LOVELAND UTILITIES COMMISSION
REGULAR MEETING
December 18, 2013 - 4:00 p.m.
Service Center Board Room
200 North Wilson Avenue

AGENDA

4:00 pm - **CALL TO ORDER**

4:05 pm - **APPROVAL OF MINUTES - 11/20/2013**

CITIZENS REPORTS

4:10 pm - **CONSENT AGENDA**

1. Contract with Brown & Caldwell for the Digester Project Design – John McGee
2. Contract Award for 48" Diameter Fabricated Steel Water Line for Water Treatment Plant Meadows Transmission Line Project (Materials Only) – Roger Berg

4:15 pm - **REGULAR AGENDA**

3. IGA with Platte River Power Authority for SCADA Support – Bob Miller

4:45 pm - **STAFF REPORT**

4. Water Treatment Plant Design Update – Roger Berg
5. 2013 Flood Update – Steve Adams

5:30 pm - 6. **COMMISSION / COUNCIL REPORTS**

7. **DIRECTOR'S REPORT** – Separate Document

INFORMATION ITEMS

8. Financial Report Update – Jim Lees

ADJOURN

The City of Loveland is committed to providing an equal opportunity for citizens and does not discriminate on the basis of disability, race, age, color, national origin, religion, sexual orientation or gender. The City will make reasonable accommodations for citizens in accordance with the Americans with Disabilities Act. For more information, please contact the City's ADA Coordinator at bettie.greenberg@cityofloveland.org or 970-962-3319.

The password to the public access wireless network (colguest) is accesswifi.

Commission Members Present: David Schneider (Chair), John Matis, John Rust Jr.**,** CJ McKinney, Gene Packer (Vice Chair), Larry Roos, Randy Williams, and Gary Hausman

Alternate Commission Members Present: Daniel Greenidge

Council Liaison: none

City Staff Members: Bob Miller, Brieana Reed-Harmel, Chris Matkins, Greg Dewey, Gretchen Stanford, Kim O'Field, Lindsey Bashline, Laura Homiak, Michelle Stalker, Roger Berg, Steve Adams, Scott Dickmeyer, Sharon Citino, and Christine Schroader

Guest Attendance: Jeremy Jresvig from the Focus Group, Gail Zirtzlaff from the Focus Group, Jackie Sargent from PRPA, John Bleem from PRPA, and Leah Johnson from JD Consulting

CALL TO ORDER: Dave Schneider called the meeting to order at 4:02 pm.

APPROVAL OF MINUTES: Dave asked for a motion to approve the minutes of the October 16, 2013 meeting.
Motion: John Matis Jr. made the motion to approve the minutes of the October 16, 2013 meeting.
Second: Gene Packer seconded the motion. The minutes were approved unanimously.

CITIZEN REPORTS: none

REGULAR AGENDA

Item #1: Platte River Power Authority (PRPA) Strategic Plan Presentation – Steve Adams & Jackie Sargent/John Bleem Staff from Platte River Power Authority (PRPA) will make a presentation on their draft Strategic Plan.

Recommendation: Discuss the revised Strategic Plan and provide feedback to PRPA.

Comments: Discussion ensued on how NOx and SO_2 emissions are measured at the plant with a continuous monitoring system and relative accuracy testing where outside people come in and measure emissions to ensure they match what PRPA is measuring. PRPA complies with all the permitting requirements with emissions well below the thresholds for all the criteria pollutants. Staff inquired on the factors affecting PRPA's credit rating. Bleem discussed risk factors such as the mix of energy sources, particularly energy created from coal and the associated CO_2 emissions and the rates and rate structure. Starting in 2012, reporting CO_2 emissions became required for all utilities above a certain size. Although PRPA has low emissions on criteria pollutants, they have relatively high CO_2 emissions, which are above the Colorado and U.S. average. The averages for the U.S. are much lower due to more nuclear, hydro and gas energy sources. Having a high amount of energy from coal and high CO_2 emissions coupled with increasing regulation in these areas results in higher financial credit risks, as well as reduced operating flexibility. However, due to PRPA's very low rates, they are in a position where they can respond by changing the energy mix and still be competitive.

Discussed how some coal plants are being shut down, particularly older plants with high emissions. Because PRPA has very low criteria emissions, it should be among the last to shut down. Board inquired how PRPA compares with other coal power plants in terms of carbon per megawatt hour produced. Coal CO_2 emission rates are pretty consistent from plant to plant, with the main source of difference being the plant efficiency. PRPA runs about 9,800 to 9,900 BTUs per Kilowatt hour. There is about a 10% to 15% efficiency difference between coal plants so other coal plants may run at levels like 10,500 BTUs, 10,800 BTUs, or 11,000 BTUs per kilowatt hour. Coal verses gas is quite different; gas emissions are typically less than half the emissions of coal.

Discussion ensued on what drives the future costs of energy. Bleem responded that costs are affected by factors such as carbon taxes, legislation and regulations, community goals to cut carbon emissions,

technology trends like drops in the costs of solar, market and fuel prices, etc. The largest factor affecting future costs may be what will happen with the price of CO_2 emission charges.

Board inquired on the ramifications if PRPA were to have a significant amount of capacity from gas and the effects on whether they could still run coal efficiently and how to do long-term planning or contracts for gas or coal. Bleem responded that they could keep the coal unit along with its capacity and use it to meet the much higher summer loads. There are different types of gas units in which the heat could be captured through a steam turbine to create energy. There are a lot of options with existing and new gas units. Any of the gas options would raise rates if there is not a carbon tax. If there's a carbon tax, a different energy portfolio could be implemented to minimize the increase in rates. Gas and coal prices currently are mostly tied to market index-based pricing rather than long-term fixed price contracts. The price volatility of gas and coal is another risk factor. They are no longer able to lock in the long-term fixed prices for coal and additional costs for rail and diesel fuel costs are added to the costs. Another risk factor is that some coal producers may choose to ship outside the U.S. rather than sell domestically, which could raise domestic prices.

Discussion ensued on the raw material costs, limited resource availability, the benefits of some cleaner energy sources, as well as the associated additional risk factors. PRPA looks at outside forecasts in their planning, but there is a high degree of uncertainty and a large range of possibilities in the forecasts. Going forward, the analysis will consider changes in key variables and the range of the probabilities of what could happen. Some unforeseen things can happen such as the gas prices decreasing due to hydraulic fracturing – which was not anticipated just a few years ago. PRPA looks for opportunities to hedge costs with other long-term contracts such as the 25-year fixed-price wind contract that was just executed. In addition, PRPA is developing adaptive strategies which enable greater flexibility to integrate fixed-priced renewable energy which provides a hedge against the volatility of other energy sources.

Board expressed concerns that many regulations are based more on politics than on science, such as the possibility of congress creating a carbon tax as a way for the government to make more money, and the board inquired what PRPA is doing to address these concerns. PRPA responded that they are reaching out to the law makers and lobbyists through a staff position which they filled at the beginning of 2013 who focuses on government and external affairs (Barb Zar). PRPA also works with groups like the Colorado Association of Municipal Utilities (CAMU) which have lobbying efforts, the American Public Power Association (APPA) which has a very strong advocacy in Washington D.C., and the Large Public Power Council (LPPC).

One of the recent issues in the news is that the EPA came out with new source performance standards with regards to greenhouse gas emissions on new units and they are also doing listening sessions and the EPA plans to come out with guidelines with regards to establishing regulations for existing units on fossil fuel resources and greenhouse gas emissions. PRPA is actively engaged in this process, reaching out to local, state and federal representatives. Jackie Sargent and their government affairs specialist have been to Washington D.C. to meet with people and give them position papers as well as meet locally with the member cities to make sure PRPA aligns with their customers' positions and interests. Public power has a large group of participants, but one of the difficulties is that many members are very small. PRPA also checks with the Rural Electrical Associations (REA) on how they are looking at issues and uses those groups for influence and backing. PRPA uses each of these groups to get more force behind their efforts with law makers and lobbyists.

Discussed how the price of coal had previously been steadier than gas, but the price still moves which is a risk factor. When the demand in China increased the price of coal increased, and when the economy slowed down again, the price of coal has been coming back down.

Discussed the costs of CO_2 abatement. A carbon tax of $20 per ton in 2020 would equate to about a 15% rate increase. About one metric ton of CO_2 is produced per megawatt hour. About one to two pounds of CO_2 is released per kilowatt hour – depending on the source (gas or coal). PRPA is starting

the analysis to look at where they are today and what may happen in the future. They will be developing recommendations for where they should go for the future energy mix. Overall, it comes down to risk management and diversifying the energy portfolio.

Discussed how regulations have been leading the legislation, due to the problems in congress. What the industry needs is some certainty on what the rules are. Last year, the REAs were hit hard and the previous year, the Investor Owned Utilities (IOU) were hit hard. There is a possibility that entities like PRPA or Joint Action Agencies will be hit next. If they come after entities like PRPA, our rates could increase by 20%. Loveland has large industrial customers with energy costs comprising up to 80% of their total costs. These rate increases could result in large industrial customers moving out of Loveland or out of Colorado.

Board expressed concerns over how the EPA requires testing of companies, but they do not do baseline air quality standards to test the air quality of air coming into Colorado from places like California or Asia. PRPA's governmental affairs rep is meeting with individual representatives to be proactive to address this issue. PRPA strives to be good environmental stewards and meet or exceed all the emissions standards.

Discussed the risks and cost-effectiveness of renewables such as the impact of when the sun doesn't shine and when the wind doesn't blow on solar and wind energy production and how some areas are not well suited for these types of energy production. Board inquired on the number of employees at PRPA. In 2014, Platte River plans to have about 230 employees. Discussed some of the differences in the goals of the four cities that own PRPA and how PRPA works to look for solutions to meet the individual needs of each of the cities.

Clarified the difference between the Integrated Resource Plan (IRP) and the Strategic Plan. The IRP looks at the demand and supply of energy and is very resource intensive focusing on meeting the cities' loads. The IRP will be rolled in as part of the Strategic Plan, but the Strategic plan is a higher/broader level plan addressing a broad range of risk factors.

Discussed how peak shaving and demand side management of the individual cities may impact PRPA's wholesale rates and the energy costs of the individual cities. Also discussed how the wholesale rate structure may change over time.

Item #2: Water & Power Messaging Assessment & Recommendations – Lindsey Bashline Leah Johnson, principal of JD Consulting, will be presenting the results of the recent Messaging Assessment performed for Loveland Water and Power.

Recommendation: Provide feedback to staff regarding the above suggested action items and next steps.

Comments: Discussed how going forward on materials from Loveland Water and Power (LWP) will use the city logo with "Loveland Water and Power" printed below the logo to distinguish what LWP is distributing verses what comes out of the general fund. The board inquired about using the water drop and lighting sculptures outside the Service Center building as a way to distinguish LWP items. Staff responded that we currently use the sculptures on our social media. LWP is looking to hire someone to go through and streamline our content to give it a more consistent feel, including what is on Channel 16. Board commented that this would be a good opportunity to improve our communications and messaging strategy and to make sure that our customers are hearing the most important messages. Discussed how customers want LWP to be consistent in outreach and reaction to issues. Board commented on how the trust for LWP increased during the flood event because of all that was done to keep water and power services to our customers and how that was addressed in the media.

Jeremy Jresvig from the one of the Focus Groups expressed that he is happy with the reliability of water and power in Loveland and he commented on how good Loveland's water tastes. He mentioned that the smart meters seemed like a big issue to a few of the focus group participants. He expressed

that the afternoon group preferred to receive the facts – a more "municipal" feeling verses the warm and fuzzy "community" feeling of messaging materials. He expressed that as a market, LWP should go with the warm and fuzzy messaging, but as an individual consumer, he prefers more straightforward "municipal" type communication.

Gail Zirtzlaff from one of the Focus Group expressed appreciation for the invitation to participate in the Focus Groups. She commented that one of the other Focus Group attendees expressed that she would like the option for the monthly newsletter to be emailed out since she never sees it because her husband pays the bill and throws it away. Zirtzlaff expressed that she personally likes to read the paper newsletter. She commented on the high reliability of the utilities and that the only time she was without water was due to a main break. She stated that she has trust in the utilities.

Board and staff expressed how different people prefer getting information in different ways (email, website, mail, social media, etc.) and as a result LWP needs to offer many ways of communicating information to the community. Staff stated that there will be a third page added to the City Update dedicated solely to Water and Power programs.

Item #3: Electrical Equipment Color/Painting Policy – Kim O'Field The purpose of this item is to provide a draft copy of the proposed Electrical Equipment Color/Painting Policy to LUC for review.

Recommendation: Discuss this internal policy and provide feedback to staff for their continuing development of this internal policy.

Comments: The board inquired if other pieces of equipment in the City would have similar painting requirements to which staff responded that they were not aware of any discussions. Board also inquired whether we wanted to communicate more clearly on switchgear or transformers that they belong to the Water and Power Department to which staff responded that they would prefer not to due to a possible targeting for vandalism. One of the reasons for the Transformation program was to lessen the graffiti especially in the downtown area and so far the program has been successful. For the larger commercial transformers, there will be an option of either brown or green boxes in order provide options for customers that want a specific look.

STAFF REPORTS

Item #4: 2013 Flood Update – Steve Adams Staff will provide an update on the status of flood recovery efforts.

Staff Report only. No action required.

Comments:
Discussed how the Home Supply Ditch Company will be in charge of the repair to the dam crest near the water intake to the Water Treatment Plant. Home Supply hopes to have the repair work completed by Spring 2014, and they are securing funding through FEMA. The construction will match as closely as possible to the prior look even if it is not the same construction method used before. The City has been asked to be involved in the design review process particularly since we will be paying for half of the repair costs. There are also maintenance issues that were not flood related that will need to be completed. Johnstown will not pay for a portion of the flood repair, but they will be paying for a portion of the assessment from the ditch company.

Discussed how the new 48" water transmission pipeline will be moved up the hill farther from the river for about a mile in length to help protect it from future flood damage. It will be 3 to 5 feet in depth out of the 100-year flood plain.

Most of the power restoration costs up the canyon will be covered by FEMA and the powerhouse will be covered by CIRSA. In some places, power staff had to restore power infrastructure going up on the

mountain top rather than in the canyon floor to offer additional protection from future floods and due to the river changing paths and washing out areas where the poles used to be. Much of the repairs will require the use of dynamite and helicopter to bring in poles. The Forest Service has worked to approve some work very quickly and has responded very quickly to our requests. In situations such as this, it is a good thing that the Power Utility had healthy cash reserves.

At the Idylwilde Dam area about 110,000 cubic yards already moved, but there is still about 250,000 cubic yards of material still there that will need to be removed. The amount left behind is pre-existing and our responsibility but CDOT and the Forest Service are looking at it and may be interested in the material.

Item #5: Water Supply Update – Larry Howard Summary of 2013 water year and early projections for 2014.

Staff Report only. No action required.

COMMISSION/COUNCIL REPORTS

Item #6: Commission/Council Reports Discuss events that the Loveland Utility Commission Board members attended and any City Council items related to the Water and Power Department from the past month.

- *Net Zero Cities* in Fort Collins, CO – October 23–24, 2013
- *24th Annual South Platte Forum* in Longmont, CO – October 23–24, 2013
- *Northern Water Fall 2013 Water Users Meeting* in Longmont, CO – November 6, 2013
- *Business Innovation Fair* in Loveland, CO – November 20, 2013

Randy Williams: none
John Rust Jr: none
John Matis: Commented that despite all the flood damage, at the South Platte Forum the regional biologist said that there are still a lot of fish left in the river. At the South Platte Forum there was a presentation on the effects of hydraulic fracturing on the river, and they found they could document that there was no effect on the river. Although the data was remarkable, I don't believe the general public will believe it. The Big Thompson Water Shed Forum and the Big Thompson Restoration Coalition is working on a baseline assessment to look at river stability, scour, and about 14 items on a checklist. At present, there is more leeway to get money and get the work done in the river corridor. Eventually the relationship with FEMA and the restorative efforts will have large pay offs. Commented that it was amazing to see at the Net Zero Cities how buildings can be retrofitted to make them much more energy efficient.
Gene Packer: none
Gary Hausman: none
C.J. McKinney: none
Dave Schneider: Commented on how at Net Zero Cities, Copenhagen uses bikes much more and that on average, 4 bikes are stolen per capita per year. Commented that it is very difficult if the presenter, presents the data or presentation in a language other than English. He also commented that some presenters at the conference should work to eliminate the "umms" and "you know's" from their presentations. Commented that this year's conference had a lot of improvements from last year. There were conversations on water -- trickling into the public trust doctrine, but those discussions didn't progress. At the Fall Water Users Meeting, he enjoyed listening to Floyd Ciruli from Ciruli & Associates. He did a very good and honest presentation on the Northern Integrated Supply Project and covered the results from a very sophisticated opinion poll. He commented that it would be good to hear what the public thinks about Windy Gap. The approval went up to 80% for the reservoir off the Poudre River.

Larry Roos: Attended Net Zero Cities and it was very good and was much better than I expected. Commented that the Planning Department, Public Works and Economic Development should go to this conference, especially concerning how to reduce the carbon footprint. Copenhagen is so far ahead of us

and they expect to be carbon neutral by 2025 and 35% of their work force bikes to work. Commented that during the building forum a presenter from Salt Lake City showed how they had replaced a municipal building with a much larger facility and actually lowered the utility bill costs. The new energy efficiency building methods were actually comparable to costs for regular construction methods. Although Loveland is not first in everything presented at Net Zero, Loveland is making headway.

Council Report: Steve Adams read the City Council items related to the Water & Power Department while we are waiting to find out which City Council member will be assigned as the LUC liaison.

