

Commission Members Present: Dan Herlihey, Don Cook, Gary Hausman (Chair), Gene Packer, John Butler, Larry Roos, Randy Williams, Sean Cronin, Stephanie Fancher-English

Commission Members Absent: Richard Rhoads (excused)

Council Liaison Present: Steve Olson

City Staff Members Present: Allison Bohling, Amy Rupp, Coreen Callahan, Cree Goodwin, Derek Turner, Erica McDaniel, Jim Lees, Joe Bernosky, John Beckstrom, Kim O'Field, Larry Howard, Lynn Valdez, Michelle Erickson, Roger Berg, Ruth Hecker, Ryan Smith, Ryan Van Pelt, Tanner Randall, Tim Bohling, Tom Greene, Tracey Hewson, Travis Johnson, Yarani Vasquez, and William Ullom.

Guest Attendance: James Laferriere, Jeff Bridenbach, Jeff Couch, Ralph Mathes, Trista Fugate, Troy McWhinney

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

APPROVAL OF MINUTES: Hausman asked for a motion to approve the minutes of the October 16, 2019 meeting.

Motion: Dan Herlihey made the motion.

Second: John Butler seconded the motion. The minutes were approved unanimously.

CITIZENS REPORT

James Laferriere, resident of Loveland, presented questions to the LUC and members of the audience in regards to solar electricity powering a home. Laferriere installed 5.6KW solar system on his home in 2019, and he is in the 0.4% of Loveland citizens that have solar energy. Laferriere stated that the LUC passed an aggressive policy for 2020 regarding solar systems that penalizes solar self-generators. With the new rate structure for solar, his yearly rate will see a 28-38% increase. Laferriere requested that the LUC stop the implementation of the 2020 rate structure change for the solar self-generators until the rate errors have been reviewed. Laferriere also questioned annual net metering and wholesale prices for solar buy back electricity. Joe Bernosky said our charge is to provide cost of service for each of our customer classes. We will have another rate case in three years where we will reevaluate. The completed rate study will be available at the end of January 2020. Bernosky had packets of information that were presented to City Council. City Council approved this rate structure after analysis from a hired Professional Rate Consultant.

INFORMATIONAL ITEMS

Item 1: Monthly Financial Update – Jim Lees

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

Information item only. No action required.

Item 2: Water Quality Services Overview – Tim Bohling

This item is to provide a brief, verbal overview of Loveland Water and Power's Water Quality Group and how they manage and oversee regulatory and non-regulatory duties in order to maintain compliance with State and Federal regulations. This group also provides process improvement guidance and ensures that water being delivered to customers and returned back to the Big Thompson River is the highest quality possible.

Information item only. No action required.

Item 3: Water Supply Update – Ryan Van Pelt

This item is to provide a brief verbal update of the City of Loveland's raw water supply.

Information item only. No action required.

Item 4: Water Leak Dashboard – Amy Rupp

This item is to provide an introduction to the Water and Power Department's new eURL dashboard that summarizes and provides historical information on work that has been done on our utility systems.

Information item only. No action required.

CONSENT AGENDA**Item 5: 2020 Annual Directional Boring Projects Contract Renewal – William Ullom**

The purpose of this item is to renew the Power Directional Bore contract with Colorado Boring, Inc. for 2020.

Recommendation: Adopt a motion to renew the 2019 Annual Directional Boring Contract to Colorado Boring, Inc. for 2020 in an amount not to exceed \$900,000.00 and authorizing the City Manager to sign the contract on behalf of the City.

Motion: Hausman made the motion.

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

Item 6: 2020 Annual Substructure Projects Contract Renewal – William Ullom

The purpose of this item is to renew the Substructure Projects Contract with G.E. Construction for 2020.

Recommendation: Adopt a motion to renew the 2019 Annual Substructure Contract to G.E. Construction for 2020 in an amount not to exceed \$1,200,000.00 and authorizing the City Manager to sign the contract on behalf of the City.

Motion: Hausman made the motion.

