

Commission Members Present: Dan Herlihey, Gary Hausman (Chair), Gene Packer, Larry Roos, Randy Williams, Sean Cronin, Stephanie Fancher-English, Tom Vail (via phone)

Commission Members Absent: John Butler

Council Liaison: Steve Olson

City Staff Members Present: Brian Gandy, Christine Schraeder, Courtney Whittet, Derek Turner, Frank Lindauer, Jim Lees, Joe Bernosky, Kim O'Field, Larry Howard, Michelle Erickson, Nathan Alburn, Roger Berg, Ryan Van Pelt, Tanner Randall, Tracey Hewson, Yarani Vasquez

Guest Attendance: Dick Mallot, Jean Clevenger

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

APPROVAL OF MINUTES: Hausman asked for a motion to approve the minutes of the April 17, 2019 meeting.

Motion: Dan Herlihey made the motion to approve the minutes as amended.

Second: Gene Packer seconded the motion. The minutes were approved unanimously.

CITIZENS REPORT

Dick Mallot – Congratulations to the department on the presentation to City Council last night regarding self-generation rates. It looks like a split vote between Option 3 and Option 4. Bruce Croissant has pointed out that the billing system needs to reflect actual energy used and self-generated energy returned to the city.

INFORMATION ITEMS

Item 1: Financial Report Update – Jim Lees

This item summarizes the monthly and year-to date financials for April 2019.

Information Item only. No action required

Item 2: Electric Legislative Update – Kim O'Field

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

Information Item only. No action required.

Item 3: Water Legislative Update – Ryan Van Pelt

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

Information Item only. No action required.

Item 4: Water Supply Update – Ryan Van Pelt

Raw water supply update.

Information Item only. No action required.

REGULAR AGENDA

Item 5: Resolution #R-2-2019U adopting the Loveland Utilities Commission's Policy on the Criteria for Long-Term Augmentation Supply Agreements – Nathan Alburn

Section 13.04.241 of the Loveland Municipal Code authorizes the Loveland City Manager to execute leases of up to three years for the City's excess raw water, including leases of the City's excess fully reusable water that could be used as a replacement or augmentation supply to replace a water user's out-of-priority depletions. The City of Loveland periodically receives requests to provide, on a long-term basis, augmentation water to entities outside of the City (an "Augmentation Supply Agreement"). Any such agreement would need to be approved by resolution of the City Council, and which would require a review and recommendation by the LUC.

The City has a number of existing long-term agreements (greater than twenty years, or permanent), whereby the City is obligated to provide reusable water. Based on a recent request for an Augmentation Supply Agreement, the LUC in March and April 2019 discussed the parameters of a policy to assist Staff in handling these requests. Staff also presented an outline of augmentation policy conditions they recommended and asked for LUC's guidance moving forward. LUC provided valuable feedback. This feedback has been incorporated into a proposed resolution that would provide direction to all interested parties concerning the criteria that the LUC would apply in determining whether it would recommend the City Council's approval of a long-term Augmentation Supply Agreement.

Recommendation: Motion to adopt Resolution R-02-2019U, a Resolution Adopting a Policy of the Loveland Utilities Commission Concerning the Criteria for Acceptable Long-Term Augmentation Supply Agreements

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

Second: Sean Cronin seconded the motion. The item was approved 8-0 with 1 abstention.

Stephanie Fancher-English recused herself from the vote as her family business currently has an augmentation supply agreement and could possibly be impacted in the future by this resolution.

Item 6: Water Quality Laboratory Construction Contract Award – Brian Gandy

The City currently has two (2) water quality labs that are State Certified by the Colorado Department of Public Health and Environment (CDPHE). The Wastewater Treatment Plant Lab (1,170 sf) was constructed in 1974, and the Water Treatment Plant Lab (125 sf) was constructed in 1981. The proposed project would construct a new laboratory building on the grounds of the wastewater treatment plant and will serve the functions of both water and wastewater laboratory needs.

Recommendation: Adopt a motion to award the construction contract for the Water Quality Laboratory to Saunders Heath in the amount not to exceed of \$4,310,492 in which the Bid Alternate is the basis of the award and authorize the City Manager to execute the contract on behalf of the City.

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

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

Item 7: Water Quality Laboratory Contract Amendment (#3) for additional Design Phase Services and Services during Construction – Brian Gandy

This item is for the approval of the contract amendment to HDR Engineering for additional design phase services and those selective services during the construction of the Water Quality Laboratory.

Recommendation: Adopt a motion recommending that the LUC approve the amendment to the contract for additional design services and selective engineering services during construction with HDR to increase the not-to-exceed amount to \$801,576 and authorize the City Manager to sign the change order on behalf of the City.

Motion: Randy Williams made the motion to approve the item.
Second: Gene Packer seconded the motion. The item was approved 8-0 with 1 abstention.

As an employee of HDR, Dan Herlihey recused himself from the vote.

STAFF REPORTS

Items 8 & 10 Removed from agenda prior to meeting.

Item 9: 2018 Water Loss Audit – Michelle Erickson

This item reviews the results of the 2018 Water Loss Audit and the progress made to improve the water tracking methods, and the actions taken or identified to better manage or reduce non-revenue water.

Staff Report only. No action required.

COMMISSION/COUNCIL REPORTS

Item 8: 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: Tri-City Water Board Meeting, excellent event and a compliment to the Keynote Speaker, the Colorado State Demographer.

Gene Packer: Parks and Recreation advised it looks like Lake Loveland will fill a little slower than expected

Gary Hausman:

John Butler:

Larry Roos:

Randy Williams: Regarding Raw Water, Randy expressed his concerned about a full acre-foot of water delivered, Larry Howard advised that our new modeling shows it lower than one, in the past it has been approximately .7

Sean Cronin:

Stephanie Fancher-English:

Tom Vail:

Council Report:

DIRECTOR'S REPORT

Item 9: Director's Report – Joe Bernosky

ADJOURN The meeting was adjourned at 5:44 pm. The next LUC Meeting will be June 19, 2019 at 4:00 pm.

Respectfully submitted,

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