LOVELAND UTILITIES COMMISSION

September 19, 2019 – 4:00pm

Service Center Willow Room – 200 N. Wilson Ave.

# REGULAR MEETING AGENDA

## CALL TO ORDER

## APPROVAL OF MINUTES – 8/21/19

## OFFICER ELECTIONS

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

## INFORMATIONAL ITEMS

1. Monthly Financial Update – Jim Lees

## CONSENT AGENDA

2. Primary Underground Cable Contract – Yarani Vazquez
3. Distribution Transformer Contract – Frank Lindauer
4. Otak, Inc Contract Amendment for Idylwilde Hydroelectric License Surrender – Christine Schraeder

## REGULAR AGENDA

5. 2020 Water & Power Schedule of Rates, Charges and Fees – Jim Lees
6. 2019 Raw Water Master Plan – Larry Howard

## COMMISSION & COUNCIL REPORTS

## DIRECTOR'S REPORT

## ADJOURN

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



City of Loveland

## * Citizens Report Procedures

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

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

## Notice of Non-Discrimination

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

## Notificación en Contra de la Discriminación

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

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

**Commission Members Present:** Dan Herlihey, Gary Hausman (Chair), Gene Packer, Larry Roos, John Butler, Randy Williams, Richard Rhoads, Stephanie Fancher-English,

**Commission Members Absent:** Don Cook, Sean Cronin

**Council Liaison:** Steve Olson

**City Staff Members Present:** Bill Crowell, Brian Gandy, Courtney Whittet, Derek Turner, Hope Pruett, Joe Bernosky, John Beckstrom, Larry Howard, Nathan Alburn, Roger Berg, Tanner Randall, Tracey Hewson, Travis Johnson

**Guest Attendance:** Jeff Breidenbach, Gail Burnhart

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

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

**Motion:** John Butler made the motion to approve the minutes as amended.
**Second:** Dan Herlihey seconded the motion. The minutes were approved unanimously.

## CITIZENS REPORT

## INFORMATIONAL ITEMS

### Item 1: Financial Report Update – Jim Lees

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

Informational Item only. No action required.

## CONSENT AGENDA

### Item 2: Wastewater Treatment Plant Biological Nutrient Removal & Digester Project – Contract Amendment for Construction Management Services – Brian Gandy

Ditesco's original contract amendment for construction management and engineering services for the above referenced project was through February 2019. Through careful management of those funds, Ditesco was able to stretch their budget through June 2019. In order to successfully manage and complete the project, which is expected to last until October, additional funds are necessary to cover those services.

**Recommendation:** Adopt a motion to approve the Contract amendment for additional construction management services with Ditesco in the amount of $52,387 and increases the not-to-exceed amount to $1,287,292

Motion: Dan Herlihey made the motion to approve the items.
Second: John Butler seconded the motion. The items were approved unanimously.

## REGULAR AGENDA

### Item 3: Methodology for Evaluating the Market Value of One Unit of Colorado-Big Thompson Project Water – Nathan Alburn

This item presents for the LUC's discussion and recommendation of the methodology of calculating the weighted average of the market value of a unit of Colorado-Big Thompson (CBT). This calculation is directly related to the City of Loveland's (City's) Cash in Lieu (CIL) price charged to satisfy water rights required for development..

**Recommendation**: Staff seeks direction on determining the LUC's preference on a methodology or general guidelines for determining the market price for CBT units.

**Comments:** Larry Roos suggested looking at the last 50 or 100 transactions instead of a specific time frame. Gene Packer stated that in the last meeting they had talked about looking at the data frequently, monthly or bi-monthly, however based on the limited number of transactions in the past few months he would like to see more data in the future. Stephanie Fancher-English stated if we aren't using this to purchase water now, it's going into a bank to pay for Windy Gap, she would like to see it balanced out over longer period. Larry Roos responded that if you go with a longer average you are subsidizing current developers by charging them less than the current market value. Gary Hausman stated that in the past we have been competitive with the surrounding cities such as Fort Collins, Longmont, Estes Park. Larry Howard responded that it isn't quite apples to apples comparison since our credit for C-BT is different since we are allowing 1 AF per C-BT unit, most people use a value of .7 AF per C-BT unit. We are looking at changing that to .9 AF in our modeling for the updated Raw Water Master Plan in the next item on the Agenda.

### Item 4: 2019 Raw Water Master Plan Discussion – Larry Howard

The City of Loveland is in the process of updating the Raw Water Master Plan (RWMP). Staff seeks direction on points of discussion, which will lead to creation of recommendations for the final RWMP report which will be presented to City Council.

**Recommendation:** Consider the draft RWMP and discussion points from this evening. Indicate preferred policies and direction.

## 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:**
**Don Cook:**
**Gene Packer:** News reports of algae in the water, wondering how Green Ridge Glade Reservoir has done this year with the algae
**Gary Hausman:** Proud of the staff for the job they do making sure that we have adequate water and power, keeping prices low and looking out for the health and safety of our community.
**John Butler:**
**Larry Roos:**
**Randy Williams:** Cross Connection program came out and they were very pleasant and professional.
**Richard Rhoads:**
**Sean Cronin:**
**Stephanie Fancher-English:** Don't forget Corn Roast is this weekend, Parade and Pancake Breakfast.

**Council Report:** Water Resource group presentation to Council on Municipal Code for Residential Water Rights Requirements for New Developments was well done, inspired some great discussion amongst council members. Cultivation/Distribution/Sales of Marijuana will be on the ballot, the Rec Center will be pulled off the bundled projects and put on its own, the other projects will remain bundled.

## DIRECTOR'S REPORT

Item 9: Director's Report – Joe Bernosky

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**ADJOURN** The meeting was adjourned at 6:01 pm. The next LUC Meeting will be September 19, 2019 at 4:00 pm.

Respectfully submitted,

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

LOVELAND UTILITIES COMMISSION

**AGENDA ITEM:** 1
**MEETING DATE:** 9/19/2019
**SUBMITTED BY:** Jim Lees
**STAFF TITLE:** Utility Accounting Manager

## ITEM TITLE:

Monthly Financial Update

## DESCRIPTION:

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

## SUMMARY:

The August 2019 financial reports are submitted for Commission review. The following table summarizes the sales and expense results for the month of August, and the August Year-To-Date results in comparison to the same periods from 2018. The summarized and detailed monthly financial statements that compare August Year-To-Date actuals to the 2019 budgeted figures are attached.

| | August | | | | August Year-To-Date | | | |
|---|---|---|---|---|---|---|---|---|
| | 2019 | 2018 | $ Ovr/(Und) vs. 2018 | % Ovr/(Und) vs. 2018 | 2019 | 2018 | $ Ovr/(Und) vs. 2018 | % Ovr/(Und) vs. 2018 |
| **WATER** | | | | | | | | |
| Sales | $2,428,878 | $2,149,669 | $279,209 | 13.0% | $10,875,775 | $10,921,030 | ($45,255) | -0.4% |
| Operating Expenses | $1,091,652 | $1,073,530 | $18,122 | 1.7% | $9,048,688 | $9,141,554 | ($92,866) | -1.0% |
| Capital (Unrestricted) | $183,910 | $145,530 | $38,380 | 26.4% | $2,457,355 | $610,356 | $1,846,999 | 302.6% |
| **WASTEWATER** | | | | | | | | |
| Sales | $1,212,421 | $1,126,856 | $85,565 | 7.6% | $8,872,877 | $8,322,383 | $550,494 | 6.6% |
| Operating Expenses | $1,110,131 | $806,094 | $304,037 | 37.7% | $7,094,129 | $5,791,136 | $1,302,993 | 22.5% |
| Capital (Unrestricted) | $527,319 | $1,135,986 | ($608,667) | -53.6% | $6,481,546 | $6,462,803 | $18,743 | 0.3% |
| **POWER** | | | | | | | | |
| Sales | $7,447,544 | $6,791,958 | $655,586 | 9.7% | $45,015,705 | $44,364,718 | $650,987 | 1.5% |
| Operating Expenses | $6,327,165 | $6,117,637 | $209,528 | 3.4% | $40,214,470 | $40,709,308 | ($494,837) | -1.2% |
| Capital (Unrestricted) | $1,040,173 | $942,438 | $97,735 | 10.4% | $6,414,500 | $6,809,134 | ($394,634) | -5.8% |

## 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 08/31/2019

| | | TOTAL BUDGET FYE 12/31/2019 | YTD ACTUAL | YTD BUDGET | OVER <UNDER> | VARIANCE |
|---|---|---|---|---|---|---|
| 1 | **REVENUES & SOURCES** | | | | | |
| 2 | High Use Surcharge | 73,118 | 35,134 | 23,821 | 11,313 | 47.5% |
| 3 | Raw Water Development Fees/Cap Rec Surcharge | 485,213 | 283,593 | 343,388 | (59,795) | -17.4% |
| 4 | Cash-In-Lieu of Water Rights | 227,167 | 3,435,402 | 151,448 | 3,283,954 | 2168.4% |
| 5 | Native Raw Water Storage Fees | 196,876 | 175,441 | 120,000 | 55,441 | 46.2% |
| 6 | Proceeds on Loan | 37,560,000 | 0 | 0 | 0 | 0.0% |
| 7 | Raw Water 3% Transfer In | 531,164 | 326,273 | 340,916 | (14,643) | -4.3% |
| 8 | Interest on Investments | 300,965 | 298,417 | 200,640 | 97,777 | 48.7% |
| 9 | **TOTAL REVENUES & SOURCES** | **39,374,503** | **4,554,261** | **1,180,213** | **3,374,048** | **285.9%** |
| 10 | **OPERATING EXPENSES** | | | | | |
| 11 | Loan to Water | 0 | 0 | 0 | 0 | 0.0% |
| 12 | Windy Gap Payments | 7,100 | 7,044 | 4,736 | 2,308 | 48.7% |
| 13 | **TOTAL OPERATING EXPENSES** | **7,100** | **7,044** | **4,736** | **2,308** | **48.7%** |
| 14 | NET OPERATING REVENUE/(LOSS) (excl depr) | 39,367,403 | 4,547,217 | 1,175,477 | 3,371,740 | 286.8% |
| 15 | RAW WATER CAPITAL EXPENDITURES | 59,433,300 | 4,473,583 | 40,827,636 | (36,354,053) | -89.0% |
| 16 | **BUDGET FUND BALANCE** | **6,590,587** | **26,899,747** | **(12,995,675)** | **39,895,422** | **-307.0%** |

NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING: 164,877

# Attachment B

**City of Loveland**
**Financial Statement-Water**
For Period Ending 08/31/2019

| | | TOTAL BUDGET FYE 12/31/2019 | YTD ACTUAL | YTD BUDGET | OVER <UNDER> | VARIANCE |
|---|---|---|---|---|---|---|
| 1 | ****UNRESTRICTED FUNDS**** | | | | | |
| 2 | **REVENUES & SOURCES** | | | | | |
| 3 | Water Sales | 17,705,446 | 10,875,775 | 11,363,863 | (488,088) | -4.3% |
| 4 | Raw Water Transfer Out | (531,164) | (326,273) | (340,916) | 14,643 | -4.3% |
| 5 | Wholesale Sales | 181,091 | 105,977 | 108,873 | (2,896) | -2.7% |
| 6 | Meter Sales | 92,269 | 53,575 | 61,512 | (7,937) | -12.9% |
| 7 | Interest on Investments | 120,220 | 36,301 | 80,144 | (43,843) | -54.7% |
| 8 | Other Revenue | 1,117,884 | 342,562 | 221,859 | 120,703 | 54.4% |
| 9 | Federal and State Grants | 0 | 64,975 | 0 | 64,975 | 0.0% |
| 10 | Internal Loan Monies Received | 0 | 0 | 0 | 0 | 0.0% |
| 11 | External Loan Monies Received | 0 | 0 | 0 | 0 | 0.0% |
| 12 | **TOTAL REVENUES & SOURCES** | **18,685,746** | **11,152,892** | **11,495,335** | **(342,443)** | **-3.0%** |
| 13 | **OPERATING EXPENSES** | | | | | |
| 14 | Source of Supply | 2,623,913 | 892,510 | 1,755,144 | (862,634) | -49.1% |
| 15 | Treatment | 3,837,194 | 2,097,326 | 2,503,372 | (406,046) | -16.2% |
| 16 | Distribution Operation & Maintenance | 4,020,077 | 2,094,488 | 2,708,271 | (613,783) | -22.7% |
| 17 | Administration | 2,764,753 | 490,950 | 1,272,255 | (781,304) | -61.4% |
| 18 | Customer Relations | 418,311 | 227,132 | 282,101 | (54,969) | -19.5% |
| 19 | PILT | 1,202,200 | 691,671 | 801,456 | (109,785) | -13.7% |
| 20 | 1% for Arts Transfer | 76,788 | 20,612 | 70,528 | (49,916) | -70.8% |
| 21 | Services Rendered-Other Departments | 1,530,293 | 1,020,200 | 1,020,200 | 0 | 0.0% |
| 22 | Internal Loan Debt Expense | 783,750 | 792,458 | 783,750 | 8,708 | 1.1% |
| 23 | External Loan Debt Expense | 1,015,685 | 721,340 | 677,120 | 44,220 | 6.5% |
| 24 | **TOTAL OPERATING EXPENSES** | **18,272,964** | **9,048,688** | **11,874,197** | **(2,825,509)** | **-23.8%** |
| 26 | NET OPERATING REVENUE/(LOSS)(excl depr) | 412,782 | 2,104,204 | (378,862) | 2,483,066 | -655.4% |
| 27 | CAPITAL EXPENDITURES | 5,571,281 | 2,457,355 | 4,564,871 | (2,107,516) | -46.2% |
| 28 | REVENUES LESS OPER EXP LESS CAPITAL | (5,158,499) | (353,151) | (4,943,733) | 4,590,582 | -92.9% |
| 30 | ENDING CASH BALANCE (37% OF OPER EXP) | **3,951,317** | **6,723,508** | **3,988,582** | 2,734,926 | 68.6% |
| 31 | WATER DEBT FUNDS ENDING CASH BALANCE | | **125,217** | | | |
| 32 | MINIMUM BALANCE (18% OF OPER EXP) | | 3,289,134 | | | |
| 33 | **OVER/(UNDER) MINIMUM BALANCE** | | **3,434,374** | | | |
| 34 | ****RESTRICTED FUNDS**** | | | | | |
| 35 | **REVENUES & SOURCES** | | | | | |
| 36 | SIF Collections | 5,732,613 | 1,907,841 | 2,078,700 | (170,859) | -8.2% |
| 37 | SIF Interest Income | 37,710 | 48,287 | 25,144 | 23,143 | 92.0% |
| 38 | SIF Federal and State Grants | 0 | 64,975 | 0 | 64,975 | 0.0% |
| 39 | Internal Loan Monies Received | 0 | 0 | 0 | 0 | 0.0% |
| 40 | **TOTAL SIF REVENUES & SOURCES** | **5,770,323** | **2,021,103** | **2,103,844** | **(82,741)** | **-3.9%** |
| 41 | SIF Capital Expenditures | 5,874,420 | 828,767 | 4,195,334 | (3,366,567) | -80.2% |
| 42 | 1% for Arts Transfer | 40,372 | 6,733 | 28,772 | (22,039) | -76.6% |
| 43 | Legal Agreements & Shared Costs | 352,305 | 17,885 | 240,842 | (222,957) | -92.6% |
| 44 | **TOTAL SIF CAPITAL EXPENDITURES** | **6,267,097** | **853,385** | **4,464,948** | **(3,611,563)** | **-80.9%** |
| 45 | **SIF REVENUE LESS EXPENDITURES** | **(496,774)** | **1,167,718** | **(2,361,104)** | **3,528,822** | **-149.5%** |
| 46 | SIF ENDING CASH BALANCE | **2,709,857** | **4,426,923** | **769,720** | **3,657,203** | **475.1%** |
| 47 | **TOTAL ENDING CASH BALANCE** | | **11,150,432** | | | |
| | NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING: | | 2,388,490 | | | |
| 48 | Water Treated at WTP (in million gallons) | | 3,031 | | | |
| 49 | Water Sold To Customers (in million gallons, includes Ranch Water & Hydrant Sales) | 3,808 | 2,244 | 2,408 | (164) | -6.8% |

# Attachment C

## City of Loveland-LIVE
### Financial Statement-Wastewater
For Period Ending 08/31/2019

| | | TOTAL BUDGET FYE 12/31/2019 | YTD ACTUAL | YTD BUDGET | OVER <UNDER> | VARIANCE |
|---|---|---|---|---|---|---|
| 1 | ****UNRESTRICTED FUNDS**** | | | | | |
| 2 | **REVENUES & SOURCES** | | | | | |
| 3 | Sanitary Sewer Charges | 13,584,364 | 8,872,877 | 8,964,207 | (91,330) | -1.0% |
| 4 | High Strength Surcharge | 427,327 | 219,967 | 275,132 | (55,165) | -20.1% |
| 5 | Interest on Investments | 38,862 | 136,920 | 25,912 | 111,008 | 428.4% |
| 6 | Other Revenue | 1,124,075 | 27,474 | 22,536 | 4,938 | 21.9% |
| 7 | Bond Proceeds | 4,476,304 | 3,924,824 | 4,476,304 | (551,480) | -12.3% |
| 8 | Federal Grants | 0 | 0 | 0 | 0 | 0.0% |
| 9 | State Grants | 0 | 0 | 0 | 0 | 0.0% |
| 10 | **TOTAL REVENUES & SOURCES** | **19,650,932** | **13,182,061** | **13,764,091** | **(582,030)** | **-4.2%** |
| 11 | **OPERATING EXPENSES** | | | | | 0.0% |
| 12 | Treatment | 4,197,196 | 2,726,060 | 2,688,070 | 37,990 | 1.4% |
| 13 | Collection System Maintenance | 3,570,346 | 1,987,473 | 2,469,045 | (481,572) | -19.5% |
| 14 | Administration | 1,512,390 | 336,886 | 1,315,957 | (979,071) | -74.4% |
| 15 | Customer Relations | 76,327 | 45,513 | 53,075 | (7,562) | -14.2% |
| 16 | PILT | 980,820 | 631,430 | 653,880 | (22,450) | -3.4% |
| 17 | 1% for Arts Transfer | 167,020 | 63,743 | 154,418 | (90,675) | -58.7% |
| 18 | Services Rendered-Other Departments | 928,606 | 619,072 | 619,072 | 0 | 0.0% |
| 19 | Debt Service | 2,063,177 | 683,951 | 708,784 | (24,833) | -3.5% |
| 20 | **TOTAL OPERATING EXPENSES** | **13,495,882** | **7,094,129** | **8,662,301** | **(1,568,172)** | **-18.1%** |
| 21 | NET OPERATING REVENUE/(LOSS)(excl depr) | 6,155,050 | 6,087,933 | 5,101,790 | 986,143 | 19.3% |
| 22 | CAPITAL EXPENDITURES | 14,777,131 | 6,481,546 | 13,366,571 | (6,885,025) | -51.5% |
| 23 | REVENUES LESS OPER EXP LESS CAPITAL | (8,622,081) | (393,613) | (8,264,781) | 7,871,168 | -95.2% |
| 24 | ENDING BUDGET FUND BALANCE (86% OF OPER EXP) | **6,082,085** | **11,539,055** | **3,744,551** | **7,794,504** | **208.2%** |
| 25 | WASTEWATER DEBT FUNDS ENDING CASH BALANCE | | 146,935 | | | |
| 26 | MINIMUM BALANCE (18% OF OPER EXP) | | 2,429,259 | | | |
| 27 | OVER/(UNDER) MINIMUM BALANCE | | **9,109,796** | | | |
| 28 | ****RESTRICTED FUNDS**** | | | | | |
| 29 | **REVENUES & SOURCES** | | | | | |
| 30 | SIF Collections | 2,774,324 | 947,764 | 1,182,888 | (235,124) | -19.9% |
| 31 | SIF Interest Income | 2,640 | 94,678 | 1,760 | 92,918 | 5279.5% |
| 32 | SIF Bond Proceeds | 1,837,089 | 2,405,537 | 1,837,089 | 568,448 | 30.9% |
| 33 | **TOTAL SIF REVENUES & SOURCES** | **4,614,053** | **3,447,979** | **3,021,737** | **426,242** | **14.1%** |
| 34 | SIF Capital Expenditures | 4,677,835 | 1,264,309 | 4,190,343 | (2,926,034) | -69.8% |
| 35 | 1% for Arts Transfer | 92,384 | 10,646 | 88,220 | (77,574) | -87.9% |
| 36 | Debt Service | 591,393 | 419,196 | 394,256 | 24,940 | 6.3% |
| 37 | **TOTAL SIF CAPITAL EXPENDITURES** | 5,361,612 | **1,694,151** | 4,672,819 | (2,978,668) | -63.7% |
| 38 | **SIF REVENUE LESS EXPENDITURES** | (747,559) | 1,753,828 | (1,651,082) | 3,404,910 | -206.2% |
| 39 | SIF ENDING BUDGET FUND BALANCE | **3,431,413** | **4,158,286** | **2,528,639** | **1,629,647** | **64.4%** |
| 40 | **TOTAL ENDING CASH BALANCE** | | **15,697,341** | | | |
| | **NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING** | | 9,226,621 | | | |
| | **Wastewater Treated at WWTP (in million gallons)** | N/A | 1,461 | N/A | | |
| | **Wastewater Billed To Customers (in million gallons)** | 1,778 | 1,137 | 1,168 | (30) | -2.6% |

# Attachment D

**City of Loveland**
**Financial Statement-Power**
For Period Ending 08/31/2019

| | | TOTAL BUDGET | | YTD ACTUAL | YTD BUDGET | OVER <UNDER> | VARIANCE |
|---|---|---|---|---|---|---|---|
| | ****UNRESTRICTED FUNDS**** | | | | | | |
| 1 | REVENUES & SOURCES: | | | | | | |
| 2 | Electric revenues | $68,256,630 | | $45,015,705 | $46,019,400 | ($1,003,695) | -2.2% |
| 3 | Wheeling charges | $265,000 | | $191,426 | $176,667 | $14,760 | 8.4% |
| 4 | Interest on investments | $397,580 | | $142,049 | $265,053 | ($123,004) | -46.4% |
| 5 | Aid-to-construction deposits | $1,610,000 | | $921,488 | $1,073,333 | ($151,846) | -14.1% |
| 6 | Customer deposit-services | $310,000 | | $237,875 | $206,667 | $31,209 | 15.1% |
| 7 | Late Payment Penalty Fees | $450,000 | | $297,444 | $300,000 | ($2,556) | -0.9% |
| 8 | Connect Fees | $170,000 | | $112,980 | $113,333 | ($354) | -0.3% |
| 9 | Services rendered to other depts. | $67,500 | | $0 | $45,000 | ($45,000) | -100.0% |
| 10 | Other revenues | $386,572 | | $389,571 | $257,715 | $131,856 | 51.2% |
| 11 | Federal Grants | $0 | | $0 | $0 | $0 | 0.0% |
| 12 | State Grants | $0 | | $0 | $0 | $0 | 0.0% |
| 13 | Year-end cash adjustments | $0 | | $0 | $0 | $0 | 0.0% |
| 14 | **TOTAL REVENUES & SOURCES** | **$71,913,282** | | **$47,308,538** | **$48,457,168** | **($1,148,630)** | **-2.4%** |
| 15 | OPERATING EXPENSES: | | | | | | |
| 16 | Hydro oper. & maint. | $5,128,795 | | $112,591 | $3,550,704 | ($3,438,113) | -96.8% |
| 17 | Solar oper.& maint. | $90,000 | | $1,200 | $62,308 | ($61,108) | -98.1% |
| 18 | Purchased power | $44,761,779 | | $30,552,539 | $30,855,294 | ($302,755) | -1.0% |
| 19 | Distribution oper. & maint. | $5,431,634 | | $3,058,909 | $3,760,362 | ($701,453) | -18.7% |
| 21 | Customer Relations | $1,652,984 | | $540,609 | $1,144,374 | ($603,764) | -52.8% |
| 22 | Administration | $3,581,360 | | $888,794 | $2,479,403 | ($1,590,609) | -64.2% |
| 23 | Payment in-lieu-of taxes | $4,777,960 | | $3,103,766 | $3,196,455 | ($92,689) | -2.9% |
| 24 | 1% for Arts Transfer | $105,703 | | $33,462 | $70,715 | ($37,253) | -52.7% |
| 25 | Services rendered-other depts. | $2,883,905 | | $1,922,600 | $1,922,603 | ($3) | 0.0% |
| 26 | **TOTAL OPERATING EXPENSES (excl depn)** | **$68,414,120** | | **$40,214,470** | **$47,042,219** | **($6,827,748)** | **-14.5%** |
| 27 | NET OPERATING REVENUE/(LOSS) (excl depn) | $3,499,162 | | $7,094,067 | $1,414,949 | $5,679,118 | |
| 28 | CAPITAL EXPENDITURES: | | | | | | |
| 29 | General Plant/Other Generation & Distribution | $10,852,835 | | $5,215,156 | $7,323,718 | ($2,108,562) | -28.8% |
| 30 | Aid-to-construction | $1,530,000 | | $1,058,115 | $1,188,462 | ($130,347) | -11.0% |
| 31 | Service installations | $310,000 | | $141,229 | $214,615 | ($73,386) | -34.2% |
| 32 | **TOTAL CAPITAL EXPENDITURES** | **$12,692,835** | | **$6,414,500** | **$8,726,795** | **($2,312,295)** | **-26.5%** |
| 33 | **REVENUES LESS OPER EXP LESS CAPITAL** | ($9,193,673) | | $679,567 | ($7,311,846) | $7,991,413 | |
| 34 | **ENDING BUDGET FUND BALANCE (16% of Oper Ex** | **$10,870,411** | | **$11,164,800** | **$9,225,354** | **$1,939,446** | **21.0%** |
| 35 | MINIMUM BAL. (18% of OPER EXP) | | | $12,314,542 | | | |
| 36 | OVER/(UNDER) MINIMUM BALANCE | | | ($1,149,742) | | | |
| 37 | ****RESTRICTED FUNDS**** | | | | | | |
| 38 | PIF Collections | $2,743,740 | | $1,840,262 | $1,829,160 | $11,102 | 0.6% |
| 39 | PIF Interest Income | $37,450 | | $115,576 | $24,967 | $90,609 | 362.9% |
| 40 | Water Loan Payback | $783,750 | | $792,458 | $783,750 | $8,708 | 1.1% |
| 41 | Federal Grants | $0 | | $0 | $0 | $0 | 0.0% |
| 42 | State Grants | $0 | | $0 | $0 | $0 | 0.0% |
| 43 | **TOTAL REVENUES** | **$3,564,940** | | **$2,748,295** | **$2,637,877** | **$110,419** | **4.2%** |
| 44 | PIF Feeders | $5,835,511 | | $75,864 | $4,039,969 | ($3,964,105) | -98.1% |
| 45 | PIF Substations & Solar | $2,464,418 | | $585,453 | $1,642,945 | ($1,057,492) | -64.4% |
| 46 | **TOTAL EXPENDITURES** | **$8,299,929** | | **$661,317** | **$5,682,914** | **($5,021,597)** | **-88.4%** |
| 47 | **PIF REVENUES LESS EXPENDITURES** | ($4,734,989) | | $2,086,978 | ($3,045,038) | $5,132,016 | |
| 48 | **ENDING PIF BUDGET FUND BALANCE** | **$2,978,132** | | **$9,898,431** | **$5,446,334** | **$4,452,096** | **81.7%** |
| 49 | **TOTAL ENDING CASH BALANCE** | | | **$21,063,231** | | | |

NOTE: YTD ACTUAL does NOT include encumbrances totalling $3,705,514

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 50 | Energy Purchased (in million kWh) from PRPA | 739 | | 490 | 500 | (10) | -1.9% |
| 51 | Energy Sold to Customers (in million kWh) | 716 | | 464 | 484 | (20) | -4.1% |

LOVELAND UTILITIES COMMISSION

**AGENDA ITEM:** 2
**MEETING DATE:** 9/19/2019
**SUBMITTED BY:** Yarani Vazquez
**STAFF TITLE:** Electrical Engineer

## ITEM TITLE:

Primary Underground Cable

## DESCRIPTION:

Award a one year contract to WESCO and Western United for primary underground cable needs.

## SUMMARY:

After completing the evaluation of all the bid responses for Primary Underground Cable, City Staff seeks to award a contract to WESCO in the amount of $715,500.00 and Western United in the amount of $278,200.00. The responsive, responsible bidder's were evaluated on criteria including price, adherence to technical specifications, expected delivery time, and effective warranty period. Based upon evaluation, WESCO and Western United are recommended for award due to being the lowest responsive, responsible bidders.

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

## RECOMMENDATION:

Adopt a motion recommending that LUC award the contract for Primary Underground Cable to WESCO in an amount not to exceed $715,500.00 and Western United in an amount to not exceed $278,200.00 and authorize the City Manager to execute the contract on behalf of the City, following consultation with the City Attorney, and to modify the contract in form or substance as deemed necessary to protect the interests of the City.

