



Minutes
Program Management Review (PMR) Committee
Colorado Springs Utilities Board
Rosemont Conference Room/Microsoft Teams
Thursday, Aug. 11, 2022

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

Staff members present via web conference or in the Rosemont Conference Room:
Bethany Schoemer, Monica Indrebo, David Longrie, Mark Peters, Tara McGowan, Kevin Binkley, Nick Forehand, Rahul Subramanian, Steve Duling, Rich Norton Jr., David Padgett, Lisa Barbato, Al Wells, Joe Awad, Mike Francolino, Christian Nelson, Jessica Davis, Jamie Fabos, Tara Kelly, Joe Bogar, Jared Miller, Pattie Benger, Rene Adams, Tristan Gearhart, Natalie Watts, Gina Smith, Larry Dunn, Kerry Baugh, Natalie Lovell, Sarah LaBarre and Shawn Timothy

City of Colorado Springs staff members present via web conference or in the Rosemont Conference Room: Victoria Classen and David Beckett

Citizens present: None

1. Call to Order and Review Minutes

The meeting convened at 12:58 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 May 12, 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

Mr. David Longrie, Project Manager Supervisor, discussed expansion of the Sustainable Energy Plan (SEP) project map. In the North System Projects, a new transmission line tap will be about half a mile, the Briargate Substation will be expanded, existing transmission lines will be updated and there is a Flying Horse Substation Series Reactor planned. In the Central System Projects, the Kelker Substation will be expanded and reconfigured, and a new transmission line is planned for about six miles. Finally, in the South System Projects, there is a new Horizon Substation planned, there will be a Williams Creek Interconnection and a new transmission line planned for about 17 miles.

The Temporary Natural Gas Generator (TNGG) project will require increased spending. The project underspent through first half of the year because the Horizon

Substation had a four-month delay with contractors and internal procurement, shifting the project out to 2023 . Additionally, there was a decrease of actuals in equipment and labor resources. Due to the size of the project, an external firm has been brought in to help assure quality. Mr. Longrie confirmed the project remains on track.

Civil work has started on both the Horizon Substation and Briargate Substation. All six units for the TNGG project are on site and in place along with the electrical building structural steel. Internal crews set breakers, switches, and instrument transformers at the Williams Creek Substation. The Kelker to South Plant transmission line is in a continued easement acquisition. Lastly, crews have started drilling and pouring tower foundations for the new Briargate line and the Cottonwood to Fuller uprate.

In areas of concern for the projects, there is a 39-week wait for transformers. Supply chain issues continue to cause delays even with smaller materials and equipment. Consumables lead times have reduced, while cable and transformers have a longer lead time. Price gouging remains a concern and the federal government is expected to take action to address this. Project managers are looking into alternatives to circumvent these issues.

In the scope of safety, no incidents have occurred with the TNGG project. Overall, there were only three minor vehicle accidents on electric infrastructure projects that caused some property damage, but no injuries.

Looking ahead, on the TNGG project, paving and electrical work will be completed. The Horizon substation will continue site grading, detention pond and road completion. The Briargate Substation foundations, equipment and steel installation completion is the next step. The advanced Technologies Campus remains on hold until 2023. The Williams Creek Substation will continue with construction. The Briargate New Line and Cottonwood to Fuller Uprate will continue to work on tower foundations. On Midway to Kelker the design scope of the new transmission line will begin.

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

Mr. Mark Peters, DIMP Program Manager, provided a brief history of DIMP beginning with the Federal Code of Regulations. Specifically, Code 49 of Federal Regulations, Part 192, Subpart P that was published Dec. 4, 2009 regarding pipeline safety for gas distribution pipelines. Under the code are several different elements and requirements. For this meeting, the focus is on the following elements from the code of identifying and implementing measures to reduce risk, measures of performance, results and evaluations, and the reported results specifically.

Schedule wise, there are progress delays on bare steel main renewals and bare steel service renewals due to mapping issues and locating bare steel. This progress will be

made up in the second half of 2023. All other operator defined metrics from the upcoming 2022 DIMP Program Plan are on track or very close to it.

Regarding budget for the DIMP for 2022, there was underspending on the bare steel renewals due to a lag on invoices from contractors, though the work is complete. Larger steel projects will be initiated in the fourth quarter of 2022.

Areas of concern are supply chain delays on materials and contractor pricing for construction and design increases.

Projection completion highlights include 1.8 miles of new six-inch steel installed from Mesa to Manitou and renewed tar coated steel with deficient cathodic protection. Crews are working on “pickling” or adding mercaptan to the new steel. The Lover’s Lane project is completed which was half a mile of bare steel main and 9 bare steel services renewed.

Board Member Fortune inquired on safety of crew on the Lover’s Lane project due to known homeless population in that area. Mr. Jared Miller, Energy Construction and Operations Maintenance Manager, reported that there were some access issues, but no safety issues that needed to be elevated at any point.

Mr. Miller reported further details on safety which included minor vehicle windshield damage caused by flying asphalt, a contractor damaging a utility line in Black Forest that caused slight outage, and one injury that was a laceration of a finger from a gas pipe. Covid related illnesses are not included in the metrics.

c. Utilities Infrastructure Coordination with City

Ms. Tara McGowan, Engineering Supervisor, briefly discusses 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 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, some overspending was caused by inflated costs of material and costs of labor. Some projects on URP have been pushed out to balance costs and supply chain issues.

Mr. Kevin Binkley, Project Management Supervisor, addressed areas of concern which largely include supply chain issues and the need to prepurchase materials when generally contractors used to purchase materials themselves. Additionally, a concern has been the public’s perception and Colorado Springs Utilities is working to ensure the public knows these projects are being done in collaboration with the City’s projects. Project managers are also working on coordination with other utility providers to ensure lines don’t cross or lose locations.

Mr. Binkley addresses safety and there are no major safety incidents in the three programs. There have been a few minor incidences where a utility line was hit and immediately fixed, but there have been no injuries and no lost time from injuries.

Next steps include ongoing coordination with the City, managing all projects through project viewer application, and project specific coordination meetings with stakeholders.

3. Clear Spring Ranch Resource Recovery Facility (CSRRLF) Biogas Utilization Project

Mr. Rahul Subramanian, Engineer IV, introduced the wastewater system infrastructure and the Biogas Utilization Project. Mr. Subramanian explained that biogas comes from wastewater and can be a source of energy. This project is working to remove impurities from biogas to make it more useable and safer.

Mr. Nick Forehand, Project Manager III, covered the project specific scope and work packages. The work packages include the pipelines that need to be designed and constructed to carry the gas. Next, an agreement with Kinder Morgan needs to be established to inject biogas into Kinder Morgan pipelines. Biogas needs scrubbing or cleaning and compression. There will be an owner's advisory services for project oversight. Lastly, the offsite fog and scum management aspect is on hold due to uncertainty on federal regulations. If regulation allows for modification, then additional revenue can be accessed from biogas. In the schedule overview, the design phase is in the works, construction is set to begin in 2023 and the integration phase should take place sometime in 2024.

The budget overview includes high level estimates as there are areas of concern in permitting, equipment and material cost increases, long lead times and availability of material and labor resources.

There have been no safety incidents to date. The safety by design approach will be applied in the onboarding process in coordination with real life application.

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 are at noteworthy 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 projects continue to experience long lead times and price pressures across the board. Managers are continuing to look for other sources of supply domestically and internationally.

6. Closing Remarks and Adjournment

There were no further closing remarks. The meeting adjourned at 3:28 p.m. The next meeting is Nov. 9, 2022.