



**LOVELAND UTILITIES COMMISSION
REGULAR MEETING
March 19, 2014 - 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 - 2/19/2014**

CITIZENS REPORTS

4:10 pm - **REGULAR AGENDA**

1. Idylwilde Contract Change Order for Material Removal – Larry Howard
2. Revisions to the Requirements for Electric Service – Briana Reed-Harmel
3. 2015 Budget Process – Jim Lees & Steve Adams
4. Public Trust Doctrine Update – Larry Howard

5:30 pm - **STAFF REPORT**

5. Flood Update – Steve Adams
6. Presentation on Renewable Energy Standard and Update on Hydropower Grant Request – Gretchen Stanford and Greg Dewey

6:00 pm - **7. COMMISSION / COUNCIL REPORTS**
- Passport to Power Open House – February 26, 2014
- Boards & Commissions Summit – February 27, 2014

8. DIRECTOR'S REPORT – Separate Document

INFORMATION ITEMS

9. Electric Legislative Update – Kim O'Field
10. Water Legislative Update – Scott Dickmeyer
11. Water Supply Update – Scott Dickmeyer
12. Financial Report Update – Jim Lees

ADJOURN

Commission Members Present: David Schneider (Chair), Dan Herlihey, Gary Hausman, Gene Packer (Vice Chair), Larry Roos, John Rust Jr., and John Matis

Alternate Commission Members Present: Daniel Greenidge

City Staff Members: Brieana Reed-Harmel, Chris Matkins, Darcy Hodge, Garth Silvernale, Greg Dewey, Gretchen Stanford Jim Lees, John McGee, Kim O'Field, Michael McCrary, Michelle Stalker, Roger Berg, Steve Adams, Scott Dickmeyer, Sharon Citino, Tracey Hewson, and Victoria Mitchell

CALL TO ORDER: Dave Schneider called the meeting to order at 4:05 pm.

APPROVAL OF MINUTES: Dave asked for a motion to approve the January 15, 2014 meeting minutes.

Motion: Dan Herlihey made the motion to approve the minutes of the January 15, 2014 meeting.

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

CITIZEN REPORTS: none

CONSENT AGENDA

Item 1: 2014 Renewal of Service Contract for Liquid Waste Management for Hauling & Land

Application of Biosolids – Michael McCrary The not-to-exceed total in the LWM biosolids hauling contract for 2013 is \$566,000. Because this contract exceeds \$500,000 LUC approval is needed to execute this contract. This administrative action is to provide for this approval.

Recommendation: Adopt a motion approving the 2014 Contract for Liquid Waste Management for Hauling and Land Application of Biosolids with a not-to-exceed contract price of \$566,000 and authorizing the City Manager to execute the renewal for service contract.

Item 2: 7th Amendment to the 4th Interim Agreement for the Windy Gap Firing Project – Larry Howard

The requested funds in the amount of \$162,451 will cover Loveland's proportional share of the anticipated costs to complete the environmental permitting and mitigation processes and move the project forward to the beginning of the next phase, engineering design. The additional funds are necessary because of delays and associated costs to complete the reclamation process.

Recommendation: Adopt a motion recommending that the City Council adopt a Resolution approving and authorizing the execution of a Seventh Amendment to the Fourth Interim Agreement with the Municipal Subdistrict, Northern Colorado Water Conservancy District Windy Gap Firing Project Water Activity Enterprise, for participation in the Windy Gap Firing Project, and authorizing the Mayor and City Clerk to execute and enter into the Seventh Amendment on behalf of the City of Loveland.

Motion: Dan Herlihey made the motion to accept consent agenda items as written.

Second: Gary Hausman seconded the motion. The motion was approved unanimously.

Comments: Larry Roos inquired whether other thought the Windy Gap Firing Project would be completed in his lifetime.

REGULAR AGENDA

Item 3: Contract Award for the Installation Contractor for the Meadows Transmission Main Replacement Project – Project #FLW04C – Tanner Randall Due to the damage associated with the flooding in September 2013 to the 48" steel, 36" steel, and 20" cast iron water transmission mains, downstream of the water treatment plant (WTP), the City received bids from pre-qualified installing contractors to re-establish capacity and redundancy to convey water from the WTP to customers. The project's bid opening was on Thursday, February 13, 2014.

Recommendation: Request for award to Layne Heavy Civil in the amount of \$3,629,926 for the construction of the Meadows Transmission Main Replacement Project (FLW04C) and allow the City Manager to sign the construction contract.

Motion: Dan Herlihey made the motion.

Second: John Rust Jr. seconded the motion. The motion was approved unanimously.

Comments: Board and staff discussed how the high bids could indicate that some contractors are very busy and not as interested in receiving this project. Staff discussed that each of the contractors for which the City received bids had already passed prequalification standards to ensure that the City would be comfortable that each contractor could complete the project. Staff discussed line items from the bid tab form such as the piping materials, rip rap materials, and seeding and restoration efforts as well as how overall costs compared to the engineering estimates and gave an overview of the two phases of the project.

Item 4: Draft of 2014 Goals – Steve Adams This item is to set the 2014 goals for Loveland Water and Power.

Recommendation: That the LUC approve the list of 2014 goals as determined through discussion at this LUC meeting.

Motion: Gary Hausman made the motion.

Second: John Matis seconded the motion. The motion was approved unanimously.

Comments: Staff responded to board inquiry that the Public Works Director will be in charge of finalizing the Sustainability Plan. Board and staff discussed the various components and complexities of goal number 8 to support the Planning Department's Comprehensive planning efforts for development along Highway 287, along the Highway 402 Corridor, Downtown Revitalization efforts and the Comprehensive Plan update. Board expressed the importance of having participation from people outside the planning department to help with these plans. Staff reviewed which staff members will represent the Water and Power Department on each of these planning initiatives. Those assigned staff members will be reporting back to the LUC to keep them informed as well as to receive their feedback. Board and staff discussed the plans to address some of the long-term concerns with growth and risk such as through the Platte River Power Authority's Integrated Resource Plan and Strategic Plan.

Item 5: Amendment to Paragraph 19.04.080.C of the Municipal Code – Scott Dickmeyer An Ordinance to amend paragraph 19.04.080.C of Loveland's Municipal Code to strike out Barnes and Chubbuck ditches under the definition of, "ditch water rights".

Recommendation: Adopt a motion recommending that the City Council approve an ordinance modifying paragraph 19.04.080.C of Loveland's Municipal Code to remove the words "Barnes" and "Chubbuck."

Motion: Dan Herlihey made the motion.

Second: Gary Hausman seconded the motion. The motion was approved unanimously.

Comments: none

Item 6: City of Loveland Water Treatment Plant Hydroelectric Project – John McGee In November 2013, Sunrise Engineering completed a Water Treatment Plant (WTP) Hydroelectric feasibility study which showed a favorable benefit to cost ratio (1 or greater) to design and construct such facility at the WTP. On January 22, 2014 the City applied for a WaterSMART Program Water and Energy Efficiency Grant from the Bureau of Recreation to design and construct a hydroelectric facility at the WTP. The maximum award for the grant is \$300,000 which is expected to be May 2014, if awarded. The estimated total project cost is \$1.8 million. As part of the grant application condition, the City must show intent that the grant monies will be accepted if the grant is awarded. This intent must be in a form of a resolution adopted by the City Council. Prevailing wage rates do not apply.

Recommendation: Adopt a motion recommending that City Council adopt a resolution expressing support for an application to the United States Department of the Interior, Bureau of Reclamation for a WaterSMART Program grant to partially fund construction of the Water Treatment Plant Hydroelectric Project.

Motion: John Rust Jr. made the motion.

Second: Dan Herlihey seconded the motion. The motion was approved unanimously.

Comments: Board and staff discussed: the possibility of routing more native water rights through where the turbine would be in order to reduce the payback period, the number of suppliers of turbines, the expected asset lifespan of turbines and penstock, maintenance required by staff and by outside companies to keep the turbine in proper working order. Staff shared that although the cost per kilowatt hour of electricity produced through this type of turbine is higher than the costs from PRPA, it would count toward meeting the Renewable Energy Standard. Loveland expects that its customer base will hit the Renewable Energy Standard threshold by 2019, which would require within one year to have 20% of Loveland's energy to come from renewable sources. Board and staff discuss the benefits of this type of hydroelectric generation project compared to the Idylwilde project including: does not require a FERC license, access is much easier than working in the middle of the river, does not require coordination efforts with the Forest Service, and it is much easier to permit an in-line turbine. Board and staff discussed other options for renewable energy sources and the limitations in the organic contract with PRPA on the amount of renewable energy Loveland can produce verses what Loveland purchases from PRPA.

STAFF REPORTS

Item 7: Flood Update for the Water & Power Department – Steve Adams Staff will provide an update on the status of flood recovery efforts.

Staff Report only. No action required.

Comments: Garth Silvernale reviewed some of the recent power problems in the canyon during the cold spell that resulted in power outages, due to the system being overloaded when everyone turned on their furnaces. Staff met to figure out how to solve the problem with a quick temporary solution that required about a mile of line being installed next to Highway 34 in order to transfer power back from Poudre Valley REA's system which was feeding power to a portion of our canyon customers. Initially, the Forest Service was not going to allow those plans to proceed, but after Steve Adams made a phone call we were able to quickly work things out. At present all our customers with power in the canyon are receiving power from Loveland with a temporary underground line. This temporary line will eventually be replaced by overhead lines. Staff expressed appreciation to the Forest Service and to CDOT in helping to quickly carry out a temporary solution.

Chris Matkins reviewed the status of various Water and Wastewater Utility flood recovery projects. The 16" waterline in the River's Edge Park was awarded and is scheduled to be done by the end of March 2014. The Boise Force Main south of the wastewater treatment plant was washed out by the plant, the permanent fix has been designed and easements have been finalized with a finalized cost at \$520,000 and \$100,000 of that is for electric, for installing some conduits for future conductors. The utility will be directional boring a couple of small 6" water lines in existing easements that were washed out at river crossings and this work should be done this summer. The Meadows 48" line construction starts on March 10, 2014 and is scheduled to be completed before the July flows. The repair work on the intake structure at the Water Treatment Plant is mostly done. Home Supply is in process of pouring concrete against the masonry face of the dam diversion structure.

Larry Howard gave a brief overview of the Idylwilde dam status. Friday, February 14, 2014 he met with several parties involved to work out several remaining issues. From the site, about 30,000 cubic yards of materials will be taken to areas where Larimer County need materials about a mile above and below the Idylwilde site. They are also working on either a redesign of the river channel at either a lower elevation or need to bring in courser materials to the site.

Jim Lees discussed the 2014 supplemental appropriation for flood related expenses at \$4.7 million for the Water Utility with \$4.2 million of that for the Meadows Water Transmission Line, another \$340,000 was requested for the wastewater utility, and no additional funding was requested for the Power Utility.

Item 8: Update on the Efficiency Works Program & School Grant Awards – Tracey Hewson The purpose of this item is to introduce a new energy efficiency program and to give an update on the projects underway in the Energy Efficiency Assistance Program.

Staff Report only. No action required.

Comments: (Gene Packer and Dave Schneider left during this item in order to attend a Priority Based Budgeting meeting across town.)

Item 9: Quarterly Financial Report Update (4th Quarter 2013) – Jim Lees This item summarizes the monthly and year-to-date financials for December 2013.

Staff Report only. No action required.

Comments: none

Item 10: Electric Legislative Update – Kim O'Field This item and the attachment are intended to give a brief update on electric-related legislation being contemplated by the Colorado General Assembly. Loveland staff relies primarily on the Colorado Association of Municipal Utilities (CAMU) for information on electric-related legislation.

Staff Report only. No action required.

Comments: none

Item 11: Water Legislative Update – Scott Dickmeyer This item and the attachment are intended to give a brief update on water-related legislation being contemplated by the Colorado General Assembly. Loveland staff relies primarily on the Colorado Water Congress for information on water-related legislation. Their assistance has proved invaluable in providing the following information.

Staff Report only. No action required.

Comments: none

COMMISSION/COUNCIL REPORTS

Item 12: 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.

- City Council Advance – January 25, 2014
- Colorado Water Congress –January 29-31, 2014

Dan Herlihey: He paid a complement on the professionalism and the safe operations of the City's tree trimming contractor who recently performed work in his neighborhood.

Daniel Greenidge: Commented on the 2014 strategic goal about the new lighting policy. He shared that there are three places in the world that perform serious research on the impact of lighting on ecology and one of those entities is by the National Parks Service's Night Skies Team with a national office in Fort Collins, Colorado, where he used to work. Greenidge contacted them and they expressed interest in providing input to Loveland's lighting policy. The policy offers the possibility of some positive economic impact, because that policy is the last major milestone before Rocky Mountain National Park (RMNP) could apply to be a Dark Sky Park by the International Dark-Sky Association (IDA). If RMNP receives that certification, it would be the only Dark Sky Park in Colorado which would result in increased tourism for RMNP, which could also increase tourism in Loveland.

Board and staff discuss how CDOT has restrictions on up-lighting along state highways, the Power Utility sets the standards for what is on the streets, but not the lighting of parking lots. Loveland planning codes do have provisions for cut offs to control fugitive lighting for commercial and residential projects. Discussion ensued on how proper lighting policies can help save electricity by lighting up the ground rather than the sky. Board discussed different situations in which increased lighting resulted in either decreased or increased vandalism.

Dave Schneider: (Left to attend a Priority Based Budgeting meeting across town before this item.)

Gene Packer: (Left to attend a Priority Based Budgeting meeting across town before this item.)

Gary Hausman: none

John Matis: He discussed the differing views from the Colorado Water Congress on whether or not there are any acre feet of water left to develop in the Colorado River. Relayed information from the key note speaker Bob Berman about the sun cycles and their complex impact on the earth. He also related that there are some communities downstream on the Colorado River that expressed disapproval of the Windy Gap Firing Project.

The Big Thompson Watershed Forum has had several requests for help with flood recovery efforts, and this group receives funding from Loveland, Fort Collins, Greeley, and Northern Water. This group will continue to focus on water quality information.

Matis made comments on what percentage of water leaks and water loss is reasonable and he related statistics from Little Falls, New York where 60% of the water produced is lost.

John Rust Jr.: He expressed concerns about some comments made at the Colorado Water Congress by a few that believe that sharing more water with downstream users (Lake Powel, Las Vegas, etc.) is a higher priority than ensuring that those in the state have sufficient water. He discussed that most of the original water storage projects were originally conceived by farmers' groups; the farmers are entitled to the water because they filed for it early on, they agreed to store it, and to use it when needed. Many are now pointing fingers at the farmers saying that they are wasting water. Expressed that it feels like a similar situation with the Windy Gap Firing Project, in which many downstream users demand to be compensated by either releasing more water or building them more storage. Due to these conflicts, he expressed concern as to whether we will be able to create a State Water Plan with a long-term vision by the end of this year.

Larry Howard, a Senior Water Resource Engineer and participant on the South Platte Round Table for over 8 years, made several comments on the State Water Plan process, explaining that all of Colorado's nine

river basins are in the process of creating Basin Implementation Plans (BIP) based on the projected deficits on projected sources of water and all are trying to balance ag transfers, creative ways of using ag water back and forth with municipal uses, conservation efforts, implementation of new projects, and projects that are already on the drawing board such as the Windy Gap Firming Project. Through this process, there has been a quantification of the real water problem that lies ahead. By 2050, there will be a half million acre feet deficit of water and half of that deficit is in the Platte Basin. A lot of discussion is occurring about how to meet this deficit. Some say this can be done entirely through conservation; others, say it is through transfers of agricultural water. The South Platte and Denver basins are working on a Joint Implementation Plan. One area they are working on is to limit the ag transfers. The Colorado Water Conservation Board will take the eight BIPs and incorporate them all into a draft Statewide Water Plan. Others share the concern about the short time frame to create the water plan and trying to quantify how much can be accomplished through water conservation efforts. The water use basin wide is used quite efficiently. Very strict water conservation efforts by one could damage another's water rights.

Larry Roos: Expressed that he learned a lot at the Colorado Water Congress. He shared information about the declining water levels at Lake Powell and Lake Mead which may lead to problems generating power. He discussed the impact that water conservation efforts have had on the Denver Water area. Roos expressed that by working together, there is a lot of progress that can be made to create a positive impact on the levels of Lake Powell and Lake Mead, while still progressing on water conservation efforts. Although, it will be a challenge to complete a Colorado Water Plan by the end of the year, he expressed that it is better to at least have a water plan than to continue to go years without one.

Council Report: Given by Steve Adams due to the absence of Troy Krenning

Regular Meeting – January 21, 2014

- N/A

Study Session – January 28, 2014

- N/A

Regular Meeting – February 4, 2014

- N/A

Study Session – February 11, 2014

- Canceled

Regular Meeting – February 18, 2014

- **IGA Regarding River Gages**

A motion to adopt Resolution #R-17-2014 approving an Intergovernmental Agreement between the City of Loveland and the U.S. Geological Survey, United States Department of the Interior for Operation and Maintenance of a Streamflow Gaging Station and Precipitation Gage was approved.

- **Conversion of Colorado Big Thompson Units**

A motion to Approve Resolution #R-18-1014 of the Loveland City Council Authorizing an application to, and a contract with, the Northern Colorado Water Conservancy District for Beneficial use of the 50 acre-feet of Colorado Big Thompson Project Water was approved.

- **Amendments Concerning Water and Wastewater Reimbursements and Oversizing**

A motion to approve and order published on first reading an ordinance amending the Loveland Municipal Code at Chapters 12.04 and 13.08 to revise the City's Water and Wastewater Reimbursement and Oversizing Policies and to relocate the policies from the City's Water and Wastewater Development Standards to the Loveland Municipal Code was approved.

A motion to approve Resolution #R-19-2014 amending Section 1.10 of the City of Loveland Water and Wastewater Development Standards Concerning Reimbursements for Water and Wastewater Main Extensions, Major Structures, and Oversizing was approved.

