



**Minutes  
Program Management Review (PMR) Committee  
Colorado Springs Utilities Board  
Rosemont Conference Room/Microsoft Teams  
Wednesday, Nov. 9, 2022**

**Committee members present via web conference or in the Rosemont Conference Room:**  
Committee Chair Tom Strand, Dave Donelson and Bill Murray

**Staff members present via web conference or in the Rosemont Conference Room:**  
Monica Indrebo, Steve Duling, Joe Awad, Jared Miller, Lisa Barbato, Dave Padgett, Natalie Watts, Rich Norton Jr., Pattie Benger, Al Wells, Renee Adams, Jessica Davis, JerriAnn Lalond, Kerry Baugh, Brian Wortinger, Christian Nelson, Kevin Binkley, Sarah LaBarre, Gina Smith, Tara McGown, Travas Deal, Mark Peters, Justin Fecteau, Jennifer Jordan, Andy Muser, Charlie Cassidy and Joseph Rasmussen

**City of Colorado Springs staff members present via web conference or in the Rosemont Conference Room:** Jennifer Carpenter

**Citizens present:** None

1. Call to Order and Review Minutes

The meeting convened at 1:00 p.m. and Chair Tom Strand read a statement regarding the Colorado Open Meetings Law and City Charter and stated that public comment would not be a part of the meeting.

The minutes from the Aug. 11, 2022, Program Management Review Committee meeting were reviewed for posting and approved.

2. Review of Programs/Projects on the 2022 Balanced Scorecard

a. Sustainable Energy Portfolio

Ms. Sarah LaBarre, Electric and Gas Design Manager, reviewed the Sustainable Energy Portfolio (SEP), beginning with the project map. Ms. LaBarre provided a brief overview of the Flying Horse Series Reactor that will regulate the transmission flow. The Briargate transmission line is well underway and will finish in the first part of 2023. Kelker substation will begin with some site work; main construction activity will not begin until next year. Kelker to South plant transmission line project is in the land acquisition phase. The Horizon substation is in active construction and the Advanced Technologies Campus is going through site grading. The Williams Creek Substation is complete and ready to interconnect solar when that comes online in 2024.

Completed milestones include the Natural Gas Generator project at Drake where all six units have been received. The electrical building was completed, allowing the

transformer to serve the units.

Budget updates provided include the electric infrastructure ending under planned cost due to material challenges. A lot of spending will happen at the end of the year however some money has been transferred to the 2023 budget. Portfolio Management is receiving external consultant support. Some costs have been distributed from portfolio to project costs.

Some areas of concern include equipment and material cost increases, long lead times on equipment and availability of material and labor resources. Labor costs have increased roughly 15%-20%.

Safety was reviewed with four minor incidents including property damage, but no injuries.

Next steps involve ongoing work into the first quarter of 2023. Aside from the Advanced Technologies Campus project, which is on hold, all other major projects will continue on task.

b. Gas Distribution Integrity Management Program (DIMP) and Compliance Projects Implementation

Mr. Mark Peters, DIMP Program Manager, gave an overview of the DIMP requirements. Violations of this program will result in fines and the possibility of a third-party taking over.

The project schedule was reviewed and of the 13 main projects, about eight have reached or exceeded the planned progress for the third quarter. The delays in the other projects are due to a variety of causes such as supply chain issues, reprioritizing other projects, long lead times, etc. Projects are expected to get back on track in 2023.

The budget was reviewed and reported underspending through the third quarter. Most of this is due to contractor bills coming in at the end of the month. There are a few procurement and executing design contract delays. Some funding was released and reprioritized under other gas initiatives.

Areas of concern for DIMP are similar to the Sustainable Energy Plan portfolio concerns.

Mr. Jared Miller, Gas Construction and Maintenance Manager, reported one safety incident related to job site security. The reason for this was supply chain issues that caused traffic because of a lack of cold mix. Cold mix has since been received and applied.

c. Utilities Infrastructure Coordination with the City

Ms. Tara McGowan, Engineering Manager, briefly discussed various project overviews, to include a finished water linear asset program that was tied to the City's paving program, work on a Sanitary Sewer Creek Crossing (SSCC) Program in relation to the City's Stormwater Enterprise, public improvement projects for water and wastewater, and work on the Utilities Reliability Program (URP).

