

Commission Members Present: Matt Elkins, James Laferriere (Zoom), Clinton O'Neill, Bill Szmyd (Zoom), Don Cook, Gary Hausman (Chair), Gene Packer, Randy Williams, Dan Herlihey (Vice Chair)

LUC Commission Members Absent: John Butler

Council Liaison Present: Steve Olson, Jon Mallo

City Staff Members Present: Christine Schraeder, Kevin Gertig (Director), Derek Turner, Jim Lees, Tanner Randall, Todd Hanlin, Tyler Groce, Nathan Alburn, Tracey Hewson, Ryan Van Pelt, Yarani Vazquez, John Beckstrom, Frank Lindauer, Chad Birgenheier.

Guest Attendance: Mark Beauchamp

CALL TO ORDER: Gary Hausman called the meeting to order at 3:00 PM.

Gary introduced the new member of the LUC, James Laferriere.

Item 2.1: Adoption of Minutes – Gary Hausman

This item requested a motion to approve the minutes of the June 15, 2022 meeting.

Recommendation: Adopt A Motion to Approve of the Loveland Utilities Commission Meeting Minutes from June 15, 2022.

Motion: Dan Herlihey made the motion.

Second: Don Cook seconded the motion. The minutes were **approved** unanimously with a **8-0** vote.

CITIZENS REPORT

Item 3.1 Citizens Report – None

INFORMATIONAL ITEMS

Item 4.1: Water and Law Legislative Update – Derek Turner

This item provides a brief update on water-related legislation introduced or under discussion by the Colorado General Assembly during the legislative season, water court developments or items of interest in District 4 of Water Division 1 (The Big Thompson and Little Thompson River basins), and Colorado or Loveland-related water news.

Recommendation: Information Only. No Action Required.

Item 4.2: Electric Legislative Update – Derek Turner

This item and Attachment A are 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 Only. No Action Required.

CONSENT AGENDA

Item 5.1: Change Order to Indefinite Delivery Contract with Colorado Boring Company – Frank Lindauer

The purpose of this item is to seek approval from the Loveland Utilities Commission regarding a contract change order for the current contract with Colorado Boring Company.

Recommendation: Adopt a motion recommending that City Council approve the change order to the contract for 2021 Indefinite Delivery Boring Projects with Jacob Investments, LLC dba Colorado Boring to increase the not-to-exceed amount to \$1,000,000.00 and authorize the City Manager to sign the change order on behalf of the City.

Motion: Dan Herlihey made the motion.

Second: Randy Williams seconded the motion. The motion was **approved** unanimously with a **8-0** vote.

Item 5.2: Change Order to Indefinite Delivery Contract with GE Construction – Frank Lindauer

The purpose of this item is to seek approval from the Loveland Utilities Commission regarding a contract change order for the current contract with GE Construction.

Recommendation: Adopt a motion recommending that City Council approve the change order to the contract for 2021 Indefinite Delivery Substructure Projects with GE Construction to increase the not-to-exceed amount to \$1,800,000.00 and authorize the City Manager to sign the change order on behalf of the City.

Motion: Dan Herlihey made the motion.

Second: Randy Williams seconded the motion. The motion was **approved** unanimously with a **8-0** vote.

REGULAR AGENDA

Item 6.1: Power Cost-of-Service Rate Study Results and Direction – Jim Lees & Mark Beauchamp

The purpose of this item is to:

- 1) Get a recommendation from the LUC on a proposed 2023 Power rate design for all rate classes except Residential Self-Generation for City Council's consideration
- 2) Get a recommendation from the LUC on a proposed 5-Year Rate Track for the Power Utility for City Council's consideration
- 3) Get a recommendation from the LUC on a proposed 2023 rate design for the Residential Self-Generation class for City Council's consideration

Recommendation 1: Adopt a motion recommending the City Council approve the proposed Power rates for 2023 for all rate classes except Residential Self-Generation, and in the event the Platte River Power Authority sets a wholesale rate lower than anticipated currently, that City Council approve the proposed Power rates for 2023 with a reduction for all rate classes in accordance with the actual wholesale rate approved by Platte River Power Authority.

Motion: Dan Herlihey made the motion.

Second: Gene Packer seconded the motion. The motion was **approved** unanimously with a **8-0 vote**.

Recommendation 2: Adopt a motion recommending the City Council approve the proposed 5-Year Retail Rate Track for Power, and in the event the Platte River Power Authority sets a wholesale rate track lower than anticipated currently, that City Council approve the proposed 5-Year Retail Rate Track for Power with a reduction for all five years in accordance with the actual wholesale rate track approved by Platte River Power Authority.

Motion: Dan Herlihey made the motion.

Second: Randy Williams & Gene Packer seconded the motion. The motion was **approved** unanimously with a **8-0 vote**

Gene recommended that the actual dollar amount of the increase for a typical utility bill be shown to City Council.

Recommendation 3: Adopt A Motion Recommending That City Council Direct Staff to Use the Option 1 Methodology for Designing the Rates For 2023 For the Residential Self-Generating Class.

Motion: Dan Herlihey made the motion.

Second: Don Cook seconded the motion. The motion was **approved** unanimously with a **8-0 vote**

STAFF REPORT

Item 7.1: Quarterly Financial Report – Jim Lees

This item summarizes the preliminary monthly and year-to date financials for June 2022.

Recommendation: Information Only. No Action Required.

COMMISSION & COUNCIL REPORTS

Item 8.1: Upper CO River Basin Tour Observations – Steve Olson, Jon Mallo, John Butler

LUC Members Steve Olson, Jon Mallo, and John Butler attended the Upper CO River Basin Tour June 15-17th and will be sharing some of their observations with the Commission.

Commission Reports

Dan Herlihey: Asked about the aerial mulching that has possibly been done and what effect the flooding on the burn scars has had. Kevin will need to find out more and report back.

Gene Packer: Gene completed a SEPA course on alternative energy which was very good. He also did a Chimney Hollow Tour which was great. Asked about the steel structures up the canyon, which seem to be for diverting power at Chimney Hollow.

Bill Szmyd: None.

Clinton O'Neill: Clinton asked about getting a tour of the Foothills Solar Field.

Don Cook: Don appreciated going through the Electric System Fundamentals virtual course that was made available last month.

Gary Hausman: None.

John Butler: Not present.

Matt Elkins: None.

Randy Williams: Randy asked about why Loveland is treated differently in the eyes of PRPA and the rate increases. Kevin talked about the rapid growth of Loveland currently and where it is in development. Jim also added that our summer peak is higher than other communities. Randy also asked about the river being dirty. Chad shared that the flooding has caused a lot of ash and debris in the river. There are sondes upriver that have been sending readings to the staff so they can be proactive and have been able to avoid pulling in river water and switching over to reservoir.

James Laferriere: None.

Item 8.2: Council reports

Steve Olson: None.

Jon Mallo: None.

DIRECTOR'S REPORT

Item 9.1: Director's Report

- Kevin gave a recap about the EOC Outage Exercise that took place June 29th.
- Kevin gave an update of staffing for several key positions in the department.
- Kevin talked about the Raw Water Master Plan.

ADJOURN: The meeting was adjourned at 5:47p.m.

Respectfully submitted,

Tyler Groce

Recording Secretary

Loveland Utilities Commission /s/ Gary Hausman, Chair

