

RECORD OF PROCEEDINGS

Town of Estes Park, Larimer County, Colorado, July 19, 2007.

Minutes of a Regular meeting of the **UTILITIES COMMITTEE** of the Town of Estes Park, Larimer County, Colorado. Meeting held in the Town Hall in said Town of Estes Park on the 19th day of July 2007.

Committee: Chairman Homeier, Trustees Newsom and Pinkham

Attending: Chairman Homeier, Trustee Newsom

Also Attending: Administrator Repola, Deputy Administrator Halburnt, Utilities Director Goehring, Finance Officer McFarland, Deputy Town Clerk Deats

Absent: Trustee Pinkham

Chairman Homeier called the meeting to order at 8:02 a.m.

PUBLIC COMMENT

The Sustainable Mountain Living (SML) Group consists of concerned residents who are committed to a sustainable future for the greater Estes Park community. Their goals include gathering and sharing information, and taking action regarding existing and anticipated problems resulting from resource depletion, global warming, environmental degradation, and human population pressures. Tom Street/Allenspark spoke on behalf of SML to encourage the Town of Estes Park to pursue renewable energy resources and provide incentives to residents, such as net metering and rebates to customers who install solar electricity. Mr. Street provided the Committee with data, examples, and recommendations to consider related to a net metering program.

Thomas Beck/Architect – stated his own home is off-grid, producing energy to accommodate all of his power needs. He indicated that the battery bank required to operate off-grid is very expensive and that a net metering program would allow customers to use renewable energy sources and avoid the high cost of installing a battery bank.

Jim Tawney/1820 Fall River Road – stated he is working on a 35-unit development that will meet the criteria of Colorado's Built Green Program. The people inquiring about this development are interested in energy savings and incentives available for using renewable energy.

Paul Newendorp, representing the Methodist Church on 1509 Fish Hatchery Road, stated the church is looking into installing a generator to supply its electricity needs. He indicated their system would be larger than most and suggested incentives and rebates not be limited to systems of a specified size.

Michael Geik/Allenspark thanked all those who attended the meeting in support of SML and the Committee for hearing their presentation. He stated SML will cooperate and support government in addressing renewable energy issues.

Paul Garrett, pastor of St. Bartholomew's Episcopal Church, stated that as "stewards of the earth" his church is also pursuing renewable energy, possibly wind, to supply their electrical needs.

John Bleem/PRPA – stated that PRPA is looking for low cost renewable energy sources that meet environmental goals of reducing carbon dioxide, etc., and that the decision to offer incentives is left up to local utilities. He cautioned that even with incentives, installing generators is an expensive proposition with the payback, depending on the type of system, being 50 to 100 years.

Eric Waples/Ranch Meadows – had a question related to the wholesale and retail cost of electricity, how the difference between the two is used by the Town, and whether this could be a source of funds for incentives. Administrator Repola stated that this money pays for metering, customer service, line crews, and maintaining infrastructure and reflects the cost of goods.

RECORD OF PROCEEDINGS

Utilities Committee – July 19, 2007 - Page 2

Eli Roehl – stated she lives eight miles out of town and installed solar panels on her cabin last year to heat her home which cut her propane bills in half. She stated that if Estes Park became a “green” community, different types of businesses may be attracted to town.

Chairman Homeier thanked all those in attendance at the meeting for their input stating that the Committee appreciates their comments.

LIGHT and POWER DEPARTMENT

FIBER EXTENSION PROJECT: FAIRGROUNDS AT STANLEY PARK, LARIMER COUNTY, PARK SCHOOL DISTRICT R-3 – REQUEST APPROVAL.

Currently an aging copper communications connection exists for Stanley Park Fairgrounds, Larimer County, and Park School District R-3 (PSD R-3). This line, which is maintained by Platte River Power Authority (PRPA) and connects these entities to the fiber ring at the Senior Center, has become nearly unserviceable and needs to be replaced. Replacement of this fiber will provide the following benefits to the three participating entities:

1. Fiber for the Stanley Park Fairgrounds expansion projects and future phone, data, and security requirements. Expand the fiber ring to the Senior Center to meet future phone requirements for both the Senior Center and Museum.
2. The capability of visual monitoring of external sites on campus for PSD R-3 by the Estes Park Police Department, and a PRPA fiber connection.
3. Provide the County offices with PRPA fiber connections.

The new fiber would extend from the Estes sub-station to the County and School Administration Building at 1605 Brodie Avenue. The Town of Estes Park has in place the underground ducting for the fiber route, and due to the proximity of the fiber to the Town’s primary lines, PRPA will provide Selcon Utility, a power line contractor, for the fiber installation. Costs associated with the project will be shared equally by the Town of Estes Park, Larimer County, and Park School District R-3 and are as follows:

Selcon	\$18,506.50
PRPA	\$14,225.00
Fiber Terminations	<u>\$ 6,568.50</u>
Total	\$39,300.00

Staff recommends proceeding with the project, the Town’s portion of which would be approximately \$13,000. The **Committee recommends approval of the project, with the support of PRPA, not to exceed \$20,000 from the Community Reinvestment Fund (204-5400-544-3222) budgeted.**

WATER DEPARTMENT

BIG THOMPSON WATER TREATMENT FACILITY BUILDING DEMOLITION – REQUEST APPROVAL.

