

RECORD OF PROCEEDINGS

Town of Estes Park, Larimer County, Colorado, September 11, 2003.

Minutes of a Regular meeting of the **UTILITIES COMMITTEE** of the Town of Estes Park, Larimer County, Colorado. Meeting held in the Municipal Building in said Town of Estes Park on the 11th day of September, 2003.

Committee: Chairman Jeffrey-Clark, Trustees Gillette and Newsom
Attending: Chairman Jeffrey-Clark and Trustee Newsom
Also Attending: Town Administrator Widmer, Public Works Director Linnane, Utilities Supt. Goehring, Town Attorney White, and Deputy Clerk van Deutekom
Absent: Trustee Gillette

Chairman Jeffrey-Clark called the meeting to order at 8:00 a.m.

LIGHT AND POWER DEPT.

Light and Power Shop Asphalt Paving – Request Approval.

Director Linnane reported that the Light and Power Shop parking lot has never been overlaid or chip sealed since its construction in 1990. The parking lot is approximately 2400 square yards and will require approximately 200 tons of asphalt. Coulson Excavating submitted a bid to prepare and asphalt the lot at a cost of \$14,400. The budget includes \$15,000 for this project and construction would begin within the next 2 weeks. **The Committee recommends approval of the bid in the amount of \$14,400 submitted by Coulson Excavating.**

5-Year Financial Plan – Presentation.

John Gallagher of Black and Veatch presented the Light & Power 5-year Financial Plan. Included in this plan are the revised 2003 and 2004 budget figures submitted by staff for Town Board review. The 5-year Capital Improvement Projects include:

- Recommended rate increases of 3.9% for the years 2005 through 2008. The adopted 6.2% rate increase for 2004 still applies. This rate will be in addition to the proposed 2004 PRPA rate increase (Purchased Power Rider) discussed at the May and June meetings.
- \$50,000 annual conductor line/system improvements
- \$70,000 annual meter replacements (2005-2007)
- \$70,000 annual street light project
- \$600,000 fiber optic project (linking Estes Park to Loveland).

The preliminary plan projects: 1) an annual year-end surplus beginning in 2006; and 2) a fund balance of approximately \$2.7 million in 2008.

The **Committee recommends adoption of the preliminary 5-Year Financial Plan as presented.** This financial plan will be the basis for a Cost of Service Analysis/Rate Study planned for next year.

Reports

- Monthly Financial Report. The Light and Power Financial Reports and associated graphs for August were reviewed.
- Misc. Projects Update. None.

WATER DEPT.

Cost of Services/Rate Study – Presentation.

John Gallagher of Black and Veatch presented and discussed the Cost of Services Analysis for the Water Rate Study. The Study proposes extension of the 2.9% rate

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increase (previously adopted for the years 2004, 2005 and 2006) for 2007 and 2008. A fund balance exceeding \$1.1 million is projected for each year with a maximum fund balance of \$2.4 million estimated for 2008.

Discussion was held regarding rates, reserves, projected growth, capital improvement projects, waterline replacement, and accountable water. Concluding all discussion, the **Committee recommends adoption of the preliminary Cost of Services Analysis/Water Rate Study as presented, extending the 2.9% rate increase for 2007 and 2008.** Staff anticipates Black & Veatch presenting the final Water Rate Study for approval in October or November.

Fall River Tank Project Design/Construction Management Scope of Services – Request Approval.

The Committee previously approved a high zone water tank to be located adjacent and north of Hwy. 34 near the north entrance to Rocky Mountain National Park (MacGregor Mountain Lodge property). Design and Construction Management Scope of Service and construction costs have been included in the proposed 2003 and 2004 budgets (construction of the tank was originally budgeted in 2003, but was placed on hold due to the cost of the Marys Lake Raw Water Pump Project). Easements have been negotiated and the hydraulic analysis supports the location and elevation by increasing the “blue line” in the Fish Hatchery Road and Fall River Road area from 7,850’ to 8,055’.

Cornerstone Engineering submitted a Design/Construction Management Scope of Services at a cost of \$76,000. Following approval of the Scope of Services, completion of the project design and submission of bids is expected by the end of October. Construction is anticipated to begin January 2004 and Director Linnane noted that presentation of the bid results is anticipated at the November meeting. The **Committee recommends approval of the Scope of Services submitted by Cornerstone Engineering at a cost of \$76,000.**

Windy Gap Water Rights Exchange – Request Approval.

Attorney White reported that Glacier View Water System, Inc., a group of homeowners located just outside Town limits, submitted a request to exchange 1 CBT unit for 1 ac. ft. of Town-owned Windy Gap water to augment their existing water system. The request also includes a 20-year renewable lease contingent upon approval by both parties. The company will install a bulk rate meter and connect to the Town’s system, at their expense, should the Town’s water main become contiguous to their property and will pay to the Town an annual maintenance fee of \$350 (the only monetary exchange between parties). There is no budget implication with this request and the transaction does not impact the Town’s existing water rights; therefore, the **Committee recommends approval of the request as presented.**

Reports

- Monthly Financial Report – Water. The Water Financial Reports were reviewed.
- Miscellaneous Projects Update.
 - 1) The Marys Lake Raw Water Pump Station project – completed.
 - 2) Glacier Creek Filter Upgrade – completing the construction punch list.

There being no further business, Chairman Jeffrey-Clark adjourned the meeting at 8:40 a.m.