
REGULAR MEETING AGENDA

CALL TO ORDER

NEW EMPLOYEE INTRODUCTIONS

Nathan Alburn – Civil Engineer I

Ryan Van Pelt – Civil Engineer II

APPROVAL OF MINUTES – 11/15/2017

CITIZENS REPORT (*See procedural instructions on the following page.)

INFORMATIONAL ITEMS

1. Financial Report Update – Jim Lees

CONSENT AGENDA

2. Change Order on 2017 CIPP Project – Craig Weinland

REGULAR AGENDA

3. 2018 Annual Substructure Projects Contract – Kim Reeves
4. 2018 Annual Directional Bore Projects Contract – Kim Reeves

STAFF REPORTS

5. Legal Updates – Derek Turner
6. Zero Net Carbon Modeling Report – Platte River Power Authority and Pace Global LLC

COMMISSION & COUNCIL REPORTS

DIRECTOR'S REPORT

ADJOURN

*** Citizens Report Procedures**

Anyone in the audience may address the LUC on any topic relevant to the commission. If the topic is a Consent Agenda item, please ask for that item to be removed from the Consent Agenda; pulled items will be heard at the beginning of the Regular Agenda. If the topic is a Regular Agenda item, members of the public will be given an opportunity to speak to the item during the Regular Agenda portion of the meeting before the LUC acts upon it. If the topic is a Staff Report item, members of the public should address the LUC during this portion of the meeting; no public comment is accepted during the Staff Report portion of the meeting.

Anyone making comment during any portion of tonight's meeting should identify himself or herself and be recognized by the LUC chairman. Please do not interrupt other speakers. Side conversations should be moved outside the Service Center Board Room. Please limit comments to no more than three minutes.

Notice of Non-Discrimination

The City of Loveland is committed to providing an equal opportunity for services, programs and activities and does not discriminate on the basis of disability, race, age, color, national origin, religion, sexual orientation or gender. For more information on non-discrimination or for translation assistance, please contact the City's Title VI Coordinator at TitleSix@cityofloveland.org or 970-962-2372. The City will make reasonable accommodations for citizens in accordance with the Americans with Disabilities Act (ADA). For more information on ADA or accommodations, please contact the City's ADA Coordinator at adacoordinator@cityofloveland.org or 970-962-3319.

Notificación en Contra de la Discriminación

“La Ciudad de Loveland está comprometida a proporcionar igualdad de oportunidades para los servicios, programas y actividades y no discriminar en base a discapacidad, raza, edad, color, origen nacional, religión, orientación sexual o género. Para más información sobre la no discriminación o para asistencia en traducción, favor contacte al Coordinador Título VI de la Ciudad al TitleSix@cityofloveland.org o al 970-962-2372. La Ciudad realizará las acomodaciones razonables para los ciudadanos de acuerdo con la Ley de Discapacidades para americanos (ADA). Para más información sobre ADA o acomodaciones, favor contacte al Coordinador de ADA de la Ciudad en adacoordinator@cityofloveland.org o al 970-962-3319”.

The password to the public access wireless network (colguest) is accesswifi

Commission Members Present: Dan Herlihey, Dave Kavanagh, David Schneider, Gary Hausman (Chairman), Gene Packer, Larry Roos, John Butler, Randy Williams, Sean Cronin, Alternate Stephanie Fancher-English (left at 5:55 p.m.)

Commission Members Absent:

Council Liaison: Steve Olson (left at 5:45 p.m.)

City Staff Members Present: Bob Miller, Brieana Reed-Harmel, Daniel Daneshka, Derek Turner, Jim Lees, Joe Bernosky, John Beckstrom, Leslie Moening, Larry Howard, Mark Warner, Tanner Randall, Tom Greene,

Guest Attendance:

CALL TO ORDER: Gary Hausman called the meeting to order at 4:01 pm.

APPROVAL OF MINUTES: Hausman asked for a motion to approve the minutes of the October 18, 2017 meeting.

Motion: Dan Herlihey made the motion.

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

INFORMATIONAL ITEMS

Item 1: Financial Report Update – Jim Lees

This item summarizes the monthly and year-to date Preliminary financials for October 2017

Informational Item only. No action required.

Comments: Jim Lees followed up on a couple of questions asked by Dave Kavanagh several meetings ago, Why there was such a large increase to bring the small general class up to cost of service? There was a study in 2008 showing they were under cost of service by 18.9%. We do rate increases in small increments, so we were trying to play catch up on the small general rates. Then another study last year showed they were still under cost of service by 12%. Small General customers, as a trend, have a low load factor that drives their rates higher. They will be raised 6% in 2018 and another 6% in 2019 to get them up to cost of service. The small general business class as a whole tends to have a low load factor, which is how efficiently they use the system. A low load factor puts an upward pressure on the cost of service for that particular class.

Lees also answered Kavanagh's questions about the cost of service for Canyon customers. The rate consultant advised he is able to determine the cost of service for the Canyon customers but he advised that it would be best to wait until the next full rate study and include this as part of the package. He also cautioned that there are complications in billing a geographical area differently than the rest of the City.

INTRODUCTIONS

Gary Hausman took a moment to welcome the new City Council Liaison, Steve Olson.

REGULAR AGENDA

Item 2: Highway 287 Overhead to Underground Conversion Substructure Contract – Mark Warner

The purpose of this item is to award a construction contract to the lowest responsive, responsible bidder for the Hwy 287 Overhead to Underground Conversion Substructure Project.

Recommendation: Adopt a motion to award the contract for Hwy 287 Overhead to Underground Conversion Substructure Project to Power Contracting in an amount not to exceed \$1,803,270.90 and authorize the City Manager to execute the contract on behalf of the City.

Motion: Dan Herlihey made the motion.

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

Item 3: Namaqua Pump Stations Improvements and Raw Water Bypass – Leslie Moening

The purpose of this item is to award a construction contract to the lowest qualified bidder for the Namaqua Pump Stations Improvements and Raw Water Bypass.

Recommendation: This item has been withdrawn and will be re-bid in the Spring.

Item 4: Rights of First Refusal to Acquire Windy Gap Water Units from Platte River Power Authority –

Larry Howard

In 1974, the Cities of Loveland and Fort Collins, and the Town of Estes Park, each assigned portions of their original Windy Gap units to Platte River Power Authority (PRPA), and each Assignment contained language preserving to the transferring entity a right of first refusal in the event PRPA ever transferred or sold the units. The Assignments provided little guidance regarding the coordination of the exercise of the Municipalities' respective rights of first refusal. PRPA recently sold 23 of its 160 units and none of the municipalities chose to exercise its right of first refusal. This sale process highlighted the need for an agreement between the municipalities and PRPA as to how PRPA will administer and document the Municipalities exercise or refusal of their rights. Attorneys and staff for the municipalities and PRPA then negotiated the language of the proposed agreement that is intended to address that need.

Recommendation: Adopt a motion recommending that the City Manager execute on behalf of the City of Loveland the Agreement Regarding Exercise of Rights of First Refusal to Acquire Windy Gap Water Units from Platte River Power Authority.

Motion: Dan Herlihey made the motion.

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

STAFF REPORTS

Item 5: Water Quality Lab Concept Pricing Package from HDR – Tom Greene

Staff will provide a short overview presentation about the new Water Quality Lab, including project background information, the proposed Water Quality Lab conceptual design, and estimated cost.

Staff item 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.

- City Council Report

Dan Herlihey: Survey will be forthcoming to the Boards & Commissions to review the relationship with City Council, there was a pilot survey sent to one Board and the rest will receive a finalized survey in 2018.

Dave Kavanagh: PRPA Appointments, there was a misconception last night at the City Council meeting regarding the weight of votes from appointees, they wanted to replace the technical appointment thinking that they had less weight and Dave hopes Joe does not feel that he should be replaced.

Dave Schneider: Thank you to Randy Williams, regarding the article from Scientific American about Lake Powell. First half of Fall Water User's Meeting was okay, but the second half, specifically Jennifer Gimbel, was fantastic.

Gene Packer: Colorado Water subscription from Colorado State University, several back issues if any other LUC members would like to review them.

Gary Hausman:

John Butler: Many events being held downtown, and some complaints regarding available electrical. It's currently an issue as some of the events are possibly being moved, it has been researched and discussed and is currently ongoing.

Larry Roos: South Platte Forum, there was discussion regarding climate change and the negative affect on our native fish populations. Northern Water Fall User's Meeting, Northern Water wants to track where water goes if not used on first diversion.

Randy Williams:

Sean Cronin:

Stephanie Fancher-English:

Council Report: Joe Bernosky gave on behalf of Steve Olson

DIRECTOR'S REPORT

Item 9: Director's Report – Joe Bernosky

ADJOURN The meeting was adjourned at 6:33 pm. The next LUC Meeting will be December 13, 2017 at 4:00 pm.

Respectfully submitted,

Courtney Whittet
Recording Secretary
Loveland Utilities Commission

ITEM TITLE:

Financial Report Update

DESCRIPTION:

This item summarizes the monthly and year-to date Preliminary financials for November 2017.

SUMMARY:





The November 2017 financial reports are submitted for Commission review. The following table summarizes the sales and expense results for the month of November, and the November Year-To-Date results in comparison to the same periods from 2016. The summarized and detailed monthly financial statements that compare November Year-To-Date actuals to the 2017 budgeted figures are attached.

	November				November Year-To-Date			
	2017	2016	\$ Ovr/(Und) vs. 2017	% Ovr/(Und) vs. 2017	2017	2016	\$ Ovr/(Und) vs. 2017	% Ovr/(Und) vs. 2017
WATER								
Sales	\$804,954	\$902,712	(\$97,758)	-10.8%	\$14,041,018	\$13,247,997	\$793,021	6.0%
Operating Expenses	\$821,703	\$839,331	(\$17,628)	-2.1%	\$15,824,542	\$10,662,159	\$5,162,384	48.4%
Capital (Unrestricted)	\$296,201	\$421,847	(\$125,645)	-29.8%	\$1,525,800	\$4,540,063	(\$3,014,263)	-66.4%
WASTEWATER								
Sales	\$850,270	\$782,480	\$67,789	8.7%	\$10,304,212	\$9,202,024	\$1,102,188	12.0%
Operating Expenses	\$555,926	\$602,303	(\$46,377)	-7.7%	\$6,473,406	\$6,010,563	\$462,844	7.7%
Capital (Unrestricted)	\$247,003	\$8,817	\$238,186	2701.5%	\$3,756,783	\$2,344,471	\$1,412,312	60.2%
POWER								
Sales	\$4,295,695	\$4,070,590	\$225,105	5.5%	\$56,496,884	\$53,789,271	\$2,707,612	5.0%
Operating Expenses	\$4,139,559	\$3,895,544	\$244,015	6.3%	\$51,316,464	\$48,996,278	\$2,320,186	4.7%
Capital (Unrestricted)	\$644,044	\$1,768,348	(\$1,124,304)	-63.6%	\$12,605,986	\$8,499,855	\$4,106,131	48.3%

RECOMMENDATION:

Staff item only. No action required.

