LOVELAND UTILITIES COMMISSION

September 19, 2018 – 4:00pm

Service Center Willow Room – 200 N. Wilson Ave.

REGULAR MEETING AGENDA

CALL TO ORDER

APPROVAL OF MINUTES – 8/29/2017

ELECTION OF CHAIRMAN – VICECHAIR

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

INFORMATIONAL ITEMS

1. Financial Report Update – Jim Lees

REGULAR AGENDA

2. 2019 Water and Power Schedule of Rates, Charges and Fees – Jim Lees

STAFF REPORTS

3. Wastewater Treatment Plant Biological Nutrient Removal & Digester Project – Fall 2018 Construction Progress Update – Brian Gandy
4. Legal Update – Derek Turner

COMMISSION & COUNCIL REPORTS

DIRECTOR'S REPORT

ADJOURN

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

City of Loveland

* 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, David Schneider, Gary Hausman (Chair), Gene Packer, Larry Roos, John Butler, Randy Williams, Sean Cronin, Stephanie Fancher-English, Alternate Tom Vail

Commission Members Absent: John Butler

Council Liaison Absent: Steve Olson

City Staff Members Present: Alan Krcmarik, Bob Miller, Courtney Whittet, Derek Turner, Jim Lees, Joe Bernosky, John Beckstrom, Larry Howard, Michelle Erickson, Nathan Alburn, Roger Berg, Ryan Greene, Ryan Van Pelt, Tracey Hewson

Guest Attendance: Greg Sullivan, Katie Leone, Ben Wheeler, Henry Hetzel

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

Introduction of Blake Hornung as the new Water Metering Supervisor.

APPROVAL OF MINUTES: Hausman asked for a motion to approve the minutes of the July 18, 2018 meeting.

Motion: Sean Cronin made the motion to approve the minutes with the addition of his comments.
Second: Dan Herlihey seconded the motion. The minutes were approved unanimously.

Bob Miller, Power Operations Manager announced his retirement as of September 7th.

CITIZENS REPORT

INFORMATIONAL ITEMS

Item 1: Financial Report Update – Jim Lees

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

Informational Item only. No action required.

STAFF REPORTS

Item 7: Raw Water Supply Firm Yield Analysis Report by Spronk Water Engineers – Larry Howard

The Raw Water Supply Firm Yield Analysis Report provides the modeling results and related information forming the basis of the Raw Water Master Plan (RWMP). Spronk Water Engineers has been working on updating the modeling used for the 2012 RWMP including additions which have been made over the last few years. The resulting information will be presented at the LUC meeting.

Staff Report only. No action required.

COMMISSION/COUNCIL REPORTS

Item 7: 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:
Dave Kavanagh:

Dave Schneider: Went to Council Study Session, had the opportunity after the meeting to clarify some of the information to 2 council members. Also had someone accuse the LUC/Water Board of making poor decisions in the past. The relaxed setting after the meeting led to a good exchange of words and ideas.
Gene Packer: Had a very informative meeting with Joe regarding Water Metering and the Backflow Prevention program
Gary Hausman:
John Butler:
Larry Roos:
Randy Williams:
Sean Cronin: 3 Lovelanders accepted into Water Leaders program, Jane Lopez from Big Thompson Water Shed, Mayor Jackie Marsh and Alex Martin, the Principal from Carrie Martin Elementary.
Stephanie Fancher-English: Loveland Ready Mix very close to a new gravel pit in LaPorte, has already had requests for water storage in the pit

Council Report: Given by Joe Bernosky on behalf of Steve Olson

DIRECTOR'S REPORT

Item 8: Director's Report – Joe Bernosky

ADJOURN The meeting was adjourned at 6:17 pm. The next LUC Meeting will be August 29, 2018 at 4:00 pm.

Respectfully submitted,

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

LOVELAND UTILITIES COMMISSION

AGENDA ITEM: 1
MEETING DATE: 9/19/2018
SUBMITTED BY: Jim Lees
STAFF TITLE: Utility Accounting Manager

ITEM TITLE:

Financial Report Update

DESCRIPTION:

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

SUMMARY:

The August 2018 financial reports are submitted for Commission review. The following table summarizes the sales and expense results for the month of August, and the August Year-To-Date results in comparison to the same periods from 2017. The summarized and detailed monthly financial statements that compare August Year-To-Date actuals to the 2018 budgeted figures are attached.

	August				August Year-To-Date			
	2018	2017	$ Ovr/(Und) vs. 2017	% Ovr/(Und) vs. 2017	2018	2017	$ Ovr/(Und) vs. 2017	% Ovr/(Und) vs. 2017
WATER								
Sales	$2,149,669	$2,108,956	$40,713	1.9%	$10,921,030	$9,942,324	$978,707	9.8%
Operating Expenses	$1,073,530	$1,178,504	($104,974)	-8.9%	$9,141,554	$12,776,034	($3,634,480)	-28.4%
Capital (Unrestricted)	$145,530	$8,533	$136,997	1605.6%	$610,356	$881,281	($270,925)	-30.7%
WASTEWATER								
Sales	$1,126,856	$1,040,001	$86,855	8.4%	$8,322,383	$7,471,758	$850,625	11.4%
Operating Expenses	$806,094	$749,357	$56,738	7.6%	$5,791,136	$4,671,168	$1,119,968	24.0%
Capital (Unrestricted)	$1,135,986	$872,933	$263,053	30.1%	$6,462,803	$2,129,798	$4,333,005	203.4%
POWER								
Sales	$7,000,833	$6,804,946	$195,887	2.9%	$44,364,718	$41,292,711	$3,072,007	7.4%
Operating Expenses	$6,661,970	$5,697,505	$964,465	16.9%	$40,709,308	$38,120,149	$2,589,159	6.8%
Capital (Unrestricted)	$877,576	$1,296,575	($418,999)	-32.3%	$6,809,134	$9,623,821	($2,814,687)	-29.2%

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

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Attachment A

City of Loveland
Financial Statement-Raw Water
For Period Ending 08/31/2018

		TOTAL BUDGET FYE 12/31/2018		YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
1	**REVENUES & SOURCES**						
2	High Use Surcharge	74,667		21,321	49,776	(28,455)	-57.2%
3	Raw Water Development Fees/Cap Rec Surcharge	514,952		333,600	343,304	(9,704)	-2.8%
4	Cash-In-Lieu of Water Rights	527,084		481,502	351,392	130,110	37.0%
5	Native Raw Water Storage Fees	31,598		315,632	21,064	294,568	1398.4%
6	Loan Payback from Water	32,500		0	21,667	(21,667)	-100.0%
7	Raw Water 3% Transfer In	491,220		327,631	319,682	7,949	2.5%
8	Interest on Investments	351,950		222,853	234,632	(11,779)	-5.0%
9	**TOTAL REVENUES & SOURCES**	**2,023,971**		**1,702,539**	**1,341,517**	**361,022**	**26.9%**
10	**OPERATING EXPENSES**						
11	Loan to Water	0		0	0	0	0.0%
12	Windy Gap Payments	7,100		7,044	7,100	(56)	-0.8%
13	**TOTAL OPERATING EXPENSES**	**7,100**		**7,044**	**7,100**	**(56)**	**-0.8%**
14	NET OPERATING REVENUE/(LOSS) (excl depr)	2,016,871		1,695,495	1,334,417	361,078	27.1%
15	RAW WATER CAPITAL EXPENDITURES	5,564,900		1,028,484	3,750,500	(2,722,016)	-72.6%
16	**ENDING CASH BALANCES**						
17	Total Available Funds			18,255,423			
18	Reserve - Windy Gap Cash			0			
19	Reserve - 1% Transfer From Rates			6,418,059			
20	Reserve - Native Raw Water Storage Interest			1,635,497			
21	**TOTAL RAW WATER CASH**			**26,308,980**			

NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING: -

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Attachment B

City of Loveland-LIVE
Financial Statement-Water
For Period Ending 08/31/2018

		TOTAL BUDGET FYE 12/31/2018	YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
1	****UNRESTRICTED FUNDS****					
2	**REVENUES & SOURCES**					
3	Water Sales	16,373,998	10,921,030	10,656,123	264,907	2.5%
4	Raw Water Transfer Out	(491,220)	(327,631)	(319,682)	(7,949)	2.5%
5	Wholesale Sales	161,307	120,209	107,536	12,673	11.8%
6	Meter Sales	94,722	59,624	63,152	(3,529)	-5.6%
7	Interest on Investments	89,770	20,252	59,848	(39,596)	-66.2%
8	Other Revenue	1,408,745	358,938	533,555	(174,617)	-32.7%
9	Federal and State Grants	0	75,804	0	75,804	0.0%
10	Internal Loan Monies Received	750,000	750,000	750,000	0	0.0%
11	External Loan Monies Received	0	0	0	0	0.0%
12	**TOTAL REVENUES & SOURCES**	**18,387,322**	**11,978,226**	**11,850,532**	**127,694**	**1.1%**
13	**OPERATING EXPENSES**					
14	Source of Supply	2,810,906	1,192,081	1,900,350	(708,269)	-37.3%
15	Treatment	3,636,785	1,997,397	2,423,994	(426,597)	-17.6%
16	Distribution Operation & Maintenance	4,207,648	2,100,329	2,896,364	(796,035)	-27.5%
17	Administration	2,517,512	422,583	1,694,093	(1,271,510)	-75.1%
18	Customer Relations	421,932	176,367	296,339	(119,972)	-40.5%
19	PILT	1,111,790	741,538	700,430	41,108	5.9%
20	1% for Arts Transfer	73,314	4,032	69,964	(65,932)	-94.2%
21	Services Rendered-Other Departments	1,480,676	988,808	988,808	0	0.0%
22	Internal Loan Debt Expense	827,500	795,300	816,664	(21,364)	-2.6%
23	External Loan Debt Expense	1,015,150	723,119	676,768	46,351	6.8%
24	**TOTAL OPERATING EXPENSES**	**18,103,213**	**9,141,554**	**12,463,774**	**(3,322,220)**	**-26.7%**
25	NET OPERATING REVENUE/(LOSS)(excl depr)	284,109	2,836,672	(613,242)	3,449,914	-562.6%
26	CAPITAL EXPENDITURES	3,394,406	610,356	2,898,040	(2,287,684)	-78.9%
27	REVENUES LESS OPER EXP LESS CAPITAL	(3,110,297)	2,226,316	(3,511,282)	5,737,598	-163.4%
28	ENDING CASH BALANCE (% OF OPER EXP)		**7,077,133**			
29	WATER DEBT FUNDS ENDING CASH BALANCE		**118,957**			
30	MINIMUM BALANCE (15% OF OPER EXP)		2,715,482			
31	**OVER/(UNDER) MINIMUM BALANCE**		**4,361,651**			
32	****RESTRICTED FUNDS****					
33	**REVENUES & SOURCES**					
34	SIF Collections	6,168,963	2,052,574	2,278,802	(226,228)	-9.9%
35	SIF Interest Income	51,660	35,053	34,440	613	1.8%
36	SIF Federal and State Grants	0	75,804	0	75,804	0.0%
37	Internal Loan Monies Received	0	0	0	0	0.0%
38	**TOTAL SIF REVENUES & SOURCES**	**6,220,623**	**2,163,430**	**2,313,242**	**(149,812)**	**-6.5%**
39	SIF Capital Expenditures	7,527,489	662,662	5,155,017	(4,492,355)	-87.1%
40	1% for Arts Transfer	38,462	4,436	19,562	(15,126)	-77.3%
41	Legal Agreements & Shared Costs	276,440	17,885	196,231	(178,346)	-90.9%
42	**TOTAL SIF CAPITAL EXPENDITURES**	**7,842,391**	**684,982**	**5,370,810**	(4,685,828)	-87.2%
43	**SIF REVENUE LESS EXPENDITURES**	**(1,621,768)**	**1,478,448**	**(3,057,568)**	**4,536,016**	**(1)**
44	SIF ENDING CASH BALANCE		**4,769,554**			
45	**TOTAL ENDING CASH BALANCE**		**11,846,687**			
	NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES		5,591,890			
46	Water Treated at WTP (in million gallons)		3,321			
47	Water Sold To Customers (in million gallons, includes Ranch Water & Hydrant Sales)	3,756	2,522	2,431	91	3.7%

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Attachment C

City of Loveland
Financial Statement-Wastewater
For Period Ending 08/31/2018

		TOTAL BUDGET FYE 12/31/2018	YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
1	****UNRESTRICTED FUNDS****					
2	**REVENUES & SOURCES**					
3	Sanitary Sewer Charges	12,620,160	8,322,383	8,322,124	259	0.0%
4	High Strength Surcharge	393,240	337,852	252,670	85,182	33.7%
5	Interest on Investments	88,800	98,369	59,200	39,169	66.2%
6	Other Revenue	763,090	37,479	503,817	(466,338)	-92.6%
7	Bond Proceeds	15,659,620	7,023,537	15,659,620	(8,636,083)	-55.1%
8	Federal Grants	0	0	0	0	0.0%
9	State Grants	0	0	0	0	0.0%
10	**TOTAL REVENUES & SOURCES**	**29,524,910**	**15,819,620**	**24,797,431**	**(8,977,811)**	**-36.2%**
11	**OPERATING EXPENSES**					
12	Treatment	4,310,725	2,579,379	2,918,794	(339,415)	-11.6%
13	Collection System Maintenance	3,479,770	1,519,504	2,412,887	(893,383)	-37.0%
14	Administration	1,734,963	331,097	1,194,488	(863,391)	-72.3%
15	Customer Relations	50,855	23,220	35,204	(11,984)	-34.0%
16	PILT	910,940	606,216	592,111	14,105	2.4%
17	1% for Arts Transfer	255,989	58,751	235,863	(177,112)	-75.1%
18	Services Rendered-Other Departments	758,706	507,082	507,082	0	0.0%
19	Debt Service	88,819	165,886	59,216	106,670	180.1%
20	**TOTAL OPERATING EXPENSES**	**11,590,767**	**5,791,136**	**7,955,645**	**(2,164,509)**	**-27.2%**
21	NET OPERATING REVENUE/(LOSS)(excl depr)	17,934,143	10,028,484	16,841,786	(6,813,302)	-40.5%
22	CAPITAL EXPENDITURES	24,826,892	6,462,803	22,648,790	(16,185,987)	-71.5%
23	REVENUES LESS OPER EXP LESS CAPITAL	(6,892,749)	3,565,681	(5,807,004)	9,372,685	-161.4%
24	ENDING CASH BALANCE (% OF OPER EXP)		**12,820,299**			
25	WASTEWATER DEBT FUNDS ENDING CASH BALANCE		138,353			
26	MINIMUM BALANCE (15% OF OPER EXP)		1,738,615			
27	OVER/(UNDER) MINIMUM BALANCE		**11,081,684**			
28	****RESTRICTED FUNDS****					
29	**REVENUES & SOURCES**					
30	SIF Collections	2,386,151	1,486,576	1,468,826	17,750	1.2%
31	SIF Interest Income	89,010	89,818	59,344	30,474	51.4%
32	SIF Bond Proceeds	8,691,380	4,304,749	8,691,380	(4,386,631)	-50.5%
33	**TOTAL SIF REVENUES & SOURCES**	**11,166,541**	**5,881,143**	**10,219,550**	**(4,338,407)**	**-42.5%**
34	SIF Capital Expenditures	17,573,793	5,298,368	15,231,373	(9,933,005)	-65.2%
35	1% for Arts Transfer	177,664	48,877	156,116	(107,239)	-68.7%
36	Debt Service	49,406	101,957	32,936	69,021	209.6%
37	**TOTAL SIF CAPITAL EXPENDITURES**	17,800,863	**5,449,201**	15,420,425	(9,971,224)	-64.7%
38	**SIF REVENUE LESS EXPENDITURES**	(6,634,322)	431,941	(5,200,875)	5,632,816	-108.3%
39	SIF ENDING CASH BALANCE		**7,701,910**			
40	**TOTAL ENDING CASH BALANCE**		**20,522,208**			
	NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING		25,816,522			
	Wastewater Treated at WWTP (in million gallons)	N/A	1,499	N/A		
	Wastewater Billed To Customers (in million gallons)	1,768	1,159	1,161	(2)	-0.2%

