



Minutes
Strategic Planning Committee
Sept. 21, 2023

Committee members present in the Rosemont Conference Room or online: Committee Chair
Brian Risley

Utilities Board members present in the Rosemont Conference Room or online: Michelle Talarico,
Dave Donelson and Mike O'Malley

Staff members present in the Rosemont Conference Room or online: Travas Deal, Natalie Watts,
Marcela Espinoza, Lisa Barbato, Mike Francolino, Abby Ortega, Tristian Gearhart, Somer Mese,
Dave Padgett, Joe Awad, Drew Latrell and Renee Adams

City of Colorado Springs staff members present in the Rosemont Conference Room or online:
Renee Congdon and David Beckett

Call to Order

Committee Chair Risley called the meeting to order at 4:02 p.m.

Review Minutes

The minutes from the Aug. 15, 2023, Strategic Planning Committee meeting were reviewed and accepted for posting.

Compliance Reports

• **I-7 Water Supply Management**

Ms. Abby Ortega, General Manager-Resource Infrastructure Planning, reviewed the I-7. She stated that Colorado Springs Utilities protects Colorado Springs' existing water resources vigorously against claims and filings by others by filing statements of opposition to water rights claims made in Colorado water courts that have the potential to impede, infringe upon, or decrease the yield from Colorado Springs' decreed water rights. As of July 31, 2023, Colorado Springs Utilities is involved in 25 statement of opposition cases.

Colorado Springs Utilities' staff participated in water court actions related to the protection and development of water rights.

As of July 31, 2023, Colorado Springs Utilities is a party in 31 water rights cases, consisting of two application cases, four diligence cases, and 25 statement of opposition cases. During the reporting period, Colorado Springs Utilities filed three applications for findings of reasonable diligence regarding certain conditional water rights owned by Utilities and its partners, and/or to make portions of the conditional water rights absolute while maintaining the remaining conditional portions of those rights during the reporting period.

Colorado Springs Utilities' staff is actively pursuing development of its remaining conditional water rights located on the Western Slope of Colorado. The primary means of protecting and developing these water rights is to complete the permitting and construction of the infrastructure needed to divert the water and place it to beneficial use. Two systems in the Colorado River Basin have conditional rights and undeveloped supply:

Continental-Hoosier System - Staff continued to participate in settlement negotiations for the remaining conditional water rights and have conducted planning studies, engineering, legal analysis, and pre-permitting work regarding the development of these water rights and supply. Settlement negotiations are proceeding in a manner consistent with direction received from the Utilities Board. In addition, staff has continued working on permitting a project to fully utilize the rights available under the Continental-Hoosier System and is currently meeting with the appropriate permitting agencies to develop a full and complete application that complies with federal, state and local requirements.

Eagle River Joint-Use Water Project - Staff participated in partnership discussions and conducted planning studies, engineering, legal analysis, and pre-permitting work to support the development of these water rights and supply.

Colorado Springs Utilities' staff performed engineering and legal work that facilitate the use of the water rights associated with shares in the Lower Arkansas Water Management Association (LAWMA) it acquired in 2018 and previous years, as well as temporary use waters acquired through separate agreements with the Super Ditch Company and LAWMA. We took delivery of water from the Super Ditch Pilot Project in 2022 and it will provide Colorado Springs Utilities up to 1,000 acre-feet (AF) of water in two of the next eight years. In addition, delivery of LAWMA water occurred in 2022 and the agreement with LAWMA will provide Colorado Springs Utilities approximately 2,000 AF of water in four of the next eight years.

Colorado Springs Utilities also acquired 2,999 shares in the Fort Lyon Canal Company (FLCC). Colorado Springs Utilities is also under contract to purchase an additional 80 shares in the FLCC in the fall of this year, for a total ownership of 3,280 shares. Colorado Springs Utilities' staff, attorneys and outside experts performed engineering and legal work that will facilitate the use of the water rights associated with these shares.

Colorado Springs Utilities' staff continue to evaluate and pursue opportunities to acquire additional water supplies and participate in storage projects in the Arkansas, Colorado, and South Platte River Basins.

- **I-9 Treatment of Customers and Customer Information**

Mr. Mike Francolino, Chief of Customer and Enterprise Services Officer, discussed the I-9 compliance report on the Treatment of Customers and Customer Information.

He said that Colorado Springs Utilities only collects information needed to perform our business functions. The information we collect is used to manage customers' accounts and the billing process for energy and water services we provide. We also use it to communicate with customers, respond to their questions, provide customer support, improve our services and product offerings, protect against fraud and comply with legal requirements.

Customer information is safeguarded with a defense in depth strategy to protect the privacy and security of sensitive information, which includes customer data. Defenses are implemented and configured through software, hardware, policy, contractual agreements, and physical access mechanisms and restricted to Colorado Springs Utilities employees and support staff who have an authorized business purpose.

