

**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, March 14, 2018

Open Session/Plan Sponsor Meeting

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, March 14, 2018, 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
John R. Lucero, First Vice President
H. Gregory Austin, Vice President
Gary M. Reiff, Vice President
Craig Jones, Vice President

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

J.A. Anderson, Chief of Staff
A.C. Bricmont, Chief Financial Officer
G. Cagle, Chief Human Resources Officer
C.R. Dermody, Chief Information Officer
B.D. Good, Chief Administrative Services Officer
M. King, Chief External Affairs Officer
J.S. Lochhead, CEO/Manager
R.J. Mahoney, Chief Engineering Officer
T.J. Roode, Chief Operations and Maintenance Officer
P.L. Wells, General Counsel
S. Abram,

J. Finehout, Community Relations Sr. Specialist
G. Fisher, Demand Planning Manager
R. Gonzales, Plan Review Sr. Coordinator
D. Hamm, Division Analyst
K. Knoll, Public Affairs Manager
A. Krcmarik, Planner
A. Joseph, Attorney
P. McCormick, Project Engineer
K. Petrik, Director Engineering - Construction
C. Piper, Government Relations Manager
N. Poncelet-Johnson, Director Water Quality – Treatment

A. Antolovich,	U. Sharma, Treasurer
M. Aragon,	J. Shaw, Community Relations Sr. Specialist
K. Bates, Attorney	S. Snyder, Communication Sr. Specialist
D. Bennett, Director Water Resource Strategy	J. Tejral, Public Affairs Manager
C. Burri, Environmental Lead Scientist	D. Winter, Director Organizational Improvement
A. Chavez, Contract Specialist	A. Witheridge, Environmental Sr. Scientist
S. Chesney, Public Affairs Manager	E. Barry, Gallagher
A. Chotiner, Business Operations Manager	B. Ferguson, Gallagher
E. Cinchock, Division Analyst	M. Cowan, Citizens' Advisory Committee
P. Coleman, Chief Internal Auditor	T. Crockett, Jacobs
F. Davis, Rates Manager	C. Lane, Platte Canyon Water & Sanitation District
L. Dennis, Engineer	M. Moreau, Gallagher
S. Dominick, Engineer Sr.	A. Stevens, Gallagher
N. Elder, Planning Manager	L. Suer, Jacobs
P. Ellsworth, Total Rewards Administrator	

INTRODUCTORY BUSINESS

Commissioner Herzmark called the meeting to order at 9:20 a.m.

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

Mr. Roode introduced Nicole Poncelet-Johnson, Denver Water's new Director of Water Quality and Treatment, remarking that she brings a vast amount of experience from working with municipal water utilities on both the operations and design aspects.

BRIEFING PAPERS & REPORTS

1. ITEM V-A-1: LEGISLATIVE UPDATE

Mr. Piper presented the Board with a Legislative Update Briefing Paper, a copy of which is attached to and incorporated in these Minutes as Exhibit A. With regard to SB 18-167, he explained that Denver Water is in discussion with the

Colorado Department of Public Health and Environment to develop language to amend the bill to require a human health risk assessment and to incorporate a stakeholder process. With regard to HB 18-1199, Ms. Wells explained that this legislation is not pertinent to Denver Water, as it pertains to storage in and recovery to aquifers in designated groundwater basins.

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:

2. ITEM II-A-1: MINUTES OF FEBRUARY 14, 2018

The Minutes of the Open Session Meeting of February 14, 2018 were approved.

The Minutes of the Executive Session of February 14, 2018 were approved.

3. ITEM II-A-2: MINUTES OF FEBRUARY 28, 2018

The Minutes of the Open Session Meeting of February 28, 2018 were approved.

The Minutes of the Executive Session of February 28, 2018 were approved.

4. ITEM II-A-3: FIRST AMENDMENT FOR BARRICADE RENTAL SERVICES – CONTRACT 501000

Approved the First Amendment to Contract 501000 with NPL Construction Company, d/b/a Northern Barricade, for barricade rental services. The Amendment adds \$800,000, for a total amended contract amount not to exceed \$2,800,000.

