



REGULAR MEETING AGENDA

CALL TO ORDER

APPROVAL OF MINUTES – 10/16/2019

CITIZENS REPORT (*See procedural instructions on the following page.)

INFORMATIONAL ITEMS

1. Monthly Financial Update – Jim Lees
2. Water Quality Services Overview – Tim Bohling
3. Water Supply Update – Ryan Van Pelt
4. Water Leak Dashboard – Amy Rupp

CONSENT AGENDA

5. 2020 Annual Directional Boring Projects Contract Renewal – William Ullom
6. 2020 Annual Substructure Contract Renewal – William Ullom

REGULAR AGENDA

7. Acceptance of 4.5 Shares of Loudon Ditch into the Water Bank – Nathan Alburn
8. Windy Gap Firing Project Fifth Amendment to the Fifth Interim Agreement – Ryan Van Pelt

COMMISSION & COUNCIL REPORTS

DIRECTOR'S REPORT

ADJOURN

*** Citizens Report Procedures**

Anyone in the audience may address the LUC on any topic relevant to the commission. If the topic is a Consent Agenda item, please ask for that item to be removed from the Consent Agenda; pulled items will be heard at the beginning of the Regular Agenda. If the topic is a Regular Agenda item, members of the public will be given an opportunity to speak to the item during the Regular Agenda portion of the meeting before the LUC acts upon it. If the topic is a Staff Report item, members of the public should address the LUC during this portion of the meeting; no public comment is accepted during the Staff Report portion of the meeting.

Anyone making comment during any portion of tonight's meeting should identify himself or herself and be recognized by the LUC chairman. Please do not interrupt other speakers. Side conversations should be moved outside the Service Center Board Room. Please limit comments to no more than three minutes.

Notice of Non-Discrimination

The City of Loveland is committed to providing an equal opportunity for services, programs and activities and does not discriminate on the basis of disability, race, age, color, national origin, religion, sexual orientation or gender. For more information on non-discrimination or for translation assistance, please contact the City's Title VI Coordinator at TitleSix@cityofloveland.org or 970-962-2372. The City will make reasonable accommodations for citizens in accordance with the Americans with Disabilities Act (ADA). For more information on ADA or accommodations, please contact the City's ADA Coordinator at adacoordinator@cityofloveland.org or 970-962-3319.

Notificación en Contra de la Discriminación

"La Ciudad de Loveland está comprometida a proporcionar igualdad de oportunidades para los servicios, programas y actividades y no discriminar en base a discapacidad, raza, edad, color, origen nacional, religión, orientación sexual o género. Para más información sobre la no discriminación o para asistencia en traducción, favor contacte al Coordinador Título VI de la Ciudad al TitleSix@cityofloveland.org o al 970-962-2372. La Ciudad realizará las acomodaciones razonables para los ciudadanos de acuerdo con la Ley de Discapacidades para americanos (ADA). Para más información sobre ADA o acomodaciones, favor contacte al Coordinador de ADA de la Ciudad en adacoordinator@cityofloveland.org o al 970-962-3319".

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

Commission Members Present: Dan Herlihey, Don Cook, Gary Hausman (Chair), Gene Packer, John Butler, Randy Williams, Richard Rhoads, Sean Cronin, Stephanie Fancher-English

Commission Members Absent: Larry Roos (excused)

Council Liaison Present: Steve Olson

City Staff Members Present: Andrew Parando, Bill Crowell, Carlos Medina, Christine Schraeder, Coreen Callahan, Derek Turner, Jim Lees, Joe Bernosky, Larry Howard, Leslie Moening, Lynn Valdez, Michelle Erickson, Roger Berg, Ryan Van Pelt, Tracey Hewson, Yarani Vasquez,

Guest Attendance: Jane Clevenger and Dick Mullet

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

APPROVAL OF MINUTES: Hausman asked for a motion to approve the minutes of the September 19, 2019 meeting.

Motion: John Butler made the motion.

Second: Randy Williams seconded the motion. The minutes were approved unanimously.

CITIZENS REPORT

Dick Mullet: discussed utility rates going up 2% in the City of Longmont in 2020, if they don't reduce peak load in the summer. Mullet asked the Commission if that demand will be placed on the City of Loveland as well. Joe Bernosky discussed the recent rate changes and recommended that Mullet take his questions to the City of Longmont. He discussed a Colorado Mircogrid Summit that will be held on November 8, 2019, in Denver, Colorado.

Jane Clevenger: invited everyone to the PRPA event the following evening at 228 E 4th from 6-9 PM which is a listening session for Loveland Renewable energy by 2030.

INFORMATION ITEMS

Item 1: Response to Citizens – Joe Bernosky

This item is the response to citizen comments made at the October 1, 2019 City Council meeting regarding Loveland Water and Power's Power Division.

Information item only. No action required.

Item 2: Risk and Resiliency Assessment Update – Joe Bernosky

This item is to provide a brief verbal overview of an internal risk and resiliency assessment that Loveland Water and Power will be undertaking.

Information item only. No action required.

REGULAR AGENDA

Item 3: P1 Pump Station Rehabilitation Project Construction Contract – Leslie Moening on behalf of Tanner Randall

The purpose of this item is to award a construction contract to the lowest qualified bidder for the 29th Street Pump Station – P1 Improvements.

Recommendation: Adopt a motion to award the contract for the 29th Street Pump Station – P1 Improvements to Velocity Constructors, Inc. in an amount not to exceed \$994,676.00 and authorize the City Manager to execute the contract on behalf of the City.

Motion: John Butler made the motion.

Second: Gene Packer seconded the motion. The motion was approved unanimously. Sean Cronin abstained, as he arrived late.

Item 4: Intergovernmental Agreement for Demand Side Management and Distributed Energy

Resource Program Partnership – Tracey Hewson on behalf of Allison Bohling

An Intergovernmental Agreement (IGA) for Demand Side Management (DSM) and Distributed Energy Resource (DER) Program Partnership has been mutually drafted by staff of Platte River and the Municipalities of Estes Park, Fort Collins, Longmont and Loveland.

Recommendation: Adopt a motion recommending that City Council approve the Intergovernmental Agreement with Platte River Power Authority for Demand Side Management and Distributed Energy Resource Program Partnership.

Motion: Dan Herlihey made the motion.

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

STAFF REPORTS

Item 5: Quarterly Financial Update - Jim Lees

This item summarizes the monthly and year-to date financials for September 2019.

Staff report only. No action required.

COMMISSION/COUNCIL REPORTS

Item 6: Commission/Council Reports

Dan Herlihey: Herlihey attended the Key Accounts Summit at Desk Chair during the previous week. He gave compliments to City staff and Bernosky for putting this event together. Bernosky gave compliments to Hewson and her team for pulling off such a well-organized event. The new Loveland Pulse video was shown on YouTube at his request.

Don Cook: Cook called in a water leak the previous day. Within 10 minutes, City staff were onsite, and within 30 minutes, a crew was on site fixing the repair. Cook offered compliments to staff.

Gary Hausman. Hausman thanked Bernosky for the Memorandum that was included in the packet (Item 1A). He thought it was well written and very informative.

Gene Packer: Packer recently visited the Round Mountain project where they are removing the underground pipe. He sought an update on the project. Christine Schraeder said that the work remaining was to cover the wells and finish work on the access roads in the area.

John Butler: None.

Randy Williams: Williams noted that he is very interested in the Reporter Herald story about the Water and Power Department and the Thompson Valley project. Bernosky expanded on the topic.

Richard Rhodes: None.

Sean Cronin: Cronin has been working on replacing a sprinkler head at his house, and he discovered that he had been leaking water for a long period of time. With the repair made, he discovered a major difference in his water bill.

Stephanie Fancher-English: None.

Council Report: Councilor Steve Olson said that the City of Loveland 2020 Budget was presented to City Council on September 15, 2019, at their regular meeting. Olson said that every item was adopted on first reading of the ordinances. In addition, the 402 Master Plan was adopted on first reading at the September 15, 2019 City Council meeting. Olson asked if Steve Adams had been present at an LUC meeting recently, and he mentioned that Adams



is planning on attending each board or commission meeting once a year. Olson also said that Council moved to make a discontinuation of City Council meetings until the November 5, 2019 meeting.

DIRECTOR'S REPORT

Item 7: Director's Report – Joe Bernosky

Bernosky discussed the process of hiring the new vendor for Pulse Broadband construction. The proposed contract will be presented on November 5, 2019, at City Council.

ADJOURN The meeting was adjourned at 5:02 pm. The next LUC Meeting will be November 20, 2019 at 4:00 pm.

Respectfully submitted,

Lynn Valdez
Recording Secretary
Loveland Utilities Commission
/s/ Gary Hausman, LUC Chairman

ITEM TITLE:

Monthly Financial Update

DESCRIPTION:

This item summarizes the monthly and year-to date financials for October 2019.

SUMMARY:





The October 2019 financial reports are submitted for Commission review. The following table summarizes the sales and expense results for the month of October, and the October Year-To-Date results in comparison to the same periods from 2018. The summarized and detailed monthly financial statements that compare October Year-To-Date actuals to the 2019 budgeted figures are attached.

		October				October Year-To-Date					
		2019	2018	\$ Ovr/(Und)	% Ovr/(Und)			2019	2018	\$ Ovr/(Und)	% Ovr/(Und)
				vs. 2018	vs. 2018					vs. 2018	vs. 2018
WATER											
Sales		\$1,883,967	\$1,789,610	\$94,358	5.3%			\$15,282,747	\$14,900,488	\$382,259	2.6%
Operating Expenses		\$1,109,343	\$1,073,629	\$35,713	3.3%			\$11,452,922	\$11,477,686	(\$24,764)	-0.2%
Capital (Unrestricted)		\$34,743	\$187,442	(\$152,699)	-81.5%			\$2,543,534	\$837,048	\$1,706,485	203.9%
WASTEWATER											
Sales		\$1,158,086	\$1,092,872	\$65,214	6.0%			\$11,254,320	\$10,545,928	\$708,391	6.7%
Operating Expenses		\$949,491	\$929,862	\$19,629	2.1%			\$8,752,959	\$7,453,136	\$1,299,824	17.4%
Capital (Unrestricted)		\$1,316,300	\$2,015,112	(\$698,812)	-34.7%			\$8,811,271	\$9,614,067	(\$802,796)	-8.4%
POWER											
Sales		\$4,941,331	\$5,218,502	(\$277,171)	-5.3%			\$57,429,052	\$56,069,519	\$1,359,534	2.4%
Operating Expenses		\$4,961,473	\$4,651,424	\$310,049	6.7%			\$50,467,843	\$50,460,817	\$7,026	0.0%
Capital (Unrestricted)		\$640,929	\$816,097	(\$175,168)	-21.5%			\$7,595,521	\$8,540,449	(\$944,928)	-11.1%

RECOMMENDATION:

Staff item only. No action required.

ATTACHMENTS:

-  Attachment A: City of Loveland Financial Statement-Raw Water
-  Attachment B: City of Loveland Financial Statement-Water
-  Attachment C: City of Loveland Financial Statement-Wastewater
-  Attachment D: City of Loveland Financial Statement-Power

City of Loveland
Financial Statement-Raw Water
For Period Ending 10/31/2019
ATTACHMENT A

	* TOTAL BUDGET *	YTD		OVER	
	FYE 12/31/2019	ACTUAL	YTD BUDGET	<UNDER>	VARIANCE
1 REVENUES & SOURCES	*				
	*				
2 High Use Surcharge	* 73,118 *	80,125	52,618	27,507	52.3%
3 Raw Water Development Fees	* 461,836 *	321,213	394,860	(73,647)	-18.7%
4 Cap Recovery Surcharge	* 23,377 *	23,767	20,700	3,067	14.8%
5 Cash-In-Lieu of Water Rights	* 227,167 *	4,021,419	189,310	3,832,109	2024.3%
6 Native Raw Water Storage Fees	* 196,876 *	186,127	159,000	27,127	17.1%
7 Proceeds on Loan	* 37,560,000 *	0	0	0	0.0%
8 Raw Water 3% Transfer In	* 531,164 *	458,482	468,979	(10,497)	-2.2%
9 Interest on Investments	* 300,965 *	394,059	250,800	143,259	57.1%
10 TOTAL REVENUES & SOURCES	* 39,374,503 *	5,485,193	1,536,267	3,948,926	257.0%
	*				
11 OPERATING EXPENSES	*				
	*				
12 Loan to Water	* 0 *	0	0	0	0.0%
13 Windy Gap Payments	* 7,100 *	7,044	5,920	1,124	19.0%
14 TOTAL OPERATING EXPENSES	* 7,100 *	7,044	5,920	1,124	19.0%
	*				
15 NET OPERATING REVENUE/(LOSS) (excl depr)	* 39,367,403 *	5,478,149	1,530,347	3,947,802	258.0%
	*				
16 RAW WATER CAPITAL EXPENDITURES	* 59,433,300 *	4,473,583	50,130,470	(45,656,887)	-91.1%
	*				
17 BUDGET FUND BALANCE	* 6,590,587 *	27,828,744	(21,943,639)	49,772,383	-226.8%

NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING: 164,877

City of Loveland
Financial Statement-Water
For Period Ending 10/31/2019

ATTACHMENT B

	TOTAL BUDGET				OVER	
	FYE 12/31/2019	* YTD ACTUAL	YTD BUDGET	<UNDER>	VARIANCE	
1 **UNRESTRICTED FUNDS**	*	*				
2 REVENUES & SOURCES	*	*				
3 Water Sales	17,705,446	15,282,747	15,632,620	(349,873)	-2.2%	
4 Raw Water Transfer Out	(531,164)	(458,482)	(468,979)	10,497	-2.2%	
5 Wholesale Sales	181,091	162,491	166,123	(3,632)	-2.2%	
6 Meter Sales	92,269	64,180	76,890	(12,710)	-16.5%	
7 Interest on Investments	120,220	55,072	100,180	(45,108)	-45.0%	
8 Other Revenue	1,117,884	634,093	275,532	358,561	130.1%	
9 Federal and State Grants	0	64,975	0	64,975	0.0%	
10 Internal Loan Monies Received	0	0	0	0	0.0%	
11 External Loan Monies Received	0	0	0	0	0.0%	
12 TOTAL REVENUES & SOURCES	18,685,746	15,805,076	15,782,366	22,710	0.1%	
13 OPERATING EXPENSES	*	*				
14 Source of Supply	2,623,913	1,319,491	2,181,982	(862,491)	-39.5%	
15 Treatment	3,837,194	2,614,232	3,116,153	(501,921)	-16.1%	
16 Distribution Operation & Maintenance	4,000,077	2,628,474	3,290,947	(662,473)	-20.1%	
17 Administration	2,764,753	645,759	1,567,908	(922,149)	-58.8%	
18 Customer Relations	418,311	274,234	345,247	(71,013)	-20.6%	
19 PILT	1,202,200	990,904	1,001,820	(10,916)	-1.1%	
20 1% for Arts Transfer	76,788	20,621	73,668	(53,047)	-72.0%	
21 Services Rendered-Other Departments	1,530,293	1,275,250	1,275,250	0	0.0%	
22 Internal Loan Debt Expense	783,750	792,458	783,750	8,708	1.1%	
23 External Loan Debt Expense	1,015,685	891,498	846,400	45,098	5.3%	
24 TOTAL OPERATING EXPENSES	18,252,964	11,452,922	14,483,125	(3,030,203)	-20.9%	
26 NET OPERATING REVENUE/(LOSS)(excl depr)	432,782	4,352,154	1,299,241	3,052,913	235.0%	
27 CAPITAL EXPENDITURES	5,591,281	2,543,534	5,088,081	(2,544,547)	-50.0%	
28 REVENUES LESS OPER EXP LESS CAPITAL	(5,158,499)	1,808,620	(3,788,840)	5,597,460	-147.7%	
30 ENDING CASH BALANCE (51% OF OPER EXP)	3,951,317	9,324,507	5,143,475	4,181,032	81.3%	
31 WATER DEBT FUNDS ENDING CASH BALANCE		295,139				
32 MINIMUM BALANCE (18% OF OPER EXP)		3,285,534				
33 OVER/(UNDER) MINIMUM BALANCE		6,038,973				
34 **RESTRICTED FUNDS**	*	*				
35 REVENUES & SOURCES	*	*				
36 SIF Collections	5,732,613	2,404,492	2,251,000	153,492	6.8%	
37 SIF Interest Income	37,710	66,180	31,430	34,750	110.6%	
38 SIF Federal and State Grants	0	64,975	0	64,975	0.0%	
39 Internal Loan Monies Received	0	0	0	0	0.0%	
40 TOTAL SIF REVENUES & SOURCES	5,770,323	2,535,647	2,282,430	253,217	11.1%	
41 SIF Capital Expenditures	5,874,420	938,425	4,867,700	(3,929,275)	-80.7%	
42 1% for Arts Transfer	40,372	6,950	34,572	(27,622)	-79.9%	
43 Legal Agreements & Shared Costs	352,305	17,885	296,570	(278,685)	-94.0%	
44 TOTAL SIF CAPITAL EXPENDITURES	6,267,097	963,260	5,198,842	(4,235,582)	-81.5%	
45 SIF REVENUE LESS EXPENDITURES	(496,774)	1,572,387	(2,916,412)	4,488,799	-153.9%	
46 SIF ENDING CASH BALANCE	2,709,857	4,847,415	214,412	4,633,003	2160.8%	
47 TOTAL ENDING CASH BALANCE		14,171,922				
NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING:		2,282,648				
48 Water Treated at WTP (in million gallons)		3,888				
49 Water Sold To Customers (in million gallons, includes Ranch Water & Hydrant Sales)	3,808	3,287	3,442	(155)	-4.5%	

City of Loveland-LIVE
Financial Statement-Wastewater
For Period Ending 10/31/2019
ATTACHMENT C

	TOTAL BUDGET		OVER		
	FYE 12/31/2019	YTD ACTUAL	YTD BUDGET	<UNDER>	VARIANCE
1 **UNRESTRICTED FUNDS**	*	*			
2 REVENUES & SOURCES	*	*			
3 Sanitary Sewer Charges	13,584,364	11,254,320	11,376,072	(121,752)	-1.1%
4 High Strength Surcharge	427,327	292,591	368,535	(75,944)	-20.6%
5 Interest on Investments	38,862	174,450	32,390	142,060	438.6%
6 Other Revenue	1,124,075	33,475	28,170	5,305	18.8%
7 Bond Proceeds	4,476,304	3,924,824	4,476,304	(551,480)	-12.3%
8 Federal Grants	0	0	0	0	0.0%
9 State Grants	0	0	0	0	0.0%
10 TOTAL REVENUES & SOURCES	19,650,932	15,679,659	16,281,471	(601,812)	-3.7%
11 OPERATING EXPENSES	*	*		0	0.0%
12 Treatment	4,277,196	3,364,517	3,472,973	(108,456)	-3.1%
13 Collection System Maintenance	3,490,346	2,367,673	2,895,238	(527,565)	-18.2%
14 Administration	1,512,390	458,656	1,407,963	(949,307)	-67.4%
15 Customer Relations	76,327	52,448	63,841	(11,393)	-17.8%
16 PILT	980,820	803,215	817,350	(14,135)	-1.7%
17 1% for Arts Transfer	167,020	77,563	160,830	(83,267)	-51.8%
18 Services Rendered-Other Departments	928,606	773,840	773,840	0	0.0%
19 Debt Service	2,063,177	855,048	885,980	(30,932)	-3.5%
20 TOTAL OPERATING EXPENSES	13,495,882	8,752,959	10,478,015	(1,725,056)	-16.5%
21 NET OPERATING REVENUE/(LOSS)(excl depr)	6,155,050	6,926,699	5,803,456	1,123,243	19.4%
22 CAPITAL EXPENDITURES	14,777,131	8,811,271	14,071,851	(5,260,580)	-37.4%
23 REVENUES LESS OPER EXP LESS CAPITAL	(8,622,081)	(1,884,572)	(8,268,395)	6,383,823	-77.2%
24 ENDING BUDGET FUND BALANCE (75% OF OPER EXP)	6,082,085	10,084,690	3,740,937	6,343,753	169.6%
25 WASTEWATER DEBT FUNDS ENDING CASH BALANCE	*	423,952			
26 MINIMUM BALANCE (18% OF OPER EXP)	*	2,429,259			
27 OVER/(UNDER) MINIMUM BALANCE	*	7,655,431			
28 **RESTRICTED FUNDS**	*	*			
29 REVENUES & SOURCES	*	*			
30 SIF Collections	2,774,324	1,138,125	1,478,610	(340,485)	-23.0%
31 SIF Interest Income	2,640	119,613	2,200	117,413	5337.0%
32 SIF Bond Proceeds	1,837,089	2,405,537	1,837,089	568,448	30.9%
33 TOTAL SIF REVENUES & SOURCES	4,614,053	3,663,276	3,317,899	345,377	10.4%
34 SIF Capital Expenditures	4,677,835	2,098,319	4,434,095	(2,335,776)	-52.7%
35 1% for Arts Transfer	92,384	18,412	90,304	(71,892)	-79.6%
36 Debt Service	591,393	524,061	492,820	31,241	6.3%
37 TOTAL SIF CAPITAL EXPENDITURES	5,361,612	2,640,793	5,017,219	(2,376,426)	-47.4%
38 SIF REVENUE LESS EXPENDITURES	(747,559)	1,022,483	(1,699,320)	2,721,803	-160.2%
39 SIF ENDING BUDGET FUND BALANCE	3,431,413	3,466,117	2,480,401	985,716	39.7%
40 TOTAL ENDING CASH BALANCE		13,550,807			
NOTE: YTD ACTUAL DOES NOT INCLUDE ENCUMBRANCES TOTALING		7,074,084			
Wastewater Treated at WWTP (in million gallons)	N/A	1,821	N/A		
Wastewater Billed To Customers (in million gallons)	1,778	1,456	1,494	(38)	-2.5%