ATTACHMENTS:

-  Attachment A: City of Loveland Financial Statement-Raw Water
-  Attachment B: City of Loveland Financial Statement-Water
-  Attachment C: City of Loveland Financial Statement-Wastewater
-  Attachment D: City of Loveland Financial Statement-Power

Attachment A

City of Loveland
Financial Statement-Raw Water
For Period Ending 11/30/2017

	* TOTAL BUDGET FYE 12/31/2017 *	*	YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
1 REVENUES & SOURCES	*	*				
2 High Use Surcharge	*	*	127,571	48,180	79,391	164.8%
3 Raw Water Development Fees/Cap Rec Surcharge	*	*	346,200	377,896	(31,696)	-8.4%
4 Cash-In-Lieu of Water Rights	*	*	93,092	229,130	(136,038)	-59.4%
5 Native Raw Water Storage Fees	*	*	376,371	4,590	371,781	8099.8%
6 Loan Payback from Water	*	*	4,161,687	4,050,375	111,312	2.7%
7 Raw Water 1% Transfer In	*	*	421,231	411,780	9,451	2.3%
8 Interest on Investments	*	*	238,906	342,980	(104,074)	-30.3%
9 TOTAL REVENUES & SOURCES	*	*	5,765,058	5,464,931	300,127	5.5%
10 OPERATING EXPENSES	*	*				
11 Loan to Water	*	*	0	0	0	0.0%
12 Windy Gap Payments	*	*	7,044	6,512	532	8.2%
13 TOTAL OPERATING EXPENSES	*	*	7,044	6,512	532	8.2%
14 NET OPERATING REVENUE/(LOSS) (excl depr)	*	*	5,758,014	5,458,419	299,595	5.5%
15 RAW WATER CAPITAL EXPENDITURES	*	*	1,280,288	1,707,870	(427,582)	-25.0%
16 ENDING CASH BALANCES	*	*				
17 Total Available Funds	*	*	17,789,814			
18 Reserve - Windy Gap Cash	*	*	0			
19 Reserve - 1% Transfer From Rates	*	*	6,009,763			
20 Reserve - Native Raw Water Storage Interest	*	*	1,620,587			
21 TOTAL RAW WATER CASH	*	*	25,420,164			

NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING: 0

Attachment B

City of Loveland
 Financial Statement-Water Rev
 For Period Ending 11/30/2017

	TOTAL BUDGET FYE 12/31/2017	YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
1 **UNRESTRICTED FUNDS**	*	*			
2 REVENUES & SOURCES	*	*			
3 Water Sales	14,477,980	14,041,018	13,655,302	385,716	2.8%
4 Raw Water Transfer Out	(434,340)	(421,231)	(411,780)	(9,451)	2.3%
5 Wholesale Sales	138,790	134,022	136,556	(2,534)	-1.9%
6 Meter Sales	54,710	73,624	47,620	26,004	54.6%
7 Interest on Investments	152,410	84,505	139,700	(55,195)	-39.5%
8 Other Revenue	950,250	418,589	921,200	(502,611)	-54.6%
9 Federal and State Grants	0	75,804	0	75,804	0.0%
10 Internal Loan Monies Received	751,356	751,017	751,356	(339)	0.0%
11 External Loan Monies Received	0	0	0	0	0.0%
12 TOTAL REVENUES & SOURCES	16,091,156	15,157,347	15,239,954	(82,607)	-0.5%
13 OPERATING EXPENSES	*	*			
14 Source of Supply	2,478,490	1,551,400	2,157,294	(605,894)	-28.1%
15 Treatment	3,291,252	2,638,110	3,015,364	(377,254)	-12.5%
16 Distribution Operation & Maintenance	3,559,230	2,835,844	3,276,503	(440,659)	-13.4%
17 Administration	687,657	406,757	548,928	(142,171)	-25.9%
18 Customer Relations	398,899	301,473	337,955	(36,482)	-10.8%
19 PILT	983,050	953,385	927,016	26,369	2.8%
20 1% for Arts Transfer	99,837	11,129	87,217	(76,088)	-87.2%
21 Services Rendered-Other Departments	1,309,058	1,200,385	1,200,385	0	0.0%
22 Internal Loan Debt Expense	4,856,625	4,908,116	4,856,625	51,491	1.1%
23 External Loan Debt Expense	1,013,988	1,017,943	929,489	88,454	9.5%
24 TOTAL OPERATING EXPENSES	18,678,086	15,824,542	17,336,776	(1,512,234)	-8.7%
25 NET OPERATING REVENUE/(LOSS)(excl depr)	(2,586,930)	(667,195)	(2,096,822)	1,429,627	-68.2%
26 CAPITAL EXPENDITURES	3,861,394	1,525,800	3,294,045	(1,768,245)	-53.7%
27 ENDING CASH BALANCE (37% OF OPER EXP)		6,903,396			100
28 WATER DEBT FUNDS ENDING CASH BALANCE		369,087			100
29 MINIMUM BALANCE (15% OF OPER EXP)		2,801,713			
30 OVER/(UNDER) MINIMUM BALANCE		4,101,683			
31 **RESTRICTED FUNDS**	*	*			
32 REVENUES & SOURCES	*	*			
33 SIF Collections	2,755,460	1,998,404	2,171,780	(173,376)	-8.0%
34 SIF Interest Income	33,180	28,077	30,000	(1,923)	-6.4%
35 SIF Federal and State Grants	0	75,804	0	75,804	0.0%
36 Internal Loan Monies Received	0	0	0	0	0.0%
37 TOTAL SIF REVENUES & SOURCES	2,788,640	2,102,285	2,201,780	(99,495)	-4.5%
38 SIF Capital Expenditures	727,198	173,607	573,547	(399,940)	-69.7%
39 1% for Arts Transfer	1,049	579	780	(201)	-25.7%
40 Legal Agreements & Settlements	53,700	17,885	53,700	(35,815)	-66.7%
41 SIF ENDING CASH BALANCE		3,250,001			100
42 TOTAL ENDING CASH BALANCE		10,153,397			
NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING:		2,319,960			
43 Water Treated at WTP (in million gallons)		4,202			
44 Water Sold To Customers (in million gallons, includes Ranch Water & Hydrant Sales)	3,561	3,540	3,401	139	4.1%

Attachment C

City of Loveland-LIVE Financial Statement-Wastewater For Period Ending 11/30/2017

	TOTAL BUDGET * FYE 12/31/2017	* YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
1 **UNRESTRICTED FUNDS**	*	*			
2 REVENUES & SOURCES	*	*			
3 Sanitary Sewer Charges	11,325,240 *	10,304,212	10,375,560	(71,348)	-0.7%
4 High Strength Surcharge	360,690 *	425,357	334,475	90,882	27.2%
5 Interest on Investments	164,020 *	131,876	150,370	(18,494)	-12.3%
6 Other Revenue	12,920 *	74,758	13,630	61,128	448.5%
7 Bond Proceeds	16,000,000 *	340,380	16,000,000	(15,659,620)	-97.9%
8 Federal Grants	0 *	0	0	0	0.0%
9 State Grants	0 *	0	0	0	0.0%
10 TOTAL REVENUES & SOURCES	27,862,870 *	11,276,583	26,874,035	(15,597,452)	-58.0%
11 OPERATING EXPENSES	*	*			
12 Treatment	4,006,941 *	3,098,910	3,685,554	(586,644)	-15.9%
13 Collection System Maintenance	2,864,459 *	1,703,043	2,632,804	(929,761)	-35.3%
14 Administration	423,386 *	229,802	392,617	(162,815)	-41.5%
15 Customer Relations	45,509 *	34,900	42,014	(7,114)	-16.9%
16 PILT	818,020 *	751,070	749,848	1,222	0.2%
17 1% for Arts Transfer	234,793 *	28,645	215,563	(186,918)	-86.7%
18 Services Rendered-Other Departments	633,529 *	581,040	581,040	0	0.0%
19 Debt Service	1,051,432 *	45,997	963,820	(917,823)	-95.2%
20 TOTAL OPERATING EXPENSES	10,078,069 *	6,473,406	9,263,260	(2,789,854)	-30.1%
21 NET OPERATING REVENUE/(LOSS)(excl depr)	17,784,801 *	4,803,177	17,610,775	(12,807,598)	-72.7%
22 CAPITAL EXPENDITURES	25,264,033 *	3,756,783	23,453,156	(19,696,373)	-84.0%
23 ENDING CASH BALANCE (123% OF OPER EXP)		12,412,930			100
24 WASTEWATER DEBT FUNDS ENDING CASH BALANCE		6,860			100
25 MINIMUM BALANCE (15% OF OPER EXP)		1,511,710			
26 OVER/(UNDER) MINIMUM BALANCE		10,901,220			
27 **RESTRICTED FUNDS**	*	*			
28 REVENUES & SOURCES	*	*			
29 SIF Collections	2,039,750 *	1,097,989	1,914,440	(816,451)	-42.6%
30 SIF Interest Income	134,730 *	92,530	123,530	(31,000)	-25.1%
31 SIF Bond Proceeds	8,900,000 *	208,620	8,900,000	(8,691,380)	-97.7%
32 TOTAL SIF REVENUES & SOURCES	11,074,480 *	1,399,139	10,937,970	(9,538,831)	-87.2%
33 SIF Capital Expenditures	13,672,962 *	1,255,096	12,376,979	(11,121,883)	-89.9%
34 1% for Arts Transfer	125,668 *	7,978	117,198	(109,220)	-93.2%
35 Debt Service	584,859 *	28,192	536,118	(507,927)	-94.7%
SIF ENDING CASH BALANCE		8,687,229			100
TOTAL ENDING CASH BALANCE		21,100,159			
NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING		32,799,444			
36 Wastewater Treated at WWTP (in million gallons)	N/A *	2,070	N/A		
37 Wastewater Billed To Customers (in million gallons)	1,767 *	1,604	1,618	(14)	-0.9%

