

Commission Members Present via Zoom: Dan Herlihey, Don Cook, Gary Hausman (Chair), Gene Packer, John Butler, Larry Roos, and Randy Williams.

Commission Members Absent: Richard Rhoads, and Stephanie Fancher-English.

Council Liaison Present via Zoom: Steve Olson and Rob Molloy.

City Staff Members Present: Bill Crowell, Christine Schraeder, Derek Turner, Carlos Medina, Frank Lindauer, Jim Lees, Joe Bernosky, John Beckstrom, Kim O'Field, Leslie Moening, Lynn Valdez, Michelle Erickson, Nathan Alburn, Roger Berg, Ryan Van Pelt, Tanner Randall, and Yarani Vazquez.

Guest Attendance: None.

CALL TO ORDER: Gary Hausman called the meeting to order at 4:08 PM.

APPROVAL OF MINUTES: Hausman asked for a motion to approve the minutes of the May 20, 2020 meeting.

Motion: Dan Herlihey made the motion.

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

CITIZENS REPORT

None.

INFORMATIONAL ITEMS

Item 4.1: Monthly Financial Update – Jim Lees

This item summarizes the monthly and year-to date financials for May 2020.

Recommendation: Information item only. No action required.

Item 4.2: Water Legislative Update – Ryan Van Pelt

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

Recommendation: Information item only. No action required.

Item 4.3: Electric Legislative Update – Kim O'Field

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

Recommendation: Information item only. No action required.

Item 4.4: 2019 Levels of Service for Water and Wastewater Utilities – Michelle Erickson

This item provides a yearly update of our 2019 Levels of Service performance compared to prior years for the Water and Wastewater Utilities.

Recommendation: Information item only. No action required.

CONSENT AGENDA**Item 5.1: Contract Award for Horseshoe Substation Switchgear Replacement – Yarani Vazquez**

The purpose of this item is to award a construction contract to AZZ Switchgear Systems for Horseshoe Substation Switchgear H1 & H2 Replacement Bid# 2020-30.

Recommendation: Adopt a motion recommending that LUC award the contract for the switchgear replacement to AZZ Switchgear Systems in an amount not to exceed \$809,346.00 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.

Motion: Herlihey made the motion.

Second: Don Cook seconded the motion. The motion was approved unanimously.

Item 5.2: 2020 CIPP Sewer Rehabilitation Project Construction Contract – Craig Weinland

The purpose of this item is to award a construction contract to the lowest qualified bidder for the 2020 CIPP Sewer Rehabilitation Project.

Recommendation: Adopt a motion to award the 2020 CIPP Sewer Rehabilitation Project construction contract to Insituform Technologies Inc. in the amount of \$1,332,067.00 and authorize the City Manager to execute the construction contract on behalf of the City.

Motion: Herlihey made the motion.

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

Item 5.3: Namaqua Hill Pump Station Improvements Construction Contract Award – Leslie Moening

The purpose of this item is to award a construction contract to the lowest qualified bidder for the Namaqua Hills Pump Station Improvements Project.

Recommendation: Adopt a motion to award the contract for the Namaqua Hills Pump Station Improvements Project to Velocity Constructors in an amount not to exceed \$647,627.00 and authorize the City Manager to execute the contract on behalf of the City.

Motion: Herlihey made the motion.

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

Item 5.4: East P8 Waterline Crossing of US Highway 34 Construction Contract Award – Carlos Medina

The purpose of this item is to award a construction contract to the lowest qualified bidder for the East P8 Waterline Crossing of US Highway 34 Project.

Recommendation: Adopt a motion to award a contract for the East P8 Waterline Crossing of US Highway 34 Project to Connell Resources in an amount not to exceed \$541,000.000 and authorize the City Manager to execute the contract on behalf of the City.

Motion: Herlihey made the motion.

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

REGULAR AGENDA**Item 6.1: 2021 Proposed Budgets for Water, Wastewater and Power – Jim Lees**

The purpose of this item is to ask the LUC to adopt a motion indicating support for the proposed 2021 Water and Power budget for City Council's consideration.

Recommendation: Adopt a motion indicating support for the proposed 2021 Water and Power budget for City Council's consideration.

Motion: Herlihey made the motion.