Mr. Roode explained that even though Operations & Maintenance typically engages in three-year contracts for commodities and services, it budgets annual amounts for the work, which tends to be less predictable on a three-year basis. Ideally, the budgeted and actual expense amounts will line up, but variables, such as the weather and timing of projects may cause variances.

Ms. Wells explained that changes to the amount of expenses associated with time and materials contracts can be for potentially positive or negative reasons. Staff agreed that the Board will be notified in the event that such contracts

require material variances, so that any policy issues may be explored.

5. ITEM II-A-4: MOFFAT COLLECTION SYSTEM JIM CREEK SIPHON REHABILITATION – CONTRACT 503052

Approved Contract 503052 with Western Summit Constructors, Inc. for the Moffat Collection System Jim Creek Siphon Rehabilitation project, for the contract period of March 14, 2018 through October 31, 2018, for a total contract amount not to exceed \$3,211,920.

After discussion, the Board and staff agreed that when contract variances of a material nature, relative to the scope and size of the contract, the Board will be notified, so that any policy issues may be explored.

6. ITEM II-A-5: RATIFICATION OF CONSTRUCTION CONTRACT CHANGE ORDERS AND AMENDMENTS, AND PROFESSIONAL SERVICES AGREEMENT AMENDMENTS

Ratified Construction Contract Change Orders, Amendments, and Amendments to Agreements authorized in January, 2018 as follows:

1. Change Order No. 1 to Contract 14063A/503017 with Western Summit Contractors, Inc. for the Ashland Reservoir Replacements;
2. Fourth Amendment to Contract 15453A/500815 with Reynolds Construction, LLC for Conduit No. 16 Tunnel Installations at State Highways 58 & 93, BNSF Railroad Crossings, and Interstate 70 with Open Cut Segments from STA 348+50.00 to STA 410+24.17;
3. First Amendment to Contract 16981A/503019 with Central States Roofing & Insulating Co., Inc. for 2017 Roof Replacements;
4. Change Order No. 1 to Contract 17203A/501794 with Brown and Caldwell for DRWSP North and South Complex Water Quality Improvements Project; and
5. Second Amendment to Contract 16737A/501434 with CH2M Hill Engineers, Inc. for Design Services for the Foothills WTP Unit Substation 1,2,3, 4 and Service Water VFDS Replacement Project,

all as more particularly described in the attachment to Agenda ITEM II-A-5.

7. ITEM II-B-1: THE U.S. FOREST SERVICE 2018 COLLECTION AGREEMENT FOR THE FROM FORESTS TO FAUCETS PARTNERSHIP

Approved Contract 503257 with the U.S. Forest Service for forest health and wildfire risk reduction, for the contract period of February 26, 2018 through November 30, 2022, for a total contract amount not to exceed \$3,660,625.

Ms. Burri presented the Board with maps reflecting efforts expended pursuant to Denver Water's From Forests to Faucets Partnership with the U.S. Forest Service, and explained that a number of private funders have contributed money to the program through the Nature Conservancy (i.e.: Miller Coors, Pepsi and Wells Fargo). The maps are attached to and incorporated in these Minutes as Exhibit B.

Ms. Burri explained that the program has reduced the risk of catastrophic wildfire in the watershed around the Strontia Springs Reservoir, with just over 30% of the lands in the Strontia Springs Zone of Concern having been treated. To date, approximately 96,000 acres have been treated, and the cost of treatment per acre has been increasing since 2010 because the easier-to-treat areas were the first to be treated, and now the areas with more challenging slope, access and marketability issues are part of the program. Ms. Burri said that staff and the program's partners will continue to strategically prioritize which areas to treat in the future, to meet the Board's risk-level and to protect Denver Water's infrastructure.