Regular Meeting – November 5, 2013

- Council directed the City Manager to negotiate and enter into an agreement with Home Supply to apply an amount not to exceed $400,000 towards the cost of repairing the "Big Dam."

Study Session – November 12, 2013

- Council was presented with an update in regards to the Flood Recovery progress and estimated costs.

Regular Meeting – November 19, 2013

- N/A

DIRECTOR'S REPORT

Item #7: Director's Report – Steve Adams

Comments: The bond issue passed in Longmont to allow them to be a municipal fiber provider.

INFORMATION ITEMS

Item #8: CBT Market Price Consideration – Scott Dickmeyer The City's cash-in-lieu fee is based primarily on the market price of one Colorado-Big Thompson Project (C-BT) unit as recognized by resolution of the Loveland Utilities Commission (LUC). On June 19, 2013 the LUC clarified with staff the process in which the LUC members desire to keep abreast of the changes to the market price of Colorado-Big Thompson Project units. On August 14, 2013, the LUC adopted Resolution R-4-2013U, changing the City's recognized price for CBT water to $17,500 per unit and establishing a Cash-In-Lieu fee of $18,375. Staff was also directed to closely monitor the situation and keep the LUC members updated monthly.

Staff Report only. No action required.

Item #9: **Financial Report Update – Jim Lees** This item summarizes the monthly and year-to-date financials for October 2013.

Information report only. No action required.

ADJOURN The meeting was adjourned at 7:10 pm. The next LUC Meeting will be December 18, 2013 at 4:00 pm.

Respectfully submitted,

Michelle Stalker
Recording Secretary
Loveland Utilities Commission

City of Loveland

CITY OF LOVELAND
WATER & POWER DEPARTMENT
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AGENDA ITEM: 1
MEETING DATE: 12/18/2013
SUBMITTED BY: John McGee, Water Treatment Manager

TITLE: Contract with Brown & Caldwell (B&C) Anaerobic Digester Improvements Design and Bidding

DESCRIPTION:
The contract is for the design and bidding services for improvements to the Wastewater Treatment Plant (WWTP) anaerobic digesters. Improvements are necessary for process modifications, replacing aged equipment, and to meet current code and safety requirements.

SUMMARY:
Attachment A is the scope of services and attachment B is the fee summary for the design and bidding services. The 2013 budget has sufficient funds for this project.

RECOMMENDATION:
It is recommended that the LUC approve the design contract with B&C in the amount of $830,286 to move forward with the implementation of design and bidding services for the anaerobic digestion system improvements.

REVIEWED BY DIRECTOR: MS for SA

ATTACHMENTS:
A – Brown & Caldwell Scope of Services
B – Brown & Caldwell Fee Summary

Attachment A

Loveland Wastewater Treatment Plant
Digester Rehabilitation Project
Scope of Services

Prepared for
Loveland WWTP
November 2013

Brown AND Caldwell

Project Overview

Brown and Caldwell (BC) completed an evaluation of the City of Loveland (City) Wastewater Treatment Plant (WWTP) Digestion process in August 2013. Recommendations from the evaluation included rehabilitation of the existing digester complex. Rehabilitation elements include:

- Replacing the existing gas mixing system with a pumped mixing system
- Rehabilitation of the existing floating steel digester covers
- Replacement of the existing boiler/heat exchangers with new fire-tube boilers and concentric tube heat exchangers
- Replacement of the electrical, digester gas, and HVAC systems in the digester control building such that it satisfies the National Fire Protection Association (NFPA) 820 *Standard for Fire Protection in Wastewater Treatment and Collection Facilities* (2012) requirements as determined by the local authority having jurisdiction (AHJ).
- Expansion of the digester control building to accommodate new equipment
- Construction of a new Electrical Room for the digester control building
- SCADA improvements to allow for better monitoring and control of the digestion process
- Replacement of the existing waste gas flare
- Construction of a ferric chloride feed facilities
- Construction of a pre-digestion storage/blending tank
- Other ancillary improvements to piping and connecting facilities as needed.

This Scope of Services includes the following phases:

- Phase 100 – Project Management and Administration
- Phase 200 – Site Investigation
- Phase 300 – Preliminary Design and Basis of Design Report
- Phase 400 – Permitting
- Phase 500 – Final Design
- Phase 600 – Bid Phase Services

Project Objectives

The following specific project objectives have been identified:

- Improve the operability of the anaerobic digestion system by rehabilitation or replacement of process equipment that has reached the end of its useful life
- Using NFPA 820 as a basis, upgrade HVAC and electrical systems.
- Construction of a new, separate electrical room for the Digester Control Building
- Expand SCADA monitoring and control by tying the existing SCADA system to the Digester process area

City of Loveland Responsibility

The City of Loveland shall provide to BC available and relevant information to aid in the design process. This includes, but is not limited to:

- Operational data
- Access to the plant site and facility in order to validate and verify as-constructed conditions
- Knowledgeable staff who can discuss operational and maintenance issues
- Timely review and comments within agreed upon schedules

Project Assumptions and Limitations

The following assumptions were made in the development of this Scope of Services:

- The technical memoranda will be revised once each, pursuant to Loveland's comments and suggestions.
- A design review comment/resolution log will be maintained to capture substantive City comments. Design will proceed without a revision to and resubmittal of each design milestone deliverable. The comment log will capture the resolution to each comment and BC will document acceptance from the City to each item logged and resolved.
- All technical memoranda and submittal packages will be reviewed within 10 working days of submittal.
- For each deliverable, all comments from the City will be combined into a single review package before being returned to BC.
- This scope of work is for preliminary design through design services and services during bidding. Services during construction are not included in this scope of work.
- SCADA programming will not be completed in this phase. Rather, guidance will be provided in the specifications for completion during construction.
- Structural improvements to existing facilities will be relatively minor in nature and not require significant redesign.
- Re-coating of the digester covers can occur in-place and will not require the covers to be removed.
- All full-size drawings will be based on standard Size D, 22"x34" paper and half size drawings shall be standard tabloid size, 11"x17" paper.
- BC is not responsible for additional effort that may be required for issues related to unknown conditions that may impact the design or construction.

Detailed Scope of Services

Phase 100 – Project Management and Administration

1.1 Activities

Project Management and Administration includes the following activities:

- Project Management Planning
- Project Meetings and Workshops
- Project Control and Reporting
- Project Closeout

1.1.1 Project Management Planning

The Project Management Plan will document the key project information required by all project team members to assist them in executing the project to meet the required objectives: on time, on budget, high quality, and meeting the City's critical success factors. The key elements of the project plan are described below:

- Project Charter, which will establish the project goals, objectives, and critical success factors.
- Project team members, their roles, and responsibilities, including a staffing plan (management, engineering, QA/QC, etc.)
- Scope of Services with work breakdown structure
- Project schedule updates will be provided in monthly progress reports if changes have been made and agreed upon by the City
- Project budgets
- Communications Plan
- Risk Management Plan
- QA/QC Plan
- Project documentation plan and file structure
- Change management process
- Health and Safety Plan for field work, if applicable

1.1.2 Project Control and Reporting

Monthly invoices will be prepared and submitted to the City in an approved format. Invoices shall include:

- Total contract amount
- Total charges to date
- Previous billings
- Outstanding balance
- Current amount remaining
- Total amount due

This task also includes periodic project review by BC management to assure that the project is meeting the City's critical success factors, is on schedule, and within budget.

1.1.3 Project Meetings and Workshops

BC will meet with the City every month or at important milestones to review project status, coordinate project activities, obtain direction, and answer specific questions relating to the project. Two members of the consultant team will participate. The budget includes travel to 9 monthly meetings over the course of the project. Conference call updates will be held, as needed, between monthly progress meetings.

1.1.4 Quality Control and Deliverable Production

This activity includes internal quality control review for all technical memoranda, calculations and process models.

1.1.5 Project Close-out

During project close-out, BC will resolve all final invoices to the City, consolidate and archive all project files, and meet with the City to review the project performance and achievement of project objectives.

1.2 Deliverables

The following deliverables will be provided as part of this phase:

- Project Management Plan (which includes the QA/QC plan)
- Monthly invoices
- Meeting agendas, presentation materials, and minutes

Phase 200 – Site Investigation

2.1 Objective

BC will perform the site investigations needed to determine existing site conditions as design activities commence. These site investigations will include a Laser scan and 3D survey modeling and geotechnical investigation. These investigations will be performed in the areas of existing structures and equipment being modified and potential building expansion areas and proposed tank locations.

2.2 Activities

2.2.1 Survey and 3D Model

BC will perform Laser scanning and 3D survey modeling of the interior of the digester control building. The collected data will be converted to a usable electronic model format to be used as the basis for design development. BC will perform Laser Scanning and 3D modeling in the following areas:

- Interior of existing digester control building – Includes structure, stairs, handrails, electrical boxes, equipment, piping systems and conduit (greater than 1 inch diameter), and lights.
- Exterior of existing digester control building
- Exterior of Primary and Secondary Digesters including the covers
- Exterior of waste gas burner area

A traditional 2D survey will be completed of the area surrounding the existing digester control building and the abandoned aerobic digesters. The 2D survey will include:

- Building corners
- Surface elements of piping (appurtenances, valve boxes, etc.)
- General topography with roads, sidewalks, and curbs.

The City will contract directly with Colorado Boring, if necessary, to pot hole underground utilities for critical tie-ins or profile information. The City will also contract with King Surveying to pick up tie in points if necessary. This information will be provided to BC for details as needed

2.2.2 Geotechnical Investigation

BC will perform a geotechnical exploration and evaluation of the soils and recommendations for the following proposed Project improvements:

- Digester Control Building Expansion
- Proposed location of Pre-digestion Storage/Blending Tank

The deliverable will include a geotechnical report summarizing findings and providing recommendations regarding subsurface preparation and associated design criteria for the new structures.

2.2.2 Subsurface Utility Investigation

BC will perform a subsurface utility investigation in the following areas:

- Proposed corridors for new below-grade piping
- Digester Control Building Expansion
- Proposed location of Pre-digestion Storage/Blending Tank
- Proposed location of future Digester
- Potential utility relocation areas

2.3 Deliverables

The deliverables for this phase of the project will consist of the following:

- An electronic copy of the AutoCAD 3D model of the converted laser scan data as a .dwg file.
- Signed and sealed geotechnical report
- Certified Surveyors Report including verified vertical and horizontal locations of found utilities

2.4 Assumptions and Limitations

- Flexible piping/conduit < 1-inch is not included in the survey, except as where defined in the scope above.
- Site condition changes that occur after the field surveys may not be included in the final model and is the responsibility of the City to identify any changes to BC during the course of design.
- Horizontal and vertical benchmarks are assumed to be located on the WWTP site.
- The City will contract directly with Colorado Boring, if necessary, to pot hole underground utilities for critical tie-ins or profile information. The City will also contract with King Surveying to pick up tie in points if necessary. This information will be provided to BC for details as needed.

Phase 300 – Preliminary Design and Basis of Design Report

3.1 Objective

BC will prepare a Basis of Design Report (BODR) based upon the results of the Condition Assessment and Evaluation performed in this phase. The design activities are separated into required items which will be taken to final design and included in the final bid package and optional items that will be designed as part of this scope of work and evaluated by the City for inclusion into the final bid package

3.2 Activities

3.2.1 Condition Assessment

BC will perform additional condition assessment activities to determine the condition of items that were not included in the previous condition assessment completed as part of the Anaerobic Digester System Condition Assessment and Evaluation project. These items include the internal pipe gallery in the digester operations building, internal structure of the secondary digester, and a visual structural and mechanical assessment of the primary digester.

3.2.1 Digester Mixing

The existing gas mixing system will be demolished and replaced with a new external pumped mixing system. This task will include:

- Demolition of the existing gas mixing system.
- Design of a new external pumped mixing system, with the pumps located in the expanded digester control building.
- Design of associated piping, electrical, instrumentation and other ancillary systems.

3.2.2 Boilers and Heat Exchangers

The existing combined boiler/heat exchangers will be demolished and replaced with segregated boilers and heat exchangers configured in a primary/secondary heat loop configuration. This task will include:

- Demolition of the existing boiler/heat exchangers.
- Design of new fire-tube boilers.
- Design of new concentric-tube heat exchangers.
- Design of associated piping, electrical, instrumentation and other ancillary systems.

3.2.3 Digester Control Building Improvements

An expansion to the existing digester control building will be designed to accommodate new equipment, and address health and safety concerns through NFPA 820 related code improvements. This task includes:

- Design an expansion of the digester control building. The expanded building will match the existing building construction materials type.
- Construct a new electrical room. Provide new HVAC equipment (packaged air conditioning unit and ductwork) sized to maintain a temperature controlled environment required to prolong the life of the equipment within the electrical room.
- Demolish and replace existing electrical equipment as necessary to bring the building into NFPA 820 compliance as determined by the local AHJ.

- Demolish and replace existing HVAC equipment and ductwork as necessary to bring the building into NFPA 820 compliance as determined by the local AHJ. To provide some level of energy efficiency, the HVAC equipment will either be designed with two-speed operation to reduce speed/airflow during the winter months or with an air-to-air heat exchanger. Waste heat from the boilers will be utilized where practical to further improve the energy efficiency of the system. Appropriate monitoring controls and alarms will be added to the new digester control building to meet the criteria of NFPA 820. Additionally, the digester control building will also be evaluated and comply with the applicable code per the local AHJ.
- Design Go/No-Go panels for the entrances to the Digester Control Building to indicate whether entry into the building is safe for operations personnel.
- Yard piping improvements will be designed as necessary to accommodate expansion of the digester control building.
- Design of associated piping, electrical, instrumentation and other ancillary systems.

3.2.4 Rehabilitate Digesters

Design for rehabilitation of the existing digesters will be completed. This task includes:

- Inspection of the interior and exterior of the existing digesters, including the floating steel covers, to identify the extent of rehabilitation required.
- Design of rehabilitation of the digester structure
- Design of rehabilitation of the digester covers

3.2.5 SCADA Required Improvements

Provide guidance for SCADA improvements to be completed during construction. SCADA improvements will include:

- A new control panel in the Digester Control Building to provide monitoring, local control and interface with the existing SCADA system. The control panel will be provided with an Allen-Bradley PanelView Plus touch screen terminal for operator interface.
- Specifying expansion of the existing RSView SE HMI system to include screens that monitor the digester equipment, including all equipment status, alarm conditions, and instrumented process variables.
- Trending of digester control process variables and indication of run time for motorized digester area equipment will be provided.
- Remote control will be provided to mimic the controls available at the digester operator interface terminal (OIT). Start-stop control, VFD speed setpoint, process setpoint changes, and alarm acknowledgement will be available through the HMI at a minimum.
- All new motorized equipment will be provided with local Hand-Off-Auto (HOA) switches.
- New VFDs will be provided with OIT panels on the door of the drive cabinet or MCC to allow manual setpoint changes.
- Process instrumentation will be provided to monitor:
    - Digester level
    - Sludge and hot water temperatures
    - Flow rates
    - Pressures

3.2.6 Waste Gas Flare Improvements (Optional)

The existing waste gas burner will be replaced with a new system. This task includes:

- Demolition of the existing waste gas burner, gas piping and associated equipment
- Design of new waste gas burner
- Design of associated piping, electrical, instrumentation and other ancillary systems.

3.2.7 Ferric Chloride Feed Facility (Optional)

A new ferric chloride feed system will be designed to feed ferric chloride directly to the Digesters. The ferric chloride feed system will be housed in the expanded Digester Control Building. This task includes:

- Design of a new chemical feed system inside the expanded digester control building, including chemical storage and skid-mounted chemical feed system
- Design of associated piping, electrical, instrumentation and other ancillary systems.

3.2.8 Pre-Digestion Sludge Storage/Blending Tank (Optional)

A new pre-digestion sludge storage/blending tank will be designed to provide homogenization of primary and secondary sludge, and provide constant feed to the anaerobic digesters. This task includes:

- Design of a new pre-digestion sludge storage/blending tank
- Design of new digester feed pumps
- Design of an odor control system for the pre-digestion sludge storage/blending tank
- Design of a mixing system for the pre-digestion sludge storage/blending tank
- Design of associated piping, electrical, instrumentation and other ancillary systems.

3.2.9 Prepare Basis of Design Report

A Basis of Design Report (BODR) will be prepared to summarize the sizing of the improvements listed as part of this phase. In addition, a preliminary cost estimate will be developed as part of this effort. Following submission of the preliminary design documents, cost estimate and BODR, BC will conduct a review workshop during which the City will be able to provide comments to the preliminary design and draft BODR. Comments from the workshop will be incorporated into the final BODR and submitted to the City.

3.3 Deliverables

The deliverables for this phase of the project will include:

- Preliminary design drawings
- Preliminary (Class 3) Cost Estimate
- Draft specification table of contents
- Draft BODR
- Final BODR
- Agenda and meeting minutes for Workshop

3.4 Assumptions and Limitations

- Rehabilitation of the digesters and floating steel covers will be limited to minor structural repairs such as crack repair and re-coating.
- Process instrumentation will be provided from the City of Loveland's preferred instruments list.
- Process controls will be designed using Rockwell Allen-Bradley SLC-5/005 controllers.
- Final design phase will not commence until all decisions are final and the City of Loveland approves the preliminary design.

Phase 400 – Permitting

4.1 Objective

The following permitting activities will be completed as part of this project:

- CDPHE design review
- Update CPDHE air permit for waste gas emissions
- Building department coordination

4.2 Activities

4.2.1 CDPHE Pre-Coordination Meeting

A pre-coordination meeting will be conducted with City staff and CDPHE to identify submittal requirements and establish a submittal and review schedule. This meeting will help ensure that the project schedule is maintained, and not delayed by incomplete submittals to CDPHE for the site application, permit modification and design review. The meeting will be attended by two BC staff and representatives from the City.

