

**RECORD OF PROCEEDINGS**

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*Town of Estes Park, Larimer County, Colorado, February 21, 2008.*

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 21<sup>st</sup> day of February 2008.

Committee: Chairman Homeier, Trustees Newsom and Pinkham

Attending: Chairman Homeier and Trustee Pinkham

Also Attending: Town Administrator Halburnt, Deputy Town Administrator Richardson, Director Goehring, Finance Officer McFarland, Asst. Utilities Dir. Mangelsen, Town Clerk Williamson

Absent: Trustee Newsom

Chairman Homeier called the meeting to order at 8:05 a.m.

**PUBLIC COMMENT**

None.

**LIGHT & POWER DEPARTMENT**

**Rebar Tree LED Upgrade – Request Approval.**

The Town owns and operates 120 rebar Christmas trees that are placed on light poles throughout Town and two season's greetings Christmas displays. These displays presently utilize incandescent bulbs which consume large amounts of energy. These incandescent bulbs have on the average a 3,000 hour burn time and cost \$.25/ea. Through technology, another bulb is now available on the market that consumes much lower amounts of energy. This bulb, the LED, has an 80,000 hour burn time but costs \$1.25/ea. During last year's Christmas season, two rebar trees were equipped with these LED energy saving bulbs on a trial basis. With environmental concerns and global warming issues being paramount in today's society, it is important to reduce greenhouse gas emissions whenever possible. Therefore, staff requests approval to purchase LED bulbs to install in the rebar trees and the season's greetings displays. After further discussion, **the Committee recommends approval to purchase LED bulbs for the rebar trees and Christmas displays for a cost of \$6,800 from #502-6501-560-2615 as budgeted.**

**Primary Wire Trailer – Request Approval.**

The Light & Power Department budget includes \$15,000 for a new primary wire trailer. The trailer would be used for transporting primary power wire to the job site; the trailer has a turret to better align the wire reel when un-spooling wire in tight areas.

**Sauber Manufacturing Company - Virgil, IL.**

2008 Sauber Model #1519 Turret Wire Trailer .....	\$14,671
Freight .....	<u>\$ 1,250</u>
	Bid Price \$ 15,921

**Sherman & Reilly Inc. - Chattanooga, TN.**

2008 Sherman & Reilly Model TRT-172-6K-T Turret Wire Trailer / f.o.b. factory	Bid Price \$18,500
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**Henry & Wright Corporation, - Cleveland OH.**

2008 Henry & Wright Model # Single Turret Wire Trailer .....	NO RESPONSE
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The **Committee recommends approval for the purchase of the primary wire trailer from Sauber Manufacturing Company for a cost of \$15,921 from #502-6501-560-26-43 as budgeted.**

**WATER DEPARTMENT**

**One-Ton Truck Purchase – Request Approval.**

The 2008 Vehicle Replacement Fund budget includes \$42,000 for the purchase of a new 1-ton truck w/utility body and crane for use in the Water Department.

Weld County Garage – Greeley CO.  
2008 GMC K-3500 4x4 w/utility body..... \$39,789

Spradley Barr Ford – Ft. Collins, CO.  
2008 Ford F-350 4x4 w/utility body..... \$40,078

Phil Long Ford - Colorado Springs, CO.  
2008 Ford F-350 4x4 w/utility body..... \$42,225

Transwest GMC - Henderson, CO.....NO RESPONSE

The used truck will be absorbed by the Fleet Department and used as a response vehicle when equipment breaks down in the field. The Fleet Department will contribute to the Vehicle Replacement Fund a prorated amount based on a trade in value of \$10,000. The **Committee recommends approval for the purchase of a 2008 GMC K-3500 4x4 w/utility body and crane from Weld County Garage for a cost of \$39,789 from #635-7000-435-34-42 as budgeted.**

**System Development Charge Report – Request Approval.**

HDR Engineering, Inc. (HDR) was retained by the Water Department in February of 2007 to prepare the water utility system development charges and water rights fees. The objective of this study was to calculate cost-based fees for new customers connecting to Estes Park’s water system. By establishing cost-based system development charges, Estes Park will assure that “growth pays for growth”, and existing utility customers will, for the most part, be sheltered from the financial impacts of growth.

Estes Park currently has water system development charges, called water tap fees or connection charges, which have not been updated since 1995. The water rights fees were last updated in 2003. General industry practice recommends adjusting these fees annually for changes in the costs of construction and to update the fees every three to five years, or whenever comprehensive planning documents for the systems are updated. Estes Park recently completed a financial plan for the utility and the Evaluation of the Water Treatment Facilities. The fees are calculated in conformance with regulatory requirements and are based on Estes Park’s planning and design criteria. The charge is related to the impact the customer has on the system and the benefit the customer derives from the system. The fee methodology uses a replacement cost approach, meaning that as time increases, so does the cost to replace the existing system. The fee methodology has both a “buy-in” and a “future” component to the calculation. With the increases in the value of the existing system, and those improvements needed to meet demand in the future, the fee is increasing accordingly. These costs need to be included in the fee to ensure that existing customers are sheltered from the impacts of growth. The report also recommends the fee is updated annually to eliminate large increases.

After further discussion, the **Committee recommends approval of the report and setting an action item for the March 11, 2008 Town Board meeting to discuss the fee increases and setting a public hearing for the fee increases on April 22, 2008.**

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**Reports**

**Light and Power**

1. **Light and Power Dept. Financial Report** – Dir. Goehring and Finance Officer McFarland reviewed the financial reports.

**Water**

1. **Water Financial Report** – Dir. Goehring and Finance Officer McFarland reviewed the financial reports.

**MISCELLANEOUS**

Dir. Goehring stated this winter has been particular cold and windy. Typically the department does not encounter service line freezes until later in the winter. This year the department has received a number of calls and has had to turn on additional bleed lines to keep lines from freezing. This can be very expensive for the customer.

Trustee Pinkham stated the Governor's Energy Office has announced the launch of a statewide residential Solar Residential Program. The GEO would partner with interested cities, towns, utilities and nonprofits by offering matching grants of up to \$25,000 to develop local solar electric and solar domestic hot water rebate programs. He questioned if the Utilities Department had investigated the program. Dir. Goehring stated the department is also waiting to see if the legislators will require the utility to allocate 2% of its annual budget for a rebate program. If not, during the next budget cycle the department may request .5 to 1% be used to fund a local rebate program.

Trustee Pinkham questioned whether or not Platte River Power Authority (PRPA) is investigating solar as a power source. Dir. Goehring stated PRPA is looking at all renewable energy sources; however, currently wind energy is the most cost effective. PRPA can produce renewable energy at one quarter the cost of a stand alone system. In addition, the Town's Organic Contract allows the Town to produce up to 50 Kwh of renewable energy.

There being no further business, Chairman Homeier adjourned the meeting at 8:53 a.m.

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Jackie Williamson, Town Clerk