

**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.



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**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