

**Commission Members Present:** Dan Herlihey, Gary Hausman (Chair), Gene Packer, Larry Roos, John Butler, Randy Williams, Stephanie Fancher-English, Tom Vail

**Commission Members Absent:** Sean Cronin

**Council Liaison:** Steve Olson

**City Staff Members Present:** Alan Krcmarik, Brieanne Reed-Harmel, Courtney Whittet, Derek Turner, Jim Lees, Joe Bernosky, John Beckstrom, Kim O'Field, Larry Howard, Michelle Erickson, Nathan Alburn, Roger Berg, Ryan Van Pelt, Tanner Randall, Tom Greene, Tracey Hewson

**Guest Attendance:** Bruce Croissant, Jeff Clough, Dick Mallot, Jane Clevenger, Alicia Hays, David Crowder

**CALL TO ORDER:** Gary Hausman called the meeting to order at 4:00 pm.

**APPROVAL OF MINUTES:** Hausman asked for a motion to approve the minutes of the January 16, 2019 meeting.

**Motion:** Dan Herlihey made the motion to approve the minutes with corrected date in title bar.

**Second:** John Butler seconded the motion. The minutes were approved unanimously.

### CITIZENS REPORT

Alicia Hayes – 811 Introduced herself and offered any assistance with understanding the new 811 law.

Bruce Croissant – Gave a presentation and handout regarding the rates/fees of self-generation.

### INFORMATION ITEMS

#### Item 1: Electric Legislative Update – Kim O'Field

This item and the attachment are intended to give a brief update on electric-related legislation at both the state and federal level. Loveland Water and Power works closely with Platte River Power Authority (PRPA) and its sister cities but relies primarily on the Colorado Association of Municipal Utilities (CAMU) for information on electric-related legislation.

Information Item only. No action required.

#### Item 2: Water Legislative Update – Ryan Van Pelt

This item is intended to give a brief update on water-related legislation being contemplated by the Colorado General Assembly. Loveland Water and Power relies primarily on the Colorado Water Congress (CWC) for information on water-related legislation.

Information Item only. No action required.

#### Item 3: Water Supply Update – Ryan Van Pelt

Raw water supply update.

Information Item only. No action required.

### CONSENT AGENDA

Both of the Consent Agenda Items pulled to Regular Agenda.

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**REGULAR AGENDA****Item 4: N. Wilson Waterline Replacement - Emergency Contract Change Order (#1) for Connell Resources, Inc. – Carlos Medina**

This item is for the approval of the first change order to the contract that Connell Resources, Inc. has for the N. Wilson Waterline Replacement - Emergency (W1811C). Connell is currently finishing the installation of the waterline in Wilson Avenue that was included in the original contract that was signed in December as an emergency declaration. This change will cover the remaining construction of asphalt paving of Wilson Avenue and 22nd Street.

**Recommendation:** Adopt a motion recommending that the LUC approve the change order to the contract for N. Wilson Waterline Replacement - Emergency with Connell Resources to increase the not-to-exceed amount to \$1,499,477.10 and authorize the City Manager to sign the change order on behalf of the City.

Motion: Dan Herlihey made the motion to approve the item.

Second: John Butler seconded the motion. The item was approved unanimously.

**Item 5: Service Contract with the Jake Kauffman & Son, Inc. for completion of reservoir riprap – Ryan Van Pelt**

The City of Loveland recently purchased from Jake Kauffman & Son, Inc. (“Kauffmans”) the land associated with the Great Western Pit No.1, often referred to as the downstream storage reservoir project. As part of the purchase agreement, the Kauffmans have agreed to enter into a service contract to finish the riprap reinforcement along the embankment of the lined gravel pit. The City intends to eventually use this as a raw water storage reservoir.

**Recommendation:** Adopt a motion to award the contract for the riprap reinforcement effort to Jake Kauffman & Son, Inc. in an amount not to exceed \$579,600.00, and authorize the City Manager to execute the service contract on behalf of the City.

Motion: Dan Herlihey made the motion to approve the item.

