

Commission Members Present: Dan Herlihey, Dave Kavanagh, David Schneider, Gary Hausman (Chairman), Gene Packer, Larry Roos, John Butler, Randy Williams (arrived at 4:13p.m.), Sean Cronin, Stephanie Fancher-English

Commission Members Absent:

Council Liaison Absent: Troy Krenning

City Staff Members Present: Bob Miller, Briana Reed-Harmel, Courtney Whittet, Cree Goodwin, Derek Turner, Jim Lees, Joe Bernosky, John Beckstrom, Kim O'Field, Melissa Morin, Roger Berg,

Guest Attendance: Clifton Welter

CALL TO ORDER: Gary Hausman called the meeting to order at 4:02 pm.

APPROVAL OF MINUTES: Hausman asked for a motion to approve the minutes of the August 16, 2017 meeting.

Motion: Dan Herlihey made the motion.

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

CITIZEN REPORTS

INFORMATIONAL ITEMS

Item 1: Financial Report Update – Jim Lees

This item summarizes the monthly and year-to date Preliminary Financials for August 2017.

Informational Item only. No action required.

STAFF REPORTS

Item 2: Colorado Water Law and Water Court Process – Derek Turner

This presentation will provide a brief, high-level overview of Colorado Water Law and Colorado's Water Court process.

Staff report only. No action required.

Comments:

Item 3: Executive Session on Windy Gap Firing Project – Derek Turner

This item is intended to give a brief update and discuss the status of the Windy Gap Firing Project (WGFP), including the water rights component of the project.

Staff report only. No action required.

Motion to recess to Executive Session: Dan Herlihey made the motion at 5:37pm: "I move that the Commission vote to recess into executive session, under Section 4-4(c) of the City of Loveland Charter and section 24-6-402(4)(b) and (c), Colorado Revised Statutes for the following purposes:

1. To receive reports on negotiation progress and status
2. To discuss matters that are the subject of negotiation and pending litigation and are required by law to be kept confidential

3. To discuss matters that are attorney-client privileged”

Second: Randy Williams seconded the motion. The motion was approved unanimously.

Motion to Adjourn Executive Session: Dan Herlihey made the motion at 6:19pm

Second: Randy Williams seconded the motion. The motion was approved unanimously.

REGULAR AGENDA

Item 4: 2018 Water and Power Schedule of Rates, Charges and Fees – Jim Lees

The purpose of this item is to ask the Loveland Utilities Commission to adopt a motion recommending that City Council approve the proposed changes in the Water and Power Schedule of Rates, Charges and Fees for 2018.

Recommendation: Adopt a motion recommending that City Council approve the proposed changes in the Water and Power Schedule of Rates, Charges and Fees for 2018.

Motion: Dan Herlihey made the motion.

Second: Dave Schneider seconded the motion. The motion was approved unanimously.

Comments: Dave Kavanagh stated that last year he received several calls from small business owners because the Small General Service (Small Commercial) was the largest rate increase last year. Larry Roos stated he thought their rate was the largest increase because they were not up to cost of service; the utility has been subsidizing small businesses. Dave Schneider understands needing to get the small businesses up to cost of service, but we should be doing as much as we can to assist the small businesses with energy efficiency programs to help lower their bills. Roos does not want to have to explain to low income residential customers why their rates are helping to subsidize small businesses. Jim Lees will get the commissioners a good answer from the rate consultant on the methodology used to determine that the Small General Service rate needed such a large raise.

Kavanagh had some input on how the canyon service affects our cost. We have 13 customers per mile with the canyon, without the canyon, we have 55 customers per mile. Originally, the canyon customers did not want our service, which has most likely changed now that we have upgraded their service. Kavanagh would like to stop subsidizing the canyon and relinquish it to Poudre Valley REA. It may be an attractive offer to Poudre Valley REA now that it has been upgraded. Kavanagh would like to see a cost code added to the system to track the cost of service vs. the income from the canyon. Schneider would like to consider a trade with REA, Bob Miller stated there was a discussion last year with REA regarding a trade and REA declined, the only way they will take the canyon is if Loveland gave it to them outright.

Randy Williams wanted to clarify that the motion is as presented not as the packet states, since there was a difference from 5% to 4.6%. Lees clarified that the motion is for the 4.6% presented at the meeting.

COMMISSION/COUNCIL REPORTS

Item 6: 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.

- City Council Report

Dan Herlihey:

Dave Kavanagh:

Dave Schneider:

Gene Packer:

Gary Hausman: Spoke with John Rust, he is doing pretty well. His eyesight has not come back yet, he does not know if it will. He is restricted to no driving.

John Butler:

Larry Roos: Markets 101 with the Fort Collins Energy board was superb.

Randy Williams:

Sean Cronin:

Stephanie Fancher-English:

Council Report: Joe Bernosky gave on behalf of Troy Krenning

DIRECTOR'S REPORT

Item 9: Director's Report – Joe Bernosky

ADJOURN The meeting was adjourned at 7:33 pm. The next LUC Meeting will be October 18, 2017 at 4:00 pm.

Respectfully submitted,

Courtney Whittet
Recording Secretary
Loveland Utilities Commission