



REGULAR MEETING AGENDA

CALL TO ORDER

APPROVAL OF MINUTES – 11/28/2018

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

INFORMATIONAL ITEMS

1. Monthly Financial Update – Jim Lees

CONSENT AGENDA

2. Big Thompson Canyon Voltage Conversion Phase 3 Contract Increase – Frank Lindauer
3. Wastewater Treatment Plant Biosolids Contract with Veris Environmental LLC – Tom Greene

REGULAR AGENDA

4. Municipal Code Title 13 Revisions – Jim Lees
5. Windy Gap Firing Project Fourth Amendment to the Fifth Interim Agreement – Larry Howard

COMMISSION & COUNCIL REPORTS

DIRECTOR'S REPORT

ADJOURN

*** Citizens Report Procedures**

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

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

Notice of Non-Discrimination

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

Notificación en Contra de la Discriminación

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

Commission Members Present: Dan Herlihey, Gary Hausman (Chair), Gene Packer (Arrived at 4:45pm), Larry Roos, John Butler, Sean Cronin, Stephanie Fancher-English

Commission Members Absent: Tom Vail, Randy Williams

Council Liaison: Steve Olson (Arrived at 4:18pm)

City Staff Members Present: Brian Gandy, Courtney Whittet, Daniel Daneshka, Derek Turner, Frank Lindauer, Jim Lees, Joe Bernosky, John Beckstrom, Larry Howard, Roger Berg, Ryan Greene, Steve Johnson, Tanner Randall, Tom Greene

Guest Attendance: Dick Mallot, Jane Clevenger

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

APPROVAL OF MINUTES: Hausman asked for a motion to approve the minutes of the October 17, 2018 meeting.

Motion: John Butler made the motion to approve the minutes with the correction of attendance.

Second: Dan Herlihey seconded the motion. The minutes were approved unanimously.

CITIZENS REPORT

Dick Mallot advised the LUC that on November 27th, Estes Park Town Board of Trustees approved a resolution to commit to progress towards 100% carbon-free electricity by 2030. Dick also attended the PRPA Town Hall at Embassy Suites and it was very well attended and a lot of good questions and discourse on the subject of the IRP.

INFORMATION ITEMS

Item 1: Financial Report Update – Jim Lees

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

Information Item only. No action required.

Item 2: 3rd Quarter 2018 Goal Update Report

This is a quarterly review of our progress on our 2018 utility goals.

Information Item only. No action required.

CONSENT AGENDA

Item 4: Distribution Transformer Contract – Frank Lindauer

Award of a one-year contract to Border States Electric / Howard Industries for Distribution Transformers, including single-phase overhead, single-phase pad-mounted and three-phase pad-mounted types.

Recommendation: Adopt a motion recommending that LUC award the contract for Distribution Transformers, Bid 2018-68 to Border States Electric / Howard Industries in an amount not to exceed \$1,163,019.62 and authorize the City Manager to execute the contract on behalf of the City, following consultation with the City Attorney, and to modify the contract in form or substance as deemed necessary to protect the interests of the City.

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

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

REGULAR AGENDA

Item 3: WWTP – Water Quality Lab Phase II – Additional Design Services, Contract Amendment (#3) for HDR Engineering

This item is for the approval for the contract amendment to HDR Engineering for the WWTP Water Quality Lab (WQL) Phase II, project number W1702H.

Recommendation: Adopt a motion recommending that the LUC approve the change order to the contract for Final Design of the WWTP Water Quality Lab Phase II with HDR to increase the not-to-exceed amount to \$611,253 and authorize the City Manager to sign the change order on behalf of the City.

Item pulled from Consent Agenda by Dan Herlihey, as he would have to abstain from voting because he is an HDR employee.

Motion: John Butler made the motion to accept consent agenda items as written.

Second: Sean Cronin seconded the motion. The motion was approved 5-0 with one abstention.

~~Item 5: Consideration of PRPA Notice of Transfer for Windy Gap Units with possible Executive Session pursuant to City Charter Section 4-4(c) and Section 24-6-402(4)(a)(c) & (g), C.R.S. — Derek Turner~~

~~Pursuant to the December 14, 2017 Agreement Regarding Exercise of Rights of First Refusal to Acquire Windy Gap Water Units from Platte River Power Authority, the City received on October 25, 2018 a Notice of Transfer of Windy Gap Units by PRPA, initiating a 63 day period during which the City of Loveland must exercise or waive its right of first refusal to the units proposed for transfer.~~

~~**Recommendation:** Adopt a Motion Recommending that the City Manager waive the City's right of first refusal for the Windy Gap Units that are the subject of the October 25, 2018 Notice of Transfer.~~

~~Item removed from Agenda.~~

STAFF REPORTS

Item 1: Boards & Commissions Handbook Review – Gary Hausman

The Commission will review Roles and Duties according to Loveland Municipal Code.

Information Item 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: Had back surgery 3 weeks ago and it went well, he's happy to be back to LUC. Dan's team at HDR has been selected as one of the engineering firms to design the conveyance of NISP water to communities.

Dave Schneider:

Gene Packer:

Gary Hausman:

John Butler:

Larry Roos: Read that a utility in Maine was butting heads with self-generating customers, but they came up with a unique solution to use Tesla batteries.

Randy Williams:

Sean Cronin:

Stephanie Fancher-English:

Tom Vail:

Council Report: Given by Steve Olson

DIRECTOR'S REPORT

Item 8: Director's Report – Joe Bernosky

ADJOURN The meeting was adjourned at 5:17pm. The next LUC Meeting will be December 19, 2018 at 4:00 pm.

Respectfully submitted,

Courtney Whittet

Recording Secretary

Loveland Utilities Commission

/s/ Gary Hausman, LUC Chairman

ITEM TITLE:

Financial Report Update

DESCRIPTION:

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

SUMMARY:





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

	November				November 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	\$957,369	\$804,954	\$152,415	18.9%	\$15,857,857	\$14,041,018	\$1,816,839	12.9%
Operating Expenses	\$830,693	\$821,703	\$8,990	1.1%	\$12,308,378	\$15,824,542	(\$3,516,164)	-22.2%
Capital (Unrestricted)	\$660,929	\$296,201	\$364,728	123.1%	\$1,497,978	\$1,525,800	(\$27,822)	-1.8%
WASTEWATER								
Sales	\$964,990	\$850,270	\$114,720	13.5%	\$11,510,918	\$10,304,212	\$1,206,706	11.7%
Operating Expenses	\$693,548	\$555,926	\$137,622	24.8%	\$8,146,684	\$6,473,406	\$1,673,277	25.8%
Capital (Unrestricted)	\$936,129	\$247,003	\$689,125	279.0%	\$10,550,195	\$3,756,783	\$6,793,413	180.8%
POWER								
Sales	\$4,735,155	\$4,295,695	\$439,460	10.2%	\$60,804,674	\$56,496,884	\$4,307,790	7.6%
Operating Expenses	\$4,011,451	\$4,139,559	(\$128,109)	-3.1%	\$54,472,268	\$51,316,464	\$3,155,804	6.1%
Capital (Unrestricted)	\$918,903	\$644,044	\$274,859	42.7%	\$9,459,352	\$12,605,986	(\$3,146,634)	-25.0%

RECOMMENDATION:

Staff item only. No action required.

ATTACHMENTS:

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

Attachment A

City of Loveland
Financial Statement-Raw Water
For Period Ending 11/30/2018

	* BUDGET FYE 12/31/2018	*	*	*	*
1 REVENUES & SOURCES		YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
2 High Use Surcharge	74,667.00	81,632.12	68,442.00	13,190	19.3%
3 Raw Water Development Fees/Cap Rec Surcharge	514,952	419,260	472,043	(52,783)	-11.2%
4 Cash-In-Lieu of Water Rights	527,084	506,459	483,164	23,295	4.8%
5 Native Raw Water Storage Fees	31,598	387,489	28,963	358,526	1237.9%
6 Loan Payback from Water	32,500	0	29,792	(29,792)	-100.0%
7 Raw Water 3% Transfer In	491,220	475,736	463,107	12,629	2.7%
8 Interest on Investments	351,950	365,380	322,619	42,761	13.3%
9 TOTAL REVENUES & SOURCES	2,023,971	2,235,956	1,868,130	367,827	19.7%
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	2,228,913	1,861,030	367,883	19.8%
15 RAW WATER CAPITAL EXPENDITURES	5,564,900	1,140,598	5,095,100	(3,954,502)	-77.6%
16 ENDING CASH BALANCES					
17 Total Available Funds		18,485,832			
18 Reserve - Windy Gap Cash		0			
19 Reserve - 1% Transfer From Rates		6,597,340			
20 Reserve - Native Raw Water Storage Interest		1,643,298			
21 TOTAL RAW WATER CASH	21,969,732	26,726,470	22,283,691	4,442,779	19.9%

NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING: \$ 3,407,001

Attachment B

City of Loveland
Financial Statement-Water
For Period Ending 11/30/2018

	TOTAL BUDGET			OVER	
	FYE 12/31/2018	* YTD ACTUAL	YTD BUDGET	<UNDER>	VARIANCE
1 **UNRESTRICTED FUNDS**	*	*			
2 REVENUES & SOURCES	*	*			
3 Water Sales	*	16,373,998	15,857,857	15,436,968	420,889 2.7%
4 Raw Water Transfer Out	*	(491,220)	(475,736)	(463,107)	(12,629) 2.7%
5 Wholesale Sales	*	161,307	220,120	147,862	72,258 48.9%
6 Meter Sales	*	94,722	80,194	86,834	(6,641) -7.6%
7 Interest on Investments	*	89,770	37,370	82,291	(44,921) -54.6%
8 Other Revenue	*	1,408,745	708,008	745,941	(37,933) -5.1%
9 Federal and State Grants	*	0	79,318	0	79,318 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	17,257,130	16,786,789	470,340 2.8%
13 OPERATING EXPENSES	*	*	*	*	*
14 Source of Supply	*	2,669,597	1,623,152	2,407,812	(784,660) -32.6%
15 Treatment	*	3,721,785	2,820,279	3,418,642	(598,363) -17.5%
16 Distribution Operation & Maintenance	*	4,132,648	2,820,148	3,804,929	(984,782) -25.9%
17 Administration	*	2,517,512	580,822	2,311,745	(1,730,923) -74.9%
18 Customer Relations	*	421,932	250,492	390,536	(140,044) -35.9%
19 PILT	*	1,111,790	1,076,748	1,033,967	42,781 4.1%
20 1% for Arts Transfer	*	73,314	6,588	71,639	(65,051) -90.8%
21 Services Rendered-Other Departments	*	1,480,676	1,357,709	1,357,709	0 0.0%
22 Internal Loan Debt Expense	*	827,500	795,300	824,788	(29,488) -3.6%
23 External Loan Debt Expense	*	1,015,150	977,140	930,556	46,584 5.0%
24 TOTAL OPERATING EXPENSES	*	17,971,904	12,308,378	16,552,323	(4,243,945) -25.6%
25 NET OPERATING REVENUE/(LOSS)(excl depr)	*	415,418	4,948,751	234,466	4,714,285 2010.6%
26 CAPITAL EXPENDITURES	*	3,525,715	1,497,978	3,398,562	(1,900,584) -55.9%
27 REVENUES LESS OPER EXP LESS CAPITAL	*	(3,110,297)	3,450,773	(3,164,096)	6,614,869 -209.1%
28 ENDING CASH BALANCE (51% OF OPER EXP)	*	3,665,654	9,137,974	3,611,855	5,526,119 153.0%
29 WATER DEBT FUNDS ENDING CASH BALANCE	*		374,643		
30 MINIMUM BALANCE (15% OF OPER EXP)	*		2,695,786		
31 OVER/(UNDER) MINIMUM BALANCE	*		6,442,188		
32 **RESTRICTED FUNDS**	*	*	*	*	*
33 REVENUES & SOURCES	*	*	*	*	*
34 SIF Collections	*	6,168,963	2,586,961	3,133,353	(546,392) -17.4%
35 SIF Interest Income	*	51,660	62,345	47,355	14,990 31.7%
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	2,725,110	3,180,708	(455,598) -14.3%
39 SIF Capital Expenditures	*	7,527,489	1,726,372	6,925,500	(5,199,128) -75.1%
40 1% for Arts Transfer	*	38,462	15,042	29,012	(13,970) -48.2%
41 Legal Agreements & Shared Costs	*	276,440	17,885	256,387	(238,502) -93.0%
42 TOTAL SIF CAPITAL EXPENDITURES	*	7,842,391	1,759,299	7,210,899	(5,451,600) -75.6%
43 SIF REVENUE LESS EXPENDITURES	*	(1,621,768)	965,811	(4,030,191)	4,996,002 -124.0%
44 SIF ENDING CASH BALANCE	*	1,640,978	4,312,604	(767,445)	5,080,049 -561.9%
45 TOTAL ENDING CASH BALANCE	*		13,450,578		
NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING: \$3,774,797					
46 Water Treated at WTP (in million gallons)	*		4,453		
47 Water Sold To Customers (in million gallons, includes Ranch Water & Hydrant Sales)	*	3,756	3,738	3,587	151 4.2%

