Officer and Gail Cagle, Chief Human Resource Officer. He remarked that Mr. Dermody has led Denver Water's IT Division through 20 years of projects, initiatives and enormous contributions to Denver Water, including development of the alternate data center, disaster recovery, Kronos, mobile platform, e-bill, OCR and Northwater Treatment Plant, as well as embracing the Grant Thornton recommendations and helping Denver Water evolve with the ever-changing IT environment.

Mr. Lochhead also recognized Ms. Cagle's efforts to transform Human Resources into a strategic organizational partner and her leadership through important projects such as outsourcing the administration of the retirement and benefit plans, developing new training, recruiting, wellness and career

development programs, and conducting comprehensive analyses of Denver Water's compensation system.

The Board thanked Mr. Dermody and Ms. Cagle for their leadership throughout the years.

In light of these retirements, leadership has reevaluated Denver Water's organizational structure and decided that IT and the Clinic will report to the Chief Administrative Officer and that Human Resources, aside from the Clinic, will report to the Chief of Staff.

## 9. ITEM IV-B: CFO REPORT

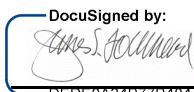
The Board received a monthly financial report dated May 31, 2019, a copy of which is attached to and incorporated in these Minutes as Exhibit D.

## ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into a Trustee Meeting/Plan Sponsor Meeting at approximately 10:23 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, June 26, 2019, commencing at 10:23 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/Plan Sponsor Meeting concluded at 10:27 a.m., at which time the Board voted unanimously to adjourn into Executive Session.

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Secretary

DocuSigned by:  
  
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President

June 26, 2019

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