## ATTACHMENTS:

- Attachment A: Bid Evaluation

# Attachment A

## City of Loveland
## Purchasing Quote Bid Tabulation

AWARD IN YELLOW

| Primary Underground Cable Bid # 2019-82 | | | Vendor | Vendor | Vendor | Vendor |
|---|---|---|---|---|---|---|
| Loveland Water & Power<br>September 5, 2019 | | | **Western United** | **Border States** | **WESCO** | **WESCO** |
| Item Description | City stock # | Estimated Qty. | Price per Foot | Price per Foot | Price per Foot | Price per Foot |
| 1/0 AL 6-#14 CU Neutral | 93-101-00002 | 100,000 | $1.43 | $1.40 | $1.63 | $1.60 |
| 1/0 AL 16-#14 CU Neutral | 93-101-00006 | 10,000 | $2.04 | $2.00 | $2.10 | $2.06 |
| 1/0 AL 16#14 CU Neutral CIC 1.50" | 93-101-00012 | 40,000 | $2.87 | $2.81 | $3.30 | $3.25 |
| 750 kcmil 19-#14 Neutral | 93-101-00750 | 150,000 | $4.74 | $5.08 | $4.44 | $4.77 |
| | | Total Extended Price | $989,200.00 | $1,034,400.00 | $981,410.70 | $1,026,241.20 |

| | |
|---|---|
| **Western United** | $278,200.00 |
| **WESCO** | $715,500.00 |

LOVELAND UTILITIES COMMISSION

**AGENDA ITEM:** 3
**MEETING DATE:** 9/19/2019
**SUBMITTED BY:** Frank Lindauer
**STAFF TITLE:** Senior Electrical Engineer

## ITEM TITLE:

Distribution Transformer Contract

## DESCRIPTION:

Award of a contract, valid through December 20, 2020, to Western United Electric Supply (WUE) for Ermco distribution transformers, including single-phase pole-mount, single-phase pad mount, and three-phase pad mount units.

## SUMMARY:

On October 11, 2018, the City of Loveland received sealed bids for Distribution Transformers, Bid 2018-68. The City entered into a contract in December 2018 with Border States Electric (BSE) to supply distribution transformers manufactured by Howard Industries (HI).

Starting early in March 2019, the City has made continual and repeated efforts to allow BSE to remedy substandard performance, materials, and breach of contract. We have received approval from purchasing and legal to officially terminate the contract with BSE/HI and enter into a new contract with WUE/Ermco.

WUE/Ermco has previously been a successful supplier of the City's distribution transformers and we are confident they will be able to meet the contractual requirements.

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

## RECOMMENDATION:

Adopt a motion recommending that LUC award the contract for Distribution Transformers to Western United Electric Supply in an amount not to exceed $1,144,109.45 and authorize the City Manager to execute the contract on behalf of the City, following consultation with the City Attorney, and to modify the contract in form or substance as deemed necessary to protect the interests of the City.

## ATTACHMENTS:

- Attachment A: WUE/ERMCO Unit Pricing and Total Ownership Costs

# Attachment A

| Distribution Transformers 2018-68 | | | Pricing valid through December 31, 2019 | | | Distributor: WESTERN UNITED ELECTRIC SUPPLY<br>Manufacturer: ERMCO |
|---|---|---|---|---|---|---|

Total Ownership Cost (TOC) = Bid Price + (NL x M1) + (FL x M2)
NL = No-Load Losses at 20 °C (watts)
M1 = Loss Cost Mulitplier for No-Load Losses ($/watt) M1 = $ 5.80 /Watt
FL = Full-Load Losses at 85 °C (watts)
M2 = Loss Cost Multiplier for Full-Load Losses ($/watt) M2 = $ 1.68 /Watt

**Overhead Transformers**

| | KVA Size | Estimated Qty | Unit Price | Extended Price | NL $5.80 | FL $1.68 | TOC | Extended TOC Price | Current Lead Time in Wks | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| LV1-7200 | 1 | 30 | $635.56 | $19,066.80 | 9 | 26 | $731.44 | $21,943.20 | 6-8 | | |
| LV10-7200 | 10 | 20 | $860.00 | $17,200.00 | 33 | 114 | $1,242.92 | $24,858.40 | 10-12 | | |
| LV15-7200 | 15 | 20 | $913.33 | $18,266.60 | 44 | 171 | $1,455.81 | $29,116.20 | 10-12 | | |
| LV25-7200 | 25 | 25 | $1,067.78 | $26,694.50 | 63 | 280 | $1,903.58 | $47,589.50 | 10-12 | | |
| LV50-7200 | 50 | 10 | $1,400.00 | $14,000.00 | 114 | 451 | $2,818.88 | $28,188.80 | 10-12 | | |
| LV75-7200 | 75 | 4 | $2,161.11 | $8,644.44 | 139 | 604 | $3,982.03 | $15,928.12 | 10-12 | | |
| LV100-7200 | 100 | 2 | $2,734.44 | $5,468.88 | 162 | 772 | $4,971.00 | $9,942.00 | 10-12 | $109,341.22 | $177,566.22 |
| | | | | | | | | | | OH Bid Total | Overhead TOC Total |

**Single Phase Padmount**

| | KVA Size | Estimated Qty | Unit Price | Extended Price | NL $5.80 | FL $1.68 | TOC | Extended TOC Price | Current Lead Time in Wks | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| LV25-120 | 25 | 10 | $1,772.22 | $17,722.20 | 59 | 241 | $2,519.30 | $25,193.00 | 10-12 | | |
| LV50-120 | 50 | 35 | $2,027.78 | $70,972.30 | 106 | 474 | $3,438.90 | $120,361.50 | 10-12 | | |
| LV75-120 | 75 | 10 | $2,417.78 | $24,177.80 | 137 | 693 | $4,376.62 | $43,766.20 | 10-12 | | |
| LV100-120 | 100 | 6 | $3,005.61 | $18,033.66 | 186 | 752 | $5,347.77 | $32,086.62 | 10-12 | | |
| LV-167-120 | 167 | 2 | $4,017.78 | $8,035.56 | 246 | 1368 | $7,742.82 | $15,485.64 | 10-12 | $138,941.52 | $236,892.96 |
| | | | | | | | | | | Single Phase Bid Total | Single Phase TOC Total |

**Three Phase Padmount**

| | KVA Size | Estimated Qty | Bid Price | Extended Price | NL $5.80 | FL $1.68 | TOC | Extended TOC Price | Current Lead Time in Wks | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| LV45-208 | 45 | 1 | $6,434.44 | $6,434.44 | 81 | 722 | $8,117.20 | $8,117.20 | 10-12 | | |
| LV45-480 | 45 | 2 | $6,556.67 | $13,113.34 | 83 | 674 | $8,170.39 | $16,340.78 | 10-12 | | |
| LV75-208 | 75 | 4 | $6,715.56 | $26,862.24 | 126 | 1064 | $9,233.88 | $36,935.52 | 10-12 | | |
| LV75-480 | 75 | 5 | $6,875.56 | $34,377.80 | 108 | 1055 | $9,274.36 | $46,371.80 | 10-12 | | |
| LV112.5-208 | 112.5 | 3 | $6,831.11 | $20,493.33 | 258 | 1104 | $10,182.23 | $30,546.69 | 10-12 | | |
| LV112.5-480 | 112.5 | 5 | $6,838.89 | $34,194.45 | 236 | 1053 | $9,976.73 | $49,883.65 | 10-12 | | |
| LV150-208 | 150 | 5 | $7,857.78 | $39,288.90 | 322 | 1227 | $11,786.74 | $58,933.70 | 10-12 | | |
| LV150-480 | 150 | 1 | $7,827.78 | $7,827.78 | 307 | 1166 | $11,567.26 | $11,567.26 | 10-12 | | |
| LV225-208 | 225 | 4 | $8,540.00 | $34,160.00 | 442 | 1805 | $14,136.00 | $56,544.00 | 10-12 | | |
| LV225-480 | 225 | 2 | $8,390.00 | $16,780.00 | 418 | 1722 | $13,707.36 | $27,414.72 | 10-12 | | |
| LV300-208 | 300 | 3 | $9,917.78 | $29,753.34 | 551 | 2273 | $16,932.22 | $50,796.66 | 10-12 | | |
| LV300-480 | 300 | 4 | $9,851.11 | $39,404.44 | 469 | 2128 | $16,146.35 | $64,585.40 | 10-12 | | |
| LV500-208 | 500 | 3 | $13,121.11 | $39,363.33 | 702 | 3760 | $23,509.51 | $70,528.53 | 10-12 | | |
| LV500-480 | 500 | 2 | $12,190.00 | $24,380.00 | 764 | 2959 | $21,592.32 | $43,184.64 | 10-12 | | |
| LV750-208 | 750 | 2 | $17,800.00 | $35,600.00 | 865 | 6016 | $32,923.88 | $65,847.76 | 10-12 | | |
| LV750-480 | 750 | 4 | $15,571.11 | $62,284.44 | 960 | 5402 | $30,214.47 | $120,857.88 | 10-12 | | |
| LV1000-208 | 1000 | 4 | $21,944.44 | $87,777.76 | 1210 | 7368 | $41,340.68 | $165,362.72 | 10-12 | | |
| LV1000-480 | 1000 | 2 | $20,048.89 | $40,097.78 | 1163 | 5933 | $36,761.73 | $73,523.46 | 10-12 | | |
| LV1500-208 | 1500 | 4 | $37,367.78 | $149,471.12 | 1343 | 11352 | $64,228.54 | $256,914.16 | 10-12 | | |
| LV1500-480 | 1500 | 2 | $22,717.78 | $45,435.56 | 1595 | 9899 | $48,599.10 | $97,198.20 | 10-12 | | |
| LV2500-480 | 2500 | 3 | $36,242.22 | $108,726.66 | 2281 | 13177 | $71,609.38 | $214,828.14 | 10-12 | $895,826.71 | $1,566,282.87 |
| | | | | | | | | | | Three phase Bid Total | Three phase TOC Total |

| $1,144,109.45 | $1,980,742.05 |
|---|---|
| Bid Price Total | TOC Total |

It shall be noted that the City of Loveland evaluates transformer bids on Total Ownership Cost (TOC) that takes into account the initial purchase price as well as the total operating expense (losses) of the transformer over the projected 40-year life cycle in addition to other criteria such as lead time, warranty, and ergonomic and safety enhancements.

LOVELAND UTILITIES COMMISSION

**AGENDA ITEM:** 4
**MEETING DATE:** 9/19/2019
**SUBMITTED BY:** Christine Schraeder
**STAFF TITLE:** Electrical Engineer

## ITEM TITLE:

Otak, Inc Contract Amendment for Idylwilde Hydroelectric License Surrender

## DESCRIPTION:

The Idylwilde License Surrender is moving forward with the second phase of the project under way, and planning for phases 3 and 4 continuing. Our contract with our valued partner, Otak, has expired and needs to be renewed. Otak has proven invaluable navigating the murky waters of FERC, guiding us through permitting and agency approvals with USFS, USFW, SHPO, CPW, CDOT, and a multitude of other acronym-ed government entities. They have provided hydrologic assessment and design and have been key in gathering and creating documentation that is needed to progress through the various tasks required.

## SUMMARY:

Otak has proven invaluable navigating the murky waters of FERC, guiding us through permitting and agency approvals with USFS, USFW, SHPO, CPW, CDOT, and a multitude of other acronym-ed government entities. They have provided hydrologic assessment and design and have been key in gathering and creating documentation that is needed to progress through the various tasks required.

The original contract in 2017 was for $345,100. This contract amendment if for the amount of $428,745.40 for a total of $773,845.40 and is intended to be enough to fulfill the full surrender of the Idylwilde Hydropower license with FERC by December 31, 2021. Due to a report recently filed by the USFS, there is a need to re-design the Phase 3 channel work for the area above where the old dam and reservoir resided. The hope is that this re-design will be minimal, but the amount of this contract amendment is intended to account for more complexity of design if necessary.

Staff recommends amending this contract for the total amount of $773,845.40, and extending the final date to Dec. 31, 2021.

## RECOMMENDATION:

Adopt a motion recommending that LUC award the contract amendment for Otak to continue to partner with the City for Idylwilde License Surrender to its completion at the end of 2021 for an amount not to exceed $$773,845.40 and authorize the City Manager to execute the contract on behalf of the City, following consultation with the City Attorney, and to modify the contract in form or substance as deemed necessary to protect the interests of the City.

## ATTACHMENTS:

- Attachment A: Contract Amendment

# Attachment A

**FIRST AMENDMENT**
**Services Contract**

This Amendment is entered into by and between the **City of Loveland, Colorado** ("City") and **Otak, Inc.** ("Contractor").

Whereas, the parties entered into a contract for **Idylwilde Hydroelectric Decommissioning** dated **December 1, 2017**("Contract"); and

Whereas, the contract expired on **December 31, 2018**; and

Whereas, the parties desire to amend the Contract as set forth herein.

Now, therefore, in consideration of the mutual covenants and agreements contained herein, the parties agree as follows:

1. The Contract term shall be extended for a three-year term effective ***nunc pro tunc,*** **January 1, 2019 to December 31, 2021,** subject to Appropriations as described in the City of Loveland Municipal Charter Section 11-6 and Article X and Section 20 of the Colorado Constitution.

2. The Contract price shall be a total amount not to exceed **$428,745.40**

3. Exhibit A shall remain the same unless an amended Exhibit A is attached to this Contract Amendment. Any Exhibit A attached to this Amendment shall be read to amend Exhibit A only as to specific terms set forth in the attachment, unless the amended Exhibit A sets forth clearly that it replaces Exhibit A in its entirety.

4. Data Security. Pursuant to C.R.S. §24-73-101, et seq., Contractor will destroy all paper and electronic documents containing personal identifying information within six months of termination of this agreement, unless otherwise required under the law. If other laws are applicable, such information will be securely destroyed to protect personal identifying information. Contractor shall implement and maintain reasonable security procedures that are appropriate to the nature of the personal identifying information disclosed or maintained and that is reasonably designed to help protect the information from unauthorized access, use, modification, disclosure, or destruction. If Contractor discovers or is informed of a security breach, Contractor will give the City notice in the most expedient time and without unreasonable delay, no later than ten calendar days after it is determined a security breach occurred. Contractor shall cooperate with the City in the event of a security breach that compromises computerized data, if misuse of personal information about a Colorado resident occurred or is likely to occur. Cooperation includes sharing with the City information relevant to the security breach.

5. Colorado Open Record Act. Be advised that the City of Loveland is subject to section 24-72-201 *et seq.* of the Colorado Revised Statutes. If you object to the disclosure of any information in your statement of work or Exhibit A, you must provide a detailed written statement containing: a) The exact pages, paragraphs, or charts you believe should be withheld; b) the specific legal basis for that position. Please note that your objection will be considered, but is not

binding on the City. The City is required to make a determination under the Colorado Open Records Act, and may only withhold documents that are confidential under the law.

6. All other terms and conditions of the Contract shall remain in full force and effect according to the provisions thereof.

7. This Amendment may be executed by electronic signature in accordance with C.R.S. § 24-71.3-101 *et seq.*

**City of Loveland, Colorado**

By: _____

Title: _____

Date: _____

ATTEST:

_____ Date: _____
City Clerk

APPROVED AS TO FORM:

_____
Assistant City Attorney

**Contractor**

By: Peter J. Loris

Title: SENIOR VICE PRESIDENT

Date: 8/29/2019

STATE OF Colorado )
) ss.
COUNTY OF Boulder )

The foregoing instrument was signed by Peter J. Loris on behalf of the contractor and acknowledged before me this 29 day of August, 2019.

Sandra L. Stewart
Notary's official signature

SEAL SANDRA L STEWART
Notary Public - State of Colorado
Notary ID 20054010978
My Commission Expires Mar 18, 2021

03/18/2021
Commission expiration date

# Amended Exhibit A

3/29/2019

Ms. Christine Schraeder
City of Loveland, Department of Water and Power
200 North Wilson Avenue
Loveland, Colorado 80537

*Electronic submittal via email to Christine.Schraeder@cityofloveland.org*

***Re: Revised Scope of Services for Support on the Idylwilde FERC License Surrender Project***
***Otak Project No. 32532.A00***

Dear Ms. Schraeder:

Otak, Inc. (Otak) team members have enjoyed working together with the City of Loveland Department of Water and Power (City) to support the City's FERC license surrender efforts for the former Idylwilde Hydroelectric Project. This unique project offers the opportunity to engage a complex network of stakeholders and solve a range of technical issues. We appreciate the City's continued trust in Otak to move the City's FERC license surrender forward.

At the City's request, Otak has prepared a revised Scope of Services (Scope) to continue to support the City in this endeavor. As time has passed, the scope of the project has evolved, and Otak's current contract with the City (dated December 22, 2015) is obsolete. The enclosed Scope represents our best understanding of the City's current requirements to complete all remaining project phases and achieve license surrender.

As noted in the Scope, there are several tasks that remain undefined at this time, most notably the effort that may be required to complete the floodplain and channel restoration at the former Idylwilde Reservoir site, or "Phase 3A." At the City's direction, we have omitted scope to address potential changes to the existing US34 revetment until the final disposition of the Phase 3A area can be resolved. We have included hours to continue supporting the City's stakeholder engagement process. Our collaborative efforts engaging stakeholders will assist the City in reaching a resolution on the Phase 3A matter, and on other stakeholder issues that may be raised over the course of the contract. We look forward to supporting the City on this complex issue. The Idylwilde reach of the Big Thompson River has the potential to be one of the most celebrated reaches in the US34 Canyon for riparian health and recreational access, and we are grateful to be a part of its restoration.

We have included a detailed breakdown of the proposed fee estimate, including proposed hours of each staff per task. We believe that this transparency will allow the City to evaluate whether the effort we have assumed in this fee estimate is appropriate for the City's needs. We are aware of the City's expenditures over the course of this project and want to best match our services to your needs. We welcome working together on any suggested revisions to the scope or proposed fees.

We greatly appreciate our long history of working with the City on this project. If you should require any further information at this time or have any questions regarding this scope of work, please do not hesitate to contact us.

Sincerely,
Otak, Incorporated

Brian Murphy, P.E., PMP, D.WRE
Director of Colorado Water Resources

On behalf of

Rae Brownsberger, P.E.
Water Resource Designer

Attachment: Exhibit A Scope of Services

# EXHIBIT A

# SCOPE OF SERVICES

## City of Loveland, Colorado
## Idylwilde Hydroelectric Project FERC License Surrender
## OTAK Project No. 32532.A00
## March 29, 2019

This scope of services describes the specific tasks that Otak will complete under the Services Contract for the following project: Support for Idylwilde Hydroelectric Project FERC License Surrender between the City of Loveland, Colorado ("City") and Otak, Inc. (Otak, "Consultant").

## INTRODUCTION

This Scope of Services renews Otak services to provide engineering and consulting services for the Idylwilde Hydroelectric Project FERC License Surrender. Otak is currently contracted with the City to provide engineering services for the first phase of decommissioning under a contract dated December 22, 2015, with scope amendments dated September 7, 2017 and December 5, 2017. Since the original scope of services and contract was written in 2015, the City and Otak have learned more about the FERC license surrender process and the scope of coordination and deliverables that are required for successful license surrender. This scope addresses engineering and consulting services for the anticipated remainder of the license surrender process. The City and Otak have agreed to terminate the current contract and renew Otak's scope in a new contract. Work completed through March 29, 2019 will be billed to the old contract, and work after that date will be billed to the new contract.

Throughout this scope, four "phases" of work are referenced in relation to the three planned FERC License Surrender Amendment submittals. These four phases were established after the stakeholder meeting conducted on February 22, 2016 (and later amended after a call with FERC on February 15, 2018) and are defined as follows:

- Phase 1: Powerhouse Removal (including the tailrace and the segment of penstock under Highway 34).
- Phase 2: Penstock/Pipeline Removal (including all remaining above-ground appurtenances of the former Idylwilde Hydroelectric Project remaining after Phase 1, except for features on private property)

- Phase 3: Idylwilde Recreation Area Restoration (including river restoration and parking lot reconstruction)
- Phase 4: Pipeline Decommissioning on Private Property

Phase 1 is complete and no further work is required.

Phase 2 and Phase 3 are in progress. Phase 4 design will begin when the City reaches an agreement with the private landowners in the Idlewild subdivision on their access or FERC approves a pending license surrender amendment request to abandon the pipe via flow fill.

This proposed scope of services will cover the expected effort to further the FERC License Surrender process, including stakeholder coordination, development of conceptual demolition and restoration plans, construction plan preparation and bid support, and construction support through project close-out. Future change-orders may be required to address tasks that are currently undefined.

This scope of services is organized into five general tasks.

Services under this contract are expected to last through the end of 2019, with the possibility of extensions to best serve the City's needs. As discussed in the individual tasks below, change-orders are expected to be required based on the results of ongoing stakeholder coordination.

## Task 0: Project Management and FERC License Surrender

Task 0 is general project management and activities required for a successful FERC License Surrender. The Scope of Work for Task 0 shall include the following tasks:

1. Preparation of Surrender Amendment documentation for **Phase 2, Phase 3, and Phase 4** decommissioning activities for FERC license surrender. This includes aggregating documentation of stakeholder concurrence and relevant regulatory compliance into a single Surrender Amendment package for each Phase and drafting a letter requesting an amendment to the license surrender. The Surrender Amendment documentation for Phase 2 and Phase 4 was largely completed under previous contracts, but some follow-up support may be required.
2. Stakeholder coordination to support Surrender Amendment preparation. Stakeholders include U.S. Forest Service, Colorado Parks and Wildlife, Colorado Department of Transportation, U.S. Fish and Wildlife Service, and the State Historic Preservation Office. Stakeholder coordination efforts are expected to largely focus on Phase 3. As the project has progressed, the City and Otak have discovered that stakeholder coordination for this project requires additional support, and the fee estimate is a best guess of the effort required to continue to support the City at this level.
3. Coordination with the City's cultural resources and environmental specialist(s) and/or chosen consultants for environmental and cultural resources compliance relating to the execution of **Phase 2, Phase 3, and Phase 4** decommissioning.

4. Attendance and travel to periodic meetings with the City at the Water and Power building.
5. Support for continued coordination with the US 34 Highway project.

**Assumptions:**

1. The City will support Otak's efforts by providing supplemental documentation to include in the Surrender Amendment submittal as necessary.
2. The City will manage communications with FERC, SHPO, private landowners, and local organizations.
3. The scope and level of detail of the Phase 2 and Phase 3 Surrender Amendment submittals is expected to be substantially more effort than the Phase 1 submittal (submitted August 2016) due to the higher complexity of the stakeholder framework and compliance requirements.
4. Otak will submit a draft Surrender Amendment document for each Phase to the City for review and comment before the final submittal. After internal comments from the City are resolved, Otak will submit to stakeholders for review. Stakeholders are expected to be limited to USFS, Colorado Parks and Wildlife, USFWS, CDOT, SHPO, and private land owners within the footprint of the former Idylwilde Hydroelectric Project. Otak will track and coordinate stakeholder comments and incorporate comments into the final Surrender Amendment packages.
5. The Phase 2 Decommissioning Plan that Otak prepared under the previous contract with the City will form the basis of the Phase 2 Surrender Amendment submittal. Updates to the Phase 2 Decommissioning Plan will be conducted under this contract in support of the Phase 2 Surrender Amendment submittal.
6. Any comments from the City and stakeholders will be minor and will not require significant reworking of the document or project approach.
7. The FERC Surrender Amendment review process will be similar to Phase 1.

**Deliverables:**

1. Otak will deliver a Surrender Amendment package for each Phase 2, Phase 3, and Phase 4. This will include draft versions and final versions to the City and stakeholders. All deliveries will be in electronic (PDF) format.

## Task 1: Permitting and Regulatory Compliance

Task 1 is permitting and regulatory compliance relating to Phase 2, Phase 3, and Phase 4 construction. The Scope of Work for Task 1 includes support for the following permits:

1. Larimer County Floodplain Development Permit: A floodplain development permit (FDP) is required for Phase 3 channel work. Otak will provide the FDP 1D hydraulic model and required FDP report and documentation. Due to the timing of the project,

this FDP submittal will come after a significant remapping effort has already been completed. If a LOMR is needed, this work will be done separately; therefore, scope is not included for a LOMR. At this time, Otak expects that the Phase 3 channel work can be incorporated into the CDOT Physical Map Revision effort with minimal coordination effort from Otak.

2. Colorado Department of Public Health (CDPHE) Stormwater/Dewatering permits: Otak will provide permitting support to prepare and submit CDPHE Stormwater and Dewatering permits in advance of contractor selection in order to expedite the construction permitting process for the selected contractor, if required for Ph2, Ph3, and Ph4.
3. Regional FERC Office (San Francisco) Construction Documentation Submittal Requirements, including:
    a. Quality Control and Inspection Plan (QCIP; including an Environmental Compliance Plan)
    b. Temporary Construction Emergency Action Plan (TCEAP)
    c. Public Safety Plan

**Assumptions:**

1. Phase 2 will may require CDPHE Stormwater and/or Dewatering permit support in advance of construction.
2. The City will sign the CDPHE permits over to the selected contractor after contracting is complete.
3. The City will prepare and submit the Larimer County demolition permit, if applicable
4. Support for potential water rights issues will be handled by others.
5. The City will provide the TCEAP to include in the FERC submittal.
6. USACE 404 permitting will be handled by others (E&E through City contract).

**Deliverables:**

1. QCIP that meets FERC's standards for the size of the project. The QCIP will include the Environmental Compliance Plan.
2. Public Safety Plan
3. A final submittal including Final Plans and Specifications (from Task 1.2), QCIP, TCEAP, and Public Safety Plan.
4. A QCIP checklist to support the City's Inspectors and QCIP implementation.

5. Otak will provide substantially complete CDPHE Stormwater and Dewatering permit applications to the City for submittal to CDPHE in advance of construction, if required to expediate construction.

## Task 2: Phase 2 Design and Construction Support

Task 2 includes bid document preparation, bid assistance, and construction support for **Phase 2** activities only. Otak will support the City with technical tasks and reviews throughout the construction process. Work that was already completed on Phase 2 through March 29, 2019 is not included in this scope.

Task 2 includes the following subtasks:

1. Construction Documents: This task includes the preparation of demolition plans, specifications and an engineer's estimate for the proposed Phase 2 work. The bid specifications will follow the City of Loveland bid document format with the technical provisions using the CDOT Standard Specification Provisions.

   Bid documents will be developed to 90%, and the City will provide a review of the plans. After the City's review, the plans will be finalized and made ready for bid.

2. Bid Support: This task includes assistance to the City during the bidding process such as review and response to bidder questions, preparation of addenda if any, and review and acceptance of the contractor bids. This task includes attendance at a pre-bid meeting.

3. Construction Oversight: This scope of work assumes that Otak will provide construction oversight for the project. Otak will manage technical tasks and reviews, conduct inspections, and provide on-site construction oversight.

**Assumptions:**

1. The City will assist in securing access to the Round Mountain Parking lot for materials and equipment staging during construction.
2. Otak will attend a pre-bid meeting arranged by the City. The pre-bid meeting may last more than a half day due to the scale of the site.
3. Public access to the site will be restricted during construction.
4. Environmental hazards on site have been documented.
5. Two days of construction oversight per week will be considered "full-time" oversight, plus one office day, for the estimated duration of the project (3 months).

**Deliverables**

1. Bid documents, including 90% level of detail Plans, Specifications, and Opinion of Probable Cost in a pdf format.

2. Notes and clarifications from bidders
3. Addendum documents
4. Construction notes and photos to support as-built documentation.
5. Final punchlist created at the final walkthrough
6. As-Builts and QCIP certification form

## Task 3 Former Reservoir Area (Ph3) Design and Construction Support

### *Task 3A Channel and Floodplain Restoration*

Under a previous contract with the City, Otak provided initial concept plans in 2016 and updated 30% design plans in 2018. Representatives from the USFS reviewed and approved the 2016 concept plans with Otak during a site visit in June 2016. Otak presented 30% design plans to USFS, CPW, CDOT, and USFWS at a May 22nd, 2018 stakeholder meeting. A USFS representative commented that the channel should be realigned. Channel realignment can represent a fairly significant design change that was not discussed during review of the 2016 concept plans. Otak provided USFS with a draft Basis of Design report on June 13th, 2018 to provide technical information that supports the current proposed alignment. During a field meeting on July 16, 2018, Otak understood that Forest Service would accept a design without a channel realignment if a complex floodplain with depressions and buried rock structures were added to the plan. Otak provided a revised planset to Forest Service for review on September 14, 2018. Forest Service responded with comments on December 21, 2018 requesting an overflow channel and potentially significant changes to the Highway 34 embankment slope. During a meeting with FERC, USFS, CDOT, and the City on February 21, 2018, FERC indicated that the City must comply with the USFS request. CDOT offered to complete the 2D hydraulic modeling that would be required to assess the changes to the revetment, and the results of that modeling indicate that up to a 100-yr mitigation effort would be required. The City is currently in the process of negotiating with USFS to see if a different outcome is possible. At this time, this scope includes hours to finalize the plans without regrading or revetment design. Once the City provides Otak with design direction, this scope will be updated to reflect the desired design changes.