Attachment C

City of Loveland Financial Statement-Wastewater For Period Ending 11/30/2018

	TOTAL BUDGET			OVER	
	FYE 12/31/2018	YTD ACTUAL	YTD BUDGET	<UNDER>	VARIANCE
1 **UNRESTRICTED FUNDS**	*	*			
2 REVENUES & SOURCES	*	*			
3 Sanitary Sewer Charges	12,620,160 *	11,510,918	11,547,003	(36,085)	-0.3%
4 High Strength Surcharge	393,240 *	488,791	365,960	122,831	33.6%
5 Interest on Investments	88,800 *	169,178	81,400	87,778	107.8%
6 Other Revenue	763,090 *	46,963	697,861	(650,898)	-93.3%
7 Bond Proceeds	15,659,620 *	11,183,316	15,659,620	(4,476,304)	-28.6%
8 Federal Grants	0 *	(23,700)	0	(23,700)	0.0%
9 State Grants	0 *	(781)	0	(781)	0.0%
10 TOTAL REVENUES & SOURCES	29,524,910 *	23,374,685	28,351,844	(4,977,159)	-17.6%
11 OPERATING EXPENSES	*	*			
12 Treatment	4,355,725 *	3,518,889	4,007,743	(488,854)	-12.2%
13 Collection System Maintenance	3,314,770 *	2,081,670	3,048,124	(966,454)	-31.7%
14 Administration	1,734,963 *	457,532	1,599,859	(1,142,327)	-71.4%
15 Customer Relations	50,855 *	32,449	47,002	(14,553)	-31.0%
16 PILT	910,940 *	839,980	828,956	11,024	1.3%
17 1% for Arts Transfer	255,989 *	98,011	250,962	(152,951)	-60.9%
18 Services Rendered-Other Departments	758,706 *	695,809	695,809	0	0.0%
19 Debt Service	88,819 *	422,344	81,422	340,922	418.7%
20 TOTAL OPERATING EXPENSES	11,470,767 *	8,146,684	10,559,877	(2,413,193)	-22.9%
21 NET OPERATING REVENUE/(LOSS)(excl depr)	18,054,143 *	15,228,002	17,791,967	(2,563,965)	-14.4%
22 CAPITAL EXPENDITURES	24,946,892 *	10,550,195	24,402,368	(13,852,173)	-56.8%
23 REVENUES LESS OPER EXP LESS CAPITAL	(6,892,749) *	4,677,806	(6,610,401)	11,288,207	-170.8%
24 ENDING CASH BALANCE (122% OF OPER EXP) WASTEWATER DEBT FUNDS ENDING CASH	2,938,500 *	13,954,023	3,220,848	10,733,175	333.2%
25 BALANCE	*	554,054			
26 MINIMUM BALANCE (15% OF OPER EXP)	*	1,720,615			
27 OVER/(UNDER) MINIMUM BALANCE	*	12,233,408			
28 **RESTRICTED FUNDS**	*	*			
29 REVENUES & SOURCES	*	*			
30 SIF Collections	2,386,151 *	1,790,993	2,242,432	(451,439)	-20.1%
31 SIF Interest Income	89,010 *	147,393	81,598	65,795	80.6%
32 SIF Bond Proceeds	8,691,380 *	6,854,291	8,691,380	(1,837,089)	-21.1%
33 TOTAL SIF REVENUES & SOURCES	11,166,541 *	8,792,676	11,015,410	(2,222,734)	-20.2%
34 SIF Capital Expenditures	17,573,793 *	8,630,182	16,988,203	(8,358,021)	-49.2%
35 1% for Arts Transfer	177,664 *	81,040	172,283	(91,243)	-53.0%
36 Debt Service	49,406 *	259,141	45,287	213,854	472.2%
37 TOTAL SIF CAPITAL EXPENDITURES	17,800,863 *	8,970,363	17,205,773	(8,235,410)	-47.9%
38 SIF REVENUE LESS EXPENDITURES	(6,634,322) *	(177,687)	(6,190,363)	6,012,676	-97.1%
39 SIF ENDING CASH BALANCE	200,640 *	7,196,915	644,599	6,552,316	1016.5%
40 TOTAL ENDING CASH BALANCE	*	21,150,938			
NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING \$18,885,493					
Wastewater Treated at WWTP (in million gallons)	N/A *	2,003	N/A		
Wastewater Billed To Customers (in million gallons)	1,768 *	1,607	1,617	(10)	-0.6%

Attachment D

City of Loveland
Financial Statement-Power
For Period Ending 11/30/2018

	TOTAL BUDGET	YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
UNRESTRICTED FUNDS					
1 REVENUES & SOURCES:					
2 Electric revenues	\$65,421,010	\$60,804,674	\$60,241,730	\$562,944	0.9%
3 Wheeling charges	\$260,000	\$255,217	\$238,333	\$16,884	7.1%
4 Interest on investments	\$258,420	\$214,226	\$236,885	(\$22,659)	-9.6%
5 Aid-to-construction deposits	\$1,530,000	\$1,575,872	\$1,402,500	\$173,372	12.4%
6 Customer deposit-services	\$310,000	\$115,888	\$284,167	(\$168,278)	-59.2%
7 Late Payment Penalty Fees	\$450,000	\$432,060	\$412,500	\$19,560	4.7%
8 Connect Fees	\$170,000	\$160,185	\$155,833	\$4,351	2.8%
9 Services rendered to other depts.	\$0	\$0	\$0	\$0	0.0%
10 Other revenues	\$306,230	\$479,984	\$280,711	\$199,273	71.0%
11 Federal Grants	\$365,000	\$346,897	\$334,583	\$12,313	3.7%
12 State Grants	\$61,000	\$57,888	\$55,917	\$1,971	3.5%
13 Year-end cash adjustments	\$0	\$0	\$0	\$0	0.0%
14 TOTAL REVENUES & SOURCES	\$69,131,660	\$64,442,891	\$63,643,159	\$799,732	1.3%
15 OPERATING EXPENSES:					
16 Hydro oper. & maint.	\$1,309,821	\$173,451	\$1,209,066	(\$1,035,615)	-85.7%
17 Solar oper. & maint.	\$90,000	\$38,573	\$83,077	(\$44,504)	-53.6%
18 Purchased power	\$44,079,146	\$41,121,767	\$40,518,791	\$602,976	1.5%
19 Distribution oper. & maint.	\$5,601,230	\$4,403,387	\$5,170,366	(\$766,979)	-14.8%
21 Customer Relations	\$1,528,241	\$861,113	\$1,410,684	(\$549,571)	-39.0%
22 Administration	\$3,732,454	\$1,056,473	\$3,445,342	(\$2,388,870)	-69.3%
23 Payment in-lieu-of taxes	\$4,579,440	\$4,211,605	\$4,190,188	\$21,417	0.5%
24 1% for Arts Transfer	\$83,488	\$67,774	\$76,392	(\$8,617)	-11.3%
25 Services rendered-other depts.	\$2,767,799	\$2,538,126	\$2,537,149	\$977	0.0%
26 TOTAL OPERATING EXPENSES (excl dephn)	\$63,771,619	\$54,472,268	\$58,641,054	(\$4,168,786)	-7.1%
27 NET OPERATING REVENUE/(LOSS) (excl dephn)	\$5,360,041	\$9,970,623	\$5,002,105	\$4,968,517	
28 CAPITAL EXPENDITURES:					
29 General Plant/Other Generation & Distribution	\$9,809,838	\$7,655,250	\$9,424,544	(\$1,769,294)	-18.8%
30 Aid-to-construction	\$1,530,000	\$1,568,759	\$1,024,615	\$544,143	53.1%
31 Service installations	\$310,000	\$235,343	\$286,154	(\$50,811)	-17.8%
32 TOTAL CAPITAL EXPENDITURES	\$11,649,838	\$9,459,352	\$10,735,313	(\$1,275,961)	-11.9%
33 REVENUES LESS OPER EXP LESS CAPITAL	(\$6,289,797)	\$511,271	(\$5,733,208)	\$6,244,479	
34 ENDING CASH BALANCE (22% of Oper Exp)	\$13,945,814	\$14,306,697	\$14,502,403	(\$195,707)	-1.3%
35 MINIMUM BAL. (23% of OPER EXP)		\$14,667,472			
36 OVER/(UNDER) MINIMUM BALANCE		(\$360,776)			
RESTRICTED FUNDS					
38 PIF Collections	\$3,115,400	\$3,005,903	\$2,855,783	\$150,120	5.3%
39 PIF Interest Income	\$12,350	\$94,858	\$11,321	\$83,537	737.9%
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	\$3,896,061	\$3,662,104	\$233,957	6.4%
44 PIF Feeders	\$3,700,000	\$1,404,348	\$3,415,385	(\$2,011,037)	-58.9%
45 PIF Substations & Solar	\$1,850,000	\$0	\$1,695,833	(\$1,695,833)	-100.0%
46 TOTAL EXPENDITURES	\$5,550,000	\$1,404,348	\$5,111,218	(\$3,706,870)	-72.5%
47 PIF REVENUES LESS EXPENDITURES	(\$1,627,250)	\$2,491,713	(\$1,449,114)	\$3,940,827	
48 ENDING PIF CASH BALANCE	\$1,953,543	\$6,161,901	\$2,131,679	\$4,030,222	189.1%
49 TOTAL ENDING CASH BALANCE		\$20,468,598			

NOTE: YTD ACTUAL does NOT include encumbrances totalling \$4,881,715

50 Energy Purchased (in million kWh) from PRPA	744	680	681	(1)	3.6%
51 Energy Sold to Customers (in million kWh)	715	666	656	10	1.4%

ITEM TITLE:

Wastewater Treatment Plant Biosolids Contract with Veris Environmental LLC

DESCRIPTION:

This contract is for Veris Environmental LLC to provide the hauling and disposal services needed to maintain proper treatment at the Wastewater Treatment Plant. The not-to-exceed total in the Veris Environmental LLC biosolids hauling contract for 2019 will be \$638,200.