Regarding the budget, the Sanitary Sewer Creek Crossing is on track, but ran into some permit issues. Otherwise, the other main programs are on track but are slightly over budget.

Areas of concern for over budget is because of supply chain issues and the number one issue is getting materials. Colorado Springs Utilities is being proactive because its procurement department is staying in constant communication with vendors and orders parts earlier to navigate the delays. In addition, the SSCC program permits are taking much longer and makes it challenging to meet spend. All projects are now going through individual permit processes which is taking several months. Springs Utilities is re-evaluating scheduling to include time for permitting.

In Safety, there were two incidents due to imperfect locates that caused some minor utility line damages.

Next steps include ongoing coordination and communication with the City and Springs Utilities at quarterly leadership meetings and bi-monthly staff meetings, managing all projects through Project Viewer and project specific coordination meetings with stakeholders.

### 3. North Monument Creek Interceptor Project

Andy Muser, Project Manager, discussed the project overview where the scope is to design and construct an eight-mile wastewater interceptor from near the Upper Monument Creek Wastewater Treatment Facility to existing wastewater collection systems which connect to the J.D. Philips Water Resource Reclamation Facility. Objectives remain the same with advance regional initiatives by providing wastewater service for two northern sanitation districts, more efficient use of the J.D. Philips Water Resource Reclamation Facility and decreasing operation and maintenance expenditures by eliminating at least one lift station in the near term and allow the flexibility to eliminate more in the future.

The Project Schedule includes the National Environmental Policy Act (NEPA) process which is expected to be complete by early 2023. The design agreement was signed in September 2022 and the Design Request For Proposal (RFP) is under development and the agreement will be ready to be signed once the NEPA process is complete.

Regarding the budget, the project is at \$1.3 million with non-labor and is currently operating under the NEPA agreement with the northern entities, Triview and Forest Lakes. From 2023 to 2025 the costs will be shared with Triview and Forest Lakes. The total project is expected to cost around \$37 million, but this does not include connecting existing lift stations.

Areas of concern include waiting for NEPA to finalize with a couple of federal entities, the landfill crossing on federal property and coordination with the Colorado Department of Public Health and Environment (CDPHE). There are two more agreements to get through, which are a construction agreement and long-term agreement. The long-term easement acquisition through the U.S. Air Force Academy is expected to take close to two years to complete.

Next steps involve the completion of the NEPA process, coordinating the landfill crossing, procuring a design firm, executing the contract as soon as NEPA is complete, and completing the permitting process.

4. 2022 Program/Project Dashboard Review

Mr. Steve Duling, Project Management Manager, addressed projects by exception on the 2022 Program/Project Dashboard Review. The projects discussed were at- elevated levels of awareness, outside the plans and/or project trends. A few highlighted projects are experiencing supply chain delays.

5. Contracts over \$500,000

Mr. Rich Norton Jr., Supply Chain General Manager, reported a small slowing of price increases, softening of overall demand and backlogs decreasing.

6. Committee accomplishments and 2023 work plan

Ms. Lisa Barbato, Chief Systems Planning and Projects Officer, reported on 2022 accomplishments, such as a detailed reviews of the Sustainable Energy Plan portfolio, Infrastructure Coordination with City, Gas Distribution Integrity Management Program and Compliance Projects, Advanced Metering Infrastructure, Fiber Optics/Communications Network, Clear Springs Ranch Resource Recovery Facility Biogas Utilization, and the North Monument Creek Interceptor project. There was an additional review of more than 50 high-profile projects/programs from the 2022 Annual Operating Financial Plan and review of contracts issued over \$500,000.

The 2023 focus areas include detailed quarterly reviews of projects/ programs with safety, scope, schedule/ financial status and areas of concern. The committee will also review contracts issued over \$500,000 and go on tours once a quarter.

7. Closing Remarks and Adjournment

There were no further closing remarks. The meeting adjourned at 3:12 p.m. The next meeting is Feb. 9, 2023.