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Attachment D

City of Loveland
Financial Statement-Power
For Period Ending 8/31/2018

		TOTAL BUDGET		YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
	****UNRESTRICTED FUNDS****						
1	REVENUES & SOURCES:						
2	Electric revenues	$65,421,010		$44,364,718	$44,098,630	$266,088	0.6%
3	Wheeling charges	$260,000		$195,572	$173,333	$22,238	12.8%
4	Interest on investments	$258,420		$131,596	$172,280	($40,684)	-23.6%
5	Aid-to-construction deposits	$1,530,000		$1,231,578	$1,020,000	$211,578	20.7%
6	Customer deposit-services	$310,000		$88,547	$206,667	($118,119)	-57.2%
7	Late Payment Penalty Fees	$450,000		$304,575	$300,000	$4,575	1.5%
8	Connect Fees	$170,000		$116,769	$113,333	$3,435	3.0%
9	Services rendered to other depts.	$0		$0	$0	$0	0.0%
10	Other revenues	$306,230		$342,710	$204,153	$138,557	67.9%
11	Federal Grants	$365,000		$291,047	$243,333	$47,714	19.6%
12	State Grants	$61,000		$48,508	$40,667	$7,841	19.3%
13	Year-end cash adjustments	$0		$0	$0	$0	0.0%
14	**TOTAL REVENUES & SOURCES**	**$69,131,660**		**$47,115,620**	**$46,572,397**	**$543,223**	**1.2%**
15	OPERATING EXPENSES:						
16	Hydro oper. & maint.	$1,309,821		$85,487	$906,799	($821,312)	-90.6%
17	Solar oper.& maint.	$90,000		$8,993	$62,308	($53,315)	-85.6%
18	Purchased power	$44,079,146		$30,869,811	$30,365,394	$504,417	1.7%
19	Distribution oper. & maint.	$5,601,230		$3,414,205	$3,877,775	($463,570)	-12.0%
21	Customer Relations	$1,528,241		$609,039	$1,058,013	($448,974)	-42.4%
22	Administration	$3,732,454		$748,408	$2,584,007	($1,835,598)	-71.0%
23	Payment in-lieu-of taxes	$4,579,440		$3,072,864	$3,063,645	$9,219	0.3%
24	1% for Arts Transfer	$83,488		$51,480	$55,853	($4,373)	-7.8%
25	Services rendered-other depts.	$2,767,799		$1,849,020	$1,845,199	$3,821	0.2%
26	**TOTAL OPERATING EXPENSES (excl depn)**	**$63,771,619**		**$40,709,308**	**$43,818,993**	**($3,109,686)**	**-7.1%**
27	NET OPERATING REVENUE/(LOSS) (excl depn)	$5,360,041		$6,406,312	$2,753,403	$3,652,909	$0
28	CAPITAL EXPENDITURES:						
29	General Plant/Other Generation & Distribution	$9,809,838		$5,505,054	$7,008,661	($1,503,608)	-21.5%
30	Aid-to-construction	$1,530,000		$1,116,014	$768,462	$347,553	45.2%
31	Service installations	$310,000		$188,066	$214,615	($26,550)	-12.4%
32	**TOTAL CAPITAL EXPENDITURES**	**$11,649,838**		**$6,809,134**	**$7,991,738**	**($1,182,604)**	**-14.8%**
33	**REVENUES LESS OPER EXP LESS CAPITAL**	($6,289,797)		($402,822)	($5,238,335)	$4,835,513	
34	**ENDING CASH BALANCE (22% of Oper Exp)**			**$13,744,003**			
35	MINIMUM BAL. (23% of OPER EXP)			$14,667,472			
36	OVER/(UNDER) MINIMUM BALANCE			($923,469)			
37	****RESTRICTED FUNDS****						
38	PIF Collections	$3,115,400		$2,387,405	$2,076,933	$310,472	14.9%
39	PIF Interest Income	$12,350		$55,288	$8,233	$47,055	571.5%
40	Water Loan Payback	$795,000		$795,300	$795,000	$300	0.0%
41	Federal Grants	$0		$0	$0	$0	0.0%
42	State Grants	$0		$0	$0	$0	0.0%
43	**TOTAL REVENUES**	**$3,922,750**		**$3,237,994**	**$2,880,167**	**$357,827**	**12.4%**
44	PIF Feeders	$3,700,000		$1,239,325	$2,561,538	($1,322,213)	-51.6%
45	PIF Substations & Solar	$1,850,000		$0	$1,233,333	($1,233,333)	-100.0%
46	**TOTAL EXPENDITURES**	**$5,550,000**		**$1,239,325**	**$3,794,872**	**($2,555,547)**	**-67.3%**
47	**PIF REVENUES LESS EXPENDITURES**	($1,627,250)		$1,998,668	($914,705)	$2,913,373	
48	**ENDING PIF CASH BALANCE**			**$5,681,835**			
49	**TOTAL ENDING CASH BALANCE**			**$19,425,838**			

NOTE: YTD ACTUAL does NOT include encumbrances totalling $4,792,689

50	Energy Purchased (in million kWh) from PRPA	744		503	503	1	4.2%
51	Energy Sold to Customers (in million kWh)	715		489	483	5	1.1%

1

LOVELAND UTILITIES COMMISSION

AGENDA ITEM: 2
MEETING DATE: 9/19/2018
SUBMITTED BY: Jim Lees
STAFF TITLE: Utility Accounting Manager

ITEM TITLE:

2019 Water & Power Schedule of Rates, Charges and Fees

DESCRIPTION:

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 2019.

SUMMARY:

Based on results from this year's cost-of-service rate study, an overall average rate increase of 7.0% is proposed for the Water Utility for 2019. This increase is to help fund debt service for capital projects completed at the Water Treatment Plant and for the distribution system in order to address aging infrastructure and improve reliability and redundancy.

Also, based on the results from this year's rate study, an overall average rate increase of 6.7% is proposed for the Wastewater Utility for 2019. This increase is to fund capital projects both at the Wastewater Treatment Plant and for the collection system in order to address aging infrastructure, improve reliability and redundancy, and for regulatory compliance. It is also to address a large increase in Cost Allocations for services provided by other City departments.

An across-the-board rate increase of 5.0% is proposed for the Power Utility for 2019. This increase is made up of two components: 1) a wholesale power rate increase of 2.0% from Platte River Power Authority (PRPA) is planned for 2019, which, when passed through to customers, generates a 1.62% retail rate increase; and 2) a 3.38% rate increase that is proposed to address additional rehabilitative capital needs and a large increase in Cost Allocations for services provided by other City departments.

The System Impact Fees (SIF) for Water and Wastewater, and the Plant Investment Fees (PIF) for Power are re-calculated annually, so the new SIFs and PIFs are included with this item.

Water

In accordance with the results from this year's cost-of-service rate study, a 7.0% overall average rate increase is proposed for the Water Utility in 2019. This increase will be to help fund the debt service for the capital projects at the Water Treatment Plant and for the distribution system in order to address aging infrastructure and improve reliability and redundancy. At the July 18, 2018 LUC meeting, there were three rate track and borrowing scenarios presented for Water, and the Commission supported Scenario 2, which is called the Optimized Debt Scenario, by a 5-3 vote. Scenario 2 calls for a 7.0% rate increase in 2019, in contrast to Scenario 1, which maintains the existing rate track that the Council gave their approval to on September 15, 2015 via Resolution #R-55-2015, and calls for a 9.0% rate increase in 2019. The cost-of-service results showed that for 2019, the revenue requirement, or the amount that needs to be collected from our customers, is $17.5 million. When compared with the expected revenue at the existing rates, the $17.5 million represents an overall average rate increase of 7.0%. The cost of service showed some cost shifting between the customer classes. At the July 18, 2018 meeting, the LUC voted unanimously in support of the proposed 2019 rates by class for Water and City Council indicated support for the

2019 rates at the August 14, 2018 Study Session. The following table highlights some of the key proposed changes:

WATER SUMMARY OF KEY CHANGES		
(all based on 3/4" meter size)		
	2018	Proposed 2019
Single Family Residential		
Base Charge (per month)	$14.74	$14.74
Consumption Charge (per 1,000 gallons)	$3.01	$3.01
Multi-Family Residential		
Base Charge (per month)	$21.70	$25.10
Consumption Charge (per 1,000 gallons)	$2.76	$3.05
Commercial:		
Base Charge (per month)	$14.74	$14.74
Consumption Charge (per 1,000 gallons)	$2.88	$3.58
Irrigation:		
Base Charge (per month)	$14.74	$14.74
Consumption Charge (per 1,000 gallons)	$3.59	$4.66

This cost shifting would generate the following average changes by rate class:

RATE CLASS	% Change
Residential	(0.9%)
Multi-Family	11.8%
Commercial	22.0%
Irrigation	29.3%

If approved, these rate increases would result in the following average monthly changes per rate class:

AVERAGE CHANGE IN MONTHLY WATER BILL	Overall Average Change
Single-Family Residential	$0.00
Multi-Family Residential	$4.88
Commercial (3/4" tap)	$9.24
Irrigation (3/4" tap, avg. monthly change during irrigation season)	$27.61

At the August 14, 2018 City Council Study Session, the Council indicated support for the Optimized Debt Scenario (Scenario 2). Scenario 2 includes $72.1 million of new debt, $37.6 million of which is to help fund construction of the Chimney Hollow Reservoir and $13.0 million to help fund extension of a new water line to Highway 402 and I-25. Scenario 2 takes on $12.5 million more debt than Scenario 1, which is the Existing Rate Track Scenario, but the additional debt makes it possible to shave the rate increases in the first four years of the 2019-2028 window in comparison to the Existing Rate Track Scenario. The Water rate track from the Optimized Debt Scenario (Scenario 2) is:

2019-2023: 7.0% per year
2024-2028: 3.5% per year

Fire Hydrant Fee and Fire Protection Tap Fee

Included in the Schedule of Rates, Charges and Fees are two fees that Staff is recommending be eliminated. A monthly charge of $3.00 per residence and $7.30 per business is paid by customers outside the city who are located within 1,000 feet of a City fire hydrant. In digging into the billing of these fees, we discovered some administrative difficulties in how customers were being flagged to be charged the fee. As an example, there were some instances where a customer received their water from Little Thompson Water District (LTWD), were within close proximity to a LTWD fire hydrant, but also within 1,000 feet of a City fire hydrant. The customer was billed by the City for the Fire Hydrant Fee, but couldn't understand why, and we couldn't justify the billing. This fee has been in place since the 1980's, but we weren't able to determine what costs the fee is specifically supposed to be covering. For these reasons and other administrative challenges this fee presented, Staff's recommendation is to do away with the fee. The fee generated a total of $21,000 in revenue in 2017.

Also included in the Schedule is the Fire Protection Tap Fee, a $7.30 fee per month per tap for each fire protection tap serving premises outside the city. In checking with Utility Billing, they were not able to find any customers that are currently being billed for this fee. This fee was also initiated in the 1980's, and, again, we weren't able to determine what costs the fee is specifically supposed to be covering. For these reasons, Staff's recommendation is to eliminate the fee from the Schedule of Rates, Charges and Fees.

Wastewater

In accordance with the results from this year's cost-of-service rate study, a 6.7% overall average rate increase is proposed for the Wastewater Utility in 2019. This increase is to fund capital projects both at the Wastewater Treatment Plant and for the collection system in order to address aging infrastructure, improve reliability and redundancy, and for regulatory compliance. It is also to address a large increase in Cost Allocations for services provided by other City departments. At the July 18, 2018 LUC meeting, there were two rate track and borrowing scenarios presented for Wastewater, and the Commission supported Scenario 2, which is called the Optimized Debt Scenario, by a 5-3 vote. Scenario 2 calls for a 6.7% rate increase in 2019, in contrast to Scenario 1, which maintains the existing rate track that the Council gave their approval to on September 15, 2015 via Resolution #R-56-2015, and calls for an 11.0% rate increase in 2019. The cost-of-service results showed that for 2019, the revenue requirement, or the amount that needs to be collected from our customers, is $13.6 million. When compared with the expected revenue at the existing rates, the $13.6 million represents an overall average rate increase of 6.7%. The cost of service showed some cost shifting between the customer classes. At the July 18, 2018 meeting, the LUC voted unanimously in support of the proposed 2019 rates by class for Wastewater and City Council indicated support for the 2019 rates at the August 14, 2018 Study Session. The following table highlights some of the key proposed changes:

WASTEWATER SUMMARY OF KEY CHANGES		
(all based on 3/4" meter size)		
	2018	Proposed 2019
Single Family Residential		
Base Charge (per month)	$12.84	$13.51
Consumption Charge (per 1,000 gallons)	$4.24	$4.48
Multi-Family Residential		
Base Charge Per Dwelling Unit (per month)	$3.51	$3.95
Consumption Charge (per 1,000 gallons)	$4.37	$4.91
Commercial		
Base Charge (per month)	$12.84	$13.51
Consumption Charge (per 1,000 gallons)	$4.44	$4.93
High Strength Surcharge		
Biochemical Oxygen Demand (BOD)	$0.67	$0.52
Charge per pound (in Excess of Domestic Load)		
Total Suspended Solids (TSS)	$0.43	$0.32
Charge per pound (in Excess of Domestic Load)		

This cost shifting would generate the following average changes by rate class:

RATE CLASS	% Change
Single Family Residential	5.3%
Multi-Family Residential	12.4%
Commercial	10.6%
High Strength Surcharge	(7.5%)

If approved, these rate increases would result in the following average monthly changes by rate class:

AVERAGE CHANGE IN MONTHLY WASTEWATER BILL	Overall Average Change
Single-Family Residential	$2.95
Multi-Family Residential (per dwelling unit)	$1.90
Commercial (3/4" tap)	$6.68

Wastewater High Strength Surcharge

An important finding that has originated in this study is that there has been a significant change in the strength of domestic wastewater. Domestic strength wastewater is the normal strength of wastewater being discharged into the wastewater collection system by both residential and commercial customers. Any loadings that are above domestic strength levels would be considered high strength loadings. High strength loadings typically come from commercial customers whose business practices lead to a higher-than-normal amount of solids being discharged into the wastewater collection system. There are two measurements of wastewater strength: Biochemical Oxygen Demand, or BOD, and Total Suspended Solids, or TSS.

For the two prior Water and Wastewater rate studies, in 2012 and 2015, the assumed domestic strength levels were 276 mg / liter for BOD and 207 mg / liter for TSS. Based on some recent sampling and analysis completed in May of this year, the domestic strength level has increased to 333 mg / liter for BOD and decreased to 199 mg

/ liter for TSS. While the change in the TSS level is relatively small, the increase in the BOD level is significant. What this means is that a much higher portion of the load that is coming into the Wastewater Treatment Plant is attributable to domestic (normal) strength loads, and a correspondingly smaller portion is attributable to high strength loadings. The result of this is more costs being assigned to the domestic strength customers and less costs being assigned to the high strength customers. This is the reason for the decrease in rates that is being proposed for the High Strength Surcharge customers.

