

**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, April 11, 2018**

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**Open Session**

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, April 11, 2018, 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**  
**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	P. Freeman, Finance Sr. Analyst
A.C. Bricmont, Chief Financial Officer	S. Jauriqui, Engineer Associate
G. Cagle, Chief Human Resources Officer	J. Light, Engineer Sr.
C.R. Dermody, Chief Information Officer	J. Lorton, Accounting Manager
B.D. Good, Chief Administrative Services Officer	J. Mitchell, Finance Sr. Analyst
C. Funk, <i>Acting</i> General Counsel	G. Moore, Engineering Sr. Specialist
M. King, Chief External Affairs Officer	C. Piper, Government Relations Manager
J.S. Lochhead, CEO/Manager	M. Price, Director Support Operations
R.J. Mahoney, Chief Engineering Officer	S. Price, Engineering Manager
T.J. Roode, Chief Operations and Maintenance Officer	D. Raitt, Engineering Manager
A. Andrews, Finance Sr. Analyst	S. Reum, Director Engineering - Projects
	V. Roberts, Director Business Technology
	G. Rosenschein, Attorney

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

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



M. Aragon, Director Customer Relations	J. Seagren, Distribution Relations Manager
B. Balley, Engineer Sr.	M. Spinner, Engineer Associate
T. Bray, Environmental Scientist Supervisor	A. Turney, Director Engineering – Property
A. Chavez, Contract Specialist	R. Walsh, Engineer Sr.
S. Chesney, Director Stakeholder Relations	A. Woodrow, Community Relations Specialist
A. Chotiner, Business Operations Manager	J. Baile, Willows Water
S. Dominick, Engineer Sr.	C. Lane, South Platte Water & Sanitation District
N. Elder, Planning Manager	A. Ramos, J. P. Morgan
G. Fisher, Demand Planning Manager	

## INTRODUCTORY BUSINESS

Commissioner Herzmark called the meeting to order at 9:15 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.

### Legislative Update

Mr. Piper reported that HB18-1053, regarding the use of reclaimed water for edible crop irrigation will be signed into law, and that Denver Water is working with the marijuana industry to resolve any concerns regarding the quality of reclaimed water. He also reported that HB18-1069, regarding the use of reclaimed water for toilet flushing will be read by the Senate a second time.

## 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: MINUTES OF MARCH 9, 2018

The Minutes of the Executive Session of March 9, 2018 were approved.

**2. ITEM II-A-2: MINUTES OF MARCH 14, 2018**

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

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

**3. ITEM II-A-3: MINUTES OF MARCH 28, 2018**

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

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

**4. ITEM II-A-4: REVISIONS TO OPERATING RULES REGARDING SERVICE LINES**

Approved revisions to section 9.04.3 of the Operating Rules concerning the replacement of service lines. A copy of the revisions is attached to and incorporated in these Minutes as Exhibit A.

**5. 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 February and March, 2018 as follows:

1. Change Order No. 1 to Contract 16692A with T. Lowell Construction, Inc. for 2017 Main Replacements;
2. First Amendment to Contract 16785A with Great Lakes Environmental & Infrastructure, LLC for the Lupton Lakes – South Cell Groundwater Cutoff Wall;
3. Change Order No. 1 to Contract 16899A with Guarantee Electrical Contracting for Conduit No. 20 Diversion Dam Modifications;
4. Change Order No. 1 to Contract 16998A with Concrete Works of Colorado, Inc. for Denver International Airport 2017 Vaults and Cathodic Protection

Improvements;

5. Change Order No. 2 to Contract 17013A with Gracon, LLC for Williams Fork Dam Hydro Unit No. 1 Overhaul and Penstock Gate Maintenance;
6. Second Amendment to Contract 17013A with Gracon, LLC for Williams Fork Dam Hydro Unit No. 1 Overhaul and Penstock Gate Maintenance;
7. Change Order No. 1 to Contract 17087A with Concrete Works of Colorado, Inc. for Conduit No. 31 Replacement;
8. Change Order No. 1 to Contract 17248A with Harrison Western Construction Corporation, Inc. for South Boulder Diversion Flume No. 6 Concrete Repairs;
9. Seventh Amendment to Contract 15777A with URS Corporation for Ralston Dam Outlets Works and Reservoir Bypass Pipeline Alternatives Study; and
10. Second Amendment to Contract 17101A with AECOM Technical Services, Inc. for Design Services for the Northwater Treatment Plant Project Design Package No. 5.

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

**6. ITEM II-B-1: REPLACE CONDUIT NO. 16 WEST SEGMENT – CONTRACT NO. 503037**

Approved Contract 503037 with Garney Companies, Inc. for the Replace Conduit No. 16 West Segment Project for the contract period of April 11, 2018 through June 14, 2019, for an amount not to exceed \$7,285,938. Authorized a \$350,000 owner-directed contingency to address unknown issues during construction.

Mr. Light explained that this contract will permit the replacement of the current 42-inch conduit with 66-inch conduit to convey water from the future Northwater Treatment Plant at Ralston Reservoir to the Moffat Facility.

**7. ITEM II-B-2: CHERRY CREEK GALLERIES – SURPLUS PROPERTY DECLARATION**

Declared 26 acres Denver Water's 35.6 acres of Cherry Creek Galleries as surplus property to convey to the City and County of Denver and Arapahoe County, as it is no longer needed for waterworks purposes.

Ms. Turney presented the Board with information about the property, a copy of which is attached to and incorporated in these Minutes as Exhibit B. She explained that the entire Galleries property was acquired in 1886 to be developed as a well field, and that the site has posed challenges from erosion along the banks of Cherry Creek, as well as trespass and unauthorized encampments. Denver and Arapahoe County will maintain the conveyed property for open space purposes and Denver Water will fence the property it retains.