- **Code Amendment for Electric Line Extension**

A motion to approve and order published on first reading an ordinance amending the Loveland Municipal Code at Chapter 13.12 regarding Electricity to adopt an Electric Line Extension Policy and to clarify existing Electric Service Requirements was approved.

DIRECTOR'S REPORT

Item 13: Director's Report – Steve Adams

Comments: Received a headcount on LUC members that want to attend a tour of the Home Supply Diversion Structure on March 24, 2014 and extended an invitation to the Passport to Power Open House next Wednesday, February 26, 2014 at the Service Center.

INFORMATION ITEMS

Item 14: Water Supply Update – Scott Dickmeyer Projection for water supply in 2014.

Information report only. No action required.

Comments: John Rust jokingly inquired, if Loveland could get credit for all the extra water we sent to Nebraska recently during the flood to make up for the dry years.

ADJOURN The meeting was adjourned at 6:44 pm. The next LUC Meeting will be March 19, 2014 at 4:00 pm.

Respectfully submitted,

Michelle Stalker
Recording Secretary
Loveland Utilities Commission



AGENDA ITEM: 1
MEETING DATE: 3/19/2014
SUBMITTED BY: Larry Howard, Senior Civil Engineer – Water Resources

TITLE: Idylwilde Contract with Kiewit Infrastructure Company for Material Removal and Channel Grading and Excavation

DESCRIPTION:

A contract with Kiewit Infrastructure Company is necessary for work at the Idylwilde Dam and Reservoir site. This contract will allow the excavation, loading and hauling of accumulated fine materials in the former reservoir unrelated to the 2013 flooding, and grading and shaping of the final riverbed and slope configurations in a manner acceptable to the USFS. The total contract amount is expected to be over \$500,000 so it will require LUC action in order for it to be awarded. The exact dollar amount will be presented at the LUC meeting.

SUMMARY:

A scope of work is being drafted and the contract documents will be completed prior to the LUC meeting. The goal is to complete this work prior to the expected heavy spring runoff so that further damage to the site is avoided and future work is minimized. This information will be brought for consideration to the Utilities Commission.

RECOMMENDATION:

A revised cover letter with a recommendation including the exact dollar amount of the contract will be handed out at the meeting.

REVIEWED BY DIRECTOR: *MS for SA*



AGENDA ITEM: 2
MEETING DATE: 3/19/2014
SUBMITTED BY: Briana Reed-Harmel, Senior Electrical Engineer *ajm for BR*
Steve Adams, Director

TITLE: Revisions to the Requirements for Electric Service

DESCRIPTION:

Staff will present the latest revisions to the *Requirements for Electric Services* handbook.

SUMMARY:

The *Requirements for Electric Service* handbook was reviewed and updated from the previous effective date of August 1, 2010. This document puts forth the requirements for constructing electrical facilities that will be owned and maintained by the City after they have been installed. Recommendations for updates were sought during drafting of this document from staff, contractors, developers, the Loveland Utilities Commission (LUC), Construction Advisory Board (CAB) members, and other interested parties.

The most significant change to the document is the incorporation of the service conduit pilot project that was presented to the CAB on January 30, 2013 and to the LUC on February 20, 2013 with both boards recommending proceeding forward with the pilot. The pilot project changed the process for installing the service conduit to the house by having the developer install conduit at the same time as other trench work and services being installed such as water, sewer and gas. The developer schedules the installation of the service conductor with the Power Division after the conduit is installed, and there is no delay to landscaping or substructure work at the site. This has an overall net benefit to the developer with both time and cost savings.

- Saves developer money:
 - Rather than paying linemen, trained in electrical work, to dig a trench for the service installation, an excavator or similarly qualified persons install the conduit. Excavators are more cost effective for this type of work and tend to do a better and more consistent job.
- Saves the developer time
 - The customer/developer can schedule the excavator to trench the conduit when other similar services are being installed.
 - Linecrew are able to respond to service requests sooner because special equipment does not need to be reserved and a two-man crew can perform the work

The pilot has been successful with positive feedback from developers and contractors.

The entire updated *Requirements for Electric Service* handbook will be presented to the CAB on March 26, 2014. This item will then go to City Council unless there are significant concerns or changes expressed during the CAB meeting, in which case, this item will be brought back to the LUC at the April 16, 2014 meeting prior to being presented to City Council.

Significant changes were made to the overall format of the handbook to improve usability of the document and to clarify the requirements. The substantive changes to the requirements will be listed in the order that they are found in the book.

General Changes to the Document

- The overall format of the document was updated. All sub-sections were titled to increase usability and ability to search for information.
- Language was clarified to be consistent throughout the document and combined in general sections when possible to reduce redundancy.
- All drawings were renumbered in order of appearance in the handbook.
- An index was added.

Title Page, Table of Contents, Foreword

- The Table of Contents was updated to include all subcategories.
- The Definitions section was expanded to include additional words and include acronyms used throughout the book.
- Links to important documents on the City of Loveland website were added.
- Documents and organizations referenced in the book were listed in a new section.

Section 1 – General Information

- Clarification was provided for motors requiring soft starts.

Section 2 – Temporary Overhead and Underground

- Temporary services have a minimum and maximum length requirement for the conductor length for underground construction. This removes ambiguity.
- Updated underground temporary meter pedestals to meet requirements of the National Electric Code for conductor burial.

Section 3 – Residential

- The City of Loveland now requires the customer to install the service conduit from the secondary handhole or transformer to the meter. This change was made to increase the efficiency of infrastructure installations during the building phase and allow for construction to proceed at a quicker pace for the developer. This new process was developed with the assistance of area contractors and was presented to Loveland Utility Commission and Construction Advisory Board for feedback and approval. Requirements for how the conduit must be installed were added to the section on New Underground Residential Services.
- The section on Residential Underground-Electrical Substructure was retitled, “Electrical Substructure in New Subdivisions”.

Section 4 – Commercial & Industrial

- No substantive changes were made to this section.

Section 5 – Trenching & Cable Handling

- Minimum trench depth was changed to the top of the conduit rather than the bottom of the trench to comply with the National Electric Safety Code (NESC) on all drawings.
- Drawings SM-113, SM-134 and SM-135 were combined into one drawing.

- Joint trench requirements were updated to reflect separation requirements from communications cables to comply with the National Electric Safety Code (NESC).
- Multiple conduit drawing was updated to show the required use of duct spacers and concrete encasement.

Section 6 – Meters and Meter Connections

- All Current Transformer (CT) rated services will require a main disconnect or a main distribution panel.

Section 7 – Meter Socket Connections

- There were no changes made to this section.

Section 8 – Clearances

- No substantive changes were made to this section.

Section 9 – Interconnection Requirements

- This section was completely rewritten to reflect the requirements for interconnection for distributed generation in a more user friendly and easier to understand format.
- No substantive changes were made to the requirements for interconnection.

RECOMMENDATION:

Staff recommends that LUC pass a resolution recommending that City Council adopt the new revised Requirements for Electric Service handbook.

REVIEWED BY DIRECTOR *MS for SA*



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: 3
MEETING DATE: 3/19/2014
SUBMITTED BY: Jim Lees, Utility Accounting Manager
Steve Adams, Director

TITLE: 2015 Water & Power Budget Process

DESCRIPTION:

Selection of two LUC Liaisons for the 2015 Water & Power Budget Process.

SUMMARY:

Staff is seeking two LUC liaisons who are interested in participating in the Water and Power 2015 budget meetings and process. The three scheduled meetings for the liaisons are:

1. Friday, May 30, 2014
2. Tuesday, June 3, 2014
3. Friday, June 6, 2014

A complete 2015 Water & Power budget schedule is attached.

RECOMMENDATION:

Choose two liaisons from the LUC to participate in the 2015 budget review process for the Water & Power Department.

REVIEWED BY DIRECTOR *MS for SA*

2015 Water & Power Budget Schedule

February 24 (Monday) 9:30 a.m.	Kickoff meeting <i>W&P Staff</i>
March 24 (Monday) 5:00 p.m.	All budget information due to Utility Accounting
April 11 (Friday) 5:00 p.m.	10-Year Capital Improvement Program due to Budget Office
May 30 (Friday) 9:00 a.m.	First review of assembled budget for Power Utility <i>W&P Staff, LUC Liasons</i>
June 3 (Tuesday) 9:00 a.m.	First review of assembled budget for Water & Wastewater Utilities <i>W&P Staff, LUC Liasons</i>
June 6 (Friday) 9:00 a.m.	Final review of assembled budget for W&P <i>W&P Staff, LUC Liasons</i>
June 10 (Tuesday) 6:30 p.m.	Study Session on 10-Year Capital Improvement Program <i>W&P Staff, LUC Liasons</i>
June 13 (Friday)	Final budget due to Budget Office
September 9 (Tuesday) 6:30 p.m.	Study Session on 2014 Recommended City of Loveland Budget <i>W&P Staff, LUC Liasons</i>
October 7 (Tuesday) 6:30 p.m.	Public Hearing and First Reading of City of Loveland Budget <i>W&P Staff, LUC Liasons</i>
October 21 (Tuesday) 6:30 p.m.	Second reading of City of Loveland Budget <i>W&P Staff, LUC Liasons</i>



AGENDA ITEM: 4
MEETING DATE: 3/19/2014
SUBMITTED BY: Larry Howard, Senior Civil Engineer – Water Resources

TITLE: Public Trust Doctrine and Colorado Water Congress Request for Support

DESCRIPTION:

Proposed ballot initiative numbers 83 and 89 are intended to place language supporting the Public Trust concept into the state constitution if their language is approved and sufficient signatures are gathered. This item proposes providing financial support for Colorado Water Congress efforts to protect the uses of Colorado's water resources.

SUMMARY:

The Colorado Water Congress (CWC) seeks support from its members for its positions on their behalf to advance a sustainable future and ensure that water stakeholders around the state are prepared for any Public Trust doctrine ballot initiatives that would disrupt ownership or management of Colorado's water resources. Attachments A through L to this cover sheet provide information from the CWC on this issue. The CWC has undertaken a special undertaking called the Colorado Water Stewardship Project to address this issue. Resolutions of support are also requested, and can be discussed at the meeting.

Attachment C, an article from the Northern Colorado Business Report, provides a good discussion of the issues and some of the arguments for and against a Public Trust Initiative.

Attachment E shows 44 donors to the CWC for the Colorado Water Stewardship Project as of March 10, who have collectively contributed \$192,025. The list includes the cities of Greeley, Aurora, and Grand Junction, and Colorado Springs Utilities.

Attachment F shows 21 entities which have passed resolutions opposing the Public Trust Doctrine. This list includes many companies and districts, including Northern Water and the Subdistrict, but does not yet contain any municipalities.

Attachment H shows that efforts to put such an initiative on the Colorado ballot go back as far as 1992.

Attachment I shows key themes which emerged from a statewide survey of 500 voters by Ciruli Associates in August 2013 relating to the possible introduction of another Public Trust doctrine amendment.

Attachment J shows statewide voters tend to agree with current Colorado water policy initiatives.

Attachment K shows statewide voters reactions to statements against a Public Trust doctrine.

Attachment L provides summaries for proposed Initiatives 83 and 89 as of March 3 and March 4, respectively.

Sufficient funds exist in the 2014 budget to support the recommendation below.

RECOMMENDATION:

Approve a motion directing staff to provide \$4,000 to the Colorado Water Congress to support its Colorado Water Stewardship Project in its efforts to protect the uses of Colorado's water resources.

REVIEWED BY DIRECTOR: *MS for SA*

ATTACHMENTS:

- A – Colorado Water Stewardship Project Description
- B – Sample Resolution
- C – Northern Colorado Business Report - Public Trust Battle Lines
- D – Colorado Water Stewardship Project Newsletter
- E – Donors of the Colorado Water Stewardship Project
- F – Resolutions of the Colorado Water Stewardship Project
- G – Advisory Committee Members
- H – History of Colorado Public Trust and Related Initiatives
- I – Statewide Survey on Water Policy
- J – Survey Results
- K – Arguments Against the Public Trust doctrine
- L – 2014 Proposed Ballot Initiatives 83 and 89



Colorado Water Stewardship Project
ADVANCING A SUSTAINABLE FUTURE

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A New Undertaking from the Colorado Water Congress

A new special undertaking, called the Colorado Water Stewardship Project, is underway at the Colorado Water Congress (CWC). Its purpose is to ensure that CWC members and water stakeholders from around the state are prepared for any Public Trust doctrine ballot initiatives that would disrupt ownership or management of Colorado's water resources.

The Public Trust Initiative "would drop what amounts to a nuclear bomb on Colorado water rights and land rights," and "would strip members of the public, cities, farms and families throughout this state of their most valuable economic interests." – Justice Gregory Hobbs, April 16, 2013

Specifically, the project will monitor any ballot filings or legal actions for a Public Trust doctrine, assess the public level of knowledge and support for the doctrine, and create and implement a communication and action plan to inform water stakeholders. The Colorado Water Stewardship Project has now been adopted as the new name for the effort that began under the working title of the Public Trust Special Project.

RESOLUTION IN SUPPORT OF COLORADO WATER STEWARDSHIP PROJECT AND IN OPPOSITION TO PUBLIC TRUST DOCTRINE INITIATIVES

WHEREAS, the Colorado Water Congress has implemented its Colorado Water Stewardship Project as the organization to educate the Colorado citizenry about the serious ramifications to the beneficial use, management, and administration of Colorado's water resources that could result from the adoption of a public trust doctrine that would be applicable to Colorado's water resources; and

WHEREAS, several initiatives have been proposed in recent years that would amend the Colorado Constitution to impose a public trust doctrine on Colorado water; and

WHEREAS, a Public Trust doctrine initiative, Initiative 83, has been filed in 2014; and

WHEREAS, the main users of Colorado water are agriculture, farms and ranches. These initiatives could take away their rights to use their water and will hurt agriculture; and

WHEREAS, Colorado cities have acquired critical water supplies for their residents. These initiatives will put cities' use of water for local residents in jeopardy; and

WHEREAS, secure and reliable water rights are essential to business, jobs, and the economy. These initiatives will create uncertainty and hurt the economy; and

WHEREAS, this initiative attacks people's private property rights in their water and land. It would be a mistake to wipe out historical ownership of water and turn it over to the uncertainty of courts, lawyers and lawsuits. These initiatives will increase frivolous lawsuits; and

WHEREAS, it would be a mistake to shift control of our water supply from local water providers; and

WHEREAS, allowing uncontrolled access to streams and rivers across private land will damage sensitive streambeds and banks, could lead to dangerous and unsafe conditions, and cause conflict with property owners; and

WHEREAS, these initiatives may undermine Colorado's existing environmental protections, which require an amount of water flow in streams and rivers and maintaining certain lake levels; and

WHEREAS, we need to protect Colorado water supplies. In many years, these initiatives will allow more of Colorado's water to go to downstream states than interstate compacts require; and

WHEREAS, Coloradans have built water projects and managed our water for more than 150 years, which has maintained our economy and improved our quality of life. These initiatives will jeopardize the historical operation of those projects and make improvements impossible. That would be a mistake; and

WHEREAS, Coloradans need to store water to use during drought. These initiatives will stop projects to store water; and

WHEREAS, we agree with Justice Hobbs in his dissenting opinion in *In re Title, Ballot Title and Submission Clause for 2011-12 #3*, that such an initiative "would drop what amounts to a nuclear bomb on Colorado water rights and land rights," and "would strip members of the public, cities, farms and families throughout this state of their most valuable economic interests."

NOW THEREFORE BE IT RESOLVED, that the _____ supports the Colorado Water Stewardship Project and its efforts to educate the public of the adverse effects of the adoption of a public trust doctrine would have on the beneficial use, management, and administration of Colorado's water resources; and

NOW THEREFORE BE IT RESOLVED that the _____ opposes adoption of a public trust doctrine as unwise, unnecessary, disruptive to the fair and responsible allocation and stewardship of Colorado's scarce water resources, and an unwarranted taking of vested property interests.

Attachment C



Colorado Water Stewardship Project
ADVANCING A SUSTAINABLE FUTURE

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Featured in Northern Colorado Business Report: “Water
as a public trust? Battle lines form”

January 10, 2014

By Steve Lynn

[Click to read the Northern Colorado Business Report publication](#)

One of Colorado’s oldest, most powerful water groups is raising a war chest to battle an initiative that would place the public’s interest in the state’s hallmark rivers and streams ahead of the interests of private water-right owners, changing the state Constitution.

The notion that the public has an inherent interest in free-flowing water is well-established in other states, which embrace what’s known as the “public trust doctrine.”

California, Wisconsin, Montana and New Jersey, for instance, have such a doctrine, according to a 2009 report from the Center for Progressive Reform, a nonprofit policy research organization based in Washington, D.C. In Wisconsin, for example, the public interest in a water source is paramount and a water permit only can be

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granted if its use does not obstruct navigation, reduce flood-flow capacity or harm the public interest.

This would mark a radical shift from Colorado's prior appropriation system, which favors individual water rights owners, especially those with older water rights. During drought periods, water is provided to those with senior water rights while those who have junior, or newer, water rights don't get water.

But the Colorado Water Congress, which represents private water-right owners, contends the Public Trust Doctrine runs counter to state law and 150 years of case law. The legal principle would make rivers and streams public property, superseding water rights of property owners in some cases.

Richard Hamilton, a retired aquatic microbiologist from Fairplay, is behind recent efforts to introduce a ballot initiative to ask voters to enact the public trust doctrine in Colorado. Hamilton and Phillip Doe have tried several times since 1988 to enact a public trust doctrine.

“The state does not now act as a steward of the people's property,” Hamilton said.

“It goes ahead and decides what is the best interest of everybody and the government makes up its mind as to which of those interests shall supersede the public's ownership.”

Hamilton said his measure failed last year because the state did not give him enough time to gather signatures for a ballot initiative. He said he does not know whether he will pursue a ballot initiative this year.