Power

The proposed overall average rate increase for 2019 is 5.0%, which is a combination of a pass-through of PRPA's estimated 2.0% wholesale power rate increase (which translates to a 1.62% retail rate increase) and an additional 3.38% increase to address increased in-house cost increases. Reasons cited by PRPA for the wholesale rate increase are as follows:

- Reduced municipal sales revenue due to lower projected loads
- Continued expansion of demand side management programs
- Increased O&M expenses due to higher output from Rawhide and minor planned maintenance outages at both Craig generating units

The primary drivers behind the 3.38% rate increase for in-house needs are:

- Increased needs for rehabilitation capital projects
- Increased Cost Allocation expense for services provided to the Power Utility by other City departments (up $160,000 from 2018)

The 2.0% increase is PRPA's best projection currently, and the hope is that it will be very close to or exactly what the actual wholesale rate increase will be for 2019.

The 5.0% rate increase will be the same across all customer classes. Here is a summary of the changes in the base, consumption and demand charges for the major rate classes for 2019:

POWER SUMMER MONTHS SUMMARY OF KEY CHANGES	July-Sept 2018	July-Sept Proposed 2019
Residential		
Base Charge (per month)	$14.80	$15.54
Consumption Charge (per kWh including PILT)	$0.09667	$0.10105
Small General Service		
Base Charge (per month)	$27.00	$28.35
Consumption Charge (per kWh including PILT)	$0.10354	$0.10825
Large General Service		
Base Charge (per month)	$138.60	$145.53
Consumption Charge (per kWh including PILT)	$0.05312	$0.05542
Demand Charge (per kW)	$15.00	$15.75
Primary Service (with Customer-owned Transformer)		
Base Charge (per month)	$156.40	$164.22
Consumption Charge (per kWh including PILT)	$0.05092	$0.05316
Demand Charge (per kW)	$15.25	$16.01

POWER: NON-SUMMER MONTHS SUMMARY OF KEY CHANGES	Jan-June, Oct-Dec 2018	Jan-June, Oct-Dec Proposed 2019
Residential		
Base Charge (per month)	$14.80	$15.54
Consumption Charge (per kWh including PILT)	$0.07990	$0.08353
Small General Service		
Base Charge (per month)	$27.00	$28.35
Consumption Charge (per kWh including PILT)	$0.09234	$0.09654
Large General Service		
Base Charge (per month)	$138.60	$145.53
Consumption Charge (per kWh including PILT)	$0.04981	$0.05195
Demand Charge (per kW)	$11.00	$11.55
Primary Service (with Customer-owned Transformer)		
Base Charge (per month)	$156.40	$164.22
Consumption Charge (per kWh including PILT)	$0.04802	$0.05013
Demand Charge (per kW)	$11.00	$11.55

If approved, the 5.0% rate increase would result in the following average monthly changes by rate class:

AVERAGE CHANGE IN MONTHLY POWER BILL	Overall Average Change	Summer Average Change	Non-Summer Average Change
Residential	$3.57	$4.72	$3.19
Small General Service	$11.58	$13.94	$10.79
Large General Service	$204.12	$249.69	$188.93

There are only three Primary Service customers, with very diverse energy usage profiles, so an average change for that class is not meaningful.

UTILITY IMPACT FEES

Each year, Water, Wastewater and Power impact fees are recalculated based on changes in asset value, customer growth and customer usage. Following the updating of last year's impact fees, Staff had concerns about two matters relevant to the calculation of the System Impact Fees (SIF) for Water and Wastewater: 1) in comparing Loveland's SIFs in total for Water and Wastewater to the fees of our most immediate neighbors, Fort Collins, Longmont ant Greeley, Loveland's SIFs were the highest of the four cities by a significant margin for 1" and 1 1/2" meter sizes; and 2) we wondered if there might be a better way to calculate the usage ratios for the different meter sizes relative to the usage of a residential ¾" tap. The usage ratio establishes the usage of a ¾" residential tap as the standard usage (a usage ratio of 1.0), then compares the usage of all other tap sizes relative to the residential ¾" usage. The way we have calculated usage ratios has been to take our own data for the average annual usage for a given meter size and compare that to the average annual usage for a residential ¾" customer. For example, in Water, on average, a 1" commercial customer used 5 times the amount of water that an average residential customer used, therefore, the usage ratio for a 1" commercial customer was 5. While this is a sound and defensible approach to calculating usage ratios, Staff wanted to investigate to see if there was a better approach. One oddity that caused us to want to seek out a different approach came in the realm of the usage ratios for a 1 ½" and 2" irrigation meter. The usage ratio for the 1 ½" meter was 25.7, and for a 2" meter was 24.2. If you were to just go with these usage ratios in calculating the SIFs, customers would pay a lower SIF for a

2" irrigation meter than they would for a 1 ½" irrigation meter, and that result obviously doesn't make sense. So, to address these two concerns in 2019, Staff is proposing two key changes in the methodology for calculating the usage ratios for Water and Wastewater only – we are not proposing any changes in the methodology for calculating the Power Plant Investment Fee (PIF) or how the current replacement value of the assets for Water and Wastewater are calculated. The following paragraphs outline the proposed methodology changes for 2019.

Methodology Change 1: Using Summer Data Instead of Annual Data To Calculate Water Usage Ratios

As was mentioned in the previous paragraph, the way we have calculated usage ratios has been to take our own data for the average annual usage for a given meter size and compare that to the average annual usage for a residential ¾" customer. Since the SIF is intended to capture the impact a customer has on the system, it makes sense to measure that impact during the peak time of the year rather than the average impact over the course of the year. This peaking approach is also consistent with how our rate consultant, FCS Group, designs rates for the different customer classes. So, in calculating the usage ratios for Water, our proposal is to do comparisons of average usage in the month of July between residential, commercial and irrigation customers instead of comparing average annual usage. This will yield a more accurate indicator of impact on the water system.

Methodology Change 2: How Usage Ratios Are Ratcheted Up By Tap Size

Rather than taking our own usage data for each tap size and using it as the basis to ratchet up various tap sizes relative to residential ¾" usage, we are proposing using that approach strictly for ¾" commercial and ¾" irrigation meters, then using a volumetric flow capacity factor to ratchet up the usage ratios for commercial and irrigation meters that are larger than ¾". We are acknowledging that a ¾" residential customer does not have the same impact on the water and wastewater systems as a ¾" commercial customer, and a ¾" irrigation customer has yet a different impact than either a ¾" residential customer or a ¾" commercial customer on the water system. But, in calculating usage ratios for tap sizes larger than ¾", we would take the usage ratios for the ¾" commercial and ¾" irrigation meters and ratchet them up by volumetric flow capacity factors based on meter size. The volumetric flow capacity ratios for ¾" to 6" meter sizes are as follows:

Meter Size (Inches)	Max Flow Rate (Gallons/Minute)	Max Flow Rate Ratio to 3/4"
3/4	30	1
1	50	1.67
1 1/2	100	3.33
2	160	5.33
3	400	13.33
4	800	26.67
6	1,600	53.33

Utilizing this new methodology for calculating usage ratios has yielded the following changes from last year to this year for the various meter sizes:

Water:

Meter Size (Inches)	Usage Ratio 2018	Usage Ratio 2019	Incr. / (Decr.) in Usage Ratio
Commercial			
3/4	1.66	1.28	(0.38)
1	5.03	2.14	(2.89)
1 1/2	9.44	4.27	(5.17)
2	15.50	6.84	(8.66)
Irrigation			
3/4	3.18	4.33	1.15
1	9.92	7.22	(2.70)
1 1/2	25.74	14.41	(11.33)
2	24.17	23.06	(1.11)

Wastewater:

Meter Size (Inches)	Usage Ratio 2018	Usage Ratio 2019	Incr. / (Decr.) in Usage Ratio
Commercial			
3/4	2.97	3.06	0.09
1	8.76	5.11	(3.65)
1 1/2	15.18	10.18	(5.00)
2	25.56	16.3	(9.26)

As the charts show, the new methodology generally lowers the usage ratios. This will cause two different effects on the SIFs:

1) It will tend to lower the SIFs for commercial and irrigation customers
2) It will tend to increase the SIFs for the ¾" residential customers. The calculation of the residential SIF is derived by taking the current replacement value of the assets and dividing by the number of Single Family Equivalent (SFE) customers. The SFE calculation involves taking the number of customers for a given meter size and multiplying by the usage ratio for that meter size. With the usage ratios being generally lower, this results in a lower SFE total, which therefore tends to increase the residential SIF.

Because the changes in the usage ratios are significant, they lead to significant increases in the residential SIF and some significant decreases in the commercial and irrigation SIFs. Staff is recommending phasing these changes in gradually, over a four-year period. In taking this gradual approach, we will achieve our goals of lowering the SIFs for the larger commercial and irrigation meter sizes, but Loveland will remain very competitive with our neighbors in the SIFs for residential and ¾" commercial and irrigation meter sizes. This phased approach has been used a number of times over the years in both rates and fees in order to lessen impacts to our customers.

Wastewater

The residential Wastewater System Impact Fee (SIF) is proposed to increase 2.2%, from $2,740 to $2.800 for a single-family detached residential unit. The Engineering News Record (ENR) Construction Cost Index was utilized to bring original installed asset costs up to current replacement value. The Index for the end of 2017 showed a 3.3% increase in the cost component areas impacting the SIF calculation. Because of the usage ratios going down,

overall, as mentioned above, there was a 3.4% decrease in the number of SFE units. The combination of these factors and the 4-year phasing approach that is referenced above yielded the proposed residential SIF increase of 2.2% for 2019. The Wastewater commercial SIFs are proposed to range in change from a 4.4% increase to a 9.1% decrease, depending on the tap size.

Water

The residential Water System Impact Fee (SIF) is proposed to increase 4.8%, from $4,990 to $5,230 for a single-family detached residential unit. The primary factor contributing to this increase in the fee is a 13.2% decrease in the number of SFE units, which was caused by the overall decrease in usage ratios, as cited above. In addition, there were increases in the indices for water construction costs ranging from 2.0% to 3.3% in 2017 in the key cost component areas impacting the SIF calculation. The combination of these factors and the 4-year phasing approach that is referenced above yielded the proposed residential SIF increase of 4.8% for 2019. The Water commercial and irrigation SIFs are proposed to range in change from a 15.6% increase to a 12.3% decrease, depending on the tap size.

Power

The Power Plant Investment Fee (PIF) is proposed to increase on average by 1.2%. The PIF is collected in two ways: for residential, it is an up-front fee when a house is constructed, and for non-residential, it is collected monthly on a charge per kWh basis. The PIF for residential 150-amp service installations would increase from $1,580 to $1,590, and the PIF for residential service installations above 150-amps would increase from $2,030 to $2,050. A Small General Service (small commercial) customer with average consumption would see a monthly increase of $0.15, while a Large General Service (large commercial) customer with average consumption would see a monthly increase of $3.30 in the PIF component of their monthly utility bills.

The calculation for the PIF is based largely on current replacement costs for 600 amp feeders and substation equipment. The methodology for updating the PIF involves using a utility cost index called the Handy-Whitman Index to bring original installed asset costs up to current replacement value. The most recent update of the Handy-Whitman Index was released in May of this year. It reflects costs as of the end of 2017, and shows increases ranging from 4.3% to 4.9% in 2017 in the key cost component areas impacting the PIF calculation. In addition, in 2017, there was an increase in the 600 Amp Feeder asset value for approximately 7 new miles of growth-driven feeders that were constructed. As an offset, there also was a $5.5 million decrease in Work In Progress and an average increase in the customer count. The combination of these factors yielded the proposed PIF increase of 1.2% for 2019.

Raw Water Development Fee and Modified SIF For Cottage Homes

At the July 18, 2018 LUC meeting, there was a proposal presented to increase the Raw Water Development Fee (RWDF) for a detached single-family dwelling from $1,087 to $1,994. After extensive discussion, the Commission voted 5-3 in favor of a 3-year phased increase to get to $1,994 by 2021. A great deal of the discussion at the meeting revolved around concern expressed by Councilor Olson and other LUC members about the impact that revised fee could have on the development community generally, and on affordable housing, specifically. Because of these concerns, Staff continues to work with FCS Group to closely examine the specific components and assumptions that are built into this calculation, and put any proposed changes to the RWDF on hold until this additional work is completed. When that work is finished, Staff will present a revised proposal to the LUC and City Council. Part of the scope of this year's cost-of-service study also included evaluating the water usage of Cottage Homes in comparison to that of a single-family home, and see if it would make sense to charge a reduced SIF for

both Water and Wastewater, based on demonstrated lower usage. This work is also still in process. Staff anticipates coming back to the LUC at this year's November meeting with an updated proposal for the Raw Water Development Fee and a possible new proposal for reduced SIFs on Cottage Homes.

RECOMMENDATION:

Adopt a motion recommending that City Council approve the proposed changes in the Water and Power Schedule of Rates, Charges and Fees for 2019.

ATTACHMENTS

- Attachment A: Proposed 2019 Water and Power Department Schedule of Rates, Charges and Fees

Attachment A

CITY OF LOVELAND,

COLORADO

Water and Power Department

Schedule of Rates, Charges and Fees

Effective 1/1/~~18~~19

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SUMMARY

Electric Rates

Annexation Surcharge	5%
Renewable Energy Premium per 100 kilowatt-hour (kWh)	$2.80

	Jan.-June, Oct.-Dec.	July-Sept.
Residential (Schedule R)		
Base Charge per Month	$~~14.80~~15.54	$~~14.80~~15.54
Energy Charge per kWh	$0.~~0725~~07616	$0.~~0878~~09224
PILT per kWh	$0.~~0070~~00737	$0.~~0083~~00881
Residential Demand (Schedule RD) No new Schedule RD Customers accepted after Dec. 31, 2014		
Base Charge per Month	$~~23.50~~24.68	$~~23.50~~24.68
Energy Charge per kWh	$0.~~0416~~04368	$0.~~0453~~04761
PILT per kWh	$0.~~0061~~00643	$0.~~0068~~00718
Demand Charge per kW	$~~7.35~~7.72	$~~9.80~~10.29
Small General Service (Schedule SG)		
Base Charge per Month	$~~27.00~~28.35	$~~27.00~~28.35
Energy Charge per kWh	$0.~~0846~~08887	$0.~~0947~~09953
PILT per kWh	$0.~~0073~~00767	$0.~~0083~~00872
Plant Investment Fee per kWh	$0.~~0063~~00671	$0.~~0063~~00671
Large General Service (Schedule LG)		
Base Charge per Month	$~~138.60~~145.53	$~~138.60~~145.53
Energy Charge per kWh	$0.~~0437~~04593	$0.~~0459~~04823
PILT per kWh	$0.~~0057~~00602	$0.~~0068~~00719
Plant Investment Fee per kWh	$0.~~0063~~00671	$0.~~0063~~00671
Demand Charge per kW	$~~11.00~~11.55	$~~15.00~~15.75
Primary Service with Customer Owned Transformer (Schedule PT)		
Base Charge per Month	$~~156.40~~164.22	$~~156.40~~164.22
Energy Charge per kWh	$0.~~0428~~04495	$0.~~0449~~04720
PILT per kWh	$0.~~0049~~00518	$0.~~006~~00596
Plant Investment Fee per kWh	$0.~~0062~~00651	$0.~~0062~~00651
Demand Charge per kW	$~~11.00~~11.55	$~~15.25~~16.01

Electric Rates Cont'd

Coincident Peak Demand Service (see page 27)
Transmission Voltage by Contract (Schedule TS – see pg 25)