**8. ITEM II-B-3: RESOLUTION AUTHORIZING NEGOTIATIONS FOR THE ACQUISITION OF PROPERTY FOR THE GROSS RESERVOIR EXPANSION PROJECT**

Approved a Resolution authorizing negotiations for the acquisition of property for the Gross Reservoir expansion project, a copy of which is attached to and incorporated in these Minutes as Exhibit C.

Ms. Turney shared a presentation with the Board, a copy of which is attached to and incorporated in these Minutes as Exhibit D. She stated that this Resolution authorizes staff and legal counsel to pursue negotiations with landowners.

**9. ITEM II-B-4: FOOTHILLS TREATMENT PLANT PROCESS/MECHANICAL PROJECT**

Approved a total project budget of \$10,000,000 for the Foothills Treatment Plant Process/Mechanical Project. Approved the First Amendment to Contract 503012 with Brown and Caldwell. The Amendment extends the contract period through June 30, 2019 and adds \$500,177, for an amended total contract amount not to exceed \$931,481. Approved Contract 10205 with Henry Pratt Company for the contract period of April 11, 2018 through May 31, 2019, for a total contract amount not to exceed \$1,133,936. Approved Contract 503318 with MWH Constructors, Inc. for the contract period of April 11, 2018 through December 31, 2018, for a total contract amount not to exceed \$146,768. The Owner Project Contingency Fund is not to exceed \$348,846.

Mr. Walsh shared a presentation with the Board, a copy of which is attached to and incorporated in these Minutes as Exhibit E. He said that the chemical feed systems at the Foothills, Marston, and Moffat Treatment Plants must be completed by March, 2020 to comply with the Lead and Copper Rule, and the project repairs and replacements at the Foothills Treatment Plant should be completed by spring 2019 in order for the plant to operate during the demand

season. He remarked that enough progress has been done in the design phase that the project should be completed within its \$10,000,000 budget, and that staff will share budget updates with the Board as the project milestones are met.

#### **10. ITEM II-B-5: DECLARATION OF DROUGHT WATCH**

Mr. Fisher and Mr. Elder presented the Board with a Water Supply Update, a copy of which is attached to and incorporated in these Minutes as Exhibit F. They explained that since the last Board meeting in which the topic of drought was discussed, Colorado has experienced extreme snow events so that staff no longer recommends a drought watch at this time. The Colorado River snowpack is reaching normal levels, the South Platte snowpack has increased, and streamflow forecast for Dillon Reservoir increased by 23,000 acre feet. New forecasts predict that the reservoirs will fill if normal or wet conditions persist this spring, or will fill to 96% capacity if dry conditions occur.

### **POLICY MATTERS**

#### **11. ITEM III-A: LEAD REDUCTION PROGRAM UPDATE**

Mr. Price presented the Board with a Lead Reduction Program Update, a copy of which is attached to and incorporated in these Minutes as Exhibit G. He stated that the Colorado Department of Public Health and Environment recently designated orthophosphate as the optimal corrosion control treatment option to reduce risk posed by lead service lines and premise plumbing. As a result, Denver Water will need to increase its Corrosion Control project budget for 2018 and install new chemical feed systems at its three treatment plants. Mr. Price also stated that 991 partial and full lead service lines were replaced in Denver Water's service area in 2017. Eighteen homeowners participated in the DURA pilot program in 2017, and staff anticipates a larger number for 2018.

#### **12. ITEM III-B: CAPITAL PLANNING PROCESS**

Mr. Mahoney and Mr. Moore presented the Board with a Capital Project Delivery Overview, a copy of which is attached to and incorporated in these Minutes as Exhibit H. They explained that project management is a priority, with staff receiving 30 hours of in-house training on project procedures and requiring consultants to be certified by the Project Management Institute. In an effort to control changes in scopes of work for projects, staff encourages ideas and change through the 30% design and estimate milestone, after which the scopes

are solidified. To ensure that projects are efficient, staff publishes the general conditions and construction standards once, and then they are available electronically. 82 firms are on-call, with rates, insurance and other terms pre-negotiated, so that as work is needed pursuant to a Task Order, the turn-around time is very quick. Projects are organized by systems and programs, presented through a business case, analyzed through a Just Enough Right Information (JERI) process, and if approved incorporated into the budget and long-term forecast.

## EXECUTIVE UPDATE

### 13.ITEM IV-B: CFO UPDATE

Ms. Bricmont informed the Board that the external auditors will begin work on May 9, 2018.

## BRIEFING PAPERS & REPORTS

### 14.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 I.

### 15.ITEM IV-A-2: LEAD REDUCTION PROGRAM UPDATE

The Board received a Lead Reduction Program Update Briefing Paper, a copy of which is attached to and incorporated in these Minutes as Exhibit J.

## ADJOURNMENT

No further business appearing, the Board voted unanimously to adjourn into a Trustee Meeting at approximately 10:50 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, April 11, 2018, commencing at 10:50 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 11:00 A.m., at which time the Board voted unanimously to adjourn Executive Session.

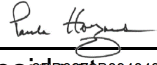
**Executive Session**

On Wednesday, April 11, 2018 , commencing approximately at 11:00 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 matter, which is authorized by C.R.S. § 24-6-402 or D.R.M.C. § 2-34, was discussed during the Executive Session:

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

There being nothing further for the Board to consider, the Executive Session concluded at approximately 11:30 a.m.

DocuSigned by:  
  
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Secretary

DocuSigned by:  
  
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President