4.2.1 Site Application

BC will prepare and submit an application for amendment of an approved site application to the CDPHE and applicable review agencies. BC has included budget for one post-submission meeting during the review process and to respond to one Request for Additional Information (RAI) after initial submission. The City will pay the applicable amendment fee.

4.2.2 CDPHE Design Review

BC will prepare and submit design documents to CDPHE for review and approval. BC has included budget for one post-submission meeting during the review process and to respond to two Requests for Additional Information (RAIs) after initial submission. The City will pay the design review fee.

4.2.3 Air Permit Application

If the existing waste gas flare is to be replaced as part of this project, the current synthetic minor permit will be updated by BC. The City will pay the air permit fee.

4.2.4 Building Department Application

BC will prepare the appropriate drawings and coordinate with the City to submit plans and specifications to the City's Building Department for approval. The City's Engineering Department will coordinate all communications and direct correspondence with the Building Department. Permit fees will be paid by the City.

BC and the City's staff will meet with the Building Department at approximately the 60% design level to perform a preliminary review of the Project and the Project drawings. BC has included budget for one additional meeting during the review process and to respond to two RAIs after initial submission.

4.3 Deliverables

The deliverables for this phase of the project will include the following:

- Building Department
  - Application Package
  - Preapplication Meeting Minutes

    - Up to two responses to RAIs
    - Post-Application Meeting Minutes
- Air Permit Application Package
    - Application Package
    - Up to two responses to RAIs
- CDPHE Design Review Package
    - Amendment application package for submittal to CDPHE and review agencies
    - Design package review agenda and meeting minutes
    - Up to two responses to RAIs
- CDPHE Design Review Package
    - Design package for submittal to CDPHE
    - Design package review agenda and meeting minutes
    - Up to two responses to RAIs

4.4 Assumptions and Limitations

- The City will pay all permit and application fees

Phase 500 – Final Design

5.1 Objective

Review preliminary design concepts and cost estimates developed in the prior phases and decide on the optional components of the design that will proceed to final design. BC will prepare design drawings and specifications to support construction of the required improvements and optional project components.

5.2 Activities

This task includes all of the required and optional design activities listed in Task 500. Since the City may choose not to proceed to final design with some of the optional design items based on the results of the BODR and preliminary design level cost estimate, each optional design item has been budgeted separately under these subtasks although they are not explicitly listed as such below.

5.2.1 Preparation of 60% Documents and Review

BC will prepare 60% drawings, 60% Division 15 specifications, and a table of contents for the entire specification set. The specifications and drawings will be delivered electronically in PDF format for review. BC will conduct a half-day workshop with City Staff to review deliverables and progress of the design, including addressing any outstanding comments from the preliminary design submittal. BC will document comments from the City and prepare and distribute minutes to workshop participants.

5.2.2 Preparation of 90% Documents and Review

BC will prepare 90% specifications and drawings with a Class I construction estimate and high level construction schedule. Specifications and drawings will be delivered electronically in PDF format for review. BC will conduct a half-day workshop with City Staff to review deliverables and progress of the design, including addressing any outstanding comments from the 60% Design submittal. BC will document comments from the City and prepare and distribute minutes to workshop participants.

5.2.3 Preparation of Final Documents

BC will prepare final specifications and drawings. Specifications and drawings will be delivered electronically in PDF format. One full-sized and four half-sized sets of drawings **with four sets of specification books** will also be delivered for City Records.

5.3 Deliverables

- 60% specifications and drawings
- 90% specifications and drawings
- Final specifications and drawings

5.4 Assumptions and Limitations

- No re-submittal of any detailed design deliverable package has been provided for in order to optimize budget and schedule progression. A log of City of Loveland comments and corresponding resolutions will be kept and included as part of the subsequent submittal to document how each item has been addressed as design advances through the 60% or the 90% design review milestones.

Phase 600 – Bid Phase Services

6.1 Objective

The objective of Phase 600 is to provide bidding assistance to the City, including issuance of bid documents, preparation and issuance of RFIs/Addenda, contractor prequalification, and bid evaluation.

6.2 Activities

6.2.1 Bid Advertisement Support Documents

BC will support the City of Loveland in the preparation of the bid advertisement describing the project and availability of bid documents.

6.2.2 Contractor Prequalification

BC will, with input from the City, prepare contractor prequalification criteria and pre-qualification forms to be distributed prior to bid. BC will review the pre-qualification information submitted from each potential bidder and provide a letter to the City stating the findings of the pre-qualification review.

6.2.3 Pre-Bid Conference

BC will assist the City to schedule and conduct a pre-bid conference. At the pre-bid conference, BC will assist the City in presenting elements of the project including such things as the scope of project, contract requirements, bidding procedures, subcontract and minority business participation goals, contractor qualification certification, licenses and construction permit issues, procurement and labor regulations, geotechnical information, project schedule and construction sequencing, bid evaluation, and contract award procedures. In addition, BC will provide a tour of the site to prospective bidders. At this pre-bid conference, BC will clarify and document bidder's questions and answer them by addendum, if necessary, as well as distribute a pre-bid conference attendance list to all plan holders.

6.2.4 Issue Addenda

BC will respond to written (hard-copy, email, or facsimile) questions received from bidders concerning technical clarifications to drawings and specifications. Clarifications shall be issued by formal addenda. BC will prepare up to three addenda for revisions to drawings and specifications for issue prior to bid date. The City will be responsible for addressing contractual or legal questions from bidders.

6.2.5 Bid Evaluation

BC will provide assistance to the City in evaluating bids, checking references for the top three bidders, preparing a bid evaluation letter report, and advising the City regarding contract award.

6.3 Deliverables

- Prequalification criteria and forms
- Prequalification review letters for potential bidders
- Pre-bid conference agenda and meeting minutes
- Preparation and distribution of up to three addenda
- Letter and supporting documentation to the City recommending award to the successful bidder

Attachment B

Loveland Fee Schedule

Level	Engineering	Technical/Scientific	Administrative	Hourly Rate
A			Office/Support Services I	$57
B	Drafter Trainee	Field Service Technician	Word Processor I Office/Support Services II	$66
C	Assistant Drafter	Field Service Technician II	Word Processor II Office/Support Services III	$73
D	Drafter Engineering Aide Inspection Aide	Field Service Technician III	Accountant I Word Processor III Office/Support Services IV	$83
E	Engineer I Senior Drafter Senior Illustrator Inspector I	Geologist/Hydrogeologist I Scientist I Senior Field Service Technician	Accountant II Word Processor IV	$92
F	Engineer II Inspector II Lead Drafter Lead Illustrator	Geologist/Hydrogeologist II Scientist II	Accountant III Area Business Operations Mgr Technical Writer Word Processing Supervisor	$110
G	Engineer III Inspector III Senior Designer Supervising Drafter Supervising Illustrator	Geologist/Hydrogeologist III Scientist III	Accountant IV Administrative Manager	$129
H	Senior Engineer Principal Designer Senior Construction Engineer Senior Engineer	Senior Geologist/Hydrogeologist Senior Scientist	Senior Technical Writer	$148
I	Principal Engineer Principal Construction Engineer Supervising Designer	Principal Geologist/Hydrogeologist Principal Scientist	Corp. Contract Administrator	$168
J	Supervising Engineer Supervising Constr. Engineer Supervising Engineer	Supervising Scientist Supervising Geologist/ Hydrogeologist	Assistant Controller	$180
K	Managing Engineer	Managing Geologist/Hydrogeologist Managing Scientist	Area Bus Ops Mgr IV	$198
L	Chief Engineer Executive Engineer	Chief Scientist Chief Geologist/Hydrogeologist	Corp Marketing Comm. Mgr.	$212
M	Vice President			$212
N	Senior Vice President			$220
O	President/Executive Vice President			$220
P	Chief Executive Officer			$220

Notes:

- *Standard Billing Rates will be revised annually on a calendar-year basis.*
- *Billing Rates will be used according to the Classification Level.*
- *An Associated Project Cost (APC) of $5.00 is included per direct labor hour to cover the cost of in-house reproduction services including graphics and photocopying, color printing, long-distance telephone calls including cell phone charges, facsimile, postage, overnight and courier services, and CAD/computer usage.*
- *Subconsultant fees will be charged with a 10 percent service charge.*
- *Other direct costs shall be billed at actual cost plus a service charge of 10 percent. Direct charges are all charges other than time-related charges, incurred directly for the project.*
- *Mileage reimbursement rate is equal to the IRS Standard Mileage Rate ($0.565/mile as of August 2013).*

Loveland, City of (CO) -- Anaerobic Digester Rehabilitation Project							
Phase	Phase Description	Total Labor Hours	Total Labor Effort	Total ODCs	Total Sub Cost	Total Expense Effort	Total Effort
100	**Project Management**	**720**	**$ 124,908**	**$ 1,800**	**$ -**	**$ 1,980**	**$ 126,888**
101	Project Controls & Reporti	**110**	$ 14,870	**$ -**	**$ -**	**$ -**	**$ 14,870**
102	Project Plan	**8**	$ 1,154	**$ -**	**$ -**	**$ -**	**$ 1,154**
103	Health & Safety Plan	**6**	$ 798	**$ -**	**$ -**	**$ -**	**$ 798**
104	Project Meetings (Internal)	**324**	$ 55,898	**$ 1,800**	**$ -**	**$ 1,980**	**$ 57,878**
105	QA/QC	**250**	$ 48,710	**$ -**	**$ -**	**$ -**	**$ 48,710**
106	Project Closeout	**22**	$ 3,478	**$ -**	**$ -**	**$ -**	**$ 3,478**
200	**Site Investigation**	**42**	**$ 6,090**	**$ 750**	**$ 11,100**	**$ 13,035**	**$ 19,125**
201	Survey	**14**	$ 1,790	**$ 250**	**$ 7,600**	**$ 8,635**	**$ 10,425**
202	Geotech	**14**	$ 2,198	**$ 250**	**$ 3,500**	**$ 4,125**	**$ 6,323**
203	Potholing	**14**	$ 2,102	**$ 250**	**$ -**	**$ 275**	**$ 2,377**
300	**Preliminary Design**	**1,813**	**$ 265,076**	**$ 250**	**$ 6,100**	**$ 6,985**	**$ 272,061**
301	Condition Assessment	**90**	$ 13,934	**$ 250**	**$ -**	**$ 275**	**$ 14,209**
302	Primary Process Objective	**62**	$ 10,678	**$ -**	**$ -**	**$ -**	**$ 10,678**
303	SCADA	**54**	$ 9,062	**$ -**	**$ -**	**$ -**	**$ 9,062**
304	Optional Process Objectiv	**2**	$ 166	**$ -**	**$ -**	**$ -**	**$ 166**
305	Basis of Design Report	**56**	$ 8,730	**$ -**	**$ -**	**$ -**	**$ 8,730**
311	30% Design - Process Mec	**450**	$ 61,638	**$ -**	**$ -**	**$ -**	**$ 61,638**
312	30% Design - Civil	**90**	$ 12,398	**$ -**	**$ -**	**$ -**	**$ 12,398**
313	30% Design - Building Mec	**105**	$ 14,120	**$ -**	**$ -**	**$ -**	**$ 14,120**
314	30% Design - Structural	**328**	$ 47,958	**$ -**	**$ 6,100**	**$ 6,710**	**$ 54,668**
315	30% Design - EPAS	**542**	$ 80,850	**$ -**	**$ -**	**$ -**	**$ 80,850**
316	30% Design - Cost Estima	**34**	$ 5,542	**$ -**	**$ -**	**$ -**	**$ 5,542**
400	**Permitting**	**112**	**$ 17,736**	**$ 1,000**	**$ -**	**$ 1,100**	**$ 18,836**
401	Site Applications	**26**	$ 4,038	**$ 250**	**$ -**	**$ 275**	**$ 4,313**
402	CDPHE Design Review	**26**	$ 4,038	**$ 250**	**$ -**	**$ 275**	**$ 4,313**
403	Air Permitting	**26**	$ 4,038	**$ 250**	**$ -**	**$ 275**	**$ 4,313**
404	Building Department Appli	**34**	$ 5,622	**$ 250**	**$ -**	**$ 275**	**$ 5,897**
500	**Design: Primary Objectiv**	**1,591**	**$ 227,198**	**$ 500**	**$ 25,700**	**$ 28,820**	**$ 256,018**
****	Primary Objectives	**1,591**	$ 227,198	**$ 500**	**$ 25,700**	**$ 28,820**	**$ 256,018**
510	**Design: Digester Cover F**	**136**	**$ 19,702**	**$ -**	**$ -**	**$ -**	**$ 19,702**
****	Digester Cover Rehabilitati	**136**	$ 19,702	**$ -**	**$ -**	**$ -**	**$ 19,702**
520	**Design: Pre-Digestion St**	**272**	**$ 39,204**	**$ -**	**$ -**	**$ -**	**$ 39,204**
****	Pre-Digestion Sludge Stor	**272**	$ 39,204	**$ -**	**$ -**	**$ -**	**$ 39,204**
530	**Design: Gas Flare**	**121**	**$ 17,674**	**$ -**	**$ -**	**$ -**	**$ 17,674**
****	Gas Flare	**121**	$ 17,674	**$ -**	**$ -**	**$ -**	**$ 17,674**
540	**Design: Ferric Chloride**	**265**	**$ 37,330**	**$ -**	**$ -**	**$ -**	**$ 37,330**
****	Ferric Chloride	**265**	$ 37,330	**$ -**	**$ -**	**$ -**	**$ 37,330**
600	**Bid Phase Services**	**128**	**$ 21,028**	**$ 200**	**$ 2,000**	**$ 2,420**	**$ 23,448**
601	Bid Advertisement	**20**	$ 3,158	**$ -**	**$ -**	**$ -**	**$ 3,158**
602	Contractor Prequalification	**44**	$ 7,604	**$ -**	**$ -**	**$ -**	**$ 7,604**
603	Pre-Bid Meeting	**20**	$ 3,158	**$ 100**	**$ 2,000**	**$ 2,310**	**$ 5,468**
604	Addenda	**24**	$ 3,950	**$ -**	**$ -**	**$ -**	**$ 3,950**
605	Bid Evaluation	**20**	$ 3,158	**$ 100**	**$ -**	**$ 110**	**$ 3,268**
	GRAND TOTAL	**5,198**	**$ 775,946**	**$ 4,500**	**$ 44,900**	**$ 54,340**	**$ 830,286**

Hours and Dollars are rounded to nearest whole number.

City of Loveland

CITY OF LOVELAND
WATER & POWER DEPARTMENT
200 North Wilson • Loveland, Colorado 80537
(970) 962-3000 • FAX (970) 962-3400 • TDD (970) 962-2620

AGENDA ITEM: 2
MEETING DATE: 12/18/2013
SUBMITTED BY: Roger Berg, Senior Civil Engineer RB

TITLE: Contract Award for 48" Diameter Fabricated Steel Water Line for Water Treatment Plant Meadows Transmission Line Project (Materials Only)

DESCRIPTION:
This Contract is for the 48" steel water line materials to replace the 20" and 36" lines destroyed by the flood between Highway 34 and the Water Treatment Plant. The material procurement was bid separately in advance of completing final design drawings due to the long lead time expected for 48" steel pipe. The installation will be bid in early February 2014.

SUMMARY:
This bid includes 4,640 feet of 48" steel pipe, special connections, fittings, and bends. Bids were opened on December 12, 2013. Sufficient 2013 funds exist to fund this project. Bid results are as follows:

Contractor	Bid Amount
Northwest Pipe Company	$1,103,415
American Spiralweld Pipe	$1,233,884

RECOMMENDATION:
Request for award to Northwest Pipe Company, located at 6030 North Washington Street, Denver, Colorado 80216 in the amount of $1,103,415 for the supply of steel pipe materials for the Meadows Transmission Line, Project FLW04C and allow the City Manager to sign the contract.

REVIEWED BY DIRECTOR: MS for SA

City of Loveland

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AGENDA ITEM: 3
MEETING DATE: 12/18/2013
SUBMITTED BY: Bob Miller, Power Operations Manager

TITLE: Intergovernmental Agreement with Platte River Power Authority for SCADA Support

DESCRIPTION:
Proposed Intergovernmental Agreement (IGA) with Platte River Power Authority to provide Supervisory Control and Data Acquisition (SCADA) services.

SUMMARY:
The City of Loveland is proposing to hire Platte River Power Authority to perform SCADA support for the electric distribution system. Platte River Power Authority will provide the services outlined in Exhibits A, B and C in the attached IGA. The support being provided is crucial to the operations for the electric distribution system.

This IGA was presented to the PRPA Board on December 12, 2013 and City Council on December 17, 2013.

RECOMMENDATION:
LUC to concur with City Council to approve the IGA and authorize the City Manager to sign it on behalf of the City.

REVIEWED BY DIRECTOR: MS for SH

ATTACHMENTS:
Intergovernmental Agreement

INTERGOVERNMENTAL AGREEMENT
FOR
SCADA SERVICES

THIS INTERGOVERNMENTAL AGREEMENT FOR SCADA SERVICES ("Agreement") is made and entered into this 1st day of January, 2014, by and between the CITY OF LOVELAND, COLORADO, a home rule municipality ("Loveland"), and PLATTE RIVER POWER AUTHORITY, a political subdivision organized and existing under and by virtue of the laws of the State of Colorado ("Platte River").