	Jan.-Dec.
Area Lighting (Schedule AL)	
Rate per watt of bulb	$0.~~0613~~806~~44~~4
PILT per watt of bulb	$0.~~0046~~700490
Flat Rates (Schedule FR)	Jan.-Dec.
Signal Amplifiers	$~~36.45~~38.27
PILT	$~~2.77~~2.91
Automatic Sprinkler Controls	$~~5.42~~5.69
PILT	$~~.0.40~~0.42
Bus Shelters	$~~22.40~~23.52
PILT	$~~1.70~~1.79

Wastewater Rates

Monthly Flat Rate	Inside City	Outside City
Single-family residential	$~~28.63~~30.53	$~~42.95~~45.81
Multi-family residential per unit	$~~16.84~~20.64	$~~25.26~~30.99
Non-residential property (Commercial or Industrial)	$~~159.59~~175.21	$~~239.39~~262.99
Metered Water Service		
Monthly base charge – single-family residential	$~~12.84~~13.51	$~~19.26~~20.27
Monthly base charge – multi-family residential per dwelling unit	$~~3.51~~3.95	$~~5.27~~5.93
Monthly base charge – commercial	$~~12.84~~13.51	$~~19.26~~20.27
Volume charge per 1,000 gallons – single-family residential	$~~4.24~~4.48	$~~6.36~~6.72
Volume charge per 1,000 gallons – multi-family residential	$~~4.37~~4.91	$~~6.56~~7.37
Volume charge per 1,000 gallons – commercial	$~~4.44~~4.93	$~~6.66~~7.40
High Strength Surcharge		
BOD charge per pound when discharge is greater than 276 mg/l	$~~0.67~~0.52	$~~1.01~~0.78
TSS charge per pound when discharge is greater than 207 mg/l	$~~0.43~~0.32	$~~0.65~~0.48

Water Rates

Metered Rates

The monthly service charge shall be the sum of the base charge and the use fee per 1,000 gallons as set forth below:

Single-Family Residential Base Charge

Tap Size (in inches)	Inside City	Outside City
0.75	$14.74	$22.11
1.00	$18.99	$28.49
1.50	$23.21	$34.82
2.00	$34.88	$52.32
3.00	$120.77	$181.16
4.00	$152.59	$228.89
6.00	$226.82	$340.23

Multi-Family Residential Base Charge

Tap size (in inches)	Inside City	Outside City
0.75	$~~21.70~~25.10	$~~32.55~~37.65
1.00	$~~25.93~~29.10	$~~38.90~~43.65
~~1.25~~	~~$28.06~~	~~N/A~~
1.50	$~~30.18~~33.10	$~~45.27~~49.65
2.00	$~~41.85~~44.12	$~~62.78~~66.18
3.00	$~~127.66~~125.20	$~~191.49~~187.80
4.00	$~~159.45~~155.23	$~~239.18~~232.85
6.00	$~~233.62~~225.31	$~~350.43~~337.97

Commercial Base Charge

Tap size (in inches)	Inside City	Outside City
0.75	$14.74	$22.11
1.00	$18.99	$28.49
1.50	$23.21	$34.82
2.00	$34.88	$52.32
3.00	$120.77	$181.16
4.00	$152.59	$228.89
6.00	$226.82	$340.23

Water Rates Cont'd

Irrigation Base Charge

Tap size (in inches)	Inside City	Outside City
0.75	$14.74	$22.11
1.00	$18.99	$28.49
1.50	$23.21	$34.82
2.00	$34.88	$52.32
3.00	$120.77	$181.16
4.00	$152.59	$228.89
6.00	$226.82	$340.23

Charges for larger taps will be set by City Council.

Use Fee per 1,000 gallons	Inside City	Outside City
Single-Family Residential	$3.01	$4.52
Multi-Family Residential	$~~2.76~~3.05	$~~4.14~~4.58
Commercial	$~~2.88~~3.58	$~~4.32~~5.37
Irrigation	$~~3.59~~4.66	$~~5.39~~6.99

Excess Water Use – Surcharge per 1,000 gallons	$~~1.20~~1.28
~~Fire Hydrant Charge per month~~	
~~Residential~~	~~$3.00~~
~~Commercial~~	~~$7.30~~
~~Fire Protection Tap Service Fee per month~~	~~$2.10~~
Fire Hydrant Flow Test	$200.00
Tank and Hydrant Rate per 300 gallons	$~~1.56~~1.67
Hidden Valley Monthly Base Charge for 0.75 inch tap	$~~174.33~~186.53

Hidden Valley Water Availability of Service Fee:
This fee applies to all water taps applied for on or after January 1, 2010 to serve lots authorized pursuant to Resolutions #R-35-2004 and #R-83-2005. Payment of this fee shall be due upon application for the water tap. The fee shall be calculated as follows: A x B x C = fee.

A = Number of months from Jan 1, 2007 to the Availability of Service Fee due date
B = $67.00 per month
C = *Engineering News Record* 20 Cities Construction Cost Index (used to inflate the construction costs to current dollars)

Plant Investment Fees – Electric

Residential Service	
Residential over 150 amp service	$ ~~2,030~~2,050
Residential 150 amp service or less	$ ~~1,580~~1,590
Non-Residential per kWh	
Small General Service	$ 0.~~0063~~00646
Large General Service	$ 0.~~0063~~00646
Primary Service w/customer equipment	$ 0.~~0062~~00627

Coincident Peak Customers see page 27

System Impact Fees – Wastewater

	Inside City	Outside City
Detached one-family dwelling	$ ~~2,740~~2,800	$ ~~4,110~~4,200
Attached one-family dwelling, per unit	$ ~~2,420~~2,470	$ ~~3,630~~3,710
Multi-family dwelling containing 2-8 dwelling units, per unit	$ ~~2,420~~2,470	$ ~~3,630~~3,710
Multi-family dwelling containing 9 or more dwelling units, per unit	$ ~~1,860~~1,910	$ ~~2,790~~2,870

Nonresidential Tap size (in inches)	Inside City	Outside City
0.75	$ ~~7,770~~8,110	$ ~~11,660~~12,170
1.00	$ ~~24,000~~21,810	$ ~~36,000~~32,720
1.50	$ ~~41,580~~38,770	$~~,62,370~~58,160

Nonresidential taps ~~above 1.5~~ - 2 inches and above pay~~s~~ the capital recovery surcharge

Capital Recovery Surcharge – Wastewater

Inside City per 1,000 gallons of sewer billed	$ ~~0.814~~0.832
Outside City per 1,000 gallons of sewer billed	$ ~~1.221~~1.248

System Impact Fees – Water

	Inside City	Outside City
Detached one-family dwelling	$ ~~4,990~~5,230	$ ~~7,490~~7,850
Attached one-family dwelling, per unit	$ ~~3,020~~2,930	$ ~~4,530~~4,400

Multifamily dwelling containing 2-8 dwelling units, per unit	$ ~~3,020~~2,930	$ ~~4,530~~4,400
Multifamily dwelling containing 9 or more dwelling units, per unit	$ ~~2,440~~2,340	$ ~~3,660~~3,510

Nonresidential

Tap size (in inches)	Inside City	Outside City
0.75	$ ~~8,040~~7,940	$ ~~12,060~~11,910
1.00	$ ~~25,110~~22,020	$ ~~37,670~~33,030
1.50	$ ~~45,920~~40,800	$ ~~68,880~~61,200

Irrigation

Tap size (in inches)	Inside City	Outside City
0.75	$ ~~15,840~~18,310	$ ~~23,760~~27,470
1.00	$ ~~47,980~~46,730	$ ~~71,970~~70,100
1.50	$ ~~123,560~~114,090	$ ~~185,340~~171,140
2.00	$ ~~126,630~~129,260	$ ~~189,950~~193,890
3.00	$ ~~357,110~~353,590	$ ~~535,670~~530,390

Tap sizes larger than 3-inch shall be established by City Council. The impact fee for taps 2 inches and larger ~~than 1.5 inch applies~~ only applies to irrigation meters. Nonresidential taps 2 inches and above ~~1.5 inch~~ pay the capital recovery surcharge.

Capital Recovery Surcharge - Water

Inside City per 1,000 gallons of water	$ ~~0.770~~0.807
Outside City per 1,000 gallons of water	$ ~~1.155~~1.211

Fire Tap Plant Investment Fee

Fire Tap Plant Investment Fee (outside City only)	$553.00

Raw Water Development Fee

Detached One-Family Dwelling	$1,087.00
Attached One-Family Dwelling, per unit	$1,087.00
Multi-family dwelling containing 2-24 dwelling units, per unit	$680.00

Multifamily dwelling containing 25 or more dwelling units, per unit	$134.00

Nonresidential

Tap size (in inches)	
0.75	$1,087.00
1.00	$1,848.00
1.50	$3,588.00
2.00	$5,763.00
3.00	$10,873.00

Tap sizes larger than 3-inch shall be established by City Council. The impact fee for taps 2 inches and larger ~~than 1.5 inch applies~~ only applies to irrigation meters. Commercial taps ~~above 1.5 inch~~ 2 inches and above pay the capital recovery surcharge.

Raw Water Capital Recovery Surcharge Per 1,000 Gallons

Raw Water Capital Recovery Surcharge Per 1,000 Gallons	$0.16

Electric Fees

Service Turn-On at the meter	$40.00
Service Turn-On at the meter – After Hours	$100.00
Service Turn-Off at the meter resulting from an unauthorized Service Turn-On	$40.00
Disconnect/Reconnect Services	$260.00
Disconnect/Reconnect Services with Engineering	$400.00
Permanent Service Connect (No Disconnect Needed)	$260.00
Permanent Disconnect of Service	$260.00
Charges When Access Denied	
Appointment or Special Trip to Read the Meter	$24.00
Appointment or Special Trip to Read the Meter After Hours	$50.00
Appointment or Special Trip to Change the Meter	$90.00
Appointment or Special Trip to Change Meter After Hours or Weekends	$120.00
Service is disconnected at the junction box or the overhead pole	$260.00
When access to the pole is denied, actual costs will be billed	
Residential Service Installations	
Typical Underground with 1/0 CIC	$280.00
Typical Underground with 4/0 CIC	$390.00
Typical Overhead	$335.00
Multiplex 3-6 Units	$935.00
Multiplex 7 or More Units (deposit, to be billed on actuals)	$1,015.00

Electric Fees Cont'd

Field Engineering Deposits	
Residential and duplex single phase installations, 1-2 lots	$980.00
Single commercial buildings, transformer upgrades, raising, lowering, or removing existing power	$1,870.00
Residential subdivision of 3-25 lots, commercial subdivision of 2-10 lots, raising, lowering, or removing existing power	$1,755.00
Residential subdivision of more than 25 lots, commercial subdivision of more than 10 lots, malls, shopping centers, hospitals	$3,310.00
Other Deposits – See Section Fees – Electric "Other Deposits"	
Temporary Residential Connections	$235.00
Termination and energizing electric services to small devices	$315.00
~~Installation of Area Light~~	~~$320.00~~
Electric Vehicle Charging Station	$1.00/hour
Pole Attachment Fee per attachment	$16.60

Wastewater Fees

Pretreatment Inspection Fee	$85.00
Pretreatment Significant Industrial User (SIU) Laboratory Analysis	Actual Cost Plus $75.00
Pretreatment SIU Public Notification of Violation	Actual Cost
Tapping Fees 4 inch or 6 inch Tap	$315.00
4 inch Saddle and Stainless Strap	$75.00
6 inch Saddle and Stainless Strap	$90.00

Water Fees

Construction Water Fee

Tap size (in inches)	
0.75	$50.00
1.00	$81.00
1.50	$164.00
2.00	$260.00
3.00	$487.00
4.00	$811.00

Above 4.00 inch tap will be negotiated with the Water and Power Department

Water Turn-on Fee – Regular Hours	$40.00
Water Turn-on Fee – After Regular Hours	$100.00
Water Turn-off Fee for Unauthorized Service Turn-on	$40.00
Water Meter Return Appointment Fee – Regular Hours	$20.00
Water Meter Return Appointment Fee – After Regular Hours	$30.00
Raw Water Cash-in-lieu Fee per Acre-Foot (City Code Sec.19.04.040)	Set by Loveland Utilities Commission
Native Raw Water Storage Fee per Acre-Foot	
Barnes Ditch	$5,750.00
Big Thompson Ditch & Manufacturing Co.	$3,530.00
Buckingham Irrigation Co. (Geo. Rist Ditch)	$7,400.00
Chubbuck Ditch	$7,400.00
Louden Irrigating Canal and Reservoir Co.	$6,850.00
South Side Ditch Company	$6,770.00

Water Fees Cont'd

Construction Hydrant Meter Deposit	$1,500.00
Hydrant Meter Rental	
Daily Rental	$5.00
Install Fee	$55.00
Remove Fee	$55.00
Moving Meter Fee	$55.00
Water Use	$~~1.56~~1.67/300 gallons
Meter Fees	
0.75 inch Meter and Readout	$195.00
1.00 inch Meter and Readout	$255.00
Install Meter and Inspection	
Meter inspect	$60.00
Meter install	$85.00
Water Tapping Fee	
0.75 inch	$355.00
1.00 inch	$370.00
1.50 inch	$375.00
2.00 inch	$385.00
Above 2.00 inch	$510.00

Miscellaneous Fees

Late Payment Penalty	$15.00
New Account Fee	$11.00
Reactivation Fee	$10.00
New Account Meter Reading Fee	$10.00
Interfering or Tampering with a Meter – electric or water	$110.00
Return Check (Insufficient Funds) Charge	$20.00
Filing Fee for Unpaid Bills	$90.00

I. Rates - Electric

Resale of Electric Current Prohibited

It is unlawful for any consumer who purchases electric service from the City to sell such service to others.

Surcharge

There is imposed a surcharge in the amount of five percent of base charges plus charges for energy, demand, payment-in-lieu-of-taxes (PILT) for the sale of electric power to services that come into existence in all areas annexed to the City after January 31, 1987, which areas were formerly a part of an exclusive service territory granted to a cooperative electric association by the Public Utilities Commission. Such surcharge shall expire ten years after the effective date of annexation of each such area.

Renewable Energy Premium

Availability
The renewable energy premium is available as an option to all residential, commercial, and industrial customers served under Schedules R, RD, SG, LG, PS, PT, and Coincident Peak Demand Service. The renewable energy premium is not available to Transmission Voltage Service, Area Light or Flat Rate customers served under Schedules TS, AL or FE.

Monthly Rate
Premium per each 100 kWh increment of energy $2.80
This charge is in addition to all other regular charges the customer incurs for electric service.

Monthly Minimum
The minimum bill shall be $2.80 for each 100 kWh increment requested by the customer in the service agreement, plus the minimum bill as identified in the principal rate schedule for the customer.

Conditions
Service Restrictions – The supply of renewable energy is limited to the resources made available to the department by its power supplier, Platte River Power Authority (PRPA), and is therefore subject to all terms and conditions identified in PRPA's tariff for Renewable Energy Service.

Service Agreement
The renewable energy premium is an optional charge and requires the customer to sign a service agreement with Loveland Water and Power.

Service Agreement Period
The renewable energy premium for all eligible rate schedules shall be available for a minimum initial period of 12 consecutive months and then continuing month to month thereafter until terminated. After the minimum period, the obligation to purchase or provide renewable energy may be terminated upon 30 day notice by either party. Termination of the principal service shall also terminate the agreement unless the customer chooses to advance the agreement to the new service address.