Task 3A includes the following subtasks:

1. Final Design: Otak will refine the existing 30% design and deliver a 90% design planset and Basis of Design report. Remaining design tasks include grading refinement based on FS comments, hydraulic model updates to reflect grading changes, and rock sizing for in-channel features, design and drafting for a “nuisance riprap” protection feature for the US34 embankment. Final wood design will be completed as part of construction oversight.
    a. This task will also include the cost to procure large wood pieces that are expected to be used in the final design. The large wood pieces are procured from the US34 project and the cost will only include transportation costs. This will reduce the cost to the City during the construction phase of work.
2. Construction Documents: This task includes the preparation of plans, specifications and an engineer’s estimate for the proposed Phase 3A work. The bid specifications will follow the City of Loveland bid document format with the technical provisions using the CDOT Standard Specification Provisions.
3. Bid Support: This task includes assistance to the City during the bidding process such as review and response to bidder questions, preparation of addenda if any, and review

and acceptance of the contractor bids. This task includes attendance at a pre-bid meeting.

4. Construction Oversight: This scope of work assumes that Otak will provide full-time construction oversight for the project to ensure that riverine features are installed to the satisfaction of stakeholders. Otak will manage technical tasks and reviews, conduct inspections, and provide on-site construction oversight. It is expected that construction duration will be approximately 8 weeks and require 5 days of inspection per week. It is possible that construction oversight needs will change based on the final design elements as dictated by the City based on input from USFS.

**Assumptions:**

1. Revetment design or major channel realignment or overflow channel grading is not assumed in this scope. If design adjustments are needed to include these design elements, the scope will be updated.
2. USFS will accept the revisions without further comments that would require significant redesign.
3. Full time construction oversight for one staff plus office support will be required to meet Forest Service expectations for construction oversight.

**Deliverables:**

1. 80% design planset
2. Up to 50 large wood pieces delivered and staged at the Phase 3 site
3. Basis of Design report
4. Bid documents, including Plans, Specifications, and Opinion of Probable Cost in a pdf format.
5. Construction notes and photos to support as-built documentation.
6. Final punchlist created at the final walkthrough
7. As-Builts and QCIP certification form

### *Task 3B Parking Lot*

Under a previous contract with the City, Otak provided a Draft 30% level plan, profile, and cross-section views of the conceptual design of the proposed the Idylwilde Recreation Area, which includes a parking lot. The Draft 30% set was based on a concept drawing from Forest Service dated September 29, 2015 and subsequent comments received during a stakeholder meeting on May 22, 2018. Otak submitted the Draft 30% set to Forest Service and CPW on October 11, 2018. CPW responded on October 31, 2018 that it had no objections to the plans presented. Forest Service responded on November 1, 2018 with minimal comments.

CDOT is currently using the parking lot area as a staging area for the Highway 34 Permanent Repairs Project. The staging area is expected to be reclaimed by March 2019.

Task 3B includes the final design and preparation of construction documents (CDs), including drawings, notes, and specifications to depict and describe the existing and proposed parking lot within the Idylwilde Recreation Area.

Task 3B includes the following subtasks:

1. Final Design: Otak will refine the existing 80% design and deliver a final design planset. Remaining design tasks include specifications for surface materials and compaction, erosion control, staging, traffic control specifications. The 80% draft will be provided for final USFS and CDOT review in advance of the complete final bid package.
2. Construction Documents: This task includes the preparation of plans, specifications and an engineer's estimate for the proposed Phase 3B work. The bid specifications will follow the CDOT Standard Specification format including select specifications from Forest Service Outdoor Recreation Accessibility Guidelines.

   After stakeholder approval (USFS and CDOT), bid documents will be developed to 90%, and the City will provide a review of the plans. After the City's review, the plans will be finalized and made ready for bid.
3. Bid Support: This task includes assistance to the City during the bidding process such as review and response to bidder questions, preparation of addenda if any, and review and acceptance of the contractor bids. This task includes attendance at a pre-bid meeting.
4. Construction Oversight: This scope of work assumes that Otak will provide construction oversight for the project. Otak will manage technical tasks and reviews, conduct inspections, and provide on-site construction oversight. It is expected that construction duration will be approximately 2 weeks and require 4 days of inspection per week. It is expected that a full-time geotechnical engineer will be required to conduct inspections on-site during compaction activities, though the materials testing requirements are not known at this time. A general estimate for the cost of geotechnical oversight and materials testing subconsultant is included in the proposed fee estimate, with the understanding that the materials testing effort may be higher or lower as determined by the final design process, and a change order may be required to adjust the fee accordingly.

**Assumptions:**

1. No further stakeholder comments are expected that would significantly change the proposed design from what was presented on October 4, 2018. Forest Service is expected to comment further on the extent of the trail, but this will not result in a major trail redesign.

2. Four days of construction oversight per week will be considered “full-time” oversight, plus one office day, for the estimated duration of the project 2 weeks).
3. The Phase 3B set will be bid and construction concurrently with Phase 3A, allowing for some efficiencies with bid and construction support.
4. Otak will conduct review of required contractor submittals and shop drawings
5. Otak will answer telephone calls and RFI’s from the demolition contractor
6. Review and approve monthly contractor pay requests

**Deliverables:**

1. Final design planset
2. Bid documents, including Plans, Specifications, and Opinion of Probable Cost in a pdf format.
3. Construction notes and photos to support as-built documentation.
4. Final punchlist created at the final walkthrough
5. As-Builts and QCIP certification form

## Task 4 Private Property Decommissioning Concept Design

Task 4 includes concept design for **Phase 4** activities only.

Phase 4 work is expected to include filling the approximately 1600 ft segment of pipe under private property and design of minor erosion control measures and trail improvements for the approximately 600 ft uphill portion of the pipeline. However, it is possible that the City will be required to remove the pipeline. Due to this uncertainty, the following scope allows for Otak to provide concept-level plans to the City to either fill the pipe or remove the pipe, whichever option the City decides to pursue. This will allow the City and Otak to better understand the scope of the Phase 4 work before developing a scope for final design and construction oversight.

Task 4 includes the following subtasks:

1. Concept Design: This task includes developing a concept design to either access and fill the pipe on private property and remove pipe appurtenances (i.e. taps), or to remove the pipe entirely. A rough opinion of probable cost will be developed to support the City's planning efforts. It is expected that this concept design will be sufficient for use in the City's efforts to gain private landowner and FERC support of the plan for the purposes of supporting a successful license surrender effort.

**Assumptions:**

1. Water rights issues and construction access agreements will be addressed by others
2. The City will remain the primary contact for landowner communications
3. Environmental hazards on site have been documented.
4. General guidance for the filling or removing of the pipeline segment will be included in the concept plan set, but methods will be mostly left to the Contractor to determine.

**Deliverables**

1. Concept Design (15%) plans
2. Initial opinion of probable cost

## Task 5 Monitoring Plan

Task 5 covers both stream restoration (Ph3) and pipeline/trestle removal (Ph2). Task 5 includes the preparation of a monitoring plan, in order to address comments provided by USFS on June 25, 2015. Otak will develop the monitoring plan to include measurable monitoring objectives and timelines, as requested by USFS.

**Stream Monitoring Plan (Phase 3)**

The **stream** monitoring plan will identify project goals identified by USFS, which include:

- construction of stable channel and aquatic habitat features such as riffles, pools, and channel roughness elements,
- building floodplain benches that support native riparian vegetation and include large woody debris, and
- vegetating upland areas with native species.

The plan will specify proposed methods for evaluation of the project's progress, as well as quantifiable success criteria that will determine whether or not the project has met its goals.

The monitoring plan will establish a time period of three years for the monitoring and determination of project goals being met. This three-year time frame is used by the US Army Corps of Engineers (Corps) as the required monitoring window for similar projects requiring Corps permits (e.g., stream restoration, fisheries enhancements and bank stabilization), and typically allows for a reasonable period of project establishment to assess whether or not goals have been met and whether the enhanced system appears self-sustaining.

The monitoring plan will specifically identify boundaries for monitoring, and clearly delineate project elements that are to be included (e.g., instream channel features and floodplain benches) versus others that are not (e.g., roadway embankment protection and recreation features).

Due to the dynamic nature of riverine systems and, more notably, that the Project Area and Big Thompson watershed are in the process of rebalancing their flows and sediment loads as they recover from the 2013 flooding, success criteria for instream features will focus upon the maintenance of function rather than specific form. For example, USFS goals for channel form and geometry are specifically focused on channel unit sequences "that have the channel complexity and flow hydraulics for maintaining sufficient pool depths for aquatic habitat and energy dissipation for channel stability". In this example, sufficient pool depths and the continued presence of energy dissipation will define success rather than specific elevations or locations of these features.

The underlying intent of the monitoring approach will be to focus on successful improvement of natural stream functions, which is necessary for meaningful documentation of results, particularly in this significantly adjusting watershed. A more traditional approach that focuses on installed treatments, in this situation, carries a high risk of generating misleading results

and causing a longer than needed monitoring period. Function-based monitoring data will better serve the City, the USFS, and the natural system itself.

Otak will ensure the monitoring plan meets USFS goals by providing a draft plan to the City for review prior to initial submittal to USFS, then hosting a conference call with the City, USFS and CPW to discuss any comments and/or requested changes to the plan. Based upon City, USFS and CPW input during the conference call, Otak will finalize the monitoring plan.

**Pipeline/Trestle Removal (Phase 2) Monitoring Plan**

The monitoring plan for structure removal will include compliance with the plan to return the site to native conditions (e.g., regraded slope stability and vegetative establishment). The monitoring plan for structure removal will assume the same inspection frequency and duration as the river work monitoring, which is to be determined.

This scope of work does not include the completion of monitoring evaluations or associated reporting. Otak will prepare a separate scope of work for conducting the monitoring and completing any required reporting, if desired by the City.

**Assumptions:**

1. USFS will accept monitoring criteria similar to USACE requirements for Section 404 monitoring for this type of project.
2. Consensus on the final monitoring plan can be reached with one conference call and follow-up revisions.

**Deliverables:**

1. Otak will deliver the draft and final monitoring plans electronically to the City, USFS and CPW.

## COST ESTIMATE

The scope of work as described herein in Exhibit A will be performed on a time and materials, not-to-exceed basis, for an estimated total of $428,795. Breakout by individual task is provided below and is based on best known information at this time. Actual expenditures may vary among individual tasks as needed to accommodate unforeseen issues and the dynamic nature of work on natural systems.

A full rate schedule for all Otak personnel is attached.

Any additional tasks identified during the completion of this amended scope of work that are not outlined herein will be brought to your attention to request advance authorization prior to performing any out-of-scope services.

| Task Name | Task Total |
|---|---|
| Task 0 Project Management and Stakeholder Coordination | $76,446 |
| Task 1 Permitting (Ph2, Ph3, Ph4) | $55,595 |
| Task 2 Pipeline (Ph2) Design and Construction Support | $93,170 |
| Task 3 Reservoir Area (Floodplain; Ph3A) Design and Construction | $108,423 |
| Task 3 Reservoir Area (Parking Lot; Ph3B) Design and Construction | $44,420 |
| Task 4 Private Property (Ph4) Design and Construction Support | $17,840 |
| Task 5 Monitoring Plan (Ph1 through Ph4) | $14,092 |
| Expenses | $18,809 |
| **Total:** | $428,795 |

Idylwilde Hydroelectric Project FERC License Surrender Fee Estimate

| OTAK | | | Hours Per Task | | | | | | | | | | | | | | | | | | Summary | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Task 0 | Task 1.1 | Task 1.2 | Task 1.3 | Task 2.1 | Task 2.2 | Task 2.3 | Task 3A.1 | Task 3A.2 | Task 3A.3 | Task 3A.4 | Task 3B.1 | Task 3B.2 | Task 3B.3 | Task 3B.4 | Task 4.1 | Task 5 | | |
| OTAK Employee Name | OTAK Employee Role | Billing Rate | PM and FERC License Surrender | CDPHE Permits | FDP Permit | FERC Regional Submittals | Ph2 Bid Documents | Ph2 Bid Support | Ph2 Construction Oversight | Ph3A Design | Ph3A Bid Documents | Ph3A Bid Support | Ph3A Construction Oversight | Ph3B Design | Ph3B Bid Documents | Ph3B Bid Support | Ph3B Construction Oversight | Ph4 Concept Design | Monitoring Plan | Total Hours | Total Cost |
| Murphy, Brian | PIC/Sr. PM Civil | $ 205 | 24 | - | - | - | - | - | - | 4 | 4 | 4 | 8 | - | - | - | - | - | - | 44 | $ 9,020 |
| Sarkkinen, Doug | PIC/Sr. PM Civil | $ 205 | - | - | - | - | 2 | 4 | 24 | - | - | - | - | - | - | - | - | - | - | 30 | $ 6,150 |
| Belonger, Scott | PIC/Sr. PM Civil | $ 205 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 12 | - | 12 | $ 2,460 |
| Wolff, Gary | Civil Engineer X | $ 195 | - | 9 | 24 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 33 | $ 6,435 |
| Dooley, Kevin | Civil Engineer VIII | $ 165 | - | 40 | - | 40 | - | - | 24 | - | - | - | - | 2 | 4 | 8 | 30 | 24 | - | 172 | $ 28,380 |
| Dumin, Iwona | Civil Engineer VII | $ 155 | - | - | - | - | - | - | - | - | - | - | - | 8 | 16 | 8 | 24 | - | - | 56 | $ 8,680 |
| Nordstrom, Susan | Landscape Architect VI | $ 150 | - | - | - | - | - | 40 | 80 | 20 | 12 | 8 | 50 | - | - | - | - | 20 | 16 | 246 | $ 36,900 |
| Emmanuel, Tracy | Scientist VI | $ 155 | 16 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 16 | $ 2,480 |
| Hurst, Blair | Civil Engineer VI | $ 145 | 264.2 | 40 | 16 | 24 | - | 40 | 300 | 8 | 8 | 40 | 80 | 4 | 4 | 4 | 8 | 20 | 24 | 884.17 | $ 128,205 |
| Williams, Rachel | Civil Engineer V | $ 135 | 40 | - | - | - | - | - | - | 16 | 16 | 24 | 150 | - | - | - | - | - | - | 246 | $ 33,210 |
| Wilson, Sean | Civil Engineer V | $ 135 | - | - | - | - | - | - | - | - | - | - | - | 8 | 4 | - | 100 | - | - | 112 | $ 15,120 |
| Brown, Nick | Civil Engineer III | $ 115 | - | - | - | - | 4 | 16 | 40 | - | - | - | - | - | - | - | - | 40 | - | 100 | $ 11,500 |
| Brownsberger Miller, Rae | Engineering Designer V | $ 115 | 199.5 | 12 | 16 | 80 | 8 | 16 | - | 8 | 8 | - | - | 4 | - | - | - | 8 | 12 | 371.53 | $ 42,726 |
| Smull, Erika | Engineering Designer IV | $ 105 | - | 40 | 40 | 24 | - | - | - | 20 | 36 | 16 | 150 | - | - | - | - | - | - | 326 | $ 34,230 |
| Nichols, Allison | Engineering Designer III | $ 95 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0 | $ - |
| Woods, Maddie | Project Admin. Asst | $ 85 | 8 | - | - | 12 | - | - | - | - | - | - | - | - | - | - | - | - | - | 20 | $ 1,700 |
| | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0 | $ - |
| | OTAK SUBTOTALS: | | $ 74,730.60 | $ 19,735.00 | $ 13,040.00 | $ 22,820.00 | $ 1,790.00 | $ 16,300.00 | $ 68,980.00 | $ 10,160.00 | $ 10,640.00 | $ 12,740.00 | $ 56,740.00 | $ 3,690.00 | $ 4,260.00 | $ 3,140.00 | $ 23,330.00 | $ 17,840.00 | $ 7,260.00 | | $ 367,195.60 |

| SUBCONTRACTORS | | | Cost Per Task | | | | | | | | | | | | | | | | | | Summary | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Task 0 | Task 1.1 | Task 1.2 | Task 1.3 | Task 2.1 | Task 2.2 | Task 2.3 | Task 3A.1 | Task 3A.2 | Task 3A.3 | Task 3A.4 | Task 3B.1 | Task 3B.2 | Task 3B.3 | Task 3B.4 | Task 4.1 | Task 5 | | |
| Name | Subcontractor Employee Role | Billing Rate | PM and FERC License Surrender | CDPHE Permits | FDP Permit | FERC Regional Submittals | Ph2 Bid Documents | Ph2 Bid Support | Ph2 Construction Oversight | Ph3A Design | Ph3A Bid Documents | Ph3A Bid Support | Ph3A Construction Oversight | Ph3B Design | Ph3B Bid Documents | Ph3B Bid Support | Ph3B Construction Oversight | Ph4 Concept Design | Monitoring Plan | Total Hours | Total Cost |
| Stillwater Sciences | QC Support | NA | 1,716 | - | - | - | - | - | - | 5,148 | - | - | 11,430 | | | | | | 3,432 | 21726 | $ 21,726 |
| Ecology & Environment | Revegetation Design | NA | - | - | - | - | 6,100 | - | - | 500 | - | - | - | - | - | - | - | - | 3,400 | 10000 | $ 10,000 |
| FlyWater | Large Wood Procurement | NA | | | | | | | | 1,065 | | | | | | | | | | 1064.8 | $ 1,065 |
| Testing Company TBD | Materials Testing | NA | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 10,000 | | - | 10000 | $ 10,000 |
| | SUBCONTRACTOR SUBTOTAL: | | $ 1,716.00 | $ - | $ - | $ - | $ 6,100.00 | $ - | $ - | $ 6,712.80 | $ - | $ - | $ 11,430.00 | $ - | $ - | $ - | $ 10,000.00 | $ - | $ 6,832.00 | | $ 42,790.80 |

| EXPENSES | | |
|---|---|---|
| Driving/Mileage | Estimated 150 trips at an average of 80 miles per trip @$0.58/mi: | $ 6,960.00 |
| Miscellaneous | Miscellaneous travel, meeting and equipment expenses: | $ 11,849.00 |
| | EXPENSES SUBTOTAL: | $ 18,809.00 |

| SUMMARY | Task 0 | Task 1.1 | Task 1.2 | Task 1.3 | Task 2.1 | Task 2.2 | Task 2.3 | Task 3A.1 | Task 3A.2 | Task 3A.3 | Task 3A.4 | Task 3B.1 | Task 3B.2 | Task 3B.3 | Task 3B.4 | Task 4.1 | Task 5 | Expenses |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | $ 76,446.60 | $ 19,735.00 | $ 13,040.00 | $ 22,820.00 | $ 7,890.00 | $ 16,300.00 | $ 68,980.00 | $ 16,872.80 | $ 10,640.00 | $ 12,740.00 | $ 68,170.00 | $ 3,690.00 | $ 4,260.00 | $ 3,140.00 | $ 33,330.00 | $ 17,840.00 | $ 14,092.00 | $ 18,809.00 |

| | | |
|---|---|---|
| TOTAL: | | $ 428,795.40 |

# 2019 Otak Colorado Fee Schedule

| 2019 CLASSIFICATION | 2019 BILLING RATE |
|---|---|
| Sr. PIC/ Sr. Project Manager Civil | $230 |
| PIC /Sr. Project Manager Civil | $205 |
| Civil Engineer X | $195 |
| Civil Engineer IX | $185 |
| Civil Engineer VIII | $165 |
| Civil Engineer VII | $155 |
| Civil Engineer VI | $145 |
| Civil Engineer V | $135 |
| Civil Engineer IV | $125 |
| Civil Engineer III | $115 |
| Civil Engineer II | $105 |
| Civil Engineer I | $95 |
| Scientist VII | $170 |
| Scientist VI | $155 |
| Scientist V | $140 |
| Scientist IV | $125 |
| Scientist III | $110 |
| Scientist II | $90 |
| Scientist I | $75 |
| Engineer Designer V | $115 |
| Engineer Designer IV | $105 |
| Engineer Designer III | $95 |
| Engineer Designer II | $90 |
| Engineer Designer I | $85 |
| Field Representative IV | $125 |
| Field Representative III | $95 |
| Field Representative II | $85 |
| Field Representative I | $75 |
| Sr. PIC / Sr. PM LA / Mst. Planning | $230 |
| PIC / Sr. PM LA / Mst. Planning | $195 |
| Landscape Architect VI | $150 |
| Landscape Architect V | $125 |
| Landscape Architect IV | $120 |
| Landscape Architect III | $110 |
| Landscape Architect II | $100 |
| Landscape Architect I | $90 |
| Engineering Technician VII | $135 |
| Engineering Technician VI | $120 |
| Engineering Technician V | $105 |
| Engineering Technician IV | $95 |
| Engineering Technician III | $85 |
| Engineering Technician II | $75 |
| Engineering Technician I | $70 |
| Administrative | $85 |

LOVELAND UTILITIES COMMISSION

**AGENDA ITEM:** 5
**MEETING DATE:** 9/19/2019
**SUBMITTED BY:** Jim Lees
**STAFF TITLE:** Utility Accounting Manager

## ITEM TITLE:

2020 Water & Power Schedule of Rates, Charges and Fees

## DESCRIPTION:

The purpose of this item is to ask the Loveland Utilities Commission to adopt a motion recommending that City Council approve the proposed changes in the Water and Power Schedule of Rates, Charges and Fees for 2020.

## SUMMARY:

Based on results from this year's cost-of-service rate study, an overall average rate increase of 5.0% is proposed for the Power Utility for 2020. This increase is made up of two components: 1) a wholesale power rate increase of 1.0% from Platte River Power Authority (PRPA) is planned for 2020, which, when passed through to customers, generates a 0.81% retail rate increase; and 2) a 4.19% rate increase that is proposed to address Power's portion of the new Utility Billing software and implementation, federally mandated rehabilitation work up the Big Thompson Canyon associated with decommissioning of the Idylwilde Power Generating Plant, a large increase in Cost Allocations for services provided by other City departments and additional rehabilitative capital needs.

An across-the-board rate increase of 7.0% is proposed for the Water Utility for 2020. This increase is to fund capital projects both at the Water Treatment Plant and for the distribution system in order to address aging infrastructure and improve reliability and redundancy.

An across-the-board rate increase of 7.0% is proposed for the Wastewater Utility for 2020. This increase is to fund capital projects both at the Wastewater Treatment Plant and for the collection system in order to address aging infrastructure, improve reliability and redundancy, and for regulatory compliance.

The System Impact Fees (SIF) for Water and Wastewater, and the Plant Investment Fees (PIF) for Power are re-calculated annually, so the proposed 2020 SIFs and PIFs are included with this item.

<u>Power</u>

To recap from the April, June and July LUC meetings and discussion on the Power Cost-of-Service Rate Study, there are five rate setting components that Staff asked the LUC to weigh in on:

1) Increasing the Monthly Base Charge to reflect cost of service
   LUC Direction: Adjust the Monthly Base Charge to cost of service for all rate classes in 2020.
2) Implement full cost-of-service results for each customer class, regardless of what those rate increases or decreases might be, or put some limitations on how much each customer class will be adjusted for 2020
   LUC Direction: Take the overall average rate increase for 2020 of 5.0% and put a cap on how much each individual rate class would be adjusted in 2020 of + or – 2% of the 5.0% overall average increase.
3) Implement the following 5-year track of overall rate increases:

2020: 5.0%
2021: 3.0%
2022 – 2024: 2.0% / yr.
LUC Direction: Support for this rate track.

4) Design the rate for the Monthly Base Charge to recover all fixed costs, or continue the Minimum System Requirement (MSR) methodology to calculate the Monthly Base Charge.
LUC Direction: Continue using the MSR methodology.

The fifth item, Direction for Rate Design of the Residential Self-Generating Rate, is covered in a later paragraph.

This direction was built into the rate design for 2020. The proposed overall average rate increase for 2020 is 5.0%, which is a combination of a pass-through of PRPA's estimated 1.0% wholesale power rate increase (which translates to a 0.81% retail rate increase) and an additional 4.19% increase to address increased in-house cost expenses. The reasons cited by PRPA for the wholesale rate increase are as follows:

- Increased purchased power expense
- Staffing and inflation
- New debt financings for capital additions
- Increased investment in Demand Side Management (DSM) programs

The primary drivers behind the 4.19% rate increase for in-house needs are:

- Building up fund balance following Power's $2.8 million portion of the new Utility Billing software and implementation
- An estimated $5.5 - $6.0 million of federally-mandated rehabilitation work up the Big Thompson Canyon associated with the decommissioning of the Idylwilde Hydro Generating Plant
- Increased Cost Allocation expense for services provided to the Power Utility by other City departments (up $285,000 from 2019)
- Increased needs for non-growth related capital projects

The 1.0% increase is PRPA's best projection currently, and the hope is that it will be very close to or exactly what the actual wholesale rates will be for 2020.

The overall average rate increase for 2020 is 5.0%. Below are the average rate increases for the three major rate classes:

| RATE CLASS | % Increase |
|---|---|
| **Residential** | **4.69%** |
| **Small General Service (Small Commercial)** | **4.19%** |
| **Large General Service (Large Commercial)** | **5.59%** |

Taking into account the direction that was given by the LUC, here is a summary of the proposed changes in the base, consumption and demand charges per rate class:

| POWER SUMMER MONTHS SUMMARY OF KEY CHANGES | July-Sept 2019 | July-Oct Proposed 2020 |
|---|---|---|
| **Residential** | | |
| Base Charge (per month) | $15.54 | $15.79 |
| Consumption Charge (per kWh including PILT) | $0.10105 | $0.10470 |
| **Small General Service** | | |
| Base Charge (per month) | $28.35 | $28.35 |
| Consumption Charge (per kWh including PILT) | $0.10825 | $0.11335 |
| **Large General Service** | | |
| Base Charge (per month) | $145.53 | $150.00 |
| Consumption Charge (per kWh including PILT) | $0.05542 | $0.05985 |
| Demand Charge (per kW) | $15.75 | $16.50 |

| POWER: NON-SUMMER MONTHS SUMMARY OF KEY CHANGES | Jan-June, Oct-Dec 2019 | Jan-June, Nov-Dec Proposed 2020 |
|---|---|---|
| **Residential** | | |
| Base Charge (per month) | $15.54 | $15.79 |
| Consumption Charge (per kWh including PILT) | $0.08353 | $0.08702 |
| **Small General Service** | | |
| Base Charge (per month) | $28.35 | $28.35 |
| Consumption Charge (per kWh including PILT) | $0.09654 | $0.09933 |
| **Large General Service** | | |
| Base Charge (per month) | $145.53 | $150.00 |
| Consumption Charge (per kWh including PILT) | $0.05195 | $0.05333 |
| Demand Charge (per kW) | $11.55 | $11.80 |

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

| AVERAGE CHANGE IN MONTHLY POWER BILL | Overall Average Change | Summer Average Change | Non-Summer Average Change |
|---|---|---|---|
| Residential | $3.48 | $5.06 | $2.69 |
| Small General Service | $10.03 | $23.52 | $3.29 |
| Large General Service | $240.27 | $635.18 | $42.81 |

At the August 27 City Council Study Session, all questions and concerns regarding these proposed rates and the 5-year rate track were addressed to Council's satisfaction.

4 Summer Months Instead of 3

It is important to note that as a part of PRPA changing how they will bill the 4 member cities for wholesale power starting in 2020, there will now be 4 Summer months instead of 3. Based on analysis that PRPA has done on the past several years, September's usage profile more closely resembles the profile of a Summer month than a non-Summer month. So, for billing purposes, PRPA will now be considering June – September as Summer months instead of June – August, which is the current practice. Because of timing lags in how our Power customers are billed, beginning in 2020, the utility bills that customers receive in

the months of July – October will reflect Summer rates instead of July – September, which is the current practice.

Higher Monthly Base For Certain Residential and Small General Service Customers

Two other items worth noting are that beginning in 2020, we are proposing a higher Monthly Base Charge in two rate classes to acknowledge customers whose electric configuration puts greater demands on our system. In the Residential class, we are proposing a higher Monthly Base Charge for customers whose electric panels are greater than 200 amps. For Small General Service customers, we are proposing a higher Monthly Base Charge for customers that have 3-phase service as opposed to single-phase service.

Update on Rate Design for Residential Self-Generating Customers

After starting out with 4 rate design options for 2020 for the Residential Self-Generation class, at their May 14, 2019 Study Session, City Council gave direction to Staff to eliminate Options 1 and 2 from consideration for using to design rates for 2020, and requested that Options 3 and 4 both be brought back to City Council for consideration at their August 27, 2019 Study Session, when the final rate study results would be presented.