City of Loveland
Financial Statement-Power
For Period Ending 10/31/2019
ATTACHMENT D

	TOTAL BUDGET	YTD ACTUAL	YTD BUDGET	OVER <UNDER>	VARIANCE
UNRESTRICTED FUNDS					
1 REVENUES & SOURCES:					
2 Electric revenues	\$68,256,630	\$57,429,052	\$58,095,880	(\$666,828)	-1.1%
3 Wheeling charges	\$265,000	\$236,693	\$220,833	\$15,860	7.2%
4 Interest on investments	\$397,580	\$171,932	\$331,317	(\$159,385)	-48.1%
5 Aid-to-construction deposits	\$1,610,000	\$1,346,934	\$1,341,667	\$5,268	0.4%
6 Customer deposit-services	\$310,000	\$260,342	\$258,333	\$2,009	0.8%
7 Late Payment Penalty Fees	\$450,000	\$376,689	\$375,000	\$1,689	0.5%
8 Connect Fees	\$170,000	\$143,704	\$141,667	\$2,037	1.4%
9 Services rendered to other depts.	\$67,500	\$0	\$56,250	(\$56,250)	-100.0%
10 Other revenues	\$386,572	\$453,829	\$322,143	\$131,686	40.9%
11 Federal Grants	\$0	\$0	\$0	\$0	0.0%
12 State Grants	\$0	\$0	\$0	\$0	0.0%
13 Year-end cash adjustments	\$0	\$0	\$0	\$0	0.0%
14 TOTAL REVENUES & SOURCES	\$71,913,282	\$60,419,175	\$61,143,090	(\$723,915)	-1.2%
15 OPERATING EXPENSES:					
16 Hydro oper. & maint.	\$5,128,795	\$532,573	\$4,339,750	(\$3,807,177)	-87.7%
17 Solar oper. & maint.	\$90,000	\$1,200	\$76,154	(\$74,954)	-98.4%
18 Purchased power	\$44,761,779	\$37,783,734	\$37,836,816	(\$53,082)	-0.1%
19 Distribution oper. & maint.	\$5,431,634	\$3,798,254	\$4,595,998	(\$797,744)	-17.4%
21 Customer Relations	\$1,652,984	\$674,555	\$1,398,679	(\$724,124)	-51.8%
22 Administration	\$3,581,360	\$1,274,270	\$3,030,382	(\$1,756,112)	-58.0%
23 Payment in-lieu-of taxes	\$4,777,960	\$3,963,943	\$4,008,708	(\$44,765)	-1.1%
24 1% for Arts Transfer	\$105,703	\$36,065	\$88,685	(\$52,620)	-59.3%
25 Services rendered-other depts.	\$2,883,905	\$2,403,250	\$2,403,254	(\$4)	0.0%
26 TOTAL OPERATING EXPENSES (excl depn)	\$68,414,120	\$50,467,843	\$57,778,425	(\$7,310,581)	-12.7%
27 NET OPERATING REVENUE/(LOSS) (excl depn)	\$3,499,162	\$9,951,332	\$3,364,665	\$6,586,667	
28 CAPITAL EXPENDITURES:					
29 General Plant/Other Generation & Distribution	\$10,982,835	\$6,031,048	\$9,195,753	(\$3,164,706)	-34.4%
30 Aid-to-construction	\$1,400,000	\$1,384,845	\$1,249,231	\$135,614	10.9%
31 Service installations	\$310,000	\$179,628	\$262,308	(\$82,680)	-31.5%
32 TOTAL CAPITAL EXPENDITURES	\$12,692,835	\$7,595,521	\$10,707,292	(\$3,111,771)	-29.1%
33 REVENUES LESS OPER EXP LESS CAPITAL	(\$9,193,673)	\$2,355,811	(\$7,342,627)	\$9,698,438	
34 ENDING BUDGET FUND BALANCE (18% of Oper Exp)	\$10,870,411	\$12,420,928	\$9,194,573	\$3,226,355	35.1%
35 MINIMUM BAL. (18% of OPER EXP)		\$12,314,542			
36 OVER/(UNDER) MINIMUM BALANCE		\$106,386			
RESTRICTED FUNDS					
38 PIF Collections	\$2,743,740	\$2,285,413	\$2,286,450	(\$1,037)	0.0%
39 PIF Interest Income	\$37,450	\$155,302	\$31,208	\$124,094	397.6%
40 Water Loan Payback	\$783,750	\$792,458	\$783,750	\$8,708	1.1%
41 Federal Grants	\$0	\$0	\$0	\$0	0.0%
42 State Grants	\$0	\$0	\$0	\$0	0.0%
43 TOTAL REVENUES	\$3,564,940	\$3,233,174	\$3,101,408	\$131,765	4.2%
44 PIF Feeders	\$5,835,511	\$120,699	\$4,937,740	(\$4,817,041)	-97.6%
45 PIF Substations & Solar	\$2,464,418	\$585,453	\$2,053,682	(\$1,468,229)	-71.5%
46 TOTAL EXPENDITURES	\$8,299,929	\$706,152	\$6,991,422	(\$6,285,270)	-89.9%
47 PIF REVENUES LESS EXPENDITURES	(\$4,734,989)	\$2,527,022	(\$3,890,013)	\$6,417,035	
48 ENDING PIF BUDGET FUND BALANCE	\$2,978,132	\$10,363,972	\$4,601,359	\$5,762,613	125.2%
49 TOTAL ENDING CASH BALANCE		\$22,784,900			

NOTE: YTD ACTUAL does NOT include encumbrances totalling \$3,384,115

50 Energy Purchased (in million kWh) from PRPA	739	609	620	(10)	-1.7%
51 Energy Sold to Customers (in million kWh)	716	590	607	(17)	-2.8%

**ITEM TITLE:**

Water Quality Services Overview

DESCRIPTION:

Loveland Water and Power's Water Quality Group manages and oversees numerous regulatory and non-regulatory duties in order to maintain compliance with State and Federal regulations. This group also provides process improvement guidance, and ensures water being delivered to customers and returned back to the Big Thompson River is the highest quality possible.

SUMMARY:

The Water Quality Group manages and oversees regulatory and non-regulatory testing, reporting, and special studies for all aspects of water entering and exiting through the COL water and wastewater infrastructure. The primary mission of this group is to ensure compliance with the Clean Water Act, the Safe Drinking Water Act, and to provide process optimization guidance. The scope of this group includes source water quality evaluation, water treatment plant performance, water quality in the distribution system, wastewater collection system studies, wastewater treatment plant performance, and the quality of water discharged back into the Big Thompson River.

This group consists of staff members with educational backgrounds and certifications in biology, chemistry, ecology, engineering, environmental science, and water and wastewater treatment. Currently, staff is split between two small outdated laboratory facilities located at each treatment plant. After completion of the new lab, staff will be moving the majority of services to the new facility located at the wastewater treatment site.

This presentation will give an overview of the scope of work that the Water Quality Group is responsible for and will describe how this group accomplishes all regulatory compliance testing while providing process optimization guidance, conducting special studies, and providing training and assistance to other agencies.

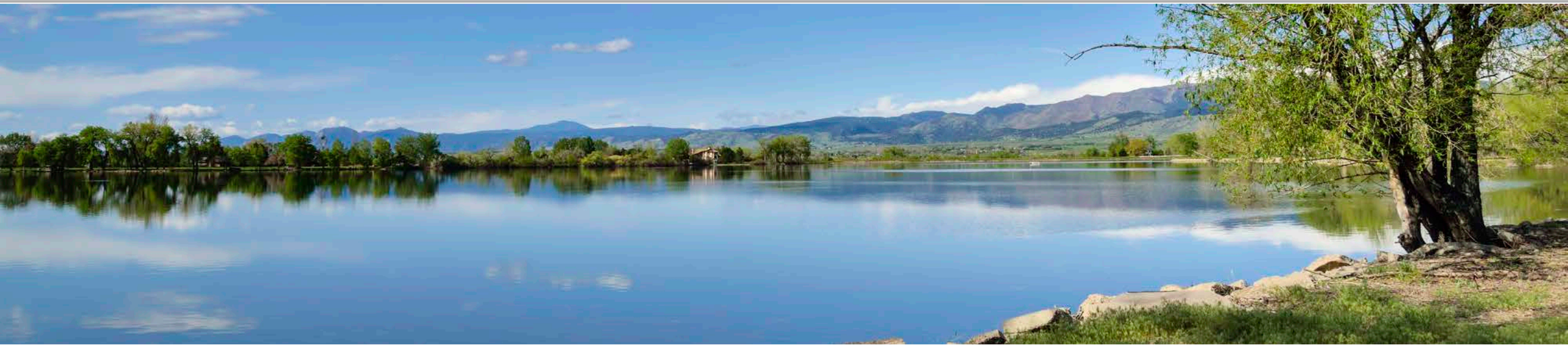
RECOMMENDATION:

Information item only. No action required.

ATTACHMENTS:

 Attachment A: Water Quality Services Overview Presentation

Water Quality Services Overview





Tim Bohling,
Water Quality Scientist II
November 20, 2019

Who Are We?



7 Full-time and 1 Seasonal Staff Member

-  Certified Chemists, Biologists, and Water and Wastewater Analysts
-  Degrees in Chemistry, Biology, Ecology, Environmental Science, Engineering, and Microbiology

Location

-  Divided between the Water Treatment Plant and the Wastewater Reclamation Facility

What Makes Us Unique?

-  We are a combined Water and Wastewater group

Monitoring from Source to Source



Source Water



Water Treatment

Distribution System

Collection System

Wastewater Treatment

Downstream



Primary Focus



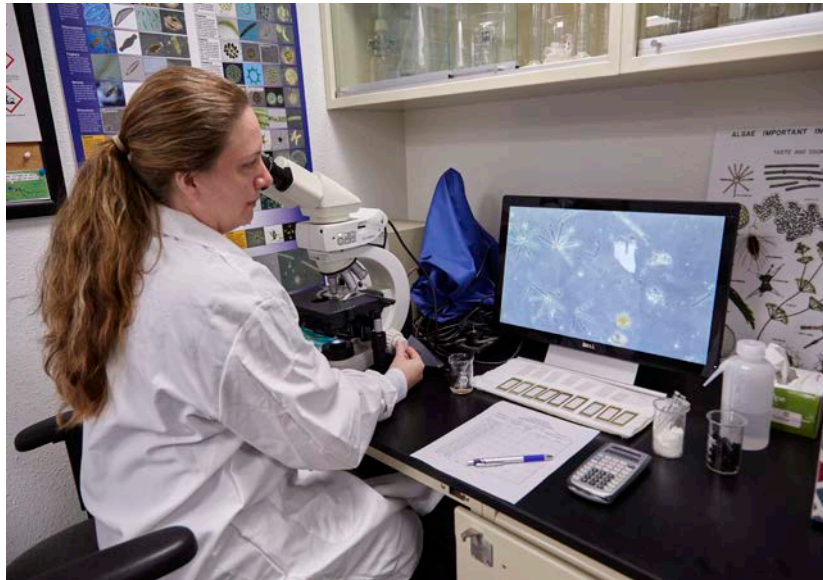
Regulatory Compliance

 Safe Drinking Water Act

 Water Regulations

 Clean Water Act

 Wastewater Regulations



Source Water Monitoring Program

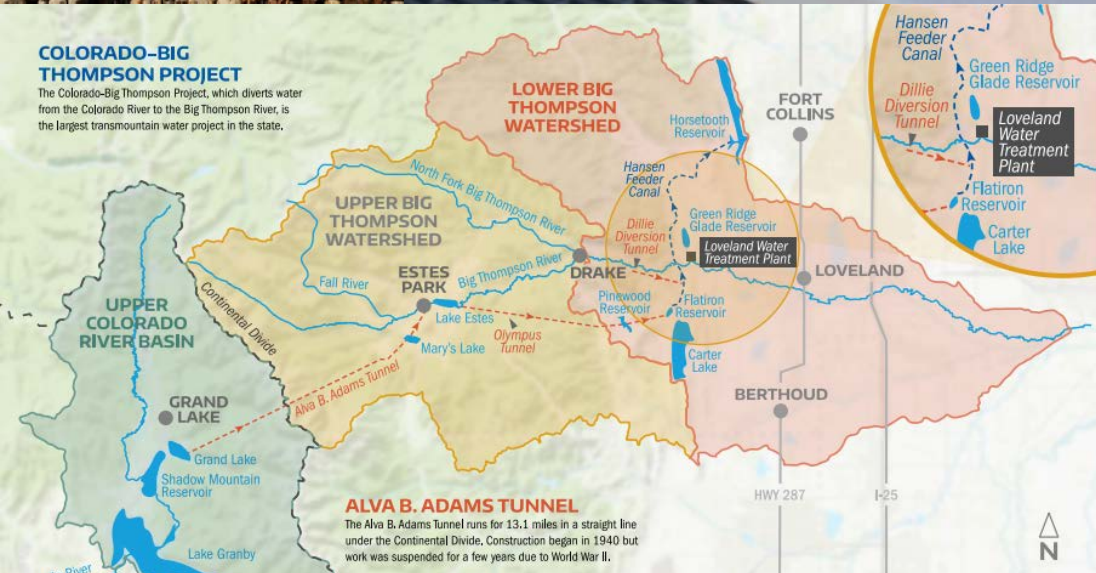


Big Thompson River

- Monitoring Program
- Contaminants of Emerging Concern
- Early Warning Station

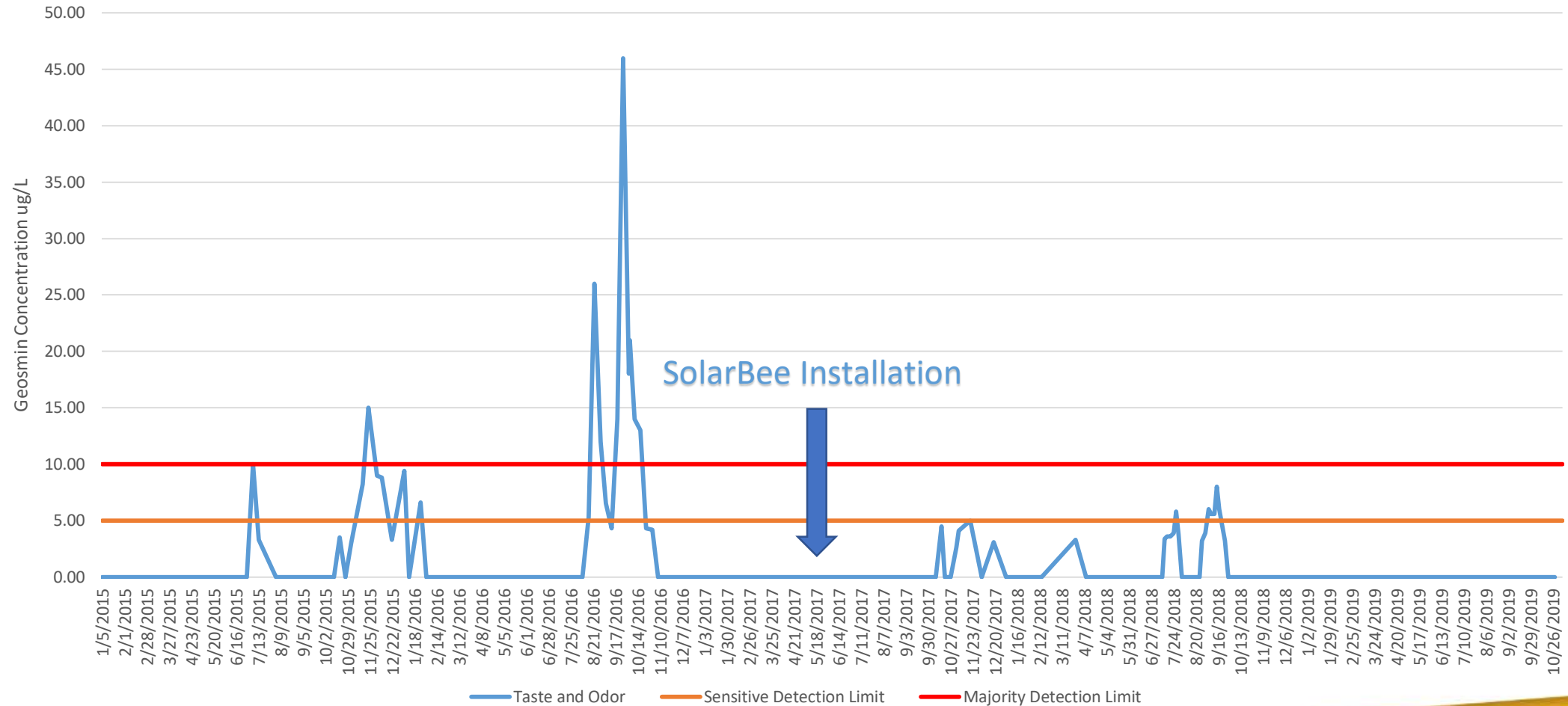
Green Ridge Glade Reservoir

- Reservoir Monitoring Program
- Algal Mitigation Efforts
- Taste, Odor, and Toxin Monitoring



Algal Mitigation Update

Treated Water Taste and Odor 2015 to Present



Water Treatment

National Primary Drinking Water Regulations



Contaminant	MCL or TT (mg/L) ¹	Potential health effects from long-term exposure above the MCL	Common sources of contaminant in drinking water	Public Health Goal (mg/L) ²
Acrylamide	TT ³	Nervous system or blood problems; increased risk of cancer	Added to water during sewage/wastewater treatment	zero
Alachlor	0.002	Eye, liver, kidney, or spleen problems; anemia; increased risk of cancer	Runoff from herbicide used on row crops	zero
Alpha/poison emitters	15 picocuries per liter (pCi/L)	Increased risk of cancer	Erosion of natural deposits of certain minerals that are radioactive and may emit a form of radiation known as alpha radiation	zero
Antimony	0.006	Increase in blood cholesterol; decrease in blood sugar	Discharge from petroleum refineries; fire retardants; ceramics; electronics; solder	0.006
Arsenic	0.010	Skin damage or problems with circulatory systems, and may have increased risk of getting cancer	Erosion of natural deposits; runoff from orchards; runoff from glass & electronics production wastes	0
Asbestos fibers >10 micrometers	7 million fibers per liter (MFL)	Increased risk of developing benign intestinal polyps	Decay of asbestos cement in water mains; erosion of natural deposits	7 MFL
Atrazine	0.003	Cardiovascular system or reproductive problems	Runoff from herbicide used on row crops	0.003
Barium	2	Increase in blood pressure	Discharge of drilling wastes; discharge from metal refineries; erosion of natural deposits	2
Benzene	0.005	Anemia; decrease in blood platelets; increased risk of cancer	Discharge from factories; leaching from gas storage tanks and landfills	zero
Benz[a]pyrene (PAHs)	0.0002	Reproductive difficulties; increased risk of cancer	Leaching from linings of water storage tanks and distribution lines	zero
Beryllium	0.004	Intestinal lesions	Discharge from metal refineries and coal-burning factories; discharge from electrical, aerospace, and defense industries	0.004
Beta photon emitters	4 millirems per year	Increased risk of cancer	Decay of natural and man-made deposits of certain minerals that are radioactive and may emit forms of radiation known as photons and beta radiation	zero
Bromate	0.010	Increased risk of cancer	Byproduct of drinking water disinfection	zero
Cadmium	0.005	Kidney damage	Corrosion of galvanized pipes; erosion of natural deposits; discharge from metal refineries; runoff from waste batteries and paints	0.005
Carbofuran	0.04	Problems with blood, nervous system, or reproductive system	Leaching of soil fumigant used on rice and alfalfa	0.04

National Primary Drinking Water Regulations EPA 816-F-09-004 MAY 2009

Contaminant	MCL or TT (mg/L) ¹	Potential health effects from long-term exposure above the MCL	Common sources of contaminant in drinking water	Public Health Goal (mg/L) ²
Carbon tetrachloride	0.005	Liver problems; increased risk of cancer	Discharge from chemical plants and other industrial activities	zero
Chloramines (as Cl ₂)	MRDLG=4.0 ⁴	Eye/nose irritation; stomach discomfort; anemia	Water additive used to control microbes	MRDLG=4 ⁴
Chlordane	0.002	Liver or nervous system problems; increased risk of cancer	Residue of banned termiticide	zero
Chlorine (as Cl ₂)	MRDLG=4.0 ⁴	Eye/nose irritation; stomach discomfort	Water additive used to control microbes	MRDLG=4 ⁴
Chlorine dioxide (as ClO ₂)	MRDLG=0.8 ⁵	Anemia; infants, young children, and fetuses of pregnant women; nervous system effects	Water additive used to control microbes	MRDLG=0.8 ⁵