Service Agreement Amount
Customer may request renewable energy in 100 kWh increments. The billable monthly renewable energy premium will be the number of 100 kWh increments requested by the customer in the service agreement. The actual kilowatt-hours used by the customer in any given month may be more or less than the average.

Self-Generation Rate

Availability
The Self-Generation Rate is available as an option to all electric service customers who own, operate and maintain their own generation equipment.

Residential – Monthly Rate

Residential Base Charge

Capacity of Self-Generating Unit (in kilowatts (kW)	Jan. – Dec.
Up to 1.49	$~~17.27~~18.13
1.50 – 2.49	$~~19.74~~20.73
2.50 – 3.49	$~~22.21~~23.32
3.50 – 4.49	$~~24.68~~25.91
4.50 – 5.49	$~~27.15~~28.51
5.50 – 6.49	$~~29.62~~31.10
6.50 – 7.49	$~~32.09~~33.69
7.50 – 8.49	$~~34.56~~36.29
8.50 – 9.49	$~~37.03~~38.88
9.50 – 10.49	$~~39.50~~41.48

	Jan. – June, Oct. – Dec.	**July – Sept.**
Residential		
Energy charge per kWh	$0.~~07253~~07616	$0.~~08785~~09224
PILT charge per kWh	$0.~~00702~~00737	$0.~~00839~~00881
Buyback credit per kWh	$0.~~07253~~07616	$0.~~08785~~09224
Buyback PILT credit per kWh	$0.00702~~00737~~	$0.~~00839~~00881

Non-Residential – Monthly Rate

Conditions
The city will net meter all energy consumed by the customer and produced by the customer's generation system. Net metering shall be, for billing purposes, the net consumption as measured at the service meter on a monthly basis. Consumption will be measured monthly and in the event net metering is negative in a given month, such that the customer's generation system production is greater than the customer's consumption, there will not be a monthly cash credit for such production. All such excess energy, expressed in kilowatt-hours, shall be carried forward from month to month and credited against the customer's energy consumption, expressed in kilowatt-hours, in subsequent months. In the event

Self-Generation Rate Cont'd

that a negative net consumption balance remains after twelve consecutive months following the effective date of customer's commencing on the Self Generation Rate, or any annual anniversary thereafter, the City will pay the customer for such negative balances at the Self Generation Buyback Credit Rate.

Monthly Rate – System Size 1-50 kW

	Jan. – June, Oct. – Dec.	**July – Sept.**
Small General Service		
Base charge	$~~27.00~~28.35	$~~27.00~~28.35
Energy charge per kWh	$0.~~0846~~08887	$0.~~0947~~09953
PILT charge per kWh	$0.~~0073~~00767	$0.~~0083~~00872
Buyback credit per kWh	$0.~~0438~~04477	$0.~~0438~~04477
Monthly minimum bill	$~~27.00~~28.35	$~~27.00~~28.35
System size range limitation	1–50 kW	1-50 kW
Plant Investment Fee per kWh	$0.~~0063~~00671	$0.~~0063~~00671
Large General Service		
Base charge	$~~138.60~~145.53	$~~138.60~~145.53
Energy charge per kWh	$0.~~0437~~04593	$~~0.0459~~04823
PILT charge per kWh	$0.~~0057~~00602	$0.~~0068~~00719
Demand charge per kWh	$~~11.00~~11.55	$~~15.00~~15.75
Buyback credit per kWh	$0.~~0438~~04477	$0.~~0438~~04477
Monthly minimum bill	$~~138.60~~145.53	$~~138.60~~145.53
System size range limitation	1-50 kW	1-50 kW
Plant Investment Fee per kWh	$0.~~0063~~00671	$0.~~0063~~00671

Self-Generation Rate Cont'd

Monthly Rate – System Size 51-400 kW

	Jan. – June, Oct. – Dec.	**July – Sept.**
Small General Service		
Base charge	$~~27.00~~28.35	$~~27.00~~28.35
Energy charge per kWh	$0.~~08464~~08887	$0.~~09479~~09953
PILT charge per kWh	$0.~~00730~~00767	$0.~~00830~~00872
Buyback credit per kWh	$0.~~05623~~057535	$0.~~05623~~05735
Monthly minimum bill	$~~27.00~~28.35	$~~27.00~~28.35
System size range limitation	51–400 kW	51-400 kW
Plant Investment Fee per kWh	$0.~~00639~~00671	$0.~~00639~~00671
Large General Service		
Base charge	$~~138.60~~145.53	$~~138.60~~145.53
Energy charge per kWh	$0.~~04374~~04593	$0.~~04593~~04823
PILT charge per kWh	$0.~~00573~~00602	$0.~~00685~~00719
Demand charge per kWh	$~~11.00~~11.55	$~~15.00~~15.75
Buyback credit per kWh	$0.~~05623~~05735	$0.~~05623~~05735
Monthly minimum bill	$~~138.60~~145.53	$~~138.60~~145.53
System size range limitation	51-400 kW	51-400 kW
Plant Investment Fee per kWh	$0.~~00639~~00671	$0.~~00639~~00671

The Self-Generating customer must be in compliance with the technical specifications and requirements contained in the Standard for Interconnecting Distributed Resources with the City of Loveland Electric Power System as found in the City's Municipal Code, Section 13.12.240 and must enter into a contract with the City.

Residential Service
Schedule R

Availability
Residential Service is available for single-family dwelling units and individually metered multi-family dwelling units at any location within the area served by Loveland Water and Power. Single-family dwelling units and individually metered multi-family dwelling units shall mean those buildings or units used solely as residences and not used in part for any other purpose. This rate is applicable to existing and new residential customers. Service will be delivered through a single meter per dwelling unit, at one point of delivery.

Monthly Rate
The rate for Residential Service shall consist of the sum of the base charge, energy charge, and PILT in accordance with the following table:

Monthly Rate
The rate for Residential Service shall consist of the sum of the base charge, energy charge, and PILT in accordance with the following table:

	Jan. – June, Oct. – Dec.	**July – Sept.**
Base charge	$~~14.80~~15.54	$~~14.80~~15.54
Energy charge per kWh	$0.~~07253~~07616	$0.~~08785~~09224
PILT charge per kWh	$0.~~00702~~00737	$0.~~00839~~00881
Monthly minimum bill	$~~14.80~~15.54	$~~14.80~~15.54

Residential Demand Service
Schedule RD

No new customers will be added to Schedule RD after December 31, 2014

Availability
Residential Demand Service is available for single-family dwelling units and individually metered multi-family dwelling units at any location within the area served by Loveland Water and Power. Single-family dwelling units and individually metered multi-family units shall mean those buildings or dwelling units used solely as residences and not used in part for any other purpose. Existing accounts may elect service under this schedule by making application to Loveland Water and Power. Service will be delivered through a single meter per dwelling unit, at one point of delivery.

Monthly Rate
The rate for Residential Demand Service shall consist of the sum of the base charge, energy charge, demand charge and PILT in accordance with the following table:

	Jan. – June, Oct. – Dec.	**July – Sept.**
Base charge	$~~23.50~~24.68	$~~23.50~~24.68
Energy charge per kWh	$0.~~04160~~04368	$0.~~04534~~04761
PILT charge per kWh	$0.~~00612~~00643	$0.~~00684~~00718
Demand charge per kW	$~~7.35~~7.72	$~~9.80~~10.29
Monthly minimum bill	$~~23.50~~24.68	$~~23.50~~24.68

Billing Demand
The demand shall be the highest rate of use in kilowatts during any 15 minute interval of the billing period.

Power Factor Charge
Power factor charge of one hundred percent of the power factor charge incurred by the City on account of and attributable to service to the customer may be billed to the customer.

Small General Service
Schedule SG

Availability
Small General Service is required for all non-residential customers with a monthly average demand over a consecutive 12-month period of less than or equal to 50 kW. This also includes temporary power for non-permanent non-residential customers (for example: firework stands and holiday lights).

Monthly Rate
The rate for Small General Service shall consist of the sum of the base charge, energy charge and PILT in accordance with the following table:

	Jan. – June, Oct. – Dec.	**July – Sept.**
Base charge	$~~27.00~~28.35	$~~27.00~~28.35
Energy charge per kWh	$0.~~08464~~08887	$0.~~09479~~09953
PILT charge per kWh	$0.~~00730~~00767	$0.~~00830~~00872
Plant Investment Fee per kWh	$0.~~00639~~00671	$0.~~00639~~00671
Monthly minimum bill	$~~27.00~~28.35	$~~27.00~~28.35

Conditions
A. Whenever metered demand exceeds a monthly average 50 kW in a consecutive 12-month period, Loveland Water and Power will notify the customer and further service provided to such customer shall be furnished at the Large General Service Rate. The department may install such meters as it deems necessary in order to determine the metered demand.
B. For single-phase, three-wire service, the customer's equipment shall be connected so that the current carried by the neutral conductor shall be not greater than 15 percent of the maximum current in either of the two conductors. For three-phase wye or delta service, the customer's equipment shall be connected so that the current carried by any one-phase conductor shall be no greater than 115 percent of the current in either of the two-phase conductors.

Large General Service
Schedule LG

Availability
Large General Service is required for all non-residential customers with a monthly average demand over a consecutive 12-month period exceeding 50 kW.

Continuation for Certain Customers
Customers on the Large General Service rate on January 31, 1999, with a monthly average demand over a consecutive 12-month period of 50 kW will be grandfathered into the LG rate.

Monthly Rate
The rate for Large General Service shall consist of the sum of the base charge, energy charge, demand charge and PILT in according with the following table:

	Jan. – June, Oct. – Dec.	**July – Sept.**
Base charge	$~~138.60~~145.53	$~~138.60~~145.53
Energy charge per kWh	$0.~~04374~~04593	$0.~~04593~~04823
PILT charge per kWh	$0.~~00573~~00602	$0.~~00685~~00719
Plant Investment Fee per kWh	$0.~~00639~~00671	$0.~~00639~~00671
Demand charge per kW	$~~11.00~~11.55	$~~15.00~~15.75
Monthly minimum bill	$~~138.60~~145.53	$~~138.60~~145.53

Billing Demand
The demand shall be the highest rate of use in kilowatts during any 15-minute interval of the billing period.

Power Factor Charge
Power factor charge of one hundred percent of the power factor charge incurred by the City on account of and attributable to service to the customer may be billed to the customer.

Primary Service with Transformer
Schedule PT

Availability
Primary Service is available to all non-residential customers with a monthly average demand over a consecutive 12-month period exceeding 50 kW where service is delivered and metered at the available primary voltage and all serving facilities on the customer's side of the metering point are owned, operated and maintained by the customer.

Monthly Rate
The rate for Primary Service where the customer owns the transformers shall consist of the sum of the base charge, energy charge, demand charge and PILT in accordance with the following table:

	Jan. – June, Oct. – Dec.	**July – Sept.**
Base charge	$~~156.40~~164.22	$~~156.40~~164.22
Energy charge per kWh	$0.~~04281~~04495	$0.~~04495~~04720
PILT charge per kWh	$0.~~00493~~00518	$0.~~00568~~00596
Plant Investment Fee per kWh	$0.~~00620~~00651	$0.~~00620~~00651
Demand charge per kW	$~~11.00~~11.55	$~~15.25~~16.01
Monthly minimum bill	$~~156.40~~164.22	$~~156.40~~164.22

Billing Demand
The demand shall be the highest rate of use in kilowatts during any 15-minute interval of the billing period.

Power Factor Charge
A power factor charge of one hundred percent of the power factor charge incurred by the City on account of and attributable to service to the customer may be billed to the customer.

Conditions
Transformer ownership and maintenance is the responsibility of the customer receiving service under this rate schedule. The customer requesting this rate schedule is solely responsible for all costs associated with the installation and maintenance of the primary metering equipment and facilities. See the Water and Power Department's *Contractor Construction Standards* for equipment specifications.

Transmission Voltage Service
Schedule TS

Eligibility Requirements
Transmission Voltage Service is available to any customer: (i) whose load is of sufficient magnitude or of an unusual nature such that it cannot be served from the distribution system; and (ii) whose premises are adjacent to transmission lines that are, or by contract can become, lines that supply wholesale power to the city's system; and (iii) who meets the criteria for large user service as set forth in Platte River Power Authority's Tariff 9, or applicable successor tariff.

Character of Service
The power furnished under Schedule TS shall be three phase alternating current and approximately 60 hertz, and delivered at approximately 115kV, or at other voltages subject to conditions as agreed upon, metered at each delivery point.

Charges for Service
The charges for service under Schedule TS shall be determined based on the unique load characteristics and service requirements of the customer. The rate for service delivered under Schedule TS shall at a minimum be sufficient to recover the city's cost of service, including, without limitation, wholesale rates and the city's projected operating and maintenance costs. In addition, the customer shall be responsible for all wholesale charges and fees incurred by the city in providing service under Schedule TS to the customer, including, without limitation, power factor charges.

Conditions of Service
In order to receive service under Schedule TS, the customer must meet the eligibility requirements set forth above and enter into an electric service agreement with the city. All such agreements must meet the requirements of this Schedule TS, protect the integrity of the City's electric system, protect against interference with other city electric customers, and shall address, at a minimum, the following material terms:

- term of the agreement, including initial date of service;
- charges for service, including rate adjustments;
- metering, including configuration, ownership, and maintenance;
- infrastructure, including ownership and maintenance;
- load factor, including any penalties for failure to comply;
- nature and frequency of interruptions (if service is provided on an interruptible basis), including any penalties for failure to comply;
- any other terms and conditions required to be addressed pursuant to Platte River Power Authority's Tariff 9, or applicable successor tariff.

In addition, the agreement must include a waiver of all liability for the city and Platte River Power Authority for actual and consequential damages resulting from interruptions in accordance with the agreement.

Transmission Voltage Service Cont'd

The city manager shall be authorized to negotiate all such agreements, in consultation with Platte River Power Authority, and to execute such agreements on behalf of the city.

Coincident Peak Demand Service

Availability

1) Coincident Peak Demand Service is required for non-residential customers where the monthly average distribution facilities demand exceeds 1,400 kW over 12 consecutive months. For a customer with two or more meters located on a campus, the average monthly distribution facilities demand will be determined by adding the distribution facilities demand for each meter on the campus.
2) The Coincident Peak Demand rate classification will be applicable to all new customers without an annual billing history based on the following:

    a. The new customer must present sufficient information to the City indicating that the operating schedule and electrical equipment are such that the monthly distribution facilities demand would qualify it for the rate.
    b. The City reserves the right to analyze and verify all information provided. If the City is satisfied that the monthly distribution facilities demand of the new customer will exceed 1,400 kW, such customer will be placed on the Coincident Peak Demand rate.
    c. If the monthly distribution facilities demand during the first two months indicate that the customer does not qualify for the Coincident Peak Demand rate, the City will immediately transfer such new customer to the appropriate rate classification.
3) Once qualified, each such customer shall remain on the Coincident Peak Demand rate for a minimum of twelve consecutive months. After twelve months, the City will use the twelve-month running average distribution facilities demand to determine applicability of the Coincident Peak Demand rate.

Monthly Rate

Rates shall be developed for each individual customer subject to the Coincident Peak Demand rate classification. The rates shall be based on the cost of service to each individual customer and will apply only to such customer. Rates will be updated annually to reflect the cost of service to the individual customer, and shall include the following:

1. Base Charge: Based on customer cost of service and energy usage profile.
2. Energy Charge: All kWh consumed, per kWh, based on customer cost of service and energy usage profile.
3. Coincident Demand Charge: All coincident demand, per kW, based on customer cost of service and energy usage profile.
4. Distribution Facilities Demand Charge: All distribution facilities demand, per kW, based on customer cost of service and energy usage profile
5. Plant Invest Fee: $0.~~0062~~0<u>0627</u> per kWh for customers whose service is delivered at the available primary voltage and all serving facilities on the customer's side of the metering point are owned, operated and maintained by the customer. $0.~~0063~~9<u>00646</u> per kWh for all other customers.