Option 3 is a cost-of-service based rate design with the following components:

1) Monthly Base Charge: $15.79 (standard Residential rate) + $1.59/kW of capacity of the customer's solar unit
2) Rate for energy consumed: $0.10470/kWh (Summer) / $0.08702 (non-Summer)
3) Buyback rate for excess energy generated: $0.07699/kWh (Summer) / $0.06327/kWh (non-Summer) (based on PRPA's projected average seasonal costs + PILT)

Option 4 would be the same as Option 3, but the $1.59/kW of capacity of the customer's solar would be eliminated. This would create a $10,269 revenue shortfall, which would mean that the regular Residential customers would be subsidizing the Residential Self-Generating customers by that same $10,269 per year.

At the July 17, 2019 meeting, the LUC voted 7-1 to recommend Option 3 to City Council. At the August 27, 2019 Study Session, City Council indicated majority support, by a 4-1 count of the Councilors present, for Option 3. Therefore, Option 3 is what is included in this Utility Rates, Charges and Fees package to be presented to City Council for First Reading on October 15, 2019.

Water

In accordance with a resolution regarding a rate track that was adopted by City Council in November of 2018, there is a 7% across-the-board rate increase proposed for Water in 2020. This increase will be to help fund the debt service for capital projects both at the Water Treatment Plant and for the distribution system in order to address aging infrastructure and improve reliability and redundancy. The following table highlights some of the key proposed changes:

| WATER SUMMARY OF KEY CHANGES | | |
|---|---|---|
| (all based on 3/4" meter size) | | |
| | 2019 | Proposed 2020 |
| **Single Family Residential** | | |
| Base Charge (per month) | $14.74 | $15.77 |
| Consumption Charge (per 1,000 gallons) | $3.01 | $3.22 |
| **Multi-Family Residential** | | |
| Base Charge (per month) | $25.10 | $26.86 |

| | | |
|---|---|---|
| Consumption Charge (per 1,000 gallons) | $3.05 | $3.26 |
| **Commercial:** | | |
| Base Charge (per month) | $14.74 | $15.77 |
| Consumption Charge (per 1,000 gallons) | $3.58 | $3.83 |
| **Irrigation:** | | |
| Base Charge (per month) | $14.74 | $15.77 |
| Consumption Charge (per 1,000 gallons) | $4.66 | $4.99 |

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

| AVERAGE CHANGE IN MONTHLY WATER BILL | Overall Average Change |
|---|---|
| Single-Family Residential | $2.56 |
| Multi-Family Residential | $2.83 |
| Commercial (3/4" tap) | $4.33 |
| Irrigation (3/4" tap, avg. monthly change during irrigation season) | $20.93 |

Wastewater

In accordance with a resolution regarding a rate track that was adopted by City Council in November of 2018, there is a 7% across-the-board rate increase proposed for Wastewater in 2020. This increase is to help fund the debt service for capital projects both at the Wastewater Treatment Plant and for the collection system in order to address aging infrastructure, improve reliability and redundancy, and for regulatory compliance. The following table highlights some of the key proposed changes.

| WASTEWATER SUMMARY OF KEY CHANGES | | |
|---|---|---|
| (all based on 3/4" meter size) | | |
| | 2019 | Proposed 2020 |
| **Single Family Residential** | | |
| Base Charge (per month) | $13.51 | $14.46 |
| Consumption Charge (per 1,000 gallons) | $4.48 | $4.79 |
| **Multi-Family Residential** | | |
| Base Charge Per Dwelling Unit (per month) | $3.95 | $4.23 |
| Consumption Charge (per 1,000 gallons) | $4.91 | $5.25 |
| | | |
| **Commercial** | | |
| Base Charge (per month) | $13.51 | $14.46 |
| Consumption Charge (per 1,000 gallons) | $4.93 | $5.28 |
| | | |
| **High Strength Surcharge** | | |
| Biochemical Oxygen Demand (BOD) | $0.52 | $0.56 |
| Charge per pound (in Excess of Domestic Load) | | |
| Total Suspended Solids (TSS) | $0.32 | $0.34 |
| Charge per pound (in Excess of Domestic Load) | | |

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

| AVERAGE CHANGE IN MONTHLY WASTEWATER BILL | Overall Average Change |
|---|---|
| Single-Family Residential | $2.13 |
| Multi-Family Residential (per dwelling unit) | $1.44 |
| Commercial (3/4" tap) | $4.91 |

Utility Impact Fees

Each year, Water, Wastewater and Power impact fees are recalculated based on changes in asset value, customer growth and customer usage. Following the updating of the 2018 impact fees, Staff had concerns about two matters relevant to the calculation of the System Impact Fees (SIF) for Water and Wastewater: 1) in comparing Loveland's SIFs in total for Water and Wastewater to the fees of our most immediate neighbors, Fort Collins, Longmont ant Greeley, Loveland's SIFs were the highest of the four cities by a significant margin for 1" and 1 1/2" meter sizes; and 2) we wondered if there might be a better way to calculate the usage ratios for the different meter sizes relative to the usage of a residential ¾" tap. The usage ratio establishes the usage of a ¾" residential tap as the standard usage (a usage ratio of 1.0), then compares the usage of all other tap sizes relative to the residential ¾" usage. So, to address these two concerns in 2019, two key changes in the methodology for calculating the usage ratios for Water and Wastewater only were implemented:

1) Using Summer Data Instead of Annual Data To Calculate Water Usage Ratios – since the SIF is intended to capture the impact a customer has on the system, it makes sense to measure that impact during the peak time of the year rather the average impact over the course of the year
2) Ratcheting Usage Ratios Up For Tap Sizes Larger Than ¾" By Using Volumetric Flow Capacity – rather than taking our usage data for each tap size and using it as the basis to ratchet up various tap sizes relative to residential ¾" usage, we are utilizing actual usage data strictly for ¾" commercial and ¾" irrigation meters, then using a volumetric flow capacity factor to ratchet up the usage ratios for commercial and irrigation meters that are larger than ¾"

Methodology change #2 generally lowers the usage ratios. This will cause two different effects on the SIFs:

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

Because the changes in the usage ratios are significant, they lead to significant upward pressure on the residential SIF and some significant decreases in the commercial and irrigation SIFs. These changes are being phased in gradually, over a four-year period, and 2020 will be year 2 of the phase-in. In taking this gradual approach, we will achieve our goals of lowering the SIFs for the larger commercial and irrigation meter sizes, but Loveland will remain very competitive with our neighbors in the SIFs for residential and ¾" commercial and irrigation meter sizes. This phased approach has been used a number of times over the years in both rates and fees in order to lessen impacts to our customers. We did not propose any changes

in the methodology for calculating the Power Plant Investment Fee (PIF) or how the current replacement value of the assets for Water and Wastewater are calculated.

Wastewater

The residential Wastewater System Impact Fee (SIF) is proposed to increase 2.9%, from $2,800 to $2.880 for a single-family detached residential unit. The Engineering News Record (ENR) Construction Cost Index was utilized to bring original installed asset costs up to current replacement value. The Index for the end of 2018 showed a 2.9% increase in the cost component areas impacting the SIF calculation. The Net Asset Value was impacted primarily by two factors: 1) a $7.2 million increase in Work In Progress, almost exclusively due to activity on the Wastewater Treatment Plant (WWTP) Expansion and Renovation Project; and 2) a $6.4 million increase in outstanding debt (also for the WWTP project), which decreases Net Asset Value. The combination of these factors and the 4-year phasing approach that is referenced above yielded the proposed residential SIF increase of 2.9% for 2020. The Wastewater commercial SIFs are proposed to range in change from a 6.4% increase to a 8.8% decrease, depending on the tap size.

Water

The residential Water System Impact Fee (SIF) is proposed to increase 5.5%, from $5,230 to $5,520 for a single-family detached residential unit. The primary factors contributing to this increase in the fee is a 4.8% increase in the treatment plant construction cost index in 2018 and a $2.6 million increase in Work In Progress. In addition, there were increases in the indices for water construction costs of 2.9% in 2018 in the key cost component areas other than treatment plant that impacted the SIF calculation. The combination of these factors and the 4-year phasing approach that is referenced above yielded the proposed residential SIF increase of 5.5% for 2020. The Water commercial and irrigation SIFs are proposed to range in change from a 5.7% increase to a 13.1% decrease, depending on the tap size.

Power

The Power Plant Investment Fee (PIF) is proposed to increase on average by 1.4%. The PIF is collected in two ways: for residential, it is an up-front fee when a house is constructed, and for non-residential, it is collected monthly on a charge per kWh basis. The PIF for residential 150-amp service installations would increase from $1,590 to $1,620, and the PIF for residential service installations above 150-amps would increase from $2,050 to $2,080. A Small General Service (small commercial) customer with average consumption would see a monthly increase of $0.19, while a Large General Service (large commercial) customer with average consumption would see a monthly increase of $4.25 in the PIF component of their monthly utility bills.

The calculation for the PIF is based largely on current replacement costs for 600 amp feeders and substation equipment. The methodology for updating the PIF involves using a utility cost index called the Handy-Whitman Index to bring original installed asset costs up to current replacement value. The most recent update of the Handy-Whitman Index was released in May of this year. It reflects costs as of the end of 2018, and shows increases ranging from 4.1% to 5.0% in 2018 in the key cost component areas impacting the PIF calculation. In addition, in 2018, there was a there was a $2.6 million decrease in Work In Progress and an average increase in the customer count. The combination of these factors yielded the proposed PIF increase of 1.4% for 2020.

Update of Other Rates, Charges and Fees

Every other year, we do a comprehensive update of all the rates, charges and fees, and this year is the next scheduled update, so those changes are reflected in this submittal. The format for the rates, charges and fees was completely redone, with all of the rates, charges and fees now listed first in the document, followed by an appendix of explanations of the rates, charges and fees. Our hope is that this format will be more user-friendly than the previous one. We also are including a new document, which does a year-over-year comparison of all of the rates, charges and fees between what's proposed for 2020 and the current rates, charges and fees.

## RECOMMENDATION:

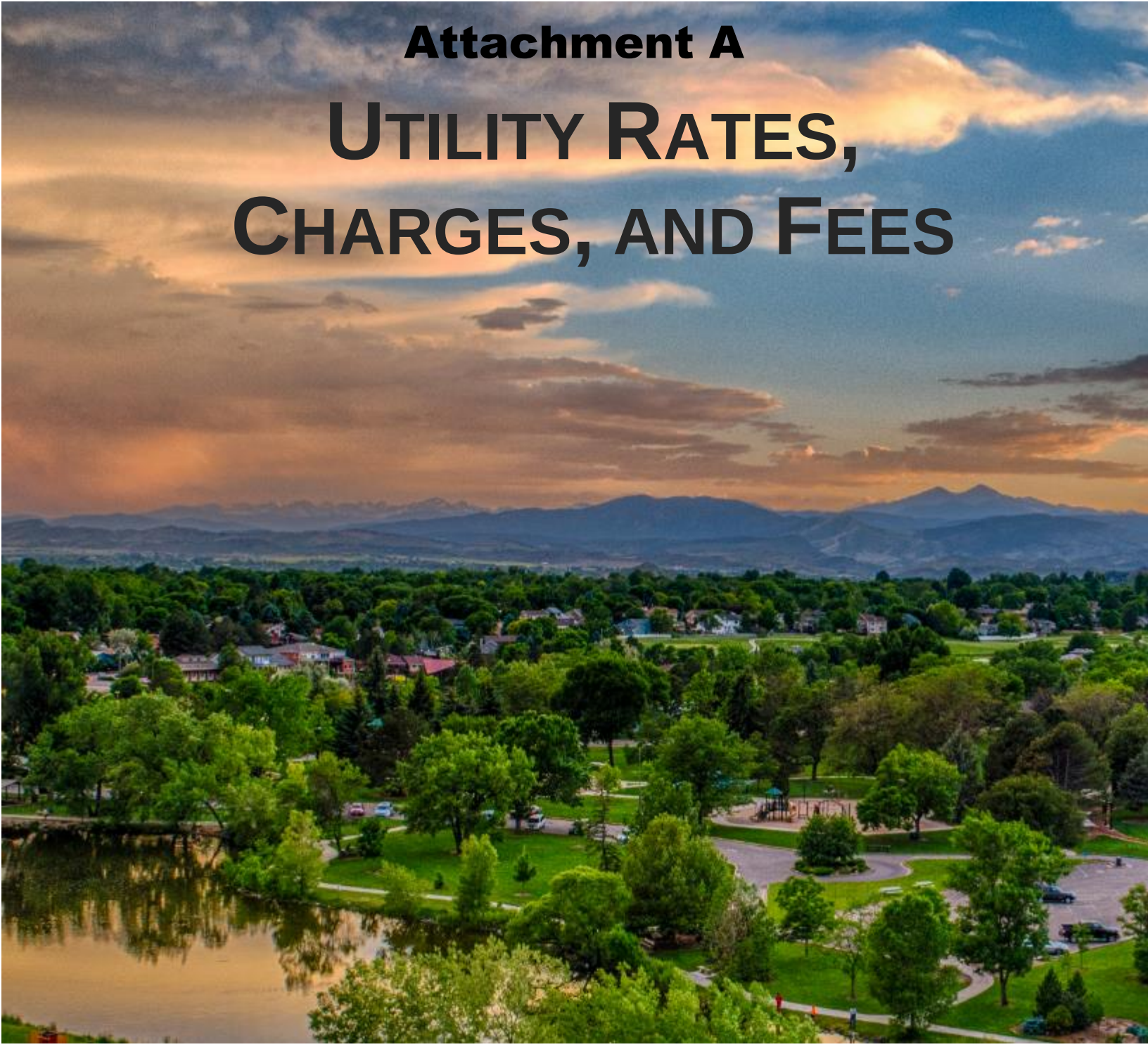
Adopt a motion recommending that City Council approve the proposed changes in the Water and Power Schedule of Rates, Charges and Fees for 2020.

## ATTACHMENTS:

- **Attachment A: Proposed 2020 Water and Power Utility Rates, Charges and Fees**
- **Attachment B: Comparison of 2020 Proposed Rates, Charges and Fees to Current Rates, Charges and Fees**

Attachment A

# Utility Rates, Charges, and Fees



Loveland Water and Power

Effective January 1, 2020

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# WATER RATES & FEES

| | Monthly Water Base Charge by Water Tap Size • Inside City | | | | | | |
|---|---|---|---|---|---|---|---|
| | **0.75 inch** | **1.00 inch** | **1.50 inch** | **2.00 inch** | **3.00 inch** | **4.00 inch** | **6.00 inch** |
| Single Family | $15.77 | $20.32 | N/A | | | | |
| Multi-Family | $26.86 | $31.14 | $35.42 | $47.21 | $133.96 | $166.10 | $241.08 |
| Commercial | $15.77 | $20.32 | $24.83 | $37.32 | $129.22 | $163.27 | $242.70 |
| Irrigation | $15.77 | $20.32 | $24.83 | $37.32 | $129.22 | $163.27 | $242.70 |
| *Note: Base charges for taps greater than 6" are set by City Council.* | | | | | | | |

| | Monthly Water Base Charge by Water Tap Size • Outside City | | | | | | |
|---|---|---|---|---|---|---|---|
| | **0.75 inch** | **1.00 inch** | **1.50 inch** | **2.00 inch** | **3.00 inch** | **4.00 inch** | **6.00 inch** |
| Single Family | $23.66 | $30.48 | N/A | | | | |
| Multi-Family | $40.29 | $46.71 | $53.13 | $70.82 | $200.94 | $249.15 | $361.62 |
| Commercial | $23.66 | $30.48 | $37.25 | $55.98 | $193.83 | $244.91 | $364.05 |
| Irrigation | $23.66 | $30.48 | $37.25 | $55.98 | $193.83 | $244.91 | $364.05 |
| *Note: Base charges for taps greater than 6" are set by City Council.* | | | | | | | |

| Water Rate per 1,000 Gallons | | |
|---|---|---|
| | **Inside City** | **Outside City** |
| Single Family | $3.22 | $4.83 |
| Multi-Family | $3.26 | $4.89 |
| Commercial* | $3.83 | $5.75 |
| Irrigation | $4.99 | $7.49 |
| Additional Non-Residential Charges | | |
| Excess Water Use Surcharge* | $1.37 | $1.37 |
| Capital Recovery Surcharge – Raw Water Development Fee** | $0.160 | $0.160 |
| Capital Recovery Surcharge – Water System Impact Fee** | $0.852 | $1.278 |
| **Note: Applies to all commercial customers.*<br>***Note: Applies to all non-residential water taps 2" and greater (excludes irrigation water taps).* | | |

## Construction Water Fee

| Water Tap Size | Allotment (Thousands of Gallons) | Fee |
|---|---|---|
| 0.75 inch | 16 | $61.28 |
| 1.00 inch | 27 | $103.41 |
| 1.50 inch | 55 | $210.65 |
| 2.00 inch | 87 | $333.21 |
| 3.00 inch | 163 | $624.29 |
| 4.00 inch | 271 | $1,037.93 |
| > 4.00 inch | *Negotiated with the Water and Power Department* | |

*Note: Regular water use fees apply after construction water allotment is surpassed.*

## Fire Hydrant Flow Test

| | |
|---|---|
| Charge per Test | $200 |

## Hidden Valley Rates & Fees

| | |
|---|---|
| **Hidden Valley Monthly Base Charge** for 0.75 inch tap | $196.53 |

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

A Number of Months from Jan 1, 2007 to the Availability of Service Fee due date

xB $67.00 per month

*Engineering News Record* 20 Cities Construction Cost Index
xC (Used to inflate the construction costs to current dollars)

= **Hidden Valley Water Availability of Service Fee**

*Note: Customers in the Hidden Valley area includes Hidden Valley Estates 1, Hidden Valley Estates 2, Hidden Valley Estates 3, Wild Valley North and James A Wild Trust Subdivisions. Customers in the Hidden Valley area are responsible to pay for the replacement cost of their water system and the costs are split evenly between all the water taps. The Hidden Valley Monthly Base Charge has been billed to all lots in the Hidden Valley Estates 1 and 2 Subdivisions monthly since August of 2005. For lots in the Hidden Valley Estates 3, Wild Valley North and James A Wild Trust Subdivisions, the Hidden Valley Water Availability of Service Fee is required to catch up on all the fees the other water tap holders have already paid, and then the Hidden Valley Monthly Base Charge begins and continues to be billed regardless of usage or occupancy of the residence.*

| Hydrant Meter Rental Fees | | |
|---|---|---|
| Hydrant Meter Rental Fees | Hydrant meter deposit | $2,000 |
| | Daily rental | $5 |
| | Install fee | $60 |
| | Removal fee | $60 |
| | Moving meter fee | $60 |
| | Water use rate per 1,000 gallons | $5.96 |

| Raw Water Fees | | |
|---|---|---|
| Cash-in-Lieu Fee per Acre-Foot | Set by Loveland Utilities Commission (Municipal Code 19.04.041) | |
| Native Raw Water Storage Fee per Acre-Foot | Barnes Ditch | Set by Municipal Code 19.04.045 |
| | Big Thompson Ditch & Manufacturing Co. | |
| | Buckingham Irrigation Co. (George Rist Ditch) | |
| | Chubbuck Ditch | |
| | Louden Irrigating Canal and Reservoir Co. | |
| | South Side Ditch Company | |

| Public Water Fill Station Rate (Ranch Water) | |
|---|---|
| Water Use Rate per 1,000 Gallons | $5.96 |

| Water Meter Fees | | |
|---|---|---|
| Purchase Water Meter & Readout* | 0.75 inch water meter | $195 |
| | 1.00 inch water meter | $255 |
| Install Meter | | $95 |
| Inspect Meter Pit & Meter Setter | | $65 |
| Return Appointment/Trip Fee** | Regular hours | $40 |
| | After regular hours | $110 |
| **Note: For 1.50 inch meters and larger, the contractor provides the meter and readout.* <br> ***Note: Regular business hours are Monday through Friday, 7:00 AM to 4:00 PM, excludes City holidays.* | | |

| Water Turn Ons | | |
|---|---|---|
| Water Turn-On | 7:00 AM to 4:45 PM on regular business days | $40 |
| | 4:45 PM to 7:00 AM on regular business days, anytime on weekends or city holidays | $110 |
| *Note: Requests to turn-on water services on delinquent accounts will be processed after the account is made current.* | | |

| Water Wet Tapping Fees | | |
|---|---|---|
| Water Wet Tapping Fees | 0.75 inch water tap | $365 |
| | 1.00 inch water tap | $370 |
| | 1.50 inch water tap | $375 |
| | 2.00 inch water tap | $385 |
| | > 2.00 inch water tap | $580 |

# WASTEWATER RATES & FEES

| Monthly Wastewater Base Charge • Metered Water Services | | |
|---|---|---|
| | **Inside City** | **Outside City** |
| Single Family | $14.46 | $21.69 |
| Multi-Family Residential (per Dwelling Unit) | $4.23 | $6.35 |
| Commercial | $14.46 | $21.69 |

| Wastewater Rate per 1,000 Gallons • Metered Water Services | | |
|---|---|---|
| | **Inside City** | **Outside City** |
| Single Family | $4.79 | $7.19 |
| Multi-Family Residential (per Dwelling Unit) | $5.25 | $7.88 |
| Commercial | $5.28 | $7.92 |
| Additional Non-Residential Rates | | |
| Capital Recovery Surcharge – Wastewater System Impact Fee* | $0.856 | $1.284 |
| **Note: Applies to all non-residential water taps 2" and greater (excludes irrigation water taps).* | | |

| Monthly Wastewater Rates • Flat Rate Services | | |
|---|---|---|
| | **Inside City** | **Outside City** |
| Single Family | $32.67 | $49.02 |
| Multi-Family Residential (per Dwelling Unit) | $22.08 | $33.14 |
| Commercial | $187.46 | $281.20 |
| *Note: Because these customers receive their water service from another water provider and their wastewater service from the City, their wastewater service is charged on a flat fee basis instead of based on water usage.* | | |

| High Strength Wastewater Surcharge | |
|---|---|
| BOD charge per pound (when discharge is greater than 330 mg/l) | $0.56 |
| TSS charge per pound (when discharge is greater than 199 mg/l) | $0.34 |

| Pretreatment Fees | | |
|---|---|---|
| Pretreatment Inspection Fee | | $85 |
| Significant Industrial User (SIU) | Laboratory Analysis | Actual Cost plus $75 |
| | Public Notification of Violation | Actual Cost plus $75 |

| Wastewater Wet Tapping Fees | | |
|---|---|---|
| Tapping Fees (Includes Saddle and Stainless Strap) | 4 inch | $315 |
| | 6 inch | $355 |

# ELECTRIC RATES & FEES

| Electric Non-Summer Rates • Jan-June & Nov-Dec | | | | | | |
|---|---|---|---|---|---|---|
| **Customer Class** | **Schedule** | **Monthly Base Charge & Monthly Minimum Bill** | **Energy Charge per kWh** | **PILT per kWh** | **Plant Investment Fee per kWh** | **Demand Charge per kW** |
| Residential ≤ 200 amps | R | $15.79 | $0.07916 | $0.00786 | N/A | N/A |
| Residential > 200 amps | R | $24.93 | $0.07916 | $0.00786 | N/A | N/A |
| Residential Demand | RD | $24.93 | $0.04650 | $0.00653 | N/A | $7.75 |
| Small General Single Phase | SG | $28.35 | $0.09137 | $0.00796 | $0.00655 | N/A |
| Small General Three Phase | SG | $33.35 | $0.09137 | $0.00796 | $0.00655 | N/A |
| Large General | LG | $150.00 | $0.04713 | $0.00620 | $0.00655 | $11.80 |
| Primary Service with Customer Owned Transformer | PT | $167.00 | $0.04695 | $0.00539 | $0.00636 | $11.80 |

| Electric Summer Rates • July-Oct | | | | | | |
|---|---|---|---|---|---|---|
| **Customer Class** | **Schedule** | **Monthly Base Charge & Monthly Minimum Bill** | **Energy Charge per kWh** | **PILT per kWh** | **Plant Investment Fee per kWh** | **Demand Charge per kW** |
| Residential ≤ 200 amps | R | $15.79 | $0.09594 | $0.00876 | N/A | N/A |
| Residential > 200 amps | R | $24.93 | $0.09594 | $0.00876 | N/A | N/A |
| Residential Demand | RD | $24.93 | $0.05050 | $0.00708 | N/A | $10.30 |
| Small General Single Phase | SG | $28.35 | $0.10453 | $0.00882 | $0.00655 | N/A |
| Small General Three Phase | SG | $33.35 | $0.10453 | $0.00882 | $0.00655 | N/A |
| Large General | LG | $150.00 | $0.05223 | $0.00762 | $0.00655 | $16.50 |
| Primary Service with Customer Owned Transformer | PT | $167.00 | $0.05120 | $0.00625 | $0.00636 | $17.00 |

| Renewable Energy Premium | |
|---|---|
| Renewable Energy Premium per 100 Kilowatt-hour (kWh) | $2.80 |

| Electric Self-Generation Non-Summer Rates • Jan-June & Nov-Dec | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Capacity of Self-Generation Unit (kW)** | **Monthly Base Charge** | **Energy Charge per kWh** | **Buyback Credit per kWh** | **PILT per kWh** | **Buyback PILT Credit per kWh** | **Plant Investment Fee per kWh** | **Demand Charge per kW** |
| **Residential** | | | | | | | |
| Up to 1.49 | $17.38 | $0.07916 | $0.05884 | $0.00786 | $0.00443 | N/A | N/A |
| 1.5 to 2.49 | $18.97 | | | | | | |
| 2.5 to 3.49 | $20.56 | | | | | | |
| 3.5 to 4.49 | $22.15 | | | | | | |
| 4.5 to 5.49 | $23.74 | | | | | | |
| 5.5 to 6.49 | $25.33 | | | | | | |
| 6.5 to 7.49 | $26.92 | | | | | | |
| 7.5 to 8.49 | $28.51 | | | | | | |
| 8.5 to 9.49 | $30.10 | | | | | | |
| 9.5 to 10.49 | $31.69 | | | | | | |
| 10.5 to 11.49 | $33.28 | | | | | | |
| 11.5 to 12.49 | $34.87 | | | | | | |
| 12.5 to 13.49 | $36.46 | | | | | | |
| **Capacity of Self-Generation Unit (kW)** | **Monthly Base Charge & Monthly Minimum Bill** | **Energy Charge per kWh** | **Buyback Credit per kWh** | **PILT per kWh** | **Buyback PILT credit per kWh** | **Plant Investment Fee per kWh** | **Demand Charge per kW** |
| **Small General** | | | | | | | |
| Single Phase: 1 to 400 | $28.35 | $0.09137 | $.05884 | $0.00796 | $0.00443 | $0.00655 | N/A |
| Three Phase: 1 to 400 | $33.35 | | | | | | |
| **Large General** | | | | | | | |
| 1 to 400 | $150.00 | $0.04713 | $0.05884 | $0.00620 | $0.00443 | $0.00655 | $11.80 |

| Electric Self-Generation Summer Rates • July-Oct | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Capacity of Self-Generation Unit (kW)** | **Monthly Base Charge** | **Energy Charge per kWh** | **Buyback Credit per kWh** | **PILT per kWh** | **Buyback PILT Credit per kWh** | **Plant Investment Fee per kWh** | **Demand Charge per kW** |
| **Residential** | | | | | | | |
| Up to 1.49 | $17.38 | $0.09594 | $0.07160 | $0.00876 | $0.00539 | N/A | N/A |
| 1.5 to 2.49 | $18.97 | | | | | | |
| 2.5 to 3.49 | $20.56 | | | | | | |
| 3.5 to 4.49 | $22.15 | | | | | | |
| 4.5 to 5.49 | $23.74 | | | | | | |
| 5.5 to 6.49 | $25.33 | | | | | | |
| 6.5 to 7.49 | $26.92 | | | | | | |
| 7.5 to 8.49 | $28.51 | | | | | | |
| 8.5 to 9.49 | $30.10 | | | | | | |
| 9.5 to 10.49 | $31.69 | | | | | | |
| 10.5 to 11.49 | $33.28 | | | | | | |
| 11.5 to 12.49 | $34.87 | | | | | | |
| 12.5 to 13.49 | $36.46 | | | | | | |
| **Capacity of Self-Generation Unit (kW)** | **Monthly Base Charge & Monthly Minimum Bill** | **Energy Charge per kWh** | **Buyback Credit per kWh** | **PILT per kWh** | **Buyback PILT Credit per kWh** | **Plant Investment Fee per kWh** | **Demand Charge per kW** |
| **Small General** | | | | | | | |
| Single Phase 1 to 400 | $28.35 | $0.10453 | $0.07160 | $0.00882 | $0.00539 | $0.00655 | N/A |
| Three Phase 1 to 400 | $33.35 | | | | | | |
| **Large General** | | | | | | | |
| 1 to 400 | $150.00 | $0.05223 | $0.07160 | $0.00762 | $0.00539 | $0.00655 | $16.50 |

| Area Lighting | | | |
|---|---|---|---|
| **Customer Class** | **Schedule** | **Rate per Watt of Bulb** | **PILT per Watt of Bulb** |
| Area Lighting | AL | $0.06637 | $0.00505 |