SUMMARY:

One of the first stages of treatment at the Wastewater Treatment Plant is to remove easily settled solids from the incoming wastewater. These solids, known as Primary Sludge, are sent to the Anaerobic Digesters where a bacterial population removes the various organic compounds to a level acceptable to State and Federal Regulations. Anaerobic bacteria live in the absence of Oxygen. The Wastewater Treatment Plant also uses biological treatment to meet State and Federal limits of treatment in the downstream treatment process. In this process, known as Activated Sludge, populations of aerobic, or Oxygen dependent, bacteria digest the polluting constituents, removing them from the treated water. These bacterial populations grow as they use these constituents and a certain percentage has to be wasted out of the system to maintain the proper balance of bacteria to food (the constituents of the various pollutants). This Waste Activated Sludge population is thickened by Rotary Drum Thickeners to reduce sludge volume and enhance further treatment. The Thickened Activated Sludge is then sent to the same digesters where they too are treated by the anaerobic bacterial population until they reach a treatment level that meets State and Federal regulations. These treated solids are called Biosolids and are hauled to various agricultural fields where they are applied, again within regulations, in order to recycle the remaining nutrients and organic matter to enhance soil conditions.

The unit cost for hauling biosolids in 2018 was \$0.0403/Gallon. The new cost for biosolids hauling and disposal in 2019 is requested to be \$.0440 per gallon.

For 2019 we are requesting a “Not to Exceed” total cost of \$638,200. This new contract will be in effect from February 1, 2019 to February 1, 2020.

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

RECOMMENDATION:

Adopt a motion approving the 2019 Contract for Veris Environmental LLC. for Hauling and Land Application of Biosolids with a “Not to Exceed” contract price of \$638,200 and authorizing the City Manager to execute the renewal for service.

ATTACHMENTS:

-  Attachment A: Veris Environmental, LLC Bid Documents



Veris Environmental, LLC

53036 Highway 71
Limon, CO 80828

Phone: 719-775-9870
Fax: 719-775-9871

204 S. Bowen Street
PO Box 888

Phone: 303-651-7070
Fax: 303-651-0309

November 29, 2018

City of Loveland
500 E. Third Street
Loveland, CO 80537

Re: City of Loveland RFB
Hauling and Land Application of Liquid Treated Wastewater Biosolids

Dear City of Loveland:

In response to the RFB referenced above, Veris Environmental ("VERIS") is pleased to submit the following Bid for your consideration. VERIS has been providing the City of Loveland with biosolids management services since 1987, formerly as Liquid Waste Management, Inc.

VERIS is well established in the industry, with over three decades of experience in biosolids management services. We have extensive knowledge of regulatory requirements, in particular those unique to Boulder and Weld Counties. VERIS has long standing relationships with many local farmers, which is critical to a successful biosolids program. Our 31 years of managing the City of Loveland's biosolids management has demonstrated that we are reliable, sustainable, and accountable to the City's evolving needs. We have the expertise, industry knowledge, and familiarity of the local agricultural market to help the City meet all challenges moving forward.

Per the Bid Specifications, Part 3.0, please find enclosed the requested Bid Inclusions for your review. VERIS does not propose any exceptions to the requirements of the RFB. We currently have the equipment, personnel, experience, and land application permits to immediately fulfill all services outlined in the RFB.

Any questions regarding this Bid, please contact:

Jay Holmes
303-651-7070
jay.holmes@verisenvironmental.com

Yours truly,


Jay Holmes

BIDDER'S INFORMATION

Company Name: Veris Environmental, LLC

Mailing Address: 53036 Highway 71 Limon CO 80828

Telephone Number: 719-775-9870 Fax Number: 719-775-9871

The bidder hereby acknowledges receipt of Addendum Nos. __, __, __, __, __, __, to these specifications. (Insert number of each addendum received.)

Name and Title of Authorized Company Representative:

Jay Holmes Manager
Name (Please print) Title

Jay Holmes
Signature

Dated this 29th day of November, 2018.

ATTACHMENT 1-UNIT PRICE BID FORM

TO: The City of Loveland

PROJECT: Hauling and Land Application of Treated Wastewater Biosolids

BIDDER:

Name: VERIS Environmental LLC
Address: 53036 Highway 71
Limon, CO 80828
Project Manager: Jay Holmes
Phone: 303-651-7070
E-mail: jay.holmes@VERISENVIRONMENTAL.COM

The undersigned Bidder, having investigated all matters relevant to the project and having read and examined the specifications and associated documents for the above-designated project, does hereby propose to perform the work and provide the services set forth in this Proposal.

The following bid schedule is an estimate only of the work involved in this contract and the Owner does not guarantee any such quantities. The Owner reserves the right to eliminate from and add to the quantities without any adjustment to the unit prices. The estimate of quantities will be used for evaluating proposals. Items called out on the plans, but not separately listed as a bid item, shall be considered incidental work and no additional payment shall be made.

The prices below include all reporting, testing (not performed by City), mobilization, demobilization, hauling and application costs as outlined in the Instructions to Bidders.

The Bidder agrees to accept as full payment for the work proposed under this project as herein specified, based upon the undersigned's own estimate of quantities and costs, the amount as listed below:

A. Price for hauling biosolids and applying them on a dedicated site (for City of Loveland only).

\$ 0.059 price per gallon.

B. Price for hauling biosolids and applying them on a commingled site.

\$ 0.044 price per gallon.

ATTACHMENT 1-UNIT PRICE BID FORM

BIDDERS INFORMATION:

Company Name: Veris Environmental LLC
Mailing Address: 53036 Highway 71 Limon, CO 80828
Telephone Number: 719-775-9870
E-mail Address: jay.holmes@verisenvironmental.com Fax: 719-775-9871

The bidder hereby acknowledges receipt of Addendum Nos. —, —, —, —,
—, —, to these specifications. (Insert number of each addendum received.)

Name and Title of Authorized Company Representative:

Jay Holmes Manager
Name (Please print) Title

Jay Holmes
Signature

Dated this 29th day of November, 2018.

ATTACHMENT 1-UNIT PRICE BID FORM

The bidder agrees to accept as full payment for , as herein specified, based upon the undersigned's own estimate of quantities and costs, the amount of

* Six hundred sixty thousand and $\frac{00}{100}$ DOLLARS
(\$ 660,000. —). The amount written in words has precedence.

* based on 15,000,000 gallons in 2019

1. Please state your terms of payment and any discounts you might offer:

Net 30 days from date of invoice

2. Please state your warranty policy (may attach any applicable manufacturer's policy):

NA

3. Please note any exceptions you take to this bid and any proposed alternative (deviation statement):

None



ITEM TITLE:

Big Thompson Canyon Voltage Conversion – Phase 3 Contract Increase

DESCRIPTION:

The purpose of this item is for the approval of an increase to the contract for construction of Big Thompson Canyon Voltage Conversion Phase 3 to include construction for the next section of work and field changes in the current section.

SUMMARY:

Phase 3, approximately 14 miles, starts with the Bartram Park neighborhood and continues to the end of our line in Drake and Waltonia. Construction began in late July 2018 and will continue through the second quarter of 2019.

- Phase 3A, Bartram Park to Viestenz-Smith Mountain Park (VSMP), is 75% complete with about 1 month of work remaining. Construction is currently halted as our contractor, Power Contracting, left for northern California in late November to help with recovery efforts in communities affected by the Camp Fire. Upon their return, they will have two full crews dedicated to our project. Additional hand digging beyond what was initially anticipated was required due to the difficult terrain in this section that limited equipment access and resulted in change orders.
- Construction on Phase 3B, VSMP to Fire Station 8, will start once the remaining work on Phase 3A is finished. The terrain in this phase is the most challenging encountered so far. A helicopter will set 11 poles between the old dam site and Fire Station 8. Several poles will be carried in and set by hand.
- Phase 3C Issue for Review drawing set will be ready by the end of December 2018.



The current value of the Phase 3 construction contract is \$312,389.71. We will amend the existing contract in the amount of \$610,518.94 which includes an additional \$71,146.86 for Phase 3A and \$539,372.08 for Phase 3B.

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

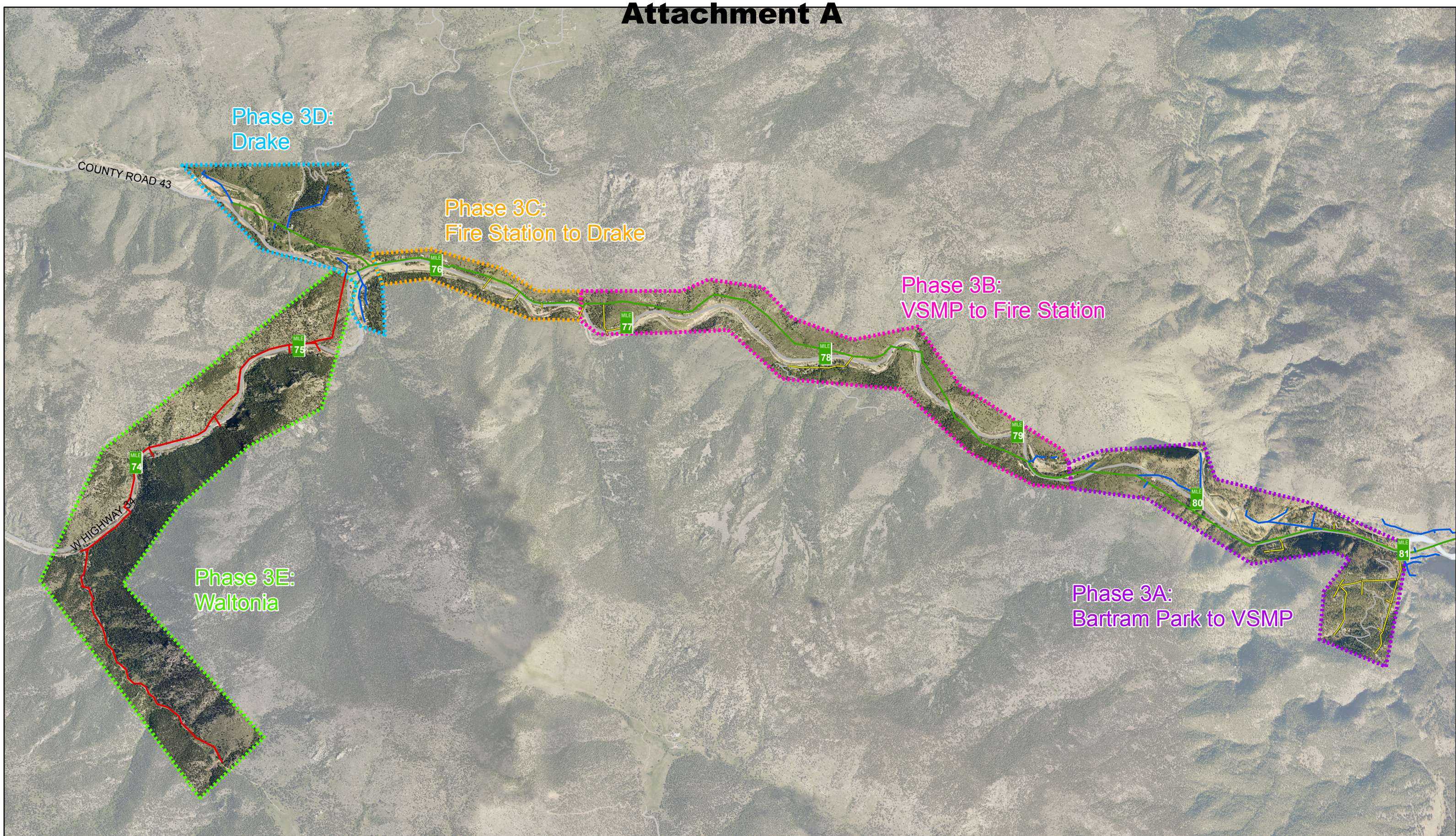
RECOMMENDATION:

Adopt a motion recommending that City Council approve the change order to the contract for Circuit 911 Voltage Conversion – Phase 3 with Power Contracting, LLC. to increase the not-to-exceed amount to \$922,908.65 and authorize the City Manager to sign the change order on behalf of the City.

ATTACHMENTS:

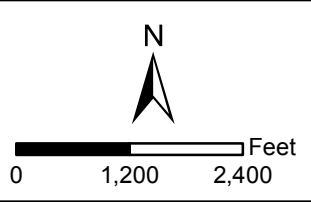
-  Attachment A: Canyon Phase 3 Map
-  Attachment B: Phase 3A Construction Photos

Attachment A



This document was prepared for internal use by the City of Loveland, CO. The city makes no claim as to the accuracy or completeness of the data contained hereon.

Due to security concerns, the city requests that you do not post this document on the internet or otherwise make it available to persons unknown to you.



City of Loveland
Department of Water & Power
Loveland, Colorado

Phase 3 Overview
Created By: powereditor
Date Created: 6/5/2018

Phase 3A



Inset of new pole between energized conductors along Hwy 34 near Cedar Cove



Pole replacement in Bartram Park

Difficult access and challenging terrain

- Working along Hwy 34
- Forest
- Rock conditions make for difficult digging – some locations taking 30+ hours

Attachment B

Loveland

ITEM TITLE:

Municipal Code Title 13 Revisions

DESCRIPTION:

The purpose of this item is to describe proposed changes to outdated sections of the Loveland Municipal Code and to request the Commission adopt a motion recommending that City Council approve the proposed changes to Title 13.04.205 and Title 13.08.101 of the Loveland Municipal Code.

SUMMARY:

There are two changes to the municipal code that are being proposed that are housekeeping items associated with this year's rate study for Water and Wastewater.

1. One of the outcomes of the rate study was the elimination of the Fire Hydrant Fee and the Fire Protection Tap Fee for water customers outside the city limits.

For the Fire Hydrant Fee, a monthly charge of \$3.00 per residence and \$7.30 per business is currently 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, this fee was eliminated from the 2019 Schedule of Rates, Charges, and Fees. The fee generated a total of \$21,000 in revenue in 2017.

For 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, this fee will also be eliminated starting in 2019. In order for the municipal code to be consistent with the elimination of these fees, the proposed revisions to Section 13.04.205 are shown in Attachment A.

2. The second proposed change is to Section 13.08.101, which addresses the High Strength Wastewater Surcharge. One of the outcomes from the rate study was a change in the level of domestic or normal strength wastewater for both Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS) from what was used in the previous two rate studies. The level of normal strength BOD went from 276 mg / liter to 330 mg / liter, and the level of normal strength TSS went from 207 mg / liter to 199 mg / liter. The normal strength levels are currently spelled out in Section 13.08.101 of the Code, and the change that is proposed would remove the reference to the specific normal strength levels from the code and instead have the normal strength levels referred to in the annual City Council Resolution that approves the year's Schedule of Rates, Charges and Fees. By making this revision to the Code, we would not have to change the Code each time the normal strength levels change; the method to change the normal strength levels would be by resolution changing our Schedule of Rates, Charges and Fees, which is consistent with how we change all of our rates and fees. In order to accomplish this process for modifying the normal strength



levels in a way that is consistent with how we modify our rates and fees, the proposed revisions to Section 13.08.101 are shown in Attachment B.

Both changes to the municipal code would need to be approved by ordinance of the City Council on two readings. The attachments display the referenced existing code provision, the proposed redlines, and a clean version of the new code section if adopted by City Council.

RECOMMENDATION:

Adopt a motion recommending that City Council approve the proposed changes to Title 13.04.205 and Title 13.08.101 of the Loveland Municipal Code.

ATTACHMENTS:

-  Attachment A: Proposed Revisions to Title 13.04.205
-  Attachment B: Proposed Revisions to Title 13.08.101

Attachment A

EXISTING LOVELAND MUNICIPAL CODE:

13.04.205 Fire protection tap service.

Any person desiring fire protection tap service shall make application on forms provided by the city. The applicant shall pay the entire cost of making connection for such service and shall pay the tapping charges and monthly fees as provided in this chapter for such service. Such service shall be for the purpose of supplying water for stand pipes and fire sprinkler systems for institutional, commercial and industrial buildings only. Any such service supplied to a building outside the city limits which is not receiving water service from the city shall also require the completion of an outside city water tap application and the payment of a fire tap plant investment fee in an amount as established by resolution of the city council adopted after two readings. No fire protection tap shall be used for any purpose other than fire protection service. Such service shall be discontinued, and all fees paid therefore shall be forfeited, if it is used for any other purpose, or for failure to pay the monthly charges therefore.

Monthly fees and plant investment fees for fire protection taps requiring flows in excess of one thousand two hundred gallons per minute shall be determined on a case by case basis.

PROPOSED REDLINE:

13.04.205 Fire protection tap service.

Any person desiring fire protection tap service shall make application on forms provided by the city. The applicant shall pay the entire cost of making connection for such service and shall pay the tapping charges ~~and monthly fees~~ as provided in this chapter for such service. Such service shall be for the purpose of supplying water for stand pipes and fire sprinkler systems ~~for institutional, commercial and industrial buildings only~~. Any such service supplied to a building outside the city limits which is not receiving water service from the city shall also require the completion of an outside city water tap application and the payment of a fire tap plant investment fee in an amount as established by resolution of the city council adopted after two readings. No fire protection tap shall be used for any purpose other than fire protection service. Such service shall be discontinued, and all fees paid therefore shall be forfeited, if it is used for any other purpose, ~~or for failure to pay the monthly charges therefore~~.

~~Monthly fees and p~~Plant investment fees for fire protection taps requiring flows in excess of one thousand two hundred gallons per minute shall be determined by the director on a case by case basis.

CLEAN VERSION OF PROPOSED REDLINE:

13.04.205 Fire protection tap service.

Any person desiring fire protection tap service shall make application on forms provided by the city. The applicant shall pay the entire cost of making connection for such service and shall pay the tapping charges as provided in this chapter for such service. Such service shall be for the purpose of supplying water for stand pipes and fire sprinkler systems. Any such service supplied to a building outside the city limits which is not receiving water service from the city shall also require the completion of an outside city water tap application and the payment of a fire tap plant investment fee in an amount as established by resolution of the city council adopted after two readings. No fire protection tap shall be used for any purpose other than fire protection service. Such service shall be discontinued, and all fees paid therefore shall be forfeited, if it is used for any other purpose.

Plant investment fees for fire protection taps requiring flows in excess of one thousand two hundred gallons per minute shall be determined by the director on a case by case basis.

Attachment B

EXISTING LOVELAND MUNICIPAL CODE:

13.08.101 High strength sewage surcharge.

Anything else in this code notwithstanding, every non-residential property from which is discharged a higher than standard strength sewage as defined by this code for five-day biochemical oxygen demand (“BOD”) and total suspended solids (“TSS”), shall be charged a monthly surcharge as follows:

A. Metered Water Services – Inside City.

1. A charge, in an amount set by resolution of the city council adopted after two readings, per pound of BOD when the BOD of wastewater discharged to the city’s sewer system exceeds two hundred forty-six milligrams per liter, plus;
2. A charge, in an amount set by resolution of the city council adopted after two readings, per pound of TSS when the TSS of wastewater discharged to the city’s sewer system exceeds two hundred forty-nine milligrams per liter.

B. Metered Water Services – Outside City.

1. A charge, in an amount set by resolution of the city council adopted after two readings, per pound of BOD when the BOD of wastewater discharged to the city’s sewer system exceeds two hundred forty-six milligrams per liter, plus;
2. A charge, in an amount set by resolution of the city council adopted after two readings, per pound of TSS when the TSS of wastewater discharged to the city’s sewer system exceeds two hundred forty-nine milligrams per liter.

PROPOSED REDLINE:

13.08.101 High strength sewage-wastewater surcharge.

Notwithstanding Anything any provision of else in this code to the contrary notwithstanding, every non-residential property from which is discharged a higher-than-standard strength sewage-wastewater, based on the amount of as defined by this code for five-day biochemical oxygen demand (“BOD”) and total suspended solids (“TSS”) contained in the wastewater, shall be charged a monthly surcharge as follows in an amount set by resolution of the city council adopted after two readings. Such resolution adopted after two readings shall set:

A. The threshold for the surcharge as an amount of milligrams per liter of BOD contained in wastewater discharged to the wastewater collection system.

B. The threshold for the surcharge as an amount of milligrams per liter of TSS contained in wastewater discharged to the wastewater collection system.

C. The surcharge per pound of BOD when the BOD of wastewater discharged to the city’s wastewater collection system exceeds the threshold set by the resolution.