Compliance Testing

Process Optimization

Database Management

Regulatory Reporting

Chemical Analyses



Distribution and Collections System

Bacteriological Analysis

- Total Coliform Rule Compliance

Lead and Copper Rule

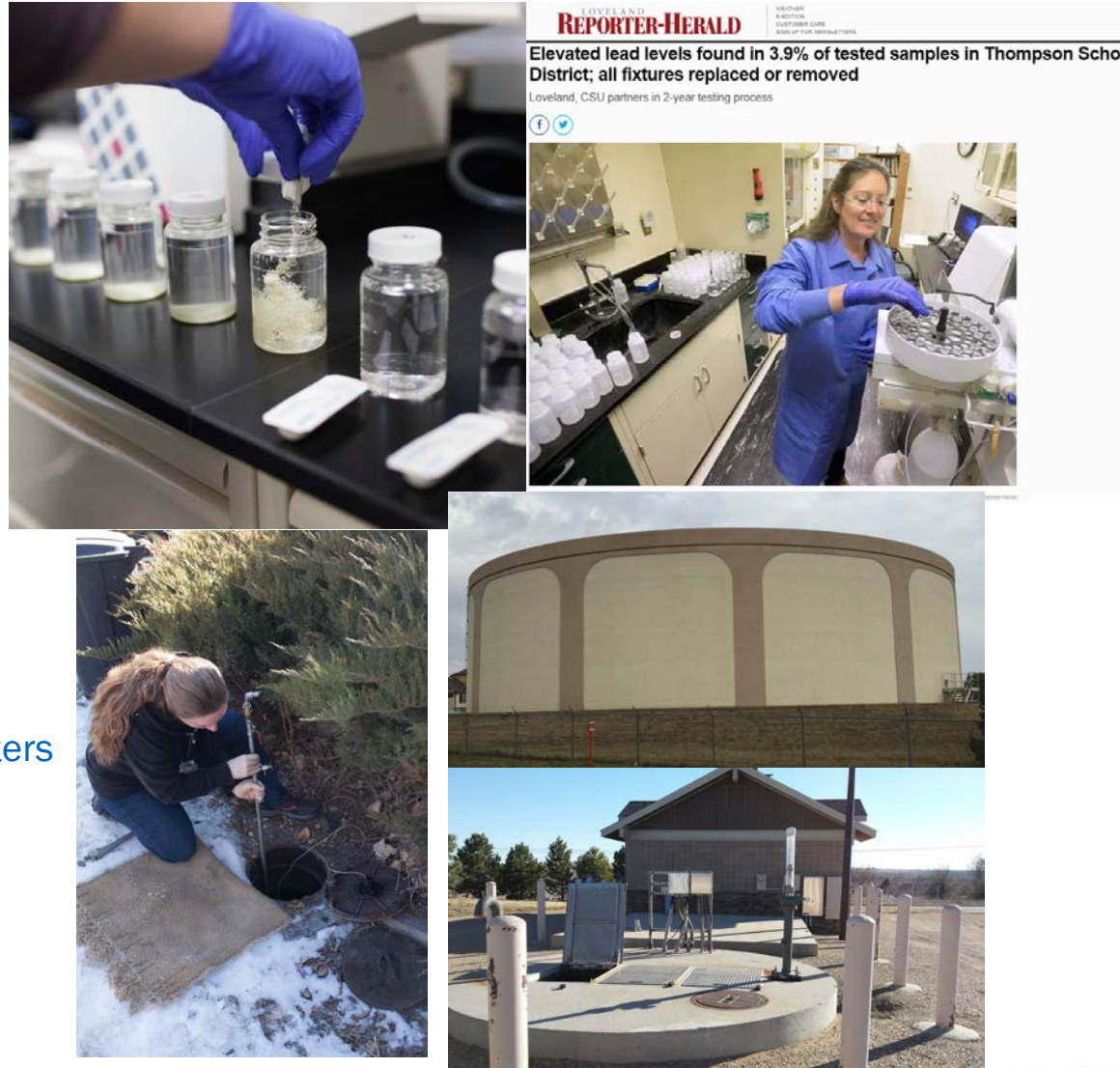
- School Lead Program

Regulatory Sampling

- Disinfection By-Products
- UCMR 4
- Water Quality General Parameters

Customer Interaction

- Address Concerns
- Evaluate Issues



Tank Monitoring

- Stratification Studies
- Water Quality Monitoring

Special Studies

- Hydrogen Sulfide Reduction
- Selenium Monitoring and Analysis

Pretreatment Support

- Sampling and Analysis

Wastewater Treatment



Colorado Department
of Public Health
and Environment

**AUTHORIZATION TO DISCHARGE UNDER THE
COLORADO DISCHARGE PERMIT SYSTEM**
PERMIT NUMBER CO0026701

In compliance with the provisions of the Colorado Water Quality Control Act, (25-8-101 et seq., CRS, 1973 as amended), for both discharges to surface and ground waters, and the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.; the "Act"), for discharges to surface waters only, the

City of Loveland

is authorized to discharge from the City of Loveland Wastewater Treatment Facility located T5N, R68W, Sec. 19, SE 1/4, NW 1/4; 920 S. Boise Avenue in Loveland, CO; at 40.38421° latitude North and 105.05206° longitude West

to the Big Thompson River

in accordance with effluent limitations, monitoring requirements and other conditions set forth in Parts I and II hereof. All discharges authorized herein shall be consistent with the terms and conditions of this permit.

The applicant may demand an adjudicatory hearing within thirty (30) calendar days of the date of issuance of the final permit determination, per the Colorado State Discharge Permit System Regulation 61.7(1). Should the applicant choose to contest any of the effluent limitations, monitoring requirements or other conditions contained herein, the applicant must comply with Section 24-4-104 CRS 1973 and the Colorado State Discharge Permit System Regulations. Failure to contest any such effluent limitation, monitoring requirement, or other condition, constitutes consent to the condition by the applicant.

This permit and the authorization to discharge shall expire at midnight, August 31, 2020.

Modified, Reissued, and Signed this 30th day of April, 2018.

COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

Ellen Howard Kutzer

Ellen Howard Kutzer, Permits Section Manager
Water Quality Control Division

Permit Action Summary:

Modification 3 – Minor Modification- Issued April 30, 2018 Effective June 1, 2018 Part I.A.2 and Part I.B.6.c
Modification 2 – Minor Modification- Issued August 31, 2017 Effective October 1, 2017 Part I.A.1, I.A.2 and Part I.B.6.b
Modification 1 – Minor Modification- Issued August 26, 2015, Effective September 1, 2015 – Part I.B.6.b
Originally Issued July 24, 2015, Effective September 1, 2015

Permit, **Part I**
Page 2 of 41
Permit No. CO0026701

TABLE OF CONTENTS

PART I.....	3
A. EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS.....	3
1. Permitted Feature(s).....	3
2. Limitations, Monitoring Frequencies and Sample Types for Effluent Parameters.....	3
3. Monitoring Frequency and Sample Type Influent Parameters.....	6

Compliance Testing and Reporting

River Temperature and Nutrient
Monitoring

Biomonitoring

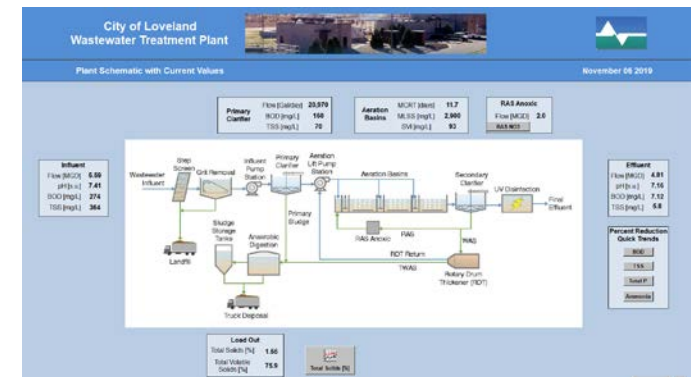
Sludge Analysis

Process Optimization Guidance

Database management

Lab Training

Analyzer Verification



Collaboration

Partnerships

- Big Thompson Watershed Forum
- USGS
- Product and Method Development
- Neighboring Utilities
- Other City Departments
 - Park and Recreation Swim Beach testing

Community Outreach

- Children's Water Festivals, River Cleanup Events, Museum Exhibit, Monthly Reports, Passport to Water

Trainings and Presentations

- Present at numerous symposiums and events
- Provide trainings to operations and other utilities



BIG THOMPSON
WATERSHED
FORUM



Looking Forward

New Combined Laboratory Facility



QUESTIONS?

**ITEM TITLE:**

Water Supply Update

DESCRIPTION:

Raw water supply update.

SUMMARY:

United States Drought Monitor Map of Colorado, as of November 5, 2019 (Attachment A):

- The majority of the South Platte Basin has favorable conditions and does not have a drought designation.
- There is a drought designation for the southern border and the southwestern part of the state.

NRCS Colorado SNOTEL Snow Water Equivalent (SWE) Map, as of November 7, 2019 (Attachment B):

- Indicates the South Platte Basin is at **178% of Median SWE** (1981-2010)
- Overall Statewide, we are currently at **143% of Median SWE**
- The Colorado SNOTEL Snowpack Update Report for the South Platte River Basin is tabulated in Attachment C.

Locations of Bear Lake & Lake Irene SNOTEL Sites:

- Bear Lake SNOTEL site is in the upper Big Thompson River Basin
- Lake Irene SNOTEL site is in the upper Colorado River Basin near the Continental Divide and is indicative of conditions in the upper Big Thompson basin.

NRCS SNOTEL Data Table for the South Platte River Basin as of November 7, 2019 (Attachment C):

- Bear Lake SWE at 3.4 inches
- Lake Irene SWE at 3.9 inches





Bear Lake NRCS SNOTEL Site Graph (Attachment D):

- First graph shows the SWE from October 2019 through November 7, 2019 (purple) compared to the 2002, 2017, 2018, 2019 water years, and the 30-year Median (1981-2010).
- Second graph shows the snow accumulation and melt-off period from October through mid-June.
- Currently, the SWE is above the 30-year median.

RECOMMENDATION:

Information item only. No action required.

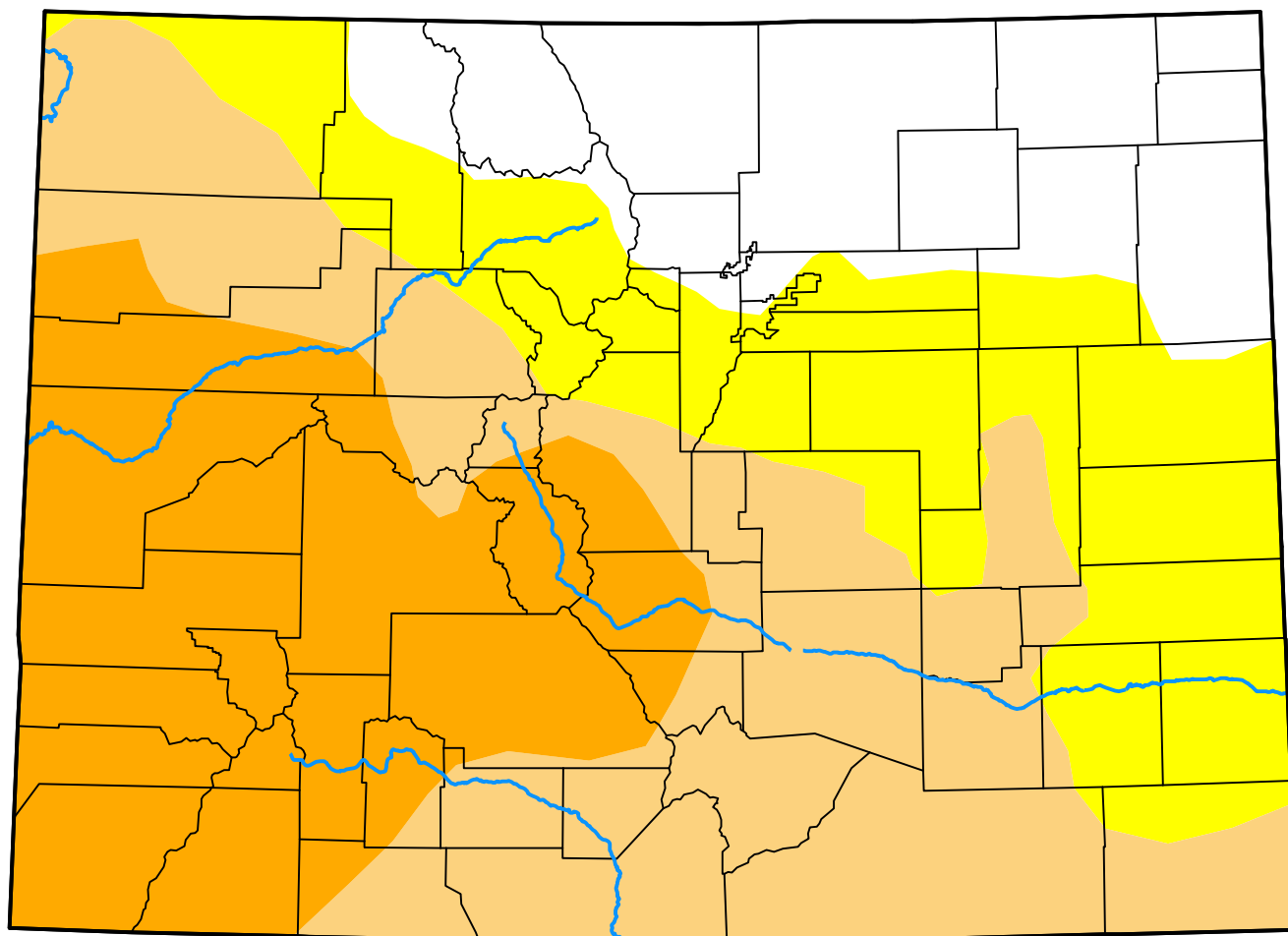
ATTACHMENTS:

-  Attachment A – U.S. Drought Monitor Map of Colorado
-  Attachment B – Colorado SNOTEL SWE Update Map
-  Attachment C – Colorado SNOTEL Update Table for the South Platte River Basin
-  Attachment D – Snow-Water Equivalent Graphs at Bear Lake







U.S. Drought Monitor Colorado

November 5, 2019
(Released Thursday, Nov. 7, 2019)
Valid 7 a.m. EST

ATTACHMENT A



Intensity:

-  None
-  D0 Abnormally Dry
-  D1 Moderate Drought
-  D2 Severe Drought
-  D3 Extreme Drought
-  D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

Author:

David Simeral
Western Regional Climate Center

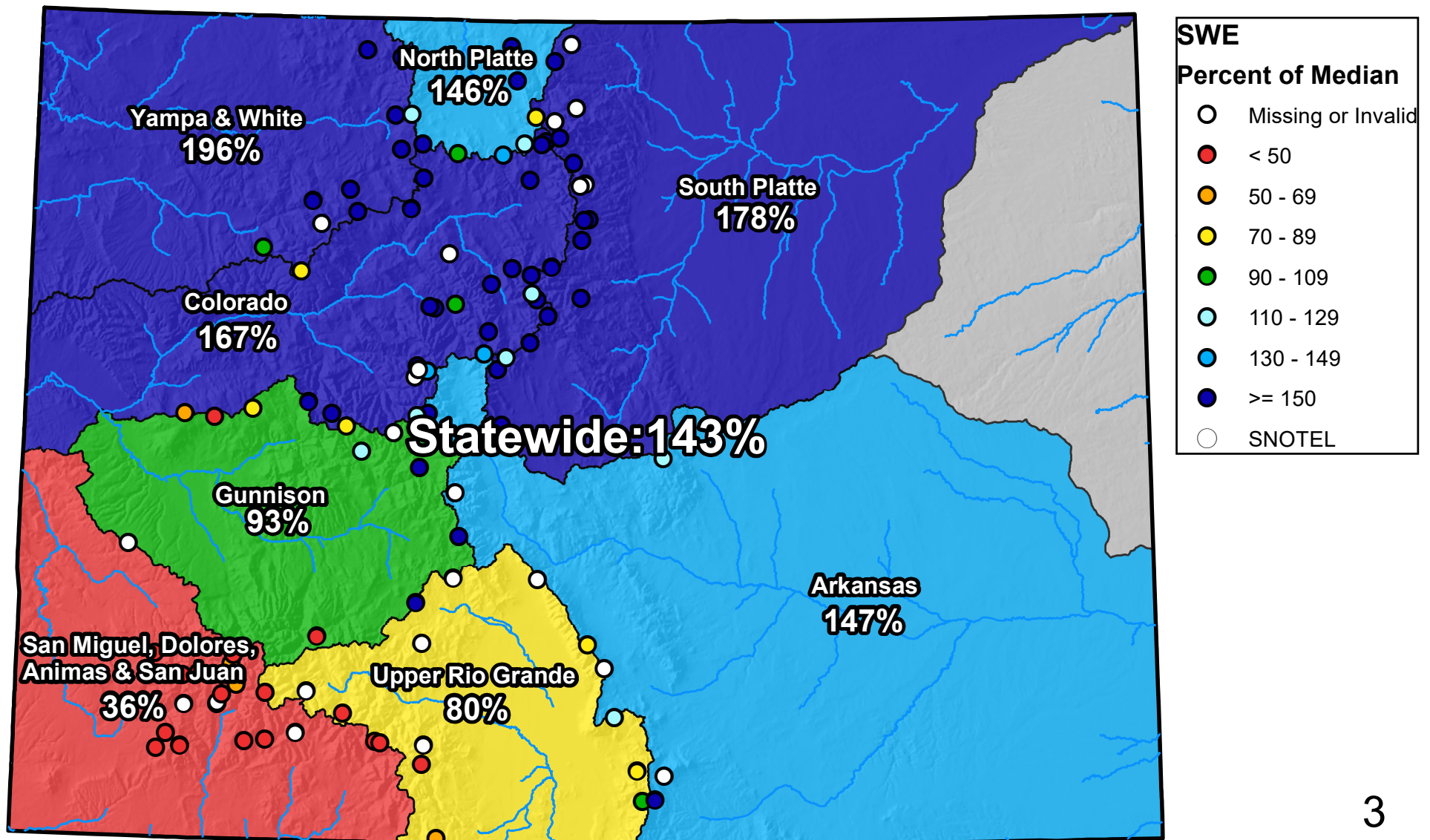


3 droughtmonitor.unl.edu

Colorado SNOTEL Snow Water Equivalent (SWE) Update Map with Site Data

Current as of Nov 07, 2019

ATTACHMENT B



3



0 25 50 100 150 200 Miles



United States Department of Agriculture

Natural Resources Conservation Service

ATTACHMENT C

COLORADO SNOTEL SNOWPACK UPDATE REPORT South Platte River Basin

(Data based on the first reading of the day (typically 00:00) for Thursday, November 7, 2019)

Basin Site Name	Elevation (ft)	Snow Water Equivalent				Percent of	
		Current (in)	Today's Median (in)	Median Peak (in)	Median Peak Date	Today's Median	Median Peak
Bear Lake	9,500	3.4	1.1	18.6	30-Apr	309*	18*
Berthoud Summit	11,300	3.4	1.4	21.8	29-Apr	243*	16*
Black Mountain	8,920	1.9	N/A	N/A	N/A	*	*
Buckskin Joe	11,150	1.9	0.9C	11.8C	26-Apr	211*	16*
Copeland Lake	8,600	0.7	0.0	4.6	3-Mar	*	15*
Deadman Hill	10,220	3.6	2.4	19.2	3-May	150	19
Echo Lake	10,600	1.7	1.0C	8.5C	26-Apr	170	20
Hoosier Pass	11,400	2.6	2.2	16.0	25-Apr	118	16
Hourglass Lake	9,380	2.8	N/A	N/A	N/A	*	*
Jackwhacker Gulch	10,960	2.0	1.1C	14.1C	26-Apr	182*	14*
Joe Wright	10,120	2.6	3.4	23.5	28-Apr	76	11
Lake Eldora	9,700	2.7	0.7	12.2	6-Apr	386*	22*
Lake Irene	10,700	3.9	2.1	24.9	7-Apr	186*	16*
Long Draw Res.	9,980	3.4	N/A	N/A	N/A	*	*
Loveland Basin	11,400	3.2	2.9C	23.2C	6-May	110	14
Michigan Creek	10,600	1.7	1.1C	12.4C	26-Apr	155*	14*
Niwot	9,910	3.4	1.0	12.6	28-Apr	340*	27*
Rough And Tumble	10,360	1.8	0.8C	7.7C	26-Apr	225	23
Sawtooth	9,620	4.3	N/A	N/A	N/A	*	*
University Camp	10,300	3.1	1.4	19.0	2-May	221*	16*
Wild Basin	9,560	3.5	N/A	N/A	N/A	*	*
Willow Park	10,700	3.5	1.9	19.2	26-Apr	184*	18*
Basin Index (%)						178*	17*

Notes:

Based on Mountain Data from NRCS SNOTEL Sites.

Provisional data, subject to revision.

The Snow Water Equivalent (SWE) PERCENT OF Median represents the current SWE found at selected SNOTEL sites in or near the basin compared to the Median value for those sites on this day.

The SWE PERCENT OF MAXIMUM Median represents the current SWE found at selected SNOTEL sites in or near the basin compared to the maximum Median value for those sites.

The basin index is calculated as the sum of the valid current values divided by the sum of the corresponding medians (for SWE) or averages (for precipitation) and the resulting fraction multiplied by 100.