| Charges when Access Denied | | |
|---|---|---|
| Appointment or Special Trip to | Read the meter during business hours | $31 |
| | Read the meter after business hours | $69 |
| | Change the meter during business hours | $115 |
| | Change the meter after business hours | $165 |
| *Note: Regular business hours are Monday through Friday, 7 AM to 4 PM, excludes city holidays.* | | |
| Service Disconnect at Junction Box or Overhead Pole | | $525 |
| *Note: When clear access is denied for the purpose of disconnecting service, actuals will be charged.* | | |

| Distribution Designer Deposits | | | |
|---|---|---|---|
| Residential & Duplex of 1-2 Lots | Single Phase Installations | | $1,035 |
| Residential Subdivision of 3-10 Lots<br>Commercial Subdivision of 2-10 Lots | Raising, lowering or removing existing power | | $1,620 |
| Single Commercial Buildings | Transformer upgrades, raising, lowering or removing existing power | | $1,620 |
| Residential Subdivision of more than 10 Lots,<br>Commercial Subdivision of more than 10 Lots,<br>Malls, Shopping Centers, or Hospitals | | | $3,045 |
| Temporary Residential Connections | | | $240 |
| Termination and energizing electric services to small devices | | | $310 |
| Install and terminate secondary riser up to 100 feet (no transformer required) | Residential to 200 amps | | $1,160 |
| | Commercial (cable supplied and installed by customer) | | $940 |
| Open transformer to pull in secondary and terminate cable up to 130 feet | | | $635 |
| **Transformer Upgrades** | | **No Other Customers** | **Other Customers** |
| Single Phase Padmount | Upgrade (1) transformer size | $2,090 | $2,755 |
| | Upgrade (2) transformer sizes | $2,540 | $3,205 |
| | Upgrade (3) transformer sizes | $2,990 | $3,655 |
| Single Phase Overhead | Upgrade (1) transformer size | $1,710 | $2,375 |
| | Upgrade (2) transformer sizes | $2,095 | $2,765 |
| *Note: Deposits will be applied to the actual costs billed by the Water and Power Department upon completion of work performed.* | | | |

| Electric Annexation Surcharges | |
|---|---|
| Annexation Surcharge | 5% |
| *Note: For areas annexed into the City after January 31, 1987 from areas formerly part of an exclusive service territory granted to a cooperative electric association, there is a percentage surcharge on the electric base, energy and demand charges, and on electric charges on area lighting and flat rate electric customers. This surcharge expires ten years after the City of Loveland's start of electric service date.* | |

| Electric Coincident Peak Demand Service | | | | | | |
|---|---|---|---|---|---|---|
| **Schedule** | **Monthly Base Charge & Monthly Minimum Bill** | **Energy Charge per kWh** | **Coincident Demand Charge** | **Distribution Facilities Demand Charge** | **Plant Investment Fee per kWh** | **Power Factor Charge** |
| Service delivered at the available primary voltage & all serving facilities on the customer's side of the metering point are owned, operated & maintained by the customer | Based on customer cost of service and energy usage profile | All kWh consumed, per kWh, based on customer cost of service and energy usage profile | All billed coincident demand, per KW, based on customer cost of service and energy usage profile | All distribution facilities demand, per KW, based on customer cost of service and energy usage profile | $0.00636 | 100% of the power factor charge incurred by the City on account of and attributable to service to the customer. |
| All other coincident peak customers | | | | | $0.00655 | |

| Electric Turn Ons/Offs | | |
|---|---|---|
| Service Turn-Ons at the meter | 7:00 AM to 4:45 PM on regular business days | $45 |
| | 4:45 PM to 7:00 AM on regular business days, anytime on weekends or city holidays | $210 |
| Service Turn-Offs at the meter | Resulting from an unauthorized Service Turn-On | $45 |
| *Note: Requests to turn-on electric services on delinquent accounts will be processed after the account is made current.* | | |

| Electric Vehicle Charging | |
|---|---|
| Fee per hour | $1.00 |
| Minimum fee per charging session | $1.00 |

| Pole Attachments | | |
|---|---|---|
| Pole Attachment Fee - Wired | per attachment per year | $18.21 |
| Pole Attachment Fee - Wireless | per attachment per year | $270 |
| Pole Attachment Application for Permit Fee | 1 to 5 poles | $500 |
| | Per additional pole beyond 5 | $100 |
| *Note: This annual fee applies to each attachment by a non-City utility to a City power pole. See Municipal Code 13.12.200.* | | |

| Residential Service Installation Fees | |
|---|---|
| Typical Underground with 1/0 Triplex | $340 |
| Typical Underground with 4/0 Triplex | $415 |

| Residential Service Upgrades (≤ 200 amps) | |
|---|---|
| Residential Underground Service Upgrade Deposit | $800 |
| Residential Overhead Service Upgrade Deposit | $300 |
| *Note: This deposit will be applied to the actual costs billed by the Water and Power Department upon completion of work performed.* | |

| Service Connects, Disconnects & Reconnects | | |
|---|---|---|
| Permanent Service Connect | No disconnect needed | $345 |
| Permanent Disconnect of Service | | $345 |
| Disconnect/Reconnect Services | Without engineering | $345 |
| | With engineering | $490 |

| Small Equipment Flat Rates | | | |
|---|---|---|---|
| **Customer Class** | **Schedule** | **Flat Rate per Month** | **PILT** |
| Signal Amplifiers | FE | $39.42 | $3.00 |
| Automatic Sprinkler Controls | FE | $5.94 | $0.44 |
| Bus Shelters | FE | $24.23 | $1.84 |

| Transmission Voltage Service | |
|---|---|
| Charges for Service | Determined based on unique load characteristics and service requirements of the customer. At minimum, be sufficient to recover the City's cost of service, including, without limitation, wholesale rates and the City's projected operating and maintenance costs. In addition, the customer shall be responsible for all wholesale charges and fees incurred by the City in providing service to the customer, including, without limitation, power factor charges. |

# DEVELOPMENT FEES

| Raw Water, Water & Wastewater Development Fees • Inside City | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Customer Type** | | **Raw Water Development Fee** | **Water System Impact Fee** | **Wastewater System Impact Fee** | **Capital Recovery Surcharges** | | |
| | | | | | **Raw Water** | **Water** | **Wastewater** |
| | | | | | per 1,000 gallons of Water billed | per 1,000 gallons of Water billed | per 1,000 gallons of Wastewater billed |
| **Single Family*** | Detached | $1,087 | $5,520 | $2,880 | N/A | N/A | N/A |
| | Attached | $1,087 | $2,870 | $2,540 | | | |
| | Cottage | $680 | $2,870 | $2,540 | | | |
| | Micro | $680 | $2,870 | $2,540 | | | |
| **No. of Dwelling Units per Meter** | | | | | | | |
| **Multi-Family*** | 2 to 8 | $680 | $2,870 | $2,540 | N/A | N/A | N/A |
| | 9 to 24 | $680 | $2,280 | $1,970 | | | |
| | ≥ 25 | $134 | $2,280 | $1,970 | | | |
| **Water Tap Size** | | | | | | | |
| **Non-Residential** | 0.75" | $1,087 | $8,000 | $8,630 | N/A | N/A | N/A |
| | 1.00" | $1,848 | $19,130 | $19,880 | | | |
| | 1.50" | $3,588 | $36,080 | $36,520 | | | |
| | ≥ 2.00" | N/A | N/A | N/A | $0.160 | $0.852 | $0.856 |
| **Irrigation** | 0.75" | $1,087 | $19,350 | N/A | N/A | N/A | N/A |
| | 1.00" | $1,848 | $46,380 | | | | |
| | 1.50" | $3,588 | $106,420 | | | | |
| | 2.00" | $5,763 | $134,780 | | | | |
| | 3.00" | $10,873 | $357,250 | | | | |
| | > 3.00" | Established by City Council | | | | | |
| *Note: For residential structures, fees are charged per dwelling unit. | | | | | | | |

## Raw Water, Water & Wastewater Development Fees • Outside City

| Customer Type | | Raw Water Development Fee | Water System Impact Fee | Wastewater System Impact Fee | Capital Recovery Surcharges | | |
|---|---|---|---|---|---|---|---|
| | | | | | Raw Water | Water | Wastewater |
| | | | | | per 1,000 gallons of Water billed | per 1,000 gallons of Water billed | per 1,000 gallons of Wastewater billed |
| **Single Family*** | Detached | $1,087 | $8,280 | $4,320 | N/A | N/A | N/A |
| | Attached | $680 | $4,310 | $3,810 | | | |
| | Cottage | $680 | $4,310 | $3,810 | | | |
| | Micro | $680 | $4,310 | $3,810 | | | |
| **No. of Dwelling Units per Meter** | | | | | | | |
| **Multi-Family*** | 2 to 8 | $680 | $4,310 | $3,810 | N/A | N/A | N/A |
| | 9 to 24 | $680 | $3,420 | $2,960 | | | |
| | 25+ | $134 | $3,420 | $2,960 | | | |
| **Water Tap Size** | | | | | | | |
| **Non-Residential** | 0.75" | $1,087 | $12,000 | $12,950 | N/A | N/A | N/A |
| | 1.00" | $1,848 | $28,700 | $29,820 | | | |
| | 1.50" | $3,588 | $54,120 | $54,780 | | | |
| | ≥2.00" | N/A | N/A | N/A | $0.160 | $1.278 | $1.284 |
| **Irrigation** | 0.75" | $1,087 | $29,030 | N/A | N/A | N/A | N/A |
| | 1.00" | $1,848 | $69,570 | | | | |
| | 1.50" | $3,588 | $159,630 | | | | |
| | 2.00" | $5,763 | $202,170 | | | | |
| | 3.00" | $10,873 | $535,880 | | | | |
| | >3.00" | Established by City Council | | | | | |

*Note: For residential structures, fees are charged per dwelling unit.

| Fire Tap Plant Investment Fee • Outside City | |
|---|---|
| Fire Tap Plant Investment Fee | $553 |
| *Note: Only applies when the City does not provide domestic water, but does provide a fire sprinkler for non-residential purposes outside the city limits.* | |

| Electric Plant Investment Fees | | |
|---|---|---|
| **Customer Class** | **Size of Service** | **Fee** |
| Residential | 150 amp or less | $1,620 |
| | Over 150 amp | $2,080 |
| Non-Residential per kWh | **Customer Type** | **Rate per kWh** |
| | Small General | $0.00655 |
| | Large General | $0.00655 |
| | Primary Services with Customer Equipment | $0.00636 |
| Coincident Peak Demand | Service delivered at the available primary voltage & all serving facilities on the customer's side of the metering point are owned, operated & maintained by the customer. | $0.00636 |
| | All other coincident peak demand customers. | $0.00655 |

# MISCELLANEOUS ACCOUNT FEES & CHARGES

| Miscellaneous Account Fees & Charges | |
|---|---|
| Filing Fee for Unpaid Bills | $95 |
| Interfering or Tampering with a Meter Fee (Electric or Water) | $130 |
| Late Payment Penalty | $15 |
| New Account Fee | $10 |
| New Account Meter Reading Fee | $10 |
| Penalty for Tampering with a Utility Meter | Set by Municipal Code 13.02.130D |
| Reactivation Fee | $10 |
| Return Check (Insufficient Funds) Charge | $20 |
| Utility Service Deposit | Set by Municipal Code 13.02.020 |

# APPENDIX

Definitions, rates, charges, and fee schedules.

# WATER

## CAPITAL RECOVERY SURCHARGE – RAW WATER & WATER

A Capital Recovery Surcharge is required for all new, nonresidential (excluding irrigation), water taps 2" and greater. It replaces the initial Raw Water Development Fee and Water System Impact Fee payment. The Raw Water and Water Capital Recovery Surcharges are paid per 1,000 gallons of billed water on a non-residential customer's utility bill. The original owner(s) requesting water service at that property, and all subsequent tenants or owners of the property, are required to pay the capital recovery surcharge(s). The Capital Recovery Surcharge is for all water use billed at the requesting property and will remain in effect as long as the service remains active and is activated on the parcel of property. For more information, see Municipal Code 13.04.034, 13.04.040.

## CONSTRUCTION WATER FEE

The Construction Water Fee is for the initial water furnished to a premises during construction when no water meter had previously been installed. The fee applies to the water used after the water meter is set and prior to issuance of the certificate of occupancy. Water is furnished at a flat rate established by resolution of City Council and is paid with the building permit.

Construction Water Fee ÷ Inside Commercial Water Use Fee = Allotment Gallons
Water use in excess of the allotment amount during the construction period are billed subsequent to the issuance of the certificate of occupancy at the regular meter rate applicable for that service address. For additional information, please see Municipal Code 13.04.031.K.

## EXCESS WATER USE SURCHARGE

Commercial customers are required to furnish adequate raw water to meet the customer's demand for treated water. If a Commercial customer exceeds the amount furnished to the City, they are charged an excess water use surcharge in addition to the regular water rates.

Excess Water Use Surcharge is defined as all water use through a meter in excess of the annual base amount set forth in the following table for each meter size in any calendar year.

| Meter Size | Annual Base Amount in Gallons |
|---|---|
| 0.75 inch | 270,000 |
| 1.00 inch | 1,080,000 |
| 1.50 inch | 2,160,000 |
| 2.00 inch | 3,510,000 |
| 3.00 inch | 7,020,000 |
| 4.00 inch | 10,800,000 |
| >4.00 inch | To be set by City Council |

**Calendar Year:** means the twelve billing periods starting with the first billing period beginning on or after January 1st in each year.

**Multiple Meters on a Campus:** Whenever water use through a meter totals less than the annual base amount during any calendar year, the difference between actual use and the annual base amount may be credited to any other meter on the same property and under the same ownership upon application to and approval of the Director of

Water and Power, or his or her designee. Upon approval, all water furnished through separate meters on the property can be combined for determining the excess water use. Please note that a special billing charge may be imposed to cover additional billing and administrative costs and that these costs may be changed from time to time to reflect changes in costs.

**Annual Base Increases:** The annual base amounts in the table above may be increased by increments of 270,000 gallons by doing at least one of the following options: (See Municipal Code 13.04.245 for additional information and stipulations.)

1. **Provide Additional Raw Water:** For each additional acceptable acre foot of raw water rights furnished to the City, the customer will receive 270,000 gallons on the annual base amount. (See Municipal Code 19.04.040).
2. **Annexations or Rezonings:** Furnish evidence to the City that the City received raw water rights in conjunction with annexation or rezoning of a property served in excess of the required raw water rights according to meter size as set forth in the table below. The annual base amount will be increased 270,000 gallons for each excess acre foot of raw water rights.

| Meter Size | Required Raw Water in Acre Feet |
|---|---|
| 0.75 inch | 1 |
| 1.00 inch | 4 |
| 1.50 inch | 8 |
| 2.00 inch | 13 |
| 3.00 inch | 26 |
| 4.00 inch | 40 |
| >4.00 inch | To be set by City Council |

3. **Fractions of Water Rights & Cash Credits:** Whenever available water right credits are for fractions of acre feet, cash may be paid at the rate established by Municipal Code Section 19.04.040 to make up the difference between available credits and the next full acre foot required.

For additional information on Excess Water Use Surcharge, please see Municipal Code 13.04.245.

### Fire Tap Plant Investment Fee

The Fire Tap Plant Investment Fee applies to outside city customers who receive water from the City for the purpose of supplying water for stand pipes and fire sprinkler systems for institutional, commercial and industrial buildings only. This fee does not apply when the outside city customer also receives water service from the City. For more information, see Municipal Code 13.04.205.

### Hidden Valley Estates Area

Customers in the Hidden Valley area includes Hidden Valley Estates I, Hidden Valley Estates II, Hidden Valley Estates III, Wild Valley North and James A Wild Trust Subdivisions. When the Hidden Valley area water system was proposed, the Loveland Water & Power Department and City Council recognized that this area was unique in the following ways:

- **High Cost per Customer Served:** Providing water service to this area requires a significant amount of infrastructure to serve relatively few homes. To provide the service the developer requested costs the City more per customer than the cost to provide water service to our typical customer.
- **Water Quality:** A 4" recirculation waterline that runs continuously was required to be installed parallel to the 8" waterline to prevent the water from becoming stale and protecting against bacterial problems caused by the chlorine residuals dissipating before reaching the taps. The system was designed in this manner to address the long dead ends with no redundant feeds or connections.
- **High Water Pressure Requirements:** Due to the extreme elevation increases in this area, the water distribution system requires special water infrastructure to provide water pressure sufficient to reach the homes at higher elevations while still meeting fire suppression flow requirements. The special infrastructure includes a pump station that includes a fire pump and recirculation pumps that run non-stop to keep chlorine levels adequate and also maintain water pressure.
- **Fire Protection:** Normally the City provides adequate fire suppression flows through hydrants along the distribution system. However, in order to meet fire suppression requirements, this system had to be configured to allow for each home to have a 60 gallon per minute fire line service tap connected to private internal sprinkler systems.

City Council gave direction via Resolutions #R-35-2004 and #R-83-2005 to ensure subdivisions in the Hidden Valley Estates area self-funded the operations, maintenance and future replacement of the water infrastructure required to serve customers in these subdivisions.

The sole purpose of the Hidden Valley Water Availability of Service Fee is to ensure that adequate funds are available when system components must be replaced in the Hidden Valley Estates area. This fee plays a key role in accumulating funds toward covering the replacement cost. This Availability of Service Fee ensures that homes added after the system was initially constructed do not sidestep the financial obligation to contribute their appropriate share toward the future replacement of the Hidden Valley Estates water system. The initial customers, from Hidden Valley Estates I and Hidden Valley Estates II, have been contributing monthly toward this future replacement since July 2005. The Availability of Service Fee is the mechanism to collect the replacement funds from customers who have not been contributing from the start for the replacement of Hidden Valley Estates area's infrastructure replacement and operations and maintenance costs, which had been specifically constructed and operated solely for the benefit of the property owners in the Hidden Valley Estates area subdivisions.

The Hidden Valley Monthly Base Charge continues each month for all Hidden Valley I and Hidden Valley II water taps and for the other lots in the Hidden Valley Estates Area after the Activation of Service Fee is paid.

### NATIVE RAW WATER STORAGE FEE

The Native Raw Water Storage Fees are taken from the Raw Water Master Plan and are subject to change at any time by ordinance of City Council. When credit in the City's water bank is received in exchange for the transfer of ditch water rights to the City is applied to satisfy the City's water rights requirements, it is subject to the Native Raw Water Storage Fee (See Municipal Code 19.04.045.B & 19.04.045.C for some exemptions.) The Native Raw

Water Storage Fee does not apply to water bank credits received in exchange for the transfer of Colorado-Big Thompson Project units to the City or water bank credits acquired from the City by cash payment or to payments of the Cash-in-Lieu price. See Municipal Code 19.04.045 for addition information.

### Raw Water Development Fee

The Raw Water Development Fee is based on the size of the water tap requested. This fee applies to residential and commercial water taps smaller than 2" and to all irrigation taps. For multifamily dwellings, this fee is charged per dwelling unit. For non-residential taps, 2" and larger, a Raw Water Development Capital Recovery Surcharge is required. The capital recovery surcharge is paid per 1,000 gallons of water billed to the owner of the property, or the responsible party of the water charges. The Raw Water Development Capital Recovery Surcharge for outside city customers is the same as for inside city customers. The Capital Recovery Surcharge is charged per 1,000 gallons of water use billed at the requesting property and will remain in effect as long as the water service remains active on the parcel of property. For more information, see Municipal Code 13.04.040.

### Supplying Water to Others Prohibited

No occupant or owner of any building or premises which obtains water from the City shall supply water to other persons or families or to other premises. Such persons will be required to pay double the price of water so used and the Department may shut off the water supply for such violation. See Municipal Code 13.04.110.

### System Impact Fees • Water

Water System Impact Fees (SIF) are a one-time charge for each new connection to the water system, and for increases to the water meter size. SIF applies for all residential meters, nonresidential meters smaller than 2" in diameter, and dedicated irrigation meters. (Nonresidential meters 2" and larger are paid through a Capital Recovery Surcharge.) SIF are due at the time a building permit is requested, or, if no building permit is required for that property or structure that the meter will serve, at the time a request is made for activation of the water meter. SIF are applied to the property as long as the building use and size of the water connection remain unchanged. No refund of SIF shall be made for the removal or decrease in the size of water service connected to the City water system except as outlined in Municipal Code 13.04.032 and 13.04.033. For additional information on SIF, see Municipal Code 13.04.030.B and 13.04.038.

### Water Rates

Except as provided in Municipal Code 13.04.241 (Rental of Surplus Raw Water), all water sold by the City shall be sold at rates to be established by resolution of the City Council adopted after two readings. See Municipal Code 13.04.240

### Water Meter and Tapping Fees

The applicant for a water tap is to pay all meter and tapping fees, at the time of application for the tap. A list of the services and materials provided by the City is available from Loveland Water and Power. These fees may be decreased or waived if the applicant provides all or a portion of the required labor and materials associated with the tap. See Municipal Code 13.04.030.A.

# WASTEWATER

## CAPITAL RECOVERY SURCHARGE - WASTEWATER

A Wastewater Capital Recovery Surcharge is required for all new commercial sewer taps using a water tap 2" and greater and for increases to existing taps making them 2" and greater. It replaces the initial Wastewater System Impact Fee. The Wastewater Capital Recovery Surcharge is paid per the collection of each 1,000 gallons of wastewater. The original owner(s) requesting wastewater service at that property, and all subsequent tenants or owners of the property, are required to pay the Wastewater Capital Recovery Surcharge. The Wastewater Capital Recovery Surcharge is for all wastewater collection billed at the requesting property and will remain in effect as long as the service remains active and is activated on the parcel of property. For more information, see Municipal Code 13.08.030, 13.08.040, 13.08.041.

## FLAT RATE WASTEWATER SEWER SERVICE

This service and the associated fees are for customers who receive their wastewater service from the City and their water service from another water provider.

## HIGH STRENGTH WASTEWATER SURCHARGE

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), is charged a monthly surcharge as follows:

a. **BOD Charge per Pound:** A charge per pound of BOD when the BOD of wastewater discharged to the City's sewer system exceeds a threshold per liter specified in the current Utility Rates, Charges, and Fees, plus;
b. **TSS Charge per Pound:** A charge per pound of TSS when the TSS of wastewater discharged to the City's sewer system exceeds the threshold specified in the current Utility Rates, Charges and Fees.

For more information, please see Municipal Code 13.08.101.

## PUBLIC NOTIFICATION OF VIOLATION

The Director is required to publish annually, in a newspaper of general circulation that provides meaningful public notice within the jurisdiction(s) served by the Utility, a list of the commercial users that, at any time during the previous twelve (12) months, were in significant noncompliance with applicable pretreatment standards and requirements. The term "significant noncompliance" shall be applicable to all significant commercial users, and any other commercial user that violates sections (3), (4), or (8) of the definition of "significant noncompliance" set forth in Section 13.10.104 of the Loveland Municipal Code. The actual costs of this public notice are charged to the significant noncompliance customer. For more information, see Municipal Code 13.10.

## SYSTEM IMPACT FEES • WASTEWATER

Wastewater System Impact Fees (SIF) are a one-time charge for each new connection to the wastewater system, and for increases to an existing water meter size. SIF applies for all residential connections to the wastewater system and for nonresidential connections to the wastewater system when the meter is 1.5" or smaller. (SIF for nonresidential meters 2" and larger are paid through a Capital Recovery Surcharge.) SIF are due at the time a building

permit is requested, or if no building permit is required for that property or structure that the water meter will serve, at the time a request is made for activation of the water meter. SIF are credited to the property as long as the building use and size of the water connection remain unchanged. No refund of SIF shall be made for the removal or decrease in the size of water service connected to the City water system except as outlined in Municipal Code 13.04.032 and 13.04.033. For additional information on Wastewater SIF, see Municipal Code 13.08.040.

### WASTEWATER CHARGES

1. **Residential:** For all residential properties with metered City water service, the wastewater charge shall be as follows:

   i. for the months of December, January, and February, the wastewater charge shall be based on the metered water consumption for the month being billed;
   ii. for the months of March through November, the wastewater charge shall be based on the lesser of the average monthly water consumption determined by the meter readings shown in the immediately preceding December, January, and February utility billings (the "winter quarter average") or the metered water consumption for the month being billed.

   However, a customer may request, in writing, to be charged the monthly flat rate for the months of March through November. The request must demonstrate to the satisfaction of the Director of Loveland Water and Power that the property's winter quarter average is not representative of the property's wastewater discharge. If the request is approved, the property shall be charged the monthly flat rate, for the months of March through November. Said approval shall be valid only for that calendar year.

2. **Nonresidential:** For all nonresidential properties with metered water service, the wastewater charge for all months shall be based on metered water consumption.

   i. However, a customer may request, in writing, that it be billed for the months of March through November based on the lesser of the property's winter quarter average or the metered water consumption for the month being billed. The request must demonstrate to the satisfaction of the Director of Loveland Water and Power that only a portion of the metered water consumption is discharged to the wastewater system. If the request is approved, the property shall be billed for the months of March through November based on the lesser of the property's winter quarter average or the metered water consumption for the month being billed. Said approval shall be valid only for that calendar year.
   ii. For all nonresidential properties with metered water service from non-City providers, the customer must sign a release permitting the City to have ongoing access to the customer's water consumption data. The City shall not be obligated to provide wastewater service to any customer with water service from a non-city provider who refuses or fails to sign the release required herein.

3. **Flat Rate:** The monthly flat rate for residential and nonresidential properties shall apply to all properties that do not qualify for billing based on metered water consumption.

For additional information on wastewater charges, see Municipal Code 13.08.100.

## WASTEWATER WET TAPPING FEE

Applicants for a new wastewater service tap pay a wet tap fee at the time of application for the tap. The tap fee reflects the costs of providing the services and materials for the tap. The customer is responsible for excavating a trench to the wastewater main where the tap will be made. A list of the services and materials provided by the City shall be available from Loveland Water and Power. No charge will be assessed where a wastewater connection is to be made to a service, which has been previously installed in the main wastewater line. Reference Municipal Code 13.08.030.A.

# ELECTRIC

## ANNEXATION SURCHARGE

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

## APPLICATIONS FOR ELECTRIC SERVICE

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

## CHARGES WHEN ACCESS DENIED

Whenever clear access to the meter location is denied, this charge is imposed to cover the additional costs and expenses incurred by the City. Clear access shall be deemed to be denied whenever, because of locked gates, animals confined in the same space as the meter location, or for any other reason, and after making a reasonable attempt to locate a person upon the premises to gain access, an authorized representative of the City is unable to read the meter, change the meter, or perform such other function as such representative is lawfully authorized to perform. Higher after hours charges will be imposed. Regular business hours are defined as 7 AM to 4 PM Monday through Friday, excluding holidays observed by the City. After hours are defined as hours outside of the regular business hours and all holidays observed by the City of Loveland. See Municipal Code 13.02.135

A. **Appointment or Special Trip Fee to Read the Meter:** When clear access is denied for two successive meter readings, and an appointment is made with the consumer or a special trip is made for reading the meter, a charge is imposed for such appointment or special trip.
B. **Appointment or Special Trip Fee to Change the Meter:** When clear access is denied and a special trip is made to change a meter on the department's regular maintenance program, a charge is imposed.
C. **Service Disconnect at Junction Box or Overhead Pole:** When clear access is denied for the purpose of disconnecting service at the junction box or overhead pole, the actual costs will be billed.

## DISCONNECT AND RECONNECT SERVICES

Water and Power will perform a typical service disconnect/reconnect where power is energized or de-energized on the line side of the meter, on a flat fee basis. There is a lower fee for each typical service disconnect/reconnect that does not require engineering verses those requiring engineering.

A typical service disconnect/reconnect is defined as one where there is no increase in wire size or length performed on regular working days during regular business hours between 7 AM and 4 PM. All other service disconnect/reconnects will be billed at Water and Power's actual cost. If the disconnect is done during regular business hours and the reconnect is done after regular business hours the flat fee and the actual costs will be prorated appropriately.

## DISTRIBUTION DESIGNER DEPOSITS

A customer requesting a new or modified electric service, relocation of facilities, or other work requiring engineering and construction, must make a deposit with the Department. Upon completion of engineering, the customer will deposit with the Department the total deposit required. If the project is cancelled, the deposit will be applied to the actual charges incurred, any resulting credit or debit will be refunded or billed to the customer. For current deposit amounts and categories, please see the current Utility Rates, Charges and Fees.