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

STAFF REPORTS

Item 7.1: 2019 Water Loss Audit – Michelle Erickson

This item reviews the results of the Water Loss Audit of 2019 the progress made to improve the water tracking methods, and the actions taken or identified to better manage or reduce non-revenue water.

Recommendation: Staff item only. No action required.

COMMISSION/COUNCIL REPORTS

Item 9: Commission/Council Reports

Dan Herlihey: None.

Don Cook: Cook commented on the discussions that took place during the Budget planning meeting for 2021. Cook felt that staff is taking the proper care of the Department's budget.

Gary Hausman: None.

Gene Packer: Packer commented on the PRPA news release asking if there will be significant increases in their costs. Packer also said that he would be interested in PRPA making a presentation in order to answer some questions for LUC Members and staff.

John Butler: None.

Larry Roos: None.

Randy Williams: None.

Richard Rhoads: None.

Stephanie Fancher-English: None.

Council Report: Councilor **Olson** and Rob **Molloy** were present to give their report. **Olson** asked **Bernosky** about the deferment of payment of utility bills temporarily. **Olson** questioned if we have a dollar amount for how much is owed from the citizens. **Bernosky** said that he will address this item in his Director's report. **Olson** mentioned that City Council has approved the Water Efficiency Plan at the June 16, 2020 City Council meeting.

DIRECTOR'S REPORT

Item 10: Director's Report – Bernosky said that Water and Power staff recently sent a plaque to Sean Cronin and Larry Roos. Sean Cronin served on the LUC from March 2017 to March 2020, and we sincerely appreciate his three years of service. In addition, Larry **Roos** served on the LUC from July 2013 to June 2020, and we sincerely appreciate his seven years of service. Next, spring recruitment for Boards or Commissions has ended, and staff is pleased to announce that Eugene **Packer** and Don **Cook** have both re-applied to serve another term on the LUC. The Chair, the Council Liaison, and the Director have recommend to City Council to approve both Commissioners to serve another term. City Council adopted a motion on June 16, 2020 to appoint both members to LUC for an additional term.

The Council ad hoc Committee for Revenue Evaluation ("CARE") has recommended that the Loveland City Council include a sales tax proposal on the November 3, 2020 ballot. This ballot question will ask Loveland voters to approve an increase in the sales tax to fund basic city General Fund services, repair and maintenance of roads and buildings, and to fund delayed General Fund capital projects, including fire stations and roads. This proposed sales tax increase is related to the General Fund and does not impact operations and maintenance or capital projects for the City Enterprise funds which include Pulse, Water, and Power utilities. Several boards and commissions are discussing this City Council proposal to understand its effect on the services and departments that the boards represents. A few boards are also discussing whether or not they would like to publically support the ballot measure. This item will present additional information about the proposed sale tax ballot measure and provide the Loveland Communications Advisory Board and opportunity to discuss the measure being proposed by City Council and learn

how other Boards and Commissions are addressing this issue. As an example, the Library Board has approved language of support for the ballot measure. Please see this sample letter as Attachment A.

Bernosky discussed the updates from the Utility Billing Department where there were about 270 citizens that were behind on their utility bills that were being deferred during the pandemic crisis. The City will begin a messaging program to the citizens to let them know that the deferments are ending soon. The late fees will be waived for the past but accrued going forward in order to start collecting revenue. Councilor **Olson** mentioned that the Loveland House of Neighborly Services offers outreach and help regarding utility bill payments. The previous deferment of utility bill payments expired on June 13, 2020. The customers are a mix of residential and commercial.

Recently, the 2020 Tri-City and District Water Board meeting was postponed until October; however, the event coordinators have decided to cancel the Tri-City and District Water Board Meeting for the 2020 year.

Bernosky answered a question regarding the Customer Information System database. He said that we have recently brought an excellent Project Manager to lead the implementation of this database. The database will not go online until next year due to delays. **Bernosky** said that further details will be coming.

ADJOURN: The meeting was adjourned at **5:40 pm**. The next LUC Meeting will be July 15, 2020 at 4:00 pm.

Respectfully submitted,

Lynn Valdez

Recording Secretary

Loveland Utilities Commission /s/ Gary Hausman, LUC Chairman