Attachment D

City of Loveland
Financial Statement-Power
For Period Ending 11/30/2017

	*	TOTAL BUDGET	*	YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
UNRESTRICTED FUNDS							
1 REVENUES & SOURCES:	*		*				
2 Electric revenues	*	\$62,342,360	*	\$56,496,884	\$57,386,500	(\$889,616)	-1.6%
3 Wheeling charges	*	\$244,650	*	\$245,005	\$224,263	\$20,743	9.2%
4 Interest on investments	*	\$229,810	*	\$178,516	\$210,659	(\$32,143)	-15.3%
5 Aid-to-construction deposits	*	\$1,830,000	*	\$1,405,122	\$1,677,500	(\$272,378)	-16.2%
6 Customer deposit-services	*	\$310,000	*	\$203,975	\$284,167	(\$80,192)	-28.2%
7 Late Payment Penalty Fees	*	\$415,000	*	\$453,357	\$380,417	\$72,940	19.2%
8 Connect Fees	*	\$160,000	*	\$157,261	\$146,667	\$10,594	7.2%
9 Services rendered to other depts.	*	\$0	*	\$1,800	\$0	\$1,800	0.0%
10 Other revenues	*	\$333,100	*	\$967,138	\$305,342	\$661,797	216.7%
11 Federal Grants	*	\$0	*	\$2,611,226	\$0	\$2,611,226	0.0%
12 State Grants	*	\$0	*	\$433,909	\$0	\$433,909	0.0%
13 Year-end cash adjustments	*	\$0	*	\$0	\$0	\$0	0.0%
14 TOTAL REVENUES & SOURCES	*	\$65,864,920	*	\$63,154,194	\$60,615,513	\$2,538,680	4.2%
15 OPERATING EXPENSES:	*		*				
16 Hydro oper. & maint.	*	\$6,407,916	*	\$583,521	\$5,914,999	(\$5,331,478)	-90.1%
17 Solar oper.& maint.	*	\$90,000	*	\$37,982	\$83,077	(\$45,095)	-54.3%
18 Purchased power	*	\$43,470,597	*	\$38,962,178	\$39,875,467	(\$913,289)	-2.3%
19 Distribution oper. & maint.	*	\$5,184,771	*	\$4,098,492	\$4,785,942	(\$687,451)	-14.4%
21 Customer Relations	*	\$1,470,771	*	\$888,393	\$1,357,635	(\$469,241)	-34.6%
22 Administration	*	\$840,662	*	\$574,343	\$775,996	(\$201,653)	-26.0%
23 Payment in-lieu-of taxes	*	\$4,328,980	*	\$3,912,257	\$3,961,017	(\$48,760)	-1.2%
24 1% for Arts Transfer	*	\$147,470	*	\$79,783	\$134,935	(\$55,152)	-40.9%
25 Services rendered-other depts.	*	\$2,376,665	*	\$2,179,516	\$2,178,610	\$906	0.0%
26 TOTAL OPERATING EXPENSES (excl depn)	*	\$64,317,832	*	\$51,316,464	\$59,067,678	(\$7,751,213)	-13.1%
27 NET OPERATING REVENUE/(LOSS) (excl depn)	*	\$1,547,088	*	\$11,837,729	\$1,547,836	\$10,289,894	\$0
28 CAPITAL EXPENDITURES:	*		*				
29 General Plant/Other Generation & Distribution	*	\$14,410,913	*	\$10,671,602	\$13,293,835	(\$2,622,233)	-19.7%
30 Aid-to-construction	*	\$1,630,000	*	\$1,653,335	\$1,504,615	\$148,720	9.9%
31 Service installations	*	\$310,000	*	\$281,049	\$286,154	(\$5,105)	-1.8%
32 TOTAL CAPITAL EXPENDITURES	*	\$16,350,913	*	\$12,605,986	\$15,084,604	(\$2,478,618)	-16.4%
33 ENDING CASH BALANCE (26% of Oper Exp)	*		*	\$16,516,422			
34 MINIMUM BAL. (23% of OPER EXP excl depn/chg 2017)	*		*	\$14,793,101			
35 OVER/(UNDER) MINIMUM BALANCE	*		*	\$1,723,320			
RESTRICTED FUNDS							
37 PIF Collections	*	\$2,747,630	*	\$2,304,534	\$2,518,661	(\$214,127)	-8.5%
38 PIF Interest Income	*	\$25,030	*	\$36,654	\$22,944	\$13,710	59.8%
39 Water Loan Payback	*	\$806,250	*	\$791,700	\$806,250	(\$14,550)	-1.8%
40 Federal Grants	*	\$0	*	\$191,250	\$0	\$191,250	0.0%
41 State Grants	*	\$0	*	\$23,906	\$0	\$23,906	0.0%
42 TOTAL REVENUES	*	\$3,578,910	*	\$3,348,044	\$3,347,855	\$189	0.0%
43 PIF Feeders	*	\$2,441,998	*	\$1,076,263	\$2,254,152	(\$1,177,889)	-52.3%
44 PIF Substations & Solar	*	\$2,565,882	*	\$125,282	\$2,352,059	(\$2,226,777)	-94.7%
45 TOTAL EXPENDITURES	*	\$5,007,880	*	\$1,201,545	\$4,606,211	(\$3,404,666)	-73.9%
46 ENDING PIF CASH BALANCE	*		*	\$3,440,390			
47 TOTAL ENDING CASH BALANCE	*		*	\$19,956,812			
NOTE: YTD ACTUAL does NOT include encumbrances totalling \$3,520,208							
48 Energy Purchased (in million kWh) from PRPA	*	737	*	661	673	(12)	0.5%
49 Energy Sold to Customers (in million kWh)	*	715	*	642	658	(15)	-2.3%



ITEM TITLE:

Approval of Change Order #1 for additional footage on the 2017 CIPP Sewer Rehabilitation Project

DESCRIPTION:

The purpose of this item is to approve Change Order #1 from Layne Inliner for \$186,336.00. This adds additional footage and three months of contract time to the existing 2017 CIPP Sewer Rehabilitation Project. This increase in footage was requested by Water and Power in order to utilize the funds available in the 2017 budget and therefore maximize the amount of sewer line rehabilitation completed.

SUMMARY:

The purpose of this project is to rehabilitate aging sanitary sewer collection lines by lining the existing clay lines with a cured in place pipe liner (CIPP). The liner will fix immediate deficiencies and extend the life of the existing pipe

The original contract was awarded to Layne Inliner in the amount of \$837,667.50, which was approximately \$200,000 below our estimate and approximately \$100,000 below the 2nd bidder. The original contract includes lining 24,196' of small diameter clay lines (6", 8", 10" and 12") and other related work.



Change Order #1 will add 8,144 LF of 8" clay sewer line to the contract, bringing the new total to \$1,024,003.50, which is still below the 2017 budgeted amount of \$1,049,000.00. The unit prices for this change order are an extension of the unit prices from Layne Inliner's original bid. This change order allows the City of Loveland to take advantage of favorable pricing to increase the amount of sewer lines we will be able to rehabilitate without exceeding our current budget.

Per Municipal Code 3.12.060A and 3.12.060B, the LUC must approve Water and Power contracts above \$500,000 or any change order that causes a contract to equal or exceed \$500,000 and which, when combined with all previous change orders, equals or exceeds 20% of the original contract amount.

RECOMMENDATION:

Adopt a motion to approve Change Order # 1 from Layne Inliner in the amount of \$186,336, and authorize the City Manager to execute the change order on behalf of the City.

ATTACHMENTS:

-  Attachment A: Locations to be added to contract
-  Attachment B: Change Order #1

Attachment A

Location	Upstream Manhole	Downstream Manhole	Line Location	Pipe Dia.	Pipe Material	Pipe Length	Estimated Services
Manhole to Lift Station	1449	Lift Station	Sidewalk	8"	VCP	15	0
Ditch Crossing	1449	1147	Ditch	8"	CI	126	0
2517 Lake Dr.	1450	1447	Backyard	8"	VCP	312	3
2423 Lake Dr.	1451	1450	Backyards	8"	VCP	298	3
2415 Lake Dr.	1459	1451	Backyards	8"	VCP	308	3
2401 Lake Dr.	1460	1459	Backyards	8"	VCP	245	3
2355 Lake Dr	1461	1460	Backyards	8"	VCP	185	1
2315 Lake Dr.	1456	1461	Backyards	8"	VCP	234	2
2225 Lake Dr.	1458	1456	Backyards	8"	VCP	275	1
2211 Lake Dr.	1457	1458	Backyards	8"	VCP	294	3
2125 Lake Dr.	1446	1457	Backyards	8"	VCP	122	1
2015 N. Garfield Ave.	1444	1446	Backyards	8"	VCP	308	3
1819 N. Garfield Ave.	1445	1444	Backyards	8"	VCP	281	3
1803 N. Garfield	1443	1445	Backyards	8"	VCP	210	2
1735 N. Garfield Ave.	9072	1443	Backyards	8"	VCP	285	3
Location	Upstream Manhole	Downstream Manhole	Line Location	Pipe Dia.	Pipe Material	Pipe Length	Estimated Services
3614 Butternut Dr.	976	991	Street	8"	VCP	210	5
3606 Butternut Dr.	991	994	Street	8"	VCP	216	3
3518 Butternut Dr.	997	994	Street	8"	VCP	150	2
3509 Butternut Dr.	994	993	Street	8"	VCP	160	3
3501 Butternut Dr.	993	996	Street	8"	VCP	160	4
3448 Butternut Dr.	995	996	Street	8"	VCP	80	2
3419 Butternut Dr.	996	943	Street	8"	VCP	165	2
3403 Butternut Dr.	943	942	Street	8"	VCP	145	3
3362 Butternut Dr.	942	961	Alley	8"	VCP	218	3
801 W 36th St.	830	831	Street	8"	VCP	12	0
717 W. 36th St.	831	832	Street	8"	VCP	125	3
713 W. 36th St.	832	836	Street	8"	VCP	303	5
617 W. 36th St.	836	972	Street	8"	VCP	300	6
826 W 36th St	814	817	Street	8"	VCP	343	8
806 W. 36th St.	817	830	Street	8"	VCP	164	4
1315 W 37th St.	715	718	Easement	8"	VCP	315	4
1215 W 37th St.	718	747	Easement	8"	VCP	320	4

Attachment B



November 13th, 2017

Craig Weinland

City of Loveland
Department of Water & Power
200 North Wilson Ae
Loveland, CO 80537

Attention: Craig Weinland

Reference: Change Order 1 – Additional CIPP Footage (8144ft) & service reconnections (106)

Mr. Weinland:

Layne Inliner, LLC (INLINER) is pleased to offer the following price proposal for the described scope of work for the additional CIPP Lining footage referenced above.