Coincident Peak Demand Service Cont'd

The Water and Power Department Director shall be authorized to develop the rate for each individual customer subject to the Coincident Peak Demand rate classification in accordance with this rate definition.

Power Factor Charge
Power factor charge of one hundred percent of the power factor charge incurred by the City on account of and attributable to service to the customer may be billed to the customer.

For the purposes of the Coincident Peak Demand Rate, the following definitions shall apply:

1. Campus:
   One parcel, or two or more contiguous parcels, where each parcel is owned or leased by a single customer.

2. Coincident Demand:
   The 60 minute integrated demand recorded during the Platte River Power Authority's system peak hour and day in the billing period.

3. Distribution Facilities Demand:
   The highest rate of use in kilowatts during any 15-minute interval of the billing period.

Area Lighting
Schedule AL (Existing Contracts Only)

Availability

~~Area lights will be furnished to customers who request this service for the purpose of lighting private property or alleys or other areas where City street lighting would normally not be installed. Decisions for location of the lights shall be in the discretion of the City. Applications for area lights should be made at the City of Loveland Water and Power Department.~~

Effective January 1, 2019, installation of new Area Lights for the purpose of lighting private property will no longer be available. For customers who currently have Area Lights, routine maintenance consisting of replacing light bulbs and photocells will continue to be performed by Water and Power. Once the Area Light reaches the point of needing more than routine maintenance, the fixture will be removed from the electric distribution system by Water and Power.

Monthly Rate (Jan.-Dec.)

The rate per watt for area lights shall be……$0.~~0613~~806444
The PILT charge per watt for area lights shall be……..……$0.~~00467~~00490

~~**Conditions**~~

~~All area lights shall be high pressure sodium vapor units.~~

Flat Rate Service
Schedule FE

Availability
Small devices attached to the City's electric distribution system for the purpose of amplifying cable TV and telephone signals or operating automatic sprinkler controls in remote locations after June 1, 1992, will not require metering and will be billed on a flat monthly rate. Accounts existing prior to June 1, 1992, shall continue to be metered and billed at their present rate unless the customer requests conversion to the flat rate set forth in this schedule.

Monthly Rates (Jan.-Dec.)

Signal amplifiers	~~$36.45~~$38.27
Signal amplifiers PILT charges	~~$2.77~~2.91
Automatic sprinkler controls	~~$5.42~~5.69
Automatic sprinkler controls PILT charge	~~$0.40~~0.42
Bus shelters	~~$22.40~~23.52
Bus shelters PILT charge	~~$1.70~~1.79

Conditions
A. Signal amplifiers can be no greater than 5 amps per device.
B. Automatic sprinkler controls can be no greater than 1.0 amp per device.
C. The department may randomly install meters as it deems necessary in order to monitor the actual consumption.
D. A customer with multiple device locations existing prior to June 1, 1992, requesting a conversion of said devices to the Flat Rate Schedule, must convert all devices existing prior to June 1, 1992, to the Flat Rate Schedule.

Public Electric Vehicle Charging Station Service User Fees

Availability
Designated electric vehicle charging stations will be made available by the City for public use within the corporate limits of the City at the user fees set forth below. The fees set forth below shall apply to all public electric vehicle charging stations owned and operated by the City.

User Fees
Public electric vehicle charging station service user fees (including payment in lieu of taxes and franchise) will be provided and billed on a session basis as follows:

Level 2 – 240 Volt Charging: $1.00 per hour of charging. The minimum charge is $1.00.

Payment of Fees
Payment for electric vehicle charging station services will be collected directly from the customer at the point of service (the charging station) through credit card or other electronic payment processing service.

II. Fees - Electric

Applications for Electric Service

Every person desiring a supply of electric current from the City, or an upgrade or other change in existing service, shall make application therefore to the City upon forms furnished for that purpose.

Plant Investment Fee

Plant Investment Fees provide for the additional electric transmission, substation and distribution facilities made necessary by the extension of electric service to new connections. The Plant Investment Fee provided herein shall be, in addition to, all of the rates and charges made in connection with the furnishing by the City of electric service, and shall be payable as provided for in this section.

A. Schedule R – Residential Service and Schedule RD – Residential Demand Service. At the time application is made for any dwelling unit to be built within the corporate boundaries of the City, or at the time of application for electric service for any dwelling unit to be built outside the corporate boundaries of the City, there shall be paid to the City a Plant Investment Fee in the amount of ~~$2,030.00~~2,050.00 for each electric meter to be installed in connection with the dwelling unit with a service size of greater than 150 amps and ~~$1,580.00~~ 1,590.00 for each electric meter to be installed in connection with the dwelling unit with a service size of 150 amps or less. (Each dwelling unit within a structure containing more than one dwelling unit shall be separately metered). No energization of a permanent connection to any dwelling unit served by the City shall occur unless and until the Plant Investment Fee is paid.

For the purpose of this section, "dwelling unit" means one or more rooms and a kitchen area designed for or occupied as a unit for living and cooking purposes, which is located within a single family, multiple family or mobile home, but excluding congregate care facilities, as those terms are defined in Municipal Code Chapter 18.04. A congregate care facility may receive service under Schedules R, RD, SG, LG, PT, or Coincident Peak Demand Service

Upon application, the Water and Power Department may allow a single meter to serve a multiple family dwelling if such multiple family dwelling is a federally assisted and federally supervised project and the project sponsor is required by the federal agency having jurisdiction thereof to include the provision of electric service within the rent structure for the project. Such project may receive service under Schedules R, RD, SG, LG, PT, or Coincident Peak Demand Service. If any such projects should cease to be federally supervised, then the project shall revert to the requirement of individual metering, the Plant Investment Fee for residential service shall be paid and a credit shall be applied against such Plant Investment Fee in the amount of the Plant Investment Fees paid while receiving service under another class.

Plant Investment Fee Cont'd

B. Schedule SG – Small General Service. The Plant Investment Fee for accounts receiving small general service shall be collected in each billing period. The amount of the Plant Investment Fee to be billed in each period shall be equal to $0.~~00639~~00646 per kWh used by the account during the billing period.

In establishing the Plant Investment Fees in 1979, customers served prior to May 1, 1979, are exempt from the Plant Investment Fee at the existing location only. Customers who have paid the five-year Plant Investment Fee for a particular location are exempt from the fee at the location covered.

C. Schedule LG – Large General Service. The amount of Plant Investment Fee to be billed in each billing period shall be equal to $0.~~00639~~00646 per kWh used by the account during the billing period.

D. Schedule PT– Primary Service with Transformer. The amount of Plant Investment Fee to be billed in each billing period shall be equal to $0.~~00620~~00627 per kWh used by the account during the billing period.

E. Coincident Peak Demand Service. The amount of Plant Investment Fee to be billed in each billing period shall be equal to $0.~~00620~~00627 per kWh used by the account during the billing period for customers whose primary voltage and all serving facilities on the customer's side of the metering point are owned operated and maintained by the customer. A Plant Investment Fee of $0.~~00639~~00646 per kWh to be billed in each billing period for all other customers.

F. Discontinuance of Service. In addition to all of the remedies available to the City, electric service may be discontinued for failure to pay the Plant Investment Fee provided for in this section, and such discontinuance shall be in accordance with the notice procedures set forth in Municipal Code Section 13.02.070.

Service Turn-On Fee at the Meter

During regularly scheduled work hours, there is imposed a fee in the amount of $40.00 for each service turn-on where power is energized at the meter.

After regularly scheduled work hours, there is imposed a fee in the amount of $100.00 for each service turn on where the power is energized at the meter.

After hours fees apply to all requests received during non-business hours Monday through Friday, anytime Saturday or Sunday, and all holidays observed by the City of Loveland. Regular business hours are Monday through Friday 7 a.m. to 4 p.m.

Disconnect and Reconnect Services

Water and Power will perform a typical service disconnect/reconnect where power is energized or de-energized on the line side of the meter, on a flat fee basis.

There is imposed a fee in the amount of $260.00 for each typical service disconnect/reconnect and $400.00 for each typical service disconnect/reconnect with engineering.

A typical service disconnect/reconnect is defined as one where there is no increase in wire size or length and the disconnect/reconnect service is performed during regular business hours between 7 a.m. and 4 p.m. Monday through Friday.

All other service disconnect/reconnects will be billed at Water and Power's actual cost.

Permanent Disconnect and Removal of Service

Where a request for permanent disconnection and removal of single-phase service has been requested, there is imposed a flat fee of $260.00.

Where a request for permanent termination of three-phase service has been requested, charges will be billed at Water and Power's actual cost.

Charges When Access Denied

There is imposed a charge as set forth in this section, that shall be due and payable when billed, to cover the additional costs and expenses incurred by the City whenever clear access to the meter location is denied. Clear access shall be deemed to be denied whenever, because of locked gates, animals confined in the same space as the meter location, or for any other reason, and after making a reasonable attempt to locate a person upon the premises to gain access, an authorized representative of the City is unable to read the meter, change the meter, or perform such other function as such representative is lawfully authorized to perform. The amount of such charge shall be as follows (regular business hours defined as 7 a.m. to 4 p.m. Monday through Friday, off-duty hours defined as hours outside of this regular business hours and all holidays observed by The City of Loveland):

A. When clear access is denied for two successive meter readings, and an appointment is made with the consumer or a special trip is made for reading the meter, a charge of $24.00 is imposed for such appointment or special trip occurring during regular business hours, and $50.00 for such appointment occurring during off-duty hours and weekends.
B. When clear access is denied and a special trip is made to change a meter during regular business hours, on the department's regular maintenance program, a $90.00 charge is imposed, and $120.00 for such appointment occurring during off-duty hours.
C. When service is disconnected at the junction box or overhead pole, a charge of $260.00 is imposed. When clear access is denied for the purpose of disconnecting service, actuals will be charged.
D. When clear access is denied for the purpose of disconnecting service at the junction box or overhead pole, the actual costs will be billed.

Residential Service Installations and Upgrades for Single Family and Duplex Dwellings

A. A typical new residential service installation will be performed by the Water and Power Department on a flat fee basis. A typical new underground service is defined as having a trench length of 100 feet or less; trenching to be performed in normal soil conditions.
    1. For a service using 1/0 triplex CIC with a panel size of 150 amps or less, the fee is $280.00 and the Plant Investment Fee, as described in the Resolution Schedule of Rates, Charges and Fees as adopted by City Council, shall also be collected.
    2. For a service using 4/0 triplex CIC with a panel size of 200 amps, the fee is $390.00 and the Plant Investment Fee, as described in the Resolution Schedule of Rates, Charges and Fees as adopted by City Council, shall also be collected.

    A typical new overhead service is defined as a service length of 80 feet of less, does not require setting a pole or transformer, is #2 triplex with a panel size of 150 amps or less, or 1/0 triplex with panel size of 200 amps. The fee for such service is $335.00.

    A service not meeting the above criteria shall be billed at the Water and Power Department's actual cost of installation.

    Within the city limits of the City of Loveland, the fees shall be collected by the department issuing the building permit for the residence. If outside the city limits, the fee will be collected by the Water and Power Department before work can proceed.

B. Residential service upgrades resulting in services larger than 150 amps and no larger than 200 amps shall require a deposit of $300.00 for overhead, and $800.00 for underground. This deposit will be applied to the actual costs billed by the Water and Power Department upon completion of work performed.

Residential Service Installations and Upgrades for Multiplex Service Installations

A. For purposes of this Resolution, a "multiplex" is defined as a structure containing not less than three and not more than six dwellings.

B. A "typical" multiplex electric service installation will be provided by and installed by the contractor per National Electric Code. It will be energized by the Water and Power Department on a flat fee basis.

   A 3-6 unit multiplex service installation will be provided by the contractor in which an electrical secondary source is already in existence. The fee for installation of an electric service in a 3-6 unit multiplex project is $935.00 for the project and the Plant Investment Fee, as described in the current Schedule of Rates, Charges and Fees as adopted by the City Council, shall also be collected for each unit.

   A 7 unit or more multiplex service termination and meter set service installation requires a deposit of $10150.00 to be made at the Water and Power Department. The contractor is to provide and install all materials. This deposit will be applied to the actual costs billed by the Water and Power Department upon completion of work performed.

   Multiplexes requiring an underground service in an overhead service area will have an underground service provided by and installed by the contractor per National Electric Code. They will be billed the actual costs incurred by the Water and Power Department.

   If there is no existing source for electric service and an extension of secondary power is necessary, the customer shall pay the actual costs incurred by the Water and Power Department to extend the secondary power source.

   Requests for overhead multiplex service installations will be evaluated for feasibility by the Water and Power Department. If overhead service is deemed appropriate, it will be installed and billed at the actual cost incurred by the Water and Power Department.

   All services to multiplexes will be installed as described in the National Electric Code pertaining to commercial services. NOTE: Duplexes will be billed as outlined in the "Residential Service Installations and Upgrades for Single and Duplex Dwellings" section in the current Schedule of Rates and Charges – Electric.

Distribution Designer Deposits

A customer requesting a new or modified electric service, relocation of facilities, or other work requiring engineering and construction, must make a deposit with the department. If the project is cancelled, the deposit will be applied to the actual charges incurred, any resulting credit or debit will be

refunded or billed to the customer. Upon completion of engineering, the customer will deposit with the department the total deposit required.

ENGINEERING DEPOSITS

A. Residential and duplex single phase installations, 1-2 lots.....$980.00
B. Single commercial buildings, transformer upgrades, raising, lowering, or removing existing power.....$1,870.00
C. Residential subdivision of 3-25 lots, commercial subdivision of 2-10 lots, raising, lowering, or removing existing power.....$1,755.00
D. Residential subdivision of more than 25 lots, commercial subdivision of more than 10 lots, malls, shopping centers, hospitals $3,310.00

Other Deposits

The following jobs are standard in nature, and specific deposits have been established for them. In all cases actual costs will be tracked and any resulting credit or debit will be refunded or billed to the customer.

A. Install and terminate secondary riser up to 100 feet (no transformer required)
   - Residential to 200 amps $1,320.00
   - Commercial (cable supplied and installed by customer) $940.00

B. Open transformer to pull in secondary and terminate cable up to 130' $610.00

C. Single phase padmount transformer upgrade (no other customers)
   - Upgrade one transformer size $1,995.00
   - Upgrade two transformer sizes $2,450.00
   - Upgrade three transformer sizes $2,905.00

D. Single phase padmount transformer upgrade (other customers)
   - Upgrade one transformer size $2,605.00
   - Upgrade two transformer sizes $3,060.00
   - Upgrade three transformer sizes $3,515.00

E. Single phase overhead transformer upgrade (no other customers)
   - Upgrade one transformer size $1,655.00
   - Upgrade two transformer sizes $2,045.00

F. Single phase overhead transformer upgrade (other customers)
   - Upgrade one transformer size $2,260.00
   - Upgrade two transformer sizes $2,650.00

Note: Work tickets (not work orders) will be opened for these jobs and the actual costs will be billed. The cutoff for work tickets is $1,000.00 except for transformer upgrades.

Temporary Extensions

The following requirements apply to all temporary extensions/connections necessary to serve customers such as transient shows, carnivals, fairs, circuses, concessions, residential construction work, or others of a temporary nature, excluding commercial development construction as defined in the *Contractor Construction Standards*.