The Colorado Water Congress, nonetheless, is spending \$325,000 on a campaign to oppose any effort to launch a public trust doctrine initiative. Founded in 1958, the not-for-profit lobbying organization represents water-right owners. The Colorado Water Congress claims an 85 percent “success rate” on state water legislation it endorses, and Colorado governors rarely have signed bills it has opposed.

The organization's effort – known as the “Public Trust Special Project” – will include research, polling of registered voters statewide and lobbying as well as spending on communications, fundraising and legal resources. The organization conducted polling last summer and found that very few people knew about the public trust doctrine.

“Every couple years, we see some kind of ballot proposal that we end up getting involved with,” said Doug Kemper, executive director of the Colorado Water

Congress, adding that he expects a public trust doctrine initiative to resurface this year.

The organization's board recently described the public trust doctrine as “unwise” and “unnecessary” in a resolution it adopted in December. Board members expressed concern that such a doctrine would lead to seizure of water rights owned by farmers and ranchers. It also would put in jeopardy water used by cities for residents.

The organization says the public trust doctrine would stop construction of reservoirs the state needs for drought protection. Giving people “uncontrolled access” to streams and rivers on private land would damage sensitive streambeds and banks and could cause conflict with property owners, the organization argues. It also says the doctrine will allow more of Colorado's water to go to states downstream.

The public trust doctrine would benefit the environment by preventing creeks from running dry, but reimbursing water-right owners would be costly for state government, said Melinda Kassen, who owns a water consulting firm in Boulder.

“If there's a public trust doctrine and the water-right owner can't use his or her property, then you've got to compensate that person because it's a taking of property,” she said. “If the government takes private property, then the government has to pay for it. Colorado doesn't have some huge stash of cash somewhere to compensate all of these water-right owners.”

Western Resource Advocates, an environmental group based in Boulder, has concerns about water use in Colorado and its effect on the environment but does not believe the public trust doctrine is the right tool to solve those problems, staff water attorney Rob Harris said. Public trust doctrines create uncertainty on water-rights ownership and would lead to widespread litigation if implemented in Colorado.

“We think that the state has and can continue to address environmental concerns while respecting water rights and the expectations of water users,” he said. “We all need water: We need it for environment, for drinking, for agriculture.”

COLORADO WATER
STEWARDSHIP PROJECT

1580 Logan St, Denver,
CO
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Colorado Water Stewardship Project

Public Trust Ballot Initiative Introduced

A proposed Public Trust Doctrine Ballot Initiative is progressing through the state's review process. The proponents made changes to their initial version and re-submitted the amendment on February 25. It is set for a Review and Comment Hearing March 11 at 1:30pm.

The current version of [proposed Initiative 83](#) would amend the Colorado Constitution by adding a new section to Article XVI (the provisions of the constitution that govern mining and water rights). This amendment would, among other issues, establish an "inalienable right" of the people of Colorado to clean air, clean water (including groundwater), and the preservation of the environment and natural resources (called "Public Trust Resources"), as common property of all people including future generations.

For additional summary of proposed Initiative 83 click [HERE](#) or visit www.cowaterstewardship.com.

CWSP and the Colorado Water Congress are monitoring all initiatives that could affect water resources. To view the full initiatives tracking document click [HERE](#).

Organizations Pass Resolutions Opposing a Public Trust Doctrine

The CWSP mandate is to educate Colorado Water Congress (CWC) members and the state's water stakeholders in regards to the harmful impact of a Public Trust Doctrine to the state's water resources. **One of the most effective methods to develop unity and present a consistent message is to have CWC member organizations pass a resolution opposing any Public Trust ballot initiatives.**

CWC Board President John McClow urged members to pass resolutions at upcoming board meetings: "We want to be able to demonstrate to all who inquire that the water community is united in its opposition to this damaging initiative."

Issue III

March 2014

[Public Trust Initiative
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Denver, CO 80203
303-837-0812

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Resolutions of opposition to a Public Trust amendment are becoming a common CWC member organization, with [16 resolutions collected to date](#)

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The Northern Water Conservation District Board drafted and passed a resolution on February 14, 2014 in support of the CWSP and in opposition to a Public Trust Doctrine. They joined other water organizations from the far Western Slope (Animas-La Plata Water Conservancy District), to the central mountains (Eagle River Water and Sanitation District), to the Eastern Plains (Bijou Irrigation District and Company) in posting their resolutions on the CWSP website.

Submit a Resolution [HERE](#).

Advisory Committee Tracks Initiatives

At a February CWSP Advisory Committee meeting, the group of statewide local government associations and water providers expressed concern regarding an array of ballot issues that could harm local government operations. These include proposed [Initiative 83 \(Public Trust Resources\)](#) and proposed [Initiative 89 \(Local Government Regulation of the Environment\)](#) which declares that Colorado's environment is "the common property of all Coloradans". Both proposed initiatives are summarized [HERE](#).

CWSP Advisory Committee members including the Special District Association, Colorado Counties Inc. and the Farm Bureau agreed to monitor these initiatives and eight others which are of concern.

Mar. 25 Webinar Outlines Ballot Initiatives

A webinar describing proposed Initiatives 83 and 89, in addition to others that could have a damaging effect on local government- especially water management and investments- will be held on Tuesday, March 25 at 12pm. Attorney Stephen Leonhardt will share information on the status of the initiatives and next steps. Describing CWC's and CWSP's strategy will be Doug Kemper and Floyd Ciruli.

Reserve your spot in the webinar [HERE](#).

[Public Trust Ballot Initiatives](#) with Steve Leonhardt, Floyd Ciruli, and Doug Kemper

[Trans](#)



Steve Leonhardt presents the Nov. CWSP educational Webinar.

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Colorado Farm Bureau	San Luis Valley Water Conservancy District
Colorado Mining Association	Security Water & Sanitation Districts
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Colorado Water Resources & Power Development Authority	Special District Association of Colorado
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Eagle River Water & Sanitation District	Uncompahgre Valley Water Users Association
Evans Group, LLC	Upper Arkansas Water Conservancy District
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Colorado Water Stewardship Project

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Issue III

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Advisory Committee

Representing Organization:

Burns, Figa & Will, P.C.

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Colorado Cattlemen's Association

Colorado Counties, Inc.

Colorado Legislative Services, LLC

Colorado Mining Association

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Colorado River Water Conservation District

Colorado Rural Electric Association

Colorado Water Congress

CSU - Colorado Water Institute

Denver Water

Freeport-McMoRan/Climax Molybdenum

San Luis Valley Water Conservancy District

Special District Association of Colorado

Upper Gunnison River Water Conservancy District

Wilson Water Group

History of Colorado Public Trust and Related Initiatives					
Year	Initiative Number	Initiative Short Title	Brief Description of Subject Matter	Proponents	Outcome
2013	46	Stewardship of Public Properties*	Rights of citizens to clean air, clean water, and the preservation of nature; includes citizen enforcement	Philip Doe; Richard Hamilton	Withdrawn prior to Review and Comment ("R&C") hearing
2012	45	Limits on Water Diversion*	Appropriation expanded to all water, but subordinated to public estate; return water unimpaired	Philip Doe; Richard Hamilton	Title set and affirmed by Colo. Supreme Court; Petitions approved, but proponents failed to collect sufficient signatures
2012	3	Use of Colorado Water Streams*	Public trust in water and access on streams	Richard Hamilton; Philip Doe	Title set and affirmed by Colo. Supreme Court; Petitions approved, but proponents failed to collect sufficient signatures
2012	2	Use of Colorado Water Streams*	Public trust in water and access on streams	Richard Hamilton; Philip Doe	Withdrawn prior to R&C hearing; Re-submitted as #3
2007	37	Repeal of Colorado Water Resources and Power Development Authority	Dissolution of the Colorado Water Resources and Power Development Authority; delegation of its duties to other state agencies	Richard Hamilton; Philip Doe	Title set; signatures not collected
2007	34	Repeal of Colorado Water Resources and Power Development Authority	Dissolution of the Colorado Water Resources and Power Development Authority; delegation of its duties to other state agencies	Richard Hamilton; Philip Doe	R&C Hearing held; resubmitted as #37
2007	8	Concerning New State Department and Elected Board for Environmental Conservation*	Creation of Colorado Dept. of Environmental Conservation, with public trust standard for stewardship of water and other resources	Richard Hamilton; Philip Doe	Title set; reversed by Colo. Supreme Court as containing multiple subjects
2002	135	Public Ownership and Use of Water*	Public trust in water of natural streams; subordination of private and public water rights to public use rights; assignment of water use rights to public use; return water unimpaired	Richard Hamilton; Jeanne Englert	Title set; signatures not collected
1996	6	1996-6*	Public trust in water; assignments of water use rights to public and to a watercourse	Richard Hamilton; Philip Hufford	Title set; affirmed by Colo. Supreme Court; did not appear on ballot

1995	Unknown	Public Rights in Waters II*	"Strong" Public Trust Doctrine in water; voters in water conservancy or conservation district must approve any changes to district boundaries and elect district directors; decrees of water to the public	Richard Hamilton; Jeanne Englert	Title set; reversed by Colo. Supreme Court on grounds that it did not constitute a single subject
1994	Unknown	Public Rights in Waters*	"Strong" Public Trust Doctrine in water; voters in water conservancy or conservation district must approve any changes to district boundaries and elect district directors; decrees of water to the public	Richard Hamilton; Jerry Swingle	Title set; affirmed by Colo. Supreme Court; signatures collected, but did not appear on the ballot
1992	Unknown	Willingness and Appropriateness in Transfers and Exports of Rivers (W.A.T.E.R.)*	Voters in water conservancy or conservation district must approve any transfer of water outside of district or between basins, and any changes to district boundaries	Richard Hamilton; Robert L. Pastore	Title set; affirmed by Colo. Supreme Court; signatures collected, but did not appear on the ballot

*Indicates initiatives that proposed constitutional amendments rather than statutory amendments

Attachment I



Colorado Water Stewardship Project

ADVANCING A SUSTAINABLE FUTURE

Statewide Survey on Water Policy – August 2013

A statewide survey conducted by Ciruli Associates from August 7-13, 2013, with 500 registered voters examined the public's knowledge and position on state water policy.

The following key themes emerged from questions relating specifically to the possible introduction of another Public Trust doctrine amendment:

- Local government and, especially, water agencies, have high credibility and persuasiveness in any campaign related to water policy issues. The public also expressed a strong preference for local control of water issues verses state control.
 - It will be important to communicate in a fashion that convinces people that the agencies have the public interest in mind and are advocates of good water principles and policies.
- The public has an interest in and common sense awareness of water topics, especially related to drought, shortages, the importance of conservation, and storage.
- It favors management of water to protect limited supplies.
 - For example, the public believes climate change will require more storage, that there will be short supply within 10 years, and that Colorado should work to secure its legal share of water that flows out of the state.
- Specifically concerning the Public Trust doctrine, the public is unaware of it, but up to two-fifths are attracted to the basic concept. Support is polarized by partisanship and ideology.
 - Persons who have less awareness of the issue and less familiarity with or interest in private property rights are also more supportive. There is significant misinformation among supporters of the doctrine.
- If there is a campaign, a major education effort will be necessary to lay the foundation for making a specific case.
- The best arguments against the doctrine are that it is extreme and has unintended consequences – specifically, it is hostile to local control and people's historic use and ownership of water and land, and that it will increase legal uncertainty.
 - Agriculture, farms, and ranches are the sectors that concern the public the most.
 - Losing water out of state is also a major theme.
 - In addition, damage to streams from unlimited access and the loss of environmental benefits of current law are considered major flaws in the doctrine.
- Describing the current state of water policy is also a strong necessary component of defense. The water community, both statewide and locally, is vigorously addressing water storage and sustainability issues with a range of initiatives, starting with conservation and reuse, and including storage and generating new supplies.
 - The public is highly supportive of the effort by state and local water stakeholders to address the identified water gap.
 - The public prefers local decision-making, but welcomes the planning, cooperation, and consensus-building efforts undertaken by statewide water stakeholders to:
 - Maintain and store Colorado's legal share of water
 - Cooperate and compromise among river basins and bring together urban and rural, small and large communities
 - Protect irrigated agriculture
 - Develop a plan
- Hence, the communication effort should begin with local agencies providing information through their regular methods that are mindful of the messages of this poll, including:
 - The benefit of local control - acting locally, cooperating regionally, and participating with the state to achieve sustainability
 - People expect and support planning, coordination, and cooperation around water issues
 - Conservation efforts must come first, but should be accompanied by good water management practices, including storage
 - The drought, climate change, and the normal aridity of the West require good water management practice
 - Avoiding loss of agriculture is a major goal of water management and planning
 - Addressing issues related to the perception of excessive legalism – i.e., maintain a position of transparency, provide access to information, and communicate reasons for taking action. Avoid becoming the federal government of water.

Attachment J



Colorado Water Stewardship Project

ADVANCING A SUSTAINABLE FUTURE

Survey Results Show Statewide Voters Agree with Colorado Water Policy Initiatives

An important aspect in making the case against a radical change in Colorado's water law and administration is to describe the strategies and activities that state government and the state's water stakeholders have engaged in to maintain a reliable and clean supply of water – and to address the challenges to sustainability from weather and other factors.

A recent statewide survey of voters, conducted in August 2013 by Ciruli Associates for the Colorado Water

Congress and local and regional water stakeholders, measured agreement and disagreement with state and local efforts related to water policy, strategy and projects. The public is highly supportive of the state and local government collaborating to solve water challenges. More than four-fifths (82%) of voters agree with six major policy initiatives and principles, and more than half (52%) "strongly agree." The questions in the table below follow in rank order of voter agreement with the policy and activity.

State Water Policy Survey Questions

Survey Question Introduction:

The State of Colorado has conducted two studies of the state's water supply and its water needs between now and 2050. The state believes there will be a large gap in supply that will affect many residents in all of Colorado's water basins. Let me ask you some questions concerning the state's plans. As I read the following list of statements, please tell me if you strongly agree, somewhat agree, somewhat disagree or strongly disagree.

	Total Agree	Strongly Agree	Somewhat Agree	Total Disagree
A considerable amount of water that belongs to Colorado flows out of the state. Colorado should maintain and store its legal share of water	89%	63%	26%	7%
Colorado believes creating a water plan will require cooperation and compromise. Citizens and water experts in each of the main river basins, like the Colorado, Arkansas and Platte rivers, have been meeting together for several years to help design a water plan. This work should continue	89	60	29	5
Colorado believes water strategies and projects must be developed to avoid the loss of irrigated agriculture in the state	88	57	31	8
Colorado believes it will require several actions to address the gap, including water conservation, reuse, water storage and developing new supplies	87	47	40	6
One good aspect of a state plan is the cooperation among smaller and larger cities and the urban areas and agricultural communities	82	48	34	8
Colorado will develop a state water plan to address the gap, which is a good idea	80	37	43	13

Attachment K



Colorado Water Stewardship Project

ADVANCING A SUSTAINABLE FUTURE

Arguments Against the Public Trust Doctrine

A recent statewide survey of 500 Colorado voters, conducted in August 2013 for the Colorado Water Congress and local and regional water stakeholders by Ciruli Associates, measured the persuasiveness of a series of statements against the Public Trust doctrine.

The best arguments against the Public Trust doctrine amendment proposed in Colorado center on themes that the amendment is too extreme and leads to unintended consequences. The questions follow in rank order of the most convincing.

Survey Question: Next, I am going to read you some information you might hear from opponents of establishing the Public Trust doctrine. After I read each statement, please tell me if you think that statement is a very convincing argument AGAINST, somewhat convincing, not too convincing or a not at all convincing argument AGAINST establishing the Public Trust doctrine. [SPLIT SAMPLES. ROTATED.]

Statements Opposed to the Public Trust Doctrine	Total Convincing	Very Convincing	Somewhat Convincing	Total Not Convincing
The main users of Colorado water are agriculture, farms and ranches. This amendment could take away their rights to use their water and will hurt agriculture	80%	52%	28%	16%
It would be a mistake to wipe out historical ownership of water and turn it over to the uncertainty of courts, lawyers and lawsuits	75	48	27	20
Allowing uncontrolled access to private streams and rivers will damage sensitive streambeds and banks, could lead to dangerous and unsafe conditions, and cause conflict with private owners	75	46	29	18
There are already many limits on private property, but this amendment attacks people's private property rights in their water and land and goes too far	71	42	29	19
Every Tom, Dick and Harry will start suing the state to control people's use of water. This amendment will increase frivolous lawsuits	68	43	25	28
Water conservation must be done first, but in a drought, we need storage and a careful balance to protect jobs and the economy. This amendment is extreme	68	34	34	25
This amendment will endanger Colorado's environmental protections, which require an amount of water flow in streams and maintaining certain lake levels	66	34	32	21

Attachment L



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2014 Proposed Ballot Initiatives

Summary of proposed Initiative 83, filed by Phillip T. Doe & Barbara Mills-Bria (Current as of 3/4/14):

Initiative 83 would amend the Colorado Constitution by adding a new section to Article XVI, the provisions of the constitution that govern mining and water rights. This amendment would:

- Establish an “inalienable right” of the people of Colorado to clean air, clean water (including groundwater), and the preservation of the environment and natural resources (called “Public Trust Resources”), as common property of all people including future generations;
- Require the state, as trustee of these resources, to conserve and maintain them for the benefit of all the people;
- Require state government and its agents, as trustees, to protect Public Trust Resources from substantial impairment including pollution, applying a “precautionary principle” that any action or policy with a suspected risk, absent a scientific consensus of harm, places the burden of proving no harm on the proponents;
- Obligate the state to seek natural resource damages from entities causing substantial impairment to Public Trust Resources, and to use such funds to remediate the harm;
- Authorize all Colorado citizens (as beneficiaries) to sue to preserve Public Trust Resources against substantial impairment and to enforce the State’s obligations as trustee, to obtain legal and equitable remedies, and to recover attorney fees and costs when a court finds the state has not met its duties as trustee;
- Require the state as trustee to use best available science in any process or proceeding that may affect Public Trust Resources, and to refer for criminal

Information Center

- › [Public Trust Doctrine Background](#)
- › [Ballot Initiatives](#)
- › [Polling Summaries](#)
- › [CWSP Resolutions](#)
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prosecution anyone manipulating data or scientific information for private profit; and

- Apply to all public actions or commercial transactions that would violate these provisions, “regardless of the date of any applicable local, state or federal permits.”