Scope of Work: INLINER proposes to furnish all material, equipment and labor to install the specified Cured-In-Place-Pipe per plans and specification. Excavation and site restoration required by the scope of the project *or* required to remove any obstruction preventing the installation of CIPP is not included in this price estimate and shall be performed by others. Listed below is the additional CIPP footage priced at the contract values for cleaning, lining, and service reconnections.

Additional Contract Time: We propose an additional 3 month be added to the contract to finish the additional lining, with a completion date of March 31, 2018.

Item	Description	Unit	Quantity	Unit Price	Total
1	Clean & CCTV	LF	8144	\$ 1.75	\$ 14,252.00
2	CIPP Lining	LF	8144	\$ 21.00	\$ 171,024.00
3	Sewer Service Reconnection	EA	106	\$ 10.00	\$ 1,060.00
Grand Total					\$ 186,336.00

Layne Inliner, LLC includes the following:

1. Mobilization to and from site.
2. Traffic Control for INLINER operations
3. By-pass pumping for INLINER operations
4. Pre-CCTV cleaning and inspection of CIPP scope only
5. Post CCTV Inspection.
6. CIPP installation including required labor, material and installation
7. Service connection reinstatement per direction of owner. INLINER will not open service connections if a lateral end cap is clearly visible from inside the main. However, INLINER will open all other service laterals that are possibly in service unless directed by the Owner's representative in writing to do otherwise.
8. Standard Certificate of Insurance (General, Automobile, Workers' Compensation, Umbrella with Layne limits).
9. Payment Terms net 30 after completion and acceptance.

The following are not included in the price, if required, shall be provided at additional cost or by others:

1. Legal and physical access to manholes.
2. Project related fees, licenses, permits.
3. Excavation, surface restoration and filling of soil voids above and around pipe
4. Dump site for material removed from pipeline.
5. The project has no known hazardous waste and any work related to discovered hazardous waste is not included and shall be performed by others.
6. Sales tax.
7. Performance and payment bonds.

The proposed scope and price are subject to reaching a mutually agreeable contract or Owner may sign below as acceptance. Please call if we may answer any questions or be of any service to you.

Sincerely yours,

Layne Inliner, LLC



Joe Moya
Project Manager

Acceptance by authorized Owner representative:

Signature

Title

Date

Acceptance by authorized Engineering Firm representative:

Signature

ITEM TITLE:

2018 Annual Substructure Projects Contract

DESCRIPTION:

The purpose of this item is to award the contract to GE Construction, Inc. for the 2018 Annual Substructure Projects Bid 2017-70.

SUMMARY:

Each year there are multiple opportunities to use the substructure contract for projects that occur as a result of development, capital construction, emergencies and maintenance. The substructure bid allows contractor augmentation of city crew efforts to install underground conduit systems, street light wires, street lights and vaults. On November 8, 2017 the City of Loveland received sealed bids for the 2018 Annual Substructure Projects. After consideration of the bid responses and the unit prices received, the decision was made to recommend awarding this bid to GE Construction, Inc.

This year we anticipate expenditures of approximately \$1,000,000 for small capital projects, small 600-amp development-driven extensions, overhead to underground conversions, and development growth. Although the contract is set at a not-to-exceed amount, the city does not guarantee that there will be that much work available.

The proposed contract amount is budgeted within several capital projects, maintenance and development-driven projects.

Per Municipal Code 3.12.060A and 3.12.060B, the LUC must approve Water and Power contracts above \$500,000 or any change order that causes a contract to equal or exceed \$500,000 and which, when combined with all previous change orders, equals or exceeds 20% of the original contract amount.

RECOMMENDATION:

Adopt a motion recommending that LUC award the contract for 2018 Annual Substructure Projects to GE Construction, Inc. in an amount not to exceed \$1,000,000 and authorize the City Manager to execute the contract on behalf of the City, following consultation with the City Attorney, and to modify the contract in form or substance as deemed necessary to protect the interests of the City.

ATTACHMENTS:

-  Attachment A: 2018 Annual Substructure Projects Bid 2017-70 Tabulation

Attachment A

2018 Annual Substructure Bid Tab

Description	GE Construction	Integrated Communications	L&M Underground
1. Trenching, backhoeing, backfilling and compacting trench in:			
Reasonable Soil - Per lineal foot, 12" max width by 36" depth	\$ 1.00	\$ 6.25	\$ 7.00
Reasonable Soil - Per lineal foot, 12" max width by 48" depth	\$ 1.50	\$ 8.25	\$ 8.50
Reasonable Soil - Per lineal foot, 18" max width by 48" depth	\$ 3.75	\$ 8.75	\$ 10.00
Reasonable Soil - Per lineal foot, 24" max width by 48" depth	\$ 4.25	\$ 9.25	\$ 13.00
Reasonable Soil - Per lineal foot, 24" max width by 54" depth	\$ 6.00	\$ 10.25	\$ 14.00
Rock conditions - Per lineal foot, 12" max width by 36" depth	\$ 1.25	\$ 8.25	\$ 25.00
Rock conditions - Per lineal foot, 12" max width by 48" depth	\$ 2.00	\$ 10.25	\$ 35.00
Rock conditions - Per lineal foot, 18" max width by 48" depth	\$ 4.00	\$ 10.75	\$ 45.00
Rock conditions - Per lineal foot, 24" max width by 48" depth	\$ 6.75	\$ 11.25	\$ 55.00
Rock conditions - Per lineal foot, 24" max width by 54" depth	\$ 9.75	\$ 12.25	\$ 60.00
2. Installation in trench without spacers in:			
Reasonable soil conditions per lineal foot of one (1) cable-in-conduit (on steel reel)	\$ 0.20	\$ 0.70	\$ 0.30
Reasonable soil conditions per lineal foot of one (1) 2" PVC SCH 40 conduit (20' lengths)*	\$ 0.30	\$ 0.85	\$ 0.34
Reasonable soil conditions per lineal foot of one (1) 4" PVC SCH 40 conduit (20' lengths)	\$ 1.25	\$ 1.05	\$ 0.39
Reasonable soil conditions per lineal foot of one (1) 6" PVC SCH 40 conduit (20' lengths)	\$ 1.30	\$ 1.25	\$ 1.25
Rock conditions per lineal foot of one (1) cable-in-conduit (on steel reel)	\$ 0.20	\$ 0.85	\$ 0.30
Rock conditions per lineal foot of one (1) 2" PVC SCH 40 conduit (20' lengths)*	\$ 0.30	\$ 1.00	\$ 0.34
Rock conditions per lineal foot of one (1) 4" PVC SCH 40 conduit (20' lengths)	\$ 1.25	\$ 1.20	\$ 0.39
Rock conditions per lineal foot of one (1) 6" PVC SCH 40 conduit (20' lengths)	\$ 1.30	\$ 1.40	\$ 1.25
3. Installation in trench with spacers (installation of spacers, base, and intermediate spacers wired to rebar anchors at 10' centers will be required for three (3) or more PVC conduits in the same trench. City to supply spacers, CIC and PVC. Contractor to supply rebar and tie wire) in:			
Reasonable soil conditions per lineal foot of one (1) 4" PVC SCH 40 conduit (20' lengths)	\$ 2.00	\$ 1.60	\$ 4.00
Reasonable soil conditions per lineal foot of one (1) 6" PVC SCH 40 conduit (20' lengths)	\$ 2.00	\$ 2.00	\$ 5.00
Rock conditions per lineal foot of one (1) 4" PVC SCH 40 conduit (20' lengths)	\$ 2.00	\$ 1.90	\$ 4.00
Rock conditions per lineal foot of one (1) 6" PVC SCH 40 conduit (20' lengths)	\$ 2.00	\$ 2.30	\$ 5.00
4. Excavation, installation, compaction, and backfill of concrete vault and lid. Install tracer wire pipe and cap at vault edge. Pipe is 18" long with a 2" diameter. (Supplied by City – delivered and set by Supplier).			
each for 5' x 8' vault	\$ 500.00	\$ 2,500.00	\$ 1,100.00
each for 7' x 11' vault	\$ 750.00	\$ 2,600.00	\$ 2,000.00
each for 7' x 14' vault	\$ 850.00	\$ 2,800.00	\$ 4,000.00
each for 5' x 5' vault	\$ 500.00	\$ 1,500.00	\$ 900.00
each for 3' x 4' secondary vault	\$ 300.00	\$ 800.00	\$ 700.00
each for 8' x 19' vault	\$ 1,500.00	\$ 5,000.00	\$ 6,000.00
each for a 7' x 13' vault*	\$ 800.00	\$ 2,700.00	\$ 3,800.00
5. Excavation, removal, compaction, and backfill for the removal or relocation of a concrete vault and lid. (City removes and relocates vault).			
Each for 5' x 8' vault	\$ 300.00	\$ 3,500.00	\$ 2,800.00
Each for 7' x 11' vault	\$ 400.00	\$ 3,600.00	\$ 8,000.00
Each for 7' x 14' vault	\$ 400.00	\$ 3,800.00	\$ 8,500.00
Each for 5' x 5' vault	\$ 200.00	\$ 2,000.00	\$ 1,100.00
Each for 3' x 4' secondary vault	\$ 200.00	\$ 1,100.00	\$ 900.00
Each for 8' x 19' vault	\$ 600.00	\$ 7,500.00	\$ 12,000.00
Each for a 7' x 13' vault*	\$ 400.00	\$ 3,700.00	\$ 8,500.00
6. Addition of flow fill or addition of concrete encasement consisting of 3" min. coverage or per specifications provided by Project Manager. (City to supply flow fill and concrete).			
Per lineal foot	\$ 0.30	\$ 1.25	\$ 250.00
7. Sawcut and removal of surface materials such as asphalt roadways and concrete sidewalks, concrete pans, etc. (Replacement of asphalt and concrete will be provided by the City).			
Per square foot of asphalt	\$ 5.00	\$ 20.00	\$ 4.00
Per square foot of concrete	\$ 7.00	\$ 22.00	\$ 4.50
8. Utility locates and required potholing for directional boring and installation of conduits. See Technical Specifications for utility locates and potholing requirements. Labor and materials to fill potholes shall be included in the Unit Price for potholing. Potholes must be filled with flowfill.			
Per pothole up to 10	\$ 100.00	\$ 225.00	\$ 200.00
10 or more potholes per day at a daily rate	\$ 900.00	\$ 1,800.00	\$ 180.00
9. Site preparation for a single phase transformer with box pad.			
Per each single phase transformer with box pad	\$ 350.00	\$ 450.00	\$ 450.00
10. Site preparation for a three-phase transformer with concrete pad.			
Per each three phase transformer installation	\$ 350.00	\$ 750.00	\$ 700.00
11. Excavation, installation and backfill of fiberglass secondary handhole (i.e. splice box).			
For each 13" x 24" secondary handhole	\$ 100.00	\$ 75.00	\$ 300.00
For each 17" x 30" secondary handhole	\$ 100.00	\$ 100.00	\$ 400.00
For each 15¾" x 21" secondary handhole	\$ 100.00	\$ 125.00	\$ 400.00