WHEREAS, Loveland desires to hire Platte River to perform Supervisory Control and Data Acquisition ("SCADA") Services (the "Services") as set forth in this Agreement; and

WHEREAS, Platte River desires to provide those Services to Loveland; and

WHEREAS, as governmental entities in Colorado, Loveland and Platte River are authorized, pursuant to C.R.S. § 29-1-203, to cooperate or contract with one another to provide any function, service, or facility lawfully authorized to each.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties agree as follows:

1. Services. Loveland agrees to retain Platte River to provide the Services as more specifically set forth in Exhibits A and B, attached hereto and incorporated herein by reference, and Platte River agrees to so serve. Platte River represents that it has the requisite authority, capacity, experience, and expertise to perform the Services in compliance with the provisions of this Agreement and all applicable laws and agrees to perform the Services on the terms and conditions set forth herein. Exhibits A and B may be modified by mutual written agreement of the General Manager of Platte River and the Director of Water and Power of the City of Loveland without further approval from Platte River's Board of Directors or the Loveland City Council, provided such modifications are technical in nature and do not alter the intended purpose of this Agreement.

2. Compensation. Loveland agrees to pay Platte River for the Services amounts due as set forth in Exhibit C, attached hereto and incorporated herein by reference. Exhibit C may be modified on an annual basis by the Platte River General Manager to reflect increases in the Base Costs incurred by Platte River to provide the Services. Loveland will be notified in writing of any such modification by September 1 for the increase in Base Costs for the future annual period. Loveland shall make payment upon receipt and approval of invoices

submitted by Platte River, which invoices shall not be submitted more frequently than monthly and shall identify the Services performed for which payment is requested.

3. Procurement. Loveland agrees to purchase its own hardware and software required to maintain the Services in accordance with Exhibit A, and as directed by Platte River. Commencing with the 2015 budget year, Platte River agrees to provide an annual budget to Loveland identifying new estimated operating, maintenance, and capital expenses for each budget cycle.

4. Infrastructure. Loveland agrees to use Platte River infrastructure identified in Exhibit B for portions of the Services. Platte River agrees to select and provide sufficient hardware and software to ensure reliable operation of the Platte River infrastructure. Neither party shall claim any ownership interest in the other's infrastructure.

5. Operations Technology. Loveland agrees to allow, and to the extent necessary will assist in making, necessary modifications to its SCADA system and physical security controls required to implement and maintain the Services in accordance with Exhibit A, and as directed by Platte River.

6. Compliance with NERC Critical Infrastructure Protection (CIP) Standards. Platte River agrees to perform the Services in compliance with the current mandatory and enforceable NERC CIP Standards. Notwithstanding the foregoing, Loveland shall be solely responsible for NERC CIP compliance including, but not limited to, audit preparation and participation, and the payment of any and all penalties. Loveland agrees to abide by Platte River CIP policies, procedures, and processes including, but not limited to, the following:

   a. Platte River CIP Cyber Security Policy.

      1) Loveland shall make the CIP Cyber Security Policy available to all personnel having authorized cyber or authorized unescorted physical access to Service assets.

      2) Loveland shall submit attestation to Platte River that the CIP Cyber Security Policy is available to all personnel having authorized cyber or authorized unescorted physical access to Service assets.

   b. Personnel Risk Assessment. A personnel risk assessment shall be conducted pursuant to Platte River's Personnel Risk Assessment program prior to any personnel being granted such access. Only personnel who pass the personnel risk assessment will be granted access. The personnel risk

assessment shall at a minimum include the following:

1) Loveland shall ensure that each personnel risk assessment be conducted according to Platte River specifications which include, at least but at the direction of Platte River may require more than, identity verification (e.g., Social Security Number verification in the U.S.) and seven-year criminal check.

2) Loveland shall update each personnel risk assessment at least every seven years after the initial personnel risk assessment, or for cause.

3) Loveland shall document the results of personnel risk assessments of its personnel having authorized cyber or authorized unescorted physical access to Service assets, and shall ensure that such personnel risk assessments are conducted pursuant to the current mandatory and enforceable NERC Standard CIP-004 or any such similar standard. Loveland shall keep and maintain all identity verification and seven-year criminal checks, including evidence that the checks were performed, for seven years. Loveland will provide all such documentation to Platte River within one business day upon request.

4) Loveland shall submit evidence acceptable to Platte River that the identity verification (e.g., Social Security Number verification in the U.S.) and seven-year criminal check has been completed according to Platte River personnel risk assessment standards prior to any personnel being granted such access.

    a) The evidence need not include the identity verification (e.g., Social Security Number verification in the U.S.) and seven-year criminal check results, but must provide evidence (invoices, cover or summary report, etc) that they were performed.

5) Except as prohibited by applicable law, Loveland shall allow Platte River to audit associated documents and evidence, within thirty days of a change of personnel, or within one business day upon request.

6) Loveland shall notify Platte River Human Resources department within twelve hours when personnel having authorized cyber or authorized unescorted physical access to Service assets are terminated for cause, or immediately if Loveland believes that any

personnel having authorized cyber or authorized unescorted physical access to Service Assets present a security concern. Loveland shall notify Platte River Human Resources department within five business days from the time it is determined that access is no longer needed by personnel having authorized cyber or authorized unescorted physical access to Service assets.

c. Loveland shall ensure that all personnel having authorized cyber or authorized unescorted physical access to Service assets have received proper training and ongoing quarterly awareness communications. Training and quarterly awareness communications shall be provided by Platte River.

7. Term. The Term of this Agreement shall be from the date first written above until terminated as provided in Paragraph 14 below.

8. Appropriation. To the extent this Agreement constitutes a multiple fiscal year debt or financial obligation of Loveland, it shall be subject to annual appropriation pursuant to the City of Loveland Municipal Charter Section 11-6 and Article X, Section 20 of the Colorado Constitution. Neither Platte River nor Loveland shall have any obligation to continue this Agreement in any fiscal year in which no such appropriation is made.

9. Monitoring and Evaluation. Loveland reserves the right to monitor and evaluate the progress and performance of Platte River to ensure that the terms of this Agreement are being satisfactorily met in accordance with Loveland's and other applicable monitoring and evaluating criteria and standards. Platte River shall cooperate with Loveland relating to such monitoring and evaluation.

10. Independent Contractor. The parties agree that Platte River shall be an independent contractor and shall not be an employee, agent, or servant of Loveland.

11. Insurance Requirements.

a. Excess Liability Insurance. Platte River self insures up to One Million Dollars ($1,000,000.00). Thereafter, Platte River maintains an excess liability insurance policy.

b. Comprehensive Automobile Liability Insurance. Platte River shall procure and keep in force during the duration of this Agreement a policy of comprehensive automobile liability insurance insuring Platte River against any liability for personal injury, bodily injury, or death

arising out of the use of motor vehicles and covering operations on or off the site of all motor vehicles controlled by Platte River which are used in connection with the Services, whether the motor vehicles are owned, non-owned, or hired, with a combined single limit of at least One Million Dollars ($1,000,000).

c. Terms of Insurance. Insurance required by this Agreement may provide for deductible amounts as Platte River deems reasonable for the Services. No such policies shall be cancelable or subject to reduction in coverage limits except after ten days prior written notice to Loveland.

d. Workers' Compensation and Other Insurance. During the term of this Agreement Platte River shall procure and keep in force workers' compensation insurance and all other insurance required by any applicable law.

e. Evidence of Coverage. Upon request, Platte River shall furnish to Loveland certificates of insurance policies evidencing insurance coverage required by this Agreement.

f. Subcontracts. Platte River shall contract only with entities capable of performing the work for which they are retained. Platte River shall require all subcontractors to carry adequate levels of insurance and to name Loveland as an additional insured under the required policies. In addition, all contracts between Platte River and subcontractors for work under this Agreement shall name Loveland as a third party beneficiary of such contracts.

g. Property Insurance. Loveland shall maintain adequate property insurance, which insurance shall provide a waiver of subrogation in favor of Platte River. Upon request, Loveland shall provide documentation to Platte River confirming the existence of said property insurance with the waiver of subrogation language.

12. Indemnification. To the extent permitted by law, each party hereby covenants and agrees to indemnify, save, and hold harmless the other party, its officers, employees, and agents from any and all liability, loss, costs, charges, obligations, expenses, attorney's fees, litigation, judgments, damages, claims, and demands of any kind whatsoever arising from or out of any gross negligence or intentional misconduct of its officers, employees, or agents in the performance or nonperformance of its obligations under this Agreement.

13. Limitations of Liability. In recognition of the nature of the compensation

received for the Services rendered by Platte River under this Agreement, in no event will Platte River be liable to Loveland for any claim for damage to property of Loveland, whether such claim is in contract or tort, except as provided in Paragraph 12, above. IN NO EVENT WILL PLATTE RIVER BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, OR PUNITIVE DAMAGES (INCLUDING NERC PENALITIES AS SET FORTH IN PARAGRAPH 6).

14. Termination.

a. Generally.

1) Loveland may terminate this Agreement without cause if it determines that such termination is in Loveland's best interest. Loveland shall effect such termination by giving written notice of termination to Platte River, specifying the effective date of termination, at least thirty-six calendar months prior to the effective date of termination. In the event of such termination by Loveland, Loveland shall be liable to pay Platte River for Services performed as of the effective date of termination. Platte River shall not perform any additional Services after the effective date of the termination unless otherwise instructed in writing by Loveland.

2) Platte River may terminate this Agreement without cause if it determines that such termination is in Platte River's best interest. Platte River shall effect such termination by giving written notice of termination to Loveland, specifying the effective date of termination, at least thirty-six calendar months prior to the effective date of termination.

b. For Cause. If, through any cause, either party fails to fulfill its obligations under this Agreement in a timely and proper manner, violates any provision of this Agreement, or violates any applicable law, and does not commence correction of such nonperformance or violation within seven calendar days of receipt of written notice and diligently completes the correction thereafter, the non-breaching party shall have the right to terminate this Agreement for cause immediately upon written notice of termination to the breaching party. In the event of such termination by Loveland, Loveland shall be liable to pay Platte River for Services performed as of the effective date of termination. Platte River shall not perform any additional Services following receipt of the notice of termination.

15. Governmental Immunity Act. No term or condition of this Agreement shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions of the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 et seq.

16. Survival Clause. The "Indemnification" provision set forth in this Agreement shall survive the completion of the Services and the satisfaction, expiration, or termination of this Agreement.

17. Entire Agreement. This Agreement contains the entire agreement of the parties relating to the subject matter hereof and, except as provided herein, may not be modified or amended except by written agreement of the parties. This Agreement is for the benefit of the parties, and there is no third party or other intended beneficiaries to this Agreement.

18. Severability. In the event a court of competent jurisdiction holds any provision of this Agreement invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provision of this Agreement.

19. Heading. Paragraph headings used in this Agreement are for convenience of reference and shall in no way control or affect the meaning or interpretation of any provision of this Agreement.

20. Notices. Written notices required under this Agreement and all other correspondence between the parties shall be directed to the following and shall be deemed received when hand-delivered or three days after being sent by certified mail, return receipt requested:

If to Loveland: Director of Water & Power
City of Loveland
200 N. Wilson Avenue
Loveland, CO 80537

If to Platte River: General Manager
Platte River Power Authority
2000 East Horsetooth Road
Fort Collins, CO 80525

21. Governing Law and Venue. This Agreement shall be governed by the laws of the State of Colorado, and venue shall be in the County of Larimer, State of Colorado.

22. Legal Constraints. The parties recognize the legal constraints imposed upon them

by the constitutions, statutes, and regulations of the State of Colorado and of the United States, and imposed upon Loveland by its Charter and Municipal Code, and, subject to such constraints, the parties intend to carry out the terms and conditions of this Agreement. Notwithstanding any other provision in this Agreement to the contrary, in no event shall either of the parties hereto exercise any power or take any action which shall be prohibited by applicable law.

23. Counterparts. This Agreement may be executed in separate counterparts, and the counterparts taken together shall constitute the whole of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF LOVELAND

By: _____
William D. Cahill, City Manager

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____
Assistant City Attorney

PLATTE RIVER POWER AUTHORITY

By: _____
Jackie A. Sargent, General Manager

ATTEST:

_____
Assistant Secretary

EXHIBIT A

Scope of Services

Platte River shall provide SCADA support for Loveland's SCADA system. This Exhibit A describes in general the work responsibilities that Platte River will assume, the manner in which those responsibilities will be performed, and the administrative activities that will support this work. If this Exhibit A is modified as set forth in Paragraph 1, a new Exhibit A will be substituted. The new Exhibit A will be executed by both the General Manager of Platte River and Director of Water and Power of the City of Loveland, and will include a revised effective date.

Staffing

Platte River will:

- Employ adequate staff to perform the Services. These employees may have other job responsibilities in addition to their responsibilities under this Agreement.
- Provide a single point of contact for Loveland staff. The single point of contact will distribute information from Loveland to Platte River staff.

Loveland will:

- Provide personnel to perform point to point checks.
- Provide a single point of contact for Platte River. The single point of contact will distribute information from Platte River to Loveland staff.

Scope of Work

Platte River will:

- Complete SCADA implementation tasks as outlined in **Exhibit B** and described in Platte River's document titled "City of Loveland SCADA Recommendations," dated October 16, 2013, as revised from time to time ("SCADA Recommendations").
- Perform SCADA maintenance tasks as outlined in **Exhibit B** and described in the SCADA Recommendations document.
- Provide SCADA support 24 hours per day, 7 days per week.
- Provide staffing to support SCADA projects.
- Provide budgetary estimates to Loveland.

Loveland will:

- Complete SCADA and compliance tasks as outlined in **Exhibit B**, and as directed by Platte River**.**
- Coordinate with Platte River to perform point to point checks.
- Provide adequate dedicated facilities, HVAC, and UPS to support Service assets.

- Allow authorized Platte River staff access to Service assets.

Administrative Support

Platte River will:

- Coordinate any SCADA activities with Loveland's single point of contact.
- Maintain documentation associated with SCADA system work.
- Coordinate purchases of Loveland owned SCADA hardware and software with Loveland's single point of contact.

Loveland will:

- Provide access to SCADA documentation necessary to perform the Services.
- Follow the SCADA callout procedure.
- Purchase items requested by Platte River.

Reimbursement

Platte River will:

- Provide a monthly invoice to Loveland for Services performed in accordance with Exhibit C.

Loveland will:

- Pay invoices submitted by Platte River on a timely basis.

Effective Date: January 1, 2014.

EXHIBIT B

Loveland SCADA Services/Responsibilities

Task Description (System/Asset Owner)	Responsibility	Department	Contact
Naming Conventions (Loveland)	PRPA	SCADA Services	SCADA Engineer
SCADA Alarms – Programming & Maintenance (Loveland)	PRPA	SCADA Services	SCADA Engineer
SCADA Calculations – Programming & Maintenance	PRPA	SCADA Services	SCADA Engineer
SCADA Comm Channels (Loveland)	PRPA	SCADA Services	SCADA Engineer
SCADA Points – Programming & Maintenance (Loveland)	PRPA	SCADA Services	SCADA Engineer
SCADA Displays – Creation & Maintenance (Loveland)	PRPA	SCADA Services	SCADA Engineer
Survalent Hardware Upgrades (Loveland)	PRPA	SCADA Services	SCADA Engineer
Survalent Software Upgrades (Loveland)	PRPA	SCADA Services	SCADA Engineer
Redundant Survalent Server & Network (Loveland)	PRPA	SCADA Services	SCADA Engineer
SCADA Historian (Loveland)	PRPA	SCADA Services	SCADA Engineer
Cyber Asset Status Monitoring and Alerting (PRPA)	PRPA	SCADA Services	SCADA Engineer
SCADA System Backup and Recovery (PRPA)	PRPA	SCADA Services	SCADA Engineer
SCADA Test Network (Loveland)	PRPA	SCADA Services	SCADA Engineer
Security Patch Management (PRPA)	PRPA	SCADA Services	SCADA Engineer
Anti-virus (PRPA)	PRPA	SCADA Services	SCADA Engineer
Security Logging and Alerting (PRPA)	PRPA	SCADA Services	SCADA Engineer
Windows Domain Administration (PRPA)	PRPA	SCADA Services	SCADA Engineer
Access Reviews – Administrator (PRPA)	PRPA	SCADA Services	SCADA Engineer
Vulnerability Assessments (PRPA)	PRPA	SCADA Services	SCADA Engineer
System Hardening	PRPA	SCADA Services	SCADA Engineer
Secure File Transfer (PRPA)	PRPA	SCADA Services	SCADA Engineer

Electronic Security Perimeter (PRPA)	PRPA	SCADA Services	SCADA Engineer
Appropriate Use Banners (Loveland)	PRPA	SCADA Services	SCADA Engineer
Group Policy (PRPA)	PRPA	SCADA Services	SCADA Engineer
Physical Security Perimeter (PRPA)	PRPA	SCADA Services	SCADA Engineer
Cyber Security Policy (PRPA)	PRPA	SCADA Services	SCADA Engineer
Security Awareness and Training Program (PRPA)	PRPA	SCADA Services	SCADA Engineer
Access Control Program (PRPA)	PRPA	SCADA Services	SCADA Engineer
Change Control Program (PRPA)	PRPA	SCADA Services	SCADA Engineer
Cyber Security Incident Response Plan (PRPA)	PRPA	SCADA Services	SCADA Engineer
Backup and Recovery Procedures	PRPA	SCADA Services	SCADA Engineer
Information Protection Program (PRPA)	PRPA	SCADA Services	SCADA Engineer
Equipment Disposal Program (PRPA)	PRPA	SCADA Services	SCADA Engineer
SCADA Operator Certification and Testing	PRPA	SCADA Services	SCADA Engineer
SCADA Support – 24x7	PRPA	SCADA Services	SCADA Engineer
Cyber Security Training & Awareness (PRPA)	Loveland	Power Operations	Senior Electrical Engineer
Access Reviews – Owner (PRPA)	Loveland	Power Operations	Senior Electrical Engineer
Personnel Risk Assessment	Loveland	Human Resources	Senior Electrical Engineer
SCADA Alarms – Testing	Loveland	Power Operations - Engineering	Senior Electrical Engineer
SCADA Point to Point	Loveland	Power Operations - Engineering	Senior Electrical Engineer

If this Exhibit B is modified as set forth in Paragraph 1, a new Exhibit B will be substituted. The new Exhibit B will be executed by both the General Manager of Platte River and Director of Water and Power of the City of Loveland, and will include a revised effective date.

