

Commission Members Present: Dan Herlihey, Don Cook, Gary Hausman (Chair), Gene Packer, John Butler, Randy Williams, Richard Rhoads, and Stephanie Fancher-English.

LUC Commission Members Absent: Bill Szmyd (excused).

Council Liaison Present: Rob Molloy and Steve Olson.

City Staff Members Present: Cree Goodwin, Carlos Medina, Derek Turner, Jim Lees, Joe Bernosky, John Faulkner, Kim O'Field, Michelle Erickson, Larry Howard, Lynn Valdez, Nathan Alburn, Roger Berg, Ryan Van Pelt, Steve Adams, Todd Hanlin, Tom Greene, William Ullom, and Yarani Vazquez.

Guest Attendance: Chris Beabout, Jammie Saben, Gale Bernhardt, and Henry Hetzel.

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

Item 2.1: Approval of Minutes – Gary Hausman

This item requested a motion to approve the minutes of the December 16, 2020 meeting.

Recommendation: Adopt A Motion to Approve of the Loveland Utilities Commission Meeting Minutes From December 16, 2020.

Motion: Dan Herlihey made the motion.

Second: Richard Rhoads seconded the motion. The minutes were approved with an **7-0 vote**.
John Butler abstained as he was not in attendance.

CITIZENS REPORT

None.

INFORMATIONAL ITEMS

Item 4.1: Water Supply Update – Ryan Van Pelt

This item provides the raw water supply update.

Recommendation: Information Only. No Action Required.

CONSENT AGENDA

Item 5.1: Water Reclamation Facility Biosolids Contract with Veris Environmental LLC – Joe Creaghe

This contract is for Veris Environmental LLC to provide the hauling and disposal services needed to maintain proper treatment at the Water Reclamation Facility. The not-to-exceed total in the Veris Environmental LLC Biosolids hauling contract for 2021 will be \$1,000,000.

Recommendation: Adopt a Motion Approving the 2021 Contract for Veris Environmental LLC for Hauling and Land Application of Biosolids with a Not-To-Exceed Contract Price of \$1,000,000 and Authorizing the City Manager to Execute the Renewal for Service.

Motion: Herlihey made the motion.

Second: John Butler seconded the motion. The motion was approved unanimously with an **8-0 Vote**.

Item 5.2: Application for Section 131 Contract(s) for 20 C-BT Units – Nathan Alburn

The City acquired 20 units of Colorado-Big Thompson (C-BT) last year (2020) from a transfer from Evangelical Lutheran Good Samaritan Society. These units are currently under a Temporary Use Permit and they should be converted to a Permanent Section 131 Contract at the Northern Colorado Water Conservancy District (Northern Water) Board meeting on March 11, 2021.

Recommendation: Approve a Motion Recommending That City Council Adopt a Resolution Authorizing the Director of the Department of Water and Power to Sign the Application for the Section 131 Contract and Execute any Documents Required to Effectuate Such Contract.

Motion: Herlihey made the motion.

Second: Butler seconded the motion. The motion was approved unanimously with an **8-0 Vote**.

REGULAR AGENDA

Item 6.1: Amendment to 2021 proposed Cash-In-Lieu Fee - Joe Bernosky

The purpose of this item is to ask the Loveland Utilities Commission (LUC) to adopt a motion recommending that City Council approve an alternative methodology for calculating the cash-in-lieu of water rights fee from the current approach of using the C-BT market price to one based on the cost of Chimney Hollow Reservoir plus the average cost of native water.

Recommendation: Adopt a Motion Recommending that City Council Approve an Alternative Methodology for Calculating the Cash-In-Lieu of Water Rights Fee That is based on the Cost of Chimney Hollow Reservoir plus the Average Cost of Native Water Instead of the Historical Approach of Using the CBT Market.

Motion: Herlihey made the motion.

Second: Gene Packer seconded the motion. The motion was approved with a **6-2 Vote**.

Randy Williams and John Butler provided NO votes.

STAFF REPORTS

Item 7.1: Utility Application Services Division – The Science of Where – Cree Goodwin

An overview of the Utility Application Services (UAS) Division team, past and current projects, and the vision for the near future.

Recommendation: Information Only. No Action required.

COMMISSION/COUNCIL REPORTS

Item 7.1: Commission/Council Reports

Bill Szmyd: None.

Dan Herlihey: None.

Don Cook: None.

Gary Hausman: John Russ passed away. He was a member of the LUC for many years. He was also on City Council, a veteran and a rancher. Hausman said that he reflected the spirit of the old west and will miss him.

Gene Packer: None.

John Butler: Butler thanked everyone on the Commission and staff for the diligence paid to the Chimney Hollow project, Butler said that will be an amazing asset in the future.

Randy Williams: None.

Richard Rhoads: None.

Stephanie Fancher-English: None.

Council Report: Councilor Steve Olson discussed the Lawsuit regarding Lake Loveland and blowing dirt. Olson said that the meeting for this item was pushed out to the next City Council meeting. In addition, Olson said that City Council received a check for \$226,500 to allocate as they saw fit. City Council allocated \$55,000 to assist in utility billing for people who need help. Also, \$170,000 was given to businesses that are struggling due to pandemic conditions. City Council was able to give 170 business over \$75,000. Olson said that he has not been able to get the City to embrace having a dashboard for financial information yet, but he hopes for that in the future. Regarding the 2021 budget, Olson said that revenue for the general fund is down around 10%. More cuts will be made in the future. Councilor

Olson gave an overview of the budget breakdown and the sales tax impacts from 2020, and he said that this will be an interesting year.

DIRECTOR'S REPORT

Item 8.1: Director's Report – Joe **Bernosky** attended a two-day Northern Colorado Regional Water Strat Ops meeting on December 16th and 17th, 2020. It was a very interesting discussion, and at the end of the second day, they decided to form a NoCo (Northern Colorado) Regional Water Coordinating Group.

Bernosky discussed the Platte River Power Authority (PRPA) disbursement that was presented to City Council. PRPA had a spectacular late summer selling power to the people in the west that did not have any power. They came in over \$2 million over budget.

Bernosky said that registration is open for the 2021 Colorado Water Congress (CWC) Virtual Annual Convention. Please see Attachment A Colorado Water Congress Convention Agenda to the January 13th LUC Meeting packet. So far, one Commissioner registered to attend the event. This Commissioner will be able to provide information to LUC after the event. The format will be over two days running from 8:00 a.m. to 2:00 p.m. The Convention dates are Tuesday, February 9, 2021 and Friday, February 12, 2021. The Water Congress Board has set a priority to ensure the event is affordable for all members. The standard rate will be \$175.

Bernosky noted that a new Water Treatment Plant Manager has been hired by Water and Power. His name is Jeff Monson. He began his position on January 5, 2021.

In addition, the March 2021 LUC Meeting will be held a week later on March 24, 2021. Staff wants to make sure everyone is aware well in advance. The LUC calendar appointment will be adjusted to reflect this date change. The meeting will be held via zoom meetings.

ADJOURN: The meeting was adjourned at 5:45 p.m. The next LUC Meeting will be February 17, 2021 at 4:00 p.m.

Respectfully submitted,
Lynn Valdez

Recording Secretary

Loveland Utilities Commission /s/ Gary Hausman, LUC Chairman