N/A = Not available.

C = Conditional only 10-19 years of data available.

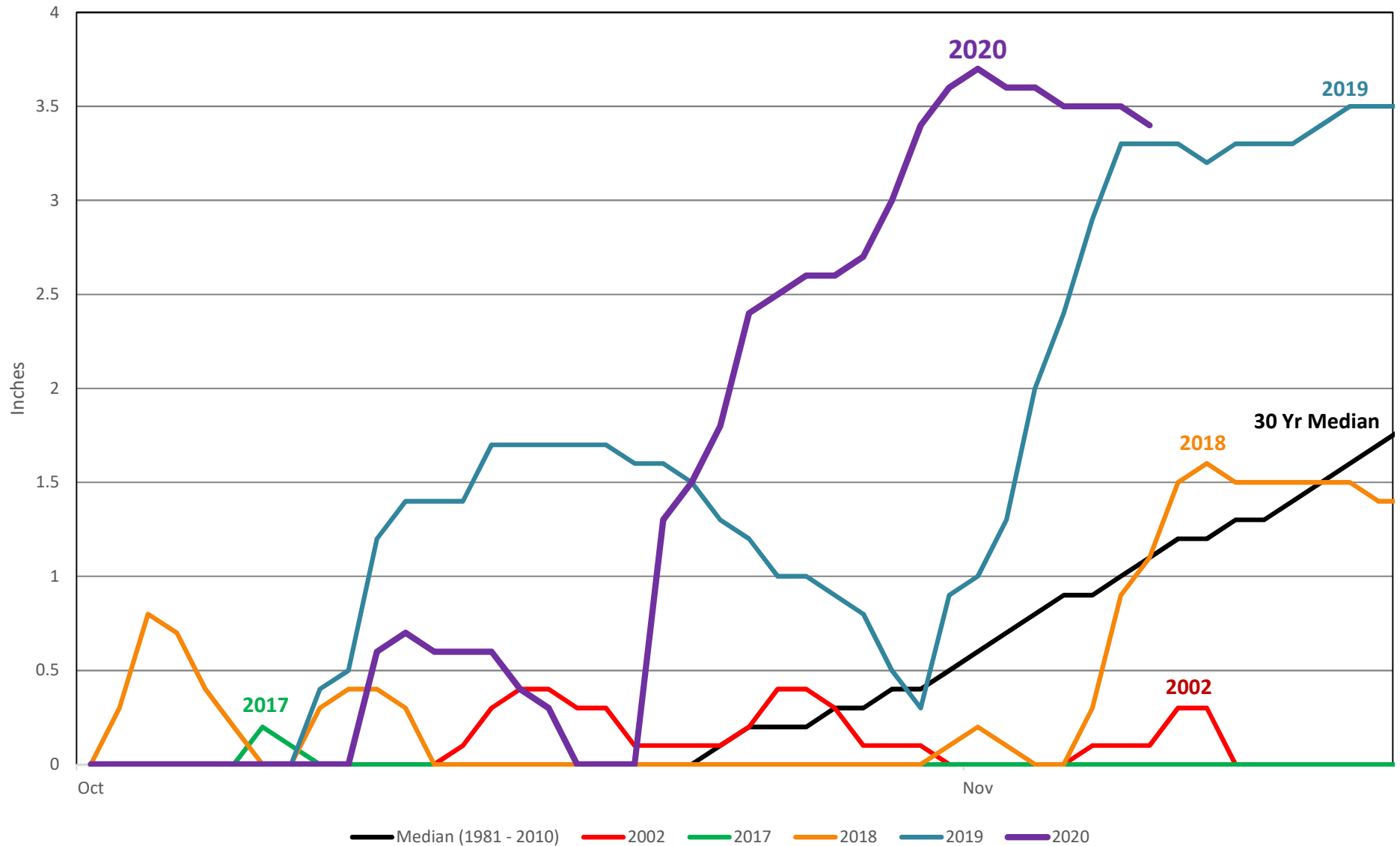
* = Analysis may not provide a valid measure of conditions.

* Site - Either: (a) the current value is missing; (b) the median or average for the day is not available or is zero; or (c) for snow water equivalent the median for the day is less than 10% of the maximum median value for the year.

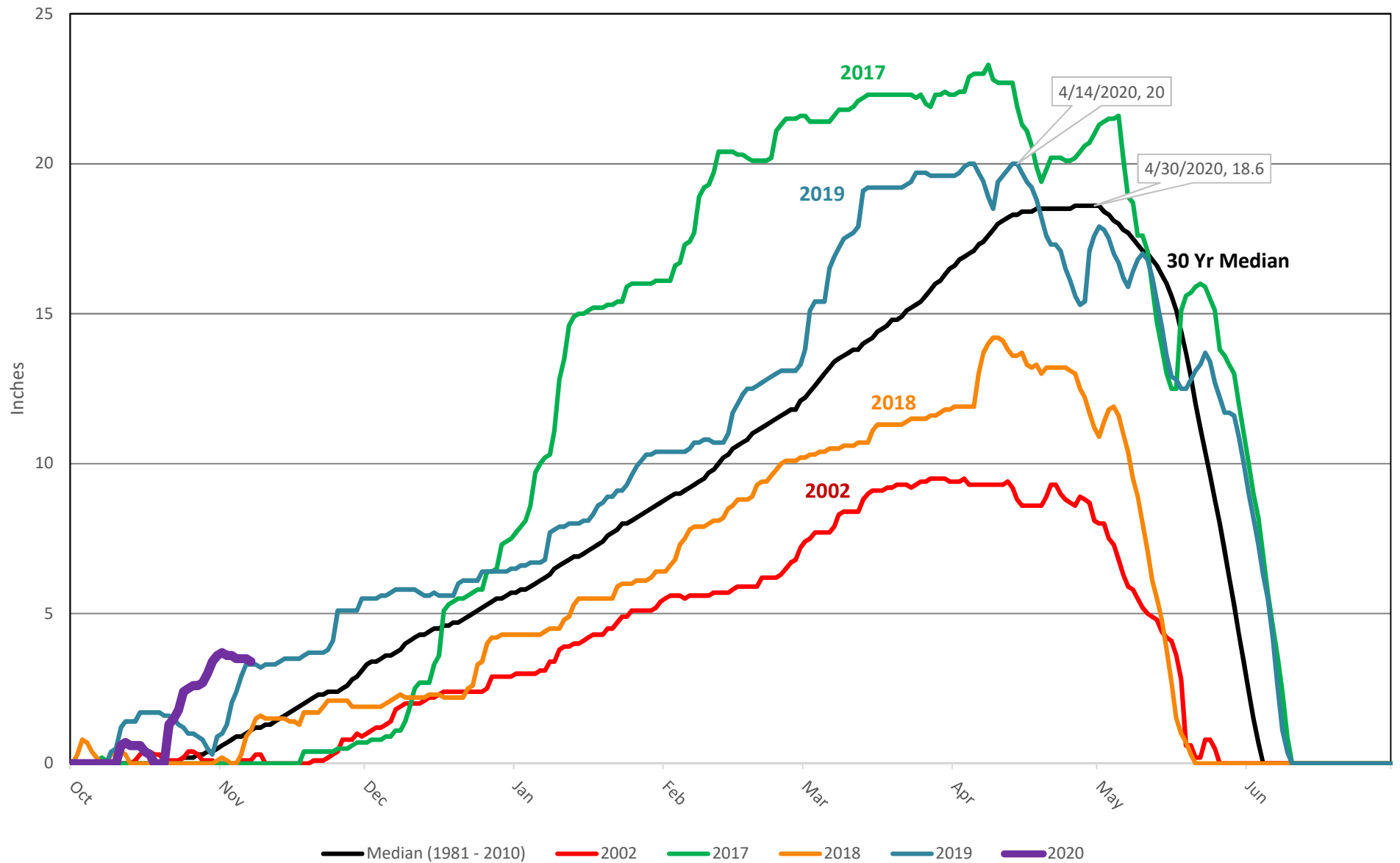
* Basin - More than half of the sites within the basin are flagged with * preventing the calculation of a meaningful basin index.

ATTACHMENT D

Snow - Water Equivalent at Bear Lake as of November 7, 2019



Snow - Water Equivalent at Bear Lake as of November 7, 2019



**ITEM TITLE:**

New eURL dashboard to access work history outside of Cityworks.

DESCRIPTION:

We now have the ability to create dashboards that summarize and provide historical information on work that has been done on our utility systems.

SUMMARY:

What we have to show you today is a sample dashboard that summarized all of the Main Repair Work Orders from 2014 to present. They are broken down by year and by average cost of Equipment, Labor and Materials. You can interact with the map by navigating and selecting the work orders to gain more detailed information.

For now, this is available for our internal staff only, but is a superb management tool.

More maps are planned for the future such as:

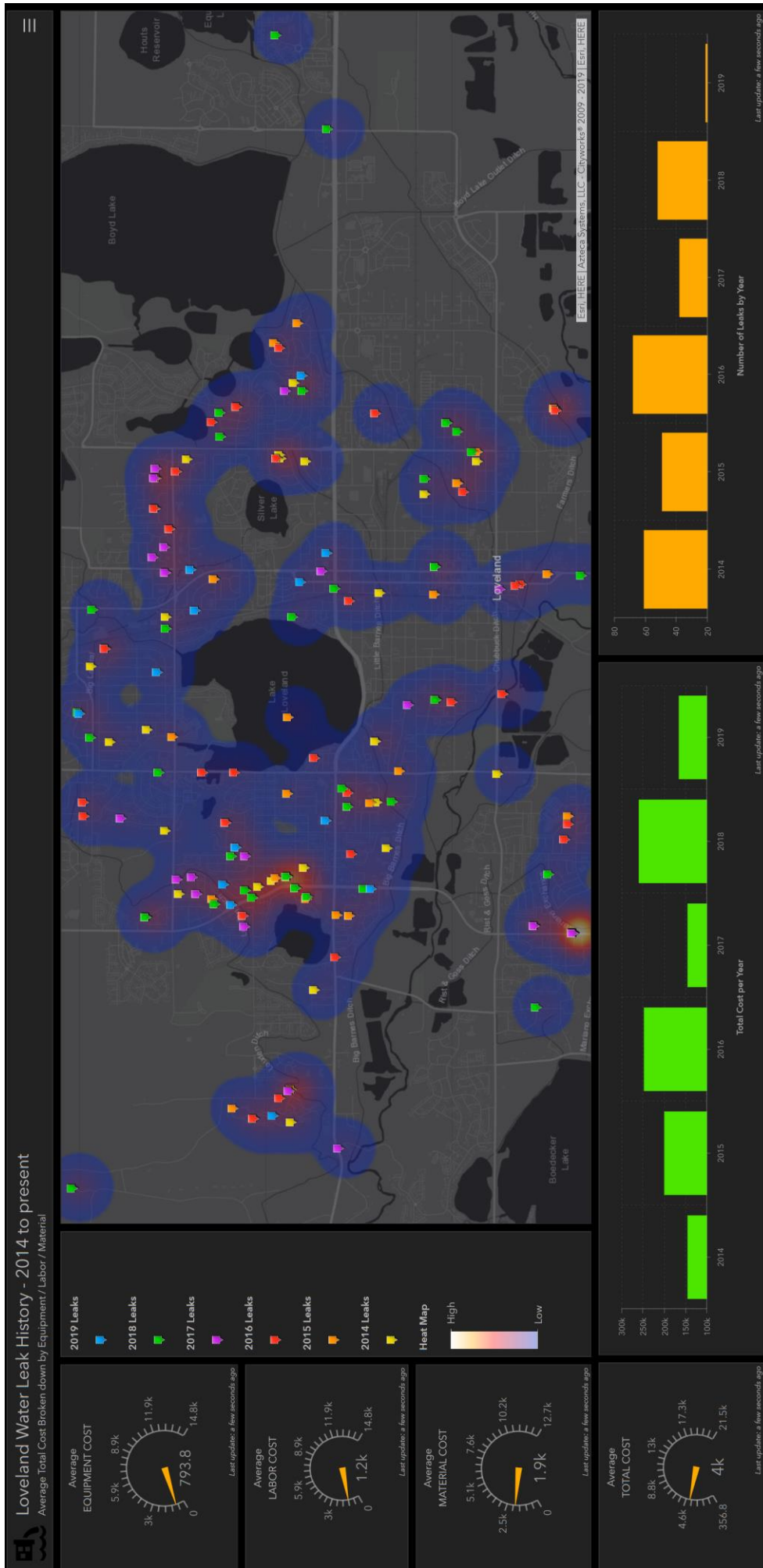
- Fiber Design and Build progression
- Water pipe quality
- Daily Operations
- Customer call tracking

RECOMMENDATION:

Information item only. No action required.

ATTACHMENTS:

-  Attachment A: Screenshot of Water pipe leak history Dashboard



**ITEM TITLE:**

2020 Annual Directional Boring Projects Contract Renewal

DESCRIPTION:

The Department of Water & Power reviewed the Annual Power Directional Bore Contract. We use a Directional Bore Contractor to bore underneath canals, railroad tracks, and streets that cannot be open cut and in other inaccessible areas where we are extending underground electrical power lines. After consideration of the excellent work being done by our current contractor during 2019, the decision was made to recommend renewing this contract for calendar year 2020 which is allowed in the contract documents. The work was bid, and the original contract term began January 1, 2018 and ended December 31, 2018. This contract was renewed in 2019, and this is the second renewal.

SUMMARY:

Each year there are multiple opportunities to use the directional bore contract for projects that occur as a result of development, capital construction, emergencies and maintenance. The directional bore bid allows contractor augmentation of City crew efforts to install underground conduit systems, street light wires, street lights and vaults. On November 8, 2017, the City of Loveland received sealed bids for the 2018 Annual Directional Bore Projects. After consideration of the bid responses and the unit prices received, the decision was made to recommend awarding this bid to Jacobs Investments LLC, dba Colorado Boring Company.

This year we anticipate expenditures of approximately \$900,000.00 for small capital projects, small 600-amp development-driven extensions, overhead to underground conversions, and development growth. Although the contract is set at a not-to-exceed amount, the city does not guarantee that there will be that much work available.



The proposed contract amount is budgeted within several capital projects, maintenance and development-driven projects.

Per Municipal Code 3.12.060A and 3.12.060B, the LUC must approve Water and Power contracts above \$500,000 or 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 20% of the original contract amount.

RECOMMENDATION:

Adopt a motion to renew the 2019 Annual Directional Boring Contract to Colorado Boring, Inc. for 2020 in an amount not to exceed \$900,000.00 and authorizing the City Manager to sign the contract on behalf of the City.

ATTACHMENTS:

-  Attachment A: 2019 Annual Directional Boring Projects Renewal Contract
-  Attachment B: 2020 Annual Directional Boring Projects Renewal Contract

ATTACHMENT A

CONSTRUCTION CONTRACT RENEWAL

THIS RENEWAL CONTRACT is made and entered into this 20th day of November, 2018, by and between the CITY OF LOVELAND, COLORADO, a home rule municipality ("City"), and **Jacobs Investment LLC DBA Colorado Boring Company** ("Contractor").

1. The City awarded Contractor the bid for the **2018 Annual Directional Bore Projects, Project No. 2017-71**, to the extent of the Contractor's bid dated **November 16, 2017**. The City and the Contractor executed the Construction Contract (the "Contract") on **February 8, 2018**. The Contract provides that the City has an option to extend the Contract, and the City has exercised that option.

2. The Contract is hereby renewed for a one-year term effective **January 1, 2019** unless earlier terminated in accordance with the Contract Documents, as defined in the Contract.

3. The Contractor, in consideration of the sum to be paid to the Contractor by the City and of the covenants and agreements contained herein and in the Contract Documents, identified in the general conditions at section 1.0 and incorporated herein by reference, hereby agrees at the Contractor's own proper cost and expense to do all the work and furnish all the materials, tools, labor, and all appliances, machinery, and appurtenances for the construction of the project described as **2018 Annual Directional Bore Projects** to the extent of the Contractor's bid dated **November 16, 2017**, for items installed for the Power Department in full compliance with the contract documents.

4. In consideration of the performance of the work as set forth in the contract documents, the City agrees to pay to the Contractor a sum not-to-exceed **\$ 750,000**, as adjusted in accordance with the contract documents or as otherwise herein provided, and to make such payments in the manner and at the times provided in the contract documents. The Contractor shall provide to the City all bonds required by the Contract Documents for the amount set forth in this Paragraph 4.

5. Time is the essence of this contract. The Contractor agrees to complete the work within the timeframes set forth in each individual work order issued under this contract and to accept as full payment hereunder the quantities computed as determined by the contract documents and based on the unit prices set forth in the bid, except as set forth in the Request for Price Revisions as agreed to and accepted by the City, attached as "Exhibit A."

6. All other terms and conditions of the Contract shall remain in full force and effect according to the provisions thereof.

7. This Amendment may be executed by electronic signature in accordance with C.R.S. § 24-71.3-101 *et seq.*

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

SIGNATURES ON NEXT PAGE

CITY OF LOVELAND, COLORADO

By: Stephen Adams

Title: CITY MANAGER

ATTEST:

Deputy [Signature]
City Clerk

APPROVED AS TO FORM:

[Signature]
Assistant City Attorney



CONTRACTOR:

By: [Signature]

Title: Managing Member

ATTEST: (if corporation)

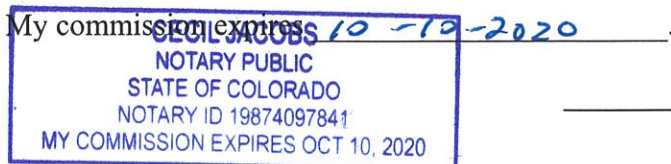
Corporate Secretary

STATE OF COLORADO)
) ss.
COUNTY OF Larimer)

The foregoing contract was acknowledged before me this 30 day of Oct., 2018 by Jon Jacobs.

(Insert name of individual signing on behalf of the Contractor)

Witness my hand and official seal.



[Signature]
Notary Public

CONSTRUCTION CONTRACT

THIS CONTRACT is made and entered into this 8th day of February, 2018, *nunc pro tunc* January 1, 2018, by and between the CITY OF LOVELAND, COLORADO, a home rule municipality ("City"), and Jacobs Investment LLC DBA Colorado Boring Company ("Contractor").

The Contractor, in consideration of the sum to be paid to the Contractor by the City and of the covenants and agreements contained herein and in the contract documents, identified in the general conditions at section 1.0 and incorporated herein by reference, hereby agrees at the Contractor's own proper cost and expense to do all the work and furnish all the materials, tools, labor, and all appliances, machinery, and appurtenances for the construction of the project described as **2018 Annual Directional Bore Projects, Project No. 2017-71** to the extent of the Contractor's bid opened **November 16, 2017** in full compliance with the contract documents.

In consideration of the performance of the work as set forth in the contract documents, the City agrees to pay the Contractor a sum not to exceed Seven Hundred and Fifty Thousand Dollars (\$750,000), as adjusted in accordance with the contract documents or as otherwise herein provided, and to make such payments in the manner and at the times provided in the contract documents.

Time is the essence of this contract. The Contractor agrees to complete the work within the timeframes set forth in each individual work order issued under this contract, and to accept as full payment hereunder the quantities computed as determined by the contract documents and based on the unit prices set forth in the bid.

In the event that the Contractor fails to complete the work within the time limit set forth in the contract documents, liquidated damages shall be paid at the rate of Five Hundred Dollars (\$500) per day until substantial completion.

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

CITY OF LOVELAND, COLORADO

By: Stephen Adams

Title: CITY MANAGER

ATTEST:

Acting City Clerk

APPROVED AS TO FORM:

Assistant City Attorney



CONTRACTOR:

By: [Signature]

Title: Managing Member

Jacobs Investments LLC dba Colorado Boring Company

ATTEST: (if corporation)

Corporate Secretary

STATE OF COLORADO)

COUNTY OF Larimer) ss.

The foregoing instrument was acknowledged before me this 27 day of Jan

2018

Jon Jacob

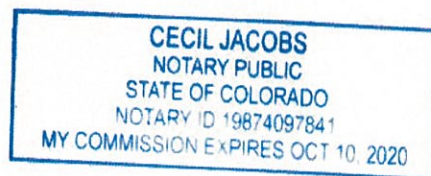
by

(Insert name of individual signing on behalf of the Contractor)

SEAL

[Signature]
Notary's official signature

10-10-2020
Commission Expiration Date



**BID
UNIT-PRICE BASIS**

TO: THE CITY OF LOVELAND, COLORADO
PROJECT: 2018 Annual Directional Bore Projects, Project No. 2017-71

BIDDER:
(Please type or print.)

Name: Colorado Boring Company

Address: 3813 Canal Dr.

Ft. Collins, CO. 80524

Contact Person: Jon Jacobs

Phone: (970) 494-1996 Fax: (970) 494-4449

The undersigned Bidder, having investigated all matters relevant to the Project and having read and examined the specifications and associated documents for the Project, including the Contract and the Contract Documents, does hereby propose to perform the work and provide the services set forth in this Bid.

The Bidder agrees to accept as full payment for the work proposed under the Contract as herein specified and as shown on the drawings, the amounts computed on the basis of the following unit or lump sum prices. It is understood that the prices are independent of the exact quantities involved. The Bidder states that the prices set forth below are a true measure of the labor, equipment, and materials, including overhead and profit, to complete the work, exclusive of any materials provided by the City of Loveland. In the event of a discrepancy between unit or lump sum prices and total prices, unit or lump sum prices shall govern.