8. ITEM II-B-2: THE FOREST AND LAND MANAGEMENT SERVICES AGREEMENT WITH THE COLORADO STATE FOREST SERVICE - CONTRACT NO. 503274

Approved Contract 503274 with the Colorado State Forest Service for forest and land management services for the contract period of March 31, 2018 through November 30, 2022, for a total contract amount not to exceed \$911,106.

9. ITEM II-B-3: AMENDMENT NO. 3 WITH AECOM FOR NORTHWATER TREATMENT PLANT - CONTRACT 17101A/501682

Approved the Third Amendment to Contract 17101A/501682 with AECOM for additional design for the Northwater Treatment Plant Architectural and Building Systems work. The Amendment extends the contract period through May 31, 2018 and adds \$449,516, for a total amended contract amount not to exceed \$1,496,330.

Mr. McCormick shared a presentation about the Northwater Treatment Plant (NTP) project, a copy of which is attached to and incorporated in these Minutes as Exhibit C. He noted that currently the team is focused on early construction and preparation of the Ralston site, as well as addressing changes in scope and timing that emerged from the recent Change By Advantages event. The two major changes are that the NTP will now be designed to provide 75 mg/day and the Moffat Treatment Plant will remain operational for a period of time. AECOM and Kiewit (whose contract is discussed in ITEM II-B-4), are design contractors, and it is expected that staff will present a 30% design to the Board at the end of May, 2018, with the goal to start construction this year.

To date, the project design has exceeded the goal for 4%-8% MWBE participation, and \$60 million in costs have been eliminated through value engineering. Mr. McCormick noted that the site poses very complex geotechnical issues, including the presence of a coal mine and varying depths of bedrock. The project team is working diligently with Operations & Maintenance and IT staff to ensure that the electrical instrumentation and controls for the facility serve the organization.

The plan for 2018 includes installing raw water pipe on the site and connecting it to the base of Ralston dam, as well as to existing pipelines in the surrounding areas, developing safe and reliable access from Highway 93, and installing small casing below the concrete pipe carrying water to Moffat, so that future connections and bypasses can be easily completed.

**10. ITEM II-B-4: NORTHWATER TREATMENT PLANT SITE
PREPARATION PACKAGE – YARD PIPE GMP 2A – CONTRACT 503212**

Approved contract 503212 with Kiewit Infrastructure Co. for the Northwater Treatment Plant Site Preparation Package Yard Pipe GMP 2A for the contract period of March 14, 2018 through June 15, 2018, for a total contract amount not to exceed \$692,891.68.

**11. ITEM II-B-5: AMENDMENT NO. 1 FOR MARSTON TREATMENT
PLANT ELECTRICAL UPGRADES – CONTRACT 16942A/501626**

Approved the First Amendment to Contract 16942A with Sturgeon Electric Company, Inc. for preventive maintenance and flowmeter addition and replacement. The Amendment adds \$428,585.

POLICY MATTERS

12. ITEM III-A: GREEN ROOF ORDINANCE

Ms. Shaw presented the Board with information regarding Denver's Green Roof Ordinance, a copy of which is attached to and incorporated in these Minutes as Exhibit D. She explained that the 2017 voter-approved Ordinance presents significant policy implications for the Denver metro region for several reasons: 1) it applies to new and existing commercial structures and residential structures 4 stories or higher (over 25,000 sq. ft. of gross floor area); 2) is based upon an undefined term of "gross floor area"; 3) contains a provision by which property owners can pay a fee in lieu of installing a green roof if they are granted a variance; and 4) currently appears to apply to 3,000 buildings in Denver. The City interprets whether a property is subject to the Ordinance based upon whether the owner had submitted site plans and paid all fees prior to January 1, 2018. As such, Denver Water's Operations Campus Redevelopment is not subject to the Ordinance, but may become so if the roofs are ever replaced.

Ms. Shaw noted that Green Roofs are living roofs, and provide many benefits, including the assistance with stormwater management, reducing heat, reducing ambient noise, and providing natural environment. In addition to Green Roofs, the Ordinance contains an option for a Combination Roof, which would include natural vegetation and solar energy instruments.

