

**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, First Floor

**Wednesday, January 22, 2020**

---

**Open Session**

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, January 22, 2020, beginning at 9:00 a.m. in the Board Room, Room 106, 1600 West 12<sup>th</sup> Avenue, Denver, Colorado. Members of the Board present during the Regular Meeting were:

**H. Gregory Austin, President**  
**Gary M. Reiff, First Vice President**  
**Paula Herzmark, Vice President**  
**John R. Lucero, Vice President**

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

J.S. Lochhead, CEO/Manager	B. Maulis, Contract Specialist
J.A. Anderson, Chief of Staff	C. Mbakogu, Division Sr. Analyst
A.C. Bricmont, Chief Financial Officer	P. McCormick, Project Engineer
J. Brody, General Counsel	H. Miller, Internal Controls Manager
D. Gorgemans, Chief Internal Auditor	L. Morales, Community Relations Sr. Specialist
M. King, Chief External Affairs Officer	K. Oligney, Director IT Infrastructure
R. Mahoney, Chief Engineering Officer	C. Piper, Government Relations Manager
V. Roberts, <i>Acting</i> Chief Administrative Officer	R. Porter, Legal Assistant
T.J. Roode, Chief Operations and Maintenance Officer	D. Raitt, Engineering Manager
R. Badger, Planning Manager	K. Riegle, Attorney
J. Bandy, Planning Manager	J. Ross, Directory Engineering Projects
K. Bates, Attorney	U. Sharma, Treasurer
K. Burgess, Director Human Resources	J. Whittler, Attorney

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

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



C. Bramon, Procurement Manager  
 A. Cavallaro, Paralegal  
 J. Daly, Finance Sr. Analyst  
 M. Decker, Contract Specialist  
 F. Davis, Rates Manager  
 N. Elder, Planning Manager  
 J. Finehout, Community Relations Sr. Specialist  
 M. Garfield, Customer Relations Manager  
 J. Martin, Project Engineer

J. Adams, Trammell Crow  
 J. Crockett, Jacobs  
 A. Edelstein, University of Denver  
 L. Ferguson, Trammell Crow  
 C. Lane, Platte Canyon Water and Sanitation District  
 B. Mosher, Trammell Crow  
 J. Pelegrin, North Fork Fire Protection District  
 L. Suer, Jacobs  
 G. Zamensky, Black & Veatch

## INTRODUCTORY BUSINESS

Commissioner Austin called the meeting to order at 9:09 a.m. Upon motion regularly made, seconded and unanimously carried, Commissioner Jones was found to be absent for good cause and was excused.

### Public Comment and Communications

Commissioner Austin 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 noted that the legislative session has just begun, and he referred the Board to the Legislative Update Briefing Paper for an overview of anticipated legislation for the 2020 Legislative Session. He also introduced Lauren Morales who will be working on State and local government affairs.

## 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: SECOND AMENDMENT FOR CABLING SERVICES – CONTRACT 503724**

Approved the Second Amendment to Contract 503724 with National Networks

Services to provide materials and labor for network cabling projects for an additional \$250,000 for a total amended contract amount not to exceed \$534,000.

**2. ITEM II-A-2: COOPERATIVE STREAM GAUGING PROGRAM WITH THE U.S. GEOLOGICAL SURVEY – CONTRACT 504275**

Approved Contract 504275 with the U.S. Geological Survey for operation and maintenance of 30 gauging stations for the contract period from January 1, 2020 to December 31, 2020.

**3. ITEM II-A-3: SUMMIT COUNTY RECYCLE TRANSFER STATION – CONTRACT 504281**

Approved Contract 504281 with Summit County to locate a county recycle transfer station on Denver Water property. The contract period is for ten years, from February 1, 2020 to January 31, 2029.

**4. ITEM II-B-1: NTP UPDATE**

Mr. McCormick presented the Board with a Northwater Treatment Plant (NTP) update, a copy of which is attached to and incorporated in these Minutes as Exhibit A. He reported that the NTP budget for design will not change for the remainder of the project and that good progress has been made on construction, which is expected to be done on time. There are no adjustments to the Estimate at Completion (EAC) this month and little change in contingency spending. MWBE participation continues to meet construction goals per the revised target established at the January 8, 2020 Board meeting.

Mr. McCormick presented three GMPs in support of advancing the NTP project, which will be executed on schedule and \$8 million under budget. GMP 4C is needed for the remaining site excavation, structural and site backfill, yard pipe, which interconnects everything underground, structural concrete, as well as support for all remaining work packages. GMP 5A is needed for construction of two 10 million-gallon clearwells for underground water storage. GMP 5B includes procurement, installation, and vendor support services for all interior piping and equipment throughout the NTP facilities. This GMP will be executed over four years with subcontractor involvement.

Approved Contract 504059 (GMP 4C) with Kiewit Infrastructure Co. to execute the Yard Pipe, Structures Concrete, Excavation, Site Backfill – All Remaining Work Package for the contract period from January 22, 2020 to May 31, 2023 for a total not to exceed \$80,968.99, including owner contingency.

Approved Contract 504227 (GMP 5A) with Kiewit Infrastructure Co. to execute the Clearwells Work Package for the contract period from January 22, 2020 to January 26, 2023 for a total not to exceed \$20,616,713.87, including owner contingency.

Approved Contract 504228 (GMP 5B) with Kiewit Infrastructure Co. to execute the Process Piping and Mechanical Equipment – Site Wide Work Package for the contract period from January 22, 2020 to November 22, 2022 for a total not to exceed \$44,925,691.50, including owner contingency.