Effective Date: January 1, 2014.

EXHIBIT C

Cost of Services

Base Costs:

Loveland shall pay Platte River $147,122.00 per calendar year, to be billed monthly at the rate of $12,260.17

Administrative and Incidental Costs:

In addition to the Base Costs above, Loveland shall pay Platte River for its administrative and incidental costs associated with the Services. Such costs shall be itemized in separate Work Orders and shall be included as a separate line item in the invoices submitted to Loveland.

If this Exhibit C is modified as set forth in Paragraph 2, a new Exhibit C will be substituted.

Effective Date: January 1, 2014.

City of Loveland

CITY OF LOVELAND
WATER & POWER DEPARTMENT
200 North Wilson • Loveland, Colorado 80537
(970) 962-3000 • FAX (970) 962-3400 • TDD (970) 962-2620

AGENDA ITEM: 4
MEETING DATE: 12/18/2013
SUBMITTED BY: Roger Berg, Senior Civil Engineer RB

TITLE: Water Treatment Plant Design Update

DESCRIPTION:
Update on the progress of the Water Treatment Plant expansion.

SUMMARY:
The design and permitting phase for the Water Treatment Plant expansion began in April 2013 and is approximately 75% complete. The project includes modifications to the existing flocculation/sedimentation basins, a new chemical feed building, and new 8 million gallon per day (mgd) filter building, a new sand drying bed for settled sludge, and other miscellaneous improvements. The expansion will increase the plant capacity from 30 mgd to 38 mgd. Final design will be complete in March 2014 with a bid opening in April 2014. The 3-year budgeted amount for the project is $21,000,000, the current project estimate is as follows:

Construction	$18,400,000
Engineering	$ 3,200,000
Contingency	$ 1,700,000
Total	**$23,300,000**

The project will include a few deductive alternates in case bids come in high. However, there is a chance that additional funds will be requested for this project.

RECOMMENDATION:
Staff Item only, no action required.

REVIEWED BY DIRECTOR: MS for SA

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AGENDA ITEM: 5
MEETING DATE: 12/18/2013
SUBMITTED BY: Steve Adams, Director MS for SA

TITLE: 2013 Flood Update for the Water & Power Department

DESCRIPTION:
Staff will provide an update on the status of flood recovery efforts.

SUMMARY:
Staff will report on the flood related work that has been performed and the flood related issues currently being worked through during the last month.

RECOMMENDATION:
Staff report only. No action required.

REVIEWED BY DIRECTOR: MS for SA

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(970) 962-3000 • FAX (970) 962-3400 • TDD (970) 962-2620

AGENDA ITEM: 6
MEETING DATE: 12/18/2013
SUBMITTED BY: Steve Adams, Director MS for SA

TITLE: Commission/Council Report

SUMMARY:

- Discuss events that the Loveland Utility Commission Board members attended and any City Council items related to the Water and Power Department from the past month.

RECOMMENDATION:

Commission/Council report only.

REVIEWED BY DIRECTOR: MS for SA

City of Loveland

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200 North Wilson • Loveland, Colorado 80537
(970) 962-3000 • FAX (970) 962-3400 • TDD (970) 962-2620

AGENDA ITEM: 7
MEETING DATE: 12/18/2013
SUBMITTED BY: Steve Adams, Director MS for SA

TITLE: Director's Report

SUMMARY:

- **December City Update Newsletter –** The December 2013 City Update Newsletter features focus primarily on the Water and Power issues including coverage on electric fleet vehicles, partnering with Drive Electric Northern Colorado, preventing sewer backups by keep fats, oils and grease out of your drains, ways to prevent individual power outages, how to get free home efficiency assessments. See attachment A for the full newsletter. – Gretchen Stanford

- **NISP Survey Results** – Ciruli Associates recently completed a survey of Northern Colorado voters on whether they favor the Northern Integrated Supply Project (NISP) which includes building two new water storage reservoirs, called Glade in Larimer County and Galeton in Weld County, along with the associated pump stations and pipelines. The survey results showed that 72% showed very strong support of the NISP project. Please see attachment B for additional survey results and details. – Chris Matkins

- **2014 Calendar of Events** – Please see attachment C for a preliminary list of on-going annual events, conferences, tours that LUC Board members may wish to attend as well as how to sign up for a Colorado Water Institute Newsletter. Although the exact dates have not been set for many of the events listed, we have listed the approximate time of year when they have occurred in the past.

- **Boulder Power Municipalization Update** – The City of Boulder has asked the Colorado Public Utilities Commission to reconsider a decision made on October 29, 2013 that would delay the city's efforts to acquire Xcel Energy's equipment and facilities if it decides to create a local electric utility. Please see attachment D for the full article. – Steve Adams

- **Colorado Water Congress –** The Colorado Water Congress – Annual Convention will be January 29-31, 2014 at the Hyatt Regency Denver Tech Center located at 7800 East Tufts Avenue in Denver, Colorado. Daily General Sessions typically include presentations by top Colorado water professionals, key legislators and others, including panel discussions and open forums. The program is augmented by a wide variety of concurrent sessions and roundtables. Please let Michelle Stalker know by December 27, 2013 if you are interested in attending this conference so that we can get attendants registered at the early registration rates. Please see attachment E for the registration options and attachment F for the program agenda. – Michelle Stalker

- **PRPA December 12, 2013 Board Update –** Steve Adams will present an update at the LUC meeting. – Steve Adams

- **Efficiency Works –** The structure of the energy efficiency programs will be changing in 2014 to all be housed under one program umbrella called Efficiency Works with this following logo:

Over the past ten years Platte River Power Authority and its four Colorado owner municipalities of Estes Park, Fort Collins, Longmont, and Loveland have offered energy efficiency programs to both residential and business consumers. These programs encouraged consumers to purchase or install energy efficient equipment with rebates to offset their out of pockets costs and educate them on how to reduce their overall energy use. These programs have been successful at meeting the current Integrated Resource Plan (IRP) energy savings and budget goals. Today the programs are faced with increasing energy savings goals and potential budget increases to reach these new goals.

Until now the programs have been inconsistent with brand names and rebate offerings between each city programs. The purpose of a new brand, named Efficiency Works, is to bring these fragmented programs together into one overall program and brand. This will increase overall brand awareness in the market and increase participation in the programs as a whole.

The Efficiency Works program mission is to provide assistance for households and businesses to reduce their energy and water use with one unified efficiency program in Northern Colorado and to achieve the efficiency goals of the utilities and communities. – Tracey Hewson

- **Possible Grant Funding for Hydroelectric Facility at the Water Treatment Plant -** The City is working with a consultant, Sunrise Engineering, on the preparation of a grant application for the design and construction of a small hydroelectric facility to be sited at the Water Treatment Plant (WTP). Sunrise recently completed a feasibility study evaluating the quantitative and qualitative factors for constructing a 275 KW hydroelectric facility at the WTP. Several benefit/cost scenarios (B/C) were evaluated and depending on grant, loan, and staffing possibilities the benefit to cost ratio ranged from 0.66 to 1.46. This equates to a pay back or return on investment of between 10 to 20 years. The more grant money acquired along with lower labor costs increases the B/C ratio and shortens the return on investment period. The City is considering an application for a grant program administered by the Department of the Interior called the WaterSMART: Water and Energy Efficiency Grants for Fiscal Year 2014. There are two funding groups for the grant:

1. Funding Group 1 is for a grant application for up to $300,000 to fund projects that will take 2 years or less to complete
2. Funding Group 2 is for project up to 3 years or possibly longer and will fund up to $1 million with restrictions that no more than $500,00 can be requested during the project time frame.

For Loveland's project, Funding Group 1 will have the highest chance for receiving a grant based on the evaluation criteria. If the City decides to pursue the grant it will have to show commitment for following though to the completion of the project assuming the grant is awarded including the ability to pay the non-grant funded portion. The estimated total project costs for the 275 KW hydroelectric plant is $1.7 million.

On a side note there has been internal discussions for possibly combining the hydro facility at the WTP with a solar garden or solar field to increase the electric output production and possibly recover costs sooner. – John McGee

- **Coincident Peak Rates Discussions with Key Accounts** – Staff is spending the third week in December meeting with the seven key account customers that will be on the pilot CP rate starting January 1, 2014. We are communicating specific rate information, web portals and peak loading information available to them on Loveland Water and Power's website, metering infrastructure updates and how we will be notifying them to take advantage of reducing their peak demand.

  The City of Loveland entered into an IGA with the City of Fort Collins which promises that the City of Fort Collins will host a website which will be available for the City of Loveland Customers. The City of Loveland will acquire a unique domain name and ensure its brand on a webpage located on Loveland's website, but Loveland will point its html link(s) for the load data to the hosted website. The support that is being provided is a crucial customer component offering our customers real-time peak-loading information. This will allow each customer to know when the peak is occurring and when it has ended. This information will also be used in rate analysis and reporting details through the customer portal and metering infrastructure specific to each customer's consumption. – Gretchen Stanford

- **Annual Key Accounts Meeting** – The annual Key Accounts meeting was held on December 12, 2013 at American Eagle Distributing. The agenda was packed with rate information, flood recovery updates, information on PRPA's strategic plan and a building tune up awards ceremony. There was a chance for Key Accounts to provide us with feedback on what we can offer them in 2014. – Gretchen Stanford

- **Home Supply Diversion Structure Agreement -** Staff is working on an proposed Agreement between the City and the Home Supply company concerning work required to repair damage sustained by the Big Dam as a result of the September 2013 flooding. The Agreement will not include work required to address deferred operating and maintenance costs, which will be performed at a later time and would require a future agreement for City participation above the 11.36% described in the 1895 Agreement. In general, the City will agree to pay half of the costs related to the flood repairs up to a maximum of $400,000. The City's half will be calculated after reducing the total costs by the amount of reimbursement from FEMA or any other sources. A description for the payment process is one of the tasks currently being worked on to complete the document negotiations. – Larry Howard

RECOMMENDATION:
Director's report only.

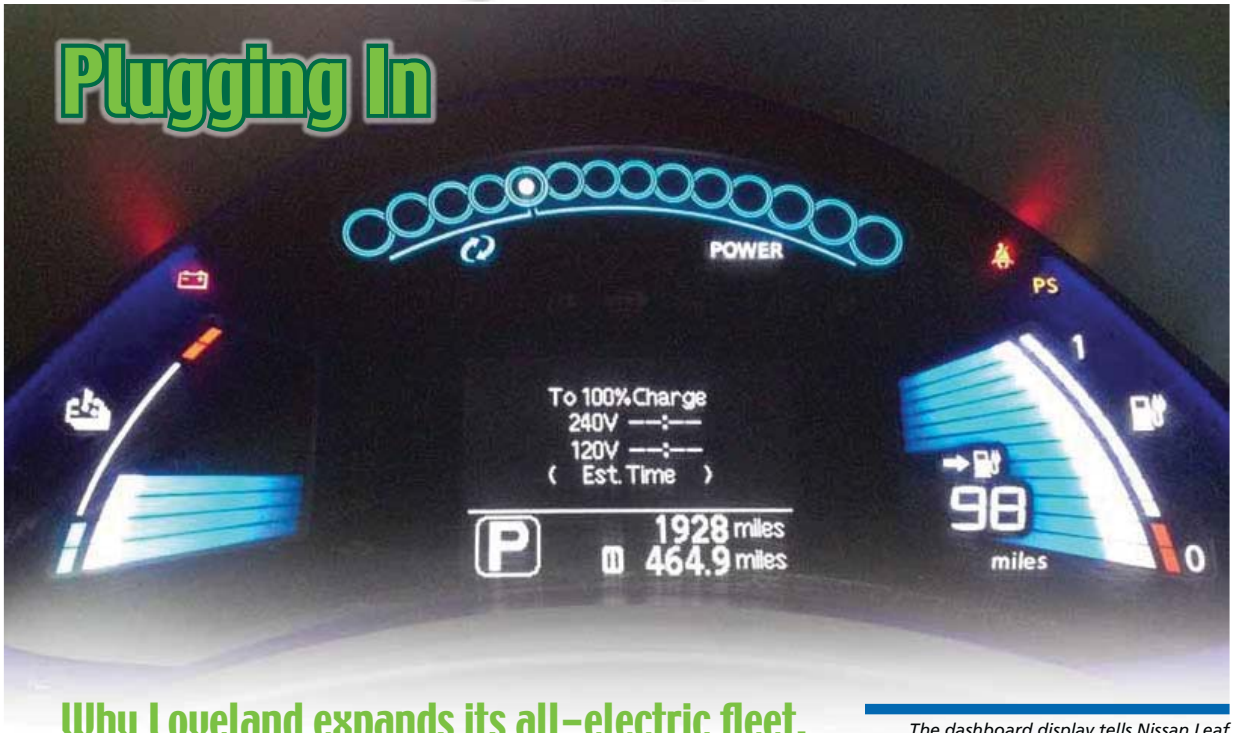
REVIEWED BY DIRECTOR: MS for SH

City of Loveland

City Update

December 2013

Volume 9
Number 11



Plugging In

Why Loveland expands its all-electric fleet. How it will save the taxpayers' money.

The dashboard display tells Nissan Leaf drivers how much range they have, not how many gallons of fuel are in the tank.

First, set aside the ongoing debate over climate change.

Global warming, and its causes, are open questions – or settled, one way or another, depending on who is asked.

With that issue out of the way, take a look at Loveland finances before and after the City's purchase of five Nissan Leaf plug-in electric vehicles, four-passenger subcompacts that replaced aging gas hogs in the municipal fleet.

Peering into the books shows why the City is poised to add three more Leafs, and retire several more junky light trucks and conventional cars, bringing the all-electric fleet to eight by mid-2014.

Just over a year into the City's electric fleet expansion, the numbers add up to savings.

Operating costs are 29 cents per mile for each of two Nissan Leaf plug-in cars that Loveland put into service in September 2012 as part of the City's shared vehicle pool available to employees.

The older vehicles in the fleet that the Leafs replaced ran up operating costs of $2.04 per mile.

With maintenance and operating costs less than a sixth of those for some of the light trucks in the City's fleet, the decision to expand the all-electric inventory is simple to grasp.

In late October, three more Leafs joined the fleet, for exclusive use by Loveland utility meter readers who had been getting to and from their walking routes in some of the City's most decrepit vehicles.

Loveland added this Nissan Leaf EV, its first, to the City fleet in 2012.

"Historically, meter readers have been at the bottom of the food chain as far as vehicles go," City Fleet Manager Steve Kibler said. "One of their trucks is 21 years old, badly rusted, requires a lot of costly maintenance and gets very poor fuel mileage. It's time for these people to have better, smarter transportation."

And, cheaper.

The City launched its electric car program after analyzing costs of keeping the city's fleet of 600 vehicles, 100 of them passenger cars, on the road.

The cars averaged 6,000 miles annually, slurping up 500 gallons of gasoline each. The 12-mile-per-gallon gas mileage is the result of cold starts and short trips, usually two miles or less, in stop-and-go city driving. Rarely did they travel more than 20 miles on a given day.

The ways the cars were used guided Kibler toward two options – battery-electric vehicles (BEVs) or plug-in hybrid electric vehicles (PHEVs), that supplement the battery with small internal combustion engines to extend their range.

Favorable terms from a Fort Collins Nissan dealer, Tynan Motors, on the all-electric Nissan Leaf helped settle the issue. So did the lower $28,800 retail price.

While the city was not eligible for the $7,500 federal tax credit available to private buyers, it could take advantage of a municipal lease program offered by Nissan that allowed the tax credit to apply to the federal tax liability of the auto maker's lending arm, Nissan Motor Acceptance Corporation.

The decision-making was also steered by a years-long period of wildly fluctuating, but always high, gasoline prices – and the widely

(See Plugging In, page 2)

accepted belief that "up" is the only direction they will go in the future.

A big segment of the automotive world, and a fair number of consumers, have heaped plenty of doubt on electric vehicles. But the technology has fought through the skepticism, especially among users.

The rate at which electric cars are being sold is outpacing the adoption of hybrid vehicles – the Toyota Prius is the most famous – during comparable marketing stages.

City employees who drive the cars are uniformly surprised at the ease of operation and quality of performance.

"This thing will knock you back in your seat," fleet manager Kibler said shortly after taking delivery of the first Leaf cars in 2012. The Leaf can accelerate from zero to 60 miles per hour in a sports-car-like 8 seconds.

That kind of performance comes with the torque – the instantly available power that flows from the Leaf's batteries to its drive train – that makes believers out of first-time PEV drivers.

All that power is also oh-so-silent. New plug-in electric vehicles emit so little sound that manufacturers and safety regulators are considering installing devices that beep softly when the cars are at rest at a stoplight or sign, to warn the visually impaired of their presence.

For as much financial sense as the PEV purchases make for the City, future acquisitions might be even more frugal.

Battery technology, for now the most expensive piece of a new electric car, is projected to improve in efficiency and fall in price over the next six years, until it reaches a price level about one-third what it was in 2008.