2018 Annual Substructure Bid Tab

Description	GE Construction	Integrated Communications	L&M Underground
For each to furnish and install one (1) 30" x 48" pull box with dual lids with logo (lid says "Traffic"). Material supplied by Contractor, per spec attached.	\$ 750.00	\$ 975.00	\$ 1,500.00
For each one (1) 2 1/2" Schedule 40 PVC elbow with a 24" radius	\$ 25.00	\$ 25.00	\$ 30.00
12. Excavation, removal and backfill of fiberglass secondary handhole (i.e. splice box)			
For each 13" x 24" secondary handhole	\$ 25.00	\$ 225.00	\$ 300.00
For each 17" x 30" secondary handhole	\$ 25.00	\$ 250.00	\$ 400.00
For each 15 3/4" x 21" secondary handhole	\$ 25.00	\$ 275.00	\$ 400.00
For each 24" x 36" secondary handhole	\$ 25.00	\$ 300.00	\$ 400.00
For each 30" x 48" secondary handhole	\$ 50.00	\$ 350.00	\$ 400.00
13. Excavation, installation and backfill (no compaction) of fiberglass streetlights with foam fill (Foam fill supplied by City.)			
For each 16 1/2' fiberglass street light	\$ 150.00	\$ 460.00	\$ 4,000.00
For each 24' fiberglass street light	\$ 150.00	\$ 530.00	\$ 4,000.00
14. Excavation, installation and backfill (no compaction) of street light concrete bases (Bases supplied by City.)			
For each 2'x 4' concrete street light base	\$ 400.00	\$ 1,200.00	\$ 7,000.00
for each 2'x 7' concrete street light base	\$ 650.00	\$ 1,600.00	\$ 7,000.00
15. Excavation, installation on backfill of sectionalizing cabinets			
For each single phase sectionalizing cabinet	\$ 300.00	\$ 300.00	\$ 500.00
For each three phase sectionalizing cabinet	\$ 400.00	\$ 450.00	\$ 800.00
16. Replacement of vault lid (supplied by City – delivered and set by Supplier).			
Each for 5' x 8' vault	\$ 100.00	\$ 1,500.00	\$ 500.00
Each for 7' x 11' vault	\$ 100.00	\$ 2,000.00	\$ 700.00
Each for 7' x 14' vault	\$ 100.00	\$ 2,000.00	\$ 900.00
Each for 5' x 5' vault	\$ 100.00	\$ 1,500.00	\$ 500.00
Each for 8' x 19' vault	\$ 100.00	\$ 2,500.00	\$ 2,000.00
Each for a 7' x 13' vault*	\$ 100.00	\$ 2,000.00	\$ 900.00
17. Core drilling of existing vault.			
Each 1-4" core	\$ 200.00	\$ 250.00	\$ 200.00
Each 1-6" core	\$ 250.00	\$ 275.00	\$ 300.00
18. Tie bore conduit into vault or to existing conduit.			
Each connection	\$ 250.00	\$ 325.00	\$ 800.00
19. Removal of spoils including, but not limited to, dirt, rocks, concrete, asphalt, shrubbery, fencing materials, old transformer pads, street light concrete bases, etc.			
Per hour	\$ 95.00	\$ 325.00	\$ 160.00
20. Jack hammer, remove and replace concrete from conduits, transformer pads, vaults and handholes. Concrete provided by City.			
Per hour	\$ 95.00	\$ 250.00	\$ 110.00
21. Lower existing conduits in reasonable soil, or after jack hammering and removing concrete.			
Per hour to lower 1 conduit	\$ 95.00	\$ 325.00	\$ 120.00
Per hour to lower 2 conduits	\$ 95.00	\$ 325.00	\$ 125.00
Per hour to lower 3 conduits	\$ 95.00	\$ 325.00	\$ 130.00
Per hour to lower 4 conduits	\$ 95.00	\$ 325.00	\$ 140.00
Per hour to lower 5 conduits	\$ 95.00	\$ 325.00	\$ 140.00
Per hour to lower 6 conduits	\$ 95.00	\$ 325.00	\$ 150.00
Per hour to lower 7 conduits or more conduits	\$ 95.00	\$ 325.00	\$ 180.00
22. Hand dig into a transformer, switch gear, vault, sectionalizing cabinet or a handhole.			
Per hour	\$ 65.00	\$ 225.00	\$ 140.00
23. Provide and install a silt fence for project storm water and soil management.			
Per foot	\$ 1.00	\$ 2.00	\$ 4.00
24. Punch or hand bore under walks, curbs, and driveways with a "bullet" or "missile".			
Per hour	\$ 90.00	\$ 250.00	\$ 110.00
25. Supply and install rock for a tracking pad for equipment.			
Per foot	\$ 12.00	\$ 1,500.00	\$ 65.00
26. Remove and replace fencing using existing material.			
Per foot for barbed wire.	\$ 5.00	\$ 2.00	\$ 10.00
Per foot for picket fence.	\$ 5.00	\$ 10.00	\$ 15.00
Per foot for chained link.	\$ 5.00	\$ 7.00	\$ 8.00
Per foot for split rail.	\$ 5.00	\$ 7.00	\$ 10.00
Each for a gate.	\$ 100.00	\$ 250.00	\$ 75.00
27. Furnish and install ground rods (5/8" x 8'). Material supplied by Contractor.			
Each	\$ 10.00	\$ 60.00	\$ 80.00
28. Mobilization costs – One time			
For projects of 1,000 feet or less.	\$ 850.00	\$ 750.00	\$ 1,200.00
For projects of more than 1,000 feet.	\$ -	\$ 950.00	\$ 1,000.00
29. Equipment with Operator Costs – One time			
Heavy equipment unit price per hour	\$ 125.00	\$ 525.00	\$ 45.00

2018 Annual Substructure Bid Tab

Description	GE Construction	Integrated Communications	L&M Underground
Light equipment unit price per hour	\$ 100.00	\$ 325.00	\$ 40.00
30. Trench Boxes			
Daily Rate	\$ 100.00	\$ 450.00	\$ 700.00
31. Traffic Plates			
Daily Rate	\$ 40.00	\$ 250.00	\$ 140.00

ITEM TITLE:

2018 Annual Directional Bore Projects Contract

DESCRIPTION:

The purpose of this item is to award the contract to Jacobs Investments LLC, dba Colorado Boring Company for the 2018 Annual Directional Bore Projects Bid 2017-71.

SUMMARY:

Each year there are multiple opportunities to use the directional bore contract for projects that occur as a result of development, capital construction, emergencies and maintenance. The directional bore bid allows contractor augmentation of city crew efforts to install underground conduit systems, street light wires, street lights and vaults. On November 8, 2017 the City of Loveland received sealed bids for the 2018 Annual Directional Bore Projects. After consideration of the bid responses and the unit prices received, the decision was made to recommend awarding this bid to Jacobs Investments LLC, dba Colorado Boring Company.

This year we anticipate expenditures of approximately \$750,000 for small capital projects, small 600-amp development-driven extensions, overhead to underground conversions, and development growth. Although the contract is set at a not-to-exceed amount, the city does not guarantee that there will be that much work available.

The proposed contract amount is budgeted within several capital projects, maintenance and development-driven projects.

Per Municipal Code 3.12.060A and 3.12.060B, the LUC must approve Water and Power contracts above \$500,000 or any change order that causes a contract to equal or exceed \$500,000 and which, when combined with all previous change orders, equals or exceeds 20% of the original contract amount.

RECOMMENDATION:

Adopt a motion recommending that LUC award the contract for 2018 Annual Directional Bore Projects to Jacobs Investments LLC, dba Colorado Boring Company in an amount not to exceed \$750,000 and authorize the City Manager to execute the contract on behalf of the City, following consultation with the City Attorney, and to modify the contract in form or substance as deemed necessary to protect the interests of the City.