A-D. The surcharge per pound of TSS when the TSS of wastewater discharged to the city’s wastewater collection system exceeds the threshold set by the resolution. ÷

A. Metered Water Services — Inside City.

1. A charge, in an amount set by resolution of the city council adopted after two readings, per pound of BOD when the BOD of wastewater discharged to the city’s sewer system exceeds two hundred forty six milligrams per liter, plus;

~~2. A charge, in an amount set by resolution of the city council adopted after two readings, per pound of TSS when the TSS of wastewater discharged to the city's sewer system exceeds two hundred forty nine milligrams per liter.~~

~~B. Metered Water Services — Outside City.~~

~~1. A charge, in an amount set by resolution of the city council adopted after two readings, per pound of BOD when the BOD of wastewater discharged to the city's sewer system exceeds two hundred forty six milligrams per liter, plus;~~

~~2. A charge, in an amount set by resolution of the city council adopted after two readings, per pound of TSS when the TSS of wastewater discharged to the city's sewer system exceeds two hundred forty nine milligrams per liter.~~

CLEAN VERSION OF PROPOSED REVISION

13.08.101 High strength wastewater surcharge.

Notwithstanding any provision of this code to the contrary, every non-residential property from which is discharged a higher-than-standard strength wastewater, based on the amount of five-day biochemical oxygen demand (“BOD”) and total suspended solids (“TSS”) contained in the wastewater, shall be charged a monthly surcharge in an amount set by resolution of the city council adopted after two readings. Such resolution adopted after two readings shall set:

- A. The threshold for the surcharge as an amount of milligrams per liter of BOD contained in wastewater discharged to the wastewater collection system.
- B. The threshold for the surcharge as an amount of milligrams per liter of TSS contained in wastewater discharged to the wastewater collection system.
- C. The surcharge per pound of BOD when the BOD of wastewater discharged to the city's wastewater collection system exceeds the threshold set by the resolution.
- D. The surcharge per pound of TSS when the TSS of wastewater discharged to the city's wastewater collection system exceeds the threshold set by the resolution.

ITEM TITLE:

Fourth Amendment to the Fifth Interim Agreement between the Municipal Subdistrict, Northern Colorado Water Conservancy District Windy Gap Firming Project Water Activity Enterprise, and the City of Loveland for Participation in the Windy Gap Firming Project.

DESCRIPTION:

The Windy Gap Firming Project participants desire to continue the Fifth Phase of the project, working to complete the acquisition of all permits and approvals and additional land acquisition. This will allow work to continue on those activities as well as continuing with detailed engineering design including preparation of plans and specifications, planning and implementation of required mitigation and enhancement measures and related activities. Approval of this proposed Fourth Amendment to the Fifth Interim Agreement between the Municipal Subdistrict, Northern Colorado Water Conservancy District Windy Gap Firming Project Water Activity Enterprise and the City of Loveland (Fifth Interim Agreement) allows this permitting and design work to continue and would approve the City's allocation of funding according to its pro-rata storage entitlement in the Project.

SUMMARY:

Loveland's portion of the Fifth Interim Agreement costs under this Fourth Amendment to the Fifth Interim Agreement are projected to be \$1,065,222 during 2019 based upon the City's current subscription of 9,587 acre-feet in the 90,000 acre-foot project. A brief history of Loveland's participation in the Fifth Interim Agreement for the Windy Gap Firming Project follows:

- In January, 2016, Loveland's portion of the Fifth Interim Agreement costs during calendar year 2016 were determined to be \$1,118,956, paid in March, 2016. This was based upon Loveland's subscription of 7,000 acre-feet of storage capacity in the 90,000 acre-foot project at that time. On August 30, 2016 Loveland increased its subscription by 2,000 acre-feet to 9,000 acre-feet, when the City acquired capacity not needed by the City of Longmont. The increased capacity required an additional payment of \$319,702 in September, 2016, making Loveland's total payment \$1,438,658 during 2016.
- On January 10, 2017 Loveland's subscription in the Project was increased by another 451 acre-feet when the remaining capacity in the project was divided proportionately among the Participants. Loveland's portion of the Fifth Interim Agreement costs during calendar year 2017, paid in March, 2017, were determined to be \$1,260,713 based upon Loveland's resulting subscription of 9,451 acre-feet of storage capacity in the 90,000 acre-foot project.
- In January, 2018, Loveland's subscription in the Project was 9,587 acre-feet, included an additional 136 acre-feet of space acquired from PRPA. Loveland's assessment for the year was \$958,700.




The Fifth Phase of the Project, covered by the Fifth Interim Agreement, allows work to continue on the completion of all permits and approvals, and additional land acquisition. Work will also continue to move forward on detailed engineering design, and planning and implementation of required mitigation and enhancement measures and related activities. Of particular emphasis is amending the Windy Gap Project decrees in Water Court to accommodate necessary accommodations in mitigation and project enhancements. Also critical is development of alternatives for financing the Project, jointly or individually.

Sufficient 2019 budgeted funds exist for this purpose in the Raw Water budget, Project W038AA. Per Municipal Code 3.12.060A and 3.12.060B, the LUC must approve Water and Power contracts above \$500,000 or any change order that causes a contract to equal or exceed \$500,000 and which, when combined with all previous change orders, equals or exceeds 20% of the original contract amount.

RECOMMENDATION:

Approve a motion recommending that City Council adopt a resolution directing the Mayor to execute the Fourth Amendment to the Fifth Interim Agreement between the Municipal Subdistrict, Northern Colorado Water Conservancy District Windy Gap Firming Project Water Activity Enterprise and the City of Loveland.

ATTACHMENTS: (NEEDS UPDATED)

-  Attachment A – Fourth Amendment to the Fifth Interim Agreement between the Municipal Subdistrict, Northern Colorado Conservancy District Windy Gap Firming Project Water Activity Enterprise and the City of Loveland. Exhibit C to this Attachment A includes a table of estimated costs for 2019.
-  Attachment B – Fifth Interim Agreement between the Municipal Subdistrict, Northern Colorado Water Conservancy District, Windy Gap Firming Project Water Activity Enterprise and the City of Loveland, March 1, 2016. Exhibit A to this Attachment F includes a table of estimated costs for 2016 when the City’s subscription in the Project was 7,000 acre-feet.
-  Attachment C – Current Invoice

Attachment A

FOURTH AMENDMENT TO FIFTH INTERIM AGREEMENT BETWEEN THE
MUNICIPAL SUBDISTRICT,
NORTHERN COLORADO WATER CONSERVANCY DISTRICT
WINDY GAP FIRING PROJECT WATER ACTIVITY ENTERPRISE,
AND
THE CITY OF LOVELAND
FOR PARTICIPATION IN THE
WINDY GAP FIRING PROJECT

This Fourth Amendment is made and entered into as of _____, 201____, by and between the Municipal Subdistrict, Northern Colorado Water Conservancy District (a quasi-municipal entity and political subdivision of the State of Colorado) (the "Subdistrict"), acting by and through its Windy Gap Firing Project Water Activity Enterprise (a government-owned business within the meaning of Article X, Section 20(2)(d), of the Colorado Constitution, organized pursuant to C.R.S. " 37-45.1-101 et seq.), whose address is 220 Water Avenue, Berthoud, Colorado 80513 (the "WGF Enterprise"), and the City of Loveland, whose address is 200 North Wilson Avenue, Loveland, Colorado 80537 ("Participant"), for the purpose of amending the Fifth Interim Agreement between the parties (the "Agreement").

RECITALS

WHEREAS, The WGF Enterprise is continuing work on the Fifth Phase of the Project which consists of completion of all local, state and federal permits and approvals required for the Project; detailed engineering design including preparation of plans and specifications for contractor procurement; additional land acquisition; planning and implementation of required mitigation and enhancement measures; and related activities. Completion of the Fifth Phase of the Project on behalf of the Participants will require additional funding in 2019; and

WHEREAS, In September of 2016, the City of Loveland executed an Amendment to the Fifth Interim Agreement which adjusted their storage capacity in the Project and which is considered the First Amendment to the Fifth Interim Agreement.

WHEREAS, In March of 2017, all Participants executed an Amendment to the Fifth Interim Agreement which adjusted their storage capacity in the Project and adjusted each Participant's costs to date based on the revised storage allocation, and which is considered the Second Amendment to the Fifth Interim Agreement.

WHEREAS, In 2018, all Participants executed an Amendment to the Fifth Interim Agreement which included minor adjustments to their storage capacity in the Project and adjusted each Participant's costs to date based on the revised storage allocation, and which is considered the Third Amendment to the Fifth Interim Agreement.

NOW THEREFORE, in consideration of the foregoing recitals, the Parties agree as follows:

1. The Agreement is amended by deletion of paragraph 3 and the substitution of the following new paragraph 3.

3. Participant agrees to provide to the WGF Enterprise funds for its pro rata share of the costs necessary to complete the Fifth Phase of the Project.

A. The WGF Enterprise estimated that Participant's pro rata share of the costs of the Fifth Phase of the Project was \$1,438,658 for the 2016 calendar year. Participant paid the WGF Enterprise its pro rata share of the 2016 calendar year costs.

B. The WGF Enterprise estimated that Participant's pro rata share of the costs of the Fifth Phase of the Project was \$1,260,713 for the 2017 calendar year. Participant paid the WGF Enterprise its pro rata share of the 2017 calendar year costs.

C. The WGF Enterprise estimated that Participant's pro rata share of the costs of the Fifth Phase of the Project was \$958,700 for the 2018 calendar year. Participant paid the WGF Enterprise its pro rata share of the 2018 calendar year costs.

D. The WGF Enterprise estimates that Participant's pro rata share of the cost of the Fifth Phase of the Project is \$1,065,222 for the 2019 calendar year. Participant will pay the WGF Enterprise its pro rata share of the 2019 calendar year costs on or before February 1, 2019. This estimated cost will not be increased or exceeded without the prior written approval of Participant.

If the Fifth Phase of the Project cannot be completed within these estimated costs, the WGF Enterprise is not obligated to complete the Fifth Phase of the Project for the benefit of Participant unless sufficient additional pro rata funds as determined by the WGF Enterprise are provided by Participant. Attached hereto as Exhibits A, B C, and D are tables showing the pro rata share of the costs of the Project for each Participant for 2016, 2017, 2018 and 2019 based upon then-current allocations of capacity in the Project.

2. All other terms and conditions of the Agreement shall continue in full force and effect except as specifically amended herein.