Complaints may arise from any issue involving utility services, and when complaints are received they are resolved in a timely and fair manner. In these situations, customers have the option to escalate the dispute through internal staff or further escalate the dispute through an informal review via Colorado Springs Utilities or the Better Business Bureau. Efforts are continually made to resolve customer issues through staff to minimize escalations.

Mr. Francolino said that if the complaint is not resolved through an informal review and a customer feels Colorado Springs Utilities violated their rights or is in violation of our Tariffs, he/she may participate in our Dispute Resolution Process as outlined in the Utilities Rules and Regulations on the Colorado Springs Utilities website.

Our customers expect to receive from us timely, helpful information about their utility services. We provide them information about utility safety, energy and water efficiency, customer service and payment assistance programs and operations updates (e.g. major projects, construction advisories, service interruptions, emergency response).

We use a mix of media channels preferred by our customers. Channels include print and digital/social media, monthly bill inserts, direct mail, electronic publications, public meetings, community events and personal interaction with staff. We also work with local news outlets on a regular basis to inform our customers about services we offer.

Review mid-year results from the 2023 Balance Scorecard

Ms. Natalie Watts, Strategic Planning and Governance Manager, presented the mid-year 2023 Balanced Scorecard results. She explained that the Enterprise Balanced Scorecard is updated and reviewed throughout the year, and it measures the organization's performance in achieving strategic objectives. Ms. Watts stated the year end overall score was 3.74 on a 1-5 scale, which translates to "meets expectations." Ms. Watts further described that 27 of 28 measures were reported: 7 were far exceeds expectations, 7 were exceeds expectations, 9 were meets expectations, 2 were partially meets expectations, 2 were does not meet expectations, and 1 was not reported because it is reported annually after quarter three.

Committee members discussed reasons why Colorado Springs Utilities scored below competitors and agreed Springs Utilities will continue to do better. Chair Risley proposed restructuring the scorecard to align with where the industry is currently.

Mr. Francolino reviewed the Customer Satisfaction Improvement Action Plan. This is a plan he and his team put together to address the "Does Not Meet Expectation" scores for the two customer service measures. The plan he created states that through collaboration and open communication, we aim to enhance the overall customer experience and strengthen our relationships with all business customers. We will accomplish this by:

- Forming a Customer Steering Committee with the goal to enhance program engagement encompassing enrollment, offerings, and overall ease of doing business.

- Increasing communication efforts to support transparency, trust, and community relationships.
- Increasing customer utilization of the new “My Account” platform and providing a more streamlined service for small businesses.

Review of Electric Transmission System Construction

Mr. Joe Awad, General Manager of Planning and Engineering, provided an overview of the electric system, electric transmission line costs, and the attributes and considerations of overhead versus underground transmission lines. He further explained the difference between typical transmission structures, stating that we will use steel monopoles going forward.

Committee Member Mike O’Malley asked what the wind ratings are for steel monopole structures. Mr. Awad advised that steel monopole transmission structures will withstand 105 miles per hour (MPH) wind compared to past wood structures which only withstood 95 mph.

Mr. Awad reviewed the policy history, underground policy funding, current transmission construction practices, and practices of industry peers. He reviewed the next steps of continuing to put new transmission lines overhead and staying on course for those transmission projects that are already in progress.

Mr. Awad advised that our transmission systems are inspected regularly and because of these inspections we are reviewing what vegetation work is needed under the supervision of a certified arborist. He said we have partnered with the U.S. Forest Service, State Forest Service, El Paso County Fire, Colorado Springs Fire and Manitou Fire Departments. We are developing a Wildlife Mitigation Plan to further enhance our capabilities and protect our assets.

Committee members discussed whether the policy should go to the Utilities Board for review or advise if modifications are needed. All members collectively agreed for this to be reviewed at the October Utilities Board meeting.

Review draft of the Strategic Planning Matrix

Ms. Lisa Barbato, Chief Systems Planning and Projects Officer, provided an overview of the draft strategic planning matrix that was requested at the previous meeting. The matrix aligns with the organization’s five strategic objectives, which are:

1. *Deliver quality utilities*
2. *Focus on the customer*
3. *Financial accountability*
4. *Support our community*
5. *Enable employee empowerment*

Committee Members agreed that this matrix is a good framework for the Strategic Planning Committee to use. Ms. Barbato advised that the matrix go into effect for 2024 and the committee members agreed.

Plan for future meeting: Tuesday, Oct. 17, 2023

Chair Risley advised that he will be out of town for the next meeting, however, he will join remotely.

Adjournment

The meeting adjourned at 5:44 p.m.