Denver Water realizes that this Ordinance poses significant changes for its customers, and is interested in easing the challenges both internally and with stakeholders and customers, while keeping affordability and environmental concerns in mind. Ms. Shaw introduced Mr. Krcmarik, Denver Water's representative on the Green Roof Review Task Team, which is contemplating both the intended and unintended consequences of the Ordinance, as well as developing recommendations to City Council to clarify its implementation. The Denver City Council must wait until at least June, 2018 to pass any amendments to the Ordinance, which requires a super-majority vote on any changes for ten years.

EXECUTIVE UPDATE

13.ITEM IV-C: OPERATIONS UPDATE

Mr. Elder distributed the March, 2018 Water Supply Update, a copy of which is attached to and incorporated in these Minutes as Exhibit E. He reported that currently, Colorado's state-wide snowpack is 67% of normal, and that a small area situated above the Dillon Reservoir, along the Blue River, is 96% of normal. Denver Water's Reservoirs are 88% full. Although two storms are predicted in the next couple of weeks, whether Colorado has a drier or wetter spring will affect reservoir levels through the summer.

Mr. Finehout, of Denver Water's Drought Committee, reported that it has evaluated the current, and predicted snowpack levels, and, depending on precipitation levels through the next few weeks, may potentially recommend that the Board institute a Drought Watch (formerly known as State One Drought Restrictions), which would include voluntary water restrictions. Ms. Chesney reported that the team will develop communication and outreach plans, in the event that a Drought Watch need be implemented.

BRIEFING PAPERS & REPORTS

14.ITEM V-A-2: FROM FORESTS TO FAUCETS PARTNERSHIP WITH FOREST AND LANDS MANAGEMENT SERVICES AGREEMENT

The Board received a Briefing Paper for the From Forests to Faucets Partnership and the Forest and Land Management Services Agreement, a copy of which is attached to and incorporated in these Minutes as Exhibit F.

15.ITEM V-A-3: BACKGROUND AND ANALYSIS CONCERNING THE CITY AND COUNTY OF DENVER'S GREEN ROOF ORDINANCE: AREAS OF INTEREST TO DENVER WATER

The Board received a Briefing Paper on the Background and Analysis Concerning the City and County of Denver's Green Roof Ordinance: Areas of Interest to Denver Water, a copy of which is attached to and incorporated in these Minutes as Exhibit G.

**16. ITEM V-A-4: SUMMARIZING THE NORTHWATER TREATMENT PLANT
SIZING DECISION**

The Board received a Briefing Paper Summarizing the Northwater Treatment Plant Sizing Decision, a copy of which is attached to and incorporated in these Minutes as Exhibit H.

**17. ITEM IV-A-5: MEDICAL PROVIDER REQUEST FOR PROPOSALS
(RFP)**

The Board received a Briefing Paper regarding the Medical Provider Request for Proposals (RFP), a copy of which is attached to and incorporated in these Minutes as Exhibit I.

ADJOURNMENT

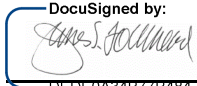
No further business appearing, the Board voted unanimously to adjourn into an Executive Session at approximately 10:55 a.m.

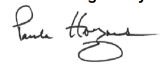
EXECUTIVE SESSION

On Wednesday, March 14, 2018 , commencing approximately at 11:03 a.m. in the Board Room, Room 309, 1600 West 12th Avenue, Denver, Colorado, the Board of Water Commissioners met in Executive Session. The following matters, which are authorized by C.R.S. § 24-6-402 or D.R.M.C. § 2-34, were discussed during the Executive Session:

1. Attorney-Client Matters § 24-6-402(4)(b)
2. Confidential Matters § 24-6-402(4)(c)

There being nothing further for the Board to consider, the Executive Session concluded at approximately 12:00 p.m.

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 Secretary

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 President