**5. ITEM II-B-2: ADOPTION OF RESOLUTION REGARDING THE BOARD'S LEAD SERVICE LINE REIMBURSEMENT POLICY**

Mr. Lochhead presented the Board with a proposed Resolution Regarding the Board's Lead Service Line (LSL) Reimbursement Policy, a copy of which is attached to and incorporated in these Minutes as Exhibit B. He reported that this resolution reflects discussions with the Board over the last few meetings as to whether and how to reimburse customers who elect to remove their own LSLs in advance of Denver Water's LSL removal schedule. This resolution directs staff to add \$2.2 million to the amended budget to fund a pilot program for 2020 that would reimburse customers \$3800 for voluntary lead line removals. Staff will evaluate customer demand for this reimbursement option in 2020 and report back so the Board can decide whether to continue the reimbursement program and, if so, whether to make any adjustments in future years.

Prior to voting on the Resolution, the Board approved an amendment to the Resolution striking the word "partnered" in paragraph 6 and replacing it with the word "worked" as it relates to Denver Water's work with distributors as part of the Lead Reduction Program. The Board then adopted the amended Resolution Regarding the Board's Lead Service Line Reimbursement Policy.

## POLICY MATTERS

### 6. ITEM III-A: OCR UPDATE

Mr. Ross presented the Board with an OCR update, a copy of which is attached to and incorporated in these Minutes as Exhibit C.

Mr. Ferguson reported that abatement on the old Administration Building was completed last month. However, because the City and County of Denver Community Planning and Development Department has determined there is the potential for landmark status under the Denver Revised Municipal Code, demolition of the building is on a 21-day hold and tentatively scheduled for February 1, 2020. Demolition will take approximately four months. Continued renovation at Three Stone includes new exterior windows and floor slab. Most remediation and demolition work have been completed.

The budget for work package 6, which includes demolition of the old Administration Building, is 90% complete with overall construction at 96% complete. There have been two approved change orders since the last update. Of the unallocated contingency spent to date, 54% has gone towards environmental remediation and unforeseen site conditions. There is a projected budget surplus as reflected in the re-forecasted budget.

Ms. Adams reported on the forecasted risks, which have been updated and include: 1) Three Stone renovation and demolition of the existing Administration Building; 2) specialized commissioning requirements for the Water Recycling System (WRS); and 3) unallocated contingency impacts. In addition, structural repairs are being made to the ceiling at Three Stone and an HVAC unit is being installed in the basement. The water recycling system has been completed and should be functioning later this year. MWBE construction goals are currently exceeding target value by \$11 million. All solar photovoltaic equipment has been installed and should be functioning in the next month. Artwork will be installed outside the Board Room in July and a local artist is working with staff on another art piece. Going forward, briefings on progress will continue with a bi-monthly schedule through project completion.

### 7. ITEM III-B: DROUGHT AND WATER SHORTAGE RESPONSE

Mr. Finehout presented the Board with proposed changes to the Drought and Water Shortage Response rules, a copy of which is attached to and incorporated

in these Minutes as Exhibit D. He reported that past updates were written during times of drought-induced water shortages. However, due to evolving environmental changes, staff has proposed updates to Chapter 15 of the Denver Water Operating Rules, which incorporate lessons learned from past water shortages and provide the Board increased flexibility in adopting water shortage response actions. This flexibility will also maintain the health and safety of customers and the public.

He noted some key points: 1) changed reference to drought and replaced with water shortage to provide more flexibility; 2) identified various water shortage indicators for consideration by the Board when adopting a response; 3) identified the Board's express authority to respond to projected water shortages; and 4) clarified the flexibility of staff to consider various factors when applying restrictions or granting exemptions.

## EXECUTIVE UPDATE

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

Mr. Lochhead reported that Denver City Council is considering whether there is a better alternative to the proposed carbon tax to deal with climate change. Denver Water is monitoring developments and working with City Council to provide technical input as appropriate, as this effort could have an impact on water systems.

## BRIEFING PAPERS & REPORTS

### 9. ITEM V-A-1: UPDATE TO CHAPTER 15 OF THE DENVER WATER OPERATING RULES

The Board received a Briefing Paper on the proposed Update to Chapter 15 of the Denver Water Operating Rules, a copy of which is incorporated and attached to these Minutes as Exhibit E.

### 10. ITEM V-A-2: BRIEFING PAPER FOR LEGISLATIVE UPDATE

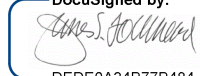
The Board received a Legislative Update Briefing Paper, a copy of which is incorporated and attached to these Minutes as Exhibit F.


## ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into a Trustee Meeting at approximately 9:49 a.m.

### Trustee/Plan Sponsor Meeting

The Board of Water Commissioners, serving in their capacity as Trustees of the Employees' Retirement Plan Trust Fund and Plan Sponsor of the Employees' Retirement Plan, 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, January 22, 2020, commencing at 9:50 a.m., in the Board Room, Room 106, 1600 West 12th Avenue, Denver, Colorado. The Minutes of the Trustee Meeting/Plan Sponsor are maintained separately. The Trustee/Plan Sponsor Meeting concluded at 9:52 a.m., at which time the Board voted unanimously to adjourn into Executive Session.

DocuSigned by:  
  
BEDE0A34B77D404...  
Secretary

DocuSigned by:  
  
44266A886905454...  
President