A. The customer shall pay a flat rate of $235.00 for the cost of installation and removal of the temporary extension as defined in the *Contractor Construction Standards*, under "Temporary Construction Service". Customers with extensions not meeting these standards will be billed for the actual costs.
B. The customer shall pay for electric consumption monthly under the applicable rate.
C. No temporary service shall continue beyond the time of building occupancy, or eighteen months from connection of such temporary service, whichever occurs sooner, without the consent of the City.
D. The City may refuse to connect additional customers to temporary extensions until the temporary extensions have become permanent.

Area Lighting

~~A 100-watt high pressure sodium vapor fixture will be furnished and installed by the City at a fixed one-time charge. Any fixture other than a 100-watt fixture, poles, secondary conductor and other apparatus, if required, will be provided at an additional charge based on actual costs incurred by the Water and Power Department. Decisions for location of the lights shall be at the discretion of the City. Applications for area lights should be made at the City of Loveland Water and Power Department. The fee for the installation of a 100-watt high pressure sodium vapor fixture is $320.00.~~

Effective January 1, 2019, installation of new Area Lights for the purpose of lighting private property will no longer be available. For customers who currently have Area Lights, routine maintenance consisting of replacing light bulbs and photocells will continue to be performed by Water and Power. Once the Area Light reaches the point of needing more than routine maintenance, the fixture will be removed from the electric distribution system by Water and Power.

Energizing of Electric Service to Small Devices Qualifying for Flat Rate Service

There will be a flat fee for the energizing of electric service to small devices attached to the City's electric distribution system for the purpose of amplifying cable TV and telephone signals or operating automatic sprinkler controls in remote locations. A fee of $315.00 shall be charged to the customer for the actual installation of the service. No outlets will be permitted, nor shall there be lighting of any kind connected to this type of service. If there is no existing source and an extension of secondary power is necessary, the customer will pay for actual costs to energize the device

Pole Attachment Fee

Each attachment by a non-City utility to a City of Loveland power pole will be charged $16.60 per year.

Public Electric Vehicle Charging Station Service User Fees

Level 2 – 240 Volt Charging: $1.00 per hour of charging.

III. Fees - Miscellaneous

After Hours

After hours fees apply to all requests received after 4:00 p.m. Monday through Friday, anytime Saturday or Sunday, and all holidays observed by the City of Loveland.

~~*Fire Hydrant and Fire Protection Tap*~~

~~A charge of $3.00 per residence and $7.30 per business per month shall be paid by water users outside the city who are located within one thousand feet of a fire hydrant, measured along roads or streets, and $7.30 per month per tap for each fire protection tap serving premises outside the city. If fire protection tap service is the only city utility service received by the premises, an administrative fee of $2.10 per month shall also be paid.~~

Hydrant Meter Guidelines

General: Fire hydrants are installed for the main purpose of fire protection. Whenever a hydrant meter is placed on a hydrant, that hydrant is, for all practical purposes, out of service and the chances of causing damage to that hydrant are increased. For these reasons and the potential for problems involved with providing hydrant meters on a rental basis, it has become necessary to establish more clearly defined guidelines for the use of hydrant meters.

Intent: The use of fire hydrant meters is intended for only those situations when a large volume of water is needed in a short period of time. These meters shall not be used as a temporary substitute for a permanent water service connection or a permanent irrigation tap. Examples of acceptable and unacceptable uses are as follows:

Acceptable:

- Providing water for increasing moisture during earthmoving.
- Filling swimming pools.
- Filling tanks on water truck (No chemicals allowed in tank).

Unacceptable

- Masonry work
- Car washes

- Irrigation
- Water for concrete saws
- Washing streets or parking lots

Hydrant Meter Guidelines Cont'd

Guidelines & Procedures: The following guidelines shall be used for regulating the use of fire hydrant meters:

1. Requests for hydrant meters must be received a minimum of 48 hours prior to the time needed. All requests should be made by contacting the Water and Power Department at 970-962-3701. The applicant must sign the Hydrant Meter Request Form at the Water and Power Department, 200 N. Wilson Avenue, and post a deposit of $1,500.00 ~~(money order or cashier's check)~~ before the meter will be set. The deposit shall be held until all costs associated with the hydrant rental are paid in full and may be used to offset any such costs not paid within 30 days of issuance of the final invoice.
2. Each request will be reviewed to determine if the proposed use meets the intent of these guidelines. The use of the water from a hydrant meter for other than the stated purposes or misrepresentation of that use will result in the loss of the convenience of obtaining water in this manner.
3. The City will determine on a case-by-case basis whether or not a particular hydrant is acceptable for the installation of a meter. Not all hydrants are available for use with a meter. If the requested hydrant is not available, alternate hydrants will be suggested.
4. Water Utility personnel will install the meter, secure it to the hydrant, and operate the hydrant. Customer shall control flow of water with valve provided on meter assembly. Customer is responsible for securing this valve to prevent the unauthorized use of water by others. Removal of the handle or hand wheel from the control valve is not an acceptable method of securing the valve. ONLY trained City employees will be authorized to operate fire hydrants.
5. During the winter months, hydrant meters will be issued only on a day-to-day basis when outside temperatures are above freezing and are expected to remain above freezing for most of the day. Meters will be installed as soon after 8:00 a.m. as practical, and will be picked up at approximately 3:00 p.m. or earlier if outside temperatures drop below freezing, or if requested.
6. Meters will be issued with a male 2½" National Standard thread connection. No hoses or adapters will be provided.
7. Customer is responsible for all rental fees and other charges. A copy of the current fees is attached. These fees will include charges for all water use.
8. Customer is responsible for any and all damage to the meter and/or fire hydrant while meter is installed. If damage occurs, an invoice will be issued to cover all repair or replacement costs, and customer shall promptly pay the invoiced amount.
9. Number of hydrant meters is limited; therefore the meters are available on a first-come/first-served basis. A separate request form must be submitted for each location and/or time period requested.
10. In accordance with the City Code, it is unlawful to waste water. Every effort should be made to conserve this valuable resource. Wasteful uses will not be allowed.

11. Failure to comply with these guidelines, or illegally obtaining water from, or in any way tampering with a fire hydrant, is in violation of the City Code, and upon conviction is punishable by a fine or imprisonment.

Hydrant Meter Guidelines Cont'd

Alternate Source of Water: For building construction projects, water is also available through permanent water taps at a construction billing rate. This source of water is handled by the Building Division, 500 E. 3rd Street, 962-2504, and typically issued along with a building permit.

Summary of Hydrant Meter Fees and Charges

Installation of meter	$55.00*
Moving meter	$55.00*
Removal of meter	$55.00*
Meter rental	$5.00/day
Water used	$~~1.56~~1.67/300 gallons

*After hour services (normal hours are Monday through Friday, 7:30 a.m. to 4:00 p.m.) will be charged for overtime labor rates in addition to the $55.00 charge.

New Account or Reactivation Fee and New Account Meter Reading Fee

Connection fees in the following amounts are hereby imposed, to be collected with the first utility bill rendered after utility service has been established or a customer account or utility service is reactivated following voluntary or involuntary termination:

Activation or establishment of a customer account for a service address $11.00
Meter reading charge for service address if read by Utility Billing Division.....$10.00
Reactivation of a customer account for a service address $10.00
Interfering or Tampering with a Meter $110.00
Please see Section 13.02.130 of the Loveland Municipal Code for more information on additional fines regarding interfering or tampering with utility meters.

LOVELAND UTILITIES COMMISSION

AGENDA ITEM: 3
MEETING DATE: 9/19/2018
SUBMITTED BY: Brian Gandy
STAFF TITLE: Special Projects Manager

ITEM TITLE:

Wastewater Treatment Plant Biological Nutrient Removal & Digester Project – Fall 2018 Construction Progress Update

DESCRIPTION:

This is to provide an update on the construction progress at the Wastewater Treatment Plant.

SUMMARY:

As the project reaches the midpoint of construction, this presentation will provide the LUC with an update on the construction progress, schedule, and budget. Garney Construction continues to perform at a high level and with 17 months of construction complete, the Team is looking forward to a July 2019 completion of the single largest capital construction project in the City's history. Plant staff are excited to take full ownership of these necessary improvements and look forward to the operational flexibility and new technology, which will aid in the operation and reliability of treating the City's wastewater.

RECOMMENDATION:

No action required. For informational purposes only.

ATTACHMENTS:

- Attachment A: PowerPoint Slides

Attachment A

LOVELAND UTILITIES COMMISSION

Wastewater Treatment Plant Biological Nutrient Removal & Digester Project – Fall 2018 Construction Progress Update

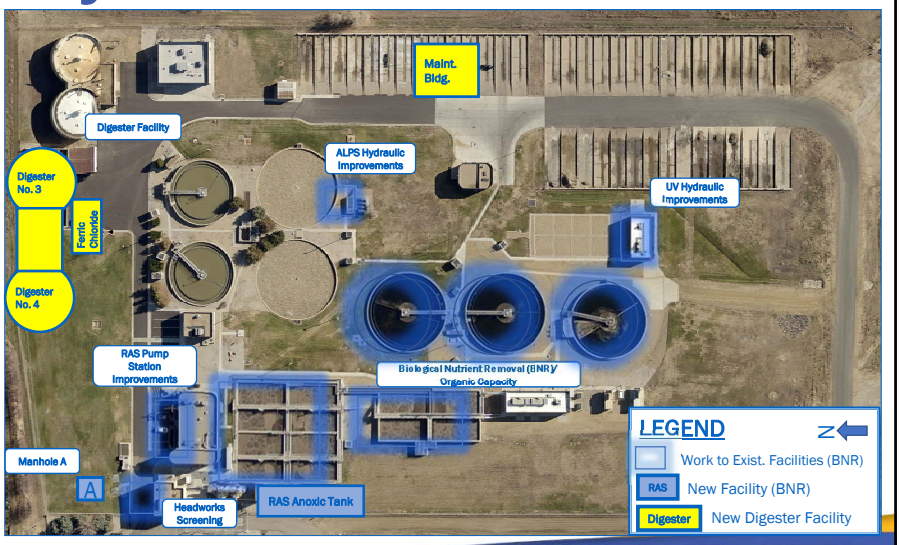
Brian Gandy, Special Projects Manager

September 19, 2018

Project Overview

Quick Facts

- Percent Complete: 53%
- Duration: 17 of 27 mo. completed
- Total Construction Cost: $34.5 M
- Construction Cost to Date: $18 M



LOVELAND UTILITIES COMMISSION

BNR Construction Progress:





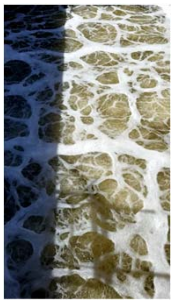
LOVELAND UTILITIES COMMISSION

Return Activated Sludge (RAS) Anoxic Tank:



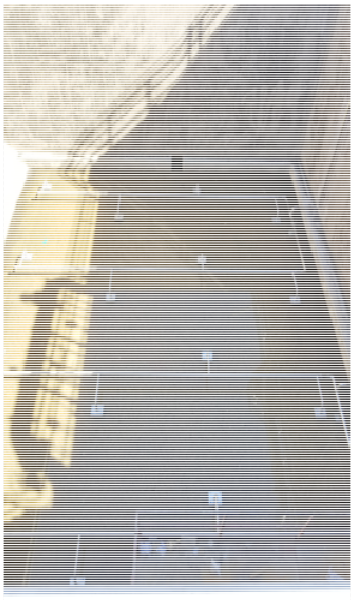

LOVELAND UTILITIES COMMISSION

Aeration Basin Improvements:
- Fine Bubble Diffusers



LOVELAND UTILITIES COMMISSION

Aeration Basin Improvements:
- Large Bubble Mixing



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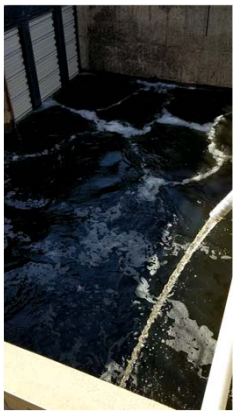
Aeration Basin Improvements:
- Large Bubble Mixing (cont.)



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Secondary Clarifier Improvements:

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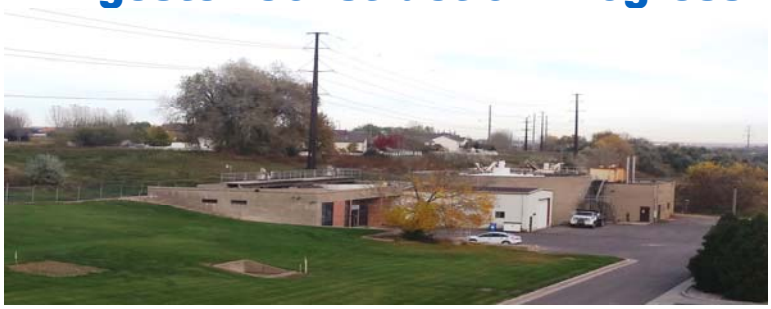
Aeration Lift Pump Station Improvements:

LOVELAND UTILITIES COMMISSION

Digester Construction Progress:



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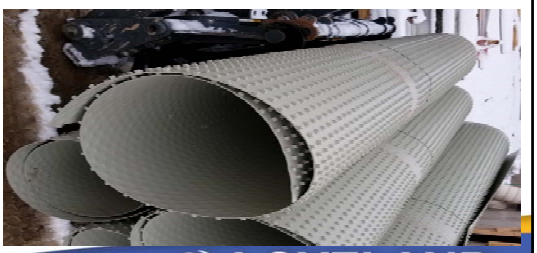
Digester 3 & 4 Tanks:



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Digester Mechanical Building:

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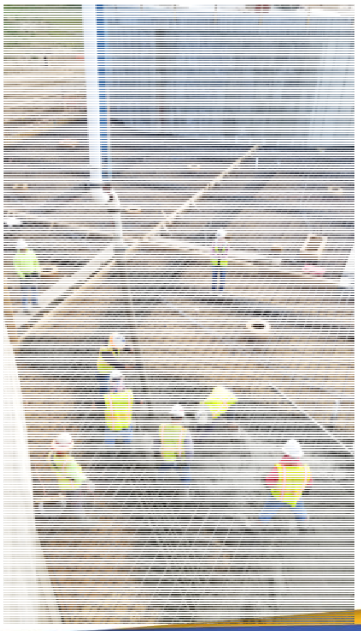
Digester Mechanical Building (cont.):



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Ferric Chloride / MCC Building:

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Drone Fly-Over:

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Time Lapse Video Updates:

http://www.cityofloveland.org/wwtpexpansion

LOVELAND UTILITIES COMMISSION

LOVELAND UTILITIES COMMISSION

QUESTIONS?

3

LOVELAND UTILITIES COMMISSION

AGENDA ITEM: 4
MEETING DATE: 9/19/2018
SUBMITTED BY: Derek Turner
STAFF TITLE: Assistant City Attorney

ITEM TITLE:

Legal Update

DESCRIPTION:

A brief verbal presentation on the current status of the City's involvement in several water court cases and other legal matters that may affect the operation of the Water & Power Department.

SUMMARY:

City Attorney Office staff 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.

LOVELAND UTILITIES COMMISSION

AGENDA ITEM: 5
MEETING DATE: 9/19/2018
SUBMITTED BY: Joe Bernosky
STAFF TITLE: Director

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.

LOVELAND UTILITIES COMMISSION

AGENDA ITEM: 6
MEETING DATE: 9/19/2018
SUBMITTED BY: Joe Bernosky
STAFF TITLE: Director

ITEM TITLE:
Director's Report

GENERAL & PREVIOUS LUC MEETING FOLLOW UP ITEMS:
City of Loveland v. Roger Gomez Trial Ruling

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

Water Resources Modeling Workshop: Join us on Friday, September 28, 1:00 – 4:00pm for a workshop on the recent presentation by Spronk Water Engineers on the Firm Yield Analysis.