## ENERGIZE ELECTRIC SERVICE TO SMALL DEVICES QUALIFYING FOR FLAT RATE SERVICE

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

## OTHER DEPOSITS

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

1. Install and terminate secondary riser up to 100 feet (no transformer required)
    a. Residential to 200 amps
    b. Commercial (cable supplied and installed by customer)
2. Open transformer to pull in secondary and terminate cable up to 130'
3. Single phase padmount transformer upgrade (no other customers)
    a. Upgrade one transformer size
    b. Upgrade two transformer sizes
    c. Upgrade three transformer sizes
4. Single phase padmount transformer upgrade (other customers)
    a. Upgrade one transformer size
    b. Upgrade two transformer sizes
    c. Upgrade three transformer sizes
5. Single phase overhead transformer upgrade (no other customers)
    a. Upgrade one transformer size
    b. Upgrade two transformer sizes
6. Single phase overhead transformer upgrade (other customers)
    a. Upgrade one transformer size
    b. Upgrade two transformer sizes

## PERMANENT DISCONNECT AND REMOVAL OF SERVICE

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

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

## PLANT INVESTMENT FEE

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

**A. Schedule R – Residential Service and Schedule RD – Residential Demand Service.** At the time application is made for any dwelling unit to be built within the corporate boundaries of the City, or at the time of application for electric service for any dwelling unit to be built outside the corporate boundaries of the City, there shall be paid to the City a Plant Investment Fee as specified in the current Utility Rates, Charges, and Fees for each electric meter to be installed in connection with the dwelling unit. A larger fee will be required for services greater than 150 amps. (Each dwelling unit within a structure containing more than one dwelling unit shall be separately metered). No energization of a permanent connection to any dwelling unit served by the City shall occur unless and until the Plant Investment Fee is paid.

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

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

**B. Schedule SG** – Small General Service. The Plant Investment Fee for accounts receiving Small General Service shall be collected in each billing period. The amount of the Plant Investment Fee to be billed in each period shall be for each kWh used by the account during the billing period.

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

**C. Schedule LG** – Large General Service. The amount of Plant Investment Fee to be billed in each billing period shall be for each kWh used by the account during the billing period.

**D. Schedule PT**– Primary Service with Transformer. The amount of Plant Investment Fee to be billed in each billing period shall be for each kWh used by the account during the billing period.

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

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

## RESALE OF ELECTRIC CURRENT PROHIBITED

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

## PUBLIC ELECTRIC VEHICLE CHARGING STATION SERVICE USER FEES

1. **Availability:** Designated electric vehicle charging stations will be made available by the City for public use within the corporate limits of the City at the user fees set forth in the Utility Rates, Charges, and Fees. The fees set forth below shall apply to all public electric vehicle charging stations owned and operated by the City.
2. **User Fees:** Public electric vehicle charging station service user fees (including Payment In Lieu of Taxes) will be provided and billed on a session basis as follows:

| | |
|---|---|
| **Level 2 – 240 Volt Charging** | per hour charge |
| **Minimum Charge** | per charging session |

Please see the current Utility Rates, Charges and Fees for the current rates in each of the above categories.

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

## RENEWABLE ENERGY PREMIUM

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

2. **Monthly Rate:** A premium per each 100 kWh increment of energy is charged. (See current Utility Rates, Charges, and Fees for the current premium). This charge is in addition to all other regular charges the customer incurs for electric service.

3. **Monthly Minimum:** The minimum bill will be established for each 100 kWh increment requested by the customer in the service agreement, plus the minimum bill as identified in the principal rate schedule for the customer. (See current Utility Rates, Charges, and Fees for the current monthly minimum bill amount.)

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

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

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

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

## RESIDENTIAL SERVICE INSTALLATIONS AND UPGRADES FOR SINGLE FAMILY AND DUPLEX DWELLINGS

**A.** A typical new residential service installation will be performed by the Water and Power Department on a flat fee basis.

A typical new underground service is defined as having a trench length of 100 feet or less; trenching to be performed in normal soil conditions.

1. **Typical Underground Service with 1/0 Triplex:** For a service using 1/0 triplex with a panel size of 150 amps or less, the residential service installation fee is imposed and the Plant Investment Fee, as described in the Utility Rates, Charges and Fees is also collected.

2. **Typical Underground Service with 4/0 Triplex:** For a service using 4/0 triplex with a panel size of 200 amps, a higher residential service fee than the 1/0 will be imposed and the Plant Investment Fee, as described in the Utility Rates, Charges and Fees is also collected.

New overhead service is not allowed except through exemption by the Director of Water & Power, or their designee. A typical new overhead service is defined as a service length of

80 feet of less, does not require setting a pole or transformer, is #2 triplex with a panel size of 150 amps or less, or 1/0 triplex with panel size of 200 amps. For this type of service, a deposit is collected.

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

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

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

### SERVICE TURN-ON FEE AT THE METER

There is imposed a service turn-on fee for each service turn-on where power is energized at the meter. After hours fees apply to all requests received during non-business hours Monday through Friday, anytime Saturday or Sunday, and all holidays observed by the City of Loveland. Regular business hours are Monday through Friday 7 AM to 4 PM excluding holidays observed by the City.

### TEMPORARY EXTENSIONS

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

**A.** The customer shall pay a flat rate for the cost of installation and removal of the temporary extension as defined in the *Contractor Construction Standards*, under "Temporary Construction Service". Customers with extensions not meeting these standards will be billed for the actual costs.

**B.** The customer shall pay for electric consumption monthly under the applicable rate.

**C.** No temporary service shall continue beyond the time of building occupancy, or twelve months from connection of such temporary service, whichever occurs sooner, without the consent of the City.

**D.** The City may refuse to connect additional customers to temporary extensions until the temporary extensions have become permanent.

## Schedule AL • Area Lighting (Existing Contracts Only)

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

**Monthly Rate**
The rate for area lighting service shall consist of the sum of the following categories:

| | Area Lighting Schedule AL |
|---|---|
| Rate per watt of bulb | Yes |
| PILT per watt of bulb | Yes |

Please see the current Utility Rates, Charges and Fees for the actual rates in each of these categories.

## Schedule CP • Coincident Peak Demand Service

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

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

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

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

**Availability**

1. Coincident Peak Demand Service is required for non-residential customers in which the monthly average distribution facilities demand exceeds 1,400 kW over 12 consecutive months. For a customer with two or more meters located on a campus, the average monthly distribution facilities demand will be determined by adding the distribution facilities demand for each meter on the campus.

2. The Coincident Peak Demand rate classification will be applicable to all new customers without an annual billing history based on the following:
   - The new customer must present sufficient information to the City indicating that the operating schedule and electrical equipment are such that the monthly distribution facilities demand would qualify it for the rate.

- The City reserves the right to analyze and verify all information provided. If the City is satisfied that the monthly distribution facilities' demand of the new customer will exceed 1,400 kW, such customer will be placed on the Coincident Peak Demand rate.
- If the monthly distribution facilities' demand during the first three months indicate that the customer does not qualify for the Coincident Peak Demand rate, the City will immediately transfer such new customer to the appropriate rate classification.

3. Once qualified, each such customer shall remain on the Coincident Peak Demand rate for a minimum of twelve consecutive months. After twelve months, the City will use the twelve-month running average distribution facilities' demand to determine applicability of the Coincident Peak Demand rate.

**Monthly Rate**

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

| | **Primary Service with Transformer Schedule PT** |
|---|---|
| Monthly base charge | Based on customer cost of service and energy usage profile. |
| Monthly minimum bill | Yes |
| Energy charge per kWh | All kWh consumed, per kWh, based on customer cost of service and energy usage profile. |
| Coincident demand charge | All billed coincident demand, per kW, based on customer cost of service and energy usage profile. |
| Distribution facilities demand charge | All distribution facilities demand, per kW, based on customer cost of service and energy usage profile |
| Plant investment fee per kWh | There is a different rate for customers whose service is delivered at the available primary voltage and all serving facilities on the customer's side of the metering point are owned, operated and maintained by the customer verses all other customers. Please see the current Utility Rates, Charges, and Fees for the current rates. |
| Power factor charge | 100% of the power factor charge incurred by the City on account of and attributable to service to the customer may be billed to the customer. |
| **Note: There are different summer rates (July –Oct) verses non-summer rates (Jan-June, Nov0Dec) for these categories.* | |

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

## Schedule FE • Flat Rate Service

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

**Monthly Rates**

| Type of Device | Signal Amplifiers* | Automatic Sprinkler Controls** | Bus Shelters |
|---|---|---|---|
| **Flat Rate per Month** | Yes | Yes | Yes |
| **PILT per Month** | Yes | Yes | Yes |

Please see the current Utility Rates, Charges and Fees for the actual rates in each of these categories.

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

## Schedule LG • Large General Service

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

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

**Monthly Rate**
The rate for Larger General Service shall consist of the sum of the following categories:

| | Large General Service Schedule LG |
|---|---|
| Monthly base charge | Yes |
| Monthly minimum bill | Yes |
| Energy charge per kWh* | Yes |
| PILT charge per kWh* | Yes |
| Plant investment fee per kWh | Yes |
| Demand charge per kW* | Yes |
| Power Factor charge | Yes |
| **Note: There are different summer rates (July –Oct) verses non-summer rates (Jan-June, Nov-Dec) for these categories.* | |

Please see the current Utility Rates, Charges and Fees for the actual rates in each of these categories.

**Conditions**
A. For new installations and service upgrades that are 120/208 volt three-phase 800 amps and larger, and 277/480 volt three-phase 400 amp and larger shall be initially classified as a Large General Service.
B. For single-phase, three-wire service, the customer's equipment shall be connected so that the current carried by the neutral conductor shall be not greater than 15 percent of the maximum current in either of the two conductors. For three-phase wye or delta service, the customer's equipment shall be connected so that the current carried by any one-phase conductor shall be no greater than 115 percent of the current in either of the two-phase conductors.

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

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

## Schedule PT • Primary Service with Transformer

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

**Monthly Rate**
The rate for Primary Service in which the customer owns the transformers shall consist of the sum of the following categories:

| | Primary Service with Transformer Schedule PT |
|---|---|
| Monthly base charge | Yes |
| Monthly minimum bill | Yes |
| Energy charge per kWh* | Yes |
| PILT charge per kWh* | Yes |
| Plant investment fee per kWh | Yes |
| Demand charge per kW* | Yes |
| Power factor charge | Yes |
| **Note: There are different summer rates (July –Oct) verses non-summer rates (Jan-June, Nov-Dec) for these categories.* | |

Please see the current Utility Rates, Charges and Fees for the actual rates in each of these categories.

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

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

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

## Schedule R • Residential Service

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

**Monthly Rate:**
The rate for Residential Service shall consist of the sum of the following categories:

| | Residential Service • Schedule R |
|---|---|
| Monthly base charge | Yes |
| Monthly minimum bill | Yes |
| Energy charge per kWh* | Yes |
| PILT charge per kWh* | Yes |
| **Note: There are different summer rates (July –Oct) verses non-summer rates (Jan-June, Nov-Dec) for these categories.* | |

Please see the current Utility Rates, Charges and Fees for the actual rates in each of these categories.

## Schedule RD • Residential Demand Service

**Availability**
No new customers will be added to Schedule RD after December 31, 2014. Residential Demand Service is for single-family dwelling units and individually metered multi-family dwelling units at any location within the area served by Loveland Water and Power. Single-family dwelling units and individually metered multi-family units means those buildings or dwelling units used solely as residences and not used in part for any other purpose. Service is delivered through a single meter per dwelling unit, at one point of delivery.

**Monthly Rate**
The rate for Residential Demand Service shall consist of the sum of the following categories:

| | Residential Demand Service Schedule RD |
|---|---|
| Monthly base charge | Yes |
| Monthly minimum bill | Yes |
| Energy charge per kWh* | Yes |
| PILT charge per kWh* | Yes |
| Demand charge per kW* | Yes |
| Power Factor charge | Yes |
| **Note: There are different summer rates (July –Oct) verses non-summer rates (Jan-June, Nov-Dec) for these categories.* | |

Please see the current Utility Rates, Charges and Fees for the actual rates in each of these categories.

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

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

## Schedule SG • Small General Service

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

**Monthly Rate**
The rate for Small General Services shall consist of the sum of the following categories:

| | Small General Service Schedule SG |
|---|---|
| Monthly base charge | Yes |
| Monthly minimum bill | Yes |
| Energy charge per kWh* | Yes |
| PILT charge per kWh* | Yes |
| Plant Investment Fee per kWh | Yes |
| **Note: There are different summer rates (July –Oct) verses non-summer rates (Jan-June, Nov-Dec) for these categories.* | |

Please see the current Utility Rates, Charges and Fees for the actual rates in each of these categories.

**Conditions**

A. For new installations and service upgrades, if the customer's monthly peak demand exceeds 50 kW at any point during the first three months, the City will immediately transfer such new customer to the appropriate rate classification.

B. Whenever metered demand exceeds a monthly average 50 kW in a consecutive 12-month period, Loveland Water and Power will notify the customer and further service provided to such customer shall be furnished at the Large General Service Rate. The department may install such meters as it deems necessary in order to determine the metered demand.

C. For single-phase, three-wire service, the customer's equipment shall be connected so that the current carried by the neutral conductor shall be not greater than 15 percent of the maximum current in either of the two conductors. For three-phase wye or delta service, the customer's equipment shall be connected so that the current carried by any one-phase conductor shall be no greater than 115 percent of the current in either of the two-phase conductors.

## Schedule TS • Transmission Voltage Service

**Eligibility Requirements**
Transmission Voltage Service is available to any customer:

1. Whose load is of sufficient magnitude or of an unusual nature such that it cannot be served from the distribution system; and
2. Whose premises are adjacent to transmission lines that are, or by contract can become, lines that supply wholesale power to the City's system; and
3. Who meets the criteria for large user service as set forth in Platte River Power Authority's Tariff 9, or applicable successor tariff.

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

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

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

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

In addition, the agreement must include a waiver of all liability for the City and Platte River Power Authority for actual and consequential damages resulting from interruptions in accordance with the agreement. The City Manager shall be authorized to negotiate all such agreements, in consultation with Platte River Power Authority, and to execute such agreements on behalf of the City.

## Self-Generation Rate

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

**Residential – Monthly Rate:** This rate is a composite of the following charges:

| | Residential Self-Generation Service |
|---|---|
| System size range limitation | **Up to 13.49 kW** |
| Monthly base charge* | Yes |
| Energy charge per kWh** | Yes |
| PILT charge per kWh** | Yes |
| Buyback credit per kWh** | Yes |
| **Note:* The monthly residential base charge is determined by the capacity of the Self-Generating Unit in kilowatts (kW). Increments range up to 13.49 kW.<br>***Note: There are different summer rates (July –Oct) verses non-summer rates (Jan-June, Nov-Dec) for these categories.* | |

Please see the current Utility Rates, Charges and Fees for the actual rates in each of these categories.

**Non-Residential – Monthly Rate:** This rate is a composite of the following charges:

| | Small General Self- Generation Service | | Large General Self-Generation Service | |
|---|---|---|---|---|
| System size range limitation | **1-50 kW** | **51-400 kW** | **1-50 kW** | **51-400 kW** |
| Monthly base charge | Yes | Yes | Yes | Yes |
| Monthly minimum bill | Yes | Yes | Yes | Yes |
| Energy charge per kWh* | Yes | Yes | Yes | Yes |
| PILT charge per kWh* | Yes | Yes | Yes | Yes |
| Buyback credit per kWh* | Yes | Yes | Yes | Yes |
| Plant Investment Fee per kWh* | Yes | Yes | Yes | Yes |
| Demand charge per kW* | No | No | Yes | Yes |
| **Note: There are different summer rates (July –Oct) verses non-summer rates (Jan-June, Nov-Dec) for these categories.* | | | | |

Please see the current Utility Rates, Charges and Fees for the actual rates in each of these categories.

The Self-Generating customer must be in compliance with the technical specifications and requirements contained in the Standard for Interconnecting Distributed Resources with the City of Loveland Electric Power System as found in the City's Municipal Code 13.12.180 and must enter into a contract with the City.

# MISCELLANEOUS ACCOUNT FEES & INFO

## ACCESS TO UTILITY METER AND OTHER CITY FACILITIES AND APPURTENANCES

Authorized City employees shall, at all reasonable times, have clear access to any premises within or without the City served by a City utility for the examination or survey thereof or for inspection and repair of City facilities and appurtenances, connection and disconnection of services, reading meters, or for any other purpose whatever in connection with the necessary discharge of their duties and the enforcement of the provisions of this chapter.

In the event an authorized City employee is not provided clear access to the premises, the customer will be notified in writing at the address on file with utility billing to schedule an appointment for the authorized representative to have clear access the premises. If the customer fails to schedule an appointment within 10 days after receipt of the notification, or if any scheduled appointment is not kept by the customer, a 2nd notice will be mailed to the customer address on file, advising the customer that service may be discontinued after the 10th day following the mailing of such notice if clear access to the premises is not permitted prior to such day. In the event clear access is not permitted prior to said day, the applicable utility service shall be discontinued.

Any customer who fails to provide clear access for the purposes set forth in this section is liable for all expenses related to the City's attempts to gain clear access, including costs of labor and materials and specified fees. Clear access is deemed to be denied whenever, because of locked gates, animals confined in the same space as the meter, facility or appurtenance location, or for any other reason, and after making a reasonable attempt to locate a person upon the premises to gain access, an authorized city employee is unable to perform functions the employee is lawfully authorized to perform. See Municipal Code 13.02.135.

## AFTER HOURS

After hours fees apply to all requests received before 7 AM or after 4 PM Monday through Friday, anytime Saturday or Sunday, and on all holidays observed by the City of Loveland.

## APPLICATION OF PAYMENT

(See Municipal Code 13.02.090) Every payment made to the City for utility service will be applied in the following order:

1. **Prior Billing Period Charges:** Payment will first be applied toward all charges incurred in a prior billing period and not yet paid, except those amounts for which extended payment has been arranged and which are not yet due.
2. **Current Billing Period Charges:** Then payment will be applied to charges incurred during the current billing period
3. **Extended Payment Arrangement:** Then payment will be applied to all charges presently due pursuant to an extended payment arrangement.

### CHARGES DUE – WHEN

All charges for the use of utilities are due and payable 15 days after the billing date and are considered in arrears if not paid within 15 days after the billing date. (See Municipal Code 13.02.120.)

### INTERFERING OR TAMPERING WITH A UTILITY METER

It is unlawful for any person to:

1. Interfere with or remove, alter, or tamper with any meter provided for measuring or registering the quantity of water, or electricity passing through said meter without the knowledge and consent of the utility supplying such water or electricity; or
2. Connect any pipe, tube, stopcock, wire, cord, socket, motor, or other instrument or contrivance with any main, service pipe, or other medium conduction or supplying water or electricity to any building, lot or parcel without the knowledge and consent of the utility supplying such water or electricity.

If any evidence of interfering with or removal of, altering, or tampering with a meter or unlawful startup of service is found, the utility may terminate service immediately. All costs for water or electricity received, and expenses related to terminating service pursuant to this section, including costs of labor and materials and specified fees, shall be paid by the person responsible for such interference, removal, alteration, tampering or unlawful startup. See Municipal Code 13.02.130.

**Presumption:**

1. There is rebuttable presumption that the customer or occupant of any premises where interference, removal, altering, tampering, or unlawful startup is proven to exist caused or permitted such interference, removal, altering, tampering, or unlawful startup if the tenant or occupant had access to the part of the utility supply system on the premises where the interference, removal, altering, tampering, or unlawful startup is proven to exist and if said customer or occupant was responsible or partially responsible for payment, either directly or indirectly, to the utility or to any other person for utility services provided for the premises.
2. The presumption provided in this section shall only shift the burden of going forth with evidence and shall in no event shift the burden of proof to the defendant in any action brought pursuant to this section.
3. Any person convicted of violating this section shall be subject to the penalties set forth in Municipal Code 1.12.010, except that a minimum mandatory fine specified in Municipal Code 13.02.130.D shall be imposed for each such violation.

### LATE PAYMENT PENALTY

A late payment penalty is imposed upon each delinquent bill. (See Municipal Code 13.02.060.)

### New Account or Reactivation Fee and New Account Meter Reading Fee

Connection fees are imposed and collected with the first utility bill rendered after utility service has been established or a customer account or utility service is reactivated following voluntary or involuntary termination for the following reasons:

- Activation or establishment of a customer account for a service address
- Meter reading charge for service address if read by Utility Billing Division
- Reactivation of a customer account for a service address
- Interfering or Tampering with a Meter

Please see Section 13.02.130 of the Loveland Municipal Code for more information on additional fines regarding interfering or tampering with utility meters.

### Returned Check Fee

Whenever a check accepted by the City is returned unpaid for any reason not the fault of the City, a returned check fee will be imposed. See the actual amount in the Miscellaneous Account Fees & Charges Section of this document. (See Municipal Code 13.02.100.)

### Service Reinstated

Utility service terminated will not be restored until all delinquent fees and charges, together with the expenses of terminating and restoring service, including costs of labor and materials and specified fees, and payment of a deposit in the amount set forth in Municipal Code 13.02.020 are paid in full. The utility service may be restored upon such other arrangement for extended payment of the amounts due as may be approved by the utility billing manager. (See Municipal Code 13.02.080.)

### Suspension of Service Termination

Termination of utility service may be suspended by the field service representative at the service address upon immediate payment of all amounts then due, plus a collection fee in an amount as established by resolution of the City Council. (See Municipal Code 13.02.071.)

### Terminating Utility Services

When a customer fails to pay the amount due on their utility bill by 5 pm on the 32nd day after the billing date, the account becomes delinquent and the following steps will occur in the service termination process. (See Municipal Code 13.02.010 and 13.02.070.)

1. **Written Notice of Intent to Disconnect** utility service will be mailed to the customer address on file.
2. **Written Notice of Termination of Service:** If the bill is still not paid, a written notice of termination of services will either be posted on the premise or mailed to the customer billing address on file and to the service address, if different from the billing address, at least 8 days after the written notice of intent to disconnect was sent.
3. **Service Terminations** will be made as soon as practicable after 8 AM on the 8th day after written notice of termination of service was posted or mailed.

## UTILITY SERVICE DEPOSIT

A refundable deposit is required upon application for utility service as a condition of providing any utility service for a new customer or a customer who changes the address to which utility service is furnished, unless the customer has been a nondelinquent customer. (See Municipal Code 13.02.020 for the deposit amount and additional details.)

# RESOURCE LINKS

**BROADBAND WEBSITE**
www.LovelandPulse.com

**COINCIDENT PEAK RATE**
www.cityofloveland.org/CPRate

**HELPING A NEIGHBOR IN DISTRESS (HAND) PROGRAM**
www.cityofloveland.org/HAND

**HYDROZONE**
www.cityofloveland.org/hydrozone

**Municipal Code**

- Title 13 - Utilities http://online.encodeplus.com/regs/loveland-co/doc-viewer.aspx?secid=3136&keywords=fractions%20of%20acre%20feet#secid-3078
- Title 19 – Water Rights http://online.encodeplus.com/regs/loveland-co/doc-viewer.aspx?secid=3136&keywords=fractions%20of%20acre%20feet#secid-3743
- Legislation Enacted, but Not Yet Added to the On-line Code http://www.cityofloveland.org/government/municipal-code

**RANCH WATER**
www.cityofloveland.org/ranchwater

**RENEWABLE ENERGY PREMIUM (GREENSWITCH)**
www.cityofloveland.org/greenswitch

**REQUIREMENTS FOR ELECTRIC SERVICE WEBPAGE**
www.cityofloveland.org/res

- Current Requirements for Electric Service
- Index and Revision Log
- Electric Service Worksheet (Commercial)
- Electric Service Worksheet (Residential)
- Pulse Meter Request Form
- Grant of Easement

**SELF-GENERATION WEBSITE**
www.cityofloveland.org/Interconnection

**UNDERSTANDING YOUR UTILITY BILL**
www.cityofloveland.org/LWPBill

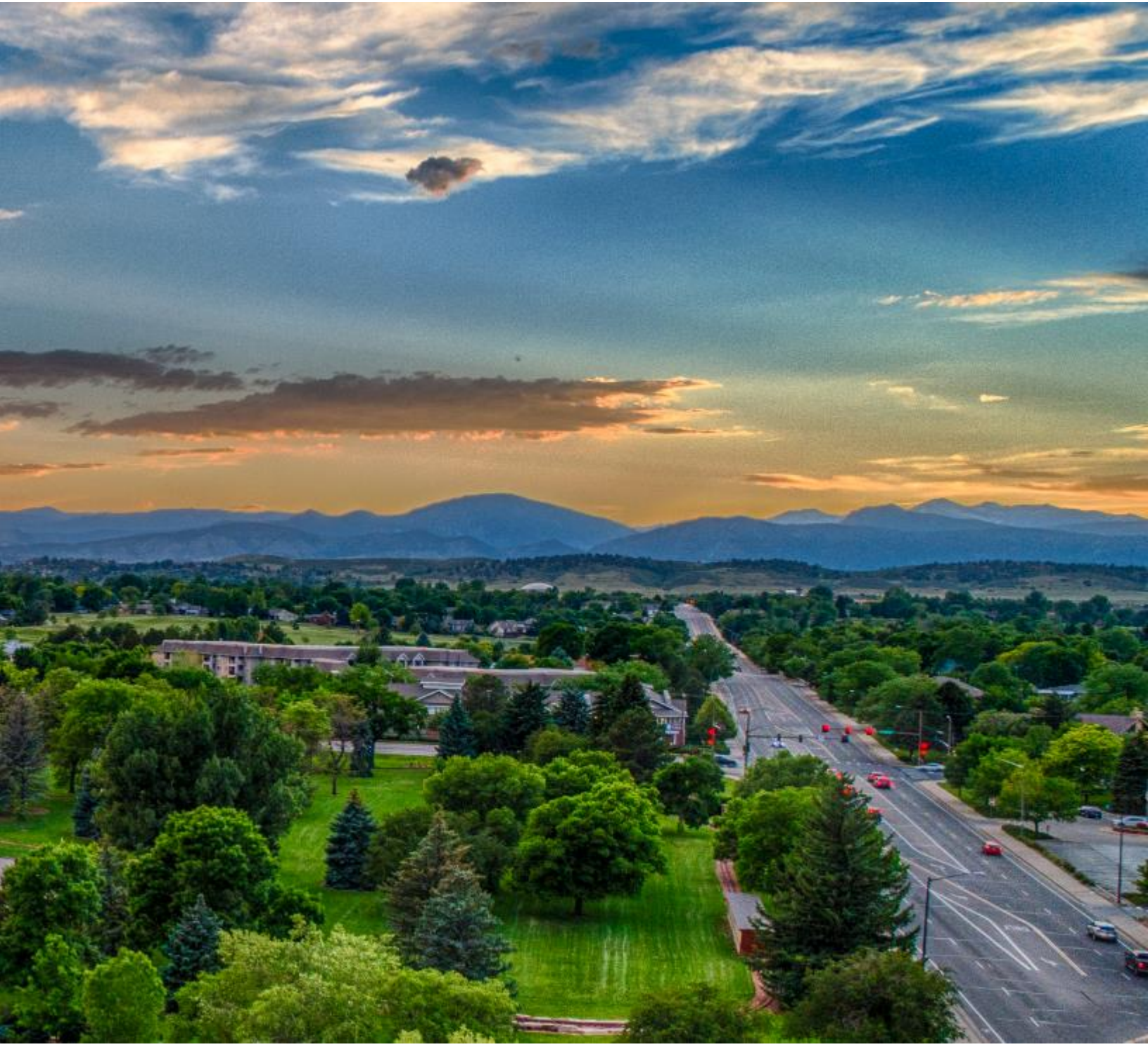
**UTILITY BILLING WEBSITE**
www.cityofloveland.org/utilitybilling

**UTILITY BILLING PAYMENT OPTIONS**
www.cityofloveland.org/paymentoptions

## WATER AND WASTEWATER DEVELOPMENT STANDARDS WEBPAGE

www.cityofloveland.org/wwwds

- Current Development Standards
- Water and Wastewater Wet Tap Fee Form
- Hydrant Flow Test Form
- Hydrant Meter Rentals
- Grant of Easement
- Joint Sewer Service Agreement
- Fire Hydrant/Fire Service Form
- Water Service Installation Form
- Residential Water Service Summary Report
- Sewage Lift Station Standard