Whatever their cost, the batteries will have to be recharged as the range of the car winds down. Options for replenishing the charge range from overnight plug-in to standard household current, taking about 16 hours and costing $2, to faster charges at the City's charging stations (six hours, and $6).

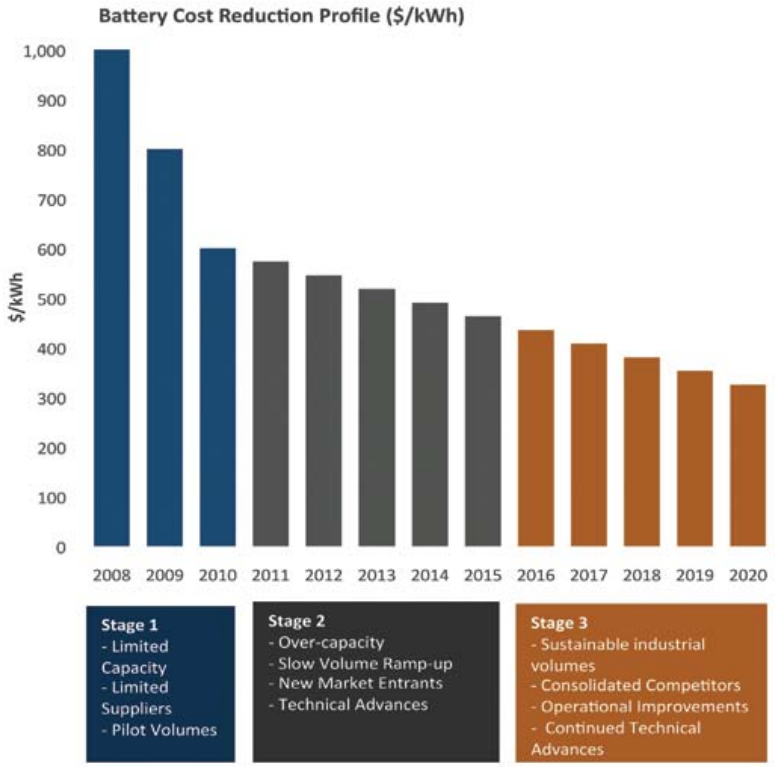
Electric vehicle owners can top off their batteries for free until Jan. 1 at the City's first two charging stations, located at the Civic Center at First and Washington Street and at the City Water & Power Department at Wilson Avenue and First Street.

Two additional two-cord chargers have been installed in parking lots at the Loveland Public Library and McKee Medical Center.

After Jan. 1, card readers on the charging "pumps" will take payment from both private consumers and City departments.

Loveland's fleet of five Nissan Leafs traveled to the Fort Collins Museum of Discovery, where a Level 1 fast charger is in place for public use, as part of a Drive Electric Northern Colorado event.

By the end of January, the number of Loveland's charging stations will rise, with three new ones installed by the developers of Centerra, two each at the Marketplace and Promenade Shops retail centers and another in the vicinity of the Rangeview office buildings.



City's drive to electrify has partners

While Loveland takes a lead in building a fleet of zero-emission, plug-in electric vehicles, it doesn't travel that road alone.

The City of Fort Collins and Colorado State University have joined forces with Loveland, along with non-profit electric vehicle advocate The Electrification Coalition, to form Drive Electric Northern Colorado.

The goal? Make the region a "living laboratory" that demonstrates the value of widespread deployment of electric vehicles.

The Electrification Coalition is a nonpartisan, non-profit group of business leaders committed to promoting policies and actions that reduce America's dependence on oil by facilitating the deployment of electric vehicles on a mass scale.

Learn more at *www.electrificationcoalition.org*.

Keep fats out of the drain

Fats, oil and grease (FOG) can cause big problems for homeowners, especially around the holidays when large meals are prepared that often include roasted or fried meats.

FOG can build up in a home's pipes, clogging interior sewer lines and resulting in big messes and even bigger repair bills. Clogged pipes in residences are the homeowners' financial responsibility.

It can do even more damage if it spreads to the sewer lines in the streets. The result can be a serious overflow leading to regulatory fines, or a backup of sewage which may pose a health hazard as well as potentially increasing citywide costs for sewer service due to greater cost for maintenance and repairs.

Oil and grease are incapable of dissolving in water. They will cling to the sewer pipe and then accumulate until they cause a sewer backup. The buildup clogs the pipes in the sewer system just like cholesterol clogs arteries.

How to avoid FOG buildup

The amount of fat, oil and grease going into the sewer can be greatly decreased by taking a few preventative measures:

Fat, oil and grease are commonly found in:

Butter	Mayonnaise
Cooking oil	Salad dressing
Meats	Sauces
Lard/shortening	Table scraps

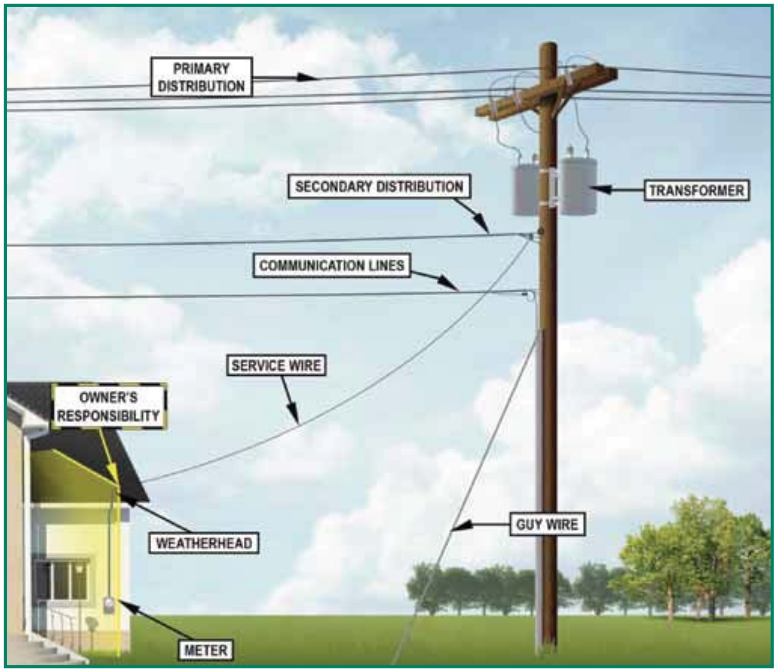
Above: *Chunks of grease that arrived at the wastewater treatment plant.*
Bottom right: *Pipe clogged with grease.*

- Scrape all food waste into a lined garbage can.
- Use paper towels to wipe oil and grease from pots and pans.
- Place waste oil and grease into a suitable container after it has cooled.
- Avoid using the garbage disposal – keep a strainer near the sink to capture solids.
- Take liquid oil and grease (e.g. from turkey fryer) to be disposed of at the City's Recycling Center.

Homeowners and tenants should have a vested interest in the sewer line from their homes to the wastewater treatment plant. Keeping these unwanted pollutants out of the sewer benefits both residents and the City, economically and environmentally.

For more information on FOG or other waste to the sewer, contact Loveland Water and Power's Pretreatment Program at 962-3000 or *Pretreatment@cityofloveland.org*.

You can prevent a power outage: Here's how



Loveland Water and Power encourages customers to clear trees and tree branches from the electric service wire entering the home to prevent individual home outages. Keeping the service wire clear of tree branches is the responsibility of the utilities customer. To promote safety during tree trimming service should be disconnected.

Call 962-3581 during normal business hours to request temporary disconnection of service at no charge. Call at least 24 hours in advance to schedule disconnection.

Showing at the Loveland Museum/Gallery

Authentic Form: Abstract Art Featuring Selections from the Polly and Mark Addison Collection, CU Art Museum

January 25 – April 20, 2014
Admission: $5, free for Museum members
Guided tour at noon on Fridays, free with admission
Members-only opening reception – 5:30-7:30 p.m., Friday, Jan. 24

Barbara Takenaga, Shaker Blue, 2004, Lithograph.
Gift of Polly and Mark Addison to the Polly and Mark Addison Collection, CU Art Museum, University of Colorado Boulder

Authentic Form features a wide variety of solutions to the challenges of abstraction and encompasses a broad array of artistic approaches and aesthetic tendencies. Included in the exhibition are works by many noted artists such as Josef Albers, Herbert Bayer, Alexander Calder, Sonia Delaunay, Helen Frankenthaler, Ellsworth Kelly, Sol LeWitt, Elizabeth Murray, Louise Nevelson, Frank Stella, Barbara Takenaga and Dorothea Rockburne.

Strings in the Gallery
5-7 p.m.
Thursday, Jan. 2

Joellyn Duesberry, Doudy Draw near Boulder, CO

Enjoy a performance by members of the Fort Collins Symphony Orchestra while you take in the art of Joellyn Duesberry featured in the Main Gallery. This is a free event.

The Written in Rock Project
6-7 p.m.
Thursday, Jan. 23

Local artist and rock art researcher Laurie White provides training for the Written in Rock Project on low impact rock art recording techniques. As new technologies for dating, recording and interpreting rock art evolve, researchers are able to piece together a more vivid picture of prehistoric life. White's presentation will look at local historical graffiti as a potential source of discovery and as an opportunity to connect to the past. This exhibit is in the Foote Auditorium.

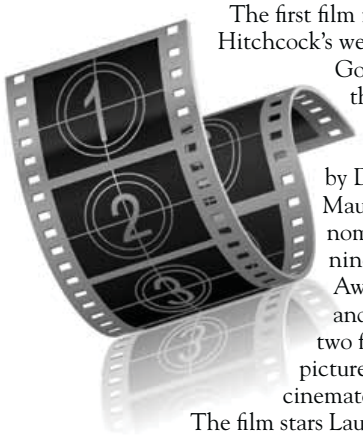
Chinese New Year Celebration
5-7 p.m.
Thursday, Jan. 30

Jade Boat from the collection of Walter Huang

Celebrate the traditions and customs that accompany traditional Chinese New Year festivities. Visit the Collector's Spotlight: The Jade Boat Exhibit in the Green Room gallery and learn about the New Year red envelopes and the lantern festival. Refreshments provided.

Library's Classic Movie Night series kicks off with Hitchcock classic

Beginning in January, the Loveland Public Library will present Classic Movie Nights every fourth Monday of the month in the library's Gertrude Scott Room.



The first film is one of Hitchcock's well-known Gothic thrillers, based on the novel by Daphne du Maurier. It was nominated for nine Academy Awards and won two for best picture and best cinematography. The film stars Laurence Olivier and Joan Fontaine. It is not rated and runs 130 minutes.

Popcorn and water will be provided and all ages are welcome. For more information contact *bobbi.benesh@cityofloveland.org*, 962-2401.

City Update is a monthly publication of the City of Loveland. Residents receive *City Update* according to their utility billing cycle. Timeliness of the information may be affected by recipients' billing schedule. *City Update* is also available around the first of every month on the City's website at *www.cityofloveland.org*. Your comments are encouraged and welcomed at 962-2302, *Tom.Hacker@cityofloveland.org*.

Attachment B

Northern Water
Northern Colorado Water Conservancy District

News Release

FOR IMMEDIATE RELEASE
October 24, 2013

CONTACT: Brian Werner
Public Information Officer
970-622-2229/970-481-2927

NISP survey indicates continued strong support for project

BERTHOUD – A majority of Northern Colorado voters continue to support the Northern Integrated Supply Project, or NISP. According to a recent poll conducted by Ciruli Associates, support for NISP is very strong at 72 percent. This recent poll of voters within Larimer, Weld and Morgan counties was a follow up to a poll conducted in 2008 where the overall support was 70 percent.

The U. S. Army Corps of Engineers, the lead federal agency conducting the environmental review of NISP, has indicated the supplemental draft environmental impact statement for the project will be completed by mid-2014. Throughout the decade-long review process the public has remained steadfast in support. In 2013, 73 percent of those polled feel that 10 years is sufficient time for study, while 84 percent believe the State of Colorado was correct when it wrote the Army Corps requesting that the study of NISP be finished as soon as possible.

Christopher Smith, Chairman of the NISP Participants Committee and General Manager of the Left Hand Water District is pleased with the results. "This poll shows the continued and overwhelming support from the general public for NISP. This project is collaborative, it's innovative, it's efficient and it needs to be built."

The 2013 survey's findings include:

- 72% of Larimer County, 79% of Weld County and 60% of Morgan County residents support the project.
- By more than a three-to-one margin Fort Collins residents support NISP (60% vs. 19%).
- 74% of Greeley residents support NISP, only 8% oppose.
- Fort Morgan residents support NISP by a six-to-one margin (66% vs. 11%).
- 81% believe the parties involved in NISP should negotiate potential mitigation strategies with the cities and towns along the Poudre River.
- 92% of those polled believe strategies and projects must be developed to avoid the loss of irrigated agriculture in the state.
- Nearly 9 out of 10 agree that developing a state water plan is a good idea (88%).
- 86% believe Colorado should take steps to store water that is legally available to it before it flows out of state.

****

Northern Colorado Voters Continue to Strongly Support NISP

Ciruli Associates Follow-up Poll Shows Unwavering Approval of Water Supply Project

After five years of extended Environmental Impact Statement (EIS) studies, public support for the Northern Integrated Supply Project (NISP) remains steady. A survey conducted in July 2013 with 900 voters in Larimer, Weld and Morgan counties shows voter support for the project at 72 percent. The 2013 survey follows a survey conducted in August 2008 with 800 Larimer and Weld county voters that showed NISP had combined county support of 70 percent.

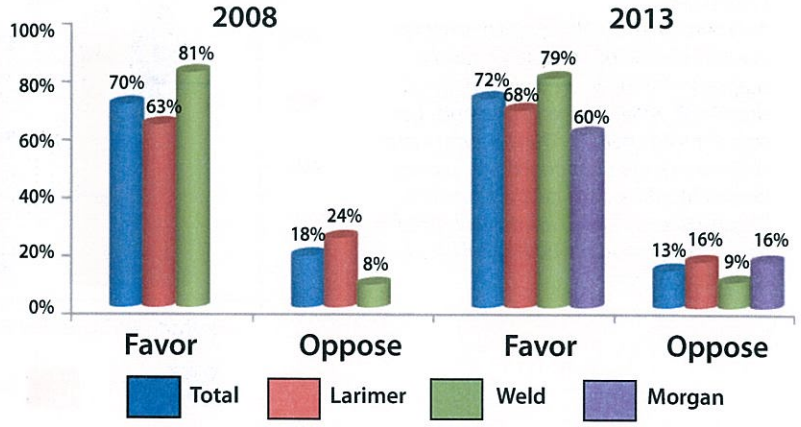
The NISP project would build two new reservoirs, along with necessary pump stations and pipelines in Larimer and Weld counties.

The project would store runoff from the Poudre River. A draft supplemental EIS is due in 2014.

Ciruli Associates conducted both surveys for the consortium of water providers proposing the Northern Integrated Supply Project. The latest telephone survey, conducted in July 2013 with 900 registered voters in Larimer (400), Weld (300) and Morgan (200) counties, has a statistical range of accuracy of plus or minus 3.3 percentage points for the entire sample.

NISP Maintains Support of Super Majority of Northern Colorado Voters – 72%

Question:
NISP has been proposed by 15 water providers in northern Colorado and would build two new water storage reservoirs, called Glade in Larimer County and Galeton in Weld County, and associated pump stations and pipelines. The project's primary purpose is to store runoff for use by cities and towns. The project is currently being studied by the U.S. Corps of Engineers in an environmental impact process. Based on what you know at this time, would you say you strongly favor the project, somewhat favor, somewhat oppose or strongly oppose the project? (2013)



Ciruli Associates, N800, 2008
Ciruli Associates, N900, 2013

NISP Support Among Urban Voters

Voters in the largest cities in each county are as supportive of the project as their county counterparts. Support in Fort Collins, at 60 percent, is three points higher than five years ago. The City of Fort Morgan's voters are even more supportive than voters across Morgan County.

NISP Support in Northern Colorado Counties and Major Cities: Intensity of Support and Opposition

Voter Position	Larimer	Fort Collins	Weld	Greeley	Morgan	Fort Morgan
Strongly favor	33%	27%	38%	38%	25%	27%
Somewhat favor	39	33	41	36	35	39
Somewhat oppose	7	9	6	5	6	4
Strongly oppose	6	10	3	3	10	7
Don't know	14	21	12	18	25	22

Ciruli Associates, N400 Larimer, N300 Weld, N200 Morgan, 2013

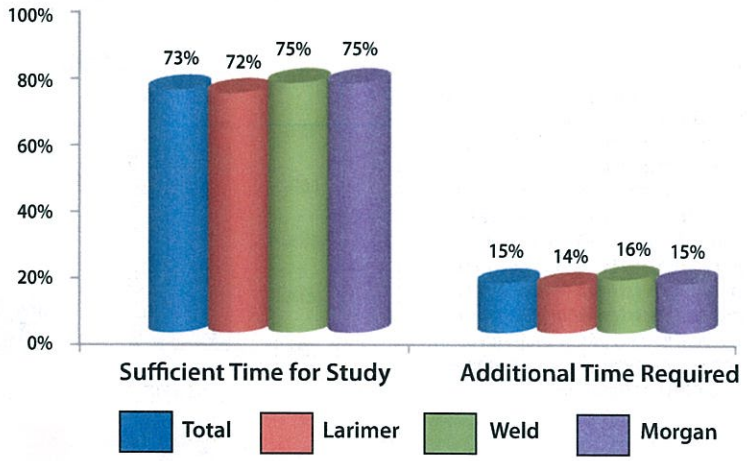
EIS – Long Enough

Nearly three-quarters of the public (73%) believes the EIS process has had "sufficient time" for study. The EIS process began in 2004, and an additional supplemental study has been underway since 2008.