Summary of proposed Initiative 89, filed by Caitlin Leahy and Gregory Diamond (Current as of 3/5/14)

Initiative 89 would amend the Colorado Constitution by adding a new Article, declaring and providing as follows:

- Declares that Colorado’s environment is “the common property of all Coloradans”;
- Declares that conservation of Colorado’s environment (including clean air, pure water, natural, and scenic values) is “fundamental”;
- Declares that Colorado’s environment should be “protected and preserved” for all Coloradans, including future generations;
- States that the people of Colorado, including future generations, have a “right to Colorado’s environment” (including clean air, pure water, natural, and scenic values);
- Designates the state and local governments as trustees of “this resource” (referring to Colorado’s environment), requiring them to conserve Colorado’s environment (including clean air, pure water, natural, and scenic values) “for the benefit of all the people”;
- Applies these provisions to the state, as well as to every city, town, county, and city and county, notwithstanding the provisions of the constitution that provide for Home Rule cities and towns and for Home Rule counties;
- Provides that these provisions are self-executing and severable;
- Provides that local governments shall have the power to enact laws, regulations, ordinances, and charter provisions that are “more restrictive and protective” of the environment than those enacted or adopted by state government; and
- Provides that if a locally-enacted law or regulation adopted pursuant to the new Article conflicts with a state-enacted law or regulation, the “more restrictive and protective law or regulation shall govern.”

COLORADO WATER STEWARDSHIP PROJECT	RECENT POSTS	CATEGORIES
1580 Logan St, Denver, CO Phone: (303) 837-0812	Public Trust Doctrine Ballot Initiative Introduced for 2014	In the News
		Legislation
	March Webinar- Overview of 2014 Proposed Public Trust Ballot Initiatives	Presentations
	Five additional entities submit resolutions opposing a Public Trust Doctrine	Project Updates
	Water managers in Eagle County entities take action	Webinars
	Featured in Northern Colorado Business Report: "Water as a public trust? Battle lines form"	

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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: 5
MEETING DATE: 3/19/2014
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*



AGENDA ITEM: 6
MEETING DATE: 3/19/2014
SUBMITTED BY: Gretchen Stanford and Greg Dewey, Customer Relations Manager and Interim Water Treatment Manager

TITLE: Presentation on Renewable Energy Standard and Update on Hydropower Grant Request

DESCRIPTION:

Staff will provide an update on the renewable energy standard and a hydropower project and grant request.

SUMMARY:

Staff will provide an update on the renewable energy standard. This standard relates to the proposed hydropower project at the Water Treatment Plant which LUC was briefed on last month. Staff will update the LUC on the status of the hydropower project and grant request.

The Renewable Energy Standard was passed into statute by the Colorado legislature. For municipal utilities serving more than 40,000 customers, 10 percent of a municipal utility's retail electricity sales must be supplied using renewable energy (e.g. wind, solar, hydro). Loveland expects that its customer base will exceed 40,000 customers in 2021, at which point Loveland would have 13 more years to comply with the Renewable Energy Standard of 10 percent.

At the February 19, 2014 LUC meeting, staff told LUC that we would come back with additional information about Loveland's options for renewable energy and how they compare with the estimated cost for the proposed hydropower project at the Water Treatment Plant. Staff is also working with the same consultant working with Platte River Power Authority to develop solar energy options. Staff will give a PowerPoint presentation which includes this information.

RECOMMENDATION:

Staff report only. No action required.

REVIEWED BY DIRECTOR: MS for SA



AGENDA ITEM: 7
MEETING DATE: 3/19/2014
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.

- Passport to Power Open House – February 26, 2014
- Boards & Commissions Summit – February 27, 2014

RECOMMENDATION:

Commission/Council report only.

REVIEWED BY DIRECTOR: *MS for SA*



AGENDA ITEM: 8
MEETING DATE: 3/19/2014
SUBMITTED BY: Steve Adams, Director *MS for SA*

TITLE: Director's Report

SUMMARY:

- **Spring Water Users Meeting:** Northern Colorado Water Conservancy district will be hosting their Spring Water Users meeting on Wednesday, April 9, 2014 at the Ranch – First National Bank Building located at 5270 Arena Circle, Loveland, CO 80538. Lunch and transportation will be provided. Please let Michelle Stalker know if you plan on attending so that we can RSVP for this event. See Attachment A and B for additional information. – Larry Howard
- **Water Rate Study Informational Meeting:** Following the Spring Water Users Meeting, Northern Colorado Water Conservancy district will be hosting an informational meeting on Wednesday, April 9, 2014 at the Ranch – First National Bank Building located at 5270 Arena Circle, Loveland, CO 80538 starting at approximately 1:30 pm on the preliminary results from their water rate study. No registration is required for this meeting. See Attachment C for additional information. – Larry Howard
- **PRPA Listening Session** – Please see attachment D for information regarding the Platte River Power Authority's (PRPA) Community Listening Session on Monday, March 24, 2014 at 6:00 PM, at the Loveland Water and Power Service Center to gather the thoughts and preferences of citizens regarding future electricity resource alternatives. *(If you are unable to attend the Community Listening Session, you may register for an interactive webinar hosted by PRPA on April 8, 2014 from 1:00 PM to 2:00 PM at www.alturl.com/ouooj.)* - Gretchen Stanford
- **CAMU Tri-Fold** – We will be distributing a new tri-fold pamphlet from the Colorado Association of Municipal Utilities (CAMU) which educates on what the purpose of CAMU and its mission. – Kim O'Field
- **Tour of the Home Supply Diversion Structure:** The following LUC members are scheduled to attend the tour of the Home Supply Diversion Structure on Monday, March 24, 2014:

1. Gary Hausman
2. John Rust
3. Dan Herlihey
4. Gene Packer
5. Larry Roos
6. Dave Schneider

Tour Schedule:

7:50 am – Meet at the Service Center
8:00 am – Leave Service Center
8:15 am – Tour Diversion Structure on north side
9:15 am – End Tour
9:30 am – Arrive back at Service Center

- **LUC Vacancy** – We received a resignation letter from CJ McKinney. Staff is working with the LUC Chair and the City Manager's Office to fill this vacancy. City Council will consider appointing Daniel Greenidge to fill the unexpired term until June 30, 2014 at the March 18, 2014 City Council meeting. – Steve Adams
- **Flood Recovery Open House** – Steve Adams and Mark Warner attended a Flood Recovery Open House in Estes Park on Saturday, March 8, 2014. – Steve Adams
- **Windy Gap Irrigator Settlement** – The second of three annual payments is due in April 2014. The total payment to the irrigators is \$4 Million of which \$1 million is being paid by Northern District, \$1 million by the Windy Gap Project Owners, and \$2 million by the Windy Gap Farming Project participants. - Larry Howard
- **Colorado Water Plan Update** – Since the February 2014 LUC meeting, there have been three input and information sessions held for the combined South Platte and Metro Basin Implementation Plan (BIP). Eight BIP's from around the state are due in July 2014 to the Colorado Water Conservation Board staff, which will use this information to create a Draft state-wide Colorado Water Plan by the end of the year. Following an additional year of presentation, discussion and input around the state, this plan is scheduled for a final draft in December 2015. - Larry Howard
- **Garden-In-A-Box** – Loveland Water and Power and the Center for Resource Conservation are offering an easy, fun and affordable way to create beautiful, water-conserving gardens through the purchase of a Garden-In-A-Box kit. These kits are currently on sale and the pickup date will be Saturday, May 17, 2014. For more information please visit the website www.cityofloveland.org/giab. – Lindsey Bashline

RECOMMENDATION:

Director's report only.

REVIEWED BY DIRECTOR: *MS for SA*

Attachment A



March 11, 2014

Dear Water User:

On behalf of the Board of Directors and staff of the Northern Colorado Water Conservancy District, I would like to invite you to our Spring Water Users' Meeting on **Wednesday, April 9, 2014**, in the First National Bank Building at The Ranch, Loveland, Colorado. A map showing the location of The Ranch can be found on the back of this letter for your reference.

Registration begins at 7:30 a.m. with the meeting beginning at 8 a.m. A draft meeting agenda is enclosed. Lunch is provided, so please let us know if you plan to attend and if you will be staying for lunch.

Northern Water's Water Users' Meetings are held each Spring and Fall to discuss the current water situation and water-related activities and issues. Besides previewing the upcoming water year, we will provide updates on both of the Windy Gap Firming and Northern Integrated Supply projects, as well as Northern Water's Endangered Species and Water Quality programs. Jackie Sargent, General Manager of the Platte River Power Authority, will be the luncheon speaker.

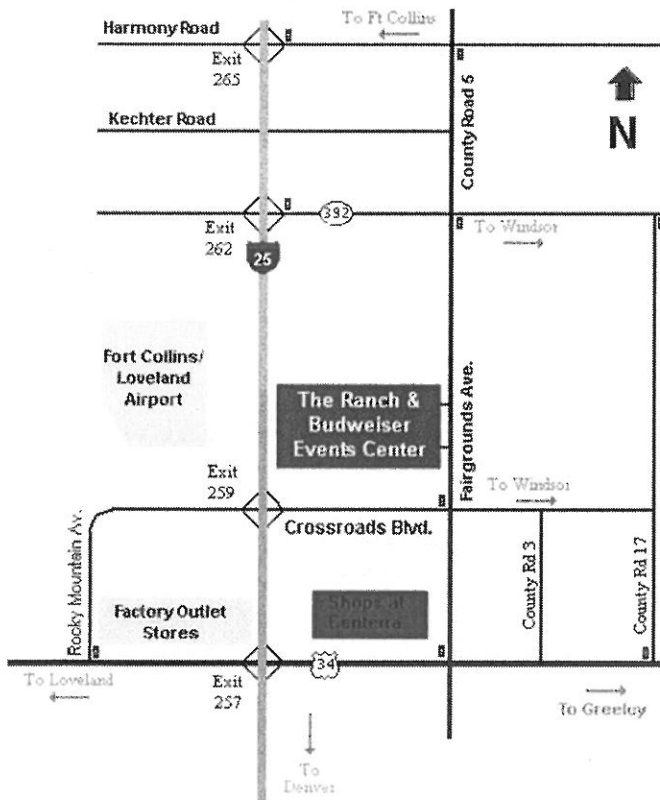
I hope you can join us at the Spring Water Users' Meeting. If you would like to attend, please register online at www.northernwater.org by registering for an account then proceeding to the Calendar item. If you are unable to register online, please call our registration line at 970-622-2220. Please make reservations by April 3 and provide the name(s) of those who will be attending and the organization represented, if applicable.

If you register and you later find you cannot attend, kindly cancel your reservation by calling us at 970-622-2220 since this affects our luncheon count. We look forward to seeing you on April 9.

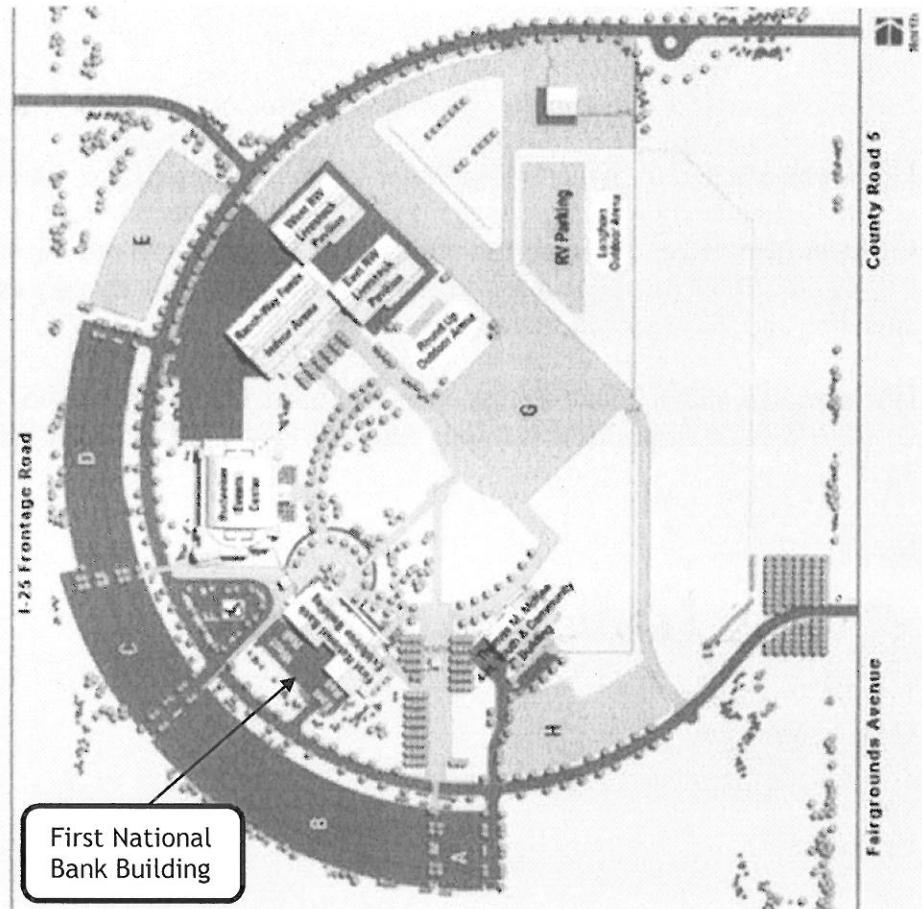
Sincerely,

Eric W. Wilkinson
General Manager

vg
Enclosure



The Ranch is located directly adjacent to I-25, just North of Highway 34, in Loveland, Colorado. To reach The Ranch, exit I-25 at Crossroads Blvd., Exit 259. Travel East 1 mile to Fairgrounds Avenue (County Road 5) and go North to the entrance.



Attachment B



Spring Water Users Meeting
Wednesday, April 9, 2014

First National Bank Building, The Ranch
5270 Arena Circle, Loveland, Colorado

Draft Agenda

- 7:30 a.m. Registration Coffee/Pastries
- 8 a.m. Welcome and Comments **Mike Applegate**
President, Northern Water Board of Directors
- 8:10 a.m. Introductions/Overview **Eric Wilkinson**
General Manager, Northern Water
- 8:30 a.m. Water Year Outlook
- Division Engineer Report **Dave Nettles**
Division 1 Engineer, Colorado Division of Water Resources
- Northern Water's Projections **Andy Pineda**
Water Resources Department Manager, Northern Water
- 9:30 a.m. C-BT Quota Discussion and Input..... **Eric Wilkinson**
General Manager, Northern Water
- 9:45 a.m. Bureau of Reclamation Update..... **Jaci Gould**
Manager, Eastern Colorado Area Office
- 10 a.m. *Break*
- 10:30 a.m. Northern Water - Water Quality Program **Esther Vincent**
Water Quality Manager & Water Conservation Coordinator
- 10:45 a.m. Northern Water - Endangered Species Efforts **Alan Berryman**
Assistant General Manager, Engineering Division
- 11 a.m. Rate Study Update **Jerry Gibbens**
Water Resources Engineer, Northern Water
- 11:15 a.m. Water Stewardship Project **Floyd Ciruli**
Ciruli Associates
- 11:30 a.m. Project Updates
- Windy Gap Firing Project **Don Carlson**
Assistant General Manager, Operations, Northern Water
- Northern Integrated Supply Project **Carl Brouwer**
Project Management Department Manager, Northern Water
- 11:45 a.m. HB1278 South Platte Alluvial Aquifer Study **Reagan Waskom**
Director, Colorado Water Institute, CSU
- 12:15 p.m. *Lunch*
- 12:45 p.m. Luncheon Speaker **Jackie Sargent**
General Manager, Platte River Power Authority
- 1:15 p.m. Adjourn
- 1:30 p.m. Rate Study Meeting

Attachment C



Water Rate Study Informational Meeting April 9

The Northern Water Board of Directors invites you to hear preliminary results from its ongoing water rate study at an informational meeting on **Wednesday, April 9, 2014, at approximately 1:30 p.m.** following the Spring Water Users meeting in the First National Bank Building at the Ranch, [5270 Arena Circle, Loveland, CO](#). The water rate study is being conducted to determine what adjustments may be needed in Northern Water's revenue structure, primarily its water assessment rates, to ensure the future financial health of the organization and to meet operation and maintenance commitments to the Colorado-Big Thompson Project.

The meeting will present preliminary results of the cost-of-service and rate design tasks, including rate design alternatives that are being considered for implementation by the Board, and the benchmarking analysis. This meeting will be followed by a formal rate-setting hearing on May 1 at Northern Water's headquarters in Berthoud, CO.

Comments on the water rate study are encouraged during and following the meeting. Directors and staff will be present at the April 9 meeting to receive verbal comments. For more information or to submit written comments, please contact Jerry Gibbens at 970-622-2299 or RateStudy@northernwater.org.

Please see the [Allotment Contracts](#) page (northernwater.org/AllotteeInformation/AllotmentContracts) on Northern Water's website for information about the meeting. Presentation and handout materials from the meeting will be posted on the same Web page following the meeting. Additionally, a draft water rate study report will be posted on the website prior to the May rate-setting hearing.

No RSVP is required for the meeting.



Community Listening Session

FUTURE ELECTRICITY RESOURCES

WHEN: Monday, March 24
6:00-7:30 PM

WHERE: Loveland Water and Power Service Center
Lunch Room
200 North Wilson Avenue
Loveland, CO 80537

Platte River Power Authority has provided wholesale electricity to Loveland Water and Power for more than 40 years. As part of its long-term resource planning efforts, Platte River is conducting a listening session to gather the thoughts and preferences of citizens regarding future electricity resource alternatives.