CITY OF LOVELAND

MUNICIPAL SUBDISTRICT, NORTHERN
COLORADO WATER CONSERVANCY
DISTRICT, ACTING BY AND THROUGH THE
WINDY GAP FIRING PROJECT WATER
ACTIVITY ENTERPRISE

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

By: _____
Assistant City Attorney

EXHIBIT A - Amended

Windy Gap Firming Project Amended Allocation of Costs for Fifth Interim Agreement (Phase 5)

Estimated Phase 5 Costs in 2016: \$ 13,775,950

Participant	Requested Storage Volume (af)	Share of Phase 5 Cost
Broomfield	25,200	\$ 4,028,243
CWCWD	330	\$ 52,751
Ene	6,000	\$ 959,105
Fort Lupton	1,050	\$ 167,843
Greeley ²	8,750	\$ 1,398,695
Lafayette	1,800	\$ 287,732
Little Thompson WD	4,850	\$ 775,277
Longmont	10,000	\$ 1,598,509
Louisville	2,700	\$ 431,597
Loveland ¹	9,000	\$ 1,438,658
PRPA	12,000	\$ 1,918,211
Superior	4,500	\$ 719,329
TOTAL	86,180	\$ 13,775,950

2016 Phase 5 Costs Per Acre-Foot of Storage \$ 159.85

Notes 1 This Exhibit A reflects Loveland's revised storage capacity based on a September 2016 Amendment to 5th Interim Agt

2 Greeley's "Share of Phase 5 Cost" includes \$279,739 that Greeley will pay as the result of the reallocation of WGFP capacity from Evans to Greeley

EXHIBIT B

Windy Gap Firing Project
Allocation of Costs for Second Amendment to Fifth Interim Agreement (Phase 5)

Estimated Phase 5 Costs in 2017: | \$ 10,464,291 |

Participant	Requested Storage Volume (af)	Total Participant Contributions Through 2015	Phase 4 Participant Contributions Through 2015	Phase 5 2016 Participant Contributions	Phase 4+5 Participant Contributions to Date	2017 Un-adjusted Participant Contributions	Phase 4+5 Participant Obligation to Date	Phase 4+5 Participant Payment Adjustment	2017 Adjusted Participant Contributions
				\$ 13,775,950		\$ 10,464,291			
Broomfield	26,464	\$ 4,814,330	\$ 3,852,466	\$ 4,028,243	\$ 7,880,709	\$ 3,076,966.63	\$ 8,077,903	\$ 197,194	\$ 3,274,160
CWCWD	346	67,624	50,448	52,761	103,198	40,229.39	105,613	2,415	42,645
Erie	6,000	1,127,959	948,081	959,105	1,907,187	697,619.40	1,831,447	(75,740)	621,880
Fort Lupton	1,103	110,720	110,720	167,843	278,563	128,245.70	336,681	58,118	186,364
Greeley ¹	9,189	2,180,569	1,586,660	1,398,695	2,985,355	1,068,404.11	2,804,861	(180,494)	887,910
Lafayette	900	377,587	275,176	287,732	562,908	104,642.91	274,717	(288,191)	(183,548)
Little Thompson WD	4,850	511,419	511,419	775,277	1,286,696	563,909.02	1,480,420	193,724	757,633
Longmont	10,000	2,963,224	2,047,162	1,598,509	3,645,671	1,162,699.00	3,052,412	(593,259)	569,440
Louisville	2,835	567,348	412,762	431,597	844,360	329,625.17	865,359	20,999	350,624
Loveland	9,451	1,971,377	1,284,331	1,438,658	2,722,983	1,098,866.82	2,894,834	161,846	1,260,713
PRPA	14,136	2,881,626	1,904,878	1,918,211	3,823,089	1,643,591.31	4,314,889	491,801	2,135,392
Superior	4,726	1,227,454	711,654	719,329	1,430,983	549,491.55	1,442,570	11,587	561,079
TOTAL	80,000	18,801,237	13,695,757	13,775,950	27,471,707	10,464,291	27,471,707	0	10,464,291

Phase 4 Cost per Acre Foot: \$ 305.24

Notes: 1. The calculation of "Phase 5 2016 Participants Contributions" allocated to Greeley includes \$279,739 that Greeley will pay in addition to Greeley's \$887,910 "2017 Adjusted Participant Contributions" as the result of the reallocation of WGFP capacity from Evans to Greeley.

EXHIBIT D

Windy Gap Firing Project Amended Allocation of Costs for Fifth Interim Agreement (Phase 5)

Estimated Phase 5 Costs in 2019: \$ 10,000,000

Participant	Requested Storage Volume (af)	Share of Phase 5 Cost
Broomfield	26,464	\$ 2,940,444
CWCWD	346	\$ 38,444
Erie	6,000	\$ 666,667
Fort Lupton	1,103	\$ 122,556
Greeley	9,189	\$ 1,021,000
Lafayette	900	\$ 100,000
Little Thompson WD	4,850	\$ 538,889
Longmont	8,000	\$ 888,889
Louisville	2,835	\$ 315,000
Loveland	9,587	\$ 1,065,222
PRPA	16,000	\$ 1,777,778
Superior	4,726	\$ 525,111
TOTAL	90,000	\$ 10,000,000

2018 Phase 5 Costs Per Acre-Foot of Storage: \$ 116.04

Attachment B

FIFTH INTERIM AGREEMENT BETWEEN THE
MUNICIPAL SUBDISTRICT,
NORTHERN COLORADO WATER CONSERVANCY DISTRICT
WINDY GAP FIRING PROJECT WATER ACTIVITY ENTERPRISE,
AND
CITY OF LOVELAND
FOR PARTICIPATION IN THE
WINDY GAP FIRING PROJECT

This Agreement is made and entered into as of March 1, 2016, by and between the Municipal Subdistrict, Northern Colorado Water Conservancy District (a quasi-municipal entity and political subdivision of the State of Colorado) (the "Subdistrict"), acting by and through its Windy Gap Firing Project Water Activity Enterprise (a government-owned business within the meaning of Article X, Section 20(2)(d), of the Colorado Constitution, organized pursuant to C.R.S. §§ 37-45.1-101 et seq.), whose address is 220 Water Avenue, Berthoud, Colorado 80513 (the "WGF Enterprise"), and the City of Loveland, whose address is 500 East 3rd Street, Loveland, CO 80537 ("Participant").

Recitals

- A. The WGF Enterprise is developing a water storage project (the "Project") for the purpose of storing water produced by the Windy Gap Project, or other water that is physically and legally capable of being introduced into the Project from the facilities of the Colorado-Big Thompson Project.
- B. Overall Project costs will be divided among the entities which participate in the Project.
- C. The First Phase of the Project consisted of preliminary studies to evaluate potential reservoir sites. The First Phase has been accomplished and there appear to be a number of potential reservoir sites that may serve the needs of the Project.
- D. The Second Phase of the Project consisted of engineering work, environmental studies, alternatives analysis and related work. The Second Phase is complete.
- E. The Third Phase of the Project, consisted of environmental and other permitting, further engineering studies, and preliminary design work, but not land acquisition.
- F. The Fourth Phase of the Project consisted of a continuation of the activities started in the Third Phase, plus land acquisition, and is complete.
- G. The Fifth Phase of the Project consists of continuation of work to obtain local, state and federal permits and approvals required for the Project; detailed engineering design including preparation of plans and specifications for contractor procurement; additional land acquisition; planning and implementation of required mitigation and enhancement measures; development of contracts and other agreements that will be required to

integrate the Project with the Windy Gap Project; development of alternatives for financing the Project; and related activities ("the Fifth Phase"). Completion of the Fifth Phase of the Project on behalf of the Participants will require additional funding.

Agreement

1. Participant agrees to participate in the Fifth Phase of the Project under and pursuant to the terms and conditions of this Agreement. Participation in the Fifth Phase of the Project in no way obligates Participant to subsequent phases of the Project or to continue involvement in the Project in any manner.
2. Participant's storage capacity allocation in the Project shall be 7,000 acre-feet of water. Participant may request a change in allocated storage capacity for the Project. The change will be implemented by the WGFP Enterprise only if it will not adversely affect local, state, and federal permits and approvals for the Project, so long as any increased costs are paid by the Participant. In addition, Participant may increase its allocated storage capacity only if there is sufficient unallocated storage capacity in the Project to accommodate the increase. In the event that more than one participant seeks to increase its allocated storage capacity, and there is not sufficient unallocated storage capacity in the Project to accommodate all requested increases, the unallocated Project storage capacity shall be allocated to each participant seeking an increase pro rata based on such participant's capacity allocation in the Fifth Phase of the Project. If a change in Participant's capacity is made, the formula for allocation of costs among the participants shall be changed accordingly so that each participant pays a share of the Fourth and Fifth Phase costs of the Project after the change equal to the participant's share of the final allocation of storage capacity in the Project.
3. Participant agrees to provide to the WGF Enterprise funds for its pro rata share of the costs necessary to complete the Fifth Phase of the Project. The WGF Enterprise estimates that Participant's pro rata share of the costs of the Fifth Phase of the Project is \$1,118,956 for the 2016 calendar year. Participant will pay the WGF Enterprise its pro rata share of the 2016 calendar year costs on or before March 1, 2016. This estimated cost will not be increased or exceeded without the prior written approval of Participant. However, if the Fifth Phase of the Project cannot be completed within this estimated cost, the WGF Enterprise is not obligated to complete the Fifth Phase of the Project for the benefit of Participant unless sufficient additional pro rata funds as determined by the WGF Enterprise are provided by Participant. Attached hereto as Exhibit A is a table showing the pro rata share of the costs of the Fifth Phase of the Project for each Participant based upon current allocations of capacity in the Project.
4. In the event that Participant fails to make any of the payment set forth above at the specified time, the WGF Enterprise shall have the right to terminate this Agreement and cease all work on the Project for the benefit of Participant. The WGF Enterprise shall give Participant thirty (30) days' advance written notice of its intention to terminate this Agreement and cease work on the Project for Participant's benefit under this paragraph.

Participant shall have until the end of said 30-day period in which to make all past due payments in full in order to cure its default hereunder. Participant shall in any event be responsible for its pro rata share of costs of the Fifth Phase of the Project actually incurred by the WGF Enterprise up to the date of termination of this Agreement.

5. The WGF Enterprise agrees to diligently pursue the Fifth Phase of the Project in good faith to the extent that funds therefor are provided by the Participant under this Agreement and by other Participants under similar agreements. By entering into this Agreement and accepting payments from Participant, the WGF Enterprise does not obligate itself to, nor does the WGF Enterprise warrant, that it will proceed with construction of the Project beyond the Fifth Phase or that it will construct or operate the Project. At the end of the Fifth Phase, the WGF Enterprise will determine after consultation with the participants whether to proceed with the Project. The WGF Enterprise agrees that, if the participants provide all required funding, if the WGF Enterprise has the ability, and if the Project is feasible and practical, it will pursue the construction and operation of the Project if requested to do so by sufficient participants to fully fund the Project. In such event, the Participant shall have the right to participate in the funding, construction and operation of the Project in the amount of storage capacity allocated to Participant in paragraph 2 above, so long as the Project as finally configured is sufficiently large to accommodate the total amount of storage capacity allocated to all participants in the Fifth Phase of the Project. If the Project as finally configured is not sufficiently large to accommodate the total amount of storage capacity allocated to all participants in the Fifth Phase of the Project, the available storage capacity in the Project shall be allocated to each participant pro rata based on such participant's capacity allocation in the Fifth Phase of the Project. In the event that the WGF Enterprise decides not to proceed with the Project, it will so notify Participant and this Agreement will immediately and automatically terminate upon the giving of such notice.
6. In the event of termination of the Project, Participant shall not be entitled to any return of funds paid to the WGF Enterprise for the Project, unless payments by Participants exceed the WGF Enterprise's costs, in which case a pro rata refund will be made. In the event of such termination, Participant shall be entitled to receive copies of any work products developed by the WGF Enterprise or its consultants on behalf of Participant, and WGF Enterprise shall convey to Participant, as a tenant in common with all other Participants who have not been terminated under paragraph 4 above, a pro rata interest in all real and personal property acquired by the WGF Enterprise for the Project with funds provided under this Agreement or similar agreements with other Participants.
7. Participant shall have the right to assign this Agreement and Participant's rights hereunder, with the written consent of the WGF Enterprise, which consent shall not be unreasonably withheld, to any person or entity that is eligible to receive water deliverable through the Project and that is financially able to perform this Agreement.
8. In the event that this Agreement is terminated for any reason, Participant shall not be entitled to any return of any funds paid to the WGF Enterprise for the Project, and the

WGF Enterprise shall have no further obligations to Participant, except as provided in Paragraph 6 above for those Participants who have not been terminated under paragraph 4 above.