The nine-year study has cost $12 million. The U.S. Corps of Engineers, who have conducted the study, have said it will be completed in 2014.

Question:
As I mentioned, the NISP project has been in an EIS since 2004. An additional or a supplemental study has been conducted since 2008. After nine years, the study has cost 12 million dollars. The U.S. Army Corps of Engineers, who is conducting the study, has said it will be done next year in 2014. Do you believe 10 years is sufficient time for study or do you believe additional time for study is required?

Sufficient Time for Study – 73% Region-wide



Ciruli Associates, N400, N300, N200, 2013

Governor John Hickenlooper wrote to the U.S. Corps of Engineers in 2012 requesting the process be expedited. The public strongly agrees (84%) that the Governor was correct in writing the Corps and urging it to finish the study as soon as possible.

Attachment C

2014 Calendar of Events

- **Colorado Water Congress - Annual Convention** • January 29-31, 2014
  Hyatt Regency DTC, Denver, CO
  http://www.cowatercongress.org/cwc_events/Annual_Convention.aspx

- **Big Thompson Watershed Forum – Annual Watershed Meeting** • Dates TBD (About end of February)
  http://www.btwatershed.org/

- **Northern Water's - Spring Water Users Meeting** • Dates TBD (About the 2nd week of April)
  http://www.northernwater.org

- **Boards & Commissions Summit** • Dates TBD (Mid-March)

- **Tri-City Conference** • Dates TBD (April/May)

- **39th Annual Colorado Water Workshop** • Date TBD (July)
  Western State Colorado University, Gunnison, CO
  http://www.western.edu/academics/water

- **Colorado Water Congress - Summer Conference** • Dates TBD (2 ½ days during 3rd week of August)
  Westin Snowmass Resort, 100 Elbert Ln., Snowmass, CO 81615
  http://www.cowatercongress.org/cwc_events/Summer_Conference.aspx

- **2014 RMSAWWA/RMWEA Joint Annual Conference** • Dates TBD (About 2nd week of September)
  http://www.rmwea.org

- **City Council - 2015 City of Loveland Budget Study Session** • Tuesday, September 9, 2014

- **City Council - 2015 City of Loveland Budget Presentation** • Tuesday, October 7, 2014

- **Net Zero Cities** • Dates TBD (About the 3rd week in October)
  http://www.netzerocities.net/

- **25th Annual South Platte Forum** • Dates TBD (About the 3rd week in October)
  http://southplatteforum.org/

- **Loveland Business Appreciation Event** • Date TBD (About the 1st week of November)

- **Northern Water's - Fall Water Users Meeting** •Dates TBD (About the 1st or 2nd week of November)
  http://www.northernwater.org

Monthly Meetings

- **Colorado Water Conservation Board** • Usually on a consecutive Tuesday through Wednesday
  http://cwcb.state.co.us/public-information/board-meetings-agendas/Pages/main.aspx

- **Northern Water Board** • 2nd Friday of the month beginning at 9 am
  220 Water Ave., Berthoud, CO 80513
  http://www.northernwater.org/BoardOfDirectors/AgendasandMinutes.aspx

- **Windy Gap Participants Meeting/Windy Gap Firming Project Meeting** • Tuesday before the 2nd Friday of each month
  220 Water Ave., Berthoud, CO 80513
  http://www.northernwater.org/BoardOfDirectors/AgendasandMinutes.aspx

- **South Platte Basin Roundtable** • 2nd Tuesday of the month from 4 pm to 8 pm
  http://cwcb.state.co.us/water-management/basin-roundtables/pages/southplattebasinroundtable.aspx

- **Platte River Power Authority Board • Steve Adams** • Usually on the 4th Thursday of the month at 9 am (no meetings in January, June and November)
  2000 East Horsetooth Road, Fort Collins, Colorado 80525
  http://www.prpa.org

Tours

- **National Renewable Energy Laboratory (NREL)**
  150313 Denver W Pkwy, Golden, CO 80401
  http://www.nrel.gov/

- **Northern Water's East Slope & West Slope Tours**
  220 Water Ave., Berthoud, CO 80513
  http://www.northernwater.org

- **CSU Engines & Energy Conversion Lab**
  430 North College Ave., Fort Collins, Colorado 80524
  http://www.eecl.colostate.edu/lab/

Newsletters

- **Colorado Water Institute Newsletter:** The Colorado Water Institute (CWI), an affiliate of Colorado State University, exists for the express purpose of focusing the water expertise of higher education on the evolving water concerns and problems being faced by Colorado citizens.
  http://www.cwi.colostate.edu/subscribe.asp

Attachment D

PublicPowerDaily
A daily news service of the American Public Power Association

Tuesday, December 3, 2013

Past Issues | Subscribe | Printer-Friendly | Advertise |
www.publicpower.org | APPA Online Suppliers Guide

Boulder asks state regulators to reconsider ruling on acquisition process for possible local electric utility

Print this article | Send to Colleague

The city of Boulder, Colo., has asked the Colorado Public Utilities Commission to reconsider an Oct. 29 decision that would delay the city's efforts to acquire Xcel Energy's equipment and facilities if it decides to create a local electric utility. (See "Boulder, Colo., municipalization effort gets big boost from voters" in the Nov. 7 *Public Power Daily*.)

The application for rehearing "makes clear that Boulder concurs with many of the findings the PUC made on Oct. 29," the city said. The city "remains 100 percent committed, for example, to working with the PUC on issues that are within the commission's jurisdiction and making sure that Boulder's efforts do not negatively impact service or reliability for Xcel's remaining customers," Boulder said.

On some points, however, the city does not agree.

In its Nov. 18 filing with the state regulators, the city says the commission transcended the questions it was asked to consider and issued an overly broad ruling that overlooked the powers granted to the city by the Colorado Constitution. There are practical and legal reasons for the CPUC to reconsider its conclusion that it has the authority to decide which assets Boulder can acquire, the city said.

Boulder "also explains more fully why it would be premature for the commission to evaluate any transition plans until a condemnation proceeding has been initiated and discovery has been completed," the city said.

"Boulder has no objection to, and in fact is eager to work with commission staff to prepare the various plans necessary to make Boulder's acquisition of the Public Service [Co. of Colorado] (Xcel) system that serves Boulder as cost-effective as possible, and to ensure that the electric system, both inside and outside of Boulder, is at least as safe and reliable as the current Public Service system," said Senior Assistant City Attorney Deb Kalish in the filing. "However, Boulder has the constitutional and statutory right to determine which assets it will acquire and the timing of any condemnation action that may be filed."

Heather Bailey, the city's executive director for energy strategy and electric utility development, said the PUC's ruling on these issues could have important implications.

"Boulder voters on Nov. 5 reaffirmed their desire to move forward with the creation of a local electric utility, provided that certain conditions can be met," Bailey said. "Determining the order of the required proceedings – and the scope of authority for each deciding body – is essential to charting out both the timeline and necessary work plan for moving forward."

"We are hopeful that the PUC will consider the city's arguments and help us gain clarity around these questions in a way that is consistent with Colorado law," Bailey said. "We

look forward to working with PUC staff and commissioners to address any concerns they have."

In late July, the City Council voted to begin condemnation proceedings to acquire the local electricity distribution system from investor-owned Xcel. (See the July 29 *Public Power Daily*.) —JEANNINE ANDERSON

Attachment E

Colorado Water Congress
EST 1958
THE LEADING VOICE OF COLORADO'S WATER COMMUNITY

Meg Meyer
meg@CoWaterCongress.org
(303) 837 - 0812 x 2

2014 Annual Convention Early Member Registration
(Before 12/31/13)

Colorado Water Congress 2014 Annual Convention
Hyatt Regency – Denver Tech Center, January 29-31, 2014

Name: _____

Organization: _____

Phone: ( ) _____ – _____

Email: _____

CONVENTION REGISTRATION OPTIONS

Thursday and Friday lunches only ____$340*

All meals: Thursday breakfast and lunch & Friday breakfast and lunch ____$390*

*Registration does not include Wednesday Workshops. Please register below.

Wednesday "all day" Workshop Registration – January 29, 2014

Yes, I am attending the 2014 Annual Convention ___$75

No, I am not attending the 2014 Annual Convention (Workshops Only) ___$125

Yes, I would like lunch on Wednesday ___$35

*Please register for the POND Networking Event from 4:30-6:30 on Wednesday January 29th ___FREE

TOTAL REGISTRATION

$ _____ . _____

*To purchase additional meals for a spouse, please contact meg@cowatercongress.org.

Please make checks payable to Colorado Water Congress. Registration form may be FAXED to: 303-526-3864 or MAILED to: Colorado Water Congress, 1580 Logan Street, #700, Denver, CO 80203.

HOTEL ACCOMMODATIONS

Hyatt Regency DTC, 303-779-1234.

Registration refunds will be made less a $50 handling fee once a CWC staff member is notified no later than Friday, January 24, 2014.

CREDIT CARD CHARGE - Fax Only

1. Complete the following information (all is required to process your payment).
2. Attach relevant CWC invoice(s) and/or registration form(s).
3. Fax this form to the Colorado Water Congress at 303-526-3864. For security reasons, do not email credit card information.

Credit card (circle one):
Visa MasterCard Discover American Express

Card #:_____ _____ _____ _____

Expiration date: _____/_____ (mo. / yr.)
Total amount of charge: $_____

Name as it appears on card:
_____

Phone: ( ) _____ - _____

Email: _____

Questions? Contact Meg Meyer at 303-837-0812 x2 or meg@cowatercongress.org.

2014

Attachment F

Colorado Water Congress Annual Convention

Our Water Platform
Standing the Test of Time

January 29 to 31, 2014

Hyatt Regency Denver Tech Center

7

The 2014 Annual Colorado Water Congress Convention

Hyatt Regency Denver Tech Center

January 29 to 31, 2014

Our Water Platform
Standing the Test of Time

All sessions will be in the Grand Mesa Ballroom unless otherwise noted

Wednesday, January 29

Wednesday Morning Meetings and Workshops

8:00 – 11:30

See workshops program for complete description

Colorado Water Congress President's Luncheon

Winter General Membership Meeting

12:00 – 1:00

Food service continues until 12:30

Program will be from 12:30 to 1:00

In a new format this year, the Water Congress President will review our recent accomplishments and discuss priorities for 2014. The luncheon will be one of the best opportunities for members to provide input on the future course of the Water Congress, to share their views on Water Congress member benefits and organizational priorities. Action will be taken on business items including 2014 CWC Policies and confirmation of Board members.

Wednesday Afternoon Workshops

1:30 – 4:00

See workshops program for complete description

Annual POND Networking Event

Stand By Your Dam

4:30 – 6:30

Especially for our newer members, one of the biggest challenges in networking is meeting others in the water field for the first time. Our POND events are designed to provide an opportunity for attendees to interact in a fun and engaging way. Shared experiences in small groups are the key to making this work. This year, our POND event will be our version of a building game that originated in Africa. No tools are required, but expect to put your visualization skills to the test. The event is free to anyone in the water community. Drinks and appetizers will be provided.

Thursday, January 30

Annual State Legislative Breakfast

7:00 – 8:15

Food service continues until 7:30

Program will be from 7:30 to 8:15

Members of the House and Senate Agricultural Committees will offer their perspectives on water policy, legislative priorities for the 2014 session of the Colorado General Assembly, and respond to your questions. Our legislative breakfasts are designed to help build strong relationships between legislators and members of the water community.

Platform Plank I: Strong Water Program for Colorado

Are We All In for Colorado's Water Plan?

8:45 – 10:00

In 1958, the first Water Congress convention considered the state of our water policy and concluded that it was "imperative that Colorado abandon its past leisurely attention to and consideration of its water problems." They adopted a platform for action. Their opinions on individual topics were the "planks" of that platform and continue to inform our thinking to this day. As development of Colorado's Water Plan is now underway, we will examine several of the planks in that historic platform to see if they still serve our purposes. **Will our new Water Plan achieve "*complete unity of purpose and objective in forming and carrying out a stable water policy for a unified State of Colorado" outcome that our predecessors envisioned*?**

"There must be immediate and expanded collaboration between the people of Colorado, members of the State Water Conservation Board, representatives of Federal Bureaus and Agencies, and the members of the State Legislature, so as to develop well understood and widely supported policies. . . We urge and recommend that the Colorado Water Conservation Board be directed and authorized immediately to complete its study of the water resources presently available in and to the State of Colorado, and the present and potential uses thereof. This should be done to achieve the unified and harmonious development of those waters"

Break

10:00 - 10:30

Platform Plank II: Constant Reappraisal of Colorado's Strength

Colorado River Contingency Planning - The Time is Now

10:30 – 11:45

Our original platform outlined concerns regarding Colorado's ability to fully develop her Compact entitlements. Today in the Colorado River Basin, we are experiencing an unusually long series of dry years. Water storage in Lakes Mead and Powell is now reaching critical levels. Continuation of current trends will create a number of serious issues leading us to prepare for a variety of scenarios to protect our water interests. **How are we balancing risk and working toward a no regrets future?**

"The natural self-interest of other states, aggressively advanced, has too frequently found Colorado unprepared to safeguard the meager supply of the water of our streams which is left to us by the Compacts. The demands on water originating in Colorado imposed by other states are so great and so continuing that they call for constant reappraisal of the strength of Colorado's position in respect to its interstate water relationships and obligations"

Thursday Luncheon

12:15 – 1:30

Food service continues until 12:45

Program will be from 12:45 to 1:30

Program and Speaker TBA

Platform Plank III: Water Policy Requires Vigilance

The Power of Falling Water

Why We Care About Hydropower

2:00 – 3:15

The Water Congress did not spend much time in 1958 or in recent memory covering hydropower. If drought conditions continue, Lake Powell could soon fall below its minimum power pool. Although hydropower accounts for only 4% of total electrical generation in Colorado, hydropower produced by water after it leaves the State is significant. Important programs, such as the Upper Colorado River Recovery Implementation Program, depend on hydropower revenue. We must be vigilant to ensure federal management of the Colorado River Storage Project will not encroach upon our water policy. **Why large scale hydropower in the Colorado River Basin and is important.**

"These facts now demand and fully justify the immediate and unified attention and action of our State and of all its people to the compelling end that there may be developed a forward-looking water policy, based upon complete internal harmony within the whole state, for the protection of our people and of future generations, against any encroachment upon Colorado's rightful share of the waters arising within her boundaries."

Platform Plank IV: Protect Our Funds for Critical Times

The Power of Too Much Flowing Water

South Platte Flooding

3:45 – 5:00

Construction of flood control projects has proceeded in Colorado without much attention by the Water Congress. In September, flooding on the South Platte reminded us that the course of our rivers is often shaped by catastrophic rainfall events. There was little that could be done to prevent the estimated $1 Billion in damages and loss of 200 diversion structures. We are left with many questions. How do we integrate flood risk in water supply planning? What will be the long-term impacts of flooding on water quality? Must floodplains be remapped – especially in fire-scarred watersheds such as Waldo Canyon where a 10-year storm may now produce 100-year runoff? **We will cover the South Platte flooding story. And ask do we need a Rainy Day Fund?**

"Funds must be appropriated for the use of the State Water Conservation Board under terms such that they may be expended only in accordance with its orders, and so as not to be divertible to any other state function."

Celebration Reception

5:15 – 7:00

Centennial Room

Thursday Evening

Water Tables 2014

A fundraiser to benefit the Water Resources Archive at the Colorado State University

Separate ticket is required for this event

6:30 – 9:15pm

Guests will be seated beginning at 6:15pm
Food service continues until 7:15pm

Keynote Presentation

David Schorr, Author

The Colorado Doctrine:
Water Rights, Corporations and Distributive Justice on the American Frontier

With a Special Introduction by Supreme Court Justice Gregory Hobbs

Colorado's Appropriation Doctrine;
Forged As a Tool to Spread Water Rights Among the Citizens?

David Schorr's book demonstrates that Colorado miners, irrigators, lawmakers, and judges forged a system of private property in water based on a desire to spread property and its benefits as widely as possible among independent citizens. He believes it was part of a radical attack on monopoly and corporate power in the arid West. Come listen and see if he convinces you.

Friday, February 1

Annual Federal Affairs Breakfast

7:00 – 8:15

Food service continues until 7:30
Program will be from 7:30 to 8:15

Former U.S. Bureau of Reclamation Commissioner Robert Johnson has been hired to a lead a time to manage the National Water Resources Association. With a new office located in close proximity to the Capitol and greatly expanded advocacy capacity, what are the prospects of working more effectively on water issues of importance to the West? What are the 2014priorities? Can we have an organization that involves all of the Western States?

Platform Plank V: Investing in Public Water Education

Streamlining Permitting through More Effective Public Engagement

8:45 – 10:00

In addition to the Water Gap, is there also a Public Communications Gap? Our recent survey showed that the public believes water shortages are imminent, conservation alone is not enough, and more storage is needed. The public trusts their local water provider to manage water resources and communicate with them about their work. So we will discuss how some of our water providers are doing just that. Helping the public understand its role in decision-making is one of the best ways to streamline future water project permitting. **Are we effective in public communications about the dependence of our economy on Colorado's water resources?**

"If progress is to be made along the lines suggested herein, the public must be afforded ample opportunity to become more informed of the relationship between the State's future agricultural and economic development and its dependence upon Colorado's water resources. In this way, the story of water and its importance to the people of this State can be kept alive in the public mind."

Platform Plank VI: A Plan Must Have Money to Succeed

Securing Our Water Infrastructure

Is There a Better Place to Invest Capital?