The following bid schedule is an estimate only of the work proposed under the Contract, and the City does not guarantee any such quantities. The City reserves the right to eliminate from and add to the quantities without any adjustment in unit prices. The estimate of quantities will be used for evaluating bids. Items called out in the specifications, but not separately listed as a bid item, shall be considered incidental work and no additional payment shall be made.

UNIT PRICE BID SCHEDULE
2018 ANNUAL DIRECTIONAL BORE PROJECTS
Project No. 2017-71

Notes:

- All pit materials, including but not limited to sand, gravel, and rocks will be provided by the City and will not be reflected in the unit prices below.
- All materials installed by the Contractor, including but not limited to conduit spacers, tracer wire, pull-tape, couplers, and glue will be provided by the City and will not be reflected in the unit prices below unless specially noted otherwise
- All unit prices will include dewatering equipment and labor charges.
- All polyethylene conduit and bore guard will be in 10-foot or 20-foot lengths and will be provided by the City.
- Vacuum machine for mud removal and disposal costs will be included in unit prices.
- All unit prices will include installation of #12 red insulated tracer wire, a vertical tracer wire pipe and cap at vault edge. Wire supplied by the City.
- All unit prices shall include the installation of pull-tape in each conduit.

1. Directional boring and installation in:

- a. Reasonable soil conditions (HDPE Conduit and Cable-In-Conduit supplied by City).
 - i. \$ 7.⁰⁰ per lineal foot of one (1) 1-1/2" high-density polyethylene conduit.
 - ii. \$ 7.⁰⁰ per lineal foot of one (1) 2" high-density polyethylene conduit.
 - iii. \$ 9.⁰⁰ per lineal foot of two (2) 2" high-density polyethylene conduit.
 - iv. \$ 7.⁰⁰ per lineal foot of one (1) 1-1/4" cable-in-conduit (high-density polyethylene on a steel reel).
 - v. \$ 7.⁰⁰ per lineal foot of one (1) 2" cable-in-conduit (high-density polyethylene on a steel reel).
- b. Rock conditions (HDPE Conduit and Cable-In-Conduit supplied by City).
 - i. \$ 15.⁰⁰ per lineal foot of one (1) 1-1/2" high-density polyethylene conduit.
 - ii. \$ 14.⁰⁰ per lineal foot of one (1) 2" high-density polyethylene conduit.
 - iii. \$ 16.⁰⁰ per lineal foot of two (2) 2" high-density polyethylene conduit.
 - iv. \$ 14.⁰⁰ per lineal foot of one (1) 1-1/4" cable-in-conduit (high-density polyethylene on a steel reel).
 - v. \$ 14.⁰⁰ per lineal foot of one (1) 2" cable-in-conduit (high-density polyethylene on a steel reel).

2. Directional boring and installation without spacers in:

- a. Reasonable soil conditions (Bore guard supplied by City).
 - i. \$ 9.⁰⁰ per lineal foot of one (1) 4" bore guard.
 - ii. \$ 12.⁰⁰ per lineal foot of two (2) 4" bore guard.
 - iii. \$ 12.⁰⁰ per lineal foot of one (1) 6" bore guard.
 - iv. \$ 14.⁰⁰ per lineal foot of two (2) 6" bore guard.
 - v. \$ 14.⁰⁰ per lineal foot of three (3) 6" bore guard.
- b. Rock conditions (Bore guard supplied by City).
 - i. \$ 16.⁰⁰ per lineal foot of one (1) 4" bore guard.
 - ii. \$ 20.⁰⁰ per lineal foot of two (2) 4" bore guard.
 - iii. \$ 20.⁰⁰ per lineal foot of one (1) 6" bore guard.

Company Name: Colorado Boring Co.

- iv. \$ 36.⁰⁰ per lineal foot of two (2) 6" bore guard.
v. \$ 36.⁰⁰ per lineal foot of three (3) 6" bore guard.

3. Directional boring and installation with spacers in:

- a. Reasonable soil conditions (Bore guard and spacers supplied by City).
i. \$ 55.⁰⁰ per lineal foot of four (4) 6" bore guard.
ii. \$ 60.⁰⁰ per lineal foot of five (5) 6" bore guard.
iii. \$ 64.⁰⁰ per lineal foot of six (6) 6" bore guard.
b. Rock conditions (Bore guard and spacers supplied by City).
i. \$ 100.⁰⁰ per lineal foot of four (4) 6" bore guard.
ii. \$ 110.⁰⁰ per lineal foot of five (5) 6" bore guard.
iii. \$ 110.⁰⁰ per lineal foot of six (6) 6" bore guard.

4. Couplings:

- a. \$ 5.⁰⁰ each coupling to mate 4" polyethylene to 4" PVC SCH 40 conduit.
b. \$ 5.⁰⁰ each coupling to mate 6" polyethylene to 5" PVC SCH 40 conduit.
c. \$ 5.⁰⁰ each reducing coupling to mate 6" bore guard to 6" Schedule 40 conduit.

5. Excavation, backfilling, and restoration of required pits for directional boring and installation of conduits described in items 1 - 21.

\$ 300.⁰⁰ each bore pit.

6. Utility locates, including sewer lateral locates, and required potholing for directional boring and installation of conduits described in Items 1A through 16b Labor and materials to fill potholes shall be included in the Unit Prices for potholing.

- a. \$ 100.⁰⁰ per pothole up to 10.
b. \$ 950.⁰⁰ 10 or more potholes per day at a daily rate.

7. Mobilization costs - one time

- a. \$ 500.⁰⁰ for projects less than 1,000 feet in length.
b. \$ -0- for projects greater than 1,000 feet in length.

8. Hand digging into a transformer, switchgear, vault, sectionalizing cabinet or handhole.

\$ 90.⁰⁰ per hour.

9. 3-Man Labor, Crew w/Equipment.

\$ 145.⁰⁰ per hour.

10. Shoring or trench boxes.

\$ 600.⁰⁰ daily rate.

Company Name: Colorado Boring Co.

11. Bore sleeves/casing – steel – unit price shall include the spacer assembly cost (Spacer material to be provided by the City).

- a. 18" diameter \$ 125.⁰⁰ per lineal foot – reasonable soil conditions.
- b. 24" diameter \$ 145.⁰⁰ per lineal foot – reasonable soil conditions.
- c. 30" diameter \$ 155.⁰⁰ per lineal foot – reasonable soil conditions.
- d. 36" diameter \$ 200.⁰⁰ per lineal foot – reasonable soil conditions.
- e. 18" diameter \$ 375.⁰⁰ per lineal foot – rock soil conditions.
- f. 24" diameter \$ 435.⁰⁰ per lineal foot – rock soil conditions.
- g. 30" diameter \$ 465.⁰⁰ per lineal foot – rock soil conditions.
- h. 36" diameter \$ 600.⁰⁰ per lineal foot – rock soil conditions.

12. Bore sleeves/casing – HDPE – unit price shall include the spacer assembly cost (Spacer material to be provided by the City).

- a. 18" diameter \$ 125.⁰⁰ per lineal foot – reasonable soil conditions.
- b. 24" diameter \$ 145.⁰⁰ per lineal foot – reasonable soil conditions.
- c. 30" diameter \$ 155.⁰⁰ per lineal foot – reasonable soil conditions.
- d. 36" diameter \$ 200.⁰⁰ per lineal foot – reasonable soil conditions.
- e. 18" diameter \$ 375.⁰⁰ per lineal foot – rock soil conditions.
- f. 24" diameter \$ 435.⁰⁰ per lineal foot – rock soil conditions.
- g. 30" diameter \$ 465.⁰⁰ per lineal foot – rock soil conditions.
- h. 36" diameter \$ 600.⁰⁰ per lineal foot – rock soil conditions.

13. Sleeveless bore with spacers – unit price shall include the spacer assembly cost (Spacer material to be provided by the City).

- a. 18" diameter \$ 110.⁰⁰ per lineal foot – reasonable soil conditions.
- b. 24" diameter \$ 130.⁰⁰ per lineal foot – reasonable soil conditions.
- c. 30" diameter \$ 180.⁰⁰ per lineal foot – reasonable soil conditions.
- d. 36" diameter \$ 195.⁰⁰ per lineal foot – reasonable soil conditions.
- e. 18" diameter \$ 195.⁰⁰ per lineal foot – rock soil conditions.
- f. 24" diameter \$ 200.⁰⁰ per lineal foot – rock soil conditions.
- g. 30" diameter \$ 260.⁰⁰ per lineal foot – rock soil conditions.
- h. 36" diameter \$ 360.⁰⁰ per lineal foot – rock soil conditions.

STEEL AND HDPE CASING SPECIFICATIONS:

- Both the steel and HDPE casings need to be of sufficient strength for the application, and must comply with the state and local requirements.
- The HDPE casing shall be an SDR11 meeting the appropriate ASTM standards (ASTM F2160, F2176, etc.).
- The steel casing shall be a minimum wall thickness of 1/2" meeting the appropriate ASTM standards (ASTM A252, etc.).

COMPANY NAME: Colorado Boring Company

BIDDER'S INITIALS:  DATE: 11-11-2017

THE UNDERSIGNED BIDDER HEREBY certifies that: (a) this Bid is genuine and is not made in the interest of or on the behalf of any undisclosed person, firm, or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization, or corporation; (b) the Bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid; (c) the Bidder has not solicited or induced any person, firm, or corporation to refrain from bidding; and (d) the Bidder has not sought by collusion to obtain for the Bidder any advantage over any other bidder or over the City.


The undersigned Bidder represents that the Bidder is familiar with C.R.S. §§ 8-19-101, *et seq.* and that the Bidder is ☒ is not ☐ (check one) a "resident bidder" as defined therein. The undersigned further understands that if the Bidder is not a "resident bidder" and if the Bidder's state of residence grants a preference to resident bidders, the amount of such preference will be allowed to resident bidders in comparing this Bid to the bids of such resident bidders. The undersigned Bidder further agrees to furnish, upon request of the City, such additional information and affidavits as may be necessary to confirm the undersigned Bidder's status as a resident bidder and to indemnify the City from all claims and costs that arise out of any dispute over the Bidder's status as a resident bidder.

The Bidder hereby acknowledges receipt of Addenda Nos. 1, 2, _____, _____, _____, _____ to these specifications. (Insert number of each addendum received.)

Dated this 11 day of Nov., 2012.

(S E A L)

Attest:


CORPORATE SECRETARY

BIDDER:

BY: 

TITLE: Managing Member

State of Incorporation: _____

Address of Principal Office: _____

Relevant Project Experience

Project Name:	Location:	Project Scope of Work:	Start Date:	Finish Date:	Reference Information:
Loveland Oncall Boring	City of Loveland	Directional drilling from 11/4" CIC to 30" Steel for Power, Traffic, and IT	1/1/2017	12/31/2017	Mark Warner Loveland, CO. 970-290-6696
Ft. Collins Oncall Boring	City of Ft. Collins	Directional drilling from 11/4" HDPE to 30" Steel for Power, Traffic, IT, Parks, and Water Dept.	1/1/2017	12/31/2017	Janet Mctague Ft. Collins, CO. 970-224-6154
Denver Oncall Boring	City of Denver	Directional drilling from 2" HDPE to 6" Steel for all depts. In the City and County of Denver	1/1/2017	12/31/2017	Tam Nguyen Denver, CO. 303-513-6781
Loveland Oncall Boring	City of Loveland	Directional drilling from 11/4" CIC to 30" Steel for Power, Traffic, and IT	1/1/2016	12/31/2016	Mark Warner Loveland, CO. 970-290-6696
Ft. Collins Oncall Boring	City of Ft. Collins	Directional drilling from 11/4" HDPE to 30" Steel for Power, Traffic, IT, Parks, and Water Dept.	1/1/2016	12/31/2016	Janet Mctague Ft. Collins, CO. 970-224-6154
Denver Oncall Boring	City of Denver	Directional drilling from 2" HDPE to 6" Steel for all depts. In the City and County of Denver	1/1/2016	12/31/2016	Tam Nguyen Denver, CO. 303-513-6781

**ADDENDUM #1 TO BID #2017-71 FOR
2018 ANNUAL DIRECTIONAL BORING PROJECTS**

This addendum dated November 8, 2017 consists of 1 page and has been issued via BidNet Direct. The original documents remain in full force and effect as revised by the following changes that take precedence over anything to the contrary. This addendum shall become part of the bid as if originally included.

This does not change the time nor place of bid opening.

The not to exceed amount for this contract is \$1,000,000.00. This is an estimate of the work to be done in 2018 and is not a guarantee of payment of that amount.

A handwritten signature in black ink, consisting of a large, stylized capital 'J' followed by a horizontal line and a small flourish.

**CITY OF LOVELAND
ADDENDUM NO. 2
14 November 2017
2018 Annual Directional Boring Projects 2017-71
BID DOCUMENTS AND PROPOSAL PAGES FOR**

To All Prospective Bidders:

The following changes, additions, and/or deletions are hereby made a part of the Bid Documents and Proposal Pages for 2018 Annual Directional Boring Projects 2017-71 bid, as fully and completely as if they were fully set forth therein:

Revision to "Unit Price Bid Schedule"

4. Couplings:

- b. each coupling to mate 6" polyethylene to 5" PVC SCH 40 conduit.
- c. each reducing coupling to mate 6" bore guard to 6" Schedule 40 conduit.

Revised Statement Shall Read

- b. each coupling to mate 6" polyethylene to 6" PVC SCH 40 conduit.
- c. each reducing coupling to mate 6" bore guard to 5" Schedule 40 conduit.

All bidders shall acknowledge receipt and acceptance of this Addendum 2 in the Bid Form or by submitting the Addendum with the Bid Package. Bid Forms submitted without acknowledgement or without this Addendum may be considered in non-conformance.

If you have any questions concerning this Addendum, please contact Gordon Whitelock, City of Loveland Department of Water and Power, Service Center, 200 North Wilson Avenue, Loveland, Colorado 80537, 970-962-3561.

END OF ADDENDUM

ATTACHMENT B

CONSTRUCTION CONTRACT RENEWAL

THIS RENEWAL CONTRACT is made and entered into this ____day of _____, 20____, by and between the CITY OF LOVELAND, COLORADO, a home rule municipality ("City"), and **Jacobs Investment LLC DBA Colorado Boring Company**("Contractor").

1. The City awarded Contractor the bid for the **2018 Annual Directional Bore Projects, Project No. 2017-71**, to the extent of the Contractor's bid dated **November 16, 2017**. The City and the Contractor executed the Construction Contract (the "Contract") on **February 8, 2018**. The Contract provides that the City has an option to extend the Contract, and the City has exercised that option.

2. The Contract is hereby renewed for a one-year term effective **January 1, 2020**

3. In consideration of the performance of the work as set forth in the contract documents, the City agrees to pay to the Contractor a sum not-to-exceed **\$ 900,000.00**, as adjusted in accordance with the contract documents or as otherwise herein provided, and to make such payments in the manner and at the times provided in the contract documents. The Contractor shall provide to the City all bonds required by the Contract Documents for the amount set forth in this Paragraph 4.

4. Time is the essence of this contract. The Contractor agrees to complete the work within the timeframes set forth in each individual work order issued under this contract and to accept as full payment hereunder the quantities computed as determined by the contract documents and based on the unit prices set forth in the bid, except as set forth in the Request for Price Revisions as agreed to and accepted by the City, attached as "Exhibit A."

5. All other terms and conditions of the Contract shall remain in full force and effect according to the provisions thereof.

6. This Amendment may be executed by electronic signature in accordance with C.R.S. § 24-71.3-101 *et seq.*

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

SIGNATURES ON NEXT PAGE

CITY OF LOVELAND, COLORADO

By: _____

Title: _____

City Clerk

Assistant City Attorney

By:_____

ATTEST: (if corporation)

Corporate Secretary

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing contract was acknowledged before me this ____ day of _____, 20__ by _____.

Witness my hand and official seal.

My commission expires _____.

Notary Public

**ITEM TITLE:**

2020 Annual Substructure Projects Contract Renewal

DESCRIPTION:

The annual substructure contract allows contractor augmentation of City crew efforts to install underground conduit systems, streetlight wires, streetlights and vaults. The Department of Water & Power reviewed the annual substructure contract and after consideration of the excellent work being done by our current contractor during 2019 and in prior years, the decision was made to recommend renewing this contract for calendar year 2020 which is allowed in the contract documents. The work was bid, and the original contract term began January 1, 2018 and ended December 31, 2018. This contract was renewed in 2019, and this is the second renewal.

SUMMARY:

Each year there are multiple opportunities to use the substructure contract for projects that occur as a result of development, capital construction, emergencies and maintenance. The substructure bid allows contractor augmentation of City crew efforts to install underground conduit systems, street light wires, street lights and vaults. On November 8, 2017, the City of Loveland received sealed bids for the 2018 Annual Substructure Projects. After consideration of the bid responses and the unit prices received, the decision was made to recommend awarding this bid to GE Construction, Inc.

This year we anticipate expenditures of approximately \$1,200,000.00 for small capital projects, small 600-amp development-driven extensions, overhead to underground conversions, and development growth. Although the contract is set at a not-to-exceed amount, the City does not guarantee that there will be that much work available.



The proposed contract amount is budgeted within several capital projects, maintenance and development-driven projects.

Per Municipal Code 3.12.060A and 3.12.060B, the LUC must approve Water and Power contracts above \$500,000 or 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 20% of the original contract amount.

RECOMMENDATION:

Adopt a motion to renew the 2019 Annual Substructure Contract to G.E. Construction for 2020 in an amount not to exceed \$1,200,000.00 and authorizing the City Manager to sign the contract on behalf of the City.

ATTACHMENTS:

-  Attachment A: 2019 Substructure Projects Renewal Contract
-  Attachment B: 2020 Substructure Projects Renewal Contract

ATTACHMENT A

CONSTRUCTION CONTRACT RENEWAL

THIS RENEWAL CONTRACT is made and entered into this 18th day of December, 2018, by and between the CITY OF LOVELAND, COLORADO, a home rule municipality ("City"), and **GE Construction** ("Contractor").

1. The City awarded Contractor the bid for the **2018 Annual Substructure Projects Project No. 2017-70**, to the extent of the Contractor's bid dated **November 16, 2017**. The City and the Contractor executed the Construction Contract (the "Contract") on **February 2, 2018**. The Contract provides that the City has an option to extend the Contract, and the City has exercised that option.

2. The Contract is hereby renewed for a one-year term effective **January 1, 2019** unless earlier terminated in accordance with the Contract Documents, as defined in the Contract.

3. The Contractor, in consideration of the sum to be paid to the Contractor by the City and of the covenants and agreements contained herein and in the Contract Documents, identified in the general conditions at section 1.0 and incorporated herein by reference, hereby agrees at the Contractor's own proper cost and expense to do all the work and furnish all the materials, tools, labor, and all appliances, machinery, and appurtenances for the construction of the project described as **2018 Annual Substructure Projects** to the extent of the Contractor's bid dated **November 16, 2017**, for items installed for the Water & Power Department in full compliance with the contract documents.

4. In consideration of the performance of the work as set forth in the contract documents, the City agrees to pay to the Contractor a sum not-to-exceed **\$ 1,000,000.00**, as adjusted in accordance with the contract documents or as otherwise herein provided, and to make such payments in the manner and at the times provided in the contract documents. The Contractor shall provide to the City all bonds required by the Contract Documents for the amount set forth in this Paragraph 4.

5. Time is the essence of this contract. The Contractor agrees to complete the work within the timeframes set forth in each individual work order issued under this contract and to accept as full payment hereunder the quantities computed as determined by the contract documents and based on the unit prices set forth in the bid, except as set forth in the Request for Price Revisions as agreed to and accepted by the City, attached as "Exhibit A."

6. All other terms and conditions of the Contract shall remain in full force and effect according to the provisions thereof.

7. This Amendment may be executed by electronic signature in accordance with C.R.S. § 24-71.3-101 *et seq.*

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

SIGNATURES ON NEXT PAGE

CITY OF LOVELAND, COLORADO

By: Stephen Adams

Title: CITY MANAGER

ATTEST:

Deputy [Signature]
City Clerk

APPROVED AS TO FORM:

[Signature]
Assistant City Attorney



CONTRACTOR:

By: Marny Gustafson

Title: President

ATTEST: (if corporation)

[Signature]
Corporate Secretary

STATE OF COLORADO)

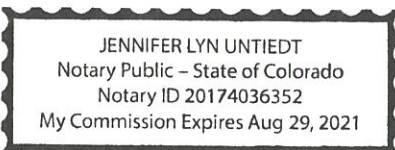
COUNTY OF Webb) ss.
)

The foregoing contract was acknowledged before me this 23 day of October, 2018 by Jennifer L Untiedt.

(Insert name of individual signing on behalf of the Contractor)

Witness my hand and official seal.

My commission expires August 29, 2021



Jennifer L Untiedt
Notary Public

CONSTRUCTION CONTRACT

THIS CONTRACT is made and entered into this 2nd day of February, 2018, *nunc pro tunc* January 1, 2018, by and between the CITY OF LOVELAND, COLORADO, a home rule municipality ("City"), and GE Construction ("Contractor").

