



Minutes
Utilities Policy Advisory Committee (UPAC)
Wednesday, April 6, 2022
Blue River Boardroom, 5th floor, 121 S. Tejon St., Colorado Springs, CO
and Microsoft Teams Virtual Meeting

Committee members present in the boardroom or via Microsoft Teams: Chair Gary Burghart, Vice Chair Larry Barrett, Rex Adams, Hilary Dussing, Katherine Danner, Michael Borden, and Alternate Member Ruth Ann Schonbachler

Committee members excused: Scott Callihan and Chris Francis

Staff members present in the boardroom or via Microsoft Teams: Lisa Barbato, Natalie Watts, Kerry Baugh, Al Wells, Kim Gortz, Pat Wells, Scott Shirola, Joe Marcotte, Pattie Benger, Abigail Ortega and Christian Nelson

City of Colorado Springs staff present in the boardroom or via Microsoft Teams: David Beckett

1. Call to Order

Chair Gary Burghart called the meeting to order at 8:03 a.m.

2. Approval of March 2, 2022 UPAC Meeting Minutes

Vice Chair Larry Barrett motioned, and Committee Member Hilary Dussing seconded the motion to approve the March 2, 2022 meeting minutes. The minutes were unanimously approved with a voice vote.

3. Citizen Comment

Mr. Sam Masias discussed a Utilities Board governance study performed by UPAC in 2012 and suggested a different, more efficient and effective Utilities Board governance structure be considered in the future.

4. Water Acquisition Funding Assignment

Mr. Pat Wells, General Manager of Resource and Demand Management, provided an overview of the UPAC Water Acquisition Funding Assignment materials covered to date. He discussed fund framework considerations, including parameter thresholds and process.

Mr. Wells responded to committee members' questions regarding specific water projects and yield expansion projects, explaining the difference between water rights and water infrastructure in relation to water storage and expansion.

Mr. Scott Shirola, Pricing and Rates Manager, reviewed potential funding resources,

including the Water Resource Fee, the existing Water Reserve Account and other funding opportunities. He then discussed the current and potential cost recovery process with regards to a dedicated Water Acquisition Fund and reviewed current Utilities Board governance policies related to water reserves and water infrastructure.

Mr. Shirola and Ms. Kim Gortz, Water Planning Resource Supervisor, responded to committee member questions regarding the existing budget in relation to planned projects and to funding a Water Acquisition Fund, prioritization and potential policy changes. Mr. Shirola explained the background and timing of the Water Resource Fee and responded to Chair Burghart's question regarding the consideration of inflation and interest. He then responded to committee questions regarding potential sources of funds for a dedicated Water Acquisition Fund.

Vice Chair Barrett requested input from other stakeholders, including Colorado Springs Utilities leadership. Ms. Lisa Barbato, Systems Planning and Projects Officer, confirmed that executive leadership is informed and providing input on the UPAC assignment and potential Water Acquisition Fund.

Mr. Burghart proposed an outline for the next assignment update to the Utilities Board.

Mr. Wells concluded with next steps for the Water Acquisition Funding assignment.

5. Committee Member General Discussion

Vice Chair Barrett requested staff provide information regarding a news article he read on annexation and the City of Fountain.

6. Adjournment

Chair Burghart adjourned the meeting at 10:07 a.m.

Next meeting: Wednesday, May 4, 2022 at 8:00 a.m.