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

REGULAR AGENDA**Item 7: Acceptance of 4.5 Shares of Loudon Ditch into the Water Bank – Nathan Album**

This item is an application to deposit four and ½ (4.5) shares of Loudon Irrigating Canal and Reservoir Company into the City's Water Bank.

Recommendation: Adopt a motion finding that the requirements of City Municipal Code Section 19.04.080 have been met and that acceptance into the City of Loveland Water Bank of the four and ½ (4.5) shares, originating from Stock Certificate No. 3784, of Loudon Irrigating Canal and Reservoir Company is in the best interests of the City of Loveland and is hereby approved.

Motion: Herlihey made the motion.

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

Item 8: Windy Gap Firing Project Fifth Amendment to the Fifth Interim Agreement – Ryan Van Pelt

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

Recommendation: Adopt a motion recommending that City Council approve the Fifth Amendment to the Fifth Interim Agreement with the Municipal Subdistrict of Northern Colorado Water Conservancy District Windy Gap Firing Project Water Activity Enterprise for continued participation in the Windy Gap Firing Project, and authorize the City Manager to execute the agreement.

Motion: Herlihey made the motion.

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

COMMISSION/COUNCIL REPORTS

Item 9: Commission/Council Reports

Dan Herlihey: None.

Don Cook: None.

Gary Hausman: Hausman noted that the Wastewater treatment plant grand opening was an impressive project that was accomplished while still treating all of our waste. **Bernosky** noted some staff changes and new technology that assisted in this impressive project

Gene Packer: Packer mentioned that he wrote a recommendation for Dave Clark for Mayor.

John Butler: Butler discussed Colorado water for sale and noticed there is CBT water for sale that is under contract.

Larry Roos: Roos said that CSU does similar testing on their water as the City of Loveland, and he was able to see some of those models. Roos says that our historical trends should include the effects of climate change, especially when we are looking at a 30-year span. He recommends that Council direct staff to revisit this plan.

Randy Williams: None.

Sean Cronin: None.

Stephanie Fancher-English: None.

Council Report: Councilor Steve Olson said that there was no Council meeting held on October 22, 2019 or October 29, 2019. The Council election was held on November 5, 2019, so business was light. On November 12, 2019, Council held the swearing in ceremony for elected officials. The new City Council's first meeting was held on November 19, 2019, and it lasted until 11 PM. The busiest topic was on vaping, with many citizens present to speak on the matter. Citizens would like to ban vaping and raise the legal age from 18 to 21 for purchasing related products. City Council is divided on the vaping issue, so this item will be under Council discussion. **Olson** noted that most mountain communities have made changes to their vaping laws. Larimer County has the highest amount of vaping in the US. City Council will also discuss the Tactical (Strategic) Plan for the entire City. Each department will have to filter their strategic plans into this model.

DIRECTOR'S REPORT

Item 10: Director's Report – **Joe Bernosky** said that Loveland Water and Power is bringing back, in two phases, the Cash in Lieu in December 2019 and Native Water in January 2020. Also in December 2019, staff will bring the Strategic Plan for Loveland Water and Power for LUC to review. **Bernosky** said that Water and Power has always planned ahead, but they have not had strategies in a written document like the plan that is coming. The Strategic Plan has already been seen by the Division Managers in Water and Power and other Managers in the City. In addition, the new Water Quality shop build is going well and will be done in late May or early June. **Bernosky** referenced the issues in Flint, Michigan with lead in the water source. **Bernosky** said that the rules for lead and copper are designated from EPA; however, is very confusing and unclear. Recently, there has been a revised lead and copper rule that was published on November 11, 2019. Comments will be made back to EPA as the rule is more confusing than ever. **Bernosky** noted that we don't have lead in our water, it typically comes from fixtures in our homes and businesses. The topic will be revisited as information is available.

ADJOURN: The meeting was adjourned at **5:52 pm**. The next LUC Meeting will be December 18, 2019 at 4:00 pm.

Respectfully submitted,
Lynn Valdez
Recording Secretary
Loveland Utilities Commission /s/ Gary Hausman, LUC Chairman