Wastewater Treatment Plant Tour: On Wednesday, October 3, 2018 from 10:00 – 11:30am, there will be a walking tour of the Wastewater Treatment Plant Expansion Project. Please wear closed toe shoes, Personal Protective Equipment such as hardhat and safety glasses will be provided.

Rawhide Tour: You are cordially invited to tour Rawhide Energy Station during its once every-three-year maintenance shutdown. This event will take place on October 11, 10:30 – 3:00. Attendees will leave the Service Center at 10:30, have lunch at Rawhide, and then tour the plant. City council will also be attending. Transportation will be provided. Please RSVP to Kathy Gross, at Kathy.Gross@cityofloveland.org or 970-962-3543.

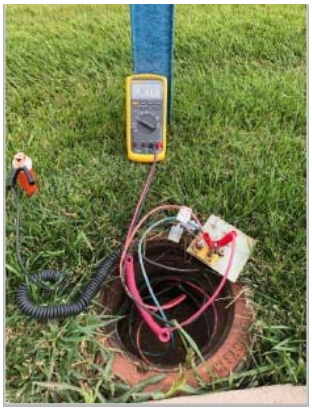
South Platte Forum: Save the date for the 2017 South Platte Forum on October 24th & 25th at the Loveland Embassy Suites. For more information, visit www.southplatteforum.org.

OPERATIONS:
Water Operations:

Water Supply Outlook: The 2018 water year has been unusual and interesting, but is currently winding down to an October 31 conclusion with good supplies available for the City and good quality currently existing in the Big Thompson River and in Green Ridge Glade Reservoir. Staff has worked closely with CDOT and Kiewit Construction as the Highway 34 reconstruction project has continued. Work being performed in the river has at times created turbidity levels which affected the City's ability to treat the water and it was necessary to shut off the river headgate during those periods. However, the lost supplies were quickly replaced by CDOT with leased water so the City has been kept whole. Colorado has experienced statewide drought this year. Our North Front Range area is fortunate to have had conditions closer to normal than areas west and south of us. Big Thompson River flows are currently low as runoff decreases but the City has ample supplies available in the Colorado-Big Thompson (CBT) Project system. Staff's projections show the City completing the 2018 water year with Green Ridge Glade Reservoir completely filled and as much water 'carried over' in the CBT system as Northern Water's "Carry-Over Program" allows. This means the City will have the maximum quantities of water available under the hydrologic conditions existing in the Spring of 2019.

Cathodic Protection: City staff and HDR Consulting have started reading all the known cathodic test stations on the city's larger diameter metallic waterline. Cathodic protection protects metallic pipes from corrosion. Readings have indicated that 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, are still well protected. Past investigation of the 29th Street Tank cathodic protection system indicated that it has reached the end of its design life and is in need of replacement. Electrical conductivity readings of the surface and subsurface around the 29th Street water tank have been taken in preparation for the design of a new system. HDR is compiling this year's readings into an ongoing summation report in order that pipe condition can be tracked from year to year. HDR is beginning the design of the 29th Street Tank cathodic protection system.

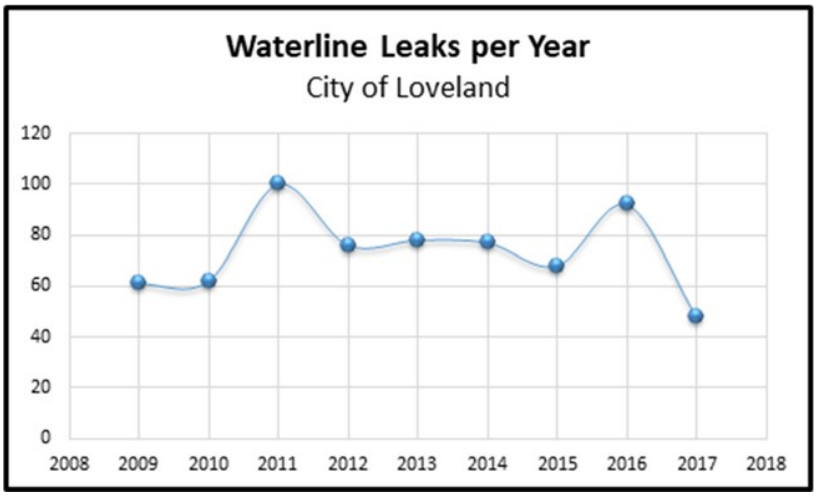


The Simplicity of Sample Stations: The City of Loveland Water Quality Lab regularly tests our drinking water for the presence of total coliform and E. coli. Coliforms are a bacteria that can be found in natural waters, soil, vegetation, and in feces of warm-blooded animals. While coliform bacteria generally do not cause illness, they are used as an indicator of the possible presence of other disease or illness causing organisms.

The number of samples mandated by the EPA depends on the city population. Currently the lab collects 80 samples per month, which are required to be equally spread out in all areas of the city. All of these samples are collected from faucets in places of business. Because no samples are collected in private homes, there are not enough representative samples in high residential areas. The lab is working toward purchasing and installing sample stations in those areas to cover that inadequacy. Sample stations are simply faucets that are encased in secured boxes and plumbed directly to the main water line. When placed in residential areas this would provide a more even distribution of sample locations around the entire city.

In addition to gathering samples for coliform analysis, they can be used for other regulatory sampling. The Water Quality Lab hopes to have 3-6 sample stations installed within the next year, adding several more each year to meet the demands of a growing city.

Summer Waterline Leaks: The Water Division has experienced numerous waterline leaks in the past few weeks. Leaks are often noticed by members of the public who see water bubbling up through the asphalt and running down the road. Since late July, City staff and contractors have repaired highly visible waterline leaks on busy roads such as Taft Avenue and 29th Street along with repairs in residential subdivisions. Often these waterline leaks are caused by corrosion of metallic pipes (cast iron, ductile iron, or steel) or from shifting ground conditions. In order to provide the best possible service to customers and minimize disturbance to residents, the City has staff on-call 24-hours a day to react to any reported leaks. Depending upon severity and impact to the customers and the water system itself, repairs often begin immediately. The Water Division has been tracking the number of leaks occurring within the system for well over a decade.



The graph above shows the number of waterline leaks occurring by year. Coupled with tracking the number of leaks that occur and the associated repair costs, a concerted effort is being made to prioritize critical projects to rehabilitate waterlines that have suffered multiple leaks through the years. This effort to strategically replace failing infrastructure results in less service disruption to customers, a more resilient water system, and reduces water loss. In the long-term the Water Division hopes to be able to eliminate pipe segments that fail repeatedly and begin replacing aging pipe segments before the end of their useful life.

Wastewater Treatment Plant Biological Nutrient Removal and Digester Project:
Work continues at the digester mechanical and boiler buildings located between the two new digester tanks including masonry wall and concrete roof deck installations (pictured above). Other ongoing work in the

digester area includes the construction of the new ferric chloride / electrical building as well as backfill installation along the north side of the new facility.

The return activated sludge (RAS) anoxic tank (pictured right) is nearing completion with the installation of the large bubble mixing system (pictured below). This new treatment structure is scheduled to be brought online in November of this year. Other ongoing construction activities include the continued improvements to each of the six aeration basins with basin #1 currently out of service for improvements. Electrical improvements recently completed include the successful replacement and startup of motor control center #6, which had reached the end of its useful life.

Power Operations:

Transformer Testing: A Power Operations crew tested a recently purchased 500kVA padmount transformer to ensure that it would operate as expected. The testing took place in the Service Center storage yard prior to installation in the field. This particular transformer will support the ongoing Big Thompson Canyon voltage conversion project by stepping down the voltage from 12.47kV to 4.16kV and will serve the western portion of the canyon for the remainder of the project.

Electric Metering: During the month of August, the Electric Metering Group has focused on upgrading some of the older metering installations within the City. Some of these particular metered services have been in service since the early 1960's and 70's. At that time, the City was utilizing some more cost effective solutions that allowed the service to be metered accurately with less equipment. In the metering industry today, these do not follow the standard installation practices. Over time, it was determined that the cost savings were not justified which led to these metering installations becoming obsolete. The metering group has been working to remove and upgrade these services by replacing and adding the needed equipment to bring the older services up to today's industry standards. Although the services were functioning and metering accurately, it is important for us to work to standardize the equipment that is being used throughout theCity of Loveland distribution territory. This also allows the shop to stock and track less meters and metering instruments by removing older, obsolete pieces of equipment.

To the left is a picture of a three-phase mechanical electric meter that is no longer offered by meter manufacturers in the industry today. Installations like this are being rewired and upgraded to adapt to the newer solid state (no moving parts) type of electric meters.

To the right is a new solid state meter after new equipment has been installed and rewired.

Community Outreach: The Power Division participated in the 2018 Corn Roast parade to support education and outreach for the broadband project. We invited family and friends to join and help pass out candy and flyers.

We had two of our equipment trucks, one of our bucket trucks and the digger derrick truck. We had 25 staff, family and LCAB members walk in the parade and we passed out 500 flyers and over 30 pounds of candy.

Our department mascot, Glow, was a huge hit with the parade watchers, from her perch in the bucket truck. The trucks and candy were also well received by parade attendees.

UTILITY APPLICATION SERVICES:

Job Cost Accounting Software: Innoprise was onsite and performed their live demo. We are in the evaluation process.

Meter Data Management System (MDMS): The vendor responses will be onsite on 8/30/18.

Mobile Mapping: Our mobile mapping program has really taken off. We are thrilled that we can help the field personnel with a quick, easy to use mapping solution.

Project & Request Tracking: One of the Technology Roadmap recommendations was to establish a tracking system for our team's work. Since the beginning of 2017 we have configured Cityworks for this purpose. The big projects, tracked as work orders, are reported to, be approved and prioritized by our UAS team. There are currently 27 approved projects in our queue. 15 of which currently have the status of In Progress. The smaller, maintenance-type jobs are tracked as service requests. So far this year we have completed 120 requests within an average of 6.51 days. These are the numbers broken down by type:

- Application Requests – 2.29 days
- Application Support – 11.4 days
- Data Requests – 7.5 days
- Hardware Support – 11.22 days
- Map Requests – 5.42 days
- Report Requests - 1.33 days

UTILITY ACCOUNTING:

Power Peak Demand and Energy Up In September: After seeing a dramatic decline in peak demand as well as a drop in power usage in August compared to a year ago, September represented something of a bounce back. This year, Loveland's share of PRPA's September peak was 126,749 kW, up 9.9% from the 115,282 kW of September 2016, but up just 1.0% from the average of the past five September peaks. Purchased energy was up 3.9% vs. September of 2016. Overall, in comparing the year-to-date total of the January-September monthly peak demands to the same period in 2016, this year is up 1.3%, and purchased energy is down 1.0% year-to-date.

Water Sales Lag Again in September: With another mild month for weather in September following a mild August, water usage for the month was down again compared to previous years. The average usage per customer for September was 20,806 gallons, which is 5.5% lower than the average of the past 5 Septembers. This year's YTD average through September is 12,727 gallons per customer. The 12,727 gallons is 2.9% lower than the September YTD average usage of the past five years, but is a marked improvement over the 5.5% lower average usage through June. The year-to-date usage has resulted in Water Sales being ahead of budget by $534,000 through September.

CAMU Update: The Colorado Association of Municipal Utilities (CAMU) has published their most recent survey of typical electric bills, and Loveland is in the lower third or better among electric utility bills in the state. This survey is updated twice a year, and the most recent survey is based on rates effective on July 1, 2017. The survey includes responses from 49 utilities from throughout the state, and includes municipally-owned utilities, co-ops and investor-owned utilities. Of the 49 utilities that responded, Loveland had between the 10th lowest and 17th lowest typical bill for all of the categories surveyed: Residential, Small Commercial, Large Commercial and Industrial.

CUSTOMER RELATIONS:

Consumer Products Training: Staff has been planning and scheduling in-store trainings at Lowes and Home Depot for consumer product offerings from our Raas platform. Currently customers can purchase discounted smart thermostats from participating retailers by obtaining a coupon code at www.efficiencyworksrebates.com

Slow the Flow: Slow the Flow, LWP's irrigation inspection program is nearing completion, with the last appointments available in September. Appointments are free to residents and HOAs with in-ground sprinkler systems and available on a first-come, first-serve basis. Additional information and appointments can be found by visiting www.cityofloveland.org/departments/water-and-power/residential/conserve/sprinkler-inspections

Fall Garden In A Box: LWP is offering a small number of fall gardens, in addition to our summer offering. Gardens are on sale now and available on a first-come, first-serve basis. Additional information and purchasing of gardens can be found at www.resourcecentral.org/gardens/shop/.

Rate Issues in Social Media: Staff worked with the city manager's office to educate residential customers about water rates and increasing bills. We met with the Reporter-Herald to do a story and continue to monitor social media feeds and answer customer questions.

Corn Roast Parade: Staff will walk the Corn Roast Parade this weekend in support of the Broadband team.

Let's Talk Tuesday: LWP hosted two Let's Talk Tuesday – Facebook Live events for the water utility. The first discussed the Boyd Sewer project with project manager Carlos Medina and the second on 'What Not to Flush' with pretreatment coordinator, Bill Thomas.

Broadband Education and Outreach: Both internal and external communications are underway. Staff has been busy answering questions from the community and identifying and executing opportunities for engagement. 25 events/speaking engagements have been completed and several more already scheduled. We continue to add to the community engagement platform where visitors can find information, leave comments, ask questions and participate in speed tests. This month we are also hosting a Let's Talk Tuesday - Facebook Live Q&A focusing on education and technology with panels from Thompson School District, Thompson Education Foundation, Aims Community College and LCAB.

Customer Relations Staffing: Hope Pruett is our new Customer Relations Business Services Professional. She is a Loveland resident whose technical prowess and familiarity with our city will serve our team well.

Economic Development Partnership: Customer Relations staff is coordinating with Economic Development to tag team on several projects including redevelopment and new business prospects. We have established regular meetings and regularly attend staff meetings for both teams to form a united front and a robust resource for our business community. We toured the Foundry with Chamber members, City Council members and City staff.

Big Thompson Canyon: Staff continues to manage communication for another upcoming outage; continues to maintain open communication with canyon customers.

Video Production: Staff is partnering with Platte River to write a script and a storyboard to showcase our power supply chain from source to switch, highlighting Foothills Solar and the new substation.

Key Accounts Analysis: Staff is investigating our present Key Accounts roster to make sure they still fit the criteria of the program and also working with Finance to seek other businesses that might fit into the parameters.

Potential Study for IRP: Staff is working with Platte River, Fort Collins and Loveland to study our present power resource mix and create our new integrated resource plan.

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

- Key Accounts Networking Event – November 8, 2017

Facebook Insights (August 2017):

- Reach (unique users) – 1,789 people
- Engagement (unique users) – 157 people
- Impressions (total count) – 7,311 people

Media:

- The Reporter Herald –August 14, 2018: Proposed 2019 Loveland water rate schedule will temper increases
- The Reporter Herald –August 15, 2018: Loveland crews work overnight on Taft Avenue water main break
- The Reporter Herald –August 28, 2018: J.P. Morgan to underwrite Loveland's broadband utility
- Denver Post –August 28, 2018: J.P. Morgan to underwrite Loveland's broadband utility
- The Reporter Herald –August 28, 2018: Power outage planned Thursday in Big Thompson Canyon