The Contractor, in consideration of the sum to be paid to the Contractor by the City and of the covenants and agreements contained herein and in the contract documents, identified in the general conditions at section 1.0 and incorporated herein by reference, hereby agrees at the Contractor's own proper cost and expense to do all the work and furnish all the materials, tools, labor, and all appliances, machinery, and appurtenances for the construction of the project described as **2018 Annual Substructure Projects, Project No. 2017-70** to the extent of the Contractor's bid opened **Thursday, November 16, 2017** in full compliance with the contract documents.

In consideration of the performance of the work as set forth in the contract documents, the City agrees to pay the Contractor a sum not to exceed One Million Dollars (\$1,000,000), as adjusted in accordance with the contract documents or as otherwise herein provided, and to make such payments in the manner and at the times provided in the contract documents.

Time is the essence of this contract. The Contractor agrees to complete the work within the time frame set forth in each individual work order issued under this contract, and to accept as full payment hereunder the quantities computed as determined by the contract documents and based on the unit prices set forth in the bid.

In the event that the Contractor fails to complete the work within the time limit set forth in the contract documents, liquidated damages shall be paid at the rate of Five Hundred Dollars (\$500) per day until substantial completion.

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

CITY OF LOVELAND, COLORADO

By: Stephen Adams

Title: CITY MANAGER

ATTEST:

[Signature]
City Clerk

APPROVED AS TO FORM:

[Signature]
Assistant City Attorney



CONTRACTOR:

By: Marny Gustafson

Title: President

ATTEST: (if corporation)

Corporate Secretary

STATE OF COLORADO)

COUNTY OF Weld) ss.

The foregoing instrument was acknowledged before me this 19 day of January, 2018 by Marny Gustafson
(Insert name of individual signing on behalf of the Contractor)

Jennifer Lyn Untiedt
Notary's official signature

August 29, 2021
Commission Expiration Date

SEAL

JENNIFER LYN UNTIEDT
Notary Public - State of Colorado
Notary ID 20174036352
My Commission Expires Aug 29, 2021

**BID
UNIT-PRICE BASIS**

TO: THE CITY OF LOVELAND, COLORADO
PROJECT: 2018 Annual Substructure Projects, Project No. 2017-70

BIDDER:
(Please type or print.)

Name: GE CONSTRUCTION INC.

Address: 5700 E. CTY RD 20E
LOVELAND CO 80537

Contact Person: ERIC GUSTAFSON

Phone: (970) 218 6325 Fax: () _____

The undersigned Bidder, having investigated all matters relevant to the Project and having read and examined the specifications and associated documents for the Project, including the Contract and the Contract Documents, does hereby propose to perform the work and provide the services set forth in this Bid.

The Bidder agrees to accept as full payment for the work proposed under the Contract as herein specified and as shown on the drawings, the amounts computed on the basis of the following unit or lump sum prices. It is understood that the prices are independent of the exact quantities involved. The Bidder states that the prices set forth below are a true measure of the labor, equipment, and materials, including overhead and profit, to complete the work, exclusive of any materials provided by the City of Loveland. In the event of a discrepancy between unit or lump sum prices and total prices, unit or lump sum prices shall govern.

The following bid schedule is an estimate only of the work proposed under the Contract, and the City does not guarantee any such quantities. The City reserves the right to eliminate from and add to the quantities without any adjustment in unit prices. The estimate of quantities will be used for evaluating bids. Items called out in the specifications, but not separately listed as a bid item, shall be considered incidental work and no additional payment shall be made.

**UNIT PRICE BID SCHEDULE
2018 ANNUAL SUBSTRUCTURE PROJECTS
Project No. 2017-70**

Unit prices for future projects requiring excavations, trenching, installation of different size/configuration/lengths of PVC SCH 40 conduit, and installation of concrete vaults. All materials to be supplied by the City unless otherwise specified. Contractor is responsible for picking up materials at the City's warehouse.

All unit prices will include all contractor equipment and labor and will reflect any replacements and/or repair of damaged private or public facilities such as, but not limited to, sprinklers, sprinkler controls, wires, and other public and/or private entities.

A mandrel with a diameter $\frac{1}{4}$ " less than the inside diameter of the duct and a jetline must be passed through each empty duct at the time of installation in the presence of the Water and Power Inspector. This procedure will be reflected in the unit prices.

Notes:

- All pit materials will be provided by the City and will not be reflected in the unit prices below. Pit materials including but are not limited to concrete, flow fill, rock and gravel. Asphalt and concrete replacement and landscaping repair or replacement will be completed by City contractors as discussed at pre-construction meeting.
- All materials installed by the Contractor, including but not limited to conduit spacers, tracer wire, pull-tape, couplers, glue, and vaults will be provided by the City and will not be reflected in the unit prices below unless specially noted otherwise
- All unit prices will include installation of #12 red insulated tracer wire, a vertical tracer wire pipe and cap at vault edge. Wire and tracer wire pipe and cap supplied by the City.
- All unit prices will include the installation of mule tape in each conduit. Mule tape supplied by the City.
- All unit prices will include dewatering equipment and labor charges.

COMPANY NAME GE CONSTRUCTION INC.

1. Trenching, backhoeing, backfilling, and compacting trench in:

a. Reasonable soil conditions

- i. \$ 1.00 per lineal foot, 12" max. width by 36" depth
- ii. \$ 1.50 per lineal foot, 12" max. width by 48" depth
- iii. \$ 3.75 per lineal foot, 18" max. width by 48" depth
- iv. \$ 4.25 per lineal foot, 24" max. width by 48" depth
- v. \$ 6.00 per lineal foot, 24" max. width by 54" depth

b. Rock conditions

- i. \$ 1.25 per lineal foot, 12" max. width by 36" depth
- ii. \$ 2.00 per lineal foot, 12" max. width by 48" depth
- iii. \$ 4.00 per lineal foot, 18" max. width by 48" depth
- iv. \$ 6.75 per lineal foot, 24" max. width by 48" depth
- v. \$ 9.75 per lineal foot, 24" max. width by 54" depth

For Items 2-3, all unit prices for conduit and cable-in-conduit is per lineal foot for a particular size, the City may require combinations of number and size of conduits and cable-in-conduit to be laid in the same trench. For instance, a 100ft long trench with 2-4" PVC schedule 40 conduit would be listed as 200ft for conduit while the trench would be 100ft.

COMPANY NAME: GE CONSTRUCTION INC.

2. Installation in trench without spacers in:

- a. Reasonable soil conditions (Cable-in-conduit and PVC supplied by City)
 - i. \$.20 per lineal foot of one (1) cable-in-conduit (on steel reel)
 - ii. \$.30 per lineal foot of one (1) 2" PVC SCH 40 conduit (10' lengths)
 - iii. \$ 1.25 per lineal foot of one (1) 4" PVC SCH 40 conduit (20' lengths)
 - iv. \$ 1.30 per lineal foot of one (1) 6" PVC SCH 40 conduit (20' lengths)
- b. Rock conditions (Cable-in-conduit and PVC supplied by City)
 - i. \$.20 per lineal foot of one (1) cable-in-conduit (on steel reel)
 - ii. \$.30 per lineal foot of one (1) 2" PVC SCH 40 conduit (10' lengths)
 - iii. \$ 1.25 per lineal foot of one (1) 4" PVC SCH 40 conduit (20' lengths)
 - iv. \$ 1.30 per lineal foot of one (1) 6" PVC SCH 40 conduit (20' lengths)

3. Installation in trench with spacers (installation of spacers, base, and intermediate spacers wired to rebar anchors at 10' centers will be required for three (3) or more PVC conduits in the same trench. City to supply spacers, Contractor to supply rebar and tie wire) in:

- a. Reasonable soil conditions (Cable-in-conduit and PVC supplied by City)
 - i. \$ 2.00 per lineal foot of one (1) 4" PVC SCH 40 conduit (20' lengths)
 - ii. \$ 2.00 per lineal foot of one (1) 6" PVC SCH 40 conduit (20' lengths)
- b. Rock conditions (Cable-in-conduit and PVC supplied by City)
 - i. \$ 2.00 per lineal foot of one (1) 4" PVC SCH 40 conduit (20' lengths)
 - ii. \$ 2.00 per lineal foot of one (1) 6" PVC SCH 40 conduit (20' lengths)

4. Excavation, installation, compaction, and backfill of concrete vault and lid. Install tracer wire pipe and cap at vault edge. Pipe is 18" long with a 2" diameter. (Supplied by City – delivered and set by Supplier).

- a. \$ 500.00 each for 5' x 8' vault
- b. \$ 750.00 each for 7' x 11' vault
- c. \$ 850.00 each for 7' x 14' vault
- d. \$ 500.00 each for 5' x 5' vault
- e. \$ 300.00 each for 3' x 4' secondary vault
- f. \$ 1500.00 each for 8' x 19' vault
- g. \$ 800.00 each for 7' x 13' vault

5. Excavation, removal, compaction, and backfill for the removal or relocation of a concrete vault and lid. (City removes and relocates vault).

- a. \$ 300.00 each for 5' x 8' vault
- b. \$ 400.00 each for 7' x 11' vault
- c. \$ 400.00 each for 7' x 14' vault
- d. \$ 200.00 each for 5' x 5' vault
- e. \$ 200.00 each for 3' x 4' secondary vault
- f. \$ 600.00 each for 8' x 19' vault
- g. \$ 400.00 each for 7' x 13' vault

COMPANY NAME: GE CONSTRUCTION INC.

6. Addition of flow fill or addition of concrete encasement consisting of 3" min. coverage or per specifications provided by Project Manager. (City to supply flow fill and concrete).
\$ 30 per lineal foot
7. Sawcut and removal of surface materials such as asphalt roadways and concrete sidewalks, concrete pans, etc. (Replacement of asphalt and concrete will be provided by the City).
a. \$ 5.00 per square foot of asphalt.
b. \$ 7.00 per square foot of concrete.
8. Utility locates and required potholing for directional boring and installation of conduits. See Technical Specifications for utility locates and potholing requirements. Labor and materials to fill potholes shall be included in the Unit Price for potholing. Potholes must be filled with flowfill.
a. \$ 100.00 per pothole up to 10.
b. \$ 900.00 10 or more potholes per day at a daily rate.
9. Site preparation for a single phase transformer with box pad.
\$ 350.00 per each single phase transformer with box pad.
10. Site preparation for a three-phase transformer with concrete pad.
\$ 350.00 per each three phase transformer installation.
11. Excavation, installation and backfill of fiberglass secondary handhole (i.e. splice box).
a. \$ 100.00 for each 13" x 24" secondary handhole.
b. \$ 100.00 for each 17" x 30" secondary handhole.
c. \$ 100.00 for each 15 3/4" x 21" secondary handhole.
d. \$ 750.00 for each to furnish and install one (1) 30" x 48" pull box with dual lids with logo (lid says "Traffic"). Material supplied by Contractor, per spec attached.
e. \$ 25.00 for each one (1) 2 1/2" Schedule 40 PVC elbow with a 24" radius.
12. Excavation, removal and backfill of fiberglass secondary handhole (i.e. splice box).
a. \$ 25.00 for each 13" x 24" secondary handhole.
b. \$ 25.00 for each 17" x 30" secondary handhole.
c. \$ 25.00 for each 15 3/4" x 21" secondary handhole.
d. \$ 25.00 for each 24" x 36" secondary handhole.
e. \$ 50.00 for each 30" x 48" secondary handhole.
13. Excavation, installation and backfill (no compaction) of fiberglass streetlights with foam fill (Foam fill supplied by City.)
a. \$ 150.00 for each 16 1/2' fiberglass street light.
b. \$ 150.00 for each 24' fiberglass street light.
14. Excavation, installation and backfill (no compaction) of street light concrete bases (Bases supplied by City.).
a. \$ 400.00 for each 2' x 4' concrete street light base.
b. \$ 650.00 for each 2' x 7' concrete street light base.

Bid Form Addendum 1

COMPANY NAME GE CONSTRUCTION Inc.

15. Excavation, installation on backfill of sectionalizing cabinets.

- a. \$ 300.00 for each single phase sectionalizing cabinet.
- b. \$ 400.00 for each three phase sectionalizing cabinet.

Company Name: GE CONSTRUCTION Inc.

16. Replacement of vault lid (supplied by City – delivered and set by Supplier).

- a. \$ 100.00 each for 5' x 8' vault.
- b. \$ 100.00 each for 7' x 11' vault.
- c. \$ 100.00 each for 7' x 14' vault.
- d. \$ 100.00 each for 5' x 5' vault.
- e. \$ 100.00 each for 8' x 19' vault.
- f. \$ 100.00 each for 7' x 13' vault.

17. Core drilling of existing vault.

- a. \$ 200.00 each 1-4" core.
- b. \$ 250.00 each 1-6" core.

18. Tie bore conduit into vault or to existing conduit.

\$ 250.00 each connection.

All prices below shall include equipment, labor and vehicle costs.

19. Removal of spoils including, but not limited to, dirt, rocks, concrete, asphalt, shrubbery, fencing materials, old transformer pads, street light concrete bases, etc.

\$ 95.00 per hour.

20. Jack hammer, remove and replace concrete from conduits, transformer pads, vaults and handholes. Concrete provided by City.

\$ 95.00 per hour.

21. Lower existing conduits in reasonable soil, or after jack hammering and removing concrete.

- a. \$ 95.00 per hour to lower 1 conduit.
- b. \$ 95.00 per hour to lower 2 conduits.
- c. \$ 95.00 per hour to lower 3 conduits.
- d. \$ 95.00 per hour to lower 4 conduits.
- e. \$ 95.00 per hour to lower 5 conduits.
- f. \$ 95.00 per hour to lower 6 conduits.
- g. \$ 95.00 per hour to lower 7 or more conduits.

22. Hand dig into a transformer, switch gear, vault, sectionalizing cabinet or a handhole.

\$ 65.00 per hour

23. Provide and install a silt fence for project storm water and soil management.

\$ 1.00 per foot.

Bid Form Addendum 1

COMPANY NAME GE CONSTRUCTION INC.

24. Punch or hand bore under walks, curbs, and driveways with a "bullet" or "missile".

\$ 90.⁰⁰ per hour.

25. Supply and install rock for a tracking pad for equipment.

\$ 12.⁰⁰ per foot.

26. Remove and replace fencing using existing material.

- a. \$ 5.⁰⁰ per foot for barbed wire.
- b. \$ 5.⁰⁰ per foot for picket fence.
- c. \$ 5.⁰⁰ per foot for chained link.
- d. \$ 5.⁰⁰ per foot for split rail.
- e. \$ 100.⁰⁰ each for a gate.

27. Furnish and install ground rods (5/8" x 8"). Material supplied by Contractor.

\$ 10.⁰⁰ each.

28. Mobilization costs - One time

- a. \$ 350.⁰⁰ for projects of 1,000 feet or less.
- b. \$ 0 for projects of more than 1,000 feet.

29. Equipment with Operator Costs - One time

- c. \$ 125.⁰⁰ heavy equipment unit price per hour
- d. \$ 100.⁰⁰ light equipment unit price per hour

30. Trench Boxes

\$ 100.⁰⁰ daily rate

31. Traffic Plates

\$ 40.⁰⁰ daily rate

COMPANY NAME: GE CONSTRUCTION Inc.

BIDDER'S INITIALS: EF DATE: 11-13-17

Please briefly state your company's policy on difficult or unreasonable soil conditions. For example, what additional costs would be assessed? (This information is required for your bid to be considered).

When UNREASONABLE Soil is ENCOUNTERED
(Rock, mud or TERRAIN) GE would contact that
PROJECTS MANAGER to discuss how to proceed
COST ASSOCIATED with this would be
NEGOTIATED BEFORE CONTINUING ON.

It is the City's intent to lock in firm pricing for the initial contract year, and would prefer that the unit prices remain valid for two (2) additional one-year extensions. However, the City recognizes there may be a need for the Contractor to adjust unit pricing due to material and operating cost escalations. Please briefly state the type and amount of escalation your company would require for the subsequent contract extensions and what indices would be used to validate and verify those escalations (i.e. CPI).

GE CONSTRUCTION would hold all pricing for
the duration of the contract.

(Any exceptions shall be itemized on a separate sheet and attached to the submitted proposal.)

THE UNDERSIGNED BIDDER HEREBY certifies that: (a) this Bid is genuine and is not made in the interest of or on the behalf of any undisclosed person, firm, or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization, or corporation; (b) the Bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid; (c) the Bidder has not solicited or induced any person, firm, or corporation to refrain from bidding; and (d) the Bidder has not sought by collusion to obtain for the Bidder any advantage over any other bidder or over the City.

The undersigned Bidder represents that the Bidder is familiar with C.R.S. §§ 8-19-101, *et seq.* and that the Bidder is ☐ is not ☐ (check one) a "resident bidder" as defined therein. The undersigned further understands that if the Bidder is not a "resident bidder" and if the Bidder's state of residence grants a preference to resident bidders, the amount of such preference will be allowed to resident bidders in comparing this Bid to the bids of such resident bidders. The undersigned Bidder further agrees to furnish, upon request of the City, such additional information and affidavits as may be necessary to confirm the undersigned Bidder's status as a resident bidder and to indemnify the City from all claims and costs that arise out of any dispute over the Bidder's status as a resident bidder.

The Bidder hereby acknowledges receipt of Addenda Nos. 1, 2 to these specifications. (Insert number of each addendum received.)

Dated this 8 day of November, 2017.

(SEAL)

BIDDER: GE CONSTRUCTION INC.

Attest:

BY: Mary Gustafson
TITLE: President

E. Hyl - (Secretary/owner)
CORPORATE SECRETARY

State of Incorporation: COLORADO

Address of Principal Office: 3700 E. CTY RD 20 E
LOOCLAND CO 80537

**ADDENDUM #1 TO BID # 2017-70 FOR
ANNUAL SUBSTRUCTURE PROJECTS**

This addendum dated November 8, 2017 consists of 9 pages and has been issued via BidNetDirect. The original documents remain in full force and effect as revised by the following changes that take precedence over anything to the contrary. This addendum shall become part of the bid as if originally included.

This does not change the time nor place of bid opening.

Please use amended bid form included in this document.

Attachments:

Bid Form-Addendum #1

A correction has been made to line items:

4; 5; 16 to include a 7' x 13' vault

The not to exceed amount for this contract is \$750,000.00. This is an estimate of the work to be done in 2018 and is not a guarantee of payment of that amount.

Contractors will be required to provide invoices from their suppliers for materials or rental equipment invoiced to the City of Loveland under this contract.

**CITY OF LOVELAND
ADDENDUM NO. 2
14 November 2017
2018 Annual Substructure Projects 2017-70**

BID DOCUMENTS AND PROPOSAL PAGES FOR

To All Prospective Bidders:

The following changes, additions, and/or deletions are hereby made a part of the Bid Documents and Proposal Pages for **2018 Annual Substructure Projects 2017-70** bid, as fully and completely as if they were fully set forth therein:

Revision to "Unit Price Bid Schedule"

2. Installation in trench without spacers:

- a. ii. \$___ per lineal foot of one (1) 2" PVC SCH 40 conduit (10' lengths)
- b. ii. \$___ per lineal foot of one (1) 2" PVC SCH 40 conduit (10' lengths)

Revised Statement Shall Read

- a. ii. \$.30 per lineal foot of one (1) 2" PVC SCH 40 conduit (20' lengths)
- b. ii. \$.30 per lineal foot of one (1) 2" PVC SCH 40 conduit (20' lengths)

All bidders shall acknowledge receipt and acceptance of this Addendum 2 in the Bid Form or by submitting the Addendum with the Bid Package. Bid Forms submitted without acknowledgement or without this Addendum may be considered in non-conformance.

If you have any questions concerning this Addendum, please contact Gordon Whitelock, City of Loveland Department of Water and Power, Service Center, 200 North Wilson Avenue, Loveland, Colorado 80537, 970-962-3561.

END OF ADDENDUM

Qualification for GE Construction, Inc.

2004 City of Loveland Annual Substructure Contract: \$750,000.00.
Owner: City of Loveland Light and Power. Contact: Mark Warner
(970)962-3588

2005 City of Loveland Annual Substructure Contract: \$1,000,000.00

2006 Centerra Parkway build: \$700,000.00 . Owner: Centerra Property
West (Management company: Empire Management. Contact: Dwayne
Walker (970)667-5155

2006 City of Loveland Annual Substructure Contract:\$700,000.00

2007 City of Loveland Annual Substructure Contract: \$500,000.00

2008-2012 City of Loveland Annual Substructure Contract, each year
was for \$500,000.00

2013-2014 City of Loveland Annual Substructure Contract, each year
Was for \$1,000,000.00

2015-2016 City of Loveland Annual Substructure Contract, contract
Was for \$1,500.00

2013-2016 Poudre Valley REA Substructure Contract, each year was
For \$600,000.00

Jobs in progress:

The City of Loveland 2017 Annual Substructure Contract:
\$2,000,000.00

Poudre Valley REA 2017 Substructure Contract: \$1,000,000.00

The Lakes at Centerra Phase 4: \$140,000.00

ATTACHMENT B

CONSTRUCTION CONTRACT RENEWAL

THIS RENEWAL CONTRACT is made and entered into this ____ day of _____, 20____, by and between the CITY OF LOVELAND, COLORADO, a home rule municipality (“City”), and **GE Construction**(“Contractor”).