*Cover photo was taken by Dick Knapp from Dick's Photography.*

# Attachment B

| Comparison of Proposed 2020 Rates, Charges, & Fees to Current Rates, Charges, & Fees | | Current Schedule | Proposed Schedule | $ Change | % Change |
|---|---|---|---|---|---|
| | | 2019 | 2020 | 2019 to 2020 | 2019 to 2020 |
| **WATER RATES, CHARGES & FEES** | | | | | |
| **Monthly Base Charge** | | **Inside City** | **Inside City** | | |
| **Customer Class** | **Tap Size** | **Monthly Rate** | **Monthly Rate** | **$ Change** | **% Change** |
| Single Family | 0.75 inch | $14.74 | $15.77 | $1.03 | 7.0% |
| | 1.00 inch | $18.99 | $20.32 | $1.33 | 7.0% |
| Multi-Family | 0.75 inch | $25.10 | $26.86 | $1.76 | 7.0% |
| | 1.00 inch | $29.10 | $31.14 | $2.04 | 7.0% |
| | 1.50 inch | $33.10 | $35.42 | $2.32 | 7.0% |
| | 2.00 inch | $44.12 | $47.21 | $3.09 | 7.0% |
| | 3.00 inch | $125.20 | $133.96 | $8.76 | 7.0% |
| | 4.00 inch | $155.23 | $166.10 | $10.87 | 7.0% |
| | 6.00 inch | $225.31 | $241.08 | $15.77 | 7.0% |
| Commercial | 0.75 inch | $14.74 | $15.77 | $1.03 | 7.0% |
| | 1.00 inch | $18.99 | $20.32 | $1.33 | 7.0% |
| | 1.50 inch | $23.21 | $24.83 | $1.62 | 7.0% |
| | 2.00 inch | $34.88 | $37.32 | $2.44 | 7.0% |
| | 3.00 inch | $120.77 | $129.22 | $8.45 | 7.0% |
| | 4.00 inch | $152.59 | $163.27 | $10.68 | 7.0% |
| | 6.00 inch | $226.82 | $242.70 | $15.88 | 7.0% |
| Irrigation | 0.75 inch | $14.74 | $15.77 | $1.03 | 7.0% |
| | 1.00 inch | $18.99 | $20.32 | $1.33 | 7.0% |
| | 1.50 inch | $23.21 | $24.83 | $1.62 | 7.0% |
| | 2.00 inch | $34.88 | $37.32 | $2.44 | 7.0% |
| | 3.00 inch | $120.77 | $129.22 | $8.45 | 7.0% |
| | 4.00 inch | $152.59 | $163.27 | $10.68 | 7.0% |
| | 6.00 inch | $226.82 | $242.70 | $15.88 | 7.0% |
| All Customer Classes | >6.00 inch | Set by City Council | Set by City Council | N/A | N/A |

| **Monthly Base Charge** | | **Outside City** | **Outside City** | | |
|---|---|---|---|---|---|
| **Customer Class** | **Tap Size** | **Monthly Rate** | **Monthly Rate** | **$ Change** | **% Change** |
| Single Family | 0.75 inch | $22.11 | $23.66 | $1.55 | 7.0% |
| | 1.00 inch | $28.49 | $30.48 | $1.99 | 7.0% |
| Multi-Family | 0.75 inch | $37.65 | $40.29 | $2.64 | 7.0% |
| | 1.00 inch | $43.65 | $46.71 | $3.06 | 7.0% |
| | 1.50 inch | $49.65 | $53.13 | $3.48 | 7.0% |
| | 2.00 inch | $66.18 | $70.82 | $4.64 | 7.0% |
| | 3.00 inch | $187.80 | $200.94 | $13.14 | 7.0% |
| | 4.00 inch | $232.85 | $249.15 | $16.30 | 7.0% |
| | 6.00 inch | $337.97 | $361.62 | $23.65 | 7.0% |
| Commercial | 0.75 inch | $22.11 | $23.66 | $1.55 | 7.0% |
| | 1.00 inch | $28.49 | $30.48 | $1.99 | 7.0% |
| | 1.50 inch | $34.82 | $37.25 | $2.43 | 7.0% |
| | 2.00 inch | $52.32 | $55.98 | $3.66 | 7.0% |
| | 3.00 inch | $181.16 | $193.83 | $12.67 | 7.0% |
| | 4.00 inch | $228.89 | $244.91 | $16.02 | 7.0% |
| | 6.00 inch | $340.23 | $364.05 | $23.82 | 7.0% |
| Irrigation | 0.75 inch | $22.11 | $23.66 | $1.55 | 7.0% |
| | 1.00 inch | $28.49 | $30.48 | $1.99 | 7.0% |
| | 1.50 inch | $34.82 | $37.25 | $2.43 | 7.0% |
| | 2.00 inch | $52.32 | $55.98 | $3.66 | 7.0% |
| | 3.00 inch | $181.16 | $193.83 | $12.67 | 7.0% |
| | 4.00 inch | $228.89 | $244.91 | $16.02 | 7.0% |
| | 6.00 inch | $340.23 | $364.05 | $23.82 | 7.0% |
| All Customer Classes | >6.00 inch | Set by City Council | Set by City Council | N/A | N/A |

| Comparison of Proposed 2020 Rates, Charges, & Fees to Current Rates, Charges, & Fees | Current Schedule | Proposed Schedule | $ Change | % Change |
|---|---|---|---|---|
| | 2019 | 2020 | 2019 to 2020 | 2019 to 2020 |
| **Water Use Fee** | **Inside City** | **Inside City** | | |
| **Customer Class** | **Rate per 1,000 Gallons** | **Rate per 1,000 Gallons** | **$ Change** | **% Change** |
| Single Family | $3.01 | $3.22 | $0.21 | 7.0% |
| Multi-Family | $3.05 | $3.26 | $0.21 | 6.9% |
| Commercial | $3.58 | $3.83 | $0.25 | 7.0% |
| Irrigation | $4.66 | $4.99 | $0.33 | 7.1% |
| **Additional Non-Residential Charges** | **Rate per 1,000 Gallons** | **Rate per 1,000 Gallons** | | |
| Excess Water Use Surcharge | $1.28 | $1.37 | $0.09 | 7.0% |
| Capital Recovery Surcharge - Water | $0.807 | $0.852 | $0.045 | 5.6% |
| Capital Recovery Surcharge - Raw Water | $0.160 | $0.160 | $0.000 | 0.0% |

| **Water Use Fee** | **Outside City** | **Outside City** | | |
|---|---|---|---|---|
| **Customer Class** | **Rate per 1,000 Gallons** | **Rate per 1,000 Gallons** | **$ Change** | **% Change** |
| Single Family | $4.52 | $4.83 | $0.31 | 6.9% |
| Multi-Family | $4.58 | $4.89 | $0.31 | 6.8% |
| Commercial | $5.37 | $5.75 | $0.38 | 7.1% |
| Irrigation | $6.99 | $7.49 | $0.50 | 7.2% |
| **Additional Non-Residential Charges** | **Rate per 1,000 Gallons** | **Rate per 1,000 Gallons** | | |
| Excess Water Use Surcharge | $1.28 | $1.37 | $0.09 | 7.0% |
| Capital Recovery Surcharge - Water* | $1.211 | $1.278 | $0.067 | 5.5% |
| Capital Recovery Surcharge - Raw Water* | $0.160 | $0.160 | $0.000 | 0.0% |
| *Capital Recovery Surcharge applies to Commercial Taps 2" or larger | | | | |

| **Construction Water Fee** | | | | |
|---|---|---|---|---|
| **Water Tap Size** | **Flat Fee** | **Flat Fee** | **$ Change** | **% Change** |
| 0.75 inch | $50 | $61.28 | $11.28 | 22.6% |
| 1.00 inch | $81 | $103.41 | $22.41 | 27.7% |
| 1.50 inch | $164 | $210.65 | $46.65 | 28.4% |
| 2.00 inch | $260 | $333.21 | $73.21 | 28.2% |
| 3.00 inch | $487 | $624.29 | $137.29 | 28.2% |
| 4.00 inch | $811 | $1,037.93 | $226.93 | 28.0% |
| >4.00 inch | *Negotiated with the Water and Power Department* | *Negotiated with the Water and Power Department* | *N/A* | *N/A* |

| **Fire Hydrant Flow Test** | | | | |
|---|---|---|---|---|
| | **2019** | **2020** | **Change** | **% Change** |
| Charge per Test | $200 | $200 | $0 | 0.0% |

| **Hidden Valley Rates & Fees** | **Outside City** | **Outside City** | | |
|---|---|---|---|---|
| **Description** | **Monthly Rate** | **Monthly Rate** | **$ Change** | **% Change** |
| Hidden Valley Monthly Base Charge for 0.75" water tap | $186.53 | $196.53 | $10.00 | 5.4% |
| Hidden Valley Water Availability of Service Fee | Number of months from Jan. 1, 2007 to the *Availability of Service Fee* due date x $67 per month x Engineering News Record 20 Cities Construction Cost Index | Number of months from Jan. 1, 2007 to the *Availability of Service Fee* due date x $67 per month x Engineering News Record 20 Cities Construction Cost Index | N/A | N/A |

| Comparison of Proposed 2020 Rates, Charges, & Fees to Current Rates, Charges, & Fees | | Current Schedule | Proposed Schedule | $ Change | % Change |
|---|---|---|---|---|---|
| | | 2019 | 2020 | 2019 to 2020 | 2019 to 2020 |
| **Hydrant Meter Rental Rates & Fees** | | | | | |
| **Description** | | **Charge** | **Charge** | **$ Change** | **% Change** |
| Hydrant Meter Deposit | | $1,500 | $2,000 | $500 | 33.3% |
| Daily Rental | | $5 | $5 | $0 | 0.0% |
| Install Fee | | $55 | $60 | $5 | 9.1% |
| Removal Fee | | $55 | $60 | $5 | 9.1% |
| Moving Meter Fee | | $55 | $60 | $5 | 9.1% |
| Water Use Rate per 1,000 Gallons | | $5.57 | $5.96 | $0.39 | 7.1% |
| **Raw Water Fees** | | | | | |
| **Description** | **Type** | **Charge** | **Charge** | **$ Change** | **% Change** |
| Native Raw Water Storage Fee per Acre-Foot | Barnes Ditch | Set by Municipal Code (City Code Sec. 19.04.045) | Set by Municipal Code (City Code Sec. 19.04.045) | N/A | N/A |
| | Big Thompson Ditch & Manufacturing Co. | | | | |
| | Buckingham Irrigation | | | | |
| | Chubbock Ditch | | | | |
| | Louden Irrigating Canal and Reservoir Co. | | | | |
| | South Side Ditch Company | | | | |
| Cash-in-Lieu Fee per Acre-Foot | | Set by Loveland Utilities Commission (City Code Sec. 19.04.040) | Set by Loveland Utilities Commission (City Code Sec. 19.04.040) | N/A | N/A |
| **Public Water Fill Station Rate (Ranch Water)** | | | | | |
| **Description** | | **Rate** | **Rate** | **$ Change** | **% Change** |
| Water Use Rate per 1,000 Gallons | | $5.57 | $5.96 | $0.39 | 7.0% |
| **Water Meter Fees** | | | | | |
| **Description** | **Type** | **Charge** | **Charge** | **$ Change** | **% Change** |
| Purchase Water Meter & Readout | 0.75 inch meter | $195 | $195 | $0 | 0.0% |
| | 1.00 inch meter | $255 | $255 | $0 | 0.0% |
| Install Meter | | $85 | $95 | $10 | 11.8% |
| Inspect Meter | | $60 | $65 | $5 | 8.3% |
| Return Appointment/Trip Fee | Regular hours | $20 | $40 | $20 | 100.0% |
| | After regular hours | $30 | $110 | $80 | 266.7% |
| **Water Turn Ons/Offs** | | | | | |
| **Description** | **Type** | **Charge** | **Charge** | **$ Change** | **% Change** |
| Water Turn-On | Regular hours | $40 | $40 | $0 | 0.0% |
| | After regular hours | $100 | $110 | $10 | 10.0% |
| Water Turn-Off | For unauthorized service turn-on | $40 | N/A | N/A | N/A |
| **Water Wet Tapping Fees** | | | | | |
| **Description** | | **Charge** | **Charge** | **$ Change** | **% Change** |
| 3/4" water tap | | $355 | $365 | $10 | 2.8% |
| 1" water tap | | $370 | $370 | $0 | 0.0% |
| 1.5" water tap | | $375 | $375 | $0 | 0.0% |
| 2" water tap | | $385 | $385 | $0 | 0.0% |
| Above 2" water tap | | $510 | $580 | $70 | 13.7% |

| Comparison of Proposed 2020 Rates, Charges, & Fees to Current Rates, Charges, & Fees | Current Schedule 2019 | Proposed Schedule 2020 | $ Change 2019 to 2020 | % Change 2019 to 2020 |
|---|---|---|---|---|
| **WASTEWATER RATES, CHARGES & FEES** | | | | |
| **Monthly Base Charge for Metered Water Services** | **Inside City** | **Inside City** | | |
| **Customer Class** | **Rate per Month** | **Rate per Month** | **$ Change** | **% Change** |
| Single Family | $13.51 | $14.46 | $0.95 | 7.0% |
| Multi-Family Residential (per dwelling unit) | $3.95 | $4.23 | $0.28 | 7.1% |
| Commercial | $13.51 | $14.46 | $0.95 | 7.0% |
| **Monthly Base Charge for Metered Water Services** | **Outside City** | **Outside City** | | |
| **Customer Class** | **Rate per Month** | **Rate per Month** | **$ Change** | **% Change** |
| Single Family | $20.27 | $21.69 | $1.42 | 7.0% |
| Multi-Family Residential (per dwelling unit) | $5.93 | $6.35 | $0.42 | 7.1% |
| Commercial | $20.27 | $21.69 | $1.42 | 7.0% |
| **Wastewater Volume Charge** | **Inside City** | **Inside City** | | |
| **Customer Class** | **Rate per 1,000 Gallons** | **Rate per 1,000 Gallons** | **$ Change** | **% Change** |
| Single Family | $4.48 | $4.79 | $0.31 | 6.9% |
| Multi-Family Residential (per Dwelling Unit) | $4.91 | $5.25 | $0.34 | 6.9% |
| Commercial | $4.93 | $5.28 | $0.35 | 7.1% |
| **Additional Non-Residential Charges** | **Rate per 1,000 Gallons** | **Rate per 1,000 Gallons** | | |
| Capital Recovery Surcharge - Wastewater* | $0.832 | $0.856 | $0.024 | 2.9% |
| *Capital Recovery Surcharge applies to Commercial Taps 2" or larger | | | | |
| **Wastewater Volume Charge** | **Outside City** | **Outside City** | | |
| **Customer Class** | **Rate per 1,000 Gallons** | **Rate per 1,000 Gallons** | **$ Change** | **% Change** |
| Single Family | $6.72 | $7.19 | $0.47 | 7.0% |
| Multi-Family Residential (per dwelling unit) | $7.37 | $7.88 | $0.51 | 6.9% |
| Commercial | $7.40 | $7.92 | $0.52 | 7.0% |
| **Additional Non-Residential Charges** | **Rate per 1,000 Gallons** | **Rate per 1,000 Gallons** | | |
| Capital Recovery Surcharge - Wastewater | $1.248 | $1.284 | $0.04 | 2.9% |
| **Wastewater Monthly Flat Rate Services** | **Inside City** | **Inside City** | | |
| **Customer Class** | **Rate per Month** | **Rate per Month** | **$ Change** | **% Change** |
| Single Family | $30.53 | $32.67 | $2.14 | 7.0% |
| Multi-Family Residential (per dwelling unit) | $20.64 | $22.08 | $1.44 | 7.0% |
| Commercial | $175.21 | $187.46 | $12.25 | 7.0% |
| **Wastewater Monthly Flat Rate Services** | **Outside City** | **Outside City** | | |
| **Customer Class** | **Rate per Month** | **Rate per Month** | **$ Change** | **% Change** |
| Single Family | $45.81 | $49.02 | $3.21 | 7.0% |
| Multi-Family Residential (per dwelling unit) | $30.99 | $33.14 | $2.15 | 6.9% |
| Commercial | $262.99 | $281.20 | $18.21 | 6.9% |

| Comparison of Proposed 2020 Rates, Charges, & Fees to Current Rates, Charges, & Fees | Current Schedule | Proposed Schedule | $ Change | % Change |
|---|---|---|---|---|
| | 2019 | 2020 | 2019 to 2020 | 2019 to 2020 |
| **High Strength Wastewater Surcharges** | **Inside City** | **Inside City** | | |
| **Description** | **Rate per Pound** | **Rate per Pound** | **$ Change** | **% Change** |
| BOD charge per pound (when discharge is greater than 330 mg/l) | $0.52 | $0.56 | $0.04 | 7.7% |
| TSS charge per pound (when discharge is greater than 199 mg/l) | $0.32 | $0.34 | $0.02 | 6.3% |

| High Strength Wastewater Surcharges | Outside City | Outside City | | |
|---|---|---|---|---|
| **Description** | **Rate per Pound** | **Rate per Pound** | **$ Change** | **% Change** |
| BOD charge per pound (when discharge is greater than 330 mg/l) | $0.78 | $0.56 | -$0.22 | -28.2% |
| TSS charge per pound (when discharge is greater than 199 mg/l) | $0.48 | $0.34 | -$0.14 | -29.2% |

| **Pretreatment Fees** | | | | | |
|---|---|---|---|---|---|
| **Description** | **Details** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Pretreatment Inspection Fee | | $85 | $85 | $0 | 0.0% |
| Significant Industrial User (SIU) | Laboratory Analysis (Actual Cost plus…) | $75 | $75 | $0 | 0.0% |
| | Public Notification of Violation (Actual Cost plus | Actual Cost | $75 | N/A | N/A |

| **Wastewater Wet Tapping Fees** | | | | | |
|---|---|---|---|---|---|
| **Description** | **Size of Wastewater Tap** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Tapping Fees (Includes Saddle and Stainless Strap) | 4 inch | $390 | $315 | -$75.00 | -19.2% |
| | 6 inch | $405 | $355 | -$50.00 | -12.3% |

| Comparison of Proposed 2020 Rates, Charges, & Fees to Current Rates, Charges, & Fees | | Current Schedule 2019 | Proposed Schedule 2020 | $ Change 2019 to 2020 | % Change 2019 to 2020 |
|---|---|---|---|---|---|
| **ELECTRIC RATES, CHARGES & FEES** | | | | | |
| **Monthly Base Charge** | | | | | |
| **Customer Class** | **Schedule** | **Rate per Month** | **Rate per Month** | **$ Change** | **% Change** |
| Residential 200 Amps or less | R | $15.54 | $15.79 | $0.25 | 1.6% |
| Residential greater than 200 Amps | R | $15.54 | $24.93 | $9.39 | 60.4% |
| Residential Demand | RD | $24.68 | $24.93 | $0.25 | 1.0% |
| Small General Single Phase | SG | $28.35 | $28.35 | $0.00 | 0.0% |
| Small General Three Phase | SG | $28.35 | $33.35 | $5.00 | 17.6% |
| Large General | LG | $145.53 | $150.00 | $4.47 | 3.1% |
| Primary Service with Customer Owned Transformer | PT | $164.22 | $167.00 | $2.78 | 1.7% |
| **Self-Generation Customer Class** | **Self-Generation Capacity (kW)** | **Rate per Month** | **Rate per Month** | **$ Change** | **% Change** |
| Residential | Up to 1.49 | $18.13 | $17.38 | -$0.75 | -4.1% |
| | 1.5-2.49 | $20.73 | $18.97 | -$1.76 | -8.5% |
| | 2.5-3.49 | $23.32 | $20.56 | -$2.76 | -11.8% |
| | 3.5-4.49 | $25.91 | $22.15 | -$3.76 | -14.5% |
| | 4.5-5.49 | $28.51 | $23.74 | -$4.77 | -16.7% |
| | 5.5-6.49 | $31.10 | $25.33 | -$5.77 | -18.6% |
| | 6.5-7.49 | $33.69 | $26.92 | -$6.77 | -20.1% |
| | 7.5-8.49 | $36.29 | $28.51 | -$7.78 | -21.4% |
| | 8.5-9.49 | $38.88 | $30.10 | -$8.78 | -22.6% |
| | 9.5-10.49 | $41.48 | $31.69 | -$9.79 | -23.6% |
| | 10.5-11.49 | $41.48 | $33.28 | -$8.20 | -19.8% |
| | 11.5-12.49 | $41.48 | $34.87 | -$6.61 | -15.9% |
| | 12.5-13.49 | $41.48 | $36.46 | -$5.02 | -12.1% |
| Small General Single Phase | 1-400 | $28.35 | $28.35 | $0.00 | 0.0% |
| Small General Three Phase | 1-400 | $28.35 | $33.35 | $5.00 | 17.6% |
| Large General | 1-400 | $145.53 | $150.00 | $4.47 | 3.1% |

| Comparison of Proposed 2020 Rates, Charges, & Fees to Current Rates, Charges, & Fees | | Current Schedule 2019 | Proposed Schedule 2020 | $ Change 2019 to 2020 | % Change 2019 to 2020 |
|---|---|---|---|---|---|
| **Energy Charge** | | **Non Summer (Jan - Jun & Oct - Dec)** | **Non Summer (Jan - Jun & Nov - Dec)** | | |
| **Customer Class** | **Schedule** | **Rate per kWh** | **Rate per kWh** | **$ Change** | **% Change** |
| Residential | R | $0.07616 | $0.07916 | $0.00300 | 3.9% |
| Residential Demand | RD | $0.04368 | $0.04650 | $0.00282 | 6.5% |
| Small General | SG | $0.08887 | $0.09137 | $0.00250 | 2.8% |
| Large General | LG | $0.04593 | $0.04713 | $0.00120 | 2.6% |
| Primary Service with Customer Owned Transformer | PT | $0.04495 | $0.04695 | $0.00200 | 4.4% |
| **Self-Generation Customer Class** | **Self-Generation Capacity (kW)** | **Rate per kWh** | **Rate per kWh** | **$ Change** | **% Change** |
| Residential | Up to 13.49 | $0.07616 | $0.07916 | $0.00300 | 3.9% |
| Small General | 1-400 | $0.08887 | $0.09137 | $0.00250 | 2.8% |
| Large General | 1-400 | $0.04593 | $0.04713 | $0.00120 | 2.6% |

| **Energy Charge** | | **Summer (July - Sept)** | **Summer (July - Oct)** | | |
|---|---|---|---|---|---|
| **Customer Class** | **Schedule** | **Rate per kWh** | **Rate per kWh** | **$ Change** | **% Change** |
| Residential | R | $0.09224 | $0.09594 | $0.00370 | 4.0% |
| Residential Demand | RD | $0.04761 | $0.05050 | $0.00289 | 6.1% |
| Small General | SG | $0.09953 | $0.10453 | $0.00500 | 5.0% |
| Large General | LG | $0.04823 | $0.05223 | $0.00400 | 8.3% |
| Primary Service with Customer Owned Transformer | PT | $0.04720 | $0.05120 | $0.00400 | 8.5% |
| **Self-Generation Customer Class** | **Self-Generation Capacity (kW)** | **Rate per kWh** | **Rate per kWh** | **$ Change** | **% Change** |
| Residential | Up to 13.49 | $0.09224 | $0.09594 | $0.00370 | 4.0% |
| Small General | 1-400 | $0.09953 | $0.10453 | $0.00500 | 5.0% |
| Large General | 1-400 | $0.04823 | $0.05223 | $0.00400 | 8.3% |

| **Payment in Lieu of Taxes (PILT)** | | **Non Summer (Jan - Jun & Oct - Dec)** | **Non Summer (Jan - Jun & Nov - Dec)** | | |
|---|---|---|---|---|---|
| **Customer Class** | **Schedule** | **Rate per kWh** | **Rate per kWh** | **$ Change** | **% Change** |
| Residential | R | $0.00737 | $0.00786 | $0.00049 | 6.6% |
| Residential Demand | RD | $0.00643 | $0.00653 | $0.00010 | 1.6% |
| Small General | SG | $0.00767 | $0.00796 | $0.00029 | 3.8% |
| Large General | LG | $0.00602 | $0.00620 | $0.00018 | 3.0% |
| Primary Service with Customer Owned Transformer | PT | $0.00518 | $0.00539 | $0.00021 | 4.1% |
| **Self-Generation Customer Class** | **Self-Generation Capacity (kW)** | **Rate per kWh** | **Rate per kWh** | **$ Change** | **% Change** |
| Residential | Up to 13.49 | $0.00737 | $0.00786 | $0.00049 | 6.6% |
| Small General | 1-400 | $0.00767 | $0.00796 | $0.00029 | 3.8% |
| Large General | 1-400 | $0.00602 | $0.00620 | $0.00018 | 3.0% |

| **Payment in Lieu of Taxes (PILT)** | | **Summer (July - Sept)** | **Summer (July - Oct)** | | |
|---|---|---|---|---|---|
| **Customer Class** | **Schedule** | **Rate per kWh** | **Rate per kWh** | **$ Change** | **% Change** |
| Residential | R | $0.00881 | $0.00876 | -$0.00005 | -0.6% |
| Residential Demand | RD | $0.00718 | $0.00708 | -$0.00010 | -1.4% |
| Small General | SG | $0.00872 | $0.00882 | $0.00010 | 1.1% |
| Large General | LG | $0.00719 | $0.00762 | $0.00043 | 6.0% |
| Primary Service with Customer Owned Transformer | PT | $0.00596 | $0.00625 | $0.00029 | 4.9% |
| **Self-Generation Customer Class** | **Self-Generation Capacity (kW)** | **Rate per kWh** | **Rate per kWh** | **$ Change** | **% Change** |
| Residential | Up to 13.49 | $0.00881 | $0.00876 | -$0.00005 | -0.6% |
| Small General | 1-400 | $0.00872 | $0.00882 | $0.00010 | 1.1% |
| Large General | 1-400 | $0.00719 | $0.00762 | $0.00043 | 6.0% |

| Comparison of Proposed 2020 Rates, Charges, & Fees to Current Rates, Charges, & Fees | | Current Schedule | Proposed Schedule | $ Change | % Change |
|---|---|---|---|---|---|
| | | 2019 | 2020 | 2019 to 2020 | 2019 to 2020 |
| **Demand Charge** | | **Non Summer (Jan - Jun & Oct - Dec)** | **Non Summer (Jan - Jun & Nov - Dec)** | | |
| **Customer Class** | **Schedule** | **Rate per kW** | **Rate per kW** | **$ Change** | **% Change** |
| Residential Demand | RD | $7.72 | $7.75 | $0.03 | 0.4% |
| Large General | LG | $11.55 | $11.80 | $0.25 | 2.2% |
| Primary Service with Customer Owned Transformer | PT | $11.55 | $11.80 | $0.25 | 2.2% |

| **Demand Charge** | | **Summer (July - Sept)** | **Summer (July - Oct)** | | |
|---|---|---|---|---|---|
| **Customer Class** | **Schedule** | **Rate per kW** | **Rate per kW** | **$ Change** | **% Change** |
| Residential Demand | RD | $10.29 | $10.30 | $0.01 | 0.1% |
| Large General | LG | $15.75 | $16.50 | $0.75 | 4.8% |
| Primary Service with Customer Owned Transformer | PT | $16.01 | $17.00 | $0.99 | 6.2% |

| **Self-Generation Buyback Credit** | | **Non Summer (Jan - Jun & Oct - Dec)** | **Non Summer (Jan - Jun & Nov - Dec)** | | |
|---|---|---|---|---|---|
| **Customer Class** | **Self-Generation Capacity (kW)** | **Buyback Credit per kWh** | **Buyback Credit per kWh** | **$ Change** | **% Change** |
| Residential | Up to 13.49 | $0.07616 | $0.05884 | -$0.01732 | -22.7% |
| Small General | 1-50 | $0.04477 | $0.05884 | $0.01407 | 31.4% |
| | 51-400 | $0.05735 | $0.05884 | $0.00149 | 2.6% |
| Large General | 1-50 | $0.04477 | $0.05884 | $0.01407 | 31.4% |
| | 51-400 | $0.05735 | $0.05884 | $0.00149 | 2.6% |

| **Self-Generation Buyback Credit** | | **Summer (July - Sept)** | **Summer (July - Oct)** | | |
|---|---|---|---|---|---|
| **Customer Class** | **Self-Generation Capacity (kW)** | **Buyback Credit per kWh** | **Buyback Credit per kWh** | **$ Change** | **% Change** |
| Residential | Up to 13.49 | $0.09224 | $0.07160 | -$0.02064 | -22.4% |
| Small General | 1-50 | $0.04477 | $0.07160 | $0.02683 | 59.9% |
| | 51-400 | $0.05735 | $0.07160 | $0.01425 | 24.8% |
| Large General | 1-50 | $0.04477 | $0.07160 | $0.02683 | 59.9% |
| | 51-400 | $0.05735 | $0.07160 | $0.01425 | 24.8% |

| **Self-Generation Buyback Payment in Lieu of Taxes (PILT)** | | **Non Summer (Jan - Jun & Oct - Dec)** | **Non Summer (Jan - Jun & Nov - Dec)** | | |
|---|---|---|---|---|---|
| **Customer Class** | **Capacity of Self-Generation Unit (kW)** | **Buyback PILT Credit per kWh** | **Buyback PILT Credit per kWh** | **$ Change** | **% Change** |
| Residential | Up to 13.49 | $0.00737 | $0.00443 | -$0.00294 | -39.9% |
| Small General | 1-400 | n/a | $0.00443 | n/a | n/a |
| Large General | 1-400 | n/a | $0.00443 | n/a | n/a |

| **Self-Generation Buyback Payment in Lieu of Taxes (PILT)** | | **Summer (July - Sept)** | **Summer (July - Oct)** | | |
|---|---|---|---|---|---|
| **Customer Class** | **Capacity of Self-Generation Unit (kW)** | **Buyback PILT Credit per kWh** | **Buyback PILT Credit per kWh** | **$ Change** | **% Change** |
| Residential | Up to 13.49 | $0.00881 | $0.00539 | -$0.00342 | -38.8% |
| Small General | 1-400 | N/A | $0.00539 | N/A | N/A |
| Large General | 1-400 | N/A | $0.00539 | N/A | N/A |