9. This Agreement is the entire agreement between the WGF Enterprise and Participant regarding participation in the Project and shall be modified by the parties only by a duly executed written instrument approved by Participant and the WGF Enterprise's Board of Directors.
10. This Agreement is subject to approval by the WGF Enterprise's Board of Directors and shall become binding on the WGF Enterprise only upon such approval.
11. This Agreement is for the 2016 Fiscal Year. Expenditures for subsequent fiscal years will be the subject of Amendments to this Agreement.

TJB

MUNICIPAL SUBDISTRICT,
NORTHERN COLORADO WATER
CONSERVANCY DISTRICT, ACTING
BY AND THROUGH THE WINDY GAP
FIRMING PROJECT WATER ACTIVITY
ENTERPRISE

KA
L. 88.

By: *William D. Cahill*
Name: William D. Cahill
Title: City Manager

By: *Eric W. Wilkinson*
Name: ERIC W. WILKINSON
Title: GENERAL MANAGER

APPROVED AS TO FORM
BY: *Olivia D.*
ASSISTANT CITY ATTORNEY



ATTEST:

[Signature]
Deputy City Clerk

EXHIBIT A

Windy Gap Firing Project Allocation of Costs for Fifth Interim Agreement (Phase 5)

Estimated NEPA Costs due **March 1, 2016**: \$ 13,775,950

Participant	Requested Storage Volume (af)	Share of Phase 5 Cost
Broomfield	25,200	\$ 4,028,243
CWCWD	330	\$ 52,751
Erie	6,000	\$ 959,105
Evans	1,750	\$ 279,739
Fort Lupton	1,050	\$ 167,843
Greeley	7,000	\$ 1,118,956
Lafayette	1,800	\$ 287,732
Little Thompson WD	4,850	\$ 775,277
Longmont	12,000	\$ 1,918,211
Louisville	2,700	\$ 431,597
Loveland	7,000	\$ 1,118,956
PRPA	12,000	\$ 1,918,211
Superior	4,500	\$ 719,329
TOTAL	86,180	\$ 13,775,950

Attachment C

INVOICE


Windy Gap Firing Enterprise
Municipal Subdistrict, Northern Colorado Water
Conservancy District

INVOICE #4129
DATE: NOVEMBER 20, 2018

220 Water Avenue, Berthoud, Colorado 80513
Phone 800-369-7246 Fax 1-877-851-0017

TO Ryan Vanpelt
City of Loveland
200 N. Wilson Avenue
Loveland, Colorado 80537

PAYMENT TERMS	CONTACT PERSON	FEIN NUMBER				
February 1, 2019	John Budde	23-7072612				

		DESCRIPTION			TOTAL
		Windy Gap Firing Project - 4 th amendment to 5 th interim agreement			\$1,065,222.00
		 <p><i>Please use new remittance address:</i> Northern Water PO Box 913208 Denver CO 80291-3208</p>			
				TOTAL	\$1,065,222.00

Please contact John Budde at 970-622-2253 if you have any questions.

Make all checks payable to Northern Water
THANK YOU!




ITEM TITLE:

Commission & Council Report

SUMMARY:

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

 City Council Report

RECOMMENDATION:

Commission/Council report only.



ITEM TITLE:

Director's Report

GENERAL & PREVIOUS LUC MEETING FOLLOW UP ITEMS:

EVENTS:

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

RMEL Introduction to the Electric Utility Workshop: January 17, 2019, Denver Marriott South at Park Meadows in Lone Tree. This one-day course is designed to acquaint non-technical utility employees and board members with the basics of their industry from the generation to the distribution of electricity. Please contact Courtney Whittet for more information or registration.

Colorado Water Congress 2019 Annual Convention: January 30 – February 1, 2019 at The Westin Westminster. The Colorado Water Congress Annual Convention is the premier water industry event in the state, attracting 500+ attendees that convene for networking and collaboration on the important water issues of the day. Please contact Courtney Whittet for registration.

OPERATIONS:

Water Operations:

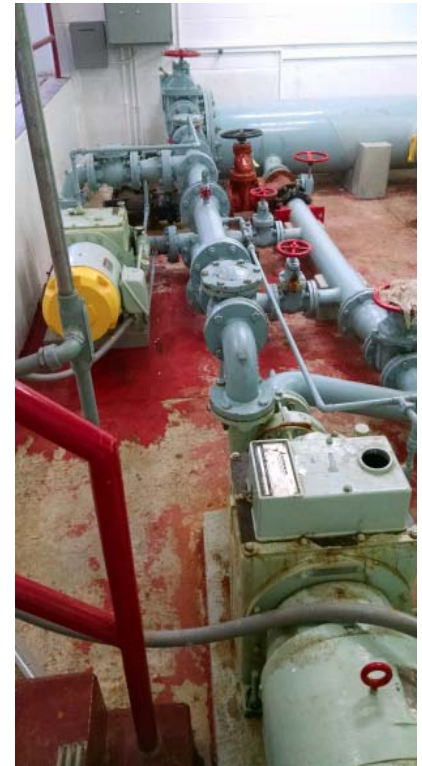
Biomonitoring - WET testing at the WWTP: One of the many analyses required at the City of Loveland (COL) Wastewater Treatment Plant is Biomonitoring or Whole Effluent Toxicity (WET) tests. WET testing is a form of biological monitoring that is used to predict whether a wastewater discharge will have toxic effects on organisms in the receiving water. The receiving water for the COL is the Big Thompson River. Tests to show the effects of toxic materials on organisms other than humans has been performed for over 100 years. The Environmental Protection Agency (EPA) has been using toxicity testing in WET tests since the early 1970s and included it in the Federal Clean Water Act, which prohibits the discharge of toxic pollutants into receiving waters of the U.S. WET tests assess the effect, from pollutants contained in a wastewater facility effluent, on aquatic organisms. Two types of WET testing can be performed: acute (24-96 hours) and chronic (7-day). Acute testing measures how well organisms survive, while chronic tests measure survival and effects on growth and reproduction. The COL is required to have quarterly chronic testing performed on the wastewater plant effluent. During chronic WET testing the lab-reared aquatic organisms that are used are Ceriodaphnia dubia (C. dubia, or water fleas) and Fathead minnows. Both tests use the most sensitive life stage of the organisms. These organisms are exposed to various dilutions of effluent for a specific time period, in order to predict at what levels the effluent may cause harm to the organisms. A series of solutions, with dilutions of effluent samples and a control (with no effluent added) are used to determine whether the effluent had a significant impact on the test organisms.

Biomonitoring is a complex set of biological tests and calculations used to determine toxicity and its effects on organisms. It is one regulatory tool used by utilities to help control toxins and keep wastewater effluent beneficial to aquatic life.

Boyd Lake Water Main Extension – Phase 2 Project: Last winter, LWP successfully completed the installation of the 20" Water Main Extension Project on Boyd Lake Avenue. This winter, that water main will be extended another 750 feet to the north in the Boyd Lake Water Main Extension – Phase 2 Project. This project is

being constructed in coordination with a new roundabout at East 15th Street and Boyd Lake Avenue. Three contractors bid on the project in October 2018. Gerrard Excavating was the successful bidder with cost of \$382,058.33. The other two bids were approximately \$125,000 more in comparison. LWP will hold a preconstruction meeting for the project in December with an anticipated start date in early January. This new 16" water main will extend the parallel feed from the Mountain View Pump Station to the P8 zone allowing more flexibility in meeting current demands as well as providing the ability to meet future water demands.

Namaqua Hills Pump Station Improvements: LWP has contracted with Lillard and Clark to construct the Namaqua Hills Pump Station Improvements at Morning Drive Pump Station. These pumps serve approximately 121 homes in the Namaqua Hills Subdivision. The existing pumping componentry has reached obsolescence, and pump parts can no longer be obtained for repairs. Lillard and Clark started working this month preparing for the bypass pumping and electrical work required in the contract. The Namaqua Hills pump replacements will require a month of temporary bypassing pumping operation while the new motor control center and vertical multi-stage pumps are installed. Upon completion, the new pumps and motor control center will provide consistent and reliable water service to customers in Namaqua Hills for years to come.



2017-2018 Sanitary Sewer Rehabilitation: In an effort to provide reliable and consistent sanitary sewer service, the City actively utilizes a closed circuit television system that allows for crews to view the interior condition of the pipelines. When segments begin to exhibit leaky joints, cracks, excessive root intrusion, or other conditions that inhibit sewer flow, the City adds the pipe segment onto a list of pipes to be lined. The City then bids out a project where numerous segments are lined with a cured in place pipe (CIPP) liner that is continuous and water tight. The liner is pulled through the existing sanitary sewer, expanded, and then steam cured which locks it into place against the host (original) pipe. The liner restores the integrity of the pipe segment and significantly extends the life of the pipe segment. Earlier in the summer, the City completed a project that lined over 30,000 linear (LF) feet of 8" diameter sanitary sewer. Additionally, the project lined another 3,000 LF of 6", 10" or 12" diameter pipe. The project was completed by Layne Inliner, who specialize in rehabilitation work such as this, for approximately \$950,000. Beginning in 2020, the City will have a yearly sanitary sewer

lining project worth at least \$1,000,000.

Power Operations:

The Foundry Power: Due to the tight spaces on this project, the Power Division had to come up with an innovative solution that would provide power to the new theater as well as the existing services to the Rialto, Door 222 and the Mercantile building to the north. After a few months of brainstorming, coordination and planning, GE Construction and City line crews successfully executed the project. Future users will have power available without the need for additional equipment space.



New electric vault set just north of the Foundry theater



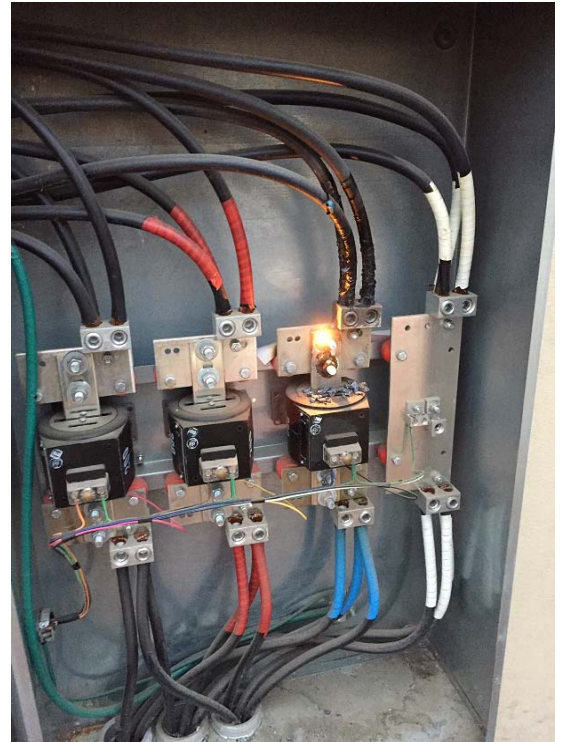
Secondary connection cabinet set on top of the new vault



New transformer set that supplies power to the Rialto, Door 222 and the Mercantile

Electric Metering: During the month of November, the Electric Metering group worked on numerous power quality investigations. More often than not, it was determined that the power quality issue is caused by something on the customer's side of the service. This may be caused by a faulty distribution panel or associated breaker within the customer's panel. In other cases, it can be caused by something on the utility side of the service.

