

LOVELAND UTILITIES COMMISSION (LUC)

Roles and Duties

Background

The Commission, created by City Council on March 16, 1999, (Ord. #4409), was originally made up of two separate advisory bodies created by City Council; The Water board, established on December 16, 1980 (Ord. #1942) and the Loveland Utility Advisory Commission established on July 19, 1994 (Ord. #4021). On April 7, 2009, City Council gave the LUC additional procurement contract approval authority (Ord. #5401).

Roles and Duties of the Commission

The duties are established by Municipal Code 2.60.180, as follows:

Loveland utilities commission.

A. There is established a Loveland utilities commission consisting of nine members appointed by the city council. Any person who is a customer of the city's water, waste water, or electric utility, or who is an authorized representative of such a customer, shall be eligible for appointment to the commission. The term of office of each member shall be three years.

B. The purpose of the Loveland utilities commission shall be to serve as an advisory body to the city council on all matters pertaining to the water, waste water, and electric utility operations and services provided by the city. In addition to any other duties as may be delegated to it by the city council, the commission shall:

- 1. Advise the city council on matters pertaining to rates, charges, and fees for water, waste water, and electric services provided by the city;*
- 2. Approve procurement contracts, and change orders to procurement contracts, pursuant to Section 3.12.060;*
- 3. Develop, approve, and adopt policies, practices, and guidelines to assist the water and power department in the efficient operation of the city's water, waste water, and electric utilities, and in the event a change to the municipal code is required in order to effectuate policies to be adopted by the commission, to recommend such changes to the city council;*
- 4. Review the proposed annual budget for the water and power department;*
- 5. Conduct public hearings on issues of policy concerning all water, waste water, and electric utility matters within the jurisdiction of the commission; and*
- 6. Provide policy recommendations to the city manager and the director of the water and power department, consistent with any previously adopted city council policies, concerning all water, waste water, and electric utility matters within the jurisdiction of the commission. (Ord. 5401 § 1, 2009)*

Additional Duties for the LUC found in Loveland Municipal Code 19.04:

- 7. Setting cash-in-lieu price of CBTshares (Muni Code 19.04.041)*
- 8. Accepting ditch water into Water Bank (Muni Code 19.04.080 A & B)*

3.12.060 Procurement authority.

A. All contracts of \$500,000 or more shall be submitted to city council for approval. If sufficient funds for any such contract have previously been budgeted and appropriated by city council in the water and power department budget, such contract may be submitted to the Loveland utilities commission for approval. All contracts of \$499,999 or less may be approved by the city manager or his designee.

B. Any change order that causes a contract to equal or exceed \$500,000 and which, when combined with all previous change orders, equals or exceeds twenty percent of the original contract amount shall be submitted to city council for approval. If sufficient funds for any such change order have previously been budgeted and appropriated by city council in the water and power department budget, such change order may be submitted to the Loveland utilities commission for approval. All other change orders may be approved by the city manager or his designee.

C. Notwithstanding anything herein to the contrary, all contracts for construction in local improvement districts of which city council is the governing board shall be submitted to city council for approval as required in Section 3.12.160. (Ord. 5401 § 2, 2009)

Current Commission Operations, 2017

Membership:	Nine (9) members
Terms/Renew schedule	Three (3) years - June General provisions found in 2.60.020. Members must be a customer of the city's water, waste water, or electric utility, or an authorized representative of such a customer
Qualifications:	
Meetings:	Monthly, third Wednesday, 4:00 p.m., Service Center Boardroom
City Council Liaison:	Steve Olson
City Council Liaison Alt:	Jeremy Jersvig
Department:	Water and Power
Staff Liaison:	Joe Bernosky

City of Loveland Municipal Code

19.04.040. Satisfying water rights requirements.

To satisfy the city's water rights requirements, the applicant must apply water bank credit in an amount sufficient to satisfy the city's water rights requirements. A minimum of fifty percent of every transaction must include water bank credits received in exchange for Colorado-Big Thompson Project units transferred to the city or water bank credits acquired from the city by cash purchase, or by paying the cash-in-lieu price ("50% Rule"). If the acre-feet requirement resulting from the 50% Rule results in a fractional requirement of less than a one-half acre-foot, it may be rounded down to the nearest acre-foot.

19.04.080 Requirements for acceptance of ditch water.

- A. Applications to transfer ditch water rights to the city shall be filed with the department. No ditch water rights shall be accepted by the city unless first approved by the Loveland utilities commission. Said approval shall not be given without satisfaction of each of the following requirements:
 - 1. Evidence of the applicant's ownership of the ditch water rights in a form satisfactory to the city attorney;
 - 2. A water bank agreement executed by the applicant and, if applicable, other documentation, such as a statement of historical use and dry-up covenant, in a form approved by the city attorney; and
 - 3. A finding by the Loveland utilities commission that it is in the city's best interests to accept the ditch water rights.
- B. The Loveland utilities commission may place conditions or restrictions on the city's acceptance of the ditch water rights or the applicant's use of the corresponding water bank credit as necessary to protect the city's interests. Applicants who do not wish to transfer their ditch water rights to the city subject to such conditions or restrictions may withdraw their application prior to execution of the water bank agreement by the city.
- C. As used herein, "ditch water rights" shall refer to and mean water rights from the following ditches or ditch companies commonly referred to as: Big Thompson Ditch & Manufacturing Company; Buckingham Irrigation Company (George Rist Ditch); Loudon Irrigating Canal and Reservoir Company; and South Side Ditch Company.