ATTACHMENTS:

 Attachment A: 2018 Annual Directional Bore Projects Bid 2017-71 Tabulation

Attachment B

2018 Annual Directional Boring Bid Tab

Description	CO Bore	Frontier Environmental	Global Underground Corp	Integrated Communications Group	L&M Underground
1. Directional boring and installation in:					
Reasonable Soil - per lineal foot of one (1) 1-1/2" high-density polyethylene conduit.	\$ 7.00	\$ 12.00	\$ 22.00	\$ 14.00	\$ 13.00
Reasonable Soil - per lineal foot of one (1) 2" high-density polyethylene conduit.	\$ 7.00	\$ 14.00	\$ 22.00	\$ 14.00	\$ 14.00
Reasonable Soil - per lineal foot of two (2) 2" high-density polyethylene conduit.	\$ 9.00	\$ 16.00	\$ 28.00	\$ 17.00	\$ 20.00
Reasonable Soil - per lineal foot of one (1) 1-1/4" cable-in-conduit (high-density polyethylene on a steel reel).	\$ 7.00	\$ 12.00	\$ 22.00	\$ 14.00	\$ 13.00
Reasonable Soil - per lineal foot of one (1) 2" cable-in-conduit (high-density polyethylene on a steel reel).	\$ 7.00	\$ 14.00	\$ 22.00	\$ 14.00	\$ 14.00
Rock conditions - per lineal foot of one (1) 1-1/2" high-density polyethylene conduit.	\$ 15.00	\$ 40.00	\$ 55.00	\$ 23.50	\$ 30.00
Rock conditions - per lineal foot of one (1) 2" high-density polyethylene conduit.	\$ 14.00	\$ 45.00	\$ 55.00	\$ 23.35	\$ 30.00
Rock conditions - per lineal foot of two (2) 2" high-density polyethylene conduit.	\$ 16.00	\$ 55.00	\$ 60.00	\$ 32.00	\$ 36.00
Rock conditions - per lineal foot of one (1) 1-1/4" cable-in-conduit (high-density polyethylene on a steel reel).	\$ 14.00	\$ 40.00	\$ 55.00	\$ 23.50	\$ 30.00
Rock conditions - per lineal foot of one (1) 2" cable-in-conduit (high-density polyethylene on a steel reel).	\$ 14.00	\$ 45.00	\$ 55.00	\$ 23.50	\$ 30.00
2. Directional boring and installation without spacers in:					
Reasonable soil conditions - per lineal foot of one (1) 4" bore guard.	\$ 9.00	\$ 18.00	\$ 28.00	\$ 18.00	\$ 18.00
Reasonable soil conditions - per lineal foot of two (2) 4" bore guard.	\$ 12.00	\$ 28.00	\$ 55.00	\$ 39.00	\$ 28.00
Reasonable soil conditions - per lineal foot of one (1) 6" bore guard.	\$ 12.00	\$ 28.00	\$ 60.00	\$ 33.00	\$ 22.00
Reasonable soil conditions - per lineal foot of two (2) 6" bore guard.	\$ 14.00	\$ 35.00	\$ 100.00	\$ 74.00	\$ 38.00
Reasonable soil conditions - per lineal foot of three (3) 6" bore guard.	\$ 14.00	\$ 50.00	\$ 105.00	\$ 110.00	\$ 44.00
Rock conditions - per lineal foot of one (1) 4" bore guard.	\$ 16.00	\$ 55.00	\$ 60.00	\$ 32.00	\$ 32.00
Rock conditions - per lineal foot of two (2) 4" bore guard.	\$ 20.00	\$ 70.00	\$ 95.00	\$ 72.00	\$ 45.00
Rock conditions - per lineal foot of one (1) 6" bore guard.	\$ 20.00	\$ 75.00	\$ 70.00	\$ 45.00	\$ 45.00
Rock conditions - per lineal foot of two (2) 6" bore guard.	\$ 36.00	\$ 90.00	\$ 200.00	\$ 138.00	\$ 70.00
Rock conditions - per lineal foot of three (3) 6" bore guard.	\$ 36.00	\$ 115.00	\$ 210.00	\$ 180.00	\$ 72.00
3. Directional boring and installation with spacers in:					
Reasonable soil conditions - per lineal foot of four (4) 6" bore guard.	\$ 55.00	\$ 140.00	\$ 125.00	\$ 170.00	\$ 55.00
Reasonable soil conditions - per lineal foot of five (5) 6" bore guard.	\$ 60.00	\$ 180.00	\$ 155.00	\$ 250.00	\$ 60.00
Reasonable soil conditions - per lineal foot of six (6) 6" bore guard.	\$ 64.00	\$ 220.00	\$ 185.00	\$ 280.00	\$ 64.00
Rock conditions - per lineal foot of four (4) 6" bore guard.	\$ 100.00	\$ 380.00	\$ 250.00	\$ 270.00	\$ 75.00
Rock conditions - per lineal foot of five (5) 6" bore guard.	\$ 110.00	\$ 460.00	\$ 310.00	\$ 350.00	\$ 80.00
Rock conditions - per lineal foot of six (6) 6" bore guard.	\$ 110.00	\$ 580.00	\$ 370.00	\$ 380.00	\$ 85.00
4. Couplings					
Each coupling to mate 4" polyethylene to 4" PVC SCH 40 conduit.	\$ 5.00	\$ 250.00	\$ 16.00	\$ 120.00	\$ 35.00
Each coupling to mate 6" polyethylene to 5" PVC SCH 40 conduit.	\$ 5.00	\$ 350.00	\$ 30.00	\$ 140.00	\$ 40.00
Each reducing coupling to mate 6" bore guard to 6" Schedule 40 conduit.	\$ 5.00	\$ 500.00	\$ 30.00	\$ 150.00	\$ 40.00
5. Excavation, backfilling, and restoration of required pits for directional boring and installation of conduits described in items 1 - 2.					
Each bore pit	\$ 300.00	\$ 4,200.00	\$ 1,000.00	\$ 850.00	\$ 400.00
6. Utility locates, including sewer lateral locates, and required potholing for directional boring and installation of conduits described in Items 1A through 2B. Labor and materials to fill potholes shall be included in the Unit Prices for potholing.					
Per pothole up to 10	\$ 100.00	\$ 250.00	\$ 450.00	\$ 225.00	\$ 180.00
10 or more potholes per day at a daily rate	\$ 950.00	\$ 250.00	\$ 2,150.00	\$ 1,800.00	\$ 1,600.00

2018 Annual Directional Boring Bid Tab

Description	CO Bore	Frontier Environmental	Global Underground Corp	Integrated Communications Group	L&M Underground
7. Mobilization costs - one time					
For projects less than 1,000 feet in length	\$ 500.00	\$ 5,500.00	\$ 1,500.00	\$ 750.00	\$ 1,000.00
For projects greater than 1,000 feet in length	\$ -	\$ 7,500.00	\$ 1,500.00	\$ 950.00	\$ 500.00
8. Hand dig into a transformer, switch gear, vault, sectionalizing cabinet or a handhole.					
Per hour	\$ 90.00	\$ 90.00	\$ 85.00	\$ 225.00	\$ 180.00
9. 3-Man Labor, Crew w/equipment					
Per hour	\$ 145.00	\$ 325.00	\$ 250.00	\$ 325.00	\$ 180.00
10. Shoring or trench boxes					
Per hour	\$ 600.00	\$ 750.00	\$ 150.00	\$ 450.00	\$ 500.00
11. Bore sleeves/casing - steel - unit price shall include the spacer assembly cost (Spacer material to be provided by the City).					
18" diameter - per lineal foot - reasonable soil conditions	\$ 125.00	\$ 375.00	\$ 270.00	\$ 355.00	\$ 250.00
24" diameter - per lineal foot - reasonable soil conditions	\$ 145.00	\$ 575.00	\$ 360.00	\$ 430.00	\$ 310.00
30" diameter - per lineal foot - reasonable soil conditions	\$ 155.00	\$ 690.00	\$ 450.00	\$ 550.00	\$ 400.00
36" diameter - per lineal foot - reasonable soil conditions	\$ 200.00	\$ 850.00	\$ 540.00	\$ 620.00	\$ 450.00
18" diameter - per lineal foot - rock soil conditions	\$ 375.00	\$ 498.00	\$ 450.00	\$ 480.00	\$ 400.00
18" diameter - per lineal foot - rock soil conditions	\$ 435.00	\$ 780.00	\$ 600.00	\$ 555.00	\$ 550.00
18" diameter - per lineal foot - rock soil conditions	\$ 465.00	\$ 1,000.00	\$ 750.00	\$ 675.00	\$ 600.00
18" diameter - per lineal foot - rock soil conditions	\$ 600.00	\$ 1,500.00	\$ 900.00	\$ 745.00	\$ 675.00
12. Bore sleeves/casing – HDPE – unit price shall include the spacer assembly cost (Spacer material to be provided by the City).					
18" diameter - per lineal foot - reasonable soil conditions	\$ 125.00	\$ 80.00	\$ 360.00	\$ 305.00	\$ 210.00
24" diameter - per lineal foot - reasonable soil conditions	\$ 145.00	\$ 120.00	\$ 480.00	\$ 370.00	\$ 280.00
30" diameter - per lineal foot - reasonable soil conditions	\$ 155.00	\$ 140.00	\$ 600.00	\$ 450.00	\$ 350.00
36" diameter - per lineal foot - reasonable soil conditions	\$ 200.00	\$ 180.00	\$ 720.00	\$ 480.00	\$ 400.00
18" diameter - per lineal foot - rock soil conditions	\$ 375.00	\$ 400.00	\$ 540.00	\$ 430.00	\$ 350.00
18" diameter - per lineal foot - rock soil conditions	\$ 435.00	\$ 500.00	\$ 720.00	\$ 495.00	\$ 450.00
18" diameter - per lineal foot - rock soil conditions	\$ 465.00	\$ 700.00	\$ 900.00	\$ 575.00	\$ 500.00
18" diameter - per lineal foot - rock soil conditions	\$ 600.00	\$ 900.00	\$ 1,080.00	\$ 605.00	\$ 600.00
13. Sleeveless bore with spacers – unit price shall include the spacer assembly cost (Spacer material to be provided by the City).					
18" diameter - per lineal foot - reasonable soil conditions	\$ 110.00	\$ 100.00	\$ 370.00	\$ 150.00	\$ 120.00
24" diameter - per lineal foot - reasonable soil conditions	\$ 130.00	\$ 130.00	\$ 490.00	\$ 170.00	\$ 150.00
30" diameter - per lineal foot - reasonable soil conditions	\$ 180.00	\$ 170.00	\$ 610.00	\$ 250.00	\$ 180.00
36" diameter - per lineal foot - reasonable soil conditions	\$ 195.00	\$ 225.00	\$ 730.00	\$ 280.00	\$ 240.00
18" diameter - per lineal foot - rock soil conditions	\$ 195.00	\$ 400.00	\$ 550.00	\$ 250.00	\$ 240.00
18" diameter - per lineal foot - rock soil conditions	\$ 200.00	\$ 500.00	\$ 730.00	\$ 270.00	\$ 300.00
18" diameter - per lineal foot - rock soil conditions	\$ 260.00	\$ 700.00	\$ 910.00	\$ 350.00	\$ 360.00
18" diameter - per lineal foot - rock soil conditions	\$ 360.00	\$ 900.00	\$ 1,090.00	\$ 380.00	\$ 480.00



ITEM TITLE:

Legal Updates

DESCRIPTION:

A brief verbal presentation on the current status of water rights litigation and other legal issues that may affect the operations of the Department of Water & Power.

SUMMARY:

City Attorney Office staff members will present updates and information regarding active, pending, or upcoming litigation or other legal issues that may affect the operations of the Department of Water & Power.