10:30 – 11:45

Sometimes it is necessary to take carefully calculated political and financial risks to build new infrastructure. Texas just passed by a Proposition 6, Texas' $2 Billion Water Fund with 73% favorable vote. California is scheduled to vote on an $11 Billion 2014 Water Bond next November. Will our water planning process provide a realistic assessment of the financial demands to maintain existing and build new water infrastructure that exceed local funding capacity?
A panel will discuss their approaches dealing with financial risk for new water projects.

"Any comparison of the amount expended by Colorado, in connection with its water problems, with the amounts expended by other states, even on a per capita basis, makes it apparent that if Colorado is to achieve a position of leadership in any phase of water use matters, administration or development, the State must take a more realistic view of the demands of our modern competitive society and substantially increase appropriations for an all-out water program."

Aspinall Water Leader of the Year Luncheon

12:15 – 1:30

Food service continues until 12:45
Program will be from 12:45 to 1:30

Recognition of Honorary Life Members

2014 Aspinall Water Leader of the Year Award Presentation

The Colorado Water Congress presents the prestigious Wayne N. Aspinall "Water Leader of the Year" Award annually to an individual Coloradan who has long demonstrated courage, dedication, knowledge and strong leadership in the development, protection and preservation of Colorado water.

Honorees reflect those attributes so clearly possessed by the award's namesake, Wayne N. Aspinall. The late Mr. Aspinall, a lawyer and former longtime member of the U. S. House of Representatives, remains one of the most influential water leaders in Colorado history.

City of Loveland

CITY OF LOVELAND
WATER & POWER DEPARTMENT
200 North Wilson • Loveland, Colorado 80537
(970) 962-3000 • FAX (970) 962-3400 • TDD (970) 962-2620

AGENDA ITEM: 8
MEETING DATE: 12/18/2013
SUBMITTED BY: Jim Lees, Utility Accounting Manager

TITLE: Financial Report Update

DESCRIPTION:
This item summarizes the monthly and year-to-date financials for November 2013.

SUMMARY:
The November 2013 financial reports are submitted for Commission review. The following table summarizes the sales and expense results for the month of November, and the November Year-To-Date results in comparison to the same periods from 2012. The summarized and detailed monthly financial statements that compare November Year-To-Date actuals to the 2013 budgeted figures are attached.

	Nov				Nov Year-To-Date			
	2013	2012	$ Ovr/(Und) vs. 2012	% Ovr/(Und) vs. 2012	2013	2012	$ Ovr/(Und) vs. 2012	% Ovr/(Und) vs. 2012
WATER								
Sales	$536,097	$447,021	$89,076	19.9%	$8,826,878	$8,950,017	($123,139)	-1.4%
Operating Expenses	$606,438	$412,283	$194,155	47.1%	$7,096,096	$6,137,884	$958,212	15.6%
Capital (Unrestricted)	$131,124	$211,017	($79,893)	-37.9%	$2,522,802	$1,621,109	$901,692	55.6%
WASTEWATER								
Sales	$563,872	$525,330	$38,543	7.3%	$6,822,505	$6,377,642	$444,863	7.0%
Operating Expenses	$461,076	$440,776	$20,300	4.6%	$5,683,649	$5,142,016	$541,633	10.5%
Capital (Unrestricted)	$63,492	$39,855	$23,637	59.3%	$792,410	$1,559,698	($767,289)	-49.2%
POWER								
Sales	$3,681,399	$3,586,516	$94,883	2.6%	$47,595,949	$45,530,448	$2,065,501	4.5%
Operating Expenses	$3,609,101	$3,252,184	$356,917	11.0%	$44,926,036	$41,129,147	$3,796,889	9.2%
Capital (Unrestricted)	$591,500	$701,616	($110,116)	-15.7%	$6,929,270	$5,247,216	$1,682,054	32.1%

RECOMMENDATION:
Staff report only. No action required.

REVIEWED BY DIRECTOR: MS for SA

LIST OF ATTACHMENTS:
- City of Loveland Financial Statement-Raw Water
- City of Loveland Financial Statement-Water
- City of Loveland Financial Statement-Wastewater
- City of Loveland Financial Statement-Power

City of Loveland
Financial Statement-Raw Water
For Period Ending 11/30/2013

		TOTAL BUDGET FYE 12/31/2013	YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
1	**REVENUES & SOURCES**					
2	Hi-Use Surcharge	41,800	44,277	38,310	5,967	15.6%
3	Raw Water Development Fees/Cap Rec Surcharge	248,870	328,904	228,140	100,764	44.2%
4	Cash-In-Lieu of Water Rights	45,000	1,217,652	41,250	1,176,402	2851.9%
5	Native Raw Water Storage Fees	5,000	50,107	4,590	45,517	991.7%
6	Loan Payback from Wastewater	485,000	425,346	485,000	(59,654)	-12.3%
7	Raw Water 1% Transfer In	709,060	653,802	668,770	(14,968)	-2.2%
8	Interest on Investments	457,200	122,552	419,100	(296,548)	-70.8%
9	**TOTAL REVENUES & SOURCES**	**1,991,930**	**2,842,640**	**1,885,160**	**957,480**	**50.8%**
10	**OPERATING EXPENSES**					
11	Windy Gap Payments	834,030	833,961	833,420	541	0.1%
12	**TOTAL OPERATING EXPENSES**	**834,030**	**833,961**	**833,420**	**541**	**0.1%**
13	NET OPERATING REVENUE/(LOSS) (excl depr)	1,157,900	2,008,678	1,051,740	956,938	91.0%
14	RAW WATER CAPITAL EXPENDITURES	2,038,090	81,225	1,829,990	(1,748,765)	-95.6%
15	**ENDING CASH BALANCES**					
16	Total Available Funds		14,204,443			
17	Reserve - Windy Gap Cash		4,203,624			
18	Reserve - 1% Transfer From Rates		2,905,203			
19	Reserve - Native Raw Water Storage Interest		1,555,438			
20	**TOTAL RAW WATER CASH**		**22,868,708**			
21	MINIMUM BALANCE (15% OF OPER EXP)		125,105			
22	OVER/(UNDER) MINIMUM BALANCE		22,743,604			

NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING: $ -

City of Loveland
Financial Statement-Water
For Period Ending 11/30/2013

			TOTAL BUDGET FYE 12/31/2013		YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
1	****UNRESTRICTED FUNDS****	*		*				
		*		*				
2	**REVENUES & SOURCES**	*		*				
		*		*				
3	Water Sales	*	9,516,510	*	8,826,878	8,969,880	(143,002)	-1.6%
4	Raw Water Transfer Out	*	(709,060)	*	(653,802)	(668,770)	14,968	-2.2%
5	Wholesale Sales	*	87,560	*	95,780	86,100	9,680	11.2%
6	Meter Sales	*	28,340	*	68,444	24,970	43,474	174.1%
7	Interest on Investments	*	55,990	*	19,968	51,340	(31,372)	-61.1%
8	Other Revenue	*	16,650,520	*	298,055	8,542,600	(8,244,545)	-96.5%
9	**TOTAL REVENUES & SOURCES**	*	**25,629,860**	*	**8,655,324**	**17,006,120**	**(8,350,796)**	**-49.1%**
		*		*				
10	**OPERATING EXPENSES**	*		*				
		*		*				
11	Source of Supply	*	2,229,530	*	1,086,982	1,723,860	(636,878)	-36.9%
12	Treatment	*	2,861,300	*	1,932,204	2,627,680	(695,476)	-26.5%
13	Distribution Operation & Maintenance	*	3,669,020	*	1,996,465	3,373,380	(1,376,915)	-40.8%
14	Administration	*	659,810	*	304,047	582,190	(278,143)	-47.8%
15	Customer Relations	*	192,950	*	146,992	175,530	(28,538)	-16.3%
16	Debt Service	*	1,000,000	*	77,050	916,600	(839,550)	-91.6%
17	PILT	*	640,270	*	572,115	586,850	(14,735)	-2.5%
18	1% for Arts Transfer	*	44,830	*	16,540	41,140	(24,600)	-59.8%
19	Services Rendered-Other Departments	*	1,046,510	*	963,700	963,700	0	0.0%
20	**TOTAL OPERATING EXPENSES**	*	**12,344,220**	*	**7,096,096**	**10,990,930**	**(3,894,834)**	**-35.4%**
		*		*				
21	NET OPERATING REVENUE/(LOSS)(excl depr)	*	13,285,640	*	1,559,228	6,015,190	44,139	-74.1%
		*		*				
22	CAPITAL EXPENDITURES	*	6,350,830	*	2,522,802	5,258,070	(2,735,268)	-52.0%
		*		*				
23	**ENDING CASH BALANCE**	*		*	**8,578,094**			
		*		*				
24	MINIMUM BALANCE (15% OF OPER EXP)	*		*	1,851,633			
		*		*				
25	OVER/(UNDER) MINIMUM BALANCE	*		*	6,726,461			
		*		*				
26	****RESTRICTED FUNDS****	*		*				
		*		*				
27	**REVENUES & SOURCES**	*		*				
		*		*				
28	SIF Collections	*	1,251,500	*	1,469,626	1,059,140	410,486	38.8%
29	SIF Interest Income	*	137,110	*	48,927	125,260	(76,333)	-60.9%
30	**TOTAL SIF REVENUES & SOURCES**	*	**1,388,610**	*	**1,518,553**	**1,184,400**	**334,153**	**28.2%**
		*		*				
31	SIF Capital Expenditures	*	2,067,910	*	1,382,907	1,689,230	(306,323)	-18.1%
		*		*				
32	**SIF ENDING CASH BALANCE**	*		*	**8,790,611**			
		*		*				
33	**TOTAL ENDING CASH BALANCE**	*		*	**17,368,706**			

NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING: $ 4,338,517
THE UNRESTRICTED ENDING CASH BALANCE INCLUDES THE $6 MILLION LOAN FROM POWER. THE LOAN FROM POWER TO WATER WON'T BE REFLECTED IN WATER REVENUE, AS IT WAS A DEBIT TO WATER CASH AND CREDIT TO WATER LOAN PAYABLE.

City of Loveland
Financial Statement-Waste
For Period Ending 11/30/2013

		TOTAL BUDGET FYE 12/31/2013	YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
1	****UNRESTRICTED FUNDS****					
2	**REVENUES & SOURCES**					
3	Sanitary Sewer Charges	8,000,500	6,822,505	7,367,680	(545,175)	-7.4%
4	High Strength Surcharge	245,370	302,109	228,640	73,469	32.1%
5	Interest on Investments	121,770	44,079	111,630	(67,551)	-60.5%
6	Other Revenue	226,330	13,484	202,400	(188,916)	-93.3%
7	**TOTAL REVENUES & SOURCES**	**8,593,970**	**7,182,176**	**7,910,350**	**(728,174)**	**-9.2%**
8	**OPERATING EXPENSES**					
9	Treatment	3,721,800	2,335,374	3,242,630	(907,256)	-28.0%
10	Collection System Maintenance	2,592,460	1,685,527	2,121,590	(436,063)	-20.6%
11	Administration	380,800	184,930	339,420	(154,490)	-45.5%
12	Customer Relations	13,370	24,795	11,790	13,005	110.3%
13	PILT	552,830	497,968	506,770	(8,802)	-1.7%
14	Interfund Loan Payback to Raw Water	485,000	425,346	485,000	(59,654)	-12.3%
15	1% for Arts Transfer	26,970	3,389	24,750	(21,361)	-86.3%
16	Services Rendered-Other Departments	576,570	526,320	526,320	0	0.0%
17	**TOTAL OPERATING EXPENSES**	**8,349,800**	**5,683,649**	**7,258,270**	**(1,574,621)**	**-21.7%**
18	NET OPERATING REVENUE/(LOSS)(excl depr)	244,170	1,498,528	652,080	846,448	129.8%
19	CAPITAL EXPENDITURES	4,032,200	792,410	2,955,360	(2,162,950)	-73.2%
20	**ENDING CASH BALANCE**		**7,988,506**			
21	MINIMUM BALANCE (15% OF OPER EXP)		1,252,470			
22	OVER/(UNDER) MINIMUM BALANCE		6,736,036			
23	****RESTRICTED FUNDS****					
24	**REVENUES & SOURCES**					
25	SIF Collections	810,000	955,227	640,420	314,807	49.2%
26	SIF Interest Income	73,690	31,175	67,540	(36,365)	-53.8%
27	**TOTAL SIF REVENUES & SOURCES**	**883,690**	**986,402**	**707,960**	**278,442**	**39.3%**
28	SIF Capital Expenditures	1,545,130	512,101	1,037,660	(525,559)	-50.6%
29	**SIF ENDING CASH BALANCE**		**5,707,585**			
30	**TOTAL ENDING CASH BALANCE**		13,696,091			

NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING $ 7,015,939

City of Loveland
Financial Statement-Power
For Period Ending 11/30/2013

		*	TOTAL BUDGET	*	YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
	****UNRESTRICTED FUNDS****	*		*				
		*		*				
1	REVENUES & SOURCES:	*		*				
2	Electric revenues	*	$52,078,940	*	$47,595,949	$47,762,720	($166,771)	-0.3%
3	Wheeling charges	*	$210,000	*	$236,994	$192,500	$44,494	23.1%
4	Interest on investments	*	$281,360	*	$96,649	$257,913	($161,264)	-62.5%
5	Aid-to-construction deposits	*	$646,890	*	$944,014	$592,983	$351,031	59.2%
6	Customer deposit-services	*	$124,050	*	$147,919	$113,713	$34,206	30.1%
7	Doorhanger fees	*	$390,000	*	$383,464	$357,500	$25,964	7.3%
8	Connect Fees	*	$125,000	*	$158,908	$114,583	$44,324	38.7%
9	Services rendered to other depts.	*	$30,000	*	$2,307	$27,500	($25,193)	-91.6%
10	Other revenues	*	$223,120	*	$467,038	$204,527	$262,511	128.4%
11	Year-end cash adjustments	*	$0	*	$0	$0	$0	0.0%
12	**TOTAL REVENUES & SOURCES**	*	**$54,109,360**	*	**$50,033,240**	**$49,623,938**	**$409,302**	**0.8%**
		*		*				
13	OPERATING EXPENSES:	*		*				
14	Hydro oper. & maint.	*	$87,990	*	$8,939	$81,222	($72,283)	-89.0%
15	Purchased power	*	$38,917,480	*	$35,597,409	$35,648,031	($50,622)	-0.1%
16	Distribution oper. & maint.	*	$3,632,170	*	$3,014,274	$3,352,772	($338,498)	-10.1%
17	Customer Relations	*	$975,340	*	$559,268	$900,314	($341,046)	-37.9%
18	Administration	*	$903,070	*	$476,121	$833,603	($357,482)	-42.9%
19	Payment in-lieu-of taxes	*	$3,651,680	*	$3,293,097	$3,341,287	($48,191)	-1.4%
20	1% for Arts Transfer	*	$39,170	*	$24,678	$35,841	($11,162)	-31.1%
21	Services rendered-other depts.	*	$2,130,030	*	$1,952,250	$1,952,528	($278)	0.0%
22	**TOTAL OPERATING EXPENSES (excl depn)**	*	**$50,336,930**	*	**$44,926,036**	**$46,145,597**	**($1,219,561)**	**-2.6%**
		*		*				
23	NET OPERATING REVENUE/(LOSS) (excl depn)	*	$3,772,430	*	$5,107,204	$3,478,341	$1,628,863	46.8%
		*		*				
24	CAPITAL EXPENDITURES:	*		*				
25	General Plant/Other Generation & Distribution	*	$9,360,720	*	$5,801,089	$8,634,889	($2,833,800)	-32.8%
26	Aid-to-construction	*	$646,890	*	$889,596	$597,129	$292,466	49.0%
27	Service installations	*	$124,050	*	$238,586	$114,508	$124,078	108.4%
28	**TOTAL CAPITAL EXPENDITURES**	*	**$10,131,660**	*	**$6,929,270**	**$9,346,526**	**($2,417,255)**	**-25.9%**
		*		*				
29	**ENDING CASH BALANCE**	*		*	**$14,846,202**			
		*		*				
30	MINIMUM BAL. (15% of OPER EXP excl depn)	*		*	$7,550,540			
31	OVER/(UNDER) MINIMUM BALANCE	*		*	$7,295,663			
		*		*				
32	****RESTRICTED FUNDS****	*		*				
		*		*				
33	PIF Collections	*	$1,661,920	*	$1,970,470	$1,523,427	$447,044	29.3%
34	PIF Interest Income	*	$137,580	*	$45,031	$126,115	($81,084)	-64.3%
35	**TOTAL REVENUES**	*	**$1,799,500**	*	**$2,015,501**	**$1,649,542**	**$365,960**	**22.2%**
		*		*				
36	PIF Feeders	*	$75,000	*	$0	$69,231	($69,231)	-100.0%
37	PIF Substations	*	$1,912,900	*	$712,660	$1,753,492	($1,040,831)	-59.4%
38	**TOTAL EXPENDITURES**	*	**$1,987,900**	*	**$712,660**	**$1,822,722**	**($1,110,062)**	**-60.9%**
		*		*				
39	**ENDING PIF CASH BALANCE**	*		*	**$3,243,015**			
		*		*				
40	**TOTAL ENDING CASH BALANCE**	*		*	**$18,089,217**			

NOTE: YTD ACTUAL does NOT include encumbrances totalling $895,437
THE UNRESTRICTED ENDING CASH BALANCE INCLUDES THE $6 MILLION LOAN TO WATER. THE LOAN TO WATER FROM POWER WON'T BE REFLECTED IN POWER EXPENSES, AS IT WAS A DEBIT TO POWER LOAN RECEIVABLE AND CREDIT TO POWER CASH.

12/9/2013
10:08 AM