

**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, July 11, 2018

Open Session/Plan Sponsor Meeting

A duly called Regular Meeting of the Board of Water Commissioners was held Wednesday, July 11, 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
Craig Jones, Vice President

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

J.A. Anderson, Chief of Staff	D. Brooks, Intern
A.C. Bricmont, Chief Financial Officer	S. Chesney, Director Public Affairs
G. Cagle, Chief Human Resources Officer	P. Coleman, Chief Internal Auditor
C.R. Dermody, Chief Information Officer	P. Daukas, Planning Manager
M. King, Chief External Affairs Officer	D. Dennert, Organizational Improvement Facilitator
T.J. Roode, Chief Operations and Maintenance Officer	M. Faulkner, Director Human Resources
J. Taussig, <i>Acting</i> Chief Administrative Services Officer	C. Fikan, Finance Tech
A. Turney <i>Acting</i> Chief Engineering Officer	Y. Her, Procurement Manager
P.L. Wells, General Counsel	J. Lorton, Accounting Manager
S. Abram, Budget Manager	K. Petrik, Director Engineering Construction
J. Alexander, Environmental Sr. Scientist	M. Nealey, Engineer Sr.
R. Angle, Finance Sr. Analyst	J. Seagren, Distribution Relations Manager
	U. Sharma, Treasurer

J. Arriaga, Administrative Sr. Assistant
K. Bates, Attorney
J. Bogner, Finance Analyst
T. Bray, Environmental Scientist Supervisor

J. Wittler, Attorney
N. Cudahy, Green Mountain Water and Sanitation District
C. Lane, South Platte Water and Sanitation District

INTRODUCTORY BUSINESS

Commissioner Herzmark called the meeting to order at 9:17 a.m. Upon motion regularly made, seconded and unanimously carried, Commissioner Reiff was found to be absent for substantial 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 response.

Introductions, Awards, and Ceremonies

Ms. Seagren introduced Nina Cudahy from Green Mountain Water and Sanitation District and Cynthia Lane from Platte Canyon Water and Sanitation District.

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 JUNE 13, 2018

The Minutes of the Open Session Meeting of June 13, 2018 were approved.

The Minutes of the Executive Session of June 13, 2018 were approved.

2. ITEM II-A-2: MINUTES OF JUNE 27, 2018

The Minutes of the Open Session Meeting of June 27, 2018 were approved.

The Minutes of the Executive Session of June 27, 2018 were approved.

3. ITEM II-A-3: 2018 MAIN REPLACEMENT – CONTRACT 503114

Approved Contract 503114 with B.T. Construction, Inc. For the 2018 Main Replacement project for the contract period of July 11, 2018 through January 31, 2019, for a total contract amount not to exceed \$1,749,900.

4. ITEM II-A-4: PROPERTY ACQUISITION AT 56TH AVENUE PUMP STATION AND RESERVOIR FROM SOUTH ADAMS COUNTY WATER AND SANITATION DISTRICT – CONTRACT 503412

Approved Contract 503412, Agreement for the Conveyance of Real Estate and Management of Related Facilities with South Adams County, including the authorization for the CEO/Manager or Chief Engineering Officer, subject to approval of the Board's General Counsel, to enter into associated subsequent easement and license amendment agreements, in an amount not to exceed \$5,000,000.

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 May and June 2018 as follows:

1. Change Order No. 1 to Contract 17125A/501701 with Bailey Valve, Inc. For the Highlands Vaults Sleeve Valve Procurement;
2. Change Order No. 3 to Contract 17203A/501794 with Brown and Caldwell for the Platte Collection System – North Metro North and South Complex Water Quality Improvements Project;
3. Change Order No. 3 to Contract 16930A/503024 with Bosco Constructors for the Highlands Pump Station Renovation; and
4. Change Order No. 4 to Contract 16692A/503026 with T. Lowell Construction, Inc. For 2017 Main Replacements,

all as more particularly described in the attachment to Agenda ITEM II-A-6.