**Event is free and open to the public.
No registration required.**





AGENDA ITEM: 9
MEETING DATE: 3/19/2014
SUBMITTED BY: Kim O'Field, Technical Specialist, Power Division *YO*

TITLE: Electric Legislative Update

DESCRIPTION:

This item and the attachment are intended to give a brief update on electric-related legislation being contemplated by the Colorado General Assembly. Loveland staff relies primarily on the Colorado Association of Municipal Utilities (CAMU) for information on electric-related legislation.

SUMMARY:

The State of Colorado has officially passed the deadlines for legislation introduction and this year's activity is dominated by bills seeking to address the recent floods and fires in Colorado. Although the introduction of "late" bills happens each legislative session it is not projected that any "late" bills will have an impact on utility operations.

As anticipated there were five bills introduced this year attempting to amend or repeal the Colorado Renewable Energy Standard in response to SB13-252. These bills have been "postponed indefinitely". At this point CAMU is not expecting additional legislation on this subject for the remainder of the year.

I have attached the legislative tracking sheet for your review but some recent activity and key state legislation are:

Hydroelectric Generation Incentive - HB14-1030 seeks to expand the construction of small hydroelectric projects in Colorado by permitting individual customers to buy fractional shares in hydroelectric generation projects similar to participating in a community solar garden. As introduced this bill removed key municipal utility protections in the community solar garden statutes. CAMU worked to amend this bill to continue these protections for municipal utilities and will continue to monitor the bill.

Public Utility Endangerment - SB14-049 seeks to make vandalizing utility natural gas, water or electric transmission infrastructure a Class 3 felony. CAMU testified in support of this legislation on January 29, 2014 noting that copper theft from municipal electric substations has caused service disruptions to customers and created unsafe working environments for employees. This bill passed Senate Judiciary 5-0.

Prohibit the use of PILOTs - SB14-089 prohibits political subdivisions of the state from making any payment-in-lieu of taxes. As drafted this bill would have prohibited subdivisions of the state

from making any payment-in-lieu of taxes. CAMU worked with Colorado Municipal League (CML) to amend the bill to remove application to local government and will continue to monitor this bill.

Metrics:

Total bills introduced (02/14): 451

Total bills tracked: 18 (4% of total)

Positions on Active Bills:

Monitor – 13

Support – 3

Oppose – 0

Amend – 2

RECOMMENDATION:

Information item only. No action required.

REVIEWED BY DIRECTOR: *MS for SA*

ATTACHMENTS:

CAMU Legislative Tracking Sheet



Colorado Assn. of Municipal Utilities
2014 State Legislation of Interest

CAMU

HB14-1003 **Nonresident Disaster Relief Worker Tax Exemption**

Comment:

Position: **Monitor**

Short Title: Nonresident Disaster Relief Worker Tax Exemption

Sponsors: NORDBERG / KEFALAS

Summary: Individuals from other states are currently liable to pay Colorado income tax on income derived from all sources within Colorado. The bill exempts nonresident individuals from the state income tax if they perform disaster emergency-related work in the state on certain infrastructure that has been affected by a declared state disaster emergency or if they provide emergency service work related to the disaster emergency. The exemption is only effective for work performed from the time the governor declares a disaster emergency through 60 days after the declaration expires. Conforming amendments are made to the statutes governing the filing of income tax returns by and the withholding of state income tax for these individuals.

Status: 03/05/2014 Introduced In Senate - Assigned to Finance

Amendments: [Amendments](#)

Status History: [Status History](#)

HB14-1027 **Plug-in Electric Motor Vehicle Definition**

Comment:

Position: **Support**

Short Title: Plug-in Electric Motor Vehicle Definition

Sponsors: FISCHER / JONES

Summary: Transportation Legislation Review Committee. For purposes of registering a motor vehicle, a "plug-in electric motor vehicle" is defined to include motor vehicles that are certified to be eligible for a particular federal tax credit and a catch-all provision that applies to other vehicles; for example, one that is retrofitted to be a plug-in electric vehicle. The bill clarifies the catch-all component of the definition to ensure that it is not too expansive.

Status: 02/19/2014 Governor Action - Signed

Amendments:

Status History: [Status History](#)

HB14-1030 Hydroelectric Generation Incentive	
Comment:	
Position:	Monitor
Short Title:	Hydroelectric Generation Incentive
Sponsors:	CORAM / SCHWARTZ
Summary:	<p>Water Resources Review Committee. In order to promote the construction and operation of hydroelectric energy facilities in Colorado, the bill provides the following incentives:</p> <ul style="list-style-type: none">* Section 1 of the bill requires the state electrical board to approve the installation of a motor as a generator for a hydroelectric energy facility if the installation would be approved but for the fact that the motor is not being used in a manner commensurate with its nameplate;* Section 2 authorizes the department of natural resources to serve as the coordinating state agency for obtaining and compiling state agency comments about an application for a license or license exemption from the federal energy regulatory commission; and* Section 3 incorporates community hydroelectric energy facilities into the community solar garden statute, so that a group of community members may jointly subscribe to and receive electricity from a small hydroelectric energy facility located in or near the community.
Status:	02/17/2014 Introduced In Senate - Assigned to Agriculture, Natural Resources, & Energy
Amendments:	Amendments
Status History:	Status History

HB14-1067 Renewable Energy Electric Std REAs Move To 2025	
Comment:	
Position:	Monitor
Short Title:	Renewable Energy Electric Std REAs Move To 2025
Sponsors:	CONTI / CROWDER
Summary:	<p>The bill changes the target date to achieve the renewable component of the energy generation portfolio of retail cooperative electric associations serving 100,000 or more customers, and qualifying wholesale utilities, which date was established in S.B. 13-252, from 2020 to 2025.</p>
Status:	01/29/2014 House Committee on Transportation & Energy Postpone Indefinitely
Amendments:	
Status History:	Status History

HB14-1113 Electric Renewable Energy Standard Reduction	
Comment:	
Position:	Monitor
Short Title:	Electric Renewable Energy Standard Reduction
Sponsors:	SCOTT
Summary:	<p>The public utilities commission is required to establish electric resource standards.</p>

These standards must set the minimum percentage of electricity that retail electric service providers in Colorado must generate or cause to be generated from recycled energy and renewable energy resources. The bill reduces the minimum percentage of renewable energy required of investor-owned utilities from 20% to 15% for the years 2015 through 2019 and from 30% to 15% for the years 2020 and thereafter. The bill also reduces the minimum amounts for cooperative electric associations from 20% to 15% for the years 2020 and thereafter.

Status: 01/30/2014 House Committee on Transportation & Energy Postpone Indefinitely
Amendments:
Status History: [Status History](#)

[HB14-1129](#) State Provide Utilities Facility Info To Local Gov

Comment:
Position: **Monitor**
Short Title: State Provide Utilities Facility Info To Local Gov
Sponsors: LEBSOCK
Summary: Public utilities and power authorities file applications with local governments to seek approval for the location, construction, or improvement of major electrical or natural gas facilities. After an application is filed, the local government can currently ask the public utility or power authority to provide additional information. The bill allows the local government to also ask a state agency to provide additional information within a specified deadline.
Status: 02/13/2014 Introduced In Senate - Assigned to Local Government
Amendments:
Status History: [Status History](#)

[HB14-1138](#) Renewable Energy Std Add Hydroelectric To Eligible

Comment:
Position: **Monitor**
Short Title: Renewable Energy Std Add Hydroelectric To Eligible
Sponsors: HUMPHREY / TOCHTROP
Summary: The bill amends the definition of "renewable energy resources"that can be used to meet the state's renewable energy standard to include hydroelectricity and pumped hydroelectricity.
Status: 02/05/2014 House Committee on Transportation & Energy Postpone Indefinitely
Amendments:
Status History: [Status History](#)

[HB14-1193](#) Research Retrieval Fees Public Records Under CORA

Comment:
Position: **Amend**
Short Title: Research Retrieval Fees Public Records Under CORA
Sponsors: SALAZAR / KEFALAS

Summary:	The bill allows a custodian of public records under the "Colorado Open Records Act" to impose a fee in response to a request for the research and retrieval of such records only if the custodian has, prior to the date of receiving the request, either posted on the custodian's web site or otherwise published a written policy that specifies the applicable conditions concerning the research and retrieval of public records by the custodian. Any fee the custodian charges the requestor for the research and retrieval of public records must be nominal in comparison to the time the custodian spends responding to the volume of requests. The bill prohibits the custodian under any circumstances from charging an hourly fee for the research and retrieval of public records that exceeds three times the state minimum wage.
Status:	02/28/2014 Introduced In Senate - Assigned to State, Veterans, & Military Affairs
Amendments:	Amendments
Status History:	Status History

HB14-1216	Safety Markings For Rural Towers Under 200 Feet
---------------------------	--

Comment:	
Position:	Amend
Short Title:	Safety Markings For Rural Towers Under 200 Feet
Sponsors:	SONNENBERG / BROPHY
Summary:	Towers under 200 feet in height are not currently regulated by the federal aviation administration and, consequently, may not have certain safety markings that are required for taller towers. The bill creates specified safety marking requirements for towers located in rural areas of the state, including the marking of guy wires supporting the towers and painting the towers in alternating colors. Previously constructed towers are given one year to comply with the requirements of the bill. Noncompliance with the requirements constitutes a misdemeanor.
Status:	03/11/2014 House Third Reading Laid Over Daily
Amendments:	Amendments
Status History:	Status History

HB14-1222	Clean Energy Project Private Activity Bonds
---------------------------	--

Comment:	
Position:	Monitor
Short Title:	Clean Energy Project Private Activity Bonds
Sponsors:	MCLACHLAN
Summary:	Current law allows a county to issue private activity bonds on behalf of a property owner or group of property owners who do not own an entire cooperative electric association (eligible applicant) for the purpose of constructing, expanding, or upgrading an eligible clean energy project on the eligible applicant's property. The bill reduces the minimum amount of private activity bonds that a county may issue for an eligible applicant from \$1 million to \$500,000, extends the maximum repayment term for bonds from 10 years to 15 years, and allows the bonds to be correlated to the revenue stream of the project up to 75% so long as bond payments do not exceed 75% of project revenue.
Status:	02/26/2014 Introduced In Senate - Assigned to Agriculture, Natural Resources, & Energy

Amendments:

Status History: [Status History](#)

[HB14-1258](#)

Respondents' Legal Rights IEC Complaints

Comment:

Position: **Monitor**

Short Title: Respondents' Legal Rights IEC Complaints

Sponsors: STEPHENS

Summary: The bill provides the following protections to public officers, members of the general assembly, local government officials, or government employees (IEC respondents) where a complaint against such individuals alleging official misconduct has been filed with the independent ethics commission (IEC):

- * Section 2 of the bill waives principles of sovereign immunity to make any member of the IEC (commissioner) personally liable for participating in a violation of the legal rights of an IEC respondent under the United States or state constitution or under state law if:
 - * The legal rights of a particular respondent that were violated were clearly established at the time of the violation; and
 - * The act or omission causing the violation was reckless, intentional, or willful.
 - * The bill specifies that a commissioner has not participated in a violation if the commissioner abstained from the act or omission causing the violation.
- * Section 4 of the bill requires the IEC to offer any IEC respondent at the expense of the state a legal defense to any complaint filed against the respondent. This section of the bill prohibits the IEC from conducting a public hearing on the complaint without first confirming that the IEC respondent has been offered a legal defense at state expense. This section of the bill also makes the commissioners of the IEC jointly and severally liable, in their personal capacities, for participating in any violation of these requirements of the bill if the act or omission causing the violation was reckless, intentional, or willful.
- * Once the commission has made a determination that a complaint filed against an IEC respondent is not frivolous, the bill requires the IEC to promptly mail to the respondent written notice of the legal elements of the ethical violation that is the basis of the complaint.
- * Upon the completion of its investigation, if the IEC determines that the IEC respondent may have committed one or more additional ethical violations beyond those identified in the complaint, the bill requires the IEC to:
 - * Prior to any public hearing on the additional violation, promptly mail to the respondent written notice of the legal elements of the additional violation; and
 - * Defer holding a public hearing on the additional violation until a period after the notice has been served upon the IEC respondent and to defer issuing any findings and determinations on the additional violation until it has conducted the public hearing.
- * The IEC commissioners are jointly and severally liable, in their personal capacities, for participating in any violations of the requirements of the bill relating to notice of the elements of the complaint if the act or omission causing the violation was reckless, intentional, or willful.
- * Finally, during the pendency of a complaint, the bill allows an IEC respondent to seek injunctive relief in federal court against any further violation of his or her legal rights arising under federal law.

Status: 03/10/2014 House Committee on State, Veterans, & Military Affairs Postpone Indefinitely

Amendments:

Status History: [Status History](#)

[SB14-011](#)

Colorado Energy Research Authority

Comment:

Position: **Monitor**

Short Title: Colorado Energy Research Authority

Sponsors: HEATH / HULLINGHORST

Summary: The bill changes the name of the Colorado renewable research authority to the Colorado energy research authority (authority) and makes the following changes to the authority:

- * Names the chancellor of the university of Colorado at Boulder as an ex officio member, instead of the president of the university of Colorado;
- * Makes 2 of the governor's appointments to the authority board mandatory, instead of permissive;
- * Identifies the consortium that receives allocations from the authority as the Colorado energy research collaboratory (collaboratory);
- * Permits the authority to undertake various promotional and educational activities, rather than requiring it to do so;
- * Permits the authority to promote the collaboratory's activities in order to increase the federal energy research funding and energy-related research funding;
- * Modifies the information to be included in the authority's annual report and requires the report to be delivered to the Colorado office of economic development (office) instead of legislative committees; and
- * Substitutes "clean energy" for "renewable energy". The bill also creates the energy research cash fund. The state treasurer is required to transfer \$2 million at the beginning of the next 5 fiscal years, and these transfers will be included in the annual general appropriation act for informational purposes. The moneys in the fund are continuously appropriated to the office for its administrative expenses and for the purpose of distributing moneys to the authority for use as state matching funds and for the authority's other permitted activities. The office may not distribute any moneys to the authority for use as state matching funds unless the office receives proof of the other matching funds. The authority may not use more than \$100,000 per year for its other permitted activities. Following a fiscal year when the office distributed money to the authority, the office is required to submit a report to the legislative committees summarizing all of the distributions made during the preceding fiscal year. The report must include any information provided to the office by the authority in its report.

Status: 02/11/2014 Senate Committee on Finance Refer Unamended to Appropriations

Amendments:

Status History: [Status History](#)

[SB14-028](#)

Expand Electric Vehicle Charging Station Grants

Comment:

Position: **Support**

Short Title: Expand Electric Vehicle Charging Station Grants

Sponsors: JONES / DURAN

Summary: The bill expands the existing list of persons and entities that are eligible to receive

moneys from the electric vehicle grant fund, administered by the Colorado energy office (CEO), by adding private businesses and nonprofits and allowing the CEO to consider the extent to which grant applicants' proposed charging locations serve existing vehicles or encourages the acquisition of new vehicles.

Status: 01/28/2014 Introduced In House - Assigned to Transportation & Energy
Amendments: [Amendments](#)
Status History: [Status History](#)

[SB14-035](#) Renewable Energy Std Repeal SB 13-252

Comment:
Position: **Monitor**
Short Title: Renewable Energy Std Repeal SB 13-252
Sponsors: HARVEY / SAINÉ
Summary: In Colorado's renewable energy portfolio statute, the bill repeals substantially all of the provisions enacted by Senate Bill 13-252. Specifically, the bill reverses those provisions in the following areas:
* For cooperative electric associations serving 100,000 or more meters, for which the renewable portfolio standard for 2020 had been increased from 10% to 20%, the standard returns to 10%;
* Senate Bill 13-252's expansion of the definition of eligible energy resources is curtailed by eliminating coal mine methane and synthetic gas produced by pyrolysis of municipal waste;
* A multiplier in the formula for calculation of renewable energy credits used to accelerate the construction of new solar generation, which multiplier would have expired in 2015 under Senate Bill 13-252, is retained;
* The maximum permissible retail rate impact of compliance with the standards, which Senate Bill 13-252 increased from 1% to 2% for cooperative electric associations, returns to 1%;
* Senate Bill 13-252's additional carve-outs for distributed generation are eliminated; and
* Reporting requirements and portfolio standards for cooperative electric associations that sell electricity wholesale (qualifying wholesale utilities) are eliminated. The bill leaves intact the portions of Senate Bill 13-252 that removed preferences for energy generated in Colorado, which had engendered litigation alleging an undue burden on interstate commerce.
Status: 01/15/2014 Senate Committee on State, Veterans, & Military Affairs Postpone Indefinitely
Amendments:
Status History: [Status History](#)

[SB14-049](#) Public Transportation And Utility Endangerment

Comment:
Position: **Support**
Short Title: Public Transportation And Utility Endangerment
Sponsors: HEATH / PRIOLA
Summary: Tampering with a public transportation facility with the intent to cause damage, malfunction, or nonfunction is a crime. The bill amends the crime of endangering

public transportation to include the intent to steal material or remove material from the public transportation facility as additional ways to commit the crime. The bill clarifies that endangering public transportation applies to both freight and passenger trains. The bill creates the crime of endangering utility transmission if someone tampers with a utility transmission facility with the intent to cause damage, malfunction, nonfunction, theft, or unauthorized removal of material. The crime is a class 3 felony.