Earlier in the month the Electric Metering Group received a call from a fast food business within the city who claimed to be experiencing partial power issues. Upon arrival, the metering techs determined that there was in fact an issue. It was found to be located within the City of Loveland's metering cabinet. The partial power issue that the business was experiencing was caused by loose connections on the current transformer bus bars. This particular problem may have been caused by two different scenarios, but it was found to be caused due to tampering of the equipment.



Current transformers that are used for calculation of electric energy consumption are built using many windings of fine copper wire. This makes the current transformers a target for theft because of the high price paid for copper. It is a very dangerous task to remove the current transformers while energized.

It is believed that the individuals involved in the prospective theft of the metering equipment experienced some difficulty when attempting to remove the current transformers under load. This resulted in arcing and flashing when removing the bolts that secure the transformers to the bus work. Due to the connection bolts being loosened, it created high heat and resulted in the wire insulation melting and the connection bolts to become heated to the point of melting.



North Lake Park Double Switch: Electric line crews have been working diligently on transferring Loveland Circuit 921 from West Substation to Foothills. This project involved a great deal of timing coordination between contractors, line crew, dispatch and GIS as it involved working through multiple different pieces of equipment that are currently in service and carrying load, while replacing and re-routing some of this equipment to establish this task.

Crews worked with GE Construction to capture existing conduit on the corner of 29th Street and Taft Avenue, and dig in a new 8'x19' vault that houses a new double switchgear. This project also allows the utility to offload one of our heavier loaded circuits to give some more capacity to the system and creates a substation tie between Foothills and Horseshoe Subs. This will allow for better restoration times down the road.

This project also improves our system safety by removing a triple stack and adds additional load to Foothills Substation Transformer 1, reducing the potential for back feed of the transmission system

from the Foothills Solar project in the event of a breaker trip. This moves Loveland one step closer to a more reliable system and the removal of Loveland West Substation from our system



UTILITY APPLICATION SERVICES:

CIS Replacement: Customer Relations Staff and Utility Application Services staff have been participating in the FOCIS Team. The RFP was closed this month and review of submissions has begun. We received 6 proposals and are currently reviewing them. Our consultant will be on site to go over final scoring during the week of November 1st. Demos will start the week of January 15, 2018.

Conduit Inventory Project: With help of both the electric line and electric design groups, Amy has been able to capture data for 157 vaults to date, and the number keeps growing.

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

- Application Requests – 1.8 days
- Application Support – 12.58 days
- Data Requests – 4.25 days
- Hardware Support – 12.25 days
- Map Requests – 6.8 days
- Report Requests - 1.6 days

UTILITY ACCOUNTING:

Power Peak Demand Surges in October, Energy Also Up: We saw a dramatic increase in peak demand and a significant increase in power usage in October compared to a year ago. Loveland's share of PRPA's peak for October was 100,159 kW, up a whopping 16.4% from October of last year. The 100,159 kW peak is an all-time high for October, topping the 2011 mark of 97,592 kW. The 100,159 kW peak is also up 14.0% from the average of the last 5 years' peaks in October. Purchased energy was up 5.0% vs. October of 2017. Overall, in comparing the year-to-date total of the January-October monthly peak demands to the same period in 2017, this year is up 5.2%, and purchased energy is up 2.9% year-to-date.

Water Usage Soars in October: Water usage the past two Octobers makes one think of a pogo stick. Water usage for October of 2017 was down 25.4% from October of 2016. Now, for October of 2018, the average usage per customer was 16,388 gallons, which is 25.2% higher than October of 2017. The 16,388 gallons represents a 14.1% increase compared to the average usage of the past 5 Octobers. This year's YTD average usage through October is 13,044 gallons per customer. The 13,044 gallons is 2.2% higher than the October YTD average usage of the past five years. With this above-average usage, water sales are ahead of budget by \$504,000 through October.

CUSTOMER RELATIONS:

Winter Wonderlights: Loveland Water and Power (LWP) is proud to sponsor this year's Winter Wonderlights. Opening Day (November 16th) boasted a fantastic light display for Loveland citizens. Along with a key speech from customer relations manager, Tracey Hewson, opening day saw an appearance from Glow, LWP's mascot. LWP provided various giveaway prizes including over 1,000 LED light bulbs, courtesy of Platte River Power Authority. Winter Wonderlights will continue nightly at the Loveland Chapungu Sculpture Park 5 pm to 9 pm until January 1st.

Veteran’s Day Spotlight: LWP celebrated Veteran’s Day this year by spotlighting some of the LWP Staff that served and sacrificed for our country.

City of Loveland - Water and Power
Published by Glow Buggins [?] · November 11 at 10:00 AM · 🌐

This Veteran's Day, we salute those who have served and sacrificed for our nation. City of Loveland - Water and Power takes pride in the veterans that now bring their considerable skills to our team. Thank you--all veterans--for your service!

Employee Name	Job Title	Service Details
Alex Alnsworth	Water Meter Tech I	Five years of service Army / Cavalry Scout / Sergeant E-5 Alex enjoys spending time with his wife of two years, Mariah. He has one daughter, Dylliah (7) and a baby girl on the way (Alo). He enjoys time with his family, going to parks and hitting the gym. Alex is also a fan of cooking specialty meals. He is learning about making his own hot sauces and pickling.
Kirk Terry	Apprentice Lineman	Five years of service Including tours in Iraq 2003 to 2004 and 2005 to 2006 Team Leader of a three man team and filled in as squad leader.
Ryan Smith	GIS Specialist	Eight years of service Army National Guard (Cavalry Scout, Paratrooper, Combat Lifesaver trained), E-5 Sergeant Ryan's wife works with the City of Loveland as well. They have an 18 year old son starting college soon. Ryan and his wife are avid about mowing and XFL. They are 24 hour endurance event athletes. Ryan also serves as the Lieutenant of Powder Fire Authorities', Fire Station 9.
Steve Johnson	Buyer - Warehouse	23 years of service Navy Chief Steve enjoys woodworking and fishing.

3,941 People Reached 832 Engagements [Boost Post](#)

Integrated Resource Plan (IRP) Meeting with Platte River: Platte River capped off their IRP sessions with Loveland at the Embassy Suites on November 15th. Roughly 50 Loveland citizens joined in on the conversation, providing a variety of opinions on our energy future. Platte River will now be taking feedback and using it in their determination of Loveland (and owner municipalities’) future energy portfolio. Learn more at www.prpa.org/irp

Customer Information System (CIS) Replacement Project: Customer Relations staff are continuing to weigh in on the new CIS system, advocating for tools and information useful for customers and customer relations.

Efficiency Works Store: The Efficiency Works Store is capping off a successful year providing energy efficient products to consumers—along with rebates when possible. Next steps involve increasing the consumer pool so more Loveland citizens are made aware of this great resource.

Efficiency Works Business: The Efficiency Works Business multifamily program is seizing an opportunity for significant water savings by installing over 400 sink aerators and showerheads at the Lincoln Place apartments.

Water Conservation Plan: Customer Relations has begun its efforts to establish a Water Conservation Plan for the city. This project has entered the research phase.

Focus on Drains: In partnership with the Wastewater Treatment Plant, Customer Relations will highlight the importance of proper Wastewater stewardship in the December City Update. The first piece focuses on what not to flush—emphasizing the importance of keeping household items out of the toilet. With the holidays approaching, the second piece is centered around FOG (Fats, Oils, and Grease) encouraging citizens to prevent sewer backups with proper food waste disposal.



F.O.G. stands for fats, oils, and grease

FOG is contained in many foods such as cheese, butter, gravy, dressing and dessert.

FOG can be a result of cooking meat and fish or using oil, lard, etc. to cook food.

Use the following practices to avoid a blockage or backup in your sewer line:

Scrape food waste from plates and pans into trash.



Wipe dry pots, pans, and dishware prior to dish washing.



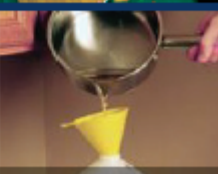
Use screens in sinks & drains to catch food waste.



DO NOT use the garbage disposal for food waste.



Recycle cooking oil. DO NOT overfill containers.



DO NOT use enzymes or emulsifying products.



Customer Experience Training: Customer Relations is working with the Customer Experience Team to provide trainings to City staff on improving the customer experience. Similar to a “safety minute”, these short sessions will be guided discussions covering important topics such as “courtesy and kindness”.

WHY ARE WE HERE?

“Employees in the City organization live by values, and one of our core values is excellence in customer service. Loveland residents have come to expect nothing but the highest level of service, and I think all of us are honored to deliver it. Measuring up in that way is a key aspect of our City culture.”

- Steve Adams



Upcoming Events and Projects: Efficiency Works Business Contractor Social: Customer Relations staff are looking forward to the Contractor Appreciation Social on November 29th. The Efficiency Works team, along with LWP staff, will share project successes and highlights from 2018. The evening will also feature a sneak peek at 2019 business program rebates and presentation of the 2018 Efficiency Works Business Service Provider Contributor Awards.

Praxair Annual Meeting: Staff have preparations in place for the Annual Praxair Meeting, which will take place on December 12th (rescheduled).

Video Projects: LWP is working with ShadowPlay Films to finalize the following videos with a completion goal by the end of the year

- Circuit 911 Project Update
- Algae Mitigation Update
- Outage Preparedness

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

- Key Accounts Networking Event – January 18, 2019

Facebook Insights (November 2018):

- Reach (unique users) – 1,979 people
- Engagement (unique users) – 1110 people
- Impressions (total count) – 18,278 people

Media:

- The Colorado Sun– November 26, 2018: [Jared Polis wants Colorado 100 percent powered by renewable energy, but talk is easier than the walk](#)
- North Forty News– November 30, 2018: [Princess and Character Dress Up Party Dec. 1 at Winter Wonderlights](#)
- Reporter Herald– December 4, 2018: [With encouragement from citizens, Loveland council endorses PRPA carbon reduction plan](#)
- Reporter Herald– December 6, 2018: [PRPA board unanimously endorses 100 percent non-carbon electricity by 2030](#)
- Estes Park Trail Gazette– December 7, 2018: [Second major Colorado utility commits to 100 percent carbon-free electricity](#)
- PV Magazine– December 7, 2018: [Platte River Power to go 100% zero-carbon by 2030](#)
- Reporter Herald– December 8, 2018: [Editorial: PRPA power change shows promise](#)
- Kallanish Energy– December 10, 2018: [Colorado agency calls for zero-carbon power by 2030](#)