1. The City awarded Contractor the bid for the **2018 Annual Substructure Projects Project No. 2017-70**, to the extent of the Contractor’s bid dated **November 16, 2017**. The City and the Contractor executed the Construction Contract (the “Contract”) on **February 2, 2018**. The Contract provides that the City has an option to extend the Contract, and the City has exercised that option.

2. The Contract is hereby renewed for a one-year term effective **January 1, 2020** unless earlier terminated in accordance with the Contract Documents, as defined in the Contract.

3. The Contractor, in consideration of the sum to be paid to the Contractor by the City and of the covenants and agreements contained herein and in the Contract Documents, identified in the general conditions at section 1.0 and incorporated herein by reference, hereby agrees at the Contractor’s own proper cost and expense to do all the work and furnish all the materials, tools, labor, and all appliances, machinery, and appurtenances for the construction of the project described as **2018 Annual Substructure Projects Project No. 2017-70** to the extent of the Contractor’s bid dated **November 16, 2017**, for items installed for the Power Department in full compliance with the contract documents.

4. In consideration of the performance of the work as set forth in the contract documents, the City agrees to pay to the Contractor a sum not-to-exceed **\$ 1,200,000.00**, as adjusted in accordance with the contract documents or as otherwise herein provided, and to make such payments in the manner and at the times provided in the contract documents. The Contractor shall provide to the City all bonds required by the Contract Documents for the amount set forth in this Paragraph 4.

5. Time is the essence of this contract. The Contractor agrees to complete the work within the timeframes set forth in each individual work order issued under this contract and to accept as full payment hereunder the quantities computed as determined by the contract documents and based on the unit prices set forth in the bid, except as set forth in the Request for Price Revisions as agreed to and accepted by the City, attached as “Exhibit A.”

6. All other terms and conditions of the Contract shall remain in full force and effect according to the provisions thereof.

7. This Amendment may be executed by electronic signature in accordance with C.R.S. § 24-71.3-101 *et seq.*

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

SIGNATURES ON NEXT PAGE

By:_____

Title: _____

City Clerk

Assistant City Attorney

By: _____

Title: _____

Corporate Secretary

The foregoing contract was acknowledged before me this ____ day of _____, 20__ by _____.

Witness my hand and official seal.

My commission expires _____.

Notary Public

**ITEM TITLE:**

Acceptance of 4.5 Shares of Loudon Ditch into the Water Bank

DESCRIPTION:

This item is an application to deposit four and ½ (4.5) shares of Loudon Irrigating Canal and Reservoir Company into the City's Water Bank.

SUMMARY:

The City of Loveland has received an application to deposit four and ½ (4.5) shares of Loudon Irrigating Canal and Reservoir Company (Loudon Ditch) originating from Stock No. 3784 into the City's Water Bank. The water has historically been used within the Loudon Ditch system. Previous shares of Loudon Ditch have been acquired by the City and changed in Water Court for Loveland's municipal use.

The Municipal Code in Section 19.04.080 requires that the Loveland Utilities Commission consider and accept water rights upon satisfaction of each of the following requirements. *(The italics following each requirement summarizes how the requirement from Section 19.04.080 have been met):*


- 1. Evidence of the Applicant's ownership of the ditch water rights in a form satisfactory to the City Attorney.** *This will be provided in the form of a special warranty deed to the City of Loveland as well as an issuance of the stock certificate in the name of the City of Loveland. The Applicant has supplied a copy of the current stock certificate (3784) that is in good standing and in the Applicant's name.*
- 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.** *A draft Water Bank Agreement has been created and will be executed if the four and ½ (4.5) shares of Loudon Ditch meets the approval of the LUC. The Applicant submitted two notarized Statements of Historical Use (HCU), which City Water Resource Staff, Assistant City Attorney, and outside engineering firm have reviewed and approved. The Applicant also submitted a draft Dry-up Covenant (DUC). Both the HCU and the DUC will be recorded with Larimer County and the City. Maps and other documents were also provided in addition to the previously mentioned items.*
- 3. A finding by the Loveland Utilities Commission that it is in the City's best interest to accept the ditch water rights.** *If the Loveland Utilities Commission finds this water bank deposit acceptable, this condition will be met. Staff concludes that approval of this deposit is in the best interest of the City because it is a beneficial addition; it continues to diversify our water portfolio with native ditch and transbasin water rights.*

The Water Resource Staff and Legal Counsel have reviewed the submitted documents and recommend accepting this water into the City's Water Bank.

RECOMMENDATION:

Adopt a motion finding that the requirements of City Municipal Code Section 19.04.080 have been met and that acceptance into the City of Loveland Water Bank of the four and ½ (4.5) shares, originating from Stock Certificate No. 3784, of Loudon Irrigating Canal and Reservoir Company is in the best interests of the City of Loveland and is hereby approved.

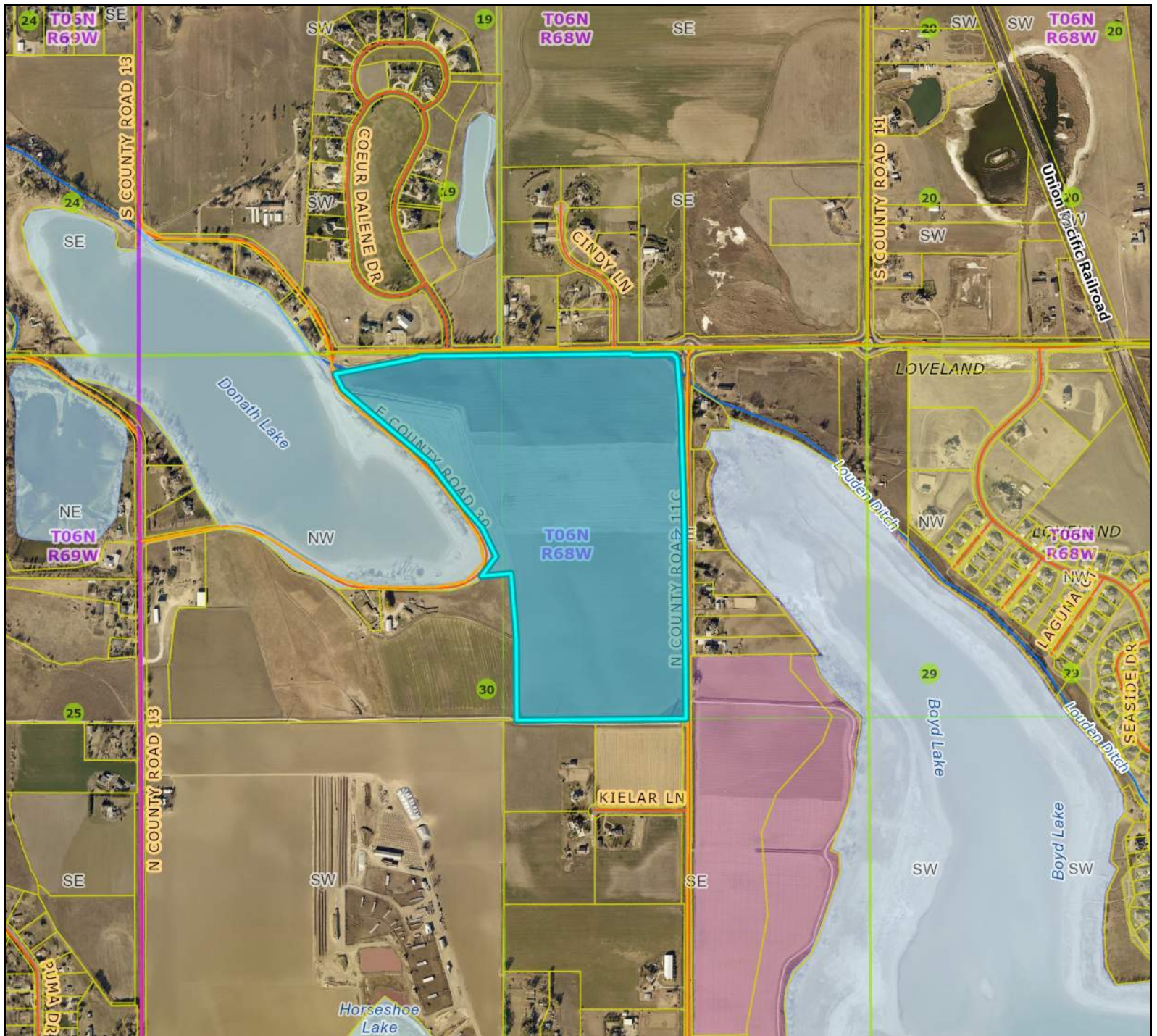
ATTACHMENTS:

 Attachment A: Map – Imagery and Dry-up

Attachment A

Exhibit A: Larimer County Web Map

4.5 Shares Louden Ditch



Legend

- | | |
|-------------------------|------------------------------|
| Tax Parcels | Rivers and Streams |
| PLSS Township and Range | County Boundary |
| PLSS Sections | Rocky Mountain National Park |
| PLSS Quarter Sections | Incorporated Areas |
| Railroads | City or Town |

Notes

October 28, 2019
Exhibit A: Larimer County Web Map

4.5 Shares Louden Irrigating Canal and Reservoir Company
To accompany Dry-Up Covenant and other City of Loveland
Water Bank Documents

0.1 0 0.1 Miles

Scale
1: 12,000



Date Prepared: 10/28/2019 3:42:27 PM

This map was created by Larimer County GIS using data from multiple sources for informal purposes only. This map may not reflect recent updates prior to the date of printing. Larimer County makes no warranty or guarantee concerning the completeness, accuracy, or reliability of the content represented.

**ITEM TITLE:**

Fifth Amendment to the Fifth Interim Agreement between the Municipal Subdistrict, Northern Colorado Water Conservancy District Windy Gap Firing Project Water Activity Enterprise, and the City of Loveland for Participation in the Windy Gap Firing Project.

DESCRIPTION:

The Windy Gap Firing Project participants desire to continue the Fifth Phase of the project, working to complete the acquisition of all permits and approvals and additional land acquisition. This will allow work to continue on those activities as well as continuing with detailed engineering design including preparation of plans and specifications, planning and implementation of required mitigation and enhancement measures and related activities. Approval of this proposed Fifth Amendment to the Fifth Interim Agreement between the Municipal Subdistrict, Northern Colorado Water Conservancy District Windy Gap Firing Project Water Activity Enterprise and the City of Loveland (Fifth Interim Agreement) allows this permitting and design work to continue and would approve the City's allocation of funding according to its pro-rata storage entitlement in the Project.

SUMMARY:

Loveland's portion of the Fifth Interim Agreement costs under this Fifth Amendment to the Fifth Interim Agreement are projected to be \$1,278,267 during 2020 based upon the City's current subscription of 9,587 acre-feet in the 90,000 acre-foot project. A brief history of Loveland's participation in the Fifth Interim Agreement for the Windy Gap Firing Project follows:

- In January, 2016, Loveland's portion of the Fifth Interim Agreement costs during calendar year 2016 were determined to be \$1,118,956, paid in March, 2016. This was based upon Loveland's subscription of 7,000 acre-feet of storage capacity in the 90,000 acre-foot project at that time. On August 30, 2016 Loveland increased its subscription by 2,000 acre-feet to 9,000 acre-feet, when the City acquired capacity not needed by the City of Longmont. The increased capacity required an additional payment of \$319,702 in September, 2016, making Loveland's total payment \$1,438,658 during 2016.
- On January 10, 2017 Loveland's subscription in the Project was increased by another 451 acre-feet when the remaining capacity in the project was divided proportionately among the Participants. Loveland's portion of the Fifth Interim Agreement costs during calendar year 2017, paid in March, 2017, were determined to be \$1,260,713 based upon Loveland's resulting subscription of 9,451 acre-feet of storage capacity in the 90,000 acre-foot project.
- In January, 2018, Loveland's subscription in the Project was 9,587 acre-feet, included an additional 136 acre-feet of space acquired from PRPA. Loveland's assessment for the year was \$958,700.

The Fifth Phase of the Project, covered by the Fifth Interim Agreement, allows work to continue on the completion of all permits and approvals, and additional land acquisition. Work will also continue to move forward on detailed engineering design, and planning and implementation of required mitigation and enhancement measures and related activities. Of particular emphasis is amending the Windy Gap Project decrees in Water Court to accommodate necessary accommodations in mitigation and project enhancements, completing the pending action in District Court concerning the federal reviews of the




Project documents, and negotiations on the Windy Gap Reservoir bypass channel. Also critical is development of alternatives for financing the Project, jointly or individually.

Sufficient 2020 budgeted funds exist for this purpose in the Raw Water budget, Project W038AA. Per Municipal Code 3.12.060A and 3.12.060B, the LUC must approve Water and Power contracts above \$500,000 or 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 20% of the original contract amount.

RECOMMENDATION:

Adopt a motion recommending the City Council approve the Fifth Amendment to the Fifth Interim Agreement with the Municipal Subdistrict of Northern Colorado Water Conservancy District Windy Gap Firming Project Water Activity Enterprise for continued participation in the Windy Gap Firming Project, and authorize the City Manager to execute the agreement.

ATTACHMENTS: (NEEDS UPDATED)

-  Attachment A – Fifth Amendment to the Fifth Interim Agreement between the Municipal Subdistrict, Northern Colorado Conservancy District Windy Gap Firming Project Water Activity Enterprise and the City of Loveland. Exhibit C to this Attachment A includes a table of estimated costs for 2020.
-  Attachment B – Fifth Interim Agreement between the Municipal Subdistrict, Northern Colorado Water Conservancy District, Windy Gap Firming Project Water Activity Enterprise and the City of Loveland, March 1, 2016. Exhibit A to this Attachment F includes a table of estimated costs for 2016 when the City’s subscription in the Project was 7,000 acre-feet.
-  Attachment C – Current Invoice

Attachment A

FIFTH AMENDMENT TO FIFTH INTERIM AGREEMENT BETWEEN THE
MUNICIPAL SUBDISTRICT,
NORTHERN COLORADO WATER CONSERVANCY DISTRICT
WINDY GAP FIRING PROJECT WATER ACTIVITY ENTERPRISE,
AND
THE CITY OF LOVELAND
FOR PARTICIPATION IN THE WINDY GAP FIRING PROJECT

This Fifth Amendment is made and entered into as of _____, 2020, by and between the Municipal Subdistrict, Northern Colorado Water Conservancy District (a quasi-municipal entity and political subdivision of the State of Colorado) (the “Subdistrict”), acting by and through its Windy Gap Firing Project Water Activity Enterprise (a government-owned business within the meaning of Article X, Section 20(2)(d) of the Colorado Constitution, organized pursuant to C.R.S. §§ 37-45-101, *et seq.*), whose address is 220 Water Avenue, Berthoud, Colorado 80513 (“WGF Enterprise”), and the City of Loveland, whose address is 200 North Wilson Avenue, Loveland, Colorado 80537 (“Participant”), for the purpose of amending the Fifth Interim Agreement between the parties (the “Agreement”).

RECITALS

WHEREAS, the WGF Enterprise is continuing work on the Fifth Phase of the Project, which consists of completion of all local, state, and federal permits and approvals required for the Project; detailed engineering design including preparation of plans and specifications for contractor procurement; additional land acquisition; planning and implementation of required mitigation and enhancement measures; and related activities. Completion of the Fifth Phase of the Project on behalf of the Participants will require additional funding in 2020; and

WHEREAS, in September 2016, the City of Loveland executed an Amendment to the Fifth Interim Agreement which adjusted their storage capacity in the Project and which is considered the First Amendment to the Fifth Interim Agreement; and

WHEREAS, in March 2017, all Participants executed an Amendment to the Fifth Interim Agreement which adjusted their storage capacity in the Project and adjusted each Participant’s costs to date based on the revised storage allocation, and which is considered the Second Amendment to the Fifth Interim Agreement; and

WHEREAS, in 2018, all Participants executed an Amendment to the Fifth Interim Agreement which included minor adjustments to their storage capacity in the project and adjusted each Participant’s costs to date based on the revised storage allocation, and which is considered the Third Amendment to the Fifth Interim Agreement; and

WHEREAS, in or about February 2019, all Participants executed an Amendment to the Fifth Interim Agreement which provided for the Participants’ payment of their respective pro rata shares of the costs of the Fifth Phase of the Project for the 2019 calendar year, and which is

considered the Fourth Amendment to the Fifth Interim Agreement;

NOW, THEREFORE, in consideration of the foregoing recitals, the Parties agree as follows:

1. The Agreement is amended by deletion of paragraph 3, as amended by previous amendments to the Fifth Interim Agreement, and substitution of the following new paragraph 3:

3. Participant agrees to provide to the WGF Enterprise funds for its pro rata share of the costs necessary to complete the Fifth Phase of the Project.

A. The WGF Enterprise estimated that Participant's pro rata share of the costs of the Fifth Phase of the Project was \$1,438,658 for the 2016 calendar year. Participant paid the WGF Enterprise its pro rata share of the 2016 calendar year costs.

B. The WGF Enterprise estimated that Participant's pro rata share of the costs of the Fifth Phase of the Project was \$1,260,713 for the 2017 calendar year. Participant paid the WGF Enterprise its pro rata share of the 2017 calendar year costs.

C. The WGF Enterprise estimated that Participant's pro rata share of the cost of the Fifth Phase of the Project was \$958,700 for the 2018 calendar year. Participant paid the WGF Enterprise its pro rata share of the 2018 calendar year costs.

D. The WGF Enterprise estimated that Participant's pro rata share of the cost of the Fifth Phase of the Project was \$1,065,222 for the 2019 calendar year. Participant paid the WGF Enterprise its pro rata share of the 2019 calendar year costs.

E. The WGF Enterprise estimates that Participant's pro rata share of the cost of the Fifth Phase of the Project is \$1,278,267 for the 2020 calendar year. Participant will pay the WGF Enterprise its pro rata share of the 2020 calendar year costs on or before January 10, 2020. This estimated cost will not be increased or exceeded without the prior written approval of the Participant.

If the Fifth Phase of the Project cannot be completed within these estimated costs, the WGF Enterprise is not obligated to complete the Fifth Phase of the Project for the benefit of the Participant unless sufficient additional pro rata funds as determined by the WGF Enterprise are provided by Participant. Attached hereto as Exhibits A, B, C, D, and E are tables showing the pro rata share of the costs

of the Project for each Participant for 2016, 2017, 2018, 2019, and 2020 based upon then-current allocations of capacity in the Project.

2. All other terms and conditions of the Agreement shall continue in full force and effect except as specifically amended herein.

MUNICIPAL SUBDISTRICT,
NORTHERN COLORADO WATER
CONSERVANCY DISTRICT, ACTING
BY AND THROUGH THE WINDY GAP
FIRMING PROJECT WATER ACTIVITY
ENTERPRISE

By: _____

Name: _____

Title: _____

CITY OF LOVELAND

By: _____

Name: _____

Title: _____

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

By: _____
ASSISTANT CITY ATTORNEY

Windy Gap Firing Project
Amended Allocation of Costs for Fifth Interim Agreement (Phase 5)

Participant	Requested Storage Volume (af)	Share of Phase 5 Cost
Broomfield	25,200	\$ 4,028,243
CWCWD	330	\$ 52,751
Erie	6,000	\$ 959,105
Fort Lupton	1,050	\$ 167,843
Greeley ²	8,750	\$ 1,398,695
Lafayette	1,800	\$ 287,732
Little Thompson WD	4,850	\$ 775,277
Longmont	10,000	\$ 1,598,509
Louisville	2,700	\$ 431,597
Loveland¹	9,000	\$ 1,438,658
PRPA	12,000	\$ 1,918,211
Superior	4,500	\$ 719,329
TOTAL	86,180	\$ 13,775,950

Notes: 1. This Exhibit A reflects Loveland's revised storage capacity based on a September 2016 Amendment to 5th Interim Agt.
2. Greeley's "Share of Phase 5 Cost" includes \$279,739 that Greeley will pay as the result of the reallocation of WGFP capacity from Evans to Greeley.