Status: 02/26/2014 Introduced In House - Assigned to Judiciary
Amendments:
Status History: [Status History](#)

[SB14-070](#)**Application CORA Assns Elected Officials**

Comment:
Position: **Monitor**
Short Title: Application CORA Assns Elected Officials
Sponsors: LUNDBERG
Summary: The bill modifies the definition of "public records" under the "Colorado Open Records Act" to include all writings made, maintained, or kept by a private association whose membership consists primarily of elected officials of one or more political subdivisions of the state or individuals holding a covered state office, as applicable, and that receives at least 10% of its revenues on an annual basis from public moneys.
Status: 01/27/2014 Senate Committee on Judiciary Postpone Indefinitely
Amendments:
Status History: [Status History](#)

[SB14-082](#)**Renewable Energy Std Adjust REAs Distributed Gen**

Comment:
Position: **Monitor**
Short Title: Renewable Energy Std Adjust REAs Distributed Gen
Sponsors: GRANTHAM
Summary: In the section of the renewable energy standard statute setting aside a specific portion of electric generating capacity that cooperative electric associations must meet through distributed generation, the bill:
* Eliminates the disparity between cooperative electric associations serving fewer than 10,000 meters and those serving 10,000 or more meters;
* Establishes a uniform 0.5% of total retail electricity sales as the target percentage for distributed generation; and
* Allows the 0.5% to be measured collectively among these associations as a group rather than individually.
Status: 02/10/2014 Senate Committee on State, Veterans, & Military Affairs Postpone Indefinitely
Amendments:
Status History: [Status History](#)

[SB14-089](#)**Prohibit State Agreements Payment In Lieu Of Tax**

Comment:	
Position:	Monitor
Short Title:	Prohibit State Agreements Payment In Lieu Of Tax
Sponsors:	SCHWARTZ / FISCHER
Summary:	Bill amended in Senate Committee to address CAMU concerns.
Status:	02/10/2014 Introduced In House - Assigned to Finance
Amendments:	Amendments
Status History:	Status History



AGENDA ITEM: 10
MEETING DATE: 3/19/2014
SUBMITTED BY: Scott Dickmeyer, Staff Engineer – Water Resources

TITLE: Water Legislative Update

SD

DESCRIPTION:

This item and the attachment are intended to give a brief update on water-related legislation being contemplated by the Colorado General Assembly. Loveland staff relies primarily on the Colorado Water Congress for information on water-related legislation. Their assistance has proved invaluable in providing the following information.

SUMMARY:

The Second Regular Session of the Sixty-ninth Colorado General Assembly convened on January 8, 2014 and will run through May 7, 2014. The Colorado Water Congress, through its State Affairs Committee, is currently tracking house and senate bills related to water. Attached is an extensive Bill dossier documenting relevant actions.

Of these, there are a few bills that City Staff finds interesting to Loveland:

1. HB-14-1030 Concerning the Establishment of Incentives for the Development of Hydroelectric Energy Systems
2. SB-14-017 Concerning a Limitation on the Approval of Real Estate Developments that Use Water Rights Decreed for Agricultural Purposes to Irrigate Lawn Grass
3. SB-14-023 Concerning an Authorization of the Voluntary Transfer of Water Efficiency Savings to the Colorado Water Conservation Board for Instream Use Purposes in Water Divisions that Include Lands West of the Continental Divide

RECOMMENDATION:

Information item only. No action required.

REVIEWED BY DIRECTOR: MS for SA

ATTACHMENTS:

Colorado Water Congress, State Affairs Committee, Water Bill Summaries, January 30, 2014.



Colorado Water Congress EST 1958

STATE AFFAIRS COMMITTEE WATER BILL SUMMARY

MARCH 3, 2014

For purpose of accuracy and clarity of intent, the initial summaries of bills are those prepared by the legislative staff bill drafter and are noted "As introduced". When amended in committee or during floor debate, the summaries are revised to reflect those changes with amendments noted in an "Amended" comment following the basic summary. Summaries will be removed when the bills are killed in committee or lost in floor vote. Summaries are intended to be descriptive and are not a legal analysis. For up to date bill status, please refer to the CWC status sheet. These bill summaries are current as of March 3, 2014.

HB14-1002 CONCERNING THE ESTABLISHMENT OF A GRANT PROGRAM UNDER THE "COLORADO WATER QUALITY CONTROL ACT" TO REPAIR WATER INFRASTRUCTURE IMPACTED BY A NATURAL DISASTER, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION

As introduced: The bill creates a natural disaster grant fund and directs the division of administration in the department of public health and environment (division) to award grants from the fund to local governments, including local governments accepting grants on behalf of and in coordination with not-for-profit public water systems, under rules promulgated by the water quality control commission for the planning, design, construction, improvement, renovation, or reconstruction of domestic wastewater treatment works and public drinking water systems that have been impacted, damaged, or destroyed in connection with a natural disaster. The division may only award grants to be used in counties for which the governor has declared a disaster emergency by executive order or proclamation under section 24-33.5-704, C.R.S. The division is required to award grants for the 2014-15 fiscal year and, as needed, for the 2015-16 fiscal year, to eligible local governments that have domestic wastewater treatment works, public drinking water systems, or on-site wastewater treatment systems impacted, damaged, or destroyed in connection with the flood of September 2013. The bill appropriates \$12,000,000 to the fund. On September 1, 2015, the state treasurer is directed to transfer any unencumbered moneys remaining in the fund to the nutrients grant fund.

Sponsors: Rep. Young/Sen. Jones

HB14-1005 CONCERNING CLARIFICATION OF THE REQUIREMENTS APPLICABLE TO A CHANGE OF POINT OF WATER DIVERSION.

As introduced: A statute enacted in 1881 allows the owner of a ditch to relocate the ditch's headgate if changes to the stream prevent the headgate from effectuating the diversion. The "Water Right Determination and Administration Act of 1969" (1969 act) requires changes of water rights, including changes of points of diversion, to be adjudicated. The 1969 act does not exempt changes authorized by the 1881 act. The bill clarifies that a water right owner may relocate a ditch headgate pursuant to the 1881 act without filing for a change of water right under the 1969 act if the relocation does not physically interfere with the complete use or enjoyment of any ditch, canal or feeder.

Amended in committee: to replace reference to ditch, canal or feeder with reference to absolute or decreed conditional water rights.

Sponsors: Reps. Sonnenberg and Young/ Sens. Lundberg and Kefalas

HB14-1008 CONCERNING THE AUTHORIZATION OF THE COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY TO MAKE LOANS TO PRIVATE ENTITIES FOR PURPOSES OF FOREST HEALTH PROJECTS

Wildfire Matters Review Committee. **As introduced:** The bill authorizes the Colorado water resources and power development authority to make loans to private entities for purposes of forest health projects contemplated by legislation passed in 2013.

Amended in House to provide that any liens filed shall have priority in the order filed and to define that a “private entity” means any person as individual, firm, partnership, association, or corporation, or two or more or any combination thereof.

Sponsors: Rep. Hamner and Sen. Schwartz

HB14-1026 CONCERNING THE AUTHORIZATION OF FLEXIBLE WATER MARKETS

Water Resources Review Committee. **As introduced:** Under the anti-speculation doctrine, current water court proceedings governing an application to change the beneficial use of an irrigation water right require the applicant to designate a specific alternative beneficial use identified at the time of the application. The bill creates a more flexible change-in-use system by allowing an applicant who seeks to implement fallowing, regulated deficit irrigation, reduced consumptive use cropping, or other alternatives to the permanent dry-up of irrigated lands to apply for a change in use to any beneficial use, without designating the specific beneficial use to which the water will be applied. Section 1 of the bill defines "flex use" to mean an application of the fully consumptive portion of water that has been subject to a water right change-in-use proceeding to any beneficial use. It also redefines "appropriation" to exclude flex use from the anti-speculation doctrine. Sections 2 and 3 describe the procedures for obtaining a flex use change-in-use decree and a flex use substitute water supply plan.

Amended in committee clarifying that flexible consumptive use includes the return flows associated with historic use of the water right lawfully appropriated in a change case quantifying the fully consumptive use portion of the right in time, place and amount. The flexible right must be put to beneficial use which could include a compact obligation within the water division of the historic use. The water court retains jurisdiction to reconsider, and may set terms and conditions. If irrigation ceases on the entire property for three consecutive years, the flexible use right is nullified without further action by the water judge. The right may then be used only for irrigation unless the owner of the right proceeds with a new change of use case.

Sponsors: Rep. Fischer/Sen. Schwartz

HB14-1028 CONCERNING A LIMITATION ON THE UNITED STATES' ABILITY TO IMPOSE CONDITIONS ON A WATER RIGHT OWNER IN EXCHANGE FOR PERMISSION TO USE LAND

Water Resources Review Committee. **As introduced:** The bill specifies that if the United States obtains a water right as a result of a transfer or conveyance required as a condition to a special use permit or other authorization to enter upon or use federally owned land, the water right was originally appropriated by a person other than the United States, and the water right is not a federal reserved water right, the water right is presumed to be held by the United States for speculative purposes. Such a water right is not

automatically abandoned but is forfeited by the United States and reverts to the prior owner for continued use under its original priority.

Amended in committee to state that the bill does not impact U.S. authority for bypass flows; make the presumption of speculation rebuttable.

Sponsors: Rep.Sonnenberg/Sen. Roberts

HB14-1030 CONCERNING THE ESTABLISHMENT OF INCENTIVES FOR THE DEVELOPMENT OF HYDROELECTRIC ENERGY SYSTEMS

Water Resources Review Committee. **As introduced:** In order to promote the construction and operation of hydroelectric energy facilities in Colorado, the bill provides the following incentives:

- * Section 1 of the bill requires the state electrical board to approve the installation of a motor as a generator for a hydroelectric energy facility if the installation would be approved but for the fact that the motor is not being used in a manner commensurate with its nameplate;

- * Section 2 authorizes the department of natural resources to serve as the coordinating state agency for obtaining and compiling state agency comments about an application for a license or license exemption from the federal energy regulatory commission.

Amended in House committee to delete sections 3-5 dealing with hydroelectric energy systems similar to ownership in a solar garden (e.g., common ownership). **Also amended in House** to describe the scope of inspection of a hydroelectric energy turbine generator and establish the Energy Office as the coordinator for state agency review of a proposed project.

Sponsors: Reps. Coram and Mitch Bush/Sens. Schwartz and Roberts

HB14-1052 CONCERNING AN INCREASE IN THE ENFORCEMENT AUTHORITY OF GROUND WATER MANAGEMENT DISTRICTS

As introduced: Ground water management districts are currently authorized to enforce the terms of permits issued for small-capacity wells. The bill authorizes a district to:

- * Enforce permits for all wells located within the district;
- * Enforce the district's rules with regard to those wells;
- * Issue orders requiring compliance with the rules and permits; and
- * Apply to a district court to collect civil fines against a well owner who does not comply with an order.

Amended on House floor to require the Commission, State Engineer, and District to coordinate enforcement actions so as to avoid multiple actions filed with regard to the same violation or failure to comply.

Amended in Senate committee to clarify that enforcement of a district order pursuant to the article must concern the well (instead of any order) and sets forth required procedures for giving notice of the order or injunctive proceeding.

Sponsors: Rep. Fischer/Sen. Jones

HB14-1184 CONCERNING CONSERVANCY DISTRICTS THAT ARE ORGANIZED FOR THE PURPOSE OF PREVENTING FLOODS.

Conservancy districts may be formed by a local election to reduce flood risk, conserve or develop water resources, or participate in the development of parks or recreational facilities. **Section 1** of the bill

clarifies that when a director no longer resides within a conservancy district, a vacancy is created on the district's board of directors. The remainder of the bill applies only to the board of the Pueblo water conservancy district.

Amended in House committee to create a vacancy when a director no longer owns property in the district; changes the board to 9 directors; and provides that the directors who fill the vacancies of the holdover directors shall represent the City of Pueblo, who shall be appointed by the governing body of the City. Sets forth requirements for appointments of the new directors. States that the directors serve at the pleasure of the respective appointing authorities who shall fill board vacancies.

Sponsors: Rep. Vigil and Sen. Grantham

HB14-1218 CONCERNING THE USE OF SURFACE WATER TO REPLACE OUT-OF-PRIORITY GROUNDWATER DEPLETIONS WITHOUT REQUIRING ADDITIONAL WATER COURT APPROVAL PURSUANT TO A STREAMLINED APPROACH ADOPTED BY THE STATE ENGINEER AS A PILOT PROJECT

As introduced: The bill allows the use of surface water to replace or augment out-of-priority groundwater depletions without the necessity of filing an application for a change of water right if both the surface water and the well have been decreed or permitted for use on the same parcel of land, the use of the surface water does not result in any enlargement in the use of water, and the use complies with a rule adopted by the state engineer. Section 1 of the bill alters the definition of a change of a water right, and section 2 amends the augmentation and replacement statute for tributary water. Section 3 authorizes the state engineer to adopt the rule as a pilot project and repeals the authority on September 1, 2020.

Sponsors: Rep. Fischer

HB14-1219 CONCERNING MAINTENANCE OBLIGATIONS FOR WATER CONVEYING STRUCTURES

Summary removed because bill was killed in committee.

Sponsors: Rep. Rankin

SB14-017 CONCERNING A LIMITATION ON THE APPROVAL OF REAL ESTATE DEVELOPMENTS THAT USE WATER RIGHTS DECREED FOR AGRICULTURAL PURPOSES TO IRRIGATE LAWN GRASS

As introduced: The bill prohibits a local government from approving an application for a development permit unless the local government has adopted an enforceable resolution or ordinance that limits, as a prerequisite for approval of the development permit, the amount of irrigated grass on residential lots in the development to no more than 15% of the total aggregate area of all residential lots in the development. "Irrigated" means supplied with water for lawn grass and does not include the use of raw water for irrigation. The 15% limit applies only if any part of the water supply for the development is changed from agricultural irrigation purposes to municipal or domestic use on or after January 1, 2016.

Amended in committee to delegate authority for enforcement to the board of directors of a common interest community (such as an HOA) and to provide local governments with the sole discretion to determine the stage in the development permit approval process at which the limitation applies.

Amendment to be offered during second reading would place issue of lawn irrigation and conservation measures into the Water Resources Review Committee.

Sponsors: Sen. Roberts/Rep. Vigil

SB14-023 CONCERNING AN AUTHORIZATION OF THE VOLUNTARY TRANSFER OF WATER EFFICIENCY SAVINGS TO THE COLORADO WATER CONSERVATION BOARD FOR INSTREAM USE PURPOSES IN WATER DIVISIONS THAT INCLUDE LANDS WEST OF THE CONTINENTAL DIVIDE

As introduced: Section 1 of the bill defines "water efficiency savings" as that portion of a water right used solely for agricultural irrigation or stock watering purposes in water division 4, 5, 6, or 7 that is nonconsumptive under existing practices and that results from efficiency measures, determined as the difference between:

- * The lesser of the decreed diversion amount and the maximum amount that had been historically diverted using the existing facilities for a beneficial use under reasonably efficient practices to accomplish without waste the purpose for which the appropriation was lawfully made; and
 - * The diverted amount needed to meet the decreed beneficial use after increased efficiency in the means of diversion, conveyance, storage, application, or use. Section 2 allows water efficiency savings to be changed or loaned, pursuant to existing water court and water loan statutes, only to the Colorado water conservation board, only for instream use, and only if:
 - * The application was filed within 2 years after the diversions were decreased due to efficiency measures;
 - * The change or loan will not materially injure decreed water rights; and
 - * The change or loan will not adversely affect Colorado's interstate compact entitlements or obligations.
- The change decree or loan approval must identify the amount of water efficiency savings and the stream reaches within which water efficiency savings, as changed or loaned, will be used. Water efficiency savings that have been changed or loaned are not subject to abandonment. The parties who enter into a change or loan of water efficiency savings may provide conditions by which the original decreed diversion rate may be preserved for a future use by the water right owner who implements the efficiency measures if use of the efficiency measures is discontinued.

Note: Numerous amendments may be offered in committee.

Sponsors: Sen. Schwartz

SB14-025 CONCERNING GRANTS FOR DOMESTIC WASTEWATER TREATMENT WORKS FOR SMALL COMMUNITIES

Water Resources Review Committee. **As introduced:** Sections 1 and 2 of the bill clarify that severance tax dollars credited to the small communities water and wastewater grant fund may be used for domestic wastewater treatment works. Section 3 repeals a statute that separately governs the funding, through grant-making, of domestic wastewater treatment works for small municipalities and that substantially duplicates the provisions added and amended by sections 1 and 2. As written, municipalities with 5,000 or fewer in population are eligible for the grants which will be awarded according to criteria established by the Colorado Department of Public Health & Environment.

Amended in committee: Reference to "domestic wastewater" grants was deleted from a more generic reference to grants and projects.

Sponsors: Sen. Hodge/Rep. Fischer

SB14-026 CONCERNING THE REMOVAL OF CERTAIN STATUTORY PRINTING

REQUIREMENTS FOR INFORMATION PROVIDED BY THE DIVISION OF WATER RESOURCES

Water Resources Review Committee. **As introduced and sent to Governor :** The state engineer and the division engineers throughout the state are required to make a number of reports, tabulations, and other written materials available to the public by printing them out and mailing them to interested parties. With electronic mail and the internet, these written materials can be disseminated without printing copies. The bill updates statutes to remove printing requirements for the following written materials:

- * The state engineer's annual report to the general assembly, as reflected in section 1;
- * Division engineers' tabulations of decreed and conditional water rights, as reflected in section 2; and
- * Decisions concerning substitute water supply plans, as reflected in section 3 of the bill.

Sponsors: Sen. Hodge/Rep. Vigil

SB14-072 CONCERNING TREATMENT OF THE SEPTEMBER 2013 FLOODS AS REPLACING CERTAIN OUT-OF-PRIORITY GROUNDWATER DEPLETIONS IN WATER DIVISION 1

Summary removed because bill was killed in committee.

Sponsor: Sen. Brophy

SB14-089 CONCERNING A PROHIBITION FOR THE STATE TO ENTER INTO AN AGREEMENT FOR A PAYMENT IN LIEU OF TAXES

Capital Development Committee **As introduced:** The bill clarifies that the state is exempt from any requirement for a payment in lieu of property taxes for property that it owns or leases. The bill also specifies that neither the state nor any of its political subdivisions may agree to make any form of a payment in lieu of property taxes in connection with any property that it owns or leases.
(Background) This issue arose out of the proposed acquisition of a building for the Dept. of Agriculture.
Amended in committee to allow the state to enter into agreements to mitigate a portion of the lost revenue resulting from the state's ownership of the property.