| Comparison of Proposed 2020 Rates, Charges, & Fees to Current Rates, Charges, & Fees | | Current Schedule 2019 | Proposed Schedule 2020 | $ Change 2019 to 2020 | % Change 2019 to 2020 |
|---|---|---|---|---|---|
| **Area Lighting** | | | | | |
| **Description** | **Schedule** | **Rate per Watt** | **Rate per Watt** | **$ Change** | **% Change** |
| Rate per Watt of Bulb | AL | $0.06444 | $0.06637 | $0.00193 | 3.0% |
| PILT per Watt of Bulb | AL | $0.00490 | $0.00505 | $0.00015 | 3.1% |

| **Distribution Designer Deposits** | | | | | |
|---|---|---|---|---|---|
| **Description** | **Details** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Residential & Duplex of 1-2 Lots | Single Phase Installations | $980 | $1,035 | $55 | 5.6% |
| Residential Subdivision of 3-10 Lots<br>Commercial Subdivision of 2-10 Lots | Raising, lowering or removing existing power | $1,755 | $1,620 | -$135 | -7.7% |
| Single Commercial Buildings | Transformer upgrades, raising, lowering or removing existing power | $1,870 | $1,620 | -$250 | -13.4% |
| Residential Subdivision of more than 10 Lots, Commercial Subdivision of more than 10 Lots, Malls, Shopping Centers or Hospitals | | $3,310 | $3,045 | -$265 | -8.0% |
| Temporary Residential Connections | | $235 | $240 | $5 | 2.1% |
| Termination and energizing electric services to small devices | | $315 | $310 | -$5 | -1.6% |
| Install and terminate secondary riser up to 100 feet (no transformer required) | Residential to 200 amps | $1,320 | $1,160 | -$160 | -12.1% |
| | Commercial (cable supplied and installed by customer) | $940 | $940 | $0 | 0.0% |
| Open transformer to pull in secondary and terminate cable up to 130 feet | | $610 | $635 | $25 | 4.1% |
| **Transformer Upgrades** | | **No Other Customers** | **No Other Customers** | **$ Change** | **% Change** |
| Single Phase Padmount | Upgrade (1) transformer size | $1,995 | $2,090 | $95 | 4.8% |
| | Upgrade (2) transformer sizes | $2,450 | $2,540 | $90 | 3.7% |
| | Upgrade (3) transformer sizes | $2,905 | $2,990 | $85 | 2.9% |
| Single Phase Overhead | Upgrade (1) transformer size | $1,655 | $1,710 | $55 | 3.3% |
| | Upgrade (2) transformer sizes | $2,045 | $2,095 | $50 | 2.4% |
| **Transformer Upgrades** | | **Other Customers** | **Other Customers** | **$ Change** | **% Change** |
| Single Phase Padmount | Upgrade (1) transformer size | $2,605 | $2,755 | $150 | 5.8% |
| | Upgrade (2) transformer sizes | $3,060 | $3,205 | $145 | 4.7% |
| | Upgrade (3) transformer sizes | $3,515 | $3,655 | $140 | 4.0% |
| Single Phase Overhead | Upgrade (1) transformer size | $2,260 | $2,375 | $115 | 5.1% |
| | Upgrade (2) transformer sizes | $2,650 | $2,765 | $115 | 4.3% |

| **Electric Annexation Surcharge** | | | | |
|---|---|---|---|---|
| **Description** | **Rate** | **Rate** | **$ Change** | **% Change** |
| Annexation Surcharge | 5% | 5% | $0.00 | 0.0% |

| Comparison of Proposed 2020 Rates, Charges, & Fees to Current Rates, Charges, & Fees | | Current Schedule | Proposed Schedule | $ Change | % Change |
|---|---|---|---|---|---|
| | | 2019 | 2020 | 2019 to 2020 | 2019 to 2020 |
| **Electric Turn Ons/Offs** | | | | | |
| **Description** | **Details** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Service Turn-Ons at the Meter | During business hours | $40 | $45 | $5 | 12.5% |
| | After hours | $100 | $210 | $110 | 110.0% |
| Service Turn-Offs at the Meter | Resulting from an unauthorized Service Turn-On | $40 | $45 | $5 | 12.5% |

| **Electric Vehicle Charging** | | | | | |
|---|---|---|---|---|---|
| **Description** | **Details** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Electric Vehicle Charging Station | per hour fee | $1.00 | $1.00 | $0.00 | 0.0% |
| Minimum fee per Charging Session | | $1.00 | $1.00 | $0.00 | 0.0% |

| **Pole Attachments** | | | | | |
|---|---|---|---|---|---|
| **Description** | **Details** | **Fee** | **Annual Fee** | **$ Change** | **% Change** |
| Pole Attachment Fee - Wired | per attachment per year | $16.60 | $18.21 | $1.61 | 9.7% |
| Pole Attachment Fee - Wireless | per attachment per year | $270.00 | $270.00 | $0.00 | 0.0% |
| Pole Attachment Application for Permit Fee | 1 to 5 poles | $500 | $500 | $0 | 0.0% |
| | Per additional pole beyond 5 | $100 | $100 | $0 | 0.0% |

| **Renewable Energy Premium (Greenswitch)** | | | | |
|---|---|---|---|---|
| **Description** | **Premium per 100 kWh** | **Premium per 100 kWh** | **$ Change** | **% Change** |
| Renewable Energy Premium per 100 Kilowatt-hour (kWh) | $2.80 | $2.80 | $0.00 | 0.0% |

| **Residential Service Installation Fees** | | | | |
|---|---|---|---|---|
| **Description** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Typical Underground with 1/0 Triplex | $280 | $340 | $60 | 21.4% |
| Typical Underground with 4/0 Triplex | $390 | $415 | $25 | 6.4% |

| **Residential Service Upgrades** (≤200 amps) | | | | |
|---|---|---|---|---|
| **Description** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Residential Underground Service Upgrade Deposit | $800 | $800 | $0 | 0.0% |
| Residential Overhead Service Upgrade Deposit | $300 | $300 | $0 | 0.0% |

| **Residential Service Upgrades** (>200 amps) | | | | |
|---|---|---|---|---|
| **Description** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Residential Underground Service Upgrade Deposit | $980 | $1,035 | $55 | 5.6% |

| **Service Connects, Disconnects & Reconnects** | | | | | |
|---|---|---|---|---|---|
| **Description** | **Details** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Permanent Service Connect | No disconnect needed | $260 | $345 | $85 | 32.7% |
| Permanent Disconnect of Service | | $260 | $345 | $85 | 32.7% |
| Disconnect/Reconnect Services | Without Design | $260 | $345 | $85 | 32.7% |
| | With Design | $400 | $490 | $90 | 22.5% |

| Comparison of Proposed 2020 Rates, Charges, & Fees to Current Rates, Charges, & Fees | | Current Schedule 2019 | Proposed Schedule 2020 | $ Change 2019 to 2020 | % Change 2019 to 2020 |
|---|---|---|---|---|---|
| **Charges when Access Denied** | | | | | |
| **Description** | | **Monthly Fee per Meter** | **Fee** | **$ Change** | **% Change** |
| Appointment or Special Trip to | Read the meter during business hours | $24 | $31 | $7 | 29.2% |
| | Read the meter after business hours | $50 | $69 | $19 | 38.0% |
| | Change the meter during business hours | $90 | $115 | $25 | 27.8% |
| | Change the meter after hours | $120 | $165 | $45 | 37.5% |
| Service Disconnect at Junction Box or Overhead Pole | | $260 | $525 | $265 | 101.9% |

| **Small Equipment Flat Rates** | | | | | |
|---|---|---|---|---|---|
| **Type of Equipment** | **Schedule** | **Monthly Charge per Device** | **Monthly Charge per Device** | **$ Change** | **% Change** |
| Signal Amplifiers | FR | $38.27 | $39.42 | $1.15 | 3.0% |
| Automatic Sprinkler Controls | FR | $5.69 | $5.94 | $0.25 | 4.4% |
| Bus Shelters | FR | $23.52 | $24.23 | $0.71 | 3.0% |

| **Small Equipment Payment in Lieu of Taxes (PILT)** | | | | | |
|---|---|---|---|---|---|
| **Type of Equipment** | **Schedule** | **Monthly Charge per Device** | **Monthly Charge per Device** | **$ Change** | **% Change** |
| Signal Amplifiers | FR | $2.91 | $3.00 | $0.09 | 3.1% |
| Automatic Sprinkler Controls | FR | $0.42 | $0.44 | $0.02 | 4.8% |
| Bus Shelters | FR | $1.79 | $1.84 | $0.05 | 2.8% |

| Comparison of Proposed 2020 Rates, Charges, & Fees to Current Rates, Charges, & Fees | | Current Schedule | Proposed Schedule | $ Change | % Change |
|---|---|---|---|---|---|
| | | 2019 | 2020 | 2019 to 2020 | 2019 to 2020 |
| **DEVELOPMENT RATES, CHARGES & FEES** | | | | | |
| **Raw Water Development Fee** | | | | | |
| **Customer Class** | **Type** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Single Family (Rate per dwelling unit) | Detached | $1,087 | $1,087 | $0 | 0.0% |
| | Attached | $1,087 | $1,087 | $0 | 0.0% |
| **Customer Class** | **No. of Dwelling Units** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Multi-Family (Rate per dwelling unit) | 2 to 24 | $680 | $680 | $0 | 0.0% |
| | ≥ 25 | $134 | $134 | $0 | 0.0% |
| **Customer Class** | **Water Tap Size** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Non-Residential | 0.75" | $1,087 | $1,087 | $0 | 0.0% |
| | 1.00" | $1,848 | $1,848 | $0 | 0.0% |
| | 1.50" | $3,588 | $3,588 | $0 | 0.0% |
| Irrigation | 0.75" | $1,087 | $1,087 | $0 | 0.0% |
| | 1.00" | $1,848 | $1,848 | $0 | 0.0% |
| | 1.50" | $3,588 | $3,588 | $0 | 0.0% |
| | 2.00" | $5,763 | $5,763 | $0 | 0.0% |
| | 3.00" | $10,873 | $10,873 | $0 | 0.0% |
| | >3.00" | Established by City Council | Established by City Council | N/A | N/A |

| Comparison of Proposed 2020 Rates, Charges, & Fees to Current Rates, Charges, & Fees | | Current Schedule | Proposed Schedule | $ Change | % Change |
|---|---|---|---|---|---|
| | | 2019 | 2020 | 2019 to 2020 | 2019 to 2020 |
| **Water System Impact Fee (SIF)** | | **Inside City** | **Inside City** | | |
| **Customer Class** | **Type** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Single Family (Rate per dwelling unit) | Detached | $5,230 | $5,520 | $290 | 5.5% |
| | Attached | $2,930 | $2,870 | -$60 | -2.0% |
| **Customer Class** | **No. of Dwelling Units** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Multi-Family (Rate per dwelling unit) | 2 - 8 Dwelling Units | $2,930 | $2,870 | -$60 | -2.0% |
| | ≥ 9 Dwelling Units | $2,340 | $2,280 | -$60 | -2.6% |
| **Customer Class** | **Water Tap Size** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Non-Residential | 0.75" Water Tap | $7,940 | $8,000 | $60 | 0.8% |
| | 1.00" Water Tap | $22,020 | $19,130 | -$2,890 | -13.1% |
| | 1.50" Water Tap | $40,800 | $36,080 | -$4,720 | -11.6% |
| Irrigation | 0.75" Water Tap | $18,310 | $19,350 | $1,040 | 5.7% |
| | 1.00" Water Tap | $46,730 | $46,380 | -$350 | -0.7% |
| | 1.50" Water Tap | $114,090 | $106,420 | -$7,670 | -6.7% |
| | 2.00" Water Tap | $129,260 | $134,780 | $5,520 | 4.3% |
| | 3.00" Water Tap | $353,590 | $357,250 | $3,660 | 1.0% |

| **Water System Impact Fee (SIF)** | | **Outside City** | **Outside City** | | |
|---|---|---|---|---|---|
| **Customer Class** | **Type** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Single Family (Rate per dwelling unit) | Detached | $7,850 | $8,280 | $430 | 5.5% |
| | Attached | $4,400 | $4,310 | -$90 | -2.0% |
| **Customer Class** | **No. of Dwelling Units** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Multi-Family (Rate per dwelling unit) | 2 - 8 Dwelling Units | $4,400 | $4,310 | -$90 | -2.0% |
| | ≥ 9 Dwelling Units | $3,510 | $3,420 | -$90 | -2.6% |
| **Customer Class** | **Water Tap Size** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Non-Residential | 0.75" Water Tap | $11,910 | $12,000 | $90 | 0.8% |
| | 1.00" Water Tap | $33,030 | $28,700 | -$4,330 | -13.1% |
| | 1.50" Water Tap | $61,200 | $54,120 | -$7,080 | -11.6% |
| Irrigation | 0.75" Water Tap | $27,470 | $29,030 | $1,560 | 5.7% |
| | 1.00" Water Tap | $70,100 | $69,570 | -$530 | -0.8% |
| | 1.50" Water Tap | $171,140 | $159,630 | -$11,510 | -6.7% |
| | 2.00" Water Tap | $193,890 | $202,170 | $8,280 | 4.3% |
| | 3.00" Water Tap | $530,390 | $535,880 | $5,490 | 1.0% |

| Comparison of Proposed 2020 Rates, Charges, & Fees to Current Rates, Charges, & Fees | | Current Schedule | Proposed Schedule | $ Change | % Change |
|---|---|---|---|---|---|
| | | 2019 | 2020 | 2019 to 2020 | 2019 to 2020 |
| **Wastewater System Impact Fee (SIF)** | | **Inside City** | **Inside City** | | |
| **Customer Class** | **Type** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Single Family (Rate per dwelling unit) | Detached | $2,800 | $2,880 | $80 | 2.9% |
| | Attached | $2,470 | $2,540 | $70 | 2.8% |
| **Customer Class** | **No. of Dwelling Units** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Multi-Family (Rate per dwelling unit) | 2 - 8 Dwelling Units | $2,470 | $2,540 | $70 | 2.8% |
| | ≥ 9 Dwelling Units | $1,910 | $1,970 | $60 | 3.1% |
| **Customer Class** | **Water Tap Size** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Non-Residential | 0.75" Water Tap | $8,110 | $8,630 | $520 | 6.4% |
| | 1.00" Water Tap | $21,810 | $19,880 | -$1,930 | -8.8% |
| | 1.50" Water Tap | $38,770 | $36,520 | -$2,250 | -5.8% |

| **Wastewater System Impact Fee (SIF)** | | **Outside City** | **Outside City** | | |
|---|---|---|---|---|---|
| **Customer Class** | **Type** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Single Family (Rate per dwelling unit) | Detached | $4,200 | $4,320 | $120 | 2.9% |
| | Attached | $3,710 | $3,810 | $100 | 2.7% |
| **Customer Class** | **No. of Dwelling Units** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Multi-Family (Rate per dwelling unit) | 2 - 8 Dwelling Units | $3,710 | $3,810 | $100 | 2.7% |
| | ≥ 9 Dwelling Units | $2,870 | $2,960 | $90 | 3.1% |
| **Customer Class** | **Water Tap Size** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Non-Residential | 0.75" Water Tap | $12,170 | $12,950 | $780 | 6.4% |
| | 1.00" Water Tap | $32,720 | $29,820 | -$2,900 | -8.9% |
| | 1.50" Water Tap | $58,160 | $54,780 | -$3,380 | -5.8% |

| **Fire Tap Plant Investment Fees (PIF)** | | **Outside City** | **Outside City** | | |
|---|---|---|---|---|---|
| **Description** | | **Fee** | **Fee** | **$ Change** | **% Change** |
| Fire Tap Plant Investment Fee | | $553 | $553 | $0 | 0.0% |

| **Electric Plant Investment Fees (PIF)** | | | | | |
|---|---|---|---|---|---|
| **Customer Class** | **Size of Service** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Residential | 150 amp or less | $1,590 | $1,620 | $30 | 1.9% |
| | Over 150 amp | $2,050 | $2,080 | $30 | 1.5% |
| Non-Residential per kWh | **Customer Type** | **Rate per kWh** | **Rate per kWh** | **$ Change** | **% Change** |
| | Small General | $0.00646 | $0.00655 | $0.00009 | 1.4% |
| | Large General | $0.00646 | $0.00655 | $0.00009 | 1.4% |
| | Primary Services with Customer Equipment | $0.00627 | $0.00636 | $0.00009 | 1.4% |
| Coincident Peak Demand: Service delivered at the available primary voltage & all serving facilities on the customer's side of the metering point are owned, operated & maintained by the customer | | $0.00627 | $0.00636 | $0.00009 | 1.4% |
| Coincident Peak Demand: All other coincident peak customers | | $0.00646 | $0.00655 | $0.00009 | 1.4% |

| Comparison of Proposed 2020 Rates, Charges, & Fees to Current Rates, Charges, & Fees | | Current Schedule | Proposed Schedule | $ Change | % Change |
|---|---|---|---|---|---|
| | | 2019 | 2020 | 2019 to 2020 | 2019 to 2020 |
| **MISCELLANEOUS ACCOUNT CHARGES & FEES** | | | | | |
| **Miscellaneous Account Fees** | | | | | |
| **Description** | **Details** | **Fee** | **Fee** | **$ Change** | **% Change** |
| Filing Fee for Unpaid Bills | | $90 | $95 | $5 | 5.6% |
| Interfering or Tampering with a Meter | Electric or Water | $110 | $130 | $20 | 18.2% |
| Late Payment Penalty | | $15 | $15 | $0 | 0.0% |
| New Account Fee | | $11 | $10 | -$1 | -9.1% |
| New Account Meter Reading Fee | | $10 | $10 | $0 | 0.0% |
| Reactivation Fee | | $10 | $10 | $0 | 0.0% |
| Return Check Charge (Insufficient Funds) | | $20 | $20 | $0 | 0.0% |
| Utility Service Deposit | | Set by Municipal Code 13.020.020 | Set by Municipal Code 13.020.020 | N/A | N/A |

LOVELAND UTILITIES COMMISSION

**AGENDA ITEM:** 6
**MEETING DATE:** 9/19/2019
**SUBMITTED BY:** Larry Howard
**STAFF TITLE:** Water Resource Manager

## ITEM TITLE:
2019 Raw Water Master Plan Discussion

## DESCRIPTION:
The City of Loveland is in the process of updating the *Raw Water Master Plan* (RWMP). Staff seeks direction on points of discussion, which will lead to creation of recommendations for the final *RWMP* which will be presented to City Council. ***For convenience, please bring the copy of the draft RWMP provided at the August meeting.***

## SUMMARY:
On August 21, 2019, Staff presented to LUC the draft version of the 2019 RWMP. The intent was to give the LUC a general overview of the plan and seek specific direction and recommendations from LUC. Previous versions of the *RWMP* were approved by Council in 2005 and 2012 and form the basis of the City's raw water program. The LUC has seen drafts of the *Raw Water Supply Yield Analysis* (RWSYA) from Spronk Water Engineers (SWE), providing the technical background for the *RWMP* (See Attachment A for a copy of the draft of *2019 RWMP*, which includes Appendix II, the *2019 RWSYA*). Staff will provide continued discussion on managing the City's raw water portfolio to meet future water demands, and seeks LUC's input on formulating recommendations to Council.

The intent of the options to be discussed are to ensure the reliability of water the City accepts and how it is operated, thereby adhering to the charge by City Council to provide the City's customers with a full water supply without curtailment up to a 1-in-100 year drought event. The intent of the final recommendations is to enhance the City's economic prosperity and potential for continued growth. The impact of any policy changes affecting the cost of development within Loveland will inevitably affect community members in different ways. Any changes recommended must be fair and reflect the true cost of acquiring and maintaining raw water supplies, and meet Loveland Water and Power's Mission to:

- Provide quality customer service
- Provide reliable service
- Plan for the future
- Be environmentally sensitive
- Offer safe and secure utilities at competitive rates
- Be fiscally responsible

The following points are Staff's thoughts and recommendations from August's LUC presentation. Discussion and direction are requested from LUC.

*NOTE: Following the July 2019 LUC meeting during which the Colorado-Big Thompson Project (CBT) cap for Loveland was discussed, Water Division Staff and Northern Staff have had several meetings and discussed the input data and calculations relating to the City's CBT cap. On September 5, 2019, Northern sent Staff an official memo confirming that the City is currently capped from purchasing more units of CBT water. Additional CBT units, however, may be dedicated to the City for a specific development. Northern Staff encouraged coordinating future cap calculations periodically because the input data used to calculate the cap changes as the City grows, and its water portfolio changes.*

*There are a combination of reasons for the current cap:*

- *Northern Water now requires using the ten-year average demand vs. ten-year maximum demand.*
- *Commitments to serve (buildable, platted areas) have decreased.*
- *Greater efficiency has lowered current need and future demand.*
- *Increased acquisition of native shares.*
- *Increased acquisition of CBT Units.*

## 1. 1-in-100 Year Drought Planning

**Staff Recommendations:**

- Continue to plan for the City's long-term policy of preparing for a 1-in-100 year drought event, with no curtailment. The conditions encountered during the 2002 drought were very similar to the expected conditions of a 1-in-100 year drought event. Therefore, the 2002 drought data was used for the modeled drought conditions in the Raw Water Supply Yield Analysis.
- Continue to use the City's water resources wisely. Use conservation as a buffer against drought and to help meet demands during drought events that are more severe than a 1-in-100 year event. Conservation should not be used as a tool to directly reduce future demands in long-term planning.

## 2. 2019 Raw Water Supply Yield Analysis Update - Raw Water Supply Model

**Staff Recommendations:**

- Use the 2019 Raw Water Supply Yield Analysis update and the Raw Water Supply Model as tools to evaluate proposed policy changes related to acquisition and planning for raw water supplies.

## 3. Raw Water Demand Target

**Staff Recommendations:**

- Staff recommends that the City continue using the raw water demand target of 30,000 acre-feet (AF), as was adopted in the 2012 Raw Water Master Plan.

## 4. Policy for Accepting Raw Water

**Staff Recommendations:**

- Payment Types Allowed: Allow payment of CBT, Cash Credit, or Cash-in-Lieu (CIL) for full payment of any raw water requirement.
- 50% Rule: Maintain the City's current 50% Rule, where at least 50% of every raw water payment is made using CBT, existing Cash Credits in the Water Bank, or CIL, as set forth in the Municipal Code, Section 19.04.040. Clarify existing code to allow exceptions to this requirement for transactions of 1.0 acre-foot or less.
- CBT Credit: Decrease CBT credit from 1.0 AF/unit to 0.9 AF/unit beginning January 1, 2020 to reflect the yield value calculated in the RWSYA.
- Modify to the values as determined by the 2019 RWSYA report using the following guidelines (See Table C for the current and recommend credit values)
    a. Credits with Storage Fee Payment: Payment of the Native Raw Water Storage Fee (NRWSF) is required to receive the average ditch yield credit.
    b. Credits without Storage Fee Payment: If no payment of the NRWSF is made, the lower firm yield credit applies.

c. Native Waters Accepted: The City will only accept native water rights that can, in the City's opinion and based on a review of the historical use of the specific native water rights proposed for acceptance, successfully be transferred in Water Court.

***TABLE C: Summary of Incremental Firm Yield of Native Ditch Rights***

| Native Ditch Right | Current AF Credit in Municipal Code WITH Payment of Storage Fee | AF Value WITH Payment of Native Raw Water Storage Fee (Average Yield) | AF Value WITHOUT Payment of Native Raw Water Storage Fee (Firm Yield) |
|---|---|---|---|
| Barnes | 3.32 per inch | 3.31 per inch | 0.66 per inch |
| BTDM | 186.57 per share | 189.11 per share | 68.08 per share |
| Buckingham | 6.36 per share | 5.76 per share | 0.35 per share |
| Chubbuck | 2.94 per inch | 2.90 per inch | 0.29 per inch |
| Louden | 12.17 per share | 11.92 per share | 2.14 per share |
| South Side | 4.55 per share | 4.97 per share | 1.49 per share |

*Note: The CIL and NRWSF topics under "Recommendation 4, Policy for Accepting Raw Water" are currently being developed and evaluated by Staff for discussion at a future LUC meeting. For this reason, Staff is not seeking recommendations for either of these topics today, but they are outlined below for informational purposes. As stated in the introductory Summary, the impact of any policy changes affecting the cost of development within Loveland will inevitably be positive for some members of the community and negative for others. Any changes to policies and procedures must be fair and reflect the true cost of acquiring and maintaining raw water supplies and meeting Loveland Water and Power's mission to serve the community's needs for today and tomorrow.*

*Cash-In-Lieu:*

*A. Transaction Limits (e.g. 50% rule for native water)*
*B. Due to the cap on CBT, to what should the price of CIL be tied (e.g. CBT market value, Windy Gap, Firmed Windy Gap, or anticipated raw water projects)*

*Native Raw Water Storage Fee:*

*A. Tie Costs to Storage in Chimney Hollow Reservoir*
B. *Adjust Fee by the Relative Ratios of Firm Yields Among the Various Ditches*

## 5. Maximize the Benefits of Storage

**Staff Recommendations:**

- Pursue current projects at Chimney Hollow Reservoir and Great Western Reservoir to completion. Explore and evaluate other storage opportunities as they arise.

  a. Upstream Storage: Provides annual and firming storage capacity.
     - Complete Chimney Hollow Reservoir with the other participants
     - Expand Green Ridge Glade Reservoir if feasible
     - Store native waters in Chimney Hollow Reservoir if feasible
     - Consider other upstream storage options

  b. Downstream Storage: Provides staging for upstream exchanges or meeting required downstream releases.
     - Complete the infrastructure required at Great Western Reservoir.

## 6. Maximize Raw Water Operations

Staff Recommendation:

- Explore additional firm yield scenarios using alternative water supply operations by considering the maximum run conditions identified in the 2019 RWSYA. Associated costs of the various alternatives should be considered to determine feasible options for increasing the City's firm yield.

  *Note: See Table 8-9 of the 2019 RWSYA in Appendix II for possible options to increase firm yield from alternate water supply operations.*

## 7. Evaluate the Most Effective Ways to Make Use of Reusable Supplies

Staff Recommendation:

- Apply any or all of the following measures as opportunities arise:
  a. Exchange Upstream for Municipal Use.
  b. Sell or Lease to Downstream Users: Implement and utilize the augmentation water policy approved by resolution #R-2-2019U at the May 15, 2019, LUC meeting, concerning requests for long-term leases of augmentation water to others.
  c. Purple Pipe System: Continue to monitor the feasibility and applicability of a purple-pipe raw water irrigation system. Consider the concerns of cross-contamination and the relatively high expense of building a new utility in already developed parts of the community. Increases in the costs of developing water may make this option feasible in the future.

## 8. Other Recommendations from LUC?

## CONCLUSION:

Results from the RWSYA indicate that with the development of planned projects at Chimney Hollow Reservoir and Great Western Reservoir, the City's supplies will meet projected demands until 2060 or beyond depending on the rate of growth. Depending on market and supply conditions and the timing of projects, ongoing re-evaluation of the alternatives considered in this *RWMP* should occur. As the City acquires additional native water, CBT, or CIL, its overall water supply portfolio will change. Factors such as growth, climate variability, or the addition of major commercial or industrial water customers may cause the ultimate demand to vary from current projections.

## RECOMMENDATION:

1. Consider the draft 2019 RWMP and discussion points from this meeting.
   - *Staff recommends delaying decisions for the CIL and NRWSF topics to allow further concept development, evaluation, and discussion.*
2. Adopt a motion directing staff to incorporate the preferred policies and direction for inclusion into the *2019 Raw Water Master Plan* for presentation to Council.

LOVELAND UTILITIES COMMISSION

**AGENDA ITEM:** 7
**MEETING DATE:** 9/19/2019
**SUBMITTED BY:** Joe Bernosky
**STAFF TITLE:** Director

## ITEM TITLE:

Commission & Council Report

## SUMMARY:

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

- City Council Report

## RECOMMENDATION:

Commission/Council report only.

## ITEM TITLE

Director's Report

## GENERAL & PREVIOUS LUC MEETING FOLLOW UP ITEMS

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

- YES! Fest – September 21, 2019
- Emergency Preparedness and Family Safety Expo – October 5, 2019
- Key Account Networking Event – October 10, 2019

**Facebook Insights** (August 2019):

- Reach (unique users) – 5,282 people
- Engagement (unique users) – 395 people
- Impressions (total count) – 8,732 people

**Media:**

- The Reporter Herald – August 27, 2019: Loveland council supports recommended rate adjustments for self-generating solar customers.
- The Denver Post – August 31, 2019: Four Colorado utilities join forces to explore joining regional trading market.
- Estes Park News – September 7, 2019: Power line work to take place in Big Thompson Canyon
- BizWest – September 9, 2019: Four utilities study ways to collaborate
- The Reporter Herald – September 9, 2019: Loveland unaffected by fluoridation woes.