RECOMMENDATION:

Staff item only. No action required.

ITEM TITLE:

Zero Net Carbon Modeling Report

DESCRIPTION:

The Platte River Power Authority Board of Directors approved a study to determine the feasibility and production costs of achieving a zero net carbon (ZNC) – carbon neutral – energy supply for its owner municipalities by the year 2030. Representatives of Platte River and Pace Global LLC, consultants who conducted the ZNC study, will present the findings of the zero net carbon modeling effort and answer any questions that commissioners may have.

SUMMARY:

Platte River Power Authority (Platte River) - a not-for-profit, wholesale electricity generation and transmission provider - delivers safe, reliable, environmentally responsible and competitively priced energy and services to its owner communities of Estes Park, Fort Collins, Longmont and Loveland. An eight-member board of directors comprised of each community's mayor or designee and a person appointed by each municipality's governing body governs Platte River. Among its many duties, the eight-member board makes decisions regarding the long-term generating resource mix of Platte River.

In July 2017, the Platte River Board of Directors agreed to model a zero net carbon electric generating resource scenario for all four municipalities and communicate the results of the study to stakeholders and the public.

Platte River contracted with Pace Global, a highly respected industry leader in strategic business consulting, to conduct a study of Platte River's energy resources and determine the feasibility and production costs to pursue a zero net carbon resource scenario. A division of Siemens Business, Pace Global provides innovative services to support the execution of business strategies, complex energy transactions, asset development and operations focusing on select markets in the Americas. Platte River retained Pace Global to accomplish two primary objectives:

1. Determine the least-cost portfolio of generation resources that can achieve carbon neutrality by 2030.
2. Assess at a high level, the risks and risk mitigation measures associated with achieving or exceeding carbon neutrality.

Pace Global, whose modeling approach included the following steps developed the zero net carbon model for Platte River's overall electric generating portfolio and high voltage transmission system:

1. Define the average carbon emission rate of the existing regional power "market" - 1,803 lb./MWh was used as the average carbon emission rate for the regional power market based on the published eGrid Rockies data for non-baseload generation. Pace Global assumed that any purchases or sales by Platte River would not be large enough to impact baseload generation units, but rather would impact the output and resulting emission of intermediate or peaking generation units in the region. Under this approach, each renewable MWh that Platte River sells into the

market serves to "offset" the generation of an existing fossil-fueled generation unit in the broader regional market and results in a reduction of 1,803 lb./MWh to the overall market emissions.

2. Construct a carbon accounting method to track the annual carbon emissions, carbon offsets, and achievement of carbon-neutrality.
3. Establish a starting level of renewable energy requirements as a percentage of Platte River's load. This is done because the model cannot simultaneously solve for both the emission reductions required to hit net zero carbon emissions and the least-cost portfolio, so model iteration is required. First, we pick a starting minimum renewable level (approximately 90%), solve for the least-cost portfolio, check to see if carbon-neutrality is met, and then adjust the renewable percentage to ensure carbon-neutrality is met in each year from 2030 and beyond.
4. Solve for the least-cost mix of generation technologies based on capital costs, fixed and variable operations and maintenance costs using hourly production modeling over the forecast horizon.
5. Assess the results to determine if carbon-neutrality is achieved each year beginning in 2030.
6. Modify the generation capacity available from the renewable sources until carbon neutrality is achieved in 2030 and then maintained beyond 2030.

If you would like additional information, please visit www.prpa.org/znc/

RECOMMENDATION:

Information item only. No action required.




ITEM TITLE:

Commission & Council Report

SUMMARY:

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

RECOMMENDATION:

Commission/Council report only.



ITEM TITLE:

Director's Report

GENERAL & PREVIOUS LUC MEETING FOLLOW UP ITEMS:

EVENTS:

Please note the following events that LUC members may wish to attend:

Zero Net Carbon Community Meeting: January 10, 2018, 5:30pm-6:30pm at Group Publishing, 1515 Cascade Ave, Loveland. Platte River Power Authority has hired a consultant who is modeling a 100% net carbon-free resource scenario for all four owner municipalities. Come to hear the results and engage in the process on the Zero Net Carbon modeling.

RMEL Introduction to the Electric Utility Workshop: January 18, 2018, Denver Marriott South, Lone Tree. This one-day course is designed to acquaint non-technical utility employees and board members with the basics of their industry from the generation to the distribution of electricity. Please contact Courtney Whittet for more information or registration.

Colorado Water Congress 2018 Annual Convention: January 24-26 at Hyatt Regency Denver Tech Center. The Colorado Water Congress Annual Convention is the premier water industry event in the state, attracting 500+ attendees that convene for networking and collaboration on the important water issues of the day. Please contact Courtney Whittet for registration.

Tour of Foundry Project: The Foundry, which represents the largest single downtown redevelopment project in the City's history, is well under way. If you are interested in peeking behind the fence, Economic Development is offering guided tours of the construction site on the following dates (subject to weather and other construction contingencies):

Friday, December 22, 2017

Friday, January 26, 2018

Friday, February 23, 2018

Friday, March 23, 2018

Friday, April 27, 2018

Friday, May 25, 2018

All tours start at 9 am at the back door of 320 N. Cleveland Ave. Keith Meyer, the City's onsite construction manager, will check you in, and provide you with the appropriate safety gear. He will also lead the tour. Space is limited to no more than 10 people per tour. If interested, please contact Mike Scholl at (970) 962-2607 or mike.scholl@cityofloveland.org with which tour date you are interested in attending.

OPERATIONS:

Water Operations:



2017 Cure-in-Place-Pipe (CIPP) Sewer Rehabilitation Project: This project is part of a continuing effort to reinvest and rehabilitate our current sewer collection system.

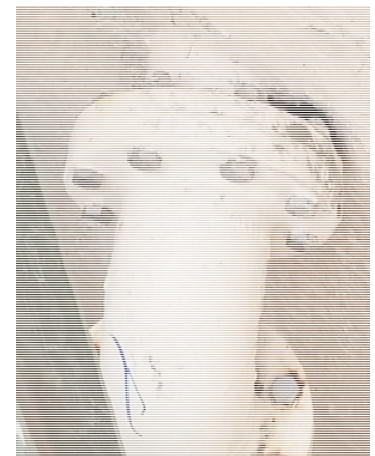
This picture (left) shows the new pipe being cured using steam, and the green tube laying on the ground is a sample of the new liner.

The project was awarded to Layne In-liner Inc., for cleaning and lining approximately 25,000 feet of the smaller clay collection sewer lines that have become cracked over time and now roots are entering into the sewer line. As the roots enter the pipe and grow, the flow in the pipe is restricted

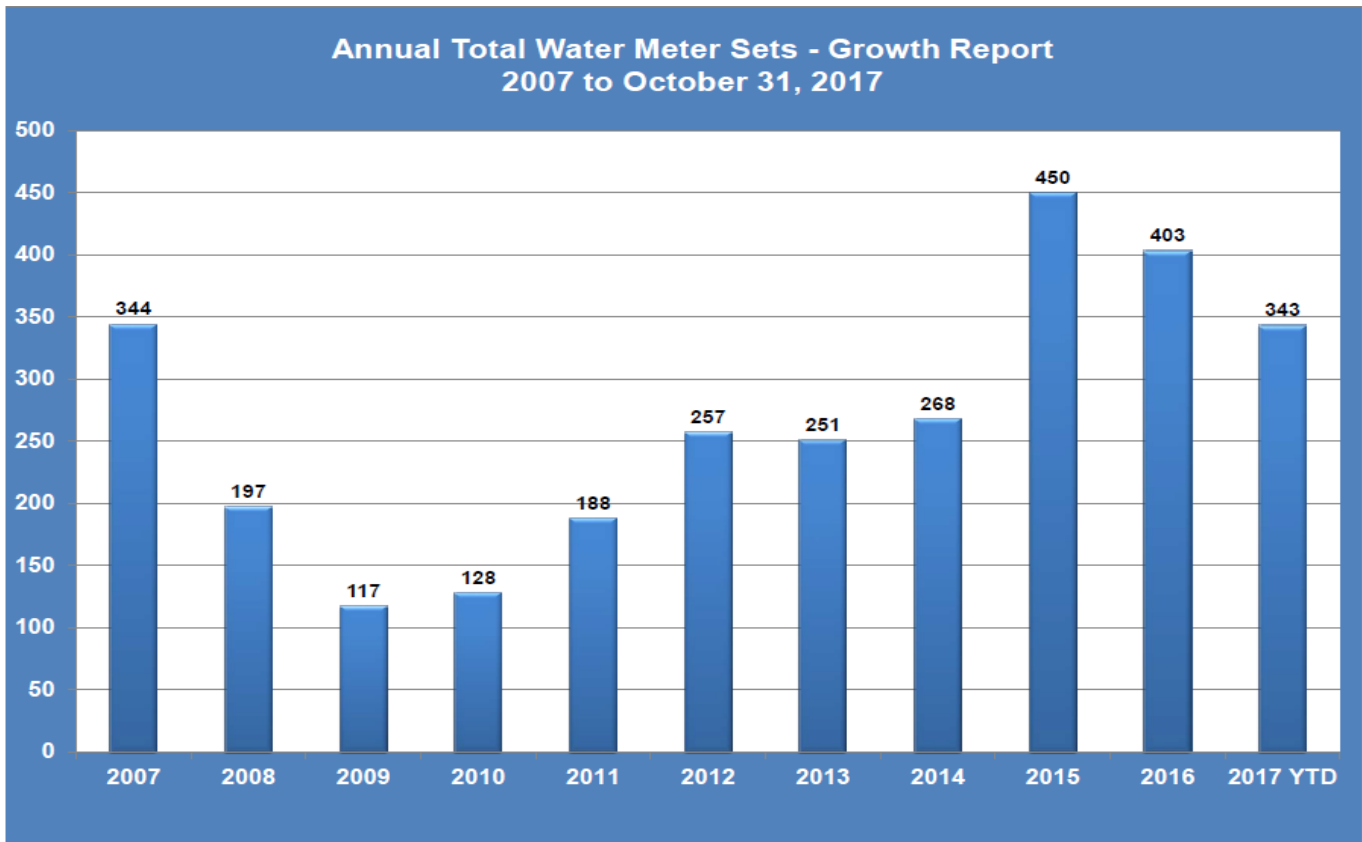
causing maintenance problems. The existing pipe is lined with a new plastic fully structural liner that creates a new pipe inside the old pipe. Once the new liner is installed, the individual services are cut open using a small robotic camera and cutting tool. This work is performed without any excavation and all access is gained through the existing manholes. This project is approximately one-third completed and construction is expected to continue through March of 2018.