Sponsors: Sen. Schwartz/Rep. Fischer

SB14-103 CONCERNING THE PHASE OUT OF THE SALE OF CERTAIN LOW EFFICIENCY PLUMBING FIXTURES

As introduced: The bill defines a "watersense-listed plumbing fixture" as one that has been:

- * Tested by an accredited third-party certifying body or laboratory in accordance with the federal environmental protection agency's WaterSense program;
- * Certified by such body or laboratory as meeting the performance and efficiency requirements of the program; and
- * Authorized by the program to use its label. Current law requires water-efficient indoor plumbing fixtures in only three contexts:
 - * Builders of new single-family detached residences must offer the buyers toilets, faucets, and showerheads that meet the current standards of the WaterSense program;
 - * Tank-type water closets and flushometer toilets in new state buildings must meet certain standards that are either less stringent than or as stringent as the current WaterSense standards; and

* New construction and renovation of residential structures and office, commercial, or industrial buildings must meet standards that are less stringent than the current WaterSense standards. Section 1 of the bill prohibits the sale of lavatory faucets, shower heads, flushing urinals, tank-type toilets, and tank-type water closets on and after September 1, 2016, unless they are a watersense-listed plumbing fixture.

Sections 2 through 5 amend or repeal conflicting portions of current law.

Amended in committee to clarify that the prohibition does not extend to an individual selling a residence that contains low-efficiency fixtures (no obligation to retrofit).

Sponsors: Sen. Guzman/Rep. Fischer

SB14-105 CONCERNING THE ELIMINATION OF THE REQUIREMENT THAT A PORTION OF THE FEES COLLECTED FOR THE WATER RESOURCES CASH FUND BE TRANSFERRED TO THE STATE GENERAL FUND

JBC Bill. As introduced and passed by Senate: The division of water resources collects and administers multiple fees that are deposited into the water resources cash fund. For some of those fees, a portion is currently required to be credited to the general fund. Commencing July 1, 2014, the bill repeals this requirement so that all of the fee revenue goes to the water resources cash fund

Sponsors: Sen. Lambert/Reps. Duran and Gerou

SB14-115 CONCERNING PROCEDURAL REQUIREMENTS APPLICABLE TO STATE WATER PLANS

As introduced: The bill requires the Colorado water conservation board to hold a hearing on a draft state water plan within each basin roundtable, update the plan based on public comments, and present the draft plan to the water resources review committee. The committee must vote on whether to introduce legislation that would approve the plan. The plan does not embody state water policy unless the general assembly, acting by bill, approves the plan.

Amended in committee by a strike below that sets forth the respective roles for the CWCB and the legislature in establishing water policy for the state. The amendment was a compromise between the Executive and Legislative branches with input from the Water Congress. The amendment sets forth certain public hearings which must be held including some in conjunction with the Water Resources Review Committee.

Sponsors: Sen. Roberts and Sen. Schwartz/Rep. Fischer and Rep. Coram

SB14-134 CONCERNING THE REPEAL OF STATUTORY FEE SCHEDULES APPLICABLE TO WATER QUALITY

Summary removed because bill was killed in committee.

Sponsors: Sen. Hodge/Reps. May and Gerou

SB14-142 CONCERNING AN EXCEPTION FOR CERTAIN WATER SYSTEM FACILITIES FROM THE FACILITIES THAT THE COMMISSIONER OF AGRICULTURE HAS A DUTY TO INSPECT REGARDING PESTICIDE STORAGE

As introduced and passed by the Senate: The commissioner of agriculture regulates the use of agricultural chemicals in Colorado. As part of that duty, the commissioner inspects all facilities in

Colorado that store pesticides, including public water systems and domestic wastewater treatment works; however, public water systems and domestic wastewater treatment works are also inspected by the water quality control division in the Colorado department of public health and environment to facilitate the water quality control commission's regulation of water quality throughout the state. The bill eliminates these facilities from the commissioner's regulation requirements.

Sponsors: Sen. Schwartz/Rep. Fischer

SB14-145 CONCERNING INCENTIVES FOR THE CONSERVATION OF WATER

As introduced: The bill requires certain local governments to consider whether tap fees should be reduced if a developer commits to the implementation of water efficiency and conservation measures with regard to irrigated landscapes, including open space and residential lawns, within the subdivision. Section 1 applies to counties, section 2 applies to municipalities, and section 3 applies to special districts that supply water. Sections 1 and 2 also prohibit county and municipal subdivision regulations from mandating a minimum percentage of a subdivision that must consist of irrigated vegetation or requiring the irrigation of medians. Section 4 directs the Colorado water conservation board, in its awards of incentive grants for the design and implementation of water efficiency and conservation measures, to give priority to public agencies that require new subdivisions to implement water efficiency and conservation measures with regard to irrigated landscapes, including open space and residential lawns.

Sponsors: Sen. Hodge and Sen. Roberts

SB14-147 CONCERNING A STUDY TO DETERMINE THE IMPACT OF INCREASED ALLUVIAL WELL PUMPING IN DISTRICT 2 OF WATER DIVISION 1

As introduced: The bill authorizes the state engineer to conduct a study to determine the impact of increased alluvial well pumping in district 2 of water division 1 on surface stream flows in the South Platte river and alluvial levels in the South Platte alluvial aquifer.

During the five-year period of the study, the State Engineer is directed to authorize a 25% increase in well pumping by all wells that are part of an adjudicated augmentation plan and located within the study area. As determined by the amount each well is permitted to withdraw under the terms and conditions of the augmentation plan. Well owners are allowed to apply the additional withdrawn water to beneficial irrigation within the study area. Certain presumptions are set forth for the increased consumptive use.

Sponsors: Senators. Renfroe, Brophy and Lundberg/Representatives Fischer, Saine and Humphrey

SJR14-004 CONCERNING APPROVAL OF WATER PROJECT REVOLVING FUND ELIGIBILITY LISTS ADMINISTERED BY THE COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY

As introduced and passed by Senate and House: Contains the annual listing of projects eligible to receive grants for drinking water and water pollution control projects from the fund administered by the Water Resources and Power Development Authority.

Sponsors: Sen. Schwartz and Rep. Fischer



AGENDA ITEM: 11
MEETING DATE: 3/19/2014
SUBMITTED BY: Scott Dickmeyer, Staff Engineer – Water Resources

TITLE: Water Supply Update

SD

DESCRIPTION:

Projection for raw water supply in 2014

SUMMARY:

Attached is the Snow–Water Equivalent chart for Bear Lake station as of Tuesday, March 11, 2014. Water Resources Staff generated this chart to show a range of low, median, and high years as well as the current year-to-date snow accumulation for the Bear Lake SNOTEL station in the Big Thompson Watershed. Snowpack for the Bear Lake station continues to chart above average. Long range forecasts do not currently indicate any drier than normal conditions setting up for the spring, but that could always change (i.e. 2012).

The March 1, 2014 issue of Reclamation’s “Water Supply and Utilization Report” is also attached for your information. All sites within the Project collection areas are above average on snow-water content. Most probable runoff forecasts for the Big Thompson Basin for March 1 were right around 127% of average, with 118,000 AF flowing in the river April-July. Local reservoir storage values are higher than average because of filling which occurred during the September storms. Consequently, diversions to local storage in the spring are expected to be lower than normal, adding to the usual river flows occurring at that time below those diversions.

Northern’s March 1, 2014 “Snowpack and Streamflow Comparisons” estimate is also attached. This shows the most probable streamflow estimate to be 128% of average.

RECOMMENDATION:

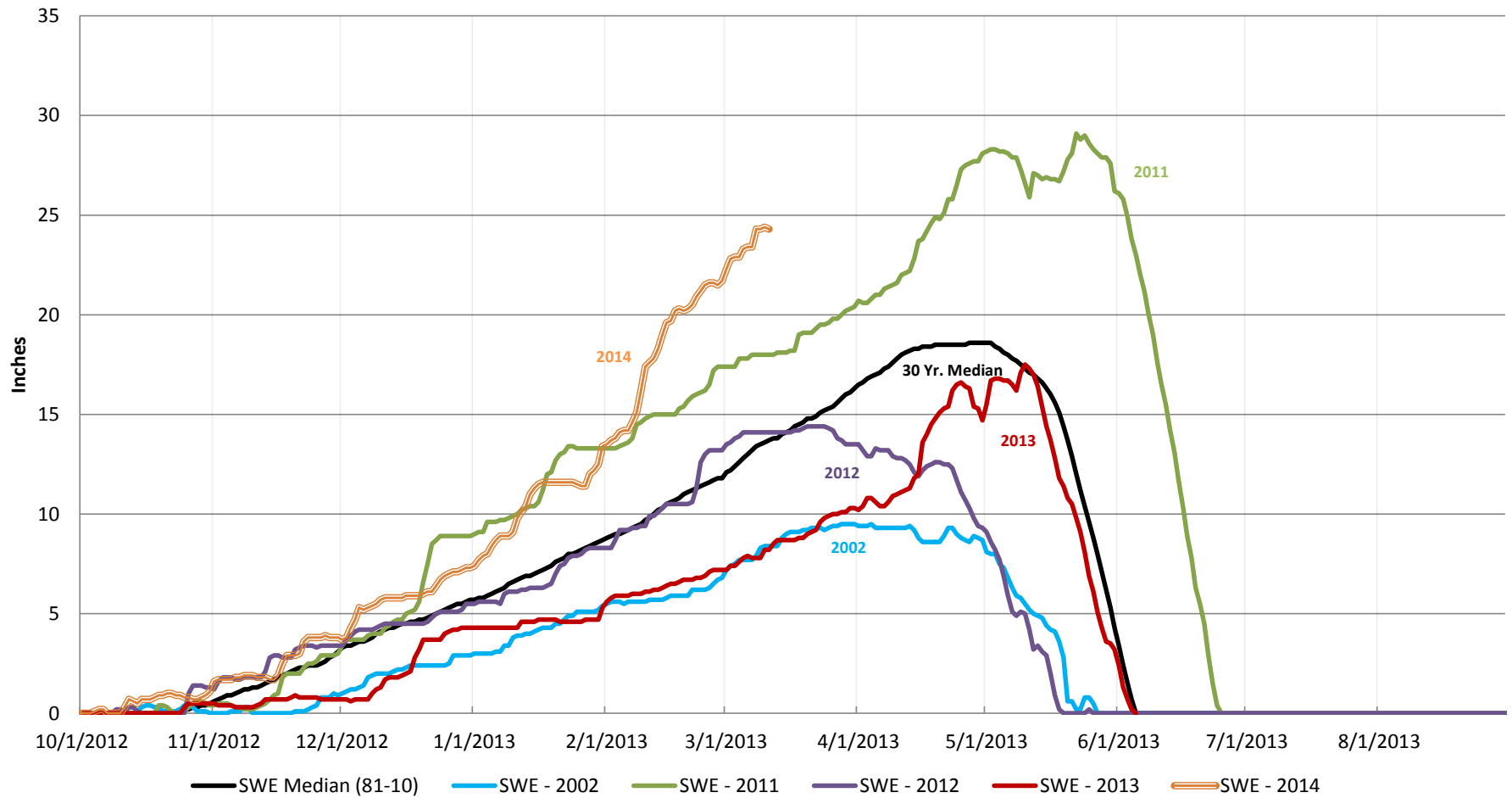
Information item only. No action required.

REVIEWED BY DIRECTOR: MS for SA

ATTACHMENTS:

Snow–Water Equivalent Chart for Bear Lake SNOTEL Station
March 1, 2014 USBR “Water Supply and Utilization Report”
March 1, 2014 Northern Water “Snowpack and Streamflow Comparisons”

Snow - Water Equivalent: March 11, 2014 Bear Lake



WESTERN DIVISION SYSTEM
RESOURCES DIVISION
LOVELAND, COLORADO

MARCH 1, 2014
WATER SUPPLY AND UTILIZATION REPORT
WESTERN DIVISION SYSTEM
PICK-SLOAN MISSOURI BASIN PROGRAM

PRECIPITATION ABOVE AVERAGE
TEMPERATURES VARIED

Precipitation was above average over the Colorado-Big Thompson Project (Project) during February. The Poudre watershed was the lowest at 133 percent of average. The Green Mountain watershed was the highest at 208 percent of average.

Temperatures over the Project were varied for February.

PRECIPITATION

Watershed	February Precipitation			October-February Precipitation		
	2014 (Inches)	Avg <u>1</u> / (Inches)	% of Avg	WY2014 (Inches)	Avg <u>1</u> / (Inches)	% of Avg
Green Mtn.	2.60	1.25	208	9.11	6.27	145
Willow Crk.	2.14	1.10	195	6.73	5.88	114
L. Granby	2.14	1.10	195	6.73	5.88	114
L. Estes	1.41E	0.80	176E	6.65E	4.28	155E
St. Vrain	1.41E	0.80	176E	6.65E	4.28	155E
Poudre	0.64	0.48	133	4.33	3.03	143

1/ 30 year average, 1981-2010

E estimated

INFLOWS ABOVE AVERAGE

Inflows were above average over the Project during February. The inflow to Green Mountain Reservoir was the lowest at 109 percent of average. The inflow to Lake Estes was the highest at 230 percent of average. Water year to date (October-February) inflows have been 147 percent of average.

RESERVOIR INFLOW

Reservoir	February Inflow			October-February Inflow		
	2014 (KAF)	Avg <u>1</u> / (KAF)	% of Avg	WY 2014 (KAF)	Avg <u>1</u> / (KAF)	% of Avg
Green Mtn.*	8.4	7.7	109	61.5	50.9	121
Willow Crk.	0.9	0.8	112	6.2	5.0	124
L. Granby	4.7	3.1	152	37.4	21.2	176
L. Estes <u>2</u> /	2.3	1.0	230	21.0	8.4	250

*Total runoff of the watershed above Green Mountain does not include depletions by Denver and Colorado Springs.

1/ 30 year average, 1981-2010

2/ Lake Estes Computed Inflow

TRANSMOUNTAIN DIVERSIONS ABOVE AVERAGE

Transmountain diversions through Adams Tunnel during February were 135 percent of average. During February, 29,600 acre-feet of water was brought through the tunnel. Water year to date (October-February) diversions have been 79 percent of average.

TRANSMOUNTAIN DIVERSION

Adams Tun.	February			October-February		
	2014 (KAF)	Avg <u>1</u> / (KAF)	% of Avg.	WY 2014 (KAF)	Avg <u>1</u> / (KAF)	% of Avg
	29.6	21.9	135	78.5	99.7	79

1/ 30 year average, 1981-2010

RESERVOIR STORAGE VARIED

The Lake Granby storage of 323,900 acre-feet on February 28 was 8,100 acre-feet below average and 101,700 acre-feet higher than 1 year ago on this date. Terminal reservoir storage in Carter Lake and Horsetooth Reservoir was 89 and 99 percent of average, respectively.

Colorado-Big Thompson Project storage water in Lake Granby, Carter Lake, and Horsetooth was 515,000 acre-feet on February 28 which was 18,800 acre-feet below average and 64 percent of the total available storage capacity.

RESERVOIR STORAGE

Reservoir	Total Storage on February 28						Total Storage Cap.(KAF)
	2014 (KAF)	2014 (%of Avg)	2013 (KAF)	2012 (KAF)	2011 (KAF)	1981-10 Avg(KAF)	
Green Mtn	72.4	98	60.6	82.4	72.9	73.5	153.6
L. Granby	323.9	98	222.2	431.8	423.3	332.0	539.8
Horse- tooth	111.0	99	93.8	140.6	100.2	111.7	156.7
Carter L.	80.1	89	85.3	60.3	75.1	90.1	112.2
Dillon	237.2	108	166.9	244.1	222.3	219.4	254.0
Williams Fork	76.5	152	42.1	80.6	80.0	50.4 <u>1</u>	96.8
Project	Total Storage Water in Lake Granby, Carter Lake, and Horsetooth Reservoir on February 28						
CBT	515.0	96	401.3	632.7	598.6	533.8	808.7

1/ 20 year average, 1970-1989.

SNOWPACK WATER CONTENT WELL ABOVE AVERAGE

Snowpack water content on March 1 was 143 percent of the 1981-2010 average throughout the Project watersheds. The Willow Creek watershed was the lowest at 137 percent of average. The highest snowpack water content on the Project was recorded for the St Vrain watershed at 156 percent of average.

The snowpack update graph on the next page are readings from the Natural Resource Conservation Service automated SNOTEL sites (for snowpack telemetry). This system has replaced many of the manual measurements at the remote sites. The 1981-2010 median is being used.

Watershed	Mar 1 Snow-Water Content			Comparative Mar 1 Snow-Water Content			
	2014 (In.)	Avg. (In.)	% of Avg.	2013 (In.)	2012 (In.)	2011 (In.)	2010 (In.)
Green Mtn	16.3	11.7	139	7.1	9.2	16.1	8.9
Willow C	11.1	8.1	137	6.9	6.7	12.4	5.2
L. Granby	13.4	9.6	140	6.5	7.7	14.7	7.4
L. Estes	12.4	8.3	149	4.4	8.6	12.8	6.9
St. Vrain	12.5	8.0	156	3.8	8.6	10.3	5.4
Poudre	14.4	10.2	141	7.3	10.6	15.1	8.7

WATER SUPPLY OUTLOOK IS MOSTLY ABOVE AVERAGE

Current March 1 water supply forecasts are mostly above average over the Project watersheds. Forecasted April-July volumes range from 97 percent of average for the St Vrain Creek at Lyons watershed to 139 percent of average for the Poudre River at the Canyon Mouth watershed.