Second: Gene Packer seconded the motion. The item was approved 7-0 with 1 abstention. Randy Williams abstained from voting.

**Item 6: C-BT Water Market Recognition – Nathan Alburn**

This item evaluates our existing Cash-in-Lieu price charged to satisfy water rights required for development.

**Recommendation:** Approve Resolution R-01-2019U (Attachment A), setting the City’s recognized current C-BT market value at \$35,444/unit. This will result in a revised Cash-in-Lieu price of \$37,220/acre-foot after adding the required 5%.

Motion: Dan Herlihey made the motion to approve the item.

Second: John Butler seconded the motion. The item was approved unanimously.

**Item 7: Proposed Modifications to the Platte River Power Authority (PRPA) Organic Contract and Power Supply Agreement**

~~Proposed Modifications to the Platte River Power Authority (PRPA) Organic Contract and Power Supply Agreement~~

**Recommendation:**

~~Adopt a motion recommending that City Council approve the proposed changes to the Organic Contract and Power Supply Agreement between the City of Loveland and the Platte River Power Authority.~~

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## REGULAR AGENDA

### Item 8: Quarterly Financial Report Update – Jim Lees

This item summarizes the monthly and year-to date financials for December 2018.

Staff Report only. No action required.

### Item 9: Wireless Pole Attachment and Permit Fees – Joe Bernosky

Information on a resolution set to go to City Council on February 19, 2019 for the revision of pole attachment fees within the Schedule of Rates, Charges, and Fees

Staff Report only. No action required.

## COMMISSION/COUNCIL REPORTS

### Item 10: Commission/Council Reports

Discuss events that the Loveland Utility Commission Board members attended, special topics and any City Council items related to the Water and Power Department from the past month.

**Dan Herlihey:**

**Gene Packer:** Thought the Water Supply Update was interesting viewing the drought map vs 108% SWE. Ryan Van Pelt explained that the drought map is a deficit in soil moisture that needs to be replenished before we see runoff.

**Gary Hausman:** Advised he heard that on average, 13% of a new home price was for water.

**John Butler:** Had a wonderful time at Colorado Water Congress, particularly the climate change seminar. Are we putting new light poles anywhere, he noticed a new light pole down the street from his house.

**Larry Roos:** It may take some regulation and education on water conservation. We are also the only town on the Front Range that does not have a tiered rate to promote water conservation.

**Randy Williams:**

**Sean Cronin:**

**Stephanie Fancher-English:** Young residents are not able to afford housing at this point, I don't know if it needs a task force with developers, but it's going to affect Loveland economically. It's a policy that needs to be addressed. Loveland Ready Mix trying to get new gravel pit approved and have already had 2 entities inquire about water. Will have all the water sold before breaking ground on the pit. Also, even though permitting was done, a law suit has been brought to fight the gravel pit. This seems to be the normal response at this point.

**Tom Vail:** Colorado Water Congress was very informative and is very interested in the Colorado Water Plan. Was very interested in how the forest affects water flows.

**Council Report:** Congressman Neguse came to visit the City today, pole attachments were one of the topics of discussion. This was an agency ruling not a congressional law, foresees the FCC being told they overstepped their reach and eventually rescinding the ruling. Discussed water with Congressman Neguse, we don't have a water problem, we have a storage problem and there are obstacles in place to slow down progress on new reservoirs. Also, recommends looking at the Accounting Dashboard Report. Northern Colorado tours this summer.

David Crowder, Vice President of Community Development from McWhinney – Would like to see the City try to keep the cost of water down. Possibly offering a pilot program or an alternative to across the board rise in Cash-In-Lieu. Jeff Clough advised that Loveland is actual well below surrounding areas and predicts we will be up to \$50,000 by the end of the year.



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**DIRECTOR'S REPORT****Item 8: Director's Report – Joe Bernosky**

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**ADJOURN** The meeting was adjourned at 5:57 pm. The next LUC Meeting will be March 20, 2019 at 4:00 pm.

Respectfully submitted,

Courtney Whittet  
Recording Secretary  
Loveland Utilities Commission  
/s/ Gary Hausman, LUC Chairman