The 2007 budget includes funding for the removal of two abandoned buildings from the Big Thompson Water Treatment Facility and installation of a metal security building for access, SCADA monitoring, and sampling of the existing water storage tank on site. The Colorado Department of Public Health and Environment requires an environmental investigation prior to demolition of an abandoned water treatment plant. Stewart Environmental in Fort Collins performed a preliminary demolition investigation, taking 30 samples from various locations. They discovered the main plant and filter building had transite siding, which contains asbestos. Due to the quantity of siding, Stewart Environmental indicated that a certified abatement contractor would be needed to remove and dispose of the material. Staff attempted to contact the two abatement contractors who are certified with the State of Colorado. Only one company, Risk Removal, responded and was subsequently hired to perform the work.

To facilitate the removal of all the transite siding, the existing 3-phase electric meter needed to be removed and a new meter installed. All local electricians were contacted, with Ertl Mechanical being the only electrician to submit a quote. Ertl Mechanical was contracted to install the new single-phase service line and meter socket to replace the existing 3-phase power.

RECORD OF PROCEEDINGS

Utilities Committee – July 19, 2007 - Page 3

A follow-up investigation was performed by Stewart Environmental and the building was declared ready for demolition. A permit from the Colorado Department of Public Health and Environment will be required and will be issued directly to the contractor selected for the project. The costs associated with the asbestos abatement are as follows:

Stewart Environmental	\$1,100
Ertl Mechanical	\$2,200
Risk Removal	<u>\$5,942</u>
Total	\$9,242

Bids for the demolition of the building were solicited with the following results:

EZ Construction	No Bid Submitted
A1 Excavating	No Bid Submitted
Kitchen and Company	
Building Demolition	\$24,600
Furnish Fill Dirt and Placement	<u>\$ 4,000</u>
Total	\$28,600

Total costs for abatement and demolition are \$37,842. The **Committee recommends approval of the contract with Kitchen and Company in the amount of \$28,600 as budgeted from account 503-6300-540-25-02.**

MARY'S LAKE WATER TREATMENT FACILITY DESIGN MODIFICATIONS/EXPANSION: PHASE I – REQUEST APPROVAL.

Modifications to the existing Mary's Lake Water Treatment Facility were recommended in the 2006-2007 Water Treatment Facilities Evaluation which was done by HDR Engineering, Inc. Phase I of the Facilities Evaluation recommended the treatment capacity of the Mary's Lake Water Plant be increased from 2 million gallons a day to 4 million gallons a day, and a change in the treatment technology from rapid sand filtration to low pressure membrane filtration, which will allow the Town to meet the upcoming State and EPA regulations for water treatment. Construction cost estimates for Phase I are \$4,549,800.

Staff estimates that it will take about one year to design the Mary's Lake upgrades and would like to begin with project design allowing for an approximate start to construction of August 2008. Funds for facility design and construction management (\$350,000/year) were included in both the 2007 and 2008 budgets.

RFPs (design only) were sent to three engineering firms and on the Town website with the following response:

Black and Veatch	No response
Red Oaks Consulting	Declined opportunity to propose
HDR	Bid: \$377,845
Website	Several inquiries, no proposals

Staff recommends awarding the design contract for Mary's Lake Water Treatment Facility Design Modifications/Expansion: Phase I to HDR, Inc. at a cost of \$377,845. Following discussion, the **Committee recommends approval of the contract with HDR, Inc. as outlined above, with \$350,000 from 2007 funds and the balance in 2008 from account 503-6500-560-22-02 budgeted.**

WOOD MOUNTAIN MANAGEMENT, LLC: AMENDMENT TO LEASE OF WATER RIGHTS – REQUEST APPROVAL.

In August 2002, the Town and the Warren and Ruth Clinton Charitable Remainder Unitrust entered into a Lease of Water Rights for one acre foot of water per year to be in effect until the Town constructed a 300,000 gallon water tank on the Clintons' property. Construction of a storage tank and water main to the property has been completed and has extended water service up the Fall River Corridor to the lessee's property. Due to timing (the summer season), the lessee has not yet physically connected to the Town's water supply system and has requested a one-year extension to the lease. In June 2003, the Warren and Ruth Clinton Charitable Remainder Unitrust assigned its interest to Wood Mountain Management, LLC under the terms and conditions of an Assignment and Assumption Agreement. Wood Mountain Management, LLC, the assignee, agreed to assume and perform all of the obligations of the Warren and Ruth Clinton Charitable Remainder Unitrust pursuant to the lease. The lessee intends to connect to the Town's water supply system on or

RECORD OF PROCEEDINGS

Utilities Committee – July 19, 2007 - Page 4

before September 1, 2008. The **Committee recommends extending the lease until September 1, 2008.**

REPORTS

LIGHT AND POWER

1. Financial Reports – Dir. McFarland reviewed the report.

WATER

1. Potable Water Demand Projections – Jennifer Stillman, engineer for HDR, Inc., summarized a report addressing the Town's future needs for potable water and the methods of collecting data to prepare the report.
2. Water Financial Reports – Dir. McFarland reviewed the report.

There being no further business, Chairman Homeier adjourned the meeting at 9:42 a.m.

Cynthia A. Deats, Deputy Town Clerk

* Editor's Note: Spelling correction: Michael Geik should be changed to Michael Dzik