EXHIBIT B

Windy Gap Firming Project Allocation of Costs for Second Amendment to Fifth Interim Agreement (Phase 5)

Estimated Phase 5 Costs in 2017: **\$ 10,464,291**

Participant	Requested Storage Volume (af)	Total Participant Contributions Through 2015	Phase 4 Participant Contributions Through 2015	Phase 5 2016 Participant Contributions	Phase 4+5 Participant Contributions to Date	2017 Un-adjusted Participant Contributions	Phase 4+5 Participant Obligation to Date	Phase 4+5 Participant Payment Adjustment	2017 Adjusted Participant Contributions
				\$ 13,775,950		\$ 10,464,291			
Broomfield	26,464	\$ 4,814,330	\$ 3,852,466	\$ 4,028,243	\$ 7,880,709	\$ 3,076,966.63	\$ 8,077,903	\$ 197,194	\$ 3,274,160
CWCWD	346	67,624	\$ 50,448	\$ 52,751	\$ 103,198	\$ 40,229.39	\$ 105,613	\$ 2,415	\$ 42,645
Erie	6,000	1,127,959	\$ 948,081	\$ 959,105	\$ 1,907,187	\$ 697,619.40	\$ 1,831,447	\$ (75,740)	\$ 621,880
Fort Lupton	1,103	110,720	\$ 110,720	\$ 167,843	\$ 278,563	\$ 128,245.70	\$ 336,681	\$ 58,118	\$ 186,364
Greeley ¹	9,189	2,180,569	\$ 1,586,660	\$ 1,398,695	\$ 2,985,355	\$ 1,068,404.11	\$ 2,804,861	\$ (180,494)	\$ 887,910
Lafayette	900	377,587	\$ 275,176	\$ 287,732	\$ 562,908	\$ 104,642.91	\$ 274,717	\$ (288,191)	\$ (183,548)
Little Thompson WD	4,850	511,419	\$ 511,419	\$ 775,277	\$ 1,286,696	\$ 563,909.02	\$ 1,480,420	\$ 193,724	\$ 757,633
Longmont	10,000	2,963,224	\$ 2,047,162	\$ 1,598,509	\$ 3,645,671	\$ 1,162,699.00	\$ 3,052,412	\$ (593,259)	\$ 569,440
Louisville	2,835	567,348	\$ 412,762	\$ 431,597	\$ 844,360	\$ 329,625.17	\$ 865,359	\$ 20,999	\$ 350,624
Loveland	9,451	1,971,377	\$ 1,284,331	\$ 1,438,658	\$ 2,722,989	\$ 1,098,866.82	\$ 2,884,834	\$ 161,846	\$ 1,260,713
PRPA	14,136	2,881,626	\$ 1,904,878	\$ 1,918,211	\$ 3,823,089	\$ 1,643,591.31	\$ 4,314,889	\$ 491,801	\$ 2,135,392
Superior	4,726	1,227,454	\$ 711,654	\$ 719,329	\$ 1,430,983	\$ 549,491.55	\$ 1,442,570	\$ 11,587	\$ 561,079
TOTAL	90,000	18,801,237	\$ 13,695,757	\$ 13,775,950	\$ 27,471,707	\$ 10,464,291	\$ 27,471,707	\$ 0	\$ 10,464,291

Phase 4 Cost per Acre Foot: \$ 305.24

Notes: 1. The calculation of "Phase 5 2016 Participants Contributions" allocated to Greeley includes \$279,739 that Greeley will pay in addition to Greeley's \$887,910 "2017 Adjusted Participant Contributions" as the result of the reallocation of WGFP capacity from Evans to Greeley.

EXHIBIT C, revised

Windy Gap Firming Project Amended Allocation of Costs for Fifth Interim Agreement (Phase 5)

Estimated Phase 5 Costs in 2018: \$ 9,000,000

Participant	Requested Storage Volume (af)	Share of Phase 5 Cost
Broomfield	26,464	\$ 2,646,400
CWCWD	346	\$ 34,600
Erie	6,000	\$ 600,000
Fort Lupton	1,103	\$ 110,300
Greeley	9,189	\$ 918,900
Lafayette	900	\$ 90,000
Little Thompson WD	4,850	\$ 485,000
Longmont	8,000	\$ 800,000
Louisville	2,835	\$ 283,500
Loveland	9,587	\$ 958,700
PRPA	16,000	\$ 1,600,000
Superior	4,726	\$ 472,600
TOTAL	90,000	\$ 9,000,000

2018 Phase 5 Costs Per Acre-Foot of Storage: \$ 104.43

Note: Participation levels for Longmont, Loveland, and PRPA assume pending transfers of 2,000 acre-feet of storage from Longmont to PRPA and Loveland are approved by their respective Councils and Board. If approval is not obtained, the storage amounts will be 10,000 af for Longmont, 9,451 af for Loveland, and 14,136 af for PRPA. All other storage amounts and cost shares will remain unchanged.

EXHIBIT D

Windy Gap Firing Project
Amended Allocation of Costs for Fifth Interim Agreement (Phase 5)

Estimated Phase 5 Costs in 2019:	\$ 10,000,000
---	----------------------

Participant	Requested Storage Volume (af)	Share of Phase 5 Cost
Broomfield	26,464	\$ 2,940,444
CWCWD	346	\$ 38,444
Erie	6,000	\$ 666,667
Fort Lupton	1,103	\$ 122,556
Greeley	9,189	\$ 1,021,000
Lafayette	900	\$ 100,000
Little Thompson WD	4,850	\$ 538,889
Longmont	8,000	\$ 888,889
Louisville	2,835	\$ 315,000
Loveland	9,587	\$ 1,065,222
PRPA	16,000	\$ 1,777,778
Superior	4,726	\$ 525,111
TOTAL	90,000	\$ 10,000,000

2018 Phase 5 Costs Per Acre-Foot of Storage: \$ 116.04

EXHIBIT E

Windy Gap Firing Project Amended Allocation of Costs for Fifth Interim Agreement (Phase 5)

Estimated Phase 5 Costs in 2020: **\$ 12,000,000**

Participant	Requested Storage Volume (af)	Share of Phase 5 Cost
Broomfield	26,464	\$ 3,528,533
CWCWD	346	\$ 46,133
Erie	6,000	\$ 800,000
Fort Lupton	1,103	\$ 147,067
Greeley	9,189	\$ 1,225,200
Lafayette	900	\$ 120,000
Little Thompson WD	4,850	\$ 646,667
Longmont	8,000	\$ 1,066,667
Louisville	2,835	\$ 378,000
Loveland	9,587	\$ 1,278,267
PRPA	16,000	\$ 2,133,333
Superior	4,726	\$ 630,133
TOTAL	90,000	\$ 12,000,000

2018 Phase 5 Costs Per Acre-Foot of Storage: \$ 139.24

Attachment B

FIFTH INTERIM AGREEMENT BETWEEN THE
MUNICIPAL SUBDISTRICT,
NORTHERN COLORADO WATER CONSERVANCY DISTRICT
WINDY GAP FIRING PROJECT WATER ACTIVITY ENTERPRISE,
AND
CITY OF LOVELAND
FOR PARTICIPATION IN THE
WINDY GAP FIRING PROJECT

This Agreement is made and entered into as of March 1, 2016, by and between the Municipal Subdistrict, Northern Colorado Water Conservancy District (a quasi-municipal entity and political subdivision of the State of Colorado) (the "Subdistrict"), acting by and through its Windy Gap Firing Project Water Activity Enterprise (a government-owned business within the meaning of Article X, Section 20(2)(d), of the Colorado Constitution, organized pursuant to C.R.S. §§ 37-45.1-101 et seq.), whose address is 220 Water Avenue, Berthoud, Colorado 80513 (the "WGF Enterprise"), and the City of Loveland, whose address is 500 East 3rd Street, Loveland, CO 80537 ("Participant").

Recitals

- A. The WGF Enterprise is developing a water storage project (the "Project") for the purpose of storing water produced by the Windy Gap Project, or other water that is physically and legally capable of being introduced into the Project from the facilities of the Colorado-Big Thompson Project.
- B. Overall Project costs will be divided among the entities which participate in the Project.
- C. The First Phase of the Project consisted of preliminary studies to evaluate potential reservoir sites. The First Phase has been accomplished and there appear to be a number of potential reservoir sites that may serve the needs of the Project.
- D. The Second Phase of the Project consisted of engineering work, environmental studies, alternatives analysis and related work. The Second Phase is complete.
- E. The Third Phase of the Project, consisted of environmental and other permitting, further engineering studies, and preliminary design work, but not land acquisition.
- F. The Fourth Phase of the Project consisted of a continuation of the activities started in the Third Phase, plus land acquisition, and is complete.
- G. The Fifth Phase of the Project consists of continuation of work to obtain local, state and federal permits and approvals required for the Project; detailed engineering design including preparation of plans and specifications for contractor procurement; additional land acquisition; planning and implementation of required mitigation and enhancement measures; development of contracts and other agreements that will be required to

integrate the Project with the Windy Gap Project; development of alternatives for financing the Project; and related activities ("the Fifth Phase"). Completion of the Fifth Phase of the Project on behalf of the Participants will require additional funding.

Agreement

1. Participant agrees to participate in the Fifth Phase of the Project under and pursuant to the terms and conditions of this Agreement. Participation in the Fifth Phase of the Project in no way obligates Participant to subsequent phases of the Project or to continue involvement in the Project in any manner.
2. Participant's storage capacity allocation in the Project shall be 7,000 acre-feet of water. Participant may request a change in allocated storage capacity for the Project. The change will be implemented by the WGFP Enterprise only if it will not adversely affect local, state, and federal permits and approvals for the Project, so long as any increased costs are paid by the Participant. In addition, Participant may increase its allocated storage capacity only if there is sufficient unallocated storage capacity in the Project to accommodate the increase. In the event that more than one participant seeks to increase its allocated storage capacity, and there is not sufficient unallocated storage capacity in the Project to accommodate all requested increases, the unallocated Project storage capacity shall be allocated to each participant seeking an increase pro rata based on such participant's capacity allocation in the Fifth Phase of the Project. If a change in Participant's capacity is made, the formula for allocation of costs among the participants shall be changed accordingly so that each participant pays a share of the Fourth and Fifth Phase costs of the Project after the change equal to the participant's share of the final allocation of storage capacity in the Project.
3. Participant agrees to provide to the WGF Enterprise funds for its pro rata share of the costs necessary to complete the Fifth Phase of the Project. The WGF Enterprise estimates that Participant's pro rata share of the costs of the Fifth Phase of the Project is \$1,118,956 for the 2016 calendar year. Participant will pay the WGF Enterprise its pro rata share of the 2016 calendar year costs on or before March 1, 2016. This estimated cost will not be increased or exceeded without the prior written approval of Participant. However, if the Fifth Phase of the Project cannot be completed within this estimated cost, the WGF Enterprise is not obligated to complete the Fifth Phase of the Project for the benefit of Participant unless sufficient additional pro rata funds as determined by the WGF Enterprise are provided by Participant. Attached hereto as Exhibit A is a table showing the pro rata share of the costs of the Fifth Phase of the Project for each Participant based upon current allocations of capacity in the Project.
4. In the event that Participant fails to make any of the payment set forth above at the specified time, the WGF Enterprise shall have the right to terminate this Agreement and cease all work on the Project for the benefit of Participant. The WGF Enterprise shall give Participant thirty (30) days' advance written notice of its intention to terminate this Agreement and cease work on the Project for Participant's benefit under this paragraph.

Participant shall have until the end of said 30-day period in which to make all past due payments in full in order to cure its default hereunder. Participant shall in any event be responsible for its pro rata share of costs of the Fifth Phase of the Project actually incurred by the WGF Enterprise up to the date of termination of this Agreement.

5. The WGF Enterprise agrees to diligently pursue the Fifth Phase of the Project in good faith to the extent that funds therefor are provided by the Participant under this Agreement and by other Participants under similar agreements. By entering into this Agreement and accepting payments from Participant, the WGF Enterprise does not obligate itself to, nor does the WGF Enterprise warrant, that it will proceed with construction of the Project beyond the Fifth Phase or that it will construct or operate the Project. At the end of the Fifth Phase, the WGF Enterprise will determine after consultation with the participants whether to proceed with the Project. The WGF Enterprise agrees that, if the participants provide all required funding, if the WGF Enterprise has the ability, and if the Project is feasible and practical, it will pursue the construction and operation of the Project if requested to do so by sufficient participants to fully fund the Project. In such event, the Participant shall have the right to participate in the funding, construction and operation of the Project in the amount of storage capacity allocated to Participant in paragraph 2 above, so long as the Project as finally configured is sufficiently large to accommodate the total amount of storage capacity allocated to all participants in the Fifth Phase of the Project. If the Project as finally configured is not sufficiently large to accommodate the total amount of storage capacity allocated to all participants in the Fifth Phase of the Project, the available storage capacity in the Project shall be allocated to each participant pro rata based on such participant's capacity allocation in the Fifth Phase of the Project. In the event that the WGF Enterprise decides not to proceed with the Project, it will so notify Participant and this Agreement will immediately and automatically terminate upon the giving of such notice.
6. In the event of termination of the Project, Participant shall not be entitled to any return of funds paid to the WGF Enterprise for the Project, unless payments by Participants exceed the WGF Enterprise's costs, in which case a pro rata refund will be made. In the event of such termination, Participant shall be entitled to receive copies of any work products developed by the WGF Enterprise or its consultants on behalf of Participant, and WGF Enterprise shall convey to Participant, as a tenant in common with all other Participants who have not been terminated under paragraph 4 above, a pro rata interest in all real and personal property acquired by the WGF Enterprise for the Project with funds provided under this Agreement or similar agreements with other Participants.
7. Participant shall have the right to assign this Agreement and Participant's rights hereunder, with the written consent of the WGF Enterprise, which consent shall not be unreasonably withheld, to any person or entity that is eligible to receive water deliverable through the Project and that is financially able to perform this Agreement.
8. In the event that this Agreement is terminated for any reason, Participant shall not be entitled to any return of any funds paid to the WGF Enterprise for the Project, and the

WGF Enterprise shall have no further obligations to Participant, except as provided in Paragraph 6 above for those Participants who have not been terminated under paragraph 4 above.

9. This Agreement is the entire agreement between the WGF Enterprise and Participant regarding participation in the Project and shall be modified by the parties only by a duly executed written instrument approved by Participant and the WGF Enterprise's Board of Directors.
10. This Agreement is subject to approval by the WGF Enterprise's Board of Directors and shall become binding on the WGF Enterprise only upon such approval.
11. This Agreement is for the 2016 Fiscal Year. Expenditures for subsequent fiscal years will be the subject of Amendments to this Agreement.

TJB

MUNICIPAL SUBDISTRICT,
NORTHERN COLORADO WATER
CONSERVANCY DISTRICT, ACTING
BY AND THROUGH THE WINDY GAP
FIRMING PROJECT WATER ACTIVITY
ENTERPRISE

By: William D. Cahill
Name: William D. Cahill
Title: City Manager

By: Eric W. Wilkinson
Name: ERIC W. WILKINSON
Title: GENERAL MANAGER

APPROVED AS TO FORM
BY: Olivia D.
ASSISTANT CITY ATTORNEY



ATTEST:

[Signature]
Deputy City Clerk

EXHIBIT A

Windy Gap Firing Project Allocation of Costs for Fifth Interim Agreement (Phase 5)

Estimated NEPA Costs due March 1, 2016: \$ 13,775,950

Participant	Requested Storage Volume (af)		Share of Phase 5 Cost
Broomfield	25,200	\$	4,028,243
CWCWD	330	\$	52,751
Erie	6,000	\$	959,105
Evans	1,750	\$	279,739
Fort Lupton	1,050	\$	167,843
Greeley	7,000	\$	1,118,956
Lafayette	1,800	\$	287,732
Little Thompson WD	4,850	\$	775,277
Longmont	12,000	\$	1,918,211
Louisville	2,700	\$	431,597
Loveland	7,000	\$	1,118,956
PRPA	12,000	\$	1,918,211
Superior	4,500	\$	719,329
TOTAL	86,180	\$	13,775,950

ATTACHMENT C

DRAFT

PRELIMINARY

Windy Gap Firing Project
Projected Cash Flow - Preliminary Estimate with Mitigation and Enhancement
November 12, 2020

Estimate of Total Project Cost:

Construction	\$ 480,000,000
Owner's Contingency (Potential Change Orders)	\$ 48,000,000
Property & Easements	\$ 6,500,000
Planning & Permitting	\$ 13,500,000
Mitigation & Enhancement	\$ 29,500,000
Design	\$ 22,000,000
Owner's Cost for Construction	\$ 55,000,000
Total Project Cost:	\$ 654,500,000

Participant	Requested Storage Volume (af)	Total Participant Contributions Through 2017	2018 Participant Contributions	2019 Cash	January 2020 Cash	2020 Bonds	2021	2022	2023	Total Future Contributions	Estimated Total Project Contributions
			\$ 9,000,000	\$ 10,000,000	\$ 12,000,000	\$ 580,458,522					
Broomfield	26,464	\$ 12,116,733	\$ 2,646,400	\$ 2,940,444	\$ 3,528,533	\$ 170,680,604	\$ -	\$ -	\$ -	\$ 174,209,137	\$ 191,912,714
CWCWD	346	163,019	\$ 34,600	\$ 38,444	\$ 46,133	\$ 2,231,541	\$ -	\$ -	\$ -	\$ 2,277,674	\$ 2,513,737
Erie	6,000	2,708,945	\$ 600,000	\$ 666,667	\$ 800,000	\$ 38,697,235	\$ -	\$ -	\$ -	\$ 39,497,235	\$ 43,472,846
Fort Lupton	1,103	464,927	\$ 110,300	\$ 122,556	\$ 147,067	\$ 7,113,842	\$ -	\$ -	\$ -	\$ 7,260,908	\$ 7,958,691
Greeley	9,189	4,467,174	\$ 918,900	\$ 1,021,000	\$ 1,225,200	\$ 59,264,815	\$ -	\$ -	\$ -	\$ 60,490,015	\$ 66,897,090
Lafayette	900	481,771	\$ 90,000	\$ 100,000	\$ 120,000	\$ 5,804,585	\$ -	\$ -	\$ -	\$ 5,924,585	\$ 6,596,356
Little Thompson WD	4,850	2,044,329	\$ 485,000	\$ 538,889	\$ 646,667	\$ 31,280,265	\$ -	\$ -	\$ -	\$ 31,926,931	\$ 34,995,149
Longmont	8,000	5,131,173	\$ 800,000	\$ 888,889	\$ 1,066,667	\$ 51,596,313	\$ -	\$ -	\$ -	\$ 52,662,980	\$ 59,483,042
Louisville	2,835	1,349,570	\$ 283,500	\$ 315,000	\$ 378,000	\$ 18,284,443	\$ -	\$ -	\$ -	\$ 18,662,443	\$ 20,610,513
Loveland	9,587	4,670,747	\$ 958,700	\$ 1,065,222	\$ 1,278,267	\$ 61,831,732	\$ -	\$ -	\$ -	\$ 63,109,998	\$ 69,804,668
PRPA	16,000	6,935,229	\$ 1,600,000	\$ 1,777,778	\$ 2,133,333	\$ 103,192,626	\$ -	\$ -	\$ -	\$ 105,325,960	\$ 115,638,966
Superior	4,726	2,507,861	\$ 472,600	\$ 525,111	\$ 630,133	\$ 30,480,522	\$ -	\$ -	\$ -	\$ 31,110,655	\$ 34,616,228
TOTAL	90,000	43,041,478	\$ 9,000,000	\$ 10,000,000	\$ 12,000,000	\$ 580,458,522	\$ -	\$ -	\$ -	\$ 592,458,522	\$ 654,500,000

Notes:

- Cost allocation based on percent of total requested storage volume
- Construction Costs based on Barnard Construction's October 2019 Price Proposal for 90,000 AF HAC/Rockfill Dam including Mitigation, Enhancement and Subdistrict costs.
- Mitigation Costs include Enhancements and are based on current estimates, which include all requirements from EIS, FWMP, FWEP, 1041 Permit, IGA, Rancher Settlement, and 2014 Carriage Contract.
- Projections assume completion of design in 2019, pre-construction in early 2020 and on-site construction in mid 2020.

Unit Cost: \$ 7,272






ITEM TITLE:

Commission & Council Report

SUMMARY:

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

-  Wastewater Treatment Plant Grand Opening on October 22, 2019
-  Pulse Groundbreaking Ceremony held at Water and Power on November 13, 2019
-  City Council Report

RECOMMENDATION:

Commission/Council report only.

**ITEM TITLE:**

Director's Report

OPERATIONS:

Power Operations: Six years after the 2013 flood, the Loveland Power Line Crews completed the last major leg of the Big Thompson Canyon Electrical Distribution system rebuild as the last new pole was installed via helicopter. With support from Fort Collins and Estes Park Line Crews, the last eight power poles were installed on the north ridge between Drake and Waltonia. These poles are located in our most remote and limited access in the canyon. The Power Line Crews still have some final touches to complete the system. As each section of this rebuild was completed, Loveland Power saw a reduction in power outages and customer concerns on irregular voltages. Hatsoff to Electrical Engineering, Administrative Support, Electrical Metering, System Design, the Warehouse, Fleets and the Line Crews for all coming together to complete this project. See Attachment A.

CUSTOMER RELATIONS:

Community Outreach: Loveland Water and Power will be attending the following upcoming events:

Facebook Insights (October 2019):

- Reach (unique users) – 7,162 people
- Engagement (unique users) – 637 people
- Impressions (total count) – 13,700 people

Media:

- PV Magazine – October 7, 2019: [Coal costs see PacificCorp turn solar-plus-storage build out.](#)
- Times Call – October 10, 2019: [Platte River Power Authority to hold community meeting on renewable energy transition.](#)
- Reporter Herald – October 15, 2019: [PRPA to give on 5-years plan, renewable energy goal on Thursday at the Rialto.](#)
- Reporter Herald – October 22, 2019: [Loveland's wastewater treatment plant touts \\$41M in improvements at 'grand opening'.](#)
- Reporter Herald – October 24, 2019: [Letters: Public/private partnership: Loveland 2A, 2B.](#)
- Reporter Herald – October 26, 2019: [PRPA working on updating resource plan.](#)
- The Rocky Mountain Collegian – October 29, 2019: [Platte River Power Authority looks to citizens for goals.](#)
- Reporter Herald – October 31, 2019: [Loveland breaks ground on city-owned broadband utility.](#)
- Reporter Herald – November 10, 2019: [Power pole installation will cause outages, traffic interruptions along U.S 34 in Big Thompson Canyon on Wednesday.](#)

ATTACHMENTS:

-  Attachment A: Helicopter Photo