Cathodic Protection: Cathodic protection is the system that protects metallic pipes from corrosion. City staff and HDR Consulting completed reading all of the known cathodic test stations on the larger diameter metallic pipes for this year. The readings indicated that the modifications that were made to the waterline in 43rd Street from Wilson Avenue to the 43rd Street water storage tank and the waterline in Boyd Lake from Lost Creek Drive to Emerald Circle Drive and east to Rocky Mountain Avenue made a substantial positive impact. Electric potentials are now higher along the waterlines which indicate less chance of active corrosion. HDR is currently in the process of compiling this year's readings into an ongoing summation report in order that pipe condition can be tracked yearly.

Boedecker Lift Station: During a routine maintenance inspection of the Boedecker lift station, staff observed failures in the protective coating inside the wet well. Subsequent inspections and testing confirmed the deficiency in the performance of the coating system, which is installed to protect the interior concrete surfaces from the attack of hydrogen sulfide gas. The lift station was recently placed on temporary bypass pumping while the contractor removed the failed coating and installed the new coating system. The work is complete and the lift station has been placed back in operation. Photo (right)



2017 Water Meter Sets: The table below illustrates year-to-date data (collected through October, 2017) on Water Division meter sets, showing comparisons with the last ten years. Water metering supervisor Andy Tenbraak reports that we are on target to be approximately even with, or slightly less than, 2016 water meter sets.



Power Operations:

Line Crews: This past month Loveland and Power Contracting Line Crews made significant strides on the Big Thompson Canyon conversion and rebuild project. Crews completed the overhead re-build from the Big Thompson Elementary School, through the meadows, right to the feed for the Water Treatment Plant. As a team, the crews completed the transfer of the overhead system from the 22kv line to the new 12.47kv line. The completion of this work eliminated a venerable and congested section of overhead lines that had exposed the Loveland Power to system outages from Cotton Wood Substation and through the entire Big Thompson Canyon. The step-up transformer, W-3 at Cotton Wood Substation has been moved to its new temporary location at Sylvan Dale. W-4 transformer at the Water Treatment Plant is now servicing our canyon customers west of the plant. To increase protection on the overhead lines heading west from the plant, crews moved the overhead reclosure from Sylvan Dale to the plant, this will



allow greater protection as the conversion project continues in the area.

As Kiewit Construction continues their rebuild of Highway 34, crews are still moving pole to accommodate the changes. With short notice, crews moved two poles and transferred the overhead to the new poles along River Fork Road in Drake. This work was completed in less than four hours, as crews worked together to minimize the power outage with the locals along this road. The local residents were all notified of the outage related to the road rebuild; no complaints were received. (See pictures below)



Electric Metering: With the rebuild of the canyon primary distribution line, the Electric Meter Group has conducted overhead power quality investigations during the month of November. This investigation is to assure that the customers downstream from the construction are not experiencing any power quality issues caused by the rebuild.



The devices circled in the picture to the left are used to monitor the quality of power that is delivered by the City of Loveland to the customer or end user. These devices are highly accurate in monitoring voltage, current, KWH, and power factor.

Below is the existing metering equipment for the Water and Power Service Center that has since been removed.



Below is the newly purchased Altec crane in action helping to pull new conductor.



Throughout November, the Electric Meter Group has worked closely with the Power Line Crews on multiple new or upgraded commercial electric service installations. A recent installation included the Water and Power Service Center at 200 N Wilson Ave. The entire electric service was upgraded to new equipment which included metering gear, main service disconnect, automatic transfer switch, and main distribution panel. This required the line crew to de-energize the entire building and remove the transformer to complete the upgrade. The Electric Meter Group

and Line Crews assisted with the upgrade by helping to remove old service conductors and pulling in new larger ones. Working side-by-side, the Electric Meter Group and Line Crew finished the service upgrade by terminating the new conductors and wiring the new metering equipment.

Photos below are new metering equipment and the Line Crew resetting the transformer.



GENERATION, TRANSMISSION & NORTHERN COLORADO UTILITY REPORTS:

Northern Water Conservancy District: The minutes from the November 9, 2017 board meeting have not been posted yet. The next board meeting will be held on Thursday, December 14, 2017 at 9 am at Northern Water headquarters located at 220 Water Ave, Berthoud, CO 80513.

Platte River Power Authority (PRPA): The minutes from the December 7, 2017 meeting have not been posted yet. There is no meeting scheduled for January. The next board meeting will be held on Thursday, February 8, 2018 at 9 am at PRPA headquarters located at 2000 E. Horsetooth Rd, Fort Collins, CO 80525.

Fort Collins Energy Board: The minutes from the November 9, 2017 meeting have not been posted. The next board meeting will be held on Thursday, December 14, 2017 at 5:30 pm at the Colorado River Community Room, 222 LaPorte Avenue, Fort Collins, CO.

UTILITY APPLICATION SERVICES:

CIS Replacement: Loveland’s FOCIS team narrowed down the six vendor proposals to three. The next stage in the process will be to perform reference checks then go through vendor demos in January.

Temp GIS Specialist: We had 32 applicants for our temporary GIS Specialist position and have narrowed it down to four very qualified people. We will be performing interviews on Friday, December 1st.

Project & Request Tracking: One of the Technology Roadmap recommendations was to establish a tracking system for our team's work. Since the beginning of the year we have configured Cityworks for this purpose. The big projects, tracked as work orders, are reported to,be approved and prioritized by our LWP Technology Steering Committee. There are currently 32 approved projects in our queue. The smaller, maintenance-type jobs are tracked as service requests. So far this year we have completed 148 requests within an average of 3.5 days. Here they are broken down by type:

- Application Requests – 1.75 days
- Application Support – 12.58 days
- Data Requests – 4.0 days
- Hardware Support – 12.25 days
- Map Requests – 6.0 days
- Report Requests - 1.6 days

UTILITY ACCOUNTING:

Power Peak Demand and Energy Down Slightly In October: Following September, where both peak demand and energy jumped significantly from September of 2016, October represented a slight retreat. This year, Loveland's share of PRPA's October peak was 86,056 kW, down 1.1% from the 87,019 kW of October, 2016, and down 2.3% from the average of the past five September peaks. Purchased energy was down 2.4% vs. October of 2016. Overall, in comparing the year-to-date total of the January-October monthly peak demands to the same period in 2016, this year is up 1.1%, and purchased energy is down 1.2% year-to-date.

Water Sales Plummet in October: Water usage for October decreased substantially from October of a year ago and marked the fourth consecutive month of lower water usage compared to the same months from 2016. The average usage per customer for October was 13,086 gallons, which is 25.4% lower than last October and 12.2% lower than the average of the past 5 Octobers. This year's YTD average through October is 12,763 gallons per customer. The 12,763 gallons is 4.4% lower than the October YTD average usage of the past five years. In spite of this marked drop-off in October, water sales are still ahead of budget by \$498,000 through October.

CUSTOMER RELATIONS:

Efficiency Works Homes: The Efficiency Works Homes Audit and Rebate (Efficiency Works Homes) program is changing the administration structure and model of the Efficiency Works Homes program, starting in 2018. Platte River Power Authority and four owner municipalities of: Estes Park Light & Power, Fort Collins Utilities, Longmont Power & Communications, and Loveland Water and Power, have decided to hire staff to perform many of the administrative functions currently performed by CLEARResult to bring the program and trade ally management and day-to-day administrative duties in-house. Staff positions have been hired. Program managers reviewed Advisor RFQs for services not performed by the new positions, conducted interviews and notice of selection this month. We continue to work with CLEARResult on a transition plan for the remainder of the program.

CIS Replacement: Customer Relations and Utility Application Services staff have been participating in the FOCIS Team. The FOCIS Team reviewed and evaluated submissions received this month.

iEnergy: The demand side management program tracking software has successfully integrated with the CIS system. Several programs including the trade ally and refrigerator freezer recycling are nearing live production. Staff has been working on testing and developing training materials. Work has also begun on developing the Efficiency Works – home program into the platform.

Canyon Customer Communications: Staff has established an open line of communication with canyon customers through an e-newsletter, emails and press releases. We are hosting a public meeting on November 29 in the canyon to allow residents to voice their concerns and hear about the rebuild plans for the immediate future.

Key Accounts Networking - Eagles Game: Customer Relations hosted more than 60 people at the annual Key Accounts gathering. This year, we hosted two suites at the Budweiser Events Center for an Eagles game. It was a great opportunity for Key Accounts to meet other members in the community and catch up with Water and Power staff.

Aid To Construction (ATC) Work Orders: Staff is working with the Finance Department and Key Account customers to resolve aid-to-construction costs that were not yet billed or collected.

Energy Onsite Software: Staff is coordinating with PRPA, Longmont, Fort Collins and Estes Park to upload our programs and customer data into the new software system that will service customers, city staff and contractors.

Contractor Social: Staff hosted with Platte River, Longmont and Fort Collins Utilities a contractor event to award outstanding contractors and recognize their participation in Efficiency Works Business. This is the second annual event.

Strat Ops Scrub: “Strat Ops Scrub” is a term used for meetings regarding solutions for the DRT process. Customer Relations (CR) staff is collaborating with Development Services (DS) staff to improve the customer experience as they go through the DRT process. CR and DS have been assigned to interview local businesses going through the DRT process and bring associated data to the team. Progress on the project was reported to management staff at a session in early November.

Efficiency Works: As of mid-October, we have done 218 projects for Loveland businesses. Of those projects, 37 were Key Account projects with 15 Key Accounts. The remaining 181 projects were both small and large general customers.

Community Outreach: Loveland Water and Power will be attending the following upcoming events:

- ZNC Community Meeting – January 10, 2018

Facebook Insights (August 2017):

- Reach (unique users) – 2,619 people
- Engagement (unique users) – 125 people
- Impressions (total count) – 8,529 people

Media:

- The Reporter Herald – November 28, 2017: [Power Outage Planned for Big Thompson Canyon Dec. 5](#)
- The Reporter Herald – December 2, 2017: [More than tunnel vision launched Colorado Big-Thompson Project](#)
- The Coloradoan – December 1, 2017: [As coal falters, Larimer County’s largest polluter could close its doors](#)