Mar 1 2014 Forecast of Apr-Jul Volume (KAF)									
Fore- Cast Point	Chance of Exceeding					Comparative Apr-Jul Volume (KAF)			
	95% Reason- able Min <u>1/</u>	75%	50% Most Probable	25 %	5% Reason- able Max <u>1/</u>	2013	2012	Avg <u>2/</u>	Most ProbAble % avg
Green Mtn Res	320	348	368	387	415	230	119	273	134
Willow Crk Res	53	60	64	69	76	47	20	48	133
Lake Granby	221	243	258	273	294	186	107	197	131
Big Thompson River Above L.Estes	68	79	86	93	103	63	35	70	123
Big Thompson R. at Canyon Mouth	80	102	118	133	155	3/	38	93	127
St Vrain Crk at Lyons	56	72	84	96	113	3/	46	87	97
Poudre R. at Canyon Mouth	220	276	315	354	410	3/	99	226	139

1/ The probability is estimated to be 9 chances in 10 that the actual volume will fall between the reasonable minimum and reasonable maximum.

2/ Historical average:

Green Mtn: 1928-2013, Willow C: 1920-2013, Granby: 1928-2013, BT above Estes: 1936-2013, BTR @Canyon: 1947-2012, ST Vrain: 1954-2012, Poudre: 1954-2012

3/ Not available at this time.

Snowpack and Streamflow Comparisons March 1, 2014



Snow Water Content

% of Average

Colorado's Statewide Snowpack	116%
Upper Colorado River ⁽¹⁾	133%
South Platte Tributaries ⁽²⁾	153%

Snow-Water Content Comparisons (inches)

Watershed	March 1, 2014 Snow-Water Content			March 1 Comparative Snow-Water Content			
	2014	Average	% Avg	2013	2012	2011	2002
Blue River	15.7	11.3	138%	60%	79%	134%	72%
Upper Colorado River	17.6	12.7	139%	61%	81%	136%	65%
Willow Creek	10.1	8.6	118%	81%	74%	140%	64%
Fraser River	16.0	11.7	137%	69%	66%	129%	67%
Poudre River	15.3	11.4	134%	66%	95%	138%	62%
Big Thompson River	17.9	11.4	157%	50%	100%	142%	59%
St. Vrain River	14.4	8.9	162%	57%	112%	135%	51%
Boulder Creek	14.2	9.0	158%	64%	113%	121%	55%

Apr-Jul Maximum, Minimum

and Most Probable Streamflow Forecasts (1000 af)

Watershed	Forecast Minimum	Most Probable	Forecast Maximum	Apr-Jul Avg ⁽³⁾	Most Prob % Average
Blue River	299	388	489	275	141%
Upper Colorado River	230	300	378	220	136%
Willow Creek	42	59	79	47	126%
Fraser River	109	148	194	113	131%
Poudre River	188	295	462	225	131%
Big Thompson River	76	115	175	90	128%
St. Vrain River	69	109	171	88	124%
Boulder Creek	46	64	86	54	119%
South Platte Tributaries		583		457	128%

Precipitation within District Boundaries

	Totals	Average	% Average
February	0.39	0.34	115%
Nov-Feb	1.91	1.82	105%

(1) Includes the Colorado, Willow Creek, Fraser and Blue River Watersheds

(2) Includes the Poudre, Big Thompson, Saint Vrain and Boulder Creek Watersheds

(3) Average for the period 1981-2010



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: 12
MEETING DATE: 3/19/2014
SUBMITTED BY: Jim Lees, Utility Accounting Manager *JS*

TITLE: Financial Report Update

DESCRIPTION:

This item summarizes the monthly and year-to-date financials for February 2014.

SUMMARY:

The February 2014 financial reports are submitted for Commission review. The following table summarizes the sales and expense results for the month of February, and the February Year-To-Date results in comparison to the same periods from 2013. The summarized and detailed monthly financial statements that compare February Year-To-Date actuals to the 2014 budgeted figures are attached.

	Feb				Feb Year-To-Date			
	2014	2013	\$ Ovr/(Und) vs. 2013	% Ovr/(Und) vs. 2013	2014	2013	\$ Ovr/(Und) vs. 2013	% Ovr/(Und) vs. 2013
WATER								
Sales	\$578,025	\$514,558	\$63,467	12.3%	\$1,222,625	\$1,052,485	\$170,139	16.2%
Operating Expenses	\$1,519,104	\$719,832	\$799,272	111.0%	\$1,969,477	\$1,028,901	\$940,576	91.4%
Capital (Unrestricted)	\$262,909	\$101,081	\$161,828	160.1%	\$275,706	\$602,031	(\$326,325)	-54.2%
WASTEWATER								
Sales	\$639,282	\$591,584	\$47,698	8.1%	\$1,375,022	\$1,216,478	\$158,544	13.0%
Operating Expenses	\$381,389	\$350,589	\$30,801	8.8%	\$599,398	\$552,079	\$47,319	8.6%
Capital (Unrestricted)	\$55,483	\$13,702	\$41,781	304.9%	\$55,493	\$25,832	\$29,661	114.8%
POWER								
Sales	\$3,937,746	\$3,971,687	(\$33,941)	-0.9%	\$8,777,400	\$8,332,111	\$445,289	5.3%
Operating Expenses	\$3,644,731	\$3,529,240	\$115,491	3.3%	\$7,477,337	\$7,168,987	\$308,350	4.3%
Capital (Unrestricted)	\$383,471	\$666,272	(\$282,801)	-42.4%	\$482,006	\$931,409	(\$449,403)	-48.2%

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 02/28/2014
Preliminary

	* TOTAL BUDGET FYE 12/31/2014 *	YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
1 REVENUES & SOURCES	*	*			
2 Hi-Use Surcharge	* 43,000 *	524	7,160	(6,636)	-92.7%
3 Raw Water Development Fees/Cap Rec Surcharge	* 349,000 *	34,311	58,160	(23,849)	-41.0%
4 Cash-In-Lieu of Water Rights	* 45,000 *	0	7,500	(7,500)	-100.0%
5 Native Raw Water Storage Fees	* 5,000 *	0	840	(840)	-100.0%
6 Loan Payback from Wastewater	* 0 *	0	0	0	0.0%
7 Raw Water 1% Transfer In	* 839,990 *	95,247	88,170	7,077	8.0%
8 Interest on Investments	* 322,850 *	38,990	53,800	(14,810)	-27.5%
9 TOTAL REVENUES & SOURCES	* 1,604,840 *	169,071	215,630	(46,559)	-21.6%
10 OPERATING EXPENSES	*	*			
11 Windy Gap Payments	* 833,730 *	0	0	0	0.0%
12 TOTAL OPERATING EXPENSES	* 833,730 *	0	0	0	0.0%
13 NET OPERATING REVENUE/(LOSS) (excl depr)	* 771,110 *	169,071	215,630	(46,559)	-21.6%
14 RAW WATER CAPITAL EXPENDITURES	* 1,050,000 *	0	89,510	(89,510)	-100.0%
15 ENDING CASH BALANCES	*	*			
16 Total Available Funds	* 14,297,344				
17 Reserve - Windy Gap Cash	* 4,215,236				
18 Reserve - 1% Transfer From Rates	* 3,049,352				
19 Reserve - Native Raw Water Storage Interest	* 1,559,735				
20 TOTAL RAW WATER CASH	* 23,121,667				
21 MINIMUM BALANCE (15% OF OPER EXP)	* 125,060				
22 OVER/(UNDER) MINIMUM BALANCE	* 22,996,608				

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

City of Loveland
Financial Statement-Water
For Period Ending 02/28/2014
Preliminary

	TOTAL BUDGET FYE 12/31/2014	YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
1 **UNRESTRICTED FUNDS**	*	*			
2 REVENUES & SOURCES	*	*			
3 Water Sales	11,264,720	1,222,625	1,185,510	37,115	3.1%
4 Raw Water Transfer Out	(839,990)	(95,247)	(88,170)	(7,077)	8.0%
5 Wholesale Sales	71,380	2,486	1,260	1,226	97.3%
6 Meter Sales	38,740	3,670	4,270	(600)	-14.1%
7 Interest on Investments	114,730	11,276	19,120	(7,844)	-41.0%
8 Other Revenue	1,089,950	784,912	793,160	(8,248)	-1.0%
9 External Loan Monies Received	0	0	0	0	0.0%
10 TOTAL REVENUES & SOURCES	11,739,530	1,929,723	1,915,150	14,573	0.8%
11 OPERATING EXPENSES	*	*			
12 Source of Supply	1,876,150	347,419	349,770	(2,351)	-0.7%
13 Treatment	2,805,200	226,860	173,190	53,670	31.0%
14 Distribution Operation & Maintenance	2,666,610	258,283	239,780	18,503	7.7%
15 Administration	557,450	47,143	81,640	(34,497)	-42.3%
16 Customer Relations	238,900	22,086	16,810	5,276	31.4%
17 PILT	729,730	78,916	61,300	17,616	28.7%
18 1% for Arts Transfer	55,420	311	0	311	0.0%
19 Services Rendered-Other Departments	1,034,610	155,128	147,040	8,088	5.5%
20 Internal Loan Debt Expense	810,000	832,800	810,000	22,800	2.8%
21 External Loan Debt Expense	651,200	532	233,800	(233,268)	-99.8%
22 TOTAL OPERATING EXPENSES	11,425,270	1,969,477	2,113,330	(143,853)	-6.8%
23 NET OPERATING REVENUE/(LOSS)(excl depr)	314,260	(39,755)	(198,180)	(799,929)	-79.9%
24 CAPITAL EXPENDITURES	8,751,660	275,706	601,510	(325,804)	-54.2%
25 ENDING CASH BALANCE		6,412,439			
27 WATER DEBT FUND ENDING CASH BALANCE PLUS MONIES RECEIVED FROM LENDERS		23,283			
28 MINIMUM BALANCE (15% OF OPER EXP)		1,713,791			
29 OVER/(UNDER) MINIMUM BALANCE		4,675,366			
30 **RESTRICTED FUNDS**	*	*			
31 REVENUES & SOURCES	*	*			
32 SIF Collections	1,634,150	157,950	164,900	(6,950)	-4.2%
33 SIF Interest Income	77,300	14,644	10,070	4,574	45.4%
34 TOTAL SIF REVENUES & SOURCES	1,711,450	172,594	174,970	(2,376)	-1.4%
35 SIF Capital Expenditures	7,875,000	143,421	919,760	(776,339)	-84.4%
36 1% for Arts Transfer	52,500	116	0	116	0.0%
37 SIF ENDING CASH BALANCE		8,570,964			
38 TOTAL ENDING CASH BALANCE		15,006,686			

NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING: \$ 6,197,960

City of Loveland
Financial Statement-Waste
For Period Ending 02/28/2014
Preliminary

	* TOTAL BUDGET *		YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
	FYE 12/31/2014					
1 **UNRESTRICTED FUNDS**	*	*				
	*	*				
2 REVENUES & SOURCES	*	*				
	*	*				
3 Sanitary Sewer Charges	*	8,269,970	1,375,022	1,319,600	55,422	4.2%
4 High Strength Surcharge	*	546,760	47,790	64,280	(16,490)	-25.7%
5 Interest on Investments	*	35,340	13,148	5,900	7,248	122.8%
6 Other Revenue	*	38,680	357	8,530	(8,173)	-95.8%
7 TOTAL REVENUES & SOURCES	*	8,890,750	1,436,316	1,398,310	38,006	2.7%
	*	*				
8 OPERATING EXPENSES	*	*				
	*	*				
9 Treatment	*	3,309,300	244,274	276,500	(32,226)	-11.7%
10 Collection System Maintenance	*	2,156,810	154,396	294,810	(140,414)	-47.6%
11 Administration	*	325,510	27,134	46,880	(19,746)	-42.1%
12 Customer Relations	*	35,240	4,793	4,000	793	19.8%
13 PILT	*	617,170	99,576	96,270	3,306	3.4%
14 1% for Arts Transfer	*	21,610	133	0	133	0.0%
15 Services Rendered-Other Departments	*	472,190	69,092	63,290	5,802	9.2%
16 TOTAL OPERATING EXPENSES	*	6,937,830	599,398	781,750	(182,352)	-23.3%
	*	*				
17 NET OPERATING REVENUE/(LOSS)(excl depr)	*	1,952,920	836,919	616,560	220,359	35.7%
	*	*				
18 CAPITAL EXPENDITURES	*	3,161,420	55,493	385,860	(330,367)	-85.6%
	*	*				
19 ENDING CASH BALANCE	*	*	7,991,566			
	*	*				
20 MINIMUM BALANCE (15% OF OPER EXP)	*	*	1,040,675			
	*	*				
21 OVER/(UNDER) MINIMUM BALANCE	*	*	6,950,892			
	*	*				
22 **RESTRICTED FUNDS**	*	*				
	*	*				
23 REVENUES & SOURCES	*	*				
	*	*				
24 SIF Collections	*	1,095,000	100,199	345,750	(245,551)	-71.0%
25 SIF Interest Income	*	39,760	9,499	6,620	2,879	43.5%
26 TOTAL SIF REVENUES & SOURCES	*	1,134,760	109,698	352,370	(242,672)	-68.9%
	*	*				
27 SIF Capital Expenditures	*	487,580	28,529	33,130	(4,601)	-13.9%
28 1% for Arts Transfer	*	8,130	199	0	199	0.0%
	*	*				
29 SIF ENDING CASH BALANCE	*	*	5,621,314			
	*	*				
30 TOTAL ENDING CASH BALANCE	*	*	13,612,880			

NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING \$ 1,579,256

City of Loveland
Financial Statement-Power
For Period Ending 2/28/2014

		<i>Preliminary</i>				
	*	TOTAL	*	YTD	YTD	OVER
		BUDGET		ACTUAL	BUDGET	<UNDER> VARIANCE
UNRESTRICTED FUNDS	*		*			
1 REVENUES & SOURCES:	*		*			
2 Electric revenues	*	\$53,808,970	*	\$8,777,400	\$8,723,550	\$53,850 0.6%
3 Wheeling charges	*	\$240,000	*	\$41,107	\$40,000	\$1,107 2.8%
4 Interest on investments	*	\$154,120	*	\$26,940	\$25,687	\$1,253 4.9%
5 Aid-to-construction deposits	*	\$750,000	*	\$72,351	\$125,000	(\$52,649) -42.1%
6 Customer deposit-services	*	\$160,000	*	\$9,305	\$26,667	(\$17,362) -65.1%
7 Doorhanger fees	*	\$420,000	*	\$71,484	\$70,000	\$1,484 2.1%
8 Connect Fees	*	\$160,000	*	\$18,706	\$26,667	(\$7,961) -29.9%
9 Services rendered to other depts.	*	\$0	*	\$0	\$0	\$0 0.0%
10 Other revenues	*	\$402,950	*	\$1,300,018	\$67,158	\$1,232,860 1835.8%
11 Year-end cash adjustments	*	\$0	*	\$0	\$0	\$0 0.0%
12 TOTAL REVENUES & SOURCES	*	\$56,096,040	*	\$10,317,310	\$9,104,728	\$1,212,582 13.3%
13 OPERATING EXPENSES:	*		*			
14 Hydro oper. & maint.	*	\$82,900	*	\$341	\$12,754	(\$12,413) -97.3%
15 Purchased power	*	\$40,266,940	*	\$6,043,704	\$5,972,524	\$71,180 1.2%
16 Distribution oper. & maint.	*	\$3,580,280	*	\$386,538	\$550,812	(\$164,274) -29.8%
17 Customer Relations	*	\$1,074,030	*	\$58,063	\$165,235	(\$107,172) -64.9%
18 Administration	*	\$682,130	*	\$68,377	\$104,943	(\$36,566) -34.8%
19 Payment in-lieu-of taxes	*	\$3,772,860	*	\$583,732	\$630,068	(\$46,336) -7.4%
20 1% for Arts Transfer	*	\$78,940	*	\$4,953	\$13,183	(\$8,230) -62.4%
21 Services rendered-other depts.	*	\$2,154,280	*	\$331,628	\$359,047	(\$27,419) -7.6%
22 TOTAL OPERATING EXPENSES (excl depn)	*	\$51,692,360	*	\$7,477,337	\$7,808,566	(\$331,229) -4.2%
23 NET OPERATING REVENUE/(LOSS) (excl depn)	*	\$4,403,680	*	\$2,839,974	\$1,296,162	\$1,543,811 119.1%
24 CAPITAL EXPENDITURES:	*		*			
25 General Plant/Other Generation & Distribution	*	\$8,238,670	*	\$331,733	\$1,273,001	(\$941,268) -73.9%
26 Aid-to-construction	*	\$750,000	*	\$128,061	\$115,385	\$12,676 11.0%
27 Service installations	*	\$190,000	*	\$22,212	\$29,231	(\$7,019) -24.0%
28 TOTAL CAPITAL EXPENDITURES	*	\$9,178,670	*	\$482,006	\$1,417,616	(\$935,610) -66.0%
29 ENDING CASH BALANCE	*		*	\$17,467,646		
30 MINIMUM BAL. (15% of OPER EXP excl depn)	*		*	\$7,753,854		
31 OVER/(UNDER) MINIMUM BALANCE	*		*	\$9,713,792		
32 **RESTRICTED FUNDS**	*		*			
33 PIF Collections	*	\$2,434,870	*	\$337,754	\$545,812	(\$208,057) -38.1%
34 PIF Interest Income	*	\$22,920	*	\$6,173	\$3,820	\$2,353 61.6%
35 Water Loan Payback	*	\$810,000	*	\$832,800	\$810,000	\$22,800 -100.0%
36 TOTAL REVENUES	*	\$3,267,790	*	\$1,176,727	\$1,359,632	(\$182,905) -13.5%
37 PIF Feeders	*	\$1,075,000	*	\$0	\$165,385	(\$165,385) -100.0%
38 PIF Substations	*	\$1,750,000	*	\$0	\$291,667	(\$291,667) -100.0%
39 TOTAL EXPENDITURES	*	\$2,825,000	*	\$0	\$457,051	(\$457,051) -100.0%
40 ENDING PIF CASH BALANCE	*		*	\$4,309,874		
41 TOTAL ENDING CASH BALANCE	*		*	\$21,777,520		

NOTE: YTD ACTUAL does NOT include encumbrances totalling \$2,736,517