6. ITEM II-B-1: INTERGOVERNMENTAL AGREEMENT 503350 WITH THE CITY AND COUNTY OF DENVER AND URBAN DRAINAGE AND FLOOD CONTROL DISTRICT AUTHORIZING STORM WATER INTO THE HIGH LINE CANAL

Approved Intergovernmental Agreement 503350 with the City and County of Denver and Urban Drainage and Flood Control District, authorizing storm water outfalls, water quality features and long-term maintenance access into the Board's High Line Canal.

Mr. Roode explained that this Agreement is the culmination of the efforts of many toward transitioning from a policy of permitting no storm water in the High Line Canal to development of this demonstration project which allows storm water to be in the Canal for less than 72 hours in compliance with Colorado water law. The City will build water quality structures to prevent debris from entering the Canal, and the vegetation in the Canal will filter nutrients from the water, all of which is anticipated to improve the quality of water from today's current state. Urban Drainage, and the High Line Canal Conservancy, through the Pisces Grant, will further study the water quality and the associated effects on the vegetation, and will provide public education.

7. ITEM II-B-2: WILLIAMS FORK RIVER RESTORATION PROJECT – CONTRACT 503380

Approved Contract 503380 with Tezak Heavy Equipment Company for design and construction of the Williams Fork River Restoration Project for the contract period of July 11, 2018 through December 1, 2019, for a total contract amount not to exceed \$983,680.88.

Ms. Turney explained that this project is the third and final compensatory mitigation project described in the 2017 Final Mitigation Plan for the Gross Reservoir Expansion Project's 404 Permit from the U.S. Army Corps of Engineers.

8. ITEM-II-B-3: RESOLUTION OF THE BOARD – TRANSACTIONS REQUIRING BOARD APPROVAL

Adopted the amended Resolution regarding Transactions Requiring Board Approval, a copy of which is attached to and incorporated in these Minutes as Exhibit A.

POLICY MATTERS

9. ITEM III-A: 2019 DRAFT WORK PLAN

Ms. Anderson presented the Board with a draft of the 2019 Work Plan, a copy of which is attached to and incorporated in these Minutes as Exhibit B. She said that this Draft has been reviewed by the Executive Team, and vetted to make sure it is consistent and supportive of our organizational priorities, policy level programs, the risk management matrix and continuous improvement programs. The Systems and Programs Managers are in the process of working through a very detailed process to evaluate 2019 capital projects and the Business and Technology Office is also evaluating all IT projects scheduled for 2019.

She noted that the organization is making good progress understanding and operationalizing the Strategic Plan. After reviewing the recent employee survey, in which employees reflected a feeling of overwhelming change and need for more time to focus on core work, the Executive Team determined that, as an organization, we need to pause to refocus our efforts on our purpose of delivering high quality water and outstanding customer service. The Organizational Health initiative has been removed from the plan, its essence consisted of tasks and projects that are the core work of Human Resources and Public Affairs. Ms. Anderson discussed that both Continuous Improvement and Organizational Health involve leadership development and are the supporting tools that will help us successfully deliver our core work in an efficient and effective manner. Ms. Anderson stressed that leadership needs to help the organization find the capacity to ensure we can incorporate these tools so that they are not in addition to our daily work.

After discussion, the Board instructed Ms. Anderson and the Executive team to finalize the 2019 Work Plan so that we can begin the process of budget development.

EXECUTIVE UPDATE

10. ITEM IV-B: CFO REPORT

Mr. Bogner presented the Board with Denver Water's 2017 Annual Report of the Employees' Retirement Program, a copy of which is attached to and incorporated

in these Minutes as Exhibit C.

ADJOURNMENT

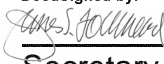
No further business appearing, the Board voted unanimously to adjourn into an Executive Session at approximately 10:02 a.m.

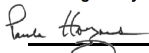
Executive Session

On Wednesday, July 11, 2018, commencing approximately at 10:02 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. Personnel Matters § 24-6-402(4)(f)(I)
2. Property Matters § 24-6-402(4)(a)
3. Attorney Client Matters § 24-6-402(4)(b)

There being nothing further for the Board to consider, the Executive Session concluded at approximately 10:55 a.m.

DocuSigned by:

Secretary

DocuSigned by:

President